

# NOVABASE

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## **REPORT AND ACCOUNTS**

### **1st half 2021**

- Management Report
- Consolidated Financial Statements
- Annexes to the Management Report
  - I. Corporate Bodies
  - II. List of Shareholders with Qualifying Stakes
  - III. Information concerning Stakes held by Members of the Board of Directors and Supervisory Bodies
  - IV. Management Transactions
  - V. Own Shares Transactions
- Condensed Consolidated Accounts
- Statement of Compliance

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# NOVABASE

**Privileged Information**

**NEXT-GEN**  
**IT SERVICES**  
**COMPANY**

**NOVABASE**

**6M21**

# **Consolidated Results**

July 29, 2021

**NOVABASE**

# Disclaimer

- This presentation includes sector and forward-looking statements involving risks and uncertainties that could cause actual data to differ materially from those expressed or implied by such statements. The risks and uncertainties, which have increased as a result of the Covid-19 pandemic, relate to factors that are beyond Novabase' ability to control or estimate precisely, and include but are not limited to, general economic conditions, actions taken by governmental authorities to address Covid-19 effects and their impacts over the economy, credit markets, among others.
- Statements in this release relate only to this presentation date.
- Financial reporting terms used in this Report are mostly in accordance with International Financial Reporting Standards (IFRS) but will include certain non-IFRS financial measures of our performance (APMs). APMs used by Novabase are intended to provide additional information, more comprehensive and relevant to users, and are applied consistently in all periods reflected in this release. Reconciliation of each of these APMs to its most directly comparable IFRS financial measure can be found in the end of this Report. All amounts in this presentation are expressed in million Euros, except otherwise stated.
- This presentation is provided for informational purposes only and does not constitute a document for the offer of securities, and its distribution or use by any person or entity is forbidden without prior authorization from Novabase.



# 6M21 Outlook



**Chairman and CEO**

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## Message from Luís Paulo Salvado

*“Novabase's businesses had a strong performance in the semester, confirming the trends of the last quarter.*

*Next-Gen grew 11% overall and a remarkable 16% in our target geographies - Europe and Middle East - rising the non-domestic business to almost 2/3 of its Turnover. These results show that our competencies and offerings in the Digital and Cognitive areas have an excellent acceptance in the most competitive markets.*

*Value Portfolio continued its recovery trend, growing for the 2nd consecutive quarter, but not yet reaching the 1H2020 figures.*

*Consolidated profitability also improved: EBITDA rose 15% and Net Profit from continuing operations soared 75%.*

*We also face numerous challenges. The pandemic situation, which continues to drag on and cause great uncertainty, has slowed down our M&A initiative and the acquisition of new leading international clients. The increasingly fierce competition for talent is also very challenging, even though we managed to increase Next-Gen's headcount by 14% YoY.*

*Although cautious about the uncertain context, we trust the strategic direction we have set and our teams to execute it successfully.”*

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# 6M21 in Review

## Next-Gen started the year with great momentum...

... and is on a strong operational course. Current portfolio is performing well, benefitting from a focus on resilient sectors and larger-sized customers.

While M&A initiatives are delayed, **Next-Gen** is making good progress with the Transformation and **continues to thrive in its organic growth strategy**.

## Value Portfolio's improved its performance for the 2<sup>nd</sup> consecutive quarter...

... as a promising sign that indicates 2021 can be a year of recovery after the pandemic impacts (mainly in the Spanish market).

As global economies continue to open, **Value Portfolio is well positioned for continued growth and to generate further value to fund Next-Gen strategy**.

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

**Value  
Portfolio:**  
2019+  
Strategy  
Execution

**Press  
Zone**

## Novabase in the News <sup>(1)</sup>

- **Novabase has a new brand architecture** || [www.novabase.com](http://www.novabase.com).
- **Celfocus with eyes set on talent** || Celfocus engaged in multiple initiatives, e.g. SINFO tech conference and SET - Business and Technology Week, with one goal: having the best by its side.
- **Neotalent's New Digital Talent Ecosystem** || A R&D project using AI and blockchain, in partnership with ISCTE and Instituto Pedro Nunes, that is intended to transform the talent market.
- **Trust – before and after Covid** <sup>(2)</sup> || Novabase Chairman Luís Paulo Salvado's opinion article on the findings of the Edelman Trust Barometer, one of the world's most important reports.
- **Novabase once again at PWIT** || Novabase is one of the sponsors of Portuguese Women in Tech and has two of its co-workers among the finalists.
- **Innovative talent** || The Human Resources Portugal magazine distinguished Novabase as the most innovative company in managing people for the 3<sup>rd</sup> year in a row.
- **Bankinter's Digital Home Loans by Celfocus** || Celfocus was chosen to deploy a pioneer digital home loan solution.
- **Santander Portugal chooses Celfocus eSign solution** || The solution will be used in all processes of collecting digital signatures from the bank's applications.
- **New governing bodies for the 2021/2023 triennium** || Luís Paulo Salvado and Álvaro Ferreira were nominated as directors with delegated powers, and María Gil Marín, as director with special responsibilities.
- **PWN Lisbon partnered with Novabase** || With the aim at promoting female talent and increase its representation in the areas of STEM (Science, Technology, Engineering and Mathematics). <sup>6</sup>

(1) Until this presentation date.

(2) Executive Digest magazine no. 178 of January 2021.

# Covid-19



**In compliance with  
ESMA guidelines**

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## Update on impacts

2021 began under a wave of new infections by Covid-19. **Portugal witnessed the worsening of the pandemic crisis at the beginning of the year**, with a new general confinement imposed and intermittent lockdowns in Europe, **but from the middle of the 2<sup>nd</sup> quarter, the pandemic situation started to improve.**

**The Group's Pandemic Task Force continued to support the operations, while taking all necessary health measures to protect the entire community.** The analysis of the evolution of the outbreak is constant and implementation of new measures is / will be carried out whenever necessary.

There was **no material impact on the direct operating conditions during 6M21**, since our teams have been working remotely since the beginning of the pandemic. Our Nearshore Agile Delivery Model enabled customer operations to continue seamlessly and smoothly.

**In terms of financial impacts, no relevant negative Covid-19 effects were observed.**

On the contrary, Next-Gen started the year with great momentum and the IT Staffing Business abroad, on the Value Portfolio segment, which had experienced some Covid-effects especially over 2H20, was able to clock improvements in both quarters of 2021.

**Other impacts include delays in the M&A initiatives and in winning new clients of size**, above all in Europe, due to travel restrictions, although advances in global vaccination and the recently approved EU Digital COVID Certificate bring positive perspectives.

**The 6M21 figures, the robust liquidity position, and our well-defined objectives are reassuring, reinforcing Novabase's confidence in its strategic roadmap.** **Nevertheless**, Covid-19 pandemic is still spreading globally, with Delta variant becoming dominant and Europe experiencing the 4<sup>th</sup> wave of the pandemic, so the **international landscape remains complex and with a high-level of uncertainty.**

# Financial Highlights

## 6M21 performance: Strong first-half 2021

- **Turnover grew 6% YoY**, with Next-Gen representing  $\frac{3}{4}$  of Total
- **58% of Turnover is generated outside Portugal**, with **Next-Gen growing at double-digits, +13% YoY**
- **Europe & ME accounts for 90% of Next-Gen's International Turnover**
- **86% of Next-Gen Revenues captured from Top Tier clients**
- **EBITDA of 6.3 M€**, leveraged by Next-Gen
- **Net Profit from continuing operations increased 75% YoY**, to 3.3 M€
- **Solid Net Cash position of 51.9 M€**
- **Next-Gen Talent Pool increased 14% YoY**
- **NBA price gained 30%** during 6M21, outperforming the reference indexes
- **No relevant impacts booked in 6M21 due to Covid-19 pandemic**

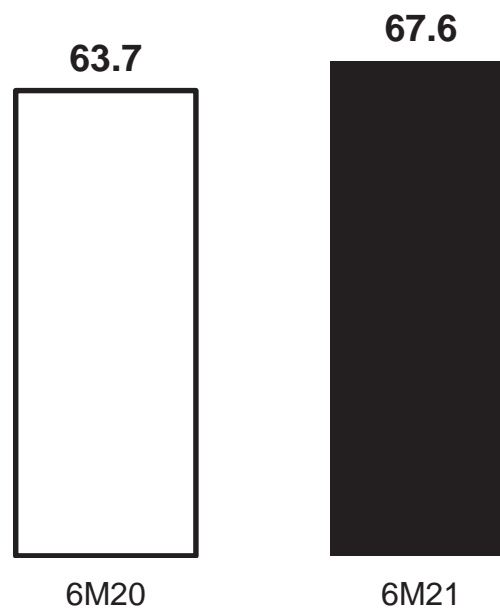
# Key Figures



## Turnover

Turnover grew by 6% YoY, with Next-Gen representing  $\frac{3}{4}$  of Total

### Turnover



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No relevant impacts were observed in 6M21 due to the Covid-19 pandemic, both in Next-Gen and in Value Portfolio segments, despite nationwide lockdowns in Portugal and all over Europe for a good part of this semester.

### Breakdown by Geography (%) <sup>(1)</sup>

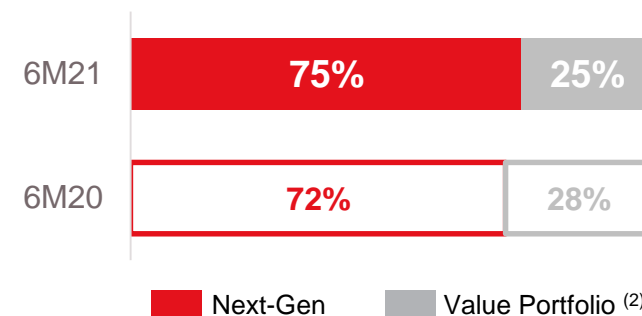


42.1% Vs. 43.7%



57.9% Vs. 56.3%

### Breakdown by Segment (%)



(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

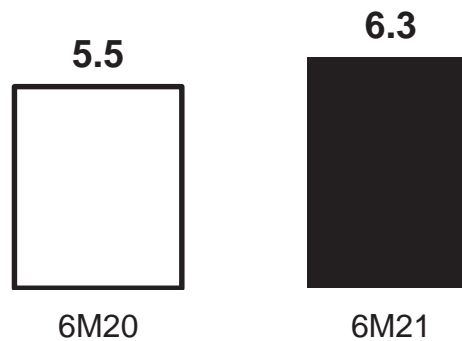


EBITDA

EBITDA increased 15%  
YoY, leveraged by  
Next-Gen

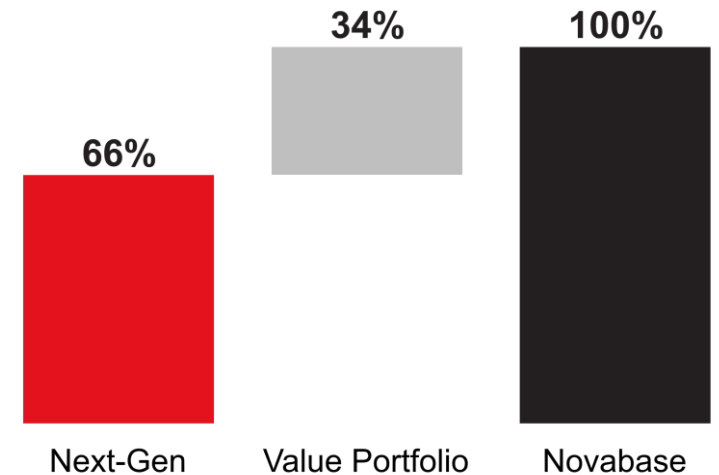
EBITDA

8.6% — 9.3%



EBITDA Margin

Breakdown by Segment (%)



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# Key Figures

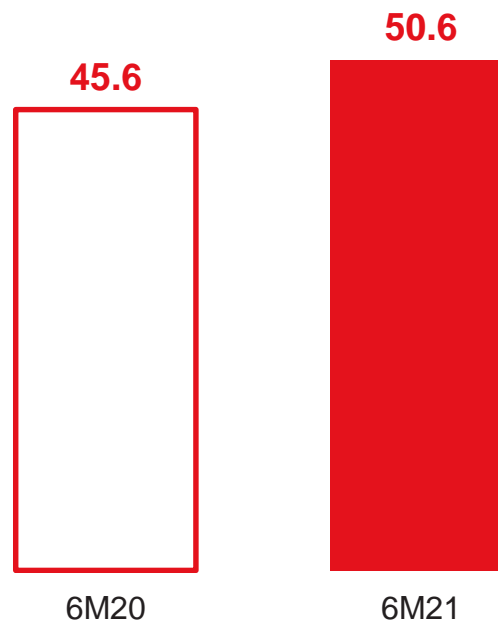


**Next-Gen  
Segment**

**Next-Gen logs double-digit Topline growth, +11% YoY**

Fully organic growth and mainly driven by international operations.

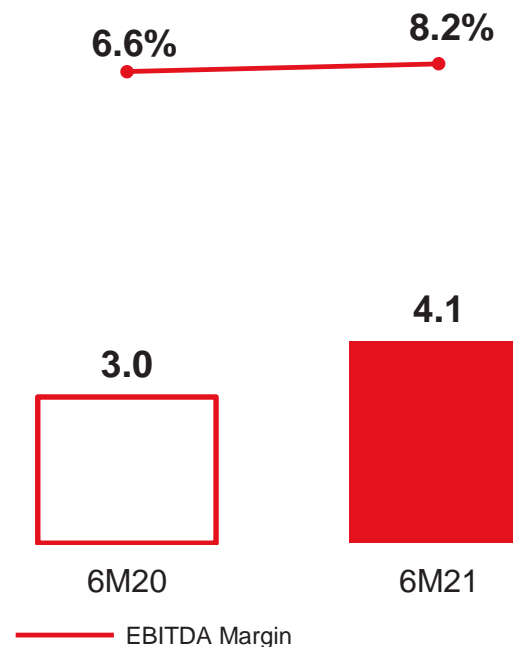
Turnover



**EBITDA margin increased 160 bps**

Working on strategic initiatives for 2023 goals.

EBITDA



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# Key Figures

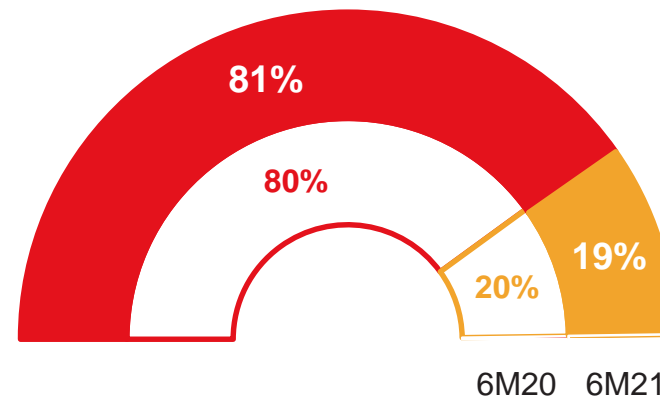


Next-Gen Segment

## Half-year record high in international Revenues

Next-Gen focused on Telco in 6M21 and working on its Multi Industry approach, delayed due to the pandemic.

% of Revenue by Industry



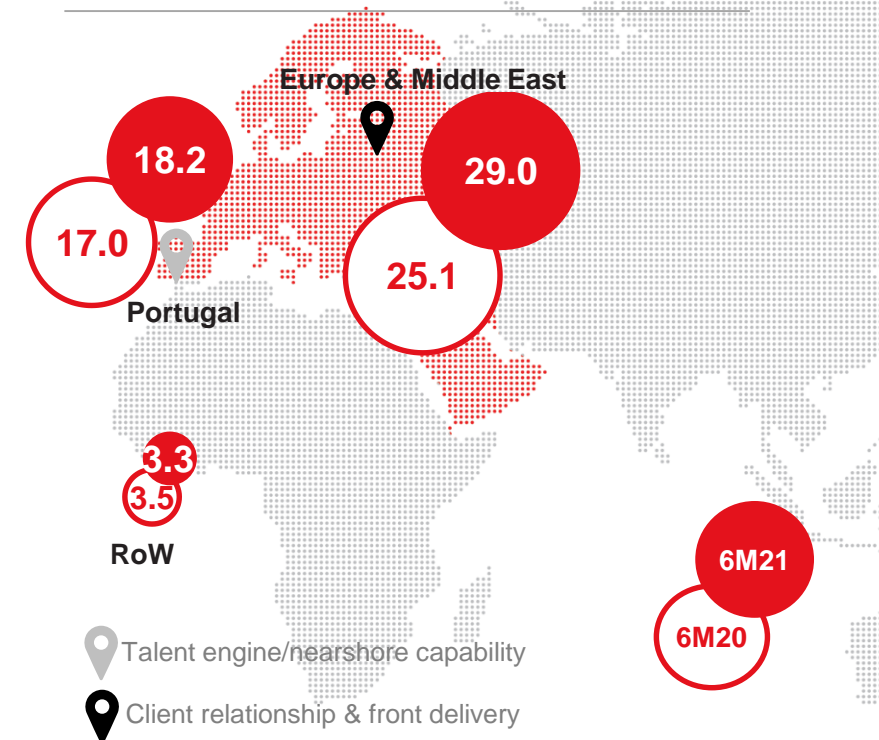
Telco Financial Services

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Next-Gen international Turnover grew 13% YoY standing for 64% of the total Next-Gen Turnover in 6M21.

Operations in Europe & ME – which account for 90% of this segment's international business (88% in 6M20) – **increased 16% YoY**. Exposure to Africa declined by 10% YoY.

Revenue by Geography





# Key Figures



**Next-Gen  
Segment**

## Top Tier clients Revenues grew by 11% YoY

As a result of Next-Gen's focus on building long-term relationships.

Top Tier Clients <sup>(1)</sup>



% of Revenues from Top Tier clients <sup>(1)</sup>



Total number of clients in 6M21 increased to 114 (107 in 6M20).

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

# Key Figures

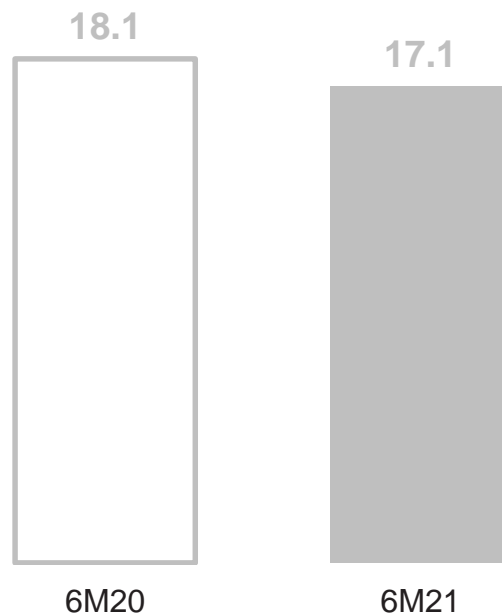


## Value Portfolio Segment

### Value Portfolio's Topline increased for the 2<sup>nd</sup> consecutive quarter...

... +4% QoQ since Q4 2020, confirming the positive **signs of recovery** observed in Q1, but **6M21 still below YoY** (-6%).

#### Turnover



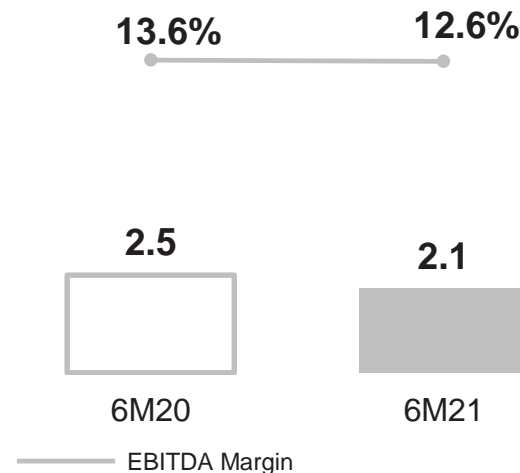
**40% of Turnover generated abroad, 92% of which in Europe & ME (90% in 6M20).**

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### Sound EBITDA margin despite YoY decline

6M21 of pandemic context, in contrast with 2020, which was mainly affected during the second half of the year.

#### EBITDA



# Key Figures



## EBITDA to Net Profit

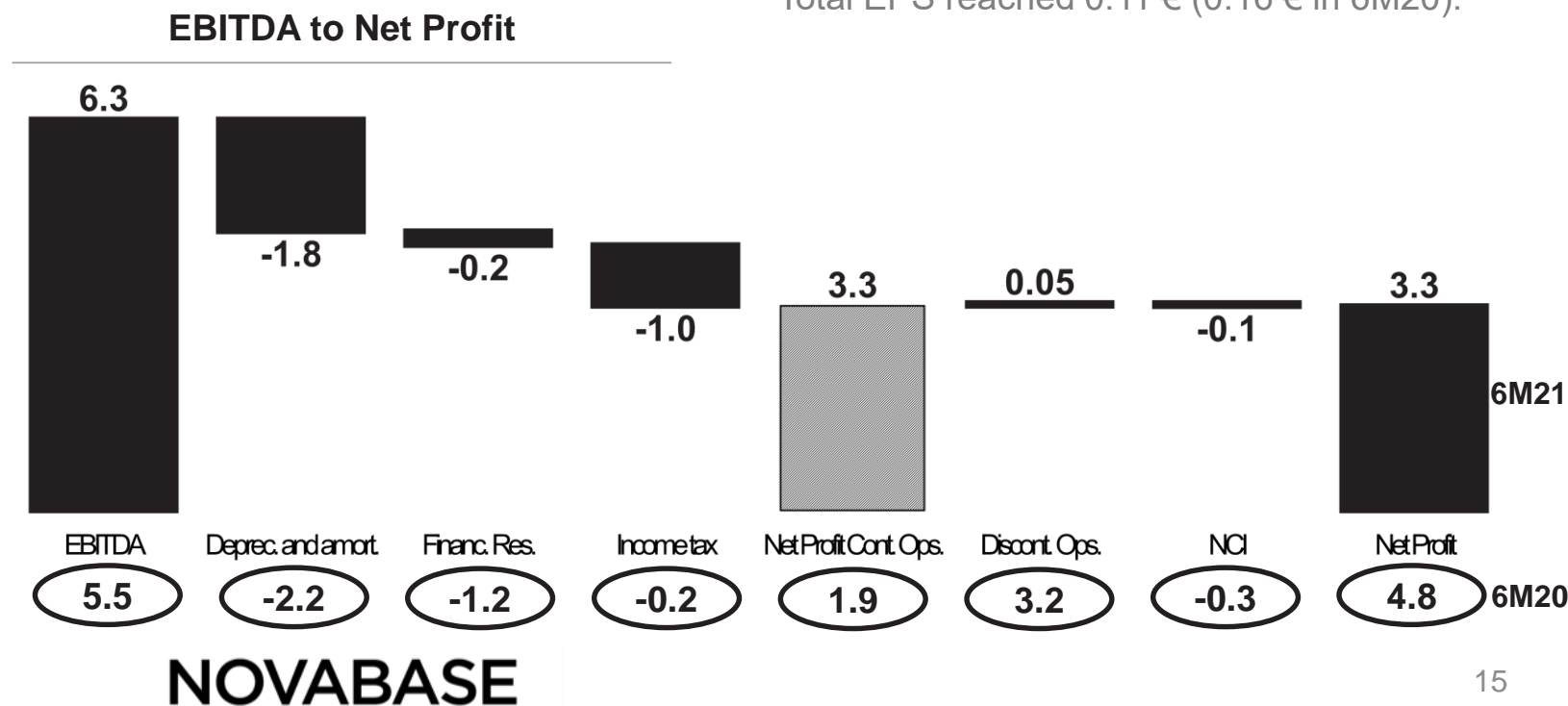
## Net Profit from continuing operations increased 75% YoY

Financial results improved 1.0 M€ YoY, fundamentally due to the exchange differences recorded in foreign operations.

Discontinued operations decreased 3.2 M€ YoY, owing to the capital gains recorded in 6M20 on the GTE Business and Collab disposals. In 6M21, this heading reflects the capital gain adjustment related to the First Additional Purchase Price on the sale of Collab, as set out in the agreement.

Evolution of NCI, of +0.2 M€ YoY, essentially explained by the full ownership of Celfocus since April 2020.

Total EPS reached 0.11 € (0.16 € in 6M20).



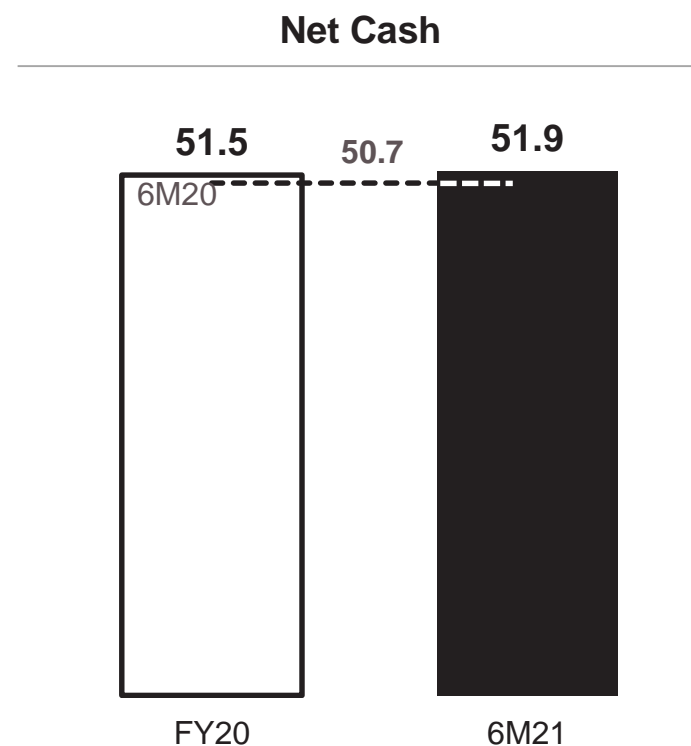
# Key Figures



## Net Cash

## Solid Net Cash position of 51.9 M€

Comfortable liquidity situation to support investments in 2019+ Strategy and face the Covid-19 pandemic context.



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Primarily driven by solid net cash provided by **operating activities** and **effective working capital management**.

Cash generation of 0.4 M€ in 6M21 also includes a 1.0 M€ payment to NCI, as a result of amounts released following the share capital reduction of Novabase Capital I&I venture capital Fund.

Thus, 2.9 M€ of Net Cash refers to Non-controlling Interests (Vs. 4.3 M€ in FY20).

Net Cash increased YoY impacted by the **M&A cash flows**, totalling +0.8 M€ (proceeds from the Collab disposal: holdback amount in Q4 2020 and first-year earn-out in Q2 2021).

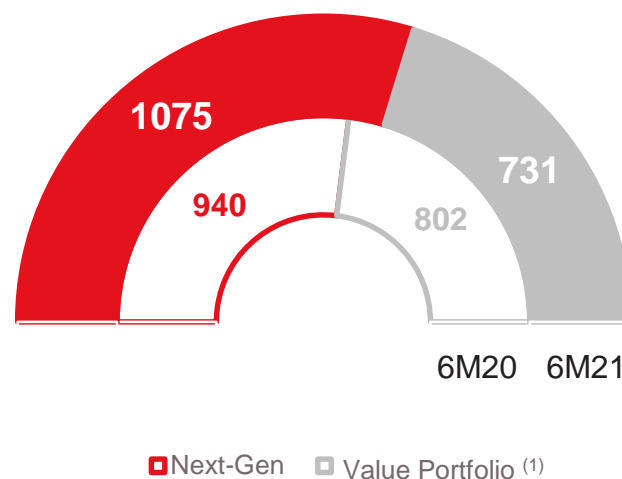
# Key Figures



## Talent

### Talent Pool of 1806 employees in 6M21

#### Average Number of Employees



- (1) Including holding / shared services representing 78 employees in 6M21 (84 in 6M20).  
(2) Is determined by the formula: number of leaves at the employee's initiative ÷ average number of employees.

Talent pool increased 4% YoY (1742 in 6M20). The **breakdown by segment shows a 14% growth in Next-Gen**, which already represents 60% of Total, in line with the strategic objectives.

**Next-Gen Turnover per employee** slightly below 6M20 level, **reflecting a shift in mix from subcontracting to talent acquisition**.

**Annualised attrition rate <sup>(2)</sup> of Next-Gen** is **20.8%** in 6M21 (13.2% in 6M20), which we believe to be a correction towards the unusually low figures recorded in 2020, also reflecting the new labour dynamics.

# Key Figures

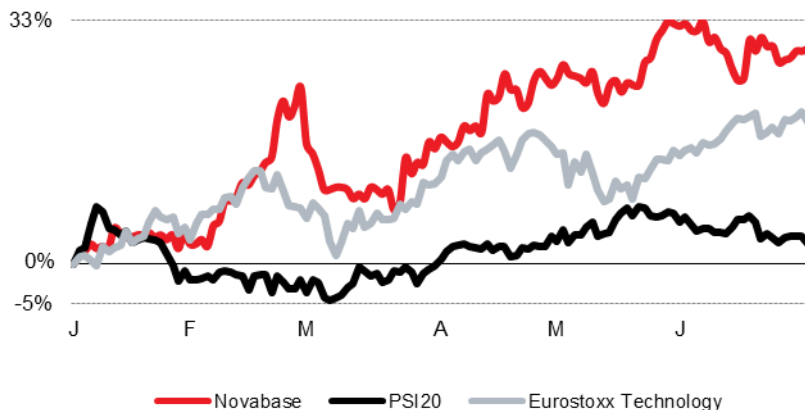


## Stock Market

### NBA price increased 30% in 6M21, and 34% over the last twelve months

The annual review of the PSI20, in March 2021, determined no changes in the composition of the index, meaning **Novabase stays in the main index of the Lisbon stock exchange for the 2<sup>nd</sup> consecutive year.**

#### Novabase and the Market



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Novabase outperformed the reference indexes, PSI20 and EuroStoxx Technology, which increased 3% and 20%, respectively.

Due to the Covid-19 pandemic and high level of uncertainty affecting the business environment, **the Board of Directors decided not to propose any shareholder remuneration** on the ordinary 2021 GMS, held on May 25. **The commitment to distribute 1.5 €/share in 2019-2023 <sup>(1)</sup> was reaffirmed.**

The average price target disclosed by Novabase's analysts is **5.50 €**, with unanimous recommendation to buy. **The average upside is 32%.**

**Market Capitalization** at the end of 6M21 is **130.6 M€**, implying a **ttm Price to Sales of 1.04x**.

**Free Float Velocity <sup>(2)</sup> represented 33% (39% in 6M20).**

(1) According to Strategic Update 2019+, from which 0.65 €/share were already paid.

(2) Considering a free float of 40% for both periods, calculated according to Euronext criteria.

# APMs



**In compliance with  
ESMA guidelines**

## 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 its ability to meet 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 6M21 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.

	FY20	6M21
Cash and cash equivalents	71,929	68,510
Treasury shares held by the Company <sup>(1)</sup>	2,172	2,815
Bank borrowings - Non-Current	(16,200)	(13,500)
Bank borrowings - Current	(6,400)	(5,900)
<b>Net Cash (Euro thousands)</b>	<b>51,501</b>	<b>51,925</b>

	FY20	6M21
Treasury shares held by the Company	676,611	676,611
Closing price @ last tradable day (€)	3.210	4.160
<b>Treasury shares held by the Company (Euro thousands)</b>	<b>2,172</b>	<b>2,815</b>

(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.com

Report available on website:  
**[www.novabase.com](http://www.novabase.com)**

### Next Events

**Roadshows:**  
**Kepler Cheuvreux Autumn**  
**Conference:** September 13-15  
**ODDO BHF – IBERIAN FORUM:**  
October 6-7  
**JB Capital Iberian Conference:**  
November 9-10

**Trading Update 9M21**  
November 4 (after market closure)

## NOVABASE



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**Consolidated Statement of Financial Position  
as at 30 June 2021**

	30.06.21	31.12.20
	(Thousands of Euros)	
<b>ASSETS</b>		
Tangible assets	1,878	1,963
Intangible assets	11,891	12,063
Right-of-use assets	5,345	7,132
Financial investments	12,826	12,824
Deferred income tax assets	7,829	7,947
Other non-current assets	2,025	2,025
Total Non-Current Assets	41,794	43,954
Inventories	10	10
Trade debtors and accrued income	44,590	38,880
Other debtors and prepaid expenses	13,735	14,614
Derivative financial instruments	20	64
Cash and cash equivalents	68,510	71,929
Total Current Assets	126,865	125,497
Assets for continuing operations	168,659	169,451
Assets for discontinued operations	339	342
Total Assets	168,998	169,793
<b>EQUITY</b>		
Share capital	54,638	54,638
Treasury shares	(1,177)	(1,177)
Share premium	226	226
Reserves and retained earnings	3,383	(4,124)
Net profit	3,277	7,486
Total Shareholders' Equity	60,347	57,049
Non-controlling interests	9,051	10,047
Total Equity	69,398	67,096
<b>LIABILITIES</b>		
Bank borrowings	13,500	16,200
Lease liabilities	3,742	5,293
Provisions	5,156	5,233
Other non-current liabilities	2,099	3,705
Total Non-Current Liabilities	24,497	30,431
Bank borrowings	5,900	6,400
Lease liabilities	2,794	3,032
Trade payables	3,952	5,621
Other creditors and accruals	37,147	34,745
Derivative financial instruments	73	9
Deferred income	19,634	16,148
Total Current Liabilities	69,500	65,955
Total Liabilities for cont. operations	93,997	96,386
Total Liabilities for discount. operations	5,603	6,311
Total Liabilities	99,600	102,697
Total Equity and Liabilities	168,998	169,793
Net Cash	51,925	51,501

**Consolidated Income Statement  
for the period of 6 months ended 30 June 2021**

	30.06.21	30.06.20	Var. %
	(Thousands of Euros)		
<b>CONTINUING OPERATIONS</b>			
Sale of goods	-	-	
Cost of goods sold	-	-	
<b>Gross margin</b>	-	-	-
<b>Other income</b>			
Services rendered	67,644	63,668	
Supplementary income and subsidies	52	572	
Other operating income	53	479	
	67,749	64,719	
	67,749	64,719	
<b>Other expenses</b>			
External supplies and services	(20,080)	(20,519)	
Employee benefit expense	(41,187)	(40,277)	
(Provisions) / Provisions reversal	77	1,733	
Net impairm. losses on financ. assets	(66)	18	
Other operating expenses	(215)	(213)	
	(61,471)	(59,258)	
<b>Gross Net Profit (EBITDA)</b>	6,278	5,461	15.0 %
Depreciation and amortisation	(1,798)	(2,174)	
<b>Operating Profit (EBIT)</b>	4,480	3,287	36.3 %
Financial results	(223)	(1,210)	
<b>Net Profit before taxes (EBT)</b>	4,257	2,077	105.0 %
Income tax expense	(975)	(206)	
<b>Net Profit from continuing operations</b>	3,282	1,871	75.4 %
<b>DISCONTINUED OPERATIONS</b>			
<b>Net Profit from discount. operations</b>	46	3,202	-98.6 %
Non-controlling interests	(51)	(254)	
<b>Attributable Net Profit</b>	3,277	4,819	-32.0 %
<b>Other information :</b>			
Turnover	67,644	63,668	6.2 %
EBITDA margin	9.3 %	8.6 %	
EBT % on Turnover	6.3 %	3.3 %	
Net profit % on Turnover	4.8 %	7.6 %	

**Results Information by SEGMENTS**  
for the period of 6 months ended 30 June 2021

(Thousands of Euros)

	Value Portfolio	Next-Gen	NOVABASE
<b>CONTINUING OPERATIONS</b>			
<b>Turnover</b>	<b>17,093</b>	<b>50,551</b>	<b>67,644</b>
<b>Gross Net Profit (EBITDA)</b>	<b>2,149</b>	<b>4,129</b>	<b>6,278</b>
Depreciation and amortisation	(1,065)	(733)	(1,798)
<b>Operating Profit (EBIT)</b>	<b>1,084</b>	<b>3,396</b>	<b>4,480</b>
Financial results	(163)	(60)	(223)
<b>Net Profit / (Loss) before Taxes (EBT)</b>	<b>921</b>	<b>3,336</b>	<b>4,257</b>
Income tax expense	(139)	(836)	(975)
<b>Net Profit / (Loss) from cont. operations</b>	<b>782</b>	<b>2,500</b>	<b>3,282</b>
<b>DISCONTINUED OPERATIONS</b>			
<b>Net Profit from discontinued operations</b>	<b>46</b>	<b>-</b>	<b>46</b>
Non-controlling interests	(51)	-	(51)
<b>Attributable Net Profit / (Loss)</b>	<b>777</b>	<b>2,500</b>	<b>3,277</b>
Other information :			
<b>EBITDA % on Turnover</b>	12.6%	8.2%	<b>9.3%</b>
<b>EBT % on Turnover</b>	5.4%	6.6%	<b>6.3%</b>
<b>Net profit % on Turnover</b>	4.5%	4.9%	<b>4.8%</b>

## ANNEXES TO THE MANAGEMENT REPORT

### 1st half 2021

#### I. CORPORATE BODIES

The 2021 General Meeting of Shareholders, held on 25 May, resolved the election of the members of the corporate bodies and of the Remunerations Committee for the term of office 2021/2023, as well as the election of the effective and deputy Statutory Auditor. Therefore, under the terms resolved, the corporate bodies and the Remuneration Committee of Novabase have the following composition for the 2021/2023 triennium:

##### BOARD OF DIRECTORS

**Chairman and Director with delegated powers:** Luís Paulo Cardoso Salvado

**Director with delegated powers:** Álvaro José da Silva Ferreira

**Director with special responsibilities** (responsible for the business area related with Novabase Capital and for the investors' relations, marketing and communication and information technologies areas): María del Carmen Gil Marín

**Non-Executive member of the Board of Directors:** Rita Wrem Viana Branquinho Lobo Carvalho Rosado

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

**Non-Executive member of the Board of Directors:** Madalena Paz Ferreira Perestrelo de Oliveira

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

**Non-Executive member of the Board of Directors:** José Sancho García

##### OFFICERS OF THE GENERAL MEETING

**Chairman:** António Manuel da Rocha e Menezes Cordeiro

**Secretary:** Catarina Maria Marante Granadeiro

##### AUDIT BOARD

**Chairman:** Álvaro José Barrigas do Nascimento

**Member:** Fátima do Rosário Piteira Patinha Farinha

**Member:** João Luís Correia Duque

**Deputy:** Manuel Saldanha Tavares Festas

##### STATUTORY AUDITOR

**Effective:** KPMG & Associados – S.R.O.C., S.A., represented by Paulo Alexandre Martins Quintas Paixão

**Deputy:** Maria Cristina Santos Ferreira

##### REMUNERATIONS COMMITTEE

**Chairman:** Francisco Luís Murteira Nabo

**Member:** Pedro Miguel Duarte Rebelo de Sousa

**Member:** João Francisco Ferreira de Almada e Quadros Saldanha

At the meeting of the Board of Directors of Novabase, which was also held on 25 May, it was resolved to appoint the secretary of Novabase for the 2021/2023 term of office, in accordance with the following terms:

##### COMPANY'S SECRETARY

**Effective:** Marta Isabel dos Reis da Graça Rodrigues do Nascimento

**Deputy:** Carolina Duarte Simões Pereira Barrueca

## II. LIST OF SHAREHOLDERS WITH QUALIFYING STAKES

(Under the terms of section c) of paragraph 1 of article 9 of the Portuguese Securities Market Commission - CMVM – Regulation no. 5/2008, with the identification of the respective allocation of voting rights in accordance with paragraph 1 of article 20 of the Portuguese Securities Code)

The holdings identified below correspond to the last positions notified to the Company with reference to 30 June 2021 or a previous date.

There are no categories of shares with special rights.

<b>Holders</b>	<b>No. shares</b>	<b>% share capital and voting rights</b>
HNB – S.G.P.S., S.A. <sup>(1)</sup>	10,810,823	34.43%
Pedro Miguel Quinteiro Marques de Carvalho	2,097,613	6.68%
Luís Paulo Cardoso Salvado <sup>(1)</sup>	1	0.00%
Álvaro José da Silva Ferreira <sup>(1)</sup>	1	0.00%
José Afonso Oom Ferreira de Sousa <sup>(1)</sup>	1	0.00%
<b>Holding under the Shareholders Agreement concerning NOVABASE <sup>(2)</sup></b>	<b>12,908,439</b>	<b>41.11%</b>
<b>Partbleu, Sociedade Gestora de Participações Sociais, S.A. <sup>(3)</sup></b>	<b>3,180,444</b>	<b>10.13%</b>
<b>IBI - Information Business Integration, A.G. <sup>(4)</sup></b>	<b>4,430,935</b>	<b>14.11%</b>
<b>Lazard Frères Gestion SAS</b>	<b>1,570,870</b>	<b>5.00%</b>
<b>Walter Rey</b>	<b>748,000</b>	<b>2.38%</b>
<b>Santander Small Caps España, FI <sup>(5)</sup></b>	<b>694,649</b>	<b>2.21%</b>
<b>Total</b>	<b>23,533,337</b>	<b>74.94%</b>

<sup>(1)</sup> José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira are the controlling shareholders and directors of HNB – S.G.P.S., S.A., having executed a shareholders agreement concerning the entirety of the share capital of this company.

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

<sup>(3)</sup> When Novabase was notified of this holding, it was informed that this company was indirectly held in 72% by Mr. Miguel Pais do Amaral, and therefore the corresponding voting rights were attributed to him.

<sup>(4)</sup> When Novabase received communication of this holding, it was informed that (i) José Sancho García is the controlling shareholder of this company, and therefore the corresponding voting rights are attributed to him, and (ii) José Sancho García is also the direct holder of 3,704 Novabase shares representing 0.011% of the voting rights. Thus, the voting rights attributable to Mr. José Sancho García in Novabase are 14.121%.

<sup>(5)</sup> When Novabase was notified of this holding, it was informed that the fund identified was managed by Santander Asset Management, S.A., S.G.I.I.C..

### III. INFORMATION CONCERNING STAKES HELD BY MEMBERS OF THE BOARD OF DIRECTORS AND SUPERVISORY BODIES

(Under the terms of paragraph 5 of article 447 of the Portuguese Commercial Companies Code)

The shareholding of each of these members of the corporate bodies corresponds to the last position notified to the Company with reference to 30 June 2021 or a previous date. The functions of each of these corporate bodies are described in Annex I of this Report.

<b>Holders</b>	<b>No. shares</b>	<b>% share capital and voting rights</b>
Pedro Miguel Quinteiro Marques de Carvalho	2,097,613	6.68%
Manuel Saldanha Tavares Festas	74,986	0.24%
María del Carmen Gil Marín	23,001	0.07%
José Sancho García <sup>(1)</sup>	3,704	0.01%
João Luís Correia Duque	500	0.00%
Luís Paulo Cardoso Salvado <sup>(2)</sup>	1	0.00%
Álvaro José da Silva Ferreira <sup>(2)</sup>	1	0.00%
José Afonso Oom Ferreira de Sousa <sup>(2)</sup>	1	0.00%
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	0	0.00%
Madalena Paz Ferreira Perestrelo de Oliveira	0	0.00%
Álvaro José Barrigas do Nascimento	0	0.00%
Fátima do Rosário Piteira Patinha Farinha	0	0.00%
KPMG & Associados – S.R.O.C., represented by Paulo Alexandre Martins Quintas Paixão	0	0.00%
Maria Cristina Santos Ferreira	0	0.00%
<b>Total</b>	<b>2,199,807</b>	<b>7.01%</b>

<sup>(1)</sup> José Sancho García is the controlling shareholder of IBI - Information Business Integration, A.G., company that held 4,430,935 shares representing 14.11% of Novabase's share capital and respective voting rights at 30 June 2021.

<sup>(2)</sup> Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira and José Afonso Oom Ferreira de Sousa are shareholders of HNB – S.G.P.S., S.A., where they hold management positions. HNB – S.G.P.S., S.A. held 10,810,823 shares representing 34.43% of Novabase's share capital and respective voting rights at 30 June 2021.

In addition to those mentioned to in this document (at the management transactions item), no encumbrances or other acquisitions or changes in the ownership of shares representing the Company's share capital (or of a company in a control or group relationship with the Company) were undertaken by the Members of the Board of Directors and Supervisory Bodies, nor any promissory, option or repurchase agreements, nor other agreements with similar effects on such shares.

No other transactions of the type described above were likewise carried out by any person falling under the scope of paragraphs 2 a) to d) of article 447 of the Portuguese Companies Code.

Finally, it should be clarified that neither the Company nor any company in a control or group relationship with it is an issuer of bonds.

**IV. MANAGEMENT TRANSACTIONS**

(Under the terms of article 248-B of the Portuguese Securities Code)

During the period, the following transactions on Novabase's ordinary shares were carried out by the persons falling under the scope article 447 of the Portuguese Companies Code:

Director / closely associated person	Transaction	Date	Location	No. shares	Price per share (€)
HNB – S.G.P.S., S.A.	Acquisition	01/13/2021	Outside regulated market	650,924	3.300
HNB – S.G.P.S., S.A.	Acquisition <sup>(1)</sup>	05/28/2021	Outside regulated market	1,025,070	3.715
IBI - Information Business Integration, A.G.	Acquisition <sup>(1)</sup>	06/24/2021	Outside regulated market	341,690	3.715

<sup>(1)</sup> Following purchase and sale agreements of Novabase shares entered into with Mediaries - Serviços de Consultoria e Gestão, Lda., company held and controlled by the previous Novabase Director João Nuno da Silva Bento, being his spouse - Paulina Cecília Carriço Leite da Cunha Bento - also a controlling associate and manager of the said company.



## **V. OWN SHARES TRANSACTIONS**

(Under the terms of section d) of paragraph 5 of article 66.º of the Portuguese Commercial Companies Code)

At 31 December 2020, Novabase S.G.P.S. held 676,611 own shares, representing 2.15% of its share capital.

During the 1st half of 2021, there were no own shares transactions.

Thus, at 30 June 2021, Novabase S.G.P.S. held 676,611 own shares, representing 2.15% of the share capital and voting rights to which the own shares held would correspond.

During the period, Novabase S.G.P.S. shares always had a nominal value of € 1.74.

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**CONDENSED CONSOLIDATED ACCOUNTS**  
**1st half 2021**  
(Unaudited)

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

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**These condensed consolidated interim financial statements does not include all the notes of the type normally included in an annual financial statements. Accordingly, these condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2020 and any public announcements made by NOVABASE during the interim reporting period.**

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**I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**for the period of 6 months ended 30 June 2021**

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

## Condensed Consolidated Interim Statement of Financial Position as at 30 June 2021

(Amounts expressed in thousands of Euros)

	Note	30.06.21	31.12.20
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	6	7,223	9,095
Intangible assets	7	11,891	12,063
Investments in associates		193	223
Financial assets at fair value through profit or loss	26	12,633	12,601
Deferred tax assets	8	7,829	7,947
Other non-current assets		2,025	2,025
<b>Total Non-Current Assets</b>		<b>41,794</b>	<b>43,954</b>
<b>Current Assets</b>			
Inventories		10	10
Trade and other receivables	9	44,690	42,660
Accrued income		4,349	3,556
Income tax receivable		2,600	2,988
Derivative financial instruments	26	20	64
Other current assets		6,686	4,290
Cash and cash equivalents	10	68,510	71,929
<b>Total Current Assets</b>		<b>126,865</b>	<b>125,497</b>
Assets from discontinued operations	25	339	342
<b>Total Assets</b>		<b>168,998</b>	<b>169,793</b>
<b>Equity</b>			
Share capital		54,638	54,638
Treasury shares		(1,177)	(1,177)
Share premium		226	226
Reserves and retained earnings	11	3,383	(4,124)
Profit for the period		3,277	7,486
Total Equity attributable to owners of the parent		60,347	57,049
Non-controlling interests	12	9,051	10,047
<b>Total Equity</b>		<b>69,398</b>	<b>67,096</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Borrowings	13	17,242	21,493
Provisions	14	5,156	5,233
Other non-current liabilities	15	2,099	3,705
<b>Total Non-Current Liabilities</b>		<b>24,497</b>	<b>30,431</b>
<b>Current Liabilities</b>			
Borrowings	13	8,694	9,432
Trade and other payables	16	41,017	40,313
Income tax payable		82	53
Derivative financial instruments	26	73	9
Deferred income and other current liabilities	17	19,634	16,148
<b>Total Current Liabilities</b>		<b>69,500</b>	<b>65,955</b>
Liabilities from discontinued operations	25	5,603	6,311
<b>Total Liabilities</b>		<b>99,600</b>	<b>102,697</b>
<b>Total Equity and Liabilities</b>		<b>168,998</b>	<b>169,793</b>

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 or Loss for the period of 6 months ended 30 June 2021

(Amounts expressed in thousands of Euros)

	Note	6 M *	
		30.06.21	30.06.20
<b>Continuing operations</b>			
Services rendered	4	67,644	63,668
External supplies and services		(20,080)	(20,519)
Employee benefit expense	18	(41,187)	(40,277)
Net impairment losses on trade and other receivables	9	(66)	18
Other gains/(losses) - net	19	(33)	2,571
Depreciation and amortisation		(1,798)	(2,174)
<b>Operating Profit</b>		<b>4,480</b>	<b>3,287</b>
Finance income	20	366	650
Finance costs	21	(559)	(1,831)
Share of loss of associates		(30)	(29)
<b>Earnings Before Taxes (EBT)</b>		<b>4,257</b>	<b>2,077</b>
Income tax expense	22	(975)	(206)
Profit from continuing operations		3,282	1,871
<b>Discontinued operations</b>			
Profit from discontinued operations	25	46	3,202
<b>Profit for the period</b>		<b>3,328</b>	<b>5,073</b>
<b>Profit attributable to:</b>			
Owners of the parent		3,277	4,819
Non-controlling interests		51	254
		<u>3,328</u>	<u>5,073</u>
<b>Earnings per share from continuing and discontinued operations attributable to owners of the parent (Euros per share)</b>			
<b>Basic earnings per share</b>			
From continuing operations	23	0.11 Euros	0.05 Euros
From discontinued operations	23	Zero Euros	0.10 Euros
From profit for the period	23	0.11 Euros	0.16 Euros
<b>Diluted earnings per share</b>			
From continuing operations	23	0.10 Euros	0.05 Euros
From discontinued operations	23	Zero Euros	0.10 Euros
From profit for the period	23	0.11 Euros	0.16 Euros

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 Comprehensive Income for the period of 6 months ended 30 June 2021

(Amounts expressed in thousands of Euros)

Note	6 M *	
	30.06.21	30.06.20
Profit for the period	3,328	5,073
Other comprehensive income for the period		
Items that may be reclassified to profit or loss		
Exchange differences on foreign operations, net of tax	(2)	592
Other comprehensive income for the period	(2)	592
Total comprehensive income for the period	<b>3,326</b>	<b>5,665</b>
Total comprehensive income attributable to:		
Owners of the parent	3,263	5,124
Non-controlling interests	63	541
	<b>3,326</b>	<b>5,665</b>
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 2021

(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	
<b>Balance at 1 January 2020</b>		<b>54,638</b>	<b>(655)</b>	<b>226</b>	<b>3,140</b>	<b>7</b>	<b>(4,521)</b>	<b>16,456</b>	<b>87,620</b>
Profit for the period		-	-	-	-	-	-	4,819	5,073
Other comprehensive income for the period		-	-	-	-	-	305	-	592
Total comprehensive income for the period		-	-	-	-	-	305	4,819	5,665
<b>Transactions with owners</b>									
Treasury shares movements		-	(408)	-	-	-	-	(265)	(673)
Share-based payments		-	-	-	-	12	-	-	12
Change in consolidation perimeter		-	-	-	-	-	-	(672)	(672)
Transactions with owners		-	(408)	-	-	12	-	(265)	(1,333)
<b>Changes in ownership interests in subsidiaries that do not result in a loss of control</b>									
Transactions with non-controlling interests		-	-	-	-	-	145	(18,433)	(27,450)
<b>Balance at 30 June 2020</b>		<b>54,638</b>	<b>(1,063)</b>	<b>226</b>	<b>3,140</b>	<b>19</b>	<b>(4,071)</b>	<b>2,577</b>	<b>64,502</b>
<b>Balance at 1 January 2021</b>		<b>54,638</b>	<b>(1,177)</b>	<b>226</b>	<b>3,140</b>	<b>41</b>	<b>(4,914)</b>	<b>5,095</b>	<b>67,096</b>
Profit for the period		-	-	-	-	-	-	3,277	3,328
Other comprehensive income for the period	11, 12	-	-	-	-	-	(14)	-	(2)
Total comprehensive income for the period		-	-	-	-	-	(14)	3,277	3,326
<b>Transactions with owners</b>									
Share-based payments	11	-	-	-	-	16	-	-	16
Transactions with owners		-	-	-	-	16	-	-	16
<b>Changes in ownership interests in subsidiaries that do not result in a loss of control</b>									
Transactions with non-controlling interests	11, 12	-	-	-	-	-	-	19	(1,040)
<b>Balance at 30 June 2021</b>		<b>54,638</b>	<b>(1,177)</b>	<b>226</b>	<b>3,140</b>	<b>57</b>	<b>(4,928)</b>	<b>8,391</b>	<b>69,398</b>

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 Cash Flows for the period of 6 months ended 30 June 2021

(Amounts expressed in thousands of Euros)

	Note	6 M *	
		30.06.21	30.06.20
<b>Cash flows from operating activities</b>			
<b>Net cash from operating activities</b>		<b>2,390</b>	<b>2,934</b>
<b>Cash flows from investing activities</b>			
Proceeds:			
Sale of subsidiaries (i)	25	46	42,082
Sale of associates and other participated companies		4	4
Disposal of debt securities		-	3,026
Sale of property, plant and equipment		8	64
Interest received		1	66
Dividends received	20	90	43
		<u>149</u>	<u>45,285</u>
Payments:			
Acquisition of subsidiaries	25	-	(3,456)
Acquisition of property, plant and equipment		(280)	(431)
Acquisition of intangible assets		(2)	(59)
		<u>(282)</u>	<u>(3,946)</u>
<b>Net cash from / (used in) investing activities</b>		<b>(133)</b>	<b>41,339</b>
<b>Cash flows from financing activities</b>			
Proceeds:			
Proceeds from borrowings	13 (a)	-	10,250
		<u>-</u>	<u>10,250</u>
Payments:			
Repayment of borrowings	13 (a)	(3,200)	(2,938)
Transactions with non-controlling interests	11	(1,040)	(20,000)
Payment of lease liabilities	13 (a)	(1,269)	(2,000)
Interest paid		(410)	(590)
Purchase of treasury shares		-	(673)
		<u>(5,919)</u>	<u>(26,201)</u>
<b>Net cash used in financing activities</b>		<b>(5,919)</b>	<b>(15,951)</b>
<b>Cash and cash equivalents at 1 January</b>	10	<b>71,948</b>	<b>48,782</b>
<b>Net increase (decrease) of cash and cash equivalents</b>		<b>(3,662)</b>	<b>28,322</b>
<b>Effects of change in consolidation perimeter (i)</b>	25	<b>-</b>	<b>(1,857)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<b>250</b>	<b>(238)</b>
<b>Cash and cash equivalents at 30 June</b>	10	<b>68,536</b>	<b>75,009</b>

### 6 M \* - period of 6 months ended

(i) The amount presented in the condensed consolidated interim statement of cash flows for the 6 months of 2020 (under 'Sale of subsidiaries, net of cash disposed of' caption) has been disaggregated in these condensed financial statements, in order to distinguish between the consideration received from the sale of subsidiaries and the effect on the Group's cash and cash equivalents of such disposals (see note 25).

For cash flows of discontinued operations see note 25.

THE CERTIFIED ACCOUNTANT

THE BOARD OF DIRECTORS

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

NOVABASE

**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 2021**

**1. General information and activity**

Novabase, Sociedade Gestora de Participações Sociais, S.A. - Public Company, with 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. Novabase Group (hereinafter referred to as Novabase Group, Group or Novabase) refers to Novabase S.G.P.S., S.A. and the companies included in the respective consolidation perimeter, which are detailed and disclosed in note 6 in the consolidated financial statements of the 2020 Annual Report (see also note 5).

Novabase's activity is aggregated into 2 operating segments:

**(i) Next-Gen (NG)** - This area, which operates under the Celfocus commercial brand according to Novabase's new brand architecture, develops activities of IT consulting and services with technology offerings that tend to be more advanced and targeted mainly to the Financial Services (Banks, Insurance and Capital Markets) and Telecommunications (Operators) industries, and to the most competitive markets (Europe and Middle East);

**(ii) Value Portfolio (VP)** - This area of Novabase, where the Neotalent commercial brand operates, develops activities of IT consulting and services of IT Staffing. It also develops a venture capital activity through Novabase Capital, S.C.R., S.A..

Novabase is listed on the Euronext Lisbon.

The share capital is represented by 31,401,394 shares (31.12.20: 31,401,394 shares), with all shares having a nominal value of 1.74 Euros each during all the period. At 30 June 2021, Novabase held 676,611 own shares representing 2.15% of its share capital, with no own shares transactions occurred in the semester.

The 2021 General Meeting of Shareholders held on 25 May appointed new corporate bodies for the 2021/2023 triennium. It should be noted that the executive team is now comprised of Luís Paulo Salvado and Álvaro Ferreira as directors with delegated powers, and María Gil Marín as director with special responsibilities.

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on 28 September 2021.

Following a 2020 marked by the success on the execution of some M&A operations relevant to the Group's strategy, namely the acquisition of the remaining stake in Celfocus – the core asset of Novabase's 2019+ Strategy of becoming a “Next-Gen IT Services Company”, the adjustment to the consideration on the sale of GTE Business and the disposal of the subsidiary Collab, the 1st half of 2021 was characterised by intense operational activity and strong performance of the businesses, and no changes occurred in the composition of the Group or the reportable segments nor were recorded operations or items considered unusual:

- Next-Gen started the year with great momentum, growing at double-digits, +11% compared to the same period of last year, a fully organic growth and mainly driven by international operations (+13%). In the target geographies – Europe and Middle East – Next-Gen grew 16%, rising the non-domestic business to almost 2/3 of its Turnover. Next-Gen's profitability also improved, with the EBITDA margin increasing 160 basis points YoY, to 8.2%;
- Value Portfolio had an upward trajectory, growing its Turnover in the two quarters of 2021 at a rhythm of 4% per quarter, but not yet reaching the 1H2020 figures. This growth suggests a recovery trend, after some Covid-effects observed, especially during the second half of 2020, in the Spanish market of IT Staffing. Value Portfolio presented an EBITDA margin of 12.6%, a resilient performance despite the YoY decline.

As in most of the year 2020, the 1st half of 2021 continued to be marked by the Covid-19 pandemic. Portugal witnessed the worsening of the pandemic crisis at the beginning of the first quarter of the year, with a new wave of infections and a new general confinement being imposed. In Europe, lockdowns were intermittent. As of the middle of the second quarter, the pandemic situation started to improve, with the consequent lifting of some restrictive measures in Portugal and throughout Europe. The impacts on the Group arising from the pandemic can be summarised as follows:

- Operating - There was no material impact on the direct operating conditions during the first-half of 2021, since Novabase's teams have been working remotely since the beginning of the pandemic. The *Nearshore Agile* delivery model enabled customer operations to continue seamlessly and smoothly. The Group's Pandemic Task Force continued to support the operations, while taking all necessary health measures to protect the entire community;
- Financial - No relevant negative impacts were observed either. Contrariwise, and as mentioned before, Next-Gen performed well and is on a strong operational course, benefitting from a focus on resilient sectors and larger-sized customers. Value Portfolio showed a recovery trend, and is well positioned for continued growth and to generate further value to fund Next-Gen strategy, as economies gradually open;
- Strategy - Impacts include delays in the foreseen M&A initiatives and in winning new clients of size, above all in Europe, due to travel restrictions.

Covid-19 pandemic is currently still spreading globally, with Delta variant becoming dominant and many countries experiencing the fourth wave of the pandemic, so the economic landscape remains complex and with a high-level of uncertainty. However, considering the events that have taken place so far, it is not expected that the effects of the pandemic could jeopardize the Novabase's strategic objectives nor the continuity of its operations. The Group will continue monitoring the pandemic's evolution and giving priority to the implementation of all measures considered adequate to mitigate the impacts of this adverse context, in line with the recommendations of the authorities and on all stakeholders' best interest.

## 2. Significant accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2020, as described in those financial statements, except for the adoption of new standards, amendments and interpretations, effective as of 1 January 2021 (see note 2.2.). The accounting standards, amendments and interpretations recently issued, but which have not yet come into force, can also be analysed in note 2.2.

As mentioned in note 3 - Financial risk management policy in the consolidated financial statements of the 2020 Annual Report, the Group is exposed to several risks as a result of its normal activity, which are monitored and mitigated throughout the year. During the first six months of 2021, and despite the Covid-19 pandemic context, there were no material changes that could significantly change the assessment of the risks to which the Group is exposed to.

### 2.1. Basis of preparation

The condensed consolidated interim financial statements for the period of six months ended 30 June 2021 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 2020, which have been prepared in accordance with IFRS's, as adopted by the European Union (EU).

These consolidated financial statements were prepared and structured to present fairly the Group's operations, as well as its financial position, financial performance and cash flows. Focusing on the relevance of information, the financial statements include essentially an explanation of the significant events and transactions for an understanding of the major changes to the financial position and performance of the Group since the last annual financial report. Some of the notes from the 2020 Annual Report are omitted because no changes occurred, or they are not materially relevant for an understanding of the interim financial statements. Similarly, some information required by IAS 34 was moved to the back of the notes because it was considered not to be immediately relevant for an understanding of the major changes during the interim period, namely the information about the valuation of financial instruments.

The Group's condensed consolidated financial statements were prepared on a going concern basis, based on the historical cost principle, except for assets and liabilities measured at fair value, that is, the financial assets at fair value through profit or loss and the derivative financial instruments.

These financial statements are presented in thousands of Euros (EUR thousand), rounded to the nearest thousand, except otherwise stated.

These financial statements have not been audited.

### 2.2. IASB new standards and amendments or IFRIC interpretations

#### New standards, amendments to existing standards and interpretations that became effective as of 1 January 2021

A number of amended standards became applicable for the current reporting period:

Standard, amendment or interpretation	Description	Issued in:	Mandatory application on or after:
<b>Amendments to IFRS 4</b> – 'Insurance contracts - Extension of the temporary exemption from applying IFRS 9'	These amendments aim to address the temporary accounting consequences of the different effective dates of IFRS 9 and the new standard for insurance contracts replacing IFRS 4 (IFRS 17). These amendments change the fixed date of the temporary exemption in IFRS 4 from applying IFRS 9 - 'Financial Instruments' until 1 January 2023.	25/Jun/20	1/Jan/21
<b>Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16</b> – 'Interest rate benchmark reform - phase 2'	These amendments address issues that arise during the reform of an interest rate benchmark, including the replacement of one benchmark with an alternative one.	27/Aug/20	1/Jan/21
<b>Amendment to IFRS 16</b> – 'Leases - Covid-19-related rent concessions beyond 30 June 2021'	The March 2021 amendment extends the applicable period of the practical expedient provided for in IFRS 16 – 'Leases - Covid-19-related rent concessions' from 30 June 2021 to 30 June 2022.	31/Mar/21	1/Apr/21 <sup>(1)</sup>

<sup>(1)</sup> Pending endorsement by the European Union.

Except for the amendments to IFRS 4, which affect only insurance companies and therefore had no impact on the Group's financial statements, none of the amended standards applied by the Group for the first time in this period had a significant impact on the financial statements, nor retrospective adjustments were made as a result of its adoption.

**New standards, amendments to existing standards and interpretations issued in 2021, still subject to endorsement by the EU**

In addition to new standards, interpretations and amended standards published until 31 December 2020, not yet effective in this reporting period and which the Group decided not to early adopt, as described in the 2020 annual financial statements, a number of amendments to existing standards were issued before 30 June 2021 with an effective date beginning on or after 1 July 2021 as set out below:

Standard, amendment or interpretation	Description	Issued in:	Mandatory application on or after:
<b>Amendment to IAS 1</b> – ‘Presentation of financial statements - Disclosure of accounting policies’	The amendment to IAS 1 requires companies to disclose their material accounting policy information rather than their significant accounting policies. To provide guidance on how to apply the concept of materiality to accounting policy disclosures, the IASB also amended IFRS Practice Statement 2 – ‘Making Materiality Judgements’.	12/Feb/21	1/Jan/23
<b>Amendment to IAS 8</b> – ‘Accounting policies, changes in accounting estimates and errors - Definition of accounting estimates’	This amendment introduces the definition of accounting estimates and clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.	12/Feb/21	1/Jan/23
<b>Amendment to IAS 12</b> – ‘Income taxes - Deferred tax related to assets and liabilities arising from a single transaction’	This amendment clarifies how companies account for deferred tax on transactions such as leases and decommissioning obligations.	7/May/21	1/Jan/23

The Management is currently evaluating the impact of adopting these amendments to existing standards, and so far does not expect a significant impact on the Group’s consolidated financial statements.

**3. Critical accounting estimates and judgements**

The preparation of interim financial statements requires Management to use judgement, and to make estimates and follow assumptions that impact the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Consequently, 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 applied to the consolidated financial statements for the year ended 31 December 2020, considering the below mentioned about the Covid-19 pandemic.

Considering the mentioned in note 1 - General information and activity above, and the information disclosed in note 4 - Critical accounting estimates and judgements in the consolidated financial statements of the 2020 Annual Report, the Group does not anticipate, at this date, 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 two operating segments, Next-Gen and Value Portfolio, and no changes occurred in this interim period in the basis of segmentation or in the basis of measurement of segment's profit or loss in relation to the last annual financial statements.

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

Operating segments are reported consistently with the internal reporting that is provided to the Management, based on which it evaluates the performance of each segment and allocates the available resources.

The amounts reported in each operating segment result from the aggregation of the subsidiaries defined in each segment perimeter<sup>1</sup> and the elimination of transactions between companies of the same segment. All inter-segment revenues correspond to market prices.

<sup>1</sup>The companies considered in each operating segment are presented in note 6 in the consolidated financial statements of the 2020 Annual Report. For the purposes of segment reporting, Novabase S.G.P.S., S.A. and Novabase Serviços, S.A. (companies including the Group's top management and shared services, respectively) are considered to be an integral part of the Value Portfolio segment.

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

	Value		
	Portfolio	Next-Gen	Novabase
<b>1st half of 2020</b>			
Total segment revenues <sup>1</sup>	23,089	46,208	69,297
Sales and services rendered - inter-segment	4,988	641	5,629
Sales and services rendered - external customers	18,101	45,567	63,668
Operating Profit	1,184	2,103	3,287
Finance results	(752)	(429)	(1,181)
Share of loss of associates	(29)	-	(29)
Income tax expense	-	(206)	(206)
Profit from continuing operations	403	1,468	1,871
Profit from discontinued operations (note 25)	3,202	-	3,202
<b>Other information:</b>			
Depreciation and amortisation	(1,283)	(891)	(2,174)
(Provisions) / Provisions reversal	88	1,645	1,733
Net impairment losses on trade and other receivables	27	(9)	18
	Value		
	Portfolio	Next-Gen	Novabase
<b>1st half of 2021</b>			
Total segment revenues <sup>1</sup>	22,469	50,686	73,155
Sales and services rendered - inter-segment	5,376	135	5,511
Sales and services rendered - external customers	17,093	50,551	67,644
Operating Profit	1,084	3,396	4,480
Finance results	(133)	(60)	(193)
Share of loss of associates	(30)	-	(30)
Income tax expense	(139)	(836)	(975)
Profit from continuing operations	782	2,500	3,282
Profit from discontinued operations (note 25)	46	-	46
<b>Other information:</b>			
Depreciation and amortisation	(1,065)	(733)	(1,798)
(Provisions) / Provisions reversal	77	-	77
Net impairment losses on trade and other receivables	27	(93)	(66)

<sup>1</sup>Net of intra-segment revenues (in the 1st half of 2020: EUR 8,406 thousand, of which EUR 3,761 thousand in Value Portfolio and EUR 4,645 thousand in Next-Gen, and in the 1st half of 2021: EUR 7,994 thousand, of which EUR 2,510 thousand in Value Portfolio and EUR 5,484 thousand in Next-Gen).

As part of the control of the strategic plan execution, Management monitors Turnover by geography, based on the location of the client where the project is delivered, being this geographical criterion also used for the disaggregation of revenue in investors presentations.

Sales and services rendered by geography are analysed as follows:

	Value			
	Portfolio	Next-Gen	Novabase	Total %
<b>1st half of 2020</b>				
Sales and services rendered - external customers	18,101	45,567	63,668	100.0%
Portugal	10,828	17,016	27,844	43.7%
Europe and Middle East	6,510	25,100	31,610	49.6%
Rest of the World	763	3,451	4,214	6.6%
	Value			
	Portfolio	Next-Gen	Novabase	Total %
<b>1st half of 2021</b>				
Sales and services rendered - external customers	17,093	50,551	67,644	100.0%
Portugal	10,271	18,202	28,473	42.1%
Europe and Middle East	6,283	29,036	35,319	52.2%
Rest of the World	539	3,313	3,852	5.7%



## 5. Companies included in consolidation

In the 1st half of 2021, no entries nor exits from the consolidation perimeter occurred, thus the composition of the Group remains unchanged compared to that disclosed in note 6 in the 2020 annual financial statements. Worthy of note during this period is the 0.2% increase (to 51.8%) of the Group's interest in the subsidiary FCR NB Capital Inovação e Internacionalização, in the Value Portfolio segment, following a return of share capital of the referred Fund to its Participants (see notes 11 and 12).

## 6. Property, plant and equipment

The amounts presented under 'Property, plant and equipment' heading 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 2021, was as follows:

	<b>Buildings and other constr.</b>	<b>Basic equipment</b>	<b>Transport equipment</b>	<b>Furniture, fit. and equip.</b>	<b>Other tangible assets</b>	<b>Total</b>
Cost	28,660	7,442	1,864	1,731	12	39,709
Accumulated depreciation	(21,699)	(6,111)	(1,297)	(1,496)	(11)	(30,614)
<b>Net book value at 31 December 2020</b>	<b>6,961</b>	<b>1,331</b>	<b>567</b>	<b>235</b>	<b>1</b>	<b>9,095</b>
<b>1st half of 2021</b>						
Net book value at 1 January	6,961	1,331	567	235	1	9,095
Acquisitions / increases	-	280	209	-	-	489
Write-offs / disposals	(688)	(8)	(41)	-	-	(737)
Depreciation	(1,152)	(285)	(159)	(28)	-	(1,624)
<b>Net book value at the end of the period</b>	<b>5,121</b>	<b>1,318</b>	<b>576</b>	<b>207</b>	<b>1</b>	<b>7,223</b>
Cost	27,592	7,671	1,632	1,732	12	38,639
Accumulated depreciation	(22,471)	(6,353)	(1,056)	(1,525)	(11)	(31,416)
<b>Net book value at 30 June 2021</b>	<b>5,121</b>	<b>1,318</b>	<b>576</b>	<b>207</b>	<b>1</b>	<b>7,223</b>

Acquisitions of property, plant and equipment refer to 'Basic equipment' for the operations, mainly comprised of laptops, and right-of-use assets of 'Transport equipment' (see detail below).

The amount of depreciation recognised in profit or loss and included in 'Depreciation and amortisation' amounts to EUR 1,624 thousand (30.06.20: EUR 1,976 thousand). No amounts were included in 'Profit from discontinued operations' for both periods.

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:

	<b>Buildings and other constr.</b>	<b>Transport equipment</b>	<b>Total</b>
Cost	25,343	1,814	27,157
Accumulated depreciation	(18,778)	(1,247)	(20,025)
<b>Net book value at 31 December 2020</b>	<b>6,565</b>	<b>567</b>	<b>7,132</b>
<b>1st half of 2021</b>			
Net book value at 1 January	6,565	567	7,132
Acquisitions / increases	-	209	209
Write-offs	(688)	(41)	(729)
Depreciation	(1,108)	(159)	(1,267)
<b>Net book value at the end of the period</b>	<b>4,769</b>	<b>576</b>	<b>5,345</b>
Cost	24,274	1,580	25,854
Accumulated depreciation	(19,505)	(1,004)	(20,509)
<b>Net book value at 30 June 2021</b>	<b>4,769</b>	<b>576</b>	<b>5,345</b>

Acquisitions and write-offs of right-of-use assets of 'Transport equipment' are part of the usual renewal of the Group's fleet. Write-offs of rights-of-use assets of 'Buildings and other constructions' refer to the repeal without penalties of an office and parking lease agreement with an original term in 2024.

Information on the movements that occurred during the period in lease liabilities related to these right-of-use assets, namely, interest expense and lease payments, can be found in note 13.

## 7. Intangible assets

The movement in the net book value of intangible assets, during the 1st half of 2021, was as follows:

	<b>Intern. gener. intang. assets</b>	<b>Ind. prop. and other rights</b>	<b>Work in progress</b>	<b>Goodwill</b>	<b>Total</b>
Cost	10,549	9,882	194	11,501	32,126
Accumulated amortisation	(10,325)	(9,738)	-	-	(20,063)
<b>Net book value at 31 December 2020</b>	<b>224</b>	<b>144</b>	<b>194</b>	<b>11,501</b>	<b>12,063</b>
<b>1st half of 2021</b>					
Net book value at 1 January	224	144	194	11,501	12,063
Acquisitions / increases	-	2	-	-	2
Amortisation	(78)	(96)	-	-	(174)
<b>Net book value at the end of the period</b>	<b>146</b>	<b>50</b>	<b>194</b>	<b>11,501</b>	<b>11,891</b>
Cost	10,549	9,884	194	11,501	32,128
Accumulated amortisation	(10,403)	(9,834)	-	-	(20,237)
<b>Net book value at 30 June 2021</b>	<b>146</b>	<b>50</b>	<b>194</b>	<b>11,501</b>	<b>11,891</b>

The amount of amortisation recognised in profit or loss and included in 'Depreciation and amortisation' is EUR 174 thousand (30.06.20: EUR 198 thousand), and included in 'Profit from discontinued operations' is EUR zero thousand (30.06.20: EUR 51 thousand).

## 8. Deferred tax assets

The movement in deferred tax assets was as follows:

	<b>30.06.21</b>	<b>31.12.20</b>
<b>Balance at 1 January</b>	7,947	9,585
Profit or loss charge	(118)	(458)
Change in consolidation perimeter (note 25)	-	(1,180)
<b>Balance at the end of the period</b>	<b>7,829</b>	<b>7,947</b>

The amount recognised in profit or loss and included in 'Income tax expense' is EUR -118 thousand (30.06.20: EUR 664 thousand), and included in 'Profit from discontinued operations' is EUR zero thousand (30.06.20: EUR -7 thousand).

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

	<b>Tax Losses / Other</b>	<b>Tax Incentives</b>	<b>Provisions / Adjustments</b>	<b>Total</b>
<b>Balance at 1 January 2020</b>	(4)	8,068	1,521	9,585
Profit or loss charge	4	44	(506)	(458)
Change in consolidation perimeter	-	(1,059)	(121)	(1,180)
<b>Balance at 31 December 2020</b>	-	7,053	894	7,947
Profit or loss charge	-	(304)	186	(118)
<b>Balance at 30 June 2021</b>	-	6,749	1,080	7,829

**9. Trade and other receivables**

	<b>30.06.21</b>	<b>31.12.20</b>
Trade receivables	41,193	36,200
Impairment allowance for trade receivables	(952)	(876)
	<u>40,241</u>	<u>35,324</u>
Financial holdings disposal	215	215
Capital subscribers of FCR Novabase Capital +Inovação	1,898	1,898
Value added tax	1,540	3,990
Receivables from financed projects	1,401	1,491
Prepayments to suppliers	117	156
Employees	13	6
Other receivables	365	684
Impairment allowance for other receivables	(1,100)	(1,104)
	<u>4,449</u>	<u>7,336</u>
	<u><u>44,690</u></u>	<u><u>42,660</u></u>

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

	<b>Trade receivables</b>		<b>Other receivables</b>		<b>Total</b>	
	<b>30.06.21</b>	<b>31.12.20</b>	<b>30.06.21</b>	<b>31.12.20</b>	<b>30.06.21</b>	<b>31.12.20</b>
<b>Balance at 1 January</b>	876	1,154	1,104	1,061	1,980	2,215
Impairment	178	146	-	51	178	197
Impairment reversal	(108)	(125)	(4)	(8)	(112)	(133)
Exchange differences	6	(64)	-	-	6	(64)
Write-offs	-	(206)	-	-	-	(206)
Change in consolidation perimeter	-	(29)	-	-	-	(29)
<b>Balance at the end of the period</b>	<u>952</u>	<u>876</u>	<u>1,100</u>	<u>1,104</u>	<u>2,052</u>	<u>1,980</u>

Impairment and impairment reversal for trade and other receivables recognised in profit or loss and included in 'Net impairment losses on trade and other receivables' is EUR -66 thousand (30.06.20: EUR 18 thousand), and included in 'Profit from discontinued operations' is EUR zero thousand (30.06.20: EUR 8 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:

	<b>30.06.21</b>	<b>31.12.20</b>
- Cash	14	28
- Short-term bank deposits	<u>68,522</u>	<u>71,920</u>
Cash and cash equivalents at the end of period	<u>68,536</u>	<u>71,948</u>
- Impairment allowance for short-term bank deposits	<u>(26)</u>	<u>(19)</u>
Cash and cash equivalents	<u><u>68,510</u></u>	<u><u>71,929</u></u>

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

	<b>30.06.21</b>	<b>31.12.20</b>
<b>Balance at 1 January</b>	19	27
Impairment (note 21)	18	5
Impairment reversal (note 20)	<u>(11)</u>	<u>(13)</u>
<b>Balance at the end of the period</b>	<u>26</u>	<u>19</u>

The impairment allowance for short-term bank deposits recognised in 'Finance costs' is EUR 18 thousand (30.06.20: EUR 52 thousand) and the impairment reversal recognised in 'Finance income' is EUR -11 thousand (30.06.20: EUR -19 thousand). No amounts were included in 'Profit from discontinued operations' for both periods.

**11. Reserves and retained earnings**

Movements in 'Reserves and retained earnings' are analysed as follows:

	<b>30.06.21</b>	<b>31.12.20</b>
<b>Balance at 1 January</b>	(4,124)	(5,318)
Profit for the previous year	7,486	20,400
Exchange differences on foreign operations	(14)	(538)
Purchase and sale of treasury shares	-	(368)
Share-based payments	16	34
Transactions with non-controlling interests	19	(18,334)
<b>Balance at the end of the period</b>	<b>3,383</b>	<b>(4,124)</b>

In 2021 and 2020, no amounts were distributed to shareholders.

In the 1st half of 2021, the Group performed a transaction with non-controlling interests (NCI) with the following impact:

	<b>30.06.21</b>		
	<b>Payment to NCI</b>	<b>(Decrease) / increase of NCI</b>	<b>Impact on Equity attrib. to owners of the parent</b>
(i) Increase of interest in FCR NB Capital Inovação e Internacionalização	1,040	(1,059)	19
	<u>1,040</u>	<u>(1,059)</u>	<u>19</u>
(ii) Following a FCR NB Capital Inovação e Internacionalização share capital return to its Participants (distribution of excess cash), the Group increased its interest in the referred Fund by 0.2% (see notes 5 and 12). The correspondent payment to NCI is included in the 'Transactions with non-controlling interest' heading, in Cash flows from financing activities of the Condensed Consolidated Interim Statement of Cash Flows.			

**12. Non-controlling interests**

	<b>30.06.21</b>	<b>31.12.20</b>
<b>Balance at 1 January</b>	10,047	18,329
Transactions with non-controlling interests (notes 5 and 11)	(1,059)	(9,010)
Exchange differences on foreign operations	12	560
Profit attributable to non-controlling interests	51	840
Change in consolidation perimeter	-	(672)
<b>Balance at the end of the period</b>	<b>9,051</b>	<b>10,047</b>

**13. Borrowings**

	<b>30.06.21</b>	<b>31.12.20</b>
<b>Non-current</b>		
Bank borrowings	13,500	16,200
Lease liabilities	3,742	5,293
	<u>17,242</u>	<u>21,493</u>
<b>Current</b>		
Bank borrowings	5,900	6,400
Lease liabilities	2,794	3,032
	<u>8,694</u>	<u>9,432</u>
<b>Total borrowings</b>	<b>25,936</b>	<b>30,925</b>

The exposure of the Group's current bank borrowings to the contractual repricing dates are as follows:

	6 months or less	6 to 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Bank borrowings	3,200	3,200	6,800	9,400	-	22,600
Lease liabilities	1,452	1,580	2,511	2,782	-	8,325
<b>At 31 December 2020</b>	<b>4,652</b>	<b>4,780</b>	<b>9,311</b>	<b>12,182</b>	<b>-</b>	<b>30,925</b>
Bank borrowings	3,200	2,700	6,200	7,300	-	19,400
Lease liabilities	1,578	1,216	2,169	1,573	-	6,536
<b>At 30 June 2021</b>	<b>4,778</b>	<b>3,916</b>	<b>8,369</b>	<b>8,873</b>	<b>-</b>	<b>25,936</b>

The weighted average effective interest rate of bank borrowings at the reporting date is 1.473% (31.12.20: 1.485%). Lease liabilities are presented after discounting the future finance charges, which amounts to EUR 457 thousand at 30 June 2021 (31.12.20: EUR 606 thousand). The weighted average incremental borrowing rate used when determining the present value of future lease payments is 2.489% (31.12.20: 2.484%).

During the 1st half of 2021, loan repayments with banking institutions amounted to EUR 3.2M€ (30.06.20: 2.9M€). No new loans were contracted in the period, nor were renegotiated the conditions or covenants in relation to the loans existing on 31 December 2020.

At 30 June 2021, the Group was complying with all contractual covenants, including the solvability ratio greater than 40% from BPI, which was not being complied with on 31 December 2020, but for which a waiver had been received regarding its applicability in 2020.

Movements in lease liabilities are as follows:

	30.06.21	31.12.20
<b>Balance at 1 January</b>	8,325	11,568
Increases	209	1,598
Termination of lease contracts	(729)	(1,056)
Interest expense (note 21)	166	491
Lease payments	(1,435)	(4,276)
<b>Balance at the end of the period</b>	<b>6,536</b>	<b>8,325</b>

Note 6 provides information on the right-of-use assets of the Group related to these lease liabilities.

#### (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.

	30.06.21	31.12.20
Cash and cash equivalents (amount before impairment losses)	68,536	71,948
Borrowings - repayable within one year (including overdrafts)	(8,694)	(9,432)
Borrowings - repayable after one year	(17,242)	(21,493)
<b>Net debt</b>	<b>42,600</b>	<b>41,023</b>

	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
<b>At 1 January 2020</b>	48,782	(5,194)	(13,600)	(3,887)	(7,681)	18,420
Cash flows	25,234	6,194	(10,000)	3,785	-	25,213
Acquisitions - lease liabilities	-	-	-	-	(1,598)	(1,598)
Effect of exchange rate changes	(211)	-	-	-	-	(211)
Change in consolidation perimeter	(1,857)	-	-	-	-	(1,857)
Other non-cash movements	-	(7,400)	7,400	(2,930)	3,986	1,056
<b>At 31 December 2020</b>	<b>71,948</b>	<b>(6,400)</b>	<b>(16,200)</b>	<b>(3,032)</b>	<b>(5,293)</b>	<b>41,023</b>
Cash flows	(3,662)	3,200	-	1,269	-	807
Acquisitions - lease liabilities	-	-	-	-	(209)	(209)
Effect of exchange rate changes	250	-	-	-	-	250
Other non-cash movements	-	(2,700)	2,700	(1,031)	1,760	729
<b>At 30 June 2021</b>	<b>68,536</b>	<b>(5,900)</b>	<b>(13,500)</b>	<b>(2,794)</b>	<b>(3,742)</b>	<b>42,600</b>

**14. Provisions**

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

	<b>30.06.21</b>	<b>31.12.20</b>
<b>Balance at 1 January</b>	5,233	8,623
Additional provisions (note 19)	-	475
Reversals / charge-off (note 19)	(77)	(3,692)
Change in consolidation perimeter (note 25)	-	(173)
<b>Balance at the end of the period</b>	<b>5,156</b>	<b>5,233</b>

The amount of provisions for other risks and charges recognised in profit or loss and included in 'Other gains/(losses) - net' is EUR -77 thousand (30.06.20: EUR -1,733 thousand). It is recalled that the comparative figure referred to the use of provisions for the reorganisation of the management provided for in the 2019+ Strategy, with the majority of the related costs being recognised in 'Employee benefit expense' heading of the same period.

**15. Other non-current liabilities**

	<b>30.06.21</b>	<b>31.12.20</b>
(*) Acquisition of financial holdings	1,682	3,165
Research and development grants	417	540
	<b>2,099</b>	<b>3,705</b>

(\*) 'Acquisition of financial holdings' caption decreased EUR 1,483 thousand in the 1st half of 2021, against an increase of the caption under the same designation in 'Trade and other payables' (see note 16), reflecting the classification as current - meaning, with a maturity of up to 12 months at the reporting date - of part of the consideration for the acquisition of Celfocus S.A..

**16. Trade and other payables**

	<b>30.06.21</b>	<b>31.12.20</b>
Trade payables	3,952	5,621
Remunerations, holiday and holiday and Christmas allowances	11,604	7,842
Bonus	8,184	11,546
Acquisition of financial holdings (note 15)	6,198	4,715
Ongoing projects	4,960	2,463
Value added tax	1,473	2,542
Social security contributions	1,304	2,090
Income tax withholding	1,272	1,389
Employees	106	82
Amount to be paid to non-controlling interests	1	1
Prepayments from trade receivables	2	2
Other accrued expenses	1,757	1,869
Other payables	204	151
	<b>41,017</b>	<b>40,313</b>

**17. Deferred income and other current liabilities**

	<b>30.06.21</b>	<b>31.12.20</b>
Consulting projects	19,322	15,884
Research and development grants	312	242
Training grants	-	22
	<b>19,634</b>	<b>16,148</b>

**18. Employee benefit expense**

	<b>30.06.21</b>	<b>30.06.20</b>
Key management personnel compensation (note 24 i)	1,542	1,955
Wages and salaries of the employees	31,731	29,478
Employees social security contributions	6,055	5,723
Stock options granted (note 24 i)	16	47
Other employee expenses	1,843	3,074
	<b>41,187</b>	<b>40,277</b>

The year-on-year increase of 'Employee benefit expense', of approximately EUR 2.6 Million excluding the costs related with the execution of management overhaul provided for in the 2019+ Strategy recorded in the six months of 2020 (see note 14), is justified by Novabase's investment on Talent acquisition and is in line with the Turnover growth.

**19. Other gains/(losses) - net**

	<b>30.06.21</b>	<b>30.06.20</b>
Provisions for other risks and charges (note 14)	77	1,733
(*) Other operating income and expense	(110)	838
	<b>(33)</b>	<b>2,571</b>

- (\*) The decrease of 'Other operating income and expense', in year-on-year terms, is mainly explained by: (i) in the 1st half of 2020, a higher level of supplementary income was recognised, related to back-office services which continued to be provided in the subsidiaries sold Novabase Digital, S.A. and Collab (note 25); and (ii) also in the 1st half of 2020, a non-recurring gain was booked, in the amount of EUR 409 thousand, regarding the outcome of an old judicial process.

**20. Finance income**

	<b>30.06.21</b>	<b>30.06.20</b>
Interest received	5	101
Foreign exchange gains	234	349
Fair value of financial assets adjustment (note 26)	26	-
(*) Dividends of financial assets	90	43
Reversal of impairment losses on bank balances (note 10)	11	19
Reversal of impairment losses on debt securities	-	138
	<b>366</b>	<b>650</b>

- (\*) Investment in Globaleda, S.A..

**21. Finance costs**

	<b>30.06.21</b>	<b>30.06.20</b>
Interest expenses		
- Borrowings	(164)	(223)
- Lease liabilities (note 13)	(166)	(251)
- Other interest	-	(1)
Bank guarantees charges	(24)	(16)
Bank services and commissions	(42)	(69)
Foreign exchange losses	(136)	(1,202)
Fair value of financial assets adjustment (note 26)	(9)	-
Impairment losses on bank balances (note 10)	(18)	(52)
Other financial losses	-	(17)
	<b>(559)</b>	<b>(1,831)</b>

The decrease of 'Finance costs' heading, in year-on-year terms, was fundamentally driven by lower foreign exchange losses recognised in this period on foreign operations, as a result of the decrease of the exposure to economies with greater volatility that the Group has been operating.

**22. Income tax expense**

The Group's income tax expense for the period differs from the theoretical amount that would arise using the weighted average rate applicable to profits of the country of the Parent-Company due to the following:

	<b>30.06.21</b>	<b>30.06.20</b>
Earnings before taxes	4,257	2,077
<b>Income tax expense at nominal rate (21% in 2021 and 2020)</b>	894	436
Recognition of tax on the events of previous years	151	-
Dividends	(19)	(9)
Associates' results reported net of tax	6	6
Autonomous taxation	142	172
Results in companies where no deferred tax is recognised	29	179
Expenses not deductible for tax purposes	(99)	(704)
Differential tax rate on companies located abroad	19	(32)
Research & Development tax benefit	(350)	11
Municipal Surcharge and State Surcharge	149	117
Impairment of Special Payment on Account, tax losses and withholding taxes	53	30
<b>Income tax expense</b>	<b>975</b>	<b>206</b>
<b>Effective tax rate</b>	<b>22.9%</b>	<b>9.9%</b>

**23. Earnings per share**

	<b>30.06.21</b>	<b>30.06.20</b>
Weighted average number of ordinary shares in issue	30,724,783	30,890,446
Stock options adjustment	91,539	150,466
Adjusted weighted average number of ordinary shares in issue	30,816,322	31,040,912
Profit attributable to owners of the parent	3,277	4,819
Basic earnings per share (Euros per share)	0.11 Euros	0.16 Euros
Diluted earnings per share (Euros per share)	0.11 Euros	0.16 Euros
Profit from continuing operations attributable to owners of the parent	3,231	1,617
Basic earnings per share (Euros per share)	0.11 Euros	0.05 Euros
Diluted earnings per share (Euros per share)	0.10 Euros	0.05 Euros
Profit from discontinued operations attributable to owners of the parent	46	3,202
Basic earnings per share (Euros per share)	-	0.10 Euros
Diluted earnings per share (Euros per share)	-	0.10 Euros

**24. 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.

## i) Key management personnel compensation

Remuneration assigned to the Board of Directors and other key management personnel, during the periods ended 30 June 2021 and 2020, are as follows:

	<b>30.06.21</b>	<b>30.06.20</b>
Short-term employee benefits	1,217	810
Other long-term benefits	325	1,145
Stock options granted	16	47
	<b>1,558</b>	<b>2,002</b>

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 2,019 thousand (31.12.20: EUR 2,104 thousand).

In addition, there are current receivable balances outstanding with key management personnel in the net amount of EUR 6 thousand at 30 June 2021 (31.12.20: EUR 10 thousand payable balances).



## ii) Balances and transactions with related parties

Balances and transactions with related parties are as follows:

	Trade and other receivables		Trade and other payables	
	30.06.21	31.12.20	30.06.21	31.12.20
Associates	47	47	-	-
Other participated companies	1	40	-	-
	<u>48</u>	<u>87</u>	<u>-</u>	<u>-</u>
Impairment allowances for trade and other receivables	-	-		
	<u>48</u>	<u>87</u>		
	Services rendered		Interest received	
	30.06.21	30.06.20	30.06.21	30.06.20
Associates	91	91	-	-
Other participated companies	30	70	3	-
	<u>121</u>	<u>161</u>	<u>3</u>	<u>-</u>

## iii) Other balances with related parties

	Non-current	
	30.06.21	31.12.20
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
	<u>5,033</u>	<u>5,033</u>
Impairment allowance for loans to related parties	<u>(3,223)</u>	<u>(3,223)</u>
	<u>1,810</u>	<u>1,810</u>

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

## 25. 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 GTE Business, through the sale of all shares representing the share capital of Novabase Digital, S.A., held in 90.1% by Novabase Consulting S.G.P.S., S.A.. The sale was substantially completed at the end of 2019, with the agreed purchase price paid on 9 January 2020.

In the 1st half of 2020, the parties confirmed a net adjustment to the price initially paid by VEP and the verification of the earn-out as set out in the agreement. As such, the consideration obtained with the sale increased to EUR 39,252 thousand, resulting in an adjustment to the capital gain of EUR 2,939 thousand.

Additionally, on 19 March 2020, Novabase and Netadmin System i Sverige AB ("Netadmin") entered into a sale and purchase agreement for all shares representing the share capital of the subsidiary Collab, held in 72.45% by Novabase Business Solutions, S.A. (and also held by the associate Fundo Capital Risco NB Capital in 17.75%). The subsidiary was sold on the date of this Agreement and was reported in the financial statements for the period ending 30 June 2020 as a discontinued operation.

On 28 June 2021, Novabase was informed by Netadmin of the First Additional Purchase Price (first-year earn-out) calculation, in the amount of EUR 63 thousand. The payment occurred at 30 June 2021. Since no amount was considered in 2020 for this contingent consideration, according to the Management estimate at the time of the sale, the Group recognised, in the 1st half of 2021, a capital gain adjustment in the amount of EUR 46 thousand. Notwithstanding, an arbitration procedure between the parties regarding the 'Holdback amount' paid by the purchaser in November 2020 is still ongoing.

Financial information relating to the discontinued operations for this period and comparative 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 2020.

#### A. Results of discontinued operations

30.06.20			
	COLLAB	GTE	Total
Revenue	1,025	132	1,157
Expenses	(1,005)	(131)	(1,136)
<b>Results from operating activities</b>	20	1	21
Income tax	-	(1)	(1)
<b>Results from operating activities, net of tax</b>	20	-	20
Gain on sale of Business	243	2,939	3,182
Income tax on gain on sale of Business	-	-	-
<b>Profit from discontinued operations, net of tax</b>	263	2,939	3,202

30.06.21			
	COLLAB	GTE	Total
Revenue	-	-	-
Expenses	-	-	-
<b>Results from operating activities</b>	-	-	-
Income tax	-	-	-
<b>Results from operating activities, net of tax</b>	-	-	-
Gain on sale of Business	46	-	46
Income tax on gain on sale of Business	-	-	-
<b>Profit from discontinued operations, net of tax</b>	46	-	46

#### B. Assets and liabilities from discontinued operations

In the 1st half of 2021, the following movements occurred in assets and liabilities from discontinued operations:

- The assets from discontinued operations, which correspond fully to the assets held in the Mozambican subsidiary NBMSIT, Sist. de Inf. e Tecnol., S.A. (discontinued following the GTE Business sale), decreased to EUR 339 thousand (31.12.20: EUR 342 thousand).
- On the liabilities from discontinued operations side, the provision for Representations and Warranties ("R&W") associated with Collab's disposal was used in the amount of EUR 11 thousand, reducing it to EUR 1,117 thousand.
- It was also recorded an additional use of the provision for R&W associated with the GTE Business disposal in the amount of EUR 694 thousand, which was reduced to EUR 3,430 thousand.
- Also regarding the GTE Business, the provision for risks associated with the ongoing closure of activity of the Mozambican subsidiary stands at EUR 773 thousand, an increase of EUR 23 thousand in the period. Additionally, this subsidiary's liabilities decreased to EUR 251 thousand (31.12.20: EUR 277 thousand).
- The provision for R&W of the IMS Business remained unchanged towards 31 December 2020, at EUR 32 thousand.

#### C. Cash flows for discontinued operations

30.06.20			
	COLLAB	GTE	IMS
Net cash used in operating activities	(395)	(1,561)	-
Net cash from investing activities	3,260	35,366	-
Net cash used in financing activities	(1)	(32)	(8)
<b>Net cash flow for the period</b>	2,864	33,773	(8)
Effects of change in consolidation perimeter	(1,857)	-	-

	30.06.21			
	COLLAB	GTE	IMS	Total
Net cash used in operating activities	(11)	(690)	-	(701)
Net cash from investing activities	46	-	-	46
Net cash used in financing activities	-	(4)	-	(4)
Net cash flow for the period	35	(694)	-	(659)
Effects of change in consolidation perimeter	-	-	-	-

At 30 June 2021, Net cash from investing activities corresponds to the cash inflow of the first-year earn-out on the sale of Collab. At 30 June 2020 corresponded to the financial inflow of the consideration obtained from GTE Business disposal (net of the amount paid for the acquisition to NCI of the remaining interest in the sold company, a condition precedent to the Business) and the receipt of the initial price agreed on the sale of Collab (excludes 'Holdback Amount').

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

	30.06.20
Property, plant and equipment	(3)
Intangible assets	(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 14)	173
Trade and other payables	2,412
Derivative financial liabilities	1
Deferred income and other current liabilities	1,268
<b>Net assets</b>	<b>(2,860)</b>

#### 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	655
Fair value of contingent consideration	-
Total disposal consideration	3,915
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	243
Income tax expense on gain	-
Gain on sale after income tax	243

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 is applicable. At the time of the sale, no amount was considered for this contingent consideration.

## 26. Fair value measurement of financial instruments

The Group's financial assets and liabilities measured at fair value are the following:

- Derivative financial instruments (assets and liabilities) – Refer to the forward foreign exchange contracts ("FX Forwards") used to manage the Group's exposure to foreign exchange risk, which arise from transactions in currencies different from Euro performed by some of the subsidiaries, primarily in U.S. Dollars, but also from the Group's presence in several markets, namely in Angola. Although contracted to hedge foreign exchange risks according to the Group's financial risk management policies, changes in fair value of these derivatives are included in the consolidated statement of profit or loss, since the instruments do not comply with all the requirements of IAS 39 to qualify for hedge accounting.

- Financial assets at fair value through profit or loss – This category includes certain interests of the Group in companies mainly held through its Venture Capital Funds, NB Capital Inovação e Internacionalização and Novabase Capital +Inovação, and the participation units held in FCT - Labour Compensation Fund (the full list of these assets can be found in note 10 in the consolidated financial statements of the 2020 Annual Report).

The Group classifies its financial instruments into the three Levels of fair value hierarchy prescribed under the accounting standards:

- Level 1: The fair value of financial instruments is based on quoted prices in active and liquid markets at the reporting date.
- Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. Main inputs used on these valuation models are based on observable market data.
- Level 3: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques, and the main inputs are not based on observable market data.

At 30 June 2021 and 31 December 2020, the Group's financial assets and financial liabilities measured and recognised at fair value on a recurring basis are as follows:

	30.06.21			31.12.20		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets at fair value</b>						
Financial assets at fair value through profit or loss	592	-	12,041	577	-	12,024
Derivative financial instruments	-	20	-	-	64	-
	<u>592</u>	<u>20</u>	<u>12,041</u>	<u>577</u>	<u>64</u>	<u>12,024</u>
<b>Financial liabilities at fair value</b>						
Derivative financial instruments	-	73	-	-	9	-
	<u>-</u>	<u>73</u>	<u>-</u>	<u>-</u>	<u>9</u>	<u>-</u>

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2021.

The Group also has a number of financial instruments which are not measured at fair value in the statement of financial position. At 30 June 2021, the fair values of these instruments are not materially different to their carrying amounts, since the interest receivable / payable is either close to current market rates or the instruments are short-term in nature.

#### A. Valuation techniques

Specific valuation techniques used to determine fair values of financial instruments include:

- For FCT participation units – fair value is based on the observable quote of the Participation Units (PU's) at the reporting date (Level 1 in the fair value hierarchy).
- For derivative financial instruments (namely the FX Forwards) – fair value is calculated by using the Market-to-Market (MtM) quotes provided by the dealers with whom those transactions were entered with. Those valuations represent the dealers current estimate of the value of the transaction or instrument as at the specified date (Level 2 in the fair value hierarchy).
- For other financial instruments (where FCR NB Capital Inovação e Internacionalização and FCR Novabase Capital +Inovação' participated companies are included) – fair value is determined using valuation models and financial theories in which the significant inputs are unobservable (Level 3 in the fair value hierarchy). The discounted cash flow method is used, considering a 5-year business plan forecasted by Management.

#### B. Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in Level 3 instruments for the half-year ended 30 June 2021:

	<b>Financial assets at fair value through P&amp;L</b>
<b>Balance at 1 January</b>	12,024
Net fair value adjustments (notes 20 and 21)	<u>17</u>
<b>Balance at the end of the period</b>	<u>12,041</u>

Net fair value adjustments recorded in this period refer to an appreciation of the investment in Globaleda, S.A., partially offset by the devaluation of the investment in FCR Istart I. Positive fair value adjustments were recognised in profit or loss and included in 'Finance income' (see note 20), while negative fair value adjustments were recognised in profit or loss and included in 'Finance costs' (see note 21).

There were no transfers between the Levels 3 and 2 for the purposes of fair value measurement in the 1st half of 2021. There were also no changes made to any of the valuation techniques applied as of 31 December 2020.

The quantitative information about the significant unobservable inputs used in Level 3 fair value measurement of Feedzai, S.A., the main asset in this category representing approximately 88% of these instruments at 30 June 2021, as well as the relationship of some of those unobservable inputs to fair value (for illustrative purposes only) is set out below. No changes were made to the inputs used in Feedzai's valuation at 30 June 2021, as the Group considered that no material changes occurred in the first-half 2021, that could significantly affect the inputs used in the valuation. The inputs will be evaluated/reviewed with reference to 31 December 2021.

	<b>Feedzai</b>
Discount rate (post-tax)	16.0%
Perpetual growth rate	0.5%
Annual average growth rate of turnover	50.9%

According to sensitivity analyses performed, a possible increase or decrease of 1 percentage point in WACC would result in a Feedzai's fair value change of approximately EUR -819 thousand and EUR +940 thousand, respectively. As for a possible increase or decrease of 0.5 percentage point in the perpetual growth rate implicit in the calculation of the Terminal Value of the valuation, with all other variables held constant, would result in a fair value change of approximately EUR +277 thousand and EUR -260 thousand, respectively.

The Group has a team responsible for the Level 3 fair value measurements of the companies held by NB Capital Inovação e Internacionalização and Novabase Capital +Inovação, which reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every six months, in line with the Group's half-yearly reporting periods to the market.

The main Level 3 inputs used by the Group in measuring the fair value of financial instruments are derived and evaluated as follows:

- Discount rates: These are determined by calculating the weighted average cost of capital ("WACC") for each participated company in each Fund. To calculate the cost of capital, the return on the risk-free asset corresponds to the average yield of the 10-year Portuguese Bonds for the 12 months previous to valuation (risk-free), plus the risk premium for Portugal (Market Risk Premium) at the time of valuation, where the risk factor referring to the participated company (beta) is obtained through the average of comparable companies listed in the stock markets. Finally, a conservative risk premium (alpha) is added to the cost of capital. To calculate the cost of the financial debt of each participated company, the risk-free cost of capital is used, to which a spread is added depending on the risk rating of the participated company to be evaluated, all adjusted by the corporate tax rate to be paid.
- Growth rates of Turnover: The evolution of this indicator is made individually for each participated company after an in-depth analysis of the evolution of each company's business as well as its growth prospects. The growth prospects of the market as a whole in which the participated company operates are also taken into account, considering not only the growth of the market itself but also the evolution of the company's product and its fit in the market and prospects for expansion into new markets.
- Perpetual growth rates: In all participated companies, the perpetual growth rate is +0.5%, reflecting a real growth in operations of 0.25% and an inflation of 0.25%.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates): Adjustments for risks specific to the counterparties are mostly reflected in the discount rates calculated for each participated company. Novabase's valuation team analyses the several risks of each company individually, reflecting the necessary adjustments to the WACC, whenever justified.

Changes in Level 2 and 3 fair values are analysed at the end of each reporting period during the half-yearly valuation discussion between the CFO and the valuation team. As part of this discussion, it is considered whether the inputs of the models initially used in its measurement became, for instance, observable and whether they have adherence to the financial instrument under analysis. If the inputs are observable and representative, Novabase changes the category from Level 3 to Level 2.

## 27. Contingencies

At 30 June 2021, Novabase has no contingencies to disclose.

## 28. Events after the reporting period

In the second half of 2021 and up to the date of issue of this report, the following material events occurred:

### ▪ Transactions by persons closely associated to a director

On 4 August 2021, Novabase received communications from the companies Rent Profit, S.L., Joint Account and Information Business Integration, persons closely associated to the director of Novabase José Sancho García, regarding the following:

- (i) Disposal by Rent Profit, S.L. of 10 ordinary shares of Novabase, representing 0.00% of the Novabase's share capital and corresponding voting rights;
- (ii) Disposal by Joint Account of 3,704 ordinary shares of Novabase, representing 0.01% of the Novabase's share capital and corresponding voting rights;
- (iii) Acquisition by IBI - Information Business Integration, A.G. of 3,714 ordinary shares of Novabase, representing 0.01% of the Novabase's share capital and corresponding voting rights.

The communications further clarifies that these transactions took place in the Euronext Lisbon market and they are not linked to the exercise of a stock options programme.

## 29. Note added for translation

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

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## **II. Securities held by Corporate Bodies**

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**SECURITIES ISSUED BY THE COMPANY AND COMPANIES IN A CONTROL OR GROUP RELATIONSHIP WITH NOVABASE  
S.G.P.S., HELD BY MEMBERS OF THE CORPORATE BODIES OF NOVABASE S.G.P.S.**

	Share capital	Total number of shares / quotas	No. of shares / quotas held by corporate bodies at 31.12.20	Transactions	No. of shares / quotas held by corporate bodies at 30.06.21	% held by corporate bodies at 30.06.21
<b>Novabase S.G.P.S., S.A.</b>	<b>54,638,426 €</b>	<b>31,401,394</b>	<b>12,727,528</b>	<b>2,017,684</b>	<b>17,441,565</b>	<b>55.5%</b>
HNB - S.G.P.S., S.A. <sup>(a)</sup>			9,134,829	1,675,994	10,810,823	34.4%
IBI - Information Business Integration, A.G. <sup>(b)</sup>			N/A	341,690	4,430,935	14.1%
Pedro Miguel Quinteiro Marques de Carvalho			2,097,613	0	2,097,613	6.7%
Manuel Saldanha Tavares Festas			74,986	0	74,986	0.2%
María del Carmen Gil Marín			23,001	0	23,001	0.1%
José Sancho García <sup>(c)</sup>			N/A	0	3,704	0.0%
João Luís Correia Duque <sup>(c)</sup>			N/A	0	500	0.0%
Luís Paulo Cardoso Salvado			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%
Rita Wrem Viana Branquinho Lobo Carvalho Rosado <sup>(c)</sup>			N/A	0	0	0.0%
Madalena Paz Ferreira Perestrelo de Oliveira <sup>(c)</sup>			N/A	0	0	0.0%
Álvaro José Barrigas do Nascimento			0	0	0	0.0%
Fátima do Rosário Piteira Patinha Farinha			0	0	0	0.0%
KPMG & Associados – S.R.O.C., represented by Paulo Alexandre Martins Quintas Paixão			0	0	0	0.0%
Maria Cristina Santos Ferreira			0	0	0	0.0%
João Nuno da Silva Bento <sup>(d)</sup>			1,366,761	0	N/A	-
Francisco Paulo Figueiredo Morais Antunes <sup>(d)</sup>			30,335	0	N/A	-
Paulo Jorge de Barros Pires Trigo <sup>(d)</sup>			0	0	N/A	-
Marta Isabel dos Reis da Graça Rodrigues do Nascimento <sup>(d)</sup>			0	0	N/A	-
Miguel Tiago Perestrelo da Câmara Ribeiro Ferreira <sup>(d)</sup>			0	0	N/A	-
<b>NBASIT - Sist. Inf e Telecomunicações, S.A.</b>	<b>47,500,000 AOA</b>	<b>100,000</b>	<b>800</b>	<b>0</b>	<b>600</b>	<b>0.6%</b>
Álvaro José da Silva Ferreira			400	0	400	0.4%
Luís Paulo Cardoso Salvado			200	0	200	0.2%
Francisco Paulo Figueiredo Morais Antunes <sup>(d)</sup>			200	0	N/A	-

<sup>(a)</sup> José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira are the controlling shareholders and directors of HNB - S.G.P.S., S.A., having executed a shareholder's agreement concerning the entirety of the share capital of this company.

<sup>(b)</sup> José Sancho García is the controlling shareholder of IBI - Information Business Integration, A.G., therefore this holding and corresponding voting rights is attributable to him.

<sup>(c)</sup> Designated as member of the Company's corporate bodies as of 25 May 2021.

<sup>(d)</sup> No longer belongs to the Company's corporate bodies as of 25 May 2021.

Novabase reports in the above table the securities held directly by members of the board of directors and supervisory bodies of the Company or by the persons closely associated to them.

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# **STATEMENT OF COMPLIANCE**

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

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## **Statement of the Board of Directors and persons responsible within Novabase**

**(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 and persons responsible within 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:

(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 2021, 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, 28 September 2021

Luís Paulo Cardoso Salvado  
Chairman and Director with delegated powers (CEO)

Álvaro José da Silva Ferreira  
Director with delegated powers

María del Carmen Gil Marín  
Director with special responsibilities

Rita Wrem Viana Branquinho Lobo Carvalho Rosado  
Non-Executive member of the Board

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

Madalena Paz Ferreira Perestrelo de Oliveira  
Non-Executive member of the Board

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

José Sancho García  
Non-Executive member of the Board

Francisco Paulo Figueiredo Morais Antunes  
Chief Financial Officer (CFO) and Director of several companies of Novabase Group

**NOVABASE**

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# NOVABASE