

## **SAG GEST – Soluções Automóvel Globais, SGPS, SA**

### **Listed Company**

**Estrada de Alfragide, nº 67, 2614-519 Amadora**  
**Registered Share Capital: 169,764,398 euros**  
**Registered at the Amadora Registrar of Companies**  
**under the single registration and taxpayer no. 503 219 886**

## **ANNOUNCEMENT**

### **Consolidated Results 1<sup>st</sup> Quarter of 2019** *(Unaudited)*

- Following the agreement between SAG Gest, Porsche Holdings and Financial Institutions that participate in SAG Gest's loans and guarantees, settled in April 30 2019, Financial Statements as at 31<sup>st</sup> March 2019 were prepared with the Assets included in this transaction being classified as Assets held for sale, as well as corresponding liabilities
- Consolidated Net Result was negative in Eur 1.0 million, which compares with Eur 6.7 million in the same period of 2018
- 1<sup>st</sup> Quarter Total Equity is negative in Euro 181.6 million (Euro -179.1 million as at 31<sup>st</sup> December 2018) mainly due to impairment losses recognized in the accounts
- Disregarding the re-statement effect above mentioned, and in comparable bases:
  - Turnover in the 1<sup>st</sup> Quarter was Euro 116 million (Euro 157 million same period of prior year). This decrease is due to activity reduction in non-profitable segments
  - EBITDA in the 1<sup>st</sup> Quarter was Euro 2.6 million which compares with Euro 3.6 million in prior year's same period

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## 1. OPERATIONAL PERFORMANCE

### • Automotive Distribution

- The Portuguese Car Market (where volume is measured by orders registration, including vehicles on self-registration) in the 1st Quarter 2019, decrease 6.0% in the Light Vehicle market and increase 0,9% in Light Commercial Vehicle market, with a total of 59,445 and 8,726 units respectively.
- The orders registration volume of Brands represented by SIVA Subsidiary was 3,902 units, a decrease of 27.9% when compared with the 5,414 units sold in the 1st Quarter of 2018. Consequently, SIVA's market share of Light Vehicle was 5.7%, a decrease of 1.8 p.p when compared to the same period in 2018:
  - The Volkswagen Brand – Passenger Car, with a volume of 2,459 units and a 28.4% decrease achieved a 4.1% market share (5.4% in 2018) in the Light Passenger Car market.
  - The Audi Brand achieved a volume of 797 units, less 38.2% when compared to the 1,289 units in the same period in prior year.
  - The Škoda Brand increased 4.4% to 404 units (387 units in the same period in 2018).
  - The Volkswagen Brand– Commercial Vehicles, with 231 units, decreased 22.7% in the same period 2018 (299 units).
- The volume reduction, across all brands represented by the SIVA Subsidiary, is essentially due to three factors:
  - High volume reduction in Rent-a-Car business, due to the reduce margin of the channel and the high evolved risk (Buy Backs)
  - Elimination of self-registration (registered cars for subsequent sales), due to that fact that this sale type involves an elevated level of discounts and working capital needs. These vehicles occurred during the first months of 2018, being discontinued as of the end of the 1<sup>st</sup> quarter

### • Automotive Retail

- The number new vehicles of Volkswagen, Audi, Škoda and Volkswagen – Commercial Vehicles Brands sold by the Soauto Dealers (Soauto SA, Loures Automóveis, Rolporto and Rolvia) in the 1st Quarter 2019 was 871 units, a 12.0% decrease when compared to the same period in the prior year.
- The Soauto Dealers sold 439 used cars, less 1272% when compared to the 503 units sold in 1st Quarter of 2018.

## 2. ECONOMIC AND FINANCIAL RESULTS

*Explanation Note:* Due to the restructuring process that occur during 2018, which culminated in the agreement established between SAG Gest, Porsche Holdings and the Financial Institutions that participate in SAG Gest's loans and guarantees, the 2018 Financial Statements are disclosed in way that assets involved in the transaction are classified as assets / liabilities held for sale. In accordance with the respective IFRS 5 the comparative has been restated in Statement of Profit and Loss and other Comprehensive Income. The change resulting from restructuring implied the registration of impairments with related parties that significantly change the comparison with the 2018 financial year. We disclosed the Consolidated Statement of Profit and Loss and other Comprehensive Income and Balance Sheet the amounts of 2019 on a comparable basis. Tables of this section are expressed in thousands of Euros. Percentages were calculated using the amounts expressed in Euro.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS - MAIN INDICATORS				
	Three Months Ended 31 March			
	2019	2019 - Without discontinued operations reclassification	2018 Adjusted	2018 Published
Turnover	-	116,323.2	-	156,478.0
Gross Margin	-	14,920.8	-	14,554.9
Contribution Margin	(450.3)	13,597.1	(42.1)	9,039.2
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	(934.8)	2,620.2	(498.0)	(3,594.6)
Earnings Before Interest and Tax (EBIT)	(1,023.2)	2,208.7	(517.2)	(4,071.5)
Earnings Before Taxes (EBT)	(1,387.7)	(818.4)	(825.7)	(7,744.6)
Net Profit / (Loss) before Discontinued Operations	(1,303.9)	(1,016.8)	(939.0)	(6,679.5)
Profit/Loss of Discontinued Operations	287.0	-	(5,740.5)	-
<b>Net Profit / (Loss)</b>	<b>(1,016.8)</b>	<b>(1,016.8)</b>	<b>(6,679.5)</b>	<b>(6,679.5)</b>

- Disregarding the effect of Profit/Loss of discontinued operations turnover was Eur 116 million in the 1<sup>st</sup> quarter, representing a decrease of Eur 41 million when compared with Eur 156 million in the same period of prior year
- As disclosed during 2018, with the worsening of liquidity risk, which resulted in a reduction of funds available to finance the temporary and seasonal needs of working capital, it was necessary to carry out in the 1<sup>st</sup> quarter of 2018 a set of punctual sales of used cars and self-registration, which were in stock on December 31, 2017. The performance of these operations negatively affected the EBITDA of the Distribution area by approximately Eur 6.0 million
- Consequently, the value of the Consolidated Contribution Margin increased Eur 4.6 million compared to the amount in the 1<sup>st</sup> Quarter of 2018, amounting to a Contribution Margin of Eur 13.6 million
- EBITDA in the 1<sup>st</sup> quarter was Eur 2.6 million, an increase of Eur 6.2 million when compared with the first quarter of 2018 (negative Eur 3.6 million).
- Consolidated Net Result was negative by Eur 1.0 million (Loss of Eur 6.7 million in the same period of 2018).

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Soluções Automóvel Globais

- Consolidated Net Debt as at March 31, 2019 was Eur 68.7 million, a decrease of approximately Euro 0.2 million when compared with Euro 68.9 million at December 31, 2018.

Alfragide, May 31, 2019

João Pedro Saraiva

Representative for Market Relations

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## CONSOLIDATED STATEMENT OF PROFIT AND LOSS (Thousands of Euros) (Unaudited)

Consolidated Income Statement (000)	2019	2018 Adjusted	2018 Reported	% Variation
Sales			153,691	
Services Rendered			2,787	
<b>Turnover</b>			<b>156,478</b>	
<b>Gross Margin</b>			<b>14,555</b>	<b>-100.0%</b>
<b>% of Turnover</b>				
Other Operating Income	39	45	5,862	-13.1%
Other Operating Expense	(112)	(40)	(4,760)	-180.7%
Impairment losses in Accounts Receivable			3	
Impairment losses in group companies	(378)			
Impairment losses in Inventories		(47)	(6,620)	100.0%
<b>Contribution Margin</b>	<b>(451)</b>	<b>(42)</b>	<b>9,039</b>	<b>-971.2%</b>
<b>% of Turnover</b>				
Outside Services & Supplies - Commercial Expenses	(8)	(9)	(2,646)	14.3%
Outside Services & Supplies - Car Expenses	(5)	(8)	(1,052)	39.7%
<b>Sub Total Variable Expenses</b>	<b>(12)</b>	<b>(16)</b>	<b>(3,699)</b>	<b>26.2%</b>
Outside Services & Supplies - Non Variable Expenses	(278)	(115)	(3,117)	-142.7%
Payroll Expenses	(194)	(325)	(5,818)	40.2%
<b>Sub Total Overheads</b>	<b>(472)</b>	<b>(439)</b>	<b>(8,935)</b>	<b>-7.5%</b>
<b>Operating Expenses</b>	<b>(484)</b>	<b>(456)</b>	<b>(12,634)</b>	<b>-6.2%</b>
<b>% of Turnover</b>				
<b>EBITDA</b>	<b>(935)</b>	<b>(498)</b>	<b>(3,595)</b>	<b>-87.7%</b>
<b>% of Turnover</b>		<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Depreciation and Amortization	(88)	( )	(458)	
Gain/Losses on the disposal of Fixed Assets		(19)	(19)	100.0%
<b>EBIT</b>	<b>(1,023)</b>	<b>(517)</b>	<b>(4,071)</b>	<b>-97.9%</b>
<b>% of Turnover</b>		<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Income from Associated Companies - Equity Method	(7)	20	20	-133.8%
Interest received	(685)	(685)	(4,050)	0.1%
Interest paid	327	357	357	-8.4%
<b>Net Financial Income / (Expenses)</b>	<b>(364)</b>	<b>(308)</b>	<b>(3,673)</b>	<b>-18.2%</b>
<b>EBT</b>	<b>(1,388)</b>	<b>(826)</b>	<b>(7,745)</b>	<b>-68.1%</b>
<b>% of Turnover</b>		<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Income Tax	84	(113)	1,065	174.0%
<b>Net Profit</b>	<b>(1,304)</b>	<b>(939)</b>	<b>(6,680)</b>	<b>-38.9%</b>
Non-Controlling Interests		( )	( )	100.0%
<b>Net Profit Attributable to SAG Gest's Shareholders</b>	<b>(1,304)</b>	<b>(939)</b>	<b>(6,679)</b>	<b>-38.9%</b>
<b>% of Turnover</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
Profit/Loss of Discontinued Operations	287	(5,741)		
<b>Net Profit Attributable to SAG Gest's Shareholders</b>	<b>(1,017)</b>	<b>(6,679)</b>	<b>(6,679)</b>	<b>84.8%</b>

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**CONSOLIDATED STATEMENT OF THE FINANCIAL POSITION**  
**(Thousands of Euros)**  
*(Unaudited)*

CONSOLIDATED STATEMENT OF THE FINANCIAL POSITION EUR (000)	Mar-19	Dec-18
Other Fixed Assests	44,486	44,472
Investments in Associates - Equity Method Consolidation	4	11
Deferred Tax Assets	430	419
<b>Non-Current Assets</b>	<b>44,921</b>	<b>44,902</b>
Inventories		
Accounts Receivable	60	2,112
Current Income Tax Receivable	4,706	4,655
Tax Receivable - Other Than Income Tax	359	278
Cash and Banks	3,541	3,400
<b>Current Assets</b>	<b>8,665</b>	<b>10,446</b>
Non-Current Assets Held For Sale	205,994	217,417
<b>TOTAL ASSETS</b>	<b>259,580</b>	<b>272,764</b>
Registered Share Capital, Equity Reserves, Non-Controlling Interests	301,462	302,970
Supplementary Capital Payments	135,172	135,172
Retained Earnings	(617,248)	(430,404)
Net Profit	(1,017)	(186,845)
<b>TOTAL SHAREHOLDERS EQUITY</b>	<b>(181,631)</b>	<b>(179,106)</b>
Bank Loan - Medium and Long Term	38,998	38,998
Deferred Tax Liabilities	3,249	3,076
<b>Non-Current Liabilities</b>	<b>42,246</b>	<b>42,074</b>
Bank Loan - Short Term	33,271	33,320
Accounts Payable	772	27,293
Current Income Tax Payable	576	772
Tax Payable - Other Than Income Tax	116	221
<b>Non-Current Liabilities</b>	<b>34,736</b>	<b>61,605</b>
Liabilities associated to Assets Held for Sale	364,229	348,191
<b>TOTAL LIABILITIES</b>	<b>441,211</b>	<b>451,870</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS EQUITY</b>	<b>259,580</b>	<b>272,764</b>

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