

## Relevant information

### 1H2024 Results

Lisbon, 31 July 2024

Novabase – Sociedade Gestora de Participações Sociais, S.A., under the terms and for the purposes of article 17 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council and article 29.º-Q of the Portuguese Securities Code, discloses today to the market the results regarding the 1<sup>st</sup> half of 2024, whose essential features are included in the presentation attached.

Any questions about the information disclosed herein can be sent to [investor.relations@novabase.com](mailto:investor.relations@novabase.com).

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Novabase – Sociedade Gestora de Participações Sociais, SA  
Company issuing shares admitted to trading on a regulated market  
Registered Office: Av. D. João II, nº 34, Parque das Nações, 1998-031 Lisboa  
Share Capital: € 1,072,866.06  
Lisbon Commercial Registry Office registration and legal person number 502.280.182

# NOVABASE

**Privileged Information**

# **NEXT-GEN**

## **IT SERVICES COMPANY**

# 1H24

## CONSOLIDATED RESULTS

31 July 2024

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# 1H24 Outlook



**Chairman and CEO**

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## 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 News<sup>1</sup>

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 IST<sup>2</sup>, 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 STEM<sup>3</sup> 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.

<sup>1</sup> Until this presentation date.

<sup>2</sup> University of Lisbon's Instituto Superior Técnico.

<sup>3</sup> Science, Technology, Engineering, and Mathematics.

# Financial Highlights



## 1H24 Performance

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## 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%

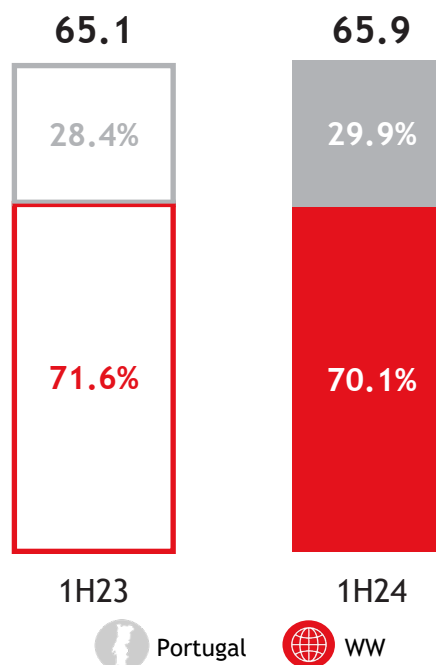


# Key Figures

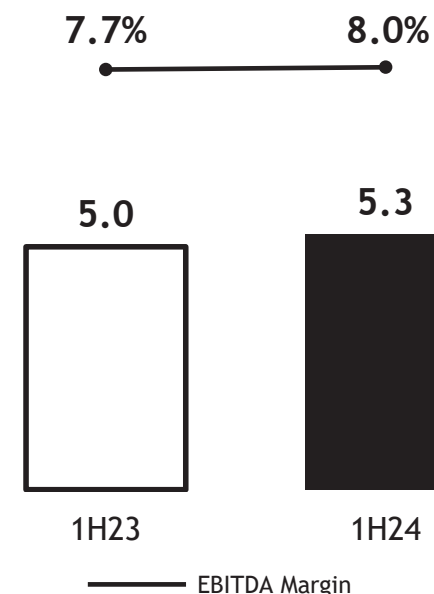
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Turnover grew 1% YoY and EBITDA increased 5% YoY

Turnover <sup>(1)</sup> | % by Geography <sup>(2)</sup>



EBITDA <sup>(3)</sup>



## Turnover & EBITDA

(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.

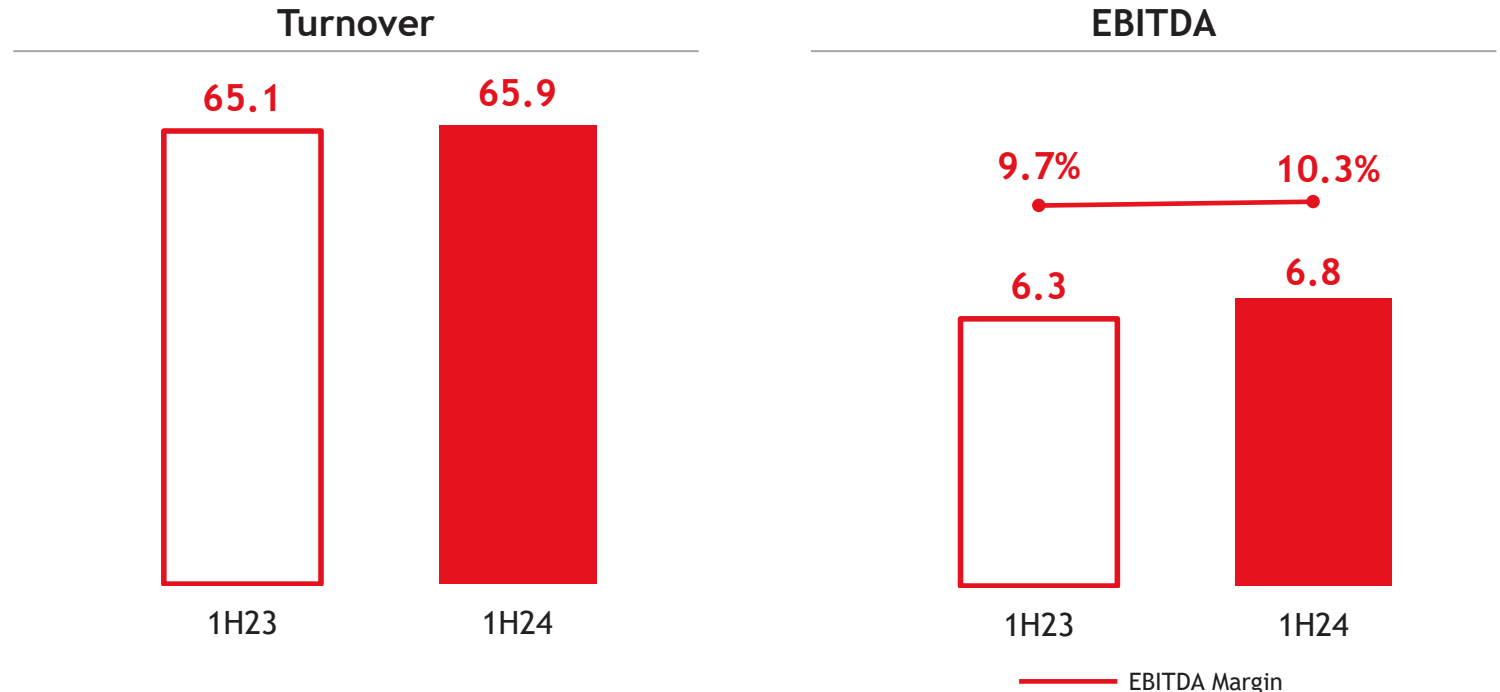
# Key Figures

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

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Next-Gen Segment



# Key Figures

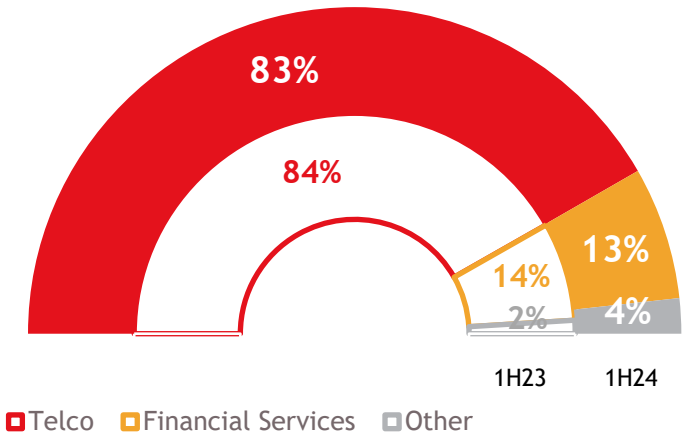


Next-Gen Segment

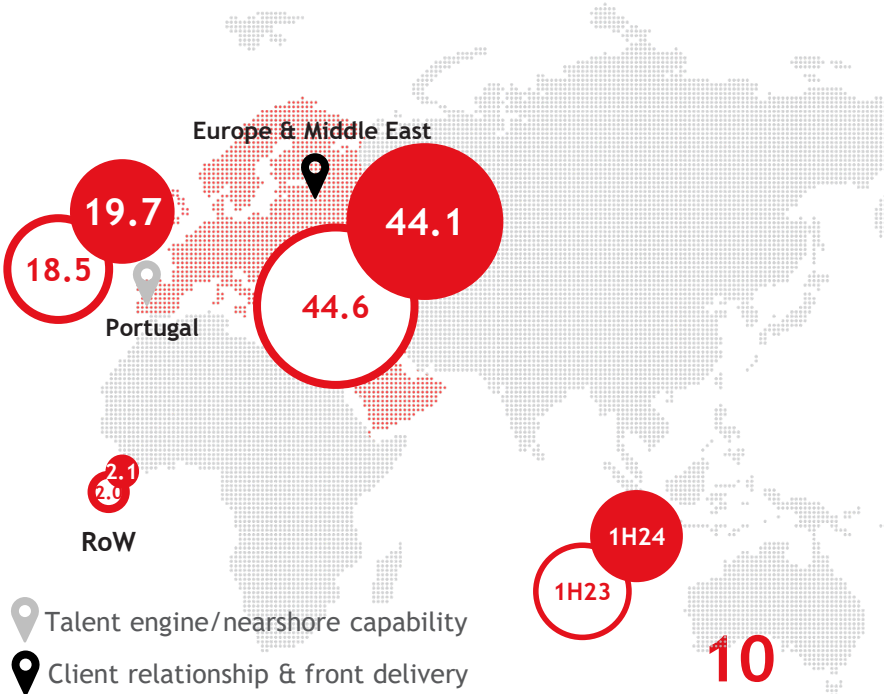
## International Ops. represent 70% of Next-Gen’s Turnover

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



# Key Figures

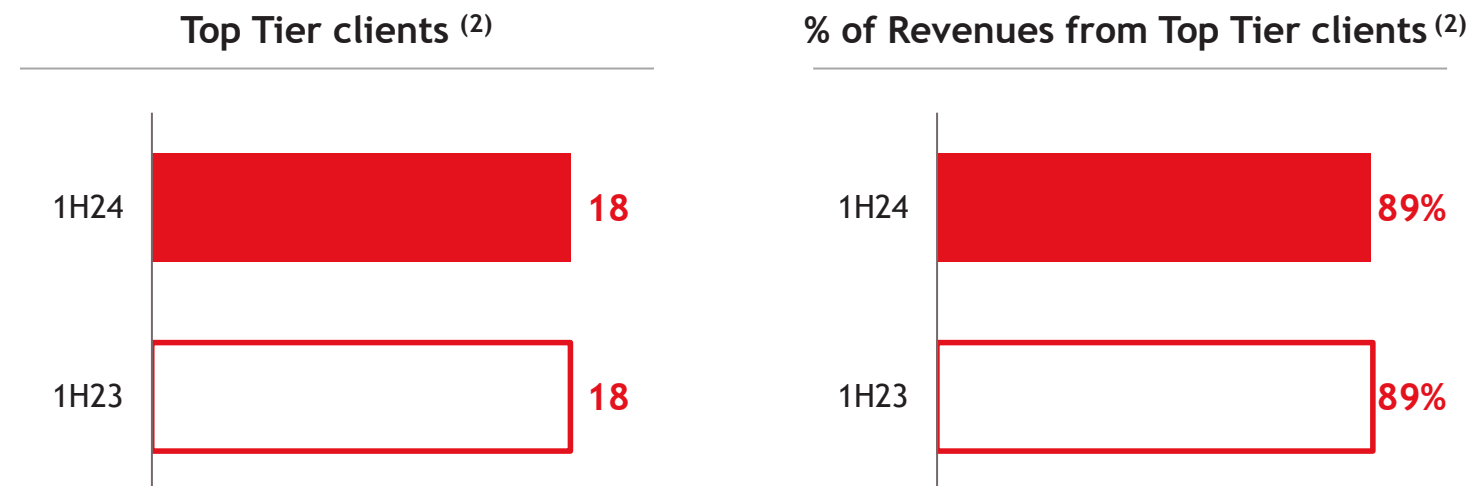


## Next-Gen Segment

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## Top Tier clients Revenues grew 2% YoY

The client base <sup>(1)</sup> expanded by 6% YoY.



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



## EBITDA to Net Profit

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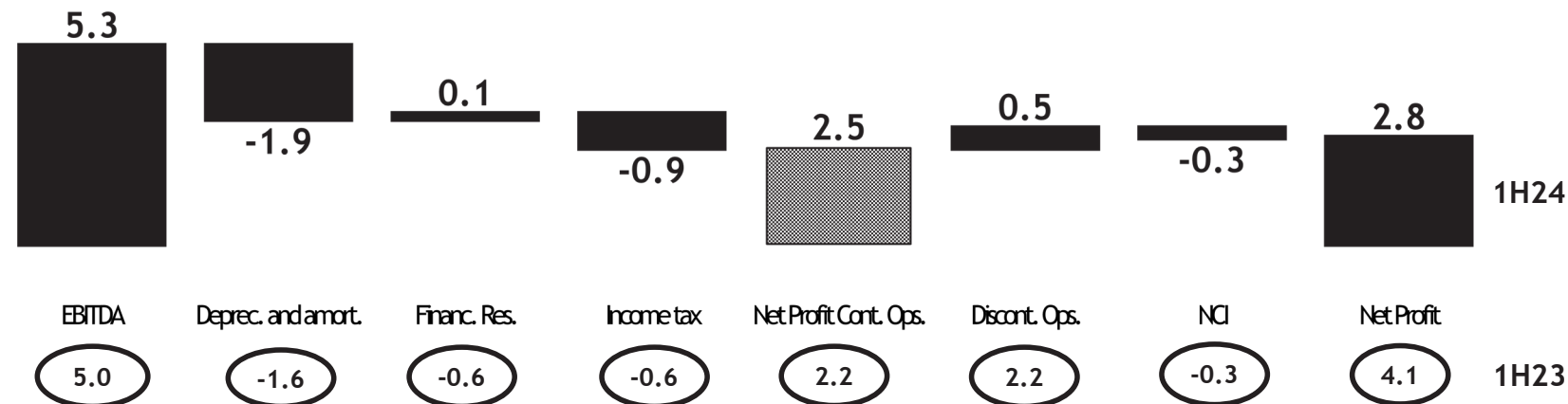
## Net Profit from continuing operations of €2.5m, +16% YoY...

... 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



# Key Figures

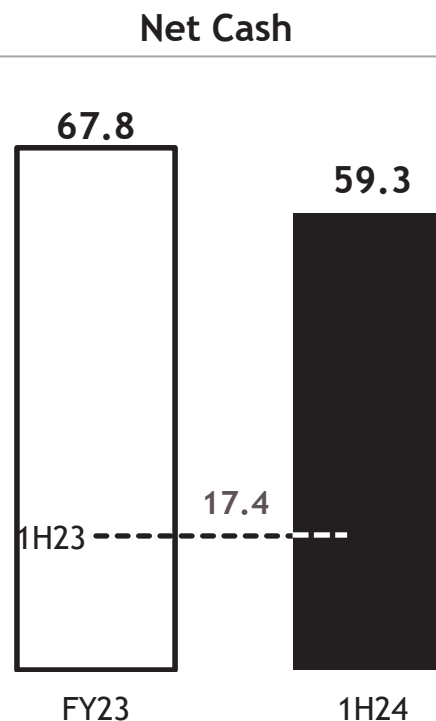


## Net Cash

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## 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

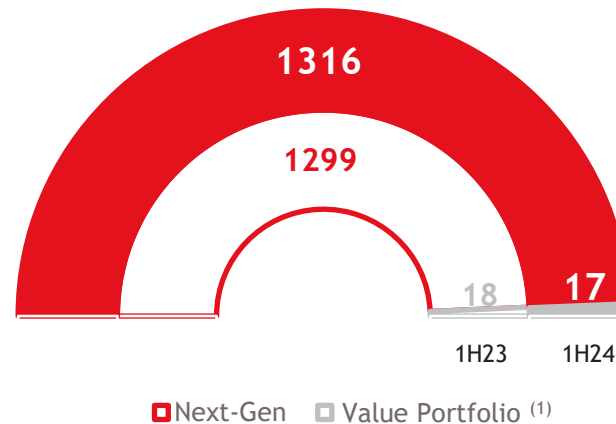


## Talent

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## Talent Pool of 1333 employees

### Average number of Employees



Talent pool increased 1% YoY (1317 in 1H23).

TTM attrition rate <sup>(2)</sup> 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



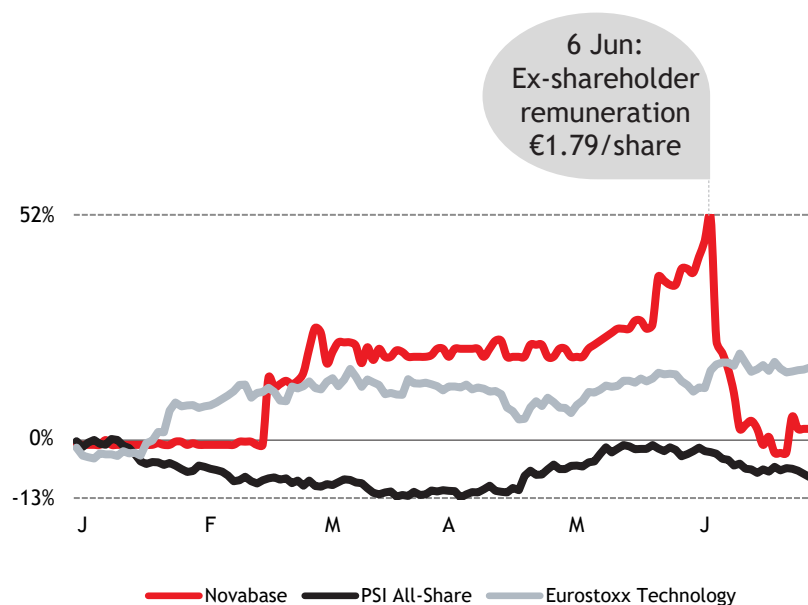
## Stock Market

## 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 <sup>(1)</sup>.

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.





**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 <sup>(1)</sup>	3,529	3,622
Bank borrowings - Non-Current	(8,587)	(7,449)
Bank borrowings - Current	(7,475)	(5,376)
<b>Net Cash (Euro thousands)</b>	<b>67,781</b>	<b>59,284</b>

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

(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  
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[www.novabase.com](http://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)	
<b>ASSETS</b>		
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
<b>Total Non-Current Assets</b>	<b>43,863</b>	<b>44,335</b>
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
<b>Total Current Assets</b>	<b>123,915</b>	<b>130,959</b>
<b>Assets for continuing operations</b>	<b>167,778</b>	<b>175,294</b>
<b>Assets for discontinued operations</b>	<b>1,499</b>	<b>1,373</b>
<b>Total Assets</b>	<b>169,277</b>	<b>176,667</b>
<b>EQUITY</b>		
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
<b>Total Shareholders' Equity</b>	<b>70,699</b>	<b>75,509</b>
Non-controlling interests	11,838	11,587
<b>Total Equity</b>	<b>82,537</b>	<b>87,096</b>
<b>LIABILITIES</b>		
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
<b>Total Non-Current Liabilities</b>	<b>22,955</b>	<b>24,401</b>
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
<b>Total Current Liabilities</b>	<b>62,025</b>	<b>63,388</b>
<b>Total Liabilities for cont. operations</b>	<b>84,980</b>	<b>87,789</b>
<b>Total Liabilities for discount. operations</b>	<b>1,760</b>	<b>1,782</b>
<b>Total Liabilities</b>	<b>86,740</b>	<b>89,571</b>
<b>Total Equity and Liabilities</b>	<b>169,277</b>	<b>176,667</b>
<b>Net Cash</b>	<b>59,284</b>	<b>67,781</b>

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

	30.06.24	30.06.23 (*)	Var. %
	(Thousands of Euros)		
<b>CONTINUING OPERATIONS</b>			
<b>Operating income</b>			
Services rendered	65,896	65,135	
Supplementary income and subsidies	848	51	
Other operating income	12	6	
	<b>66,756</b>	<b>65,192</b>	
<b>Operating expenses</b>			
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)	
	<b>(61,506)</b>	<b>(60,192)</b>	
<b>Gross Net Profit (EBITDA)</b>	<b>5,250</b>	<b>5,000</b>	<b>5.0 %</b>
Depreciation and amortisation	(1,936)	(1,594)	
<b>Operating Profit (EBIT)</b>	<b>3,314</b>	<b>3,406</b>	<b>-2.7 %</b>
Financial results	143	(559)	
<b>Net Profit before taxes (EBT)</b>	<b>3,457</b>	<b>2,847</b>	<b>21.4 %</b>
Income tax expense	(908)	(648)	
<b>Net Profit from continuing operations</b>	<b>2,549</b>	<b>2,199</b>	<b>15.9 %</b>
<b>DISCONTINUED OPERATIONS</b>			
<b>Net Profit from discount. operations</b>	<b>528</b>	<b>2,187</b>	<b>-75.9 %</b>
Non-controlling interests	(253)	(261)	
<b>Attributable Net Profit</b>	<b>2,824</b>	<b>4,125</b>	<b>-31.5 %</b>
<b>Other information :</b>			
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%