

NOVO BANCO, S.A. informs about assumptions used to measure the fair value of its stakes in the Restructuring Funds

Following Comissão do Mercado de Valores Mobiliários (the Portuguese Securities Market Commission; “CMVM”) request SAI-OFIC/2021/2453 of 19 March 2021, NOVO BANCO, SA (“NOVO BANCO”) discloses further information on underlying quantitative indicators of fair value measurements of NOVO BANCO stakes in the Restructuring Funds, classified at “level 3” (IFRS 13). This information complements the information previously disclosed in the latest Annual Report.

The information is unaudited.

Assumption	Hotel			RE Development			RE			Shopping Center			RE Rural		
	Min	Average	Max	Min	Average	Max	Min	Average	Max	Min	Average	Max	Min	Average	Max
ARR (€)	51	177	497	95	145	207	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Occupancy Rate %	40%	58%	78%	54%	66%	75%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
€/Sqm	n.a.	n.a.	n.a.	30	3,227	6,059	173	2,024	4,610	1,007	3,460	4,560	n.a.	n.a.	n.a.
€/Ha	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	3,954	23,088	77,296
Discount Rate	7.5%	8.2%	10.6%	8.1%	12.1%	20.0%	5.0%	6.0%	7.0%	9.3%	9.7%	10.6%	n.a.	n.a.	n.a.
Valuation Methodology	Market Approach Income Approach			Market Approach Income Approach			Market Approach Income Approach			Market Approach Income Approach			Market Approach Income Approach		

Notes:

- (i) All the assumptions presented above were calculated based on the averages of the values considered by the external appraisers by property evaluated.
- (ii) Average considers the weighted average per property.
- (iii) Hotel - Includes the hotels and aparthotels currently in operation (Hotels under development or project are incorporated in Real Estate in Development (RE Development) together with their related property.
- (iv) €/ Sqm considers the gross construction area.

In addition, and also at the request of CMVM, NOVO BANCO presents below the assumptions considered when measuring the fair value of the financial holdings held in the restructuring funds.

Type of fund	Discount based on P/BV observable market data
Real Estate & Tourism	14.5%
Real Estate & Tourism/Other	13.6%
Other	10.6%

Lisbon, 28 May 2021
NOVO BANCO, S.A.