



SAMBA DIGITAL, SGPS, S.A.

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NIPC: 517071088

INFORMATION DOCUMENT

DIRECT ADMISSION ON EURONEXT GROWTH

The present Information Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when Securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71.

The present Information Document has been drawn up under the responsibility of the Issuer. It has been reviewed by the Listing Sponsor and has been subject to an appropriate review of its completeness, consistency, and comprehensibility by Euronext.

Euronext Growth is a market operated by Euronext. Issuers on Euronext Growth, a multilateral trading facility (MTF), are not subject to the same rules as issuers on a Regulated Market (a main market). Instead, they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on Euronext Growth may therefore be higher than investing in a company on a Regulated Market. Investors should take this into account when making investment decisions.

18th of December 2024

Listing Sponsor



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Presentation of the Information

This Information Document pertains to the Direct Admission of Samba Digital S.G.P.S., S.A. (“Samba Digital” or “Samba”) on Euronext Growth Lisbon, a multilateral trading facility operated by Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A and is available on Euronext’s and Samba Digital’s websites.

Carmo & Cerqueira SROC, Lda. (Carmo & Cerqueira) acts as Listing Sponsor assisting the Issuer with the admission to trading of its shares on Euronext Growth Lisbon.

The existence of this document does not preclude that further alterations to this information may occur.

This Information Document does not constitute an offer or request to the acquisition of securities. This Information Document does not provide an analysis or recommendation on the shares of Samba Digital, SGPS, S.A.

Any investment decision should be taken after an independent evaluation of the economic and financial condition of Samba Digital and supported by the information present in this document as a whole.

In addition, no investment decision must be made without prior analysis by the potential investor or financial advisor of the Information Document, albeit relevant information is rendered with reference to parts of this Information Document or other documents incorporated in it.

The statements that integrate this document, namely on the financial situation, income and return, business strategy, perspectives, plans and management goals for future operations of Samba Digital constitute declarations concerning the future, except for those that are related with historical facts.

This Information Document includes assertions about the future. The words or expressions “believe”, “expect(s)”, “plans”, “intends”, “project(s/ed)”, “will”, “predicted”, and similar expressions are aimed at identifying assertions concerning the future. With the exception of some of the assertions involving previous facts present in this Information Document, any statement either on the financial situation, income and return (including financial or operational predictions and projections), business strategy, plans or management goals concerns the future.

These assertions concerning the future or projections available in the Information Document involve known and unknown risks and uncertainties as portrayed in the Risk Factors section of this Information Document.

This Information Document was issued in accordance with the Information Document Notice of the Euronext Rule Book, safeguarding incompatible provisions between the Issuer’s legal nature and the securities admitted to trading on Euronext Growth Lisbon.

Compliance with Euronext Procedures

Interbolsa has defined rules and procedures in what concerns to the exercise of security rights integrated in the centralized system. The so called “corporate events” covers dividends, subscription, and others, and relates only to its exercise or payment.

The rules and procedures are described in Interbolsa Regulation 2/2016 and Interbolsa Circular 1/2016. For ease of reference, attached hereto is Interbolsa schedule with the relevant dates for dividends, interests and other income payments and redemptions.

The procedures were defined taking into account the Portuguese law and regulations, as well as the Corporate Actions standards and market practices, and basically assume that the issuer has to inform Interbolsa of the corporate event (once decided) with a prior notice of 15 days as from the relevant date (in case of dividends, the payment date); the securities will be traded without the relevant rights 2 days prior to the relevant date; the record date to determine which shareholders are eligible to receive the dividend or new shares (capital increase) is on the eve of the relevant date; in capital increase the rights are detached from the securities on the eve of the relevant date.

Samba Digital, SGPS, S.A., a Portuguese Corporation, hereby declares that will comply with all Interbolsa rules and procedures while its shares are registered in the centralized system managed by Interbolsa and will notify Interbolsa if became aware of a Portuguese rule or law that prevents Samba from complying with the applicable rules and procedures established by Interbolsa in order to solve the issue and find a solution.

PART 1:
INFORMATION ABOUT THE ISSUER

1. People Responsible

1.1. RESPONSIBLE FOR THE INFORMATION DOCUMENT

Frédéric Fausser, Chief Executive Officer

1.2. CERTIFICATE OF RESPONSIBILITY

“I declare that, to the best of my knowledge, the information provided in the Information Document is fair and accurate and that, to the best of my knowledge, the Information Document is not subject to any [material] omissions, and that all relevant information is included in the Information Document.”

Frédéric Fausser
Chief Executive Officer

1.3. EXPERT REPORTS AND DECLARATIONS OF INTEREST

No report attributed to a person acting as an expert is included by reference in the Information Document.

1.4. INFORMATION FROM THIRD PARTIES

Some of the information contained in the Information Document comes from studies and statistics produced by third parties, professional organizations or figures published by competing companies. All these third-party sources are referenced in the Information Document. The company certifies that this information, which it considers reliable, has been accurately reproduced and that, as far as the company is aware from the data published or supplied by these sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

2. Statutory Auditors

2.1. APPOINTMENT OF STATUTORY AUDITORS

Veloso & Associados - SROC, Lda.
Avenida da Liberdade, 682, 1.º Dto., 4710-249 Braga

Veloso & Associados – SROC, Lda. were appointed as statutory auditors for the years 2022, 2023 and 2024, and are likely to remain for the following years.

2.2. STATUTORY AUDITORS WHO HAVE RESIGNED, BEEN DISMISSED OR NOT BEEN REAPPOINTED

During the period covered by the historical financial information, no statutory auditors resigned or were removed from office.

3. Risk Factors related to the Issuer

Investing in and holding Ordinary Shares involves financial risk. Prospective investors in the Ordinary Shares should carefully review all of the information contained in this document and should pay particular attention to the following risks associated with an investment in the Ordinary Shares, Samba's business and the industry in which it participates.

The risk factors set out below apply to Samba at the date of this document. The risk factors which are most material to an investment in the Ordinary Shares, in the assessment of the directors, are set out first.

The risks and uncertainties described below are not an exhaustive list and do not necessarily comprise all, or explain all, of the risks associated with Samba Digital and the industry in which it participates or an investment in the Ordinary Shares. They comprise the material risks and uncertainties in this regard that are known to Samba Digital, against which the company has taken protective measures, and should be used as guidance only. Additional risks and uncertainties relating to Samba Digital and/or the Ordinary Shares that are not currently known to Samba Digital, or which Samba Digital currently deems immaterial, may arise or become (individually or collectively) material in the future, and may have a material adverse effect on Samba's business, results of operations, financial condition and prospects. If any such risk or risks should occur, the price of the Ordinary Shares may decline and investors could lose part or all of their investment.

Prospective investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in the light of the information in this document and their personal circumstances. Prospective investors should consult a legal adviser, an independent financial adviser or a tax adviser for legal, financial or tax advice if they do not understand any part of this document.

This section of the document aims to present the types of risks Samba is exposed to and its degree of criticality and probability of occurrence, as well as description of the process used to mitigate them. The table below summarizes those risks by category.

Category	Risk	Degree of Criticality	Probability of Occurrence
Business Risks	Competition in a rapidly evolving market	Moderate	Moderate
	Digital Piracy Risks	Low	Low
	Samba Digital, Inc. may not operate as envisaged	Low	Low
Strategy Risks	Ability to recruit and retain skilled personnel	Moderate	Low
	Dependence on key executives and personnel	Moderate	Low
	No long-term contracts for any personnel	Moderate	Moderate
	Dependent on technology and product development	Moderate	Moderate
Financial Risks	Uncertainty regarding current clients	Moderate	Moderate
	Exchange Rate Risk	Moderate	Moderate
Regulatory Risks	Intellectual know-how and property	Low	Low
	Dependence on Social Media Regulation	High	Moderate

Table 1 - Samba's Risks by category

As Samba Digital, SGPS, S.A. only operates as the holding company for Samba Digital, Inc., as described in section 6, its business risks almost exclusively derive from potential decreases in the value of its subsidiary, as detailed below.

3.1. BUSINESS RISKS

3.1.1. Samba Digital, Inc. faces competition in a rapidly evolving market

Although the directors believe that significant barriers to entry exist in the markets in which Samba Digital, Inc. operates, Samba Digital, Inc. may face an increasing amount of competition. Competitors may seek to develop products which more successfully compete with Samba Digital, Inc.'s products and they may also adopt more aggressive pricing models or undertake more extensive marketing campaigns. This may have a negative impact on sales volumes or profit margins achieved by Samba Digital, Inc. in the future.

Samba Digital, Inc. is currently evolving in the sports digital market. This market includes numerous companies of different sizes, prices and levels of service/coverage. The main players include major international sports marketing agencies (Havas, Octagon, IMG, Wasserman, Dentsu, InFront or Sportfive), local or regional agencies (Extreme PR in Mexico, Mailman in China, Seven League in England or Two Ten Eight in China) or other enterprises that specialize in sports translation (MMC) or paid-media (WePlay).

Samba Digital, Inc. differentiates itself significantly from these three competitor categories. Firstly, there is a key difference between Samba Digital, Inc. and major international sports marketing agencies: these agencies have an international strike force with a multi-country presence and several levels of service; however, their core business is not purely digital and their prices can be prohibitive. Their main services include negotiation of athletes, TV rights or image rights, sponsorship/commercial management, development of apps/sites or events. Contrarily, Samba Digital Inc. focuses on developing the international audience of sports entities via social and digital-first services.

Secondly, Samba Digital, Inc. is not comparable to local or regional agencies, since these are expert agencies in a particular country or region of the world. The differentiating factor of Samba Digital, Inc. is its global and centralized offer, presenting its services in about 50 languages, a truly global network. Also, clients can pool all of its digital internationalization needs with Samba Digital, Inc. for a more competitive price.

Lastly, there are two other players that compete with Samba Digital, Inc.'s services in all countries, namely, MMC and WePlay. MMC is a sports translation agency based in Germany. It now has multi-country coverage similar to Samba Digital, Inc. However, Samba Digital, Inc differs in the level of services, since it specializes in digital marketing and not just in translation. In addition, its approach is increasingly technological with a centralized platform for all internationalization needs.

Concerning WePlay, it is an English agency specialized in paid-media (Facebook ADS, Google ADS) and the growth of social networks. They don't handle organic strategies and campaigns (social media growth without advertising budget).

In order to mitigate the high risk of competition, Samba Digital, Inc. has been operating in a global market since its inception and has built its success on an alchemy based on a continuous investment in technology and development. It also has a strong network of freelancers who are extremely qualified in their respective fields of expertise. These freelancers are mainly located in Latin America, MENA and Asia, which itself contributes to a very competitive pricing model, since production costs are much lower than Europe or the USA.

3.1.2. Risks of digital piracy

Samba Digital, Inc. may suffer a security breach, computer malware and computer hacking attacks which have become more prevalent in companies that heavily rely on technology. Any security breach caused by

hacking which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and the inadvertent transmission of computer viruses could harm the business. Though it is difficult to determine what harm may directly result from any specific interruption or breach, any failure to maintain performance, reliability, security and availability of network infrastructure to the satisfaction of clients may harm Samba Digital, Inc.'s reputation and its ability to retain existing clients and attract new clients.

Samba Digital, Inc. has security procedures in place for encrypted daily backups and even external storage that allows applications to be restarted in the event of an attack with minimal data loss. In addition, Samba Digital, Inc. has implemented protection measures based on an IT security charter signed by all its freelancers, an SSL encryption and two-stage verification of e-mails and business platforms daily backups of servers and databases.

However, it is impossible to ensure that a major and repeated attack would not end up blocking the management systems, putting Samba Digital, Inc. in serious difficulties. Since January 2022, a technical consultant (CTO) has been working with us on technology projects and is tasked with controlling and identifying any security issues.

3.1.3. Samba Digital, Inc. may not expand or operate as envisaged

There is a risk that Samba Digital, Inc. may encounter unforeseen challenges that could hinder its ability to expand or operate as planned. These challenges may include changes in market conditions, unexpected client demands, or economic downturns, which could impact the company's growth trajectory and profitability. However, Samba Digital's highly flexible business model, which operates with virtually no fixed costs, allows it to adapt quickly to these risks. The company has the ability to scale its structure up or down within 30 days, minimizing potential disruptions. This flexibility enables Samba Digital to rapidly adjust its business model at no additional cost, ensuring it can respond effectively to market changes.

3.2. STRATEGY RISKS

3.2.1. Ability to recruit and retain skilled personnel

The ability to continue to attract and retain freelancers with the appropriate expertise and skills cannot be guaranteed. Identifying and contracting any additional personnel and replacements could be costly and might require Samba Digital, Inc. to grant significant equity awards or other incentive compensation, which could adversely impact its financial results, and there can be no assurance that Samba Digital, Inc. will have sufficient financial resources. Effective product development and innovation, upon which Samba Digital, Inc.'s success is dependent, is in turn dependent upon attracting and retaining talented technical, engineering and marketing personnel, who represent a significant asset and serve as the source of Samba Digital, Inc.'s technological and product innovations. In addition, to expand Samba Digital, Inc.'s customer base and increase sales, Samba Digital, Inc. will need to hire additional qualified sales personnel. If Samba Digital, Inc. is unable to hire, train and retain such personnel in a timely manner, the development and introduction of Samba Digital, Inc.'s products could be delayed and its ability to sell its products and otherwise to grow its business will be impaired and such delay and inability may have a detrimental effect upon the performance of Samba Digital, Inc.

To minimize the impact of these risks Samba Digital, Inc. uses a Talent Identification Consultant for its recruitment process. Furthermore, Samba Digital, Inc. has offered a personalized working environment since its creation: home office, a competitive local remuneration, flexible working and has invested in partnerships with sports marketing universities allowing it to have access to students for certain projects

who may become collaborators in due course: the FBA in Switzerland and other contacts are underway, in particular with Indian and LATAM universities.

3.2.2. Dependence on key executives and personnel

Samba Digital, Inc.'s development and prospects are dependent upon training and retaining qualified staff. In particular, Samba Digital, Inc.'s success depends to a significant degree upon the vision, technical and specialist skills, experience, performance, and continued service of its directors, senior freelancers and other key people. Whilst Samba Digital, Inc. has entered into contractual arrangements with these individuals with the aim of securing the services of each of them, retention of these services cannot be guaranteed and the loss of the services of any of the directors, senior management or key personnel may have a material adverse effect on Samba Digital, Inc. and its commercial and financial performance.

The company has implemented actions to manage this problem, namely a performance review of each freelancer carried out every six months, which makes it possible to detect any issues and respond to them, among other things. The company has implemented a systematic policy of training and dissemination of knowledge through cross-training and a systematic documentation of all critical processes in Samba Digital, Inc.'s operation with escalation programs to be activated if necessary.

Samba Digital, Inc.'s proven ability, over its short history, to recruit the most suitable profiles for its needs from all over the world, gives it an advantage that makes it less dependent on individual workers.

3.2.3. No long-term contracts for any personnel

As mentioned, Samba does not have any long-term employment contracts, since all of its collaborators are on freelance contracts, even the upper management of the company. This allows for a more flexible business model; however, there is no certainty that Samba can retain its qualified personnel, which can hurt its operational efforts.

To mitigate this, all freelance contracts are designed to significantly reduce risk related to personnel. All contracts have a clause defining a notice period, so that if one of the parties intends to terminate the contract, it must inform the other party 3 months in advance. Therefore, if any personnel intend to leave, Samba has 3 months to find a replacement. For Samba's protection, these contracts include a non-competition clause, so that no personnel resign to join direct competitors, and a confidentiality clause to protect confidential company information.

Additionally, if Samba intends to terminate the contract for any reason, for example bad performance, it is much easier to do it with freelance contracts, while respecting the notice period, than any regular employment contract. Samba is not exposed to any financial compensation a regular employment contract might require.

3.2.4. Samba Digital, Inc. is dependent on technology and product development

Samba Digital's success is heavily reliant on its ability to maintain and develop technology solutions that meet client needs and market demands. There is a risk that the company may face technological disruptions, fail to innovate, or become reliant on outdated systems, which could negatively impact its competitive position and business operations. To mitigate these risks, Samba Digital utilizes a flexible approach by relying on software as a service (SaaS) solutions and outsourcing, rather than being locked into internally developed systems. Additionally, the company conducts continuous monitoring of technological advancements and systematically beta-tests new technologies to ensure it remains at the forefront of industry developments.

3.3. FINANCIAL RISKS

3.3.1. Uncertainty regarding current clients

As a sports digital marketing company, Samba Digital mostly sells services to sports clubs and brands. Consequently, Samba is dependent on the financial position of its clients and their ability to pay for its services. As is known, football clubs face high uncertainty as a high percentage of their income comes from TV Rights deals negotiated by their leagues or player transfer leagues, both of which are volatile.

In July 2024, the LFP (French Professional League) and the Ligue 1 football clubs agreed on TV rights deals for match broadcasting with DAZN and BeIN Sports for the period 2024-2029. With this agreement, Ligue 1 should receive around €660 million in TV rights per season, which constitutes an 11% decrease when compared to the last round of negotiations for the 2021-2024 period, where the league received €743 million.

The French market represents one third of Samba's total sales, so this change may impact the ability of Samba's French clients to acquire their services. Although this is a problem in the French market, the other European Big Leagues (namely, England, Spain, Italy and Germany) have reported no such decrease or have even reported increases in TV rights income. Therefore, it is unlikely that this change has a severe impact in Samba's income during the 2024/2025 football season.

3.3.2. Exchange rate risk

Due to Samba Digital's global operations and revenue generation across multiple currencies, the company is significantly exposed to exchange rate fluctuations, which can impact its financial performance and stability. For context, based on 2024 revenue figures, Samba's dominant currency is the Euro, making up 72% of transactions, followed by the US dollar with 25%, and the GBP and other currencies with 3%.

Consequently, variations in exchange rates, particularly between the Euro and the US Dollar, as well as other key currencies in which the company operates, can lead to volatility in reported revenues and operating expenses. Such fluctuations may affect profit margins, especially when revenues are generated in one currency and expenses are incurred in another. This exposure can also complicate cash flow management and budgeting, as currency shifts may create discrepancies between forecasted and actual financial outcomes.

Samba Digital actively manages exchange rate risk through a combination of financial strategies aimed at reducing potential impacts. These include hedging positions in major currencies, diversifying the currency composition of its financial portfolio, and conducting regular assessments of exchange rate exposure across its global operations. The company employs forward contracts, options, and other derivative instruments as part of its risk management toolkit to lock in exchange rates where feasible, minimizing the financial impact of currency volatility. Additionally, Samba Digital aims to align its revenue and expense streams within the same currency zones where possible to mitigate the effects of exchange rate movements, thereby fostering greater financial predictability and stability in its international operations.

3.4. REGULATORY RISKS

3.4.1. Intellectual know-how and property

Samba Digital's business operations are heavily reliant on its intellectual property and proprietary know-how, which include unique processes, strategic methodologies, and brand reputation. These intangible assets are critical to Samba Digital's competitive positioning and differentiation within the sports digital marketing industry. However, there is a risk that competitors or unauthorized third parties may attempt to replicate, misappropriate, or misuse Samba Digital's intellectual property, which could result in a loss of competitive advantage and potentially impact the company's market share and profitability.

Moreover, Samba Digital depends significantly on the expertise and knowledge of its collaborators and partners, whose departure or inadvertent sharing of sensitive information could further expose the company to intellectual property risks. In competitive and rapidly evolving digital markets, the leakage or unauthorized use of proprietary processes and strategies can lead to strategic disadvantages and weaken the company's standing.

To mitigate these risks, Samba Digital has implemented a robust framework to safeguard its intellectual property. This includes the legal registration of its brands, such as Talentisi, to establish formal protections against misuse and infringement. The company enforces strict confidentiality policies, requiring all personnel, contractors, and business partners to sign non-disclosure agreements and adhere to data protection protocols. Additionally, Samba Digital conducts regular training and awareness programs to educate staff on the importance of intellectual property protection, reinforcing a culture of security and vigilance. These measures help ensure that proprietary information and specialized knowledge remain secure, allowing Samba Digital to maintain its competitive edge in the industry.

3.4.2. Dependence on Social Media Regulation

As a company whose core operations focus on providing social media services to global clients, Samba Digital is highly susceptible to changes in social media regulations across various jurisdictions. With an international presence, Samba Digital must adhere to a complex and evolving set of regulatory frameworks governing data privacy, content moderation, advertising standards, and user protection. These regulations can vary significantly by country and may impact the company's ability to deliver consistent services if restrictions are imposed or modified.

Any restrictive policy changes, limitations, or outright bans on social media platforms—whether due to national security concerns, data privacy reforms, or censorship laws—could materially affect Samba Digital's operational capabilities and financial performance. For instance, if key markets impose stricter regulations on data collection or content distribution, Samba Digital may face increased compliance costs, operational delays, or even service interruptions, all of which could harm revenue growth and client retention.

To manage this risk, Samba Digital actively monitors regulatory developments in its major markets, collaborating with legal experts to ensure compliance with the latest requirements and to anticipate changes that may impact operations. The company also strives to diversify its service offerings and expand into digital platforms beyond traditional social media, thereby reducing its dependence on any single platform or regulatory environment. By maintaining a flexible and adaptable business model, Samba Digital aims to safeguard its financial stability and resilience in response to the dynamic regulatory landscape governing social media.

4. Information about the Issuer

4.1. HISTORY AND DEVELOPMENT

4.1.1. Legal name of the issuer

The company's legal name is Samba Digital, SGPS, S.A.. Its commercial name is Samba Digital.

4.1.2. Place and number of registration and Legal Entity Identifier (LEI)

The company is registered with the Lisbon Commercial Registry under the number 517 071 088.

The company's Legal Entity Identifier (LEI) is 254900XUWU1T78WEG672.

4.1.3. Date of incorporation and length of life

Samba Digital, SGPS, S.A. was incorporated on July 25th, 2022. The company has an indefinite length of life.

4.2. LEGAL ADDRESS AND APPLICABLE LAW

The company's headquarters are in Rua Alfredo Lopes Vilaverde, No. 15-B, Office 2, 2770-008 Paço de Arcos, Parish of Oeiras e São Julião da Barra, Paço de Arcos e Caxias, Lisbon.

The company is a public limited company, incorporated in Portugal. Samba operates fully under Portuguese law, more specifically the CSC and CVM codes as well as multiple Portuguese tax codes.

Email: contact@sambadigital.com

Website: www.sambadigital.com

Telephone number: +351 215 873 339

4.3. IMPORTANT EVENTS IN THE DEVELOPMENT OF THE ISSUER'S BUSINESS

The journey started in the early 2000s, when Frédéric Fausser launched the SAMBAFOOT website. This website was developed for delivering Brazilian soccer information and news in Europe and was available in four languages. The website swiftly gained traction, registering over one million visits during the 2014 FIFA World Cup in Brazil. Since then, the popularity of the internet and social media has only accelerated which contributed for the growth and future potential of businesses in this sector.

The development of digital technology and social media networks created a significant growth potential in marketing services and monetization for sports brands/clubs. They were gradually increasing their effort to communicate in foreign languages in order to appeal to an international audience and gathering the maximum number of fans and sponsors globally. This was, and still is, a priority for the major European clubs, which are equipped with plenty of resources and are capable of running long-term digital marketing campaigns at a global level.

These trends motivated Frédéric to establish Samba Digital, Inc. in May 2018 in Miami, Florida, United States of America. His intention was to immediately offer a range of digital marketing services and products to the world of soccer, and subsequently to other sports, such as basketball, cycling, Formula One and tennis.

The referred services included the creation of digital content and its translation and dissemination through the main social networks in any language and to any country. By providing these services the company offers its clients an increase in engagement, social media visibility and higher potential for brand monetization. All of these services help to attract a growing number of fans worldwide, a strategy that was proving to be win-win for both the clubs and Samba Digital.

In 2018, Samba Digital started out doing business with soccer clubs, first in France, and then elsewhere in Europe. Gradually, Samba Digital ventured into other sports, such as tennis, basketball, rugby and cycling.

Samba Digital has had international aspirations from its incorporation, so it launched on the Brazilian market, the country where Frédéric's site had been most successful. The launch of the Spanish-speaking market followed in 2019, to consolidate its presence in Latin America. Since 2020, Samba Digital develops its services for the English-speaking market, helped by its presence in the United States. At the end of 2020, Samba Digital boasted around 30 clients, including leading firms in the field of sports betting. Finally, from 2021, Samba Digital rapidly strengthened its international presence by developing several projects in countries such as India, Indonesia, Japan and Russia. The range of services available via the Sports Translate platform have, since 2021, enabled Samba to reach a number of more modest clubs that wish to access digital services in a simpler and less costly fashion. Around 40 new clients were acquired during the first nine months of 2021. As of 30 September 2021, Samba had 70 clients. In this same year, Frédéric ended up selling SAMBAFOOT to CX Media, a Maltese media company to focus on Samba's business.

On July 25th, 2022, upon decision to establish a stronger presence in Europe, the shareholders created Samba Digital, SGPS, S.A. in Lisbon, Portugal, a country that is known for its impact in the world of football. This company was created to be the holding company of the group in Europe through the share capital contribution of 100% of the shares of Samba Digital Inc.

On October 6th, 2022, Samba was officially listed in the Euronext Access Lisbon Market. Following this, in November 2022, Samba registered its brand, TALENTISI, in Portugal as its own intellectual property.

Currently, internet and broadcasting platforms such as Amazon, Netflix, DAZN or OneFootball enable a fan located in Jakarta to follow their favourite club's match live at exactly the same time as a fan in Lima. Broadcasting on online platforms helps to create an enhanced experience for the fan, with additional content, online interaction with other supporters, and live conversion opportunities for brands (e-commerce, sports betting, token purchases, etc.). In order to always stay ahead of the market, Samba Digital started developing AI-based creative services in 2023 to increase operational efficiency and reduce production costs for its clients.

Following its listing on Euronext Access, the company achieved key milestones. Shareholders have decided to apply for a transfer to the Euronext Growth Lisbon Market, expected in 2024.

5. Business Overview

5.1. PRINCIPAL ACTIVITIES

5.1.1. The operations of Samba Digital

Samba Digital is a major player in the world of Sports Digital Marketing. Its main operation regards the provision of social media services, aiming at creating a connection between sporting agents, their brands and fans around the world. In simple terms, Samba helps their clients increase their visibility and engagement on social networks like Facebook, Instagram, X and TikTok.

As is known, different countries/cultures have different marketing and economical specificities. An optimal marketing campaign should take into account these differences. That is why Samba works with experts in communication and media relations, who are native speakers of the targeted market. This way, Samba is able to adapt the content to each market according to their specificities. The partnership with these experts, who are supported by a creative team responsible for producing engaging content and digital campaigns, allows Samba to create value to their clients as their brand will become more visible across the world, helping them gather maximum number of fans and sponsors.

Services Provided

The main services provided by Samba Digital are Social Media Management (SMM) services for Sports Brands. These services include 4 main categories (that often overlap):

1. Community Management;
2. Localized Campaigns;
3. Growth Services; and
4. Content Production.

Regarding Community Management, Samba moderates and manages websites and social networks such as Facebook, Instagram, X and TikTok for their clients, while developing, through their expert teams, optimal content strategies that take into account the specificities of the targeted country. Samba's teams are composed of multiple communication and media relations experts in over 50 countries, that are familiar with each country's cultural, social and economic characteristics and their local media universes (print, online, audio, blogs and social networks). Also, Samba tracks and reports the activity results and statistics of their clients' networks and compare them to competitors and their sector of activity. This is done in order to optimize performance. In summary, this service aims to unite Internet users around brands/organizations by creating an active community that will follow and support them.

In addition to Community Management, Samba employs its already existing techniques and know-how to provide assistance in single localized marketing campaigns all around the world, meaning that it can support a brand's advertising in a different part of the world with special marketing requirements. Samba achieves these various strategies including influencer marketing, media network partnerships, search engine management, etc.

Below is an example of a localized marketing campaign in the Ivory Coast (and also in other African countries) managed by Samba Digital with the goal to appeal to an African audience. The image depicts an advertisement for Ligue 1 (French Football League) using Ivorian players, following the victory of Ivory Coast in the 2024 African Cup of Nations (CAN).



Figure 1 - Ligue 1's strategic campaign during CAN | Source: www.sambadigital.com

Regarding Growth Services, Samba specializes in traffic generation and monetization growth. Samba develops tailor-made actions (such as influencer campaigns, paid media (SEO, PPC) and sponsorship brokering) to each brand in order to develop each business on the web at a controlled cost, through an ROI analysis for each action.

Finally, Content Production involves work from Samba's creative studio, Força. This studio unites talents around the world to create engaging sports content. This activity involves content capture, namely photos and videos, and production/editing its own creative content in the form of images, videos or animated graphics. Through its graphic design, motion design, audio-visual production and video production teams, Samba provides its clients with creative depictions of events and athletes for marketing campaigns.

Below are examples of two images produced by one of Samba's teams for SSC Napoli social media posts as the team won their first Serie A title in 33 years. Both of these were made to appeal to a Latin American audience. The first one depicts SSC Napoli's team captain at the time holding the Serie A trophy with Diego Maradona, historical football legend from Argentina, who has a strong resonance with the fans there. The second image depicts SSC Napoli's logo on a championship ring, which is a play on the American tradition of giving rings to the title winners.



Figure 2 - Content created for SSC Napoli | Source: www.sambadigital.com

The provision of SMM services started in 2018, the company's foundation year. Since then, it has been rapidly expanding as the sales associated with SMM surpassed €5 million in 2023 and reached €3.3 million as of June 2024.

New Services Introduced

Since 2023, Samba Digital has been developing AI-based services to improve the speed and efficiency of content creation. In the 2023/2024 season, AI tools were used in the Força creative studio in order to increase the speed and scale of content production, especially for major sports events and digital marketing campaigns. This allowed Samba to streamline the creative process and deliver content quickly to clients in the sports industry.

In 2024, Samba Digital has partnered with Orange Business to further develop their AI tools, namely the development of a new tool that is able to transform images based on text prompts. For example, using a picture of Kyllian Mbappé in a PSG jersey, this new tool is able to generate a similar image but depicting a Real Madrid jersey instead, ahead of his official transfer. By having the ability to produce this type of content before the event has happened, Samba is able to boost the impact of social media campaigns and fan engagement.

For the 2025/2026 season, Samba has already hired consultants and developers in Brazil for its next major project: the launch of a SaaS platform designed for community managers of sports clubs. On average, a community manager spends 3 hours per day planning content, which is becoming more and more complicated with the growing number of social media platforms and formats. This new platform will use AI tools to proactively suggest content and the goal of its development is precisely to optimize content ideas, and reduce the manager's time spent on planning, allowing them to focus on higher-value tasks.

In addition to the efficiency in internal processes, AI can be (and is) monetized directly. AI tools already generate income through several channels. Firstly, Samba follows an annual subscription model, in which the client pays yearly fees to access AI tools and predictive analytics platforms. In addition to that, Samba offers customized services, namely tailor-made AI solution tools and mainly to larger clients, which provides additional revenue. Finally, AI creates upsell opportunities for Samba, where existing clients can upgrade to more advanced AI-enhanced packages, driving additional monetization.

Regarding the predictive analytics platforms mentioned above, these platforms use AI to provide valuable insights and forecasts for clients in sports and iGaming. These platforms help predict fan engagement, personalize content recommendations, and forecast campaign performance. Additionally, they offer sentiment analysis and audience segmentation, helping clients tailor their marketing strategies more effectively. Samba also develops and commercializes custom dashboards that allow clients to track key metrics in real time. These dashboards integrate with platform connectors like Blinkfire for social media analytics and GWI for audience insights, giving clients a complete view of their marketing performance.

In 2023, the first year the AI services have been in operation, the total AI-related revenue reached €394k; however, this is expected to grow substantially as the demand for AI services is rapidly developing.

Business Model

The founder and CEO of Samba Digital, Frédéric Fausser, imagined a revolutionary organization in terms of flexibility, profitability, financial security, and commercial performance. Essentially, he envisioned an electronic network that is unique in the world, bringing together the best global digital marketing expertise to provide unrivalled customer service.

The developed business model focuses three main added values: speed, fast delivery, in some cases within the hour; flexibility, payment per project with no commitment; and quality, through the work of highly qualified experts. Thus, the company developed processes in order to achieve this. The chain starts with the three platforms developed by the company: Sports Translate, Sports Influencers and Talentisi. These platforms connect Samba to their freelancers around the world, and also connect the client with the different services the company offers, allowing them to book services according to their needs. Following the booking, Samba selects the translators/content producers to be assigned to the project.

To ensure quality, these professionals are systematically subjected to thorough assessment tests, which allow Samba Digital to validate their skills and specializations. They also are supervised by Samba's own professional project managers to ensure that the operations are carried out smoothly. After the project is finalized, each piece of content is subject to a grading, which enables Samba to enrich and improve the quality of its work continuously. Talentisi and Sports Translate have merged in 2023.

Regarding personnel, as that is the most essential part of the business, Samba does not have any salaried staff, since all of the personnel, as was already mentioned, is on freelance contracts. This allows for high flexibility as more than 95% of Samba's expenditure can be stopped within a month if it is faced with a decline in business. Moreover, all the freelancers work remotely, the majority of which are located in low-cost countries, allowing Samba Digital to offer competitive rates to its clients (far below those charged by large digital marketing agencies based in Europe or the United States). Due to this flexibility, Samba is able to hire highly qualified experts. The remote working set-up requires a rigorous approach to procedures when compared to a traditional business model. Since Samba Digital's personnel are spread out across the globe, all exchanges and interactions are comprehensively documented. All operating procedures are formally written.

Regarding financing, it is very important for Samba to not have any bank debt or leasing contracts. Also, clients are invoiced quarterly in advance so that at the end of the quarter in which the services have been provided, over 90% of all accounts receivables have been paid. Samba prepares quarterly closings, balance sheets and operating statements, as well as a budgeting plan that enables actual results to be compared with forecasts every quarter.

Moreover, Samba Digital, Inc. adopted a paperless policy. Legal, accounting and commercial documentation is generated in Brazil, verification is then carried out in France, and the accounting and archiving are carried out in Miami. There are no paper documents in circulation. Regarding the Issuer, all the procedures are done in Portugal.

Finally, Samba's business model is based on different contract structures, namely:

- Retained Contracts, that have the goal of building the client's international strategy via social and digital strategies. Samba is now signing 2 and 3-year contracts with major international right-holders (national and international federations of major popular sports (basketball, football, rugby, golf, car races...)). The renewal rate for these contracts is over 90%.
- Campaign Contracts, used for localized brand activations that require a one-off support across a short period of time (one week, one month, etc.). These projects usually have high margins.
- Platform-based Contracts, that are more flexible, since it follows a payment by project model to allow a non-committal and frequent project-based input of content. The platforms developed by Samba enable it to increase its client base with quick wins and multiple projects of various sizes, widening the net of potential customers. From this platform relationship, Samba is often then seeing a conversion into developed customers, requiring wider campaign and retained needs. The objective this year is to use the SAAS (Software as a Service) model with monthly payments based on a license.

Business Organization

Samba Digital is organized vertically. On the bottom of the chain of command there are 8 departments. Of those, 4 represent each relevant geographical area of operation, namely the Americas, UK/Germany, Italy/Spain and France. There are 4 additional departments that oversee specialized services: the Força department (management of the Força Creative Studio); Platforms department (management of the 3 platforms currently in operation); iGaming department (management of iGaming services due to their specificities) and the Social Media department (management of social media services).

Samba's platforms are managed by Aurora Galimberti, ex-TransPerfect, based in Barcelona. She oversees around 500 content producers in 50 different languages. In addition, she supervises all translation & content projects, improves processes and workflow, and conducts quality testing.

Social media is managed by Augustin Lemoine, ex-Olympique de Marseille, who is responsible for managing digital production. Based in France, he directly manages the various Social Media Managers, organized by language, and the digital design team. Following up on clients located outside France is also part of his remit.

Every one of the referred departments is overseen by the COO, Jean-Phillippe Dubois or directly by the CEO, Frederic Fausser. The COO also oversees the Sales department, coordinated by Lucas Dubourg, formerly from Roland-Garros. He is responsible for harmonizing sales practices within the company and monitoring the defined business KPIs. He manages the sales teams in the UK/Europe and the United States and works closely with the Country Managers. Lastly, there is the Finance and Legal departments which are overseen by the CFO/Corporate Secretary, Bernard Calvignac, who is responsible for issuing invoices, validating supplier invoices, project cost assignment & control, accounting processes and new projects. Since its inception, Samba Digital has used the services of Sambourg & Associates, a Miami-based accountancy firm that provides all the digital tools for the electronic capture of accounting transactions, as well as all the reporting necessary for the CEO to manage Samba Digital. Regarding legal services, the services connected to the performance of the normal business activity of Samba Digital are not frequently required, so they are outsourced to Stephanie Messas, a lawyer based in New York City.

Both the COO and CFO/Corporate Secretary report to the CEO. Samba's Executive Committee, which includes board members and managers, meets monthly via Zoom and physically every quarter in Lisbon.

There is a policy at Samba Digital in which any member of upper management cannot have more than five direct reports under his responsibility and this is replicated throughout the chain of command. The figure below represents the chain of command previously described.

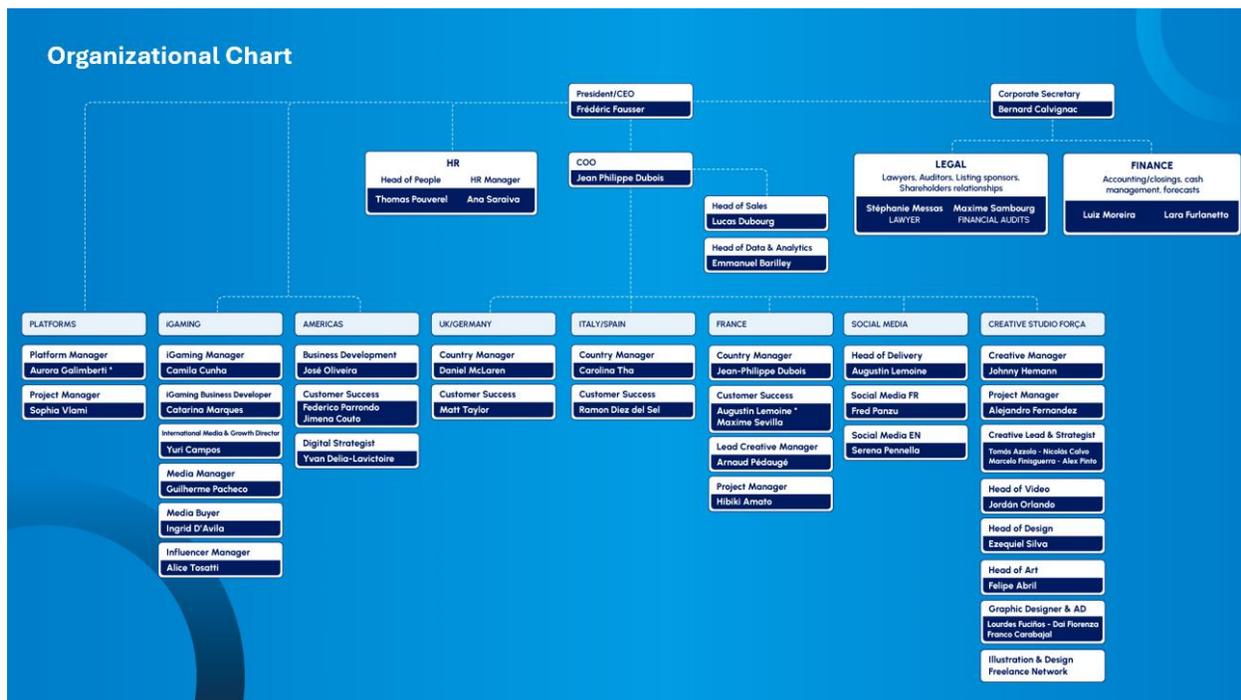


Figure 3 - Samba's Organizational Structure

Since the company has a remote work policy, it places a strong emphasis on processes and documentation. Therefore, it has established a shared intranet that includes onboarding procedures for new clients and collaborators, designed to be completed over a three-month period.

5.1.2. Business Strategy and Objectives

Business Strategy

Samba Digital mainly sells its services to sports brands and right holders. Therefore, it mainly pursues a strategy related to B2B contract relationships. The contracts range from 1 to 3 years, ensuring stability and long-term engagements. This has proven successful as client retention is over 95%. It mainly targets the sports and iGaming sectors, where it has developed extensive know-how and techniques, setting an average price of €2,000 per month per language.

Every client is signed with a retained fixed fee; however, due to the complimentary nature of all of Samba's services, there is a high probability of revenue growth through upsells, mainly due to the creative content production and data analysis services. The average upsell ranges from €50k to €100k per year in addition to the fixed yearly fee.

Samba's business strategy is based on 7 key points:

1. Leverage expertise in social media markets around the world (specially Brazil, LATAM, US and Asia) as well as access to advanced tools to sell their services;
2. Low production costs, since most of the content is produced by freelancers in countries with lower average costs, like South America and Asia;

3. Presence in all continents and 24/7 service;
4. Taking advantage of the high complementarity between services to upsell other services;
5. A unique platform that concentrates all the content creation services, becoming a true assistant for the digital teams of sports clubs. It not only suggests daily content but also has the capability to produce it in just a few seconds.
6. Strong investment in intangibles, namely develop the existing platforms (or create new ones) to further connect clients to freelancers and invest in Artificial Intelligence processes to further reduce operation costs and enhance customer experience; and
7. Taking advantage of the gradual decline of television and other forms of media, which is being replaced by the consumption of content and events via smartphone. Netflix, for example is producing content with clubs, and OTT¹ platforms that enable clubs to offer content worldwide that they can then monetize are emerging rapidly.

Objectives

Samba Digital has a very clear objective which is becoming a global leader in digital outsourcing for sports by 2030, achieving a total of €37 million in revenue, of which €23 million relate to SMM services and €14 million relate to AI services.

In order to achieve the referred goals, Samba aims at fulfilling 4 main missions, namely to boost the visibility and engagement of sports and entertainment brands on social networks; offer a unique experience to fans via content and campaigns that are tailored to the target market; provide monetization solutions to clients; and improve the ROI of products and services through AI and its platforms.

Regarding AI, following the successful development of the Sports Translate platform, Samba Digital has continued its investment efforts in new technologies, as was already mentioned. The ultimate goal is to concentrate various services into one unique platform that can not only offer content but also produce it using AI.

5.2. PRINCIPAL MARKETS

5.2.1. Description

Samba Digital operates in the digital marketing market in various countries around the world. Globally, this market is expected to grow significantly over the next ten years. Based on current projections from IMARC², the market is expected to grow at a compound annual growth rate (CAGR) of 11.8% from 2024 to 2032. This growth is fuelled by the increasing penetration of connected devices, easy access to high-speed internet, and ongoing technological advancements. According to IMARC the global market value in 2023 was 331.3 billion EUR and it is estimated that the market will grow to 931.9 billion EUR.

According to the same study, this market has different segments that comprise multiple types of service providers. The main ones being email marketing, Search Engine Optimization (SEO), interactive customer website, social network marketing, viral marketing, among others. Samba Digital already offers all of these services, but it operates primarily in content production and paid search marketing, where AI is playing a

¹ OTT stands for "Over The Top" and refers to any streaming service that delivers content over the internet.

² <https://www.imarcgroup.com/digital-marketing-market>

transformative role. These sectors are increasingly using AI for personalized advertising, automated content creation and real-time interaction with consumers, which is Samba Digital services' core business.

The dominant activity sector for digital marketing is Retail and Consumer goods. It leads the digital marketing market due to the rise of online shopping and the need to engage consumers on digital platforms; however, the sports sector in general has a high demand for fan engagement.

According to the same IMARC study, the dominant region of this market is North America, Samba Digital's native market. It remains the most important region in terms of market share, thanks to advanced technological infrastructure, early adoption of emerging technologies and a vast base of tech-savvy consumers and businesses that heavily rely on digital channels for communication, entertainment, and commerce. In spite of this dominance, the Asia-Pacific region is showing rapid growth, more specifically markets like China and India that lead the way in digital consumption trends and digital marketing investment. These projections point to a promising future for digital marketing worldwide, with continued adoption of new technologies and a steady expansion of digital platforms.

Regarding competition, as mentioned previously, the sports digital marketing market includes numerous companies of different sizes, prices, services and levels of coverage. There are 3 main categories of players in this market:

1. Major international sports marketing agencies like Havas, Octagon, IMG, Wasserman, Dentsu, InFront or Sportfive;
2. Regional agencies sports marketing agencies such as Extreme PR in Mexico, Mailman and Two Ten Eight in China or Seven League in England; and
3. Specialized agencies such as MMC that specialize in sports translation or WePlay that specialize in paid-media.

Major international agencies have a strong international presence and several different services. However, their core business is not purely digital, and they can practice prohibitive prices. Their main services include negotiation of athletes, TV rights or image rights, sponsorship/commercial management, development of apps/sites or events. Regional agencies provide similar services but specialize in a particular country or region of the world, which highly limits their growth potential. Finally, the specialized agencies in translation or paid media are very limited outside of their specific specialty.

In this market, Samba Digital places itself in a fourth category, a purely digital sports marketing agency with a highly diversified portfolio of services and social media experts in all continents centralized in online platforms, while practicing relatively lower prices.

In addition to the sports digital marketing market, Samba is currently entering the AI-based services market.

According to projections from Grand View Research³ and Mordor Intelligence⁴, the AI market is set to grow substantially over the next decade, more specifically at an estimated CAGR of 36.6% in the 2024-2030 period for the first study and an estimated CAGR of 31.22% in the 2024-2029 period for the second study. This growth is driven by advances in machine learning, natural language processing and computer vision technologies. These advances are facilitating improved data analysis, predictive analytics and automation, which are becoming essential for business operations in a variety of sectors, including the sector in which Samba operates.

³ <https://www.grandviewresearch.com/industry-analysis/artificial-intelligence-ai-market>

⁴ <https://www.mordorintelligence.com/industry-reports/global-artificial-intelligence-market>

The provision of AI services is present in various activity sectors, from Healthcare, Education and Retail to Marketing, Advertising and Manufacturing. Samba provides AI services in the Marketing sector, and its operations mainly consist of developing and providing AI tools to clients. These tools create content and offer content ideas for clients in order to optimize their efficiency.

According to Blue Tree Digital⁵, the most dominant regions of this market are again North America, where Samba Digital, Inc. is based, and China. The USA's market size for AI was valued at \$104 billion in 2022 and is expected to reach \$594 billion in 2032, while China's was valued at \$197 billion in 2023 and is expected to reach \$1.8 trillion by 2030, which equates to a 37% CAGR.

In simple terms, Samba Digital is in a very competitive position in the AI market, as the AI tools already developed or currently in development are a novelty in the Sports Marketing world and has a high future growth potential.

5.2.2. Basis for Statements made

All the statements made regarding the issuer's principal markets and competitive position are sourced in the appropriate section.

5.3. INVESTMENTS DESCRIPTION

5.3.1. Description of Material Investments

The investments made during the last two financial periods can be summarized as follows:

(€)	2022	2023
Tangible Fixed Assets	-	-
Intangible Fixed Assets	493 919	1 428 310

Table 2 - Investments made in the last two financial periods

The amount invested in intangible assets between 2022 and 2023, roughly €1 million, represents the application development outsourced to third parties. There was no conversion of internal costs into development expenditure.

In early 2023, the TALENTISI platform was launched. It was the world's first online platform dedicated to the distribution of digital marketing services for the sports industry. TALENTISI aims to reduce costs, increase reactivity, transparency and speed in the deployment of international actions. It offers high-end professional functionalities, including a centralized collaboration space for filing briefs, a dashboard, task tracking, a messaging system, a document storage space, a database of over 3,000 talents to carry out campaigns worldwide, as well as a dedicated account manager for each customer to offer personalized support. The platform provides access to all the services offered by Samba Digital in all territories, such as content strategy, community management, online advertising, graphic design, video production, PR and influencers.

During 2023, entirely self-financed, Samba Digital invested roughly €1 million in enhancing the TALENTISI® platform (and its merger with the Sports Translate platform) as well as in the field of artificial intelligence

⁵ <https://bluetree.digital/ai-industry-growth-metrics/>

applied to graphic design. A dedicated team of 13 experts and consultants has been formed, focusing on the development of new modules and functionalities designed to deliver high-end content to customers.

Samba Digital did not invest in Tangible Fixed Assets.

5.3.2. Material Investments in Progress

As already mentioned, Samba Digital is increasingly confirming its strategic focus on the integration of AI-based technologies. Following the creation of the Sports Translate and Talentisi platforms as well as a first successful partnership with Orange Business for an AI-based design application, the company is shifting up a gear. In the last quarter of 2024, Samba is setting up an R&D centre in Brazil in order to develop a unique platform based on artificial intelligence.

This platform will be specifically aimed at sports brands at first and will be monetized through an annual subscription model. The subscription will provide a set of functions and data to boost the productivity and creativity of digital teams in all types of organizations, addressing a very current problem: the fact that digital departments need to be creative every day on multiple social networks (X, Facebook, TikTok, Instagram, YouTube, etc.) to engage and grow their fan communities, which is not easy. As mentioned, Samba already uses these tools to reduce time spent by community managers in content planning (about 3 hours per day).

The platform will meet this need for efficiency and speed by automatically displaying the best content to publish in just a few seconds. The platform will display content by connecting to an integrated database that will be developed and will consolidate various databases from around the world, as well as external statistical feeds such as Opta Sports. It will not only suggest content (based on dates, anniversaries, videos, photos, historical facts, among others), but also create new content, especially high-quality graphic content thanks to the partnership with Orange Business, thereby helping the digital teams in various organizations fill the need for daily creative content creation.

This project is also scalable and can be adapted to other industries other than sports. Also, security and compliance with European standards regulating AI will be at the heart of the developments, positioning Samba among the first to meet these stringent requirements, which only reinforces its position as a visionary and disruptive integrator.

Once the market transfer from Access to Growth has been completed, and depending on market conditions, a capital increase of €3 million is envisaged, to continue to finance this R&D centre over a period of 3 to 5 years. In the absence of external funding, the company will continue to self-finance its R&D efforts, as it has already done since its incorporation, totalling nearly €3 million in development with its own funds.

5.4. INTELLECTUAL PROPERTY

5.4.1. Information regarding critical patents, trademarks and domain names

On November 22nd, 2022, Samba obtained the registration of the TALENTISI brand in Portugal. This brand is crucial to Samba's business as the words that compose the company's name, "Samba" and "Digital", are generic names that cannot be protected. The TALENTISI brand represents all the services developed and offered by Samba Digital and will continue to offer all new services developed through AI. In the future, it is likely that the Samba Digital Group will be renamed to TALENTISI.

There are no additional legal protections for intellectual property.

6. Organizational Structure

The group is constituted by two companies in total. Samba Digital, SGPS, S.A., the holding company based in Lisbon, Portugal, owns 100% of Samba Digital, Inc., which is based in Miami, Florida, USA.



7. Operating and Financial Review

7.1. FINANCIAL CONDITION

7.1.1. Development and Performance Review

The evolution of the financial performance of Samba Digital is summarized as follows:

(€)	2022	2023	H1 2024
Revenue	3 860 614	5 548 802	3 972 662
EBIT	882 697	1 550 033	931 282

Table 3 - Summary of Revenue and EBIT from 2022 to H1 2024

The average growth rate in sales, which is still being confirmed for 2024, has been around 40% a year since the company was founded in 2018. This growth comes both from the historic Social Media Management offering and from the new AI-based offerings, which will account for €1.9 million in revenues by 2024.

The profitability rate (EBIT/Revenue) is rising steadily between 2022 and 2023, from 23% to 28%. The 2024 rate will return to around 22% due to human investments made in early 2024. However, on a long-term trend, this rate should be close to 30%.

All the accompanying financial statements have been prepared on the accrual basis of accounting in accordance with International Financial Reporting Standards (“IFRS”). Samba Digital, Inc. is not audited but both Individual and Consolidated Accounts of Samba Digital, SGPS, S.A. were audited. The Auditor’s report information is mentioned below in section 14.1.

7.1.1.1. Samba Digital, SGPS, S.A. Consolidated Financial Statements

Balance Sheet at 31.12.2022, 30.06.2023, 31.12.2023 and 30.06.2024

Balance Sheet (€)	31.12.2022	30.06.2023	31.12.2023	30.06.2024
Assets				
Non-current Assets				
Goodwill	22 647 514	22 647 514	22 647 514	22 647 514
Intangible assets	493 919	674 432	1 428 310	1 983 392
Credits to receive	-	-	1 810	-
Total Non-current Assets	23 141 432	23 321 946	24 077 634	24 630 906
Current Assets				
Accounts receivable	307 703	1 020 636	1 288 242	2 043 395
State and other public entities	10 172	5 046	5 644	9 683
Other receivables	116 918	116 361	404 159	357 976
Deferrals	547	-	-	-
Shareholders	-	-	-	17 659
Cash and cash equivalents	776 150	511 283	900 693	566 533
Total Current Assets	1 211 490	1 653 325	2 598 738	2 995 246
Total Assets	24 352 922	24 975 271	26 676 372	27 626 151
Equity				
Share Capital	23 300 000	23 300 000	23 300 000	23 300 000
Retained earnings	-28 049	669 057	669 057	1 898 263
Exchange Differential	-	4 045	-	-

Adjustments / other changes in equity	10 301	-17 913	-64 064	24 545
Net income for the period	697 106	519 176	1 229 205	645 179
Total Equity	23 979 359	24 474 365	25 134 198	25 867 986

Liabilities

Non-current Liabilities

Loans	-	-	8 098	12 027
Total Non-current Liabilities	-	-	8 098	12 027

Current Liabilities

Accounts payable	280 723	378 322	593 308	897 205
State and other public entities	51 758	88 549	199 412	184 960
Loans	-	-	300 000	307 955
Other accounts payable	41 083	34 035	89 248	356 018
Deferrals	-	-	352 108	-
Total Current Liabilities	373 563	500 906	1 534 076	1 746 138
Total Liabilities	373 563	500 906	1 542 174	1 758 165
Total Liabilities and Equity	24 352 922	24 975 271	26 676 372	27 626 151

From the analysis of the Balance Sheet and Income Statement of Samba Digital SGPS Consolidated accounts, for the periods indicated, there are some conclusions to be drawn.

In relation to the Non-Current Assets, **Goodwill** stands out with €22,647,514 in both years. This value results from the acquisition of Samba Digital Inc. shares valued at €23,300,000. According to IFRS rules, a yearly impairment test is done to evaluate if there is a need to register impairment losses.

Regarding **Intangible assets**, they increased by around €934k compared to 2022 and increased around €555k on the first semester of 2024. Given that Samba Digital is inserted in the area of marketing and digital platforms, these assets relate to the development and progress of new platforms and AI apps developments.

The growth of the **Accounts Receivables** is quite significant from 2022 to 2023, having increased by around €980k. From 2023 to the first semester of 2024, it also increased by €755k. These are amounts due from customers for goods sold or services performed in the ordinary course of business. This variation is explained in more detail on the analyses of Samba Digital Inc. accounts.

Other receivables amount to €404k in 2023, and €117k in 2022. This amount mainly relates to accrued revenue regarding 4 big projects where the services were provided in 2023, but the invoices were only issued in 2024.

Regarding **Cash and cash equivalents**, the company holds deposits of approximately €900k, which increased by €124k when compared to the same period in the previous year. On 31st December of 2023 Samba Digital Inc. holds deposits of €265k and Samba Digital, SGPS, S.A. holds deposits of around €636k.

Accounts payable and **Other accounts payable** increased around €360k in total from 2022 to 2023 and from 2023 to the first half of 2024 it increased around €304k. This variation is explained in more detail on the analyses of Samba Digital Inc. accounts.

Regarding **State and other public entities**, the balance comes from Samba Digital Inc. and it increased around €148k when comparing 2023 with 2022. This is a consequence of the increase in the 2023 EBIT in comparison with the previous year.

Loans present an amount of €300k in 2023, which is related to a factoring line granted by Bank Santander to Samba Digital SGPS.

In 2023, **Deferred revenue** reached an amount of €352k, unlike in 2022, when the balance was zero. In response to new constraints imposed by certain customers, Samba Digital Inc. issued invoices relating to Q1 2024 during the month of December 2023, so it was then necessary to defer these invoices.

Income Statement for 2022, H1 2023, 2023 and H1 2024

Income Statement (€)	2022	H1 2023	2023	H1 2024
Revenue	3 860 614	2 514 197	5 548 802	3 932 983
Cost of sales	-45 577	-	-	-
External supplies and services	-2 931 353	-1 862 752	-4 028 865	-3 066 928
Other income	38 843	35 405	32 443	549
Other expenses	-29 108	-28 010	-2 346	15 444
EBITDA (Earnings before interest, taxes, depreciation and amortization)	893 418	658 841	1 550 033	882 048
Expenses/reversals of depreciation and amortization	-10 721	-	-	-
EBIT (Earnings before interest and taxes)	882 697	658 841	1 550 033	882 048
Interest Income	-	-	-	754
Interest Paid	-	-	-	-7 414
Favourable exchange rate differences	-	-	7 721	-47 096
Earnings before taxes	882 697	658 841	1 557 754	828 292
Income tax expense	-185 591	-139 665	-328 549	-183 113
Net income for the period	697 106	519 176	1 229 205	645 179

The **Revenue** of the consolidated financial statements comes from Samba Digital Inc. Therefore, this item and its variation are explained in more detail on the analyses of Samba Digital Inc. accounts.

Higher revenue usually translates into higher Operating expenses, and in this case, there is an increase of 37% which amounts to €1.1M, when comparing 2022 with 2023.

The main **External supplies and services** expenses in 2022 and 2023 were the following:

(€)	2022	2023
Subcontracts	2 389 320	3 119 619
Specialized services	461 831	737 257
Travel, stays and transport	50 060	131 622
Other expenses	30 142	40 367
	2 931 353	4 028 865

Table 4 – External supplies and services in 2022 and 2023

Subcontracts had a weight of 77% on the total of the external supplies and services expenses in 2023, followed by the expenses with specialized services with a weight of 18%. These services include the outside labour and freelances expenses from Samba Digital Inc., which is the workforce of the company. The reason

for the increase in current expenditure in 2023 compared with 2022 is the growth in business of almost 50% when compared with the previous year. Comparing the 1st semester of 2023 with the 1st semester of 2024, there's also an increase of around 65% on these expenses, which is also in line with the increase in Revenue on the same period (56%). Of this increase, approximately 320k correspond to investments in collaborators to strengthen central functions: HR 43k, Analytic team 47k, Media Buying team 46k, Clients Management 56k, Developers and Accounts Managers 132k.

Net income for the period of the Consolidated financial statements mainly comes from Samba Digital Inc. Therefore, its variation is explained in more detail in the analyses of Samba Digital Inc. accounts.

Cash Flow Statement for 2022, 2023 and H1 2024

Statement of Cash-Flows (€)	2022	2023	H1 2024
Cash flows from operational activities			
Trade Receivables	3 590 455	4 568 263	3 198 627
Trade Payables	-2 916 992	-3 784 153	-2 741 903
Income Tax receipt/payment	-200 446	-182 720	-203 991
Other receipts/payments	-130 423	370 037	-332 398
Net cash flows from operating activities	342 593	971 427	-79 665
Investing activities			
Intangible Asset payments	-348 631	-1 161 873	-509 050
Interest and similar income			754
Net cash used in investing activities	-348 631	-1 161 873	-508 296
Financing activities			
Receipts from financing obtained	97 755	472 606	1 507 641
Increase of capital and other equity instruments	5	-	-
Payments from financing obtained	-16 905	-157 617	-1 254 957
Reduction of capital and other equity instruments	-69 572	-	-
Interest and similar expenses			-7 414
Net cash from financing activities	11 283	314 989	245 270
Net increase in cash and cash equivalents	5 245	124 543	-342 691
Cash and cash equivalents at beginning of year	767 880	776 150	909 224
Exchange differences	3 025	-	-
Cash and cash equivalents at end of year	776 150	900 693	566 533

7.1.1.2. Samba Digital, SGPS, S.A. Individual Financial Statements

Below are presented the individual financial statements for Samba Digital, SGPS, S.A.. Given that Samba Digital, SGPS, S.A. is the holding company of the group in Europe, through the share capital contribution of 100% of the shares of Samba Digital Inc., it is considered that it is not necessary to analyse the Individual Accounts, since the company does not have independent operations and thus there are no meaningful Financial Statement figures to be analysed.

Balance Sheet at 31.12.2022, 31.12.2023 and 30.06.2024

Balance Sheet (€)	31.12.2022	31.12.2023	30.06.2024
Assets			
Non-current Assets			
Financial investments in subsidiaries, associates and joint ventures	24 020 473	25 182 074	25 182 074
Total Non-current Assets	24 020 473	25 182 074	25 182 074
Current Assets			
Accounts receivable	-	20 000	-
State and other public entities	10 172	5 644	8 683
Other receivables	29 000	29 000	356 018
Deferrals	547	-	-
Cash and cash equivalents	10 401	636 003	560 440
Total Current Assets	50 120	690 647	925 141
Total Assets	24 070 593	25 872 721	26 107 215
Equity			
Share Capital	23 300 000	23 300 000	23 300 000
Retained earnings	-	404	-6 358
Adjustments / other changes in equity	-17 748	604 589	1 840 556
Net income for the period	697 106	1 229 205	-43 390
Total Equity	23 979 359	25 134 198	25 090 808
Liabilities			
Non-current Liabilities			
Loans	-	426 102	332 715
Total Non-current Liabilities	-	426 102	332 715
Current Liabilities			
Accounts payable	18 289	10 420	19 719
State and other public entities	107	-	-
Loans	72 838	300 000	356 018
Other accounts payable	-	2 000	307 955
Total Current Liabilities	91 234	312 420	683 692
Total Liabilities	91 234	738 523	1 016 407
Total Liabilities and Equity	24 070 593	25 872 721	26 107 215

Income Statement for 2022, 2023 and H1 2024

Income Statement (€)	2022	2023	H1 2024
Revenue	39 000	49 000	-
Gains/losses from investments in subsidiaries, associates and joint ventures	696 702	1 235 967	-
External supplies and services	-38 488	-53 415	-36 451
Other Income			549
Other expenses	-	-2 346	-828
EBITDA (Earnings before interest, taxes, depreciation and amortization)	697 214	1 229 205	-36 731

Expenses/reversals of depreciation and amortization	-	-	-
EBIT (Earnings before interest and taxes)	697 214	1 229 205	-36 731
Interest income	-	-	754
Interest paid	-	-	-7 414
Earnings before taxes	697 214	1 229 205	-43 390
Income tax expense	-107	-	-
Net income for the period	697 106	1 229 205	-43 390

Cash Flow Statement for 2022, 2023 and H1 2024

Statement of Cash-Flows (€)	2022	2023	H1 2024
Cash flows from operational activities			
Trade Receivables	-	-	-35 138
Trade Payables	-28 930	-67 873	-
Income Tax receipt/payment	-	-107	-
Other receipts/payments	-	11 317	-286 449
Net cash flows from operating activities	-28 930	-56 663	-321 587
Investing activities			
Interest and similar income	-	-	754
Net cash used in investing activities	-	-	754
Financing activities			
Receipts from financing obtained	97 755	839 882	1 507 641
Increase of capital and other equity instruments	5	-	-
Payments from financing obtained	-16 905	-157 617	-1 254 957
Reduction of capital and other equity instruments	-41 523	-	-7 414
Interest and similar expenses	-	-	-
Net cash from financing activities	39 332	682 265	245 270
Net increase in cash and cash equivalents	10 401	625 602	-75 563
Cash and cash equivalents at beginning of year	-	10 401	636 003
Cash and cash equivalents at end of year	10 401	636 003	560 440

7.1.1.3. Samba Digital, Inc. Financial Statements

Balance Sheet at 31.12.2022, 30.06.2023, 31.12.2023 and 30.06.2024

Balance Sheet (€)	31.12.2022	30.06.2023	31.12.2023	30.06.2024
Assets				
Non-current Assets				
Intangible assets	493 919	674 432	1 428 310	1 983 392
Security deposits	1 875	1 841	1 810	1 868

Total Non-current Assets	495 794	676 273	1 430 120	1 985 260
Current Assets				
Cash and cash equivalents	765 749	504 851	264 690	6 093
Trade Receivables	307 609	1 000 636	1 268 243	2 043 395
Related party receivables	158 881	-	418 226	-
Other current assets	-	-	374 938	-
Total Current Assets	1 232 239	1 505 486	2 326 097	2 049 488
Total Assets	1 728 033	2 181 759	3 756 217	4 034 748
Common stock	938	920	905	934
Additional paid in capital	-	-	-	-
Retained Earnings	1 371 929	1 869 177	2 533 635	3 310 805
Total Stockholders' Equity	1 372 866	1 870 097	2 534 540	3 311 739
Liabilities				
Non-current Liabilities				
Advance from shareholders	-	-	-	-
Total Non-current Liabilities	-	-	-	-
Current Liabilities				
Trade and other payables	303 517	359 956	670 157	877 486
Advance from shareholders	-	-	-	-339 437
Deferred revenue	-	-	352 109	-
Current tax liabilities	51 650	-48 294	199 412	184 960
Total Current Liabilities	355 167	311 662	1 221 677	723 009
Total Liabilities	355 167	311 662	1 221 677	723 009
Total Liabilities and Stockholders' Equity	1 728 033	2 181 759	3 756 217	4 034 748

The Financial Statements of Samba Digital Inc. are adjusted to the dollar to euro exchange rate. For the year 2022 the rate was USD/EUR = 0.9376 and for 2023 the rate was USD/EUR = 0.9050.

In relation to the Non-Current Assets, the **Intangible assets** stand out, which increased by around €934k compared to 2022, thus becoming the item with the highest weight in the company's assets. From 2023 to the first half of 2024, these assets increased around €555k. Given that Samba Digital is inserted in the area of marketing and digital platforms, these assets relate to the development and progress of new platforms and AI apps developments.

Regarding **Cash and cash equivalents**, by the end of 2023 the company holds deposits of around €265k, which compared to the same period of 2022 decreased by €501k. The main reason for the decrease is the amount of €300k that has been advanced by Samba Digital Inc to Samba Digital, SGPS, S.A. to secure the €300k factoring line granted by Bank Santander to the latter. Another reason that contributed to this decrease is the expenditure on investment in intangible assets. From the end of 2023 to the 1st Semester of 2024, there was also an amount of €100k that has been advanced by Samba Digital Inc to Samba Digital, SGPS, S.A.

The growth of the **Trade Receivables** line item in 2023 compared to 2022, is quite significant, having increased by around €960k. These are amounts due from customers for goods sold or services performed in the ordinary course of business. Two factors explain this increase, namely the fact that turnover 2023 is up 50% compared to 2022 and the company is increasingly involved in major projects which payment terms

are longer than the social management activities themselves. Additionally, on the 1st Semester of 2024 revenue went up by 58%, compared to the homologous period, and this is related to the signing of major contracts. This revenue variation resulted in the increase of the Trade receivables balance to €2M. During 2024, Samba has invoiced around 117 clients.

On **Related party receivables** the company has an amount of €418k, which has increased by 163% compared to last year, mainly due to a loan provided to Samba Digital, SGPS, S.A. An amount of €300k has been advanced by Samba Digital Inc. to Samba Digital, SGPS, S.A. to secure the €300k factoring line granted by Bank Santander to the latter.

Other current assets amount to €374k in 2023, when in 2022 it presented no value. This amount relates to accrued revenue regarding 4 big projects where the services were provided in 2023, but the invoices were only issued in 2024.

Regarding **Equity**, common stock has a small variation from 2022 to 2023, but it's only related to the exchange rate. The positive variation of €1.1 million in Retained earnings is a result of the application of the net profit of the period.

Trade and other payables increased by around €367k, compared to the homologous period. The balance of Trade and other payables at 31/12/2023 was €670k compared with €304k at 31/12/2022. The doubling of the balance can be explained in two ways by the 50% increase in the company's overall activity during 2023 and the fact that, as explained before, Samba is working on increasingly large projects that are taking longer to complete, so there is a symmetry between the lengthening of the average payment period for customers and the lengthening of the average payment period for suppliers. The increase of the Trade and other payables balance on the 1st semester of 2024 is also related to this reason, since Samba's is trying to match the rhythm of supplier payments with the rhythm of the collection of customer receivables.

Regarding the **Advance from shareholders** amount on the 1st Semester of 2024, of around €340k, it is related to the €300k and €100k that were advanced by Samba Digital Inc. to Samba Digital, SGPS.

In 2023, **Deferred revenue** reached an amount of €352k, unlike in 2022, when the balance was zero. In response to new constraints imposed by certain customers, the company issued invoices relating to Q1 2024 during the month of December 2023, so it was necessary to defer the revenue related with these invoices.

Current Tax Liabilities increased approximately €148k in comparison to 2022, as a result of the high increase of the 2023 EBIT compared with the 2022 EBIT. The corporate tax charge paid in the USA has increased in the same proportion, from €183k for 2022 to €322k for 2023.

Income Statement for 2022, H1 2023, 2023 and H1 2024

Income Statement (€)	2022	H1 2023	2023	H1 2024
Revenue	3 849 914	2 521 458	5 441 967	3 972 662
Cost of sales	-44 998	-17 115	-42 353	-287 875
Gross profit	3 804 916	2 504 342	5 399 614	3 684 787
Operating expenses	-2 923 604	-1 819 726	-3 876 230	-2 753 505
Net operating income	881 312	684 616	1 523 385	931 282
Other Income	-	-	7 500	-

Other losses, net	-27 249	-159 187	-	-50 806
Profit before income tax	854 062	525 430	1 530 884	880 477
Income tax expense	-182 948	-	-321 502	-184 960
Profit for the period	671 114	525 430	1 209 383	695 516

Revenue has been historically increasing each year. From 2022 to 2023, the increase was around 41%, which amounts to €1.6 million. We can also verify that comparing the H1 2023 with the H1 2024 there's an increase of around 58% which amounts to €1.4 million. As explained in paragraph 5.3.1, the R&D investments in the two platforms and in AI Apps were immediately translated into new revenues. In 2022, €753k of new revenue for an annual turnover of €3,850k; in 2023, €1,196k of new revenue for an annual turnover of €5,442k; and on the 1st semester of 2024, €2,124k of new revenue for a six-month turnover of €3,973k.

Regarding **Cost of sales**, there's an increase on the 1st Semester of 2024 of around €270k, if we compare with the same period on the previous year, and this is related with the signing of major contracts at the beginning of the year, which resulted in Tik Tok paid media costs that didn't exist on the previous year.

Higher revenue usually translates into higher operating expenses, and in this case, there is an increase of 33% which amounts to €952k. The main **Operating expenses** in 2022 and 2023 were as follows:

(€)	2022	2023
Outside Labour and Freelances	2 414 878	3 052 710
Advertising & Marketing	46 693	231 511
Management fees	255 211	217 322
Professional fees	47 922	98 576
Travel	36 656	93 255
Other operating expenses	122 245	182 856
	2 923 604	3 876 230

Table 5 - Main operating expenses in 2022 and 2023

Outside labour and Freelances⁶ has a weight of 79% on the total of the operating expenses in 2023, followed by the expenses with Management Fees with a weight of 6%. The main reason for the variation on this line item is the increase with the Outside labour and Freelances expenses which went up from €2.4 million to €3 million (increase of 638k). The reason for the increase in current expenditure in 2023 compared with 2022 is the growth in business of almost 50% from one year to the next.

Comparing the 1st semester of 2023 with the 1st semester of 2024, there's also an increase of around 51% on these expenses, which is also in line with the increase in Revenue on the same period (58%). As mentioned before, of this increase, approximately 320k correspond to investments in collaborators to strengthen central functions: HR 43k, Analytic team 47k, Media Buying team 46k, Clients Management 56k, Developers and Accounts Managers 132k.

Regarding **Profit for the period**, it is in line with the increase in Revenue. Profit has also been steadily increasing each year. From 2022 to 2023, it increased around 80% which amounts to €539k. Profit for the year went from €671k in 2022 to €1,209k in 2023.

⁶ The difference in classification regarding these expenses pertains to the fact that Samba Digital, Inc.'s accounts follow the US GAAP rules, while the Issuer follows IFRS, where they are classified as External services and suppliers.

Net operating income has risen from €881k for 2022, or 23% of revenue, to €1,523k, or 28% of Revenue for 2023. This figure for 2023 is exceptional, given that the average rate in previous years has been between 20% and 23%. The reason for this lies in the historical fixed-price contracts signed with freelancers in the past, which have proved particularly profitable with the very sharp rise in sales. However, at the start of 2024 most of these contracts have been renegotiated under more normal market conditions, so that the EBIT rate expected for 2024 will once again be around 20% of sales.

Cash Flow Statement for 2022, 2023 and H1 2024

Statement of Cash-Flows (€)	2022	2023	H1 2024
Profit for the year	671 114	1 209 383	695 484
Adjustments for			
Loss on disposal of intangible	10 585	-	-
Cash from operations before working capital changes			
(Increase) decrease in:			
Trade and other receivables	-283 591	-971 322	-734 356
Related party receivables	-158 881	-264 866	23 346
Prepaid expenses	16 750	-	-
Accrued income	-	-374 938	387 021
Security Deposits	-	-	-
Advances received	-	-	-
(Decrease) increase in:			
Trade and other payables	132 740	289 939	323 711
Accrued expenses	935	87 248	-68 951
Related party payables	-8 888	-	-
Prepayments	-	-	-
Deferred revenues	-	352 109	-363 456
Income tax payables	-14 667	149 557	-20 878
Customer deposits	-13 433	-	-
Net cash flows from operating activities	352 665	477 110	241 922
Investing activities			
Proceeds from the sale of intangibles	-	-	-
Purchase of intangibles	-354 796	-951 556	-509 050
Net cash used in investing activities	-354 796	-951 556	-509 050
Financing activities			
Advance from shareholders	-	-	-
Common Stock	-	-	-
Additional paid in capital	-	-	-
Net cash from financing activities	-	-	-
Net increase in cash and cash equivalents	-2 131	-474 446	-267 128
Cash and cash equivalents at beginning of year	767 880	739 138	273 221

The Cash-flow statement of Samba Digital Inc. clearly demonstrates the company is using its own funds to finance its R&D effort, while at the same time financing its working capital requirements, which are increasing as a result of the ever longer and more complex projects, which entail delayed payments that the company did not have to face until 2022.

7.1.2. Information about bankruptcy, liquidation or similar procedures

At the date of publication of the Information Document and to the best of Samba's knowledge, in the last five years, no member of the Board of Directors or senior management has been convicted of fraud; been associated with any bankruptcy, receivership or liquidation; been incriminated and/or been the subject of an official public sanction pronounced by statutory or regulatory authorities; or been disqualified by a court from acting as a member of an administrative, management or supervisory body of an issuer or from acting in the management or conduct of the affairs of an issuer.

In the last five years, the group has not been involved in any bankruptcy, liquidation or other collective proceedings or fraud.

8. Profit Forecasts or Estimates

8.1.1. Proforma financial statements and valuation

In order to estimate future profits, a full 10-year valuation of the business was performed using the Discounted Cash Flow method, covering the period from 2024 to 2034. For clarity, 2023 and 2024 are also presented.

Firstly, turnover estimation was divided in two sections that represent the two operating activities of Samba Digital: Social Media Services and Artificial Intelligence (AI) services. To ensure the quality of the estimates and to prevent bias towards Samba Digital, the forecast is based on worldwide market research studies from independent organisations.

Starting with the turnover projection for Social Media Services, a study from Grand Review Research was used. According to Grand View Research, the market for digital marketing software is expected to grow at a Compounded Annual Growth Rate (CAGR) of 19.4% between 2023 and 2030. Being that Samba's services fit directly into this category; this study was found to be the most reliable to Samba's growth. For the following forecast, a 13.6% CAGR was used for a more conservative estimate. In the earlier years, revenue is estimated to grow significantly – 56% in 2024, and between 18% and 25% in the 2025-2029 period, although it is still considered a conservative estimate, given that, since its inception, Samba has been growing over a 50% yearly rate. For the following periods, revenue generation is likely to slow down in the main Social Media Service markets in which Samba operates, which is why near-inflation growth is expected towards the later years of the forecast.

These turnover forecasts are deemed realistic for Samba Digital as it has been exceeding its targets year after year, mainly due to the rise in upsales, meaning that existing clients are acquiring more services and at a higher price. From 2021 to 2024, the number of Samba Digital clients grew from 70 to 117 (circa 67%) while revenue grew almost 90% in the same time span. This is heavily justified by the growth of upsales, duly reported by the KPIs in section 13. With this in mind, the 2025 and following turnover estimations for Social Media Services – between 18 and 25% growth – strongly relies on the expectation for upsale growth.

Regarding Samba's second revenue stream – the AI services being developed – the same method was employed. Mordor Intelligence, an independent AI market researcher, claims that the AI services market is expected grow at a 31.22% CAGR. For the specific case of Samba Digital, given the early stages of the development of the company's AI services, a CAGR of 32.6% was used, expecting a higher growth in earlier years, namely from 2025 to 2028, where it grows at a 50% yearly rate. The turnover estimates for AI services rely heavily on the successful investment in Intangible Asset Capex explained below, which pertains to the development of AI platforms.

The following table summarizes the turnover growth across the forecasted period. Samba Digital Inc.'s Financial Statements were used for this forecast as it is where operations are based.

Item (thousand €)	2023	2024e	2025e	2026e	2027e	2028e
Turnover (in thousands)						
Social Media Services	5 085	7 292	9 124	11 328	13 933	16 999
Growth of Social Media Services	-	56%	25%	24%	23%	22%
New AI Services Growth Rate	357	1 779	2 668	4 002	5 995	8 909
Growth of AI Services	-	398%	50%	50%	50%	49%
Turnover growth rate	-	81%	30%	30%	30%	30%

Turnover forecast	5 442	9 071	11 792	15 330	19 928	25 908
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Item (thousand €)	2029e	2030e	2031e	2032e	2033e	2034e
Turnover (in thousands)						
Social Media Services	20 059	21 663	22 365	22 830	22 976	23 122
Growth of Social Media Services	18%	8%	3%	2%	1%	1%
New AI Services Growth Rate	11 030	13 312	16 107	19 490	22 518	26 017
Growth of AI Services	24%	21%	21%	21%	16%	16%
Turnover growth rate	20%	12%	10%	10%	8%	8%
Turnover forecast	31 089	34 975	38 472	42 320	45 494	49 139

Moving on to the estimation of the cost structure of Samba Digital, there are 3 expense/investment categories that must be highlighted, as they represent the most important and material business expenses for Samba, namely:

1. Intangible Asset Capex;
2. Subcontracted Expenses (Outside Labour and Freelancers); and
3. General Operating Expenses.

Regarding Intangible Assets Capex, the table below summarizes Accumulated Capex in the estimation period. These figures were estimated based on Samba's Intangible Asset development plans. Between 2024 and 2028, an investment of approximately €2.8 million is expected in order to the develop AI platforms. This investment includes the creation of a Proof of Concept, the launch of a Minimum Viable Product, creation of an AI assistant, and further upgrades and updates to achieve the desired goals already described in the sections above. The projection assumes a 33% amortization rate for the intangible assets.

Adjusted Assets (thousand €)	2024e	2025e	2026e	2027e	2028e
Intangible assets Capex	2 408	3 343	3 810	4 277	5 211

Adjusted Assets (thousand €)	2029e	2030e	2031e	2032e	2033e	2034e
Intangible assets Capex	5 678	6 145	7 079	7 546	8 013	8 947

Expenses (Weight in Turnover)	2024e	2025e	2026e	2027e	2028e
General expenses	22.0%	21.0%	21.0%	21.0%	21.0%
Subcontracted expenses	53.9%	52.5%	52.5%	50.0%	50.0%

Expenses (Weight in Turnover)	2029e	2030e	2031e	2032e	2033e	2034e
General expenses	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Subcontracted expenses	47.5%	47.5%	45.0%	45.0%	45.0%	45.0%

Based on a continuity perspective, by 2034 Samba is expected to almost reach €9 million (cumulative) in Intangibles Assets Capex, which, apart from investments in new platforms, also represent upgrades and maintenance to the existing ones.

Regarding the two main expense categories – Subcontracted and General Expenses – the investments described are expected to gradually reduce costs as AI will replace some of the personnel and processes. Starting with a 5-year average cost assumption for 2024 at 53,9% of turnover, Subcontracted expenses are expected to drop by almost 9 percentage points over the projection time span, which would set the Subcontracted expenses at 45% of turnover by 2034. This estimation is based on AI's high potential of

increasing freelancer productivity, meaning that, in the long-term, Samba can expect to gradually cut personnel costs. Regarding general expenses, starting from a 5-year average cost assumption for 2024 at 22% of turnover, a similar trend is expected as a drop of 2 percentage points is assumed.

For the remaining Income Statement cost categories, which are less material, the 5-year average weight in turnover was considered. As for the remaining balance sheet items, namely working capital items, the receivables and payables maturity was estimated using the average of the previous 5 years as no significant changes are expected in the cash cycle.

Since the most important categories are set, the income statement was projected given the previous assumptions. The projection results in the following EBITDA and Net Income. For the Free Cash Flow estimation, the 21% federal US tax rate was used.

Item (thousand €)	2024e	2025e	2026e	2027e	2028e
Revenue	9 071	11 792	15 330	19 929	25 907
EBITDA	1 769	2 578	3 352	4 856	6 312
Net Income	1 121	1 505	1 980	3 276	4 406
Free Cash Flow	974	1 107	2 180	3 286	3 906

Item (thousand €)	2029e	2030e	2031e	2032e	2033e	2034e
Revenue	31 089	34 975	38 473	42 320	45 494	49 139
EBITDA	8 662	9 745	11 681	12 850	13 814	14 920
Net Income	6 246	7 088	8 606	9 516	10 266	11 128
Free Cash Flow	6 266	7 183	8 262	9 637	10 429	10 815

Finally, the explicit valuation of the business assumes a 3% growth in perpetuity, based on inflation expectations, as well as a 10.8% Weighted Average Cost of Capital (WACC) to be discounted from the Free Cash Flows shown above. The WACC was estimated using the Capital Assets Pricing Model (CAPM). As the company carries no debt, an 100% Equity Capital Structure was used, so only Cost of Equity was calculated, as shown below.

Cost of equity	Samba
Unlevered beta (Damodaran)	1.36
Unlevered beta	1.36
Target capital structure (leverage level)	0.0%
Levered beta (Debt = 0)	1.36
Risk-free Interest rate - 10 yrs - August 2nd US	3.94%
Equity Risk Premium (Damodaran S&P500 July)	4.12%
Small Cap Premium	0.93%
Cost of equity	10.80%

Given all the previous estimates and assumptions, the business is valued at, approximately, **€81 million** or **€8.10 per share**, as follows:

Item (thousand €)	Value
Present value of FCF 2024/2034	29 497
Free Cash Flow last year	11 139
WACC	10.8%
Perpetual growth rate	3.0%
Continuing value	142 787
Discount factor	35.9%
Present value of continuing value	51 197
Equity Value	80 969
Equity Value per Share	€8.10

Samba Digital SGPS, S.A. shares were last traded on Euronext Access on September 9th of 2024 with a share price of €13.60. This share price mentioned on Euronext is the value of the last transaction carried out, but as it was a small transaction, we believe that the valuation shown above is more reliable in terms of the company's valuation on the date of admission.

9. Board, Management and Supervisory Boards

9.1. THE BOARD OF DIRECTORS AND MANAGEMENT

9.1.1. Names, Addresses and Functions

The Board of Directors and management team are composed by the following members:

Team	Name	Role
Board of Directors	Frédéric Fausser	President
	Sylvie Pagès	Board Member
	Marielle Fausser	Board Member
Management	Frédéric Fausser	Chief Executive Officer
	Bernard Calvignac	Chief Financial Officer
	Jean-Philippe Dubois	Chief Operations Officer

Table 6 - Members of the Board of Directors and Management Team

All members' business addresses are the same as the Issuer.

9.1.2. Family Relationships

Frédéric Fausser and Marielle Fausser are married.

9.2. POTENTIAL CONFLICTS OF INTEREST

9.2.1. Description of transactions

At the date of publication of the Information Document and to the best of Samba's knowledge, there are no actual or potential conflict of interest between the duties to the company of the members of the Board of Directors and their private interests, no pact or agreement of any kind with shareholders, customers, suppliers or others under the terms of which any member of the Board has been appointed and no service contract with the company or any of its subsidiaries and any of its directors providing for the grant of any benefits under such contract.

10. Board Practices

Two formal Board meetings were held on 24 February of 2023 and 28 February of 2024 to approve the closing of the 2022 and 2023 accounts respectively.

In addition to these two meetings, the company organizes a monthly Comex attended by the CEO, CFO/Corporate Secretary, territory managers and the head of HR. The main decisions are taken during or just after these monthly meetings. A monthly management letter, written by each territory manager, is submitted before the Comex meeting and a written report is elaborated after the Comex.

10.1. AUDIT AND REMUNERATION COMMITTEES

Currently, there are not any audit or remuneration committees.

11. Workforce Description

Due to the nature of the services provided (visual content production, copywriting for social media platforms, data and analytics studies, paid media, and growth services), the entirety of the workforce at Samba Digital is engaged through independent contractor agreements rather than traditional employment contracts.

11.1. WORKFORCE COMPOSITION AND INCENTIVE PROGRAMS

11.1.1. Number of collaborators

The exact number of collaborators fluctuates monthly based on clients' activity. The lists include numerous entries across various departments and roles with the following breakdown:

Team	Full-time	Part-time	Role
Corporate Team	29	2	Lead and manage operations across all services
Creative Production Team	12	50	Coordinate and deliver creative assets to clients
Social Media Team	16	46	Deliver services to clients
Total	57	98	

Table 7 - Number of collaborators per team and team roles

As of July 30th, 2024, there are 155 contracted collaborators, 57 of whom are full-time and 98 part-time.

As we mentioned above, all of these collaborators are freelancers, including the CEO and CFO/Corporate Secretary.

11.1.2. Gender distribution

The data provided fluctuates monthly. As of July 30, 2024, there were 132 male collaborators, or 85.2% and 23 female collaborators, or 14.8%.

11.1.3. Type of contracts

Samba has full-time and part-time collaborators. A significant portion of the workforce (36.8%) works full-time. These are mainly Country Managers (UK & Germany/France/Italy, Spain and Portugal), Sales Managers (France, Italy and USA), Customer Success Managers (UK, France, Italy, and Spain), Project Managers (France, Argentina and Brazil) and Creative Leads, Creative Experts and Project Managers for the Creative Studio (multiple countries).

The remaining workforce works part-time, particularly in roles such as Community Managers, Content Producers, Content Translators, Illustrators, Graphic Designers and Image and Video Editors.

11.1.4. Positions

The company divides its workforce position in 4 main categories:

1. Management and Leadership, which includes the CEO, COO, CFO/Corporate Secretary, and various functional heads (sales, delivery, Creative Studio, People, Data & Analytics);
2. Sales and Account Management, which includes Sales Managers, Customer Success Managers, and Business Development Directors;
3. Creative and Production Roles, which include Social Media Managers, Community Managers, Media Planners, and Creative Leads; and

4. Support Roles, which include Finance Administrators and HR.

11.1.5. Share-Based Incentive Program

There are no share-based incentive programs.

12. Major Shareholders

12.1. SHAREHOLDING STRUCTURE AND BENEFICIAL OWNERS

12.1.1. Shareholding Structure

Frédéric Fausser, after devising the project, made enquiries about finding a financial partner able to assist Samba Digital as it began to take off. Sylvie Pagès, as an investor, was convinced by the quality of the project and its prospects for added value, and subscribed, on the 18th of June 2018, 50% of the share capital and undertook to support Samba Digital, Inc. by funding its initial working capital requirements.

Later, on May 10th, 2021, Sylvie Pagès sold a parcel of her shares to Jerzy Saby.

On October 6th, 2022, the company became publicly traded in Euronext Access. Since then, the ownership structure has changed, as approximately 7% of the Ordinary Shares are free floating. The current shareholding structure of Samba Digital, SGPS, S.A. is explained below.

Shareholder	Shares	%
Frédéric Fausser	4 844 090	48.44%
Sylvie Pagès	3 021 598	30.22%
Jerzy Saby Cremades	1 498 453	14.98%
Public	635 859	6.36%
Total	10 000 000	100%

Table 8 - Current shareholding structure of Samba Digital, SGPS, S.A.

Samba Digital, SGPS, S.A. holds 100% of Samba Digital Inc.

12.1.2. Beneficial Owners

The Beneficial Owners with over 25% of the Samba's shares are Frédéric Fausser and Sylvie Pagès.

Frédéric Fausser

Email: frederic.fausser@sambadigital.com

Taxpayer number (Portugal): 312 027 494

Address: Rua Mita, n^o 120, Jardim Karaíba, Uberlândia, 38411-368, Minas Gerais, Brasil

Share Capital Ownership: 48.5%

Sylvie Marie Claude Pagès

Email: sylviepages@hotmail.com

Taxpayer number (Portugal): 312 006 810

Address: 35 Rue ds Bruyères - 46100 Figeac, Figeac, France

Share Capital Ownership: 30.2%

13. Related Party Transactions

13.1. DEALS BETWEEN RELATED PARTIES

As defined in IAS 24, related parties are companies within the same group, members of the Board of Directors and key management personnel and entities controlled by them or over whose management they maintain significant influence.

Consequently, the list of entities considered to be related parties of the company are:

- ✓ Compufoot SAS;
- ✓ PCA-SVPM Consulting, S.A.; and
- ✓ Evasion (Frédéric Fausser).

The following table shows the value of transactions between related parties:

(€)	2022	2023
Evasion Fred Fausser	63 014.09	-
Sylvie Pages	44 109.86	-
PCA-SVPM	-	12 815.64

Table 9 - Samba's related party transactions

14. Financial Information

14.1. AUDITED FINANCIAL INFORMATION

14.1.1. Individual Financial Statements

The financial information is an integral part of this document and is presented in detail in point 20 with Appendix I. Appendix I contains:

1. Samba Digital, SGPS, S.A. Individual Accounts of 2023;
2. Samba Digital, SGPS, S.A. Individual Accounts of 2022;
3. Samba Digital, Inc. Financial Statements of 2023;
4. Samba Digital, Inc. Financial Statements of 2022;
5. Auditor's report on Samba Digital, SGPS, S.A. Individual Accounts of 2023; and
6. Auditor's report on Samba Digital, SGPS, S.A. Individual Accounts of 2022.

14.1.2. Consolidated Financial Statements

The financial information is an integral part of this document and is presented in detail in point 20 with Appendix I. Appendix I contains:

7. Samba Digital, SGPS, S.A. Consolidated Accounts of 2023;
8. Samba Digital, SGPS, S.A. Consolidated Accounts of 2022;
9. Auditor's report on Samba Digital, SGPS, S.A. Consolidated Accounts of 2023; and
10. Auditor's report on Samba Digital, SGPS, S.A. Consolidated Accounts of 2022.

14.2. AUDITING OF HISTORICAL FINANCIAL INFORMATION

The auditing of historical financial information is attached in Appendix I as mentioned in the points above.

14.3. INTERIM FINANCIAL INFORMATION

The financial information is an integral part of this document and is presented in detail in point 20 with Appendix I. Appendix I contains:

11. Samba Digital, SGPS, S.A. Individual Accounts of the 1st Semester of 2024;
12. Samba Digital, SGPS, S.A. Consolidated Accounts of the 1st Semester of 2024;
13. Samba Digital, Inc. Financial Statements of the 1st Semester of 2024;
14. Samba Digital, SGPS, S.A. Consolidated Accounts of the 1st Semester of 2023;
15. Samba Digital, Inc. Financial Statements of the 1st Semester of 2023.

14.3.1. Date of shareholder meeting and publication of half-yearly report

The first shareholder meeting after the audited accounts of 31st December of 2023 was held on 28th June of 2024. The Consolidated Financial Statements of June, 30th, 2024 were published on August 20th, 2024.

14.4. KEY PERFORMANCE INDICATORS

14.4.1. Introduction

The KPIs (Key Performance Indicators) that reflect Samba's activity are derived from various aspects of the operations, as detailed in the provided documents.

Given the nature of Samba Digital services, KPI number 4, "Creative and Content Production," and KPI number 5, "Social Engagement and Reach," reflect the quality of service provided to each of Samba's clients monthly.

The key performance indicators (KPIs) are listed in order of importance, from their impact on global results to client-focused metrics. Please note that only the KPI "Sales and Revenue" is audited.

14.4.2. Description

The company has implemented 6 financial and non-financial KPIs, as follows:

1. Sales and Revenue - Audited

- Revenue Growth: Year-over-year or quarter-over-quarter revenue increase (Samba Digital, Inc.).

€	2018	2019	2020	2021	2022	2023	2024e
Revenue	211 935	1 060 953	1 440 159	3 021 800	3 849 914	5 441 967	9 070 528
Increase (%)	-	-	36%	110%	27%	41%	67%

- New Business Opportunities: Number of new leads and opportunities identified.

<u>New Opportunities</u>	2021	2022	2023
New Opportunities	100	150	230
Increase (%)	-	50%	53%

- Renewal Rates: Percentage of clients renewing their contracts annually.

%	2021	2022	2023
Renewal Rate	87%	89%	91%

- Upsell and Cross-sell Success: Revenue from upselling and cross-selling to existing clients.

%	2022	2023
Upsell/Cross-sell Growth	52%	55%

2. Client and Project Management

- Number of Active Projects: Total ongoing projects at any given time.

<u>Active Projects</u>	2021	2022	2023
Active Projects	110	230	372
Increase (%)	-	109%	62%

- Client Satisfaction: Feedback and satisfaction scores from clients.

<u>Client Satisfaction</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Active Projects	7.8	8.5	9.2

- Project Delivery Timeliness: Percentage of projects delivered on or before the deadline.

<u>%</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Completion at Deadline	82%	90%	96%

- Quality of Service Delivery: Assessed through client feedback and internal quality reviews.

<u>Quality of Service</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Quality of Service	7.5	8.3	9.0

3. Operational Efficiency

- Resource Utilization: Efficiency in using available resources, including human resources.

<u>%</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Utilization Rate	70%	78%	85%

- Collaborator Productivity: Measured through output per collaborator or team.

<u>%</u>	<u>2022</u>	<u>2023</u>
Collaborator Productivity	12%	10%

4. Creative and Content Production

- Content Performance: Engagement metrics like views, shares, and engagement rates for produced content.

<u>Millions</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Engagement	6	10	15
Increase (%)	-	67%	50%

- Campaign Impact: Success of campaigns in achieving desired outcomes, measured through specific KPIs like ROI (Return on Investment) and ROO (Return on Objectives).

<u>%</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
ROI	120%	150%	180%

5. Social Media Engagement and Reach

- Total Reach: The number of unique users who have seen the content.

Millions	2021	2022	2023
Number of Users Reached	10	13	20

- Engagements: Likes, comments, shares, and other interactions on social media posts.

%	2022	2023
Engagement Growth	40%	55%

- CPM/CPE (Cost Per Thousand Impressions/Cost Per Engagement): Metrics to measure the cost efficiency of social media campaigns.

\$	2021	2022	2023
CPM	12	10	8.5

- Brand Awareness: Measured through surveys and social media metrics.

%	2022	2023
Awareness Growth	25%	30%

6. Internal Metrics

- Worker Retention: Measured through turnover rate.

%	2021	2022	2023
Retention Rate	75%	82%	88%

- Training and Development: Training sessions conducted and participation rates.

Training & Development	2021	2022	2023
Training Sessions	10	16	22
Participation Rate (%)	70%	74%	81%

- Diversity and Inclusion: Metrics reflecting the diversity of the workforce and inclusion initiatives.

%	2021	2022	2023
Diversity Metrics Growth	30%	35%	42%

14.4.3. Summary

Overall, these KPIs are crucial for Samba's operations as they cover important business aspects, including client satisfaction, operational efficiency, financial performance, market insights, and internal workforce metrics.

The most significant KPIs include Revenue Growth, which is fundamental for business health and growth; new business opportunities for business development and expansion; renewal rate, which indicates client

satisfaction and the value provided by Samba Digital; and upsell and cross-sell success, which demonstrates increased revenue from existing clients.

Monitoring these key performance indicators (KPIs) helps Samba Digital attain its strategic objective of yearly revenue growth, deliver substantial benefits to its clients, and maintain a competitive edge in the digital marketing sector.

14.5. DIVIDEND POLICY

Since its creation, the company has pursued a policy of setting aside its net profit to self-finance its research and development.

14.6. LEGAL AND ARBITRATION PROCEEDINGS

The Issuer currently does not have any legal or arbitration proceedings.

14.7. CHANGES IN FINANCIAL POSITION

The Issuer's financial position did not change since the end of the last audited financial period.

14.8. CASH POSITION STATEMENT

The Issuer must report a cash position statement dating less than three months before the planned date of admission to trading. Therefore, on September 30th, 2024, Samba Digital reports the following Capitalization, Indebtedness and Net Indebtedness statements.

Capitalization and Indebtedness on September 30th, 2024

<u>Capitalization and Indebtedness (€)</u>	<u>30.09.2024</u>
<u>Total Current Debt</u>	<u>490 709</u>
Guaranteed	-
Secured	-
Unguaranteed/Unsecured	490 709
<u>Total Non-Current Debt</u>	<u>-</u>
Guaranteed	-
Secured	-
Unguaranteed/Unsecured	-
<u>Total Shareholder's Equity</u>	<u>25 868 986</u>
Share Capital	23 300 000
Legal Reserve	-
Other Reserves	2 568 986

As reported in section 7, Samba Digital has a Total Equity of €25.9 million.

Its only debt headline corresponds to two factoring lines to meet the company's short term liquidity needs, as cash is tied up in Accounts Receivable. The first factoring line amounts to €403k (an increase of €100k since the interim June 2024 accounts) and the second amounts to €87,759 after currency exchange (the factoring line is denominated in dollars, approximately \$98k).

Samba does not have any long-term or short-term bank debt.

Net Indebtedness on September 30th, 2024

Net Indebtedness (€)	30.09.2024
A. Cash	53 781
B. Cash Equivalent	489 318
C. Trading Securities	-
D. Liquidity (A) + (B) + (C)	543 099
E. Current Financial Receivable	-
F. Current Bank Debt	-
G. Current Portion of Non-Current Debt	-
H. Other Current Financial Debt	490 709
I. Current Financial Debt (F) + (G) + (H)	490 709
J. Net Financial Indebtedness (I) - (E) - (D)	-52 390
K. Non-Current Bank Loans	-
L. Bonds Issued	-
M. Other Non-Current Loans	-
N. Non-Current Financial Indebtedness (K) + (L) + (M)	-
O. Net Financial Indebtedness (J) + (N)	-52 390

The total Cash and Equivalents amount as of September 30th was €543k, which corresponds to two deposits, the first amounting to €400k and the second equivalent to €89,318 after exchanging currencies (the deposit is denominated in dollars, \$100k).

Subtracting the total amount of Cash and Equivalents from Total Debt results in a negative Net Indebtedness of €52k, approximately.

14.9. EVOLUTION OF THE SHARE PRICE AND STATEMENTS OF COMMUNICATIONS

The evolution of the share price of Samba Digital, SGPS, S.A. is available on the Euronext website, since the company is already listed on Euronext Access.

The graph below showcases the evolution of the share price between September 2023 and September 2024.

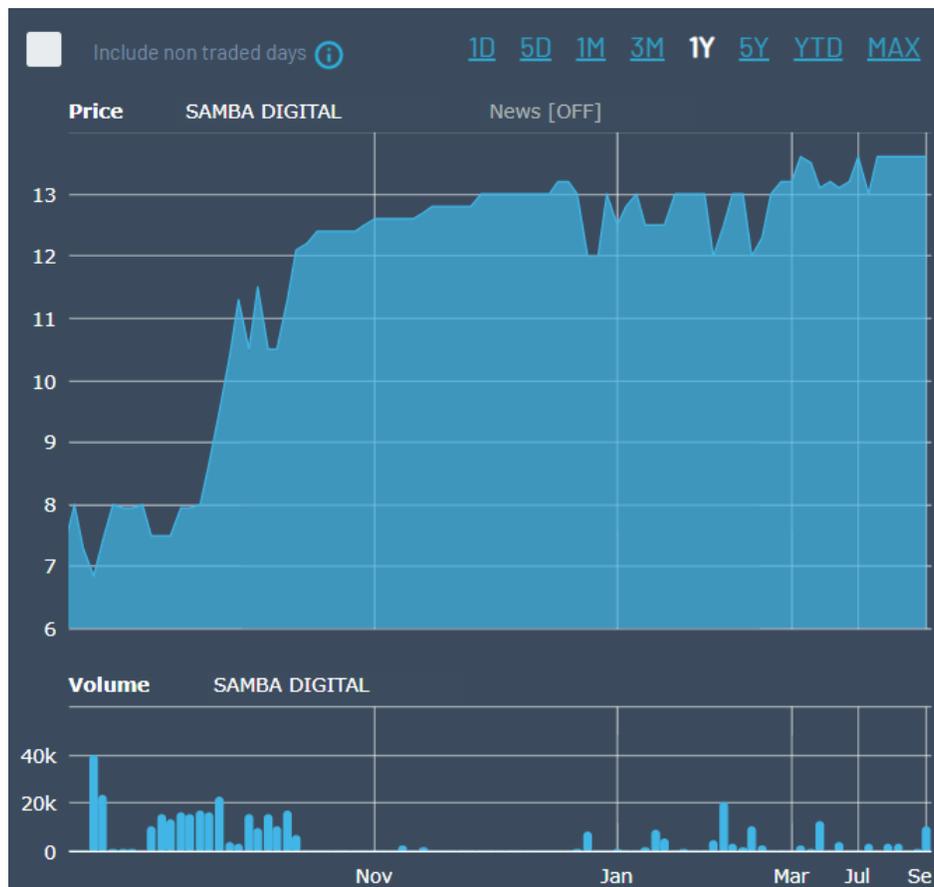


Figure 4 – Samba Digital, SGPS, S.A. Share Price Evolution
 Source: <https://live.euronext.com/pt/product/equities/PTDGL0AM0003-ENXL>

On September 5th of 2023 the share price was €8.00 and since then it has increased. Samba Digital shares were last traded on Euronext Access on September 9th of 2024 with a share price of €13.60.

Regarding statements of communications made on the home market over a period of twelve months preceding the date of first admission to trading, this can also be consulted on the Euronext website: <https://live.euronext.com/pt/listview/company-press-release/263157>.

EURONEXT Live markets Nome, ISIN, Simbolo, Índice Pesquisar no site

COMPANY PRESS RELEASES

FILTROS
 SUBSCRIBE

Displaying 1 - 23 of 23 results

RELEASED	COMPANY	TITLE	INDUSTRY	TOPIC
20 Aug 2024 19:00 CEST	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: 2024 BI-ANNUAL RESULTS	40301020 Media Agencies	Income
20 Aug 2024 19:00 CEST	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: RESULTATS SEMESTRIELS 2024	40301020 Media Agencies	Income

02 May 2024 19:00 CEST	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: 2023 FINAL ACCOUNTS - 2023 Revenue: +44% - 2023 Net profit: +76% - Acceleration of commercial growth in Q1 2024	40301020 Media Agencies	Income
02 May 2024 19:00 CEST	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: RESULTATS DEFINITIFS 2023 - CA 2023 : +44% - Résultat net 2023 : +76% - Accélération de la dynamique commerciale au T1 2024	40301020 Media Agencies	Income
22 Apr 2024 19:00 CEST	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: Samba Digital strengthens its iGaming services with new affiliate marketing services and expands into Africa	40301020 Media Agencies	New, Other subject
22 Apr 2024 19:00 CEST	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: Samba Digital renforce ses services de iGaming avec de nouvelles solutions de marketing d'affiliation et se développe en Afrique	40301020 Media Agencies	New, Other subject
10 Apr 2024 19:00 CEST	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: Samba Digital annonce la création d'un nouveau département 'Data Analytics' destiné à maximiser la performance marketing digitale de ses clients	40301020 Media Agencies	Other subject
10 Apr 2024 19:00 CEST	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: Samba Digital announces the creation of a new "Data Analytics" department intended to maximize digital marketing performance for its clients	40301020 Media Agencies	Other subject
28 Mar 2024 19:00 CET	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: Samba Digital Launches an Artificial Intelligence Platform for Sports Organizations in Collaboration with Orange Business	40301020 Media Agencies	Other subject
28 Mar 2024 19:00 CET	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: Samba Digital lance une plateforme d'Intelligence Artificielle pour les organisations sportives en collaboration avec Orange Business	40301020 Media Agencies	Other subject
28 Feb 2024 19:00 CET	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: RESULTATS 2023 - Forte hausse du revenu et de la rentabilité	40301020 Media Agencies	Income
28 Feb 2024 19:00 CET	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: 2023 RESULTS - Significant Increase in Revenue and Profitability	40301020 Media Agencies	Income
23 Jan 2024 19:00 CET	SAMBA DIGITAL SGPS S.A.	Samba Digital puts Artificial Intelligence at the heart of its development strategy	40301020 Media Agencies	Other subject
23 Jan 2024 19:00 CET	SAMBA DIGITAL SGPS S.A.	Samba Digital met l'Intelligence Artificielle au cœur de sa stratégie de développement	40301020 Media Agencies	Other subject
16 Jan 2024 19:00 CET	SAMBA DIGITAL SGPS S.A.	Samba Digital, Inc: Acceleration of Growth in 2023 - Revenue: €5.6M (+44%)	40301020 Media Agencies	Sales

Figure 5 – Samba Digital, Communications

15. Additional Information

15.1. SHARE CAPITAL

15.1.1. Issued capital

The share capital of the Samba Digital, SGPS, S.A. is €23,300,000.

15.1.2. Shares that do not represent capital

There are no shares that do not represent capital.

15.1.3. Shares held by the issuer or its subsidiaries

There are no shares held by or on behalf of the Issuer itself or by its subsidiaries.

15.1.4. Convertible securities, exchangeable securities or securities with warrants

There are no convertible securities, exchangeable securities or securities with warrants.

15.1.5. Acquisition rights and obligations

There are no acquisition rights/obligations over authorized but unissued capital or undertakings to increase the capital.

15.1.6. Members under option

There is no capital of any member of the group which is under option or agreed conditionality/unconditionally to be put under option.

15.1.7. History of share capital

There were no changes in share capital during the historical financial information period.

15.1.8. Share-based incentive programs

There are no share-based incentive programs.

16. Important Contracts

16.1. IMPORTANT CONTRACTS BETWEEN THE ISSUER AND THIRD PARTIES

Regarding contracts with third parties, the table below reveals the most relevant contracts Samba has with its clients. The company is decreasingly dependent on a small number of customers. In 2022, only 11 customers had annual sales higher than €100k and they accounted for 46.1% of total sales in that year. In 2023, the total number of customers above the benchmark was 16 and they represented 56.8% of total sales for the year.

This data shows that the company is working on larger projects and, above all, that it is increasing its sales to existing customers.

Client (€)	2022 Income	2023 Income
Client A	223 446	-
Client B	216 163	264 505
Client C	214 667	257 205
Client D	181 352	-
Client E	163 944	146 044
Client F	154 818	335 067
Client G	143 540	-
Client H	138 219	299 553
Client I	122 164	234 065
Client J	113 204	151 404
Client K	104 739	-
Client L	-	360 588
Client M	-	151 629
Client N	-	148 478
Client O	-	135 747
Client P	-	135 388
Client Q	-	129 744
Client R	-	128 736
Client S	-	109 897
Client T	-	103 330
Total	1 776 256	3 091 382
Yearly Sales	3 849 914	5 441 967
% Sales	46.1%	56.8%

Table 10 - Clients over €100k in sales

17. Other Additional Information

17.1. OTHER ADDITIONAL INFORMATION FROM THIRD PARTIES

There is no additional information to be disclosed.

18. Other Relevant Information

18.1. OTHER RELEVANT INFORMATION

18.1.1. Financial Resources

The Issuer possesses sufficient financial resources in order to be able to conduct the planned business for at least 12 months after the first day of trading.

The Issuer is currently profitable.

18.1.2. Contacts

	CEO	CFO/Corporate Secretary
Name	Frédéric Fausser	Bernard Calvignac
Email	frederic.fausser@sambadigital.com	bernard.calvignac@sambadigital.com

	Head of Investor Relations	Listing Sponsor
Name	Frédéric Fausser	José Carmo
Email	frederic.fausser@sambadigital.com	jcarmo@carmoecerqueira.pt

18.2. PRESS RELEASE – INFORMATION DOCUMENT

The press release informing about the availability of the Information Document on the issuer's website will be published on January 8th of 2025.

19. Glossary

Board of Directors	The directors of the Company
CMVM	Portuguese Securities Market Commission
CSC	Commercial Companies Code
CVM	Portuguese Securities Code
CX Media	CX Media Ltd, a limited liability company incorporated under the laws of Malta with its registered office at 16, Vadala building, Triq IL-Kummerc, Zone 5, central business district, Qormi, Malta (the “Buyer”);
EU	European Union
Euro or €	Information Document’s currency
Euronext Growth Lisbon	Multilateral Trading Facility operated by Euronext Lisbon
Euronext Lisbon	Responsible for the management of Euronext Growth Lisbon, i.e., Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.
Founder	Frédéric Fausser
Freelancer/Subcontractor	Doing particular pieces of work for different organizations, rather than working all the time for a single organization.
GDPR	Regulation (EU) 2016/679 (General Data Protection Regulation)
IFRS	International Financial Reporting Standards
Information Document	This document was issued in accordance with Appendix IV of the Euronext Growth Lisbon Rule Book, safeguarding incompatible provisions between the Issuer’s legal nature and the securities admitted to trading on Euronext Growth Lisbon
Interbolsa	Leading entity in Portugal in post-trade services, offering integrated and flexible solutions at European level, operating as Custody and Settlement Central Securities

	Depository (CSD), belonging to the EURONEXT Group CSDs network – Euronext Securities
Issuer	Samba Digital SGPS, S.A. or “Samba Digital” or “Samba”
LATAM	Latin America
LEI	Legal Entity Identifier
Listing Sponsor	A Company or any other legal entity that has been granted an accreditation to act as listing sponsor by Euronext (and whose accreditation has not been withdrawn) and whose obligations include (without limitation) assisting Issuers with the first admission to trading (including conducting due diligence investigations) and, where relevant, ensuring (on an ongoing basis) that Issuers comply with the legal and regulatory requirements and contractual obligations resulting from the first admission to trading. The rules setting out, inter alia, the eligibility requirements to act as a Listing Sponsor and the rules and regulations governing Listing Sponsors are detailed in Appendix V of these Rules.
Market Relations Representative	Name: Frédéric Fausser Phone number: +1 786 871 3497 Professional address: Rua Alfredo Lopes Vilaverde, No. 15-B, Office 2, 2770-008 Paço de Arcos; Parish of Oeiras e São Julião da Barra, Paço de Arcos e Caxias, Lisboa Email: frederic.fausser@sambadigital.com
MLFT Prevention	Prevention of Money Laundering and Financing of Terrorism
Multilateral Trading Facility or MTF	Multilateral trading facility is defined as a system which brings together the buying and selling of securities, aimed at trading in accordance with clear and non-discretionary rules.
Ordinary Shares	Share of a Company that grants voting rights to its holders alongside income in the form of dividends
Paying Agent	Banco Santander Totta, S.A.

Reference Price	Unit Price of an ordinary share of the Company
Registered Agent	Legal Address of the Company
Samba Digital, Inc.	Subsidiary company of Samba Digital, SGPS, S.A.. It is an International Sports and Entertainment Agency incorporated under the laws of Delaware
Samba D'Or	Trademark sold in 2021 to CX Media
Sambourg & Associates	Accountancy firm in charge of producing financial reports as well as supervising all transactions for the Company. Recently became Emeredge. They provide accounting and CFO services on a fee-for-service contract.
Shareholders	Holders of Ordinary Shares
Sophisticated Investor	Investor considered to have sufficient knowledge and expertise in financial matters to make conscient investment decisions.
The Company	Samba Digital, SGPS, S.A. or "Samba Digital" or "Samba"

PART 2:
INFORMATION ABOUT THE ADMISSION OF EQUITY SECURITIES

1. Risk Factors related to the Securities being traded

1.1. MATERIAL RISK FACTORS

1.1.1. General

An investment in Ordinary Shares is only suitable for financially educated investors who are capable of evaluating the merits and risks of such an investment, or other investors who have been professionally advised with regard to the investment, and who have sufficient resources to be able to bear any losses that may arise therefrom (which may be equal to the whole amount invested). Such an investment should be seen as complementary to existing investments in a wide spread of other financial assets and should not form a major part of an investment portfolio. Prospective investors should not consider investing in the Ordinary Shares unless they already have a diversified investment portfolio. Prospective investors should be aware that the value of an investment in Samba Digital may go down as well as up and investors may therefore not recover their original investment.

1.1.2. Legislation and tax status

This document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors interpretation thereof. Such interpretation may not be correct, and it is always possible that legislation, rules and practice may change. Any change in legislation and in particular in tax status or tax residence of Samba Digital or in tax legislation or practice may have an adverse effect on the returns available on an investment in Samba Digital.

1.1.3. General economic climate

Factors such as inflation, currency fluctuation, interest rates, supply and demand of capital and industrial disruption have an impact on business costs and commodity prices and stock market prices. Samba's operations, business and profitability can be affected by these factors, which are beyond the control of Samba Digital.

1.1.4. Economic, political, judicial, administrative, taxation, environmental or other matters

In addition to the impact of the downturn of the world's economies, Samba Digital may be adversely affected by other changes in economic, political, judicial, administrative, taxation or other regulatory or other unforeseen matters. If Samba Digital unintentionally violates or fails to comply with laws and regulations, it may be subject to penalties, fines and other sanctions.

1.1.5. Share price volatility and liquidity

Following Admission, the market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, including stock market fluctuations and general economic conditions or changes in political sentiment. This may substantially affect the market price of the Ordinary Shares irrespective of the progress Samba Digital may make in terms of developing and expanding its products or its actual financial, trading or operational performance. These factors could include the performance of Samba Digital, purchases or sales of the Ordinary Shares, legislative changes and market, economic, political or regulatory conditions or price distortions resulting from limited liquidity in Samba's shares. The share price for publicly traded companies, particularly those at an early stage of development, such as Samba Digital, can be highly volatile. Admission to Euronext Growth Lisbon should not be taken as implying that a liquid market for the Ordinary Shares will either exist, develop or be sustained following Admission. Active, liquid trading markets generally result in lower price volatility and more efficient execution of buy and sell orders for investors. The

liquidity of a securities market is often a function of the volume of the underlying shares that are publicly held by unrelated parties. If a liquid trading market for the Ordinary Shares does not develop, the price of the Ordinary Shares may become more volatile and it may be more difficult to complete a buy or sell order even for a relatively small number of such Ordinary Shares.

1.1.6. Substantial sales of Ordinary Shares

There can be no assurance that certain Shareholders will not elect to sell their Ordinary Shares. The market price of Ordinary Shares could decline as a result of any such sales of Ordinary Shares or as a result of the perception that these sales may occur. In addition, if these or any other sales were to occur, Samba Digital may in the future have difficulty in offering Ordinary Shares at a time or at a price it deems appropriate.

1.1.7. No guarantee that the Ordinary Shares will continue to be traded

Samba Digital cannot assure investors that the Ordinary Shares will always continue to be traded on the Growth market or on any other exchange. If such trading were to cease, certain investors may decide to sell their shares, which could have an adverse impact on the value of the Ordinary Shares. Additionally, if in the future Samba Digital decides to obtain a listing on another exchange in addition or as an alternative to Euronext Growth Lisbon, the level of liquidity of the Ordinary Shares traded on Euronext could decline.

1.1.8. Issue of additional Ordinary Shares

It is possible that Samba Digital may decide to issue, pursuant to a private offer or otherwise, additional Ordinary Shares in the future at a price or prices higher or lower than the Placing Price. An additional issue of Ordinary Shares by Samba Digital, or the public perception that an issue may occur, could have an adverse effect on the market price of Ordinary Shares and could dilute the proportionate ownership interest, and hence the proportionate voting interest, of Shareholders. This will particularly be the case if and to the extent that such an issue of Ordinary Shares is not affected on a pre-emptive basis, or Shareholders do not take up their rights to subscribe for further Ordinary Shares structured as a pre-emptive offer.

2. Essential Information

2.1. WORKING CAPITAL STATEMENT

The company is of the opinion that the working capital available to the Group at the date of this Information Document is sufficient for the Group's present requirements.

Financial information about the Individual and Consolidated accounts of the company are listed on point 14 of this document and are presented in detail in point 20 with Appendix I.

3. Information concerning the Securities to be admitted to trading

3.1. TYPE AND CLASS

The securities being admitted are equity securities. The ISIN number is PTDGL0AM0003.

3.2. EXPECTED ISSUE DATE

There are no additional shares being issued.

3.3. RESTRICTIONS ON FREE TRANSFERABILITY

There are no restrictions on the free transferability of the securities.

3.4. MANDATORY TAKEOVER BIDS

There are neither mandatory takeover bids nor squeeze-out/sell-out rules in relation to the securities.

3.5. RATIONALE OF THE LISTING

Samba Digital has decided to admit its shares on Euronext Growth Lisbon for four specific reasons:

1. Since Samba is already listed on Euronext Access, due to the company's growth and completion of all of its operational and financial goals, the shift to Euronext Growth is natural;
2. The possibility to have, as a small Company, a wider visibility than in a larger market, with the possibility to obtain a European scale from Lisbon;
3. The Portuguese sporting culture, passion for football included, fundament to attract the interest of investors; and
4. The proximity to Brazil, Samba Digital, Inc.'s main market and the opportunity to attract in Lisbon, Brazilian investors with links to Football and to Portugal (Samba Digital, Inc.'s first working language on social networks is Portuguese).

4. Information on the Issue

4.1. TOTAL AMOUNT OF THE ISSUE, PRICING AND COSTS

Samba's shares will be admitted to trading on the Euronext Growth Lisbon market by direct quotation under a procedure involving the admission to trading of existing shares without the issue of new shares.

Samba Digital has a share capital of €23.3 million, divided into 10 million shares. Public shares represent 7% of the total shares.

Share Capital	€23 300 000
Number of ordinary shares	10 000 000
Nominal value of the shares	€2.33
Predicted admission date	10/01/2025

Samba Digital SGPS, S.A. shares were last traded on Euronext Access on September 9th of 2024 with a share price of €13.60.

5. Admission to Trading

5.1. OTHER TRADING PLATFORMS

Prior to the admission to Euronext Growth Lisbon, the Ordinary Shares have been listed in Euronext Access Lisbon.

5.2. COMMITMENT BY INTERMEDIARIES

No entities have a firm commitment to act as intermediaries in secondary trading.

6. Listing Sponsor

6.1. STATEMENT OF CAPACITY

Other than the Listing Sponsor, there are no advisors connected with the listing.

6.2. OWNERSHIP INTEREST

Neither the Listing Sponsor nor its owners/managers own ownership interest in Samba Digital.

6.3. IDENTITY OF LISTING SPONSOR

Carmo & Cerqueira, SROC, Lda. is the listing sponsor responsible for assisting the issuer in the admission process to Euronext Growth Lisbon.

Carmo & Cerqueira, SROC, Lda. is the responsible, under the terms and in accordance with the Euronext Growth Lisbon Rule Book, for providing assistance, ensuring that legal precepts and requirements abide by the rules, namely the quality of the information. Nevertheless, Carmo & Cerqueira, SROC, Lda. did not perform an autonomous verification of all the facts and information present in this Information Document.

Carmo & Cerqueira, SROC, Lda. NIF 507707192, limited company based in Rua 28 de Janeiro, nº 350, Candal Park, C01, 4400-335 Vila Nova de Gaia registered in the Certified Auditors' Association (OROC) nº 202 and registered in the Portuguese Securities Market Commission as an auditor.

Carmo & Cerqueira, SROC, Lda. is one of a group that provides in addition to auditing/legal accounts certificate services, tax, financial and strategy consultancy and other ancillary services to private and public companies.

Carmo & Cerqueira is a Listing Sponsor of Euronext since February 2016.

7. Large Transactions

7.1. TRANSACTIONS CARRIED OUT AFTER THE LAST AUDITED ACCOUNTS

Regarding large transactions carried out after the last audited accounts that represent a change of more than 25% in the Issuer's total assets, revenue or profit or loss, there were no transactions of this nature.

8. Articles of Association

8.1. COPY OF THE ARTICLES OF ASSOCIATION

The Articles of Association of the company, or By-laws, are included on point 20. Appendix, number II. The incorporation deed of the company is also included. Appendix II contains:

1. Samba Digital, SGPS, S.A. By-laws; and
2. Samba Digital, SGPS, S.A. Incorporation deed.

9. Issuers without documented earnings capacity

9.1. STATEMENT

The issuer currently possesses documented earnings capacity.

10. Other Significant Matters

10.1. OTHER SIGNIFICANT MATTERS

There are no additional matters to disclose.

10.2. PRESS RELEASE AND ANNOUNCEMENTS

A press release is included on point 20. Appendix, number II.3.