

SHAREHOLDERS' GENERAL MEETING OF THE 26TH OF MAY 2020

PROPOSAL PRESENTED WITHIN THE SCOPE OF THE SECOND ITEM

Pursuant to the effects of legal and regulatory provisions, the proposal of allocation of results for the year 2019 presented by the Board of Directors is hereby provided, in order to be submitted for discussion and voted on at the Shareholders' General Meeting to be held on 26th May 2020:

Excerpt from the text of the Management Report
approved by the Board of Directors in the meeting of 24th April, 2020

“As the amount of EUR 300,000 (three hundred thousand Euros), planned to be available to be distributed to the employees and to the Directors, was, pursuant to the applicable regulations, recorded as an expense in the financial year of 2019 in the financial statements included in this Management Report, with the approval of these documents the shareholders confirm, on the one hand, their agreement to distribute results to the members of the Board of Directors and, on the other hand, that the Net Result that is object of the proposal of allocation of results is EUR 7.878.767,21 (seven million, eight hundred and seventy-eight thousand, seven hundred and sixty-seven euros and twenty-one cents).

Furthermore, it is also the policy of Teixeira Duarte to privilege the reinforcement of the company's equity, through the reinforcement of other reserves, considering that Teixeira Duarte has already filled the entire legal reserve.

Considering these assumptions, the Board of Directors proposes that the individual net results of “TEIXEIRA DUARTE, S.A.” for the financial year of 2019, amounting to EUR 7.878.767,21 (seven million, eight hundred and seventy-eight thousand, seven hundred and sixty-seven euros and twenty-one cents), be retained to strengthen the other reserves.”

Lagoas Park, the 30th of April 2020

The Company's Secretary,

José Pedro Cobra Ferreira