

REPORT AND ACCOUNTS

30 June 2020

(This is a translation of a document originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails – Note 18)

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MANAGEMENT REPORT

30 June 2020



REPORT AND ACCOUNTS 1H2020

I. Management Report

To the Shareholders

Pursuant to the legal requirements, the Board of Directors of Cofina, SGPS, S.A. ("Cofina"), hereby informs its Report and Accounts for the first half of 2020.

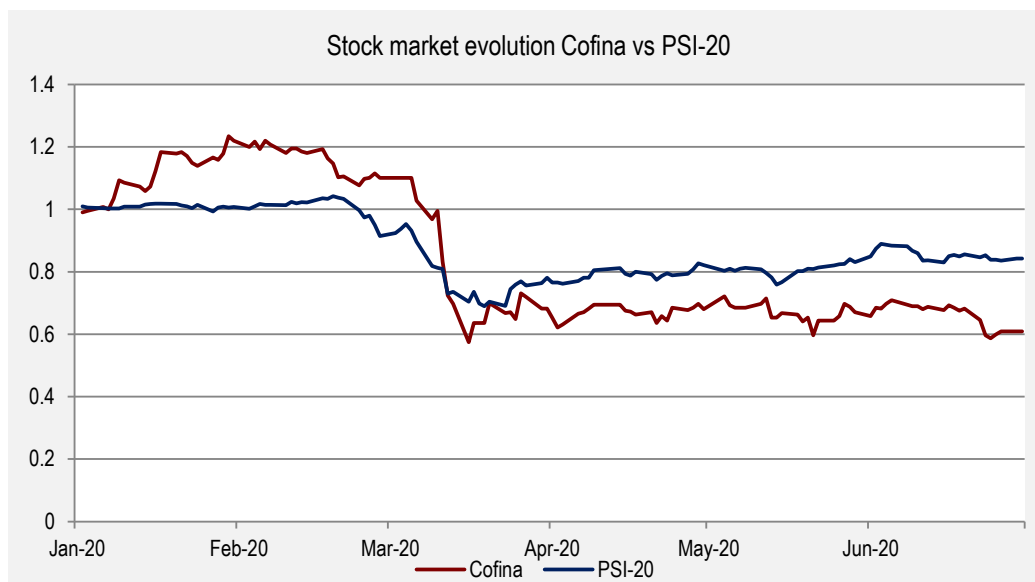
INTRODUCTION

According to the data provided by APCT ("Associação Portuguesa para o Controlo de Tiragem e Circulação"), for the period from January to April 2020, "Correio da Manhã" remains the leader as the best-selling daily newspaper in Portugal, with an average of around 66 thousand copies sold per edition during the period under analysis. In the newsmagazines, the magazine "Sábado" managed to be the magazine with the largest circulation in paper during the first months of the year. According to the data provided by this certifying entity, "Sábado" was able to stop the erosion registered in the paid printed circulation, being the market leader, with 37 thousand copies sold per edition. Despite the widespread breakdowns in the paid circulation of its segment, "Correio da Manhã" has been maintaining its leadership year after year and "Sábado" magazine has been able to confirm its market share and remain extremely competitive.

STOCK EXCHANGE EVOLUTION

(Note: PSI 20 was considered as an index with the same initial market value as the stocks under analysis in order to enable a better comparison of the price variations.)

In the first half of 2020, the Portuguese Stock Index (PSI-20) depreciated 15.8% compared with the end of 2019, while Cofina's shares depreciated 39%.



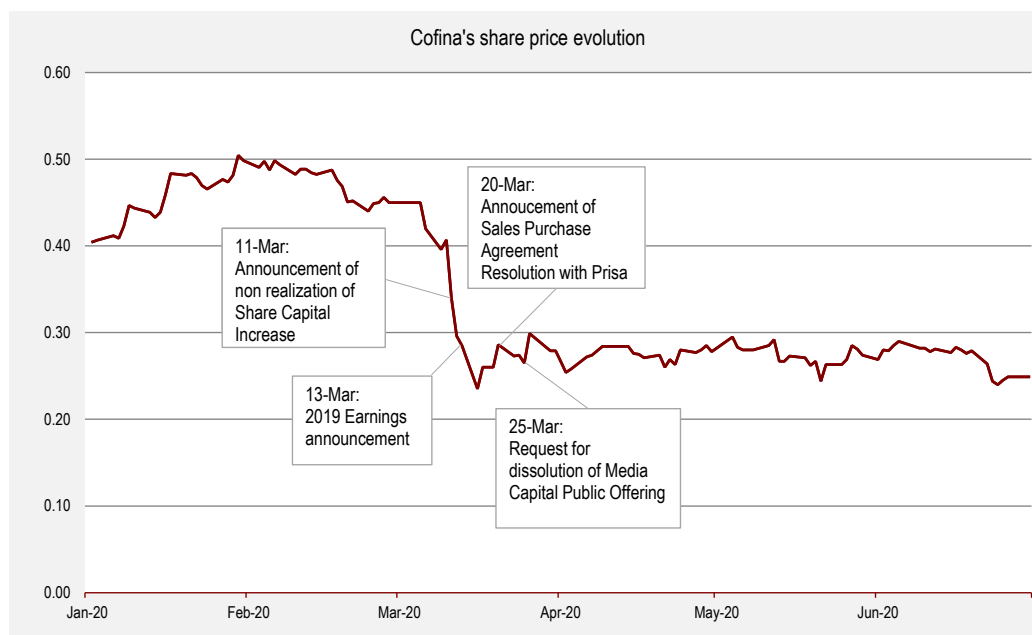
At the end of June 2020, Cofina's shares closing price was 0.249 Euro per share, corresponding to a market capitalization of 25.5 million Euro.

In the first half of 2020, Cofina's shares were traded at a maximum of 0.505 Euro per share and at a minimum of 0.235 Euro per share. In total, 18,219,901 shares were traded.

REPORT AND ACCOUNTS 1H2020

I. Management Report

The main significant events that affected Cofina's shares price in the first half of 2020 can be detailed as follows:



- On March 11, 2020, Cofina informed the market that, after the period of the public offering for subscription, the calculation of the results showed that the number of shares subscribed did not reach the total number of shares that were the object of the public offering;
- In the press release regarding the Group's performance in 2019, disclosed as of 13 March 2020, Cofina presented a consolidated net profit of 7.2 million Euro. Operational revenue amounted to 88.0 million Euro and EBITDA recorded 16.8 million Euro. On that day, Cofina's shares closed at 0.285 Euro per share;
- On March 20, 2020, following previous events previously announced, Cofina notified the market that the resolution of the Sales Purchase Agreement with Prisa had effect;
- In the press release on March 25, 2020, Cofina informed the market that it had submitted a request to the CMVM asking for the public offer for the acquisition of shares representing the share capital of Media Capital to be considered extinct.

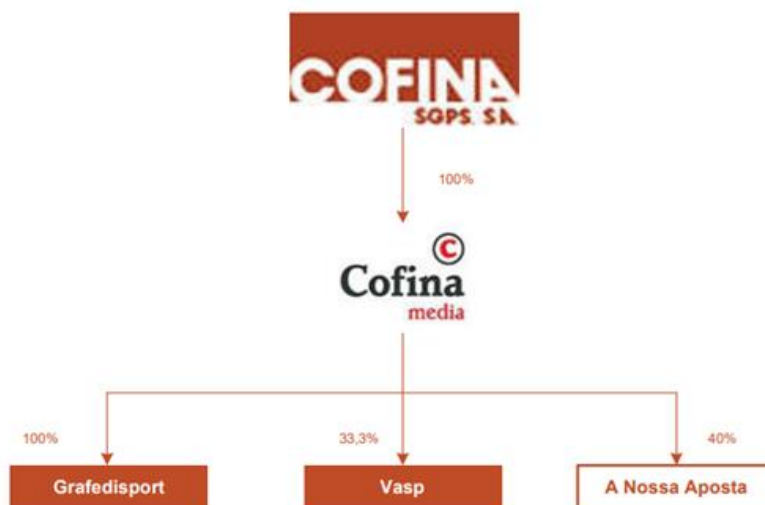
GROUP'S ACTIVITY

Cofina Group develops its activity in the media and contents business area.

The key group company in this sector is Cofina Media, S.A..

Cofina Media owns/explores the following portfolio: the daily newspaper “Correio da Manhã”, the daily sports newspaper “Record”, the economic information newspaper “Jornal de Negócios”, the free newspaper “Destak”, the information magazine “Sábado”, the television magazine “TV Guia”, the monthly fashion magazine “Máxima”, television channel distributed on all cable platforms “Correio da Manhã TV” (CMTV), organization and management of events and exploitation of various products on digital platforms.

As of 30 June 2020, Cofina Group's structure of the main participations was as follows:



REPORT AND ACCOUNTS 1H2020

I. Management Report

FINANCIAL REVIEW

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

(thousand Euro)	1H2020	1H2019	Var (%) 1H20/1H19
Operational revenues (a)	34,042	42,696	-20.3%
Circulation	16,619	20,948	-20.7%
Advertising	9,150	12,845	-28.8%
Alternative marketing products and others	8,273	8,903	-7.1%
Revenues by segment	34,042	42,696	-20.3%
Press	27,053	35,546	-23.9%
TV	6,989	7,150	-2.3%
Recurring operational costs (b)	(29,824)	(34,955)	-14.7%
Recurring EBITDA (c)	4,218	7,741	-45.5%
EBITDA margin (d)	12.4%	18.1%	-5.7 p.p.
Press	2,455	6,104	-59.8%
EBITDA margin Press (e)	9.1%	17.2%	-8.1 p.p.
TV	1,763	1,637	7.7%
EBITDA margin TV (f)	25.2%	22.9%	+2.3 p.p.
Non-recurring costs (g)	(1,649)	-	-
Total EBITDA = Recurring EBITDA + Non-recurring costs	2,569	7,741	-66.8%
Amortizations and depreciations	(1,794)	(1,811)	-0.9%
EBIT (h)	775	5,930	-86.9%
EBIT margin (i)	2.3%	13.9%	-11.6 p.p.
Financial results (j)	(1,966)	(1,177)	67.0%
Profit / (Loss) before income tax	(1,191)	4,753	-125.1%
Income taxes	(64)	(1,738)	-96.3%
Consolidated net profit	(1,255)	3,015	-141.6%

(a) Operational Revenues = Sales + Services rendered + Other income

(b) Recurring operational costs = Cost of sales + External supplies and services + Payroll expenses + Provisions and impairment losses + Other expenses (excluding non-recurring costs)

(c) Recurring EBITDA = Operational revenues + Recurring operational costs

(d) EBITDA margin = Recurring EBITDA / Operational revenues

(e) EBITDA Press margin = EBITDA Press / Revenues by Segment Press

(f) EBITDA TV margin = EBITDA TV / Revenues by Segment TV

(g) Non-recurring costs = Namely costs with the Media Capital operation acquisition

(h) EBIT = EBITDA + Amortizations and depreciations

(i) EBIT margin = EBIT / Operational revenues

(j) Financial results = Results related to associated companies and joint ventures + Financial expenses - Financial income

The results of the first half of 2020 were characterised by pandemic COVID-19, which had a relevant impact on the revenues of the media groups, having witnessed significant falls in all the captions that constitute the revenues, namely, the strong contraction in advertising investments, circulation revenues affected by the implementation of confinement measures between March and May, which resulted in the closure of many publications points of sale to the public and, consequently, in revenues associated with marketing.

Hence, in the first half of 2020, total revenues amounted to 34.0 million Euro, which corresponds to a 20% decrease in relation to the same period of the previous year. Circulation and advertising revenues recorded 20.7% and 28.8% decreases, respectively. Revenues from marketing alternative products and others recorded 8.3 million Euro (-7.1%).

As mentioned above, in strategic terms, cost reduction measures were implemented, with recurring operational costs decreasing by around 15%, reaching 29.8 million Euro. During the first six months of 2020, compared to the same period in 2019, recurring operating costs were reduced by 5.1 million Euro.

REPORT AND ACCOUNTS 1H2020

I. Management Report

Recurring EBITDA achieved approximately 4.2 million Euro, which reflects a 45.5% decrease over recurring EBITDA recorded in the same period of 2019.

During the period under analysis, a number of non-recurring costs were recorded, mostly associated with transaction costs of the acquisition of the share capital of Grupo Média Capital, SGPS, S.A. by Cofina, SGPS, S.A.. These costs amounted to, approximately, 1.6 million Euro.

EBIT reached 0.8 million Euro, which corresponds to an 86.9% decrease.

Financial results, whose amount reached 2 million Euro (+67%), include an amount around 0.6 million Euro of non-recurring financial expenses associated with the above-mentioned transaction.

Consolidated net profit reached, approximately, -1.3 million Euro

As of 30 June 2020, Cofina's nominal net debt¹ was 44.1 million Euro, which corresponds to approximately a 1 million Euro decrease, comparatively to the nominal net debt recorded in the end of 2019, which was 44.9 million Euro.

These amounts include a 10 million Euro collateral related to the purchase and sale agreement celebrated, on the 20th of September 2019, with Promotora de Informaciones, S.A. ("Prisa") for the 100% acquisition of the share capital and voting rights of Vertix, SGPS, S.A. (and, indirectly, 94.69% of the share capital and voting rights of Grupo Média Capital, SGPS, S.A.).

TV Segment

Cofina's TV segment consists of CMTV channel, the only generalist channel operating exclusively in the cable network.

(thousand Euro)	1H2020	1H2019	Var (%) 1H20/1H19
Operational revenues (a)	6,989	7,150	-2.3%
Advertising	2,606	2,663	-2.1%
Transmission fees and others	4,383	4,487	-2.3%
Operational costs (b)	(5,226)	(5,513)	-5.2%
EBITDA TV (c)	1,763	1,637	7.7%
EBITDA margin	25.2%	22.9%	+2.3 p.p.

(a) Operational Revenues = Sales + Services rendered + Other income

(b) Operational costs = Cost of sales + External supplies and services + Payroll expenses
+ Provisions and impairment losses + Other expenses

(c) EBITDA TV = Operational revenues + Operational costs

(d) EBITDA margin = EBITDA TV / Operational revenues

CMTV total revenues reached to approximately 7.0 million Euro, which represents a 2.3% decrease. Advertising revenues reached 2.6 million Euro (-2.1%) and revenues from Transmission fees and others achieved 4.3 million Euro (-2.3%).

Operational costs were reduced by approximately 5.2%. Hence, EBITDA TV recorded was around 1.8 million Euro, an increase of 8% when compared to the EBITDA TV recorded in the previous year.

¹ Nominal net debt: Other loans (nominal values) + Bank loans (nominal values) – Cash and cash equivalents

REPORT AND ACCOUNTS 1H2020

I. Management Report

Press Segment

<i>(thousand Euro)</i>	1H2020	1H2019	Var (%) 1H20/1H19
Operational revenues (a)	27,053	35,546	-23.9%
Circulation	16,619	20,948	-20.7%
Advertising	6,544	10,182	-35.7%
Alternative marketing products and others	3,890	4,416	-11.9%
Operational costs (b)	(24,598)	(29,442)	-16.5%
Press EBITDA (c)	2,455	6,104	-59.8%
EBITDA margin (d)	9.1%	17.2%	-8.1 p.p.

(a) Operational Revenues = Sales + Services rendered + Other income

(b) Operational costs = Cost of sales + External supplies and services + Payroll expenses
+ Provisions and impairment losses + Other expenses

(c) EBITDA Press = Operational revenues + Operational costs

(d) EBITDA margin = EBITDA Press / Operational revenues

Press segment, which contains all paper titles owned by Cofina and digital market revenues, was the most affected, as a result of the closure of publications points of sale to the public and the lack of sporting events, during the period in which Government measures, with the objective of social isolation, were in place. It should also be noted the drop in advertising in all products.

Hence, during the first half of 2020, the total revenues of 27.1 million Euro represent a 24% decrease over the same period of the previous year. Advertising revenues and circulation revenues recorded a 36% and 21% decrease, respectively. Revenues from "alternative marketing products and others" recorded a 12% decrease.

Operational costs were 24.6 million Euro, recording a decrease around 17%.

EBITDA of this segment amounted to 2.5 million Euro, a 60% decrease when compared to the same period of the previous year.

Prisa complaint and Média Capital Public Tender Offer

On April 15, 2020, Cofina Group announced to the market about a notification from Arbitration Request ("Request") submitted by Promotora de Informaciones, S.A. ("Prisa") at Câmara do Comércio e Indústria Portuguesa (CCIP), claiming the right to be delivered, by the Escrow Agent (Banco BPI, S.A.), the 10 million Euro amount deposited there as a down payment.

Cofina understands that Prisa's requests have no basis whatsoever and submitted its response within the scope of the referred arbitration proceedings. Therefore, it is understanding of the Board of Directors, based on the available, current and up to date information, supported by the legal advisors, that the amount will be recovered by Cofina Group, so the Group has not recorded any provision.

At the present date, the arbitration proceeding is following its normal procedures.

In relation to the Public Tender Offer for the shares representing the share capital of the Grupo Média Capital, SGPS, S.A, Cofina Group published, on August 12, 2020, the Amendment to the Preliminary Announcement of the Public Tender Offer.

FUTURE PERSPECTIVES

The current context remains marked by a high level of uncertainty.

Regarding revenues, there has been a recovery from the levels reached in the confinement period.

Cofina's management team is, as it has been doing over the years, focused on the sustainability of operations and the safety of all employees.

Corporate Governance

In compliance with the legal requirements in force, the Company is exempted from presenting information regarding Corporate Governance, once this information is only mandatory upon presentation with the Annual Management Report. The Annual Report about Corporate Governance is an integral part of Cofina Annual Financial Statements for the financial year 2019 and it is available on our website (www.cofina.pt).

LEGAL MATTERS

Own Shares

Pursuant to the requirements of article 66 of the Commercial Companies Code ("Código das Sociedades Comerciais"), the Directors inform that as of 30 June 2020 Cofina had no treasury shares and did not acquire nor sell treasury shares during the semester then ended.

Shares held by Cofina's corporate board members

As of 30 June 2020, the Directors inform that the shares they held were as follows:

Paulo Jorge dos Santos Fernandes ^(a)	14,235,474
João Manuel Matos Borges de Oliveira ^(b)	15,400,000
Domingos José Vieira de Matos ^(c)	12,395,257
Pedro Miguel Matos Borges de Oliveira ^(d)	10,277,248
Ana Rebelo de Carvalho Menéres de Mendonça ^(e)	20,488,760

^(a) – The 14,235,474 shares are the total number of shares of COFINA – SGPS, S.A. held by ACTIUM CAPITAL, S.A., in which Paulo Jorge dos Santos Fernandes is director and majority shareholder.

^(b) – The 15,400,000 shares are the total number of shares of COFINA – SGPS, S.A. held by CADERNO AZUL S.A., in which João Manuel Matos Borges de Oliveira is director.

^(c) – The 12,395,257 shares are the total number of shares of COFINA – SGPS, S.A. held by LIVREFLUXO, S.A., in which Domingos José Vieira de Matos is director and majority shareholder.

^(d) – The 10,277,248 shares are the total number of shares of COFINA – SGPS, S.A. held by VALOR AUTÊNTICO, S.A., in which Pedro Miguel Matos Borges de Oliveira is director and majority shareholder.

^(e) – The 20,488,760 shares are the total number of shares of COFINA – SGPS, S.A. held by PROMENDO INVESTIMENTOS, S.A., in which Ana Rebelo de Carvalho Menéres de Mendonça is director and majority shareholder.

As of 30 June 2020, the Statutory Auditor and the members of the Shareholders' Meeting and of the Statutory Audit Board held no shares of the Company.

REPORT AND ACCOUNTS 1H2020

I. Management Report

Company's share capital participations

Pursuant to the requirements of articles 16 and 20 of the Securities Code ("Código dos Valores Mobiliários") and article 448 of the Commercial Companies Code, the Company informs that, in accordance with the notifications received, the companies and/or individuals that hold qualified holdings exceeding 2%, 5%, 10%, 15%, 20%, 33% and 50% of the voting rights accordingly to the notifications received until 30 June 2020, are as follows:

Mário Nuno dos Santos Ferreira	No of shares held on 30-Jun-2020	% share capital with voting rights
Directly	75,200	0.07%
Through Pluris Investments, S.A. (of which he is majority shareholder and director)	2,050,000	2.00%
Total attributable	2,125,200	2.07%
Santander Asset Management	No of shares held on 30-Jun-2020	% share capital with voting rights
Through Santander Ações Portugal Fund	2,069,459	2.02%
Through Santander PPA Fund	107,964	0.11%
Total attributable	2,177,423	2.12%
GNB - Sociedade Gestora de Fundos de Investimentos	No of shares held on 30-Jun-2020	% share capital with voting rights
Through Fundo NB - Portugal Ações	2,203,152	2.15%
Total attributable	2,203,152	2.15%
Credit Suisse Group AG	No of shares held on 30-Jun-2020	% share capital with voting rights
Directly	5,039,060	4.91%
Total attributable	5,039,060	4.91%
Pedro Miguel Matos Borges de Oliveira	No of shares held on 30-Jun-2020	% share capital with voting rights
Through Valor Autêntico, S.A. (of which he is dominant shareholder and director)	10,277,248	10.02%
Total attributable	10,277,248	10.02%
Domingos José Vieira de Matos	No of shares held on 30-Jun-2020	% share capital with voting rights
Through Livrefluxo, S.A. (of which he is dominant shareholder and director)	12,395,257	12.09%
Total attributable	12,395,257	12.09%
Paulo Jorge dos Santos Fernandes	No of shares held on 30-Jun-2020	% share capital with voting rights
Through Actium Capital, S.A. (of which he is dominant shareholder and director)	14,235,474	13.88%
Total attributable	14,235,474	13.88%
João Manuel Matos Borges de Oliveira	No of shares held on 30-Jun-2020	% share capital with voting rights
Through Caderno Azul, S.A. (of which he is shareholder and director)	15,400,000	15.01%
Total attributable	15,400,000	15.01%
Ana Rebelo Carvalho Menéres de Mendonça	No of shares held on 30-Jun-2020	% share capital with voting rights
Through Promendo Investimentos, S.A. (of which she is dominant shareholder and director)	20,488,760	19.98%
Total attributable	20,488,760	19.98%

Cofina was not notified of any participation exceeding 20% of the voting rights.

CLOSING REMARKS

The Board of Directors concludes by expressing a vote of gratitude to all of the Group's Stakeholders, for the trust demonstrated in our organization. We would like to thank the Statutory Audit Board for the continued monitoring of our operations.

Oporto, September 10, 2020

The Board of Directors

Paulo Jorge dos Santos Fernandes – Chairman

João Manuel Matos Borges de Oliveira

Domingos José Vieira de Matos

Pedro Miguel Matos Borges de Oliveira

Ana Rebelo de Carvalho Menéres de Mendonça

Laurentina da Silva Martins

Alda Maria Farinha dos Santos Delgado

Luís Manuel Castilho Godinho Santana

APPENDIX TO THE MANAGEMENT REPORT

30 June 2020



STATEMENT UNDER ARTICLE 246, 1, C) OF THE SECURITIES CODE

The signatories individually declare that, to their knowledge, the Financial Statements prepared meet the standards of the applicable International Financial Accounting ("IFRS") as adopted by the European Union, for Interim Financial Reporting, give a truthful and appropriate image of the assets and liabilities, financial position and the consolidate results of Cofina, SGPS, S.A. and of the companies included in the consolidation, and that the Interim Management Report describes the evolution of business, the performance and the financial position of Cofina, SGPS, S.A. and companies of the companies included in the consolidation, and contains a description of the major risks and uncertainties that they face.

DECLARATION OF RESPONSIBILITY

The members of the Board of Directors of Cofina, SGPS, S.A. declare to assume responsibility for the information presented herein and assure that the items included herein are true and that, to the best of their knowledge, there are no omissions.

As required by the article 8, no. 3, of the Securities Code, the Board of Directors of Cofina, SGPS, S.A. declares that the accounts that integrate this report were not subject to a Limited Review.

Under the terms and for the purposes of article 210 of the Code of the Contributory Regimes of the Social Security System (Law no. 110/2009, of September 16), the Board of Directors informs that there are no overdue debts to the State, namely with respect to Social Security.

REPORT AND ACCOUNTS 1H2020

II. Appendix to the Management Report

Article 447 of the Portuguese Companies Act, Article 14(7) of the CMVM Regulation no. 05/2008 and Article 19 of Regulation (EU) no. 596/2014 of European Parliament and of the Council of 16 April 2014

Disclosure of shares and other securities held by members of the Board of Directors and Officers, as well as people closely related, under the Article 248-B of the Securities Code, and transactions over these shares that took place on the period under analysis:

Members of the Board of Directors	Shares held on 31-Dec-2019	Acquisitions	Disposals	Shares held on 30-Jun-2020
Paulo Jorge dos Santos Fernandes (imputation through ACTIUM CAPITAL, S.A.)	14,235,474	-	-	14,235,474
João Manuel Matos Borges de Oliveira (imputation through CADERNO AZUL, S.A.)	15,400,000	-	-	15,400,000
Domingos José Vieira de Matos (imputation through LIVREFLUXO, S.A.)	12,395,257	-	-	12,395,257
Pedro Miguel Matos Borges de Oliveira (imputation through VALOR AUTÊNTICO, S.A.)	10,277,248	-	-	10,277,248
Ana Rebelo Mendonça (imputation through PROMENDO INVESTIMENTOS, S.A.)	20,488,760	-	-	20,488,760

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

30 June 2020



FINANCIAL INFORMATION 1H2020

Condensed consolidated financial statements and notes

(Translation of financial statements originally issued in Portuguese – Note 18)

(Amounts expressed in Euro)

COFINA, SGPS, S.A.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT

30 JUNE 2020 AND 31 DECEMBER 2019

(Amounts expressed in Euros)

(Translation of financial statements originally issued in Portuguese - Note 18)

ASSETS	Notes	30.06.2020	31.12.2019
NON-CURRENTS ASSETS			
Property, plant and equipment		2 452 132	2 628 257
Goodwill	6	83 977 180	83 977 180
Intangible assets		212 549	294 027
Right of use assets		10 057 864	11 185 493
Investments in associated companies and joint ventures	5	2 614 548	3 226 471
Other investments	5	10 005 510	10 015 510
Other non-current assets		76 369	66 252
Deferred tax assets		779 867	763 981
Total of non-current assets		110 176 019	112 157 171
CURRENT ASSETS			
Inventories		1 371 500	1 450 074
Trade receivables		4 533 078	6 294 057
Assets associated with contracts with customers		2 736 129	4 355 623
Other debts from third parties		872 483	435 153
Other current assets		509 137	1 223 963
Cash and cash equivalents	8	16 798 423	7 122 371
Total current assets		26 820 750	20 881 241
TOTAL ASSETS		136 996 769	133 038 412
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9	25 641 459	25 641 459
Share premiums		15 874 835	15 874 835
Legal reserve		5 409 144	5 409 144
Other reserves		(3 119 307)	(10 268 757)
Consolidated net profit/(loss) for the financial year		(1 254 865)	7 149 450
Total equity attributable to shareholders of the Parent Company		42 551 266	43 806 131
Non-controlling interests		-	-
TOTAL EQUITY		42 551 266	43 806 131
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities		9 105 490	10 949 593
Provisions		650 000	650 000
Total non-current liabilities		9 755 490	11 599 593
CURRENT LIABILITIES			
Bank loans	8 and 10	8 883 781	12 671
Other loans	10	51 898 647	52 074 236
Lease liabilities		2 605 254	2 130 774
Trade payables		5 972 381	8 336 586
Liabilities associated with contracts with customers		2 229 557	3 282 531
Income tax	7	3 735 825	3 656 326
Other debts to third parties		3 719 619	2 758 089
Other current liabilities		5 644 949	5 381 475
Total current liabilities		84 690 013	77 632 688
TOTAL LIABILITIES		94 445 503	89 232 281
TOTAL LIABILITIES AND EQUITY		136 996 769	133 038 412

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

The Chartered Accountant

The Board of Directors

FINANCIAL INFORMATION 1H2020

Condensed consolidated financial statements and notes

(Translation of financial statements originally issued in Portuguese – Note 18)

(Amounts expressed in Euro)

COFINA, SGPS, S.A.

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2020 AND 2019

(Amounts expressed in Euros)

(Translation of financial statements originally issued in Portuguese - Note 18)

	<u>Notes</u>	<u>30.06.2020</u>	<u>30.06.2019</u>
Sales	14	16,618,712	20,948,462
Services rendered	14	9,149,704	12,845,481
Other income	14	8,274,010	8,902,843
Cost of sales		(3,237,816)	(4,959,014)
External supplies and services		(14,724,651)	(16,678,664)
Payroll expenses		(12,776,449)	(13,075,877)
Amortisation and depreciation		(1,793,859)	(1,811,053)
Provision and impairment losses		(86,427)	(160,687)
Other expenses		(648,198)	(80,618)
Results related to associated companies and joint ventures	11	(611,923)	(24,382)
Financial expenses	11	(1,354,355)	(1,153,507)
Financial income	11	-	571
Profit/(Loss) before income tax		(1,191,252)	4,753,555
Income tax	7	(63,613)	(1,738,085)
Consolidated net profit		(1,254,865)	3,015,470
Attributable to:			
Holders of equity in the parent company		(1,254,865)	3,015,470
Earning per share:			
Basic	13	(0.01)	0.03
Diluted	13	(0.01)	0.03

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

The Chartered Accountant

The Board of Directors

FINANCIAL INFORMATION 1H2020

Condensed consolidated financial statements and notes

(Translation of financial statements originally issued in Portuguese – Note 18)

(Amounts expressed in Euro)

COFINA, SGPS, S.A.

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE SIX AND THREE MONTHS PERIODS ENDED 30 JUNE 2020 AND 2019

	<u>30.06.2020</u>	<u>30.06.2019</u>
Consolidated net profit/(loss) for the period	(1,254,865)	3,015,470
Other comprehensive income:		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified to profit or loss in the future	-	-
Other comprehensive income for the period	<u>-</u>	<u>-</u>
Total consolidated comprehensive income for the period	<u>(1,254,865)</u>	<u>3,015,470</u>
Attributable to:		
Shareholders in the Parent company	(1,254,865)	3,015,470
Non-controlling interests	-	-

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

The Chartered Accountant

The Board of Directors

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COFINA SGPS, S.A.

CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2020 AND 2019

(Translation of financial statements originally issued in Portuguese - Note 18)
(Amounts expressed in Euros)

	Attributable to Shareholders in the Parent company					Total equity attributable to shareholders of Parent company	Non-controlling interests	Total equity
	Share capital	Share premiums	Legal reserve	Other reserves	Net profit/(loss) for the period			
Balance as at 1 January 2019	25,641,459	15,874,835	5,409,144	(15,577,084)	6,653,405	38,001,759	-	38,001,759
Appropriation of the consolidated result from 2018:								
Transfer to legal reserve and retained earnings	-	-	-	6,653,405	(6,653,405)	-	-	-
IFRS 16 adoption effect	-	-	-	(1,878,572)	-	(1,878,572)	-	(1,878,572)
Other changes	-	-	-	(21)	-	(21)	-	(21)
Comprehensive income for the period	-	-	-	-	3,015,470	3,015,470	-	3,015,470
Balance as at 30 June 2019	25,641,459	15,874,835	5,409,144	(10,802,272)	3,015,470	39,138,636	-	39,138,636
Balance as at 1 January 2020	25,641,459	15,874,835	5,409,144	(10,268,757)	7,149,450	43,806,131	-	43,806,131
Appropriation of the consolidated result from 2019:								
Transfer to legal reserve and retained earnings	-	-	-	7,149,450	(7,149,450)	-	-	-
IFRS 16 adoption effect	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Comprehensive income for the period	-	-	-	-	(1,254,865)	(1,254,865)	-	(1,254,865)
Balance as at 30 June 2020	25,641,459	15,874,835	5,409,144	(3,119,307)	(1,254,865)	42,551,266	-	42,551,266

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

The Chartered Accountant

The Board of Directors

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COFINA, SGPS, S.A.

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SIX AND THREE MONTHS PERIODS ENDED 30 JUNE 2020 AND 2019

(Translation of financial statements originally issued in Portuguese - Note 18)

(Amounts expressed in Euros)

	Notes	30.06.2020	30.06.2019
Operating activities:			
<i>Cash flows generated by operating activities (1)</i>		<u>3,982,559</u>	<u>2,557,085</u>
Investment activities:			
Receipts arising from:			
Property, plant and equipment	-	-	-
Interest and similar income	-	-	-
Supplementary instalments	-	-	-
Payments relating to:			
Intangible assets	(214,715)	(125,920)	
Property, plant and equipment	(207,266)	(1,149,311)	
Investments	-	-	
Loans granted	-	(421,981)	(1,000,000)
<i>Cash flows generated by investment activities (2)</i>		<u>(421,981)</u>	<u>(2,275,231)</u>
Financing activities:			
Receipts arising from:			
Loans obtained	165,774,656	165,774,656	35,000,000
Payments relating to:			
Interest and similar expenses	(301,191)	(498,624)	
Lease liabilities	(2,160,657)	(2,325,343)	
Supplementary instalments	-	-	
Loans obtained	(166,068,444)	(168,530,292)	(29,500,000)
<i>Cash flows generated by financing operations (3)</i>		<u>(2,755,636)</u>	<u>(2,676,033)</u>
Cash and cash equivalents at the beginning of the period	8	7,109,700	6,446,703
Cash and cash equivalents variation: (1)+(2)+(3)		<u>804,942</u>	<u>2,957,887</u>
Cash and cash equivalents at the end of the period	8	<u>7,914,642</u>	<u>9,404,590</u>

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

The Chartered Accountant

The Board of Directors

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1. INTRODUCTION

Cofina, SGPS, S.A. (“Cofina” or “Company”) is a public company, with headquarters located at Rua Manuel Pinto de Azevedo, 818, in Porto and has its shares listed on the Euronext Lisbon Stock Exchange (“Euronext Lisbon”). Cofina is the Parent company of a group of companies detailed in Note 5, commonly designated as Cofina Group, and its main activity is the management of investments in the Media sector (written press and TV).

The Cofina Group owns headings of reference in their respective segments, editing titles like newspapers “Correio da Manhã”, “Record”, “Jornal de Negócios”, “Destak” and “Metro”, as well as the magazines “Sábado” and “TV Guia”, among others. Additionally, since the year of 2013, the Cofina Group incorporated in its portfolio of activities the television channel “CMTV”.

Cofina’s condensed consolidated financial statements are expressed in Euro (rounded to the nearest unit). This is the currency used by the Group in its operations and as such, considered the functional currency.

2. BASIS OF PRESENTATION AND MAIN ACCOUNTING POLICIES

The condensed consolidated financial statements, for the period ended on 30 June 2020, were prepared in accordance with IAS 34 – Interim Financial Reporting and include the condensed consolidated statement of financial position, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows, as well as the selected explanatory notes. These condensed consolidated financial statements do not include all the information required to be published on the annual financial statements, and should, therefore, be read together with the consolidated financial statements of the Cofina Group for the financial year ended 31 December 2019.

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

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

The attached condensed consolidated financial statements were prepared based on the accounting books and records of the company, its subsidiaries, and associates, adjusted in the consolidation process, in the assumption of going concern basis. When preparing the condensed consolidated financial statements, the Group used historical cost as its basis, except in the case of some financial assets, which were measured at fair value, as described in the notes to the financial statements for financial year ended 31 December 2019.

The preparation of condensed consolidated financial statements requires the use of estimates, assumptions and critical judgements in the process of determining accounting policies to be adopted by the Group, with significant impact on the book value of assets and liabilities, as well as on income and expenses for the period. Although these estimates are based on the best experience of the Board of Directors and on its best expectations regarding current and future events and actions, current and future results may differ from these estimates. Areas involving a higher degree of judgement or complexity, or areas with significant assumptions and estimates are disclosed in Note 2.4. of the accompanying notes to the consolidated financial statements of the Group for the financial year ended 31 December 2019.

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3. CHANGES IN ACCOUNTING POLICIES AND COMPARABILITY OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Up to the date of approval of these financial statements, the European Union endorsed the following accounting standards, interpretations, amendments and revisions, mandatorily applied to the financial year beginning on 1 January 2020:

	Effective date (financial years begun on or after)
Amendments to References to the Conceptual Framework in IFRS Standards	01 Jan 2020
Amendment to IFRS 3 - Business combinations	01 Jan 2020
Amendment to IAS 1 and IAS 8 - Definition of material	01 Jan 2020
Amendments to standards IFRS 9, IAS 39 and IFRS 7 - Interest rate Benchmark reform (IBOR Reform)	01 Jan 2020

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

On the approval date of these financial statements, the following accounting standards, amendments and interpretations were not yet endorsed by the European Union:

	Effective date (financial years begun on or after)
IFRS 16 (Amendment) Leases – Lease concessions granted due to COVID-19	01 Jun 2020
IFRS 4 (Amendment) - Deferral of effective dates for application of two optional solutions (temporary exemptions to IFRS 9 and overlap approach)	01 Jan 2021
Amendment to IFRS 3 – Business Combination	01 Jan 2022
IAS 16 (Amendment) Property, Plant and Equipment — Proceeds before Intended Use	01 Jan 2022
IAS 37 (Amendment) Provisions, contingent liabilities and contingent assets	01 Jan 2022
Annual improvements 2018 – 2020	01 Jan 2022
IAS 1 (Amendments) Classification of Liabilities as Current or Non-current	01 Jan 2023
IFRS 17 - Insurance contracts; including amendments	01 Jan 2023

The Group has not adopted any standard, amendment or interpretation that has been issued but not yet effective, for the preparation of the consolidated financial statements for the period ending 30 June 2020, given that application is not mandatory. The impact of the referred standards is currently being assessed.

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4. SIGNIFICANT EVENTS: COVID 19

Based on the results of the Cofina Group and its operating segments, as well as current social and macroeconomic conditions, it is still early based on the information available as of June 30, 2020, to reassess the conclusions obtained in the preparation of the annual financial statements to December 31, 2019, regarding the recoverability of financial and non-financial assets, namely with regard to the potential impacts of the COVID-19 pandemic. The sensitivity analyzes were presented in the notes to the financial statements for the year ended December 31, 2019.

Since the beginning of the pandemic, Cofina has been assessing and monitoring the pandemic's developments, in terms of the risk factors that, in its understanding, are relevant and which may affect the business areas, whether in operational, investment or financial terms. Cofina, from an early stage, implemented a set of measures for the prevention, control and surveillance, with prevention / contingency plans being developed that cover the entire organisation. If it is the Group's understanding that current developments and conditions will eventually permanently affect the business plans and medium and long-term projections used in the Cofina Group's budget and strategic plan, they will be duly considered in the impairment analysis models, as at 31 December 2020, in order to ascertain its possible accounting impacts.

Among the actions implemented as part of the process of monitoring and evaluating pandemic developments, we highlight the following:

- Cofina has been implementing, during the last years, a plan which aims to prepare the Group for the future reality, ensuring its sustainability and adequate profitability levels. In order to manage the impacts of the pandemic, the Group implemented cost containment measures, of which stand out, the review of the product printing (i.e. number of printed copies), the reduction of the number of pages, the reduction of editorial costs, the reduction of marketing actions, the temporary distribution stoppage of Destak (free newspaper) and the implementation of measures to contain other costs (not related to the protection of our Employees). We understand that these actions will be reflected in cost reduction and contribute to mitigate the impacts on the activity from the pandemic.
- The Cofina Group implemented a set of measures for the prevention, control and surveillance of this infection. As a result of the various actions implemented by the Cofina Group, as of June 30, 2020, an impact on the income statement is estimated in the amount of 75 thousand Euro (including personal protective equipment, among others).
- With regard to liquidity risk management, it is Cofina's understanding that the financing contracts established, as well as the relevant historical activity with the financial institutions with which it has a long-lasting relationship with no history of default, allow the Group to manage any additional needs for funds to maintain the activity in this period of uncertainty. As of June 30, 2020, the amount of consolidated credit lines available (namely pledged current accounts, bank overdrafts and cash-poolings) in the amount of approximately 12.6 million Euro. Additionally, the Group presents Cash and cash equivalents amounting to, approximately, 16.8 million Euro.

Despite the aforementioned measures, it was verified, as of 30 June 2020, as a result of the pandemic, a drop in circulation, due to the consequent closure of points of sale of publications to the public and the absence of sporting events, for the period in which the Government's measures, having social isolation as an aim, were in place. Also, there was a drop in all advertising products.

The Cofina Group, on this date, given the uncertainty regarding both the intensity and duration of the pandemic and its impact on the Group's operations, is unable to reliably quantify the effects of these events on the performance of its business segments, but estimates that these might be significant until the end of 2020.

A situation of prolonged social and macroeconomic conditions with negative impacts on the performance of the business segments, could result in negative effects on the results of the Cofina Group with consequence on the recoverable value of its assets.

With regard to short-term impacts, the following should be noticed:

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Press Segment:

The year of 2020 started in a stable way in this segment. According to the Group's prospects, the drop in circulation was partially offset by the effect of increasing the price of some products. As of mid-March, with the confinement imposed by COVID-19 and with the consequent closure of many points of sale, the situation arising from the state of emergency has changed substantially.

Given the strong partnership relationship with Suppliers, we have not seen any constraint in the supply of raw materials or in the provision of services to date.

In this segment, and until the date of these consolidated financial statements, there was no deterioration in the collection capacity of Customers.

Television Segment:

The performance of the CMTV channel in terms of share between the years 2019 and 2018, showed a significant evolution measured by the increase of the average annual share from 3.61% in 2018 to 4.10% in 2019. As a result of the referred increase, the first two months of the year 2020 showed a positive performance in terms of advertising.

We anticipate that the drop in advertising associated with certain types of activity will maintain.

In this segment, and until the date of these consolidated financial statements, there was no deterioration in the collection capacity of Customers.

Employees:

Ensuring the permanent well-being of all Employees, their families and the community, has always been and will continue to be a priority for the Cofina Group.

The Cofina Group, together with the human resources department, implemented a set of increased preventive actions to protect the health and safety of Employees, based on the recommendations of the Portuguese Health Authority to deal with the pandemic.

These measures have been continuously adjusted to the evolution of the pandemic, being essential for the purposes of containing the impacts of the pandemic between our Employees and the local community.

Among the many measures implemented, we highlight the following:

- Employees are informed by email of the measures and actions already implemented by the Group, of which we list the following:
 - ✓ Distribution of informative material on the procedures for using masks and temperature measurement;
 - ✓ Display and distribution of information material about the virus, main symptoms and procedures to be adopted in case of suspected cases;
 - ✓ Purchase of personal protective equipment - masks, gloves and wipes available in a kit created for this purpose;
 - ✓ Creation of conditions for teleworking in situations that are justified as a preventive measure.

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5. INVESTMENTS

5.1 INVESTMENTS IN SUBSIDIARIES

The companies included in the consolidated financial statements by the full consolidation method, their headquarters, percentage of participation held and activity developed as of 30 June 2020 and 31 December 2019 are as follows:

Designation	Headquarters	Percentage participation held	Activity
<u>Parent company:</u>			
Cofina, SGPS, S.A.	Porto		Investment management
<u>Cofina Media Group</u>			
Cofina Media, S.A. ("Cofina Media")	Lisboa	100.00%	Newspapers and magazines publication, television broadcast, production and creation of websites for online business development, events promotion and organization
Grafedisport – Impressão e Artes Gráficas, S.A. ("Grafedisport")	Queluz	100.00%	Newspapers print

All the above companies were included in the consolidated financial statements in accordance with the full consolidation method.

5.2 INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES

The associated companies and joint ventures, their headquarters, percentage of participation held and activity developed as of 30 June 2020 are as follows:

Designation	Headquarters	Percentage participation held		Activity
		Direct	Indirect	
VASP – Sociedade de Transportes e Distribuições, Lda.	Lisboa	33.33%	-	Publications distribution
A Nossa Aposta – Jogos e Apostas On-line, S.A. ("A Nossa Aposta").	Lisboa	40%	-	Online gambling and betting activity
Mercados Globais – Publicação de Conteúdos, Lda.	V.N. Gaia	50%	-	Management services and promotion of a financial forum on the internet

Associated companies and joint ventures were included in the consolidation financial statements in accordance with the equity method.

As of 30 June 2020 and 31 December 2019 the caption "Investments in associated companies and joint ventures" can be detailed as follows:

	30/06/2020				31/12/2019			
	VASP	A Nossa Aposta	Mercados Globais	Total	VASP	A Nossa Aposta	Mercados Globais	Total
Investments in associated companies								
Balance as at 1 January	3,003,681	216,911	5,879	3,226,471	3,023,740	405,135	6,015	3,434,890
Equity method								
Effect on gains and losses regarding associated companies and joint ventures	(664,073)	52,150	-	(611,923)	(20,059)	(188,224)	(136)	(208,419)
Other	-	-	-	-	-	-	-	-
Closing balance	2,339,608	269,061	5,879	2,614,548	3,003,681	216,911	5,879	3,226,471

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5.3 OTHER FINANCIAL INVESTMENTS

As of 30 June 2020 and 31 December 2019 the Group has other financial investments corresponding to non-controlling investments in unlisted companies. The Group has recorded impairment losses to face differences to the net realizable amount, presenting this caption, as of those dates, a net book value of 5,510 Euro. As of 30 June 2020 and as of 31 December 2019 the total investments for which impairment losses were recorded amount to 171,754 Euro.

The item “Other financial investments” also includes the collateralization of an amount of 10 million Euros in the context of the purchase and sale agreement signed on 20 September 2019 with Promotora de Informaciones, S.A. for the acquisition of 100% of the share capital and voting rights of Vertix, SGPS, SA and indirectly of 94.69% of the share capital and voting rights of Grupo Media Capital, SGPS, S.A..

On April 15, 2020, Cofina Group announced to the market about a notification from Arbitration Request (“Request”) submitted by Promotora de Informaciones, S.A. (“Prisa”) at Câmara do Comércio e Indústria Portuguesa (CCIP), claiming the right to be delivered, by the Escrow Agent (Banco BPI, S.A.), the 10 million Euro amount deposited there as a down payment. At this date the mentioned amount is deposited in the Escrow Account at Banco BPI, S.A..

Cofina understands that Prisa’s requests have no basis whatsoever and submitted its response within the scope of the referred arbitration proceedings. Therefore, it is understanding of the Board of Directors, based on the available, current and up to date information, supported by the legal advisors, that the amount will be recovered by Cofina Group, so the Group has not recorded any provision.

At the present date, the arbitration proceeding is following its normal procedures.

In relation to the Public Tender Offer for the shares representing the share capital of the Grupo Média Capital, SGPS, S.A, Cofina Group published, on August 12, 2020, the Amendment to the Preliminary Announcement of the Public Tender Offer.

6. GOODWILL

The Group's cash-generating units had margin, considering the sensitivity analyzes that were disclosed in Note 6 of the annex to the financial statements on 12.31.2019, with the exception of the cash-generating unit (CGU), Newspapers - Portugal, which presents the December 31, 2019, Goodwill in the amount of approximately, 81 million euros.

The valuation of the recoverable amount of goodwill allocated to CGU Jornais - Portugal is more sensitive to the concretization of the 2020 budget. The budget considers sales and service provision forecasts, personnel costs and other expenses, based on current market conditions and that were considered and approved by the Board of Directors.

Although the Group is able to manage the costs of CGU Jornais - Portugal, sales and service provision projections are inherently uncertain due to the short-term nature of the business of CGU Jornais - Portugal and the current conditions of market instability. Sales and services rendered by CGU Jornais - Portugal are more sensitive to changes in consumption patterns. The measures implemented by the Government, with the goal of social isolation, led to the closure of points of sale of publications to the public, and to the absence of sporting events.

It is possible that underperforming performance will materialize until the end of 2020, if consumers do not regain their economic capacity before COVID-19, and/or if changes in our customers' consumption pattern become effective.

The magnitude, extent and durability of the current moment of uncertainty, makes the assessment of its direct and indirect impacts, an arduous and uncertain exercise. In view of these uncertainties and based on the information available at the time, it is not possible to reliably estimate the financial effects of this pandemic, goodwill book value was maintained as of December 31, 2019, and with reference to 31 December 2020 business plans will be updated, as usual.

A performance below, measured by a 0.5 pp reduction in the composite rate of sales growth compared to budgeted sales for the projected years, for CGU Jornais - Portugal is considered reasonably possible based on recent experience, and this

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would imply a impairment, as disclosed in the sensitivity analysis disclosed in Note 6 of the notes to the financial statements at 31 December 2019.

7. INCOME TAX

Income taxes recognized in the income statement as of 30 June 2020 and 2019 refer mainly to the income tax estimate for the year.

As at 30 June 2020 and 2019, disputes were ongoing with the Portuguese Tax and Customs Authorities (AT) as a result of an inspection of the 2007 period concerning Corporate Income Tax, the amount of which initially disputed by the tax authorities was EUR 17,900,000. These amounts are the result of two corrections made by the AT: one concerning non-acceptance of a capital loss generated with the liquidation of a subsidiary, and another concerning non-acceptance of the deduction of part of the dividends paid out by a subsidiary.

Under the Special Arrangement for the Settlement of Tax and Social Security Debts ("RERD"), approved by Decree-Law 151-A/2013, of 31 October, in the period ended 31 December 2013 the Group voluntarily paid an amount of EUR 2 million with the corresponding waiver of interest on arrears, compensatory interest and legal costs associated with the tax enforcement proceedings. Under the same arrangement, the Group asked the Portuguese Tax and Customs Authorities to offset part of the enforced amounts relating to said audit with credits the AT owes to the Group (related to administrative claims and legal challenges associated with corporate income tax). During the 2014 period, this request was approved in the amount of approximately EUR 5.7 million, of which EUR 2,346,895 were allocated to said settlement.

As part of the acceptance of the Special Programme for Reducing Indebtedness to the State ("PERES"), approved by Decree-Law 67/2016 of 3 November, in the period ended 31 December 2016, the Group paid an additional amount of EUR 3,614,561 with the corresponding reduction of interest on arrears, compensatory interest and legal costs associated with tax enforcement proceedings.

Therefore, the contingency amount carried forward relating to the aforementioned tax enforcement proceedings, as at 31 December 2019 and 2018, is of approximately EUR 13,500,000, of which around EUR 3 million are related to the correction of the aforementioned capital loss and EUR 10.5 million are related to the correction of dividends paid.

Within the scope of the reassessment of tax contingencies, the Board of Directors, advised by its legal and tax advisers, considers it likely that (i) a favourable decision will be taken on the "Dividends" component and (ii) the "Capital loss" component will be rejected. As such, a provision was recorded in the amount of approximately EUR 3,000,000 for said component in the proceedings.

During the last quarter of the period ended 31 December 2019, the Group received notice from the Constitutional Court regarding the aforementioned capital loss generated from the liquidation of a subsidiary, informing it that the claim filed by the Group had been denied, confirming the court's decision against the Cofina Group. To date, the Group has not received notice from the Portuguese Tax and Customs Authorities to satisfy the judgement.

The Group is still in litigation with the Portuguese Tax and Customs Authorities concerning tax disputes related to the "Dividends" component.

8. CASH AND CASH EQUIVALENTS

As of 30 June 2020, 31 December 2019 and 30 June 2019, the caption "Cash and cash equivalents" can be detailed as follows:

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	30.06.2020	31.12.2019	30.06.2019
Cash	71,929	91,509	66,564
Bank deposits	16,726,494	7,030,862	14,844,683
Cash and cash equivalents on the statement of financial position	16,798,423	7,122,371	14,911,247
Bank overdrafts (Note 10)	(8,883,781)	(12,671)	(5,506,657)
Cash and cash equivalents on the statement of cash flows	7,914,642	7,109,700	9,404,590

9. SHARE CAPITAL

As of 30 June 2020 and 31 December 2019, the Company's fully subscribed and paid up capital consisted of 102,565,836 shares without nominal value. As of that date, Cofina and the Group companies did not hold own shares.

10. BANK AND OTHER LOANS

The caption "Bank loans" as of 30 June 2020 and 31 December 2019 refers to bank overdrafts (Note 8).

As of 30 June 2020 and 31 December 2019, the caption "Other loans" was made up as follows:

	30.06.2020				31.12.2019			
	Book value		Nominal value		Book value		Nominal value	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Commercial paper	51,898,647	-	52,000,000	-	52,074,236	-	52,000,000	-
	<u>51,898,647</u>	<u>-</u>	<u>52,000,000</u>	<u>-</u>	<u>52,074,236</u>	<u>-</u>	<u>52,000,000</u>	<u>-</u>
	30.06.2020				31.12.2019			
	Book value		Nominal value		Book value		Nominal value	
	Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
Bank overdrafts (Note 8)	8,883,781	-	8,883,781	-	12,671	-	12,671	-
	<u>8,883,781</u>	<u>-</u>	<u>8,883,781</u>	<u>-</u>	<u>12,671</u>	<u>-</u>	<u>12,671</u>	<u>-</u>

Commercial paper

The liability caption "Commercial paper" corresponds to six commercial paper programmes with guaranteed subscription by the issuing banks, up to the maximum amounts of EUR 15,000,000, EUR 15,000,000, EUR 7,000,000, EUR 5,000,000, EUR 5,000,000, EUR 5,000,000 (three programmes), which bear interest at market rates. These programmes mature in September 2021, July 2022, October 2020, November 2021, September 2022 and September 2024, respectively.

As at 30 June 2020, the Cofina Group had Commercial Paper Programmes with Guaranteed Underwriting classified as a current liability. However, the maturity of most of the contracts underlying them extends beyond 30 June 2021 and, as such, the Group may renew the subscriptions, as it has done in recent periods. Exception made only to a programme of EUR 7 million, which matures on 31 October 2021 and is currently being renewed.

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11. FINANCIAL RESULTS

Financial results for the six months' periods ended as of 30 June 2020 and 2019 are made up as follows:

	30.06.2020	30.06.2019
Results related to associated companies and joint ventures		
Application of the equity method	611,923	24,382
	<u>611,923</u>	<u>24,382</u>
Financial expenses		
Interest paid	988,626	872,220
Interest expenses related to lease liabilities	27,724	-
Bank commissions	338,005	271,901
Other financial expenses and losses	-	9,386
	<u>1,354,355</u>	<u>1,153,507</u>
Financial income		
Interest earned	-	571
	<u>-</u>	<u>571</u>

12. GUARANTEES

As of 30 June 2020, Cofina had provided guarantees as follows:

- a) Pledge of 20,000,000 shares of Cofina Media, S.A., in favour of the Portuguese Tax Authority ("Autoridade Tributária e Aduaneira") as a guarantee of the ongoing income tax claims.

As of 30 June 2020, Cofina Media group companies had assumed responsibilities for guarantees granted amounting to 301,915 Euro related to its advertising activities and ongoing tax and civil proceedings.

13. EARNINGS PER SHARE

Earnings per share for the six months periods ended as of 30 June 2020 and 2019 were determined taking into consideration the following amounts:

	30.06.2020	30.06.2019
Net income taken into account to determinate basic and diluted earnings per share	(1,254,865)	3,015,470
Weighted average number of shares used to compute the basic and diluted earnings per share	102,565,836	102,565,836
Earnings per share:		
Basic	(0.01)	0.03
Diluted	(0.01)	0.03

14. SEGMENT INFORMATION

According to the source and nature of the income generated by the Group, the following segments were considered:

- Press
- Television

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(Amounts expressed in Euro)

The information for the six months periods ended as of 30 June 2020 and 2019 is detailed as follows:

	30.06.2020			30.06.2019		
	Press	Television	Total	Press	Television	Total
Operating income:						
Sales	16 618 712	-	16 618 712	20 948 462	-	20 948 462
Sales - intersegmental	-	-	-	-	-	-
Services rendered	6 544 121	2 605 583	9 149 704	10 182 576	2 662 905	12 845 481
Services rendered - intersegmental	-	-	-	-	-	-
Other income	3 890 264	4 383 746	8 274 010	4 415 789	4 487 054	8 902 843
Other income - intersegmental	-	-	-	-	-	-
Total operating income	27 053 097	6 989 329	34 042 426	35 546 827	7 149 959	42 696 786
Operating expenses						
Cost of sales	(3 237 816)	-	(3 237 816)	(4 959 014)	-	(4 959 014)
External supplies and services	(10 192 299)	(3 425 011)	(13 617 310)	(12 914 561)	(3 764 103)	(16 678 664)
Payroll expenses	(10 975 312)	(1 801 137)	(12 776 449)	(11 327 207)	(1 748 670)	(13 075 877)
Amortisation and depreciation	(1 330 881)	(462 978)	(1 793 859)	(1 592 219)	(218 834)	(1 811 053)
Provisions and impairment losses	(86 427)	-	(86 427)	(160 687)	-	(160 687)
Other expenses	(106 243)	-	(106 243)	(80 618)	-	(80 618)
Total operating expenses	(25 928 978)	(5 689 126)	(31 618 104)	(31 034 306)	(5 731 607)	(36 765 913)
Non-recurring costs	-	-	(1 649 296)	-	-	-
Operating results	1 124 119	1 300 203	775 026	4 512 521	1 418 352	5 930 873
Results pertaining to associated companies and joint ventures			(611 923)			(24 382)
Financial results			(1 354 355)			(1 152 936)
Profit/(Loss) before income tax			(1 191 252)			4 753 555
Income tax			(63 613)			(1 738 085)
Net profit from continuing operations			(1 254 865)			3 015 470
Attributable to:						
Shareholders of the parent company			(1 254 865)			3 015 470
Non-controlling interests			-			-
			(1 254 865)			3 015 470

15. NET PROFIT APPROPRIATION

Regarding the 2019 financial year, the Board of Directors proposed in its annual report that the individual net profit of Cofina, SGPS, S.A. amounting to 4,299,529 Euro would be transferred to Free Reserves. That proposal was approved in the Annual Shareholders' General Meeting held on April 30, 2020.

16. INTERIM FINANCIAL STATEMENTS APPROVAL

The interim financial statements as of 30 June 2020 were approved by the Board of Directors for issuance on September 10, 2020.

17. SUBSEQUENT EVENTS

From June 30, 2020 to the date of issue of this report, there were no other relevant facts, besides the aforementioned in 5.3 note, that could materially affect the financial position and future results of the Cofina Group and the group of subsidiaries, associated companies and joint ventures included in the consolidation.

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(Amounts expressed in Euro)

18. EXPLANATION ADDED FOR TRANSLATION

This document is a translation of a document originally issued in Portuguese, prepared using accounting policies consistent with the International Financial Reporting Standards and in accordance with the International Accounting Standard 34 – Interim Financial Reporting, some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.



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