

ANNUAL GENERAL MEETING OF SHAREHOLDERS 24 May 2022

NOVABASE - Sociedade Gestora de Participações Sociais, S.A.

Registered Office: Av. D. João II, no. 34, Parque das Nações, Lisbon
Share Capital: 54,638,425.56 Euros
Lisbon Commercial Registry inscription and corporation number 502.280.182

PROPOSAL OF THE BOARD OF DIRECTORS

ITEM 4 ON THE AGENDA:

To resolve on the reduction of the Company's share capital from € 54,638,425.56 (fifty four million, six hundred and thirty eight thousand, four hundred and twenty five euros and fifty six cents) to € 32,971,463.70 (thirty two million, nine hundred and seventy one thousand, four hundred and sixty three euros and seventy cents), for the purpose of losses' coverage and release of excess capital, to be carried out by reducing the nominal value of all shares representing the share capital from € 1.74 (one euro and seventy four cents) to € 1.05 (one euro and five cents), with the consequent amendment to paragraph 1 of Article 4 of the Articles of Association.

Whereas:

- A) Under article 94 of the Portuguese Companies Code, a company may reduce its share capital in order to cover losses, and the purpose of the reduction may also be, among others, the release of excess capital;
- B) The proposal for application of results of the 2021 financial year submitted under Item 2 of the Agenda of the present General Meeting, pursuant to which it is proposed to transfer the positive net result of the financial year, in the amount of € 1,025,507.61 (one million, twenty-five thousand, five hundred and seven euros and sixty-one cents), to retained earnings to cover existing retained losses, although the Company will continue, should this proposal be approved by the General Meeting, to record negative retained earnings in the amount of € 4,818,217.86 (four million, eight hundred and eighteen thousand, two hundred and seventeen euros and eighty-six cents);

- C) Additionally, within the capital reduction for the purpose of releasing excess capital, several ultimate purposes are admitted: the direct allocation to shareholders of the amounts released, the creation of reserves or the release from obligations to perform capital contributions;
- D) Under article 95 of the Commercial Companies Code, a capital reduction may not be resolved if the net worth of the company does not exceed the new capital in, at least 20%;
- E) This proposal allows for the coverage of all of the Company's retained losses.

It is hereby proposed that it is resolved:

- 1) To reduce the share capital of the Company from € 54,638,425.56 (fifty four million, six hundred and thirty eight thousand, four hundred and twenty five euros and fifty-six cents) to € 32,971.463.70 (thirty two million, nine hundred and seventy one thousand, four hundred and sixty three euros and seventy cents), with the overall amount of the reduction being € 21,666,961.86 (twenty one million, six hundred and sixty six thousand, nine hundred and sixty one euros and eighty six cents), with the capital reduction having the following purposes:
 - a) the amount of € 4,818,217.86 (four million, eight hundred and eighteen thousand, two hundred and seventeen euros and eighty-six cents) will be allocated to cover losses;
 - b) the remaining amount of the reduction, corresponding to € 16,848,744.00 (sixteen million, eight hundred and forty-eight thousand, seven hundred and forty-four euros), will be destined to release excess capital, under the following terms:
 - (i) the amount of € 3,346,144.58 (three million, three hundred and forty-six thousand, one hundred and forty-four euros and fifty-eight cents) will be transferred to free reserves; and
 - (ii) the amount of € 13,502,599.42 (thirteen million, five hundred and two thousand, five hundred and ninety nine euros and forty two cents) will be attributed directly to the shareholders, corresponding to 0.43 € (forty three cents) per share, in relation to the total number of shares issued.

Accordingly, the reduction of the share capital of the Company under the terms mentioned above will result in a reduction of the nominal value of the shares representing the share capital of the Company by the amount of € 0.69 (sixty nine cents), these shares having, after such reduction, a nominal value of €1.05 (one euro and five cents).

As results from the balance sheet dated 31 December 2021 and approved under item one of the agenda, as well as from the application of results approved under item two of the agenda, after the implementation of the proposed capital reduction, the Company's net equity will exceed the new capital by more than 20%, thus complying with the requirement set forth in article 95 of the Portuguese Companies Code.

- 2) That, as a result of the proposed capital reduction, paragraph 1 of Article 4 of the Articles of Association be amended to read as follows:

“ARTICLE 4

1. The share capital, fully subscribed and paid up, is thirty-two million, nine hundred and seventy-one thousand, four hundred and sixty-three euros and seventy cents and is represented by thirty one million, four hundred and one thousand and three hundred and ninety four shares with a nominal value of one euro and five cents each one.
2. (...)
3. (...).
4. (...).”

- 3) That this resolution of reduction of share capital is conditional upon the approval of the resolution of allocation of results within the terms of Item two of the Agenda.

Lisbon, 27 April 2022

THE BOARD OF DIRECTORS

Luís Paulo Salvado

Álvaro Ferreira