

ANNUAL GENERAL MEETING OF SHAREHOLDERS

PHAROL, SGPS S.A.

29 March 2019

PROPOSAL OF THE BOARD OF DIRECTORS

ITEM 3 OF THE AGENDA:

(To resolve on the proposal for application of profits)

Considering that in the year ended December 31, 2018 a negative net result of Euros 5.648.443 was obtained, the Board of Directors of PHAROL proposes that they be transferred to the Company's Retained Earnings.

Lisbon, 28 February 2019

The Board of Directors,