



Announcement

Global Auto-Trade Group Plc

Half Year Report

“GATG” or “the Company”

September 1, 2014

Global Auto-Trade Group Plc. today announces the publishing of its half-year 2014 financial statements.

Global Auto-Trade Group Plc. hereby submits its Semi Annual Financial Management Report for the period ended 30 June 2014 as required. The report includes interim consolidated financial statements of the Company, comprising of consolidated statement of financial position, consolidated statement of income, changes in equity and cash flow statement.

In the H1/2014, GATG strongly held its market positions and continues to raise external capital for replenishment of the working capital for development and further growth.

The key developments and financial highlights during the period provide the Company with opportunities to double its revenue and income in the forthcoming periods.

1. Through the activated three new branches in 2013, GATG actively participates in the equipping of road and community facilities with a new technique in Transnistria. In the frames of reached agreements and established cooperation with road maintenance and utility organizations, the Company has already supplied such specialized utility and road machinery as motor graders, combined road machinery for road cleaning during winter and summer periods, dumpers, excavators, refuse vehicles and combined road machinery. The Company plans to continue supplying to these regions of Moldova during 2014 and forward.
2. The Company reached first milestones in the implementation of its industrial assembly project and has already successfully fulfilled first orders. Thus, in the first half, GATG's service centre completed assembly of canal flushing machines KO-503. The modern construction of this machinery allows to effectively clean pipelines of rainwater and sewerage systems with a diameters of 150-1000 mm. Also, by order of one of the machine-building companies of Moldova, GATG mastered assembly technology of the hydraulic manipulator «Amco Veba» for lorry with sides MAZ-4370. Untill the end of the year, the Company aims to implement the assembly of three other types of machinery, as well as to increase the degree of localisation of the already developed processes, at existing and established organisations in Moldova, followed by exporting machinery.
3. Company successfully won six reactivated government tenders and has entered for the competition in the next four significant tenders with contract values of around € 3 million which are expected to be realized during Q4/2014.

4. The Company received admission on GXG Market's Main Quote trading segment. The Company is in the middle of its prospectus approval process with the Danish FSA. Management are considering upgrading to GXG's Official List trading segment once requirements are met, which would likely increase Company's liquidity and would make GATG's opportunities available to vast and various groups of investors, both private and institutional.
5. Market capitalization of GATG is € 11,600,000.00 at a share price of 0.25 EUR as of 30th June, 2014.
6. The Company has reduced its debt burden and has issued a further 1.4 million ordinary shares on the conversion of € 350,000 of debt.
7. At the end of June, the Company saw the first positive results from its fund raising efforts and has raised £ 57,900.00 for additional working capital by way of a subscription for 289,500 new ordinary shares of no par value in the Company at a price of £ 0.20 per share (Sterling equivalent to the market price of € 0.25). In the second half of the year the Company continues to further its relationships with the investor communities active on the European markets in order to get fresh capital influx for realization of its development strategy.

Compared to our financial results of H1/2013, the Company demonstrated a decrease of its revenue situation, which we attribute to a general market slow down due to delays of EU infrastructure investments into Moldova in 2013/2014 and the respective delays in most of the highly profitable government tenders. Regarding the service business divisions, we usually see the more substantial sales activities in H2 of each year, the period of September-November.

In response to these market conditions, management has actively cut cost and keeps on further improving on internal efficiency and margin optimization on our existing product and service lines. Nevertheless, due to GATG's strong market position and internal potential, we have actively taken a part in those few tenders suspended last year, which have been activated in H1/2014 due to certain economic improvement. At the same time, GATG has prepared a platform for participation in the new tenders for about € 3 million of contract value that are expected to be realized in H2/2014. Furthermore, Company has significantly increased its client portfolio by more than 10% to around 20,000 consumers, who are enjoying the vast product assortment in our retail network.

With capital raising activities having picked up during this accounting period, management are able to continue to restructure the internal financing of the business. We were able to also convert a substantial debt position to equity, further reducing capital expenses and improving the business' debt-to-equity ratio.

Besides capital raising efforts, in the new period, GATG will continue with its efforts to further increase income from its main businesses through various measures, including increasing operational efficiency, reducing costs, and improving service quality and product portfolio. The Company has formed a strong foundation for further development and management expects 2014 to again be a profitable year.

GATG expresses a huge gratitude to all shareholders for the trust and support. We believe for the common success and beneficial participation of each shareholder in forthcoming periods.

Respectfully submitted by
Igor Popa
CEO

INTERIM CONSOLIDATED INCOME STATEMENT

For the period from 1 January 2014 to 30 June 2014

	in €	Unaudited 30 June 2014	Audited 30 June 2013
Revenue		774,132	996,313
Gross Profit		200,454	274,997
EBITDA		(-44,244)	(-12451)
Operating loss		(5,066)	(28,285)
Total comprehensive income / (expense) for the period		(230,358)	(329,323)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2014

	in €	Unaudited As at 30 June 2014	Audited As at 30 June 2013
Assets			
Non-current		6,010,309	6,107,230
Current		713,164	900,804
Total		6,723,473	7,008,034
Equity & Liabilities			
Equity		2,045,725	1,854,990
Liabilities			
Non-current		3,805,846	4,404,546
Current		871,902	748,498
Total		4,677,748	5,153,044
Total Equity & Liabilities		6,723,473	7,008,034

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period from 1 January 2014 to 30 June 2014

	in €	Unaudited 30 June 2014	Audited 30 June 2013
Operating Activities			
Loss before tax		(312,201)	(332,901)
Cash flows from operations before working capital changes		(286,466)	(42,418)
Net cash flows from / (used in) operating activities		12,196	(184,208)
Investing Activities		-	-
Financing Activities		(20,903)	178,037
Net decrease in cash & cash equivalents		(8,707)	(6,171)
At beginning of period		21,878	20,908
At end of period		13,171	14,737

The full Half-Year Report is published in hard copy format and is also available for download on the Company's website www.globalautotg.com. Please click on the following link to view the document directly: <http://www.globalautotg.com/en/financial-reports/>

The Company has submitted a pdf of its Half-Year Report to the GXG and it will shortly be available for review at http://gxgmarkets.com/?option=com_gxgcompanies&view=gxgcompany&id=163

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The Directors of the Company accept responsibility for this announcement.

About Global Auto-Trade Group Plc

Global Auto Group PLC is a holding company comprised of two companies with a trade and servicing centre and a retail network of 9 stores across Moldova and is the only Moldovan company to provide end-to-end services from supplying, testing and servicing specialised construction, agricultural, passenger and heavy goods vehicles, auto components and accessories through to modification and CKD assembly of specialised machinery. With approx. 25% market share in 2012 Global Auto – Trade Group PLC is one of the market leaders in the Moldovan automotive sector. www.globalautotg.com

