



accounts

NOVABASE

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REPORT AND ACCOUNTS - 1ST HALF 2020

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II - Consolidated Financial Statements

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Privileged Information

NEXT-GEN
IT SERVICES
COMPANY

NOVABASE

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6M20 Outlook



CEO

Message from João Nuno Bento

"These last 6 Months were crucial for Novabase.

We have closed two important divestments and acquired the remaining shares of Celfocus, the Core Asset in our Next-Gen Strategy.

Whilst we were busy putting all these pieces together, the Covid-19 raised the challenge level, forcing us to adapt overnight and operate in new and uncharted territory.

Adding up the operational performance, the 6M20 execution was indeed a great leap towards achieving our strategic objectives:

- *We can now go full speed towards integrating our two Next-Gen verticals.*
- *Our Nearshore Agile Delivery Model proved fit for the new WFH context.*
- *Both our divisions delivered strong growth and sound margins under very challenging circumstances.*

There is still significant effort and investment to deliver on our transformation roadmap, but the most critical hurdles are now behind us.

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Getting to the numbers:

- *Turnover increased 14% YoY, with Next-Gen growing 12% YoY;*
- *86% of Next-Gen Revenues came from 18 Top Tier Clients (83% and 14 in 6M19);*
- *EBITDA% @8.6% with Next-Gen @6.6%;*
- *Solid Net Cash position of 50.7 M€;*
- *Net Profit of 4.8 M€ (0.16€ per sh.);*
- *NBA share price increased 21% since the beginning of the year.*

Although Covid-19 did not impact significantly our performance in the 6M20, we remain cautious about new challenges to acquire clients under the current travel restrictions. This may influence our growth prospects in 2021. As of today, we cannot precise the potential impacts.

Also, the M&A initiatives we are pursuing will probably suffer delays due to the present volatility in the market.

Nevertheless, we will keep on working towards our strategic targets, and we are convinced our company will come out much stronger from this crisis.

Thank You All for your support!"

6M20 in Review

Relevant acquisition initiative to grow Next-Gen completed

Next-Gen strengthened with the acquisition of Vodafone Portugal's equity stake in **Celfocus** for an initial price of 20 M€, subject to adjustments.

Full ownership of **Celfocus** is key to Novabase's strategy of becoming an "Next-Gen IT Services Company", enabling the Group to allocate resources and explore synergies in a more efficient way.

**Next-Gen:
Strategy
2019+
Execution**

**Value
Portfolio:
Strategy
2019+
Execution**

**Press
Zone**

Generating value to fund Next-Gen strategy

Novabase continues to successfully **deliver on its strategy**, with the **sales of Collab and GTE Business** ⁽¹⁾, which combined represent a **divestment of over 60%** of its **Value Portfolio** segment revenue ⁽²⁾:

- **Sale of Novabase's equity stake in Collab** to the swedish Netadmin System I Sverige AB, for a 2019 Price to Sales multiple of 0.92x, subject to adjustments;
- **Adjustment to consideration on the sale of GTE Business**, raising the 2019 Price to Sales multiple of this transaction to 1.01x still subject to final adjustments.

Novabase on the News

- March, 11 || **Novabase re-entered PSI20** as of March, 23.
- April, 23 || **Novabase's Board of Directors Chairman met with the President of Portugal**, to discuss the impact of the current pandemic situation and prospects on IT sector.
- July, 6 ⁽³⁾ || Euronext Lisbon CEO congratulate **Novabase** for its **20 years of stock market**, marked by adherence to good practices, resilience and ability to reinvent itself.
- July, 9 ⁽³⁾ || **Novabase was awarded as the most innovative company in people management** by the Human Resources Portugal Magazine, for the 2nd year in a row.

(1) Accounted in FY19.

(2) Baseline FY18 (previous to Strategic Update 2019+).

(3) Subsequent event to 6M20.

Relevant Information



Acquisition of Celfocus equity stake

Novabase buys Vodafone Portugal's equity stake in Celfocus

- On April 24, 2020, Novabase has entered into a **sale and purchase agreement with Vodafone Portugal, S.A.** ("Vodafone") **to buy** the shares representing **Vodafone's equity stake in Celfocus, S.A.** (45.001%).
- The **agreed purchase price** for Vodafone's entire shareholding was **20 M€**, fully paid on April, 30.
- There **may be an additional price adjustment of 7.5 M€, to be paid for in services**, which could raise the final purchase price to a maximum of 27.5 M€, **as a result of possible annual adjustments until 2023** related to service hiring guarantees of 10 M€ per year for three years given by Vodafone.
- Due to the **importance of this transaction for the execution of the strategy** and given Novabase's financial robustness, the Board of Directors approved the acquisition, despite the current context of uncertainty. This transaction does not require any significant guidance reframing regarding the Strategic Update 2019+.
- Celfocus employed over 650 employees. In 2019, it had a Turnover of 65 M€, EBITDA of 6.3 M€ and cash holdings of 16.1 M€.
- Prior to this transaction, Novabase held a 54.997% stake in Celfocus, S.A..

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Relevant Information



Price adjustment on the sale of GTE

Adjustments to consideration on the sale of GTE Business

- **Following the previous announcements** to the market in relation to the celebration and completion of the **sale, to VINCI Energies Portugal, S.A., of the “Application and Data Analytics” business** for the Government, Transport and Energy sectors (**“GTE Business”**), the **parties confirmed**, on May 11, and **a net adjustment to the price initially paid by the purchaser and the verification of the earn-out** which was dependent upon the final performance of the GTE Business in the financial year of 2019.
- As such, the **consideration obtained by Novabase after these events is 39.3 M€** corresponding to the sum of the price initially agreed of 33 M€, the earn-out of 3 M€ and the net adjustment of the remainder.
- Considering the above mentioned, the **estimated capital gain is now 14.9 M€**, however, **some additional adjustments to the purchase price may still occur until the ninth month after the date of completion of the sale**, under the terms of the Agreement.
- It is recalled that the **capital gain registered in 2019 was 12.0 M€** therefore **any difference to the final capital gain will be recognised in the financial statements of 2020**.
- The **1H20 accounts** already **reflect the adjustment to the capital gain of 2.9 M€** and the **cash inflow** of the total consideration on the sale, **of 35.4 M€**.

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Relevant Information



Sale of Novabase's equity stake in Collab

Novabase sells Collab to the swedish Netadmin System I Sverige AB

- On March 19, 2020, Novabase and Netadmin System i Sverige AB entered into a **sale and purchase agreement** for all shares representing **COLLAB** – Soluções Informáticas de Comunicação e Colaboração, S.A. share capital, subsidiary held in 72.45% by Novabase Business Solutions, S.A. and in 17.75% by Fundo Capital Risco NB Capital. The **completion of the sale and purchase also occurred on this date**, with the delivery of the shares against payment of part of the price.
- The **agreed initial purchase price was 6 M€**, to which a **potential annual earn-out may be accreted, up to a maximum of three annual periods**, depending on COLLAB's performance, as set out in the agreement.
- **Of the agreed initial purchase price, 1.5 M€ was temporarily held** by the purchaser, as foreseen in the sale and purchase agreement. The agreed purchase price is also subject to positive or negative price adjustment clauses agreed between the parties.
- **As a result, Novabase recorded in 1H20 a gain on this transaction** amounting to **0.2 M€**, which falls within the range of 0.1 M€ to 0.8 M€ of estimated capital gain disclosed, but still subject to adjustments.
- To be noted that this subsidiary represented a 6.5 M€ turnover in 2019, and employed around 60 employees.

Covid-19



**In compliance with
ESMA71-99-1290**

Covid-19: Agile Response

- Novabase is **permanently monitoring** all developments related to the **Covid-19 pandemic**. A Contingency Coordinating Group was created and a **contingency plan was developed and implemented**. **Novabase set 3 priorities: ensure safety, health and well-being** conditions for all **individuals** in the Novabase Community, **preserve the company's financial strength** and **prepare for the future**.
- At an early stage, **travelling was limited** and **remote work conditions** were provided for **nearly 100% of employees**, ensuring both employee's safety and clients business operations continuity. More recently, **Novabase offices were awarded with the COVID OUT by ISQ**, and have reopened for a safe return.
- Novabase has a **solid customer base** and a **robust liquidity position**.

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However, the pandemic uncertainty imposes a **cautious treasury management** in order to keep the company's financial resilience. In this context, the Board of Directors **decided to revert** its initial intention of proposing to the 2020 GMS a **0.85 €/share** remuneration, maintaining the Strategic Update 2019+ commitment of distributing 1.5 €/share in 2019-2023.

- Novabase believes that **difficulties also present opportunities**, so these are times to **prepare for the future** and to think what it takes to win in the "new normal", where **digital economy** is expected to play a **relevant role**.
- **No relevant Covid-19 impacts** were observed in **6M20**, despite some minor performance effect on Value Portfolio during the lockdown phase (2Q). **Novabase remains confident but cautious** due to the uncertainty on the time and shape of the recovery. As far as we are able to anticipate, **some delay in M&A is possible** and, due to travel restrictions, **commercial access to new clients** could be **more challenging**.

Financial Highlights

6M20 performance: Next-Gen taking-off!

- **Turnover increased 14% YoY**, with Next-Gen representing 72%
- **63% of Next-Gen Turnover** is generated **outside Portugal**, from which **Europe & ME** accounts for **88%**
- **86% of Next-Gen Revenues** captured from **Top Tier Clients**
- **EBITDA of 5.5 M€**
- **Net Profit of 4.8 M€**
- **Solid Net Cash** position of **50.7 M€**
- **Talent Pool of 1742 employees**
- **Novabase share price increased 21%** since the beginning of the year
- **No relevant impacts due to Covid-19** pandemic observed this semester

Turnover and EBITDA do not include GTE Business nor Collab, qualified as discontinued operations according to IFRS 5, for all periods in this presentation.

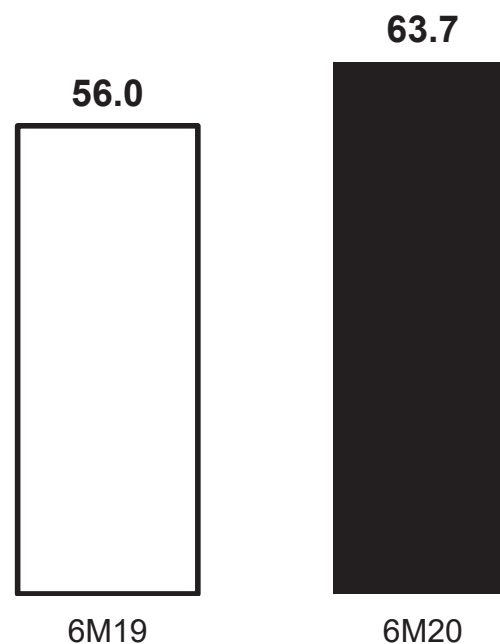
Key Figures



Turnover

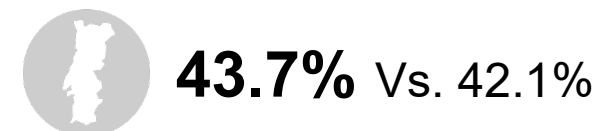
Turnover increased 14% YoY, with Next-Gen representing 72%

Turnover

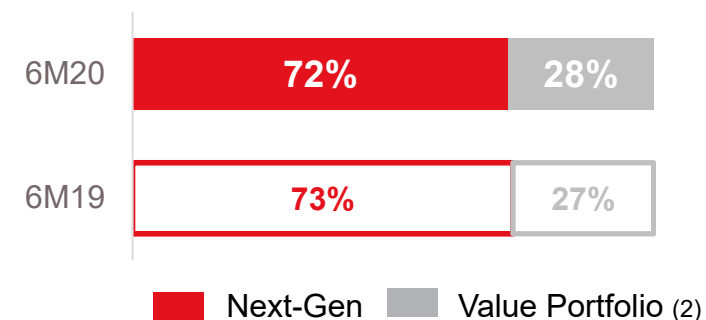


No relevant impacts were observed this semester due to the Covid-19 pandemic, both in Next-Gen and in Value Portfolio segments.

Breakdown by Geography (%) ⁽¹⁾



Breakdown by Segment (%)



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(1) Turnover by Geography is computed based on the location of the client where the project is delivered.

(2) Value Portfolio includes holding / shared services.

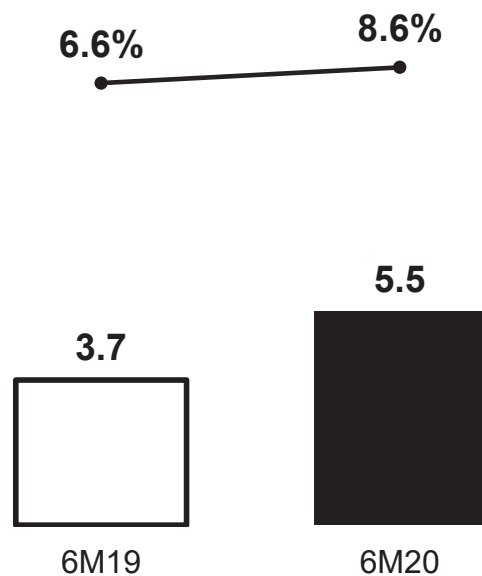
Key Figures



EBITDA

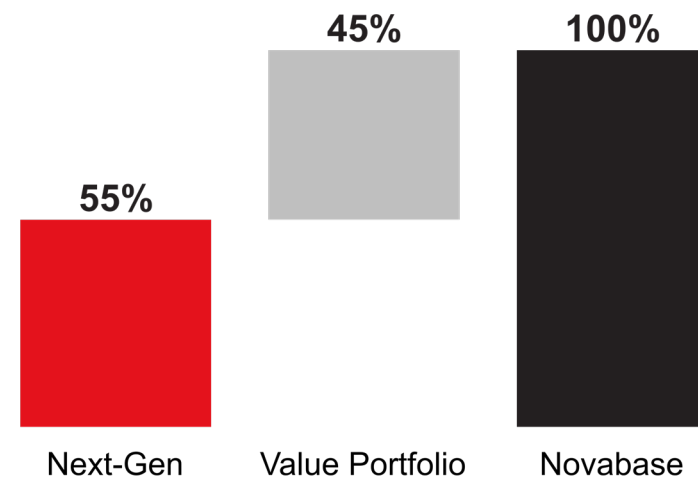
EBITDA of 5.5 M€, leveraged by Next-Gen

EBITDA



EBITDA Margin

Breakdown by Segment (%)



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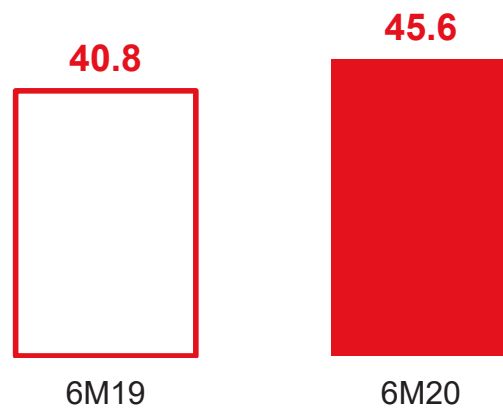
Key Figures



**Next-Gen
Segment**

**Next-Gen grows by
double-digit in Turnover,
+12% YoY...**

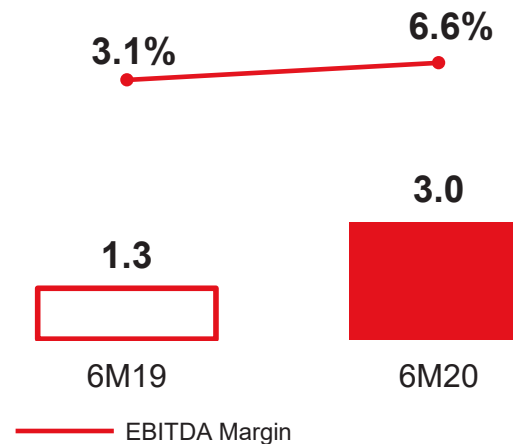
Turnover



**... and doubles EBITDA
margin**

Working on strategic initiatives
towards the goal for 2023.

EBITDA



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Key Figures

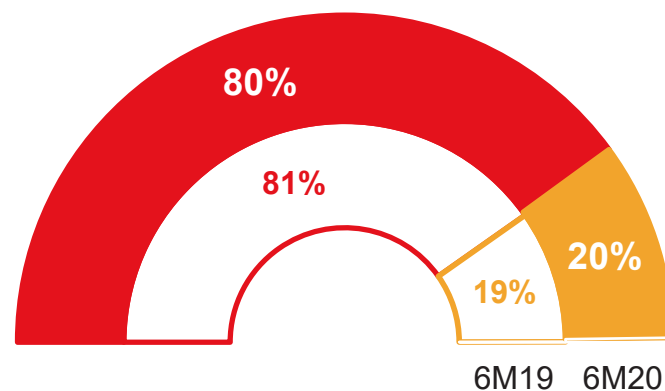


Next-Gen Segment

Next-Gen working on Multi Industry approach...

Targeting clients with ambition to transform, with 6M20 still focused on Telco.

% of Revenue by Industry



Telco Financial Services

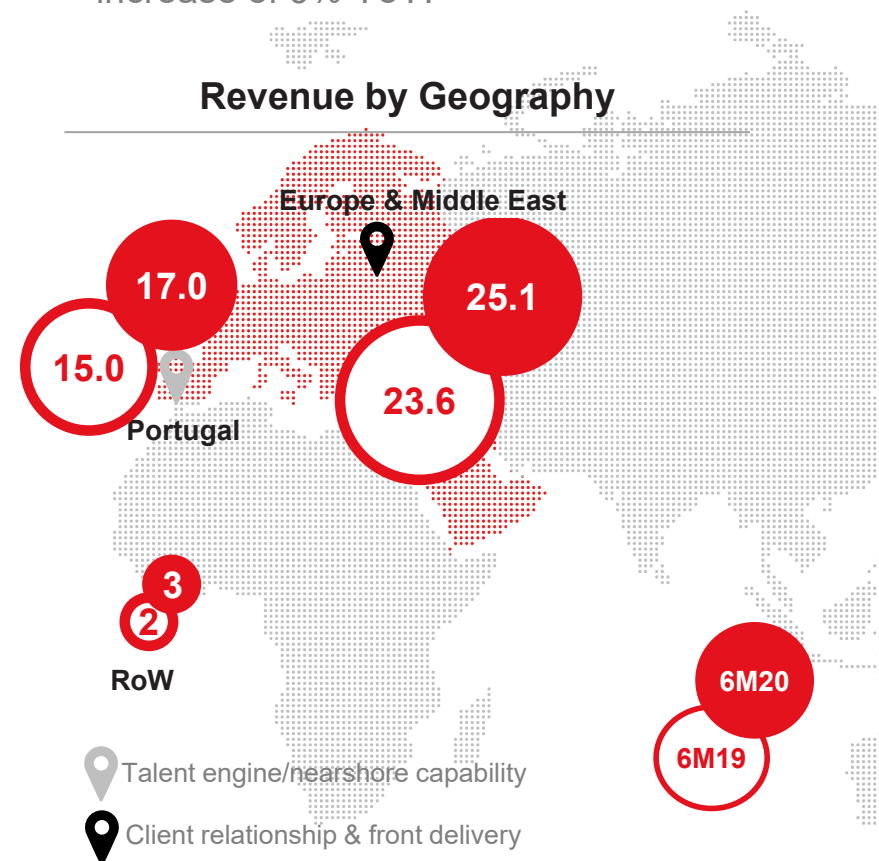
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International Turnover grows 11% YoY.

63% of Next-Gen Turnover generated outside Portugal.

Europe & ME accounts for 88% of international operations, registering an increase of 6% YoY.

Revenue by Geography



Key Figures

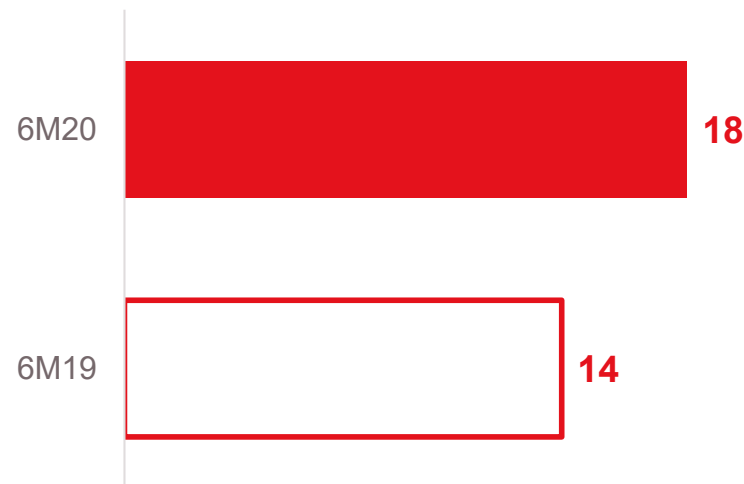


Next-Gen Segment

Building long term relationships

Large accounts increase, both in number...

Top Tier Clients ⁽¹⁾



Total number of clients in 6M20 increased to 107 (105 in 6M19).

(1) Top Tier clients (>1 M€) considers the Trailing 12 months.

...and in Revenues (9% YoY).

% of Revenues from Top Tier clients ⁽¹⁾



Key Figures

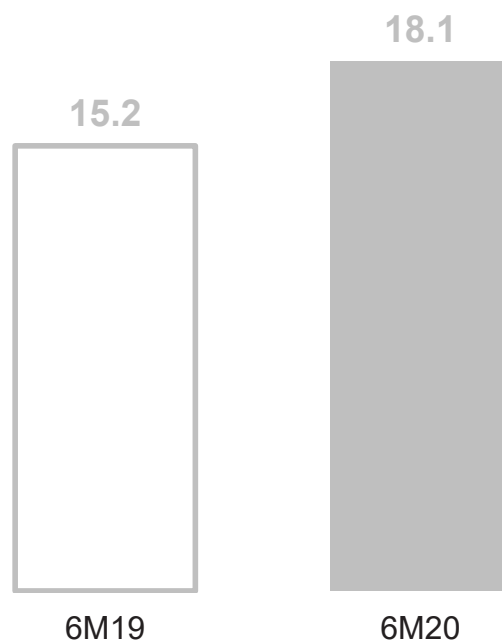


Value Portfolio Segment

Value Portfolio Turnover grows 19% YoY

40% of **Value Portfolio** Turnover is generated **outside Portugal**.

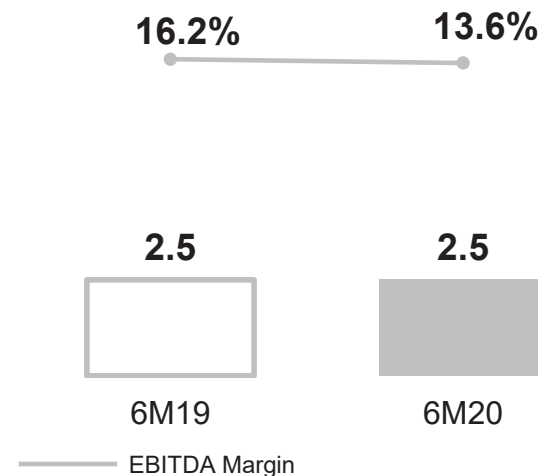
Turnover



Resilient performance in Value Portfolio

Some Covid-effect on IT Staffing
Business performance observed in 2Q20
(coincidental with the major lockdowns).

EBITDA



Key Figures



EBITDA to Net Profit

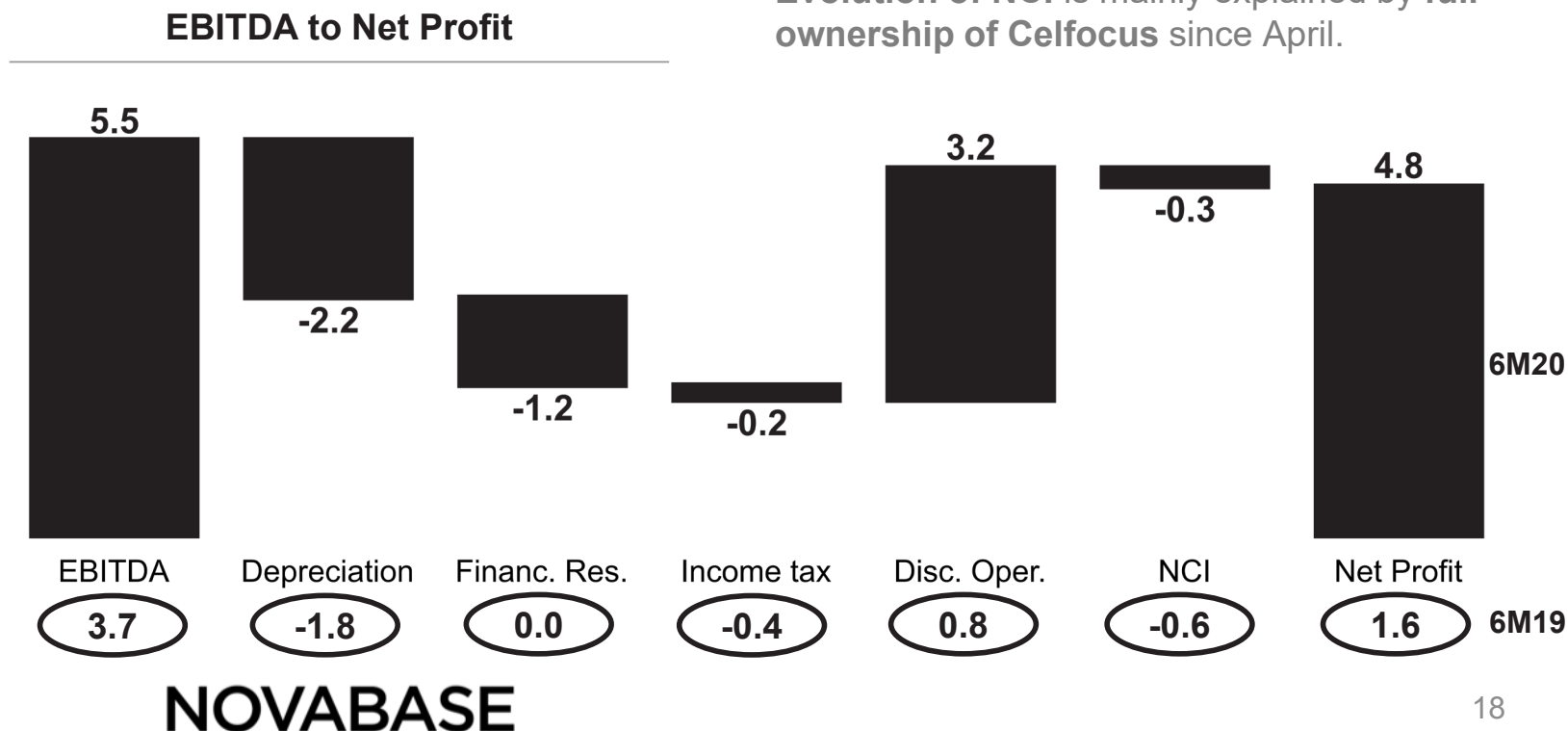
Net Profit of 4.8 M€

Total EPS reached 0.16 € (0.05 € in 6M19).

Financial results decreased 1.2 M€ YoY, fundamentally due to the accounting of exchange differences in foreign operations.

Discontinued operations – meaning results attributable to GTE Business and Collab – reached **3.2 M€ in 6M20**, which comprises 2.9 M€ of adjustment to the capital gain of GTE Business disposal and 0.2 M€ of gain on the sale of Collab.

Evolution of NCI is mainly explained by **full ownership of Celfocus** since April.



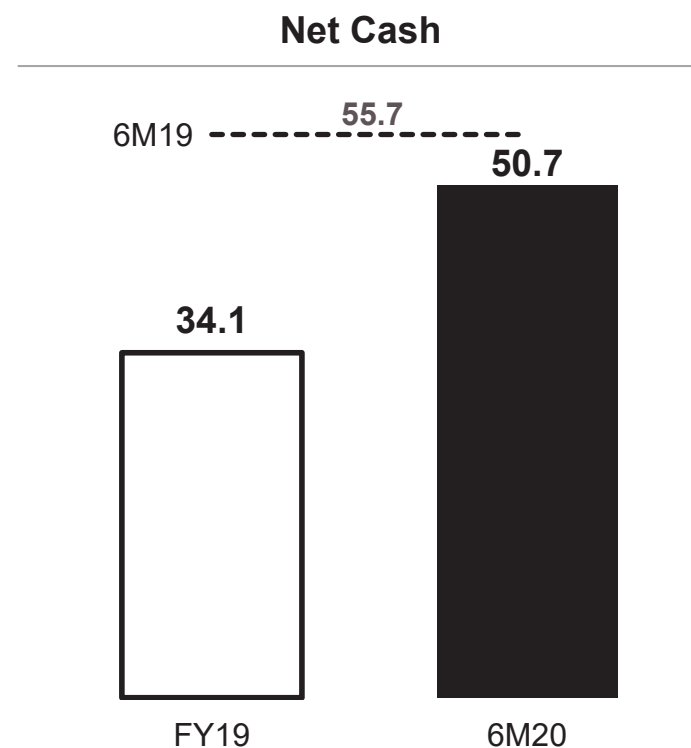
Key Figures



Net Cash

Solid Net Cash position of 50.7 M€

Comfortable liquidity situation to pursue the Strategy 2019+ objectives and win the Covid-19 pandemic context.



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Cash generation of 16.6 M€ in 6M20, highlighting:

- Cash inflow of **35.4 M€** from **GTE Business disposal** (including the price adjustment);
- Cash inflow of **3.2 M€** from the **Sale of Collab**;
- Cash outflow of **20.0 M€** from the **acquisition** of Vodafone's equity stake in **Celfocus**.

From the 50.7 M€, 4.5 M€ refers to Non-controlling Interests.

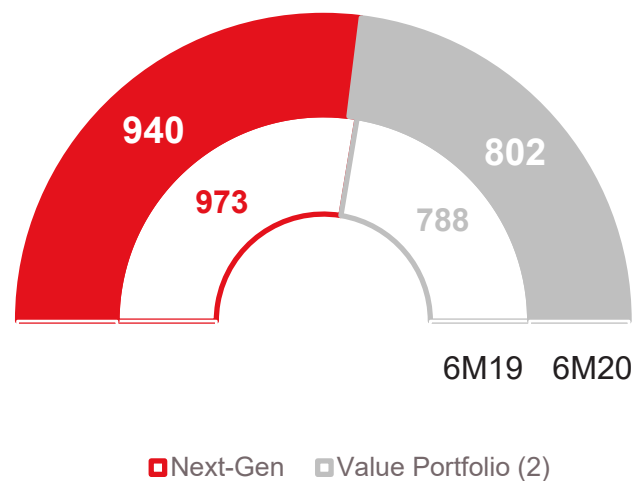
Key Figures



Talent

Talent Pool of 1742 employees in 6M20

Average number of Employees ⁽¹⁾



(1) Excluding GTE Business and Collab.

(2) Including holding / shared services representing 84 employees in 6M20 (89 in 6M19).

Talent pool decreased 1% YoY in line with the expected synergies and management overhaul (1761 in 6M19).

Next-Gen Turnover per employee increased 16% YoY.

Attrition rate of Next-Gen was 6.7% in 6M20 (9.7% in 6M19).

Key Figures



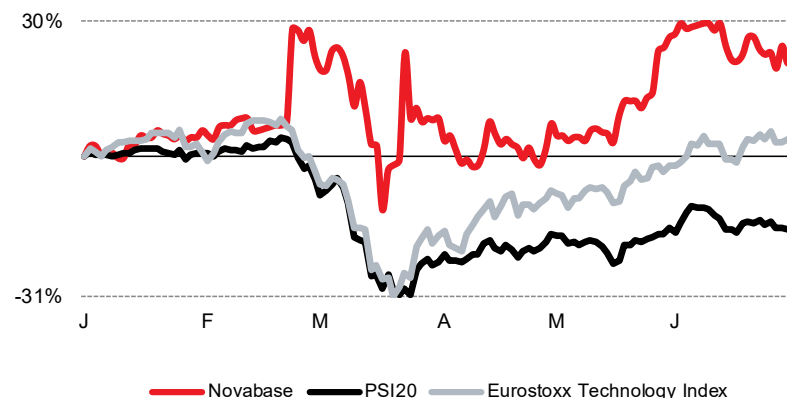
Stock Market

Novabase share price increased 21% in 6M20...

... as it celebrates its 20th anniversary on the Euronext (listed since 4 July 2000).

PSI20 Index decreased 16% and EuroStoxx Technology Index increased 5%.

Novabase and the Market



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Novabase re-entered to the main index of the Lisbon stock exchange, the **PSI20**, as of March, 23.

Due to the current context of great **uncertainty** of the **Covid-19** pandemic, the **Board** decided to **revert its initial intention of proposing** to the 2020 GMS a remuneration of **0.85 €/share**.

In this period, **Novabase acquired 234,464 shares** (under the buy-back programme), **holding as at June, 30**, a total of **611,075 own shares** (1.95% of the Company's share capital).

The **average price target** disclosed by the research that covers Novabase is **4.63 €**, and the **average upside** is **49%**.

Market Capitalization at the end of 6M20 is **97.7 M€**, implying a **ttm Price to Sales** of **0.83x**.

Free Float Velocity in 6M20 represented 39% (21% in 6M19) with a free float of 40%⁽¹⁾ in both periods.

(1) Calculated according to Euronext criteria.

APMs



**In compliance with
ESMA/2015/141en**

Alternative Performance Measures

Net Cash

Net Cash provides information on the level of cash and other bank deposits and marketable securities, after discounting the debts to financial institutions, **assisting in the analysis of the company's liquidity and ability to meet its non-bank commitments.**

The caption "Cash and cash equivalents" is simultaneously the item of the consolidated statement of financial position more directly reconcilable and more relevant to this APM.

The detail and breakdown of Net Cash, as well as the reconciliation in 6M20 and prior period, is analysed in the table on the right.

This APM and all its components contain no estimates or judgments made by Management.

	FY19	6M20
Cash and cash equivalents	48,755	74,949
Debt securities - Non-Current	403	-
Debt securities - Current	2,793	-
Treasury shares held by the Company ⁽¹⁾	972	1,900
Bank borrowings - Non-Current	(13,600)	(19,400)
Bank borrowings - Current	(5,194)	(6,706)
Net Cash (Euro thousands)	34,129	50,743
	FY19	6M20
Treasury shares held by the Company	376,611	611,075
Closing price @ last tradable day (€)	2.580	3.110
Treasury shares held by the Company (Euro thousands)	972	1,900

(1) Is determined by multiplying the number of treasury shares held by the Company at the end of the period by the share price on the last tradable day.

About NOVABASE



NEXT-GEN IT SERVICES COMPANY

Company Information

Novabase SGPS, S.A.
Public Company
Euronext code: PTNBA0AM0006
Registered in TRO of Lisbon and
Corporate Tax Payer no.
502.280.182
Share Capital: 54,638,425.56 €
Head Office: Av. D. João II, 34,
1998-031 Lisbon - PORTUGAL

Investors Relations

María Gil Marín
Chief Investors Officer
Tel. +351 213 836 300
Fax: +351 213 836 301
investor.relations@novabase.pt

Report available on website:
www.novabase.pt

Next Events

Roadshows:
Kepler Cheuvreux Autumn
Conference: 7th September
JB Capital Markets: 24th September

Trading Update 9M20
Thursday, November 5, 2020
(after market closure)

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**Consolidated Statement of Financial Position
as at 30 June 2020**

	30.06.20	31.12.19
	(Thousands of Euros)	
ASSETS		
Tangible assets	2,257	2,180
Intangible assets	12,064	12,967
Right-of-use assets	7,786	9,785
Financial investments	12,426	12,344
Debt securities	-	403
Deferred income tax assets	9,062	9,585
Other non-current assets	2,338	1,908
Total Non-Current Assets	45,933	49,172
Inventories	30	34
Trade debtors and accrued income	40,086	40,247
Other debtors and prepaid expenses	13,296	50,403
Derivative financial instruments	14	24
Debt securities	-	2,793
Cash and cash equivalents	74,949	48,755
Total Current Assets	128,375	142,256
Assets for continuing operations	174,308	191,428
Assets for discontinued operations	451	460
Total Assets	174,759	191,888
EQUITY		
Share capital	54,638	54,638
Treasury shares	(1,063)	(655)
Share premium	226	226
Reserves and retained earnings	(3,154)	(5,318)
Net profit	4,819	20,400
Total Shareholders' Equity	55,466	69,291
Non-controlling interests	9,036	18,329
Total Equity	64,502	87,620
LIABILITIES		
Bank borrowings	19,400	13,600
Lease liabilities	6,079	7,681
Provisions	6,717	8,623
Other non-current liabilities	4,145	770
Total Non-Current Liabilities	36,341	30,674
Bank borrowings	6,706	5,194
Lease liabilities	3,083	3,887
Trade payables	5,211	8,215
Other creditors and accruals	32,895	32,732
Derivative financial instruments	-	17
Deferred income	17,647	14,854
Total Current Liabilities	65,542	64,899
Total Liabilities for cont. operations	101,883	95,573
Total Liabilities for discount. operations	8,374	8,695
Total Liabilities	110,257	104,268
Total Equity and Liabilities	174,759	191,888
Net Cash	50,743	34,129

**Consolidated Income Statement
for the period of 6 months ended 30 June 2020**

	30.06.20	30.06.19 (*)	Var. %
	(Thousands of Euros)		
CONTINUING OPERATIONS			
Sale of goods	-	196	
Cost of goods sold	-	(131)	
Gross margin	-	65	-100.0 %
Other income			
Services rendered	63,668	55,832	
Supplementary income and subsidies	572	79	
Other operating income	479	84	
	64,719	55,995	
	64,719	56,060	
Other expenses			
External supplies and services	(20,519)	(16,701)	
Employee benefit expense	(40,277)	(35,485)	
(Provisions) / Provisions reversal	1,733	100	
Net impairment losses on financ. assets	18	38	
Other operating expenses	(213)	(297)	
	(59,258)	(52,345)	
Gross Net Profit (EBITDA)	5,461	3,715	47.0 %
Restructuring costs	-	-	
Operating Gross Net Profit	5,461	3,715	47.0 %
Depreciation and amortisation	(2,174)	(1,796)	
Operating Profit (EBIT)	3,287	1,919	71.3 %
Financial results	(1,210)	(119)	
Gain on net monetary position	-	127	
Net Profit before taxes (EBT)	2,077	1,927	7.8 %
Income tax expense	(206)	(439)	
Net Profit from continuing operations	1,871	1,488	25.7 %
DISCONTINUED OPERATIONS			
Net Profit from discount. operations	3,202	778	311.6 %
Non-controlling interests	(254)	(622)	
Attributable Net Profit	4,819	1,644	193.1 %
Other information:			
Turnover	63,668	56,028	13.6 %
EBITDA margin	8.6 %	6.6 %	
EBT % on Turnover	3.3 %	3.4 %	
Net profit % on Turnover	7.6 %	2.9 %	

* Comparatives were restated to show continuing operations separately from discontinued operations (GTE Business & Collab).

Consolidated Income Statement by SEGMENTS for the period of 6 months ended 30 June 2020

(Thousands of Euros)

	Value Portfolio	Next-Gen	NOVABASE
CONTINUING OPERATIONS			
Sale of goods	-	-	-
Cost of goods sold	-	-	-
Gross margin	-	-	-
Other income			
Services rendered	18,101	45,567	63,668
Supplementary income and subsidies	508	64	572
Other operating income	422	57	479
	19,031	45,688	64,719
	19,031	45,688	64,719
Other expenses			
External supplies and services	(547)	(19,972)	(20,519)
Employee benefit expense	(16,068)	(24,209)	(40,277)
(Provisions) / Provisions reversal	88	1,645	1,733
Net impairm. losses on financ. assets	27	(9)	18
Other operating expenses	(64)	(149)	(213)
	(16,564)	(42,694)	(59,258)
Gross Net Profit (EBITDA)	2,467	2,994	5,461
Depreciation and amortisation	(1,283)	(891)	(2,174)
Operating Profit (EBIT)	1,184	2,103	3,287
Financial results	(781)	(429)	(1,210)
Gain on net monetary position	-	-	-
Net Profit / (Loss) before Taxes (EBT)	403	1,674	2,077
Income tax expense	-	(206)	(206)
Net Profit / (Loss) from cont. operations	403	1,468	1,871
DISCONTINUED OPERATIONS			
Net Profit from discontinued operations	3,202	-	3,202
Non-controlling interests	147	(401)	(254)
Attributable Net Profit / (Loss)	3,752	1,067	4,819
Other information :			
Turnover	18,101	45,567	63,668
EBITDA	2,467	2,994	5,461
EBITDA % on Turnover	13.6%	6.6%	8.6%
EBT % on Turnover	2.2%	3.7%	3.3%

Annexes to the Management Report

1st half 2020

List of Shareholders with Qualifying Stakes

Pursuant to the terms and for the purposes of paragraph 1 c) of article 9.º of the Portuguese Securities Commission Regulation no. 5/2008, Novabase informs about Qualifying Stakes as at 30 June 2020 (with the detail of the number of shares held and the corresponding percentage of voting rights, computed under the terms of paragraph 1 of article 20.º of the Portuguese Securities Code):

Shareholder	Number of Shares	% Share capital and voting rights
HNB - S.G.P.S., S.A. ¹	10,501,589	33.44%
Pedro Miguel Quinteiro Marques de Carvalho	2,097,613	6.68%
Luís Paulo Cardoso Salvado ¹	1	0.00%
João Nuno da Silva Bento ¹	1	0.00%
Álvaro José da Silva Ferreira ¹	1	0.00%
José Afonso Oom Ferreira de Sousa ¹	1	0.00%
Holding under the Shareholders Agreement Concerning Novabase ²	12,599,206	40.12%
Partbleu, Sociedade Gestora de Participações Sociais, S.A. ³	3,180,444	10.13%
IBIM2 Limited	3,144,217	10.01%
Lazard Frères Gestion SAS	1,570,870	5.00%
Fundo de Investimento Mobiliário Aberto Santander Ações Portugal	1,476,905	4.70%
Fundo de Investimento Mobiliário Aberto Poupança Ações Santander PPA	34,537	0.11%
Santander Asset Management - Soc. Gestora de Fundos de Investimento Mobiliário, S.A. ⁴	1,511,442	4.81%
Maria Manuela de Oliveira Marques	1,043,924	3.32%
Total	23,050,103	73.40%

¹ José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira and João Nuno da Silva Bento are the only shareholders of HNB – S.G.P.S., S.A., and have entered into a shareholders agreement concerning the whole of HNB – S.G.P.S., S.A.'s share capital.

² The total holding is attributed to José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira, João Nuno da Silva Bento and Pedro Miguel Quinteiro Marques de Carvalho, under the terms of the Shareholders Agreement concerning Novabase.

³ When Novabase was notified of this holding, it was informed that Partbleu, Sociedade Gestora de Participações Sociais, S.A. was indirectly held in 72% by Mr. Miguel Pais do Amaral, and therefore the corresponding voting rights were attributed to him.

⁴ When Novabase was notified of this holding, it was informed that the funds identified above were managed by Santander Asset Management – Sociedade Gestora de Fundos de Investimento Mobiliário, S.A..

The holdings identified above correspond to the last positions notified to the Company with reference to 30 June 2020 or a previous date.

There are no categories of shares with special rights.

Information concerning stakes held in the company by members of the Board of Directors and Supervisory Bodies

Pursuant to the terms and for the purposes of paragraph 5 of article 447.º of the Portuguese Commercial Companies Code, Novabase informs about the stakes held by members of the Board of Directors and Supervisory Bodies in the company's capital as at 30 June 2020:

Holder ¹	Number of Shares ¹	% Share capital and voting rights
Pedro Miguel Quinteiro Marques de Carvalho (Non-Executive member of the Board of Directors)	2,097,613	6.68%
Manuel Saldanha Tavares Festas (Deputy member of the Audit Board)	74,986	0.24%
Francisco Paulo de Figueiredo Morais Antunes (Executive member of the Board of Directors and CFO)	30,335	0.10%
María del Carmen Gil Marín (Executive member of the Board of Directors)	23,001	0.07%
Luís Paulo Cardoso Salvado ² (Chairman of the Board of Directors)	1	0.00%
João Nuno da Silva Bento ² (Executive member of the Board of Directors and CEO)	1	0.00%
Álvaro José da Silva Ferreira ² (Executive member of the Board of Directors)	1	0.00%
José Afonso Oom Ferreira de Sousa ² (Non-Executive member of the Board of Directors)	1	0.00%
Paulo Jorge de Barros Pires Trigo (Executive member of the Board of Directors)	0	0.00%
Marta Isabel dos Reis da Graça Rodrigues do Nascimento (Non-Executive member of the Board of Directors)	0	0.00%
Álvaro José Barrigas do Nascimento (Chairman of the Audit Board)	0	0.00%
Fátima do Rosário Piteira Patinha Farinha (Effective member of the Audit Board)	0	0.00%
Miguel Tiago Perestrelo Ribeiro Ferreira (Effective Member of the Audit Board)	0	0.00%
KPMG & Associados – S.R.O.C., represented by Paulo Alexandre Martins Quintas Paixão (Effective Chartered Accountant)	0	0.00%
Maria Cristina Santos Ferreira (Deputy Chartered Accountant)	0	0.00%
Total	2,225,939	7.09%

¹ The shareholding of each of these members of the corporate and supervisory board corresponds to the last position notified to the Company in reference to 30 June 2020 or a previous date.

² José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira and João Nuno da Silva Bento are shareholders of HNB - S.G.P.S., S.A., where they hold management positions. HNB - S.G.P.S., S.A. holds 10,501,589 shares representing 33.44% of Novabase's share capital and respective voting rights.

Novabase SGPS, S.A.

Public Company - Euronext Code: PTNBA0AM0006

Head Office: Av. D. João II, n.º 34, Parque das Nações, 1998-031 Lisboa

Share Capital: 54,638,425.56 Euros

Corporate Tax Payer nº 502.280.182

Management Transactions

Pursuant to the terms and for the purposes of article 248.-B of the Portuguese Securities Code, Novabase informs that:

- Novabase reports as directors the company HNB - S.G.P.S., S.A. and the members of the board of directors of the Company.
- During the first half of 2020, there were no management transactions.

Own Shares Transactions

Pursuant to the terms and for the purposes of paragraph 5 d) of article 66.º of the Portuguese Commercial Companies Code, Novabase informs that:

- At 31 December 2019, Novabase S.G.P.S. held 376,611 own shares, representing 1.20% of its share capital.
- During the first half of 2020, the company acquired on the market 234,464 own shares at the average net price of 2.87 Euros. Thus, at 30 June 2020, Novabase S.G.P.S. held 611,075 own shares, representing 1.95% of its share capital.
- The acquisition of own shares was carried out in the context of the own shares buy-back program ("Buy-back Program"), pursuant to the terms and limitations set forth in the Extraordinary General Meeting of Shareholders of Novabase, that took place on the 26th of September 2019.
- During the period, Novabase S.G.P.S. shares always had a nominal value of € 1.74.

Own shares transactions are described below:

Transaction	Date	Location	No. Shares	Price per Share (€)
Acquisition	14/01/2020	Euronext Lisbon	460	2.650
Acquisition	14/01/2020	Euronext Lisbon	340	2.680
Acquisition	14/01/2020	Euronext Lisbon	297	2.660
Acquisition	14/01/2020	Euronext Lisbon	20	2.660
Acquisition	14/01/2020	Euronext Lisbon	783	2.660
Acquisition	14/01/2020	Euronext Lisbon	521	2.650
Acquisition	14/01/2020	Euronext Lisbon	279	2.650
Acquisition	14/01/2020	Euronext Lisbon	521	2.650
Acquisition	14/01/2020	Euronext Lisbon	279	2.650
Acquisition	14/01/2020	Euronext Lisbon	200	2.650
Acquisition	14/01/2020	Euronext Lisbon	500	2.650
Acquisition	14/01/2020	Euronext Lisbon	500	2.630
Acquisition	15/01/2020	Euronext Lisbon	1,097	2.650
Acquisition	15/01/2020	Euronext Lisbon	1,000	2.650
Acquisition	20/01/2020	Euronext Lisbon	286	2.700
Acquisition	21/01/2020	Euronext Lisbon	500	2.710
Acquisition	22/01/2020	Euronext Lisbon	200	2.730
Acquisition	22/01/2020	Euronext Lisbon	200	2.700
Acquisition	23/01/2020	Euronext Lisbon	2,000	2.700
Acquisition	23/01/2020	Euronext Lisbon	1,000	2.680
Acquisition	23/01/2020	Euronext Lisbon	261	2.670
Acquisition	24/01/2020	Euronext Lisbon	800	2.700
Acquisition	24/01/2020	Euronext Lisbon	163	2.700
Acquisition	24/01/2020	Euronext Lisbon	2,135	2.700
Acquisition	24/01/2020	Euronext Lisbon	550	2.700
Acquisition	27/01/2020	Euronext Lisbon	400	2.670
Acquisition	27/01/2020	Euronext Lisbon	500	2.680
Acquisition	27/01/2020	Euronext Lisbon	438	2.670
Acquisition	27/01/2020	Euronext Lisbon	1,062	2.670
Acquisition	28/01/2020	Euronext Lisbon	2	2.690
Acquisition	29/01/2020	Euronext Lisbon	150	2.700
Acquisition	03/02/2020	Euronext Lisbon	300	2.710
Acquisition	03/02/2020	Euronext Lisbon	700	2.700
Acquisition	05/02/2020	Euronext Lisbon	800	2.760
Acquisition	05/02/2020	Euronext Lisbon	179	2.750
Acquisition	06/02/2020	Euronext Lisbon	1,500	2.770
Acquisition	06/02/2020	Euronext Lisbon	500	2.760
Acquisition	12/02/2020	Euronext Lisbon	1,000	2.810
Acquisition	14/02/2020	Euronext Lisbon	665	2.740
Acquisition	17/02/2020	Euronext Lisbon	150	2.760
Acquisition	17/02/2020	Euronext Lisbon	650	2.770
Acquisition	24/02/2020	Euronext Lisbon	5,000	3.330
Acquisition	24/02/2020	Euronext Lisbon	187	3.300
Acquisition	24/02/2020	Euronext Lisbon	925	3.310
Acquisition	24/02/2020	Euronext Lisbon	537	3.300
Acquisition	24/02/2020	Euronext Lisbon	2,990	3.300
Acquisition	24/02/2020	Euronext Lisbon	361	3.300
Acquisition	25/02/2020	Euronext Lisbon	300	3.240
Acquisition	25/02/2020	Euronext Lisbon	1,000	3.240
Acquisition	25/02/2020	Euronext Lisbon	300	3.250
Acquisition	25/02/2020	Euronext Lisbon	2,000	3.260
Acquisition	26/02/2020	Euronext Lisbon	87	3.260
Acquisition	26/02/2020	Euronext Lisbon	135	3.260
Acquisition	26/02/2020	Euronext Lisbon	33	3.260
Acquisition	26/02/2020	Euronext Lisbon	345	3.260
Acquisition	27/02/2020	Euronext Lisbon	2,500	3.240
Acquisition	27/02/2020	Euronext Lisbon	999	3.210
Acquisition	27/02/2020	Euronext Lisbon	1,501	3.210
Acquisition	27/02/2020	Euronext Lisbon	2,500	3.160
Acquisition	27/02/2020	Euronext Lisbon	11	3.160
Acquisition	27/02/2020	Euronext Lisbon	716	3.160
Acquisition	27/02/2020	Euronext Lisbon	537	3.160
Acquisition	27/02/2020	Euronext Lisbon	431	3.160

Transaction	Date	Location	No. Shares	Price per Share (€)
Acquisition	27/02/2020	Euronext Lisbon	431	3.160
Acquisition	27/02/2020	Euronext Lisbon	374	3.160
Acquisition	28/02/2020	Euronext Lisbon	989	3.050
Acquisition	28/02/2020	Euronext Lisbon	3,500	3.050
Acquisition	28/02/2020	Euronext Lisbon	765	3.050
Acquisition	28/02/2020	Euronext Lisbon	246	3.050
Acquisition	28/02/2020	Euronext Lisbon	3,500	3.020
Acquisition	02/03/2020	Euronext Lisbon	393	3.100
Acquisition	02/03/2020	Euronext Lisbon	607	3.100
Acquisition	03/03/2020	Euronext Lisbon	630	3.130
Acquisition	03/03/2020	Euronext Lisbon	57	3.140
Acquisition	03/03/2020	Euronext Lisbon	1,000	3.140
Acquisition	03/03/2020	Euronext Lisbon	943	3.140
Acquisition	03/03/2020	Euronext Lisbon	370	3.130
Acquisition	03/03/2020	Euronext Lisbon	89	3.120
Acquisition	04/03/2020	Euronext Lisbon	796	3.170
Acquisition	04/03/2020	Euronext Lisbon	32	3.170
Acquisition	04/03/2020	Euronext Lisbon	572	3.170
Acquisition	04/03/2020	Euronext Lisbon	2,600	3.160
Acquisition	05/03/2020	Euronext Lisbon	300	3.150
Acquisition	05/03/2020	Euronext Lisbon	1,700	3.150
Acquisition	05/03/2020	Euronext Lisbon	1,000	3.140
Acquisition	05/03/2020	Euronext Lisbon	1,000	3.100
Acquisition	05/03/2020	Euronext Lisbon	1,000	3.120
Acquisition	06/03/2020	Euronext Lisbon	2,000	3.050
Acquisition	06/03/2020	Euronext Lisbon	2,000	3.000
Acquisition	06/03/2020	Euronext Lisbon	2,000	3.000
Acquisition	09/03/2020	Euronext Lisbon	150	2.850
Acquisition	09/03/2020	Euronext Lisbon	850	2.850
Acquisition	09/03/2020	Euronext Lisbon	177	2.850
Acquisition	09/03/2020	Euronext Lisbon	250	2.800
Acquisition	09/03/2020	Euronext Lisbon	1,000	2.810
Acquisition	09/03/2020	Euronext Lisbon	1,000	2.820
Acquisition	09/03/2020	Euronext Lisbon	823	2.850
Acquisition	09/03/2020	Euronext Lisbon	750	2.800
Acquisition	10/03/2020	Euronext Lisbon	721	2.960
Acquisition	10/03/2020	Euronext Lisbon	93	2.960
Acquisition	10/03/2020	Euronext Lisbon	23	2.960
Acquisition	10/03/2020	Euronext Lisbon	96	2.960
Acquisition	10/03/2020	Euronext Lisbon	67	2.960
Acquisition	10/03/2020	Euronext Lisbon	561	2.960
Acquisition	10/03/2020	Euronext Lisbon	121	2.960
Acquisition	10/03/2020	Euronext Lisbon	1,000	2.960
Acquisition	10/03/2020	Euronext Lisbon	318	2.960
Acquisition	11/03/2020	Euronext Lisbon	250	2.950
Acquisition	11/03/2020	Euronext Lisbon	1,250	2.910
Acquisition	11/03/2020	Euronext Lisbon	196	2.900
Acquisition	11/03/2020	Euronext Lisbon	304	2.900
Acquisition	11/03/2020	Euronext Lisbon	1,000	2.870
Acquisition	11/03/2020	Euronext Lisbon	92	2.860
Acquisition	11/03/2020	Euronext Lisbon	408	2.860
Acquisition	11/03/2020	Euronext Lisbon	259	2.850
Acquisition	11/03/2020	Euronext Lisbon	241	2.850
Acquisition	12/03/2020	Euronext Lisbon	250	2.740
Acquisition	12/03/2020	Euronext Lisbon	500	2.720
Acquisition	12/03/2020	Euronext Lisbon	250	2.700
Acquisition	12/03/2020	Euronext Lisbon	1,000	2.680
Acquisition	12/03/2020	Euronext Lisbon	495	2.650
Acquisition	12/03/2020	Euronext Lisbon	2,000	2.690
Acquisition	12/03/2020	Euronext Lisbon	453	2.680
Acquisition	12/03/2020	Euronext Lisbon	52	2.680
Acquisition	12/03/2020	Euronext Lisbon	500	2.650
Acquisition	12/03/2020	Euronext Lisbon	500	2.640
Acquisition	13/03/2020	Euronext Lisbon	477	2.650
Acquisition	13/03/2020	Euronext Lisbon	16	2.650
Acquisition	13/03/2020	Euronext Lisbon	137	2.650
Acquisition	13/03/2020	Euronext Lisbon	870	2.650
Acquisition	13/03/2020	Euronext Lisbon	1,500	2.650
Acquisition	13/03/2020	Euronext Lisbon	167	2.640
Acquisition	13/03/2020	Euronext Lisbon	833	2.640
Acquisition	16/03/2020	Euronext Lisbon	800	2.340
Acquisition	16/03/2020	Euronext Lisbon	197	2.340
Acquisition	16/03/2020	Euronext Lisbon	615	2.340
Acquisition	16/03/2020	Euronext Lisbon	388	2.340
Acquisition	16/03/2020	Euronext Lisbon	1,057	2.300

Transaction	Date	Location	No. Shares	Price per Share (€)
Acquisition	16/03/2020	Euronext Lisbon	943	2.300
Acquisition	16/03/2020	Euronext Lisbon	8	2.250
Acquisition	16/03/2020	Euronext Lisbon	992	2.200
Acquisition	17/03/2020	Euronext Lisbon	2,986	2.310
Acquisition	18/03/2020	Euronext Lisbon	651	2.550
Acquisition	20/03/2020	Euronext Lisbon	2,000	2.790
Acquisition	20/03/2020	Euronext Lisbon	1,000	2.740
Acquisition	20/03/2020	Euronext Lisbon	2,000	2.690
Acquisition	23/03/2020	Euronext Lisbon	199	2.850
Acquisition	23/03/2020	Euronext Lisbon	301	2.850
Acquisition	23/03/2020	Euronext Lisbon	400	2.820
Acquisition	23/03/2020	Euronext Lisbon	200	2.820
Acquisition	23/03/2020	Euronext Lisbon	502	2.800
Acquisition	23/03/2020	Euronext Lisbon	398	2.800
Acquisition	23/03/2020	Euronext Lisbon	150	2.750
Acquisition	23/03/2020	Euronext Lisbon	90	2.750
Acquisition	23/03/2020	Euronext Lisbon	637	2.750
Acquisition	23/03/2020	Euronext Lisbon	2,123	2.750
Acquisition	23/03/2020	Euronext Lisbon	308	2.720
Acquisition	23/03/2020	Euronext Lisbon	1,692	2.720
Acquisition	23/03/2020	Euronext Lisbon	2,000	2.700
Acquisition	24/03/2020	Euronext Lisbon	232	2.800
Acquisition	24/03/2020	Euronext Lisbon	368	2.800
Acquisition	25/03/2020	Euronext Lisbon	800	2.830
Acquisition	25/03/2020	Euronext Lisbon	2,000	2.790
Acquisition	25/03/2020	Euronext Lisbon	569	2.810
Acquisition	25/03/2020	Euronext Lisbon	297	2.800
Acquisition	25/03/2020	Euronext Lisbon	164	2.800
Acquisition	25/03/2020	Euronext Lisbon	1,660	2.800
Acquisition	25/03/2020	Euronext Lisbon	310	2.800
Acquisition	26/03/2020	Euronext Lisbon	1,048	2.810
Acquisition	26/03/2020	Euronext Lisbon	620	2.800
Acquisition	27/03/2020	Euronext Lisbon	991	2.810
Acquisition	27/03/2020	Euronext Lisbon	715	2.810
Acquisition	27/03/2020	Euronext Lisbon	94	2.790
Acquisition	30/03/2020	Euronext Lisbon	800	2.800
Acquisition	31/03/2020	Euronext Lisbon	1,127	2.670
Acquisition	31/03/2020	Euronext Lisbon	1,873	2.660
Acquisition	31/03/2020	Euronext Lisbon	140	2.670
Acquisition	31/03/2020	Euronext Lisbon	4,566	2.670
Acquisition	01/04/2020	Euronext Lisbon	481	2.650
Acquisition	01/04/2020	Euronext Lisbon	372	2.640
Acquisition	01/04/2020	Euronext Lisbon	347	2.640
Acquisition	02/04/2020	Euronext Lisbon	294	2.680
Acquisition	02/04/2020	Euronext Lisbon	1,306	2.670
Acquisition	02/04/2020	Euronext Lisbon	1,500	2.600
Acquisition	02/04/2020	Euronext Lisbon	1,400	2.620
Acquisition	03/04/2020	Euronext Lisbon	167	2.550
Acquisition	03/04/2020	Euronext Lisbon	764	2.550
Acquisition	03/04/2020	Euronext Lisbon	369	2.540
Acquisition	03/04/2020	Euronext Lisbon	1,000	2.580
Acquisition	03/04/2020	Euronext Lisbon	1,000	2.570
Acquisition	03/04/2020	Euronext Lisbon	913	2.540
Acquisition	06/04/2020	Euronext Lisbon	1,807	2.580
Acquisition	06/04/2020	Euronext Lisbon	1,000	2.560
Acquisition	07/04/2020	Euronext Lisbon	483	2.590
Acquisition	07/04/2020	Euronext Lisbon	30	2.590
Acquisition	07/04/2020	Euronext Lisbon	1,298	2.580
Acquisition	07/04/2020	Euronext Lisbon	116	2.570
Acquisition	07/04/2020	Euronext Lisbon	510	2.570
Acquisition	07/04/2020	Euronext Lisbon	52	2.560
Acquisition	07/04/2020	Euronext Lisbon	487	2.560
Acquisition	07/04/2020	Euronext Lisbon	1,000	2.560
Acquisition	07/04/2020	Euronext Lisbon	374	2.560
Acquisition	07/04/2020	Euronext Lisbon	150	2.560
Acquisition	07/04/2020	Euronext Lisbon	400	2.530
Acquisition	09/04/2020	Euronext Lisbon	500	2.560
Acquisition	14/04/2020	Euronext Lisbon	1,400	2.660
Acquisition	15/04/2020	Euronext Lisbon	442	2.710
Acquisition	15/04/2020	Euronext Lisbon	771	2.690
Acquisition	15/04/2020	Euronext Lisbon	147	2.710
Acquisition	15/04/2020	Euronext Lisbon	130	2.710
Acquisition	16/04/2020	Euronext Lisbon	184	2.710
Acquisition	16/04/2020	Euronext Lisbon	76	2.710
Acquisition	16/04/2020	Euronext Lisbon	1,000	2.690

Transaction	Date	Location	No. Shares	Price per Share (€)
Acquisition	16/04/2020	Euronext Lisbon	2,040	2.650
Acquisition	17/04/2020	Euronext Lisbon	600	2.680
Acquisition	20/04/2020	Euronext Lisbon	9	2.680
Acquisition	20/04/2020	Euronext Lisbon	373	2.670
Acquisition	20/04/2020	Euronext Lisbon	127	2.650
Acquisition	20/04/2020	Euronext Lisbon	191	2.650
Acquisition	20/04/2020	Euronext Lisbon	300	2.650
Acquisition	20/04/2020	Euronext Lisbon	500	2.650
Acquisition	21/04/2020	Euronext Lisbon	1,300	2.640
Acquisition	22/04/2020	Euronext Lisbon	500	2.630
Acquisition	22/04/2020	Euronext Lisbon	1,000	2.640
Acquisition	22/04/2020	Euronext Lisbon	500	2.640
Acquisition	22/04/2020	Euronext Lisbon	1,000	2.650
Acquisition	22/04/2020	Euronext Lisbon	3,000	2.600
Acquisition	22/04/2020	Euronext Lisbon	2,000	2.590
Acquisition	23/04/2020	Euronext Lisbon	500	2.600
Acquisition	23/04/2020	Euronext Lisbon	120	2.580
Acquisition	23/04/2020	Euronext Lisbon	380	2.580
Acquisition	23/04/2020	Euronext Lisbon	220	2.570
Acquisition	24/04/2020	Euronext Lisbon	500	2.580
Acquisition	24/04/2020	Euronext Lisbon	1,000	2.560
Acquisition	24/04/2020	Euronext Lisbon	272	2.580
Acquisition	24/04/2020	Euronext Lisbon	228	2.580
Acquisition	24/04/2020	Euronext Lisbon	533	2.570
Acquisition	24/04/2020	Euronext Lisbon	967	2.570
Acquisition	24/04/2020	Euronext Lisbon	664	2.560
Acquisition	24/04/2020	Euronext Lisbon	69	2.560
Acquisition	27/04/2020	Euronext Lisbon	1,000	2.580
Acquisition	27/04/2020	Euronext Lisbon	300	2.560
Acquisition	27/04/2020	Euronext Lisbon	500	2.530
Acquisition	27/04/2020	Euronext Lisbon	300	2.530
Acquisition	28/04/2020	Euronext Lisbon	172	2.590
Acquisition	28/04/2020	Euronext Lisbon	615	2.580
Acquisition	28/04/2020	Euronext Lisbon	945	2.620
Acquisition	04/05/2020	Euronext Lisbon	500	2.690
Acquisition	04/05/2020	Euronext Lisbon	1,292	2.670
Acquisition	04/05/2020	Euronext Lisbon	164	2.660
Acquisition	05/05/2020	Euronext Lisbon	500	2.700
Acquisition	05/05/2020	Euronext Lisbon	66	2.690
Acquisition	06/05/2020	Euronext Lisbon	50	2.670
Acquisition	06/05/2020	Euronext Lisbon	351	2.660
Acquisition	06/05/2020	Euronext Lisbon	526	2.690
Acquisition	06/05/2020	Euronext Lisbon	805	2.690
Acquisition	06/05/2020	Euronext Lisbon	744	2.690
Acquisition	08/05/2020	Euronext Lisbon	1,081	2.720
Acquisition	11/05/2020	Euronext Lisbon	95	2.700
Acquisition	12/05/2020	Euronext Lisbon	69	2.720
Acquisition	14/05/2020	Euronext Lisbon	31	2.650
Acquisition	14/05/2020	Euronext Lisbon	129	2.650
Acquisition	14/05/2020	Euronext Lisbon	739	2.660
Acquisition	14/05/2020	Euronext Lisbon	261	2.660
Acquisition	14/05/2020	Euronext Lisbon	739	2.660
Acquisition	15/05/2020	Euronext Lisbon	116	2.820
Acquisition	15/05/2020	Euronext Lisbon	884	2.820
Acquisition	18/05/2020	Euronext Lisbon	298	2.860
Acquisition	18/05/2020	Euronext Lisbon	524	2.850
Acquisition	19/05/2020	Euronext Lisbon	500	2.900
Acquisition	19/05/2020	Euronext Lisbon	500	2.900
Acquisition	20/05/2020	Euronext Lisbon	70	2.860
Acquisition	20/05/2020	Euronext Lisbon	163	2.860
Acquisition	20/05/2020	Euronext Lisbon	378	2.850
Acquisition	21/05/2020	Euronext Lisbon	344	2.840
Acquisition	21/05/2020	Euronext Lisbon	690	2.840
Acquisition	21/05/2020	Euronext Lisbon	104	2.840
Acquisition	21/05/2020	Euronext Lisbon	3	2.840
Acquisition	21/05/2020	Euronext Lisbon	20	2.840
Acquisition	21/05/2020	Euronext Lisbon	130	2.840
Acquisition	21/05/2020	Euronext Lisbon	709	2.840
Acquisition	25/05/2020	Euronext Lisbon	74	2.930
Acquisition	25/05/2020	Euronext Lisbon	926	2.930
Acquisition	27/05/2020	Euronext Lisbon	181	3.160
Acquisition	27/05/2020	Euronext Lisbon	1,779	3.150
Acquisition	29/05/2020	Euronext Lisbon	443	3.240
Acquisition	01/06/2020	Euronext Lisbon	1,100	3.310
Acquisition	01/06/2020	Euronext Lisbon	508	3.310

Transaction	Date	Location	No. Shares	Price per Share (€)
Acquisition	01/06/2020	Euronext Lisbon	592	3.310
Acquisition	03/06/2020	Euronext Lisbon	82	3.290
Acquisition	03/06/2020	Euronext Lisbon	1,718	3.290
Acquisition	05/06/2020	Euronext Lisbon	919	3.350
Acquisition	05/06/2020	Euronext Lisbon	1,909	3.350
Acquisition	08/06/2020	Euronext Lisbon	2,403	3.320
Acquisition	08/06/2020	Euronext Lisbon	298	3.310
Acquisition	08/06/2020	Euronext Lisbon	952	3.320
Acquisition	09/06/2020	Euronext Lisbon	750	3.320
Acquisition	09/06/2020	Euronext Lisbon	250	3.300
Acquisition	09/06/2020	Euronext Lisbon	400	3.300
Acquisition	11/06/2020	Euronext Lisbon	380	3.240
Acquisition	11/06/2020	Euronext Lisbon	520	3.240
Acquisition	11/06/2020	Euronext Lisbon	120	3.230
Acquisition	11/06/2020	Euronext Lisbon	1,580	3.230
Acquisition	11/06/2020	Euronext Lisbon	624	3.230
Acquisition	11/06/2020	Euronext Lisbon	400	3.230
Acquisition	11/06/2020	Euronext Lisbon	1,480	3.230
Acquisition	12/06/2020	Euronext Lisbon	2,141	3.190
Acquisition	12/06/2020	Euronext Lisbon	1,900	3.200
Acquisition	12/06/2020	Euronext Lisbon	642	3.200
Acquisition	12/06/2020	Euronext Lisbon	1,342	3.200
Acquisition	12/06/2020	Euronext Lisbon	1,016	3.190
Acquisition	12/06/2020	Euronext Lisbon	559	3.180
Acquisition	12/06/2020	Euronext Lisbon	479	3.190
Acquisition	12/06/2020	Euronext Lisbon	1,921	3.150
Acquisition	15/06/2020	Euronext Lisbon	500	3.130
Acquisition	15/06/2020	Euronext Lisbon	429	3.130
Acquisition	16/06/2020	Euronext Lisbon	305	3.160
Acquisition	16/06/2020	Euronext Lisbon	695	3.190
Acquisition	16/06/2020	Euronext Lisbon	700	3.180
Acquisition	18/06/2020	Euronext Lisbon	1,000	3.270
Acquisition	18/06/2020	Euronext Lisbon	424	3.250
Acquisition	19/06/2020	Euronext Lisbon	600	3.200
Acquisition	23/06/2020	Euronext Lisbon	250	3.200
Acquisition	23/06/2020	Euronext Lisbon	115	3.180
Acquisition	25/06/2020	Euronext Lisbon	250	3.100
Acquisition	25/06/2020	Euronext Lisbon	250	3.110
Acquisition	26/06/2020	Euronext Lisbon	44	3.150
Acquisition	26/06/2020	Euronext Lisbon	82	3.160
Acquisition	26/06/2020	Euronext Lisbon	674	3.150

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Condensed Consolidated Accounts
1st half 2020
(Unaudited)

NOVABASE S.G.P.S., S.A.

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I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
for the period of 6 months ended 30 June 2020

NOVABASE S.G.P.S., S.A.

Condensed Consolidated Interim Statement of Financial Position as at 30 June 2020

(Amounts expressed in thousands of Euros)

	Note	30.06.20	31.12.19
Assets			
Non-Current Assets			
Property, plant and equipment	6	10,043	11,965
Intangible assets	7	12,064	12,967
Investments in associates		245	169
Financial assets at fair value through profit or loss		12,181	12,175
Debt securities		-	403
Deferred tax assets	8	9,062	9,585
Other non-current assets		2,338	1,908
Total Non-Current Assets		45,933	49,172
Current Assets			
Inventories		30	34
Trade and other receivables	9	42,230	78,428
Accrued income		5,130	3,843
Income tax receivable		2,161	2,168
Derivative financial instruments		14	24
Other current assets		3,861	6,211
Debt securities		-	2,793
Cash and cash equivalents	10	74,949	48,755
Total Current Assets		128,375	142,256
Assets from discontinued operations	24	451	460
Total Assets		174,759	191,888
Equity			
Share capital	11	54,638	54,638
Treasury shares	11	(1,063)	(655)
Share premium	11	226	226
Reserves and retained earnings	12	(3,154)	(5,318)
Profit for the period		4,819	20,400
Total Equity attributable to owners of the parent		55,466	69,291
Non-controlling interests	13	9,036	18,329
Total Equity		64,502	87,620
Liabilities			
Non-Current Liabilities			
Borrowings	14	25,479	21,281
Provisions	15	6,717	8,623
Other non-current liabilities	16	4,145	770
Total Non-Current Liabilities		36,341	30,674
Current Liabilities			
Borrowings	14	9,789	9,081
Trade and other payables	17	36,152	39,635
Income tax payable		1,954	1,312
Derivative financial instruments		-	17
Deferred income and other current liabilities		17,647	14,854
Total Current Liabilities		65,542	64,899
Liabilities from discontinued operations	24	8,374	8,695
Total Liabilities		110,257	104,268
Total Equity and Liabilities		174,759	191,888

THE CERTIFIED ACCOUNTANT

THE BOARD OF DIRECTORS

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NOVABASE S.G.P.S., S.A.

Condensed Consolidated Interim Statement of Profit and Loss for the period of 6 months ended 30 June 2020

(Amounts expressed in thousands of Euros)

	Note	6 M *	
		30.06.20	30.06.19 (*)
Continuing operations			
Sales	4	-	196
Services rendered	4	63,668	55,832
Cost of sales		-	(131)
External supplies and services		(20,519)	(16,701)
Employee benefit expense		(40,277)	(35,485)
Net impairment losses on trade and other receivables	9	18	38
Other gains/(losses) - net	18	2,571	(34)
Depreciation and amortisation		(2,174)	(1,796)
Operating Profit		3,287	1,919
Finance income	19	650	703
Finance costs	20	(1,831)	(794)
Share of loss of associates		(29)	(28)
Gain on net monetary position		-	127
Earnings Before Taxes (EBT)		2,077	1,927
Income tax expense	21	(206)	(439)
Profit from continuing operations		1,871	1,488
Discontinued operations			
Profit from discontinued operations	24	3,202	778
Profit for the period		5,073	2,266
Profit attributable to:			
Owners of the parent		4,819	1,644
Non-controlling interests		254	622
		<u>5,073</u>	<u>2,266</u>
Earnings per share from continuing and discontinued operations attributable to owners of the parent (Euros per share)			
Basic earnings per share			
From continuing operations	22	0.05 Euros	0.03 Euros
From discontinued operations	22	0.10 Euros	0.03 Euros
From profit for the period	22	0.16 Euros	0.05 Euros
Diluted earnings per share			
From continuing operations	22	0.05 Euros	0.03 Euros
From discontinued operations	22	0.10 Euros	0.03 Euros
From profit for the period	22	0.16 Euros	0.05 Euros

(*) Restated to reflect continuing operations separately from discontinued operations (GTE Business and Collab) - see note 24.

6 M * - period of 6 months ended

THE CERTIFIED ACCOUNTANT

THE BOARD OF DIRECTORS

NOVABASE S.G.P.S., S.A.

Condensed Consolidated Interim Statement of Comprehensive Income for the period of 6 months ended 30 June 2020

(Amounts expressed in thousands of Euros)

Note	6 M *	
	30.06.20	30.06.19
Profit for the period	5,073	2,266
Other comprehensive income for the period		
Items that may be reclassified to profit or loss		
Exchange differences on foreign operations, net of tax	592	(64)
Other comprehensive income for the period	592	(64)
Total comprehensive income for the period	5,665	2,202
Total comprehensive income attributable to:		
Owners of the parent	5,124	1,612
Non-controlling interests	541	590
	5,665	2,202
6 M * - period of 6 months ended		

THE CERTIFIED ACCOUNTANT

THE BOARD OF DIRECTORS

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NOVABASE S.G.P.S., S.A.

Condensed Consolidated Interim Statement of Changes in Equity for the period of 6 months ended 30 June 2020

(Amounts expressed in thousands of Euros)

	Note	Attributable to owners of the parent						Non-controlling interests	Total Equity
		Share capital	Treasury shares	Share premium	Legal reserves	Stock options reserves	Exchange dif. on foreign operations	Reserves and retained earnings	
Balance at 1 January 2019		15,701	(188)	43,560	3,140	-	(7,830)	12,443	80,580
Adjustment on initial application of IFRS 16 (net of tax)		-	-	-	-	-	-	(1,084)	(1,131)
Restated balance at 1 January 2019		15,701	(188)	43,560	3,140	-	(7,830)	11,359	79,449
Profit for the period		-	-	-	-	-	-	1,644	2,266
Other comprehensive income for the period		-	-	-	-	-	(159)	127	(64)
Total comprehensive income for the period		-	-	-	-	-	(159)	1,771	2,202
Transactions with owners									
Dividends	12	-	-	-	-	-	-	(4,654)	(4,654)
Transactions with owners		-	-	-	-	-	-	(4,654)	(4,654)
Changes in ownership interests in subsidiaries that do not result in a loss of control									
Transactions with non-controlling interests		-	-	-	-	-	-	-	-
Balance at 30 June 2019		15,701	(188)	43,560	3,140	-	(7,989)	8,476	76,997
Balance at 1 January 2020		54,638	(655)	226	3,140	7	(4,521)	16,456	87,620
Profit for the period		-	-	-	-	-	-	4,819	5,073
Other comprehensive income for the period	12, 13	-	-	-	-	-	305	-	592
Total comprehensive income for the period		-	-	-	-	-	305	4,819	5,665
Transactions with owners									
Treasury shares movements	11, 12	-	(408)	-	-	-	-	(265)	(673)
Share-based payments	12	-	-	-	-	12	-	-	12
Change in consolidation perimeter	13	-	-	-	-	-	-	-	(672)
Transactions with owners		-	(408)	-	-	12	-	(265)	(1,333)
Changes in ownership interests in subsidiaries that do not result in a loss of control									
Transactions with non-controlling interests	12, 13	-	-	-	-	-	145	(18,433)	(27,450)
Balance at 30 June 2020		54,638	(1,063)	226	3,140	19	(4,071)	2,577	64,502

THE CERTIFIED ACCOUNTANT

THE BOARD OF DIRECTORS

NOVABASE S.G.P.S., S.A.

Condensed Consolidated Interim Statement of Cash Flows for the period of 6 months ended 30 June 2020

(Amounts expressed in thousands of Euros)

	Note	6 M *	
		30.06.20	30.06.19
Cash flows from operating activities			
Net cash from operating activities		2,934	1,350
Cash flows from investing activities			
Proceeds:			
Sale of subsidiaries, net of cash disposed of	24	40,225	-
Sale of associates and other participated companies		4	4
Disposal of debt securities		3,026	-
Sale of property, plant and equipment		64	2
Interest received		66	482
Dividends received		43	-
		<u>43,428</u>	<u>488</u>
Payments:			
Acquisition of subsidiaries	24	(3,456)	-
Acquisition of assoc. and other participated companies		-	(381)
Loans granted to associates and participated companies		-	(99)
Acquisition of property, plant and equipment		(431)	(336)
Acquisition of intangible assets		(59)	(257)
		<u>(3,946)</u>	<u>(1,073)</u>
Net cash from (used in) investing activities		39,482	(585)
Cash flows from financing activities			
Proceeds:			
Proceeds from borrowings	14 (a)	10,250	310
Transactions with non-controlling interests		-	12
		<u>10,250</u>	<u>322</u>
Payments:			
Repayment of borrowings	14 (a)	(2,938)	(2,134)
Dividends paid and share capital reductions	12	-	(4,654)
Transactions with non-controlling interests	12	(20,000)	-
Payment of lease liabilities	14 (a)	(2,000)	(1,495)
Interest paid		(590)	(485)
Purchase of treasury shares	11, 12	(673)	-
		<u>(26,201)</u>	<u>(8,768)</u>
Net cash used in financing activities		(15,951)	(8,446)
Cash and cash equivalents at 1 January	10	48,782	63,643
Net increase (decrease) of cash and cash equivalents		26,465	(7,681)
Effect of exchange rate changes on cash and cash equiv.		(238)	(656)
Cash and cash equivalents at 30 June	10	75,009	55,306
6 M * - period of 6 months ended			

THE CERTIFIED ACCOUNTANT

THE BOARD OF DIRECTORS

NOVABASE S.G.P.S., S.A.
Selected Notes to the Condensed Consolidated Interim Financial Statements
for the period of 6 months ended 30 June 2020

1. Activity

Novabase, Sociedade Gestora de Participações Sociais, S.A. - Public Company (hereinafter referred to as Novabase, Novabase Group or Group), with its head office in Av. D. João II, 34, Parque das Nações, 1998-031 Lisbon, Portugal, holds and manages financial holdings in other companies as an indirect way of doing business, being the Holding Company of Novabase Group.

The first half of 2020 was marked by the success in the execution of some M&A operations relevant to Novabase's 2019+ Strategy, of becoming a "Next-Gen IT Services Company":

- (i) Acquisition of Vodafone Portugal, S.A.'s equity stake in Celfocus - Full ownership of Celfocus is a key element to the strategy, enabling the Group to allocate resources and explore synergies in a more efficient way;
- (ii) Sale of Novabase's equity stake in Collab to the Swedish Netadmin System I Sverige AB - The divestment of this non-strategic asset in the Value Portfolio segment allows Novabase to generate value to fund Next-Gen strategy;
- (iii) Adjustment to consideration on the sale of GTE Business to VINCI Energies Portugal, S.A. - The consideration obtained with this sale, concluded at the end of 2019, after price adjustments and the verification of the earn-out under the terms defined in the contract, increased to EUR 39.3 Million, generating an additional financial inflow to finance the Strategy and an adjustment to the capital gain of EUR 2.9 Million.

The 1st semester was also marked by the spread of Covid-19, the disease caused by the new coronavirus, declared as a pandemic by the World Health Organization on 11 March 2020. Since its inception, the Group has been monitoring carefully and permanently all developments related to the pandemic, having created a Contingency Coordinating Group for the management of this crisis, led by the CFO in alignment with the Management of each business. A contingency plan based on concrete and concerted actions was implemented, covering the entire organization, from the operational areas to the central structures, in all the Group's businesses, with 3 priorities defined:

- (i) Ensure safety, health and well-being conditions for all individuals in the Novabase Community - Initially, all the bureaucratic processes were adapted in order to eliminate or minimise travel, and infrastructures were reinforced, which provided conditions for nearly 100% of employees to work remotely, ensuring both employee's safety and clients business operations continuity. More recently, Novabase offices were awarded with the COVID OUT by ISQ, after months of adaptation to respond to the new challenges of the Covid-19 pandemic context, and reopened to a limited number of people for a safe return;
- (ii) Preserve the company's financial strength - Novabase has a solid customer base and a robust liquidity position. However, the pandemic uncertainty imposes a cautious treasury management in order to keep the company's financial resilience. In this context, the Board of Directors decided to revert its initial intention of proposing to the 2020 General Meeting of Shareholders a 0.85 €/share remuneration, maintaining the Strategic Update 2019+ commitment of distributing 1.5 €/share in 2019-2023;
- (iii) Prepare the future - Novabase believes that difficulties also present opportunities, so it is also time to prepare for the future and to think what it takes to win in the "new normal", where digital economy is expected to play a relevant role.

In terms of human resources, since the beginning of the pandemic and until the present date, the number of confirmed cases within our workers is very limited, with a total of 14 confirmed cases, of which 12 already recovered, which gives us comfort that the protection measures that have been implemented were effective. In terms of financial performance, there were no relevant Covid-19 impacts to be noted in the 1st half of 2020.

Taking into account the events that have taken place so far, and even though the next few months remain surrounded by uncertainty regarding the evolution of the epidemiological situation and the measures implemented in the various countries, the Board of Directors considers that, the liquidity situation and the capital levels will be sufficient to continue Group's activity. Novabase remains confident due to its financial strength, talent and strategy, but cautious due to the uncertainty on the time of the pandemic and shape of the economic recovery. As far as we are able to anticipate, the M&A initiatives foreseen in the Strategic Plan are likely to be delayed due to current market volatility and attracting new customers may be more challenging due to the current travel restrictions, which could influence our prospects for growth in 2021. To this date, it is not possible to estimate the potential impacts on the Group's accounts. The key priority continues to be the implementation of all measures considered adequate to minimise the negative effects on the Group's operations, in line with the recommendations of the authorities and on all stakeholders' best interest.

Novabase is listed on the Euronext Lisbon.

These condensed consolidated interim financial statements were approved and authorized for issuance by the Board of Directors on 17 September 2020. In the opinion of the Board of Directors these financial statements fairly present the Group operations, as well as its financial position, financial performance and cash flows.

2. Significant accounting policies

The condensed consolidated interim financial statements for the period of six months ended 30 June 2020 have been prepared in accordance with IAS 34, 'Interim financial reporting'. These condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2019, which have been prepared in accordance with IFRS's, as adopted by the European Union (EU).

These financial statements are presented in thousands of euros (EUR thousand).

These financial statements have not been audited.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2019, as described in those financial statements, except for the adoption of new standards, amendments and interpretations, effective as of 1 January 2020, and including an explanation of the events and relevant changes for the understanding of variations in the financial position and Group performance since the last annual report. Thus, some of the notes from the 2019 annual report are omitted because no changes occurred, or they are not materially relevant for the understanding of the interim financial statements.

Novabase Group's activity does not have, on a biannual basis, any significant seasonality.

As mentioned in the consolidated financial statements of the 2019 annual report, note 3 - Financial risk management policy, the Group, as a result of its normal activity, is exposed to several risks which are monitored and mitigated throughout the year. During the first six months of 2020, and despite the context of the Covid-19 pandemic, there were no material changes in addition to the notes detailed below, that could significantly change the assessment of the risks to which the Group is exposed to.

New standards, amendments and interpretations that became effective as of 1 January 2020

IASB Standard or IFRIC Interpretation endorsed by EU	Issued in	EU Regulat.
Conceptual Framework , 'Amendments for Financial Reporting (IFRS)'; Changes to various standards and interpretations: IFRS 2, IFRS 3, IFRS 6, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, SIC 32	29/Mar/18	No. 2075/2019
IAS 1 and IAS 8 (amendment) , 'Definition of material'	31/Oct/18	No. 2104/2019
IFRS 9, IAS 39 and IFRS 7 (amendment) , 'Interest rate benchmark reform'	26/Sep/19	No. 34/2020
IFRS 3 (amendment) , 'Definition of a business'	22/Oct/18	No. 551/2020

No standard, interpretation or amendment to existing standard applied by the Group for the first time in this period had a significant impact on its financial statements.

3. Critical accounting estimates and judgements

The preparation of interim financial statements requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant estimates and judgments made are the same as those that applied to the consolidated financial statements for the year ended 31 December 2019, considering the below mentioned about the Covid-19 pandemic.

On the present date, and taking into account the information in Note 1 - Activity and in Note 4 - Critical accounting estimates and judgements disclosed in the consolidated financial statements of the 2019 annual report, the Group does not foresee any changes in the most relevant estimates, namely in what concerns to goodwill impairment, fair value of financial instruments, impairment of financial assets and provisions.

4. Segment information

Novabase's activity is aggregated into 2 operating segments:

- Next-Gen
- Value Portfolio

As described in note 1 - Activity, in the 1st half of 2020, Novabase sold its equity stake in Collab to the Swedish Netadmin System I Sverige AB. By the end of 2019, Novabase had disposed its GTE Business to VINCI Energies Portugal, S.G.P.S., S.A.. The sales of Collab and GTE Business fall within the scope of the 2019+ Strategy, and combined represented a divestment of over 60% of Value Portfolio segment Turnover (based on 2018 accounts). Thus, the figures presented in the 1st semester of 2019 were restated to reflect continuing operations separately from discontinued operations, as follows:

At 30 June 2019	Value Portfolio (disclosed)	GTE and Collab	Value Portfolio (restated)
Total segment sales and services rendered	46,971	19,301	27,670
Inter-segment sales and services rendered	13,042	594	12,448
Sales and services rendered	33,929	18,707	15,222
Depreciation and amortisation	(1,482)	(243)	(1,239)
Operating Profit / (Loss)	2,246	1,025	1,221
Finance results	-	(31)	31
Share of loss of associates	(28)	-	(28)
Gain on net monetary position	127	-	127
Income tax expense	(665)	(216)	(449)
Profit/(Loss) from operations	1,680	778	902
Other information:			
(Provisions) / Provisions reversal	397	297	100
Net impairment losses on trade and other receivables	138	105	33

Revenues from operating segments, as well as other measures of profit or loss and material items within the consolidated statement of profit and loss, can be analysed as follows:

	Value Portfolio (restated)	Next-Gen	Novabase (restated)
At 30 June 2019			
Total segment sales and services rendered	27,670	50,450	78,120
Inter-segment sales and services rendered	12,448	9,644	22,092
Sales and services rendered	15,222	40,806	56,028
Depreciation and amortisation	(1,239)	(557)	(1,796)
Operating Profit / (Loss)	1,221	698	1,919
Finance results	31	(122)	(91)
Share of loss of associates	(28)	-	(28)
Gain on net monetary position	127	-	127
Income tax expense	(449)	10	(439)
Profit from continuing operations	902	586	1,488
Profit from discontinued operations (note 24)	778	-	778
Other information:			
(Provisions) / Provisions reversal	100	-	100
Net impairment losses on trade and other receivables	33	5	38
	Value Portfolio	Next-Gen	Novabase
At 30 June 2020			
Total segment sales and services rendered	26,850	50,853	77,703
Inter-segment sales and services rendered	8,749	5,286	14,035
Sales and services rendered	18,101	45,567	63,668
Depreciation and amortisation	(1,283)	(891)	(2,174)
Operating Profit / (Loss)	1,184	2,103	3,287
Finance results	(752)	(429)	(1,181)
Share of loss of associates	(29)	-	(29)
Gain on net monetary position	-	-	-
Income tax expense	-	(206)	(206)
Profit from continuing operations	403	1,468	1,871
Profit from discontinued operations (note 24)	3,202	-	3,202
Other information:			
(Provisions) / Provisions reversal	88	1,645	1,733
Net impairment losses on trade and other receivables	27	(9)	18

Management monitors Turnover by geography. These amounts are calculated based on the location of the client where the project is delivered.

Sales and services rendered, by geography, in 1st half of 2019, are analysed as follows:

	Portugal	Europe & Middle East	Others	Novabase
Sales and services rendered	23,567	29,890	2,571	56,028

Sales and services rendered, by geography, in 1st half of 2020, are analysed as follows:

	Portugal	Europe & Middle East	Others	Novabase
Sales and services rendered	27,844	31,610	4,214	63,668

5. Companies included in consolidation

The companies consolidated by the full method, as at 30 June 2020, were the following:

Holding Company and Subsidiaries	Principal place of business	Share capital 30.06.20	% Interest held	
			30.06.20	31.12.19
Parent company:				
Novabase S.G.P.S., S.A.	Portugal	54,638,426 €	-	-
Next-Gen:				
Novabase E.A., S.A.	Portugal	150,000 €	100.0%	100.0%
(a1) CelFocus, S.A.	Portugal	100,000 €	100.0%	55.0%
Novabase Solutions Middle East FZ-LLC	Dubai	699,670 €	100.0%	100.0%
(a1) Celfocus B. T. T. H. T. Limited Ş.	Turkey	100,000 TRY	100.0%	55.0%
(a1) Celfocus LTD	UK	15,000 GBP	100.0%	55.0%
(a1) Celfocus B.V.	The Netherlands	20,000 €	100.0%	55.0%
Novabase Business Solutions, S.A.	Portugal	3,366,000 €	100.0%	100.0%
Binómio, Lda.	Portugal	2,626 €	100.0%	100.0%
Value Portfolio:				
(*) NBMSIT, Sist. de Inf. e Tecnol., S.A.	Mozambique	8,235,000 MZN	74.0%	74.0%
Novabase Neotalent, S.A.	Portugal	52,630 €	95.0%	95.0%
(b1) Novabase Neotalent España S.A.U	Spain	1,000,000 €	95.0%	95.0%
NBASIT-Sist. de Inf. e Telecomunic., S.A.	Angola	47,500,000 AOA	49.4%	49.4%
Novabase Capital S.C.R., S.A.	Portugal	2,500,000 €	100.0%	100.0%
FCR NB Capital Inovação e Internacionalização	-	11,360,000 €	51.6%	51.6%
FCR Novabase Capital +Inovação	-	7,021,278 €	53.1%	53.1%
(c1) COLLAB – Sol. I. Com. e Colab., S.A.	Portugal	-	-	77.8%
Novabase Consulting S.G.P.S., S.A.	Portugal	11,629,475 €	100.0%	100.0%
NBASE S.G.P.S., S.A.	Portugal	328,125 €	100.0%	100.0%
NOVABASE IMS 2, S.A.	Portugal	220,500 €	100.0%	100.0%
TVLab, S.A.	Portugal	52,517 €	70.0%	70.0%
Nbase International Investments B.V.	The Netherlands	1,220,800 €	100.0%	100.0%
Novabase Shared Services:				
Novabase Servicos, S.A.	Portugal	50.000 €	100.0%	100.0%

(*) Novabase discontinued the activity in this subsidiary since late 2019, following the sale agreement of its GTE Business to VINCI Energies Portugal, S.G.P.S., S.A. (note 24).

In the 1st half of 2020, the following changes occurred in the consolidation perimeter:

a) Acquisitions of financial holdings to non-controlling interests (see note 12)

(a1) Acquisition of the remaining financial holding of 45.003% in CelFocus, S.A. and, consequently, of the remaining financial holding in Celfocus B. T. T. H. T. Limited Ş., in Celfocus LTD and in Celfocus B.V..

b) Changes in social designations

(b1) In 2019, this company had the designation of Novabase Sistemas de Informacion, S.A..

c) Exits from the consolidation perimeter

(c1) Following the sale and purchase agreement entered into with Netadmin System i Sverige AB on 19 March 2020 (see note 24), the Group sold all shares representing COLLAB - Sol. I. Com. And Colab., S.A. share capital, held in 72.45% by Novabase Business Solutions, S.A. and in 17.75% by Fundo Capital Risco NB Capital.

The company included in the consolidation using the equity method, as at 30 June 2020, under the Value Portfolio segment, was the following:

Associates	Principal place of business	Share capital 30.06.20	% Interest held		Equity 30.06.20	Net Profit 30.06.20
			30.06.20	31.12.19		
Fundo Capital Risco NB Capital	Portugal	7,142,857 €	30.0%	30.0%	856	254

6. Property, plant and equipment

The amounts presented under 'Property, plant and equipment' caption comprise own assets and right-of-use assets. The movement in the net book value of property, plant and equipment, during the 1st half of 2020, was as follows:

	Buildings and other constr.	Basic equipment	Transport equipment	Furniture, fit. and equip.	Other tangible assets	Total
Cost	31,090	7,661	2,728	1,771	11	43,261
Accumulated depreciation	(22,064)	(6,083)	(1,624)	(1,514)	(11)	(31,296)
Net book value at 31 December 2019	9,026	1,578	1,104	257	-	11,965
1st half of 2020						
Net book value at 1 January	9,026	1,578	1,104	257	-	11,965
Acquisitions / increases	687	367	92	36	1	1,183
Write-offs / disposals	(763)	(53)	(404)	(5)	-	(1,225)
Transfers	73	-	-	28	-	101
Change in consolidation perimeter (note 24)	-	-	-	(3)	-	(3)
Exchange differences	-	-	-	(2)	-	(2)
Depreciation	(1,431)	(329)	(183)	(33)	-	(1,976)
Balance at the end of the period	7,592	1,563	609	278	1	10,043
Cost	31,051	7,763	1,829	1,773	12	42,428
Accumulated depreciation	(23,459)	(6,200)	(1,220)	(1,495)	(11)	(32,385)
Net book value at 30 June 2020	7,592	1,563	609	278	1	10,043

In the first half of 2020, the acquisitions of property, plant and equipment are essentially of right-of-use assets (see details in the following table) and basic equipment. The acquisitions of right-of-use assets are mainly of 'Buildings and other constructions', in the amount of EUR 660 thousand, and refer to a new lease agreement with an estimated lease term of 60 months, in the amount of EUR 616 thousand, being the remaining amount related to the remeasurement of existing contracts that depend on an index or rate.

The write-offs are essentially of right-of-use assets, in the amount of EUR 1,168 thousand, of which EUR 763 thousand in 'Buildings and other constructions' and EUR 405 thousand in 'Transport equipment'. The first are related to the change of the term in 2 offices lease agreements with termination options without penalties, and the second with vehicles previously allocated to the GTE Business and Collab.

Depreciation recognised in profit and loss and included in 'Depreciation and amortisation' amounts to EUR 1,976 thousand (30.06.19: EUR 1,727 thousand), and included in 'Profit from discontinued operations' amounts to EUR 0 thousand (30.06.19: EUR 92 thousand).

The net book value of right-of-use assets by class of underlying asset, as well as movements during the period, are detailed as follows:

	Buildings and other constr.	Transport equipment	Total
Cost	27,858	2,621	30,479
Accumulated depreciation	(19,178)	(1,516)	(20,694)
Net book value at 31 December 2019	8,680	1,105	9,785
1st half of 2020			
Net book value at 1 January	8,680	1,105	9,785
Acquisitions / increases	660	92	752
Write-offs	(763)	(405)	(1,168)
Depreciation	(1,400)	(183)	(1,583)
Balance at the end of the period	7,177	609	7,786
Cost	27,720	1,767	29,487
Accumulated depreciation	(20,543)	(1,158)	(21,701)
Net book value at 30 June 2020	7,177	609	7,786

7. Intangible assets

The movement in the net book value of intangible assets, during the 1st half of 2020, was as follows:

	Intern. gener. intang. assets	Ind. prop. and other rights	Work in progress	Goodwill	Total
Cost	13,622	11,439	272	11,501	36,834
Accumulated amortisation	(12,790)	(11,077)	-	-	(23,867)
Net book value at 31 December 2019	832	362	272	11,501	12,967
1st half of 2020					
Net book value at 1 January	832	362	272	11,501	12,967
Acquisitions / increases	-	-	59	-	59
Transfers	-	-	(101)	-	(101)
Change in consolidation perimeter (note 24)	(429)	-	(183)	-	(612)
Amortisation	(137)	(112)	-	-	(249)
Balance at the end of the period	266	250	47	11,501	12,064
Cost	10,549	11,439	47	11,501	33,536
Accumulated amortisation	(10,283)	(11,189)	-	-	(21,472)
Net book value at 30 June 2020	266	250	47	11,501	12,064

The amount of amortisation recognised in profit and loss and included in 'Depreciation and amortisation' is EUR 198 thousand (30.06.19: EUR 69 thousand), and included in 'Profit from discontinued operations' is EUR 51 thousand (30.06.19: EUR 151 thousand).

8. Deferred tax assets

Movements in the deferred tax assets were as follows:

	30.06.20	31.12.19
Balance at 1 January	9,585	10,048
Adjustment on initial application of IFRS 16	-	301
Profit or loss charge	657	438
Other comprehensive income charge	-	136
Exchange differences	-	(4)
Tax related to net invest. in foreign entities of discount. op.	-	829
Change in consolidation perimeter (note 24)	(1,180)	(2,163)
Balance at the end of the period	9,062	9,585

The amount recognised in profit and loss and included in 'Income tax expense' is EUR 664 thousand (30.06.19: EUR -551 thousand), and included in 'Profit from discontinued operations' is EUR -7 thousand (30.06.19: EUR 201 thousand).

The movement in deferred tax assets during the period, without considering the offsetting of balances within the same tax jurisdiction, is as follows:

	Tax Losses / Other	Tax Incentives	Provisions / Adjustments	Total
Balance at 1 January 2019	(781)	9,516	1,313	10,048
Adjustment on initial application of IFRS 16	301	-	-	301
Profit or loss charge	(487)	599	326	438
Other comprehensive income charge	136	-	-	136
Exchange differences	(4)	-	-	(4)
Tax related to net invest. in foreign entities of discount. op.	829	-	-	829
Change in consolidation perimeter	2	(2,047)	(118)	(2,163)
Balance at 31 December 2019	(4)	8,068	1,521	9,585
Profit or loss charge	908	(12)	(239)	657
Change in consolidation perimeter	-	(1,059)	(121)	(1,180)
Balance at 30 June 2020	904	6,997	1,161	9,062

9. Trade and other receivables

	30.06.20	31.12.19
Trade receivables	36,018	37,558
Impairment allowance for trade receivables	(1,062)	(1,154)
	34,956	36,404
Financial holdings disposal (note 24)	655	36,000
Capital subscribers of 'Fundo de Capital de Risco NB Capital +Inovação'	2,469	2,469
Value added tax	2,325	1,789
Receivables from financed projects	1,586	1,663
Prepayments to suppliers	406	159
Employees	124	64
Other receivables	766	941
Impairment allowance for other receivables	(1,057)	(1,061)
	7,274	42,024
	42,230	78,428

Movements in impairment allowances for trade and other receivables are analysed as follows:

	Trade receivables		Other receivables		Total	
	30.06.20	31.12.19	30.06.20	31.12.19	30.06.20	31.12.19
Balance at 1 January	1,154	2,212	1,061	1,142	2,215	3,354
Impairment	81	285	-	-	81	285
Impairment reversal	(103)	(794)	(4)	(9)	(107)	(803)
Exchange differences	(33)	(100)	-	(25)	(33)	(125)
Write-offs	(8)	(62)	-	(47)	(8)	(109)
Change in consolidation perimeter	(29)	(387)	-	-	(29)	(387)
Balance at the end of the period	1,062	1,154	1,057	1,061	2,119	2,215

Impairment and impairment reversal of trade and other receivables recognised in profit and loss and included in 'Net impairment losses on trade and other receivables' is EUR 18 thousand (30.06.19: EUR 38 thousand), and included in 'Profit from discontinued operations' is EUR 8 thousand (30.06.19: EUR 105 thousand).

10. Cash and cash equivalents

With reference to the statement of cash flows, the detail and description of **cash and cash equivalents** is analysed as follows:

	30.06.20	31.12.19
- Cash	13	15
- Short-term bank deposits	74,996	48,767
Cash and cash equivalents at the end of period	75,009	48,782
- Impairment allowance of short-term bank deposits	(60)	(27)
Cash and cash equivalents	74,949	48,755

Movements in impairment allowance of short-term bank deposits are analysed as follows:

	30.06.20	31.12.19
Balance at 1 January	27	29
Impairment (note 20)	52	10
Impairment reversal (note 19)	(19)	(12)
Balance at the end of the period	60	27

The Impairment allowance of short-term bank deposits recognised in profit and loss and included in 'Finance costs' is EUR 52 thousand (30.06.19: EUR 5 thousand), and included in 'Profit from discontinued operations' is EUR 0 thousand (30.06.19: EUR 0 thousand). The impairment reversal recognised in profit and loss and included in 'Finance income' is EUR -19 thousand (30.06.19: EUR -4 thousand), and included in 'Profit from discontinued operations' is EUR 0 thousand (30.06.19: EUR -4 thousand).

11. Share Capital, share premium and treasury shares

The share capital at 30 June 2020, fully subscribed and paid of 54,638,425.56 Euros, is represented by 31,401,394 shares with a nominal value of 1.74 Euros each.

	No. Shares (thousands)	Share capital	Treasury shares	Share premium	Total
Balance at 1 January 2019	31,401	15,701	(188)	43,560	59,073
Share capital reduction	-	(4,397)	-	-	(4,397)
Share capital increase	-	43,334	(467)	(43,334)	(467)
Balance at 31 December 2019	<u>31,401</u>	<u>54,638</u>	<u>(655)</u>	<u>226</u>	<u>54,209</u>
Treasury shares purchased	-	-	(408)	-	(408)
Balance at 30 June 2020	<u>31,401</u>	<u>54,638</u>	<u>(1,063)</u>	<u>226</u>	<u>53,801</u>

At 31 December 2019, Novabase S.G.P.S. held 376,611 treasury shares, representing 1.20% of its share capital.

On 14 January 2020, Novabase started trading in the context of the own shares buy-back program ("Buy-back Program"), pursuant to the terms and limitations set forth in the Extraordinary General Meeting of Shareholders of Novabase, that took place on the 26th of September 2019. During the 1st half of 2020, under this programme, the Company acquired on the market 234,464 own shares at the average price of 2.87 Euros. As a result of these acquisitions, at 30 June 2020, Novabase S.G.P.S. held 611,075 treasury shares, representing approximately 1.95% of its share capital.

12. Reserves and retained earnings

The movements in the reserves and retained earnings are analysed as follows:

	30.06.20	31.12.19
Balance at 1 January	(5,318)	3,016
Adjustment on initial application of IFRS 16 (net of tax)	-	(1,084)
Profit for the previous year	20,400	4,737
Share capital reduction	-	53
Share capital increase	-	467
Payment of dividends / shareholder remuneration	-	(15,823)
Exchange differences on foreign operations	305	293
Purchase and sale of treasury shares	(265)	-
Share-based payments	12	7
Transactions with non-controlling interests	(18,288)	-
Transfer of the exchange difference on foreign operations to profit from disc. operations	-	3,016
Balance at the end of the period	<u>(3,154)</u>	<u>(5,318)</u>

On 30 March 2020, the Board of Directors has decided to revert its initial intention, disclosed to the market on 20 February 2020, of proposing to the Annual General Meeting of 2020 the distribution of approximately EUR 26,691 thousand to the shareholders by means of the reduction of the share capital of Novabase in the same amount, which would represent a remuneration of 0.85 Euros per share, as a prevention measure that aim at ensuring the financial resilience of the Company and its competitiveness during and after the Covid-19 pandemic. The commitment assumed towards the shareholders, on 25 July 2019 upon disclosure of the Novabase Strategic Update 2019+, of distributing 1.5€/share in the period 2019-2023^(*) remains but was postponed to a more suitable moment.

^(*) Including amounts paid since 01.01.2019.

	30.06.20	30.06.19
Payment of dividends / shareholders remuneration	-	4,654
Remuneration of the treasury shares held by the Company	-	56
	<u>-</u>	<u>4,710</u>

In the 1st half of 2020, the Group performed transactions with non-controlling interests (NCI), with the following impact:

	30.06.20	
	Carrying amount of NCI acquired	Impact on equity attrib. to owners of the parent
Total purchase consideration		
Acquisition of 45.003% in CelFocus, S.A.	27,450	(18,288)
	<u>27,450</u>	<u>(18,288)</u>

On 24 April 2020, Novabase has entered into a sale and purchase agreement with Vodafone Portugal, S.A. ("Vodafone") to buy the shares representing Vodafone's equity stake in Celfocus, S.A., increasing its ownership from 55% to 100% (see note 5). The agreed purchase price for Vodafone's entire shareholding was EUR 20 Million. There may be an additional price adjustment of EUR 7.5 Million, to be paid for in services, which could raise the final purchase price to a maximum of EUR 27.5 Million, as a result of possible annual adjustments until 2023 related to service hiring guarantees of EUR 10 Million per year for three years given by Vodafone.

The carrying amount of Celfocus's net assets on the date of acquisition was EUR 20.4 Million. The agreed purchase price was fully paid on April, 30. The fair value of the contingent consideration arrangement, of EUR 7,450 thousand, was estimated calculating the present value of the future expected cash flows, based on a discount rate of 2.3% and assuming a probability of 100%. From this amount, the portion with a maturity of more than 12 months is included in 'Other non-current liabilities' (see note 16), and the remainder is recognised in 'Trade and other payables' (see note 17).

As the operation described above was a transaction with non-controlling interests in a subsidiary already controlled by the Group, the difference between the total consideration and the carrying amount of the net assets acquired was recorded in Equity attributable to owners of the parent, in the amount of EUR -18,288 thousand. The non-controlling interests decreased by EUR 9,162 thousand (note 13). To be noted that these amounts already include the transfer of the exchange difference on foreign operations regarding the subsidiaries Celfocus B. T. T. H. T. Limited Ş. and Celfocus LTD, from NCI to Equity attributable to owners of the parent, in the amount of EUR 145 thousand.

13. Non-controlling interests

	30.06.20	31.12.19
Balance at 1 January	18,329	13,754
Adjustment on initial application of IFRS 16 (net of tax)	-	(47)
Transactions with non-controlling interests (note 12)	(9,162)	-
Distribution of dividends to non-controlling interests	-	(548)
Exchange differences on foreign operations	287	322
Profit attributable to non-controlling interests	254	5,576
Change in consolidation perimeter	(672)	(728)
Balance at the end of the period	9,036	18,329

14. Borrowings

	30.06.20	31.12.19
Non-current		
Bank borrowings	19,400	13,600
Lease liabilities	6,079	7,681
	25,479	21,281
Current		
Bank borrowings	6,706	5,194
Lease liabilities	3,083	3,887
	9,789	9,081
Total borrowings	35,268	30,362

The maturity of 'Borrowings' is as follows:

	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years	Total
Bank borrowings	2,937	2,257	4,400	9,200	-	18,794
Lease liabilities	2,069	1,818	3,301	4,380	-	11,568
Balance at 31 December 2019	5,006	4,075	7,701	13,580	-	30,362
Bank borrowings	3,506	3,200	5,900	13,500	-	26,106
Lease liabilities	1,668	1,415	2,583	3,496	-	9,162
Balance at 30 June 2020	5,174	4,615	8,483	16,996	-	35,268

The weighted average effective interest rate of bank borrowings at the reporting date is 1.497% (31.12.19: 1.546%). In what concerns to the responsibilities associated with leases, these are presented above discounted of the future finance charges, amounting to EUR 704 thousand as at 30 June 2020 (31.12.19: EUR 1,041 thousand).

During the 1st half of 2020, the Group negotiated a new loan, in the amount of EUR 10 Million. In addition, loan repayments with other banking institutions in this period amounted to EUR 2.9 Million.

(a) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	30.06.20	31.12.19
Cash and cash equivalents (amount before impairment losses)	75,009	48,782
Borrowings - repayable within one year (including overdrafts)	(9,789)	(9,081)
Borrowings - repayable after one year	(25,479)	(21,281)
Net debt	39,741	18,420

	Cash and cash equivalents	Bank borrow. due within 1 year	Bank borrow. due after 1 year	Lease liabilities due within 1 year	Lease liabilities due after 1 year	Net debt
Balance at 1 January 2019	63,643	(4,959)	(6,294)	(1,361)	(7,066)	43,963
Cash flows	(5,747)	4,959	(12,500)	3,406	-	(9,882)
Acquisitions - lease liabilities	-	-	-	-	(4,138)	(4,138)
Effect of exchange rate changes	(2,179)	-	-	-	-	(2,179)
Change in consolidation perimeter	(6,935)	-	-	-	-	(6,935)
Other non-cash movements	-	(5,194)	5,194	(5,932)	3,523	(2,409)
Balance at 31 December 2019	48,782	(5,194)	(13,600)	(3,887)	(7,681)	18,420
Cash flows	26,465	2,938	(10,250)	2,000	-	21,153
Acquisitions - lease liabilities	-	-	-	(120)	(632)	(752)
Effect of exchange rate changes	(238)	-	-	-	-	(238)
Other non-cash movements	-	(4,450)	4,450	(1,076)	2,234	1,158
Balance at 30 June 2020	75,009	(6,706)	(19,400)	(3,083)	(6,079)	39,741

15. Provisions

Movements in provisions for other risks and charges are analysed as follows:

	30.06.20	31.12.19
Balance at 1 January	8,623	8,252
Additional provisions (note 18)	-	3,244
Reversals / utilisations (note 18)	(1,733)	(2,844)
Exchange differences	-	(4)
Change in consolidation perimeter (note 24)	(173)	(25)
Balance at the end of the period	6,717	8,623

In the 1st half of 2020, the Group reversed provisions for costs resulting from the alignment of labour capacity to the Strategy 2019+, in the amount of EUR 1,733 thousand. The related costs, of equal amount, were recognised in 'Employee benefit expense'.

The amount of provisions for other risks and charges recognised in profit and loss and included in 'Other gains/(losses) - net' is EUR -1,733 thousand (30.06.19: EUR 100 thousand), and included in 'Profit from discontinued operations' is EUR -31 thousand (30.06.19: EUR 297 thousand).

16. Other non-current liabilities

	30.06.20	31.12.19
Acquisition of financial interests	3,380	-
Research and development grants	765	770
	4,145	770

The caption 'Acquisition of financial interests' includes the portion of the contingent consideration for the acquisition of Celfocus S.A. with a maturity of more than 12 months (see note 12), in the amount of EUR 2,950 thousand. It also includes EUR 430 thousand related to a part of the consideration for the acquisition of the non-controlling interests of Novabase Digital, S.A., which preceded the sale of 100% of the GTE Business, whose payment is linked to the proceeds, of that same amount, from the buyer, as set out in the agreement (see note 24).

17. Trade and other payables

	30.06.20	31.12.19
Trade payables	5,211	8,215
Remunerations, holiday and holiday and Christmas allowances	10,436	7,531
Bonus	6,581	8,819
Acquisition of financial holdings	4,500	3,564
Ongoing projects	3,118	2,138
Value added tax	1,233	2,070
Social security contributions	1,323	2,123
Income tax withholding	1,041	1,404
Employees	172	105
Stock options plan	51	16
Amount to be paid to non-controlling interests	1	2
Prepayments from trade receivables	2	2
Other accrued expenses	2,358	3,364
Other payables	125	282
	36,152	39,635

At 30 June 2020, the caption 'Acquisition of financial holdings' refers to the contingent consideration for the acquisition of Celfocus S.A. with a maturity of 12 months or less (see note 12).

18. Other gains/(losses) - net

	30.06.20	30.06.19
Provisions for other risks and charges (note 15)	1,733	100
Other operating income and expense	838	(134)
	2,571	(34)

In the 1st half of 2020, the caption 'Other operating income and expense' includes EUR 409 thousand related to the receipt of the final amount claimed of unpaid invoices and compensation for breach of prior notice for termination of contract, within the scope of an old judicial process filed by the Group against the company Qimonda Portugal S.A..

19. Finance income

	30.06.20	30.06.19
Interest received	101	103
Foreign exchange gains	349	545
Fair value of financial assets adjustment	-	11
(*) Dividends of financial assets	43	-
Reversal of impairment losses on bank balances (note 10)	19	4
Reversal of impairment losses on debt securities	138	40
	650	703

(*) Dividends received on the investment in Globaleda, S.A..

20. Finance costs

	30.06.20	30.06.19
Interest expenses		
- Borrowings	(223)	(111)
- Lease liabilities	(251)	(217)
- Other interest	(1)	(1)
Bank guarantees charges	(16)	(14)
Bank services and commissions	(69)	(67)
Foreign exchange losses	(1,202)	(349)
Fair value of financial assets adjustment	-	(30)
Provisions for loans to related parties	-	-
Impairment losses on bank balances (note 10)	(52)	(5)
Other financial losses	(17)	-
	(1,831)	(794)

'Financial costs' caption evolution in the first half of 2020 mainly reflects the increase of foreign exchange losses on a year-on-year basis. However, it is to be noted that, in the 1st half of 2019, the Group was still applying the net investment in foreign entities to its subsidiaries with a functional currency other than the Euro, having stopped this accounting from the 2nd half onwards, as disclosed in Note 2.5. of the consolidated financial statements for the year ended 31 December 2019.

21. Income tax expense

The tax on the Group's earnings before taxes differs from the theoretical amount that would arise using the weighted average rate applicable to profits of the consolidated entities as follows:

	30.06.20	30.06.19
Earnings before taxes	2,077	1,927
Income tax expense at nominal rate (21% in 2020 and 2019)	436	405
Recognition of tax on the events of previous years	-	6
Dividends	(9)	-
Associates' results reported net of tax	6	6
Autonomous taxation	172	210
Results in companies where no deferred tax is recognised	179	167
Expenses not deductible for tax purposes	(704)	230
Differential tax rate on companies located abroad	(32)	(7)
Research & Development tax benefit	11	(859)
Municipal surcharge and State surcharge	117	69
Impairment of SIFIDE R&D	-	200
Impairment of Special Payment on Account, tax losses and withholding taxes	30	12
Income tax expense	206	439
Effective tax rate	9.9%	22.8%

22. Earnings per share

	30.06.20	30.06.19
Weighted average number of ordinary shares in issue	30,890,446	31,024,783
Stock options adjustment	150,466	-
Adjusted weighted average number of ordinary shares in issue	31,040,912	31,024,783
Profit attributable to owners of the parent	4,819	1,644
Basic earnings per share (Euros per share)	0.16 Euros	0.05 Euros
Diluted earnings per share (Euros per share)	0.16 Euros	0.05 Euros
Profit from continuing operations attributable to owners of the parent	1,617	866
Basic earnings per share (Euros per share)	0.05 Euros	0.03 Euros
Diluted earnings per share (Euros per share)	0.05 Euros	0.03 Euros
Profit from discontinued operations attributable to owners of the parent	3,202	778
Basic earnings per share (Euros per share)	0.10 Euros	0.03 Euros
Diluted earnings per share (Euros per share)	0.10 Euros	0.03 Euros

23. Related parties

For reporting purposes, related parties include subsidiaries and associates, other participated companies classified as financial assets at fair value through profit or loss, shareholders and key elements in the management of the Group, and companies related to them that provide management services to the Group (Autonomy Mastery and Purpose, S.A. and Groovesnore Investimentos Imobiliários, Lda.).

i) Key management personnel compensation

Remuneration assigned to the Board of Directors, other key management personnel and related companies providing management services to the Group, during the periods ended 30 June 2020 and 2019 (*), are as follows:

	30.06.20	30.06.19
Short-term employee benefits	763	1,288
Other long-term benefits	1,145	407
Stock options granted	47	-
	<u>1,955</u>	<u>1,695</u>

(*) Towards the balance presented in June 2019, EUR 156 thousand were considered as part of discontinued operations, as such they were not included in this note.

The total variable remuneration assigned to the Board of Directors of Novabase S.G.P.S. and other key management elements of the Group, regardless the year of allocation, which payment is deferred, amounts to EUR 2,126 thousand (31.12.19: EUR 1,542 thousand).

In addition, there are outstanding current account balances with key management personnel in the amount of EUR 13 thousand at 30 June 2020 (31.12.19: EUR 3 thousand).

ii) Balances and transactions with related parties

Balances and transactions (**) with related parties are as follows:

	Trade and other receivables		Trade and other payables	
	30.06.20	31.12.19	30.06.20	31.12.19
Associates	47	142	-	-
Other participated companies	20	141	-	-
Shareholders and other entities	-	-	-	-
	<u>67</u>	<u>283</u>	<u>-</u>	<u>-</u>
Impairment allowances for trade and other receivables	-	-		
	<u>67</u>	<u>283</u>		

	Services rendered		Supplementary income		Purchases	
	30.06.20	30.06.19	30.06.20	30.06.19	30.06.20	30.06.19
Associates	91	45	-	-	-	-
Other participated companies	70	43	-	6	-	35
Shareholders and other entities	-	-	-	-	-	-
	<u>161</u>	<u>88</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>35</u>

(**) The transactions with related parties from the prior period were restated and reflect solely the transactions of continuing operations. In view of the amounts presented in June 2019, the following amounts with other participated companies were considered as part of the discontinued operations (therefore excluded from this note): EUR 122 thousand of Services rendered and EUR 600 thousand of Purchases.

In addition to the balances and transactions described in the tables above and below, no other balances or transactions exist with the Group's related parties.

iii) Other balances with related parties

	Non-current	
	30.06.20	31.12.19
Associates	-	-
Other participated companies		
Loan to Powergrid, Lda.	2,050	2,050
Loan to Bright Innovation, Lda.	1,477	1,477
Loan to Radical Innovation, Lda.	994	994
Loan to Power Data, Lda.	248	248
Loan to Glarevision, S.A.	180	180
Loan to Probe.ly, Lda.	75	75
Loan to Habit Analytics, Inc.	9	9
Shareholders and other entities		
Loans to other shareholders	-	-
	<u>5,033</u>	<u>5,033</u>
Provisions for impairment of loans to related parties	<u>(3,125)</u>	<u>(3,125)</u>
	<u>1,908</u>	<u>1,908</u>

24. Discontinued operations

On 4 November 2019, Novabase has entered into a sale and purchase agreement with VINCI Energies Portugal, S.G.P.S., S.A. ("VEP") to sell its "Application and Data Analytics" business for the Government, Transport and Energy ("GTE Business"), through the sale of the shares representing the entire share capital of Novabase Digital, S.A.. The agreed purchase price was of EUR 33 Million, to be paid on the completion date and subject to any eventual adjustments as foreseen in the agreement, to which a potential annual earn-out of EUR 3 Million might be accreted, depending on the final performance of the GTE Business in the financial year of 2019. The sale was substantially completed at the end of 2019 and, as a result, Novabase recorded, as at 31 December 2019, the gain on the sale of GTE Business to VEP, in the amount of EUR 11,956 thousand.

In the 1st half of 2020, the parties confirmed a net adjustment to the price initially paid by the purchaser and the verification of the earn-out. As such, the consideration obtained by Novabase after these events raised to EUR 39,252 thousand, resulting in an adjustment to the capital gain of EUR 2,939 thousand. The consideration obtained with the sale (revised) as well as the consideration to be paid by the Group for the previous acquisition of the 9.9% equity stake in Novabase Digital S.A. (condition precedent to the business), was entirely received and paid in this period, except for EUR 430 thousand retained by VINCI (and linked to the NCI acquisition), as established in the agreement. These balances, receivable and payable on equal amounts, were included in 'Other non-current assets' and 'Other non-current liabilities' (see note 16), respectively.

Additionally, on 19 March 2020, Novabase and Netadmin System i Sverige AB entered into a sale and purchase agreement for all shares representing COLLAB – Soluções Informáticas de Comunicação e Colaboração, S.A. share capital, subsidiary held in 72.45% by Novabase Business Solutions, S.A. and in 17.75% by Fundo Capital Risco NB Capital. The agreed initial purchase price was EUR 6 Million, to which a potential annual earn-out may be accreted, up to a maximum of three annual periods, depending on COLLAB's performance, as set out in the agreement.

The completion of the sale and purchase also occurred on this date, with the delivery of the shares against payment of part of the price (EUR 1,500 thousand were temporarily held by the purchaser, as foreseen in the sale and purchase agreement). Thus, Novabase recorded, in the 1st half of 2020, a gain on this transaction amounting to EUR 243 thousand, still subject to adjustments due to positive or negative price adjustment clauses agreed between the parties (see item E. for the details on this disposal).

The sales of Collab and GTE Business combined represented a divestment of over 60% of the Value Portfolio segment revenue (see note 4). Consequently, the comparatives were restated to reflect continuing operations separately from discontinuing operations.

Financial information relating to the discontinued operations for the period is set out below. For further information about the discontinued operations, please refer to note 41 in the Group's annual financial statements for the year ended 31 December 2019.

A. Results of discontinued operations

	30.06.20		30.06.19	
	GTE	COLLAB	GTE	COLLAB
Revenue	132	1,025	16,282	2,560
Expenses	(131)	(1,005)	(14,654)	(3,194)
Results from operating activities	1	20	1,628	(634)
Income tax	(1)	-	(309)	93
Results from operating activities, net of tax	-	20	1,319	(541)
Gain on sale of Business	2,939	243	-	-
Income tax on gain on sale of Business	-	-	-	-
Profit from discontinued operations, net of tax	2,939	263	1,319	(541)

B. Assets and liabilities from discontinued operations

Towards 31 December 2019, the following movements occurred in assets and liabilities from discontinued operations:

- A provision for Reps & Warranties associated with the disposal of COLLAB, in the amount of EUR 1,580 thousand, was recorded. Additionally, during this semester, this provision was used in the amount of EUR 288 thousand.
- The provision for R&W associated with the GTE Business disposal, recorded at the end of 2019, was used in the amount of EUR 1,593 thousand, reducing it to EUR 5,907 thousand.
- Regarding the IMS Business, an additional use of the provision for R&W was recorded, in the amount of EUR 8 thousand. At 30 June this provision amounts to EUR 40 thousand.
- The provision for risks associated with the closure of the activity of NBMSIT, Sist. de Inf. e Tecnol., S.A. remained unchanged, at EUR 783 thousand.

Additionally, the assets of the Mozambican subsidiary decreased to EUR 451 thousand (31.12.19: EUR 460 thousand) and the liabilities decreased to EUR 352 thousand (31.12.19: EUR 364 thousand).

C. Cash flows from (used in) discontinued operations

	30.06.19			
	GTE	COLLAB	IMS	Disc. Operat.
Net cash used in operating activities	(3,406)	(148)	-	(3,554)
Net cash used in investing activities	(48)	(76)	-	(124)
Net cash used in financing activities	(127)	(25)	-	(152)
Net cash flow for the period	(3,581)	(249)	-	(3,830)

	30.06.20			
	GTE	COLLAB	IMS	Disc. Operat.
Net cash used in operating activities	(1,561)	(395)	-	(1,956)
Net cash from investing activities	35,366	1,403	-	36,769
Net cash used in financing activities	(32)	(1)	(8)	(41)
Net cash flow for the period	<u>33,773</u>	<u>1,007</u>	<u>(8)</u>	<u>34,772</u>

At 30 June 2020, Net cash from investing activities corresponds to the cash inflow from the sales of GTE Business and subsidiary Collab (net of cash disposed of).

D. Effect of COLLAB's disposal on the financial position of the Group

	30.06.20
Property, plant and equipment (note 6)	(3)
Intangible assets (note 7)	(612)
Financial assets at fair value through profit or loss	(20)
Deferred tax assets (note 8)	(1,180)
Trade and other receivables	(1,846)
Accrued income	(888)
Income tax receivable	(256)
Derivative financial assets	(2)
Other current assets	(50)
Cash and cash equivalents	(1,857)
Provisions (note 15)	173
Trade and other payables	2,412
Derivative financial liabilities	1
Deferred income and other current liabilities	1,268
Net assets	<u>(2,860)</u>

E. Details of the sale of COLLAB

	30.06.20
Consideration received or receivable:	
Cash received	3,260
Cash to be received, net of estimated price adjustments (note 9)	655
Fair value of contingent consideration	-
Total disposal consideration	<u>3,915</u>
Carrying amount of net assets sold	(2,197)
Provision for Reps & Warranties	(1,580)
Gain on sale of the equity stake held by Fundo Capital Risco NB Capital	105
Gain on sale before income tax	<u>243</u>
Income tax expense on gain	-
Gain on sale after income tax	<u>243</u>

In the event the operations of the subsidiary sold achieve certain performance criteria, in terms of net recurring revenue, during three annual periods, as specified in the 'additional purchase price' clause of the agreement, additional cash consideration will be receivable. At the time of the sale, no amount was considered for this contingent consideration.

25. Contingencies

Towards 31 December 2019, there were no significant changes in the judicial processes.

26. Events after the reporting period

No events worthy of note happened until the date of conclusion of this report.

27. Note added for translation

These financial statements are a translation of financial statements originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

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II. SECURITIES ISSUED BY THE COMPANY AND OTHER GROUP COMPANIES, HELD BY BOARD MEMBERS

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**DETAIL ON SECURITIES ISSUED BY THE COMPANY AND OTHER GROUP COMPANIES, HELD BY BOARD MEMBERS OF
NOVABASE S.G.P.S.**

	Share Capital	Total Number of Shares / Quotas	Number of Shares / Quotas held by Board Members at 31.12.19	Transactions	Number of Shares / Quotas held by Board Members at 30.06.20	% held by Board Members at 30.06.20
Novabase S.G.P.S., S.A.	54,638,426 €	31,401,394	12,652,542	0	12,652,542	40.3%
HNB - S.G.P.S., S.A. (a)			10,501,589	0	10,501,589	33.4%
Pedro Miguel Quinteiro Marques de Carvalho			2,097,613	0	2,097,613	6.7%
Francisco Paulo Figueiredo Morais Antunes			30,335	0	30,335	0.1%
María del Carmen Gil Marín			23,001	0	23,001	0.1%
Luís Paulo Cardoso Salvado			1	0	1	0.0%
João Nuno da Silva Bento			1	0	1	0.0%
Álvaro José da Silva Ferreira			1	0	1	0.0%
José Afonso Oom Ferreira de Sousa			1	0	1	0.0%
Paulo Jorge de Barros Pires Trigo			0	0	0	0.0%
Marta Isabel dos Reis da Graça Rodrigues do Nascimento			0	0	0	0.0%
NBASIT - Sist. Inf e Telecomunicações, S.A.	47,500,000 AOA	100,000	800	0	800	0.8%
Álvaro José da Silva Ferreira			400	0	400	0.4%
Luís Paulo Cardoso Salvado			200	0	200	0.2%
Francisco Paulo Figueiredo Morais Antunes			200	0	200	0.2%
CelFocus, S.A.	100,000 €	100,000	2	(2)	0	0.0%
José Afonso Oom Ferreira de Sousa			1	(1)	0	0.0%
Paulo Jorge de Barros Pires Trigo			1	(1)	0	0.0%
FeedZai, S.A.	170,154 €	21,768,183	112,500	0	112,500	0.5%
Pedro Miguel Quinteiro Marques de Carvalho			112,500	0	112,500	0.5%

(a) José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira and João Nuno da Silva Bento are the only shareholders of HNB - S.G.P.S., S.A., where they hold management positions.

Novabase reports as directors the company HNB - S.G.P.S., S.A. and the members of the board of directors of the Company.

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STATEMENT OF COMPLIANCE

NOVABASE S.G.P.S., S.A.

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Statement of the Board of Directors
(Free translation from the original version in Portuguese)
SIGNED ON THE ORIGINAL

Pursuant to the terms of sub-paragraph c), paragraph 1 of article 246 of the Portuguese Securities Code, the members of the Board of Directors of Novabase, Sociedade Gestora de Participações Sociais, S.A., below identified declare, in the quality and scope of their duties as referred to therein, that, to the best of their knowledge and based on the information to which they had access within the Board of Directors:

(i) the information contained in the condensed consolidated interim financial statements and all other accounting documentation required by law or regulation, regarding the period of six months ended 30 June 2020, was prepared in compliance with the applicable accounting standards and gives a true and fair view of the assets and liabilities, financial position and results of Novabase S.G.P.S., S.A. and the companies included in the consolidation perimeter; and

(ii) the interim management report faithfully states the evolution of the businesses, of the performance and of the position of Novabase S.G.P.S., S.A. and the companies included in the consolidation perimeter, containing namely an accurate description of the main risks and uncertainties which they face.

Lisbon, 17 September 2020

Luís Paulo Cardoso Salvado
Chairman of the Board of Directors

João Nuno Bento
Executive member of the Board of Directors and CEO

Álvaro José da Silva Ferreira
Executive member of the Board of Directors and Value Portfolio COO

Francisco Paulo Figueiredo Morais Antunes
Executive member of the Board of Directors and CFO

María del Carmen Gil Marín
Executive member of the Board of Directors and Value Portfolio COO

Paulo Jorge de Barros Pires Trigo
Executive member of the Board of Directors and Next-Gen COO

José Afonso Oom Ferreira de Sousa
Non-Executive member of the Board of Directors

Pedro Miguel Quinteiro Marques de Carvalho
Non-Executive member of the Board of Directors

Marta Isabel dos Reis da Graça Rodrigues do Nascimento
Non-Executive member of the Board of Directors

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