

SONAE CAPITAL

INSTITUTIONAL PRESENTATION

2020

"This story is not exclusively mine. It is of all those who believe in this project and who share with me the determination to make it grow..."

*Belmiro de Azevedo
Founder's Message
2007*





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PART I

- CORPORATE STRATEGY AND RECENT PERFORMANCE



A PATH FOR ACCELERATED GROWTH

SONAE CAPITAL VALUE CREATION LEVERS...

Recognised managerial practices

Capacity to attract and retain talent

Access to adequate financial resources

A Strong brand and values

SONAE CAPITAL WANTS TO INVEST IN...

CURRENT BUSINESSES

- To provide its Business Units with the appropriate resources to improve their competitive position, pursuing the growth plan set

NEW BUSINESSES

- Sectors based on Portuguese Engineering skills
- Non-listed companies
- With strong export potential
- Highly fragmented sectors
- With Portuguese SMEs with a strong competitive position in their market niche

SONAE CAPITAL PURPOSE...

TO BE A LONG-LIVING INVESTMENT COMPANY...

Focused on the sustainable creation of economic, social and environmental value, identifying and developing high-potential businesses, integrating them in an ecosystem of resources and managerial skills, and foreseeing their autonomisation

PORTFOLIO

BUSINESS UNITS

Active ownership of a diversified business portfolio (with no synergies) in constant evolution, with companies serving different markets and economic cycles and crystallising value through a dynamic portfolio management supporting a mid to long term perspective (unlimited holding period)

ENERGY



SINCE 2009

INDUSTRIAL ENGINEERING



SINCE 2017

FITNESS



SINCE SPIN-OFF

HOSPITALITY



SINCE SPIN-OFF

TROIA OPERATIONS



SINCE SPIN-OFF

REAL ESTATE

Non strategic assets, targeted to the financing of the Group's corporate strategy

TRÓIA



SINCE SPIN-OFF

OTHER ASSETS



SINCE SPIN-OFF

As of 31 December 2020

IMPLEMENTING AN ACTIVE PORTFOLIO MANAGEMENT

INs

↑ ENERGY

Acquisition:

- Enel Green Power (48 MW) 2014
- GasFlow 2017
- Glint and Suncoutim 2017
- Tecneira 2017
- Futura Energía Inversiones 2019
- 6 cogeneration power plants in Spain 2020

↑ FITNESS

Acquisition:

- Pump 2017
- Lagoas Park 2018
- Urban Fit 2019

↑ HOSPITALITY

Opening:

- The Artist 2014
- The House Ribeira 2016

↑ INDUSTRIAL ENGINEERING

Acquisition:

- ADIRA 2017

OUTs

NON CORE ASSETS

Sale:

- Contacto 2008
- ChoiceCar 2008
- BoxLines 2010
- Norscut 2016
- Operscut 2016

REAL ESTATE ASSETS

Sale:

- Imosede Fund 2014/15
- Duque Loulé 2015
- Unop 7, 8, 9 2016
- Efanor Allotment 2018
- Edifício Metrópolis 2019
- Aqualuz - Suite Hotel Apartamentos hotel 2020

From 2014, Real Estate
Assets sales above

250M€

REFRIGERATION & HVAC

Sale:

- RACE 2019

RECENT YEARLY PERFORMANCE (2020)

BUSINESS UNITS

Active ownership of a diversified business portfolio (with no synergies) in constant evolution, with companies serving different markets and economic cycles and crystallising value through a dynamic portfolio management supporting a mid to long term perspective (unlimited holding period)

TURNOVER

274M€

+16% YoY

EBITDA

21M€

-36% YoY

CAPEX*

103M€

+52M€ YoY

NET FINANCIAL DEBT*

174M€

+33M€ YoY

LOAN TO VALUE: 21.2%

NET FINANCIAL DEBT/EBITDA: 9.0x

REAL ESTATE

Non strategic assets, targeted to the financing of the Group's corporate strategy

VALUATION

282M€

C&W and WTC Fund

As of 31 December 2020



PART II

- IN-DEPTH VIEW ON SONAE CAPITAL PORTFOLIO



PORTFOLIO

BUSINESS UNITS

Active ownership of a diversified business portfolio (with no synergies) in constant evolution, with companies serving different markets and economic cycles and crystallising value through a dynamic portfolio management supporting a mid to long term perspective (unlimited holding period)

ENERGY



SINCE 2009

INDUSTRIAL ENGINEERING



SINCE 2017

FITNESS



SINCE SPIN-OFF

HOSPITALITY



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TROIA OPERATIONS



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SINCE SPIN-OFF

OTHER ASSETS



SINCE SPIN-OFF

As of 31 December 2020




ENERGY

Player focused on the promotion, operation and management of energy efficiency solutions, contributing to a sustainable energy paradigm

capwatt
powering your business

PRODUCTION



 **HeatPower**
46 MW




 **SolarPower**
18 MW



 **WindPower**
5 MW



 **BioPower**
11 MW



 **BatPower**



 **EVPower**

BUSINESS MODEL

Capwatt assumes responsibility for all activities of each project' implementation, from the development, licensing and investment phase, to the management, operation and maintenance phase.

BENEFITS FOR THE CLIENT:

- Reduction of energy costs
- No investment required
- Increase of energy efficiency
- Ability to produce renewable energy
- Possibility of holding the project at the end of the contract
- Carbon footprint reduction

Development

Design

Investment

Construction

Operation & Maintenance





ENERGY

Player focused on the promotion, operation and management of energy efficiency solutions, contributing to a sustainable energy paradigm

capWatt
powering your business

RETAIL & TRADE

FUTURA ENERGÍA INVERSIONES



GAS



ELECTRICITY



CARBON



GO

- Trading of natural gas, electricity and carbon emission allowances and producers representation
- Acquisition completed in August 2019
- **A key step in positioning Capwatt as a promoter of Integrated Energy Solutions**

Rationale of the acquisition:

- Achieve more competences
- Increase international exposure
- Develop greater value chain integration

Enhancing Capwatt capabilities:

- in the sourcing of natural gas and carbon emission allowances (both of each essential for the cogeneration activity)
- in the third-party sale of electricity generated in a scenario post feed-in tariffs
- supporting Capwatt in the identification of interesting opportunities in the Spanish market, namely taking advantage of its existing know how in cogeneration



ENERGY

Player focused on the promotion, operation and management of energy efficiency solutions, contributing to a sustainable energy paradigm



SIAF, BIOMASS FIRED COGENERATION POWER PLANT IN MANGUALDE

In 2020, Capwatt (in a partnership with Sonae Arauco), built a biomass-powered production facility to support businesses decarbonisation. The €50M investment leverages the best available technologies to generate renewable energy from biomass and power Sonae Arauco's sustainable wood-based panel production processes. Half of the biomass comes from unavoidable waste from the production of wood panels, while the remainder is sourced from forest residue unsuitable for other wood uses and crucial for forest management improvement and forest fire risk reduction. This facility consumes 300K tons of biomass annually, enough to satisfy 100% of the thermal energy needs of the plant and generate an additional 83 GWh/year of decentralized renewable energy. As a result, almost 90% of all energy consumption at the facility is generated from renewable sources.

CAPWATT MOST SIGNIFICANT INVESTMENT PROJECT

Ensuring a significant and stable flow of revenues and cash throughout the next 25 years.

- Cruising speed since start operating in 2H 2020
- 25 year feed-in tariff
- 10 MW Electric output | 91 MW Thermal output





INDUSTRIAL ENGINEERING

Reference in innovative, customised and value-adding metal forming solutions

adira

ADIRA

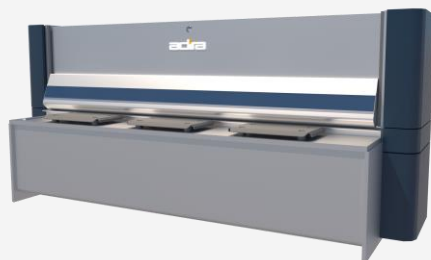
Global manufacturer and supplier of engineering solutions, specializing in the production of hydraulic, electric and hybrid bending machines, guillotines and robotic cells, with over 60 years of experience and a large international customer base.

CUTTING EDGE TECHNOLOGICAL SOLUTIONS

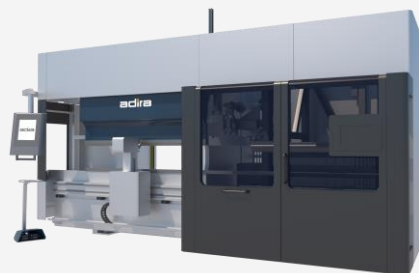
BENDING



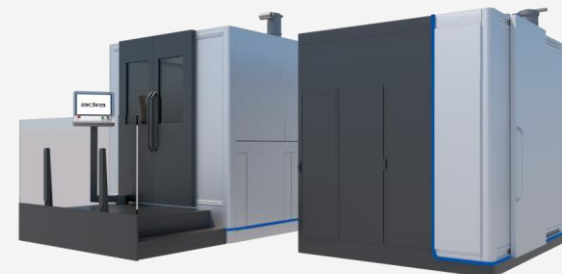
CUTTING



AUTOMATION



ADDITIVE MANUFACTURING





FITNESS

Fitness chain operator, focused on physical activity, health and well-being

/SC/ FITNESS

SC FITNESS

Chasing market leadership: to grow and lead the market for the provision of physical activity services in Portugal.

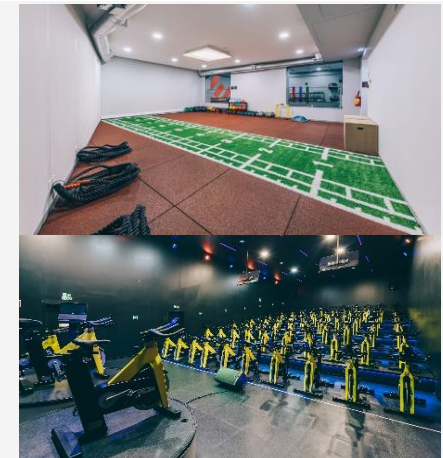
Multi-segment strategy, which aims to consolidate its presence through the brand Solinca, growing organically and through acquisition.

The first Solinca Health Club was inaugurated in Porto Palácio Hotel, in Porto, in 1995. Two years later, in 1997, the expansion process began with the opening of the Colombo Shopping Centre Club, in Lisbon.

Since then, the expansion path has prospered, and by the end of 2020, SC Fitness had 36 clubs in operation, from the North to the South of Portugal.

• As of 31 December 2020:

- 22 Solinca
- 12 Solinca Light
- 2 Element
- ginasio.online
- ginasio.outdoor



solinca
CLASSIC

solinca
LIGHT

solinca
ELEMENT

GO!
Gym & Outdoor





HOSPITALITY

Hotels management portfolio: Business, Trendy/City Breaks and Sun/Sea



SUN AND SEA



AQUALUZ TROIA

- 4 Star Apartments, Tróia Peninsula
- Events Centre with capacity for up to 630 people
- Wellness Centre with 2 outdoor and 1 indoor swimming pools
- Restaurants



TROIA RESIDENCE

- Touristic apartments with different typologies and locations: beach, marina, commercial area and Ocean Villages



AQUALUZ LAGOS

- Operation acquired in Jan. 2019
- 4 Star Apartments in the Algarve (Lagos)
- 177 rooms
- Fitness club and outdoor swimming pool

BUSINESS, CITY BREAKS



PORTO PALÁCIO HOTEL

- 5 Star Hotel, Porto (Avenida Boavista)
- 233 Rooms and 18 Suites
- Business segment
- Congress Centre with capacity for 600 people
- Leisure & Wellness, with SPA & Hairstyle and Fitness club



THE ARTIST

- Inaugurated in 2014, partnering with “Escola de Hotelaria e Turismo do Porto”
- 17 Rooms
- Restaurant and bar
- Business meeting room



THE HOUSE

- Inaugurated in 2016
- 56 Rooms (11 premium and 2 penthouses)
- Multifunctional area with lobby, reception, bar and lounge, with breakfast service and bar/cafeteria service

FROM 2021

- SANTA APOLÓNIA RAILWAY STATION (Lisbon)

FROM 2022

- AVENIDA DOS ALIADOS (Porto)



TROIA OPERATIONS

Development and management of Troia Resort, remembered for its diverse quality offer and restorative experiences

TROIA

TROIA RESORT OPERATIONS

Promoting Tróia as a touristic and leisure destination, with high standards of quality of service and environmental sustainability, through an integrated management of its infrastructures

ATLANTIC FERRIS



- Concessionaire of the Public Transport Service of Passengers, Light and Heavy Vehicles and freight, at River Sado between Setúbal and the Peninsula of Tróia.

TROIA MARINA



- At one of the World's Most Beautiful Bays – the Bay of Setúbal., this Marina has 180 berths and an idyllic location for sailing and windsurfing

MEU SUPER



- MEU SUPER supermarket, located in the central area of the resort

GOLF COURSE



- 18 hole golf course designed by Robert Trent Jones Sr. and voted one of Continental Europe's best 10 resorts by Golf World magazine in 2019

ROMAN RUINS



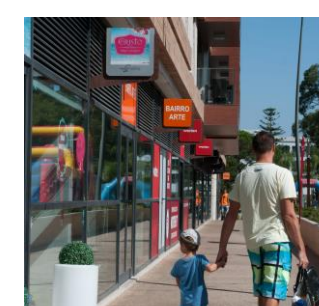
- The largest center of fish-salting industry known from the Roman Empire, classified as national monument in the world heritage tentative list by UNESCO

SPORTS CENTRE



- The ONE TROIA JOSÉ MOURINHO TRAINING CENTRE is a training centre with a wide range of services and infrastructure to receive large teams, at all levels of training

TROIA SHOPPING



- Real Estate (fixed income assets): commercial stores; shops, restaurants and terraces in the center of the resort





PART III

FINAL REMARKS



TO BE A LONG LIVING INVESTMENT COMPANY

- To provide our Business Units with the appropriate resources to improve their competitive position, pursuing the growth plan set
- To invest in new businesses
- To sell non core Real Estate Assets, in order to finance the Corporate Strategy
- To ensure an adequate Capital Structure, considering the type of Businesses and Real Estate Assets held

BUSINESS UNITS

ENERGY



Improve its position as a promoter of integrated Energy solutions, not only in Portugal, but also embracing new opportunities in Spain and Mexico

INDUSTRIAL ENGINEERING



Invest in the creation of a cluster of technology-based companies, with strong export vocation and leveraged in the Portuguese engineering skills

FITNESS



Undisputable market leader in the provision of physical activity and wellness services, expanding scale and ensuring the sustainability of the business

HOSPITALITY



Active in the search for opportunities that allow to improve scale under a capital light approach, as well as watchful to potential consolidation movements

TROIA OPERATIONS



Promote Tróia as a touristic destination of excellence

REAL ESTATE

TRÓIA



Continue the asset monetisation in course, an important source of financing for Sonae Capital

OTHER ASSETS





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