

## **PHAROL, SGPS S.A.**

Open Company  
Registered Office: Rua Joshua Benoliel, 1, 2C, Edifício Amoreiras Square, 1250-313 Lisbon  
Share Capital: Euro 26,895,375  
Registration with the Commercial Registry of Lisbon and  
Corporation no. 503 215 058

### **NOTICE**

#### **ANNUAL GENERAL MEETING OF SHAREHOLDERS**

In accordance with articles 375, number 1 and 376, nº1 of the Portuguese Companies Code and article 21-B of the Portuguese Securities Code, I hereby call a General Meeting of the Shareholders of PHAROL, SGPS S.A.

Considering that the facilities at the Company's registered office do not allow for the meeting to be held in satisfactory conditions, the meeting will be held at *Auditório João Bernardino Gomes*, LEAP CENTER – Espaço Amoreiras – Centro Empresarial, at Rua D. João V, no. 24, 1.03, in Lisbon, on 25 May 2018, from 11:00 a.m., with the following agenda:

### **AGENDA**

- 1:** To resolve on the management report, balance sheet and accounts for the year 2017;
- 2:** To resolve on the consolidated management report, balance sheet and accounts for the year 2017;
- 3:** To resolve on the proposal for application of profits;
- 4:** To resolve on a general appraisal of the Company's management and supervision;
- 5:** To resolve on the ratification of the approval of new members of the Board of Directors for the remaining of the three-year period 2015-2017;
- 6:** To resolve on the election of the members of the corporate bodies and the Compensation Committee for the three-year period 2018-2020;

- 7:** To resolve on the election of the Statutory Auditor – effective and substitute – for the three year period 2018-2020;
- 8:** To resolve on the Amendment of article 4, number 3 and article 8 number 3 of the by-laws of the Company;
- 9:** To resolve on the acquisition and disposition of own shares;
- 10:** To resolve on the statement of the Compensation Committee on the remuneration policy for the members of the management and supervisory bodies of the Company.

In the event that the General Meeting is unable to resolve on any of the matters on the agenda due to a lack of required share capital representation, I hereby call the Shareholders to meet pursuant to a second call on, 12 June 2018, at 11:00 a.m., at the same address, with the same agenda.

### **Preparatory Information to the General Meeting**

On the legal deadline, the proposals to be submitted by the Board of Directors to the General Meeting and other preparatory information will be made available to the Shareholders at the Company's registered office, Rua Joshua Benoliel, 1, 2C, Edifício Amoreiras Square, 1250-133, Lisboa, on its website [www.pharol.pt](http://www.pharol.pt) and on the website of Portuguese Securities Commission, [www.cmvm.pt](http://www.cmvm.pt), according to n.º1 of article 289 of the *Portuguese Companies Code* and n.º1 of article 21.º-C of the *Portuguese Securities Code*.

The management report and financial statements will also be made available at the Information Disclosure System of the Portuguese Securities Commission ([www.cmvm.pt](http://www.cmvm.pt)).

### **Participation and Exercise of Voting Rights**

The article 13 of the Articles of Association of PHAROL, SGPS S.A., on the participation and exercise of voting rights at a General Meeting of Shareholders, is transcribed below.

*"Article 13  
Participation and Voting Rights*

1. *Only shareholders with voting rights shall be entitled to attend a General Meeting.*
2. *The shareholders that, at the record date, corresponding to 00:00 a.m. (GMT) of the fifth trading day prior to the holding of the meeting, are holders of shares that give them at least one vote, are entitled to attend and vote at the General Meeting.*
3. *The participation and voting rights at the General Meeting do not depend on the blocking of shares between the record date and the date of the General Meeting.*
4. *The Chairman of the Board of the General Meeting defines, on the notice, the procedures, and respective target dates, which shall be adopted by the shareholders and by the financial intermediaries with whom they have opened the account for individual registration of securities for the purpose of participation on the General Meeting by the shareholders.*
5. *To each share shall correspond one vote.*
6. *The exercise of voting rights by correspondence or electronic means may cover all matters included in the notice, under the terms and conditions therein established.*
7. *The terms and conditions for the exercise of vote by correspondence or by electronic means shall be established by the Chairman of the Board of the General Meeting in the respective notice, so as to ensure its authenticity, regularity, safety, trustfulness and confidentiality until the voting takes place. In either case, the Chairman of the Board of the General Meeting shall receive a communication made by the relevant shareholder, together with simple signature accompanied with a photocopy of the shareholder's identity card or, in the case of corporations, together with a legally acknowledged signature. In order to ensure confidentiality, these documents shall be addressed to the Chairman of the Board of the General Meeting in a closed envelope, which shall only be opened at the counting of the votes.*
8. *Votes cast by correspondence or by electronic means shall be considered as votes against the resolution proposals presented after such votes are cast.*
9. *The attendance to the General Meeting of a shareholder who has exercised his/her voting rights by correspondence or by electronic means, or the attendance of his/her representative, shall cause the revocation of the vote cast by those means.*
10. *Votes cast by a holder of ordinary shares, on his own account or through a representative, in his own name or as the representative of another shareholder, when exceeding ten per cent of the company's total voting stock, shall not be counted.*

*11. For the purposes of this article, shares shall be deemed to belong to the shareholder if held by persons in the situations contemplated by article 20 of the Portuguese Securities Code, and the limit for each person covered shall be proportional to the number of votes cast by such person.*

*12. The limit set out in number ten above shall apply to all resolutions, including those requiring a qualified majority.*

*13. In the case of joint ownership of shares, only the common representative, or a representative of the latter, may participate in the General Meeting.*

*14. The limitations set forth in the foregoing numbers shall apply to any usufructuaries and pledgees of shares.*

*15. In the context of ADR (American Depositary Receipt) or GDR (Global Depositary Receipt) representing shares of the Company, owners of ADRs or GDRs shall be deemed to be shareholders, in accordance with the following number, and the entity in whose name the underlying shares are registered shall be deemed to be a mere representative.*

*16. By virtue of the foregoing number:*

*a) The provisions of article three hundred eighty-five of the Portuguese Companies Code applicable to representatives shall apply to the entity in whose name the shares serving as a basis for the issue of ADR or GDR programmes are inscribed;*

*b) The limitation on the counting of votes as established under the law or the Articles of Association shall refer to votes cast on behalf of each ADR or GDR owner, as to whom the provisions of number eleven shall be considered, and each such owner shall be subject to the provisions of article twelve.*

*17. The limitation on the counting of votes cast by an entity on behalf of another shall not apply to entities in whose name shares of the Company serving as a basis for the ADR or GDR programme are registered.*

*18. For the purposes of participation in and exercise of voting rights at a General Meeting of Shareholders, the owners of ADRs or GDRs must comply with the provisions of this article."*

It should be taken into account article 23-C of the Portuguese Securities Code, according to which only Shareholders who, at 00:00 a.m. (GMT) on 18 May 2018 ("record date"), hold shares attributing them at least one vote shall be entitled to participate and vote at the General Meeting.

The right to participate and to vote at the General Meeting does not depend on any blocking of shares between the record date and the date of the General Meeting.

Shareholders intending to take part in the General Meeting shall declare such intent to the Chairman of the Board of the General Meeting (\*) and to the financial intermediary(ies) with whom they have opened an individual securities account by no later than 11:59 p.m. (GMT) on 17 May 2018. For such purpose, the Shareholders may use the declaration forms made available to them at the Company's registered office and on its website [www.pharol.pt](http://www.pharol.pt) as from the publication of this Notice.

The declaration to the Chairman of the Board of the General Meeting referred to in the previous paragraph may be transmitted by e-mail to the following address: [assembleia@pharol.pt](mailto:assembleia@pharol.pt).

Financial intermediaries who are informed of the intent of their clients to take part in the General Meeting shall send to the Chairman of the Board of the General Meeting (\*), by 11:59 p.m. (GMT) on 18 May 2018, the information on the number of shares registered in the name of each client (in accordance with article 74 of the Portuguese Securities Code) as of the record date ("declaration of the financial intermediary"), and for such purpose they may use the e-mail address [assembleia@pharol.pt](mailto:assembleia@pharol.pt).

The Shareholders are admitted to participate and vote only if the declarations of their financial intermediaries have been received by the Chairman of the Board of the General Meeting by 11:59 p.m. (GMT) on 18 May 2018.

Any Shareholder who, as a professional, holds shares in his own name but on behalf of his clients ("professional shareholder") may vote in different directions with his shares, provided that, in addition to the participation declaration and to his financial intermediary sending all information as referred to above, he submits to the Chairman of the Board of the General Meeting, by 11:59 p.m. (GMT) on 17 May 2018, by using any sufficient and proportional means of proof: (i) the identification of each client and the number of shares entitled to vote on such client's behalf, and (ii) the voting instructions given by each relevant client specifically for the each item on the agenda. For these purposes, it is considered a "sufficient and proportional mean of proof" a statement of responsibility sent by the professional shareholder confirming that he has received from his clients voting instructions to the sole item on the agenda and indicating the other information referred to in (i) and (ii) above.

Professional shareholders are admitted to participate and vote only if: (i) the information mentioned in the preceding paragraph has been received by the Chairman of the Board of the General Meeting by 11:59 p.m. (GMT) on 17 May 2018, and (ii) the declarations of their respective financial intermediaries have been received by the Chairman of the Board of the General Meeting by 11:59 p.m. (GMT) on 18 May 2018.

The Shareholders having declared their intent to take part in the General Meeting as abovementioned who transfer any shares between the record date and the closure of the General Meeting shall immediately give notice thereof to the Chairman of the Board of the General Meeting and the Portuguese Securities Commission.

### **Shareholders' Rights**

#### *(i) Right to information at a General Meeting of Shareholders*

The Shareholders may, in the course of a General Meeting, request for true, detailed and clear information so as to permit them to form a grounded opinion on the matters submitted to resolution.

Any information requested is given by the corporate body qualified therefor, but shall be withheld in the event its disclosure might cause serious harm to the Company, or to a related company, or a violation of secrecy as imposed by law.

#### *(ii) Right to request the insertion of new items on the agenda*

Shareholders who, individually or jointly with other Shareholders, hold shares corresponding to at least 2% of the Company's share capital, are entitled to request the insertion of new items on the agenda, by means of written application addressed to the Chairman of the Board of the General Meeting (\*).

Said application shall be duly justified and submitted in the 5 days following the date of the publication of this Notice and accompanied by a resolution proposal for each requested item, as well as by proof of ownership of the required share capital.

#### *(iii) Right to submit resolution proposals*

Shareholders who, individually or jointly with other Shareholders, hold shares corresponding to at least 2% of the Company's share capital, are entitled to request the insertion of resolution proposals on the items mentioned on or added to the agenda.

For such purpose, the Shareholders shall address a duly justified written application to the Chairman of the Board of the General Meeting, together with any information accompanying such proposal and proof of ownership of the required share capital, in the 5 days following the date of the publication of this Notice.

### **Representation of Shareholders**

The Shareholders may arrange to be represented at the General Meeting pursuant to the provisions of article 380 of the Portuguese Companies Code. A signed letter

addressed to the Chairman of the Board of the General Meeting (\*) is sufficient as instrument of representation.

For such purpose, the Shareholders may use the form available as from the publication of this Notice at the Company's registered office and on the website [www.pharol.pt](http://www.pharol.pt).

Any Shareholder may appoint different representatives as to shares held in different securities accounts.

The Shareholders' letters of representation referred to in the foregoing paragraphs, as well as the letters of Shareholders who are corporations conveying the name of the person who represents them and the instruments of shareholder groupings, shall be addressed to the Chairman of the Board of the General Meeting (\*) so that they are received no later than 11:59 p.m. (GMT) on 18 May 2018.

### **Voting by post or electronic means**

Shareholders with voting rights as referred to above may exercise such rights by correspondence, provided that, no later than 5:00 p.m. (GMT) on 11 May 2018, the Chairman of the Board of the General Meeting (\*) receives a communication, with a certified signature confirming that the signing person has powers to bind the relevant company or, in the case of individuals, with a simple signature accompanied by a photocopy of the relevant identity card. This communication shall include the address or email to which voting papers and other documentation shall be sent. The Shareholders shall receive the voting papers and other documentation in said address and must send to the Chairman of the Board of the General Meeting (\*) a closed envelope containing another closed envelope with the duly completed voting papers, so that the Chairman receives it no later than 5:00 p.m. (GMT) on 22 May 2018.

As an alternative, Shareholders may also download the voting papers from the website [www.pharol.pt](http://www.pharol.pt) (such papers being available thereon as from publication of this Notice), and send the same to the Company, addressed to the Chairman of the Board of the General Meeting (\*), duly completed and in a closed envelope, so that they are received, together with an envelope containing the declaration with a signature certified so as to confirm that the signing person has powers to bind the relevant company or, in the case of individuals, with a simple signature accompanied by a photocopy of the relevant identity card, no later than 5:00 p.m. (GMT) on 22 May 2018.

Shareholders with voting rights may also vote by correspondence using electronic means, provided that they express such intention, no later than 5:00 p.m. (GMT) on 11 May 2018, to the Chairman of the Board of the General Meeting (\*), by request at the Company's registered offices or by post, with a certified signature so as to confirm that the signing person has powers to bind the relevant company or, in the

case of individuals, with a simple signature accompanied by a photocopy of the relevant identity card. Following this procedure, the Shareholders will receive a registered letter, addressed to the address indicated in the declaration of the respective financial intermediary, containing the electronic address to use for the purposes of exercising the voting right and an identifying code (password) to be mentioned in the e-mail with which the Shareholder may exercise, until 5:00 p.m. (GMT) on 22 May 2018, its voting right. For this purpose, the Shareholders shall use the voting papers that will be made available at the website [www.pharol.pt](http://www.pharol.pt) as from publication of this Notice.

The votes of Shareholders cast by post or electronic means are only considered if the declaration of the financial intermediary in respect of their shares has been received by the Chairman of the Board of the General Meeting by 11:59 p.m. (GMT) on 18 May 2018.

### **Counting of votes**

Votes cast by post or by electronic means are considered at the time of the counting of votes, by adding the same to those cast in the course of the General Meeting.

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(\*) Chairman of the Board of the General Meeting of Shareholders:  
Mailing Address: Rua Joshua Benoliel, 1, 2C, Edifício Amoreiras Square,  
1250-133 Lisbon  
Telephone: + 351 800 207 369  
Fax: + 351 212 697 949  
E-mail: [assembleia@pharol.pt](mailto:assembleia@pharol.pt)

Lisbon, 24 April 2018

The Chairman of the Board of the General Meeting of Shareholders,

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Diogo Campos Barradas de Lacerda Machado