OREY

PRESS RELEASE

9M 2017

(Non-Audited accounts)

16 November 2017

1. EXECUTIVE SUMMARY

Sociedade Comercial Orey Antunes, S.A. ("SCOA", "Orey" or "Grupo Orey") reached in 9M17 a positive net income amounting to Euro 70 thousand.

This net income, when compared to the same period of the previous year ("9M16"), reflects the results of the profound reorganisation carried out in 2016 with the objectives of (i) de-leveraging the balance sheet by selling non-core assets and reducing debt and cost of debt, and (ii) improve operational results through a strong cost reduction on the one hand and increase operating revenues on the other.

Against this backdrop, when comparing 9M17 with the same period of 2016, operational revenues reduce to Euro 56.46 million, declined by -2.1% y.o.y from Euro 57.69 million in 9M16. Gross margin grew by 12.1% y.o.y to Euro 18.57 million, up from Euro 16.57 million. Operating expenses declined 11.0% from Euro 15.43 million in 9M16 to Euro 13.73 million in 9M17. As such, operating EBITDA grew by 4.2 times up from Euro 1,14 million to Euro 4.84 million in 9M17. Non-operating EBITDA declined by 148.6% from Euro 2.5 million to negative Euro 1.22 million. In this context, total EBITDA declined by +0.5% to Euro 3.62 million in 9M17, up from Euro 3.64 million in 9M16.

It should also be underlined:

(1) In 9M17 the solid improvement of operating EBITDA already observed in 1S17 continued, leveraging on gross margin growth and significant cost cutting;

(2) The decline in non-operating results is primarily due to the booking in 1H16 of the non-recurrent gain on the sale of CMA-CGM, amounting to Euro 1.1 million and also to the equity income related to Orey's position in Banco Inversis, amounting to circa Euro 0.5 million, which was sold in July 2016;

(3) the maintenance of the level of EBITDA notwithstanding the declined registered in non-operational results;

(4) A circa 47% y.o.y decline in interest costs, from Euro 3.26 million to Euro 1.73 million in 9M17, as a result of a significant decline in financial debt and of a strict debt management, and

(5) The Euro 2.4 million improvement in income before taxes, having grown from negative Euro 1.88 million to Euro 0.55 million.

At the balance sheet level, in 9M17 it should be highlighted that, when compared to December 2016, financial debt declined by 3.0% to Euro 62.03 million.

Note: These accounts, similarly to those of the end of 2016, have a consolidation perimeter that include the non-financial. For comparison purposes, the 9M16 accounts were adjusted.

In this context and taking into consideration that the positioning of SCOA has recently evolved from a financial holding to an investment holding with relevant financial and non-financial holdings, in 2017 fiscal year SCOA changed the account presentation model, towards the model used by non-financial companies. This change occurs insofar as the Company understands that, in this manner, its consolidated accounts reflect better the core of its activities and its proper dimension.

2. BUSINESS REVIEW

The initial results of the restructuring and transformation process are clearly visible in 9M17. This process impacted the gross margin performance as well as the operating and financial costs. In effect, the gross margin of Orey Group, including the full consolidation of the non-financial companies, reached Euro 18.6 million in 9M17, having grown 12.1% y.o.y. The contribution of the net financial margin and commissions generated by Orey Financial to the consolidated gross margin reached Euro 1.25 million in 9M17, having declined 26.6% y.o.y. On the other hand, operational costs decreased 11%, making operating EBITDA up 324.5%, covering 2.8 times the financial costs for the same period.

During 2016 and early 2017 Orey executed a reorganisational plan aimed at (1) significantly reducing costs in order to rebalance operational income; (2) repositioning its commercial offering and (3) implementing a new balance sheet structure through asset sales and renegotiated terms and conditions of the most important debt facilities, including bonds and bank debt, aimed at increasing maturities and reducing cost of debt. The reorganisation plan also covered other areas, namely extensive contact with Orey Financial customers aimed at re-establishing the commercial relationship and a special focus on initiatives to rejuvenate the commercial team and increase its motivation. Whereas this cost cutting and reorganisation plan is now mostly executed, the focus is now investing on organic growth.

2.1 Orey Financial

At Orey Financial level, it should be noted that assets under management and custody (“AuC”) reached Euro 143.17 million (2.2% y.o.y.), having grown 1.3% when compared to 31 December 2016. The performance compared to 30 September 2016 reflects primarily the deconsolidation of the management of distressed assets / liability management. In 9M17, AuC of the online brokerage segment reached Euro 49.43 million (+ 2.6% in 9M17 as compared to Euro 48.17 million at the end of 2016 and +6.7% y.o.y). Customer growth should also be highlighted. In effect, both Portugal (+3.2% y.o.y to 4,381 customers) and Spain (+ 6.3% y.o.y to 3,332 customers) showed resilient growth, demonstrating Orey Financial's ability to retain its customer base while simultaneously attracting new customers. This performance also underlines that the strategy of further investing in the development of the financial activity in Spain is a success. The Group continues to consider Spain as a market with high growth potential.

Orey Financial's net commissions in 9M17 reached Euro 1.40 million (-23.9% y.o.y.). This decrease in revenues was mainly due to the activity in Portugal, which continued to decline in 9M17, as a result of the loss of some important customers during 2016 that is still averaging out.

Thousand Euros

Total Orey Financial	9M17	9M16	y.oy
Assets under Management / Custody	143 167	140 056	2.2%
Orey Financial Net Commissions*	1 399	1 837	23.9%
Assets under Management / Custody	**9M17**	**9M16**	**y.oy**
Online brokerage	49 430	46 315	6.7%
Investment consulting and discretionary management	58 657	58 488	0.3%
Real estate investment funds	10 879	10 951	(0.7%)
Private equity funds	24 202	24 302	(0.4%)
Liability management	0	0	-
Total	**143 167**	**140 056**	**2,2%**
Online brokerage PT	**9M17**	**9M16**	**y.oy**
Assets under Custody	16 331	16 581	(1.5%)
Transaction volumes - CFD e FX	2 479 951	2 315 453	7.1%
Net commissions	493	741	(33.5%)
# clients	4 381	4 245	3.2%
Online brokerage SP	**9M17**	**9M16**	**y.oy**
Assets under Custody	33 099	29 733	11.3%
Transaction volumes - CFD e FX	2 164 659	1 247 840	73.5%
Net commissions	419	485	(13.4%)
# clients	3 332	3 134	6.3%

* Total commissions, including those no directly linked to assets under management / custody

2.2 Industrial assets

At industrial company's level, it should be underlined the recovery of revenues from logistic and shipping activities in Portugal and Spain and in Angola and the corresponding growth in gross margin and results generated by these divisions. This performance was pivotal for the growth of gross profit and gross margin by 6.4% and 2.6pp respectively. The performance in Portugal and Spain was enhanced by the growth in the consignment operations and charter segments and by the growth of transits. On the other hand, growth in Angola was mainly driven by the project forwarding segment.

Thousand Euros

Gross Profit	9M17	9M16	y.o.y.
Transport e Logistics PT / ES	4 773	4 746	0.6%
Transport e Logistics Angola	7 774	6 228	24.8%
Industrial and Naval Representations	1 977	2 673	(26.1%)
Total	**14 523**	**13 647**	**6.4%**

Gross Margin %	9M17	9M16	y.o.y.
Transport e Logistics PT / ES	12.8%	12.4%	0.4pp
Transport e Logistics Angola	71.9%	67.3%	4.6pp
Industrial and Naval Representations	49.3%	40.9%	8.5pp
Total	**27.9%**	**25.3%**	**2.6pp**

3. FINANCIAL REVIEW

Euro Thousand

Income Statement	9M17	9M16	Y.o.Y
Revenues	51 895	54 014	(3,9%)
Comissions & Net Interest Margin	1 247	1 699	(26,6%)
Other Operating Revenues	3 321	1 980	67,7%
Total Operating Income	**56 463**	**57 693**	**(2,1%)**
Cost of Goods and Sales	37 801	40 977	(7,7%)
Comissions paid	87	146	(40,2%)
Gross Margin	**18 574**	**16 569**	**12,1%**
Payroll	7 720	9 330	(17,3%)
General Expenses	5 626	5 882	(4,3%)
Marketing	387	217	78,6%
Total Operating Expenses	**13 734**	**15 429**	**(11,0%)**
Operating EBITDA	**4 840**	**1 140**	**324,5%**
Reestructuring & Non Recurrent Costs	669	1 837	(63,6%)
Revenues From Equity Method	44	(5 585)	-
Capital Gains	(48)	1 194	(104,0%)
Other Non Operating Revenues | Costs	(542)	8 730	(106,2%)
Non Operating EBITDA	**(1 216)**	**2 501**	**(148,6%)**
EBITDA	**3 624**	**3 641**	**(0,5%)**
Depreciation	(1 325)	(1 454)	8,9%
Provisions	(20)	(808)	97,6%
Interest	(1 726)	(3 256)	47,0%
Earnings Before Tax	**554**	**(1 878)**	**-**
Tax	(304)	(257)	(18,1%)
Non Controlling Interest	180	745	(75,8%)
Net Profit	**70**	**(2 879)**	**-**

The performance of Orey Group in 9M17, as per the table above, was marked by the following factors:

(1) The contribution of Orey Financial to consolidated revenues in 9M17 reached Euro 1.25 million, having operating revenues, including sales and services rendered of non-financial companies, reached Euro 56.46 million in the period;

(2) Gross profit and operational result achieved, in 9M17, Euro 18.57 million and Euro 4.84 million, respectively. Operational results benefited from the continued reduction of operational costs;

(3) In 9M17, operational costs declined 11.0% y.o.y. to Euro 13.73 million, reflecting the reorganisation program implemented in the financial segment and corporate centre and at the non-financial companies;

(4) In 9M17, Orey registered restructuring costs of approximately Euro 669 thousand, mainly related with staff and assumption of extraordinary operating liabilities, of which only Euro 30 thousand in 3Q17;

(5) EBITDA achieved Euro 3.62 million in 9M17, and

(6) A circa 47% y.o.y decline in interest costs, from Euro 3.26 million to Euro 1.73 million in 9M17, as a result of the significant reduction in financial debt and also in the context of the renegotiation of the cost of debt of the group bond issues.

Regarding the consolidated statement of the financial position it should be highlighted that:

(1) On 30 September 2017, total assets amounted Euro 147.86 million, compared to Euro 147.39 million in 31 December 2016;

(2) Consolidated liabilities at the end of 9M17 amounted to Euro 129.28 million, of which only Euro 60.37 million are related to financial debt with recurrent cost;

(3) In 9M17, financial debt declined from Euro 63.95 million to Euro 62.03 million, equivalent to a 3.0% decline; the main funding facility is the Orey Best Of bond that amounts Euro 28.36 million, included in non-current bond issues;

(4) Regarding Orey Best Of, it should be noted that Orey held in 21 June 2017 a general meeting of bondholders where it was approved an extension of the maturity date until 8 July 2031 and the reduction of interest rate from 3% to 1.5% per annum. The 3% coupon with maturity date on 7 July 2017, still pertaining to the previous conditions, was paid on 8 July 2017. It was also approved the creation of a pledge on 6.3 senior units (quotas) and 7.5 junior units in the Fundo de Investimentos em Direitos Creditórios Não Padronizados Araras, including the Fund's income, to guarantee the interest payment of this bond issue, and;

(5) Orey's consolidated equity position at 30 September 2017 was Euro 18.58 million.

4. FINANCIAL STATEMENTS

4.1. CONSOLIDATED STATUTORY STATEMENT OF FINANCIAL POSITION (non-audited accounts)

Euro Thousand

Consolidated Financial Statements	September 17	December 16
Non-current assets		
Tangible fixed assets	13.134	11.399
Investment properties	983	983
Intangible assets	442	543
Goodwill	57.139	57.139
Investments in associated companies	81	94
Other investments	13.853	14.148
Current tax assets	-	599
Deferred tax assets	58	56
Total non-current assets	**85.689**	**84.960**
Current assets		
Inventories	1.028	1.741
Clients	18.854	21.917
Credit	445	636
Deferrals	707	686
Other accounts receivable	37.477	31.493
Other financial assets	72	74
Cash and cash equivalents	3.589	5.882
Total current assets	**62.173**	**62.429**
Total assets	**147.862**	**147.389**
Equity and liabilities		
Equity	12.000	12.000
Share capital	6.486	6.486
Own shares	(324)	(324)
Other changes in equity	104	107
Other Reserves	(265)	(1.653)
Retained earnings	(4.121)	8.871
Net profit	70	(12.793)
Retained earnings	4.626	4.616
Total equity	**18.576**	**17.308**
Non-current liabilities		
Medium and long term debt	9.916	7.477
Bond Loans	39.803	39.599
Non recourse instruments issued by SPV's	27.499	27.499
Provisions	3.563	3.549
Deferred tax liabilities	117	117
Total non-current liabilities	**80.896**	**78.240**
Current liabilities		
Suppliers	15.506	16.543
Other accounts payable	19.939	17.737
Employee benefits	324	324
Short term debt	10.653	13.110
Short term bond loans	-	1.894
Deferrals	315	364
Other financial liabilities	1.654	1.869
Total current liabilities	**48.390**	**51.840**
Total liabilities	**129.286**	**130.080**
Total equity and liabilities	**147.862**	**147.389**

4.2. CONSOLIDATED STATUTORY INCOME STATEMENT (non-audited accounts)

Euro Thousand

Income Statement	9M17	9M16	Y.o.Y
Sales and services rendered	51 895	53 995	(3.9%)
Net Interest Margin and comissions	1 159	1 553	(25.3%)
Other Operating Income	4 183	11 339	(63.1%)
Operating Revenues	**57 238**	**66 886**	**(14.4%)**
Cost of Goods and Sales	(1 787)	(3 471)	48.5%
External supplies and services	(42 179)	(44 097)	4.3%
Staff costs	(7 732)	(10 568)	26.8%
Impairment of accounts receivable, net	(4)	(1 137)	99.7%
Provisions, net	(16)	379	(104.2%)
Depreciation/amortisation and impairment of investments, net	(1 325)	(1 454)	8.9%
Other operating costs	(1 952)	(1 591)	(22.7%)
Operating costs	**(54 994)**	**(61 938)**	**11.2%**
Operational Result	**2 243**	**4 948**	**(54.7%)**
Interest expenses	(1 757)	(3 254)	46.0%
Interest income	31	12	160.5%
Gains/losses in associated companies	37	(3 588)	101.0%
Financial results	**(1 689)**	**(6 831)**	**75.3%**
Earnings before taxes	**554**	**(1 883)**	**-**
Income tax for the period	(304)	(252)	(20.6%)
Net profit for the period	**250**	**(2 135)**	**-**
Net profit for the period attributable to:			
Equity holders	70	(2 879)	-
Non-controlling interests	180	745	(75.8%)

4.3. METHODOLOGY FOR PRESENTING STATUTORY ACCOUNTS

In the financial statements of 31 December 2016 Orey Group fully consolidated in its statutory accounts all investments in the non-financial companies held through the private equity fund, Orey Capital Partners Transports and Logistics SCA SICAR (“OCP SICAR”).

Out of the various shareholder agreements implemented and signed in the first half of 2012 with the non-financial groups following Orey's transformation process, which resulted in the implementation of a joint control model, replacing the solitary control that was being adopted by the Group, as of today these agreements are in force only in the subgroups (1) Horizon View, navigation, transport and logistics in Portugal and Spain and (2) Orey Industrial, industrial representations in Portugal. In the sub-groups (1) Lynx, navigation, transport, and logistics in Angola and Mozambique and (2) Orey Safety, naval security, firefighting and individual protection, there are no shareholder agreements in place. Moreover, due to the requirements over the conditions to be reflected in shareholders' agreements so that these holdings can be registered as joint ventures and given that (1) Orey Group decided not to make any changes to the shareholder agreements in force in Horizon View and Orey Industrial; (2) there are no shareholder agreements in effect at Lynx and Orey Safety and (3) the conditions necessary for Lynx to continue to be recorded as an asset held for sale are not valid any longer, all of these holdings were fully accounted for in SCOA's consolidated financial statements. It should be noted that in 2014 and 2015 the Lynx sub-group was recorded as an asset held for sale while Orey Safety was registered as a financial investment. The latter was, at that time, subject to a shareholder's agreement.

Against the backdrop that SCOA fully consolidates these assets in its financial statements and taking into consideration that the positioning of SCOA has recently evolved from a financial holding to an investment holding with relevant financial and non-financial holdings, in 2017 fiscal year SCOA changed the account presentation model, moving from the model used by financial institutions towards the model used by non-financial companies, both in the individual accounts and in the consolidated accounts. This change occurs insofar as the Company understands that, in this manner, its consolidated accounts reflect better the core of its activities and its proper dimension.

Regarding the statutory consolidated accounts, the distressed assets segment consists of two insolvency projects called OP Incrível and A. Araújo. These projects have a duration of more than one year and their return is only possible at the end of the process. Given that these projects are of uncertain return, in accordance with current international regulations, the expenses inherent thereto must be fully recognised as a cost in the year in which they occur and an estimation of the income and margin should be made, thus reflecting the likely return from this business.

Press release available at the institutional website of Orey
www.orey.com

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