

**ANNUAL
REPORT 2021**

**Creativity
Innovation
Dynamics
Competitiveness
Ambition**



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Grupo
Visabeira

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2021 in retrospective

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Grupo Visabeira





The Chairman of the General and Supervisory Board

Fernando Campos Nunes

**Grupo Visabeira
achieved extremely
positive performance
this financial year.
Even in the middle
of the pandemic, the
company exceeded
goals and historical
highs in the main
indicators.**



The year 2021 was essential for Grupo Visabeira, which within an extremely adverse scenario, with an unprecedented pandemic crisis, definitely established itself as a global player in the sector of integrated offer of engineering services for telecommunications and energy networks, strengthening a leading position in the European market.

This year of strong growth was supported by a strategy based on three essential pillars, which strengthened the entire organization:

- a) Overcome the pandemic period, responding assertively to demanding market requests, and positioning itself as an essential pillar in order to guarantee the operation of the essential technological infrastructures for people's lives and companies;
- b) Ensure a strong growth of activity under a scenario of enormous challenges and uncertainties, in the different sectors of its activity;
- c) Ensure expansion towards new countries, creating the basis for future development, continuing a multinational trajectory which is its identifying characteristic.

Under this context, Grupo Visabeira achieved extremely positive performance during this financial year, exceeding its goals and historical highs regarding its main indicators, thus contributing to solid and sustainable growth.

In terms of consolidated turnover, it exceeded 1.17 billion euros, a 22% increase compared to 2020, more than doubling this indicator during the last 6 years. In terms of EBITDA, it reached the amount of 183 million euros, an increase of 18.1% in relation to the same period of the previous year.

The weight of external markets during this year also increased to 76.5% of total activity, under this difficult and challenging context, corresponding to an increase of 2 p.p. compared to the previous year, having gone from about 1/3 to more than 3/4 of international presence during the last decade.

Geographic diversification and its international expansion, especially the growth in the European markets, continues to be a fundamental pillar of the Grupo's growth strategy. Europe, excluding Portugal, continues to be a strategic goal, reaching 687 million euros, followed by Portugal with 275 million euros, America and Asia with 106 million euros and Africa with 102 million euros. A multicontinental presence which is the mainstay of the acceptance of the quality and accuracy of our services, and the Visabeira brand statement.

The Visabeira team, essential in overcoming the market challenges during this year, also grew. Currently, we are more than twelve thousand eight hundred people, across the four corners of the world, the true ambassadors of the Visabeira brand. This vast team is the main reason for the reinforcement of competitiveness and innovation as well as for the growing ambition which characterizes all our activity areas.

It is this multitude of activities which allows us to offer competitive, innovative, attractive and reliable products and services. Several brands, hundreds of companies, thousands of products and services under one brand, that we believe are the hallmark of our future, aiming at a responsible competitiveness, combined with a commitment towards sustainability, that we undertake towards everyone, as an essential principle of collective survival.

I would like to thank as well all those who contributed to meeting ambitious challenges, who are therefore our success partners: suppliers, partners, employees, shareholders, entities, institutions and customers. Thank you for building the future with us every day.

We are aware that 2022 will bring new and increased challenges, perhaps more challenging, even more complex, and more demanding obstacles, which we will have to overcome. However, we are better prepared, we have new solutions and we are more focused on bringing accuracy and excellence to the Grupo. Guided by active entrepreneurship, overflowing creativity and excellent quality, our services and products continue to meet the needs and exceed people's expectations, all over the world.

**Consolidated
turnover exceeded
1.17 billion euros,
an increase of 22%
compared to 2020,
more than doubling
in the last 6 years.**



Fernando Campos Nunes
Chairman of the General and Supervisory Board

Creativity Innovation Competit Dynamics Ambition

Vision

To be an economic group of large multinational expansion, seeking leadership in every sector and market we operate and differentiating ourselves with innovative concepts and integrated solutions that create value both for customers and shareholders.

Values

The values we assume as defining elements of the Visabeira brand are common to all the professionals and the different areas of the organisation, proving to be decisive for the Grupo's evolution and its continued success.

iveness

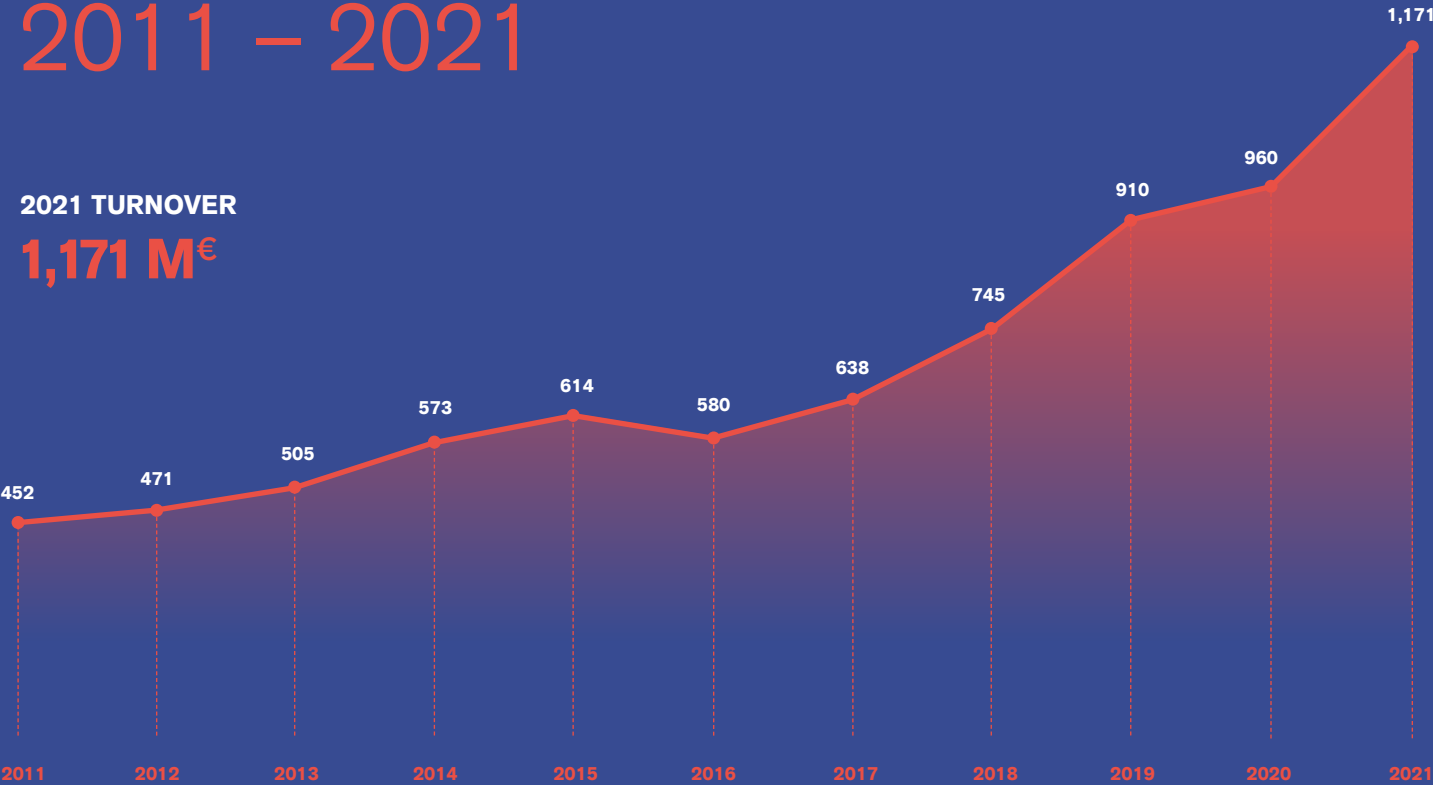
Mission

To offer our partners and customers increasingly complete solutions, according to their needs and fulfilling their expectations, through an increasing productive and operational capacity. Thanks to the transdisciplinarity that defines us, we manufacture a great diversity of goods, provide services in a wide number of areas and we create multiple business opportunities. To improve the everyday lives of thousands of people, all over the world.

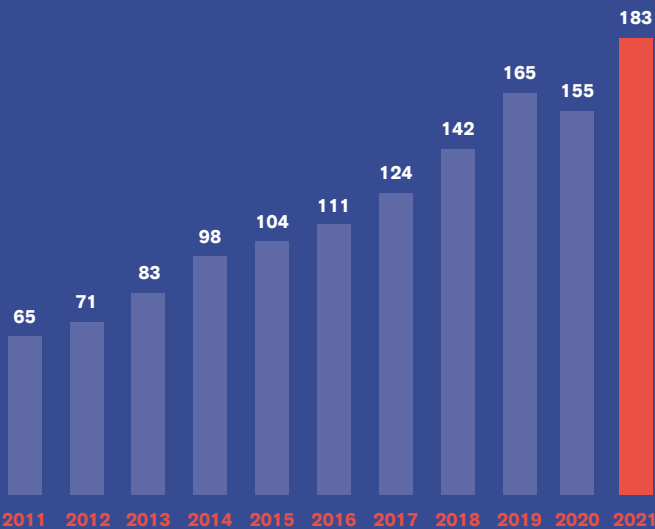
A decade in numbers

2011 – 2021

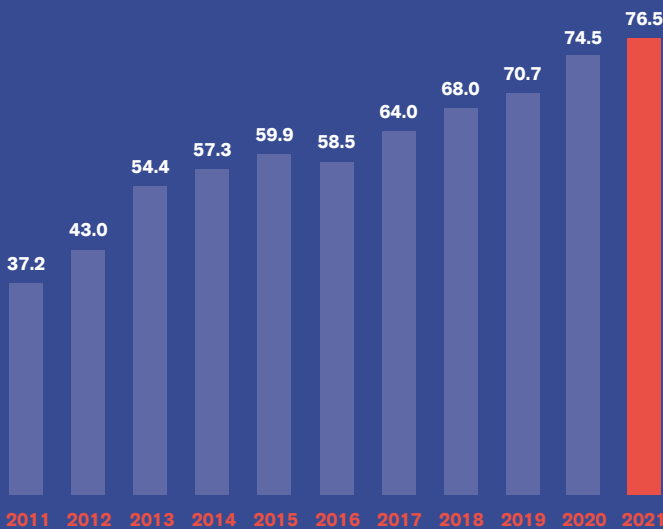
2021 TURNOVER
1,171 M€



EBITDA 2021
183 M€



FOREIGN MARKETS 2021
76.5%



**2021
TURNOVER**

1,171 M€

▲ 2.6x 159%
(2011 - 2021)

2021 EBITDA

183 M€

▲ 2.8x 182%
(2011 - 2021)

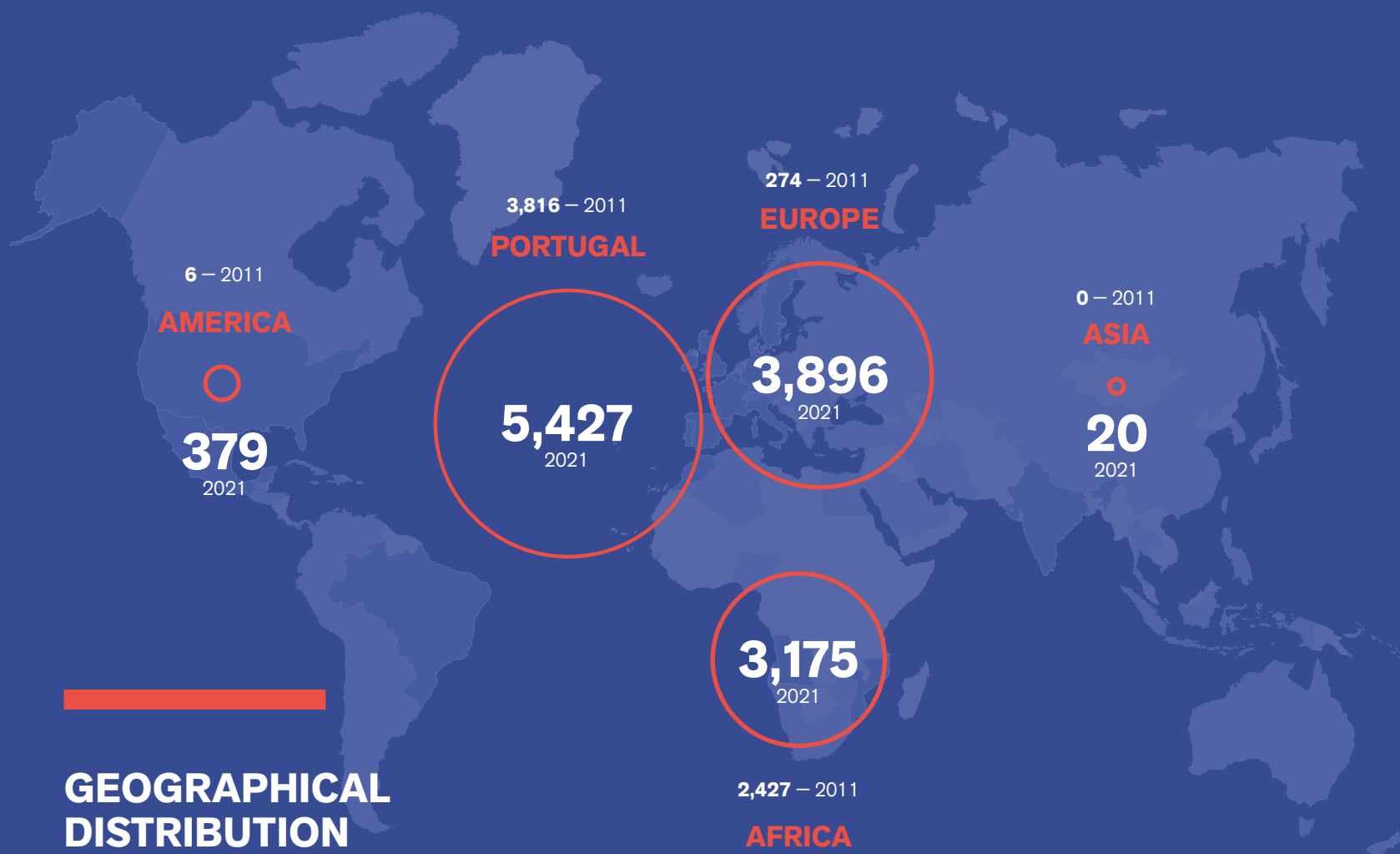
**FOREIGN
MARKETS
2021**

76.5%

▲ 2.1x 106%
(2011 - 2021)

Employees

2011 – 2021



EUROPE (2011 - 274 / 2021 - 3.896)

▲ 14x **1,322%**

PORTUGAL (2011 - 3.816 / 2021 - 5.427)

▲ 1.4x **42%**

AMERICA (2011 - 6 / 2021 - 379)

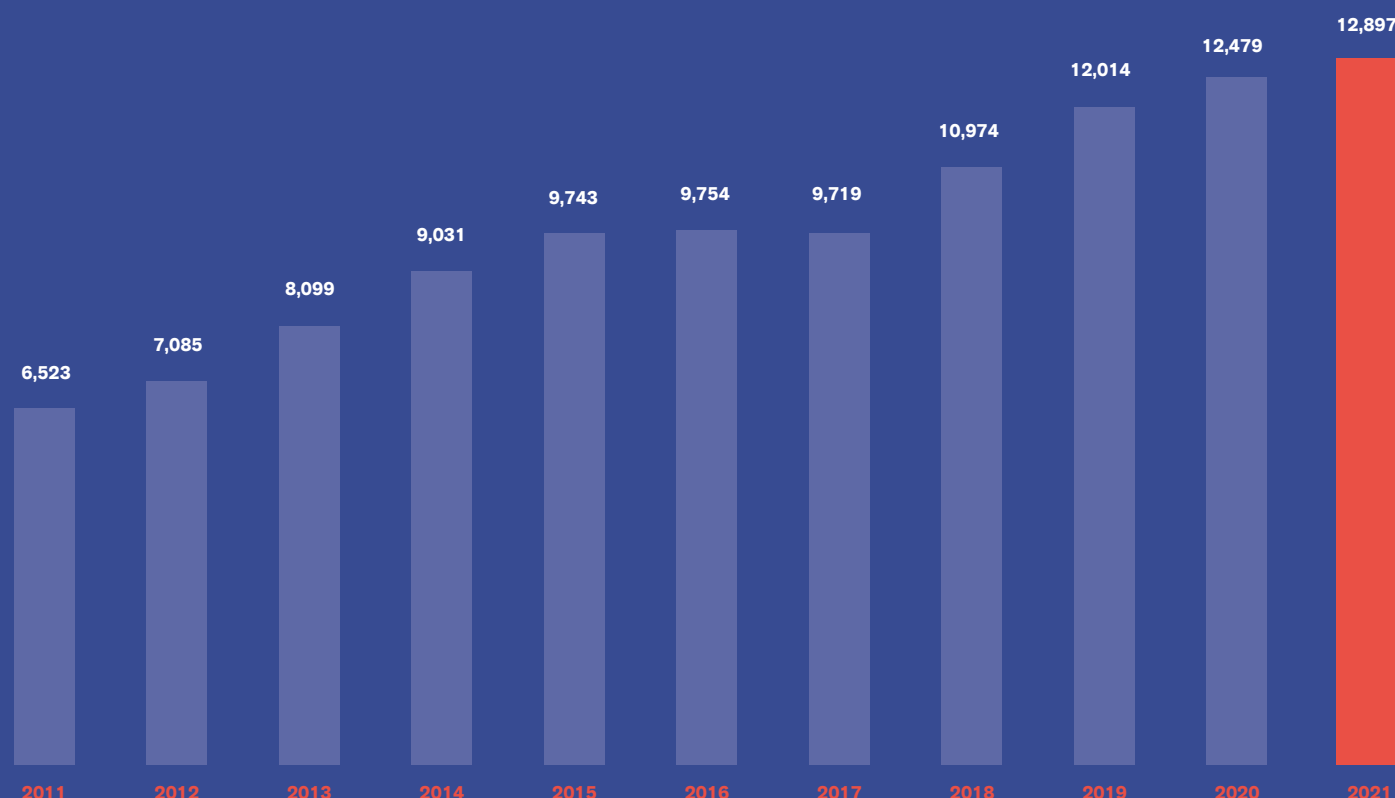
▲ 63x **6,217%**

AFRICA (2011 - 2.427 / 2021 - 3.175)

▲ 1.3x **31%**

Average number of employees

2011 – 2021



**TOTAL
WORLDWIDE
(2021)**

12,897

TOTAL WORLDWIDE (2011 - 6.523 / 2021 - 12.897)

2x

98%

Grupo Visabeira Worldwide

Grupo Visabeira has companies in 17 countries - Portugal, France, the United Kingdom, the United States of America, Belgium, Mozambique, Angola, Germany, Spain, Denmark, Italy, Brazil, Morocco, São Tomé and Príncipe, Mexico, Sweden and India -, and sells its products and services in 133 countries.

17

**INTERNATIONAL OPERATIONS
WITH COMPANIES**

133

**COUNTRIES WITH PRODUCTS
AND SERVICES**

COMPANIES

Europe

Portugal
France
United Kingdom
Belgium
Germany
Denmark
Sweden
Italy
Spain

America

USA
Brazil
Mexico

Africa

Mozambique
Angola
São Tomé and Príncipe
Morocco

Asia

India

PRODUCTS – SERVICES

Europe

Andorra
Armenia
Austria
Azerbaijan
Belarus
Bulgaria
Cyprus
Croatia
Scotland
Slovenia
Slovakia
Estonia
Finland
Georgia
Greece
Hungary
Faeroe Islands
England
Northern Ireland
Iceland
Latvia
Lithuania
Luxembourg
Malta
Monaco
Norway
Wales
The Netherlands
Poland
Czech Republic
Romania
Russia
Serbia
Switzerland
Turkey
Ukraine

America

Antigua
Argentina
Aruba
Belize
Bolivia
Canada
Caribbean
Chile
Colombia
Costa Rica
Cuba
Ecuador
El Salvador
Guadalupe
Guatemala
Guiana
French Guiana
Haiti
Honduras
Jamaica
Martinique
Panama
Paraguay
Peru
Dominican Republic
Surinam
Trinidad and Tobago
Uruguay
Venezuela

Africa

South Africa
Algeria
Cape Verde
Congo
Egypt
Guinea-Bissau
Equatorial Guinea
Libya
Malawi
Mali
Mauritius
Namibia
Nigeria
Kenya
Seychelles
Senegal
Sierra Leone
Swaziland
Sudan
Togo
Tunisia
Zambia
Zimbabwe

Oceania

Australia
New Zealand

Asia

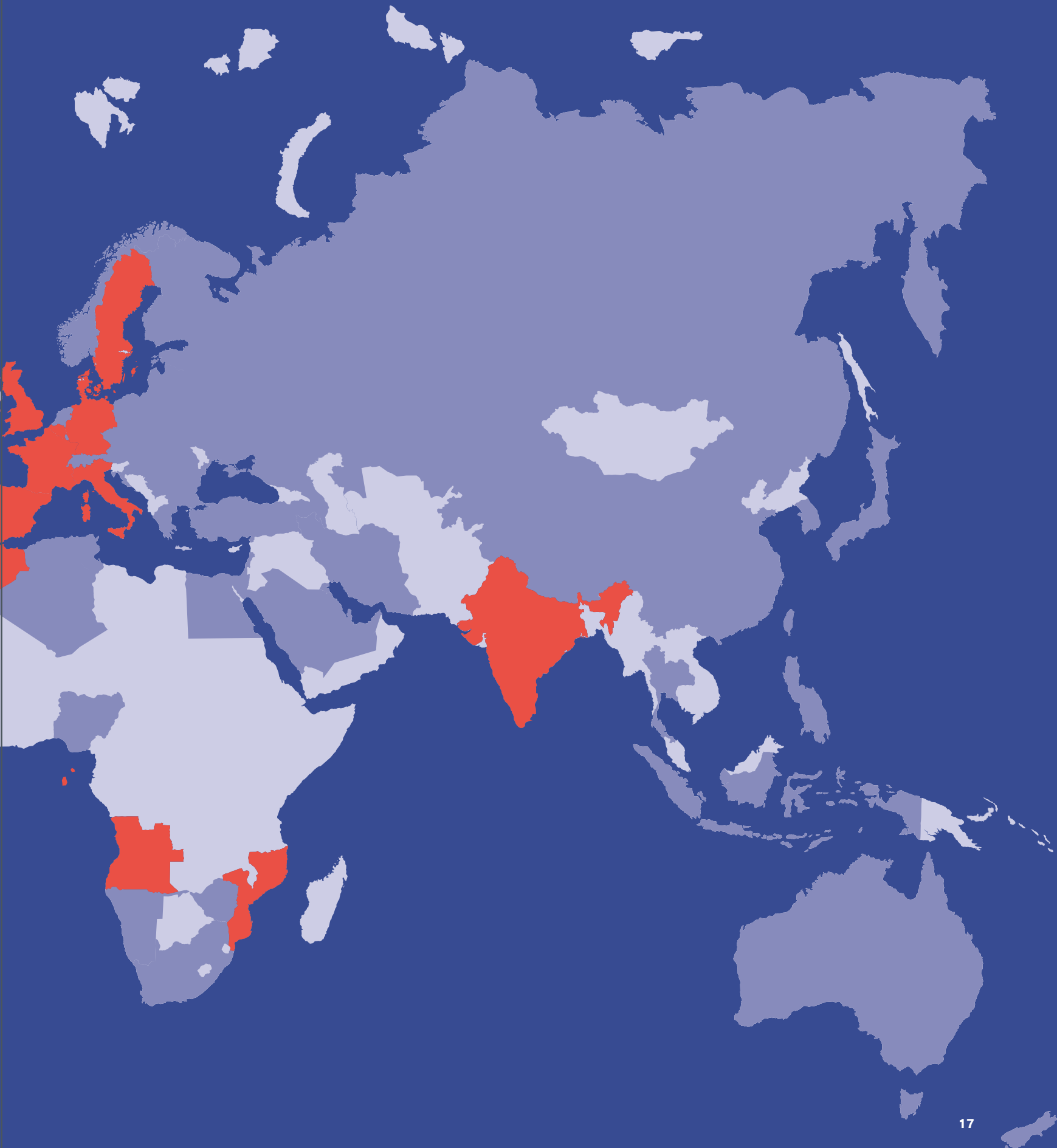
Saudi Arabia
Bahrain
Kazakhstan
China
South Korea
UAE
Philippines
Hong Kong
Indonesia
Iran
Iraq
Israel
Japan
Jordan
Lebanon
Kuwait
Macao
Malaysia
Oman
Qatar
Singapore
Sri Lanka
Taiwan
East Timor
Thailand
Vietnam



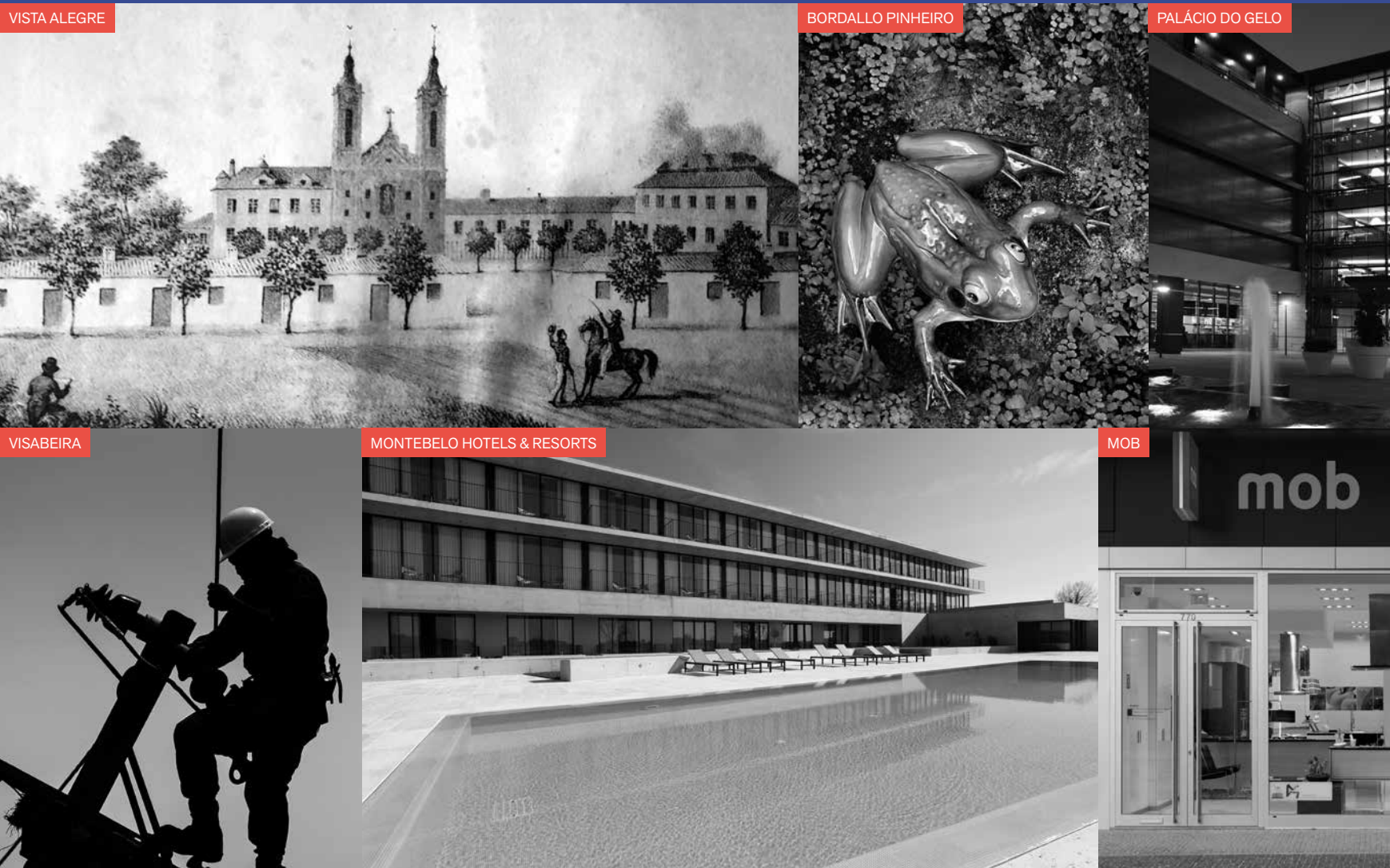
COMPANIES



**PRODUCTS /
SERVICES**



Our Brands



1824

1884

1980

1988



Many of Grupo Visabeira's brands have acquired national and international recognition whether associated with or independent from its reputation, but all of them benefit from the efficiency in communication that the Grupo has maintained over the years. This is the case of the brands dating back to the nineteenth century, which gained new brilliance after bringing together its portfolio of companies, growing exponentially through global exposure.



1996

2002

2009

2020

tvcabo


 PALÁCIO DO GELO
 SHOPPING

 CONSTRUCTEL

 Pinewells

 CONSTRUCTEL
 VISABEIRA

Main Business



Global
Telecommunications
Energy
Technology
Construction

Industry

Ceramics and glassware

Kitchens

Biofuels,

thermal energy

and natural resources



Tourism, Real Estate and Services

Hotels


Restaurants

Shopping centre

Real estate

Services

Global



Telecommunications
Energy
Technology
Construction

Performing Telecommunications

- Mobile and wireless telecommunications engineering;
- Technological infrastructures;
- Specialised technical solutions for telecommunications networks, transport, defence and security;
- Television, internet and voice operations using cable and optical fibre.

Performing Technology

- Solutions and services related to engineering, information and communication systems, mobility, innovation and georeferencing;
- Integration of solutions;
- Maintenance and technical service.

Performing Energy

- Construction, installation and maintenance of infrastructures and equipment related to electricity, gas and renewable energy sources, including solar, wind, cogeneration and biofuels;
- Project and technical assistance.

Performing Construction

- Construction and civil engineering;
- Design, construction, refurbishment and maintenance of buildings and infrastructures.

Telecommunications and Energy





CONSTRUCTEL VISABEIRA

FRANCE
PORTUGAL
UK
USA
BELGIUM
GERMANY
DENMARK
ITALY
SPAIN



Telecommunications



CONSTRUCTEL FRANÇA (FR)
MJ QUINN (UK)
VIATEL (PT)
PDT (PT)
CONSTRUCTEL GMBH (DE)
ESCOTEL (FR)
GATEL (FR)
FRANZ JOSEF BRAUN (DE)
IUTEL (PT)
VISACTYS (FR)





CONSTRUCTEL MODAL (BE)
OMV NATIE (BE)
CONSTRUCTEL BELGIUM (BE)
IEME (IT)
CONSTRUCTEL DENMARK (DK)
CONSTRUCTEL ITALIA (IT)
INFRASIGN (BE)
TOFT HANSEN (DK)

Telecommunications

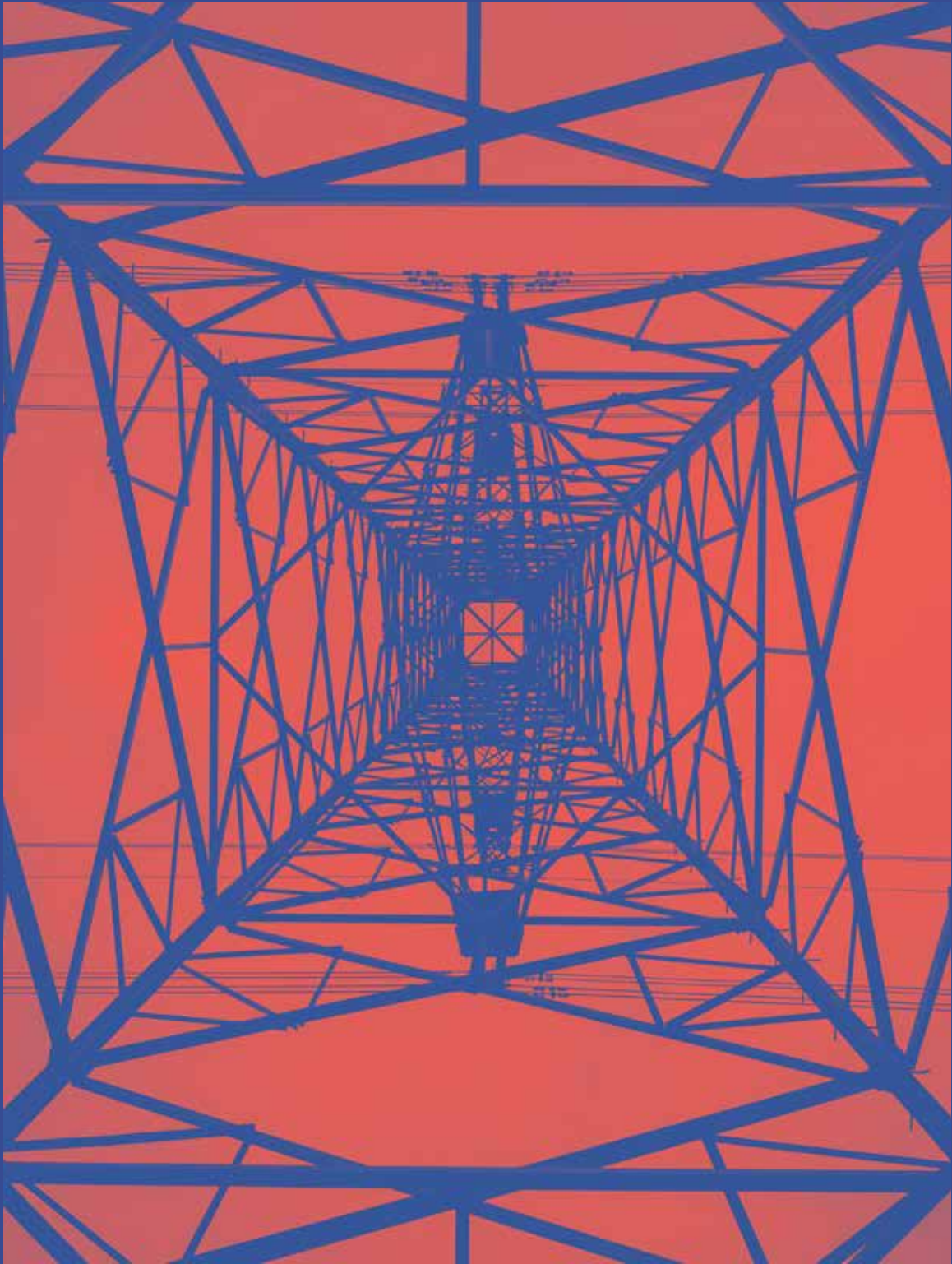


TELEVISA (MZ)
COMATEL (AO)
ESCOT TELECOM MAROC (MR)



TVCABO ANGOLA
TVCABO MOÇAMBIQUE
COMPANHIA SANTOMENSE DE TELECOMUNICAÇÕES

Energy





MJ QUINN (UK)
VISABEIRA INFRAESTRUTURAS (PT)
TOFT HANSEN (DE)
CUNHA SOARES (DE)
EIP SERVIÇOS (PT)



Energy



JF EDWARDS (EUA)
CONSTRUCTEL ENERGIE (FR)
IEME (IT)
TENSA (ES)



ELECTROTEC (MZ)
SELFENERGY (MZ)

Technology





REAL LIFE TECHNOLOGIES
AEROPROTECHNICK

Construction





EDIVISA
VISACASA
SOGITEL

Industry



Ceramics
Crystal and Glass
Kitchen furniture
Biofuels
and Thermal Energy

Performing Industry

- Manufacture and marketing of porcelain (porcelain, earthenware, stoneware), crystal and glass, for the segments of tableware, giftware, decorative and hotelware;
- Manufacture and marketing of multifunctional and customisable kitchen furniture;
- design and development of heating boilers and energy recovery systems and associated services;
- Production of organic pellets/ biomass.

Ceramics





VISTA ALEGRE
RIA STONE
BORDALLO PINHEIRO
CERUTIL

Crystal and Glass





Kitchen furniture



Biofuels and Thermal Energy



PINEWELLS
AMBITERMO



Tourism Real Estate Services

Hotels
Restaurants
Leisure
Real Estate
Services

Performing Tourism

- Operation of hotel units (hotels, resorts and lodges);
- Restaurants;
- Entertainment areas, leisure, wellness and sports complexes;
- Hotel chain in Portugal and Mozambique, for leisure and business, including hotels in the congresses and meetings, tourism segments;
- Charm, nature, sport, culture and history segments.

Performing Real Estate

- Design, construction, trade, mediation, maintenance and management of real estate projects;
- Diversified portfolio of superior quality for the upper and middle-upper segments;
- Residential, offices, commercial and tourist spaces, parks and other complementary areas;
- Management and services.

Performing Services

- Multiple offer of products and services or turnkey solutions;
- Study, development and projects;
- Specialised services in multi-sectors;
- Assistance and consulting services.

Hotels Portugal





MONTEBELO AGUIEIRA LAKE RESORT & SPA
MONTEBELO VISEU CONGRESS HOTEL
MONTEBELO VISTA ALEGRE ÍLHAVO HOTEL
MONTEBELO MOSTEIRO DE ALCOBAÇA HISTORIC HOTEL
MONTEBELO VISTA ALEGRE CHIADO HOTEL
MONTEBELO LISBON DOWNTOWN APARTMENTS
PARADOR CASA DA ÍNSUA
MONTEBELO PALÁCIO DOS MELOS VISEU HISTORIC HOTEL
MONTEBELO PRÍNCIPE PERFEITO VISEU GARDEN HOTEL

Hotels Mozambique





MONTEBELO GIRASSOL MAPUTO HOTEL
MONTEBELO INDY MAPUTO CONGRESS HOTEL
MONTEBELO GORONGOSA LODGE & SAFARI
MONTEBELO MILIBANGALALA BAY RESORT
LICHINGA HOTEL BY MONTEBELO
SONGO HOTEL BY MONTEBELO

Restaurants





CERVEJARIA ANTÁRTIDA (LISBON AND VISEU)
SQUISITO RISTORANTE ITALIANO (LISBON AND VISEU)
ZAMBEZE RESTAURANTE (LISBON)
FORNO DA MIMI & RODÍZIO REAL (VISEU)
RODÍZIO DO GELO (VISEU)

Real Estate

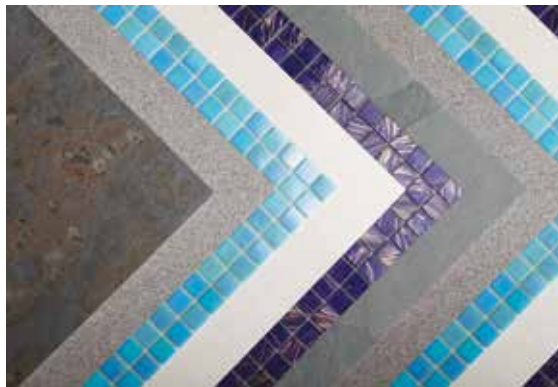




AGUIEIRA VILLAS (PT)
QUINTA DO BOSQUE (PT)
QUINTA DA ALAGOA (PT)
FORUM RESIDENCE (PT)
VILLATRIUM (PT)
VILABEIRA VILLAS (PT)
PATEO VERA CRUZ (PT)
FIGUEIRA NOVA (PT)
PARQUE DESPORTIVO DE AVEIRO (PT)
VISABEIRAHOUSE (PT)
IMOVISA (MZ)
NAMPULA BUILDING (MZ)

Services





FUNDAÇÃO VISABEIRA
VISAUTO
MERCURY
AUTOVISA



2021 in retrospective





Chairman of the Executive Board of Directors

Nuno Terras Marques

A remarkable year for the definitive growth of Constructel Visabeira, a brand that has established itself as one of the main European players in the sector of telecommunications and energy networks.



The 2021 financial year proved to be a difficult year, with strong impacts from the side effects of the Covid-19 pandemic still ongoing, with disastrous effects particularly in the areas of tourism and industry. Nevertheless, despite an adverse scenario, it was a year of recovery, compared to 2020, achieving excellent indicators during the 2nd half of 2021.

It should be noted that in Visabeira Global's businesses and despite the difficulties of this context, a strong growth dynamic was achieved, representing a remarkable year for the definitive reinforcement of Constructel Visabeira. A brand that has become one of the main European players in the sector of an integrated offering of engineering services for telecommunications and energy networks.

In this context and overall, Grupo Visabeira recorded exceptional performance, exceeding historical highs in terms of its main indicators, ensuring solid and sustainable growth. It exceeded 1.17 billion euros in consolidated turnover, representing an impressive increase of 22% over the previous year. In terms of EBITDA, the Grupo reached 183 million euros, registering a strong growth of 18.1%, compared to 2020. Presence in foreign markets also grew, rising to 76.5% of its total activity.

In particular, it is important to note the important contribution of Constructel Visabeira, which during this year strengthened its position as a global player, achieving a consolidated turnover of 851 million euros, corresponding to an increase of 28.4% compared to the financial year 2020. Regarding EBITDA, Constructel Visabeira reached 102.4 million euros, an increase of 23.0% compared with the same period last year. In the European market, excluding Portugal, turnover was 605 million euros, representing 71% of Constructel Visabeira's total in the region. Also of particular note is the energy area, which represented about 24% of total turnover, driven by growth in the American market, which already accounts for about 10% of consolidated turnover.

We have thus designed solid and sustainable growth, already guaranteed by contracts that were signed and by prospective contracts, creating a very comfortable contract portfolio that, on the 31st of December, stood at 2.5 billion euros of services.

Despite the pandemic context that we are still experiencing, strong growth was predominantly organic in the United Kingdom, Belgium and Germany, which were the main drivers of the increase in activity in the European market, namely in the optical fibre network construction segment. Within the scope of the policy for acquisitions, of particular note is the integration of Cunha Soares into our portfolio, operating in the sector of construction of electricity transmission networks, with particular emphasis on Germany, Sweden and Finland.

Also noteworthy is the strengthening of the position of our businesses in Africa where, in addition to Angola and Mozambique, we began operating in Santo Tomé and Príncipe purchasing Companhia Santomense de Telecomunicações and expanded our presence in Morocco in the sector of optical fibre network construction for Orange.

Within this business area, we have thus designed solid and sustainable growth, already guaranteed by continuing contracts that were signed throughout the year and that are in prospect, creating a very comfortable contract portfolio that, on the 31st of December, stood at 2.5 billion euros of services.

In this context, a special mention goes to the partnership with Goldman Sachs Asset Management, which resulted in an investment of 200 million euros, in exchange for a shareholding of 21.86%. The proceeds of this investment will be used predominantly to accelerate organic and inorganic growth through acquisitions, leveraging the company's expansion strategy. The company thus reinforces its position, combining its unique view of markets, industries and regions and the global resources of Goldman Sachs, to develop businesses and accelerate the creation of value in Constructel's portfolios of activities.

As of the 31st of December 2021, Grupo Visabeira has companies in Portugal, France, the United Kingdom, Denmark, Germany, Belgium, Italy, Spain, the United States of America, Brazil, Mexico, Angola, Mozambique, São Tomé and Príncipe, Morocco and India, and sells its products and services in more than 130 countries, on five continents.

The strategy for the coming years is to maintain the course of success that has been followed and which will be greatly supported by overcoming the economic and political challenges and uncertainties that currently surround company activities. We will be focused on reinforcing the dynamics that are so characteristic of the company, in the certainty that the teams are motivated and committed to overcome all obstacles, with creativity and competence, always meeting the expectations of their customers. Each of the employees is an ambassador of the brand across the world. To all Customers, Partners, Suppliers and Employees, our recognition and sharing of the success achieved, in the certainty that this path is travelled every day, and as a team we will surely continue to build the future.

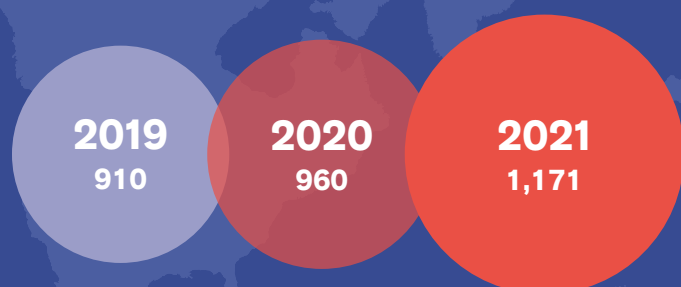


Nuno Miguel Rodrigues Terras Marques
Chairman of the Executive Board of Directors

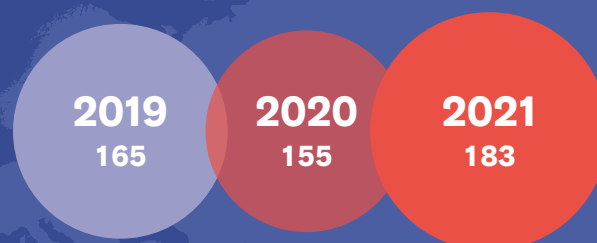
2021 in numbers

Grupo Visabeira

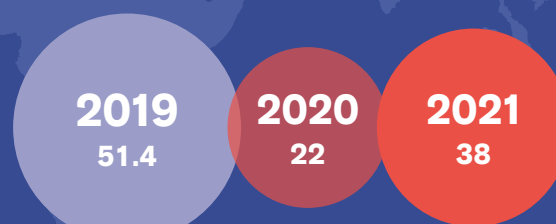
TURNOVER
1,171 M€



EBITDA
183 M€

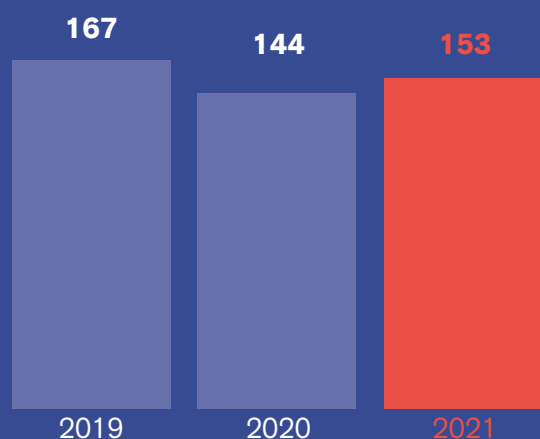


NET INCOME
38 M€

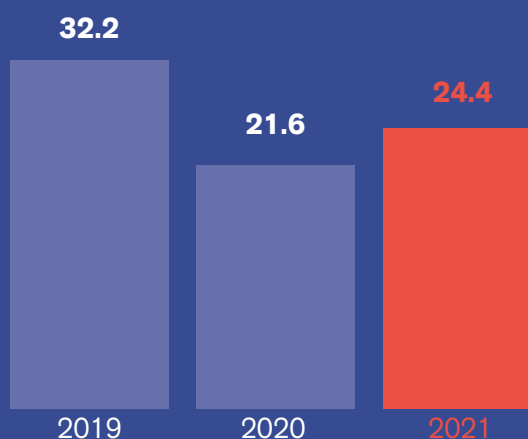


Visabeira Indústria

TURNOVER
153 M€



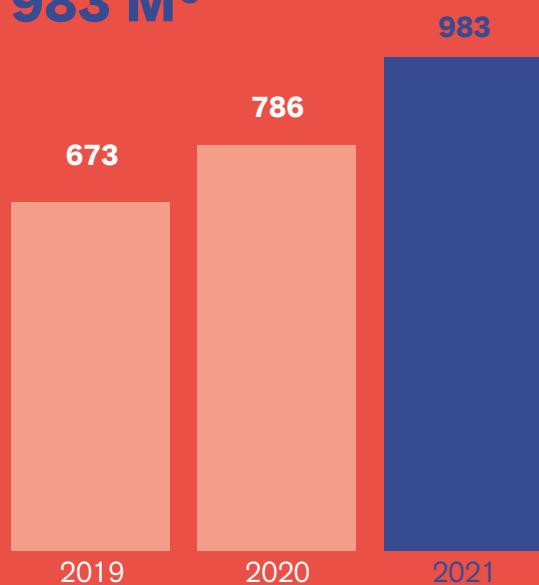
EBITDA
24.4 M€



Visabeira Global

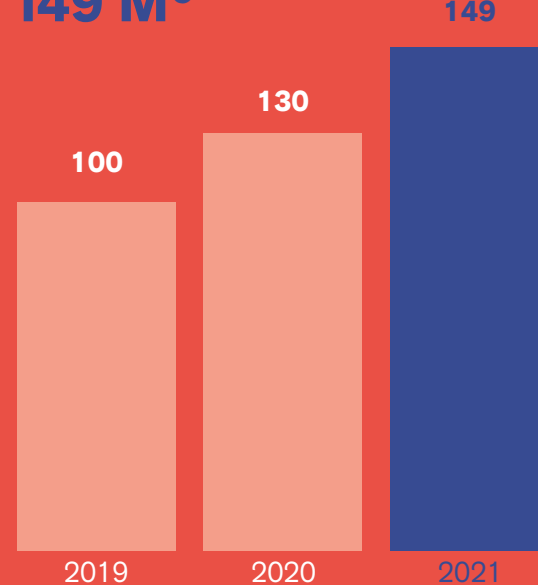
TURNOVER

983 M€



EBITDA

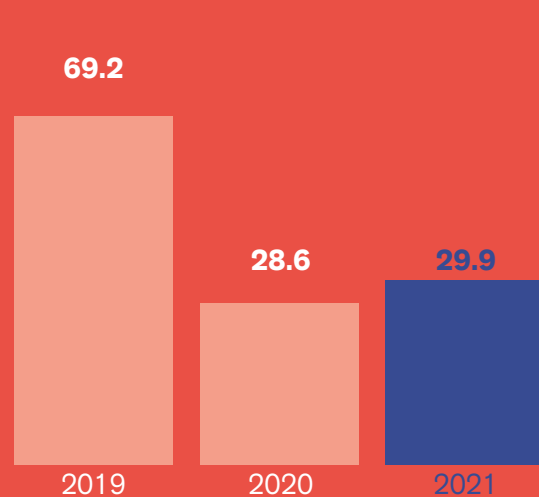
149 M€



Visabeira Turismo, Imobiliária e Serviços*

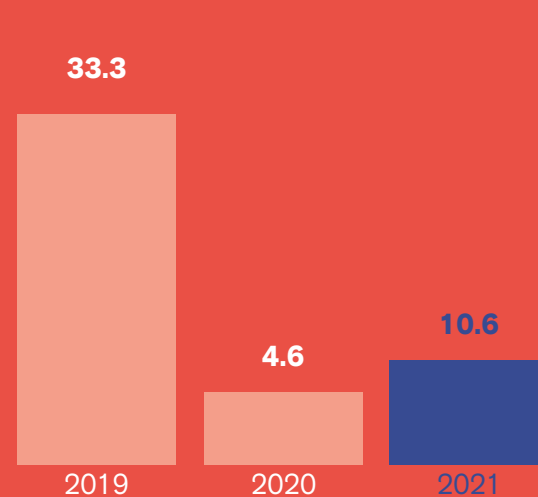
TURNOVER

29.9 M€



EBITDA

10.6 M€



* Does not include the company Grupo Visabeira SA

Grupo Visabeira

98.57%

NCFGEST, SA*

1.43%

Other shareholders

VISABEIRA GLOBAL

100%

EUROPE

Portugal

Constructel Visabeira	100.00% b)
Viatel	100.00%
PDT	100.00%
Visabeira	100.00%
Edivisa	100.00%
Real Life Technologies	65.00%
Naturenergia	100.00%
Visacasa	100.00%
Iutel	99.95%
Field Force Atlântico	100.00%
Aeroprotechnik	51.00%
VisaPower	100.00% d)
VisaPower II	100.00%
Beiragás	23.55% a)
EIP Serviços	100.00% d)
Cunha Soares	51.00% e)
Ferreira e Coelho	51.00%
Jayme da Costa	15.00% a)

France

Constructel	100.00%
Constructel Énergie	99.07%
Escotel	100.00%
Gatel	100.00%
SCI Constructel	100.00%

United Kingdom

MJ Quinn	100.00%
Quinn Constructel	100.00%
Energydist	100.00%

Belgium

Constructel Modal	100.00%
Constructel Belgium	100.00%
OMV Natie	70.00% d)
Modal Installation	100.00%
Cabling Station	100.00%
Infrassign	70.00% d)

Italy

Ieme	100.00%
Constructel Italia	100.00%
SCI Constructel Italia	100.00%

Germany

Constructel GmbH	100.00%
Franz Josef Braun	100.00%
Constructel Bau	100.00%

Denmark

Constructel Denmark	100.00%
Toft Hansen	100.00%

Sweden

Constructel Sweden	100.00%
--------------------	---------

Spain

Tensa	90.00% d)
-------	-----------

AFRICA

Angola

TVCabo Angola	50.00%
Comatel	100.00%
Edivisa	100.00%
Vista Power	50.00% a)

Mozambique

TVCabo Moçambique	50.00%
Televisa	50.00%
Sogitel	90.00%
Hidroáfrica	96.79%
Selfenergy	79.60%
Real Life Academy	65.70%
Real Life Moçambique	65.70%
Electrotec	49.00%

São Tomé e Príncipe

Companhia Santomense	51.00%
----------------------	--------

Morocco

Holding Escot Telecom I	100.00%
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AMERICA

United States of America

JF Edwards	90.00% d)
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ASIA

India

Birla Visabeira	49.00% a)
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* included 0.32% directly owned by Fernando Campos Nunes.

VISABEIRA INDÚSTRIA

100%

EUROPE

Portugal

Vista Alegre Atlantis SA	85.60%
Ria Stone	85.60%
Ria Stone II	85.60%
Pinewells	100.00%
Ambitermo	51.00%
Cerutil	85.60%
Mob	97.78%
Bordallo Pinheiro	73.74%
Bordalgest	85.60%
Vista Alegre I.I.	85.60%
Vista Alegre Atlantis SGPS	85.60%
Faianças da Capôa	85.60%
Cerexport	85.60%
Granbeira II	100.00%
Rodinerte	50.00%
Besconsigo	50.00%
Armisepi	60.00%

France

Vista Alegre France	85.60%
Mob Cuisines	97.78%

Spain

VA Vista Alegre España, S.A.	85.60%
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United Kingdom

Vista Alegre Atlantis UK, LTD	85.60%
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AFRICA

Angola

Alamo	99.96%
Visaconstroi	99.96%

Mozambique

Celmoque	91.23%
Vista Alegre Atlantis Moçambique, Lda	85.75%
Agrovisa	100.00%
Marmonte	80.00%

Morocco

Ambitermo Maroc – Chaudieres Industrielles SARL	51.00%
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AMERICA

Brazil

VAA Brasil – Comércio, Importação e Exportação S.A.	76.97%
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United States of America

Vista Alegre USA Corporation	85.60%
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Mexico

México VA	85.60%
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ASIA

India

Shree Sharda Vista Alegre	42.80%
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VISABEIRA TURISMO, IMOBILIÁRIA E SERVIÇOS

100%

EUROPE

Portugal

Empreendimentos Turísticos Montebelo	99.83%
Visabeira Imobiliária, SA	100.00%
Ifervisa	100.00%
VAA - Empreendimentos Turísticos	99.55%
Zambeze	50.00%
Tropo Squisito	84.85%
Mundicor	100.00%
Visabeira House	100.00%
Visabeira Saúde	100.00%
Visabeira Imobiliária, SGPS	100.00%
Visabeira Serviços SGPS	100.00%
Creative Shots	100.00%
Gesvisa	99.85%
Parque Desportivo de Aveiro	54.57%
Doutibelo	20.00% a) c)
Sem Amarras	20.00% a)
FIMMO	100.00%
Asfalís	100.00%

Spain

Visabeira Espanha	61.00%
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AFRICA

Angola

Visauto	99.96%
Angovisa	70.00%
Mercury	100.00%
Catari Angola	50.00%
Visabeira Angola	99.24%
Ambitermo Angola	99.14%

Mozambique

Turvisa	100.00%
Martifer Visabeira	50.00%
Mercury	100.00%
Imovisa	49.00%
Combustíveis do Songo	100.00%
Vibeiras Moçambique	64.43%
Visaqua	51.00%
Autovisa	100.00%
Visabeira Moçambique	100.00%
Inhambane	80.00%
Real Estate Panorama	70.00%
Milibangalala	70.00%
Soginveste	70.00%
Zambeze Village	63.00%
Visa House	100.00%
Cepheus	100.00%
Constellation	57.14%

a) Consolidation through the Equity Method

b) 35.94% directly owned by Grupo Visabeira.

c) Participation held directly by Grupo Visabeira.

d) Control percentage for consolidation of 100%.

e) Control percentage for consolidation of 80%.

Grupo Visabeira



**CORPORATE
BODIES**

General and Supervisory Board

Chairman

Fernando Campos Nunes

Members

Vítor Manuel Lopes Fernandes
Alberto Henrique de Figueiredo Lopes
João Carlos Monteiro de Macedo
António Jorge Xavier da Costa
José Manuel Carreiras Carrilho



**Fernando
Campos Nunes**

Chairman of the General
and Supervisory Board



**Vítor Manuel
Lopes Fernandes**

Member of the General
and Supervisory Board



**Alberto Henrique
de Figueiredo Lopes**

Member of the General
and Supervisory Board



**João Carlos
Monteiro de Macedo**

Member of the General
and Supervisory Board



**António Jorge
Xavier da Costa**

Member of the General
and Supervisory Board



**José Manuel
Carreiras Carrilho**

Member of the General
and Supervisory Board

Grupo Visabeira



GRUPO

VISABEIRA

**CORPORATE
BODIES**

Executive Board of Directors

Chairman

Nuno Miguel Rodrigues Terras Marques

Members

António José Monteiro Borges

Alexandra da Conceição Lopes

João Manuel Pisco de Castro

Fernando Daniel Leocádio Campos Nunes

ROC

Ernst & Young, Audit & Associados

– SROC, SA, represented by

Daniel José Venâncio Guerreiro

General Meeting

Chairman

Leopoldo de Sousa Camarinha

Secretary

Marta Albuquerque Santos



**Nuno Miguel Rodrigues
Terras Marques**

Chairman of the Executive
Board of Directors



**António José
Monteiro Borges**

Member of the Executive
Board of Directors



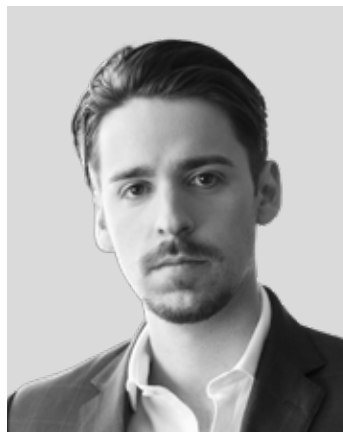
**Alexandra da
Conceição Lopes**

Member of the Executive
Board of Directors



**João Manuel
Pisco de Castro**

Member of the Executive
Board of Directors



**Fernando Daniel
Leocádio Campos Nunes**

Member of the Executive
Board of Directors

Visabeira Global



**CORPORATE
BODIES**

Board of Directors

Chairman

Nuno Miguel Rodrigues Terras Marques

Vice-Chairman

António José Monteiro Borges

Members

Luís Filipe Monteiro Marques
Alexandra da Conceição Lopes
Luís Miguel Ferreira de Figueiredo
Jorge Manuel Ferreira Guimarães Sousa
José Paulo Gomes Tomás da Costa
Fernando Tenreiro Marques
António Carlos Ferreira Rocha Perpétua

ROC

Ernst & Young, Audit & Associados
– SROC, SA, represented by
Daniel José Venâncio Guerreiro
Pedro Jorge Monteiro da Silva e Paiva
(Substitute)

General Meeting

Chairman

Leopoldo de Sousa Camarinha

Secretary

Marta Albuquerque Santos



**Nuno Miguel Rodrigues
Terras Marques**

Chairman of the
Board of Directors



**António José
Monteiro Borges**

Vice-Chairman of Board
of Directors



**Luís Filipe
Monteiro Marques**

Member of the Board of Directors



**Alexandra da
Conceição Lopes**

Member of the Board of Directors



**Luís Miguel Ferreira
de Figueiredo**

Member of the Board of Directors



**Jorge Manuel Ferreira
Guimarães Sousa**

Member of the Board of Directors



**José Paulo Gomes
Tomás da Costa**

Member of the Board of Directors



**Fernando Tenreiro
Marques**

Member of the Board of Directors



**António Carlos Ferreira
Rocha Perpétua**

Member of the Board of Directors

Visabeira Indústria

**CORPORATE
BODIES**

Board of Directors

Chairman

Nuno Miguel Rodrigues Terras Marques

Members

Alexandra da Conceição Lopes
Fernando Daniel Leocádio Campos Nunes
Lázaro Ferreira de Sousa
Cristina Isabel Sousa Lopes
Paulo Alexandre Rodrigues Ferraz

ROC

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Pedro Jorge Monteiro da Silva e Paiva
(Substitute)

General Meeting

Chairman

Leopoldo de Sousa Camarinha

Secretary

Marta Albuquerque Santos



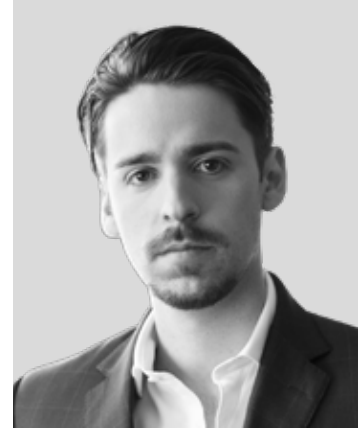
**Nuno Miguel Rodrigues
Terras Marques**

Chairman of the
Board of Directors



**Alexandra da
Conceição Lopes**

Member of the Board of Directors



**Fernando Daniel
Leocádio Campos Nunes**

Member of the Board of Directors



**Lázaro Ferreira
de Sousa**

Member of the Board of Directors



**Cristina Isabel
Sousa Lopes**

Member of the Board of Directors



**Paulo Alexandre
Rodrigues Ferraz**

Member of the Board of Directors

Visabeira Turismo, Imobiliária e Serviços

Board of Directors

Chairman

Fernando Daniel Leocádio Campos Nunes

Vice-Chairman

Jorge Manuel Esteves Costa

Members

Maria Isabel Lopes Peres

Alexandra da Conceição Lopes

José Eduardo Arimateia Antunes

Cristina Isabel Sousa Lopes

ROC

Ernst & Young, Audit & Associados

– SROC, SA, represented by

Daniel José Venâncio Guerreiro

Pedro Jorge Monteiro da Silva e Paiva
(Substitute)

General Meeting

Chairman

Leopoldo de Sousa Camarinha

Secretary

Marta Albuquerque Santos

**CORPORATE
BODIES**



**Fernando Daniel
Leocádio Campos Nunes**

Chairman of the Board of Directors



**Jorge Manuel
Esteves Costa**

Vice-Chairman of Board
of Directors



**Maria Isabel
Lopes Peres**

Member of the Board of Directors



**Alexandra da
Conceição Lopes**

Member of the Board of Directors



**José Eduardo
Arimateia Antunes**

Member of the Board of Directors



**Cristina Isabel
Sousa Lopes**

Member of the Board of Directors



Portugal



Main companies

Viatel

Vista Alegre

Visabeira

PDT

Edivisa

Ria Stone

Real Life
Technologies

Pinewells

EIP

Bordallo Pinheiro

Montebelo Hotels

TECHNICAL SHEET



Population
10 344 803 hab.

Capital
Lisbon

Language
Portuguese

Area
92 212 km²



Analysis of consolidated results

Macroeconomic background

As a preliminary note, it is important to mention that the texts of this report were drawn up at a stage in which the pandemic crisis, which left its mark in the last two years, was already experiencing some relief, and the threatening rise of a warlike climate was felt, which in the meantime has escalated to a scenario of open conflict in Europe, with impacts not yet fully measurable. An unpredictable and fearful context, loaded with new uncertainties and a catalyst for a worrying escalation of complex difficulties, in a wide variety of domains, for which it is not yet possible to anticipate all the consequences. In this new framework, the company has decided to maintain most of the contents of this report, as they reflect the relevant information from the balance sheet for the year and the perspectives that shaped the plans for 2022.

The year 2021 was a year of recovery from the impacts of the pandemic crisis. The world has taken on a new economic dynamic, which is expected to follow an accelerated pace of 4.5% in 2022, decreasing to 3.2% in 2023. In the European context, the recovery from the recession from the pandemic was faster than expected, with the Eurozone and EU economy reaching a growth rate of 5% in 2021, which should continue to expand with more moderate growth of 4.3% and 2.5% in 2022 and 2023, respectively. After reaching 6.9% of GDP in 2020, the EU aggregate deficit is expected to have declined marginally to 6.6% in 2021 due to budget support and is projected to decline to around 3.6% of GDP in 2022, decreasing further to 2.3% in 2023.

In Portugal, during 2021, the Portuguese economy grew by 4.8%. Forecasts assume a growth of 5.8% for 2022, with a more moderate rate of expansion being projected in 2023 and 2024, with growth of 3.1% and 2.0%, respectively. Inflation was also revised upwards, having increased by 0.9% in 2021 and it is expected to grow by 1.8% in 2022, but reduce to 1.1% and 1.3% in the following two years.

Projected Portuguese economic growth will be strongly induced by the benefit of receiving European funds, by the prospects of a recovery in demand and by favourable financing conditions.

Grupo Visabeira

Consolidated indicators

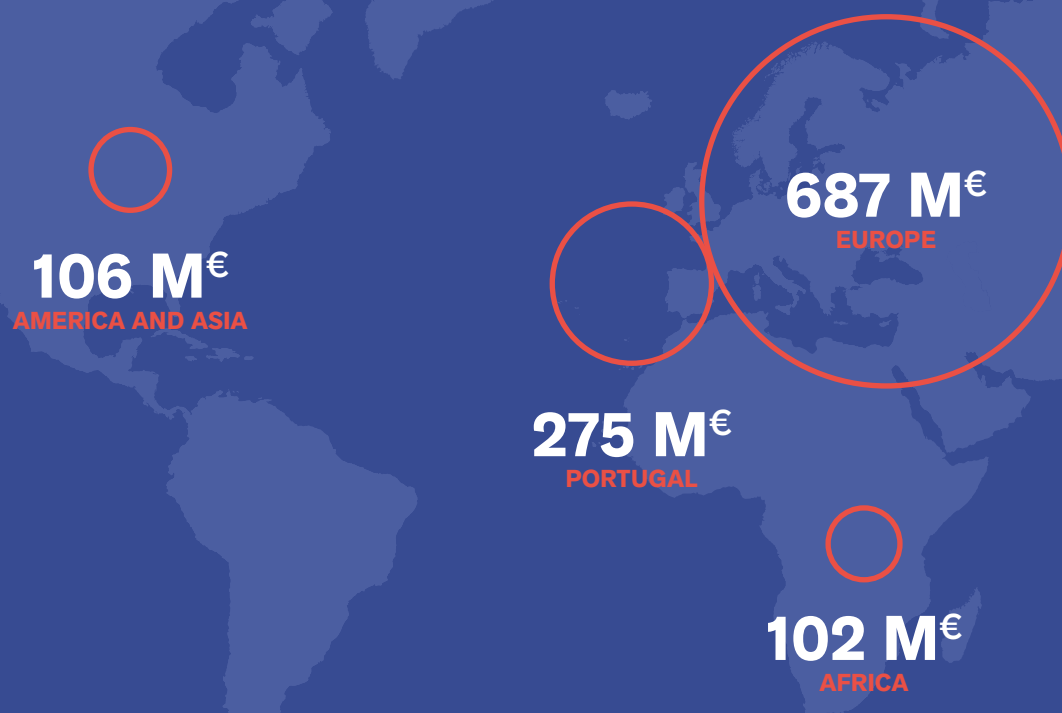
	2021	2020	Var YoY
Turnover	1,171	960	22%
EBITDA	183	155	18%
EBITDA Margin	15.7%	16.2%	-0.5 pp
Recurring operating income*	100.9	84.4	-20%
Operating margin	8.6%	8.8%	-0.2 pp
Net income	38.0	22.0	-73%
Net investment	88	109	-19%
Debt	769	762	1%
Inventories	133	114	16%
Fixed assets (including investment property and goodwill)	1,343	1,186	13%

* Operating result excluding the effect of changes in fair value of investment properties and provisions.

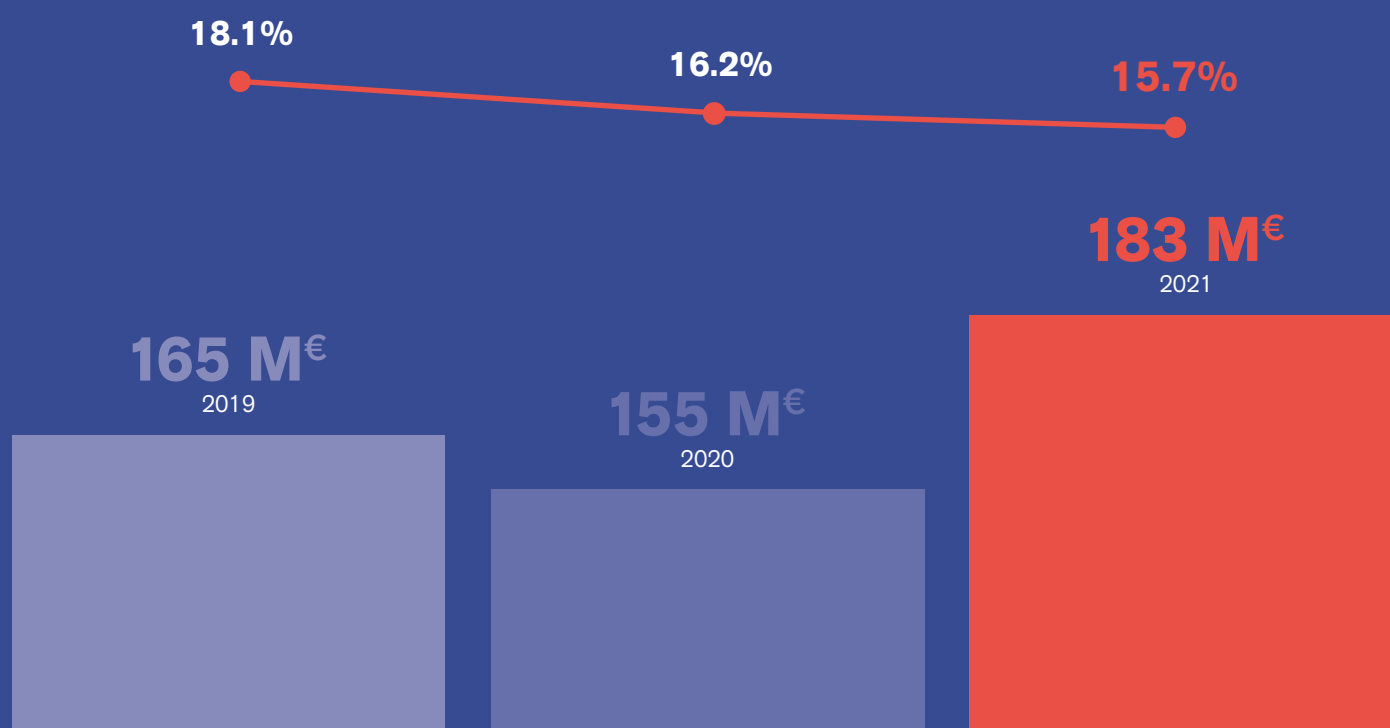
TURNOVER

1,171 M€

Turnover



EBITDA and Margin



Results

Grupo Visabeira reached a consolidated turnover of 1,171 million euros during 2021, which represents a growth of 22% compared to the previous year, reaching historic values. With regard to EBITDA, the Grupo reached 183 million euros, which results in an 18% increase over the same period last year. The operating result reached 101 million euros, a figure also higher than what was reached in 2020, when it stood at 97 million euros.

Net income stood at 38 million euros.

Grupo Visabeira, as has been seen historically, continued to grow in foreign markets during 2021, reaching 76.5% of its turnover in international markets, which resulted in a growth of 2 p.p. as compared with the same period of the previous year. This activity increase in foreign markets is the result of the Grupo's growing investment in the various international markets, namely in Europe and in the United States, where there was a continued focus on its core activities - provision of telecommunications, electricity and gas services - for the main operators and the strengthening of its position in these markets. The business strategy carried out by the Grupo in recent years has also contributed to this increase, by purchasing companies operating in the telecommunications, electricity and gas areas in the different strategic markets it does business in and also in new markets in order to expand increasingly its area of coverage.

As a result, the European market remains as the most important.

The volume of non-domestic business in Europe reached 687 million euros in 2021. The European market countries with the greatest significance in the consolidated turnover of the Grupo Visabeira are France (43.1%), the United Kingdom (27.1%), Belgium (10.5%) and Italy (7.1%).

Constructel Visabeira, in order to continue strengthening its presence

in new countries in the European market, in early 2021 purchased several companies. In Portugal, it is important to note EIP Serviços and Cunha Soares, both in the energy sector, which allow the Grupo to strengthen its focus in this area.

Visabeira Global recorded a turnover of 983 million euros and an EBITDA of 150 million euros. Thus, as it has been verified in recent years, it remains as the most important business area of the Grupo Visabeira, representing 83.8% of the turnover, and 82% of the EBITDA. Regarding the same period last year, the 25% growth in turnover and 16% in EBITDA stands out in this area, indicating a good operational performance in the activities of Visabeira Global, namely the engineering services activities of telecommunications, electricity and gas networks both nationally and internationally, as well as in its own cable television operations, in Angola and Mozambique. Visabeira Global purchased Companhia Santomense de Telecomunicações in São Tomé and Príncipe and Escot Telecom Maroc in Morocco reinforcing its position in Africa.

Visabeira Indústria reached 153 million euros, representing an increase of 7% compared to 2020, contributing with 13.1% to the consolidated turnover of the Grupo Visabeira. EBITDA reached 24.4 million euros, resulting in a 13% growth compared to 2020.

Visabeira Turismo, Imobiliária e Serviços recorded a turnover of 30 million euros (including Grupo Visabeira SA), which represents approximately 2.6% of the Grupo's total turnover. EBITDA in this area stood at 9.7 million euros in 2021 against 4.6 million euros in 2020, which represents an increase of 112%. This increase is explained by the opening, although complying with restrictions, of several hotels and restaurants.

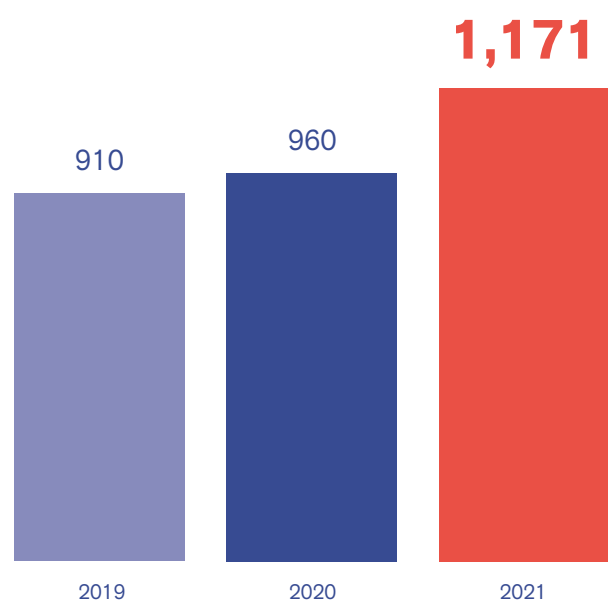
Average annual growth

%

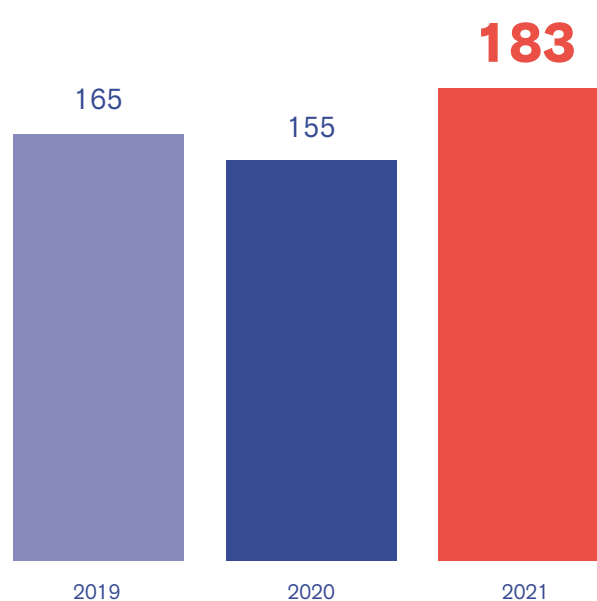
	2011 / 2021	2020 / 2021
Aggregate turnover – 1,280 million euros	9%	19%
with a consolidated turnover of 1,171 million euros.	10%	22%
Foreign markets 77%	3.9 pp	0.2 pp
EBITDA 183 million euros	11%	18%
EBITDA Margin 15.7%	0.1 pp	-0.5 pp
Productivity – 37 million euros	4%	18%
Employees 12,897	7%	3%

Grupo Visabeira

M€ TURNOVER

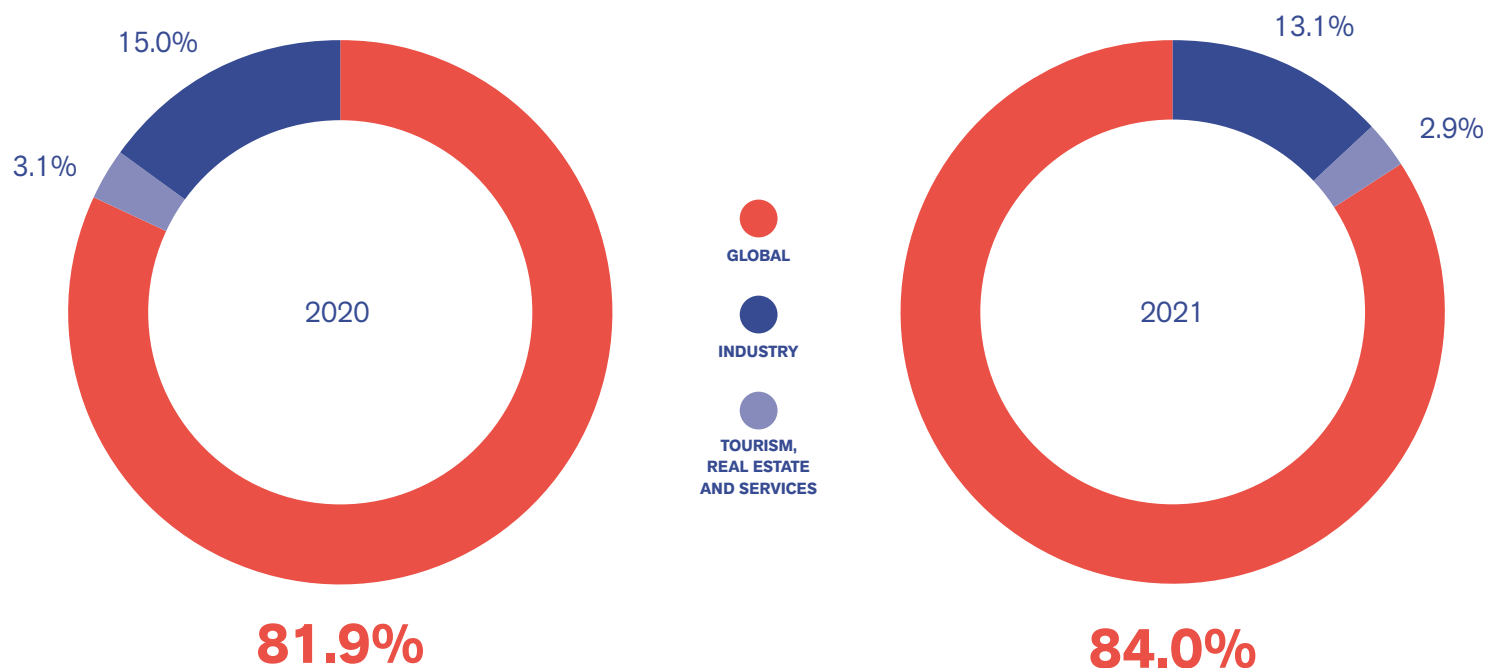


M€ EBITDA



Turnover by business area

%



Balance

On the 31st of December 2021, the Grupo's assets increased to 2,051 million euros, compared to 1,848 million euros in 2020.

The ongoing strategic investment in the Visabeira Global area is worthy of note, for the expansion of the international activity.

During 2021, the non current assets represented more than 69% of the total assets. During the year, investment in tangible fixed assets, right-of-use assets and intangible assets amounted to 94 million euros, including investments made in the United States of America, of around 8.4 million euros. Also noteworthy are the investments in Angola and Mozambique, by TVCabo Angola and TVCabo Moçambique, with 9.6 million euros and 5.7 million euros, respectively. These investments aimed at the expansion of the network coverage of those operators.

Investment properties stood at 297 million euros, which represents a decrease of 13.8 million euros as a result of the increased value of the Santa Luzia Project.

The Grupo's equity, including minority interests, improved 23% in 2021, being penalized by foreign exchange conversion reserves, which had a positive impact of around 40 million euros. Thus, the financial autonomy ratio stood at 23.4%. The consolidated net debt was 694 million euros on the 31st of December 2021, compared to the 667 million euros on the 31st of December 2020. Noteworthy is the decrease in the value of operating leases, which decrease by 2.3 million euros as a result of the application of IFRS 16 to eligible contracts. In 2021, the decrease in cash and cash equivalents of 24 million euros should also be noted.

The indebtedness ratio registered a reduction to 3.8x, thus continuing the Grupo's progressive deleveraging policy.



France

Main companies

Constructel France

Escotel

Constructel Énergie

Gatel

Vista Alegre France

Visactys

TECHNICAL SHEET



Population
67 413 000 hab.

Capital
Paris

Language
French

Area
643 801 km²



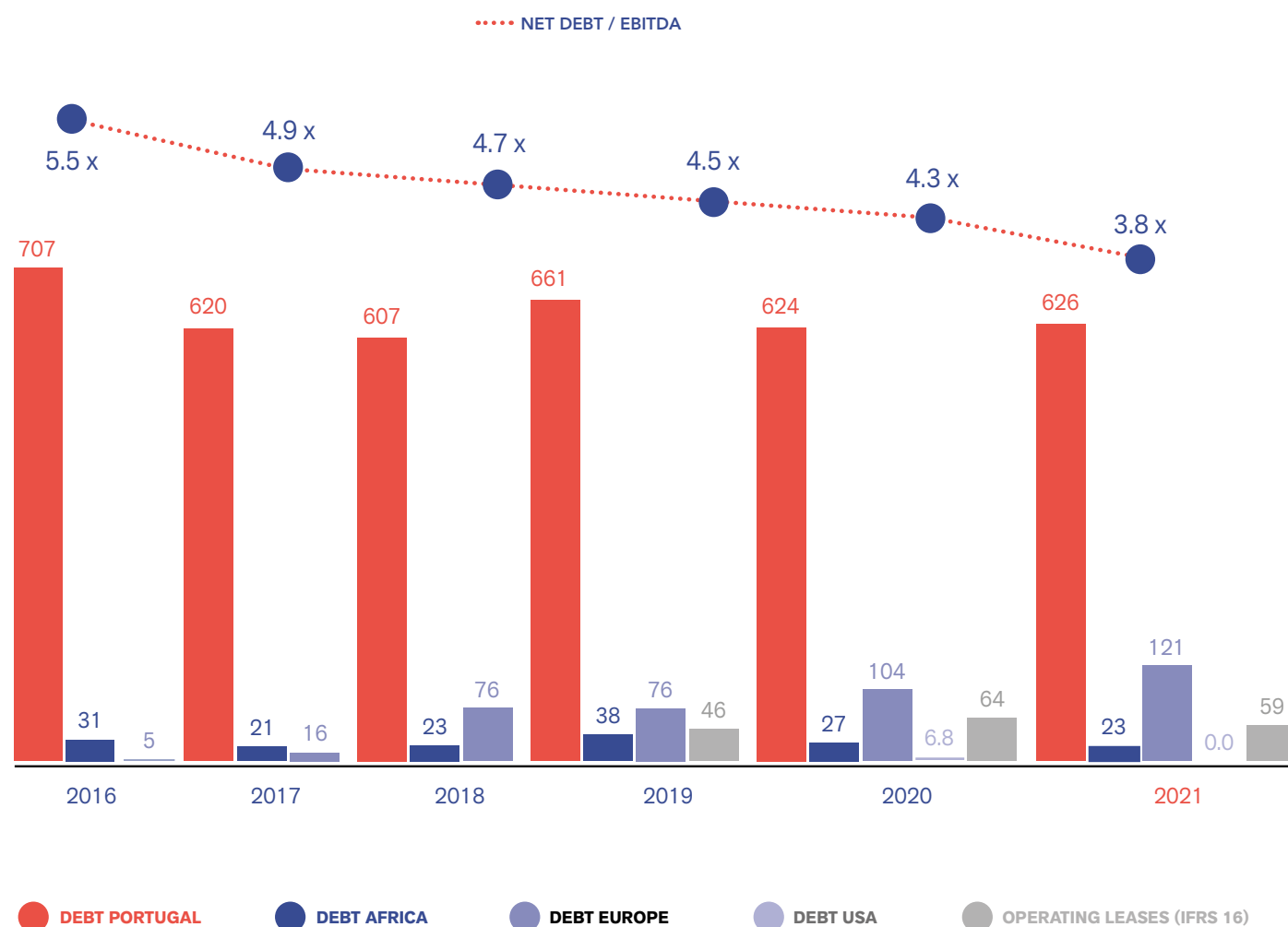
Consolidated amounts

M€

	2021	2020
Total Debt (Financing)	740	735
Lease liability	88.0	90.3
Availabilities	-131	-154.8
Available-for-sale financial assets.	-3.2	-3.7
Total net operating debt	694	667
EBITDA	183	155
Net operating debt / EBITDA	3.8 x	4.3 x

Net operating debt / EBITDA

M€



Investments¹

	Value
Portugal	36 607 733
France	9 659 431
England	4 039 414
Angola	9 694 164
Mozambique	5 673 704
Belgium	2 136 311
Germany	993 676
Denmark	449 569
Italy	365 925
United States of America	8 416 113
Total	78 036 039

In 2021, investments in Portugal amounted to 78 million euros, 62% of which in the Visabeira Global sub-holding, 12% in the Visabeira Indústria sub-holding and 26% in the Visabeira Turismo, Imobiliária e Serviços sub-holding.

At Visabeira Global, investments mainly concerns investments in information systems and renewal of the vehicle fleets of the different companies.

At Visabeira Indústria, investments in Portugal were channelled towards purchasing equipment in the porcelain, crystal, glass and oven segment, in order to enhance operational efficiency and reduce costs.

With regard to Visabeira Turismo, Imobiliária e Serviços, investments in Portugal focused on the requalification and improvement of spaces as well as on new hotels and restaurants. Investments in foreign markets were mainly carried out in the main countries where Grupo Visabeira operates,

namely in France, representing 12% (9.7 million euros), the United States of America, representing 11% (8.4 millions of euros) and Angola, representing 12% (9.7 million euros).

In Europe, namely, in France, Belgium and Germany, investment was essentially for purchasing vehicles and equipment necessary for the performance of the companies' activity.

In the Angolan market, investments in network construction and equipment stand out. Following the strategy foreseen, Grupo invested in expanding its geographical area of intervention, investing in building a network in areas with the greatest urban growth, namely in the city of Luanda, the main growth area, but also in other locations such as Lubango, Benguela, Zango, Soyo, Huila, Cabinda, Huambo and Zaire.

In the Mozambican market, the investment on the construction/reconstruction of the network in the areas of Maputo, Beira, Nampula, Tete and Pemba stands out.

Financial investments

During 2021, Grupo Visabeira, reinforcing the growth in its strategic markets and the geographical expansion of its activity to new markets, through its various subsidiaries, purchased 51% of the share capital of the company Companhia Santomense de Telecomunicações, a company that operates in the telecommunications area in São Tomé and Príncipe; in Morocco, 60% of the participation of Escot Telecom, a company that also operates in the telecommunications area; in Portugal, 100% of the share capital of EIP Serviços, 80% of the share capital of Cunha Soares & Filhos, a company operating in the Energy sector.

[1] Investment during the year includes the increase in the items fixed tangible assets, intangible fixed assets and assets under direct use associated with leasing.

Risk factors

Grupo Visabeira's control structure always prioritises its exposure to a diverse set of risks arising from its different business areas and, therefore, undertakes the management of credit risk and the protection of its treasury as a priority, recognizing, within this context, the importance of credit insurance as an essential instrument, both in the domestic and foreign market.

In this context, the importance of adopting an active management of the different financial risks has always been assumed, in order to minimize its potential negative impacts on the company's cash flow, profit and value. For this reason, always aware of the paramount importance of this issue, Grupo Visabeira promotes an accurate and proactive management of these risks, aiming at applying the most appropriate coverage measures for each situation.

Within this context, the Grupo Visabeira is fully aware that the success of its operations critically depends on the mitigation and control of any risks that can significantly affect all of its assets (equipment, service quality, information, facilities) and seeks to avoid, thereby jeopardizing its strategic objectives.

Interest rate risk

Grupo Visabeira's exposure to interest rate risk arises mainly from loans obtained, since financial investments are usually short-term investments and loans granted to its subsidiaries are mostly remunerated at a fixed rate. Consequently, impacts arising from changes in interest rates do not materially affect the accounts.

The balance of the consolidated financial debt of the Grupo Visabeira by the end of December 2021 was contracted, for the most part, at the indexed interest rate, and the main indexing factor was the Euribor rate at the different maturities for domestic financing, and the Libor rate for loans in

dollars, mostly granted to foreign companies. Aiming at reducing the risk of interest rate fluctuation, in 2018, the Grupo issued a fixed rate bond loan to the amount of 55 million euros.

On the date of the statements of financial position, Grupo Visabeira has open positions classified as hedging instruments associated with this index for 1.24 million euros, contracted in 2015 with a mark-to-market value of -13.5 thousand euros, as follows:

Company	Description	Nominal value	Operation type	Average maturity	Economic target
Naturenergia, SA	Swap Euribor 3M	1,245,238	Interest rate swap	8 years	Eliminate the risk of variation of the interest rate on financing

The fair value of all these derivative financial instruments is reflected in the statement of financial position, as follows:

Company		Book value	
		2021	2020
Naturenergia, SA	Swap Euribor (3M€)	-13560	-31,488
Total		-13,560	-31,488

In this context, and having started the year with a value of -0.545%, the 3-month Euribor by the end of the year settled at -0.572%. With this Euribor standing at very low levels and with a stable short-term trend, Grupo Visabeira estimates that the results coming from changes in this index

will not have a significant impact on its short-term accounts. An increase of 25 basis points in the interest rate would imply for Grupo Visabeira, by reference to consolidated accounts, an increase in financial charges of around 2 million euros.

Exchange rate risks

Grupo Visabeira, within its various areas of activity, is exposed to exchange rate and transaction risks. Exposure to transaction risk refers to potential changes in the value of outstanding obligations due to changes in exchange rates between the start date and settlement date and are reflected in profit-and-loss for the period.

Exposure to foreign exchange risk results from the translation into national currency of the financial statements of its subsidiaries, whose assets and liabilities are denominated in currencies other than the reporting currency of the consolidated accounts - Euro - and are reflected in equity, under exchange conversion reserves.

The Grupo holds assets and liabilities denominated in US dollars in different countries and subsidiaries, which allows partially hedging exchange rate risk vis-à-vis that currency. In foreign markets, particularly Angola and Mozambique, local companies import goods and services from the European market in euros, billing customers in kwanzas and meticals, respectively. These markets usually present a devaluation trend against the "strong" currencies, the Euro and the US Dollar. However, in Mozambique, during the previous year, there was an appreciation of 14.77% of the metical against the US dollar and 21.40% of the metical against the euro. The European currency has become the benchmark for the Angolan market since the beginning of 2017 due to restrictions that affected the corresponding banks. The Angolan government initiated in 2018 a process leading to a devaluation of the currency, eliminating the peg against the dollar, through auctions limited in volume and exchange rate, controlled by the BNA, under the Macroeconomic Stabilization Program. Another goal defined was to combat the gap between the rates in the formal and informal market, which at the beginning of 2018 stood at 159% against the dollar. In 2019, by decision of the Monetary Policy Committee of the BNA, new objectives were introduced in the context of the reform that had been carried out. The National Bank of Angola decided, at the end of that year, for the implementation of a floating exchange rate regime in which the exchange rate is freely defined by the market, i.e., according to the demand and supply of foreign currency. Throughout 2021, the BNA continued the

process of liberalizing the exchange market, continuing the work carried out in the previous years where it updated and clarified the rules and procedures for making payments abroad for foreign exchange transactions involving invisible currents, goods and capital, with the desired effect of reducing the gap between the exchange rates in the formal and informal markets, against the dollar, which stood at 20%.

In 2021, there was also a tendency for the national currency to recover, which appreciated 15% against the dollar and 25% against the euro, breaking a cycle of strong devaluation which started in 2018. Angola also saw its rating improved by the financial rating agency Moody's, complied with an International Monetary Fund (IMF) financial adjustment program, whose performance is praised by the Fund's staff, and benefited from the increase in oil prices, the country's main raw material, worth 90% of revenues. Consolidated financial results include a currency positive impact from Angola of 2.1 million euros.

MJ QUINN, a company purchased in 2018 and operating in the United Kingdom within the telecommunications infrastructures sector for British Telecom. The company trades in British Pounds, so it is not exposed to relevant transaction risks. Integrating the company in the consolidated accounts is subject to the exchange rate fluctuation of the British Pound against the Euro - transpose risk.

Future dividends will also be exposed to said exchange rate fluctuation. The British Pound started the year at 1.11231 Euros and ended the year at 1.19008 Euros. The same applies to factors cost with JFECC, a company purchased in 2020 operating in the United States of America in the energy sector, which is subject to transposition risk. Due to its integration in the consolidated accounts, it is subject to the fluctuation of the US Dollar against the Euro. The American dollar started the year at 1,2271 Euros and ended the year at 1,1355 Euros.

An exchange rate devaluation of 5% of the reference currencies of the main countries with regards to the outstanding balances on 31/12/2021 would have the following impact on the income statement items:

Exchange 31/12/2021		Angola	Mozambique	Portugal	Brazil	United Kingdom	Dubai	France	Overall Total
AED	4.16	0	0	-7	0	0	-380	0	-386
AOA	629.015	0	-529	-3,630	0	0	0	0	-4,160
EUR	1.000	-846,467	-1,725,067	0	-120,217	-8,902	0	0	-2,700,653
MZN	72.32	-12,746	0	12,654	0	0	0	0	-92
USD	1.14	-362,023	-362,194	91,408	-2,945	0	0	0	-653,755
ZAR	18.04	45	-30,267	234	0	0	0	0	-29,988
BRL	6.39	0	0	-209	0	0	0	0	-209
GBP	0.84	0	0	14,183	0	0	0	-71,632	-57,449
Total		-1,221,192	-2,118,057	114,633	-123,162	-8,902	-380	-71,632	-3,428,692

Credit risks

Credit risk is an important and complex activity that is present in the everyday life of most companies of Grupo Visabeira, whatever the nature of their business. Risk assessments imply credit decisions, at times, based on incomplete information, within a scenario of uncertainty and constant change. Considering the business itself, the business areas in which it operates, or the risk of the region and country, the classification and assessment of the credit risk of a given customer is usually summarised in a credit record, which includes available and relevant information such as the customer's nature, management capacity, assets, history, financial information, credit guarantees and payment terms and others that will inform an opinion on a given credit transaction.

The assessment of credit risk reflects the multiplicity, quality and origin of the information available to the credit analyst.

Grupo Visabeira maintains the policy underwriting in Portugal, Germany, Spain, the United States of America, Brazil and France, delegating in first instance the analysis of credit granting in professionals specialised in the collection and recovery of debts, receiving from the credit insurer an assessment of the exposure - credit limit - adjusted to the credit worthiness of each customer. Thus, management can be primarily focused on operational issues.

Covering this risk allows for compensation of 90% of unpaid customer credits. The last few years have been marked by an increase in restrictions on the granting of credit in general, and during 2021, as a result of the COVID 19 outbreak, the credit insurance company recorded very significant reductions in credit line limits from various national and foreign entities, with particular emphasis on companies operating in the sectors most affected by the pandemic, which in some cases even forced some spaces to close and some activities to stop over extended periods of time. In view of this scenario, and in order to meet the credit risk coverage needs in foreign markets, in which the limits granted under the base policies are insufficient, the Grupo Visabeira has insured additional coverages that allow it to increase the partial coverage of its risks, up to twice the amount granted in the base policy, and as well as to obtain coverages for risks that have no value attributed in the said base policy, up to the limit of fifty thousand euros. At the same time, it is the organization's purpose to obtain coverage for risks that have no value attributed in the aforementioned base policy, through non-recourse factoring. The added constraints in the external hedging of loans entail a greater precision and stricter requirements in assessing applications for internal credit.

Also relevant is the amount received as advance payment or payments in cash, which, in the year under review, represented a volume of about 6.3% of turnover, with a special contribution from the cable TV and Internet distribution, tourism, restaurants and leisure businesses. Loans granted to external entities, which also act as suppliers of the Grupo, had, in 2021, a weight of 0.7%.

Companies in the Grupo Visabeira that operate as infrastructure and telecommunications service providers sell to entities of recognised financial probity, which accounted for about 48% of consolidated turnover in 2021. This group includes entities such as local telecommunications operators, generally directly held by the Government of each country, replacing credit risk with political risk. Examples of most prestigious operators in the Grupo's portfolio: Orange (France Telecom); British Telecom; Proximus (Belgacom); Deutsche Telekom; MEO – Serviços de Comunicações e Multimédia; NOS Comunicações; EDP Distribuição; GRDF – Distribution de Gaz Naturel en France; ERDF – Électricité Réseau Distribution France; EDM

– Eletricidade de Moçambique; TDC A/S; Huawei Technologies Denmark Aps; Hidroeléctrica de Cahora Bassa; Vodacom Moçambique; and natural gas concessionaires, among others. At the closing date, TMCEL and Angola Telecom, public shareholders of TVCABO Moçambique and TVCABO Angola respectively, had outstanding balances of around 24 million euros, representing around 14% of the customer balance.

Liquidity risk

Grupo Visabeira manages liquidity risk in such a way as to ensure the financing of assets by maturity date and at appropriate rates and the timely settlement of its financial commitments, while maintaining appropriate cash balances and short-term credit lines, which allow for the proper management of cash to meet short-term financial commitments.

In order to minimize the impacts caused by the COVID-19 pandemic, countries' government throughout the year launched some measures which aimed at supporting and reducing the direct impacts that this outbreak could cause on companies and their employees. Measures such as simplified lay-off, capital and/or interest moratorium on current loans, as well as new lines of support for the economy with more accessible financial conditions were some of the actions that were continued in 2021 and which companies could access. In 2021, financing was contracted, within the scope of economy support lines launched specifically to support companies affected by the COVID 19 outbreak in the amount of 13 million euros. Companies which had adhered to the legal moratoriums during 2020 are no longer under them, and now comply with the plans established prior to the introduction of this extraordinary measure.

Grupo reinforced its strategy of diversifying funding sources. In December 2021 was renewed the registration of the commercial paper program in the Mercado Alternativo de Renta Fija (MARF) in Spain, with an increase of 75 millions of euros, from the overall amount of the programme, with active issues growing from €15 million euros in 2019 to € 52.1 million euros in 2021, reinforcing the strategy of progressively reducing dependence on national banks.

Grupo also contracted new commercial paper with the national banks, in the amount of 25.3 million euros maturing in 2026, in addition to several other refinancing operations.

The new investments made in industrial companies were financed with maturities between six and seven years.

During 2022, taking into account that the amount of the debt, presented in the statement of financial position on the 31st of December 2021 as payable in the short term, incorporates 28.15 million euros in terms of secured current accounts and authorized overdrafts, as well as 60 million euros of revolving debt with corporate investors, we believe that the short term debt that may be subject to refinancing will amount to 105 million euros, representing about 14% of the consolidated debt. Under the same assumption, if cash and cash equivalents are taken into account (although around 20.1 million euros may be subject to the restrictions currently maintained in transferring foreign currency from Angola and Mozambique), the residual short-term net debt that may be subject to refinancing will be fully covered by the value of the availabilities, which can also be addressed with the operational flows released during the year.

Grupo Visabeira, through its policy of concentrated management, ensures that the cash holdings as well as the investments of all the Grupo's

companies are managed by a global and centralized organization, especially working for this purpose. Thus, allowing to reduce liquidity risks, as well as avoiding exposure to variations that may affect the companies' profit.

Grupo has financing lines approved under the Portugal 2020 program and with financial institutions amounting to 27.4 million euros. The Grupo will seek to obtain specific funding for the remaining investments planned for 2021. Moreover, the purpose is to negotiate as well the partial revolving of some short term commitments, whose renewal we consider to be a strong favourable forecast, as it focuses on partner entities with whom there are long relationships. The Grupo also has support lines for cash holdings, under factoring, payment to suppliers and discount of documentary remittances to the amount of 78.2 million euros, available at the end of 2021.

The use of factoring, on the other hand, allows for a reduction in the average receivable terms with the inherent anticipation of receipts and, at the same time, facilitates better cash management. This policy ensures as well that the working capital necessary to finance the operating cycle, which is fundamental to a sustained economic and financial growth.

On 31st December 2021, amounts paid in advance by customers in this format amounted to 19.7 million euros. The Grupo has additionally contracted short-term current accounts to meet occasional cash needs. It should also be noted that the Grupo's cash and cash equivalents amounted to 146.7 million euros, mostly concentrated in European countries, which in itself represents an important source of liquidity.

The short-term debt of Grupo Visabeira is rated "A-3" by ARC Ratings, which means that the Grupo currently has a strong capacity to meet its financial commitments. ARC Rating also assigned a rating for the medium and long term, classifying the capacity to fulfil medium and long-term financial commitments with BBB-, having changed the Outlook from positive to stable.

The overall liquidity ratio in the consolidated accounts was 0.89 in 2021, showing an improvement in the adequacy of financing of current assets by current liabilities. Taking into account that current liabilities include support lines for commercial activity amounting to 78 million euros and which are of a revolving nature, the liquidity ratio is at 1.0.

In October 2021, an agreement was signed between Constructel Visabeira and Goldman Sachs for 21.86% of the company's capital in the amount of 200 million euros, which took place on the 12th of May 2022 after obtaining the necessary authorisations, namely authorization from competition authorities. The entry of this capital was foreseen in the company's strategy to ensure financing for future M&A operations, maintaining the expansion cycle that has occurred to date. With this investment, Constructel Visabeira returned the supplementary payments in the amount of 60 million euros to the shareholder Visabeira Global.

Business evolution by area





Turnover by company

BUSINESS AREAS	TOTAL		GROUP		CONSOLIDATED 2021		CONSOLIDATED 2020	
GLOBAL								
Europe	861,989,122	82.1%	49,661,157	74.8%	812,327,966	82.6%	690,390,324	87.8%
Portugal	243,844,848	23.2%	31,801,518	47.9%	212,043,330	21.6%	188,394,167	24.0%
Visabeira Global, SGPS	1,289,305	0.1%	1,166,400	1.8%	122,905	0.0%	121,688	0.0%
Viatel	80,953,901	7.7%	11,728,463	17.7%	69,225,438	7.0%	73,910,946	9.4%
Visabeira	43,084,304	4.1%	3,544,884	5.3%	39,539,420	4.0%	28,990,800	3.7%
PDT	35,019,918	3.3%	1,311,975	2.0%	33,707,942	3.4%	32,184,282	4.1%
Edivisa	33,376,695	3.2%	7,464,506	11.2%	25,912,188	2.6%	29,309,635	3.7%
Real Life Technologies	21,465,830	2.0%	1,397,415	2.1%	20,068,415	2.0%	16,550,058	2.1%
EIP Serviços	10669199	1.0%	0	0.0%	10,669,199	1.1%	0	0.0%
Cunha Soares	4966829	0.5%	0	0.0%	4,966,829	0.5%	0	0.0%
Naturenergia	3,189,595	0.3%	0	0.0%	3,189,595	0.3%	2,975,279	0.4%
Visacasa	4,701,504	0.4%	2,046,320	3.1%	2,655,184	0.3%	1,554,881	0.2%
Iutel	701,856	0.1%	57	0.0%	701,799	0.1%	655,779	0.1%
Ferreira e Coelho	661,043	0.1%	20,700	0.0%	640,343	0.1%	0	0.0%
Aeroprotechnik	995,068	0.1%	383,875	0.6%	611,193	0.1%	1,962,876	0.2%
Field Force Atlantic	32,879	0.0%	0	0.0%	32,879	0.0%	177,944	0.0%
Constructel Europe	211,750	0.0%	211,750	0.3%	0	0.0%	0	0.0%
Visapower	2,525,172	0.2%	2,525,172	3.8%	0	0.0%	0	0.0%
France	292,695,976	27.9%	9,691,452	14.6%	283,004,524	28.8%	267,933,074	34.1%
Constructel	240 028 142	22.9%	3 100 274	4.7%	236 927 868	24.1%	+351 234 198 055	29.8%
Constructel Énergie	20 543 504	2.0%	24 521	0.0%	20 518 983	2.1%	16 603 843	2.1%
Escotel	20 634 284	2.0%	480 2 281 351	3.4%	18 352 804	1.9%	15 472 604	2.0%
Gatel	11 052 184	1.1%	4 065 375	6.1%	6 986 810	0.7%	1 560 179	0.2%
SCI Constructel	401 721	0.0%	219 803	0.3%	181 918	0.0%	98 392	0.0%
Visactys	36 142	0.0%	0	0.0%	36 142	0.0%	0	0.0%
UK	179914541	17.1%	397,674	0.6%	179,516,867	18.3%	134,701,521	17.1%
MJ Quinn	179,516,867	17.1%	0	0.0%	179,516,867	18.3%	134,701,521	17.1%
Constructel UK	397,674	0.0%	397,674	0.6%	0	0.0%	0	0.0%
Belgium	75,511,910	7.2%	4,134,544	6.2%	71,377,366	7.3%	41,436,947	5.3%
Constructel Modal *	37107220	3.5%	2,036,321	3.1%	35,070,898	3.6%	28,754,471	3.7%
OMV Natie	18159978	1.7%	0	0.0%	18,159,978	1.8%	8,044,837	1.0%
Constructel Belgium	20,064,143	1.9%	1,917,653	2.9%	18,146,490	1.8%	4,363,326	0.6%
Infrasign	180569	0.0%	180,569	0.3%	0	0.0%	274,313	0.0%
Germany	33,507,222	3.2%	751,572	1.1%	32,755,650	3.3%	24,033,687	3.1%
Constructel GmbH	22,238,156	2.1%	33,574	0.1%	22,204,582	2.3%	17,273,321	2.2%
Franz Josef Braun	10551068	1.0%	0	0.0%	10,551,068	1.1%	6,760,366	0.9%
Constructel Bau	717,998	0.1%	717,998	1.1%	0	0.0%	0	0.0%
Denmark	15743496	1.5%	2,884,397	4.3%	12,859,100	1.3%	16,970,011	2.2%
Constructel Denmark	10,175,908	1.0%	0	0.0%	10,175,908	1.0%	14,230,151	1.8%
Toft Hansen	5,567,588	0.5%	2,884,397	4.3%	2,683,192	0.3%	2,739,861	0.3%
Italy	10,873,672	1.0%	0	0.0%	10,873,672	1.1%	13,943,252	1.8%
Ieme	10,872,142	1.0%	0	0.0%	10,872,142	1.1%	13,943,252	1.8%
Constructel Italia	1530	0.0%	0	0.0%	1,530	0.0%	0	0.0%
Spain	9,897,456	0.9%	0	0.0%	9,897,456	1.0%	2,977,663	0.4%
Tensa	9,897,456	0.9%	0	0.0%	9,897,456	1.0%	2,977,663	0.4%
Africa	100,989,138	9.6%	16,749,917	25.2%	84,239,221	8.6%	76,754,995	9.8%
Angola	41,197,528	3.9%	10,845,518	16.3%	30,352,011	3.1%	34,744,811	4.4%
Tv Cabo Angola	30,676,213	2.9%	276,579	0.4%	30,399,634	3.1%	31,505,243	4.0%
Comatel	9,814,709	0.9%	9,765,122	14.7%	49,588	0.0%	3,151,575	0.4%
Edivisa Angola	706,606	0.1%	803,816	1.2%	-97,211	0.0%	87,994	0.0%
Mozambique	55,033,366	5.2%	5,904,399	8.9%	49,128,967	5.0%	42,010,183	5.3%
TV Cabo	21,073,590	2.0%	269,498	0.4%	20,804,092	2.1%	18,253,496	2.3%
Electrotec	8,968,082	0.9%	588,187	0.9%	8,379,895	0.9%	0	0.0%
Televisa	10,388,233	1.0%	2,593,694	3.9%	7,794,539	0.8%	9,573,685	1.2%
Martifer Visabeira	5,939,927	0.6%	0	0.0%	5,939,927	0.6%	6,895,040	0.9%
Real Life Moçambique	2,908,101	0.3%	5,082	0.0%	2,903,019	0.3%	4,528,029	0.6%
Sogitel	4,245,776	0.4%	1,755,743	2.6%	2,490,033	0.3%	2,372,805	0.3%
Hidroafrica	1,606,228	0.2%	687,277	1.0%	918,951	0.1%	370,472	0.0%
Selfenergy	-96,570	0.0%	4,918	0.0%	-101,489	0.0%	16,475	0.0%
São Tomé and Príncipe	2,246,409	0.2%	0	0.0%	2,246,409	0.2%	0	0.0%
Companhia Santomense de Telecomunicações	2,246,409	0.2%	0	0.0%	2,246,409	0.2%	0	0.0%
Morocco	2,511,834	0.2%	0	0.0%	2,511,834	0.3%	0	0.0%
Holding Escot Telecom Maroc	2,511,834	0.2%	0	0.0%	2,511,834	0.3%	0	0.0%
America	86,787,812	8.3%	0	0.0%	86,787,812	8.8%	19,266,745	2.4%
United States of America	86,787,812	8.3%	0	0.0%	86,787,812	8.8%	19,266,745	2.4%
JF Edwards CC	86,787,812	8.3%	0	0.0%	86,787,812	8.8%	19,266,745	2.4%
TOTAL	1,049,766,072	100.0%	66,411,074	100.0%	983,354,999	100.0%	786,412,063	100.0%

*Turnover includes Constructel Modal, Modal and Cabling.

BUSINESS AREAS		TOTAL		GROUP		CONSOLIDATED 2021		CONSOLIDATED 2020	
INDUSTRY									
Europe	161,576,195	94.0%	17,300,381	93.8%	144,275,813	94.1%	137,404,511	95.6%	
Portugal	153,802,437	89.5%	16,820,381	91.2%	136,982,056	89.3%	133,126,501	92.6%	
Visabeira Indústria, SGPS	320,641	0.2%	320,641	1.7%	0	0.0%	10,511	0.0%	
Vista Alegre Atlantis	71,713,259	41.7%	7,655,983	41.5%	64,057,276	41.8%	68,972,690	48.0%	
Ria Stone	29,036,535	16.9%	250,399	1.4%	28,786,136	18.8%	25,286,013	17.6%	
Pinewells	19,901,469	11.6%	61,321	0.3%	19,840,148	12.9%	18,525,088	12.9%	
Ambitermo	7,852,913	4.6%	6,625	0.0%	7,846,288	5.1%	6,488,872	4.5%	
Bordalo Pinheiro	10,050,748	5.8%	4,249,246	23.0%	5,801,502	3.8%	4,191,890	2.9%	
Cerutil	7,990,029	4.6%	3,223,805	17.5%	4,766,225	3.1%	4,235,247	2.9%	
Mob	5,378,248	3.1%	858,425	4.7%	4,519,823	2.9%	4,797,000	3.3%	
Besconsigo	890,502	0.5%	44,335	0.2%	846,167	0.6%	514,975	0.4%	
Armisepi	481,912	0.3%	17,320	0.1%	464,592	0.3%	42,764	0.0%	
Rodinerte	184,739	0.1%	131,620	0.7%	53,119	0.0%	61,450	0.0%	
Granbeira II	1,444	0.0%	662	0.0%	782	0.0%	0	0.0%	
France	967,319	0.6%	0	0.0%	967,319	0.6%	646,832	0.5%	
Vista Alegre France	967,319	0.6%	0	0.0%	967,319	0.6%	646,832	0.5%	
Spain	6,806,438	4.0%	480,000	2.6%	6,326,438	4.1%	3,631,178	2.5%	
Vista Alegre Atlantis Espanha	6,806,438	4.0%	480,000	2.6%	6,326,438	4.1%	3,631,178	2.5%	
Africa	3,876,366	2.3%	1,141,255	6.2%	2,735,111	1.8%	2,936,212	2.0%	
Mozambique	2,594,290	1.5%	36,685	0.2%	2,557,606	1.7%	2,464,016	1.7%	
Celmoque	2,374,079	1.4%	14,717	0.1%	2,359,362	1.5%	2,322,134	1.6%	
Vista Alegre Atlantis Moçambique, Lda	198,244	0.1%	0	0.0%	198,244	0.1%	130,031	0.1%	
Agrovisa	21,968	0.0%	21,968	0.1%	0	0.0%	11,851	0.0%	
Angola	1,282,076	0.7%	1,104,571	6.0%	177,505	0.1%	472,196	0.3%	
Alamo Angola	1,282,076	0.7%	1,104,571	6.0%	177,505	0.1%	472,196	0.3%	
America	6,377,134	3.7%	0	0.0%	6,377,134	4.2%	3,369,529	2.3%	
Brazil	2,873,979	1.7%	0	0.0%	2,873,979	1.9%	1,458,766	1.0%	
VAA Brasil - Comércio, Importação e Exportação S.A.	2,873,979	1.7%	0	0.0%	2,873,979	1.9%	1,458,766	1.0%	
United States of America	3,158,776	1.8%	0	0.0%	3,158,776	2.1%	1,849,079	1.3%	
Vista Alegre USA Corporation	3,158,776	1.8%	0	0.0%	3,158,776	2.1%	1,849,079	1.3%	
Mexico	344,380	0.2%	0	0.0%	344,380	0.2%	61,684	0.0%	
Mexicova	344,380	0.2%	0	0.0%	344,380	0.2%	61,684	0.0%	
TOTAL	171,829,695	100.0%	18,441,637	100.0%	153,388,058	100.0%	143,710,252	100.0%	



BUSINESS AREAS		TOTAL		GROUP	CONSOLIDATED 2021		CONSOLIDATED 2020	
TOURISM, REAL ESTATE AND SERVICES								
Europe	19,366,668	47.2%	2,090,792	18.7%	17,275,876	57.8%	15,652,478	54.8%
Portugal	19,366,668	47.2%	2,090,792	18.7%	17,275,876	57.8%	15,652,478	54.8%
Visabeira Turismo, Imobiliária e Serviços, SGPS	340,173	0.8%	200,543	1.8%	139,630	0.5%	113,920	0.4%
Empreedimentos Montebelo	8,700,685	21.2%	829,575	7.4%	7,871,111	26.3%	6,831,801	23.9%
Visabeira Imobiliária, SA	2,899,614	7.1%	91,910	0.8%	2,807,704	9.4%	2,970,687	10.4%
VAA - Empreedimentos Turísticos	2,246,050	5.5%	172,251	1.5%	2,073,798	6.9%	1,782,649	6.2%
Ifervisa	1,981,311	4.8%	9,899	0.1%	1,971,412	6.6%	2,448,754	8.6%
Tropo Squisito	962,421	2.3%	0	0.0%	962,421	3.2%	361,002	1.3%
Creative Shots	967,946	2.4%	173,696	1.6%	794,249	2.7%	765,443	2.7%
Zambeze	504,798	1.2%	19,311	0.2%	485,487	1.6%	307,486	1.1%
Parque Desportivo de Aveiro	97,977	0.2%	20,184	0.2%	77,793	0.3%	0	0.0%
VisabeiraHouse	133,649	0.3%	74,624	0.7%	59,025	0.2%	35,643	0.1%
Mundicor	59,122	0.1%	25,877	0.2%	33,245	0.1%	35,094	0.1%
Visabeira Participações, SGPS	156,037	0.4%	156,037	1.4%	0	0.0%	0	0.0%
Visabeira Imobiliária, SGPS	316,886	0.8%	316,886	2.8%	0	0.0%	0	0.0%
Africa	21,694,804	52.8%	9,078,626	81.3%	12,616,178	42.2%	12,934,445	45.2%
Angola	4,630,103	11.3%	4,074,560	36.5%	555,543	1.9%	2,306,115	8.1%
Visauto	2,364,464	5.8%	1,837,328	16.4%	527,136	1.8%	1,617,212	5.7%
Catari Angola	13,668	0.0%	0	0.0%	13,668	0.0%	0	0.0%
Mercury Angola	358,997	0.9%	349,733	3.1%	9,263	0.0%	15,985	0.1%
Visabeira Angola	1,391,295	3.4%	1,388,469	12.4%	2,827	0.0%	-49,370	-0.2%
Angovisa	501,679	1.2%	499,030	4.5%	2,649	0.0%	722,288	2.5%
Mozambique	17,064,701	41.6%	5,004,066	44.8%	12,060,635	40.3%	10,628,330	37.2%
Imovisa	6,247,556	15.2%	654,282	5.9%	5,593,274	18.7%	3,085,930	10.8%
Turvisa	3,502,962	8.5%	120,366	1.1%	3,382,596	11.3%	2,935,151	10.3%
Mercury	2,501,101	6.1%	1,140,367	10.2%	1,360,734	4.6%	2,588,739	9.1%
Combustíveis do Songo	1,167,707	2.8%	0	0.0%	1,167,707	3.9%	1,166,201	4.1%
Visaqua	349,107	0.9%	48,394	0.4%	300,713	1.0%	215,482	0.8%
Milibangalala	111,342	0.3%	4,893	0.0%	106,449	0.4%	0	0.0%
Visa House Moçambique	87,155	0.2%	0	0.0%	87,155	0.3%	90,988	0.3%
Autovisa	699,191	1.7%	647,357	5.8%	51,834	0.2%	70,458	0.2%
Vibeiras Moçambique	47,671	0.1%	39,819	0.4%	7,852	0.0%	187,119	0.7%
Visabeira Moçambique	2,350,909	5.7%	2,348,587	21.0%	2,322	0.0%	288,261	1.0%
TOTAL	41,061,472	100.0%	11,169,419	100.0%	29,892,054	100.0%	28,586,923	100.0%
HOLDING								
Europe	17,547,723	100.0%	13,541,732	100.0%	4,005,991	100.0%	1,347,611	100.0%
Portugal	17,547,723	100.0%	13,541,732	100.0%	4,005,991	100.0%	1,347,611	100.0%
Grupo Visabeira	17,547,723	100.0%	13,541,732	100.0%	4,005,991	100.0%	1,347,611	100.0%
TOTAL	17,547,723	100.0%	13,541,732	100.0%	4,005,991	100.0%	1,347,611	100.0%
TOTAL GLOBAL								
	1,280,204,962	100.0%	109,563,861	100.0%	1,170,641,102	100.0%	960,056,849	100.0%

Visabeira Global

Consolidated indicators

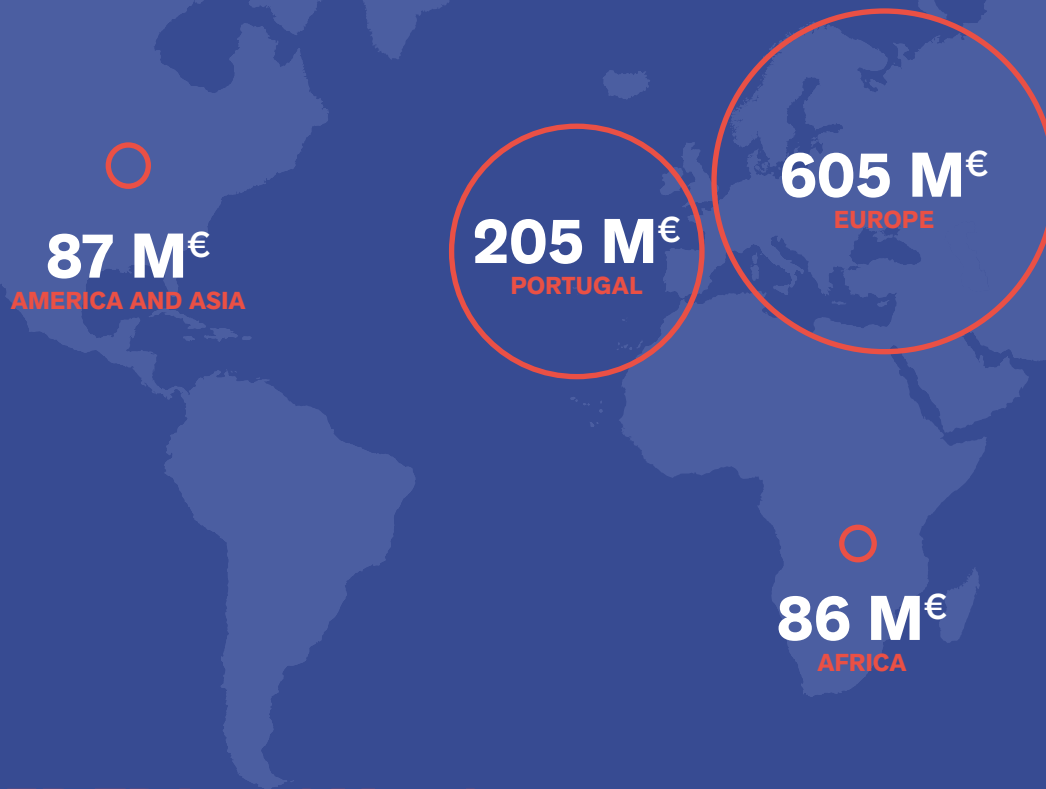
	2021	2020	Var YoY
Turnover	983	786	25%
EBITDA	149	130	15%
EBITDA Margin	15.2%	16.5%	-1.3 pp
Recurring operating income*	89.8	82.2	9%
Operating margin	9.1%	10.4%	-1.3 pp
Net income	61.9	42.0	47%
Net investment	54.9	76.8	-28%
Debt	350	345	1%
Inventories	56.7	40.0	42%
Fixed assets (including "goodwill")	612	465	32%

*Operating result excluding the effect of changes in fair value of investment properties and provisions.

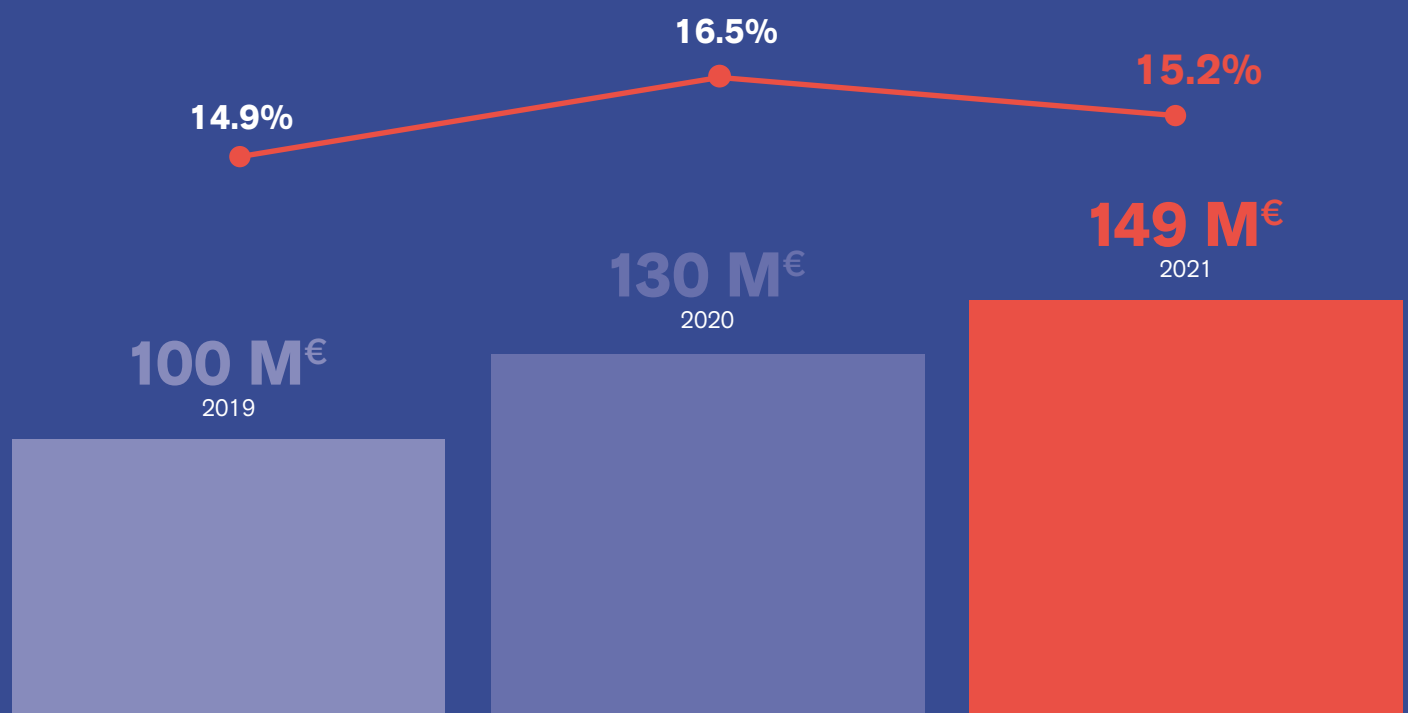
TURNOVER

983 M€

Turnover



EBITDA and Margin



Visabeira Global is the largest holding company of Grupo Visabeira, and it includes the areas of telecommunications, energy, technology and construction. It is also the company with the largest international presence, mainly due to its activities abroad, and the one that has guaranteed greater geographic expansion, in the multinational path that it has undertaken as its distinguishing brand.

In 2021, the effects of the pandemic and the consequent policy measures to safeguard public health continued to change and constrain company business activities. Despite this, and as in 2020, the telecommunications sector was extremely important in the context of public service, given the needs of social distancing. Thus, all the company's structures demonstrated the ability to adapt to circumstances, in order to better respond to society's needs and, as a whole, as a result of the dynamics of activity they had, they played an important role ensuring the essential conditions for the daily routine of people in the various sectors.

During 2021, Constructel Visabeira became indelibly the main European player in the network engineering sector, with a significant growth in its volume of activity, reaching 851 million euros, representing a growth of 28.4% among the group of companies from the various countries it operates in. The widespread recognition of its skills, competences and dynamics ensured the consolidation of several partnerships that will enable strong growth in the short term.

In 2021, Visabeira Global strengthened its growth reaching a consolidated turnover of around 983 million euros, corresponding to an important increase of 25% compared to 2020. Thus has strengthened its position as the largest sub-holding, reaching 84% of the Grupo's turnover.

Telecommunications

During 2021, Visabeira Global maintained its good operational performance in the activities of engineering services for telecommunications, electricity and gas networks, both at a national and international level. Constructel Visabeira integrated skills position it as a market leader, making it the perfect partner for operators becoming the pillar which allows the continuous expansion of Visabeira Global to several countries it operates in besides Portugal, namely France, Belgium, Italy, Germany, Sweden, Denmark and the United Kingdom. At the dawn of 2021, Constructel Visabeira, a subsidiary of the Portuguese multinational and multi-sector holding Grupo Visabeira, signed a 200 million euros investment contract with Goldman Sachs Asset Management, in exchange for a minority share of 21.86%. Proceeds from the investment will mainly be used to accelerate organic and inorganic growth by purchases, supporting the company's expansion strategy. The company thus reinforces its position, combining its unique view of markets, industries and regions and the global resources of Goldman Sachs, to develop businesses and accelerate the creation of value in Constructel's portfolios of activities. In France, **Constructel France** has strengthened its leading position with the main French operator Orange (France Telecom), as one of the main service providers of the French operator, operating throughout the country, strengthening its position as a reference company in this market. Although during 2021, the pandemic continued to harm economic activity at a global level, the company managed to endure and maintain activity in the telecommunications business, whether in terms of construction of optical fibre networks or in terms of the existing copper network maintenance. These dynamics, combined with a very assertive role, allowed Constructel França to reach a consolidated turnover of 237 million euros, representing a growth of 1.17% compared to 2020. In 2021, Constructel France continued, together with Orange, constructing the FTTH network in Martinique, thus strengthening the company's operational presence in the Caribbean, in that French department on the American continent.

Gatel, despite the difficulties that the health crisis continued to impose, namely in terms of human resources management and the level of supplying equipment and materials, managed to maintain its level of activity in France, with a turnover of around 7 million euros, thus strengthening its contribution to the other operations of the Grupo. Still in France, at **Escotel**, the year 2021 was characterized by strong contractual and organizational stability, which allowed for further growth in terms of turnover, thus contributing around 18.4 million euros to Constructel Visabeira's indicators.

In Belgium **Constructel Belgium** reinforced its position as a strategic company with Proximus (Belgacom) for all the work it continues to develop in installing optical fibre in the country, especially in Brussels. Within this context, and in the face of all the constraints created by the pandemic, the company reinforced its ability to resist the adverse environment and reached, in 2021, a consolidated turnover of 18.1 million euros, achieving an impressive growth of 316%.

Also in Belgium and in the area of fixed networks **Constructel Modal**, strengthened its presence in the area of telecommunications with its partner Proximus (Belgacom), presenting a volume of consolidated business at 35 million euros.

Oude Markt Voerlieden Natie NV (O.M.V. Natie), another Belgian company, based in Antwerp and founded in 1968, was part of Visabeira Global's business portfolio during the past financial year, reinforcing the Grupo's presence in the Belgian market by presenting a consolidated turnover of 18.2 million euros.

In Italy, **IEME**, a transalpine company owned by Visabeira Global, strengthened its position as a service provider in the area of medium and low voltage energy networks and in the area of telecommunications for ENEL, recording a turnover of 10.9 million euros. Although the restrictive measures implemented due to the pandemic continued to affect the company's activity, it remained focused on guaranteeing the quality and

availability of the services offered, demonstrating that it was up to the task and capable of overcoming challenges by responding effectively to the needs and requests of the market. IEME, a company with seventy years of experience in the energy sector, opened its telecommunications department after its acquisition by Grupo Visabeira. This commitment to a new technological area has allowed the long-standing company to achieve sustained growth, having aroused the interest of the major optical fibre operators in Italy, who are already surrendered to the quality of the service provided. In addition to the work in progress in Modena, emphasis should be given to the FTTH (fiber to the home) works carried out by the company in the municipalities of Portico, San Benedetto and Borghi, both in the region of Emilia Romagna, and to the important portfolio of works that the company has been gaining, including the construction of networks in the towns of Sala Bolognese, San Pietro in Casale, Polesine Parmense, Roccabianca, Zibello, Calendasco and San Giorgio Piacentino, which will essentially cover the northern part of Emilia Romagna. In 2021, a new growth cycle began through the partnership with Inpower, which culminated in the negotiation of the company, an important telecommunications player. This deal was completed in 2022.

In Germany, **Constructel**, now comprising two operating companies, Constructel GmbH and F.J. Braun, strengthened its position with the main customers and gained renown, both in fixed and mobile networks, having even been complimented on the quality of its work. As a result of this dynamic, the works portfolio continued to grow, with a short-term cycle of strong growth in the German market.

Within this context, **Constructel GmbH** continues to be a benchmark in this market, mainly as a partner of Deutsche Telekom. The level of performance and quality demonstrated in its multidisciplinary action in the area of fixed and mobile networks allowed it to maintain the leading role that characterises the company's presence in this sector of activity, mainly in the three regions of the West (Cologne), South east (Stuttgart) and South (Munich). The company has carried out a wide range of works, most of which are FTTH (fiber to the home) projects, covered by the MBfD program (Mehr Breitband für Deutschland), which announces: "more broadband for Germany". Noteworthy are the projects in the cities of Witten, Hagen and Neukirchen (North-Westphalia region) and in Stuttgart, Baden-Württemberg region. Constructel GmbH continued to cooperate with Ericsson and Deutsche Telekom, contributing, through the Pegasus project, to expanding the 4G network through the Rollout program, and also to launching and expanding the next generation 5G network through the AIR, Refarming and Small Cell programs. Despite the adverse situation, the company managed to exceed expectations and record a growth in its turnover, reaching 22.2 million euros, representing a growth of 28.6%.

Also in Germany, **Franz-Josef Braun**, a company which provides services related to constructing and expanding telecommunications networks, the installation of optical fibre and the construction of electricity networks, exceeded 10.5 million euros in consolidated turnover, a growth of 56%. The option of purchasing this company proved to be a very effective strategy, contributing significantly to the strengthening and positioning of Constructel Visabeira in Germany. One of the activity fronts during 2021 focused on the recovery of multiple German infrastructures which had been destroyed by the large floods occurred during the summer. In view of this disaster, the company mobilized teams from Portugal to Germany in order to provide a quicker response to the replacement of networks which had been affected by the bad weather. This proactive performance and the dynamics of the company's activity are praised by Deutsche Telekom, highlighting F.J. Braun as "a leading company in reconstructing

communication infrastructures, which it is carrying out in several German cities" and also that "the entire reconstruction work appears to be a complicated task, with numerous difficulties, which are only overcome thanks to the presence of specialized and qualified Franz-Josef Braun technicians".

In Denmark **Constructel Aps** and **Toft Hansen** were awarded with the Børsen Gazelle 2021, an award which recognizes the companies showing positive financial growth over a period of four years and having at least doubled their turnover. Constructel Visabeira, as one of the main European players in telecommunications and energy network engineering, has been present in the Danish market for a long time, reinforced its connection to TDC - Tele-Danmark Communications, with the "Fiber Scoop" contract. Within this domain, the work front of operation and expansion of the existing TDC network is reinforced, aiming at promoting the integration of business customers and the connection of new residential customers, as well as the works on the supply network (backbone). On another work front, the existing "Fiber Factory" contract was extended for constructing a new optical fibre network aimed at connecting thousands of homes in Denmark. As a result of these contracts, which will last 4 years, the company's main goal is to become one of the main service providers in the Danish market.

During 2021 **Constructel Aps** continued to be regarded as the best performance service provider in terms of deploying the optical fibre network in that Scandinavian country. During 2021, the activity experienced some constraints as a result of the prolonged effect of the pandemic. Despite this situation, Constructel Denmark continued to fulfil its contracts for constructing FTTH networks, for the TDC operator, the so-called Fiber Factory project. Besides this project, it continued to develop and strengthen partnerships with Huawei and Ericsson. The company's good performance allows continuity for the extension of contracts with the TDC operator. During 2021 a new contract was also signed with TDF, the Fiber Scope. Within this context Constructel Aps reached 10.1 million euros of turnover.

Also in Denmark, regarding **Toft Hansen**, it continues its path of assurance and growth in the Danish market, having reached in 2021 a turnover of 2.7 million euros, keeping deployment as its main focus and construction of optical fibre networks integrated into Constructel's activity.

MJ Quinn, a Grupo company operating in the United Kingdom market and a leading company in the sector of telecommunications in this country, strengthened its position during 2021 as one of the most important services providers for British Telecom. During a year which continued to be marked by the pandemic with successive confinements, companies stopped and society endured demanding challenges, telecommunications networks proved to be fundamental for everyone's daily lives. Under this context, MJ Quinn was able to overcome difficulties and ensured a response to the needs that the market was demanding at all times, and during 2021 the company achieved strong growth, particularly in constructing optical fibre networks. Within this context, an important investment was carried out in the Training Academy in Liverpool, which is now considered by the company's customers and partners to be the best of its kind in the UK. Furthermore, this commitment has allowed for increasing the capacity for technical training and specialisation in telecommunications and safety, which is one of the mainstays of the company and the main guarantee within the market. MJ Quinn was chosen by Openreach - British Telecom - to build a new network that will cover around 900,000 homes and businesses in Northwest England and will cover 50 locations, including greater Manchester, Cheshire, Lancashire



United Kingdom

Main companies

MJ Quinn

Constructel UK

TECHNICAL SHEET



Population

63 181 775 hab.

Capital

London

Language

English

Area

244 820 km²



and Merseyside, which will now have access to ultra-fast Full Fiber broadband, in a project that will run until 2026. As a result of its dynamics and even in this very adverse scenario, the company revealed its strong attitude and capacity, recording a turnover that reached around 180 million euros, representing a 33.3% growth.

In Portugal, **Viatel**, continued to focus on adapting itself to continue providing effective responses to market needs and to overcome the challenges arising from the very difficult pandemic scenario, resulting in a 6.3% reduction of the turnover. Viatel remained focused on guaranteeing quality and availability of its services and on meeting society's challenges. Viatel continues to be a leading company in its market in the different segments it operates in.

In the Fixed Network sector, performance was mainly leveraged by the migration of technology from copper to fibre and the dynamics in building new fibre networks. The Mobile Network sector has been recording sustained growth since 2017, and in 2021, despite the restrictions experienced, increased its activity compared to 2020. It is worth noting the fact that the company was, outstandingly, the best Vodafone service provider, at the top of the indicators throughout 2021. In the commercial area, in 2021, and still within the context of the pandemic, Viatel's commercial performance remained in line with the very positive commercial result of the previous year.

In the Stores and Corporate Sales channel, the company kept its performance throughout the year in the national TOP 10.

Also in Portugal, **PDT**, maintained the spirit of resilience in 2021 and the ability of the entire organisation to adapt to new and demanding challenges in order to know how to adapt pro-actively to the restrictions which the successive waves of the pandemic imposed on its activity. In this context, it ensured the implementation of good practices, overcame challenges, optimised its capabilities and skills, while in a context of extreme demand and difficulties, managing to respond to the needs of its market and, in this way, increase its level of activity as compared to 2020. As far as the Technical Area is concerned, PDT strengthened its position as a reference SP for the NOS operator and the company's construction activity was particularly boosted by the award of new optical fibre projects, by HFC, FTTH and DTH technologies works in the customer network and by the works related to maintaining the secondary and tertiary network in HFC and FTTH technologies, in the external network. In the commercial area, PDT reinforced its position as one of the main players in the residential segment of the NOS operator. Regarding the Business segment, the company recorded a growth of 4.7% in acquiring new customers. At the end of 2021, PDT reached a turnover of 33.7 million euros.

In Mozambique, **Televisa**, adapted to the new pandemic context and focused on responding to the growing needs of the sector. As a result of the company's ability to surpass itself, it achieved a performance that placed it at the forefront of its sector, acting on different fronts, playing a leading role in offering solutions to the multiple problems and increased needs that society has raised in the face of the pandemic crisis. Despite all efforts, the company decrease 18.6% in consolidated turnover, which stood at 7.8 million euros. Televisa continuous focused on strengthening its growth, partly due to the investment made by its customer Vodacom, which was oriented towards expanding the underground optical fibre network. This evolution is related to the need for strengthening infrastructures so that they are more resistant to the causes of fibre interruptions, such as bad weather and isolated cuts. In this field, building more than 100 stations from scratch and starting implementation of 646 km of underground optical fibre should also be highlighted. Televisa

participated as well in many other important projects, such as network update work, mainly the 4G coverage project which continues to be implemented across Mozambique.

In Angola, **Comatel**, experienced a very difficult scenario for which no one was prepared, but the company showed complete resilience and full competence to respond to new challenges. In this context, Comatel has adapted to a new and unexpected reality and has kept its focus on responding to new needs and at the same time has continued the work it had been carrying out over the previous years, developing several works and services for Angola Telecom, consolidating its position as a leading service provider for this customer. In 2021, even in this adverse scenario, it was also a year of important work carried out for TVCabo Angola, such as construction work and maintenance service of its network in the cities of Luanda, Benguela, Lubango, Huambo and Soyo. Moreover, Comatel ensured maintenance work of around 6,500 km of the national optical fibre backbone network and the stabilization of more than 2,000 km of that track. On another front of activity, and under the maintenance contract signed with Unitel, it carried out a program of maintenance work on the optical fibre network for this operator in Luanda, which is contractually assigned to it. Also in this area of activity, but working for Movicel, Comatel carried out preventive and corrective maintenance services for the underground network and optical fibre accesses in the city of Luanda. The work was carried out under the contract signed with this operator for this purpose. Comatel, for the ZAP Customer, operator in the area of cable TV / Internet distribution, remains responsible for the installation component of the Customer Network and maintenance services in the Maianga area. Under this adverse scenario, during 2021, the company presented a decrease in its consolidated turnover.

CATV

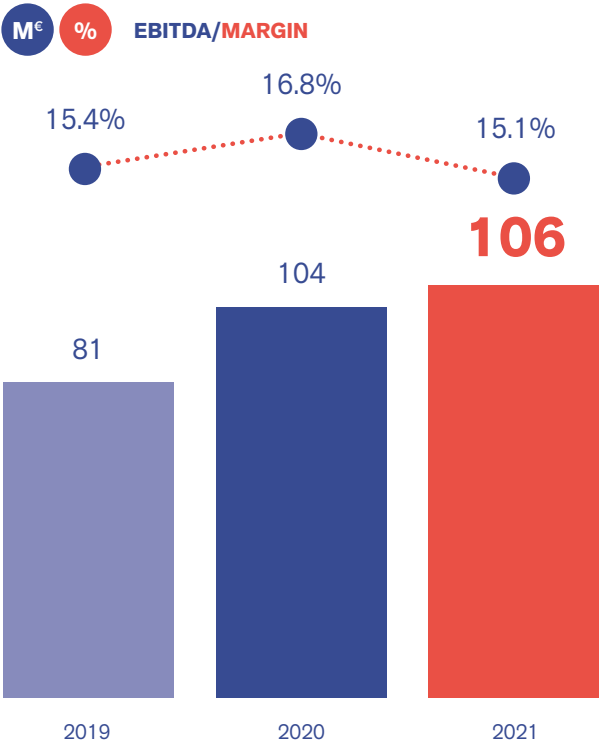
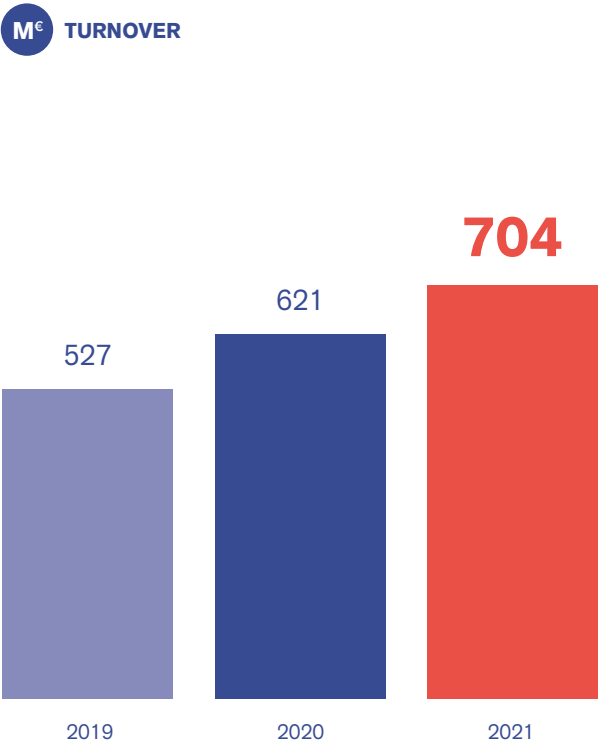
TVCABO Angola continues to be the only cable operator with the Triple Play service (TV+NET+fixed VOICE), in the Angolan market. With the granting of the Multiservice license by the Regulatory Agency in 2018, the offer indicated above was defined and the inclusion of mobile VOICE in the company's portfolio was also authorized. In the provision of TVCABO's Television service, the company continues to supply some of its own channels and channels from the two satellite television operators existing in Angola (ZAP and DSTV). This distinctive fact of TVCABO makes it possible to make more than 300 TV channels available on a single device. In the Internet service, TVCABO distinguishes itself from other competitors in that its offer is unlimited, reaching up to 500 Mb symmetrically. Regarding Voice services, the main feature continues to be the offer of free calls on the TVCABO and Angola Telecom networks. In the residential area, the Triple Play service continues to grow, allowing for a varied offer of combination of service packages, namely, different internet speeds, number of TV channels and, in terms of voice, different levels of impulses. In the business segment, due to the effects of the pandemic, which the country was not immune to, significantly changing the habits and needs of customers, TVCABO developed new symmetrical internet packages, more diversified and with greater bandwidth, giving an assertive response to market expectations. TVCABO, being an equal shareholder of Angola Telecom and Visabeira Global, companies with extensive experience and expertise in the area of telecommunications and information technologies in several countries in Africa and Europe, has added capacity to innovate and create new solutions in a timely manner, always seeking to offer

its customers the possibility of having first-hand access to various technological innovations and new solutions. In this difficult pandemic environment and new sectoral demands, TVCABO Angola ended 2021 with a decrease in turnover of 3.2% compared to the previous year, amounting to 30.4 million euros.

In 2021 **TVCABO Moçambique** celebrated its 25th anniversary. It is an indelible mark, it is 25 years of quality and trust relationships, which giving purpose to TVCABO, have proved to be unique, with special emphasis to the context of the reality of the pandemic, experienced since the beginning of 2020. The impacts of the Covid-19 pandemic, which affected the different market sectors during 2021, continued to affect the global performance of companies, given the deceleration of the economy as a whole, as well as the constraints caused by containment measures. It should be noted that the Internet service, fundamental in this new era of greater physical distance in all people's day-to-day activities, has seen its use intensified due to the fact that face-to-face activities were replaced by online activities, resulting in a significant increase in consumed bandwidth that the network and the entire structure had to adapt. In this context

and in commercial terms, Internet services and Triple Play packages, as well as Corporate solutions, with greater profitability and loyalty levels, remained TVCABO's strategic target. In this sector, the focus on increasing the convenience and speed of customer service was relevant, with programs focused on increasing the speed and assertiveness of customer interaction. During 2021, despite the adversities and health requirements - an adverse scenario increased by terrible weather calamities in the north and centre of the country - TVCABO maintained an unparalleled level of response, as a result of the persistent resilience that characterizes the company. It strengthened the company's position as a quality brand and during a period of demanding challenges and ambitious goals, the company was able to outdo itself and manage to meet the society's needs. Despite this extremely adverse scenario, the company recorded a growth of around 14%, reaching 20.8 million euros. In 2021, TVCABO was recognized with the tenth award from PMR Africa and distinguished for the seventh consecutive time with the PMR DIAMOND AWARD, the most prestigious award in the category of Internet Service Provider.

Telecommunications





Germany

Main companies

Constructel Gmbh
Franz Josef Braun
Cunha Soares
Constructel Bau

TECHNICAL SHEET



Population
83 190 556 hab.

Capital
Berlin

Language
German

Area
357 022 km²





Italy



Main companies

IEME

Constructel Italia

TECHNICAL SHEET



Population
60 317 116 hab.

Capital
Rome

Language
Italian

Area
301 338 km²



Information and Communication Technologies

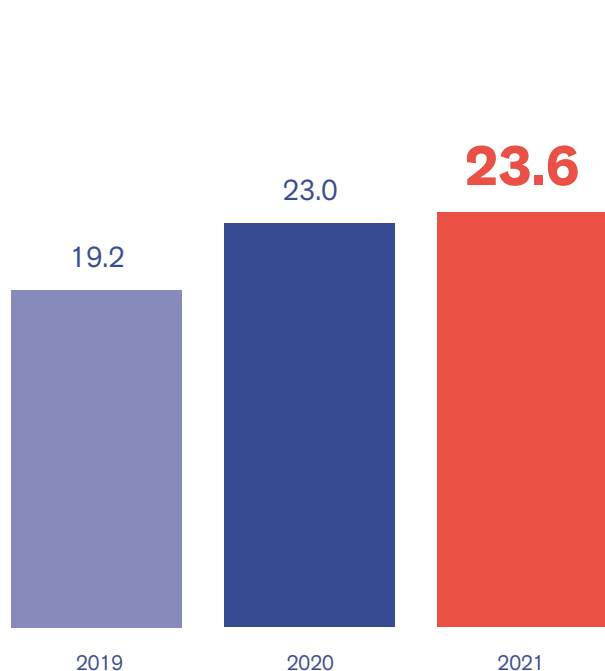
In 2021, a Viatel Tecnologias maintained its presence in this strategic segment for the company's business activities, which is important for the aggregation of the company's other offers. Viatel brings together in this activity area the focus on providing specialized services in the technological areas of data centre infrastructures, access network technologies (fixed and mobile) as well as new technologies and innovation in the areas of smart cities and internet of things (IoT). The company seeks to differentiate itself by presenting technological solutions which complement the projects and customers of Viatel's portfolio, in other business areas, optimizing solutions and maximizing advantages. In this area, the company maintained its policy aiming at optimizing and specializing its organization and structure regarding the technological and telecommunications supply as well as focusing on new technologies in the areas of smart cities and internet of things (IoT). In this context, Viatel maintains a strong position in the market for networks and technological infrastructures, as one of the main players in engineering services for building general infrastructure and installing radio solutions and other technologies.

Aeroprotechnik, a company focused on new technologies and UAVs (commonly known as drones), has been able to sign new contracts with large companies well-known worldwide in the solar photovoltaic sector. The company, among other areas, carries out thermographic and hyper-resolution inspections which, with the help of artificial intelligence solutions, helps to detect solar modules problems. Aeroprotechnik has developed projects in several countries, namely in Portugal, Spain, France, Ireland, Italy, Finland, Sweden, Mexico, Chile, Argentina, Jamaica, El Salvador, Ecuador, South Africa, Zambia and Australia, among others. As a result of this performance, the company registered a consolidated turnover of 611 thousand euros.

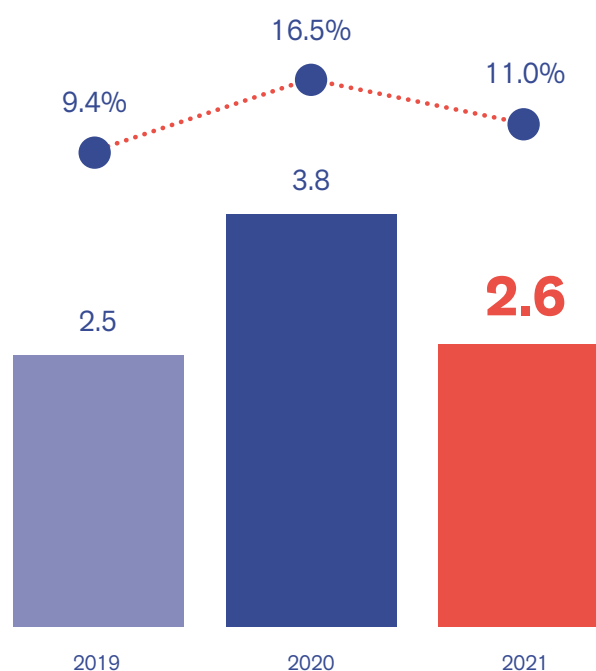
Real Life undertakes a reputed company path in this challenging segment, continuing to invest in the information technologies sector, always working with the main telecommunications operators in Portugal and as a partner of the main technology suppliers. In this context, the company's consolidated turnover amounted to 20.1 million euros, compared with the previous year, corresponding to a growth of 21.3%.

Information and Communication Technologies

M€ **TURNOVER**



M€ % **EBITDA/MARGIN**



Energy

In Portugal, **Visabeira Infraestruturas** experienced a year of 2021 still very much marked by the cohabitation and resilience of the electricity and gas sectors as a result of the constraints of the Covid-19 pandemic. The result of implementing adequate measures and procedures aimed at controlling and mitigating the pandemic, at various levels of the company, allowed for pursuing and achieving the goals proposed by Visabeira Infraestruturas, and to embrace numerous customers' challenges although within certain limitations. Despite the adverse context, the company managed to fully respond to the requests and needs of its market, which ensured a very positive performance, allowing it to exceed the level of activity during 2020, registering now 40 million euros. In the Electricity sector, the company strengthened its status as a leader in the sector as the second largest contractor, in terms of turnover for EDP Distribuição. 2021 was the seventh year of the contract for the project "Empreitada Contínua EC2015 - Redes", which started on the 30th of March 2015 and will end on the 29th of March 2022, taking into account the extraordinary one-year extension agreed. During 2021, the company's turnover, under the contract with E-Redes, was around 18.9 million euros. Also noteworthy during 2021, and as happened in 2018, 2019 and 2020, the company managed to ensure a large flow carrying out aggregated work under the "InovGrid" Project, namely in the activity of replacing electromechanical and static meters, by smart meters – Smart Meters - Energy Box (EB). During 2021, Visabeira Infraestruturas also invested in the segment of general electrical installations in Substations, which reflects the investment and activity diversification strategy with REN, an area where in the near future it is expected to strengthen its position as a key partner, contributing to a significant increase in the company's workload. Regarding the gas sector, 2021 was mainly marked by the continuity and completion of contracts in progress with two of Galp Gás Natural Distribuição's (GGND) Natural Gas distributors. The second half of 2021 was marked by the renewal of the Visabeira Infraestruturas / PRF consortium, led by Visabeira, of its contract with the distributors Beiragás and Lusitaniagás. This contract, which lasts for four years 2021/2025, started in August, and was the base of activity during the last months of the year for the distributors Beiragás and Lusitaniagás. Also during the second half of 2021, the three crossings using the directed horizontal drilling method were completed, which transferred from the contract awarded, in July 2020, by Distribuidora REN Portgás to the consortium led by Visabeira Infraestruturas. As one of the most important projects, Visabeira ended 2021 with a 36.4% growth in its consolidate turnover, reaching 40 million euros.

Also in Portugal, **Visacasa** achieved a turnover of around 2.7 million euros in 2021, representing its best result since 2016. The company has stood out in the market for professional services in the areas of air conditioning, electricity and electronic security, guaranteeing a substantial portfolio of clients such as IP - Infraestruturas de Portugal, EDP, REN, SIBS, Schneider and DGAJ, which represent around 65% of turnover.

It also has some Grupo Visabeira companies as customers, such as Vista Alegre and Bordallo Pinheiro stores and factories (Grupo Vista Alegre, Cerutil, Pinewells, etc...) representing around 5% of Visacasa's turnover. As planned, in 2021 a new structure was created, focusing on recent technological infrastructures (data centers, smart buildings, etc.) and energy efficiency (renewable energy, hybrid energy solutions, monitoring

solutions, etc.) , allowing a new activity front that represented around 30% of Visacasa's turnover in 2021.

Cunha Soares, a company based in Portugal, purchased by Viatel in the last quarter of 2021, operates mainly in the German market. The year 2021, despite the contingencies inherent to the Covid-19 pandemic, namely travel difficulties and increased costs, was a year marked by notable growth in volume and margin, contributing 5 million euros to the volume consolidated turnover during the last quarter (corresponds to 16.9 million euros in annual turnover). The company's growth was achieved mainly in the German market, to which there were also occasional activities carried out in the Nordic countries.

EIP Serviços, created in 2020, is a company providing engineering services, holding know-how in the Energy sector, with special emphasis on overhead lines for electricity transmission lines, general electrical installation for power substations, electrification and overhead contact lines in railways and light rail, hydromechanics in hydroelectric dams, metalworking, among others. The company continues an accumulated experience of skills in these fields with more than 50 years of Portuguese industrial electricity. At the same time, the company owns a manufacturing unit of around 100,000 m², including a covered area of 12,000 m², equipped with CNC technology, and especially geared towards manufacturing metal structures for power lines, substations and overhead contact centres, with a manufacturing capacity of 12,000 tons per year, in a single shift. Accordingly, EIP Serviços' main goal is to operate in the Portuguese, USA Spanish, Angolan and French markets, focusing on the electricity infrastructures sector. In Portugal its main anchor customers are REN - Rede Elétrica Nacional, S.A., IP - Infraestruturas de Portugal, S.A. and EDP Produção. Another highlight is France where it carries out electrification and overhead contact lines for railways and is a key partner of SNCF - Société Nationale des Chemins de Fer Français.

Its organisation also offers integrated design, management and operation services. EIP Serviços began operating during the 2nd half of 2021, as part of Constructel Visabeira group of companies. 2021 will be a turning point year for EIP Serviços which, by virtue of its inclusion in the range of companies of Constructel Visabeira, has seen its economic and financial solidity renewed, allowing it to embrace the enormous challenges that the significant national investment plans in the sectors of Energy Transport and Railways have brought to the market. This investment in EIP Serviços allows Constructel to strengthen its position in these two sectors which are pillars of the energy transition that is so necessary for the economy and for the sustainability of the planet. As a corollary, the company has designed a strategy of sustainable and organic growth, as a result of synergies and incorporation into the structure of Constructel Visabeira and Visabeira Infraestruturas. This will guarantee a strong boost to the training of new staff and the mobilisation of highly qualified technicians for new challenges in Europe in the area of energy, where the demand for qualified Portuguese manpower is a distinctive factor, in order to provide an effective response to national investment plans, examples of which are the German market and the Nordic countries. The year 2022 is expected to be the year of affirmation of the company with strengthening and growth, greatly supported by investment in ongoing training and in the dynamics of the Grupo it belongs to, leveraging the visibility of the business for the three-year period 2022-24.



Belgium

Main companies

Constructel Modal
Constructel Belgium
OMV Natie
Infrasign

TECHNICAL SHEET



Population
11 420 163 hab.

Capital
Brussels

Language
Dutch, French
and German

Area
30 526 km²





Denmark



Main companies

Constructel Denmark
Toft Hansen

TECHNICAL SHEET



Population
5 789 957 hab.

Capital
Copenhagen

Language
Danish

Area
43 094 km²



In 2021, EIP Serviços recorded a turnover of 10.7 million euros and reinforced its position in the market.

In France, **Constructel Energie** consolidated its presence within the energy-related services' sector, with the incumbent operators ErdF (Électricité de France SA) (Enedis) and GrdF (Gaz Réseau Distribution France), reinforcing its position as one of its main partners, and maintaining its position as leading player in this sector. However, despite the fact that 2021 was unavoidably marked by the Covid-19 pandemic, the company proved its ability to respond to difficult times, providing the most adequate response to market expectations. The company increased turnover by around 23.6%, amounting to some 20.5 million euros.

In Spain, **Tensa**, on another front of Constructel Visabeira's geographic expansion, strengthened its position in this difficult sector and reached 9.9 million euros of consolidated turnover, corresponding to an impressive growth of 232%.

JF Edwards CC, in the United States of America, reinforced Visabeira Global's multicontinental presence, strengthening its leading position in the North American market and decisively contributed to the worldwide growth of the Grupo's business activities, recording a consolidated turnover of 86.8 million euros, as a result of a growth of 350%.

In Mozambique, **Electrotec** continued to develop its specialised activity in the construction and maintenance of high-, medium- and low-voltage

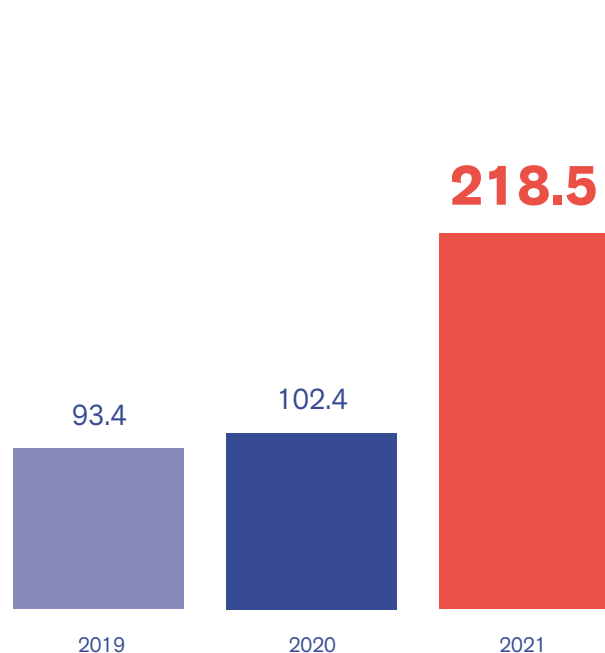
electricity transmission and distribution infrastructures, operating all throughout the Mozambican territory, from Niassa to Maputo.

The ability shown by the company to adapt its structure to operate under the health crisis constraints and to adapt quickly to the difficulties of the associated adverse macroeconomic involvement should be mentioned as positive. The company remains very focused on the quality of service and response to its customer EDM – Electricidade de Moçambique, for which it has been carrying out a wide range of complementary works and activities, including the construction and renovation of low voltage networks, the construction of public lighting, the construction and rehabilitation of medium and high voltage networks, the construction of transformer stations and substations. It is also important to mention the maintenance service of transformer stations for other customers.

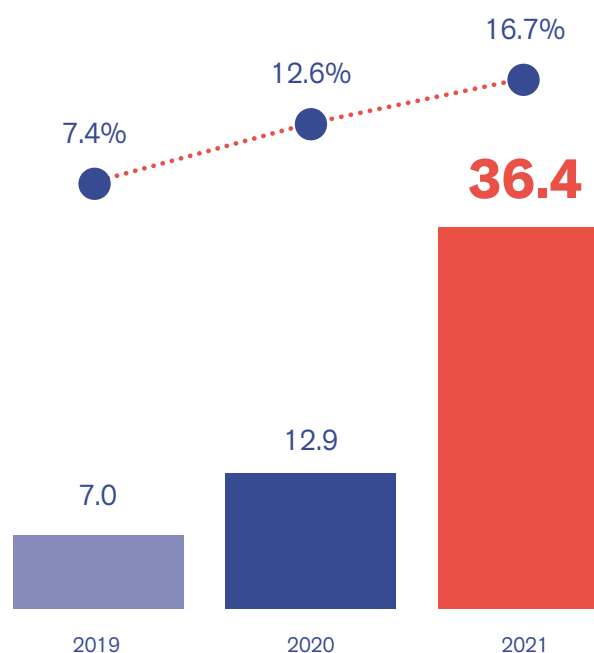
Under this context, it is worth mentioning the positive performance during this financial year, when the company was able to adapt its operations to the new health scenario, ensuring a continuous provision of its services, with the quality that its customers are used to and, despite various adversities, it maintained its focus on its several work fronts, managing, even in this adverse scenario, to record a turnover of 8.4 million euros, establishing itself as a reference company in the electricity sector in the Mozambican market, acting globally in the various specialities.

Energy

M€ TURNOVER



M€ % EBITDA/MARGIN



Construction

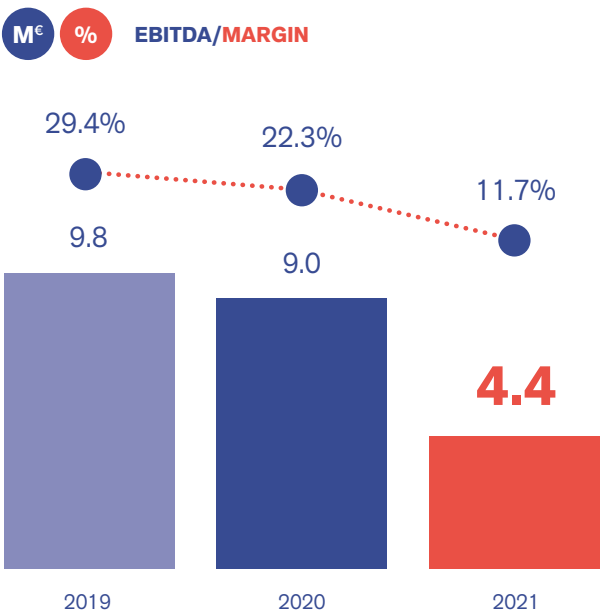
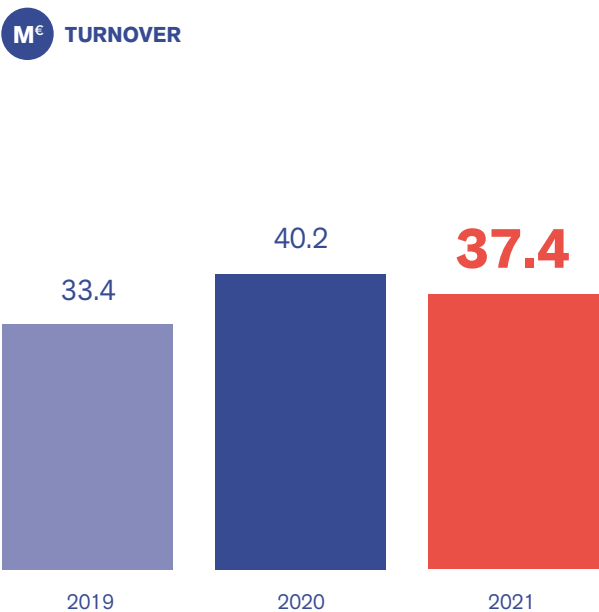
In Portugal, **Edivisa**, in a particularly atypical year, as a result of the continuation of the health crisis and various difficulties regarding supplies and logistics, took advantage of its transversal experience in the Construction and Maintenance of Buildings and Infrastructures sector, maintaining itself as a recognized company on a national scale as a reference player in the construction market and also in its international dimension. Thus, the company's activity is more relevant in Mozambique, where it has a vast and diversified portfolio of works in the most diverse sectors and has established itself as a reference company in the construction market. Edivisa integrates several teams of versatile and specialized technicians, framed by an organization optimising the available resources so that the company's results reflect the perfect harmony of the different areas, which include architecture, engineering and civil construction. The company develops its activity towards two sectors - i) public works and ii) real estate market - in which it operates within the scope of the design, construction, renovation, rehabilitation and maintenance of buildings and infrastructures. In this context, 2021 was marked by very positive performance, as a result of the company's ability to adapt and to be resilient to the impacts of the Covid-19 pandemic, responding assertively to market requests, allowing it to significantly increase its volume of activity and, at the same time, an important increase in the volume of works in the portfolio, which will allow growth to resume in 2022. This result is closely related with the company's expansion strategy, both in geographic terms and in the opening of new market niches to expand its customer portfolio.

The year 2021 was then marked by the strengthening of the market in Grande Lisboa, opening of the Porto market, as well as strengthening of the Viseu market. At the same time, it represented a solid basis for the growth path that the company seeks to achieve and for the expectations regarding the number of orders and the market that are levels for this objective. Within the Construction sector, Edivisa confirms its trajectory of growth, continuing the performance it has been recording during the past three years. The awards earned during 2020 and 2021 and the prospects of awards in the first quarter of 2022 have driven the company to be able

to reach, in 2022, a volume of activity that have reached a new historic high. The company, in pursuit of this larger goal, has been investing in increasing its technical and human resources, enabling not only the growth in business volume, but also in the optimization of its operational profitability. The public works sector continues to represent the most important sector for company growth. This sector's weight benefits from an important order portfolio, already under contract, and is the result of the company's continuous strategy to invest in the construction sector. In this context, the partnership policy initiated is also important, under which the company has been establishing strategic partnerships for relevant works. Keeping its focus on the future, in 2021 Edivisa competed in the national market for works amounting to more than 261 million euros, resulting in a volume of awarded works that amounted to around 26.5 million euros. In the Real Estate sector, the company continues to carry out excellent work, with particular emphasis, among others, on the construction works: renovation works at the Hotel Mosteiro de Alcobaça, comprising the entire Rachadouro Cloister of the Real Abadia de Santa Maria de Alcobaça, which is part of that world heritage monument, as well as work for constructing the building in Chiado. It's important to also mention the on-going work to expand tourist offerings at the Sítio da Vista Alegre, associated with the increase in the offer of that hotel unit. As a result of this difficult context, during 2021 Edivisa recorded a decrease in its consolidate turnover, reaching 26 million euros.

In Mozambique, **Sogitel** reinforced its presence focused on developing a comprehensive activity in the area of civil construction, supported by two of the main segments the company operates in: real estate and construction and infrastructures projects. The company has a relevant portfolio of customers, where Fundinvest and FNDS stand out as the main customers. Moreover, it has customers in the private segment and, at the same time, undertakes important works within the scope of the group it belongs to. In this context, Sogitel overcame the challenges caused by the pandemic, achieving a performance that provided it with a significant turnover growth of 4.9%, reaching 2.5 million euros.

Construction





Spain

Main companies

Tensa

Vista Alegre

TECHNICAL SHEET



Population

47 450 795 hab.

Capital

Madrid

Language

Spanish

Area

504 030 km²



Visabeira Indústria

Consolidated indicators

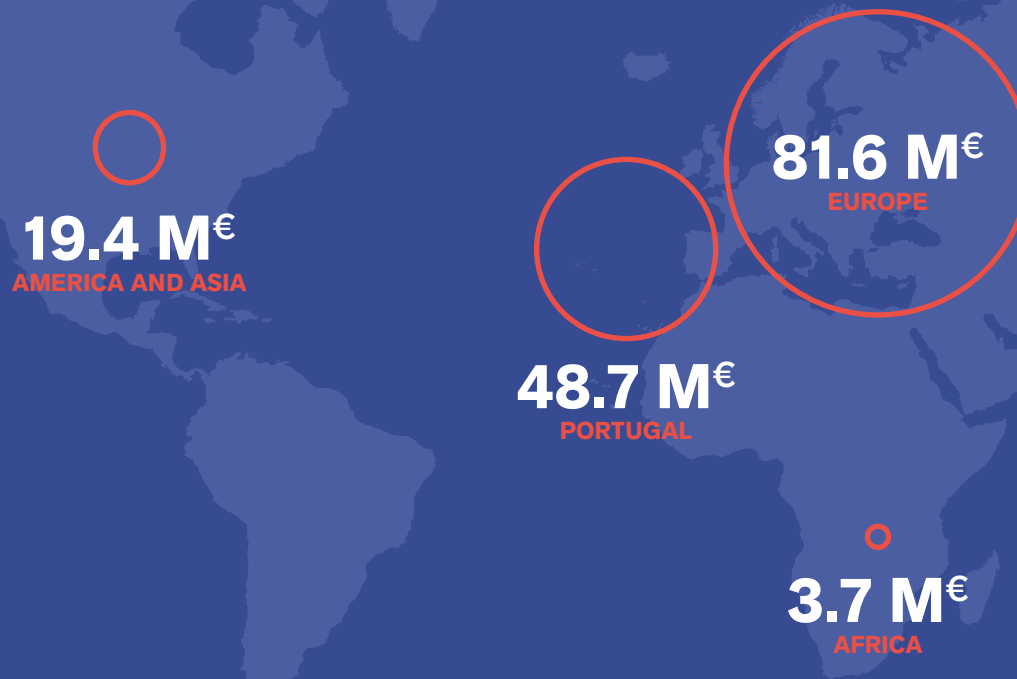
	2021	2020	Var YoY
Turnover	153	144	7%
EBITDA	24.4	21.6	13%
EBITDA Margin	15.9%	15.0%	0.9 pp
Recurring operating income*	8.9	7.1	25%
Operating margin	5.8%	5.0%	0.9 pp
Net income	-1.6	-8.5	-81%
Net investment	10.1	10.6	-4%
Debt	107.3	103.3	4%
Inventories	44.2	47.1	-6%
Fixed assets (including investment property and goodwill)	246	249	-1%

*Operating result excluding the effect of changes in fair value of investment properties and provisions.

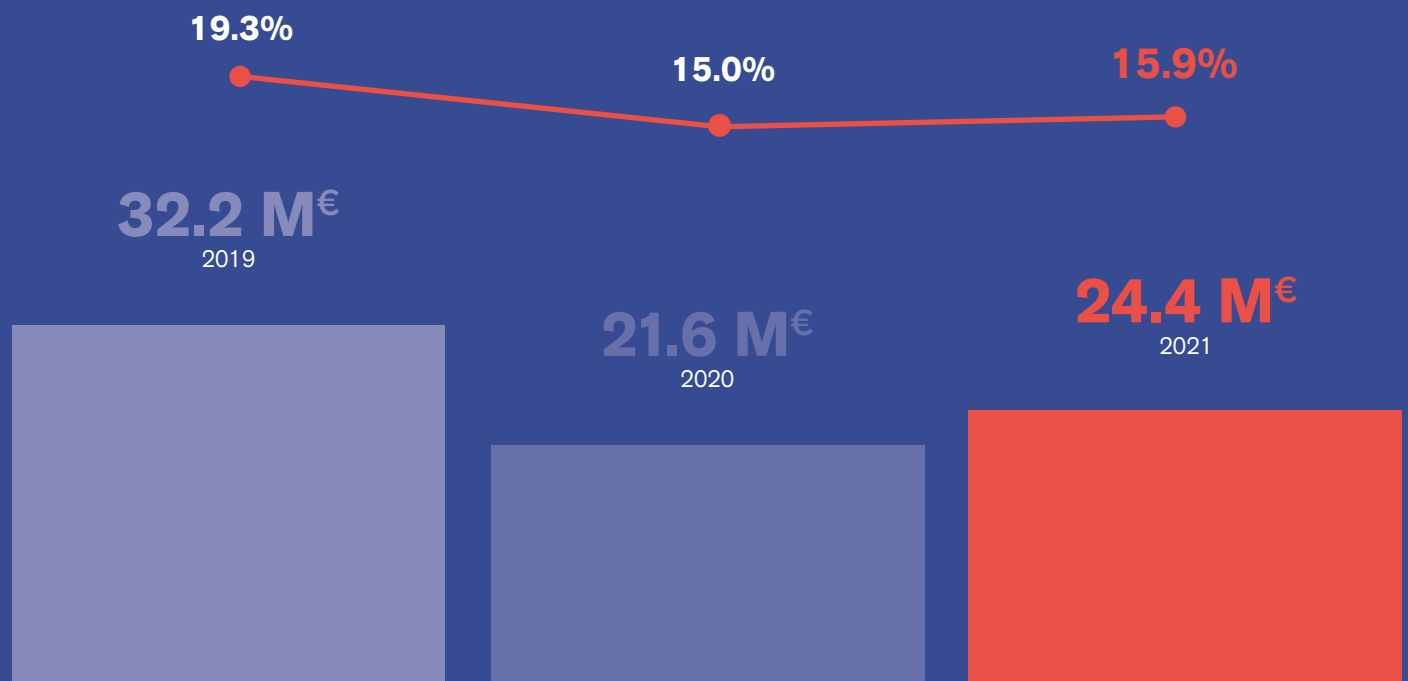
TURNOVER

153 M€

Turnover



EBITDA and Margin



Visabeira Indústria aggregates the Grupo's expertise in the industrial sector, covering areas such as ceramics, glassware, biofuels, energy recovery systems and kitchen furniture, among others. The optimization of the resources of each manufacturing plant associated with the ability to maximize the synergies of the different sectors, allows this holding to have an identity profile of innovation and competitiveness that the markets demand of companies and that enhances differentiation. Under the continued adverse context the activity of Visabeira Indústria's business areas recorded a consolidated turnover of 153 million euros, growing 7% compared to the previous year and remaining the second sub-holding in terms of size, corresponding to 13% of the Grupo's turnover.

Ceramics and Glassware

Vista Alegre, as a group recorded a turnover of 117 million euros and an EBITDA of 22.9 million euros. Foreign market represented 75% of Vista Alegre's turnover, with 87.8 million euros of sales.

The year 2021, still quite marked worldwide by the Covid-19 pandemic, had significant negative impacts in economic and financial terms, as well as on the population's way of life.

In this adverse context, VAA SA saw its activity affected by the various measures adopted, namely the closure of its stores in Portugal for a period of three months, as well as restrictions on the operation of other stores belonging to Vista Alegre clients, all over the world. Additionally, the international fairs, which encourage the acquisition of new customers, were not held. Another sector which was negatively impacted and consequently harmed Vista Alegre's activity was tourism, in particular the hotel and restaurant sectors. Closing many hotels and restaurants or limiting their capacity, which caused a drastic reduction in purchases of table products in the HORECA segment.

Despite this adverse scenario, the brand achieved significant growth in several markets, among which the United States of America, France and Spain stand out. Likewise, the brand reinforced its presence in the e-commerce channel, with turnover close to 7% of the overall amount. During 2021, VAA SA also started an ambitious project to install CRM software which allows for a more in-depth knowledge of customers' consumption habits, in the various points of contact with the brand, aiming at their loyalty and the collection of fundamental information for the process of developing new products.

During 2021, Vista Alegre reinforced its process of strengthening itself as a lifestyle brand of excellence, outlining trends and launching several new collections, including the "Kick Off" by the prestigious English designer Damian O'Sullivan, the project "Urban. Art@VA" created with three renowned Portuguese street artists – Violant, Mr. Dheo and Odeith – as well as the collection "Bode Inspiratório", developed by 46 writers and 46 illustrators.

These are just a few examples of the various novelties that Vista Alegre launched throughout 2021, thus demonstrating its ability to innovate and create new products that, respecting the essence and values of the brand, have been conquering new customers at an international level.

Well-known worldwide for cutting edge design, the result of renowned partnerships with the best creators in the most varied artistic sectors, Vista Alegre won another 18 international design awards in 2021, in the lifestyle segment, of which 2 awards in the textile area, and 5 awards in the lighting area. The collaboration with the renowned Claudia Schiffer, which gave

rise to a decorative glass and crystal collection, was also awarded with five awards. Of the awards received, it is important to note the Red Dot Design Awards, the Good Design Awards Chicago, the Iconic Awards, the German Innovation Awards, the IF Design Awards, the Grand Prix du Design Canada and the DNA Paris Design Awards. During this year, Vista Alegre is back in the spotlight in the world of cinema, as a result of a collection developed exclusively for the international film "The King's Man".

Bordallo Pinheiro recorded a 38% increase in turnover in 2021, when compared to 2020, recording a total amount of 5.8 million euros. Fulfilling a strategic objective of the company, the foreign market continued to be a strategic goal, with direct sales reaching a share of 53%. The relevance of foreign markets for the company is decisive and it should also be noted that a good part of sales in the domestic market also have other countries as their final destination, so the presence of the brand abroad is increasingly significant. Bordallo Pinheiro thus fulfils one of its main goals of internationalization of the brand, never neglecting the important domestic market. In both markets, the primacy of existing synergies between the Grupo's companies is reinforced, as well as their commercial policies that have been implemented and that greatly enhance the results achieved. This increased commercial policy, which maximizes the proximity of current and potential customers, has had a significant impact at the national and international level, thus providing an increase in turnover, even in this very adverse scenario. As a direct consequence of this complex scenario, fairs were not held, thus having inherent negative impacts. In the manufacturing domain, Bordallo Pinheiro maintains its strategic focus on production optimization and continuous improvement of all its processes, with the ongoing goal of increasing productivity and quality and, consequently, reducing its manufacturing costs.

Bordallo Pinheiro maintained the Certificate of Conformity under the NP EN ISO 9001: 2015 Standard and the SMETA 4 Pilares Certification. The company has an Integrated Management System that meets these requirements, allowing for greater fluidity of information throughout the organization, improving the recognition and understanding of organizational responsibilities and interrelationship. In addition to this demanding attitude, which is the company's requirement, absolute accuracy in management is added as a crucial factor for performance. As a major characteristic of this attitude, the company reinforces maintaining an ongoing, attentive and sagacious reading of demand trends as its primary goal, in order to realistically and effectively adapt the offer of products available to meet consumer expectations.

Thus, 2021 continued to be marked by enormous difficulties and colossal



USA

**Main
companies**

J.F. Edwards
Vista Alegre

TECHNICAL SHEET



Population
331 893 745 hab.

Capital
Washington, D.C.

Language
English

Area
9 371 175 km²





Brazil



**Main
companies**

Vista Alegre

TECHNICAL SHEET



Population
213 317 639 hab.

Capital
Brasilia

Language
Portuguese

Area
8 510 345 km²



challenges due to the direct and indirect impacts of the pandemic, namely the closing of stores during the first quarter and the high degree of absences, yet, despite this, the company managed to overcome the difficulties and strengthened its production processes, improving productivity and quality, as well as the level of customer service, ultimately managing to significantly increase its activity volume. The online channel, which had already experienced significant growth during 2020, grew once again during 2021, also recording a significant growth of 30%, thus reinforcing its course towards internationalization.

At **Ria Stone**, and despite the fact that 2021 was a year which underwent a great impact from the pandemic, the company was able to adapt and thus the health crisis did not significantly affect its operation. The home products market, including utility tableware, continues to be in high demand at IKEA. This reality, combined with the fact that Ria Stone was able to work throughout the planned calendar, and the beginning of production of a new family of products - Färgklar - made 2021 a year of historic highs for the company. Despite the pandemic context, the company's turnover grew from 25.3 to 28.8 million euros, corresponding to an increase of 14.3%, from 2020 to 2021. This increase in volume, associated with improvements in Ria Stone's operational indicators – 1st Quality and Yield – led to an increase in EBITDA from 7.14 million euros in 2020 to 9.08 million euros in 2021, which corresponds to an increase of 27.2%.

Regarding large projects for 2022, the Go Live of the European project H2020 Quality should be noted, which, through artificial vision and AI

tools, aims to improve internal process control. Likewise, the company will continue to work on the H2020 (I4Q) project (quality control systems) that will allow better control of raw materials reception. Regarding sustainability, during the 2nd quarter, the photovoltaic panel system will be put into operation, which will contribute to a reduction in electricity consumption from the national network by around 15% and will promote the reduction of the energy bill.

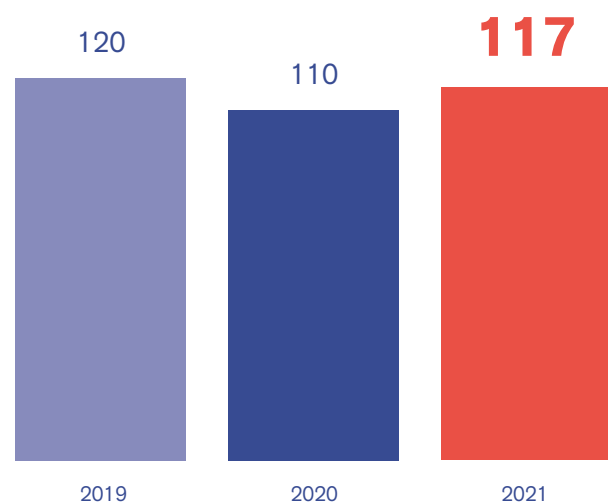
During the 2021, **Cerutil**, saw its activity and its results being strongly affected by the pandemic. As a result of the global pandemic crisis, during the first half of the year, Cerutil felt a strong reduction in demand. During this stage, it also recorded a high degree of absenteeism, a direct result of people infected with Covid-19, and indirectly due to prophylactic isolation and assistance to family members. This situation led the company to resort to support programs made available by the Government, such as: Lay-off and/or working hours reduction.

During the second quarter, Cerutil managed to reverse the very negative trend of the first quarter, resuming its normal production activity.

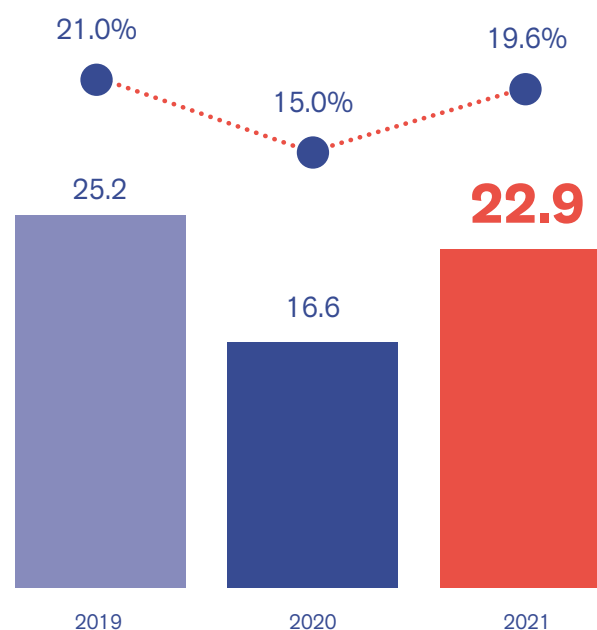
However, it was not enough to fully recover sales and the negative results accumulated during the first quarter of the year. Even under this extremely adverse context for the market in which it operates and especially for its specific segment, Cerutil closed the 2021 financial year with a turnover of 4.8 million euros, corresponding to a growth of 12,5%, compared to the previous year.

Ceramics and Glassware

M€ TURNOVER



M€ % EBITDA/MARGIN



Biofuels, Thermal Energy and Natural Resources

For **Pinewells**, 2021 was characterized by being an atypical year, with added difficulties, not only due to the Covid-19 pandemic situation, which affected the whole of society and the economy, but mainly due to the environment in the sector with regard to enormous difficulty in acquiring raw material, namely pine logs, with abnormally high purchase prices, constraining the guarantee of minimum delivery quantities, given the high demand and low supply. Despite these difficulties and the very adverse context, during 2021 the company reached the best value ever in the history of Pinewells in terms of turnover, reaching 19.8 million euros. This result, however, contrasts with the decrease in EBITDA, which was due to the strong increase in raw material purchase costs.

The company also managed to once again increase the sales volume of domestic pellets, having had a growth rate of around 10%, accompanied by a slight increase in sales of industrial pellets. Pinewells also continues to focus on the co-firing market, accompanied by customer diversification, which is a market that allows for better stability in sales contracts, a stability that is much more complicated in the domestic pellet segment. It should be noted that under this complex scenario, one of the most important factors remains the availability and price of raw materials. Thus, during 2021 the company reinforced its focus on a mixed system of raw material purchase, trying, on one hand, to carry out program contracts that guarantee a continuous supply of raw material, complemented by the traditional open door system, with factory prices. Speculation in raw material prices during 2021 greatly increased purchase amounts and led to a generalized containment by suppliers delivering raw materials. In an increasingly demanding sector, special emphasis must be given to market behaviour and the demands of industrial pellet customers,

who are increasingly oriented towards looking only for products that are environmentally suitable, socially beneficial and economically viable.

This guarantee is given through certification mechanisms that ensure the sustainability of the product, and in this sector, Pinewells remains at the forefront, reinforcing its strategic commitment to this positioning. Also noteworthy is Pinewells' commitment to the training and development of its human resources, in order to optimize the company's productive reality, maximized by the consequent and important investment of the company in the training of these resources.

As a result of the balance of Pinewells for the year, it is important to note the quality system which is of vital importance for the positioning of the brand and its products on the market: i) Renewal of quality and product certifications, by ISO 9001 and EN Plus standards; ii) Maintenance of the GGL Certification; Pinewells thus continues to strengthen its positioning in the market, with strong demand for its products, whether in terms of industrial or domestic pellets, having sold all its production in recent years. With the strategic goal of expanding its business and expanding its operations to new countries, Pinewells, took advantage of the opportunity and purchased a new factory with a production capacity of 110,000 tons per year, located in Cercal do Alentejo, which is scheduled to start operating during the first quarter of 2022.

Throughout 2021, **Ambitermo** continued to feel the negative effects of the pandemic, with a relatively low order volume. Despite the turnover having increased in relation to the previous year, from 6.5 to 7.8 million euros, it has not yet managed to reach the normal amounts in terms of turnover. Under this continued pandemic context, the recovery felt was slight, as expected in 2020. Still, as a result of the health crisis, business was



Angola

Main companies

TV Cabo Angola

Comatel

Edivisa Angola

TECHNICAL SHEET



Population

32 870 024 hab.

Capital

Luanda

Language

Portuguese

Area

1 246 700 km²





Mexico



Main companies

Mexicova

Vista Alegre

TECHNICAL SHEET



Population
126 014 024 hab.

Capital
Mexico City

Language
Spanish

Area
1 958 201 km²



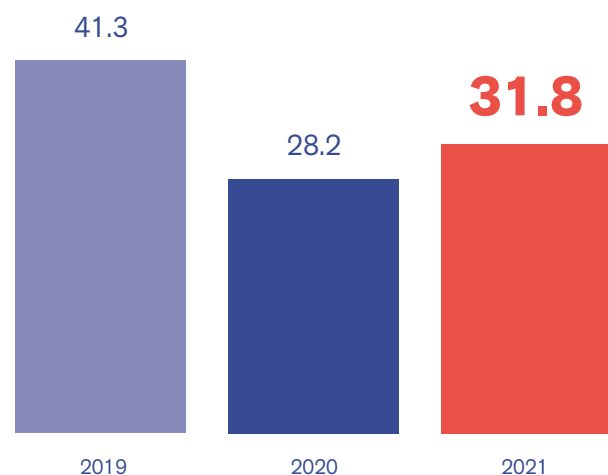
mainly focused on the domestic market. However, at the end of the year, despite the persistent pandemic and as a result of some expectations in terms of loosening some of the pandemic restrictions, there was an increase in consultations motivated by the increase in investor confidence. Several proposals were discussed and some will be signed at the beginning of 2022, mainly in the area of renewable energies. The presentation of the moving grate, developed in 2020, aroused the interest of customers and led to the sale of two facilities (Energilocal and BWG) during 2021. By the end of the year, there were already several proposals and studies under discussion for similar installations for burning biomass. Given the versatility of the fuels that can be burned on the Ambitermo grate, it has differentiating characteristics that ensure it has great competitive advantages over the competition.

In this climate of uncertainty, the increase in raw material prices had some impact during the last quarter, as well as possible changes regarding the delivery schedules of some essential components for the production of products manufactured by Ambitermo. However, the company managed to minimize the consequences and thus meet the goals as a result of planning ahead. However, it was not possible to complete the ongoing investment project, due to the scarcity of raw materials and the limitation

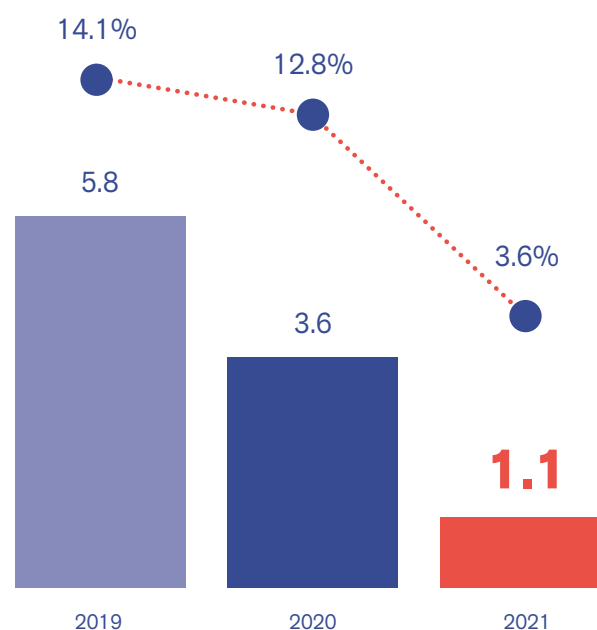
in terms of availability of human resources caused by the Covid-19 pandemic, which had a major impact on one of the suppliers, as it was unable to complete supply and installation. Despite all these setbacks, at the beginning of 2022, the purchase and installation of this equipment will be completed, thus finalizing the project to increase Ambitermo's capacity. Moreover, during the first quarter of 2022, the new cutting machine and welding robot, from the investment project, entered the final testing stage, which will allow for increased productivity. Under this context, the furnaces of the biomass boilers are already being welded by the robot, allowing the release of welders for other jobs. Thus, Ambitermo foresees a significant recovery for 2022, essentially due to the demand of biomass boilers. The sales volume of this type of installation is much higher than the sale of traditional boilers and it is expected that these projects will be more profitable, due to the repeatability in the production of similar equipment. In 2022, once the plant expansion project is completed during the 1st quarter of the year, the company will remain focused on making the new machines profitable and optimizing production processes, in order to reduce delivery times and increase profitability to assert itself as a reference company in its sector.

Biofuels, Thermal Energy and Natural Resources

M€ TURNOVER



M€ % EBITDA/MARGIN



Visabeira Turismo, Imobiliária e Serviços*

Consolidated indicators

	2021	2020	Var YoY
Turnover	29.9	28.6	5%
EBITDA	10.6	4.6	132%
EBITDA Margin	35.5%	16.0%	19,5 pp
Recurring operating income**	2.7	-2.8	-193%
Operating margin	8.9%	-9.9%	18,8 pp
Net income	-4.2	2.0	-307%
Net investment	22.4	19.6	-14%
Debt	32	34	-5%
Inventories	38.7	27.0	44%
Fixed assets (including investment property and goodwill)	484	471	3%

*Does not include the company Grupo Visabeira, S.A.

**Operating result excluding the effect of changes in fair value of investment properties and provisions.

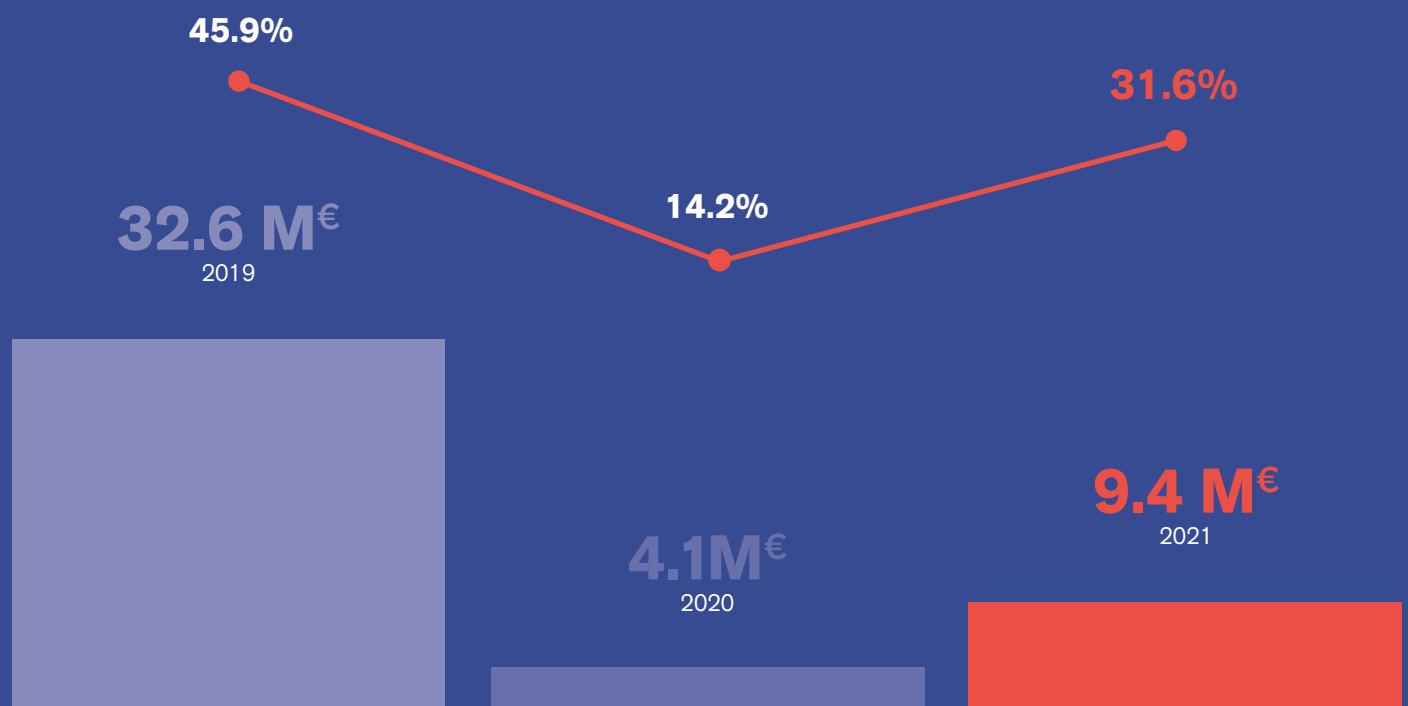
TURNOVER

29.9 M€

Turnover



EBITDA and Margin



Visabeira TIS is the holding company whose main purpose is to articulate the areas of tourism, real estate and services, integrating the Grupo's different skills in each one, optimizing resources, ensuring efficient and focused management in each of those sectors of activity and, simultaneously, maximizing the synergies and resulting complement characteristics.

Visabeira Tourism, Real Estate and Services

In March 2019 Visabeira Turismo S.G.P.S. was renamed into **Visabeira Turismo, Imobiliária e Serviços**, and is 100% owned by the main holding company: Grupo Visabeira, S.A. The creation of this sub-holding enabled the concentration of equity holdings in a coherent and integrated structure of companies with activities in the tourism, real estate and services sectors.

This sub-holding claimed responsibility for defining the management policy to be followed in the various projects promoted in its areas of intervention, in particular: hotels, events, restaurants, leisure, real estate and services. Visabeira Turismo, Imobiliária e Serviços undertakes to create an integrated offer of services and solutions, which stand out for their innovation, complementing ability and quality. Following this strategy, important tourist developments have been launched in various market segments, both in Portugal and in Mozambique, aiming at creating a critical mass to sustain a consistent and diversified tourist offer, appealing to different market segments. At the same time, it focused as well on promoting the participation of subsidiaries in the real estate and services areas, aiming at complementing and maximizing synergies. With a global strategic vision, Visabeira Turismo, Imobiliária e Serviços has the main goal of directing its investments towards promoting a consistent, diversified and appealing tourist offer, which can benefit other companies that may maximize value, but mainly enhance synergies, also promoting the development and dynamics of its subsidiaries in the areas of real estate and services.

Within this context, 2021, as had been the case in 2020, was another very complicated year for the tourism sector and related activities. As the pandemic health crisis continued, with the associated restrictions on the movement of people and the organization of activities, constraints and restrictions continued to affect society as a whole. However, it particularly constrained the tourist sector. This complex adverse environment limited, during some periods, not only the operation itself, but mainly an entire market, implying an almost total inability to operate, even leading to closure or otherwise having to make enormous effort to resist complete closure. As a result of some successful control of the pandemic and the consequent easing of measures, most units were reopened in mid-2021. With these reopenings, a clear recovery of activity was observed, however at the end of December 2021 with the emergence of the Omicron variant, several units had to close again. Despite the negative side of the temporary

suspension of activity in some units, most units took advantage of the absence of customers to implement improvement programs, within the scope of which more in-depth maintenance works were carried out and even several renovation works were carried out, as well as renovations in terms of offer, a program that fits in the strategy of expansion and sophistication of its offer. A strategy that includes the opening of new hotel units that recover historic buildings, such as the hotels being completed in Alcobça and Lisbon.

Regarding the Visabeira Imobiliária area, the company managed to preserve its position as a benchmark in the sector, guided by a strategy of expansion of its offer. In addition, a reliable product, high quality and strategically well located, strengthened the widespread recognition that it had. During 2021, the strategy focused on repositioning the different operations, minimising the share of leases, given the company's goal of maximizing sales. Broadening the Visahouse image was another way to increase the company's activity. The brand that brought added value in the visibility and renown of the company's action, creating a stronger perception and increased attractiveness of its offer, namely through the positive dynamics created on social networks and on the various digital channels, representing a strategic focus which proved to be very successful.

With regard to the area of services, the activity maintained, during this difficult year of 2021, the goal of offering the provision of a service with global solutions, of quality and characterized by excellent performance. Nevertheless, the company kept the strategic orientation of maximising the synergies obtained, which resulted from the positioning of a multidisciplinary shared services company. It combined the optimisation of the portfolio of companies located in the most diverse geographical areas, guaranteeing the real rationalisation of resources, under a flexible structure where the accuracy it works with remains as its brand image and places it as a reference company in the sector.

Thus, in this sector, 2021 was a year marked by the continuity of the pandemic. However, the company has always showed the ability to quickly adapt to the restrictions and constraints imposed by the health crisis, as well as to embrace new challenges and overcome obstacles that are completely unexpected and beyond the control of the company, always meeting the needs of its customers and seeking to exceed market expectations.



Mozambique

Main companies

TVCabo
Moçambique
Televisa
Electrotec
Montebelo Hotels
Imovisa
Martifer Visabeira
Sogitel
Turvisa
Real Life MZ
Vista Alegre

TECHNICAL SHEET



Population
27 909 798 hab.

Capital
Maputo

Language
Portuguese

Area
801 590 km²



Commitment to society



Quality, Environment and Safety

High consumption and raw material waste have been destroying the Earth's natural resources.

This model of economic development has been rethought and slowly has been replaced by another one that takes into account environmental issues, natural resources and the planet's social injustices.

The concept of Sustainable Development is one that forces meeting present needs without compromising those of future generations.

It is based on three pillars: economic, environmental and social, called "triple bottom line" or "3Ps" (Profits, Planet, People). It reflects the balance that must exist between the performance of the three pillars to create value for Income (profits), for the Planet and for People.

In organizations in general and in Grupo Visabeira in particular, the concept of Sustainable Development is now understood from the perspective of other concepts, such as Corporate Sustainability, Corporate Social Responsibility and Management Systems, whose focus is on the relationship with the shareholders. The sustainability of an organization is based on the balance between its economic growth and its environmental and social duties and responsibilities.

In this sense, in Grupo Visabeira, management relies on a set of procedures, standards and practices, capable of using natural resources in an environmentally responsible manner, avoiding irreversible impacts. This new concept entails a concern with the use of clean technologies, minimisation of waste and the sustainable management of natural resources.

With regard to Safety and Health at work, integrated in the social dimension of sustainability, the development and certification of the companies' main Management Systems, combined with various actions to prevent accidents and with the continuous commitment training employees, allowed optimising working conditions and professional performance, which improved in a sustained manner indexes in these areas.

In this sense, in 2021, we highlight a set of activities within the scope of quality, environment and safety, summarised below:

- Commitment to sustainability, through a growing demand for certified and so-called sustainable products, giving customers confidence that the product they are using comes from sustainable sources and that it does not damage environmental, social or economic aspects;
- Development and implementation of software for the continuous monitoring of good practices at work in the areas of quality, environment and safety, through audits and Environmental, Quality and Safety inspections, with special emphasis on the areas of Visabeira Global. These audits are carried out online via a tablet computer, which speeds up this process, reducing the administrative burden of the process and eliminating paper consumption; In 2021, around 1500 audits were carried out at Visabeira Global, using this platform;
- Development of the Kaizen methodology in the companies, with special emphasis on the ceramic industry. This methodology that has allowed, in addition to productivity gains, to improve employee well-being, since it also allows for improving their place of work;
- Continuous improvement of the response capacity in situations of environmental emergency, by accident simulation, which allow an effective performance by the employees in the event of accidents of an environment nature;
- Implementation of Energy Rationalization Plans for the car fleet of some Visabeira Global companies, with the definition of goals to be achieved, thus allowing greater awareness of employees and a reduction in energy consumption;

- Continuous monitoring of environmental aspects, calculation of the respective impacts on the environment and permanent reassessment of mitigation and minimisation measures implemented;
- Centralization of waste management of Visabeira Global, allowing for suitable management and control of the waste produced, optimising trips by the waste operator and in turn reducing transportation costs;
- Continuous optimization of the geolocation system in vehicles, allowing efficient management of technical resources in their daily activities. This system represents an important role in regards to sustainability of the company, since it allows obvious gains either in the economic aspect, and especially in the environmental aspect;
- Environmental awareness when purchasing work equipment, having prepared specifications for the main groups of material and equipment, giving priority to those with lower environmental impact and that simultaneously ensure the safety for users;

Regarding the implementation and certification of management systems, 2021 is marked by the maintenance and strengthen of the certification of companies, in accordance with the normative quality (ISO 9001) and environment references (ISO 14001), as well as by the transition to the new normative reference in the area of Security (ISO 45001).

The year 2021 is also marked by the implementation of new normative references in some companies, namely ISO 27001 – Information Security Management System and ISO 37001 – Anti-Corruption Management System.

For 2022, the focus in terms of management systems will be on expanding certifications to new companies, as well as implementing new normative references, namely ISO 50001 – Energy Management Systems.

UN Global Compact

Thanks to an accuracy, effort and transparent character, the Grupo Visabeira continues to focus its efforts towards a performance in line with the development of a fairer, integral and innovative society, focusing on people and based on values. Moreover, its commitment is towards supporting, disclosing and following the Millennium Purposes, respecting and promoting the human rights of all citizens, decreasing social inequalities and environmental imbalances of the regions where it develops its business activity. In line with its strategic guidelines mentioned previously, Grupo Visabeira, as a signatory of the United Nations Global Compact, prepared its seventh Communication on Progress (COP) report, restating once again its commitment to further promoting the Global Compact and its 10 principles as an important part of the company's strategy, culture and day-to-day operations.

People

The year 2021 is marked by the continuity of an extremely adverse scenario and permanent uncertainties following the Covid-19 pandemic. Moreover, this situation was worsened by the climate of increased tension, which created new and complex problems for people's lives and to the development of their professional activities.

Grupo Visabeira involved the entire team in the continuous adaptation to this reality, which two years ago was unpredictable, and focused the organization on safeguarding the necessary rules of behaviour, hygiene and the essential adaptation procedures for good practices. Under this context, it motivated its structure to provide a suitable and effective response to the needs of the market and of its customers. Moreover, it managed to respond to the different challenges, assuming its responsibilities as the main player in vital sectors such as telecommunications, energy, technologies, construction and many others. Motivated by this highly demanding scenario, the entire organization reinforced its commitment towards its identity characteristics as a multi-activity and multi-continental company, giving priority to the training of people, their skills and their orientation towards goals, as the main focus of the human resources policy. In this triple alliance, the constant focus on ongoing improvement in productivity and in the quality of the service or product was always maintained as the company's main target. Grupo Visabeira, in all its structure, also took on balancing the new requirements with the permanent challenge of combining attractive and successful careers with individual and collective results. Everyone's focus always aims at an efficient management of knowledge, a competent management of the teams, the optimisation of resources, the maximization of synergies and the efficient sharing of the company's strategy and values. The Grupo, which wants to become stronger and whose goal is its growth, the primary mission of its management is to involve everyone in the awareness of good practices, and to promote their correct connection with the management of professional and personal expectations of each an every one, in line with quality of performance and achievement of goals. Under this complex and challenging context, the entire team, at its different levels, was always motivated to overcome obstacles and maintain its daily aim of meeting its customers' needs, still striving to exceed its expectations. The individual purpose remained in line with the brand's identity, supported by three fundamental aspects: i) the quality of services and products; ii) the geographic expansion of its activities; iii) the dynamics and accuracy of performance. In a year in which, together

with an irreproachable team spirit, historical highs were reached in the main indicators, it must be recognized that the basis of the success achieved will also be the versatile capacity of training and qualification of technicians, the dynamic management of careers, promoting multi-sector opportunities in the career development of each of its employees and the delivery of each one to the ambitious challenges taken on by all. In this context, it is important to highlight the Grupo's characteristic multi-sector and international identity, which is a key factor for partnerships with education institutions, technical and professional schools, universities and all academic organisations. With these institutions, the company liaises and maximizes the promotion of the best conditions of success for young graduates in order to tailor the best frameworks for their fruitful integration into professional life, ensuring mutual added value.

As a result of this intricate chain of values and directives, a wise combination of experience with new blood is essential to harmoniously complement these processes, ensuring the establishment of a solid, competent and motivated framework, in line with the Grupo's expansion model in a course of development with increasingly ambitious challenges, as has been the case for 5 decades on a path that has always been attractive and rewarding. In historical terms, the average number of employees grew by almost 3% during 2021. During a year in which the turnover grew 22% within a scenario of new and additional requirements and difficulties leading to this development in terms of staff, although inferior to turnover, this shows the capacity, competence and motivation with which the whole team has strived to achieve remarkable performance of the entire structure always with an assertive focus on its main goals. This attitude made it possible to overcome historical highs, in most of the main indicators, and, at the same time, to respond to market demands within this difficult context.

Within this area, in 2021 the Grupo recorded a growth of a total of 12.343 employees, on the 31st of December 2020, and to 12.707 on the 31st of December 2021, a growth representing an increase of 2.9%. The Grupo's three large sub-holdings, taking into account the same reference as on the 31st of December, registered a behaviour in line with their activity levels: Visabeira Global went from 7,592 to 8,008, which is 5.5 % more; Visabeira Indústria increased from 2,852 to 2,899, representing a decrease of 1.6%; and Visabeira TIS increased went from 1,899 to 1,800, leading to a 5.2% decrease, as a result of the difficulties this sector continued to undergo. The following table reflects this evolution, in recent years, per sub-holding:

	2021	2020	2019	2018
Visabeira Global	8,008	7,592	7,051	6,517
Visabeira Indústria	2,899	2,852	2,813	2,654
Visabeira Turismo, Imobiliária e Serviços	1,800	1,899	2,250	2,156
TOTAL	12,707	12,343	12,114	11,327



Morocco

Main companies TECHNICAL SHEET

Escot Telecom Maroc

Ambitermo



Population
35 042 582 hab.

Capital
Rabat

Language
Arabic / Berber

Area
446 550 km²



Vocational Training

Investment in professional training is increasingly perceived as a view to value human resources, not just a mere compliance with the legislation of the Labour Code. The focus on professional training is no longer seen as an extra (professional) activity and as a waste of time, and is increasingly seen as an investment with a return, for companies as well as for employees.

Within an environment of growing globalization of markets and outsourcing of production activities in keeping with a high degree of specialization and growing importance of the level of customer service, it is paramount to provide companies with tools which will increase competitiveness of its organizations.

In this context, it is increasingly relevant to improve employees' performance of any company, in any business activity. It is easy to understand that the performance of employees with more training or experience is essential for an organization in achieving its goals and it is extremely important for the success of knowledge-based businesses. For Grupo Visabeira, continuous professional training is one of the solutions for improving productivity and profitability levels and it is important to refresh knowledge already acquired. In addition, keeping professionals up to date on the latest trends, laws, technology and practical requirements for their professional occupations strengthens the capacity to innovate, to adapt or to foster group interaction between employees, which are factors that have proved to be truly essential for companies. The training entity Grupo Visabeira, SA (certified by the DGERT since 2005), treats the companies of the Grupo and their own service providers as privileged clients, as the training is custom tailored to the needs of each company. In this way, it acts in diverse areas of education and training, of which some of the following should be highlighted: Foreign languages and literatures; Management and administration; organisation/company framework; IT in the eye of the user; Electricity and energy; Electronics and automation; Civil construction and civil engineering; Hotel and restaurant industry; Technology for environmental protection; Health and safety at work.

In line with what has been happening in recent years, in 2021, and despite the pandemic, Grupo Visabeira's internationalisation growth scenario in the telecommunications sector on the European market was maintained, resulting in an increase in the number training courses carried out, which made it possible to respond to the need for qualification of technicians for these new markets.

These initiatives were carried out in different places in mainland and insular Portugal (most of them centred at the Training Academy in Viseu) and also in Europe, with particular relevance in France.

Looking ahead to 2022, with the reinforcement of Grupo Visabeira's commitment to internationalization in the area of telecommunications in the European market, it is expected that the number of training courses to be carried out, as well as the number of trainees involved, will show a significant increase, mainly in the United Kingdom, Germany and Italy markets.

Communication

Grupo Visabeira

The year 2021 was strongly marked by the Covid-19 pandemic, which greatly constrained business activity, as during the previous year. However, against all the adversities caused or conditioned by Covid-19, Grupo Visabeira proved once again its resilience and operational capacity. With a positive attitude towards one of the biggest health crises at a global level, Grupo Visabeira innovated, developed and grew, both internally and externally. Despite the great restrictions to which all of us were subjected to, with the temporary closure of companies, as well as business and commercial activities, with mandatory teleworking and in a world full of uncertainties, Grupo Visabeira, guided by entrepreneurial spirit, purchased companies that enhanced its already vast portfolio, in a remarkable organic growth. In view of this positive attitude by the Grupo and its sub-holdings, significant information traffic was generated, supported by the main local, regional and national media, whether written, spoken or viewed. We cannot forget, however, the great weight that digital communication represents, which in 2021 continued to report, on a large scale, the activity of Grupo Visabeira. Translated into numbers, throughout 2021, four thousand, three hundred and thirty-six news items (4336) were reported with reference to the activity of Grupo Visabeira, as a holding, to its sub-holdings and to the dozens of companies that make up its business group, in Portugal and in the remaining 16 countries where the company is located.

Compared to the previous year, 2021 generated 301 more news, not counting all the references and blog posts.

As a global analysis of what the year was in terms of information, it is worth mentioning some matters which aroused more interest.

The entry of Goldman Sachs Asset Management in the share capital of Constructel Visabeira with an amount of 200 million euros, with the US bank now holding 21.86% of the company, the subject of dozens of news stories in the main national media in 2021.

Nuno Terras Marques, Chairman of the Executive Board of Directors of Grupo Visabeira, gave an extensive interview to Jornal de Negócios in December, during which he had the opportunity to explain the entire process of Goldman Sachs' entry into the capital of Constructel Visabeira. He characterized the moment of growth for the Grupo, talked about the prospects and business activities in the short and medium term, which include expanding and strengthening the business at an international level. The chairman of Grupo Visabeira's executive board of directors was also interviewed by Exame magazine, where he made a global analysis of the holding's activity, detailing, in particular, the organic growth the company had undergone during recent months. One of the focuses was the purchases made by the Grupo, despite the fact that it was a year marked by the pandemic.

Also noteworthy are the interviews with Nuno Terras Marques, carried out by Dinheiro Vivo and the magazine Prémio.

The purchase of the EIP company by Grupo Visabeira, which was approved by the Competition Authority, was another subject dealt with by the media. In 2021, MOB entered into a partnership with actress Margarida Corceiro and carried out several media actions, such as events at the MOB store in Lisbon. Among many others it is worth mentioning show cooking with actor Lourenço Ortigão and Chef Kiko, which was attended by SIC's FamaShow program.

As has been the case for several years, the weekly newspaper Expresso, namely its section on the Expresso BPI Golf Cup, gave great prominence to Grupo Visabeira, since Montebelo Golfe is one of the official courses of

the competition, and Vista Alegre sponsors the trophies. Under this context and over several weeks, there were many pieces of news on Montebelo Golfe.

In addition to Expresso, Montebelo Golfe was also the subject of television reports on the "Golf Report" of SIC Notícias and "Golfe e Golfistas" of SportTV channels.

With regard to golf, TVI presented a program in which it highlighted the fact that Portugal is a golf destination and Montebelo Golfe, in Viseu, was mentioned. The "Open Day" initiative, promoted by the Grupo Visabeira golf course, and open to the entire population for a first contact with the sport, also received great media coverage.

The "Todos Juntos" Campaign, a social responsibility fund-raising initiative to help those most in need in times of a pandemic, was another of the themes in which the name of Grupo Visabeira was widely mentioned. The campaign was sponsored by 10 banks and 30 companies, including Grupo Visabeira.

In this annual review on the presence of Grupo Visabeira and its companies in the Media, Tourism was also one of the areas with some prominence, namely with regard to the reopening of hotel units after the mandatory period of confinement.

The renovated 4-star Montebelo Príncipe Perfeito Viseu Garden Hotel was the protagonist of SIC Notícias' "Boa Cama Boa Mesa" program, after the requalification and modernization that the hotel underwent, placing it as a reference hotel.

The same program was at the Montebelo Aguieira Lake Resort & Spa, at the Aguieira Dam, in Mortágua, and presented the "tasting menu" at the Montebelo Viseu Congress Hotel.

The section "Fugas" of the Público newspaper also took advantage of the remodelling of the "Príncipe Perfeito" to highlight it, underlining that "quiet lives in an extensive garden area", mentioning the large outdoor green area where the hotel is located.

The "Jardins da Mimi", a restaurant space open during summer nights and which in 2021 had "sushi" as a novelty in the menu, was published in the section signed by NIT on TVI, in addition to dozens of news in the written, regional press and national.

In terms of television, Casa da Ínsua, a wine tourism unit of Grupo Visabeira that includes a 5-star hotel and a farm producing Dão wine and Serra da Estrela cheese, in addition to other local products, was honoured in the program "Somos Portugal". José Matias, director of agricultural production of the estate, was interviewed live from Penalva do Castelo. The various medals which Casa da Ínsua wines have been awarded with both at a national and international level were worth mentioning in the written press.

The "Festa das Vindimas", on RTP 1 TV channel, also mentioned Casa da Ínsua, with José Matias commenting. The SIC TV channel program on the "Roteiro da Estrada Nacional 2" also emphasised tourism units of Grupo Visabeira. "Evasões" magazine paid special attention to Forno da Mimi & Rodízio Real restaurant and to Montebelo Príncipe Perfeito Viseu Garden Hotel.

Jorge Costa, vice chairman of the board of directors of Visabeira Turismo, Imobiliária e Serviços, gave an interview to the newspaper Correio da Manhã. This same medium recorded statements by José Matias, in charge of agricultural production at Casa da Ínsua on the topic "pandemic and agricultural production".

The presence of Visabeirahouse in Lisbon, which started its mediation activity in the capital in 2021, was also publicized by the specialized press, in particular.

Vista Alegre

Vista Alegre, a brand with a long tradition, celebrating its 197th anniversary in 2021, continues to receive a very special attention from the media in general. Newspapers, radio, general and social magazines, television and blogs, reported the activity of the companies that make up the Grupo Vista Alegre. In 2021, Vista Alegre and Bordallo Pinheiro have a record of 2539 news items in a wide variety of media. The two brands were regularly present on several television programs, on RTP and TVI, with managers from both companies participating and artisans showing their art live. In these studio interviews, the set was decorated with pieces by Vista Alegre or Bordallo Pinheiro.

It's important to highlight the program "Praça da Alegria", on RTP 1, where Vista Alegre and Bordallo Pinheiro were present on more than one occasion, and the programme "Esta Manhã" on TVI, where Vista Alegre was portrayed on the "Day of national production".

Although 2021 was marked by one of the most intense waves of the Covid-19 pandemic health crisis, the activity of Vista Alegre and Bordallo Pinheiro continued to launch new pieces and collections.

"Disciplina do Amor", the eighth piece in the Vista Alegre "1 + 1 = 1" collection, signed by Lygia Fagundes Telles and Maria Bonomi, was one of the great themes of June. In July, the presentation of the unprecedented "Bode Inspiratório" collection was in the spotlight. This collection, consisting of 46 coffee cups and matching saucers, was signed by 46 authors and 46 illustrators who join together for this creation, which donated part of the sales revenue for the "Make-a-Wish" association realize the dreams of children supported by the institution.

Also in terms of launches, October 2021 is marked by the presentation of the "Chinoiserie" collection by Pedro Proença, included in the PAC – Projeto Artistas Contemporâneos [Contemporary Artists Project]. But the Urban.art@VA collection also played a leading role. Vista Alegre brought together three "Street Artists" who transposed their urban art to an old utilitarian vase, resulting in three pieces of rare beauty that motivated numerous references in the press. At the end of the year, Vista Alegre had great informational prominence with the launch of pieces portraying the "The King's Man" film as well as the fact that it exclusively produced a table service for some of the scenes of the film with worldwide distribution. The information concerning Vista Alegre orders in a portfolio of 20 million euros for 2022, essentially for the French, German and Scandinavian markets, also generated a large flow of news.

In 2021, Vista Alegre was awarded some two dozen international design awards that were communicated as it was published and that were also the subject of numerous news in the Media.

Another highlight of the year was the presentation/launch of Casa Alegre by Vista Alegre, under the name "O Sul da Vida" [Southern Living]. This is an online store where only excellent national products, including home, decoration, lifestyle and well-being items are sold.

Bordallo Pinheiro launched "Dora" by Estudio Campana, by the Brazilian Campana brothers - a warning piece for environmental awareness -, and the launch of the "Andorinha da Diversidade", in partnership with Turismo de Portugal, or the collection "Sardinha by Bordallo", were high points of interest and disclosure information by the media.

Also noteworthy was the communication for the launch of the Paródia line, a diversified collection of tableware and decoration pieces that are a tribute to the newspaper "A Paródia", one of the last newspaper founded by master Raphael.

Also noteworthy was the presentation of the piece "Barnett Newman" by Julião Sarmento, part of the WWB – World Wild Bordallianos collection.



São Tomé and Príncipe



Main companies

Companhia
Santomense de
Telecomunicações

TECHNICAL SHEET



Population
204 454 hab.

Capital
São Tomé

Language
Portuguese

Area
1001 km²



Stories on "Lusopress TV" about Vista Alegre and Bordallo Pinheiro, an interview with Nuno Barra, company director at Briefing magazine and TVI television channel, interventions by the manager denouncing the counterfeiting that Bordallo Pinheiro is undergoing; the launch of the Vista Alegre's Restoration and Certification Centre; the live show cooking by chef Kiko and Lourenço Ortigão in which they prepared a salt cod dish using Bordallo Pinheiro's "cabbage" line.

It should also be noted that throughout the year the Grupo Vista Alegre issued several press releases with the data concerning the operating results, always with a great reach in the economic media, and leading press outlets.

News in numbers

Grupo Visabeira, as a holding company, its sub-holdings and companies were the subject of news in the main Portuguese media. The television channels RTP, SIC, TVI, CMTV, PORTO CANAL, SPORTTV, CENTRO TV, JORNAL DO CENTRO TV and VISEU NOW, among other online channels, broadcasted news related to the company.

The main media – Expresso, Público, Diário de Notícias, Correio da Manhã, Jornal de Notícias, Jornal de Negócios, Inevitável, O Nascer do Sol, Notícias ao Minuto, ECO, Jornal Económico, Sapo, Observador, Dinheiro Vivo, NIT, Time Out, Agência Lusa, Forbes, Exame, Sábado, Visão, Caras, Lux, Diário de Viseu, Diário de Coimbra, Diário de Leiria and Diário de Aveiro, Jornal do Centro, Jornal Via Rápido and Jornal da Beira -, among many more from the local, regional and national press, like countless blogs, followed the Grupo Visabeira activity throughout 2021.

It is also worth mentioning radio stations, such as Renascença, Antena 1, Observador, TSF, Comercial, Rádio Jornal do Centro, Emissora das Beiras, Rádio Clube do Interior and Rádio Terra Nova, among others that broadcast news related to Grupo Visabeira companies.

A large part of the aforementioned media also had digital publications, as did numerous bloggers who published news on Grupo Visabeira.

The radios Antena 1, Renascença, Observador, TSF, Comercial, Rádio Jornal do Centro, Rádio Clube do Interior, Emissora das Beiras and Rádio Terra Nova, among others, also highlighted Grupo Visabeira's activity. Looking at the figures for 2021, from the analysis of the media coverage of Grupo Visabeira, its sub-holdings and companies, were subject of 4336 news items, 202 on television, 1524 in the written press, 2603 in digital/online and 7 on the radio.

Vista Alegre was mentioned in 1710 news reports; Bordallo Pinheiro in 829 news items; Grupo Visabeira, which includes Visabeira Global and Constructel Visabeira, in 770 news items; the Montebelo Hotels & Resorts chain in 625 and Palácio do Gelo Shopping in 343.

According to an assessment of the "Advertising Average Value", the 4336 news items on Grupo Visabeira companies had an impact of 42 million euros, compared to 36.5 million euros in 2020.

Of the total number of news broadcasts, 1637 concern Vista Alegre; 845 concern Bordallo Pinheiro; 633 concern Montebelo Hotels & Resorts; 459 concern Grupo Visabeira, including Visabeira Global.

The remaining news items regard other units in the industry, construction and services sectors.

The 4005 news items on television, digital media, written press and radio generated an Advertising Average Value of approximately 36.5 million euros.

Internal communication

Newsletter My Visabeira

An important internal means of communication, the My Visabeira Newsletter celebrated, in December 2021, its 100th edition. This new version was created in 2010 with the first digital edition in May that year. The current version continues the original newsletter idea. The first edition dates from November 2006, then by e-mail and also on paper. It is, through the Newsletter, that thousands of employees from all Grupo Visabeira companies, regardless of the country where they are located, are aware of business activity. The newsletter reports on everything related to business activity and, in each edition, chooses an employee who is interviewed under the heading "Our people".

In December 2021, a new heading was introduced - Visabeira Family - in which children of company employees, who are also employees of one of the many companies of the holding, are interviewed about the way they got used to hearing about Grupo Visabeira from a young age.

Corporate Intranet

It is, along with the newsletter, another means of internal communication and interaction for all the Grupo's employees. In addition to presenting news that is published by the media regarding business activity, My Visabeira intranet provides employees with a wider range of information, such as, for example, the existing protocols with various external companies and some entities and their respective benefits for the employees. As it is digital, employees can access it at all times. The My Vantagens application was also developed, to include all the benefits of Grupo Visabeira's employees.

Social responsibility

In an increasingly troubled world, in which civil society is called upon to collaborate and intervene in the most varied areas, Grupo Visabeira continued, in 2021, to be an active agent in terms of the well-being of the community, namely the one closest to their field of activity or where the companies operate, in Portugal, Angola or Mozambique.

By defining, annually, a set of actions and initiatives that are part of its Social Responsibility Policy, Grupo Visabeira, with its proactive attitude, manages to intervene in several areas, ranging from those for children to those for elderly people, as well as for those who need a helping hand. The areas defined by the company as those which will receive its support, whether monetary, logistical or otherwise, include health, education, sports, leisure, social welfare and training, among others.

During a year that continued to be marked by the Covid-19 pandemic, Grupo Visabeira provided its employees with the purchase of personal protective equipment, namely face masks at a special price.

As far as education, solidarity and well-being are concerned, Grupo Visabeira continued to sponsor Fundação Visabeira, which has the mission of, among other responsibilities, managing the Infâncias da Quinta do Bosque and Infâncias Vilabeira Nurseries in the city of Viseu.

These two modern teaching establishments, equipped with the best human and technical resources, have the primary function of supporting many of Grupo Visabeira's employees whose children attend both spaces. However, these institutions also are used by children residing in the surrounding urban areas.

Employees from Grupo Visabeira companies continued to benefit from multiple discounts in the a wide range of areas, in the companies of the Grupo as well as in partner entities. Thus, the preferential conditions apply to insurance, banking and credit institutions, telecommunications, vehicle acquisition, gastronomy and access to medical care, among others. A protocol signed between Empreendimentos Turísticos Montebelo, several Grupo Visabeira companies and the Associação Hípica e Psicomotora de Viseu, provides this institution of social solidarity with monthly financial support so it can carry out its activities for disabled people at Centro Hípico Montebelo.

Vista Alegre

As part of its social responsibility policy, Vista Alegre was concerned with the problem of children suffering from serious illnesses. Thus the company has decided that some of the revenue from the sale of the Bode Inspiratório collection (a set of 46 coffee cups) will benefit Make-A-Wish, a non-profit organisation, whose mission is to provide unique experiences, by fulfilling wishes of seriously ill children and young people, thus bringing them strength, joy and hope.

The century-old company continued during 2021 to be one of the main sponsors of Sporting Clube da Vista Alegre, a team that, in addition to competitive football, has training schools, as well as Karate, with dozens of young members. The Illiabum Club, from Ílhavo, also benefits from Vista Alegre sponsorship.

Through the sale of the Amazônia collection, Vista Alegre donates part of the revenue to the Ecoarts Amazônia Foundation, with a view to planting fruit trees in villages of the largest forest in the world.

Vista Alegre regularly donates tableware to various institutions, having in 2021 sponsored the "Asas Weekend" initiative, promoted by ASAS – Associação de Solidariedade e Ação Social de Santo Tirso, offering pieces that were marketed in order to obtain funds that the institution uses in Shelter Homes.

The Diocese de Aveiro - Serviço Animação Missionária, CASCI association, Red Cross, AJP Peniche, Lar São José, in Ílhavo, Centro Social Azurva, Associação Mirense, Convento Balsemão and Florinha do Vouga, also received tableware.

Also through Vista Alegre, the sponsorship of the Expresso BPI Golf Cup was carried on, which continues to have trophies in porcelain and crystal to reward the winning teams in each of the qualifying stages of the competition, in the national final and in the very final. The "Women in Tech Global Awards" initiative, which rewards women who stand out in the area of technologies, continued to award Vista Alegre trophies.

Bordallo Pinheiro

Bordallo Pinheiro, as part of the launch of the 2021 collection of "Sardinha by Bordallo", included the sardine "Vem Brincar". This multicoloured piece was the result of drawings made by children hospitalized at the Pediatrics Hospital of Portimão, under the coordination of the pediatric educator Helena Calado, helping minimize the impact felt by the children during the in-patient period. It is worth remembering that the solidarity sardine launched in 2020 is still on sale and that the revenue is to be used to purchase hospital equipment for the SNS [National Health System]. As with Vista Alegre, Bordallo Pinheiro also donated tableware to some entities, including ASAS de Santo Tirso, Associação Corações com Coroa, Mama Help and Novo Futuro.

Italy

In Italy, IEME, a Constructel Visabeira company, supports two disadvantaged children annually, through a non-profit organization located in the Emilia-Romagna region, where the company is located. In 2021, the project had an international scope, selecting two children from Nigeria. IEME, and in a broad way of sustainability and mobility, appointed at the end of 2021 an internal fleet manager (Mobility Management), aiming to provide the largest number of company employees with collective transport without additional charges. Employees are transported by IEME vehicles, which is currently being implemented.

Mozambique

As has been happening for some years now, the actions included in the Social Responsibility Policy of Visabeira Moçambique, in the country, are highly leveraged by the activities of TVCABO Moçambique. The "Telescola" [distance schooling] project is a response to the limitation of physical access to schools, in the context of pandemic prevention measures.

By initiative of TVM, the Ministry of Education and Human Development of Mozambique, the TVM Telescola Channel provides content from the national teaching programme. TVCABO is responsible for transporting the TVM Telescola channel, in an open signal, on its distribution platform and for delivering it to other television operators.

TVCABO also continued to financially support the UPG preschools project in Gaza province, which proved to be even more important due to the economic and social impacts caused by Covid-19. The preschools UPG – Escolinha Flor da Infância, Escolinha de Santa Catarina and Escolinha de S. Vicente de Paulo – offer more than 160 disadvantaged children between the ages of 3 and 5 years access to pre-school education, daily meals, teachers and school supplies. During the pandemic period, as schools were closed, food reinforcement through basic food baskets for families had special and fundamental importance, representing in many cases a sole means of support. UPG preschools contribute to reducing child marginality, improving nutrition and hygiene, increasing attendance and better results in primary education.

The project financed by TVCABO Moçambique also contributes to improving living conditions, through investment in nutrition, housing and basic infrastructure funds in small communities, as well as supporting academic and technical training for children and adults and developing activities that generate income to eradicate Poverty, promoting family self-sufficiency and autonomy.

However, the TVCABO Moçambique support actions also included in the Associação Livro Aberto, a non-profit literacy association, which aims to create environments for training through literacy throughout the Mozambican territory, with community libraries, mobile libraries and support with the language. In addition to providing books, the association organizes specialized literacy workshops, aiming at providing participants with skills for successful reading and writing. TVCABO provides internet service, which allows for continuing activities remotely.

Also in 2021, TVCABO Moçambique provided the free internet service at the presentation and launch of the book "Samora Machel – uma vida interrompida – A life cut short", which took place at the Montebelo Indy Maputo Congress Hotel. The ceremony was broadcast live streaming on several platforms. With regard to music, TVCABO sponsored the biggest festival in the country - Festival do Índico – a version you can watch at home - providing free internet service for transmitting more than 4 hours of the event, during the pandemic period.

Social responsibility actions were also carried out providing internet service for transmitting the Mozambique Digital Conference, created to bring together professionals, students and enthusiasts to share knowledge and experiences about the digital ecosystem, including creativity, innovation, design, software development, start-ups and entrepreneurship focused on finding solutions for the Mozambican context.

TVCABO dynamics was also noteworthy during the 2021 edition of the 56th Feira Internacional de Maputo [Fair]. In fact, the operator provided the internet service during the period of the event, which was carried out in a hybrid format. Also in terms of fairs, the 8th MOZTECH, which also took place in a hybrid format (in person and online), had internet service offered by TVCABO Moçambique.

Angola

As in Mozambique, in Angola social responsibility actions have a great impact through TVCABO Angola initiatives. In a partnership with Centro Comercial Baía Mall, it donated to AACOSIDA – Associação de Amigos de Crianças Órfãs com Sida [Association of Friends of Orphan Children with AIDS] clothes, shoes, non-perishable food and Christmas gifts, for children and young people aged 4 to 18 years. As part of the festive season, a Christmas lunch was also offered to the 80 children of the orphanage, as a way of providing them with a different and joyful day. TVCABO was present at the 10th edition of the FIB – Feira Internacional de Benguela [Benguela International fair]. During the four days of the event, TVCABO, as the official sponsor of the internet service, took the opportunity to reinforce its brand to current and future customers. TVCABO Angola was also sponsored by FILDA – Feira Internacional de Luanda [Luanda International Fair], a strong symbol of economic and social development in Angola. Grupo Visabeira's operator provided internet service for the biggest international commercial event in the country. In addition to this type of support for holding events, TVCABO also initiated concrete health prevention actions. The "Stop Mosquito" campaign, which aimed at teaching youth about disease prevention measures, was an alert on preventing Malaria, which took place in several schools in the country. Hundreds of children learned from TVCABO employees how certain plants such as lavender, citronella, basil and mint, among others, can be effective in fighting Malaria. These employees gathered and offered children plastic

bottles with these plants that contain substances that stop mosquitos from approaching humans.

Also in terms of health, TVCABO Angola supported the rehabilitation program of the hydrocephalus treatment center, an initiative that made it possible to improve a set of infrastructures for treating children suffering from hydrocephalus and neurosurgical diseases. Over the course of two months, TVCABO employees built, the infrastructure for sufficient supply of internet and television from scratch. The Center also benefited from a rehabilitation program, which included repairs on roofs, painting, improvement of the electrical network and air conditioning equipment. This action involved employees from Edivisa, a construction company of Grupo Visabeira, who together with employees from TVCABO renovated a wing of the aforementioned Center, where the infirmary, physiotherapy and oral medicine rooms are located. The TVCABO initiative aimed to contribute to guaranteeing better working conditions for the centre's employees, who monthly care for more than 300 children, especially under five years old, with Hydrocephalus, Spina Bifida, Cranium Bifidum, Brain Tumours and Craniofacial Trauma, among other neurosurgical diseases. It is important to also mention the partnership with the "Fundação Mulher contra o Cancro", in which all the employees of TVCABO Angola participated in the initiative "Outubro Rosa 2021", an event to raise awareness on the disease affecting thousands of women, which was broadcast via Skype to several Angolan provinces. During the activity, awareness was raised as to the need to self-exam regularly and carry out screening tests, seeking to identify the disease in an early stage, minimizing its consequences.

TVCABO's social responsibility actions were also embodied in the "Abraço Solidário, Somos Angola" campaign, in a partnership with the Ministry of Telecommunications, Information Technologies and Social Communication as well as with telecommunications operators in Angola.

TVCABO joined the cause to help families who are victims of drought, in the provinces of Cuando Cubango, Huíla and Cunene, by offering basic food baskets.

Finally, it is important to emphasize TVCABO Angola's sponsorship of the first edition of Feira da Família, an initiative that aimed to bring together Angolan families to carry out various activities, including karting and a video game championship that had internet provided free of charge.

Future outlook

The future of Grupo Visabeira is foreseen to be strong and sustained for 2022, with a strong commitment to overcome the challenges and uncertainties of recent years, even before economic and social adversities, first with a pandemic crisis and now with the war in Europe.

The constant focus on its sub-holdings, divided into three activity sectors – Global; Industry; Tourism, Real Estate and Services – is part of the company's vision together with strategic goals defined for 2022, where the expansion policy (focusing on the European continent) and the reinforcement of the present structure will be a priority.

As far as future investments are concerned, environmental and economic sustainability will be part of Grupo Visabeira's goals, adopted across all activity sectors and businesses in which it operates.

In this sense, 2022 will be a year which will continue to be guided by accurate and quality activity focusing on providing good service across all its business activities, strengthening strategic partnerships and recognition among this sector's customers and players.

Visabeira Global

Grupo Visabeira will continue to develop and create new business strategies in order to enhance its diverse skills and entrepreneurial dynamics which it is known for, operating in an integrated manner in increasingly global scenarios, expanding its markets in a sustained manner and always aiming at leadership in its strategic businesses of the telecommunications and energy areas.

Over the next few years, we expect to continue our strong commitment towards internationalization project in order to keep up with the large investments carried out in euro zone countries in telecommunications networks, namely in the development of optical fibre networks.

This is one of the sectors where Grupo Visabeira currently is one of the main players at an international level, with strong distinctive skills resulting from its expertise and know-how.

Grupo Visabeira will continue to invest financially in acquisitions of companies in order to expand and consolidate its strong relationship with major European operators and the brand in international markets.

Visabeira Indústria

Visabeira Indústria operates in 4 segments of the sector, namely, Ceramics and Glassware, Kitchens, Natural Resources and PPE.

For 2022, existing businesses are expected to be strengthened, leveraged by innovation in investments made in recent years in its manufacturing plants. Moreover, during the coming years the company will focus on the sustainability of processes and products, as well as on greater environmental awareness. The positioning of its industries will therefore include the strengthening of renown in the markets it operates in, investing in a cleaner and more ecological industry, thus reducing its environmental footprint. Grupo Visabeira is aware that this is a worldwide concern and as such it undertakes the responsibility of contributing to the evolution of the segments in which it operates in a sustainable way.

Notwithstanding the climate of economic uncertainty at the beginning of 2022, and given the outbreak of a war in Europe which has been raising the costs of goods and services in general, even affecting the Grupo's industries, the resilience and capacity of overcoming obstacles is a challenge that companies in this sector are used to, so there is still a positive evolution and growth for Visabeira Indústria.

The expansion of the clean and renewable energy segment by purchasing new industrial plant and the participation in co-promotion projects focused on the Decarbonization of Industry will be part of the future plans of Visabeira Indústria in 2022.

It should also be noted that the Grupo Vista Alegre has already secured 113 million euros of orders for 2022, so the 1st quarter also reported growth compared to the same period in the previous year. Continuing to strengthen its presence in international markets, Grupo Vista Alegre is present on all continents, whether under its own brand or the customer's brand. The strengthening of strategic partnerships that the company has fostered in recent years will continue to be the focus during the coming years, in terms of suppliers and renowned people and brands, well-known worldwide. It is therefore expected that Visabeira Indústria will grow and become more sustainable in the coming years, assuming itself as a holding company that holds companies recognized in their sector for the environmental, social and economic standing with which they present themselves in the market, reinforcing the notoriety of their historic brands all cross the world.

Visabeira Turismo, Imobiliária e Serviços

Grupo Visabeira's Tourism, Real Estate and Services sectors are expected to grow during 2022. With the relief of the restrictive Covid-19 pandemic measures, a strong growth in these sectors is expected, given people's greater availability of financial means and their readiness to invest in tourism, real estate and services activities, resuming pre-pandemic levels. These perspectives bring hope and motivation in the recovery of the activity of this sub-holding within Grupo Visabeira and in its evolution, based on its commitment to promote services with accuracy and commitment fundamental principles of the brand.

Regarding the Tourism sector, during 2022 major investments will be completed and new units will open in prime geographical locations, which will represent a strengthening of the company's structure. New hotels and restaurants are being planned not only in the central region (Montebelo Hotel in the Alcobaça Monastery cloisters and the Amazônia restaurant in Viseu), but also in Lisbon (Antártida Lisboa restaurant and Vista Alegre Montebelo Chiado Hotel), which represent a commitment towards a constant strengthening of the Grupo's units within this sector, whose activity is guided by excellent service and sensorial and attractive products. It is expected that the real estate sector will report significant growth, focusing on the potential of the units it has for market, guided towards construction/sale/rental within different locations in Portugal.

As far as the Services sector is concerned, the reduction of the Covid-19 pandemic restrictions will allow for strengthening innovation and efficiency in its services, focused on the results of this segment.

A long, empty hallway with a checkered floor and rows of lockers on both sides, bathed in a red and blue light. The perspective is from one end of the hallway, looking down its length. The lockers are white with dark handles. The floor is made of large, square tiles in a light and dark pattern. The walls are also white. The lighting is dramatic, with a strong red glow on the left and a blue glow on the right, creating a high-contrast, almost surreal atmosphere. The text is overlaid on the upper left portion of the image.

Annex to the report of the Executive Board of Directors

Under article 447 of the Portuguese Companies Code, be it known that the members of the managing and supervisory bodies do not hold Company's shares. The Executive Board of Directors believes that the financial statements will be approved without any changes.

Shareholder/ Member of Corporate Bodies

Shareholder/ Member of Corporate Bodies	Number of shares on the 31 st of December 2021	%	Number of shares on the 31 st of December 2020	%	Operations in 2020
Fernando Campos Nunes	22,974,443	98.57%	22,974,443	98.57%	0
TOTAL	22,974,443	98.57%	22,974,443	98.57%	0

Viseu, the 17th of June 2022

The Certified Accountant

The Executive Board of Directors

Claudia Raquel Costa do Amaral Laurence

Nuno Teles Pereira

Alfapes

João Paulo

António da Silva Lopes

Alfapes

Documents for the provision of consolidated accounts



CONSTRUCTEL
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Consolidated Financial Statements

Consolidated income statement

Financial years ended on the 31st of December 2021 and on the 31st of December 2020

	Notes	2021	2020
Ongoing operations			
Sales		183,635,164	168,346,556
Services rendered		987,005,937	791,710,293
Turnover	10	1,170,641,102	960,056,849
Cost of goods sold and material consumed		-152,620,079	-131,763,863
Subcontracts	13	-410,741,054	-330,458,662
Gross margin		607,279,968	497,834,324
Works between the Grupo's companies	11	1,340,474	4,004,325
Other income	12	46,807,039	32,594,004
Supplies and external services	13	-157,918,978	-127,918,801
Staff costs	14	-296,948,614	-242,887,897
Other costs	12	-17,295,667	-8,242,912
Operating income (excluding amortizations, provisions and fair value of investment properties)		183,264,222	155,383,043
Changes in the fair value of investment properties	24	355,675	14,933,037
Amortisations	15	-82,399,145	-70,978,413
Provisions and impairment losses	16	-645,238	-1,962,166
Operating income		100,575,515	97,375,502
Interest paid, net	17	-37,111,394	-37,853,304
Gains/ losses on listed shares	18	41,677	-187,428
Other financial expenses, net	19	2,863,050	-18,391,675
Gains/(losses) on associates and joint ventures	6	132,877	-455,816
Financial income		-34,073,790	-56,888,222
Result before taxes		66,501,724	40,487,279
Income tax for the financial year		-28,540,001	-20,396,559
Net income before discontinued operations		37,961,724	20,090,720
Discontinued operations			
Income before taxes from discontinued operations	9	0	1,912,611
Net income		37,961,724	22,003,332
Attributable:			
Shareholders		31,742,596	24,252,965
Non-controlling interests	34	6,219,128	-2,249,634
Earnings per share Continuing operations:			
Basic	32	1.36	1.05
Diluted	32	1.36	1.05

The notes are part of this consolidated financial statement.

Consolidated Statement of Comprehensive Income

Financial years ended on the 31st of December 2021 and on the 31st of December 2020

	Notes	2021	2020
Consolidated net income for the period (a)		37,961,724	22,003,332
Other comprehensive income:			
Amounts that will be subsequently reclassified to profit or loss			
Currency translation adjustments			
Translation of transactions denominated in foreign currencies		29,210,508	-43,175,442
Conversion of operations in foreign currency - related to hyperinflation in Angola in previous years	2.2	6,889,460	-13,479,608
Tax effect	20	-2,411,311	4,717,863
Other comprehensive income in consolidated companies under the equity method		0	-941,328
Tax effect		-	-
Derivatives and hedge accounting	39	17,928	-6,711
Tax effect	39	-3,765	1,409
Others		-549,581	-430,875
Amounts that will not be reclassified later in results			
Actuarial gains/(losses) on retirement benefits	41	-121,278	-188,498
Tax effect	41	27,288	40,103
Change in the fair value reserve of other financial investments	7.1	-495,001	251,169
Tax effect	7.1	111,375	-56,513
Exchange of operations in foreign currency – re-evaluation of assets	21	37,751,482	-62,567,371
Tax effect	20	-12,779,373	20,451,552
Tax effect - Tax rate change in Angola	20		-7,524,396
Other comprehensive income for the period (b):		57,647,731	-102,908,647
Total comprehensive income for the period (a) + (b)		95,609,455	-80,905,315
Comprehensive income for the financial year attributable to:			
Non-controlling interests		24,052,419	-39,801,071
Shareholders		71,557,035	-41,104,244

The notes are part of this consolidated statement of comprehensive income

Consolidated statement of financial position

Financial years ended on the 31st of December 2021 and on the 31st of December 2020

	Notes	2021	2020
ASSETS			
Non-current assets			
Tangible assets	21	694,251,257	566,123,457
Right-of-use assets	22	88,927,597	89,846,540
Goodwill	23	163,192,184	115,745,580
Investment properties	24	297,323,457	311,148,820
Intangible assets	25	99,960,164	102,831,482
Investments in associated companies and joint ventures	6	28,895,885	27,376,275
Other financial investments	7	6,043,699	11,972,977
Deferred tax assets	20	40,724,748	47,013,791
Other receivables	29	2,267,196	2,000,000
Total non-current assets		1,421,586,185	1,274,058,922
Current assets			
Inventories	26	132,581,964	114,166,598
Customers	27	175,028,983	132,574,197
Income tax	28	0	1,914,499
Other receivables	29	36,052,846	27,571,669
Other Assets	29	16,491,014	16,986,652
Assets associated with customers' contracts	10	138,462,521	121,525,047
Other financial investments	7	379,109	332,812
Assets held for sale	9	0	3,534,706
Cash and cash equivalents	30	130,896,526	154,837,853
Total current assets		629,892,964	573,444,033
Total Assets		2,051,479,149	1,847,502,955
EQUITY			
Capital	31	116,540,215	116,540,215
Share premiums		47,292,404	47,292,404
Other reserves	33	-11,410,974	-46,479,656
Retained earnings	33	174,482,569	139,313,833
Equity attributable to shareholders		326,904,213	256,666,795
Non-controlling interests	34	157,256,209	113,127,965
Total equity		484,160,422	369,794,761
LIABILITIES			
Non-current liabilities			
Medium- and long-term interest-bearing loans	35	546,123,948	562,093,762
Other accounts payable	37	82,807,876	70,001,624
Deferred tax liabilities	20	167,012,220	147,218,127
Provisions for other risks and expenses	41	6,754,685	5,857,091
Lease liabilities	38	58,143,347	62,928,602
Total non-current assets		860,842,077	848,099,207
Current Liabilities			
Short-term paid loans	35	193,872,396	173,103,135
Suppliers	36	182,977,879	154,229,505
Income tax	28	140,212	0
Assets associated with customers' contracts	10	37,812,936	28,637,421
Other accounts payable	37	175,667,843	158,904,398
Other liabilities	37	86,174,610	85,564,889
Lease liabilities	38	29,830,774	27,352,915
Liabilities held for sale	9	0	1,816,724
Total non-current assets		706,476,651	629,608,987
Total liabilities		1,567,318,727	1,477,708,194
Total equity and liabilities		2,051,479,149	1,847,502,955

The notes form an integral part of this consolidated statement of financial position

Consolidated statement of changes in equity

Financial years ended on the 31st of December 2021 and on the 31st of December 2020

	Equity (note 31)	Issue premiums (note 31)	Fair value reserve of financial assets (note 33)	Currency exchange reserve (Note 33)	Retained earnings and other reserves (Note 33)	Subtotal	Non-controlling interests (note 34)	Total equity
On the 1st of January 2020	115,125,630	44,493,578	-2,094,363	-113,005,743	298,391,411	342,910,512	146,699,623	489,610,136
Comprehensive income for the period	0	0	251,169	-61,743,583	20,388,169	-41,104,244	-39,801,071	-80,905,315
Transactions with shareholders								
Dividends distributed	0	0	0	0	-47,365,008	-47,365,008	0	-47,365,008
Capital increases	1,414,585	2,798,826	0	0	0	4,213,411	0	4,213,411
Acquisitions, disposals and share capital increase	0	0	0	0	-1,987,877	-1,987,877	6,229,413	4,241,537
On the 31st of December 2020	116,540,215	47,292,404	-1,843,194	-174,749,326	269,426,696	256,666,795	113,127,965	369,794,761
On the 1st of January 2021	116,540,215	47,292,404	-1,843,194	-174,749,326	269,426,696	256,666,795	113,127,965	369,794,761
Comprehensive income for the period	0	0	-495,001	41,027,024	31,025,012	71,557,035	24,052,419	95,609,455
Transactions with shareholders								
Dividends distributed	0	0	0	0	0	0	-537,907	-537,907
Acquisitions, disposals and share capital increase	0	0	0	0	-1,319,617	-1,319,617	20,613,730	19,294,113
On the 31st of December 2021	116,540,215	47,292,404	-2,338,194	-133,722,301	299,132,090	326,904,213	157,256,209	484,160,422

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

Consolidated statement of cash flows

Financial years ended on the 31st of December 2021 and on the 31st of December 2020

	2021	2020
OPERATING ACTIVITIES		
Customer receivables	1,295,542,867	1,118,398,850
Payments to suppliers	-873,398,502	-702,174,363
Staff costs	-289,436,579	-239,059,569
Operating cash flow	132,707,786	177,164,918
Income tax paid/received	-17,810,379	-8,311,215
Other operating payments/receipts	-1,465,471	-1,217,304
Cash flow generated before extraordinary items	113,431,936	167,636,398
CASH FLOW FROM OPERATING ACTIVITIES (1)	113,431,936	167,636,398
INVESTING ACTIVITIES		
Receivables from:		
Financial investments	1,769,527	4,342,787
Tangible and intangible fixed assets	325,000	1,125,000
Investment subsidies	9,481,652	6,218,150
Interest and similar income	6,249	43,059
Loans granted	14,665,417	4,301,941
	26,247,845	16,030,936
Payments concerning:		
Financial investments	-760,808	-2,411,384
Subsidiary purchases, net cash purchased	-5,961,924	-28,537,644
Disposal of subsidiaries, net cash transferred	0	-1,015,222
Tangible fixed assets	-62,683,254	-71,567,648
Loans granted (Note 29.1)	-2,580,524	-2,000,000
Loans granted to shareholders (Note 29.1)	-15,656,189	-11,015,000
	-87,642,699	-116,546,898
CASH FLOW FROM INVESTING ACTIVITIES (2)	-61,394,853	-99,500,740
FINANCING ACTIVITIES		
Receivables from:		
Loans granted (Note 35)	409,363,616	339,876,819
Other financing operations	0	12,500,000
	409,363,616	352,376,819
Payments concerning:		
Loans granted (Note 35)	-412,864,554	-254,187,568
Amortisation of financial leasing contracts (Note 38)	-31,693,997	-26,520,473
Interest and similar costs	-45,137,499	-45,531,670
Dividends	-450,000	0
Other financing operations	-5,546,834	-5,120,720
	-495,692,883	-331,360,430
CASH FLOW FROM FINANCING ACTIVITIES (3)	-86,329,267	21,016,388
Changes in cash and cash equivalents (1) + (2) + (3)	-34,292,185	88,136,825
Cash and cash equivalents at the beginning of the period	146,439,139	66,027,887
Effect of currency exchange differences	2,834,507	-7,668,018
Effect of cash and cash equivalents of companies registered as held for sale	0	-57,554
Cash and cash equivalents at the beginning of the period	114,981,462	146,439,139

Notes to the Consolidated Statement of Cash Flows

Financial years ended on the 31st of December 2021 and on the 31st of December 2020

	2021	2020
1. ACQUISITION OR DISPOSAL OF COMPANIES		
a1) Payments related to purchases of net cash for the financial year		
COMPANHIA SANTOMENSE DE TELECOMUNICAÇÕES	3,926,606	0
EIP	1,513,633	0
ESCOT MARROC	400,000	0
FERREIRA & COELHO	75,000	0
OMV NATIE	0	7,057,218
FRANZ-JOSEF BRAUN	0	6,935,310
J.F. EDWARDS CC	0	1,727,398
TENSA	0	898,637
CUNHA SOARES & FILHOS	-4,312,797	0
b1) Payments related to purchases from previous years		
MJ QUINN	2,331,489	2,759,740
FRANZ-JOSEF BRAUN	1,092,333	0
TOFT HANSEN	185,659	134,424
MODAL	0	1,258,563
CABLING	0	1,099,342
CONSTRUCTEL MODAL	0	218,477
c1) Payments related to future purchases		
INPOWER	750,000	0
EIP Serviços		6,448,535
	5,961,924	28,537,644
d1) Payments related to future investments		
JAYME DA COSTA	740,000	1,743,884
IBERIS	12,500	220,000
CONSTRUCTEL ITALIA	7,500	0
BEIRAGÁS	808	0
CAPITAL CRIATIVO	0	350,000
CORE CAPITAL	0	97,500
	760,808	2,411,384
b2) Disposals/receivables in the current financial year		
GRANBEIRA	1,710,617	0
PHAROL	58,910	309,723
GEVISAR	0	3,805,951
TF TURISMO FUNDOS-SGFII, S.A.	0	227,113
	1,769,527	4,342,787
	2021	2020
2. BREAKDOWN OF CASH AND CASH EQUIVALENTS:		
For companies included in the scope of consolidation		
a) Cash		
Cash	937,829	1,270,915
Bank deposits	110,598,960	141,874,737
b) Other availabilities		
Tradable securities	3,444,672	3,293,488
Cash and cash equivalents in cash flow statement	114,981,462	146,439,139
From changes to the scope of consolidation during the year		
Bank overdrafts	15,915,065	8,731,526
Other financial investments	n.a	-332,812
Cash and cash equivalents in the balance sheet (Note 30)	130,896,526	154,837,853

Notes to the consolidated financial statements

On the 31st of December 2021 (amounts in euros)

1. Introductory note

Grupo Visabeira, S.A., based in Viseu, Portugal, started its activity within the telecommunications and electricity sector in 1980. Based in Viseu and as a result of its combined commitment to human resources, an integrated information and logistics system, its own transport network and strategically located facilities, Grupo rapidly extended to the entire Portuguese territory and became the largest employer in central Portugal. Its contribution to the modernisation and development of telecommunications, by offering integrated and global solutions, earned it market leadership in the field of telecommunication network engineering, a position it has held for almost 4 decades. In order to diversify its activities, Telecommunications, Energy, Technologies, Construction, Industry, Tourism, Real Estate and Services, as well as its presence in several markets, it adopted a strategy for structuring its operations in sub-holdings sectors, in order to enhance each of its businesses and enhance the Grupo's performing capacity. The engine of its development strategy continues to rely on a management model based on global information systems, which interconnects all the business units and integrates all the Grupo's resources. Based on the trust gained in the market, it defined and consolidated a bold internationalization strategy that consolidated the capabilities and dynamics of the Grupo on two parallel fronts.

On the one hand, it expanded and consolidated its performing model in new countries as a natural extension of the markets and in countries of emerging economies, through an investment policy in a partnership or local business establishment. Initially investing in Portuguese-speaking countries and, later, with a strong focus on European countries, Grupo has been exporting its model since the 1980s and, as a result of this strategy, today it holds companies with consolidated activities in France, Germany, Belgium, Spain, Denmark, Italy, the United Kingdom, the United States of America, Angola, Mozambique, and it is present in many other countries. Through the internationalization of its markets, Grupo promoted the placement of its products in more than a hundred countries, on five continents, among which the markets of the European Union, Scandinavian countries, North America, Africa, Australia and Japan. Currently, through investment, Grupo Visabeira continues to have its main development on its external growth, strengthened by its multi sector structure and by its focus on constant technological updating. Grupo Visabeira will continue to enhance its distinctive skills and the dynamics which characterize it, and will operate in an integrated manner in increasingly global scenarios, expanding its markets in a sustained manner and always aiming at its leadership in its strategic businesses.

Grupo Visabeira consolidates its accounts at NCFGest, S.A., which is 100% owned by Fernando Campos Nunes.

On the 31st of December 2021, turnover amounted to 1,170 million euros. Equity amounted to 484 million euros, of which 157 million euros correspond to non-controlling interests by the Grupo. In 2021, Grupo Visabeira employed an average of 12.897 employees (2020: 12.479). At the end of the year, the number of employees was 12.707.

The financial statements were approved for issue in the meeting of the Executive Board of Directors held on the 17th of June 2021, pending approval by the General Meeting of Shareholders, pursuant to current Portuguese corporate law.

The Executive Board of Directors believes that the financial statements will be approved without any changes.

2. Accounting Policies

2.1 Basis of presentation

According to the Decree-Law no. 35/2005 of 17th of February, as subsequently amended by the Decree-Law No 98/2015 of the 2nd of July, which transposed into Portuguese legislation the provisions of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19th of July 2002, these consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IAS/IFRS) issued by the International Accounting Standards Board (IASB) and the Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC), adopted by the EU, effective as of the 1st of January 2021. The consolidated financial statements were prepared based on the accounting books and records of the companies included in the scope of consolidation (Note 5), kept in accordance with accounting principles generally accepted in the respective jurisdictions and adjusted in the consolidation process and when applicable, so that the consolidated financial statements are presented in accordance with IAS/IFRS. The Executive Board of Directors evaluated the Company's and its subsidiaries' ability to operate on a continuous basis, based on all relevant information, facts and circumstances of financial, commercial or other nature, including subsequent events, such as those presented in the note 44, to the reporting date of the financial statements, available about the

future. As a result of the evaluation carried out, the Executive Board of Directors came to the conclusion that it has the adequate resources to maintain its activities, with no intention of ceasing activities in the short term, and it has considered appropriate to use the assumption of continuity of operations in the preparation of condensed consolidated financial statements.

The consolidated financial statements were prepared based on historical cost, except for investment properties, for derivative financial investments, and for some financial investments which were measured at fair value. The liability for defined benefit obligations is recognized at the present value of that net obligation of the funds' assets.

In preparing the consolidated financial statements in accordance with IFRS, the Grupo Visabeira's Executive Board of Directors uses estimates and assumptions that affect the application of policies and the values of assets and liabilities, gains and losses, and which are based on historical experience and other factors deemed reasonable according to the circumstances, and are the basis for judgements about the values of assets and liabilities whose valuation is not evident from other sources. Actual results may differ from estimates.

The estimates and judgements used in preparing the financial statements are presented in Note 3.

Unless stated otherwise, the amounts are expressed in euros (EUR).

2.2 Bases of consolidation

The consolidated financial statements include, in reference to 31st of December 2021, the assets, liabilities and profit and loss of the companies of the Grupo, understood as the entirety of the Grupo Visabeira and its subsidiaries, which are presented in Notes 5. An entity is classified as subsidiary when it is controlled by the Grupo. Control exists only where the Grupo has, cumulatively:

- a) power over the investee;
- b) exposure to or rights over variable results derived from its relationship with the investee; and
- c) the ability to use its power over the investee to affect the amount of the results for the Grupo.

Generally, it is assumed that there is control when the Grupo holds the majority of voting rights. In order to support this assumption and in cases where the Grupo does not hold the majority of voting rights in the investee, all relevant facts and circumstances are taken into account when determining the existence of power and control, such as:

- a) any contractual agreements with other holders of voting rights;
- b) any rights arising from other contractual agreements;
- c) existing and potential voting rights.

The Grupo controls a subsidiary when, due to the agreements entered into or the voting rights held, can carry out in practice the relevant activities of the subsidiary, and is exposed to variable returns as a result of that capacity, even if it does not hold the majority of the voting rights. The existence of control by the Grupo is re-evaluated whenever there is a change in any facts and circumstances that lead to changes in one of the three factors of control mentioned above.

Subsidiaries/controlled entities are included in the scope of consolidation according to the full consolidation method, from the date when control is acquired until the date it effectively ends.

In situations where the Grupo has substantial control of entities created for a specific purpose, even if it has no direct shareholdings in these

entities, they shall be consolidated using the full consolidation method. Balances, transactions and cash flows between Grupo entities, as well as unrealised gains on transactions between companies of the Grupo are eliminated.

Unrealised losses are also eliminated, unless the transaction evidences impairment of a transferred asset.

The accounting policies of subsidiaries are changed whenever necessary to ensure consistency with the policies adopted by the Grupo.

A change in the participating interest in a subsidiary that does not entail loss of control is recorded as a transaction between shareholders. An increase in the participating interest in an already controlled entity is also accounted for as a transaction between shareholders, not giving rise to any recognition of goodwill or of gains/losses; in the case of a decrease in the participating interest that does not imply a loss of control, a possible difference between the amount received from non-controlling interests and the respective balance is also recorded directly in equity. If the Grupo loses control over the subsidiary, the corresponding assets (including goodwill), liabilities, non-controlling interests and other equity components are derecognised and any gains or losses are recognised in the income statement. Participating interest is recognized at fair value at the time of loss of control.

The net assets of subsidiaries under the full consolidation method attributable to shares held by third parties are recorded in the consolidated statement of financial position under the heading non-controlling interests.

The net profit of subsidiaries attributable to non-controlling interests, is identified and adjusted by deducting the result attributable to the shareholders of the Grupo and recorded in the consolidated income statement under the heading non-controlling interests, even in the case of negative results. The same applies to the statement of comprehensive income.

Changes to the consolidation perimeter:

During 2021, the most significant changes to the group of companies (see note 8) were the purchase of EIP Serviços and Cunha Soares, in Portugal and the Companhia Santomense, in São Tomé e Príncipe. During 2020, the most significant changes were the purchase of subsidiaries in Germany (Franz Josef Braun), Belgium (OMV Natie), Spain (Tensa), the United States of America (JF Edwards CC) and in Portugal (FIMMO), as well as the sale of Movida in Portugal. Classification of Angola as a country with a hyperinflationary economy in 2017 and 2018:

In 2017 and 2018, the Angolan economy was classified as hyperinflationary according to IAS 29 – Financial Reporting in Hyperinflationary Economies. During 2019, with the slowdown of inflation, Angola is no longer classified as hyperinflationary. However, the impacts generated in 2017 and 2018 will remain until the assets are sold and consumed/amortized and until the liabilities are liquidated or extinguished.

Pursuant to this standard, financial statements prepared in the currency of a hyperinflationary economy must be expressed in the measurement unit in force at the date of the preparation of the financial statements.

Consequently, as defined in IAS 29 – Financial Reporting in Hyperinflationary Economies, the main points to consider are as follows:

- Monetary assets and liabilities are not changed, as they are already expressed in the current unit at the date of the financial statements;
- Non-monetary assets and liabilities (which are not already expressed in the current unit at the date of the financial statements) are restated by applying a general price index;
- The effect of inflation on the net monetary position of investees is reflected in the income statement as profit/loss in the net monetary position.

Moreover, the conversion of financial statements of subsidiaries and associated companies located in Angola and stated in foreign currency (for which Kwanza is the functional currency) is carried out considering the currency exchange rate prevailing at the balance sheet date. The conversion coefficient used in the monetary correction (IAS 29), in 2017 and in 2018, was the consumer price index (CPI) published by the National Bank of Angola.

The main accumulated impacts on the Consolidated Financial Statements are as follows:

In the financial statement position:

Millions of euros	2021	2020
Tangible and intangible fixed assets	27.1	22.2
Deferred tax liabilities	-9.2	-7.5
	17.8	14.6
Equity attributable to shareholders	9.1	7.9
Non-controlling interests	8.8	6.7
	17.9	14.6

2.3 Concentrations of business activities and goodwill

The acquisition method is the method used to recognise the entry of subsidiaries into the Group upon their acquisition.

In the acquisition method, the difference between:

- the consideration transferred together with the non-controlling interests and with the fair value of the equity interests previously held and
- the net amount of identifiable assets purchased and of assumed liabilities is recognized, on the purchase date as goodwill, if positive or as gain, if negative.

The consideration transferred is measured at fair value, calculated as the aggregate amount of fair values, on the date of acquisition, of assets transferred, liabilities incurred and equity instruments issued by the Grupo. For the purpose of determining goodwill/ earnings of the business combination, the transferred consideration is removed from any part of the consideration that concerns another transaction (e.g. remuneration for the provision of future services or settlement of pre-existing relationships) whose margin is recognised separately in profit or loss.

Whenever a business combination is not completed on the reporting date, the provisional amounts recognised on the date of acquisition shall be adjusted retrospectively, for a maximum period of twelve months counting

from the date of acquisition and any additional assets and liabilities shall be recognised if new information is obtained on facts and circumstances existing on the date of acquisition which would result in the recognition of such assets and liabilities, should it have been known on that date.

Any contingent consideration to be transferred by the purchaser will be recognised at fair value on the purchase date. The contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for in equity. Contingent consideration classified as an asset or liability that is a financial instrument within the scope of IFRS 9 - Financial Instruments is measured at fair value with changes in fair value recognized in the income statement in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date, with changes in fair value recognized in the income statement.

Costs related to the acquisition are not part of the retribution transferred so they do not affect the determination of goodwill/ negative goodwill, being recognized as expenses in the fiscal year in which they occur.

On the date of acquisition, the classification and designation of all assets acquired and liabilities transferred are reassessed in accordance with IFRS, with the exception of lease and insurance contracts, which are classified and designated based on the contractual terms and conditions, on the commencement date.

The purchase date is the date on which Grupo Visabeira obtains control over the company purchased, which may occur on a date before or after the closing date (date on which consideration is transferred and the assets and liabilities are legally acquired and assumed) – in this case, all relevant facts and circumstances must be taken into account when identifying the purchase date, which requires judgement by the Executive Board of Directors. For convenience, consolidation is carried out at the start of the month in which control was performed.

Assets arising from contractual indemnities paid by the seller concerning the outcome of contingencies related, in whole or in part, to a specific liability of the combined entity, shall be recognised and measured using the same principles and assumptions of the related liabilities. The determination of the fair value of assets acquired and liabilities assumed takes into account the fair value of contingent liabilities arising from a present obligation caused by a past event (if the fair value can be reliably measured), regardless of whether an outflow is expected or not.

For each acquisition, Grupo can choose to measure “non-controlling interests” at their fair value or by their respective share in the assets and liabilities transferred from the acquiree. The choice of a method influences the determination of the amount of goodwill to be recognised. When the business combination is carried out by phases, the fair value on the date of the acquisition prior to the interests held is re-measured to the fair value at the date in which the control is gained, against the results during the period in which the control is reached, affecting the calculation of the goodwill. Goodwill is considered to have an indefinite useful life and thus is not amortisable. Regardless of whether or not there are impairment indicators, the Grupo annually tests Goodwill for impairment. When Goodwill's carrying amount is greater than its recoverable value, an impairment loss is recorded in the income statement. The recoverable amount is the highest of the fair value minus the costs for selling and the value in use.

The recoverable amounts of the cash flow generating units are usually determined based on the calculation of the respective use value, which is the present value of the future cash flows that are expected, due to the

continued use of the asset or group of assets and their disposal at the end of its useful life. These calculations require the use of assumptions that are made based on estimates of future circumstances.

PUT OPTION TO PURCHASE NON-CONTROLLING INTERESTS

When a put option is granted to the Grupo of the participating interest not held by the Grupo in a controlled company, it chooses not to recognize any non-controlling interests but rather a financial liability, measured in accordance with IFRS 9 (see 2.6.2), that is, the Grupo accounts for concentrating business activities as if the participating interest had been purchased subject to the put option granted. Thus, the transferred consideration includes the present value of the amount to be paid to the minority participating interests when exercising the put option. If the option expires without being used, it will be accounted for as a disposal of part of the business without loss of control.

2.4 Financial holdings in associates and (Joint Ventures)

Associates are companies over which the Grupo Visabeira exercises significant influence, understood as the power to participate in their financial and operating policy-making process, without, however, exercising control or joint control.

Generally, it is assumed that there is a significant influence whenever the holding percentage exceeds 20%.

The classification of financial investments in joint ventures is determined based on the existence of shareholders' agreements that demonstrate and regulate joint control, which is understood to exist when decisions on activities relevant to the venture require a unanimous agreement between the parties.

The existence of significant influence or joint control is determined based on the same type of facts and circumstances applicable in the assessment of control over subsidiaries.

These holdings are consolidated by the equity method, that is, they are initially recorded at cost and subsequently the consolidated financial statements include the group's interest in the total recognised gains and losses of the associate/joint venture, from the date on which significant influence/control begins until the date on which it effectively ends.

Dividends received from these entities are recorded as a reduction in the value of financial investments.

The Grupo's participation in the gains and losses of its associates/joint ventures is recognised in the income statement, and its share of movements in Post-acquisition Reserves are recognised in Reserves. The cumulative post-acquisition movements are adjusted according to the cumulative movements in the financial investment. When the Grupo's share of losses in an associate/joint venture equals or exceeds its investment in that entity, including any unsecured receipt transaction, the Grupo does not recognise any further losses, unless it has incurred obligations or made payments on behalf of the associate/joint venture.

The purchase of financial investments in associated companies is recorded using the purchase method. Thus, any excess of the cost of acquisition of a financial investment over the Grupo's share in the fair value of the assets, liabilities and contingent liabilities identified on the date of acquisition of the associate/joint venture is recognised as goodwill, which is included in the value of the financial holding and whose recovery is assessed annually as

part of the financial investment.

If the cost of acquisition is lower than the fair value of the net amount of the assets of the associate/joint venture, the difference is recorded directly in the consolidated income statement.

Unrealised gains from transactions between the Grupo and its associates/joint ventures are eliminated to the extent of the Group's share in the respective associates/joint ventures. Unrealised losses are also eliminated, unless the transaction evidences impairment of a transferred asset. The accounting policies of associates/joint ventures are changed whenever necessary to ensure consistency with the policies adopted by the Grupo. After applying the equity method, the Grupo assesses the existence of impairment indicators; if any, the Grupo calculates the recoverable amount of the investment, and recognizes an impairment loss if it is less than the book value of the investment in item "Gains/Losses on the associated companies and joint ventures" in the income statement; this impairment loss is reversible.

After the loss of significant influence or joint control, the Group initially recognises the retained investment at fair value, and the difference between the carrying value and the fair value held plus the revenue from the sale, are recognised in the income statement.

2.5 Recognition of Revenue

The Grupo is organized through sub-holdings that group subsidiaries in the different business areas in which it operates.

The main business areas/revenue sources of the Grupo for the years 2020 and 2021 can be detailed as follows:

- a) Telecommunications and energy in Europe;
- b) Energy in the United States of America;
- c) Engineering and construction;
- d) Telecommunications operator;
- e) Industry;
- f) Hotels and restaurants;
- g) Shopping centre operation and management;
- h) Real estate sale;
- i) Real estate services and management.

NATURE, PERFORMANCE OBLIGATIONS AND REVENUE RECOGNITION

a. Telecommunications and energy

In this business area, the Grupo signs several service provision contracts with energy operators, differentiating between contracts for the external network (construction and maintenance services for the network and adjacent infrastructure on public roads) and contracts for the customers network (services provided to the final customer of energy operators).

Outdoor Network

The purchase orders placed by the customer, under the established general contract, identify the performance obligation that the Grupo has to comply with. Thus, each order is treated as a single performance obligation.

The performance of the Grupo creates an asset that the customer controls as it is being completed, thus the performance obligation of the Grupo is satisfied over time.

Operational teams are provided with a production collection system,

where tasks successfully performed are regularly recorded. Each task has already recorded a price agreed with the customer, as well as the standard consumption of materials foreseen for that task. The recognition of the revenue is made according to the completed tasks and valued based on the agreed prices.

Periodically, for the work completed, a performance measurement report is submitted to the validation of the clients, with a summary of the production sheets. After the approval of the said report by the customer, the respective invoice is issued. The frequency with which these measurements reports are delivered depends on the type of customer and on the amount of works.

Customer Network

The purchase orders placed by the customer, under the established general contract, identify the performance obligation that the Grupo has to comply with. Thus each order is treated as a single performance obligation. Purchase orders are characterised for regarding very short duration works. The performance obligation is carried out in a specific moment, namely whenever the customer approves the service rendered.

Operational teams are provided with a production collection system, where completed tasks are recorded throughout the day. The customer approves the production carried out on a daily basis. Each task has already recorded a price agreed with the customer, as well as the standard consumption of materials foreseen for that task. The recognition of the revenue is made according to the completed tasks and valued based on the agreed prices. Depending on the customer, invoicing for completed and validated tasks can be done on a fortnightly or monthly basis.

b. Energy in the United States of America

In this geography of the Energy business area, the Grupo signs with public and private entities several contracts for the provision of construction services that include different components/tasks.

Although in most cases customers can benefit from the different components/tasks on its own, since they are negotiated together the promise of transfer of each is not separately identifiable from the others. Moreover, given that the components/tasks referred to above are usually highly interconnected and dependent on each other, the Grupo considers that they should be treated as a single performance obligation. Thus, usually each construction contract is considered as a unique performance obligation.

On the other hand, since customers have the ability (control) to guide the use of the asset as it is being built and the ability to obtain substantially all the remaining economic benefits thereof, the Grupo's performance obligation in these cases is met over time, the revenue being recognized according to the method described below.

The costs of construction contracts are recognised when incurred. When revenue arising from the contract cannot be reliably measured, income is recognised to the extent of costs recovered. When revenue arising from the contract can be reliably measured and it is probable that the contract will be profitable, revenues are recognised throughout the period of construction. If the contract is not profitable, the expected loss is acknowledged immediately as an expense in the fiscal year.

The percentage of completion method is used to recognise revenue in each period. The percentage of completion is measured taking into account the weight of costs incurred in the total estimated costs.

Costs incurred in the financial year, which are associated with the future activities of the contract, are excluded from the calculation of the percentage

of completion and are classified as inventories, deferred costs or other. The Grupo presents as assets any amounts to be recovered from customers for contracts in progress whose costs incurred, plus recognised income (and subtracted from recognised losses), exceed the amounts invoiced. Unpaid invoices are presented in the line item Customers.

c. Engineering and construction

In this business area, the Grupo signs several contracts for the provision of construction services with public and private entities that include different components/tasks.

Although in most cases customers can benefit from the different components/tasks on its own, since they are negotiated together the promise of transfer of each is not separately identifiable from the others. Moreover, given that the components/tasks referred to above are usually highly interconnected and dependent on each other, the Grupo considers that they should be treated as a single performance obligation. Thus, usually each construction contract is considered as a unique performance obligation.

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d. Telecommunications operator;

In this business area, the Grupo provides operator services, providing cable television, fixed broadband and fixed voice. Revenues from services provided over the fibre and cable network result from:

- a) subscription to base channel packages that can be sold in bundle with fixed broadband and/or fixed voice services;
- b) subscription to premium channel packages;
- c) rental of terminal equipment.

Thus, at the beginning of each contract, the Grupo evaluates the promised goods or services and identifies, as a performance obligation, every promise of transfer to the customer any good or service (or goods or services package). These promises in contracts with customers may be explicit or implied, provided that such promises create a valid expectation on the customer that the entity will transfer a good or service to the customer,

based on the entity's published policies, specific statements or business practices.

The Grupo has internally defined that a performance obligation corresponds to the promise of delivery of a good or service that can be used separated by the customer and on which there is a clear perception of this good or service by the customer among the remaining available in each contract.

The main performance obligations are the Fixed Internet, Fixed Telephone, Television, Consulting, and Cloud / IT Services, distribution of audiovisual rights, among other.

Providing set-top-boxes, routers, modems and other home complementing equipment and respective installation and activation services were considered by the Grupo as not corresponding to a performance obligation, as these are actions required to meet the promised performance obligations. The recognition of revenue occurs at the moment of fulfilment of each performance obligation, being distinguished between:

Prepaid services

Revenue is recognized when services are actually rendered, that is, the amounts previously received are specialized for the period of service provision which TVCabo has undertaken.

Corporate services

Revenue from subscriptions to telecommunications services (subscription to internet, television and fixed voice, separately or together) is recognized on a straight-line basis over the subscription period. Billing is issued after the service is provided, depending on the conditions provided for in the contract with the customer.

e. Industry - in this area, Grupo carries out the following activities:

i) ceramics, glassware, and biofuel

In determining the amount of revenue, the Grupo assesses for each transaction the performance obligations it undertakes with the customers, the transaction price to for each performance obligation identified in the transaction and the variable price conditions that may lead to future adjustments of the amount of the revenue recorded, and for which the Grupo presents its best estimate.

Income from product sales is recorded in the consolidated income statement, when control over the product or service is transferred to the customer, which is to say, at the moment when the customer is able to manage the use of the product or service and obtain all the remaining economic benefits associated with it.

Grupo considers that, taking into account the nature of the product or service related to the performance obligation undertaken, the transfer of control takes place mainly on a specific date, but there may be transactions in which the transfer of control occurs continuously throughout the defined contract period.

For each contract, the Grupo assesses whether there are other commitments in the contract that correspond to separate performance obligations and for which a portion of the transaction price should be allocated (for example, guarantees and loyalty credits). In determining the transaction price, the Grupo takes into account any variable remuneration, the existence or not, of a significant financing component, non-monetary receivables and the possibility of there being remunerations payable to the customer.

Guarantee obligations

Grupo generally offers guarantees of the proper functioning of its products - repair of defects existing upon the sale - as required by law.

These quality guarantees are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Moreover, the Grupo sells a one year guarantee to repair any defects that may exist at the time of sale. These service guarantees are sold separately or in together with the sale of the equipment.

Contracts that add equipment and service guarantees contain two performance obligations because the promises to transfer the equipment and to ensure the service guarantee are different.

Using the stand-alone selling price method, a portion of the transaction price is allocated to the quality assurance service and recorded as a liability relating to contracts with customers.

Revenue is recognized over the period during which the guarantee is provided based on the passage of time.

ii) Thermal energy

Revenue related to the thermal energy business area is recognized in accordance with the method defined for the business area related to b) Engineering and construction.

f. Hotels and restaurants

Revenue from the provision of Hotel and Restaurant services is recognized when the service is provided or control over the property is transferred to the customer. Sales are usually made in cash or by credit card. In the cases when a credit period is established, the period of credit granted varies between 30 and 60 days after billing.

g. Shopping centre operation and management;

Fixed rents

The Grupo acts as a lessee under lease agreements. Income earned through rents is recorded in accordance with the straight-line method during the rental period and presented as "services rendered", due to its operational nature. Contingent rents are recognized only when the right is established. Initial costs directly related to the negotiation of leases are recorded as expenses during the lease period at the same rent as the rents as earned. The lease duration is the sum of the period during which the lease cannot be cancelled with an additional period that the lessee is expected to have the option to maintain the lease, and upon the beginning of the lease the Grupo has reasonable certainty that the lessee will choose to maintain.

Amounts receivable from lessors for contractual assignment or for compensation for asset devaluations are recorded in the income statement when the right to receive is established.

Gains on common expenses redbt to lessees are recorded in the period which the compensation relates to. Fees regarding management and service are included as Income from rentals, without considering the respective costs, because the Grupo considers that it acts as principal and not as agent in this situation.

Variable rents

If the consideration provided for in a contract includes a variable component, the Grupo estimates the amount that it considers to be entitled to receive. The variable component is estimated on a monthly basis according to the

tenant's turnover and is restricted in case of uncertainty until it is highly probable that there will be no significant reversal of recognized revenue when the uncertainty associated with the variable compensation component is subsequently resolved.

Key income

Key income is recognised at the time of signature of the contract of reservation of ownership and subsequent receipt.

h. Real estate sale

The sale of the completed property is generally considered as a single performance obligation and the Grupo has determined that it will be met at the time control is transferred.

In the case of unconditional contract exchanges, the time usually occurs when the legal title is transferred to the customer. In the case of sales through public auction, the moment is verified when all the conditions are met.

It is not expected that the determination of the control transfer, both for sales through public auction or direct sale, will be modified with the adoption of IFRS 15.

For contracts related to the sale of properties in development, the Grupo is responsible for the overall management of the project, and it has identified several goods and services to be provided, including design work, purchase of materials, preparation of the site and foundations, form work and plastering, mechanical and electrical installations, installation of utensils (e.g. windows, doors, cabinets, etc.) and finishing work. In these contracts, the Grupo determined that the goods and services are not different and are recorded as a single performance obligation.

Depending on the terms of each contract, the Grupo determines whether the control is transferred at a point in time or over time:

- For the sale of currently recognised developing properties according to the percentage of completion, the Grupo expects to continue to recognize the gains over time because it estimates that control will be transferred over time.
- For the sale of currently recognized developing properties when completed, the Grupo believes that control will be transferred at a point in time.

In contracts that meet the recognition criteria throughout the period, the Grupo's performance is measured using a method of imputation by reference to the costs incurred to comply with the performance obligation (e.g. resources consumed, hours spent, costs incurred, time incurred or machine hours) in proportion to the estimated total inputs to complete the work. The Grupo excludes the effect of costs incurred which do not contribute to the performance obligation in transferring control of goods or services to the customer (such as unanticipated amounts of defective materials or other resources) and adjusts the method of imputation against costs incurred which are not proportional to the Grupo's progress in meeting the performance obligation (i.e. non-installed materials).

Some contracts for the sale of properties include variable considerations in the form of penalties for delays and, in limited cases, early termination premiums. Usually, the Grupo expects uncertainty to dissipate before recognizing these gains. In accordance with IFRS 15, estimates of variable consideration are included in the transaction price (after considering the limiting requirements). Considering the wide range of services, Grupo usually applies the expected value method to estimate this variable consideration and will apply the IFRS 15 requirements in mandatory variable

consideration estimates to determine the variable consideration amount that may be included in the transaction price. The Grupo uses the practical expedient provided for in IFRS 15 for the significant financing component. As such, the Grupo will not adjust the amount under contract by the effects of the significant financing component in contracts where the Grupo expects, at the end of the contract, the interval between the customer payment and the Grupo's transfer of the agreed goods or services to be one year or less:

- For contracts involving the sale of property in development recognized over time, generally, customers carry out the payments as the work progresses. In these cases, the Grupo estimates that the interval between the customer payment for the asset, and the Grupo's transfer of the asset to the customer will be one year or less.
- For some contracts that include the sale of development properties recognized over time and the sale of development properties recognized at a specific point in time, the Grupo is entitled to the recognition of an advance. This situation is not seen as a significant financing component since the reasons are not related to the Grupo's financing. The reason is that these payments are seen as a guarantee that the other party will satisfactorily complete its obligations under the contract in situations, in cases when customers do not have a proven credit record or have a history of late payments.

Property sale contracts have certain guarantees which cover a period of up to ten years after completion of the property, including requirements regarding operating performance conditions (i.e. insulation, energy efficiency, etc.).

The Grupo has determined that these conditions represent guarantees called "reliability" and that they are legally required as quality assurance, continuing to be accounted for in accordance with IAS 37, consistent with current practice.

i. Real estate services and management

Service expenses, management fees and other recoverable expenses of lessees

Consistent with current practice, the Grupo determined that these services are separate components of the lease (transferred separately from the right to use the asset) and fall within the scope of IFRS15. Grupo will allocate the consideration to the lease component and the service component on a relative basis, consistent with the current accounting.

For the revenue component, Grupo concluded that these services represent a number of daily services that are individually met over time, and a progress measurement basis based on the time taken will be applied. The amounts charged to tenants for these services include fees charged based on the percentage of income and reimbursement of expenses incurred.

Grupo determined that this variable consideration is only related to the non-leasing component and that allocating it to each service period (e.g., each day) fulfils the variable consideration allocation exception.

The Grupo provides the third-party competence to provide services to tenants. In accordance with IAS 18, Grupo concluded that it is the principal because it is primarily responsible for meeting the performance obligation of the specific service, and Grupo is subject to credit risk regarding these transactions because it has to pay the third party even if the customer does not comply with the payment terms.

IFRS15 requires a test to demonstrate that the Grupo controls a particular good or service before transferring it to the customer. The Grupo has determined that it controls the service before being provided to the tenant

and consequently is the principal rather than agent in these contracts. Consequently, the Grupo underwent no impact as a result of this diagnosis.

Disposal of investment property during the ordinary course of business

The IFRS 15 recognition and measurement requirements are applicable to determine the timing of derecognition and the measurement of the consideration (including the application of requirements for variable consideration), when the gains or losses regarding the disposal of non-financial assets are calculated, when such disposal is not part of the normal course of business. Grupo has determined that there is no need for changes resulting from the transition to IFRS 15 regarding disposals of investment properties carried out in the past, which were owned for rent.

Contract costs

Grupo incurs in commissions which are incremental costs of obtaining a contract with a customer. Grupo intends to use the practical expedient provided for in IFRS15 for the costs of obtaining a contract to waive those costs that would have been amortized over a year or less. In cases where the amortization period would exceed one year, Grupo will capitalize the costs of obtaining a contract that meets the criteria for recognition of IFRS15. Costs incurred by the Grupo to raise a contract before the beginning of its performance (e.g. proposal costs) usually comprise general and administrative costs.

Contract assets and liabilities

i) Assets of contracts with customers

A customer contract asset is a right to receive a return in exchange for goods or services transferred to the customer.

If the Grupo delivers the goods or services to a customer before the customer pays the compensation or before the compensation is due, the contract asset corresponds to the amount of the consideration that is conditional.

ii) Accounts receivables from customers

An account receivable represents the unconditional right (that is, it only depends on the passage of time until the consideration is due) of the Group to receive the consideration - See note 27.

iii) Liabilities of contracts with customers

A liability of contracts with customers is the obligation to transfer goods or services for which the Group received (or is entitled to receive) a consideration from a customer. If the customer pays the consideration before the group transfers the goods or services, a contract liability is recorded when the payment is made or when it is due (whichever comes first). Contract liabilities are recognized as revenue when the group carries out its contract performance obligations.

2.6 Financial assets and liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognized in the consolidated statement of the Grupo's financial position when it becomes part of the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets and

liabilities (other than financial assets or liabilities measured at fair value through the income statement) are added to or deducted from the fair value of the financial asset or liability, as the case may be, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or liabilities recognized at fair value through the income statement are recognized immediately in the consolidated income statement.

2.6.1 FINANCIAL ASSETS

i) Initial recognition and measurement

All purchases and sales of financial assets are recognized on the date of their respective purchase and sale contracts, regardless of the date of their financial settlement. Initially, the assets are classified and subsequently measured at amortised cost, or at fair value through other comprehensive income or at fair value through profit or loss.

The initial classification of financial assets depends on the contractual characteristics of the cash flow and the business model that the Grupo adopts to manage them. With the exception of accounts receivable from customers that do not contain a significant financial component and for which the group adopts the practical expedient, the group initially measures a financial asset at its fair value added, in the case of an asset not classified as fair value through results, of the transaction costs. Trade accounts receivable that do not contain a significant financial component and for which the group adopts the practical expedient are measured at the transaction price determined in accordance with IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or at fair value through other comprehensive income, it should provide cash flows representing solely payments of principal and interest (SPPI) on the outstanding capital. This assessment, known as the "cash flows solely from payments of principal and interest" test is carried out for each financial instrument.

The business model for managing financial assets refers to how it manages its financial assets in order to generate cash flow.

The business model can be designed to obtain contract cash flows, to dispose of financial assets or both.

Purchases or sales of financial assets that requires delivery assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Grupo commits to purchase or sell the asset.

II) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments);
- Financial assets at fair value through profit or loss.

Financial assets at amortized cost (debt instruments)

This category is the most relevant for the Grupo. The Grupo measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held under a business model whose purpose is to hold the financial asset in order to obtain the contract cash flows and
- The contract terms of the financial asset give rise, at defined dates, to

cash flows corresponding only to payment of principal and interest on the outstanding capital.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The financial assets that the Grupo measures at amortized cost include accounts receivable from customers and other debtors, loans to shareholders and related parties and loans.

Interest related income is recorded in the income statement under Interest Paid, net, using the effective interest rate method, which is applied to the gross carrying amount of the financial asset.

Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

The Grupo measures debt instruments at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flow and selling; and
- The contract terms of the financial asset give rise, at defined dates, to cash flows corresponding only to payment of principal and interest on the outstanding capital.

In the case of debt instruments measured at fair value through other comprehensive income, interest earned, currency exchange differences and impairment losses and reversals are recorded in profit or loss and calculated in the same way as financial assets measured at amortized cost. The remaining fair value changes are recognised in other comprehensive income. At the time of derecognition, the changes in fair value accumulated in the other comprehensive income are transferred (recycled) to the profit and loss. Debt instruments measured at fair value through other comprehensive income include quoted debt instruments.

The Grupo does not hold this type of financial assets on the 31st of December 2021.

Financial assets at fair value through OCI with recycling of cumulative gains and losses (equity instruments)

Upon initial recognition, the Grupo can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit and loss. Dividends are recorded as a financial gain in profit or loss when the right to receive payment of the dividend is established, except when the Grupo benefits from such dividends as a recovery of part of the cost of the financial asset and in that case dividends are recorded in the other comprehensive income. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment. The Grupo decided to irrevocably classify its investments in equity instruments of entities not listed in this category, as well as the shares held in Pharol.

Financial assets to the fair through the income statement

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be

measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flow that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through the income statement are presented in the Statement of Financial Position at fair value with the net changes in fair value presented in profit and loss.

This category includes derivatives and investments in listed shares for which the Grupo has not decided irrevocably to measure at fair value through other comprehensive income.

If a hybrid contract includes a basic contract that is not a financial asset, an embedded derivative shall be separated from the base agreement and accounted for as a derivative if, and only if:

- i) the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the underlying contract;
- ii) a separate instrument with the same terms as the embedded derivative satisfies the definition of a derivative;
- iii) the hybrid contract is not measured at fair value through profit or loss.

Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. The revaluation of the classification is only possible when there is a change in the contractual terms that significantly modify the cash flows or the reclassification of the financial asset in order to stop being classified in the category of fair value through profit or loss.

A derivative embedded in a hybrid agreement which includes a base agreement that contains a financial asset is not accounted for separately. The financial assets of the underlying contract and the embedded derivative are entirely classified as financial assets at fair value through profit or loss.

III) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Grupo's consolidated statement of Financial Position) when:

- The contract rights to receive cash flows resulting from the financial asset expire; or
- Grupo has transferred its contract rights to receive cash flows arising from the financial asset or has undertaken an obligation to pay the cash flows received in full in the short term under an agreement in which the Grupo;
 - i) it is under no obligation to pay amounts to final recipients unless it receives equivalent amounts resulting from the original asset;
 - ii) it is prohibited by the terms of the transfer agreement to sell or pawn the original asset other than as a guarantee to final recipients for the obligation to pay them cash flows; and
 - iii) the Grupo has an obligation to remit any cash flow it receives on behalf of the final recipients without significant delays.
- The Grupo transferred substantially all the risks and rewards of the asset, or the company did not transfer or substantially retain all the assets and benefits of the asset, but transferred control over the asset.

When the Grupo transfers its rights to receive cash flows from an asset or is part of an agreement that may enable derecognition, it assesses whether and to what extent, the risks and benefits associated with ownership of the asset have been retained.

When all the risks and benefits of ownership of an asset have not been substantially transferred or retained, nor transferred control of the asset, the Grupo continues to recognize the transferred asset to the extent of its continuing involvement. In this case, Grupo also recognizes the corresponding liability, the transferred asset and the corresponding liability are measured on a basis which reflects the rights and obligations that the Grupo retained.

If the continuing involvement of the Grupo undertakes the form of a guarantee on the transferred asset, the measure of continuing involvement is the lower between the original book value of the asset and the maximum amount of the consideration received that the Grupo may have to pay. Consequently, the balances of customers in the form of discounted and not due bills and accounts receivable assigned in factoring at the date of each statement of financial position, with the exception of "non-recourse factoring operations (and for which it is clear that the risks and benefits inherent to these accounts receivable are transferred) are recognised in the Grupo's financial statements until they are received.

In the derecognition of a financial asset measured at amortized cost, the difference between the carrying amount and the consideration received is recognized in the income statement.

In the event of derecognition of a financial asset measured at fair value through other comprehensive income, the accumulated gain or loss in the fair value reserve is reclassified to the income statement ("Recycling"), unless it is a representative financial asset of an equity instrument so designated irrevocably at the beginning, a situation in which the accumulated gain or loss in the fair value reserve is transferred directly to retained earnings.

The Grupo writes off a financial asset only when there is information that the debtor is under a liquidation or bankruptcy process. If the balances are subsequently recovered, they are recorded in the income statement.

IV) Impairment of financial assets

Additional disclosures about impairment of financial assets can be found in the following notes:

- Disclosures about significant assumptions - Note 3
- Accounts receivable, including assets related to contracts with customers

- Notes 10, 27 and 29

The Grupo recognizes an adjustment for expected credit losses for all debt instruments not measured at fair value through profit or loss. The expected credit losses are based on the difference between the contract cash flows due and all the cash flows that the Grupo expects to receive, discounted at a rate close to the original effective interest rate. Cash flows which are expected to be received include cash flows resulting from collateral held or other credit guarantees which are part of the contractual terms. For trade receivables and trade receivables related with contract assets, the Grupo applies a simplified approach in calculating expected credit losses.

Therefore, the Grupo does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Grupo has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For this purpose, the balances of customers and other debtors have been segregated taking into account their risk profiles and the duration of the default situation.

For balances receivable from associated and affiliated companies, which are not considered part of the financial investment in these companies, impairment is assessed in accordance with risk criteria. In cases where the balance receivable is immediately payable and the related entity is able to pay, the risk of non-compliance is assessed to be very close to zero and, as such, the impairment is zero. In cases where the receivable balance is not immediately due, the related Grupo's credit risk is assessed and if it is "low" or if the maturity is less than 12 months, then the Company only evaluates the probability of a non-compliance occurring for the cash flows that mature during the next twelve months. For all other situations and types of balances receivable, the Grupo adopts the general approach of the impairment model. Expected credit losses are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, expected credit losses are provided for credit losses that result from default events that are possible within the next 12 months; for those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default, mentioned on the note 39.

The Grupo considers a financial asset in default when contractual payments are 90 days past due.

However, in certain cases, the Grupo may also consider a financial asset to be in default when internal or external information indicates that the Grupo is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the company. A financial asset is derecognised when there is no reasonable expectation of recovering contract cash flows.

2.6.2 FINANCIAL LIABILITIES

I) Initial recognition and mensuration

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Grupo's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

II) Subsequent measurement

The measurement of financial liabilities depends on their initial classification, as described below:

Financial liabilities at fair value through profit or loss;

Financial liabilities at fair value through the income statement include the financial liabilities held for trading and the financial liabilities that at the time of initial recognition were so designated and, furthermore, the financial liabilities associated with a contingent consideration arising from a business combination.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Grupo that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separate embedded derivatives are also classified as held for trading unless they have been designated as effective hedging instruments. Gains or

losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

Put options granted related to purchase of financial holdings (see Note 2.3) are classified in this category.

Financial liability at amortized cost

This is the category most relevant for the Grupo.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recorded in the income statement when liabilities are derecognised and through amortization arising from the effective interest method.

The amortized cost is calculated taking into account any discount or premium on acquisition and fees as well as other costs that are part of the effective interest rate. The effective interest amortisation is included as finance costs in the statement of profit or loss.

This category is generally applicable to accounts payable to suppliers and other creditors, and to loans including bank loans, factoring and bank overdrafts. Loans in the form of commercial paper are classified as non-current liabilities when they have a period of more than one year and it is the intention of the Executive Board of Directors to use this financing instrument for a period of more than one year.

The Grupo contracts confirming operations with financial institutions, which are classified as reverse factoring agreements. These agreements are used to manage the Grupo's treasury, and the amounts of the invoices advanced to suppliers who adhere to these contracts are maintained in Liabilities, in the account of other accounts payable, with payments of the amount advanced to suppliers being treated as operational payments and payments relating to interest and fees incurred being treated as financing activities. Costs incurred from confirming operations are recorded under other net financial expenses.

III) Derecognition

A financial liability is derecognised when the obligation specified is satisfied, or when it is cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, the exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss. Conditions are considered to be substantially different if the current value of cash flows from renegotiated financial liability, including commissions, discounted using the original effective interest rate is at least 10% different from the current value of the remaining cash flows from original financial liability. If the exchange gives rise to a change that is not substantial, the difference between the carrying amount of the liability before the change and the carrying amount after the change (corresponding to the present value of future cash flows) is recorded in the income statement as a gain or loss from the change.

2.6.3 COMPENSATION OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the respective net amount is presented in the consolidated statement of financial position if there is a mandatory present duty to offset amounts recognized and there is an intention to settle on a net basis or realize the asset and liquidate the liabilities.

2.6.4 HEDGE ACCOUNTING

I) Initial recognition and mensuration

The Grupo uses derivative financial instruments, such as swaps of interest rates to cover its interest risks. Such derivative financial instruments are initially recorded at fair value on the date of the derivative contract and are subsequently measured at fair value. The resulting gain or loss is recorded in the income statement unless the derivative is classified as a hedging instrument, in which case the recognition of the change in fair value depends on the nature of the hedging relationship. Derivatives are presented in assets when their fair value is positive and in liabilities when their fair value is negative.

In terms of hedge accounting, hedges are classified as:

- Fair value hedge when the purpose is to hedge the exposure to fair value changes of a registered asset or liability or an unregistered Grupo commitment.
- Cash flow hedge when the purpose is to hedge the exposure to cash flow variability arising from a specific risk associated with the whole or a component of a recorded asset or liability or an anticipated highly probable occurrence or currency exchange risk associated with an unregistered Grupo commitment.
- Coverage of a net investment in a foreign subsidiary.

At the beginning of the hedge relationship, the Grupo formally designates and documents the hedge relationship for which hedge accounting is intended to be applied as well as the management and strategy purpose of such hedge.

Prior to the 1st January 2018, the documents included the identification of the hedging instrument, the hedged item or transaction, the nature of the hedged risk, and the way in which the Grupo assessed the effectiveness of the fair value changes of the hedging instrument against exposure changes in the fair value of the hedged item or cash flows arising from the hedged risk. Such hedges should be highly effective in offsetting changes in fair values or cash flows and would be assessed on a continuing basis to demonstrate that they were in fact highly effective over the reporting period. As of the 1st of January 2018, the documents include the identification of the hedging instrument, the item or transaction covered, the nature of the risk to be hedged and the way in which the Grupo assesses whether the hedge relationship meets the accounting requirements (including its analysis of the sources of coverage ineffectiveness and how it determines the coverage rate). The hedge relationship is eligible for hedge accounting if it meets all of the hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the changes in value which result from this economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the amount of the hedged item which an entity effectively, and the amount of the hedging instrument that the entity effectively uses to hedge that amount of the hedged item.

The hedging relationships that meet the above mentioned eligibility criteria are accounted for as follows:

II) Fair value hedge

The change in the fair value of the hedging instrument is recorded as a financial result for the period. The change in the fair value of the hedged item attributable to the hedged risk is recorded as part of the carrying amount of the hedged item.

For fair value hedging of items measured at amortized cost, any adjustment to the book value is amortized in the income statement for the remaining period of the hedge using the effective interest method. Amortization using the effective interest method starts when there is an adjustment and no later than when the hedged item is no longer adjusted for changes in the fair value attributable to the risk being hedged.

If the hedged item is derecognised, the fair value to be amortized is recorded immediately in the income statement.

When an unrecorded commitment is designated as a hedged item, subsequent cumulative changes in the fair value of the Grupo's commitment attributable to the hedged risk are recognized as an asset or liability and the corresponding gain or loss recorded in the income statement.

III) Cash flow hedging

The effective portion of the gain or loss on the hedging instrument is recognized in Other comprehensive income in the cash flow hedge reserve, while the ineffective portion is recognized immediately in the income statement. The cash flow hedge reserve is adjusted to the lesser of the amounts between the accumulated gain or loss on the hedging instrument and the cumulative change in the fair value of the hedged item.

As from the 1st of January 2018, the Grupo shall designate only the element under the forward contracts as a hedging instrument. The element forward is recognized in Other comprehensive income and accumulated in a separate equity component.

The amounts accumulated in Other comprehensive income are accounted for according to the nature of the respective hedging relationship. If the hedging relationship subsequently translates into the recording of a non-financial item, the accumulated amount is removed from the separate equity component and included in the initial cost or carrying amount of the hedged asset or liability. This is not a reclassification adjustment and should not be recorded in Other comprehensive income for the period. This also applies when an expected transaction hedged by a non-financial asset or a non-financial liability becomes a Grupo commitment subject to hedge accounting.

Other comprehensive income is reclassified to the income statement as a reclassification adjustment in the same period or periods during which the cash flows hedged affect the income statement.

If cash flow hedge accounting is discontinued, the amount accumulated in Other comprehensive income should remain if the future cash flows hedged are still expected to occur.

Otherwise, the accumulated amount is reclassified immediately to the income statement as a reclassification adjustment. Upon discontinuation, as soon as the cash flows are hedged, any accumulated amount remaining in Other comprehensive income shall be accounted for in accordance with the nature of the underlying transaction as described above.

IV) Hedging of a net investment in a foreign operation

Hedging of a net investment in a foreign operation, including the hedging of monetary items that are accounted for as part of the net investment, are accounted for in a similar way to the cash flow hedge.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recorded in Other comprehensive income while the gains or losses relating to the ineffective portion are recorded in the income statement. At the time of the disposal of the foreign subsidiary, the accumulated amount of the gains and losses accounted for in equity are transferred to the income statement.

2.6.5 EQUITY INSTRUMENTS

Equity instruments are classified according to the substance of their contractual arrangement, regardless of their legal form. Equity instruments issued by companies of the Grupo are recorded at the value of proceeds received, net of any costs related to their issuance.

Own shares are recorded at their acquisition value as a deduction from equity.

Gains or losses incurred in the disposal of own shares are recorded in the line item "Other reserves" and are not considered in the results for the period in which they occur.

2.6.6 LOANS COSTS

The Grupo capitalizes loans costs (interest and other costs incurred due to loans/Borrowing of funds) that are directly attributable to the acquisition, construction or production of an asset that qualifies as part of the cost of that asset, that is, an asset that necessarily takes a substantial amount of time to get ready for its intended use or for sale. All other loans costs shall be accounted for as an expense in the period in which they are incurred. In 2021, Grupo Visabeira did not capitalize any interest from loans obtained.

2.7 Tangible assets

Tangible fixed assets are recorded at their acquisition cost, net of any accumulated depreciations and impairment losses.

Subsequent costs are included in the carrying amount of the asset or recognised as separate assets, when future economic benefits are likely to flow to the company, surpassing the originally assessed performance standard of the existing asset, and the cost of the asset for the company can be reliably measured.

All other subsequent expenditure is recognised as expenses in the period they are incurred.

The assets of the TVCabo Angola and TVCabo Moçambique networks are measured, as of the 1st of October 2019, according to the revaluation model, that is, they are measured at fair value at the date of the revaluations, minus any subsequent accumulated depreciation and subsequent impairment losses accumulated.

Revaluations are carried out with sufficient frequency to ensure that the carrying amount does not differ materially from that which would be determined by using fair value at the end of the reporting period. The frequency of revaluations depends on changes in the fair values tangible fixed assets that are being revalued.

When the fair value of a revalued asset differs materially from its carrying amount, a new revaluation is required. Such frequent revaluations are

unnecessary for tangible fixed assets items, with only minor changes in fair value. Instead, it might be necessary to revalue the item only every three or five years.

When the carrying amount of these assets is increased as a result of a revaluation, the increase must be recognized in other comprehensive income and accumulated in equity under "Revaluation surplus". However, the increase must be recognized in the income statement to the extent that it reverses a decrease in the revaluation of the same asset previously recognized in profit or loss. If the carrying amount of an asset is decreased as a result of a revaluation, the decrease should be recognized in the income statement.

However, the decrease must be recognized in other comprehensive income to the extent of any credit balance existing in the revaluation surplus with respect to that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under revaluation surplus.

A transfer is made annually between the caption "Revaluation surpluses" and the retained earnings, which corresponds to the difference between depreciation based on the revalued value of the asset and depreciation based on its historical cost.

On the date of disposal, any remaining revaluation reserve is transferred to retained earnings.

Financial charges related to the financing of the production/ acquisition of assets that require a substantial period of time to be ready for use are added to the cost of those assets.

Amortizations

Plots of land are not depreciated, except those used for mining activities. The depreciation of the remaining assets is calculated by applying the straight-line method, on a duodecimal basis, to the acquisition amount. The annual rates applied satisfactorily reflect the economic useful life of assets. Residual values and useful lives of assets are reviewed and adjusted, if appropriate, on each balance sheet date. On average, the depreciation rates applied correspond to the following estimated useful lives:

	2021	2020
Land and natural resources	2.50%	2.50%
Buildings	2.00% to 5.00%	2.00% to 5.00%
Other constructions	2.00% to 10.00%	2.00% to 10.00%
Basic equipment	6.67% to 33.33%	6.67% to 33.33%
Transport equipment	16.66% to 25.00%	16.66% to 25.00%
Tools and utensils	4.00% to 25.00%	4.00% to 25.00%
Office equipment	4.00% to 10.00%	4.00% to 10.00%

2.8 Investment Properties

Investment properties include plots of land and buildings held to earn rental income or for capital appreciation, or both, and that are not used in the course of normal business.

Investment properties are initially measured at their acquisition cost, including transaction costs. After their initial recognition, investment

properties are measured at their fair value, determined in reference to the balance sheet date, reflecting current market conditions. Fair value is determined by independent and duly accredited entities, following internationally recommended methodologies.

Gains or losses arising from changes in the fair value of investment properties are recorded in the income statement in the year in which they are generated.

Investment properties are derecognised when they are disposed of or when they are decommissioned with no expectations of future economic benefits resulting from their decommissioning. Any gains or losses arising from the de-recognition of investment properties are recognised in the income statement of that year.

Costs incurred with investment properties in use, such as maintenance, repairs, insurance and property taxes, are recognised in the consolidated income statement, in the period to which they relate.

The transfer to, or from, investment properties shall be made when, and only when, there is a change in use.

In the transfer of an investment property carried at fair value to an owner-occupied property, the cost considered for subsequent accounting shall be its fair value on the date of the change in use.

If an owner-occupied property becomes an investment property carried at fair value, the Grupo shall use the same accounting principles that apply to tangible fixed assets, up to the date of the change in use.

If an asset initially recognised in inventories is subsequently considered as an investment property after its change in use has been determined, any difference between the fair value of the property on that date and its previous carrying amount is recognised as profit or loss for that financial year. If the Grupo begins the development or construction of a building with the intention of selling it, it must be transferred to inventory. If this property is measured at fair value, such transfer shall be measured at fair value at the date of transfer and this will be the cost considered for recording the property in inventories.

2.9 Leases

The Grupo assesses, at the beginning of each agreement, whether the agreement is, or contains, a lease. That is, the right to control the use of a specific asset or assets is transferred for a certain period of time in exchange for a consideration. In order to conclude that a contract transmits the right to control the use of an identifiable asset for a certain period of time, the Grupo assesses whether it cumulatively has i) the right to obtain substantially all the economic benefits derived from the use of the asset in question and ii) the right to direct its use.

GRUPO AS A LESSEE

The Grupo applies the same recognition and measurement method to all leases, except for short-term leases and leases associated with low-value assets.

The Grupo recognizes a liability regarding payments and an asset identified as the right to use of the underlying asset.

I. Right-of-use assets

At the lease start date (that is, the date from which the asset is available for use), the Grupo recognizes an asset related to the right to use. "Assets under right of use" are measured at cost, minus accumulated depreciation and

impairment losses, adjusted by remeasurement of the lease liability. The cost comprises the initial value of the lease liability adjusted for any lease payments carried out on or before the starting date, besides any initial direct costs incurred, as well as an estimate decommissioning and removal costs of the underlying asset (if applicable), less any incentive obtained. The asset under right of use is depreciated using the straight-line method, based on its useful life or the lease term, whichever is the lowest. If ownership of the asset is transferred to the Grupo at the end of the lease term, or the cost includes a call option, depreciation is calculated taking into account the estimated useful life of the asset. Assets under right of use are also subject to impairment losses.

II. Lease liability

At the lease start date, the Grupo recognizes a liability measured at the present value of the lease payments to be made throughout the agreement. The lease payments included in the measurement of the lease liability include fixed payments, minus any incentives already received (if applicable) and variable payments associated with an index or rate. Payments also include, if applicable, the purchase price of a call option, which will be exercised by the Grupo with reasonable certainty, and penalty payments for terminating the contract, if the terms of the lease reflect the Grupo's exercise option.

The lease liability is measured at amortized cost, using the effective interest method, and is remeasured when there are changes in future payments resulting from a change in the rate or index, as well as possible changes in the lease agreements. When the lease liability is remeasured, the right to use the asset is adjusted by the same amount, except if its amount has already been reduced to zero, in which case a gain/loss is recorded in the income statement.

Variable payments which are not associated with any indexes or rates are recognized as expense of the financial year, in the financial year in which the event or condition leading to payment occurs.

For the calculation of the present value of future lease payments, the Grupo uses an incremental interest rate at the lease start date, since the interest rate mentioned in the contract is not immediately determined. After that date, the lease liability amount is increased by accruing interest and reduced by rent payments made. Moreover, the amount is remeasured if there is any change in the terms of the agreement, in the amount of the rents (e.g., changes in future payments caused by a change in an index or rate used to determine those payments), or a change in the valuation of a call option purchase associated with the underlying asset.

III. Short-term leases and low value leases

The Grupo applies the recognition exemption to its short-term leases of assets (i.e., leases with 12-month terms or less and which do not contain a call option). The Grupo applies as well the exception for the recognition of lease contracts whose underlying asset is of low value. Operating lease payments are recorded as operating expense on the income statement in the straight-line basis over the lease period.

THE GRUPO AS LESSOR

Leases in which the Grupo does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Income earned through rent is accounted for, under a straight line basis, during the period of the lease and is presented in revenue due to its operating nature.

Initial costs directly related to the negotiation and collection of leaseings are added to the book value of the asset and are recorded as expenses during the leasing period at the same rate as the rents earned. Contingent rents are recognized only when the right is established.

The lease duration is the sum of the period during which the lease cannot be cancelled with an additional period that the lessee is expected to have the option to maintain the lease, and upon the beginning of the lease the Grupo has reasonable certainty that the lessee will choose to maintain.

Amounts receivable from lessees for contractual assignment or for compensation for asset devaluations are recorded in the income statement when the right to receive is established.

Gains on common expenses redept to lessees are recorded in the period which the compensation relates to. Fees regarding management and service are included as Income from rentals, without considering the respective costs, because the Grupo considers that it acts as principal and not as agent in this situation.

2.10 Intangible assets

All intangible assets are recorded at their acquisition cost, net of accumulated amortisations and impairment losses.

Amortisations are calculated on the acquisition value, by the straight-line method on a duodecimal basis for its useful life (generally three years).

Costs related to internally generated intangible assets and own brands are recorded in profit or loss for the period as they are incurred.

Costs of research carried out in the quest for new technical or scientific knowledge or in the quest for alternative solutions are recognised in profit or loss when incurred.

Development costs are capitalised when the technical feasibility of the product or process under development can be proven, and when the Grupo intends and is able to complete its development and begin its marketing or use.

In the context of business combinations, intangible assets are recorded (order backlog) at fair value, which are amortized on a straight-line basis over 36 months.

2.11 Impairment of tangible and intangible assets

Assets that have an indefinite useful life are not subject to amortisation, but are subject to annual impairment tests.

Impairment tests are also performed for assets that, having a finite useful life, are subject to amortisation or depreciation, whenever circumstances change and their carrying amount may not be recoverable. An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value, net of costs to sell, and its value in use, which results from future cash flows updated based on pre-tax discount rates that reflect the present value of the capital and the risk specific to the asset(s) concerned.

To determine the recoverable amount, the assets are analysed individually or grouped at the lowest level for which they are identified separately as cash-flow generating units. A cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Whenever the carrying amount of the asset is higher than its recoverable

amount, an impairment loss is recognised in the income statement for the period to which it relates. If this loss is subsequently reversed, the carrying value of the asset is adjusted accordingly, but it can never be greater than the amount that would be recognized had the impairment loss not been recorded. The impairment reversal is also recognised in the income statement in the period to which it relates.

2.12 Assets held for sale and discontinued operations

This category includes assets or groups of assets whose value is realisable through a sale transaction or, jointly as a group in a single transaction, and any liabilities directly associated with these assets that are transferred in the same transaction. Assets and liabilities in this situation are measured at the lower of their carrying amount and fair value less the selling costs. For this situation to take place, the sale needs to be highly probable (expected to be realised within 12 months) and the asset has to be available for immediate sale in its present condition, in addition to the Group's commitment in effecting the sale.

The amortisation of assets in these conditions ceases from the moment in which they are classified as held for sale and are recognised as current under asset, liability or equity line items.

A discontinued subsidiary is a component (subsidiaries and cash flows that can be clearly distinguished operationally and for financial reporting purposes from the rest of the entity) from an entity that has either been disposed of or is classified as held for sale, and:

- a) represents a major line of business or separate geographical area of operations;
- b) is an integral part of a single coordinated plan to dispose of a major line of business or separate geographical area of operations; or is a subsidiary acquired exclusively with a view to resale; or
- c) is a subsidiary acquired exclusively for the purpose of resale.

The results of the discontinued operations are presented as a single amount in the income statement, which includes profit or loss after tax of the discontinued operations, plus the gains or losses after tax recognised in the measurement at fair value minus costs of sale or disposal of assets or group(s) for disposal comprised in the discontinued operation. Balances and transactions between related companies and unrelated companies are eliminated to the extent that they represent the companies that will no longer be part of the Grupo.

2.13 Inventories

Inventories are valued at either their cost or their net realisable value, whichever is lower. The net realisable value is the selling price, net of the costs estimated for completing production of the asset and corresponding selling costs.

Raw materials and consumables - Include lands for future real estate projects which are valued at purchase price plus the cost of purchase, which is lower than its market price. The remaining raw materials and consumables are valued at purchase price plus the cost of purchase, including storage. Finished goods and work in progress - When corresponding to fractions of buildings for sale in completed developments and products in progress, these are valued at production cost, which is lower than their market value. Production cost includes the cost of raw materials used, direct and indirect labour, subcontracts, other fixed and variable costs and financial charges.

The finance charges considered correspond to the actual borrowing costs incurred on financing agreements that explicitly refer to the development, to the extent it is reasonable in terms of the application.

Goods are valued at their average purchase price, including shipping and storage costs.

2.14 Provisions

Provisions are recorded in the balance sheet whenever the Grupo has a present obligation (legal or constructive) resulting from a past event and whenever it is probable that a reasonably estimable decrease in resources incorporating economic benefits will be required to settle the obligation.

- Restructuring: A provision for restructuring is recognised after formal approval of a restructuring operation and it has been initiated or made public. Operating expenses shall not be included in the value of such provision.
- Onerous Contracts: A provision for onerous contracts is recognized when the expected benefits of the contract fulfilment are lower than the costs arising from the obligation imposed by it.

Provisions for the costs involved in the dismantling, removing of goods and restoration of the site are recognised when the goods are first used and if the respective obligation can be reliably estimated.

The amount of the provision recognised is the present value of the obligation, and the financial update is recorded in profit or loss as a financial cost in the line item "Net interest".

A contingent liability recognised in connection with a business combination is initially recognised at fair value. After the initial recognition and until the liability is settled, cancelled or expired, a contingent liability is recognised in a business combination at the higher of the amount that would be recognised in accordance with IAS 37 and the amount initially recognised, less, where appropriate, the cumulative amortisation recognised in accordance with the Revenue standard.

Provisions are reviewed and updated on the balance sheet date, so as to reflect the best estimate of the obligation in question at that time.

2.15 Contingent assets and liabilities

Contingent liabilities (outside the scope of a business combination) are not recognized in the consolidated financial statements and are disclosed in the annex, unless the possibility of an outflow of funds is remote, in which case they are not the subject of dissemination.

Contingent assets are not recognised, and are only disclosed when there is a likelihood of a future economic benefit.

2.16 Income tax

Income tax is calculated based on the taxable results of the companies included in the scope of consolidation and includes deferred taxation.

Grupo Visabeira is covered by the special regime for taxation of groups of companies, established at the level of NCFGest, SA, which covers all companies it participates in, directly or indirectly, with at least 75% of the respective capital and which, simultaneously, are based in Portugal and taxed under Corporate Income Tax (IRC).

Since 2014, the subsidiaries of Grupo VAA have been included in the scope of consolidation of Grupo Visabeira.

The remaining subsidiary companies, not covered by the special tax scheme

for groups of companies in Portugal, are taxed individually, based on their respective taxable results and applicable tax rates.

Deferred tax is calculated based on the balance sheet liability method, from temporary differences between the carrying value of the assets and liabilities and the respective tax base.

Deferred tax assets are recognised whenever it is reasonably certain that future profits will be generated against which the reversion of existing deductible temporary differences, tax losses and tax credits can be used. Deferred tax assets are reviewed annually and reduced whenever they are no longer likely to be used. No deferred tax is calculated on consolidation differences or on temporary differences in the initial recognition of an asset or liability when it does not affect the accounting or tax results.

Likewise, no deferred taxes relating to temporary differences associated with investments in associates and interests in joint ventures are recognised because the following conditions are considered to be cumulatively satisfied:

- The Grupo is able to control the timing of the reversal of the temporary difference; and
- It is likely that the temporary difference will not reverse in the foreseeable future.

The tax base of assets and liabilities shall reflect the tax consequences arising from the way the Grupo expects, on the reporting date, to recover or settle the carrying amount of assets and liabilities, based on decisions that, from the fiscal point of view, are substantially implemented on the date of the consolidated income statement.

The amount of tax to be included either in current or deferred taxes resulting from the transactions or events recognised in equity is recorded directly in these same line items and does not affect the income statement for the financial year.

Deferred taxes are determined by the tax rates (and laws) decreed or substantially decreed at the balance sheet date and are expected to be applicable in the accrual basis of deferred tax assets or settlement of deferred tax liabilities. According to the legislation in force, the income tax rate considered is 21% and, in situations not related to tax losses, a 1.5% surcharge is added to the value of temporary differences that originated deferred tax assets or liabilities.

2.17 Employee benefits

2.17.1 PROVISIONS FOR RETIREMENT PENSIONS – DEFINED BENEFIT PLAN

Some of the Grupo's companies, namely Grupo Vista Alegre companies, have assigned pension schemes to former employees, in the form of a defined benefit plan, which is a pension plan that defines the amount of pension benefit that an employee will receive upon retirement, usually dependent on one or more factors such as age, years of service and remuneration.

The Grupo has in place various retirement benefit plans, some managed by the Group and others by Futuro/Grupo Montepio.

The liability amount recognised in the balance sheet which concerns defined benefit plans is the present value of the defined benefit obligation on the balance sheet date. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows, using interest rates of high-quality bonds that are denominated in the currency in which the benefits will be paid and

that have terms to maturity approaching the terms of the related pension liability.

All actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in equity and presented in other comprehensive income in the period in which they occur, and are not subsequently reclassified in profit or loss.

Net financial costs and income derived from the plan's assets are recognised in profit or loss.

Financial costs are calculated by applying the discount rate to the liability of a defined or active benefit. Grupo recognises the costs of current or past services, the gains and losses in curtailments and/or settlements, as well as the net financial costs in the line item "Staff costs".

Past-service costs are immediately recognised in profit or loss, unless the changes to the pension plan are conditional on the employees remaining in service for a specific period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

Gains or losses resulting from the curtailment or settlement of a defined benefit plan are recognised in profit or loss for the period in which the curtailment or settlement takes place. A curtailment occurs when there is a material reduction in the number of employees or the plan is changed so that the defined benefits are reduced, with material effects, causing a reduction in the plan's liability.

2.17.2 TERMINATION OF EMPLOYMENT

Termination benefits are due when there is termination of employment before the normal retirement date or when an employee accepts voluntary redundancy in exchange for those benefits. The Grupo recognises these benefits when it can prove to be forced to eliminate current positions, according to a detailed formal plan for termination and there is no realistic alternative or these benefits are granted to encourage voluntary termination. Where termination benefits fall due more than 12 months after the balance sheet date, they shall be discounted to their current value.

Termination benefits must be recognised at the moment immediately before:

- (i) which commitment in its award cannot be withdrawn and
- (ii) a provision for restructuring in accordance with IAS 37.

2.17.3 HOLIDAYS, HOLIDAY PAY AND BONUSES

In accordance with the labour law of the different countries, Grupo Visabeira's responsibilities regarding its employees' right to annual holidays, holiday pay as well as other rights acquired during the year prior to its payment are recorded when incurred, regardless of the time of payment, and are reflected under "Other Payables".

2.17.4 LABOUR COMPENSATION FUND (LCF) AND LABOUR COMPENSATION GUARANTEE FUND (LCGF) - PORTUGAL

With the publication of Law No. 70/2013 and subsequent regulation through Order No. 294-A/2013, the Labour Compensation Fund (LCF) and the Labour Compensation Guarantee Fund (LCGF) entered into force on the 1st of October. In this context, companies that hire a new employee are required to deduct a percentage of their salary for these two new funds (0.925% for LCF and 0.075% for LCGF), in order to ensure the future partial payment of the corresponding compensation in case of dismissal.

Taking into account the characteristics of each Fund, the following was considered:

- Monthly payments made by the employer to the LCGF are recognised as expenses for the period when they occur.
- The monthly payments made by the employer to the LCF are recognised as a financial asset of that entity, measured at fair value and with the respective changes recognised in profit or loss.

2.17.5 PENSIONS

The company's commitments in terms of retirement indemnities are calculated to determine the present value of its defined benefit obligations and respective current service cost and, when applicable, past service cost. The Projected Unit Credit Method (also known as the accrued benefits methods accrued benefits method with pro-rata service or the benefit/years of service method) views each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build the ultimate obligation.

In the consolidated accounts, only provisions for indemnities for retirement in French companies were recorded in the accounts of the Grupo Visabeira. For other companies, similar provisions are recorded in corporate accounts or are insignificant.

2.18 Cash and cash equivalents

The line item "Cash and cash equivalents" includes cash, demand deposits and treasury investments with short maturities and quickly mobilizable, without significant risk of changes in value. For the purposes of the cash flow statement, the line item "Cash and cash equivalents" also includes bank overdrafts included in the balance sheet in the line item "Bank loans", and the held-for-trading financial assets.

2.19 Works between the Grupo's companies

Internal expenses (e.g., labour, materials, transport) incurred in the production of tangible assets and inventories are capitalised only when the following conditions are met:

- the assets are identifiable and reliably measurable;
- it is highly likely that they will generate future economic benefits.

No internally generated margins are recognised.

2.20 Accrual basis

In general, income and expenses are recorded on an accrual basis, whereby they are recognised as they are generated, regardless of the moment in which they are received or paid. The differences between the amounts received and paid, and the corresponding income and expenses, are recorded in the consolidated statement of financial position in line items "Other current assets" and "Other current liabilities", respectively.

2.21 Grants

Grants are only recognised when received or upon sufficient certainty that the Grupo can comply with the conditions required for their granting. Investment grants are included in line item Other non-current liabilities, and the associated income is recognised on a straight-line basis over the

estimated useful lives of the respective assets.

Subsidies awarded to support training and investment actions are recognised in the income statement at the same time that the Grupo incurs eligible expenses and are presented in the "Other income" line.

2.22 Assets measured at fair value

The Grupo measures some of its financial assets, such as available-for-sale and held-for-trading financial assets, and some of its non-financial assets, such as investment properties, at fair value on the reference date of the financial statements.

The fair value measurement assumes that the asset or liability is exchanged in a transaction between market participants to sell the asset or transfer the liability, on the measurement date, under the current market conditions. The fair value measurement is based on the assumption that the transaction to sell the asset or transfer the liability can take place in the main asset and liability market, or in the absence of a main market, the transaction is assumed to occur in the most advantageous market. The most advantageous market is that which maximises the amount that would be received upon the sale of the asset or that minimises the amount that would be paid to transfer the liability, after considering transaction and transportation costs.

Because different entities and different businesses within a single entity can have access to different markets, the main or most advantageous market for the asset or liability can vary from one entity to another, or even between businesses within the same entity, but they are assumed to be accessible to the Grupo.

Fair value measurement relies on assumptions that market participants would use in pricing the asset or liability, assuming that market participants would use the asset to maximise its value and use. Grupo uses valuation techniques that are appropriate to the circumstances and for which there is sufficient data to measure the fair value, maximising the use of relevant observable data, and minimising the use of non-verifiable inputs. All assets and liabilities measured at fair value or for which disclosure is mandatory are classified according to a fair value hierarchy, which classifies the data to be used in the fair value measurement into three levels, as detailed below:

Level 1 – Market prices quoted, unadjusted, in active markets for identical assets or liabilities, which the entity may access at the measurement date;

Level 2 – Valuation techniques which use inputs that are not quoted, and are directly or indirectly observable;

Level 3 – Valuation techniques using inputs not based on observable market data, i.e., based on unobservable data regarding assets and liabilities. Unobservable data must be used to measure at fair value whenever there is no relevant observable data, allowing to provide for situations in which there is little or no market activity with regard to the asset or liability on the measurement date. However, the purpose of fair value measurement remains the same, i.e., an exit price on the measurement date from the perspective of the market participant that holds the asset or owes the liability. Thus, unobservable data must reflect the assumptions that market participants would consider when pricing the asset or liability, including any assumptions on risk.

The fair value measurement is classified entirely at the lowest level (unobservable data) of the fair value hierarchy, corresponding to the input that is the most significant for the measurement as a whole.

2.23 Information by segments

IFRS 8 on operating segments is not applicable, as Grupo Constructel Visabeira:

1. It does not have debt instruments or equity traded on a public market;
2. It does not, and is not in the process of filing, the consolidated financial statements with a securities commission.

2.24 Transactions in a currency other than euro

The Grupo's functional and presentation currency is the euro. Companies based in Angola and Mozambique have different functional currencies, so their financial statements are translated into U.S. dollars applying kwanza and metical cross rates and then from dollars to euro.

Monetary assets and liabilities denominated in foreign currencies for which there are no rate-fixing agreements are translated into euros using the exchange rates in effect on the date of the balance sheet. Favourable and unfavourable exchange differences resulting from the comparison between the exchange rates in force on the date of the transactions and those in force on the date of collections, payments, or on the date of the balance sheet, are recorded as income or expenses in the income statement, except for exchange differences arising from the translation of loan balances which, in practice, are an extension of financial investments abroad and whose repayment is not expected in a near future, which are recorded in equity until the disposal of the investment, at which time they are transferred to profit or loss for the period.

Non-monetary assets and liabilities denominated in foreign currency and recorded at cost are converted into the functional currency of each subsidiary, using the exchange rate in effect on the date when they were acquired.

Non-monetary assets and liabilities denominated in foreign currency and recorded at fair value are converted into the functional currency of each subsidiary, using the exchange rate in effect on the date when the fair value was determined.

The financial statements of subsidiary and associated companies expressed in foreign currency are translated using the following exchange rates:

The exchange rate in force on the date of the balance sheet for the translation of assets and liabilities;

- Average exchange rate of the period for the conversion of the income statement headings, except for subsidiaries located in hyperinflationary economies, for which the exchange rate prevailing at the balance sheet date is used;

- The average exchange rate for the period used to translate cash flows (where such exchange rate is close to the actual rate; the remaining cash flows are translated using the exchange rate in effect on the date of the transactions);

Goodwill related to investments in companies based abroad, acquired after the 1st of January 2005, is recorded in those companies' reporting currency and translated into euros at the exchange rate in force on the balance sheet date.

Exchange rate differences arising from the translation into euros in the financial statements of subsidiary and associated companies expressed in

foreign currencies are included in equity in the line item Foreign currency translation reserves. When disposing of financial holdings in subsidiaries based abroad, the exchange differences associated with the financial holding previously recorded in reserves are recognized in the income statement. On the 31st of December 2021 and 2020, assets and liabilities denominated in foreign currencies were translated into euros using the following exchange rates:

CLOSING EXCHANGE RATE

2021	2020	Code	Designation
629.02	798.43	AON	Angolan Kwanza
72.32	92.02	MT	Mozambican Metical
6.39	6.38	BRL	Brazilian real
7.44	7.44	DKK	Danish Crown
1.14	1.23	USD	US Dollar
0.84	0.90	GBP	Pound sterling

In the financial years 2021 and 2020, the financial statements of subsidiaries expressed in foreign currency were translated using the following exchange rates:

AVERAGE EXCHANGE RATE

2021	2020	Code	Designation
731.65	669.78	AON	Angolan Kwanza
77.04	80.45	MT	Mozambican Metical
6.37	5.98	BRL	Brazilian real
7.44	7.45	DKK	Danish Crown
1.18	1.15	USD	US Dollar
0.86	0.89	GBP	Pound sterling

See Note 2.2, referring to the Angolan economy as hyperinflationary.

2.25 Subsequent events

Any events occurring after the balance sheet date, which provide additional information on the existing conditions on the balance sheet date, shall be reflected in the consolidated financial statements. Any events after the balance date which may provide information on the conditions that occurred after the balance sheet date, if material, are presented in the notes to the consolidated financial statements.

2.26 Reconciliation of alternative performance measures

Below is a table reconciling the performance measures referred to in the management report and in the financial statements that are not directly readable in the primary financial statements.

MANAGEMENT REPORT AND NOTES TO FINANCIAL STATEMENTS	CONSOLIDATED FINANCIAL STATEMENTS
Turnover	Sales and services provided
Gross margin	Turnover - Subcontracts - Cost of goods sold and materials consumed
EBITDA	Operating income (excluding amortizations, provisions and fair value of investment properties)
Operating income	EBITDA + Changes in the fair value of investment properties - Amortisations - Provisions and impairment losses
Net debt	Long-term bank loans + Short-term bank loans + Lease liabilities + Factoring + Confirming - Cash and cash equivalents
Net financial debt	Long-term bank loans + Short-term bank loans + Lease liabilities - Cash and cash equivalents
Net financial debt / EBITDA	Net financial debt / EBITDA
Gearing ratio	Net debt / Total equity

3. Judgements and estimates

In preparing the consolidated financial statements in accordance with IFRS, the Executive Board of Directors of Grupo Visabeira uses estimates and assumptions that affect the application of policies and amounts reported. Estimates and judgements are continually evaluated and are based on the experience of past events and other factors, including expectations of future events as probable under the circumstances the estimate was based on, or the result of information or experience. The most significant accounting estimates reflected in the consolidated financial statements are as follows:

a) Analysis of goodwill impairment

The Grupo annually tests goodwill to check for impairment. The recoverable amounts of cash-generating units were determined based on the value-in-use method. The use of this method requires the estimation of future cash flows arising from the operations of each cash-generating unit and the choice of a suitable discount rate.

b) Valuation and useful life of intangible assets

The Grupo has made assumptions in the estimation of future cash flows arising from the intangible assets acquired as part of company acquisition processes, including the estimated future revenues, discount rates and useful lives of the said assets.

The assets associated with the TVCabo Angola and TVCabo Moçambique network are measured using the revaluation model, which implies the determination of the respective fair value, which is determined by evaluations, carried out by duly accredited and independent external experts. The evaluation process involves the use of assumptions (see note 21), in which actual implementation has different underlying uncertainties, such as changes in inflation rates and interest rates.

The Grupo reviews annually whether the useful lives of the assets used in determining the amortization/depreciation rates of the assets related to the activity are reasonable.

Whenever applicable, the Grupo prospectively changes the amortization/depreciation rate for the period based on the review carried out.

c) Liabilities for lease (Leases due on lease contracts)

With the adoption of IFRS 16, the Grupo recognises assets under right of use ("ROU asset") and lease liabilities (rents due on lease contracts) whenever the contract provides for the right to control the use of an identifiable asset during a certain period of time, in exchange for consideration. To evaluate the existence of control over the use of an identifiable asset, the Grupo assesses whether: i) the contract includes the use of an identifiable asset; ii) has the right to obtain substantially all the economic benefits from using the asset during the lease period; and iii) has the right to control the use of the asset.

The analysis of the lease agreements, namely with regard to cancellation and renewal options provided for in the agreements and in determining the incremental financing rate to be applied for each identified lease portfolio requires the use of judgements by the Grupo.

d) Recognition of provisions and adjustments

The Grupo is a party in various legal proceedings for which, based on the opinion its legal advisers, makes a judgement to determine whether a provision should be recorded for such contingencies (note 40).

Adjustments for accounts receivable are calculated mainly based on the ageing of the accounts receivable, on the customers' risk profile and on their financial situation. Estimates related to adjustments for accounts receivable differ from business to business.

The Company's policy regarding the imposing of ceilings on loans granted, either domestically or internationally, relies on companies specialised in credit risk hedging.

Excluding state-run agencies and customers with higher domestic and international credit ratings, it is noted that the average internal risk exposure is 20%. However, a detailed analysis of the changes in annual provisions clearly evidences that there is almost no risk of non-collection. Furthermore, Grupo has access to major market databases, which, together with its technical analysis team, allows for a clear assessment and minimised credit risk.

e) Fair value of investment properties

The Grupo relies on external entities to calculate the fair value of investment properties.

Note 24 - Investment Properties are described the assumptions used, as well as the respective sensitivity analysis. An appraisal is an estimate of the market value but it is not a guarantee of the value that would be obtained in a transaction. In addition, other appraisers can legitimately calculate a different market value.

Despite showing signs of recovery, market transactions have been rare and market prices have proven unstable, so the method used to determine the fair value of investment properties was discounted cash flows.

This valuation depends on the value of future rents, and on the long-term occupancy rate, as well as in the case of land held for future appreciation dependent on the evolution of the real estate market in Viseu and Aveiro.

f) Taxes

Deferred tax assets are recognised for all recoverable losses to the extent to which it is probable that there will be taxable profits against which the losses can be used.

Taking into account the context of the crisis and the impact it may have on future results, a judgement is required from the Executive Board of Directors to determine the amount of deferred tax assets that can be recognised, considering:

- The probable date and amount of taxable future profits, and
- Future tax optimization strategies.

g) Post-employment benefits

The assessment of liabilities associated with retirement and health benefits attributed to the Group's employees under defined benefit plans is performed annually using actuarial studies prepared by independent experts, based on actuarial assumptions related to economic and demographic indicators.

All the indicators used are specific to the countries where the employee benefits are attributed and include, but are not limited to:

- Discount rates based on the rates of corporate bonds of the respective country with an AAA or AA rating;
- Mortality tables available for the population of the respective country;

- Future increases in salaries and pensions based on future inflation rates expected for the respective country.

Estimates were based on the best information available on the date of the preparation of the consolidated financial statements. However, situations may occur in subsequent periods, which, not being foreseeable at the time, were not considered in these estimates. Changes to these estimates, which occur after the date of the consolidated financial statements, are corrected in profit or loss on a prospective basis, in accordance with IAS 8.

h) Companies included in the scope of consolidation

For the purpose of determining the entities included in the scope of consolidation, the Grupo assesses the extent to which it is exposed, or entitled to, the variability of the returns related to its involvement with the entity in question and its ability to take them over through the power it has over that entity (facto control).

The Grupo's decision to consolidate a given entity is based on the use of judgement, assumptions and estimates to determine the extent to which the Group is exposed to the variability of its returns and its ability to take them over through its power.

Other assumptions and estimates could result in a different scope of consolidation, with a direct impact on the Grupo's consolidated financial statements.

4. Changes to accounting policies and errors

During the financial year ended on the 31st of December 2021, there were no voluntary changes in accounting policies in relation to those considered in the preparation of the financial information of the previous year presented in the comparative statements.

However, it should be noted that the Grupo chose to present the effect of the change in the group of companies in the cash flow statement, as net of purchases and disposal of a subsidiary in investment activities, previously presented separately under "Effect of change in the group of companies". Regarding new standards and interpretations occurred the following emissions, revisions, changes and improvements in standards and interpretations:

4.1 Standards, interpretations, amendments and revisions with effect in the exercise

The following standards, interpretations, amendments and revisions adopted ("endorsed") by the European Union have mandatory application for the first time during the financial year started on the 1st of January 2020:

▪ Amendments to IFRS 16 - Leases - Concessions related to COVID-19 in terms of leases beyond the 30th of June 2021

On the 28th of May 2020, the amendment to IFRS 16 entitled "Covid-19-Related Concessions" was issued, which introduced the following practical expedient: a lessee may choose not to assess whether a Covid-19-related rent concession is a lease change.

Lessees who choose to apply this exemption, account for the change to the rent payments resulting from a concession related to COVID-19 in the same way as they account for a change that is not a change in the lease in accordance with IFRS 16.

Initially, the practical expedient applied to payments originally due by the 30th of June 2021, however, due to the prolongation of the impact of the pandemic, on the 31st of March 2021 it was extended to payments originally due by the 30th of June 2022. The change applies to annual reporting periods beginning on or after the 1st of April 2021.

In short, the practical expedient can be applied as long as the following criteria are met:

- a change in lease payments results in a revised fee for the lease that is substantially equal to, or less than, the fee immediately prior to the amendment;
- any reduction in lease payments only affects payments due on or before the 30th of June 2022; and
- there are no significant changes to other terms and conditions of the lease.

▪ **Amendments to IFRS 4 – Insurance contracts – deferral of the application of IFRS 9**

This amendment refers to the temporary accounting consequences that result from the difference between the date of entry into force of IFRS 9 – Financial Instruments and the future IFRS 17 – Insurance Contracts. In particular, the amendment made to IFRS 4 postpones the expiry date of the temporary exemption from applying IFRS 9 until the 1st of January 2023 in order to align the effective date of the latter with the new IFRS 17.

The temporary exemption referred to is optional and only available to entities whose activities are predominantly related to insurance.

▪ **Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Reform of reference interest rates - phase 2**

These changes are part of the second phase of the IASB's "IBOR reform" project and allow for exemptions related to benchmark reform for reference interest rates, for an alternative interest rate (Risk Free Rate (RFR)).

The changes include the following practical expedients:

- A practical expedient that requires contractual changes, or changes in cash flows that are directly required by the reform, to be treated in the same way as a floating interest rate change, equivalent to a movement in the market interest rate;
- Allow changes required by the reform to coverage designations and coverage documentation without the relationship being discontinued;
- Provide temporary operational relief to entities that have to comply with the separately identifiable requirement when an RFR instrument is designated as hedging a risk component.

These standards and amendments had no material impact on Grupo Visabeira's consolidated financial statements.

4.2 At the date of approval of these financial statements, the standards and interpretations endorsed by the European Union, but whose mandatory application occurs in future years, are as follows:

These standards, interpretations, amendments and revisions, whose application is mandatory only in future periods, were not, until the approval date of these financial statements, adopted ("endorsed") by the European Union:

▪ **Amendments to IFRS 3 - References to the Conceptual Framework for Financial Reporting (effective for annual periods beginning on or after the 1st of January 2022).**

This amendment updates the references to the Conceptual Framework in the text of IFRS 3, with no changes being made to the accounting requirements for business combinations. The accounting treatment to be adopted in relation to liabilities and contingent liabilities under IAS 37 and IFRIC 21, incurred separately versus those included in a business combination, is also clarified. The change is for prospective application.

▪ **Amendments to IAS 16 - Income earned before commissioning (applicable to annual periods beginning on or after the 1st of January 2022).**

It clarifies the accounting treatment given to the payment obtained from the sale of products that result from production in the test phase of tangible fixed assets, prohibiting its deduction from the acquisition cost of the assets. The entity recognizes the income obtained from the sale of such products and the costs of their production in profit and loss.

▪ **Amendments to IAS 37 – Onerous contracts – Cost of Fulfilling a Contract (effective for annual periods beginning on or after the 1st of January 2022).**

This amendment specifies that whenever assessing whether such contracts are onerous only expenses directly related to the performance of the contract can be considered, such as incremental costs related to direct labour and materials and the allocation of other expenses directly related as the allocation of depreciation expenses of the tangible assets used to carried out the contract.

▪ **Amendments to IFRS 1 – Subsidiary as a first-time adopter of IFRS (included in the annual improvements for the 2018-2020 cycle) (effective for annual periods beginning on or after the 1st of January 2022).**

This improvement clarifies that, when the subsidiary chooses to measure its assets and liabilities at the amounts included in the parent company's consolidated financial statements (undertaking that no adjustment has taken place during the consolidation process), the measurement of the differences in accumulated translations of all foreign operations can be carried out in the amounts that would be recorded in the consolidated financial statements, based on the date of transition of the parent company to IFRS.

▪ **Amendments to IFRS 9 – Derecognition of financial liabilities – Fees to be included in the "10 percent" variation test (included in annual improvements for the 2018-2020 cycle) (applicable to annual periods beginning on or after the 1st of January 2022).**

This improvement clarifies which fees an entity should include when assessing whether the terms of a financial liability are materially different from the

terms of the original financial liability. This improvement clarifies that within the scope of derecognition tests carried out on renegotiated liabilities, only commissions paid or received between the debtor and creditor should be included, including commissions paid or received by the debtor or creditor on behalf of the other.

• **Amendments to IAS 41 – Taxation and fair value measurement (included in the annual improvements for the 2018-2020 cycle) (applicable to annual periods beginning on or after the 1st of January 2022).** This improvement eliminates the requirement to exclude tax cash flows when measuring the fair value of biological assets, ensuring consistency with the principles of IFRS 13 – Fair value.

• **IFRS 17 – Insurance contracts (to be applied in financial years beginning on or after the 1st January 2023).** IFRS 17 applies to all insurance contracts (i.e., life, non-life, direct insurance and reinsurance), regardless of the type of entities that issues them, as well as to some guarantees and some financial instruments with characteristics of participation discretionary. Broadly speaking, IFRS 17 provides an accounting model for insurance contracts that is most useful and most consistent for issuers. In contrast to the requirements of IFRS 4, which are based on previously adopted local accounting policies; IFRS 17 provides an integral model for insurance contracts, covering all relevant accounting aspects.

The Grupo did not carried out the early application of this standard in the financial statements during the period of twelve months ended on the 31st of December 2021. Significant impacts on the financial statements arising from their implementation are not estimated.

4.3 Standards and interpretations issued by IASB but not yet endorsed by the European Union

These accounting standards, interpretations amendments and revisions, whose application is mandatory only in future periods, were not, until the approval date of these financial statements, adopted (“endorsed”) by the European Union:

• **Amendments to IAS 1 – Presentation of financial statements – Classification of current and non-current liabilities.** This amendment seeks to clarify the classification of liabilities as current or non-current balances depending on the rights that an entity has to defer their payment, at the end of each reporting period.

The classification of liabilities is not affected by the entity's expectations (the assessment should determine whether a right exists, but should not consider whether or not the entity will exercise that right), or by events occurring after the reporting date, such as non-compliance of a “covenant”. However, if the right to postpone settlement for at least twelve months is subject to compliance with certain conditions after the balance sheet date, these criteria do not affect the right to defer settlement for the purpose of classifying a liability as current or non-current. This amendment also includes a new definition of “settlement” of a liability and is of retrospective application.

• **Amendments to IAS 12 – Deferred tax relating to assets and liabilities arising from a single transaction.** These amendments clarify that payments that settle a liability are tax deductible, however it is a matter of professional judgement whether such deductions are attributable to the liability that is recognized in the financial statements or to the related asset. This is important in determining whether there are temporary differences in the initial recognition of the asset or liability.

In accordance with these amendments, the initial recognition exception is not applicable to transactions that give rise to equal taxable and deductible temporary differences. It is only applicable if the recognition of an active lease and a passive lease give rise to taxable and deductible temporary differences that are not similar.

• **Amendments to IFRS 17 – Insurance contracts – Initial application of IFRS 17 and IFRS 9 – Comparative information.** This amendment to IFRS 17 refers to presenting comparative information on financial assets in the initial application of IFRS 17.

The amendment adds a transition option that allows an entity to overlay the classification of a financial asset in the comparative period(s) presented in the initial application of IFRS 17. “Overlay” allows all financial assets, including those held in connection with non-contractual activities within the scope of IFRS 17 to be classified, instrument by instrument, in the comparative period(s) in a manner aligned with how the entity expects those assets to be classified on initial application of IFRS 9.

These standards so far not adopted (“endorsed”) by the European Union, but so far not adopted by the Grupo for the period of twelve months ended on the 31st December 2021. Significant impacts on the financial statements arising from their implementation are not estimated.

• **Amendments to IFRS 17 – Insurance contracts.** This amendment comprises specific changes in eight areas of IFRS 17, such as: i) scope; ii) level of aggregation of insurance contracts; iii) recognition; iv) measurement; v) modification and derecognition; vi) presentation of the statement of financial position; vii) recognition and measurement of the income statement; and viii) disclosures. This change also includes clarifications, which intend to simplify some of the requirements of this standard and streamline its implementation.

These standards so far not adopted (“endorsed”) by the European Union, but so far not adopted by the Grupo for the period of twelve months ended on the 31st December 2020. Significant impacts on the financial statements arising from their implementation are not estimated.

5. Companies of the Group included in the consolidation

	Conditions for inclusion	Head office	% of equity held	
			2021	2020
GRUPO VISABEIRA, SA		Viseu	Parent	Parent
VISABEIRA GLOBAL				
Aeroprotechnik - Aerial Engineering, Lda		Viseu	51.00%	51.00%
Base Force, Lda		Viseu	100.00%	100.00%
Cabling Station Data, SA		Mont-Sur-Marchienne	100.00%	100.00%
Comatel Infraestruturas, Lda		Luanda	100.00%	100.00%
Constructel - Contructions et Telecommunications Belgique		Mons	100.00%	100.00%
Constructel - Contructions et Telecommunications, SARL		Valence	100.00%	100.00%
Constructel BAU GmbH		Berlin	100.00%	100.00%
Constructel Denmark, ApS		Copenhagen	100.00%	100.00%
Constructel Énergie, S.A.		Clermont-Ferrant	99.07%	99.07%
Constructel GmbH		Berlin	100.00%	100.00%
Constructel Infra-Structures, SAS		Santo Domingo	100.00%	100.00%
Constructel Italia, SRL		Galliate	100.00%	100.00%
Constructel LLC		Moscow	100.00%	100.00%
Constructel Modal, SA		Flemalle	100.00%	100.00%
Constructel Sweden AB		Stockholm	100.00%	100.00%
Constructel Visabeira, SA (Constructel Europe, SGPS, SA)		Lisbon	100.00%	100.00%
CST - Companhia Santomense de Telecomunicações, S.A.R.L.		São Tomé e Príncipe	51.00%	-
Cunha Soares & Filhos, S.A.		Lousada	80.00%	-
Edivisa – Empresa de Construção Lda		Luanda	100.00%	100.00%
Edivisa - Empresa de Construções, SA		Viseu	100.00%	100.00%
EIP Serviços, SA		Loulé	100.00%	-
Electrotec, SA	a)	Maputo	49.00%	-
Escotel, SASU		Aurillac	100.00%	100.00%
Ferreira & Coelho, Lda		Viseu	51.00%	-
Franz-Josef Braun GmbH & Co. KG		Mechernich	100.00%	100.00%
Field Force Atlântico, SA		Viseu	100.00%	100.00%
Gatel, SAS		Domessin	100.00%	100.00%
Hidroáfrica - Comércio e Indústria, SARL		Maputo	96.79%	96.79%
Holding Escot Telecom Maroc, SARL		Casablanca	100.00%	
Infrassign SARL		Beveren	100.00%	100.00%
IEME, SRL		Cesena	100.00%	100.00%
Iutel - Infocomunicações, SA		Viseu	99.95%	99.95%
J. F. Edwards Construction Company		Des Moines - Iowa	100.00%	100.00%
MJ QUINN - Integrated Services, Ltd		Liverpool	100.00%	100.00%
MJ QUINN Holding		Liverpool	100.00%	100.00%
Modal Installation, SA		Marchienne-Au-Port	100.00%	100.00%
Naturenergia - Agro-Energias, SA		Viseu	100.00%	100.00%
Oude MarktVoerlieden Natie NV (OMV Natie)		Beveren	100.00%	100.00%
PDT - Projectos e Telecomunicações, SA		Lisbon	100.00%	100.00%
Quinn Constructel UK, Ltd		London	100.00%	100.00%
Real Life - Tecnologias de Informação, SA		Algés	65.00%	65.00%
Real Life Advanced Technologies Academy MZ, SA		Maputo	65.70%	65.70%
Real Life Technologies MZ, SA		Maputo	65.70%	65.70%
SCI Constructel		Valence	100.00%	100.00%

			% of equity held	
	Conditions for inclusion	Head office	2021	2020
SCI Constructel Italia, SRL		Cesena	100.00%	-
Selfenergy Moçambique, SA		Maputo	79.60%	60.00%
Sogitel - Sociedade de Gestão Imobiliária, Lda		Maputo	90.00%	90.00%
Televisa - Sociedade Técnica de Obras e Projectos, Lda.	a)	Maputo	50.00%	50.00%
Tensa, S.A.		Oviedo	100.00%	100.00%
Toft Hansen ApS		Kirke Hylling	100.00%	100.00%
TV Cabo - Comunicações Multimédia, Lda	a)	Maputo	50.00%	50.00%
TV Cabo Angola, Lda.	a)	Luanda	50.00%	50.00%
Viatel - Tecnologia de Comunicações, SA		Viseu	100.00%	100.00%
Visabeira Infraestruturas, SA		Viseu	100.00%	100.00%
Visabeira Global, SGPS, SA		Viseu	100.00%	100.00%
Visacasa - Serviços de Assistência e Manutenção Global, SA		Cacém	100.00%	100.00%
Visactys, SASU		Valence	100.00%	-
VisaPower, Unipessoal, Lda		Viseu	100.00%	100.00%
VisaPower II, S.A.		Viseu	100.00%	-

			% of equity held	
	Conditions for inclusion	Head office	2021	2020
VISABEIRA INDÚSTRIA				
Agrovisa – Agricultura e Pecuária, Lda		Maputo	100.00%	100.00%
Álamo – Indústria e Desenvolvimento Florestal, Lda		Luanda	100.00%	100.00%
Ambitermo - Engenharia e Equipamentos Térmicos, SA		Cantanhede	51.00%	51.00%
Ambitermo Maroc Chaudieres Industrielles, SARL		Casablanca	51.00%	51.00%
Armisepi, SA		Viseu	70.00%	60.00%
Besconsigo - Materiais, Construção de Besteiros, Lda	a)	Tondela	50.00%	50.00%
Bordalgest, SA *		Lisbon	85.60%	85.60%
Celmoque – Cabos de Energia e Telec. de Moçambique, SARL		Maputo	91.23%	91.23%
Cerexport - Cerâmica de Exportação, SA *		Aveiro	85.60%	85.60%
Cerutil - Cerâmicas Utilitárias, SA *		Sátão	85.60%	85.60%
Faianças Artísticas Bordallo Pinheiro, Lda*		Caldas da Rainha	73.74%	73.74%
Faianças da Capôa - Indústria de Cerâmica, SA *		Aveiro	85.60%	85.60%
Granbeira - Soc. de Exploração e Com. de Granitos, SA		Viseu	-	98.75%
Granbeira II - Rochas Ornamentais, SA		Vouzela	100.00%	100.00%
Marmonte - Mármore de Moçambique, SARL		Maputo	80.00%	80.00%
Mexicova, SA*		Mexico City	85.60%	85.60%
Mob - Indústria de Mobiliário, SA		Viseu	97.78%	97.78%
Mob Cuisines, SASU		Paris	97.78%	97.78%
Pinewells, SA		Arganil	100.00%	100.00%
Rodinerte - Transportes, Lda	a)	Tondela	50.00%	50.00%
Ria Stone – Fábrica de Louça de Mesa em Grés, SA*		Ílhavo	85.60%	85.60%
Ria Stone II, SA*		Ílhavo	85.60%	85.60%
Shree Sharda Vista Alegre Private Limited*		Ílhavo	42.80%	42.80%
Visabeira Indústria, SGPS, SA		Viseu	100.00%	100.00%
Visaconstroi - Construção e Gestão Imobiliária, Lda		Luanda	100.00%	100.00%
Vista Alegre Atlantis, SA*		Lisbon	85.60%	85.60%
Vista Alegre Atlantis Brasil - Comércio, Importação e Exportação, SA*		Vitória	83.92%	76.97%
Vista Alegre Atlantis Imobiliária e Investimento, SA.*		Ílhavo	85.60%	85.60%
Vista Alegre Atlantis Moçambique, Lda.*		Maputo	85.75%	85.75%
Vista Alegre Atlantis, SGPS SA		Ílhavo	85.60%	85.60%
Vista Alegre Atlantis UK LTD.*		London	85.60%	85.60%
Vista Alegre USA Corporation *		New York	85.60%	85.60%
VA Vista Alegre España, S.A.*		Madrid	85.60%	85.60%
Vista Alegre France, SAS*		Paris	85.60%	85.60%

			% of equity held	
	Conditions for inclusion	Head office	2021	2020
VISABEIRA TURISMO, IMOBILIÁRIA E SERVIÇOS				
Ambitermo Angola, Lda		Luanda	100.00%	99.14%
Agrovisa, Lda		Luanda	70.00%	70.00%
Asfalís - Mediação de Seguros, SA		Viseu	100.00%	-
Autovisa - Serviços Auto, SARL		Maputo	100.00%	100.00%
Catari Angola, Lda	a)	Luanda	100.00%	50.00%
Cepheus, SA		Maputo	99.96%	100.00%
Combustíveis do Songo, SA		Songo	100.00%	99.90%
Constellation, SA		Maputo	57.12%	57.14%
Creative Shots, SA		Lisbon	100.00%	100.00%
Empreendimentos Tur. Montebelo – Soc. Tur. e Recreio, SA		Viseu	99.82%	99.83%
FIMMO - Fundo Esp. Inv. Imob. Fechado		Porto Salvo	100.00%	100.00%
Gesvisa - Património Imobiliário, SA		Lisbon	99.85%	99.87%
Ifervisa - Sociedade de Promoção e Desenvolvimento Imobiliário, SA		Lisbon	100.00%	100.00%
Imobiliária Panorama, Lda		Maputo	70.00%	70.00%
Imovisa – Imobiliária de Moçambique, Lda	a)	Maputo	49.00%	49.00%
Inhambane Empreendimentos, Lda		Maputo	80.00%	80.00%
Martifer-Visabeira, SA	a)	Maputo	50.00%	50.00%
Mercury Comercial, Lda		Maputo	100.00%	100.00%
Mercury Comercial, Lda		Luanda	100.00%	100.00%
Mercury South Africa, Lda		Johannesburg	100.00%	100.00%
Milibangalala, SA		Maputo	70.00%	70.00%
Mundicor - Viagens e Turismo, SA		Viseu	100.00%	100.00%
PDA - Parque Desportivo de Aveiro, SA		Aveiro	54.57%	54.57%
Soginveste Empreendimentos, Lda		Maputo	70.00%	70.00%
Turvisa – Empreendimentos Turísticos, Lda		Maputo	100.00%	100.00%
Tropo Squisito Lisboa, Lda		Lisbon	84.85%	84.85%
VAA - Empreendimentos Turísticos, SA		Ílhavo	99.55%	99.55%
Vibeiras, Sociedade Comercial de Plantas SA		Maputo	64.43%	64.43%
Visabeira Angola - Investimento e Participações, Lda		Luanda	100.00%	99.24%
VA Vista Alegre España, S.A.		Madrid	61.00%	61.00%
Visabeirahouse - Sociedade de Mediação Imobiliária, SA		Viseu	100.00%	100.00%
Visabeira Imobiliária, SA		Viseu	100.00%	100.00%
Visabeira Imobiliária, SGPS, SA		Viseu	100.00%	100.00%
Visabeira Moçambique, Lda		Maputo	100.00%	100.00%
Visabeira Saúde, SA		Viseu	100.00%	100.00%
Visabeira Serviços, SGPS, SA		Viseu	100.00%	100.00%
Visabeira Turismo Imobiliária e Serviços, SGPS, SA		Viseu	100.00%	100.00%
Visaqua - Gestão de Infra- estruturas e Serviços, Ambientais, SA		Maputo	51.00%	51.00%
Visauto - Reparações Auto, Lda		Luanda	100.00%	100.00%
Visa House - Sociedade de Mediação Imobiliária, SA		Maputo	100.00%	100.00%
Zambeze - Restauração, SA	a)	Lisbon	50.00%	50.00%
Zambeze Village, Lda		Maputo	63.00%	63.00%

* Consolidated by VAA, SGPS, S.A., a listed company.

a) The companies are considered subsidiaries and are consolidated in accordance with the full consolidation method, as the Grupo Visabeira has the power to control subsidiaries and, as such, is exposed to variable results. In the assessment of the existence of actual control, particular aspects were taken into account, such as the holding of a majority of voting rights, management agreements, and representation in corporate bodies.

In the specific case of TVCabo Angola, of which 50% is held by Grupo Visabeira and 50% by Angola Telecom, and which benefits from the know-how and technical expertise that the Visabeira brand guarantees with its 40 years of activity in the field of Telecommunications, the Grupo controls all relevant activities: construction, financing (depending on the maintenance of the Management and Technical Assistance Agreement (MTAA) concluded between TVCABO and Visabeira); contents; technological support and selection of human resources, including the General Manager. In the specific case of TVCABO Moçambique and Televisa, both 50% held by the Grupo Visabeira and 50% by TMCEL, the situation is similar to TVCabo Angola.

6. Investments in associated companies and joint ventures

	Head office	2021	Share 2020	Equity 2021	Net income 2021	Carrying value 2021	Carrying value 2020	Effect of asset equivalence method on the result 2021	Effect of asset equivalence method on the result 2020
VISABEIRA GLOBAL									
Aceec, ACE	Viseu	50.00%	50.00%	51,397	0	-357	19,643	0	0
Beiragás, SA	Viseu	23.55%	23.55%	45,018,931	1,389,580	10,935,103	10,763,368	327,270	313,224
Birla Visabeira Private Limited	Delhi	49.00%	49.00%	2,043,824	0	1,118,320	1,055,446	0	-71,639
Domingos da Silva Teixeira / Visabeira, ACE	Lisbon	50.00%	50.00%	-329,827	0	0	0	0	0
Electrotec, SA	Maputo	0.00%	49.00%	-327,995	0	0	624,119	0	252,261
Ventos de Inhambane	Inhambane	32.50%	32.50%	150,000	0	48,750	48,750	0	0
Vista Power, Lda	Luanda	50.00%	50.00%	382,000	0	191,000	191,000	0	0
Jayme da Costa - Energia e Sistemas, SA	Vila Nova de Gaia	15.00%	15.00%	3,328,610	-1,323,867	3,077,396	2,315,728	-201,845	2,780
VISABEIRA TURISMO, IMOBILIÁRIA E SERVIÇOS									
Doutibelo, Lda	Viseu	19.97%	19.97%	2,611,894	47,066	3,172,534	3,163,135	9,399	-25,165
Doutibelo, Lda - loans	-	-	-	-	-	-1,323,867	1,601,526	-	-
Lipilichi Wilderness Investments, Lda	Port-Louis	30.00%	30.00%	20,741	0	0	0	0	0
Lipilichi Holdings, Lda	Port-Louis	25.00%	25.00%	1,518	0	0	0	0	0
Sem Amarras, SA	Viseu	19.97%	19.97%	1,802,454	-4,603	2,241,708	2,242,627	-919	-23,943
Sem Amarras, SA - loans	-	-	-	-	-	5,143,498	5,143,498	-	-
Gevisar, SA	Stª Mª da Feira	0.00%	0.00%	0	0	0	0	0	-902,841
Imensis - Soc. Gestão Empreem. Imobiliários, Lda	Maputo	49.00%	49.00%	297,628	0	66,629	66,629	0	0
Predibeira - Compra e Venda de Propriedades, Lda	Viseu	50.00%	50.00%	211,966	-2,056	105,983	107,011	-1,028	-492
Twin City Maputo, Lda	Maputo	39.00%	39.00%	28,770	0	33,794	33,794	0	0
TOTAL					28,895,885	27,376,275	132,877	-455,816	

The Gevisar company was dissolved in November 2020, after the process of selling assets that the company held had ended.

As of 2021, Grupo Visabeira started to assume control over Electrotec and, therefore, this company began to be consolidated using the full method.

The table below shows summarised information on the most significant associated companies:

	Year	Assets	Liabilities	Income	Costs
VISABEIRA GLOBAL					
Beiragás, SA	2020	79,534,000	35,240,000	12,835,000	11,505,000
	2021	79,599,725	34,580,794	14,198,693	12,809,113
Jayme da Costa - Energia e Sistemas, SA	2020	14,743,534	11,483,386	6,837,480	7,626,173
	2021	17,335,188	14,920,672	11,645,290	12,872,760
VISABEIRA TURISMO, IMOBILIÁRIA E SERVIÇOS					
Doutibelo, Lda	2020	6,147,808	3,582,979	402,564	478,604
	2021	7,245,642	4,633,748	511,959	464,892
Sem Amarras, SA	2020	8,474,115	6,667,059	292,201	412,098
	2021	8,226,101	6,423,648	274,369	278,972
TOTAL 2020		108,899,457	56,973,424	20,367,245	20,021,876
TOTAL 2021		112,406,656	60,558,862	26,630,311	26,425,737

Beiragás is the concessionaire of gas distribution infrastructures for the interior central region of the country, which consists of managing the medium and low pressure gas distribution network carried out as a public service, under the terms of applicable regulations.

Jayme da Costa's activities are switchgear and equipment (manufacture and sales of low and medium voltage equipment) and energy and electrical installations, which consists of projecting, designing, and assembling electrical installations of up to 72.5 KV, a strategic partner for Grupo Visabeira. Doutibelo Participações, SA and Sem Amarras – Empreendimentos Turísticos, Lda. are companies whose main goal is the hotel industry, tourism and related projects as well as providing associated services. The Grupo has operating contracts for its assets with these companies.

7. Other financial investments

7.1 Other non-current financial investments

		2021		2020	
CAPITAL INVESTMENTS	Head office	%	Book Value 2021	%	Book Value 2020
a) Financial Investments at amortised cost					
Capital investments					
C2 Capital Partners (Former Capital Criativo)		n.d.	1,450,000	n.d.	1,450,000
Core Capital, S.A.	Lisbon	n.d.	448,718	n.d.	500,000
Transcom - S. F. C. Auditoria T. Comunicações, SARL	Maputo	22.00%	431,199	22.00%	431,199
Parque de Ciência e Inovação (PCI)	Ílhavo	5.00%	375,000	5.00%	375,000
Fundação Visabeira, ISS	Viseu	76.58%	324,000	76.58%	324,000
Iberis Capital	Lisbon	n.d.	232,500	n.d.	220,000
Other participations*			920,241		980,356
			4,603,752		4,280,555
b) Other financial investments recorded at fair value through other comprehensive income					
Pharol SGPS, S.A.		1.02%	689,947	1.11%	1,243,887
c) Advanced payments					
Ongoing investments			750,000		6,448,535
TOTAL			6,043,699	11,972,977	

*The fair value of these assets was not determined as they are minority holdings for which the Board of Directors believes that their fair value is close to the respective acquisition cost.

During 2021, Grupo Visabeira sold 780 million shares of Pharol. The sale amount was 58.9 thousand euros, registering a loss of 38.4 thousand euros. Fundação Visabeira is an IPSS [non-profit Private Institution of Social Solidarity] in which, despite the high percentage of shareholding (76.58%), Grupo Visabeira does not have control or significant influence over the Foundation.

7.2 Other current financial investments

Other financial instruments measured at fair value through profit or loss	Book Value 2021	Book Value 2020
BCP	331,767	290,090
Other capital holdings in listed companies	47,342	42,722
TOTAL	379,109	332,812

8. Changes in the scope of consolidation

2020 PURCHASES

During the financial year 2020, Grupo Visabeira maintained its investment strategy to expand its activity to new countries and to reinforce its position in markets where it operates by purchasing companies as detailed below:

ACQUISITIONS / ESTABLISHMENT	Country		% Acquired / Incorporated***	% of equity held after the acquisition	Date	Amount
Visabeira - Sociedade Técnica de Obras e Projectos, Lda	Portugal	Acquisition	40.00%	100.00%	01.01.2020	4,458,401
Visa House - Sociedade de Mediação Imobiliária, S.A.	Mozambique	Acquisition	60.00%	0.00%	01.01.2020	392,017
Cepheus, S.A.	Mozambique	Acquisition	100.00%	100.00%	01.01.2020	21,667,755
Constellation, S.A.	Mozambique	Acquisition	57.14%	57.14%	01.01.2020	15,981,408
Franz-Josef Braun GmbH & Co. KG	Germany	Acquisition	100.00%	100.00%	01.07.2020	14,685,881
Oude MarktVoerlieden Natie NV (OMV Natie)	Belgium	Acquisition	100.00%	100.00%	01.07.2020	15,110,000
Infrasign SARL	Belgium	Acquisition	100.00%	100.00%	01.07.2020	558,325
Tensa, S.A.	Spain	Acquisition	100.00%	100.00%	01.10.2020	949,614
J. F. Edwards Construction Company	United States of America	Acquisition	100.00%	100.00%	01.10.2020	15,431,224
VisaPower, Unipessoal, Lda	Portugal	Establish- ment	100.00%	100.00%	04.12.2020	5,000
Ria Stone II, S.A.	Portugal	Establish- ment	100.00%	85.60%	09.12.2020	50,000
Armisepi, S.A.	Portugal	Establish- ment	60.00%	60.00%	20.04.2020	180,000
Viatel – Tecnologia de Comunicações, S.A.	Portugal	Acquisition	0.71%	100.00%	30.10.2020	402,349
Modal Installation, S.A.	Belgium	Acquisition	20.00%	100.00%	05.11.2020	1,258,563
Cabling Station Data, S.A.	Belgium	Acquisition	20.00%	100.00%	05.11.2020	1,099,342
Constructel Modal, S.A.	Belgium	Acquisition	20.00%	100.00%	05.11.2020	218,477
TOTAL						92,448,356

* Value of financial sharing

In situations that gave rise to the recognition of Goodwill (see Note 23), it is justified by expected synergies arising from the activities carried out by the new companies and from entry into new countries. The total amount of goodwill determined is not tax deductible.

None of the purchases involve contingent remuneration agreements or gave rise to the recognition of indemnity receivables, as no contingent liabilities were identified.

PURCHASES IN EUROPE

Purchases in Europe gave rise to goodwill amounting to 23,820,247 euros and an increase in the Grupo's assets and liabilities (reported on the purchase dates) of 16,025,815 euros and 8,629,991 euros, summarized as follows:

	Tensa, S.A.	Franz-Josef Braun GmbH & Co. KG	Oude MarktVoerlieden Natie NV (OMV Natie)
VALUE OF THE PRE-PURCHASE POSITION			
Fixed tangible and intangible assets	2,037,781	2,183,893	2,257,737
Other Assets	2,167,805	2,247,981	3,548,588
Cash and cash equivalents	-98,637	269,560	1,411,107
Other liabilities	-3,310,837	-1,875,746	-3,443,408
Total net assets	796,111	2,825,689	3,774,024
Acquisition price	949,614	14,685,881	15,110,000
Goodwill	153,502	11,860,192	11,806,552

No significant differences were identified between the fair value and the respective account value of the assets and liabilities of the companies purchased. It should be noted that Tensa was purchased under the Special Process of Revitalization of the Grupo EIP – described below.

ACQUISITIONS IN THE UNITED STATES OF AMERICA.

During 2020, Grupo Visabeira participated in a process for purchasing a set of assets of the Grupo EIP, S.A., a Portuguese group which underwent a Special Revitalization Procedure (PER) and which includes a group of companies and branches that operates mainly in the design, supply and construction of energy systems, with an international presence.

Following this process, in October 2020, group Constructel Visabeira acquired control over two companies of the group EIP: 90% of the share capital and 10% with put option of J.F. Edwards Construction Company, based and operating in the United States of America and Tensa, based and operating area in Spain. For the purchase of J.F. Edwards, negative goodwill was determined, detailed as follows:

NET ASSETS	Fair value on 01/10/2020
Tangible fixed assets	8,380,211
Intangible Assets	12,557,150
Other Assets	17,941,420
Cash and cash equivalents	11,272,602
Other liabilities	-28,701,995
Total net assets	21,449,388
Acquisition price	15,431,224
Goodwill	-6,018,165

Regarding the main differences between the fair value of the identifiable assets purchased and the liabilities assumed, recording an intangible asset to contracts with customers and the respective deferred tax liability as well as the derecognition of intangible assets recorded in the company in the amount 2 million euros is noteworthy. For the intangible calculation the 6.6% discount rate was taken into account.

For the remaining assets and liabilities, no significant differences were identified between the fair value and the respective carrying value.

Negative goodwill is explained by the Grupo EIP's PER process.

2021 PURCHASES

During the financial year 2021, Grupo Visabeira maintained its investment strategy to expand its activity to new countries and to reinforce its position in markets where it operates by purchasing companies as detailed below:

ACQUISITIONS / ESTABLISHMENT	Country		% Acquired / Incorporated	% of equity held after the acquisition	Date	Amount
Visactys, SASU	France	Establishment	100.00%	100.00%	01.09.2021	20,000
SCI Constructel Italia, SRL	Italy	Establishment	100.00%	100.00%	01.09.2021	10,000
EIP Serviços, SA	Portugal	Acquisition	100.00%	100.00%	01.09.2021	11,611,056
Cunha Soares & Filhos, S.A.	Portugal	Acquisition	80.00%	80.00%	01.10.2021	30,011,610
Ferreira e Coelho, Lda	Portugal	Acquisition	51.00%	51.00%	05.05.2021	75,000
Asfalís - Mediação de Seguros, S.A.	Portugal	Establishment	100.00%	100.00%	29.11.2021	50,000
CST – Companhia Santomense de Telecomunicações, S.A.R.L.	São Tomé	Acquisition	51.00%	51.00%	01.11.2021	3,926,606
Holding Escot Telecom Maroc, SARL	Morocco	Acquisition	100.00%	100.00%	29.03.2021	2,290,963
Catari Angola, Lda	Angola	Acquisition	50.00%	100.00%	02.02.2021	4,999
TOTAL						48,000,234

In situations that gave rise to the recognition of Goodwill (see Note 23), it is justified by expected synergies arising from the activities carried out by the new companies and from entry into new countries. The total amount of goodwill determined is not tax deductible.

None of the purchases involve contingent remuneration agreements or gave rise to the recognition of indemnity receivables, as no contingent liabilities were identified.

In terms of purchases for the year, the Grupo chose to measure the "non-controlling interests" at their fair value.

PURCHASES IN EUROPE

Constructel, in order to continue strengthening its presence in new countries in the European market, in early 2021 purchased several companies.

In Portugal, EIP Serviços and Cunha Soares, both in the energy sector, are worth noting, allowing the group to broaden its focus in this area.

Purchases in Europe gave rise to goodwill amounting to 41,683,550 euros and an increase in the Grupo's assets and liabilities (reported on the purchase dates) of 39,125,148 euros and 38,755,299 euros, summarized as follows:

	EIP Serviços	Cunha Soares	Total
VALUE OF THE PRE-PURCHASE POSITION			
Fixed tangible and intangible assets	1,789,240	1,707,877	3,497,116
Other Assets	16,792,531	2,831,151	19,623,682
Cash and cash equivalents	3,351,803	12,652,547	16,004,350
Other liabilities	-23,717,384	-15,037,916	-38,755,299
Total net assets	-1,783,810	2,153,658	369,848
Acquisition price	11,611,056	30,011,610	41,622,666
Goodwill	13,394,866	28,288,684	41,683,550
Non-controlling interests	0	430,732	430,732

When attributing the fair value to the net assets of EIP Serviços and Cunha & Soares, in the specific case of customer balance, an analysis of the recoverable amount was carried out, with only one balance being identified with EIP Serviços and EIP Angola whose contractual amount of 10 million euros is not expected to be recovered, thus its net book value reflects the fair value.

On the 31st of December 2021, it is important to mention that the purchase amount of Cunha Soares was not paid in full, with a liability of 21.7 million euros, as described in note 37.

For calculating non-controlling interests, these were measured by the proportional contribution of the fair value of net assets.

The interest percentages considered for consolidation purposes take into account the exercise of said put options (19% in the case of Cunha Soares; 10% in the case of EIP Serviços) by the previous owners. Regarding this subject, see in 2.3 the accounting policy followed to measure put options granted to minority shareholders in the context of business combinations.

ACQUISITIONS IN AFRICA

Purchases in Africa gave rise to goodwill amounting to -10,103,965 euros and an increase in the Grupo's assets and liabilities (reported on the purchase dates) of 45,297,930 euros and 9,897,748 euros, summarized as follows:

	Companhia Santomense de Telecomunicações	Escot Maroc	Total
VALUE OF THE PRE-PURCHASE POSITION			
Fixed tangible and intangible assets	33,561,381	138,227	33,699,608
Other Assets	7,425,438	443,710	7,869,148
Cash and cash equivalents	3,458,347	270,828	3,729,174
Other liabilities	-9,245,446	-652,302	-9,897,748
Total net assets	35,199,720	200,462	35,400,183
Acquisition price	3,926,606	2,290,963	6,217,568
Goodwill	-12,194,465	2,090,500	-10,103,965
Non-controlling interests	19,078,649	0	19,078,649

Regarding the main differences between the fair value of identifiable assets purchased and liabilities undertaken from the company Companhia Santomense de Telecomunicações, it is important to note the valuation of its tangible fixed assets - namely the assets associated with its telecommunications network, in the amount 11.8 million euros, the respective deferred tax liability in the amount of 2.9 million euros and the recognition of amortized cost related to the debt receivable from the State of São Tomé in the amount of 1.6 million euros net of deferred tax.

For the remaining assets and liabilities, no significant differences were identified between the fair value and the respective carrying value.

The negative goodwill is explained by the financial restructuring process carried out by OI, Africatel's shareholder, which in turn held a share in Companhia Santomense de Telecomunicações.

Regarding the company Escot Maroc, no significant differences were identified between the fair value and the respective account value of the assets and liabilities of the companies purchased.

ACQUISITIONS IN PROGRESS

Constructel France advanced an amount of 750 thousand euros for the purchase of InPower, a company in the telecommunications sector, based in Italy.

IMPACT OF PURCHASES

The acquisitions had the following impact on the Grupo's income statement:

MAIN INDICATORS	EIP Serviços	Cunha Soares	Companhia Santomense de Telecomunicações	Escot Maroc	Total
Impact on the 2021 consolidated accounts	(Sep to Dec)	(Oct to Dec)	(Nov to Dec)	(Jan to Dec)	
Turnover	10,669,199	4,966,829	2,246,409	2,511,834	20,394,272
EBITDA	2,379,323	2,315,102	488,271	1,053,743	6,236,439
Net income	1,258,358	1,784,384	-81,067	1,038,644	4,000,320

It should be noted that the consolidation of the EIP is only relative to 4 months, as the demerger process was only completed on the 31st of August. In the event that purchases had been made on the 1st of January 2021, the Grupo's turnover would have been around 1.196 million euros and EBITDA would have been 193.3 million euros

2021 DISPOSALS

During 2021, Grupo Visabeira ended the process of selling the company Granbeira, which had already started in 2020 (Note 9).

2022 PURCHASES

After the end of the reporting period, but before the financial statements received authorization for issuance, we purchased two new companies, North West Solar, in England, and InPower, in Italy. The purchase price allocation is not yet included, but the provisional amounts are presented below.

	North West Solar	InPower
VALUE OF THE PRE-PURCHASE POSITION		
Fixed tangible and intangible assets	83,808	216,000
Other Assets	1,246,987	18,808,000
Cash and cash equivalents	299,516	773,000
Other liabilities	-1,132,110	-18,717,000
Total net assets	498,201.34	1,080,000.00
Acquisition price	1,112,409	2,750,000
Goodwill	614,208	1,670,000

The completion process regarding the companies Obelisk (in Ireland) and Elektro-Wurkner, whose purchase cost is estimated at 16.4 million euros and 2.0 million euros, respectively, is still under way.

CHANGE OF INTEREST PERCENTAGES IN CONTROLLED COMPANIES

During the year, the following changes occurred in the interest percentages in controlled companies:

- shareholding percentage in Selfenergy, in which 19.6% of the capital was purchased, thus, Grupo Visabeira now holds 79.6% of the company.
- shareholding percentage in Armiseipi, in which 10% of the capital was purchased, thus, Grupo Visabeira now holds 70% of the company.
- shareholding percentage in Catari, in which 50% of the capital was purchased, thus, Grupo Visabeira now holds 100% of the company.

9. Discontinues activities and assets held for sale

At the end of 2020, the Grupo Visabeira sold Movida and decided to sell Granbeira, considering it as an asset held for sale under IFRS 5. The impact of these situations on the results are broken down as follows:

A) MOVIDA

MOVIDA	
Operating income	25,825,423
Operating expenses	-11,164,253
Operating Income	14,661,170
Financial expenses and losses	-1,181,789
Result before taxes	13,479,381
Income tax	-3,285,303
Net income	10,194,078
Loss/Gain of divestiture in discontinued activity	-2,327,103
Income before taxes from discontinued operations	7,866,975

B) GRANBEIRA

b1) Impact on profit and loss

GRANBEIRA	
Operating income	2,679,813
Operating expenses	-2,966,325
Operating Income	-286,512
Financial expenses and losses	-5,344
Result before taxes	-291,856
Income tax	40,524
Net income	-251,332
Recognition of impairment	-5,703,032
Income before taxes from discontinued operations	-5,954,364

b2) Main classes of assets and liabilities

GRANBEIRA	
Fixed tangible assets	4,386,403
Goodwill	3,116,383
Inventories	585,850
Customers	370,937
Recognition of impairment	-5,703,032
Other Assets	778,166
Assets held for sale	3,534,707
Loans obtained - credit institutions and other lenders	430,556
Deferred tax assets	590,870
Suppliers	413,236
Other liabilities	382,062
Liabilities held for sale	1,816,724

In March 2021, the sale was completed, with a residual loss value being determined.

The net cash flows corresponding to discontinued/held for sale operations are as follows:

	MOVIDA	GRANBEIRA	TOTAL
Operational	9,627,617	-9,825	9,617,792
Investment	4,569,546	-541,795	4,027,751
Financing	-17,070,410	527,714	-16,542,696
Net cash flows	-2,873,247	-23,907	-2,897,154

EARNINGS PER SHARE CONTINUING OPERATIONS		2020
Basic		
Net income of the year for the purpose of calculation		24,252,965
Weighted average number of shares for the purpose of calculation		23,048,702
Basic earnings per share		1.052
Diluted		
Net income of the year for the purpose of calculation		24,252,965
Weighted average number of shares for the purpose of calculation		23,048,702
Diluted earnings per share		1.052

EARNINGS PER SHARE CONTINUING OPERATIONS		2020
Basic		
Net income of the year for the purpose of calculation		1,912,611
Weighted average number of shares for the purpose of calculation		23,048,702
Basic earnings per share		0.083
Diluted		
Net income of the year for the purpose of calculation		24,252,965
Weighted average number of shares for the purpose of calculation		23,048,702
Basic earnings per share		0.083

During the year 2021, there were no discontinued activities. Similarly, from the 31st of December 2021 to the present date, there are no decisions to discontinue operating activities.

10. Main indicators by segment

10.1 Main indicators by activity / geography

A) BY AREA OF ACTIVITY

	Years	Global	Industry	Tourism, Real Estate and Services	TOTAL
Turnover	2020	786,412,063	143,710,252	29,934,534	960,056,849
	2021	983,354,999	153,388,058	33,898,045	1,170,641,102
EBITDA	2020	129,687,934	21,625,346	4,069,763	155,383,043
	2021	149,433,394	24,404,386	9,426,442	183,264,222
Recurring operating income**	2020	82,179,589	7,128,990	-4,903,948	84,404,631
	2021	89,829,226	8,926,943	2,108,908	100,865,077
Net income	2020	41,984,685	-8,481,033	-11,500,320	22,003,332
	2021	61,817,891	-1,611,473	-22,244,693	37,961,724
Tangible/Intangible assets / Right-of-use	2020	359,119,849	246,627,214	153,054,417	758,801,479
	2021	458,197,426	243,195,206	181,746,386	883,139,017
Inventories	2020	40,020,003	47,125,580	27,021,015	114,166,598
	2021	56,681,854	44,152,309	33,124,040	133,958,202

In 2021 Turnover is broken down as follows:

	Global	Industry	Tourism, Real Estate and Services	TOTAL
Revenue from contracts with customers	983,354,999	153,388,058	33,710,120	1,170,453,177
Income from rents	0	0	187,925	187,925
TOTAL	983,354,999	153,388,058	33,898,045	1,170,641,102

B) BY GEOGRAPHY*

	Years	Portugal	Europe	Africa	America and Asia	TOTAL
Turnover	2020	338,520,757	506,274,167	92,625,651	22,636,274	960,056,849
	2021	370,307,253	607,578,393	99,590,510	93,164,946	1,170,641,102
EBITDA	2020	64,523,782	57,093,427	26,862,649	6,903,185	155,383,043
	2021	63,812,722	61,661,812	36,408,227	21,381,461	183,264,222
Operating income recurring **	2020	35,973,120	34,360,207	8,091,519	5,979,785	84,404,631
	2021	34,839,090	33,207,602	15,393,931	17,424,454	100,865,077
Net income	2020	-11,470,573	19,443,267	9,100,015	4,930,623	22,003,332
	2021	-11,362,289	23,401,221	12,612,104	13,310,688	37,961,724
Tangible / Intangible assets / Right-of-use	2020	404,487,640	68,906,463	274,742,392	10,664,984	758,801,479
	2021	420,401,491	73,161,947	374,045,731	15,529,848	883,139,017
Inventories	2020	91,737,176	11,390,507	10,219,178	819,736	114,166,598
	2021	95,654,615	15,603,558	19,063,607	3,636,422	133,958,202

* Distribution according to the location of the company head office

** Excluding the effect of changes in the fair value of investment properties, provisions and impairment losses

10.2 Assets associated with contracts with customers

	Years	Global	Industry	Tourism, Real Estate and Services	TOTAL
Total assets associated with contracts with customers	2020	117,836,818	518,803	3,169,426	121,525,047
	2021	135,574,889	2,284,267	603,366	138,462,521

The amounts of assets associated with contracts with customers are mainly values of Visabeira Global, resulting from the telecommunications area.

These amounts refer to services already provided according to the terms contracted with the customer and not yet billed. The vast majority of amounts were billed in 2021, with small exceptions for companies in the construction area, in which they may not yet be fully billed.

The calculation of impairment losses was considered, according to the Expected Credit Loss model (IFRS 9). Taking into account the nature of customers and the maturity of the balances receivable, the amount calculated is immaterial.

In the financial years ending on the 31st of December 2021, only two customers represented more than 15% of consolidated turnover.

It should be noted that there are still balances relating to customer contracts, relating to services already billed in the amount of 178 M euros (see note 27).

10.3 Assets associated with contracts with customers

	Years	Global	Industry	Tourism, Real Estate and Services	TOTAL
Advances from customers	2020	4,331,339	609,826	1,828,229	6,769,393
	2021	8,201,906	698,553	844,858	9,745,316
Billing on services to be rendered	2020	17,060,257	1,463,355	3,344,416	21,868,028
	2021	23,418,554	1,744,385	2,904,681	28,067,620
Assets associated with contracts with customers	2020	21,391,596	2,073,181	5,172,645	28,637,421
	2021	31,620,459	2,442,938	3,749,539	37,812,936

The increase in the amounts in terms of liabilities associated with contracts with customers in Visabeira Global area results from the entry into the consolidated group of companies of the company EIP Serviços with a balance at the end of 2021 of 4.9 million euros. Moreover, it is also due to an increase in the liabilities associated with contracts with Constructel Belgium customers (2.6 million).

It should be noted that 26 million euros of liabilities associated with contracts with customers were recognised in 2021.

11. Works between the Grupo's companies

	2021	2020
Construction of the site "Casa Alegre" - Vista Alegre	671,627	0
Remodelling and optimization of the production system - Pinewells	332,200	146,017
Increase in manufacturing capacity and introduction of new advanced technologies – MOB	89,673	0
Software development - Grupo Visabeira	0	2,035,786
Construction and remodelling work - Edivisa	0	500,000
AEO project to promote security and facilitate global trade - Vista Alegre	0	195,146
New isostatic cup pressing cell - Vista Alegre	0	186,188
Construction of new TV Cabo cells in Mozambique	0	177,922
Innovation project of the productive processes - Cerutil	0	168,582
Preparation of the hull and crushing of the crystal furnace - Vista Alegre	0	154,309
Improvement work to the building of the crystal decoration area - Vista Alegre	0	147,275
Other	246,974	293,101
TOTAL	1,340,474	4,004,325

12. Other income and other operating costs

	2021	2020
OTHER INCOME		
Supplementary income	19,106,571	19,353,871
Gains on tangible fixed assets	2,635,332	1,204,290
Gains on the disposal of investment properties	0	73,785
Gains/(Losses) on the acquisition and disposal of subsidiary companies (Note 8)	12,194,465	6,018,165
Investment and operation grants	12,870,671	5,943,893
TOTAL	46,807,039	32,594,004
OTHER EXPENSES		
Taxes	7,838,556	4,156,082
Other	9,457,111	4,086,830
TOTAL	17,295,667	8,242,912

"Supplementary income" includes sales and debts to subcontractors related to expenses incurred on behalf of them and also redeemed to other related parties.

The item "Exploration subsidies" refers to extraordinary support for reducing economic activity as a result of the impacts resulting from the new Covid-19 coronavirus pandemic. These supports included the measures adopted by the different companies of the group, either through simplified lay-off or through Support for Recovering Business Activity.

The "Taxes" item mainly include taxation on the activity volume in France.

In 2021, J.F. Edwards recorded an income of 3.3 million euros from operating subsidies relating to a non-refundable subsidy.

13. External supplies and services

	2021	Weight %	2020	Weight %
Subcontracts	410,741,054	72%	330,458,662	72%
Maintenance and repair	24,040,829	4%	20,280,454	4%
Specialised works	18,363,987	3%	19,948,726	4%
Rents	20,531,018	4%	16,346,241	4%
Fuel	19,553,373	3%	13,637,403	3%
Insurance	12,009,205	2%	9,108,053	2%
Electricity	8,947,230	2%	8,962,693	2%
Transport of goods	5,145,634	1%	3,922,548	1%
Commissions	5,113,434	1%	2,451,329	1%
Communication	5,112,362	1%	5,091,982	1%
Tools and utensils for fast wear	4,772,707	1%	4,017,861	1%
Travel and stays	3,763,445	1%	3,089,260	1%
Advertising	2,664,920	0%	2,729,858	1%
Fees	2,516,778	0%	1,908,480	-
Cleaning, hygiene and comfort	2,395,312	0%	2,316,591	1%
Office Supplies	2,089,726	0%	1,133,160	-
Surveillance and safety	1,649,631	0%	1,512,573	-
Representation expenses	861,209	0%	711,754	-
Others	18,388,178	3%	10,749,837	2%
TOTAL	568,660,032	100%	458,377,463	100%

The increase in subcontracts in the amount of 110.3 million euros, 9 million euros are justified by the changes in the perimeter observed during 2021, the remaining being the result of the growth of the Grupo's activity, in the telecommunications area, adopting the strategy of hiring external labour.

14. Staff costs

	2021	2020
Staff costs	234,147,335	189,102,188
Social Security contributions	39,006,064	35,188,684
Remuneration premiums	3,588,702	2,971,290
Corporate bodies	2,996,645	3,342,105
Insurance	2,013,227	1,497,404
Social initiatives expenses	886,299	927,579
Occasional staff and staff on retainer	686,051	729,949
Other	13,624,291	9,128,698
TOTAL	296,948,614	242,887,897

In 2021, the Grupo recorded under the heading of "Staff remuneration" an increase of 45 million euros, of which 33.4 million euros relate to the recent companies purchased in 2021 and 2020.

The average number of the Grupo's employees during 2021 was 12,897 (2020: 12,479), with the following distribution by sector of activity and country, shown in the following tables:

Average number of employees by business area	2021	2020
Global	8,247	7,618
Industry	2,827	2,861
Tourism, Real Estate and Services	1,824	2,000
TOTAL	12,897	12,479

Average number of employees by country	2021	2020
Portugal	5,428	5,288
Europe	3,896	3,735
Africa	3,175	3,084
America and Asia	399	372
TOTAL	12,897	12,479

The remuneration of the key management staff (under the terms of IAS 24) has an essentially fixed nature and does not include post-employment benefits or employment termination benefits. In 2021, it amounted to 3.0 million euros (2020: 3.3 million euros). Key management staff refer to the Board of Directors of Grupo Visabeira as well as other directors of its main subsidiaries.

15. Depreciation and amortization

	2021	2020
TANGIBLE DEPRECIATIONS		
Land and natural resources	1,196,716	974,862
Buildings and other constructions	8,193,204	1,459,112
Basic equipment	22,547,912	21,329,517
Transport equipment	5,671,422	4,992,347
Office equipment	1,807,988	2,083,256
Other	4,196,201	6,977,888
Total tangible depreciations	43,613,443	37,816,981
DEPRECIATION OF RIGHTS OF USE ASSETS		
Land and natural resources	17,663	15,877
Buildings and other constructions	13,656,761	13,667,328
Basic equipment	727,735	596,698
Transport equipment	14,232,005	12,417,346
Office equipment	116,261	121,569
Other	139,801	132,226
Tangible assets	17,210	17,210
Total asset depreciation of rights of use assets	28,907,437	26,968,256
INTANGIBLE ASSETS AMORTISATIONS		
Development projects and software programmes	299,578	867,726
Other	9,578,687	5,129,763
Total intangible amortization	9,878,264	6,193,177
TOTAL DEPRECIATION AND AMORTIZATION	82,399,145	70,978,413

16. Provisions and impairment losses

	2021	2020
Increases in provisions and adjustments	1,172,397	2,892,091
Decreases in provisions and adjustments	-527,159	-929,925
TOTAL	645,238	1,962,166

In 2021 and 2020, regarding "increases in provisions and adjustments", we highlight the provisions set up mainly to cover risks related to collections from customers and the reinforcement of provisions to cover other estimated losses.

It is important to note the reinforcement of the provision for retirement pension in the amount of 283 thousand euros. The heading details are as follows:

	2021
Other receivables	377,278
Impairment Losses Customers	32,196
Reform Provisions	283,250
Provisions Others	147,594
Other	-195,080
TOTAL	645,238

17. Interest expense, net

	2021	2020
Interest paid		
Loans obtained	-38,952,527	-39,590,764
	-38,952,527	-39,590,764
Interest earned		
Loans granted	1,841,133	1,737,461
	1,841,133	1,737,461
TOTAL	-37,111,394	-37,853,304

18. Gains / losses on listed shares

	2021	2020
Other financial assets recorded at fair value through profit or loss (see note 7.2)	41,677	-187,428
TOTAL	41,677	-187,428

19. Other financial expenses, net

	2021	2020
Unfavourable exchange differences	-20,629,172	-27,295,776
Other costs	-7,533,397	-6,102,086
Cash payment discounts granted	-243,506	-130,220
Favourable exchange rate differences	28,165,749	15,050,143
Cash payment discounts obtained	40,926	32,852
Other income	3,062,451	53,412
TOTAL	2,863,050	-18,391,675

Operations in Angola contributed positively to 2.1 million euros (2020: negative 5.9 million euros), as a result of the negative devaluation of the Kwanza (2021: 629.02; 2020: 798.43) while operations in Mozambique contributed negatively in the amount of 4.6 million euros (2020: negatively with 6.3 millions euros), as a result of the negative devaluation of the metical (2021: 72.32; 2020: 92.02) to the net balance of exchange rate differences.

20. Income tax

	2021	2020
Current tax	-17,223,672	-12,776,231
Deferred tax	-7,979,432	-7,620,328
Income tax provisions	-3,336,896	0
Income tax for the financial year	-28,540,001	-20,396,559

	2020	Changes in the to the scope of consolidation	Effect on the results	Effect on equity	Transfers	2021
DEFERRED TAX ASSETS						
Adjustments and other provisions not fiscally accepted	35,687,704	401,377	-2,599,052	-219,103	0	33,270,926
Tax losses	7,027,443	0	-2,369,865	526,553	0	5,184,130
Changes in exchange rates not accepted for tax purposes	2,335,694	726,780	-2,996,627	763,744	0	829,591
Tax credit	532,481	0	-2,101	12,596	0	259,730
Unrealised income in intra-group operations	827,944	0	-2,101	-247,998	0	577,845
Fiscal adjustment in transition 'snc'	602,526	0	0	0	0	602,526
TOTAL	47,013,791	1,128,157	-8,252,992	835,792	0	40,724,747

DEFERRED TAX LIABILITIES

Changes in the fair value of investment properties	51,187,499	0	-495,288	-759,208	0	49,933,003
Monetary adjustment (IAS 29 - Angola)	7,548,254	0	-630,476	2,298,885	0	9,216,663
Adjustments and other provisions not fiscally accepted	1,945,589	0	-2,517	27,319	-1,970,390	0
Change in the fair value of intangible assets	20,105,419	0	-1,609,767	-5,510	0	18,490,141
Change in fair value of tangible fixed assets	62,410,907	2,942,192	-2,108,230	13,725,977	0	76,970,846
Fiscal adjustment in transition 'snc'	1,155,393	0	0	0	0	1,155,393
Unrealised income in intra-group operations	105,220	0	-45,991	0	0	59,230
Changes in exchange rates not accepted for tax purposes	31,846	0	980,381	281,586	0	1,293,813
Adjustment difference in amortizations accepted for tax purposes	0	0	0	1,556,413	1,970,390	3,526,803
Other provisions	2,728,000	0	3,638,328	0	0	6,366,328
TOTAL	147,218,127	2,942,192	-273,560	17,125,460	0	167,012,220

In 2021, due to the valuation of the metical and kwanza, there was an increase of 13 million euros in the liability balance. The changes in terms of companies belonging to the group stem from the entry of Companhia Santomense de Telecomunicações and Electrotec.

	2019	Changes to the scope of consolidation	Effect on results	Effect on equity	Transfers	2020
Deferred tax assets						
Adjustments and other provisions not fiscally accepted	40,781,460	822,915	-5,373,702	-542,999	31	35,687,704
Tax losses	8,055,374	675,136	1,242,483	-2,945,550	0	7,027,443
Changes in exchange rates not accepted for tax purposes	724,326	0	2,001,936	-390,568	0	2,335,694
Tax credit	1,358,146	0	-825,634	0	-31	532,481
Unrealised income in intra-group operations	756,048	0	71,896	0	0	827,944
Fiscal adjustment in transition 'snc'	602,526	0	0	0	0	602,526
Total deferred tax assets	52,277,879	1,498,051	-2,883,021	-3,879,118	0	47,013,791
Deferred tax liabilities						
Difference from the fair value of investment properties	69,364,009	-23,685,665	6,836,276	-1,327,120	0	51,187,499
Monetary adjustment (IAS 29 - Angola)	10,703,366	0	-786,605	-2,368,506	0	7,548,254
Adjustments and other provisions not fiscally accepted	9,846	1,396,525	510,522	28,697	0	1,945,589
Difference from the fair value of intangible assets	17,006,255	1,187,931	1,911,232	0	0	20,105,419
Free revaluation reserves	80,658,725	-2,185,093	-3,135,569	-12,927,156	0	62,410,907
Fiscal adjustment in transition 'snc'	1,155,393	0	0	0	0	1,155,393
Unrealised income in intra-group operations	163,662	0	-58,442	0	0	105,220
Changes in exchange rates not accepted for tax purposes	569,890	72,172	-540,108	-70,108	0	31,846
Other provisions	0	0	0	0	2,728,000	2,728,000
Total deferred tax liabilities	179,631,146	-23,214,130	4,737,306	-16,664,195	2,728,000	147,218,127

In 2020, the tax review in the Angolan market is noteworthy (reduction of the tax rate from 30% to 25%, with the exception of TV Cabo Angola, where it increased to 35%), contributing to a reduction in tax loss assets and balances monetary restatement liabilities (IAS 29 – Angola) and free revaluation reserves. In 2020, due to the large devaluation of the metical and the kwanza, there was a large impact on the liability balance, resulting in a decrease of 17 million euros. It is important to note the changes in the group of companies, which took place during the year, as a result of the sale of Movida and also the entry of J.F. Edwards CC. The amount in "Other provisions" related to fiscal contingencies other than income tax has been reclassified to the item Provisions for other risks and charges. The tax reconciliation for the year is detailed as follows:

	2021	2020
Results before taxes	66,501,724	40,487,279
Nominal rate of tax on profits	21.0%	21.0%
Tax rate - 21%	-13,965,362	-8,502,329
Differentiated nominal tax rates	-3,904,966	-6,369,877
Temporary differences	-294,354	0
Autonomous Taxation	-545,575	-572,471
Non-deductible financial charges	3,007,266	3,121,276
Local tax	-771,273	-1,562,209
Tax benefits	469,669	912,794
Corrections of previous years	-756,625	0
Other	-462,451	196,584
Total current assets	-17,223,672	-12,776,231
Deferred tax	-7,979,432	-7,620,328
Provisions	-3,336,896	0
Tax for the financial year	-28,540,001	-20,396,559

*Differentiated tax on profits: France and Belgium 31%; Mozambique 32%; Angola 25% (TV Cabo Angola-35%); UK 19%; Italy 27.9%; Denmark 22%, Spain 24% and United States of America 30%.

21. Tangible assets

	Land	Buildings and other constructions	Basic equipment	Transport equipment	Office equipment	Others tangible fixed assets	Tangible assets in progress	Advance payments on account of tangible assets	TOTAL
Opening Balance on the 1st of January 2020	28,296,746	366,775,146	174,398,766	9,287,545	7,797,175	29,993,550	38,553,287	373,920	655,476,137
Increases	109,000	18,483,108	10,438,822	1,007,593	1,605,443	14,465	25,051,127	0	56,709,557
Disposals / Transfers	951,364	-4,898,000	7,765,047	105,128	-162,776	6,999,229	-11,193,550	-175,708	-609,266
Changes in the scope of consolidation *	-2,490,813	598,989	6,330,509	3,709,285	112,966	-82,335	-17,164	0	8,161,438
Revaluation exchange rate update	0	-43,552,535	-17,594,171	0	-38,841	-5,265,901	0	0	-66,451,447
Reclassification for assets under rights of use	-2,950,584	-724,865	-762,754	-26,279	-9,402	-9,153	0	0	-4,483,036
Exchange rate effect	-203,484	-28,172,623	-8,573,152	-1,236,218	-376,948	183,124	-4,967,000	0	-43,346,302
Impairment	3,262	2,166,144	-3,387,804	274	-682,284	383,767	0	0	-1,516,642
Amortization for the year	-974,862	-1,459,112	-21,329,517	-4,992,347	-2,083,256	-6,977,888	0	0	-37,816,981
Closing balance on the 31st of December 2020	22,740,630	309,216,252	147,285,746	7,854,982	6,162,077	25,238,858	47,426,700	198,213	566,123,457
On the 31st of December 2020									
Acquisition costs	23,149,895	338,435,377	291,764,512	50,007,934	31,537,541	53,946,922	47,417,038	198,213	836,457,431
Accumulated amortizations	360,851	127,735,009	179,518,176	42,116,482	24,776,110	38,399,154	-9,663	0	412,896,119
Impairment losses	48,415	153,931	4,582,786	36,471	682,361	-159,712	0	0	5,344,252
Net effect of revaluations	0	98,669,815	39,622,197	0	83,006	9,531,379	0	0	147,906,397
Tangible assets	22,740,630	309,216,252	147,285,746	7,854,982	6,162,077	25,238,858	47,426,700	198,213	566,123,457
Opening Balance on the 1st of January 2021	22,740,630	309,216,252	147,285,746	7,854,982	6,162,077	25,238,858	47,426,700	198,213	566,123,457
Increases	109,000	7,000,108	10,438,822	1,007,593	1,605,443	14,465	25,051,127	0	60,952,708
Disposals / Transfers	951,364	-17,183,759	7,765,047	105,128	-162,776	6,999,229	-11,193,550	-175,708	3,972,424
Changes in the scope of consolidation *	-2,490,813	14,298,528	6,330,509	3,709,285	112,966	-82,335	-17,164	0	35,787,796
Revaluation exchange rate update	0	24,802,899	-17,594,171	0	-38,841	-5,265,901	0	0	37,751,482
Exchange rate effect	-2,950,584	21,413,209	-762,754	-26,279	-9,402	-9,153	0	0	33,464,596
Impairment	-203,484	-2,070	-8,573,152	-1,236,218	-376,948	183,124	-4,967,000	0	-187,763
Amortization for the year	3,262	-8,193,204	-3,387,804	274	-682,284	383,767	0	0	-43,613,443
Closing balance on the 31st of December 2021	22,627,052	385,719,481	187,800,702	12,920,651	4,422,718	29,477,840	51,084,600	198,213	694,251,257
On the 31st of December 2021									
Acquisition costs	23,191,978	409,696,196	382,512,337	64,092,247	33,666,585	61,076,349	51,068,117	198,213	1,025,502,022
Accumulated depreciation	516,511	149,086,266	239,630,560	51,134,509	28,667,452	43,756,214	-16,483	0	512,775,028
Impairment losses	48,415	-462,550	4,978,569	37,087	682,364	24,018	0	0	5,307,903
Net effect of revaluations	0	124,647,002	49,897,494	0	105,949	12,181,722	0	0	186,832,166
Tangible assets	22,627,052	385,719,481	187,800,702	12,920,651	4,422,718	29,477,840	51,084,600	198,213	694,251,257

*It was decided to present the accumulated tax amortizations amounts associated with the assets acquired.

During 2021, the increases that occurred are mainly explained by the purchase of the necessary equipment for operational teams of the Grupo Construtel Visabeira in the amount of 18 million euros, by the investments for construction and expansion of the coverage network for television operations in Africa through TVCabo in Angola and in Mozambique in the amount of 12.6 million euros, by the expansion and improvement of existing industrial units, about 5 million euros by Grupo Vista Alegre.

Also noteworthy during 2021 are the changes regarding the group of companies, which include the entry of companies purchased in Portugal and São Tomé and Príncipe, which had a net contribution of 35.8 million euros (Cunha Soares, EIP Serviços, and Companhia Santomense de Telecomunicações).

The most significant amounts presented as "Tangible assets in progress" refer to the expansion and renovation works on hotel units as well as to the construction of new spaces in the Tourism sector. Thus, the future hotel in the monastery of Alcobaça, and the expansion of Montebelo Agueira Lake Resort & SPA, with 20.4 million euros and 2.6 million euros, respectively, are worthy of note; a building in Largo Barão Quintela, in Lisbon, with the value of 6.5 million euros that was transferred from Investment Properties to Tangible Fixed Assets, as it is intended for constructing a new hotel in the Chiado area; as well as the works to improve and expand the industrial plants of Ambitermo and Grupo Vista Alegre, with 2.7 million euros and 1.6 million euros euros, respectively.

REVALUATION OF TVCABO ANGOLA AND TVCABO MOÇAMBIQUE NETWORKS ASSETS

As of the financial year 2019, the Grupo started to measure the TVCabo Angola and TVCabo Moçambique network assets according to the revaluation model, due to the very significant currency devaluation of the kwanza and the metical. The Grupo engaged an independent and accredited entity, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, to determine the fair value on the 31st of October 2019 of the TVCabo Angola and TVCabo Moçambique networks, which include assets such as the copper network, the optical fibre network, civil construction and network control equipment (such as servers, routers and terminals) and equipment installed at customers.

The fair value was determined based on the cost approach, which reflects the amount that would be required to replace the assets service capacity (usually referred to as the current replacement cost). As relevant elements of the evaluation, stands out the cost of acquisition of goods purchased in Europe, estimated by external specialists, supported by the Grupo's technicians. To the goods' cost of acquisition, an amount corresponding to transportation, assembly, and even customs fees was added to place the equipment in Angola and Mozambique, as well as the labour cost for its installation. Estimates regarding transport costs and customs fees were carried out. The determination of fair value falls within level 3 of IFRS 13.

If the assets of TVCabo Angola, TVCabo Moçambique and Companhia Santomense de Telecomunicações had been held at cost, the carrying amounts would have been 46.0 million euros, 26.5 million euros and 21.8 million euros, respectively.

As a result of re-evaluating amortizations for the year amounted to 5.4 million euros (2020: 5.1 million euros).

On the 31st of December 2021, the net effect of the increased revaluation of network assets amounted to 124.6 million euros (Buildings and other constructions) and 49.9 million euros (Basic Equipment). If the network assets had been held at cost, the carrying amounts would have been 54.8 million euros (Buildings and other constructions) and 18.4 million euros (Basic Equipment), respectively.

In 2021 the Companhia Santomense de Telecomunicações was purchased, which also has a telecommunications network falling into the telecommunications network asset class and thus follows the "re-evaluation model" policy. It is important to mention that in terms of "purchase price allocation", an increase of 11.8 million euros was calculated in the fair value estimate compared to the net book value (see note 8).

IMPAIRMENT TESTS

The Grupo evaluates, as described in note 2.11, the existence of signs of tangible assets impairment.

Taking into account the significant increase in the carrying amount of the TVCabo Angola and TVCabo Moçambique networks, impairment tests were carried out in accordance with the value in use method, based on business plans approved by the Grupo's Executive Board of Directors, under the following assumptions:

ASSUMPTIONS IMPAIRMENT TEST	Angola	Mozambique	São Tomé
Period	2022-2026	2022-2026	2022-2026
Sales growth rate (CAGR)	8.62%	8.57%	1.55%
Exchange rate (Euros)	629.02	72.32	24.20
Growth rate in perpetuity	6.78%	5.50%	4.38%
Discount rate	14.77%	14.79%	10.52%

The sensitivity of the impairment tests results – carried out on the assets of the networks of the main key assumptions, namely the discount rate and the growth rate in perpetuity – were as follows:

SENSITIVITY TO KEY ASSUMPTIONS	Perpetuity discount rate*		Growth rate in perpetuity	
	0.50%	-0.50%	0.50%	-0.50%
TVCabo Angola	-6.9	7.8	14.7	-11.5
TVCabo Moçambique	-3.4	3.7	5.4	-2.3
Companhia Santomense de Telecomunicações	-2.2	2.6	5.0	-3.6

*Taking into account the impact of inflation on the economies concerned, different discount rates are used in each of the periods under analysis.

With regard to assets in Angola, an increase in the discount rate of 0.5% or a decrease of 0.5% in the perpetuity growth rate implies an impairment record in the amount of 2.0 million euros and 6.6 million euros, respectively.

Regarding assets in Mozambique and São Tomé, the variations described do not imply the recording of impairments.

22. Right-of-use assets

The heading "Assets under rights of use", in 2021, has the following composition:

	Land	Buildings and other constructions	Basic equipment	Transport equipment	Office equipment	Others tangible fixed assets	Tangible assets in progress	Intangible Assets	TOTAL
Opening Balance on the 1st of January 2020	9,558	59,963,039	4,775,710	21,536,059	335,370	420,326	136,415	100,393	87,276,870
Increases	34,813	9,327,882	296,415	32,653,059	0	492,217	0	0	42,804,386
Reductions	0	-1,206,679	0	0	0	0	-2,842	0	-1,209,521
Changes to the scope of consolidation	0	-9,664,849	-1,755,851	0	-16,927	-118,500	0	0	-11,556,127
Exchange rate effect	206	-528,064	0	29,115	-4,254	2,183	0	0	-500,813
Amortization for the year	15,877	13,667,328	596,698	12,417,346	121,569	125,405	6,821	17,210	26,968,256
Closing balance on the 31st of December 2020	28,700	44,224,001	2,719,576	41,800,887	192,620	670,821	126,752	83,182	89,846,540
On the 31st of December 2020									
Acquisition costs	57,288	68,632,206	4,301,770	71,680,116	408,347	874,808	136,415	103,261	146,194,212
Accumulated depreciation	28,588	24,408,205	1,582,194	29,879,230	215,727	203,988	9,663	20,079	56,347,673
Right-of-use assets	28,700	44,224,001	2,719,576	41,800,887	192,620	670,821	126,752	83,182	89,846,540
Opening Balance on the 1st of January 2021	28,700	44,224,001	2,719,576	41,800,887	192,620	670,821	126,752	83,182	89,846,540
Increases	7,771	12,734,466	1,667,079	15,406,118	68,174	481,700	0	0	30,365,308
Reductions	-45	-3,161,034	-70,965	-735,218	-4,912	-35,036	0	0	-4,007,210
Exchange rate effect	485	549,111	0	1,079,799	989	12	0	0	1,630,396
Amortization for the year	17,663	13,656,761	727,735	14,232,005	116,261	132,981	6,821	17,210	28,907,437
Closing balance on the 31st of December 2021	19,248	40,689,783	3,587,955	43,319,582	140,609	984,516	119,932	65,972	88,927,597
On the 31st of December 2021									
Acquisition costs	44,188	76,068,796	5,853,608	87,141,566	455,226	1,314,377	136,415	103,261	171,117,436
Accumulated depreciation	24,940	35,379,013	2,265,653	43,821,984	314,617	329,861	16,483	37,289	82,189,839
Right-of-use assets	19,248	40,689,783	3,587,955	43,319,582	140,609	984,516	119,932	65,972	88,927,597

The most relevant assets in Assets under right of use are: under Buildings and other constructions, the Hotel Montebelo, and to a lesser extent other hotels; under Transport equipment, several vehicles from different companies, mainly MJ Quinn fleet and Constructel France.

During 2021 the Grupo had an increase of 30.3 million euros in assets under right of use.

For this increase, the companies belonging to Constructel Visabeira contributed 22.7 million euros, of which 13.8 million euros are related to investment in transport equipment.

During 2020 the Grupo had an increase of 43 million euros in assets under right of use. For this increase, MJ Quinn contributed with 18 million euros related to a lease contract for transportation equipment. The companies with the greatest contribution to the investment in transportation equipment for fleet maintenance/renewal were Constructel (8.5 million euros) and Viatel (2.6 million euros).

It should be noted that the net decrease of 11.6 million euros relate to the changes in the group's companies that took place during 2020. This decrease is largely explained by the departure of Movida from the group. With this change, there was an increase of 12.6 million euros, relating to contracts that the other companies of the Grupo have with Movida, relating to offices and stores, as well as a decrease of 20.1 million euros relating to lease contracts held by Movida, resulting in a net effect of 7.5 million euros. The remaining 4.1 million euros are justified by a contract that Empreendimentos Turísticos Montebelo holds with FIMMO, which with the latter's entry into the group of companies, has to be eliminated for consolidation purposes.

23. Goodwill

	Year of acquisition	Value of goodwill 2021	Value of goodwill 2020
VISABEIRA GLOBAL			
MJ QUINN	2018	56,958,936	52,857,021
Cunha Soares	2021	28,288,684	0
Viatel – Tecnologia de Comunicações, S.A.	1997. 2002	14,997,178	14,997,178
EIP Serviços	2021	13,394,866	0
Franz-Josef Braun GmbH & Co. KG	2020	11,860,192	11,860,192
Oude MarktVoerlieden Natie NV (OMV Natie)	2020	11,635,976	11,635,976
Grupo Constructel Modal	2017	5,666,717	5,666,717
Toft Hansen	2019	2,609,671	2,609,671
Martifer Visabeira	2019	2,173,871	1,708,573
Holding Escot Telecom Maroc, SARL	2021	2,090,500	0
IEME, SRL	2017	1,263,270	1,263,270
Edivisa - Empresa de Construções, S.A.	1993. 2002	888,354	888,354
Gatel, SAS	2008	744,207	744,207
Infrassign SARL	2020	546,503	546,503
Other		911,632	911,633
VISABEIRA INDÚSTRIA			
Mob - Indústria de Mobiliário, S.A.	1998. 2002	1,320,221	1,320,221
Granbeira II - Rochas Ornamentais, S.A.	1992. 1998. 2001. 2002	905,101	905,101
Other		551,392	551,392
VISABEIRA TURISMO, IMOBILIÁRIA E SERVIÇOS			
Visabeira Moçambique, SARL	2001. 2002	3,390,676	3,390,676
Empreendimentos Turist. Montebelo, S.A.	1998. 2002	2,768,845	2,768,845
PDA - Parque Desportivo de Aveiro, S.A.	2008	0	894,659
Other		225,390	225,390
TOTAL		163,192,184	115,745,580

The amounts recorded in the Goodwill item refer exclusively to acquisitions of financial holdings. The acquisition of financial investments in entities or business activities under common control is recorded i) through the "method of communion of interests", with the difference between the cost of the business combination and the net assets acquired (at the respective net book values) recorded in contra entry equity; or ii) through the acquisition method (provided for in IFRS 3), whenever the business combination of entities under common control has commercial substance, is carried out for the purpose of combining entities with complementary activities and the transaction has been carried out at fair value.

In 2021, new companies were purchased, representing an increase of 43.8 million euros. The goodwill of these purchases was based on the value of the net assets at the date of entry into the consolidation group of companies and their acquisition price.

The increase in the amount of MJ Quinn and Martifer Visabeira's goodwill is related to the currency appreciation that occurred during the year under review. For the purpose of impairment tests, the goodwill amount was distributed among the cash-generating units that correspond to the reportable business segments. The Executive Board of Directors, based on the estimated future cash flows of these segments, discounted at the rate considered applicable to each business, concluded that, on the 31st of December 2021, the carrying value of financial investments, including goodwill, does not exceed its recoverable value. In Visabeira Global, the main assumptions used in the impairment test for 2021 were the following:

ASSUMPTIONS IMPAIRMENT TESTS	MJQ	Viatel	OMV	EIP	FJB	Cunha Soares
Method used	Updated cash flow methods	Updated cash flow methods	Updated cash flow methods	Updated cash flow methods	Updated cash flow methods	Updated cash flow methods
Based used	Projection	Projection	Projection	Projection	Projection	Projection
Years of projection	5 years	5 years	5 years	5 years	5 years	5 years
Sales growth in 2021	20.38%	-0.05%	32.08%	not applicable	56.87%	not applicable
CAGR sales 2022-2025	2.00%	1.30%	5.00%	0.39%	3.00%	3.60%
Perpetuity growth rate	2.00%	1.35%	1.79%	1.35%	2.03%	1.40%
WACC used in perpetuity	3.84%	5.80%	5.80%	5.80%	5.80%	5.89%

The sensitivity of the impairment tests results - carried out on Goodwill of the main key assumptions, namely the discount rate and the growth rate in perpetuity - were as follows:

SENSITIVITY TO KEY ASSUMPTIONS	Discount rate		Perpetuity sales growth rate	
	0.50%	-0.50%	0.50%	-0.50%
MJQ	-82.0	143.4	127.0	-72.7
Viatel	-17.9	22.4	16.4	-13.1
OMV	-10.3	13.2	10.9	-8.5
EIP	-3.7	4.7	3.8	-3.0
FJB	-4.6	5.9	5.1	-3.9
Cunha Soares	-9.3	11.6	10.1	-8.1

On the 31st of December 2021, if a discount rate higher than 0.5% had been used, or a perpetuity growth rate of less than 0.5%, or projected cash flows less than 5%, the results obtained in the tests mentioned above would not give rise to impairment. The value in use corresponds to the estimate of the present value of the future cash flows, calculated based on budgets and business plans duly approved by the Grupo's Executive Board of Directors, which cover an average of five years.

24. Investment properties

	2021 Level 3*	2020 Level 3*
Opening balance	311,148,821	435,837,861
Transfer of inventories and tangible asset	-19,741,000	0
Acquisitions	475,422	37,036,853
Foreign currency translation reserves	5,084,540	-13,252,471
Disposal	0	-163,406,460
Change in fair value	355,675	14,933,037
TOTAL	297,323,457	311,148,821

* Classified according to the fair value hierarchy defined in IFRS 13 (not applicable to investment properties measured at acquisition cost)

	Appraisal method	2021	2020
Projeto Parque Desportivo	DCF Method	72,141,000	72,141,000
Montebelo Resort Golf Project	DCF Method	58,495,204	58,394,614
Real Estate Project in Maputo	DCF Method	55,819,735	50,444,395
Urbeira Project	Comparative method	33,303,000	33,303,000
Quinta dos Areais Project	Comparative method	19,310,000	19,310,000
Land held for capital appreciation	Comparative method	19,147,960	19,147,960
Vista Alegre Buildings	Comparative Methods and DCF Method	13,584,222	19,588,800
Project for Quinta do Bosque	DCF Method	12,540,726	13,540,726
Condomínio de Belo Horizonte development (Mozambique)	Cost method	8,765,918	8,111,564
Mozambique commercial space project	DCF Method	4,169,969	3,858,691
Santa Luzia Project	Comparative method	0	13,261,000
Agrovisa (Xinavane land)		45,724	47,072
TOTAL		297,323,458	311,148,821

Investment properties in use are measured at fair value, calculated using the discounted cash flow (DCF) and properties under development or intended for valuation are measured at fair value, calculated using the DCF method, the comparative method or the cost method. In cases where fair value cannot be reliably determined, investment properties are kept at cost.

According to the DCF method, the fair value of the property is estimated based on the current amount of cash flows that the property is expected to generate in the future, based on financial projections concerning the business under development or to be developed (rental). Cash flows are discounted at a discount rate that reflects the time value of money, as well as the risks associated with cash flows.

The comparative method refers to the values of similar properties and intends to estimate the presumed value of sale.

The cost method considers that the value of the asset is the sum of the cost of acquisition of the land, construction, projects, licensing, financial charges, marketing fees and estimated profit of the project.

In the case of investment properties not generating income, the estimated costs for the construction and development of the project were discounted.

The valuations were carried out by accredited independent appraisers (Figueira Center Imobiliária, Lda, J. Curvelo e J.F, Lda, REC – Real Estate Consulting, Lda and JF – Consultores Associados, Lda) with the qualification and experience needed in property valuations. The appraisal models used are consistent with the principles set out in IFRS 13.

In 2021, no changes were made to the investment properties valuation methods. Investment properties include a set of land acquired several years ago for development in relation to the Grupo's real estate business, but, in the current financial context, they are held for future appreciation.

In the determination of the fair value of investment property, the highest and best use is considered.

The classification of certain land as investment properties, and not as Inventories or Tangible Assets, depends on the use that the Board of Directors predicts for the assets as the one that maximizes its recoverable value for the Grupo.

PARQUE DESPORTIVO DE AVEIRO PROJECT

Project located at the eastern end of the city of Aveiro, next to the Municipal Stadium of Aveiro, occupying an area of about 165 hectares, is located in a particularly privileged area in terms of access, either to the city, or the A25 and the A17.

Comprehensive project that consolidates tourism, housing, services, sports, leisure and entertainment in a unique environment, mainly for the sophistication and quality of its green areas ruled by streams and water surface, its wide parks and gardens that will create a unique and permanent experience in touch with nature.

PDA will have a construction area of around 320,000 m² comprising trade, housing, services, sports and leisure / tourism facilities, such as the 18-hole golf course, 5-star hotel, horse riding center and tennis complex.

Its fair value was determined using the DFC method, summarised as follows:

Polo		Construction area (m ²)	Appraiser Value 2021	Appraiser Value 2020
Polo 2	Horse riding facilities	31,448	12,702,000	12,702,000
Polo 3	Ludo Parque	48,246	9,316,000	9,316,000
Polo 5	Central	74,750	14,986,000	14,986,000
Polo 6	South Central	71,175	9,803,000	9,803,000
Polo 7	Golf Resort	68,478	25,334,000	25,334,000
	Hotel	24,000		
TOTAL		318,097	72,141,000	72,141,000

In addition to the discount rate, the sale price, the construction price and the estimated sales schedule of the project are the variables that most influence the value of the appraisal, so the sensitivity analysis to these variables resulted in the following values:

- A 5% increase in building prices would reduce the value of the valuation to 65.6 million euros. These changes in the construction prices, combined with the changes shown in the sensitivity analysis conducted on the discount rate, result in a minimum value of 61 million euros (+ 5% in construction prices plus 1 p.p. in the discount rate) and with a maximum amount of 84.1 million euros (-5% in building prices and 1 p.p. in the discount rate).
- A reduction of 5% in the sales prices, foreseen in the evaluation, would result in an amount of 58.4 million euros and a 5% increase of these same sales prices would result in an amount of 85.9 million euros combined with an increase of 1 p.p. discount rate would be 80.4 million euros. The growth of 5% in sales prices combined with the reduction of the discount rate by 1 p.p. would increase the appraisal value to 91.9 million euros.
- 10% advance of sales in each year considered in the appraisal, adding another year of trading to the project against the base scenario, would reduce the amount of the appraisal to 63.4 million euros. This variation in the project's trading, combined with the changes shown in the sensitivity analysis of the discount rate, result in a minimum amount of 58,1 million euros (10% advances in the sales, plus 1 year trading plus 1 p.p. in discount rate) and a maximum amount of 80.7 million euros (5% in advance of the sales and less 1 p.p. in the discount rate).
- With regard to the discount rate sensitivity analysis, a decrease of 1 pp in the discount rate, provided for in the valuation, would translate into a valuation value of 77.5 million euros and an increase of 1 pp in that same discount rate would be an appraised value of 67.2 million euros.

MONTEBELO RESORT GOLF PROJECT

The Golfe Montebelo Resort project aims at addressing deficiencies and enhancing the features of the 27-hole Golf Course, in operation for many years. Besides enhancing and revitalising the area of Golf, it will enable its promotion and the recognition of the area as an urban location, connected to the city, creating a prestigious sport-tourism hub in one single unit.

There are about 168,421 m² of construction, comprising houses (68,913 m²), apartments (70,506 m²) and a five-star hotel (29,003 m²). The intervention will target 3 different areas: the first addresses the real estate network, which is small and does not clash with the second area, the Resort. The project also includes a common area for services, equipment and commerce.

The appraisal values were the following:

	Area	2021	2020
Land for houses	68,913 m ²	39,462,537	26,580,000
Land for apartment buildings	70,506 m ²	16,892,963	29,840,000
Land for hotel	29,003 m ²	1,255,090	1,090,000
Additions by construction of infrastructures		884,614	884,614
TOTAL	168,422 m²	58,495,204	58,394,614

In addition to the discount rate, the sale price, the construction price and the estimated sales schedule of the project are the variables that most influence the value of the appraisal, so the sensitivity analysis to these variables resulted in the following values:

- A 5% increase in building prices would reduce the value of the valuation to 53.1 million euros. These changes in the construction prices, combined with the changes shown in the sensitivity analysis conducted on the discount rate, result in a minimum value of 50.5 million euros (+ 5% in construction prices plus 1 p.p. in the discount rate) and with a maximum amount of 64.2 million euros (-5% in building prices and 1 p.p. in the discount rate).
- A reduction of 5% in the sales prices, foreseen in the evaluation, would result in an amount of 51.7 million euros and a 5% increase of these same sales prices would result in an amount of 62.8 million euros, combined with an increase of 1 p.p. discount rate would be 60 million euros. The growth of 5% in sales prices combined with the reduction of the discount rate by 1 p.p. would increase the appraisal value to 65.7 million euros.
- 10% advance of sales in all years considered in the appraisal, adding another year of trading to the project against the base scenario, would reduce the amount of the appraisal to 55.8 million euros. This variation in the project's trading, combined with the changes shown in the sensitivity analysis of the discount rate, result in a minimum amount of 53 million euros (10% advances in the sales, plus 1 year trading plus 1 p.p. in discount rate) and a maximum amount of 60.3 million euros (5% in advance of the sales and less 1 p.p. in the discount rate).
- With regard to the discount rate sensitivity analysis, a decrease of -1 pp in the discount rate, provided for in the valuation, would translate into a valuation value of 60 million euros and an increase of 1 pp in that same discount rate would be an appraised value of 54.6 million euros.

REAL ESTATE PROJECT IN MAPUTO

The Real Estate Project in Maputo is a land occupied by the former FACIM in downtown Maputo, with a total area of about 82,389 m².

The land has a "master plan" project approved by the Municipality of Maputo in October 2018, for a real estate development with an above-ground construction area of 456,456 m², which include residential, offices, commerce and tourism areas.

The assessment was carried out by REC, Lda (Real Estate Consulting) which is a member of the Royal Institution of Chartered Surveyors (RICS) and aimed at determining the Fair Value of the land for real estate development, mentioned above.

Market research was carried out for office areas, flats, commercial areas and even Hotels, Apart-Hotels and conference and event rooms, in order to determine the average price per square meter of land at 678 €/m² and the average price per square meter according to the construction potential and location at 122€/m², thus determining the value of the land of the Maputo Real Estate Project through the Comparative Method at around 55.8 million euros, which was later also validated through the Residual Method or Discounted Cash Flows (DCF).

However, the sensitivity analysis carried out showed that if market conditions cause an increase of 10 pp in the average price per square meter of land, the valuation would increase from 55.8 million euros to 58.6 million euros.

An increase of 5 pp in the average price per square meter of construction would increase the valuation to 57.2 million euros. Likewise, a decrease of 10 p.p. would reduce the evaluation amount to 53 million euros.

An increase of 5 pp in the average price per square meter of construction would increase the valuation to 57.2 million euros. However, a decrease of 10 p.p. would reduce the evaluation amount to 54.4 million euros.

If the variations referred to in the previous points occur simultaneously, the valuation would have a maximum amount of 60 million euros and a minimum amount of 51.6 million euros.

URBEIRA PROJECT

The so-called "Urbeira" land, which is a property of about 279,860 m² located south west of the city of Viseu and located at a distance of only 3 km from the city center, has an approved real estate project with a feasibility of building at 137,421 m² divided into housing, commerce and services.

The fair value was determined using the comparative method, with an average price of 242 euros per m², considering the construction area.

VISTA ALEGRE ATLANTIS BUILDINGS

These are real estate (land and buildings) not used in the ordinary course of the Grupo's business, being in their current state or after a valuation process, for sale.

The fair value of investment properties was determined based on market evidence. With regard to leased investment properties, lease contracts of limited duration are in force, typically with a duration of five years and automatically renewable for periods of one year unless they are terminated.

The fair value was determined by J. Curvelo as follows:

Vista Alegre Atlantis Buildings	Fair value 2021	Fair value 2020	Evaluation competences	Appraiser	Location	Assumptions	Intervals (average in euros)
Pine forest	938,237	930,000	Cost method	J. Curvelo	Alcobaça	price per m ²	€ 25.09
L. Barão Quintela		6,480,000	Comparative method	J. Curvelo	Lisbon	price per m ²	€1,717.18
Real Estate	2,664,000	2,664,000	Cost method	J. Curvelo	Ílhavo	price per m ²	€ 187.77
Rural plots of land	19,300	19,300	Comparative method	J. Curvelo	Ílhavo	price per m ²	€ 1.90
Vale do Ílhavo Plots of Land	135,000	135,000	Cost method	J. Curvelo	Ílhavo	price per m ²	€ 67.50
R. Neves Ferreira	377,000	377,000	Comparative method	J. Curvelo	Lisbon	price per m ²	€ 523.61
RAN Plots of Land	130,000	130,000	Comparative method	J. Curvelo	Ílhavo	price per m ²	€ 2.20
Urbanização I	1,447,500	1,447,500	Cost method	J. Curvelo	Ílhavo	price per m ²	€ 147.73
Urbanização II:							
Bairro Allotment and annex plots	5,070,000	5,070,000	Cost method	J. Curvelo	Ílhavo	price per m ²	€ 137.38
Murteira Allotment	946,000	946,000	Cost method	J. Curvelo	Ílhavo	price per m ²	€ 30.02
Rua Fáb. VA Allotment VA	1,390,000	1,390,000	Cost method	J. Curvelo	Ílhavo	price per m ²	€ 122.42
Urbanização I	467,185						
TOTAL	13,584,222	19,588,800					

In 2021, the Largo Barão Quintela Building was transferred to Tangible Fixed Assets in progress, as it is intended for constructing a new hotel in the Chiado area.

QUINTA DOS AREAIS PROJECT

Property with 51,633 m² located about 500 meters from the Hospital São Teotónio de Viseu that borders at west with Primeira Circular Sul de Viseu. It has a real estate project with a construction feasibility project of 61,375 m² divided by housing, commerce and services.

The fair value was determined using the comparative method, with an average price of 315 euros per m², considering the construction area.

LAND HELD FOR CAPITAL APPRECIATION

They refer to 14 lots, 12 of which are located in Viseu, 11 located in Quinta do Bosque next to Hotel Montebelo, a predominantly residential area, one in Aveiro and another in Guimarães, near Guimarães railway station. These are lots already developed, with all the necessary infrastructures, and with a total construction area of 54,406 m² for land with an overall area of 12,854 m².

The fair value of these properties was mainly determined using the comparative method, with an average price of 352 euros per m², considering the construction area.

PROJECT FOR QUINTA DO BOSQUE

The so-called Project for "Quinta do Bosque", which is divided into two lots, has 31,915 m² of construction area, is located in the city, next to Hotel Montebelo, in a predominantly residential area. It is intended to be used for the construction of a trade and services building to increase the offer in the central region of Portugal.

Its fair value was determined using the DCF method, with an average price of 464 euros per m², considering the construction area.

SANTA LUZIA PROJECT

The property called "Terreno Santa Luzia," with an implementation area of 27,978 m² and a built-up area of 38,519 m², is unquestionably, considering its excellent location, one of the best real estate offers in the city, mainly due to its proximity to the city's urban structuring roads and to the large commercial and service area that includes the Palácio do Gelo Shopping, the new CUF Hospital and the Centro Escolar Viseu Estrela.

The fair value was determined using the comparative method, with an average price of 344 euros per m², considering the construction area.

During 2021, there was a change in the use of this property, having been transferred to inventory, because the purpose does not include its long-term valuation and Grupo Visabeira intends to build and market the project. The project's licensing process is in progress.

CONDOMÍNIO DE BELO HORIZONTE DEVELOPMENT (MOZAMBIQUE)

The land of the future project Condomínio do Belo Horizonte, located in Matola, on the outskirts of Maputo, is in a residential area, which mostly comprises medium-/ high-quality houses.

The land of the project Condomínio do Belo Horizonte is in a well-established residential area, comprising medium-/high-quality houses, and is subdivided into 69 plots with a total area of 67,667 m². Its fair value, determined by a specialised independent entity, after obtaining a building permit on the 16th of December 2013, is 8.1 million euros.

MOZAMBIQUE COMMERCIAL SPACE PROJECT

There are two commercial stores, with areas of 468,78m² and 600m², which are not used in the usual business activity of the Grupo, that are leased to third parties. The fair value of these two stores was determined using the DFC method with an average price per m² of 2,633.68 euros and 4,373.46, respectively, considering the construction area.

Regarding these investment properties, there are short-term lease agreements, which are automatically renewable for periods one or two years, if it hasn't been terminated. The determination of the fair value of these investment properties was supported by market evidence using the Yield Method.

INVESTMENT PROPERTIES PROVIDED AS COLLATERAL AND CONTRACTUAL RESPONSIBILITIES

On the 31st of December 2021 and on the 31st of December 2020, there are no contractual obligations to purchase, build or develop investment properties. Likewise, there are no restrictions on the ability to carry out investment properties or on the income from disposal.

AMOUNTS RECOGNISED IN THE INCOME STATEMENT

In addition to the changes in fair value identified above and presented in the line "Change in fair value of investment properties", investment properties did not generate income in the period and the corresponding direct expenses were of intangible value.

25. Intangible assets

	Development projects and software programmes	Other intangible assets	Tangible assets in progress	Total
Opening balance on the 1st of January 2020	277,690	93,704,208	332,602	94,314,500
Increases	2,088,711	1,217,473	327	3,306,511
Disposals / Transfers	1,005,263	446,238	78,188	1,529,689
Changes to the perimeter	15,033	12,640,057	0	12,655,091
Exchange rate effect	-76,212	-2,661,586	-43,333	-2,781,132
Amortization for the year	-1,063,413	-5,129,763	0	-6,193,177
Closing balance on the 31st of December 2020	2,247,072	100,216,627	367,783	102,831,482
On the 31st of December 2020				
Acquisition costs	8,956,803	113,975,124	367,783	123,299,710
Accumulated depreciation	6,709,731	13,564,306	0	20,274,036
Impairment losses	0	194,191	0	194,191
Intangible assets	2,247,072	100,216,627	367,783	102,831,482
Opening balance on the 1st of January 2021	2,247,072	100,216,627	367,783	102,831,482
Increases	206,005	1,672,517	170,584	2,049,106
Disposals / Transfers	-1,097,618	1,514,891	89,159	506,432
Changes to the perimeter	688,461	1,863	1,229,132	1,919,456
Exchange rate effect	10,637	2,486,150	35,166	2,531,952
Amortization for the year	-299,578	-9,578,687	0	-9,878,264
Closing balance on the 31st of December 2021	1,754,978	96,313,362	1,891,824	99,960,164
On the 31st of December 2021				
Acquisition costs	9,706,388	117,060,021	1,891,824	128,658,232
Accumulated depreciation	7,951,409	20,552,467	0	28,503,877
Impairment losses	0	194,191	0	194,191
Intangible assets	1,754,978	96,313,362	1,891,824	99,960,164

In the line item "Other intangible assets," we should highlight the value of the Vista Alegre brand name (around 80 million euros), as attributed by an independent specialised entity at the time of the acquisition of the Grupo Vista Alegre Atlantis.

For the purpose of impairment testing, the brand value was assessed using a DCF method, based on business plans of the UGC in the porcelain, crystal and glass, earthenware and stoneware segment, approved by the Executive Board of Directors of the Grupo, with the following assumptions: discount rate of 5.9%, projections to 2026 with a sales growth rate of 8.7%; growth in perpetuity of 1.9%.

26. Inventories

	Raw Material	Goods	Finished products	Products and work in progress	Total
31st of December 2020					
Costs	31,862,581	19,120,790	86,558,647	3,139,549	140,681,567
Adjust	-2,842,866	-2,010,828	-19,955,533	-1,705,742	-26,514,969
Inventories valued at either the acquisition cost or realisation value, whichever is lower	29,019,715	17,109,962	66,603,114	1,433,808	114,166,598
31st of December 2020					
Costs	41,434,230	23,065,671	74,174,565	1,437,727	140,112,194
Investment properties transfers	0	0	13,261,000	0	13,261,000
Changes to the scope of consolidation	5,081,796	44,843	2,008,654	0	7,135,293
Adjust	-2,270,929	-2,632,127	-21,615,074	-1,408,393	-27,926,523
Inventories valued at either the acquisition cost or realisation value, whichever is lower	44,245,098	20,478,387	67,829,145	29,334	132,581,964

We should highlight the contribution of the sub-holding Visabeira Imobiliária to this line item (Note 10.a).

Finished products include 29.8 million euros related to real estate assets, namely buildings and land owned by the Grupo's real estate companies in Portugal.

27. Customers

SENSITIVITY TO KEY ASSUMPTIONS	2021	2020
Customers - current account	190,435,183	146,664,480
	190,435,183	146,664,480
Impairment of debts receivable	-15,406,200	-14,090,283
TOTAL	175,028,983	132,574,197

Carrying amounts presented are net of accumulated impairment losses for doubtful debts, which were estimated by the Grupo in accordance with its experience and based on its assessment of the economic environment, with the calculation of impairment losses being carried out in accordance with the Expected Credit Losses model (IFRS 9). The Executive Board of Directors believes that the carrying value of accounts receivable is close to its fair value. The companies in Grupo Visabeira that operate as infrastructures and telecommunications service providers sell to entities of recognised financial probity. This group includes entities such as local telecommunications operators, generally directly held by the Government of each country, replacing credit risk with political risk. Some examples of this are TMCEL, EDM – Eletricidade de Moçambique, Angola Telecom, Orange, Belgacom, British Telecom, Deutsche Telekom, PT, Nos, EDP and natural gas concessionaires.

The maturity of the amounts receivable is detailed as follows:

	Not yet overdue	Months after the maturity date				TOTAL
		< 6	6 – 12	12 – 18	> 18	
Customers - current account						
2021	78,432,422	46,383,011	10,676,957	10,237,821	44,704,971	190,435,183
2020	65,802,032	29,419,601	7,761,747	6,771,390	36,909,710	146,664,480

Of the balance older than 18 months, around 90% refers to balances receivable from companies in Angola and Mozambique, which, as mentioned above, are almost entirely companies of recognized financial standing and held by the Governments of each country.

The Executive Board of Directors finds the debt adjustment appropriate, and its evolution is detailed as follows:

	Opening balance	Change scope of consolidation	Write-off and exchange effect	Increases / Decreases	Final balance
Impairment of debts receivable	14,090,283	150,474	1,133,247	32,196	15,406,200

28. State and other public entities

	Assets		Liabilities	
	2021	2020	2021	2020
Income tax	0	1,914,499	140,212	0
Total - Income tax	0	1,914,499	140,212	0
Third-party income tax withholding	0	0	3,317,386	2,692,974
Value-added tax	0	0	9,112,730	10,925,800
Social Security Contributions	0	0	7,850,669	6,540,830
Total - State and other public entities	0	0	20,280,784	20,159,605
Total - State and other public entities	0	1,914,499	20,420,997	20,159,605

The values of Liabilities, State and other public entities are included in other accounts payable (Note 37.1).

29. Other accounts receivable and other assets

29.1. Other receivables

	2021	2020
NON-CURRENT		
Other debtors	2,267,196	2,000,000
Total non-current	2,267,196	2,000,000
CURRENT		
Shareholders	1,624,783	685,035
Other debtors	26,918,631	19,960,256
Advances from suppliers	5,825,058	5,231,846
Outstanding balances from suppliers	683,958	446,019
Subsidiary companies	1,000,415	1,248,514
Total current	36,052,846	27,571,669
TOTAL	38,320,041	29,571,669

In 2020, following the process initiated for the acquisition of the participation in EIP Serviços (Note 7), the Grupo lent to the company 2 million euros for treasury management. In 2021, since the company is already within the scope of Grupo Visabeira, this amount no longer exists.

Under the heading "Other debtors" during the 2021 financial year, there is the amount of 15.9 million euros related to the Special Tax Regime for Groups of Companies (RETGS) (see Note 43).

29.2. Other Assets

	2021	2020
CURRENT		
Deferred expenses	16,491,014	16,986,652
TOTAL	16,491,014	16,986,652

The amount of "Deferred costs" essentially corresponds to material/services, which is recognized as a cost depending on their consumption/use and invoices received in 2021 (2020), but these refer to costs incurred only in subsequent years.

30. Cash and cash equivalents

	2021	2020
Bank deposits	93,968,949	146,414,356
Term deposits	32,545,076	4,191,907
Cash	937,829	1,270,915
Treasury investments	3,444,672	2,960,675
TOTAL	130,896,526	154,837,853

The amounts presented in cash and cash equivalents are immediately available to implement (which is to say, they correspond to investments maturing in less than 3 months that can be available immediately without significant loss of value), with the exception of the amount of 3.4 million euros relating to indexed treasury bonds, incorporated in Angola and maturing on the 2nd of September 2023.

31. Share capital and Share issue premiums

During 2020, the Grupo Visabeira's share capital was increased, which resulted in an increase of 282,917 new shares.

The authorised share capital is represented by 23,308,043 bearer shares, with a nominal value of five euros and the amount paid up is 116,540,215 euros.

On the 31st of December 2020 and 2021, the majority shareholder Fernando Campos Nunes held, directly and indirectly, 98.57% of Grupo Visabeira (2019: 99.45%), with 22,974,443 shares.

Issuance premiums correspond to revenue obtained from the issuance or capital increases. In accordance with Portuguese commercial law, the amounts included in this caption follow what is established in the "Legal reserve", which is to say, the amounts are not distributable, except in case of liquidation of the company, however it can be used to absorb losses, after all other reserves have been exhausted, and for incorporation into the capital.

32. Earnings per share

	2021	2020
Basic		
Net income of the year for the purpose of calculation	31,742,596	24,252,965
Weighted average number of shares for the purpose of calculation	23,308,043	23,048,702
Basic earnings per share	1.362	1.052
Diluted		
Net income of the year for the purpose of calculation	31,742,596	24,252,965
Weighted average number of shares for the purpose of calculation	23,308,043	23,048,702
Diluted earnings per share	1.362	1.052

33. Retained earnings and other reserves

	2021	2020
Retained earnings	174,482,569	139,313,833
Financial investments - Swaps	29,307	42,867
Reserves	124,620,214	130,069,996
Fair value reserve of financial assets	-2,338,194	-1,843,194
Foreign currency translation reserves	-133,722,301	-174,749,326
TOTAL	163,071,595	92,834,177

Under Portuguese law, the amount of distributable reserves is determined based on the individual financial statements of Grupo Visabeira, S.A., presented in accordance with the International Financial Reporting Standards, as adopted by the European Union (IFRS-EU).

Portuguese commercial law establishes that 5% of net profits must be transferred to a legal reserve until it represents at least 20% of the share capital. This reserve is not distributable and can only be integrated into the share capital or used to absorb losses after all other reserves are exhausted.

The balance of retained earnings is not fully available for distribution, as it included gains resulting from increases in the fair value of investment properties. The caption reserves corresponds essentially to the revaluation, contractual reserves and legal reserves set up in each subsidiary. Based on the information available on this date, no dividend distribution to shareholders is expected to 2022.

The Fair Value Reserve of financial assets essentially corresponds to the devaluation of shares recorded at fair value through Other Comprehensive Income (see Note 7.1).

34. Non-controlling interests

	% of minority interests		Book value		Attributed results		Main shareholders
	2021	2020	2021	2020	2021	2020	
VISABEIRA GLOBAL							
TVCabo Angola, Lda	50.00%	50.00%	46,490,566	34,763,862	1,410,227	-6,226,175	Angola Telecom (50%)
TVCabo Moçambique, Lda	50.00%	50.00%	27,413,387	20,979,940	228,205	-755,096	TMCEL (50%)
Televisa, Lda	50.00%	50.00%	2,007,200	622,412	1,138,133	-182,498	TMCEL (50%)
Cunha Soares & Filhos, S.A.	20.00%	-	787,609	0	356,877	0	PC - Pintos e Companhia (20%); JCS - Consultoria Marketing (19%); Grey Trivial - Consulting (10%)
CST - Companhia Santomense de Telecomunicações, S.A.R.L.	49.00%	-	19,065,751	0	-39,723	0	Estado Santomense (49%)
Martifer-Visabeira, S.A.	50.00%	-	2,158,366	563,202	1,317,617	4,130	Martifer Metallic Constructions (50%)
Electrotec, S.A.	51.00%	-	669,596	-	1,222,047	-	Intelec Holdings (50%); Salimo Abdula (1%)
VISABEIRA INDÚSTRIA							
Vista Alegre, SGPS, S.A.	14.40%	14.40%	19,623,923	19,390,553	236,162	-336,948	Free Float (14.40%)
Ambitermo, S.A.	49.00%	49.00%	3,583,959	3,630,354	-46,396	55,265	Raquel Mateus Gomes da Silva (44%); Hidrax (5%)
VISABEIRA TURISMO, IMOBILIÁRIA E SERVIÇOS							
PDA, S.A.	45.00%	45.00%	18,222,669	18,652,355	-429,685	-1,948,109	Município de Aveiro (45%)
Constellation, S.A.	42.86%	42.86%	15,981,015	15,233,183	365,792	7,218,714	Fundo de Pensões do Banco de Moçambique (23%); Seguradora Internacional de Moçambique (20%)
Others			1,252,168	-707,895	459,872	-78,915	
TOTAL			157,256,209	113,127,967	6,219,128	-2,249,634	

It is important to note the amount of non-controlling interest of Cunha Soares & Filhos and CST – Companhia Santomense de Telecomunicações, as a result of share purchase. The financial information of these companies is as follows:

Amounts in euros

	TVCabo Angola	TVCabo Moçambique	Televisa	Vista Alegre	Ambitermo	PDA	Constellation	Companhia Santomense de Telecomunicações
Net assets								
Tangible and intangible assets	188,720,314	92,187,200	956,596	130,033,668	4,119,906	25,459,084	34,695,463	33,665,648
Investment properties	0	0	0	938,237	0	0	0	0
Other Assets	192,271,145	3,972,572	22,929,943	89,190,889	5,584,277	95,733	82,778	6,868,393
Cash and cash equivalents	5,497,469	2,602,440	276,439	12,059,576	3,724,372	2,581	351	2,320,813
Bank loans	-8,297,116	-3,564,198	-492,482	-96,912,088	-670,505	-21,397,118	-2,487,077	0
Other liabilities	-105,824,786	-36,275,306	-19,635,006	-66,752,459	-5,789,638	-419,713	-6,221,381	-7,779,530
Total net assets	99,323,025	58,922,709	4,035,491	68,557,823	6,968,412	3,740,567	26,070,134	35,075,324
Consolidated turnover								
	30,499,634	20,804,092	7,794,539	117,150,274	7,846,288	77,793	0	2,246,409
Net income	824,187	344,724	-493,080	1,526,939	-94,695	-1,840,484	853,731	-81,067

35. Debt

	2021			2020		
	Current	Non-current	Total	Current	Non-current	Total
Commercial paper	104,700,000	93,050,000	197,750,000	58,930,000	125,580,000	184,510,000
Bank loans	84,762,227	215,345,992	300,108,219	89,589,920	196,444,359	286,034,279
Bond loans	3,303,587	224,961,668	228,265,255	23,779,860	226,648,617	250,428,477
Repayable subsidies	1,106,582	12,766,288	13,872,870	803,355	13,420,785	14,224,141
TOTAL	193,872,396	546,123,948	739,996,344	173,103,135	562,093,762	735,196,896

The loans contracted, namely commercial paper programmes, bond loans and mutual funds generally include, in addition to the usual terms and conditions, *cross default*, *pari passu* and *negative pledge*, clauses on ownership by the Grupo or the majority shareholder.

During the period 2021, the evolution of indebtedness can be represented as follows:

	Bank loans
Opening Balance on the 1st of January 2021	735,196,896
Transactions with cash impact:	
Investing activities	
Receipts of refundable subsidies	9,141,884
Financing activities	
Receipts of loans	409,363,616
Amortization and repayment of loans	-412,864,554
	5,640,947
Transactions without cash impact:	
Exchange rate variation	5,425,829
Recognition of amortised cost	1,215,860
Changes to the scope of consolidation	915,129
Unrefunded Financing	-8,398,317
	-841,499
Closing balance on the 31st of December 2021	739,996,344

Issuing commercial paper, although maturing in a period inferior to or equal to one year, is covered by medium and long term programs which ensure their automatic renewal throughout the program period. Thus, commercial paper issues are presented as due in the medium and long term, unless the program ends within a period of less than 12 months.

The loans contracted, namely commercial paper programmes, bond loans and mutual funds generally include, in addition to the usual terms and conditions, *cross default*, *pari passu* and *negative pledge* clauses on ownership by the Grupo or the majority shareholder.

Financing operations that are subject to covenants related to levels of financial autonomy and indebtedness ratios, determined based on the consolidated financial statements of the Grupo and some of the subsidiaries, were negotiated under normal market conditions. On the 31st of December 2021, no creditor could demand the early repayment of any financing granted to the Grupo as a result of a non-compliance of covenants.

On the date of the statement of financial position, the Grupo's average debt maturity was 2.5 years (2020: 3 years) (2019: 3.7 years).

35.1 Commercial paper

	2021			2020		
	Current	Non-current	Total	Current	Non-current	Total
Grupo Visabeira, S.A.	89,400,000	52,400,000	141,800,000	48,150,000	72,200,000	120,350,000
Viatel, S.A.	5,100,000	4,550,000	9,650,000	3,980,000	11,230,000	15,210,000
Visabeira Global, SGPS, S.A.	7,700,000	34,600,000	42,300,000	4,300,000	38,150,000	42,450,000
Pinewells, S.A.	1,000,000	0	1,000,000	1,000,000	1,000,000	2,000,000
Visabeira Indústria, SGPS, S.A.	1,500,000	1,500,000	3,000,000	1,500,000	3,000,000	4,500,000
TOTAL	104,700,000	93,050,000	197,750,000	58,930,000	125,580,000	184,510,000

35.2 Bank loans

Bank loans have the following geographic division:

	2021			2020		
	Current	Non-current	Total	Current	Non-current	Total
BANK OVERDRAFTS AUTHORISED	16,002,665	219,971	16,222,636	8,731,526	0	8,731,526
Portugal	10,010,441	0	10,010,441	3,657,865	0	3,657,865
Africa	0	0	0	394,655	0	394,655
Europe	5,992,223	219,971	6,212,194	4,679,006	0	4,679,006
LOANS OBTAINED	68,759,562	215,439,117	284,198,679	80,858,394	196,444,359	277,302,753
Portugal	53,223,414	171,576,656	224,800,070	66,421,802	151,877,980	218,299,781
Africa	6,254,678	13,743,534	19,998,212	8,000,127	15,414,958	23,415,084
Europe	9,281,470	30,118,927	39,400,398	3,502,950	25,305,027	28,807,977
America	0	0	0	2,933,515	3,846,394	6,779,910
TOTAL	84,762,227	215,659,088	300,421,315	89,589,920	196,444,359	286,034,279

The interest rate varies by country, company, type, guarantees and term of financing. In Europe the lowest rates show a margin of 0% in some liquidity support lines signed within the pandemic framework, and the maximum rate of 4.5%. In Angola, the most representative financing is expressed in US dollars and is subject to a Libor USD interest rate plus a spread of 2.9%.

In Mozambique, financing is contracted in local currency, mostly indexed to the Prime Rate of the financial system, with spreads between -3% and 0.52%.

35.3 Bond loans

	2021			2020		
	Current	Non-current	Total	Current	Non-current	Total
Grupo Visabeira, SGPS, S.A.	0	92,000,000	92,000,000	23,404,160	107,595,840	131,000,000
Constructel – Contruções et Telec., SARL	0	55,000,000	55,000,000	0	55,000,000	55,000,000
Visabeira Moçambique, S.A.	1,250,000	2,245,750	2,936,750	407,250	2,307,750	2,715,000
Visabeira Global, SGPS, S.A.	1,398,866	29,396,974	30,795,840	0	15,200,000	15,200,000
Vista Alegre, SGPS, S.A.	691,000	48,750,000	50,000,000	0	50,000,000	50,000,000
Amortised cost and fair value	-36,279	-2,744,152	-2,780,432	-31,550	-3,454,973	-3,486,523
TOTAL	3,303,587	224,648,572	227,952,158	23,779,860	226,648,617	250,428,477

The bond loans includes a syndicated issue for Grupo Visabeira maturing on 22/01/2024; 15/07/2024; 22/07/2025; 22/02/2026; 23/03/2026 and 22/01/2025; for Constructel amounting to 55 million euros maturing on 27/09/2024; and a guaranteed bond loan from Vista Alegre amounting to 50 million euros issued in two instalments: i) an instalment issued in MARF (Mercado Alternativo de Renta Fija) in the amount of 45 million euros, raised by several institutional investors, starting on 21/10/2024 for 5 bullet years and ii) a second instalment in the amount of 5 million euros starting on 21/10/2019 and maturing on 21/10/2024 with constant annual liquidation of capital subscribed by BPI. In 2020, a new EO of Visabeira Global SGPS of 15.2 million Euros was issued, maturing on 22/07/2025 at Montepio bank. In 2021, a new bond loan was issued by Visabeira Global in the total amount of 16.3 million euros with Montepio Geral and Montepio Investimento, maturing in 2026

In general, these issues include the covenants that are common in this type of financing, namely *pari passu*, *cross default*, *negative pledge* and *ownership*.

35.4 Debt maturity and contracted currency

	Portugal	Europe	Africa	TOTAL
2022	171,653,024	15,273,694	6,945,678	193,872,396
2023	161,988,966	9,200,125	6,775,646	177,964,737
2024	174,880,372	61,950,006	5,951,391	242,781,769
2025	64,810,670	7,135,146	1,617,117	73,562,932
TOTAL	617,040,612	100,020,770	22,934,962	739,996,344

The amount of short-term debt includes approximately 28.15 million euros relating to Secured current accounts and authorised overdrafts and 60 million euros of debt with institutional investors with a revolving nature. The short-term residual debt will amount to 105 million euros, representing about 14% of the consolidated debt.

In this context, the Grupo agreed to refinancing the bond instalment maturing in January 2021 in the amount of 36 million euros in bilateral financing operations.

The Grupo estimates that there is a need to refinance part of the short-term residual debt, a process which is carried out together with current and potential new funders.

36. Suppliers

	2021	2020
Suppliers - current account	182,977,879	154,229,505
TOTAL	182,977,879	154,229,505

37. Other accounts payable and other liabilities

37.1 Other accounts payable

	2021	2020
NON-CURRENT		
Investment subsidies	16,668,772	11,399,978
Debt related to purchase of subsidiaries - Contingent remuneration	32,270,174	25,831,567
Selling option related to the acquisition of subsidiaries	10,492,270	7,580,838
Debt related to purchasing subsidiaries	14,900,000	12,500,000
Other	8,476,661	12,689,242
Total non-current	82,807,876	70,001,624
CURRENT		
Factoring	19,791,690	18,780,672
Discount on export shipments	5,949,575	9,815,951
Express Bill	8,726,179	8,041,245
Confirming	43,163,445	43,367,236
Investment suppliers	3,989,625	2,922,305
Investment grants	1,852,086	1,266,664
Advances on account of sales	452,625	347,857
Associated and subsidiary companies	630,683	1,009,291
Debt related to purchasing subsidiaries	600,000	0
Debt related to purchase of subsidiaries - Contingent remuneration	18,210,854	7,309,063
Selling option related to the acquisition of subsidiaries	4,368,929	2,500,000
Post-employment benefits	199,523	316,048
Customer creditors balances	605,280	100,649
State and other public entities (except income tax)	20,280,784	20,159,605
Staff	7,741,713	7,531,423
Other	39,104,852	35,436,390
Total current	175,667,843	158,904,398
TOTAL OTHER ACCOUNTS PAYABLE	258,475,720	228,906,022

The increase in the non-current balance of deferred payments for purchasing subsidiaries results from contractual obligations with non-controlling interests in the result of contingent remuneration and put option agreements granted. It is important to highlight the increase in sale options related to purchases that took place during the year under analysis (see Note 8).

In 2021, at Grupo Vista Alegre, the financing component of the Stoneware and Bordallo Pinheiro projects was converted into a non-refundable subsidy in the amounts of nearly 3.4 million euros and 1.6 million euros, respectively. These subsidies recognise the innovative nature of these projects and the compliance with contractually fixed metrics.

The total liability related to repurchase options on shareholding in Visabeira Global SGPS, S.A. and Visabeira Indústria, SGPS, S.A. under "Others", amounts to 11.5 million euros on the 31st of December 2021. Additionally, there is a liability of 1.2 million euros related to a repurchase agreement for buildings that are part of Bordallo Pinheiro's tangible fixed assets.

Under current accounts payable, it should be noted that the heading "others" includes 9.4 million euros relating to balances payable to shareholders of Cunha Soares (see Note 7). This payment is expected to occur in 2022.

37.2. Other liabilities

	2021	2020
CURRENT		
Remunerations payable	17,664,228	16,684,825
Work in progress not invoiced by suppliers.	68,496,823	68,848,576
Derivative financial investments (See Note 39)	13,560	31,488
TOTAL	86,174,610	85,564,889

In 2021, the amount of "Work in progress not billed by suppliers" is essentially related to the telecommunications business.

Despite the growth in the Grupo's turnover, there was a decrease in this heading, essentially explained by the subcontracts in France due to developments in billing.

38. Lease liabilities

The detail of the lease liabilities, and the respective movement during 2021, is broken down as follows:

Non-Current lease liabilities	62,928,602
Current lease liabilities	27,352,915
Closing balance on the 31st of December 2020	90,281,518
Changes in the scope of consolidation	278,556
Increases	29,108,043
Debt amortization	-31,693,997
Closing balance on the 31st of December 2021	87,974,121
NON-CURRENT	
Financial institution	18,098,786
Other creditors	40,044,561
Total non-Current lease liabilities	58,143,347
CURRENT	
Financial institution	11,319,849
Other creditors	18,510,925
Total current lease liabilities	29,830,774
TOTAL	87,974,121

38.1. Maturity of lease liabilities

	Portugal	Europe	Africa	Total
2022	12,636,336	16,522,750	671,687	29,830,774
2023	9,935,295	13,715,728	570,147	24,221,169
2024	6,298,672	10,098,125	322,672	16,719,470
2025	4,581,989	2,777,624	80,471	7,440,083
2026 and followings	8,065,569	1,085,864	611,191	9,762,624
TOTAL	41,517,862	44,200,091	2,256,168	87,974,121

39. Financial Risks

Grupo Visabeira's control matrix always prioritises its exposure to a diverse set of risks arising from its different business areas and, therefore, undertakes the management of credit risk and the protection of its treasury as a priority, recognizing, within this context, the importance of credit insurance as an essential instrument, both in the domestic and foreign market.

In this context, the importance of adopting an active management of the different financial risks has always been assumed, in order to minimize its potential negative impacts on the company's cash flow, profit and value. For this reason, always aware of the paramount importance of this issue, Grupo Visabeira promotes an accurate and proactive management of these risks, aiming at applying the most appropriate coverage measures for each situation.

Within this context, the Grupo is fully aware that the success of its operations critically depends on the mitigation and control of any risks that can significantly affect all of its assets (equipment, service quality, information, facilities) and seeks to avoid, thereby jeopardizing its strategic objectives.

Market risk

INTEREST RATE RISK

Grupo Visabeira's exposure to interest rate risk arises mainly from loans obtained, since financial investments are usually short-term investments and loans granted to its subsidiaries are mostly remunerated at a fixed rate. Consequently, impacts arising from changes in interest rates do not materially affect the accounts.

The balance of the consolidated financial debt of the Grupo Visabeira by the end of December 2021 was contracted, for the most part, at the indexed interest rate, and the main indexing factor was the Euribor rate at the different maturities for domestic financing, and the Libor rate for loans in dollars, mostly granted to foreign companies. Aiming at reducing the risk of interest rate fluctuation, in 2018, the Grupo issued a fixed rate bond loan to the amount of 55 million euros. On the date of the statements of financial position, Grupo Visabeira has open positions classified as hedging instruments associated with this index for 1.24 million euros, contracted in 2015 with a mark-to-market value of -13.5 thousand euros, as follows:

Company	Description	Nominal value	Operation type	Average maturity	Economic target
Naturenergia, S.A.	Swap Euribor 3M	1,245,238	Interest Rate Swap	8 years	Eliminate the risk of variation of the interest rate on financing

The fair value of all these derivative financial instruments is reflected in the statement of financial position, as follows:

Company		Book value 2021	Book value 2020
Naturenergia, S.A.	Swap Euribor (3M€)	-13,560	-31,488
TOTAL		-13,560	-31,488

In this context, and having started the year with a value of -0.545%, the 3-month Euribor by the end of the year settled at -0.572%. With this Euribor standing at very low levels and with a stable short-term trend, Grupo Visabeira estimates that the results coming from changes in this index will not have a significant impact on its short-term accounts. An increase of 25 basis points in the interest rate would imply for Grupo Visabeira, by reference to consolidated accounts, an increase in financial charges of around 2 million euros.

EXCHANGE RATE RISK

Grupo Visabeira, within its various areas of activity, is exposed to exchange rate and transaction risks. Exposure to transaction risk refers to potential changes in the value of outstanding obligations due to changes in exchange rates between the start date and settlement date and are reflected in profit-and-loss for the period. Exposure to foreign exchange risk results from the translation into national currency of the financial statements of its subsidiaries, whose assets and liabilities are denominated in currencies other than the reporting currency of the consolidated accounts - Euro - and are reflected in equity, under exchange conversion reserves.

The Grupo holds assets and liabilities denominated in US dollars in different geographies and subsidiaries, which allows partially hedging exchange rate risk vis-à-vis that currency. In foreign markets, particularly Angola and Mozambique, local companies import goods and services from the European market in euros, billing customers in kwanzas and meticals, respectively. These markets usually present a devaluation trend against the "strong" currencies, the Euro and the US Dollar. However, in Mozambique, during the previous year, there was an appreciation of 14.77% of the metical against the US dollar and 21.40% of the metical against the euro. The European currency has become the benchmark for the Angolan market since the beginning of 2017 due to restrictions that affected the corresponding banks. The Angolan government initiated in 2018 a process leading to a devaluation of the currency, eliminating the peg against the dollar, through auctions limited in volume and exchange rate, controlled by the BNA, under the Macroeconomic Stabilization Program. Another goal defined was to combat the gap between the rates in the formal and informal market, which at the beginning of 2018 stood at 159% against the dollar. In 2019, an Extraordinary Session of the Monetary Policy Committee of the BNA took place, which introduced new objectives in the context of the reform that had been carried out. The National Bank of Angola decided, at the end of that year, for the implementation of a floating exchange rate regime in which the exchange rate is freely defined by the market, i.e., according to the demand and supply of foreign currency. Throughout 2021, the BNA continued the process of liberalizing the exchange market, continuing the work carried out in the previous years where it updated and clarified the rules and procedures for making payments abroad for foreign exchange transactions involving invisible currents, goods and capital, with the desired effect of reducing the gap between the exchange rates in the formal and informal markets, against the dollar, which stood at 20%.

In 2021, there was also a tendency for the national currency to recover, which appreciated 15% against the dollar and 25% against the euro, breaking a cycle of strong devaluation which started in 2018. Angola also saw its rating improved by the financial rating agency Moody's, complied with an International Monetary Fund (IMF) financial adjustment program, whose performance is praised by the Fund's staff, and benefited from the increase in oil prices, the country's main raw material, worth 90% of revenues. Consolidated financial results include a currency positive impact from Angola of 2.1 million euros. MJ QUINN, a company purchased in 2018 and operating in the United Kingdom within the telecommunications infrastructures sector for British Telecom. The company trades in British Pounds, so it is not exposed to relevant transaction risks. Integrating the company in the consolidated accounts is subject to the exchange rate fluctuation of the British Pound against the Euro - transpose risk. Future dividends will also be exposed to said exchange rate fluctuation. The British Pound started the year at 1,11231 Euros and ended the year at 1,19008 Euros. The same applies to the factors cost with JFECC, a company purchased in 2020 operating in the United States of America in the energy sector, which subject to transposition risk. Due to its integration in the consolidated accounts, it is subject to the fluctuation of the US Dollar against the Euro. The American dollar started the year at 1,2271 Euros and ended the year at 1,1355 Euros. An exchange rate devaluation of 5% of the reference currencies in the main countries, by reference to outstanding balances as of the 31st of December 2021 would have the following impact on the income statement headings:

Exchange 31/12/2021		Angola	Mozambique	Portugal	Brazil	United Kingdom	Dubai	France	Overall Total
AED	4.16	0	0	-7	0	0	-380	0	-386
AOA	629.015	0	-529	-3,630	0	0	0	0	-4,160
EUR	1.000	-846,467	-1,725,067	0	-120,217	-8,902	0	0	-2,700,653
MZN	72.32	-12,746	0	12,654	0	0	0	0	-92
USD	1.14	-362,023	-362,194	91,408	-2,945	0	0	0	-635,755
ZAR	18.04	45	-30,267	234	0	0	0	0	-29,988
BRL	6.39	0	0	-209	0	0	0	0	-209
GBP	0.84	0	0	14,183	0	0	0	-71,632	-57,449
Total		-1,221,192	-2,118,057	114,633	-123,162	-8,902	-380	-71,632	-3,428,692

CREDIT RISK

Credit risk is an important and complex activity that is present in the everyday life of most companies of Grupo Visabeira, whatever the nature of their business. Risk assessments imply credit decisions, at times, based on incomplete information, within a scenario of uncertainty and constant change. Considering the business itself, the business areas in which it operates, or the risk of the region and country, the classification and assessment of the credit risk of a given customer is usually summarised in a credit record, which includes available and relevant information such as the customer's nature, management capacity, assets, history, financial information, credit guarantees and payment terms and others that will inform an opinion on a given credit transaction. The assessment of credit risk reflects the multiplicity, quality and origin of the information available to the credit analyst.

Grupo Visabeira maintains the policy underwriting in Portugal, Germany, Spain, the United States of America, Brazil and France, delegating in first instance the analysis of credit granting in professionals specialised in the collection and recovery of debts, receiving from the credit insurer an assessment of the exposure - credit limit - adjusted to the credit worthiness of each customer. Thus, management can be primarily focused on operational issues. Covering this risk allows for compensation of 90% of unpaid customer credits. The last few years have been marked by an increase in restrictions on the granting of credit in general, and during 2021, as a result of the COVID 19 outbreak, the credit insurance company recorded very significant reductions in credit line limits from various national and foreign entities, with particular emphasis on companies operating in the sectors most affected by the pandemic, which in some cases even forced some spaces to close and some activities to stop over extended periods of time. In view of this scenario, and in order to meet the credit risk coverage needs in foreign markets, in which the limits granted under the base policies are insufficient, the Grupo Visabeira has insured additional coverages that allow it to increase the partial coverage of its risks, up to twice the amount granted in the base policy, and as well as to obtain coverages for risks that have no value attributed in the said base policy, up to the limit of fifty thousand euros. At the same time, it is the organization's purpose to obtain coverage for risks that have no value attributed in the aforementioned base policy, through non-recourse factoring. The added constraints in the external hedging of loans entail a greater precision and stricter requirements in assessing applications for internal credit.

Also relevant is the amount received as advance payment or payments in cash, which, in the year under review, represented a volume of about 6.3% of turnover, with a special contribution from the cable TV and Internet distribution, tourism, restaurants and leisure businesses. Loans granted to external entities, which also act as suppliers of the Grupo, had, in 2021, a weight of 0.7%.

Companies in the Grupo Visabeira that operate as infrastructure and telecommunications service providers sell to entities of recognised financial probity, which accounted for about 48% of consolidated turnover in 2021. This group includes entities such as telecommunications operators, usually directly held by the Government of each country, replacing credit risk with political risk. Examples of most prestigious operators in the Grupo's portfolio: Orange (France Telecom); British Telecom; Proximus (Belgacom); Deutsche Telekom; MEO – Serviços de Comunicações e Multimédia; NOS Comunicações; EDP Distribuição; GRDF – Distribution de Gaz Naturel en France; ERDF – Électricité Réseau Distribution France; EDM – Eletricidade de Moçambique; TDC A/S; Huawei Technologies Denmark Aps; Hidroeléctrica de Cahora Bassa; Vodacom Moçambique; and natural gas concessionaires, among others. At the closing date, TMCEL and Angola Telecom, public shareholders of TVCABO Moçambique and TVCABO Angola respectively, had outstanding balances of around 24 million euros, representing around 14% of the customer balance.

LIQUIDITY RISK

Grupo Visabeira manages liquidity risk in such a way as to ensure the financing of assets by maturity date and at appropriate rates and the timely settlement of its financial commitments, while maintaining appropriate cash balances and short-term credit lines, which allow for the proper management of cash to meet short-term financial commitments.

In order to minimize the impacts caused by the COVID-19 pandemic, countries' government throughout the year launched some measures which aimed at supporting and reducing the direct impacts that this outbreak could cause on companies and their employees. Measures such as simplified lay-off, capital and/or interest moratorium on current loans, as well as new lines of support for the economy with more accessible financial conditions were some of the actions that were continued in 2021 and which companies could access. In 2021, financing was contracted, within the scope of economy support lines launched specifically to support companies affected by the COVID 19 outbreak, in the amount of 13 million euros. Companies which had adhered to the legal moratoriums during 2020 are no longer under them, and now comply with the plans established prior to introducing this extraordinary measure.

Grupo reinforced its strategy of diversifying funding sources. In December 2021, was renewed the registration of the commercial paper program in the Mercado Alternativo de Renta Fija (MARF) in Spain, with an increase of 75 millions of euros, from the overall amount of the programme, with active issues growing from 15 million euros in 2019 to 52.1 million euros in 2021, reinforcing the strategy of progressively reducing dependence on national banks. Grupo also contracted new commercial paper with the national banks, in the amount of 25.3 million euros maturing in 2024, in addition to several other refinancing operations.

The new investments made in industrial companies were financed with maturities between six and seven years.

During 2022, taking into account that the amount of the debt, presented in the statement of financial position on the 31st of December 2021 as payable in the short term, incorporates 28.15 million euros in terms of secured current accounts and authorized overdrafts, as well as 60 million euros of revolving debt with corporate investors, we believe that the short term debt that may be subject to refinancing will amount to 105 million euros, representing about 14% of the consolidated debt. Under the same assumption, if cash and cash equivalents are taken into account (although around 20.1 million euros may be subject to the restrictions currently maintained in transferring foreign currency from Angola and Mozambique), the residual short-term net debt that may be subject to refinancing will be fully covered by the value of the availabilities, which can also be addressed with the operational flows released during the year.

Grupo Visabeira, through its policy of concentrated management, ensures that the cash holdings as well as the investments of all the Grupo's companies are managed by a global and centralized organization, especially working for this purpose. Thus, allowing to reduce liquidity risks, as well as avoiding exposure to variations that may affect the companies' profit.

The Grupo has lines of credit approved under the Portugal 2020 program, and under financial institutions, which amount to 27.4 million euros. The Grupo will seek to obtain specific funding for the remaining investments planned for 2021. Moreover, the purpose is to negotiate as well the partial revolving of some short term commitments, whose renewal we consider to be a strong favourable forecast, as it focuses on partner entities with whom there are long relationships.

The Grupo also has support lines for cash holdings, under factoring, payment to suppliers and discount of documentary remittances to the amount of 78.2 million euros, available at the end of 2021. The use of factoring, on the other hand, allows for a reduction in the average receivable terms with the inherent anticipation of receipts and, at the same time, facilitates better cash management. This policy ensures as well that the working capital necessary to finance the operating cycle, which is fundamental to a sustained economic and financial growth. On 31st of December 2021, amounts paid in advance by customers in this format stood at 14.1 million euros. The Grupo has additionally contracted short-term current accounts to meet occasional cash needs.

It should also be noted that the Grupo's cash and cash equivalents amounted to 146.7 million euros, mostly concentrated in European countries, which in itself represents an important source of liquidity.

The short-term debt of Grupo Visabeira is rated "B" by ARC Ratings, which means that the Grupo currently has a strong capacity to meet its financial commitments. ARC Rating also assigned a rating for the medium and long term, classifying the capacity to fulfil short-, medium- and long-term financial commitments with BB+, having changed the Outlook from negative to stable.

The overall liquidity ratio in the consolidated accounts was 0.90 in 2020, showing an improvement in the adequacy of financing of current assets by current liabilities. Taking into account that current liabilities include support lines for commercial activity amounting to 78 million euros and which are of a revolving nature, the liquidity ratio is at 1.0.

The maturity of the financial liabilities is detailed as follows:

2021	0-1 year	1 - 2 years	2 - 3 years	3 - 4 years	> 4 years	Total
Suppliers (Note 36)	182,977,879	0	0	0	0	182,977,879
Loans (Note 35)	193,872,396	177,964,737	242,781,769	73,562,932	51,814,511	739,996,344
Lease liability (Note 38)	29,830,774	24,221,169	16,719,470	7,440,083	9,762,624	87,974,121
Debt related to purchase of subsidiaries - Contingent remuneration (Note 37.2)	18,210,854	7,676,049	8,765,107	7,799,191	8,029,826	50,481,028
Debt related to purchase of subsidiaries (Note 37.2)	600,000	600,000	13,100,000	600,000	600,000	15,500,000
Selling options (Note 37.2)	4,368,929	2,500,000	4,141,287	3,850,983	0	14,861,199
Repurchase options from holdings (Note 37.2)	4,212,523	4,287,739	4,188,922	0	0	12,689,184
Total	434,073,355	217,249,694	289,696,555	93,253,189	70,206,961	1,104,479,754

In October 2021, an agreement was signed between Constructel Visabeira and Goldman Sachs for 21.86% of the company's capital in the amount of 200 million euros, taking place on the 12th of May 2022 after obtaining the necessary authorizations, namely authorization from competition authorities. The entry of this capital was foreseen in the company's strategy to ensure financing for future M&A operations, maintaining the expansion cycle that has occurred to date. With this investment, Constructel Visabeira returned the supplementary payments in the amount of 60 million euros to the shareholder Visabeira Global.

GRUPO VISABEIRA'S CAPITAL MANAGEMENT

For purposes of Grupo Visabeira's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the parent company's shareholders.

The main purpose of the Grupo's capital management is to maximize shareholder value. Grupo Visabeira manages its capital structure and makes changes based on economic changes and financial covenant requirements. To optimize its capital structure, Grupo has several mechanisms such as the distribution of dividends, return of capital or issuance of new shares. Grupo monitors its capital using the Gearing ratio as a reference, which is net debt divided by total capital plus net debt. Grupo includes in its debt: loans, lease liabilities and operating debt less cash and short-term deposits.

	2021	2020
Total bank loans (Note 35)	739,996,344	735,196,896
Total lease liability (Note 38)	87,974,121	90,281,518
Factoring (Note 37.1)	19,791,690	18,780,672
Confirming (Note 37.1)	43,163,445	43,367,236
Discount of documentary collection (Note 37.1)	5,949,575	9,815,951
Express Bill (Note 37.1)	8,726,179	8,041,245
Cash and cash equivalents (Note 30)	-130,896,526	-154,837,853
NET DEBT	774,704,827	750,645,664
Total Equity	484,160,422	369,794,761
CAPITAL AND NET DEBT	1,258,865,249	1,120,440,425
GEARING RATIO	62%	67%

To achieve this purpose, the Grupo's capital management, among other things, aims to ensure compliance with financial clauses associated with the loans.

There were no financial agreements non-compliance of any loan during the current period.

No changes were made to capital management purposes, policies or processes during 2021 and 2020.

OTHER DISCLOSURES ON FINANCIAL INSTRUMENTS

As defined by IFRS 9, the carrying value of each of the categories provided is broken down as follows:

	2021	2020
Financial assets recorded at amortized cost		
Customers	175,028,983	132,574,197
State and other public entities	0	1,914,499
Other receivables	38,320,041	29,571,669
Cash and cash equivalents	130,896,526	154,837,853
Other financial investments recorded at fair value through other comprehensive income		
Listed shares	689,947	1,243,887
Other financial instruments measured at fair value through profit or loss		
Listed shares	379,109	332,812
Cash flow hedging derivatives recorded at fair value	13,560	31,488
Financial liability at amortized cost		
Long-term debt	546,123,948	562,093,762
Short-term debt	193,872,396	173,103,135
Suppliers	182,977,879	154,229,505
Other accounts payable	258,475,720	228,906,022

MEASUREMENT AT FAIR VALUE

The following table presents the fair value hierarchy of the assets and liabilities held by the Grupo as of the 31st of December 2021 and 2020:

Assets measured at fair value - 2021				
	Total	Level 1	Level 2	Level 3
ASSETS MEASURED AT FAIR VALUE				
Investment properties	297,323,457			297,323,457
Listed shares	1,069,055	1,069,055		
ASSETS MEASURED AT FAIR VALUE				
Financial instruments - Swaps	13,560		13,560	
Assets measured at fair value - 2020				
	Total	Level 1	Level 2	Level 3
ASSETS MEASURED AT FAIR VALUE				
Investment properties	311,148,821			311,148,821
Listed shares	1,576,698	1,576,698		
ASSETS MEASURED AT FAIR VALUE				
Financial instruments - Swaps	31,488		31,488	

No transfers between levels 1 and 2 were made in the financial years 2021 and 2020.

The fair value of loans paid to banks is considered close to their book value, given the recent renegotiation of the most significant loans and the market rates applied.

40. Contingencies

A) PROCEEDINGS WITH PROBABLE LOSSES

On the 31st of December 2021 and 31st December 2020, continue several legal claims and other tax contingencies filed against various companies in the Grupo, which are classified as proceedings with probable losses, in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets. Based on the opinion of internal and external legal advisers, the Grupo recorded provisions (note 41) for these legal claims and tax contingencies in order to face the likely outflow of resources.

B) PROCEEDINGS WITH POSSIBLE LOSSES

As of the 31st of December 2021 and the 31st of December 2020, there are still several legal proceedings and tax contingencies brought against some companies of the Grupo, for which the possibility of future cash disbursement was considered possible, according to information from lawyers and consultants who accompany these processes, and which, for this reason, were not provisioned. The detail and nature of those proceedings are as follows:

	2021	2020
Civil liability	0	272,000
Other contingencies	11,589,501	14,687,033
TOTAL	11,589,501	14,959,033

No significant losses are expected to result from these proceedings.

41. Provisions for other risks and expenses

	2021	Change to the scope of consoli- dation	Increases / Decreases	2020
Provisions				
Retirement Pensions Vista Alegre	1,072,298		-66,288	1,138,586
Other retirement pensions	2,000,471		283,250	1,717,221
Others	3,681,916	750,000	-69,368	3,001,284
TOTAL	6,754,685	750,000	147,594	5,857,091

41.1 Retirement Pensions

Grupo VAA has a number of defined benefit pension plans in place, some of which are borne by the Pension Funds specially constituted and managed by the actuarial society (Futuro- Sociedade Gestora de Fundos de Pensões, S.A.) and others are borne by the Group itself ("Plano de benefícios definido – sem Fundo"). Borne by the Futuro- Sociedade Gestora de Fundos de Pensões, S.A. are two funds:

- One ("Ex-Atlantis" [Former Atlantis]), called Adesão Coletiva Atlantis, has an indeterminate duration. All employees of Vista Alegre Atlantis, S.A., from Ex - Atlantis – Cristais de Alcobaça, S.A, working for the Subsidiary until the 31st December 2013, and who meet the requirements of eligibility provided for in the Pension Plan, which is to say all participants who are 65 years old, and who have worked at least ten years for the subsidiary, are entitled to a supplementary old-age pension calculated in accordance with the Pension Plan. This fund is financed by the Fundo de Pensões Viva [Viva Pension Fund].
- Another ("Former Vista Alegre" and "Vista Alegre Grupo"), called the Fundo de Pensões Grupo Vista Alegre, also of indefinite duration, which includes the permanent employees of Vista Alegre Atlantis S.A., who worked for the formers Fábrica de Porcelana da Vista Alegre, S.A. and Vista Alegre Grupo.

The main features of the Pension Plan in terms of defined benefits are as follows:

- The pension plan is complementary to the public Social Security plans, independent of the pensions awarded by the Social;
- The pension plan provides for the existence of acquired rights;
- Payment of benefits is made directly by the Pension Fund;
- The Ex-Atlantis pension fund (Fundo de Pensões) is made up of 183 people with an average age of 51.9 years and the Fundo de Pensões VA [pension fund] is made up of 1 person with an average age of 66.0 years.

Grupo Vista Alegre's pension fund is financed by the Grupo Vista Alegre Pension Fund.

	2020	2019
Liabilities - Provisions for retirement pensions		
Retirement benefits - Benefit plan managed by Grupo VAA	-1,072,298	-1,138,586
Asset - Accrued income		
Retirement benefits - Defined benefit plan with constituted fund	-66,249	8,294

On the 31st of December 2021 and 2020, the Grupo Vista Alegre maintains a recognized provision (included in the component "without fund"), related to the complementation of the retirement pension of a Grupo Vista Alegre former director, based on the accounting calculation performed by the entity Futuro, Sociedade Gestora de Fundos de Pensões, S.A., approximately in the amount of 687 thousand euros and 727 thousand euros, respectively. On December 2014, the Supreme Court condemned VAA – Vista Alegre Atlantis SGPS, S.A. to pay a complementation of the life retirement pension to a former administrator, in the total annual amount of 230 euros, to pay in 12 monthly instalments in the amount of 19 thousand euros each, updatable annually according to the official inflation index, having already been paid the amounts due until February 2018, in accordance with the settlement concluded between the parties.

From February 2018 (date from which the former administrator became retired), considering the analysis and position of the Grupo Vista Alegre legal advisors, the amount of the complementation of the retirement pension assigned to the former administrator was reduced (from 20.8 thousand euros to 7.5 thousand euros until June 2020 and to 8 thousand euros from that date) under certain legal provisions, in particular the provision which prohibits commercial companies the award of pensions to its former administrators higher than the high remuneration of the administrator with executive functions.

During the period of 2018, was delivered by the former administrator, an executive application related to the payment of the difference between the amount that the Vista Alegre Atlantis SGPS, S.A. was ordered to pay and the amount effectively paid from February 2018, having the company presented an appeal to court decision.

On the 31st of December 2020, the Lisbon Court issued a judgement dismissing the appeal filed, so an appeal was lodged with the Supreme Court of Justice in which, with effect on the reporting date, the case is waiting for the "training of judges" to decide whether the exceptional review of the case is admissible or not. However, on the 12th of April 2021, the former director filed a new request for full payment regarding the amounts allegedly due for the months of January 2020 to March 2021 and late payment interest, totalling 193,753.49 euros. Motions for execution have also been filed by Debtors, in relation to this new request for cumulation of executions, which are pending.

In accumulated terms, on the 31st of December 2021, the execution figures for the amounts outstanding filed by that former director amounted to approximately 625 thousand euros.

The Company maintains a security deposit to cover the legal process in progress, in the amount of 294 thousand euros.

The table below summarises the composition of net pension costs for the years ended 31st of December 2021 and 31st of December 2020 recognised in the consolidated income statement as staff costs:

	2021	2020
Operating costs		
Defined benefit plan managed by the Grupo VAA and active Staff	-4,842	-1,743
Defined benefit plan with a fund set up	-24,651	-32,278
Operating income		
Defined benefit plan with a fund set up	19,097	17,588
Net Amount	-10,396	-16,432

DEFINED BENEFIT PLAN MANAGED BY GRUPO VAA AND ACTIVE STAFF

Obligations arising from these plans are directly met by the Grupo and they are currently estimated, on the date of closure of accounts, by a specialised entity (Futuro Grupo Montepio).

Operations of the Grupo VAA during the financial year:

	2021	2020
Balance on the 1st of January	1,138,586	1,194,330
Costs with interest + actuarial gains/losses + increase in provisions + corrections on exerc Previous	56,336	6,513
Retirement benefits paid	-122,624	-62,257
Balance on the 31st of December	1,072,298	1,138,586

Defined benefit plan with a fund set up

Liabilities resulting from these plans are covered by an autonomous pension fund managed by a specialised entity (Futuro Grupo Montepio).

Amounts recognised in the balance sheet of the Grupo VAA:

	2021	Variation	2020
Present value of bonds	-1,742,376	158,968	-1,901,344
Market value of the fund	1,676,126	-233,511	1,909,638
Assets recognized in the balance sheet	-66,249	-74,543	8,294

41.2 Other pensions

In accordance with French law, an estimate is made of the amount payable to employees when they reach retirement age, which is why it is a defined benefit pension plan. The company's commitments in terms of retirement benefits are calculated based on the projected unit credit method with end-of-career maturities, taking into account the provisions of collective agreements, the probabilities of being employed and being in the company's assets, with its updated value.

	2021	Increases / Decreases	2020
Company			
Constructel	944,229	61,704	882,525
Gatel	66,108	4,099	62,009
Escotel	667,292	-105,395	772,687
Constructel Énergie	322,842	322,842	0
TOTAL	2,000,471	283,250	1,717,221

The variation in the year results from the variation in the estimate, with no payment relating to retirement pensions.

To calculate this estimate, the following assumptions were used:

	Amount withheld on 31/12/2021	Amount withheld on 31/12/2020
Discount rate	1.00%	0.34%
Inflation rate	1.60%	1.00%
Salary growth rate (Inflation included)	1.60%	1.00%
Retirement age	Total fee	Total fee
Retirement compensation Type	Resignation	Resignation
Employer contribution rate	Fee by category and entity	Fee by category and entity
Mortality table	2019 INSEE	2019 INSEE
Turnover table	Table by category and age	Table by category and age

In 2021, there was a change in the calculation formula, resulting from the IAS 19 amendment.

The assumptions for calculating retirement pensions are the same as those on the previous year, with the exception of the discount rate fixed at the iBoxx index and the rate of salary increase fixed regarding the expected long-term inflation. The impact of changing these assumptions is not significant.

41.3 Others

In "Others", it is important to highlight the value registered in IEME which corresponds to the provisions required by local labour regulations - 807 thousand euros (768 thousand euros in 2020) for compensations related to terminating employment. It is also worth mentioning the amount of 750 thousand euros for the entry of EIP into the group of the companies, referring to a provision for onerous contracts.

The remaining amount of the provisions is intended primarily to cover liabilities estimated based on the information obtained from lawyers and arising from proceedings related to contracts, labour and taxes, in which Grupo companies are involved.

42. Guarantees provided

	2021	2020
Guarantees provided		
Actual guarantees	217,244,454	232,628,058
Financial guarantees	48,278,977	23,650,228
Technical guarantees / good workmanship	92,994,526	39,214,131
TOTAL	358,517,957	295,492,417

In 2021, real guarantees represent a value of 217 million euros and relate to guarantees provided under leasing contracts (30 million euros) and loans (138 million euros), especially for Visabeira Global, and there are guarantees of 25.8 million euros and around 47.5 million euros for anticipation of receivables from customers.

The bond loan issued by Vista Alegre Atlantis, GPS, S.A. in the amount of 50 million euros is guaranteed by pledge of Ria Stone shares, pledge of bank account and guarantee of relevant subsidiaries.

On the 31st of December 2021, the technical and financial guarantees provided to third parties as bank guarantees and bond insurance, namely to customers whose works are in charge of different companies that make up the Grupo Visabeira's group of companies, detailed by currency, are presented as follows:

	2021	2020
Guarantees provided		
EUR	75,372,373	41,645,952
AOA	2,802,044	1,793,428
USD	59,965,442	17,840,870
MZN	2,324,561	756,671
ZAR	505,704	594,208
DKK	187,383	125,490
AED	115,995	107,740
TOTAL	141,273,503	62,864,359

On the 31st of December 2021, the details of the guarantees provided by company are detailed as follows:

	2021	2020
Guarantees provided		
JF Edwards CC (USA)	52,909,713	16,904,660
Grupo Visabeira (PT)	9,882,226	9,541,177
Edivisa (PT)	9,620,342	11,463,071
Grupo Vista Alegre (PT)	8,727,010	4,032,023
Constructel Belgium (BE)	7,497,970	1,925,809
Visabeira infraestruturas (PT)	6,955,978	6,037,743
EIP Serviços (PT)	4,771,231	0
Eletrotec (MZ)	5,553,791	0
Viatel (PT)	3,432,997	519,150
Empreendimentos Turísticos Montebelo (PT)	2,841,806	1,470,309
Cunha Soares (PT)	2,580,363	0
TVCabo Angola (AO)	2,505,379	1,789,727
Pinewells, S.A. (PT)	2,077,308	746,871
VAA - Empreendimentos Turísticos (PT)	1,802,126	1,978,081
Visabeira Global (PT)	1,026,117	1,189,406
Other	19,089,146	5,266,330
TOTAL	141,273,503	62,864,359

43. Related parties

	Years	Sales to related parties	Purchases from related parties	Interest earned	Amounts receivable from related parties	Amounts payable to related parties
Other related entities	2021	3,484,143	4,229,026	0	8,643,578	5,486,301
	2020	0	0	0	9,784,507	1,969,775
Associated companies and other capital holdings	2021	434,226	655,900	50,566	18,313,581	1,628,426
	2020	827,093	582,705	56,933	13,625,746	3,683,707
Shareholders	2021	1,427,902	11,136,637	91,667	22,100,250	16,077,883
	2020	1,895,704	1,573,236	91,667	5,472,981	8,711,696

The balances with the shareholders can be divided into two different types, one concerning balances relating to the Special Taxation Regime of Group of Companies, since the shareholder NCFGest, S.A., became in 2020 the consolidating entity, while another part concerns the debt owed by entities in the African market, related to the acquisition of materials from NCFGest, S.A., included in its operation as a trader.

Also worthy of note are sales to other related entities, including NTur, a company that is supporting the construction works on the future hotel in the Chiado area with around 3 million euros, which are being carried out by Edivisa; purchases to other related entities, including Movida with around 3 million euros related to rents for offices and stores at Palácio do Gelo Shopping.

With regard to sales to shareholders, these essentially concern services provided by *Centro de Serviços Partilhados do Grupo Visabeira* [Grupo Visabeira's Shared Services Center].

44. Subsequent events

The armed forces of the Russian Federation began, on the 24th of February 2022, a conflict on Ukraine. Grupo Visabeira has no direct relationship with any of these countries, so impacts on its financial performance are not expected. However, it is not possible, at this date, to estimate the effects that this conflict will have on the economies with which Grupo Visabeira has a relationship, in particular as a result of the increase in fuel prices and a set of goods and services that have caused an increase in inflation, as well as impacts on the financial markets, namely the increase in interest rates.

The European Commission authorized, on the 7th of March 2022, under the EU merger regulation, joint control of Constructel Visabeira by Grupo Visabeira and Grupo Goldman Sachs, considering that there were no competition issues "given the absence of horizontal overlaps and vertical relationships between the companies activities".

It should also be noted that Grupo Visabeira is expanding its position. During the first quarter of 2022, it purchased four new companies, North West Solar and Obelisk in the United Kingdom, InPower in Italy and Elektro-Wurkner (see information on these purchases in Note 8).

In October 2021, an agreement was signed between Constructel Visabeira and Goldman Sachs for 21.86% of the company's capital in the amount of 200 million euros, through a capital increase, which took place on the 12th of May 2022 after obtaining the necessary authorisations, namely authorisation from the competition authorities. The entry of this capital was foreseen in the company's strategy, thus ensuring the financing of future M&A operations, to accelerate organic and inorganic growth, maintaining the company's expansion cycle.

It should be noted that if the investment had taken place on the 31st of December 2021, the consolidated balance sheet (Pro forma) of Grupo Visabeira would be as follows:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Financial years ended on the 31st of December 2021 proforma and on the 31st of December 2021

	2021 "proforma"	2021
ASSETS		
Non-current assets		
Tangible assets	694,251,257	694,251,257
Right-of-use assets	88,927,597	88,927,597
Goodwill	163,192,184	163,192,184
Investment properties	297,323,457	297,323,457
Intangible assets	99,960,164	99,960,164
Investments in associated companies and joint ventures	28,895,885	28,895,885
Other financial investments	6,043,699	6,043,699
Deferred tax assets	40,724,748	40,724,748
Other receivables	2,267,196	2,267,196
Total non-current assets	1,421,586,185	1,421,586,185
Current assets		
Inventories	132,581,964	132,581,964
Customers	175,028,983	175,028,983
Other receivables	36,052,846	36,052,846
Other Assets	16,491,014	16,491,014
Assets associated with customers' contracts	138,462,521	138,462,521
Other financial investments	379,109	379,109
Cash and cash equivalents	325,431,870	130,896,526
Total current assets	824,428,308	629,892,964
TOTAL ASSETS	2,246,014,493	2,051,479,149

CONSOLIDATED STATEMENT OF FINANCIAL POSITIONFinancial years ended on the 31st of December 2021 proforma and on the 31st of December 2021

	2021 "proforma"	2021
EQUITY		
Capital	116,540,215	116,540,215
Share premiums	47,292,404	47,292,404
Other reserves	-11,410,974	-11,410,974
Retained earnings	288,187,821	174,482,569
Equity attributable to shareholders	440,609,466	326,904,213
Non-controlling interests	202,569,080	157,256,209
Total equity	643,178,545	484,160,422
LIABILITIES		
Non-current liabilities		
Medium- and long-term interest-bearing loans	546,123,948	546,123,948
Other accounts payable	118,325,097	82,807,876
Deferred tax liabilities	167,012,220	167,012,220
Provisions for other risks and expenses	6,754,685	6,754,685
Lease liabilities	58,143,347	58,143,347
Total non-current assets	896,359,297	860,842,077
Current Liabilities		
Short-term paid loans	193,872,396	193,872,396
Suppliers	182,977,879	182,977,879
Income tax	140,212	140,212
Assets associated with customers' contracts	37,812,936	37,812,936
Other accounts payable	175,667,843	175,667,843
Other liabilities	86,174,610	86,174,610
Lease liabilities	29,830,774	29,830,774
Total non-current assets	706,476,651	706,476,651
Total liabilities	1,602,835,948	1,567,318,727
TOTAL EQUITY AND LIABILITIES	2,246,014,493	2,051,479,149

*31st of December 2021 unaudited "pro forma"

Had this operation occurred on the 31st of December 2021, the main indicators of Grupo Visabeira, would be the following:

CONSOLIDATED FIGURES (MILLION EUROS)	2021 proforma	2021
Total Debt (Financing)	740	740
Lease liability	88	88
Availabilities	-325	-131
Available-for-sale financial assets	-3.2	-3.2
Total net operating debt	499	694
EBITDA	183	183
Net operating debt / EBITDA	2.7 x	3.8 x
Financial autonomy	28.6%	23.6%

There were no other events subsequent to the date of the Financial Position Statement and up to the date of the accounts issuing that could have a material impact on the financial statements.

Viseu, 17th of June 2022

The Certified Accountant

The Executive Board of Directors

Claudia Raquel Costa do Amaral Laurence

Nuno Teves Marques

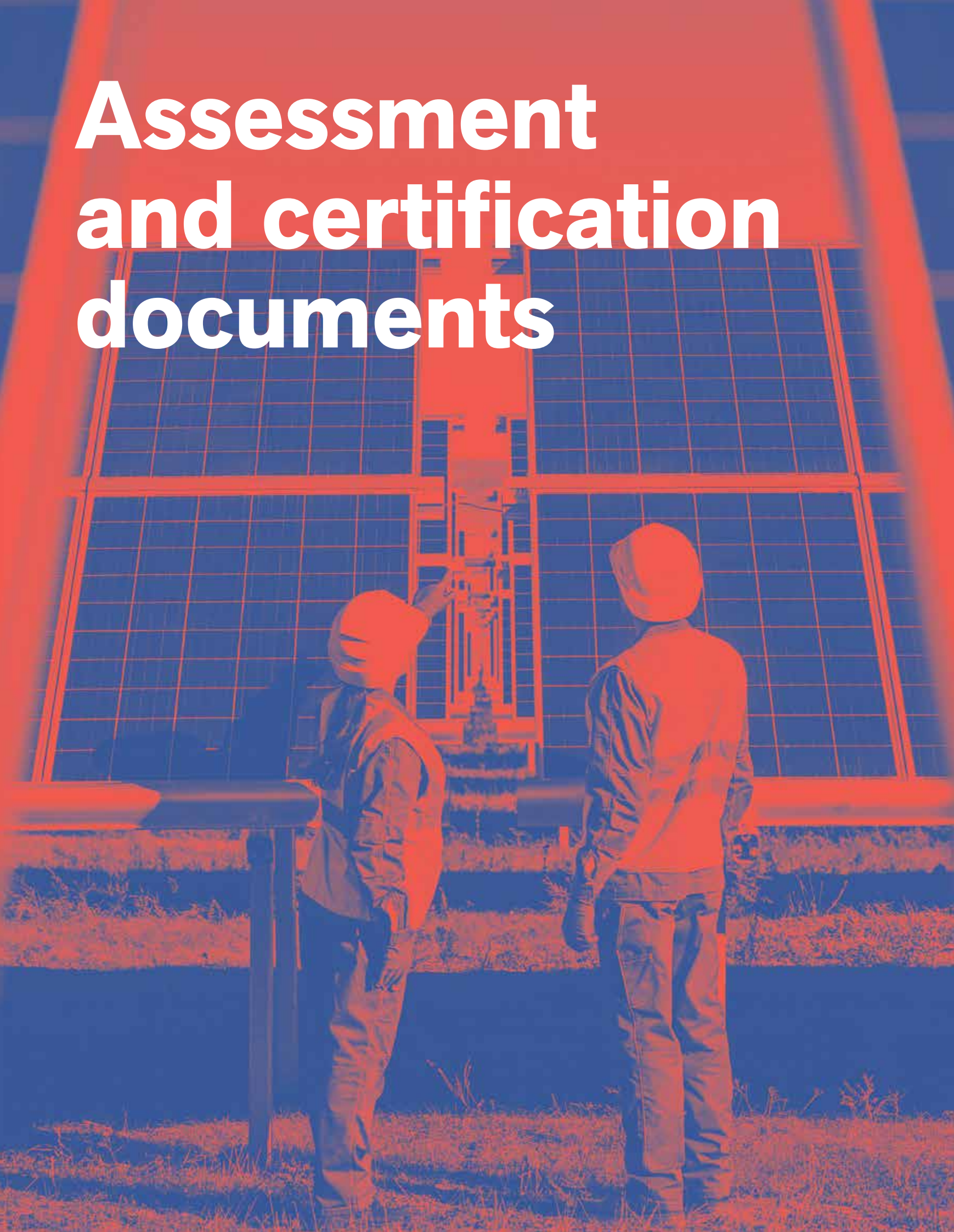
Allyopes

João Paulo

António da Silva Lopes

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Assessment and certification documents





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(Translation from the original Portuguese language. In case of doubt, the Portuguese version prevails.)

Statutory Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Grupo Visabeira, S.A. (the Group), which comprise the Consolidated Statement of Financial Position as at 31 December 2021 (showing a total of 2.051.479.149 euros and a total equity of 484.160.422 euros, including a net profit for the year of 37.961.724 euros), and the Consolidated Statement of Profit and Loss by Nature, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Grupo Visabeira, S.A. as at 31 December 2021, and of its consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section below. We are independent of the entities comprising the Group in accordance with the law and we have fulfilled other ethical requirements in accordance with the Institute of Statutory Auditors' code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for:

- ▶ the preparation of consolidated financial statements that presents a true and fair view of the Group's financial position, financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union;
- ▶ the preparation of the Consolidated Management Report in accordance with the 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 Group's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern that may cast significant doubt on the Group's ability to continue as a going concern.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, 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

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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 scepticism throughout the audit. We also:

- ▶ identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- ▶ obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion; and
- ▶ communicate with those charged with governance, including the supervisory board, 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 of the consistency of the Management Report with the consolidated financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the Consolidated Management Report

Pursuant to article 451, nr. 3, paragraph e) of the Commercial Companies Code, it is our opinion that the Consolidated Management Report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited consolidated financial statements and, having regard to our knowledge and assessment over the Group, we have not identified any material misstatement.

Oporto, 4 July 2022

Ernst & Young Audit & Associados - SROC, S.A.

Sociedade de Revisores Oficiais de Contas

Represented by:

(Signed)

Daniel José Venâncio Guerreiro (ROC nr. 1303)

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REPORT AND OPINION OF THE FINANCIAL MATTERS COMMITTEE CONSOLIDATED ACCOUNTS

Dear Shareholders,

In compliance with the requirements of article 420 paragraph g), together with article 508-D no 1 of the Commercial Companies Code, it is our responsibility to issue the Annual Supervisory Report and to issue an Opinion on the Consolidated Management Report, the Consolidated Financial Statements presented by the Board of Directors of GRUPO VISABEIRA, SA, for the year ended on the 31st of December 2021.

During the year, we have monitored the activity of the Grupo and we performed the following procedures:

- Verified, to the extent considered appropriate, the accounting records and related supporting documentation;
- We have verified, when deemed appropriate, to a nature and extent we considered suitable, the existence of goods and other assets owned by the Entity or held by it as security, deposit or otherwise;
- Verified that the determination of the scope of the consolidation and the consolidation procedures performed are in accordance with those in the consolidation standards;
- Reviewed the Statutory Auditors Reports issued by the Statutory Auditors of the companies' integrated scope of consolidation;
- Verified the completeness and reasonableness of the individual and consolidated financial statements;
- Verified that the accounting policies and the measurement criteria adopted in the consolidated accounts, which are prepared in accordance with the International Standards of the Financial Reporting, as adopted in the European Union, lead to a fair presentation of the assets and results of the Grupo, of which the entity is the parent company;
- Confirmed that the Consolidated Management Report, the Consolidated Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement Financial Position, the Consolidated Statement of Changes in Shareholder Equity, the Consolidated Statement of Cash Flows and the notes annexed to the Consolidated Financial Statements, respecting all legal requirements and reflect the position of the accounting records at the end of the financial year;
- Verified the company's compliance with the law and with the articles of association.
- Performed all the other responsibilities required by the law.

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During the course of the procedures we performed to comply with our supervisory duties, we obtained from the Executive Board of Directors and from the other responsible, the information and documentation we consider necessary.

We have accompanied the work of the responsible auditors for the legal revision of accounts and we have held meetings deemed necessary for obtaining the required information in view of the Legal Certification of Consolidated Accounts, without reservation and which we agree with.

In this context, it is our opinion that:

- (a) The Consolidated Management Reports, for the year ended 31st of December 2020, complies with the requirements foreseen in the Commercial Companies Code;
- (b) The Consolidated Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement Financial Position, the Consolidated Statement of Changes in Shareholder Equity, the Consolidated Statement of Cash Flows and the notes annexed to the Consolidated Financial Statements, respecting all legal requirements and accounting requirements applicable.

Viseu, 4th of July 2022

The Financial Matters Committee

Alberto Henrique de Figueiredo Lopes, Chairman

João Carlos Monteiro de Macedo

António Jorge Xavier da Costa

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Dynamics
Competitiveness
Ambition**