



EXTRAORDINARY GENERAL MEETING OF BONDHOLDERS
“€60,000,000 2.5% Unsecured Senior Bonds due 2025”
ISIN: PTGRPAOM0012

NOTICE

Under and for the purposes of article 355, paragraph 2, of the Portuguese Companies Code, the bondholders holding the bonds denominated “€60,000,000 2.5% Unsecured Senior Bonds due 2025”, with ISIN PTGRPAOM0012 (hereinafter, the “**Bondholders**” and “**Bonds**” respectively), issued on 23 September 2019 by Grupo Pestana – S.G.P.S., S.A., holding company and share limited liability company, with head office at Largo António Nobre, no. 1, 9000-022 Funchal, Madeira, registered with the Commercial Registry Office of Funchal under the sole registration number and legal person 511 220 448, with the fully paid-up share capital of EUR 83,530,000 (the “**Issuer**”), under the Information Memorandum on the admission of Bonds to trading on the Euro MTF unregulated market, managed by the Luxembourg Stock Exchange, are hereby summoned to an Extraordinary General Meeting of Bondholders (hereinafter the “**Meeting**”) to be held on **9 September 2020**, at **12:00 p.m.** (Lisbon time), at the Pestana Palace Hotel & National Monument, located at Rua Jau no. 54, 1300-314 Lisbon, Portugal (the “**Pestana Palace Hotel Lisboa**”), as the head office of the Issuer does not have the necessary conditions for such purpose. If, as further detailed below, within 15 minutes after the time set for the Meeting the required quorum is not met, a second meeting is hereby summoned to **25 September 2020**, at **12:00 p.m.** (Lisbon time), also at the Pestana Palace Hotel Lisboa, as the head office does not have the necessary conditions for this purpose, with the same agenda.

The Meeting will have the following agenda (“**Agenda**”):

AGENDA

Sole Item: Resolve on the waiver in respect of the compliance by the Issuer of the EBITDA financial ratios set forth in condition 3.1 (*Limitation on additional indebtedness*) of the Terms and Conditions of the Bonds with respect to the years of 2020 and 2021 and, accordingly, resolve on the amendment of condition 3.1 (*Limitation on additional indebtedness*) of the Terms and Conditions of the Bonds.

THE TIME OF YOUR LIFE

GRUPO PESTANA – SGPS, S.A. · PESTANA CARLTON MADEIRA HOTEL LARGO ANTÓNIO NOBRE · 9004-531 FUNCHAL · PORTUGAL

TEL.: (+351) 291 140 418 · FAX (+351) 291 232 409

WWW.PESTANA.COM

CONT. N.º 511 220 448 · CAPITAL SOCIAL: EUR 81.530.000 · MATRICULADA SOB O MESMO NÚMERO NA C.R.C.

Unless otherwise stated in this Notice, capitalized terms used have the meaning ascribed to them in the Terms and Conditions of the Bonds.

The Issuer has appointed Lucid Issuer Services Limited as the entity responsible for assisting the Chairman of the Board of the General Meeting in organizing and managing the Meeting (“**Information and Tabulation Agent**”). The Information and Tabulation Agent will also provide Bondholders, free of charge, with all the support, information and clarifications necessary for participation in the Meeting. The Information and Tabulation Agent provides Bondholders with a secure and certified electronic address and platform, in compliance with European data protection legislation, where the Meeting's preparatory documents will be made available.

INFORMATION REGARDING THE NOTICE

The Meeting is convened by the Chairman of the Board of the Issuer's General Meeting following a request submitted on 3 August 2020 by the Issuer's Board of Directors, given that no Bondholders' common representative has been appointed up to the current date.

PROPOSAL

The proposal relating to the Sole Item of the Agenda is hereby attached and is also available for consultation by the Bondholders, as of the date of this Notice, at the Issuer's registered office, on its website at <https://www.pestanagroup.com/en> and on the platform of the Information and Tabulation Agent available at www.lucid-is.com/pestana.

PREPARATORY INFORMATION FOR BONDHOLDERS' MEETING

Under and for the purposes established in article 289 of the Portuguese Companies Code applicable *ex vi* article 355 of the Portuguese Companies Code, the preparatory information and documents for the Meeting are available to the Bondholders as of the date of this Notice, at the Issuer's registered office, on its website at <https://www.pestanagroup.com/en> and on the Information and Tabulation Agent platform accessible at www.lucid-is.com/pestana.

ADDITIONAL INFORMATION

Bondholders may obtain additional information or clarifications related to the Meeting upon request addressed to the Information and Tabulation Agent or to the consent coordinator:

THE TIME OF YOUR LIFE

GRUPO PESTANA – SGPS, S.A. · PESTANA CARLTON MADEIRA HOTEL LARGO ANTÓNIO NOBRE · 9004-531 FUNCHAL · PORTUGAL

TEL.: (+351) 291 140 418 · FAX (+351) 291 232 409

WWW.PESTANA.COM

Information and Tabulation Agent

Lucid Issuer Services Limited

Att: Thomas Choquet

Telephone: + 44 20 7704 0880

E-mail: pestana@lucid-is.com

Website: www.lucid-is.com/pestana

Consent Coordinator

Banco Bilbao Vizcaya Argentaria, S.A.

Att: Liability Management Group

Telephone: +44 (0) 207 397 6029/ +34 658 941 136/ +351 96 1010 449

E-mail: liabilitymanagement@bbva.com

REQUIREMENTS FOR PARTICIPATION, EXERCISE OF VOTING RIGHT AND QUORUM

Bondholders should take into account the Terms and Conditions of the Bonds, articles 355 and 377 of the Portuguese Companies Code and other applicable regulatory provisions, including the rules and practices of the centralized registration, settlement and clearing securities systems, for the purposes of participating in the Meeting and exercising the right to vote.

A. Requirements for Participation

- i. The Meeting is a general meeting, comprising all Bondholders and all Bondholders are entitled to participate in the Meeting and to discuss and vote therein.
- ii. Bondholders intending to participate in the Meeting must provide evidence of its Bondholder status, in accordance with article 78 of the Portuguese Securities Code, by providing a certificate of ownership issued by the relevant Interbolsa participant member.
- iii. For this purpose, Bondholders must request the respective financial intermediary(ies) with which they have opened an individual securities registration account, being a participating financial intermediary in the Portuguese settlement central, *i.e.* at the *Central de Valores Mobiliários ("CVM")*, managed by Interbolsa - Management Company of Settlement

THE TIME OF YOUR LIFE

GRUPO PESTANA – SGPS, S.A. · PESTANA CARLTON MADEIRA HOTEL LARGO ANTÓNIO NOBRE · 9004-531 FUNCHAL · PORTUGAL

TEL.: (+351) 291 140 418 · FAX (+351) 291 232 409

WWW.PESTANA.COM

Systems and Centralized Securities Systems, S.A., the issuance of an ownership and blocking certificate regarding the Bonds which voting rights it intends to exercise, which shall include: (A) the number of Bonds held by the Bondholder and (B) the blocking of the Bonds for the period necessary for the exercise the voting rights (either on first call or, if applicable, second call of the Meeting), under the terms of article 72, paragraph 1, a), of the Portuguese Securities Code (the “**Certificate**”).

- iv. The issuance of the Certificate assumes the blocking of the Bonds under the terms and pursuant to Article 72, paragraph 1, a), of the Portuguese Securities Code, which consists in an account registration, with an indication of its basis, the term and the number of securities covered. During the term of the blocking, the registering entity is prohibited from transferring the blocked securities.
- v. Bondholders who do not hold their Bonds directly through a financial intermediary participating in the CVM and who intend to participate/be represented at the Meeting, should consult their custodians in advance, in order to ensure timely compliance with any procedures (required by custodians themselves or by other intermediaries, including international centrals such as Euroclear Bank S.A./NV or Clearstream Banking, société anonyme) necessary for their participation/representation in the Meeting.
- vi. Bondholders which are natural persons intending to participate in the Meeting must scan and send their identification document, as well as the Certificate(s) at the attention of the Chairman of the Board of the General Meeting, to the email address pestana@lucid-is.com, by 6:00 p.m. (Lisbon time) of the second business day prior to the day designated for the Bondholders' Meeting, *i.e.* on 7 September 2020 if the Meeting is held at the first date or on 23 September 2020 if the Meeting is held at the second date.
- vii. In case of co-ownership, only the common representative of the co-owners may participate in the Meeting.
- viii. Bondholders which are legal persons intending to participate in the Meeting will be represented by their legal representatives or by a person designated by themselves through a letter duly signed and addressed to the Chairman of the Board of the General Meeting, as foreseen in the following paragraph, attaching the commercial certificate or the access code to the commercial registry or similar document for legal persons headed abroad or, if applicable, power of attorney evidencing the powers of the legal representative or of the signatory.

THE TIME OF YOUR LIFE

- ix. Bondholders may be represented at the Meeting by an attorney by sending a letter of attendance and representation (“**Letter of Attendance and Representation**”), which template is available on the Issuer's website at <https://www.pestanagroup.com/en> and on the Information and Tabulation Agent platform accessible at www.lucid-is.com/pestana, as well as a copy of the Bondholder’s and its representative identification document and of the Certificate(s), to the email address pestana@lucid-is.com, by 6:00 p.m. (Lisbon time) of the second business day prior to the day designated for the Bondholders' Meeting, i.e. on 7 September 2020 if the Meeting is held at the first date or on 23 September 2020 if the Meeting is held at the second date. In case of Bondholders which are legal persons, it will be necessary to send the commercial certificate or the access code to the commercial registry or similar document for legal persons headed abroad or, if applicable, power of attorney evidencing the powers of the legal representative or of the signatory of the Letter of Attendance and Representation.
- x. The Bondholders may appoint different representatives in relation to the Bonds held in different securities accounts (as long as they exercise the respective voting rights along the same direction and present the documents referred to in the paragraph above).
- xi. Bondholders attending the Meeting in person shall carry with them a personal identification document and the original(s) of the Certificate(s), and, in case of representation, the Letter of Attendance and Representation.
- xii. The Bondholders Meetings may be attended by: (a) Bondholders or their representatives, (b) the members of the management and supervisory bodies of the Issuer and other legal representatives of the Issuer, (c) the financial advisers and legal advisers of the Issuer, (d) any other person whose presence is approved by the persons attending the Bondholders' Meeting, and (e) any other person authorized under the legal terms.

Bondholders are advised to obtain information also from their financial intermediaries or other entities through which they hold the Bonds on any pre-requisites, instructions or additional deadlines that these entities may require for the purposes of the effective exercise of their rights. In particular, it is underlined that Bondholders who do not hold the Bonds directly through a financial intermediary that is a participant in the CVM managed by Interbolsa, should consult with their custodians in advance in order

THE TIME OF YOUR LIFE

to ensure that they comply with any procedures (of such custodians or other intermediaries, such as Euroclear Bank S.A./N.V. or Clearstream Banking, société anonyme) required for them to obtain the certificate of ownership.

B. Quorum and voting majorities

- i. Given that the resolutions proposed in the sole item of the Agenda are Extraordinary Resolutions as defined in the Terms and Conditions of the Bonds, the Meeting can be held at first call provided that Bondholders representing at least 50% (fifty per cent) of the principal amount of the Bonds then outstanding are present or duly represented.
- ii. The Meeting may be held at second call on 25 September 2020 and decide irrespective of the number of Bondholders present and/or represented.
- iii. The majority required for the approval of the proposal of resolution included in the Agenda is at least 50% (fifty per cent) of the votes corresponding to all the Bondholders, if the Meeting is held at first call, or at least by a two-thirds majority of the votes cast at the Meeting, if held on the second call.
- iv. The resolutions approved at the Meeting will be binding on all Bondholders, whether or not they were present or represented at the Meeting and even in case they voted against the approved resolutions.

C. Requirements for voting

- i. Each Bond is granted 1 (one) voting right.
- ii. Bondholders will not be obliged to vote with all the voting rights related to the entirety of the Bonds held by them but will be obliged to vote in the same direction as to the votes they choose to exercise.
- iii. Bondholders will be able to vote by correspondence, by completing the form available at the Issuer's registered office, on its website at <https://www.pestanagroup.com/en> and on the Information and Tabulation Agent platform accessible at www.lucid-is.com/pestana, which needs to be signed with a signature similar to that of the identification document, and hereby Bondholders declare, unequivocally, the direction of their vote in relation to the Sole Item of the Meeting's Agenda by using the expressions: IN FAVOR, AGAINST or ABSTENTION. The form must be accompanied by a copy of the Bondholder's identification document; the Certificate(s); and if the Bondholder is a legal person, the form must be signed by a person that

THE TIME OF YOUR LIFE

represents it, attaching the commercial certificate or the access code to the commercial registry or similar document for legal persons with head office abroad or, if applicable, power of attorney, which allows to evidence the powers of the legal representative or of the signatory. The form of vote by correspondence, accompanied by the elements referred to in the previous paragraph shall be scanned and sent via email to pestana@lucid-is.com, up until 6:00 p.m. (Lisbon time) of the second business day prior to the scheduled date for the Meeting, i.e. on 7 September 2020 if the Meeting is held at the first date or on 23 September 2020 if the Meeting is held at the second date. The casting of votes by correspondence will be made by the Chairman of the Board of the General Meeting, assisted by the Information and Tabulation Agent, in addition to the votes cast in the Meeting.

- iv. The presence in the Meeting of a Bondholder who has exercised the respective voting right by correspondence, or by a representative, determines the revocation of the vote expressed by that form.

OPERATION AND RIGHTS OF THE BONDHOLDERS

- i. The Meeting is chaired by the Chairman of the Board of the Issuer's General Meeting, given that a Common Representative of the Bondholders has not been appointed.
- ii. If the Chairman of the Board of the Issuer's General Meeting is not present within 15 (fifteen) minutes after the scheduled time of the Meeting, the Bondholders present or represented at the Meeting must elect one of the Bondholders to chair the Meeting.
- iii. During the Meeting, any Bondholder or their respective representative may request for true, complete and clear information that enables him to form a reasoned opinion on the subject provided for in the Agenda, and the rendering of information may only be refused when its disclosure may cause material damages to the Issuer or breach of a confidentiality obligation provided for by law.
- iv. Bondholders who, individually or together with other Bondholders, hold at least 5% (five percent) of the total amount of the Bonds, have the right to request the inclusion of proposals of resolution in relation to the items of the Agenda, through a written request addressed to the Chairman of the Board of the General Meeting to the head office of the Issuer or to pestana@lucid-is.com, or by delivery to the Issuer's registered office, within 5 (five) days after the publication of this Notice. Such request must

THE TIME OF YOUR LIFE

GRUPO PESTANA – SGPS, S.A. · PESTANA CARLTON MADEIRA HOTEL LARGO ANTÓNIO NOBRE · 9004-531 FUNCHAL · PORTUGAL

TEL.: (+351) 291 140 418 · FAX (+351) 291 232 409

WWW.PESTANA.COM

be duly justified and accompanied by a resolution proposal for each new item whose inclusion is required, as well as proof of ownership of the 5% (five percent) of the total amount of the Bonds.

PARTICIPATION INCENTIVE

To incentivize the participation in this Meeting, the Issuer decided, as an incentive to the participation and to support the costs that the participation in the Meeting may entail, to pay to the participating Bondholder an amount corresponding to 0.10% of the nominal amount of the Bonds held by such Bondholder and in respect of which the Bondholder issues voting instructions or exercises its' voting rights, regardless of its voting direction. This amount will be paid in a single payment within 5 (five) business days as of date of the first Meeting or the second Meeting (as applicable) and only if the proposal for resolution by the Issuer's Board of Directors on the sole item on the Agenda is approved.

For the purposes of receiving the amount indicated in the previous paragraph, the Bondholders must make available, up to 6:00 p.m. (Lisbon time) of the second business day prior to the day designated for the Bondholders' Meeting, i.e. on 7 September 2020 if the Meeting is held at the first date or on 23 September 2020 if the Meeting is held at the second date, their bank account details via the relevant form at www.lucid-is.com/pestana and fill the form that is made available in such website so that the transfer of the amount can be processed. If these details are not made available and the form is not filled in by such date, the Bondholders will not be entitled to receive the referred amount and the Issuer will have no obligation to pay the referred amount.

VOTING RESULTS

The result of the votes regarding any resolution adopted at the Meeting shall be published by the Issuer at <https://www.pestanagroup.com/en>, at the Information and Tabulation Agent platform accessible at www.lucid-is.com/pestana and on the Luxembourg Stock Exchange website www.bourse.lu.

Funchal, 5 August 2020

THE TIME OF YOUR LIFE

GRUPO PESTANA – SGPS, S.A. · PESTANA CARLTON MADEIRA HOTEL LARGO ANTÓNIO NOBRE · 9004-531 FUNCHAL · PORTUGAL

TEL.: (+351) 291 140 418 · FAX (+351) 291 232 409

WWW.PESTANA.COM



The Chairman of the Bondholders' General Meeting

(Francisco Manuel de Oliveira e Costa)

THE TIME OF YOUR LIFE

GRUPO PESTANA – SGPS, S.A. · PESTANA CARLTON MADEIRA HOTEL LARGO ANTÓNIO NOBRE · 9004-531 FUNCHAL · PORTUGAL

TEL.: (+351) 291 140 418 · FAX (+351) 291 232 409

WWW.PESTANA.COM

CONT. N.º 511 220 448 · CAPITAL SOCIAL: EUR 81.530.000 · MATRICULADA SOB O MESMO NÚMERO NA C.R.C.