

STATEMENT

INFORMATION ON MODIFICATION OF THE SHAREHOLDING STRUCTURE OF TAP GROUP AND MODIFICATION OF COMPOSITION OF THE BOARD OF DIRECTORS

LISBON – October 2, 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 timely disclosed to the market and to the general public on July 17, 2020, the Portuguese State granted in favour of TAP Group an interest-bearing loan of up to 946 million euros, to which can be added an additional amount of 254 million euros, although the Portuguese State is not bound to make such additional amount available (“Financing Agreement”). Moreover, a set of contractual arrangements related to the Financing Agreement was concluded between the Portuguese State, the private shareholders (both direct and indirect) of TAP – Transportes Aéreos Portugueses, SGPS, S.A. (“TAP SGPS”) and TAP Group, with a view to execute the operations timely disclosed to the market and the general public on July 17, 2020 (“Arrangements”).

By reference to the execution of the Arrangements, TAP hereby informs that, following the satisfaction of the conditions provided for in the Arrangements, the following took place on the date hereof:

- (i) The acquisition by the Portuguese State, through the Directorate General of Treasury and Finance, of shareholdings, economic rights and part of the supplementary capital contributions held by the current shareholder of TAP SGPS, Atlantic Gateway, SGPS, Lda. (“Atlantic Gateway”), so that the Portuguese State acquires effective control over 72.5% of the share capital of TAP SGPS, along with the same proportion of economic rights in TAP SGPS and certain supplementary capital contributions paid up by Atlantic Gateway; and
- (ii) The redemption of the quota-holding held by HPGB, SGPS, S.A. (“HPGB”) in Atlantic Gateway against the receipt of shareholdings representing 22.5% of the share capital and voting rights of TAP SGPS and certain supplementary capital contributions paid up by Atlantic Gateway, whereby Atlantic Gateway ceases to be a shareholder of TAP SGPS and HPGB becomes a direct shareholder of TAP SGPS (together, with the operation identified in (i) above, the “Operations”).

It is further informed that, in the context of the Operations, Mr. David Gary Neeleman has submitted his resignation from the office of Member of the Board of Directors of TAP, which takes effect on the date hereof. Mr. David Gary Neeleman has also submitted his resignation from any other offices held in the governance structure of each of the remaining companies comprising TAP Group, including TAP SGPS, with effect from the date hereof.

The Board of Directors of TAP acknowledges the commitment, the positive contribution and the work carried out by Mr. David Gary Neeleman while performing his respective office in TAP and wishes all the best for the challenges ahead.

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

TRANSPORTES AÉREOS PORTUGUESES, S.A.

Raffael Guarita Quintas Alves

Representative for the Relations with Capital Markets and the CMVM

Phone: +351 218 416 127

Email: investors@tap.pt