

Within the scope of the legislative package designed to deal with business difficulties arising from the effects of the Pandemic COVID 19, the following fiscal and financial measures stand out:

CIT - VAT - Withholding taxes CIT and PIT

- **CIT:** extension of delivery of Model 22 and payment of CIT until **2020/07/31** and extension of the first payment on account and the first additional payment on account until **2020/08/31**.

- **VAT and withholding taxes CIT and PIT:** possibility of **fractional payment of the amount** in 3 monthly instalments without interest, or in 6 monthly instalments (with interest on arrears applicable to the last three instalments), for which, the instalment is not necessary any warranty

Applicable to companies and independent workers who meet one of the following conditions: (i) turnover of up to € 10 million in 2018; (ii) start of activity as of 01.01.2019 or that has restarted activity on or after 01.01.2019, when there was no turnover in 2018; (iii) activity within the sectors closed under the terms of article 7 of Decree nº. 2-A/2020, of 20.03; (iv) reduction of the invoicing communicated through the E-invoice of, at least, 20% in the average of the three months preceding the month in which this obligation exists, compared to the same period of the previous year.

SOCIAL SECURITY CONTRIBUTIONS

Possibility of **reducing the payment of social contributions due between March and May 2020:**

- Reduction to 1/3 of the obligation to pay social contributions for the months of March, April and May 2020 and the remaining amount is settled from the 3rd quarter of 2020, in monthly instalments, fractioned, under the same terms provided for the payment of VAT and withholding taxes from PIT and CIT.

Applicable to self-employed workers and companies with up to 50 jobs. Companies with up to 250 jobs can benefit from these measures if they have seen a turnover decrease of 20% or more.

CREDIT LINES

In the total amount of **3 billion €** for specific sectors: (i) catering and similar: € 600 million, of which € 270 million for micro and small companies; (ii) travel agencies, tourist entertainment, event organization and similar: € 200 million, of which € 75 million for micro and small companies; (iii) tourism companies, enterprises and tourist accommodation: € 900 million, of which € 300 million for micro and small companies and (iv) the textile, clothing, footwear, mining and timber industry: € 1.3 billion, of which € 470 million for micro and small businesses.

In the amount of **60 million €** for micro-enterprises in the Tourism sector that have up to 10 jobs and turnover or annual balance sheet total, up to € 2 million: financing of € 750 monthly for each existing job in the company on 02/29/2020, multiplied by a period of three months, up to € 20,000 per company, term up to 3 years, grace period 12 months, without interest and with personal guarantee of a partner.

In the amount of **400 million €**: Capitalizar 2018 – Covid-19 for the economy in general, with preference for SMEs, intended to finance working capital and treasury needs, with the following conditions: maximum per company of 1.5 million of €; guarantee up to 80% of the outstanding capital; 100% counter-guarantee; operation term for Working Capital is 4 years and for Treasury between 1 and 3 years; interest in the fixed or variable interest rate plus a spread.

Conditions common to these credit lines:

-Headquarters in Portugal

- Situation regularized with the Banking, Tax Authority, Social Security and Tourism of Portugal regarding the Tourism micro-credit line

- Maintenance of permanent jobs, which existed on 01.02.2020/02/01 until 2020/12/31.

- Positive net position in the last approved balance sheet or, if the company presents a negative net position in the last approved balance sheet, it will be able to access the financing line, if it presents the regularized situation in the approved interim balance sheet until the date of the operation's classification. Exception for companies that started their activity less than 12 months from the application date

Not to be considered a company in difficulty under the terms of article 2 of no. 18 of the Regulation of the European Commission no. 651/2014 of 17 June.

- Submit a statement explaining the negative impacts of the Covid-19 outbreak on its economic activity that underlie the specific need to obtain financing under this Credit Line.

MORATORIUM of credits at financial institutions

Temporary suspension of charges with the same, applicable to individuals with regard to credit for permanent housing; individual entrepreneurs, IPSS, small and medium-sized companies and other companies in the non-financial sector, with lost income, and provided that they are headquartered in Portugal.