

SHAREHOLDERS' GENERAL MEETING OF THE 26TH OF MAY 2018

Chairman of the General Shareholders'
Meeting of
TEIXEIRA DUARTE, S.A.

PROPOSAL PRESENTED WITHIN THE SCOPE OF THE THIRD ITEM

CONSIDERING THAT:

- a) The Company's Net Profit in 2017 was negative by fifteen million, three hundred and fifty-nine thousand, five hundred and forty euros and thirty cents (15,359,540.30 €);
- b) With the approval of the proposal to apply this result presented by this Board of Directors in the Management Report itself, it will be fully transferred to the Retained Earnings account;
- c) In case it is deliberated as proposed, the account of Retained Earnings will have a negative value of 7,553,776.95 €;
- d) The Company has an accumulated amount of € 243,660,115.78 under the heading Other Reserves, of which € 215,443,157.77 refers to the application of results for years prior to 2017 and, therefore, considered as free reserves;
- e) It is intended to adapt the presentation of the Company's equity to a reality that does not detract from the aggregate analysis of the results carried over in recent years,

The Board of Directors of "Teixeira Duarte, S.A." proposes, within the scope of the third item of the Agenda, that, in the event that the facts set forth in b) and c) above are present, the General Meeting

then decides to transfer to the account of Retained Earnings the amount of EUR 13,660,115.78 corresponding to part of the Free Reserves included in the item Other Reserves of the Company, which, after this transfer will be set at € 230,000,000.00.

Lagoas Park, the 27th of April 2018

The Board of Directors