



NOVA BASE

PDF/printed version of the financial statements.

In the event of conflict between this version and the ESEF version, the later version prevails.

Annual Report

2024

Management Report

NOVABASE

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CHAIRMAN AND CEO'S MESSAGE

Dear Shareholders,

The 2024 results reflect the success of our strategy, as evidenced by the improved profitability and growing operational efficiency.

Total EBITDA increased by 20%, and Net Profit from continuing operations nearly doubled, despite marginal business growth.

Next-Gen EBITDA grew by nearly 30% to 12.2%, surpassing the double-digit profitability target set in the Strategy 2019+. Over the past couple of years, we have reduced talent turnover from 18% to 10%, driven by our commitment to professional development and competitive compensation, as well as labour market trends.

Net Cash decreased by approximately €11m, reflecting shareholder remuneration and investment in working capital, which is expected to normalize in the coming months.

Total shareholder return reached 43%, clearly outperforming the reference indexes EuroStoxx Technology (12%) and the PSI All-Share (-12%).

Given our solid Net Cash position of €57m, the Board of Directors intends to propose at the next General Meeting of Shareholders the distribution of a dividend of €1.35 per share, including the option for shareholders to receive this remuneration in kind.

In 2024, we celebrated 35 years of innovation and impact, taking pride in the value we have created for clients, employees, partners, and the community.

We were the first national brand to lead the IT market in Portugal, which had previously been dominated by multinationals. Today, millions of people around the world use our solutions daily, improving their lives.

We have been a true school of technology and innovation management in Portugal. Thousands of people began their professional journey with us. Together with those who joined along the way, we have helped develop over fifteen thousand highly qualified professionals, now spread across the globe.

We have also supported the creation of many companies, some of which are now making their mark on the world.

This is our story and our legacy. According to OnStrategy, we are the most valuable Portuguese brand in the Technology & Software sector and one of the Top 100. This recognition is a tribute to the talent and dedication of the thousands of professionals who are part of our journey – to all of them, our deepest gratitude!

We look to the future, building on the significant progress achieved in recent years. Since 2020, we have grown organically by around 50%, with an average annual growth rate exceeding 10%. In terms of profitability (EBITDA), we have doubled its value, recording an annual growth of nearly 20%.

‘Making Data Actionable’ is at the core of our value proposition. Our solutions reflect this commitment, and our talent brings it to life, adapting it to the specific needs of each client.

Despite the uncertain macroeconomic environment, we enter 2025 confident in the success of this strategy, benefiting from the restructuring implemented at the end of 2024, which reinforces our client-centric focus and strengthens operational efficiency.

Luís Salvado

HIGHLIGHTS 2024

ACTIVITY

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 Top 100, according to Brand Value study conducted by the consultancy OnStrategy.
- Awards for Cognitive, Intelligence & Automation Solution | Celfocus' solution for Global Network Operations Centre in collaboration with Vodafone won the Operator Award at FutureNet World 2024 and the Communication and IT Award at Institution of Engineering and Technology Excellence and Innovation Awards.
- Merit Awards for Telecom | Celfocus has secured the Gold medal in three prestigious categories at the Merit Awards for Telecom. The Awards recognizes Celfocus' outstanding contributions to the telecom industry alongside its clients, Vodafone and Eutelsat OneWeb.
- Catalyst Awards at the DTW24 | Celfocus won four premier awards at the DTW24 – Ignite event, held in Copenhagen. Recognized for their innovation and collaboration, Celfocus' projects tackled critical industry challenges, showcasing cutting-edge solutions.
- AI & Intelligent Automation Project of the Year | Celfocus won the award with Vodafone for TOBi: Vodafone Ireland's virtual assistant.

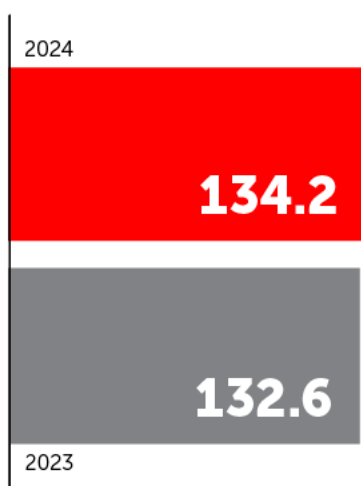
- Acting with a Purpose | Celfocus joined volunteering initiatives, such as helping to renovate a space in Lisbon for disabled individuals, organized by the “Just a Change” Association.
- Talent Acquisition initiatives | Celfocus hosted another open day with University of Lisbon’s Instituto Superior Técnico, providing students an immersive experience within our team.
- Technovation Girls | Celfocus sponsored, mentored and trained 9 teams of young girls as part of this renowned international program, aiming to inspire and empower them in Science, Technology, Engineering and Mathematics fields, and is now launching the 3rd edition to continue fostering a responsible, inclusive, and diverse community.
- New Corporate Bodies | 2024-2026 term corporate bodies were elected at the 22 May 2024 General Meeting of Shareholders, with Luís Salvado leading the Board of Directors.
- Payout to Shareholders of €1.79 per share | The 2024 distribution of dividends and reserves included the option for shareholders to alternatively receive the dividend in kind, in shares of the same category issued for this purpose.
- Share Capital increase of €38.0m | Novabase issued 9,234,565 new shares, allocated to shareholders who opted to receive the dividend in kind.

HIGHLIGHTS 2024

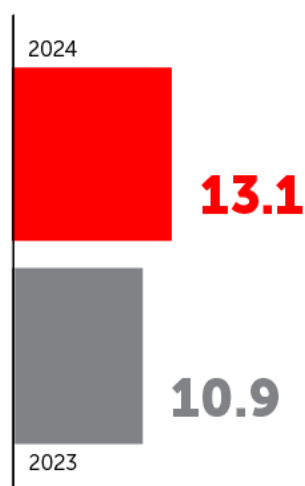
FINANCIAL HIGHLIGHTS

AMOUNTS IN EURO MILLIONS (€m), EXCEPT OTHERWISE STATED

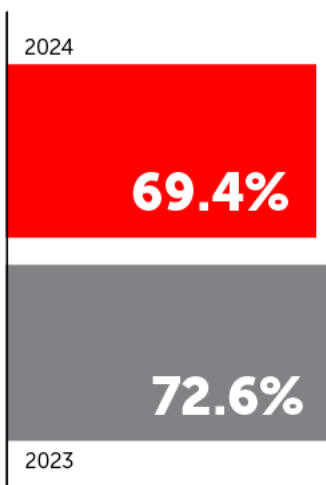
TURNOVER



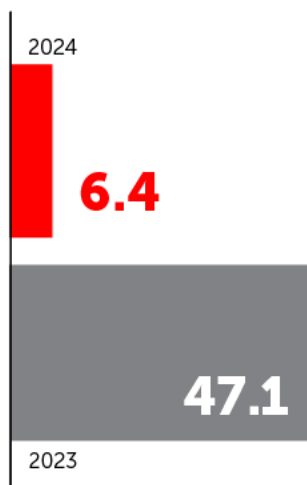
EBITDA



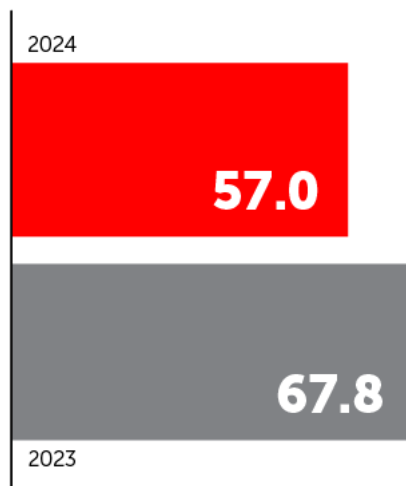
INTERNATIONAL BUSINESS (%)



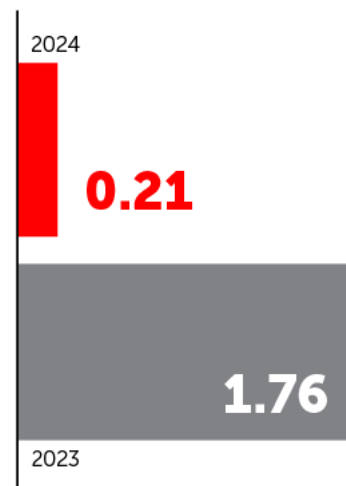
NET PROFIT



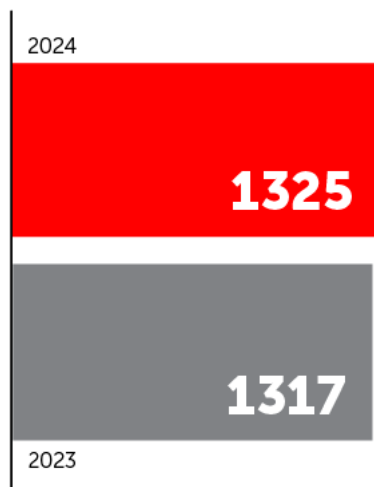
NET CASH



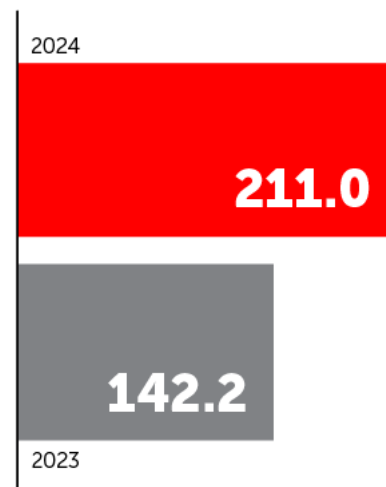
EPS (€/SHARE)



TALENT POOL (AVERAGE #)



MARKET CAPITALIZATION



CORPORATE GOVERNANCE

Novabase has been a publicly-traded company since July 2000. It operates according to a governance model whose suitability and performance are assessed regularly by the Board of Directors to help optimize its performance in closer alignment with the interests of all stakeholders – those interested in Novabase’s corporate activities, namely shareholders, investors, customers, suppliers, other business partners and employees.

in view of the mounting challenges of internationalization and competition revolving around Novabase’s business, the corporate governance system in place at the Company needed to be brought up to date by simplifying and streamlining company bodies and procedures, so as to tailor existing solutions to the Company’s size and specific circumstances.

Therefore, beginning in 2015, Novabase adopted a reinforced Latin corporate governance model comprised of a Board of Directors, Audit Board and Statutory Auditor (ROC). In this model, a substantially more agile day-to-day management structure was implemented, with the Board of Directors able to delegate the day-to-day running of the Company to one or more directors (managing directors) or to an Executive Committee of three to nine members.

Following the General Meeting of Shareholders of 22 May 2024 (which, among other decisions, elected the members of the corporate boards and Remuneration Committee for three-year period of 2024-2026), for the purpose of maintaining a substantially more agile day-to-day management structure, the elected Board of Directors decided to keep the day-to-day running of Novabase under the direction of Managing Directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, thereby not creating an Executive Committee for this term of office. The newly elected Board of Directors also decided to grant certain special responsibilities to Directors Francisco Paulo Figueiredo Moraes Antunes and María del Carmen Gil Marín, pursuant to article 407, paragraph 1 of the Commercial Companies Code. The activities of these managing directors are supervised by the non-executive directors.

Moreover, Novabase has a General Meeting board elected for three-year terms of office, along with a Remuneration Committee appointed by the General Meeting of Shareholders to establish the remuneration of each corporate board member, in accordance with the Remuneration Policy passed by the General Meeting of Shareholders on 25 May 2021. The Company also designates a Secretary and respective substitute, under the terms of article 446-A of the Commercial Companies Code, to perform the duties established by law.

Novabase constantly analyses the implementation of this model in order to refine its corporate governance practices, whenever possible, and tailor the model to the demands and challenges faced by the Company.

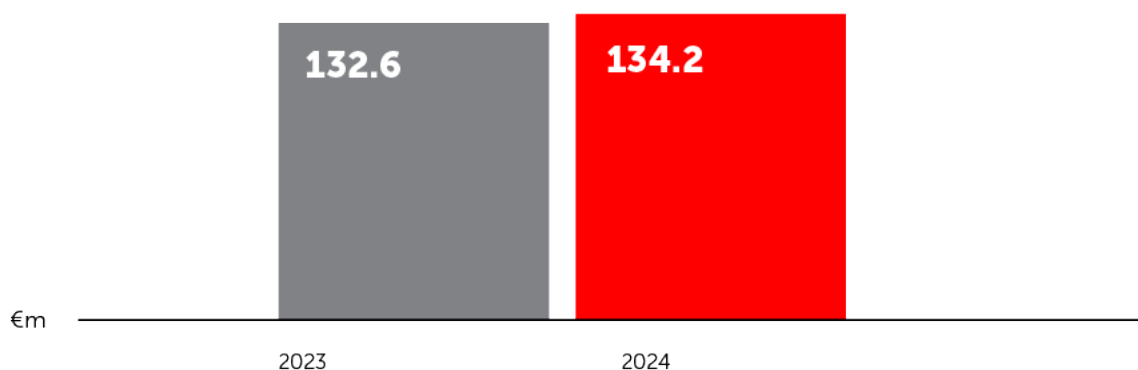
FINANCIAL AND STOCK PERFORMANCE

KEY FIGURES

TURNOVER

Turnover grew 1% YoY

TURNOVER



BREAKDOWN BY GEOGRAPHY (%) ⁽¹⁾

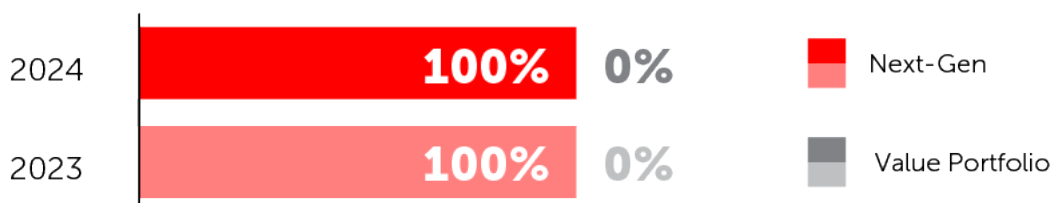


30.6% vs. 27.4%



69.4% vs. 72.6%

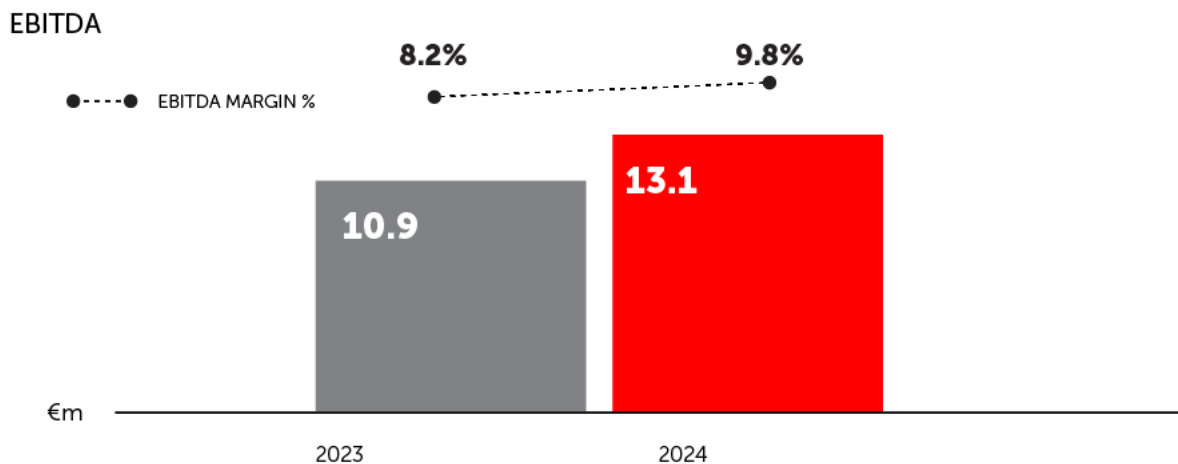
BREAKDOWN BY SEGMENT (%)



⁽¹⁾ Turnover by Geography is computed based on the location of the client's decision centre.

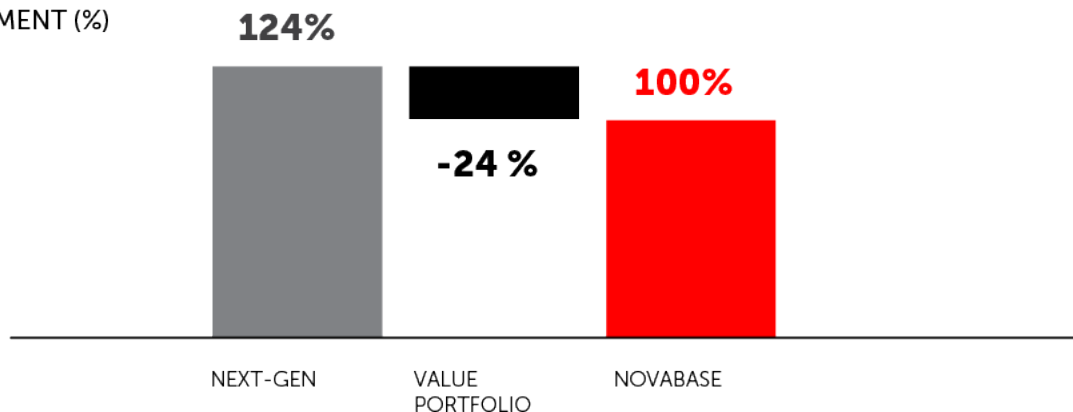
EBITDA

EBITDA increased 20% YoY



EBITDA is an Alternative Performance Measure (APM) used by Novabase to evaluate the profitability of the business and the capacity to generate resources through its operating activities. EBITDA is defined as Operating Profit excluding Amortization and Depreciation and any non-operating costs that may occur (for example restructuring costs). The Operating Profit is the item of the Consolidated Statement of Profit or Loss, which is an integral part of this Consolidated Report and Accounts, more directly reconcilable and more relevant to this APM.

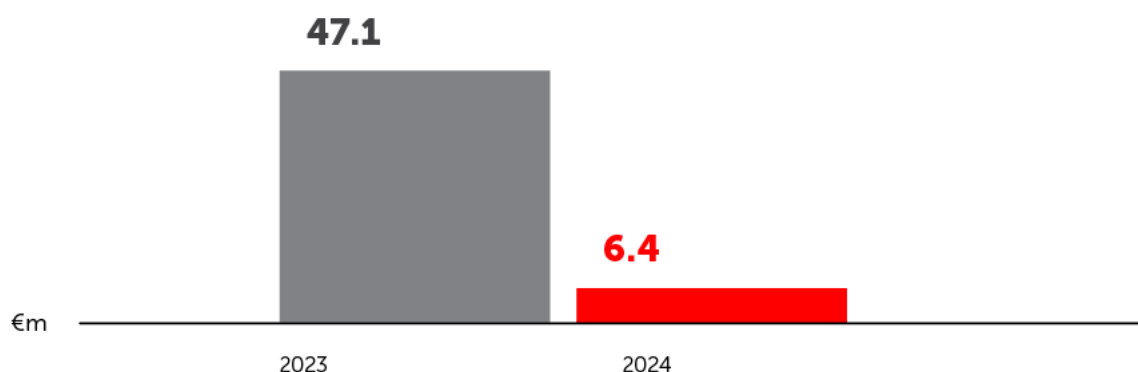
BREAKDOWN BY SEGMENT (%)



NET PROFIT

Net Profit of €6.4m

NET PROFIT



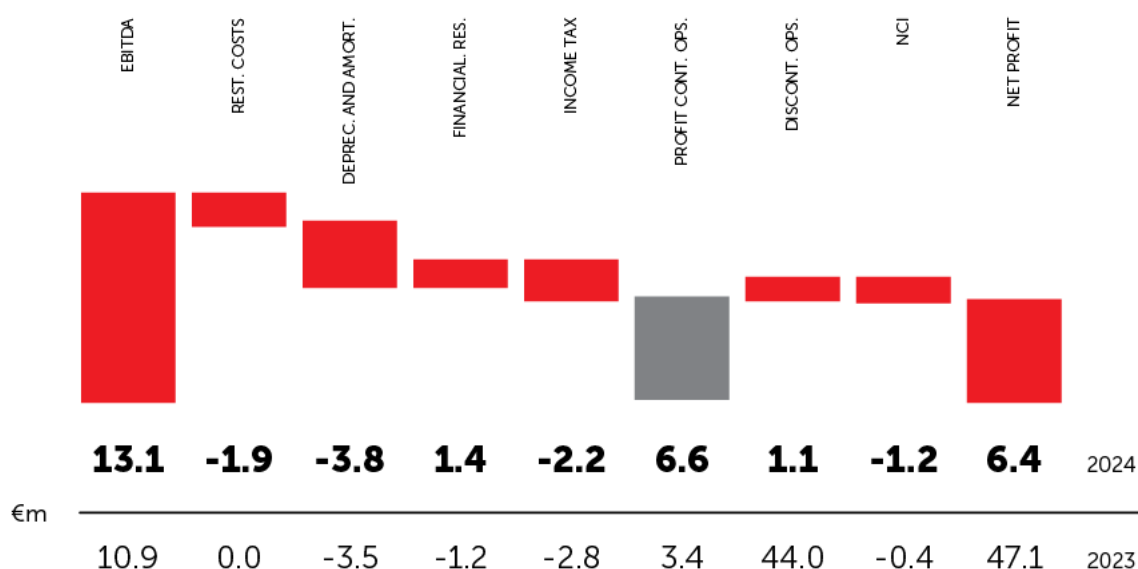
It should be noted that in 2023, Net Profit almost quintupled compared to the previous year, catapulted by the capital gain on the sale of the IT Staffing business.

Total Earnings per Share reached €0.21 (€1.76 in 2023).

EBITDA TO NET PROFIT

Net Profit from continuing operations nearly doubled to €6.6m

EBITDA TO NET PROFIT



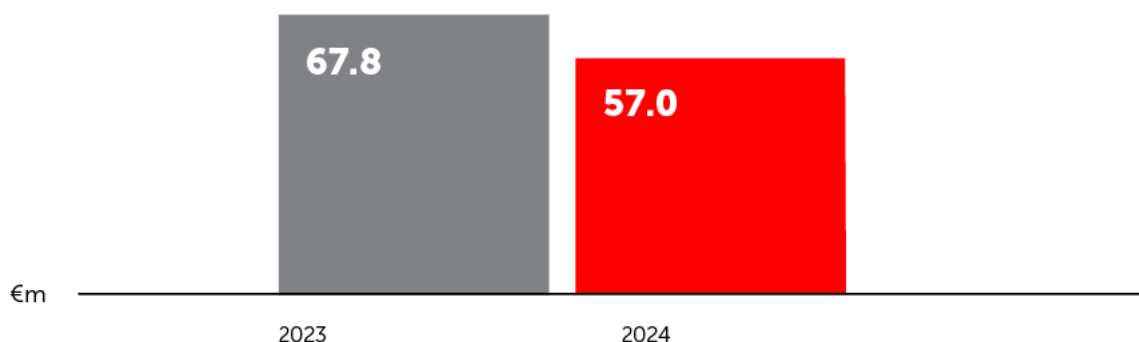
Increase of Net Profit from continuing operations due to higher EBITDA and improved Financial Results, primarily driven by interest income and the Venture Capital portfolio gains, despite the restructuring costs of €1.9m.

Net Profit evolution was influenced by the €38.4m gain from the 2023 sale of the Neotalent business, reported under Discontinued Operations. In 2024, a capital gain adjustment of €0.4m was recorded following the final determination of price clauses outlined in the Agreement.

NET CASH

Solid Net Cash position of €57.0m, after €1.79/share payment

NET CASH



The distribution in kind, at the shareholders' discretion, also enabled a reinforcement of capitalization.

The cash use of €2.5m in the year, excluding the €46.3m outflow to shareholder remuneration and the €38.0m inflow from share capital increase, indicates a significant investment in working capital.

From the €57.0m of Net Cash, €2.3m refers to "Non-controlling interests" (versus €3.3m in 2023).

Given the strong balance sheet, the Board of Directors intends to propose to the next General Meeting of Shareholders a dividend of 1.35 €/share.

Net Cash is an Alternative Performance Measure (APM) used by Novabase to assist in the analysis of the Company's liquidity and ability to meet commitments. The detail and breakdown of Net Cash is as follows:

AMOUNTS EXPRESSED IN THOUSANDS OF EUROS (€k)		2023	2024
	Cash and cash equivalents	80,314	62,747
	Treasury shares held by the Company ^{(1) (2)}	3,529	3,888
	Bank borrowings - Non-Current	(8,587)	(6,311)
	Bank borrowings - Current	(7,475)	(3,276)
	Net Cash	67,781	57,048
	Treasury shares held by the Company	658,461	658,921
	Closing price @ last tradable day (€)	5.360	5.900
	Treasury shares held by the Company	3,529	3,888

⁽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.

⁽²⁾ At the end of 2024, treasury shares represent 1.84% of Novabase's share capital (2.48% in 2023).

CAPITAL EXPENDITURE

Capex of €2.5m

CAPEX amounted to €2.5m in 2024 (€1.4m in 2023) and is divided into two parts:

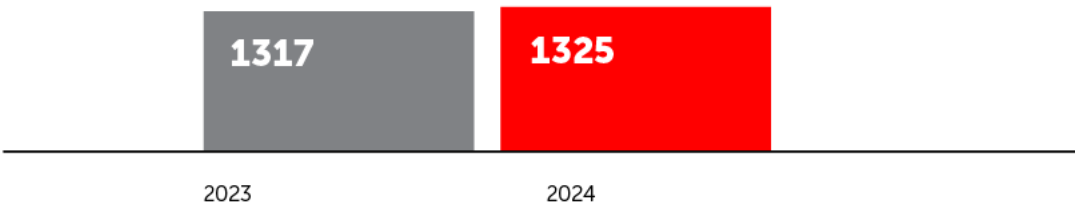
- Work in progress, in the amount of €1.5m, mostly related to development of projects; and
- Property, plant and equipment (excluding right-of-use assets), in the amount of €1.0m, referring essentially to the acquisition of basic equipment for the operations.

CAPEX is an Alternative Performance Measure (APM) used by Novabase to analyse how much of its cash flow is being invested in fixed assets necessary to maintain or increase the operational capacity of the business. CAPEX is defined as payments related to the acquisition of property, plant and equipment and intangible assets, disclosed as investment activities in the Consolidated Statement of Cash Flows, which is an integral part of this Consolidated Report and Accounts.

TALENT

Talent pool of 1325 employees

AVERAGE NUMBER OF EMPLOYEES



Talent pool increased 1% YoY, in line with turnover growth.

At the end of 2024, Novabase undertook a restructuring process aiming to streamline operations. The average number of employees presented here does not yet reflect this effect.

SEGMENT INFORMATION

Novabase’s activity is organised into two operating segments: Next-Gen and Value Portfolio

NEXT-GEN: Novabase’s core segment, which operates under the Celfocus commercial brand according to Novabase’s brand architecture. It develops an IT activity with technology offerings that tend to be more advanced and targeted mainly to the Financial Services and Telecommunications industries and to the most competitive markets (Europe and the Middle East).

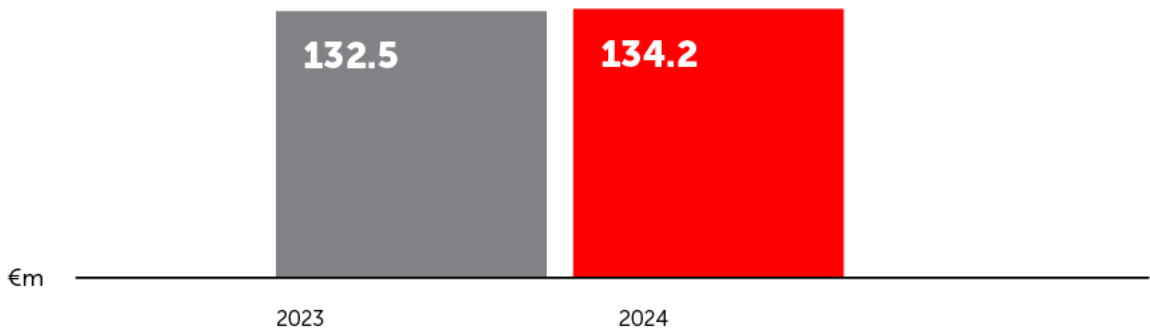
VALUE PORTFOLIO: Segment including the venture capital activity developed through Novabase Capital, S.C.R., S.A.. It also included a consultancy activity and provided IT Staffing services under the Neotalent commercial brand, which was discontinued in 2023. For reporting purposes, Value Portfolio segment includes the Group’s holding.

Value Portfolio had a marginal contribution to total activity in 2024, with a Turnover of €11k (€56k in 2023) and an average number of employees of 11 (18 in 2023). The EBITDA of this segment was -€3.2m (-€1.7m in 2023), essentially reflecting central structure costs.

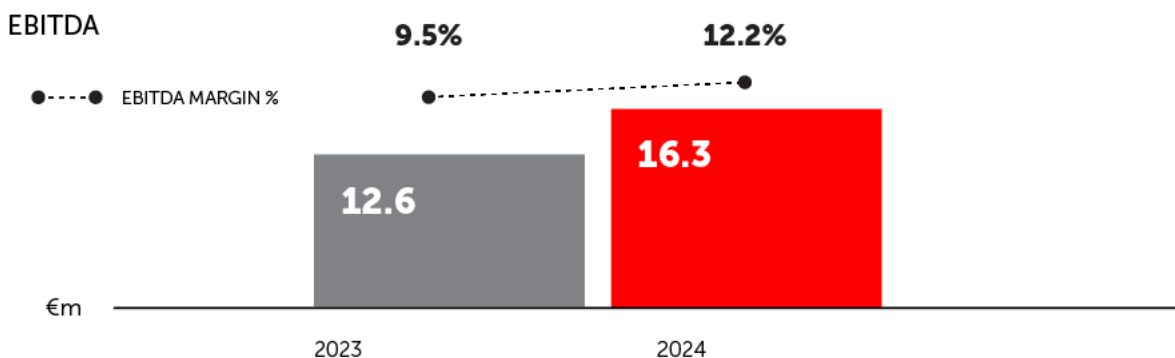
Next-Gen key figures are presented below.

• NEXT-GEN
Next-Gen’s Turnover grew organically +1% YoY

TURNOVER

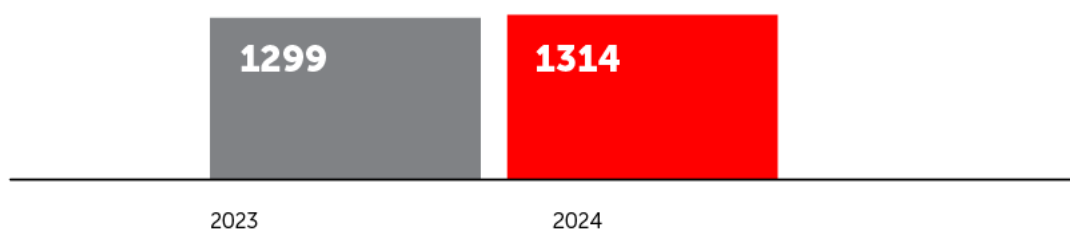


Next-Gen showing a double-digit profitability, climbing 270 basis points YoY



Next-Gen's Talent Pool increased 1% YoY

AVERAGE NUMBER OF EMPLOYEES



TTM attrition rate ⁽¹⁾ of Next-Gen dropped to 10.1% (11.2% in 2023), in a downward trend since the second half of 2022, thanks to our proactive management and changing market conditions.

Multi-industry approach results emerging, but still Telco dominance

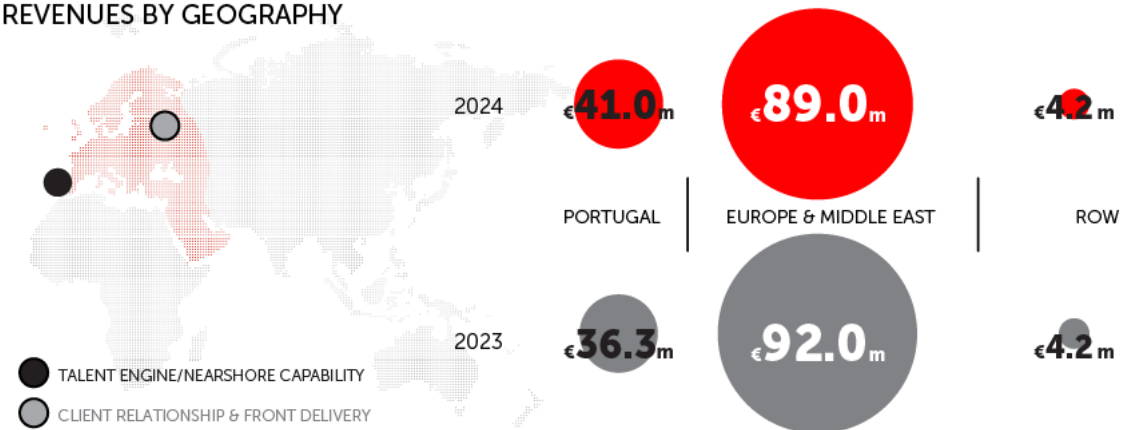
% REVENUES BY INDUSTRY



⁽¹⁾ Determined by the formula: number of leaves at the employee's initiative ÷ average number of employees, for the Trailing Twelve Months.

International business represented 69% of Next-Gen’s Turnover

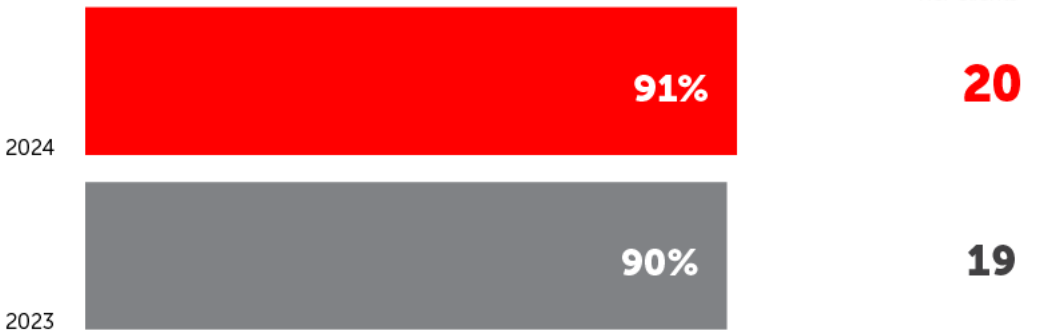
REVENUES BY GEOGRAPHY



Target markets of Europe & Middle East account for 96% of Next-Gen’s international revenues, consistent with the strategic focus.

Top Tier clients Revenues grew 3% YoY

% REVENUES FROM TOP TIER CLIENTS ⁽¹⁾



The client base ⁽²⁾ expanded by 8% YoY, to 112 (104 in 2023).

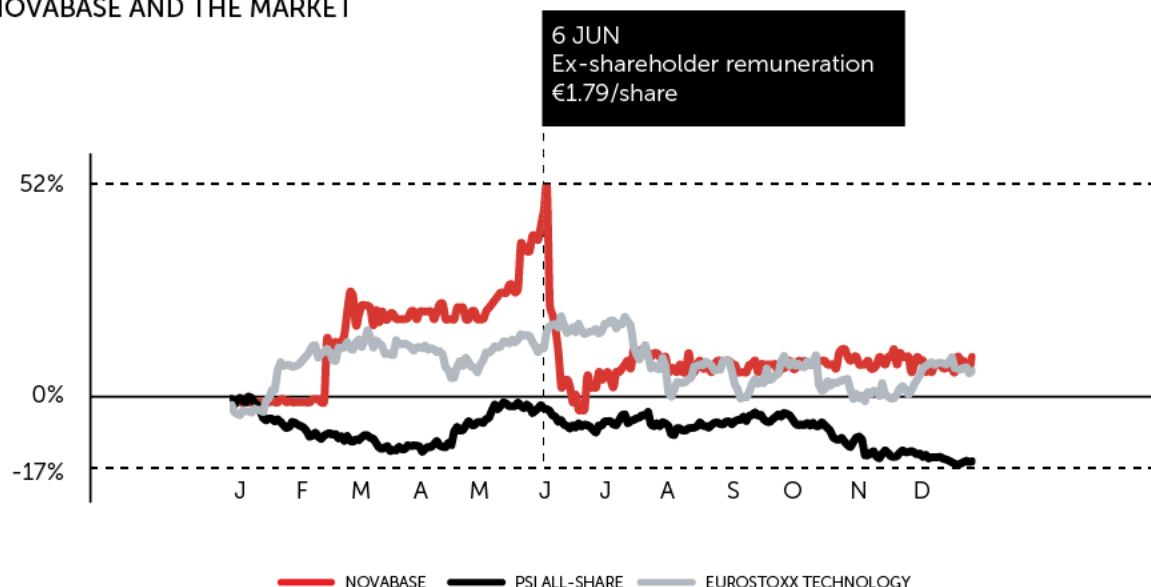
⁽¹⁾ Top Tier clients (>€1m) considers the Trailing Twelve Months.

⁽²⁾ Client is defined as the decision-making client.

STOCK PERFORMANCE

Total Shareholder Return of 43%

NOVABASE AND THE MARKET



Novabase total shareholder remuneration increased 43% in 2024, whilst the EuroStoxx Technology Index gross return increased 12% and the PSI All-Share Index gross return decreased 12% (in price returns, +10%, +7%, and -16%, respectively).

In 2024, Novabase paid €1.79 per share, offering shareholders the option to alternatively receive an allotment of shares of the same class to be issued for this purpose.

Cash contributions made by Novabase's shareholders who opted to receive the dividend in kind enabled a share capital increase of €38.0m, corresponding to the issuance of 9,234,565 new shares ⁽¹⁾, which were admitted to trading on the Euronext Lisbon as of 28 June.

Novabase acquired on the market 460 shares under the buy-back program initiated on 20 December. At the end of 2024, Novabase held 658,921 own shares (1.84% of its share capital).

Market Capitalization at 31 December 2024 was €211.0m, with a ttm Price to Sales of 1.5x.

The Board of Directors intends to propose to the General Meeting of Shareholders to be held on 22 May, a distribution of €1.35/share to be paid, in whole or in part, in kind, at the discretion of the beneficiary shareholder.

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

RISKS

• FINANCIAL RISKS

Novabase Group is exposed to a collection of financial risks resulting from its business, namely foreign exchange risk, interest rate risk (cash flows and fair value), credit risk, liquidity risk and capital risk. Developments in the financial markets are continuously analysed according to the Group's risk management policy to minimize potential adverse effects on its financial performance.

In 2024, interest rates in the Eurozone were cut by the European Central Bank (ECB) due to waning inflation (at around 2.4%, according to data published on 17 January 2025 by Eurostat). Geopolitical conflicts, however, such as the war in Ukraine and tensions in the Middle East, continued to generate uncertainties. The global economy faces major challenges, requiring coordinated, effective responses to ensure stability and sustainable growth.

More information on each of the financial risks to which Novabase is exposed to, listed below, can be found in the "Financial risk management policy" note included in the Accounts, an integral part of this Consolidated Report and Accounts, and for which reading is advised.

Foreign exchange risk

Novabase is exposed to foreign exchange risk, mainly arising from U.S. Dollar exposure, since some subsidiaries perform transactions in this currency, but also arising from British Pound and Kwanza exposures.

The financial department is responsible for monitoring exchange rate developments in these currencies to mitigate their impact on the consolidated results. Whenever exchange rate expectations so justify, the Group attempts to enter into hedging transactions against adverse changes by means of derivative financial instruments.

Interest rate risk (cash flows and fair value)

Interest-rate risk entails the possibility of fluctuations in future financial charges on loans due to changes in market interest rate levels.

The cost of the Group's financial debt is indexed to short-term reference rates, adjusted at a frequency of one year or less, plus duly negotiated risk premiums. Therefore, changes in interest rates can affect the Group's results.

Novabase's exposure to interest rate risk originates from financial assets and liabilities with fixed and/or variable rates. In the case of fixed rates, the Group faces the risk of a variation in the fair value of these assets or liabilities, insofar as any change in market rates involves an opportunity cost. In the case of variable rates, such changes directly impact the amount of interest, thereby resulting in variations in cash.

Exposure to interest rate risk is constantly analysed by the financial department. Interest rate risk management is aimed at reducing the volatility of interest charges.

Credit risk

Novabase manages credit risk both in terms of business units (for customer receivables) and on a consolidated basis (for all active positions of financial instruments).

Credit risk originates from cash and cash equivalents, derivative financial instruments and customer credit exposure, including amounts receivable and previously agreed transactions. Only banks and institutions having credibility in the sector are accepted. Customer credit risk is managed based on credit limit ranges, based on the customer's financial position and historical business relations.

Liquidity risk

The prudent management of liquidity risk entails keeping cash or financial instruments sufficiently liquid, with sources of financing through an adequate number of credit facilities, together with the ability to close market positions.

The management monitors updated forecasts of the Group's liquidity reserve (unused credit lines, cash and cash equivalents) at the base of expected cash flows, by analysing the remaining contractual maturity of financial liabilities and the expected date of inflows from financial assets. Additionally, the maturity concentration of borrowings and liabilities of the Group are regularly monitored.

Capital risk

Novabase's goals with regard to capital management – a broader concept than the capital shown on the face of the consolidated statement of financial position – are as follows:

1. Safeguarding the Group's ability to continue as a going concern, and therefore provide returns to shareholders and benefits to other stakeholders;
2. Maintaining a solid capital structure to support the development of its business;
3. Maintaining a sound capital structure to reduce the cost of capital.

Management monitors the Return on Capital ratio ⁽¹⁾, to measure Novabase's ability to generate cash flows related to the capital invested in its business.

⁽¹⁾ Determined by the formula: Operating Profit ÷ Total Equity.

- **EMERGING RISKS**

In addition to the financial risks inherent to its activity, Novabase is also exposed to operational and business risks, which can result in threats and opportunities, for which suitable mitigation strategies are proactively formulated. From those, we highlight:

Cyber-risks

Mounting technology integration and sophistication have heightened companies' exposure to various types of cyber-risk (e.g. large-scale cyber-attacks, data breach and destruction, attempted extortion, etc.), with potential financial, operational and reputational losses. The more widespread nature of remote work, geopolitical conflicts and the growing use of generative artificial intelligence for attacks have significantly increased the exposure to this risk.

According to Check Point Software, the third quarter of 2024 was marked by a significant escalation in cyber threats faced by companies, with cyberattacks up 75% worldwide. Portugal was among the top three European countries with the highest average number of attacks per week, surpassed only by Italy and the Czech Republic.

Novabase has been continuously reinforcing measures to mitigate this risk, monitored directly by the Chief Information Security Officer, namely by investing in procedural and technological controls and training on best remote work practices and cybercrime awareness for employees.

Talent retention risk

Novabase's ability to successfully achieve its strategy depends on attracting and retaining the best qualified, most competent employees for each job position.

The accelerating digital transformation and new labour dynamics since the start of the pandemic, motivated by fierce competition for scarce talent, have brought tremendous challenges to talent management, resulting in higher IT salaries and greater difficulties in attracting (and above all retaining) talent.

According to the HR 2024 Barometer done by the Kaizen Institute in partnership with Hays Portugal, 59% of human resources managers believe that retaining talent is one of the areas that will require more investments in the coming year.

Novabase's human resource policies are aligned to achieve strategic goals, and have been adapted and underpinned vis-à-vis this new reality, namely a new hybrid work model with 60% remote work (since 2021), a focus on professional enhancement and competitive salaries, continuous improvements to working conditions and a good on-boarding experience, among others.

Delivery risk

Novabase's policies to address delivery risk include, among others, the following:

- Analysing each significant commercial proposal from the standpoint of reducing overselling, considering the available internal capacity;
- Constantly scrutinizing the quality of the team to be allocated to the projects;
- Ongoing training programs in technologies (namely in New-Generation information technologies) and project management methodologies.

The Nearshore Agile delivery model refined by Novabase in recent years has proven to be resilient both during and after the pandemic.

Strategic and context risks

Novabase is not immune to the contingencies of the markets in which it operates, still facing the so-called "strategic" and "context" risks.

The current geopolitical and macroeconomic environment remains highly uncertain and presents significant challenges. Despite expectations of a monetary policy flexibility and favourable prospects for controlling inflation, the worsening competition between economic blocs, with consequent protectionist policies that could once again disrupt supply chains, and geopolitical rivalries, marked by strong economic competition and war conflicts in strategic areas (Ukraine, Middle East), bring additional uncertainties.

The 20th edition of the World Economic Forum's Global Risks Report 2025, published on 15 January, shows an increasingly fragmented global scenario in which rising geopolitical, environmental, social and technological challenges threaten stability and progress.

Novabase aims to manage and mitigate these risks through recurrent discussions on various management chains for risks impacting the Group. These discussions address areas for investment/disinvestment, strategic focuses and pending risks at any given time, and are also a venue for discussing the risk appetite of the organization and its future trends.

Risks associated with climate change

Although Novabase does not have a significant carbon footprint and is not directly exposed to the physical risks of climate change, such factors are still considered in making investment decisions. Novabase's performance is crucial in the context of generating shareholder returns, as well as in the broader context of the economic space and well-being of the community where it operates.

Fully aware of its role, Novabase has been gradually moving towards a more rigorous and robust approach with regard to:

- Identifying, managing and mitigating climate risks;
- Identifying and capitalizing on opportunities created by climate change;
- Reporting on how the physical and transition risks associated with climate risks are being managed, and which initiatives have been developed from the standpoint of environmental conservation, geared towards a more sustainable economy.

Among the policies implemented, of particular note is Novabase's Environmental Management System (ISO 14001) and a policy with environmental requirements for the acquisition / supply of goods and services.

More information about the initiatives developed, including the evolution of a set of environmental indicators, can be found in the SUSTAINABILITY STATEMENT section of this Report, and for which reading is advised.

OUTLOOK

"Making Data Actionable" summarizes our value proposition and is our main focus for the future

The current context remains complex, presenting significant challenges. The outlook for 2025 suggests a stabilization of interest rates and controlled inflation. However, ongoing geopolitical conflicts, potential stagnation in the economic growth of Europe's two largest economies, and global political shifts – particularly the intensification of protectionist policies through a new wave of tariffs – introduce additional uncertainties.

Despite the uncertain macroeconomic environment, we are confident in the success of our strategy for 2025, benefiting from the restructuring implemented at the end of 2024, which reinforces our client-centric focus and operational efficiency.

Over its 35-year history, Novabase has consistently demonstrated a strong capacity for reinvention and adaptation to new contexts. It will continue to invest in innovation to address the challenges of the global market.

The primary challenge will be to continue expanding internationally, with a particular emphasis on Analytics, Cognitive & AI. In these areas, we develop pioneering solutions that convert data-derived insights into actionable strategies, delivering tangible impact and value for our clients' businesses. Differentiating these offerings and building a successful reputation, achieved project by project, are and will remain crucial factors for the growth and motivation of international partners – especially hyperscalers – to act as an extension of our sales force.

SUBSEQUENT EVENTS

In 2025, up until publication of this report, the following relevant facts occurred:

Sales agreement for the subsidiary NBASIT-Sist. de Inf. e Telecomunic., S.A.

In January 2025, Novabase entered into a share sale and purchase agreement with Filipe Lobo ("Buyer") for the disposal of 99.2% of the share capital of the Angolan subsidiary NBASIT-Sist. de Inf. e Telecomunic., S.A. ("NBASIT"), for total consideration of €99,200, of which €9,920 was paid on the date of signing the agreement, and €89,280 will be paid on the date of completing the transaction. In the context of this agreement, the subsidiaries Novabase Business Solutions, S.A. and NOVABASE IMS 2, S.A. made an agreement for the assignment, with consideration, of claims against NBASIT in the amount of €358k and €2,510k, respectively, contracted within the scope of their business activities.

This sale agreement entailed the prior acquisition of 49.8% of NBASIT from minority shareholder Microcenter, a transaction that occurred at the end of 2024. The completion of this sale is still subject to the fulfilment of several conditions precedent, namely the receipt of the entire price for the assignment of claims, to be acquired by the Buyer over a maximum of 12 months, and with control transferred to the Buyer after this last condition has been met. Any failure to fulfil these conditions precedent will result in the automatic and immediate termination of the agreement.

Under the guidance of IFRS 10, the Group believes that these qualify as a single transaction. In fact, in the 2024 financial statements, the purchase of the non-controlling interest was reflected as an advance, and will be considered as a reduction in fair value of the consideration received from the disposal of the holding, at the time of determining a loss or gain.

Note also that, as stated in the 2023 financial statements, there exists a negative exchange differences reserve associated with the operation in Angola, totalling €5.6m as at 31 December 2024 (31.12.23: €5.6m). In light of IFRS standards, this exchange differences reserve will be recognized in profit or loss, with a negative impact, upon disposal of this subsidiary. The transfer of the exchange differences reserve to profit or loss will not impact cash.

Remuneration to shareholders of €1.35 per share

On 20 February 2025, Novabase announced the intention of its Board of Directors to propose to the 2025 Annual General Meeting the payment of a dividend of €1.35 per share, subject to market conditions, a financial and accounting status at Novabase allowing its execution. This corresponds to the distribution of €48.3m to shareholders, which represents, at the closing price of the day of the announcement, a dividend return of 21.4%.

The same announcement states that the Board of Directors intends to propose that this remuneration be paid, partially or in whole, in kind, by shareholder choice, in new Novabase shares issued for this purpose, from the same category as those already existing.

CORPORATE BODIES

OFFICERS OF THE GENERAL MEETING

Chairman

Catarina Maria Marante Granadeiro

Secretary

Diogo Ferreira da Fonseca Pinto

BOARD OF DIRECTORS

Chairman

Luís Paulo Cardoso Salvado
(Executive)

Members

Álvaro José da Silva Ferreira
(Executive)

Francisco Paulo Figueiredo Morais Antunes
(Non executive)

María del Carmen Gil Marín
(Non executive)

José Afonso Oom Ferreira de Sousa
(Non executive)

Pedro Miguel Quinteiro Marques de Carvalho
(Non executive)

Benito Vázquez Blanco
(Non executive)

Madalena Paz Ferreira Perestrelo de Oliveira
(Non executive)

Rita Wrem Viana Branquinho Lobo Carvalho Rosado
(Non executive)

DELEGATED DIRECTORS

Luís Paulo Cardoso Salvado
Álvaro José da Silva Ferreira

DIRECTORS WITH SPECIAL RESPONSABILITIES

Francisco Paulo Figueiredo Moraes Antunes
María del Carmen Gil Marín

AUDIT BOARD

Chairman

Álvaro José Barrigas do Nascimento

Members

Fátima do Rosário Piteira Patinha Farinha
João Luís Correia Duque

Surrogate

Manuel Saldanha Tavares Festas

STATUTORY AUDITOR

Effective Statutory Auditor

Ernst & Young Audit & Associados – SROC, S.A.
represented by Luís Miguel Gonçalves Rosado

Surrogate Statutory Auditor

Rui Abel Serra Martins

REMUNERATION COMMITTEE

Chairman

Francisco Luís Murteira Nabó

Members

Pedro Miguel Duarte Rebelo de Sousa
João Francisco Ferreira de Almada e Quadros Saldanha

COMPANY'S SECRETARY

Miguel Meunier Nolasco de Almeida Crespo
Maria Amália Lopes dos Santos Parente (Surrogate)

PROPOSAL FOR THE ALLOCATION OF RESULTS

Whereas:

1. In 2024, Novabase – Sociedade Gestora de Participações Sociais, S.A. (“Novabase” or “Company”) reported individual net profits of €51,963,653.60 (fifty-one million, nine hundred and sixty-three thousand, six hundred and fifty-three euros and sixty cents), as set out in the 2024 Report and Accounts.
2. Pursuant to Article 295(1) of the Portuguese Commercial Companies Code, a percentage of no less than the twentieth share of the Company’s profits must be allocated to the reintegration of the legal reserve.
3. Following the share capital increase carried out in 2024, the amount of the legal reserve, which is €188,408.36 (one hundred and eighty-eight thousand, four hundred and eight euros and thirty-six cents), needs to be reintegrated, in order to reach one fifth of the share capital, meaning €214,573.22 (two hundred and fourteen thousand, five hundred and seventy-three euros and twenty-two cents).
4. The distribution of the profits of the year contained in this proposal complies with Articles 32, 33 and 295(1) of the Portuguese Commercial Companies Code.
5. On 20 February 2025, the Company’s Board of Directors announced the intention of proposing a resolution to the General Meeting whereby the shareholder remuneration regarding 2024 would be paid, in full or partially, in kind, at the option of the shareholder, through new Novabase shares to be issued for this purpose, of the same class as those already in existence.
6. That this intention aims to promote greater flexibility in terms of shareholder remuneration and contribute to reinforcing the Company’s capitalization, in the wake of the similar operation carried out and successfully concluded in 2024.

Therefore, pursuant to the applicable legal and statutory provisions and subject to the approval of the proposals submitted by the Board of Directors, by reference to the share capital increase to be undertaken, it is hereby proposed that:

1. Of the net profit for the year:
 - (i) an amount corresponding to €26,164.86 (twenty-six thousand, one hundred and sixty-four euros and eighty-six cents) be allocated to the reintegration of the legal reserve;

(ii) an amount corresponding to €48,278,972.70 (fourty-eight million, two hundred and seventy-eight thousand, nine hundred and seventy-two euros and seventy cents) be allocated to the distribution of dividends, so as to distribute a dividend of €1.35 (one euro and thirty-five cents) per share, considering the total number of issued shares;

(iii) the remainder – which will also include the amount of dividends which is not distributed, on the relevant payment date, to the treasury shares held by the Company or to shares legally deemed equivalent – is to be allocated to retained earnings.

2. The shareholders have the possibility of opting to receive all or part of the dividend set out in the previous paragraph in new shares to be issued by the Company, by subscribing to a share capital increase to be carried out for this purpose. This proposal is therefore subject to the approval of the proposals by this Board of Directors, relating to this share capital increase. The terms and conditions for such option are detailed in an annex to this proposal, from the Board of Directors to the annual General Meeting, disclosed along with the Notice.

Lisbon, 30 April 2025

The Board of Directors

ANNEXES TO THE MANAGEMENT REPORT

LIST OF SHAREHOLDERS WITH QUALIFYING STAKES AS AT 31 DECEMBER 2024

(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 31 December 2024 or a previous date.

There are no categories of shares with special rights.

HOLDERS	NO. SHARES	% SHARE CAPITAL AND VOTING RIGHTS
HNB - S.G.P.S., S.A. ⁽¹⁾	16,417,222	45.91%
Pedro Miguel Quinteiro Marques de Carvalho	2,736,653	7.65%
IBI - Information Business Integration, A.G. ⁽²⁾	8,980,763	25.11%
Isatis Investment Classic Blue Fund ⁽³⁾	1,987,314	5.56%
TOTAL	30,121,952	84.23%

⁽¹⁾ The directors 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.

⁽²⁾ When Novabase received communication of this holding, it was informed that José Sancho García is the controlling shareholder of this company, and therefore the corresponding voting rights are attributed to him.

⁽³⁾ When Novabase received communication of this holding, it was informed that this company is not controlled by any natural person or legal entity and does not control any other undertaking(s) holding directly or indirectly an interest in Novabase.

During 2024, Novabase did not maintain any significant business relationship with shareholders with qualifying stakes or entities that, as far as the Company is aware, are or were related to them.

INFORMATION CONCERNING STAKES HELD BY MEMBERS OF THE BOARD OF DIRECTORS AND SUPERVISORY BODIES AS AT 31 DECEMBER 2024

(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 Boards corresponds to the last position notified to the Company with reference to 31 December 2024 or a previous date. The duties of each of these Corporate Bodies are described in the CORPORATE BODIES section of this Report.

HOLDERS	NO. SHARES	% SHARE CAPITAL AND VOTING RIGHTS
Pedro Miguel Quinteiro Marques de Carvalho	2,736,653	7.65%
Manuel Saldanha Tavares Festas	74,986	0.21%
Francisco Paulo Figueiredo Morais Antunes	43,536	0.12%
María del Carmen Gil Marín	33,011	0.09%
João Luís Correia Duque	500	0.00%
Luís Paulo Cardoso Salvado ⁽¹⁾	1	0.00%
Álvaro José da Silva Ferreira ⁽¹⁾	1	0.00%
José Afonso Oom Ferreira de Sousa ⁽¹⁾	1	0.00%
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	0	0.00%
Madalena Paz Ferreira Perestrelo de Oliveira	0	0.00%
Benito Vázquez Blanco	0	0.00%
Álvaro José Barrigas do Nascimento	0	0.00%
Fátima do Rosário Piteira Patinha Farinha	0	0.00%
Ernst & Young Audit & Associados – SROC, S.A., represented by Luís Miguel Gonçalves Rosado	0	0.00%
Rui Abel Serra Martins	0	0.00%
TOTAL	2,888,689	8.08%

⁽¹⁾ 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 16,417,222 shares representing 45.91% of Novabase's share capital and respective voting rights at 31 December 2024.

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 Commercial 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.

MANAGEMENT TRANSACTIONS

(Under the terms of European Union market abuse regulation)

During 2024, the following transactions on Novabase's ordinary shares were carried out by the persons falling under the scope of article 447 of the Portuguese Commercial Companies Code:

DIRECTOR / CLOSELY ASSOCIATED PERSON	TRANSACTION	DATE	LOCATION	NO. SHARES	PRICE PER SHARE (€)
HNB – S.G.P.S., S.A.	Acquisition	25/06/2024	Outside regulated market	4,978,371	4.1129
Francisco Paulo Figueiredo Morais Antunes	Acquisition	25/06/2024	Outside regulated market	13,201	4.1129
María del Carmen Gil Marín	Acquisition	25/06/2024	Outside regulated market	10,010	4.1129
Pedro Miguel Quinteiro Marques de Carvalho	Acquisition	25/06/2024	Outside regulated market	639,040	4.1129

The transactions identified above were carried out under the option to receive the dividend in kind.

OWN SHARES TRANSACTIONS

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

As at 31 December 2023, Novabase held 658,461 own shares, representing 2.48% of its share capital, all of them held through Novabase Consulting S.G.P.S., S.A..

During 2024, Novabase increased its capital by €38.0m corresponding to the issue of 9,234,565 new shares allocated to shareholders who opted to receive the dividend in kind. Thus, Novabase now has a share capital of €1,072,866.06, represented by 35,762,202 ordinary registered shares.

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

At 20 December, Novabase initiated a treasury shares buy-back program ("Buy-Back Program") under the terms and in accordance with the limits of the resolution approved at the General Meeting of Shareholders held on 22 May 2024.

During 2024, Novabase acquired on the market 460 own shares at the average net price of €5.823 in the context of the Buy-Back Program.

At 31 December 2024, Novabase held 658,921 own shares, representing 1.84% of its share capital, of which 658,461 are held through Novabase Consulting S.G.P.S., S.A..

The nominal value of all shares representing the share capital of Novabase was €0.03 (31 December 2023: €0.03).

Own shares transactions are detailed below:

	TRANSACTION	DATE	LOCATION	NO. SHARES	PRICE PER SHARE (€)
	Acquisition	20/12/2024	Euronext Lisbon	210	5.790
	Acquisition	23/12/2024	Euronext Lisbon	250	5.850

SUSTAINABILITY STATEMENT

ESRS 2 – GENERAL DISCLOSURES

BP-1 – GENERAL BASIS FOR PREPARATION SUSTAINABILITY STATEMENTS

The present Sustainability Statement were prepared pursuant to Article 508-G of the Commercial Companies Code, in accordance with the wording introduced under Portuguese Decree-Law no. 89/2017 of 28 July, which transposed Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 to Portuguese rule of law, also pursuant to Article 29-G, no. 1, sub-paragraph d) of the Securities Regulation Code, in accordance with the wording of Portuguese Law no. 99-A/2021 of 31 December with the aim of approximating the directives established under the Corporate Sustainability Reporting Directive (CSRD), in light of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 and the European Sustainability Reporting Standards (ESRS) of the European Financial Reporting Advisory Group (EFRAG), stipulated in Commission Delegated Regulation EU 2023/2772 of 31 July 2023, ensuring compliance with the latest European regulations, even though it still has not been transposed to Portuguese rule of law.

These regulations define the requirements and criteria that companies must follow when reporting information concerning sustainability, ensuring transparency and comparability between organizations in the European Union.

Upon preparing this report, Novabase Group not only ensures compliance with best market practices, but also demonstrates its commitment to transparency and responsibility in managing the risks and opportunities associated with Sustainability.

The following sections of this report reflect the process and the results of the double materiality conducted by Novabase Group in 2024, based on two inter-connected aspects:

- **Financial Materiality:** this refers to how environmental, social and government factors (ESG) can affect the company's financial position, its performance or value in the short, medium and long term. It includes analysis of risks and opportunities that can influence revenue, costs, access to financing or the valuation of the company by investors;
- **Impact Materiality:** this focuses on how the company's activities affect the environment and society, regardless of whether or not that impact has direct financial consequences for the company. The evaluation takes into account factors such as size, scale, gravity, irreversibility and likelihood of impacts, as well as the company's contribution to them.

This approach allows for a broad and integral vision of sustainability, promoting a more responsible and informed management.

BP-2 — DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

The following points include information regarding specific circumstances.

- **Time horizons**

The time frames that are adopted in this report are in accordance with point 6.4 of ESRs 1 'Definition of short, medium and long term' for the purpose of reporting:

- **Short term:** the period adopted by Novabase Group as the reporting period in its financial statements, that is to say one year;
 - **Medium term:** from the end of the short-term reporting period up to five years;
 - **Long term:** more than five years.
- **Reporting perimeter:** Quantitative environmental data only refer to the Portugal location. Quantitative social and governance data refer to all the locations where the Group operates.
 - **Corrections or adjustments:** All corrections or adjustments are clearly indicated together with the data or adjusted information.
 - **External review:** Sustainability statements undergo an independent limited assurance review conducted by the Novabase Group external auditor.
 - **Use of estimates:** Estimates were not used.

GOV-1 — THE ROLE OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Number of executive and non-executive members and percentage by gender

The Novabase Board of Directors includes a total of 9 directors, of which seven are non-executive members. For the 2024-2026 term, 33.3% the company's directors are female, thus meeting the minimum stipulated by Portuguese Law no. 62/2017 of 1 August, including one female member with special responsibilities pursuant to No. 1 of Article 407 of the Companies Code. The breakdown of executive and non-executive members of the Board of Directors and respective diversity and independence is provided in greater detail in point 18 of the Corporate Governance Report.

Representation of salaried and other employees

Novabase Group has no representation of salaried or other employees in its governing bodies.

Identity and responsibilities of administrative bodies

The members of the Novabase administrative body have a variety of skills, academic qualifications and professional backgrounds, with varying degrees of relevance to the main areas of Novabase business. For more information regarding the identity and responsibilities of each administrative body please see points 19 and 26 of the Corporate Governance Report.

Experience relevant to the sectors, products and geographical locations of the company

The professional qualifications and other relevant information for each member are listed in the Corporate Governance Report, in points 19 (Board of Directors Members), 33 (Audit Committee Members) and 68 (Remuneration Committee Members).

Description of the role of management in governance processes, controls and procedures used in follow-up, management and auditing

Pursuant to Article 14 of the Novabase Articles of Association, the Board of Directors is responsible for managing the company’s business and it has exclusive and full powers of representation.

The Board of Directors is generally responsible for exercising the broadest of powers in pursuing the company’s interests and business within the limits of the law, its articles of association and the decisions of the General Meeting.

For more information regarding the role of the Board of Directors in the governance processes please see point 21 of the Corporate Governance Report.

GOV-2 — SUPPLIED INFORMATION AND SUSTAINABILITY ISSUES ADDRESSED BY THE COMPANY’S ADMINISTRATIVE, MANAGERIAL AND SUPERVISORY BODIES

In 2024, Novabase Group continued to prioritize Sustainability and include it in its strategy.

The company maintained its Sustainability Committee, which is supervised by a Director, and it is considered highly relevant when it comes to decision-making.

The Board of Directors is informed at least quarterly with respect to the development and implementation of policies, actions and meeting sustainability targets.



GOV-3 — INTEGRATING SUSTAINABILITY PERFORMANCE INTO INCENTIVES PLANS

Novabase's Remuneration Committee is appointed by the General Meeting and it is charged with establishing the remuneration of each member of the governing bodies, in accordance with the Remuneration Policy approved at the General Meeting of 25 May 2021. Point 69 of the Corporate Governance Report contains more details regarding the policy and structure of the remuneration of the company's governing bodies.

GOV-4 — DUE DILIGENCE STATEMENT

Novabase Group is solidly committed to due diligence in all of its operations, ensuring that all of its corporate processes and decisions are conducted with integrity, transparency and responsibility. Accordingly, a structured approach is undertaken in order to identify, assess and mitigate risks related to human rights, environmental impact and corporate governance, protecting the interests of Novabase shareholders and those of other stakeholders, providing access to clear information about how risks and opportunities are managed with respect to Group business.

The table below lists key information relating to sustainability due diligence as conducted by Novabase:

KEY INFORMATION ON DUE DILIGENCE	REFERENCES
Integration of due diligence into corporate governance and culture	GOV-1 GOV-2 SBM-3
Identification and assessment of adverse impacts	IRO-1 SBM-2 SMB-3
Develop action plans for reducing or eliminating adverse impacts	GOV-2 MDR-P
Regularly assess the efficacy of actions taken for mitigating risks and impacts	GOV-2
Disclose information regarding risks, impacts and actions taken to mitigate them	Sustainability Statement

GOV-5 — RISK MANAGEMENT AND INTERNAL CONTROLS OF THE SUSTAINABILITY REPORT

Novabase Group is subject to normal market risk and the specific risk that underlies its business. Novabase believes that risk management policy is crucial to conducting and developing a business that historically has exhibited higher risk appetite, keeping in mind how intrinsically necessary it is in such a dynamic and disruptive sector.

Novabase also employs internal control procedures and systems that are used to prevent and manage risk within its organization and activities.

Additional information regarding internal control and risk management at Novabase can be found in Part I, Letter C., Section III. 'Internal Control and Risk Management' of the Corporate Governance Report for the year 2024.

SBM-1 — STRATEGY, BUSINESS MODEL AND VALUE CHAIN

Information regarding the business activity and organization of Novabase Group is available for consultation in the 2024 Annual Report and Accounts (Notes to the Consolidated Financial Statements for the Year ended 31 December 2024), along with the Corporate Governance Report for the 2024 financial year (Part I, Section B., Point 21).

The business model is described in Part I Letter B., Section II. 'ADMINISTRATION AND SUPERVISION (Board of Directors, Executive Board of Directors and the General and Supervisory Board)' of the Corporate Governance Report for the 2024 financial year.

IRO-1 - DESCRIPTION OF THE PROCESS OF IDENTIFYING AND ASSESSING IMPACTS, RISKS AND MATERIAL OPPORTUNITIES

Double Materiality is a core concept of the CSRD. When taking into account both financial materiality, which analyses how environmental, social and governance (ESG) factors can affect Novabase's financial position, and impact materiality, which focuses on the effects of Novabase activities on the environment and society, double materiality ensures that all relevant aspects of sustainability are duly reported and managed.

As such, Novabase has undertaken an internal analysis to identify Impacts, Risks and Opportunities (IROs) that will be assessed on the basis of double materiality.

Methodology

In 2024 Novabase undertook its first double materiality analysis in line with the guidelines laid out in the Corrigendum to Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 (supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards), as well as the Group's interpretation of the standards.

With the aim of obtaining a clear vision of the economic, strategic and sustainability dynamics of Novabase Group, the company was analysed in detail. Accordingly, the analysis began with an assessment of the impact (from the inside out) of the effects of Novabase operation on the environment and society, followed by a financial assessment (from the outside in), where the focus was on external trends pertaining to topics related to Sustainability and how they impact or can impact Group business.

The impact assessment took into account both positive and negative impacts, considering both real and potential ones as regards Sustainability. As regards financial assessment, potential risks and opportunities associated with Sustainability were assessed. With respect to financial assessment, potential risks and opportunities associated with Sustainability that could have a positive or negative impact on the company business were assessed.

As such, various aspects essential to the better understanding of the structure and operation of the Group were covered, including the business model, its regulatory and legal framework, identification of client, partner and supplier segments, the mapping of financial flows, characterization of the main operating activities and identification of the main stakeholders that are affected or potentially affected – positively or negatively – by Novabase operations.

On the basis of the initial assessment, a structured list of impacts, risks and opportunities (IROs) was drafted, which served as the basis for subsequent assessment of material topics.

The IROs and topics are in accordance with the ESRS standards, ensuring compliance with the regulatory requirements and ensuring transparent reporting that complies with the best European sustainability practices.

Impact Materiality

According to ESRS, a sustainability issue is material from the point of view of impact when it pertains to real or potential material impacts, positive or negative, of the company on the people or on the environment within short, medium and long time frames. Impacts include those related to operations and the value chain upstream and downstream from the company, namely via its products and services, along with its commercial relations.

In accordance with ESRS guidelines, three parameters were used to score the Severity of our real impacts:

- **Scale:** how severe is the negative impact or up to what point is the positive impact beneficial to people or to the environment;
- **Scope:** how disseminated are negative or positive impacts. In the case of environmental impacts, the scope can be understood to be the extension of the environmental damage or a geographic perimeter. In the event of an impact on people, the scope can be understood to be the number of people that are negatively affected;
- **Irreparable character of the impact:** if and the extent to which the negative impacts can be corrected, i.e. return the environment or the affected persons to their previous state.

The severity of real negative impacts was determined on the basis of equal weighting of the three aforementioned parameters, while for real positive impacts the severity resulted from the same score only among the parameters Scale and Scope.

For potential impacts (positive and negative) an additional parameter was included:

- **Probability:** This is a measure of the expectation of the occurrence of an impact, which ranges from rare events to highly probable occurrences.

For potential positive and negative impacts, the Severity and Probability were weighted equally. In the case of potential negative impacts on Human Rights, the Severity of the impact supersedes the Probability of its occurrence.

The classification of the materiality of the impact varies between 1 (very low) and 5 (very high).

Financial Materiality

According to ESRS, a sustainability issue is material from a financial point of view if it triggers or is likely to trigger material financial effects on the company. Identification of risks (negative contribution) and opportunities (positive contribution) that affect or may potentially affect Novabase Group financial performance in the short, medium or long term was the starting point for analysing financial materiality, the existence of dependencies on natural and social resources having been considered sources of risks or financial opportunities, where dependencies can:

- influence the company's capacity to continue to use or obtain the resources necessary for its processes, as well as the quality and establishment of the prices of those resources;

- affect the company's capacity to trust in the relationships that are necessary for their business processes under acceptable conditions.

Having identified the risks and opportunities, Novabase determined which of them are material for the purposes of communicating information in accordance with ESRS. The classification was based on a combination of the following:

- i. **Probability of occurrence**, which is defined as the measure of expectation that a financial impact will occur, ranging from rare events to highly probable events;
- ii. **Potential size of the financial effects** that are determined on the basis of suitable thresholds, the company having broken it down into the following parameters:
 - a. **Financial position**: impact on the company's financial situation and/or performance, including cash flow, based on the amount of costs, sanctions and or lost profits in terms of the company's EBITDA;
 - b. **Continuity of the business**: the dependencies were assessed by taking into account the interruption of critical commercial processes in terms of number of days and may have an impact in at least two forms:
 - They can affect the capacity of the entity to continue to use or obtain the resources necessary to their business processes, as well as the quality and price of those resources;
 - They can affect the company's capacity to continue to trust in the relationships necessary to their processes under acceptable terms;
 - c. **Access to financing**: impact on Novabase's capacity to obtain capital from investors, banks or other financial institutions, and the cost to the company in obtaining that capital;
 - d. **Reputation**: impact on the company's reputation and on the perception of its market value on the part of its various stakeholders;
 - e. **Human capital**: impact on performance, relationship and commitment of the employees to the organization, namely with respect to retention and rotation, as well as in terms of reputation and attraction of talents and competencies.

Similar to the classification of impact materiality, the magnitude of financial materiality varies between 1 (very low) and 5 (very high).

SBM-2 — INTERESTS AND VIEWS OF THE STAKEHOLDERS

The first year in which Novabase Group undertook its double materiality analysis was 2024. Considering the complexity of the ESRS principles regarding double materiality and the assessment requirements, the Group decided to limit the number and groups of stakeholders involved in the assessment of our impacts, risks and opportunities relating to sustainability exclusively within the company itself, namely internal specialists and executive and non-executive members of the Board of Directors.

Collection of the responses allowed the most significant impacts to be identified, as well as any possible risks and opportunities associated with the company's activities,

as explained in further detail below, 'Material impacts, risks and opportunities and their interaction with strategy and business model'.

SBM-3 — MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Taking into account the business model and the double materiality assessment of 2024 undertaken by Novabase Group, the following ESRS topics were identified as non-material and were therefore excluded from this Sustainability Statement: ESRS E2 – Pollution; ESRS E3 – Water and Marine Resources; ESRS E4 – Biodiversity and Ecosystems; ESRS E5 – Resource use and circular economy.

As regards ESRS E1 – Climate Change, potential risks, impacts and opportunities related to climate were analysed and it was concluded that the Group business model is exposed to a low direct level of climate risks, impacts and opportunities, and in 2024 it was not considered material. However, and given the importance of the topic to Novabase, the risks, impacts and opportunities related to climate change combined with the increase in regulations, clients' increasing demands for sustainable services and trends in digital infrastructures, may make the topic material.

For the double materiality exercise conducted in 2024 and considering the aforementioned complexity of the ESRS principles and the assessment requirements, along with the more specific involvement of the stakeholders in this first exercise, the assessment of impacts, risks and opportunities (IROs) for the topics ESRS S2 – Workers in the value chain and ESRS S3 – Affected communities, were considered to be non-material. However, the Group is continuing to pursue the actions and policies it has already implemented in the past and which are aligned with these topics, as further described below in the sub-chapter 'Social'.

The table below lists a summary of the impacts, risks and opportunities related to sustainability which Novabase identified as being material during the double materiality assessment process conducted in 2024. For the year under review, IROs were identified as being material whenever materiality and/or financial impact were at least 2.5 on a scale of 1 to 5. For each topic assessed as being material, sub-topics with which the identified IROs are related are specified, also specifying, in the case of impacts, whether they are positive/negative and real/potential. In all cases and as described in the following chapters, the indicated IROs, although material, are considered manageable and monitored by company management and are not considered to be a source of concern.

In the Value Chain classification, the IROs identified as material in the table below refer to Own Operations of Novabase Group for ESRS S1 and Own Operations and Downstream for ESRS S4. For all material IROs identified the time frame is short and medium term.

The results of the materiality assessment were presented and approved by the Novabase Group Board of Directors.

In the coming financial years Novabase will continue to improve its double materiality process, persistently monitoring the identified material IROs and the company shall remain aligned with the best European practices for sustainability reporting.

		MATERIAL IROs	CATEGORY	TYPE	CLASSIFICATION			DESCRIPTION	
			IMPACT	RISK	OPPORTUNITY	POSITIVE	NEGATIVE	REAL	POTENTIAL
Social	ESRS S1 – OWN WORKFORCE								
	Working conditions								
	Adequate wages	If the salary policy is poorly implemented or communicated, it may create negative perceptions among employees and potential candidates, resulting in reputational and operational risks.		X					Novabase actively maintains a culture of equity, both in the hiring process — through market comparison studies — and internally, by using performance evaluation and recognition tools, where individual and collective contributions are key differentiating factors.
	Adequate wages	The impact of poor communication of the salary policy can lead to negative perceptions among employees and potential candidates, resulting in reputational and operational risk.	X			X		X	
	Equal treatment and opportunities for all								
	Gender equality and equal pay for work of equal value	Companies with gender equality policies and fair remuneration are more attractive to talented professionals, promoting an inclusive and diverse environment.			X				At Novabase, we promote a culture where everyone has an active "voice" in the organisation. Our processes and procedures are communicated transparently, fostering equal opportunities in an increasingly multigenerational and multicultural organisation.
	Gender equality and equal pay for work of equal value	Companies with gender equality policies and fair remuneration are more attractive to talented professionals, promoting an inclusive and diverse environment.	X			X		X	
	Measures against violence and harassment in the workplace	Effective measures against violence and harassment create a safe workplace, promoting the physical and psychological well-being of employees.	X			X		X	Novabase is committed to fostering an environment where business standards are clearly understood and where open channels exist for individuals to communicate freely with management without fear of retaliation, intimidation, or harassment.
	Measures against violence and harassment in the workplace	Effective measures against violence and harassment create a safe workplace, promoting the physical and psychological well-being of employees.		X					
	Diversity	Diversity strengthens Novabase's ability to understand and meet the needs of global markets, enhancing its competitive advantage.	X			X		X	Novabase integrates the management of diversity, equity, and inclusion as an integral part of its global strategy, making them cross-cutting elements in the talent management processes of our organisation.
	ESRS S4 - CONSUMERS AND END-USERS								
	Social inclusion of consumers and/or end-users								
	Responsible marketing practices	Clients are increasingly aware and value suppliers that demonstrate ethical, social, and environmental responsibility, which can lead to greater loyalty and preference for Novabase's services.			X				Novabase adopts sustainable and ethically responsible business practices across all its operations, extending these principles to its clients and suppliers.
	Responsible marketing practices	Disregard for ethical, social, and environmental responsibility issues in interactions with clients and suppliers.		X					

MDR-P — POLICIES ADOPTED TO MANAGE MATERIAL SUSTAINABILITY MATTERS

DOCUMENTS	MAIN TOPICS	SCOPE OF APPLICATION	IN CHARGE OF IMPLEMENTATION	AVAILABILITY OF THE POLICY
Code of Conduct	The Code of Conduct establishes the ethical principles and behaviour guidelines that all employees must follow, ensuring an honest, respectful work environment that is in line with Novabase values and standards.	Novabase Group and other stakeholders	Legal Department	Corporate website and intranet
Gender Equality, Inclusion and Diversity Plan	The Gender Equality, Inclusion and Diversity Plan establishes guidelines and actions for promoting a fair, accessible and respectful environment that guarantees fair opportunities for everyone, regardless of their ethnicity, gender, religion, ideology, social origin or sexual orientation.	Novabase Group	People Department	Corporate website and intranet
Sustainability Policy	The Sustainability Policy defines principles and practices for minimizing environmental impacts, promoting responsible use of resources and fostering sustainable development, creating a balance between economic growth, social responsibility and environmental protection.	Novabase Group and other stakeholders	Sustainability Department	Corporate website
Human Rights Policy	The Human Rights Policy establishes Novabase's commitment to promoting and protecting the fundamental human rights of all people, ensuring an environment of respect, equity and dignity in all of its operations and relationships.	Novabase Group and other stakeholders	Legal Department	Corporate website
Quality, Environment and Occupational Health and Safety Management System Policy	The Quality, Environment and Occupational Health and Safety Management System Policy defines guidelines for ensuring operational excellence, environmental sustainability and protecting the health and safety of workers, promoting a safe and healthy work environment.	Novabase Group	Corporate Development and Business Support Department	Corporate website and intranet
Code of Conduct for Partners and Suppliers	The Code of Conduct for Partners and Suppliers establishes the ethical, social and environmental principles that are to be followed by all partners and suppliers, ensuring responsible and transparent commercial relations that are in line with Novabase values.	Novabase Group and other stakeholders	Business Support	Corporate website
Corruption Risks Prevention Plan	The Corruption Risks Prevention Plan establishes guidelines and measures for identifying, mitigating and preventing corrupt practices, ensuring transparency, integrity and ethical compliance in all Novabase operations.	Novabase Group	Legal Department	Corporate website

DOCUMENTS	MAIN TOPICS	SCOPE OF APPLICATION	IN CHARGE OF IMPLEMENTATION	AVAILABILITY OF THE POLICY
ML/TF Prevention Policy	The Money Laundering and Terrorist Financing Prevention Policy establishes the basic principles followed by Novabase with regard to preventing, detecting and fighting money laundering and terrorist financing.	Novabase Group	Legal Department	Corporate website
Corruption Prevention: Suppliers	The Corruption Prevention Policy for Partners and Suppliers establishes guidelines and requirements for ensuring ethical and transparent commercial relations that comply with anti-corruption legislation, preventing illegal practices throughout the value chain.	Novabase Group and other stakeholders	Legal Department	Corporate website
Risk Policy	The Risk Policy defines principles and strategies for effective management of risks, with the aim of protecting the organization against uncertainty, strengthening decision-making and ensuring the continuity and sustainability of Novabase business.	Novabase Group	Legal Department	Corporate website
GenAI Policy	The GenAI Policy establishes guidelines for using AI with Celfocus, ensuring transparency, security and responsibility in the development and implementation of AI-based solutions.	Novabase Group and other stakeholders	Legal Department	Intranet
Information Security Policy	The goal of the Information Security Policy is to establish principles and guidelines for effective management of information security, and it is implemented throughout Celfocus in all locations where it operates, as well as being a concern for everyone.	Novabase Group and other stakeholders	Information Security and Privacy Department	Corporate website
Privacy Policy	The goal of the Privacy Policy is to establish principles and guidelines for effective privacy management and it is implemented throughout Celfocus in all locations where it operates, as well as being a concern for everyone.	Novabase Group	Information Security and Privacy Department	Corporate website
Business Continuity Policy	As part of the Business Continuity Management framework, the goal of this policy is to establish the principles and guidelines necessary for ensuring proper and effective management of business continuity.	Novabase Group	Information Security and Privacy Department	Intranet
Learning Path	Learning Path is applied to all employees and it includes a training program consisting of various courses that can be completed independently or sequentially, according to your needs.	Novabase Group	People Department	Intranet

All Group policies are revised regularly to reflect best practices and incorporate any applicable changes in legislation.

ENVIRONMENT

ESRS – E1 – ENERGY

The double materiality exercise undertaken in 2024 analysed the potential risks, impacts and opportunities related to climate and concluded that the Group's business model is exposed to a low level of climate risks, impacts and opportunities, and they were not deemed to be material in 2024. However, and given the importance of the topic for Novabase Group, the risks, impacts and opportunities ensuing from climate change, combined with an increase in regulations, the growing demand of clients for sustainable services and developments in digital infrastructures can contribute to making the topic more material in the coming years.

In line with the commitments made in 2023, Novabase Group began to implement and execute its strategy more actively in 2024 in view of attaining its short, medium and long term objectives, taking into account environmental policies and actions

- **Policies**

At Novabase, we are dedicated to leveraging our business model in view of moving toward a more sustainable world. Our commitment includes ensuring our long term sustainable growth, taking into account the interests of our talents, clients, shareholders and all interested parties involved. This holistic approach summarizes our objective of reducing the impact of climate change, promoting equal opportunity and fostering mutual respect, while maintaining the highest ethical principles.

Novabase Sustainability Policy addresses the company's commitment to taking measures to reduce its carbon footprint and transition toward a more sustainable business, with reduced and more efficient resources, while also helping Group stakeholders meet their environmental commitments. For more detail about the policy in question, please see the above point 'MDR-P Policies adopted to manage material sustainability matters'.

- **Actions**

The trends in KPIs were positive and moved toward the targets established and aligned with ODS 12, 'Sustainable Production and Consumption', further explored in the point below E1-5 – Energy consumption and mix.

ENVIRONMENT	2023	2024	2027T	2030T	2035T
Transition toward 100% fully electric or hybrid vehicles by 2035	58%	71%	75%	>90%	100%
Transition toward 100% renewable energy by 2035	35%	69%	100%	100%	100%
Reduce carbon emissions from Business travel (t/CO ₂ per M€ of international revenue)	10.1	9.4	-10% vs. 2023	-35% vs. 2023	-50% vs. 2023

- **100% transition toward fully electric or hybrid vehicles by 2035:** In order to reduce direct vehicle emission of greenhouse gases (Scope 1), the transition toward fully electric or hybrid vehicles continued to be a reality, and in 2024 Novabase Group had already exceeded its target for 2027 (70%). With this achievement and in view of going

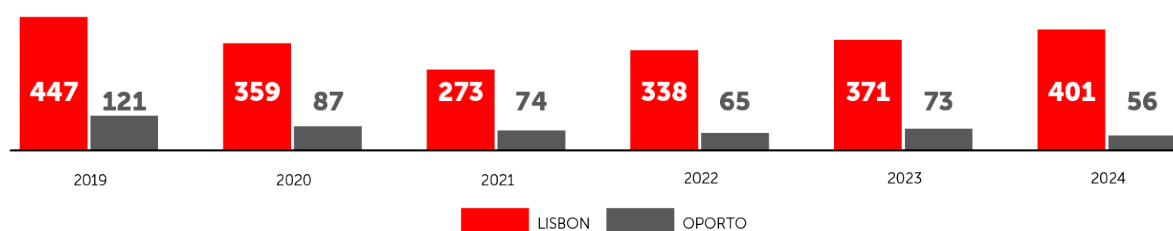
even further, Novabase has increased its target to 75% in 2027. This development reflects the growing awareness regarding the importance that the Group places on reducing dependence on fossil fuels and the environmental impact associated with their use.

- **Transition to 100% consumption of renewable energies:** The transition toward consumption of 100% renewable energy by 2025 was initiated in 2024, and in that year the Group was able to reach a consumption of 69% and thus reduce emissions with respect to Scope 2.
- **Reduce carbon emissions stemming from business trips and emissions associated with employee travel:** In 2024 Novabase maintained its Nearshore Agile delivery model and, in accordance with the Group's strategic objectives, continued to invest in the international market. At the same time, it also maintained its goal of reducing carbon emissions originating from Group business trips, included in Scope 3. However, after some internal discussion, the company adjusted the indicator from (t/CO₂ per employee) to (t/CO₂ per million of international revenue). The year under review trended positively with an absolute reduction in emissions resulting from employee travel, which contributed positively to this indicator.

E1-5 - ENERGY CONSUMPTION AND MIX

Electricity consumption: Total consumption of electricity at the head office, after a reduction between 2019 and 2021 stemming from the measures implemented following the COVID-19 pandemic, has increased slightly on an annual basis since 2022. This increase is not only due to employees returning to the office, but also due to the increase in electric and hybrid vehicles that are charged at the facilities. In Lisbon, there was a moderate increase from 371 MWh in 2023 to 401 MWh in 2024, while in Oporto, consumption continues to trend downward, namely 56 MWh in 2024, compared with 73 MWh in 2023.

ELECTRICAL ENERGY CONSUMPTION MWh



- **Actions**
 - In 2024 the Group head office began its transition toward consuming electrical energy entirely from renewable sources, having reached a level of 69% in that year, which compares positively with the 35% recorded in 2023. By 2025 the Group intends to complete its transition toward consuming fully renewable electrical energy at its head office;
 - In order to improve energy efficiency and promote a more sustainable work environment, the Group maintained and shall maintain a Centralized Management System at its operations in Portugal, which controls the facilities' operating hours, as well as replacing all fluorescent lighting with LED lighting.

Consumption of thermal energy: Similar to consumption of electrical energy, consumption of thermal energy has seen a rise since 2021, due to employees returning to the office. In 2024 consumption of thermal energy at the facilities totalled 573 MWh, falling slightly in comparison with 2023.

THERMAL CONSUMPTION MWh - LISBON

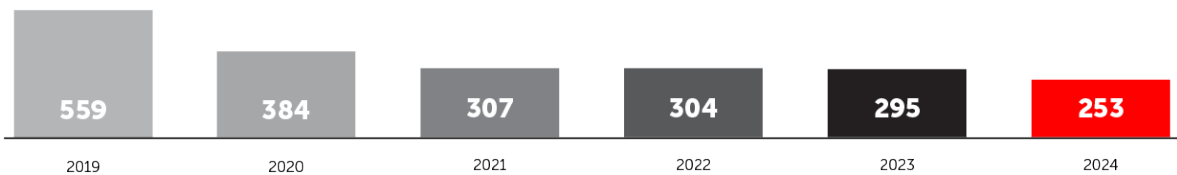


- **Actions**
 - Novabase maintained and shall maintain a Centralized Management System that controls the operating hours of the head office’s climate control system, so as to optimize energy consumption in the short, medium and long term;
 - In 2024, we thermally insulated the heat exchangers and thermally insulated the accessories of the primary circuit (valves, filter and holes) of the sub-station of the thermal power plant. These improvements seek to increase the efficiency of the system and reduce energy waste.

E1-6 - GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

Scope 1 Emissions: Scope 1 emissions are the result of fleet vehicles consuming fossil fuels. The emission factors supplied by environmental regulators were used to calculate scope 1. With the Group’s investment in electric and hybrid vehicles, CO₂ emissions by our fleet have been dropping in the past years, which indicates a positive development in terms of reducing total emissions and attaining short, medium and long term objectives.

SCOPE 1 EMISSIONS (t/CO₂)

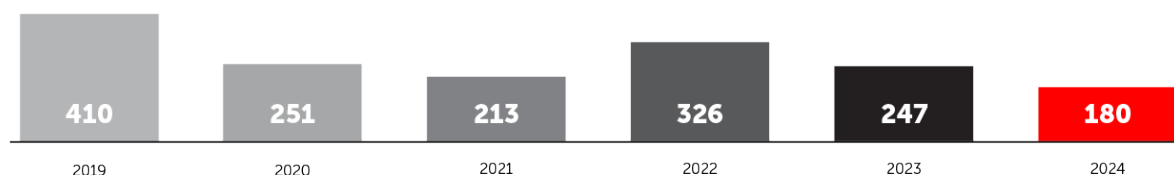


- **Actions**
 - Over the years we have seen a significant increase in electric and hybrid vehicles. Plug-ins used in the fleet combined with a decrease in the number of internal combustion vehicles denotes a clear effort to transition toward more sustainable solutions. In 2024 Novabase acquired 18 more plug-in hybrid vehicles and 39 electric vehicles. The fleet currently totals 202 plug-in hybrid vehicles, 59 electric and 40 less internal combustion vehicles.
 - In view of attaining its medium and long term objectives, Novabase will continue to transition toward electric and plug-in hybrid vehicles.

NUMBER OF VEHICLES						
FUEL TYPE	2019	2020	2021	2022	2023	2024
Hybrid	0	0	1	1	1	1
Electric	4	3	9	16	20	59
Plug-in hybrid	19	21	46	90	184	202
Fossil fuel	394	292	265	281	146	106
Total	417	316	321	388	351	368

Scope 2 Emissions: Scope 2 emissions refer to emissions generated by electricity consumption and heating/cooling systems for location-based Group operations in Portugal. The emission factors employed were those provided by the national energy agencies. The reduced activity between 2019 and 2021 results from the effects of the COVID-19 pandemic, while as of 2022, despite the return of employees to the office having been more regular, the transition to renewable energies resulted in a reduction in scope 2 emissions.

SCOPE 2 EMISSIONS (t/CO₂)

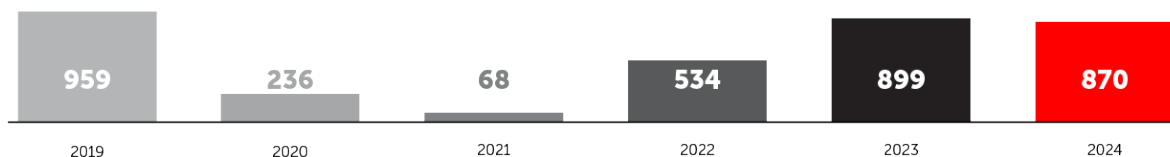


- Actions**

- The reduction in scope 2 emissions in the past years has been the result of the head office transitioning toward electrical energy that is entirely produced by renewable sources.

Scope 3 Emissions: in 2024 scope 3 emissions refer only to category 6, Business Trips, with the rest of the categories having been considered non-material for 2024. The emission factors used were obtained directly from the suppliers. The CO₂ emissions associated with plane travel have fluctuated significantly over the years. After a significant reduction between 2019 and 2021, resulting from the travel restrictions imposed during the pandemic, the following years saw a gradual increase, in accordance with the business model that has been followed by the Group involving investment in the international market. In 2024 emissions totalled 870t/CO₂, slightly lower than the previous year, but still much higher than the minimum amounts recorded in 2021, when travel was significantly reduced.

SCOPE 3 EMISSIONS (t/CO₂)

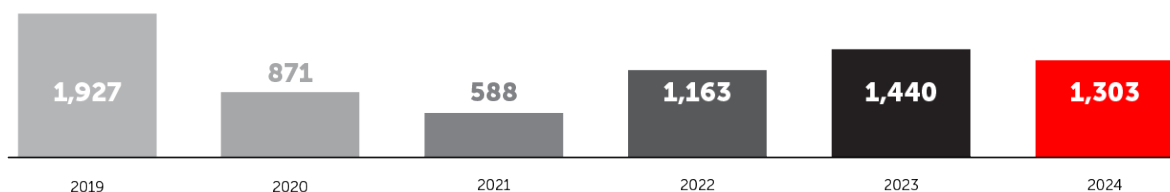


- **Actions**

- In order to manage the negative impacts of business travel, whenever possible, the Group implements and shall continue to implement its Nearshore Agile Delivery Model, so as to avoid scope 3 emissions, using a model that has already proven to be suited to new market needs.

Total Group emissions in 2024 saw a slight drop as a result of lower fleet emissions and travel.

TOTAL EMISSIONS (t/CO₂)



OTHER INDICATORS AND ENVIRONMENTAL CERTIFICATIONS

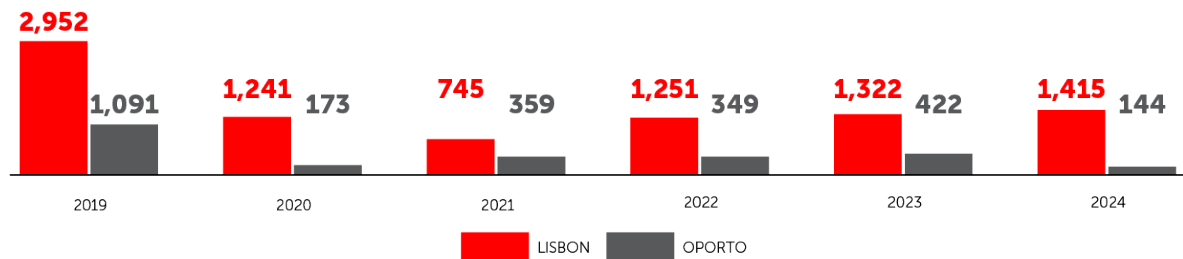
Additionally, Novabase has implemented an Environmental Management System (ISO 14001), which is part of the Integrated Management System (Quality, Environment, Occupational Health and Safety). The IMS is governed by a policy that is aligned with Novabase's vision and values and in accordance with the needs of the interested parties. Internal and external audits are conducted, the latter by certifier entities.

Novabase has defined a policy identifying the environmental and safety requirements that must be met regarding acquisition/supply of goods and services, as indicated in the aforementioned section MDR-P — Policies adopted to manage material sustainability matters. Implementation of this policy helped to improve operating efficiency, reduce environmental impact and strengthen health and safety conditions of workers, thus contributing to a safer and more sustainable work environment.

In addition to the aforementioned indicators, Novabase monitors a series of indicators: consumption of water from the grid and recycling of plastic, cardboard, paper and glass.

Consumption of water from the grid: Consumption of water from the grid at the facilities dropped significantly between 2019 and 2021 due to the COVID-19 pandemic. As of 2022, with the progressive return of employees to the office, the amount of water consumed rose over previous years, but still remained below the amount recorded in 2019, both in Lisbon and Oporto, reflecting the success of the measures that have been implemented.

WATER CONSUMPTION M³

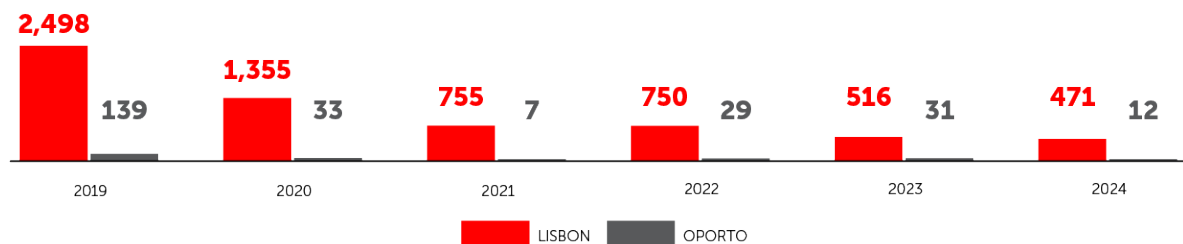


- **Actions**

- We continue to implement measures for optimizing water consumption, including installing a flow restrictor on faucets with the aim of reducing waste and promoting more efficient use of resources in the short, medium and long term.

Paper consumption: Paper consumption continued to drop in 2024, both in Lisbon and in Oporto, maintaining the downward trend observed in previous years, thus proving the efficacy of the implemented measures.

PAPER CONSUMPTION (KG)

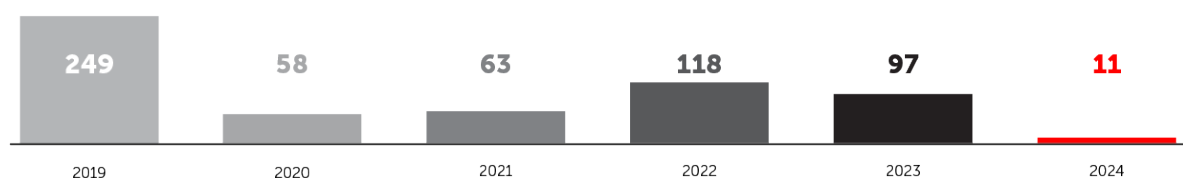


- **Actions**

- We continue to create awareness among our employees regarding the use of paper and we identified suppliers who still issued paper invoices, asking that they transition to electronic invoicing. These measures, combined with greater digitalization of internal processes, have helped to continually reduce paper consumption in the past years.

Plastic production: The year 2024 saw a significant drop in plastic production, having fallen to minimum levels, continuing the downward trend of the past years. The slide witnessed in 2024 can mostly be explained by the elimination of plastic bottle use since the last quarter of 2023.

PLASTIC PRODUCTION LISBON (KG)

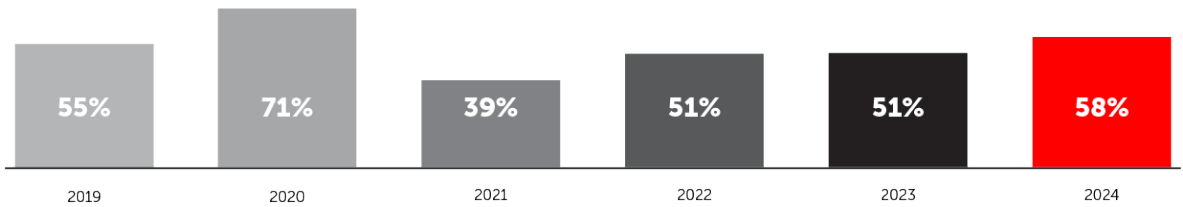


- **Actions**

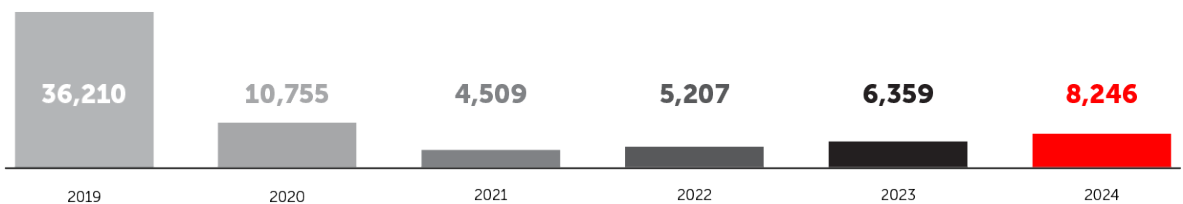
- We stopped using plastic bottles on a daily basis, provided glass bottles in the conference rooms and began using glass cups at all the common mess halls. These actions contributed to a significant reduction in plastic consumption over the course of 2024.

Waste management: A total of 8,246 kg of waste was generated in 2024, up over 2023. Despite this, the percentage of recycled waste increased to 58%, an improvement over previous years.

% RECYCLED WASTE



AMOUNT OF WASTE KG LISBON



- **Actions**
 - We provided boxes for separating waste in all our spaces, in order to improve waste separation and recycling. In addition, we maintained partnerships with companies specialized in collecting and managing waste, thereby ensuring efficient and sustainable treatment of waste.

EUROPEAN TAXONOMY

As in previous years, in light of Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 and Article 29.-G, no. 1, sub-paragraph d) of the Securities Regulation Code, in accordance with the wording of Portuguese Law no. 99-A/2021 of 31 December, Novabase is required to publish non-financial information (chapter 8 of this document), and it is also covered by Article 8 of the European Union Taxonomy Regulation (EU2020/852, henceforth referred to as the 'Taxonomy Regulation').

The Taxonomy Regulation establishes criteria for considering an activity to be environmentally sustainable. This regulation is essential to achieving carbon neutrality in 2050, as defined by the European Commission.

Taxonomy is organized into three components:

1. Activities that significantly contribute (SC) to one or more of the six EU climate objectives, as detailed in article 10 to 15 of the Taxonomy Regulation (1. Mitigation of climate change; 2. Adapting to climate changes; 3. Sustainable use and protection of water and marine resources; 4. Transition toward a circular economy; 5. Prevention and control of pollution; 6. Protection and restoration of biodiversity and eco-systems);
2. Do no significant harm (DNSH) to any of the climate objectives pursuant to article 17 of the Taxonomy Regulation (mitigation of climate changes, adaptation to climate change, sustainable use and protection of water and marine resources,

transition toward a circular economy, prevention and control of pollution, protection and restoration of biodiversity and eco-systems);

3. Comply with the Minimum Social Safeguards (MSS) in accordance with article 18 of the Taxonomy Regulation, based on social and governance criteria that require respect for human and labour rights and the fundamental ethical principles required for an economic activity to be considered environmentally sustainable.

Taking into account the Delegated Act on Climate, Novabase analysed all activities eligible for Taxonomy that can be included in the IT services market where Novabase operates. As such, Novabase has included below information regarding:

- Its 'eligible' activities based on the list of economic activities that are environmentally sustainable as defined by Taxonomy;
- Its activities 'aligned' with the three components of Taxonomy mentioned above;
- Disclosure of the activities aligned with Taxonomy in amount and percentage of turnover (revenue from sustainable activities), OpEx (operational expenditure on sustainable activities) and CapEX (investment in sustainable activities).

TURNOVER

Taxonomy-Eligible Activities

An assessment was made of the projects that generate Novabase Group turnover and it was concluded that the following were taxonomy-eligible at a Novabase Group level:

- **MAC 8.1. Data processing, information storage and related activities:** Warehousing, handling, management, movement, control, viewing, switching, exchange, transmission or processing of data via data centres, including peripheral computing (NACE code: J.63.11);
- **MAC 8.2. Technical solutions geared toward reducing greenhouse gas emissions:** development of or use of technological solutions that seek to aggregate, transmit, warehouse, model and use data with the aim of reducing greenhouse gas emissions. These solutions can include, among others, use of decentralized technologies, the internet of things (IoT), 5G and Artificial Intelligence (NACE code: J.61, J.62 and J.63.11);
- **MAC 9.1. Research, development and innovation activities close to the market:** Research activities, including applied research and experimental development of solutions, processes, technologies, business models and other products that seek to reduce, prevent, or remove GHG emissions (RD&I), in relation to which there has been at least demonstrated the possibility of reducing, removing or preventing GHG emissions in the target economic activities, in a suitable environment, and at the very least, meeting the Technological Maturity Level (NACE code: M.71.1.2 and M.72.1).

Turnover corresponds to total sales from the taxonomy-eligible economic activities mentioned above, as defined in point 1.1.1. of Annex I of Commission Delegated Regulation (EU) 2021/2178. Therefore, the eligible numerator corresponds to the part of the turnover that comes from eligible activities MAC 8.1, MAC 8.2 and MAC 9.1. The denominator corresponds to the Group's total turnover in 2024, the amount of which can be reconciled with the consolidated financial statements included in the 2024 Annual Report and Accounts, Part I, Consolidated Accounts.

Turnover: Templates of the European Commission Communication of the 27 June 2023, C (2023) 3851 which amends templates of the delegated act (EU) 2021/2178

REVENUES	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	Turnover	Proportion of Turnover	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportions of turnover, 2023	Category (enabling activity)	Category 'transitional category'
		(€)	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
...		0	0%																
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1))		0	0%																
Of which, enabling			0%	0%	0%	0%	0%	0%	0%									E	
Of which, transitional			0%	0%															T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
			EL/N/EL	EL/N/EL	EL/N/EL	EL/N/EL	EL/N/EL	EL/N/EL	EL/N/EL										
8.1. Data processing, hosting and related activities	MAC 8.1	37,671,687	28%	EL	N/EL	N/EL	N/EL	EL	N/EL								35%		
8.2. Data-driven solutions for GHG emissions reductions	MAC 8.2	2,384,856	2%	EL	N/EL	N/EL	N/EL	EL	N/EL								1%		
9.1. Close to market research, development and innovation	MAC 9.1	38,114	0%	EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2.)		40,094,657	30%														36%		
Total (A.1.+A.2.)		40,094,657	30%														36%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities (B)		94,037,425	70%																
Total (A+B)		134,132,082	100%																

PROPORTION OF TURNOVER/TOTAL TURNOVER		
	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	0%	30%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

OPERATIONAL EXPENDITURE (OPEX)

Eligible operational expenditure corresponds to the portion that is related to the assets and economic activities defined by taxonomy, including all non-capitalized, direct costs ensuing from research and development activities (R&D), costs ensuing from acquisition for production of economic activities that are aligned with taxonomy and with individual measures that enable the transformation of the activities in question into low carbon activities, or which permit reduction of greenhouse gas emissions.

- **MAC 6.15. Infrastructure for road transport and low carbon public transport:** Construction, modernization, maintenance and operation of the infrastructure necessary for road transport with zero CO₂ emissions (exhaust pipe measures), infrastructure specialized in transshipment operations and infrastructure necessary for urban transport operations.

No eligible or aligned material amount was determined for 2024.

OpEx: Templates of the European Commission Communication of the 27 June 2023, C (2023) 3851 which amends templates of the delegated act (EU) 2021/2178

OPEX	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	OpEx	Proportion of OpEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportions of OpEx, 2023	Category (enabling activity)	Category ('transitional category')
		(€)	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	C	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
...		0	0%																
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		0	0%																
Of which enabling																			
Of which, transitional																			
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
			EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
6.15. Infrastructure enabling low-carbon road transport and public transport	MAC 6.15	-	0%	EL		N/EL	EL	N/EL	N/EL								4%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		-	0%																
Total (A.1.+A.2.)		-	0%																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities (B)		2,666,743	100%																
Total (A+B)		2,666,743	100%																

PROPORTION OF OPEX/TOTAL OPEX		
	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

CAPITAL EXPENDITURE (CAPEX)

Novabase Group capital expenditure was assessed and it was concluded that Taxonomy-eligible expenditure at the Novabase Group level was as follows:

- **MAC 6.5. Transport using motorcycles, lightweight passenger vehicles, and lightweight commercial vehicles:** Acquisition, financing, rental, financial leasing and operation of M1 and N1 category vehicles covered by Regulation (EC) no. 715/2007 of the European Parliament and of the Council, or L (vehicles with 2 and 3 wheels and quadricycles (NACE codes: H.49.32, H.49.39 and N.77.11);
- **MAC 7.4. Installation, maintenance and repair of electric vehicle charging stations installed in buildings (and parking areas associated with buildings):** Installation, maintenance and repair of electric vehicle charging stations installed in buildings (and parking areas associated with buildings) (NACE codes: F.42, F.43, M.71, C.16, C.17, C.22, C.23, C.25, C.27 or C.28).

The amount used to calculate the numerator that corresponds to the amount invested by the Group in leasing electric vehicles during the years under review (2023 and 2024) was considered eligible, but the investment in question was not considered to be of material risk to Group activities. New vehicle charging stations were not installed in 2023 or 2024 and as such, amounts associated with activity 7.4 described above have not been taken into account. The denominator considered was the total gross investment of the Group in 2024 (and year-on-year), as stated in Note 7, 'Property, plant and equipment' and Note 8 'Intangible Assets' in the 2024 Annual Report and Accounts, Part I, Consolidated Accounts.

CapEx: Templates of the European Commission Communication of the 27 June 2023, C (2023) 3851 which amends templates of the delegated act (EU) 2021/2178

CAPEX	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	CapEx	Proportion of CapEx	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportions of CapEx, 2023	Category (enabling activity)	Category 'transitional category'
		(€)	%	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S;N;N/EL	S/N	S/N	S/N	S/N	S/N	S/N	S/N	%	C	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
			0%																
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		-	0%																
Of which enabling																			
Of which, transitional																			
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	MAC 6.5	624,717	15%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		624,717	15%																
Total (A.1.+A.2.)		624,717	15%														50%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities (B)		3,421,946	85%														50%		
Total (A+B)		4,046,663	100%																

PROPORTION OF CAPEX/TOTAL CAPEX		
	TAXONOMY-LIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	0%	15%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

SOCIAL

ESRS – S1 – Own workforce

At Novabase we believe that our people's contribution to the sustainability of the community and of the business is greater in an environment of respect and dignity, especially when our staff feel involved and proud of their contribution to the company's growth, when they see themselves reflected in corporate policies and when their competences are put to good use and developed in a work environment that opens its doors to diversity, equality and inclusion.

S1-1 – POLICIES RELATED TO OWN WORKFORCE

- **Working conditions**

Novabase's activity and the conduct of its employees is governed by legislation applicable in the relevant jurisdictions and by the Novabase Code of Conduct (published on the corporate website), a document that has been approved internally and which has been implemented at the Group since 2011 with the aim of guiding the conduct of Novabase professionals in accordance with the values cultivated by the Group, not only in its relationships with clients, but also the principles and rules that, broadly speaking, govern Novabase's relationships with its other stakeholders.

The Code of Conduct covers topics that range from integrity, transparency, respect, health and safety, information use, intellectual property, use of resources, social and environmental responsibility to managing conflicts of interest, corruption and bribery, including also human rights and application of these principle to the hiring of third parties.

Our ethical concerns extend to our suppliers and partners. The principles and rules described in the Novabase Code of Conduct are to be strictly complied with by each Partner or Supplier who works with Novabase and who is incorporated into its daily processes. Novabase includes a commitment of compliance with the Novabase Code of Conduct in its contracts with suppliers.

Novabase is committed to offering a safe and healthy work environment in accordance with local and international health and safety standards. The company's activity is managed in accordance with the Integrated Management System and Novabase companies are audited by its financial auditors and its certifications of Quality (ISO 9001), Environmental Management (ISO 14001) and Occupational Health and Safety (ISO 45001) are renewed annually after internal and external audits, the latter conducted by the certifier entities.

The Novabase Group Human Rights Policy reinforces its commitment to internationally recognized human rights principles. It is applicable to all employees, partners, suppliers and all other Novabase Group stakeholders, and it is in line with the company's values and legal standards in all the locations where the company operates.

Novabase ensures that all its labour practices, including remuneration, working hours, and benefits, comply with local and international legislation wherever the company operates.

- **Gender equality and equal pay for equal work**

Novabase continued to make diversity, equality and inclusion an integral part of its global strategy. We believe in equal opportunity and in mutual respect, regardless of ethnicity,

gender, religion, ideology, social origin or sexual orientation. These differences that make us who we are, along with a multiplicity of points of view, tend to improve the quality of decision-making processes, contributing to greater intellectual and cultural enrichment, not to mention a better representation of reality and of those involved in it.

The company incorporates management of diversity, equality and inclusion as an integral part of its global strategy, maintaining these values across all talent management processes at our organization. This commitment applies to all companies that are part of the Group and to all the operating locations.

The Group also believes in the need to increase awareness with regard to policies for integrating women and eliminating obstacles that stand in the way of equal opportunity and non-discrimination on the basis of sex, gender and identity. Professional growth should be valued in terms of the competences, capacities and knowledge of our people, regardless of their sex, gender and identity.

We believe that the diversity of our governing bodies contributes to better performance and greater competitiveness at Novabase. We are thus committed to promoting the following policy:

- Comply with Portuguese Law no. 62/2017 of 1 August because gender diversity leads to different management styles and complementary approaches;
- As regards age, we favour a balance that includes experience and maturity on the one hand, and youth and energy on the other, as a means of ensuring dynamism and keeping up with the fast-paced innovation our sector (information technology);
- In terms of academic qualifications and skills, in addition to those involving technology, several areas of knowledge should be present, given the growing importance of multi-disciplinarity in team performance.

The IT sector continues to be dominated by men. At Novabase Group this indicator has remained stable over the past years. In 2024 the breakdown of men and women remained at 68% and 32%, respectively. These numbers have trended favourably over the years, thus confirming the efficacy of our policies and actions.

As regards remuneration practices, Novabase actively promotes a culture of equity, whether it is in terms of hiring, using comparative market studies, or whether it is in terms of internal policies, using performance and recognition assessment tools, analysing individual and collective contributions as differentiating factors.

Novabase has submitted a new version of its Gender Equality and Diversity Plan, whereby it has identified the measures and practices implemented in 2024 and defined the measures and practices to be developed in 2024/2025.

- **Training and developing of competences**

Novabase sees the training of its employees as a fundamental aspect of development and competitiveness in the current labour market. The Learning Path applies to all employees and consists of a training program that includes various courses that they can complete freely or sequentially, depending on their needs.

In 2024, the training offered with regard to diversity increased, becoming essential to

maintaining an environment that is inclusive and respectful of differences, with courses such as Preventing Unconscious Bias, Understanding (dis)ability and taking steps forward, ESG Wake up Call, or Cultural Awareness at Middle East.

The favourable trend in this indicator aligns with the commitment that Novabase Group made in 2023 with regard to ODS 10 ('Reducing Inequality'), strengthening Novabase's commitment to developing practices and policies that promote diversity, equality and inclusion in the workplace, as further described below.

S1-2 — PROCESSES FOR ENGAGING WITH OWN WORKERS AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

- **Working Conditions**

Novabase has implemented a series of measures that seek to establish well-being and a balance between the professional, family and personal life of its employees.

Some actions that took place in 2024: General Practice Medical Consultations and Psychology Consultations free of charge, with the aim of helping everyone who needs these services, with a guarantee of individual privacy. Other events included a healthy breakfast in partnership with 'Celeiro', chair massage sessions and a webinar on mental health.

Novabase ensures and has its own principles and policies that relate specifically to (i) respect for human rights, (ii) collective bargaining and (iii) guaranteeing the absence of child or forced/obligatory labour. More specifically, the Group has implemented training programs for all employees regarding topics such as equality, diversity, and prevention of harassment. Novabase also has anonymous reporting channels available, as explained in point 'S1-3 — Processes to remediate negative impacts and channels for own works to raise concerns'.

In terms of the value chain, Novabase has implemented a process that defines the rules that are to be followed by suppliers when a supply of services contract is signed and executed between them and Novabase, as explained in point 'ESRS G1-2 – Management of relationships with suppliers'.

The Celfocus Employee Net Promoter Score (e-NPS) offers fundamental insights into the commitment and well-being of employees, and into aspects that are crucial to the sustainability of Novabase business. The score fell to 20 in 2024, after being at 23 in 2023. Although this was a slight drop, it continues to reflect the strong work culture that we have built together. Our commitment remains firm with respect to fostering an all-encompassing and supportive environment, working constantly to improve employee experience and encouraging future improvement.

- **Gender equality and equal pay for equal work**

In view of strengthening Novabase's commitment to developing practices, policies and actions that promote diversity, equality and inclusion in the workplace, in May 2023 we signed the Portuguese Charter for Diversity, an initiative set forth by the Portuguese Association for Diversity and Inclusion in partnership with the High Commission for Migration. In 2024, Novabase Group, through its trademark Celfocus, became a member of the Inclusive Community Forum (ICF).

The Gender Equality, Inclusion and Diversity Plan includes a series of measures based on internal and diagnostic measures that seek to promote equal treatment and opportunity between men and women, eliminating all discrimination related to sex, gender or identity.

With these implemented practices, Novabase remains aligned with all legal and regulatory requirements that apply to its business activity, some of which we have highlighted below:

- Cabinet Resolution no. 20/2112 of 8 March 2012 made it mandatory for all entities of the State corporate sector to adopt an equality plan in view of achieving equal treatment and opportunity between men and women, eliminating discrimination and facilitating reconciliation between personal, family and professional life. This obligation was later extended to publicly traded companies, stipulating in Article 7 that it is mandatory to annually produce equality plans that 'contribute to achieving effective equality of treatment and opportunities between men and women, promoting and eliminating discrimination on the basis of sex and fostering reconciliation between personal, family and professional life';
- Portuguese Law no. 62/2017 also stipulates in Article 5, no. 1 that with regard to publicly traded companies, quotas representing both genders are to be 20% as of the first elective general meeting that takes place after 1 January 2018, and 33.3% as of the first elective general meeting that takes place after 1 January 2020, with respect to all the directors (executive and non-executive) that are part of the administrative bodies;
- The Labour Code, Sub-section III and Sub-section IV – Articles 23 to 65, which addresses the topic of gender equality, namely through general positions regarding equality and non-discrimination, prohibition of harassment, equality and non-discrimination on the basis of sex and parenthood;
- Through Portuguese Law no. 60/2018 of 21 August, the Assembly of the Portuguese Republic approved measures to promote wage equality between women and men for work that is equal or of equal value, using four types of information, assessment and correction mechanisms, having come into force on 21 February 2019.

Novabase follows up on the implementation of all policies and actions, in accordance with its governing model, revising it whenever it deems appropriate..

- **Training and development of competences**

Novabase continues to implement the Second Life Program for equipment reaching the end of its professional life, directed at Novabase Group employees, the latter being able to use the equipment within a family context and thus help reduce digital inequality. In 2024, 120 computers and 15 monitors were sold.

We witnessed a positive trend with regard to volunteer hours in 2024. Through the program 'Acting with a purpose' Novabase has shown its commitment to noble causes and to promoting positive social change, reinforcing its dedication to sustainability and social well-being.

We also highlight participation in the following charitable initiatives:

- We strengthened our commitment to environmental responsibility, contributing to the recycling of electrical equipment and toners. Having collected 744 kg via

HappyGreen, we continued to support initiatives that promote sustainability and re-using of resources. This effort reflects our dedication to a more sustainable future, thereby helping to preserve the environment.

- As part of the Papel por Alimentos (Paper for Food) campaign, 2354 kg of paper was donated to the Food Bank. This initiative constitutes not only a significant environmental contribution by promoting recycling and reducing waste, but also has a positive social impact, given that the paper that is collected will be converted into food to help families in need. This gesture is part of our commitment to sustainability and solidarity.
- Nespresso issued a certificate proving the delivery of 477 kg of Nespresso capsules for recycling during the year.

We highlight the following for 2025:

- Participation in the Technovation Girls Program with mentorship of young female students as part of the development of social sustainability projects;
- Development of training programs regarding ESG, construction of inclusive environments and prevention of unconscious biases or understanding of deficiency;
- Promotion and monitoring of use of inclusive language in all means of internal and external communication;
- Using language that is inclusive and non-discriminatory with regard to gender or any other factors when writing job offers;
- Establishment of a partnership with Eurofirms, an employment agency for disabled persons, and sponsorship of training at Code for All for a person with disability;
- Access to the PWN Lisbon – Professional Women’s Network, namely ‘breakfasts with role models’ and training programs/workshops involving individual development of women with high potential at an initial and intermediary level of their careers;
- Launch, analysis and disclosure of Celfocus People Survey to everyone, along with a survey specifically targeting the perception of diversity and inclusion in the work environment;
- Participation in programs and initiatives with external entities, such as PWIT – Portuguese Women in Tech;
- Initiatives for sharing knowledge and/or discussion forums regarding inclusive work practices and with a focus on mental health.

Through these measures, Novabase seeks to mitigate the main risks associated with its sector of activity, which includes a high degree of talent rotation, which can hinder the capacity for innovation and growth, as well as retaining highly specialized professionals in a competitive market. Diversity and inclusion are fundamental challenges, given that the absence of effective policies can result in less collaborative and innovative work environments.

S1-3 — PROCESSES FOR REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKERS TO RAISE CONCERNS

Pursuant to Portuguese Law no. 93/2021 of 20 December and the Recommendations of the Portuguese Institute for Corporate Governance regarding the governance of publicly traded companies and taking into account the fostering of a responsible and compliant culture, Novabase has adopted a system for reporting irregular practices (known as SPI) that may occur within the Group.

Since 2019, Novabase Group has implemented a specific procedure regarding conduct in the event of workplace harassment, which is considered unacceptable by Novabase.

S1-4 — TAKING ACTION ON MATERIAL IMPACTS ON OWN WORKFORCE, AND APPROACHES TO MITIGATING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE, AND EFFECTIVENESS OF THOSE ACTIONS

The company's own labour force is an essential of Novabase operations. As such, various indicators are monitored in order to limit any negative impacts, manage risks and take advantage of opportunities.

With regard to the social pillar, 2024 saw an overall upward trend for the target indicators established by Novabase in 2023, for the short, medium and long term:

SOCIAL	2023	2024	2027T	2030T	2035T
Celfocus e-NPS	23	20	>25	>30	>35
Worker training in Diversity	13%	37%	60%	70%	>70%
Hours of volunteer work	47	467	700	1200	>1200

For 2025, the company will continue to strengthen this progress, consolidating the achieved results and spurring on new initiatives aligned with its strategic objectives.

S1-5 — TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

In 2024 no specific targets have yet been set. The Group continues to assess its initiatives and respective results, taking into account the policies implemented at Novabase.

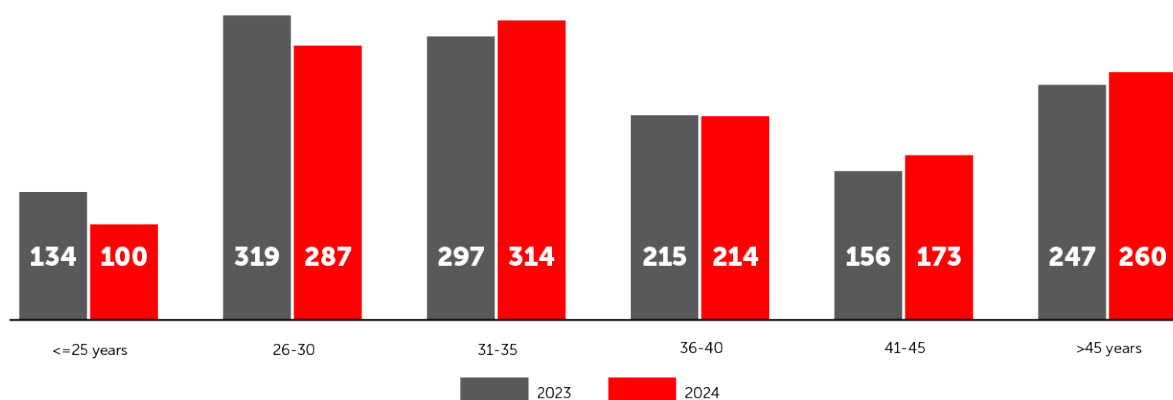
S1-6 — CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

- **Number of employees according to gender**

The IT sector continues to be dominated by men. At Novabase Group this indicator has remained stable over the past years. In 2024 the breakdown of men and women has remained at 68% and 32%, respectively. These numbers have trended positively in recent years, confirming the efficacy of the policies and actions that have been implemented.

	2023	2024
Female	435	431
Male	933	917
Total	1368	1348

- **Breakdown according to age**



- **Rotation of the talent force**

The rotation ttm¹ of Novabase Group fell to 10.6% (11.5% in 2023), in line with a downward trend that has been taking place since 2022, due to the proactive management of our talent and changes in the backdrop of the market.

¹ Determined using the formula: number of workers leaving at their own initiative ÷ average number of workers, over the past 12 months.

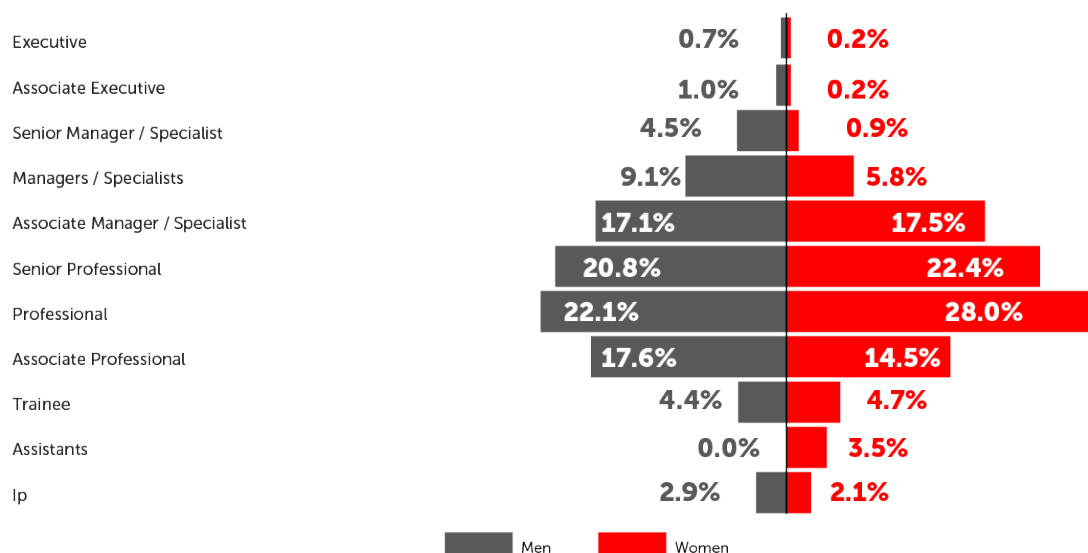
S1-9 — DIVERSITY METRICS

• Percentage by gender

In 2024 the breakdown of men and women remained at 68% and 32%, respectively. These numbers have trended positively over the past years, confirming the efficacy of the policies and actions implemented.

	2023	2024	2023	2024
Female	435	431	32%	32%
Male	933	917	68%	68%
Total	1368	1348	100%	100%

• Breakdown of Women/Men per career ² level



S1-13 — TRAINING AND SKILLS DEVELOPMENT METRICS

Novabase deeply values the continuing vocational training of its employees, recognizing it as a cornerstone for individual growth, innovation and the company's competitiveness in the current demanding labour market. Investing in the development of technical and behavioural competences not only helps to keep up with technological change and sector trends, but also helps to put internal talent to good use, promoting a constant culture of learning and excellence.

In 2024 the average number of training hours per employee was 31 and it involved a greater percentage of employees.

	2023	2024
Average number of training hours per employee (h)	31.5	31
% employees	81%	90%

² Excludes members of the Board of Directors.

S1-14 — HEALTH AND SAFETY METRICS

- Work accidents

The work environment at Novabase Group is not characterized by frequent work injuries, given that the nature of its activities does not require significant physical exertion by its employees or service suppliers.

In 2024 the number of work accidents with and without sick leave included the categories of Client Facilities/Travel and Office/Home-Work, 5 accidents having been registered.

	2023	2024
Number of work accidents	6	5

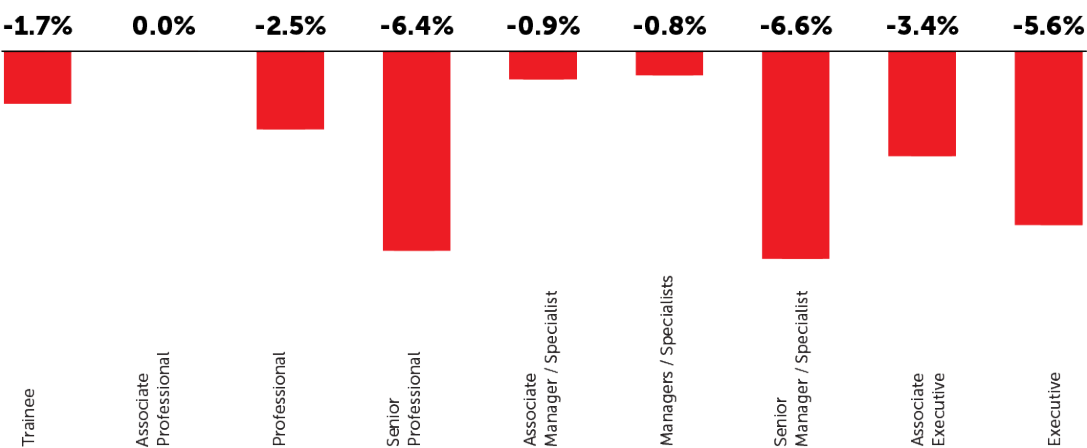
- Absenteeism rate

In 2024 the absenteeism³ rate for medical consultations was 1.32%, falling below the set target of 2.81%. This result denotes good management and follow-up of occupational medicine.

	2023	2024
Absenteeism rate	2.80%	1.30%

S1-16 — COMPENSATION METRICS (WAGE GAP AND TOTAL REMUNERATION)

As regards remuneration practices, Novabase actively promotes a culture of equity, whether it is in terms of hiring, using comparative market studies, or whether it is in terms of internal policies, using performance and recognition assessment tools, analysing individual and collective contributions as differentiating factors. In 2024, there are still salary gaps at some career levels.



Additional information regarding remuneration may be consulted in the Novabase Board of Directors Report regarding remuneration.

³Total number of employees with a completed medical consultation/Total number of employees.

S1-17 – INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

All incidents and complaints are processed via the proper channels that are in place for such purposes within the Group. In 2024 no serious incidents or complaints regarding disrespect for human rights were registered.

ESRS – S4 - CONSUMERS AND END-USERS

S4-1 – POLICIES RELATED TO CONSUMERS AND END-USERS

Novabase Group adopts a structured approach in order to ensure protection of consumers and end-users, guaranteeing security, accessibility and the quality of the digital services rendered by Novabase. The Group has implemented wide-reaching policies regarding data ethics, privacy, cybersecurity, and business continuity, as proven by the certifications ISO/IEC 27001 (Information Security), ISO/IEC 27701 (Private Information) and ISO 22301 (Business Continuity).

In addition to the implemented policies, continuing vocational training and adoption of rigorous guidelines for developing and managing systems serve to reinforce Novabase's commitment to earning the trust and satisfaction of its consumers and end-users.

S4-2 – PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

The company regularly monitors the satisfaction of its clients and that of its staff in relation to internal services and other topics of interest to management. These satisfaction surveys serve to collect feedback regarding the user experience, perceived risks and the potential impacts of the services rendered by the company.

S4-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

Collection of feedback through client surveys is considered a first step toward correcting the negative impacts associated with the services rendered. After analysing the severity, Novabase implements the corrective measures appropriate to each situation.

S4-4 – TAKING ACTION ON MATERIAL IMPACTS ON CONSUMERS AND END-USERS, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS, AND EFFECTIVENESS OF THOSE ACTIONS

Novabase has implemented a pro-active approach for mitigating risks and maximizing opportunities associated with the services it provides. In order to reduce negative impacts, the Group has adopted rigorous privacy and security policies, ensuring data protection and compliance with regulations via internal and external audits, the latter conducted by certifier entities.

S4-5 –TARGETS RELATED TO MANAGING NEGATIVE MATERIAL IMPACTS, ADVANCING POSITIVE IMPACTS AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

No specific targets have been set for 2024 as of yet. The Group continues to assess its initiatives and respective results, taking into account the policies implemented at Novabase.

GOVERNANCE

ESRS G1 - BUSINESS CONDUCT

GOVERNANCE	2023	2024	2027T	2030T	2035T
Significant violations of cybersecurity	0	0	0	0	0
Assessment of Suppliers in relation to ESG	0%	59%	>90%	>90%	>90%
Employee training in topics related to Ethics	60%	85%	>80%	>90%	>90%

The trend in indicators related to Governance was also positive in 2024. In cybersecurity, as a player oriented toward IT values, Novabase actively works to protect data and promote cybersecurity values, and it is fully committed to mitigating cyber risks, monitoring process and technology controls, and investing in the awareness of its employees in relation to cybercrime. There were no significant violations of cybersecurity in 2024.

As regards the assessment of suppliers, Novabase Group undertook a sustainability assessment of its top tier⁴ suppliers in 2024 based on the total number of existing suppliers and all its new suppliers. The assessment was made via an ESG questionnaire aligned with the new European reporting standards that have come into force; a response rate of 59% was obtained, denoting a favourable trend in relation to the target set for the coming years.

Business ethics are viewed as highly relevant to Novabase Group. The training of its employees regarding business ethics topics, such as prevention of corruption and code of ethics, is crucial to our integrity and sustainable success. In 2024 we were able to evolve favourably in relation to this indicator, having exceeded the target set for 2027 (80%).

ESRS G1-1 – CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

Novabase Group, as a company working within the information technologies sector, is guided by solid ethical principles based on integrity, transparency and corporate responsibility.

⁴ Top tier suppliers are those suppliers of goods or services who would affect Novabase activities if they unexpectedly ceased to supply or work. These suppliers offer their services in areas related to technology, law, security and talent.

All Group policies incorporate and demand a high standard of environmental, social and ethical conduct founded on policies, codes and practices that are recognized by the market and aligned with legislation applicable where the company is present.

The Board of Directors annually reviews the policies that are in effect and they are adjusted if need be.

Cabinet Resolution no. 37/2021 of 6 April approved the National Anti-Corruption Strategy 2020-2024, which calls on all the sectors, including the private business sector, to take part in the collective effort to prevent corruption, focused essentially on preventing corruptive phenomena.

According to this strategy, businesses must accept the central nature of their role in promoting and defending ethics in the relationships between the public and private sectors and in the commercial relationships within the private sector, where corruption also takes place.

Adoption and implementation of compliance programs by businesses has been considered a path toward greater engagement by the private sector in combatting corruption and preventing practices that run counter to company standards, that go against the company or use the company by not adopting such programs.

In accordance with the General Corruption Prevention Regime, Novabase has adopted and implemented a Standards Compliance Program in order to prevent, detect and penalize acts of corruption and related offences that are committed against or via the entity. This regime includes:

- i. Plan for the Prevention of Risks of Corruption and Related Offences;
- ii. Code of Conduct;
- iii. Training Program; and
- iv. Reporting Channel.

i. Plan for the Prevention of Risks of Corruption and Related Offences

Novabase, aware of the risks, even if they are only potential, has used the Plan for the Prevention of Risks of Corruption and Related Offences to identify them within the specific eco-system where Novabase operates and address them by implementing a business culture that is based on core values of legality, loyalty, trust and ethics. Novabase approved the plan in 2021 and published it on the website.

ii. Code of Conduct

The Code of Conduct describes the behaviours, principles and values that everyone should adopt when performing their professional duties, namely: acting with integrity, adopting ethical and correct behaviour, repudiating all acts of corruption or related offences, taking informed decisions and complying with legal and regulatory obligations.

The Code of Conduct is directed at everyone who works with or for Novabase, namely employees, subcontracted persons, suppliers and partners.

Novabase has implemented a process throughout the Group with the aim of ensuring that all the standards established in the Code of Conduct are complied with at all times, and it has proven to be effective up to this point.

iii. Training Program

Novabase created a training program with the following objectives:

- Supply information to all stakeholders and demystify the legal concept of the crime of corruption and other related offences;
- Define the role of Novabase and its employees in preventing corruption;
- Identify concrete situations of corruption;
- Identify good practices for conducting its business and activity, as a means of preventing and fighting corruption; and
- Provide the necessary information and guidance so that its employees know how to act when faced with concrete situations of corruption.

iv. Reporting Channel

With the aim of fostering a responsible and compliant culture, Novabase has adopted, in accordance with applicable legislation and regulations, a system for reporting irregular practices (known as SPI) that occur within the Group. According to the implemented system, reporting persons have access to a direct and confidential channel for reporting to the Audit Committee any practice indicative of irregularities that may occur within Novabase Group.

The SPI was instituted to ensure reception and processing of reports of irregularities that may occur within the companies of the Group, pursuant to Article 21 of the Securities Regulation Code, while respecting principles of confidentiality and non-retaliation with respect to reporting persons⁵, as well as third parties who assist or are associated with the reporting persons.

Reports of irregular practices via the SPI shall be directed to the Chairperson of the Audit Committee, and the Audit Committee shall appoint the entity or person who will follow up on the received reports (SPI Officer).

The Chairperson of the Audit Committee or the members of the Audit Committee, in the capacity of the entity responsible for receiving the report, or the SPI Officer shall act independently, impartially and confidentially, and they shall ensure protection of data, confidentiality, and lack of conflict of interest.

ESRS G1-2 - MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

At Novabase Group, each employee is expected to make a personal commitment to his or her integrity. In terms of its entire value chain, Novabase relies upon and demands a high standard of conduct environmentally, socially and ethically, based on policies, codes and practices that are recognized by the market.

In 2024, Novabase continued to monitor its suppliers, continuing to assess them annually, and whenever necessary and justified, strengthening policies that are currently in effect. In addition, in 2024, Novabase began a Sustainability assessment of its top tier⁶ suppliers based on the total number of existing suppliers and all its new suppliers.

⁵ In accordance with the definition included in Article 5 of Portuguese Law no. 93/2021 of 20 December.

⁶ Top tier suppliers are those suppliers of goods or services who would affect Novabase activities if they unexpectedly ceased to supply or work. These suppliers offer their services in areas related to technology, law, security and talent.

The assessment was conducted via a Sustainability Questionnaire aligned with European reporting standards. The results of the assessment are to be subsequently analysed and all suppliers that are classified as 'High Risk' shall be subject to an action plan that seeks to improve their rating and a maximum re-assessment period of 12 months.

With this annual assessment involving ESG topics, Novabase seeks to align its ESG objectives with its entire value chain, including suppliers.

In addition, all Novabase areas that hire suppliers shall ensure that the supplier has filled out all the necessary documentation, stating their commitment to the Service Provider Regulations, Code of Ethics, Corruption Prevention Policy for Partners and Suppliers, applicable national and European legislation and regulations pertaining to environmental (compliance of products and services, emissions control and waste management) and social matters, namely minimum wage, working hours, and refraining from hiring workers younger than the minimum legal working age.

ESRS G1-3 — PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

Business ethics are very important to Novabase Group. The training of its employees in matters of business ethics, such as the prevention of corruption and the code of ethics, is crucial to integrity and sustainable success.

With this type of training, our goal is to maintain a corporate culture that prioritizes ethical values, positively influencing decisions and the daily behaviour of Novabase employees. By emphasizing the importance of honesty, transparency and responsibility, employees become more aware of the impacts of their actions, not only within the company, but also in the market and within the community as a whole.

When they have a clearer understanding of what constitutes inappropriate behaviour and of internal policies for reporting and managing such incidents, Novabase stakeholders will be better prepared to avoid potential ethical violations.

ESRS G1-4 — CONFIRMED INCIDENTS OF CORRUPTION OR BRIBERY

No corruption or bribery incidents were registered in 2024.

IRO-2 DISCLOSURE REQUIREMENTS STIPULATED IN THE ESRS

Disclosure requirement			Reference of the Sustainability Information Disclosure Regulations from Financial Services	Reference of pillar 3	Reference of the Benchmark Regulation	Reference of the European Climate Law	Sustainability Statement
ESRS 2 GOV-1	21 d)	Gender diversity in boards of directors	X		X		36
ESRS 2 GOV-1	21 e)	Percentage of members of the board of directors who are independent			X		36
ESRS 2 GOV-4	30	Due diligence statement	X				38
ESRS 2 SBM-1	40 d) i)	Participation in activities related to fossil fuels	X	X	X		Not applicable
ESRS 2 SBM-1	40 d) ii)	Participation in activities related to production of chemical products	X		X		Not applicable
ESRS 2 SBM-1	40 d) iii)	Participation in activities related to controversial issues controversial weapons	X		X		Not applicable
ESRS 2 SBM-1	40 d) iv)	Participation in activities related to growing and producing tobacco			X		Not applicable
ESRS E1-1	14	Transition plan for achieving climate neutrality by 2050				X	Not applicable
ESRS E1-1	16 g)	Companies excluded from the benchmarks aligned with the Paris Agreement		X	X		Not applicable
ESRS E1-4	34	Targets for reducing GHG emissions	X	X	X		46
ESRS E1-5	38	Consumption of fossil fuel energy broken down by source (only sectors with a major climate impact)	X				Not applicable
ESRS E1-5	37	Energy consumption and energy template	X				47
ESRS E1-5	40-43	Energy intensity associated with activities in sectors with high climatic impact	X				Not applicable
ESRS E1-6	44	Gross emissions within scope 1, 2, 3 and total GHG emissions	X	X	X		48
ESRS E1-6	53-55	Intensity of gross GHG emissions	X	X	X		48
ESRS E1-7	56	Removal of GHG and carbon credits				X	Not applicable
ESRS E1-9	66	Exposure of the benchmark portfolio to physical risks related to climate			X		Not applicable
ESRS E1-9	66 a)	Breakdown of monetary amounts according to acute and chronic physical risk		X			Not applicable
ESRS E1-9	66 c)	Location of significant assets exposed to material physical risk		X			Not applicable
ESRS E1-9	67 c)	Breakdown of the book value of its real estate assets in terms of energy efficiency		X			Not applicable

Disclosure requirement			Reference of the Sustainability Information Disclosure Regulations from Financial Services	Reference of pillar 3	Reference of the Benchmark Regulation	Reference of the European Climate Law	Sustainability Statement
ESRS E1-9	69	Degree of exposure of the portfolio to opportunities related to climate			X		Not applicable
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the EPRTTR Regulations (European Pollutant Release and Transfer Register) released into the air, water and ground	X				Not applicable
ESRS E3-1	9	Water and marine resources	X				Not applicable
ESRS E3-1	13	Specific policy	X				Not applicable
ESRS E3-1	14	Sustainable oceans and seas	X				Not applicable
ESRS E3-4	28 c)	Total water recycled and reused	X				Not applicable
ESRS E3-4	29	Total water consumption in m³ per net revenue of operations	X				51
ESRS 2- SBM 3 - E4	16 a) i)	Activities that negatively affect areas that are sensitive to biodiversity	X				Not applicable
ESRS 2- SBM 3 - E4	16 b)	Activities that lead to soil degradation, soil desertification and soil sealing	X				Not applicable
ESRS 2- SBM 3 - E4	16 c)	Activities that negatively affect natural species and protected areas	X				Not applicable
ESRS E4-2	24 b)	Sustainable land/agricultural practices or policies	X				Not applicable
ESRS E4-2	24 c)	Sustainable ocean/marine practices or policies	X				Not applicable
ESRS E4-2	24 d)	Policies to combat deforestation	X				Not applicable
ESRS E5-5	37 d)	Un-recycled waste	X				Not applicable
ESRS E5-5	39	Hazardous waste and radio-active waste	X				Not applicable
ESRS 2 - SBM3 - S1	14 f)	Risk of incidents arising from forced labour	X				60
ESRS 2 - SBM3 - S1	14 g)	Risk of use of child labour	X				60
ESRS S1-1	20	Commitments related to human rights policies	X		X		60
ESRS S1-1	21	Policies related to due diligence regarding issues addressed by fundamental conventions 1 to 8 of the International Labour Organization					60
ESRS S1-1	22	Processes and measures for preventing human trafficking	X				Not applicable
ESRS S1-1	23	Policy for preventing work accidents or system for managing work accidents.	X				60

Disclosure requirement			Reference of the Sustainability Information Disclosure Regulations from Financial Services	Reference of pillar 3	Reference of the Benchmark Regulation	Reference of the European Climate Law	Sustainability Statement
ESRS S1-3	32 c)	Mechanisms for processing grievances/complaints	X				Non-material
ESRS S1-14	88 b), c)	Number of mortal victims and number and rate of work accidents	X		X		68
ESRS S1-14	88 e)	Number of days lost due to injury, accidents, death or illness	X				68
ESRS S1-16	97 a)	Unadjusted salary gaps between men and women	X		X		68
ESRS S1-16	97 b)	Excessive wage ratio for executive administrators (CEO)	X				68
ESRS S1-17	103 a)	Discrimination incidents	X				69
ESRS S1-17	104 a)	Failure to observe United Nations Guiding Principles regarding Companies and Human Rights and OECD Guidelines	X		X		69
ESRS 2 - SBM3 - S2	11 b)	Significant risk of child labour or forced labour in the value chain	X				Non-material
ESRS S2-1	17	Commitments pertaining to human rights policies	X				60
ESRS S2-1	18	Policies related to workers of the value chain	X				60
ESRS S2-1	19	Failure to observe United Nations Guiding Principles regarding Companies and Human Rights and OECD Guidelines	X		X		60
ESRS S2-1	19	Policies related to due diligence regarding issues addressed by fundamental conventions 1 to 8 of the International Labour Organization			X		Non-material
ESRS S2-4	36	Human rights issues and incidents related to its value chain upstream and downstream	X				Non-material
ESRS S3-1	16	Human rights commitments	X		X		60
ESRS S3-1	17	Failure to observe UNGP regarding companies and human rights, ILO principles or OECD guidelines	X				Non-material
ESRS S3-4	36	Issues and incidents related to human rights	X				Non-material
ESRS S4-1	16	Policies related to consumers and end-users	X				69
ESRS S4-1	17	Failure to observe UNGP regarding companies and human rights, ILO principles or OECD guidelines	X		X		69
ESRS S4-4	35	Issues and incidents related to human rights	X				69
ESRS G1-1	10 b)	United Nations Convention against Corruption	X				Non-material
ESRS G1-1	10 d)	Protection of reporting persons	X				70
ESRS G1-4	24 a)	Penalties for violation of laws against corruption and bribery	X		X		73
ESRS G1-4	24 b)	Standards against corruption and bribery	X				73

IRO-2- DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT

		Sustainability Statement
ESRS 2	General Disclosures	35
BP-1	General basis for drafting sustainability statements	35
BP-2	Disclosure in relation to specific circumstances	36
GOV-1	The role of administrative, managerial and supervisory bodies	36
GOV-2	Supplied information and sustainability issues addressed by the company's administrative, managerial and supervisory bodies	37
GOV-3	Integrating sustainability performance into incentives plans	38
GOV-4	Due diligence statement	38
GOV-5	Risk management and internal controls of the sustainability report Strategy	38
SBM-1	Strategy, business model and value chain	39
SBM-2	Interests and points of view of the interested parties	41
SBM-3	Impacts, risks and material opportunities and their interaction with the strategy and business model	42
IRO-1	Description of the processes of identifying and assessing impacts, risks and material opportunities	39
IRO-2	Disclosure requirements stipulated in the ESRS covered by the company Sustainability Statement	74
MDR-P	Policies adopted for managing material sustainability issues	44
ESRS E1	Climate Change	46
E1-5	Energy consumption and energy template	47
E1-6	Gross GHG emissions scope 1, 2, 3 and total gross GHG emissions	48
ESRS E2	Pollution	Non-material
ESRS E3	Water and marine resources	Non-material
ESRS E4	Biodiversity and Eco-systems	Non-material
ESRS E5	Circular Economy	Non-material
ESRS S1	Own labour force	60
S1-1	Policies related to own labour force	60
S1-2	Processes for dialoguing with its own labour force and with worker representatives regarding impacts	62
S1-3	Processes for correcting negative impacts and channels for its own labour force to express concerns	65
S1-4	Measures taken regarding material impacts on its own labour force and approaches for managing material risks and seeking material opportunities related to its own labour force, and the efficacy of those measures	65
S1-5	Targets related to the management of negative material impacts, promotion of positive impacts and management of material risks and opportunities	66
S1-6	Characteristics of the company's salaried workers	66

		Sustainability Statement
S1-9	Diversity metrics	67
S1-13	Training and competence development metrics	67
S1-14	Health and safety metrics	68
S1-16	Remuneration metrics (wage gap and total remuneration)	68
S1-17	Incidents, complaints and serious impacts and incidents involving disrespect for human rights	69
ESRS S2	Value chain employees	Non-material
ESRS S3	Affected communities	Non-material
ESRS S4	Consumers and end-users	69
SBM-3	Impacts, risks and material opportunities and their interaction with the strategy and business model	42
S4-1	Policies related to consumers and end-users	69
S4-2	Processes for dialoguing with consumers and end-users regarding impacts	69
S4-3	Processes for correcting negative impacts and channels so consumers and end-users can express their concerns	69
S4-4	Adoption of measures regarding significant impacts on consumers and end-users, and approaches for managing material risks and seeking out material opportunities related to consumers and end-users, and the efficacy of those actions	69
S4-5	Targets related to managing negative material impacts, promoting positive impacts and managing material risks and opportunities	69
ESRS G1	Business conduct	70
G1-1	Business conduct and business culture policies	70
G1-2	Management of relationships with suppliers	72
G1-3	Prevention and detection of corruption and bribery	73
G1-4	Confirmed corruption or bribery incidents	73

FINANCIAL STATEMENTS

TURNOVER

↑ €134.2m

2023: €132.6m
(Δ +1%)

EBITDA

↑ €13.1m

2023: €10.9m
(Δ +20%)

NET PROFIT

↓ €6.4m

2023: €47.1m
(Δ -86%)

**CONSOLIDATED
STATEMENT
OF FINANCIAL
POSITION**

AMOUNTS EXPRESSED IN THOUSANDS OF EUROS	31.12.24	31.12.23
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	11,137	12,781
Intangible assets	10,602	9,264
Financial assets at fair value through profit or loss	14,000	13,879
Deferred tax assets	6,806	6,945
Other non-current assets	529	1,466
TOTAL NON-CURRENT ASSETS	43,074	44,335
CURRENT ASSETS		
Trade and other receivables	45,680	41,827
Accrued income	3,331	3,514
Income tax receivable	3,109	1,670
Derivative financial instruments	75	246
Other current assets	2,987	3,388
Cash and cash equivalents	62,747	80,314
TOTAL CURRENT ASSETS	117,929	130,959
Assets from discontinued operations	1,393	1,373
TOTAL ASSETS	162,396	176,667
EQUITY AND LIABILITIES		
EQUITY		
Share capital	1,073	796
Treasury shares	(20)	(20)
Share premium	37,930	226
Reserves and retained earnings	28,538	27,449
Profit for the year	6,420	47,058
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	73,941	75,509
Non-controlling interests	10,945	11,587
TOTAL EQUITY	84,886	87,096
LIABILITIES		
NON-CURRENT LIABILITIES		
Borrowings	14,224	18,383
Provisions	5,552	3,269
Other non-current liabilities	3,575	2,749
TOTAL NON-CURRENT LIABILITIES	23,351	24,401
CURRENT LIABILITIES		
Borrowings	6,047	9,436
Trade and other payables	28,713	32,413
Income tax payable	6	455
Derivative financial instruments	688	112
Deferred income and other current liabilities	17,217	20,972
TOTAL CURRENT LIABILITIES	52,671	63,388
Liabilities from discontinued operations	1,488	1,782
TOTAL LIABILITIES	77,510	89,571
TOTAL EQUITY AND LIABILITIES	162,396	176,667

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

AMOUNTS EXPRESSED IN THOUSANDS OF EUROS

12 M *

31.12.24

31.12.23

CONTINUING OPERATIONS

Services rendered	134,188	132,556
External supplies and services	(48,412)	(46,760)
Employee benefit expense	(74,102)	(73,945)
Net impairment losses on trade and other receivables	692	(156)
Restructuring costs	(1,854)	-
Other gains/(losses) - net	763	(766)
Depreciation and amortization	(3,845)	(3,468)

OPERATING PROFIT	7,430	7,461
-------------------------	--------------	--------------

Finance income	4,420	1,700
Finance costs	(3,051)	(2,915)
EARNINGS BEFORE TAXES (EBT)	8,799	6,246
Income tax expense	(2,192)	(2,822)
Profit from continuing operations	6,607	3,424

DISCONTINUED OPERATIONS

Profit from discontinued operations	1,058	44,031
PROFIT FOR THE YEAR	7,665	47,455

PROFIT ATTRIBUTABLE TO:

Owners of the parent	6,420	47,058
Non-controlling interests	1,245	397
	7,665	47,455

EARNINGS PER SHARE FROM CONTINUING AND DISCONTINUED OPERATIONS ATTRIBUTABLE TO OWNERS OF THE PARENT (EUROS PER SHARE):

BASIC EARNINGS PER SHARE

From continuing operations	0.17 Euros	0.11 Euros
From discontinued operations	0.04 Euros	1.65 Euros
FROM PROFIT FOR THE YEAR	0.21 Euros	1.76 Euros

DILUTED EARNINGS PER SHARE

From continuing operations	0.17 Euros	0.11 Euros
From discontinued operations	0.03 Euros	1.60 Euros
FROM PROFIT FOR THE YEAR	0.20 Euros	1.71 Euros

12 M * - 12-month period ended

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

AMOUNTS EXPRESSED IN THOUSANDS OF EUROS

12 M *

31.12.24

31.12.23

PROFIT FOR THE YEAR

7,665

47,455

Other comprehensive income for the year

Items that may be reclassified to profit or loss

Exchange differences on foreign operations, net of tax

(25)

(928)

OTHER COMPREHENSIVE INCOME FOR THE YEAR

(25)

(928)

TOTAL COMPREHENSIVE INCOME FOR THE YEAR

7,640

46,527

TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:

Owners of the parent

6,405

46,593

Non-controlling interests

1,235

(66)

7,640

46,527

12 M * - 12-month period ended

AUDIT BOARD AND STATUTORY AUDITOR REPORTS, AND INDEPENDENT LIMITED ASSURANCE REPORT

RELATÓRIO E PARECER DO CONSELHO FISCAL
SOBRE AS DEMONSTRAÇÕES FINANCEIRAS CONSOLIDADAS DA
NOVABASE - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A.
DO EXERCÍCIO FINDO EM 31 DE DEZEMBRO DE 2024

Aos Exmos. Senhores Acionistas,

INTRODUÇÃO

Nos termos da Lei e para os efeitos do disposto na alínea g) do artigo 420.º do Código das Sociedades Comerciais e nos estatutos da Sociedade, cumpre-nos submeter à vossa apreciação o nosso Relatório sobre a atividade fiscalizadora desenvolvida e emitir o nosso Parecer sobre o Relatório de Gestão e as Demonstrações Financeiras Consolidadas da Novabase - Sociedade Gestora de Participações Sociais, S.A. relativamente ao exercício findo em 31 de dezembro de 2024.

ATIVIDADE DESENVOLVIDA

Fiscalização da Sociedade

No decurso do exercício em análise acompanhámos regularmente a evolução da atividade da sociedade e das suas participadas, tendo zelado pela observância da lei e do respetivo contrato de sociedade, bem como procedemos à fiscalização da administração da Sociedade, da eficácia dos sistemas de gestão de risco, de controlo interno e de preparação e divulgação da informação financeira, da regularidade dos registos contabilísticos, da exatidão dos documentos de prestação de contas consolidadas e das políticas contabilísticas e critérios valorimétricos adotados pela sociedade, por forma a verificar que os mesmos conduzem a uma adequada expressão do seu património, resultados e fluxos de caixa consolidados.

Durante o exercício o Conselho Fiscal reuniu seis vezes, tendo as respetivas reuniões sido formalmente registadas em ata. Nessas reuniões registou-se assiduidade de 100% para o Presidente e para o vogal João Duque e de 83% para a vogal Fátima Farinha.

Adicionalmente, o Conselho Fiscal participou na reunião do Conselho de Administração que aprovou o Relatório de Gestão e as Demonstrações Financeiras Consolidadas do exercício de 2024.

No âmbito das nossas funções mantivemos os contactos necessários com os representantes da Sociedade de Revisores Oficiais de Contas e Auditor Externo, no sentido de acompanhar o planeamento e os trabalhos de auditoria efetuados e tomar conhecimento das respetivas conclusões. As reuniões mantidas com os representantes da Sociedade de Revisores Oficiais de Contas e Auditor Externo permitiram-nos formular um parecer positivo quanto à integridade, rigor, competência, qualidade dos trabalhos e objetividade com que levaram a cabo os respetivos trabalhos, bem como da fiabilidade da informação financeira.

Foram ainda objeto de análise com os representantes da Sociedade de Revisores Oficiais de Contas e Auditor Externo as matérias relevantes de auditoria; remetemos para o seu relatório sobre as demonstrações financeiras consolidadas a descrição dos elementos essenciais objeto de análise.

Durante as reuniões do Conselho Fiscal, analisámos e discutimos com a Gestão e com o Revisor Oficial de Contas os principais riscos que afetam a Novabase - Sociedade Gestora de Participações Sociais, S.A. e as sociedades que integram o perímetro de consolidação, tendo como base apresentações preparadas pelos referidos órgãos sociais. Consideramos que obtivemos as explicações e esclarecimentos que considerámos relevantes.

Comunicação de irregularidades

Declaramos que durante o exercício de 2024 não rececionámos, através dos meios definidos para o efeito, qualquer comunicação sobre irregularidades.

Transações com partes relacionadas

Durante o exercício de 2024 não foram sujeitas à apreciação do Conselho Fiscal quaisquer transações com partes relacionadas nos termos do regulamento em vigor.

Independência do Auditor Externo

O Conselho Fiscal recebeu a declaração do Revisor Oficial de Contas a confirmar a sua independência relativamente à Sociedade e comunicando todos os relacionamentos que possam ser percecionados como uma ameaça à sua independência, assim como as salvaguardas implementadas.

DECLARAÇÃO DE RESPONSABILIDADE

De acordo com o disposto no artigo 29.º - G n.º 1, C) do Código dos Valores Mobiliários, declaramos que, tanto quanto é do nosso conhecimento e convicção, os documentos de prestação de contas atrás referidos, foram elaborados de acordo com as Normas Internacionais de Relato Financeiro, tal como adotadas pela União Europeia, dando uma imagem verdadeira e apropriada do ativo e do passivo, da situação financeira e dos resultados da Novabase - Sociedade Gestora de Participações Sociais, S.A. e das empresas incluídas no perímetro da consolidação, e que o relatório de gestão expõe fielmente a evolução dos negócios, do desempenho e da posição da Novabase - Sociedade Gestora de Participações Sociais, S.A. e das empresas incluídas no perímetro da consolidação, contendo uma adequada descrição dos principais riscos e incertezas com que se defrontam.

PARECER

Analisámos o Relatório de Gestão e as Demonstrações Financeiras Consolidadas relativas ao exercício de 2024, que compreendem a Demonstração Consolidada da Posição Financeira em 31 de dezembro de 2024, a Demonstração Consolidada dos Resultados, a Demonstração Consolidada do Rendimento Integral, a Demonstração Consolidada das Alterações aos Capitais Próprios e a Demonstração Consolidada dos Fluxos de Caixa e as respetivas notas anexas, elaborados de acordo com as Normas Internacionais de Relato Financeiro, tal como adotadas na União Europeia.

No âmbito das nossas competências analisámos a Certificação Legal das Contas e Relatório de Auditoria sobre a Informação Financeira Consolidada relativas ao exercício de 2024, elaboradas pelo Revisor Oficial de Contas, documento que não apresenta qualquer reserva e com o qual estamos de acordo.

Analisámos ainda o Relatório sobre o Governo da Sociedade relativo ao exercício de 2024, o qual se encontra em anexo ao Relatório de Gestão, preparado pelo Conselho de Administração em cumprimento do disposto no Regulamento da CMVM n.º 4/2013 (Governo das Sociedades Cotadas) competindo-nos apenas atestar que o mesmo incluía todos os elementos referidos no artigo n.º 29.º-H do Código de Valores Mobiliários.

Nestes termos, é nosso parecer que:

- nada obsta à aprovação do Relatório de Gestão relativo ao exercício de 2024;
- nada obsta à aprovação das Demonstrações Financeiras Consolidadas do exercício de 2024.

Lisboa, 30 de abril de 2025

O Conselho Fiscal

Álvaro José Barrigas do Nascimento - Presidente

Fátima do Rosário Piteira Patinha Farinha – Vogal

João Luís Correia Duque – Vogal

*(Translation from the original document in the Portuguese language.
In case of doubt, the Portuguese version prevails)*

Statutory and Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Novabase - Sociedade Gestora de Participações Sociais, S.A. (the Group), which comprise the Consolidated Statement of Financial Position as at 31 December 2024 (showing a total of 162,396 thousand euros and a total equity of 84,886 thousand euros, including a net profit for the year of 6,420 thousand euros), and the Consolidated Statement of Profit and Loss by Nature, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Novabase - Sociedade Gestora de Participações Sociais, S.A. as at 31 December 2024, and of its consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section below. We are independent of the entities comprising the Group in accordance with the law and we have fulfilled other ethical requirements in accordance with the Institute of Statutory Auditors' code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters in the current year audit are the following:

1. Revenue recognition - Turn Key

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
As at 31 December 2024, the accompanying consolidated financial statements of Novabase - Sociedade Gestora de Participações Sociais, S.A. show 134,188 thousand euros in services rendered (2023: 132,556 thousand euros) (Note 5). The recognition of revenue associated with consultancy projects under a closed contract	Our approach included the following procedures: ▶ Understanding and assessing the design of relevant processes and controls, including the design of general IT controls, related to the revenue recognition process; ▶ Carrying out substantive analytical procedures and detail tests for a sample of projects, obtaining contractual support documentation, where applicable, and evidence of

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
("Turn Key") regime represents approximately 30% of the Group's turnover. The recognition of this type of "over time" projects is based on qualitative factors that require judgement, such as planned income and costs, contingencies in terms of contractual risks. Taking into account the materiality of the amounts involved and the degree of judgement associated with the revenue recognition criteria, we consider this topic as a relevant audit matter.	compliance with the performance obligation, from the moment the transaction is recognised until its receipt; ▶ Carrying out analytical review procedures, namely by analysing the evolution of the project margin; ▶ Carrying out procedures to review the estimate and discuss the main assumptions considered by the management body regarding planned costs and income and contingencies; ▶ Obtaining support for the main manual adjustments, in order to verify the accuracy of the amounts accounted for and their correct specialisation of the financial year; and ▶ Obtaining external confirmations for a representative sample of accounts receivable. We also verified the adequacy of the revenue recognition policies and other applicable disclosures, included in Notes 2.18, 4 (d) and 5 of the notes to the consolidated financial statements.

2. Fair value measurement of financial assets - Feedzai, S.A.

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
The amount of financial assets at fair value through profit or loss amounts to 14,000 thousand euros (2023: 13,879 thousand euros). The participation in the entity Feedzai, S.A., amounts to 12,178 thousand euros (2023: 11,778 thousand euros), representing the most significant part of the financial assets at fair value through profit or loss item, as detailed in Note 9 of the notes to the consolidated financial statements. The Group's policy is to determine the fair value at each reporting date, in accordance with a discounted cash flow model, supported by business plans estimated by the management over a 5-year horizon, discount rates and growth rates in perpetuity. Due to the relevance of the amounts involved, as well as the complexity and judgment inherent in the assumptions included in the adopted model, it is determined that we consider this topic as a relevant audit matter.	Our approach has included the following procedures: ▶ Understanding and assessing the process and controls relating to the recording and monitoring of the fair value of subsidiaries recognised at fair value through profit or loss; ▶ Obtaining the models prepared by the management and testing the arithmetic accuracy and completeness of the models used to determine the fair value; ▶ Analysing the models by comparing current performance with estimates made in previous periods; and ▶ Assessing, with the support of internal experts, the reasonableness of the assumptions that present greater sensitivity and judgement in determining the fair value, namely, discount rate and growth rate in perpetuity. Additionally, we verified the adequacy of the disclosures presented in Notes 2.7, 4(b), 9 and 40 of the notes to the consolidated financial statements.

Responsibilities of management and the supervisory board for the consolidated financial statements

Management is responsible for:

- ▶ the preparation of consolidated financial statements that presents a true and fair view of the Group's financial position, financial performance and cash flows in accordance with International Financial Reporting Standards as endorsed by the European Union;
- ▶ the preparation of the Management report, the Corporate Governance Report, non-financial information and remunerations report, in accordance with the laws and regulations;
- ▶ designing and maintaining an appropriate internal control system to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error;
- ▶ the adoption of accounting policies and principles appropriate in the circumstances; and
- ▶ assessing the Group's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern that may cast significant doubt on the Group's ability to continue as a going concern.

The supervisory body is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- ▶ planned and performed our audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for the purpose of the group audit and are ultimately responsible for our audit opinion;
- ▶ communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;
- ▶ from the matters communicated with those charged with governance, including the supervisory body, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter; and
- ▶ We also provide the supervisory body with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate threats or safeguards applied.

Our responsibility includes the verification of the consistency of the Management Report with the consolidated financial statements, and the verifications under nr. 4 and nr. 5 of article 451 of the Commercial Companies Code regarding corporate governance matters, as well as the verification that the non-financial information and remunerations report have been presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the Management Report

Pursuant to article 451, nr. 3, paragraph e) of the Commercial Companies Code, it is our opinion that the Management Report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited consolidated financial statements and, having regard to our knowledge and assessment over the Group, we have not identified any material misstatement. As referred to in article 451, nr. 7 of the Commercial Companies Code this opinion is not applicable to the consolidated statement of non-financial information included in the Management Report.

On the Corporate Governance Report

Pursuant to article 451, nr. 4 of the Commercial Companies Code, in our opinion the Corporate Governance Report includes the information required to the Group to provide as per article 29.º-H of the Securities Code, and we have not identified material misstatements on the information provided therein in compliance with paragraphs c), d), f), h), i) and m) of nr. 1 of the said article.

On the consolidated statement of non-financial information

Pursuant to article 451, nr. 6 of the Commercial Companies Code, we hereby inform that the Group included in the Management Report, chapter "Sustainability Statement", the consolidated statement of non-financial information, in compliance with article 508-G of the Commercial Companies Code.

On the remunerations report

Pursuant to article 26.º-G, nr. 6 of the Securities Code, we hereby inform that the Group has included in a separate chapter of its Corporate Governance Report the information provided in compliance with paragraph 2 of the said article.

On additional items set out in article 10 of the Regulation (EU) nr. 537/2014

Pursuant to article 10 of the Regulation (EU) nr. 537/2014 of the European Parliament and of the Council, of 16 April 2014, and in addition to the key audit matters mentioned above, we also report the following:

- ▶ We were appointed as auditors of Novabase - Sociedade Gestora de Participações Sociais, S.A. (Group's parent entity) for the first time in the shareholders' general meeting held on 22 May 2024 for a mandate from 2024 to 2026;
- ▶ Management has confirmed that they are not aware of any fraud or suspicion of fraud having occurred that has a material effect on the consolidated financial statements. In planning and executing our audit in accordance with ISAs we maintained professional skepticism and we designed audit procedures to respond to the possibility of material misstatement in the consolidated financial statements due to fraud. As a result of our work we have not identified any material misstatement to the consolidated financial statements due to fraud;
- ▶ We confirm that our audit opinion is consistent with the additional report that we have prepared and delivered to the supervisory body of the Group on 30 April 2025;
- ▶ We declare that we have not provided any prohibited services as described in article 5, of the Regulation (EU) nr. 537/2014, of the European Parliament and of the Council, of 16 April 2014 and we have remained independent of the Entity in conducting the audit; and
- ▶ We declare that, in addition to the audit, we provided the Group with the following services as permitted by law and regulations in force:
 - Independent limited assurance report on the consolidated statement of non-financial information of Novabase - Sociedade Gestora de Participações Sociais, S.A. for the period ended 31 December 2024.

European Single Electronic Format (ESEF)

The accompanying consolidated financial statements of Novabase - Sociedade Gestora de Participações Sociais, S.A. for the year ended 31 December 2024 must comply with the applicable requirements set out in the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (ESEF Regulation).

Management is responsible for preparing and disclosing the annual report in accordance with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements, included in the annual report, are presented in accordance with the requirements set out in the ESEF Regulation.

Our procedures considered the OROC Technical Application Guide on report in ESEF and included, among others:

- ▶ obtaining an understanding of the financial reporting process, including the submission of the annual report in valid XHTML format; and
- ▶ the identification and evaluation of the risks of material distortion associated with the marking-up of the information of the consolidated financial statements, in XBRL format using iXBRL technology. This evaluation was based on the understanding of the process implemented by the Group to mark-up the information.

In our opinion, the accompanying consolidated financial statements included in the annual report are presented, in all material respects, in accordance with the requirements set out in the ESEF Regulation.

Lisbon, 30 April 2025

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Luís Miguel Gonçalves Rosado - ROC nr. 1607
Registered with the Portuguese Securities Market Commission under license nr. 20161217

*(Translation from the original document in the Portuguese language.
In case of doubt, the Portuguese version prevails)*

Independent Limited Assurance Report

To the Board of Directors of
Novabase – Sociedade Gestora de Participações Sociais, S.A.

Scope

We have been engaged by Novabase – Sociedade Gestora de Participações Sociais, S.A. (“Novabase”) to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, to report on the non-financial disclosures included in the Annual Report 2024, in the section “Sustainability Statement” (the “Non-financial information”), related to the year ended 31 December 2024.

Criteria applied

Novabase prepared the Non-financial information in accordance with the article 508-G, nr. 2 of the Commercial Companies Code (the “Criteria”).

Responsibilities of the Management

Novabase’s management is responsible for selecting the Criteria, and for preparing the Non-financial information in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining an appropriate internal control system, maintaining adequate records, and making estimates that are relevant to the preparation of the Non-financial Information, such that it is free from material misstatement, whether due to fraud or error.

Responsibilities of the Auditor

Our responsibility is to examine the Non-financial information prepared by Novabase and to issue a limited assurance report based on the evidence obtained.

Our engagement was conducted in accordance with the International Standards for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information – ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and other technical standards and recommendations issued by the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*). These standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Non-financial information is prepared in accordance with the Criteria.

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. In these circumstances, our independent review procedures comprised the following:

- ▶ Inquiries to management with the objective to understand the business context and the Non-financial information reporting process;
- ▶ Conducting interviews with personnel responsible for preparing the information in order to understand the processes for collecting, collating, reporting and validating of the Non-financial information for the reporting period;
- ▶ Conducting analytical review procedures to support the reasonableness of the data;

- ▶ Execution, on a sample basis, of tests to the calculations carried out, as well as tests to prove the quantitative and qualitative information included in the report;
- ▶ Verification of the conformity of the Non-financial information with the results of our work and with the Criteria applied.

We consider that the evidence obtained is sufficient and appropriate to provide the basis for our conclusion.

Quality and independence

EY applies the International Standard on Quality Management ISQM 1, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the *Ordem dos Revisores Oficiais de Contas'* Code of ethics and of the International Code of Ethics for Professional Accountants (including international independence standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Conclusion

Based on our work and evidence obtained, nothing has come to our attention that cause us to believe that the Non-financial information, for the year ended 31 December 2024, has not been prepared, in all material respects, in accordance with the Criteria.

Lisbon, 30 April 2025

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Manuel Ladeiro de Carvalho Coelho da Mota - ROC nr. 1410
Registered with the Portuguese Securities Market Commission under license nr. 20161020

Corporate Governance Report

NOVABASE

CORPORATE GOVERNANCE REPORT

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PART I - INFORMATION ON SHAREHOLDER STRUCTURE, ORGANIZATION AND CORPORATE
GOVERNANCE

A. SHAREHOLDER STRUCTURE

I. Capital Structure

1. *Shareholder base (share capital, number of shares, share distribution to shareholders), including indication of shares not admitted to trading, different categories of shares, underlying rights and duties and the percentage of capital that each category represents (article 29-H, paragraph 1, sub-paragraph a).*

General Information on Capital Structure

Share capital on 31 December 2024 (€)	1,072,866.06
Total shares	35,762,202
Number of unlisted shares	0
Different categories of shares	Only ordinary shares exist

The company's share capital is fully paid up.

Ordinary shares grant general rights such as the right to vote, to participate in general meetings of shareholders, to receive information, profit sharing and pre-emptive rights in capital increases, as well as the generally applicable obligations of capital contributions and loyalty.

There are no categories of shares with special rights.

During the year 2024, the Company's General Meeting of Shareholders approved the distribution of dividends, with a gross amount of €1.79/share, giving shareholders the option of total or partial payment of their remuneration in cash or in-kind through the distribution of new Novabase shares from the same category as the existing ones, to be issued for this purpose in a capital increase, and with this allocation in kind always dependent on the shareholder's opting in. A ceiling of 11,545,252 shares to be issued was also set. As a result of this operation, 80% of shareholders opted for the dividend in kind, resulting in the issuance of €9,234,565 new shares, giving Novabase a share capital amount of €1,072,866.06 represented by 35,762,202 ordinary and registered shares with a nominal value of €0.03. All of the information in relation to this operation was duly disclosed to the market, and can be consulted at the websites of the Company and of the Portuguese Securities Market Commission (CMVM).

Shareholdings

	Number of shares	% share capital and voting rights
HNB - S.G.P.S., S.A. ¹	16,417,222	45.91%

¹ 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 signed a shareholders' agreement for all of this company's share capital.

	Number of shares	% share capital and voting rights
Pedro Miguel Quinteiro Marques Carvalho	2,736,653	7.65%

	Number of shares	% share capital and voting rights
IBI - Information Business Integration, A.G. ¹	8,980,763	25.11%

¹ At the time of receiving notice of the qualified holding, Novabase was informed that José Sancho García is the controlling shareholder of this company, and therefore was attributed the corresponding voting rights.

	Number of shares	% share capital and voting rights
ISATIS Investment Classic Blue Fund ¹	1,987,314	5.56%

¹ At the time of receiving notice of the qualified holding, Novabase was notified that this company is not controlled by any natural or legal person, and controls no company(ies) with a direct or indirect holding in Novabase.

The above holdings correspond to the last positions notified to the company in reference to 31 December 2024 or before.

2. Restrictions on the transferability of shares, such as consent of sale clauses or restrictions on ownership of shares (article 29-H, paragraph 1, sub-paragraph b).

The articles of association's clauses do not limit the transfer of ownership of Novabase shares.

3. Number of own shares, percentage of corresponding share capital and percentage of corresponding voting rights (article 29-H, paragraph 1, sub-paragraph a).

On 31 December 2024, Novabase had 658,921 own shares representing 1.84% of share capital, of which 658,461 were held through its subsidiary Novabase Consulting S.G.P.S., S.A..

In 2024, 141,717 shares were attributed to Director Luís Paulo Cardoso Salvado, 113,374 shares were attributed to Director Álvaro José da Silva Ferreira and 42,516 shares were attributed to each of the Directors Francisco Paulo Figueiredo Morais Antunes and María del Carmen Gil Marín following the exercising of Novabase stock options held by them, per the terms and conditions detailed in point 72 of this report. These shares corresponding to the options exercised will be withheld by Novabase for a period of three years from their exercising, and their ownership will not be transferred to these directors until the end of this period, conditional upon the company's positive performance during this time.

4. Significant agreements that the company is a party to and will come into force in the future which can be altered or terminated in the event of a change in the control of the company resulting from a tender offer, along with the respective effects, unless, by their very nature, their disclosure is seriously harmful to the company, except if the company is specifically obliged to disclose such information as a result of legal h (article 29-H, paragraph 1, sub-paragraph j)).

These do not exist.

5. *Applicable scheme for the renewal or revocation of defensive measures, in particular those aimed at limiting the number of votes that can be held or exercised by a single shareholder individually or in conjunction with other shareholders.*

As a company with listed shares to be traded in regulated markets, Novabase has not implemented any defensive measure for unsolicited takeover bids.

6. *Shareholders' agreements that are known to the company and which may lead to restrictions in terms of transferring securities or voting rights (article 29-H, paragraph 1, sub-paragraph g).*

To the best of Novabase's knowledge, there are currently no shareholders' agreements in force based on the Company's shares.

II. Shareholdings and Bonds

7. *Identification of legal or natural persons who directly or indirectly own qualified holdings (article 29-H, paragraph 1, sub-paragraphs c) and d) and article 16), with specific percentages of capital and votes attributed, and the source and causes of the attribution.*

Shareholdings

	Number of shares	% share capital and voting rights
HNB - S.G.P.S., S.A. ¹	16,417,222	45.91%

¹ Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira and José Afonso Oom Ferreira de Sousa are the controlling shareholders and directors of HNB - S.G.P.S., S.A., having signed a shareholders' agreement for all of this company's share capital.

	Number of shares	% share capital and voting rights
Pedro Miguel Quinteiro Marques Carvalho	2,736,653	7.65%

	Number of shares	% share capital and voting rights
IBI - Information Business Integration, A.G. ¹	8,980,763	25.11%

¹ At the time of receiving notice of the qualified holding, Novabase was informed that José Sancho García is the controlling shareholder of this company, and therefore was attributed the corresponding voting rights.

	Number of shares	% share capital and voting rights
ISATIS Investment Classic Blue Fund ¹	1,987,314	5.56%

¹ At the time of receiving notice of the qualified holding, Novabase was notified that this company is not controlled by any natural or legal person, and controls no company(ies) with a direct or indirect holding in Novabase.

The above holdings correspond to the last positions notified to the company in reference to 31 December 2024 or before.

As stated in point 1, there are no categories of shares with special rights.

8. Number of shares and bonds held by members of managing and supervisory boards.
[NOTE: the information should be presented in accordance with the provisions of article 447, paragraph 5 of the Commercial Companies Code]

Holdings of Members of the Managing and Supervisory Boards (article 447, paragraph 5 of the Commercial Companies Code)¹

Owner	#	%
	Shares ¹	Capital and Voting Rights
Pedro Miguel Quinteiro Marques de Carvalho (non-executive member of the Board of Directors)	2,736,653	7.65
Manuel Saldanha Tavares Festas (substitute member of the Audit Board)	74,986	0.21
Francisco Paulo Figueiredo Morais Antunes (non-executive member of the Board of Directors)	43,536	0.12
María del Carmen Gil Marín (non-executive member of the Board of Directors)	33,011	0.09
João Luís Correia Duque (Audit Board member)	500	0.00
Luís Paulo Cardoso Salvado ² (chairperson of the Board of Directors)	1	0.00
Álvaro José da Silva Ferreira ² (executive member of the Board of Directors)	1	0.00
José Afonso Oom Ferreira de Sousa ² (non-executive member of the Board of Directors)	1	0.00
Benito Vázquez Blanco (non-executive member of the Board of Directors)	0	0.00
Madalena Paz Ferreira Perestrelo de Oliveira (non-executive member of the Board of Directors)	0	0.00
Rita Wrem Viana Branquinho Lobo Carvalho Rosado (non-executive member of the Board of Directors)	0	0.00

Álvaro José Barrigas do Nascimento (Chairperson of the Audit Board)	0	0.00
Fátima do Rosário Piteira Patinha Farinha (full member of the Audit Board)	0	0.00
Ernst & Young Audit & Associados - SROC, S.A., represented by Luís Miguel Gonçalves Rosado	0	0.00
Rui Abel Serra Martins (Substitute Statutory Auditor)	0	0.00

¹ The shareholding of each of these corporate board members corresponds to the last position notified to the company in reference to 31 December 2024 or before.

² 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., a company where they hold management positions. On 31 December 2024, HNB - S.G.P.S., S.A. held 16,417,222 shares representing 45.91% of Novabase's share capital and respective voting rights.

During the year 2024, the Company's General Meeting of Shareholders approved the distribution of dividends in cash, with a gross amount of €1.79/share, giving shareholders the option of total or partial payment of their remuneration in cash or in-kind through the distribution of new Novabase shares from the same category as the existing ones, to be issued for this purpose in a capital increase, and with this allocation in kind always dependent on the shareholder's opting in. A ceiling of 11,545,252 shares to be issued was also set. As a result of this operation, 80% of shareholders opted for the dividend in kind, resulting in the issuance of €9,234,565 new shares, giving Novabase a share capital o amount of €1,072,866.06 represented by 35,762,202 ordinary and registered shares with a nominal value of €0.03. All of the information in relation to this operation was duly disclosed to the market.

During the year 2024, the following transactions were performed by the persons referred to in article 447, paragraph 2, sub-paragraphs a) through d) of the Commercial Companies Code:

Entity	Transaction	Date	Place	Number of Shares	Unit Price (€)
HNB - S.G.P.S, S.A.	Purchase	25/06/2024	Outside of regulated market	4,978,371	4.1129
Francisco Paulo Figueiredo Morais Antunes	Purchase	25/06/2024	Outside of regulated market	13,201	4.1129
María del Carmen Gil Marín	Purchase	25/06/2024	Outside of regulated market	10,010	4.1129
Pedro Miguel Quinteiro Marques Carvalho	Purchase	25/06/2024	Outside of regulated market	639,040	4.1129

Note: the transactions identified above were carried out within the scope of the option to receive the dividend in kind.

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

9. *Special powers of the board of directors, namely with respect to decisions to increase capital (article 29-H, paragraph 1, sub-paragraph i)), specifying, in this regard, the date on which they were given, the date until which they can be exercised, the maximum ceiling of the capital increase, the amount already issued under the allocation of powers and the means of implementing the powers granted.*

Novabase's managing board has no special powers vis-à-vis those granted by law.

10. *Information on the existence of significant business relationships between holders of qualified holdings and the company.*

In 2024, to the best of the company's knowledge, Novabase had no significant business relationships with holders of qualified holdings or entities related or previously related to them.

B. CORPORATE BOARDS AND COMMITTEES

I. General Meeting of Shareholders

a) Composition of the general meeting board

11. Identification, position and term of office (beginning and end) of members of the general meeting board.

The members of Novabase's general meeting board, elected in the General Meeting of Shareholders held on 22 May 2024 for the three-year period of 2024-2026, are Chairperson Catarina Maria Marante Granadeiro and Secretary Diogo Ferreira da Fonseca Pinto.

The Chairmanship of the General Meeting of Shareholders has the necessary and appropriate means to exercise its duties having access to a work room and secretarial services at the company. In addition, the Chairmanship of the General Meeting of Shareholders has 10 people (7 of whom belong to the company's staff) at its disposal dedicated to working specifically on the organization and management of the General Meeting of Shareholders.

b) Exercising of voting rights

12. Possible restrictions on voting rights, such as limitations on exercising voting rights based on ownership of a number or percentage of shares, deadlines for exercising a voting right or special systems for equity (article 29-H, paragraph 1, sub-paragraph f).

Novabase has no restrictions on voting rights, nor any limitations on voting based on a number or percentage of shares. Moreover, there are no systems related to asset content rights.

Shareholders may be represented at the General Meeting of Shareholders, pursuant to the law.

Shareholders may be represented by sending a letter addressed to the Chairmanship of the General Meeting of Shareholders at least three days before the date set for the meeting.

If the shares are jointly owned, only a common representative, or his/her representative, may participate in the General Meeting of Shareholders.

Postal voting is permitted under the articles of association, provided that the following are observed:

a) Shareholders with a voting right may exercise this right by post by means of a signed statement clearly indicating their voting intention for each point on the meeting's agenda. For this purpose, shareholders may use the postal voting form which will be made available at the company's website in a timely fashion;

b) A legible photocopy of the shareholder's identity card or citizen's card must accompany the voting form; If the shareholder is a legal person, the voting form must be signed by one of its representatives, and his/her signature must be notarized in that capacity;

c) Voting forms, together with the items specified in the preceding subparagraphs, must be placed in a sealed envelope addressed to the Chairperson of the General Meeting of Shareholders, delivered by hand to the company's registered office, or delivered to this office by registered mail by the third working day preceding the date of the General Meeting of Shareholders. However, individuals who submit a voting form accompanied only by a legible photocopy of the shareholder's identity card or citizen's card may, alternatively, use the email address specified for this purpose in the meeting notice;

d) The Chairperson of the General Meeting of Shareholders must ensure the authenticity and confidentiality of postal votes until the time of voting;

e) If the shareholder or his/her representative attends the General Meeting of Shareholders in person, his/her respective postal vote will be annulled;

f) Postal votes will be counted as 'No' votes in relation to items for discussion submitted after these votes' date of issue.

Although not specifically mentioned in the articles of association, electronic voting is referred to in meeting notices, and follows the same principles as those of postal voting.

The remaining deadlines and requirements for exercising voting rights are exclusively those established by law and by applicable recommendations.

13. Maximum percentage of voting rights that can be exercised by a single shareholder or by shareholders having any of the relationships referred to in article 20, paragraph 1 with that shareholder.

No such limitation exists.

14. Shareholder decisions which, pursuant to the articles of association, can only be made by a qualified majority, in addition to those provided for by law, specifying these majorities.

The company has no mechanisms that hinder the passing of resolutions by shareholders. There are no shareholder decisions which, pursuant to the articles of association and beyond those provided for by law, can only be made by a qualified majority or a decision-making quorum greater than that provided for by law.

II. Management and Supervision

(Board of Directors, Executive Board of Directors and General and Supervisory Board)

a) Composition

Board of Directors on 31 December 2024

Luís Paulo Cardoso Salvado

Álvaro José da Silva Ferreira

Francisco Paulo Figueiredo Morais Antunes

María del Carmen Gil Marín

José Afonso Oom Ferreira de Sousa

Pedro Miguel Quinteiro Marques Carvalho

Benito Vázquez Blanco

Madalena Paz Ferreira Perestrelo de Oliveira

Rita Wrem Viana Branquinho Lobo Carvalho Rosado

15. Identification of governance model used.

Novabase has been a publicly-traded company since July 2000. It operates according to a governance model whose suitability and performance are assessed regularly by the Board of Directors to help optimize its performance in closer alignment with the interests of all stakeholders - those interested in Novabase's corporate activities, namely shareholders, investors, customers, suppliers, other business partners and employees.

in view of the mounting challenges of internationalization and competition revolving around Novabase's business, the corporate governance system in place at the Company needed to be brought up to date by simplifying and streamlining company bodies and procedures, so as to tailor existing solutions to the Company's size and specific circumstances.

Therefore, beginning in 2015, Novabase adopted a reinforced Latin corporate governance model comprised of a Board of Directors, Audit Board and Statutory Auditor (ROC). In this model, a substantially more agile day-to-day management structure was implemented, with the Board of Directors able to delegate the day-to-day running of the Company to one or more directors (managing directors) or to an Executive Committee of three to nine members.

Following the General Meeting of Shareholders of 22 May 2024 (which, among other decisions, elected the members of the corporate boards and Remuneration Committee for three-year period of 2024-2026), for the purpose of maintaining a substantially more agile day-to-day management structure, the elected Board of Directors decided to keep the day-to-day running of Novabase under the direction of Managing Directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, thereby not creating an Executive Committee for this term of office. The newly elected Board of Directors also decided to grant certain special responsibilities to Directors Francisco Paulo Figueiredo Moraes Antunes and María del Carmen Gil Marín, pursuant to article 407, paragraph 1 of the Commercial Companies Code. The activities of these managing directors are supervised by the non-executive directors.

Moreover, Novabase has a General Meeting board elected for three-year terms of office, along with a Remuneration Committee appointed by the General Meeting of Shareholders to establish the remuneration of each corporate board member, in accordance with the Remuneration Policy passed by the General Meeting of Shareholders on 25 May 2021. The Company also designates a Secretary and respective substitute, under the terms of article 446-A of the Commercial Companies Code, to perform the duties established by law.

Novabase constantly analyses the implementation of this model in order to refine its corporate governance practices, whenever possible, and tailor the model to the demands and challenges faced by the Company.

16. Article of association rules on procedural requirements and matters applicable to the appointment and replacement of members, as applicable, of the Board of Directors, Executive Board of Directors and General and Supervisory Board (article 29-H, paragraph 1, sub-paragraph h).

The members of Novabase's Board of Directors are appointed and replaced under the terms of the law, namely the provisions of articles 390 and following of the Commercial Companies Code. Article 14, paragraph 1 of the company's articles of association states that a Board of Directors shall be responsible for managing the company's business, with full and exclusive powers of representation, comprised of at least three and at most nineteen members elected by the General Meeting of Shareholders.

Furthermore, pursuant to article 14, paragraph 2 of the company's articles of association, the General Meeting of Shareholders is responsible for appointing the Chairperson of the Board of Directors, which will elect its own chairperson if the General Meeting of Shareholders fails to do so.

With regard to the absence and replacement of members of the management, pursuant to the articles of association, those who fail to attend over one third of the meetings held in a financial year, without justification approved by the Board of Directors, shall be considered permanently absent and subject to replacement pursuant to the law and the Board of Directors' regulations.

Article 8 of the articles of association states that members of the management are elected by the General Meeting of Shareholders for three-year terms, subject to re-election one or more times, and that, at the end of their terms of office, they shall keep their positions until the appointment of new members.

Novabase believes that the suitability of the managing board members' profile to their respective duties is essential for fostering a robust, effective corporate governance and proper composition of the interests of the company's various stakeholders. In weighing up the profile of the corporate board members to be elected, the election proposals approved by shareholders tend to be based not only on individual criteria (such as candidates' expertise, integrity, availability and experience in the sectors where Novabase does business), but also on diversity requirements.

Pursuant to article 29-H, paragraph 1, sub-paragraph q) of the Securities Code (CVM), following is a summary of Novabase's diversity policy for its managing and supervisory boards, how this policy was applied and its results in the 2024 financial year.

Novabase believes that it employs an ongoing approach of diversity in the composition of its managing and supervisory boards, helping to improve the performance of the relevant boards and providing balance in their composition, with a particular focus on gender diversity.

On 12 April 2018, Novabase's Board of Directors approved a formal diversity policy for its managing and supervisory boards, which is available to the public at the company's website. The approved policy is primarily rooted in the following commitments on the part of Novabase:

- Compliance with Law no. 62/2017 of 01 August, since gender diversity allows for different management styles and complementary approaches;
- With regard to age, there must be a balance between experience and maturity and the youth and energy needed for the fast-paced innovation of Novabase's highly dynamic sector (information technologies);
- With regard to qualifications and education, in addition to areas associated with technology, various other areas of knowledge must also be represented, in view of the mounting importance of multidisciplinary in team performance.

The following are noteworthy Novabase regard to the application and results of Novabase's diversity policy in the 2024 financial year:

- With regard to full members on Novabase's corporate boards performing duties in 2024, Novabase's corporate boards had a total of twelve men and five women;
- Throughout 2024, Novabase's corporate board members ranged from 35 to 64 years in age. Their areas of core training included engineering, law, mathematics, economics, management and philosophy;
- Therefore, the Board of Directors for the 2024-2026 term of office is comprised of 33.3% female members, thereby meeting the minimum referred to in Law no. 62/2017 of 01 August (33.3%), also including one female member granted special responsibilities pursuant to article 407, paragraph 1 of the Commercial Companies Code.

17. Composition, as applicable, of the Board of Directors, Executive Board of Directors and General and Supervisory Board, stating the minimum and maximum number of members, term of office, number of full members, inauguration date and end date of each member's term of office, in accordance with the articles of association.

As stated above, article 8 of the company's articles of association states that members of the Board of Directors are elected by the General Meeting of Shareholders for three-year terms, subject to re-election one or more times, and that, at the end of their terms of office, they shall keep their positions until the appointment of new members.

Novabase's articles of association also state that the Board of Directors may be comprised of at least three and at most nineteen members.

On 31 December 2024, the Board of Directors had nine full members, as shown in the following table:

Director	Inauguration date	End of term of office
Luís Paulo Cardoso Salvado	18 March 1998	31 December 2026
Álvaro José da Silva Ferreira	10 May 2018 3 March 2000	31 December 2026 20 April 2015
Francisco Paulo Figueiredo Morais Antunes	24 May 2022 28 April 2009	31 December 2026 25 May 2021
María del Carmen Gil Marín	10 May 2018	31 December 2026
José Afonso Oom Ferreira de Sousa	24 January 1991	31 December 2026

Pedro Miguel Quinteiro Marques Carvalho	24 January 1991	31 December 2026
Benito Vázquez Blanco	24 May 2022	31 December 2026
Madalena Paz Ferreira Perestrelo de Oliveira	25 May 2021	31 December 2026
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	25 May 2021	31 December 2026

Pursuant to article 14 of the articles of association, the Board of Directors may delegate the day-to-day running of the company to one or more members of the Board of Directors (managing directors) or to an Executive Committee consisting of three to nine members.

Following the General Meeting of Shareholders of 22 May 2024 (which, among other decisions, elected the members of the corporate boards and Remuneration Committee for the 2024-2026 term of office), the elected Board of Directors delegated, on this same date, Novabase's daily management to Managing Directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira. Along these lines, the decision was made to grant special responsibilities to Directors Francisco Paulo Figueiredo Moraes Antunes and María del Carmen Gil Marín, pursuant to article 407, paragraph 1 of the Commercial Companies Code. The activities of these managing directors are supervised by the non-executive directors.

18. Distinction between executive and non-executive members of the Board of Directors and, for the latter, identification of members who can be considered independent or, when applicable, identification of independent members of the General and Supervisory Board.

Member of the Board of Directors	Category	Independent ¹
Luís Paulo Cardoso Salvado	Executive (Chairperson)	No
Álvaro José da Silva Ferreira	Executive	No
Francisco Paulo Figueiredo Moraes Antunes	Non-executive	No
María del Carmen Gil Marín	Non-executive	No
José Afonso Oom Ferreira de Sousa	Non-executive	No

Pedro Miguel Quinteiro Marques Carvalho	Non-executive	No
Benito Vázquez Blanco	Non-executive	No
Madalena Paz Ferreira Perestrelo de Oliveira	Non-executive	No
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	Non-executive	No

¹ Under the terms of CMVM Regulation no. 4/2013, Annex I, point 18.1.

In view of the number of directors (nine), the seven non-executive members of the Board of Directors are sufficient in number to ensure effective monitoring, supervision and assessment of the activity of the remaining members of the managing board (see points 24 and 27 of this report with regard to the assessment of the other directors). In fact, the number of non-executive directors accounts for 77.8% of all directors, which is a truly significant proportion, above all considering the company's size and the respective free float, as resulting from this report. Furthermore, Novabase's non-executive members have professional qualifications, educations and backgrounds which differ between themselves, but which are relevant at various levels for Novabase's main business areas, thereby representing diverse areas of knowledge among non-executive members to support the executive members' monitoring, supervision and understanding of the business.

In view of the company's size, its need for agility and efficient management, its shareholder structure and respective free float, its various levels of internal control (including supervisory boards completely comprised of persons independent from the management and qualified shareholders, with the important note that, under the Anglo Saxon corporate governance model previously in effect at the company, only those management members with positions on the Auditing Committee were independent), and the vast set of options benefiting shareholder participation and the exercising of rights, Novabase does not believe that independent directors are needed to ensure the protection of the interests of all stakeholders.

19. Professional qualifications and other relevant background information of each member, as applicable, of the Board of Directors, General and Supervisory Board and Executive Board of Directors.

Director	Professional Qualifications	Other background information ¹
Luís Paulo Cardoso Salvado	- MBA in Information Management from Universidade Católica Portuguesa - Graduate in Electrotechnical and Computer Engineering at Instituto Superior Técnico (IST - Higher Technical Institute)	- Chairperson of the Board of Directors and Managing Director of Novabase - S.G.P.S., S.A. Formerly: - CFO, CHRO and CLO of the Novabase Group - CEO of Novabase Consulting, S.A. - Member of the Board of Directors Performance Assessment Committee and the Corporate Governance Assessment Committee

		• Director of various Novabase Group companies
Álvaro José da Silva Ferreira	• Mergers and Acquisitions Program - Harvard Business School • Private Equity and Venture Capital Program - Harvard Business School Executive Education • MBA - Universidade Nova de Lisboa • Graduate in IT Engineering - Universidade Nova de Lisboa	• Managing Director of Novabase - S.G.P.S., S.A. Formerly: • COO Value Portfolio • Director of various Novabase Group companies
Francisco Paulo Figueiredo Morais Antunes	• Master's in Finance from ISCTE • Graduate in Company Organization and Management from ISCTE (Lisbon University Institute)	• Director of Novabase - S.G.P.S., S.A. with special responsibilities Formerly: • Novabase Group CFO • Director of various Novabase Group companies
María del Carmen Gil Marín	• MBA - INSEAD • Academic cycle of PhD in the Environment and Alternative Energies - UNED • Higher Degree in Electronic Engineering - Universidad Pontificia de Comillas (I.C.A.I.) • Extensive executive training, including: Stanford University (Cyber Security), UCLA Anderson School of Management (Santander-UCLA W50), Nova School of Business & Economics (Boards Governance) and Harvard Business School (Leadership)	• Director of Novabase - S.G.P.S., S.A. with special responsibilities • Head of Investor Relations Novabase - S.G.P.S., S.A. Formerly: • Executive Director of Novabase - S.G.P.S., S.A. (COO Value Portfolio, CIO and CISO) • Director of various Novabase Group companies • Chairperson of the Board of Directors of Novabase Capital, S.C.R., S.A. • Member of the Audit Board of Associação de Emitentes de Mercado (A.E.M.) • Member of Audit Board of Investor Relations Forum • Strategic Marketing Professor at Universidad Pontificia de Comillas • Strategic consultant at The Boston Consulting Group • Corporate Finance - Investment Banker at Lehman Brothers
José Afonso Oom Ferreira de Sousa	• Graduate in Philosophy from Universidade Católica de Lisboa • MBA from Universidade Nova de Lisboa • Master's in Electrotechnical Engineering from IST • Graduate in Electrotechnical Engineering from IST	• Non-executive Director of Novabase - S.G.P.S., S.A. Formerly: • Director without delegated areas • Member of the Board of Directors Performance Assessment Committee • Member of the Corporate Governance Assessment Committee

		• CLO and CFO of the Novabase Group • Director of various Novabase Group companies
Pedro Miguel Quinteiro Marques Carvalho	• Graduate in Applied Mathematics from Universidade de Lisboa	• Non-executive Director of Novabase - S.G.P.S., S.A. Formerly: • Director without delegated areas • Member of the Board of Directors Performance Assessment Committee • Director responsible for the administrative and logistics area • Novabase Group CIO • Director of various Novabase Group companies
Benito Vázquez Blanco	• Master of Telecommunications Engineering - Universidad Politécnica de Madrid	• Non-executive Director of Novabase S.G.P.S., S.A.
Madalena Paz Ferreira Perestrelo de Oliveira	• Doctorate in Law (legal/civil sciences) from the University of Lisbon School of Law • Completion of academic part of the Master's degree in Legal Sciences at the Faculty of Lisbon • Attendance at the 17th Postgraduate Course in Securities Law, organized by the Securities Institute (Instituto dos Valores Mobiliários) • Graduate in Law from the University of Lisbon School of Law	• Non-executive Director of Novabase - S.G.P.S., S.A. • Assistant Professor at the University of Lisbon School of Law • Consultant in the areas of banking, finance and corporate, M&A at PLMJ, Sociedade de Advogados, RL • Researcher at the Private Law Research Centre (CIDP) of the University of Lisbon School of Law; • Member of the Governance Lab, a legal research group dedicated to organizational governance; • Sub-director of the Financial Law and Capital Markets Journal Formerly: • Secretary of the General Meeting of Shareholders of Novabase - S.G.P.S., S.A.; • Assistant at the Católica Lisbon School of Business and Economics
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	• Executive training: Advanced Program for Non-executive Directors (IPCG) • Graduate in Law from Universidade Católica de Lisboa	• Non-executive Director of Novabase - S.G.P.S., S.A. • Secretary of the General Meeting of Shareholders of various Novabase Group companies • Legal management of Novabase Group

¹ Professional activities performed in the past five years, namely in terms of positions at other companies or the company itself (article 289 of the Commercial Companies Code).

20. Regular and significant family, professional or business relationships of members, as applicable, of the Board of Directors, General and Supervisory Board and Executive Board of Directors with shareholders to whom a qualified shareholding exceeding 5% of voting rights may be attributed.

Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira and José Afonso Oom Ferreira de Sousa, directors of Novabase S.G.P.S., S.A., are also directors of HNB- S.G.P.S., S.A., which on 31 December 2024 had 16,417,222 shares representing 45.91% of the share capital and voting rights of Novabase S.G.P.S., S.A.

On 31 December 2024, there were no other regular and significant relationships between directors and qualified shareholders.

21. Organizational structure and functional chart relating to the division of powers among the various boards, committees and/or departments within the company, including information on the scope of the delegation of powers, particularly with regard to the delegation of day-to-day management of the Company.

Novabase was organized into two business segments on 31 December 2024:

- Next-Gen
- Value Portfolio

These two segments were announced to the market on 25 July 2019, in the wake of the disclosure of the Novabase 2019+ Strategic Update.

The Next-Gen segment aims to be a key player in an area of fast growth and considerable size, through a leadership position in attracting hard-to-find technology talent in Portugal and in deploying advanced projects focusing on Europe and the Middle East. Novabase has a solid history in Nearshore Agile, and is already active in Telecommunications and Financial Services.

Next-Gen, an IT services segment focused on:

- Design & UX
- Insights through data
- Native & scalable cloud
- Digital architecture
- Exposure to APIs
- AI/Analytics
- Automation of Tests & Engineering
- Continuous Delivery
- Intelligent Operations

The main purpose of the Value Portfolio segment is to generate funds to finance growth in the Next-Gen segment, through proactive management and by analysing potential strategic partnerships.

Novabase - S.G.P.S.¹ / Celfocus²

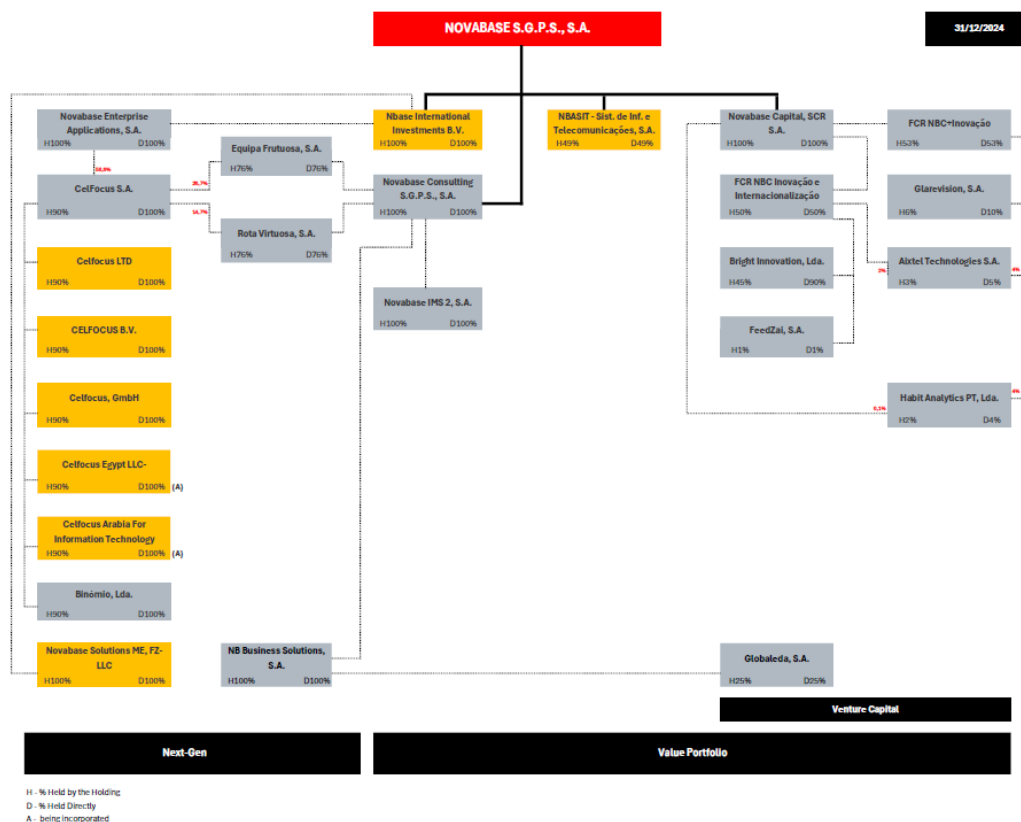
Novabase - S.G.P.S. and Celfocus control the central functional areas: *Human Resources, Finance & Administration, IT, Marketing, Legal* and *Logistics*. Novabase - S.G.P.S. directly controls the *Investor Relations* function through the Investor Relations Office.

Information on the Investor Relations Office can be found in point 56 of this report.

Organizational Chart

Each of the aforementioned organizational units corresponds to a company or a group of companies.

The attached organizational chart includes all of the companies within Novabase's consolidation perimeter.



As stated in point II. A) 15., in view of the mounting challenges of internationalization and competition revolving around Novabase's business, the corporate governance system in place at the company needed to be brought up to date by simplifying and streamlining company bodies and procedures, so as to tailor existing solutions to the company's size and specific circumstances.

¹ Novabase - Sociedade Gestora de Participações Sociais, S.A.

² Celfocus, S.A.

Therefore, beginning in 2015, Novabase adopted a reinforced Latin corporate governance model comprised of a Board of Directors, Audit Board and Statutory Auditor (ROC). In this model, a substantially more agile day-to-day management structure was implemented, with the Board of Directors able to delegate the day-to-day running of the company to one or more directors (managing directors) or to an Executive Committee of three to nine members.

Following the General Meeting of Shareholders of 22 May 2024 (which, among other decisions, elected the members of the corporate boards and Remuneration Committee for the three-year period of 2024-2026), the elected Board of Directors delegated, on this same date and similar to the previous term of office, Novabase's daily management to Managing Directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, with no Executive Committee having been created for this term of office. Along these lines, the decision was made to grant special responsibilities to Directors Francisco Paulo Figueiredo Moraes Antunes and María del Carmen Gil Marín, pursuant to article 407, paragraph 1 of the Commercial Companies Code.

The activities of the managing directors are supervised by the non-executive directors. Moreover, Novabase has a general meeting board elected for three-year terms of office, along with a Remuneration Committee appointed by the General Meeting of Shareholders to establish the remuneration of each corporate board member based on the duties performed and the company's financial status. The company also designates a secretary and respective substitute, under the terms of article 446-A of the Commercial Companies Code, to perform the duties established by law.

Under the terms of article 14 of Novabase's articles of association, a Board of Directors with full and exclusive representation powers is responsible for managing the company's business.

The Board of Directors has general powers to act in pursuit of the company's corporate and business interests within the confines of the law, the articles of association and the decisions of the General Meeting of Shareholders and, in particular, to:

- a) Acquire, encumber and sell any rights or movable property as well as to acquire, encumber and sell immovable property, whenever it is deemed appropriate for Novabase;
- b) Take out loans and carry out any other financing operations in the interest of Novabase, under such terms and conditions that it deems fit;
- c) Appoint representatives of Novabase;
- d) Delegate powers to its members, pursuant to the articles of association;
- e) Hire employees, set their conditions of employment and exercise disciplinary power;
- f) Represent Novabase in and out of court, as plaintiff or defendant, file lawsuits, and make admissions, compromise in them and withdraw from them, and engage in arbitration;
- g) Open, operate and close any of Novabase's bank accounts, deposit and withdraw money, issue, accept, draw and endorse cheques, bills and promissory notes, invoice statements and any other securities;
- h) Decide on investments in the capital of other companies or on participating in other businesses;
- i) Discuss and approve Novabase's strategic plan and risk policy, including the definition of risk levels considered acceptable;
- j) Run Novabase's businesses and carry out any acts and transactions relating to the corporate purpose that do not fall within the jurisdiction of another company body.

Under the terms of its regulations, the Board of Directors is responsible for setting a policy for reporting irregularities in compliance with goals laid out in this regard by law, by applicable regulations or by the General Meeting of Shareholders.

The Board of Directors' bylaws and regulations also state that it may delegate to one member of the Board of Directors certain specific management duties or the execution of the Board of Directors' decisions, and may also, as stated above, delegate the day-to-day running of the company to one or more directors (managing directors) or to an Executive Committee of three to nine members. The delegated powers must be drawn up in minutes. The Board of Directors will determine the powers of each managing director or of the Executive Committee, as applicable, in the day-to-day running of the company, delegating to the Executive Committee, when necessary, all of the powers not prohibited by article 407, paragraph 4 of the Commercial Companies Code.

Pursuant to the provisions of article 407, paragraph 4 of the Commercial Companies Code and the regulations of Novabase's Board of Directors, the Board of Directors may not delegate the following:

- a) Selection of the Chairperson of the Board of Directors;
- b) Co-option of directors;
- c) Requests to call the General Meeting of Shareholders;
- e) Drawing up of annual reports and accounts;
- f) Provision of collateral, personal guarantees and security in rem by Novabase;
- g) Change of registered office and capital increases;
- h) Deliberation of projects to merge, divide and transform Novabase;
- i) Approval of strategy;
- j) Definition of the Group's corporate structure.

Managing Directors

Managing directors are responsible for the day-to-day running of the company, and may perform all actions required to this end, respecting the powers of the Board of Directors with regard to actions which must be submitted for its approval. Managing directors define the company's current organizational structure, appoint employees to perform management duties in the corporate boards of this structure and manage all of the company's operating areas.

In accordance with the delegation of powers approved by the Board of Directors on 22 May 2024, the performance of all actions required for the day-to-day running of the company has been delegated to the two Managing Directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, for the 2024-2026 term of office, including the individual powers to perform all the actions required for the day-to-day running of Novabase, including all powers needed or expedient for pursuing the company's corporate purpose and conducting its business, namely:

- a) Carry out the annual business plans and corresponding budgets after their approval by Novabase's Board of Directors;
- b) Approve changes to the budget, except when their cumulative impact on the company's consolidated net profit is expected to exceed €1m (one million euros) in the financial year;
- c) Approve and carry out the Novabase's short, medium and long-term organic development and investment plans, and identify and make investments in existing or new business areas of Novabase and its affiliates, by means of a budget approved by Novabase's Board of Directors and/or, in the absence of this, provided that (i) individually, they do not exceed €1m (one million euros); and (ii) together, €5m (five million euros) in a given financial year; or (iii) in the case of R&D (research and development) investments or investments with co-funding, covered by applicable tax incentives or subsidies, up to a combined amount of €20m (twenty million euros) per financial year;
- d) Acquire, encumber and sell holdings in other companies, provided these transactions' general guidelines fall within the annual business plans and respective budgets or, otherwise, with the prior approval Novabase's Board of Directors;

- e) Manage holdings in other companies, including affiliates, namely by appointing their representatives on corporate boards and laying out guidelines for these representatives' activities, together with approving and reorganizing these holdings according to the annual business plans, or by prior decision approved by Novabase's Board of Directors;
- f) Notwithstanding legal provisions and formalities, buy and sell own shares within the framework and limits of the decision of the General Meeting of Shareholders;
- g) Opening, transacting and closing bank accounts;
- h) Approve short and medium-term financing agreements (12-36 months), including those which increase overall indebtedness, provided that their value is €5m (five million euros) or less per transaction, or cumulatively €20m (twenty million euros) per financial year, or of any amount with the prior approval of Novabase's Board of Directors;
- i) Grant medium and short-term loans (and/or shareholder loans) to affiliates for cash-on-hand and other purposes allowed by law, up to the amount of €20m (twenty million euros) per financial year, or in any amount with the prior approval of Novabase's Board of Directors;
- j) Acquire, sell and/or encumber Novabase's assets, individually up to €1m (one million euros), or cumulatively up to €5m (five million euros) per financial year;
- k) Take or give in lease, and manage the use of, immovable property allocated to the business of Novabase and/or its affiliates, partially or in whole, in accordance with the budget approved by Novabase's Board of Directors or, apart from a budget, up to a combined annual amount of €1m (one million euros);
- l) Manage and coordinate all of the company's operating and business support areas, including but not limited to Human Resources, Finance and Administration, Marketing and Communication, Information Systems, Legal, Organizational Development and Investor Relations, excluding internal auditing boards if/when they exist;
- m) Recruit and dismiss employees, define human resources and occupational health and safety policies, define and implement plans for training, career levels, categories, remuneration terms/conditions and other bonuses or salary supplements;
- n) Perform standard activities involving powers as an employer, including but not limited to disciplinary authority and the application of legally admissible employee penalties;
- o) Order/determine the presentation, negotiation and contracting of any supplies of goods and/or services by Novabase and/or its affiliates within the scope of their corporate purpose, individually up to €20m (twenty million euros) and/or (i) without a binding obligation of any kind exceeding 15 years; (ii) without terms/conditions deemed of considerable financial, legal and/or commercial risk, attributable to Novabase's Managing Directors, by those in the organization responsible for monitoring or otherwise assisting in the control of this risk;
- p) Contract goods and services of any kind and by any means, as needed to pursue the corporate purpose, up to the amount of €1m (one million euros) per transaction, or in any amount with the prior approval of Novabase's Board of Directors or associated with the transactions referred to in o);
- q) Take part in incorporated joint ventures and European Economic Interest Groupings, enter into consortium and equity partnership agreements, and establish or take part in any other forms of temporary or permanent association between companies and/or private or public entities, except when their purpose is to participate in projects whose anticipated turnover for the company exceeds €20 (twenty) million;
- r) Represent the company in and out of court, as plaintiff or defendant, including the instituting, contesting and lodging of appeals in any legal or arbitration proceedings, as well as confessing, withdrawing from or coming to terms in any proceedings and engagement in arbitration. The managing directors have furnished information on any proceedings involving the company whose amount is equal to or exceeds €1m (one million euros);
- s) Appoint representatives to perform specific acts or categories of acts, defining the scope of their respective powers.

Notwithstanding the above, it has also been determined that decisions within the scope of Novabase's day-to-day management of more than €5m (five million euros) in value may only be made by mutual agreement of the managing directors.

On this same date, the Board of Directors decided to grant, pursuant to and for the purposes of article 407, paragraph 1 of the Commercial Companies Code, the following special responsibilities to Director Francisco Paulo Figueiredo Morais Antunes:

1. Responsibility for the area of logistics, with specific powers to perform all the actions required or convenient in matters related to the company's logistics area, which includes the management of buildings and other logistical processes for the company to comply with its obligations in this domain, and to develop this area of the company, including but not limited to:

1.1. In general, representing the company before third parties in any acts, agreements or legal negotiations with third parties related to the company's logistics area;

1.2. Negotiating, drawing up, signing, entering into, renewing, amending and terminating service contracts and/or agreements, and other agreements and contracts of any kind, related to the company's logistics area, including contracts for the supply of goods, provision of outside services, leasing agreements and service provision agreements, although only proceeding to act after and pursuant to a decision approved by the company's Board of Directors whenever involving the contracting of goods or services in amounts exceeding €250k (two hundred and fifty thousand euros), and to transact against them as deemed appropriate by the director with special responsibilities, with the authority to lodge claims, collect any amounts due and sign public and/or private documents of any kind to ensure the validity, enforceability and implementation of the agreements signed;

1.3. Entering into any other agreements, contracts and transactions of a commercial or corporate nature, as appropriate to carrying out the company's logistical activities, whether with third parties, group companies or associated companies, and signing public and/or private documents of any kind to ensure the validity, enforceability and implementation of the agreements signed, with complete authorization to negotiate the terms and conditions of these agreements, regardless of the category, and to modify or terminate these contractual relationships of a commercial or corporate nature.

2. Being responsible for the area of finance, taxes and taxation, with specific powers to perform all the actions required or convenient to fulfil the company's obligations in this domain, including the areas of planning and management control, financial reporting, corporate finance issues, financial and cash transactions, financial management and collections, as well as matters involving taxation, including for this purpose, but not limited to, the following powers:

2.1. Requesting and formalizing the provision of guarantees and obligations with banks, savings banks and other credit institutions, so as to ensure compliance with obligations assumed by the company as a result of transactions related to its business; signing agreements for loans, credit and borrowing in general (both with credit institutions as well as with other entities from the same group, whether domestic or foreign), including real estate development loans, and guaranteeing them with any type of guarantees, credits, bills, promissory notes or other securities, movable or immovable property;

2.2. Taking out any types of deposits and assuming any obligations for all purposes, with legal or natural persons, including banks, Banco de Portugal, the State, regional and municipal bodies and authorities or courts of any kind, withdrawing or cancelling these deposits and guarantees, partially or in whole, and collecting principal and interest;

2.3. Purchasing, modifying, terminating or settling insurance policies of any kind, as well as transacting against them as deemed convenient by the director with special responsibilities, with the ability to lodge claims and receive compensation from the insurer;

2.4. Claiming and collecting, as permitted by law, amounts due to the company, including credits and deposits with the State, its agencies or others, entities and institutions of the State and bodies dependent on the State, signing and issuing the respective proof of payment;

2.5. Accepting, from debtors, movable and immovable property delivered for the payment of debts or a part thereof, and assessing this property; taking the judicial and extrajudicial measures

deemed necessary or appropriate in relation to property from debtors, with a view to defending the rights and interests of the company;

- 2.6. Paying and settling any credits, interest, amounts and, in general, any sums due from the company for any reason related to, among others, operating costs or expenses, amounts due for the operation, repair and maintenance of assets held by the company, amounts payable to suppliers and other operating expenses involving the day-to-day running of the company or the assets in its possession, requesting receipts for acquaintance and proof of payment in relation to any amounts paid;
- 2.7. Opening, supervising, using, maintaining and closing any bank accounts and passbook accounts, whether current accounts, term accounts, securities accounts, credit accounts or others, having access to the amounts and securities deposited in these accounts and, to this end, requesting bank transfers; initiating bank transactions and agreements with any type of banking, credit, discount, financial or private banking institutions;
- 2.8. Issuing, accepting, collecting, paying, endorsing, protesting, discounting, pledging, guaranteeing and negotiating bills of exchange, promissory notes, cheques, payment orders and other bank drafts or documents of exchange. Implementing and establishing the conditions for endorsements and discounts in receipts, in negotiable instruments of any other kind and in orders and payment orders in the treasuries of the State, banks, deposit banks and other entities in which it has securities, bills, cash or any type of asset;
- 2.9. Depositing, withdrawing, transferring or domiciling and determining payments to or from the accounts of the company, signing cheques, payment orders and/or any documents considered necessary, as well as operating the accounts through the online banking service of the banking entity;
- 2.10. Receiving notices, letters and bank statements of the accounts, and having complete access to them by any means, either when requesting such information directly from the banking entity of the accounts in question, or through the online banking system, together with having the powers of viewing;
- 2.11. Negotiating the services and fees of the contracts of bank accounts;
- 2.12. Representing the company, as appropriate, before the Tax and Customs Authority ("Tax Authority") and respective associated entities;
- 2.13. Signing and submitting, on behalf of the company, all tax returns required according to any national, regional or local tax authority, together with the respective settlement or acquittance before the Tax Authority; signing and submitting, on behalf of the company, any form, document or notice to Banco de Portugal or to the competent monetary authority, or to any other authority competent in matters involving foreign transactions; and signing, whether in agreement or in disagreement;
- 2.14. Representing the company before inspection bodies of the Tax Authority, as well as before regional and local offices, submitting documentation, appearing before any services of the Tax Authority, appealing and submitting any allegations or requisitions within the scope of tax inspections;
- 2.15. Signing, on behalf of the company, requisitions submitted with administrative authorities in accordance with the tax process and procedure, e.g. requisitions to respond to informational notices, together with any resources related to state, regional or local taxes, applied by the Tax Authority through any office;
- 2.16. In general, monitoring inspection processes in progress or brought in the future against the company, with the ability, in this regard, to (1) take all the measures deemed necessary or convenient to proceed with the various processes of claims or contestation of corporate income tax settlements by the Tax Authority which are underway with the competent authorities, making efforts to submit or reinforce bank guarantees aimed at securing the

payment of tax amounts settled and subject to contestation; (2) carry out all acts that may become necessary in relation to proceedings brought by the Tax Authority following inspection activities in progress or which may be initiated with the company; (3) representing the company before any public or private entities; (4) hiring service providers, legal or financial advisers and/or experts for the company that may be necessary in this regard;

- 2.17. Making, submitting, accepting, refusing and authorizing collections, payments and settlements of any type of taxes, fees and charges before any competent person or entity, including by electronic means. Making guarantees and accepting or contesting fees, taxes or specific tariffs for this purpose. Requesting deferrals or payments in instalments. Making collections;
 - 2.18. Requesting, managing, obtaining, accepting, acquiring, granting and renouncing concessions, benefits, subsidies, exemptions, discounts and deductions of any kind, as well as requesting any special tax scheme that may apply; establishing or accepting their terms and conditions, and doing everything needed to ensure their respective implementation, compliance, use and fruition;
 - 2.19. Hiring service providers, legal or financial advisers and/or experts for the company in the areas of finance, law, taxation and strategic consultancy, as necessary in this context, with up to €250k (two hundred and fifty thousand euros) in total remuneration; and
 - 2.20. Establishing, in representation of the company, and notwithstanding the powers of the company's Audit Board under the law and the company's articles of association, whose legally certified copy has been submitted by the parties and returned, the relationship with the company's external auditors, as needed to monitor auditing services.
3. Responsibility for the legal area, with specific powers to perform all the actions required or convenient in matters related to the company's legal area, including but not limited to:
- 3.1. Appearing and representing the company in court, before any tribunal, in any proceedings, and ratifying the respective taking of positions, both in the declarative and pre-trial phases, as well as in enforcement, interlocutory, reconciliation or voluntary jurisdiction acts, and finally in any ordinary and extraordinary appeals. Furthermore and specifically, special powers to make admissions, withdraw or compromise, draw up agreements, enter into, assume and sign commitments and terminate, settle, submit to arbitration and be part of the arbitration agreement, and make any statements that may suspend the proceedings by means of extrajudicial negotiation or as a result of a subsequent change of purpose, as well as all those in which the above-mentioned special powers may be deemed necessary;
 - 3.2. Hire service providers and legal advisers and/or experts for the company that may be needed in this regard, with up to €250k (two hundred and fifty thousand euros) in total remuneration;
 - 3.3. Grant general and special powers to attorneys and legal representatives, delegating any powers considered appropriate to better defend the company's interests, including the proposition/submission of actions, claims and criminal complaints, and their revocation, as appropriate; and
 - 3.4. Provide any statements or sign any public and/or private document needed to meet applicable requirements involving regulations to fight money laundering.

The powers described above can be exercised individually by the director with special responsibilities, provided that the individual amount of the act does not exceed €250,000 (two hundred and fifty thousand euros) or its equivalent in another currency.

Also on this same date, the Board of Directors decided to grant, pursuant to and for the purposes of article 407, paragraph 1 of the Commercial Companies Code, the following special responsibilities to Director María del Carmen Gil Marín:

- a) Responsibility for the business area related to Novabase Capital, with this director in charge of running and coordinating the business of Novabase Capital, Sociedade de Capital de Risco, S.A., a company fully owned by Novabase;
- b) Responsibility for the area of investor relations, assuming, for all legal purposes, namely with the Portuguese Securities Market Commission (CMVM), the position of Novabase representative for market relations, with this director in charge of supervising, overseeing and ensuring, with the degree of action deemed necessary or sufficient, Novabase's fulfilment of its duties arising from the fact that the shares representing its share capital are listed for trading on the Euronext Lisbon regulated market, namely the duties of disclosing information to the market and to the CMVM, as the supervisory authority;
- c) Responsibility for the area of marketing and communication, with this director in charge of running and coordinating all matters related to Novabase's areas of marketing and communication;
- d) Responsibility for the area of information technologies (IT), with this director in charge of running and coordinating all matters related to Novabase's area of information technologies.

Directors with special responsibilities are obliged to keep the Board of Directors informed at all times of the acts carried out in the exercising of the above-mentioned special responsibilities by submitting a summary of these acts, whenever justified, at each meeting of the Board of Directors, and by furnishing information to the members of the Board of Directors whenever requested.

The non-executive directors are in charge of overseeing the activities of the managing directors, and for any damages caused by the acts or omissions of the committee or its members when, being aware of such existing or intended acts or omissions, they fail to notify the Board of Directors to take the necessary measures. In addition to the power of submitting matters for the Board of Directors' assessment and decision, and with a view to fully carrying out their monitoring and oversight duties with regard to Novabase's business, non-executive and managing directors may raise specific issues regarding delegated matters directly with executive directors.

In the same manner, the directors who have been granted the above special responsibilities must keep Novabase's Board of Directors informed at all times of the acts carried out in fulfilling these special responsibilities, and must submit a summary of these acts, whenever justified, at each meeting of the Board of Directors, together with furnishing information to the members of the Board of Directors whenever requested.

In view of the above, no powers were delegated in 2024 involving matters where the Board of Directors must ensure that the company acts in accordance with its objectives, namely: i) definition of the company's strategy and general policies; ii) definition of the corporate structure of the Group; iii) decisions taken that are considered to be strategic due to the amounts, risk and particular characteristics involved.

- **Operation**

Under the terms of Novabase's articles of association, the Board of Directors shall meet whenever called by its Chairperson or by two other directors. It must meet at least once per quarter.

The Board of Directors cannot function without a majority of its active members present. Under urgent circumstances, the Chairperson may waive this majority when it can be achieved via postal or proxy voting to another member of management.

One or more members of the board may participate via telematic means, when duly recorded in the minutes. In this case, members of management attending remotely via telematic means are considered present at the meeting.

Except when a qualified majority is required by law, the decisions of the Board of Directors are made by simple majority. The Chairperson of the Board of Directors has the casting vote in the event of a tie.

Pursuant to the Board of Directors' regulations, its Chairperson is also responsible for: a) coordinating the Board of Directors' work; b) calling and running the Board of Directors' meetings, ensuring that their minutes are drawn up; c) making casting votes; and d) ensuring the execution of decisions made.

Detailed minutes are drawn up for the meetings of Novabase's Board of Directors, pursuant to article 9 of the Board of Directors' internal regulations.

Pursuant to recommendation IV.2.1. of the Portuguese Corporate Governance Institute (IPCG) Corporate Governance Code (2018, revised in 2023), notwithstanding the legal functions of the Chairperson of the Board of Directors, if the Chairperson is not independent, the independent directors must designate a coordinator (lead independent director) from among themselves for the following purposes: (i) serving, whenever necessary, as a spokesperson with the Chairperson of the Board of Directors and the other directors, (ii) ensuring that they have the necessary means and conditions to perform their duties; and (iii) coordinating them in assessing the performance by the managing board, as provided for in recommendation V.1.1. of the above Governance Code.

In view of Novabase's corporate organizational model, which has several levels of internal control, the company does not believe that independent directors are necessary, as further explained in point 18. The designation of a lead independent director per this recommendation is therefore not possible.

With regard to the option of designating a lead non-executive director (in the absence of independent directors), in view of the company's size, the Board of Directors (comprised of nine directors) and the number of non-executive directors (seven), Novabase does not believe this position is necessary.

In fact, given Novabase's agile and flexible structure since 2015, the non-executive directors have adequately coordinated their duties with no need for formal meetings called and run by one of these directors.

Pursuant to the Novabase Board of Directors' internal regulations, members of the Board of Directors may not vote on issues where they have a conflict of interest with Novabase, whether directly or through third parties.

While being obliged to inform the Chairperson of the Board of Directors about the conflict of interest, the board member in question may participate in the meeting where the issue will be discussed, but without the ability to vote.

Unless decided otherwise, this member may be asked to give an opinion, but without the ability to vote, and must provide all information and clarifications requested in this regard by the Board of Directors and/or its members. Pursuant to the Board of Directors' internal regulations, directors may obtain information deemed necessary or convenient for the performance of their functions, powers and duties, via request to the Chairperson of the Board of Directors. Directors shall also be ensured access to the company's employees, as necessary, to assess Novabase's performance, status and future prospects.

Managing directors must provide, in a timely and suitable fashion, any information requested by the Board of Directors and/or Audit Board so that they may assess Novabase's performance, status and future prospects.

In 2024, all the information requested by the various corporate boards was supplied by Novabase's managing directors in a timely and suitable fashion. Similarly in 2024, the directors with special responsibilities kept the Board of Directors informed at all times of the acts carried out in fulfilling

these special responsibilities, and provided information on these matters to the members of this board whenever requested.

22. Existence and location of operating regulations, as applicable, of the Board of Directors, General and Supervisory Board and Executive Board of Directors.

The regulations of the Board of Directors are available at Novabase's website.

23. Number of meetings held and attendance of each member, as applicable, of the Board of Directors, General and Supervisory Board and Executive Board of Directors.

Board of Directors	
Number of meetings: 11 ¹	
Member	Attendance (%)
Luís Paulo Cardoso Salvado	100
Álvaro José da Silva Ferreira	100
Francisco Paulo Figueiredo Morais Antunes	100
María del Carmen Gil Marín	100
José Afonso Oom Ferreira de Sousa	100
Pedro Miguel Quinteiro Marques Carvalho	91
Benito Vázquez Blanco	100
Madalena Paz Ferreira Perestrelo de Oliveira	100
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	100

1 - two meetings held per document circulation

24. The corporate bodies responsible for assessing the performance of executive members.

The activities of the managing directors are monitored continuously by the Board of Directors on the whole and, specifically, by the non-executive directors, through the provision of information on the company's business as needed to monitor its day-to-day running. This monitoring of the managing directors by non-executive members was a practice already in place prior to the publication of corporate governance recommendations on the existence of specific evaluation committees, and continues to be an actual practice employed by Novabase.

Furthermore, in a meeting dated 22 May 2024, the Board of Directors approved new internal regulations for this board embracing the recommendations of the IPCG Corporate Governance Code (2018, revised in 2023) in this regard.

Pursuant to article 10 of these regulations, to allow non-executive directors to carry out their duties of monitoring and overseeing Novabase's business, in addition to their ability to submit matters to the

Board of Directors for assessment and decision, they may also, individually or jointly, request that members of the Executive Committee or the managing directors provide meeting minutes, support documentation for decisions made, meeting notices and access to meeting archives, requesting such information through the Chairperson of the Board of Directors and/or Chairperson of the Executive Committee, who must respond to the request in a timely and suitable fashion.

On 31 December 2024, the non-executive members of the Board of Directors were Francisco Paulo Figueiredo Morais Antunes, María del Carmen Gil Marín, José Afonso Oom Ferreira de Sousa, Pedro Miguel Quinteiro de Marques Carvalho, Benito Vázquez Blanco, Madalena Paz Ferreira Perestrelo de Oliveira and Rita Wrem Viana Branquinho Lobo Carvalho Rosado.

Furthermore, in accordance with recommendation VI.1.1. of the IPCG Corporate Governance Code (2018, revised in 2023), the Board of Directors conducts an annual assessment of its performance and the performance of the managing directors or Executive Committee, as applicable, bearing in mind fulfilment of the company's strategic plan and budget, risk management, internal operation and each member's contribution in this regard, together with relationships between the company's boards and committees.

Along these lines, each year, the Board of Directors approves the following in a meeting in reference to the previous financial year: (i) performance assessment of the Board of Directors on the whole during the financial year in question, using a self-assessment process for this purpose based on the evaluation parameters in the above paragraph, with all members of the Board of Directors participating and voting in the decision to approve this assessment, and (ii) performance assessment of the managing directors or Executive Committee, as applicable, in the previous financial year, based on the same evaluation parameters and other relevant parameters considering the executive functions of this board, with only the non-executive members of the Board of Directors participating and voting in the decision to approve this assessment.

The overall performance assessment of the Board of Directors and managing directors in the 2024 financial year was approved by Novabase's Board of Directors on 13 February 2025. In addition, the Remuneration Committee is responsible for assessing the performance of the managing directors and the directors with special responsibilities, namely for the purposes of applying the evaluation criteria described in point 25 below, together with that of the remaining non-executive directors.

Novabase's Board of Directors also ensures that the individual performance evaluations of each member of management are notified to the Remuneration Committee.

25. The pre-established criteria for assessing the performance of executive members.

The performance assessment of members of the Board of Directors (including managing directors) takes into account the organization's performance in the year in question, measured for example by growth in turnover and total shareholder return, and is aimed at correlating the remuneration's variable cash component with the responsibility and performance of each director in particular (as stated in the policy in point 69 of this report).

More information on the evaluation parameters and assessment process of Novabase's directors can be found in point 24.

26. Availability of each member, as applicable, of the Board of Directors, General and Supervisory Board and Executive Board of Directors, indicating positions held simultaneously at other companies, both in and outside of the group, and other relevant activities performed by the members of these boards over the year.

Director (availability)	Group Companies	Other Companies and Activities
Luís Paulo Cardoso Salvado (Full time)	• Director of the following companies: • Chairperson of the Board of Directors of Celfocus, S.A. • Chairperson of the Board of Directors of Novabase Consulting, S.G.P.S., S.A. • Chairperson of the Board of Directors of Novabase Capital - SCR, S.A. • Chairperson of the Board of Directors of Novabase Business Solutions, S.A. • Chairperson of the Board of Directors of Novabase Enterprise Applications, S.A. • Member of the Board of Directors of Novabase IMS2, S.A.	• Director of HNB - S.G.P.S., S.A. • Managing partner of Turtlewalk, Unipessoal, Lda.
Álvaro José da Silva Ferreira (Full time)	• Director of the following companies: • Member of the Board of Directors of Celfocus, S.A. • Chairperson of the Board of Directors of NBASIT, S.A. • Chairperson of the Board of Directors of Novabase IMS2, S.A. • Chairperson of the Board of Directors of Equipa Frutuosa, S.A. • Chairperson of the Board of Directors of Rota Virtuosa, S.A. • Manager of Binómio, Lda. • Novabase Consulting, S.G.P.S., S.A. • Novabase Business Solutions, S.A. • Novabase Enterprise Applications, S.A. • Novabase Capital, S.C.R., S.A. • Novabase Middle East • Celfocus GmbH	• Director of HNB - S.G.P.S., S.A. • Managing partner of Pragmatic Proton, Unipessoal, Lda.
Francisco Paulo Figueiredo Morais Antunes (Full time)	• Director of the following companies: • Novabase Consulting S.G.P.S., S.A. • Novabase Business Solutions, S.A. • Novabase Enterprise Applications, S.A. • Celfocus, S.A. • NBase International Investments B.V. • NBASIT, S.A. • Novabase IMS2, S.A. • Novabase Capital, SCR S.A.	• Manager of Cosmostock, Unip, Lda

	• Binómio, Lda. • TVLAB, S.A. • Celfocus LTD • Celfocus B.V. • Celfocus GmbH • Equipa Frutuosa, S.A. • Rota Virtuosa, S.A. • Novabase Middle East	
María del Carmen Gil Marín (Part time)	• Chairperson of the General Meeting of Shareholders of the following Novabase Group companies: • GLOBALEDA - Telecomunicações e Sistemas de Informação, S.A. • Director of the following companies: • Celfocus, S.A.	• Independent non-executive director of the postal service (CTT) and member of the Auditing Committee • Independent non-executive director of Caixa Geral de Depósitos and member of the Auditing Committee and of the Evaluation, Appointments and Remuneration Committee • Independent non-executive director of Santalucia and member of the Appointments and Remuneration Committee
José Afonso Oom Ferreira de Sousa (Part time)	• Chairperson of the General Meeting of Shareholders of the following companies: • Novabase IMS2, S.A. • TVLAB, S.A.	• Director of HNB - S.G.P.S., S.A. • Director of Fundação Maria Dias Ferreira • Director of PROMANUSS - Investimentos e Consultadoria, S.A. • Director of Xistroban, S.A. • Chairperson of the Audit Board of Clube Olímpico de Oeiras.
Pedro Miguel Quinteiro Marques Carvalho (Part time)	• Chairperson of the General Meeting of Shareholders of the following companies: • Novabase Consulting S.G.P.S., S.A. • Novabase Business Solutions, S.A. • Novabase Capital, S.C.R., S.A. • Novabase Enterprise Applications, S.A. • Celfocus, S.A.	• No activities at other companies outside the Group.
Benito Vázquez Blanco (Part time)	• No activities at other Novabase Group companies	• Co-CEO of BK00L (software simulation platform for indoor cycling and spinning) • Independent director of the following Boards of Directors:

		• Mapfre Iberia • Mapfre Vida • Mapfre Internacional • Luckia Gaming Group • Member of the following Advisory Committees: • Mapfre CATIT (Advisory Committee for Transformation, Innovation and Technology) • Jones Lang Lasalle (JLL) España S.A. • SCL • Escuela Técnica Superior Ingenieros de Telecomunicación (Universidad Politécnica de Madrid) • Information Processing and Telecommunications Centre (Universidad Politécnica de Madrid) • ICAI (Universidad Pontificia de Comillas)
Madalena Paz Ferreira Perestrelo de Oliveira (Part time)	• No activities at other Novabase Group companies	• Assistant Professor at the University of Lisbon School of Law • Consultant in the areas of banking, finance and corporate, M&A at PLMJ, Sociedade de Advogados, RL • Researcher at the Private Law Research Centre (CIDP) of the University of Lisbon School of Law
Rita Wrem Viana Branquinho Lobo Carvalho Rosado (Part time)	• Secretary of the General Meeting of Shareholders of the Novabase Group companies: • Novabase Consulting, S.G.P.S., S.A. • Novabase Business Solutions, S.A. • Novabase Enterprise Applications, S.A. • Celfocus, S.A. • Novabase IMS2, S.A. • TVLAB, S.A. • Novabase Capital, S.C.R., S.A. • Head of Legal at the Novabase Group	• No activities at other companies outside the Group.

- Committees within the managing or supervisory board and managing directors

27. Committees created within, as applicable, the Board of Directors, General and Supervisory Board and Executive Board of Directors, and location of operating regulations.

As stated in point 15 of this report, in view of the mounting challenges of internationalization and competition revolving around Novabase's business, the corporate governance system in place at the Company needed to be brought up to date by simplifying and streamlining company bodies and procedures, so as to tailor existing solutions to the Company's size and specific circumstances.

No other committees have currently been created within the company's Board of Directors, namely (i) to assess the performance of the executive directors and Board of Directors, and (ii) to reflect and act on issues involving corporate governance.

With regard to evaluating the management, it should be noted that the Board of Directors annually assesses its own performance, together with the performance of the managing directors or Executive Committee, as applicable, also ensuring that the individual performance evaluations of each member of the management are notified to the Remuneration Committee.

The activities of the managing directors are also monitored continuously by the Board of Directors on the whole and, specifically, by the non-executive directors, through the provision of information on the company's business as needed to monitor its day-to-day running. This monitoring of the managing directors or of the Executive Committee, as applicable, by non-executive directors was a practice already in place prior to the publication of corporate governance recommendations on the existence of specific evaluation committees, and continues to be an actual practice employed by Novabase.

In addition, the Remuneration Committee is responsible for assessing the performance of the managing directors and the directors with special responsibilities, namely for the purposes of applying the evaluation criteria described in point 25.

More information on the annual evaluation process of Novabase's Board of Directors can be found in point 24 of this report.

Along these lines, given the relatively low complexity of the current corporate governance structure, maintaining or reintroducing a specific committee to reflect on issues involving corporate governance or appointments seems unnecessary, since the company is assisted by outside consultants in this regard. Note that Novabase's governance model is assessed regularly by the Board of Directors in terms of its suitability and performance, to help optimize its performance in closer alignment with the interests of all stakeholders.

28. Composition, if applicable, of the executive committee and/or identification of managing director(s).

On 31 December 2024, the managing directors were:

Luís Paulo Cardoso Salvado

Álvaro José da Silva Ferreira

29. Powers of each of the committees created, and summary of activities carried out in exercising these powers.

As mentioned in point 27 of this report, there are no committees created within the Company's Board of Directors, with the day-to-day management of the company being delegated to two managing directors and two directors with special responsibilities.

The activity for 2024 is summarized below:

In 2024, Novabase's results reflected the strategy's success, as borne out by the improved profitability and greater operational efficiency.

The total EBITDA was up 20%, while the Net Profit from continuing operations nearly doubled, even with a marginal business increase. The EBITDA of Next-Gen grew almost 30% to 12.2%, surpassing the 2019+ Strategic Update's double-digit profitability target. Turnover in talent dropped from 18% to 10% in the past two years, thanks to the focus on professional enhancement and competitive salaries, together with developments in the job market. Net Cash fell by €11 million due to shareholder remuneration and working capital investments. Total shareholder returns were 43%, clearly above the EuroStoxx Technology (12%) and PSI All-Share (-12%) benchmark indices.

35 years of innovation and impact were celebrated in 2024, with great pride in the value created for all stakeholders. Millions of people throughout the world use Novabase's solutions each and every day, improving their lives. According to OnStrategy, Novabase is the most valuable Portuguese brand in the Technology & Software sector and among the top 100, a recognition of the talent and dedication of the thousands of professionals who are part of Novabase's history.

Despite the uncertain macroeconomic backdrop, the Board of Directors kicked off 2025 with confidence in the success of Novabase's strategy, which is benefiting from the restructuring implemented in late 2024, consolidating its focus on the customer and ongoing operational efficiency.

III. Supervision

a) Composition

30. Identification of supervisory body (Audit Board, Auditing Committee or General and Supervisory Board) in the model adopted.

Novabase has adopted a reinforced Latin corporate governance model, which includes an Audit Board and Statutory Auditor.

31. Composition, as applicable, of the Audit Board, Auditing Committee, General and Supervisory Board or Financial Matters Committee, stating the minimum and maximum number of members, term of office, number of full members, inauguration date and end date of each member's term of office, in accordance with the articles of association (reference may be made to the point where this information is already found in the report per no. 18).

Article 8 of the company's articles of association states that members of the Audit Board are elected by the General Meeting of Shareholders for three-year terms, subject to re-election one or more times and that, at the end of their terms of office, they shall keep their positions until the appointment of new members.

Novabase's articles of associations further establish that the supervision of the Company shall be the responsibility of an Auditing Board elected by the General Meeting and composed of at least three full members, one of whom shall be its Chairperson, with at least one substitute.

At least one member of the Audit Board must have a higher education degree suited to his/her duties, as well as knowledge of auditing or accounting. The Audit Board's remaining members may be law firms, statutory auditing firms or shareholders, in the latter case individuals with full legal capacity, and with qualifications and professional experience suited to his/her duties. On the whole, the Audit Board's members must have prior experience and training in Novabase's business sector.

The Audit Board had the following composition on 31 December 2024:

Full Member	Inauguration date	End of term of office
Álvaro José Barrigas do Nascimento	10 May 2018	31 December 2026
Fátima do Rosário Piteira Patinha Farinha	29 April 2015	31 December 2026
João Luís Correia Duque	25 May 2021	31 December 2026

32. Identification, as applicable, of the members of the Audit Board, Auditing Committee, General and Supervisory Board or Financial Matters Committee considered to be independent under the terms of articles 414, paragraph 5 of the Commercial Companies Code (reference may be made to the point where this information is already found in the report per no. 19).

Full Member of the Audit Board	Independent ¹
Álvaro José Barrigas do Nascimento	Yes
Fátima do Rosário Piteira Patinha Farinha	Yes
João Luís Correia Duque	Yes

¹ Pursuant to article 414, paragraph 5 of the Commercial Companies Code.

In 2024, all members of the Audit Board were in compliance with the incompatibility rules of article 414-A, paragraph 1 of the Commercial Companies Code, together with the requirements for independence under Law no. 148/2015 of 09 September, since all of this board's members, including the Chairperson, are independent in accordance with article 414, paragraph 5 of the Commercial Companies Code.

In addition, the Chairperson and other members of the Audit Board are adequately capable of carrying out their duties, as demonstrated by the background information in the following point.

In this way, in view of Novabase's comparative size, the complexity of its business risks and the independence of all members of its Audit Board, Novabase believes that the number of Audit Board members effectively ensures the functions entrusted to it.

33. Professional qualifications, as applicable, of the members of the Audit Board, Auditing Committee, General and Supervisory Board or Financial Matters Committee, and other relevant background information (reference may be made to the point where this information is already found in the report per no. 21).

Audit Board		
Full Member	Professional Qualifications	Work experience
Álvaro José Barrigas do Nascimento	• PhD in Banking and Finance • Cass Business School, City University London, United Kingdom • Master of Science in International Trade and Finance	• Full Professor/ Dean of Fernando Pessoa University (since 2023) • Associate Professor in Economics and Finance - Católica Porto Business School - Universidade Católica Portuguesa (1991-2022) • Independent NORS director (since 2020)

	• The Management School, Lancaster University Lancaster, United Kingdom • Graduate in Economics, Porto School of Economics Porto, Portugal • Graduate in Company Organization and Management from Instituto Superior de Economia e Gestão • Registered in the Portuguese Statutory Auditors' Association	• Chairperson of the Audit and Finance Committee of Sonae MC (2018-2020) • Member of the Audit Board of Unicer • Manager of the Business Administrator Forum (FAE) (since 2019) • Chairperson of the Advisory Committee of ERSAR (2019-2023) • Manager of the Católica Porto Business School (2008-2013) • Chairperson of the Board of Directors of CGD (2011-2013) • Member of management, Católica Luanda Business School (since 2020) • Chairperson of the Audit Board of Banco Carregosa (2017-2018) • Independent director of Euronext (2016-2018) • Manager of the Portuguese Corporate Governance Institute (2013-2019) • Manager of the Commercial Association of Porto (2013-2017) • Advisor to the Minister of Education of the XIV Constitutional Government (2002)
Fátima do Rosário Piteira Patinha Farinha	• Graduate in Company Organization and Management from the ISEG - Lisbon School of Economics and Management • Registered in the Portuguese Statutory Auditors' Association	• Business Controller Head at JAPRAC • Director of Third-Party Unit of JAP Group (2020-2023) • Financial Director of Entrepосто Group automobile retail (2010-2020) • Assistant Financial Director of Entrepосто Group (2002-2010); • Financial Director of Novabase Capital S.C.R., S.A. (2000- 2002); • Financial Director of Novabase Sistemas de Informação e Bases de Dados S.A. (1991- 2000).
João Luís Correia Duque	• Doctorate in Business Administration from the University of Manchester • Graduate in Company Organization and Management from University of Lisbon	• Chairperson of the ISEG - Lisbon School of Economics and Management • Chairperson of the Board of Directors of Taguspark, S.A. • Non-executive Director of Novabase - S.G.P.S., S.A. • Non-executive Director of Sogevinus - S.G.P.S., S.A. • Member of the management of the Portuguese Financial Analysts Foundation (APAF)

		• Chairperson of the Board of Directors of Novabase Capital S.C.R., S.A. • Member the Audit Board of Sagres - Sociedade de Titularização de Créditos, S.A. • Member the Audit Board of FGP - Federação de Ginástica de Portugal • Member of the Advisory Committee of IGCP • Chairperson of the Scientific Board of APOTEC - Associação dos Técnicos Oficiais de Contabilidade • Director of the Studies Office of the Portuguese Securities Market Commission (CMVM) • Consultant of CMC - Comissão do Mercado de Capitais de Angola. • Member of the Advisory Committee of BCSD Portugal - Business Council for Sustainable Development.
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b) Operation

The Audit Board is responsible for overseeing Novabase's management and ensuring compliance with the law and memorandum of association.

In performing its duties, Novabase's Audit Board is responsible for the following:

- a) Propose, at the General Meeting of Shareholders, the appointment of the Statutory Auditor ("ROC") or Statutory Auditing Firm ("SROC"), pursuant to the law;
- b) Monitor the independence of the ROC/SROC, particularly with regard to the provision of additional services to Novabase or to companies in its group;
- c) Oversee the review of accounts and other company accounting documents;
- d) Prepare an annual report on its oversight activities, and issue an opinion on the Annual Report and Accounts and proposals submitted by management;
- e) Monitor the efficacy of the risk management system, internal control system and internal auditing system;
- f) Monitor the preparation and disclosure of financial information;
- g) Annually assess the Board of Directors' and Executive Committee's compliance with the budget;
- h) Take whatever decisions it deems necessary, informing the Chairperson of the Board of Directors and director in charge of Novabase's financial area, with respect to information about any irregular practices which it receives from shareholders, Novabase employees or others, to the department created specifically for this purpose;
- i) Issue a prior binding opinion on the type, scope and minimum individual or combined amount of business deals with related parties which (i) require the prior approval of the managing board; (ii) require the prior approval of the supervisory board due to their high value;
- j) Issue a prior opinion on business deals with related parties submitted by the managing board;
- k) Comply with other competencies and duties provided for by law and the memorandum of association.

In addition, since 31 March 2011, the company's supervisory board has performed duties involving preliminary assessments of the business deals to be carried out between the company and the owners of qualified holdings or entities related to them, pursuant to article 20 of the Securities Code. These functions are described in point 91 of this report.

Even so, in view of the entry into force of Law no. 50/2020 of 25 August during the 2020 financial year, which transposed into the Portuguese legal system Directive (EU) 2017/828 concerning shareholder rights in listed companies as regards shareholders' long-term engagement, having introduced articles 249-A and following (corresponding to current articles 29-S and following) to the Securities Code providing for a scheme for transactions with related parties, an internal procedure was established at Novabase in 2021 for verifying and approving transactions with related parties, with the involvement of the Board of Directors and the Audit Board, pursuant to the law, which was approved by the Board of Directors with a prior favourable opinion of the Audit Board.

This regulation is further described in point 91 of this report, including the intervention and functions of the Audit Board in this regard, which among others include: (i) issuance of a prior opinion by the Audit Board in relation to certain transactions between the company and related parties subject to decision of the Board of Directors, (ii) the need for the Board of Directors to verify and notify the Audit Board, before the end of the month following the end of each quarter, of the amount and nature of transactions between Novabase and any related party performed in the previous quarter which were not subject to a specific decision by these boards pursuant to the regulations.

On 24 July 2024, the Audit Board approved new internal regulations aimed at incorporating legislative amendments applicable to this board occurring in the meantime.

In performing its duties regarding the preparation of financial information, the Audit Board is specifically responsible for:

- a) Overseeing the adequacy of the process for preparing and disclosing financial information by Novabase's Board of Directors, including the suitability of accounting policies, estimates, judgements, relevant disclosures and their consistent application between years, in a duly documented and properly communicated manner; and
- b) Certifying that the report disclosed on corporate governance practices and structure includes the items referred to in article 29-H of the Securities Code.

In addition, in performing its duties regarding the supervision of systems for risk management, internal control and internal auditing, the Audit Board is specifically responsible for:

- a) Evaluating the Board of Directors' risk management, implementing periodic control procedures and mechanisms to ensure that the risks actually taken by Novabase are consistent with the Board of Directors' goals;
- b) Issuing its opinion on the working plans and resources allocated to internal control areas, also receiving reports from these areas on matters involving the rendering of accounts, identifying or resolving conflicts of interest and the detection of potential irregularities.

Finally, in performing its duties regarding statutory and external auditing, the Audit Board is specifically responsible for:

- a) Ensuring an organized selection process for ROCs/SROCs to be proposed to the General Meeting of Shareholders, pursuant to applicable legislation. This selection must include the following:
 - (i) It must begin with a sufficient amount of lead time before the scheduled date of the Novabase General Meeting of Shareholders which will elect the ROC/SROC, so that the Audit Board may properly assess proposals received from applicants and select the ROCs/SROCs to be proposed at the meeting;
 - (ii) It must be open to various applicants during a specific period of time; the Audit Board shall select and invite a group of applicants prior to its established proposal submission period;
 - (iii) It must follow selection criteria of transparency, non-discrimination and impartiality; in analysing and appraising each proposal received, the Audit Board shall consider applicants' knowledge of the business sectors where Novabase and the Novabase Group's companies

- do business, together with their resources, capacities and financial standing.
- b) Selecting, in accordance with sub-paragraph a) above, the ROCs/SROCs to be proposed to the General Meeting of Shareholders for election and, as part of this proposal, recommending a preferred ROC/SROC on justified grounds, pursuant to the law;
 - c) Verifying, monitoring and overseeing the independence of Novabase's ROC/SROC, namely by means of the following:
 - (i) Ensuring the receipt of information and communications pursuant to article 63 of the bylaws of the Portuguese Statutory Auditors' Association passed by Law no. 140/2015 of 07 September ("EOROC");
 - (ii) Properly evaluating the threats to the independence of the ROC/SROC, together with existing or future safeguarding measures, and discussing these issues with the ROC/SROC when deemed necessary;
 - (iii) Monitoring the services provided by the ROC/SROC, and ensuring that no services beyond auditing services ("prohibited services", listed in Annex I to the regulations) are provided, pursuant to article 77 of the EOROC;
 - (iv) Annually evaluating the work done by the ROC/SROC, including its independence and suitability to perform its duties, proposing to the General Meeting of Shareholders that it be dismissed, or that its service provision agreement be terminated, whenever there are justified grounds for this purpose;
 - (v) Implementing any other measures needed to ensure the independence of the ROC/SROC, pursuant to the law.
 - d) Establishing adequate communication channels between Novabase (and specifically the Audit Board) and the ROC, namely by:
 - (i) Holding meetings if and when necessary between the ROC/SROC and Novabase's Audit Board and/or Board of Directors;
 - (ii) Serving as Novabase's main spokesperson with the ROC/SROC.

Note that, within the scope of the powers in d) above, and as the primary spokesperson of the company's statutory auditor, the Audit Board proposes the remuneration of Novabase's statutory auditor and lays the proper groundwork for the provision of services within the company.

The Audit Board's powers have also been reinforced with a view to properly evaluating the performance, status and future prospects of Novabase. The Audit Board's regulations state that it may request any information deemed necessary from the Executive Committee or Board of Directors, together with their meeting minutes, meeting notices, support documentation or access to the meeting archives.

The Audit Board's internal regulations also detail several general duties and responsibilities, such as participating in meetings of the Board of Directors, managing directors or Executive Committee, as applicable, in which the annual accounts will be assessed, and the General Meeting of Shareholders, together with maintaining confidentiality with regard to facts and information disclosed to Audit Board members while performing their duties, notwithstanding the legal obligation to report criminal acts constituting public crimes pursuant to article 422, paragraph 3 of the Commercial Companies Code.

The Audit Board held the compulsory number of meetings in 2024 as required by the articles of association, and made all examinations of the accounts deemed necessary to fulfil its obligations, having conducted analyses and made suggestions as considered appropriate.

The Audit Board holds ordinary meetings at least once per quarter, or whenever deemed necessary by its Chairperson or requested by one of its members. The Chairperson of the Audit Board is responsible for convening and running its meetings, and has a casting vote. Detailed minutes are drawn up for the meetings of Novabase's Audit Board, pursuant to article 6, paragraph 4 of its internal regulations.

The Audit Board's decisions are made with a majority of its active members present, by majority vote. Pursuant to the Audit Board's internal regulations, for votes in which a member of the board has a conflict of interests, the board member in question must notify the others and abstain from voting.

34. Existence and location of operating regulations, as applicable, of the members of the Audit Board, Auditing Committee, General and Supervisory Board or Financial Matters Committee (reference may be made to the point where this information is already found in the report per no. 24).

The regulations of the Audit Board are available at Novabase's website.

35. Number of meetings held and attendance at each meeting, as applicable, of the members of the Audit Board, Auditing Committee, General and Supervisory Board or Financial Matters Committee (reference may be made to the point where this information is already found in the report per no. 25).

Audit Board	
Number of meetings: 6	
Full Member	Attendance (%)
Álvaro José Barrigas do Nascimento	100
Fátima do Rosário Piteira Patinha Farinha	83
João Luís Correia Duque	100

36. Availability of each member, as applicable, of the Audit Board, Auditing Committee, General and Supervisory Board or Financial Matters Committee, indicating positions held simultaneously at other companies, both in and outside of the group, and other relevant activities performed by the members of these boards over the year (reference may be made to the point where this information is already found in the report per no. 26).

Audit Board		
Full Member (availability)	Group companies	Other companies and activities
Álvaro José Barrigas do Nascimento (Part time)	Chairperson of the Audit Board of Novabase Capital, SCR, S.A.	- Dean of Fernando Pessoa University - Independent NORS director - Chairperson of the Audit Board of Vallis Partners - Chairperson of the Audit Board of Staples Portugal - Member of the Audit Board of Unicer - Manager of the Business Administrator Forum (FAE)
Fátima do Rosário Piteira Patinha Farinha (Part time)	Member of the Audit Board of Novabase Capital S.C.R., S.A.	- Business Controller Head at JAPRAC - Partner at MC Godinho & Associado SROC
João Luís Correia Duque (Part time)	No activities at other Novabase Group companies.	- Chairperson of the ISEG - Lisbon School of Economics and Management - Member of the General and Supervisory Board of Caixa Central de Crédito Agrícola Mútuo - Chairperson of the Remuneration Committee of REN - Redes Energéticas Nacionais, S.G.P.S., S.A. - Member of the PSI Steering Committee of Euronext Lisbon, S.A.

c) Powers and duties

37. Description of procedures and criteria applicable to the supervisory board's involvement in hiring the external auditor for additional services.

Pursuant to its internal regulations, the Audit Board is responsible for monitoring and overseeing the independence of Novabase's ROC/SROC and, in particular, monitoring the services it provides, ensuring that no services beyond auditing are provided. Services other than auditing are listed in the annex to the Audit Board's regulations, pursuant to applicable legislation.

In addition, a procedure is in place by which all of the various auditing services are subject to the prior approval of the Audit Board. The procedure includes the submission of a proposal by the Board of Directors to the Audit Board to use the external auditor for the services in question, accompanied by information justifying this. The Audit Board must then approve the use of the auditor before the respective agreement between the company and the approved external auditor is signed.

Among other aspects, the Audit Board's evaluation of the proposal submitted by the Board of Directors weighs up the auditor's guarantee of independence in fulfilling its professional obligations and the functional advantages in using the proposed external auditor.

38. Other functions of the supervisory boards and, if applicable, of the Financial Matters Committee.

The powers of the Audit Board are described in section III.b) of this report.

In addition to the duties of overseeing the auditing of the company's accounts and accounting documents and those involving the use of the external auditor for services, of particular note, among other aspects described in more detail in section III.b), are the duties performed within the scope of risk management and internal control systems, and the system for reporting irregularities.

IV. Statutory Auditor

39. Identification of the statutory auditor and partner statutory auditor representing it.

Statutory Auditor (ROC): The statutory auditor is responsible for examining the company's accounts (specifically, performing the duties laid out in article 420 (1) c), d), e) and f) of the Commercial Companies Code), together with supervisory duties involving the ongoing pursuit of the company's corporate purpose. On 31 December 2024, Novabase's acting statutory auditor was Ernst & Young Audit & Associados - SROC, S.A., represented by its partner Luís Miguel Gonçalves Rosado, and Rui Abel Serra Martins as substitute statutory auditor.

40. Number of consecutive years that the statutory auditor has performed duties at the company and/or group.

The statutory auditor has performed auditing duties for Novabase (Company and Group) since 22 May 2024.

41. Description of other services provided by the statutory auditor to the company.

The Statutory Auditor is also the Novabase external auditor. Other services provided by the Statutory Auditor can be consulted in points 46 and 47 of this report.

V. External Auditor

42. Identification of external auditor designated for the purposes of articles 8 and the partner statutory auditor representing it in fulfilling these duties, together with the respective CMVM registry number.

On 31 December 2024, Novabase's acting external auditor was Ernst & Young Audit & Associados - SROC, S.A., registered with the Portuguese Securities Market Commission ("CMVM") as auditor no. 20161480, and represented by Luís Miguel Gonçalves Rosado.

43. Number of years that the external auditor and the partner statutory auditor representing it in fulfilling these duties have performed these duties consecutively for the company and/or group.

The external auditor identified above has performed duties for Novabase (Company and Group) since 22 May 2024. The partner currently representing the external auditor and statutory auditor has performed duties for Novabase since 22 May 2024.

44. Policy and frequency for rotating the external auditor and statutory auditor representing it in fulfilling these duties.

Law no. 148/2015 of 09 September has mandatory auditing rules applicable to Novabase as an "entity of public interest".

With regard to rotating the statutory auditor, external auditor and responsible partner, the Company takes the maximum periods in the bylaws of the Statutory Auditors' Association into account.

45. Board responsible for assessing the external auditor, and frequency of assessment.

The Audit Board is responsible for assessing the external auditor, which is done each year.

The external auditor's assessment includes verifying the implementation of remuneration policies and systems of the corporate boards, the efficiency and functioning of internal control mechanisms, and the reporting of any shortcomings to the company's supervisory board.

46. Identification of work other than auditing done by the external auditor for the company and/or companies controlled by it, internal procedures for approving the hiring of these services and reasons for doing so.

In the year ending 31 December 2024, the statutory auditing firm Ernst & Young Audit & Associados - SROC, S.A. and other entities belonging to the same network only invoiced fees for the legal revision of the annual accounts, as detailed in point 47 below.

Pursuant to the regulations of the Audit Board, this supervisory board evaluates the independence of statutory auditors, namely with regard to the provision of additional services (beyond auditing) to Novabase or companies in its group, and supervises the work done by external auditors, taking CMVM recommendations into account in this regard.

47. Annual remuneration paid by the company, and/or by legal persons controlled by the company or part of its group, to the auditor and to other natural or legal persons belonging to the same network, with percentage breakdown for the following services (for the purposes of this information, the concept of “network” is that defined in European Commission Recommendation No C (2002) 1873, of 16 May):

	€ / %
By the company	
Statutory auditing services (€)	21,000 / 21
Compliance assurance services (€)	
Tax consulting services (€)	
Services other than statutory auditing (€)	
By entities belonging to the Group	
Statutory auditing services (€)	79,000 / 79
Compliance assurance services (€)	
Tax consulting services (€)	
Services other than statutory auditing (€)	

C. INTERNAL ORGANIZATION

I. Articles of association

48. Rules applicable to amendment of the company's articles of association (article 29-H, paragraph 1, sub-paragraph h).

Constitutive quorum for the General Meeting of Shareholders

When amendments to the articles of association are under consideration, the General Meeting of Shareholders can only decide on first notice if shareholders having stock corresponding to at least one-third of the share capital are present or represented. This requirement does not apply on second notice, and the General Meeting of Shareholders can then decide on any matter, regardless of how many shareholders are present.

Deliberating quorum for the General Meeting of Shareholders

When amendments to the articles of association are under consideration, the General Meeting of Shareholders decides by a two-thirds majority of the votes cast.

However, should shareholders representing at least half the share capital be present or represented on second notice, the decision on amendments to the memorandum and articles of association can be taken by an absolute majority of votes cast, and a two-thirds majority is not required.

II. Reporting of irregularities

49. Means and policy for reporting irregularities at the company.

Pursuant to article 3, paragraph 2 of its regulations, the Board of Directors is responsible for setting a policy for reporting irregularities in compliance with goals laid out in this regard by law, by applicable regulations or by the General Meeting of Shareholders.

With a view to fostering a culture of responsibility and compliance, Novabase has adopted, in accordance with applicable legal and regulatory provisions, a system for reporting irregularities (known as "SPI") that may occur within its Group.

The SPI was established to receive and handle reports of any irregularities that may occur within the Group's companies, pursuant to article 21 of the Securities Code, observing the principles of confidentiality and non-retaliation with regard to whistleblowers and third parties assisting or related to them.

The reporting of irregularities through the SPI is directed to the Chairperson of the Audit Board, with the Audit Board, designating the entity or person who will follow up on communications received ("Head of SPI").

The Chairperson of the Audit Board, the members of the Audit Board (in charge of receiving complaints) and the Head of SPI must act under criteria of independence, impartiality, confidentiality, data protection and secrecy, and ensure that there are no conflicts of interest.

Under the system implemented, whistleblowers have access to a direct and confidential channel for reporting to the Audit Board any potential irregularities occurring within the Novabase Group.

For these purposes, "irregularities" are defined as acts or omissions in the following domains: i) public procurement; ii) financial markets, products and services; iii) prevention of money laundering and

terrorist financing; iv) protection of privacy and personal data, and network and information systems security; and v) prevention of corruption and related offences.

For the purposes of the SPI, “whistleblowers” are defined as the following natural persons who report, in good faith, an offence based on information obtained within the scope of their professional activities, even when the complaint is based on information obtained in a professional relationship that no longer exists: a) employees and members of the managing and supervisory boards of the Group’s companies; b) service providers, contractors, subcontractors and suppliers of the Group, as well as any persons acting under their supervision and direction; c) shareholders of the Group’s companies.

Employees of the Novabase Group are guaranteed that they will not be subject to any retaliation following the submission of a complaint in good faith, provided that they have serious grounds for believing that the information is true at the time.

The apparent irregularity must be reported, in a secure and strictly confidential manner, to the Chairperson of the Audit Board, using two different methods:

- through the Whistleblowing Platform available at <https://novabase.myagir.pt/flex/portalDenuncia>;
- by post in a letter addressed to the Chairperson of the Audit Board, marked “Confidential” and with a reference to the Novabase Group company concerned with regard to the complaint, to the address: Av. D. João II, n.º 34, Parque das Nações, 1998-031 Lisbon.

Following the complaint, the Head of SPI will carry out all appropriate internal acts to verify the allegations contained therein and, if applicable, to put an end to the reported infraction, including the opening of an internal investigation or notification to the competent authority to investigate the infraction, including institutions, boards or bodies of the European Union.

The Novabase Group company involved in the complaint will notify the whistleblower of the receipt of the complaint and, in a clear and accessible manner, of the requirements, competent authorities and the means and admissibility of the external complaint.

Anonymous complaints will only proceed when they contain sufficient evidence to initiate an investigation procedure.

Any complaints justifiably considered by the Head of SPI as trivial, insignificant or clearly irrelevant, as well as repeated complaints without new information warranting different action than the original complaint, will also be archived without moving forward.

Before proceeding to the final forwarding of the reports, the person responsible for SPI takes account of the reports for statistical purposes and maintains a record of the reports that exclusively covers the following aspects:

- notification receipt date;
- essential nature of the facts reported, while redacting all information identifying any natural persons;
- investigation completion date.

Once the investigation has been concluded, reports with an underlying probability of an irregular practice are forwarded by the Head of SPI to the Audit Board and, in turn, by the Audit Board to the Board of Directors of the company or Novabase Group company concerned with regard to the complaint, so that it can take appropriate measures.

At the end of 2023, the process of updating the Whistleblowing System began in order to comply with the General Scheme for Protecting Whistleblowers (Law no. 93/2021) and the General Scheme for Preventing Corruption (Decree Law no. 109/2021). The new framework is effective as of 06 February 2024, when it was ratified by the company’s Audit Board.

This information is published at the Novabase website (www.novabase.com).

III. Internal control and risk management

50. Persons, boards or committees responsible for internal auditing and/or implementation of internal control systems.

The Audit Board, whose duties are described in section B III.b) of this report, is responsible for internal auditing. As detailed in this section, the Audit Board's internal regulations lay out its functions and duties with regard to supervising systems for risk management, internal control and internal auditing.

Given the importance of a structured risk management model to the business, together with market regulatory requirements, the company's Board of Directors has been tasked with establishing risk management objectives, and implementing and monitoring a suitable internal control and risk management process, working towards its efficacy.

In performing its duties regarding the supervision of systems for risk management, internal control and internal auditing, Novabase's Audit Board annually assesses the degree of internal compliance and performance of the risk management system, together with prospects for changing the risk framework described above.

51. Explanation (with possible inclusion of organizational chart) of relationships of hierarchical and/or functional dependence vis-à-vis other company boards or committees.

The position of Chief Risk Officer ("CRO") has been created at Novabase. Internal auditing areas and areas that ensure compliance with norms applicable to the company (compliance services) report to the CRO with regard to risk prevention and management. The CRO is responsible for reporting to the Chairperson of the Board of Directors, with regular meetings between the CRO and the Chairperson of the Board of Directors, and between the CRO and the Audit Board. The position of CRO continued to be held by Novabase CFO Francisco Paulo Figueiredo Morais Antunes over the course of 2024.

The Audit Board, as a supervisory body, monitors the activity of the external auditors, and may assess annual internal auditing plans, obtaining information about the actions performed by this team and providing an opinion regarding its conclusions.

In this context, this board also has powers involving the assessment of sufficient internal control mechanisms in order to understand and manage the inherent risks of Novabase's operations, suggesting policies and procedures to the Board of Directors to achieve these goals and refine these mechanisms.

Along these lines, the Audit Board is also responsible for: (i) evaluating the Board of Directors' risk management, implementing periodic control procedures and mechanisms to ensure that the risks actually taken by Novabase are consistent with the Board of Directors' goals, and (ii) issuing its opinion on the working plans and resources allocated to internal control areas, also receiving reports from these areas on matters involving the rendering of accounts, identifying or resolving conflicts of interest and the detection of potential irregularities.

52. Existence of other functional areas with risk control powers.

Novabase coordinates internal control teams, whether in the area of quality or shared services, responsible for conducting monitoring actions and improving internal control procedures essentially associated with the Group's central service areas, always in accordance with the strategic goals laid out in the integrated risk management model. Periodic, focused internal audits are thus performed.

53. Identification and description of the major types of risk (economic, financial and legal) to which the company is exposed in pursuing its business activity.

Below is a description of some of the risks analysed by the company which deserve attention due to their relevance and business impact.

- **FINANCIAL RISKS**

Novabase is exposed to a collection of financial risks resulting from its business, namely foreign exchange risk, interest rate risk (cash flows and fair value), credit risk, liquidity risk and capital risk. Developments in the financial markets are continuously analysed according to the Group's risk management policy to minimize potential adverse effects on its financial performance.

a) Foreign exchange risk

Novabase is exposed to the risk of exchange rate fluctuation, particularly the United States dollar, since some of its subsidiaries perform transactions in such currencies, together with the British pound and the Angolan kwanza.

The financial department is responsible for monitoring exchange rate developments in these currencies to mitigate their impact on the consolidated results. Whenever exchange rate expectations so justify, the Group attempts to enter into hedging transactions against adverse changes by means of derivative financial instruments.

b) Interest rate risk (fair value and cash flows)

Interest-rate risk entails the possibility of fluctuations in future financial charges on loans due to changes in market interest rate levels.

The cost of the Group's financial debt is indexed to short-term reference rates, adjusted at a frequency of less than one year, plus duly negotiated risk premiums. Therefore, changes in interest rates can affect Novabase's results.

Novabase's exposure to interest rate risk originates from financial assets and liabilities with fixed and/or variable rates. In the case of fixed rates, the Group faces the risk of a variation in the fair value of these assets or liabilities, insofar as any change in market rates involves an opportunity cost. In the case of variable rates, such changes directly impact the amount of interest, thereby resulting in variations in cash.

Exposure to interest rate risk is constantly analysed by the financial department. Interest rate risk management is aimed at reducing the volatility of interest charges.

c) Credit risk

Novabase manages credit risk both in terms of business units (for customer receivables) and on a consolidated basis (for all active positions of financial instruments).

Credit risk originates from cash and cash equivalents, derivative financial instruments and customer credit exposure, including amounts receivable and previously agreed transactions. Only banks and institutions having credibility in the sector are accepted. Customer credit risk is managed based on credit limit ranges, based on the customer's financial position and historical business relations.

d) Liquidity risk

The prudent management of liquidity risk entails keeping cash or financial instruments sufficiently liquid, with sources of financing through an adequate number of credit facilities, together with the ability to close market positions.

The management monitors updated forecasts of Novabase's liquidity reserve (unused credit lines, cash and cash equivalents) at the base of expected cash flows, by analysing the remaining contractual maturity of financial liabilities and the expected date of inflows from financial assets. In addition, the maturity concentration of Novabase's loans and bonds is regularly controlled.

e) Capital risk

Novabase's goals with regard to capital management - a broader concept than the capital shown on the face of the statement of the consolidated financial position - are as follows:

- (i) Safeguarding the Group's ability to keep doing business, and therefore provide returns to shareholders and benefits to other stakeholders;
- (ii) Maintaining a solid capital structure to support the development of its business;
- (iii) Maintaining a sound capital structure to reduce the cost of capital.

The management monitors the ratio of Return on Capital¹, which measures the extent to which Novabase generates cash flows in relation to the capital it has invested in its business.

¹ - Determined by the formula: Operating Results ÷ Total Equity.

• EMERGING RISKS

In addition to the financial risks associated with its business, Novabase is also exposed to risks of an operating and business nature, which can result in threats and opportunities, for which suitable mitigation strategies are proactively formulated. These include the following:

f) Cyber-Risk

Mounting technology integration and sophistication have heightened companies' exposure to various types of cyber-risk (e.g. large-scale cyber-attacks, data breach and destruction, attempted extortion, etc.), with potential financial, operational and reputational losses. The more widespread nature of remote work, geopolitical conflicts and the growing use of generative artificial intelligence for attacks have significantly increased the exposure to this risk.

According to Check Point Software, the third quarter of 2024 was marked by a significant escalation in cyber threats faced by companies, with cyberattacks up 75% worldwide. Portugal was among the top three European countries with the highest average number of attacks per week, surpassed only by Italy and the Czech Republic.

Novabase has been reinforcing measures to mitigate this risk, monitored directly by the Chief Information Security Officer, namely by investing in procedural and technological controls and training on best remote work practices and cybercrime awareness for employees.

g) Talent Retention Risk

Novabase's ability to successfully achieve its strategy depends on attracting and retaining the best qualified, most competent employees for each job position.

The accelerating digital transformation and new labour dynamics since the start of the pandemic, motivated by fierce competition for scarce talent, have brought tremendous challenges to talent management, resulting in higher IT salaries and greater difficulties in attracting (and above all retaining) talent.

According to the HR 2024 Barometer done by the Kaizen Institute in partnership with Hays Portugal, 59% of human resources managers believe that retaining talent is one of the areas that will require more investments in the coming year.

Novabase's human resource policies are aligned to achieve strategic goals, and have been adapted and underpinned vis-à-vis this new reality, namely a new hybrid work model with 60% remote work (since 2021), a focus on professional enhancement and competitive salaries, continuous improvements to working conditions and a good on-boarding experience, among others.

h) Delivery risk

Some of Novabase's policies for addressing delivery risk include:

- Analysing each significant commercial proposal from the standpoint of reducing overselling, taking available company expertise into account;
- Constantly scrutinizing the quality of the team to be allocated to projects;
- Ongoing training programs in technologies and project management methodologies.

The Nearshore Agile delivery model refined by Novabase in recent years has proven to be resilient both during and after the pandemic.

i) Strategic and context risks

Novabase is not immune to the contingencies of the markets in which it operates, and must face so-called "strategic" and "context" risks.

The current geopolitical and macroeconomic setting, with wars in Ukraine and the Gaza Strip, continues to be a latent threat of recession. The International Monetary Fund (IMF) predicts that global economic growth will remain stable in 2025 and 2026 at 3.3%, although remaining below the historical average. In updating its published projections, it also warns of divergence between countries and risks associated with trade uncertainty and inflation. The 20th edition of the World Economic Forum's Global Risks Report 2025, published on 15 January, shows an increasingly fragmented global scenario in which rising geopolitical, environmental, social and technological challenges threaten stability and progress.

Novabase aims to manage and mitigate these risks through recurrent discussions on various management chains for risks impacting the company/business unit. These discussions address areas for investment/disinvestment, strategic focuses and pending risks at any given time, and are also a venue for discussing the risk appetite of the organization and its future trends.

j) Risks associated with climate change

Although Novabase does not have a significant carbon footprint and is not directly exposed to the physical risks of climate change, such factors are still considered in making investment decisions. Novabase's performance is crucial in the context of generating shareholder returns, as well as in the broader context of the economic space and well-being of the community where it operates.

Fully aware of its role, Novabase has been gradually moving towards a more rigorous and robust approach with regard to:

- Identifying, managing and mitigating climate risks;
- Identifying and capitalizing on opportunities created by climate change;
- Reporting on how the physical and transition risks associated with climate risks are being managed, and which initiatives have been developed from the standpoint of environmental conservation, geared towards a more sustainable economy.

Among the policies implemented, of particular note is Novabase's Environmental Management System (ISO 14001) and a policy with environmental requirements for the acquisition/supply of goods and services.

54. Description of process for identifying, assessing, monitoring, controlling and managing risks.

The company has a model in force - safeguarding the company's worth and encouraging transparency in its corporate governance - based on detecting and anticipating potential risks and risk factors, so as to manage them in a timely manner, via the delegation of responsibilities and appropriate internal communication channels in line with the company's strategic goals for assuming risks as defined under this system.

Under its non-delegable powers of defining the company's overall policies and strategy, the Board of Directors is responsible for defining Novabase's strategic objectives in the area of risk assumption, in accordance with the company's needs and business activities.

In addition, in the area of medium and long-term strategic planning, the Board of Directors is responsible for analysing risk, and does so regularly in relation to the annual operations plan and whenever potential businesses and markets are being evaluated, measuring each potential risk's impact and likelihood of occurrence.

In turn, the Audit Board is in charge of evaluating the Board of Directors' risk management.

Along these lines, as a company working in the information technology and digitalization market - a sector characterized by constantly shifting dynamics, innovation and agility - Novabase acknowledges that the risk management policy is of vital importance in running and developing a business which historically has had a higher risk appetite. For this reason, on 13 December 2018, Novabase's Board of Directors approved a formal risk policy for the company, which is available at the company's website. The principles of this policy have been defined and implemented by Novabase's Board of Directors, namely with regard to determining acceptable risk levels.

On 25 July 2019, the Board of Directors approved an updated strategy for the years 2019 and beyond (2019+ Strategic Update).

This system's efficiency is due to the instituted internal procedure, which reinforces the communication channels between the Group's various departments and decision-making bodies, thereby allowing communication and information on various system components, together with an analysis of potential internal control problems and the detection of potential risks in real time.

Novabase also conducts monitoring actions and improves internal control procedures essentially associated with the Group's central service areas, always in accordance with the strategic goals laid out in the integrated risk management model.

Furthermore, as better explained in section B III.b) of this report and the Audit Board's internal regulations, the Audit Board is responsible for supervising Novabase's systems for risk management, internal control and internal auditing.

In 2024, the risk management and internal control model implemented allowed the risks and risk factors mentioned above to be identified, effectively helping to prevent them.

55. Main elements of the company's internal control and risk management systems regarding the process of disclosing financial information (article 29-A, paragraph 1, sub-paragraph I).

The Board of Directors is responsible for ensuring disclosure of accurate financial information that truthfully reflects the Group's situation at any given moment in compliance with the norms issued by the applicable regulatory authorities at any given time.

As regards the quality of the financial information that is publicly disclosed by the Investor Relations Office, it should be pointed out that it is the result of a financial reporting process that is ensured by the central services areas of the Group, subject to the internal control system of the Group and

monitored through the aforementioned methods. Nevertheless, this information is still subject to analysis and approval by the relevant boards, including the Board of Directors itself.

In addition, the Audit Board is in charge of overseeing the adequacy of the Board of Directors' process for preparing and disclosing financial information.

IV. Investor Support

56. Department responsible for investor support, composition, duties, information provided and contact information.

Novabase is particularly focused on its presence in the capital market. The Investor Relations Office is responsible for representing Novabase in its dealings with the CMVM and investors, while promoting contact with private and institutional, foreign and Portuguese investors. The office is comprised of Maria Gil Marín, Amália Parente and Catarina Leitão Afonso.

The office provides information through Novabase's website (www.novabase.com). Since 2002, Novabase has had a dedicated investor relations area on its company website at www.novabase.com. Investors have access to a number of links containing information of interest to their profile. In terms of financial information, they have access to Annual Reports and Accounts for previous years, the Financial Calendar, information published at the Electronic One-Stop Shop of the CMVM, information on the composition and powers of the company's corporate boards; the market performance of Novabase's shares; Novabase's shareholder structure, a space reserved for the General Meetings of Shareholders for convening meetings and posting preparatory information for General Meetings of Shareholders, the form for postal votes and electronic voting (available since 2006), a Corporate Governance space in which Novabase publishes this report, the Corporate Governance Code of the Portuguese Corporate Governance Institute, which entered into force on 01 January 2018 (revised in 2023), frequently asked questions, and the contact details of Novabase's Investor Relations Office.

A summary of the decisions is published on the Novabase website and in the CMVM information disclosure system immediately after the General Meeting of Shareholders.

At its company website, Novabase maintains documents including information on the number of people present, number of shareholders represented and General Meeting of Shareholders meeting agendas. Voting results have also been provided since 2010. Novabase has also established the necessary mechanisms to ensure that the above are disclosed as quickly as possible, and always within the five days following the General Meeting of Shareholders.

On its website, Novabase keeps a collection of information on meetings held over the past ten years, including the number of people present, number of shareholders represented, meeting agendas, decisions taken and voting results.

The following up-to-date information is published in Portuguese and English on Novabase's website: a) The company, registered office and remaining data provided for in article 171 of the Commercial Companies Code; b) articles of association; c) credentials of the members of the Board of Directors and the Market Liaison Officer; d) Investor Relations Office - its functions and means of access; e) accounting documents, accessible for 10 years; f) half-yearly calendar on company events, published at the beginning of each half year and including, among other information, General Meetings of Shareholders and annual and half-yearly reports and accounts.

57. Identification of the market relations representative.

Maria Gil Marín

Market and Investor Relations

Telephone: +351 213 836 300

Fax: +351 213 836 301

Email: investor.relations@novabase.com

Address: Av. D. João II, nº 34, Parque das Nações, 1998-031 Lisbon, Portugal

58. Information on proportion and amount of time to respond to information requests submitted in the year or pending from previous years.

On 31 December 2024, Novabase had no pending information requests. Its average response time was 24 hours. 127 information requests were received in 2024.

V. Website

59. Address(es).

Novabase's website is available at the following address: www.novabase.com.

60. Location where information on the company, public company status, registered office and remaining data provided for in article 171 of the Commercial Companies Code is available.

This information is available on the page and links related to notices to the CMVM:

<https://www.novabase.com/pt/investidor/informacao-a-cmvm/>

61. Location of the articles of association and operating regulations of boards and/or committees.

This information is available at the following pages and links:

Articles of association

<https://www.novabase.com/pt/investidor/governo-da-sociedade/artigos-de-associacao/>

Regulations

<https://www.novabase.com/pt/investidor/governo-da-sociedade/orgaos-sociais/>

<https://www.novabase.com/pt/investidor/governo-da-sociedade/transacoes-com-partes-relacionadas/>

62. Location of information on the identities of corporate board members, market relations representative, investor support office or equivalent, their respective duties and contact information.

This information, together with the number of annual meetings of the company's managing and supervisory boards and internal committees, is available at the following pages and links:

Corporate board members and number of meetings

<https://www.novabase.com/pt/investidor/governo-da-sociedade/orgaos-sociais/>

Identification of the investor relations representative

<https://www.novabase.com/pt/investidor/gabinete-de-relacoes-com-investidores/>

63. Location of accounting documents (which should remain available for at least five years) and the bi-annual corporate events calendar published at the start of each half-yearly period, including general meetings of shareholders and disclosure of annual, half-yearly and quarterly results, if applicable.

This information is available at the following pages and links:

Accounting information

<https://www.novabase.com/pt/investidor/informacao-financeira/>

Finance agenda

<https://www.novabase.com/pt/investidor/agenda-financeira/>

64. Location of meeting notices for the general meeting of shareholders and all related preparatory and subsequent information.

This information is available at the following page and links on the General Meeting of Shareholders:

<https://www.novabase.com/pt/investidor/governo-da-sociedade/assembleias-gerais/>

65. Location of a historical record of the resolutions passed at the company's general meetings of shareholders, share capital and voting results referring to the previous three years.

Information on decisions taken is available at the following page and links on the General Meeting of Shareholders:

<https://www.novabase.com/pt/investidor/governo-da-sociedade/assembleias-gerais/>

D. REMUNERATION

I. Responsibility for determining remuneration

66. Responsibility for determining the remuneration of corporate boards, members of the executive committee or managing director and managers of the company.

The Remuneration Committee decides upon the remuneration of corporate board members. More detail is provided in point 67 below.

It is important to point out that only the members of Novabase's Board of Directors, members of the Audit Board and Statutory Auditor are considered managers, as defined in European Union legislation on market abuse; as such, there is no separate information to be disclosed in this regard.

II. Remuneration committee

67. Composition of the remuneration committee, with identification of the natural or legal persons hired to give it support, and statement on the independence of each member and advisor.

The Remuneration Committee members for the three-year period of 2024-2026 were chosen in the General Meeting of Shareholders of 22 May 2024. Francisco Luís Murteira Nabo presides over the Remuneration Committee, with Pedro Rebelo de Sousa and João Quadros Saldanha belonging to it as well.

All of the members of this committee are independent from the Board of Directors.

The Remuneration Committee acts with complete autonomy, and may freely decide on Novabase's hiring of consulting services, as needed or convenient for carrying out its duties, ensuring that service providers are chosen following criteria of competence and independence. In particular, it must ensure that these services are provided independently by consultants who do not provide other services to Novabase or other companies in its Group. The Remuneration Committee did not employ any natural or legal person to support it in performing these duties.

The Chairperson of Novabase's Remuneration Committee was present at the 2024 General Meeting of Shareholders dated 22 May, held via telematic means, to provide information and clarifications to shareholders.

68. Knowledge and experience of the members of the remuneration committee in remuneration policy issues.

Remuneration Committee		
Member	Academic qualifications	Work experience
Francisco Luís Murteira Nabo	- Graduate in Economics from Instituto Superior de Ciências Económicas e Financeiras - Master's in Management from AESE (University of Barcelona). - Honorary Doctorate from the Macau University of Science and Technology	Member of several boards of directors, including: - Chairperson of the Board of Directors and CEO of Portugal Telecom, S.G.P.S., S.A. - Chairperson of Galp Energia - Senior Partner of SaeR - Sociedade de Avaliação Estratégica e Risco, Lda. - Vice-Chairperson of the Board of Directors of SOREFAME - Vice-Chairperson of the company Portugal e Colónias - Managing Chairperson of IMOLEASING, CGD Group Member of the Advisory Committee: - INSEAD; Banco de Portugal and Mota Engil
Pedro Rebelo de Sousa	- Graduate in Law from Universidade Clássica de Lisboa - Specialization (post-graduation) in Commercial and Corporate Law from Universidade Pontifícia Católica, Brazil - Master's in Business Administration, Getúlio Vargas Foundation - Business Administration School, São Paulo, Brazil	Member of the board of directors at several financial institutions, including: - Chairperson and CEO of BFB - CitiBank - Banif - Caixa Geral de Depósitos - Cimpor - Intesa SanPaolo Imi International - Chairperson of the General Board of the Portuguese Corporate Governance Institute (IPCG) - Senior partner of SRS Advogados among others.
João Quadros Saldanha	- Graduate in Mining Engineering, Mining Planning from IST - MBA from Universidade Nova de Lisboa - Postgraduate in markets and financial risk from Universidade Nova de Lisboa	Member of the Board of Directors at several companies, namely: - IAPMEI - I.P. - Empordef, S.G.P.S., S.A. - OGMA - S.A. - White Airways, S.A. among others.

III. Remuneration structure

69. Description of Managing and Supervisory Board Remuneration Policy.

The Remuneration Committee submitted for the assessment of the Annual General Meeting of Shareholders of 25 May 2021 its proposed Remuneration Policy for members of Novabase's managing and supervisory boards ("Remuneration Policy"), pursuant to and for the purposes of article 26-A and following of the Securities Code, which was approved in this meeting.

The Remuneration Policy was created in accordance with applicable legislation, in particular article 26-C of the Securities Code, and with applicable recommendations, also considering Novabase's characteristics, the sectors where it does business and, in particular, Novabase's current situation of redefinition and internal strategic updating aimed at repositioning the company in certain sectors with the ultimate goal of creating more value for Novabase shareholders in the medium and long term.

Under the Remuneration Policy, the following general principles must be followed with regard to the remuneration of members of Novabase's managing and supervisory boards:

- a) An alignment should exist between the interests of managing board members and the interests of the company, which can be accomplished through variable remuneration components, including plans based on company securities;
- b) Individual performance should be a determining criterion of the variable remuneration component, if applicable, notwithstanding other criteria which may be relevant under the policy, such as the performance of the company itself;
- c) In any case, the company's long-term interests must be considered and given priority to avoid possible conflicts with short-term interests potentially impacting remuneration;
- d) The international and European context, in particular the sectors where the Novabase Group does business, should be considered as comparative parameters for ensuring the competitive remuneration of Novabase's corporate boards, particularly given the circumstances of the technology sector and intense competition for talent at every level, especially management talent;
- e) In view of its functions performed, the Remuneration Committee may decide that all or part of a director's variable remuneration, if it exists, will occur after the clearance of the accounts for the entire term of office;
- f) When the company's performance is a determining criterion for variable remuneration, any downgrading in performance may justify limits upon this remuneration, in view of the specific circumstances.

Attached to this report is the Board of Directors' report on remuneration for the year 2023, pursuant to and for the purposes of article 26-G of the Securities Code.

Novabase's Remuneration Policy has no potential individual or combined ceilings for the remuneration of the members of its managing and supervisory boards. The setting of specific remuneration is left to the discretion of the Remuneration Committee, comprised exclusively of members who are independent from the Board of Directors. In fact, as stated in the Remuneration Policy, Novabase's current context also requires the company's Remuneration Committee to have sufficient leeway, within the principles and rules of the policy and applicable legislation and recommendations, to shape Novabase's remuneration practices to the goals of its strategic redefinition process currently underway.

As such, Novabase believes it is inappropriate to have maximum potential ceilings for the remuneration to be paid to the members of its managing and supervisory boards.

According to the Remuneration Policy, the remuneration of Novabase's Board of Directors includes:

- (i) **A fixed component**, which considers the duties performed by each of the members and their responsibilities, together with market practices for comparable responsibilities, remunerating factors, among others, such as the know-how, experience and responsibility inherent to the duties of each of the members of the Board of Directors and, when applicable, the specific management duties performed and exercising of individual powers that cannot be delegated, and
- (ii) if applicable, **a variable component**, which may be attributed bearing in mind the duties assumed by each member of the Board of Directors, whose terms and conditions are further described in the following point of this report.

The remuneration of members of Novabase's Audit Board must be recorded so as to align their interests with those of the company, following a strict model which must consist of fixed annual remuneration in line with market practices, unless justified otherwise by the circumstances, as determined each year by the Remuneration Committee.

Based on the provisions of Novabase's Remuneration Policy, the Remuneration Committee, in its meeting dated 27 May 2024, set remuneration for the corporate boards for 2024, together with the variable remuneration of directors according to their performance in 2023. The content of the Remuneration Committee's decision in this regard is available in the 2024 Remuneration Committee Report, attached to this report.

Novabase's Remuneration Policy, in line with applicable legislation, regulates in detail the terms and conditions for determining and attributing remuneration to the members of Novabase's managing and supervisory boards, and also establishes the terms and conditions for executing retirement supplements, bonuses and other benefits, among other aspects, and is available at Novabase's website at:

<https://content.novabase.com/storage/uploads/ktcs1t13dgd-e4872d01-editorfile.pdf>

Note also that, in 2024, there were nor breaches or deviations in relation to the Remuneration Policy, as approved by Novabase's shareholders in the General Meeting of Shareholders.

70. Information on the way the remuneration is structured so as to allow aligning the interests of the members of the board of directors with the long-term interests of the company as well as how it is based on the performance assessment and how it discourages excessive risk assumption.

Per the terms and conditions of Novabase's Remuneration Policy the variable remuneration of Novabase directors can be comprised of the following components:

- (i) Annual variable remuneration in cash tied to Novabase's performance, among other factors as described below;
- (ii) Participation in the Plan for Options to Allot Novabase Shares approved in the Novabase General Meeting of Shareholders dated 26 September 2019.

The variable remuneration component in cash for members of the management is determined at the start of each year by the Remuneration Committee in reference to the performance of Novabase and its directors during the previous year, based on the following criteria, which are further detailed in the Remuneration Policy:

- (a) financial criteria: total shareholder returns, growth in turnover and trends in net profit in the context of the strategic plan; and
- (b) non-financial criteria: company performance in environmental, social and corporate governance indicators, reflecting the achievement of targets set by the Remuneration Committee for these

indicators, a qualitative assessment by the Remuneration Committee of the Board of Directors' activities, in particular the executive directors, and the duties of each director.

These criteria are aimed at aligning the variable component of these members' remuneration with the performance of the organization each year in question and of each director in particular. This also promotes Novabase's business strategy, long-term interests and sustainability.

Since, according to the Remuneration Policy, part of a given year's total variable remuneration should be paid on a deferred basis, per terms and conditions to be determined by the Remuneration Committee, with at least 50% of variable remuneration in cash to be deferred for a period of three years, conditional upon positive company performance during this time period, the Company's long-term interests are served and excessive risk assumption is discouraged, thereby promoting Novabase's long-term interests and sustainability. This discourages the assumption of excessive risks or prioritizing of short-term interests, thereby defending the interests of Novabase's shareholders and other stakeholders.

Novabase believes, with regard to directors' variable cash components which are not deferred for the entire term of office, that the company's medium-term interests must also be served, together with its economic interest in providing suitable performance optimization incentives to fulfil obligations and meet short-term goals for management positions, and in balancing and distributing the costs associated with directors' remuneration over term of office's three years, since it would not be appropriate to simply defer the entire variable remuneration component to the end of the term of office or afterwards.

With regard to the Plan for Options to Allot Novabase Shares, as described in greater detail in point 74 of this report, options attributed under this plan will comprise a single lot, and may be exercised once exactly two years after their date of attribution (maturity date), notwithstanding the ability to exercise them exactly one year after their date of attribution, at which time the participant may exercise 50% or 100% of the lot of options attributed to him/her.

Options attributed and actually exercised by a participant on their maturity date, or exactly one year after their date of attribution, will be settled as follows:

- (a) via the attribution of Novabase shares (net share settlement) for 50% of the options subject to exercising;
- (b) via the attribution of Novabase shares (net share settlement) or, alternatively, in cash (net cash settlement), by the participant's choice, for the remaining 50% of the options.

Under these terms, the variable component paid to members of management under the plan does not exclusively serve Novabase's long-term interests, insofar as the start of the period for exercising options is not deferred for at least three years.

Even so, it should be noted that Novabase share options exercised by the participant pursuant to subparagraph (a) above (i.e. 50% of the options available for exercise) will be retained by Novabase for three years following the exercise date, and their ownership will not be transferred to the participant until the end of this period, conditional upon Novabase's positive performance during this time.

Furthermore, the number of Novabase shares to be attributed under the plan, or the corresponding amount in cash under the net cash settlement option, is dependent upon the price of Novabase shares on the relevant dates for participants to exercise options, thus making this remuneration component conditional upon the company's continued positive performance.

As such, Novabase believes that the company's long-term interests have also been served by this remuneration component, discouraging excessive risk assumption.

Finally, it is noteworthy that the company has no knowledge of contracts between members of the Board of Directors and the company or third parties that have the effect of mitigating the risk inherent in the variability of the remuneration established for them by the company.

71. Reference, if applicable, to the existence of a variable remuneration component and information on potential impact of performance assessment on this component.

As mentioned in the previous point, there is a variable cash component as well as a variable stock option component for management members' remuneration.

As described in the above point, the variable component in cash of the management members' remuneration is determined annually by the Remuneration Committee based on financial and non-financial criteria for the specific purpose of aligning the variable component of these members' remuneration with the organization's performance in each year in question, remunerating criteria such as total shareholder return, growth in turnover, trends in net profit, a qualitative assessment by the Remuneration Committee of the Board of Directors' activities, in particular the executive directors, among other criteria referred to in the above point. When determining variable remuneration, the Remuneration Committee should consider Novabase's performance based on the criteria referred to above, the collective performance of the Board of Directors and the individual performance of each of the directors, including their contribution towards the performance of the company and the Board of Directors in the financial and non-financial indicators referred to above. The assessment process of applicable criteria by the Remuneration Committee will be done annually, with regular oversight, based on specific information provided to the Remuneration Committee for monitoring these criteria.

As such, the performance assessment does have an impact on this remuneration component. A proper balance is also ensured between the fixed and variable portions of these remunerations.

With regard to the variable stock option component, the attribution of options under the Plan for Options to Allot Novabase Shares is decided by the competent body pursuant to the plan's regulations, on a case-by-case basis in accordance with criteria to be set by this body, which will be Novabase's Board of Directors, or the Remuneration Committee in the case of options attributed to members of the Board of Directors.

72. The deferred payment of the remuneration's variable component and the relevant deferral period.

As previously stated, according to the Remuneration Policy, 50% of the variable remuneration in cash is deferred over three years and is conditional upon positive company performance during this time period.

Therefore, notwithstanding the variable component corresponding to Novabase stock options, the variable remuneration paid in cash in 2024 includes amounts allocated in 2021 for 2020, and deferred to the next three years, in the case of directors serving in these years for whom variable remuneration in cash was chosen under the terms duly disclosed.

73. Criteria providing the basis for variable remuneration in shares and the executive directors' keeping of these shares, the signing of agreements involving these shares (i.e. hedging agreements) or the transfer of risk, the respective limit and its relationship to the amount of total annual remuneration.

In 2024, given the socio-economic scenario, the Remuneration Committee believed that the attribution of variable remuneration exclusively to directors with executive functions at the company and with special responsibilities, via participation in the Plan, was an appropriate means for remunerating these members for the duties performed and associated responsibilities, while simultaneously reinforcing an alignment between the interests of the management and the company, in the medium and long term, together with their sustainability, in view of the characteristics of the Plan.

Therefore, on 27 May 2024, the Remuneration Committee unanimously decided, in view of the duties performed by Luís Paulo Cardoso Salvado, Chairperson of the Board of Directors, CEO and Managing Director, and by Álvaro José da Silva Ferreira, Managing Director, both charged with the day-to-day running of the company, with the responsibility associated with such positions on a full-time basis, together with the duties and responsibilities assigned to Directors Francisco Paulo Figueiredo Morais Antunes and María del Carmen Gil Marín, responsible for various areas relevant to the Novabase Group's business, to attribute to these directors the following company stock options under the Regulations:

- Luís Paulo Cardoso Salvado - 125,000 stock options;
- Álvaro José da Silva Ferreira - 125,000 stock options;
- Francisco Paulo Figueiredo Morais Antunes - 37,500 stock options;
- María del Carmen Gil Marín - 30,000 stock options.

These options were attributed at an adjusted strike price of €0.996 per share.

Pursuant to the plan's regulations, the options attributed under the contractual agreement signed with these participants on 03 June 2024 comprised a single lot, which may be exercised once exactly two years after their date of attribution (i.e. 01 June 2026) (maturity date), notwithstanding the ability to exercise them after one year (i.e. 01 June 2025).

74. Criteria whereon the allocation of variable remuneration on options is based as well as its deferral period and take-up price.

The Novabase General Meeting of Shareholders held on 26 September 2019 approved a medium or long-term plan for attributing variable remuneration to members of Novabase's Board of Directors and to employees from Novabase or from other Novabase Group companies, based on the performance of Novabase shares (Plan for Options to Allot Shares), together with this plan's regulations. This plan has the following goals:

- To retain Novabase and Novabase Group employees;
- To motivate and encourage their creativity and productivity;
- To retain and/or hire management staff and employees of high potential and strategic value to benefit the company's results.

Under this plan and its regulations, stock options representing Novabase's share capital may be attributed in the form of a performance bonus for the plan's participants.

Options are attributed by decision of the competent body pursuant to the plan's regulations, on a case-by-case basis in accordance with criteria to be set by this body, which will be Novabase's Board of Directors, or the Remuneration Committee in the case of options attributed to members of Novabase's Board of Directors.

The options attributed will comprise a single lot, and may be exercised once exactly two years after their date of attribution (maturity date), notwithstanding the ability to exercise them exactly one year after their date of attribution, at which time the participant may exercise 50% or 100% of the lot of options attributed to him/her.

Options from the same lot not exercised in full by their maturity date will automatically expire.

Options attributed and actually exercised by a participant on their maturity date, or exactly one year after their date of attribution, will be settled as follows:

(a) via the attribution of Novabase shares (net share settlement) for 50% of the options subject to exercising;

(b) via the attribution of Novabase shares (net share settlement) or, alternatively, in cash (net cash settlement), by the participant's choice, for the remaining 50% of the options.

Novabase share options exercised by the participant pursuant to sub-paragraph (a) (i.e. 50% of the options available for exercise) will be retained by Novabase for three years following the exercise date, and their ownership will not be transferred to the participant until the end of this period, conditional upon Novabase's positive performance during this time.

The options' strike price is defined before the date of attribution. It should correspond to the arithmetical average of the prices, weighted by the respective volumes, of the transactions of Novabase shares at sessions of the Euronext Lisbon regulated market occurring in the ninety days preceding 26 July 2019, adjusted by the shareholder remuneration distributed during this period, i.e. €2.295 per share.

Once the participant notifies the company of his/her intent to exercise options, the number of shares to be attributed (rounded down) to this participant, or the corresponding cash amount in the case of net cash settlement, is determined by the following formula:

$$\text{No. of shares} = \text{no. of options exercised} \times [(\text{exercise price} - \text{strike price}) / \text{exercise price}]$$

Where:

Strike price: the arithmetical average of the prices, weighted by the respective volumes, of the transactions of Novabase shares at trading sessions of the Euronext Lisbon occurring in the ninety days preceding 26 July 2019, adjusted by the shareholder remuneration distributed during this period, i.e. €2.295 per share; and

Exercise price: the arithmetical average of the prices, weighted by the respective volumes, of the transactions of Novabase's shares at trading sessions of the Euronext Lisbon occurring in the ninety days preceding the exercise date.

For the purposes of the net cash settlement option, the value of the shares determined as described above will be based on the arithmetical average of the prices, weighted by the respective volumes, of the transactions of Novabase's shares at trading sessions of the Euronext Lisbon occurring in the ninety days preceding these options' exercise date.

While the plan is in effect, stock options totalling more than 10% of Novabase's share capital may not be attributed.

Since the plan's approval, in 2019, 400,000 (four hundred thousand) Novabase stock options were attributed under the plan to then Executive Director Paulo Jorge de Barros Pires Trigo, which were exercised by him in 2020, having been attributed in 2021. Also under the plan, in 2021, 525,000 (five hundred and twenty-five thousand) Novabase stock options were attributed to Managing Directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira and to the Director with special responsibilities María del Carmen Gil Marín, with an adjusted strike price of €1.801 per share. In 2022, 600,000 (six hundred thousand) Novabase stock options were attributed to Managing Directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira and to Directors with special responsibilities Francisco Paulo Figueiredo Moraes Antunes and María del Carmen Gil Marín, with an adjusted strike price of €1.801 per share. Also in 2023, 600,000 (six hundred thousand) Novabase stock options were attributed to Managing Directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira and to Directors with special responsibilities Francisco Paulo Figueiredo Moraes Antunes and María del Carmen Gil Marín, with an adjusted strike price of €1.385 per share. In 2024, 317,500 (three hundred and seventeen thousand and five hundred) Novabase stock options were attributed to Managing Directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira and to Directors with special responsibilities Francisco Paulo Figueiredo Moraes Antunes and María del Carmen Gil Marín, with an adjusted strike price of €0.996 per share, per the terms detailed in point 73.

The regulations of the Plan for Options to Allot Novabase Shares are available at the company's website:

<https://content.novabase.com/storage/uploads/z43ddf4scbt-a0a21a2e-editorfile.pdf>

75. The main factors and reasons for any annual bonus scheme and any other non-financial benefits.

No annual bonus scheme exists. With regard to non-monetary benefits, as stated in the Remuneration Policy, non-monetary supplementary benefits may be attributed to members of Novabase's managing board, per terms and conditions to be decided by the Remuneration Committee, which may include insurance (health, life, D&O and occupational accidents, including while travelling), company vehicles and cell phones, and other non-monetary benefits, as decided by the Remuneration Committee. In 2024, an additional amount of €20,728.96 was paid to the 2024 acting members of the Board of Directors in meal allowances.

Note that the non-monetary supplementary benefits currently attributed to members of the managing board, further described in the Board of Directors' report on remuneration attached to this report, does not have a significant weight on their remuneration, accounting for only 10% of its total cost.

76. Main characteristics of supplementary early retirement or pension schemes for directors, and date on which they were approved by the general meeting of shareholders, in individual terms.

The terms and conditions for executing retirement supplements, together with the application of benefits to be attributed and benefits contracted in accordance with these terms and conditions, are described in Novabase's Remuneration Policy, and are as follows:

- a) Attribution to directors of retirement supplements, which may be associated with the fixed and/or variable remuneration component, as decided by the Remuneration Committee, namely through the channelling of funds attributed to these directors in relation to fixed and/or variable remuneration, to reinforce insurance contributions in force at Novabase in substitution of paying part of this remuneration;
- b) The amount of the supplement will correspond to the cumulative annuities acquired from the consecutive premiums paid, increased by revaluations during the applicable period of establishment, as negotiated with the insurance company in question;
- c) Financing through Novabase's payment of relevant insurance agreement premiums, as determined by the Remuneration Committee;
- d) Instead of the above pension supplement, directors may opt for the redemption of accumulated capital, pursuant to the law and within legal limits;
- e) Pursuant to the law and within legal limits, beneficiaries with entitlement to the accumulated capital may be designated in the event of the director's death prior to retirement;
- f) Other terms and conditions to be determined by the Remuneration Committee, in conjunction with the Board of Directors.

IV. Disclosure of remuneration

77. Indication on the amount concerning the annual remuneration paid collectively or individually to members of the managing boards of the company, including fixed and variable remuneration and as to the latter, mentioning the different components that gave rise to same.

In this report, Novabase discloses the remuneration received by each member of the Board of Directors and Audit Board in 2024, in accordance with the Securities Code, CMVM Regulation no. 4/2013, and in line with the recommendations of the IPCG Corporate Governance Code (2018, revised in 2023) in this regard.

By unanimous decisions of the Remuneration Committee, fixed remuneration components were set for members of the Novabase Board of Directors in 2024, along with annual variable remuneration, as shown in the chart below.

This remuneration is distributed among the members of the Board of Directors in accordance with the breakdown stipulated by the Remuneration Committee, pursuant to the Remuneration Policy, whereby directors receive fixed remuneration in cash, and potentially variable remuneration as well, which may be comprised of variable remuneration in cash and variable remuneration based on stock options. This remuneration is broken down among directors as shown in the table below, in view of their responsibilities at Novabase, and as stipulated by the Remuneration Committee under the Remuneration Policy.

The remuneration of non-executive, non-independent directors may include a variable component, per the Remuneration Policy, if the duties and responsibilities so justify. In fact, the performance of remunerated duties by these members of the Board of Directors allows Novabase to leverage their extensive know-how acquired as company founders and accumulated over a period of almost 36 years, especially since these directors continue to have major responsibilities in the Group.

The variable component in cash of directors' remuneration should be determined annually by the Remuneration Committee, based on criteria described in the Remuneration Policy and in point 70 of this report.

Despite having entered into a time period subsequent to the five-year period covered by the Company's plan announced in 2019 (2019+ Strategic Update), the strategy proposed therein remains valid and under execution, as stated in the Novabase Annual General Meeting of Shareholders held on 22 May 2024. As such, the Remuneration Committee unanimously decided that, in 2024, all variable remuneration will be granted via plans based on securities of Novabase S.G.P.S., namely participation in the Plan for Options to Allot Company Shares approved in the General Meeting of Shareholders of 26 September 2019. Therefore, no variable remuneration in cash was paid to the directors of Novabase S.G.P.S. in relation to performance in the year 2023. During the year 2024, Managing Directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, and the Directors with special responsibilities Francisco Paulo Figueiredo Moraes Antunes and María del Carmen Gil Marín were attributed, respectively, €125,000 (one hundred and twenty-five thousand euros), €125,000 (one hundred and twenty-five thousand euros), €37,500 (thirty-seven thousand, five hundred euros) and €30,000 (thirty thousand euros) options on shares under the Plan for Options to Allot Novabase Shares. These options were attributed at an adjusted strike price of €0.996 per share.

The variable remuneration in cash paid in 2024 corresponds to only 1/6 of the variable remuneration in cash allocated in 2021 for 2020.

Furthermore, in 2024, the Remuneration Committee decided to channel 20% (twenty per cent) of amounts attributed as fixed remuneration for 2024 to each of the directors with executive functions or special responsibilities - namely, and respectively, Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira, Francisco Paulo Figueiredo Moraes Antunes and María del Carmen Gil Marín - to reinforce

capitalization insurance contributions currently in effect at the company in substitution of paying that part of fixed remuneration, pursuant to Clause 5 of the Remuneration Policy.

The following table shows remuneration paid in 2024 to directors in office on 31 December 2024:

Directors ¹	Remuneration /fixed annual ² (€)	Annual variable remuneration in cash paid in 2024 (€) ^{3,4}	Partial Total (Fixed +Variable in cash paid in 2024) (€)	Variable in cash paid in 2024/Partial Total (%)	Variable Remuneration /annual deferred (€)	Variable Remuneration #options
Luís Paulo Cardoso Salvado	351,000	53,027	404,027	13	0	125,000
Álvaro José da Silva Ferreira	324,242	33,230	357,472	9	0	125,000
Executives Total	675,242	86,257	761,498	11	0	250,000
(% total)	59	54	58			
Francisco Paulo Figueiredo Morais Antunes	97,500	26,513	124,013	21	0	37,500
María del Carmen Gil Marín	171,275	26,513	197,788	13	0	30,000
José Afonso Oom Ferreira de Sousa	45,500	10,605	56,105	19	0	
Pedro Miguel Quinteiro Marques Carvalho	45,500	10,605	56,105	19	0	
Madalena Paz Ferreira Perestrelo de Oliveira	45,500	0.00	45,500	0	0	
Benito Vázquez Blanco	45,500	0.00	45,500	0	0	
Rita Wrem Viana Branquinho Lobo Carvalho Rosado	21,675	0.00	21,675	0	0	
Non-executives Total	472,450	74,237	546,687	14	0	67,500
(% total)	41	46	42		0	
TOTAL	1,147,692	160,493	1,308,185	12	0	317,500

In 2024, Directors Luís Paulo Cardoso Salvado (250,000 options) and Álvaro José da Silva Ferreira (200,000 options) exercised their options, allocated in 2023, under the following terms:

- (i) For 50% of the options subject to exercising, via net share settlement (allotment of company shares), resulting in the allotment of 141,717 and 113,374 ordinary Novabase shares, respectively, to Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, using the calculation formula in the plan's regulations, resulting in a total of 255,091 shares allotted, and
- (ii) For the remaining 50%, via net cash settlement (payment in cash), resulting in payments to these directors, respectively, of €794,140.36 and €635,307.80 using the calculation formula in the plan's regulations i.e., a total of €1,429,448.16.

¹ Directors Francisco Paulo Figueiredo Morais Antunes and Rita Wrem Viana Branquinho Lobo Carvalho Rosado received amounts in 2024 through other Group companies. These amounts are not shown in this table, and are addressed in point 78 of this report.

² The amount shown includes amounts attributed as fixed remuneration in the Remuneration Committee meeting of 27 May 2024, which were channelled to retirement supplements by reinforcing capitalization insurance contributions currently in effect at the company, substituting payment of that part of fixed remuneration - namely, Luís Paulo Cardoso Salvado (€70,200), Álvaro José da Silva Ferreira (€64,848), Francisco Paulo Figueiredo Morais Antunes (€19,500) and María del Carmen Gil Marín (€34,255).

³ The amount shown is the total amount paid to each director in 2024 (excluding the variable component based on stock options, as applicable); includes amounts allocated in 2021 for 2020, and deferred to the next three years.

⁴ Amount used to reinforce capitalization insurance contributions currently in effect at the company.

Also in 2024, Directors Francisco Paulo Figueiredo Morais Antunes and María del Carmen Gil Marín exercised their options, allocated in 2023 (75,000 options each), under the following terms:

- (i) For 50% of the options subject to exercising, via net share settlement (allotment of company shares), resulting in the allotment to each of these directors of 42,516 ordinary Novabase shares, using the calculation formula in the plan's regulations, resulting in a total of 85,032 shares allotted; and
- (ii) For the remaining 50%, via net cash settlement (payment in cash), resulting in a payment to these directors of €238,237.62/each, using the calculation formula in the plan's regulations, resulting in a total amount paid of €476,475.24.

The exercising of these options resulted in a total allotment of 340,123 shares and a total amount paid of €1,905,923.40.

Also during the year 2024, Managing Directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, and the Directors with special responsibilities Francisco Paulo Figueiredo Morais Antunes and María del Carmen Gil Marín were attributed, respectively, €125,000 (one hundred and twenty-five thousand euros), €125,000 (one hundred and twenty-five thousand euros), €37,500 (thirty-seven thousand, five hundred euros) and €30,000 (thirty thousand euros) options on shares under the Plan for Options to Allot Novabase Shares. These options were attributed at an adjusted strike price of €0.996 per share.

Pursuant to the plan's regulations, the options attributed under the contractual agreement signed with these participants on 01 June 2021, 01 June 2022 and 01 June 2023 comprised a single lot, which may be exercised once exactly two years after their date of attribution (i.e. 01 October 2021 - maturity date), notwithstanding the ability to exercise them after one year (i.e. 01 June 2022, 01 June 2023 and 01 June 2024).

In 2024, an additional amount of €20,728.96 was paid to the 2024 acting members of the Board of Directors in meal allowances.

Relatively speaking, the variable remuneration paid in 2024 to Novabase's directors represented approximately 12% of the total remuneration received by them for the year 2024, thereby demonstrating a greater weight of fixed remuneration vis-à-vis total remuneration. There are no relevant amounts of non-monetary benefits considered as remuneration and not covered by the previous situations.

The table below shows remuneration paid by Novabase in 2024 to directors of the company whose positions ended in previous years:

Directors	Remuneration/ fixed annual (€)	Annual variable remuneration in cash paid in 2024 (€)	Partial Total (Fixed +Variable in cash paid in 2024) (€)	Variable in cash paid in 2024/Partial Total (%)	Variable Remuneration/ annual deferred (€)
João Nuno da Silva Bento ¹		53,027	53,027	100.00	0
Paulo Jorge de Barros Pires Trigo ¹		33,528	33,528	100.00	0
TOTAL		86,555	86,555	100.00	0

¹ Left position in the General Meeting of Shareholders of 25 May 2021. The variable amount paid in 2024 corresponds to the years in which he held the position of director at this company, as demonstrated by the Corporate Governance Reports from previous years.

Furthermore, there are no formal mechanisms regulating the possibility of requesting reimbursement for the variable remuneration received by Novabase directors. Even so, per the general guiding principles of Novabase's remuneration policy, when the company's performance is a determining

criterion for variable remuneration, any downgrading in performance may justify limits upon this remuneration, in view of the specific circumstances.

78. Amounts paid on any basis by other companies in a group or controlling relationship or exercising control over the company.

The members of Novabase's Board of Directors and Audit Board are paid exclusively by this entity, and do not receive additional remuneration of any kind from other companies that are controlled by or part of the Novabase Group, nor from any company subject to shared control with Novabase, except for the remuneration shown in the following table:

Name	Remuneration/ fixed annual (€)	Annual variable remuneration in cash paid in 2024 (€)	Partial Total (Fixed + Variable in cash paid in 2024) (€)	Variable in cash paid in 2024/Partial Total (%)	Variable Remuneration/ annual deferred (€)
Francisco Paulo Figueiredo Morais Antunes ¹	97,500	0	97,500	0	0
Rita Wrem Viana Branquinho Lobo Carvalho Rosado ²	81,053	63,322	144,376	44	0

¹ Amount paid by Novabase Consulting S.G.P.S., S.A., a company fully owned (directly) by Novabase - S.G.P.S., S.A. The amount shown includes amounts attributed as fixed remuneration in the Remuneration Committee meeting of 27 May 2024, which were channelled to retirement supplements by reinforcing capitalization insurance contributions currently in effect at the company, substituting payment of that part of fixed remuneration - namely €19,500. In addition, this director received, also through this entity, €1,238.00 in meal allowances.

² Amount paid by Celfocus, S.A., a company 90.19% owned (indirectly) by Novabase S.G.P.S., S.A., corresponding to remuneration received for the position of Head of Legal of the Novabase Group under a service provision agreement.

79. Remuneration paid in the form of a share in the profits and/or the payment of bonuses and the rationale behind the act of awarding such bonuses and/or share in profits.

In 2024, no additional remuneration was awarded in the form of profit sharing and/or payment of bonuses.

80. Compensation paid or owed to former executive directors in relation to early contract termination.

No compensations were paid, nor are any compensations owed, to former executive directors as a result of their duties no longer being performed in 2024.

81. Annual amount of remuneration received, collectively and individually, by members of the company's supervisory boards.

The remuneration of supervisory board members includes no component whose value depends on the performance or the value of the company.

As such, the following fixed annual remuneration was given to members of the Audit Board for 2024:

Chairperson of the Audit Board - Álvaro José Barrigas do Nascimento - €10,850 (ten thousand, eight hundred and fifty euros);

Audit Board Member - Fátima do Rosário Piteira Patinha Farinha - €8,150 (eight thousand, one hundred and fifty euros);

Audit Board Member - João Luís Correia Duque - €8,150 (eight thousand, one hundred and fifty euros).

These amounts were adjusted by 3.3% to 3.5% in comparison to the previous year. As such, the total amount of remuneration attributed to members of the Audit Board was €27,150 (twenty-seven thousand, one hundred and fifty euros).

Notwithstanding the remuneration attributed in 2024, a total of €61.676 (sixty-one thousand, six hundred and seventy-six euros) was paid to members of the Audit Board (including taxes):

Chairperson of the Audit Board - Álvaro José Barrigas do Nascimento - €26,261 (twenty-six thousand, two hundred and sixty-one euros);

Audit Board Member - Fátima do Rosário Piteira Patinha Farinha - €15,705 (fifteen thousand, seven hundred and five euros);

Audit Board Member - João Luís Correia Duque - €19,711 (nineteen thousand, seven hundred and eleven euros).

Furthermore, the company's Statutory Auditor is remunerated according to standard remuneration practices and conditions for comparable services, following the signing of a service provision agreement and by proposal of the company's Audit Board.

82. Remuneration of the Chairperson of the General Meeting of Shareholders.

The Chairperson of the General Meeting of Shareholders is paid according to attendance in the amount of €3,250 (three thousand, two hundred and fifty euros) for each meeting presided over. This amount was adjusted by 3.2% in comparison to the previous year.

V. Agreements with implications on remuneration

83. Envisaged contractual restraints for compensation owed for undue dismissal of executive directors and its relation to the remunerations' variable component.

There are no contractual restraints for compensation owed for undue dismissal of directors, as per legal rules.

Pursuant to article 403, paragraph 5 of the Commercial Companies Code, if the dismissal lacks justified grounds, the director is entitled to compensation for damages incurred by the means specified in his/her contract or under the general terms of the law; this compensation may not exceed the remuneration he/she would presumably receive through the end of his/her appointed term.

In Novabase's opinion, since management positions are remunerated, with a mandatory legal ceiling on compensation for dismissal without due cause, and given the protection of expectations principle which must be observed, there is no justification for contractual restraints that reduce the maximum legal compensation amount to a director with legal proof of damages incurred.

Similarly, in view of the mandatory legal ceiling on compensation for undue dismissal, there is absolutely no foreseeable advantage in establishing contractual restraints to directors' compensation in the event of consensual termination of duties.

84. Reference to the existence and description, including amounts, of agreements between the company and members of the board of directors or employees providing for compensation in the event of employee resignation request, termination without just cause or termination of the employment relationship following a tender offer. (article 29-H, paragraph 1, subparagraph k).

No such agreements exist.

VI. Stock or stock option plans

85. Identification of plan and respective recipients.

The Novabase General Meeting of Shareholders held on 26 September 2019 approved a medium or long-term plan for attributing variable remuneration to members of Novabase's Board of Directors and to employees from Novabase or from other Novabase Group companies, based on the performance of Novabase shares, together with this plan's regulations. This plan has the following goals:

- To retain Novabase and Novabase Group employees;
- To motivate and encourage their creativity and productivity;
- To retain and/or hire management staff and employees of high potential and strategic value to benefit the company's results.

Under this plan and its regulations, stock options representing Novabase's share capital may be attributed in the form of a performance bonus for the plan's participants.

More information on the plan and its regulations can be found in point 74 of this report.

86. Description of plan (eligibility conditions, inalienability of shares clauses, criteria regarding share prices and the price for exercising options, time frame during which options can be exercised, characteristics of the shares or options to be attributed, existence of incentives to acquire shares and/or exercise options).

A description of the Plan for Options to Allot Novabase Shares - including its eligibility conditions, inalienability of shares clauses, criteria on the price for exercising options, time frame during which options can be exercised, characteristics of the shares or options to be attributed and the existence of incentives to acquire shares and/or exercise options - is available in point 74 of this report.

87. Option rights given for the acquisition of shares (stock options) for which the company's employees and workers are the beneficiaries.

In 2024, no options were attributed to the company's workers or employees; only the decision was made to attribute options to members of Novabase's Board of Directors.

88. Control mechanisms provided for in a possible employee investment scheme in which voting rights are not directly exercised by them (article 29-H, paragraph 1, sub-paragraph e).

There are no specific employee investment schemes in which voting rights are not directly exercised by them.

E. TRANSACTIONS WITH RELATED PARTIES

I. Control mechanisms and procedures

89. Mechanisms implemented by the company to control transactions with related parties (using the concept defined in IAS 24 for this purpose).

As regards the year 2024, in addition to the rules of the Commercial Companies Code for contractual agreements between the company and members of the Board of Directors, Novabase had Internal Regulations on Transactions with Related Parties in effect which established an internal procedure for verifying and approving transactions with related parties, with the intervention of the Board of Directors and the Audit Board, pursuant to the law, which was approved by the Board of Directors, with the prior favourable opinion of the Audit Board. These regulations are further described in point 91 of this report, and are available at Novabase's website.

Other transactions with related parties are controlled and disclosed under the terms of internationally accepted and applicable rules and standards for accounting and financial reporting.

90. Transactions subject to control during the reporting year.

In 2024, Novabase had no transactions with related parties subject to the obligations of control laid out in the Internal Regulations on Transactions with Related Parties or the Securities Code.

As such, no transactions were subject to control as described above.

91. Description of the procedures and criteria applicable to the supervisory body when same provides preliminary assessment of the business deals to be carried out between the company and the owners of qualifying holdings or entity-relationships with the former, as envisaged in article 20 of the Securities Code.

On 29 April 2021, pursuant to article 249-A (corresponding to the current article 29-S) of the Securities Code, introduced by Law no. 50/2020 of 25 August, the Board of Directors approved, with the prior favourable opinion of the Audit Board, Internal Regulations on Transactions with Related Parties, under which certain company transactions with related parties are subject to a decision of the Board of Directors, preceded by an opinion of the Audit Board.

Pursuant to these Internal Regulations, transactions with related parties are defined as those performed by the company or by entities in a control or group relationship with it, or by entities within its consolidation perimeter, with a party related to them as defined in the international accounting standards adopted pursuant to Regulation (EC) No 606/2022 of the European Parliament and of the Council of 16 April.

A decision by the Board of Directors, preceded by a non-binding opinion of the Audit Board, shall apply to transactions with related parties: (i) whose total cumulative amount is 2.5% or more of Novabase's consolidated assets in a given financial year, half year or quarter, based on the most recent annual financial statements approved pursuant to the law, even when the amount of each business deal does not exceed this percentage individually; or (ii) which, on an exceptional basis, are not performed within the scope of Novabase's current business per the arm's-length principle, regardless of their amount.

In any case, the following shall be excluded from the scope of these Internal Regulations: (a) transactions between Novabase and its affiliates, provided that they are in a control relationship with

the company, and no Related Party of the company has interests in the affiliate; (b) business deals involving the awarding of remuneration for management or senior management positions at the company, at entities in a control or group relationship with it, or at entities within Novabase, S.G.P.S, S.A.'s account consolidation perimeter, although such remuneration must always be attributed on an arm's-length basis and in accordance with the corporate governance model in force; or (c) transactions proposed to all shareholders under the same terms so as to ensure equitable shareholder treatment and protection of the company's interests.

In cases subject to the procedure established in the Internal Regulations, Novabase's Board of Directors shall notify the company's Audit Board, as soon as possible and always within five days of the transaction's date, of its intent to approve the business deal.

Such notification to Novabase's supervisory board must include the following: (a) parties to the transaction; (b) scheduled date for performing the transaction; (c) economic and financial terms and conditions of the transaction, and its total amount, which must always be specifically stated, even in the form of a mere estimate; (d) reason for performing the transaction by the Novabase Group and the entity in question; (e) specific reason for performing the transaction with the customer or supplier in question; (f) assessment as to whether the transaction in question will be done under normal market conditions for similar transactions, complying with the principle of equitable treatment for the Novabase Group's customers and suppliers. In the event of deviations to these principles, justifying circumstances must be given to perform the transaction, namely the need to pursue a higher company interest.

Once the notification described in the above paragraph has been received, the supervisory board must issue its approval or disapproval of the transaction in question as soon as possible.

In issuing its opinion, the supervisory board must bear in mind whether the business deal in question will be carried out on an arm's-length basis compared to similar deals, and whether the principle of equitable treatment of Novabase Group customers and suppliers will be respected, together with circumstances justifying the deal when deviations to these principles occur, namely the need to pursue a higher company interest.

In either case, the supervisory board must give immediate notification to Novabase's management of any prior opinion issued.

Under this procedure, by the end of the month following the end of each quarter, Novabase's Board of Directors verifies, and notifies the Audit Board of, the amount and nature of transactions between Novabase and any related party performed in the previous quarter which were not subject to a specific decision by these boards in accordance with these regulations.

The Internal Regulations are available at Novabase's website.

II. Items related to the business

92. Location of accounting documents with access to information on transactions with related parties, in accordance with IAS 24 or, alternatively, a reproduction of this information.

This information is available in the 2024 Consolidated Accounts, an integral part to the Annual Report and Accounts, in Note 38 of the Notes to the Consolidated Financial Statements.

PART II - EVALUATION OF CORPORATE GOVERNANCE

1. Corporate governance code adopted

Identification of the corporate governance code to which the company is subject, or has voluntarily decided to be subject to, under the terms and for the purposes of article 2 of these Regulations.

The publicly accessible location of the texts of the corporate governance codes to which the issuer is subject should also be indicated (article 29-H, paragraph 1, sub-paragraph o).

Over the course of 2018, the Corporate Governance Code of the Portuguese Corporate Governance Institute (IPCG) entered into force in reference to 01 January 2018, thereby completing the transition process to a self-regulation model (soft law) in Portugal. This resulted in the revocation of the CMVM Corporate Governance Code (2013) as of the same date.

In this way, the IPCG Corporate Governance Code (2018) - subsequently revised 2020 and in 2023 - now represents the only corporate governance code in Portugal for the purposes of article 2, paragraph 1 of CMVM Regulation no. 4/2013.

Therefore, and in accordance with the above-mentioned provision of CMVM Regulation no. 4/2013, Novabase has adopted the Corporate Governance Code of the Portuguese Corporate Governance Institute (2018, as revised in 2023), which is available for consultation at <https://cgov.pt/>.

2. *Analysis of compliance with corporate governance code adopted under the terms of article 29-H, paragraph 1, sub-paragraph n), whereby a statement should be included on the degree of compliance with the corporate governance code to which the issuer is subject, specifying any parts of this code from which it deviates, and the reasons for doing so.*

The information presented should include the following for each recommendation:

- a) Information to gauge compliance with the recommendation, or reference to the point in the report where the issue is described in more detail (chapter, title, point, page);*
- b) Justification for any failure to comply or partial compliance;*
- c) In the event of non-compliance or partial compliance, identification of any alternative means used by the company to achieve the same goal as the recommendation.*

Recommendation	Fulfilment	Remarks
General principles: A. <i>Corporate governance promotes and empowers the pursuit of respective long-term interests, performance and sustainable development, and is structured so as to balance interests between shareholders and other investors, employees, customers, creditors, suppliers and other stakeholders, helping to strengthen trust in the quality, transparency and ethical standards of the actions of management and supervisors, together with the sustainable development of companies' surrounding communities and the development of the capital market.</i> B. <i>Compliance with the code is voluntary, and its observance is based on a principle of "comply or explain" applicable to all recommendations.</i>		
Chapter I. COMPANY RELATIONSHIP WITH SHAREHOLDERS, STAKEHOLDERS AND THE COMMUNITY IN GENERAL		
Principles: I.A. <i>Principles: In their organization, their functioning and the determination of their strategy, companies contribute towards the pursuit of the UN Sustainable Development Goals under terms tailored to the nature of their business and respective size.</i> I.B. <i>The company periodically identifies, measures and aims to prevent the negative effects of the environmental and social impacts of its business, under terms tailored to the company's respective nature and size.</i> I.C. <i>In its decision-making processes, the managing board balances the interests of shareholders and other investors, employees, suppliers and other stakeholders in the company's business.</i>		
I.1(1). The company specifies the terms under which its strategy seeks to achieve its long-term goals	Yes	Point 29 and the 2024 Sustainability Statements
I.1(2). together with the main contributions resulting therefrom for the community in general with regard to achieving its environmental goals	Yes	Point 29 and the 2024 Sustainability Statements
I.2(1). The company identifies the main policies and main measures employed	Yes	Point 29, Point 53, sub-paragraph j) and the 2024 Sustainability Statements.
I.2(2). and with regard to achieving its social goals.	Yes	Point 29, Point 53, sub-paragraph j) and the 2024 Sustainability Statements

Chapter II. COMPOSITION AND FUNCTIONING OF THE COMPANY'S BOARDS

II.1. Information

Principle:

II.1.A. *Companies and, in particular, their managers treat shareholders and other investors equally, namely by assuring mechanisms and procedures for the suitable processing and disclosure of information.*

II.1.1. The company establishes mechanisms which, in a suitable and rigorous manner, ensure the timely circulation or disclosure of information to corporate boards, the company's secretary, shareholders, investors, financial analysts, other stakeholders and the market in general.

Yes

Points 55 to 65

II.2. Diverse composition and functioning of the company's boards

Principles:

II.2.A. *Companies are equipped with suitable, transparent decision-making structures, ensuring the utmost operating efficiency of their boards and committees.*

II.2.B. *Companies ensure diversity in the composition of their management and supervisory boards and the use of criteria of individual merit within the respective designation procedures, which are of the exclusive power of the shareholders.*

II.2.C. *Companies ensure that the functioning of their boards and committees is properly recorded in meeting minutes, so as to provide an understanding of the decisions made as well as their grounds and the opinions expressed by their members.*

II.2.1. Companies establish, in advance and in the abstract, criteria and requirements for the profile of members of the company's boards which are suited to the function to be performed, namely including individual attributes (such as expertise, independence, integrity, availability and experience), and diversity requirements (with a particular focus on equality between men and women), that can help to improve the board's performance and balance its composition.

Yes

Point 16

II.2.2(1). The managing board has regulations- namely regarding the exercising of its respective powers, chairmanship, meeting frequency, operation and table of duties of its members - published in full at the company's website.

Yes

The Board of Directors has internal regulations, available for consultation at the website of the Issuer at <https://www.novabase.com/pt/investidor/governo-da-sociedade/orgaos-sociais/>

II.2.2(2). *Idem* in relation to the supervisory board

Yes

The Audit Board has internal regulations, available for consultation at the website of the Issuer at <https://www.novabase.com/pt/investidor/governo-da-sociedade/orgaos-sociais/>

II.2.2(3). *Idem* in relation to internal committees.

n/a

Point 27
No other committees have currently been created within the Company's Board of Directors.

II.2.2(4). Minutes should be drawn up for meetings of the managing board.	Yes	Article 9, paragraph 4 of the Internal Regulations of the Board of Directors.
II.2.2(5). <i>Idem</i> in relation to the supervisory board.	Yes	Article 6, paragraph 4 of the Internal Regulations of the Audit Board.
II.2.2(6). <i>Idem</i> in relation to internal committees.	n/a	n/a
II.2.3(1). The composition of the managing and supervisory boards and their internal committees are disclosed through the Company's website.	Yes	Information on the composition of the Board of Directors and the Audit Board is available at the website of the Issuer at https://www.novabase.com/pt/investidor/governo-da-sociedade/orgaos-sociais/
II.2.3(2). The number of meetings each year of the managing and supervisory boards and their internal committees are disclosed through the Company's website.	Yes	Points 23 and 35
II.2.4(1). Companies adopt a policy for reporting irregularities ("whistleblowing policy") that specifies the main rules and procedures to be followed for each instance of reporting.	Yes	Point 49
II.2.4(2). and an internal reporting channel that is also accessible by non-employees, pursuant to the terms of applicable law.	Yes	Point 49
II.2.5(1). Companies have a specialized committee for corporate governance.	No	Given the relatively low complexity of the current corporate governance structure, maintaining or reintroducing a specific committee to reflect on issues involving corporate governance seems unnecessary, since the Company is assisted by outside consultants in these matters.
II.2.5(2). <i>Idem</i> with regard to remuneration.	Yes	Point 66 The Remuneration Committee decides upon the remuneration conditions of corporate board members.
II.2.5(3). <i>Idem</i> with regard to appointing members of the Company's boards.	No	Given the relatively low complexity of the current corporate governance structure, maintaining or reintroducing a specific committee to reflect on issues involving appointments seems unnecessary, since the Company is assisted by outside consultants in these matters.
II.2.5(4). <i>Idem</i> with regard to performance evaluation.	Yes	No internal committee exists with powers involving evaluation. However, the Board of Directors annually assesses its own performance, together with the performance of the managing directors or Executive Committee, as applicable, also ensuring that the individual performance evaluations of each of the board members are notified to the Remuneration Committee.

II.3. Relationship between company boards		
Principle: II.3.A. <i>Corporate boards lay the groundwork so that, to the extent of their responsibilities, they can act in a harmonious, coordinated manner with information suited to the performance of their respective functions.</i>		
II.3.1. The articles of association or equivalent instruments used by the company establish mechanisms to ensure that, within the limits of applicable legislation, members of the managing and supervisory boards have permanent access to all information needed to assess the performance, status and future prospects of the company, including meeting minutes, support documentation for decisions taken, meeting notices and the archives of executive managing board meetings, notwithstanding access to any other documents or persons who may be asked to give clarifications.	Yes	Point 24
II.3.2. Each of the company's bodies and committees ensure, in a timely and appropriate manner, the inter-organic flow of information needed for all other boards and committees to perform their duties under the law and articles of association.	Yes	Point 24
II.4. Conflicts of interest		
Principle: II.4.A. Conflicts of interest, whether actual or potential, should be prevented between the members of boards and committees and the company, ensuring that any member in conflict does not interfere in the decision-making process.		
II.4.1. By internal regulations or equivalent means, members of the managing and supervisory boards and internal committees shall be obliged to notify the respective board or committee whenever there are facts which may constitute or give rise to a conflict between their interests and those of the company.	No	Points 21 and 33 b) The internal regulations of Novabase's relevant corporate boards state that they must notify the respective body, in the decision-making context, whenever there are facts which may constitute or give rise to a conflict between their interests and those of the company, without the ability to exercise their voting rights in such case. Although this obligation is not provided for in a general sense, but only in the decision-making context, Novabase believes that the interests protected by this recommendation are ensured, since the information conveyed in the decision-making context is also relevant to the day-to-day running of the company in the event of situations of conflicts of interest, while also fulfilling the legal requirement provided for in the Commercial Companies Code.
II.4.2. The company adopts procedures to ensure that a member in conflict does not interfere with the decision-making process, notwithstanding the obligation to provide information and clarifications requested by the board, committee or its respective members.	Yes	Points 21 and 33 b)
II.5. Transactions with related parties		

Principle:

Transactions with related parties must be justified by the company's interests and performed in normal market conditions, subject to the principles of transparency and proper oversight.

II.5.1. The managing board discloses, in its governance report or by another publicly available means, the internal procedure for verifying transactions with related parties.

Yes

Point 89

Chapter III. SHAREHOLDERS AND GENERAL MEETING OF SHAREHOLDERS

Principles:

III.A. *The proper engagement of shareholders in corporate governance is a positive factor in the company's efficient functioning and achievement of its corporate purpose.*

III.B. *The company promotes the personal participation of shareholders in General Meetings of Shareholders as a venue for reflection on the company and communication between shareholders and the company's boards and committees.*

The company implements adequate means for shareholders to participate and vote remotely in meetings, including the possibility to send questions, clarification requests or information on agenda items and their respective proposals in advance.

III.1(1). The Company should not require an excessively high number of shares for entitlement to voting rights, and specifies its choice in its corporate governance report whenever each share does not correspond to one vote.

Yes

Article 9, paragraph 5, of the articles of association: each share corresponds to one vote.

III.1(2). and specifies its choice in its corporate governance report whenever each share does not correspond to one vote.

n/a

n/a

III.2. A company that has issued shares with a special right to plural votes shall identify, in its corporate governance report, those matters which, pursuant to the company's articles of association, are excluded from the scope of plural voting.

n/a

n/a

III.3. The company should not adopt mechanisms that hinder the passing of resolutions by shareholders, including fixing a quorum for resolutions greater than that provided for by law.

Yes

Point 14

III.4. The company implements suitable means for shareholders to participate in the General Meeting of Shareholders remotely, under terms proportional to its size.

Yes

Point 12
Note also that, in the past three years, Novabase's General Meetings of Shareholders were done exclusively via telemetric means, giving shareholders not only the option of voting via electronic correspondence or electronic means, but also the ability to participate via telematic means in the meeting and, in this context, change their vote previously cast during the meeting, as shown in documentation from these same General Meetings of Shareholders, duly published and available at Novabase's website.

III.5. The company also implements suitable means for exercising voting rights remotely, including via correspondence and via electronic means.	Yes	Point 12 Note also that, in the past three years, Novabase's General Meetings of Shareholders were done exclusively via telemetric means, giving shareholders not only the option of voting via electronic correspondence or electronic means, but also the ability to participate via telematic means in the meeting and, in this context, change their vote previously cast during the meeting, as shown in documentation from these same General Meetings of Shareholders, duly published and available at Novabase's website.
III.6. The company's articles of association that provide for the restriction of the number of votes that may be held or exercised by a sole shareholder, either individually or in concert with other shareholders, shall also foresee for a resolution by the General Meeting of Shareholders (five-year intervals) on whether that statutory provision is to be amended or prevails - without superior quorum requirements as to the one legally in force - and that in said resolution, all votes issued be counted, without applying said restriction.	n/a	Points 12 and 13
III.7. Measures that require payment or the assumption of fees by the company in the event of change of control or change in the composition of the managing board, and which may impair the free transfer of shares and free assessment by shareholders of the performance of directors, shall not be adopted.	Yes	Points 4 and 84 Furthermore, measures that require payment or the assumption of fees by the company in the event of change of control or change in the composition of the managing board, and which may impair the free transfer of shares and free assessment by shareholders of the performance of directors, shall not be adopted.
Chapter IV. DIRECTORS		
IV.1. Managing Board and Executive Directors		
Principles: IV.1.A. <i>The day-to-day running of the company is the responsibility of executive directors with suitable qualifications, expertise and experience, pursuing the company's goals and contributing towards its sustainable development.</i> IV.1.B. <i>The determination of the number of executive directors should take into account the company's size, the complexity and geographic dispersion of its business and costs, bearing in mind the desired functional agility of the executive management.</i>		
IV.1.1(1). The managing board and ensures that the Company acts in accordance with its corporate purpose and it does not delegate powers, namely with regard to: i) defining the strategy and general policies of the Company;	Yes	Point 21
IV.1.1(2). ii) organizing and coordinating the corporate structure;	Yes	Point 21

IV.1.1(3) iii) matters considered strategic due to the amount, risk or particular characteristics involved.	Yes	Point 21
IV.1.2. The managing board approves, through internal regulations or comparable means, the scheme for executive directors' activities applicable to their performance of executive duties at entities outside the group.	No	Points 21 and 26 On 25 May 2021, the Board of Directors approved the delegation of powers to Managing Directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira. Novabase's current managing directors do not perform any executive functions at entities outside the Group; as such, Novabase believes there is no need to establish a scheme for executive directors' activities applicable to their performance of executive duties at entities outside the Group, since this situation does not apply to Novabase, thereby safeguarding the interests that the recommendation in question aims to protect. Furthermore, with regard to the table in Point 26 of this report (on activities of directors in and outside the Group), the duties shown for Managing Director Álvaro José da Silva Ferreira, despite involving administrative functions, are not considered executive duties impacting his full availability to carry out his respective duties at Novabase.
IV.2. Managing Board and Non-Executive Directors		
Principles: IV.2.A. <i>To fully achieve the corporate purpose, non-executive directors carry out effective, judicious oversight which challenges executive management, supplemented by committees in central corporate governance areas.</i> IV.2.B. <i>The number and qualifications of non-executive directors should afford the company with balanced, proper diversity in terms of expertise, knowledge and professional backgrounds.</i>		
IV.2.1. Notwithstanding the legal functions of the Chairperson of the Board of Directors, if the Chairperson is not independent, the independent directors - or, when these are insufficient in number, the non-executive directors - must designate a coordinator (lead independent director) from among themselves for the following purposes (i) serving, whenever necessary, as a spokesperson with the Chairperson of the Board of Directors and the other directors, (ii) ensuring that they have the necessary means and conditions to perform their duties; and (iii) coordinating them in assessing the performance by the managing board, as provided for in recommendation VI.1.1; alternatively, the company can establish another equivalent mechanism for such coordination.	No	Points 18 and 21 In view of the size of the Company, the Board of Directors, and the number of non-executive directors, the company believes that the figure of Lead Non-Executive Director is not necessary. In fact, given Novabase's agile and flexible structure since 2015, the non-executive directors have adequately coordinated their duties with no need for formal meetings called and run by one of these directors. Note also that, pursuant to the Board of Directors' regulations, there are various mechanisms in place for the efficient coordination and performance of its work, particularly for members with non-executive functions, by giving them access to information to sufficiently carry out their duties.
IV.2.2. The number of non-executive members of the managing board should be suited to the company's size and the complexity of its business risks, but sufficient to effectively ensure the functions entrusted to them; the justifying grounds for this suitability should be included in the corporate governance report.	Yes	Points 18, 21, 31 and 32
IV.2.3. The number of non-executive directors is higher than the number of executive directors.	Yes	Novabase has two executive directors and seven non-executive directors.

IV.2.4. The number of non-executive directors that meet the independence requirements should be plural, and may not be less than one third of the total number of non-executive directors. For the purposes of this recommendation, independent persons are defined as those not associated with any specific interest group at the company, nor under any circumstances that may affect their exemption from analysis or decision, namely because of: i. Having held a position on any company board, on a consecutive or non-consecutive basis, for more than twelve years, with this time period calculated regardless of whether it coincides with the end of the term of office; ii. Having been an employee at the company or at a company in a control or group relationship within the past three years; iii. Having, in the past three years, provided services or established a significant commercial relationship with the company or a company with which it is in a control or group relationship, either directly or as a partner, board member, manager or director of a legal entity; iv. Receiving remuneration paid by the company or by a company with which it is in a control or group relationship, besides the remuneration arising from performing the duties of director; v. Living with a partner or a spouse, relative or any first degree next of kin and up to and including the third degree of collateral affinity of directors of the company, directors of a legal person with a qualified holding in the company or natural persons with direct or indirect qualified holdings; vi. Being a qualifying shareholder or representative of a qualifying shareholder.	No	Point 18 In view of the company's size, its need for agility and efficient management, its shareholder structure and respective free float, its various levels of internal control (including supervisory boards completely comprised of persons independent from the management and qualified shareholders, with the important note that, under the Anglo Saxon corporate governance model previously in effect at the company, only those directors with positions on the Auditing Committee were independent), and the vast set of options benefiting shareholder participation and the exercising of rights, Novabase does not believe that independent directors are needed to ensure the protection of the interests of all stakeholders.
IV.2.5. The provisions of paragraph (i) of the above recommendation shall not impair the qualification of a new director as independent if, between the termination of his/her duties at any company board and his/her new designation, at least three years have elapsed (cooling-off period).	n/a	n/a
Chapter V. OVERSIGHT		
<i>Principles:</i> V.A. <i>The supervisory board constantly oversees the company's management including, from a preventive standpoint as well, monitoring the company's activities and, in particular, decisions of central importance to the company and the full achievement of its corporate purpose.</i> V.B. <i>The composition of the supervisory board affords the company with balanced, proper diversity in terms of expertise, knowledge and professional backgrounds.</i>		

V.1(1). In accordance with the powers entrusted to it by law, the supervisory board has knowledge of strategic guidelines prior to their final approval by the managing board.	No	There is currently no procedure allowing the Audit Board to give its opinion on these issues prior to their final approval by the Board of Directors. Nonetheless, pursuant to its regulations, the Audit Board has the power to evaluate the risk management done by the Board of Directors and give its opinion on the working plans and resources allocated to control services. With regard to monitoring, assessing and giving an opinion on the company's strategic guidelines, Novabase believes this function is achieved through the Audit Board's oversight of the risk management system, which inevitably includes overseeing the risks assumed by the company vis-à-vis strategic guidelines in place. In view of the Audit Board's supervisory and oversight function, Novabase believes that this board's involvement in matters involving the company's strategic guidelines should be limited.
V.1(2). In accordance with the powers entrusted to it by law, the supervisory board evaluates and gives its opinion on the risk policy prior to its final approval by the managing board.	No	Idem
V.2(1). The number of members of the supervisory board should be suited to the company's size and the complexity of its business risks, but sufficient to effectively ensure the functions entrusted to them; the justifying grounds for this suitability should be included in the corporate governance report of the committee. <i>Idem</i> with regard to the number of members of the financial matters committee.	Yes	Point 32
V.2(2). <i>Idem</i> with regard to the number of members of the financial matters committee.	n/a	n/a
Chapter VI. PERFORMANCE EVALUATION, REMUNERATION AND APPOINTMENTS		
VI.1. Annual performance evaluation		
Principle: VI.1.A. <i>The company evaluates the performance of the executive board and its individual members, together with the overall performance of the managing board and its specialized committees.</i>		
VI.1.1(1). The managing board - or committee with competencies in this regard, comprised of a majority of non-executive members - evaluates its performance each year, bearing in mind fulfilment of the Company's strategic plan and budget, the management of risks, its internal operation and each member's contribution in this regard, together with relationships between the Company's boards and committees.	Yes	Points 24 and 25
VI.1.1(2). <i>Idem</i> with regard to the performance of the executive committee/executive directors.	Yes	Points 24 and 25

VI.1.1(3). <i>Idem</i> with regard to the performance of the Company's committees.	n/a	There are no internal committees of the managing board
VI.2. Remuneration		
Principles: VI.2.A. <i>The remuneration policy for members of the managing and supervisory boards should allow the company to attract qualified professionals, at a cost economically justified by the situation, align its interests with those of shareholders – taking into account the wealth actually created by the company, its economic position and that of the market – and build a company culture which is professional and sustainable, and promotes merit and transparency.</i> VI.2.B. <i>Given that the position of director is, by nature, a remunerated position, directors should receive remuneration:</i> i) <i>that adequately reciprocates the responsibilities assumed, availability and expertise afforded to the company;</i> ii) <i>that ensures that actions are aligned with long-term shareholder interests, promoting the company's sustainability; and</i> iii) <i>that rewards performance.</i>		
VI.2.1. The company establishes a remuneration committee, whose composition ensures independence vis-à-vis the management; said committee may be the remuneration committee referred to in article 399 of the Commercial Companies Code.	Yes	Points 66 and 67
VI.2.2. The determination of remuneration for members of the managing and supervisory boards and the company's committees is the responsibility of the Remuneration Committee, or the General Meeting of Shareholders by proposal of this committee.	Yes	Points 66 and 67
VI.2.3. In its corporate governance report or remuneration report, the company discloses the termination of service of members of the company's boards or committees, specifying the amounts of all of the company's charges related to the termination of service, on any basis, in the year in question.	Yes	Point 77
VI.2.4. With a view to providing information and clarifications to shareholders, the chairperson or other member of the remuneration committee should attend the annual General Meeting of Shareholders and any other meetings whose agenda includes matters related to the remuneration of members of the company's boards and committees, or when such attendance has been requested by shareholders.	Yes	Point 67 The Chairperson of Novabase's Remuneration Committee was present at the 2024 General Meeting of Shareholders, via telematic means, to provide information and clarifications to shareholders.
VI.2.5. Within the company's budgetary limits, the remuneration committee may freely decide on the company's hiring of consulting services, as needed or convenient for carrying out its duties.	Yes	Point 67 Novabase's Remuneration Committee acts with complete autonomy, and may freely decide on Novabase's hiring of consulting services, as needed or convenient for carrying out its duties. The Remuneration Committee did not employ any natural or legal person to support it in performing these duties.

VI.2.6. The remuneration committee ensures that these services are provided in an independent manner.	Yes	Point 67
VI.2.7. The providers of these services will not be hired, by the company itself or by other companies in a group or control relationship with it, to provide the company with any other services related to the responsibilities of the remuneration committee, without this committee's express authorization.	Yes	Point 67
VI.2.8. With a view to aligning interests between the company and executive directors, part of their remuneration is variable, reflecting the company's sustained performance and discouraging the assumption of excessive risks.	Yes	Points 70 and 71
VI.2.9. A significant part of the variable remuneration component is partially deferred for a period of not less than three years, associating it with sustainable performance, pursuant to the terms of the company's remuneration policy.	Yes	Points 70, 72 and 74
VI.2.10. When variable remuneration includes options or other instruments directly or indirectly dependent on the value of shares, the start of the exercise period should be deferred for at least three years.	Yes	Points 70 and 74 Novabase stock options attributed under the Plan for Options to Allot Shares may be exercised once exactly two years after their date of attribution (maturity date), notwithstanding the ability to exercise them exactly one year after their date of attribution, at which time the participant may exercise 50% or 100% of the lot of options attributed to him/her. Even so, it should be noted that the number of Novabase shares to be attributed under the plan, or the corresponding amount in cash under the net cash settlement option, is dependent upon the price of Novabase shares on the relevant dates for participants to exercise options, thus making this remuneration component conditional upon Novabase's continued positive performance. Furthermore, the shares representing Novabase's share capital corresponding to 50% of the options which may be exercised will be retained by Novabase for three years following the exercise date, and their ownership will not be transferred to the participant until the end of this period, conditional upon Novabase's positive performance during this time. As such, Novabase believes that, even though the options' exercise period is not deferred for at least three years, this remuneration component generally serves the company's long-term interests, and discourages excessive risk assumption.
V.2.11. The remuneration of non-executive directors does not include any component whose value is subject to the performance or the value of the company.	No	Point 77 The remuneration of non-executive directors may include a variable component. The performance of remunerated duties by these members of the Board of Directors allows Novabase to leverage their extensive know-how acquired as company founders and accumulated over more than 20 years, especially since these directors continue to have major responsibilities in the Group. For this reason, this remuneration is fully justified.

VI.3. Appointments		
Principle: <i>VI.3.A. Regardless of their means of designation, knowledge, experience, professional background and availability, members of the company's boards and management should be suited to the duties to be performed.</i>		
VI.3.1. Pursuant to terms deemed adequate and by demonstrable means, the company ensures that proposals for the election of company board members include a justification of each applicant's suitability vis-à-vis the duties to be performed.	No	Point 16 Proposals for the election of company board members submitted to the General Meeting of Shareholders were, generally speaking, accompanied by the academic and professional background of each of the candidates, demonstrating their academic and professional skills, professional experience and past or current key positions, which Novabase believes demonstrates the suitability of the profile, knowledge and background vis-à-vis the duties in question. These CVs are available at all times at Novabase's website.
VI.3.2. The appointment committee for corporate board members includes a majority of independent directors.	n/a	Since the company has no appointment committee, this recommendation does not apply to Novabase.
VI.3.3. Unless not justified by the company's size, the function of monitoring and supporting management staff appointments should be allocated to an appointment committee.	No	Given the low number of directors (nine, including two executive members and two members with special responsibilities), the company's size and shareholder structure represented in the managing board, Novabase has no appointment committee with the powers of monitoring and supporting management staff appointments. Furthermore, within the context of Novabase's corporate governance model, its various corporate boards contribute towards this function: the Board of Directors is responsible for determining the composition of the Executive Committee, or the delegation of powers to the managing directors, and the assigned spheres of responsibility, the Audit Board is charged with hiring the Statutory Auditor and, finally, the General Meeting of Shareholders has the final say in electing members of the corporate boards.
VI.3.4. The appointment committee for management staff provides its terms of reference and promotes, to the extent of its powers, the use of transparent selection processes with effective means of identifying potential applicants, proposing those that have the most merit, are best suited to the position's requirements and afford the organization with sufficient diversity, including with regard to equality between men and women.	n/a	Since the company has no appointment committee, this recommendation does not apply to Novabase. Even so, bearing in mind the growing importance of equal opportunities, together with the corporate understanding of diversity's role in contributing towards improved performance and competitiveness, Novabase approved a diversity policy for its managing and supervisory boards so as to better match applicants to the demands of their positions and foster diversity in these boards. More information on this topic can be found in point 16.
Chapter VII. INTERNAL CONTROL		

Principle:

VII.A. Based on its medium and long-term strategy, the company has an internal control system including the functions of risk management and control, compliance and internal auditing to foresee and minimize the risks inherent to its business.

VII.1.1(1). The managing board discusses and approves the strategic plan.	Yes	Points 50 and 54 On 13 December 2018, Novabase's Board of Directors approved a formal risk policy for the company. In the wake of in-depth strategic reflection beginning in 2018 on the company's future, in 2019 the Board of Directors decided to approve an updated strategy for 2019 and beyond (2019+ Strategic Update), whose key features were announced to the market on 25 July 2019. The principles of this policy have been defined and implemented by Novabase's Board of Directors, namely with regard to determining acceptable risk levels.
VII.1.1(2). The managing board discusses and approves the company's risk policy, including the setting of limits with regard to risk exposure.	No	Although no specific targets have been set with regard to risk exposure, pursuant to the Code's recommendations, Novabase's Board of Directors approved a formal risk policy for the Company on 13 December 2018.
VII.2. The company has a specialized committee, or a committee comprised of specialists in the area of risk, that reports regularly to the managing board.	No	Point 50 and 51 Novabase does not have a specialized committee in the area of risk. However, the position of Chief Risk Officer ("CRO") has been created at Novabase. Internal auditing areas and areas that ensure compliance with norms applicable to the company (compliance services) report to the CRO with regard to risk prevention and management. The CRO is responsible for reporting to the Chairperson of the Board of Directors, with regular meetings between the CRO and the Chairperson of the Board of Directors, and between the CRO and the Audit Board. The Audit Board, as a supervisory body, monitors the activity of the external auditors, and may assess annual internal auditing plans, obtaining information about the actions performed by this team and providing an opinion regarding its conclusions. In this context, this board also has powers involving the assessment of sufficient internal control mechanisms in order to understand and manage the inherent risks of Novabase's operations, suggesting policies and procedures to the Board of Directors to achieve these goals and refine these mechanisms.

VII.3. The supervisory board organizes itself internally, implementing periodic control procedures and mechanisms to ensure that the risks actually taken by the company are consistent with the managing board's goals.	Yes	Points 33 and 51 As mentioned above, the position of Chief Risk Officer ("CRO") has been created at Novabase. Internal auditing areas and areas that ensure compliance with norms applicable to the company (compliance services) report to the CRO with regard to risk prevention and management. The CRO is responsible for reporting to the Chairperson of the Board of Directors, with regular meetings between the CRO and the Chairperson of the Board of Directors, and between the CRO and the Audit Board. In addition, the Audit Board has various powers in the area of risks (such as managing risks associated with the company's operations, risk assessment, identifying or resolving conflicts of interest, detecting potential irregularities and suggesting that the Board of Directors adopt policies and procedures to achieve these goals and refine these mechanisms).
VII.4. The internal control system, including the functions of risk management, compliance and internal auditing, is structured appropriately to the company's size and the complexity of the risks associated with its business; the supervisory board should evaluate it and, within the scope of its powers of overseeing the efficacy of the system, propose the adjustments deemed necessary.	Yes	Points 50 and 51
VII.5. The company establishes procedures for overseeing, periodically evaluating and adjusting the internal control system, including an annual assessment of the degree of internal compliance and the performance of the system, including from the standpoint of changing the previously defined risk framework.	Yes	Points 50 and 54
VII.6(1). Based on its risk policy, the company has a risk management function, identifying (i) the main risks to which it is exposed in its business,	Yes	Point 54
(ii) the likelihood of their occurrence and respective impacts,	Yes	Point 54
(iii) instruments and measures to mitigate them, and	Yes	Point 53
(iv) procedures for monitoring them.	Yes	Point 54
VII.7. The company has processes to collate and process data related to environmental and social sustainability, in order to alert the managing board of potential risks being incurred by the company and propose strategies to mitigate them.	Yes	Point 53, sub-paragraph j) and the 2024 Sustainability Statements
VII.8. The company clarifies how climate change is viewed at the organization and the means by which it weighs up the analysis of climate risk in its decision-making processes.	Yes	Point 53, sub-paragraph j) and the 2024 Sustainability Statements

VII.9. In its corporate governance report, the company clarifies the terms under which artificial intelligence mechanisms have been used in the decision-making of corporate boards.	Yes	No artificial intelligence mechanisms are used in the decision-making of corporate boards.
VII.10. The supervisory board gives its opinion on the working plans and resources allocated to the services of the internal control system, including the functions of risk management, compliance and internal auditing, with the ability to propose the adjustments deemed necessary.	Yes	Article 1, paragraph 4, sub-paragraph b) of the Internal Regulations of the Audit Board
VII.11. The supervisory board receives the reports produced by internal control services, including the functions of risk management, compliance and internal auditing, at least in the case of matters related to the provision of accounts, identifying or resolving conflicts of interest and detecting potential irregularities.	Yes	Idem
Chapter VIII. INFORMATION AND STATUTORY AUDITING		
VIII.1. Information		
Principles: VIII.1.A. <i>The supervisory board, in an independent and diligent manner, ensures that the managing board fulfils its responsibilities in choosing policies, adopting appropriate accounting criteria and establishing adequate systems for financial reporting and sustainability, including risk management, compliance and internal auditing.</i> VIII.1.B. <i>The supervisory board properly coordinates internal auditing work with the legal review of the accounts.</i>		
VIII.1.1. The supervisory board's regulations require this board to oversee the adequacy of the process for preparing and disclosing financial information by the managing board, including the suitability of accounting policies, estimates, judgements, relevant disclosures and their consistent application between years, in a duly documented and properly communicated manner.	Yes	Point 33 b)
VIII.2 Legal account review and oversight		
Principle: VIII.2.A. <i>The supervisory board is responsible for establishing and monitoring formal, clear and transparent procedures with regard to the company relationship with the statutory auditor, and with regard to overseeing the statutory auditor's fulfilment of rules for independence, as required by law and professional standards.</i>		
VIII.2.1. The supervisory board determines, through regulations and in accordance with the applicable legal scheme, oversight procedures aimed at ensuring the independence of the statutory auditor.	Yes	Point 33 b)
VIII.2.2(1). The supervisory board is the main spokesperson of the Company's statutory auditor and the first recipient of the relevant reports,	Yes	Point 33 b)

VIII.2.2(2). and is responsible for proposing relevant remuneration and ensuring that the proper conditions for the provision of services are provided within the Company.	Yes	Point 33 b)
VIII.2.3. The supervisory board annually evaluates the work done by the statutory auditor, including its independence and suitability to perform its duties, proposing to the competent body that it be dismissed, or that its service provision agreement be terminated, whenever there are justified grounds for this purpose.	Yes	Point 33 b)

3. Other information

The company should provide any additional information or items not addressed in the above points and relevant to understanding the governance model and practices used.

F. ANNEXES

Annex I - Board of Directors' Report on Remuneration
Annex II - Remuneration Committee Report

Board of Directors' Report on Remuneration

NOVABASE

Remuneration Report from the Novabase Board of Directors

The Board of Directors of Novabase, SGPS, S.A. (“**Novabase**” or “**Company**”) hereby approves and endorses this remuneration report of the members of the Board of Directors, Audit Board and Novabase Statutory Auditor, pursuant to and for the purposes of article 26-G of the Securities Code, and in accordance with the provisions of the Remuneration Policy for members of Novabase’s managing and supervisory board approved in the General Meeting of Shareholders of 25 May 2021 (“**Remuneration Policy**”). This report has been prepared with the assistance of the Company’s Remuneration Committee.

The Board of Directors believes that the remuneration policy for members of Novabase’s managing and supervisory boards should be clear and comprehensive, and should contribute towards Novabase’s business strategy, long-term interests and sustainability.

I. Total remuneration broken down by different components, including proportions of fixed and variable remuneration

The total remuneration received by members of Novabase’s Board of Directors and Audit Board in the 2024 financial year, broken down according to different applicable components in the case of members of the Board of Directors, is available for consultation, respectively, in points 77. and 81. of the Corporate Governance Report for this same year, to which this report has been attached (“**Corporate Governance Report**”).

Total remuneration paid in 2024 to members of the Board of Directors elected in the 2024 General Meeting of Shareholders (fixed component + variable components ¹)	€3,311,608.40
Total remuneration paid in 2024 to members of the Board of Directors whose positions ended in the 2024 General Meeting of Shareholders (fixed component + variable components)	€0
Total deferred remuneration paid in 2024 to members of the Board of Directors whose positions ended in the 2021 General Meeting of Shareholders (fixed component + variable components)	€86,555.00

¹ Includes amount for the exercising of options, as described in point 77 of the Corporate Governance Report.

Total remuneration paid to members of the Audit Board in 2024²	€61,675.75
Total 2024 remuneration	€3,459,839.15

In 2024, director Rita Wrem Viana Branquinho Lobo Carvalho Rosado received amounts through other group companies for the position of Head of Legal of the Novabase Group, which she continued to hold after the election of the 2024 General Meeting of Shareholders. The amount is listed in point 78 of the Corporate Governance Report and is not included in the above table.

Relatively speaking, the variable remuneration paid in 2024 to Novabase's directors represented approximately 12% of the total annual remuneration³ received by them for the year 2024, thereby demonstrating a reasonable balance between the fixed and variable remuneration components.

In 2024, an additional amount of €20,728.96 was paid to the 2024 acting members of the Board of Directors in meal allowances.

With regard to non-monetary benefits, as stated in the Remuneration Policy, non-monetary supplementary benefits may be attributed to members of Novabase's managing board, per terms and conditions to be decided by the Remuneration Committee, which may include insurance (health, life, D&O and occupational accidents, including while travelling), company vehicles and cell phones, and other non-monetary benefits, as decided by the Remuneration Committee.

In 2024, the Remuneration Committee decided to provide the following to members of the Board of Directors:

- (i) at the director's discretion, the ability to use a company vehicle, within the legal framework in force;
- (ii) additional health insurance to supplement the existing health insurance, including, in general terms, regular check-ups and international care with broad coverage.

The total value of these benefits over the course of 2024 was €28,919.74. As such, these benefits have only minor weight on their remuneration, accounting for less than 10% of the total remuneration cost.

II. Remuneration within the context of the Remuneration Policy

The structure of directors' remuneration is comprised of a fixed component and, when applicable, a variable component, always with an appropriate balance between them, as described above.

² The total amount allocated was €27,150.00, which differs from the amount paid due to the time gap between the dates of service provision and payment dates.

³ The amount of the options is not considered for calculation purposes.

Fixed remuneration amounts for Novabase's directors were decided by the Remuneration Committee in a meeting dated 27 May 2024, and are paid in 12 monthly instalments. In its decision, the Remuneration Committee considered the know-how, experience, nature of the position and responsibilities assumed by each director and, when applicable, the management duties performed, as well as market practices for comparable responsibilities.

With regard to the variable component of remuneration in cash, when determining the variable remuneration to be given to directors for their performance in 2023, the Remuneration Committee unanimously decided that, in 2024, all variable remuneration will be granted via plans based on securities of Novabase SGPS, namely participation in the Plan for Options to Allot Company Shares ("**Stock Option Plan**") approved in the General Meeting of Shareholders of 26 September 2019.

The Remuneration Committee believed that the attribution of variable remuneration to managing directors and directors with special responsibilities, through participation in the Stock Option Plan, was an appropriate means for remunerating these members for the duties performed and associated responsibilities, while simultaneously reinforcing an alignment between the interests of the management and the company, in the medium and long term, together with their sustainability, in view of the characteristics of the Stock Option Plan.

The company's 2023 results bear out a competent and sustained execution of the strategy, with the main business indicators demonstrating positive performance, in particular:

- **Financial**

- 10% (organic) growth in Turnover, including 13% in the international component;
- EBITDA growth of 19% and an impressive 39% in the Next-Gen Segment;
- This improvement stems from the stabilization of operations in the Middle East, and already includes a significant 11% rise in the cost per employee to make the value proposition more attractive, given the intense competition for specialized technology staff.
- Growth in Net Profits of 428%, more than a five-fold increase over 2022, due to the extraordinary effect of the gain of around €40 million from the disposal of the affiliate Neotalent;
- €28 million growth in Net Cash to a position of around €68 million, benefiting from the cash inflow of around €51 million with the disposal of Neotalent, and already including the use of €17 million in the tender offer on treasury shares plus €11 million in shareholder remuneration;

- **Strategy**

- The disinvestment in Neotalent allows the Company's energies and resources to be focused on in developing the Next-Gen Segment, which now accounts for practically all of Novabase's business, thereby concluding the transformation process of the Value Portfolio Segment announced in the 2019 strategic plan (2019+ Strategic Update);

- Sustained internationalization of the company, with the percentage of non-domestic business increasing to 69% (versus 61% in 2022, 57% in 2021 and 55% in 2020), with the following main markets:
 - in Europe: United Kingdom, Germany, Ireland and the Netherlands;
 - in the Middle East: Saudi Arabia, Qatar and the United Arab Emirates (Dubai);
 - In-depth internal reorganization of the Next-Gen Segment – the biggest in its 25-year history – to better align its structure and business processes with the strategy, which has been clarified and elaborated upon, namely in the following aspects:
 - Solid focus on Analytics+ solutions by investing in the development of highly specialized offers - from Big Data to GenAI - to fulfil the company's motto: "Making Data Actionable";
 - Investment in expanding the key customer base, focusing on international growth in Central Europe and the Middle East, by significantly reinforcing sales, marketing and partner team resources;
 - Continued improvements to the value proposition for talent, leveraging positive differences in various domains (such as the technological appeal of projects and the outstanding working and learning environment);
 - Employee turnover has gone down significantly in the past 12 months: 11.2% vs. 18.2% in 2022, due to the impact of the above measures.
- **Total Shareholder Returns**
 - 42%, above the Company's benchmark indices, namely the 4% of the PSI All-Share and the 32% of the EuroStoxx Technology;
 - **Governance and Sustainability**
 - Proper functioning of all corporate boards of the company, in particular the Board of Directors, managing directors and directors with special responsibilities, through their focus on strategy execution and sustainable value creation;
 - Proper diversity of expertise, experience and gender in the corporate boards, in particular the Board of Directors; The recent election of Dr. Catarina Granadeiro as Chairperson of the General Meeting of Shareholders has also improved gender representation in the presiding positions of the Company's corporate boards;
 - Resilience in operations and in the business, despite the adverse and uncertain macroeconomic context, thanks to the competitiveness of our products and services, the experience of our teams and the flexibility of our hybrid work model;
 - Positive progress in environmental, social and governance (ESG) indicators with the direct involvement of the first lines of leadership and the setting of new multi-annual goals – more detail is available in the respective sections of the Company's 2023 Annual Report and Accounts;
 - Continued improvement of the risk profile of customers and regions.

Given that 2023 was the last year of the term of office, it is also important to note the following two aspects that occurred during this time period (2021 to 2023):

- Strong organic growth of 46% in the Next-Gen Segment, more than compensating for the lower turnover with the loss of the asset Neotalent - Novabase is larger today than at the start of the previous term of office.
- High Total Shareholder Returns of 92%, clearly above the Company's benchmark indices, namely the 13% of the PSI All-Share and the 26% of the EuroStoxx Technology. The trend of appreciation above these indices has continued in 2024 until the present date.

The deferred variable remuneration received in 2024 by directors José Afonso Oom Ferreira de Sousa and Pedro Miguel Quinteiro Marques de Carvalho is justified by their willingness and tremendous dedication to matters critical to the company. Of particular note is their ongoing involvement and contributions in preparing for the new term of office.

As regards the variable remuneration attributed in 2024 to managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, and to the directors with special responsibilities María del Carmen Gil Marín and Francisco Paulo Figueiredo Moraes Antunes, the Remuneration Committee unanimously decided to give these directors a total of 317,500 stock options, per the breakdown shown in point V. below.

Given that the number of Novabase shares to be attributed under the Stock Option Plan, or the corresponding amount in cash under the net cash settlement option, is dependent upon the price of Novabase shares on the relevant dates for its participants to exercise options, note that this remuneration component is conditional upon the company's continued positive performance.

Furthermore, shares representing Novabase's share capital corresponding to 50% of the options which may be exercised by the participant will be retained by Novabase for three years following the exercise date, and their ownership will not be transferred to the participant until the end of this period, conditional upon Novabase's positive performance during this time.

The main terms and conditions of the Stock Option Plan are described in points 70. and 74. of the Corporate Governance Report.

As regards the Audit Board, the remuneration of its members follows a strict model, insofar as it consists of annual fixed remuneration with no form of variable remuneration, pursuant to legal terms.

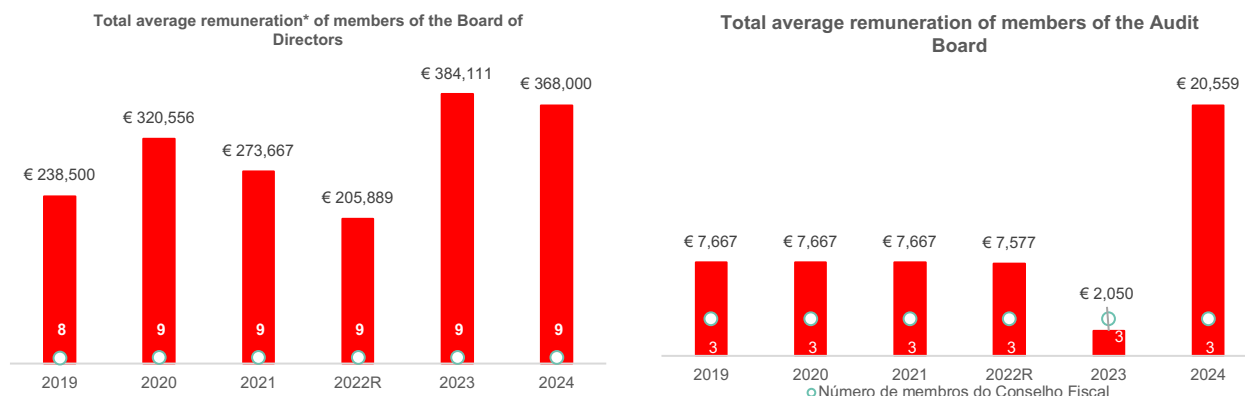
The Statutory Auditor is remunerated in accordance with standard market practices and conditions for the type of services in question, per the service provision agreement signed with the Statutory Auditor following a proposal for this purpose by the Company's Audit Board.

As such, we believe that remuneration on the whole complies with Novabase's Remuneration Policy, contributing towards the Company's long-term performance, in view of the determination criteria referred to above, along with the means of remuneration deferral.

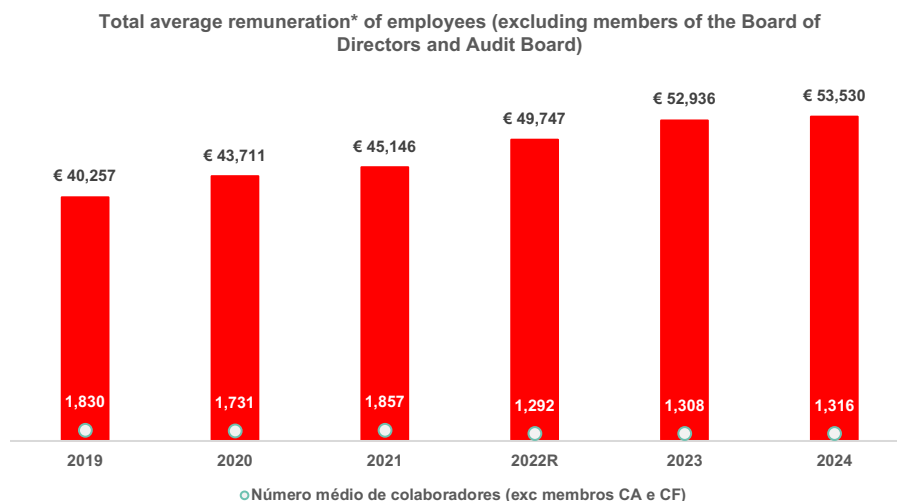
III. Annual variations in remuneration, company performance and average employee compensation

The changes in corporate board compensation compared to other employees are shown in the graphs below. The variations shown reflect the Remuneration Policy created in accordance with applicable legislation, namely article 26-C of the Securities Code, and Novabase's characteristics, the sectors where it does business and, in particular, Novabase's current ongoing situation of redefinition and internal strategic updating aimed at repositioning the company in certain sectors with the ultimate goal of creating more value for Novabase shareholders in the medium and long term.

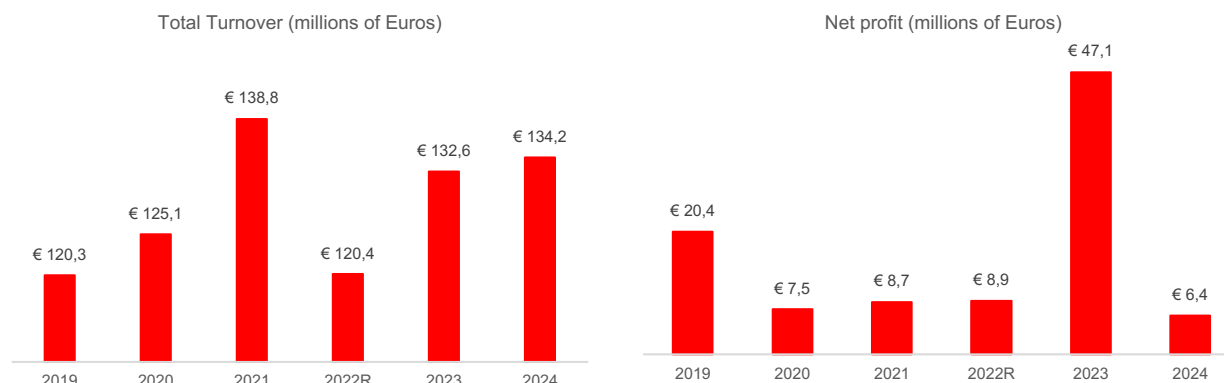
Both the variations in the compensation of members of the Board of Directors and of employees have an upward trend over the years, which in turn have a positive correlation with developments in the Company's Turnover and Consolidated Net Profit (except for the annual change in turnover in 2019, due to the sale of the Government, Transport and Energy (GTE) business, as announced to the market in November 2019). In 2023, Novabase announced the sale of its IT Staffing business, having discontinued its operations in this year. For reasons of comparison, the 2022 amounts were readjusted, being comparable with those of the following years, but not with the years preceding 2022, as shown in the graph of changes in turnover below. 2024 saw a slight increase in average employee compensation, while the average compensation of members of the Board of Directors was down slightly. With regard to members of the Audit Board in 2024, the major increase in the average remuneration of its members is only due to the time gap between the dates of service provision and payment dates of 2023 remuneration.



*Total remuneration is defined as fixed and variable remuneration processed each year. Note that, in 2023 and 2024, all members of the Board of Directors exercised their options under the Stock Option Plan, which had not occurred in previous years.



**Total remuneration is defined as fixed and variable remuneration. To calculate average employee remuneration, annual staff costs each year were considered, minus corporate board costs (Board of Directors and Audit Board). The amounts for 2022 and beyond do not include the IT Staffing business, which was discontinued in the fourth quarter of 2023. The amounts from 2022 and beyond are thus inter-comparable.*



The Turnover for 2022 and beyond do not include the IT Staffing business, which was discontinued in the fourth quarter of 2023. The amounts from 2022 and beyond are thus inter-comparable. The 2023 Net Profit reflects an increase of €38.4m compared to 2022 in discontinued operations, due to the €39.8m gain from the sale of the IT Staffing business.

IV. Remuneration originating from companies belonging to the same group, as defined in article 2 (1g) of Decree Law 158/2009 of 13 July

Generally speaking, Novabase's directors and Audit Board members are paid only by this entity, and receive no other remuneration from any other company in a group or control relationship with Novabase, nor from any company subject to shared control with Novabase, except for the remuneration paid by Celfocus, S.A., a company owned indirectly by Novabase, to director Rita Wrem Viana Branquinho Lobo Carvalho Rosado for the position of Head of Legal of the Novabase Group in 2024, before and after her respective appointment as a director, which is done under a service provision agreement. This remuneration is detailed in point 78. of the Corporate Governance Report.

V. Number of shares and share options awarded or offered, and the main conditions for exercising rights, including the exercise date and price and any amendments to these conditions

Per the terms and conditions of Novabase's Remuneration Policy, the variable remuneration of Novabase directors can be comprised of the following components: (i)

annual variable remuneration in cash tied to Novabase's performance, among other factors as described below; and (ii) participation in the Stock Option Plan.

The main terms and conditions of the Stock Option Plan are described in points 70. and 74. of the Corporate Governance Report.

On 27 May 2024, the Remuneration Committee unanimously decided to make managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira, and directors with special responsibilities María del Carmen Gil Marín and Francisco Paulo Figueiredo Morais Antunes, participants in the Stock Option Plan, and to award them the following company stock options, with an adjusted strike price of €0.996 per share:

- Luís Paulo Cardoso Salvado – 125,000 stock options;
- Álvaro José da Silva Ferreira – 125,000 stock options;
- Francisco Paulo Figueiredo Morais Antunes – 37,500 stock options;
- María del Carmen Gil Marín – 30,000 stock options.

Pursuant to the plan's regulations, the options attributed under the contractual agreement signed with these participants on 01 June 2024 comprised a single batch, which may be exercised once exactly two years after their date of attribution (i.e. 01 June 2026) (maturity date), notwithstanding the ability to exercise them exactly one year later (i.e. 01 June 2025).

VI. Possibility of requesting reimbursement of variable remuneration

The Remuneration Policy has no mechanisms regulating the possibility of requesting reimbursement for the variable remuneration received by Novabase directors. Nonetheless, and as provided for under this policy, insofar as Novabase's performance is among the criteria for determining the variable remuneration of members of the managing board, any deterioration in this performance may justify, in view of the specific circumstances, a limitation on such remuneration, pursuant to terms and conditions to be decided by the Remuneration Committee.

VII. Information on any deviations from the procedure of applying the remuneration policy and any applicable exemptions, including an explanation of the exceptional circumstances and specific items subject to exemption

Over the course of 2024, and since the entry into effect of the Remuneration Policy, there have been no deviations from the procedure of applying the Remuneration Policy or any exemptions thereto.

30 April 2025

The Novabase Board of Directors

Report of the Remunerations Committee

NOVABASE

Remuneration Committee Report for the Year 2024

The Novabase SGPS SA Remuneration Committee held two meetings in 2024, on 27 May and on 10 October, at the Company's registered office.

This Remuneration Committee is comprised of Dr. Francisco Luís Murteira Nabo (Chairperson) and members Dr. Pedro Rebelo de Sousa and João Quadros Saldanha. All of its members were present in the above-mentioned meetings.

The Remuneration Committee's work this year was framed by the corporate board remuneration policies approved by shareholders at the General Meeting of Shareholders.

This report summarizes the decisions of the Remuneration Committee made over the course of 2024.

In addition, the Remuneration Committee wishes to note that, over the course of 2024, and since the entry into effect of the Remuneration Policy (as defined below), there have been no deviations from the procedure of applying the Remuneration Policy or any exemptions thereto.

Prior note:

As usual, the Remuneration Committee wishes to begin by clarifying that the decisions on variable remuneration referred to in this report relate to decisions made by the Remuneration Committee in 2024, and therefore apply to the performance of directors in 2023.

Following this prior note is a summary of the decisions made by the Remuneration Committee.

MEETING OF 27 MAY 2024

In this meeting, prior to proceeding with the Agenda, the Chairperson of the Remuneration Committee stated, as an introductory note, that at the Novabase SGPS SA General Meeting of Shareholders held on 25 May 2021, the Remuneration Policy for the Members of Novabase SGPS SA's Managing and Supervisory Board ("**Remuneration Policy**") was approved, pursuant to and for the purposes of article 26-A and following of the Securities Code, as amended by Law no. 23-A/2022 of 09 December, as proposed by this Remuneration Committee pursuant to its resolution proposal dated 29 April 2021.

The Remuneration Policy, available at the company's website, entered into effect on the date of its approval by the Novabase SGPS SA General Meeting of Shareholders. The Remuneration Committee is responsible for determining, as of its entry into effect, the remuneration of members of Novabase's corporate boards according to the provisions of this policy, and to supervise and oversee the policy's application and fulfilment.

In this regard, decisions involving the remuneration to be received in 2024 by members of Novabase SGPS SA's managing and supervisory boards must comply with the provisions of the approved Remuneration Policy.

2023 inflation was also taken into consideration. According to Statistics Portugal, last year's Consumer Price Index (CPI) had an average annual change of 4.3%. To partially offset this adverse effect, the unanimous decision was made to adjust the fixed remuneration of all of the Company's corporate boards for the year 2024, i.e. beginning

on 01 January 2024, at a median value of 3.2% (3.3% or 3.5% in some sporadic cases, for the convenience of rounding the amounts payable). Note that the adjustment was 5% in 2023 to partially offset inflation of 7.8% as well (in relation to 2022). Cumulatively in these two years, the median adjustment was 8.4% vis-à-vis inflation of 12.4% in this time period.

Remuneration of members of the Chairmanship of the Novabase SGPS SA General Meeting of Shareholders for the year 2024.

The decision was made to give members of the Chairmanship of the General Meeting of Shareholders remuneration according to attendance at each meeting. For the Chairperson, this amount is €3,250 (three thousand, two hundred and fifty euros), and for the Secretary, it is €2,250 (two thousand, two hundred and fifty euros). These amounts were adjusted by 3.2% and 7.1% in comparison to the previous year. These decisions were made in a unanimous manner.

Fixed remuneration of Novabase SGPS SA directors for the year 2024.

In its meeting on 22 May 2024, the Board of Directors decided to delegate the day-to-day running of Novabase SGPS SA to its managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira. In this same meeting, it was also decided to grant special responsibilities to director Francisco Paulo Figueiredo Morais Antunes, pursuant to and for the purposes of article 407 (1) of the Commercial Companies Code, putting this director in charge of the areas of finance, taxes and taxation (Chief Financial Officer), legal and logistics. The decision was also made to grant special responsibilities to director María Del Carmen Gil Marín, pursuant to and for the purposes of article 407 (1) of the Commercial Companies Code, putting this director in charge of the business area related to Novabase Capital and the areas of investor relations, marketing and communication, and information technology (IT).

In view of the above, the unanimous decision was made to establish the following gross annual amounts for each member of the Board of Directors, to be paid in 12 monthly instalments, in consideration of their know-how and experience, the nature of their positions and respective responsibilities and, when applicable, the management duties performed, market practices for comparable responsibilities and the context described above:

- Luís Paulo Cardoso Salvado (Chairperson of the Board of Directors/CEO/Managing Director – €351,000 (three hundred and fifty-one thousand euros);
- Álvaro José da Silva Ferreira (Managing Director) – €292,000 (two hundred and ninety-two thousand euros) until 22 May 2024 and €345,000 (three hundred and forty-five thousand euros) beginning on this date, with the monthly sums in each period proportional to each of the amounts, respectively. On 22 May 2024, this director was appointed CEO of Celfocus, an affiliate that currently accounts for practically all of Novabase's business, thus explaining this adjustment;
- Dr. Francisco Paulo Figueiredo Morais Antunes (Director with special responsibilities) – €195,000 (one hundred and ninety-five thousand euros);
- María del Carmen Gil Marín (Non-Executive Director with special responsibilities) – €195,000 (one hundred and ninety-five thousand euros) until 22 May 2024 and €156,000 (one hundred and fifty-six thousand euros) beginning on this date, with the monthly sums in each period proportional to each of the

amounts, respectively. On 22 May 2024, this director assumed a commitment of eighty per cent, thus explaining this adjustment;

- Dr. Rita Wrem Viana Branquinho Lobo Carvalho Rosado (Non-Executive Director) – €21,675 (twenty-one thousand, six hundred and seventy-five euros);
- José Afonso Oom Ferreira de Sousa (Non-Executive Director) – €45,500 (forty-five thousand, five hundred euros);
- Dr. Madalena Paz Ferreira Perestrelo de Oliveira (Non-Executive Director) – €45,500 (forty-five thousand, five hundred euros);
- Dr. Pedro Miguel Quinteiro Marques de Carvalho (Non-Executive Director) – €45,500 (forty-five thousand, five hundred euros);
- Dr. Benito Vázquez Blanco (Non-Executive Director) – €45,500 (forty-five thousand, five hundred euros).

The Chairperson of the Remuneration Committee said that he was notified by the Chairperson of the Board of Directors, Luís Paulo Salvado, that within the scope of incorporating a subsidiary in Saudi Arabia, Director Álvaro José da Silva Ferreira, within the scope of his executive duties at Novabase SGPS SA, will be appointed General Manager of the subsidiary for operationalization purposes. Pursuant to local legislation, for the purposes of obtaining a residency authorization (which proved to be necessary for formal reasons), he will have to enter into an employment agreement with the local entity and must be remunerated by the subsidiary in question, with the amount payable (which will be the minimum amount possible under the local legislation in question) yet to be determined. In view of his powers as a director with executive functions at Novabase SGPS SA, under which he is remunerated in full for all duties and responsibilities assumed at Novabase Group subsidiaries, Director Álvaro Ferreira will have no benefit, with any remuneration actually received through the Saudi Arabian subsidiary included in the remuneration attributed herein. The Company and this director will make the necessary compensations and adjustments to ensure that what is actually received by this director is the total amount attributed here.

Except for the situation explained immediately below, this principle applies to all directors: the remuneration amounts defined herein are the combined amounts of the respective remuneration when this is paid by different Novabase Group companies. The exception in question is the situation of Director Rita Wrem Viana Branquinho Lobo Carvalho Rosado who, as already stated in the Novabase Annual General Meeting of Shareholders dated 25 May 2021, has carried out, and will continue carry out, legal functions at an affiliate of the group, under the same terms and conditions.

The total annual fixed remuneration of the directors of Novabase SGPS SA is now €1,250,675, compared to €1,199,100 in 2023.

Director retirement supplements associated with fixed remuneration component

In view of the current and anticipated medium and long-term future macroeconomic framework for the domestic economy, in which major difficulties will persist from the weight of both public and private foreign debt, coupled with truly significant short-term demographic pressure that will accentuate the risk of the viability and sustainability of Portuguese and European pension systems, it will be a prudent practice, and therefore has been unanimously decided, to channel 20% (per cent) of the fixed remuneration amounts in point two above to each of the directors with executive functions or special responsibilities, as applicable – namely to Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira, María del Carmen Gil Marín and Francisco Paulo Figueiredo Moraes Antunes – to reinforce capitalization insurance contributions currently in effect at the

company, in lieu of payment of that part of fixed remuneration, pursuant to Clause 5 of the Remuneration Policy.

Variable remuneration of Novabase SGPS SA directors in relation to performance in the year 2023 ended.

Despite having entered into a time period subsequent to the five-year period covered by the Company's plan announced in 2019 (2019+ Strategic Update), the strategy proposed therein remains valid and under execution, as stated in the Novabase Annual General Meeting of Shareholders recently held on 22 May 2024. Given this context, the Remuneration Committee unanimously decided that, in 2024, all variable remuneration will be granted via plans based on securities of Novabase SGPS SA, namely participation in the Plan for Options to Allot Company Shares approved in the General Meeting of Shareholders of 26 September 2019.

As such, the total short-term variable remuneration of Novabase SGPS SA directors in relation to performance in 2022, payable in cash, is €0 (zero euros), compared to €0 (zero euros) in relation to performance in the year 2022.

Decision on the attribution of company stock options, pursuant to and in accordance with the Regulations of the Plan for Options to Allot Shares approved by the General Meeting of Shareholders of 26 September 2019

The Remuneration Committee has stated that, as provided for in the Remuneration Policy, the variable remuneration of members of the Novabase SGPS SA managing board may be comprised of plans based on Novabase SGPS SA securities, namely participation in the Plan for Options to Allot Company Shares approved by the General Meeting of Shareholders of 26 September 2019 ("Plan") and the regulations for this plan ("Regulations") currently in effect.

All of the following terms that are capitalized and not defined shall have the same meaning as given to them in the Regulations.

In view of the current socio-economic circumstances, the Remuneration Committee believes that the attribution of variable remuneration to managing directors and directors with special responsibilities, through participation in the Plan, is an appropriate means of remunerating these members for the duties performed and associated responsibilities, while simultaneously reinforcing an alignment between the interests of the management and the company, in the medium and long term, together with their sustainability, in view of the characteristics of the Plan.

The Company's results in 2023 demonstrate that the strategy is being executed successfully, with the main business indicators showing positive performance, namely:

- Financial
 - 10% (organic) growth in Turnover, including 13% in the international component;
 - EBITDA growth of 19% and an impressive 39% in the Next-Gen Segment;
 - This improvement stems from the stabilization of operations in the Middle East, and already includes a significant 11% rise in the cost per employee to make the value proposition more attractive, given the intense competition for specialized technology staff.
 -
 - Growth in Net Profits of 428%, more than a five-fold increase over 2022, due to the extraordinary effect of the gain of around €40 million from the disposal of the affiliate Neotalent;

- €28 million growth in Net Cash to a position of around €68 million, benefiting from the cash inflow of around €51 million with the disposal of Neotalent, and already including the use of €17 million in the tender offer on treasury shares plus €11 million in shareholder remuneration;
- Strategy
 - The disinvestment in Neotalent allows the Company's energies and resources to be focused on developing the Next-Gen Segment, which now accounts for practically all of Novabase's business, thereby concluding the transformation process of the Value Portfolio Segment announced in the 2019 strategic plan (2019+ Strategic Update);
 - Sustained internationalization of the company, with the percentage of non-domestic business increasing to 69% (versus 61% in 2022, 57% in 2021 and 55% in 2020), with the following main markets:
 - in Europe: United Kingdom, Germany, Ireland and the Netherlands;
 - in the Middle East: Saudi Arabia, Qatar and the United Arab Emirates (Dubai);
 - In-depth internal reorganization of the Next-Gen Segment – the biggest in its 25-year history – to better align its structure and business processes with the strategy, which has been clarified and elaborated upon, namely in the following aspects:
 - Solid focus on Analytics+ solutions by investing in the development of highly specialized offers - from Big Data to GenAI - to fulfil the company's motto: "Making Data Actionable";
 - Investment in expanding the key customer base, focusing on international growth in Central Europe and the Middle East, by significantly reinforcing sales, marketing and partner team resources;
 - Continued improvements to the value proposition for talent, leveraging positive differences in various domains (such as the technological appeal of projects and the outstanding working and learning environment);
 - Employee turnover has gone down significantly in the past 12 months: 11.2% vs. 18.2% in 2022, due to the impact of the above measures.
 - Total Shareholder Returns
 - 42%, above the Company's benchmark indices, namely the 4% of the PSI All-Share and the 32% of the EuroStoxx Technology;
 - Governance and Sustainability
 - Proper functioning of all corporate boards of the Company, in particular the Board of Directors, managing directors and directors with special responsibilities, through their focus on strategy execution and sustainable value creation;
 - Proper diversity of expertise, experience and gender in the corporate boards, in particular the Board of Directors; The recent election of Dr. Catarina Granadeiro as Chairperson of the General Meeting of Shareholders has also improved gender representation in the presiding positions of the Company's corporate boards;
 - Resilience in operations and in the business, despite the adverse and uncertain macroeconomic context, thanks to the competitiveness of our products and services, the experience of our teams and the flexibility of our hybrid work model;
 - Positive progress in environmental, social and governance (ESG) indicators with the direct involvement of the first lines of leadership and the setting of new multi-annual goals – more detail is available in the respective sections of the Company's 2023 Annual Report and Accounts;
 - Continued improvement of the risk profile of customers and regions;
- ;

Given that 2023 was the last year of the term of office, it is also important to note the following two aspects that occurred during this time period (2021 to 2023):

- o Strong organic growth of 46% in the Next-Gen Segment, more than compensating for the lower turnover with the loss of the asset Neotalent - Novabase is larger today than at the start of the previous term of office.
- o High Total Shareholder Returns of 92%, clearly above the Company's benchmark indices, namely the 13% of the PSI All-Share and the 26% of the EuroStoxx Technology. The trend of appreciation above these indices has continued in 2024 until the present date.

Under these terms, and in view of the duties performed by Luís Paulo Cardoso Salvado, Chairperson of the Board of Directors, CEO and Managing Director, and by Álvaro José da Silva Ferreira, Managing Director and CEO of Celfocus, an affiliate that currently accounts for practically all of Novabase's business as previously explained, both charged with the day-to-day running of the company, with the responsibility associated with such positions on a full-time basis, together with the duties and responsibilities assigned to directors Francisco Paulo Figueiredo Morais Antunes and María del Carmen Gil Marín, responsible for various areas relevant to the Novabase Group's business, the unanimous decision was made to attribute to these directors the following company stock options under the Regulations:

- Luís Paulo Cardoso Salvado – 125,000 stock options;
- Álvaro José da Silva Ferreira – 125,000 stock options;
- Francisco Paulo Figueiredo Morais Antunes – 37,500 stock options;
- María del Carmen Gil Marín – 30,000 stock options.

For Directors Luís Paulo Cardoso Salvado and Francisco Paulo Figueiredo Morais Antunes, these amounts are half of the options attributed in the previous year. With regard to Director Álvaro José da Silva Ferreira, given his new responsibilities, he was attributed the same number of options as Managing Director Luís Paulo Cardoso Salvado. With regard to Director María del Carmen Gil Marín, given her commitment of eighty per cent as previously explained in Point Two above, she was attributed eighty per cent of the options of the Director with special responsibilities Francisco Paulo Figueiredo Morais Antunes.

The inclusion of these directors in the Plan shall be done by means of a contractual agreement between them and the company, pursuant to Clause 5.1 of the Regulations, and their participation in the Plan shall be governed by the provisions of these Regulations.

The “Date of Attribution” applicable to these options (317,500) is 01 June 2024.

In order to confirm that transactions against the Company's capital that occurred in 2023, namely those associated with and arising from the Tender Offer for Treasury Shares, do not entail any adjustment to the strike and take-up prices as regards options attributed now or during the previous term of office, the Remuneration Committee, as the competent body and using that stipulated in point 8.2 of the Regulations, requested, from an independent, reputable entity competent in the issues at hand, an opinion which is attached hereto for all due purposes. This opinion bears out the neutrality of these transactions referred to in point 8.3 of the Regulations and the need for no adjustments of any kind.

A future date shall apply to any additional attributions of options to these directors, in accordance with their performance in executing the Company's 2019+ Strategic Update, as well as to other directors, as applicable, and pursuant to the Regulations of the Plan for Options to Allot Shares.

Attribution of non-monetary supplementary benefits (fringe benefits) to members of the Board of Directors

In addition to the non-monetary supplementary benefits attributed to members of the Board of Directors under the remuneration practices in effect at the Novabase Group and applicable to its employees (including health insurance and meal allowances), the Remuneration Committee decided to keep the same non-monetary supplementary benefits attributed to members of the Board of Directors as decided by the Remuneration Committee in the previous year, namely: (i) company vehicle, authorized to be used for both personal and professional purposes, at the director's discretion, within the corresponding legal and fiscal framework, and (ii) additional health insurance to supplement the existing health insurance.

Remuneration of members of the Novabase SGPS SA Audit Board for the year 2024

In accordance with article 422-A of the Commercial Companies Code and the Remuneration Policy, the remuneration of supervisory board members should consist of a fixed amount. Under these terms, the following fixed remuneration is attributed for the year 2024:

Álvaro José Barrigas do Nascimento (Chairperson) – €10,850 (ten thousand, eight hundred and fifty euros);
Fátima do Rosário Piteira Patinha Farinha – €8,150 (eight thousand, one hundred and fifty euros);
João Luís Correia Duque – €8,150 (eight thousand, one hundred and fifty euros).

These amounts were adjusted by 3.3% to 3.5% in comparison to the previous year.

Remuneration of the Statutory Auditor for the year 2024

Pursuant to the Remuneration Policy, the unanimous decision was made to remunerate the Statutory Auditor in accordance with standard market practices and conditions for the type of services in question, per the service provision agreement signed with the Statutory Auditor following a proposal for this purpose by the Company's Audit Board.

Enforceability or unenforceability of payments for the dismissal or termination of service of board members

In this regard, since the matter in question is already duly provided for and governed by law, the unanimous decision was made to not attribute any right to receive compensation or remedies of any kind to company directors beyond those provided for by law, nor establish any generic prohibition against the company establishing such compensation in the future, if and when deemed convenient.

Remuneration policy of members of the Company's managing and auditing boards, pursuant to the Securities Code, as amended by Law no. 23-A/2022 of 09 December, to be proposed at the Company's next General Meeting of Shareholders

Having analysed the current Remuneration Policy, and having deemed it up-to-date and suited to the current internal and external context, the unanimous decision was made to keep it unchanged. In addition, in view of its quite flexible structure, it was believed that it will remain applicable, even in scenarios differing from the current one.

Current status and strategic vision for the Company

In this meeting, in view of the importance of aligning the Remuneration Committee's decisions with the Company's strategic goals and ensuring that the remuneration policy is consistent with future challenges and priorities, this committee met with the Company's Managing Directors, Luís Paulo Salvado and Álvaro Ferreira, and with the Directors with special responsibilities Francisco Antunes and María Gil, to request information on the current status of the business and strategic vision for the Company.

The managing directors and directors with special responsibilities presented the situation and answered all questions asked by the Remuneration Committee, which believed that it had been duly informed about the topic of the meeting.

Lisbon, 10 February 2025

The Remuneration Committee

Francisco Luís Murteira Nabo (Chairperson)

Pedro Rebelo de Sousa (Member)

João Quadros Saldanha (Member)

PDF/printed version of the financial statements.
In the event of conflict between this version and the ESEF version, the later version prevails.

2024 **Accounts** 2024

2024 CONSOLIDATED FINANCIAL STATEMENTS

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

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I. CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2024

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

Consolidated Statement of Financial Position as at 31 December 2024

(Amounts expressed in thousands of Euros)

	Note	31.12.24	31.12.23
Assets			
Non-Current Assets			
Property, plant and equipment	7	11,137	12,781
Intangible assets	8	10,602	9,264
Financial assets at fair value through profit or loss	9	14,000	13,879
Deferred tax assets	10	6,806	6,945
Other non-current assets	11	529	1,466
Total Non-Current Assets		43,074	44,335
Current Assets			
Trade and other receivables	13	45,680	41,827
Accrued income	14	3,331	3,514
Income tax receivable	15	3,109	1,670
Derivative financial instruments	16	75	246
Other current assets	17	2,987	3,388
Cash and cash equivalents	18	62,747	80,314
Total Current Assets		117,929	130,959
Assets from discontinued operations	39	1,393	1,373
Total Assets		162,396	176,667
Equity and Liabilities			
Equity			
Share capital	19	1,073	796
Treasury shares	19	(20)	(20)
Share premium	19	37,930	226
Reserves and retained earnings	20	28,538	27,449
Profit for the year		6,420	47,058
Total Equity attributable to owners of the parent		73,941	75,509
Non-controlling interests	21	10,945	11,587
Total Equity		84,886	87,096
Liabilities			
Non-Current Liabilities			
Borrowings	22	14,224	18,383
Provisions	23	5,552	3,269
Other non-current liabilities	24	3,575	2,749
Total Non-Current Liabilities		23,351	24,401
Current Liabilities			
Borrowings	22	6,047	9,436
Trade and other payables	25	28,713	32,413
Income tax payable	15	6	455
Derivative financial instruments	16	688	112
Deferred income and other current liabilities	26	17,217	20,972
Total Current Liabilities		52,671	63,388
Liabilities from discontinued operations	39	1,488	1,782
Total Liabilities		77,510	89,571
Total Equity and Liabilities		162,396	176,667
THE CERTIFIED ACCOUNTANT		THE BOARD OF DIRECTORS	

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

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

Consolidated Statement of Profit or Loss for the year ended 31 December 2024

(Amounts expressed in thousands of Euros)

	Note	12 M *	
		31.12.24	31.12.23
Continuing operations			
Services rendered	5	134,188	132,556
External supplies and services	27	(48,412)	(46,760)
Employee benefit expense	28	(74,102)	(73,945)
Net impairment losses on trade and other receivables	13	692	(156)
Restructuring costs	29	(1,854)	-
Other gains/(losses) - net	30	763	(766)
Depreciation and amortization	31	(3,845)	(3,468)
Operating Profit		7,430	7,461
Finance income	32	4,420	1,700
Finance costs	33	(3,051)	(2,915)
Earnings Before Taxes (EBT)		8,799	6,246
Income tax expense	34	(2,192)	(2,822)
Profit from continuing operations		<u>6,607</u>	<u>3,424</u>
Discontinued operations			
Profit from discontinued operations	39	1,058	44,031
Profit for the Year		<u>7,665</u>	<u>47,455</u>
Profit attributable to:			
Owners of the parent		6,420	47,058
Non-controlling interests	21	1,245	397
		<u>7,665</u>	<u>47,455</u>
Earnings per share from continuing and discontinued operations attributable to owners of the parent (Euros per share)			
Basic earnings per share			
From continuing operations	35	0.17 Euros	0.11 Euros
From discontinued operations	35	0.04 Euros	1.65 Euros
From profit for the year	35	<u>0.21 Euros</u>	<u>1.76 Euros</u>
Diluted earnings per share			
From continuing operations	35	0.17 Euros	0.11 Euros
From discontinued operations	35	0.03 Euros	1.60 Euros
From profit for the year	35	<u>0.20 Euros</u>	<u>1.71 Euros</u>

12 M * - 12-month period ended

THE CERTIFIED ACCOUNTANT

THE BOARD OF DIRECTORS

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

NOVABASE

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

Consolidated Statement of Comprehensive Income for the year ended 31 December 2024

(Amounts expressed in thousands of Euros)

	Note	12 M *	
		31.12.24	31.12.23
Profit for the Year		7,665	47,455
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on foreign operations, net of tax		(25)	(928)
Other comprehensive income		(25)	(928)
Total comprehensive income for the year		<u>7,640</u>	<u>46,527</u>
Total comprehensive income attributable to:			
Owners of the parent		6,405	46,593
Non-controlling interests		1,235	(66)
		<u>7,640</u>	<u>46,527</u>

12 M * - 12-month period ended

THE CERTIFIED ACCOUNTANT

THE BOARD OF DIRECTORS

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

NOVABASE

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

Consolidated Statement of Changes in Equity for the year ended 31 December 2024

(Amounts expressed in thousands of Euros)

(amounts expressed in thousands of Euros)										
		Attributable to owners of the parent								
	Note	Share capital	Treasury shares	Share premium	Legal reserves	Stock options reserves	Exch. dif. on foreign operations	Other res. & retained earnings	Non-controlling interests	Total Equity
Balance at 1 January 2023		32,971	(2,150)	226	3,140	784	(5,111)	26,540	10,827	67,227
Profit for the year		-	-	-	-	-	-	47,058	397	47,455
Other comprehensive income for the year	20, 21	-	-	-	-	-	(465)	-	(463)	(928)
Total comprehensive income for the year		-	-	-	-	-	(465)	47,058	(66)	46,527
Transactions with owners										
Share capital reduction	19, 20	(32,175)	2,253	-	(2,952)	-	-	32,874	-	-
Share capital increase	19	-	-	-	-	-	-	-	-	-
Dividends and reserves paid	20, 21	-	-	-	-	-	-	(10,827)	(194)	(11,021)
Treasury shares movements	19, 20	-	(126)	-	-	-	-	(17,207)	-	(17,333)
Share-based payments - options exercise	19, 20	-	3	-	-	(129)	-	126	-	-
Share-based payments, net of tax	19, 20	-	-	-	-	1,306	-	-	-	1,306
Change in consolidation perimeter	21	-	-	-	-	-	-	-	390	390
Transactions with owners		(32,175)	2,130	-	(2,952)	1,177	-	4,966	196	(26,658)
Changes in ownership interests in subsidiaries that do not result in a loss of control										
Transactions with non-controlling interests	20, 21	-	-	-	-	-	-	(630)	630	-
Balance at 31 December 2023		796	(20)	226	188	1,961	(5,576)	77,934	11,587	87,096
Balance at 1 January 2024		796	(20)	226	188	1,961	(5,576)	77,934	11,587	87,096
Profit for the year		-	-	-	-	-	-	6,420	1,245	7,665
Other comprehensive income for the year	20, 21	-	-	-	-	-	(15)	-	(10)	(25)
Total comprehensive income for the year		-	-	-	-	-	(15)	6,420	1,235	7,640
Transactions with owners										
Share capital reduction	19, 20	-	-	-	-	-	-	-	-	-
Share capital increase	19	277	-	37,704	-	-	-	-	-	37,981
Dividends and reserves paid	20, 21	-	-	-	-	-	-	(46,306)	-	(46,306)
Treasury shares movements	19, 20	-	-	-	-	-	-	(3)	-	(3)
Share-based payments - options exercise	19, 20	-	-	-	-	-	-	-	-	-
Share-based payments, net of tax	19, 20	-	-	-	-	348	-	197	-	545
Change in consolidation perimeter	21	-	-	-	-	-	-	-	654	654
Transactions with owners		277	-	37,704	-	348	-	(46,112)	654	(7,129)
Changes in ownership interests in subsidiaries that do not result in a loss of control										
Transactions with non-controlling interests	20, 21	-	-	-	-	-	-	(190)	(2,531)	(2,721)
Balance at 31 December 2024		1,073	(20)	37,930	188	2,309	(5,591)	38,052	10,945	84,886

THE CERTIFIED ACCOUNTANT

THE BOARD OF DIRECTORS

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

NOVABASE

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

Consolidated Statement of Cash Flows for the year ended 31 December 2024

(Amounts expressed in thousands of Euros)

	Note	12 M *	
		31.12.24	31.12.23
<i>Cash flows from operating activities</i>			
Cash receipts from customers		138,283	176,346
Cash paid to suppliers and employees		(134,567)	(158,366)
Cash generated from operations		3,716	17,980
Income taxes paid		(2,217)	(276)
Other operating proceeds / (payments)		(1,970)	753
		(4,187)	477
Net cash from operating activities		(471)	18,457
<i>Cash flows from investing activities</i>			
<i>Proceeds:</i>			
Sale of subsidiaries, net of cash disposed of	39	413	48,559
Sale of associates and other participated companies	40	278	296
Acquisition of subsidiaries, net of cash acquired	6	-	24
Loans granted to associates and participated companies	38 ii)	1,348	-
Sale of property, plant and equipment		23	12
Investment grants	26	1,142	1,040
Interest received		2,229	311
		5,433	50,242
<i>Payments:</i>			
Acquisition of subsidiaries	39	-	(215)
Prepayments related to the sale of subsidiaries	13	(238)	-
Acquisition of property, plant and equipment	7	(1,029)	(434)
Acquisition of intangible assets	8	(1,493)	(918)
		(2,760)	(1,567)
Net cash from (used in) investing activities		2,673	48,675
<i>Cash flows from financing activities</i>			
<i>Proceeds:</i>			
Proceeds from borrowings	22	-	12,000
Proceeds from issue of shares	19	37,981	-
		37,981	12,000
<i>Payments:</i>			
Repayment of borrowings	22	(6,475)	(5,338)
Dividends, reserves paid and share capital reductions	20, 21	(46,306)	(11,021)
Transactions with non-controlling interests	20, 21	(823)	-
Payment of lease liabilities	22	(2,101)	(2,966)
Interest paid		(1,473)	(1,251)
Purchase of treasury shares	19, 20	(3)	(17,338)
		(57,181)	(37,914)
Net cash used in financing activities		(19,200)	(25,914)
Cash and cash equivalents at 1 January	18	81,450	40,620
Net increase (decrease) in cash and cash equivalents		(16,998)	41,218
Effect of exchange rate changes on cash and cash equivalents		(523)	(388)
Cash and cash equivalents at 31 December	18	63,929	81,450

12 M * - 12-month period ended

THE CERTIFIED ACCOUNTANT

THE BOARD OF DIRECTORS

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

NOVABASE

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

Notes to the Consolidated Financial Statements for the year ended 31 December 2024

1. General information

Novabase, Sociedade Gestora de Participações Sociais, S.A. (hereinafter referred to as Novabase, Novabase Group or Group), with head office at Av. D. João II, 34, Parque das Nações, 1998-031 Lisbon, Portugal, was incorporated in 11 May 1989 in Portugal. Novabase holds and manages financial holdings in other companies as an indirect way of doing business, being the Holding Company of Novabase Group.

Novabase's activity is aggregated into two operating segments:

(i) **Next-Gen (NG)** - This area, which operates under the Celfocus commercial brand according to Novabase's 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 develops a venture capital activity through Novabase Capital, S.C.R., S.A. In 2023 it also pursued an IT Staffing business under the Neotalent commercial brand, which was discontinued at the end of this year as a result of the sale agreement of the subsidiary Novabase Neotalent, S.A.

Novabase is listed on the Euronext Lisbon. The share capital on 31 December 2024 is represented by 35,762,202 shares (31.12.23: 26,527,637 shares), and all shares have a nominal value of €0.03 in both periods.

The consolidated financial statements were prepared to fairly present the Group's operations, as well as its financial position, financial performance and cash flows. These consolidated financial statements were approved and authorized for issue by the Board of Directors on 30 April 2025.

These consolidated financial statements will be subject to approval at the General Meeting of Shareholders scheduled for 22 May 2025.

2. Material accounting policies

The material accounting policies applied in the preparation of these consolidated financial statements are described below. These accounting policies have been consistently applied to all years presented in these financial statements.

2.1. Basis of preparation

The consolidated financial statements of Novabase have been prepared in accordance with International Financial Reporting Standards - IFRS, as adopted by the European Union (EU) as at 31 December 2024.

It should be understood as being part of those Standards, whether the IFRS issued by the International Accounting Standards Board ("IASB"), or the IAS issued by the International Accounting Standards Committee ("IASC") and respective interpretations - IFRIC and SIC, issued, respectively, by the International Financial Reporting Interpretations Committee ("IFRIC") and Standard Interpretations Committee ("SIC"). These standards and interpretations will be referred to generically as IFRS.

These financial statements are presented in thousands of Euros, rounded to the nearest thousand, except otherwise stated. The abbreviations '€k' and '€m' represent thousands and millions of Euros, respectively.

The Group's consolidated financial statements were prepared on a going concern basis, based on the historical cost principle except for 'Financial assets at fair value through profit or loss' and 'Derivative financial instruments', which were measured at fair value (notes 9 and 16).

New standards, interpretations and amendments to existing standards, which became effective in 2024

- **Amendment to IFRS 16, 'Lease liability in a sale and leaseback'**. The amendment to this standard introduces guidelines for the subsequent measurement of lease liabilities in a sale and leaseback transaction that qualify as a sale in accordance with IFRS 15 - 'Revenue from contracts with customers'. This amendment provides a requirement for the seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

- **Amendment to IAS 1, 'Classification of liabilities as current or non-current'**. This amendment clarifies on the classification of liabilities as current or non-current balances depending on entity's right to defer its settlement for at least twelve months after the reporting period, and requires that this right must have substance and exist at the end of the reporting period. Classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability for at least twelve months after the reporting period.

- **Amendment to IAS 1, 'Non-current liabilities with covenants'**. The amendment to this standard clarifies that covenants that an entity is required to comply with on or before the reporting date affect classification of debt as current or non-current, even if compliance with the covenant is assessed only after the reporting date (for example, a covenant based on the entity's financial position at the reporting date). When an entity classifies a liability arising from a loan arrangement as non-current and that liability is subject to covenants, the amendment requires a company to disclose information in the notes enabling investors to understand the risk that such debt could become repayable within 12 months.

- **Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'**. These amendments require an entity to provide additional disclosures about its supplier finance arrangements to enable users: a) to assess how supplier finance arrangements affect an entity's liabilities and cash flows; and b) to understand the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it.

No standard, interpretation or amendment to existing standards adopted by the Group for the first time this year had a significant impact on the consolidated financial statements.

New standards, interpretations and amendments to existing standards that have been published and are mandatory for annual periods beginning on or after 1 January 2025, but that the Group has not early adopted

- **Amendment to IAS 21, 'Lack of exchangeability'** (effective for annual periods beginning on or after 1 January 2025). This change clarifies: i) the circumstances in which a currency is considered to be exchangeable; ii) how to determine a spot exchange rate when exchangeability is lacking over a long period of time. IAS 21 amendment also requires the disclosure of information that enables users to understand how the currency not being exchangeable into another currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows, in addition to the spot exchange rate used at the reporting date and how it was estimated.

- **IFRS 18, 'Presentation and disclosure in financial statements'** (effective for annual periods beginning on or after 1 January 2027). This standard is still subject to endorsement by the European Union. IFRS 18 is the IASB's response to investors' demand for more comparable information about companies' performance and replaces IAS 1 - Presentation of financial statements. The new standard requires entity's to report more consistently and transparently on their financial performance, and introduce three sets of new requirements: i) new required categories and subtotals in the statement of profit or loss, including "operating profit"; ii) disclosure in the financial statements about management-defined performance measures in a single note; and iii) enhanced guidance on grouping of information (aggregation and disaggregation) and disclosure about items labelled as "other".

- **Amendments to IFRS 9 and IFRS 7, 'Classification and measurement of financial instruments'** (effective for annual periods beginning on or after 1 January 2026). These amendments stem from the revision process after the implementation of IFRS 9 for the principles of classification and measurement, and include clarifications with regard to classifying financial assets with ESG and similar characteristics, and the settlement of liabilities through electronic payment systems. They are still subject to endorsement by the European Union.

- **Annual Improvements - Volume 11** (effective for annual periods beginning on or after 1 January 2026). This cycle of improvements is still subject to endorsement by the European Union, and affects the following standards: IFRS 1 - 'First adoption of IFRS', IFRS 7 - 'Financial instruments - disclosures' and its accompanying guidelines on the implementation of IFRS 7, IFRS 9 - 'Financial instruments', IFRS 10 - 'Consolidated financial statements' and IAS 7 - 'Statement of cash flows'.

It is not expected for new standards, interpretations and amendments to existing standards not yet mandatory and not early adopted, to have a significant impact on the Group's consolidated financial statements, with the exception of standard IFRS 18, whose impact is currently being assessed.

The preparation of financial statements in accordance with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on the Management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

The Board of Directors believes that the estimates and assumptions adopted do not involve significant risks that may, during the next financial year, cause material adjustments in the amount of assets and liabilities.

2.2. Basis of consolidation

The consolidated financial statements, with reference to 31 December 2024, include assets, liabilities and results of the Group companies, understood as Novabase and its subsidiaries, which are presented in note 6.

(1) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has the power to manage the relevant activities, that is, is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. These are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The acquisition cost corresponds to the fair value of assets handed over, shares issued and liabilities assumed as of the acquisition date, and to the fair value of any holding owned prior to the acquisition of control. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date, irrespective of the extent of any non-controlling interests. The excess of the acquisition cost, the fair value of the acquirer's previously held equity interest in the acquiree before control is transferred to the Group and the fair value of non-controlling interest, over the net identifiable assets acquired and liabilities assumed is recorded as goodwill. If the acquisition cost, the fair value of the acquirer's previously held equity interest in the acquiree before control is transferred to the Group and the fair value of non-controlling interest, is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

The contingent prices of future events are considered at fair value as of the acquisition date, regardless of the likelihood of occurrence. Subsequent remeasurements do not affect goodwill.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of subsidiaries are changed when necessary to ensure consistency with the policies adopted by the Group.

(2) Transactions with non-controlling interests

Non-controlling interests corresponds to the proportion of the fair value of assets, liabilities and contingent liabilities of acquired subsidiaries, which are not directly or indirectly attributable to Novabase. Transactions with non-controlling interests are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners.

Non-controlling interests recognized within the scope of a business combination can be initially measured either through their fair value or proportionally through the fair value of the net identifiable assets of the acquired subsidiary. This option is performed separately for each transaction.

In any acquisition to non-controlling interests, the difference between any consideration paid and the carrying amount of the relevant shares acquired is recorded in equity. Gains or losses on disposals to non-controlling interests that do not result in a loss of control are also recorded in Equity.

When the Group no longer has control or significant influence, any residual holding in equity is remeasured to its market value, with changes to be recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as a financial asset.

2.3. Segment reporting

Operating segments are reported consistently with the internal reporting provided to the Management.

An operating segment is a component or a set of components of the Group that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the Management and for which discrete financial information is available.

Novabase monitors the performance of its operations according to the main guidelines of the strategic plan for the 2019-2023 horizon, disclosed to the market in July 2019, which remains valid and under execution, despite having entered into a time period subsequent to the five-year period covered therein. Based on this plan, Novabase identified the following reportable operating segments: Next-Gen, the betting segment of Novabase, which has the ambition to become a "Next-Gen IT Services Company", and Value Portfolio, segment aimed at generating the necessary funds to support the Next-Gen growth and transformation. Novabase did not aggregate operating segments.

General information on how Novabase identified its reportable operating segments, including the organizational basis, activities developed by each segment, as well as the types of products and services from which each operating segment derives its revenues are presented in note 5.

2.4. Foreign currency translation

(1) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). Euro is the Company's functional and presentation currency.

The subsidiaries included in consolidation with a functional currency different from the Group's presentation currency are those operating in Angola and in the United Kingdom, as shown in the table of note 6.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Exchange rate differences on non-monetary financial assets such as equity instruments at fair value through profit or loss are recognized in results for the period in the consolidated statement of profit or loss as part of the gain or loss of the fair value variation. Exchange rate differences on monetary items are included in other comprehensive income in the consolidated statement of comprehensive income.

The main exchange rates applied on the reporting date are those listed below:

Euro foreign exchange reference rates (x foreign exchange units per 1 Euro)	Rate at		Average rate	
	31.12.24	31.12.23	2024	2023
• Angolan Kwanza (AOA)	975.9011	942.9324	1003.9028	712.5121
• US Dollar (USD)	1.0389	1.1050	1.0830	1.0787
• British Pound (GBP)	0.8292	0.8691	0.9176	0.8743

Except for AOA, all exchange rates used on the reporting date are the official EUR exchange rate as published on 'Banco de Portugal' website. Regarding the AOA, it was used the most appropriate exchange rate as if the transactions were settled at the reporting date, according to IAS 21.26.

(3) Group companies

The results and financial position of all the Group's entities that have a functional currency different from the presentation currency that is not the currency of a hyperinflationary economy, are translated into the presentation currency as follows:

- (i) assets and liabilities at the reporting date are translated at the closing exchange rate in force at the reporting date;
- (ii) income and expenses in results are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognized in the statement of comprehensive income.

If the entity operates in a hyperinflationary economy, before translating from the functional currency to the presentation currency as described above, the amounts relating to the assets, liabilities, equity, income and expenses of that entity must first be monetarily restated, based on a general price index that reflects changes in the general purchasing power of the currency of the country in which transactions are generated.

The Group assesses annually whether any of the economies in emerging countries where it has subsidiaries meet the main criteria to be considered hyperinflationary in accordance with IAS 29 - 'Financial reporting in hyperinflationary economies'.

In 2024, Novabase reassessed the economies where it operates in accordance with this standard, with special attention to the Angolan economy, which recorded an annual inflation rate of 27.5% and an accumulated inflation for the last three years of approximately 74.2% (data from the Angolan National Institute of Statistics), concluding that none of those economies met the necessary conditions to be considered as a hyperinflationary economy (it should be noted that Angola has qualified as a hyperinflationary economy in 2017 and 2018, but in 2019 no longer fulfilled the criteria, so the Group ceased the application of IAS 29 to the subsidiary NBASIT-Sist. de Inf. e Telecomunic., S.A. accounts for the year ended 31 December 2019).

Loans between Group companies and related foreign exchange gains or losses are eliminated on consolidation. However, when the loan is between Group companies that have different functional currencies, the foreign exchange gain or loss cannot be eliminated in full and is recognized in the consolidated result, unless the settlement of the loan is not planned nor likely to occur in the foreseeable future and, therefore, is in substance an extension of the net investment in a foreign operation.

In this case, exchange rate differences - whether they arise from the translation of net investments in foreign operations (i.e., from the conversion of monetary items at rates different from those at which they were converted in the initial recognition or in previous financial statements) or the early repayment of monetary items that are part of the net investment in a foreign entity - are recognized in other comprehensive income, under the heading 'Exchange differences on foreign operations', remaining in reserves until the sale or liquidation of such foreign entities.

As soon as the criteria for continuing to classify the amount receivable (in part or in whole) as a net investment in foreign entities are no longer verified, the future foreign exchange gains and losses related to it are recorded in profit or loss, but the historical gains and losses recorded up to that moment are not reclassified to profit or loss.

When a foreign entity is sold or substantially or completely liquidated, the accumulated exchange differences are recognized in profit or loss as part of the gain or loss on the sale. In the partial sale of a subsidiary without loss of control, the corresponding portion of the accumulated exchange differences is reclassified to non-controlling interests, within equity.

2.5. Property, plant and equipment

For Novabase Group, property, plant and equipment comprise own assets and right-of-use assets (see also note 2.20).

Property, plant and equipment are essentially composed of buildings and other constructions, basic and transport equipment.

Depreciation is calculated using the straight-line method, over their estimated useful lives, as follows:

	<u>No. of years</u>
• Buildings and other constructions	3 to 50
• Basic equipment	3 to 4
• Transport equipment	4
• Tools and utensils	4
• Furniture, fittings and equipment	3 to 10

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

2.6. Intangible assets

(1) Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'Intangible assets'.

Goodwill (that has an undetermined useful life), is carried at cost less accumulated impairment losses, being tested annually for impairment, in the second half of the year. Impairment losses on goodwill are recognized whenever its carrying amount exceeds its recoverable amount, and are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

For the purpose of performing impairment tests, goodwill is allocated to cash generating units (CGUs). Cash generating units represent the lowest level within the entity at which the goodwill is monitored for internal management purposes and cannot be larger than an operating segment before aggregation.

The cash generating units identified by Novabase represent how Management monitors the entity's operations and makes decisions about continuing or disposing of the entity's assets and operations. There is no unallocated goodwill to the cash generating units identified. Note 8 gives information on the goodwill's allocation to the CGUs.

(2) Internally generated intangible assets

Research expenses in the search for new technical or scientific knowledge are recognized in the statement of profit or loss as and when incurred. Development expenses are accounted as intangible assets when: i) it is technically feasible to complete the asset or process; ii) the Group has the intention and capacity to complete its development; iii) market viability is assured and iv) its cost can be reliably measured.

These assets are recorded at their production or acquisition cost, which include the acquisition cost of the assets plus employee costs directly involved in the production or outsourcing costs incurred for the same purpose, as well as an appropriate portion of relevant overheads.

Amortization is calculated using the straight-line method, for periods between three to ten years. Impairment of internally generated assets in progress is tested at each reporting date.

(3) Industrial property and other rights

These assets are recorded at their acquisition cost. These assets have a finite useful life and are recognized at cost less accumulated amortization for a period between three to ten years. Amortization is calculated using the straight-line method to allocate the cost of the industrial property and other rights over their estimated useful lives.

(4) Intangible assets in progress

Intangible assets in progress refer to, mainly, the ongoing internal development of software products.

2.7. Financial assets and liabilities

Financial assets are recognized in the consolidated statement of financial position on the trade or contracting date.

At the initial recognition, except for trade accounts receivable, financial assets are recognized at fair value plus directly attributable transaction costs, except for assets at fair value through profit or loss in which transaction costs are recognized immediately in profit or loss. The subsequent measurement depends on the category of the investment, Level 1, Level 2 or Level 3, which are described in note 40.

Fair value is determined using the quoted price in an active market, or based in valuation methods and techniques (when there is no active market). A market is regarded as 'active', and therefore liquid, if transactions for the asset take place on a regular basis.

Trade receivables, at the initial recognition, are recognized at their transaction price, as defined in IFRS 15.

Financial assets are derecognized when: (i) the contractual rights of the Group to receive their cash flows expire; (ii) the Group has transferred substantially all the risks and rewards of the ownership; or (iii) despite retaining a portion, but not substantially all the risks and rewards of the ownership, the Group has transferred control over the assets.

Novabase classifies its financial assets into the following categories: (i) financial assets measured at amortized cost, (ii) financial assets at fair value through other comprehensive income, and (iii) financial assets at fair value through profit or loss. Its classification depends on the entity's business model to manage the financial assets (business model test) and the contractual characteristics in terms of the cash flows of the financial asset (SPPI test).

Management determines the classification of its investments at the date of acquisition and reassesses this classification at each reporting date. Regarding changes in the fair value measurement from period to period, the Group considers 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.

The Group's financial assets are mostly classified in the category of 'Financial assets measured at amortized cost' and include trade and other receivables, other assets, accrued income and cash and cash equivalents. These items are included in the statement of financial position in current assets, except for maturities greater than 12 months after the end of the reporting period that are classified as non-current assets.

The Group has also financial assets classified at fair value through profit or loss, such as derivative financial instruments and certain interests in companies mainly held through its Venture Capital Funds, NB Capital Inovação e Internacionalização and NB Capital +Inovação. In this category, fair value is calculated using the method of discounted cash flows, except in cases where fair value is observable in the market, with the changes in fair value recognized in profit or loss in the period in which they occur.

Financial liabilities are classified according to the contractual substance regardless of their legal form. They are derecognized only when they are extinguished, that is, when the obligation is settled, cancelled or expired.

In accordance with IFRS 9, financial liabilities are subsequently measured at amortized cost, except for:

- Financial liabilities at fair value through profit or loss. These liabilities, including derivatives that are liabilities, should subsequently be measured at fair value;
- Financial liabilities that arise when a transfer of a financial asset does not meet the conditions for derecognition or when the continued involvement approach is applied;
- Financial guarantee contracts;
- Commitments to grant a loan at a lower interest rate than the market;
- The contingent consideration recognized in a business combination to which IFRS 3 applies, which shall be subsequently measured at fair value, with changes recognized in profit or loss.

The Group's financial liabilities include borrowings, trade and other payables, derivative financial instruments and other liabilities. They are classified in the statement of financial position as non-current liabilities if the remaining maturity is greater than 12 months and as current liabilities if their maturity is less than 12 months.

2.8. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and depreciation and are tested annually for impairment. Assets that are subject to amortization and depreciation are reviewed for impairment on an annual basis or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

The value in use is the present value of the estimated future cash flows from the continuous use of the asset and from its sale at the end of its useful life. In determining the value in use, estimated future cash flows are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the specific risks of the asset in question.

For the purposes of assessing impairment, assets are allocated by cash generating units, given that this is the level at which Management monitors its return on investment.

2.9. Impairment of financial assets

At each reporting date, Novabase assesses whether financial assets carried at amortized cost are credit-impaired and recognize loss allowances for ECLs on: (1) Trade, debtors and other receivables, and (2) Deposits and short-term investments.

ECLs are a probability-weighted estimate of credit losses and are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive), discounted at the effective interest rate of the financial asset.

The objective of this impairment policy is to recognize expected credit losses over the respective duration of financial instruments that have undergone significant increases in credit risk since initial recognition, assessed on an individual or collective basis, considering all reasonable and sustainable information, including available prospective information. If, at the reporting date, the credit risk associated with a financial instrument has not increased significantly since the initial recognition, the Group measures loss allowances relating to that financial instrument by an amount equivalent to the expected credit losses over a 12-month period.

In terms of the presentation in the statement of financial position, loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Regarding the statement of profit or loss, the Group has applied judgement in determining an appropriate presentation of impairment losses under IFRS 9, considering the specific requirements to present the effect of certain events or circumstances as a single amount in the statement of profit or loss, ensuring that the chosen presentation is relevant to the users' understanding of its financial statements. Consequently, the Group has disaggregated the impairment loss amount into:

- Impairment related to trade and other receivables, which is presented separately in the statement of profit or loss under the heading 'Net impairment losses on trade and other receivables'; and
- Impairment related to deposits and short-term investments, which is included in 'Finance costs' or 'Finance income' (in the case of reversals) due to materiality considerations.

(1) Trade, debtors and other receivables

With regard to trade and other receivables, Novabase measures loss allowances at an amount equal to lifetime ECLs. With receivables being recorded by the various group companies under IFRS 15, the Group applies the simplified approach to measure the expected credit losses, that means, it uses an allowance matrix per company, which is based on the past experience of actual losses over a period considered statistically relevant and representative of the specific characteristics of the underlying credit risk. These allowance matrices are reviewed whenever there is a significant change in the company's credit risk, changes in the type of customers or significant changes in the business or macroeconomic environment.

When determining whether the credit risk of a financial asset has increased significantly, the Group considers all reasonable and supportable information that is relevant and available without undue cost or effort, which includes both quantitative and qualitative information and analysis, based on the Group's historical experience and forward-looking information. Novabase defines a financial asset relating to trade and other receivables to be in default when is more than 360 days past due.

Despite the '90 days past due' presumption under IFRS 9, the Group considers 360 days past due to be a more appropriate default definition, because it is in line with the entity's current credit risk management policies, as it corresponds to the period in which the sending of credit for litigation is triggered, and since its experience of actual losses before this maturity is reduced, apart from the fact that there are no sales with significant financing components in accordance with the principles of IFRS 15. It should be noted that the Group, based on balances and specific past events and considering counterparties historical information, its risk profile and other observable data, assesses whether there are objective indicators of impairment, and records impairment losses accordingly. Furthermore, the Group assessed the impact of considering 360 days of default over 90 days and concluded that the 'Expected Credit Losses' would not change significantly.

The impairment losses are recorded in profit or loss under 'Net impairment losses on trade and other receivables'. When an amount receivable from customers and debtors is considered unrecoverable, it is written off using the same heading in the statement of profit or loss. The Group expects no significant recovery from the amounts written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due. Subsequent recoveries, if any, are recorded in profit or loss under 'Net impairment losses on trade and other receivables'.

(2) Deposits and short-term investments

Regarding deposits and short-term investments, impairments are calculated by assigning i) a Probability of Default (PD) that derives from the rating of the issuer or counterparty, and ii) a Loss Given Default (LGD) that results from market parameters. Since the PD available on the market corresponds to the expected losses over a 12-month period, Novabase applied a PD adjusted to the maturity of the instrument on a 'pro rata' basis to the value of debt securities and bank balances. In 2024, the LGD used corresponded to 61% for Portugal and Angola (2023: 61% for Portugal and Angola).

For these assets the Group measures loss allowances at 12-month ECLs (or a shorter period if the expected life of the instrument is less than 12 months) provided that the credit risk has not increased significantly since its initial recognition.

The Group considers 'low credit risk' for deposits and short-term investments when its credit rating is equivalent to CCC or higher (weighted average rating per various agencies, namely, Standard & Poor's and Moody's).

The impairment losses related to deposits and short-term investments are recorded in profit or loss, under 'Finance costs' heading. If the Group's exposure declines or if the annual reassessment of the PD and LGD used to calculate the impairment leads to a reduction of the ECLs, the carrying amount of these assets is recovered, against 'Finance income' in the statement of profit or loss.

2.10. Trade and other receivables

Trade and other receivables are amounts due on the sale of goods or services rendered by the Group in the ordinary course of business. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less impairment losses.

2.11. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term highly liquid investments with original maturities of three months or less, or with contractual terms of immediate demobilization and which are subject to an insignificant risk of change in value.

For the purpose of presentation in the statement of cash flows, this heading also includes bank overdrafts. Bank overdrafts are shown within 'Borrowings' in current liabilities in the statement of financial position.

2.12. Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or stock options of the Company and its subsidiaries are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or stock options, or for the acquisition of a business, are included in the cost of acquisition as part of the purchase consideration.

Where the Company or any group companies acquire treasury shares of the parent company, they are recorded at cost and the consideration paid is deducted from the total equity attributable to the shareholders, and presented according to the following paragraph, until the shares are cancelled, reissued or sold. When such shares are subsequently sold or reissued, any consideration received is included in equity attributable to the shareholders.

The 'Treasury shares' heading presents treasury shares at their par value (nominal value) and the premium/discount between the acquisition cost and the par value is shown as an adjustment to other reserves or retained earnings.

2.13. Borrowings

For Novabase Group, borrowings comprise bank borrowings and lease liabilities (see also note 2.20).

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Interest costs on borrowings are included in the statement of profit or loss under 'Finance costs' heading.

2.14. Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized directly in equity. The current income tax charge is calculated on the basis of profit before income tax, adjusted according to the tax laws.

Deferred tax is recognized, using the liability method at the reporting date, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax is not accounted for if it arises from the recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using the rate that should be in force in the year in which the temporary differences will be reversed.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be used.

Deferred taxes are recorded for temporary differences in investments in subsidiaries, except when the elimination of the temporary difference is controlled by the Group, and when the temporary difference is unlikely to be eliminated in the near future.

2.15. Employee benefits**Bonus**

The Group estimates a liability and an expense for bonuses, based on the individual performance of the employees and the financial performance of the Company.

Liabilities with holidays, holiday allowance and Christmas allowance

In accordance with Portuguese legislation, employees are entitled to one month's holiday and one month's holiday pay each year, right earned in the previous year to its settlement. In addition, employees are entitled annually to a Christmas allowance, which is earned over the year and paid each December. These liabilities are therefore recorded during the period in which the right is earned, regardless its payment date.

Labour Compensation Fund (FCT) and Labour Compensation Guarantee Fund (FGCT)

On 1 May 2023 the provisions of Article 32(4) and (5) of Law no. 13/2023 of 3 April came into force, which suspended the obligation to make monthly deliveries to the Compensation Funds (established by Law No. 70/2013 and Order No. 294-A/2013), pursuant to which companies that hire a new employee are required to deduct a percentage of the respective salary for the Labour Compensation Fund (FCT) - 0.925% - and for the Labour Compensation Guarantee Fund (FGCT) - 0.075%, in order to ensure, in the future, the partial payment of the compensation in the event of dismissal. Not that, considering the characteristics of each Fund, only the monthly deliveries to FCT are recognized as a financial asset measured at fair value with changes recognized in the statement of profit or loss, while the monthly deliveries to FGCT are recognized as an expense in the period to which they relate (in the heading 'Employee benefit expense').

On 15 December 2023, Decree-Law no. 115/2023 was published, effective as of 1 January 2024, which defined how companies can mobilize FCT funds, namely to support employees' housing investments and costs, finance the qualification and certified training of employees and building daycare centres and cafeterias, for example. Companies can mobilize the value of their FCT until it is extinguished. The liquidation and extinguishing of the fund is provided for, although without a specific date for this purpose.

Stock options

The Group rewards the services rendered by the members of the Board of Directors of the Company and some employees of Novabase through the attribution of stock options plans, settled in equity and in cash, as a form of remuneration able to promote the alignment of the Board Members and employees' interests with the Company's interests and to stimulate and incentivize their creativity and productivity.

The fair value of the services received is recorded as a cost in the statement of profit or loss, against an increase in equity (equity settled portion) or liability (cash settled portion), over the period of acquisition of rights by the employee. The total amount to be recorded as a cost is determined based on the fair value of the options granted, which is estimated only using market conditions. Acquisition conditions that are not market conditions are considered to estimate the number of options that at the end of the acquisition period will have acquired rights. At each reporting date, Novabase reviews the estimate of the number of options it expects to become exercisable and recognizes the impact of the revision of the original estimate in profit or loss.

2.16. Provisions

Provisions are recognized at the reporting date when: i) the Group has a present legal or constructive obligation as a result of past events; ii) it is probable that an outflow of resources will be required to settle the obligation and; iii) the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any of the items included in the same class of obligations may be small. Note 23 provides information on the type of provisions.

Provisions are reviewed at each reporting date and adjusted to reflect the best estimate at that date. Whenever possible, the time effect is taken into account in the annual adjustment of provisions. The Group does not discount the provisions for which there is no predictability of the moment of reversal.

Onerous contracts

The Group recognizes a provision for onerous contracts on the date on which it is established that the costs to be incurred to satisfy the obligation assumed exceed the future economic benefits. This analysis is made on an individual basis.

Legal claims in progress

Provisions for legal claims in progress are recorded for the amounts estimated to represent future outflows in accordance with the risk assessments made by Management, supported by its legal experts and advisers (internal and/or external) opinions, based on success rates.

For legal proceedings where the probability of having an unfavourable outcome is less than probable, the Group does not recognize provisions, but disclosure is made in note 41, unless the possibility of an outflow of resources is remote, in which case it is not disclosed. For each legal proceeding a brief description of the process is given, as well as an estimate of its financial effect, and when practicable an indication of the uncertainties that relate to the moment of any outflow. If any repayment is possible, this information is also included in the 'Contingencies' note.

2.17. Trade and other payables

Trade and other payables balances are obligations to pay goods or services that have been acquired in the ordinary course of the business. They are initially recognized at fair value and subsequently at amortized cost according to the effective interest rate method.

2.18. Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Group's activities. Revenue is shown net of Value Added Tax (V.A.T.), rebates and discounts and after eliminating intra-group transactions.

The recognition of the Group's revenue is based on the five-step model established by IFRS 15:

- identification of the contract with the customer;
- identification of performance obligations;
- determination of the price of the transaction;
- allocation of transaction price to performance obligations; and
- recognition of revenue when or as the entity meets a performance obligation.

According to this model, the recognition of revenue depends on whether performance obligations are satisfied over time or whether, on the contrary, control over goods or services is transferred at a point in time, being measured by the consideration that the entity expects to be entitled to receive in return for the delivery of these goods or services.

Thus, at the beginning of each contract, the Group evaluates the promised goods or services and identifies, as a performance obligation, every promise of transfer to the customer of any distinct good or service (alone or together). These promises in customer contracts may be explicit or implicit, since such promises create a valid expectation on the customer that the entity will transfer a good or service to the customer, based on the entity's published policies, specific statements, or customary business practices.

In determining and allocating the transaction price of each performance obligation, the Group uses the stand-alone prices of the promised products and services, at the date of conclusion of the contract with the customer.

Revenue recognition occurs at the time of the fulfilment of each performance obligation.

Novabase's revenues derive from: (a) services rendered, (b) interest income and (c) dividends. The recognition of revenue is detailed below, by type of revenue:

(a) Services rendered

Revenue from services rendered is recognized in the statement of profit or loss when all the following conditions have been satisfied: i) the amount of revenue can be reliably measured; ii) it is probable that future economic benefits associated with the transaction will flow to the Group; iii) the stage of completion of the performance obligation at the reporting date can be reliably measured; and (iv) the costs incurred for the transaction and the costs to complete the transaction can be reliably measured. For Novabase Group, the revenue from services rendered relates to 'time and materials' projects, 'turn key' projects and outsourcing or maintenance projects.

Revenue from 'time and materials' consulting projects is recognized at the date the services are rendered, given that is the time when the benefits of the performance obligation are transferred to the customer (the customer simultaneously receives and consumes the benefits of the goods and services provided). In cases where the customer does not receive or consume goods and services over time, Novabase does not recognize any revenue, recognizing only when the performance obligation is satisfied.

Revenues from the services rendered in 'turn key' projects are recognized, in each year, according to the performance obligation to which they comply, depending on its percentage of completion. That is, for each performance obligation, the Group recognizes revenue over time by measuring progress towards full compliance with such performance obligation. The assessment of the percentage of completion of each performance obligation is reviewed periodically considering the most recent information available from project managers and subject to further review by the respective controllers. The amount of the transaction whose receipt is conditional to the completion of the services rendered is recognized as a contract asset (included in accrued income) rather than a receivable.

Whenever the performance obligations at the reporting date have an estimated initial duration of one year or less, the Group does not disclose additional information about them, as permitted by IFRS 15.

Revenue from outsourcing or maintenance projects is recognized as a single performance obligation on a straight-line basis over the contract period.

(b) Interest income

Interest received is recognized on an accrual basis, considering the outstanding balance and the effective rate during the period up to maturity. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount (estimated future cash flows, discounted at the original effective rate of the instrument), and records the discount as a financial gain.

(c) Dividends

Dividends are recognized when the shareholders' rights to receive such amounts are appropriately established and communicated.

2.19. Grants

Government grants are recognized at fair value, when there is a high likelihood of the grant being received and the Group fulfils all the requirements to receive it.

Non-refundable grants to finance development projects are recorded as a liability at the reporting date, in 'Other non-current liabilities' heading, if the remaining maturity is greater than 12 months or in 'Deferred income and other current liabilities' if the maturity is less than 12 months, and are recognized in profit or loss of each period by the useful life of the financed assets.

Operating grants are aimed at covering the costs, incurred and recorded, with training initiatives and research projects for new technological or scientific knowledge, and are recognized in the statement of profit or loss as the related expenses are incurred, regardless of when the grant is received.

2.20. Leases

The Group's leases refer mainly to the lease agreement of the Company's headquarters and to lease agreements of other facilities where Novabase operates, with initial terms between one and five years, which may have options to extend or terminate the lease. Lease payments are updated annually to reflect inflation and/or market values.

Novabase applies the short-term lease recognition exemption to its short-term leases of facilities that have a lease term of 12 months or less. The Group recognizes the lease payments associated with these leases as an expense under the straight-line method over the lease term. The Group has no low-value assets leases.

- **Right-of-use assets**

The Group recognizes a right-of-use asset at the lease commencement date (i.e., the date the underlying asset is available for use). The right-of-use asset is initially measured at cost and subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

- **Lease liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of future lease payments. The lease payments include the exercise price of a purchase or renewal options reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

In determining the present value of the lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. Subsequently, the amount of lease liabilities is increased to reflect interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, the revised lease payments are discounted using an unchanged discount rate, and a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

If there is a lease modification that do not qualifies to be accounted for as a separate lease, Novabase remeasures the liability (and adjusts the corresponding right-of-use assets) by discounting the revised lease payments, using a revised discount rate at the effective date of the modification.

2.21. Derivative financial instruments

Novabase uses derivative financial instruments to hedge foreign exchange risks to which is exposed to. The financial instruments used are the forward contracts. Novabase does not take speculative positions. The financial department is responsible for negotiating derivative financial instruments, in accordance with rules defined and approved by the Group's Board of Directors. Derivative financial instruments are measured initial and subsequently by their fair value. The recognition method depends on the contractual nature and purpose.

(1) Trading derivatives

As provided for in IFRS 9, Novabase Group is applying the requirements of hedge accounting found in IAS 39. Although contracted with the purpose of economic hedge in accordance with the Group's risk management policies, Novabase Group derivative financial instruments do not comply with all the requirements of IAS 39 to qualify for hedge accounting, therefore the respective changes in fair value are included in the statement of profit or loss, under financial results, in the period in which they occur.

2.22. Dividend distribution

Dividend distribution to the shareholders is recognized as a liability in the period in which dividends are approved by the Company's shareholders.

2.23. Earnings per share

Basic

Basic earnings per share is determined by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held as treasury shares.

Diluted

Diluted earnings per share are determined by adjusting the weighted average number of ordinary shares in issue to assume the conversion of all potential dilutive ordinary shares.

Theoretically, Novabase has only one type of potential dilutive ordinary shares: stock options. For the calculation of the 'Stock options adjustment', the number of shares that would be acquired at fair value (determined by the average over the period of the market price of Novabase shares) is determined, which is then compared with the number of shares that would be issued if all options were exercised, except for cases where the options have already been exercised (but their ownership has not been transferred to the plan participant) and the number of shares corresponding to those options has been determined, where this number prevails.

2.24. Discontinued operations

A discontinued operation is a component of the Group's business that comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group, and:

- represents either a separate major line of business or a geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

When an operation is classified as a discontinued operation, the comparatives of the statement of profit or loss and of the statement of comprehensive income are re-presented as if the operation had been discontinued from the start of the comparative year.

In terms of the statement of profit or loss, results are recognized in 'Profit from discontinued operations' and, in terms of the statement of financial position, under the headings 'Assets from discontinued operations' and 'Liabilities from discontinued operations'.

For Novabase Group, discontinued operations correspond mainly to the Neotalent Business, including the Angolan subsidiary NBASIT, discontinued at the end of 2023, as the result of the sale agreement of the IT Staffing business to Conclusion Group B.V. (see note 39). It also comprises a marginal value of results and liabilities related to the GTE Business, discontinued at the end of 2019, and to the company Collab, sold in the first quarter of 2020.

2.25. Comparatives

The consolidated financial statements for the year ended 31 December 2024 are comparable in all material aspects with 2023, and no changes in accounting policies have occurred when compared to those used in preparing financial statements of the prior year, presented for comparative purposes.

3. Financial risk management policy

Novabase Group is exposed to a collection of financial risks resulting from its business, namely foreign exchange risk, interest rate risk (cash flows and fair value), credit risk, liquidity risk and capital risk.

Developments in the financial markets are continuously analysed according to the Group's risk management policy to minimize potential adverse effects on its financial performance.

In 2024, interest rates in the Eurozone were cut by the European Central Bank (ECB) due to waning inflation (at around 2.4%), according to data published on 17 January 2025 by Eurostat. Geopolitical conflicts, however, such as the war in Ukraine and tensions in the Middle East, continued to generate uncertainties. The outlook for 2025 suggests a potential stabilization of interest rates and controlled inflation, although geopolitical conflicts and global political shifts, such as the new term of office of Donald Trump, bring additional uncertainties. The global economy faces major challenges, requiring coordinated, effective responses to ensure stability and sustainable growth.

Despite these geopolitical uncertainties and economic challenges, Novabase believes that its current financial risk management policies remain adequate to Novabase's profile, continuing to monitor risks on an ongoing basis, seeking to anticipate and manage any impacts not currently contemplated.

a) Foreign exchange risk

The Group is exposed to foreign exchange risk, mainly arising from U.S. Dollar (USD) exposure, since some subsidiaries perform transactions in this currency, but also arising from British Pound (GBP) and Kwanza (AOA) exposures.

The financial department is responsible for monitoring exchange rate developments in these currencies to mitigate their impact on the consolidated results. Whenever exchange rate expectations so justify, the Group attempts to enter into hedging transactions against adverse changes by means of derivative financial instruments (see note 15). These financial instruments do not comply with hedge accounting requirements therefore being classified as trading derivatives, with changes in fair value recognized in profit or loss.

The currency market was marked by volatility in 2024, with the euro falling around 6.23% against the dollar, reaching a historic low of \$1.0350 in December. Foreign exchange risk rose due to geopolitical factors and divergent monetary policies between the ECB and the American Federal Reserve (FED). The outlook for 2025 suggests a scenario of uncertainty, with potential exchange fluctuations due to ongoing geopolitical tensions and unpredictable economic policies, especially with the recent victory of Donald Trump in the United States elections.

Despite this, Novabase does not expect to see its foreign exchange risk significantly worsened as a result of the above-mentioned uncertainties. On the one hand, the Group already had a policy of maintaining a high level of hedge regarding the U.S. Dollar exposure, and on the other hand, the Group's exposure to British Pound and to currencies from emerging markets is currently quite low, as illustrated in the following table.

The Group's exposure to foreign currency exchange rate risk as at 31 December, based on the amounts of the Consolidated Statement of Financial Position of the Group's continued operations financial assets and liabilities, is as follows:

At 31 December 2024	Euro	Dollar	Kwanza ⁽¹⁾	Pound	Other	Total
Assets						
Financial assets at fair value through profit or loss	14,000	-	-	-	-	14,000
Other non-current assets	529	-	-	-	-	529
Trade and other receivables	35,166	7,794	-	1,050	66	44,076
Accrued income	64	-	-	-	-	64
Derivative financial instruments	75	-	-	-	-	75
Cash and cash equivalents	61,865	463	-	60	359	62,747
	<u>111,699</u>	<u>8,257</u>	<u>-</u>	<u>1,110</u>	<u>425</u>	<u>121,491</u>
Liabilities						
Borrowings	20,220	-	-	-	51	20,271
Other non-current liabilities	826	-	-	-	-	826
Trade and other payables	28,159	63	-	415	76	28,713
Derivative financial instruments	688	-	-	-	-	688
	<u>49,893</u>	<u>63</u>	<u>-</u>	<u>415</u>	<u>127</u>	<u>50,498</u>
At 31 December 2023	Euro	Dollar	Kwanza ⁽¹⁾	Pound	Other	Total
Assets						
Financial assets at fair value through profit or loss	13,879	-	-	-	-	13,879
Other non-current assets	1,466	-	-	-	-	1,466
Trade and other receivables	33,721	4,363	-	377	16	38,477
Accrued income	247	-	-	-	-	247
Derivative financial instruments	246	-	-	-	-	246
Cash and cash equivalents	78,132	1,837	-	25	320	80,314
	<u>127,691</u>	<u>6,200</u>	<u>-</u>	<u>402</u>	<u>336</u>	<u>134,629</u>
Liabilities						
Borrowings	27,706	-	-	-	113	27,819
Other non-current liabilities	-	-	-	-	-	-
Trade and other payables	31,293	867	-	216	37	32,413
Derivative financial instruments	112	-	-	-	-	112
	<u>59,111</u>	<u>867</u>	<u>-</u>	<u>216</u>	<u>150</u>	<u>60,344</u>

⁽¹⁾ Exposure to Kwanza limited to the Angolan subsidiary NBASIT-Sist. de Inf. e Telecomunic., S.A., considered in discontinued operations at the end of 2023 (see note 38).

The Group uses a sensitivity analysis technique that measures the estimated changes in profit or loss and shareholders' equity of either a 10% strengthening or weakening in Euro against all other currencies, from the rates applicable as at 31 December 2024, for each class of financial instrument with all other variables held constant. This analysis has illustrative purposes only, as in practice market rates rarely change alone.

Under this assumption, with a 10% strengthening or weakening of Euro against all exchange rates, profit before income tax (and inherent capital) would have increased or decreased, respectively, by €919k in 2024 (2023: €571k). There are no direct impacts on equity since the Group does not hold financial instruments with fair value changes recognized in equity nor is applying hedge accounting.

b) Interest rate risk (cash flows and fair value)

Interest-rate risk entails the possibility of fluctuations in future financial charges on loans due to changes in market interest rate levels.

The cost of the Group's financial debt is indexed to short-term reference rates, adjusted at a frequency of one year or less, plus duly negotiated risk premiums. Therefore, changes in interest rates can affect the Group's results.

Novabase's exposure to interest rate risk originates from financial assets and liabilities with fixed and/or variable rates. In the case of fixed rates, the Group faces the risk of a variation in the fair value of these assets or liabilities, insofar as any change in market rates involves an opportunity cost. In the case of variable rates, such changes directly impact the amount of interest, thereby resulting in variations in cash.

Exposure to interest rate risk is constantly analysed by the financial department. Interest rate risk management is aimed at reducing the volatility of interest charges.

In 2024, key interest rates in the Eurozone fell due to the slowdown in inflation. After a consecutive cycle of ten hikes through September 2023, followed by a 9-month period in which interest rates remained unchanged, an easing of the restrictive policy of the European Central Bank (ECB) began in June 2024, with four interest rate cuts over the course of this same year, with the last reduction of 25 base points in December, bringing the main refinancing rate to 3.15%. The interest rate cut trajectory is expected to continue in 2025, even due to the positive outlook in controlling inflation. Nonetheless, several factors and uncertainties may weigh upon the ECB's decisions and impose greater caution, such as the political and economic situation in Germany and France and the "trade war" on the horizon between the American and European blocks. Novabase has been monitoring this risk particularly closely, although no relevant impacts are expected, since Novabase's exposure to interest rate risk is currently low thanks to its surplus cash position.

At 31 December 2024, 100% of bank borrowings are at variable rates (2023: 6% were at fixed rates). All of the borrowings are denominated in Euro. Investments in financial institutions are short-term.

The Group uses a sensitivity analysis technique that measures the estimated changes in profit or loss and shareholders' equity of either an instantaneous increase or decrease of 0.5% (50 basis points) in market interest rates, from the rates applicable at 31 December 2024, for each class of financial instrument with all other variables held constant. This analysis has illustrative purposes only, as in practice market rates rarely change alone. The sensitivity analysis is based on the following assumptions:

- (i) Changes in market interest rates affect the interest income or expense of variable interest financial instruments;
- (ii) Changes in market interest rates only affect interest income or expense in relation to financial instruments with fixed interest rates if these are recognized at their fair value;
- (iii) Changes in market interest rates affect the fair value of derivative financial instruments and other financial assets and liabilities;
- (iv) Changes in the fair values of derivative financial instruments and other financial assets and liabilities are estimated by discounting the future cash flows of net present values using appropriate market rates prevailing at the year end.

Under these assumptions, an increase or decrease of 0.5% in market interest rates, would impact respectively in an increase or decrease of profit before income tax of approximately €266k in 2024, and in an increase or decrease, respectively, of approximately €326k in 2023. There are no impacts on shareholders' equity without being those inherent to the impact on results.

c) Credit risk

Novabase manages credit risk both in terms of business units (for customer receivables) and on a consolidated basis (for all active positions of financial instruments). Credit risk originates from cash and cash equivalents, derivative financial instruments and customer credit exposure, including amounts receivable and previously agreed transactions. Only banks and institutions having credibility in the sector are accepted. Customer credit risk is managed based on credit limit ranges, based on the customer's financial position and historical business relations. Note 13 provides information on the exposure to credit risk and ECLs for the Novabase's trade receivables, by intervals of maturity, as at 31 December 2024 and 31 December 2023.

The current scenario suggests a complex global economic setting with significant challenges. Ongoing geopolitical conflicts, volatile monetary policies and extreme climate changes are fuelling uncertainty in financial markets, which may lead rating agencies to take adverse rating actions on banks and financial institutions, with the consequent increase of impairment losses in the future. The general financial deterioration of counterparties worldwide may also have an impact on creditworthiness of Novabase's trade and other receivables.

Despite this context, Novabase does not anticipate relevant impacts to this date, continuing to monitor the evolution of this risk. On the one hand, its exposure to credit risk through bank deposits is currently low, given that the Group already had a policy of accepting only banks and financial institutions with credibility in the sector. On the other hand, the Group's main customers and counterparties are from the Telco industry and/or customers with a solid credit profile.

At 31 December 2024, the 30 customers with greater balances of the Group represented approximately 96.1% of the total balance (2023: 93.7%).

The distribution by geographical market of those customers is shown in the table below:

	31.12.24	31.12.23
Portugal	25%	36%
Europe	55%	47%
Middle East	19%	14%
Africa	1%	3%
	<u>100%</u>	<u>100%</u>

The distribution by business sector of those customers is shown in the table below:

	31.12.24	31.12.23
Telecommunications	88%	87%
Financial Services	7%	10%
Other	5%	3%
	<u>100%</u>	<u>100%</u>

The ratings attributed by Moody's Investors Services to the financial institutions with whom the Group has higher balances of bank deposits (note 18) at 31 December 2024 and 31 December 2023, are analysed as follows. These balances are shown before impairment losses recognized according to IFRS 9.

	31.12.24	31.12.23
A1	19,765	27,309
A2	30,203	31,377
A3	12,042	19,105
Baa2	-	2,128
	<u>62,010</u>	<u>79,919</u>

All bank deposits are highly liquid, readily convertible to known amounts of cash.

d) *Liquidity risk*

The prudent management of liquidity risk entails keeping cash or financial instruments sufficiently liquid, with sources of financing through an adequate number of credit facilities, together with the ability to close market positions.

The management monitors updated forecasts of the Group's liquidity reserve (unused credit lines, cash and cash equivalents) at the base of expected cash flows, by analysing the remaining contractual maturity of financial liabilities and the expected date of inflows from financial assets. Additionally, the maturity concentration of derivative financial instruments, borrowings and liabilities of the Group are regularly monitored. Notes 16 and 22 present those Novabase's liabilities, respectively, by intervals of contractual residual maturity at 31 December 2024 and 31 December 2023.

Details on the borrowings balances and credit lines negotiated by Novabase Group, by financial institution, are as follows:

	Euro	
	31.12.24	31.12.23
Banco BPI (BPI)	7,000	8,200
Bankinter	6,000	8,000
Banco Comercial Português (BCP)	5,087	6,362
Novo Banco	3,500	5,500
Caixa Geral de Depósitos (CGD)	5,000	5,000
	<u>26,587</u>	<u>33,062</u>

As shown in the analysis of the table above, the Group maintains a diversified profile in its financing and has access to credit facilities (plafonds), amounts that are not totally used but that are at its disposal. These credit facilities can cover all the loans that are repayable within 12 months.

The available short and medium-term credit lines not used amount to approximately €17,000k as at 31 December 2024 (31.12.23: €17,000k), being sufficient to meet any immediate requirement. In addition to these facilities, the Group has €62,747k of 'Cash and cash equivalents' as at 31 December 2024, as stated in the Consolidated Statement of Financial Position, which combined with the credit facilities amounts to €79,747k of liquidity.

Considering the current macroeconomic and business environment and the commitments assumed at the reporting date, the Group assessed potential impacts on the level of additional liquidity needs and concluded that the current liquidity position remains adequate. Novabase expects to satisfy all its cash needs by using its liquidity reserves and, if necessary, using existing available credit lines and/or new financing. Novabase also believes that compliance with the current covenants associated with borrowings is ensured.

e) Capital risk

The Group's goals with regard to capital management - a broader concept than the capital shown on the face of the consolidated statement of the financial position - are as follows:

- (i) Safeguarding the Group's ability to keep doing business, and therefore provide returns to shareholders and benefits to other stakeholders;
- (ii) Maintaining a solid capital structure to support the development of its business;
- (iii) Maintaining a sound capital structure to reduce the cost of capital.

Management monitors the Return on Capital (ROC) ratio, which the Group defines as the 'Operating Profit' divided by 'Total Equity', to measure the Group's ability to generate cash flows related to the capital invested in its business.

	31.12.24	31.12.23
Operating Profit	7,430	7,461
Total Equity	84,886	87,096
Return on Capital	8.8%	8.6%

The Group has the objective to maintain ROC above the cost of capital (measured by WACC - Weighted Average Cost of Capital), which allows the Group to add value. The Group's WACC is around 9.9% (2023: 10.6%). In 2024 and 2023, the objective was not achieved.

Novabase announced the intention of its Board of Directors to propose to the 2025 Annual General Meeting the payment of a shareholder remuneration of €1.35 per share, in a press release dated 20 February (see note 43).

4. Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates by the Management, that affect assets, liabilities, and the disclosure of assets and contingent liabilities at the reporting date in the financial statements, as well as income and expenses during the reporting period, consequently actual results can differ from the estimated ones. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and judgements considered more relevant in the preparation of these financial statements are presented below.

a) Goodwill impairment analysis

The Group tests annually, in the second half of the year, whether goodwill is impaired, in accordance with the accounting policy stated in note 2.6. The recoverable amounts of cash generating units have been determined based on value-in-use calculations. These calculations require the use of estimates, to forecast the cash flows of each cash generating unit, and the choice of a discount rate and a perpetuity growth rate (see note 8).

b) Financial instruments measured at fair value

The fair value of financial instruments not quoted on an active market is determined based on valuation methods and financial theories. The use of valuation methodologies requires using assumptions, with some assumptions requiring the use of estimates (see note 40). Therefore, changes in those assumptions could result in a change in the fair value reported.

c) Income taxes and deferred taxes

The Group is subject to income taxes in the locations in which it operates. A judgement is required when determining estimated income taxes and the use of deferred tax assets and liabilities. Deferred tax assets and liabilities were determined based on tax legislation currently in effect for the Group companies, or on legislation already published for future application. Changes in the tax legislation may influence the value of deferred taxes.

The Group recognizes deferred tax assets related to tax incentives obtained under SIFIDE based on estimates. The final amount of these tax incentives is only known in future years based on the approval by the competent body (ANI) of the Group's applications to these incentives. The booked amount of tax credits not yet approved reach €2,498k (2023: €2,693k), with their approval being likely.

The Group also recognizes deferred taxes on tax losses based on estimates of future taxable profits, and such assets are only recognized if there is a high expectation of future recovery.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

d) Revenue

Revenue recognition in respect of 'turn key' projects requires the use of judgements, starting with the application of the five-step model established in IFRS 15, namely, in the identification of performance obligations and in the allocation of the transaction price to defined performance obligations, based on their relative stand-alone selling prices. In addition, Management carries out analysis and estimates of the current and future developments of consulting projects in place, which may have a different development in the future from the present estimates performed by project managers.

Any changes in the estimates would be reflected under 'Accrued income' and 'Deferred income and other current liabilities' captions in the statement of financial position and under 'Services rendered' in the statement of profit or loss, however, historically there have been no material deviations in the estimates of costs to be incurred in ongoing projects from the year before, nor in the outcome of the transaction.

e) Impairment losses on financial assets

Impairment losses on trade and other receivables are based on risk default assumptions and expected loss rates. The Group uses judgements for these assumptions and selects the inputs to the impairment calculation, based on the Group's past history (such as the ageing of accounts receivable balances and historical write-off experience, customer credit worthiness and changes in customer payment terms), existing market conditions and forward-looking estimates at the end of each reporting period. If the customer's financial conditions deteriorate, actual impairment losses and write-offs might be higher than expected. With regard to impairment for deposits and short-term investments, the Group also assesses whether credit risk has increased significantly since initial recognition.

f) Provisions for legal claims

The Group exercises judgement in measuring and recognizing provisions and its exposure to contingent liabilities related to legal proceedings, based on the assessment of its specialists and legal advisers (internal and/or external). This judgement is necessary to determine the probability of the outcome for each lawsuit. Provisions are recognized for amounts that may result in cash outflows, with disclosure in the notes when the probability of having an unfavourable outcome is less than probable. These estimates are subject to changes as new information becomes available. Due to the uncertainties inherent in the evaluation process, real losses may be different from those originally estimated in the provision.

The Group discloses in 'Contingencies' (note 41) all the legal proceedings in which it considers that there is a possibility of an outflow of resources, although it is not probable, which is why no liabilities are recognized. For such legal proceedings, the Management believes that there is sufficient substance for its defence in court, based on the opinions of its specialists and legal advisers (internal and/or external), and therefore considers that such actions will have a successful outcome.

g) Bonus

The Novabase Group recognizes on a monthly basis an estimate for bonus and other variable remunerations, which considers the theoretical amounts agreed with employees, the monitoring of the expected objectives' achievement rates and the general situation of the Company's business. The variable remuneration of the members of the Board of Directors is set by the Remuneration Committee, pursuant to the Remuneration Policy, which may be comprised of variable remuneration in cash (associated, among other factors, with the performance of Novabase) and variable remuneration based on stock options (namely participation in the Share Options Plan). Therefore, the cost estimate for the current exercise booked under 'Trade and other payables' heading, is prepared based on the Management's best estimate to the performance of the current year, where the actual final outcome is only known in the following exercise, after the Remuneration Committee's deliberation. More information about Novabase's remuneration policy and Directors' remuneration during the year can be found in chapter D. Remunerations of the Corporate Governance Report, which forms an integral part of this Annual Financial Report.

h) Leases

The Group applies judgement to determine the lease term for some lease agreements that include options to extend the lease or to terminate the lease, that is, it considers all relevant factors that create an economic incentive for it to exercise the options. The assessment of whether the Group is reasonably certain to exercise options to extend the lease or is reasonably certain not to exercise options to terminate the lease impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the options.

The Group also applies judgement to determine the incremental borrowing rate to apply to each portfolio of leases identified and to measure residual value guarantees, which forms part of lease payments. In this case, according to IFRS 16, the Management considers the amount that it expects to pay in the measurement of the lease liabilities.

5. Segment information

Novabase's activity is aggregated into two operating segments:

- Next-Gen
- Value Portfolio

The Next-Gen segment comprises the assets held in Financial Services and Telecommunications. This segment aims to achieve an accelerated growth through focus on Next-Gen IT (Design & UX, Insights Through Data, Cloud native & scalable, Digital Architecture, API Exposure, AI/Analytics, Test Automation & Engineering, Continuous Delivery, Intelligent Operations) for the Telco and Financial Services industries and Europe and the Middle East geographies. This segment derives its revenues from time and materials consulting projects, turn-key consulting projects and outsourcing and maintenance projects, and may also include a small component of sales.

The Value Portfolio segment includes venture capital activities developed by Novabase Capital and Venture Capital Funds. The Value Portfolio aims at maximizing operating profitability to generate the funds necessary to invest in Next-Gen growth. This segment's revenues derive from the valuation and sale of Venture Capital Fund's investees and advisory services in purchase and sale and M&A processes. This segment also included the IT Staffing activity (Neotalent), whose revenues derived mainly from time and materials projects, considered in discontinued operations in 2023.

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 and the elimination of transactions between companies of the same segment.

The companies considered in each operating segment are presented in note 6. For the purposes of segment reporting, Novabase S.G.P.S., S.A. (company including the Group's top management) is 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:

At 31 December 2024		Value Portfolio	Next-Gen	Novabase
(i)	Total segment revenues	1,286	134,126	135,412
	Sales and services rendered - inter-segment	1,275	(51)	1,224
	Sales and services rendered - external customers	11	134,177	134,188
	Operating Profit	(3,210)	10,640	7,430
	Financial results (notes 32 and 33)	2,596	(1,227)	1,369
	Income tax	(17)	(2,175)	(2,192)
	Profit from continuing operations	(631)	7,238	6,607
	Profit from discontinued operations (note 39)	1,058	-	1,058
Other information:				
	Restructuring costs (note 29)	-	(1,854)	(1,854)
	Depreciation and amortization	(12)	(3,833)	(3,845)
	(Provisions)/Provisions reversal	20	(991)	(971)
	Net impairment losses on trade and other receivables	-	692	692
At 31 December 2023		Value Portfolio	Next-Gen	Novabase
(i)	Total segment revenues	3,777	135,368	139,145
	Sales and services rendered - inter-segment	3,721	2,868	6,589
	Sales and services rendered - external customers	56	132,500	132,556
	Operating Profit	(1,720)	9,181	7,461
	Financial results (notes 32 and 33)	(564)	(651)	(1,215)
	Income tax	569	(3,391)	(2,822)
	Profit from continuing operations	(1,715)	5,139	3,424
	Profit from discontinued operations (note 39)	44,031	-	44,031
Other information:				
	Restructuring costs (note 29)	-	-	-
	Depreciation and amortization	(9)	(3,459)	(3,468)
	(Provisions)/Provisions reversal	(353)	(474)	(827)
	Net impairment losses on trade and other receivables	1	(157)	(156)

(i) Net of intra-segment revenues (in 2024: €10,184k, of which €134k in Value Portfolio and €10,050k in Next-Gen, and in 2023: €10,631k, of which €169k in Value Portfolio and €10,462k in Next-Gen).

Novabase does not disclose information on assets and liabilities for each reportable segment since it does not provide such information to those responsible for operational decision making.

In overseeing the implementation of the strategic plan, the management monitors turnover by region. In 2024, this indicator began to be calculated based on the location of the customer's decision-making centre, a geographic criterion also used in the breakdown of revenue in the presentation to investors. Comparisons have been calculated in accordance with the same criterion.

Sales and services rendered by geography in 2024 and 2023 are analysed as follows:

At 31 December 2024	Value Portfolio	Next-Gen	Novabase	Total %
Sales and services rendered - external customers	11	134,177	134,188	100.0%
Portugal	11	40,995	41,006	30.6%
Europe and Middle East	-	89,024	89,024	66.3%
Rest of the World	-	4,158	4,158	3.1%

At 31 December 2023	Value Portfolio	Next-Gen	Novabase	Total %
Sales and services rendered - external customers	56	132,500	132,556	100.0%
Portugal	56	36,278	36,334	27.4%
Europe and Middle East	-	91,992	91,992	69.4%
Rest of the World	-	4,230	4,230	3.2%

Novabase does not disclose geographic information of non-current assets, since this information is not reported to the management for operational decision-making. For some information on non-current assets in Angola, see note 6 - A. Subsidiaries with material non-controlling interests.

6. Companies included in consolidation

The companies included in the consolidation using the full consolidation method as at 31 December 2024 were as follows:

Holding Company and Subsidiaries	Principal place of business	Share capital 31.12.24	% interest held	
			31.12.24	31.12.23
Parent company:				
Novabase S.G.P.S., S.A.	Portugal	€1,072,866	-	-
Next-Gen:				
Novabase E.A., S.A.	Portugal	€150,000	100.0%	100.0%
Celfocus, S.A.	Portugal	€101,000	90.1%	90.1%
Novabase Solutions Middle East FZ-LLC	UAE	€699,670	100.0%	100.0%
Celfocus LTD	United Kingdom	15,000 GBP	90.1%	90.1%
Celfocus B.V.	Netherlands	€20,000	90.1%	90.1%
Novabase Business Solutions, S.A.	Portugal	€3,365,000	100.0%	100.0%
Binómio, Lda.	Portugal	€2,626	90.1%	90.1%
Celfocus GmbH	Germany	€25,000	90.1%	90.1%
Equipa Frutuosa, S.A.	Portugal	€50,000	76.0%	76.0%
Rota Virtuosa, S.A.	Portugal	€50,000	76.0%	76.0%
Value Portfolio:				
NBASIT-Sist. de Inf. e Telecomunic., S.A. (*)(**)	Angola	47,500,000 AOA	49.4%	49.4%
Novabase Capital S.C.R., S.A.	Portugal	€2,500,000	100.0%	100.0%
(i) FCR NB Capital Inovação e Internacionalização	Portugal	€6,500,000	50.5%	51.8%
(ii) FCR NB Capital +Inovação	Portugal	€1,755,319	53.1%	57.8%
Novabase Consulting S.G.P.S., S.A.	Portugal	€5,233,264	100.0%	100.0%
NOVABASE IMS 2, S.A.	Portugal	€220,500	100.0%	100.0%
(iii) TVLab, S.A.	Portugal	-	-	70.0%
Nbase International Investments B.V.	Netherlands	€1,220,800	100.0%	100.0%

(*) Novabase discontinued activity at this subsidiary at the end of 2023, following the agreement to sell its Neotalent business to Conclusion Group B.V. (note 39).

(**) Despite having a holding of less than 50%, Novabase has more than 50% of this company's voting rights, and thus has control in accordance with that stated in note 2.2; therefore, it is consolidated by the full consolidation method.

In 2024, the following changes occurred in the consolidation perimeter:

- (i) Dilution of the holding in the subsidiary FCR NB Capital Inovação e Internacionalização by 1.34%, following the closing of Provision A of this fund (note 20);
- (ii) Dilution of the holding in the subsidiary FCR NB Capital +Inovação by 4.70%, thanks to this fund's share capital reduction in the amount of the subscribed capital not paid up (note 20);
- (iii) Liquidation of TVLab, S.A. (notes 21, 23 and 30).

A. Subsidiaries with material non-controlling interests

Novabase believes that the main subsidiaries with material non-controlling interests, in accordance with IFRS 12.10, are those presented below. The share capital of these subsidiaries consists solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Subsidiary	Main activity
Celfocus, S.A.	Development, training and commercialization of systems for the telecommunications industry
NBASIT-Sist. de Inf. e Telecomunic., S.A.	Production, commercialization, import and export of goods and IT services and related activities, and information systems
FCR NB Capital Inovação e Internacionalização	Venture capital activity through the financing of investment projects aimed at innovation, modernization and internationalization of small and medium-sized technology-based companies in early development or expanding phases
FCR NB Capital +Inovação	Venture capital activity through the financing of investment projects aimed at innovation, modernization and internationalization of small and medium-sized technology-based companies in early development or expanding phases

Summarized financial information on subsidiaries with material non-controlling interests (amounts before intra-company eliminations):

	Celfocus, S.A.		NBASIT (Angola)		FCR NB Capital II		FCR NB Capital +Inov.	
	31.12.24	31.12.23	31.12.24	31.12.23	31.12.24	31.12.23	31.12.24	31.12.23
<i>Financial position:</i>								
Non-Current Assets	20,955	21,829	-	-	12,857	12,995	579	814
Current Assets	55,720	55,480	1,393	1,375	4,105	4,690	613	5,048
Non-Current Liabilities	(17,061)	(15,050)	-	-	-	-	-	-
Current Liabilities	(47,596)	(54,414)	(2,983)	(3,190)	(40)	(317)	(2)	(2)
Net Assets	12,018	7,845	(1,590)	(1,815)	16,922	17,368	1,190	5,860
Net Assets attrib. to NCI	1,612	818	866	641	8,377	8,364	558	2,471
<i>Results and comprehensive income:</i>								
Sales and Services rendered	135,298	135,130	1,126	1,650	-	-	-	-
Profit for the year	8,011	7,411	145	(1,160)	1,260	(309)	25	13
Total compr. income for the year	8,011	7,411	145	(1,160)	1,260	(309)	25	13
Compr. income attrib. to NCI	794	213	234	265	623	(151)	7	6
<i>Cash flows:</i>								
Cash and cash equiv. at 1 Jan.	10,003	2,589	1,130	1,163	4,656	4,795	353	366
Cash and cash equiv. at 31 Dec.	485	10,003	1,178	1,130	4,004	4,656	611	353
Change in cash and cash equiv.	(9,518)	7,414	48	(33)	(652)	(139)	258	(13)
Dividends paid to NCI (note 21)	-	-	-	-	-	-	-	-

7. Property, plant and equipment

	31.12.24			31.12.23		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net book value
Buildings and other constr.	33,390	25,815	7,575	34,201	25,151	9,050
Basic equipment	9,261	7,812	1,449	8,527	7,349	1,178
Transport equipment	3,473	1,476	1,997	3,636	1,193	2,443
Furniture, fittings and equip.	1,444	1,328	116	1,448	1,338	110
Other tangible assets	12	12	-	12	12	-
	47,580	36,443	11,137	47,824	35,043	12,781

Movements in the item property, plant and equipment in 2024, for the Group, had the following breakdown:

	Balance at 01.01.24	Acquisitions /charges	Impairment /write-offs	Transfers	Exchange differences	Change in consolidation perimeter	Balance at 31.12.24
Cost:							
Buildings and other constr.	34,201	625	(1,450)	14	-	-	33,390
Basic equipment	8,527	878	(144)	-	-	-	9,261
Transport equipment	3,636	1,013	(1,176)	-	-	-	3,473
Furniture, fittings and equip.	1,448	37	(41)	-	-	-	1,444
Other tangible assets	12	-	-	-	-	-	12
	<u>47,824</u>	<u>2,553</u>	<u>(2,811)</u>	<u>14</u>	<u>-</u>	<u>-</u>	<u>47,580</u>
Accumulated depreciation:							
Buildings and other constr.	25,151	2,114	(1,450)	-	-	-	25,815
Basic equipment	7,349	586	(123)	-	-	-	7,812
Transport equipment	1,193	963	(680)	-	-	-	1,476
Furniture, fittings and equip.	1,338	41	(51)	-	-	-	1,328
Other tangible assets	12	-	-	-	-	-	12
	<u>35,043</u>	<u>3,704</u>	<u>(2,304)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,443</u>

Movements in the item property, plant and equipment in 2023, for the Group, had the following breakdown:

	Balance at 01.01.23	Acquisitions /charges	Impairment /write-offs	Discontinued operations	Exchange differences	Change in consolidation perimeter	Balance at 31.12.23
Cost:							
Buildings and other constr.	27,792	8,827	(1,540)	-	-	(878)	34,201
Basic equipment	8,603	425	(467)	(12)	(9)	(13)	8,527
Transport equipment	1,862	2,228	(379)	(44)	(31)	-	3,636
Furniture, fittings and equip.	1,823	9	(113)	(3)	(1)	(267)	1,448
Other tangible assets	12	-	-	-	-	-	12
	<u>40,092</u>	<u>11,489</u>	<u>(2,499)</u>	<u>(59)</u>	<u>(41)</u>	<u>(1,158)</u>	<u>47,824</u>
Accumulated depreciation:							
Buildings and other constr.	25,070	2,305	(1,540)	-	-	(684)	25,151
Basic equipment	7,196	645	(462)	(12)	(9)	(9)	7,349
Transport equipment	1,043	599	(374)	(44)	(31)	-	1,193
Furniture, fittings and equip.	1,600	66	(91)	(3)	1	(235)	1,338
Other tangible assets	12	-	-	-	-	-	12
	<u>34,921</u>	<u>3,615</u>	<u>(2,467)</u>	<u>(59)</u>	<u>(39)</u>	<u>(928)</u>	<u>35,043</u>

Acquisitions of property, plant and equipment in 2024 primarily refer to right-of-use assets of 'Buildings and other constructions' and 'Transport equipment', which also justify the largest share of write-offs (see detail below), but also to 'Basic equipment' for the operations, mainly comprised of laptops.

In 2023, 'Change in consolidation perimeter' reflects the effect of the subsidiary Novabase Neotalent, S.A. disposal, and 'Discontinued Operations' column, the assets of the Angolan subsidiary (see note 39).

In 2024, no events or circumstances that indicated that the carrying amount of property, plant and equipment exceeded its recoverable amount were identified. Consequently, no impairment tests have been performed.

Depreciation recognized in profit or loss and included in 'Depreciation and amortization' amounts to €3,704k (2023: €3,449k), and included in 'Profit from discontinued operations' is null (2023: €166k).

Right-of-use assets included in 'Property, plant and equipment', by class of assets, are as follows:

	31.12.24			31.12.23		
	Buildings and other constr.	Transport equipment	Total	Buildings and other constr.	Transport equipment	Total
Cost	30,219	3,473	33,692	31,158	3,636	34,794
Accumulated depreciation	(22,856)	(1,476)	(24,332)	(22,211)	(1,193)	(23,404)
	<u>7,363</u>	<u>1,997</u>	<u>9,360</u>	<u>8,947</u>	<u>2,443</u>	<u>11,390</u>

Movements in right-of-use assets were as follows:

	31.12.24			31.12.23		
	Buildings and other constr.	Transport equipment	Total	Buildings and other constr.	Transport equipment	Total
Balance at 1 January	8,947	2,443	11,390	2,434	819	3,253
Change in consolidation perimeter	-	-	-	(167)	-	(167)
Acquisitions/increases	511	1,013	1,524	8,827	2,228	11,055
Write-offs	-	(496)	(496)	-	(5)	(5)
Depreciation charge (i)	(2,095)	(963)	(3,058)	(2,147)	(599)	(2,746)
Balance at 31 December	7,363	1,997	9,360	8,947	2,443	11,390

(i) Included in 'Depreciation and amortization' (note 31) and in 'Discontinued operations' (note 39).

Acquisitions of right-of-use assets of 'Buildings and other constructions' include (i) the extended term of two existing lease agreements renegotiated during the year in the amount of €433k, (ii) the accounting of a new lease agreement with an estimated duration of 36 months in the amount of €57k, and (iii) the remeasurement of existing contracts, dependent on an index or rate, in the amount of €21k. There were also write-offs relating to a Lisbon office lease agreement expired, in the gross value and accumulated depreciation of the same amount, worth €1,450k.

Acquisitions of right-of-use assets of 'Transport equipment' are part of the usual renewal of the Group's fleet, while write-offs also include the effect of assignments of the contractual position of vehicles to the domain of the company Neotalent, disposed of at the end of 2023.

Information on the movements that occurred during the year in lease liabilities related to these right-of-use assets, namely, interest expense and lease payments, can be found in note 22.

For short-term leases considered in the exemption from recognition provided for in IFRS 16, the Group recognized this year the amount of €119k (2023: €162k) under the heading 'External supplies and services'.

8. Intangible assets

	31.12.24			31.12.23		
	Cost	Accumulated amortization	Net book value	Cost	Accumulated amortization	Net book value
Internally generated intang. assets	3,565	2,795	770	3,463	2,662	801
Industrial property and other rights	423	390	33	382	382	-
Intangible assets in progress	1,684	-	1,684	348	-	348
Goodwill	8,115	-	8,115	8,115	-	8,115
	13,787	3,185	10,602	12,308	3,044	9,264

During 2024, movements in intangible assets for the Group were as follows:

	Balance at 01.01.24	Acquisitions /charges	Impairment /write-offs	Transfers	Change in consolidation perimeter	Balance at 31.12.24
Cost:						
Internally generated intang. assets	3,463	102	-	-	-	3,565
Industrial property and other rights	382	41	-	-	-	423
Intangible assets in progress	348	1,350	-	(14)	-	1,684
Goodwill	8,115	-	-	-	-	8,115
	12,308	1,493	-	(14)	-	13,787
Accumulated amortization:						
Internally generated intang. assets	2,662	133	-	-	-	2,795
Industrial property and other rights	382	8	-	-	-	390
	3,044	141	-	-	-	3,185

During 2023, movements in intangible assets for the Group were as follows:

	Balance at 01.01.23	Acquisitions /charges	Impairment /write-offs	Transfers	Change in consolidation perimeter	Balance at 31.12.23
Cost:						
Internally generated intang. assets	2,961	-	(43)	801	(256)	3,463
Industrial property and other rights	388	-	(6)	-	-	382
Intangible assets in progress	231	918	-	(801)	-	348
Goodwill	11,501	-	-	-	(3,386)	8,115
	<u>15,081</u>	<u>918</u>	<u>(49)</u>	<u>-</u>	<u>(3,642)</u>	<u>12,308</u>
Accumulated amortization:						
Internally generated intang. assets	2,777	62	(43)	-	(134)	2,662
Industrial property and other rights	369	19	(6)	-	-	382
	<u>3,146</u>	<u>81</u>	<u>(49)</u>	<u>-</u>	<u>(134)</u>	<u>3,044</u>

In 2023, 'Change in Consolidation Perimeter' reflects the effect of the subsidiary Novabase Neotalent, S.A. disposal (see note 39).

Amortization recognized in profit or loss and included in 'Depreciation and amortization' amounts to €141k (2023: €19k), and included in 'Profit from discontinued operations' is null (2023: €62k).

The captions 'Internally generated intangible assets' and 'Intangible assets in progress' include costs incurred in software development projects.

The amount with research and development recognized as a cost, related to the main research projects, reached approximately €2.5m (2023: €2.5m), and essentially refers to man-hours with employees allocated to projects recorded in 'Employee benefit expense'.

Movements in gross goodwill were as follows:

	31.12.24	31.12.23
Balance at 1 January	8,115	11,501
Discontinued operations Neotalent (Value Portfolio)	-	(3,386)
Balance at 31 December	<u>8,115</u>	<u>8,115</u>

Movements in goodwill impairment were as follows:

	31.12.24	31.12.23
Balance at 1 January	-	-
Impairment losses	-	-
Balance at 31 December	<u>-</u>	<u>-</u>

At the end of 2023, the goodwill associated with Neotalent CGU was written-off as a result of the sale of the Neotalent business.

Impairment tests for goodwill

Goodwill is allocated to the Group's Cash Generating Units (CGUs), identified according to how Novabase monitors its operations and makes its decisions on the continuation or disposal of its assets and operations, as follows:

	31.12.24	31.12.23
Next-Gen	8,115	8,115
	<u>8,115</u>	<u>8,115</u>

The impairment tests for goodwill were performed based on the discounted cash flow method, using a 5-year business plan forecasted by Management, with the following key assumptions:

Next-Gen	31.12.24	31.12.23
Discount rate (post-tax)	9.9%	10.6%
Perpetuity growth rate	2.0%	2.0%
Average annual growth rate of turnover	5.0%	7.3%

Management has determined each of the above key assumptions as follows:

- Discount rate (post-tax) - Based on the weighted average cost of capital ("WACC") and considering a tax rate of 20% (2023: 22.5%), reflects the best estimate of specific risks relating to the relevant industry in which it operates.
- Perpetuity growth rate - This is the weighted average growth rate used to extrapolate cash flows beyond the business plan, being consistent with forecasts included in industry reports.
- Average annual growth rate of turnover - Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.

The application of the previously described method generates a recoverable amount (determined by value in use) of assets exceeding its carrying amount, therefore it is concluded that there is no need for an impairment charge to the goodwill allocated to the Cash Generating Unit. A possible increase or decrease of one percentage point in the WACC would not result in an Equity Value of the Next-Gen CGU, in any of the situations, lower than the carrying amount of assets.

9. Financial assets at fair value through profit or loss

	% Interest held directly		Amount	
	31.12.24	31.12.23	31.12.24	31.12.23
(i) Feedzai, S.A.	1.4%	1.4%	12,178	11,778
(ii) Globaleda, S.A.	25.1%	25.1%	497	522
(iii) Aixel Technologies, S.A.	5.3%	5.7%	512	498
(iv) Probely, S.A.	-	2.0%	-	159
(v) Bright Innovation, Lda.	90.0%	90.0%	-	-
(vi) Powergrid, Lda.	-	88.9%	-	-
(vii) Radical Innovation, Lda.	-	80.0%	-	2
(viii) Glarevision, S.A.	10.5%	10.5%	217	281
(ix) Habit Analytics PT, Lda.	4.0%	6.0%	-	31
(x) Other			596	608
			<u>14,000</u>	<u>13,879</u>

(i) Company, held by FCR NB Capital Inovação e Internacionalização, focused on the development of solutions for processing large volumes of data in real time, which applies advanced machine learning and artificial intelligence models to combat fraud in financial services and e-commerce.

(ii) Held by Novabase Business Solutions S.A., this is a technology-based company in the area of information systems and telecommunications engineering. Despite holding more than 20% of Globaleda's shares, Novabase does not have significant influence on this company, understood as the power to participate in the financial and operating policy decisions of the investee, namely it has no representation on the Board of Directors nor participation in the policy-making process nor transactions with the investee.

(iii) Company held by the funds FCR NB Capital Inovação e Internacionalização and FCR NB Capital +Inovação, which developed FIBERCLOUD, a network management platform for the global market.

(iv) Company, focused on the area of cybersecurity, disposed of in 2024. It was held by FCR NB Capital +Inovação.

(v) Company specialized in incubate projects in the area of Information and Communication Technologies (ICT) and provide integrated services in the administrative and financial areas, training and assistance for ICT SME applications, supported by a multi-channel platform. This company is held by FCR NB Capital Inovação e Internacionalização.

(vi) Company focused on the development of an application platform for Smart Grids, dissolved in 2024. It was held by FCR NB Capital Inovação e Internacionalização.

(vii) Company dissolved in 2024. It was held by the fund FCR NB Capital Inovação e Internacionalização and by Novabase Capital S.C.R., S.A., and specialized in the incubation of projects in the area of ICT and the provision of integrated services in the administrative and financial areas, training and assistance for applications, aimed at ICT SMEs of the Lisbon Region.

(viii) Company, held by FCR NB Capital +Inovação, focused on developing solutions based on augmented reality for industrial maintenance.

(ix) Company, held by FCR NB Capital +Inovação and by Novabase Capital S.C.R., S.A., focused on developing a real-time data intelligence platform (Internet of Things).

(x) In 2024 and 2023, the amount is fully related to FCT - Labour Compensation Fund.

Novabase does not have control of the companies held by the funds FCR NB Capital Inovação e Internacionalização and FCR NB Capital +Inovação and by Novabase Capital S.C.R., S.A., understood as the power to manage the relevant activities of an entity, being exposed to the risks of variation of the return obtained and having the capacity to affect those returns through its power over the entity, therefore they were not considered subsidiaries or associates.

Movements in this heading were as follows:

	31.12.24	31.12.23
Balance at 1 January	13,879	13,961
Acquisitions/share capital increase	-	208
Disposals/share capital decrease	(159)	(436)
Net fair value adjustments (notes 32 and 33)	280	279
Change in consolidation perimeter (note 39)	-	(133)
Balance at 31 December	14,000	13,879

In 2024, there were no reimbursements from the FCT - Labour Compensation Fund (in 2023 they totalled €40k, included in disposals). Additional information on acquisitions and disposals of Level 3 instruments can be found in note 40.

The net fair value adjustments recognized in profit or loss of Level 1 instruments amounted to €12k, while the net fair value adjustments of Level 3 instruments amounted to €292k (see note 40).

Note 40 provides information on the fair value hierarchy of these financial assets, valuation techniques, unobservable inputs and sensitivity analysis, and valuation processes.

10. Deferred tax assets

Deferred taxes are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred tax assets and liabilities relate to the same tax authority. At 31 December 2024, the deferred tax liability offset amounts to €1,344k (31.12.23: €869k), and refers essentially to non-taxable adjustments arising from the application of the fair value to the Funds' participated companies.

The gross movement in deferred tax assets was as follows:

	31.12.24	31.12.23
Balance at 1 January	6,945	8,826
Profit or loss charge	(563)	(1,445)
Other comprehensive income charge	-	(314)
Directly to equity charge	424	-
Change in consolidation perimeter	-	(122)
Balance at 31 December	6,806	6,945

The amount recognized in profit or loss and included in 'Income tax expense' is -€563k (2023: -€701k), and included in 'Profit from discontinued operations' is null (2023: -€744k).

The amount recognized directly in equity, totalling €424k in 2024, refers to the tax related to deductible temporary differences from the Stock options plan - equity-settlement.

For the Group, the movement in deferred tax assets during the year, after the offsetting of balances within the same tax jurisdiction, is as follows:

	Tax Credits	Tax Losses /Other	Stock options	Provisions /Adjustments	Total
At 1 January 2023	9,156	-	-	(330)	8,826
Charged to Profit or Loss	(2,768)	1,300	-	23	(1,445)
Charged to Other Comprehensive Income	-	(314)	-	-	(314)
Charged directly to Equity	-	-	-	-	-
Change in consolidation perimeter	(41)	-	-	(81)	(122)
At 31 December 2023	6,347	986	-	(388)	6,945
Charged to Profit or Loss	(1,992)	680	307	442	(563)
Charged to Other Comprehensive Income	-	-	-	-	-
Charged directly to Equity	-	-	424	-	424
Change in consolidation perimeter	-	-	-	-	-
At 31 December 2024	4,355	1,666	731	54	6,806

Deferred tax assets related to tax credits result from projects of research and development submitted under the SIFIDE incentive scheme.

Profit or loss charge of Tax Credits in 2024 include the following effects:

- (i) use of -€2,418k in 2024 CIT return (Form 22);
- (ii) recognition of +€795k in reference to the year 2024, which are under approval;
- (iii) derecognition of the DTA associated with SIFIDE that expires in 2026, in the amount of -€606k, by reassessment of recoverability;
- (iv) correction to 2021 SIFIDE estimate, in the amount of +€310k, according to the ANI's approvals in 2024; and
- (v) use of -€73k as a result of corrections by the tax authority to 2020 Tax Return.

The expiry date of the deferred tax assets can be analysed as follows:

	Tax Credits	Tax Losses /Other	Stock options	Provisions /Adjustments	Total
Between 2 and 3 years	285	-	-	-	285
Between 3 and 4 years	200	-	-	-	200
Between 4 and 5 years	509	-	-	-	509
Between 5 and 6 years	1,915	-	-	-	1,915
Over 6 years	1,446	-	-	-	1,446
With no defined date	-	1,666	731	54	2,451
	<u>4,355</u>	<u>1,666</u>	<u>731</u>	<u>54</u>	<u>6,806</u>

11. Other non-current assets

	31.12.24	31.12.23
Loans to related parties (note 38 iii))	1,477	3,527
Receivables from financed projects (note 26)	-	917
Provision for impairment of loans to related parties (note 38 iii))	(948)	(2,978)
	<u>529</u>	<u>1,466</u>

The change in 'Other non-current assets' primarily involves the classification of balances receivable from subsidies as current on 31 December 2024 (note 13). In addition, the decrease in loans to related parties and impairment of loans is related to the liquidation of Powergrid, Lda. in this period (note 38 iii)).

The fair value of this heading approximates its carrying amount.

Movements in the provision for impairment of loans to related parties are analysed as follows:

	31.12.24	31.12.23
Balance at 1 January	2,978	4,262
Impairment (note 33)	20	430
Impairment reversal (note 32)	(735)	-
Transfers	-	(472)
Charge-off/write-offs	(1,315)	(1,242)
Balance at 31 December	<u>948</u>	<u>2,978</u>

12. Financial instruments by category

At 31 December 2024	Financial assets at amortized cost	Assets /liabilities at fair value through P&L	Financial liabilities at amortized cost	Non-financial assets /liabilities	Total
Assets					
Financial assets at fair value through profit or loss	-	14,000	-	-	14,000
Other non-current assets	529	-	-	-	529
Trade and other receivables	44,076	-	-	1,604	45,680
Accrued income	64	-	-	3,267	3,331
Derivative financial instruments	-	75	-	-	75
Other current assets	-	-	-	2,987	2,987
Cash and cash equivalents	62,747	-	-	-	62,747
	<u>107,416</u>	<u>14,075</u>	<u>-</u>	<u>7,858</u>	<u>129,349</u>
Liabilities					
Borrowings	-	-	20,271	-	20,271
Other non-current liabilities	-	-	826	2,749	3,575
Trade and other payables	-	-	28,713	-	28,713
Derivative financial instruments	-	688	-	-	688
Deferred income and other current liabilities	-	-	-	17,217	17,217
	<u>-</u>	<u>688</u>	<u>49,810</u>	<u>19,966</u>	<u>70,464</u>

At 31 December 2023	Financial assets at amortized cost	Assets /liabilities at fair value through P&L	Financial liabilities at amortized cost	Non-financial assets /liabilities	Total
Assets					
Financial assets at fair value through profit or loss	-	13,879	-	-	13,879
Other non-current assets	1,466	-	-	-	1,466
Trade and other receivables	38,477	-	-	3,350	41,827
Accrued income	247	-	-	3,267	3,514
Derivative financial instruments	-	246	-	-	246
Other current assets	-	-	-	3,388	3,388
Cash and cash equivalents	80,314	-	-	-	80,314
	<u>120,504</u>	<u>14,125</u>	<u>-</u>	<u>10,005</u>	<u>144,634</u>
Liabilities					
Borrowings	-	-	27,819	-	27,819
Other non-current liabilities	-	-	-	2,749	2,749
Trade and other payables	-	-	32,413	-	32,413
Derivative financial instruments	-	112	-	-	112
Deferred income and other current liabilities	-	-	-	20,972	20,972
	<u>-</u>	<u>112</u>	<u>60,232</u>	<u>23,721</u>	<u>84,065</u>

13. Trade and other receivables

	31.12.24	31.12.23
Trade receivables	42,820	37,339
Impairment allowance for trade receivables	(310)	(780)
	<u>42,510</u>	<u>36,559</u>
Capital subscribers of FCR NB Capital +Inovação (note 20)	-	1,898
Value added tax	1,041	1,418
Receivables from financed projects (note 26)	1,740	1,965
Loans to related parties (note 38 iii))	-	994
Receivables from the liquidation of partic. companies (note 38 iii) and 40 B.)	81	11
Advances on account of financial holdings disposal (note 43)	238	-
Prepayments to suppliers	311	13
Employees	14	21
Other receivables	288	185
Impairment allowance for other receivables	(543)	(765)
Provision for impairment of loans to related parties (note 38 iii))	-	(472)
	<u>3,170</u>	<u>5,268</u>
	<u>45,680</u>	<u>41,827</u>

The change in 'Prepayments to suppliers' is primarily due to advances made to foreign suppliers on account of a future subsidiary in Egypt (in the process of incorporation).

The fair value of this heading approximates its carrying amount.

The carrying amount of this heading plus the balance of 'Accrued income' (see note 14) represents the maximum exposure to credit risk.

The exposure to credit risk and ECLs for the Group's trade receivables as at 31 December 2024 and 2023 is analysed as follows:

At 31 December 2024	Weighted-average loss rate	Gross carrying amount	Loss allowance	Asset in default
Current	0.18%	29,466	21	No
1-180 days past due	1.00%	12,857	27	No
181-360 days past due	12.57%	189	23	No
More than 360 days past due	81.63%	308	239	Yes
		<u>42,820</u>	<u>310</u>	

At 31 December 2023	Weighted-average loss rate	Gross carrying amount	Loss allowance	Asset in default
Current	0.12%	25,645	30	No
1-180 days past due	0.28%	10,612	23	No
181-360 days past due	64.82%	807	517	No
More than 360 days past due	77.39%	275	210	Yes
		37,339	780	

Details on the Group's customer concentration/dependency as well as the distribution of the customers with higher balances by geographical market and business sector can be found in note 3 c).

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

	Trade receivables		Other receivables		Total	
	31.12.24	31.12.23	31.12.24	31.12.23	31.12.24	31.12.23
Balance at 1 January	780	794	765	1,038	1,545	1,832
Impairment	101	610	-	-	101	610
Impairment reversal	(571)	(224)	(222)	(273)	(793)	(497)
Exchange differences	-	(92)	-	-	-	(92)
Write-offs	-	(23)	-	-	-	(23)
Change in consolidation perimeter	-	(166)	-	-	-	(166)
Discontinued operations	-	(119)	-	-	-	(119)
Balance at 31 December	310	780	543	765	853	1,545

Impairment and impairment reversal for trade and other receivables recognized in profit or loss and included in 'Net impairment losses on trade and other receivables' is -€692k (2023: -€156k), and included in 'Profit from discontinued operations' is null (2023: €43k).

14. Accrued income

	31.12.24	31.12.23
Ongoing projects	3,267	3,267
Other accrued income	64	247
	3,331	3,514

The balances with ongoing projects, or contract assets, refer to differences between the progress of projects and contractual invoicing times. This framework is typical of this industry.

15. Income tax receivable and payable

Since 1 January 2009, Novabase is being taxed under the Special Taxation Regime for Groups of Companies (Group taxation relief). For taxation purposes, this group includes companies held in 75% or more by Novabase S.G.P.S. which comply with the further requirements under article 69 and following of the Corporate Income Tax Code.

The re-entry of Celfocus, S.A. and Binómio, Lda. (both temporarily excluded in 2023 following the Celfocus equity partnership) into the Novabase tax group is planned for 2025 (see note 20).

The remaining subsidiaries, not contemplated by this mechanism, are taxed individually, based on their taxable profits and the tax rates applicable (see note 34).

	Assets		Liabilities	
	31.12.24	31.12.23	31.12.24	31.12.23
Payments on account	2,295	1,111	-	-
Special payment on account	335	335	-	-
Estimated tax (note 34)	(1,547)	(30)	25	1,864
Tax payable	-	-	(19)	(20)
Reimbursement requests	79	79	-	-
Third-party withholding	1,947	175	-	(1,389)
	3,109	1,670	6	455

16. Derivative financial instruments

The fair value of derivative financial instruments can be analysed as follows:

	Assets		Liabilities	
	31.12.24	31.12.23	31.12.24	31.12.23
Forward foreign exchange contracts	75	246	688	112
	<u>75</u>	<u>246</u>	<u>688</u>	<u>112</u>

The Group is exposed to foreign exchange risk, primarily with respect to the U.S. Dollar, since some of its subsidiaries perform transactions in this currency. Novabase's exposure to foreign exchange risk also arises from its presence in several markets, namely in the UK and in Angola, although the exposure to these geographies is low.

The financial instruments used to mitigate this exposure are foreign exchange forwards, and they are contracted on the net exposure to currencies, according to the terms of receipts and payments agreed with third parties, in order to set the exchange rate associated with these operations. The nature of the hedged risk is the exchange variation recorded in foreign currency denominated transactions.

The fair value is classified as a non-current asset or liability if the remaining maturity is greater than 12 months and as current asset or liability if the remaining maturity is less than 12 months. In 2024, derivative financial instruments were classified as current assets and liabilities. Although contracted with the purpose of economic hedge in accordance with the Group's risk management policies, changes in the fair value of these derivatives were recognized in profit or loss (see note 2.21 (1)). Note 40 provides information on the fair value hierarchy of these financial assets and liabilities.

At 31 December 2024, the Group had forward foreign exchange contracts to sell U.S. Dollar with the notional amount of \$15,961,706 (31.12.23: \$19,248,760) and forward foreign exchange contracts to buy U.S. Dollar with the notional amount of \$4,445,916 (31.12.23: 4,706,048 USD). Also, the Group had forward foreign exchange contracts to sell British Pound with the notional amount of £942,439 (31.12.23: £829,059) and forward foreign exchange contracts to buy British Pound with the notional amount of £120,000 (31.12.23: 142,708 GBP).

17. Other current assets

The amounts recorded regarding prepayments of contracted services are as follows:

	31.12.24	31.12.23
Consulting	1,584	2,414
Software licences	429	172
Insurances	560	374
Software maintenance	27	197
Other specialized services	337	213
Rents	50	18
	<u>2,987</u>	<u>3,388</u>

In order to ensure the proper balancing of the services provided by third parties, expenses were deferred and will be recognized in profit or loss in the next period.

18. Cash and cash equivalents

	31.12.24	31.12.23
Cash	16	11
Short-term bank deposits	62,735	80,309
Impairment of deposits and financial investments	(4)	(6)
Cash and cash equivalents by Statement of Financial Position	<u>62,747</u>	<u>80,314</u>
Cash and cash equivalents included in Assets from discontinued operations	1,178	1,130
Less: Impairment of deposits and financial investments	4	6
Cash and cash equivalents by Statement of Cash Flows	<u>63,929</u>	<u>81,450</u>

The change in the balance of 'Cash and cash equivalents' essentially reflects the payment of dividends and reserves net of the cash inflow from the capital increase done by shareholders who opted for the dividend in kind, in the amount of -€8,325k (notes 19 and 20), and a significant investment in working capital, as shown on the balance sheet.

91% of the balance of cash and cash equivalents (net of impairment losses) refers to fully owned Novabase subsidiaries. Of the remainder, 9% is related to subsidiaries based outside Portugal.

At 31 December 2024 and 2023, no restrictions existed as to the use of the amounts recorded in 'Cash and cash equivalents'.

The ratings attributed to the financial institutions with whom the Group has higher balances of bank deposits are detailed in note 3 c).

The fair value of this heading approximates its carrying amount.

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

	31.12.24	31.12.23
Balance at 1 January	6	3
Impairment	3	6
Impairment reversal	(5)	(3)
Balance at 31 December	4	6

The impairment and impairment reversal for bank deposits and financial investments recognized in financial results is €2k (2023: -€6k), and included in 'Profit from discontinued operations' is null (2023: €3k).

19. Share Capital, share premium and treasury shares and stock options

The share capital as at 31 December 2024, fully subscribed and paid in the amount of €1,072,866.06 (31.12.23: €795,829.11), is represented by 35,762,202 shares with a nominal value of €0.03 each (31.12.23: 26,527,637 shares of €0.03).

At 31 December 2024, 84.23% of Novabase's share capital (30,121,952 shares) is held by shareholders with qualifying stakes. The list of shareholders with qualifying stakes can be found in the annexes to the management report, included in the Management Report, which is an integral part of the Annual Financial Report.

	No. Shares (thousands)	Share capital	Treasury shares	Share premium	Total
At 1 January 2023	31,401	32,971	(2,150)	226	31,047
Share capital reduction	(4,873)	(32,175)	2,253	-	(29,922)
Treasury shares purchased	-	-	(126)	-	(126)
Treasury shares transferred	-	-	3	-	3
At 31 December 2023	26,528	796	(20)	226	1,002
Share capital increase	9,234	277	-	37,704	37,981
Treasury shares purchased	-	-	-	-	-
Treasury shares transferred	-	-	-	-	-
At 31 December 2024	35,762	1,073	(20)	37,930	38,983

In compliance with resolutions taken by the General Meeting of Shareholders of 22 May 2024, a share capital increase was carried out through cash payments made by Novabase shareholders who opted for the dividend/remuneration in kind (see note 20).

The amount of the above-mentioned capital increase was €37,980,842.39, corresponding to the issuance of 9,234,565 new shares ("New Shares"), subscribed to by shareholders representing around 80% of share capital with entitlement to the dividend. As such, Novabase's share capital totalled €1,072,866.06 (31.12.23: €795,829.11), represented by 35,762,202 ordinary and registered shares (31.12.23: 26,527,637), with a nominal value of €0.03 each.

New Shares are fungible with other shares, and grant shareholders the same rights as shares existing prior to the capital increase in question. They were listed on the Euronext Lisbon regulated market as of 28 June 2024 (inclusive).

In keeping with prevailing legislation and deliberated in the General Meeting of Shareholders of 22 May 2024, the acquisition of treasury shares by Novabase SGPS is permitted up to a maximum of 10% of its share capital.

At 31 December 2023, Novabase held 658,461 treasury shares, representing 2.48% of its share capital, all of them held through Novabase Consulting S.G.P.S., S.A.

Following resolutions made by the Novabase Remuneration Committee regarding the attribution of stock options under the Stock Options Plan (see next section), and by the Board of Directors dated 19 December 2024, Novabase commenced trading, on 20 December, under the treasury shares buy-back program ("Buy-back Program"), pursuant to and in accordance with the limits of the decision approved by the Novabase General Meeting of Shareholders dated 22 May 2024.

The maximum number of shares to be acquired under this Buy-back Program is 460,000, corresponding to the estimated number of shares needed to settle the options attributed, and the maximum monetary amount of up to €3,000,000. The Buy-back Program will last until 31 December 2026, or potentially sooner if the maximum number of shares or maximum monetary amount are reached.

Under this program in 2024, Novabase acquired 460 treasury shares at an average net price of €5.82.

At 31 December 2024, Novabase held 658,921 treasury shares in its portfolio, representing 1.84% of its share capital. From this total 658,461 shares, representing 1.84% of the share capital, are held through Novabase Consulting S.G.P.S., S.A.

Share premiums resulted from gains obtained with share capital increases. According to the current legislation, the amounts included under this heading can be used only to increase share capital or to absorb losses carried forward (no need for prior use of other reserves), but it cannot be used for attribution of dividends or purchase of treasury shares.

Stock options

At 31 December 2024, a Stock Options Plan Regulation ("Regulation") is in effect, approved at the General Meeting of Shareholders held on 26 September 2019. This Regulation sets out the general terms and conditions under which options over ordinary shares of the Company may be attributed to the Board of Directors and Novabase employees.

The assigned options have as sole condition of acquisition, the employee's permanence on the dates defined in the terms of the plan, and automatically expire whenever the employee ceases to be at the service of any of the Group companies due to dismissal promoted by Novabase with the allegation of just cause, or in the event of termination of employment at the employee's initiative.

The options exercised are settled as follows: i) 50% through the attribution of Novabase shares ('net share settlement') held by the Company, and ii) the remaining 50% through the attribution of Novabase shares ('net share settlement') or, alternatively, in cash ('net cash settlement'), by choice of the participant. The same Regulation also establishes that the maturity date of the options corresponds to the 2nd anniversary counting from the grant's date (without prejudice of the participant choice to exercise on the 1st anniversary), and that the retention period (period during which the shares corresponding to the exercised options will be retained by Novabase) corresponds to three years counting from the exercise date, with ownership of the shares being transferred to the participant once such period has elapsed and conditioned to the positive performance of Novabase during the same period.

Lastly, we would like to point out that, in accordance with the Regulations, shares retained remain subject to adjustments for events occurring during the retention period, namely the payment of dividends, with participants paid an amount equivalent to cumulative unit payments per share made to shareholders during the period in question, together with the handover of the shares.

Movements in the number of share options outstanding are as follows:

	31.12.24		31.12.23	
	Average exercise price per share	Options (thousands)	Average exercise price per share	Options (thousands)
Balance at 1 January		600		1,050
Granted	(0.749)	318	1.385	600
Exercised	5.604	(600)	4.813	(1,050)
Balance at 31 December		318		600

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Expiry date	Exercise price (*)	Options (thousands)	
		31.12.24	31.12.23
2025	1.385	-	600
2026	(0.749)	318	-
		318	600

In 2024, 318 thousand options were granted, with a total estimated value of the plan of €1,915k.

The fair value of options granted during the period using the Monte Carlo model was €5.8852. The significant inputs into the model were the following:

- (i) Spot: €5.20
- (ii) Exercise price (*): -€0.7494
- (iii) Volatility: 11.194% - obtained using a sample mean of a series of historical volatilities based on 180 daily closing prices
- (iv) Options' time-to-maturity: 1.935 years
- (v) Risk-free interest rate: 3.1730% (2 years)

(*) Corresponds to the strike price under the terms of the September 2019 Regulation of €2.295 per share, adjusted by the shareholder remuneration distributed in the period discounting treasury shares.

According to the Regulation, the share options exercise price is adjusted by dividends' distribution, therefore the options may be evaluated based on the exercise price already set and assuming a dividend yield null.

Also in 2024, 600 thousand options were exercised, resulting in the payment of €1,906k and in the allotment of 340,123 ordinary Novabase shares. In total, 761,986 shares have been attributed by Novabase (2023: 421,863 shares), following the options on Novabase shares exercised.

In 2024, the Group recognized in the statement of profit or loss, under 'Employee benefit expense' heading, a cost in the amount of €2,788k (see note 28), against stock options reserves in the amount of €876k (see note 20), an increase in liabilities of €6k (see note 25) and a cash outflow of €1,906k as referred above (see note 38 i)).

20. Reserves and retained earnings

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

	31.12.24	31.12.23
Balance at 1 January	27,449	16,436
Profit for the previous year	47,058	8,917
(*) Share capital reduction (note 19)	-	29,922
Payment of dividends/shareholder remuneration	(46,306)	(10,827)
Exchange differences on foreign operations	(15)	(465)
(**) Purchase and sale of treasury shares (note 19)	(3)	(17,207)
(***) Share-based payments (note 19)	545	1,306
Share-based payments - stock options exercise (note 19)	-	(3)
Transactions with non-controlling interests	(190)	(630)
Balance at 31 December	28,538	27,449

(*) In 2023, there was a reduction to the nominal value of the 31,401,394 shares representing the share capital at that time (from €1.05 to €0.03 per share) aimed at freeing up reserves for the Tender Offer on Novabase treasury shares launched on 16 February.

(**) In 2023, corresponds essentially to the premium for the acquisition cost of the treasury shares acquired under the Tender Offer.

(***) In 2024 includes: i) €876k for the cost of the share options plan; ii) -€755k for the adjustment of dividends on shares retained; and €424k in active deferred taxes related to items recognized directly in equity.

The General Meeting of Shareholders held on 22 May 2024 approved the payment of a dividend per share of €1.41 in relation to the total number of shares issued (see note 36). It was also approved the payment to shareholders of €10,081k, by way of distribution of free reserves. Thus, the global amount of the distribution to shareholders reached €47,485k, corresponding to €1.79 per share. The payment, made in June 2024, totalled €46,306k, with the difference between distribution and payment corresponding to the remuneration of treasury shares held by the Company, which remained in Novabase.

According to the legislation in force, Portuguese based companies that integrate Novabase Group are required to transfer a minimum of 5% of annual net profit to legal reserves until this balance reaches at least 20% of the share capital. This reserve cannot be distributed to shareholders, although it may be used to absorb losses carried forward or to increase share capital. Also, according to Article 324, paragraph 1 b) of the Portuguese Companies Code, Novabase constitutes an unavailable reserve of an amount equal to the amount recorded in treasury shares (31.12.24: €3k and 31.12.23: €0k).

In 2024 and 2023, the Group performed transactions with non-controlling interests (NCI) with the following impact:

	Reduction of assets	Payments to NCI	(Decrease) /increase of NCI (note 21)	Impact on Equity attrib. to owners of the parent
At 31 December 2024				
(i) Dilution of holding in FCR NB Capital II by 1.34%	-	823	(610)	(213)
(ii) Dilution of holding in FCR NB Capital +Inovação by 4.70%	1,898	-	(1,921)	23
	1,898	823	(2,531)	(190)
			(Decrease) /increase of NCI (note 21)	Impact on Equity attrib. to owners of the parent
At 31 December 2023				
(iii) Dilution of holding in Celfocus, S.A. by 9.939%	-	-	630	(630)
	-	-	630	(630)

(i) The Group diluted its holding in FCR NB Capital Inovação e Internacionalização to 50.50% (previously 51.83%), following the closing of Provision A of this Fund, followed by a share capital reduction to distribute liquidity. The payment to NCI resulting from these transactions is included in the heading 'Transactions with non-controlling interests', in Financing Activities in the Consolidated Statement of Cash Flows.

(ii) Following a share capital reduction of FCR NB Capital +Inovação in the amount of the subscribed capital not paid up (see also note 13), the Group diluted its participation in this Fund to 53.12% (previously 57.82%).

(iii) As part of the business development plan of Celfocus, S.A., and with the aim of promoting the lasting mutual interest of Novabase Group and a group of employees with operational leadership responsibilities within the Group in the development and enhancement of Celfocus, an equity partnership operation was carried out during 2023, which culminated in the acquisition by them of an indirect minority stake in Celfocus. The completion of this transaction involved, in an initial phase, the incorporation, between the above-mentioned employees, of two new companies - Equipa Frutuosa, S.A. and Rota Virtuosa, S.A. - in which Novabase Group acquired 76% of the share capital, and in a second phase, the acquisition by the aforementioned companies of an aggregate shareholding of 41.414% of the share capital of Celfocus, S.A. As a result of the operation described, the Group diluted its interest in the share capital of Celfocus, S.A. to 90.061%, and consequently in its wholly owned subsidiaries, specifically, Binómio, Lda., Celfocus LTD, Celfocus B.V. and Celfocus GmbH.

Given that these transactions with non-controlling interests result in changes in ownership interests while retaining control, they were accounted for as equity transactions (i.e., transactions with equity holders in their capacity as holders).

21. Non-controlling interests

	31.12.24	31.12.23
Balance at 1 January	11,587	10,827
Transactions with non-controlling interests (note 20)	(2,531)	630
(*) Distribution of dividends to non-controlling interests	-	(194)
Exchange differences on foreign operations	(10)	(463)
Profit attributable to non-controlling interests	1,245	397
(**) Change in consolidation perimeter	654	390
Balance at 31 December	10,945	11,587

(*) In 2023, Novabase Neotalent, S.A. approved dividends to its shareholders. These dividends were paid in the year of their attribution.

(**) The change to the consolidation perimeter in 2024 corresponds to the liquidation of TVLab, S.A. (see notes 6, 23 and 30). In 2023 it corresponded to the disposals of subsidiaries NBMSIT, Sist. de Inf. e Tecnol., S.A. and Novabase Neotalent, S.A., with an impact on NCI of €758k and -€392k, respectively, and to the acquisitions of subsidiaries Equipa Frutuosa, S.A. and Rota Virtuosa, S.A., with an impact on NCI of €24k.

22. Borrowings

	31.12.24	31.12.23
Non-current		
Bank borrowings	6,311	8,587
Lease liabilities	7,913	9,796
	14,224	18,383
Current		
Bank borrowings	3,276	7,475
Lease liabilities	2,771	1,961
	6,047	9,436
Total borrowings	20,271	27,819

The maturity of debts recognized in 'Borrowings' can be analysed 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	2,138	1,138	2,275	4,036	-	9,587
Lease liabilities	1,402	1,369	2,607	5,306	-	10,684
At 31 December 2024	3,540	2,507	4,882	9,342	-	20,271
Bank borrowings	5,237	2,238	2,276	6,311	-	16,062
Lease liabilities	847	1,114	2,539	6,975	282	11,757
At 31 December 2023	6,084	3,352	4,815	13,286	282	27,819

The weighted average of effective interest rates of bank borrowings at the reporting date is 3.931% (31.12.23: 4.975%). The Group uses its incremental borrowing rate when determining the present value of future lease payments, based on the features of the agreement (underlying asset, guarantees and lease term). The weighted average rate applied at the reporting date is 4.831% (31.12.23: 4.641%). This note presents lease liabilities already discounted of the future finance charges, which amounts to €1,036k as at 31 December 2024 (31.12.23: €1,436k).

In 2024, loan repayments with banking institutions amounted to €6.5m (31.12.23: €5.3m). No new loans were taken out during the period, nor were conditions or covenants renegotiated with regard to loans existing at 31 December 2023.

Movements in lease liabilities are as follows:

	31.12.24	31.12.23
Balance at 1 January	11,757	3,851
Change in consolidation perimeter	-	(178)
Increases (i)	1,524	11,055
Termination of lease agreements	(496)	(5)
Interest expense (ii)	540	370
Lease payments (iii)	(2,641)	(3,336)
Balance at 31 December	10,684	11,757

(i) Includes new lease agreements, remeasurement of leases that depend on an index or rate and lease modifications that are not accounted for as a separate lease (lease term).

(ii) Included in 'Finance costs' (note 33).

(iii) Classified as 'Cash flows from financing activities' in the Consolidated Statement of Cash Flows.

Note 7 provides information on the right-of-use assets of the Group related to these lease liabilities.

The covenants of the Group's bank borrowings are as follows:

Covenants

- Net debt/EBITDA $\leq$ 3.5
- Non-reduction of share capital/non-reduction of share capital in significant amounts
- Year-on-year change in bank indebtedness $\leq$ 20%
- Bond seniority determined pari passu
- Cross Default
- Good standing with tax and social security authorities
- Published accounts
- Information disclosure obligations regarding court disputes
- Active insurance policies

At 31 December 2024, the Group was complying with all contractual covenants, including Bankinter's indebtedness covenant, which at 31 December 2023 was not achieved. The ratio of Net Debt/EBITDA was -3.33 (31.12.23: -4.91), where EBITDA is an alternative performance measure that Novabase defines as 'Operating Profit' excluding 'Depreciation and amortization' and 'Restructuring costs' (and other unusual costs, if they exist).

(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.

	31.12.24	31.12.23
Cash and cash equivalents by Statement of Cash Flows (note 18)	63,929	81,450
Borrowings - repayable within one year (including overdrafts)	(6,047)	(9,436)
Borrowings - repayable after one year	(14,224)	(18,383)
Net debt	43,658	53,631

	Cash and cash equivalents	Bank borrowings due <1 year	Bank borrowings due >1 year	Lease liabilities due <1 year	Lease liabilities due >1 year	Net debt
At 1 January 2023	40,620	(4,200)	(5,200)	(2,737)	(1,114)	27,369
Cash flows	41,218	5,338	(12,000)	2,966	-	37,522
Acquisitions - lease liabilities	-	-	-	-	(11,055)	(11,055)
Effect of exchange rate changes	(388)	-	-	-	-	(388)
Change in consolidation perimeter	-	-	-	-	178	178
Other non-cash movements	-	(8,613)	8,613	(2,190)	2,195	5
At 31 December 2023	<u>81,450</u>	<u>(7,475)</u>	<u>(8,587)</u>	<u>(1,961)</u>	<u>(9,796)</u>	<u>53,631</u>
Cash flows	(16,998)	6,475	-	2,101	-	(8,422)
Acquisitions - lease liabilities	-	-	-	-	(1,524)	(1,524)
Effect of exchange rate changes	(523)	-	-	-	-	(523)
Other non-cash movements	-	(2,276)	2,276	(2,911)	3,407	496
At 31 December 2024	<u>63,929</u>	<u>(3,276)</u>	<u>(6,311)</u>	<u>(2,771)</u>	<u>(7,913)</u>	<u>43,658</u>

23. Provisions

Movements in provisions are analysed as follows:

	Restructuring	Other Risks and Charges	Total
At 1 January 2023	-	3,047	3,047
Charge for the year (note 30)	-	2,108	2,108
Reversals (note 30)	-	(1,309)	(1,309)
Reclassifications	-	(407)	(407)
Change in consolidation perimeter	-	(153)	(153)
Exchange differences	-	(17)	(17)
At 31 December 2023	-	3,269	3,269
Charge for the year (notes 29 and 30)	1,854	1,160	3,014
Reversals (note 30)	-	(189)	(189)
(*) Uses	-	(542)	(542)
At 31 December 2024	<u>1,854</u>	<u>3,698</u>	<u>5,552</u>

(*) Amount in reference to risks with TVLab, S.A., which was used and considered in determining the loss from the liquidation of this subsidiary (see notes 6, 21 and 30).

The balance of 'Provisions' is intended to cover different risks and charges, namely the situations listed below, the settlement of which may result in cash outflows and other probable liabilities, for which in most cases it is not possible to estimate reliably the time of occurrence of the expense:

- Liabilities with costs to be incurred with possible contractual penalties related to ongoing projects;
- Other risks related to events/disputes of various kinds, which include contingencies of civil, labour, contractual nature, among others, and involve customers, suppliers, business partners or employees;
- Restructuring - Liabilities with costs to be incurred with compensation to employees from the restructuring process implemented at the end of 2024.

The amount of provisions for other risks and charges, net of reversals, recognized in profit or loss and included in 'Other gains/(losses) - net' is €971k (2023: €827k), and included in 'Profit from discontinued operations' is null (2023: -€28k).

24. Other non-current liabilities

	31.12.24	31.12.23
Stock options plan - shares retained (note 19)	826	-
Research and development grants	2,749	2,749
	<u>3,575</u>	<u>2,749</u>

At 31 December 2024, 'Other non-current liabilities' include the non-current debt for the adjustment of dividends on shares retained, in accordance with the Regulations of the Stock Options Plan in force (see note 19). The portion with a maturity of less than 12 months is included in 'Trade and other payables' (note 25).

The heading 'Research and development grants' corresponds to the grant under the PRR - Recovery and Resilience Plan for the BLOCKCHAIN.PT - "Decentralizing Portugal with Blockchain" Agenda project. Additional information on grants is shown in note 26.

The fair value of this heading approximates its carrying amount.

The due date of these liabilities is as follows:

	31.12.24	31.12.23
Between 1 and 2 years	1,742	-
Between 2 and 5 years	1,833	2,749
	<u>3,575</u>	<u>2,749</u>

25. Trade and other payables

	31.12.24	31.12.23
Trade payables	3,274	4,628
Remunerations, holiday pay and holiday allowances	9,358	8,989
Bonus	7,268	8,680
Ongoing projects	3,175	3,837
Value added tax	86	634
Social security contributions	2,022	1,935
Income tax withholding	1,207	1,304
Employees	98	68
Stock options plan - cash settled (note 19)	561	555
Stock options plan - shares retained (notes 19 and 24)	127	198
Other accrued expenses	1,300	1,382
Other payables	237	203
	<u>28,713</u>	<u>32,413</u>

The fair value of this heading approximates its carrying amount.

The maturity of these liabilities is as follows:

	31.12.24	31.12.23
No later than 1 year	28,713	32,413
	<u>28,713</u>	<u>32,413</u>

26. Deferred income and other current liabilities

	31.12.24	31.12.23
Consulting projects	17,217	20,972
Research and development grants	-	-
	<u>17,217</u>	<u>20,972</u>

The balances with consulting projects, or contract liabilities, refer to differences between the progress of projects and contractual invoicing times. This framework is typical of this industry.

The table below shows the financial incentives for research and development outstanding as at 31 December 2024, by type of incentive program. The balances to be received are presented in notes 11 and 13.

	Contracted amount	Acum. amount received
Grants:		
• FAI - Innovation Support Fund	1,706	1,163
• PRR - Recovery and Resilience Plan	2,749	1,552
	<u>4,455</u>	<u>2,715</u>

Incentives received during the year, whether from projects outstanding at the reporting date or from projects closed in the meantime, totalled €1,142k (2023: €1,040k).

27. External supplies and services

	<u>31.12.24</u>	<u>31.12.23</u>
Subcontracts	38,346	37,658
Commissions and consultancy fees	1,120	1,464
Transportation, travel and accommodation expenses	3,935	3,718
Specialized services and rents	2,513	1,064
Advertising and promotion	330	386
Water, electricity and fuel	477	541
Communications	242	251
Insurances	441	377
Utensils, office supplies and technical documentation	445	785
Other supplies and services	563	516
	<u>48,412</u>	<u>46,760</u>

Subcontracts mostly refer to amounts incurred for services rendered by external entities used by the Group to support projects for clients.

28. Employee benefit expense

	<u>31.12.24</u>	<u>31.12.23</u>
Key management personnel compensation (note 38 i))	980	1,907
Wages and salaries of the employees	56,599	55,782
Employee wage and salary expenses	9,828	9,504
Stock options granted (notes 19 and 38 i))	2,788	2,759
Other employee expenses	3,907	3,993
	<u>74,102</u>	<u>73,945</u>

Other employee expenses include labour accident insurance, social responsibility costs, training costs and indemnities.

The increase in 'Employee benefit expense' in equivalent terms, not including the effect referred to in the following paragraph, was in line with the growth in Turnover.

The change in 'Key management personnel compensation' is impacted by the reversal in this year of the estimated variable remuneration recorded in 2023, in the amount of €500k, since the Remuneration Committee decided in 2024 that there would be no variable remuneration in cash in relation to the performance of that year (see also note 38, sub-paragraph i)).

The average number of employees is analysed as follows:

	<u>31.12.24</u>	<u>31.12.23</u>
Value Portfolio	11	18
Next-Gen	1,314	1,299
	<u>1,325</u>	<u>1,317</u>

At 31 December 2024, the number of employees was 1322 (2023: 1334), 32% of whom are women (2023: 32%).

29. Restructuring costs

At the end of 2024, Novabase carried out restructuring for the dual purpose of enhancing its customer focus and improving operational efficiency. As a result, restructuring costs were incurred for employee compensation, in the amount of €1,854k (2023: null), corresponding to the estimated amount payable in 2025 (see note 23).

30. Other gains/(losses) - net

	<u>31.12.24</u>	<u>31.12.23</u>
(*) Loss on disposal/liquidation of financial holdings	(112)	-
Provisions and provisions reversal for other risks and charges (note 23)	(971)	(827)
(**) Supplementary income	2,049	144
Other operating income and expense	(203)	(83)
	<u>763</u>	<u>(766)</u>

(*) Result from the liquidation of TVLab, S.A., after derecognizing the non-controlling interests in this subsidiary and using the respective provision for risks (see notes 6, 21 and 23).

(**) In 2024, includes €1,948k related to redebts and services provided by the Group to subsidiaries disposed of in the Neotalent business, under the Transitional Services Agreement (TSA) entered into at the time of the sale (see note 39).

31. Depreciation and amortization

	<u>31.12.24</u>	<u>31.12.23</u>
Property, plant and equipment (note 7):		
Buildings and other constructions	2,114	2,148
Basic equipment	586	644
Transport equipment	963	599
Furniture, fittings and equipment	41	58
Other tangible assets	-	-
	<u>3,704</u>	<u>3,449</u>
Intangible assets (note 8):		
Internally generated intangible assets	133	-
Industrial property and other rights	8	19
	<u>141</u>	<u>19</u>
	<u>3,845</u>	<u>3,468</u>

32. Finance income

	<u>31.12.24</u>	<u>31.12.23</u>
Interest received	1,996	502
Foreign exchange gains	988	889
Fair value adjustment to financial assets (note 9)	414	298
Adjustments for loans to related parties (note 11)	907	-
(*) Gain on disposal/liquidation of financial assets	110	11
Reversal of impairment losses on short-term bank deposits (note 18)	5	-
	<u>4,420</u>	<u>1,700</u>

(*) In 2024: disposal of shares held in Probely, S.A. (see note 40); in 2023: result of the liquidation of Powerdata, Lda.

The change in 'Finance income' in 2024 is essentially due to the higher interest obtained from short-term bank deposits, thanks to a surplus cash position and a scenario of high interest rates, together with the reversal of impairments for loans to related parties (see note 38 iii)).

33. Finance costs

	<u>31.12.24</u>	<u>31.12.23</u>
Interest expenses		
- Borrowings	(722)	(783)
- Lease liabilities (note 22)	(540)	(365)
- Other interest	(1)	(7)
Bank guarantees charges	(11)	(49)
Bank services and commissions	(107)	(139)
Foreign exchange losses	(1,511)	(1,017)
Fair value adjustment to financial assets (note 9)	(134)	(19)
Adjustments for loans to related parties (note 11)	(20)	(430)
(*) Loss on disposal/liquidation of financial assets	(2)	(100)
Impairment losses on short-term bank deposits (note 18)	(3)	(6)
	<u>(3,051)</u>	<u>(2,915)</u>

(*) In 2024: correction to the result of the dissolution of Powerdata, Lda. (see note 40); in 2023: result of the dissolution of FCR Istart I.

34. Income tax

Novabase and its subsidiaries with head offices in Portugal are subject to Corporate Income Tax at the nominal rate of 21%, which can be increased by a Municipal Surcharge up to a maximum rate of 1.5% of taxable income, resulting in a total tax rate of 22.5%. Additionally, taxable income exceeding €1,500k and up to €7,500k is subject to a State Surcharge at the rate of 3%, from €7,500k and up to €35,000k is subject to a State Surcharge at the rate of 5%, and the part of taxable income exceeding €35,000k is subject to a State Surcharge at the rate of 9%.

To determine deferred tax assets, Novabase used the rate of 20%, bearing in mind the publication of Law no. 45-A/2024 of 31 December, which changed the Corporate Income Tax rate as of 1 January 2025. The impact of this change resulted in a tax expense of €18k.

The net income generated by foreign subsidiaries is taxed at local tax rates applicable based on their taxable profits, namely, those generated in Angola, in The Netherlands, in the United Kingdom and in Germany are taxed at 25%, 19%, 19% and 15%, respectively. In 2024, Dubai introduced a rate of 9% for EBT greater than AED 375,000.

According to the current tax legislation, in general terms tax returns can be reviewed by the tax authorities during a subsequent period. In Portugal, this period is four years or, if any deduction is made or tax benefit granted, the exercise term of that right. Therefore, all annual tax returns for the years 2021 through 2024 are still open to such review.

Legislative changes that became effective on 1 January 2024

Under the 2024 State Budget Law (Law no. 82/2023), entities classified as startups are now subject to corporate income tax (IRC) at the rate of 12.5% on the first €50,000 of taxable income.

In addition, expenses related to lightweight passenger vehicles, certain lightweight commercial vehicles or motorcycles, became subject to autonomous taxation at the rates of 8.5%, 25.5% and 32.5% (previously 10%, 27.5% and 35% respectively). The acquisition cost of goodwill acquired in a business combination will now be allowed as a tax-deductible cost, in equal amounts, during the first 15 tax years (previously, 20) after its initial recognition, applicable to intangibles whose initial recognition occurs from 1 January 2024 onward.

These changes did not have a significant impact on the Group's Income Tax.

Legislative changes introduced by the 2025 State Budget

With regard to changes introduced by the 2025 State Budget Law (Law no. 45-A/2024 of 31 December), note that the normal corporate income tax rate has been reduced by one p.p. to 20%. SMEs and Small Mid-Caps will be subject to corporate income tax at the rate of 16% (currently, 17%) on the first €50,000 of taxable income.

In addition, there will be a reduction to autonomous taxation on expenses related to lightweight passenger vehicles, certain lightweight commercial vehicles or motorcycles, now subject to rates of 8%, 25% and 32% (currently, 8.5%, 25.5% and 32.5%), and an updating of the respective limits of acquisition costs. Expenses incurred for shows offered to customers, suppliers or any other persons or entities no longer qualify as entertainment expenses, and are no longer subject to autonomous taxation. Note also that expenses incurred for health insurance or illness to the benefit of employees, retirees or their respective family members, when considered socially useful contributions, will now be considered at 120% of their value.

The Management believes that none of these changes will have a significant impact on the Group's income tax.

'Income tax expense' is analysed as follows:

	31.12.24	31.12.23
Current tax on profit for the year (note 15)	1,572	1,894
Current tax adjustments	57	227
Deferred tax on temporary differences (note 10)	563	701
	<u>2,192</u>	<u>2,822</u>

The Group's income tax expense for the year 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:

	31.12.24	31.12.23
Earnings before taxes	8,799	6,246
Income tax expense at nominal rate (21% in 2024 and 2023)	1,848	1,312
Provisions and amortizations not considered for tax purposes	-	113
Untaxed gain obtained from the disposal of financial holdings	24	-
Autonomous taxation	280	315
Results in companies where no deferred tax is recognized	(260)	35
Differential tax rate on companies located abroad	(2)	(2)
Research & Development tax benefit	(1,105)	(1,132)
Municipal Surcharge and State Surcharge	704	473
Corporate income tax rate adjustment	18	-
Derecognition/reversal of SIFIDE R&D benefit	606	1,654
Impairment of Special Payment on Account, tax losses and non-resident WHT	190	234
Stock options plan	(133)	202
Tax benefits related to the capitalization of companies (ICE)	(363)	-
Borrowing expenses	102	-
Expenses not deductible for tax purposes and sundry items	283	(382)
Income tax	<u>2,192</u>	<u>2,822</u>
Effective tax rate	24.9%	45.2%

35. Earnings per share

Earnings per share are analysed as follows:

	31.12.24	31.12.23
Weighted average number of ordinary shares	31,255,967	26,690,538
Stock options adjustment	1,117,103	894,782
Adjusted weighted average number of ordinary shares	<u>32,373,070</u>	<u>27,585,320</u>
Profit attributable to owners of the parent	6,420	47,058
Basic earnings per share (Euros per share)	€0.21	€1.76
Diluted earnings per share (Euros per share)	€0.20	€1.71
Profit from continuing operations attributable to owners of the parent	5,362	3,027
Basic earnings per share (Euros per share)	€0.17	€0.11
Diluted earnings per share (Euros per share)	€0.17	€0.11
Profit from discontinued operations attributable to owners of the parent	1,058	44,031
Basic earnings per share (Euros per share)	€0.04	€1.65
Diluted earnings per share (Euros per share)	€0.03	€1.60

36. Dividends per share

In 2024, the amount of €37,404k was distributed to shareholders as dividends, corresponding to €1.41 per share in relation to the total number of ordinary shares (31.12.23: €2.784k, corresponding to €0.10 per share). This amount differs from that shown in the Consolidated Statement of Cash Flows due to the distribution of free reserves also occurred in this period and the remuneration of treasury shares held by the Company (see note 20).

Regarding the 2024 financial year, the Board of Directors will propose to the 2025 Annual General Meeting the payment of €1.35 per share to shareholders, i.e. an amount corresponding to €48,278,972.70, through the application of the net profit of Novabase S.G.P.S. (the proposal for the allocation of results can be found in the Management Report, which is an integral part of the Annual Financial Report). These financial statements do not reflect the dividend payable.

37. Commitments

The financial commitments not included in the Consolidated Statement of Financial Position related with bank guarantees provided to third parties for ongoing projects and leases of the Group, or resulting from the sale of businesses, are analysed as follows:

	Bank	31.12.24	31.12.23
(*) Novabase S.G.P.S., S.A.	BPI	-	2,600
Novabase S.G.P.S., S.A.	Bankinter	1,935	1,935
Novabase Business Solutions, S.A.	BCP	20	48
Novabase Business Solutions, S.A.	Santander	220	220
Novabase Business Solutions, S.A.	Novo Banco	20	20
Novabase Business Solutions, S.A.	BPI	222	237
Novabase Business Solutions, S.A.	Bankinter	-	7
Celfocus, S.A.	BPI	111	-
Celfocus, S.A.	Santander	-	50
Celfocus, S.A.	Novo Banco	410	410
Celfocus, S.A.	BCP	34	-
		<u>2,972</u>	<u>5,527</u>

(*) Bank guarantee provided within the scope of Novabase Neotalent, S.A. sale, cancelled at the beginning of March 2024.

Following the sale of Novabase Neotalent, S.A. in December 2023, Novabase undertook, jointly and severally with the remaining Sellers, the following commitments:

- A Liability Cap for guarantees relating to ownership title, capitalization and corporate structure in the amount corresponding to 100% of the purchase price effectively received by the Sellers, during two years, that is, until 18 December 2025;
- A Liability Cap corresponding to 20% of the purchase price effectively received by the Sellers for a period of 18 months (duration of guarantees), which means, between 18 December 2023 and 18 June 2025, with the exception of guarantees under GDPR whose term is five years, that is, until 18 December 2028;
- A Liability Cap for tax and Social Security guarantees in the amount corresponding to 100% of the purchase price effectively received by the Sellers, for a period of four and five years, respectively;
- Constitution of a basket deductible for further corrections in the amount of €201k, *de minimis* of €22.5k;
- Non-competition obligation for two years in Neotalent's core business areas, which means, until 18 December 2025.

Following the sale of COLLAB - Sol. I. Com. e Collab., S.A. in March 2020, Novabase undertook, jointly and severally with the remaining Sellers, the following commitments:

- A Liability Cap for all guarantees (except those relating to ownership title, capitalization and corporate structure) provided by Sellers of €3m between two years and 30 business days and five years and 30 business days (expiry of tax and Social Security guarantees), that is, between 24 April 2022 and 5 May 2025;
- Constitution of a basket deductible of €100k, no *de minimis*.

In 2024, the Group had the following grouped credit lines contracted:

Group of companies	Plafond
Novabase S.G.P.S.; Celfocus, S.A.	€5.0m
Novabase S.G.P.S.; Celfocus, S.A.; NB Business Solutions, S.A.	€7.0m

38. Related parties

For reporting purposes, related parties include all subsidiaries (detailed in note 6), other participated companies classified as financial assets at fair value through profit or loss (detailed in note 9), shareholders and key elements in the management of the Group.

i) Key management personnel remuneration/benefits

Remuneration assigned to the Board of Directors and other key management personnel, during the years ended 31 December 2024 and 2023, are as follows:

	31.12.24	31.12.23
Short-term employee benefits	980	1.808
Other long-term benefits	-	305
Stock options granted (note 19)	2,788	2,759
	<u>3,768</u>	<u>4,872</u>

The key management personnel compensation recognized in profit or loss and included in 'Employee benefit expense' is €3,768k (2023: 4,666k), and included in 'Profit from discontinued operations' is null (2023: €206k).

The heading 'Other long-term benefits' corresponds to the portion of specialized variable remuneration in the year, with payment to be deferred for more than one year after the reporting date. Note that the final amount of variable remuneration for members of the Board of Directors is only known in the following year after the Remuneration Committee's deliberation - see note 4 g)).

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 as at 31 December 2024, is null (31.12.23: €280k).

At 31 December 2024, there are current payable balances outstanding with key management personnel in the amount of €2k (31.12.23: €9k). There are no receivable balances at this date (31.12.23: €0k).

In addition, at 31 December 2024, there are 761,986 shares (31.12.23: 421,863 shares) attributed to managing directors and directors with special responsibilities following the exercising of options, and a liability of €953k (31.12.23: €198k) corresponding to the amount that will be paid to them together with the handover of the shares, pursuant to the Regulations - see notes 19, 24 and 25.

The remuneration policy of the Board of Directors and Supervisory Board of Novabase S.G.P.S., the parent company of Novabase Group, is detailed in Chapter D. Remunerations of the Corporate Governance Report, which is an integral part of this Annual Financial Report, which is summarized below.

By unanimous decisions of the Remuneration Committee, fixed remuneration components were set for members of the Novabase Board of Directors in 2024, along with annual variable remuneration. This remuneration is distributed among the members of the Board of Directors in accordance with the breakdown stipulated by the Remuneration Committee, pursuant to the Remuneration Policy, whereby directors receive fixed remuneration in cash, and potentially variable remuneration as well, which may be comprised of variable remuneration in cash and variable remuneration based on stock options. This remuneration is broken down among the directors in view of their responsibilities at Novabase, and as stipulated by the Remuneration Committee under the Remuneration Policy.

The remuneration of non-executive and non-independent directors may include a variable component, per the Remuneration Policy, if the duties and responsibilities so justify. In fact, the performance of remunerated duties by these members of the Board of Directors allows Novabase to leverage their extensive know-how acquired as company founders and accumulated over a period of 35 years, especially since these directors continue to have major responsibilities in the Group.

The variable component in cash of directors' remuneration must be determined annually by the Remuneration Committee, based on the criteria described in the Remuneration Policy and in point 70 of the Corporate Governance Report. Given the specific context of the Company, namely due to the implementation of the ongoing strategic plan (Strategic Update 2019+), which remains valid despite having entered into a time period subsequent to the five-year period covered by the plan announced in 2019, the Remuneration Committee decided in 2024 that all variable remuneration would be attributed via plans based on Novabase shares, namely participation in the Company's Stock Option Plan approved at the General Meeting of 26 September 2019. Indeed, 317,500 options on Novabase shares were granted during the 2024 financial year, under the Stock Options Plan, to the managing directors Luís Paulo Cardoso Salvado and Álvaro José da Silva Ferreira and to the directors with special duties Francisco Paulo Figueiredo Morais Antunes and Maria del Carmen Gil Marín, as shown in the table below.

The total variable remuneration in cash referring to the performance of Novabase directors throughout the year 2023 was €0 (zero Euros), which compares with €0 (zero Euros) relating to the 2022 performance. The variable remuneration in cash paid in 2024 corresponds to only 1/6 of the variable remuneration in cash allocated in 2021 for 2020.

It should also be noted that the Remuneration Committee decided in 2024 to channel 20% of amounts attributed as fixed remuneration for 2024 to each of the directors with executive functions and to the directors with special responsibilities to reinforce capitalization insurance contributions currently in effect at the Company in substitution of paying that part of fixed remuneration.

The remuneration paid by Novabase S.G.P.S. in 2024 to the acting directors of the Company at 31 December 2024 are as follows:

Directors ¹	Fixed annual remuneration (€) ²	Annual variable remuner. in cash paid in 2024 (€) ^{3, 4}	Total partial (fixed + variable in cash paid in 2024) (€)	Variable in cash paid in 2024/Partial total (%)	Deferred annual variable remuner.(€)	Variable remuner. No. Options
Luís Paulo Cardoso Salvado	351,000	53,027	404,027	13.12	-	125,000
Álvaro José da Silva Ferreira	324,242	33,230	357,472	9.30	-	125,000
Executives Total	675,242	86,257	761,498	11.33	-	250,000
(% total)	58.83	53.74	58.21			
María del Carmen Gil Marín	171,275	26,513	197,788	13.40	-	30,000
Francisco Paulo Figueiredo Morais Antunes	97,500	26,513	124,013	21.38	-	37,500
José Afonso Oom Ferreira de Sousa	45,500	10,605	56,105	18.90	-	-
Pedro Miguel Quinteiro Marques Carvalho	45,500	10,605	56,105	18.90	-	-
Madalena Paz Ferreira Perestrelo de Oliveira	45,500	-	45,500	-	-	-
Benito Vázquez Blanco	45,500	-	45,500	-	-	-
Rita Wrem Viana Branquinho Lobo C. Rosado	21,675	-	21,675	-	-	-
Non-executives Total	472,450	74,237	546,687	13.58	-	67,500
(% total)	41.17	46.26	41.79			
TOTAL	1,147,692	160,493	1,308,185	12.27	-	317,500

¹ Directors Francisco Paulo Figueiredo Morais Antunes and Rita Wrem Viana Branquinho Lobo Carvalho Rosado received amounts in 2024 through other companies in a control or group relationship with the Company. These amounts are not shown in this table, and are presented below.

² The amount shown includes amounts attributed as fixed remuneration in the Remuneration Committee meeting of 27 May 2024, which were channelled to retirement supplements by reinforcing capitalization insurance contributions currently in effect at the Company, substituting payment of that part of fixed remuneration - namely, Luís Paulo Cardoso Salvado (€70,200), Álvaro José da Silva Ferreira (€64,848), María del Carmen Gil Marín (€34,255) and Francisco Paulo Figueiredo Morais Antunes (€19,500).

³ The amount shown is the total amount paid to each director in 2024 (excluding the variable component based on stock options, as applicable), i.e. 1/6 of the amount allocated for 2020 in 2021.

⁴ Amount used to reinforce capitalization insurance contributions currently in effect at the Company.

During the 2024 financial year, Directors Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira, María del Carmen Gil Marín and Francisco Paulo Figueiredo Morais Antunes exercised their stock options (respectively, 250,000, 200,000, 75,000 and 75,000 options, attributed in 2023) under the following terms:

- For 50% of the options subject to exercising, via net share settlement, resulting in the allotment of 141,717, 113,374, 42,516 and 42,516 ordinary Novabase shares, respectively, to Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira, María del Carmen Gil Marín and Francisco Paulo Figueiredo Morais Antunes, using the calculation formula in the plan's regulations; and
- For the remaining 50%, via net cash settlement, resulting in the payment to Directors Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira, María del Carmen Gil Marín and Francisco Paulo Figueiredo Morais Antunes, respectively, of €794,140.36, €635,307.80, €238,237.62 and €238,237.62, using the calculation formula in the Plan's regulation.

In summary, the exercise of options in 2024 resulted in a total of 340,123 ordinary shares allotted and a total amount paid of €1,905,923.40.

The table below shows remuneration paid by Novabase S.G.P.S., S.A. in 2024 to directors of the Company who ceased office in previous years:

Director	Fixed annual remuneration (€)	Annual variable remuner. in cash paid in 2024 (€)	Total partial (fixed + variable in cash paid in 2024) (€)	Variable in cash paid in 2024/Partial total (%)	Deferred annual variable remuner.(€)
Paulo Jorge de Barros Pires Trigo ⁵	-	33,528	33,528	100.00	-
João Nuno da Silva Bento ⁵	-	53,027	53,027	100.00	-
TOTAL	-	86,555	86,555	100.00	-

⁵ Left position in the General Meeting of Shareholders of 25 May 2021. The amounts indicated refer to the years in which he held the position of director in this Company, as disclosed in the Corporate Governance Reports of previous years.

There are no formal mechanisms regulating the possibility of requesting reimbursement for the variable remuneration received by Novabase directors. Even so, per the general guiding principles of Novabase's remuneration policy, when the company's performance is a determining criterion for variable remuneration, any downgrading in performance may justify limits upon this remuneration, in view of the specific circumstances.

The members of Novabase's Board of Directors are paid exclusively by this entity, and do not receive additional remuneration of any kind from other companies that are controlled by or part of Novabase Group, nor from any company subject to shared control with Novabase, except for the remuneration referred to in the following table:

Director	Fixed annual remuneration (€)	Annual variable remuner. in cash paid in 2024 (€)	Total partial (fixed + variable in cash paid in 2024) (€)	Variable in cash paid in 2024/Partial total (%)	Deferred annual variable remuner. (€)
Francisco Paulo Figueiredo Morais Antunes ⁶	97,500	-	97,500	-	-
Rita Wrem Viana Branquinho Lobo C. Rosado ⁷	81,053	63,322	144,376	43.86	-

⁶ Amount paid by Novabase Consulting S.G.P.S., S.A., a company fully owned (directly) by Novabase S.G.P.S., S.A., corresponding to remuneration received for the position of director with special responsibilities at Novabase S.G.P.S., S.A. as of 1 July 2024. The amount shown includes amounts attributed as fixed remuneration in the Remuneration Committee meeting of 27 May 2024, which were channelled to retirement supplements by reinforcing capitalization insurance contributions currently in effect at the Company, substituting payment of that part of fixed remuneration - namely €19,500.

⁷ Amount paid by Celfocus, S.A., a company 90.1% owned (indirectly) by Novabase S.G.P.S., S.A., corresponding to remuneration received for the position of Head of Legal of Novabase Group under a service provision agreement.

In 2024, an additional amount of €20,728.96 was paid to acting members of the Board of Directors in meal allowances. There are no relevant amounts of non-monetary benefits considered as remuneration and not covered by the previous situations.

Also in 2024, no additional remuneration was awarded in the form of profit sharing and/or payment of bonuses. No compensations were paid, nor are any compensations owed, to former executive directors as a result of their duties no longer being performed in 2024.

ii) Balances and transactions with related parties

Group companies have commercial relations with each other that qualify as related parties transactions. In consolidation, all of these transactions are eliminated, since the consolidated financial statements disclose information regarding the holding company and its subsidiaries as if they were a single entity.

Balances and transactions with related parties are as follows:

	Trade and other receivables		Trade and other payables	
	31.12.24	31.12.23	31.12.24	31.12.23
Associates	-	-	-	-
Other participated companies	14	-	-	-
	<u>14</u>	<u>-</u>	<u>-</u>	<u>-</u>
Impairment allowances for trade and other receivables	-	-		
	<u>14</u>	<u>-</u>		

	Services rendered		Supplementary income		Interest received		Purchases	
	31.12.24	31.12.23	31.12.24	31.12.23	31.12.24	31.12.23	31.12.24	31.12.23
Associates	-	-	-	-	-	-	-	-
Other partic. companies	-	56	11	-	-	7	-	1
	<u>-</u>	<u>56</u>	<u>11</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>-</u>	<u>1</u>

Accounts receivable and payable with related parties are cash settled and are not covered by any guarantees.

iii) Other balances with related parties

	Non-current (note 11)		Current (note 13)	
	31.12.24	31.12.23	31.12.24	31.12.23
Associates	-	-	-	-
Other participated companies				
Loan to Powergrid, Lda.	-	2,050	-	-
Loan to Bright Innovation, Lda.	1,477	1,477	-	-
Loan to Radical Innovation, Lda.	-	-	-	994
	<u>1,477</u>	<u>3,527</u>	<u>-</u>	<u>994</u>
Adjustments for loans to related parties	(948)	(2,978)	-	(472)
	<u>529</u>	<u>549</u>	<u>-</u>	<u>522</u>

These loans take the legal form of quasi-equity supplementary payments.

In 2024, the lower balance of loans to related parties corresponds to Powergrid, Lda. and to Radical Innovation, Lda., as a result of the liquidation of these companies. The amount to be reimbursed from the liquidation totalled €1,429k, while the balance of these loans, net of any associated impairment, was €522k, resulting in a gain in 'Adjustments for loans to related parties' of €907k (see note 32). Of this €1,429k, €1,348k was received in the year, leaving €81k to be received as of the reporting date (see note 13).

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

39. Discontinued operations

In October 2023, Novabase entered into a sale and purchase agreement with Conclusion Group B.V. of its IT Staffing business through the disposal of all shares held in Novabase Neotalent, S.A., for an initial price of €49.4m, subject to certain adjustments, plus a potential earn-out. The sale was substantially completed in December 2023, with the recognition of a gain of €39,760k in this year.

At the start of 2024, the parties confirmed an adjustment to the price initially paid by the buyer, in the wake of the final determination of the contract's pricing clauses, which resulted in a correction to the gain generated from the disposal of the business in the amount of €401k, received in full in the year. Novabase may still receive an earn-out of up to €0.95m, depending on full compliance with the Transitional Services Agreement ("TSA") entered into in the context of this transaction.

Following this sale, on 31 December 2023, the Group also discontinued the IT Staffing business of the Angolan subsidiary NBASIT-Sist. de Inf. e Telecomunic., S.A., for which it expected to cease operations in the short term through the sale of the company. Throughout 2024, the general guidelines of the plan to sell this subsidiary were executed. At 31 December 2024, the Management remains committed to its plan to sell, with no changes to the initial plan (see also note 43).

The financial information on discontinued operations by subsidiary/business sold can be presented as follows:

	31.12.24				
	NEOTALENT	COLLAB	GTE	IMS	Novabase
<i>Results from discontinued operations:</i>					
Revenues ⁽¹⁾	1,129	-	-	-	1,129
Expenses ⁽¹⁾	(556)	60	100	-	(396)
Results from operating activities	<u>573</u>	<u>60</u>	<u>100</u>	<u>-</u>	<u>733</u>
Income tax	(76)	-	-	-	(76)
Results from operating activities, net of tax	<u>497</u>	<u>60</u>	<u>100</u>	<u>-</u>	<u>657</u>
Gain on sale of Business	401	-	-	-	401
Tax on gain on sale of Business	-	-	-	-	-
	<u>898</u>	<u>60</u>	<u>100</u>	<u>-</u>	<u>1,058</u>
<i>Assets and liabilities from discontinued operations:</i>					
Assets from discontinued operations ⁽²⁾	1,393	-	-	-	1,393
Liabilities from discontinued operations	(465)	-	(1,023)	-	(1,488)
	<u>928</u>	<u>-</u>	<u>(1,023)</u>	<u>-</u>	<u>(95)</u>
<i>Cash flows from (used in) discontinued operations:</i>					
Cash flows from Operating Activities	3	-	-	-	3
Cash flows from Investing Activities ⁽³⁾	462	12	-	-	474
Cash flows used in Financing Activities	(2)	-	(9)	-	(11)
	<u>463</u>	<u>12</u>	<u>(9)</u>	<u>-</u>	<u>466</u>

⁽¹⁾ The revenues and costs shown for Neotalent in 2024 refer to the results of the Angolan subsidiary NBASIT. In the case of Collab and GTE, the amounts shown correspond to reversals of R&W provisions, considering the elapsed warranty period.

⁽²⁾ Includes €1,178k of Cash and cash equivalents.

⁽³⁾ Neotalent: includes a price adjustment of €401k, in the wake of the final determination of the contract's pricing clauses.

	31.12.23				
	NEOTALENT	COLLAB	GTE	IMS	Novabase
<i>Results from discontinued operations:</i>					
Revenue	43,184	-	-	-	43,184
Expenses	(37,957)	60	259	-	(37,638)
Results from operating activities	5,227	60	259	-	5,546
Income tax	(1,279)	-	-	-	(1,279)
Results from operating activities, net of tax	3,948	60	259	-	4,267
Gain on sale of Business	39,760	194	(190)	-	39,764
Tax on gain on sale of Business	-	-	-	-	-
	43,708	254	69	-	44,031
<i>Assets and liabilities from discontinued operations:</i>					
Assets from discontinued operations	1,373	-	-	-	1,373
Liabilities from discontinued operations	(590)	(60)	(1,132)	-	(1,782)
	783	(60)	(1,132)	-	(409)
<i>Cash flows from (used in) discontinued operations:</i>					
Cash flows from (used in) Operating Activities	300	-	(28)	9	281
Cash flows from Investing Activities	48,323	212	2	-	48,537
Cash flows used in Financing Activities	(377)	-	(9)	-	(386)
	48,246	212	(35)	9	48,432

40. 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 (see note 16). Although contracted with the purpose of economic hedge in accordance with the Group's risk management policies, changes in the fair value of these derivatives are recognized in profit or loss (see note 2.21).
- 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, FCR NB Capital Inovação e Internacionalização and FCR NB Capital +Inovação, and the participation units held in FCT - Labour Compensation Fund (see note 9).

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 31 December 2024 and 2023, the Group's financial assets and financial liabilities measured and recognized at fair value on a recurring basis are as follows:

	31.12.24			31.12.23		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets measured at fair value						
Financial assets at fair value through profit or loss	596	-	13,404	608	-	13,271
Derivative financial instruments	-	75	-	-	246	-
	596	75	13,404	608	246	13,271
Liabilities measured at fair value						
Derivative financial instruments	-	688	-	-	112	-
	-	688	-	-	112	-

The Group also has a number of financial instruments which are not measured at fair value in the statement of financial position. At 31 December 2024, the fair value of these instruments is not materially different to their carrying amount, 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 (PUs) 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 (including the participated companies of the funds FCR NB Capital Inovação e Internacionalização and FCR NB Capital +Inovação and of Novabase Capital S.C.R., S.A.) - 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 movements in Level 3 instruments during 2024 and 2023:

	31.12.24	31.12.23
Balance at 1 January	13,271	13,215
Acquisitions	-	208
Disposals	(159)	(396)
Profit or loss charge	292	244
Balance at 31 December	13,404	13,271

There were no acquisitions in 2024 (2023: Glarevision, S.A.). Disposals concern the total sale of the shares held in Probely, S.A., generating a gain of €110k (see note 32) and a cash inflow of €269k (2023: FCR Istart I). It should also be noted that, for Powerdata, Lda., a company liquidated in 2023, the amount of €9k was received this year from the total amount receivable as at 31 December 2023 (see note 13), with the recognition of a loss of €2k (see note 33).

Net fair value adjustments of Level 3 instruments recorded in the year essentially reflect the appreciation of the investment in Feedzai, S.A. (€400k), partially cancelled due to the devaluation of the investments in Glarevision, S.A. (-€64k) and Habit Analytics PT, Lda. (-€31k). Positive fair value adjustments were recognized in profit or loss and included in 'Finance income' (see note 32), while negative fair value adjustments were recognized in profit or loss and included in 'Finance costs' (see note 33).

There were no transfers between the Levels 3 and 2 for the purposes of fair value measurement in 2024. There were also no changes made to any of the valuation techniques applied as of 31 December 2023.

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 91% of these instruments at 31 December 2024, as well as the relationship of some of those unobservable inputs to fair value is set out below.

Feedzai	31.12.24	31.12.23
Discount rate (post-tax)	14.2%	16.1%
Perpetuity growth rate	0.5%	0.5%
Average annual growth rate of turnover	36.2%	41.3%

According to sensitivity analyses performed, a possible increase or decrease of one percentage point in WACC would result in a Feedzai's fair value change of approximately -€1,148k and +€1,346k, respectively. As for a possible increase or decrease of 0.5 percentage points in the perpetuity 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 +€402k and -€374k, respectively.

The Group has a team responsible for the Level 3 fair value measurements of the companies held mainly by the funds FCR NB Capital Inovação e Internacionalização and FCR NB 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 five years 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. The alpha component reflects factors that are not captured by beta, that is, it adjusts the cost of capital to company-specific risks, unsystematic or idiosyncratic risks. 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.
- **Perpetuity growth rates:** In all participated companies, the perpetuity growth rate is +0.5%.
- **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.

41. Contingencies

At 31 December 2024, the Group was a party in the following legal process:

- The Company has been served a notice from the Ghana High Circuit Court - Commercial Division, of a lawsuit filed by Rhema Systems Associates Ltd, Novabase's partner in Ghana, for the payment of amounts that it considers to be due for profit sharing in the scope of some business contracts signed with customers. The global amount claimed is \$1,568,801.76. According to Rhema's allegations, the distribution of profit was not made according to the terms agreed upon in the partnership contract, existing to date divergence as to the executed terms. The case is being dealt with by the Ghana High Circuit Court - Commercial Division. The judicial process has been suspended because the parties opted to initiate a mediation procedure, involving an external mediator from the University of Ghana Law School, with a view to negotiating an agreement between the parties, however no consensus could be reached, whereby the case is now back to the judicial courts, pending court hearings and Novabase to present its counter arguments and defence. There are provisions (included in note 39) for probable liabilities associated with the process, and additional costs to those already included in these accounts are not expected.

Additionally, in the course of its activity, Novabase is exposed to risks of a civil, labour, contractual nature, among others, whose probability of outcome is evaluated using legal advisors, whenever applicable. Contingencies graded as possible are recorded under the heading 'Provisions' (note 23) or under the heading 'Liabilities from discontinued operations' (note 39).

In the sale of Novabase Neotalent, S.A. (note 39) it was agreed that Novabase may receive an earn-out of up to €0.95m, subject to full compliance with the Transitional Services Agreement signed on the same date, to be paid upon the TSA's expiry, whose maximum duration could reach 18 months, i.e. until 18 June 2025. Since it is not possible to estimate its value at this date, it has been considered a contingent asset.

42. Additional information required by law

In accordance with article 508-F of the Portuguese Commercial Companies Code, we hereby inform of the following:

- In addition to all operations described in the notes above, as well as in the Management's Report, there are no other operations considered relevant which are not already contained either in the consolidated statement of financial position or its notes;
- In view of the rules on the mandatory rotation of the external auditor and statutory auditor, and that the term of KPMG & Associados - S.R.O.C. (KPMG) ended on 31 December 2023, the rotation provided for in legislation on the provision of statutory and external auditing services for the three-year period of 2024-2026 has been complied with.

Ernst & Young Audit & Associados - SROC, S.A. (EY) was appointed external auditor of Novabase Group at the General Meeting of Shareholders of 22 May 2024. EY's total remuneration in 2024 was €100,000, corresponding entirely to legal account review services. KPMG's total fees for professional services provided in 2023 were €140,428, of which €132,500 correspond to legal account review services (with Neotalent included in the scope of the audit), €5,000 relate to reliability assurance services that concern the issuance of limited and reasonable assurance reports within the scope of applying for incentives under the PRR - Recovery and Resilience Plan, and €2,928 relate to services other than legal account review services relating to the registration of Novabase employees in a training session given by KPMG to various clients on ESG and the provision of services for agreed-upon procedures relating to the assessment of the entity's financing capacity in the context of applying for PRR;

(iii) Note 38 of the Notes to the Consolidated Financial Statements includes all the related parties' disclosures, in accordance with the International Financial Reporting Standards.

43. Events after the reporting period

In 2025, up until publication of this report, the following relevant facts occurred:

- **Sales agreement for the subsidiary NBASIT-Sist. de Inf. e Telecomunic., S.A.**

In January 2025, Novabase entered into a share sale and purchase agreement with Filipe Lobo ("Buyer") for the disposal of 99.2% of the share capital of the Angolan subsidiary NBASIT-Sist. de Inf. e Telecomunic., S.A. ("NBASIT"), for total consideration of €99,200, of which €9,920 was paid on the date of signing the agreement, and €89,280 will be paid on the date of completing the transaction. In the context of this agreement, the subsidiaries Novabase Business Solutions, S.A. and NOVABASE IMS 2, S.A. made an agreement for the assignment, with consideration, of claims against NBASIT in the amount of €358k and €2,510k, respectively, contracted within the scope of their business activities.

This sale agreement entailed the prior acquisition of 49.8% of NBASIT from minority shareholder Microcenter, a transaction that occurred at the end of 2024. The completion of this sale is still subject to the fulfilment of several conditions precedent, namely the receipt of the entire price for the assignment of claims, to be acquired by the Buyer over a maximum of 12 months, and with control transferred to the Buyer after this last condition has been met. Any failure to fulfil these conditions precedent will result in the automatic and immediate termination of the agreement.

Under the guidance of IFRS 10, the Group believes that these qualify as a single transaction. In fact, in the 2024 financial statements, the purchase of the non-controlling interest was reflected as an advance (see note 13), and will be considered as a reduction in fair value of the consideration received from the disposal of the holding, at the time of determining a loss or gain.

Note also that, as stated in the 2023 financial statements, there exists a negative exchange differences reserve associated with the operation in Angola, totalling €5.6m as at 31 December 2024 (31.12.23: €5.6m). In light of IFRS standards, this exchange differences reserve will be recognized in profit or loss, with a negative impact, upon disposal of this subsidiary. The transfer of the exchange differences reserve to profit or loss will not impact cash.

- **Remuneration to shareholders of €1.35 per share**

On 20 February 2025, Novabase announced the intention of its Board of Directors to propose to the 2025 Annual General Meeting the payment of a dividend of €1.35 per share, subject to market conditions, a financial and accounting status at Novabase allowing its execution. This corresponds to the distribution of €48.3m to shareholders, which represents, at the closing price of the day of the announcement, a dividend return of 21.4%.

The same announcement states that the Board of Directors intends to propose that this remuneration be paid, partially or in whole, in kind, by shareholder choice, in new Novabase shares issued for this purpose, from the same category as those already existing.

44. 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. REPORTS ISSUED BY THE SUPERVISORY BOARD AND BY THE CMVM REGISTERED AUDITOR

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RELATÓRIO E PARECER DO CONSELHO FISCAL
SOBRE AS DEMONSTRAÇÕES FINANCEIRAS CONSOLIDADAS DA
NOVABASE - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A.
DO EXERCÍCIO FINDO EM 31 DE DEZEMBRO DE 2024

Aos Exmos. Senhores Acionistas,

INTRODUÇÃO

Nos termos da Lei e para os efeitos do disposto na alínea g) do artigo 420.º do Código das Sociedades Comerciais e nos estatutos da Sociedade, cumpre-nos submeter à vossa apreciação o nosso Relatório sobre a atividade fiscalizadora desenvolvida e emitir o nosso Parecer sobre o Relatório de Gestão e as Demonstrações Financeiras Consolidadas da Novabase - Sociedade Gestora de Participações Sociais, S.A. relativamente ao exercício findo em 31 de dezembro de 2024.

ATIVIDADE DESENVOLVIDA

Fiscalização da Sociedade

No decurso do exercício em análise acompanhámos regularmente a evolução da atividade da sociedade e das suas participadas, tendo zelado pela observância da lei e do respetivo contrato de sociedade, bem como procedemos à fiscalização da administração da Sociedade, da eficácia dos sistemas de gestão de risco, de controlo interno e de preparação e divulgação da informação financeira, da regularidade dos registos contabilísticos, da exatidão dos documentos de prestação de contas consolidadas e das políticas contabilísticas e critérios valorimétricos adotados pela sociedade, por forma a verificar que os mesmos conduzem a uma adequada expressão do seu património, resultados e fluxos de caixa consolidados.

Durante o exercício o Conselho Fiscal reuniu seis vezes, tendo as respetivas reuniões sido formalmente registadas em ata. Nessas reuniões registou-se assiduidade de 100% para o Presidente e para o vogal João Duque e de 83% para a vogal Fátima Farinha.

Adicionalmente, o Conselho Fiscal participou na reunião do Conselho de Administração que aprovou o Relatório de Gestão e as Demonstrações Financeiras Consolidadas do exercício de 2024.

No âmbito das nossas funções mantivemos os contactos necessários com os representantes da Sociedade de Revisores Oficiais de Contas e Auditor Externo, no sentido de acompanhar o planeamento e os trabalhos de auditoria efetuados e tomar conhecimento das respetivas conclusões. As reuniões mantidas com os representantes da Sociedade de Revisores Oficiais de Contas e Auditor Externo permitiram-nos formular um parecer positivo quanto à integridade, rigor, competência, qualidade dos trabalhos e objetividade com que levaram a cabo os respetivos trabalhos, bem como da fiabilidade da informação financeira.

Foram ainda objeto de análise com os representantes da Sociedade de Revisores Oficiais de Contas e Auditor Externo as matérias relevantes de auditoria; remetemos para o seu relatório sobre as demonstrações financeiras consolidadas a descrição dos elementos essenciais objeto de análise.

Durante as reuniões do Conselho Fiscal, analisámos e discutimos com a Gestão e com o Revisor Oficial de Contas os principais riscos que afetam a Novabase - Sociedade Gestora de Participações Sociais, S.A. e as sociedades que integram o perímetro de consolidação, tendo como base apresentações preparadas pelos referidos órgãos sociais. Consideramos que obtivemos as explicações e esclarecimentos que considerámos relevantes.

Comunicação de irregularidades

Declaramos que durante o exercício de 2024 não rececionámos, através dos meios definidos para o efeito, qualquer comunicação sobre irregularidades.

Transações com partes relacionadas

Durante o exercício de 2024 não foram sujeitas à apreciação do Conselho Fiscal quaisquer transações com partes relacionadas nos termos do regulamento em vigor.

Independência do Auditor Externo

O Conselho Fiscal recebeu a declaração do Revisor Oficial de Contas a confirmar a sua independência relativamente à Sociedade e comunicando todos os relacionamentos que possam ser percecionados como uma ameaça à sua independência, assim como as salvaguardas implementadas.

DECLARAÇÃO DE RESPONSABILIDADE

De acordo com o disposto no artigo 29.º - G n.º 1, C) do Código dos Valores Mobiliários, declaramos que, tanto quanto é do nosso conhecimento e convicção, os documentos de prestação de contas atrás referidos, foram elaborados de acordo com as Normas Internacionais de Relato Financeiro, tal como adotadas pela União Europeia, dando uma imagem verdadeira e apropriada do ativo e do passivo, da situação financeira e dos resultados da Novabase - Sociedade Gestora de Participações Sociais, S.A. e das empresas incluídas no perímetro da consolidação, e que o relatório de gestão expõe fielmente a evolução dos negócios, do desempenho e da posição da Novabase - Sociedade Gestora de Participações Sociais, S.A. e das empresas incluídas no perímetro da consolidação, contendo uma adequada descrição dos principais riscos e incertezas com que se defrontam.

PARECER

Analisámos o Relatório de Gestão e as Demonstrações Financeiras Consolidadas relativas ao exercício de 2024, que compreendem a Demonstração Consolidada da Posição Financeira em 31 de dezembro de 2024, a Demonstração Consolidada dos Resultados, a Demonstração Consolidada do Rendimento Integral, a Demonstração Consolidada das Alterações aos Capitais Próprios e a Demonstração Consolidada dos Fluxos de Caixa e as respetivas notas anexas, elaborados de acordo com as Normas Internacionais de Relato Financeiro, tal como adotadas na União Europeia.

No âmbito das nossas competências analisámos a Certificação Legal das Contas e Relatório de Auditoria sobre a Informação Financeira Consolidada relativas ao exercício de 2024, elaboradas pelo Revisor Oficial de Contas, documento que não apresenta qualquer reserva e com o qual estamos de acordo.

Analisámos ainda o Relatório sobre o Governo da Sociedade relativo ao exercício de 2024, o qual se encontra em anexo ao Relatório de Gestão, preparado pelo Conselho de Administração em cumprimento do disposto no Regulamento da CMVM n.º 4/2013 (Governo das Sociedades Cotadas) competindo-nos apenas atestar que o mesmo incluía todos os elementos referidos no artigo n.º 29.º-H do Código de Valores Mobiliários.

Nestes termos, é nosso parecer que:

- nada obsta à aprovação do Relatório de Gestão relativo ao exercício de 2024;
- nada obsta à aprovação das Demonstrações Financeiras Consolidadas do exercício de 2024.

Lisboa, 30 de abril de 2025

O Conselho Fiscal

Álvaro José Barrigas do Nascimento - Presidente

Fátima do Rosário Piteira Patinha Farinha – Vogal

João Luís Correia Duque – Vogal

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*(Translation from the original document in the Portuguese language.
In case of doubt, the Portuguese version prevails)*

Statutory and Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Novabase – Sociedade Gestora de Participações Sociais, S.A. (the Group), which comprise the Consolidated Statement of Financial Position as at 31 December 2024 (showing a total of 162,396 thousand euros and a total equity of 84,886 thousand euros, including a net profit for the year of 6,420 thousand euros), and the Consolidated Statement of Profit and Loss by Nature, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Novabase – Sociedade Gestora de Participações Sociais, S.A. as at 31 December 2024, and of its consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”) and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section below. We are independent of the entities comprising the Group in accordance with the law and we have fulfilled other ethical requirements in accordance with the Institute of Statutory Auditors’ code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters in the current year audit are the following:

1. Revenue recognition – Turn Key

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
As at 31 December 2024, the accompanying consolidated financial statements of Novabase – Sociedade Gestora de Participações Sociais, S.A. show 134,188 thousand euros in services rendered (2023: 132,556 thousand euros) (Note 5). The recognition of revenue associated with consultancy projects under a closed contract	Our approach included the following procedures: ▶ Understanding and assessing the design of relevant processes and controls, including the design of general IT controls, related to the revenue recognition process; ▶ Carrying out substantive analytical procedures and detail tests for a sample of projects, obtaining contractual support documentation, where applicable, and evidence of

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
("Turn Key") regime represents approximately 30% of the Group's turnover. The recognition of this type of "over time" projects is based on qualitative factors that require judgement, such as planned income and costs, contingencies in terms of contractual risks. Taking into account the materiality of the amounts involved and the degree of judgement associated with the revenue recognition criteria, we consider this topic as a relevant audit matter.	compliance with the performance obligation, from the moment the transaction is recognised until its receipt; ▶ Carrying out analytical review procedures, namely by analysing the evolution of the project margin; ▶ Carrying out procedures to review the estimate and discuss the main assumptions considered by the management body regarding planned costs and income and contingencies; ▶ Obtaining support for the main manual adjustments, in order to verify the accuracy of the amounts accounted for and their correct specialisation of the financial year; and ▶ Obtaining external confirmations for a representative sample of accounts receivable. We also verified the adequacy of the revenue recognition policies and other applicable disclosures, included in Notes 2.18, 4 (d) and 5 of the notes to the consolidated financial statements.

2. Fair value measurement of financial assets – Feedzai, S.A.

Description of the most significant assessed risks of material misstatement	Summary of our response to the most significant assessed risks of material misstatement
The amount of financial assets at fair value through profit or loss amounts to 14,000 thousand euros (2023: 13,879 thousand euros). The participation in the entity Feedzai, S.A., amounts to 12,178 thousand euros (2023: 11,778 thousand euros), representing the most significant part of the financial assets at fair value through profit or loss item, as detailed in Note 9 of the notes to the consolidated financial statements. The Group's policy is to determine the fair value at each reporting date, in accordance with a discounted cash flow model, supported by business plans estimated by the management over a 5-year horizon, discount rates and growth rates in perpetuity. Due to the relevance of the amounts involved, as well as the complexity and judgment inherent in the assumptions included in the adopted model, it is determined that we consider this topic as a relevant audit matter.	Our approach has included the following procedures: ▶ Understanding and assessing the process and controls relating to the recording and monitoring of the fair value of subsidiaries recognised at fair value through profit or loss; ▶ Obtaining the models prepared by the management and testing the arithmetic accuracy and completeness of the models used to determine the fair value; ▶ Analysing the models by comparing current performance with estimates made in previous periods; and ▶ Assessing, with the support of internal experts, the reasonableness of the assumptions that present greater sensitivity and judgement in determining the fair value, namely, discount rate and growth rate in perpetuity. Additionally, we verified the adequacy of the disclosures presented in Notes 2.7, 4(b), 9 and 40 of the notes to the consolidated financial statements.

Responsibilities of management and the supervisory board for the consolidated financial statements

Management is responsible for:

- ▶ the preparation of consolidated financial statements that presents a true and fair view of the Group's financial position, financial performance and cash flows in accordance with International Financial Reporting Standards as endorsed by the European Union;
- ▶ the preparation of the Management report, the Corporate Governance Report, non-financial information and remunerations report, in accordance with the laws and regulations;
- ▶ designing and maintaining an appropriate internal control system to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error;
- ▶ the adoption of accounting policies and principles appropriate in the circumstances; and
- ▶ assessing the Group's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern that may cast significant doubt on the Group's ability to continue as a going concern.

The supervisory body is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- ▶ planned and performed our audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for the purpose of the group audit and are ultimately responsible for our audit opinion;
- ▶ communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;
- ▶ from the matters communicated with those charged with governance, including the supervisory body, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter; and
- ▶ We also provide the supervisory body with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate threats or safeguards applied.

Our responsibility includes the verification of the consistency of the Management Report with the consolidated financial statements, and the verifications under nr. 4 and nr. 5 of article 451 of the Commercial Companies Code regarding corporate governance matters, as well as the verification that the non-financial information and remunerations report have been presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the Management Report

Pursuant to article 451, nr. 3, paragraph e) of the Commercial Companies Code, it is our opinion that the Management Report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited consolidated financial statements and, having regard to our knowledge and assessment over the Group, we have not identified any material misstatement. As referred to in article 451, nr. 7 of the Commercial Companies Code this opinion is not applicable to the consolidated statement of non-financial information included in the Management Report.

On the Corporate Governance Report

Pursuant to article 451, nr. 4 of the Commercial Companies Code, in our opinion the Corporate Governance Report includes the information required to the Group to provide as per article 29.º-H of the Securities Code, and we have not identified material misstatements on the information provided therein in compliance with paragraphs c), d), f), h), i) and m) of nr. 1 of the said article.

On the consolidated statement of non-financial information

Pursuant to article 451, nr. 6 of the Commercial Companies Code, we hereby inform that the Group included in the Management Report, chapter "Sustainability Statement", the consolidated statement of non-financial information, in compliance with article 508-G of the Commercial Companies Code.

On the remunerations report

Pursuant to article 26.º-G, nr. 6 of the Securities Code, we hereby inform that the Group has included in a separate chapter of its Corporate Governance Report the information provided in compliance with paragraph 2 of the said article.

On additional items set out in article 10 of the Regulation (EU) nr. 537/2014

Pursuant to article 10 of the Regulation (EU) nr. 537/2014 of the European Parliament and of the Council, of 16 April 2014, and in addition to the key audit matters mentioned above, we also report the following:

- ▶ We were appointed as auditors of Novabase – Sociedade Gestora de Participações Sociais, S.A. (Group's parent entity) for the first time in the shareholders' general meeting held on 22 May 2024 for a mandate from 2024 to 2026;
- ▶ Management has confirmed that they are not aware of any fraud or suspicion of fraud having occurred that has a material effect on the consolidated financial statements. In planning and executing our audit in accordance with ISAs we maintained professional skepticism and we designed audit procedures to respond to the possibility of material misstatement in the consolidated financial statements due to fraud. As a result of our work we have not identified any material misstatement to the consolidated financial statements due to fraud;
- ▶ We confirm that our audit opinion is consistent with the additional report that we have prepared and delivered to the supervisory body of the Group on 30 April 2025;
- ▶ We declare that we have not provided any prohibited services as described in article 5, of the Regulation (EU) nr. 537/2014, of the European Parliament and of the Council, of 16 April 2014 and we have remained independent of the Entity in conducting the audit; and
- ▶ We declare that, in addition to the audit, we provided the Group with the following services as permitted by law and regulations in force:
 - Independent limited assurance report on the consolidated statement of non-financial information of Novabase – Sociedade Gestora de Participações Sociais, S.A. for the period ended 31 December 2024.

European Single Electronic Format (ESEF)

The accompanying consolidated financial statements of Novabase – Sociedade Gestora de Participações Sociais, S.A. for the year ended 31 December 2024 must comply with the applicable requirements set out in the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (ESEF Regulation).

Management is responsible for preparing and disclosing the annual report in accordance with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements, included in the annual report, are presented in accordance with the requirements set out in the ESEF Regulation.

Our procedures considered the OROC Technical Application Guide on report in ESEF and included, among others:

- ▶ obtaining an understanding of the financial reporting process, including the submission of the annual report in valid XHTML format; and
- ▶ the identification and evaluation of the risks of material distortion associated with the marking-up of the information of the consolidated financial statements, in XBRL format using iXBRL technology. This evaluation was based on the understanding of the process implemented by the Group to mark-up the information.

In our opinion, the accompanying consolidated financial statements included in the annual report are presented, in all material respects, in accordance with the requirements set out in the ESEF Regulation.

Lisbon, 30 April 2025

Ernst & Young Audit & Associados – SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Luís Miguel Gonçalves Rosado - ROC nr. 1607
Registered with the Portuguese Securities Market Commission under license nr. 20161217

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III. SECURITIES ISSUED BY THE COMPANY AND OTHER GROUP COMPANIES, 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. shares / quotas held by corporate bodies at 31.12.23	Transactions	No. shares / quotas held by corporate bodies at 31.12.24	% held by corporate bodies at 31.12.24
Novabase S.G.P.S., S.A.	€1,072,866	35,762,202	13,665,289	5,640,622	19,305,911	54.0%
HNB - S.G.P.S., S.A. ^(a)			11,438,851	4,978,371	16,417,222	45.9%
Pedro Miguel Quinteiro Marques de Carvalho			2,097,613	639,040	2,736,653	7.7%
Manuel Saldanha Tavares Festas			74,986	0	74,986	0.2%
Francisco Paulo Figueiredo Morais Antunes			30,335	13,201	43,536	0.1%
María del Carmen Gil Marín			23,001	10,010	33,011	0.1%
João Luís Correia Duque			500	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%
Benito Vázquez Blanco			0	0	0	0.0%
Rita Wrem Viana Branquinho Lobo Carvalho Rosado			0	0	0	0.0%
Madalena Paz Ferreira Perestrelo de Oliveira			0	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						
Susana de Macedo Melim de Abreu Lopes ^(b)			0	0	N/A	-
Maria Cristina Santos Ferreira ^(b)			0	0	N/A	-
Ernst & Young Audit & Associados - SROC, S.A., represented						
by Luís Miguel Gonçalves Rosado ^(c)			N/A	0	0	0.0%
Rui Abel Serra Martins ^(c)			N/A	0	0	0.0%
NBASIT - Sist. Inf e Telecomunicações, S.A.	AOA 47,500,000	100,000	800	0	800	0.8%
Álvaro José da Silva Ferreira			400	0	400	0.4%
Luís Paulo Cardoso Salvado			200	0	200	0.2%
Francisco Paulo Figueiredo Morais Antunes			200	0	200	0.2%

^(a) 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 entered into a shareholder's agreement concerning the total share capital of this company.

^(b) No longer belongs to the Company's corporate bodies in accordance with the resolutions of the General Meeting held on 22 May 2024.

^(c) Became part of the Company's corporate bodies in accordance with the resolutions of the General Meeting held on 22 May 2024.

Novabase reports in the above table the securities held directly by members of the Board of Directors and supervisory bodies of the Company or those closely related 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
(Free translation from the original version in Portuguese)
SIGNED ON THE ORIGINAL

Pursuant to the terms of section c) of paragraph 1 of article 29-G of the Portuguese Securities Code, the members of the Board of Directors and those responsible within Novabase, Sociedade Gestora de Participações Sociais, S.A., below identified, state, 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, namely within the Board of Directors:

(i) the information contained in the management report, annual accounts, Auditors' Report and all other accounting documentation required by law or regulation, for the year ended 31 December 2024, 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 management report faithfully states the evolution of the businesses, performance and 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, 30 April 2025

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

Álvaro José da Silva Ferreira
Director with delegated powers

Francisco Paulo Figueiredo Morais Antunes
Director with special responsibilities

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

Benito Vázquez Blanco
Non-Executive member of the Board

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Statement by the members of the Audit Board under paragraph 1, c) of article 29º-G of the Portuguese Securities Code

Álvaro José Barrigas do Nascimento, chairman of the Audit Board of Novabase S.G.P.S., S.A. declares that, to the best of his knowledge, the information contained in the management report, the annual accounts, the chartered accountant legal certification and all other financial statement documentation regarding the year ended 31 December 2024 was drafted in accordance with the applicable accounting standards, give a true and appropriate view of the assets and liabilities, the financial position and the results of the issuer and, when applicable, of the companies included in the consolidation perimeter, and the management reports faithfully state the evolution of the businesses, performance and position of the issuer and, when applicable, of the companies included in the consolidation perimeter, containing a description of the main risks and uncertainties which they face.

Lisbon, April 30, 2025

Fátima do Rosário Piteira Patinha Farinha, member of the Audit Board of Novabase S.G.P.S., S.A. declares that, to the best of her knowledge, the information contained in the management report, the annual accounts, the chartered accountant legal certification and all other financial statement documentation regarding the year ended 31 December 2024 was drafted in accordance with the applicable accounting standards, give a true and appropriate view of the assets and liabilities, the financial position and the results of the issuer and, when applicable, of the companies included in the consolidation perimeter, and the management reports faithfully state the evolution of the businesses, performance and position of the issuer and, when applicable, of the companies included in the consolidation perimeter, containing a description of the main risks and uncertainties which they face.

Lisbon, April 30, 2025

João Luís Correia Duque, member of the Audit Board of Novabase S.G.P.S., S.A. declares that, to the best of his knowledge, the information contained in the management report, the annual accounts, the chartered accountant legal certification and all other financial statement documentation regarding the year ended 31 December 2024 was drafted in accordance with the applicable accounting standards, give a true and appropriate view of the assets and liabilities, the financial position and the results of the issuer and, when applicable, of the companies included in the consolidation perimeter, and the management reports faithfully state the evolution of the businesses, performance and position of the issuer and, when applicable, of the companies included in the consolidation perimeter, containing a description of the main risks and uncertainties which they face.

Lisbon, April 30, 2025

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