

RESULTS ANNOUNCEMENT 1H20



The consolidated financial information disclosed in this report is based on unaudited financial statements, prepared in accordance with the International Financial Reporting Standards (IAS/IFRS), issued by the International Accounting Standards Board (IASB), as adopted by the European Union.



1. Main Highlights

Service revenues increasing 6.5% y.o.y., partially offsetting the decrease on technology resale

Improved performance in 2Q with revenue growing 37.1% q.o.q., and EBITDA keeping the positive evolution

At NOS, the financial impacts of the COVID-19 pandemic were more significant on the Cinemas and Audiovisuals division but with negative impacts in all business divisions

Solid growth and profitability improvements of cybersecurity services in the Technology area

2. Sonaecom Consolidated Results

Introductory note:

The 1H20 was marked by COVID 19 emergence in Europe and the subsequent formal national lock-down declared on 18th March. Gradual easing of restrictions have been announced since mid-May but under a challenging economic environment.

The financial and operational impacts are uneven in different segments and, so far, the Group's business operations have been affected in very different levels:

- The technology area did not feel significant impacts from this situation on its 1H20 results, except a slowdown on Professional Services revenues, on Technology Reselling (either due to a reduction in demand or a drop in supply) and on the rhythm of commercial activity for new businesses.
- At NOS, the main operating impacts of the pandemic in 1H20 revenues were felt namely in: i) Cinemas and Audiovisuals: complete closure of NOS theatres on 16 March and postponement of a number of movie premieres; ii) Roaming and international calls: traffic and revenues impacted by restrictions imposed on international travel; iii) Premium sport channels: reduction in revenues with subscriptions being offered for free given the absence of live sports events; and iv) Equipment: fall in sales due to closure of all non-essential retail activity namely in shopping centres and to general restrictions to circulation.
- Público's activity was materially impacted, namely in offline newspaper sales, with the close of the majority of points of sale, and in advertising revenues.

The potential impact that this situation may still have depends on the level of evolution and contagion of the virus, making projections difficult. However, at this stage, and despite the progressive easing of restrictive measures in Europe, the possibility of a second lock-down and the consequent financial crisis, still predict a challenging second half.

However, given the company's capital structure, with a significant amount in cash and bank deposits and a low amount of remunerated debt, no material changes in the Company's liquidity are expected. Furthermore, we will continue to implement all measures deemed appropriate to minimize their impacts, in line with the recommendation of the competent entities and in the best interest of all our stakeholders.



Telecommunications area, which includes a 50% stake in ZOPT - consolidated through the equity method - which owns 52.15% stake in NOS, presented negative results due to the impacts from COVID-19 pandemic, namely, the register of significant non-recurrent items and the slowdown in activity, in particular in the Cinema and Audiovisuals segment. Telecom revenues were down impacted primarily by suspended premium sport channel revenues in April and May, the significant reduction of roaming traffic and B2B sales. However, much of the revenue decline was compensated by lower OPEX decreasing the magnitude of EBITDA decrease.

During 1H20, Technology area continued to enlarge its portfolio, reinforcing its investment in some portfolio companies and entering in the capital of two new companies.

Turnover

Consolidated turnover in 1H20 reached 69.6 million euros, decreasing 6.6%, when compared to 1H19.

This negative evolution was driven by both Media and Technology areas, the latter fully driven by transactional business of third-party products.

Operating costs

Operating costs amounted to 73.5 million euros, 7.8% below 1H19. Personnel costs grew 0.1% and Commercial costs decreased 14.5% to 39.8 million euros, mainly driven by the lower cost of goods sold, aligned with the lower level of sales. Other operating costs increased 4.7%, mainly explained by the higher level of Outsourcing costs.

EBITDA

Despite the improvement of underlying EBITDA, total EBITDA, explained by the decrease on equity results and non-recurrent items, decreased and stood at 7.6 million euros.

In 1H19, the non-recurrent items stood at 5.2 million euros, driven by the capital gain generated by Saphety's sale.

The equity results, mostly driven by ZOPT contribution which, in turn, depends on NOS net income evolution, decreased to 10.4 million euros.

Net results

Sonaecom's EBIT decreased to 3.1 million euros, from 15.8 million in 1H19, mainly explained by the lower level of EBITDA but also by the higher level of depreciations.

Sonaecom's earnings before tax (EBT) decreased from 15.9 million to 2.6 million euros, driven by the lower EBIT and financial results.

Indirect results reached negative 0.2 million euros, that compare with negative 0.8 million euros in 1H19, impacted by Armilar Venture Funds' portfolio fair value adjustments.

Net results group share stood at 4.9 million euros, below the 17.5 million euros presented in 1H19.

Operating CAPEX

Sonaecom's operating CAPEX decreased to 2.5 million euros, reaching 3.6% of turnover, 2.6 p.p. below 1H19. Excluding the IFRS 16 impact, operating CAPEX would be 1.8 million euros, 0.4 million euros below 1H19.

Capital structure

The net cash position stood at 204.6 million euros, decreasing 31.8 million euros since December 2019. Excluding IFRS 16 impacts, Net cash position stood at 218.0 million euros, 32.7 million below December 2019, mainly driven by 6.6 million euros of investment cash-out, the negative operating cash-flow of 5.9 million euros, the 4.0 million euros received as capital subscription in a new investment vehicle and the 25.4 million euros of dividends distribution.

2.1 Telecommunications

NOS operating revenues were 666.6 million euros in 1H20, decreasing 7.6% y.o.y.

EBITDA reached 310.6 million euros, decreasing 6.3% when compared to 1H19 and representing a 46.6% EBITDA margin.

CAPEX excluding leasings amounted to 171.8 million euros in 1H20, a decrease of 5.8% y.o.y. As a consequence of EBITDA and CAPEX evolution, EBITDA- CAPEX decreased 6.8%.

At the end of 1H20, total net debt including leasings and long-term contracts (according to IFRS 16) amounted to 1,220.2 million euros. Net Financial Debt/EBITDA after lease payments (last 4 quarters) now stands at 1.8x EBITDA, and with an average maturity of 2.7 years.

NOS published its 1H20 results on 22nd July 2020, which are available at www.nos.pt.

During 1H20, NOS share price decreased 19.1% from €4.800 to €3.884, whilst PSI20 decreased by 15.8%.

Operational Indicators

Million euros

Operational Indicators ('000)	2Q19	2Q20	Δ 20/19	1Q20	q.o.q.	1H19	1H20	Δ 20/19
Total RGUs	9,537.5	9,760.7	2.3%	9,707.9	0.5%	9,537.5	9,760.7	2.3%
Convergent + Integrated RGUs	4,574.7	4,823.9	5.4%	4,754.6	1.5%	4,574.7	4,823.9	5.4%

Financial indicators

Million euros

NOS HIGHLIGHTS	2Q19	2Q20	Δ 20/19	1Q20	q.o.q.	1H19	1H20	Δ 20/19
Operating Revenues	365.6	321.3	-12.1%	345.4	-7.0%	721.5	666.6	-7.6%
EBITDA	171.2	157.9	-7.8%	152.7	3.4%	331.4	310.6	-6.3%
EBITDA margin (%)	46.8%	49.1%	2.3pp	44.2%	4.9pp	45.9%	46.6%	0.7pp
Net Income	47.7	45.3	-5.0%	-10.4	-	90.2	35.0	-61.2%
CAPEX excluding Leasings	95.2	83.5	-12.2%	88.2	-5.3%	182.4	171.8	-5.8%
EBITDA-CAPEX excluding Leasings	76.1	74.3	-2.3%	64.5	15.3%	149.0	138.8	-6.8%

* 2019 and 1H20 accounts are adjusted to reflect the announcement of the sale of NICS on 1 April 2020, which was approved by Competition Authority at the end of June.

2.2 Technology

The Technology area aims to build and manage a portfolio of technology businesses around retail and telecommunications, as well as cybersecurity, with an international scale. This area currently comprises, alongside with minority stakes, Bright Pixel, Vector I fund and Bright Innovation fund, four controlled companies – S21Sec, Excellium, Bizdirect and Inovretail- that generated circa 38.1% of its revenues outside the Portuguese market with 70.6% out of the total 654 employees based abroad.

Controlled Companies

S21Sec is a reference multinational MSSP (Managed Security Services Provider), focused on the delivery of cyber security services and development of proprietary supporting technologies, with a global customer base, leveraging its teams in Spain, Portugal and Mexico. Since June 2018, with the integration of Nextel, S21Sec is the most relevant “pure player” (company specializing exclusively in the cybersecurity sector) in Spain and Portugal in terms of turnover and number of cybersecurity experts.

Excellium is a market-leading managed security services provider from Luxembourg, with presence in Belgium and counting with more than 100 experts.

This investment, together with the stake on S21sec, turns Sonae IM's cybersecurity group as one of the most relevant cybersecurity services pure players in Europe, counting with more than 500 professionals and direct presence in 13 cities across 6 countries.

The significant European scale and cross-country presence of this group of cybersecurity companies will be key to address the increasingly challenging needs of all organizations and specially the requirements of those large and multi-national companies operating in the European space, while ensuring agile and fast response from specialized teams close to the customer.

Bizdirect is a technology company specialized in IT solutions commercialization, consulting and management of corporate software licensing contracts and Microsoft solutions integration.

The cloud business unit continued to improve its presence on helping customers in digital transformation and the solutions business unit achieved important new customer references. Bizdirect Competence Center, in Viseu, contributed to the international revenues that already represent 5.0% of total revenues.

InovRetail is a retail innovation company that provide data science solutions and digital tools that deliver quantifiable insights and actionable recommendations with direct and sustainable impact on retailer's key metrics. The company's main product is the Staff Empowerment



Solution, a SaaS based solution that help retailers in three key areas like Sales Performance Enhancement; Customer Experience Optimisation and Advanced Planning & Scheduling.

Bright Pixel is the early stage investor of Sonae IM group focused on emerging technologies but prioritizing links to retail, telco and cybersecurity.

Minority Stakes (non-exhaustive)

Armilar Venture Funds are the 3 Venture Capital funds in which Sonae IM owns participation units acquired to Novo Banco. With this transaction, concluded in December 2016, Sonae IM reinforced its portfolio with sizeable stakes in leading edge companies such as Outsystms and Feedzai, both consistently presenting meaningful and sustainable levels of growth.

ArcticWolf, a US based company, is a global pioneer in the SOC-as-a-Service market with cutting-edge managed detection and response (MDR), which provides a unique combination of technology and services for clients to quickly detect and contain threats. US technology investors Lightspeed Venture Partners and Redpoint were joined by Sonae IM and Knollwood Investment Advisory in the series B round. During 2018, the Company closed a \$45M series C round and, at the end of 2019, the Company launched a \$60M Series D round, which was closed in the beginning of 2020, at a significant higher valuation. Sonae IM participated in both rounds, reinforcing its stake.

StyleSage is a strategic analytics SaaS platform that helps fashion, home and beauty retailers and brands with critical pre, in and post season decisions globally. Every day, StyleSage pulls product data from competitors' ecommerce websites from around the world. Then, with groundbreaking technology in machine learning and visual recognition, StyleSage cleans, organizes, and analyzes the massive amounts of collected data into a cloud-based dashboard that empowers brands and retailers to make informed, data-driven decisions in areas such line planning, markdown optimization, and global expansion.

Ometria is a London based AI powered customer marketing platform with the vision to become the central hub that powers all the communication between retailers and their customers. This investment was done by Sonae IM in the Series A round, alongside several strategic investors (including Summit Action, the US VC fund of the Summit Series) and was recently reinforced during series B round.

CB4 is a company based in Israel that provides a patented AI software solution for brick and mortar retailers to identify and correct critical operational issues at store, product level. The investment was part of a series B \$16M round, led by Octopus Ventures with Sonae IM joining. Existing investors Sequoia Capital and Pereg Ventures also participated in the round.

Reblaze is an Israeli company that provides proprietary security technologies in a unified platform, shielding assets from threats found on the Internet. The company raised a Series A round in which Sonae IM led jointly with JAL Ventures and Data Point Capital.

Visenze is a Singapore-based company that delivers intelligent image recognition solutions that shorten the path to action as consumers search and discover on the visual web. Retailers use ViSenze to convert images into immediate product search opportunities, improving conversion rates. Media companies use ViSenze to turn any image or video into an engagement opportunity, driving incremental revenue. Sonae IM co-led, with Gobi Partners, a \$20M Series C round that will enable the artificial intelligence company to further invest in its penetration among smartphone manufacturers, as well as with consumer and social communication applications.

Daisy Intelligence is an AI-powered platform for retail merchandising teams focused on optimizing promotional product and price mixes for dramatically improved business results. Sonae IM partnered with Framework Venture Partners invested in a C\$ 10M (circa €7M) series A round.

Nextail is a Spanish company that has developed a cloud-based platform that combines artificial intelligence and prescriptive analytics to upgrade retailers' inventory management processes and store operations. The company raised a \$10.0 million Series A round led by London and Amsterdam based venture capital firm KEEN Venture Partners LLP ("KEEN"), together with Sonae IM and existing investor Nauta Capital. The new financing is being used to accelerate product development and double the size of the team, as it grows internationally.

Sixgill is a market leader in deep and dark web cyber threat intelligence. Sixgill helps Fortune 500 companies, financial institutions, governments, and law enforcement agencies protect their finances, networks and reputations from cyberthreats that lurk in the deep, dark and surface webs. The advanced cyber threat intelligence platform automates all phases of the intelligence cycle — collection, analysis and dissemination of data — providing organizations with unparalleled information and actionable insights to protect their various assets in the ever evolving cyber threatscape. Sixgill raised \$15M in a second round led by Sonae IM and REV Venture Partners with participation by Our Crowd. Previous investors Elron and Terra Venture Partners also participate in the round.

Case on IT is a Spanish company that has developed Medux, a machine learning solution for the measurement, prediction and analysis of landline, mobile and television services quality. Medux measures the customer experience in markets that collectively serve over 600 million users worldwide. The company raised a Series B round of international fund with Sonae IM.

CiValue is an Israeli company with offices in New York, Paris, and Tel Aviv, is a disruptive provider of cloud-based Precision Marketing and Supplier Advertising Platforms for Retailers. Sonae IM, coupled with Nielsen, led a \$6M Series A investment.

Cellwize is a leading provider of Mobile Network Automation and Orchestration solutions for telco, based in Israel. Cellwize offers modular solutions for an agile adoption of 'zero-touch' network automation capabilities on top of a virtualized service orchestration platform. It supports network operations, especially given the increase in network density and complexity driven by 5G adoption. Sonae IM invested in a series B round of \$15M led by Deutsche Telekom Capital Partners.

Secucloud is a Germany based company that provides a cloud security platform for protecting all devices (subscriber endpoints) and operating systems with no installation required, offered to Telcos & ISPs as a white label solution. Sonae IM totally subscribed the multi million Series B financing round.

Continuum Security is a Spanish based company with an application security platform to address vulnerabilities early in the development process. In order to realise their international growth plans, the company has raised an investment round of 1.5million euros, which was led by Swaanlaab Venture Factory and joined by JME Venture Capital and Sonae IM.

Jscrambler is a Portuguese startup that develops a security solution to protect Web and Mobile Applications (Javascript code). The company raised a 2.3 million dollars in a series A financing round that was led by Sonae IM with the co-investment of Portugal Ventures.

Probe.ly, having started as an internal project of Bright Pixel, won the *Caixa Capital Empreender Award 2017*, has stepped from MVP (minimum valuable product) to an independent Web Application Security startup.

Sales Layer is a Spanish based company with a cloud-based Product Information Management (PIM) platform, helping brands and retailers to transform their catalogs into a digital, enriched and multichannel control center. Sonae IM recently led its series A round.

Financial indicators

TECHNOLOGY AREA	2Q19 ^(R)	2Q20	Δ 20/19	1Q20	q.o.q.	1H19 ^(R)	1H20	Δ 20/19
Turnover	35.6	37.2	4.3%	25.7	44.6%	66.3	62.9	-5.2%
Service Revenues	10.4	11.4	9.1%	11.0	3.4%	20.3	22.4	10.4%
Sales	25.2	25.8	2.3%	14.7	75.5%	46.0	40.5	-12.0%
Other Revenues	0.3	0.5	113.0%	0.3	110.8%	0.6	0.8	24.7%
Operating Costs	37.4	37.6	0.4%	27.5	36.4%	70.0	65.1	-6.9%
Personnel Costs	8.9	8.5	-4.2%	8.9	-4.9%	17.4	17.4	0.0%
Commercial Costs ⁽¹⁾	24.5	24.9	1.8%	14.0	78.1%	44.8	38.9	-13.2%
Other Operating Costs ⁽²⁾	4.1	4.2	1.6%	4.6	-10.1%	7.7	8.8	13.4%
Underlying EBITDA ⁽³⁾	-1.6	0.2	-	-1.5	-	-3.1	-1.3	58.1%
Underlying EBITDA Margin (%)	-4.4%	0.5%	4.9pp	-5.7%	6.2pp	-4.7%	-2.1%	2.6pp
Operating CAPEX ⁽⁴⁾	1.0	1.0	-1.4%	1.1	-10.4%	3.3	2.0	-39.2%
Operating CAPEX as % of Turnover	2.7%	2.6%	-0.1pp	4.1%	-1.6pp	5.0%	3.2%	-1.8pp
Underlying EBITDA - Operating CAPEX	-2.5	-0.8	69.3%	-2.5	69.1%	-6.4	-3.3	48.3%
Total CAPEX	7.2	1.6	-78.3%	4.8	-67.6%	17.0	6.4	-62.6%

(1) Commercial Costs = COGS + Mktg & Sales; (2) Other Operating Costs = Outsourcing Services + G&A + Provisions + others; (3) Includes the businesses fully consolidated at Technology area; (4) Operating CAPEX excludes Financial Investments; (R) The values were restated in order to reflect Sonaeacom structure after Saphety and WeDo sale.

Turnover

Turnover decreased 5.2% y.o.y explained by the decrease on the transactional business of third-party products, but with an improved performance in the quarter presenting a 44.6% q.o.q and a 4.3% yoy growth.

Service revenues, mainly cybersecurity services, presented a double-digit growth when compared to 1H19.

Operating costs

Operating costs decreased 6.9% to 65.1 million euros mainly explained by the 13.2% decline at Commercial costs, aligned with the lower level of sales. Other operating costs increased 13.4%, mainly explained by the higher level of Outsourcing Costs.



Underlying EBITDA

Underlying EBITDA stood at negative 1.3 million euros, but significantly better than 1H19 (+58.1%) and positive on the 2Q.

Underlying EBITDA-operating CAPEX

Underlying EBITDA-operating CAPEX stood at negative 3.3 million euros, increasing when compared to 1H19, mainly explained by the higher EBITDA but also driven by the lower level of Operating CAPEX. Excluding the IFRS 16 impacts, operating CAPEX would have reached 1.4 million euros, 0.3 million euros below 1H19.

2.3 Media

During 1H20, Público continued to pursue its digital strategy reinforcing digital competencies and presence in online platforms and continued to implement important initiatives aimed at strengthening Público as the reference Portuguese speaking news organisation.

Since the start of the pandemic and the related restrictive measures, Público's activity was materially impacted, namely in offline newspaper sales, with the temporary close of the majority of points of sale, and in advertising revenues, with the cut on marketing expenses implemented across all companies. However, the new context benefited the online business that recorded relevant improvements on online subscriptions and online advertising revenues.

The positive performance of online business was not enough to mitigate the negative evolution of offline revenues which translated into an overall 18.5% revenue decrease, when compared to 1H19.



3. Subsequent Events

At the beginning of 3Q20, the Portuguese Competition Authority announced its non opposition to the agreement signed in April between NOS Comunicações and Cellnex to sell 100% of NOS Towering to the latter, which encompasses around 2,000 sites (towers and rooftops), for an upfront consideration of approximately 375 million euros, to be received on final closing of the transaction. In addition, NOS and Cellnex had signed a long-term agreement whereby Cellnex will provide NOS Group with active network hosting over the passive infrastructure acquired, for a period of 15 years which renews automatically for equal periods. This agreement foresees a perimeter increase of up to 400 additional sites over the next 6 years. The total potential value of the agreements to be received over a 6-year period is 550 million euros.

4. Appendix

Consolidated income statement

Million euros

CONSOLIDATED INCOME STATEMENT	2Q19 ^(R)	2Q20	Δ 20/19	1Q20	q.o.q.	1H19 ^(R)	1H20	Δ 20/19
Turnover	40.1	40.3	0.3%	29.4	37.1%	74.5	69.6	-6.6%
Service Revenues	12.7	13.1	2.6%	12.7	2.6%	24.2	25.8	6.5%
Sales	27.4	27.2	-0.7%	16.6	63.5%	50.3	43.8	-12.9%
Other Revenues	0.4	0.7	60.7%	0.4	66.4%	1.0	1.1	13.3%
Operating Costs	42.4	41.5	-2.2%	32.0	29.7%	79.7	73.5	-7.8%
Personnel Costs	11.2	11.0	-2.0%	11.4	-3.8%	22.4	22.4	0.1%
Commercial Costs ⁽¹⁾	25.5	25.2	-1.0%	14.6	72.6%	46.6	39.8	-14.5%
Other Operating Costs ⁽²⁾	5.8	5.3	-8.2%	6.0	-11.4%	10.8	11.3	4.7%
EBITDA	8.5	10.9	29.3%	-3.3	-	20.0	7.6	-61.9%
Underlying EBITDA ⁽³⁾	-2.0	-0.5	72.7%	-2.1	74.6%	-4.3	-2.6	38.2%
Non recurrent items ⁽⁴⁾	0.1	0.0	-	-0.1	79.7%	5.2	-0.1	-
Equity method ⁽⁵⁾	10.8	11.5	6.2%	-1.1	-	20.2	10.4	-48.4%
Discontinued Operations ⁽⁶⁾	-0.5	0.0	100.0%	0.0	-	-1.1	0.0	100.0%
Underlying EBITDA Margin (%)	-4.9%	-1.3%	3.6pp	-7.2%	5.9pp	-5.7%	-3.8%	1.9pp
Depreciation & Amortization	2.1	2.3	11.0%	2.2	3.8%	4.2	4.5	7.7%
EBIT	6.4	8.7	35.2%	-5.5	-	15.8	3.1	-80.2%
Net Financial Results	-0.1	0.0	-	-0.5	-	0.0	-0.5	-
Financial Income	0.4	0.9	149.3%	0.7	30.0%	0.9	1.7	82.1%
Financial Expenses	0.5	0.9	87.7%	1.2	-23.6%	0.9	2.2	142.8%
EBT	6.3	8.7	37.8%	-6.0	-	15.9	2.6	-83.4%
Tax results	0.4	0.8	132.7%	0.7	19.5%	1.4	1.5	8.2%
Direct Results	6.6	9.5	42.9%	-5.3	-	17.3	4.2	-75.9%
Indirect Results ⁽⁷⁾	-0.9	-0.4	58.6%	0.2	-	-0.8	-0.2	-
Net Income	5.8	9.1	-	-5.1	-	16.5	4.0	-75.7%
Group Share	6.4	9.4	46.4%	-4.5	-	17.5	4.9	-72.0%
Attributable to Non-Controlling Interests	-0.6	-0.3	58.9%	-0.6	57.4%	-1.0	-0.9	8.9%

(1) Commercial Costs = COGS + Mktg & Sales Costs;

(2) Other Operating Costs = Outsourcing Services + G&A + Provisions + others;

(3) Includes the businesses fully consolidated by Sonaecom;

(4) Includes the capital gain in Saphety's sale;

(5) Includes the 50% holding in Unipress, the 50% holding in SIRS, the 50% holding in Big Data, the 50% holding in ZOPT, the 40% holding in Alfaro, the 27.45% holding in Secucloud, the 21% holding in Probely and the 20% holding in Suricate Solutions;

(6) Includes Saphety and WeDo contributions until the sale;

(7) Includes equity method adjustments related with AVP funds and related taxes;

(R) The values were restated in order to reflect Sonaecom structure after Saphety and WeDo sale.

Consolidated balance sheet

Million euros

CONSOLIDATED BALANCE SHEET	2Q19 ^(R)	2Q20	Δ 20/19	1Q20	q.o.q.	1H19 ^(R)	1H20	Δ 20/19
Total Net Assets	1,189.6	1,190.0	0.0%	1,195.7	-0.5%	1,189.6	1,190.0	0.0%
Non Current Assets	896.7	905.0	0.9%	898.5	0.7%	896.7	905.0	0.9%
Tangible and Intangible Assets and Rights of Use	44.2	20.2	-54.2%	21.9	-7.8%	44.2	20.2	-54.2%
Goodwill	36.1	14.5	-59.7%	14.5	0.0%	36.1	14.5	-59.7%
Investments	799.6	855.7	7.0%	848.7	0.8%	799.6	855.7	7.0%
Deferred Tax Assets	11.0	4.7	-57.6%	4.2	11.0%	11.0	4.7	-57.6%
Others	5.8	9.9	70.1%	9.1	9.0%	5.8	9.9	70.1%
Current Assets	292.8	284.9	-2.7%	297.2	-4.1%	292.8	284.9	-2.7%
Trade Debtors	48.7	34.7	-28.8%	20.1	72.3%	48.7	34.7	-28.8%
Liquidity	211.0	222.3	5.4%	251.0	-11.4%	211.0	222.3	5.4%
Others	33.1	27.9	-15.7%	26.1	7.2%	33.1	27.9	-15.7%
Shareholders' Funds	1,048.6	1,051.9	0.3%	1,067.1	-1.4%	1,048.6	1,051.9	0.3%
Group Share	1,048.4	1,047.3	-0.1%	1,068.2	-2.0%	1,048.4	1,047.3	-0.1%
Non-Controlling Interests	0.2	4.6	-	-1.0	-	0.2	4.6	-
Total Liabilities	140.9	138.0	-2.1%	128.6	7.3%	140.9	138.0	-2.1%
Non Current Liabilities	59.6	66.0	10.7%	71.3	-7.5%	59.6	66.0	10.7%
Bank Loans	2.7	2.4	-11.3%	3.1	-22.1%	2.7	2.4	-11.3%
Provisions for Other Liabilities and Charges	22.4	30.4	35.4%	30.8	-1.4%	22.4	30.4	35.4%
Others	34.4	33.2	-3.6%	37.4	-11.4%	34.4	33.2	-3.6%
Current Liabilities	81.4	72.1	-11.4%	57.3	25.8%	81.4	72.1	-11.4%
Loans	4.0	1.6	-59.5%	1.0	69.9%	4.0	1.6	-59.5%
Trade Creditors	23.8	26.9	13.1%	19.1	41.1%	23.8	26.9	13.1%
Others	53.5	43.5	-18.7%	37.2	16.9%	53.5	43.5	-18.7%
Operating CAPEX ⁽¹⁾	1.3	1.2	-13.1%	1.3	-11.9%	4.5	2.5	-45.6%
Operating CAPEX as % of Turnover	3.3%	2.9%	-0.4pp	4.5%	-1.6pp	6.1%	3.6%	-2.6pp
Total CAPEX	7.5	1.8	-76.6%	5.1	-65.1%	18.3	6.8	-62.6%
Underlying EBITDA - Operating CAPEX	-3.3	-1.7	48.6%	-3.4	50.6%	-8.8	-5.1	42.0%
Gross Debt	23.9	17.7	-26.2%	18.5	-4.4%	23.9	17.7	-26.2%
Net Debt	-187.0	-204.6	-9.4%	-232.5	12.0%	-187.0	-204.6	-9.4%

(1) Operating CAPEX excludes Financial Investments.

(R) The values were restated in order to reflect Sonaecom structure after Saphety and WeDo sale.

Consolidated levered FCF

Million euros

LEVERED FREE CASH FLOW	2Q19 ^(R)	2Q20	Δ 20/19	1Q20	q.o.q.	1H19 ^(R)	1H20	Δ 20/19
Underlying EBITDA-Operating CAPEX	-3.3	-1.7	48.6%	-3.4	50.6%	-8.8	-5.1	42.0%
Change in WC	-4.2	-6.6	-57.3%	3.1	-	-3.9	-3.5	9.7%
Non Cash Items & Other	0.9	2.4	158.2%	0.3	-	2.1	2.7	29.4%
Operating Cash Flow	-6.6	-5.9	10.4%	-0.1	-	-10.6	-5.9	44.2%
Investments	-6.3	-2.9	53.9%	-3.7	22.5%	-4.7	-6.6	-41.4%
Dividends	35.5	0.0	-100.0%	0.0	-	35.5	0.0	-100.0%
Financial results	-0.2	0.0	-	-0.1	-	0.2	-0.1	-
Income taxes	0.2	0.7	-	0.7	6.4%	0.7	1.4	98.3%
FCF ⁽¹⁾	22.8	-8.0	-	-3.2	-147.8%	21.0	-11.2	-

(1) FCF Levered after Financial Expenses but before Capital Flows and Financing related up-front Costs;

(R) The values were restated in order to reflect Sonaecom structure after Saphety and WeDo sale.

Sonaecom SGPS is listed on the Euronext Stock Exchange. Information is available on Reuters under the symbol SNC.LS and on Bloomberg under the symbol SNC:PL.

SAFE HARBOUR

This document may contain forward-looking information and statements, based on management's current expectations or beliefs. Forward-looking statements are statements that are not historical facts.

These forward-looking statements are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including, but not limited to, changes in regulation, the telecommunications industry and economic conditions; and the effects of competition. Forward-looking statements may be identified by words such as "believes", "expects", "anticipates", "projects", "intends", "should", "seeks", "estimates", "future" or similar expressions.

Although these statements reflect our current expectations, which we believe are reasonable, investors, analysts and, generally, the recipients of this document are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. You are cautioned not to put undue reliance on any forward-looking information or statements. We do not undertake any obligation to update any forward-looking information or statements.

Report available on Sonaecom's corporate website
www.sonaecom.com

Investor Relations Contacts
investorrelations@sonae.com
Tlf: +351 22 013 23 49

Report available on Sonaecom's corporate website
www.sonaecom.pt

Investor Relations Contacts
investorrelations@sonae.com
Tlf: +351 22 013 23 49