

## STATEMENT

### INFORMATION ON ENTERING INTO A FINANCING AGREEMENT WITH THE PORTUGUESE STATE AND OF AGREEMENTS WITH IMPACTS ON THE SHAREHOLDING STRUCTURE OF TAP GROUP

LISBON – July 17, 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 June 10, 2020, the European Commission has announced, on the same day, its decision of approving the granting of a State aid, by means of a loan, in favour of TAP’s sole shareholder, TAP – Transportes Aéreos Portugueses, SGPS S.A. (“TAP SGPS”), in the amount of 1.2 billion euros.

As also disclosed to the market and to the general public on July 3, 2020, it was announced on the evening of July 2, 2020, 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 entailed a change to the indirect shareholding structure of TAP.

Following the above described announcements and throughout the past few weeks, the representatives of the Portuguese State, of TAP SGPS private shareholders (both direct and indirect) and of TAP Group have been negotiating a set of contractual arrangements with a view to, in short:

- (i) The granting of an interest-bearing loan of up to 946 million euros by the Portuguese State in favour of TAP Group (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), as approved by the European Commission;
- (ii) 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., so that the Portuguese State becomes the holder of a total shareholding of 72.5% along with the economic rights pertaining thereto in TAP SGPS, by the amount of 55 million euros;
- (iii) The conclusion of a memorandum of understanding under which Azul, S.A. (indirect shareholder of TAP SGPS) agreed to waive its conversion right as holder of convertible bonds issued by TAP SGPS with a nominal value of 90 million euros; and

- (iv) The transfer to HPGB, SGPS, S.A. of shareholdings representing 22.5% of the share capital and voting rights of TAP SGPS, and the supplementary capital contributions in TAP SGPS, held by Atlantic Gateway Lda, whereby Atlantic Gateway, Lda. ceases to be a shareholder of TAP SGPS.

On July 16, 2020 and following the respective approval at the level of TAP SGPS board of directors, a final agreement was reached among all parties involved within this negotiating process and by reference to the abovementioned key conditions, being now met all required conditions to execute the contractual documents deemed necessary.

The completion of the operations described above is subject to the fulfilment of a number of conditions precedent, including the applicable regulatory and internal approvals.

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

## TRANSPORTES AÉREOS PORTUGUESES, S.A.

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