## REPORT FORSEEN IN ARTICLE 460, No 5, OF THE COMPANIES CODE

## I

## JUSTIFICATION OF THE PROPOSAL TO SUPRESS THE PREFERENCE RIGHT

1. The Board of Directors considers, taking into account the current complex and sensitive international context, it would be in the company's interest to submit to the General Meeting, for appraisal and approval, action mechanisms that could serve the goal of optimizing the conditions should be the need arise for reinforcing Company's own funds and/or reinforcing and diversification its shareholder base.

**2.** In the proposal made by the Board of Directors, the creation of such mechanisms implies the suppression of the preference right of the shareholders in case of a share capital increase or increases within the maximum limit defined, grounded on corporate interests that require justification and unequivocally advocate its approval.

This report, drawn up pursuant to article 460, no 5, of the Companies Code, will begin with the grounds for suppressing the preference right.

Actually, VAA admits that, if it deems necessary or convenient to increase own funds, or to reinforce and diverse its shareholder base, must be prepared to, within a reasonable timeframe (until the 31st December 2020), being presented with the opportunity to promote the placement, with one or more qualified or institutional investors in domestic or international markets, of one or more issues of new shares corresponding to a shareholding of no more than 15% of the existing share capital on the present date.

The reasons that led to the suppression of shareholders' preference right are related with the high volatility and instability experienced by the financial markets at this moment and that is expected to last for some time. Within in context, it makes all the difference for a company to be or not in a position to promptly take advantage of an eventually available financing, that would probably be unable to undergo the long terms, delays, complex processes and most of all, the uncertainty in the attribution of shares that are the regular features of a rights issue.

In effect, the possibility of the company being in a position where its management body (*i*) is able to resolve on a share capital increase by cash entries and (*ii*) may, within specific limits, do so by an immediate placement for qualified or institutional investors, may turn into an advantage for the company's interest that is of the utmost importance within a scenario of lack of funding and investment, in which it is necessary to increase the possibility of capturing funds in the international competition for funding.

One may verify in fact that important national and international companies were able to face, in a particularly adverse market context, exactly due to their ability to quickly grasp the opportunities in demand from selected qualified or institutional entity/entities.

Having pondered on these corporate interest factors, and taking care to limit factors that may dilute the shareholder structure, the Board of Directors considered that it would be reasonable and clearly in favour the company's best interest to propose to the Shareholders that the possible issue of new shares, eventually placed, one or more times, without shareholders preference rights to the selected entity/entities, be limited to the maximum global amount of 15% of the total amount of the share capital in effect on the present date.

## II

## ATTRIBUTION AND CONDITIONS TO EXERCISE OF THE NEW SHARES' INHERENT RIGHTS

The shares that may be issued are to be subscribed by an entity or entities that meet the requirements of qualified investors in accordance with the Securities Codes or of institutional investors and that are interested in purchasing a shareholding in VAA, to be selected by the Board of directors, with the prior favourable opinion issued by the Fiscal Council, if it is deemed that the placement is feasible and convenient to strengthen the own funds of the Institution of the Company and/or to reinforce and diverse the shareholders.

The investors who subscribe the shares issued will be able to exercise the rights inherent to the shares immediately after the subscription, with the suppression of the shareholders' preference rights, there will be no delay in the exercise of the rights.

## III

## ISSUE PRICE AND HOW IT IS DEFINED

The price of new shares will be defined based on the prevailing market conditions at the time of each capital increase resolution, though it cannot be lower that the nominal value of the shares.

Ílhavo, 5th April 2019

**THE BOARD PF DIRECTORS**