

*English version of the Portuguese original. In the event of any discrepancy, the Portuguese version prevails.*

**NOS, SGPS, S.A.**

**(Public Company)**

**Registered Offices: Rua Actor António Silva no. 9 - Campo Grande, parish  
of Lumiar,  
1600-404 Lisbon**

**Registration number before the Companies Registry Office of Lisbon and**

**Taxpayer number: 504.453.513**

**Share Capital: EUR 5,151,613.80**

("NOS" or "Company")

## **Annual General Meeting of 19 June 2020**

### **BOARD OF DIRECTORS' PROPOSAL**

#### **ITEM 6 OF THE AGENDA**

*(To authorize the Board of Directors to acquire and dispose of own bonds by the Company and subsidiaries)*

Whereas:

- A) Under the terms Article 8 of the Articles of Association of the Company, it may acquire its own bonds and carry out *"any transactions relating to them, including acquisition and disposal, as legally permitted"*;
- B) Pursuant to Articles 319 and 320, applicable by reference made by Article 354, all of the Portuguese Companies Code, the acquisition and disposal of own bonds is, as a rule, subject to approval by the General Meeting;
- C) It is in the interest of NOS, as well as the companies that depend on it, to have, in accordance with applicable laws, the possibility of carrying out transactions on its own bonds, including transactions of acquisition and disposal of own bonds, in terms that are appropriate to the current circumstances of capital market;

The proposals to be resolved on are the following:

1. To approve the acquisition of own bonds by the Company and/or any current and/or future subsidiaries, including rights to their acquisition or

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disposal, subject to a Board of Directors' decision, under the following terms:

- a) **Maximum number of bonds to acquire:** corresponding to the total amount of each issue, without prejudice of the limits of law, and deducting any disposals made;
- b) **Period within which the acquisition can be made:** within eighteen months following this resolution;
- c) **Forms of acquisition:** under the terms and limitations laid down by law, the acquisition of bonds or another debt securities or instruments can be made for a consideration, of any kind, on a regulated market or outside a regulated market, by business proposal or public offer, by direct transaction or by means of financial derivatives, involving or not financial intermediaries;
- d) **Minimum and maximum consideration for the acquisitions:** the acquisition price for consideration shall (i) be within a threshold of 15% above or below the lowest price of the Company bonds, when a market price of bonds is available, on the 3 stock exchange sessions immediately prior to the acquisition; or (ii) correspond to the price: (a) of acquisition resulting from the contracted financial instruments; (b) resulting from the terms of the issue by the Company or its subsidiaries of securities convertible in, or swappable by, bonds of the Company or (c) of contracts entered into in relation to those conversions or swaps; (d) correspondent to the average of sale and purchase referenced by an internationally recognized entity in the debt securities market or; (e) resulting from the estimated value calculated by a qualified and independent consultant appointed by the Board of Directors, if the previous paragraph does not apply to the relevant case;
- e) **Acquisition date:** to be freely set by the Company's Board of Directors during the period of validity of this resolution, particularly considering the situation of the stock market and the convenience or the obligations of the acquiring company, once or more as freely established by the Company's Board of Directors.

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2. To approve the disposal of the Company's own bonds that had been acquired by the Company or any of its current or future subsidiaries subject to Company Board of Director's decision under the following terms:
  - a) **Minimum number of bonds to dispose:** equivalent to the minimum number that at the time of the disposal is legally set for the Company's bonds or any lower number that is sufficient to comply with obligations undertaken by the Company or its subsidiary, arising out of the law, contract or issue of other securities;
  - b) **Period during which the disposal can be made:** within eighteen months following this resolution;
  - c) **Means of the disposal:** the disposal will be made for a consideration of any kind, on a regulated market or outside a regulated market, by business proposal or public offer, in compliance with the applicable legal provisions, without prejudice of being made in accordance with the applicable terms and conditions, in the event of disposal in fulfilment of an obligation or arising out of the issuing of other securities by the Company or its subsidiaries;
  - d) **Minimum price:** a consideration of no more than 15% below than the prices set out in compliance with the criteria referred to in paragraph d) of the item 1 of this proposal of resolution, as applicable;
  - e) **Disposal date:** to be freely determined by the Company's Board of Directors during the period of validity of this resolution, considering the situation of the stock market and the convenience or the obligations of the disposing company, once or more times as freely established by the Company's Board of Directors.

Lisbon, 20 February 2020

The Board of Directors