A STAR ALLIANCE MEMBER

First Half 2024 Results Presentation

Transportes Aéreos Portugueses, S.A.

Lisbon, August 29th, 2024

TAP AIR PORTUGAL

Embrace the World

1H 2024 Review

A STAR ALLIANCE MEMBER

TAP AIR PORTUGAL

Embrace the World

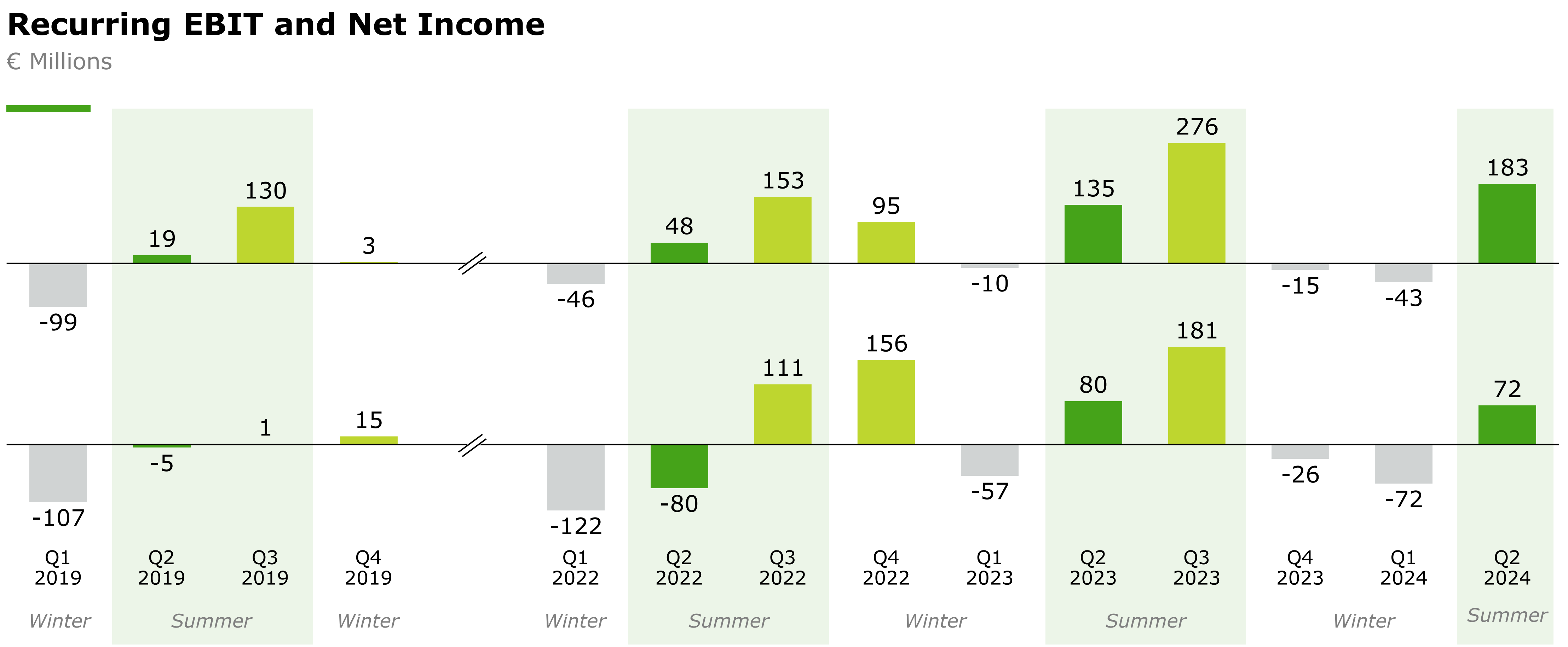
1H 2024 key highlights

- **Revenue up by 3%,** supported by increase in capacity and higher load factor in the passenger business and by higher activity in the maintenance business
- **Improved operating results**, with higher recurring EBITDA and recurring EBIT compared to 1H23
- **Positive Net Income in Q2** (EUR 72m), fully offsetting Q1 negative result
- **Further deleveraging** with Net Debt / EBITDA ratio at 2.1x
- **Additional improvements** in punctuality and regularity
- **Confirmation of Groundforce restructuring plan approval,** with TAP S.A. holding 49.9% of its share capital

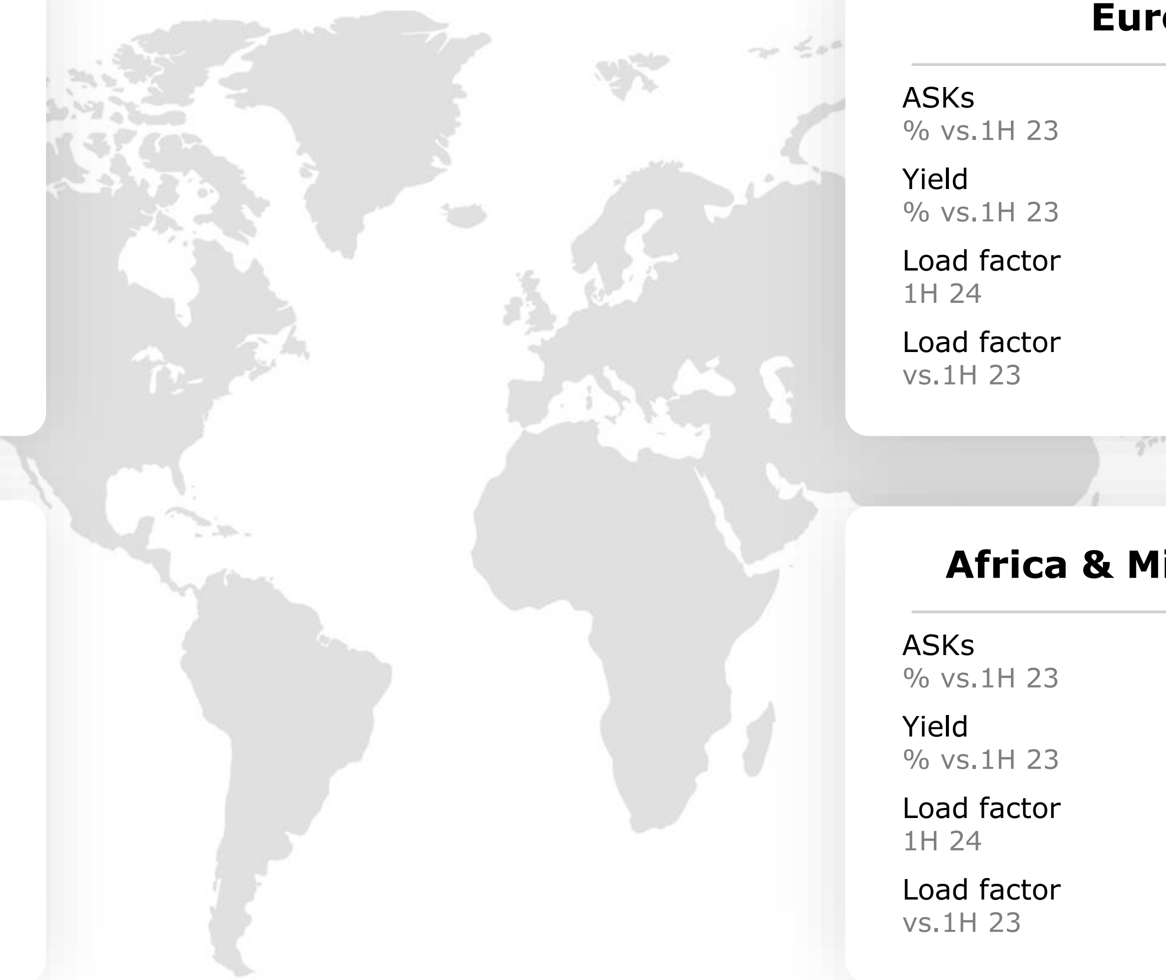
Q2 and 1H 2024 results

	Q2 2024	vs. Q2 2023	1H 2024	vs. 1H 2023
Revenues	EUR 1,107m	+3%	EUR 1,969m	+3%
Recurring EBITDA	EUR 289m	+20%	EUR 373m	+3%
Margin	26%		19%	
Recurring EBIT	EUR 183m	+36%	EUR 139m	+12%
Margin	16%		7%	
Net Income	EUR 72m	-EUR 8m	EUR 0m	-EUR 23m

Expected summer seasonality driving results up



Europe supporting overall yield increase in 1H (+1%)



North America

ASKs % vs.1H 23	**+6%**
Yield % vs.1H 23	**-1%**
Load factor 1H 24	**84%**
Load factor vs.1H 23	**+1.6 p.p.**

Europe

ASKs % vs.1H 23	**0%**
Yield % vs.1H 23	**+6%**
Load factor 1H 24	**81%**
Load factor vs.1H 23	**+1.5 p.p.**

South America

ASKs % vs.1H 23	**+9%**
Yield % vs.1H 23	**-3%**
Load factor 1H 24	**83%**
Load factor vs.1H 23	**-1.1 p.p.**

Africa & Middle East[1]

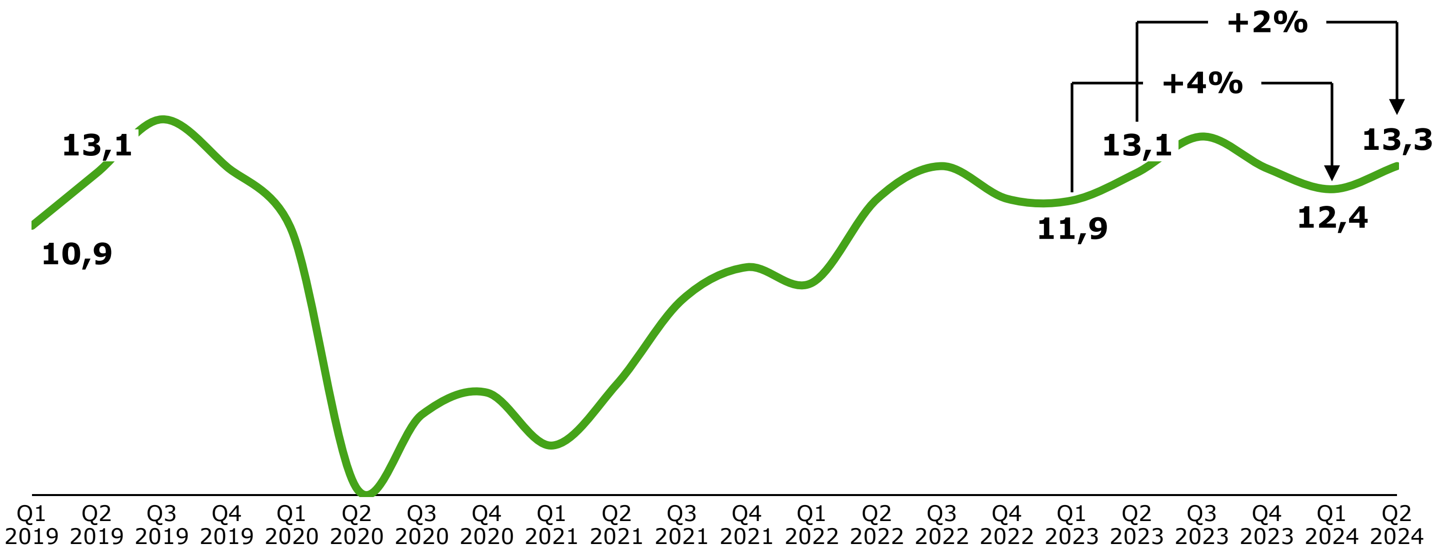
ASKs % vs.1H 23	**-10%**
Yield % vs.1H 23	**-5%**
Load factor 1H 24	**70%**
Load factor vs.1H 23	**+0.6 p.p.**

Flown allocatable passenger revenues (fare, fuel surcharge and flight related ancillaries)
[1]Impacted by the end of the Tel Aviv route in Q4 2023

Stable capacity above 2019 levels

Evolution of capacity since Q1 2019

ASK Millions

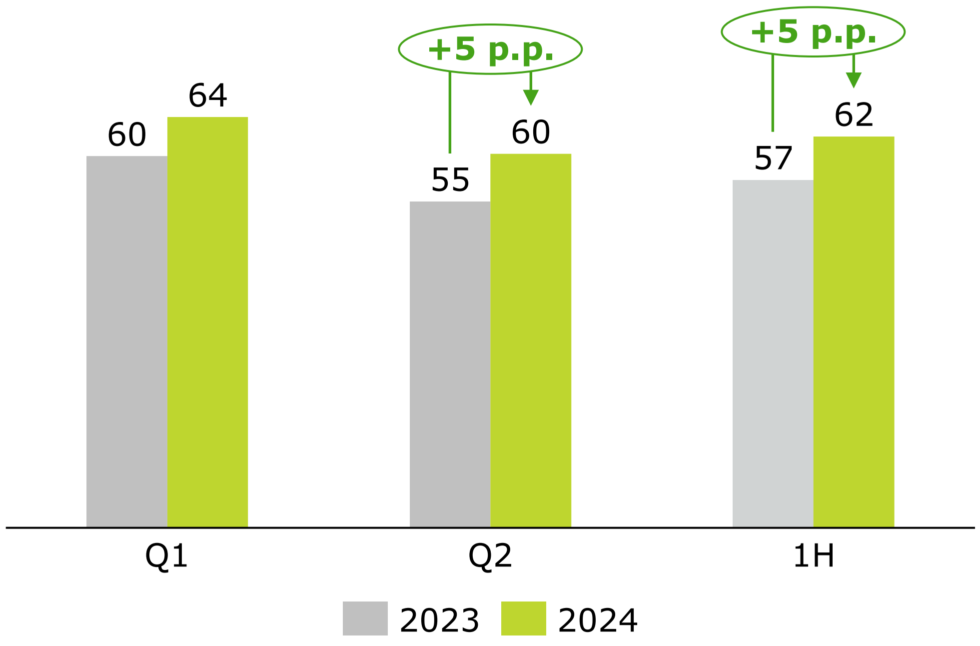


- ✓ TAP has been **managing and increasing its capacity steadily**
- ✓ **TAP has restored its pre-crisis ASKs capacity** through a **fleet up-gauge** and **network improvements**

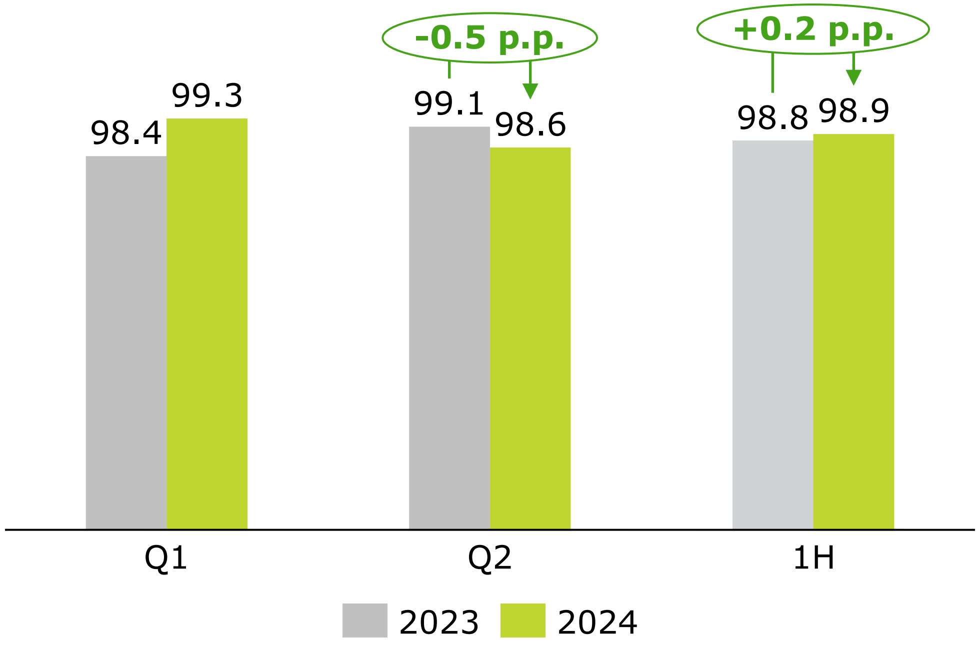
ASK includes flights operated by TAP and ACMIs

Investment in operations delivering results

OTP - D15[1]



Regularity[1,2]



1. Including only regular flights (excludes cargo only & charters)
2. Operational window cancellations

Q2 and 1H 2024 Results

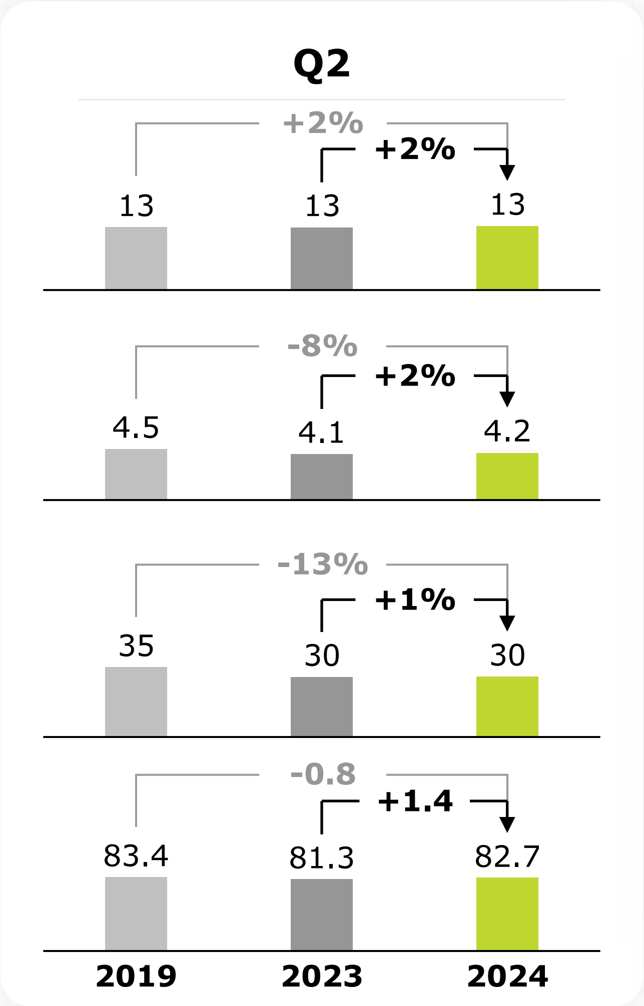
Increased capacity, passengers and load factor vs 2023

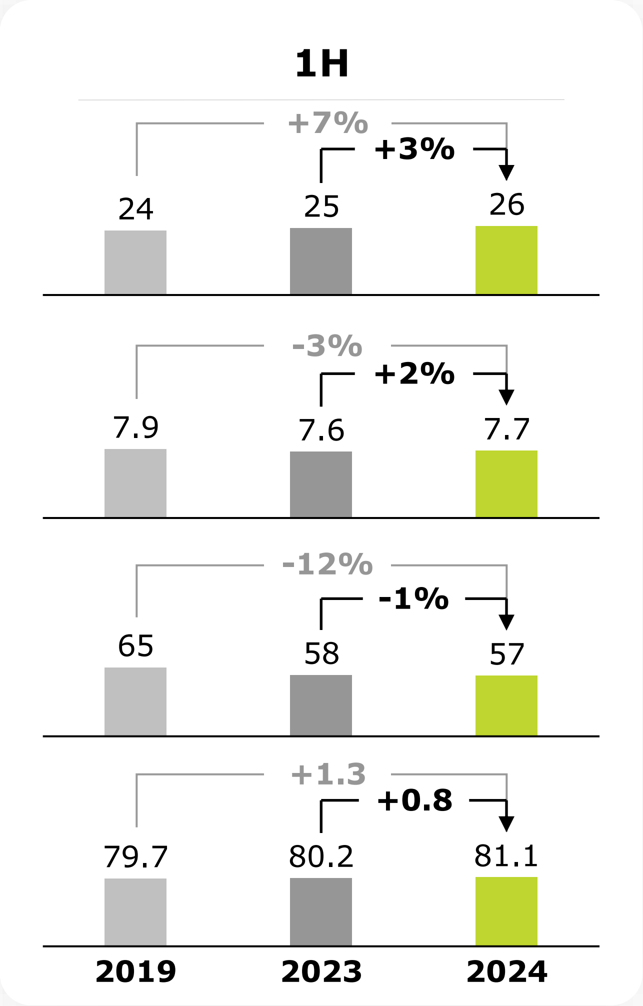
ASKs
Billions

Passengers
Millions

Departures
Thousands

Load factor
%





Comments

ASKs above 2019 levels, reaching 102% and 107% in Q2 and 1H, despite smaller operating fleet

Number of passengers increasing vs 2023 and recovering vs 2019, reaching 92% and 97% in Q2 and 1H

1H slight decrease in departures vs 2023, and still below 2019 with 87% and 89% of 2019 values in Q2 and 1H

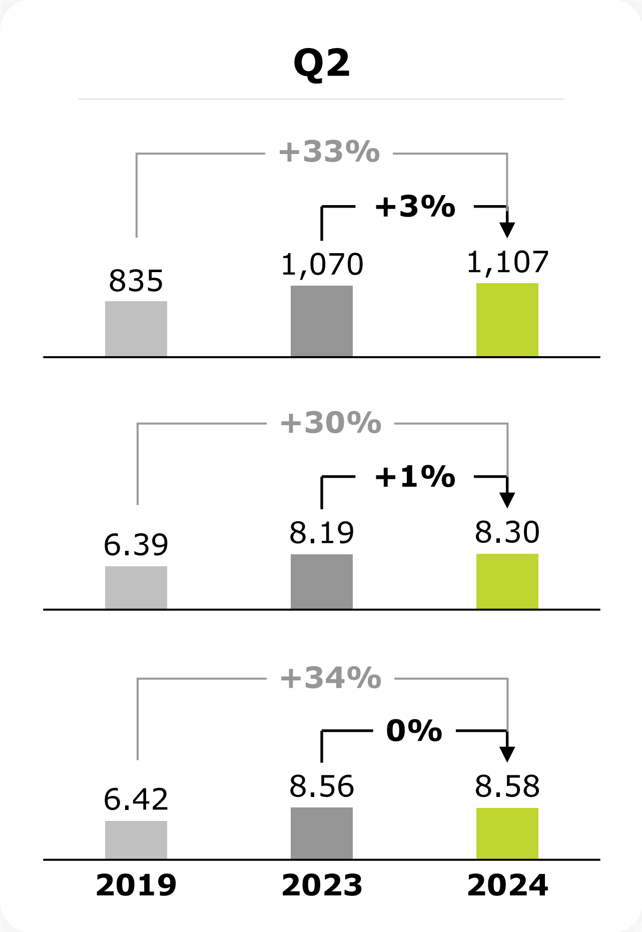
Higher load factors in 2024 when compared to 2023

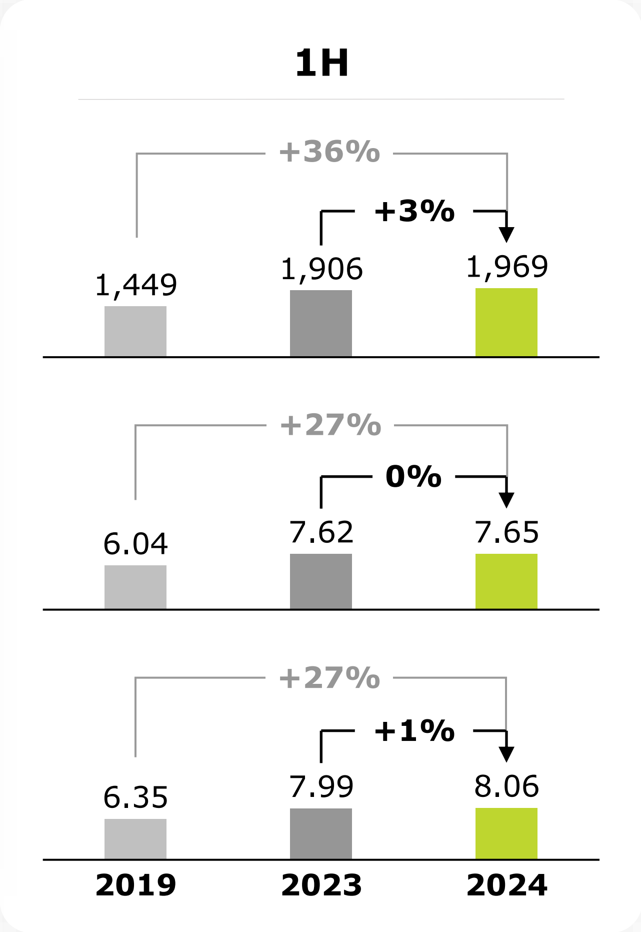
Further revenue increase with stable RASK and yield

Total operating revenue
EUR Millions

RASK
EUR cents

Yield
EUR Cents





Comments

Revenue in 2024 up by 3%, driven by higher capacity and load factor in the passenger segment (+EUR 45m in 1H) and higher engine shop activity in the Maintenance segment (+EUR 31m in 1H)

Stable RASK as Maintenance unit revenue increase offset PRASK decrease (-EUR 0.02 cents / -0,3%)

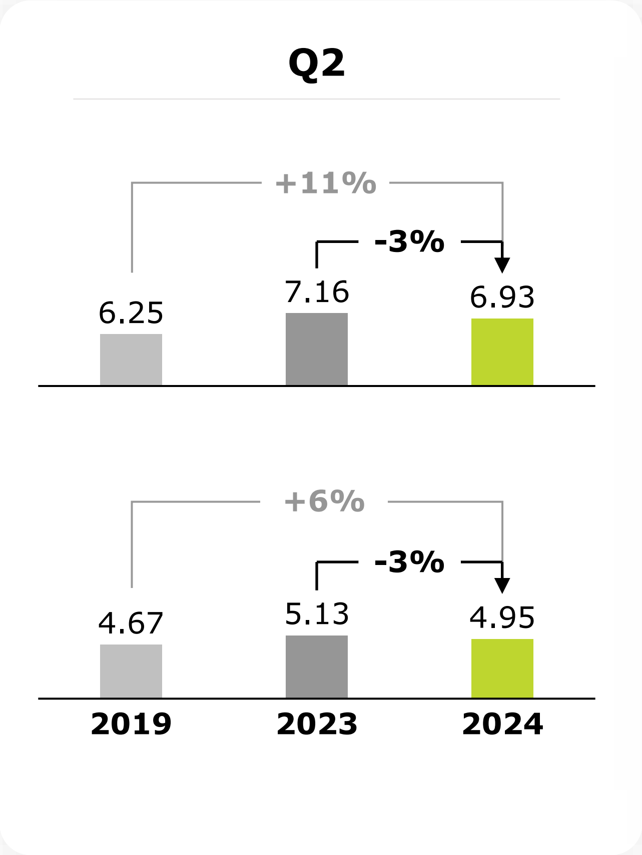
Q2 unit cost decrease due to lower traffic operating costs

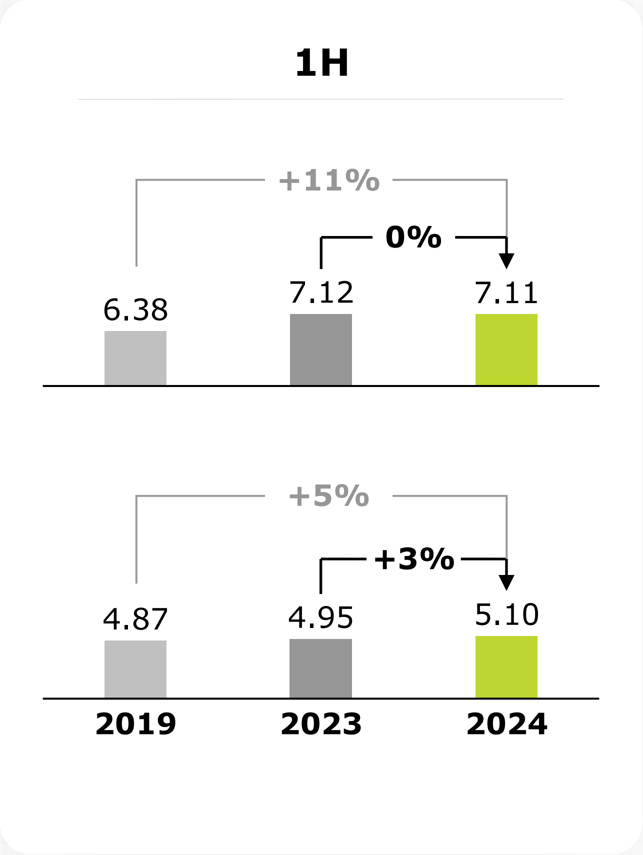
Recurring CASK

EUR cents

Recurring CASK ex-fuel

EUR cents





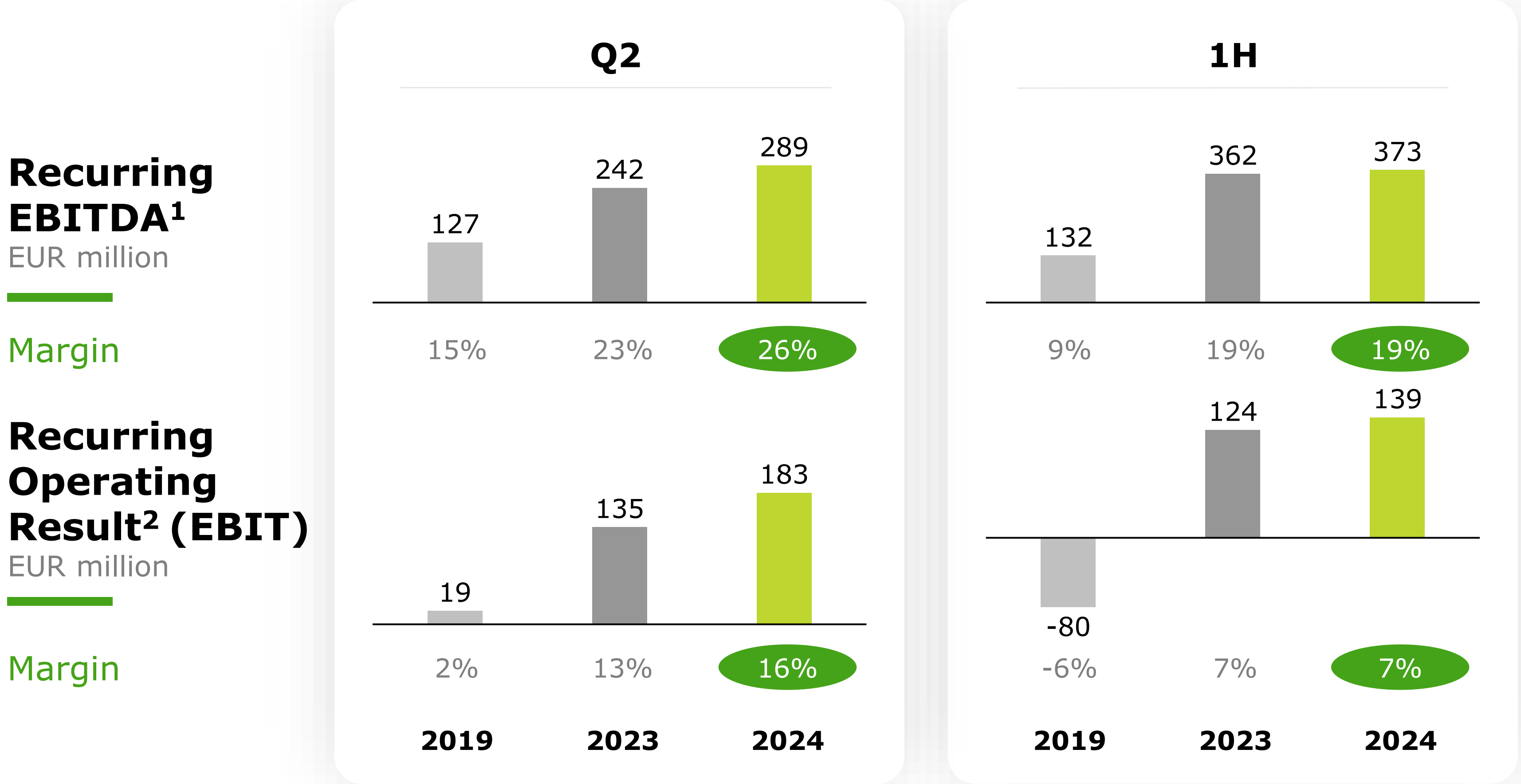
Comments

Q2 CASK decrease over 2023 due to lower fuel costs, ACMI costs and IROPS, partially offset by employee costs

CASK decrease also impacted by lower impairment costs (namely Groundforce cost reversion due to approval of the restructuring plan)

1H CASK ex-fuel impacted by CLA's settlement (including negotiated one-off payroll captions) in Q1 offsetting traffic operating costs decrease

Improved operating results



Comments

Operating results increase vs 2023 due to revenue increase and operating costs reduction

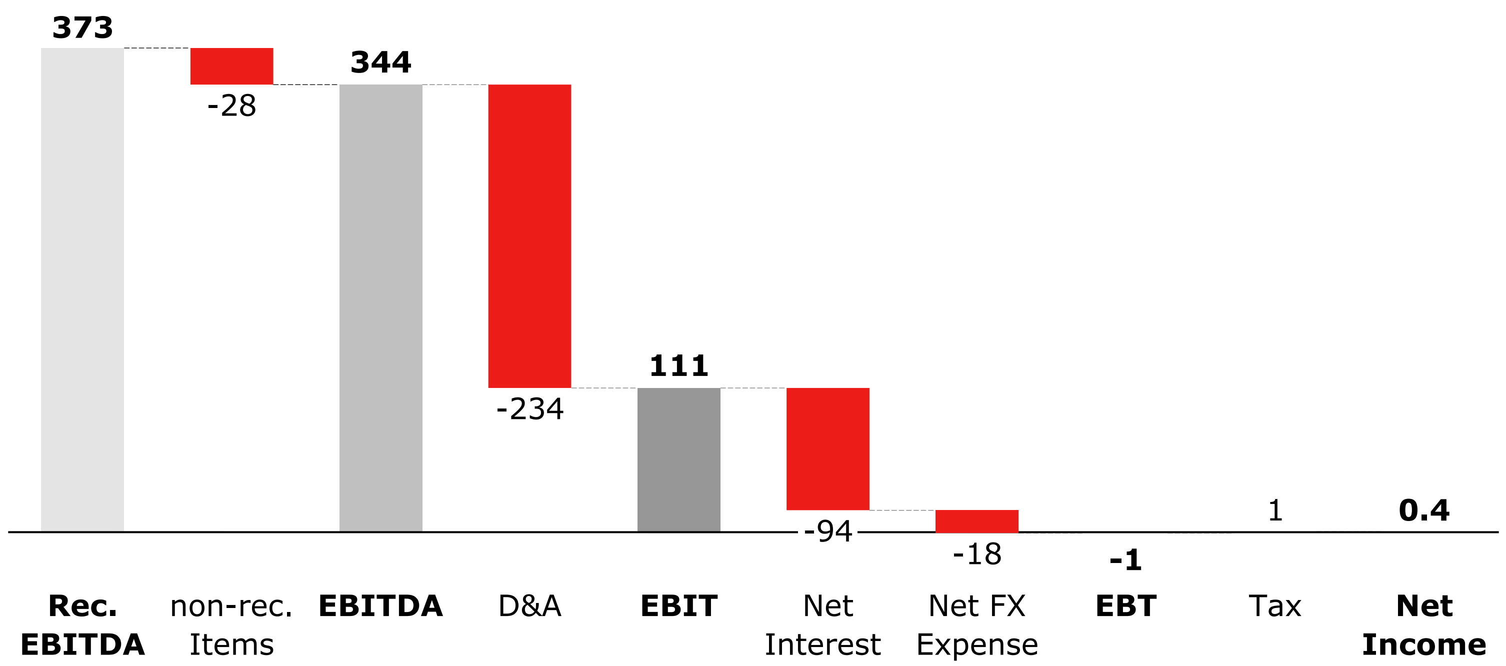
Q2 recurring EBIT margin increase to 16% and
1H stable at 7%

1. Recurring EBITDA = Operating Result + Depreciation, Amortization and impairment losses + Restructuring + Other Non-Recurring items
2. Recurring EBIT = Operating Result + Restructuring + Other Non-Recurring items.

Net income of EUR 0.4M

1H 2024 Net Income bridge

EUR million



Comments

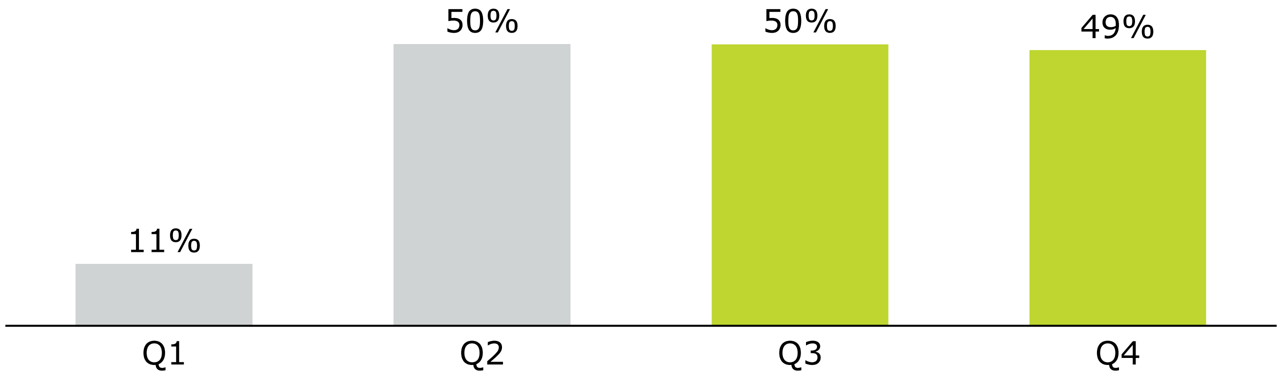
1H24 marginal positive net income as Q2 positive net income (EUR 72M) fully offset Q1 negative value

Negative impact of FX expenses due to Brazilian real devaluation

FY 2024 expected fuel costs at EUR 1bn

Fuel Hedging

Hedge ratio



	Q1	Q2	Q3	Q4
Expected volume (% total)	23%	25%	27%	25%
Blended rate[1] (in EUR / t)	804	776	752	731

Comments

TAP pursues a flexible hedging strategy based on a combination of statistical market model and fundamental analysis

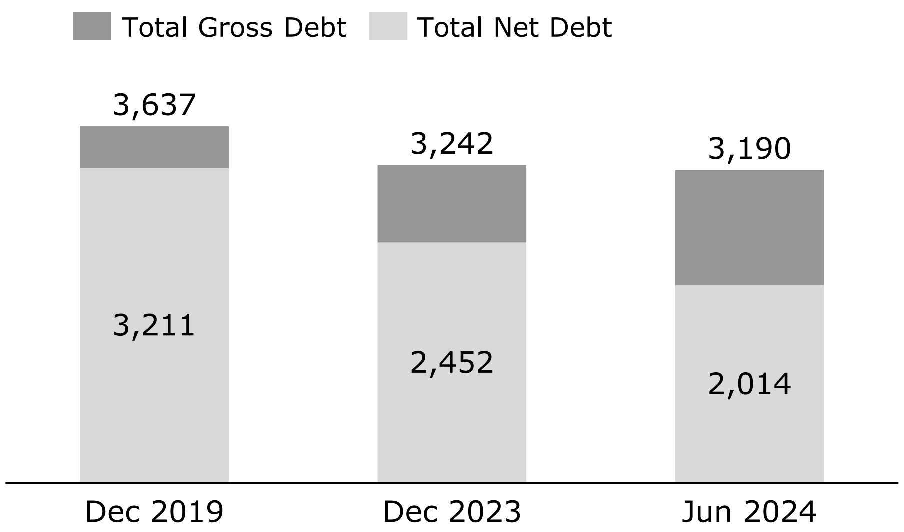
Current hedge ratio for the full year is around 41%, with 2H2024 levels fully aligned with the policy in place

1. Based on forward jet fuel prices and forward FX rates as of August 12, 2024.

Further deleveraging and debt reduction

Financial debt position

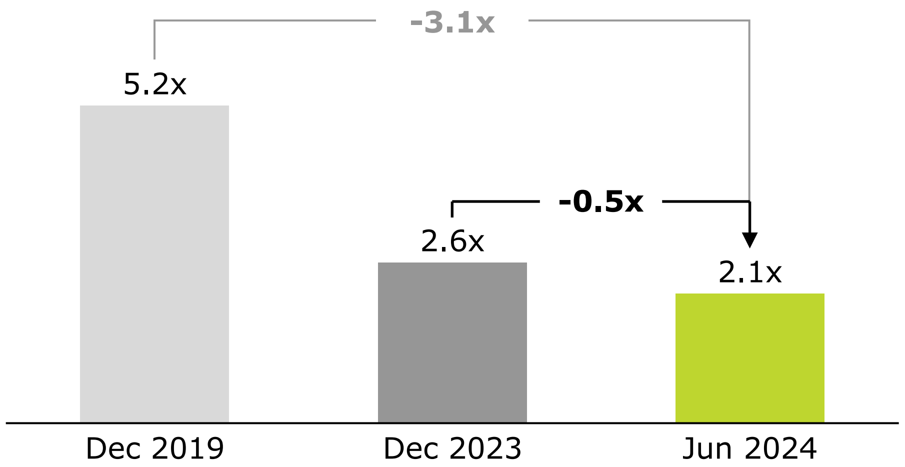
EUR million



- Decrease in gross debt mainly related to lower operating leases (-EUR 53m)
- 67% of financial debt is fixed rate

Leverage

Net debt / EBITDA[1]

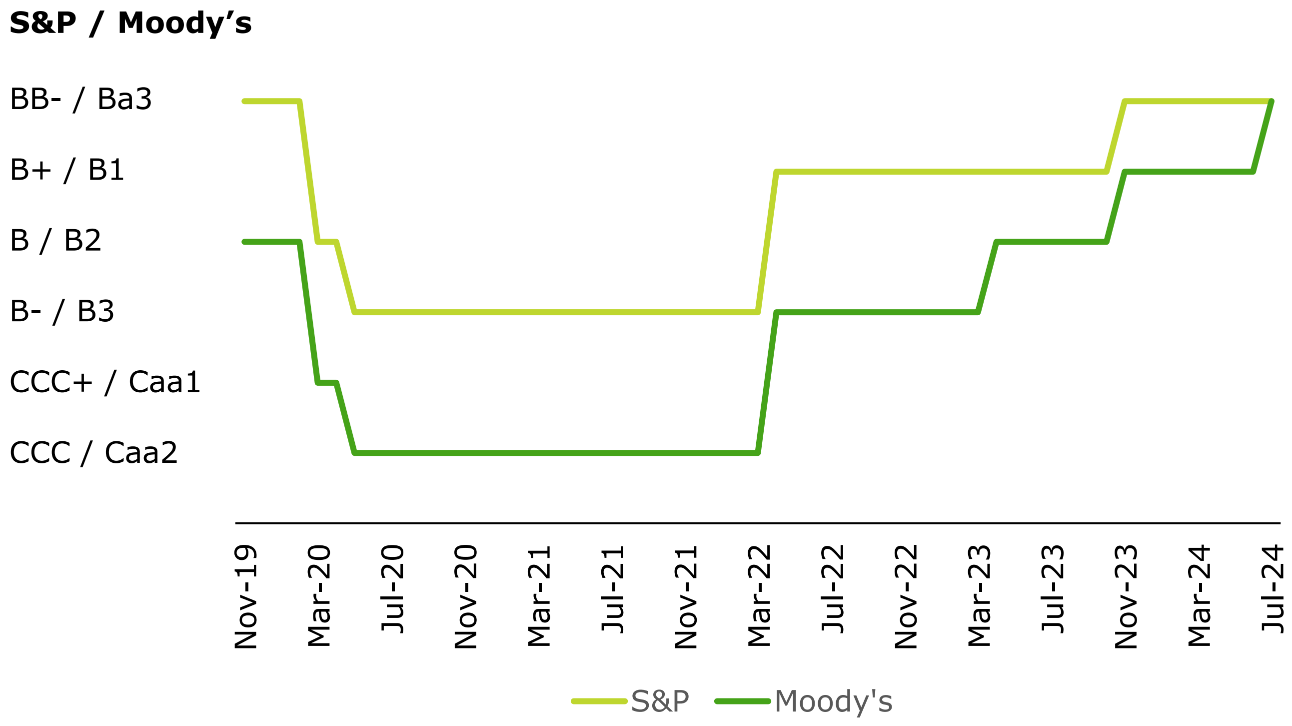


- Driven by net debt reduction aligned with improved profitability
- Continued deleveraging in place

1. Net Debt / EBITDA = Net financial debt + Lease liabilities without purchase option - Brazil flown receivables & other cash equivalents / Recurring EBITDA trailing 12 months

Positive trend in credit rating

Credit Rating evolution



"Moody's upgrades TAP's CFR to Ba3; outlook stable"

"Today's upgrade reflects both the continuous **strong operating profitability** of the airline since our last upgrade in November 2023 and the concomitant **improvement in credit metrics post-pandemic**"

Moody's, 17 Jul 2024

"TAP Upgraded to "BB-" On Robust Air Passenger Demand and Fares; Outlook Stable"

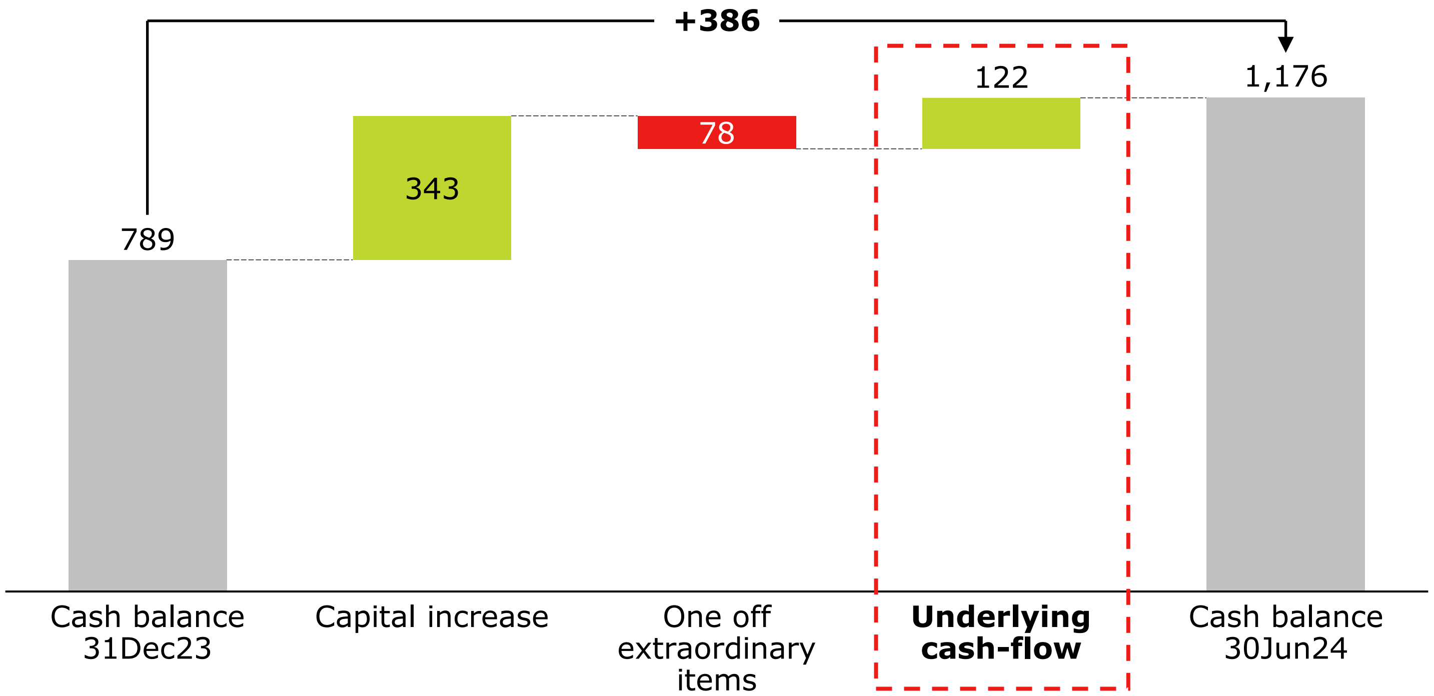
"We **revised up** our **SACP** on the airline to 'b+' from 'b', because we now expect the **stronger EBITDA** to translate to positive FOCF after leases, **enhancing the company's capacity to deleverage**"

S&P Global, 17 Nov 2023

1H cash flow generation

Liquidity

Cash & Equivalents, EUR million



Comments

Underlying cash flow despite significant one-off extraordinary items, mainly related to employee costs

Outlook

TAP AIR PORTUGAL

Embrace the World

Key highlights for 2H24

Forward booking load factors in line with previous year but with some pressure on yields

Ongoing fleet investment with the delivery of 3 new A320 NEO, with one entering in service in Q3

Further investment in Brazil with two new routes: Florianópolis and Manaus, serving 13 cities through 15 routes

Focus on **the strategic roadmap,** namely on deleveraging and strong operating margins

Q&A

Disclaimer

This document has been prepared by Transportes Aéreos Portugueses, S.A. (“TAP”) and may be amended and/or supplemented at any moment. All information contained in this document refers to the document date. Therefore, TAP and its representatives, employees or advisors expressly disclaim any obligation to update said information, nor shall any of them be under any obligation to make any announcement of any amendment or modification thereof.

The information contained in this document is released for general purposes and, if applicable, to fulfil legal obligations. This document does not constitute, or form part of and should not be construed as, a prospectus or an offer (public or private) or invitation for the issue, sale or purchase of any shares, bonds or other securities issued by TAP or as advice or recommendation for investment/divestment in these securities. The information is not intended to constitute professional advice. Neither this document nor the fact of its distribution shall form the basis of, or be relied on in connection with, any investment decision whatsoever in any jurisdiction.

This document may contain forward-looking information and statements based on TAP’s management’s current expectations or beliefs. Forward-looking statements are statements that shall not be interpreted as historical facts.

The forward-looking information and statements that may appear in this document are based upon various assumptions and are subject to known and unknown risks, contingencies, uncertainties and several other factors that can cause actual results to differ materially from those described in the forward-looking statements mentioned in the present document, including, but not limited to, changes in regulation, the airline industry, in competition, in financial market conditions and in economic conditions. Forward-looking statements mentioned in the present document may be identified by words such as “believes”, “expects”, “anticipates”, “projects”, “intends”, “should”, “seeks”, “estimates”, “future” or similar expressions, or also by verbs in the future or conditional tense.

Although these statements reflect our current expectations, which we believe are reasonable, investors, and, generally, all the recipients of this document are cautioned that forward-looking information and statements that may appear in this document are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond our control, that can cause actual future results and developments to differ materially from those expressed in, or implied or projected by the forward-looking information and statements mentioned in the present document. All the recipients of this document are cautioned not to put undue reliance on any forward-looking information or statements that may appear in this document. TAP and its representatives, employees or advisors expressly disclaim any obligation to update or review any forward-looking information or statements mentioned in the present document.

The financial information included in this document is not audited and therefore may still be subject to further adjustments.

TAP AIR PORTUGAL

Embrace the World