

ANNUAL GENERAL MEETING

PHAROL, SGPS S.A.

March 26, 2025

PROPOSAL FROM THE BOARD OF DIRECTORS

ITEM 6 OF THE AGENDA

To deliberate on the proposal from the Board of Directors regarding the reverse stock split, without reducing the share capital, of the shares representing the Company's share capital, on the terms of the reverse split process and the handling of remaining fractional shares, as well as the consequent amendment to the bylaws (paragraph 2 of Article 4 of the company's articles of association).

Considering that:

- The PHAROL stock has been trading at a low unit value, below 10 euro cents per share for the past three years, which categorizes it as a penny stock, negatively impacting its image in the Portuguese capital market and limiting institutional investor interest;
- The reverse stock split aims to promote an increase in the nominal value of each share, with potential positive effects on liquidity and market perception, thus serving the interests of all the Company's shareholders;
- The operation does not imply a reduction in share capital, ensuring the Company's financial stability;
- The reverse stock split must ensure a whole number of shares while guaranteeing equal treatment for all shares and the payment of amounts due to shareholders as a result of rounding adjustments necessary for the execution of the operation.

It is proposed that the following be resolved:

1. To proceed with the reverse stock split, without reducing the share capital, of PHAROL's shares, by applying a reverse split ratio of 1:100, meaning that every 100 (one hundred) shares prior to the reverse split will be converted into 1 (one) new share;
2. To apply the same proportion to all shares in the reverse split, rounding down to the nearest whole number of new shares to be allocated;
3. To authorize the Company to arrange for the sale of fractional shares to an entity that has committed to acquiring them in exchange for consideration, carrying out all necessary actions for the transfer's effectiveness on behalf of the respective partial holders, and, within 30 days from the effective date of the reverse split, distributing the amounts due to the respective partial holders.
4. The consideration for the acquisition of fractional shares will correspond to the volume-weighted average price of the shares traded on a regulated market during the same period, in accordance with Article 188(1)(b) of the Portuguese Securities Code.
5. If the third party does not acquire the remaining shares within the period mentioned in item 3, the Company will automatically become the owner of

the remaining shares, with the consideration due by the Company calculated under the same terms as described above.

6. To delegate to the Board of Directors, within the broadest legally permitted terms, the authority to adjust the terms or establish any specific conditions for implementing this resolution, particularly regarding the establishment of a period prior to the reverse split date, not shorter than two weeks, during which shareholders may adjust their shareholdings, inter alia through the purchase and sale of shares for the purpose of the reverse split.
7. Consequently, to amend paragraph 2 of Article 4 of the Company's Bylaws, which shall, as of the effective date of the reverse split, read as follows:

**"ARTICLE FOUR
SHARE CAPITAL**

1. [Text remains unchanged].
2. The share capital is represented by [8,965,125 (eight million, nine hundred sixty-five thousand, one hundred twenty-five)] shares, with a nominal value of 3 (three) euros each.
3. [Text remains unchanged].
4. [Text remains unchanged].
5. [Text remains unchanged]."

Lisbon, February 25, 2025

The Board of Directors