

STATEMENT

INFORMATION ON PORTUGUESE GOVERNMENT ANNOUNCEMENTS WITH IMPACTS ON TAP

LISBON – July 3, 2020.

Under the terms and for the purposes of Article 17(1) of Regulation (EU) no. 596/2014 of the European Parliament and the Council, of 16 April 2014, and of Article 248-A(1) of the Portuguese Securities Code (“Código dos Valores Mobiliários”), Transportes Aéreos Portugueses, S.A. (“TAP”), informs the market and the general public that:

As disclosed to the market and to the general public on June 26, 2020, on June 25, 2020, TAP and TAP – Transportes Aéreos Portugueses, SGPS, S.A. (“TAP SGPS”) were formally summoned by the Supreme Administrative Court (*Supremo Tribunal Administrativo*), in the capacity of Interested Parties, of a protective measure in connection with Protective Judicial Proceeding nr. 55/20.1BALS.B. The protective measure included in the mentioned judicial proceeding requested, in broad terms, to inhibit the administrative act by which the Portuguese State intends to grant, or authorizes the granting, of the financial support to TAP SGPS or directly to its subsidiary TAP.

By way of a Council of Ministers Statement, dated July 2, 2020, it was announced, within the scope of the referred protective measure, the approval by the Council of Ministers of a substantiated pleading which *“recognizes that the inhibition of the administrative act by which the Portuguese State intends to grant, or authorizes the granting, of financial support to TAP Group or TAP, would be severely detrimental for the public interest and entail consequential impacts, of economic and social nature, to the country”*. Following the submission of this substantiated pleading to the competent court, the Council of Ministers will be able to execute the abovementioned administrative act, the same applying to TAP as beneficiary of such act, by which the Portuguese State will grant, or will authorize the granting, of the financial support to TAP SGPS or directly to its subsidiary TAP.

Additionally, on the evening of July 2, 2020, it was also announced, by means of a joint press conference conducted by the Minister of State and Finance, the Minister for Infrastructure and Housing and the Secretary of State of the Treasury, that the Portuguese State reached an agreement in principle with TAP SGPS private shareholders which entails a change to the indirect shareholding structure of TAP. Based on the available information, the implementation of such agreement is still subject to the formalization of the required contractual documents between the respective parties. TAP will inform the market and the general public as soon as it becomes aware of any further relevant information regarding this subject matter.

This information is also available in TAP's website at: <https://www.flytap.com/>

TRANSPORTES AÉREOS PORTUGUESES, S.A.

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