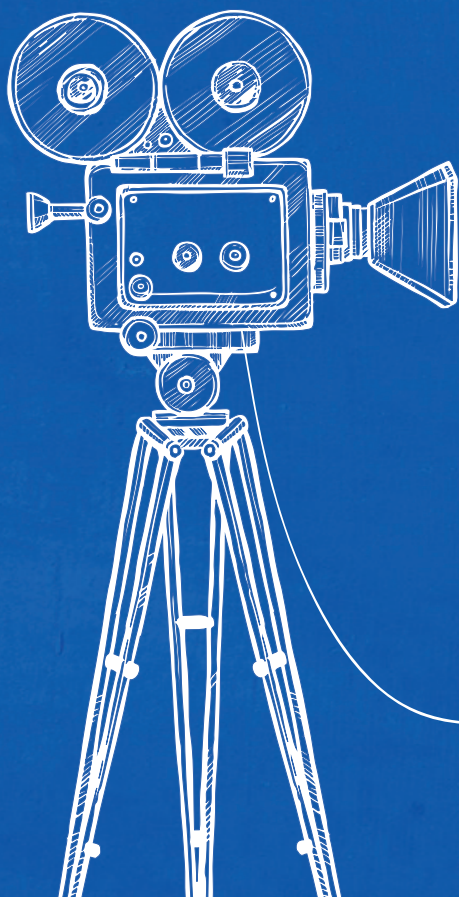


# Yearbook

SAGAI 2019



JUAN CARLOS RICCI, one of our Voting members, passed away on July 25th. Any institution which prides itself on giving love, support and honesty is in fact a big family. SAGAI has lost a member of its family and his absence fills us with grief. The values Juan Carlos Ricci defended and the support and love he gave to his colleagues, as he called them, will be a guiding light for us to continue in our efforts to serve our members. May you rest in peace, dearest fellow.

SAGAI Executive Committee

They are  
your rights.

SAGAI  
upholds them.

This Yearbook was produced during the pandemic.  
We wish to thank SAGAI's staff especially for  
their hard work in producing it.

OWNER  
ARGENTINE ORGANIZATION OF MANAGEMENT  
FOR ACTORS AND PERFORMERS  
CIVIL ORGANIZATION  
**SAGAI**

Marcelo T. de Alvear 1490, c1060aab,  
Phone (011) 5219 0632 | [info@sagai.org](mailto:info@sagai.org)  
[www.sagai.org](http://www.sagai.org)  
© SAGAI (Argentine Organization of management  
for Actors and Performers. Civil Organization)  
2019.

Design: CREAM Studio



# Introduction

2019 was a fruitful year for SAGAI, we made considerable progress that strengthened our ongoing commitment to performers. The new projects that we undertook enabled us to establish ourselves socially and culturally.

Thanks to years of struggle and effort, **we managed to purchase our own premises for the Foundation**, which accommodates an ever-growing number of members of the artistic community. This institutional expansion is a turning point in SAGAI's history, because new and larger premises bring forth new hopes for all of us who belong to this universe.

Institutionally, it was a crucial year for consolidating international links to our counterpart societies, which allowed us to create and in some cases, to foster relationships that strengthened our name around the world. **The exchange between entities has thus increased markedly, receiving a total of \$6 M**, corresponding to the royalties of 2,602 performers, over which no administrative fees were applied. Meanwhile, **SAGAI paid royalties to international actors for a total of \$81 M**.

When it comes to domestic revenue, we kept a sustained growth and the total amount collected was \$499 M. Payments were quarterly, for a total

of \$388 M. In 2019 we also had an extraordinary settlement for \$70 M corresponding to the financial returns obtained in 2018. For the sixth consecutive year, **the administrative fees were the lowest of the sector (5%) and the social fund destined for the Foundation's operation was kept at 8%.**

In 2019, through SAGAI Foundation, **the Gender Commission** carried out actions which are considered historical in order to **promote audiovisual workplaces that are free from violence**. This was published as three modules with the Report on Career and Guidelines.

During the year, besides from strengthening existing programs such as **Monstruos, SAGAI Federal and Grants**, **we launched the App FOQUITO**. We also began producing and shooting a documentary to explore the unknown aspects of the work and personal life of dancers.

**Undoubtedly, the path we've undertaken is the result of the joint effort and work of each one of us who believes dreams are achieved collectively.**

*dreams are achieved  
collectively.*

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# About intellectual property rights

When artists perform, they add their own personal input and infuse creativity and art to the character. Law No. 11.723 – Intellectual Property Right Act – acknowledges this right in section 56.

SAGAI is a collective management, non-profit civil association. It collects and distributes the intellectual property rights of actors/actresses and dancers.

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# Who we are

## Management Committee

**JORGE MARRALE**  
President



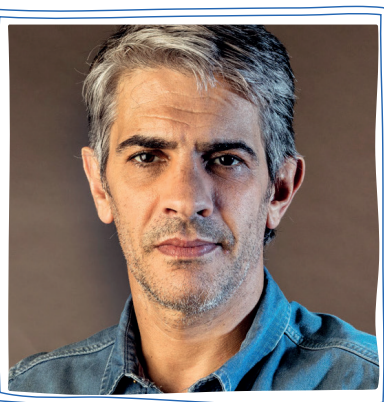
**MARTÍN SEEFELD**  
Vicepresident



**OSVALDO SANTORO**  
Secretary



**MARÍA FIORENTINO**  
Assistant Secretary



**PABLO ECHARRI**  
Treasurer



**MARIANO BERTOLINI**  
Assitant Treasurer



## *Voting Members*

DANIEL VALENZUELA



SILVINA ACOSTA



CELINA FONT



JUAN CARLOS RICCI

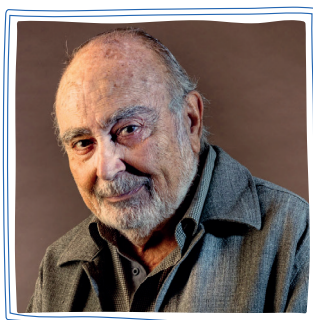


JORGE D'ELIA

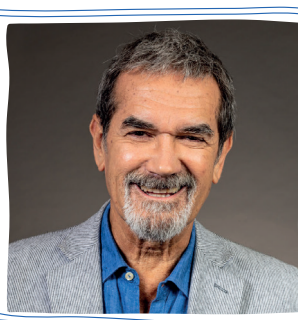


MERCEDES MORÁN

## *Alternate Voting Members*



PEPE NOVOA



EDGARDO MOREIRA



MORA RECALDE



TOMÁS FONZI

## Auditing Board



ANA DOVAL



GUIDO D'ALBO



CARLOS KASPAR

## Director



YURIEM  
ECHEVARRÍA CABRERA

# #WeAreSagai





# *Collection and distribution*

---

# 2019 figures

## Total collected:

\$499 MILLIONS + \$6 MILLIONS  
NATIONAL FOREIGN

## Total amount distributed\*

\$464 MILLIONS > / \$388 MILLIONS NATIONAL  
/ \$70 MILLIONS INTERESTS  
/ \$6 MILLIONS FOREIGN

## Paid to members:

\$234 MILLIONS

## Paid to foreign societies:

\$81 MILLIONS

Amount corresponding to historical periods  
(2007 - 2019)

5% management fee / 8% destined to the Foundation operation

\* The gross amount collected differs from the net paid because the year end does not coincide with the date of quarterly payments

## MANAGEMENT AND COLLECTION

# *in Argentina*

*Total collected:*

\$499.180.907 MILLIONS

Comparative of collection of the last four financial years:

*2016:* \$229.122.273



*2017:* \$307.804.150



*2018:* \$378.186.645



*2019:* \$499.180.907





**SAGAI COLLECTS ECONOMIC RIGHTS**  
of users who broadcast the works  
our performers participate in.  
Among them,

*TV, cable TV, cinemas,  
business premises, hotels etc.*

---

#### FEES:



##### *TV*

In 2019 the fee charged for the agreements signed  
**rose from 0.45% to 0.48%.**



##### *Cable*

The percentage established by the fee over the income  
of Cable operators also **rose to 0.48%.**



##### *Movie Theaters*

Movie theaters **paid 1.4%** of box office sales.



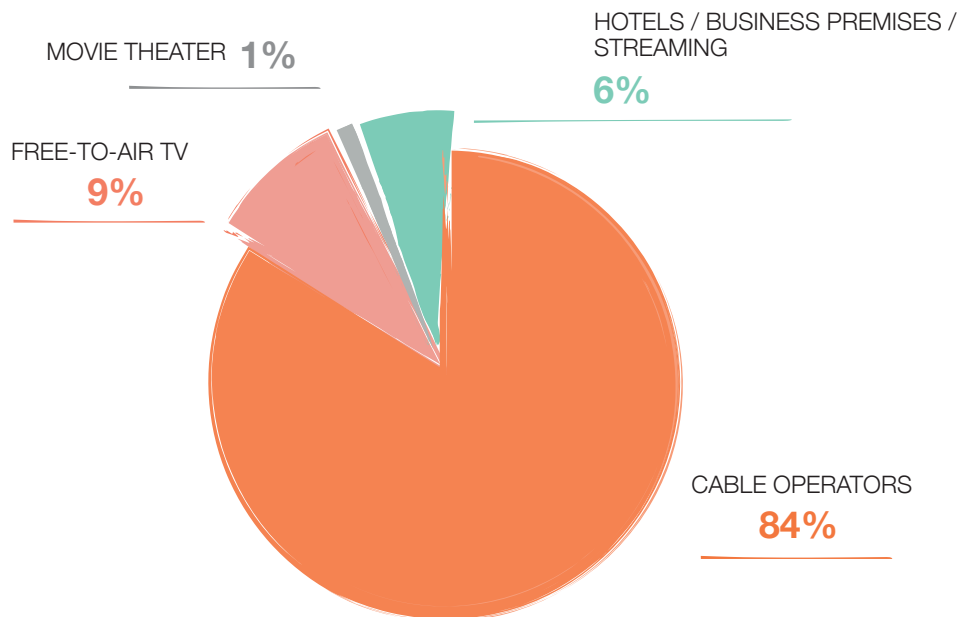
##### *Hoteles*

The monthly fee is **calculated according to the daily rates of a standard single room, plus 2% of the sum resulting from multiplying the number of rooms at said daily room rate.**

In order to calculate the fee, we also offer a discount based on the occupancy rate of the region where the hotel is located, special conditions for 'seasonal hotels' and a discount of 20% for advance annual payments.

## National collection per user:

TYPE OF USER	COLLECTION 2019
CABLE OPERATORS	\$ 420.877.171
FREE-TO-AIR TV	\$ 44.082.914
MOVIE THEATERS	\$ 5.283.528
HOTELS	\$ 22.530.753
BUSINESS PREMISES	\$ 4.875.236
STREAMING	\$ 1.531.305
<i>Total</i>	<b>\$ 499.180.907</b>



## Management fee

For the sixth year in a row we managed to keep the lowest management fee in the segment (5%) thanks to the allocation of the positive result of the previous financial year to the administrative expenses of 2019. This is due to several factors, such as financial returns for our investments and increased collection.

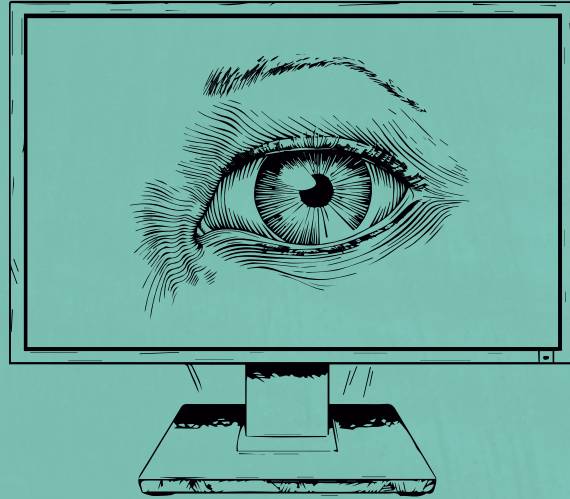
# Management costs

	DESCRIPTION	BUDGETED	NOMINAL VALUE	DEVIATION %	CONSTANT CURRENCY
POLITICAL BODY	REMUNERATION ESTABLISHED ACC. TO STATUTE Art. 42	10.544.639,00	11.202.413,00	6,24%	<b>13.594.028,51</b>
	REPRESENTATION COSTS	1.448.518,00	1.485.998,17	2,59%	<b>1.784.828,90</b>
<hr/>					
HUMAN RESOURCES	STAFF SALARIES	42.975.111,00	42.081.510,21	-2,08%	<b>49.547.817,02</b>
	SOCIAL SECURITY	11.180.898,00	11.018.910,45	-1,45%	<b>12.993.178,53</b>
	TRAINING	448.500,00	290.154,20	-35,31%	<b>371.192,93</b>
	HUMAN RESOURCES INCIDENTALS	200.000,00	155.207,23	-22,40%	<b>180.953,25</b>
	BENEFITS	2.097.045,00	2.169.975,03	3,48%	<b>2.686.132,17</b>
	HUMAN RESOURCES FEES	626.174,00	743.687,92	18,77%	<b>869.340,48</b>
<hr/>					
ADMINISTRATION	SERVICES	1.842.997,00	2.085.154,71	13,14%	<b>2.451.841,41</b>
	TELEPHONE AND INTERNET SERVICES	753.581,00	342.644,02	-54,53%	<b>454.446,05</b>
	POST AND COURIER SERVICES	100.000,00	93.416,13	-6,58%	<b>115.620,51</b>
	PRINTING AND STATIONERY EXPENSES	1.060.719,00	691.069,44	-34,85%	<b>841.228,62</b>
	BANKING CHARGES	4.150.560,00	6.930.264,45	66,97%	<b>8.187.625,48</b>
	EXTERNAL ADMINISTRATIVE FEES	1.545.868,00	1.491.301,79	-3,53%	<b>1.785.565,12</b>
	ADMINISTRATION INCIDENTALS	300.000,00	364.330,63	21,44%	<b>456.188,21</b>
	EXTERNAL AUDIT	988.000,00	990.000,80	0,20%	<b>928.930,86</b>
	INSURANCE	116.236,00	196.627,60	69,16%	<b>267.704,34</b>
	UPKEEP OF THE OFFICE	400.000,00	356.661,03	-10,83%	<b>446.549,14</b>
<hr/>					
LEGAL	LEGAL INCIDENTALS	352.149,00	139.168,10	-60,48%	<b>178.196,18</b>
	LEGAL FEES	3.046.560,00	2.735.644,75	-10,21%	<b>3.299.900,42</b>
	LEGAL COSTS	902.343,00	554.866,69	-38,51%	<b>647.360,83</b>

	DESCRIPTION	BUDGETED	NOMINAL VALUE	DEVIATION %	CONSTANT CURRENCY
DISTRIBUTION	DISTRIBUTION INFORMATION	922.998,00	1.911.752,58	107,12%	<b>2.237.310,68</b>
AND IT	CERTIFICATIONS	323.569,00	98.284,00	-69,63%	<b>121.259,95</b>
	IT TECHNICAL SUPPORT	2.174.676,00	1.541.107,91	-29,13%	<b>1.896.226,48</b>
COMMUNICATION	COMMUNICATION	2.435.900,00	2.778.330,02	14,06%	<b>3.198.819,38</b>
AND STRATEGIC	AUDIOVISUAL PROJECTS	996.000,00	785.759,88	-21,11%	<b>966.936,44</b>
DEVELOPMENT	MONSTRUOS SEASON	600.000,00	644.258,55	7,38%	<b>800.084,94</b>
	OBSERVATORY	480.000,00	65.289,00	-86,40%	<b>73.279,50</b>
	INTERNET CAMPAIGN FOR RIGHTS	1.400.000,00	67.500,00	-95,18%	<b>79.274,37</b>
INVESTMENTS	FURNITURE AND STATIONERY AND FACILITIES	377.490,00	283.950,79	-24,78%	<b>336.985,28</b>
	IMPROVEMENTS/OWN PROPERTY	819.777,00	617.682,20	-24,65%	<b>856.338,06</b>
	COMPUTER EQUIPMENT	2.260.961,00	1.896.395,03	-16,12%	<b>2.179.429,84</b>
	COMPUTER SYSTEMS	1.809.637,00	3.754.405,16	107,47%	<b>4.597.372,77</b>
SOCIAL BENEFITS	INSTITUTIONAL EVENTS	4.865.294,00	5.423.533,13	11,47%	<b>5.805.831,00</b>
	OSA CONTRIBUTION	4.555.200,00	6.555.200,00	43,91%	<b>8.126.673,77</b>
	ACCOUNTING ADVICE	100.000,00	9.159,98	-90,84%	<b>12.191,29</b>
	SCHOLARSHIPS	3.000.000,00	2.400.757,00	-19,97%	<b>2.865.569,57</b>
	SAGAI FEDERAL	1.800.000,00	1.046.740,42	-41,85%	<b>1.167.996,27</b>
	CONFERENCES	3.390.000,00	0	-100,00%	<b>0</b>
	PHARMACY	1.000.000,00	743.785,37	-25,62%	<b>867.229,62</b>
INSTITUTIONAL	NATIONAL INSTITUTIONAL RELATIONS	300.000,00	449.622,40	49,87%	<b>509.146,61</b>
AFFAIRS	INTERNATIONAL INSTITUTIONAL RELATIONS	3.150.000,00	799.046,29	-74,63%	<b>898.544,81</b>
	CONTRIBUTIONS TO ENTITIES	423.387,00	178.000,00	-57,96%	<b>232.193,52</b>
		<b>122.264.787,00</b>	<b>118.169.566,06</b>	<b>-3,35%</b>	<b>139.917.323,11</b>

\*ADVANCE PAYMENT OSA **\$2.000.000**

\*PURCHASE OF PROPERTY FOR SAGAI FOUNDATION APPROVED AT  
2019 EXTRAORDINARY GENERAL MEETING 2019: **\$99.816.655,53**



*Rights Clearance*

---



# Liquidation of rights

We cleared a total of

## \$464 MILLIONS

---

**\$ 388 M** came from NATIONAL COLLECTION,  
**\$ 70 M** from 2018 FINANCIAL RETURNS and  
**\$ 6 M** from FOREIGN ENTITIES.

**National collection is paid out every three months** and the only discounts applied correspond to administrative fees (5%) and a sum for SAGAI Foundation (8%). In the case of international payments, and according to the agreements signed, we incorporated more distributions of this kind to the payment schedule. We should highlight that, in these cases, 100% of the royalties received are distributed without deducting management fees.

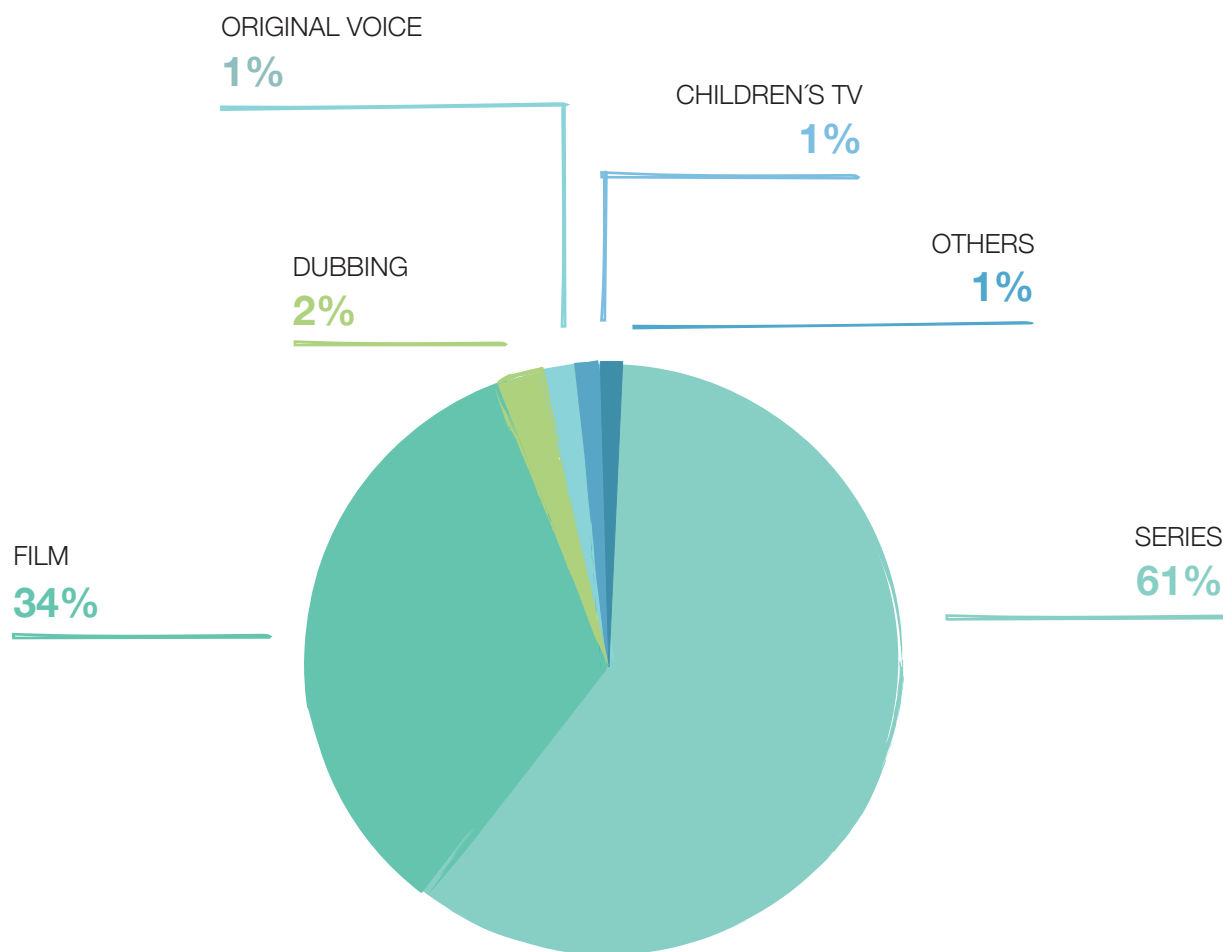
Besides from the aforementioned payments, **in July 2019 we carried out an extraordinary payment of \$70 M**, corresponding to the financial returns obtained during 2018. Said sum was proportionately distributed among all performers whose work was broadcast during said period.

## *Detail of rights clearance:*

PERIOD	TOTALS
4th Quarter 2018	\$ 77.093.147
1st Quarter 2019	\$ 99.813.760
2nd Quarter 2019	\$ 108.373.622
3rd Quarter 2019	\$ 103.240.946
Interest 2018	\$ 70.441.386
<i>Total</i>	<b>\$ 458.962.861</b>

**Rights clearance in 2019 included 6,497 works**, and, as shown in the following table, it tended to concentrate on series, due to the amount of broadcasts and rating they have as opposed to the rest of sectors.

TYPE	AMOUNT	PERCENTAGE
SERIES	\$ 278.504.572	60,7%
FEATURE FILMS	\$ 154.178.014	33,6%
DUBBING	\$ 9.775.609	2,1%
ORIGINAL VOICE	\$ 6.300.281	1,4%
CHILDREN'S TV	\$ 5.181.077	1,1%
OTHERS	\$ 5.023.309	1,1%
<i>Grand total</i>	<b>\$ 458.962.861</b>	



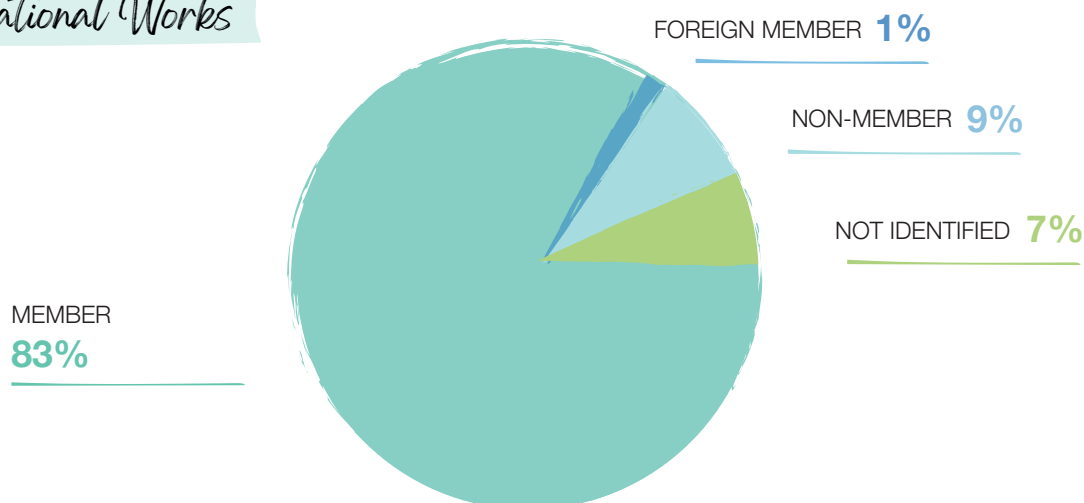
Note: the items of the Regulations are grouped to facilitate analysis

In 2019 the item “Dubbing” was incorporated to designate those works which have the exclusive performance of voice artists. Said actors can also be included in other items: for example a Brazilian film that is within “Feature Film” can also have the performance of Argentine dubbing actors.

## The works' production origin:

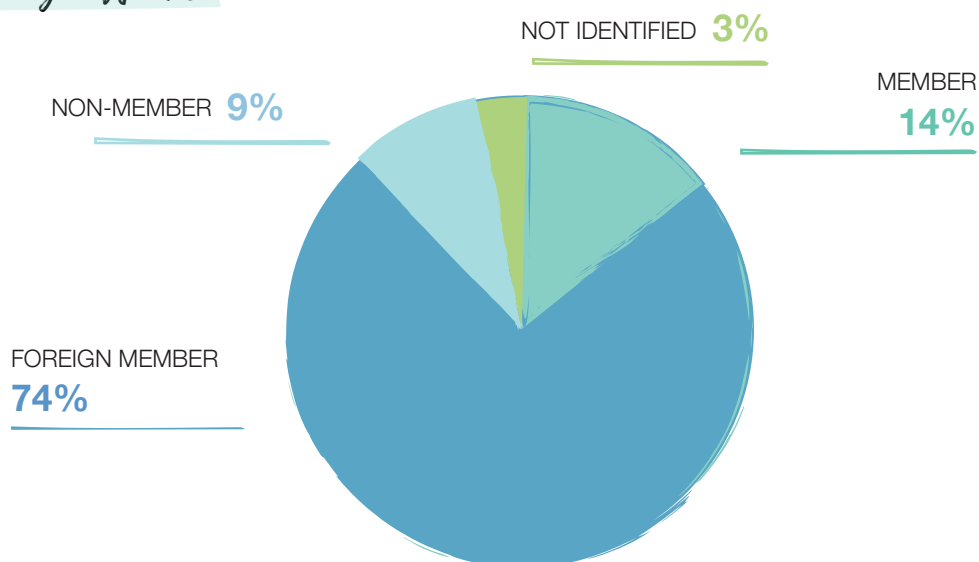
According to the origin of its production, we can classify works into national and foreign.

### *National Works*



When it comes to Argentine works, **83%** of the sum paid corresponds to SAGAI members, which guarantees that payments are effectively carried out.

### *Foreign Works*



When it comes to foreign works, **88%** of what was paid out went to members of various foreign entities, and SAGAI had a **14%** incidence among the national ones.

We aim to be a society which, year on year achieves a higher rights payment index, so **during 2019 we kept two programs linked to recognizing and finding performers:**

## *“Volver a mirar”*

---

A group of senior members re-watches films in a bid to recognize peers who have not been identified or whose names are uncredited.

When selecting the works for review, the following is taken into account:

- \* *It must belong to the “Feature Film” category*
- \* *It must be a national production*
- \* *It must have at least 6 performers who are not credited*

Once the list is drawn, the works are divided into two groups, according to the age of the visualizing guests: 1. 1939-1969 / 2. 1970-1989.

**1. 1939-1969 / 2. 1970-1989**

In spite of the obstacles the task may entail (low image and sound quality in feature films and/or mainly foreign casts), **we were able to identify 5,060 performers in 400 re-watched films** from the date this activity began until now.

## *Campaign “Te estamos buscando”*

---

It's a dissemination tool through where we periodically list the names of actresses and actors who are unaware that they have reserved royalties. This action, which is communicated via diverse means, has been very positive through the years and it has also served for many heirs to collect the royalties due.



In 2019 the campaign resulted in 100 new members and 20 represented members who received royalties for a total of \$4,664,127. This year we also added the participation of the Cast Commission which looked for ways to reach performers of “Te estamos buscando” directly. This activity was fundamental: we contacted 71 people, we got 30 new members and paid out \$2,298,963 in royalties, 50% of the total of 2019 campaign.

In 2019 we also launched the campaign “Te estamos buscando bailarines” (“We’re looking for you dancers”), aimed at performers who participated in Showmatch.

## *Dubbing – Voice over*

---

In 2019 we entered into an agreement to exchange information with the Argentine Actors’ Association and this allowed us to recognize many dubbing works and their corresponding settlements.

SAGAI is currently trying to identify these broadcasts, so we can draft a list of credits.

## *Quality Management System*

---

The yearly audit carried out by certification authority Bureau Veritas, confirmed once again that SAGAI’s Management System fulfills the Quality requirements of ISO Standard 9001:2015. They focus on process management, risk predictability, satisfaction of all parties involved and the extension of SGC’s responsibilities to the whole organization.

In line with quality guidelines, every year we carry out a survey of our members to assess their level of satisfaction with services rendered. 97.6% stated that they felt satisfied in 2019, which is an increase with regards to results from the previous year.

# *International Management*

---



Due to the agreements entered into with foreign entities, we are strengthening the exchange of information and the updating of cast lists.

## Royalties received

In 2019 we collected \$6 M from foreign societies, corresponding to the royalties of 2,602 members. It's important to remember that our society deducts no fees from these royalties, so the total sum goes to the member.

COUNTRY	ROYALTIES RECEIVED
SPAIN	\$1.932.472
ITALY	\$ 923.773
COLOMBIA	\$ 742.448
CHILE	\$ 2.195.734
<i>Total</i>	<b>\$ 5.794.427</b>

## Royalties paid to foreign societieess

ENTITY	PAID
ITALY - Nuovo Imaie	\$ 3.305.531
SPAIN	\$ 6.107.370
URUGUAY	\$ 309.212
BRAZIL - IAB	\$ 21.638.592
ITALY - ARTISTI	\$ 37.942
COLOMBIA	\$ 14.067.504
USA - SAG AFTRA	\$ 35.821.144
<i>Total</i>	<b>\$ 81.287.296</b>





*Total amount of members*

AS OF DECEMBER 31ST, 2019:

7056

*Total amount assigned in benefits:*

(SUBSIDIES, GRANTS, RECOGNITIONS AND  
DISCOUNTS FOR MEDICATIONS):

\$12.852.564

*Number of members who benefitted:*

548

## Being a Sagai member means:

- » You can **participate freely** in any of the Foundation's activities
- » **You have access to social aid** (subsidies, reimbursements, etc.)
- » **You can freely express your ideas**
- » **You can participate in the election process** of the Executive Committee every four years (if you are an active member)
- » **You can vote in the collective decision-making process** of the Annual Meeting (if you are an active member)

## More benefits

### Medication

**THE GOOD NEWS IS THAT THIS BENEFIT WAS EXTENDED IN 2019.**

The percentage of reimbursement for the purchase of medications went up to 30% and over 3,000 new drugs were incorporated into the Vademecum, taking it to a total of 7,223.

### Free advice

We continue to offer **free legal and accounting advice** with our staff of professionals. A difference with regards to previous years is that in 2019 we decided that **the 40 minutes consultation should be yearly and not a one off session.**



For consultations, write to the following email:

[legales@sagai.org](mailto:legales@sagai.org) / [beneficiosasesoriacontable@sagai.org](mailto:beneficiosasesoriacontable@sagai.org)



*Gender  
Perspective*

---



# Violence-free work environments



Part of the effort that our Gender Commission -composed by Celina Font, Mora Recalde, Silvina Acosta and María Fiorentino- had been carrying out for the past few years came to fruition in 2019. As a result of that work and effort, SAGAI Foundation drafted a series of documents: **The first Report about Career Paths and Guidelines to foster violence-free work environments in the audiovisual field and theater production.**




Representatives from the audiovisual industry, theatrical productions, state agencies, unions and collective groups of the sector, actresses and actors participated in 8 panels and 1,116 performers responded to surveys, thanks to which we were able to publish the document **“Work Environments Free from Violence”** at Teatro Picadero.

Our goal was to promote a more equitable culture, mainstreaming gender perspective into the actions of SAGAI Foundation to favor their members and the community at large.



The fundamental pillars have always been to position SAGAI socially and culturally and to keep performers informed regarding institutional events and their intellectual property rights. In that sense, 2019 marked the continuity of several projects and the launch of new challenges.

## Social Media

	2018-2019	DEC 2018	DEC 2019	GROWTH ↑
 <b>Twitter</b> Followers		8.854	9.196	3,86%
 <b>Facebook</b> Followers		19.253	20.131	4,56%
 <b>Instagram</b> Followers		10.501	17.922	70,67%

## Sagai Grants

For the third year in a row, in 2019 we kept the program #BECASSAGAI running successfully. From its launch until today, **over 150 members have benefitted** and have been able to carry on with their professional training both here and abroad.

Last year we issued 4 calls and **we granted 16 international and 45 national grants**. Thanks to this initiative we have encouraged the affiliation of new members and we've managed to achieve a better position and generated new relationships with foreign institutions.

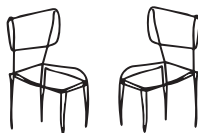
The selection of winners was made by a jury comprised by Mercedes Morán, Raúl Serrano and Tomás Fonzi.

## Federal Sagai



During 2019 the Federal SAGAI project diversified. We continue **travelling around the country to introduce the entity and to promote improvements in our industry**, through the strengthening of political and cultural links with various social actors. We went to Tucumán and San Juan and **Manuel Vicente** and his team taught the course **“Acting in front of the Camera”**. The drama workshop based on **Raúl Serrano’s method** was carried out in Mar del Plata every 15 days for a total of 3 months.

## Monstruos II



In 2019 we continued with many of our big projects. One of them was Monstruos. We **finished the second season of interviews where actors interview great filmmakers and TV directors**, through 5 episodes with the following leading figures:

Albertina Carri – Cristina Banegas  
Sebastián Borensztein – Rita Cortese  
María Onetto – Celina Murga  
Santiago Giralte – Jorgelina Auzzi  
Carlos Sorín – Mirta Busnelli

---

## Sagai International



With the aim of **strengthening and positioning SAGAI around the world**, we have **strengthened our international connections**. We participated in the Federación Internacional de Actores para Latinoamérica (FIA-LA) (International Federation of Actors for Latin America) and **had face-to-face meetings with representatives of management societies from Mexico, Colombia, Uruguay and Italy** throughout the year.

Besides, and **as part of SAGAI’s support to SUGAI, our sister entity in Uruguay**, we **offered them training and assistance in rights clearance**, drafting cast lists and we offered the intensive acting course based on Raúl Serrano’s method to Uruguay.



In 2019 we began a project that positioned SAGAI as a cultural touchstone in the country: **FOQUITO**, the first animated children's story app performed by renowned actors and actresses. The project was created to motivate children's creativity and imagination and incorporates the best ICT (Information and Communications Technology).

We recorded **13 episodes with the following performers:**

Julieta Otero, Leonardo Sbaraglia, Tomás Fonzi, Emilia Attias, Ana María Orozco, Rafael Spregelburd, Andrea Pietra, Eugenia Tobal and Benjamín Rojas, Julieta Ortega, Laura Azcurra and Mei Scápola.

#### **STORIES BY:**

Isol, Nicolás Arispe, Lepe Rosental and Irene Sexer, María Wernicke, Javier Peña, Pablo Zweig, Gabriela Keselman, Nora Hilb, Julieta Ortega and Ethel Batista.

## *Dancers' Documentary*



2019 was also the year we began creating a project that will undoubtedly be a turning point: **a documentary through which we aim to focus on the unknown dimensions of the story of show business and our dancers, with the aim to boost their culture and identity.** This aims to give a voice and artistic relevance to a form of expression whose only tool is the body.



# End of Year Sagai Party

Over 1,500 actors and actresses  
partied and shared  
an unforgettable evening.







WE REPORT THE MAJOR ISSUES OUR ASSOCIATION IS INVOLVED IN:

## *Situation with the hotel sector*

---

The lodging sector achieved **decree 600/19 PEN in 2019**, it was approved in December. **It establishes a pricing system for all collective management entities and ignores the existing agreements between entities and the sector, such as the one SAGAI has.**

**Since 2011 SAGAI had been peacefully agreeing fares with several Hotel Associations.** There has always been goodwill between the parties. **The Government regulated these fares without creating any new benefit, but absorbing many points of SAGAI's original agreement.** The fixation, which entails the regulation of a fare of 0% due to low seasonality is one of the most critical ones, because it implies that, in spite of the fact that the establishments broadcast performances, our artists will not receive a fair retribution for their creativity.

SAGAI has currently made a complaint of unconstitutionality against said decree and its approval.

## *Public TV and INCAA*

---

After several meetings and negotiations with the Public TV and the INCAA (for CINEAR and Espacios INCAA) **we formally lodged the corresponding administrative complaint to begin legal action.**

Now, with the change in management, **we find ourselves facing the chance of an agreement that will recognize the retroactive payment of rights owed to audiovisual performers.**

## *Streaming Plataforms*

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**Judicial proceedings against YouTube are moving forward.** Although the civil jurisdiction has been defined, **there is great judicial delay to achieve breakthroughs in this case.**

We recall that, **although Google (YouTube) recognizes the payment for intellectual property rights to authors it does not pay rights due to audiovisual performers of any entity.**

## Netflix

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**We worked closely with Netflix in negotiations.**

In spite of the difficulty that the fact that it does not have an office in Argentina implies, we used mediation against the content behemoth hoping that negotiations will be fruitful in 2020.

## Other Platforms

---

**We face a constant challenge: pursuing payment from all platforms** who publicly broadcast audiovisual performances.

## Court case of dubbing actors

---

With regards to the judicial dispute with some dubbing actors, **the sentence issued by Civil County Court No. 20 has been confirmed:** it partially establishes the civil suit due to a Declaration of Certainty, which had been initiated against SAGAI by some dubbing actors and the association “Intérpretes Argentinos de Doblaje Asociación Civil” (Civil Association of Dubbing Argentine Performers) and where SAGAI had partially resolved several of the complainant’s demands.

**The state of uncertainty generated over the interpretation of the scope of Decree 677/2012 about this sector of the collective comes to an end with the aforementioned ruling.**

Given the complexity of identifying said performers and the lack of supporting documentation, **SAGAI has taken the following steps:**

- » **It decided to modify the rules for rights clearance** in order to increase the flexibility when drafting cast lists without the need for them to be complete, **this will be presented at the Meeting in due time for approval.**
- » **It published the list of works with rights assigned** in order to find **the voice performers who participated in them.**
- » **It updated the declaration form for dubbing actors in order** to have the performers’ specific details, whilst also requesting the declaration of the category

- » It analyzed 2,7000 works that were in Wikidoblaje, and the respective cast lists will be drafted from them if needed.
- » It keeps receiving details from works from the Argentine Actors' Association (AAA), these are analyzed and rights are paid if they have the necessary cast list.
- » It continues to receive and to pay out declarations of member cards with information of complete card.
- » It requested information from ENACOM, INCAA and dubbing studios, to no avail.

We are currently moving forward towards a cooperation agreement with ENACOM in order to ensure, among other things, the enforcement of the Media Act and its regulation.

We hope to end the dispute with dubbing actors and carry out all steps necessary so they can collect their royalties.

## *Inter Artis Argentina*

With regards to the legal proceedings being disputed with the parallel association “Inter Artis Argentina” which began in 2017, we report that it is still at the Supreme Court due to several extraordinary appeals set out by our association and the General Inspectorate of Justice.

It's important to highlight that in 2019, the Office of the Attorney-General advised the Supreme Court to approve the appeals lodged by SAGAI and by the GIJ and to declare the nullity of the Civil Court sentence (which had justified INTER ARTIS' complaint) because it had not complied with rules of procedure which contribute to the due process of law and the right to defense during a trial, affecting basic constitutional rights and guarantees.

Nowadays, the file is with the Supreme Court awaiting resolution.



THE IDEAL BALANCE BETWEEN THE PROFESSIONAL AND PERSONAL LIVES OF OUR STAFF IS ACHIEVED BY CREATING A PROFESSIONAL WORK ENVIRONMENT AND PROMOTING CORPORATE AND HEALTHY BENEFITS.



One of the areas that improved the most this year was the

## *Healthy Lunch*

which, with a variety of over 150 meals, managed to comply with the best nutritional standards on a daily basis.



On the other hand, the main focus was the strengthening of

## *Training Programs*

that guarantee the optimization of SAGAI's processes.

We developed 27 TRAINING PROPOSALS, with the following themes:

Rights clearance

Systems

Safety and Hygiene

Quality

Intellectual property rights

English

Coaching

Leadership

OMPI's Specialized Course from on Author's Rights and Related

Rights for Latin American Countries

Update on Author's Rights and Related Rights

Practical Theory and Jurisprudence

Digital Marketing

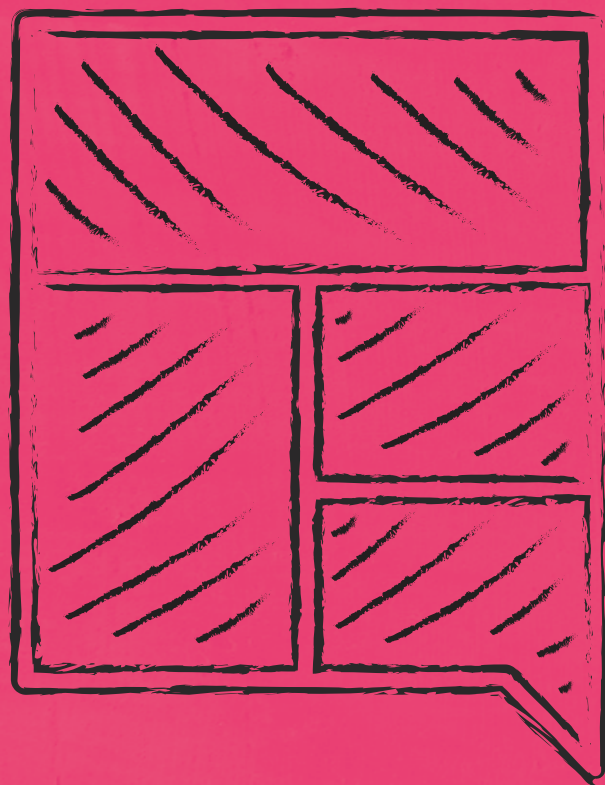
Mistreatment and harassment at work

## An inclusive work environment and gender perspective



With the aim of **generating more inclusive spaces**, we had a meeting with professionals from the Agency for Human Rights and Cultural Pluralism of the Government of the City of Buenos Aires. We also organized the action **“Demolishing gender myths in Argentina and the world”** for International Women’s Day, where we facilitated a space for reflection about the way that gender determines access to opportunities and rights in various aspects of life.

Besides, in accordance with the work that the Gender Commission is carrying out, **we decided to activate a comprehensive protocol against violence and sexual harassment at work.** In order to achieve that and in cooperation with Grow Consultancy, we organized a focus group, with the aim to create action tools to prevent various types of violence.



*Sagai Foundation*

---



2019 was the turning point in the history of our Foundation. Not just due to the important interdisciplinary work that **encouraging a violence-free environment in the audiovisual field entails**, but also due to the **institutional expansion that the purchase of our own premises meant**.

The importance of the launch of ***the First Diagnosis of Actors and Actresses Career Paths and the Guidelines to encourage violence-free environments in the audiovisual field*** set a precedent in fostering an equitable culture and was a collective task undertaken among all players of the industry.

**The purchase of premises for the Foundation was a big step forward** so that our members can continue to enjoy their professional training, because this space is the key to new projects.

2019 also gave us the chance to ***strengthen one of the most relevant programs of our Foundation: “Más Teatro”***, which allowed us to fund 57 new projects, in sharp contrast to the previous year.

## *Sagai Foundation in figures*

---

+ 2000 members  
participated in some of the  
*Foundation areas*

\$ 3.057.397  
applied to *subsidies*

233 members received  
*Recognition of their career*

\$ 10.047.397  
granted to the *Social area*

58 proposals for  
*professional training*

804 members  
participated in *offers for  
professional training*

57 projects received  
the financial support of  
*Más Teatro*

122 members participated  
in projects with  
*job prospects*

# Social Area

WE GRANTED SEVERAL TYPES OF SUBSIDIES AND PROMOTED ACTIVITIES  
CENTERED ON THE HEALTH AND QUALITY OF LIFE  
OF OUR SENIOR MEMBERS.

413 members benefitted

## Subsidies

### 89 GRANTED

31 FOR BIRTH/ADOPTION

22 FOR PREGNANCY

36 FOR CRITICAL SITUATIONS

TOTAL SUM APPLIED TO SUBSIDIES:

\$ 3.057.397

## Recognition of the Career

Financial and symbolic award to honor  
members who are over 80 years old

233 MEMBERS RECEIVED THIS  
RECOGNITION OF THEIR CAREER

SUM GRANTED TO EACH:

\$ 30.000

TOTAL SUM ASSIGNED:

\$ 6.990.000

## Activities for senior members

In 2019 we had 7 proposals destined to  
expand active participation channels, foster  
recognition and self-esteem, reduce isolation  
and encourage networking among members  
over 55 years of age.

91 members participated in activities for  
seniors.



- KUNDALINI YOGA
- WORKSHOP CREATING VALUE
- BRIEF STORIES AND STORYTELLING.  
BEGINNERS AND ADVANCED
- TECHNIQUES TO INCREASE VITALITY
- MEMORY STIMULATION. BEGINNERS  
AND ADVANCED

## Documentary film project

A documentary was shot showcasing the workshop “Creating value”. It explored universal themes such as death, loneliness and love. The story advances as lives and experiences are transformed. It's a comprehensive project which fosters the community coming together through an artistic and sensitive perspective.

## Training area

WE THINK OF TRAINING AS A SPACE TO LEARN, WHERE MENTAL OPERATIONS AND AFFECT ARE CONSTITUTIVE ASPECTS OF SAID PROCESS.

In that sense, we want to motivate members to build knowledge and values in developing skills through their own experiences.

+ 800 members

MEMBERS PARTICIPATED IN TRAINING ACTIVITIES

## Regular training activities::

Training and staging - Alfredo Staffolani

Investigation about conscious movement focusing on improvisation- Ana Frenkel

Playwriting workshop- Andrés Binetti

The use of the voice in the audiovisual field and on stage I and II - Carmen Baliero

The dramatic voice and sound expression in performance - Claudia Cantero

The dramatic voice. Level II - Claudia Cantero

The body on stage - Diego Starosta

From technique to singularity: tools for casting situations and for performance - Florencia Limonoff

Acting training seminar - Francisco Lumerman

Acting training with a dramatic text - Francisco Lumerman

Acting process in audiovisual fiction I and II - Guillermo Hermida

Directing actors - Javier Demarúa

Acting in front of the Camera, I, II and III - Manuel Vicente

Retakes I, II and III - Manuel Vicente

TV Screenplay - Marcelo Camaño

Development of the audiovisual script- Mateo Chiarino

Improvisation workshop: excursion through film genres- Mosquito Sancineto

Neutral Spanish. Beginners / Advanced / Lun A / Lun B - Néstor Zacco

Building a character from a neutral point. Level I and II - Norma Angeleri

Writing a play - Paula Marull

Physical and voice training I and II - Raquel Ameri

Lab: videocellular - Rodrigo Paz

Acting and storytelling - Sergio Boris

Singing circle - Silvana Sosto

Clown. Beginners and Advanced - Susana Toscano

## *Intensive training activities:*

Lab: introduction to directing actors - Guillermo Cacace

Alberto Ure's improvisational techniques - Cristina Banegas

Tools for independent production - Romina Chepe

The chaotic writing of the actor - Rafael Spregelburd

Rhythm in the actor's work - Lola Banfi

Reflection and practices on acting in the audiovisual language - María Laura Berch

The construction of continuity in audiovisual storytelling and the actor's work - Obregon, Quintero, Petruchi

Drama and postdrama - Pablo D'Elia

The creation of the scene from power and play - Lucía Maciel and Paula Grinszpan

Physical theater - Daniela Rodríguez

The construction of continuity in audiovisual storytelling and the actor's work - Guillermo Cacace

Acting on TV - Ileana Rippel

The body of theatre/the body of film - Lucía Moller

Lab: Videocellular - Rodrigo Paz

## *Special training activities:*

AFC Talk - Darío Grandinetti

AUTHORSHIPS, Between the body and writing I and II – SAGAI Foundation / SADA

ODA Talk - Diego Velázquez

ODA Talk - Ingrid Pelicori

Season of Talks "The work of stage direction" - Fundación SAGAI / APDEA



## Other training activities:

Diploma in Audiovisual Exhibition and Distribution (Virtual) - Universidad Villa María

Diploma in Playwriting – University of Buenos Aires

## Work area

122 members

PARTICIPATED IN PROJECTS WITH JOB PROSPECTS

### Theater marathon

**Theater season** carried out in the Foundation over two months, with **plays produced by theater cooperatives** through an open call system.



Number of plays: **16**

Actors/actresses who participated: **43**

Spectators: **1.172**

### Interficciones Season

The season aimed for **a tour of five spaces of our homes**, linked by a common theme: **“That which is confessed”**. Each space hosted a fictional situation presented by an audiovisual projection that evoked an artwork.



Actors/actresses who participated: **5**

Spectators: **225**

### Sound fictions

In 2019 we called on members to **participate** in this season as authors.



**24** sound fictions produced

**57** members performed

**17** members participated as playwrights

#### +podcast

We also **broadcasted these fictions through Spotify** (as well as Apple Podcast, Cast Box, Google Podcast, and others) **turning these radio theater short plays into fiction sound recordings.**

## Más Teatro

“Más Teatro” is a program that **started in 2018 to fund theater cooperatives to produce plays.** In 2019 this project grew 65% with regards to the previous year.



Projects we supported: **57**

Actors and actresses  
in the cooperatives selected: **385**

Total budget applied: **\$3.639.930**

With the aim to strengthen and federalize this program, in 2019 we launched an exclusive call to theatre groups from other regions, which yielded 3 winning projects from the provinces of Mendoza and Río Negro.

## Promotion area

WE SUPPORT THE EXPANSION OF NATIONAL FILMS AND OTHER CULTURAL PROJECTS, PROMOTING THE PROFESSIONAL PROFILES OF PERFORMERS AND GRANTING AWARDS FOR THEIR PUBLIC RECOGNITION.

**33 members**

PARTICIPATED IN THE PROMOTION AREA.

## Patacón Award

It's a prize to **the best performances of national actors and actresses who have not yet received popular recognition.**

We granted this award at **5 NATIONAL FILM FESTIVALS:**

- > Festival de Cine de las Alturas, Jujuy
- > Puerto Madryn International Film Festival
- > Festival FICSUR
- > Mar del Plata International Film Festival
- > Festival Nacional de Cine de Tandil

**10 PERFORMES** received the Patacón Award

Amount for the prize: **\$25.000**



**Rita Pauls** for the film “*Vigilia en agosto*”

**Walter Rodríguez** for the film “*Marilyn*”

**Claudia Cantero** for the film “*La familia sumergida*”

**Carlos Defeo** for the film “*Cartero*”



**Umbra Colombo** for the film *"Furia del zorro"*

**Federico Sack** for the film *"La familia sumergida"*

**Nicole Rivadero** for the film *"La botera"*

**Esteban Menis** for the film *"De la noche a la mañana"*

**Amanda Minujín** for the film *"Las buenas intenciones"*

**Javier Drolas** for the film *"Las buenas intenciones"*

.....

## Special mention

For the second year in a row **we granted recognition to the best performance of Argentine actors/actresses in short films.**

Otorgamos este premio en **3 FESTIVALES** a nivel nacional:

- > Festival de la mujer y el cine
- > UNCIPAR
- > Festival Comunitario de Villa Crespo

**6 PERFORMERS** awarded this Distinction

Amount awarded which each distinction: **\$15.000**



**Noelia Vergini** for the short *"Aldana y León"*

**Julio Marticorena** for the short *"Un deseo"*

**Agustín Pardella** for the short *"La religiosa"*

**Laila Maltz** for the short *"Un deseo"*

**Gabriel Fernández** for the short *"Una cabrita sin cuernos"*

**Laila Maltz** for the short *"Un deseo"*

.....

## Special projects

**CINE ZAP**

**CORTITO Y AL PIE**

**CICLO DE CINE DE MUJERES DE SUPER ACCIÓN** (SEASON ACTION WOMEN'S FILMS)

**CICLO ENCUENTRO-MIRADAS** (SEASON ENCOUNTER-GAZES)

**SALIDAS AL TEATRO #ALTEATRO** (OUTINGS TO THE THEATER)



# Balance Sheet

# Sagai Balance

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## PAYROLL OF THE EXECUTIVE COMMITTEE AND REVIEW BODY

Renewal of members of the Executive Committee due to completion of mandate, meeting held on July 5th, 2018:

### EXECUTIVE COMMITTEE:

President	JORGE MARRALE
Vice-President	MARTÍN SEEFELD
Secretary	OSVALDO SANTORO
Assistant Secretary	MARÍA FIORENTINO
Treasurer	PABLO ECHARRI
Assistant Treasurer	MARIANO BERTOLINI
Voting members	MERCEDES MORÁN ..... DANIEL VALENZUELA ..... SILVINA ACOSTA ..... CELINA FONT ..... JUAN CARLOS RICCI ..... JORGE D' ELIA
Alternate voting members	JOSÉ MANUEL NOVOA ..... EDGARDO MOREIRA ..... MORA RECALDE ..... TOMÁS FONZI

The duration of terms of office is until July 27th, 2022.

Elected at the General Assembly of Members held on May 7th, 2018:

### REVIEW BODY:

Supervisors	GUIDO D'ALBO ..... CARLOS KASPAR ..... ANA DOVAL
Alternates	BEATRIZ DELLACASSA ..... ANDREA VÁZQUEZ



# INDEPENDENT AUDIT REPORT ON THE FINANCIAL STATEMENTS

Messrs.

President and members of the Executive Committee of

**SAGAI**

**Sociedad Argentina de Gestión de Actores Intérpretes Asociación Civil**

C.U.I.T. 30-70992562-4

Legal address: M.T. de Alvear 1490

Autonomous City of Buenos Aires

## Report on financial statements

We have audited the attached financial statements of SAGAI - Argentine Society for Management of Actors Performers Civil Association, which include the net worth statement (Balance Sheet) to December 31st, 2019, the statement of resources and expenditures, the statement of changes in net worth and the cash flow statement for the financial year ending on said date, as well as a summary of significant accounting policies and other explanatory information included in notes 1 to 5 and annexes I to V.

Figures and other pertinent information for the financial year ended on December 31st, 2018, over which we have issued a unmodified opinion on May 2nd, 2019, are an integral part of the financial statements aforementioned and are presented so that they may be interpreted exclusively with regards to the figures and the information for the current financial year.

## Responsibility of the committee with regards to financial statements

The Executive Committee of the Society is responsible for preparing and presenting the attached financial statements according to Argentina's professional accounting standards and the internal control that the committee deems

necessary in order to allow the preparation of financial statements free from material misstatement.

## Responsibility of the auditor

We are responsible for expressing an opinion about the attached financial statements based on our audit. We have carried out our conformity assessment with the auditing standards established in Technical Resolution No 37 of the Argentine Federation of Professional Councils of Economic Sciences. Said standards require us to comply with ethical requirements and to plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

An audit involves performing procedures intended to gather evidence regarding the figures and the information provided in the financial statements. Selected auditing procedures depend on the professional judgement of the auditor, included the evaluation of risks of material misstatement on the financial statements. In making those risk assessments, the auditor considers the internal control relevant to the entity's preparation and presentation of the financial statements in order to design auditing procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of

the entity's internal control. An audit also includes assessing the accounting policies used and a reasonableness of accounting estimates made by the entity's committee, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the attached financial statements present the financial situation of SAGAI - Argentine Society for Management of Actors Performers Civil Association as of December 31st, 2019, as well as its results, the changes in net worth and the cash flow corresponding to the financial year ending on that date, fairly in all material respects, according to Argentine professional accounting standards.

### Emphasis of matter

Without modifying our opinion, we wish to emphasize the information contained in Note 14 of the financial statements, where it is stated that on January 30th, 2020, the World Health Organization ("WHO") announced a global health emergency due to a new strain of the coronavirus that originated in Wuhan, China ("COVID-19").

Given the daily developments of the COVID-19 outbreak and the global responses to stop its propagation, the Society cannot assess the effects the COVID-19 outbreak may have on the result of its operations, financial conditions and liquidity for fiscal year 2020. Therefore, the effects and final resolutions cannot be accurately estimated on the date of the current Financial Statements.

### Report about other legal and statutory requirements

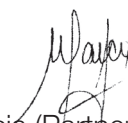
a) In accordance with point 5.5.7 of Res. C236/88 of C.P.C.E.C.A.B.A., we report that the balances mentioned in point 1. stem from accounting records kept in all formal respects according to current legal provisions, pending transcription to date.

b) Based on the Entity's accounting records, the accrued liability to December 31st, 2019 in favor of the Argentine Integrated Social Security System as social security dues and contributions amounted to \$1,658,549 and was not enforceable to that date.

c) We have implemented the procedures on prevention of laundering of criminal assets and financing of terrorism laid out in Resolution No 420/11 of the Argentine Federation of Professional Councils of Economic Sciences.

Autonomous City of Buenos Aires, July 21st, 2020

**BECHER Y ASOCIADOS S.R.L.**  
C.P.C.E.C.A.B.A. T° I - F° 21



Nancy Garcia (Partner)  
Chartered Accountant (U.N.L.Z.)  
C.P.C.E.C.A.B.A. - T° 256 - F° 178

## FINANCIAL STATEMENTS TO DECEMBER 31st, 2019

For financial year N° 14,  
initiated on January 1st, 2019 and ended on December 31st, 2019,  
set out for comparative purposes  
Stated in pesos and uniform currency (Note 2.2.)


Name	SAGAI Sociedad Argentina de Gestión de Actores Intérpretes Asociación Civil
Legal address	Marcelo T. de Alvear 1490 Autonomous City of Buenos Aires
Main activity	Collection, management, administration and distribution of the remuneration derived from intellectual property rights of actor performers to its members.
Registered in the Trade Registry	<b>Of the Statute:</b> November 13th, 2006 <b>Last modification:</b> March 17th, 2018
File Directorate of Legal Entities	Resolution IGJ N° 0001125/2006
Approval date by the Executive Branch	December 21st, 2006
Approval date by the General Inspectorate of Justice	November 13th, 2006
Statute expiry date	Society established for an indefinite period


## NET WORTH STATEMENT (BALANCE SHEET)

To December 31st, 2019 set out for comparative purposes  
Stated in pesos and uniform currency (Note 2.2.)

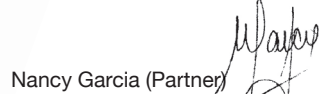
	12/31/2019	12/31/2018
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents (Note 3.1.)	279.741.820	118.703.448
Temporary investments (Note 3.2 and Annex II)	1.076.033.672	1.529.012.742
Other assets (Note 3.3.)	994.871	1.623.951
Funds for specific purposes (Note 3.4.)	-	931.024
<b>Total current assets</b>	<b>1.356.770.363</b>	<b>1.650.271.165</b>
<b>NON-CURRENT ASSETS</b>		
Other assets (Note 3.3.)	-	383.193
Fixed assets (Annex I)	209.428.395	114.934.260
Total non-current assets	209.428.395	115.317.453
<b>Total assets</b>	<b>1.566.198.758</b>	<b>1.765.588.618</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Debts (Note 3.5.)	981.297.536	866.140.997
Funds for specific purposes (Note 3.6.)	501.206	-
<b>Total current liabilities</b>	<b>981.798.742</b>	<b>866.140.997</b>
<b>NON-CURRENT LIABILITIES</b>		
Debts (Note 3.5.)	1.441.823	23.271.510
Total liabilities	1.441.823	23.271.510
Provisions (Annex V)	22.836.020	-
Total non-current liabilities	24.277.843	23.271.510
<b>Total liabilities</b>	<b>1.006.076.585</b>	<b>889.412.507</b>
<b>NET WORTH</b> (according to the relevant statement)	560.122.173	876.176.111
<b>Total liabilities and net worth</b>	<b>1.566.198.758</b>	<b>1.765.588.618</b>

Notes 1 to 15 and Annexes I to V form an integral part of the financial statement.

  
Jorge Marrale  
PRESIDENT

  
Pablo Echarri  
TREASURER

  
Guido D'Albo  
REVIEW BOARD

  
Nancy Garcia (Partner)  
Chartered Accountant (U.N.I.Z.)  
C.P.C.E.C.A.B.A. - T° 256 - F° 178

**BECHER Y ASOCIADOS SRL**  
C.P.C.E.C.A.B.A. - T° I - F° 21  
Signed for the purposes of identification  
with our report dated July 21st, 2020

## STATEMENT OF RESOURCES AND EXPENDITURES

To December 31st, 2019 set out for comparative purposes  
Stated in pesos and uniform currency (Note 2.2.)

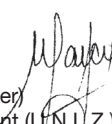
	12/31/2019	12/31/2018
<b>REGULAR RESOURCES</b>		
For general purposes:		
Administrative fee (Note 2.4.e.1.)	25.262.169	28.467.930
Unclaimed lapsed rights (Note 2.4.e.2.)	515.307	80.450
<b>Total regular resources</b>	<b>25.777.476</b>	<b>28.548.380</b>
<b>RECURRING EXPENDITURES</b>		
For general purposes (Annex IV)	(123.815.552)	(137.717.529)
For specific purposes (Note 5.)	(8.126.674)	(6.445.888)
Depreciation of fixed assets (Annex I)	(13.292.647)	(10.422.959)
<b>Total recurring expenditures</b>	<b>(145.234.873)</b>	<b>(154.586.376)</b>
Financial and holding results inc. gain/loss on purchasing power parity (RECPAM)	(130.652.046)	299.002.500
Other income and expenses (Note 3.7 and Annex V)	(65.944.495)	108.732
	(196.596.541)	299.111.232
<b>(DEFICIT)/SURPLUS FOR THE FISCAL YEAR</b>	<b>(316.053.938)</b>	<b>173.073.236</b>

Notes 1 to 15 and Annexes I to V form an integral part of the financial statement.

  
Jorge Marrale  
PRESIDENT

  
Pablo Echarri  
TREASURER

  
Guido D'Albo  
REVIEW BOARD

  
Nancy Garcia (Partner)  
Chartered Accountant (U.N.L.Z.)  
C.P.C.E.C.A.B.A. - T° 256 - F° 178


**BECHER Y ASOCIADOS SRL**  
C.P.C.E.C.A.B.A. - T° I - F° 21  
*Signed for the purposes of identification  
with our report dated July 21st, 2020*

## STATEMENT OF CHANGES IN NET WORTH

To December 31st, 2019 set out for comparative purposes  
Stated in pesos and uniform currency (Note 2.2.)


CONCEPT	MEMBERSHIP FEES			UNASSIGNED SURPLUS	OVERALL NET WORTH TO 12/31/2019	OVERALL NET WORTH TO 12/31/2018
	SOCIAL CAPITAL	CAPITAL ADJUSTMENT	TOTAL			
Balance at beginning of the year		2.452	2.652	876.173.459	876.176.111	703.102.875
(Deficit)/Surplus for the financial year		-	-	(316.053.938)	(316.053.938)	173.073.236
<b>Balance at the close of financial year</b>		<b>2.452</b>	<b>2.652</b>	<b>560.119.521</b>	<b>560.122.173</b>	<b>876.176.111</b>

Notes 1 to 15 and Annexes I to V form an integral part of the financial statement.

  
Jorge Marrale  
PRESIDENT

  
Pablo Echarri  
TREASURER

  
Guido D'Albo  
REVIEW BOARD

  
Nancy Garcia (Partner)  
Chartered Accountant (U.N.L.Z.)  
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## CASH FLOW STATEMENT


To December 31st, 2019 set out for comparative purposes  
Stated in pesos and uniform currency (Note 2.2.)

CASH VARIATIONS	12/31/2019	12/31/2018
Cash at beginning of year	1.686.425.766	1.628.761.328
Effect of gain/loss on purchasing power parity (RECPAM) of cash at beginning of the period	(581.314.735)	(525.202.648)
Cash at year-end (Note 2.5.)	1.359.988.213	1.686.425.765
<b>Net increase in cash</b>	<b>254.877.182</b>	<b>582.867.085</b>
<b>CAUSES OF CASH VARIATIONS</b>		
<b>OPERATING ACTIVITIES</b>		
Receipts for collection of rights	505.243.379	569.358.596
Payments to members	(260.343.401)	(279.437.716)
Payments to suppliers	(135.905.923)	(159.622.902)
Payment of remunerations and social security contributions	(44.918.357)	(58.154.855)
Payment to the Foundation social fund	(39.313.043)	(51.662.180)
Payments for expenses and bank charges	(5.390.984)	(4.726.134)
Exchange difference on cash and cash equivalents	75.216.553	712.137
<b>Net cash flow generated by operating activities</b>	<b>94.588.224</b>	<b>16.466.946</b>
<b>INVESTMENT ACTIVITIES</b>		
Purchase of fixed assets (Annex I)	(107.786.782)	(6.392.290)
Fixed term deposit interest and securities income	268.075.740	572.792.429
<b>Net cash flow used in investment activities</b>	<b>160.288.958</b>	<b>566.400.139</b>
<b>Net increase in cash</b>	<b>254.877.182</b>	<b>582.867.085</b>

  
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## NOTES TO THE FINANCIAL STATEMENTS

To December 31st, 2019 set out for comparative purposes  
Stated in pesos and uniform currency (Note 2.2.)

### 1. MAIN ACTIVITY OF THE SOCIETY

The Society was established as a non-profit civil association on July 27th, 2006, for the protection and management of the intellectual property rights of actors and performers whose performances have been used in audiovisual format, among them voice artists and dancers, as well as other performers included in the Intellectual Property Right Act 11.723, Decree 746/73.

In 2006, by way of Decree 1914/06, the National Executive Branch recognized SAGAI as the sole entity authorized to collect and manage the intellectual property rights of actors and dancers, due to the exploitation, use, interactive availability or broadcasting to the audience in any form, of their performances set in recordings or other audiovisual formats.

The rights of artist performers and musicians are not within SAGAI's remit, and their collective management has been assigned to AADI by way of decree 1671/74.

### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The most relevant accounting standards applied by the Society in the financial statements corresponding to the reporting period are as follows:

#### 2.1. Applicable professional accounting standards and use of estimates


These financial statements have been prepared according to the General Law of Corporations N° 19.550, the regulations of the General Inspectorate of Justice and existing professional accounting standards in the Autonomous City of Buenos Aires, Argentina.

The preparation of financial statements, according to said standards, requires the consideration of the Management Board of estimates and assumptions that impact on the reported assets and liabilities balance, the disclosure of contingent assets and liabilities at the date of said statements, as well as the amounts of income and expenditure for each of the financial years. The final results and actual amounts may differ from these estimates.

#### 2.2. Unit of measure

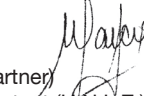
These financial statements have been presented in uniform currency, in accordance to the guidelines stated in section 3.1 of the RT N° 17 of the F.A.C.P.C.E., modified by RT N° 39 of the F.A.C.P.C.E., whereby Res. JG 287/03 of the F.A.C.P.C.E. was repealed.

The N°8 Interpretation of FACPCE states that the quantitative guideline contained in RT N° 17, modified by RT N° 39, is a necessary and sufficient condition to apply the adjustment for

  
Jorge Marrale  
PRESIDENT

  
Pablo Echarri  
TREASURER

  
Guido D'Albo  
REVIEW BOARD

  
Nancy Garcia (Partner)  
Chartered Accountant (U.N.U.Z.)  
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inflation to financial statements. The quantitative guideline implies that the cumulative variation in the IPIM (Wholesale Domestic Price Index) reaches or exceeds 100% in a three year period.

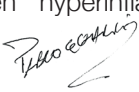
RT N° 39 of the FACPCE and Interpretation N° 8 were approved by the C.P.C.E.C.A.B.A. through Resolution N° 20/2014 and Resolution N°115/2014, respectively.

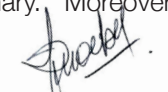
Due to the fact that the Argentine economy has suffered a rise in the levels of inflation in the first few months of 2018, a consensus has been reached that the conditions are so that Argentina will have an inflationary context as from July 1st, 2018, given the parameters set out by RT39.

Resolution CD 107/18 of C.P.C.E.C.A.B.A. established the need to restate the financial statements corresponding to years that ended from July 1st, 2018 inclusive, in constant currency according to Resolution JG FACPCE 539/18 that approves the general and specific rules to be taken into account for the restatement of financial statements in constant currency according to adjustment mechanisms provided in RT 6 "Financial statements in uniform currency". RG 10/2018 from the IGJ, published on December 28th, 2018, substituted article 312 of RG 7/2015 establishing that financial statements must be presented to that authority expressed in uniform currency.

When RT 39 is applied for the first time, monetary restatement of accounting information (non-monetary assets and liabilities, components of equity, and income and expenditure) must be applied retroactively as if the economy had always been hyperinflationary. Moreover, the

  
Jorge Marrale  
PRESIDENT

  
Pablo Echarri  
TREASURER

  
Guido D'Albo  
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figures corresponding to previous fiscal years or periods that are presented for comparison must be restated, without this fact modifying decisions made on the basis of the financial information corresponding to the aforementioned years.

According to Resolution N° 539/18 of the F.A.C.P.C.E. Governing Board dated September 29th, 2018, the restatement of accounting information will be carried out using coefficients derived from a series of indexes which will result of combining the IPC (Consumer Price Index) general level published by INDEC (National Statistics and Census Institute) with base month December 2016 = 100, with the IPIM (Wholesale Domestic Price Index) general level published by INDEC for previous periods.

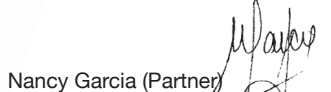
The Society determines and sets out the financial and holding results (including the gain/loss on purchasing power parity – RECPAM) in one single line, as set out in RT 6.

### 2.3. Disclosure Standards

Financial statements are disclosed according to Technical Resolutions N° 6, 8, 11, 21, 25 and 40 of the Argentine Federation of Professional Councils of Economic Sciences (F.A.C.P.C.E.), approved by Resolution N° 93/05 of the Professional Council of Economic Sciences of the Autonomous City of Buenos Aires (C.P.C.E.C.A.B.A.).

### 2.4. Valuation criteria

The main accounting metrics used for the preparation of the financial statements were as follows:

  
Nancy Garcia (Partner)  
Chartered Accountant (U.N.L.Z.)  
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**a) Cash and cash equivalents, account receivables and liabilities**

They are valued at denominational value, considering the accrued interest to the end of year, if any. Foreign currency balances have been calculated at the prevailing exchange rate at year-end.

**b) Temporary Investments (Annex II)**

Fixed term deposits: At their face value upon maturity, adjusted for unearned income.

Government securities and mutual investment funds: they were valued at their net realizable value at year-end. The rate differences were charged to income/loss for the year.

**c) Fixed assets (Annex I)**

Fixed assets have been valued at their purchase price restated in uniform currency according to guidelines set out in Note 2.2., less the corresponding accrued depreciation. The depreciation of said assets is calculated by the straight-line method, applying annual rates sufficient to extinguish their values at the end of the estimated life. The value of fixed assets does not exceed their recoverable value at the end of each financial year.

**d) Provisions (Annex V)**

The Entity has determined the contingency provisions for court cases according to the degree of probability of occurrence estimated for each of the proceedings reported by the Entity's Legal Department and by external legal advisors, as well as other incidental situations that may affect the Entity.

**e) Regular resources for general and specific purposes**

The Entity is in charge of collecting the retribution due to licenses or the exploitation of artistic performances set in audiovisual means and of distributing the amounts collected to the rights' holders, according to the statutes, applicable legislation and internal regulations that apply.


Its resources are composed of, among others, the following concepts:


2.4.e.1. The percentage over amounts collected to cover administration of the performer's rights.

At the Board Meeting dated June 18th, 2019, where the budget for 2019 was established, it was decided that the administrative fee be kept the same as the previous year at 5%. Due to the application of this statutory rule and for this purpose, the Entity reported income of \$25,262,169.


2.4.e.2. The amount of rights unclaimed by those concerned, after five (5) years from their liquidation, as well as the ones that are produced due to the absence of declaration of works by members or represented members. By applying this statutory rule and for this item, the Entity reported income of \$ 515,307.

2.4.e.3. The interest accrued from bank deposits and other investments that the Executive Committee may decide to pursue from social funds.

  
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PRESIDENT

  
Pablo Echarri  
TREASURER

  
Guido D'Albo  
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Nancy Garcia (Partner)  
Chartered Accountant (U.N.I.Z.)  
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Moreover, the Statute projects other income, i.e.:

2.4.e.4. Real estate and fixtures it possesses now and that may be acquired by any title in the future, including due to contributions, gifts, bequests, donations or others that may be given to the Society.

2.4.e.5. Interest and income that the association's securities and fixtures may produce.

#### f) Potential rights' collections


Based on agreements signed with users, receivables verified for rights accrued in the year, securities to be deposited, all pending collection at the end of each year, potential collections of rights are as follows :


	12/31/2019	12/31/2018
Rights payable	29.415.308	52.935.988
Holdings	4.212.721	38.709.576
Total rights payable pending collection (Note 3.3)	<b>33.628.029</b>	<b>91.645.564</b>

#### 2.5. Additional Information about Cash Flow


Cash and cash equivalents from Cash Flow comprise the cash and cash equivalent balances, as shown in the table below:

	12/31/2019	12/31/2018
Cash	484.974	426.477
Banks	248.761.265	20.229.962
Temporary investments	1.076.033.672	1.529.012.742
Holdings	4.212.721	38.709.576
Short term investments	30.495.581	98.047.009
	<b>1.359.988.213</b>	<b>1.686.425.766</b>

  
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PRESIDENT

  
Pablo Echarri  
TREASURER

  
Guido D'Albo  
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Nancy Garcia (Partner)  
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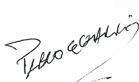
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### 3. COMPOSITION AND CHANGES OF THE MAIN ITEMS

	12/31/2019	12/31/2018
<b>3.1. Cash and cash equivalents</b>		
<i>In local currency:</i>		
Cash	202.495	96.471
Bank current accounts	195.657.870	18.618.614
Short term investments	30.495.581	95.082.060
	<b>226.355.946</b>	<b>113.797.145</b>
<i>In foreign currency (Annex III):</i>		
Cash	282.479	330.006
Bank current accounts	53.103.395	1.611.348
Short term investments	-	2.964.949
	53.385.874	4.906.303
	<b>279.741.820</b>	<b>118.703.448</b>
<b>3.2. Temporary investments (Annex II)</b>		
Fixed term deposits	58.227.671	104.685.634
Accrued interest receivable	1.194.409	6.882.459
Mutual investment funds	79.856.175	50.013.414
Government securities	936.755.417	1.367.431.235
	<b>1.076.033.672</b>	<b>1.529.012.742</b>
<b>3.3. Accounts receivable</b>		
<i>Current</i>		
Debtors for rights accrued	29.415.308	52.935.988
Holdings	4.212.721	38.709.576
Rights of actors performers to clear	(33.628.029)	(91.645.564)
Salary advances	249.098	11.537
Insurance to accrue	96.111	173.841
Other accounts receivable	649.662	1.438.573
	<b>994.871</b>	<b>1.623.951</b>
<i>Non-current</i>		
Other accounts receivable	-	383.193
	-	383.193

  
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PRESIDENT

  
Pablo Echarri  
TREASURER

  
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	12/31/2019	12/31/2018
<b>3.4. Funds for specific purposes</b>		
Funds for the Social and Cultural Fund (Note 5.)	-	931.024
<b>3.5. Liabilities</b>		
<i>Current</i>		
In local currency		
For the rights of actors performers:		
Rights of actors performers to clear	173.532.187	633.999.621
Rights of actors performers payable	181.228.196	218.903.228
Accounts payable:		
Suppliers	1.525.363	2.789.031
Allowance for expenses	1.186.034	1.042.662
Insurance	92.126	143.126
Subsidies to account for	2.000.000	-
Salaries and social security contributions:		
Salaries to be paid	3.317.182	-
Social security contributions to be paid	2.443.247	2.320.493
Bonus and its security contributions to be paid	937.379	3.934.134
Vacation and its security contributions provision	3.386.506	2.718.714
Tax burdens:		
Taxes to be paid	603.869	289.988
	<b>370.252.089</b>	<b>866.140.997</b>
In foreign currency (Annex III):		
For the rights of actors performers:		
Rights of actors performers - dubbing (Note 11.)	96.364.542	-
Rights of actors performers to clear (Note 13.)	514.680.905	-
	611.045.447	-
	<b>981.297.536</b>	<b>866.140.997</b>
<i>Non-current</i>		
For the rights of actors performers - Reserve (Note 6.):	<b>1.441.823</b>	<b>23.271.510</b>
For general reserve		
<b>3.6. Funds for specific purposes</b>	<b>501.206</b>	-
Debt due to the Social and Cultural Fund (Note 5.)		
<b>3.7. Other income and expenses</b>	(43.108.475)	
Loss due to dubbing rights (Note 11.)	(22.836.020)	108.732
(Rise)/Recovery of provisions (Annex V)	<b>(65.944.495)</b>	<b>108.732</b>

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#### 4. COMPOSITION OF FINANCIAL ASSETS, RECEIVABLES AND LIABILITIES

The table below sets out the financial assets, receivables and liabilities from the estimated collection or payment timelines indicating whether they accrue interest or are interest-free.

a) Opening by estimated timeline for incoming/outgoing payment:

	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Open-ended	29.415.308	-	-	-
Due				
up to 3 months	1.047.613.235	-	981.798.742	-
over 1 year	-	-	-	1.441.823
<b>TOTAL</b>	<b>1.077.028.543</b>	<b>-</b>	<b>981.798.742</b>	<b>1.441.823</b>

b) Information regarding interest accrual:

	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Accrue interest (*)	1.076.033.672	-	-	-
Do not accrue interest	994.871	-	981.798.742	1.441.823
<b>TOTAL</b>	<b>1.077.028.543</b>	<b>-</b>	<b>981.798.742</b>	<b>1.441.823</b>


(\*) Rates on which interest is accrued are fixed.

Within the current assets where interest is accrued \$1,194,409 corresponding to payable interest is included.  
(Note 3.2.)

#### 5. FUND FOR SPECIFIC PURPOSES

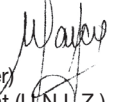
According to its Charter, and for the fulfillment of its social, cultural and training purposes, the Society may constitute a special fund that must not exceed 20% of the annual collection.

Said fund is managed by SAGAI Foundation. On April 10th, 2013, according to the Minutes of the Executive Committee No 65, a proposal was put forward that the amount destined for SAGAI's social fund be paid from the Society's administrative fee. Then, on February 22nd, 2015, according to the Minutes of Executive Committee No 92, it was proposed that the aforementioned fund be integrated by 8% of SAGAI's collection and that the transfer of funds to SAGAI Foundation be made according to its needs. For the year 2019 said situation was ratified by the Act on May 2nd, 2019.

  
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PRESIDENT

  
Pablo Echarri  
TREASURER

  
Guido D'Albo  
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The table below sets out the development of the Social and Cultural Fund of the year:

Balance at beginning (Note 3.4.)	(931.024)
Variation generated by Gain/loss on purchasing power parity RECPAM	325.804
Assigned contributions for the fiscal year	40.419.470
Payments	(39.313.044)
Balance to December 31st, 2019 (Note 3.6.)	<b>501.206</b>

In addition, according to the Minutes of the Meeting dated June 18th, 2019, a financial contribution of \$4,555,200 was made to the Obra Social de Actores (Actors' Health Insurance) for the purpose of funding nursing homes and specific treatments for actors in dire circumstances that are SAGAI members. Subsequently, by the Minutes of the Executive Committee No 158 of March 12th, 2020 more outgoings were approved, therefore, during the current year, \$6,555,200 has been transferred at historical values, which amounts to \$8,126,674 in constant currency.

## 6. GENERAL RESERVE

In order to address potential claims, whether due to mistakes in the clearance of intellectual property rights or due to non-identified receipts that in future may be identified, the Society established a general reserve for each of their financial years in its Social Statute. Said reserves were constituted by applying a 1% to the collection from periods 2008 to 2015 and 0.7% in 2016, 2017, 2018 and 2019 after deducting the administrative fee. Said percentage was established at the meeting held by the Executive Committee on October 6th, 2016. This provision for the year 2019 came to \$3,033,583. During the current year, the reserves were used for distribution for dubbing performers and a sum of \$1,441,823 was left over corresponding to the periods 2008 to 2019. Said amount is disclosed in the item Non-current liabilities of the current financial statements.


## 7. CONTINGENCIES

Based on the reports of the Society's Legal Department and their external legal advisers, the Entity has registered an allowance for legal proceedings and contingencies that amounts to \$22,836,020.

  
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PRESIDENT

  
Pablo Echarri  
TREASURER

  
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## **8. DISPUTE WITH INTER ARTIS ARGENTINA MANAGEMENT ENTITY, CIVIL ASSOCIATION (IAA)**

On February 13th, 2017, the IGJ (General Inspectorate of Justice) decided to give course to the complaint made by SAGAI, ordering Inter Artis to modify its social statutes which invaded the exclusivity granted to SAGAI by legal rule.

In March, 2017, the Civil Court of Appeals revoked the Resolution dictated by the IGJ.

In the light of this, SAGAI filed an Extraordinary Appeal which is, at the date of the current financial statement, still pending at the Supreme Court of Justice.

The Office of the Attorney General advised the Supreme Court to approve the appeals filed by SAGAI and the IGJ.

## **9. DISMISSAL OF PROCEEDINGS DIRECTV ARGENTINA S.A.**

The members of the Executive Committee and SAGAI's General Director were charged in the facts consistent with having been part of an alleged maneuver whereby SAGAI and its members' financial interests would be damaged, thereby obtaining improper gain for themselves or others, in relation to a settlement agreement signed on April 13th, 2014 with Directv S.A. for the collection of rights.

We report that Judge Karina Zucconi, official in Criminal and Correctional Court no 15 acquitted the members of the Executive Committee

and the Director with regards to the complaint formulated about an alleged fraud relating to the lack of clearance of rights to voice dubbing artists and dancers, considering that the facts did not constitute any crime.

In turn, Ms. Zucconi ruled the termination for the charge in the DirecTV proceedings considering – as she had expressed in her resolution due to lack of evidence on February 6th, 2017 confirmed by Chamber 1 of the Court of Appeals on March 31st, 2017– that the alleged offenses did not configure any crime at all.

## **10. PURCHASE OF PROPERTY FOR SAGAI FOUNDATION**

During the current accounting year, the Entity purchased a property situated at 25 de mayo No 586, Autonomous City of Buenos Aires, to be used by SAGAI Foundation. The decision was approved at a General Assembly of Members on December 9th, 2019. This was decided due to the need to have a space fit for the expansion the Foundation has had in recent times.

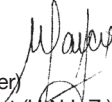
## **11. DUBBING AND DOLLARIZATION OF THE RELATED BALANCES**

On May 15th, 2017, actors initiated a preliminary proceeding with regards to Art. 323 CPCC so SAGAI could present a sworn statement stating the following: a) whether it recognizes, and if so since when, that the petitioners, as Argentine dubbing actors and due to the work carried out as such in home territory (called “national dubbers”) have the right to retributions set out in Article 56 of

  
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Law 11.723 in the Argentine Republic, whether this local dubbing is performed over national or foreign works, making clear that the rights over “dubbing” -per se- and “original voice” (denominated “rights of national performer”); b) if the entity, due to Decree 1914/2006 represents -and if so, since when – “national dubbers” in order to claim and manage their “rights as a national performer”.

The First Instance ruling confirmed by the Civil Court of Appeals, Chamber B, accepts the proposed declaratory action with regards to point a) of the subject of the complaint, declaring that dubbing actors have the right to retribution set out by art. 56 of Law 11.723 with respect to dubbings performed in the national territory of foreign works broadcasted or retransmitted in Argentine territory – without the existence of reciprocity agreements and the legislation of the country of origin of the works being an impediment to those rights, through the intervention of the society as an entity of representation, collection, management and clearance, until they are represented by another body entitled to those duties (by way of court or by the legal route).

With the aim of completely ending the dispute with the group of dubbing actors, the Entity began negotiations with the lawyer representing AIDAC members of said entity and SAGAI experts in December 2019. Through the association and defined through the platform “wiki-doblaje” the existence of 2,696 works dubbed in Argentina was established, and this information was confirmed by a notary public.

Furthermore, we researched whether the Users

who paid SAGAI during the period 2007-2019 broadcasted the works in Argentina and we verified if the works fit the items listed in article 11 of the rights clearance regulations defining thus the ones that have performances “protected” by SAGAI.

The analysis performed disclosed that the amount of \$96,364,542 is not included in previous distributions (stated in Note 3.5 Commercial liabilities to the current financial statements) and therefore the Entity decided to pay for part of it with reserves from the years 2011 to 2019 and the rest will be allocated to other outgoings for \$43,108,475 (Note 3.7).

#### *Dollarization*

In the negotiation, the group of dubbing actors stated the need to receive a historic recognition of the debt contracted by the Entity and that in order to resolve the conflict it was crucial to update the debt to dollar value. This was presented to the Executive Committee and approved on May 8th, 2020 in the Act of Executive Committee No 160, with retroactive effect to December 31st, 2019.

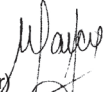
## **12. INTEREST PAYMENT**

In the economic and financial context of 2019, the association had a high return on the financial income derived from various investments that it carried out with the income from collection. Therefore it proposed to make a clearance that takes into account the financial results obtained during said year.

  
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In this sense it proposes to recognize the results generated exclusively for the collection of 2019, calculated from the moment of its monthly collection until payment.

It also states that for the annual calculation it shall take the financial year into account, from January to December and the rights collected in the last quarter will only be adjusted to the last mentioned month.

This calculation amounts to \$64,491,131 which will be paid pro rata among all the works broadcasted during the year that generated rights taking into account the month when those rights were collected. The debt to be paid for said concept is included in Note 3.5 in these financial statements.

### 13. DOLLARIZATION

Given the dilemma due to the devaluation of the Argentine peso and particularly taking into account the need to preserve the payment of rights, taking into account the time that elapses between clearance and actual payment, the Entity decided at an Executive Committee meeting to dollarize debts with regards to rights, this is stated in Acts No 144, 150 and 158 dated May 9th, 2019, October 24th, 2019 and March 12th, 2020. The balance due up till the date of these financial statements is \$514,680,905 (See Note 3.5).

### 14. GLOBAL HEALTH EMERGENCY

On March 11th, 2020, the WHO classified the outbreak of COVID-19 as a pandemic, due to the

rapid rise of exposure worldwide.


On March 19th, 2020, the National Government, due to the rapid worsening of the epidemiological situation worldwide, demanded the adoption of urgent measures to face the emergency. Therefore, through Emergency Decree 297/2020, all persons who live in the country or are in it temporarily must comply with "social, preventative and mandatory isolation". This has applied since March 20th, 2020 and has been extended through Emergency Decrees 325/2020, 355/2020, 408/2020, 459/2020, 493/2020, 520/2020, 576/2020 y 605/2020 until August 2nd, 2020 inclusive, and it can be extended according to the epidemiological situation.

The overall impact of the COVID-19 outbreak is still evolving as of the date of this financial statement. As such, it is as yet uncertain as to the total effect the pandemic will have over the financial, economic condition, liquidity and future results of the Society's operations.

The Executive Committee of the Society is actively monitoring the global situation and the impact over its economic, financial and liquidity variables. Given the daily changes the COVID-19 breakout imply and the global responses to halt its propagation, the Society cannot estimate the effects of the COVID-19 outbreak on the result of its operations, financial condition and liquidity for fiscal year 2020.

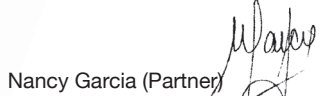
### 15. SUBSEQUENT FACTS

With the exception of what was mentioned in Note

  
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14., no other facts or circumstances that affect the present balances have occurred between December 31st, 2019 and the issuing date. no se han producido con posterioridad al 31 de diciembre de 2019 y hasta la fecha de emisión de los presentes estados contables, otros hechos o circunstancias que afecten a los mismos.



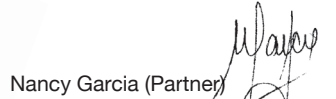
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## FIXED ASSETS - EXHIBIT I

To December 31st, 2019 set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)


CONCEPT	VALUES		
	At beginning of year	Additions	At the end of year
Properties	108.377.999	99.816.656	208.194.655
Furniture and Fixtures	10.694.346	251.743	10.946.089
Improvement of Properties	6.933.297	856.338	7.789.635
Films and DVDs	109.239	-	109.239
Library	292.638	-	292.638
Facilities	4.911.544	85.242	4.996.786
Computer systems	15.759.370	4.597.373	20.356.743
Computer equipment	52.237.896	2.179.430	54.417.326
Systems development	704.955	-	704.955
Total to 12/31/2019	<b>200.021.284</b>	<b>107.786.782</b>	<b>307.808.066</b>
Total to 12/31/2018	<b>193.628.994</b>	<b>6.392.290</b>	<b>200.021.284</b>

CONCEPT	DEPRECIATIONS			
	Accumulated at beginning of year	Annual rates	Expense and resource statement	Accumulated at the end of the year
Properties	12.502.685	2%	5.011.937	17.514.622
Furniture and Fixtures	8.596.330	10%-20%	1.308.825	9.905.155
Improvement of Properties	3.380.329	2%-10%	452.754	3.833.083
Films and DVDs	109.239	20%	-	109.239
Library	251.147	10%	28.249	279.396
Facilities	2.613.668	10%	455.214	3.068.882
Computer systems	12.731.948	20%	2.028.948	14.760.896
Computer equipment	44.196.723	20%	4.006.720	48.203.443
Systems development	704.955	20%	-	704.955
Total to 12/31/2019	<b>85.087.024</b>		<b>13.292.647</b>	<b>98.379.671</b>
Total to 12/31/2018	<b>74.664.065</b>		<b>10.422.959</b>	<b>85.087.024</b>

  
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## FIXED ASSETS - EXHIBIT I

To December 31st, 2019 set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)

CONCEPT	Net scrap value 12/31/2019	Net scrap value 12/31/2018
Properties	190.680.033	95.875.314
Furniture and Fixtures	1.040.934	2.098.016
Improvement of Properties	3.956.552	3.552.968
Films and DVDs	-	-
Library	13.242	41.491
Facilities	1.927.904	2.297.876
Computer systems	5.595.847	3.027.422
Computer equipment	6.213.883	8.041.173
Systems development	-	-
Total to 12/31/2019	<b>209.428.395</b>	
Total to 12/31/2018		<b>114.934.260</b>




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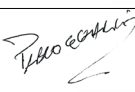
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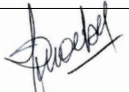
## TEMPORARY INVESTMENTS - EXHIBIT II

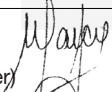
To December 31st, 2019 set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)

BANK	Status at year-end		Total to 12/31/2019 \$	Total to 12/31/2018
<b>Fixed term deposits in pesos</b>	Capital \$	Interests \$		
Banco Credicoop	58.194.433	1.227.647	59.422.080	111.568.093
<b>Total fixed term deposits in pesos</b>	<b>58.194.433</b>	<b>1.227.647</b>	<b>59.422.080</b>	<b>111.568.093</b>
	Amount VN	Stock market value \$		
<b>Mutual investment funds</b>				
FCI Allaria	4.245.434	7,339	31.155.648	-
Banco Credicoop	9.762.633	2,674	26.110.152	46.324.065
Banco Credicoop	308.666	1,201	370.683	1.401.690
Banco Credicoop	26.571	43,593	1.158.305	2.287.659
Banco Credicoop	594.862	1,918	1.140.706	-
Banco Credicoop	9.328.677	2,135	19.920.681	-
<b>Total mutual investment fund in pesos</b>	<b>24.266.843</b>		<b>79.856.175</b>	<b>50.013.414</b>
<b>Government securities</b>				
<i>Bonar 2024 - AY24</i>	5.305.813	29,950	158.909.099	81.846.529
<i>Bonar 2020 - AO20</i>	5.000.000	33,700	168.500.000	274.697.059
<i>ON YPF SA</i>	570.000	60,949	34.741.052	-
<i>Bono YPCUO</i>	-	-	-	33.575.345
<i>Bono US Treasury Bill 55407</i>	-	-	-	226.446.843
<i>Bono AY 24</i>	-	-	-	287.315.108
<i>LETES USD Vto. 03-29-2019</i>	-	-	-	67.547.654
<i>LETES USD Vto. 05-24-2019</i>	-	-	-	27.649.510
<i>LETE L2DE9</i>	-	-	-	923.173
<i>LETE L2DA9</i>	-	-	-	163.678
<i>LETE LTDL9</i>	-	-	-	80.478.652
<i>LETE LTDM9</i>	-	-	-	152.000
<i>LETE L2DY9</i>	-	-	-	60.412.023
<i>LETE LTDJ9</i>	-	-	-	29.184.780
<i>LETE L2DJ9</i>	-	-	-	197.038.881

  
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## TEMPORARY INVESTMENTS - EXHIBIT II


To December 31st, 2019 set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)

BANK	Status at year-end		Total to 12/31/2019 \$	Total to 12/31/2018
Government securities	Amount VN	Stock market value		
LETE 217 DAYS USD Mat. 10-17-20	525.300	35,110	18.443.103	-
LETE 217 DAYS USD Mat. 11-15-20	50.000	34,500	1.725.000	-
LETE 210 DAYS USD Mat. 10-11-19	2.549	33,000	84.117	-
LETE 210 DAYS USD Mat. 09-13-19	407.485	26,500	10.798.353	-
LETE 217 DAYS USD Mat. 11-29-19	3.809	28,651	109.132	-
LETE 217 DAYS USD Mat. 08-30-19	15.850	23,279	368.974	-
LETE 217 DAYS USD Mat. 02-28-20	1.463.576	50,000	73.178.800	-
LETE 217 DAYS USD Mat. 01-31-20	3.397.538	29,845	101.399.521	-
US Treasury Securities 0.000% 01-30-20	1.006.000	59,612	59.970.077	-
US Treasury Securities 0.000% 02-06-20	32.000	59,594	1.907.005	-
US Treasury Securities 0.000% 04-23-20	1.065.000	59,401	63.261.536	-
US Treasury Securities 0.000% 03-05-20	1.009.000	59,523	60.059.176	-
US Treasury Securities sec strapped int	99.000	59,085	5.849.387	-
US Treasury Securities 0.000% 02-13-20	1.007.000	59,577	59.993.625	-
US Treasury Securities 0.000% 05-21-20	1.305.000	59,331	77.426.519	-
US Treasury Securities ZCP V. 02-27-2020	174.000	59,253	10.309.967	-
US Treasury Securities ZCP Mat. 03-05-2020	213.000	59,524	12.678.561	-
US Treasury Securities ZCP Mat. 01-02-2020	8.400	59,683	501.336	-
US Treasury Securities ZCP Mat. 03-26-2020	35.000	59,469	2.081.399	-
US Treasury Securities STRIP 8.75% V.08-15-2020	245.000	59,019	14.459.678	-
Total Government Securities	22.940.320		936.755.417	1.367.431.235
TOTAL			1.076.033.672	1.529.012.742

  
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## FOREIGN CURRENCY ASSETS - EXHIBIT III

To December 31st, 2019 set out for comparative purposes

Expressed in pesos and uniform currency (Note 2.2.)

12/31/2019					
CONCEPT ASSET	Foreign Class	Currency Amount	Year end exchange rate		Amount in Argentine currency
CURRENT ASSETS					
Cash and cash equivalents (Note 3.1.)					
Cash	USD	4.842	58,000		280.836
Cash	EUR	25	65,700		1.643
Cash equivalents	USD	905.453	58,000		52.516.267
Cash equivalents	EUR	8.936	65,700		587.128
Short term investments	USD	-	-		-
Total caja y bancos en moneda extranjeras					53.385.874
Total Assets					53.385.874
LIABILITIES					
CURRENT LIABILITIES					
Payable actor performer rights (Note 3.5.)					
Payable actor performer rights		USD	1.529.596	63,00	96.364.542
Interest for the rights of actors performers		USD	8.169.538	63,00	514.680.905
Total rights payable in foreign currency					611.045.447

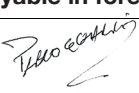
12/31/2018		
CONCEPT ASSET	Year end exchange rate	Amount in Argentine currency
CURRENT ASSETS		
Cash and cash equivalents (Note 3.1.)		
Cash	5.800	328.340
Cash	25	1.666
Cash equivalents	16.511	934.700
Cash equivalents	10.158	676.648
Short term investments	52.375	2.964.949
Total caja y bancos en moneda extranjeras		4.906.303
Total Assets		4.906.303
LIABILITIES		
CURRENT LIABILITIES		
Payable actor performer rights (Note 3.5.)		
Payable actor performer rights	-	-
Interest for the rights of actors performers	-	-
Total rights payable in foreign currency		-

USD = US dollars


EUR = Euros

USD = US dollars  
EUR = Euros

  
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## GENERAL RECURRENT EXPENDITURE - EXHIBIT IV

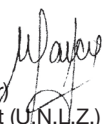
To December 31st, 2019 set out for comparative purposes  
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GENERAL-PURPOSE EXPENDITURE	12/31/2019	12/31/2018
<b>Administrative expenses</b>		
Remunerations and social security contributions	62.476.581	67.447.438
Communication	3.198.819	6.373.293
Employee benefits	5.551.702	6.191.879
Bank charges	8.187.625	5.659.369
Legal expenses	3.299.900	5.315.782
Professional fees	3.596.028	4.115.840
IT maintenance	1.728.232	3.107.035
Other administrative expenses	696.584	2.757.087
Services	2.451.841	2.523.367
Legal costs	825.557	1.816.628
Stationery and printing costs	841.229	1.469.641
Payout expenses	2.405.305	1.281.864
Communications, postal and courier expenses	2.410.368	1.043.696
Audiovisual projects	898.545	785.316
Pharmacy benefit	867.230	798.878
Training	371.193	576.002
Certifications	121.260	429.905
Safety and security	714.253	179.830
<b>Total administrative expenses</b>	<b>100.642.252</b>	<b>111.872.850</b>
<b>Institutional costs</b>		
Reimbursement of expenses according to Statute Art. N° 42	13.594.029	14.012.764
Institutional costs	7.794.442	10.226.715
Representation costs	1.784.829	1.605.200
<b>Total institutional costs</b>	<b>23.173.300</b>	<b>25.844.679</b>
<b>Total expenses for general purposes</b>	<b>123.815.552</b>	<b>137.717.529</b>

  
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## CONTINGENCIES - EXHIBIT V

To December 31st, 2019 set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)

CONCEPT	Balance at the beginning	Variation generated by Gain/loss on purchasing power parity (RECPAM)	Increases	Recovery	Application	Balance at year-end
<b>Included in liabilities</b>						
Provision for court proceedings and contingen	-	-	a) 22.836.020	-	-	22.836.020
Balances to 12/31/2019	-	-	22.836.020	-	-	22.836.020
Balances to 12/31/2018	2.679.853	396.631	-	(108.732)	(2.967.752)	-

(a) The increase appears in Note 3.7 Other income and expenses

## REPORT OF THE REVIEW BODY

Members of  
Sociedad Argentina de Gestión de Actores Intérpretes Asociación Civil  
SAGAI

As members of SAGAI's Review Body, we are writing to you to report on the analysis we carried out with regards to the Annual Report and Accounts corresponding to the year ending December 31st, 2019.

We have examined:

1. The Net Worth Statement (Balance Sheet) for the year ended on December 31st, 2019, expressed in pesos.
2. The Statement of Resources and Expenditure for the year ended on December 31st, 2019, expressed in pesos.
3. The Statement of Changes in Net Worth for the year ended on December 31st, 2019, expressed in pesos.
4. The Cash Flow Statement for the year ended on December 31st, 2019, expressed in pesos.
5. The notes and annexes that are an integral part of the statements.
6. The Annual Report for the year ended on December 31st, 2019, expressed in pesos.

Our evaluation was based on the audit carried out by external auditors BDO – BECHER Y ASOCIADOS S.R.L. on the Financial Statements, according to the report dated July 21st, 2020 and the Honorable Governing Board in the sessions corresponding to their approval.

The conclusion of the analysis is such that we approve the aforementioned documentation.  
Autonomous City of Buenos Aires, July 21st, 2020.

  
Guido D'Albo  
SUPERVISOR

  
Ana Doval  
SUPERVISOR

  
Carlos Kaspar  
SUPERVISOR

# Foundation Balance

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BASIC FINANCIAL STATEMENTS

Net Worth Statement (Balance Sheet)

Statement of Resources and Expenditure

Statement of Changes in Net Worth

Cash Flow Statement

.....

COMPLEMENTARY INFORMATION

Notes to Balance Sheets

Annex "I" Fixed assets

Annex "II" General recurrent expenditures

Annex "III" Specific recurrent expenditures

## PAYROLL OF THE MANAGEMENT BOARD

Elected by the Board on July 9th, 2018:

### MANAGEMENT BOARD:

President	JORGE MARRALE
Secretary	OSVALDO SANTORO
Treasurer	PABLO ECHARRI
Voting Members	MARTIN SEEFELD
	MARIANO BERTOLINI

The duration of terms of office shall be 4 years, in other words, until the meeting that deals with financial statements for the year ended December 31st, 2022.



# INDEPENDENT AUDIT REPORT ON THE FINANCIAL STATEMENTS

Messrs.

President and members of the Management Board of

**SAGAI FOUNDATION**

C.U.I.T. 30-71134319-5

Legal address: M.T. de Alvear 1490

Autonomous City of Buenos Aires

## Report on financial statements

We have audited SAGAI FOUNDATION's attached financial statements, which include the net worth statement (Balance Sheet) to December 31st, 2019, the statement of resources and expenditures, the statement of changes in net worth and the cash flow statement for the financial year ending on said date, as well as a summary of significant accounting policies and other explanatory information included in notes 1 to 9 and annexes I to III.

Figures and other pertinent information to the financial year ended on December 31st, 2018, over which we have issued a unmodified opinion, are an integral part of the financial statements aforementioned and are presented so that they are interpreted exclusively with regards to the figures and the information for the current financial year.

## Responsibility of the Board with regards to financial statements

The Foundation Board is responsible for preparing and presenting the attached financial statements according to Argentina's professional accounting standards and the internal control that the board deems necessary in order to allow the preparation of financial statements free from material

misstatement.

## Responsibility of the auditor

We are responsible for expressing an opinion about the attached financial statements based on our audit. We have carried out our conformity assessment with the auditing standards established in Technical Resolution No 37 of the Argentine Federation of Professional Councils of Economic Sciences. Said standards require us to comply with ethical requirements and to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures intended to gather evidence regarding the figures and the information provided in the financial statements. Selected auditing procedures depend on the professional judgement of the auditor, including the evaluation of risks of material misstatement on the financial statements. In making those risk assessments, the auditor considers the internal control relevant to the entity's preparation and presentation of the financial statements in order to design auditing procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes assessing the accounting policies used and a

reasonableness of accounting estimates made by the entity's board, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the attached financial statements present the financial situation of SAGAI FOUNDATION as of December 31st, 2019, as well as its results, the changes in net worth and the cash flow corresponding to the financial year ending on that date, fairly in all material respects, according to Argentine professional accounting standards.

### Párrafo de énfasis

Without modifying our opinion, we wish to emphasize the information contained in Note 8 of the financial statements, where it is stated that on January 30th, 2020, the World Health Organization ("WHO") announced a global health emergency due to a new strain of the coronavirus that originated in Wuhan, China ("COVID-19").

Given the daily developments of the COVID-19 outbreak and the global responses to stop its propagation, the Foundation cannot assess the effects the COVID-19 outbreak may have on the result of operations, financial condition and liquidity for fiscal year 2020. Therefore, the effects and final resolutions cannot be accurately estimated on the date of the current Financial Statements.

### Report about other legal and statutory requirements

a) In accordance to point 5.5.7 of Res. C236/88 of C.P.C.E.C.A.B.A., we report that the balances

mentioned in 1. stem from accounting records kept in all formal respects according to current legal provisions, pending transcription to date.

b) Based on the entity's accounting records, the accrued liability to December 31st, 2019, in favor of the Argentine Integrated Social Security System as social security dues and contributions amounted to \$407,462 and was not enforceable to that date.

c) We have implemented the procedures on prevention of laundering of criminal assets and financing of terrorism laid out in Resolution No 420/11 of the Argentine Federation of Professional Councils of Economic Sciences.

Autonomous City of Buenos Aires, July 21st, 2020.

**BECHER Y ASOCIADOS S.R.L.**

C.P.C.E.C.A.B.A. T° I - F° 21



Nancy Garcia (Partner)

Chartered Accountant (U.N.L.Z.)

C.P.C.E.C.A.B.A. - T° 256 - F° 178

## FINANCIAL STATEMENTS TO DECEMBER 31st, 2019

For financial year N° 10,  
initiated on January 1st, 2019 and ended on December 31st, 2019,  
set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)

Name

SAGAI Foundation

Legal address

Marcelo T. de Alvear 1490  
Autonomous City of Buenos Aires

Main activity

Development of social, welfare and promotional activities  
for performing artists of audiovisual media, actors,  
dancers and voice artists.

Registered in the Trade Registry

**Of the Statute:** July 21st, 2009

**Last modification:** July 26th, 2010

File Directorate of Legal Entities

Resolution IGJ N° 0001227/2010

Approval date General Inspectorate of  
Justice

November 11th, 2010

Statute expiry date

Foundation established for an indefinite period

## NET WORTH STATEMENT (BALANCE SHEET)


To December 31st, 2019  
set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)


	12/31/2019	12/31/2018
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents (Note 3.1.)	3.911.706	2.280.835
Other assets (Note 3.2)	563.174	179.587
<b>Total current assets</b>	<b>4.474.880</b>	<b>2.460.422</b>
<b>NON-CURRENT ASSETS</b>		
Other assets (Note 3.2)	465.582	109.070
Fixed assets (Annex I)	7.125.447	9.834.541
<b>Total non-current assets</b>	<b>7.591.029</b>	<b>9.943.611</b>
<b>Total assets</b>	<b>12.065.909</b>	<b>12.404.033</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Debts (Note 3.3.)	8.235.726	6.692.663
<b>Total current liabilities and liabilities</b>	<b>8.235.726</b>	<b>6.692.663</b>
<b>NET WORTH</b> (according to the statement)	<b>3.830.183</b>	<b>5.711.370</b>
<b>Total liabilities and net worth</b>	<b>12.065.909</b>	<b>12.404.033</b>

*Notes 1 to 9 and Annexes I to III form an integral part of the financial statement.*

  
Jorge Marrale  
PRESIDENT

  
Osvaldo Santoro  
SECRETARY

  
Pablo Echarri  
TREASURER

  
Nancy Garcia (Partner)  
Chartered Accountant (U.N.L.Z.)  
C.P.C.E.C.A.B.A. - T° 256 - F° 178

**BECHER Y ASOCIADOS SRL**  
C.P.C.E.C.A.B.A. - T° I - F° 21

*Signed for the purposes of identification  
with our report dated July 21st, 2020*


## STATEMENT OF RESOURCES AND EXPENDITURES


To December 31st, 2019  
set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)

	12/31/2019	12/31/2018
<b>REGULAR RESOURCES</b>		
For general purposes (Note 2.4.d.1. and 2. and Note 5.)	49.981.004	56.224.731
For specific purposes (Note 2.4.d.2. and Note 5.)	-	94.944
<b>Total regular resources</b>	<b>49.981.004</b>	<b>56.319.675</b>
<b>RECURRING EXPENDITURES</b>		
For general purposes (Annex II)	(23.051.030)	(23.523.622)
For specific purposes (Annex III)	(32.825.811)	(42.817.254)
Depreciation on fixed assets (Annex I)	(2.992.872)	(4.637.505)
<b>Total recurring expenditures</b>	<b>(58.869.713)</b>	<b>(70.978.381)</b>
Financial and holding results inc. gain/loss on purchasing power parity (RECPAM)	7.007.522	(173.568)
	<b>7.007.522</b>	<b>(173.568)</b>
<b>DEFICIT FOR THE FISCAL YEAR</b>	<b>(1.881.187)</b>	<b>(14.832.274)</b>
Notes 1 to 9 and Annexes I to III form an integral part of the financial statement.		

  
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PRESIDENT

  
Osvaldo Santoro  
SECRETARY

  
Pablo Echarri  
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Nancy Garcia (Partner)  
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with our report dated July 21st, 2020*

## STATEMENT OF CHANGES IN NET WORTH

To December 31st, 2019  
set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)


CONCEPT	MEMBERSHIP FEES			UNASSIGNED SURPLUS	OVERALL NET WORTH TO 12/31/2019	OVERALL NET WORTH TO 12/31/2018
	SOCIAL CAPITAL	CAPITAL ADJUSTMENT	/ TOTAL			
Balance at beginning of the year	12.000	97.117	109.117	5.602.253	5.711.370	20.543.644
Deficit for the financial year	-	-	-	(1.881.187)	(1.881.187)	(14.832.274)
<b>Balance at the close of financial year</b>	<b>12.000</b>	<b>97.117</b>	<b>109.117</b>	<b>3.721.066</b>	<b>3.830.183</b>	<b>5.711.370</b>

Notes 1 to 9 and Annexes I to III form an integral part of the financial statement.

  
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## CASH FLOW STATEMENT


To December 31st, 2019  
set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)

	12/31/2019	12/31/2018
<b>CASH VARIATIONS</b>		
Cash at beginning of year	2.280.835	3.775.136
Effect of the gain/loss on purchasing power parity (RECPAM) of cash at beginning of the period	(798.159)	(1.218.246)
Cash at year-end (Note 2.5.)	3.911.706	2.280.835
Net increase/(reduction) in cash	<b>2.429.030</b>	<b>(276.055)</b>
<b>CAUSAS DE LAS VARIACIONES DEL EFECTIVO</b>		
<b>OPERATING ACTIVITIES</b>		
Subsidies received	-	94.945
Fixed term deposit interest	3.987.756	-
Transfers received from SAGAI (Note 2.4.d.1.)	39.313.044	51.662.180
Payments to suppliers	(26.353.322)	(26.093.653)
Payment of remunerations and social security contributions	(4.428.676)	(9.257.126)
Subsidies granted	(4.486.485)	(3.864.058)
Payments for subsidy to career path	(4.740.000)	(10.160.630)
Expenses and bank charges	(579.509)	(859.888)
Net cash flow generated by operating activities	<b>2.712.808</b>	<b>1.521.770</b>
<b>INVESTMENT ACTIVITIES</b>		
Purchase of fixed assets (Annex I)	(283.778)	(1.797.825)
Net cash flow used in investment activities	(283.778)	(1.797.825)
Net increase/(reduction) in cash	<b>2.429.030</b>	<b>(276.055)</b>

Notes 1 to 9 and Annexes I to III form an integral part of the financial statement.

  
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## NOTES TO THE FINANCIAL STATEMENTS

To December 31st, 2019 set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)

### 1. MAIN ACTIVITY OF THE FOUNDATION

On May 11th, 2009, SAGAI, (Argentine Society for Management of Actors Performers Civil Association) created Fundación SAGAI Foundation to offer non-profit cultural and social services to benefit actors and performers whose performances have been used in audiovisual format, among them voice artists and dancers, as well as other performers assimilated to these and included in the Intellectual Property Right Act 11.723, Decree 746/73.

### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The most relevant accounting standards applied by the Foundation in the financial statements corresponding to the reporting period are as follows:

#### 2.1. Applicable professional accounting standards and use of estimates

These financial statements have been prepared according to the regulations of the General Inspectorate of Justice and existing professional accounting standards in the Autonomous City of Buenos Aires, Argentina.

The preparation of financial statements, according to said standards, requires the consideration of the Management Board and the Foundation's Management of estimates and assumptions that

impact on the reported assets and liabilities balance, the disclosure of contingent assets and liabilities at the date of said statements, as well as the amounts of income and expenditure for each of the financial years. The final results and actual amounts may differ from these estimates.

#### 2.2. Unit of measure

These financial statements have been prepared according to the General Law of Corporations N° 19.550, the regulations of the General Inspectorate of Justice and existing professional accounting standards in the Autonomous City of Buenos Aires, Argentina.


The preparation of financial statements, according to said standards, requires the consideration of the Board of Directors of the Foundation, of estimates and assumptions that impact on the reported assets and liabilities balance, the disclosure of contingent assets and liabilities at the date of said statements, as well as the amounts of income and expenditure for each of the financial years. The future results may differ from the estimates made at the preparation date of these financial statements.

These financial statements have been presented in uniform currency, in accordance to the guidelines stated in section 3.1 of the RT N° 17 of the F.A.C.P.C.E., modified by RT N° 39 of the F.A.C.P.C.E., whereby Res. JG 287/03 of the F.A.C.P.C.E. was repealed.

  
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PRESIDENT

  
Osvaldo Santoro  
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en el IPIM alcance o sobrepase el 100% en un período de tres años.

The N°8 Interpretation of FACPCE states that the quantitative guideline contained in RT N° 17, modified by RT N° 39, is a necessary and sufficient condition to apply the adjustment for inflation to financial statements. The quantitative guideline implies that the cumulative variation in the IPIM (Wholesale Domestic Price Index) reaches or exceeds 100% in a three year period.

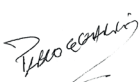
RT N° 39 of the FACPCE and Interpretation N° 8 were approved by the C.P.C.E.C.A.B.A. through Resolution N° 20/2014 and Resolution N°115/2014, respectively.

Due to the fact that the Argentine economy has suffered a rise in the levels of inflation in the first few months of 2018, a consensus has been reached that the conditions are so that Argentina will have an inflationary context as from July 1st, 2018, given the parameters set out by RT39.

Resolution CD 107/18 of C.P.C.E.C.A.B.A. established the need to restate in constant currency the financial statements corresponding to years that ended from July 1st, 2018 , according to Resolution JG FACPCE 539/18 that approved the general and specific rules to be taken into account for restatement of financial statements in constant currency according to adjustment mechanisms provided in RT 6 "Financial statements in uniform currency". RG 10/2018 from the IGJ, published on December 28th, 2018 substituted article 312 of RG 7/2015 establishing that financial statements must be presented to that authority expressed in uniform currency.

  
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PRESIDENT

  
Osvaldo Santoro  
SECRETARY

  
Pablo Echarri  
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When RT 39 is applied for the first time, monetary restatement of accounting information (non-monetary assets and liabilities, components of equity, and income and expenditure) must be applied retroactively as if the economy had always been hyperinflationary. Moreover, the figures corresponding to previous fiscal years or periods that are presented for comparison must be restated, without this fact modifying decisions made on the basis of the financial information corresponding to the aforementioned years.

According to Resolution N° 539/18 of the F.A.C.P.C.E. Governing Board dated September 29th, 2018, the restatement of accounting information will be carried out using coefficients derived from a series of indexes which will result of combining the IPC (Consumer Price Index) published by INDEC (National Statistics and Census Institute) with base month December 2016 = 100, with the IPIM (Wholesale Domestic Price Index) published by INDEC for previous periods.

The Foundation determines and sets out the financial and holding results (including the gain/loss on purchasing power parity – RECPAM) in one single line, as set out in RT 6.

### 2.3. Disclosure Standards

Financial statements are disclosed according to Technical Resolutions N° 6, 8, 11, 21, 25 and 40 of the Argentine Federation of Professional Councils of Economic Sciences (F.A.C.P.C.E.), approved by Resolution N° 93/05 of the Professional Council of Economic Sciences of the Autonomous City of Buenos Aires (C.P.C.E.C.A.B.A.).

## 2.4. Valuation criteria

The main accounting metrics used for the preparation of the financial statements were as follows:

### *a) Cash and cash equivalents, account receivables and liabilities*

They are valued at denominational value, considering the accrued interest to the end of year, if any.

### *b) Fixed assets (Annex I)*

Fixed assets have been valued at their purchase price restated in uniform currency according to guidelines set out in Note 2.2., less the corresponding accrued depreciation. The depreciation of said assets is calculated by the straight-line method, applying annual rates sufficient to extinguish their values at the end of the estimated life.

### *c) Improvements on third parties properties:*

In the financial year 2015 a rental contract was signed on the property located at Marcelo T. de Alvear 1978, Autonomous City of Buenos Aires, to accommodate the new head office of the Foundation. The Foundation carried out works on said property to refurbish it for its use during the year.

No asset or homogenous group of assets to December 31st, 2019 exceeds its recoverable value according to what is stated in point 4.4 of Technical Resolution No 17.

### *d) Regular resources for general and specific purposes*

The Foundation was created to attend to the needs and incidentals for actors, actresses and dancers who may require them for their health as well as in the course of their family life, their education and their work.


Its resources are composed of, among others, the following concepts:


2.4.d.1. The donation or initial contribution of the Argentine Society for Management of Actors Performers Civil Association - SAGAI (The Founder) and any successive contributions and donations that the "Founder" makes.

On April 10th, 2013 at the "Founder" Board Meeting No 65, it was stated that the amount destined to SAGAI Foundation's social fund (which cannot exceed 20% of its annual collection) is to be paid by the Society's administration fee. Subsequently, on February 22nd, 2015, according to the Minutes of Board Meeting No 92 (SAGAI) it was stated that the aforementioned fund may be integrated with 8% of SAGAI's collection and that the transfer of funds to SAGAI Foundation be done according to the Foundation's funding needs. For the year 2019 said situation was ratified by Minutes dated May 2nd, 2019 (SAGAI).

  
Jorge Marralle  
PRESIDENT

  
Osvaldo Santoro  
SECRETARY

  
Pablo Echarri  
TREASURER

  
Nancy Garcia (Partner)  
Chartered Accountant (U.N.L.Z.)  
C.P.C.E.C.A.B.A. - T° 256 - F° 178

**BECHER Y ASOCIADOS SRL**  
C.P.C.E.C.A.B.A. - T° I - F° 21  
*Signed for the purposes of identification  
with our report dated July 21st, 2020*

Below is the take-up of transfers receivable from the “Founder” to December 31st, 2019:

Opening balance (Note 3.2.)	931.024
Elimination of gain/loss on purchasing power parity (RECPAM) effect on opening balance	(325.804)
Commitment of transfers for the year	(40.419.470)
Transfer received from SAGAI	39.313.044
Balance to December 31st, 2019 (Note 3.3)	<b>(501.206)</b>

2.4.d.2. Funds that are received as a bequest, inheritance or gift from collaborating entities.

2.4.d.3. Yields, income, products and gains from the assets and rights that comprise its estate.

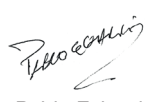
## 2.5. Additional Information about Cash Flow

Cash and cash equivalents from Cash Flow comprise the cash and cash equivalent balances, as shown in the table below:

	12/31/2019	12/31/2018
Cash	27.321	34.080
Cash equivalents	3.884.385	2.246.755
	<b>3.911.706</b>	<b>2.280.835</b>

  
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PRESIDENT

  
Osvaldo Santoro  
SECRETARY

  
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### 3. COMPOSITION AND CHANGES OF THE MAIN ITEMS

	12/31/2019	12/31/2018
<b>3.1. Cash and cash equivalents</b>		
<i>Cash</i>	27.321	34.080
<i>Bank current accounts</i>	3.884.385	2.246.755
	<b>3.911.706</b>	<b>2.280.835</b>
<b>3.2. Account receivables</b>		
<i>Current</i>		
Receivable transfers SAGAI (Note 2.4.d.1.)	501.206	-
Payable expenses	24.700	12.499
Salary advances	-	43.544
Miscellaneous	37.268	123.544
	<b>563.174</b>	<b>179.587</b>
<i>Non-current</i>		
Escrow	<b>465.582</b>	<b>109.070</b>
<b>3.3. Liabilities</b>		
<i>Current</i>		
Accounts payable:		
Suppliers	223.351	2935.275
Postdated issued checks	30.000	46.150
Allowance for expenses	633.459	803.087
Subsidies payable	5.369.113	2.541.644
Salaries and social security contributions:		
Salaries payable	618.609	-
Social security contributions and unions payable	555.775	488.084
SAC provision, vacation and their social security contributions	581.099	546.736
Provision bonus and its social security contributions	224.320	400.663
Others:	-	931.024
Transfers to be made SAGAI (Note 2.4.d.1.)	<b>8.235.726</b>	<b>6.692.663</b>

  
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SECRETARY

  
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#### 4. COMPOSITION OF FINANCIAL ASSETS, RECEIVABLES AND LIABILITIES

The table below sets out the financial assets, receivables and liabilities from the estimated collection or payment timelines indicating whether they accrue interest or are interest-free.

a) Opening by estimated timeline for incoming/outgoing payment:

	Current assets	Non-current assets	Current liabilities
Expired	24.700	-	30.000
Due			
up to 3 months	37.268	-	8.205.726
over 1 year	-	465.582	-
<b>TOTAL</b>	<b>563.174</b>	<b>465.582</b>	<b>8.235.726</b>

b) Information regarding interest accrual:

	Current assets	Non-current assets	Current liabilities
Interest-free	563.174	465.582	8.235.726
<b>TOTAL</b>	<b>563.174</b>	<b>465.582</b>	<b>8.235.726</b>


#### 5. TRANSFERS, DONATIONS AND SIGNED AGREEMENTS


Below, we detail donations and agreements signed on the financial year:

Organization	Total credited to 12/31/2019	Adjusted for inflation	Balances adjusted to 12/31/2019
SAGAI - (Argentine Society for Management of Actors Performers Civil Association)	40.419.470	9.561.534	49.981.004
Subtotal SAGAI Transfers and Donations			49.981.004
<b>Total Regular resources</b>			<b>49.981.004</b>

  
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## 6. ONGOING LEASE CONTRACTS

In compliance with requirement 4.7 of Technical Resolution No 18 of the F.A.C.P.C.E., it is reported: that the lease contract of the new headquarters situated at Marcelo T. De Alvear 1978, Autonomous City of Buenos Aires, is valid for 60 months from July 1st, 2015 to July 1st 2020:

a) Ongoing contracts do not foresee contingent charges.

b) The breakdown of minimum rental payments by maturity date is the following:

First semester 2020:	\$159.342.- per month.
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c) There are no charges to income for contingent payments on years 2019 and 2018.

## 7. PURCHASE OF PROPERTY FOR SAGAI FOUNDATION

During the current accounting year, the Argentine Society for Management of Actors Performers Civil Association (SAGAI) has purchased a property situated at 25 de mayo No 586, Autonomous City of Buenos Aires, to be used by SAGAI Foundation. The decision was approved at a General Assembly of Members on December 9th, 2019. It was decided due to the need to have a space fit for the expansion the Foundation has had in recent times.

## 8. GLOBAL HEALTH EMERGENCY


On March 11th, 2020, the WHO classified the outbreak of COVID-19 as a pandemic, due to the rapid rise of exposure worldwide.

On March 19th, 2020, the National Government, due to the rapid worsening of the epidemiological situation worldwide, demanded the adoption of urgent measures to face the emergency. Therefore, through Emergency Decree 297/2020, all persons who live in the country or are in it temporarily must comply with "social, preventative and mandatory isolation". This applied since March 20th, 2020 and has been extended through Emergency Decrees 325/2020, 355/2020, 408/2020, 459/2020, 493/2020, 520/2020, 576/2020 y 605/2020 until August 2nd, 2020 inclusive, and it can be extended according to the epidemiological situation.

  
Jorge Marrale  
PRESIDENT

  
Osvaldo Santoro  
SECRETARY

  
Pablo Echarri  
TREASURER

  
Nancy Garcia (Partner)  
Chartered Accountant (U.N.L.Z.)  
C.P.C.E.C.A.B.A. - T° 256 - F° 178

**BECHER Y ASOCIADOS SRL**  
C.P.C.E.C.A.B.A. - T° I - F° 21  
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The overall impact of the COVID-19 outbreak is still evolving at as of the date of this financial statement. As such, it is as yet uncertain as to the total effect the pandemic will have over the financial, economic condition, liquidity and future results of the Foundation's operations.

The Board of the Foundation is actively monitoring the global situation and the impact over its economic, financial and liquidity variables. Given the daily changes the COVID-19 breakout imply and the global responses to halt its propagation, the Foundation cannot estimate the effects of the COVID-19 outbreak on the result of its operations, financial condition and liquidity for fiscal year 2020.

## 9. SUBSEQUENT FACTS


With the exception of what was mentioned in Note 8., no other facts or circumstances that affect the present balances have occurred between December 31st, 2019 and the issuing date.




Jorge Marrale  
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Osvaldo Santoro  
SECRETARY



Pablo Echarri  
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## FIXED ASSETS - EXHIBIT I

To December 31st, 2019 set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)

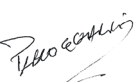
CONCEPT	VALUES		
	At beginning of year	Additions	At the end of year
Facilities	3.616.667	-	3.616.667
Computer equipment	2.953.285	236.790	3.190.075
Furniture and fixtures	5.594.075	46.988	5.641.063
Improvements to third party properties	11.945.987	-	11.945.987
<b>Total to 12/31/2019</b>	<b>24.110.014</b>	<b>283.778</b>	<b>24.393.792</b>
Total to 12/31/2018	22.312.189	1.797.825	24.110.014


CONCEPT	DEPRECIATIONS			
	Accumulated at beginning of year	Annual rate	Of the year: Expense and resource statement	Accumulated at the end of the year
Facilities	998.570	10%	361.667	1.360.237
Computer equipment	2.085.460	20%	545.178	2.630.638
Furniture and fixtures	2.506.462	10%	605.150	3.111.612
Improvements to third party properties	8.684.981	10%	1.480.877	10.165.858
<b>Total to 12/31/2019</b>	<b>14.275.473</b>		<b>2.992.872</b>	<b>17.268.345</b>
Total to 12/31/2018	9.637.968		4.637.505	14.275.473

CONCEPT	Net scrap value 31/12/2019	Net scrap value 31/12/2018
Facilities	2.256.430	2.618.097
Computer equipment	559.437	867.825
Furniture and fixtures	2.529.451	3.087.613
Improvements to third party properties	1.780.129	3.261.006
<b>Total to 12/31/2019</b>	<b>7.125.447</b>	
Total to 12/31/2018		9.834.541

  
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## GENERAL RECURRENT EXPENDITURE - EXHIBIT II


To December 31st, 2019 set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)

GENERAL-PURPOSE EXPENDITURE	12/31/2019	12/31/2018
<b>Administrative expenses</b>		
Taxes, fees and social contributions	1.116.643	1.096.410
Technical support	1.035.537	891.148
Human resources expenses	612.676	298.259
Legal expenses	90.744	209.112
Postal and communication expenses	50.136	203.599
Stationery and printing costs	327.957	455.416
Insurance	35.461	190.114
Bank charges	716.596	859.888
Rentals	2.355.519	2.785.223
Miscellaneous expenses	1.429.316	1.330.160
Professional fees	2.103.497	2.675.961
Remunerations and social security contributions	13.176.948	12.528.332
<b>Overall administrative expenditure</b>	<b>23.051.030</b>	<b>23.523.622</b>
<b>Overall general-purpose expenditure</b>	<b>23.051.030</b>	<b>23.523.622</b>

  
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## GENERAL SPECIFIC EXPENDITURE - EXHIBIT III


To December 31st, 2019 set out for comparative purposes  
Expressed in pesos and uniform currency (Note 2.2.)

EXPENSES FOR SPECIFIC PURPOSES	12/31/2019	12/31/2018
<b>Social sector expenses</b>		
Miscellaneous expenses	1.056.418	459.313
Recognition of the Career	8.754.826	13.434.631
Awards	2.305.809	-
Federal Foundation	-	1.463.751
Socio-preventative activities	739.486	1.563.702
Subsidies for members	6.892.425	5.747.902
Research and development	1.418.705	101.691
Institutional relations	154.483	-
Special activities	700.827	-
<b>Overall expenses social sector</b>	<b>22.022.979</b>	<b>22.770.990</b>
<b>Expenditure communication area</b>		
Advertising	450.899	3.405.269
<b>Overall expenses communication sector</b>	<b>450.899</b>	<b>3.405.269</b>
<b>Expenditure cultural area</b>		
Development costs	-	327.955
Sponsorship	335.455	496.114
Communication	2.578.782	1.169.728
Theatre	1.401.914	1.986.239
Cultural promotion	15.989	22.653
Radio storytelling	454.161	643.458
Workshops	4.811.668	6.926.053
Remunerations and social security contributions	753.964	5.068.795
<b>Overall expenses culture sector</b>	<b>10.351.933</b>	<b>16.640.995</b>
<b>Overall expenses for specific purposes</b>	<b>32.825.811</b>	<b>42.817.254</b>

  
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# Yearbook

SAGAI 2019

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## **ADMINISTRATIVE OFFICE**

Marcelo T. de Alvear 1490 (C1060AAB)  
City of Buenos Aires, Argentina

## **FOUNDATION AND MEMBERS ASSISTANCE**

Marcelo T. de Alvear 1978 (C1122AAD)  
City of Buenos Aires, Argentina

**SAGAI.ORG**

+ 54 (11) 5219 0632

[info@sagai.org](mailto:info@sagai.org)

