



CUF, S.A.

(incorporated with limited liability under the laws of Portugal)

Prospectus for admission to trading of the Notes “JOSÉ DE MELLO SAÚDE 2019/2027”

CUF, S.A. (formerly named José de Mello Saúde, S.A., the “**Issuer**”) issued €11,710,000 aggregate principal amount of Notes due January 2027 in the denomination of €10,000 each (the “**Notes**”) on 28 October 2021 (the “**Issue Date**”), fungible as from (and including) the first interest payment date falling after admission to trading on the regulated markets of the Bourse de Luxembourg and Euronext Lisbon with the notes representing the bond issue named “José de Mello Saúde 2019/2027” issued on 22 November 2019 and due on 22 January 2027, with a €50,000,000 aggregate principal amount and a denomination of €10,000 per note, which are admitted to trading on the Bourse de Luxembourg and Euronext Lisbon regulated markets (ISIN: PTJLLDOM0016), without prejudice of the minimum subscription amount in the primary market being €100,000 per noteholder. The Notes will bear interest on their aggregate principal amount at 6-month Euribor plus a margin of 3.875 per cent. The Issuer will pay interest on the Notes semi-annually in arrear on 22 January and 22 July each year, from and including the Issue Date to and excluding 22 January 2027 (the “**Maturity Date**”). Unless previously redeemed or repurchased by the Issuer and cancelled, each Note shall be finally redeemed at its principal amount outstanding on the Maturity Date.

The Notes are direct, senior, unconditional, unsecured (subject to the provisions of Condition 2.2 (a) of the Terms and Conditions of the Notes (the “**Terms and Conditions of the Notes**”)) and unsubordinated obligations of the Issuer and rank *pari passu*, without any preference among themselves, and (save for certain obligations required to be preferred by law) equally with all other unsecured and unsubordinated obligations of the Issuer, from time to time outstanding. The Notes are not guaranteed.

The Notes were issued in dematerialised book-entry form (*forma escritural*) and integrated and registered in and held through Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. (“**Interbolsa**”), as operator of the Portuguese central securities clearing system (*Central de Valores Mobiliários* or “**CVM**”). The Notes are “*nominativas*”, which means that Interbolsa can, at the Issuer’s request, ask the affiliate members of Interbolsa for information regarding the identity of the holders of the Notes and transmit such information to the Issuer.

This prospectus (the “**Prospectus**”) constitutes a prospectus within the meaning of Article 6.3 of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the “**Prospectus Regulation**”). This Prospectus will be published in electronic form together with all documents incorporated by reference or annexed thereto on a dedicated section of the

website of the Issuer (<https://www.cuf.pt/en/about-us/investors>), Société de la Bourse de Luxembourg S.A. (the “**Luxembourg Stock Exchange**”) (www.bourse.lu) and Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A. (the “**Euronext**”) (www.euronext.com), which is easily accessible when entering the relevant website.

This Prospectus has been approved by the Commission de Surveillance du Secteur Financier, Luxembourg (“**CSSF**”) in its capacity as competent authority under the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should neither be considered as an endorsement of the Issuer that is subject of this Prospectus nor of the quality of the Notes. By approving a prospectus, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or the solvency of the Issuer in line with the provisions of Article 6(4) of the Luxembourg law of 16 July 2019 on prospectuses for securities.

Application has been made to (i) the Luxembourg Stock Exchange, for the Notes to be admitted to trading on the Bourse de Luxembourg, which is the regulated market of the Luxembourg Stock Exchange, and to be listed on the official list of the Luxembourg Stock Exchange; and (ii) Euronext, for the Notes to be admitted to trading on Euronext Lisbon, which is a regulated market of Euronext. The Bourse de Luxembourg and Euronext Lisbon are regulated markets for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.

CVM currently has links in place with Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, Société Anonyme, Luxembourg (“**Clearstream**”), through accounts held by Euroclear and Clearstream with financial intermediaries for the purposes of the Portuguese Securities Code, and which are entitled to hold control accounts with Interbolsa on behalf of holders of the Notes (each, an “**Affiliate Member of Interbolsa**”).

This Prospectus will be valid for 12 months after its approval for admission of the Notes to trading on a regulated market. In case of a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which may affect the assessment of the Notes, the Issuer will prepare and publish a supplement to the Prospectus without undue delay in accordance with Article 23 of the Prospectus Regulation. The obligation of the Issuer to supplement this Prospectus will cease to apply with the admission to trading of the Notes on the regulated markets Bourse de Luxembourg or Euronext Lisbon and at the latest upon expiry of the validity period of this Prospectus.

An investment in the Notes involves certain risks. For a discussion of these risks, see “Risk Factors”. Investors should make their own assessment as to the suitability of investing in the Notes and shall refer, in particular, to the “Terms and Conditions of the Notes” and “Taxation” sections of this Prospectus for the procedures to be followed in order to receive payments under the Notes. Noteholders are required to comply with the procedures and certification

requirements described herein in order to receive payments on the Notes free from Portuguese withholding tax. Noteholders must rely on the procedures of Interbolsa to receive payments under the Notes.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or any U.S. State securities laws and may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons as defined in Regulation S under the Securities Act, unless an exemption from the registration requirements of the Securities Act is available, and in accordance with all applicable securities laws of any state of the United States and of any other jurisdiction.

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, the Notes in any jurisdiction where such offer or solicitation is unlawful and neither the Issuer, nor the Joint Lead Managers and Bookrunners is making an offer to sell the Notes in any jurisdiction where an offer or sale is not permitted.

Joint Lead Managers and Bookrunners

Banco Invest

Haitong Bank

The date of this Prospectus is 4 November 2021.

IMPORTANT INFORMATION

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the Issuer's knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is true and accurate in all material respects, is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Issuer accepts responsibility accordingly and thus confirms to Banco Invest, S.A. and Haitong Bank, S.A. (the "Joint Lead Managers and Bookrunners") that this Prospectus contains all information which is material in the context of the issue, offering and sale of the Notes; that such information is not misleading in any material respect; and that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated in it by reference or annexed (see Chapter 8 - "*Documents incorporated by reference and annexed and documentation available to the public*"). This Prospectus shall be read and construed on the basis that those documents are incorporated and form part of this Prospectus.

Investors in the Notes should rely only on the information contained in this Prospectus. No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Notes, or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or by the Joint Lead Managers and Bookrunners.

The Joint Lead Managers and Bookrunners, including any of their respective affiliates, have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking whatsoever, express or implied, is made and no responsibility or liability is accepted by the Joint Lead Managers and Bookrunners as to the authenticity, origin, validity, accuracy or completeness of the information contained or incorporated in this Prospectus, or of any other information provided by the Issuer in connection with the Notes. The Joint Lead Managers and Bookrunners do not accept any liability in relation to the information contained or incorporated by reference in, or annexed to, this Prospectus or to any other information provided by the Issuer in connection with the Notes.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Prospectus is true, correct, complete and updated after the date hereof or the date on which this Prospectus has been most recently amended or supplemented, or that there has been any adverse change, or any event reasonably likely to involve any adverse change, in the prospects or the

financial or trading position of the Issuer since the date thereof or, if later, the date on which this Prospectus has been most recently amended or supplemented, or that any other information supplied in connection with the Notes is true, correct, complete and updated at any time after the date on which it is supplied or, if different, the date indicated in the document containing the same.

Neither this Prospectus, nor any other information supplied in connection with the Notes (a) is intended to provide the basis of any credit or other evaluation, or (b) should be considered as a recommendation by the Issuer or any of the Joint Lead Managers and Bookrunners that any recipient of this Prospectus or of any other information supplied in connection with the Notes should purchase any Notes. Each investor contemplating the purchase of any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus, nor any other information supplied in connection with the offering of the Notes, constitutes an offer or invitation by or on behalf of the Issuer, or any of the Joint Lead Managers and Bookrunners, to any person to subscribe for or to purchase any Notes.

The distribution of this Prospectus and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Joint Lead Managers and Bookrunners to inform themselves about and to observe any such restrictions. This Prospectus may not be used for or in connection with any offer to, or solicitation by, anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Issuer, the Joint Lead Managers and Bookrunners do not make any representation to any investor in the Notes regarding the legality of this investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

Neither the delivery of this Prospectus, nor the offering, sale or delivery of any Notes, shall in any circumstances imply that the information contained in it concerning the Issuer is correct at any time subsequent to its date or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Joint Lead Managers and Bookrunners expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes, or to advise any investor in the Notes of any information coming to their attention.

In this Prospectus, unless otherwise specified, references to a "Member State" are references to a Member State of the European Economic Area, references to "EUR" or "Euro" are to the currency introduced at the start of the third stage of the European Economic and Monetary Union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the Euro, as amended.

This Prospectus has been prepared for admission to trading of the Notes in a regulated market and does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction. Each recipient of this Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer. The Issuer, the Joint Lead Managers and Bookrunners do not represent that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, by any of the Joint Lead Managers and Bookrunners which is intended to permit a public offering of any Notes or the distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and on the offering and sale of Notes.

No comment is made or advice is given by the Issuer, by any of the Joint Lead Managers and Bookrunners in respect of taxation matters relating to the Notes and each investor is advised to consult its own professional advisor.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

Prohibition of Sales to EEA Retail Investors – The Notes (as defined below) are not intended to be offered or sold to and should not be offered or sold to any retail investor in the European Economic Area (the “EEA”). For these purposes, a “retail investor” means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 (as amended, the “MiFID II”); or (ii) a customer within the meaning of Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes to retail investors in the EEA has been prepared. Offering or selling the Notes to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

Prohibition of Sales to UK Retail Investors – The Notes are not intended to be offered or sold to and should not be offered or sold to any retail investor in the United Kingdom (the “UK”). For these purposes, a “retail investor” means a person who is one (or both) of: (i) a retail client,

as defined in point (8) of Article 2 of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016, as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the “FSMA”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014, as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation, as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET

Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET

Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014, as it forms part of domestic law by virtue of the EUWA (the “UK MiFIR”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or

refining the manufacturers' target market assessment) and determining appropriate distribution channels.

SUITABILITY OF INVESTMENT

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (A) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in, or annexed to, this Prospectus;
- (B) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its specific financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (C) has sufficient financial resources and liquidity to bear all the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (D) thoroughly understands the terms of the Notes and is familiar with the behaviour of financial markets; and
- (E) is able to evaluate possible scenarios related to economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or to review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions are applicable to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

CONSIDERATIONS ABOUT THE LAWFULNESS OF THE INVESTMENT

The activities of certain investors are subject to laws and regulations on investment matters and/or to review or regulation by certain authorities. Each potential investor shall use its own legal advisors to determine whether and to what extent (i) the Notes are legally allowed investments, (ii) the Notes can be used as collateral for various types of loans, and (iii) other restrictions are applicable to the subscription/purchase of the Notes. Financial institutions shall consult their legal, financial or other advisors, or the relevant regulatory agencies, to determine the appropriate treatment of the Notes pursuant to the risk management rules

applicable to capital or other similar rules.

BENCHMARKS

The Notes will bear interest at a floating rate of 6-month Euro interbank offered rate (Euribor) plus a margin of 3.875 per cent. per annum, provided, however, that if Euribor is less than zero, then Euribor shall be deemed to be zero. Accordingly, interest amounts payable on the Notes will be calculated by reference to 6-month Euribor, which is provided by the European Money Markets Institute. As at the date of this Prospectus, the European Money Markets Institute appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“ESMA”) pursuant to Article 36 of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the “Benchmarks Regulation”).

STABILISATION

In connection with the issue of the Notes, the Joint Lead Managers and Bookrunners (if any) acting as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but must end no later than the earlier of 30 days after the Issue Date of the Notes or 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

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CHAPTER 1 SUMMARY

Section I – Introduction and Warnings

Introduction and warnings	<p><u><i>Issuer, securities and competent authority</i></u></p> <p>The Issuer is CUF, S.A. (formerly named José de Mello Saúde, S.A.; hereinafter, “CUF”), a company with head office at Avenida do Forte, no. 3 - Edifício Suécia III, Piso 2, 2790-071 Carnaxide, Portugal and with the following contact details: Telephone number: (+351) 210 025 100; Fax: (+351) 210 025 108; Email: investor.relations@cuf.pt. The Issuer’s LEI code is 549300223U7WIHW0MC43.</p> <p>The notes were assigned ISIN code PTJLLAOM0019 (“Notes”).</p> <p>The Prospectus was approved on 4 November 2021 by the Commission de Surveillance du Secteur Financier (“CSSF”), as competent authority. Address: 283, route d’Arlon L-1150 Luxembourg; Telephone number: (+352) 26 25 1 - 1; Email: direction@cssf.lu.</p> <p><u><i>Warnings about the Summary and responsibility for the Prospectus</i></u></p> <p>This Summary should be read as an introduction to the Prospectus. Any decision to invest in the Notes should be based on consideration of the Prospectus as a whole by the investor. In the event of the Issuer’s insolvency, an investor could lose all or part of the capital it has invested, given its exposure to the Issuer’s credit risk.</p> <p>Where a claim relating to the information contained or incorporated by reference in, or annexed to, this Prospectus is brought before a court, the plaintiff investor may, under the national legislation of the European Union Member States, have to bear the costs of translating the Prospectus before the respective legal proceedings are initiated.</p> <p>No person can be held civilly liable based on the Summary alone, including any translation thereof, except if the Summary, when read together with the other parts of the Prospectus, (i) contains misleading, inaccurate or inconsistent statements; or (ii) does not provide key information to aid investors when considering whether to invest in the Notes.</p>
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Section II – Key information on the Issuer

Who is the Issuer of the notes?	<p><u><i>Who is the Issuer?</i></u></p> <p>The Issuer is CUF, S.A. (formerly named José de Mello Saúde, S.A.), a limited liability company incorporated under Portuguese law, with head office at Avenida do Forte, no. 3 - Edifício Suécia III, Piso 2, 2790-071 Carnaxide, Portugal, registered with the Commercial Registry of Cascais under single registration and taxpayer number 502 884 665, with a fully subscribed and paid-up share capital of €53,000,000 and with LEI code 549300223U7WIHW0MC43.</p> <p><u><i>What is the main legislation applicable to the Issuer?</i></u></p> <p>CUF is governed by the general laws applicable to commercial companies, including the Portuguese Commercial Companies Code, by the complementary legislation applicable to issuers of securities listed in regulated markets, namely the Portuguese Securities Code, and by its articles of association.</p> <p><u><i>What are the Issuer’s principal activities?</i></u></p> <p>CUF’s corporate purpose is, according to its articles of association, the “sale, purchase and lease of equipment, as well as the rendering of management, advisory, IT, operational, administrative, negotiation and supply services, and the rendering of services in the health sector”.</p> <p><u><i>Who are the Issuer’s main shareholders?</i></u></p> <p>On the date of approval of the Prospectus, the Issuer’s main shareholders are José de Mello Capital, S.A., holder of shares representing 65.85 per cent. of the share capital of the Issuer, and Farminveste - Investimentos, Participações e Gestão, S.A., holder of shares representing 30 per cent. of the share capital of the Issuer.</p> <p><u><i>Who are the members of the Issuer’s management and supervisory bodies?</i></u></p> <p>CUF’s Board of Directors, elected for the three-year period 2019-2021, had an initial number of 15 members and is currently composed of 13 members, including Salvador Maria Guimarães José de Mello (President), as well as João Gonçalves da Silveira and João Pedro Stilwell Rocha e Melo (Vice-Presidents).</p> <p>CUF’s Audit Board, elected for the three-year period 2019-2021, is composed of 3 permanent members, namely, José Manuel Gonçalves de Moraes Cabral (President), Miguel Reccanello Carneiro Pacheco and Tiago Prata Cerqueira Sopas (Members), and of one alternate member, Miguel Luís Cortês Pinto de Melo.</p> <p>Deloitte & Associados, SROC, S.A., represented by Pedro Miguel Argente de Freitas e Matos Gomes, is the Statutory Auditor elected in 2020 for the remainder of the ongoing three-year period 2019-2021.</p>
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What is the key financial information regarding the Issuer and Offeror?	CUF's consolidated financial statements for the years 2020 and 2019 are audited. The financial information for the first semesters of 2021 and of 2020 is not audited or revised.				
	Consolidated key financial data of the Issuer:				
	Income Statement				
	(Amounts in millions of euros)				
		2020	2019	1st Semester 2021	1st Semester 2020
	EBIT	(10.3)	53.6	21.8	(6.1)
	Balance Sheet				
	(Amounts in thousands of euros)				
		31.12.2020	31.12.2019	30.06.2021	
	Net debt	509,531	438,873	528,100	
Current ratio (current assets/current liabilities)	0.8	0.9	0.8		
Debt to equity ratio (total liabilities / total shareholder equity)	7.6	6.4	5.3		
Interest cover ratio (operating income/interest expense)	29.1x	42.0x	30.5x		
Cash-flow statement					
(Amounts in thousands of euros)					
	2020	2019	1st Semester 2021	1st Semester 2020	
Net cash flows from operating activities	2,443	65,333	23,674	8,586	
Net cash flows from financing activities	(6,864)	21,993	(24,442)	30,247	
Net cash flow from investing activities	(12,299)	(94,890)	(14,798)	(37,358)	
CUF's audit reports for the financial years 2019 and 2020 were unqualified.					
What are the key risks specific to the Issuer?	CUF believes that the risk factors summarily presented below are the most relevant risk factors, the occurrence of which could have substantial adverse impacts on CUF's activities and the evolution of its business, on its operational results, financial situation, profits, assets and/or liquidity, as well as on CUF's future prospects and its capacity to attain the targets set.				
	Risks relating to the Issuer's strategy				
	<u>The Issuer is exposed to the uncertainty of the macroeconomic, political and social environment</u>				
	Given that the Issuer currently conducts its business in Portugal, its performance is influenced by the level and cyclical nature of business activity in Portugal, which is in turn affected by both domestic and international economic and political events.				
	The Issuer is not able to predict how the economic cycle is likely to develop in the short-term or over the coming years, or whether there will be a deterioration of the economic situation globally or in Portugal.				
	<u>The Issuer's activity might be affected by the Covid-19 pandemic and possible similar future outbreaks</u>				
	Since March 2020 up to the present date, the evolution of CUF's healthcare service provision and financial indicators during this period were markedly influenced by the effect of the COVID-19 pandemic and its various phases. Although there was a positive evolution of most of the Issuer's activity indicators throughout the first months of 2021, nevertheless, the current uncertain environment makes the projection of the impacts of the pandemic complex and unreliable. Therefore, the financial position of the Issuer may be affected, namely through the activities of its subsidiaries and associated companies, depending on the evolution of the pandemic, the governmental measures that may be adopted and the global evolution of the economy in this period.				
	<u>The Issuer may be adversely affected in its profitability and/or operating margin</u>				
	The Issuer may suffer an impact on its operating margin and the sustainability of its business, or a reduction in its market share, due to the sudden practice of non-competitive market prices, non-existent or inadequate relevant information (e.g. cost accounting) for decision-making purposes, the appearance of new business models/new players in the market that gain market share and that in the future may reduce the Issuer's response capability, unfair competition in sales prices or market access, namely a vertical integration in the health sector (insurers with providers) or private players with high financial capacity/endurance, the existence of price fixers (e.g. imposition of rules and prices by relevant payers, unilateral price changes), the increased sophistication of payers' means and know-how regarding the health sector, or the costly price of medical devices, drugs and consumables not accepted by insurers (e.g. cancer related).				
	<u>The Issuer may be adversely affected by any disturbance in payments to be performed by the public healthcare system, private</u>				

	<p><u><i>and public healthcare sub-systems and health insurance systems</i></u></p> <p>The Issuer largely depends on payments made by the public healthcare system, private and public healthcare sub-systems and health insurance systems, as well as by the Portuguese Ministry of Health. Increased pressure in the negotiation of prices by the Responsible Funding Entities, namely the changes introduced by the ADSE (Instituto de Proteção e Assistência na Doença, IP) with the reduction in payments to healthcare providers and increase in the co-payments made by beneficiaries, may present some challenges in the future.</p> <p><u><i>The Issuer is subject to increasing competition from other entities within the scope of its activities</i></u></p> <p>The pressure and uncertainty generated by competitors already operating in the healthcare market, and by those that may potentially emerge in the future with their own market strategies, could have a negative impact on the Issuer's performance. If the number of competitors increases significantly, or if such competitors are able to provide services that the Issuer is unable to provide its customers, this may have an impact on its volume of customers, prices, market share or on the Issuer's profit margins and may, consequently, have an adverse impact on the Issuer's business or on the results of its activities.</p> <p><i>Risks related to the Issuer's operational activities</i></p> <p><u><i>The unavailability of IT systems may disrupt the normal course of the Issuer's operations</i></u></p> <p>Due to its complex business model and operations, the Issuer's IT infrastructure and platform depend greatly on its human resources knowledge and experience, IT spending overall and third-party services. Despite its recent relevant investments in information security systems, in the strengthening of its networks and communications, and in a Business Disaster Recovery program, the Issuer may have difficulty in controlling / monitoring third-party SLAs, with a subsequent impact on infrastructure delays (hardware and software), difficulty in ensuring proper capacity planning, and integration failures between components or with the current infrastructure, without prejudice to any natural disasters (earthquakes, floods, storms, etc.) that may occur. The Issuer may also face direct or indirect actions, whether internal or external, with malicious intent, accidental or any other purpose, which may result in a violation of its information systems, thus leading to their unavailability and potentially preventing their use and disrupting the normal course of operations.</p> <p><u><i>The Issuer may encounter problems and delays in its ongoing construction projects, or the levels of service provided by a supplier may be inadequate to meet its operational requirements</i></u></p> <p>The Issuer's relatively recent investment strategy, whether through organic growth or by acquisition, brings challenges related to construction and expansion projects due to the complexity of the negotiation process, the culture of non-compliance prevalent in the Portuguese construction sector, the difficulty in triggering service level penalty clauses or, at any moment, the discontinuation of a specific partner or even situations of insolvency, which may result in significant deviations from the project budgets associated with construction, high operational costs, loss of activity due to relevant operational delays or constraints without the possibility of rapid replacement, losses in general and, finally, a negative reputational impact linked to a failure to meet publicly agreed deadlines.</p> <p><u><i>The Issuer is subject to the potential loss of key personnel, increased costs with staff and its ability to recruit and retain qualified professionals</i></u></p> <p>The Issuer's activity greatly relies on its key personnel and, as such, its business depends on its ability to recruit and retain physicians and healthcare professionals, such as nurses or healthcare technicians, with a high level of experience and expertise. The loss of one or more key executives or of any substantial part of its staff, either due to the departure of personnel or the Issuer's inability to recruit new physicians and other staff members, may weaken the Issuer's management team and staff body.</p> <p><i>Risks relating to the financial markets and the Issuer's financial activities</i></p> <p><u><i>The Issuer is exposed to liquidity risk</i></u></p> <p>The continued uncertainty in the financial sector and in the capital markets could lead to a reduction in liquidity across the market, thus compromising the Issuer's ability to finance its current activity and any possible future investments, or even to secure refinancing operations with suitable payment conditions, including outstanding debt securities. However, the Issuer is not able to predict future credit or funding conditions available in the market, particularly concerning liquidity.</p> <p><i>Clinical risks to which the Issuer is exposed</i></p> <p><u><i>The Issuer may be affected by the occurrence of adverse events during its healthcare provision</i></u></p> <p>The possibility of extreme situations and/or failure to comply with clinical safety procedures may give rise to cases of prolonged hospitalization and may temporarily or permanently affect a patient's health, potentially leading to death. Despite the Issuer's comprehensive training and quality assurance programs and certifications and thorough health professional recruitment and selection, all of these adverse situations may be caused by ignorance or non-compliance with established procedures, as well as inadequate communication between professionals.</p> <p><u><i>The Issuer may be adversely affected by failures in the quality of the services provided</i></u></p> <p>If the Issuer finds itself unable to provide a high-quality healthcare service or becomes subject to an increase in customer complaints (due to poor quality services or treatments), or even if there is a higher mortality rate or vast number of legal proceedings filed against the Issuer due to medical malpractice, its brand and reputation may be tainted, and such fact may have an adverse impact on the Issuer's business or on the results of its activities.</p> <p><u><i>Any disturbance in the provision of goods and services may adversely affect the Issuer's operations</i></u></p> <p>The overload of service providers, quality control problems or any deterioration or interruption of the business relationship established with its service providers may lead to failures in the Issuer's activity. If the Issuer does not have access to medicine</p>
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	<p>and other high-quality goods and services, it may suffer a reduction in customer volume or unrest among its medical staff.</p> <p>Compliance risks to which the Issuer is exposed</p> <p><u>The Issuer is subject to the breach of confidentiality, integrity and availability of information</u></p> <p>The protection of clients' clinical and personal information is of vital importance to the Issuer's activities, objectives and business values. The Issuer may be exposed to an information security breach, notably due to an employee's misunderstanding of his/her role (e.g. employees' lack of knowledge about clinical archiving processes), access control failures, digital access control breaches, as mentioned above, password misuse or unsupervised workstations, and breaches of on-site controls, namely the destruction of information due to malicious acts or uncontrollable external events like fires or floods. These breaches may have a relevant financial impact, in the form of fines, claims, loss of activity and/or additional recovery work, failure to comply with personal data protection legislation, reputational damage, and unauthorised third-party knowledge of confidential information or unauthorised liabilities incurred due to outsourcer defaults.</p>
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Section III – Key information on the Notes

<p>What are the main features of the notes?</p>	<p><u>What type are the Notes?</u></p> <p>The Notes are debt securities issued in euros and constitute direct, unconditional and general obligations of the Issuer, who commits in good faith to fulfilling these obligations. The Notes rank <i>pari passu</i> with the Issuer's other present or future unconditional, unsubordinated and unsecured monetary obligations, without prejudice to any privileges under the law.</p> <p><u>What is their form and type of representation and their characteristics of fungibility and transferability?</u></p> <p>The Notes are registered (<i>nominativas</i>) and book-entry (<i>escriturais</i>) securities, exclusively materialised via their entry in accounts opened under the name of their respective holders, in accordance with the legal provisions in force, and will not be subject to any restrictions on their free transfer. The Notes are fungible among themselves and, as from (and including) the first interest payment date falling after admission to trading on the regulated markets of the Bourse de Luxembourg and Euronext Lisbon, with the existing notes representing the bond issue named "José de Mello Saúde 2019/2027" issued on 22 November 2019 and due on 22 January 2027, with a €50,000,000 aggregate principal amount and a denomination of €10,000 per note, which are admitted to trading on the Bourse de Luxembourg and Euronext Lisbon regulated markets (ISIN: PTJLLDOM0016).</p> <p>The Notes were assigned ISIN code PTJLLAOM0019 and CFI code DBVNFR.</p> <p><u>What is the issue date, par value and repayment date of the Notes?</u></p> <p>The Notes have been issued on 28 October 2021 ("Issue Date").</p> <p>1,171 notes have been issued, with the nominal value of €10,000 each and total nominal value of €11,710,000. The Notes will be redeemed at their nominal value on 22 January 2027 ("Maturity Date").</p> <p><u>What are the rights attached to the Notes?</u></p> <p>The Notes will have a floating interest rate corresponding to 6-month Euribor (floor zero) plus a margin of 3.875 per cent., subject to the applicable taxes, charges and commissions. Interest will be payable semi-annually in arrears, on 22 January and 22 July of each year, from and including the Issue Date to and excluding the Maturity Date.</p> <p>Each Note will be redeemed at its nominal value on 22 January 2027, except if an early redemption event or event of default occurs and their early redemption or acceleration is declared, or if the Issuer proceeds to purchase the Notes in accordance with the law.</p> <p><u>Which are the early redemption events and how is early redemption triggered?</u></p> <p>If any of the following events occur, each Noteholder may require that CUF immediately redeems the Notes held by it:</p> <ul style="list-style-type: none"> (i) If the prospectus pertaining to the admission to trading of the Notes on the Bourse de Luxembourg is not approved and the Notes are not admitted to trading until 31 December 2021 for reasons attributable to the Issuer; (ii) If the Issuer's audited annual accounts reveal that the Total Equity to Total Assets Ratio is equal to or lower than 11.5 per cent. and such ratio is not remedied with reference to the immediately following half-yearly accounts; (iii) If the Issuer's audited annual accounts reveal that the Total Equity to Total Assets Ratio is equal to or lower than 11.5 per cent. and such ratio is not remedied with reference to the immediately following half-yearly or annual accounts of the Issuer and no put option has been exercised during this period; or (iv) If the Issuer's annual and half-yearly accounts are not published, or do not contain information to assess the Total Equity to Total Assets Ratio, up to and including 30 days after the date on which the relevant accounts are due to be published in accordance with the law. <p>"Total Equity to Total Assets Ratio" means the ratio calculated by dividing the consolidated total equity by the consolidated total assets of the Issuer.</p> <p>Noteholders intending to require the early redemption of their Notes shall inform the Issuer of this intention within 30 days of the occurrence of the relevant event. The Issuer, within 15 days (in the situation indicated in paragraph (i)) or 60 days (in the situations indicated in paragraphs (ii), (iii) or (iv)) of having received such notice, must redeem the relevant Notes at their par value and pay all interest due up to the redemption date and, in the situation indicated in paragraph (i), with an accrued</p>
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	<p>penalty of 1 per cent.</p> <p><u>Which are the events of default and how is acceleration triggered?</u></p> <p>If any of the following events occur, each Noteholder may require that CUF immediately redeems the Notes held by it:</p> <ul style="list-style-type: none"> (i) If the Issuer fails to pay any amount of principal or interest in respect of the Notes, except if remedied within the relevant cure period; (ii) If the Issuer fails to fulfil any other obligation in respect of the Notes, except if the obligation in question is discharged within the relevant cure period; (iii) The occurrence of an event of default under any loan, credit facility, guarantee or other commitment with financial implications, entered into by the Issuer or a relevant subsidiary with the Portuguese financial system or abroad, or under obligations arising from the issue of securities or monetary values of any kind, provided that the amount in question exceeds €10,000,000 (or its equivalent in another currency), considered individually or in aggregate; (iv) The existence of one or more final judicial or administrative decisions in respect of the Issuer or a relevant subsidiary, or tax or Social Security enforcement due to payments in default, with exceptions and provided that the Issuer or such relevant subsidiary's liabilities are in excess of €10,000,000 (or its equivalent in another currency), considered individually or in aggregate; (v) Insolvency of the Issuer or of a relevant subsidiary, or commencement of a similar procedure, with exceptions; (vi) Breach of the pari passu undertaking; (vii) Change of control with respect to the Issuer or any of its relevant subsidiaries; (viii) Invalidity of the Notes or of the obligations arising therefrom; (ix) If the Issuer or a relevant subsidiary ceases all or a substantial part of its business, and such cessation causes a material adverse change in the normal business activity of the Issuer or the relevant subsidiary, with exceptions; (x) Any event analogous to the events described above. <p>Noteholders intending to require the acceleration of their Notes shall inform the Issuer, who shall, within 10 business days of having received such notice, redeem the relevant Notes at their par value and pay all interest due up to the redemption date. Except in the cases listed above or in the event of purchase by the Issuer in accordance with the law, there is no early repayment option available to the Noteholders or to the Issuer.</p> <p><u>What is the applicable law and jurisdiction of the Notes?</u></p> <p>The Notes, and their terms and conditions, are governed by Portuguese law and any dispute arising from or relating to the same will be subject to the exclusive jurisdiction of the District Court of Lisbon, with express waiver of any other.</p>
Where will the Notes be traded?	<p>Application has been made for the Notes to be admitted to listing on the official list of the Luxembourg Stock Exchange and for admission to trading on the regulated markets of Bourse de Luxembourg and, subsequently, Euronext Lisbon. Holders of Notes may freely trade them on the regulated market once they have been admitted to trading, or outside the market following their issue, i.e. after 28 October 2021. Admission to trading will not in itself guarantee the effective liquidity of the Notes.</p>
What are the key risks specific to the Notes?	<p><u>General market risks</u></p> <p><i>The secondary market in general</i></p> <p>Application has been made for the Notes to be admitted to listing on the official list of the Luxembourg Stock Exchange and for admission to trading on the regulated markets of Bourse de Luxembourg and, subsequently, Euronext Lisbon. However, their admission to trading does not in itself guarantee an effective liquidity of the Notes. Thus, the Notes do not have an established market on their date of issue, and such a market may never develop. If a market does develop, it may not have a high level of liquidity.</p> <p><i>Interest rate risk and foreign exchange controls</i></p> <p>The Issuer will pay the principal and interest on the Notes in Euro (the "Selected Currency"), which poses certain risks relating to currency conversions if the financial investments of an investor are primarily denominated in a currency (the "Investor's Currency") different from the Selected Currency. Such risks include the risk that exchange rates may fluctuate significantly (including due to the depreciation of the Selected Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency or the Selected Currency may impose or modify foreign exchange controls.</p> <p><u>The value of the Notes may be adversely affected by movements in market interest rates</u></p> <p>The Notes will bear interest at the Interest Rate. Accordingly, Holders will be exposed to the risk that the price of the Notes falls as a result of changes in the Interest Rate. Investors should be aware that movements of the Interest Rate can adversely affect the respective price of the Notes and can lead to losses for the investors if they sell the Notes. Accordingly, Notes are exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the yield of the Notes.</p> <p><u>Applicable law and legal changes</u></p>

	<p>It cannot be ensured that legal (including tax) or regulatory changes will not occur, and that any changes in the interpretation or application of the applicable legal standards will not have an adverse effect on the rights and obligations of the Issuer and/or of the investors in the Notes.</p> <p><u><i>The value of and return on any Note may be adversely affected by national and international regulatory reform in relation to benchmarks</i></u></p> <p>Interest rates and indices deemed to be “benchmarks” (including Euribor) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms have already been implemented, whilst others are still awaiting implementation. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or to suffer other consequences which cannot be predicted at present. Any such consequences could have a material adverse effect on the Notes.</p>
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Section IV – Key information on the offer of Notes to the public and admission to trading on a regulated market

Under which conditions and timetable can I invest in the Notes?	Not applicable, seeing as the Notes were the subject of a private placement during an offer period that has already expired.
Why is this Prospectus being produced?	<p><u><i>What is the purpose underlying the issue of the Notes?</i></u></p> <p>The issue of the Notes resulted from the implementation of a liability management exercise pursuant to which the Issuer proposed the exchange of existing notes representing the bond issue named “José de Mello Saúde 2017/2023” by the Notes, hence pursuing its financial strategy and focus on reducing the risk of refinancing and taking advantage of current market conditions to extend the average maturity of its debt.</p> <p><u><i>What are the proceeds of the issue of the Notes?</i></u></p> <p>There are no proceeds arising to the Issuer from the issue of the Notes, as the issue of the Notes resulted from the implementation of a liability management exercise pursuant to which the Issuer proposed the exchange of existing notes representing the bond issue named “José de Mello Saúde 2017/2023” by the Notes, hence pursuing its financial strategy and focus on reducing the risk of refinancing and taking advantage of current market conditions to extend the average maturity of its debt.</p> <p><u><i>Has the offer of the Notes been subject to an underwriting agreement on a firm commitment basis and what was the portion not covered?</i></u></p> <p>Not applicable, seeing as the Notes were the subject of a private placement with qualified investors.</p> <p><u><i>What are the most material conflicts of interest pertaining to the admission to trading?</i></u></p> <p>There are no material conflicts of interest pertaining to the admission to trading of the Notes.</p> <p>Under the terms legally permitted, the Issuer, Banco Invest, S.A. or Haitong Bank, S.A., as the entities engaged by the Issuer to carry out the private placement of the Notes, may, directly or indirectly, trade securities issued by CUF, including the Notes.</p>

CHAPTER 2

RISK FACTORS

The Notes constitute a direct, unconditional and general liability of the Issuer, which will engage all its good faith in its respective fulfilment. The Notes are unconditional obligations of the Issuer, which rank *pari passu* without any preference among themselves and with all other outstanding unsecured and unsubordinated obligations of the Issuer, both present and future, save for such exemptions as may be provided by applicable law.

Potential investors in the Notes shall, prior to the investment, carefully consult the information contained in the Prospectus, including the documents incorporated by reference or annexed, and form their own conclusions before making an investment decision.

Additional risks and uncertainties currently unknown or that the Issuer currently considers not significant, may have an adverse effect on the Notes, the Issuer's activities, the development of its business, its operating results, financial position, income, assets and liquidity, and also on the Issuer's future prospects or its capacity to achieve its goals.

The risks could be realised individually or cumulatively.

Introduction

The risk factors described below are those that the Issuer believes are material and specific to the Issuer and that may affect the Issuer's ability to fulfil each of its respective obligations under the Notes.

The risk factors have been organised into the following categories:

- A. Risks relating to the Issuer's strategy
- B. Risks related to the Issuer's operational activities
- C. Risks relating to the financial markets and financial activities of the Issuer
- D. Clinical risks to which the Issuer is exposed
- E. Compliance risks to which the Issuer is exposed
- F. Risks relating to the Notes

Within each category, the most material risks, in the assessment of the Issuer, are set out first. The Issuer has assessed the relative materiality of the risk factors based on the probability of their occurrence and the expected magnitude of their negative impact. The order of the categories does not imply that any category of risk is more material than any other category. Prospective investors should read the detailed information set out in this Prospectus (including the documents incorporated by reference or annexed herein), in conjunction with each of the risk factors described below, and reach their own views prior to making an investment decision.

A. RISKS RELATING TO THE ISSUER'S STRATEGY

The Issuer is exposed to the uncertainty of the macroeconomic, political and social environment

As the Issuer currently conducts its business in Portugal, its performance is influenced by the level and cyclical nature of business activity in Portugal, which is in turn affected by both domestic and international economic and political events.

The economic environment is a source of challenge for the Issuer, as it may adversely affect its business, prospects, financial condition and operational results, and could also adversely affect the value and liquidity of the Notes and the Issuer's ability to meet its obligations under the Notes and, in general terms, under its debt obligations.

The Issuer is not able to predict how the economic cycle is likely to develop in the short-term or the coming years or whether there will be a deterioration of the economic situation globally or in Portugal.

The Issuer's activity might be affected by the Covid-19 pandemic and possible similar future outbreaks

In late-2019, a novel coronavirus named COVID-19 was first identified in Wuhan, People's Republic of China. As it rapidly spread to other regions of the world, Covid-19 was declared a global pandemic by the World Health Organisation on 11 March 2020. Various countries across the world have introduced measures aimed at preventing the further spread of the COVID-19 virus, including Portugal.

The last year was marked by the pandemic, with persisting uncertainty regarding its duration, as a result of which, and following the emergence of new outbreaks and the significant increase of cases in 2020, a set of exceptional and temporary measures have been established regarding the epidemiological situation of COVID-19, leading to the imposition of new mobility rules and a new general lockdown.

Accordingly, since March 2020 up to the present date, the evolution of CUF's healthcare service provision and financial indicators during this period were markedly influenced by the effect of the COVID-19 pandemic and its various phases. The duration of the State of Emergency periods declared in 2020 and the first semester of 2021 (the latter with less impact) led to postponements of non-urgent acts in the CUF units, thus causing significant drops in activity levels during such periods.

Although the first months of the year 2021 were still impacted by the escalation of the pandemic situation, there was a positive evolution of most of the Issuer's activity indicators. Nevertheless, the current uncertain environment makes the projection of the impacts of the pandemic complex and unreliable and, therefore, the financial position of the Issuer may be affected, namely through the activities of its subsidiaries and associated companies, depending on the evolution of the pandemic, the governmental measures

that may be adopted and the global evolution of the economy in this period.

The Issuer may be adversely affected on its profitability and/or operating margin

The Issuer may have an impact on its operating margin, its business sustainability or a reduction on its market share, due to sudden non-competitive market prices, nonexistent or inadequate relevant information (eg. cost accounting) for decision making, the appearance of new business models/new players in the market that gain market share and that in the future may reduce the Issuer's response capability, unfair competition in sales prices or market access namely a vertical integration in the health sector (insurers with providers) or private players with high financial capacity / endurance, the existence of price takers (eg. imposition of rules and prices by relevant payers, unilateral price change), increased sophistication of payers' tools and know-how regarding the health sector or costly price of medical devices, drugs and consumables not accepted by insurers (e.g. cancer related).

As a result, the Issuer cannot guarantee that current market conditions will perform according to its assumptions and therefore it is not able to guarantee that any of these circumstances will not have an adverse impact on the Issuer's business or on the results of its activities.

The Issuer may be adversely affected by any disturbance in payments to be performed by the public healthcare system, private and public healthcare sub-systems and health insurance systems

The Issuer depends on the large portion of payments derived from the public healthcare system, private and public healthcare sub-systems and health insurance systems, as well as from the Portuguese Healthcare Ministry. Increased pressure in the negotiation of prices by the Responsible Funding Entities, namely the changes introduced by the ADSE with the reduction in payments to healthcare providers and increase in co-payments by beneficiaries may present some challenges in the future.

In the event that the relationship between the Issuer and the above mentioned entities or systems deteriorates and the Issuer is unable to negotiate and maintain in place its payment agreements with similar terms to those already in place, or the paying entities are unable to meet their payment obligations in due time, such factors may have an adverse impact on the Issuer's profit margin, business or on the results of its activities.

The Issuer is subject to increasing competition from other entities within the scope of its activities

The pressure and uncertainty generated by competitors already operating in the healthcare market and by those that may potentially emerge in the future with their own market strategies could have a negative impact on the Issuer's performance. If the number of competitors increases significantly, or if such competitors are able to provide

services that the Issuer is unable to provide its customers, this may have an impact on its volume of customers, prices, market share or on the Issuer's profit margins and, as a consequence, it may have an adverse impact on the Issuer's business or on the results of its activities.

The Issuer is subject to the need to keep up with technological developments in the healthcare sector, which could adversely impact its ability to increase, or maintain, its competitiveness

The inability to keep up with the rapid pace of innovation may have negative impacts on the Issuer, both in terms of its clinical quality, as well as the portfolio of services it can provide.

For the Issuer to maintain its competitiveness and expand its business, it must effectively adjust to such technological changes. If the Issuer is unable to proceed, on an ongoing basis, with the upgrade, installation and acquisition of cutting-edge medical equipment, or if such equipment experience operational failure, this may have an adverse impact on the Issuer's business or on the results of its activities, which could increase pressure from competitors and have impact on its market share. The Issuer could also lose valuable opportunities to expand its operations in existing and new markets if it is unable to integrate new technologies into its operations.

The Issuer may be subject to an acquisition or change of control

The Issuer is a limited liability company, whose main shareholders are identified in Chapter 4 (*Description of the Issuer*). If (i) José de Mello Capital, S.A. ceases to hold, directly or indirectly, the majority of the share capital and/or voting rights of the Issuer, or (ii) the Issuer ceases to hold, directly or indirectly, the majority of the share capital and/or voting rights of any Relevant Subsidiary, those events will be considered an "Event of Default" (See Chapter 6 – "*Terms and Conditions of the Notes*").

In connection with any such change of control, a majority shareholder may have, directly or indirectly, the power to affect, among other things, the corporate strategy in the key markets where the Issuer operates, the capital structure, the asset base and/or on its operations, business and resources, which may have an adverse effect on the Issuer's business or on the results of its activities.

B. RISKS RELATED TO THE ISSUER'S OPERATIONAL ACTIVITIES

Unavailability of IT systems may disrupt the normal course of the Issuer's operations

Due to its complex business model and operations, the Issuer's infrastructure and Information Systems Platform are bound to depend greatly on its human resources knowledge and experience, IT spending overall and third party services. Regardless of the recent relevant investments in Information Security Systems, strengthening networks and communications and in a Business Disaster Recovery program, the Issuer may have

difficulty in controlling / monitoring third party SLA's with impact on infrastructure delays (hardware and software), difficulty in ensuring proper capacity planning, integration failures between components or with current infrastructure, not taking into account Natural Disasters (Earthquakes, Floods, Storms,...), the Issuer may face direct or indirect action, internal or external, with malicious intent, accidental or any other purpose, which may result in a violation of information systems, thus leading to their unavailability, which may prevent their use and disrupt the normal course of operations.

The Issuer may encounter problems and delays in its ongoing construction projects, or the levels of service provided by a supplier may be inadequate to meet its operations requirement

The investment strategy pursued by the Issuer, either by organic growth or by acquisition, brings construction and expansion project challenges due to the complexity of the negotiation process, non-compliance culture of the construction sector in Portugal, difficulty in triggering service level penalty clauses, or at any point the discontinuation of a specific partner or even Insolvencies, which may result in significant deviations from project budget associated with construction, high operation costs, loss of activity due to relevant delays or constraints on operations with no possibility of rapid replacement, losses in general and finally a negative reputation impact regarding an eventual public commitment to meet the deadlines. The impact of relevant construction delays and/or budget deviations associated with the Issuer's investments may have an adverse impact on the Issuer's business or on the results of its activities.

The Issuer is subject to the loss of key personnel, costs with staff and its ability to recruit and retain qualified professionals

The Issuer's activity relies largely on key personnel, and as such its business activities depend on its ability to recruit and retain physicians and healthcare professionals, such as nurses or healthcare technicians, with experience and high technical quality. The loss of one or more key executives or of any large part of its staff, either resulting from personnel departure or due to the Issuer's inability to recruit new physicians and other staff members, may weaken its management team and staff, potentially leading to an adverse impact on the Issuer's business or on the results of its activities.

Additionally, staff salaries represent a significant portion of the Issuer's costs structure. If staff costs increase as a result of higher taxes or salaries, or for any other reason, the Issuer's business or the results of its activities may be adversely affected.

C. RISKS RELATING TO THE FINANCIAL MARKETS AND FINANCIAL ACTIVITIES OF THE ISSUER

The Issuer is exposed to liquidity risk

The continued uncertainty in the financial sector and in the capital markets could lead to a reduction in liquidity across the market, thus compromising the Issuer's ability to finance

its existing activity and any possible future investments, or even to secure refinancing operations with payment conditions deemed appropriate, including bond loans not yet repaid, notably, the Notes or any other debt obligations.

However, the Issuer is not able to predict future credit or funding conditions available in the market, particularly concerning liquidity. The limitations in accessing financing, due to lower loan capacity, from financing institutions or higher costs of funding may adversely impact the Issuer's business or on the results of its activities.

The Issuer is exposed to interest rate risk

The Issuer's exposure to interest rate risk stems from the existence of financial assets and liabilities contracted at fixed or variable rates. In the first case, the Issuer faces the risk of variation of the fair value of these assets or liabilities when any change to market rates involves an opportunity cost (positive or negative). In the second case, such change has a direct impact on the amount of interest received, thus causing cash variations.

The Issuer cannot predict the evolution in interest rates nor its impacts. Therefore, if interest rates increase more than expected or if obtaining new financing becomes more expensive than anticipated, this may adversely affect the Issuer's results or its activities.

The Issuer may also be affected by legal and regulatory tax changes or by changing interpretation by the tax authorities

The Issuer may be adversely affected by tax changes in Portugal, the European Union and in other countries where it may come to develop activities in the future. The Issuer does not control these tax changes or any changes in the interpretation of tax laws by any tax authority. Significant tax legislation changes in Portugal, the European Union or in countries where the Issuer may come to operate in the future, or difficulties in implementing or complying with new tax laws and regulations, may have an adverse impact on the Issuer's business or on the results of its activities.

D. CLINICAL RISKS TO WHICH THE ISSUER IS EXPOSED

The Issuer may be affected by the occurrence of adverse events during its healthcare activity

The possibility of extreme situations and/or failure to comply with clinical safety procedures may result in prolonged hospitalization and may temporarily or permanently affect the patient's functional status, including death.

Despite the Issuer's comprehensive training programs, quality assurance programs and certifications and thorough health professional recruitment and selection, namely in compliance with Joint Commission International standards, all of these adverse situations may be caused by ignorance or non-compliance with established procedures, as well as inadequate communication between professionals, low adherence to hand hygiene, non-

limitation and/or lack of control of visits to hospitalized patients, suppliers, medical representatives and other third parties to hospital facilities, eventual inadequate monitoring of clinical activity, exposure index or simply by patient complexity or type of surgery.

The Issuer may be adversely affected by failures in the quality of the services provided

If the Issuer is unable to continue providing a high quality healthcare service or is subject to an increase in customer complaints (due to low quality services or treatments), or even if there is a higher mortality rate or vast number of proceedings filed against the Issuer due to medical malpractice, its brand and reputation may be tainted, and such fact may have an adverse impact on the Issuer's business or on the results of its activities.

Any disturbance in the provision of goods and services may adversely affect the Issuer's operations

The Issuer relies on service providers to obtain medicine, consumables and medical equipment. Hence, the overload of service providers, problems in quality control or any deterioration or interruption of the business relationship established with its service providers may lead to failures in the Issuer's activity.

If the Issuer does not have access to medicine and other high-quality goods and services, it may suffer a reduction in customer volume or disturbances among its staff. These situations may have an adverse impact on the Issuer's business or on the results of its activities.

E. COMPLIANCE RISKS TO WHICH THE ISSUER IS EXPOSED

The Issuer is subject to the breach of confidentiality, integrity and availability of information

Despite the Issuer's efforts to be compliant with most recent GDPR requirements and programs, as the Issuer's business model is based on transmitting clinical information and medical Reports handling regarding public and private healthcare systems and health insurance systems platform submissions, the Issuer may be exposed to a breach of information security, namely through employee misunderstanding of its role (e.g. Collaborators' lack of knowledge about clinical archiving processes), application access controls failure, digital related access control violation as mentioned above, password misuse or unsupervised workstations, physical controls violations, namely information destruction due to a malicious acts or uncontrollable external events like fire or floods. This breach may result in relevant financial impact via fines, claims, loss of activity and/or additional recovery work, failure to comply with personal data protection legislation, reputational damage and knowledge of confidential information by unauthorized third parties or liabilities due to any outsourcer defaults.

The Issuer is subject to the applicable administrative permits

The Issuer's business is subject to extensive legal and regulatory requirements, particularly with respect to the mandatory permits for the functioning of its healthcare units.

If the Issuer is unable to obtain, maintain, or loses, any mandatory permit necessary for the functioning of a healthcare unit, it may not be capable of maintaining its activities. Such fact may have an adverse impact on the Issuer's business or on the results of its activities.

F. RISKS RELATING TO THE NOTES

Applicable law and legal changes

The investors' rights in their capacity as Noteholders shall be governed by Portuguese law, which may differ in some aspects from the rights usually recognised to Noteholders in companies governed by legal systems other than the Portuguese.

It cannot be ensured that legal (including tax) or regulatory changes will not occur, and that any changes in the interpretation or application of the legal standards will not have an adverse effect on the rights and obligations of the Issuer and/or of the investors in the Notes.

General market risks

The secondary market in general

Application has been made for the Notes to be admitted to listing on the official list of the Luxembourg Stock Exchange and for admission to trading on the regulated markets of Bourse de Luxembourg and, subsequently, Euronext Lisbon. However, their admission to trading does not alone guarantee an effective liquidity of the Notes.

Thus, the Notes do not have an established market on the date of issue, and such a market may never develop. If a market does develop, it may not have a high level of liquidity, so investors may not be able to sell the Notes easily or at prices that allow them to recover the amounts invested or to perform a gain comparable to similar investments that have been performed on the secondary market. Illiquidity may also have a negative effect on the market value of the Notes. Investors should be prepared to hold the Notes until the respective maturity date.

Additionally, as the Terms and Conditions of the Notes provide that Notes will be fungible with notes representing the bond issue named "José de Mello Saúde 2019/2027" issued on 22 November 2019 and due on 22 January 2027 only as from (and including) the first interest payment date falling after admission to trading on the regulated markets of the

Bourse de Luxembourg and Euronext Lisbon, illiquidity in respect of the Notes until such fungibility is achieved is expected to be higher than after such moment.

Interest rate risk and foreign exchange controls

The Issuer will pay the principal and interest on the Notes in Euro (the “**Selected Currency**”), which poses certain risks relating to currency conversions if the financial investments of an investor are primarily denominated in a currency (the “**Investor’s Currency**”) different from the Selected Currency. Such risks include the risk that exchange rates may change significantly (including due to the depreciation of the Selected Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency or the Selected Currency may impose or modify foreign exchange controls. An appreciation of the Investor’s Currency relative to the Selected Currency would decrease (i) the Investor’s Currency equivalent yield on the Notes, (ii) the Investor’s Currency equivalent value of the principal of the Notes, and (iii) the Investor’s Currency equivalent market value of the Notes.

Governments and monetary authorities of the relevant jurisdictions may impose (as has happened in the past) rates likely to adversely affect the applicable foreign exchange rate. Accordingly, investors may receive less interest or principal than expected, or not even receive principal or interest.

The value of the Notes may be adversely affected by movements in market interest rates

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

The Notes will bear interest at the Interest Rate. Accordingly, investors in the Notes will be exposed to the risk that the price of the Notes falls as a result of changes in the Interest Rate, which typically changes on a daily basis. A change of the Interest Rate may cause the price of the Notes to change. Investors should be aware that movements of the Interest Rate can adversely affect the respective price of the Notes and can lead to losses for the investors if they sell the Notes.

Accordingly, Notes are exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the yield of the Notes.

The value of and return on any Note may be adversely affected by ongoing national and international regulatory reform in relation to benchmarks

Interest rates and indices which are deemed to be “benchmarks” (including Euribor) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in

the past, to disappear entirely, or to have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Notes.

The Benchmarks Regulation was published in the Official Journal of the European Union on 29 June 2016 and became applicable from 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union. Among other effects, it (i) requires benchmark administrators to be authorised or registered (or, if non European Union-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by European Union supervised entities, of “benchmarks” of administrators not authorised or registered (or, if non-European Union based, not deemed equivalent or otherwise recognised or endorsed).

The Benchmarks Regulation could have a material impact on the Notes, particularly if the methodology or other terms of Euribor are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of Euribor.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and of complying with any such regulations or requirements. Such factors may have the following effects on certain “benchmarks” (including Euribor): (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other changes resulting from international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on the Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms when making any investment decision with respect to any Notes.

CHAPTER 3

OVERVIEW OF THE NOTES

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the terms and conditions of the Notes, by the Terms and Conditions of the Notes.

Words and expressions defined in the Terms and Conditions of the Notes shall have the same meaning in this overview.

Issuer:	<p>The legal name of the Issuer is CUF, S.A. (formerly named José de Mello Saúde, S.A.)</p> <p>The commercial name of the Issuer is CUF.</p>
Risk Factors:	<p>There are certain risks that may affect the Issuer's ability to fulfil its respective obligations under the Notes. In addition, there are certain risks which are material for the purpose of assessing the market risks associated with the Notes. All of these are set out under the heading "<i>Risk Factors</i>". Investors should carefully consider these risks and all information in this Prospectus before deciding to buy the Notes.</p>
Joint Lead Managers and Bookrunners:	<p>Banco Invest, S.A. and Haitong Bank, S.A.</p>
Paying Agent:	<p>Haitong Bank, S.A.</p>
Aggregate Nominal Amount:	<p>€11,710,000.</p>
Currency:	<p>Euro.</p>
Maturity Date:	<p>The maturity date is 22 January 2027.</p>
Redemption:	<p>Unless the Notes are previously redeemed or purchased and cancelled, each Note shall be finally redeemed by the Issuer on the Maturity Date at its principal amount outstanding, as described in Condition 5 of the Terms and Conditions of the Notes (<i>Redemption and Purchase</i>).</p>
Floating Rate Notes:	<p>The Notes will bear interest at a floating rate of 6-month Euribor plus a margin of 3.875 per cent. per annum, provided, however, that if Euribor is less than zero, then</p>

Euribor shall be deemed to be zero. If the Paying Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the applicable provisions as described in Condition 3.4 of the Terms and Conditions of the Notes (*Screen rate determination*) in relation to any interest period, the interest rate applicable to the Notes during such interest period will be the sum of the margin mentioned above and the rate last determined in relation to the Notes in respect of a preceding interest period, such margin corresponding to the minimum interest rate.

Benchmark Event:

If a Benchmark Event occurs, such that the interest rate (or any component part thereof) cannot be determined by reference to Euribor, then the interest rate may be substituted (subject to certain conditions) with a successor or alternative rate (with consequent amendment to the terms of the Notes and the application of an adjustment spread (which could be positive, negative or zero)) as described in Condition 3.5 of the Terms and Conditions of the Notes (*Benchmark Discontinuation*).

Form of the Notes:

The Notes have been issued in dematerialised book-entry form (*forma escritural*) and are “*nominativas*”, which means that Interbolsa can, at the Issuer’s request, ask the Affiliate Members of Interbolsa for information regarding the identity of the holders of the Notes and transmit such information to the Issuer.

Denomination of the Notes:

The Notes have been issued in the denomination of €10,000 each, without prejudice of the minimum subscription amount in the primary market being €100,000 per noteholder, as further described in Condition 1 of the Terms and Conditions of the Notes (*Form, Denomination, Title and Transfer*).

Fungibility:

The Notes are fungible among themselves and, as from (and including) the first interest payment date falling after admission to trading on the regulated markets of the Bourse de Luxembourg and Euronext Lisbon, with the existing notes representing the bond issue named “José de

Mello Saúde 2019/2027” issued on 22 November 2019 and due on 22 January 2027, with a €50,000,000 aggregate principal amount and a denomination of €10,000 per note, which are admitted to trading on the Bourse de Luxembourg and Euronext Lisbon regulated markets (ISIN: PTJLLDOM0016).

Taxation:

All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any tax jurisdiction, as provided in Condition 6 of the Terms and Conditions of the Notes (*Taxation*). In the event that any such deduction is made, the Issuer, save in certain limited circumstances provided in Condition 6 of the Terms and Conditions of the Notes (*Taxation*), will be required to pay additional amounts to cover the amounts so deducted.

Negative Pledge:

The terms of the Notes contain a negative pledge provision which restricts the right of the Issuer to create or permit the subsistence of any mortgage, lien, pledge or other charge or to otherwise secure any obligations (subject to certain conditions and exceptions) over the whole or any part of its assets while the Notes remain outstanding as further described in Condition 2.2(a) of the Terms and Conditions of the Notes (*Negative Pledge*).

Cross Default:

The terms of the Notes contain a cross default provision as further described in Condition 8 of the Terms and Conditions of the Notes (*Events of Default*).

Status (Ranking):

The Notes constitute direct, senior, unconditional and unsecured obligations of the Issuer and rank *pari passu*, without any preference among themselves, and (save for certain obligations required to be preferred by law) equally with all other unsecured and unsubordinated obligations of the Issuer, from time to time outstanding.

Put Options:

The Notes provide for investors put options if (i) the prospectus pertaining to the admission to trading of the Notes in Bourse de Luxembourg is not approved by CSSF and the admission to trading of the Notes in Bourse de Luxembourg does not occur until 31 December 2021 for

reasons essentially attributable to the Issuer; (ii) the audited annual accounts of the Issuer reveal that the Total Equity to Total Assets Ratio is equal to or lower than 11.5 per cent. and the immediately following unaudited half-year accounts of the Issuer reveal that the Total Equity to Total Assets Ratio continues to be equal to or lower than 11.5 per cent.; or (iii) the audited annual accounts of the Issuer reveal that the Total Equity to Total Assets Ratio is equal to or lower than 11.5 per cent. and the immediately following unaudited half-year accounts of the Issuer and the immediately following audited annual accounts of the Issuer reveal that the Total Equity to Total Assets Ratio continues to be equal to or lower than 11.5 per cent. and no put option has been exercised during this period; or (iv) the audited annual accounts or the unaudited half-year accounts of the Issuer are not published, or do not contain information required to assess the Total Equity to Total Assets Ratio, until, and including, 30 (thirty) days after the date on which the relevant accounts are due to be published in accordance with the applicable legal provisions, as described in Condition 5 of the Terms and Conditions of the Notes (*Redemption and Purchase*).

Rating:

The Notes are unrated.

Listing:

Application has been made for the Notes to be admitted to listing on the official list of the Luxembourg Stock Exchange and for admission to trading on the regulated markets of Bourse de Luxembourg and, subsequently, Euronext Lisbon. Bourse de Luxembourg and Euronext Lisbon are regulated markets for the purposes of Directive 2014/65/EU of the European Parliament and of the Council, of 15 May 2014, on markets in financial instruments, as amended.

Governing Law:

The Terms and Conditions of the Notes are governed by Portuguese law.

Selling Restrictions:

No Noteholder will be able to transfer the Notes, or any interest therein, except in accordance with Portuguese laws and regulations. Notes may only be transferred upon

their registration in the relevant individual securities accounts held with the relevant financial institution licensed to act as a financial intermediary for the purposes of the Portuguese Securities Code and which is entitled to hold control accounts with Interbolsa on behalf of Noteholders, in accordance with the applicable procedures established by the Portuguese Securities Code and regulations issued by Interbolsa.

**United States Selling
Restrictions:**

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

CHAPTER 4

RESPONSIBILITY STATEMENTS AND IMPORTANT NOTICES

The Issuer, CUF, S.A., a limited liability company with head office at Avenida do Forte, no. 3, Edifício Suécia III, Piso 2, 2790-071 Carnaxide, Portugal, registered with the Commercial Registry of Cascais under the sole registration and taxpayer number 502 884 665, with a share capital of €53,000,000.00, and the members of the Issuer's Board of Directors identified in Chapter 4 (*Description of the Issuer*) accept responsibility for the information contained in this Prospectus and hereby declare that the information contained in this Prospectus is, to the best of their knowledge (having taken all reasonable care to ensure that such is the case), in accordance with the facts and does not omit anything likely to affect the import of such information.

The members of the Issuer's Supervisory Board are responsible for the accuracy of the Issuer's financial statements, required by law or regulation, to be prepared as from the date on which they began their current term of office following their appointment as members of the Supervisory Board of the Issuer. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by them as to the accuracy or completeness of any information contained in this Prospectus (other than the aforementioned financial information) or any other information supplied in connection with the Notes or their distribution.

The former auditor of the Issuer, Ernst & Young Audit & Associados – SROC, S.A., with registered office in Avenida da República, no. 90-6.º, 1600-206 Lisboa, Portugal, registered with the professional body *Ordem dos Revisores Oficiais de Contas* as SROC no. 178 and registered with the CMVM with the no. 20161480, hereby represented by Luís Miguel Gonçalves Rosado, ROC no. 1607 and CMVM registration no. 20161217, is responsible for the consolidated audited financial information of the Issuer relating to the fiscal year of 2019.

The current auditor of the Issuer, Deloitte & Associados, SROC S.A., with registered office in Avenida Engenheiro Duarte Pacheco, no. 7, 1070-100 Lisboa, Portugal, registered with the professional body *Ordem dos Revisores Oficiais de Contas* as SROC no. 43 and registered with the CMVM with the no. 20161389, hereby represented by Pedro Miguel Argente de Freitas e Matos Gomes, ROC no. 1172 and CMVM registration no. 20160784, is responsible for the consolidated audited financial information of the Issuer relating to the fiscal year of 2020.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference or annexed (see Chapter 8 - "*Documents incorporated by reference and annexed and documentation available to the public*"). This Prospectus shall be read and construed on the basis that such documents are incorporated by reference or annexed and form a part of this Prospectus.

Neither any of the Joint Lead Managers and Bookrunners, nor any other person mentioned in this Prospectus or the documents incorporated by reference or annexed, except for the Issuer, is responsible for the information contained in this Prospectus, and accordingly, and to the

extent permitted by the laws of any relevant jurisdiction, none of these persons accepts responsibility for the accuracy and completeness of the information contained herein. None of the Joint Lead Managers and Bookrunners makes any representation or warranty whatsoever, express or implied, as to the accuracy or completeness of the information contained in this Prospectus. Nothing contained in this Prospectus is or should be relied upon as a promise or representation on the part of any of the Joint Lead Managers and Bookrunners as to the past or the future.

Neither the Issuer, nor any of the Joint Lead Managers and Bookrunners, nor any of their affiliates or representatives is making any representation to investors in the Notes regarding the legality of an investment in the Notes, and therefore investors in the Notes should not construe anything in this Prospectus as legal, business, tax or other advice. Investors in the Notes should consult their own advisors as to the legal, tax, business, financial and other related aspects of an investment in the Notes. Laws in certain jurisdictions may restrict the distribution of this Prospectus and the offer and/or sale of the Notes. Each investor in the Notes must comply with all laws and regulations applicable in the jurisdiction in which it buys, offers or sells the Notes, or possesses or distributes this Prospectus, and must obtain all applicable consents and approvals. Neither the Issuer, nor any of the Joint Lead Managers and Bookrunners shall have any responsibility for any of the foregoing legal requirements. Investors in the Notes agree to the foregoing by accepting this Prospectus.

Each person receiving this Prospectus acknowledges that (i) it has been afforded an opportunity to request and to review, and that it has received, all additional information considered by it to be necessary to verify the accuracy of or to supplement the information contained in this Prospectus; (ii) investing in the Notes involves risks; (iii) it has not relied upon any of the Joint Lead Managers and Bookrunners, or any person affiliated with any of the Joint Lead Managers and Bookrunners, in connection with its investigation of the accuracy of such information or its investment decision; (iv) this Prospectus relates to offerings exempt from registration under the Securities Act and does not comply in important respects with Securities and Exchange Commission rules that would apply to an offering document relating to a public offering of securities; (v) no person has been authorised to provide information or to make any representation concerning the Issuer, this offering or the Notes, other than as contained in this Prospectus and the documents incorporated by reference or annexed, in connection with an investor's examination of us and the terms of this offering; and (vi) the information contained herein cannot be used for any purpose other than for considering an investment in the Notes.

Disclosure regarding forward-looking statements

This Prospectus contains forward-looking statements. Any statements about expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as "believes", "anticipates", "estimates", "intends", "expects",

“predicts”, “plans”, “projects”, “seeks” or “could” and similar formulations. These statements involve estimates, assumptions and uncertainties which could cause actual results, performance or events to differ materially from those expressed in them. Although the Issuer believes that the expectations reflected in such forward-looking statements are reasonable, forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy and some of which might not even be anticipated, and future events and actual results, financial and otherwise, could differ materially from those set forth in or contemplated by the forward-looking statements contained elsewhere in this Prospectus.

The Issuer has based these forward-looking statements on current estimates and assumptions made to the best of its knowledge. By their nature, such forward-looking statements involve risks, uncertainties, assumptions and other factors which could cause actual results, including our financial condition and profitability, to differ materially and be more negative than the results expressly or implicitly described in or suggested by these statements. Moreover, forward-looking estimates or predictions derived from third parties’ studies or information may prove to be inaccurate. Consequently, the Issuer cannot provide any assurance regarding the future accuracy of the opinions set forth in this Prospectus or the actual occurrence of the developments described herein.

In addition, even if the Issuer’s future results meet the expectations expressed herein, those results may not be indicative of the Issuer’s performance in future periods. These risks, uncertainties, assumptions, and other factors that could cause actual results to differ from the Issuer’s projected results are noted in this Prospectus in Chapter 2 - “*Risk Factors*”. Any forward-looking statements are qualified in their entirety by reference to the factors discussed throughout this Prospectus. Key factors that have a direct bearing on our results of operations include, but are not limited to, those factors indicated in this Prospectus in Chapter 2 - “*Risk Factors*”.

Because the risk factors referred to in this Prospectus could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements made in this Prospectus, investors in the Notes should not place undue reliance on any forward-looking statements. Furthermore, any forward-looking statement speaks only as of the date on which it is made, and neither the Issuer nor any of the Joint Lead Managers and Bookrunners has an obligation to update any forward-looking statement to reflect events or circumstances arising after the date on which the statement is made or to reflect the occurrence of unanticipated events. New factors will emerge in the future that could cause our actual development, operational results or performance to be materially different from what may be expressly or implicitly assumed in forward-looking statements. It is not possible for the Issuer to predict what these new factors will be.

Industry information

This Prospectus contains or refers to numerical data, market data, analyst reports and other publicly available information about the Issuer's industry, or Issuer's estimates based largely on published market data or on numerical data derived from publicly accessible sources. The Issuer believes that the estimates based on information not available through publicly accessible sources are accurate and impartial. The Issuer has accurately reproduced and indicated the respective sources of the information contained in this Prospectus, derived from publicly accessible sources or otherwise, acquired from third parties.

Where information in this Prospectus has been specifically identified as having been extracted from third party documents, the Issuer confirms that this information has been accurately reproduced and that, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Investors in the Notes should bear in mind that neither the Issuer nor any of the Joint Lead Managers and Bookrunners has verified or assumes any liability for the numerical data, market data and other information derived from public sources. Neither the Issuer nor any of the Joint Lead Managers and Bookrunners makes any representation as to the accuracy of such information. In addition, investors in the Notes should bear in mind that market studies are based on information and assumptions that may not be accurate or factually correct, and may be forward-looking or speculative in nature.

Reasons for the issue and other information

The issue of the Notes resulted from the implementation of a liability management exercise pursuant to which the Issuer proposed the exchange of existing notes representing the bond issue named "José de Mello Saúde 2017/2023" by the Notes, hence pursuing its financial strategy and focus on reducing the risk of refinancing and taking advantage of current market conditions to extend the average maturity of its debt.

Each of the Joint Lead Managers and Bookrunners may have a direct interest of a financial nature in the Notes and may also have engaged, and may engage in the future, in investment and/or commercial transactions with, and may perform other services for, the Issuer and any of its affiliates in the ordinary course of business.

There are no conflicts of interest among natural and legal persons involved in the issue of the Notes.

CHAPTER 5

DESCRIPTION OF THE ISSUER

5.1 BACKGROUND AND DEVELOPMENT OF THE ISSUER

Legal and commercial name of the Issuer

The legal name of the Issuer is CUF, S.A. (formerly named José de Mello Saúde, S.A.) and the most frequent commercial name is CUF.

Registration and legal person number of the Issuer

The Issuer is a limited liability company (*sociedade anónima*), with head office at Avenida do Forte, no. 3, Edifício Suécia III, Piso 2, 2790-071 Carnaxide, Portugal, registered with the Commercial Registry of Cascais under the sole registration and taxpayer number 502 884 665, with the fully subscribed and paid-up share capital in the amount of €53,000,000.00.

The share capital is represented by 10,600,000 ordinary shares with the nominal value of €5 each, which are fully paid-up and grant the relevant holders the rights generally awarded to ordinary shareholders under the Portuguese Companies Code and the Issuer's articles of association.

Incorporation of the Issuer

The Issuer was incorporated on 10 December 1992 for an unlimited period of time.

Head office, legal form and legislation that governs the Issuer's activity

The Issuer has its head office at Avenida do Forte, no. 3, Edifício Suécia III, Piso 2, 2790-071 Carnaxide, municipality of Oeiras, Portugal, and its telephone number is (+351) 210 025 100.

The Issuer is a limited liability company incorporated under the laws of the Portuguese Republic with a corporate scope that includes the buying, selling and renting of equipment, the provision of management, consulting, computer technology, operational, administrative, negotiation and supply services, and the rendering of other services in the healthcare sector.

Article 2 of the respective by-laws further provides that the Issuer may *“participate in complementary company groupings, in the share capital of other regulated, or non-regulated, by special laws companies, create new companies or co-participate in their creation, even if the corporate scope of these new companies does not match, in all or in part, that which the company exercises, being further allowed to associate itself, through the means deemed most fit, with any singular or collective entities, cooperate with them through its management or supervision or take interests over them in any form”*.

The Issuer is governed by the Portuguese Commercial Companies Code, by the Portuguese Securities Code and by its own by-laws.

The Issuer's share capital is €53,000,000.00, represented by 10,600,000 ordinary shares with a nominal value of €5 each, and is fully subscribed and paid-up.

Recent events with an impact on the evaluation of the Issuer's solvency

Since the date of the Issuer's latest annual audited accounts, there has been no governmental, political, fiscal or economic exceptional event affecting the Issuer and/or its respective subsidiaries that is relevant to the assessment of its solvency.

Issuer's articles of association and by-laws

The Issuer's articles of association, which are deposited with the Commercial Registry of Cascais, form part of Annex II.

Investments

There have been no other material investments made by the Issuer since 30 June 2021 and no new material investments have been approved as of the date of this Prospectus.

New Products or Services

There have been no significant new products or services introduced by the Issuer.

5.2 GENERAL DESCRIPTION OF THE ISSUER'S BUSINESS

Principal activities

With its origin in 1945, with the first CUF unit, CUF is a holding company of a group whose main activity is to provide healthcare services and which develops its activity through a network of private healthcare hospitals and clinics.

From an organisational perspective, the hospital and outpatient units are organised into three geographical clusters – Descobertas, Tejo and North – in a rationale of coordination around the three flagship hospitals: CUF Tejo, CUF Descobertas and CUF Porto Hospitals.

CUF expanded its private portfolio with the opening, in June 2019, of the first phase of CUF Sintra Hospital, ultimately completed in March 2020 and fully operational in September 2020. Also in March 2020, the expansion works in CUF Torres Vedras Hospital were concluded and new areas were then opened. In September 2020, CUF Tejo Hospital, one of the largest and most innovative projects in the healthcare sector in Portugal, was inaugurated, with full operation of all clinical areas from the end of November, while, conversely, CUF Infante Santo Hospital was closed down, after all its activities had been transferred to the new CUF Tejo Hospital.

The Issuer continues to expand its activity, namely with the opening of a new outpatient clinic, CUF Montijo Clinic, expected to be completed by the beginning of 2022, and the expansion and improvements works to be carried out in CUF Descobertas and CUF Santarém Hospitals.

The Issuer has a network of nine hospitals and nine outpatient clinics located in Lisbon, Oeiras, Cascais, Sintra, Almada, Mafra, Torres Vedras, Santarém, Matosinhos, Porto, Viseu, S. João da Madeira and Coimbra:

- (i) CUF Tejo Hospital;
- (ii) CUF Descobertas Hospital;

- (iii) CUF Porto Hospital;
- (iv) CUF Belém Clinic;
- (v) CUF Alvalade Clinic;
- (vi) CUF Cascais Hospital;
- (vii) CUF Torres Vedras Hospital;
- (viii) CUF Santarém Hospital;
- (ix) CUF Viseu Hospital;
- (x) CUF Coimbra Hospital;
- (xi) CUF Porto Institute;
- (xii) CUF S. Domingos de Rana Clinic;
- (xiii) CUF Sintra Hospital;
- (xiv) CUF Mafra Clinic;
- (xv) CUF Miraflores Clinic;
- (xvi) CUF Almada Clinic;
- (xvii) CUF S. João da Madeira Clinic; and
- (xviii) CUF Nova SBE Clinic.

The Issuer also has interests in the following fields, through the respective entities:

- Occupational Health and Safety, through SAGIES – Segurança, Higiene e Saúde no Trabalho, S.A.;
- CUF – Investimentos Imobiliários S.A., formerly named Imohealth – Investimentos Imobiliários, S.A., established on 3 December 2012 with the corporate purpose of purchasing and selling property, the resale of property acquired for that purpose, and the exchange and lease of properties;
- Infrahealth - Gestão de infraestruturas, Lda., established on 22 January 2009 with the corporate purpose of operating, managing and marketing healthcare infrastructure, commercial areas and car parks;
- Digihealth, S.A., established on 29 December 1995 with the corporate purpose of providing management services and consulting in healthcare;
- Academia CUF, Lda., established on 26 April 2013, with the corporate purpose of providing training services to develop skills through the qualified training of people in the health sector, notably, nursing and clinical services in all their aspects, the promotion of the trainee participation in specific programmes, namely within the scope of the

organisation, and entrepreneurship, innovation and research;

- Cenes – Centro de Processamento de Dispositivos Médicos, Lda – company acquired in October 2018, having a corporate purpose of providing logistics and reprocessing services for medical devices;
- Centro Logístico CUF, Unipessoal Lda – established in 4 August 2017, having as a corporate purpose the distribution of medicines, medical devices, clinical consumables and uniforms, as well as the provision of services and activities related to the aforementioned distribution of medicines, consumables and uniforms.

Principal markets

The Issuer focuses its activity in Portugal.

The Portuguese healthcare market is highly fragmented. Although there are four main operators (the Issuer, Luz Saúde, S.A., Lusíadas, S.A. and G.T.S. - Grupo Trofa Saúde, SGPS, S.A.), the market includes a significant number of private clinics, mainly providing medical appointments, and small diagnostic test and treatment units, mostly related to radiology and clinical analysis.

Most of these small market players are strongly dependent on the Portuguese State and on costs directly borne by patients. Over the last few years, we have witnessed a market consolidation due to the main operators' acquisition of these small clinics, thus gaining negotiation power with the insurers and geographically spreading their presence.

Adversely, the four largest market players have developed a model based on general hospitals (providing the full cycle of care), supplemented by small clinics operated on an outpatient basis and other auxiliary services. These operators are less dependent on the Portuguese State than the small market players, as a result of a wide range of arrangements with insurance companies and healthcare subsystems. Such arrangements saw significant growth over the last decade due to the introduction of professional management, highly skilled clinical teams and cutting-edge technology.

The increase in private consumption and decrease in unemployment led to the current favourable economic situation in Portugal and to greater private health revenues, improving margins and balancing the increase in costs and price pressures.

Nevertheless, the economic situation in Portugal has also resulted in greater competition among private healthcare providers, pushing companies to improve the quality of their services, as a differentiating factor.

Cost savings in the public health sector, as well as its saturation, are amongst the main factors leading to the expansion of private healthcare, since its users give most value to fast service access and personalised care.

Other factors have also been favourable to private health sector activity, such as the increase in average life expectancy and broader penetration of healthcare insurance policies.

Despite this context, the private healthcare sector continues to present favourable perspectives of development due to increasing average life expectancy, broader penetration of healthcare insurance and the difficulties experienced by the public healthcare sector in suitably meeting demand with acceptable levels of quality.

However, the economic crisis, the significant budget cuts implemented by the Ministry of Health through the years and the higher pressure by insurance companies to reduce prices paid to private healthcare providers, led to the disappearance of some small private healthcare providers and increased concentration in the industry.

Since March 2020 up to the present date, the evolution of CUF's healthcare service provision and financial indicators was markedly influenced by the effect of the COVID-19 pandemic and its various phases. The duration of the State of Emergency periods declared through 2020 and the first semester of 2021 (the latter with less impact) led to postponements of non-urgent acts in the CUF units, thus causing significant drops in activity levels during such periods. CUF assumed a central role in the fight against the pandemic, presenting an effective response to COVID-19 patients, providing the necessary support to the Portuguese National Health Service, with the provision of beds in multiple of the network's hospitals, while simultaneously ensuring quality and safe access to non-COVID patients.

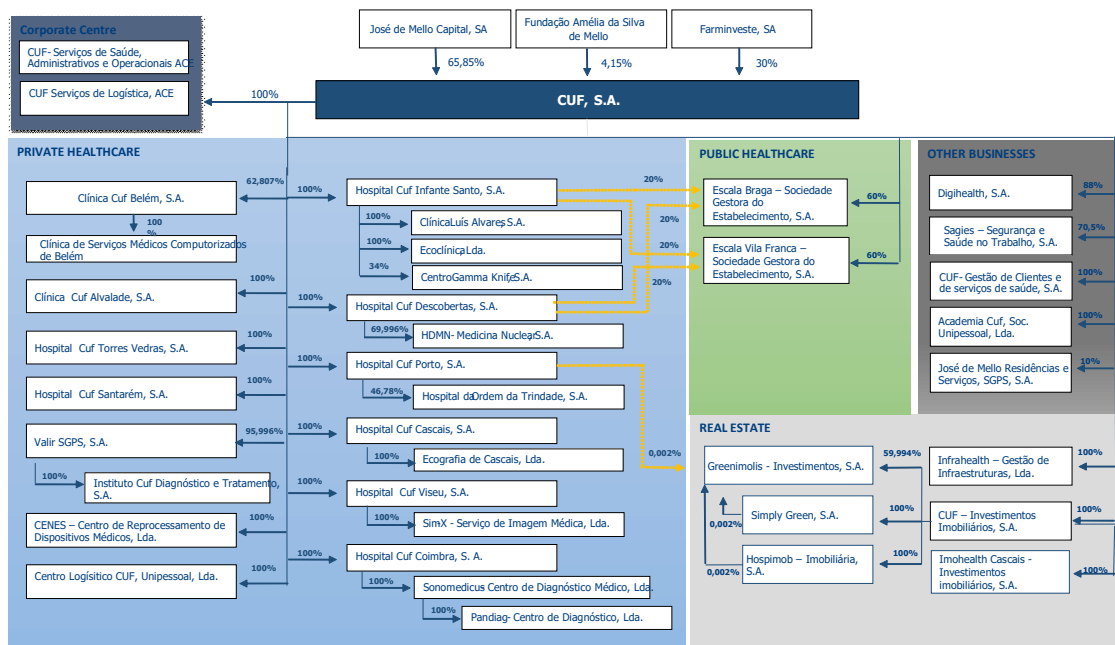
The CUF Group, as a healthcare service provider, has been in close coordination with the public authorities, namely the Directorate-General of Health (DGS), with cooperation agreements being signed with the Regional Health Authorities (ARS). It has also taken adequate measures to minimise the impact of the pandemic, particularly with regard to the protection of its patients, employees and service providers, while continuously monitoring the evolution of the situation and defining strategic guidelines that seek to overcome the consequences that may arise from the above-mentioned events.

Competitive position

The Issuer presents a leading position within the private healthcare sector in Portugal, being the main player in terms of sales, based upon the information disclosed in the annual accounts of the relevant entities. This leadership is based on its long track-record which provides the Issuer with a strong expertise in the sector (the company was founded in 1945). Additionally, the Issuer has an integrated network of high-performance units which enables the company to offer its wide range of services throughout the main cities of Portugal. The Issuer's geographical positioning is stronger in the area from Lisbon to the North of the country. Proximity is a key factor in healthcare services and having the correct location is considered a strategic objective.

5.3 ISSUER'S ORGANISATIONAL STRUCTURE

Organisational Structure



Dependency on other entities

The Issuer does not depend on any other entity.

Issuer's position within the group

The Issuer's share capital is majority-owned by José de Mello Capital, S.A., its parent company, which publishes consolidated financial statements complying with IFRS and, consequently, the Issuer's operations and transactions are influenced by the decisions of the José de Mello Capital, S.A. Group.

5.4 TREND INFORMATION

Trends, Uncertainties, Requests, Commitments or other circumstances likely to significantly affect the Issuer's future perspectives

The Issuer does not foresee that any trend, uncertainty, request, commitment or circumstance is likely to significantly affect its economic and financial situation in the current fiscal year, beyond the situations provided for in Chapter 2 (*Risk Factors*).

Recent Developments

There are no recent developments that may impact on the Issuer's activity. The Issuer is also unaware of trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year.

5.5 PROFIT FORECAST OR ESTIMATE

This Prospectus does not contain any forecast or estimate of future profits.

5.6 ISSUER'S CORPORATE STRUCTURE

The Issuer's corporate structure is composed of a Board of Directors, a Supervisory Board, the General Meeting and the Auditor, which is one of the corporate structures legally valid under Portuguese law.

Board of Directors

The Board of Directors is the competent board to represent the Issuer and to carry out all acts and activities necessary to ensure its business.

In accordance with the Issuer's by-laws, the Board of Directors comprises a maximum of fifteen members appointed by the General Meeting.

Currently, the Issuer has a Board of Directors composed of thirteen members, including a chairman, two deputy chairmen and ten members.

In accordance with the Issuer's by-laws, the Board of Directors, in addition to its duties established by law, is specifically responsible for resolving on the following matters:

- (a) To manage the company's businesses and perform all operations regarding its corporate scope;
- (b) To represent the company, both before a court of law and out, active and passively, being allowed to confess, withdraw and settle matters and to compromise within arbitration proceedings, as well as to appoint any proxies through power of attorney;
- (c) To acquire, dispose of or encumber any assets or rights, movable or immovable, including own or third party-obligations, under the terms legally foreseen;
- (d) To execute and uphold the law, the company's by-laws, as well as all duly taken General Meeting resolutions.

The members of the Issuer's Board of Directors have their business address at Avenida do Forte, no. 3, Edifício Suécia III, Piso 2, 2790-071, Carnaxide parish, municipality of Oeiras, Portugal.

Composition of the Board of Directors, corresponding to the triennium 2019-2021¹:

- Salvador Maria Guimarães José de Mello (Chairman)
- João Pedro Stilwell Rocha e Melo (Deputy-Chairman)

¹ Paulo Jorge Cleto Duarte and Ana Cristina Clarkson Gaspar resigned as members of the Board of Directors on 31 August 2021 and have not yet been replaced.

- João Gonçalves da Silveira (Deputy-Chairman)
- Rui Alexandre Pires Diniz (Member)
- Inácio António da Ponte Metello de Almeida e Brito (Member)
- Guilherme Barata Pereira Dias de Magalhães (Member)
- Catarina Marques da Rocha Gouveia (Member)
- Francisco Pedro Ramos Gonçalves Pereira (Member)
- Vera Margarida Alves Pires Coelho (Member)
- Céline Dora Judith Abecassis-Moedas (Member)
- Raul Catarino Galamba de Oliveira (Member)
- José Luís Bonifácio Lopes (Member)
- João Pedro Ribeiro de Azevedo Coutinho (Member)

Executive Committee

The Board of Directors has delegated the day-to-day management of the company to the Executive Committee.

Composition of the Executive Committee, corresponding to the triennium 2019-2021:

- Rui Alexandre Peris Diniz (Chairman)
- Catarina Marques da Rocha Gouveia (Member)
- Inácio António da Ponte Metello de Almeida e Brito (Member)
- Guilherme Barata Pereira Dias de Magalhães (Member)
- Francisco Pedro Ramos Gonçalves Pereira (Member)

Supervisory Board

Supervision of the company is exercised by a Supervisory Board and an Auditor, which is an Official Accountant for Firm of Official Accountants, who shall perform the duties prescribed by the law and by the Issuer's by-laws.

The Supervisory Board is appointed by the General Meeting and comprises a minimum of three full members, the majority of whom must be independent.

Composition of the Supervisory Board, corresponding to the triennium 2019-2021:

Chairman: José Manuel Gonçalves de Morais Cabral

Members: Miguel Reccanello Carneiro Pacheco and Tiago Prata Cerqueira Sopas

Alternate Member: Miguel Luís Cortês Pinto de Melo

The members of the Issuer's Supervisory Board have their business address at Avenida do Forte, no. 3, Edifício Suécia III, Piso 2, 2790-071 Carnaxide parish, municipality of Oeiras, Portugal

Auditor

The Issuer's auditor for the triennium 2019/2021 is Deloitte & Associados, SROC S.A., with registered office at Avenida Engenheiro Duarte Pacheco, no. 7, 1070-100 Lisboa, Portugal, registered with the professional body *Ordem dos Revisores Oficiais de Contas* as SROC no. 43 and registered with the CMVM with the no. 20161389, being represented by Pedro Miguel Argente de Freitas e Matos Gomes, ROC no. 1172 and CMVM registration no. 20160784.

General Meeting

Chairman: João Vieira de Almeida

Secretary: Luís Miguel Reis Sobral

Company Secretary

Rui Manuel da Costa Ramalhal

Principal Activities of the members of the Issuer's boards that also have duties outside of the Issuer (as of the date of this Prospectus)

The members of the Issuer's Board of Directors are also directors in all of CUF's healthcare units.

Potential conflicts of interests between the duties of the Issuer's Board of Directors, its Supervisory Board and Auditor

There are no potential conflicts of interest between the duties of any of the members of the Board of Directors or of the Supervisory Board, or of the Auditor, towards the Issuer or towards their private interests or other duties.

Corporate Governance

The Issuer complies with all legal and regulatory requirements set out in the Portuguese framework applicable to its corporate boards and relevant members.

5.7 MAIN SHAREHOLDERS OF THE ISSUER

Shareholder structure

The share capital of the Issuer is €53,000,000.00, fully subscribed and paid-up, represented by 10,600,000 ordinary shares with the nominal value of €5 each. These shares are not admitted to trading.

As of 31 December 2020, the structure of the Issuer's holdings known to it is the following:

Shareholder	No. of shares	% Capital	% Voting rights
José de Mello Capital, S.A.	6,980,100	65.85%	65.85%
Fundação Amélia da Silva de Mello	439,900	4.15%	4.15%
Farminveste – Investimentos, Participações e Gestão, S.A.	3,180,000	30.00%	30.00%

Total	10,600,000	100.00%	100.00%
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The Issuer maintains in place measures to hinder abuses by the main shareholders and adopts all necessary procedures to ensure the protection of its minority shareholders, specifically by granting access to the Issuer's relevant information and complying with all applicable laws in this regard.

Agreements with impact on the shareholder structure

José de Mello Capital, S.A. and Farminveste – Investimentos, Participações e Gestão, S.A. entered into a shareholders agreement, fully effective as at 3 February 2021, upon the decision by the Portuguese Competition Authority not to oppose the acquisition of joint control of CUF by José de Mello Capital, S.A. and Farminveste – Investimentos, Participações e Gestão, S.A..

5.8 ISSUER'S FINANCIAL INFORMATION

Financial documents of the Issuer incorporated by reference

The Issuer's consolidated audited financial statements (including the auditor's report thereon and notes thereto) in respect of the years ended 31 December 2019 and 31 December 2020 (prepared in accordance with IFRS-EU) shall be deemed to be incorporated by reference in, and to form a part of, this Prospectus.

Copies of the documents specified above as containing information in line with the tables provided below, together with the Paying Agency Agreement, may be inspected, free of charge, at the registered office of the Issuer (Avenida do Forte, no. 3, Edifício Suécia III, Piso 2, 2790-071 Carnaxide, Portugal) and at the specified offices of the Paying Agent.

This Prospectus will be published in electronic form together with all documents incorporated by reference or annexed on a dedicated section of the website of the Issuer (<https://www.cuf.pt/en>), Luxembourg Stock Exchange (www.bourse.lu) and Euronext (www.euronext.com), which is easily accessible when entering the relevant website.

Selected audited financial information of the Issuer

At the date of this Prospectus, the last year in relation to which there is audited financial information of the Issuer is the year ended on 31 December 2020.

Besides the information incorporated by reference in this Prospectus, there is no other information on the Issuer audited by the auditor.

INCOME AND OTHER CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

Of the Financial Year Ended on 31 December 2020

(Amounts in thousands of euros)

	31-12-2020	31-12-2019
Operating income:		
Sales and services rendered	523,737	691,554
Other operating income	9,735	9,955
Operating income	533,472	701,509
Operating costs:		
Cost of sales	(81,203)	(118,770)
External supplies and services	(234,113)	(267,907)
Personnel expenditure	(168,734)	(211,424)
Amortisations and depreciations	(40,047)	(39,374)
Provisions and impairment losses	(14,538)	(4,881)
Other operating costs	(5,087)	(5,515)
Operating costs	(543,722)	(647,871)
Operating income	(10,250)	53,639
Financial costs	(18,306)	(16,709)
Financial income	338	1,029
Profit and loss of associated companies	(771)	(356)
Profit and loss of investment activities	102	(18)
Financial results	(18,637)	(16,053)
Income before taxes	(28,887)	37,585
Income tax for the financial year	4,690	(8,594)
Consolidated net profit for the year	(24,197)	28,991
Consolidated net profit for the year attributable to non-controlling interests	(415)	(22)
Consolidated net profit for the year attributable to equity holders	(23,782)	29,013

INCOME AND OTHER CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

Of the Financial Year Ended on 31 December 2020

(Amounts in thousands of euros)

	31-12-2020	31-12-2019
Other items of Comprehensive Income:		
Other income and expenses directly recognised in equity that will not be reclassified to profit:		
Revaluation of property, plant and equipment, net of tax	5,412	(2,312)
Other income and expenses directly recognised in equity that might be reclassified to profit:		
Changes in fair value of hedging derivative financial instruments net of tax	357	366
Consolidated comprehensive income	(18,428)	27,045
Comprehensive income for the year attributable to non-controlling interests	415	22
Comprehensive income for the year attributable to equity holders	(18,013)	27,067
Earnings per share (in euros):		
Basic	(2.2)	(2.7)
Diluted	(2.2)	(2.7)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2020

(Amounts in thousands of euros)

	31-12-2020	31-12-2019
Non-current assets:		
Goodwill	47,447	46,056
Intangible assets	19,805	9,990
Property, plant and equipment	445,149	444,977
Right-of-use assets	125,296	109,037
Financial investments	1,145	1,916
Other investments	2,111	2,006
Deferred tax assets	10,326	5,529
Other debtors	719	404
Other assets	-	2,168
Total non-current assets	651,998	622,084
Current assets:		
Inventories	20,829	14,879
Trade receivables and advances to suppliers	81,103	92,972
Other financial assets	7,725	8,442
State and other public entities	9,457	6,888
Other debtors	6,420	3,041
Other assets	42,480	67,429
Other financial instruments	23,500	35,150
Cash and bank deposits	44,029	60,281
Total current assets	235,543	289,082
Non-current assets held for sale	7,770	-
TOTAL ASSETS	895,311	911,165

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2020

(Amounts in thousands of euros)	31-12-2020	31-12-2019
Equity:		
Share equity	53,000	53,000
Legal reserve	8,753	8,444
Other reserves	12	12
Fair value of the hedging derivative financial instruments	(232)	(590)
Revaluation of property, plant and equipment	34,618	44,830
Retained earnings	31,790	(12,665)
Consolidated net profit	(23,782)	29,013
Equity attributable to shareholders	104,159	122,044
Non-controlling interests	2,640	3,932
Total equity	106,799	125,976
Non-current liabilities:		
Loans	378,437	337,317
Lease liabilities	88,776	74,587
Employee benefits	1,223	1,271
Provisions	16,627	20,573
Other creditors	2,197	689
Deferred tax liabilities	11,422	17,814
Other liabilities	-	761
Non-current liabilities	498,682	453,012
Current liabilities:		
Loans	93,206	108,844
Lease liabilities	16,641	13,556
Derivative financial instruments	300	-
Other financial liabilities	2,522	2,427
Trade payables and advances from clients	88,149	106,351
Government and other public entities	6,786	8,943
Other creditors	4,101	13,628
Other liabilities	78,125	78,428
Current liabilities	289,830	332,177
Total Liabilities	788,512	785,189
TOTAL EQUITY AND LIABILITIES	895,311	911,165

CONSOLIDATED CASH FLOW STATEMENTS

Of the Financial Year Ended on 31 December 2020

(Amounts in thousands of euros)

	31-12-2020	31-12-2019
OPERATING ACTIVITIES:		
Cash receipts from customers	548,349	701,152
Cash paid to suppliers	(364,989)	(409,793)
Cash paid to employees	(160,551)	(209,153)
Payment of income tax	(5,099)	(10,794)
Other receipts (payments) from operating activities	(15,267)	(6,079)
Cash flow from operating activities (1)	2,443	65,333
INVESTMENT ACTIVITIES:		
<i>Receipts from:</i>		
Financial assets and other investments	120	120
Disposal of property, plant and equipment	20,793	-
Interest and similar income	531	197
Business combinations	163	-
Dividends	-	94
Other investment operations	18,650	-
	40,257	411
<i>Payments relating to:</i>		
Financial assets and other investments	(1,762)	(4,357)
Acquisition of property, plant and equipment	(39,915)	(89,247)
Acquisition of intangible assets	(3,879)	(1,696)
Other investment operations	(7,000)	-
	(52,556)	(95,301)
Cash flow from investment activities (2)	(12,299)	(94,890)
FINANCING ACTIVITIES:		
<i>Receipts from:</i>		
Obtained loans	1,079,177	1,032,700
	1,079,177	1,032,700
<i>Payments relating to:</i>		
Obtained loans	(1,049,371)	(966,331)
Lease contracts	(14,741)	(26,665)
Interest and similar costs	(21,929)	(17,473)
Dividends paid and profit distributed	-	(238)
	(1,086,041)	(1,010,707)
Cash flow from financial activities (3)	6,864	21,993
Cash and cash equivalents at the beginning of the period	60,275	67,340
Effect of the change in consolidation scope	-	499
Changes in cash and equivalents (4)=(1)+(2)+(3)	(16,720)	(7,564)
Cash and cash equivalents at the end of the period	43,555	60,275

INCOME AND OTHER CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

Of the financial semester ended on 30 June 2021

(Amounts in thousands of euros)

	30-06-2021	30-06-2020
Operating income:		
Sales and services rendered	284,288	195,952
Other operating income	3,128	2,123
Total operating income	287,417	198,075
Operating costs:		
Cost of sales	(39,617)	(27,441)
External supplies and services	(132,552)	(96,504)
Personnel expenses	(69,618)	(62,344)
Amortisations and depreciations	(19,317)	(16,333)
Provisions and impairment losses, net	(2,301)	(28)
Other operating costs	(2,185)	(1,502)
Total operating costs	(265,591)	(204,152)
Operating profit	21,826	(6,077)
Financial expenses and losses	(9,503)	(8,339)
Financial income and gains	269	63
Profit/loss of associates	(212)	(407)
Profit/loss of investment activities	-	-
Financial results	(9,445)	(8,683)
Pre-tax profit	12,380	(14,760)
Income tax	(2,844)	(150)
Consolidated net profit for the year	9,536	(14,910)
Discontinued operations:		
Net profit for the year of discontinued operations	(185)	(5,273)
Net profit for the year attributable to non-controlling interests	(167)	142
Net profit for the year attributable to equity holders	9,184	(20,041)
Other items of Comprehensive Income:		
Other income and expenses directly recognised in equity that will not be reclassified to profit:		
Revaluation of tangible fixed assets	1,331	-
Other income and expenses directly recognised in equity that might be reclassified to profit:		
Changes in fair value of hedging instruments	232	217
	1,564	217
Consolidated comprehensive income	10,915	(19,966)
Comprehensive income for the year attributable to non-controlling interests	-	-
Comprehensive income for the year attributable to equity holders	10,915	(19,966)
Earnings per share:		
Basic	0.87	(1.89)
Diluted	0.87	(1.89)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

(Amounts in thousands of euros)

	30-06-2021	31-12-2020
Non-current assets:		
Goodwill	47,519	47,447
Intangible assets	22,078	19,805
Tangible fixed assets	493,310	445,149
Right of use	75,877	125,296
Investments in associates	933	1,145
Other investments	2,387	2,111
Deferred tax assets	10,267	10,326
Other non-current debtors	599	719
Total non-current assets	652,971	651,999
Current assets:		
Inventories	21,156	20,829
Trade receivables and advances to suppliers	95,025	81,103
Other financial assets	8,466	7,725
State and other public entities	8,062	9,457
Other current debtors	5,786	6,420
Other current assets	36,407	42,481
Other financial instruments	23,500	23,500
Cash and cash equivalents	29,082	44,029
Total current assets	227,484	235,543
Non-current assets held for sale	7,770	7,770
TOTAL ASSETS	888,224	895,311
Equity:		
Share capital	53,000	53,000
Legal reserve	8,753	8,753
Other reserves	12	12
Fair value reserve	-	(232)
Revaluation of tangible fixed assets	35,950	34,618
Retained earnings	8,008	31,791
Consolidated net income	9,184	(23,782)
Equity attributable to shareholders	114,907	104,159
Non-controlling interests	2,807	2,640
Total equity	117,714	106,799
Non-current liabilities:		
Borrowings	406,081	378,437
Lease creditors	57,097	88,776
Employee benefits	1,223	1,223
Provisions	14,646	16,627
Other creditors	2,231	2,197
Deferred tax liabilities	11,447	11,422
Non-current liabilities	492,724	498,682
Current liabilities:		
Borrowings	101,891	93,206
Lease creditors	15,659	16,641
Derivative financial instruments	-	300
Other financial liabilities	2,572	2,522
Trade payables and advances from clients	78,895	88,149
State and other public entities	9,263	6,786
Other current creditors	5,111	4,101
Other current liabilities	64,395	78,124
Total current liabilities	277,786	289,830
TOTAL LIABILITIES	770,510	788,512
TOTAL EQUITY AND LIABILITIES	888,224	895,311

CONSOLIDATED CASH FLOW STATEMENTS

Of the financial semester ended on 30 June 2021

(Amounts in thousands of euros)

OPERATING PROFIT

	30-06-2021	30-06-2020
Cash receipts from clients	265,713	224,294
Cash paid to suppliers	(162,546)	(151,302)
Cash paid to employees	(66,691)	(60,582)
Income tax received/paid	(573)	499
Other cash receipts/payments relating to operating activities	(2,020)	(3,794)
	33,883	9,116
	(10,209)	(530)
Net cash from operating activities (1)	23,674	8,586

INVESTING ACTIVITIES:

Cash receipts relating to:

Financial assets and other investments	-	120
Interest and similar income	123	299
	123	419

Payments regarding:

Financial assets and other investments	-	(951)
Tangible fixed assets	(12,868)	(35,224)
Intangible assets	(922)	(1,155)
	(13,790)	(37,330)
	(13,667)	(36,911)
	(1,131)	(448)

Net cash from investment activities (2)	(14,798)	(37,358)
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FINANCING ACTIVITIES:

Cash receipts relating to:

Borrowings	356,723	747,776
Other financial instruments	-	14,300
	356,723	762,076

Payments regarding:

Borrowings	(320,549)	(706,998)
Other financial instruments	-	(7,000)
Payment of lease liabilities	(48,836)	(7,880)
Interest and similar expenses	(9,819)	(9,701)
	(379,205)	(731,578)

	(22,841)	30,497
	(1,961)	(250)
Net cash from financial activities (3)	(24,442)	(30,247)

Changes in cash and equivalents (4)=(1)+(2)+(3)	(15,566)	1,475
Effect of change in consolidation perimeter	-	184
Cash and cash equivalents at the start of the period	43,555	60,275
Cash and cash equivalents at the end of the period	27,989	61,934

Litigation

Save as described in note 20 (*Provisions, Impairment Losses, Contingent Liabilities and Contingent Assets*) and note 2.3 (*Main management estimates and judgements*) to the Issuer's condensed unaudited consolidated financial statements for the 6 (six) months ended 30 June 2021 and in note 38 (*Provisions, Impairment Losses, Contingent Assets*) and note 2.4 (*Relevant estimates in the preparation of the separate financial statements*) to the Issuer's audited consolidated financial statements for the year ended 31 December 2020 (which are incorporated by reference in this Prospectus), the Issuer is not or has not been involved in any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Prospectus which may have or have had a significant effect on the financial position and profitability of the Issuer.

Material adverse change on the financial position of the Issuer

There has been no significant change in the financial performance or position of the Issuer or its group since 30 June 2021, and there has been no material adverse change in the prospects of the Issuer since the date of their last published audited financial statements, being 31 December 2020.

5.9 MATERIAL CONTRACTS

Beyond the agreements entered into by the Issuer within the context of its normal business or the arrangements described in this Prospectus, the Issuer is not a party to any other relevant arrangements which may affect its ability to comply with its obligations before the Noteholders.

5.10 CREDIT RATINGS

No credit ratings have been assigned to the Issuer at its request or with its cooperation in the rating process for securities similar to the Notes.

5.11 MATERIAL CHANGES IN THE ISSUER'S BORROWING AND FUNDING STRUCTURE SINCE THE LAST FINANCIAL YEAR

Since the last financial year ended 31 December 2020 there was no material change in the Issuer's borrowing and funding structure.

5.12 EXPECTED FINANCING OF THE ISSUER'S ACTIVITIES

In line with its financial sustainability policy and diversification of funding sources, CUF does not anticipate any material change in the way it has financed its activities in recent years, with a balanced strategy mainly via medium to long-term bank loans, capital markets debt, commercial paper, leasings and factoring.

CHAPTER 6

FORM OF THE NOTES

Form of the Notes

The Notes are represented in dematerialised book-entry form ("*forma escritural*"), integrated and registered in the Portuguese Central Securities Clearing System – the Central de Valores Mobiliários or "**CVM**", and are nominative notes ("*nominativas*"), which means that Interbolsa, at the Issuer's request, can ask the Affiliate Members of Interbolsa for information regarding the identity of the holders of the Notes and transmit such information to the Issuer. The Notes will be held through the accounts of Affiliate Members of Interbolsa, the manager of the CVM.

The appropriate International Securities Identification Number of the Notes is the ISIN code PTJLLAOM0019 and the common code 240185644.

Clearing and Settlement

Interbolsa manages the operation of CVM, the central securities clearing system in Portugal, known as *sistema centralizado*, where all securities in book-entry form admitted to trading on a regulated market to be centrally cleared and settled in Portugal must be registered (the "**Book-Entry Registry**"). The CVM is composed of interconnected securities accounts, through which securities (and inherent rights) are created, held and transferred. This allows Interbolsa to control the amount of securities created, held and transferred. Issuers of securities, financial intermediaries which are Affiliate Members of Interbolsa and the Bank of Portugal all participate in the CVM.

The CVM provides for all the procedures which allow the owners of securities to exercise their rights. In relation to each issue of securities, CVM comprises *inter alia*, (i) the issue account, opened by the issuer in the CVM and which reflects the full amount of securities issued; and (ii) the control accounts opened by each of the financial intermediaries which participate in Interbolsa's centralised system, and which reflect, at all times, the aggregate nominal amount of securities held in the individual securities accounts opened by holders of securities with each of the Affiliate Members of Interbolsa. Title to the Notes passes upon registration in the records of an Affiliate Member of Interbolsa. Each person shown in the records of an Affiliate Member of Interbolsa as having an interest in the Notes shall be treated as the holder of the principal amount of the Notes recorded.

"Affiliate Member of Interbolsa" means a financial institution licensed to act as a financial intermediary for the purposes of the Portuguese Securities Code and which is entitled to hold control accounts with Interbolsa on behalf of Noteholders. For the avoidance of doubt, Affiliate Members of Interbolsa include any depository banks appointed by: (i) Euroclear and Clearstream, for the purposes of holding accounts on behalf of Euroclear and Clearstream with Interbolsa; or (ii) other financial intermediaries that do not hold control accounts directly with Interbolsa.

One or more certificates in relation to the Notes (each a “**Certificate**”) will be delivered by the relevant Affiliate Member of Interbolsa in respect of its registered holding of Notes upon the request by the relevant Noteholder, in accordance with the procedures of such Affiliate Member of Interbolsa and pursuant to article 78 of the Portuguese Securities Code.

Any Noteholder will, except as otherwise required by law, be treated as the absolute owner of the relevant Notes for all purposes regardless of the theft or loss of the Certificate issued in respect of such Notes, and no person will be liable for so treating any relevant Noteholder.

Notes registered with Interbolsa have been attributed an International Securities Identification Number (ISIN) code through Interbolsa’s codification system and are accepted for clearing through CVM, the clearing system managed by Interbolsa, as well as through the clearing systems operated by Euroclear and Clearstream and settled by Interbolsa’s settlement system.

Payments

Payment of principal and interest in respect of the Notes will be (i) credited, according to the procedures and regulations of Interbolsa, to TARGET2 payment current accounts held in the payment system of TARGET2 by Affiliate Members of Interbolsa whose accounts with Interbolsa are credited with such Notes, and thereafter (iii) credited by such Affiliate Members of Interbolsa from the respective above mentioned payment current accounts to the accounts of the Noteholders or of Euroclear or Clearstream, Luxembourg with said Affiliate Members of Interbolsa, as the case may be.

The Issuer must give Interbolsa advance notice of all payments and provide all necessary information for that purpose, notably, the identity of the financial intermediary registered with Interbolsa appointed by the Issuer to act as the paying and calculation agent in respect of the Notes (the “**Paying Agent**”) and to perform the relevant payments, as provided for in the Paying Agency Agreement.

Prior to any payment, the Paying Agent shall provide Interbolsa with a statement of acceptance of its role of Paying Agent. Interbolsa must notify the Paying Agent of the amounts to be settled, which will be determined by Interbolsa on the basis of the balances of the accounts of the Affiliate Members of Interbolsa.

On the date on which any payment in respect of the Notes is to be made, the corresponding entries and counter-entries will be made by Interbolsa in the relevant current accounts held by the Paying Agent and by the Affiliate Members of Interbolsa.

References to Clearstream and/or Euroclear shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system.

CHAPTER 7

TERMS AND CONDITIONS OF THE NOTES

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes (as defined below) are not intended to be offered or sold to and should not be offered or sold to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, a “**retail investor**” means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 (as amended, the “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 (as amended, the “**PRiIPs Regulation**”) for offering or selling the Notes to retail investors in the EEA has been prepared. Offering or selling the Notes to any retail investor in the EEA may be unlawful under the PRiIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

The Notes are not intended to be offered or sold to and should not be offered or sold to any retail investor in the United Kingdom (the “**UK**”). For these purposes, a “**retail investor**” means a person who is one (or both) of: (i) a retail client, as defined in point (8) of Article 2 of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016, as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the “**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014, as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRiIPs Regulation, as it forms part of domestic law by virtue of the EUWA (the “**UK PRiIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRiIPs Regulation.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET

Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market

assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014, as it forms part of domestic law by virtue of the EUWA (the "**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

The €11,710,000 Floating Rate Notes due 2027 – Tranche 2 (the "**Notes**", which expression shall include, in these Conditions and unless the context otherwise requires, any further notes issued pursuant to Condition 11 and forming a single series with the Notes) of CUF, S.A. (formerly named "José de Mello Saúde, S.A."; the "**Issuer**") are issued on the Issue Date (as defined in Condition 15) and subject to and with the benefit of (i) an acceptance of orders agreement (*Contrato de Recepção de Ordens*) entered into between the Issuer, Banco Invest, S.A. and Haitong Bank, S.A., on 1 October 2021 (as amended and/or supplemented and/or restated from time to time), and (ii) a paying agency agreement (*Contrato de Agente Pagador*) entered into by the Issuer and Haitong Bank, S.A. on 7 November 2019 (such agreement, as amended and/or supplemented and/or restated from time to time, the "**Paying Agency Agreement**") under which Haitong Bank, S.A. (the "**Paying Agent**") is appointed by the Issuer as the paying agent for the Notes.

1. FORM, DENOMINATION, TITLE AND TRANSFER

1.1 FORM AND DENOMINATION

The Notes are issued in dematerialised book-entry form ("*forma escritural*") and nominative ("*nominativas*") form, in the denomination of €10,000 each.

The Notes are "*nominativas*" which means that Interbolsa, at the Issuer's request, can ask the Affiliate Members of Interbolsa for information regarding the identity of the holders of the Notes and transmit such information to the Issuer.

The Notes will be registered by, and held through, Interbolsa, as management entity of the CVM.

1.2 TITLE

Title to the Notes will be evidenced by book-entries in individual securities accounts held with the relevant Affiliate Member of Interbolsa, in accordance with the Portuguese Securities Code and the regulations issued by, or otherwise applicable to, Interbolsa.

Title to the Notes held through Interbolsa is subject to compliance with all applicable rules, restrictions and requirements of Interbolsa and Portuguese law.

No physical document of title will be issued in respect of the Notes held through Interbolsa.

1.3 NOTEHOLDER ABSOLUTE OWNER

Each person shown in the individual securities accounts of an Affiliate Member of Interbolsa as having an interest in the Notes shall (except as otherwise required by law) be deemed for all legal purposes as the holder of the principal amount of the Notes recorded (each, a “**Noteholder**”).

One or more certificates in relation to the Notes (each, a “**Certificate**”) will be delivered by the relevant Affiliate Member of Interbolsa in respect of a registered holding of Notes upon request by the relevant Noteholder and in accordance with that Affiliate Member of Interbolsa’s procedures, pursuant to article 78 of the Portuguese Securities Code.

The Issuer and the Paying Agent may (to the fullest extent permitted by the applicable laws) deem and treat the person or entity registered in each individual securities account of an Affiliate Member of Interbolsa as the holder of any Note and the absolute owner for all purposes. Proof of such registration is made by means of a Certificate.

1.4 TRANSFER OF NOTES

No Noteholder will be able to transfer the Notes, or any interest therein, except in accordance with Portuguese laws and regulations. Notes may only be transferred upon registration in the relevant individual securities accounts held with the relevant Affiliate Member of Interbolsa, in accordance with the applicable procedures established by the Portuguese Securities Code and regulations issued by the CMVM, CSSF, Euronext, Luxembourg Stock Exchange or Interbolsa, as the case may be.

2. STATUS OF THE NOTES AND ISSUER UNDERTAKINGS

2.1 STATUS OF THE NOTES

The Notes are direct, senior, unconditional and unsecured (subject to the provisions of Condition 2.2 (a)) and unsubordinated obligations of the Issuer and rank *pari passu*, without any preference among themselves (and save for certain obligations required to be preferred by any applicable law), equally with all other unsecured and unsubordinated obligations of the Issuer, from time to time outstanding.

The Notes issued hereunder (€11,710,000 Floating Rate Notes due 2027 – Tranche 2) will be fully fungible as from (and including) the interest payment date immediately following their admission to trading on Bourse de Luxembourg and Euronext Lisbon

regulated markets with the Notes issued by the Issuer on 22 November 2019 named “€50,000,000 Floating Rate Notes due 2027”.

2.2 ISSUER UNDERTAKINGS

(a) Negative Pledge

So long as any Note remains outstanding, the Issuer shall not create or permit the subsistence of any Security Interest to secure any indebtedness without at the same time, or prior thereto (a) securing the Notes through the creation of equivalent Security Interests in favour of the Noteholders or (b) providing such other security for the Notes as may be approved by an Extraordinary Resolution of Noteholders.

(b) Financial Covenant

So long as the Notes remain outstanding the Issuer shall ensure that:

- (i) the Net Debt to EBITDA Ratio is lower or equal to 6x, compliance with this covenant being assessed on a yearly basis based on the audited annual accounts of the Issuer; and
- (ii) the audited annual accounts of the Issuer are published and contain information required to assess the Net Debt to EBITDA Ratio within the legally applicable deadline for the Issuer to publish its audited annual accounts and, the latest, until, and including, 31 May of each year.

(c) Trading of the Notes in the regulated market of the Bourse de Luxembourg and Euronext Lisbon

So long as the Notes remain outstanding, the Issuer shall perform all and every acts available to it to ensure continued trading of the Notes on the Bourse de Luxembourg and/or Euronext Lisbon regulated markets, or on any other regulated market as the Issuer and the Noteholders may agree on from time to time.

(d) Set-off

All payments required to be made by the Issuer under the Notes shall be calculated without reference to any set-off or counterclaim that the Issuer may hold against any of the parties thereto or against the Noteholders, and shall be made free and clear of and without any deduction for or on account of any set-off or counterclaim the Issuer may hold against the Noteholders.

3. INTEREST

3.1 ACCRUAL OF INTEREST

Interest on the Notes, calculated in accordance with the Interest Rate, is payable in euro in arrear on each Interest Payment Date to or on behalf of the Noteholders registered in the individual securities accounts of each relevant Affiliate Member of Interbolsa, commencing on the First Interest Payment Date. For the avoidance of doubt, interest accrues on the Notes on a daily basis irrespective of whether such day is a Business Day.

3.2 CESSATION OF INTEREST

Interest (if any) will cease to accrue on each Note on the due date for redemption thereof, unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until the day on which all sums due in respect of such Note are received by or on behalf of the relevant Noteholder.

3.3 DEFAULT INTEREST

Interest on overdue principal and interest on the Notes, if any, will accrue from the due date up to the date of actual payment at a rate 3 per cent. higher than the Interest Rate then applicable to the Notes.

3.4 SCREEN RATE DETERMINATION

The Interest Rate applicable to the Notes for each Interest Period will be determined by the Paying Agent on the following basis:

- (i) the Paying Agent will determine the Euribor on the relevant Interest Determination Date;
- (ii) if Euribor does not appear on the relevant Screen Page or if the Screen Page is unavailable, the Paying Agent will:
 - (a) request to the principal Euro-zone office of each of the Reference Banks to provide a quotation of the Euribor at approximately 11.00 a.m. (Brussels time) on such Interest Determination Date; and
 - (b) determine the arithmetic mean of such quotations and the Interest Rate for such Interest Period shall be the sum of the Margin and the rate so determined, such Margin corresponding to the minimum Interest Rate; and
 - (c) if fewer than two such quotations are provided as requested, the Paying Agent will determine the arithmetic mean of the rates quoted by leading banks in the Euro-zone for loans in euros for a period equal to the Interest Period to leading European banks, determined by the Paying Agent, at approximately 11.00 a.m. (Brussels time) on such Interest Determination Date, after request of the principal office in the principal financial centre of the relevant Participating Member State of each such leading European bank, and the Interest Rate for such Interest Period shall be the sum of the Margin and the rate so determined, such Margin corresponding to the minimum Interest Rate,

provided, however, that if the Paying Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Interest Rate applicable to the Notes during such Interest Period will be the sum of the Margin and the rate last determined in relation to the Notes in respect of a preceding Interest Period, such Margin corresponding to the minimum Interest Rate.

3.5 BENCHMARK DISCONTINUATION

- (a) Notwithstanding the operation of Condition 3.4, if the Issuer, in consultation with the Paying Agent, determines that a Benchmark Event has occurred, when any Interest Rate (or the relevant component part thereof) remains to be determined by reference to a Reference Rate, then the following provisions shall apply.
- (b) The Issuer shall use its reasonable endeavours to appoint an Independent Adviser, no later than 5 (five) Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 3.5(c)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 3.5(d)) and any Benchmark Amendments (in accordance with Condition 3.5(e)). For the avoidance of doubt, the Independent Adviser if acting in good faith and, in the absence of bad faith or fraud, shall have no liability whatsoever to the Issuer, the Paying Agent, the Noteholders and the common representative (if the same has been appointed).

If (i) the Issuer is unable, having used its reasonable endeavours, to appoint an Independent Adviser or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate and, in each case, an Adjustment Spread, in accordance with this Condition 3.5 prior to the date which is 3 (three) Business Days prior to the relevant Interest Determination Date, the Reference Rate applicable to the immediate following Interest Period shall be the Reference Rate applicable as at the last preceding Interest Determination Date. If there has not been a first Interest Payment Date, the Reference Rate shall be the Reference Rate applicable to the first Interest Period. For the avoidance of doubt, any adjustment pursuant to this final paragraph of Condition 3.5 shall apply to the immediately following Interest Period only. Any subsequent Interest Period may be subject to the subsequent operation of this Condition 3.5.

- (c) If the Independent Adviser determines in its discretion that:
 - (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 3.5(d)) subsequently be used in place of the Reference Rate to determine the Interest Rate for the immediately following Interest Period and all following Interest Periods, subject to the subsequent operation of this Condition 3.5; or
 - (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 3.5(d)) subsequently be used in place of the Reference Rate to determine the Interest Rate for the immediately following Interest Period and all following Interest Periods, subject to the subsequent operation of this Condition 3.5.

(d) If a Successor Rate or Alternative Rate is determined in accordance with Condition 3.5(c), the Independent Adviser shall determine an Adjustment Spread (which may be expressed as a specified quantum or a formula or methodology for determining the applicable Adjustment Spread), which Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be), subject to the subsequent further operation and adjustment as provided in this Condition 3.5. For the avoidance of doubt, an Adjustment Spread may be positive, negative or zero.

(e) If any relevant Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 3.5 and the Independent Adviser determines in its discretion:

(i) that amendments to these Conditions, and/or the Paying Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the “**Benchmark Amendments**”); and

(ii) the terms of the Benchmark Amendments,

then the Issuer shall, subject to giving notice thereof in accordance with Condition 3.5(f), without any requirement for the consent or approval of relevant Noteholders, vary these Conditions or the Paying Agency Agreement to the extent necessary to give effect to such Benchmark Amendments with effect from the date specified in such notice.

The Paying Agent shall, at the request and expense of the Issuer and without the requirement for any consent or approval of the Noteholders, concur with the Issuer in effecting any Benchmark Amendments as may be required in order to give effect to this Condition 3.5(e), subject to receipt by the Paying Agent of the certificate referred to in Condition 3.5(g) below, provided however, that the Paying Agent shall not be obliged so to concur if in its opinion doing so would have the effect of imposing more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions in these Conditions or the Paying Agency Agreement.

(f) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 3.5 will be notified promptly by the Issuer to the Paying Agent and, in accordance with Condition 9, to the Noteholders and the common representative (if the same has been appointed). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(g) No later than notifying the Paying Agent of the same, the Issuer shall deliver to the Paying Agent a certificate signed by two of its Directors:

(i) confirming (x) that a Benchmark Event has occurred, (y) the relevant Successor Rate, or, as the case may be, the relevant Alternative Rate

and, (z) where applicable, any relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 3.5; and

- (ii) certifying that the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate, Alternative Rate and/or Adjustment Spread.

The Paying Agent shall be entitled to rely on such certificate (without further enquiry and without liability to any person) as sufficient evidence thereof.

- (h) The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of such Successor Rate or Alternative Rate and such Adjustment Spread (if any) and such Benchmark Amendments (if any)) be binding on the Issuer, the Paying Agent, the Noteholders and the common representative (if the same has been appointed).
- (i) Without prejudice to the obligations of the Issuer under Condition 3.5(b), (c), (d) and (e), the Reference Rate and the fallback provisions provided for in Condition 3.4 will continue to apply unless and until the Paying Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), the applicable Adjustment Spread and Benchmark Amendments (if applicable), in accordance with Condition 3.5(f).
- (j) If, in the case of any Benchmark Event, any Successor Rate, Alternative Rate and/or Adjustment Spread is notified to the Paying Agent and the Paying Agent is in any way uncertain as to the application of such Successor Rate, Alternative Rate and/or Adjustment Spread in the calculation or determination of any Interest Rate (or any component part thereof), it shall promptly notify the Issuer thereof and the Issuer shall direct the Paying Agent in writing (which direction may be by way of a written determination of an Independent Advisor) as to which course of action to adopt in the application of such Successor Rate, Alternative Rate and/or Adjustment Spread in the determination of such Interest Rate.

If the Paying Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Paying Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so. For the avoidance of doubt, for the period that the Paying Agent remains uncertain of the application of the Successor Rate, Alternative Rate and/or Adjustment Spread in the calculation or determination of any Interest Rate (or any component part thereof), the Reference Rate and the fallback provisions provided for in Conditions 3.4 will continue to apply.

As used in this Condition 3.5:

Where the context so permits, “**Reference Rate**” includes any Successor Rate or Alternative Rate that has replaced the Reference Rate.

“**Adjustment Spread**” means either a spread (which may be positive, negative or zero), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (ii) (if no such recommendation has been made, or in the case of an Alternative Rate), the Independent Adviser determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or
- (iii) (if no such recommendation has been made, or in the case of an Alternative Rate) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (iv) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines to be appropriate.

“**Alternative Rate**” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 3.5(c) is customary in market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) in Euro.

“**Benchmark Event**” means:

- (i) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or
- (ii) a public statement by the administrator of the relevant Reference Rate that it has ceased, or will, by a specified date within the following 6 (six) months, cease, publishing such Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate); or

- (iii) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a specified date within the following 6 (six) months, be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will, by a specified date within the following 6 (six) months, be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or
- (v) a public statement by the supervisor of the administrator of the relevant Reference Rate that, in the view of such supervisor, such Reference Rate is no longer representative of an underlying market; or
- (vi) it has or will, by a specified date within the following 6 (six) months, become unlawful for the Paying Agent to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable).

“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense under Condition 3.5(b).

“Relevant Nominating Body” means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

“Successor Rate” means a successor to or replacement of the Reference Rate which is formally recommended by any Relevant Nominating Body.

3.6 CALCULATION OF INTEREST AMOUNT

The Paying Agent will, as soon as practicable after the time at which the Interest Rate is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period.

The Interest Amount will be calculated by multiplying the Interest Rate for such Interest Period by the Principal Amount Outstanding, and multiplying the product by the relevant Day Count Fraction, and rounding the resultant figure to the nearest euro cent (half a euro cent being rounded upwards).

Interest on the Notes will be paid to the Affiliate Members of Interbolsa for distribution by them to the accounts of the entitled Noteholders in accordance with Interbolsa's standard rules and operating procedures.

3.7 PUBLICATION

The Issuer will cause each Interest Rate and Interest Amount determined by the Paying Agent, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by the Paying Agent together with any relevant payment date(s), to be notified to each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation, as soon as practicable after such determination but (in the case of each Interest Rate, Interest Amount and Interest Payment Date) in any event not later than the 4th (fourth) Business Day of the relevant Interest Period. Notice thereof shall also promptly be given by the Issuer to the Noteholders. The Paying Agent will be entitled to recalculate any Interest Amount (based on the foregoing provisions) without providing notice in the event of an extension or shortening of the relevant Interest Period.

3.8 NOTIFICATIONS, ETC.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Paying Agent will (in the absence of manifest error) be binding on the Issuer and the Noteholders and (subject as aforesaid) no liability to any such Person will attach to the Paying Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

4. PAYMENTS

4.1 PAYMENTS IN RESPECT OF THE NOTES

Payment of principal and interest in respect of the Notes will be (i) credited, according to the procedures and regulations of Interbolsa, by the Paying Agent to the payment current account the Paying Agent uses for payments in respect of securities held through Interbolsa, (ii) transferred, on the relevant payment date, from the payment current account which the Paying Agent uses for payments in respect of securities held through Interbolsa to the payment current accounts held according to the applicable procedures and regulations of Interbolsa by the relevant Affiliate Members of Interbolsa whose control accounts with Interbolsa are credited with such Notes, and thereafter (iii) transferred by such Affiliate Members of Interbolsa from the respective above mentioned payment current accounts to the accounts of the Noteholders or of Euroclear or Clearstream, Luxembourg held with said Affiliate Members of Interbolsa, as the case may be.

4.2 NOTIFICATION OF NON-PAYMENT

If the Issuer determines that it will not be able to pay the full amount of principal and/or interest in respect of the Notes on the relevant due date, the Issuer will, in accordance with Condition 9, promptly give notice to the Noteholders of its inability to make such payment.

4.3 NOTIFICATION OF LATE PAYMENT

If the Issuer expects to pay the full amount in respect of the Notes at a date later than the date on which such payments are due, the Issuer will, in accordance with Condition 9, give notice of such late payment to the Noteholders.

4.4 PAYMENTS SUBJECT TO APPLICABLE LAWS

Payments in respect of principal and interest on the Notes are subject, in all cases, to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 6.

4.5 PAYMENTS ON BUSINESS DAYS

If the date for payment of any amount in respect of any Note is not a Business Day, the Noteholder thereof shall not be entitled to payment until the next Business Day and shall not be entitled to further interest or other payment in respect of such delay.

4.6 PAYING AGENT

The paying agent appointed by the Issuer in connection with the Issue of the Notes is Haitong Bank, S.A., with head office at Rua Alexandre Herculano, no. 38, 1269-180 Lisbon, Portugal (the **"Paying Agent"**).

The Issuer reserves the right to vary or terminate the appointment of the Paying Agent and to appoint additional or other paying agents in case the Paying Agent fails to comply with any obligation under the Paying Agency Agreement and provided that there will, at all times, be a Paying Agent in Portugal capable of making payments in respect of the Notes, as contemplated by these Conditions, the Paying Agency Agreement and applicable Portuguese laws and regulations.

Notice of any termination or appointment and of any changes in specified offices will be promptly given to the Noteholders by the Issuer, in accordance with Condition 9.

5. REDEMPTION AND PURCHASE

5.1 INVESTOR PUT OPTION – NO LISTING²

If the prospectus pertaining to the admission to trading of the Notes in Bourse de Luxembourg is not approved by CSSF and the admission to trading of the Notes in Bourse de Luxembourg does not occur until 31 December 2021 for reasons essentially attributable to the Issuer (the **"Relevant Event – No Listing"**), then the Issuer shall

² Applicable only if the Issue Date and the Listing Date are not the same.

immediately notify the Noteholders and the common representative (if the same has been appointed) in accordance with Condition 9, with copy to the Paying Agent.

If the Relevant Event – No Listing occurs, each Noteholder may, within 30 (thirty) days as from the date on which the Relevant Event – No Listing has been notified by the Issuer to the Noteholders in accordance with Condition 9 or, in the absence of such notice, as from the date on which the relevant Noteholder becomes aware that the Relevant Event – No Listing has occurred, request the Issuer to redeem all of the Notes then outstanding held by such Noteholder at 100 per cent. of their nominal amount on the 15th (fifteenth) day as from the date of delivery of the relevant notice, with interest accrued at the applicable Interest Rate plus a rate of 1 per cent. per year to (but excluding) the relevant redemption date. Noteholders that fail to notify the Issuer within the 30 (thirty) days' period referred to above, are deemed to have waived their put option upon the occurrence of the Relevant Event - No Listing.

To exercise the right to require redemption of the Notes under this Condition 5.1, the relevant Noteholder must deliver, at the specified office of the Paying Agent at any time during normal business hours, a duly completed and signed notice of exercise in the form obtainable from any specified office of the Paying Agent and attached as a schedule to the Paying Agency Agreement (a **"Put Notice – No Listing"**). The relevant Noteholder shall specify/complete/ provide such information as required in the Put Notice – No Listing as attached to the Paying Agency Agreement, including a certificate of ownership and blocking issued by the relevant Affiliate Member of Interbolsa through which the Notes are held. Any Put Notice – No Listing given by a Noteholder pursuant to this Condition 5.1 shall be irrevocable.

The right to require redemption of the Notes by the Issuer will be exercised directly against the Issuer as described in this Condition 5.1, and subject to the terms of the Paying Agency Agreement.

5.2 INVESTOR PUT OPTION – BREACH OF RATIO

If:

- (i) the audited annual accounts of the Issuer reveal that the Total Equity to Total Assets Ratio is equal to or lower than 11.5 per cent. and the immediately following unaudited half-year accounts of the Issuer reveal that the Total Equity to Total Assets Ratio continues to be equal to or lower than 11.5 per cent.; or
- (ii) the audited annual accounts of the Issuer reveal that the Total Equity to Total Assets Ratio is equal to or lower than 11.5 per cent. and the immediately following unaudited half-year accounts of the Issuer and the immediately following audited annual accounts of the Issuer (this latter audited annual accounts of the Issuer being referred as the **"Second Consecutive Annual Accounts"**) reveal that the Total Equity to Total Assets Ratio continues to be equal to or lower than 11.5 per cent. and no put option has been exercised during this period; or

- (iii) the audited annual accounts or the unaudited half-year accounts of the Issuer are not published, or do not contain information required to assess the Total Equity to Total Assets Ratio, until, and including, 30 (thirty) days after the date on which the relevant accounts are due to be published in accordance with the applicable legal provisions

(each, a “**Relevant Event – Breach of Ratio**”),

then the Issuer shall immediately notify the Noteholders and the common representative (if the same has been appointed) in accordance with Condition 9, with copy to the Paying Agent.

The Total Equity to Total Assets Ratio calculated based on the audited annual accounts or the unaudited half-year accounts of the Issuer, as the case may be, shall be confirmed by a statement signed by two directors of the Issuer that must be made available to the common representative (if the same has been appointed) and to the Paying Agent together with the relevant accounts when the same are published, such statement constituting (unless the contrary be proven) sufficient evidence of its contents. For the avoidance of doubt, failure to deliver the aforementioned statement as provided for herein is equivalent to the occurrence of the related Relevant Event – Breach of Ratio.

If the Relevant Event – Breach of Ratio occurs, each Noteholder may:

- (i) until, and including, 30 (thirty) days after the date on which the unaudited half-year accounts of the Issuer revealing that the Total Equity to Total Assets Ratio continues to be equal to or lower than 11.5 per cent. have been published, in the case of sub-paragraph (i) of the first paragraph of this Condition 5.2; or
- (ii) until, and including, 30 (thirty) days after the date on which the Second Consecutive Annual Accounts of the Issuer revealing that the Total Equity to Total Assets Ratio continues to be equal to or lower than 11.5 per cent. have been published, in the case of sub-paragraph (ii) of the first paragraph of this Condition 5.2; or
- (iii) until, and including, 60 (sixty) days after the date on which the audited annual accounts or the unaudited half-year accounts of the year during which the relevant accounts of the Issuer, as the case may be, are due to be published in accordance with the applicable legal provisions, in the case of sub-paragraph (iii) of the first paragraph of this Condition 5.2,

request the Issuer to redeem all of the Notes then outstanding held by such Noteholder at 100 per cent. of their nominal amount on the 60th (sixtieth) day as from the date of delivery of the relevant notice, with interest accrued at the applicable Interest Rate to (but excluding) the relevant redemption date. Noteholders that fail to notify the Issuer within the deadlines referred to above in this paragraph, are deemed to have waived their put option upon the occurrence of the Relevant Event – Breach of Ratio.

To exercise the right to require redemption of the Notes under this Condition 5.2, the relevant Noteholder must deliver, at the specified office of the Paying Agent at any time

during normal business hours, a duly completed and signed notice of exercise in the form obtainable from any specified office of the Paying Agent and attached as a schedule to the Paying Agency Agreement (a “**Put Notice – Breach of Ratio**”). The relevant Noteholder shall specify/complete/ provide such information as required in the Put Notice – Breach of Ratio as attached to the Paying Agency Agreement, including a certificate of ownership and blocking issued by the relevant Affiliate Member of Interbolsa through which the Notes are held. Any Put Notice – Breach of Ratio given by a Noteholder pursuant to this Condition 5.2 shall be irrevocable.

The right to require redemption of the Notes by the Issuer will be exercised directly against the Issuer as described in this Condition 5.2, and subject to the terms of the Paying Agency Agreement.

5.3 REDEMPTION ON THE MATURITY DATE

Unless the Notes are previously redeemed or purchased and cancelled as provided below, each Note shall be finally redeemed by the Issuer on the Maturity Date at its Principal Amount Outstanding.

5.4 PURCHASE

Subject to the applicable laws and regulations in force from time to time, the Issuer may, at any time, purchase Notes in the secondary market or otherwise at any price.

5.5 CANCELLATIONS

All Notes which are (a) redeemed or (b) purchased by or on behalf of the Issuer will forthwith be cancelled by Interbolsa, and accordingly, said Notes may not be held, reissued or resold and shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders, for the purposes of Condition 10.1 or for the purposes of the Paying Agency Agreement.

6. TAXATION

6.1 PAYMENTS OF INTEREST WITHOUT WITHHOLDING OR DEDUCTION

All payments in respect of the Notes by or on behalf of the Issuer will be made without any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed or levied by or on behalf of a Relevant Jurisdiction, unless the withholding or deduction of such Taxes is required by law.

In such event, the Issuer will pay such additional amounts to ensure the receipt by the relevant Beneficiaries of the amounts that would have been received by them had no such withholding or deduction been required, except that no additional amounts shall be payable in relation to any payment in respect of any Note:

- (a) to, or to a third party on behalf of, a Beneficiary who is liable to the Taxes in respect of the Note by reason of having some connection with the Relevant Jurisdiction other than the mere holding of the Note; or

- (b) to, or to a third party on behalf of, a Beneficiary in respect of whom the information required in order to comply with Decree-Law no. 193/2005, of 7 November 2005, as amended ("**Debt Securities Taxation Act**"), and any implementing legislation, is not received by the Affiliate Member of Interbolsa with which securities are registered in the name of the Beneficiary, no later than the 1st (first) Business Day prior to the Relevant Date (as defined in Condition 6.2.(a)), or which does not comply with the formalities to benefit from tax treaty benefits, when applicable; or
- (c) to, or to a third party on behalf of, a Beneficiary (i) resident for tax purposes in the Relevant Jurisdiction or when the investment income is imputable to a permanent establishment of the Beneficiary located in Portuguese territory, or (ii) resident in a tax haven jurisdiction, as defined in Ministerial Order ("*Portaria*") 150/2004, of 13 February 2004, as amended from time to time, with the exception of (a) central banks and governmental agencies, as well as international institutions recognised by the Relevant Jurisdiction, of those tax haven jurisdictions, and (b) tax haven jurisdictions which have a double taxation treaty in force or a tax information exchange agreement in force with the Relevant Jurisdiction; or
- (d) to, or to a third party on behalf of, (i) a Portuguese resident legal entity subject to Portuguese corporate income tax, with the exception of entities that benefit from a waiver of Portuguese withholding tax or from Portuguese income tax exemptions, or (ii) a legal entity not resident in Portuguese territory acting with respect to the holding of the Notes through a permanent establishment in Portuguese territory, with the exception of entities that benefit from a waiver of Portuguese withholding tax (for the avoidance of doubt, an Affiliate of Interbolsa holding Notes on behalf of a Noteholder should not be considered as having a permanent establishment in Portuguese territory); or
- (e) presented for payment by or on behalf of a Noteholder who would not be liable for or subject to the withholding or deduction by making a declaration of non-resident or other similar claim for exemption to the relevant tax authority; and/or
- (f) presented for payment into an account held on behalf of undisclosed beneficial owners when such beneficial owners are not disclosed for purposes of payment and such disclosure is required by law.

6.2 INTERPRETATION

In these Conditions:

- (a) "**Relevant Date**" means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Paying Agent on or before the due date, it means the date on which, the full amount of the money having been received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 9;

- (b) **“Relevant Jurisdiction”** means the Republic of Portugal or any political subdivision or any authority thereof or therein having power to tax, or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer, as the case may be, becomes subject in respect of payments made by it of principal and interest on the Notes; and
- (c) **“Beneficiary”** means the holder of the Notes who is the effective beneficiary of the income arising thereto.

6.3 ADDITIONAL AMOUNTS

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 6 or under any undertakings given in addition to, or in substitution for, this Condition 6.

7. PRESCRIPTION

Claims against the Issuer in respect of the Notes will become void unless made within periods of 20 years in the case of principal, and 5 years in the case of interest from the Relevant Date (as defined in Condition 6.2. (a)) in respect of the Notes.

8. EVENTS OF DEFAULT

8.1 Events of Default

If any of the following events occurs and is continuing:

- (a) *Non-payment*: the Issuer fails to pay any amount of principal or interest in respect of the Notes, unless the failure is remedied, in the case of principal, within 3 (three) Business Days after the relevant payment date or, in the case of interest, within 10 (ten) Business Days after the relevant Interest Payment Date; or
- (b) *Breach of other obligations or undertakings*: the Issuer fails to perform any other obligation relating to the Notes, unless the relevant failure, being reparable, is remedied within 30 (thirty) days (or in a longer period allowed by the common representative of the Noteholders (if any) or by the Noteholders), as from the date on which notice to this effect is given to the Issuer; or
- (c) *Cross acceleration*: the occurrence of an event of default under any loan, credit facility, guarantee or other commitment with financial implications, entered into by the Issuer or a Relevant Subsidiary with the Portuguese financial system or abroad, or under obligations arising from the issue of securities or monetary values of any kind by the Issuer or a Relevant Subsidiary, provided that the amount in question exceeds €10,000,000 (or its equivalent in another currency), considered individually or in aggregate; or
- (d) *Proceedings*: one or more final judicial or administrative decisions in respect of the Issuer or a Relevant Subsidiary where there is no possibility for defence or appeals or the filing of one or more judicial or administrative proceedings in

respect of the Issuer or a Relevant Subsidiary, unless the Issuer or the Relevant Subsidiary fully pays the value in question within 60 (sixty) days of the filing of the court proceedings or notice of the tax or Social Security debt assessment, or the existence of a tax or Social Security debts enforcement proceeding in respect of the Issuer or a Relevant Subsidiary, unless (i) the Issuer or such Relevant Subsidiary, as the case may be, provides a suitable guarantee to suspend such enforcement proceeding or (ii) such proceeding is being contested by appropriate means by the Issuer or such Relevant Subsidiary, as the case may be, and the Issuer or such Relevant Subsidiary, as the case may be, has been advised by recognised independent legal advisers of good repute that it is reasonable to do so. Additionally, in any of the cases above whenever the decision or proceedings determines the Issuer or such Relevant Subsidiary's responsibility in an amount exceeding €10,000,000 (or its equivalent in another currency), considered individually or in aggregate; or

- (e) *Enforcement proceedings:* the filing of an enforcement proceeding imposed on all or a substantial part of the assets of the Issuer or a Relevant Subsidiary, unless (i) the Issuer or such Relevant Subsidiary, as the case may be, provides a suitable guarantee to suspend such proceeding or (ii) such proceeding is being contested by appropriate means by the Issuer or such Relevant Subsidiary, as the case may be, and the Issuer or such Relevant Subsidiary, as the case may be, has been advised by recognised independent legal advisers of good repute that it is reasonable to do so; or
- (f) *Insolvency:* (i) the Issuer or a Relevant Subsidiary expressly acknowledges the impossibility of fully and duly paying its debts as they fall due, or if the Issuer or a Relevant Subsidiary cease payments in general; (ii) the Issuer or Relevant Subsidiary requests its insolvency declaration, or declaration of insolvency of the Issuer or a Relevant Subsidiary is requested by a third party, unless the Issuer or the Relevant Subsidiary submits its statement of defence within the legal timeframe and has been advised by recognised independent legal advisers of good repute that it is reasonable to do so; (iii) the Issuer or Relevant Subsidiary is declared insolvent by a competent judicial court or, in the scope of an insolvency proceeding, an agreement is concluded with, or assigned to the benefit of, general creditors of the Issuer or Relevant Subsidiary; or (iv) an insolvency administrator or other equivalent entity is appointed for the Issuer or a Relevant Subsidiary in relation to the whole or a substantial part of the Issuer or Relevant Subsidiary's assets; or
- (g) *Pari passu and Issuer undertakings:* the Issuer breaches any of the undertakings set forth in Condition 2.1 and 2.2; or
- (h) *Change of control:* (i) José de Mello Capital, S.A. ceases to hold, directly or indirectly, the majority of the share capital and/or voting rights of the Issuer, or (ii) the Issuer ceases to hold, directly or indirectly, the majority of the share capital and/or voting rights of any Relevant Subsidiary; or

- (i) *Validity*: the validity of the Notes is contested by the Issuer or the Issuer denies any of its obligations under the Notes (whether by a general suspension of payments or a moratorium on the payment of debt or otherwise), or it is or becomes unlawful for the Issuer to perform or comply with all or any of its obligations set out in the Notes, or any such obligations are or become unenforceable or invalid, in each case as a result of any law or regulation in the Portuguese Republic or any ruling of any court in the Portuguese Republic whose decision is final and unappealable; or
- (j) *Cessation of business*: If the Issuer or a Relevant Subsidiary ceases all or a substantial part of its business, or if an event occurs (including the approval of resolutions by the competent boards or the loss or suspension of any license or authorisation relevant to the exercise of its business) which (i) determines, under the applicable law, the dissolution or liquidation of the Issuer or a Relevant Subsidiary, except if such event occurs in the context of a solvent corporate reorganisation involving the Issuer, or (ii) causes a material adverse change in the normal business activities carried out by the Issuer or a Relevant Subsidiary; or
- (k) *Analogous event*: any event occurs which the Issuer has, directly or indirectly, caused and which has an analogous effect to any of the events referred to in this Condition 8.1.

then (i) the holder of any Note may declare such Note immediately due and payable, or (ii) the Noteholders may, by means of an Extraordinary Resolution, declare all the Notes – in each case by written notice addressed to the Issuer and delivered to the Issuer and to the Paying Agent – immediately due and payable, whereupon, in the case of paragraph (i) above, such Note and, in the case of paragraph (ii) above, all the Notes, shall become immediately due and payable at their principal amount together with accrued interest without further action or formality.

8.2 Notification of the Noteholders

Immediately upon becoming aware of the occurrence of an Event of Default, or of any event likely to cause an Event of Default, the Issuer shall forthwith notify the Noteholders.

9. NOTICES

Notices to the Noteholders shall be valid if published on the Luxembourg Stock Exchange official website (www.bourse.lu) and/or the CMVM's website (www.cmvm.pt) and/or the Euronext's official bulletin. Any notice shall be deemed to have been given on the date of publication or, if published more than once or on different dates, on the date of first publication, or, if applicable, on the day after being mailed.

10. MEETINGS OF NOTEHOLDERS AND MODIFICATION

10.1 MEETINGS OF NOTEHOLDERS

Meetings of the Noteholders to consider any matter affecting their interests, including the modification or abrogation of any of these Conditions by Extraordinary Resolution and the appointment or dismissal of a common representative, are governed by the Portuguese Commercial Companies Code.

Request for Meetings

Meetings may be convened by a common representative (if any) or by the chairman of the general meeting of shareholders of the Issuer before the appointment of, or in case of refusal to convene the meeting by, a common representative, and when the common representative and the chairman of the general meeting of shareholders refuse to convene a meeting, Noteholders holding not less than 5 per cent. in principal amount of the Notes for the time being outstanding may petition the court to order the convening of a meeting.

Quorum

The quorum required for a convened meeting to pass a resolution other than an Extraordinary Resolution will be any person or persons holding or representing the Notes then outstanding, regardless of the principal amount thereof; and an Extraordinary Resolution will require the attendance of a person or persons holding or representing at least 50 per cent. of the principal amount of the Notes then outstanding or, at any adjourned meeting, the attendance of a person or persons holding or representing the Notes then outstanding, independently of the principal amount thereof.

Majorities

The majority required to pass a resolution other than an Extraordinary Resolution is the majority of the votes cast at the relevant meeting; the majority required to pass an Extraordinary Resolution, including, without limitation, a resolution relating to the modification or abrogation of certain provisions of these Conditions, is of at least 50 per cent. of the principal amount of the Notes then outstanding or, at any adjourned meeting, 2/3 of the votes cast at the relevant meeting.

Resolutions passed at any meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting or have voted against the approved resolutions.

Resolutions involving the increase of charges to Noteholders require unanimity to be approved.

10.2 APPOINTMENT, DISMISSAL AND SUBSTITUTION OF COMMON REPRESENTATIVE

Pursuant to, and in accordance with, the relevant provisions of the Portuguese Commercial Companies Code, a common representative may be appointed after the Issue Date.

The dismissal and substitution of a common representative, pursuant to the relevant provisions of the Portuguese Commercial Companies Code, shall be made by way of a resolution passed by the Noteholders for such purpose, pursuant to these Conditions and the relevant provisions of the Portuguese Commercial Companies Code.

All fees, commissions and expenses related to the functions of the common representative shall be borne by the Issuer.

10.3 NOTIFICATION TO THE NOTEHOLDERS

Any modification, abrogation, waiver or authorisation, in accordance with this Condition 10, shall be binding on all Noteholders and shall be notified by the Issuer to the Noteholders as soon as practicable thereafter, in accordance with Condition 9.

10.4 BENCHMARK AMENDMENTS

The common representative (if the same has been appointed) shall be obliged in certain circumstances to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Amendments on the basis set out in Condition 3.5 without the consent or approval of the Noteholders subject to the provisions therewith.

11. FURTHER ISSUES

The Issuer is at liberty from time to time, subject to the Conditions and without the consent of the Noteholders to create and issue further notes or bonds either ranking *pari passu* in all respects (or in all respects save for the first payment of interest thereon) and so that the same shall be consolidated and form a single series with the outstanding notes or bonds of any series (including the Notes).

12. GOVERNING LAW AND SUBMISSION TO JURISDICTION

12.1 GOVERNING LAW

The Notes, and any non-contractual obligations arising out of or in connection with them, are governed by, and will be construed in accordance with, Portuguese law.

12.2 JURISDICTION

The courts of Lisbon, Portugal shall have jurisdiction to settle any proceedings arising out of or in connection with the Notes.

13. ADMISSION OF THE NOTES TO TRADING ON THE REGULATED MARKET

The Notes shall be admitted to trading on the Bourse de Luxembourg regulated market on the Listing Date, being subject to dual-listing in the Euronext Lisbon regulated market at a later date, as soon as reasonably possible.

14. SUBSCRIPTION AND SALE

The minimum subscription amount in the primary market has been €100,000 per Noteholder and any offer, sale, distribution or transfer, in any way, of the Notes in the secondary market must at all times be made in accordance with the laws and regulations

applicable in the relevant jurisdiction where such offer, sale, distribution or transfer is made or deemed to be made, including in what concerns public offers.

15. DEFINITIONS

In these Conditions the following expressions have the following meanings:

“Adjustment Spread” has the meaning ascribed thereto in Condition 3.5;

“Affiliate Member of Interbolsa” means any financial intermediary licensed to act as such and entitled to hold control accounts with Interbolsa;

“Alternative Rate” has the meaning ascribed thereto in Condition 3.5;

“Benchmark Amendments” has the meaning ascribed thereto in Condition 3.5;

“Benchmark Event” has the meaning ascribed thereto in Condition 3.5;

“Bourse de Luxembourg” means the regulated market so named, managed by the Luxembourg Stock Exchange;

“Business Day” means, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Lisbon and the Trans-European Automated Real-Time Gross Settlement Express Transfer (**“TARGET2”**) System is open;

“Clearstream” means Clearstream Banking, société anonyme;

“CMVM” means the *Comissão do Mercado de Valores Mobiliários*, the Portuguese Securities Market Commission;

“CSSF” means the *Commission de Surveillance du Secteur Financier*, the Luxembourg Securities Market Commission;

“CVM” means the *Central de Valores Mobiliários*, the Portuguese Centralised System of Registration of Securities managed by Interbolsa;

“Day Count Fraction” means, in respect of the calculation of an amount for any period of time (the **“Calculation Period”**), Actual/360, i.e. the actual number of days in the Calculation Period divided by 360, provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

“EBITDA” means the consolidated profit of the Issuer before interest, taxes, depreciations, provisions and other non-operating expenses and incomes for any 12 (twelve) month period ending on the last day of audited financial statements for each financial year;

“Euribor” means, on any Interest Determination Date, the offered quotations for euro interbank term deposits for 6 (six) months by reference to the Screen Page as at or about 11.00 a.m. (Brussels time) on that date, provided, however, that if Euribor is less than

zero, then Euribor shall be deemed to be zero; if Euribor cannot be thus determined, the Interest Rate shall be determined according to Condition 3.4;

“Euronext” means Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.;

“Euronext Lisbon” means the regulated market so named, managed by Euronext;

“Euroclear” means Euroclear Bank SA/NV;

“Event of Default” means any of the events listed in Condition 8;

“Extraordinary Resolution” means a resolution passed at a meeting of Noteholders in respect of any of the following matters: (i) to change any date fixed for payment of principal or interest in respect of the Notes, reduction of the amount of principal or interest due on any date in respect of the Notes, or variation in the method of calculating the amount of any payment in respect of the Notes on redemption or maturity; (ii) to change the currency in which amounts due in respect of the Notes are payable; (iii) to approve the modification or abrogation of any of the provisions of these Conditions; (iv) to approve any amendment of this definition; and (v) to approve any other matter in respect of which these Conditions require an Extraordinary Resolution to be passed;

“First Interest Payment Date” means 22 January 2022;

“Independent Adviser” has the meaning ascribed thereto in Condition 3.5;

“Interbolsa” means Interbolsa - Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A.;

“Interest Amount” means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

“Interest Determination Date” means the 2nd (second) Target2 Business Day prior to the Issue Date or any Interest Payment Date of the relevant Interest Period, as the case may be;

“Interest Payment Date” means the First Interest Payment Date, the date that falls every 6 (six) months after the First Interest Payment Date (up to the Maturity Date) and the Maturity Date;

“Interest Period” means each period beginning on (and including) the Issue Date or any Interest Payment Date and ending on (but excluding) the First Interest Payment Date or the next Interest Payment Date, as the case may be;

“Interest Rate” means an annual rate equal to the Euribor plus the Margin per annum, payable semi-annually in arrear;

“Issue Date” means 28 October 2021;

“Listing Date” means the date on or around 5 November 2021;

“Luxembourg Stock Exchange” means Société de la Bourse de Luxembourg S.A.;

“Margin” means 3.875 per cent. per annum;

“Maturity Date” means the Interest Payment Date falling on 22 January 2027;

“Net Debt” means any type of short, medium and long term indebtedness duly remunerated, notably debts to credit institutions, bonds, commercial paper programmes, refundable incentives subject to the payment of interests or not, recourse factoring, leasing, discounted bills and other loans, deducting all cash, bank deposits and other financial instruments;

“Net Debt to EBITDA Ratio” means the ratio calculated by dividing the Net Debt by the EBITDA;

“Noteholder” means each person shown in the individual securities accounts of an Affiliate Member of Interbolsa as having an interest in the Notes;

“Person” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“Portuguese Commercial Companies Code” means *Código das Sociedades Comerciais*, approved by Decree-Law no. 262/86, of 2 September, as amended from time to time;

“Portuguese Securities Code” means *Código dos Valores Mobiliários*, approved by Decree-Law no. 486/99, of 13 November, as amended from time to time;

“Principal Amount Outstanding” means, on any day, (i) in relation to a Note, the principal amount of that Note upon issue; and (ii) in relation to the Notes outstanding at any time, the aggregate amount in (i) with respect to all Notes outstanding;

“Put Notice – Breach of Ratio” has the meaning ascribed thereto in Condition 5.2;

“Put Notice – No Listing” has the meaning ascribed thereto in Condition 5.1;

“Reference Banks” means four leading banks active in the Euro-zone Interbank Market selected by the Paying Agent;

“Reference Rate” has the meaning ascribed thereto in Condition 3.5;

“Relevant Event – Breach of Ratio” has the meaning ascribed thereto in Condition 5.2;

“Relevant Event – No Listing” has the meaning ascribed thereto in Condition 5.1;

“Relevant Nominating Body” has the meaning ascribed thereto in Condition 3.5;

“Relevant Subsidiary” means any company in a group relationship (*relação de grupo*) with the Issuer due to the fact that the issuer is the sole shareholder thereof and that on each given moment complies with one of the following requirements:

- (i) whose EBITDA, according with the latest audited annual accounts approved by the General Meeting, is equal to or greater than 10 per cent. of the consolidated EBITDA of the Issuer (according to the latest audited consolidated annual accounts approved by the General Meeting), or
- (ii) whose total assets, according to the latest audited annual accounts approved by the General Meeting, are equal to or greater than 10 per cent. of the total

consolidated assets of the Issuer (according to the latest audited annual consolidated accounts approved by the General Meeting annual consolidated accounts), or

- (iii) whose operating income, according to the latest audited annual accounts approved by the General Meeting, is equal to or greater than 10 per cent. of the total consolidated operating income of the Issuer (according to the latest audited consolidated annual accounts approved by the General Meeting);

“Screen Page” means the display as quoted on Reuters screen page “EURIBOR” or any other page, section or part as may come to replace it on that information service or any other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to Euribor;

“Second Consecutive Annual Accounts” has the meaning ascribed thereto in Condition 5.2;

“Security Interest” means any mortgage, charge, pledge, lien or other security interest (*“garantia real”*) including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction, created upon the whole or any part of the Issuer’s undertaking or assets, present or future, which represent more than 25 per cent. of the Issuer’s consolidated net assets, except:

- (i) if such Security Interest is securing any indebtedness incurred in relation to any asset for the purpose of financing the whole or any part of the acquisition, creation, construction, improvement or development of such asset, where the financial institutions to whom such indebtedness is owed have recourse solely to the applicable project borrower and/or such asset and/or the shares held in such project borrower and any similar transaction in nature;
- (ii) security existing as at the date hereof and any that is or will be created to secure obligations of the Issuer arising in connection with the Notes;
- (iii) security created with the prior consent of the Noteholders, granted through an Extraordinary Resolution of Noteholders; and
- (iv) security created upon assets to be acquired by the Issuer or for its benefit, to the extent that (i) the relevant acquisition does not correspond to a mere substitution of assets, it being understood that the investment in assets forming part of the real estate assets of the Issuer which are obsolete or deteriorated will not be deemed a mere substitution of assets, and (ii) the security is created to secure the payment of the relevant acquisition price or is otherwise associated with any credit extended for such purpose.

To this effect, consolidated net assets (*“ativo líquido consolidado”*) means the total assets evidenced by the consolidated financial position statement (*“demonstração da posição financeira consolidada”*);

“Successor Rate” has the meaning ascribed thereto in Condition 3.5;

“TARGET2 Business Day” means any day on which TARGET2 is open for the settlement of payments in euro;

“Total Equity to Total Assets Ratio” means the ratio calculated by dividing the consolidated total equity by the consolidated total assets of the Issuer.

CHAPTER 8

TAXATION

The tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the Notes. This Chapter 7 (Taxation) contains information on the taxation treatment of the Notes. However, prospective purchasers of Notes are advised to consult their tax advisers as to the tax consequences, under the tax laws of the country in which they are resident, of a purchase of Notes, including, but not limited to, the consequences of receipts deriving from interest, as well as from the sale or redemption of Notes.

The following descriptions are general summaries of certain taxation matters based on applicable law and practice currently in effect in the relevant jurisdictions. Nothing in this section constitutes tax, legal or financial advice, and the summaries contained herein are of a general nature and do not cover all aspects of taxation in the relevant jurisdictions that may be relevant to any particular holder of Notes. Prospective investors in the Notes should consult their professional advisers on the tax implications for them of an investment in the Notes.

Luxembourg Taxation

The following information is of a general nature only and is based on the laws presently in force in Luxembourg. It is neither intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies to Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or any tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.

Withholding Tax

(i) Non-resident holders of Notes

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, or is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

(ii) Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the "**Law**"), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or

repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Payments of interest under the Notes coming within the scope of the Law will be subject to a withholding tax at a rate of 20 per cent.

Portuguese Taxation

The economic advantages deriving from interest, amortisation, reimbursement premiums and other types of remuneration arising from the Notes issued by private entities are qualified as investment income for Portuguese tax purposes and is considered to be Portuguese sourced income and generally subject to taxation in Portugal.

General Tax Regime applicable to Debt and Equity securities

Resident individuals

Investment income (including dividends and interest) obtained from the Notes by a Portuguese resident individual are subject to individual income tax. If the payment of investment income is made available to Portuguese resident individuals, withholding tax applies at a rate of 28 per cent., which is the final tax on that income unless the individual elects for to aggregate his taxable income, subject to tax at the current progressive income tax rates of up to 48 per cent.. In the latter case an additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5 per cent. on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5 per cent. on the remaining part (if any) of the taxable income exceeding €250,000. Investment is deemed a payment on account of the final tax due. Income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

Capital gains obtained by Portuguese resident individuals on the repayment or transfer of Notes are taxed at a special tax rate of 28 per cent. levied on the excess of such gains (and gains on other securities) over the losses on securities, unless the individual elects to aggregate that same balance to his taxable income, subject to tax at the current progressive rates of up to 48 per cent. In the latter case, additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5 per cent. on the part of the taxable income exceeding €80,000 up to €50,000 and (ii) 5 per cent. on the remaining part (if any) of the taxable income exceeding €250,000. The amount of accrued interest on the date of the transfer qualifies as interest, rather than capital gains, for tax purposes.

Legal persons resident in Portugal and those non-resident but with a permanent establishment

to which the income derived from the Notes is attributable

Investment income deriving from the Notes and capital gains deriving from the transfer of the Notes by legal persons resident for tax purposes in Portugal and by non-resident legal persons with a permanent establishment in Portugal to which the income or gains are attributable are included in their taxable income and are subject to corporate income tax at a 21 per cent. rate or at a 17 per cent. rate on the first €25,000 in the case of small and medium-sized enterprises, to which a municipal surcharge ("*derrama municipal*") may be added of up to 1.5 per cent. of its taxable income. A state surcharge ("*derrama estadual*") also applies at 3 per cent. on taxable profits in excess of €1,500,000 and up to €7,500,000, 5 per cent. on taxable profits in excess of €7,500,000 and up to €35,000,000 and 9 per cent. on taxable profits in excess of €35,000,000.

As a general rule, withholding tax at a rate of 25 per cent. applies on interest and other investment income, which is deemed a payment on account of the final tax due.

Interest payments made to financial institutions, pension funds, retirement and/or education savings funds, share savings funds, venture capital funds and collective investment undertakings incorporated and operating under the laws of Portugal and some other exempt entities are not subject to withholding tax.

Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence, the tax rates applicable to such beneficial owner(s) will apply.

Non-resident individuals and legal persons without a permanent establishment to which the income derived from the Notes is attributable

Without prejudice to the Debt Securities Taxation Act further described below, the general tax regime on debt and equity securities applicable to non-resident entities is the following:

Investment income obtained by non-resident individuals without permanent establishment in Portugal to which the income is attributable to is subject to withholding tax at a rate of 28 per cent., which is the final tax on that income. Investment income obtained by non-resident legal persons without permanent establishment in Portugal to which the income is attributable to is subject to withholding tax at a rate of 25 per cent., which is the final tax on that income.

Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

A withholding tax rate of 35 per cent. applies in the case of investment income payments made to non-resident individuals or non-resident legal persons, without permanent establishment in Portugal to which the income is attributable, which are resident in a country, territory or jurisdiction subject to a clearly more favourable tax regime included in the "low tax jurisdiction"

list approved by Ministerial Order (*Portaria*) no. 150/2004 of 13 February 2004, as amended from time to time.

Under the tax treaties entered into by Portugal, which are in full force and effect on the date of this Prospectus, the applicable withholding tax rate may be reduced to 15, 12, 10 or 5 per cent., depending on the applicable treaty and provided that the relevant formalities (including certification of residence by the tax authorities of the beneficial owners of the interest and other investment income) are met. The reduction may apply at source or through the refund of the excess tax. The forms currently applicable for these purposes may be available for viewing and downloading at www.portaldasfinancas.gov.pt. Information contained on the website does not form part of this Prospectus and has not been scrutinized or approved by the competent authority.

Capital gains derived from the transfer of the Notes by non-resident individuals without permanent establishment in Portugal, to which the gains are attributable to, are exempt from Portuguese capital gains taxation, unless the non-resident individual is resident in a country, territory or jurisdiction subject to a clearly more favourable tax regime included in the “low tax jurisdictions” list approved by Ministerial Order (*Portaria*) no. 150/2004, of 13 February, as amended from time to time. Capital gains derived by non-resident individuals that are not entitled to said exemption will be subject to taxation at a 28 per cent. flat rate. Under the tax treaties entered into by Portugal, such capital gains are usually not subject to Portuguese personal income tax, but the applicable rules should be confirmed on a case-by-case basis. The amount of accrued interest on the date of the transfer qualifies as interest, rather than capital gains, for tax purposes.

Capital gains deriving from the transfer of Notes by a legal person non-resident in Portugal for tax purposes and without a permanent establishment in Portugal to which gains are attributable to are exempt from Portuguese capital gains taxation, unless the share capital of the non-resident entity is more than 25 per cent. directly or indirectly held by Portuguese resident entities or the beneficial owner is resident in a country, territory or jurisdiction subject to a clearly more favourable tax regime included in the “low tax jurisdictions” list approved by Ministerial Order (*Portaria*) no. 150/2004 of 13 February 2004, as amended from time to time. The 25 per cent. threshold referred above will not be applicable when the following cumulative requirements are met by the seller: (i) the seller is an entity resident in the European Union or in the European Economic Area State which is bound to cooperate with Portugal under an administrative cooperation agreement in tax matters similar to the exchange of information schemes in relation to tax matters existing within the EU Member States or in any country with which Portugal has a double tax treaty in force that foresees the exchange of information; (ii) such entity is subject and not exempt from a tax referred to in article 2 of the Council Directive 2011/96/EU, of 30 November 2011, or a tax of similar nature with a rate not lower than 60 per cent. of the Portuguese corporate income tax rate; (iii) it holds at least 10 per cent. of the share capital or voting rights regarding the entity subject to disposal for at least one year uninterruptly;

and (iv) is not intervenient in an artificial arrangement or a series of artificial arrangements that have been put into place for the main purpose, or one of the main purposes, of obtaining a tax advantage. Although the abovementioned cumulative requirements are in full force and effect since 31 March 2016 and apply to securities in general, the law is not clear on the application thereof for holders of debt representative securities, as some of the alluded requirements appear not to apply to debt representative securities.

If the exemption does not apply, the gains will be subject to corporate income tax at a rate of 25 per cent. Under the tax treaties entered into by Portugal, such capital gains are usually not subject to Portuguese corporate income tax, but the applicable rules should be confirmed on a case-by-case basis.

Debt Securities Taxation Act

Resident Individuals

Investment income obtained on Notes by a Portuguese resident individual is subject to individual income tax. If the payment of investment income is made available to Portuguese resident individuals, withholding tax applies at a rate of 28 per cent., which is the final tax on that income unless the individual elects to include such income in his taxable income, subject to tax at progressive rates of up to 48 per cent. In the latter circumstance an additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5 per cent. on the part of the taxable income exceeding €80,000 up to €250,000; and (ii) 5 per cent. on the remaining part (if any) of the taxable income exceeding €250,000. In this case, the tax withheld will be creditable against the recipient's final tax liability. The relevant tax shall be withheld by the relevant direct registering entity.

Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

Capital gains obtained by Portuguese resident individuals on the transfer of Notes are taxed at a special tax rate of 28 per cent. levied on the positive difference between such gains and gains on other securities and losses on securities unless the individual chooses to aggregate his taxable income, subject to tax at the current progressive rates of up to 48 per cent. In the latter circumstance an additional income tax will be due on the part of the taxable income exceeding €80,000 as follows: (i) 2.5 per cent. on the part of the taxable income exceeding €80,000 up to €250,000 and (ii) 5 per cent. on the remaining part (if any) of the taxable income exceeding €250,000. Interest accrued on the date of the transfer qualifies as interest, rather than as capital gains, for tax purposes.

Legal persons resident in Portugal and those non-resident but with a permanent establishment to which the income derived from the Notes is attributable

Investment income derived from Notes and capital gains obtained from the transfer of Notes by legal persons resident for tax purposes in Portugal and by non-resident legal persons with permanent establishment in Portugal to which the income or gains are attributable are included in their taxable income and are subject to Corporate Income Tax at a rate of 21 per cent., or at a 17 per cent. tax rate on the first €25,000 in the case of small and medium-sized enterprises, to which a municipal surcharge (*derrama municipal*) may be added of up to 1.5 per cent. of its taxable income. A state surcharge (*derrama estadual*) also applies at 3 per cent. on taxable profits in excess of €1,500,000 and up to €7,500,000, 5 per cent. on taxable profits in excess of €7,500,000 and up to €35,000,000 and 9 per cent. on taxable profits in excess of €35,000,000.

As a general rule, withholding tax at a rate of 25 per cent. applies on investment income, which is deemed a payment on account of the final tax due. The relevant tax shall be withheld by the relevant direct registering entity. Payments to financial institutions subject to tax in Portugal, pension funds, retirement and/or education savings funds, share savings funds, venture capital funds and collective investment undertakings incorporated under the laws of Portugal and some other exempt entities are not subject to Portuguese withholding tax.

Investment income paid or made available to accounts opened in the name of one or more accountholders acting on behalf of one or more unidentified third parties is subject to a final withholding tax rate of 35 per cent., unless the relevant beneficial owner(s) of the income is/are identified and as a consequence the tax rates applicable to such beneficial owner(s) will apply.

Non-resident individuals

Pursuant to the Debt Securities Taxation Act, investment income paid on, as well as capital gains derived from a repayment, sale or other disposition of the Notes, to non-resident beneficial owners will be exempt from Portuguese income tax provided that the debt securities are integrated in (i) a centralised system for securities managed by an entity resident for tax purposes in Portugal (such as CVM, managed by Interbolsa), or (ii) an international clearing system operated by a managing entity established in an EU Member State other than Portugal or in a European Economic Area Member State, provided, in this case, that such State is bound to cooperate with Portugal under an administrative cooperation arrangement in tax matters similar to the exchange of information schemes in relation to tax matters existing within the EU Member States, or (iii) integrated in other centralised systems not covered above, provided that, in this last case, the Portuguese Government authorises the application of the Debt Securities Taxation Act, and the beneficiaries are:

- (i) central banks or governmental agencies; or
- (ii) international bodies recognised by the Portuguese State; or
- (iii) entities resident in countries or jurisdictions with whom Portugal has a double tax treaty or a tax information exchange agreement in force; or

- (iv) other entities without headquarters, effective management or permanent establishment in Portuguese territory to which the relevant income is attributable and which are not resident in a country, territory or jurisdiction subject to a clearly more favourable tax regime included in the “low tax jurisdictions” list approved by Ministerial Order (“*Portaria*”) no. 150/2004, of 13 February 2004, as amended from time to time.

For the purposes of application at the source of this tax exemption regime, the Debt Securities Taxation Act requires the completion of certain procedures and provision of certain information. Under these procedures (which are aimed at verifying the non-resident status of the Noteholder), the Noteholder is required to hold the Notes through an account held with one of the following entities:

- (i) a direct registering entity, with which the debt securities accounts integrated in the centralised system are opened;
- (ii) an indirect registering entity, which, although not assuming the role of the “direct registering entity”, is its client; or
- (iii) an international clearing system, which proceeds, in the international market, to clear, settle or transfer securities integrated in centralised systems or in their own registration systems.

The special regime approved by the Debt Securities Taxation Act sets out the detailed rules and procedures to be followed for the proof of non-residence by the beneficial owners of the Notes to which it applies.

Under these rules, the direct registering entity is required to obtain and retain proof, in the form described below, that the beneficial owner is a non-resident entity entitled to the exemption. As a general rule, proof of non-residence should be provided to, and received by, the direct registering entities prior to the relevant date for payment of any interest and, in the case of domestically cleared Notes, prior to the transfer of Notes, as the case may be.

The following is a general description of the rules and procedures pertaining to the proof required the exemption to apply at the source, as they currently stand at the date of this Prospectus.

(a) *Domestically Cleared Notes*

The beneficial owner of the Notes must provide proof of non-residence in Portuguese territory substantially in the terms set forth below:

- (i) if the beneficial owner of the Notes is a central bank, a public law entity or agency or an international organisation recognised by the Portuguese State, a declaration of tax residence issued by the beneficial owner of the Notes, duly signed and authenticated or proof pursuant to the terms of paragraph (iv) below;

- (ii) if the beneficial owner of the Notes is a credit institution, a financial company, a pension fund or an insurance company domiciled in any of the Organisation for Economic Co-operation and Development (“OECD”) countries or in a country with which Portugal has entered into a double taxation treaty and is subject to a special supervision regime or administrative registration, certification shall be made by means of the following: (a) its tax identification official document; or (b) a certificate issued by the entity responsible for such supervision or registration, or by tax authorities, confirming the legal existence of the beneficial owner of the Notes and its domicile; or (c) proof of non-residence pursuant to (iv) below. The respective proof of non-residence in Portugal is provided once, its periodical renewal not being necessary and the beneficial owner should immediately inform the direct registering entity of any change in the requisite conditions that may prevent the tax exemption from applying residence, pursuant to the terms of paragraph (iv) below;
- (iii) if the beneficial owner of Notes is either an investment fund or other type of collective investment scheme undertaking domiciled in any OECD country, or in a any country or jurisdiction with which Portugal has entered into a double tax treaty in force or a tax information exchange agreement in force, it shall make proof of its non-resident status by providing certification by means of any of the following documents: (a) a declaration issued by the entity which is responsible for its supervision or registration or by the relevant tax authorities, confirming its legal existence, domicile and the law of incorporation; or (b) proof of non-residence pursuant to the terms of paragraph (iv) below. The respective proof of non-residence in Portugal is provided only once, its periodical renewal is not necessary, and the beneficial owner should inform the direct registering entity immediately of any change in the requisite conditions that may prevent from applying the tax exemption;
- (iv) Other investors will be required to make proof of their non-resident status by way of: (a) a certificate of residence or equivalent document issued by the relevant tax authorities; or (b) a document issued by the relevant Portuguese consulate certifying residence abroad; or (c) a document specifically issued by an official entity which forms part of the public administration (either central, regional or peripheral, indirect or autonomous) of the relevant country certifying the residence. For these purposes, an identification document, such as a passport or an identity card or document by means of which it is only indirectly possible to assume the relevant tax residence (such as a work or permanent residency permit), is not acceptable. The rules on the authenticity and validity of the documents state in particular that the Noteholder must provide an original or a certified copy of such documents and, as a rule, if such documents do not refer to a specific year and do

not expire, they must have been issued within the 3 (three) years prior to the relevant payment or maturity dates or, if issued after the relevant payment or maturity dates, within the following 3 (three) months. The Noteholder must inform the registering entity immediately of any change in the requirement conditions that may eliminate the tax exemption, the residence certificate or equivalent document. This document must be issued up to until 3 (three) months after the date on which the withholding tax would have been applied and will be valid for a 3 (three) year period starting on the date such document is issued.

In cases referred to in paragraphs (i), (ii) and (iii) above, proof of non-residence is required only once; however, the beneficial owner of the Notes is required to immediately inform the registering entity of any changes that impact the entitlement to the tax exemption.

(b) *Internationally Cleared Notes*

If the Notes are registered in an account with an international clearing system, prior to the relevant date for payment of any interest, the entity managing such system is required to provide to the direct registering entity or its representative the identification and number of securities, as well as the income and, when applicable, the tax withheld, itemised by type of beneficial owner, as follows:

- (i) Portuguese resident entities or permanent establishments of non-resident entities to which the income is attributable which are not exempt from tax and are subject to withholding tax;
- (ii) entities resident in a country, territory or jurisdiction subject to a clearly more favourable tax regime included in the “low tax jurisdictions” list approved by Ministerial Order (*Portaria*) no. 150/2004 of 13 February 2004, as amended by Ministerial Order (*Portaria*) no. 292/2011 of 8 November 2011 and by Ministerial Order (*Portaria*) no. 345-A/2016, of 30 December 2016, which are not exempt from tax and are subject to withholding tax;
- (iii) other non-Portuguese resident entities;

In addition, the international clearing system managing entity is to provide to the direct registering entity, in relation to each income payment, at least the following information concerning each of the beneficiaries mentioned in (i), (ii) and (iii) above: name and address, tax identification number, if applicable, identification of the securities held and amount thereof and amount of income.

No Portuguese exemption shall apply at source under the special regime approved by the Debt Securities Taxation Act if the above rules and procedures are not followed. Accordingly, the general Portuguese tax provisions shall apply as described above.

If the conditions for an exemption to apply are met, but, due to inaccurate or insufficient information, tax is withheld, a special refund procedure is available under the regime approved

by the Debt Securities Taxation Act. The refund claim is to be submitted to the direct registering entity of the Notes within 6 (six) months from the date the withholding took place.

The refund of withholding tax after the above 6 (six) months period is to be claimed to the Portuguese tax authorities through an official form available at <http://www.portaldasfinancas.gov.pt>, within 2 (two) years from the end of the year in which tax was withheld. The refund is to be made within 3 (three) months after which interest is due. Information contained on the abovementioned website does not form part of this Prospectus and has not been scrutinized or approved by the competent authority

Administrative cooperation in the field of taxation

Council Directive 2014/107/EU of 9 December 2014, which amended Council Directive 2011/16/EU of 15 February 2011 implemented a new automatic exchange of information under the administrative cooperation in the field of taxation, which is based on the format established by the OECD called Common Reporting Standard (“**CRS**”).

The Council Directive 2014/107/EU of 9 December 2014 regarding the mandatory automatic exchange of information in the field of taxation was transposed into the Portuguese Law through the Decree-Law no. 64/2016, of 11 October. Under such law, as amended from time to time, the Issuer will be required to collect information regarding certain accountholders and report such information to Portuguese Tax Authorities – under forms which, in turn, will report such information to the relevant Tax Authorities of EU Member States or States which have signed the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information for the Common Reporting Standard.

In view of the regime enacted through Decree-Law no. 64/2016 of 11 October, which was amended by Law no. 98/2017, of 24 August and by Law no. 17/2019, of 14 February, all information regarding the registration of the financial institution, the procedures to comply with the reporting obligations arising thereof and the forms to use to that end were provided by the Ministry of Finance, through Order (*Portaria*) no. 302-B/2016, of 2 December 2016, Order (*Portaria*) no. 302-C/2016, of 2 December 2016, Order (*Portaria*) no. 302-D/2016, of 2 December 2016 and Order (*Portaria*) no. 302-E/2016, of 2 December 2016, all as amended from time to time.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” (as defined by FATCA) may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting or related requirements. The Issuer is a foreign financial institution for these purposes.

A number of jurisdictions (including Portugal) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which

modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019 and Notes issued on or prior to the date that is 6 (six) months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date.

However, if additional Notes that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Portugal signed the IGA with the United States on 6 August 2015, and has implemented through Law no. 82-B/2014, of 31 December 2014, the legal framework based on the reciprocal exchange of information with the United States on financial accounts subject to disclosure. The IGA has entered into force in 10 August 2016, and through the Decree-Law no. 64/2016, of 11 October 2016, which was amended by Law no. 98/2017, of 24 August, and by Law no. 17/2019, of 14 February, and Ministerial Order (“Portaria”) no. 302-A/2016, of 2 December 2016, as amended by Ministerial Order (“Portaria”) no. 169/2017, of 25 May, the Portuguese government approved the complementary regulation required to comply with FATCA. Under the referred legislation the Issuer is required to obtain information regarding certain accountholders and report such information to the Portuguese Tax Authorities, which, in turn, will report such information to the IRS.

Noteholders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes.

The proposed financial transaction tax (“FTT”)

On 14 February 2013, the European Commission has published a proposal (the “**Commission’s Proposal**”) for a Directive for a common financial transaction tax (“**FTT**”) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal FTT has a very broad scope and could, if introduced, apply to certain dealings in financial instruments (including secondary market transactions) under certain circumstances.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State, or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional European Union Member States may also decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

CHAPTER 9
DOCUMENTS INCORPORATED BY REFERENCE AND ANNEXED AND DOCUMENTATION
AVAILABLE TO THE PUBLIC

The following documents shall be deemed to be incorporated by reference in, and to form part of, this Prospectus and electronic versions thereof are also available on the website of the Issuer (<https://www.cuf.pt/en/about-us/investors/presentations-and-reports>) and can be accessed by using the following hyperlinks:

- (a) the audited consolidated annual financial statements in respect of the financial year ended 31 December 2020 available at https://www.cuf.pt/sites/portalcuf/files/documents/2021-05/Relatorio_Contas_CUF_2020_EN_Completo_VFinal.pdf;
- | | |
|--|------------------|
| Management Report | Pages 8 to 21 |
| Consolidated statement of financial position | Pages 116 to 117 |
| Consolidated statement of comprehensive income | Page 115 |
| Consolidated changes in equity | Pages 118 to 119 |
| Consolidated cash flow statement | Pages 120 |
| Notes to the financial statements | Page 121 to 249 |
- (b) the audited consolidated annual financial statements in respect of the financial year ended 31 December 2019 available at https://www.cuf.pt/sites/portalcuf/files/2020-06/relatoriodf_EN_final.pdf;
- | | |
|--|----------------|
| Management Report | Pages 5 to 10 |
| Consolidated statement of financial position | Pages 73 |
| Consolidated statement of comprehensive income | Page 72 |
| Consolidated changes in equity | Pages 74 |
| Consolidated cash flow statement | Pages 75 |
| Notes to the financial statements | Page 76 to 171 |
- (c) the unaudited consolidated condensed financial statements for the six-month period ended 30 June 2021 available at <https://www.cuf.pt/sites/portalcuf/files/documents/2021-08/ReportAndAccounts1stHalfOf2021.pdf>; and
- | | |
|--|---------------|
| Management Report | Pages 4 to 20 |
| Consolidated statement of financial position | Page 23 |
| Consolidated income and other comprehensive income statement | Page 22 |
| Consolidated cash flow statement | Page 25 |
| Notes to the financial statements | Page 26 to 50 |

Copies of documents incorporated by reference in this Prospectus may be obtained (without charge) from the business address of the Issuer and the website of the Luxembourg Stock Exchange (www.bourse.lu) and Euronext (www.euronext.com).

Documents incorporated by reference in this Prospectus contain the information available with respect to the Issuer as at the date on which they were published and from the relevant incorporation by reference does not result, in any circumstance, that there were no changes in

the businesses of the Issuer since the relevant date of publication or that the information contains the quality required under article 7 of the Portuguese Securities Code at any moment after such date. In any event, pursuant to the provisions of article 23 of the Prospectus Regulation, if between the time when the Prospectus is approved and the time when trading of the Notes on the regulated markets of the Bourse de Luxembourg and Euronext Lisbon begins any significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus which may affect the assessment of the Notes arises or is noted, the Issuer shall prepare a supplement to the Prospectus without undue delay.

Unless specifically incorporated by reference into this Prospectus, information contained on websites does not form part of this Prospectus and has not been scrutinized or approved by the competent authority.

Any information contained in any of the documents specified above which is not incorporated by reference in this Prospectus is either not relevant to investors or is covered elsewhere in this Prospectus.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

A copy of the Prospectus on a durable medium shall be delivered to any potential investor, upon request and free of charge, by the Issuer or the financial intermediaries placing the Notes. In the event that a potential investor makes a specific demand for a paper copy of the Prospectus, the Issuer or the relevant financial intermediary placing the Notes shall deliver a printed version thereof.

The Prospectus shall remain publicly available in electronic form for at least 10 years after its publication on the websites referred to above.

The following documents are annexed to this Prospectus and form part thereof:

- (a) up to date articles of association of the Issuer (Annex II);
- (b) the audit reports pertaining to the consolidated annual financial statements in respect of the financial year ended 31 December 2020 and the consolidated annual financial statements in respect of the financial year ended 31 December 2019 (Annex III).

CHAPTER 10

GENERAL INFORMATION

Authorisation

The issue of the Notes was authorised by the Board of Directors of the Issuer at a meeting held on 29 September 2021.

Listing Expenses

The total expenses related to the admission to trading of the Notes are expected to amount to €1,450.

Legal and Arbitration Proceedings

Save as described in note 20 (*Provisions, Impairment Losses, Contingent Liabilities and Contingent Assets*) and note 2.3 (*Main management estimates and judgements*) to the Issuer's condensed unaudited consolidated financial statements for the 6 (six) months ended 30 June 2021 and in note 38 (*Provisions, Impairment Losses, Contingent Assets*) and note 2.4 (*Relevant estimates in the preparation of the separate financial statements*) to the Issuer's audited consolidated financial statements for the year ended 31 December 2020 (which are incorporated by reference in this Prospectus), the Issuer is not or has not been involved in any governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Prospectus which may have or have had a significant effect on the financial position and profitability of the Issuer.

Significant/Material Change

There has been no significant change in the financial performance or position of the Issuer or its group since 30 June 2021, and there has been no material adverse change in the prospects of the Issuer since the date of their last published audited financial statements, being 31 December 2020.

Auditors

The former auditor of the Issuer, Ernst & Young Audit & Associados – SROC, S.A., with registered office in Avenida da República, no. 90-6.º, 1600-206 Lisboa, Portugal, registered with the professional body *Ordem dos Revisores Oficiais de Contas* as SROC no. 178 and registered with the CMVM with the no. 20161480, hereby represented by Luís Miguel Gonçalves Rosado, ROC no. 1607 and CMVM registration no. 20161217, is responsible for the consolidated audited financial information of the Issuer relating to the fiscal year of 2019.

Ernst & Young Audit & Associados SROC S.A. has no material interest in the Issuer or its commercial activity.

The current auditor of the Issuer, Deloitte & Associados, SROC S.A., with registered office in Avenida Engenheiro Duarte Pacheco, no. 7, 1070-100 Lisboa, Portugal, registered with the professional body *Ordem dos Revisores Oficiais de Contas* as SROC no. 43 and registered with the CMVM with the no. 20161389, hereby represented by Pedro Miguel Argente de Freitas e Matos Gomes, ROC no. 1172 and CMVM registration no. 20160784, is responsible for the consolidated audited financial information of the Issuer relating to the fiscal year of 2020.

Deloitte & Associados, SROC S.A. has no material interest in the Issuer or its commercial activity.

Documents on Display

For the life of this Prospectus, physical copies of the following documents will, when published, be available in the registered offices of the Issuer and in the specified offices of the Paying Agent for the time being in Lisbon (together with English translations in the case of paragraphs (i), (ii) and (iii) below):

- (i) the articles of association of the Issuer (as the same may be updated from time to time);
- (ii) the audited consolidated annual financial statements of the Issuer in respect of the financial years ended 31 December 2020 and 31 December 2019, in each case with the audit reports prepared in connection therewith;
- (iii) the unaudited consolidated condensed financial statements for the six-month period ended 30 June 2021, with the auditor's limited review reports prepared in connection therewith;
- (iv) this Prospectus; and
- (v) any future information memoranda, prospectuses, offering circulars and supplements to this Prospectus and any other documents incorporated herein or therein by reference.

In relation to the documents referred to at (i), (ii) and (iii) above, the Issuer confirms that the translations thereof are true and accurate, however, in case of a discrepancy between the original document and the English translation thereof, the original document will prevail.

This Prospectus will be published in electronic form together with all documents incorporated by reference or annexed thereto on a dedicated section of the website of the Issuer (www.cuf.pt), Luxembourg Stock Exchange (www.bourse.lu) and Euronext (www.euronext.com), which is easily accessible when entering the relevant website. The Prospectus will remain publicly available in electronic form for at least 10 years after its

publication on the websites referred to above.

Clearing of the Notes

The Notes will be cleared through the clearing system operated by Interbolsa. The address of Interbolsa is Avenida da Boavista, no. 3433, 4100-138 Porto, Portugal. The Notes have additionally been accepted for clearance through Euroclear and Clearstream. The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L- 1855 Luxembourg.

The Notes have the following securities codes:

ISIN: PTJLLAOM0019

Common Code: 240185644

Denomination

The Notes have a minimum denomination of €10,000 without prejudice of the minimum subscription amount in the primary market being €100,000 per Noteholder.

Issue Price and Yield

The Notes were issued at 100 per cent.

The yield for the Notes can be calculated on the compound annual rate of return if the Notes were to be purchased at the Issue Price on the Issue Date and held to maturity. Set out below is the formula that can be used for the purposes of calculating the yield of the Notes.

$$\text{Issue Price} = \frac{\text{Interest Rate}}{m} \times \frac{1 - \left[\frac{1}{\left(1 + \frac{\text{Yield}}{m}\right)^{m \times n}} \right]}{\frac{\text{Yield}}{m}} + \left[\text{Principal Amount Outstanding} \times \left[\frac{1}{\left(1 + \frac{\text{Yield}}{m}\right)^{m \times n}} \right] \right]$$

Where,

“Issue Price” means an amount equal to 100 per cent of the Principal Amount Outstanding of the Notes; and

“m” means the number of interest payments in a year; and

“n” means the number of years to maturity.

The Notes will bear interest on their aggregate principal amount at a rate equal to the 6-month Euribor plus a margin of 3.875 per cent. per annum, and if Euribor is less than zero, then Euribor shall be deemed to be zero. Information about the past and future performance of 6-month Euribor and its volatility can be obtained by electronic means at www.emmi-benchmarks.eu free of charge.

Ratings

Neither the Issuer nor the Notes is rated.

Conflicts of Interest

The Joint Lead Managers and Bookrunners and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. The Joint Lead Managers and Bookrunners and their affiliates may have positions, deal or make markets in the Notes, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Joint Lead Managers and Bookrunners and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. The Joint Lead Managers and Bookrunners or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies.

Typically, such Joint Lead Managers and Bookrunners and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such positions could adversely affect future trading prices of the Notes. The Joint Lead Managers and Bookrunners and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Validity of prospectus and prospectus supplements

For the avoidance of doubt, the Issuer does not have any obligation to supplement this Prospectus after the end of its 12-month validity period. The Issuer does not intend to provide any post-issuance information in relation to any issues of the Notes.

The Issuer will, in any event, in case of occurrence of a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which may affect the assessment of the Notes and which arises or is noted between the time when this Prospectus is approved and the time when trading on Bourse de Luxembourg begins, prepare a supplement to this Prospectus.

Issuer's website

The Issuer's website is www.cuf.pt. Unless specifically incorporated by reference into this Prospectus, information contained on the website does not form part of this Prospectus and has not been scrutinized or approved by the competent authority.

Legal Entity Identifier

The Legal Entity Identifier code of the Issuer is 549300223U7WIHW0MC43.

CHAPTER 11

GLOSSARY OF DEFINED TERMS

“Adjustment Spread” has the meaning ascribed thereto in Condition 3.5 of the Terms and Conditions of the Notes;

“Affiliate Member of Interbolsa” means any financial intermediary licensed to act as such and entitled to hold control accounts with Interbolsa;

“Alternative Rate” has the meaning ascribed thereto in Condition 3.5 of the Terms and Conditions of the Notes;

“Banco Invest” means Banco Invest, S.A., a credit institution with registered office at Avenida Eng. Duarte Pacheco, Torre 1, 11.º, Lisboa, Portugal;

“Benchmark Amendments” has the meaning ascribed thereto in Condition 3.5 of the Terms and Conditions of the Notes;

“Benchmark Event” has the meaning ascribed thereto in Condition 3.5 of the Terms and Conditions of the Notes;

“Benchmarks Regulation” means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014;

“Bourse de Luxembourg” means the regulated market so named, managed by the Luxembourg Stock Exchange;

“Business Day” means, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Lisbon and the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open;

“Clearstream” means Clearstream Banking, société anonyme;

“CMVM” means the *Comissão do Mercado de Valores Mobiliários*, the Portuguese Securities Market Commission;

“CSSF” means the *Commission de Surveillance du Secteur Financier*, the Luxembourg Securities Market Commission;

“CVM” means the *Central de Valores Mobiliários*, the Portuguese Centralised System of Registration of Securities managed by Interbolsa;

“Day Count Fraction” means, in respect of the calculation of an amount for any period of time (the **“Calculation Period”**), Actual/360, i.e. the actual number of days in the Calculation Period divided by 360, provided, however, that in each such case the number of days in the Calculation

Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

“EBITDA” means the consolidated profit of the Issuer before interest, taxes, depreciations, provisions and other non-operating expenses and incomes for any 12 (twelve) month period ending on the last day of the audited financial statements for each financial year;

“Euribor” means, on any Interest Determination Date, the offered quotations for euro interbank term deposits for 6 (six) months by reference to the Screen Page as at or about 11.00 a.m. (Brussels time) on that date, provided, however, that if Euribor is less than zero, then Euribor shall be deemed to be zero; if Euribor cannot be thus determined, the Interest Rate shall be determined according to Condition 3.4 of the Terms and Conditions of the Notes;

“Euronext” means Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A.;

“Euronext Lisbon” means the regulated market so named, managed by Euronext;

“Euroclear” means Euroclear Bank SA/NV;

“Event of Default” means any of the events listed in Condition 8 of the Terms and Conditions of the Notes;

“Extraordinary Resolution” means a resolution passed at a meeting of Noteholders in respect of any of the following matters: (i) to change any date fixed for payment of principal or interest in respect of the Notes, reduction of the amount of principal or interest due on any date in respect of the Notes, or variation in the method of calculating the amount of any payment in respect of the Notes on redemption or maturity; (ii) to change the currency in which amounts due in respect of the Notes are payable; (iii) to approve the modification or abrogation of any of the provisions of the Terms and Conditions of the Notes; (iv) to approve any amendment of this definition; and (v) to approve any other matter in respect of which the Terms and Conditions of the Notes require an Extraordinary Resolution to be passed;

“First Interest Payment Date” means 22 January 2022;

“Haitong Bank” means Haitong Bank, S.A., a credit institution with registered office at Rua Alexandre Herculano no. 38, 1269-180 Lisboa, Portugal;

“Independent Adviser” has the meaning ascribed thereto in Condition 3.5 of the Terms and Conditions of the Notes;

“Interbolsa” means Interbolsa - Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A.;

“Interest Amount” means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

“Interest Determination Date” means the second Target2 Business Day prior to the Issue Date or any Interest Payment Date of the relevant Interest Period, as the case may be;

“Interest Payment Date” means the First Interest Payment Date, the date that falls every 6 (six) months after the First Interest Payment Date (up to the Maturity Date) and the Maturity Date;

“Interest Period” means each period beginning on (and including) the Issue Date or any Interest Payment Date and ending on (but excluding) the First Interest Payment Date or the next Interest Payment Date, as the case may be;

“Interest Rate” means an annual rate equal to the Euribor plus the Margin per annum, payable semi-annually in arrear;

“Issue Date” means 28 October 2021;

“Issuer” means CUF, S.A. (formerly named José de Mello Saúde, S.A.);

“Listing Date” means the date on or around 5 November 2021;

“Luxembourg Stock Exchange” means Société de la Bourse de Luxembourg S.A.;

“Margin” means 3.875 per cent. per annum;

“Maturity Date” means the Interest Payment Date falling on 22 January 2027;

“Net Debt” means any type of short, medium and long term indebtedness duly remunerated, notably, debts to credit institutions, bonds, commercial paper programmes, refundable incentives subject to the payment of interests or not, recourse factoring, leasing, discounted bills and other loans, deducting all cash, bank deposits and other financial instruments;

“Net Debt to EBITDA Ratio” means the ratio calculated by dividing the Net Debt by the EBITDA;

“Noteholder” means each person shown in the individual securities accounts of an Affiliate Member of Interbolsa as having an interest in the Notes;

“Paying Agent” means Haitong Bank, S.A.;

“Paying Agency Agreement” means the agreement entered into between the Issuer and the Paying Agent, on 1 October 2021, in connection with the issue of the Notes;

“Person” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“Portuguese Commercial Companies Code” means *Código das Sociedades Comerciais*, approved by Decree-Law no. 262/86, of 2 September, as amended from time to time;

“Portuguese Securities Code” means *Código dos Valores Mobiliários*, approved by Decree-Law no. 486/99, of 13 November, as amended from time to time;

“Principal Amount Outstanding” means, on any day, (i) in relation to a Note, the principal amount of that Note upon issue; and (ii) in relation to the Notes outstanding at any time, the aggregate amount in (i) with respect to all Notes outstanding;

“Prospectus” means this Prospectus for admission to trading of the Notes;

“Prospectus Regulation” means Regulation (EU) no. 2017/1129 of the European Parliament and of the Council, of 14 June 2017;

“Put Notice – Breach of Ratio” has the meaning ascribed thereto in Condition 5.2 of the Terms and Conditions of the Notes;

“Put Notice – No Listing” has the meaning ascribed thereto in Condition 5.1 of the Terms and Conditions of the Notes;

“Reference Banks” means four leading banks active in the Euro-zone Interbank Market selected by the Paying Agent;

“Reference Rate” has the meaning ascribed thereto in Condition 3.5 of the Terms and Conditions of the Notes;

“Relevant Event – Breach of Ratio” has the meaning ascribed thereto in Condition 5.2 of the Terms and Conditions of the Notes;

“Relevant Event – No Listing” has the meaning ascribed thereto in Condition 5.1 of the Terms and Conditions of the Notes;

“Relevant Nominating Body” has the meaning ascribed thereto in Condition 3.5 of the Terms and Conditions of the Notes;

“Relevant Subsidiary” means any company in a group relationship (*relação de grupo*) with the Issuer due to the fact that the issuer is the sole shareholder thereof and that on each given moment complies with one of the following requirements:

- (i) whose EBITDA, according with the latest audited annual accounts approved by the General Meeting, is equal to or greater than 10 (ten) per cent. of the consolidated EBITDA of the Issuer (according to the latest audited consolidated annual accounts approved by the General Meeting), or
- (ii) whose total assets, according to the latest audited annual accounts approved by the General Meeting, are equal to or greater than 10 (ten) per cent. of the total consolidated assets of the Issuer (according to the latest audited annual consolidated accounts approved by the General Meeting annual consolidated accounts), or
- (iii) whose operating income, according to the latest audited annual accounts approved by the General Meeting, is equal to or greater than 10 (ten) per cent. of the total consolidated operating income of the Issuer (according to the latest audited consolidated annual accounts approved by the General Meeting).

“Screen Page” means the display as quoted on Reuters screen page “EURIBOR” or any other page, section or part as may come to replace it on that information service or any other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to Euribor;

“Second Consecutive Annual Accounts” has the meaning ascribed thereto in Condition 5.2 of the Terms and Conditions of the Notes;

“Security Interest” means any mortgage, charge, pledge, lien or other security interest (*“garantia real”*) including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction, created upon the whole or any part of the Issuer’s undertaking or assets, present or future, which represent more than 25 (twenty five) per cent. of the Issuer’s consolidated net assets, except:

- (i) if such Security Interest is securing any indebtedness incurred in relation to any asset for the purpose of financing the whole or any part of the acquisition, creation, construction, improvement or development of such asset, where the financial institutions to whom such indebtedness is owed have recourse solely to the applicable project borrower and/or such asset and/or the shares held in such project borrower and any similar transaction in nature;
- (ii) security existing as at the date hereof and any that is or will be created to secure obligations of the Issuer arising in connection with the Notes;
- (iii) security created with the prior consent of the Noteholders, granted through an Extraordinary Resolution of Noteholders; and
- (iv) security created upon assets to be acquired by the Issuer or for its benefit, to the extent that (i) the relevant acquisition does not correspond to a mere substitution of assets, it being understood that the investment in assets forming part of the real estate assets of the Issuer which are obsolete or deteriorated will not be deemed a mere substitution of assets, and (ii) the security is created to secure the payment of the relevant acquisition price or is otherwise associated with any credit extended for such purpose.

To this effect, consolidated net assets (*“ativo líquido consolidado”*) means the total assets evidenced by the consolidated financial position statement (*“demonstração da posição financeira consolidada”*);

“Successor Rate” has the meaning ascribed thereto in Condition 3.5 of the Terms and Conditions of the Notes;

“TARGET2 Business Day” means any day on which TARGET2 is open for the settlement of payments in euro;

“Total Equity to Total Assets Ratio” means the ratio calculated by dividing the consolidated total equity by the consolidated total assets of the Issuer.

ANNEX I – ALTERNATIVE PERFORMANCE MEASURES

In addition to the financial information contained in this Prospectus prepared in accordance with the financial reporting framework applicable to the Issuer, some Alternative Performance Measures (“**APMs**”), in accordance with ESMA Guidelines on Alternative Performance Measures dated 5 October 2015 (ESMA/2015/1415en) (the “**ESMA Guidelines**”), are disclosed in this annex. The Issuer discloses these APMs for better understanding of its financial performance. These APMs constitute additional financial information and shall not, in any circumstance, replace the financial information produced under the applicable reporting framework. The definition and calculation of APMs by the Issuer may differ from the definition and calculation of APMs used by other companies and may not be comparable.

ESMA Guidelines define an APM as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. Following the recommendations of ESMA Guidelines, the following APMs are used on this Prospectus. The following APMs are based upon information included in the Issuer’s financial information prepared in accordance with the IFRS-EU.

EBITDA and EBITDA Margin

EBITDA is calculated by adding back to Operating Profit (presented as EBIT on page 6 of the Issuer’s Consolidated Financial Statements for the year ended 2020) the deduction made in relation to Provisions and Impairment Losses and Depreciations and Amortisations (as presented on the same page of the Issuer’s Consolidated Financial Statements for the year ended 2020).

EBITDA Margin is expressed as percentage and is calculated by dividing EBITDA by the Operating Income (as presented on page 6 of the Issuer’s Consolidated Financial Statements for the year ended 2020).

Net Debt

Net Debt is calculated by deducting to the aggregate nominal amount of the Issuer’s Financial Debt the amount of Cash and Bank Deposits and Other Financial Instruments (as the latter are presented on page 144 of the Consolidated Financial Statements within the Issuer’s Financial Statements Report for the year ended 2020).

ANNEX II – UP TO DATE ARTICLES OF ASSOCIATION OF THE ISSUER

COMPANY ARTICLES

Chapter One

Firm, Registered Office, Corporate Purpose and Duration

Article One

1. The company adopts the firm CUF, S.A.
2. The registered office of the company is situated at Avenida do Forte, n° 3, Edifício Suécia III, Piso 2, parish of Carnaxide, in Carnaxide, though the Board of Directors may resolve to relocate the registered office, or to establish, maintain or close any agencies, affiliates, delegations or branches in Portugal or abroad.

Article Two

1. The company is engaged in the purchase, sale, and lease of equipment as well as the provision of management, consulting, computer, operating and administrative services, negotiation and supplies, as well as providing health related services.
2. The company may join complementary companies groupings, acquire holdings in other companies, governed by special laws or not, create new companies individually or jointly, even if the corporate purposes of such company or companies do not coincide, fully or in part, with the corporate purposes of the company, and may associate, in the manner it considers most appropriate, with any individual or collective entities, cooperate with them through their board or supervisory board, or acquire stakes of any type.

Chapter Two

Share Capital, Shares and Bonds

Article Three

1. The share capital, fully subscribed and paid up in cash, amounts to fifty-three million euros and is represented by ten million and six hundred thousand registered shares, with a par value of five euros each.
2. The shares can be organised into certificates or be merely represented in book-entry form.
3. Shares represented by certificates can be converted into book-entry shares, though the

opposite is not permitted, except in the cases expressly established by law.

4. The certificates represent one, five, ten, one hundred, one thousand, ten thousand, one hundred thousand to one million shares, which are signed by two directors, though the signatures may be printed.
5. The costs involved in converting shares and dividing certificates are borne by the interested parties, except with regard to shares represented by certificates converted into book-entry shares, which shall be borne by the company.
6. Pursuant to the law, non-voting preference shares or other special categories of shares may be issued.
7. Following resolution by the General Meeting, additional or supplementary payments may be required from the shareholders, which may or not be proportional to the shares held on the date of the resolution, being the additional payments made against remuneration, up to a maximum value of fifty million euros, under the specific terms set out by the General Meeting.

Article Four

1. The assignment of company shares is subject to right of first refusal by the other shareholders, under the terms and conditions specified in the following paragraphs.
2. Shareholders intending to sell their shares will notify the Board of Directors with regard to this fact, by registered mail, stating the name of the proposed acquirer, the price and other conditions of the sale.
3. Within 15 (fifteen) days counted from the receipt of the notice referred to in the above paragraph, the Board of Directors will inform the other shareholders with regard to its contents.
4. Shareholders intending to exercise their right of first refusal shall notify the Board of Directors and the proposed seller, by registered mail within 30 (thirty) days counted from the receipt of the notice referred to in the above paragraph.
5. The shares will be assigned to the shareholders who exercise their right of first refusal proportionately according to their respective holding of the share capital.

Article Five

The General Meeting may resolve to amortise any shares assigned in breach with the provisions of the law or these articles, defining the rules and the values which shall apply to the amortisation.

Article Six

1. Following resolution by the Board of Directors, and after any authorisations required by law are granted, the company shall be entitled to issue bonds, convertible or not, or other lawful debt instruments and perform such operations regarding these as they consider convenient.
2. The company may acquire its own bonds, in accordance with the law.

Chapter Three

Governing Bodies

Article Seven

The governing bodies are the General Meeting, the Board of Directors, the Advisory Board, the Supervisory Board and the Auditor.

Article Eight

1. The General Meeting is the supreme body of the company and its resolutions, when adopted according to the law within the scope of its authority and competencies, shall be binding for all shareholders.
2. The General Meeting is only composed by shareholders with voting rights.
3. Shareholders may be represented at General Meetings, by proxy letter signed by the represented party and addressed to the chairman of the meeting.
4. Without prejudice to that established in the above paragraph, legal persons, vulnerable or incapable persons and independent funds will always be represented by their respective legal representatives, co-owners by one of their number and, if the ownership of the share is divided into mere ownership and usufruct, it will be represented by the user.
5. Correspondence votes are not permitted.

Article Nine

1. The General Meeting may take place on the first scheduled date, as long as shareholders who hold at least 50% of the share capital are present or represented.
2. The call notice may also establish a second date for the meeting to take place, in the event that it cannot take place on the first date scheduled, due to lack of "quorum", as long as there is a lapse of time of more than fifteen days between the two dates scheduled.

Article Ten

The officers of the General Meeting are the chairman and the secretary, appointed by the General Meeting, who may be shareholders or otherwise, for a three-year term, and can always be re-appointed.

Article Eleven

1. The company is managed by a Board of Directors composed of a maximum of fifteen members, appointed or re-appointed by the General Meeting for three-year terms.
2. The General Meeting that appoints the members of the Board of Directors shall also appoint its chairman.

Article Twelve

1. The Board of Directors will meet, at least, once each quarter, called by the chairman, on his initiative or of two board members.
2. The Board of Directors shall only resolve validly if a majority of its members is present or represented therein, whereby any director may be represented by another, via simple proxy letter addressed to the chairman, specifying the date and time of the meeting in question.
3. The resolutions of the Board of Directors shall be adopted by a simple majority of the votes and in the event of a tied vote, the chairman shall have the casting vote.

Article Thirteen

1. In addition to the general duties arising from the law and these articles, the Board of Directors shall:
 - a) Manage the company business and perform all the operations related to its corporate purposes;
 - b) Represent the company in or out of court, sue or be sued, and may admit, withdraw, settle or submit to arbitration, as well as appoint any lawyers by means of the respective powers of attorney;
 - c) Acquire, sell, place lien or encumber any assets or rights, whether personal or real property, including its own or third party obligations, according to the law;
 - d) Carry out and ensure the observance of the law, these articles, and the resolutions of the General Meeting regularly taken.
2. The Board of Directors may delegate the daily management to the company to one or more managing directors, or to an executive committee.

Article Fourteen

1. The company is bound by:
 - a) The signature of two members of the Board of Directors;
 - b) The signature of a managing director within the scope of the powers granted to him by the Board of Directors;
2. Routine daily business can be signed by just one member of the Board of Directors.

Article Fifteen

Each Board of Directors member liability shall be secured with the minimum legal value required, in any of forms permitted by law, without prejudice of the established in the article 396, paragraph 5, of the Portuguese Companies Code.

Article Sixteen

1. The supervision of the company's business shall be performed by a Supervisory Board, with three acting members and one replacement, in addition to an auditor or an audit firm that is not a member of the Supervisory Board, whereby being the auditor or audit firm that is not a member of the Supervisory Board proposed for election by Supervisory Board.
2. The General Meeting shall appoint the Chairman of the Supervisory Board from among its members.
3. Each Supervisory Board member liability shall be secured with the minimum legal value required, in any of forms permitted by law.

Article Seventeen

1. The General Meeting may appoint an Advisory Board, comprising with a maximum of fifteen members with recognized capacity, suitability and merit.
2. The General Meeting, through the Board of Directors Chairman, is responsible for inviting the persons who shall integrate the Advisory Board.
3. The functioning and competences of the Advisory Board shall be determined by the General Meeting, at the moment of the appointment.

Chapter Four

Financial Year and Dividends

Article Eighteen

The financial year shall correspond to the calendar year.

Article Nineteen

1. The net profits that result from the annual balance, deducting, when necessary, the percentage to be allocated to the legal reserve, shall be applied in the manner resolved by the General Meeting.
2. The General Meeting may resolve, by simple majority of votes cast, at the first or second scheduled date for the meeting, not to pay dividends.
3. To the members of the Board of Directors a part of annual net profits may be allocated with a value of up to 10% of those profits.

Article Twenty

In compliance with legal requirements, the Board of Directors may resolve to make advance payments on account of profits during the financial year.

Chapter Five

Dissolution and Liquidation

Article Twenty-One

The company will be dissolved in the cases and under the terms established by law, by means of resolution adopted by the General Meeting convened specifically for that purpose.

Article Twenty-Two

1. Once the company is dissolved, it shall be liquidated out of court by a liquidation commission composed of the acting members of the Board of Directors, unless the meeting resolves otherwise.
2. Once all liabilities are paid and the other company debts settled, the remainder shall be paid out to the shareholders proportionately according to the shares they hold at that time.

Chapter Six

Final Provisions

Article Twenty-Three

The remuneration of the members of governing bodies shall be determined by a three-member Remuneration Committee appointed by the General Meeting for three-year terms.

**ANNEX III – AUDIT REPORTS PERTAINING TO THE CONSOLIDATED ANNUAL FINANCIAL
STATEMENTS IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 AND THE
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS IN RESPECT OF THE FINANCIAL YEAR
ENDED 31 DECEMBER 2019**

STATUTORY AUDITOR'S REPORT

(Free translation of a report originally issued in Portuguese language: In case of doubt the Portuguese version will always prevail)

REPORT ON THE AUDIT OF THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying separate and consolidated financial statements of CUF, S.A. ("the Entity") and of its subsidiaries ("the Group"), which comprise the separate and consolidated statements of financial position as at 31 December 2020 (showing a total of 332,311 Thousand Euros and 895,311 Thousand Euros, respectively and equity attributable to the Entity's shareholders of 70,905 Thousand Euros and 104,159 Thousand Euros, respectively, including a net loss of 17,288 Thousand Euros and a consolidated net loss of 23,782 Thousand Euros, respectively), the separate and consolidated statements of profit and loss and comprehensive income, the separate and consolidated statements of changes in equity and the separate and consolidated statements of cash flows for the year then ended, and the accompanying notes to the separate and consolidated financial statements, which include a summary of the significant accounting policies.

In our opinion, the accompanying separate and consolidated financial statements give a true and fair view, in all material respects, of the separate and consolidated financial position of CUF, S.A. as at 31 December 2020 and of its separate and consolidated financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and further technical and ethical standards and guidelines as issued by Ordem dos Revisores Oficiais de Contas (the Portuguese Institute of Statutory Auditors). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the separate and consolidated financial statements" section below. We are independent from the entities that constitute the Group in accordance with the law and we have fulfilled other ethical requirements in accordance with the Ordem dos Revisores Oficiais de Contas code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of the most significant risks of material misstatement identified	Summary of the auditor's responses to the most significant assessed risks of material misstatement
Public provision of health care services As mentioned in Notes 2.3, 2.22, and 7 of the consolidated financial statements, in 2020, the public provision of health care services relates exclusively to the care services provided at the Vila Franca de Xira Hospital ("VFX Hospital") under a management contract signed with the Regional Health Administration of Lisbon and Vale do Tejo ("Autoridade Regional de Saúde de Lisboa e Vale do Tejo" or "ARSLVT") which will be in force until 31 May	Our procedures included: <ul style="list-style-type: none">▪ Analysis of the management contracts and the transmission contract for Braga Hospital entered into with the respective Regional Health Administration;▪ Evaluation of the policy adopted for the recognition of revenue and estimated future losses related to the public provision of health care

<p>2021. On 31 August 2019, the management of the Braga Hospital was transmitted to the State as a result of the termination date of the management contract of this hospital unit, which had been signed in previous years with the Regional Health Administration of the North (“Autoridade Regional de Saúde do Norte” or “ARS Norte”). The recognized revenue resulting from the public provision of health care services in the amount of 64,090 Thousand Euros is determined in accordance with the terms established in the corresponding management contract, being subject to the conclusion of the conference and closure process of each year’s production by the respective Regional Health Administration, taking into account the eligibility of the clinical acts reported by the Group and the evaluation of the agreed performance parameters of service and of results. Accordingly, as at 31 December 2020 and as referred to in Note 25 to the consolidated financial statements, the Group maintains accrued income for unbilled production to ARSLVT and ARS Norte in the amounts of 14,953 Thousands of Euros and 16,214 Thousands of Euros, respectively, as a result of the ongoing process of conference and closure of the actual production of each hospital unit since 2013 and 2017, respectively, existing a set of differences with those entities, as a result of which accumulated losses in the amounts of 10,813 thousand Euros and 4,800 thousand Euros, respectively, were recognized, and estimated liabilities were recorded in the amount of 4,352 Thousands of Euros (Note 38). Additionally, as stated in Notes 2.22 and 38 of the consolidated financial statements, considering the pandemic context that resulted from Covid-19 and the estimated production to be carried out at the VFX Hospital in 2021, the Group recognized liabilities resulting from estimated losses to be incurred with the execution of the management contract until its end, in the amount of 5,396 thousand Euros. In view of the relevance of the recognized revenue, of the significant volume of transactions and of the complexity of the calculation of the production carried out, combined with the judgment inherent to the interpretation of the referred contracts and to the determination of the referred estimated losses and liabilities, as well as of the uncertainty resulting from the referred conference and closure processes, we concluded that this is a key audit matter.</p>	<p>services by reference to the applicable accounting standards;</p> <ul style="list-style-type: none"> ▪ Obtaining of an understanding of the computing process of revenue and of the estimated losses related to the public provision of health care services and evaluation of the corresponding implemented internal controls considered relevant; ▪ Execution of analytical review procedures on revenue related to the public provision of health care services, including analysis of selected changes compared to the previous year and to the contracted levels of Hospital activity; ▪ Analysis of the available correspondence exchanged with the respective Regional Health Administrations regarding the existing divergences and the processes of conference and closure of production that are in progress, as well as of the respective impacts on the consolidated financial statements; ▪ Analysis of the information obtained from the legal consultants regarding the processes related to the existing divergences in the interpretation of the management contracts, when applicable, as well as on their evolution and status; ▪ Analysis of the quarterly reports issued by an independent entity on the Monitoring and Evaluation of Results of a Care Nature related to the contracted performance parameters; ▪ Execution of tests of detail to the revenue recognized in the year as a result of the production determined by the Group as a result of the eligible clinical acts performed, to the accrued income related to non-billed production and to the referred losses that the Group estimates to incur; ▪ Evaluation of the reasonableness and coherence of the criteria used in the calculation of unbilled production by reference to the retrospective analysis of the completed processes of conference and closure of the actual production of each hospital unit with the corresponding Regional Health Administration; ▪ Evaluation of the reasonableness of the estimated losses to be incurred with the VFX Hospital by reference to the available budget and its historical performance. ▪ Analysis of the adequacy of the disclosures made in Notes 2.22 and 38 of the consolidated financial statements.
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<p>Private provision of health care services</p> <p>As referred to in Notes 2.3 and 7 of the consolidated financial statements, the recognised revenue resulting from the private provision of a diversified range of health care services carried out in the various units operated by the Group in the amount of 456,750 Thousands of Euros is based on the application of price lists defined for the different health care specialties provided. As stated in Note 25 of the consolidated financial statements, the Group recognised revenue related to the provision of medical services performed and not yet billed to customers in the amount of, approximately, 15,120 thousand Euros as a result, essentially, of the existence of pending terms of responsibility, of amounts to be invoiced only at the end of the treatment or that lack confirmation of the corresponding applicable billing codes. In view of the relevance of recognized revenue, the significant volume of transactions, the complexity of the calculation of revenue and the terms of the agreements entered into with the various existing insurers and existing health care subsystems, we concluded that the determination of the recognized revenue is a key audit matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> ▪ Evaluation of the policy adopted for the recognition of revenue relating to the private provision of health care services by reference to the applicable accounting standards; ▪ Obtain an understanding of the revenue calculation process related to the private provision of health care services and evaluation of the respective implemented controls considered to be relevant; ▪ Execution of analytical review procedures of revenue related to the private provision of health care services, including analysis of selected variations compared to the previous year; ▪ Evaluation of the correspondence between transactions recorded in the captions Sales and services provided with those recorded in Customers and Accrued income for unbilled medical services and with the corresponding cash receipts; ▪ Tests of detail of the bank reconciliations prepared by the Group as of 31 December 2020; ▪ Assessment of the adequate integration of revenue in the accounting system that supports financial reporting; ▪ Tests of detail to recognised revenue related to the provision of unbilled and/or uncollected medical services as of the date of financial reporting, including the assessment of the effects of its subsequent regularisation. ▪ Analysis of the adequacy of disclosures made in Notes 2.3, 7 and 8 of the consolidated financial statements.
<p>Measurement of real estate related to health care services</p> <p>Tangible fixed assets include real estate related to health care services ("IASS") in the amount of 402,193 Thousand Euros (Note 18). As stated in Note 2.9 of the consolidated financial statements, the Group measures the IASS at its revalued amount, which results from real estate valuations made annually by an external entity. Given the relevance of the referred amount and the subjectivity of the judgments necessary in the definition of the assumptions used in determining the revalued value of those assets, we concluded that the measurement of IASS is a key audit matter.</p>	<p>Our procedures for mitigating this risk included:</p> <ul style="list-style-type: none"> ▪ Evaluation of the controls considered relevant, implemented in the Group, related to the revaluations performed; ▪ Evaluation of the competence, capacity, objectivity and independence of the appraisers hired by the Group; ▪ Obtaining the appraisal reports used in the measurement of IASS and its discussion with the referred evaluators; ▪ Analysis of the reasonableness of the methodology used by the appraisers in their reports; ▪ Evaluation of the source information and of main assumptions used, namely of estimated future income and discount rate used;

	<ul style="list-style-type: none"> Assessment of the adequacy of disclosures made in Notes 2.9 and 18 of the consolidated financial statements.
<p>Liquidity, indebtedness and contractual covenants</p> <p>As referred to in Note 27 of the separate financial statements and Note 35 of the consolidated financial statements, the liabilities recognised by the Entity and by the Group for contracted loans amount as at 31 December 2020 to 233,562 Thousand Euros and 471,643 Thousand Euros, respectively, of which 175,234 Thousands and 378,437 Thousand Euros, respectively, are related to non-current liabilities. Such loans are subject to compliance with the corresponding contractual obligations, including compliance with certain financial covenants. In view of the current pandemic context resulting from Covid-19, the fulfilment of the commitments made with third parties, supported by projections prepared and approved by management, depends essentially on the Group's ability to generate cash flows, on the market conditions on their term that allow their renewal, and on the financing and distribution of dividends to shareholders policies that will be adopted. Additionally, as at 31 December 2020, as referred to in Note 27 of the consolidated financial statements and in the context of agreements made with third parties in previous years for the transfer of specific accounts receivable, the Group derecognized accounts receivable from clients in the amount of approximately 38,300 Thousand Euros. During 2020, the Group obtained from its financing entities the exemption from compliance with some of the referred covenants as at 31 December 2020, but was subject to the maintenance of certain levels of net financial debt. In view of the relevance of the recognised indebtedness and the fulfilment of their corresponding contractual obligations, as well as the amount of the accounts receivable transferred, and the cash flow projections made, we conclude that this is a key audit matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> Analysis of the minutes available from the meetings of the Group's governing bodies; Evaluation of the policy adopted for the derecognition of accounts receivable transferred by reference to the applicable accounting standards; Obtaining and analysing the contracts related to recognized loans and to the transfer of accounts receivable made; Obtaining and analysing the supporting documentation related to the waivers from compliance with certain contractual covenants; Assessment of compliance with contractual obligations applicable to the Group, including the required levels of net financial debt; Assessment of the adequacy of the presentation of liabilities assumed with the loans contracted, by reference to the corresponding term contracted and the fulfilment of the referred contractual obligations; Obtaining and analysing cash projections prepared by management that support the expected compliance of the commitments assumed with third parties, including obtaining an understanding of the financing and distribution of dividends to shareholders expectations considered by management; Analysis of the adequacy of disclosures made in Notes 2.2.15 and 27 and Notes 2.17 and 35 of the separate and consolidated financial statements, respectively.
<p>Financial investments in subsidiaries and investees and Goodwill</p> <p>Financial investments in subsidiaries and investees measured at cost, loans granted to subsidiaries and provisions related to liabilities with subsidiaries presented in the separate statement of financial position as at 31 December 2020 amount to 74,098 Thousand Euros, 163,342 Thousand Euros and 11,943 Thousand Euros, respectively. In addition, the Goodwill presented in the consolidated statement of financial position as at 31 December 2020 amounts to 47,447 Thousand Euros, being tested for impairment, at least, annually, for financial reporting purposes. As referred to in notes 14 and 16 of the separate and consolidated financial</p>	<p>Our procedures for mitigating this risk included:</p> <ul style="list-style-type: none"> Assessment of the controls considered relevant, implemented in the Group, regarding the impairment analysis carried out by management and the determination of the amount of liabilities with subsidiaries; Analysis of the reasonableness of the method adopted by management to determine the recoverable value used in the impairment analysis prepared and the amount of liabilities with subsidiaries;

<p>statements, respectively, the impairment analysis of the referred investments and of goodwill is carried out by management, based on discounted cash flows models, taking into account the stage of maturity considered of the various health care units, which incorporate certain assumptions defined by management, which result from an evaluation of historical data and past experience, future perspectives for each of those units and their mix of activities, including the discount and growth in perpetuity rates used. In view of the relevance of these amounts and the subjectivity and complexity of the judgments necessary for the definition of the above-mentioned assumptions, we concluded that the analysis of the impairment of the referred assets and the recording of provisions related to liabilities with subsidiaries is a key audit matter to the separate and consolidated financial statements as at 31 December 2020.</p>	<ul style="list-style-type: none"> ▪ Comparison of relevant information considered in the financial cash flows projections used with the budgets approved by management; ▪ Evaluation of the reliability of estimates prepared by management, by reference to the comparison of current performance with estimates made in previous periods; ▪ Comparison of key assumptions used in the impairment analysis by management with external information, when this was determined to be applicable; ▪ Test of the arithmetic correction of the cash flows financial projections used by management; ▪ Assessment of the adequacy of provisions related to liabilities with subsidiaries that are determined to not have capacity to meet their commitments; ▪ Assessment of the adequacy of disclosures made in Notes 2.2.10 and 14 and Notes 2.2 and 16 of the separate and consolidated financial statements, respectively.
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Other matters

The separate and consolidated financial statements of the Entity as at 31 December 2019 were audited by another statutory auditor, and the corresponding Statutory Audit Report dated 29 April 2020 does not include modifications.

Responsibilities of management and supervisory body for the separate and consolidated financial statements

Management is responsible for:

- the preparation of separate and consolidated financial statements that give a true and fair view of the Entity's financial position and of the entities included in the consolidation and their separate and consolidated financial performance and cash flows in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union;
- the preparation of a management report, corporate governance report and consolidated statement of non-financial information, in accordance with applicable laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or to error;
- the adoption of accounting policies and principles appropriate in the circumstances; and
- assessing the Entity's and the Group's ability to continue as a going concern, and disclosing, as applicable, the matters that may cast significant doubt about the ability to continue as a going concern.

The supervisory body is responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the separate and consolidated financial statements

Our responsibility is to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatements, whether due to fraud or to error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or to error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's and the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Entity to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether those financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion;
- communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;
- determine, from the matters communicated with those charged with governance, including the supervisory body, those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter;
- provide the supervisory body with a statement that we have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Our responsibility also includes the verification that the information contained in the management report is consistent with the separate and consolidated financial statements and the verification of the requirements as provided in numbers 4 and 5 of article 451.º of the Portuguese Companies' Code in respect to the corporate governance report, as well as the verification that the consolidated statement of non-financial information was presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the management report

Pursuant to article 451.º, n.º 3, al. e) of the Portuguese Companies' Code ("Código das Sociedades Comerciais"), we concluded that the management report was prepared in accordance with the applicable legal and regulatory requirements, the information contained therein is consistent with the audited separate and consolidated financial statements and, having regard to our knowledge and assessment over the Group, we have not identified any material misstatements.

On the corporate governance report

Pursuant to article 451.º, number 4, of the Portuguese Company's Code ("Código das Sociedades Comerciais"), we concluded that the corporate governance report includes the elements required to the Entity under the terms of article 245.º-A of the Portuguese Securities Code ("Código dos Valores Mobiliários"), and we have not identified any material misstatements on the information disclosed therein, which, accordingly, complies with the requirements of items c), d), f), h), i) and m) of number 1 of that article.

On the consolidated statement of non-financial information

Pursuant to article 451.º, n.º 6 of the Portuguese Companies' Code ("Código das Sociedades Comerciais"), we inform that the Entity has prepared a separate report from the management report, that includes the consolidated statement of non-financial information in accordance with article 508.º-G of the Portuguese Companies' Code ("Código das Sociedades Comerciais"), which was published together with the management report.

On the additional matters provided in article 10 of Regulation (UE) 537/2014

Pursuant to article 10 of Regulation (UE) 537/2014 of the European Parliament and of the Council of 16 April 2014, in addition to the key audit matters mentioned above, we also report on the following:

- We were appointed as auditors of the Entity for the first time in the shareholders' general assembly held on 26 June 2020 to complete the ongoing mandate in respect to 2020 and 2021.
- Management has confirmed to us that they are not aware of any fraud or suspicion of fraud having occurred that has a material effect on the financial statements. In planning and executing our audit in accordance with ISAs, we maintained professional scepticism and we designed audit procedures to respond to the risk of material misstatements in the separate and consolidated financial statements due to fraud. As a result of our work, we have not identified any material misstatement on the separate and consolidated financial statements due to fraud.
- We confirm that the audit opinion issued is consistent with the additional report that we prepared and delivered to the Entity's supervisory body as at 30 April 2021.
- We declare that we have not provided any prohibited services as described in article 77, number 8, of the Ordem dos Revisores Oficiais de Contas statutes (Legal Regime of the Portuguese Statutory Auditors) and we have remained independent from the Entity and the Group in conducting the audit.

Lisbon, 30 April 2021

*(Translation from the original document in the Portuguese language.
In case of doubt, the Portuguese version prevails)*

Statutory and Auditor's Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of José de Mello Saúde, S.A. (the Group), which comprise the Consolidated Statement of Financial Position as at December 31, 2019 (which show a total of 911.165 thousand euros and a total equity of 125.976 thousand euros, including a net profit for the year of 29.013 thousand euros), and the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of José de Mello Saúde, S.A. as at December 31, 2019, and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards as endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and with other standards and technical directives of the Institute of Statutory Auditors ("Ordem dos Revisores Oficiais de Contas"). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the entities that comprise the Group in accordance with the law and we comply with the ethical requirements of the Code of Ethic of the Institute of Statutory Auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter relating to Covid-19

The recent developments related to the Covid-19 pandemic (Coronavirus) have a significant impact on the health of people and on our society, increasing uncertainty around the operational and financial performance of organizations. The impacts and uncertainties resulting from the Covid-19 pandemic are disclosed in Note 47 (Subsequent events) of the notes to the financial statements and reflect the expectations of the Board of Directors, based on the information available at that date, including the potential effect of this situation on the fulfillment of the financial ratios contracted by the Group. Our opinion has not been modified in relation to this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We describe below the key audit matters of the current period:

1. Recognition and measurement of revenue and compliance with contractual and regulatory requirements of public health services given the complexity of Public-Private Partnership management agreements of Braga and Vila Franca de Xira Hospitals

Description of the risks of material misstatement	Summary of our approach to the risks of material misstatement
<p>Sales and services rendered and Other operational revenues of the group are essentially related to two business segments:</p> <ul style="list-style-type: none"> ▶ Public health services, that represent 30% of total revenue; and ▶ Private health services, that represent 70% of total revenue. <p>The Braga Hospital contract ended in August 2019 and the group currently manages the operations of the Vila Franca de Xira Hospital. The activity and the revenues of the two Hospitals are determined in accordance with the applicable clauses included in the Public-Private management agreements signed with the Regional Health Administrations, as disclosed in notes 2.4.1, 2.6 and 7 of the notes to the Consolidated Financial Statements. The materiality, variety and complexity of the health services rendered, associated with the judgment inherent to the interpretation of the referred agreements represents a significant audit risk. The fact that the production related to prior years is not yet closed, as mentioned in note 2.6 of the notes to the Consolidated Financial Statements, indicates uncertainty about the acceptance of revenues recognized in prior years and in the current year, as detailed in note 25 of the notes to the Consolidated Financial Statements.</p> <p>Consequently, the recoverability of the balances related to Braga Hospital (21.818 thousand euros) and Vila Franca de Xira Hospital (18.967 thousand euros) depend on the success of the ongoing negotiations with the Regional Health Administrations for each of the indicated years.</p> <p>The recognition and measurement of public health revenues involve, as per the above, significant judgement from management as disclosed in note 2.6 of the notes to the Consolidated Financial Statements, particularly, in what concerns the determination of eligible production and its measurement.</p>	<p>Our approach to the risks of material misstatement includes: i) a global response with an impact on the way the audit has been performed; and ii) a specific response which translated into a combined approach of assessment of controls and substantive procedures, namely:</p> <ul style="list-style-type: none"> ▶ Assessment of the effectiveness of the internal control environment and execution of test of controls and tests related with i) production entitlement, and ii) computation of production based on the assumptions defined in the management agreements; ▶ Execution of analytical review procedures for all sales and services rendered accounts, including analysis of the significant variances compared to prior year, compared with expectations and with the agreed / budgeted production with the use of data analysis tools (analytics); ▶ Execution of test of details to validate contractual compliance and eligibility of services rendered related to unbilled production and accrued revenues, including the recalculation of current year revenues in accordance with the incurred production, considering the rules of the different classes, compared with the contracted production; ▶ Analysis of correspondence / communications between Braga Hospital and Vila Franca de Xira Hospital and the Regional Health Administrations related with the matters that are still under validation for the years that remain open; ▶ Analysis of the quarterly reports issued by an external independent expert related to the Monitoring and Assessment of Care Assistance Results, which includes the recalculation of the performance factor results and the service performance parameters, and recalculation of the penalties related to those parameters; ▶ Retrospective analysis of previous years' settlement agreements, to confirm consistency of the methodology agreed with Braga Hospital and Vila Franca de Xira Hospital and the Regional Health Administrations, for those instances of production not eligible and analysis of coherence for the years that are still under discussion. <p>Our approach also encompassed the analysis of the disclosures included in notes 2.4.1, 2.6, 7 and 25 of the notes to the Consolidated Financial Statements to ensure that those notes are in accordance with the applicable accounting standards.</p>

2. Recognition and measurement of revenues from private health services due to the high volume of transactions, and the variety and complexity of services rendered in the various health units.

Description of the risks of material misstatement	Summary of our approach to the risks of material misstatement
<p>As mentioned in the previous Key Audit Matter, consolidated revenues from rendering of private health care services comprise a significant volume of transactions, from various health units that render a variety of complex services. The specificity and complexity of some of the services rendered and the multiplicity of existing agreements with health insurance companies and health subsystems organizations increase significantly the risk of services rendered not being recognized or being incorrectly booked and measured.</p>	<p>Our approach to the risk of material misstatement includes: i) a global response with impact on the way the audit has been performed; and ii) a specific response which translated in a combined approach of assessment of controls and substantive procedures, namely:</p> <ul style="list-style-type: none"> ▶ Assessment of the effectiveness of internal control environment and execution of tests of controls related to revenue recognition; ▶ Reconciliation between the operational invoicing system and the recognition of revenue in the general ledger; ▶ Execution of analytical review procedures to all sales and services rendered accounts, including analysis of the significant variances compared to prior year, compared with expectations and with the agreed / budgeted production with the use of data analysis tools (analytics); ▶ Testing of the amounts booked as accrued invoices as at December 31, 2019, through the substantive analysis of the processes that originated the deferral of invoicing, as well as through the subsequent clearance, after the financial year end; ▶ Execution of data analysis procedures (analytics) to validate the correlation of transactions booked i) between the sales and services rendered accounts and the clients' accounts and ii) between the clients' accounts and cash & banks, during the period from January 1, 2019 to December 31, 2019. <p>Our approach also encompassed the analysis of the disclosures included in notes 2.4.1, 7 and 25 of the notes to the Consolidated Financial Statements to validate that the disclosures are in accordance with the applicable accounting standards.</p>

3. Impairment of Goodwill

Description of the risks of material misstatement	Summary of our approach to the risks of material misstatement
<p>The amount of Goodwill as at December 31, 2019 amounts to 46.056 thousand euros and is related to the business combinations disclosed in note 17 of the notes to the Consolidated Financial Statements.</p> <p>An impairment test of Goodwill should be performed on an annual basis, which involves a high level of subjectivity inherent (i) to the assumptions taken by management in forecasting the business plans of each Cash Generating Unit, as well as (ii) to the</p>	<p>We have tested the assumptions used in the valuation models prepared by management, namely the cash flow projections, the discount rate, the inflation rate, the perpetual growth rate and the sensitivity analysis, supported by internal specialists in business valuations.</p> <p>We have tested the consistency of the assumptions used in the business plans with prior years, with historical data and with external data.</p> <p>We have tested the arithmetical calculation of the model used.</p>

Description of the risks of material misstatement	Summary of our approach to the risks of material misstatement
<p>remaining assumptions included in the calculation of the value in use, determined in accordance with the discounted cash flows methodology, namely the discount rates and forecast performance, including perpetual growth, as disclosed in note 17 of the notes to the Consolidated Financial Statements.</p> <p>Consequently, the potential impairment of goodwill has been considered a relevant matter because the amount booked for this asset is material and the impairment assessment process is complex.</p>	<p>We have reviewed the sensitivity analysis of the impairment tests performed on the Cash Generating Units, to validate that the disclosures included in note 17 of the notes to the Consolidated Financial Statements reflect the outcome of the impairment tests performed.</p> <p>We have reviewed the requirements of the applicable disclosures (IAS 36) in accordance with notes 2.3.c), 2.6 and 17 of the notes to the Consolidated Financial Statements.</p>

4. Liquidity, refinancing and contractual ratios

Description of the risks of material misstatement	Summary of our approach to the risks of material misstatement
<p>The Group has contracted external financing presented as current and non-current liabilities, in the amount of 411.904 thousand euros and 122.400 thousand euros, respectively. As part of the Group's investment strategy, significant advances occurred on the constructions of fixed assets, as disclosed in note 19 of the notes to the Consolidated Financial Statements, therefore additional financing was contracted in the amount of 87.396 thousand euros and bonds were renegotiated and refinanced as disclosed in note 35 of the notes to the Consolidated Financial Statements.</p> <p>Additionally, an important factoring operation of Trade receivables was concluded by year ended December 31, 2019, under the terms disclosed in note 27 of the notes to the Consolidated Financial Statements.</p> <p>The management of cash-flows, refinancing capacity and compliance with the financial ratios are significant matters for our audit.</p> <p>The test or evaluation is largely based on Management's expectations and estimates, which are influenced by subjective assumptions such as projections of volume and margins of operating activities, estimates of future cash flows, forecasting of economic and capital market conditions, and capacity to fulfill financial ratios.</p>	<p>We have obtained the support agreements of the various debt instruments and the understanding of the contractual ratios computation method.</p> <p>We have tested compliance with the contractual conditions.</p> <p>We have tested and challenged cash flows forecasts of the subsidiaries and the process by which they were prepared, testing the underlying assumptions, such as the expected cash flows of services rendered and cash outflows from operating expenses.</p> <p>We have read the minutes of the Board of Directors and other bodies of the Group to understand future plans and identify potential contradictory information.</p> <p>We have discussed with Group's management the projections of debt market conditions and confirmed the group policy of dividend distribution and shareholders financing.</p> <p>We have verified that the amounts, changes, maturity dates and other contractual conditions of the various financing instruments are disclosed, as required by IFRS 32, in note 35 of the notes to the consolidated financial statements.</p>

Description of the risks of material misstatement	Summary of our approach to the risks of material misstatement
The ability to fulfill the commitments entered into with third parties depends essentially on the capacity to generate cash-flows, market conditions on the maturity date of financing that allows them to be renewed, and the financing policy of shareholders and dividend distribution.	

Responsibilities of management and supervisory board for the consolidated financial statements

Management is responsible for:

- ▶ the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards as endorsed by the European Union;
- ▶ the preparation of the Management Report, including the Corporate Governance Report in accordance with the laws and regulations;
- ▶ such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ▶ adoption of appropriate accounting policies and principles for the circumstances;
- ▶ assessment of the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern.

The supervisory board is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- ▶ obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion;
- ▶ communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;
- ▶ from the matters communicated with those charged with governance, including the supervisory board, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter; and
- ▶ provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Our responsibility includes the verification of the consistency of the consolidated Management Report with the consolidated financial statements, and the verifications under numbers 4 and 5 of article 451º of the Commercial Companies Code, including that the statement of non-financial information has been presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

About the Management Report

Pursuant to article 451º, nº 3, al. e) of the Commercial Companies Code, it is our opinion that the consolidated Management Report was prepared in accordance with laws and regulations in force, the information contained therein is in agreement with the audited consolidated financial statements and, taking into consideration our assessment and understanding of the Group, we have not identified any material misstatement.

About the non-financial statement provided for in the article 508-G of the Commercial Companies Code

Pursuant of article 451º, nº 6, of the Commercial Companies Code, we inform that the Group prepared a separate report of the Management Report, the Integrated Report, which includes the non-financial information as required by article 508-G of the Commercial Companies Code and was published together with the Management Report.

About the Corporate Governance Report

Pursuant to article 451º, nº 4, of the Commercial Companies Code, it is our opinion that the Corporate Governance Report (Information of the shareholders structure, organization and Corporate governance) includes the items required of the Group in accordance with article 245º-A of Securities Market Code, and no material misstatements were identified in the information contained therein, complying with the provisions of paragraph c), d), f), h), i) and m) of the referred article.

About additional items set out in article 10º of Regulation (EU) nº 537/2014

Pursuant to article 10º of Regulation (EU) nº 537/2014 of the European Parliament and of the Council, of 16 April 2014, and in addition to the key audit matters mentioned above, we report the following:

- ▶ We have been appointed as auditors of José de Mello Saúde, S.A. for the first time in the shareholders' general meeting held on October 11, 2007 for the period between 2007 and 2009; on March 31, 2010 for a mandate between 2010 and 2012; and in June 28, 2013 for a mandate between 2013 and 2015. In 2014 we resigned as sole statutory auditor and were appointed as external auditor following the change in the corporate bodies of the company resulting from the issue of bonds listed in Euronext Lisbon. We were reappointed in the shareholders' general meeting held on April 29, 2016 for a fourth mandate for the period between 2016 and 2018; and in May 27, 2019 for a mandate between 2019 and 2021.
- ▶ Management has confirmed that they are not aware of any fraud or suspicion of fraud with a material impact on the consolidated financial statements. In planning and executing our audit in accordance with ISA we maintained our professional scepticism and we designed audit procedures to address the possibility of a material misstatement in the consolidated financial statements due to fraud.
- ▶ We confirm that our audit opinion is consistent with the additional report that was prepared by us and issued to the supervisory board as of this date.
- ▶ We declare that we have not provided any prohibited non-audit services referred to in article 77º nº 8 of the Statute of the Institute of Statutory Auditors and we remained independent of the audited Group in conducting the audit.

Lisbon, April 29, 2020

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Represented by:

(Signed)

Luís Miguel Gonçalves Rosado - ROC nº 1607
Registered with the Portuguese Securities Market Commission under licence nr.º 20161217

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