

NOVABASE

Privileged Information

NEXT-GEN
IT SERVICES COMPANY

1H24

CONSOLIDATED RESULTS

31 July 2024

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1H24 Outlook



Chairman and CEO

Message from Luís Paulo Salvado

“Novabase’s results for the first half of 2024 reveal the continued execution of our strategy under current market conditions: Revenue grew by 1%, EBITDA by 5%, and Net Income from continuing operations by 16%.

In the Next-Gen segment, where international activity accounts for more than 70% of the business, EBITDA increased by 8%, reaching double-digit profitability. The number of employees grew by 1%, in line with revenue, and the attrition rate decreased to below 11%, an improvement compared to previous periods. This resulted from a more competitive value proposition for talent and a macroeconomic context more favourable for retention.

The first half was also marked by the dividend payment of €1.79 per share, with 80% of shareholders opting to receive shares

of the company. Consequently, of the €46m distributed, €38m was reinvested in the capital increase, bringing the Net Cash position to €59m. Notably, the total shareholder return during this period was 35%, compared to -6% for the PSI All-Share index and 20% for the EuroStoxx Technology index.

Despite the uncertainty that persists for the rest of the year, we will maintain our strategic course. We thank our teams for their work, trusting in their ability to overcome future challenges.”

Novabase in the News¹

Press Zone

- **Most Valuable Brand in the Technology & Software sector** | Novabase was considered the most valuable portuguese brand in the Technology & Software sector and one of the Top100, according to Brand Value study conducted by the consultancy OnStrategy.
- **Award at FutureNet World 2024** | Celfocus won the Operator Award at FutureNet World for its Cognitive Intelligence & Automation Solution (CIAS) for Global NOC in collaboration with Vodafone.
- **Merit Awards for Telecom** | Celfocus has secured the Gold medal in three prestigious categories at the Merit Awards for Telecom. The Awards recognises Celfocus' outstanding contributions to the telecom industry alongside its clients, Vodafone and Eutelsat OneWeb.
- **Catalyst Awards at the DTW24** | Celfocus won four prestigious Catalyst Awards at the DTW24 - Ignite event, held in Copenhagen. Recognised for their innovation and collaboration, Celfocus' projects tackled critical industry challenges, showcasing cutting-edge solutions.
- **Talent Acquisition initiatives** | Celfocus hosted another edition of “Celfocus Insider”, an open day initiative specially designed for university students, in collaboration with IST², offering them an immersive experience within our offices and team.
- **Partnership with Technovation Girls Portugal** | Celfocus sponsored, mentored and trained 9 teams of girls, aged 8 to 18. This program aims to inspire and empower young girls in STEM³ fields, contributing to create a responsible, inclusive, and diverse community.
- **New Corporate Bodies** | Novabase's corporate bodies were elected for the 2024-2026 term, with a Board of Directors led by Luís Salvado.
- **Novabase paid €1.79 per share** | Distribution of profits and free reserves in cash, included the option, on the part of shareholders, to alternatively allocate shares of the same category to be issued by Novabase for this purpose.
- **Novabase increased its capital by €38.0m** | Novabase concluded its share capital increase by issuing 9,234,565 new shares to be allocated to shareholders who opted to receive the dividend in kind. New shares entered the stock exchange on 28 June.

¹ Until this presentation date.

² University of Lisbon's Instituto Superior Técnico.

³ Science, Technology, Engineering, and Mathematics.

Financial Highlights

Stable 1H with improved profitability

Turnover and EBITDA do not include the *IT Staffing* Business (Value Portfolio), discontinued in 4Q23, for all periods in this presentation.

- Turnover grew 1% YoY
- 70% of Next-Gen's Turnover is generated outside Portugal
- Europe & Middle East target markets account for 96% of NG's International Ops.
- Top Tier clients Revenues grew 2% YoY
- EBITDA increased 5% YoY, with Next-Gen showing a two-digit profitability
- Net Profit from continuing operations of €2.5m, +16% YoY
- Solid Net Cash position of €59.3m, after €1.79/share payment
- Talent Pool of 1333 employees
- Total Shareholder Return of 35%

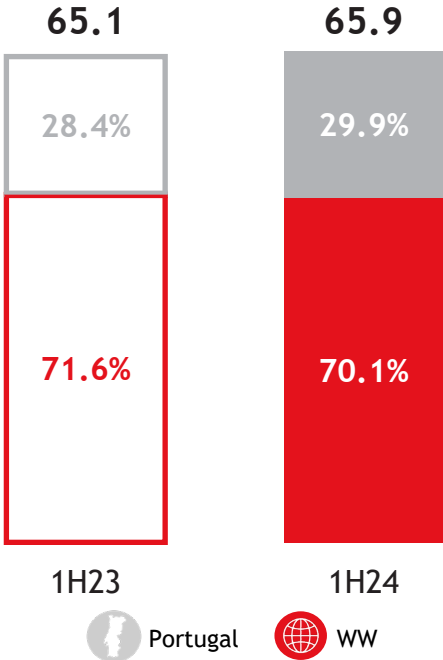


1H24 Performance

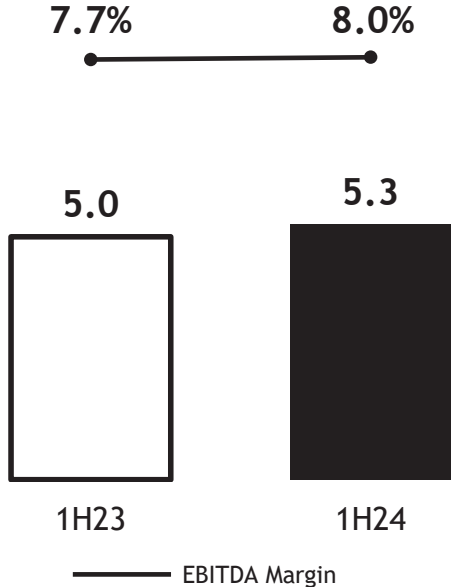
Key Figures

Turnover grew 1% YoY and EBITDA increased 5% YoY

Turnover (1) | % by Geography (2)



EBITDA (3)

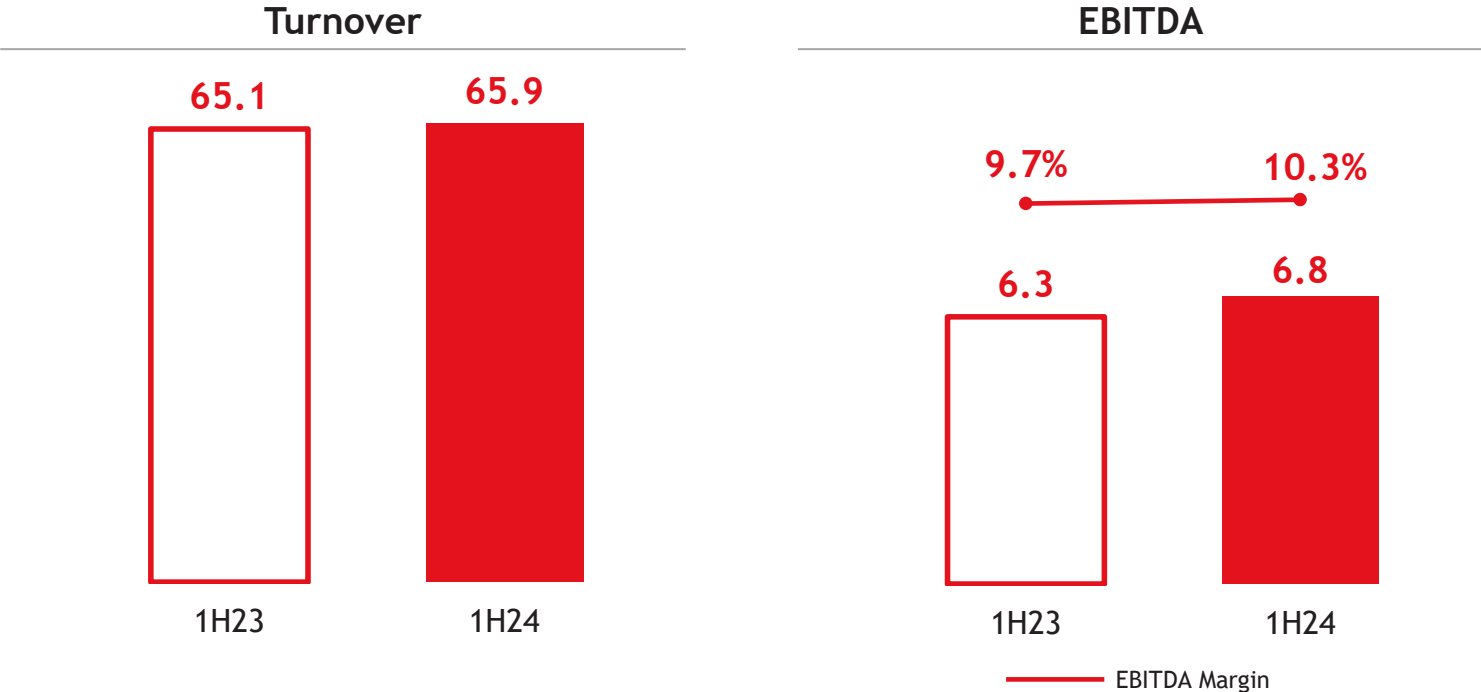


(1) 100% of Turnover refers to Next-Gen in both periods.
 (2) Turnover by Geography is computed based on the location of the client's decision centre.
 (3) Includes Value Portfolio EBITDA of -€1.5m in 1H24 (-€1.3m in 1H23), almost entirely related to central structure costs.



Turnover & EBITDA

Next-Gen Turnover grew organically 1% YoY with EBITDA reaching double-digit profitability



Key Figures



Next-Gen Segment

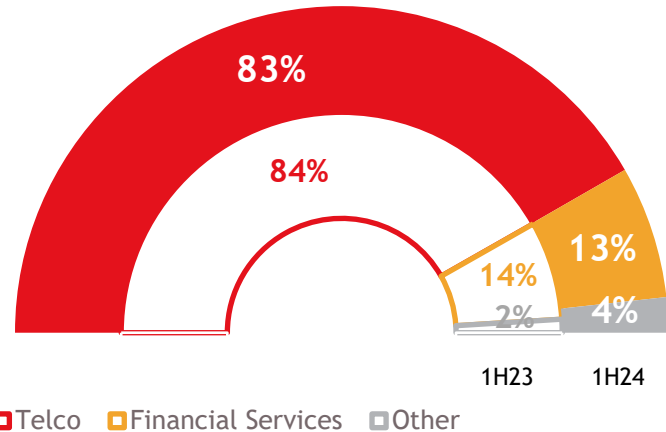
Key Figures

International Ops. represent 70% of Next-Gen's Turnover

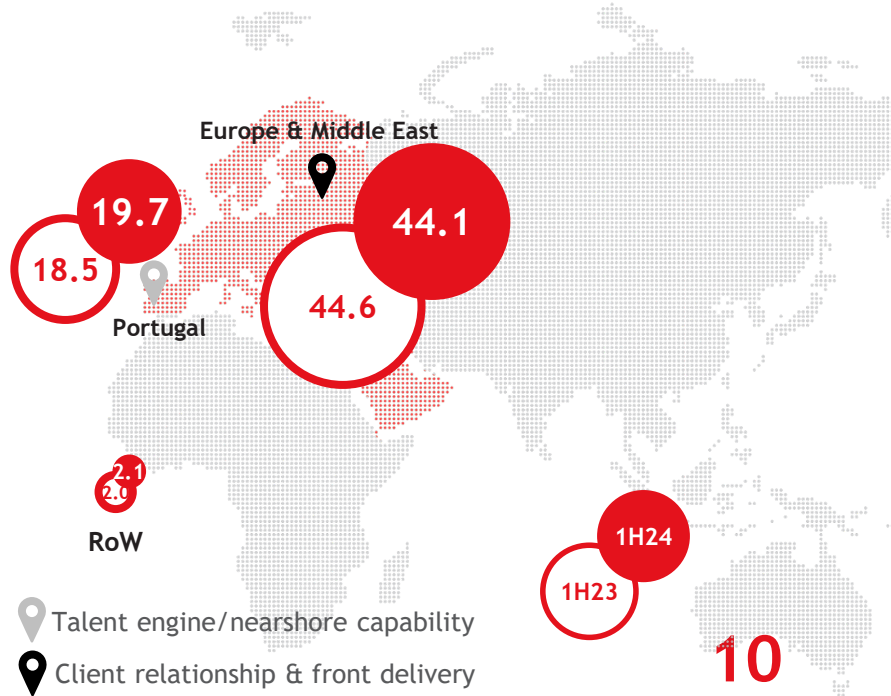
Multi-industry approach results emerging, but still Telco dominance.

Europe & Middle East totalled 96% of Next-Gen's international Revenues, in line with the strategic focus.

Revenue by Industry (%)



Revenue by Geography

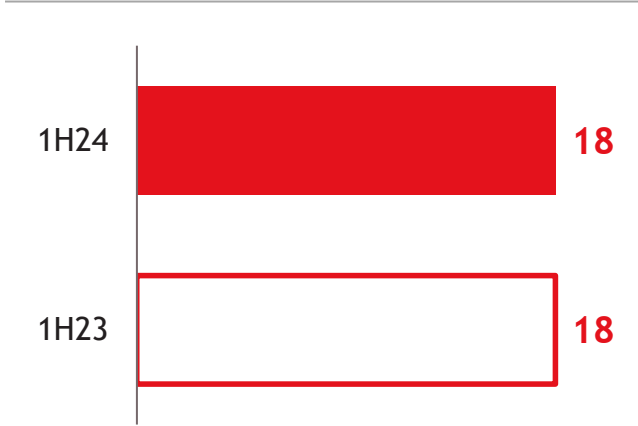


Next-Gen Segment

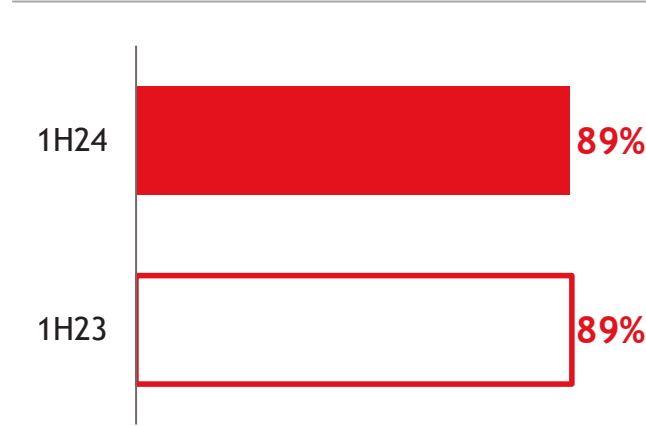
Top Tier clients Revenues grew 2% YoY

The client base ⁽¹⁾ expanded by 6% YoY.

Top Tier clients ⁽²⁾



% of Revenues from Top Tier clients ⁽²⁾



Total number of clients in 1H24 increased to 111 (105 in 1H23).

(1) Client is defined as the decision-making client.
(2) Top Tier clients (>1 M€) considers the Trailing 12 Months.

Key Figures



Next-Gen Segment

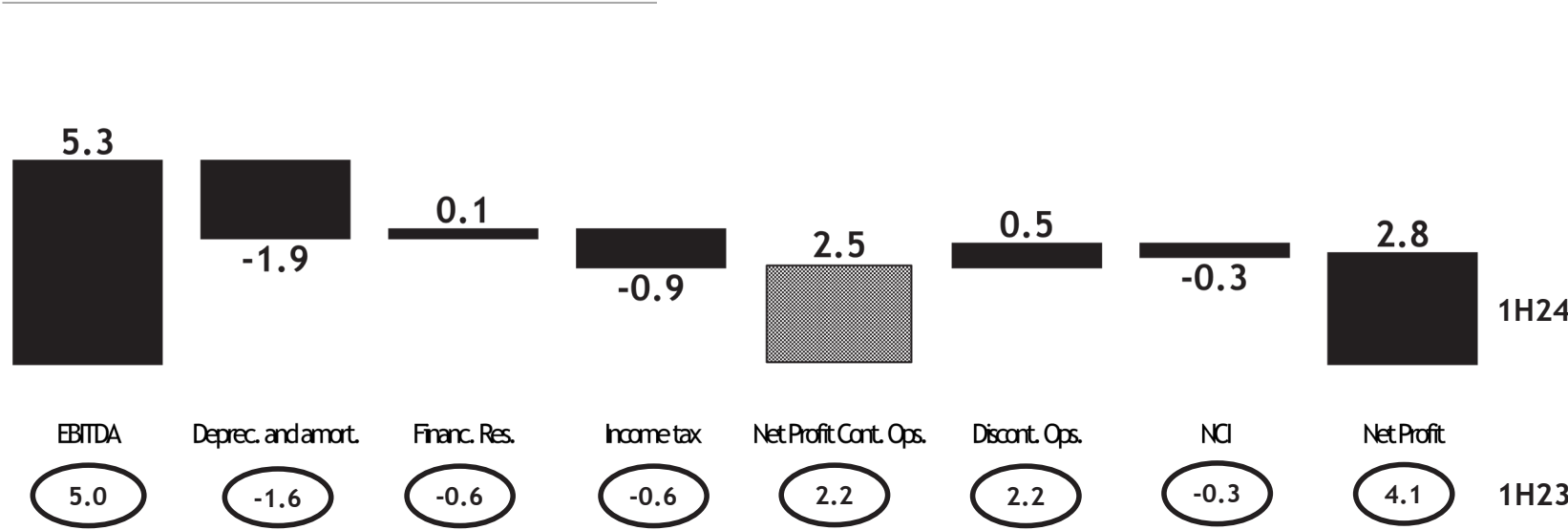
Net Profit from continuing operations of €2.5m, +16% YoY...

... as a result of higher EBITDA, partially offset by higher D&A and Income tax, and improved Financial Results.

Net Profit stood at €2.8m, -32% YoY, due to the divestiture in 2023 of the Neotalent business, the results of which are presented in Discontinued Operations. A capital gain adjustment of €0.4m was recorded in 1H24, following the final determination of price clauses provided for in the Agreement.

Total EPS was €0.10 (€0.15 in 1H23).

EBITDA to Net Profit



EBITDA to Net Profit

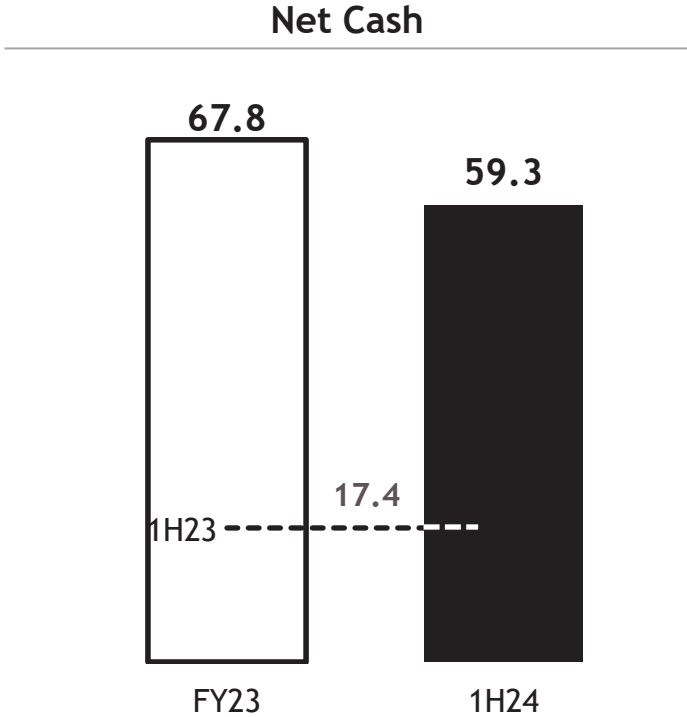
Key Figures



Net Cash

Solid Net Cash position of €59.3m...

... after €1.79/share payment, where the distribution in kind, at the option of the shareholders, allowed for a reinforcement of capitalization.



Cash use of €0.2m in 1H24, excluding the €46.3m cash outflow from shareholder remuneration and the €38.0m cash inflow from share capital increase.

Considering the last 12 months, noteworthy is the €51.1m cash inflow from *IT Staffing* Business disposal in 2H23.

€2.5m of Net Cash refers to Non-Controlling Interests (Vs. €3.3m in FY23).

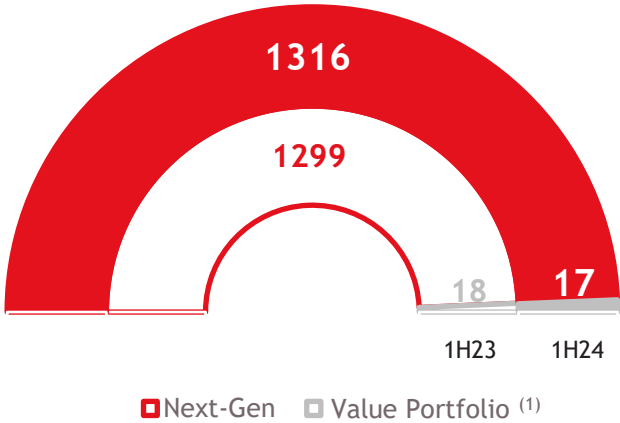
Key Figures



Talent

Talent Pool of 1333 employees

Average number of Employees



Talent pool increased 1% YoY (1317 in 1H23). TTM attrition rate (2) of Next-Gen dropped to 10.7% (14.4% in 1H23 and 11.2% in FY23), in a downward trend since 2H22, as a result of proactive management of our pool and evolving market context.

(1) Excludes *IT Staffing* representing 843 employees in 1H23.
 (2) Determined by the formula: number of leaves at the employee's initiative ÷ average number of employees, for the Trailing 12 Months.

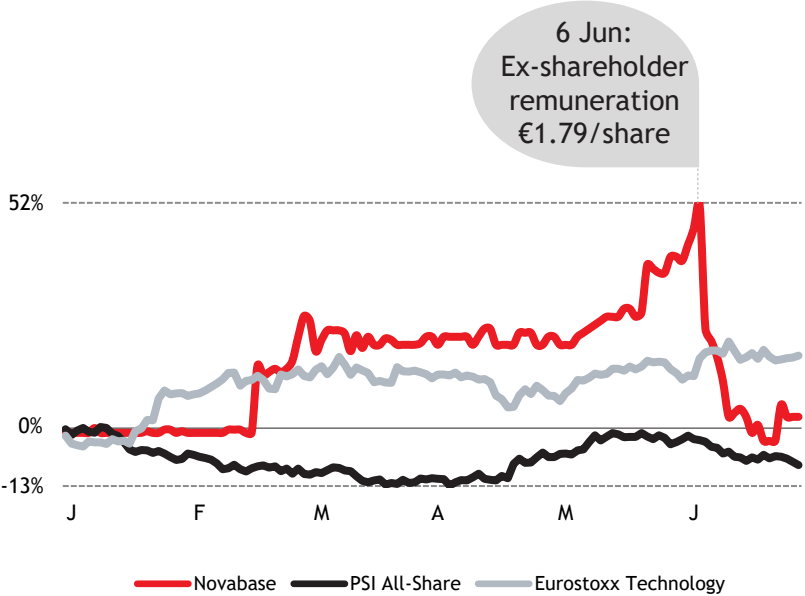
Key Figures

TSR of 35%

NBA total shareholder remuneration increased 35% in 1H24, whilst the EuroStoxx Technology Index gross return increased 20% and the PSI All-Share Index gross return decreased 6% (in price returns, +3%, +17%, and -9%, respectively).

The sale of *IT Staffing* Business in late 2023 enabled additional shareholders' remuneration, and in 1H24 Novabase paid €1.79/share, where shareholders were given the possibility to alternatively opt for the allotment of shares of the same class to be issued for this purpose.

Novabase and the Market



As a result of the cash contributions made by Novabase's shareholders who opted to receive the dividend in kind, the amount of the share capital increase was €38.0m, corresponding to the issue of 9,234,565 new shares ⁽¹⁾.

New shares were admitted to trading on the Euronext Lisbon regulated market from 28 June (inclusive).

No transactions of own shares took place during 1H24. At 30 June 2024, Novabase holds 658,461 own shares (1.84% of its share capital).

Market Cap at the end of 1H24 is €196.7m, with a ttm Price to Sales of 1.47x.

(1) The capital increase was subscribed by shareholders holding shares representing around 80% of the share capital entitled to the dividend.



Stock Market



**In compliance with
ESMA guidelines**

Alternative Performance Measures

APMs used by Novabase in this presentation are: EBITDA and Net Cash.

EBITDA allows to evaluate the profitability of the business and the company's capacity to generate resources through its operating activities. EBITDA is defined as operating profit excluding depreciation and amortisation and (if any) non-operating costs (e.g. restructuring costs). "Operating Profit" is simultaneously the item of the consolidated income statement, which is an integral part of this Report, more directly reconcilable and more relevant to this APM.

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. "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 1H24 and prior period, is analysed in the table below.

| | FY23 | 1H24 |
|--|---------------|---------------|
| Cash and cash equivalents | 80,314 | 68,487 |
| Treasury shares held by the Company ⁽¹⁾ | 3,529 | 3,622 |
| Bank borrowings - Non-Current | (8,587) | (7,449) |
| Bank borrowings - Current | (7,475) | (5,376) |
| Net Cash (Euro thousands) | 67,781 | 59,284 |

| | FY23 | 1H24 |
|---|--------------|--------------|
| Treasury shares held by the Company | 658,461 | 658,461 |
| Closing price @ last tradable day (€) | 5.360 | 5.500 |
| Treasury shares held by the Company (Euro thousands) | 3,529 | 3,622 |

(1) 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.

NEXT-GEN IT SERVICES COMPANY



Company Information

Novabase SGPS, S.A.
Euronext code: PTNBA0AM0006
Registered in TRO of Lisbon and
Corporate Tax Payer no. 502.280.182
Share Capital: 1,072,866.06 €
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



Next Events

2024 Full Year Results (tbd)

NOVABASE

Consolidated Statement of Financial Position as at 30 June 2024

| | 30.06.24 | 31.12.23 |
|---|----------------------|----------------|
| | (Thousands of Euros) | |
| ASSETS | | |
| Tangible assets | 1,220 | 1,391 |
| Intangible assets | 10,177 | 9,264 |
| Right-of-use assets | 10,263 | 11,390 |
| Financial investments | 13,855 | 13,879 |
| Deferred income tax assets | 6,882 | 6,945 |
| Other non-current assets | 1,466 | 1,466 |
| Total Non-Current Assets | 43,863 | 44,335 |
| Trade debtors and accrued income | 42,440 | 40,073 |
| Other debtors and prepaid expenses | 12,875 | 10,326 |
| Derivative financial instruments | 113 | 246 |
| Cash and cash equivalents | 68,487 | 80,314 |
| Total Current Assets | 123,915 | 130,959 |
| Assets for continuing operations | 167,778 | 175,294 |
| Assets for discontinued operations | 1,499 | 1,373 |
| Total Assets | 169,277 | 176,667 |
| EQUITY | | |
| Share capital | 1,073 | 796 |
| Treasury shares | (20) | (20) |
| Share premium | 37,930 | 226 |
| Reserves and retained earnings | 28,892 | 27,449 |
| Net profit | 2,824 | 47,058 |
| Total Shareholders' Equity | 70,699 | 75,509 |
| Non-controlling interests | 11,838 | 11,587 |
| Total Equity | 82,537 | 87,096 |
| LIABILITIES | | |
| Bank borrowings | 7,449 | 8,587 |
| Lease liabilities | 8,805 | 9,796 |
| Provisions | 3,952 | 3,269 |
| Other non-current liabilities | 2,749 | 2,749 |
| Total Non-Current Liabilities | 22,955 | 24,401 |
| Bank borrowings | 5,376 | 7,475 |
| Lease liabilities | 2,516 | 1,961 |
| Trade payables | 4,262 | 4,628 |
| Other creditors and accruals | 26,724 | 28,240 |
| Derivative financial instruments | 254 | 112 |
| Deferred income | 22,893 | 20,972 |
| Total Current Liabilities | 62,025 | 63,388 |
| Total Liabilities for cont. operations | 84,980 | 87,789 |
| Total Liabilities for discount. operations | 1,760 | 1,782 |
| Total Liabilities | 86,740 | 89,571 |
| Total Equity and Liabilities | 169,277 | 176,667 |
| Net Cash | 59,284 | 67,781 |

Consolidated Income Statement for the period of 6 months ended 30 June 2024

| | 30.06.24 | 30.06.23 (*) | Var. % |
|--|----------------------|-----------------|----------------|
| | (Thousands of Euros) | | |
| CONTINUING OPERATIONS | | | |
| <i>Operating income</i> | | | |
| Services rendered | 65,896 | 65,135 | |
| Supplementary income and subsidies | 848 | 51 | |
| Other operating income | 12 | 6 | |
| | 66,756 | 65,192 | |
| <i>Operating expenses</i> | | | |
| External supplies and services | (24,517) | (23,861) | |
| Employee benefit expense | (37,291) | (36,435) | |
| (Provisions) / Provisions reversal | 52 | (14) | |
| Net impairm. losses on financ. assets | 370 | 267 | |
| Other operating expenses | (120) | (149) | |
| | (61,506) | (60,192) | |
| Gross Net Profit (EBITDA) | 5,250 | 5,000 | 5.0 % |
| Depreciation and amortisation | (1,936) | (1,594) | |
| Operating Profit (EBIT) | 3,314 | 3,406 | -2.7 % |
| Financial results | 143 | (559) | |
| Net Profit before taxes (EBT) | 3,457 | 2,847 | 21.4 % |
| Income tax expense | (908) | (648) | |
| Net Profit from continuing operations | 2,549 | 2,199 | 15.9 % |
| DISCONTINUED OPERATIONS | | | |
| Net Profit from discount. operations | 528 | 2,187 | -75.9 % |
| Non-controlling interests | (253) | (261) | |
| Attributable Net Profit | 2,824 | 4,125 | -31.5 % |
| Other information : | | | |
| Turnover | 65,896 | 65,135 | 1.2 % |
| EBITDA margin | 8.0 % | 7.7 % | |
| EBT % on Turnover | 5.2 % | 4.4 % | |
| Net profit % on Turnover | 4.3 % | 6.3 % | |

* Restated - The IT Staffing business was considered in discontinued operations.

Results Information by SEGMENTS
for the period of 6 months ended 30 June 2024

(Thousands of Euros)

| | Value Portfolio | Next-Gen | NOVABASE |
|---|-----------------|----------|----------|
| <i>CONTINUING OPERATIONS</i> | | | |
| Turnover | - | 65,896 | 65,896 |
| Gross Net Profit (EBITDA) | (1,528) | 6,778 | 5,250 |
| Depreciation and amortisation | (5) | (1,931) | (1,936) |
| Operating Profit (EBIT) | (1,533) | 4,847 | 3,314 |
| Financial results | 702 | (559) | 143 |
| Net Profit / (Loss) before Taxes (EBT) | (831) | 4,288 | 3,457 |
| Income tax expense | (323) | (585) | (908) |
| Net Profit / (Loss) from cont. operations | (1,154) | 3,703 | 2,549 |
| <i>DISCONTINUED OPERATIONS</i> | | | |
| Net Profit from discontinued operations | 528 | - | 528 |
| Non-controlling interests | (55) | (198) | (253) |
| Attributable Net Profit / (Loss) | (681) | 3,505 | 2,824 |
| Other information : | | | |
| EBITDA % on Turnover | n/a | 10.3% | 8.0% |
| EBT % on Turnover | n/a | 6.5% | 5.2% |
| Net profit % on Turnover | n/a | 5.3% | 4.3% |