

(Translation from the Portuguese original)

To the Chairman of the Board of the
Shareholders' General Meeting of
Sonae - SGPS, SA
Lugar do Espido, Via Norte
4471-909 Maia

Item number 5

PROPOSAL

It is hereby proposed to grant the Board of Directors the power to:

-purchase, own shares, over the next eighteen months, and up to the limit of 10% of the share capital consolidated with the shares purchased by subsidiaries of this Company (as defined in article 486 of the Portuguese Companies Act and in article 21 of the Portuguese Securities Code), permitted under the terms of number 2 of article 317 of the Portuguese Companies Act:

- a) on the regulated market, as well as through over-the-counter transactions in case the seller is a company directly or indirectly controlled or jointly-controlled by this Company (as defined in article 486 of the Portuguese Companies Act and of article 21 of the Portuguese Securities Code), own shares, for a price per share not lower than the average of the ten share market prices prior to the date of purchase, less 50%, and not higher than the average ten share market prices prior to the date of purchase, plus 10%;
- b) through over-the-counter transactions:
 - from Banco BPI, SA, or any company directly or indirectly controlled or jointly-controlled by the latter, pursuant to article 486 of the Portuguese Companies Act and article 21 of the Portuguese Securities Code, or from other financial institution that totally or partially succeeds in Banco BPI, SA's contractual position, with any of the following purposes:
 - 1) for the fulfilment of the Company's responsibilities to deliver own shares under the terms and conditions of the 210 500 000 Sonae - SGPS, SA convertible bonds issue programme

placed by its wholly-owned subsidiary Sonae Investments BV and disclosed to the market on June 2014, pursuant to the terms approved at the Shareholders' Meeting of 30th April 2014; or,

2) for the protection of the Company's and shareholders' best interest, without prejudice to the financial settlement of a partial or total closing of the "Cash Settlement Equity Swap" executed by the Company's subsidiary Sonae Investments, BV with Banco BPI, SA, to negotiate with Banco BPI, SA or with other financial institution that totally or partially succeeds in Banco BPI, SA's contractual position, the purchase of the underlying shares or, alternatively, the total or partial replacement of such financial settlement for, the purchase of shares; as well as

- from any other entity, including financial institutions, for the fulfilment of legal or contractual obligations, including but not limited to the execution of guarantees for the benefit of the Company or of companies directly or indirectly controlled or jointly-controlled by the Company, or payment in kind or transfer in lieu of payment.

In any of the situations listed above in previous paragraph b), for a price per share respectively not lower and not higher than the minimum and maximum ten share market prices prior to the date of purchase.

- sell, under permitted legal terms, on the regulated market, as well as through over-the-counter transactions, including in case the buyer is a company directly or indirectly controlled or jointly-controlled by this Company, over the next eighteen months, a minimum of one hundred own shares, for a price per share not lower than the average of the ten share market prices prior to the date of sale, less 10% per share.

The acquisitions and sales hereby authorised may also be by way of sale or attribution of shares to the members of the statutory governing bodies and employees of the Company or of its companies controlled, jointly-controlled or wholly-owned, in the exact terms of the attribution policy approved by each of them, always considering market conditions and the Company's and the shareholders' interest.

It is moreover hereby proposed that the Board of Directors be authorised to decide on the investment or disinvestment opportunity, taking into consideration the rules set forth by Regulation (EU) no. 596/2014, of the



European Parliament and of the Council, of 16 April, and, when applicable, by the Commission Delegated Regulation (EU) 2016/1052, of 8 March 2016.

Maia, 14th March 2017

On behalf of the Board of Directors,