



RAMADA

INVESTIMENTOS E INDÚSTRIA

RAMADA INVESTIMENTOS E INDÚSTRIA, S.A.

Public Company

Earnings announcement 1st Quarter 2023

(unaudited information)

This document is a translation of a document originally issued in Portuguese, prepared using accounting policies consistent with the International Financial Reporting Standards adopted in European Union (IFRS-EU), some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

Head Office: Rua Manuel Pinto de Azevedo, 818

4100-320 Oporto

Share capital: 25,641,459 Euro

INTRODUCTION

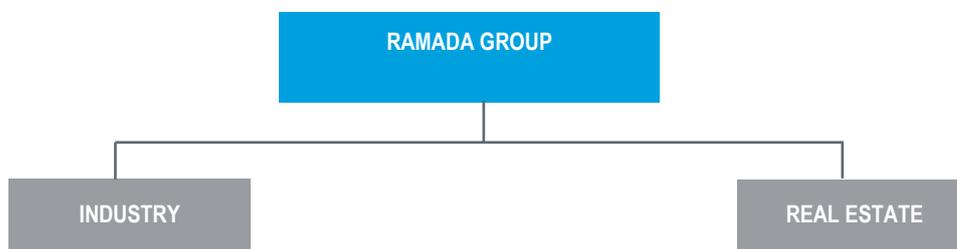
Ramada Investimentos is the parent company of a group of companies that together operate within two distinct business segments: i) Industry segment, which includes the activities of Special Steels and Wire Drawing, as well as the activity related to the management of financial investments, in which the Group is a minority shareholder; and ii) Real Estate segment, aimed at the management of real estate assets.

The Special Steels activity is developed by Ramada Aços, Universal Afir and Planfuro Global, which are dedicated to the distribution of special steels, steel for molds, the production of drawn steel, and to the rendering of services, namely, Machining and Heat Treatment, for two main application areas, namely, metalworking and molds and tools.

The Wire Drawing activity is developed by Socitrel, whose main business is the manufacture and commercialization of steel wires, capable of being used in a wide variety of fields, including industry, agriculture and construction.

In the financial investments management activity, among other portfolio investments held by the Group, it should be highlighted the participations held in CEV, S.A. and Fisio Share – Gestão de Clínicas, S.A..

The Real Estate Segment includes the real estate asset management activity (composed by the forest assets and the real estate of the Group) and is developed by F. Ramada II - Imobiliária, S.A..



CONSOLIDATED INCOME STATEMENT BY NATURE

The consolidated financial information of Ramada Investimentos was prepared in accordance with the recognition and measurement principles of the International Financial Reporting Standards, as adopted by the European Union (IFRS – EU).

The key information and indicators of Ramada Group's consolidated activity can be presented as follows:

<i>Amounts in thousands of Euros</i>	1Q 2023	1Q 2022	Var. %
Total revenues	40 815	54 126	-24.6%
Total costs	(34 796)	(46 416)	-25.0%
EBITDA	6 019	7 710	-21.9%
EBITDA margin	14.7%	14.2%	+ 0.5 p.p.
Amortization and depreciation	(1 208)	(1 119)	8.0%
EBIT	4 811	6 591	-27.0%
EBIT margin	11.8%	12.2%	- 0.4 p.p.
Results related to investments	112	109	+2.8%
Financial expenses	(634)	(243)	161.2%
Financial income	32	17	84.1%
Profit before income tax	4 322	6 475	-33.2%
Income tax	(909)	(1 523)	-40.3%
Consolidated net profit	3 413	4 952	-31.1%
Net profit attributable to shareholders of the parent company	3 413	4 952	-31.1%

In the first quarter of 2023, total revenues of Ramada Group amounted to 40,815 thousand Euro, representing a 24.6% decrease over the total revenues recorded in the same period of 2022.

Total costs amounted to 34,796 thousand Euro, recording a 25.0% decrease when compared to the same period in the previous year.

EBITDA amounted to 6,019 thousand Euro, representing a decrease of 21.9% compared to the first quarter of 2022. EBITDA margin reached 14.7%, representing an increase of 0.5 percentage points when compared to the same period of the previous year.

EBIT, in the amount of 4,811 thousand Euro, recorded a decrease of 27.0% when compared to 6,591 thousand Euro recorded in the first three months of 2022.

The Financial results, in the amount of negative 602 thousand Euro, recorded a 166.4% increase over the same period of the previous year.

The consolidated net profit of the first quarter of 2023 amounted to 3,413 thousand Euro, decreasing 31.1% compared to the net profit of the same period of the previous year.

INDUSTRY

	1Q 2023	1Q 2022	Var. %
<i>Amounts in thousands of Euros</i>			
Total revenues	38 750	52 266	-25.9%
Total costs	(34 382)	(46 038)	-25.3%
EBITDA	4 368	6 228	-29.9%
EBITDA margin	11.3%	11.9%	- 0.6 p.p.
EBIT	3 276	5 157	-36.5%
EBIT margin	8.5%	9.9%	- 1.4 p.p.
Results related to investments	112	109	+2.8%
Financial results	(340)	(118)	189.4%
Profit before income tax	3 048	5 148	-40.8%
Income tax	(629)	(1 231)	-48.9%
Net profit	2 419	3 917	-38.2%

In the first quarter of 2023, total revenues from the Industry segment amounted to 38,750 thousand Euro, recording a decrease of 25.9% compared to the same period of 2022.

The uncertainty about the influence of the war in the world economy, particularly in the European economy, the generalized inflation of costs and the successive increases in interest rates, retracted and postponed investments in the sectors of civil construction, industrial equipment and automotive industry. Thus, the last quarter of 2022 was marked by a slowdown in the markets and in companies' business, a behaviour that continued throughout the first quarter of 2023 in the Special Steels and Wire Drawing activities.

In Special Steels, the decrease in activity in the molds and metalworking sectors, which marked the beginning of 2023, was not accompanied to the same extent by the variation in Total revenues in the first quarter of 2023, given the ability to maintain average prices at levels higher than in the same period last year. On a positive note, we would also highlight the increase in demand in the area of stamps and dies, both in the sale of materials and in the provision of services. This behaviour indicates the possible start of new projects and equipment in the automotive industry. There was also a significant reduction in working capital needs in this quarter.

In the Special Steels activity, the Group continues to invest in exports and on increasing its customer portfolio to ensure future growth and less dependence on the domestic market. In the first quarter of 2023, sales of the Special Steels activity to the external market represented 9.6% of the turnover, recording a growth of 8.6% compared to the same period in 2022. The Spanish market assumed a great prominence, representing 80% of the turnover. In addition, it is worth noting the increased relevance of the French and Moroccan markets, essentially in the area of stamps and dies for the automotive industry.

In the Wire Drawing activity, during the first quarter of 2023, the Group registered a decrease in turnover, compared to the same period of the previous year, as a result of the slowdown in activity and the decrease in the average prices practiced in the various products and markets.

The Wire Drawing activity operates essentially for the foreign market, which in the first quarter of 2023 represented 66.2% of turnover. In the same period of 2022, exports represented 72.7% of turnover.

EBITDA in the Industry segment amounted to 4,368 thousand Euro, representing a negative variation of 29.9% compared to the 6,228 thousand Euro recorded in the first quarter of 2022. EBITDA margin reached 11.3%, recording a decrease of 0.6 percentage points over the same period of 2022.

EBIT, in the amount of 3,276 thousand Euro, recorded a decrease of 36.5% compared to the 5,157 thousand Euro in the same period of 2022.

The net profit of the Industry segment in the first quarter of 2023, in the amount of 2,419 thousand Euro, represented a decrease of 38.2% compared to the net profit of the same period of 2022.

REAL ESTATE

<i>Amounts in thousands of Euros</i>	1Q 2023	1Q 2022	Var. %
Total revenues	2 065	1 860	11.0%
Total costs	(413)	(378)	9.5%
EBITDA	1 651	1 482	11.4%
EBIT	1 535	1 434	7.1%
Financial results	(261)	(108)	142.8%
Profit before income tax	1 274	1 327	-3.9%
Income tax	(280)	(292)	-3.9%
Net profit	994	1 035	-3.9%

During the first quarter of 2023, total revenues from the Real Estate segment amounted to 2,065 thousand Euro, recording a 11.0% increase over the same period of 2022.

EBITDA in the Real Estate segment in the first three months of 2023 amounted to 1,651 thousand Euro, 11.4% higher than the amount recorded in the same period of the previous year.

EBIT amounted to 1,535 thousand Euro, representing an increase of 7.1% compared to the same period of 2022.

In the first quarter of 2023, the financial results of the Real Estate segment were negative by 261 thousand Euro, recording a growth of 142.8% when compared to the negative 108 thousand Euro in the same period of 2022.

The net profit of the Real Estate segment amounted to 994 thousand Euro and recorded a decrease of 3.9% compared to the same period of 2022.

INVESTMENTS AND INDEBTEDNESS

The investments made by Ramada Group in the first quarter of 2023 amounted to approximately 132 thousand Euro.

Ramada Group's net nominal indebtedness on March 31, 2023 amounted to, approximately, 17 million Euro. As of December 31, 2022, the net nominal indebtedness amounted to, approximately, 26 million Euro.

FUTURE PERSPECTIVES

Market instability and very high stocks along the distribution chain anticipate a second quarter with even more challenging external conditions than those seen in the first quarter.

Despite the price reduction, as a result, mainly, of the decrease in energy costs, demand has remained low, given the perception that prices remain high. The low demand coupled with the residual activity levels of the steel mills does not yet generate the necessary confidence to reinforce stocks.

The Special Steels activity started the installation of two Self-Consumption Production Units with a joint installed solar power of 0.5 MWp (additional to the Self-Consumption Production Unit with a capacity of 1MWp, whose installation was started in the course of 2022), and the Wire Drawing activity started the installation of 1 MWp (additional to the 3 MWp that are already installed), and is expected to be completed by the end of the second quarter of 2023.

Despite the challenging environment we are going through, we will continue our path of continuous improvement in search of greater efficiency, attentive, on the one hand, to the movements of the automotive industry and, on the other, to the management of sales and stock.

Oporto, May 25, 2023

The Board of Directors

Glossary

EBIT: EBITDA + Amortization and depreciation

EBIT margin: EBIT / Total revenues

EBITDA: Profit before income tax, Financial results, Amortization and depreciation and Results related to investments

EBITDA margin: EBITDA / Total revenues

Financial results: Financial income - Financial expenses

Investments: Acquisitions of property, plant and equipment and intangible assets related to the operational activity of the Industry and Real Estate segments

Net nominal indebtedness: Bank loans (nominal values) + Other loans (nominal values) – Cash and cash equivalents

Total costs: Cost of sales and production variation + External supplies and services + Payroll expenses + Other expenses + Provisions and impairment losses

Total revenues: Sales and services rendered + Other income

RAMADA INVESTIMENTOS E INDÚSTRIA, S.A.

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2023 AND 31 DECEMBER 2022**

(Translation of financial statements originally issued in Portuguese - Note 16)
(Amounts expressed in Euros)

ASSETS	Notes	31.03.2023	31.12.2022
NON-CURRENT ASSETS:			
Investment properties	5	88,818,380	88,818,380
Property, plant and equipment		22,752,734	23,725,084
Intangible assets		9,917	11,333
Right-of-use assets		926,443	669,613
Investments in associated companies	4.2	5,343,791	5,231,294
Other investments	4.3	-	-
Other financial assets		31,099	29,410
Other non-current assets		1,250,324	1,250,324
Deferred tax assets		2,090,652	2,090,652
Total non-current assets		121,223,340	121,826,090
CURRENT ASSETS:			
Inventories		34,755,972	35,186,240
Trade receivables		41,419,483	49,385,336
Other debts from third parties		2,031,543	4,238,452
Other current assets		68,671	39,308
Cash and cash equivalents	7	30,632,468	28,545,215
Total current assets		108,908,137	117,394,551
Total assets		230,131,477	239,220,641
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	8	25,641,459	25,641,459
Legal reserve		7,193,058	7,193,058
Other reserves		101,285,930	81,252,383
Consolidated net profit/(loss) for the period		3,413,104	20,033,547
Total equity attributable to shareholders of the Parent Company		137,533,551	134,120,447
Non-controlling interests		-	-
Total equity		137,533,551	134,120,447
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Bank loans	9	21,487,401	25,487,401
Other loans	9	612,651	612,651
Lease Liabilities		501,195	414,409
Provisions	11	2,160,000	2,160,000
Deferred tax liabilities		914,355	914,355
Total non-current liabilities		25,675,602	29,588,816
CURRENT LIABILITIES:			
Bank loans	9	6,000,000	6,000,000
Other loans	9	19,255,427	21,997,988
Lease liabilities		238,619	255,205
Trade payables		26,911,123	34,292,135
Other debts to third parties		4,450,514	5,530,780
Income tax		3,267,338	2,358,292
Other current liabilities	10	6,799,303	5,076,978
Total current liabilities		66,922,324	75,511,378
Total liabilities		92,597,926	105,100,194
Total liabilities and equity		230,131,477	239,220,641

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

RAMADA INVESTIMENTOS E INDÚSTRIA, S.A.

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE
THREE MONTHS PERIODS ENDED 31 MARCH 2023 AND 2022**

(Translation of financial statements originally issued in Portuguese - Note 16)

(Amounts expressed in Euros)

	Notes	31.03.2023	31.03.2022
Sales and services rendered		40,676,015	54,075,450
Other income		139,124	50,454
Cost of sales and variation in production		(25,738,736)	(33,571,158)
External supplies and services		(4,905,384)	(8,641,088)
Payroll expenses		(3,931,063)	(4,014,028)
Amortisation and depreciation		(1,207,996)	(1,118,809)
Provisions and impairment losses	11	(45,000)	(39,132)
Other expenses		(175,673)	(150,374)
Results related to investments	4.2	112,497	108,588
Financial expenses		(633,541)	(242,519)
Financial income		31,906	17,330
Profit/(Loss) before income tax		4,322,149	6,474,714
Income tax		(909,045)	(1,522,726)
Consolidated net profit/(loss) for the period		3,413,104	4,951,988
Attributable to:			
Holders of equity in the parent company		3,413,104	4,951,988
Non-controlling interests		-	-
Earnings per share:			
Basic	12	0.13	0.19
Diluted	12	0.13	0.19

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

RAMADA INVESTIMENTOS E INDÚSTRIA, S.A.

**CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE
THREE MONTHS PERIODS ENDED 31 MARCH 2023 AND 2022**

(Translation of financial statements originally issued in Portuguese - Note 16)
(Amounts expressed in Euros)

	Notes	31.03.2023	31.03.2022
Consolidated net income for the period		3,413,104	4,951,988
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Changes in pension liabilities - gross amount		-	-
Changes in pension liabilities - deferred tax		-	-
Items that may be reclassified to profit or loss in the future		-	-
Other comprehensive income for the period		-	-
Total consolidated comprehensive income for the period		3,413,104	4,951,988
Attributable to:			
Shareholders in the Parent Company		3,413,104	4,951,988
Non-controlling interests		-	-

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

RAMADA INVESTIMENTOS E INDUSTRIA, S.A.

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE
THREE MONTHS PERIODS ENDED 31 MARCH 2023 AND 2022**

(Translation of financial statements originally issued in Portuguese - Note 16)
(Amounts expressed in Euros)

		Attributable to shareholders in the Parent Company						
Notes	Share capital	Legal reserve	Other reserves	Consolidated net profit/(loss) for the period	Total equity attributable to shareholders of parent company	Non-controlling interests	Total equity	
Balance as at 1 January 2022	8	25,641,459	7,193,058	81,604,458	15,088,651	129,527,626	-	129,527,626
Total consolidated comprehensive income for the period		-	-	-	4,951,988	4,951,988	-	4,951,988
Appropriation of consolidated result from 2021: Transfer to other reserves		-	-	15,088,651	(15,088,651)	-	-	-
Balance as at 31 March 2022		25,641,459	7,193,058	96,693,109	4,951,988	134,479,614	-	134,479,614
Balance as at 1 January 2023	8	25,641,459	7,193,058	81,252,383	20,033,547	134,120,447	-	134,120,447
Total consolidated comprehensive income for the period		-	-	-	3,413,104	3,413,104	-	3,413,104
Appropriation of consolidated result from 2022: Transfer to other reserves		-	-	20,033,547	(20,033,547)	-	-	-
Balance as at 31 March 2023		25,641,459	7,193,058	101,285,930	3,413,104	137,533,551	-	137,533,551

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

RAMADA INVESTIMENTOS E INDÚSTRIA, S.A.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE

THREE MONTHS PERIODS ENDED 31 MARCH 2023 AND 2022

(Translation of financial statements originally issued in Portuguese - Note 16)

(Amounts expressed in Euros)

	Notes	31.03.2023	31.03.2022
Operational activities:			
Receipts from customers		55,994,190	46,925,655
Payments to suppliers		(37,427,217)	(35,219,561)
Payments to personnel		(2,153,043)	(1,721,271)
Paid/Received corporate income tax		(4,543)	(932,291)
Other receipts/payments relating to operating activities		(5,066,885)	(5,901,757)
<i>Cash flows generated by operating activities (1)</i>		<u>11,342,503</u>	<u>3,150,774</u>
Investment activities:			
Receipts arising from:			
Interest and similar income		19,407	1,606
Payments relating to:			
Intangible assets		-	-
Property, plant and equipment		(2,004,416)	(441,979)
Investment properties		-	(141,750)
<i>Cash flows generated from investments activities (2)</i>		<u>(1,985,009)</u>	<u>(583,729)</u>
Financing activities:			
Receipts arising from:			
Loans obtained		33,972,814	36,488,938
Payments relating to:			
Interest and similar expenses		(439,494)	(376,326)
Loans obtained		(37,061,001)	(40,210,889)
<i>Cash flows generated from financing activities (3)</i>		<u>(3,527,681)</u>	<u>(4,098,276)</u>
Cash and cash equivalents at the beginning of the period	7	24,802,654	54,558,017
Cash and cash equivalents variation: (1)+(2)+(3)		5,829,814	(1,529,626)
Cash and cash equivalents at the end of the period	7	<u>30,632,468</u>	<u>53,028,391</u>

The accompanying notes are an integral part of the condensed consolidated financial statements.

The Chartered Accountant

The Board of Directors

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2023**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

1. INTRODUCTORY NOTE

RAMADA INVESTIMENTOS E INDÚSTRIA, S.A. ("Ramada Investimentos", "Ramada Group" or "Group") is a company incorporated as of 1 June 2008, with its head-office located at Rua Manuel Pinto de Azevedo, 818, Oporto, Portugal, and whose main activity is the management of financial investments, being its shares listed in the Euronext Lisbon Stock Exchange, since 2008.

In May 2018, formerly named as F. Ramada - Investimentos SGPS, S.A., changed its corporate objective, from management of financial investments to consulting services, including financial and administrative, as well as realization and management of real estate, securities and financial investments, acquisition and disposal of securities, leasing, construction, rehabilitation, management, administration and conservation of properties, as its name changed to RAMADA INVESTIMENTOS E INDÚSTRIA, S.A., as it was deliberated in General Assembly on 4 May 2018.

Ramada was created as a result of the reorganization process of Altri, SGPS, S.A. through the demerger of the business areas of steel and storage systems, namely the participation held in Ramada Aços, S.A., which represented the voting rights of the mentioned company. The restructuring involved a simple demerger operation, as predicted in item 1.a), article 118, of the Portuguese Companies Act ("Código das Sociedades Comerciais").

Following this process, the assets corresponding to the shareholdings of the business units of steel and storage systems, including all the resources (such as human resources, assets and liabilities) related to that business unit were transferred from Altri, SGPS, S.A. to Ramada Investimentos.

Currently, Ramada is the parent company of the group of companies listed in Note 4 (Ramada Group), and, through these financial holdings structure, it focuses its operations in (i) Industrial activity, which includes steel trade and management of financial investments related to participations in which the group has a minority position, and (ii) real estate, which consists in the management of this type of assets.

The consolidated financial statements of Ramada Group are presented in Euro (rounded to units), which is the currency used by the Group in its operations and, therefore, is its functional currency.

2. MAIN ACCOUNTING POLICES AND BASIS OF PRESENTATION

The condensed consolidated financial statements, for the three months period ended on 31 March 2023, were prepared in accordance with IAS 34 – Interim Financial Reporting and include the condensed consolidated statement of financial position, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows, as well as the selected explanatory notes. These condensed consolidated financial statements do not include all the information required to be published on the annual financial statements, and should, therefore, be read together with the consolidated financial statements of the Ramada Group for the financial year ended 31 December 2022.

The accounting policies adopted for preparation of the attached condensed consolidated financial statements were consistently applied during the periods being compared.

The Board of Directors assessed the capacity of the Company, its subsidiaries and associates to operate on a going concern basis, based on the entire relevant information, facts and circumstances, of financial, commercial or other nature, including events subsequent to the condensed consolidated financial statements' reference date, as available regarding the future. As a result of the assessment conducted, the Board of Directors concluded that it has adequate resources to keep up its operations, which it does not intend to cease in the short term. Therefore, it was considered appropriate to use the going concern basis in preparing the condensed consolidated financial statements.

The attached condensed consolidated financial statements were prepared based on the accounting books and records of the company, its subsidiaries, and associates, adjusted in the consolidation process, in the assumption of going concern basis. When preparing the condensed consolidated financial statements, the Group used historical cost as its basis, modified, where applicable, by fair value measurement.

The preparation of condensed consolidated financial statements requires the use of estimates, assumptions and critical judgements in the process of determining accounting policies to be adopted by the Group, with significant impact on the book value of assets and liabilities, as well as on income and expenses for the period. Although these estimates

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2023**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

are based on the best experience of the Board of Directors and on its best expectations regarding current and future events and actions, current and future results may differ from these estimates. Areas involving a higher degree of judgement or complexity, or areas with significant assumptions and estimates are disclosed in Note 3 of the accompanying notes to the consolidated financial statements of the Group for the financial year ended 31 December 2022.

3. CHANGES IN ACCOUNTING POLICES AND CORRECTION OF ERRORS

During the reporting period there were no changes in the accounting policies and no material mistakes related with previous periods were identified.

New accounting standards and their impact in these condensed consolidated financial statements:

Up to the date of approval of these condensed consolidated financial statements, the European Union endorsed the following accounting standards, interpretations, amendments and revisions, mandatorily applied to the financial year beginning on 1 January 2023:

	Effective date (financial years begun on or after)
IFRS 17 – Insurance Contracts, including amendments to IFRS 17	01 Jan 2023
Amendments to IFRS 17 Insurance Contracts – Initial application of IFRS 17 and IFRS 9 - Comparative Information	01 Jan 2023
Amendments to IAS 1 – Disclosure of Accounting Policies	01 Jan 2023
Amendments to IAS 8 – Definition of Accounting Estimates	01 Jan 2023
Amendments to IAS 12 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	01 Jan 2023

The adoption of these standards and interpretations had no relevant impact on the Group's condensed consolidated financial statements.

No new accounting standards or interpretations, with mandatory application in future economic years, have been endorsed by the European Union until the date of approval of these condensed consolidated financial statements.

The following standards, interpretations, amendments and revisions were not endorsed by the European Union at the date of the approval of the condensed consolidated financial statements:

	Effective date (financial years begun on or after)
Amendments to IAS 1 – Presentation of financial statements – Classification of current and non-current liabilities	01 Jan 2024
Amendments to IFRS 16 – Lease liabilities in sale and leaseback transactions	01 Jan 2024

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2023**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

These standards have not yet been endorsed by the European Union and, as such, the Group did not proceed with the early adoption of any of these standards in the condensed consolidated financial statements for the period ended 31 March 2023, as their application is not mandatory, and is in the process of examining the expected effects of these standards.

4. COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS AND OTHER INVESTMENTS

4.1 Subsidiaries included in the consolidation

The companies included in the consolidated financial statements by the full consolidation method, its headquarters, percentage of participation held and main activity as of March 31, 2023 and December 31, 2022, are as follows:

Company	Registered office	Effective held percentage		Activity
		31.03.2023	31.12.2022	
<u>Parent company</u>				
Ramada Investimentos e Indústria S.A.	Porto	-	-	Management consulting services and shareholding management
<u>Ramada Group</u>				
Ramada Aços, S.A.	Ovar	100%	100%	Steel trade
Planfuro Global, S.A.	Leiria	100%	100%	Metal mould manufacturing
Universal Afir, S.A.	Ovar	100%	100%	Steel trade
F. Ramada II, Imobiliária, S.A.	Ovar	100%	100%	Real estate
Socitrel - Sociedade Industrial de Trefilaria, S.A.	Trofa	100%	100%	Steel wire manufacturing and trade
Socitrel España, S.A.	Spain	100%	100%	Steel wire manufacturing and trade
Expeliarmus - Consultoria, S.A.	Trofa	100%	100%	Shareholding management
Ramada Solar, Unipessoal, Lda.	Ovar	100%	100%	Management of energy production and sale facilities
Socitrel Solar, Unipessoal, Lda.	Trofa	100%	100%	Management of energy production and sale facilities

These subsidiaries were included in the consolidated financial statements of Ramada Group in accordance with the full consolidation method.

4.2 Investments in associated companies

As at March 31, 2023 and December 31, 2022, the caption “Investments in associated companies” can be detailed as follows:

31 March 2023						
Company	% Held	Opening balance	Transfers	Additions	Reductions	Closing balance
Fisio Share – Gestão de Clínicas, S.A	39.71%	5,231,294	-	112,497	-	5,343,791
		5,231,294	-	112,497	-	5,343,791
31 December 2022						
Company	% Held	Opening balance	Transfers	Additions	Reductions	Closing balance
Fisio Share – Gestão de Clínicas, S.A	39.71%	4,839,788	-	391,505	-	5,231,294
		4,839,788	-	391,505	-	5,231,294

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2023**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

As at March 31, 2023 and March 31, 2022, the movement in this caption relates to the application of the equity method to the Group's investment in Físio Share Gestão de Clínicas, S.A.. This subsidiary is engaged in providing technical and consulting services in the areas of health management and administration.

The application of the equity method relatively to the three months period ended as at March 31, 2023 was made based on the provisional and unaudited consolidated financial statements of the entity above mentioned, with the impact on net income for the current period being recorded under the caption "Results related to investments". As at March 31, 2023, the financial participation value amounted to 5,343,791 Euro (5,231,294 Euro as at 31 December 2022). The Board of Directors believes that there will be no materially significant differences between the financial statements used for the purposes of applying this method and the final consolidated financial statements of that entity.

4.3 Other investments

As of March 31, 2023, and December 31, 2022, the caption 'Other investments' and respective impairment losses can be detailed as follows:

	31.03.2023	31.12.2022
Gross value		
Opening value	5,749,445	4,967,633
Additions	-	781,812
Closing balance	5,749,445	5,749,445
Accumulated impairment losses (Note 11)		
Opening value	(5,749,445)	(4,967,633)
Additions	-	(781,812)
Closing balance	<u>(5,749,445)</u>	<u>(5,749,445)</u>
Net value	<u>-</u>	<u>-</u>

As at March 31, 2023 and December 31, 2022, the Group held 22.52% of the company CEV, S.A. This participated company is engaged in the developments and intellectual protection, production and trade of organic fungicides for agriculture. This investee is not listed and the Group does not have significant influence over this holding, namely due to:

- Has no representation on the Executive Committee of the Subsidiary;
- Has no power to participate in defining operational and financial policies;
- Does not present any material transactions with the Subsidiary;
- Does not contribute to the Subsidiary with technical information.

In view of the above, the Group believes that, having no influence on the company's governance bodies, it should consider this holding as other investment and not as an associate.

The measurement of evidence of investment impairments in other investments takes into consideration, among others, the Companies' financial indicators, its Operating Profit, and the shareholders' return, namely considering its ability to distribute dividends.

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2023**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

5. INVESTMENT PROPERTIES

The movement in this caption in the three months period ended March 31, 2023 and in the year ended December 31, 2022 is as follows:

	<u>31.03.2023</u>	<u>31.12.2022</u>
Gross opening balance	89,918,380	89,787,130
Acquisitions	-	141,750
Disposals	-	(10,500)
Gross closing balance	<u>89,918,380</u>	<u>89,918,380</u>
Impairment Losses (Note 11)	(1,100,000)	(1,100,000)
Closing balance	<u>88,818,380</u>	<u>88,818,380</u>

The lease land generated, during the three months ended as of March 31, 2023, income for rents amounting to, approximately, 1,725,000 Euro (approximately 6,800,000 Euro in December 31, 2022).

Investment properties held by Ramada Group essentially correspond to land leased under lease, through contracts signed in 2007 and 2008 with an average duration of twenty years (with the possibility of extending for an additional period of four to six years, depending on the contracts, in case the lessee needs this period to make the number of cuts defined under usual conditions), and the cost method is being used as the valuation method.

The minimum future receipts for leases of forest land amounting, to approximately, 6.8 million Euro in each of the following 5 years. After this period and until the end of the contracts, the minimum future receipts total, approximately 42 million Euro. The rents provided for in each lease agreement are updated at the end of each two-year period, counting from the beginning of the calendar year immediately following the signing of the contract, based on the consumer price index.

Part of the land amounting to, approximately, 74 million Euros is given as collateral for the Group's bank loans.

As at December 31, 2022, the Group consulted an independent external appraiser to support the Board of Directors in determining the fair value of the land recorded as investment property for the purpose of disclosure on this matter and also to assess the existence of any evidence of impairment. Considering the information available to date, the conclusions regarding this matter remain unchanged.

6. DEFERRED INCOME TAXES

In accordance with current legislation, the tax returns are subject to review and correction by the tax authorities over a period of four years (five years for Social Security), except when tax losses have occurred, tax benefits have been granted, or inspections, complaints or disputes are on-going. In these cases, depending on the circumstances, the above referred period deadlines can be extended or suspended. Therefore, the tax returns of Ramada and its subsidiaries for the years 2019 to 2022 may still be subject to review.

The Board of Directors of Ramada believes that any potential corrections arising from reviews/inspections of these tax returns by the tax authorities will not have a significant effect on the condensed consolidated financial statements as of March 31, 2023.

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2023**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

7. CASH AND CASH EQUIVALENTS

As of March 31, 2023, and December 31, 2022, the caption 'Cash and cash equivalents' included in the consolidated statement of financial position can be detailed as follows:

	31.03.2023	31.12.2022
Cash	58,233	39,604
Bank deposits	30,574,235	28,505,611
Cash and cash equivalents on the statement of financial position	<u>30,632,468</u>	<u>28,545,215</u>
Bank overdrafts (Note 9)	-	(3,742,561)
Cash and cash equivalents on the statement of cash flows	<u>30,632,468</u>	<u>24,802,654</u>

8. SHARE CAPITAL

As of March 31, 2023, Ramada's fully subscribed and paid-up capital consisted of 25,641,459 shares with a nominal value of 1 Euro each.

Regarding the year 2022, the Board of Directors proposed in its Annual Report, which was approved in the General Meeting held on April 28, 2023, that the individual net profit of Ramada Investimentos e Indústria, S.A. in the amount of 24,329,205 Euros be distributed as dividends in the amount of 21,025,996 Euros, with the remaining amount of 3,303,209 Euros being transferred to free reserves.

9. BANK LOANS AND OTHER LOANS

As of March 31, 2023, and December 31, 2022, the captions "Bank loans" and "Other loans" can be detailed as follows:

	31.03.2023		31.12.2022	
	Corrente	Não corrente	Corrente	Não corrente
Bank loans	6,000,000	21,487,401	6,000,000	25,487,401
Bank loans	<u>6,000,000</u>	<u>21,487,401</u>	<u>6,000,000</u>	<u>25,487,401</u>
Commercial paper	14,000,000	-	13,000,000	-
Escrow accounts	5,000,000	-	5,000,000	-
Bank overdrafts (Note 7)	-	-	3,742,561	-
Investment grants	255,427	612,651	255,427	612,651
Other loans	<u>19,255,427</u>	<u>612,651</u>	<u>21,997,988</u>	<u>612,651</u>
	<u>25,255,427</u>	<u>22,100,052</u>	<u>27,997,988</u>	<u>26,100,052</u>

It is the Board of Directors understanding that as of March 31, 2023 and December 31, 2022 the loans' book value does not differ significantly from its fair value.

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2023**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

9.1 Bank loans:

The nominal amount of bank loans as of March 31, 2023, and December 31, 2022, will be reimbursed as follows:

31.03.2023			31.12.2022		
Repayment year	Amount	Estimated interest ¹	Repayment year	Amount	Estimated interest ¹
Current			Current		
1Q 2024	25,255,427	934,451	2023	27,997,988	979,930
Non-current			Non-current		
2Q until 4Q 2024	2,242,830	313,996	2024	6,242,830	863,750
2025	5,857,222	668,750	2025	5,857,222	638,750
2026	5,500,000	435,000	2026	5,500,000	413,750
2027	3,500,000	227,500	2027	3,500,000	215,000
2028	5,000,000	120,000	2028	5,000,000	100,000
	<u>22,100,052</u>	<u>1,765,246</u>		<u>26,100,052</u>	<u>2,231,250</u>
	<u>47,355,479</u>	<u>2,699,697</u>		<u>54,098,040</u>	<u>3,211,180</u>

¹ Interest estimated according to the defined contractual conditions, assuming the market conditions verified in 2023 and 2022, respectively.

During the period of three months ended as of March 31, 2023, these loans bear interest at normal market rates depending on the nature and term of the credit obtained.

During the period of three months ended as of March 31, 2023, and the year ended as of December 31, 2022, the Group did not enter into any loan default.

Additionally, as of March 31, 2023, there are no covenants associated with the loans obtained.

10. OTHER CURRENT LIABILITIES

As of March 31, 2023, and December 31, 2022, the caption “Other current liabilities” can be detailed as follows:

	31.03.2023	31.12.2022
Accrued expenses:		
Wages and salaries payable, bonuses and other payroll expenses	3,542,532	3,008,676
Other accrued expenses	2,540,722	1,851,634
Deferred income	716,049	216,671
	<u>6,799,303</u>	<u>5,076,981</u>

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2023**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

11. PROVISIONS AND IMPAIRMENT LOSSES

The movements that occurred in provisions and impairment losses for the three months periods ended as of March 31, 2023 and 2022, can be detailed as follows:

31.03.2023						
Provisions	Impairment losses in debts from third parties	Impairment losses in inventories	Impairment losses in investments	Impairment losses in investment properties	Total	
			(Note 4)	(Note 5)		
Opening balance	2,160,000	7,980,350	3,856,229	5,749,445	1,100,000	20,846,024
Increases	-	45,000	-	-	-	45,000
Reversals	-	-	-	-	-	-
Utilizations	-	-	-	-	-	-
Closing balance	<u>2,160,000</u>	<u>8,025,350</u>	<u>3,856,229</u>	<u>5,749,445</u>	<u>1,100,000</u>	<u>20,891,024</u>

31.03.2022						
Provisions	Impairment losses in debts from third parties	Impairment losses in inventories	Impairment losses in investments	Impairment losses in investment properties	Total	
			(Note 4)	(Note 5)		
Opening balance	2,160,000	7,084,325	3,060,742	4,967,633	1,100,000	18,372,700
Increases	-	39,132	-	-	-	39,132
Reversals	-	-	-	-	-	-
Utilizations	-	-	-	-	-	-
Closing balance	<u>2,160,000</u>	<u>7,123,457</u>	<u>3,060,742</u>	<u>4,967,633</u>	<u>1,100,000</u>	<u>18,411,832</u>

The increases and reversals of provisions and impairment losses recorded in the three months periods ended March 31, 2023 and 2022 were recorded against the income statement caption "Provisions and impairment losses".

The amount recorded under "Provisions" at 31 March 2023 corresponds to the best estimate by the Board of Directors of the Group Companies to cover losses to be incurred with lawsuits currently in progress and other liabilities.

It is the opinion of the Board of Directors, based on its legal and tax advisors, that as of March 31, 2023, there are no material assets or liabilities associated with probable or possible tax contingencies that should be recognized or disclosed in the condensed consolidated financial statements on March 31, 2023.

12. EARNINGS PER SHARE

Earnings per share for the three months periods ended as of 31 March 2023 and 2022 were determined taking into consideration the following amounts:

	31.03.2023	31.03.2022
Result for calculating basic and diluted earnings per share	3,413,104	4,951,988
Weighted average number of shares for calculating net income per share	25,641,459	25,641,459
Earnings per share		
Basic	<u>0.13</u>	<u>0.19</u>
Diluted	<u>0.13</u>	<u>0.19</u>

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2023**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

There are no situations in the Group that might represent a reduction on earnings per share, arising from stock options, warrants, convertible bonds or other rights embedded in ordinary shares.

13. RELATED PARTIES

The Group's subsidiaries have relations with each other that qualify as related party transactions. All these transactions are carried out at market prices.

In the consolidation procedures, transactions between companies included in the consolidation by the full consolidation method (Note 4.1) are eliminated, since the condensed consolidated financial statements present information from the holding company and its subsidiaries as if they were a single company.

By reference to 31 March 2023, and as a result of a review of the definition of related parties, the disclosure criteria was revised. Until this date, in addition to what is referred to in IAS 24, the interpretation was also in line with the definition of special relations as defined in the Portuguese Corporate Income Tax Code. As of this date, the definition was reviewed to be fully aligned with what is foreseen by the standard IAS 24.

14. SEGMENT INFORMATION

In accordance with the origin and nature of the income generated by the Group, the main segments identified are as follows:

- Industry – includes the commercialization of steel and storage systems and the activity related to the management of financial investments in which the Group is a minority shareholder;
- Real estate – includes the assets and activities related to the Group's real estate development.

These segments were identified considering the business units which develop activities whose income and cost may be distinguished, and for which it is produced separate financial information and its operating results are reviewed and taken decisions by the management.

The segregation of activities by segments as of March 31, 2023 and 2022 is made up as follows:

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2023**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

	31 March 2023			
	Industry	Real estate	Intragroup eliminations	Total
Total assets	140,972,201	99,556,021	(10,396,744)	230,131,477
Total liabilities	52,332,670	50,662,000	(10,396,744)	92,597,926
Investments made in the period (a)	131,970	-	-	131,970
Sales and services rendered and other income from operations with external customers	38,750,487	2,064,652	-	40,815,139
Sales and services rendered and other income with other segments	85,000	328,664	(413,664)	-
EBITDA (b)	4,368,121	1,651,162	-	6,019,283
Amortisation and depreciation	(1,092,293)	(115,703)	-	(1,207,996)
EBIT (c)	3,275,828	1,535,459	-	4,811,287
Financial income	106,874	67	(75,035)	31,906
Financial expenses	(447,173)	(261,404)	75,035	(633,541)
Results related to investments	112,497	-	-	112,497
Income before tax	3,048,026	1,274,123	-	4,322,149
Income tax	(628,738)	(280,307)	-	(909,045)
Consolidated net profit/(loss) for the period	2,419,288	993,816	-	3,413,104

(a) Acquisitions of property, plant and equipment and intangible assets related to the operational activity of the Industry and Real Estate segments

(b) EBITDA = Income before taxes, Financial expenses, Financial income, Amortisation and depreciation and Results related to

(c) EBIT = EBITDA + Amortisation and depreciation

	31 March 2022			
	Industry	Real estate	Intragroup eliminations	Total
Total assets	173,858,056	99,223,261	(7,102,740)	265,978,577
Total liabilities	85,610,824	52,990,879	(7,102,740)	131,498,963
Investments made in the period (a)	458,230	-	-	458,230
Sales and services rendered and other income from operations with external customers	52,266,245	1,859,659	-	54,125,904
Sales and services rendered and other income with other segments	113,213	202,452	(315,665)	-
EBITDA (b)	6,228,140	1,481,984	-	7,710,124
Amortisation and depreciation	(1,070,809)	(48,000)	-	(1,118,809)
EBIT (c)	5,157,331	1,433,984	-	6,591,315
Financial income	33,060	20	(15,750)	17,330
Financial expenses	(150,634)	(107,635)	15,750	(242,519)
Results related to investments	108,588	-	-	108,588
Income before tax	5,148,345	1,326,369	-	6,474,714
Income tax	(1,230,925)	(291,801)	-	(1,522,726)
Consolidated net profit/(loss) for the period	3,917,420	1,034,568	-	4,951,988

(a) Acquisitions of property, plant and equipment and intangible assets related to the operational activity of the Industry and Real Estate segments

(b) EBITDA = Income before taxes, Financial expenses, Financial income, Amortisation and depreciation and Results related to

(c) EBIT = EBITDA + Amortisation and depreciation

**NOTES TO THE CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS OF 31 MARCH 2023**
(TRANSLATION OF NOTES ORIGINALLY ISSUED IN PORTUGUESE – NOTE 16)
(Amounts expressed in Euro)

15. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS APPROVAL

The condensed consolidated financial statements were approved by the Board of Directors and authorized for issuance in May 25, 2023.

16. TRANSLATION NOTE

These consolidated financial statements are a translation of the financial statements originally issued in Portuguese in accordance with IAS 34 – Interim Financial Reporting and with the International Financial Reporting Standards as adopted by the European Union, some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

The Chartered Account

The Board of Directors

João Manuel Matos Borges de Oliveira – Chairman

Paulo Jorge dos Santos Fernandes

Domingos José Vieira de Matos

Pedro Miguel Matos Borges de Oliveira

Ana Rebelo de Carvalho Menéres de Mendonça

Laurentina da Silva Martins