

**PROPOSAL**  
**NOTEHOLDERS' MEETING**  
**NOTES "JOSÉ DE MELLO SAÚDE 2017/2023"**



**ISIN: PTJLLCOM0009**

CUF, S.A.

Registered with the Commercial Registry Office of Cascais under Corporate Taxpayer No. (NIPC) 502 884 665

Share Capital: € 53 000 000

Head Office: Avenida do Forte, No. 3, Edifício Suécia III, Piso 2, Carnaxide

**PROPOSAL**

**Sole Item:** Resolution on the amendment of paragraph (b) (Financial Covenant), of Condition 2.2 (Issuer Undertakings) of the Terms and Conditions of the Notes.

**Foreword**

Whereas:

1. At present, the "COVID-19" pandemic is widespread globally, having led to the declaration of the state of emergency in several countries, including Portugal;
2. Although the "COVID-19" pandemic continues to spread and its effects and implications are difficult to accurately estimate at this stage, it is clear that this pandemic has had and will continue to have a substantial negative impact in Portugal, on the Portuguese market and on the development of the activities of CUF, S.A., formerly known as José de Mello Saúde, S.A. (the "Issuer");
3. Given the specific economic context of the year 2020 and the negative consequences mentioned above, it is possible to anticipate an adverse impact on the performance of the Issuer which, in its view, justifies an adjustment, for the year 2020, of the scope of application of Financial Covenant established in paragraph (b) (Financial Covenant) of Condition 2.2 (Issuer Undertakings) of the Terms and Conditions of the Notes issued by the Issuer with the ISIN

PTJLLCOM0009, representative of the issue designated "José de Mello Saúde 2017/2023" ("Notes"),

Holders of Notes are thus requested to approve the amendment to paragraph (b) (Financial Covenant), of Condition 2.2 (Issuer Undertakings) of the Terms and Conditions of the Notes, which currently reads as follows:

**"2.2 ISSUER UNDERTAKINGS**

(b) Financial Covenant

So long as the Notes remain outstanding, the Issuer shall ensure at all times that the Net Debt / EBITDA is lower or equal to 6x."

TO BE REPLACED BY THE FOLLOWING:

**"2.2 ISSUER UNDERTAKINGS**

(b) Financial Covenant

The Net Debt to EBITDA Ratio does not apply and will not be calculated in respect of the year 2020.

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

- (i) in respect of the year 2020, the Net Debt does not exceed € 570,000,000, as evidenced in the audited annual accounts of the Issuer pertaining to the year ended on 31 December 2020;
- (ii) in respect of all years other than 2020, 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
- (iii) the audited annual accounts of the Issuer are published and contain information required to assess the Net Debt and the Net Debt to EBITDA Ratio, as applicable, 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."

The extraordinary resolution referred to above is not conditional on the approval of any other extraordinary resolution by the holders of any other securities issued by the Issuer.

**Market sounding**

Prior to this proposal the Issuer decided to wall-cross a number of holders of Notes and invited them to consider the proposal described herein. Holders who hold in aggregate approximately 38% (thirty-

eight per cent) of the outstanding principal amount of the Notes have indicated that, subject to final documentation as well as all relevant approvals, they intend to vote in favour of the proposals in respect of their holdings of Notes.

The position above in relation to the review by a group of holders of the Notes relates only to the proposals set out herein and not to any future offers or proposals which the Issuer may make. Holders of the Notes should, however, nonetheless undertake their own detailed assessment of the relevant proposal.

Annexed hereto is the consolidated version of the Terms and Conditions of the Notes reflecting the proposed variations.

### **Incentives**

Subject to the approval of the Proposal, holders of Notes which validly comply with the "Procedures to Participate in the Meeting" contained in the Meeting's notice, until 3 September 2020 at 6 p.m. (GMT) ("**Early Participation**") will be eligible to receive, under the terms here set forth, an Early Participation Fee of 0.20% of the principal amount of the Notes then outstanding they hold on the date of the Early Participation, as attested by a certificate issued by the respective depository.

Subject to the approval of the Proposal, holders of Notes issued by Issuer, which validly comply with the "Procedures to Participate in the Meeting" contained in the Meeting's notice, after 3 September 2020 at 6 p.m. (GMT) and up to 2 hours before the beginning of the Meeting ("**Late Participation**") will be eligible to receive, under the terms here set forth, a Late Participation Fee of 0.10% of the principal amount of the Notes then outstanding they hold on the date of the Late Participation, as attested by a certificate issued by the respective depository.

<b>Early Participation Fee</b>	<b>Late Participation Fee</b>
0.20%	0.10%

The payment of the Early Participation Fee and of the Late Participation Fee is subject to:

- (a) The valid participation on the Meeting by the Noteholder;
- (b) The approval of the resolution specified in the single agenda point of the Meeting; and
- (c) The resolution passed with respect to the single agenda point of the Meeting not being null and void or subject to annulment.

Failure to comply timely and in full with all Procedures to Participate in the Meeting will not permit the relevant holder of the Notes to receive the Early Participation Fee or the Late Participation Fee, as the case may be, and therefore such payment may not be claimed to the Issuer.

The amount corresponding to the Early Participation Fee or to the Late Participation Fee, as applicable, shall be paid 5 (five) business days after the approval of the resolution specified in the single agenda point of the Meeting.

For the purpose of receiving the amount of the Early Participation Fee or the Late Participation Fee, as applicable, the holder of the Notes must submit, no later than 2 hours prior to the Noteholders' Meeting, on first or second call, as applicable, payment instructions on the Issuer Solutions, S.L.'s website, [www.issuersolutions.com/cuf](http://www.issuersolutions.com/cuf), by completing the form available on that platform, so that the transfer of the amount may be processed. If this information is not given by the holder of the Notes and the form is not filled by the said date, the holder of the Notes shall not be entitled to receive the said amount and the Issuer shall not have an obligation to pay it.

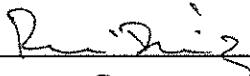
The tax framework associated with the Early Participation Fee or to the Late Participation Fee applicable to the holder of the Notes must be confirmed by his respective tax advisors, in accordance with the laws in force in his jurisdictions. The tax liability applicable to the holder of the Notes as a result of obtaining the Early Participation Fee or to the Late Participation Fee (if applicable) does not constitute any claim of the holder of the Notes against the Issuer.

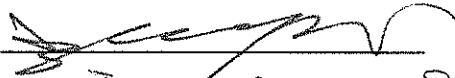
#### **Result of the Meeting**

The results of any resolution of the Meeting will be published by the Issuer in its website, [www.cuf.pt](http://www.cuf.pt), by Issuer Solutions, S.L. in its website, [www.issuersolutions.com/cuf](http://www.issuersolutions.com/cuf), by the Luxembourg Stock Exchange in its website, [www.bourse.lu](http://www.bourse.lu), and by the Portuguese Securities Commission in its website, [www.cmvm.pt](http://www.cmvm.pt).

Carnaxide, 10 August 2020

On behalf of the Board of Directors of CUF, S.A.

  
Name: RUI DENEZ  
Position: DIRECTOR

  
Name: INACIO ALMEIDA BAIXO  
Position: DIRECTOR