AMORIM

CORTICEIRA AMORIM CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2023

First semester 2023 (1H23) (Audited)
Second quarter 2023 (2Q23) (Non audited)

Translation of consolidated financial statements originally issued in Portuguese. In case of discrepancy the Portuguese version prevails

Dear Shareholders,
In accordance with the law, CORTICEIRA AMORIM, S.G.P.S., S.A., a listed company, presents its:

CONSOLIDATED MANAGEMENT REPORT

1. SUMMARY OF ACTIVITY

The first half of 2023 was surprisingly strong in terms of economic growth, as well as being positive in regard to financial market developments. The worst fears regarding the impact of a potential European energy crisis during the winter were not realised. The Chinese economy reopened earlier than expected and the United States (US) economy remained practically immune to the impact of sudden interest rate rises.

Some signs of fragility were observed, especially in those sectors most exposed to monetary tightening, amid fears the tightening could worsen. Some US banks especially exposed to interest-rate risk became the targets of official interventions between March and May. Although the instability affecting the US banking system did not last long, it triggered restrictions on granting credit and fears remain over potential impacts arising from the exposure of regional banks to the US commercial real estate sector. At the same time, the acceleration of monetary tightening has led to concerns regarding the residential real estate sector in countries including China, Canada, Australia and Northern Europe.

The US economy proved remarkably resilient, especially in the climate of continuing monetary tightening, mainly due to a robust labour market. In the second quarter, US GDP increased 0.6% quarter-on-quarter (2.4% year-on-year), a faster rate of expansion than in the previous quarter.

The Euro Zone registered a gradual drop in activity levels and a moderate reduction in inflation - Germany's poor performance (reflecting economic stagnation after two quarters of contracting activity) led this downward turn, together with the weak performance of other large European economies such as Italy. Activity levels are estimated to have increased 0.3% quarter-on-quarter – artificially inflated by Ireland's growth – and 0.6% in comparison with the same period of 2022.

China's economic growth fell below expectations in the second quarter, increasing 0.8% quarter-on-quarter, and only 6.3% compared with the same period of 2022, when strong restrictions on mobility had a significant impact on activity.

Corticeira Amorim's consolidated sales totalled €539.3 million in the first six months of 2023, a reduction of 1.1% compared with the same period of the previous year. The drop in sales by the Floor and Wall Coverings Business Unit (BU)(-35.9%) had a decisive impact on the evolution of consolidated sales, in which the Cork Stoppers BU's 5.4% sales growth was a highlight. The downward trend in sales registered in the first quarter (-1.4%) continued in the second quarter, but at a slower rate (-0.9%).

It should be noted that the exchange rate effect in the first half of the year was almost neutral. Excluding this effect, first-half sales would have decreased by 0.8%.

Sales increased for Raw Materials BU (+19.1%) and the Insulation BU (+23.4%), but fell for the Composite Cork BU (-5.8%).

Consolidated EBITDA totalled €103.8 million in the first half of 2023, up from €98.1 million in the same period of the previous year. Despite the negative impact of increased cork consumption prices and personnel costs, significant savings were recorded in terms of operating costs, due to lower energy and transport prices. The EBITDA-sales ratio was 19.2% (1H22: 18.0%).

The increase in earnings by associate companies was mainly due to the increased contribution by Corchos de Argentina, an associate company which began to adopt the Euro as its operating currency at the end of 2022.

Non-controlling interests ended the quarter with a lower value than in the same period of 2022 (€5.6 million vs €6.4 million) due to the less positive results of some subsidiaries with non-controlling interests.

After results attributable to non-controlling interests, net income totalled €51.4 million, an increase of 8% compared with the same period of the previous year.

Despite the generation of cash flows derived from EBITDA over this period, investment in tangible assets (€46 million), working capital (€79 million) and dividend payments (€27 million) led to a €58 million increase in net debt, which stood at €187 million at the end of the first half.

2. OPERATING ACTIVITIES - FIRST HALF 2023

The **Raw Materials BU** recorded sales growth of 19.1%, resulting from an increase in activity driven by increased demand from the Corticeira Amorim Group's other BUs.

EBITDA totalled €12.6 million, a decrease compared with the same period of the previous year (€13.4 million). The reduction in the EBITDA margin (from 12.1% in 1H22 to 9.6% in 1H23) resulted mainly from increased consumption prices for raw materials, despite an improvement in the sales mix, an increased cork yield and lower operating costs (energy and transport).

The BU continues to develop its Forest Intervention Project at Herdade de Rio Frio and Herdade da Baliza, focusing on new plantations and on increasing tree density in some areas.

The cork campaign has almost been completed, with purchases progressing as expected. However, prices and quantities are expected to increase following the atypical harvest of 2022.

The **Cork Stoppers BU** recorded sales totalling €423.3 million, an increase of 5.4% compared with the same period of 2022.

Solid sales growth was driven by an improved product mix and higher sales prices. Sales increased in all wine segments and in most cork stopper categories. The Neutrocork stopper continued to outperform other still wine stopper categories.

In geographical terms, sales increased strongly in the US market following an unfavourable performance in 2022, when sales were penalised by the bottling of high-end wines, whose production was impacted by the 2020 forest fires.

The BU's EBITDA totalled €91.0 million (+18.6% compared with the same period of 2022). The EBITDA margin rose to 21.5% (19.1% in the same period of the previous year). The improvement in the margin was mainly due to increased sales prices, improvements in the product mix, a reduction in energy costs and an improved crushing performance.

The **Floor and Wall Coverings BU** recorded sales of €49.6 million, a decrease of 35.9% compared with the same period of 2022 that reflects a significant decrease in activity levels due to the adverse climate in which the BU operates. This was in line with the global trend in the sector, reflecting a slowdown in activity, particularly in the retail/residential segment. Sales of manufactured and trade products both declined.

A reduction in sales was recorded for a majority products and in most regions. Sales to Germany and Scandinavia, the BU's most important markets, remained challenging, showing no signs of recovery.

The BU recorded negative EBITDA, totalling -€2.7 million, compared with a positive EBITDA of €2.2 million in the same period of 2022. The reduction in operational activity due to lower sales levels was the main cause of the deterioration in the EBITDA margin (from 2.8% to -5.5%), despite the positive impact of lower energy, transport and marketing expenses.

Investment in the new digital printing technology will enable the BU to rebuild its product portfolio, using more sustainable products with greater added value, thereby laying the foundation for a recovery in the BU's profitability. This investment should establish the basis for a consistent recovery in profitability, once there is a reversal in the downward sales trend in the flooring market, mainly in Germany, which began in the summer of 2022.

Sales by the **Composite Cork BU** totalled €58.2 million, a decrease of 5.8% compared with the same period of 2022 (€61.7 million). Although sales benefited from improvements in the product mix and from sales price increases, a reduction in volume sales, particularly in lower-added value segments, led to overall sales dropping in the first six months of 2022.

The most profitable segments outperformed those with the lowest margins. The biggest increases in sales were in the Power Industry, Rail and Sports Surfaces segments. The largest drops in sales were in the Distributors of Flooring & Related Products and Resilient & Engineered Flooring Manufacturers segments.

The positive contribution of joint ventures, whose sales increased 27.6% compared with the same period of 2022, was a sales highlight for this BU.

EBITDA for the period totalled €11.8 million. The EBITDA margin was 20.3% (1H22: 15.8%). The improvement in profitability, despite a decrease in volumes sold and an increase in the cost of raw material cork consumed, was mainly due to an improved product mix, lower energy costs and favourable exchange rates (at constant exchange rates, the EBITDA-sales margin would have been 18.8%).

Sales by the **Insulation BU** totalled €9.9 million, up 23.4% on the first half of 2022. Strong sales growth, reflecting higher sales prices and an improved product mix, more than offset a drop in sales volume.

The BU posted a negative EBITDA of -€0.6 million, compared with a positive €1.1 million in the same period of 2022. The unit's EBITDA is highly sensitive to cork prices, as cork is the only raw material used in the manufacture of its products. As a result, the climate of rising cork prices had a significant impact on the BU's profitability. The EBITDA margin was also penalised by higher operating costs, despite the positive impact of a reduction in energy prices and an increase in crushing yields.

3. CONSOLIDATED PROFIT AND LOSS ACCOUNT AND FINANCIAL POSITION

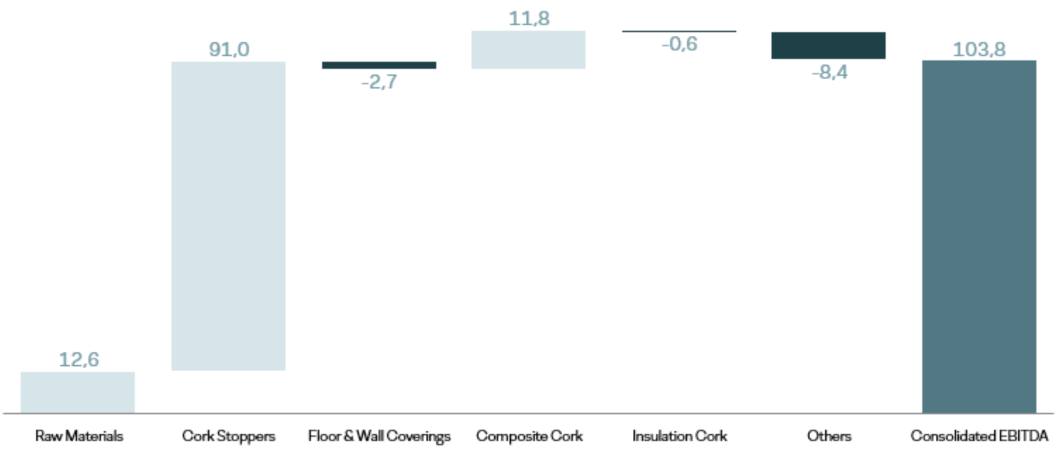
Corticeira Amorim's consolidated sales totalled €539.3 million in the first half of 2023, a slight decrease (-1.1%) compared with the same period of 2022. As previously mentioned, the overall reduction in sales resulted mainly from the drop in sales by Floor and Wall Coverings BU, while the 5.4% growth in sales by the Cork Stoppers BU was a highlight of the period.

The decrease in the gross margin percentage, which fell from 53.2% to 51.5%, mainly reflects the increased consumption price of cork as a raw material.

The increase of approximately €4.4 million in personnel expenses (+4.5%) compared with the same period of 2022 reflects salary increases and an increase in the Group's average number of employees. External supplies and services costs decreased by 22.2% compared with the same period of 2022, mainly due to the lower cost of electricity (-€15.6 million, a drop of 69%) and transport (-25%).

In regard to other operating income and cost items with an impact on EBITDA, there was a favourable change totalling about €0.5 million. It should be noted that the effect of exchange rate differences on assets receivable and liabilities payable, together with their respective exchange rate risk coverage, which is included in other operating income/gains, was positive, amounting to approximately €0.3 million (1H22: -€0.3 million).

EBITDA increased by 5.8%, totalling €103.8 million. The EBITDA-sales ratio was 19.2% (1H22: 18.0%).



No non-recurring results were recognised in this semester. It should be recalled that in the same period of 2022, non-recurring results totalling €1.1 million were recognised, mainly resulting from the recording of impairments (inventories and customers) reflecting a prudent approach to the Group's exposure to Russia, Ukraine and Belarus.

Financial results deteriorated in comparison with the same period of 2022, reflecting the increases in cost and in the average level of financing.

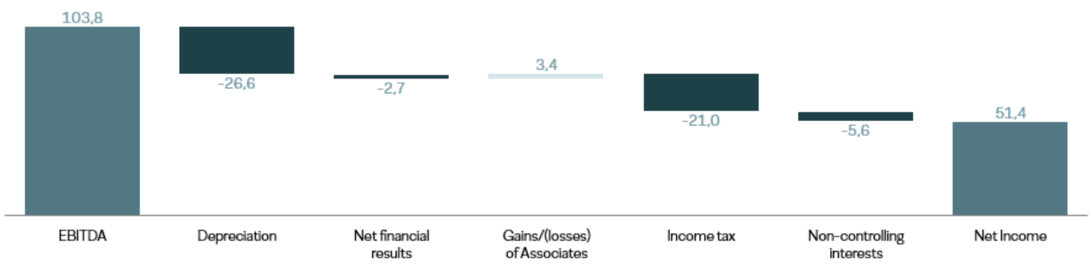
Associate company results totalled €3.4 million. The increase in comparison with the same period of 2022 (1H22: 2.2 million) mainly reflects an increase in the contribution made by Corchos de Argentina, which adopted the Euro as its operational currency from the end of 2022.

As usual, it will only be possible to estimate the value of investment tax benefits (RFAI and SIFIDE) for 2023 at the end of the year. As a result, any tax gain will be recorded only when the 2023 accounts are finalised.

The value of non-controlling interests decreased by 12% compared with the same period of the previous year (€5.6 million vs €6.4 million), reflecting the exit of Biocape, as well as the less positive result of some of the subsidiaries.

After income tax of €21.0 million and the allocation of results to non-controlling interests, net income attributable to Corticeira Amorim shareholders totalled €51.4 million, an increase of 8.0% compared with the income of €47 .6 million recorded in the first half of 2022.

Earnings per share were €0.386 (1H22: €0.358).



In terms of the Group's financial position, assets increased by €138 million compared with December 2022. By item, the increase in Customers (€59 million), Inventories (€37 million) and Other current assets (€43 million, mainly the result of advances for purchasing raw materials) merit highlighting. The Cash and cash equivalents item decreased by €19 million.

The change in Equity (excluding non-controlling interests) mainly reflects the earnings for the period (+€51 million) and the dividends distributed (€26.6 million). The increase in Non-controlling interests item (+€4 million) results, essentially, from the earnings of non-controlling interests during this period.

Changes of note in regard to Liabilities include increases in interest-bearing debt (+€39 million), suppliers (+€43 million), other financial current liabilities (+9 million) and income tax (+€13 million, resulting from an increase in the estimated amount of tax).

At the end of June 2023, equity totalled €773 million. The financial autonomy ratio stood at 54.9%.

4. KEY CONSOLIDATED INDICATORS

		1H22	1H23	yoy	2Q22	2Q23	qoq
Sales		545,523	**539,269**	-1.1%	281,978	**279,382**	-0.9%
Gross Margin – Value		290,297	**277,875**	-4.3%	148,703	**141,403**	-4.9%
Gross Margin / Sales		53.2%	**51.5%**	-1.7 p.p.	52.7%	**50.6%**	-2.1 p.p.
Operating Costs - current		216,920	**200,652**	-7.5%	107,076	**98,604**	-7.9%
EBITDA - current		98,081	**103,774**	5.8%	53,994	**55,869**	3.5%
EBITDA/Sales		18.0%	**19.2%**	+ 1.3 p.p.	19.1%	**20.0%**	+ 0.8 p.p.
EBIT - current		73,377	**77,223**	5.2%	41,628	**42,799**	2.8%
Net Income		47,564	**51,360**	8.0%	27,460	**27,588**	0.5%
Earnings per share		0.358	**0.386**	8.0%	0.206	**0.207**	0.5%
Net Bank Debt		71,217	**187,247**	116,030	-	**-**	-
Net Bank Debt/EBITDA (x)	1)	0.46	**1.10**	0.64 x	-	**-**	-
EBITDA/Net Interest (x)	2)	237.0	**73.0**	-164.06 x	230.5	**65.8**	-164.69 x

1) Current EBITDA of the past four quarters.

2) Net interest includes interest from loans deducted of interest from deposits (excludes stamp tax and commissions).

5. OUTLOOK FOR THE SECOND HALF

As previously stated, signs of economic fragility can be observed, especially in those sectors most exposed to monetary tightening measures, which could be aggravated in the future.

The negative effects of restrictive monetary policy is expected to continue spreading to the rest of the economy, as decompression pockets disappear and economic agents are forced to change their consumption and investment patterns. This is the outcome that monetary authorities desire and it should, therefore, be accompanied by measures that enable economic growth to be relaunched before it slows down too much, although the risk of this happening is high.

In terms of Corticeira Amorim's business volume, the first half of 2023 proved stable. The objective for the remaining two quarters of 2023 is to maintain the level of the Group's business activity stable, although some constraints may arise due to the circumstances described in the previous paragraph.

6. BUSINESS RISKS AND UNCERTAINTIES

Corticeira Amorim, like all other companies, operates in the climate of economic uncertainty that is affecting global markets. This environment, created by the combat against inflation, is a source of uncertainty that conditions the outlook for Corticeira Amorim's performance in 2023.

The risks and uncertainties listed in the Company's annual report remain up to date. It should be noted that at the end of the first half of 2023, with the Group's cork purchasing needs for 2024 assured, Corticeira Amorim will continue to respond uninterruptedly to its customers needs throughout the world, adopting the best and most appropriate practices at all times. The Company's diversification policy and practices - not just one product, not just one market, not just one currency - will provide additional balance.

Corticeira Amorim's activity is exposed to a variety of financial risks: market risk (including exchange-rate risk and interest-rate risk), credit risk, liquidity risk and capital risk. The Company's objectives and policies regarding the management of these risks, including its hedging policies for each of the main categories of likely transactions for which hedging accounting is used, as well as exposure to price, credit, liquidity and cash flow risks are set out in the note: "Financial Risk Management", which is included in the Notes to the Consolidated Accounts.

7. OWN SECURITIES

Throughout the first half of 2023, Corticeira Amorim did not acquire or dispose of any of its own shares.

On June 30, 2023, Corticeira Amorim did not hold any of its own shares.

8. SHAREHOLDERS' EQUITY

Relationships of shareholders holding qualified equity stakes on the date of closing this report:

Shareholder	Shares Held (quantity)	Holding (%)	Voting Rights (%)
Qualified Holdings:			
Amorim Investimentos e Participações, S.G.P.S., S.A.	67 830 000	51.000%	51.000%
Amorim, Soc. Gestora de Participações Sociais, S.A.	13 414 387	10.086%	10.086%
A Porta da Lua, S..A..	8 290 767	6.234%	6.234%
API – Amorim Participações Internacionais, S.A.	2 717 195	2.043%	2.043%
Vintage Prime – S.G.P.S., S.A.	2 717 195	2.043%	2.043%
Freefloat (a)	38 030 456	28.594%	28.594%
Total	**133 000 000**	**100.000%**	**100.000%**

(a) Includes 3 045 823 shares (2.29%) held by funds under the management of Santander Asset Management, SA, SGIIC (communication received by the company on 6 June 2019).

Shareholders Amorim Investimentos e Participações, SGPS, S.A. *(b)*	**No. of shares**	**% Capital with voting rights**
Directly	67 830 000	51.000%
Total attributable	**67 830 000**	**51.000%**

(b) Shares with voting rights in Amorim Investimentos e Participações, SGPS, S.A. are entirely held by three companies, Amorim Holding Financeira, SGPS, S.A. (11.392%), Amorim Holding II, SGPS, S.A. (38.608%) and Amorim - Sociedade Gestora de Participações Sociais, S.A. (50%) without any of these companies having any participation in the company's business affairs, thus thereby terminating the chain of responsibility under the terms of Art. 20 of the CVM Code. The share capital and voting rights of the aforementioned three companies is, in turn, held respectively, in the case of the first two, directly and indirectly by Mrs. Maria Fernanda Oliveira Ramos Amorim and daughters and, in the case of the third, by Mr. António Ferreira de Amorim, wife and children.

Shareholder A Porta da Lua, S.A.	**No. of shares**	**% Capital with voting rights**

Directly	8 290 767	6.234%
Total attributable	**8 290 767**	**6.234%**

Maria Fernanda Oliveira Ramos Amorim	No. of shares	% Capital with voting rights
Directly	-	-
Through the shareholder A Porta da Lua, S.A. *(c)*	8 290 767	6.234%
Total attributable	**8 290 767**	**6.234%**

(c) The equity capital of the company A Porta da Lua, S.A. is held entirely by Maria Fernanda Oliveira Ramos Amorim.

API – Amorim Participações Internacionais, S.A.	No. of shares	% Capital with voting rights
Directly	2 717 195	2.043%
Total attributable	**2 717 195**	**2.043%**

Marta Cláudia Ramos Amorim Barroca de Oliveira	No. of shares	% Capital with voting rights
Directly	-	-
Through the shareholder API – Amorim Participações Internacionais, S.A.. *(d)*	2 717 195	2.043%
Total attributable	**2 717 195**	**2.043%**

(d) The equity capital of the company API – Amorim Participações Internacionais, S.A. is held entirely by Marta Cláudia Ramos Amorim Barroca de Oliveira.

Vintage Prime – S.G.P.S., S.A.	No. of shares	% Capital with voting rights
Directly	2 717 195	2.043%
Total attributable	**2 717 195**	**2.043%**

Luisa Alexandra Ramos Amorim	No. of shares	% Capital with voting rights
Directly	-	-
Through the shareholder Vintage Prime – S.G.P.S., S.A.. *(e)*	2 717 195	2.043%
Total attributable	**2 717 195**	**2.043%**

(e) The equity capital of the company Vintage prime – S.G.P.S., S.A. is entirely held by Luisa Alexandra Ramos Amorim.

Shareholder Amorim, Sociedade Gestora de Participações Sociais, S.A. *(f)*	No. of shares	% Capital with voting rights
Directly	13 414 387	10.086%

	Total attributable	**13 414 387**	**10.086%**

(f) The capital of Amorim, Sociedade Gestora de Participações Sociais, S.A. is held by Mr. António Ferreira de Amorim, wife and children and with no family member participating in the running of the company.

9. TRANSACTIONS BY DIRECTORS AND OFFICERS

In the first half of 2023 there were no transactions in shares or financial instruments related with those issued by Corticeira Amorim either by their Executives or by the companies that own CORTICEIRA AMORIM, or by persons or entities closely related to them.

10. LIST OF SHAREHOLDERS OWNING MORE THAN ONE TENTH OF THE COMPANY'S SHARE CAPITAL

On the date of issuing this report, the following shareholders owned more than a tenth of the share capital of Corticeira Amorim:

I. The company Amorim Investimentos e Participações, S.A. was the holder of 67 830 000 shares in Corticeira Amorim, corresponding to 51% of the share capital and voting rights;

II. The company Amorim, - Sociedade Gestora de Participações Sociais, S.A. was the holder of 13 414 387 shares in Corticeira Amorim, corresponding to 10.086% of the share capital and voting rights.

11. SUBSEQUENT EVENTS

No significant events that could materially affect the financial position or the future results of Corticeira Amorim, or the subsidiary companies that make up the consolidated group, occurred prior to the date of issue of this report.

12. STATEMENT OF RESPONSIBILITY

In compliance with that established in line c) of paragraph 1 of article 246 of the CVM Code, the members of the Board of Directors hereby declare that, to the best of their knowledge, the quarterly reports and other accounting documents were drafted in compliance with the applicable accountancy norms, provide a true and appropriate image of the assets and liabilities, the financial situation and the results of CORTICEIRA AMORIM, SGPS, S.A. and the companies included in its perimeter of consolidation. They furthermore declare that the management report faithfully sets out the trends in business, the performance and position of CORTICEIRA AMORIM, SGPS, S.A. and the companies included in its perimeter of consolidation, with the aforementioned report containing a specific chapter detailing the main business risks and uncertainties arising in the following six months.

Mozelos, August 1, 2023

The Board of Directors of CORTICEIRA AMORIM, S.G.P.S., S.A.

António Rios de Amorim (Chairman)

Nuno Filipe Vilela Barroca de Oliveira (Vice-Chairman)

Fernando José de Araújo dos Santos Almeida (Member)

Cristina Rios de Amorim Baptista (Member)

Luisa Alexandra Ramos Amorim (Member)

Juan Ginesta Viñas (Member)

José Pereira Alves (Member)

Marta Parreira Coelho Pinto Ribeiro (Member)

Cristina Galhardo Vilão (Member)

António Lopes Seabra (Member)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

thousand euros

	Notes	June 30, 2023	December 31, 2022	June 30, 2022
Assets				
Tangible assets	8	409 208	392 588	345 605
Intangible assets	9	19 677	21 987	18 328
Right of use	11	4 094	4 564	5 495
Goodwill	9	18 889	18 874	20 828
Biological assets	10	6 154	913	1 045
Investment property	12	4 224	3 966	5 269
Investments in associates and joint	13	34 166	32 083	30 122
Other financial assets	17	2 337	1 945	2 091
Deferred tax assets	14	16 934	13 235	13 347
Other debtors	18	2 164	2 509	2 711
Non-current assets		**517 848**	**492 666**	**444 841**
Inventories	15	442 715	405 229	372 913
Trade receivables	16	266 466	207 792	263 720
Income tax assets	14	5 053	12 370	2 429
Non-current assets held for sale		0	298	0
Other debtors	17	43 246	41 973	51 151
Other current assets	18	66 818	24 121	50 945
Cash and cash equivalents	19	65 568	84 867	97 855
Current assets		**889 865**	**776 650**	**839 013**
Total Assets		**1 407 714**	**1 269 316**	**1 283 853**
Equity				
Share capital	20	133 000	133 000	133 000
Other reserves	20	505 206	434 192	441 434
Net Income		51 360	98 395	47 564
Non-Controlling Interest	21	83 645	79 339	83 028
Total Equity		**773 210**	**744 926**	**705 026**
Liabilities				
Interest-bearing loans	22	129 705	104 869	119 964
Other financial liabilities	24	10 320	11 899	14 623
Provisions	28	4 828	4 473	3 502
Post-employment benefits		2 701	2 603	2 807
Deferred tax liabilities	14	40 671	44 014	49 798
Non-current liabilities		**188 224**	**167 857**	**190 694**
Interest-bearing loans	22	123 110	108 986	49 108
Trade payables	23	214 014	170 549	214 690
Other financial liabilities	24	56 153	46 871	83 572
Other liabilities	24	32 962	23 466	28 257
Income tax liabilities	14	20 040	6 661	12 506
Current liabilities		**446 280**	**356 533**	**388 134**
Total Liabilities and Equity		**1 407 714**	**1 269 316**	**1 283 853**

(this statement should be read with the attached notes to the consolidated financial statements)

Consolidated income statement by nature

thousand euros

2Q23 (non audited)	2Q22 (non audited)		Notes	1H23	1H22
279 382	281 978	Sales	7	539 269	545 523
-144 688	-146 223	Costs of goods sold and materials consumed		-283 132	-272 580
6 709	12 949	Change in manufactured inventories		21 738	17 354
-36 413	-49 233	Third party supplies and services		-76 901	-98 888
-50 548	-48 456	Staff costs		-100 270	-95 929
-421	-128	Impairments of assets	25	-959	67
3 482	5 609	Other income and gains		8 417	7 199
-1 634	-2 501	Other costs and losses		-4 386	-4 664
55 869	**53 994**	**Operating profit before depreciation**		**103 774**	**98 081**
-13 070	-12 366	Depreciation	8, 9, 10, 11,12	-26 551	-24 704
42 799	**41 628**	**Operating profit**		**77 223**	**73 377**
-	1 940	Non-recurrent results	26	-	-1 057
-1 941	-592	Financial costs		-2 991	-1 310
215	52	Financial income		290	206
1 825	910	Share of (loss)/profit of associates and joint-ventures	13	3 441	2 192
42 897	**43 939**	**Profit before tax**		**77 963**	**73 408**
-12 750	-13 124	Income tax	14	-20 969	-19 445
30 147	**30 815**	**Profit after tax**		**56 994**	**53 962**
-2 560	-3 355	Non-controlling Interest	21	-5 634	-6 399
27 588	**27 460**	**Net Income attributable to the equity holders of Corticeira Amorim**		**51 360**	**47 564**
0,207	**0,206**	**Earnings per share - Basic e Diluted (euros per share)**		**0,386**	**0,358**

(this statement should be read with the attached notes to the consolidated financial statements)

Consolidated statement of comprehensive income

thousand euros

2Q23 (non audited)	2Q22 (non audited)		Notes	1H23	1H22
30 147	**27 116**	**Net Income**		**56 994**	**53 962**
		Itens that may be reclassified through income statement:			
- 271	- 1 159	Change in derivative financial instruments fair value	14	56	- 832
- 4 263	786	Change in translation differences and other	14	- 524	2 581
- 182	1 129	Share of other comprehensive income of investments accounted for using the equity method	14	262	1 573
- 92	31	Other comprehensive income	14	10	133
-4 809	**1 428**	**Other comprehensive income (net of tax)**		**-196**	**3 455**
25 339	**32 243**	**Total Net compreensive income**		**56 798**	**57 417**
		Attributable to:			
22 970	30 123	Corticeira Amorim Shareholders		51 072	51 047
2 369	2 119	Non-controlling Interest		5 726	6 371

(this statement should be read with the attached notes to the consolidated financial statements)

(items in this Statement above are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in note 14)

Consolidated statement of cash flow

thousand euros

2Q23 (non audited)	2Q22 (non audited)		Notes	1H23	1H22
		OPERATING ACTIVITIES			
275 922	322 404	Collections from customers		508 964	523 189
-222 791	-227 137	Payments to suppliers		-456 151	-432 535
-45 204	-51 456	Payments to employees		-87 568	-85 676
7 927	**43 810**	**Operational cash flow**		**-34 755**	**4 978**
-2 945	-5 129	Payments/collections - income tax		-7 605	-5 994
24 875	-7 243	Other collections/payments related with operational activities		55 774	54 860
29 858	**31 438**	**CASH FLOW FROM OPERATING ACTIVITIES**		**13 414**	**53 843**
		INVESTMENT ACTIVITIES			
		Collections due to:			
842	598	Tangible assets		1 555	665
0	58	Intangible assets		0	58
-396	0	Financial investments		0	60
1 841	0	Other financial assets		1 841	0
-26	66	Other assets		0	90
83	79	Interests and similar gains		447	93
1 342	822	Dividends		1 342	822
		Payments due to:			
-25 841	-18 106	Tangible assets		-45 156	-29 817
0	-12 600	Financial investments		0	-21 020
-802	-457	Intangible assets		-1 246	-1 625
- 22 513	**- 29 541**	**CASH FLOW FROM INVESTMENTS**		**- 41 217**	**- 50 674**
		FINANCIAL ACTIVITIES			
		Collections due to:			
86 105	16 251	Loans		86 105	16 251
508	-531	Government grants		508	1 545
0	7 168	Transactions with non-controlling interest		0	7 168
770	767	Others		1 589	1 483
0		**Payments due to:**			
-50 405	3 912	Loans		-52 250	0
-1 664	-563	Interests and similar expenses		-2 789	-968
368	79	Leasing		-874	-467
-26 550	-26 600	Dividends paid to company's shareholders	**20**	-26 600	-26 600
-634	-308	Dividends paid to non-controlling interest	**21**	-634	-308
-857	-603	Government grants		-1 626	-1 212
-234	-314	Others		-405	-486
7 409	**- 742**	**CASH FLOW FROM FINANCING**		**3 024**	**- 3 594**
14 311	1 155	**Change in cash**		-24 779	-425
-50	-69	**Exchange rate effect**		-158	175
0	-816	**Perimeter variation**		0	0
0	64 908	**Cash at beginning**	**19**	35 341	67 060
14 261	66 811	**Cash at end**	**19**	10 403	66 811

(this statement should be read with the attached notes to the consolidated financial statements)

Consolidated Statement of Changes in Equity

thousand euros

	Notes	Share capital	Paid-in capital	Hedge accounting	Translation difference	Legal reserve	Other reserves	Net income	Non-controlling interests	Total Equity
		Attributable to owners of Corticeira Amorim, SGPS, S.A.								
Balance sheet as at January 1, 2022		133 000	38 893	-109	-7 253	26 600	330 058	74 756	27 336	623 283
Profit for the year	**20**	-	-	-	-	0	74 755	-74 755	-	0
Dividends	**20**	-	-	-	-	-	-26 600	-	-308	-26 908
Perimeter variation	**21**	-	-	-	-	-		-	50 032	50 032
Changes in the percentage of interest retaining control	**21**	-	-	-	-	-	1 604	-	-403	1 201
Consolidated Net Income for the period	20 e 21	-	-	-	-	-	-	47 564	6 399	53 963
Change in derivative financial instruments fair value	3	-	-	-832	-	-	-	-	-	-832
Change in exchange differences	20 e 21	-	-	-	2 609	-	-	-	-28	2 581
Other comprehensive income of associates	13	-	-	-	-549	-	2 122	-	-	1 573
Other comprehensive income		-	-	-	-	-	133	-	0	133
Total comprehensive income for the period		0	0	- 832	2 060	0	2 255	47 564	6 371	57 418
Balance sheet as at December 31, 2022		133 000	38 893	-941	-5 193	26 600	382 072	47 564	83 028	705 026
Balance sheet as at January 1, 2023		133 000	38 893	623	-4 185	26 600	372 260	98 395	79 339	744 926
Profit for the year	**20**	-	-	-	-	0	98 395	-98 395	-	0
Dividends	**20**	-	-	-	-	-	-26 600	-	-634	-27 234
Perimeter variation	**21**	-	-	-	-	-	27	-	0	27
Changes in the percentage of interest retaining control	**21**	-	-	-	-	-	-519	-	-786	-1 305
Consolidated Net Income for the period	20 e 21	-	-	-	-	-	-	51 360	5 634	56 994
Change in derivative financial instruments fair value	3	-	-	56	-	-	-	-	-	56
Change in exchange differences	20 e 21	-	-	-	-534	-	-	-	10	-524
Other comprehensive income of associates	13	-	-	-	262	-		-	-	262
Other comprehensive income		-	-	-	-	-	-72	-	82	10
Total comprehensive income for the period		0	0	56	- 272	0	- 72	51 360	5 726	56 798
Balance sheet as at June 30, 2023		133 000	38 893	679	-4 457	26 600	443 491	51 360	83 645	773 210

(this statement should be read with the attached notes to the consolidated financial statements)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. INTRODUCTION

At the beginning of 1991, Corticeira Amorim, S.A. was transformed into Corticeira Amorim, S.G.P.S., S.A., the holding company for the cork business sector of the Amorim Group. In this report, Corticeira Amorim will be the designation of Corticeira Amorim, S.G.P.S., S.A., and in some cases the designation of Corticeira Amorim, S.G.P.S. together with all of its subsidiaries.

Corticeira Amorim is mainly engaged in the acquisition and transformation of cork into a numerous set of cork and cork related products, which are distributed worldwide through its network of sales company.

Corticeira Amorim is a Portuguese company with a registered head office in Mozelos, Santa Maria da Feira. Its share capital amounts to 133 million euros, which are publicly traded in the Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.

Amorim - Investimentos e Participações, S.G.P.S, S.A. held, as of December 31, 2022 and June 30, 2023, 67,830,000 shares of CORTICEIRA AMORIM, corresponding to 51.00% of the capital stock. Corticeira Amorim consolidates in Amorim – Investimentos e Participações, S.G.P.S., S.A., which is its controlling and Mother Company. Amorim – Investimentos e Participações, S.G.P.S., S.A. is owned by Amorim family.

These financial statements were approved in the Board Meeting of August 1, 2023. Shareholders have the capacity to modify these financial statements even after their release.

Except when mentioned, all monetary values are stated in thousand euros (Thousand euros = K euros = K€).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements as of June 30, 2023 were prepared using accounting policies consistent with International Financial Reporting Standards (IFRS) and in accordance with International Accounting Standard 34 - Interim Financial Reporting, and include the statement of financial position, the income statement, the income statement and other comprehensive income, the statement of changes in equity and the condensed statement of cash flows, as well as the selected explanatory notes. The remaining notes were excluded because they have not suffered any changes in their standards which may affect the understanding of the financial statements.

The accounting policies adopted in the preparation of the consolidated financial statements of CORTICEIRA AMORIM are consistent with those used in the preparation of the financial statements presented for the year ended December 31, 2022.

Changes in accounting policies and disclosures

The standards and interpretations that became effective as of 1 January 2023 are as follows:

- **IAS 1** (amendment), 'Disclosure of accounting policies'. Amendment to the requirement to disclose the accounting policies based on "material" instead of "significant". The amendment specifies that an accounting policy information is expected to be material if, in its absence, the users of the financial statements would be unable to understand other material information in those same financial statements. Immaterial accounting policy information need not be disclosed. The IFRS Practice

Statement 2 was also amended to provide guidance for the application of the concept of "material" to accounting policy disclosures.

- **IAS 8** (amendment), 'Disclosure of accounting estimates". This amendment introduces the definition of accounting estimate and the way it is distinct from changes to accounting policies. The accounting estimates are defined as corresponding to monetary amounts that are subject to measurement uncertainty, used to achieve an accounting policy's objective(s).

- **IFRS 17** (new and amendment), 'Insurance contracts'. This new standard replaces IFRS 4 and applies to all entities issuing insurance contracts, reinsurance contracts or investment contracts with discretionary participation in profit or loss if the entity issues insurance contracts. Under IFRS 17, insurers need to assess if a policy holder can benefit from a particular service as part of a claim or if the service is independent of the claim/risk event and do the unbundling of the non-insurance component. Under IFRS 17, the entities will need to identify portfolios of insurance contracts at initial recognition and divide them into a minimum of the following groups: i) contracts that are onerous at inception; ii) contracts that have no significant possibility of becoming onerous subsequently; and iii) remaining contracts in the portfolio. IFRS 17 requires a company to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and any uncertainty relating to insurance contracts. IFRS 17 requires a company to recognise profits as it delivers insurance services (rather than when it receives premiums), and to provide information about insurance contract profits the company expects to recognise in the future. IFRS 17 provides three measurement approaches for the accounting of different types of insurance contracts: i) General Measurement Model (GMM); ii) the Premium Allocation Approach (PAA), and iii) the Variable Fee Approach (VFA). IFRS 17 is applied retrospectively with some exemptions as at the transition date.

- **IFRS 17** (amendment), 'Initial Application of IFRS 17 and IFRS 9 – Comparative Information'. This amendment relates only to insurers' transitioning to IFRS 17 and allows the adoption of a classification overlay to a financial asset for which the entity does not restate IFRS 9 comparative information. This amendment seeks to avoid temporary accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented, when applying IFRS 17 for the first time, providing for (i) the application on a financial asset-by-financial asset basis; (ii) the presentation of comparative information as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset, but without requiring an entity to apply the impairment requirements of IFRS 9; and (iii) the obligation to use reasonable and supported information available at the transition date, to determine how the entity expects that financial asset to be classified in accordance with IFRS 9.

- **IAS 12** (amendment), 'Deferred tax related to assets and liabilities arising from a single transaction'. IAS 12 will require entities to recognise deferred tax on specific transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This applies to the recognition of i) right-of-use assets and lease liabilities; and ii) decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related asset, when not relevant for tax purposes. Such temporary differences are not in the scope of the initial recognition exemption for deferred taxes. This amendment is applied retrospectively.

These standards and amendments had no material impact on Corticeira Amorim's consolidated financial statements.

The standards (new and amended) published, the application of which is mandatory for economic periods beginning after January 1, 2024, but which the European Union has not yet endorsed, are as follows:

- **IAS 1** (amendment), 'Classification of liabilities as Non-current and Current' and 'Non-current liabilities with covenants' (effective for annual periods beginning on or after 1 January 2024). This amendment is still subject to endorsement by the European Union. These amendments clarify that liabilities are classified as either current or non-current balances depending on the rights that an entity has to defer its settlement for at least 12 months after the reporting date. They clarify also that the covenants that an entity is required to comply with, on or before the reporting date, affect the classification of a liability as current or non-current, even if the covenants are only assessed after the entity's reporting date. When an entity classifies liabilities arising from loan arrangements as non-current and those liabilities are subject to covenants, it is required to disclose information that enables investors to assess the risk that the liabilities could become repayable within 12 months, such as: a) the carrying amount of the liabilities; b) the nature of the covenants and the compliance dates; and c) the facts and circumstances that indicate that the entity may have difficulty complying with covenants when it is required to do so. These amendments are applied retrospectively.

- **IAS 7**(amendment) **and IFRS 7** (amendment), 'Supplier finance arrangements' (effective for annual periods beginning on or after 1 January 2024). These amendments are still subject to endorsement by the European Union. These amendments require an entity to provide additional disclosures about its supplier finance arrangements to enable: i) the assessment of how supplier finance arrangements affect an entity's liabilities and cash flows; and ii) the understanding of the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available. The additional requirements complement presentation and disclosure requirements already in IFRS as set out in the IFRS IC's Agenda decision of December 2020.

- **IAS 12** (Amendment), 'International tax reform – Pillar two model rules' (effective immediately or for annual periods beginning on or after 1 January 2023). This amendment is still subject to endorsement by the European Union. Following the implementation of the OECD's Global Anti-Base Erosion ("GloBE") rules, there may be significant impacts on the calculation of deferred taxes of the entities impacted which, at this date, are difficult to estimate. This amendment to IAS 12 introduces: i) a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes; and ii) targeted disclosure requirements for affected entities (entities belonging to multinational groups that have consolidated revenues of €750m in at least two out of the last four years), such as: the fact that the exception was applied, the current tax expense related to Pillar Two rules, and the reasonable estimate of the impact of Pilar Two rules between the date the legislation becomes enacted and the date it becomes effective.

- **IFRS 16** (amendment), 'Lease liability in a sale and leaseback' (effective for annual periods beginning on or after 1 January 2024). This amendment is still subject to endorsement by the European Union. The amendment introduces guidance for the subsequent measurement of lease liabilities, in the scope of sale and leaseback transactions that qualify as "sales" under IFRS 15, with higher impact when some or all the lease payments are variable lease payments that do not depend on an index or rate. Whilst subsequently measuring lease liabilities, seller-lessees determine "lease payments" and "revised lease payments" in a way that does not result in the seller-lessees recognizing any gains/(losses) relating with the right of use that they retain. This amendment is applied retrospectively.

Corticeira Amorim is evaluating the impact resulting from these changes and will apply these standards in the year in which they become effective, or in advance when permitted.

3. FINANCIAL RISK MANAGEMENT

The activities of Corticeira Amorim are exposed to a variety of financial risks: market risks (including exchange rate risk, interest rate risk and raw material price risk), credit risk, liquidity risk and capital risk.

Market risk

As regards market risks, while impacted by the pandemic (exchange rate risk, interest rate risk and raw material price risk), they were not significantly impacted by the current context and maintaining the monitoring procedures reported on December 31, 2022. International market volatility requires thorough compliance with the already defined procedures in order to avoid the eventual impacts of adverse events.

Credit risk

The credit risk results essentially from the balances receivable from clients resulting from commercial transactions. In the context of the pandemic, credit risk management did not experience any significant alterations to the procedures adopted, having reinforced the collection measures already in effect. Corticeira Amorim is attentive to the question of collecting accounts receivable even though, in a universe of almost 30,000 clients around the world, the risks are significantly dispersed. The credit risk is naturally lower given the geographic scope of sales and a very high number of clients on every continent with no individual entity accounting for over 2% of total sales.

The client credit risk is evaluated by the Financial Departments of operating companies taking into account the track record of the commercial relationship, its financial position as well as other information that may be obtained through the business networks of Corticeira Amorim. The credit limits established are regularly subject to analysis and revised whenever necessary.

In general terms, no guarantees are requested from clients. Corticeira Amorim makes occasional recourse to credit insurance.

The credit risk also results from the available cash balances and derivative financial instruments. Corticeira Amorim undertakes prior analysis of the respective financial institution ratings in order to minimise the risks of non-compliance by counterparties.

The maximum amount of credit risk is that which results from the non-receipt of the totality of financial assets (June 2023: 378 million euros and December 2022: 337 million euros).

The amounts registered in the Cash and equivalents item by Corticeira Amorim are dispersed across over 100 subsidiaries. In terms of the quality of credit risk, associated with Cash and Equivalents, on June 30, 2023, Corticeira Amorim selects financial institutions with ratings that do not call into doubt the return of these assets. This thereby highlights how, out of the total of Cash and Equivalents (€66 million), around €11.5 million are deposited in a financial institution (private capital) with the following ratings: Moody's Baa2 / P-2; Fitch: BBB+ / F1.

Liquidity risk

The Corticeira Amorim financial departments regularly analyse the provisional cash-flows in order to ensure there is sufficient liquidity for the group to meet its operational needs and, simultaneously, comply with the obligations assumed under the auspices of various lines of financing. Any amounts of surplus liquidity are invested in remunerated short term deposit accounts. Hence, this underpins the necessary flexibility for running the business.

The coverage of liquidity risks essentially stems from the existence of an immediately available series of credit lines and commercial bond issues, and, eventually, by the existence of bank account deposits. Corticeira Amorim closed the six months with unused credit lines and commercial bond issue programs totalling €277.5 million (on December 31, 2022, the comparative amount stood at €220.1 million). When combined with Cash and Equivalents, the Liquidity Reserve at the end of the aforementioned period amounted to €343.1 million (€305.1 million on December 31, 2022).

Capital risk

The fundamental objective of the Board is to ensure the continuity of operations, providing an appropriate level of remuneration to Shareholders and the corresponding benefits to the remaining Stakeholders in Corticeira Amorim. To achieve this objective, the careful management of the capital deployed in the business is fundamental alongside ensuring an optimal capital structure that thereby brings about a reduction in capital costs. Corticeira Amorim is a solid business endowed with an appropriate and balanced capital structure, responsible for its core activity of underpinning the sustainability of the entire cork sector. Without the stoppers produced by Corticeira Amorim, thousands of wine-makers and bottlers would not be able to operate across the most varied geographies.

Within the framework of maintaining or adjusting the capital structure deemed most appropriate, the Board may propose to the General Shareholder Assembly the measures considered necessary and that may involve adjustments to the pay-out regarding the dividends payable, transactions in the company's shares, raising equity capital through issuing shares and selling assets, among other measures. The indicator applied to monitor the capital structure is the Financial Autonomy ratio. The Board has established as its target a level of Financial Autonomy of no less than 40% taking into account the characteristics of the company and its respective sector of activity.

Financial Autonomy reported the following trend:

thousands of euros

	June 30, 2023	December 31, 2022	June 30, 2022
Own Capital	773 210	744 926	705 026
Assets	1 407 714	1 269 316	1 283 853
Financial Autonomy	**54.9%**	**58.7%**	**54.9%**

Fair value of the financial assets and liabilities

The Group measures part of its financial assets and liabilities by their fair value on the reference date for the financial reporting. The derivative financial instruments acquired by Corticeira Amorim are not market traded and have no listing (derivatives negotiated over the counter).

Furthermore, the accountancy norms establish a hierarchy of fair value that classifies the data across the three levels incorporated into the measurement techniques for the fair value of financial assets and liabilities:

Level 1 Data – listed prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Data – distinct data on the listed prices that are observable for the asset or liability, directly or indirectly;

Level 3 Data – non-observable data relating to the asset or liability. During the financial year, there were no transfers among the aforementioned levels.

The value of the derivative financial instruments recognised in the report on the Corticeira Amorim financial position, dated June 30, 2023, amounts to 1 357 K€ in the assets (December 31, 2022: 1 141 K€) as note 17, and 18 K€ in liabilities (December 31, 2022: 2 K€)

Corticeira Amorim makes recourse to outright forwards and options for exchange rate risk coverage as is detailed below. The evaluation of exchange rate risk hedging instruments involved valuation techniques that apply observable inputs (Level 2). The fair value is calculated through a model owned by Corticeira Amorim and developed by Reuters that adopts the updated cash-flow method for the outright forwards while applying the Black & Scholes calculation model to options contracts.

The main inputs deployed in valuation are: forward exchange rate curve and currency volatility estimates.

The only level 3 financial liability derives from the agreement to acquire an additional holding in subsidiaries, with the terms describe in note 24.

Currency operations contracted with credit institutions

On 30 June 2023, there were options and outright forwards contracts relating to the currencies used by CORTICEIRA AMORIM transactions.

It is foreseeable that such transactions in foreign currencies are very likely to happen, which were therefore subject to exchange rate risk coverage, and taking place during the second half of 2023. The amount recognised in the "under Adjustment of Accountancy Coverage" will be recognised in the financial results for the same period.

The amount recognised in integral earnings related to variations in the fair value of efficient cash flow coverage was 56 K€ (1H22: €-832 K€).

4. CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the Group’s management to make judgments and estimates that affect the statement of financial position and the reported results. These estimates are based on the best information and knowledge about past and/or present events and on the operations that the Company considers it may implement in the future. However, at the date of completion of such operations, their results may differ from these estimates.

Changes to these estimates that occur after the date of approval of the consolidated financial statements will be corrected in the income statement in a prospective manner, in accordance with IAS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors".

The estimates and assumptions that imply a greater risk of giving rise to a material adjustment in assets and liabilities are described below:

- Entities included in the consolidation perimeter

To determine the entities to be included in the consolidation perimeter, the Group assesses the extent to which it is exposed, or has rights, to variability in return from its involvement with that entity and can take possession of them through the power it holds over this entity.

The decision that an entity must be consolidated by the Group requires the use of judgment, estimates, and assumptions to determine the extent to which the Group is exposed to return variability and the ability to take possession of them through its power.

Other assumptions and estimates could lead to the Group's consolidation perimeter being different, with direct impact on the consolidated financial statements.

- Impairment of non-current assets, excluding goodwill

The determination of a possible impairment loss can be triggered by the occurrence of various events, such as the availability of future financing, the cost of capital or other market, economic and legal changes or changes with an adverse effect on the technological environment, many of which are beyond the Group's control. The identification and assessment of impairment indicators, the estimation of future cash flows, and the calculation of the recoverable value of assets involve a high degree of judgment by the Board.

- Impairment of goodwill

Goodwill is annually subjected to impairment tests or whenever there are indications of a possible loss of value in accordance with the criteria described in Note 2 b). The recoverable values of the cash-generating units to which goodwill is allocated are determined based on the calculation of current use values. These calculations require the use of estimates by management.

- Intangible and tangible assets

The life of an asset is the period during which the Company expects that an asset will be available for use and this should be reviewed at least at the end of each financial year. The determination of the useful lives of assets, the amortisation/depreciation method to be applied, and the estimated losses resulting from the replacement of equipment before the end of its useful life due to technological obsolescence is crucial in determining the amount of amortisation/depreciation to be recognised in the consolidated income statement each period.

These three parameters are defined using management's best estimates for the assets and businesses concerned, and taking account of the practices adopted by companies in the sectors in which the Group operates.

- Provisions

The Group periodically reviews any obligations arising from past events, which should be recognised or disclosed. The subjectivity involved in determining the probability and amount of internal resources required to meet obligations may give rise to significant adjustments, either due to changes in the assumptions made, or due to the future recognition of provisions previously disclosed as contingent liabilities.

- Deferred income tax assets

Deferred income tax assets are recognised only when there is strong assurance that there will be future taxable income available to use the temporary differences or when there are deferred tax liabilities whose reversal is expected in the same period in which the deferred tax assets are reversed. The assessment of deferred income tax assets is undertaken by management at the end of each period taking account of the expected future performance of the Group.

- Expected credit loss

The credit risk on the balances of accounts receivable is assessed at each reporting date, through the use of a collection matrix, which is based on the history of past collections adjusted for the future expectation of evolution of collections, to determine the non-receipt rate. Expected credit losses on accounts receivable are adjusted by the evaluation made, which may differ from the actual risk incurred in the future.

- Fair value of financial assets and liabilities

When the fair value of a financial asset or liability is calculated, on an active market, the respective market price is used. When there is no active market, which is the case with some of Corticeira Amorim financial assets and liabilities, valuation techniques generally accepted in the market, based on market assumptions, are used.

The Group applies evaluation techniques for unlisted financial instruments, such as derivatives, financial instruments at fair value and instruments measured at amortised cost. The most frequently used valorisation models are models of discounted cash flows and option models, which incorporate, for example, interest rate and market volatility curves.

For certain types of more complex derivatives, more advanced valuation models are used containing assumptions and data that are not directly observable in the market, for which the Group uses the proprietary model specified in Note 3.

- Revenue - return rights / quantity discounts

Some contracts give the customer the right to return goods and volume rebates. The right of return and volume discounts give rise to variable remuneration. When estimating the variable consideration, Corticeira Amorim determined that the use of a combination of the most probable quantity method and the value method expected is most appropriate. Before including any amount of variable consideration in the transaction price, Corticeira Amorim considers whether the amount of the variable consideration is restricted. Corticeira Amorim determined that the variable compensation estimates are not limited based on their historical experience, forecast of business and economic conditions. In addition, uncertainty over variable consideration will be resolved in a short period of time.

5. COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Company	Head Office	Country	1H23	2022
Raw Materials				
Amorim Florestal, S.A.	**Vale de Cortiças - Abrantes**	**PORTUGAL**	**100%**	**100%**
Amorim Agroflorestal , S.A.	Ponte de Sor	PORTUGAL	100%	100%
Amorim Florestal III, S.A.	Ponte de Sor	PORTUGAL	100%	100%
Amorim Florestal España, S.L.	San Vicente Alcántara	ESPANHA	100%	100%
Amorim Florestal Mediterrâneo, S.L.	Cádiz	ESPANHA	100%	100%
Amorim Tunisie, S.A.R.L.	Tabarka	TUNÍSIA	100%	100%
Herdade de Rio Frio, S.A.	Ponte de Sor	PORTUGAL	100%	100%
Comatral - C. de Maroc. de Transf. du Liège, S.A.	Skhirat	MARROCOS	100%	100%
Cosabe - Companhia Silvo-Agrícola da Beira S.A.	Lisboa	PORTUGAL	100%	100%
SIBL - Société Industrielle Bois Liége	Jijel	ARGÉLIA	51%	51%
Société Nouvelle du Liège, S.A. (SNL)	Tabarka	TUNÍSIA	100%	100%
Société Tunisienne d'Industrie Bouchonnière	Tabarka	TUNÍSIA	55%	55%
Vatrya - Serviços de Consultadoria, Lda.	Funchal - Madeira	PORTUGAL	100%	100%
Amorim Florestal, S.A.	**Vale de Cortiças - Abrantes**	**PORTUGAL**	**100%**	**100%**
Cork Stoppers				
Amorim Cork, SGPS, S.A.	**Santa Maria Lamas**	**PORTUGAL**	**100%**	**100%**
ACIC USA, LLC	Califórnia	EUA	100%	100%
Agglotap, S.A.	Girona	ESPANHA	91%	91%
All Closures In, S.A.	Paços de Brandão	PORTUGAL	75%	75%
Amorim Cork, S.A.	Santa Maria de Lamas	PORTUGAL	100%	100%
Amorim Australasia Pty Ltd.	Adelaide	AUSTRÁLIA	100%	100%
Amorim Bartop, S.A.	Vergada	PORTUGAL	75%	75%
Amorim Champcork, S.A.	Santa Maria de Lamas	PORTUGAL	100%	100%
Amorim Cork América, Inc.	Califórnia	EUA	100%	100%
Amorim Cork Beijing Ltd.	Beijing	CHINA	100%	100%
Amorim Cork Bulgaria EOOD	Plovdiv	BULGÁRIA	100%	100%
Amorim Cork Deutschland GmbH & Co KG	Mainzer	ALEMANHA	100%	100%

Amorim Cork España, S.L.		San Vicente Alcántara	ESPANHA	100%	100%
Amorim Cork Hungary Zrt.		Budapeste	HUNGRIA	100%	100%
Amorim Cork Itália, SPA		Conegliano	ITÁLIA	100%	100%
Amorim Cork South Africa (Pty) Ltd.		Cidade do Cabo	ÁFRICA DO SUL	100%	100%
Amorim France, S.A.S.		Champfleury	FRANÇA	100%	100%
Amorim Top Series France, S.A.S.		Merpins	FRANÇA	100%	100%
Amorim Top Series, S.A.		Vergada	PORTUGAL	75%	75%
Amorim Top Series Scotland, Ltd		Dundee	ESCÓCIA	75%	75%
Biocape - Importação e Exportação de Cápsulas, Lda.	(c)	Mozelos	PORTUGAL	75%	60%
Bouchons Prioux		Epernay	FRANÇA	91%	91%
Bozales ICAS HITE Argentina	(b)	Mendoza	ARGENTINA	26%	26%
Chapuis, S.L.		Girona	ESPANHA	100%	100%
Corchera Gomez Barris	(b)	Santiago	CHILE	50%	50%
Corchos de Argentina, S.A.	(a)	Mendoza	ARGENTINA	50%	50%
Bourrassé Chile		Santiago	CHILE	100%	100%
Elfverson & Co. AB		Paryd	SUÉCIA	38%	38%
Elfverson I.P., S.A.		Vergada	PORTUGAL	38%	38%
Elfverson Portugal, SA		Santa Maria de Lamas	PORTUGAL	38%	38%
S.A.S. Ets Christian Bourrassé		Tosse	FRANÇA	100%	100%
FP Cork, Inc.		Califórnia	EUA	100%	100%
Francisco Oller, S.A.		Girona	ESPANHA	98%	98%
HITE, S.A. - Hispano Italiana Trenzados Especiales, S.A.	(b)	Barcelona	ESPANHA	25%	25%
HdP S.P.A.	(b)	Ivrea	ITÁLIA	50%	50%
I.C.A.S. S.p.A.	(b)	Ivrea	ITÁLIA	50%	50%
ICAS Brasil Ltda.	(b)	Garibaldi (RS)	BRASIL	25%	25%
ICAS France S.a.r.l.	(b)	Reims	FRANÇA	50%	50%
ICAS HITE Australasia		Adelaide	AUSTRÁLIA	37%	37%
Indústria Corchera, S.A.	(b)	Santiago	CHILE	50%	50%
Kapselfabrik. GmbH	(b)	Bad Kreuznach	ALEMANHA	50%	50%
Korken Schiesser Ges.M.B.H.		Viena	ÁUSTRIA	69%	69%
Olimpiadas Barcelona 92, S.L.		Girona	ESPANHA	100%	100%
Pfefferkorn & Co. GmbH	(b)	Simmern	ALEMANHA	50%	50%
Pfefferkorn & Reiter GmbH	(b)	Simmern	ALEMANHA	50%	50%
Portocork América, Inc.		Califórnia	EUA	100%	100%
Portocork France, S.A.S.		Bordéus	FRANÇA	100%	100%
Portocork Itália, s.r.l		Milão	ITÁLIA	100%	100%
Prats & Bonany S.A.	(b)	Reims	FRANÇA	37%	37%
Relvas II Rolhas de Champanhe S.A.	(b)	Montemor-o-Novo	PORTUGAL	50%	50%
Sarl Relvas France	(b)	Reims	FRANÇA	37%	37%
SACI S.r.l.	(b)	Ivrea	ITÁLIA	50%	50%
Sagrera et Cie		Reims	FRANÇA	91%	91%
S.A. Oller et Cie		Reims	FRANÇA	98%	98%
San Bernardo Tappi Spumante S.r.l	(b)	Ivrea	ITÁLIA	50%	50%
Schneider (Mainsee 1407. V V) GmbH	(b)	Bad Kreuznach	ALEMANHA	50%	50%
S.C.I. Friedland		Céret	FRANÇA	100%	100%
S.C.I. Prioux		Epernay	FRANÇA	91%	91%
Socori, S.A.		Rio Meão	PORTUGAL	100%	100%
Socori Forestal, S.L.		Cáceres	ESPANHA	100%	100%
Société Nouvelle des Bouchons Trescases	(a)	Perpignan	FRANÇA	50%	50%
Sumois S.A	(b)	Sant Sadurni D'Anoia	ESPANHA	25%	25%
Tango S.S	(b)	Ivrea	ITÁLIA	37%	37%
Trefinos Italia, s.r.l		Treviso	ITÁLIA	91%	91%
Trefinos USA, LLC		Fairfield, CA	EUA	91%	91%
Trefinos, S.L.		Girona	ESPANHA	91%	91%
Victor y Amorim, S.L.	(b)	Navarrete - La Rioja	ESPANHA	50%	50%
Vinolok a.s	(a)	Jablonec nad Nisou	REP. CHECA	50%	50%
Wine Packaging & Logistic, S.A.	(a)	Santiago	CHILE	16%	16%

Company		Head Office	Country	1H23	2022
Floor & Wall Coverings					
Amorim Cork Flooring, S.A.		**S. Paio de Oleiros**	**PORTUGAL**	**100%**	**100%**
Amorim Benelux, BV		Tholen	HOLANDA	100%	100%
Amorim Deutschland, GmbH		Delmenhorts	ALEMANHA	100%	100%
Amorim Subertech, S.A.		S. Paio de Oleiros	PORTUGAL	100%	100%
Amorim Flooring (Switzerland) AG		Zug	SUÍÇA	100%	100%
Amorim Flooring Austria GesmbH		Viena	ÁUSTRIA	100%	100%
Amorim Flooring Canada, Inc.		Vancôver	CANADÁ	100%	100%
Amorim Flooring Investments, Inc.		Hanover - Maryland	EUA	100%	100%
Amorim Flooring North America Inc.		Hanover - Maryland	EUA	100%	100%
Amorim Flooring Rus, LLC		Moscovo	RÚSSIA	100%	100%
Amorim Flooring Sweden AB		Mölndal	SUÉCIA	84%	84%
Amorim Flooring UK, Ltd.		Manchester	REINO UNIDO	100%	100%
Cortex Korkvertriebs, GmbH		Fürth	ALEMANHA	100%	100%
Dom KorKowy, Sp. Zo. O.	(b)	Kraków	POLÓNIA	50%	50%
Korkkitrio Oy		Tampere	FINLÂNDIA	78%	78%
Timberman Denmark A/S		Hadsund	DINAMARCA	100%	100%
Composite Cork					

Amorim Cork Composites, S.A.		**Mozelos**	**PORTUGAL**	**100%**	**100%**
Amorim (UK), Ltd.		Horsham West Sussex	REINO UNIDO	100%	100%
Amorim Cork Composites, LLC		São Petersburgo	RÚSSIA	100%	100%
Amorim Cork Composites, GmbH		Delmenhorts	ALEMANHA	100%	100%
Amorim Cork Composites, Inc.		Trevor - Wisconsin	EUA	100%	100%
Amorim Deutschland, GmbH		Delmenhorts	ALEMANHA	100%	100%
Amorim Industrial Solutions - Imobiliária, S.A.		Corroios	PORTUGAL	100%	100%
Amorim Sports, Lda.	(c)	Mozelos	PORTUGAL	100%	70%
Amorim Sports North America, Inc.		Madison - Wisconsin	EUA	90%	90%
Amosealtex Cork Co., Ltd.	(e)	Xangai	CHINA	0%	50%
Chinamate (Shaanxi) Natural Products Co., Ltd.		Shaanxi	CHINA	100%	100%
Chinamate Development Co. Ltd.		Hong Kong	CHINA	100%	100%
Compruss – Investimentos e Participações, Lda.		Mozelos	PORTUGAL	100%	100%
Corkeen Europe		Mozelos	PORTUGAL	85%	85%
Corkeen Global		Mozelos	PORTUGAL	100%	100%
Corkeen North America, Ltd.		Madison - Wisconsin	EUA	90%	90%
Corticeira Amorim - France, SAS		Lavardac	FRANÇA	100%	100%
Korko - Made By Nature, Lda	(a)	Mozelos	PORTUGAL	50%	50%
Postya - Serviços de Consultadoria, Lda.		Funchal - Madeira	PORTUGAL	100%	100%
Insulation Cork					
Amorim Cork Insulation, S.A.		**Vendas Novas**	**PORTUGAL**	**100%**	**100%**
Holding					
Corticeira Amorim, SGPS, S.A.		**Mozelos**	**PORTUGAL**	**100%**	**100%**
Ginpar, S.A. (Générale d' Invest. et Participation)		Skhirat	MARROCOS	100%	100%
Amorim Cork Research, Lda.		Mozelos	PORTUGAL	100%	100%
Amorim Cork Services, Lda.		Mozelos	PORTUGAL	100%	100%
Amorim Cork Ventures, Lda.		Mozelos	PORTUGAL	100%	100%
Corecochic - Corking Shoes Investments, Lda.	(a)	Mozelos	PORTUGAL	50%	50%
TDCork - Tapetes Decorativos com Cortiça, Lda.	(a)	Mozelos	PORTUGAL	25%	25%
Soc. Portuguesa de Aglomerados de Cortiça, Lda.		Montijo	PORTUGAL	100%	100%
Amorim Cork IT S.A.	(d)	Mozelos	PORTUGAL	100%	100%

(a) - Equity method consolidation.

(b) - CORTICEIRA AMORIM directly or indirectly controls the relevant activities – line-by-line consolidation method.

(c) - Increased interest percentage

(d) - Change of name, former OSI - Sistemas Informáticos e Electrotécnicos, Lda.

(e) - Company liquidated in the first half of 2023.

The percentages indicated are the percentages of interests and not of control.

For entities consolidated by the full consolidation method, the percentage of voting rights held by "Non-Controlling Interests" is equal to the percentage of share capital held.

Acquisition of the remaining 50% of Herdade do Rio Frio

On June 24, 2021, Corticeira Amorim, through its holding Amorim Agroflorestal, S.A., reached agreement with Banco Comercial Português for the acquisition of 50% of the company Herdade do Rio Frio, SA, which holds a set of assets (moveable and immovable assets) attributed to agro-forestry operations, which includes a section (3,300 hectares) of that known as Herdade do Rio Frio, located in the district of Setúbal, for the total amount of 14.5 million euros.

On June 15, 2022, Corticeira Amorim, through its holding Amorim Agroflorestal, S.A., acquired the 50% stake in the company Herdade do Rio Frio, S.A. owned by Parvalorem, S.A.. In the wake of this acquisition, for a total amount of 14.6 million euros, Corticeira Amorim took over complete ownership of Herdade do Rio Frio, S.A.

The fair value of the stake held in the company at the date of acquisition was €15.3 million. There were no gains/losses recorded in the remeasurement of participation. This company began to be consolidated using the full method as of June 30, 2022.

Transaction costs amounting to €250 K were incurred in the acquisition of the company. These costs were recognized under non-recurring results in the 2022 financial year.

Assets and liabilities of the acquired company

The fair values of the assets and liabilities identified within the scope of this transaction are shown in the table below:

The cost of acquiring the stake was €29.1 million.

million euros

Fair value recognized on the acquisition date	
Tangible assets	
Land	15,4
Properties	5,1
Cork oak	0,8
Vineyard	2,1
Others	0,1
Intangible assets	0,0
Biological assets - Cork	3,3
Biological assets - Others	1,0
Other Assets	0,3
Cash and equivalents	1,0
Total Assets	**29,2**
Liabilities	**0,1**
Net Assets	**29,1**
100% of identifiable net assets	**29,1**
Goodwill	**0,0**

The fair values of the assets and liabilities identified within the scope of this transaction essentially include Herdade do Rio Frio. At the close of accounts on June 30, 2023, the main difference between the fair value of the identified assets and liabilities and the respective book value relates to the accounting of biological production assets and consumables to be reduced to the value of the land. The final analysis of the fair value of assets and liabilities was completed in this reporting period. The value of the transaction was attributed to the tangible assets acquired, resulting in no goodwill or negative goodwill.

On August 4, 2022, the date after the concentration of business activity, Herdade de Rio Frio acquired a 1855-hectare plot of land held by Novo Banco, for the value of €22.3 M. Of the value of this land, part of the value was allocated to biological production assets and consumables related to cork oak and cork.

Herdade do Rio Frio's contribution to Corticeira Amorim's first half results was as follows: sales: 335.1 K€, EBITDA: -247.6 K€ and EBIT: -505.7 K€.

6. EXCHANGE RATES USED IN CONSOLIDATION

Exchage rates		June 30, 2023	Average 2023	Average 2022	December 31, 2022
Argentine Peso	ARS	280,060	229,859	137,082	189,147
Australian Dollar	AUD	1,640	1,599	1,517	1,569
Lev	BGN	1,956	1,956	1,956	1,956
Brazilian Real	BRL	5,279	5,483	5,440	5,639
Canadian Dollar	CAD	1,442	1,457	1,370	1,444
Swiss Franc	CHF	0,979	0,986	1,005	0,985
Chilean Peso	CLP	873,810	870,509	916,718	907,320
Yuan Renminbi	CNY	7,898	7,489	7,079	7,358
Czech Koruny	CZK	23,742	23,687	24,566	24,116
Danish Krona	DKK	7,447	7,446	7,440	7,437
Algerian Dinar	DZD	148,002	146,626	149,143	146,678
Euro	EUR	1,0	1,0	1,0	1,0
Pound Sterling	GBP	0,858	0,876	0,853	0,887
Hong Kong Dollar	HKD	8,549	8,472	8,246	8,358
Forint	HUF	371,930	380,848	391,287	400,870
Yen	JPY	157,160	145,760	138,027	140,660
Moroccan Dirham	MAD	10,799	11,016	10,681	11,162
Zloty	PLN	4,439	4,624	4,686	4,681
Ruble	RUB	95,105	83,651	72,447	75,655
Swedish Krona	SEK	11,806	11,333	10,630	11,122
Tunisian Dinar	TND	3,370	3,334	3,241	3,317
Turkish Lira	TRL	28,319	21,566	17,409	19,965
US Dollar	USD	1,087	1,081	1,053	1,067
Rand	ZAR	20,579	19,679	17,209	18,099

7. SEGMENT REPORT

CORTICEIRA AMORIM is organised in the following Business Units (BU): Raw Materials, Cork Stoppers, Floor and Wall Coverings, Composite Cork and Insulation Cork.

There are no differences between the measurement of profit and loss and assets and liabilities of the reportable segments, associated to differences in accounting policies or centrally allocated cost allocation policies or jointly used assets and liabilities.

For purposes of this Report, the Business approach was selected as the primary segment. This is consistent with the formal organization and evaluation of business. Business Units correspond to the operating segments of the company and the segment report is presented the same way they are analysed for management purposes by the board of CORTICEIRA AMORIM.

The following table shows the main indicators of the said units, and, whenever possible, the reconciliation with the consolidated indicators:

thousand euros

1H23	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Insulation Cork	Holding	Adjustm.	Consolidated
Trade Sales	7 386	417 644	48 262	57 328	8 364	284	-	539 269
Other BU Sales	124 377	5 627	1 294	837	1 509	8 355	- 141 999	-
Total Sales	**131 763**	**423 271**	**49 556**	**58 165**	**9 874**	**8 639**	**- 141 999**	**539 269**
EBITDA (current)	**12 622**	**91 031**	**- 2 724**	**11 782**	**- 578**	**175**	**- 8 534**	**103 774**
Assets (non-current)	**100 514**	**279 752**	**39 149**	**55 620**	**7 304**	**2 337**	**33 172**	**517 848**
Assets (current)	**244 674**	**545 165**	**62 233**	**60 561**	**15 896**	**17 667**	**- 56 330**	**889 865**
Liabilities	**95 158**	**237 073**	**38 864**	**39 251**	**3 570**	**29 049**	**191 538**	**634 503**
Capex	**5 208**	**27 969**	**6 293**	**4 714**	**969**	**480**	**-**	**45 633**
Year Depreciation	**- 2 822**	**- 16 718**	**- 3 305**	**- 2 790**	**- 356**	**- 560**	**-**	**- 26 551**
Gains/Losses in associated companies	**-**	**3 494**	**-**	**- 50**	**-**	**- 3**	**-**	**3 441**

1H22	Raw Materials	Cork Stoppers	Floor & Wall Coverings	Composite Cork	Insulation Cork	Holding	Adjustm.	Consolidated
Trade Sales	7 628	395 848	74 205	60 631	7 157	54	-	545 523
Other BU Sales	102 972	5 861	3 050	1 105	843	2 674	- 116 506	-
Total Sales	**110 600**	**401 709**	**77 255**	**61 737**	**8 000**	**2 727**	**- 116 506**	**545 523**
EBITDA (current)	**13 389**	**76 736**	**2 192**	**9 743**	**1 092**	**- 2 316**	**- 2 754**	**98 081**
Assets (non-current)	**69 581**	**252 696**	**35 524**	**51 288**	**5 940**	**1 311**	**28 499**	**444 841**
Assets (current)	**171 227**	**505 781**	**81 852**	**61 731**	**8 419**	**20 067**	**- 10 064**	**839 013**
Liabilities	**65 558**	**249 884**	**50 449**	**38 556**	**3 875**	**15 914**	**154 591**	**578 828**
Capex	**4 878**	**21 501**	**2 495**	**4 539**	**1 339**	**- 54**	**-**	**34 698**
Year Depreciation	**- 2 667**	**- 15 627**	**- 3 409**	**- 2 607**	**- 297**	**- 97**	**-**	**- 24 704**
Gains/Losses in associated companies	**- 294**	**2 473**	**-**	**- 41**	**-**	**54**	**-**	**2 192**

Adjustments = eliminations inter-BU and amounts not allocated to BU.

EBITDA = Profit before net financing costs, depreciation, non-controlling interests, income tax and non-recurrent results.

Provisions and asset impairments were considered the only relevant non-cash material cost.

The decision to report EBITDA figures allows a better comparison of the different BU performances, disregarding the different financial situations of each BU. This is also coherent with the existing Corporate Departments, as the Financial Department is responsible for the bank negotiations, being the tax function the responsibility of the Holding Company.

Cork Stoppers BU main product is the different types of existing cork stoppers. The main markets are the bottling countries, from the traditional ones like France, Italy, Germany, Spain and Portugal, to the new markets like USA, Australia, Chile, South Africa and Argentina.

Raw Materials BU is, by far, the most integrated in the production cycle of CORTICEIRA AMORIM, with 90% of its sales to others BU, specially to Cork Stoppers BU. Main products are bark and discs.

The remaining Business Units produce and sell a wide range of products that use the raw material left over from the production of stoppers, as well as the cork raw material that is not susceptible to be used in the production of stoppers. Main products are cork floor tiles, cork rubber for the automotive industry and antivibratic systems, expanded agglomerates for insulation and acoustic purposes, technical agglomerates for civil construction and shoe industry, as well as granulates for agglomerated, technical and champagne cork stoppers.

Major markets for flooring and insulation products are in Europe and for composites products the USA. Major production sites are in Portugal, where most of the invested capital is located. Products are distributed in practically all major markets through a fully owned network of sales companies. About 70% of total consolidated sales are achieved through these companies.

Investments during the year were almost entirely concentrated in Portugal. Assets abroad reach around €456 M and are largely made up of the value of inventories (€188 M) and customers (€192 M).

Of the non-current assets, it is worth highlighting the value of 305 M€ (2022: 293 M€) of tangible fixed assets, 4.2 M€ (2022: 4 M€) of investment properties, and 12.1 M€ (2022: 13.4 M€) of intangible assets, located in Portugal.

Sales by markets:

thousand euros

Markets	1H23		1H22	
European Union	371 278	68,8%	367 837	67,4%
From which: Portugal	38 654	7,2%	44 472	8,2%
Other European countries	11 722	2,2%	17 745	3,3%
United States	95 019	17,6%	95 895	17,6%
Other American countries	31 459	5,8%	36 384	6,7%
Australasia	22 863	4,2%	20 115	3,7%
Africa	6 928	1,3%	7 548	1,4%
TOTAL	**539 269**	**100%**	**545 523**	**100%**

The value of sales relates in its entirety, as in 2022, to contracts covered by IFRS 15 - Revenue from contracts with customers.

8. TANGIBLE ASSETS

thousand euros

	Land and Buildings	Machinery	Other	Tangible Fixed Assets in Progress	Total Tangible Assets
Gross Value	296 569	519 249	38 960	20 838	876 743
Depreciation and impairments	- 179 984	- 381 013	- 31 756	0	- 592 753
Opening balance (Jan 1, 2022)	**116 586**	**138 236**	**7 204**	**20 838**	**283 990**
Perimeter entry	31 652	26 657	- 7 752	1 629	52 186
Increase	1 728	5 579	1 394	22 872	31 574
Period deprec. and impairments	- 3 881	- 16 855	- 1 390	-	- 22 126
Sales and other decreases	- 12	- 371	- 111	-	- 494
Transfers and reclassifications	- 927	4 689	- 2 330	- 2 228	- 796
Translation differences	1 112	198	29	- 157	1 181
Gross Value	**337 582**	**606 381**	**45 757**	**42 954**	**1 033 891**
Depreciation and impairments	**- 191 325**	**- 448 249**	**- 48 713**	**-**	**- 688 286**
Closing balance (Jun 30, 2022)	**146 257**	**158 133**	**- 2 955**	**42 954**	**345 605**
Gross Value	380 562	593 792	53 776	52 189	1 081 334
Depreciation and impairments	- 197 015	- 446 786	- 44 945	-	- 688 745
Opening balance (Jan 1, 2023)	**183 547**	**147 006**	**8 832**	**52 189**	**392 588**
Increase	2 300	5 610	1 559	34 948	44 417
Period deprec. and impairments	- 4 100	- 16 332	- 1 590	-	- 22 022
Sales and other decreases	- 4	- 543	- 86	- 274	- 908
Transfers and reclassifications	- 4 576	8 228	3 294	- 11 427	- 4 481
Translation differences	- 24	- 193	- 160	- 11	- 388
Gross Value	**377 674**	**604 625**	**57 698**	**75 424**	**1 116 435**
Depreciation and impairments	**- 200 532**	**- 460 848**	**- 45 848**	**-**	**- 707 228**
Closing balance (Jun 30, 2023)	**177 142**	**143 777**	**11 850**	**75 424**	**409 208**

The impairment adjustments of assets recognized in 2022 and 2023 were offset by the Depreciation/Amortization line in the consolidated income statement by nature.

Expenses to place the assets in the required location and condition related with tangible fixed assets had no impact.

The variation in the reclassification line is due to the attribution of the fair value of the assets and liabilities of Herdade do Rio Frio, where the biological assets to be reduced to the value of the land were accounted for (Note 5).

No interest was capitalised during the period.

9. INTANGIBLE ASSETS AND GOODWILL

thousand euros

	Intangible Assets	Goodwill
Gross Value	30 239	9 946
Depreciation and impairments	- 12 974	- 103
Opening balance (Jan 1, 2022)	**17 266**	**9 843**
Perimeter entry	608	-
Increase	3 216	10 993
Period deprec. and impairments	- 2 265	- 8
Sales and other decreases	- 24	-
Transfers and reclassifications	- 601	-
Translation differences	127	-
Gross Value	**34 045**	**30 956**
Depreciation and impairments	**- 15 717**	**- 10 128**
Closing balance (Jun 30, 2022)	**18 328**	**20 828**
Gross Value	44 551	28 856
Depreciation and impairments	- 22 564	- 9 982
Opening balance (Jan 1, 2023)	**21 987**	**18 874**
Increase	1 096	-
Period deprec. and impairments	- 3 357	-
Sales and other decreases	- 80	-
Transfers and reclassifications	55	-
Translation differences	- 23	15
Gross Value	**45 499**	**28 864**
Depreciation and impairments	**- 25 821**	**- 9 975**
Closing balance (Jun 30, 2023)	**19 677**	**18 889**

Intangible Assets essentially include software, autonomous product development projects and innovative solutions.

With the exception of goodwill, there are no intangible assets of indefinite life.

Detail of goodwill according to the following table:

thousand euros

2022	Opening balance	Increase	Decrease	Reclassification	Transalation differences	End balance
Bourrassé	8 431					8 431
Saci Group	-	9 125			- 94	9 031
Elfverson	1 314					1 314
Korkkitrio	98					98
Goodwill	**9 843**	**9 125**	**-**	**-**	**- 94**	**18 874**

thousand euros

1H23	Opening balance	Increase	Decrease	Reclassification	Transalation differences	End balance
Bourrassé	8 431					8 431
Saci Group	9 031				15	9 046
Elfverson	1 314					1 314
Korkkitrio	98					98
Goodwill	**18 874**	**-**	**-**	**-**	**15**	**18 889**

As stated in note 2 b), impairment tests are carried out annually. In the case of Bourrassé and Elfverson, cash flows were projected, based on the budget and plans approved by management. The growth assumptions took into account the expected growth for the wine, champagne and sparkling wine market, as well as the evolution of the market share of the subsidiaries in this business. In the case of Bourrassé, the tests used operational cash -flow growth rates of 67% for the period 2023 -2025 and 1.4% for the following years. The growth rate of operating cash -flows forecast at the end of the previous year was 10%, with the increase in growth rates for 2022, the reflection of strategic decisions in companies with a direct impact on the evolution of their activity. In the case of Elfverson, the tests used operational cash -flow growth rates of 40% for the period 2023 -2025 and 2% for the years.

For the SACI impairment test, growth in cash flows in the period from 2023 to 2025 was not considered. The discount rate used in the tests described above was 7.53%. Sensitivity analyses (adjustment of the discount rate by 10% more and the perpetuity growth rate by 20%) would not imply the recording of an impairment in the accounts, for the three cash -generating units under analysis.

Considering the performance of the first half of 2023, it is concluded that it is not necessary to change the previously approved plans and impairment tests.

10. BIOLOGICAL ASSETS

thousand euros	Biological Assets
Gross Value	62
Depreciation and impairments	0
Opening balance (Jan 1, 2022)	**62**
Increase	0
Period deprec. and impairments	0
Sales and other decreases	0
Transfers and reclassifications	984
Translation differences	0
Gross Value	**1 045**
Depreciation and impairments	**0**
Closing balance (Jun 30, 2022)	**1 045**
Gross Value	913
Depreciation and impairments	0
Opening balance (Jan 1, 2023)	**913**
Perimeter entry	0
Increase	0
Period deprec. and impairments	0
Sales and other decreases	0
Transfers and reclassifications	5 241
Translation differences	0
Gross Value	**6 154**
Depreciation and impairments	**0**
Closing balance (Jun 30, 2023)	**6 154**

Value in reclassifications refers to the finalization of the purchase price allocation relating to Herdade do Rio Frio.

11. RIGHT OF USE

thousand euros	Right of use
Gross Value	13 114
Depreciation and impairments	- 6 941
Opening balance (Jan 1, 2022)	**6 173**
Increase	370
Period deprec. and impairments	- 1 060
Sales and other decreases	0
Transfers and reclassifications	3
Translation differences	9
Gross Value	**13 109**
Depreciation and impairments	**-7 614**
Closing balance (Jun 30, 2022)	**5 495**
Gross Value	12 610
Depreciation and impairments	- 8 045
Opening balance (Jan 1, 2023)	**4 564**
Increase	340
Period deprec. and impairments	- 663
Sales and other decreases	- 73
Transfers and reclassifications	- 59
Translation differences	- 14
Gross Value	**12 057**
Depreciation and impairments	**-7 962**
Closing balance (Jun 30, 2023)	**4 094**

12. INVESTMENT PROPERTY

thousand euros	Investment Property
Gross Value	22 121
Depreciation and impairments	- 16 810
Opening balance (Jan 1, 2022)	**5 311**
Increase	0
Period deprec. and impairments	- 42
Sales and other decreases	0
Transfers and reclassifications	0
Translation differences	0
Gross Value	**22 121**
Depreciation and impairments	**- 16 853**
Closing balance (Jun 30, 2022)	**5 269**
Gross Value	13 936
Depreciation and impairments	- 9 970
Opening balance (Jan 1, 2023)	**3 966**
Perimeter entry	0
Increase	0
Period deprec. and impairments	- 39
Sales and other decreases	0
Transfers and reclassifications	298
Translation differences	0
Gross Value	**14 234**
Depreciation and impairments	**- 10 010**
Closing balance (Jun 30, 2023)	**4 224**

The amount of 4,224 K€, referred as Investment Property (December 31, 2022: 3,966 K€), is due, mainly, to land and buildings that are not used in production.

The fair value of the Investment Properties in the case of the land and building in Corroios (determined on the basis of an independent valuation) is close to the value recorded in the accounts.

At the end of the year, management analyzed these assessments and considered that they remained up to date. These properties are not generating income and conservation and repair costs are insignificant.

13. INVESTIMENTS IN ASSOCIATES AND JOINT-VENTURES

			thousand euros
	1H23	**2022**	**1H22**
Opening Balance	**32 083**	**42 401**	**42 401**
In / Out	- 332	- 15 262	- 15 262
Results	3 441	4 846	2 192
Dividends	- 1 312	- 1 140	- 790
Exchange Differences	262	1 195	- 549
Other	24	43	2 129
End Balance	**34 166**	**32 083**	**30 121**
Equity method	3 441	4 846	2 192
Gains on disposal of associates	-	-	-
Share of (loss)/profit of associates and joint-ventures	**3 441**	**4 846**	**2 192**

The associates and joint-ventures are entities through which the group operates in the markets in which they are based, acting as distribution channels of products.

				thousand euros
	1H23			
	Share in net assets	**Goodwill**	**Total**	**Contribution to net income**
Trescases	7 254	1 715	8 969	1 161
Wine Packaging & Logistic	1 260	-	1 260	-
Corchos Argentina	7 023	-	7 023	818
Vinolok	16 775	-	16 775	1 515
Others	139	-	139	- 53
End Balance	**32 451**	**1 715**	**34 166**	**3 441**

thousand euros

	1H22			
	Share in net assets	Goodwill	Total	Contribution to net income
Trescases	6 475	1 715	8 190	994
Wine Packaging & Logistic	1 147	-	1 147	22
Corchos Argentina	5 189	-	5 189	- 542
Vinolok	15 035	-	15 035	2 000
Cold River´s Homestead	0	-	0	- 291
Others	560	-	560	10
End Balance	**28 406**	**1 715**	**30 121**	**2 192**

As a result of the assessment that the associated company Corchos de Argentina, S.A. made regarding the functional currency in which it operates, in 2022 the functional currency was changed to the Euro. In this way, the results of operations began to be determined in accordance with this assumption.

In addition to the above, the Group has significant influence on a set of other individually immaterial associates.

14. DEFERRED TAX / INCOME TAX

- ## Deferred tax and income tax

The difference between the tax due for the current period and prior periods and the tax already paid or to be paid of these periods is booked as "deferred tax" in the consolidated income statement and amounts to 3 137 K€ (30/06/2022: 475 K€).

On the consolidated statement of financial position this effect, excluding tax contingencies, amounts to 16,934 K€ (31/12/2022: 13,235 K€) as asset, and to 40,671 K€ (31/12/2022: 44,014 K€) as liability.

Deferred tax related with items directly registered in equity was 10 K€ (credit balance) and relates to hedge accounting. No other deferred tax values related with other equity movements were booked.

It is conviction of the Board that, according to its business plan, the amounts registered in deferred tax assets will be recovered as for the tax carry forward losses.

thousand euros

	1H23	2022	1H22
Related with Inventories and third parties	11 012	8 540	7 820
Related with tax losses carry forward	1 314	1 412	1 648
Related with Fixed Tangible Assets / Intang. / Inv. Prop	386	386	981
Related with other deductable temporary differences	4 222	2 897	2 898
Deferred Tax Assets	**16 934**	**13 235**	**13 347**
Related with Fixed Tangible Assets	2 910	2 927	3 669
Related with other taxable temporary differences	3 969	4 915	3 691
Tax contingencies	33 791	36 172	42 437
Deferred Tax Liabilities	**40 671**	**44 014**	**49 798**
Current Income Tax	- 24 106	- 19 899	- 19 920
Deferred Income Tax	3 137	13 960	475
Income Tax	**- 20 969**	**- 5 939**	**- 19 445**

Tax relating to components of other comprehensive income is as follows:

thousand euros

	1H23		
	before tax	tax	after tax
Itens that could be reclassified through income statement:			
Change in derivative financial instruments fair value	66	- 10	56
Change in translation differences	- 524	-	- 524
Share of other comprehensive income of investments accounted for using the equity method	262	-	262
Other comprehensive income	10	-	10
Other comprehensive income	**- 186**	**- 10**	**- 196**

thousand euros

	1H22		
	before tax	tax	after tax
Itens that could be reclassified through income statement:			
Change in derivative financial instruments fair value	- 976	144	- 832
Change in translation differences	2 581	-	2 581
Share of other comprehensive income of investments accounted for using the equity method	1 573	-	1 573
Other comprehensive income	133	-	133
Other comprehensive income	**3 311**	**144**	**3 455**

- ## Income tax (Stament of Financial Position)

Thousand euros

	1H23	2022
Incometax-minimumadvances	5	4
Incometax-advances/toberecovered	2 571	10 109
Incometax-withholding	260	40
Incometax-specialpayment(RERD)	602	2 093
Incometax-specialpayment(RERD)impairment	- 602	- 2 093
Incometax-specialpayment(PERES)	5 330	5 330
Incometax-specialpayment(PERES)impairment	- 3 113	- 3 113
Incometax(assets)	**5 053**	**12 370**
Incometax-Estimationandothers	20 040	6 661
Incometax(liabilities)	**20 040**	**6 661**

In 2013, Corticeira Amorim made the payment instituted by DL 151-A / 2013 (RERD) in the amount of 4.3 M€, a payment that does not imply the abandonment by Corticeira Amorim of defending the respective processes. In 2016, a final decision was made on one of the paid processes relating to stamp taxes, which was partially won by Corticeira Amorim, which received 1.2 M€ of the amount paid of 1.7 M€. In 2019, the final decision of another process was won by Corticeira Amorim, which implied the receipt of 0.5 M€. During 2023, the final decision on cases won by Corticeira Amorim took place, with an amount of 1.5M€ being received. In this way, the amount that remains open for ongoing proceedings paid under the RERD is 0.6 M€.

At the end of 2016, a special Plan for the Reduction of Indebtedness to the State (PERES) was approved by Decree-Law no. CORTICEIRA AMORIM decided to partially adhere to that measure. In December 2016, approximately 7.4 M€ were paid in respect of Stamp Tax / VAT (2 M€) and Income Tax (IRC) in the amount of 5.4 M€. Of the amount paid, less than 100 K€ was received due to lawsuits won by Corticeira Amorim. In 2022, impairment worth €2.2 million relating to PERES was reversed, resulting from the ruling of the North Central Administrative Court. The remaining payments remain open.

To be noted that CORTICEIRA AMORIM was not a debtor to the social security and to the tax authority. Those amounts were subject to court litigation. The disputs that were chosen to adhere are old cases whose values of interest on late payments and fines to be paid, in case of loosing, would be high.

RERD and PERES allowed for the payment of the capital without any payment regarding late payment interests and other costs. Due to the fact that adhesion to RERD and PERES does not imply a mandatory abandonment of the court cases and those processes are still in court, CORTICEIRA AMORIM will continue to fight for its rights.

The liability amount under this caption includes the estimate of the income tax payable under the Special Regime for Taxation of Groups of Companies and by some foreign subsidiaries.

Provisions for tax contingencies

Provisions for tax contingencies in terms of income tax ended with a value of €33.8 M (31.12.2022: €36.2 M). During the year, contingencies for taxes payable in the statement of financial position decreased by €2.4 million. This variation is essentially due to the RFAI actually deducted in the 2022 tax declaration, compared to the estimate recorded on December 31, 2022.

The processes that remain open, both in the judicial and grace phases, and which may adversely affect Corticeira Amorim, refer to the 2015 financial year. The 2020 financial year was the last financial year reviewed by the Portuguese tax authorities.

At the end of each year, an analysis of the tax cases is made. The procedural development of each case is important to decide new provisions, or reverse or reinforce existing provisions. Provisions correspond to situations that, for its procedural development or for doctrine and jurisprudence newly issued, indicate a probability of an unfavourable outcome for CORTICEIRA AMORIM and, if that happens, a cash outflow can be reasonably estimated. Note that during the year there were no developments worthy of note in the processes mentioned above.

In addition to the tax provisions referred to above, CORTICEIRA AMORIM has recorded a provision to cover the tax benefits to apply for 2022 and applied in previous years. The certification requirement by ANI of SIFIDE projects, the requirement for maintenance of jobs over five years in RFAI projects as well as other constraints to the realization of benefits, has led CORTICEIRA AMORIM to record provisions in order to take account of future breaches of such requirements. It should be noted that the determination of the tax benefits can not be concluded, since its constraints extend over several years, in particular as regards the maintenance of jobs.

The provision remains open, which at the end of the year totaled €1.5 million, relating to a Spanish subsidiary, due to uncertainty regarding the acceptance by tax authorities of the existing tax reporting.

There are no tax proceedings that have not been provisioned, thus, contingent liabilities are zero.

CORTICEIRA AMORIM has a large number of other favourable processes. They refer, in essence, to payments related with autonomous taxation, inspection fees and tax benefits. The value of these processes amounts to 0.8 M€, which is not recorded as part of its assets. Total contingent assets amounts to 6.6 M€ (including amounts paid under the RERD and PERES).

15. INVENTORIES

thousand euros

	1H23	2022	1H22
Goods	22 853	25 022	22 654
Raw materials	257 221	225 144	180 919
Finished and semi-finished goods	156 590	145 267	147 139
Work in progress	21 427	20 177	32 150
Finished and semi-finished goods impairments	- 8 398	- 8 080	- 5 301
Raw materials impairments	- 6 979	- 2 300	- 4 648
Inventories	**442 715**	**405 229**	**372 913**

thousand euros

Impairment losses	1H23	2022	1H22
Initial Balance	**10 380**	**7 879**	**7 879**
Increases	6 068	3 260	2 725
Decreases	1 070	759	654
End Balance	**15 377**	**10 380**	**9 949**

Raw materials essentially include reproduction cork (“amadia”) and virgin cork from pruning the tree (“falcas”) (Raw Material BU), products and work in progress essentially include boiled cork and discs (Raw Materials BU) and finished products essentially include a variety of types of cork stoppers (Cork Stoppers BU), coverings (Floor and Wall Coverings BU) and composite products (Composite Cork BU).

16. TRADE RECEIVABLES

thousand euros

	1H23	2022	1H22
Gross amount	275 992	216 821	274 712
Impairments	- 9 525	- 9 029	- 10 993
Trade receivables	**266 466**	**207 792**	**263 720**

Impairment losses	**1H23**	**2022**	**1H22**
Initial Balance (reported)	**9 668**	**9 668**	**9 668**
Increases	2 022	3 741	1 522
Decreases	- 1 418	- 4 097	- 1 544
Others	- 747	- 283	1 347
End Balance	**9 525**	**9 029**	**10 993**

Increases and decreases were recognised under the account heading, impairment of assets, in the income statement.

At the end of each period, Trade receivables credit quality is analysed. As a result of the adoption of IFRS 9 to the balances up to 90 days, an expected credit loss is recognised. From 90 to 120 days a 30% impairment register is considered and from 120 to 180 days 60%. Over 180 days as well as all doubtful balances are fully impaired. These rules do not overlap the need for analysis of specific cases.

17. OTHER FINANCIAL ASSETS

thousand euros

	1H23	2022	1H22
Hedge accounting assets	1 357	1 141	180
VAT	26 013	23 639	22 185
Stamp tax/VAT - special payment (PERES)	2 051	2 051	2 051
Stamp tax/VAT - special payment (PERES) impairment	- 2 051	- 2 051	- 2 051
Investments in funds, capitalization insurance and similar	6 194	8 396	8 478
Others	9 682	8 798	20 307
Other current financial assets	**43 246**	**41 973**	**51 150**

Investments in funds, capitalization insurance and similar essentially refer to SACI Group's capitalization insurance. These insurance policies (insurance policies associated with investment funds) are short -term investments, which can be sold when necessary without any particular constraint.

Assets included in other non -current financial assets (June 30, 2023: 2,337 K€, December 31, 2022: 1,945 K€) refer to financial assets at fair value through profit or loss, including essentially equity instruments. They are measured at fair value and when it is estimated that there are no significant differences in relation to the cost this is maintained. The assets were acquired with the main purpose of sale or resale, as appropriate, and in certain cases ensuring the maintenance and survival of entities that Corticeira Amorim considers partners for its business. The effective management of the underlying operations and assets continues to be exclusively provided by the partners, serving the financial participation as a mere "guarantee" of the investment made.

In June 2023 and at the end of 2022, there were no overdue in the amounts of VAT.

18. OTHER ASSETS

			thousand euros
	1H23	**2022**	**1H22**
Accrued income	1 117	1 218	681
Advances to suppliers	61 289	18 923	46 905
Deferred costs	4 411	3 979	3 359
Other current assets	**66 818**	**24 121**	**50 945**

Other non -current assets include advances to suppliers (2,164 K€), which will only take place over 12 months.

19. CASH AND EQUIVALENTS

thousand euros

	1H23	2022	1H22
Cash	1 276	395	477
Bank Balances	51 032	76 326	90 962
Term deposits	10 185	6 109	4 378
Others	3 075	2 038	2 039
Cash and cash equivalents as for stament of financial position	**65 568**	**84 867**	**97 855**
Overdrafts	- 55 165	- 49 527	- 31 044
Cash and cash equivalents as for cash flow statement	**10 403**	**35 341**	**66 811**

20. CAPITAL AND RESERVES

- ## Share Capital

As of June 30, 2023, the share capital is represented by 133,000,000 ordinary registered shares, conferring dividends, with a par value of 1 Euro.

The Board of CORTICEIRA AMORIM is authorised to raise the share capital, one or more times, respecting the conditions of the commercial law, up to 250,000,000€.

- ## Treasury stock

As of June 30, 2023, CORTICEIRA AMORIM held no treasury stock.

No purchases were registered during the first half of 2023.

- ## Legal reserve and share premium

Legal reserve and share premium are under the legal reserve rule and can only be used for (art. 296 CSC - Portuguese commercial law):

- Offset losses in the financial position that cannot be offset by the use of other reserves;
- Offset losses of prior year that cannot be offset by the profit of the year nor the use of other reserves;
- Incorporation in share capital.

Legal reserve and share premium values are booked in Corticeira Amorim, SGPS, S.A. separate accounts.

- ### Other reserves

Value is composed from other reserves account and prior year's results of Corticeira Amorim, SGPS, S.A. books, as well as non-distributed cumulative results of Corticeira Amorim, SGPS, S.A. subsidiaries.

- ### Dividends

In the Shareholders' General Meeting of April 28, 2023, a dividend distribution of 0.2 euros per share was approved. The respective payment was made on May 15, 2023 .

thousand euros

	1H23	2022	1H22
Approved dividends	26 600	38 570	26 600
Dividends paid	**26 600**	**38 570**	**26 600**

21. NON-CONTROLLING INTEREST

thousand euros

	1H23	1H22
Initial Balance	**79 339**	**27 336**
In	-	50 032
Out	-786	- 403
Results	5 634	6 399
Dividends	- 634	- 308
Exchange Differences	10	- 28
Others	82	-
End Balance	**83 645**	**83 028**

The amount of Dividends corresponds to the amounts paid by the entities to non-controlling interests.

22. INTEREST BEARING DEBT

At year-end, current interest bearing loans was as follows:

thousand euros

	1H23	2022	1H22
Overdrafts and bank loans	71 592	67 177	47 317
Leasing	1 318	1 809	1 768
Factoring	-	-	-
Reimbursable grants	-	-	23
Commercial paper	50 200	40 000	-
Interest-bearing loans - current	**123 110**	**108 986**	**49 108**

Non-current interest bearing loans was as follows:

thousand euros

	1H23	2022	1H22
Bank loans	10 594	16 217	34 302
Reimbursable grants	-	-	23
Leasing	2 410	2 452	3 189
Commercial paper	76 700	46 200	42 450
Bond loans	40 000	40 000	40 000
Interest-bearing loans - non-current	**129 705**	**104 869**	**119 964**

From non-current and current interest bearing debt, 170.9 M€ carries floating interest rates. Remaining 81.9 M€ carries fixed interest rate. Average cost, during 1H23, for all the credit utilized was 2.27% (2022: 1.18%).

On March 5, 2015, Corticeira Amorim entered into a loan agreement with the EIB in the amount of 35 M €, ten years, with a four-year grace period. This loan allowed Corticeira Amorim to expand substantially its maturity curve at a competitive price.

On 3 December 2020, Corticeira Amorim launched its first Green Bond issue, in the amount of € 40 M, by private subscription, without guarantees and for a period of 5 years, earning interest at a fixed rate every six months and with staggered repayment (25% at the end of the 4th year and 75% at maturity). This issue was an important milestone in its sustainability strategy, reaffirming its ongoing commitment to the application of ESG (Environmental, Social and Governance).

On August 3, 2021, Corticeira Amorim reformulated a 20 M€ commercial paper emissions program, transforming it into Sustainability Linked through the introduction of two KPIs: (i) renewable energy consumption and (ii) valued non-cork waste; influence the interest rate on emissions if the respective levels set as an objective are not met. This program will expire on August 3, 2024.

Corticeira Amorim 3rd ESG operation – a €11.6 M€ green commercial paper emissions program – was implemented on December 17, 2021 and will expire on December 22, 2026, intended to finance investment in photovoltaic panels by a group of companies from Corticeira Amorim various Business Units.

During 2022, Corticeira Amorim completed 2 more ESG operations: (i) a 35 M€ green commercial paper issue program maturing on 26 November 2029 and (ii) a green commercial paper issue program of 20 M€ maturing on 20 June 2027; both under the Corticeira Amorim Green Finance Framework – November 2022. Issuances carried out within the scope of said programs are intended to refinance the acquisition of the company Herdade de Rio Frio, S.A., the acquisition of a land of 1,855 hectares and the financing of investment in new plantations of cork oaks, all within the scope of the Intervention Project Corticeira Amorim Forestry

As of June 30, 2023, CORTICEIRA AMORIM had credit lines with contractual clauses that include covenants generally used in these type of contracts, namely: cross-default, pari-passu and in some cases negative pledge.

On that same date, a foreign subsidiary of Corticeira Amorim had a value of about 2 130 K€ of exposure covered by fixed asset mortgage guarantee. This asset is recorded in the statement of the financial position of that subsidiary.

CORTICEIRA AMORIM uses two credit lines on June 30, 2023 (for a total of 48 M€) with associated financial covenants. These included ratios accomplishment that allowed for an accompaniment of the financial position of the company, namely:

- assets coverage ratio;

- fixed charge coverage ratio;

- net income; e

- Net debt/ EBITDA

The above ratios are not restrictive and the requirements contained in the contracts that formalized the referred financing were largely and fully complied with. In the event of non-compliance, there would be a possibility that this would lead to the early repayment of the debts.

In addition, it is important to inform that the capacity to ensure debt service was further enhanced by the existence, as of June 30, 2023, of 277.7 million euros of credit lines approved, but not used.

23. TRADE PAYABLES

thousand euros

	1H23	2022	1H22
Trade payables - current account	65 681	81 362	83 312
Trade payables - confirming	64 903	67 407	80 392
Trade payables -invoices pending	83 430	21 780	50 986
Trade payables	**214 014**	**170 549**	**214 690**

From the total values, 54% comes from Cork Stoppers BU (Dec. 2022: 62%) and 31% from Raw Materials BU (Dec. 2022: 20%).

24. OTHER FINANCIAL LIABILITIES AND OTHER LIABILITIES

- ## Other financial liabilities

thousand euros

	1H23	2022	1H22
Repayable grants	9 837	11 412	12 502
Other	482	487	2 121
Other financial liabilities - non current	**10 320**	**11 899**	**14 623**
Repayable grants	2 848	2 915	3 582
Agreement to acquire non-controlling interests	-	-	4 962
Accrued costs - supplies and services	7 498	4 545	8 604
Accrued costs - others	9 796	8 633	8 913
VAT	10 738	6 812	10 254
State and social security - withholding and others	5 713	7 961	6 642
Other	19 561	16 005	40 615
Other financial liabilities - current	**56 153**	**46 871**	**83 572**

The agreement to acquire non-controlling interests results from the purchase of S.A.S. ETS CHRISTIAN BOURRASSÉ, in which 60% of the share capital was initially acquired, for the amount of €29 M. The agreement provided for the subsequent acquisition by 2022 of the remaining 40% ("agreement for the acquisition of non-controlling interests") at a price that, taking as a reference the amount already paid for the first 60%, would also depend on the evolution of BOURRASSÉ's performance in the next years. The first tranche of 10% was acquired in July 2019, the 2nd tranche in June 2020 and the 3rd tranche in June 2021. In July 2022 the fourth and final tranche corresponding to 10% of Bourrassé was acquired, thus explaining the variation compared to the same period last year.

- ### Other liabilities

thousand euros

	1H23	2022	1H22
Non-repayable - grants	6 632	6 998	5 483
Income to be recognized	1 380	1 130	1 250
Accrued costs - staff costs	24 950	15 338	21 524
Other liabilities - current	**32 962**	**23 466**	**28 257**

25. IMPAIRMENTS OF ASSETS

thousand euros

	1H23	1H22
Receivables	- 530	22
Tangible, intangible assets and others	- 429	45
Impairments of assets and non-current costs	**- 959**	**67**

Receivables include customers and other debtors.

26. NON-RECURRENT RESULTS

In non-recurring results, as of June 2022, customer and stock balances with Russia are represented, where 100% of these balances were considered impairment, with no value as of June 2023.

thousand euros

	1H23	1H22
Customer impairment	-	- 637
Stock impairment	-	- 420
Non-current results	**-**	**- 1 057**

27. RELATED-PARTY TRANSACTIONS

CORTICEIRA AMORIM consolidates directly in AMORIM – INVESTIMENTOS E PARTICIPAÇÕES, S.G.P.S., S.A. with head-office at Mozelos (Santa Maria da Feira, Portugal), Amorim Group holding company.

As of June 30, 2023, financial stake of AMORIM – INVESTIMENTOS E PARTICIPAÇÕES, S.G.P.S., S.A. in CORTICEIRA AMORIM was 51%, corresponding to 51% of the voting rights.

CORTICEIRA AMORIM related party transactions are, in general, due to the rendering of services through some of AIP subsidiaries (Amorim Serviços e Gestão, S.A., Amorim Viagens e Turismo, S.A.). Total sales of these subsidiaries to the remaining CORTICEIRA AMORIM companies totalled 989 K€ (Jun. 2022 : 6,693 K€), the variation is essentially justified by Amorim Cork IT, SA, which in the same period was still considered a related entity.

Cork acquired during 1H2023, from companies held by the main indirect shareholders of CORTICEIRA AMORIM, amounted to 2,039 K€ (Jun. 2022: 1,361 K€).

Balances at year-end 2023 and 2022 are those resulting from the usual payment terms (from 30 to 60 days) and so are considered to be immaterial.

Services are usually traded with related parties on a “cost plus” basis in the range of 2% to 5%.

28. PROVISIONS

thousand euros

	1H23	2022	1H22
Tax contingencies	649	125	128
Guarantees to customers	756	983	804
Others	3 422	3 365	2 570
Provisions	**4 828**	**4 473**	**3 502**

Claims by the tax authorities are related with income tax, stamp tax and marginally VAT.

Trade receivables guarantees are essentially from Floor and wall coverings BU and are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Other contingencies include provisions for termination of employment and ongoing law suits.

29. ATIVITY DURING THE YEAR

CORTICEIRA AMORIM sales are composed by a wide range of products that are sold through all the five continents, over 100 countries. Due to this notorious variety of products and markets, it is not considered that this activity is concentrated in any special period of the year. Traditionally first half, specially the second quarter, has been the best in sales; third and fourth quarter switch as the weakest one.

30. OTHER INFORMATION

a) Net profit per share calculation used the average number of issued shares deducted by the number of average owned shares. The non-existence of potential voting rights justifies the same net profit per share for basic and diluted.

	1H23	1H22
Total issued shares	133 000 000	133 000 000
Average nr. of treasury shares	-	-
Average nr. of outstanding shares	133 000 000	133 000 000
Net Profit (thousand euros)	51 360	47 564
Net Profit per share (euros)	0,386	0,358

b) Guarantees

During its operating activities CORTICEIRA AMORIM issued in favour of third-parties guarantees amounting to 260 K€ in June 2023 (Dec. 2022: 267 K€).

thousand euros

Beneficiary	Amount	Purpose
Government agencies	77	Investment support
Other	183	Other
TOTAL	**260**	

c) Financial Assets and Liabilities

Financial Assets are mainly registered in the Loans and Other Receivables caption. As for Financial Liabilities they are included in the Amortized Liabilities caption.

Detail is as follows:

thousand euros

	Financial assets at amortized cost	Financial assets at fair value	Derivatives as hedging	Total
Trade receivables (note 15)	207 792			207 792
Other financial assets (note 16)	32 437	10 341	1 141	43 918
Cash and cash equivalents (note 18)	84 867			84 867
Total as of December 31, 2022	**325 096**	**10 341**	**1 141**	**336 578**
Trade receivables (note 15)	266 466			266 466
Other financial assets (note 16)	35 695	8 531	1 357	45 583
Cash and cash equivalents (note 18)	65 568			65 568
Total as of June 30, 2023	**367 729**	**8 531**	**1 357**	**377 617**

thousand euros

	Loans and payables	Accounts payable	Agreement to acquire non-controlling interests	Derivatives as hedging	Derivatives not designated as hedging	Total
Interest-bearing loans (note 21)	213 855					213 855
Trade payables (note 22)		170 549				170 549
Other financial liabilities (note 23)	14 327	44 441	-	2		58 770
Total as of December 31, 2022	**228 182**	**214 989**	**-**	**2**		**443 174**
Interest-bearing loans (note 21)	252 815					252 815
Trade payables (note 22)		214 014				214 014
Other financial liabilities (note 23)	12 686	53 773	-	15		66 473
Total as of June 30, 2023	**265 500**	**267 787**	**-**	**15**		**533 302**

Corticeira Amorim understands that the fair value of the classes of financial instruments presented does not differ significantly from its book value, taking into account the contractual conditions of each of these financial instruments.

Current assets and liabilities, given their short-term nature, have an accounting value similar to fair value

Non-current net debt is mostly payable at a variable rate. The only fixed-rate was contracted during the year 2015. As there were no significant changes in the reference interest rates, the rate does not differ substantially from the current market conditions, and therefore the fair value does not differ significantly from the value Accounting. The remaining fixed -rate non -current debt corresponds to the Green Bonds.

In the case of Other financial liabilities (mainly grants with no interest bearing measured at fair value at initial recognition), given the initial adjustment differential for recognising in income, maturities and current interest rate levels, difference between book value and fair value is not significant.

d) Reconciliation of Alternative Performance Measures

According to the guidelines of the ESMA (European Sales and Marketing Association) of October 2015 on Alternative Performance Measures (APM), Corticeira Amorim presents below a table to reconcile APMs that are not directly readable in the primary financial statements.

Management report	Consolidated financial statements
Gross margin	Sales - Cost of goods sold and materials consumed + Change in manufactured inventories
Gross margin %	Gross margin / (Sales + Change in manufactured inventories)
Operational costs	Third party supplies and services + Staff costs + Impairments of assets - Other income and gains + Other costs and losses + Depreciation
Working capital	Inventories + trade receivables - trade payables + other operating assets - other operating liabilities
Invested capital	Goodwill + tangible fixed assets + intangible assets + right of use + working capital + investment properties + Investments in associates and joint ventures + other operating assets / (liabilities)
Net interest-bearing debt / consolidated debt	Current and non-current Interest-bearing loans - cash and cash equivalents
Financial autonomy	Equity / Total assets

31. SUBSEQUENTS EVENTS

No significant events that could materially affect the financial position or the future results of Corticeira Amorim, or the subsidiary companies that make up the consolidated group, occurred prior to the date of issue of this report.

Mozelos, August 1, 2023

The Board of CORTICEIRA AMORIM, S.G.P.S., S.A.

António Rios de Amorim (Chairman)

Nuno Filipe Vilela Barroca de Oliveira (Vice-President)

Fernando José de Araújo dos Santos Almeida (Member)

Cristina Rios de Amorim Baptista (Member)

Luisa Alexandra Ramos Amorim (Member)

Juan Ginesta Viñas (Member)

José Pereira Alves (Member)

Marta Parreira Coelho Pinto Ribeiro (Member)

Cristina Galhardo Vilão (Member)

António Lopes Seabra (Member)

About Corticeira Amorim SGPS, S.A.:

Having started its activity in the 19th century, Corticeira Amorim has become the largest cork product processing company in the world, generating a turnover of more than 1021 million euros in more than 100 countries, through a network of dozens of subsidiary companies.

Investing millions of euros annually in R&D, Corticeira Amorim is a company committed to promoting this unique raw material, developing a varied portfolio of 100% natural products that are used by some of the most technological and demanding industries in the world, such as wine & spirits, aerospace, automotive, construction, sports, interior design and fashion industries.

Corticeira Amorim's approach to the choice of raw materials and its sustainable production processes are the basis of a unique interdependence between the industry and an important ecosystem, the montado - a paradigmatic example in terms of sustainable social, economic and environmental development.

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(Translation from the original Portuguese language. In case of doubt, the Portuguese version prevails.)

Limited Review Report on the Condensed Consolidated Financial Statements

Introduction

We have performed a limited review on the accompanying condensed consolidated financial statements of Corticeira Amorim, S.G.P.S., S.A. (the Group), which comprise the Consolidated Statement of Financial Position as at 30 June 2023 (showing a total of 1.407.714 thousand euros and a total equity of 773.210 thousand euros, including a net profit attributable to equity holders of the Group of 51.360 thousand euros), the Consolidated Statement of Income by Nature, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the six months period then ended, and notes to the condensed consolidated financial statements, including a summary of significant accounting policies.

Management responsibilities

Management is responsible for the preparation of condensed consolidated financial statements in accordance with International Financial Reporting Standards as endorsed by the European Union, for the purpose of interim financial reporting (IAS 34), and for the design and maintenance of an appropriate internal control system to enable the preparation of consolidated financial statements that are free from material misstatement due to fraud or error.

Auditor's responsibilities

Our responsibility is to express a conclusion on the accompanying condensed consolidated financial statements. We conducted our review in accordance with ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. These standards require that our work is performed in order to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared in all material respects in accordance with International Financial Reporting Standards as endorsed by the European Union, for the purpose of interim financial reporting (IAS 34).

A limited review of financial statements is a limited assurance engagement. The procedures performed consisted primarily of making inquiries and performing analytical procedures, and evaluating the evidence obtained.

The procedures performed in a limited review are substantially less in scope than those performed in an audit conducted in accordance with International Standards of Audit (ISA). Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of Corticeira Amorim, S.G.P.S., S.A. as of 30 June 2023, have not been prepared, in all material respects, in accordance with International Financial Reporting Standards as endorsed by the European Union, for the purpose of interim financial reporting (IAS 34).

Porto, 20 September 2023

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Rui Manuel da Cunha Vieira - ROC nr. 1154
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