MOTA-ENGIL, SGPS, S.A.

Company open to public investment (*sociedade aberta*)

Registered office: Rua do Rego Lameiro, no. 38, 4300-454 Oporto, Portugal

Fully subscribed and paid-up share capital: €237,505,141

Registered at the Commercial Registry Office of Oporto under the sole registration and taxpayer number 502 399 694

EU RECOVERY PROSPECTUS

IN RESPECT OF THE

PUBLIC SUBSCRIPTION OFFER AND ADMISSION TO TRADING ON EURONEXT LISBON OF 100,000,000 ORDINARY NOMINATIVE BOOK-ENTRY SHARES, WITH A NOMINAL VALUE OF €1 EACH, REPRESENTING APPROXIMATELY 29.63% OF THE SHARE CAPITAL OF MOTA-ENGIL, SGPS, S.A. FOLLOWING THE SHARE CAPITAL INCREASE IF FULLY SUBSCRIBED, WITH SUBSCRIPTION RESERVED FOR SHAREHOLDERS IN THE EXERCISE OF THEIR PRE-EMPTION RIGHTS AND OTHER INVESTORS WHO ACQUIRE SUBSCRIPTION RIGHTS

This EU Recovery Prospectus should be read together with the documents incorporated by reference, which form part of it.

AN INVESTMENT IN NEW SHARES INVOLVES A HIGH DEGREE OF RISK. SEE THE CHAPTER ENTITLED "RISK FACTORS", BEGINNING ON PAGE 12, FOR A DISCUSSION OF IMPORTANT MATTERS INVESTORS SHOULD CONSIDER PRIOR TO MAKING AN INVESTMENT IN NEW SHARES.

3 May 2021

JOINT GLOBAL COORDINATORS

CaixaBI HAITONG

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INTRODUCTION AND WARNINGS

All capitalised terms have the meanings ascribed to them in Chapter 1 (*Definitions*). All references to laws and regulations refer to such laws and regulations as amended from time to time. All time references are to Lisbon time.

This Prospectus for the public subscription of shares is prepared for the purposes of article 3(1) of the Prospectus Regulation. It has been drawn up as an EU recovery prospectus, under the terms and for the purposes of article 14-A of the Prospectus Regulation, and its form and content comply with Delegated Regulation 2019/979, Delegated Regulation 2019/980 and any other applicable legal and regulatory provisions.

The Prospectus expires on 3 May 2022, that is, 12 months after its approval and provided that it is supplemented by any supplements required under article 23 of the Prospectus Regulation; the obligation to supplement the Prospectus following the occurrence of any significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus ceases to apply when the Prospectus ceases to be valid.

This Prospectus relates to the Offer and admission to trading of the New Shares, upon completion of the Offer, on Euronext Lisbon. It was approved on 3 May 2021 by the CMVM, as competent authority under the Prospectus Regulation. The approval of this Prospectus is the outcome of the positive scrutiny by the CMVM, as the applicable competent authority, of the completeness, consistency and comprehensibility of the information outlined in this Prospectus, pursuant to the Prospectus Regulation. The CMVM only approves this Prospectus in terms of it meeting the standards of completeness, consistency and comprehensibility imposed by the Prospectus Regulation. Hence, the approval of the Prospectus by the CMVM is not an endorsement of the Issuer or of the quality of the New Shares or the Subscription Rights.

The existence of this Prospectus does not ensure that the information contained in it will remain unchanged after the date of its publication. Any significant new factor, material mistake or material inaccuracy relating to the information included herein, which may affect the assessment of the New Shares and which arises or is noted between the date of approval of the Prospectus and the start of trading of the New Shares on Euronext Lisbon, shall be disclosed in a supplement to the Prospectus without undue delay. Such supplement shall be approved in the same way as the Prospectus, within a maximum of five working days and published in accordance with at least the same arrangements as those applied when the original Prospectus was published (see Chapter 11 "*Information incorporated by reference and documentation available to the public*"). The summary, and any translations thereof, shall also be supplemented, where necessary.

Any investor who has already agreed to subscribe New Shares before the publication of the supplement will have the right, exercisable within three working days after the publication of the supplement, to withdraw its subscription order, provided that the significant new factor, material mistake or material inaccuracy arose or was noted before the start of trading of the New Shares on Euronext Lisbon, except if the Issuer decides to extend such withdrawal period. The final date of the right of withdrawal will be stated in the supplement.

The main risks associated with the Issuer's activity, its shareholder structure and the shares to be subscribed are detailed in Chapter 5 ("*Risk factors*"). Potential investors should carefully consider the risks referred to and the other warnings contained in this Prospectus before making any investment decision. If any doubts remain regarding these matters, potential investors should consult their legal, tax and financial advisors. Prospective investors should also inform themselves of any applicable legal and tax implications in their country of residence arising from the acquisition, holding or disposal of the shares.

Each prospective investor must comply with all applicable laws and regulations in force in any jurisdiction in which it subscribes, purchases, offers or sells the New Shares or the Subscription Rights, or possesses or distributes this Prospectus, and must obtain any consent, approval or permission required by it for the subscription, purchase, offer or sale by it of the New Shares or the Subscription Rights under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such subscriptions, purchases, offers or sales, and neither the Issuer nor any of the Joint Global Coordinators shall have any responsibility in this regard.

Notwithstanding the duties of information and suitability imposed on financial intermediaries, each prospective investor must make its own determination of the suitability of subscribing the New Shares or purchasing the Subscription Rights, with reference to its own investment objectives and experience, and any other factors that may be relevant to it in connection therewith. Prior to an investment decision, and to the extent applicable, each prospective investor should consult with its legal advisers to determine whether and to what extent (i) the New Shares and the Subscription Rights are investments permitted by law; (ii) the New Shares and the Subscription Rights may be used as collateral for various types of borrowings; and (iii) other restrictions apply to the subscription, purchase, offer, sale or pledge of any of the New Shares or the Subscription Rights. Financial institutions should consult their legal advisers and the relevant regulatory authorities to determine the appropriate treatment of the New Shares and the Subscription Rights under any applicable rules.

In particular, potential investors should: (i) have sufficient knowledge and experience to carry out a careful assessment of the Issuer's shares, the advantages and risks of investing in the Issuer's shares and the information contained or incorporated by reference in this Prospectus or any supplement thereto; (ii) have access to and be knowledgeable about appropriate analytical instruments to assess, in the context of their own particular financial conditions, an investment in the New Shares and its impact on their investment portfolio; (iii) have sufficient financial resources and liquidity to support all the risks inherent to an investment in the Issuer's shares; and (iv) have an in-depth understanding of the terms and conditions applicable to the Issuer's shares, be familiar with the relevant financial markets, if necessary with the advice of a financial adviser or other suitable adviser, and be able to assess possible scenarios regarding economic, tax and interest rates factors, or any others that may affect their investment and ability to bear the applicable risks.

Accordingly, each prospective investor acknowledges that: (i) it has not relied on any of the Joint Global Coordinators, or any person affiliated with any of the Joint Global Coordinators, regarding the accuracy of any information other than the information contained in this Prospectus or their investment decision; (ii) it has only relied on the information contained in this Prospectus; and (iii) no person has been authorised to provide any information or to make any representation concerning the Issuer or its subsidiaries, or the New Shares or the Subscription Rights (without prejudice to the information contained herein), and, if provided or made, any such information or representation should not be relied upon as having been authorised by the Issuer or the Joint Global Coordinators (without prejudice to the information contained herein).

Any investment decision should be made based on the Prospectus as a whole and following an independent evaluation of the Issuer's economic condition, financial position and other details. No investment decision should be taken before the prospective investor's (or its advisors') prior review of the Prospectus as a whole. However, this Prospectus does not constitute a recommendation by the Issuer or an invitation by the Issuer to subscribe the New Shares and does not constitute an analysis as to the quality of the New Shares. Additionally, the contents of this Prospectus are not to be construed as legal, business or tax advice.

The Offer is specifically addressed to persons with residence or establishment in Portugal and is only addressed to persons to whom it may lawfully be made. Therefore, the distribution of this Prospectus, the exercise or acquisition of Subscription Rights, or the subscription of New Shares in jurisdictions other than Portugal may be restricted by law. Persons into whose possession this Prospectus comes must inform themselves about and observe any such restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, persons located in Restricted Territories may not exercise the Subscription Rights, except in limited circumstances.

The Joint Global Coordinators are acting exclusively for the Issuer and no one else in connection with the Offer. The Joint Global Coordinators, acting as such, will not regard any other person (whether or not a recipient of this Prospectus) as a client in relation to the Offer and will not be responsible to anyone other than Mota-Engil for providing the protections afforded to their respective clients, or for providing advice, in relation to the Offer or any other transaction, arrangement or matter referred to in this Prospectus.

In accordance with articles 149, 150 and 243 of the PSC and article 11 of the Prospectus Regulation, the Joint Global Coordinators are responsible for the information contained in this Prospectus being complete, true, up to date, clear, objective and lawful. In accordance with article 149(1) and (2) of the PSC, the abovementioned entities may exclude their liability by proving that they acted without fault, assessed according to high standards of professional diligence. In accordance with article 149(3) of the PSC, the responsibility of the abovementioned entities is excluded if they prove that "*the addressee was or should have been aware of the deficiency in the contents of the prospectus at the date of issue of its contractual declaration or at a time when its revocation was still possible*". Other than as provided above, none of the Joint Global Coordinators, or their respective affiliates, or any of its or their respective directors, officers, employees or advisers, accepts any responsibility whatsoever for, or makes any representation or warranty, express or implied, as to the contents of this Prospectus, including its accuracy, completeness or verification, or any other statement made or purported to be made by it, or on behalf of it, by the Issuer, the members of the Board of Directors or any other person, in connection with the Issuer or the Offer, and nothing in this Prospectus should be relied upon as a promise or representation in this respect, whether relating to the past or future. Each of the Joint Global Coordinators and their respective affiliates, and their respective directors, officers, employees and advisers, disclaims to the fullest extent permitted by law all and any responsibility or liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this Prospectus or any such statement.

In connection with the Offer, the Joint Global Coordinators and any of their respective affiliates may, in accordance with the applicable legal and regulatory provisions, take up a portion of the New Shares and Subscription Rights in the Offer as a principal position and, in that capacity, may retain, purchase, sell, offer to sell, or otherwise deal for their own account in securities of the Issuer and related or other securities and instruments (including the New Shares and Subscription Rights) otherwise than in connection with the Offer. Accordingly, references in this Prospectus to New Shares or Subscription Rights being offered or placed should be read as including any offer or placement of New Shares or Subscription Rights to or with any of the Joint Global Coordinators or any of their respective affiliates acting in such capacity. In addition, certain of the Joint Global Coordinators or their affiliates may enter into financing arrangements with investors in connection with which such Joint Global Coordinators or their affiliates may from time to time acquire, hold or dispose of New Shares and Subscription Rights. Except as required by applicable law or regulation, the Joint Global Coordinators do not propose to make any public disclosure in relation to such transactions, other than in accordance with any legal or regulatory obligation to do so.

PRESENTATION OF FINANCIAL INFORMATION

Under the terms of article 8(1) of the PSC, annual financial information contained in the accounts or prospectus that shall be (i) submitted to the CMVM; or (ii) published following any request for admission to trading on regulated markets shall be subject to an auditor's report prepared by a statutory auditor or an audit firm.

The historical financial information of Mota-Engil presented in this Prospectus as of and for the year ended 31 December 2020 was extracted or derived from the Annual 2020 Audited Consolidated Financial Statements, which have been approved by the competent bodies but are still to be approved by the General Meeting of Shareholders, which is expected to occur after completion of the Offer.

The Issuer also confirms that the information obtained from third parties included in this Prospectus has been rigorously reproduced and that, as far as it is aware and as far as it could verify, based on documents disclosed by the third parties concerned, no facts have been omitted which would render the reproduced information inaccurate or misleading.

ALTERNATIVE PERFORMANCE MEASURES

This Prospectus contains management measures of performance or alternative performance measures ("**APMs**") used by management to evaluate Mota-Engil's overall performance, business and operations, including "Cash and cash equivalents with and without recourse", "Current Gross Debt", "EBIT", "EBITDA", "Financial Autonomy Ratio", "General Liquidity Ratio", "Gross Debt", "Net Financial Results", "Operating Expenses", "Turnover" and "Working Capital". These APMs are not audited, reviewed or subject to review by the Issuer's auditors and are not measurements required by, or presented in accordance with, IFRS-EU. Accordingly, they should not be considered as alternatives to any performance measures prepared in accordance with IFRS-EU and investors are cautioned not to place undue reliance on these APMs. Furthermore, these APMs, as used by Mota-Engil, may not be comparable to other similarly titled measures used by other companies.

These measures provide additional information to investors to enhance their understanding of the Group's results. However, investors should not consider such APMs in isolation, as alternatives to the information calculated in accordance with IFRS-EU, as indications of operating performance or as measures of Mota-Engil's profitability or liquidity. Such APMs must be considered only in addition to, and not as a substitute for, financial information prepared in accordance with IFRS-EU and investors are advised to review these APMs in conjunction with the Annual 2020 Audited Consolidated Financial Statements.

Each of the non-IFRS financial measures presented as APMs in this Prospectus is defined below:

"**Backlog**" means contracts awarded to be executed by the Group at the exchange rate of 31 December 2020.

"**Cash and cash equivalents with and without recourse**" means the algebraic sum of the following captions of the consolidated statement of financial position "Cash and cash equivalents with recourse – Term deposits", "Cash and cash equivalents with recourse – Demand deposits" and "Cash and cash equivalents without recourse – Demand deposits".

"Current Gross Debt" means the algebraic sum of the following captions of the consolidated statement of financial position "Loans without recourse – current" and "Loans with recourse – current".

"**EBIT**" means the algebraic sum of the following items of the consolidated income statement by nature: "Sales and services rendered"; "Cost of goods sold, materials consumed and changes in production"; "Third-party supplies and services"; "Wages and salaries"; "Other operating income/ (expenses)"; "Amortizations and depreciations"; "Impairment losses"; "Provisions".

"**EBITDA**" means the algebraic sum of the following items of the consolidated income statement by nature: "Sales and services rendered"; "Cost of goods sold, materials consumed and changes in production "; "Third-party supplies and services"; "Wages and salaries"; "Other operating income/ (expenses)".

"**Financial Autonomy Ratio**" means the division between the total shareholders' equity and the total assets disclosed in the consolidated statements of financial position.

"**General Liquidity Ratio**" means the total of current assets divided by the total of current liabilities as disclosed in the consolidated statement of financial position.

"**Gross debt**" means the algebraic sum of the following captions of the consolidated statement of financial position: "Loans without recourse – current"; "Loans with recourse – current"; "Loans without recourse – non-current"; "Loans with recourse – non-current".

"**Net Financial Results**" means the algebraic sum of the following items of the consolidated income statement by nature: "Financial income and gains" and "Financial costs and losses".

"Operating Expenses" means the algebraic sum of the following items of the consolidated income statement by nature: "Cost of goods sold, materials consumed and changes in production"; "Third-party supplies and services"; "Wages and salaries"; "Other operating income/ (expenses)"; "Amortizations and depreciations"; "Impairment losses"; "Provisions".

"**Turnover**" means the caption of "Sales and services rendered" of the consolidated income statement by nature.

"**Working Capital**" means the algebraic sum of the following captions of the consolidated statement of financial position ("total of current assets" minus "Cash and cash equivalents with recourse – Term deposits" minus "Cash and cash equivalents with recourse – Demand deposits" minus "Cash and cash equivalents without recourse – Demand deposits") minus ("total of current liabilities" minus "Loans without recourse – current" minus "Loans with recourse – current").

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements that reflect the Issuer's intentions, beliefs or current expectations and projections about the Issuer's future results of operations, financial condition, performance, prospects, anticipated growth, strategies and opportunities, and the markets in which the Issuer operates, taking into account all information currently available to the Issuer, and are not guarantees of future performance.

CHAPTER 1. DEFINITIONS

Except as otherwise required by the context, the following terms used in this Prospectus shall have the following meaning:

"**Annual 2020 Audited Consolidated Financial Statements**" means the audited annual consolidated financial statements of Mota-Engil as of and for the year ended 31 December 2020.

"**Articles of Association**" means the articles of association of the Issuer.

"**Beneficiaries**" means the entities which are the beneficiaries of certain pledges over the Relevant Shares and the Relevant Subscription Rights, the cancellation of which will have been irrevocably authorised on the Completion Date against payment of the amounts guaranteed thereby.

"**Board of Directors**" means the board of directors of the Issuer.

"**CaixaBI**" means Caixa – Banco de Investimento, S.A., with registered office at Avenida João XXI, no. 63, 1000-300 Lisbon, Portugal, with a share capital of €81,250,000 and registered with the Commercial Registry Office of Lisbon under the sole registration and taxpayer number 501 898 417.

"**CCCC**" means China Communications Construction Co., Ltd., a company incorporated in the People's Republic of China with registered number 91110000710934369E and with registered office in Beijing, People's Republic of China and/or, as applicable, Epoch Capital Investments B.V., a private limited liability company, fully owned by CCCC, incorporated under Dutch law, with registered number 86230009 and Portuguese taxpayer number 980 707 528 and with registered office at Sydneystraat 13, 3047BP Rotterdam, Netherlands, to which CCCC has assigned its rights and obligations under the Investment Agreement and the Share Purchase Agreement.

"**CMVM**" means the Portuguese Securities Market Commission (*Comissão do Mercado de Valores Mobiliários*).

"**Completion Date**" means the first date of the Offer Period or any such other date as MGP and CCCC may agree.

"**CVM**" means the central securities depository (*Central de Valores Mobiliários*) managed by Interbolsa.

"**Delegated Regulation 2019/979**" means Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus and the notification portal, and repealing Commission Delegated Regulation (EU) 382/2014 and Commission Delegated Regulation (EU) 2016/301.

"**Delegated Regulation 2019/980**" means Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No. 809/2004.

"**EU**" means the European Union.

"**Euro**" or "**€**" means the official currency of the EU Member States that adopted the single currency under the Treaty on the Functioning of the EU.

"**Euronext**" means Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A., with registered office at Avenida da Liberdade, no. 196, 1250-096, Lisbon, Portugal.

"**Euronext Lisbon**" means the regulated market named "Euronext Lisbon", managed by Euronext.

"**GDP**" means gross domestic product.

"**General Meeting of Shareholders**" means the general meeting of shareholders of the Issuer.

"**Group**" means Mota-Engil and its subsidiaries.

"**Haitong Bank**" means Haitong Bank, S.A., with registered office at Rua Alexandre Herculano, no. 38, 1269-180 Lisbon, Portugal, with a share capital of €844,769,000 and registered with the Commercial Registry Office of Lisbon under the sole registration and taxpayer number 501 385 932.

"**IFRS-EU**" means the International Financial Reporting Standards, as adopted by the EU, pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards, as amended from time to time. IFRS-EU comprise accounting standards issued by the International Accounting Standards Board (IASB) as well as interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and their predecessor bodies.

"**IMF**" means the International Monetary Fund.

"**Interbolsa**" means Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A., with registered office at Avenida da Boavista no. 3433, 4100-138 Oporto, Portugal.

“**Investment Agreement**” means the investment agreement dated 27 November 2020 and entered into by and between the Issuer and CCCC, in respect of their common interests in the Issuer, and to which Epoch Capital Investments B.V. became a party on 9 April 2021, as result of the assignment by CCCC of its rights and obligations under the agreement.

“**Joint Global Coordinators**” means CaixaBI and Haitong Bank.

“**MGP**” means Mota Gestão e Participações, SGPS, S.A., with registered office at Rua do Rego Lameiro, no. 38, 4300-454 Oporto, Portugal, with a share capital of €31,688,200 and registered with the Commercial Registry Office of Oporto under the sole registration and taxpayer number 503 101 524.

“**Mota-Engil**” or “**Issuer**” means Mota-Engil, SGPS, S.A., with registered office at Rua do Rego Lameiro, no. 38, 4300-454 Oporto, Portugal, with a share capital of €237,505,141 and registered with the Commercial Registry Office of Oporto under the sole registration and taxpayer number 502 399 694.

“**New Shares**” means the 100,000,000 ordinary, nominative book-entry shares, with a nominal value of €1 each, representing approximately 29.63% of the Issuer’s share capital following its share capital increase, if fully subscribed, to be issued by the Issuer in connection with such share capital increase and whose admission to trading on Euronext Lisbon has been requested by the Issuer.

“**Offer**” means the public subscription offer of the New Shares.

“**Offer Period**” means the period for subscription of the New Shares under the Offer, commencing at 8:30 a.m. on 10 May 2021 and ending at 3:00 p.m. on 25 May 2021.

“**PCC**” means the Portuguese Commercial Companies Code, approved by Decree-Law No. 262/86, of 2 September.

“**Prospectus**” means this prospectus dated 3 May 2021 relating to the Offer and admission to trading of the New Shares.

“**Prospectus Regulation**” means Regulation (EU) No. 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended by Regulation (EU) 2019/2115 of the European Parliament and of the Council of 27 November 2019 and by Regulation (EU) 2021/337 of the European Parliament and of the Council of 16 February 2021.

“**PSC**” means the Portuguese Securities Code, approved by Decree-Law No. 486/99, of 13 November.

“**PwC**” means PricewaterhouseCoopers & Associados - Sociedade de Revisores de Contas, Lda.

“**Relevant Shares**” means 55,000,000 ordinary shares owned by MGP, representing 23.16% of the share capital of the Issuer.

“**Relevant Subscription Rights**” means the subscription rights held by MGP, as holder of shares representing 20.13% of the share capital of the Issuer (other than the Relevant Shares), to subscribe at least 20,660,000 New Shares.

“**Restricted Territories**” means the United States, Canada, Australia, Japan and South Africa, and any other jurisdiction where the allotment or issue of New Shares pursuant to the Offer would or might infringe the relevant laws and regulations of such jurisdiction, or would or might require obtaining any governmental or other consent or effecting any registration, filing or other formality with which, in the opinion of the Issuer, it would be unable to comply or which is unduly onerous.

“**Share Purchase Agreement**” means the share purchase agreement dated 27 November 2020 and entered into by and between MGP and CCCC in respect of the Relevant Shares and the Relevant Subscription Rights, to which Epoch Capital Investments B.V. became a party on 9 April 2021, as result of the assignment by CCCC of its rights and obligations under the agreement.

“**Subscription Price**” means the subscription price for New Shares under the Offer, which corresponds to €1.50 per share.

“**Subscription Rights**” means the legal pre-emption rights to subscribe New Shares attributed to the shareholders of the Issuer (and which, under applicable law and the terms of the Offer, may also be acquired by investors in transactions executed over the counter or on Euronext Lisbon).

“**Subscription Rights Trading Period**” means the period for trading Subscription Rights of the New Shares under the Offer, commencing at 8:30 a.m. on 10 May 2021 and ending at 3:00 p.m. on 20 May 2021.

“**Trading Day**” means a day on which Euronext Lisbon is open for trading.

CHAPTER 2. SUMMARY

Section A – Introduction and Warnings
1.1 Name and ISIN of securities: The securities subject to the public subscription offer ("**Offer**") by Mota-Engil SGPS, S.A. ("**Issuer**" or "**Mota-Engil**") are up to 100,000,000 ordinary, nominative book-entry shares representing the share capital of the Issuer ("**New Shares**"), the subscription of which is reserved to shareholders of Mota-Engil in the exercise of their pre-emption rights and other investors who acquire subscription rights ("**Subscription Rights**"). The New Shares, when admitted to trading on Euronext Lisbon, shall have the same ISIN code (PTMEN0AE0005) as the shares representing the Issuer's share capital which are already admitted to trading on Euronext Lisbon on the date of the prospectus for the Offer and such admission to trading of the New Shares ("**Prospectus**") and, until their admission to trading on Euronext Lisbon, will have the ISIN code PTMEN9AM0022. The ISIN code for the Subscription Rights, which will be negotiated under the ticker "MENS1", is PTMEN0AMS003.
1.2 Identity and contact details of the Issuer, including LEI: The Issuer is a limited liability company by shares ("*sociedade anónima*") with its share capital open to public investment ("*sociedade aberta*"), incorporated under Portuguese law, with registered office at Rua do Rego Lameiro, no. 38, 4300-454 Oporto, Portugal, with a share capital of €237,505,141 and registered with the Commercial Registry Office of Oporto under the sole registration and taxpayer number 502 399 694. The legal entity identifier of the Issuer is 549300L6RR1203WN9F57. The Issuer's telephone number is (+351) 225 190 300 and its e-mail address is geral@mota-engil.pt.
1.3 Identity and contact details of the competent authority which approved the Prospectus: *Comissão do Mercado de Valores Mobiliários* ("**CMVM**"), with registered office at Rua Laura Alves, no. 4, 1050-138 Lisbon, with telephone number (+351) 213 177 000 and e-mail address cmvm@cmvm.pt.
1.4 Prospectus approval date: The Prospectus has been approved as an EU Recovery prospectus on 3 May 2021.
1.5. Warnings and information regarding subsequent use of the Prospectus: This summary should be read as an introduction to the Prospectus. Any decision to invest in the New Shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor may, under the national legislation of the Member States of the European Union ("**EU**"), have to bear the costs of translating the Prospectus before legal proceedings are initiated. Investment in the New Shares involves risks (including risks related to: (i) the global economic and financial environment, (ii) Mota-Engil's business strategy, (iii) the Group's financial transactions, (iv) the development of Mota-Engil's activity, and (v) the Offer, Mota-Engil Shares and the market) and investors may lose all or a part of their investment as a result of subscribing the New Shares or acquiring Subscription Rights and thereafter subscribing the New Shares. Civil liability in relation to this summary, including any translation thereof, attaches only to the persons responsible for this Prospectus but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information to aid investors when considering whether to invest in the New Shares. This Prospectus cannot be used in the subsequent resale or placement of the New Shares by financial intermediaries.
Section B – Key information on the Issuer
1.1 Legislation governing its activities, country of incorporation and main activities: According to its Articles of Association, the corporate scope of the Issuer "is the management of financial investments in other companies, as an indirect form of performing economic activities". The Issuer is governed by Portuguese laws applicable to commercial companies and holding companies, including the Portuguese Commercial Companies Code ("**PCC**"), the Portuguese Securities Code ("**PSC**"), Decree-Law no. 495/88, of 30 December, setting forth the Portuguese legal framework applicable to holding companies, other laws and regulations applicable to companies with their share capital open to public investment, and its articles of association. The activities of the Issuer's subsidiaries are also regulated by EU directives and regulations, and by the laws of EU Member States and those of other applicable jurisdictions in Africa or America. The Issuer and its subsidiaries ("**Group**") operate in 23 countries across three geographic regions (Europe, Africa and Latin America) and develop activities in various sectors, including engineering and construction, waste management (collection and treatment), energy, multi-services, contract mining and transport concessions.
1.2 Business and financial impact of the COVID-19 pandemic on the Issuer: As regards impacts on current activity, Turnover fell in 2020 when compared to 2019, with new impacts still likely to arise after 2020, notably due to the rescheduling of major projects in certain markets. The Annual 2020 Audited Consolidated Financial Statements show that Turnover registered a decline of 17% mainly justified by the Engineering and Construction business. In terms of the Group's profitability, the work interruptions / stoppages had a negative impact on productivity and on the dilution of fixed costs, and Mota-Engil's consolidated EBITDA registered a decrease of 9%. In line with the Group's liquidity management policy and in order to maintain an adequate liquidity reserve, as at 31 December 2020, the Issuer had available cash and cash equivalents with and without recourse of €450 million and unused credit lines amounting to circa €153 million. As a result of the uncertainty and negative impacts triggered by the pandemic, the Group proceeded, for the purposes of preparing its annual consolidated financial statements, to review the main estimates and assumptions used in such financial statements, with a special focus on the impairment tests carried out on goodwill, on intangible assets, on tangible assets, on the recognition of deferred tax assets and on measurement of estimated impairment losses for accounts receivables and for other financial investments recorded at amortised cost. As a result, the impairment tests, the discount rates were higher than those used in 2019 and the values projected for 2021 were lower than the real values of 2019. To measure estimated impairment losses, matrices with higher uncollectable rates were applied and for the estimated impairment losses for other financial investments, it was used the latest available data of probability of default and loss in case of default published by Moody's. In a prudent scenario, the Group recorded in the 2020 total impairment losses of €37 million, mainly allocated to the Latin America and Africa Regions.
Section C – Key information on the securities
1.1 Type, class and ISIN: The securities subject to the Offer (the New Shares) are ordinary, registered, book-entry shares representing the share capital of the Issuer. After their admission to trading on Euronext Lisbon, the New Shares shall have the same ISIN code (PTMEN0AE0005) as the shares representing the Issuer's share capital which are already admitted to trading on Euronext Lisbon on the date of the Prospectus and will be fungible with those existing shares. All shares representing the share capital of the Issuer will trade under the symbol "EGL".
1.2 Currency, denomination, nominal value and number of securities issued: Up to 100,000,000 New Shares will be issued, each with a nominal value of €1. Assuming a scenario of full subscription of the Offer, the share capital of the Issuer will be increased by an amount of €100,000,000 (corresponding to a total Offer amount of €150,000,000, including a share premium ("*ágio*") of €0.50 per New Share), up to a total nominal amount of €337,505,141.
1.3 Restriction to the free transferability of securities: Not applicable under the law and the Issuer's articles of association.

1.4 Rights granted by the securities: The holders of shares representing the share capital of the Issuer have, in accordance with the PCC and the Issuer's articles of association, the right to receive profits (upon deduction of the amounts necessary to form or reconstitute the required legal reserve, and in the manner resolved by the General Meeting of Shareholders), the right to participate in the General Meetings of Shareholders and to exercise their voting rights therein (without prejudice to the applicable restrictions), the right to share in the assets in the event of winding up of the Issuer, a pre-emption right in the subscription of new shares in the event of share capital increases by cash contributions, in which the respective right is not limited or suppressed, the right to receive new shares of the Issuer in share capital increases by incorporation of reserves, and the right to information about the Issuer.

Section D – Key information on the offer of securities to the public and/or the admission to trading on a regulated market

1.1 General terms and conditions: The Offer of up to 100,000,000 New Shares is exclusively addressed to (i) shareholders of the Issuer who, by virtue of holding shares representing the share capital of the Issuer, hold Subscription Rights for the New Shares; and (ii) investors who acquire Subscription Rights. The New Shares will be offered at a subscription price of €1.5 per share ("**Subscription Price**"). The effectiveness of the Offer is conditioned upon a minimum number of 67,025,900 New Shares being subscribed by MGP (as defined below) and CCCC (as defined below).

1.2 Offer period and calendar: The subscription period of New Shares will run between 8:30 a.m. of 10 May 2021 and 3:00 p.m. of 25 May 2021. Subscription orders may be placed with any financial intermediary legally qualified to provide registration and deposit of securities services. Subscription orders may be revoked or amended until 3 p.m. of 24 May 2021, by means of a notification sent to the financial intermediary that received the relevant subscription order. From the moment the subscription orders become irrevocable, any subscription order already placed may only be amended to increase the number of New Shares to be subscribed, to the extent permitted under the Offer and the law. Shareholders of the Issuer that do not intend to exercise their Subscription Rights, in whole or in part, may dispose thereof on Euronext Lisbon between 8:30 a.m. of 10 May 2021 and 3:00 p.m. of 20 May 2021. The Subscription Rights may also be traded outside Euronext Lisbon, in accordance with the general terms of the law, having to be registered on the relevant individual securities account of the acquirer until 25 May 2021 (inclusive), in order for the relevant exercise of such Subscription Rights. Subscription Rights that are not disposed of or exercised until the end of the Subscription Rights Trading Period or of the Offer Period, respectively, will expire and no compensation will be due to the holders of such Subscription Rights.

1.3 Distribution of the Offer: Determination of the number of New Shares each shareholder of the Issuer or each holder of Subscription Rights may subscribe for in the Offer results from the application of the factor 0.43212679 to the number of Subscription Rights held when placing the subscription order, rounded down to the nearest whole number. The New Shares not subscribed pursuant to the exercise of Subscription Rights shall be apportioned amongst the holders of Subscription Rights who have expressed their intention to subscribe more New Shares than those they would be entitled to, in the exact proportion of the New Shares subscribed in the exercise of the respective Subscription Rights, rounded down to the nearest whole number. Requests for the subscription of New Shares in addition to those resulting from the exercise of Subscription Rights shall be made by the holders of such Subscription Rights when subscribing the New Shares under the exercise of their Subscription Rights and shall not be detachable from the latter. New Shares not allocated as described above will be drawn in lots, one at a time, to be apportioned among holders of Subscription Rights whose requests for the subscription of additional New Shares were not fully satisfied.

1.4 Amount and immediate dilution resulting from the Offer: For current shareholders that do not exercise their Subscription Rights in the Offer, a participation in the share capital of the Issuer corresponding to 1% shall be reduced to approximately 0.7037% after the respective share capital increase, assuming that the shareholder does not exercise any Subscription Rights and that the share capital increase of the Issuer is fully subscribed.

The following table highlights the evolution of the major shareholdings across different scenarios:

		FM - Sociedade de Controlo	MGP	CCCC
Before the Offer	Share Capital	0,00%	40,09%	23.16%
	Voting Rights	43.25%	43.25%	23.77%
After the Offer, assuming MGP's and CCCC's subscription commitments and no participation from other shareholders	Share Capital	0,00%	38,69%	32.65%
	Voting Rights	41.11%	41.11%	33.31%
After the Offer, assuming MGP's and CCCC's subscription commitments and full subscription of the Offer	Share Capital	0,00%	34,91%	29.46%
	Voting Rights	37.02%	37.02%	30.00%

1.5 Reasons for the Offer and estimated net proceeds: The Offer is launched to allow the Issuer to reinforce its own funds, thus creating the conditions to boost its international activity and the development of larger scale projects, as well as its stability and profitability, with a view to aligning economic and financial indicators with the strategy set for the Group's medium to long-term development. Furthermore, the Offer is launched following the signing of agreements by the Issuer, Mota – Gestão e Participações, SGPS, S.A. ("**MGP**") and China Communications Construction Co., Ltd. ("**CCCC**") pursuant to which the Issuer and CCCC envisage building a strategic cooperation to enhance the Issuer's activities and businesses by combining resources and efforts in projects to be carried out through the Issuer or joint-venture agreements. These agreements contemplate, *inter alia*, the acquisition of shares and subscription rights by CCCC from MGP and the approval and carrying out by the Issuer of a share capital increase through the issue of up to 100,000,000 new shares at €1.50 per share, to be partly subscribed by MGP and by CCCC, and CCCC being granted certain business representations and warranties by the Issuer with regards to its acquisition of shares of the Issuer. Upon completion of these transactions and the Offer, CCCC is expected to become the holder, on a fully diluted basis (i.e. post-completion of the Offer), of a total number of the Issuer's shares representing no less than 30% and no more than 1/3 of the Issuer's voting rights (taking into consideration the treasury shares held by the Issuer, corresponding on the date hereof to 2.56% of the Issuer's share capital). Assuming the full subscription of the New Shares and considering the amount of the Subscription Price (€1.50 per New Share), it is expected that the total amount of cash contributions resulting from subscription orders (€150,000,000) will correspond to a net value of the Offer of approximately €148.5 million, after deducting all expenses, including the fees due to the Joint Global Coordinators and other advisors, the registration of the New Shares with the CVM and admission of the New Shares to trading on Euronext Lisbon. The net proceeds from the Offer will be used to strengthen the international expansion of the Issuer's diverse business areas, to support its core business growth and improve the Group's liquidity.

1.6 Subscription and placement arrangements and conflicts of interest: MGP has agreed to subscribe at least 22,598,927 New Shares and CCCC has agreed to subscribe at least 44,426,974 New Shares. The Issuer is not aware of any other firm commitment to subscribe New Shares, including from members of its Board of Directors or Supervisory Board. Caixa – Banco de Investimento, S.A. and Haitong Bank, S.A. have been engaged by the Issuer to perform the services in respect of the Offer which are required under the law. Those financial intermediaries have a direct financial interest in the Offer concerning their remuneration for the provision of the relevant services and, either directly or through their affiliates, have in the past provided, and may in the future provide, commercial banking, investment banking and financial advisory or other services to the Issuer or any parties related to it. However, the Issuer is not aware of any significant interest of any person involved in the Offer which conflicts with the Offer.

CHAPTER 3. GENERAL INFORMATION ABOUT THE ISSUER

The legal name of the Issuer is Mota-Engil, SGPS, S.A. and its most frequently used commercial name is Mota-Engil.

The Issuer is incorporated under Portuguese law as a limited liability company by shares (“*sociedade anónima*”) with its share capital open to public investment (“*sociedade aberta*”). The Issuer has its head office at Rua do Rego Lameiro, no. 38, Oporto, has a paid-up share capital of €237,505,141 and is registered with the Commercial Registry Office of Oporto under the sole registration and taxpayer number 502 399 694. The legal entity identifier (LEI) of the Issuer is 549300L6RR1203WN9F57.

The main shareholder of the Issuer is FM – Sociedade de Controlo, SGPS, S.A., sole shareholder of MGP, the former being currently attributable, directly and indirectly, 66.68% of the Issuer’s voting rights. Upon implementation of the transactions provided for in the Share Purchase Agreement and the Investment Agreement until completion of the Offer, MGP is due to be attributed with voting rights corresponding to a stake of around 37.02% in the share capital of the Issuer, assuming a scenario of full subscription of the Offer, thus evidencing a full commitment and alignment of MGP with its historical position in the Issuer, while CCCC is expected to be attributed with no less than 30% and no more than 1/3 of the Issuer’s voting rights, all taking in consideration the treasury shares held by the Issuer, corresponding on the date hereof to 2.56% of the Issuer’s share capital. In this respect, please see also 10.2.1 and the market announcements disclosed by the Issuer on 27 August 2020 and 27 November 2020, all of which are incorporated by reference in this Prospectus.

The Group is present in 23 countries spread across three geographic regions – Europe, Africa and Latin America. Through its subsidiaries, the Issuer develops a wide range of activities in the following main areas: engineering and construction (infrastructures, civil construction, real estate, other business areas), environment and services, waste management (collection, processing, recovery and waste-to-energy), multi-services (maintenance and landscaping), concessions of transport infrastructures (management and operation of highways, motorways and bridges), energy (production, management and trading) and mining.

Investors can find more information on the Issuer’s business operations, the products made and services provided by the companies forming part of the Group, the principal markets in which the Group companies compete, the Issuer’s major shareholders, the composition of its Board of Directors and Supervisory Board, and the information incorporated by reference in this Prospectus on the Issuer’s official website (www.mota-engil.com).

Investors can find more information on CCCC on its official website (http://en.ccccltd.cn).

CHAPTER 4. RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THE PROSPECTUS

4.1. Identification of the entities responsible for the information in the Prospectus

The entities and persons listed below are responsible for the information contained in this Prospectus being complete, true, up to date, clear, objective and lawful, in the terms and subject to the exceptions referred to in articles 149, 150 and 243 of the PSC and article 11 of the Prospectus Regulation:

4.2. The Issuer

Mota-Engil.

4.3. Members of the Board of Directors in office at the date of this Prospectus and at the time of the approval of the Annual 2020 Audited Consolidated Financial Statements

Mr. António Manuel Queirós Vasconcelos da Mota (Chairman), Mr. Gonçalo Nuno Gomes de Andrade Moura Martins, Mr. Arnaldo José Nunes da Costa Figueiredo and Mr. Jorge Paulo Sacadura Almeida Coelho (Vice-Chairmen in office at the time of the approval of the Annual 2020 Audited Consolidated Financial Statements, although the relevant term of office was cancelled on 16 April 2021) and Mrs. Ana Paula Chaves e Sá Ribeiro, Mr. António Bernardo Aranha da Gama Lobo Xavier, Mr. António Manuel da Silva Vila Cova, Mr. Carlos António Vasconcelos Mota dos Santos, Mr. Eduardo João Frade Sobral Pimentel, Mr. Emídio José Bebiano e Moura da Costa Pinheiro, Mr. Francisco Manuel Seixas da Costa, Mrs. Helena Sofia da Silva Borges Salgado Fonseca Cerveira Pinto, Mr. Ismael Antunes Hernandez Gaspar, Mr. João Pedro dos Santos Dinis Parreira, Mr. José Pedro Matos Marques Sampaio de Freitas, Mr. Luís Filipe Cardoso da Silva, Mr. Luís Francisco Valente de Oliveira, Mr. Manuel António da Fonseca Vasconcelos da Mota, Mrs. Maria Manuela Queirós Vasconcelos Mota dos Santos, Mrs. Maria Paula Queirós Vasconcelos Mota de Meireles and Mrs. Maria Teresa Queirós Vasconcelos Mota Neves da Costa (Members).

4.4. Members of the Statutory Audit Board in office at the date of this Prospectus and at the time of the approval of the Annual 2020 Audited Consolidated Financial Statements

Mr. José António Ferreira de Barros (Chairman), Mrs. Susana Catarina Iglésias Couto Rodrigues de Jesus and Mrs. Cristina Maria da Costa Pinto (Members).

4.5. Statutory Auditor in office at the date of this Prospectus and at the time of the approval of the Annual 2020 Audited Consolidated Financial Statements

PwC, with head office at Palácio Sottomayor, Rua Sousa Martins, no. 1, 3rd floor, Lisbon, registered with the Portuguese Institute of Statutory Auditors under no. 183 and with the CMVM under no. 20161485, represented by António Joaquim Brochado Correia (statutory auditor registered with the Portuguese Institute of Statutory Auditors under no. 1076 and with the CMVM under no. 20160688).

4.6. Financial intermediaries responsible for the provision of assistance services in relation to the Offer

CaixaBI and Haitong Bank.

4.7. Responsibility statements

The persons and entities mentioned in 4.1 (*Identification of the entities responsible for the information in the Prospectus*) to 4.6 (*Financial intermediaries responsible for the provision of assistance services in relation to the Offer*) above, as persons responsible for drawing up this Prospectus, state that, to the best of their knowledge, the information contained in this Prospectus for which they are responsible is in accordance with the facts and makes no omissions likely to affect its import.

CHAPTER 5. RISK FACTORS

An investment in shares, including the subscription of New Shares and/or the acquisition of Subscription Rights, involves a high degree of risk. Prospective investors should carefully consider the information in this Prospectus and the documents incorporated by reference herein, as well as the following risk factors, before investing in the New Shares. The occurrence of any of the following risks could have a material adverse effect on the Issuer's business, financial condition, prospects, results of operations or cash flows.

References in this chapter to "the Issuer" or "Group" are to the Issuer and its subsidiaries. The Issuer cannot ensure that, in the event of adverse scenarios, the policies and procedures it uses to identify, monitor and manage risks will be effective. The risk factors described below are those considered most relevant to investors when making an investment decision. However, additional risks not currently known, or currently deemed immaterial, may also have material adverse effects. This Prospectus also contains statements about future events that involve risks and uncertainties. Please note that actual results may differ materially from those foreseen in these forward-looking statements.

Within each category of risk, those considered by the Issuer to be the most material risks are set out first. The Issuer has assessed the relative materiality of the risk factors based on the probability of their occurrence and expected magnitude of their negative impact. The order of the categories does not imply that any category of risk is more material than any other. Prospective investors should read the information set out in this Prospectus (including the documents incorporated by reference herein) and form their own opinion prior to making an investment decision.

5.1. Risks related to the global economic and financial environment

5.1.1 The Issuer's activity may be affected by the Covid-19 pandemic and possible similar future outbreaks

The economic impacts of the Covid-19 pandemic are expected to put pressure on Mota-Engil's results, while potential disruptions to its staff may also negatively impact its efforts to improve operational efficiency, which may lead to negative impacts on revenues as a result of project delays. Due to the lockdown policies, the Group could face reduced demand for certain facility management services, restrictions on normal waste collection operations and a drop in traffic on toll roads. Some concrete examples of these adverse effects include: (i) a decrease in the Group's 2020 Turnover of 17% when compared to 2019, driven by the Engineering and Construction business in the African and Latin American regions; and (ii) the negative impact on productivity and the dilution of fixed costs, with Mota-Engil's consolidated EBITDA having suffered a decrease of 9% in 2020, when compared to 2019, influenced, once again, by the less positive performance in the African and Latin American regions.

Furthermore, as a result of the uncertainty and negative impacts triggered by the pandemic, the Group proceeded, for the purpose of preparing its annual consolidated financial statements, to a review of the main estimates and assumptions used in such financial statements, with special focus on the impairment tests carried out on goodwill, on intangible assets, on tangible assets, as well as on the recognition of deferred tax assets and on the measurement of estimated impairment losses for accounts receivable and for other financial investments recorded at amortised cost. As a result of the analyses carried out, the impairment tests, the discount rates were higher than those used in 2019 and the values projected for 2021 were lower than the real values of 2019. To measure estimated impairment losses, matrices with higher uncollectable rates were applied and for the estimated impairment losses for other financial investments, it was used the latest available data of probability of default and loss in case of default published by Moody's. In a prudent scenario, the Group recorded in the 2020 total impairment losses of €37 million, mainly allocated to the Latin America and Africa Regions.

In addition to the examples detailed above, governments' response measures to contain the spread of the virus among Group employees, or any quarantines applied to its employees or facilities, may significantly affect Mota-Engil's operations.

The capacity of Group's suppliers, subcontractors and other stakeholders to carry out their business operations as normal may also be affected by the pandemic, with negative impacts for Mota-Engil. Furthermore, the effects also felt by its counterparties and/or clients may result in additional risks in the performance of the obligations assumed by them before the Group, as and when the same fall due, potentially exposing Mota-Engil to an increased number of insolvencies.

By 31 December 2020, as a result of the abovementioned constraints created by the Covid-19 pandemic, the Group had postponed part of its planned investment (to avoid overburdening its treasury) in the amount of €89 million. The investment made in 2020 was mainly channelled to its waste collection and treatment business in Portugal and in the Ivory Coast, as well as to certain Engineering and Construction projects where the procurement and acquisition processes were already underway (namely, a medium to long-term mining project to be executed in Guinea-Conakry).

Any of the factors outlined above could have a negative impact on Mota-Engil's profits, financial position, activities, business development, operational results, financial situation, proceeds, assets and liquidity, as well as its future prospects or ability to achieve the goals established.

5.1.2 The Issuer's activity may be affected by the global economy and the financial system, which are experiencing a period of uncertainty and turbulence

The Group's business performance is closely linked to the economy and economic development of the countries and regions in which the Group carries out a wide range of activities associated with the design, construction, management and operation of infrastructures. The Group's business operations, financial condition and results of operations may be adversely affected if the global economic environment deteriorates, public investment levels decrease or priorities are shifted to other projects or investment needs, leading to contractual changes, delays or cancellations, particularly in those regions where the Group's business is focused, i.e. Europe, Africa and Latin America.

The Covid-19 pandemic is inflicting high and rising human costs worldwide. As a result of the pandemic, the global economy is projected to have contracted sharply, by –3.3% in 2020, a percentage far worse than during the 2008–09 financial crisis, followed by a projected growth of 6% in 2021. The group of advanced economies is projected at –4.7% in 2020, followed by a projected growth of 5.1% in 2021 (*source: IMF, "World Economic Outlook Update, April 2021", which can be found at: https://www.imf.org/en/Publications/WEO/Issues/2021/03/23/world-economic-outlook-april-2021*).

In addition to the risks triggered by Covid-19, the ongoing instability caused by, inter alia, the exit by the United Kingdom from the EU, has brought significant uncertainty regarding Brexit's effects on the United Kingdom's fiscal, monetary and regulatory landscape, cross-border business, and export and import tariffs. Brexit-related developments could result in business relocations or interruptions, or economic recession or depression, potentially affecting the stability of the financial markets, political systems and financial institutions, as well as the availability of credit.

Moreover, the increase of populism on Europe, the uncertainty of trade negotiations between the major commercial potencies, fiscal and monetary policies, and the economic-financial situation more generally, notably the evolution of oil and commodity prices, higher inflation expectations and interest rates, as well as exchange rates volatility, may have a negative impact on the Issuer and on third parties with whom the Issuer does business, or may do business in the future.

5.2. Risks related to Mota-Engil's business strategy

5.2.1 Mota-Engil is exposed to specific risks arising from the sector and markets in which it operates

As a holding company (*sociedade gestora de participações sociais*, "SGPS"), the Issuer's compliance with its obligations depends on the distribution of dividends by its subsidiaries, the payment of interest, the repayment of loans granted, and other cash flows generated by these same companies. The subsidiaries' ability to provide/repay funds to the Issuer will partly depend on their capacity to generate positive cash flows in the context of their operating activities. Furthermore, their ability to distribute dividends, pay interest to and repay loans granted by Mota-Engil is subject to statutory and tax restrictions, as well as their respective profits, available reserves and financial structure – factors which may have an adverse impact on Mota-Engil's business, financial condition and operational results.

Much of the Group's activity in the engineering and construction business (64% of the total Turnover recorded in 2020) depends, with reference to its costs structure, on fluctuations in the international prices of key commodities, such as oil, steel and cement, among others. In this same business segment, Group companies are subject to the risks of deterioration of the economic environment, decrease in public and private investment levels or shift in priorities to other projects or investment needs, evolutions in local pricing, namely rising labour costs, and risks arising from contractual conditions (to the extent that many of the services provided are framed by specific contracts governed by relevant legislation and sectorial regulations) and regulatory conditions (since the execution of a project depends on obtaining general and specific licenses for certain activities and/or tasks).

These risks may have a negative impact on the Issuer and the occurrence of situations of default or contractual non-compliance may have negative effects on contractual management and the fulfilment of the goals set out in each contract.

In addition to market risks, the Group's performance in its construction activity, public works contracts and real estate development depends on the economic environment and the existence of high levels of public and private investment. Private investment in infrastructures relies, among other factors, on the evolution of international commodity prices, which are not controlled or conditioned by the Issuer. There may thus be a correlation between the economic indicators of public and private entities and the revenues of Mota-Engil. A scenario of reduced activity in this area of business may not be dismissed, although no public works are currently in progress, the possible cancellation of which could have a significant impact on Mota-Engil's value.

The Group is also exposed to risks associated with the supply and logistics chain in the markets where it operates, as logistics involved in the transportation of people, equipment, parts and materials present major challenges to large works, it being necessary to predict all costs and execution times in the budgets and deadlines presented to clients. These risks represent major challenges in African countries where Mota-Engil operations are less mature, namely Uganda, Ghana, Guinea, Ivory Coast, Rwanda, Kenya and Cameroon, which together represented 10% of Mota-Engil's total Turnover recorded in 2020 and 25% of its total Backlog as of 31 December 2020.

The suspension of or delays in the supply chain, among other factors, may have an adverse impact on the development of works and provision of services within the engineering and construction business segment, which represented 64% of the total Turnover recorded in 2020 and 89% of total Backlog as of 31 December 2020. Long suspensions or delays may prevent compliance with contractual deadlines, lead to the application of fines, or result in heavier costs to recover time lost, thus reducing the expected margin for a project.

It is also important to consider the value of the Group's projects of high technical complexity in difficult terrain, with mining projects or infrastructure construction and maintenance works frequently being developed at above 2,000 or even 5,000 meters of altitude. This not only hinders the transportation of the respective means of production, but also requires the availability of highly skilled workers, with resulting consequences on productivity. These characteristics are more frequent in the Peruvian market, which represented 5% of the total Turnover recorded in 2020 and 3% of total Backlog as of 31 December 2020.

In Central Europe, given the drop in the number and value of infrastructure projects being developed in the region, competitive imbalances have arisen following the emergence of excess market players and the debasement of prices. The Issuer may thus need to accept lower contract margins in order to compete against competitors able to accept awards at lower prices. If the Issuer is unable to compete successfully in the relevant markets, its relative market share and profits may decrease. The Turnover recorded in Central Europe in 2020 represented 13% of Mota-Engil's total Turnover (6% in 2019) and 6% of its total Backlog as of 31 December 2020 (compared to 8% as of 31 December 2019).

Therefore, the Group's economic profitability goals in its engineering and construction projects differ from region to region, depending on the specific circumstances and contexts in which these are carried out, being more demanding for regions which require more intensive means of own production and capital for the execution of such projects.

Regarding waste management activities (which represented 6% of total Turnover recorded in 2020), the waste treatment sector in Portugal operates under a regulatory framework where revenues depend on the approval of the value of the investment – the Regulated Assets Base, under which the asset remuneration rate is applied for a defined period. These indicators, defined by the regulator, may not always reflect the real needs to ensure Empresa Geral do Fomento's operational performance, in compliance with legal and contractual obligations and with the established targets.

5.2.2 Mota-Engil is exposed to political, social, economic and financial changes, both regionally and globally

Although Mota-Engil has a strong focus on Portugal, it is present in 23 countries spread over 3 continents: Europe (43% of Turnover and 28% year-on-year increase in EBITDA in 2020[1]), Africa (31% of Turnover and 11% year-on-year decrease in EBITDA in 2020) and Latin America (25% of Turnover and year-on-year decrease of 28% EBITDA in 2020). These results stem from lower productivity and the dilution of fixed costs caused by the Covid-19 pandemic, as outlined in more detail in paragraph 5.1.1.

A country's risk, measured according to different dimensions in each of the markets where the Group is present, is associated with changes or specific disturbances of a political, economic or financial nature which may prevent the Group from achieving its strategic objectives. With a diversified geographic exposure and depth of maturity in most markets, the Group has nevertheless sought to promote its expansion to other countries in the regions where it operates.

1 Includes others, eliminations and intra-group.

As regards Portugal, in 2020 the Portuguese economy is projected to have contracted sharply, registering a 7.6% decrease in GDP, followed by a partial recovery of 4.1% in 2021 (*source: Winter 2021 Economic Forecast, European Commission, 11 February 2021*), mainly due to the Covid-19 pandemic and associated lockdown and prohibitive measures.

Public investment is expected to accelerate following the introduction of policy measures to preserve jobs, provide adequate social support, safeguard business continuity and support the resumption of activity. These new policies are expected to co-finance the construction of relevant public infrastructures, notably railroad and road transportation infrastructures.

The Covid-19 pandemic severely disrupted economic activity in the Euro area in 2020, as referred in paragraph 5.1.1. Due to the sizeable emergency fiscal measures taken by Member States, the Euro area's aggregate fiscal policy is projected to be strongly expansionary in 2021 to provide much-needed support to economic activity. With the impact of the Covid-19 pandemic, the Euro area GDP is expected to have fallen by 6.6% in 2020, followed by a recovery of 4.2% in 2021 (*source: IMF, World Economic Outlook Update, April 2021*).

Other regions are also expected to have experienced severe slowdowns or contractions in economic activity in 2020 (measured by GDP), including Latin America and the Caribbean (-7.0%); the Middle East and Central Asia (-2.9%), with non-oil GDP contracting by 4.4% and most economies, including Iran, expected to have contracted; and sub-Saharan Africa (-1.9%), with Nigeria and South Africa expected to have contracted by -3.8% and -7%, respectively. Following the dramatic decline in oil prices since the start of 2020, near-term prospects for oil-exporting countries have deteriorated significantly: GDP for this group of countries is projected to have dropped 4.2% in 2020 (*source: IMF, World Economic Outlook Update, April 2021*).

Prospective investors in the New Shares must ensure that they have sufficient knowledge of the financial situation in the countries and regions where the Group is present, and of the global economic situation and outlook, to allow them to evaluate the risks and merits of investing in the New Shares.

5.2.3 Risks related to the Issuer's shareholding structure

The Issuer's share capital is open to public investment. Any acquisition of a qualifying holding in the Issuer's share capital or relevant change of control by a shareholder (current or future) may impact its corporate strategy, operations, business and resources, which may in turn have an adverse effect on its financial condition or operational results. As explained in 10.1.7 (*Conditions of the Offer*) and 10.2.1 (*Reasons for the Offer*), and assuming that the transactions referred in those sections take place, MGP that currently holds, directly and indirectly, 66.68% of the Issuer's voting rights, will be attributed with voting rights corresponding to a stake of around 37.02% in the share capital of the Issuer upon implementation of the transactions provided for in the Share Purchase Agreement and the Investment Agreement and assuming a scenario of full subscription of the Offer. As such, and with the subscription of the New Shares by CCCC, which is expected to be attributed with no less than 30% and no more than 1/3 of the Issuer's voting rights, MGP will no longer hold voting rights in excess of the majority required to approve resolutions that require the majority of votes cast.

5.2.4 Risks related to the implementation of the Investment Agreement with CCCC

Pursuant to the Investment Agreement, which is described in more detail in 10.2.1 (*Reasons for the Offer*), the Issuer and CCCC wish to set up a strategic cooperation given its potential for enhancing the Issuer's activities and businesses by combining resources and efforts in projects to be carried out through the Issuer or joint-venture agreements. Although this cooperation is expected to enhance the Issuer's financial, technical and commercial capabilities, in order to upscale its activities in all markets and open up new opportunities, as in any other arrangement or contract, risks may arise related to its performance by the relevant parties.

The aforementioned may require adaptations and implementation measures that, if unsuccessful or not adequately implemented, may result in adverse impacts on the Issuer, particularly a negative impact on its profits, financial position, activities, business development, operational results, financial situation, proceeds, assets and liquidity, as well as its future prospects or ability to achieve the goals established.

5.2.5 Risks associated with the resolutions passed with respect to the Offer and consent solicitation process pertaining to bond issues

Under the statutory authorisation foreseen in article 6-A of the Issuer's Articles of Association, which was granted by the general meeting of shareholders held on 7 January 2021, on 1 April 2021 the Board of Directors resolved (such resolution having been the object of a favourable opinion by the Statutory Audit Board on the same date) to approve the share capital increase that will result from the issue and subscription of the New Shares.

Under Portuguese law, shareholders and noteholders are generally entitled to request the judicial declaration of nullity or the annulment of resolutions passed by a company's corporate bodies, such as resolutions regarding share capital increases, and, in some cases, to file against the company proceedings with suspensive effects on resolutions passed by a company's corporate bodies. If the resolution relating to the Issuer's share capital increase is judicially disputed, the New Shares will be deemed a separate class of shares and will not be fungible with the other shares representing the Issuer's share capital until the judicial dispute is resolved, pursuant to article 25(b) of the PSC, during which the shares issued under such share capital increase will be deemed a separate class of shares. For more information on the regime of article 25 of the PSC, please refer to Section 10.1.1 (*Amount, class (categoria) and form of representation of the New Shares*).

One of the conditions precedent of the Share Purchase Agreement was the formal confirmation from the CMVM, in terms satisfactory to CCCC, at its sole discretion, that neither the Share Purchase Agreement nor any action or transaction (including the execution of the Investment Agreement and the subscription of New Shares by CCCC) would result in CCCC being under the obligation to launch a mandatory tender offer for the purchase of all the Issuer's shares. The CMVM provided this confirmation on 5 March 2021, subject to, among other conditions, the approval of amendments to the Articles of Association, as contemplated in the convening notice for the Issuer's General Meeting of Shareholders and related proposal published on 24 February 2021. The Issuer also launched two consent solicitation processes in respect of the bond issues named "Mota-Engil 2018/2021" (ISIN PTMENVOM0008) and "Mota-Engil 2018/2023" (PTMENUOM0009), aimed at amending the terms and conditions of those notes taking into account the possible changes in the shareholding structure after the completion of the Offer. All these resolutions were passed on 19 March 2021 and 23 March 2021, respectively, in accordance with their terms and the law.

Until the date hereof, the Issuer has not been notified of any proceeding with suspensive effects with respect to the resolutions passed by its corporate bodies, including those mentioned above, and that the legal deadline for filing such type of proceedings is 10 (ten) days. The Issuer has however been notified of proceedings brought by a shareholder holding 500 of shares representing its share capital pursuant to which such shareholder requests, based upon an alleged irregular attendance of another minority shareholder at the General Meeting of Shareholders held on 19 March 2021 and an alleged lack of information the judicial declaration of nullity or the annulment of resolutions passed at that General Meeting of Shareholders.

The Issuer considers that neither the resolutions referred to above, nor any other resolution passed by any of its corporate bodies regarding the Offer is affected by any breach of law or the Articles of Association. Accordingly, upon having received counselling from its legal advisers, the Issuer will in due time contest such proceeding as it considers there are no legal grounds to sustain the allegations of said shareholder. It should be made clear that this proceeding has no suspensive effects of the aforementioned resolutions and has no impact on the resolutions passed by any corporate body of the Issuer regarding the share capital increase to which the Offer refers. Even if and when a final an unappealable declaration of nullity or the annulment of resolutions would be passed, if that ever comes to occur, the same could have no relevant impact on the Offer, taking into account, among other aspects, that the challenged resolutions could be renewed or confirmed by the Shareholders Meeting, on the one hand, and the changes to the Articles of Association to which the resolutions refer might not be applicable or required by then, depending of the then existing shareholding structure, on the other hand. Without prejudice to the above, the Issuer cannot exclude the possibility of other legal actions aimed at seeking the annulment or a declaration of voidance of any of those resolutions being filed within the applicable deadlines, which may have an adverse impact on Mota-Engil.

5.3. Risks related to the Group's financial transactions

Due to its geographical diversification, the Group is exposed to a range of financial risks, particularly those associated with credit and liquidity risk, interest rates, exchange rates and other price risks.

In the construction business, Group entities are often required to provide performance or surety bonds to secure their performance under construction contracts. Their ability to obtain such bonds primarily depends on the Group's capitalization, working capital, past performance, management expertise, reputation, and certain external factors, including the capacity of the performance and surety bonds market. The Issuer cannot exclude the possibility of being adversely affected by the financial risks listed below, or others not currently considered material or still unknown.

5.3.1 Mota-Engil's activities are subject to credit risk

Due to the nature of its activities, the Group is exposed to credit risk, i.e., the risk of not receiving payments arising from credits over counterparties within the established deadlines. This risk mainly relates to accounts receivables arising from the normal development of its various activities, with emphasis on the provision of services in Africa, especially in the Angolan market.

The significant increase in the Group's activity in Africa and Latin America was partly promoted by the development of a close business strategy, which has helped mitigate this risk. Furthermore, some of the Group's largest ongoing projects are promoted by some of the leading private conglomerates in the world, providing added reassurance in terms of financial strength and credit coverage.

The Group also has significant widespread commercial relationships, often receiving payment of advances that significantly reduce the credit risk in such projects. However, contracts may require the performance of extra work by Mota-Engil or unforeseen changes to the project decided by the customer. This may result in disputes over whether the extra work is beyond the scope of the original project or over the price the customer is willing to pay. If the Issuer has to fund these unexpected extra costs for a lengthy period of time, its credit risk may increase.

Please refer to note 45 (*Financial Instruments*) on page 219 of the Annual 2020 Audited Consolidated Financial Statements in respect of the Issuer's exposure to credit risk as of 31 December 2020.

Below its the breakdown and evolution of the Group's accounts receivable (Customers, current account and Other debtors – Others) by region / type of business, by rating of the counterpart and by aging.

€ '000 Captions	Europe EC	Europe ES	Africa	Latam	Other, eliminations and intragroup	Impairment losses	Total
Total Customers	142,377	100,954	557,681	164,228	(49,584)	(194,035)	721,621
Other debtors - Others	366,898	72,598	209,269	79,322	(379,234)	(61,303)	287,550
Total	509,275	173,552	766,950	243,549	(428,817)	(255,338)	1,009,171
% 2020	50%	17%	76%	24%	-42%	-25%	100%
% 2019	43%	16%	71%	26%	-32%	-23%	100%

€ '000 Captions	Aaa to A3	Baa1 to B3	Caa2; Caa3	Without rating or information	Total
Total Customers and Other debtors – Others	20,103	111,159	245,028	632,881	1,009,171
% 2020	2%	11%	24%	63%	100%
% 2019	6%	38%	4%	51%	100%

€ '000 Captions	Non overdue	Overdue 0 - 3 months	Overdue 3 - 12 months	Overdue 1 - 3 years	Overdue > 3 years	Total
Total Customers and Other debtors – Others	395,841	184,076	184,359	177,149	67,747	1,009,171
% 2020	39%	18%	18%	18%	7%	100%

The Issuer has accepted as payment sovereign debt bonds issued by African states, namely Angola, Malawi, Mozambique and the Ivory Coast. In 2020, these markets represented 75% of its Turnover in Africa and 52% its portfolio of works in the African region. These sovereign debt bonds are not cash or cash equivalents and, as of 31 December 2020, represented 26% of the Turnover of the African region. These bonds are held under a business model the alternative purpose of which is the holding of financial assets in order to collect contractual cash flows, as well as to ensure protection against exchange risk and allow for an adequate treasury management in local currency. As such, these bonds have also been either disposed of at their nominal value (Ivory Coast) or used as collateral to bank loans and bank guarantees obtained (in Angola).

The occurrence of credit risk may adversely affect the Issuer's activities, business development, operational results, financial situation, proceeds, assets and liquidity, as well as its future prospects or ability to achieve the goals established.

5.3.2 The Group is subject to liquidity risk and may face shortage of cash to meet obligations

Liquidity risk is the risk of Group companies lacking the capacity to settle their obligations as and when they fall due. The Issuer's liquidity risk management strategy involves maintaining an adequate level of cash, as well as negotiating credit limits that ensure the funds needed to meet commitments.

In respect of the Issuer's liquidity position (including future reimbursements of capital and interest payments) as of 31 December 2020, please refer to note 45 ("*Financial Instruments*") on page 217 of the Annual 2020 Audited Consolidated Financial Statements where its calculation is detailed.

On 31 December 2020, the Issuer presented a General Liquidity Ratio of 0.86 and a working capital of €105 million. In addition, on 31 December 2020 Mota-Engil maintained agreements for unused credit lines in the amount of circa €153 million to address this risk.

As for debt instruments, in 2020 the Issuer continued to broaden its relationship with financial entities in the countries where it operates, increasing its funding sources in commercial banking.

To ensure the proper management of liquidity, some Group companies adhered to the moratorium regime established by the Portuguese State / financial system, which has allowed them to postpone capital and interest repayments in the amount of €462 million.

By 31 December 2020, the repayment of Current Gross Debt, in the amount of €960 million, was fully ensured by recourse to Cash and cash equivalents with and without recourse of €450 million, available unused credit lines of € 153 million, and to a portion of Gross debt of €578 million which, since then, the Group has already refinanced or is in the process of refinancing. This portion of Gross debt mentioned includes financing agreements totalling €228 million that on 31 December 2020 were reclassified to current liabilities due to a non-compliance with established financial covenants which has, in the meantime, been waived by all respective counterparties.

Finally, in case of a severe deterioration of its economic and financial conditions, Mota-Engil's available cash and cash equivalents with and without recourse as at 31 December 2020 totalled €450 million, which, coupled with its undrawn credit facilities of €153 million, amounts to 79% of Mota-Engil's non-revolving needs maturing in less than 12 months and to 113% of Mota-Engil's non-revolving needs maturing in less than 12 months deducted of the financing agreements totalling €228 million that on 31 December 2020 were reclassified to current liabilities due to non-compliance with established financial covenants which has, in the meantime, been waived by all respective counterparties.

The effective management of the liquidity risk is closely linked to the management of other financial risks, to ensure the necessary cash flows at the times and in the sums forecasted. However, the Issuer cannot foresee future credit conditions in the financial markets. The difficulty in accessing financing due to its lower availability, as well as the higher cost of fund raising, may have a negative impact on the Issuer's business or its financial condition.

5.3.3 The Group's exposure to exchange rate risk results from its presence in several countries and markets

The Group's exposure to exchange rate risk primarily arises from its subsidiaries' presence in various foreign markets, resulting in exposure to new currencies and new economic and financial realities. The Group is exposed to exchange rate risk with respect to currencies such as the United States dollar, the Angolan Kwanza, the Peruvian Nuevo Sol, the Brazilian Real, the Polish Zloty, the Mozambican Metical, the Malawian Kwacha, the Colombian Peso and the Zimbabwean dollar.

This risk can be summarised as follows: (i) Transaction risk – risk associated with cash flows and values of the financial instruments recorded in the financial position statement, where changes in exchange rates have an impact on financial results and cash-flows; and (ii) Translation risk – risks associated with fluctuations in the value of equity invested in the Group's foreign companies, due to exchange rate changes.

Whenever possible or advisable, natural coverage is sought for exposed currencies by recourse to financial debt denominated in the foreign currency in which the sums at risk are expressed. Alternatively, the undertaking of other transactions is promoted based on derivative, structured instruments seeking the minimisation of costs, particularly by covering the risks involved in future exchange rate transactions with a high degree of certainty regarding the sum and the date of their realisation.

Contracts with clients, financial debt, labour costs, subcontracts, equipment purchases and supplies generally constitute commitments that, when made in a currency other than the Euro, are inherently associated with an exchange rate risk. Consequently, adverse variations in exchange rates may give rise to changes in the relative net value of the assets whose payment currency is different from the Group's functional currency (Euro).

Governments and monetary authorities of the relevant jurisdictions may impose (as has happened in the past) rates likely to adversely affect the applicable foreign exchange rate.

The level of exposure to a variable exchange rate risk will become more important if the monetary policy of central banks becomes increasingly restrictive in comparison with the guidance verified in the last years.

In the financial year ended 31 December 2020, for the most representative currencies, the aggregate impact on the Issuer's net results and own funds of the conversion to Euro of the financial results of Group companies, with a functional currency other than the Euro (sensitivity analysis), resulting from the appreciation of 1% of the main currencies to which it is exposed, was €469 thousand and €2.5 million, respectively.

In respect of the loans obtained by the Group regarding the corresponding currency as of 31 December 2020, please refer to note 45 ("*Financial Instruments*") on page 216 of the Annual 2020 Audited Consolidated Financial Statements. As of 31 December 2020, circa of 53% of the Backlog of the Group is denominated in Euro, U.S. dollar or indexed to one of these two currencies.

When contracting financial debt in foreign currency, the Group may hire derivative instruments or other transactions based on those, structured based on a cost reduction logic, namely, to cover the risks in future exchange transactions.

A significant number of the contracts executed by the Group are denominated in Euro or the U.S. dollar and the exchange rate is, whenever possible, indexed to the contract value recorded in national currency to eliminate any volatility risk with loss of value.

5.3.4 The Issuer's financial debt is indexed to interest rates whose variations may result in losses

The Issuer's strategy of allocating debt to local markets, close to cash flow generation, has contributed to the currency diversification of its debt, notwithstanding the maintenance of significantly contracted currencies, such as the Euro and the U.S. dollar or indexed to these. Due to the stagnation of short and medium-term interest rates, which have reached historic lows, new interest rate risk hedging transactions have been carried out to a lesser extent. Where the loan maturity is longer, the Issuer is assessing the contracting of further hedging instruments to minimise exposure to possible future variations in interest rates.

In the financial year ended 31 December 2020, the estimated impact on the Issuer's financial results arising from variations of 1 p.p change in the interest rate index of its loans may be analysed as follows: (i) €18.8 million change in the average Gross Debt of the year (excluding leasing and factoring), (ii) -€7.0 million fixed-rate coverage and (iii) -€2.7 million interest rate derivative financial instruments coverage. For more information, please refer to note 45 ("*Financial Instruments*") on page 214 of the Annual 2020 Audited Consolidated Financial Statements.

On 31 December 2020, 48% of Gross Debt (including the effect of derivative financial instruments) was contracted at a variable interest rate and its average cost decreased to 5%.

The Issuer cannot foresee the evolution of interest rates. Accordingly, interest rates may increase more than expected and raising new financing or refinancing may thus become more expensive for the Group than in the past.

5.4. Risks related to the development of Mota-Engil's activity

5.4.1 Mota-Engil is subject to legal risks arising from the exercise of the Group's own activity

Legal risks essentially result from the exercise of the Group's own activity, including the assumption of legal obligations whose risks have not been duly evaluated and/or minimised, potentially generating financial impacts or increased litigation, as well as legal risks arising from the diversity of jurisdictions in which the Group operates. Claims may be asserted against the Group based on accidents or mistakes occurring during its implementation of construction projects, operation of concessions or provision of services. Such claims may relate to the injury or death of human beings, damage to facilities and equipment, or environmental damage. They may be based on alleged acts or omissions of the Group and/or of its subcontractors.

Additionally, the Group is required to provide commercial guarantees to clients regarding the proper functioning of construction works carried out by it. Failure to perform as specified could result in claims being made against the Group under the relevant guarantee(s), with potentially adverse effects on its reputation, business, financial condition or results of operations. The Group typically takes out insurance policies and seeks to stipulate limits on liability in the contracts to which it is a party, with a view to mitigating the risk of a claim under any such guarantee. However, insurance and contractual liability limits may not provide the Group with sufficient coverage to counteract the abovementioned consequences.

As at 31 December 2020, the guarantees provided by the Group to the tax authorities associated with tax proceedings amounted to €81 million.

By reference to 31 December 2020, the Group was involved in several legal proceedings, either as a defendant or claimant. Considering only those with a value higher than €500 thousand, the Group was involved as a defendant in proceedings corresponding to an aggregate global amount of €113 million. In this regard, it should be highlighted that out of the amount above-mentioned, €51 million are concentrated on two proceedings (one in Portugal and other in Slovakia) for more than ten years, and that circa of €30 million are associated with six administrative proceedings raised by the General Inspection of Agriculture, Sea, Environment and Spatial Planning, corresponding to the maximum fine that can be applied. In the past, for similar proceedings in which Group companies were condemned, the respective fines ranged between €10 thousand and €30 thousand.

As of 2018, two former employees of the Group were being investigated by the Peruvian Public Ministry following their alleged involvement in a set of unlawful practices, performed between 2011 and 2014 by some construction companies operating in Peru. Following this investigation, Mota-Engil Peru, S.A., along with 15 other construction companies, was incorporated in the investigation proceedings as a party "liable for accessory consequences". In 2020, the Group joined the Special Volunteer Regime provided for in Law No. 30737, which allows it to activate the mechanisms that the referred law establishes to limit the amount of the potential liability that may be imposed in the event of a conviction (maximum of €3.4 million at the exchange rate on 31 December 2020).

Should the outcome of these legal proceedings prove unfavourable to the Group, this may adversely affect its activities, business development, reputation, operational results, financial situation, proceeds, assets and liquidity, as well as its future prospects or ability to achieve the goals established.

5.4.2 The Group's activity depends on the awarding of contracts in a highly competitive environment and full and timely compliance with the obligations thereunder

Most of the Group's activity results from tenders awarded through a competitive bidding process. It is difficult to predict whether or when new contracts will be offered for tender and it should be noted that these contracts frequently involve a lengthy and complex design and bidding process, which is influenced by a wide range of factors, including market conditions, financing arrangements and governmental approvals. However, contracts are commonly awarded to the lowest bidder, although other factors such as shorter contract schedules or prior experience with the contracting entity may also prove relevant.

In the three geographical areas where it operates (Europe, Africa and Latin America), the Group is exposed to competition from many international, regional and local companies, some of which have greater resources than Mota-Engil and have already achieved or will achieve strong market penetration. This competition means that Group entities may end up having to accept lower contract margins.

In Central Europe, competition has also increased as large European construction companies have entered the market to take advantage of the expected growth in infrastructure projects in the region, especially in Poland, given the inflow of European funds. Increased competition exerts greater pressure on market prices and on the margins achieved.

As for the waste collection business, there are barriers to entry in new markets, especially more mature markets in developed countries, due to strict regulation and the presence of established players with long-term experience and mature operations in those markets. Developing countries generally represent a better opportunity for the expansion of Mota-Engil's waste collection business, whereas environmental issues are beginning to be raised socially and addressed politically.

Despite the volume of its project portfolio and the geographical and sectorial diversity of the Group, the risk of competition may adversely affect the Issuer's activities, business development, operational results, financial situation, proceeds, assets and liquidity, as well as its future prospects or ability to achieve its goals.

In what concerns awarded contracts, Group entities depend on the performance of their subcontractors and suppliers. Any failure on their part could thus impair Group entities' ability to perform their contractual obligations on a timely basis, potentially affecting cash flow and profits.

The Group also relies on third-party subcontractors to perform some of the work included in the contracts awarded to it and on third-party suppliers to provide all necessary machinery, equipment and materials for its projects. Therefore, if the Group is unable to engage subcontractors or suppliers, its ability to bid for contracts may be impaired. Furthermore, if a given subcontractor or supplier is unable to deliver the services or materials contracted at the agreed prices, the relevant Group entity may experience delays and ultimately be required to engage the necessary services from a more expensive or less qualified provider. Mota-Engil total expenses with subcontractors recorded in 2020 represented 20% of its total Operating Expenses. By region, total expenses with subcontractors represented 24% of its total Operating Expenses in Europe, 20% in Latin America and 13% in Africa.

If the Group fails to meet the schedule or performance requirements of awarded contracts, notably due to prolonged periods of rain, flooding, changes to the scope of work, or delays on the part of subcontractors or suppliers, additional costs, fines, penalties or damages may be applicable and, in a worst-case scenario, exceed projected profit margins. Performance problems may additionally lead to greater costs with personnel and the decreased market value of machinery and equipment, or the need for its repair or replacement. This may cause the actual results of operations to differ materially from those anticipated when the relevant bid was made and could result in the Group suffering damage to its reputation within the relevant sector.

5.4.3 The development of the Issuer's activity is subject to legal rules regarding health, work safety and labour risks

The work-related accident rate is very significant in the sectors in which the Group operates. These sectors are subject to strict health and safety-at-work regulations. However, working on construction sites involves many hazards and risks. These may cause damage to or the destruction of property, mechanical problems in machinery or equipment, personal injury and loss of life, or environmental consequences. Health and safety-at-work has gained even greater importance with the Covid-19 pandemic, due to the need to implement measures to prevent contagion and possible outbreaks amongst Group employees, which would in turn affect the execution of its ongoing projects.

Despite the efforts developed by the Health & Safety at Work departments of the various Group entities to minimise work-related accidents and health problems, in 2020 the accident rate registered an average of 17.2 lost days per each non-deadly accident leading to temporary incapacity to work, divided as follows: Europe – 31.7; Africa – 9.9; Latin America – 14.8.

5.4.4 Mota-Engil's activities may be affected by the laws and regulations applicable in the markets where it operates

Given that the Group is present in 23 countries distributed over 3 continents (Europe, Africa and Latin America), it is subject to a complex multitude of legal systems and regulatory requirements. The Issuer may be adversely affected by tax changes in the countries where it develops activities, seeing as it has no control over such changes or the interpretation of tax laws by any competent tax authority. Any significant changes in tax legislation, or any difficulties in implementing or complying with new tax laws and regulations, may have an adverse impact on the Issuer's business, financial condition and/or operational results.

Significant and/or systematic changes in the obligations and/or other regulatory definitions applicable in Portugal, in the EU and in the countries where the Group operates, or any difficulties in their implementation or fulfilment, may imply non-timely compliance with an adverse impact on the Group.

5.4.5 Mota-Engil's activity may be affected by incidents associated with physical assets and natural disasters

The risk of incidents associated with physical assets can derive from external or internal causes and can result in loss of value for the Group, in the form of loss of profits, payment of compensation, or the unavailability of other assets. Given that many of the construction contracts are executed by the Group outdoors, unforeseen adverse weather conditions may cause work stoppages, which could delay completion of its projects. The Group's assets could also be damaged by fire, earthquakes, tornadoes and other natural disasters if these occur in a country or region where the Group operates, or from which the Group sources suppliers essential for the performance of its activities, thus negatively affecting the revenues and cash flows available to the Issuer and its subsidiaries. Although the Group takes precautions against such events, maintains disaster recovery strategies and purchases commercially appropriate levels of insurance coverage, it may still incur losses in the event of substantial damages to its infrastructure and equipment.

Such incidents could also cause damage to natural resources and/or property belonging to third parties, or even personal injuries, potentially leading to significant claims or fines against the Group. Such liabilities may not be fully covered by its insurance policies.

5.4.6 The development of Mota-Engil's activity may be affected by environmental changes

Group operations are subject to the environmental laws and regulations applicable in the countries where it operates, in matters such as the management, disposal and remediation of hazardous substances and the emission and discharge of pollutants into the environment. Due to climate change and growing environmental concerns, such laws and regulations have become increasingly stringent and their enforcement by the regulatory agencies more vigorous. The Issuer's activity involves environmental risks related to the abstraction and use of water, leftover materials, biodiversity impacts, direct and indirect greenhouse gas emissions, wastewater and residues, and other environmental impacts arising from the products and services provided. More restrictive or less favourable regulations, or the stricter interpretation of current regulations, such as European environment policy, could lead to changes in the Group's operating conditions that might increase its operating costs or otherwise hinder the development of its business.

The Group's exposure to these risks may result in the application of fines and sanctions by governmental authorities, third-party property damage, personal injury claims, the triggering of penalties foreseen in contracts executed with clients, and additional costs to remedy any environmental impacts caused. All these consequences will involve reputational damage.

5.4.7 Mota-Engil's activity may be affected by information system and security flaws

Global companies like the Issuer depend on information technology ("IT") to implement their procedures and operations in the different business units and geographies where they operate, as well as to ensure the reliability of their control and reporting processes. Given that Mota-Engil is present in 23 countries, its strategy also encompasses a commitment to digitalizing its operations and technology in order to allow the company to become more agile, flexible, global and efficient. Any failure in the Group's IT systems could result in operational losses, errors in accounting and financial data, missing data and data security breaches, as well as increased vulnerability to cyber-attacks. Such failures could also expose Group companies to fines and sanctions enforced by the relevant regulators, information recovery costs, reputational costs and disruptions in their support areas and operational activities.

5.5. Risks related to the Offer, Mota-Engil Shares and the market

5.5.1 Volatility may trigger a fall in the price of the Issuer's shares and in the value of the investment

The market price of the Issuer's shares has registered significant volatility in the past and may still be subject to future fluctuations as a result of factors beyond the Issuer's control, including: (i) the risk factors described in this Prospectus; (ii) the entry of new competitors in the geographic areas where the Group operates; (iii) legislative, regulatory and tax changes in Portugal and in other jurisdictions in which the Group operates; (iv) fluctuations in the Issuer's operating results and in investors' expectations in this regard; (v) general economic conditions in the countries where the Group operates, relevant budget deficits and the sustainability of public debt; (vi) political conditions and perceptions of stability in the countries where the Group operates; (vii) actual or estimated changes in the activity, results or financial situation of the Group; (viii) variations in financial estimates and analysts' recommendations regarding the Issuer and the geographies in which the Group operates, as well as changes in the financial and capital markets generally; (ix) announcements made by the Issuer or its competitors about significant contracts, merger and acquisition agreements, new services and products, major operating events or the future issue or disposal of the Issuer's shares or assets; and (x) changes in investors' perception of the Issuer and of the investment environment.

General market and industry factors may also adversely affect the market price of the Issuer's shares, regardless of the operating performance of its subsidiaries. In addition, if a significant number of the Issuer's shares are acquired by a limited number of investors, this could have a negative impact on the liquidity of those shares. The price of the Issuer shares may vary as a result and investors may be unable to acquire or dispose of the Issuer's shares at the expected price.

5.5.2 The market price of the Issuer's shares may be lower than the subscription price for the New Shares

The market price of Mota-Engil shares is volatile and may be subject to fluctuations for unpredictable reasons. As at 28 April 2021, the closing price was €1.408. The Issuer cannot ensure that the market price of its shares will be equal to or higher than the Subscription Price. If the market price falls after the irrevocable exercise of Subscription Rights (after 3:00 p.m. on 24 May 2021), investors who have exercised such Subscription Rights will suffer an immediate unrealised loss. The Issuer cannot ensure investors that, following the subscription of New Shares, it will be possible to sell Mota-Engil shares at a price equal to or higher than the Subscription Price or that the market price of the New Shares will be equal to or higher than the market price of the Issuer's shares prior to the Offer.

5.5.3 Exchange rate fluctuations can have a significant impact on the value of the New Shares

The market price of Mota-Engil shares is denominated in Euro. As such, fluctuations in the exchange rate between the Euro and other currencies may affect the value of the Issuer's shares held by investors from countries with currencies other than the Euro.

In addition, any payments in cash of dividends on the Issuer's shares will be denominated in Euro and, therefore, will be subject to exchange rate fluctuations when converted to an investor's local currency.

5.5.4 No compensation if the Subscription Rights expire unexercised or if a trading market does not develop

The Subscription Rights Trading Period begins at 8:30 a.m. on 10 May 2021 and ends at 3:00 p.m. on 20 May 2021. Some financial intermediaries may set their own earlier cut-off times for the receipt of subscription orders within the Offer Period. Shareholders that fail to sell or exercise their Subscription Rights prior to the end of the Subscription Rights Trading Period and of the Offer Period, respectively, will receive no compensation for those Subscription Rights, which will expire without value.

The Issuer requested the admission to trading of the Subscription Rights on Euronext Lisbon. However, shareholders of the Issuer cannot be assured that an active trading market will develop.

5.5.5 Market price of the New Shares may be adversely affected by the sale of the Issuer's shares by current shareholders

To the best of Mota-Engil's knowledge, there are no restrictions on any of its shareholders to sell, transfer or otherwise dispose of or encumber any Mota-Engil shares, including the New Shares. Any sale of a substantial number of the Issuer's shares before or after the completion of the Offer, or the perception that such a sale may occur, may adversely affect the market price of the New Shares or the Issuer's ability to raise capital through a future public offer of its shares.

5.5.6 Shareholders that do not exercise their rights may suffer a significant dilution

Shareholders that do not exercise their Subscription Rights may see their proportion of share ownership and voting rights in Mota-Engil reduced following the completion of the Offer. If the share capital increase is fully subscribed, such dilution will be equivalent to 29.63%, resulting from the quotient between the amount of New Shares issued under the Offer and the total amount of shares representing the Issuer's share capital after the Offer. As an example, for current shareholders of the Issuer that do not exercise their Subscription Rights, a shareholding corresponding to 1% will be reduced to approximately 0.7037% upon completion of the Offer, assuming that the New Shares are fully subscribed.

On the other hand, failure by shareholders of the Issuer to exercise their Subscription Rights may result in a higher portion of New Shares being allocated to the remaining shareholders, which may reduce the free float and the liquidity of the Issuer's shares.

For shareholders that decide to sell their Subscription Rights, the value of the consideration received may not be enough to compensate them for the dilution of their percentage of share ownership that may result from the Offer.

For more information on dilution and shareholding after the issuance, please refer to Section 10.3 (*Dilution and shareholding after the issuance*).

5.5.7 Any increases in the Issuer's share capital may have a negative impact on the share price and existing shareholders may experience a dilution of their shareholdings

The Issuer may, in the future, increase its share capital, by means of contributions in cash or in kind, to finance any acquisitions or investments or to strengthen its balance sheet. This may have a negative impact on the Issuer's share price. Shareholders have pro rata subscription rights in share capital increases by means of contributions in cash, in the case of issuances of new shares or other securities that entitle the holder to acquire new shares. However, this right may be limited or suppressed by a resolution taken at a general meeting of shareholders. In these cases, the Issuer's shareholders may suffer dilution in their shareholdings.

In addition, the exercise of subscription rights by certain shareholders not resident in Portugal may be restricted by the applicable law, standard practices or other rules, thus preventing them from exercising those rights. Shareholders in jurisdictions outside Portugal who are unable to exercise their Subscription Rights in the event of a future share capital increase may see their shareholdings diluted.

5.5.8 The Issuer cannot ensure that registration of the share capital increase before the competent commercial registry office and subsequent admission to trading of the New Shares will take place on the scheduled date

The admission to trading of the New Shares on Euronext Lisbon, scheduled to occur on 31 May 2021, requires prior registration of the corresponding share capital increase with the competent commercial registry office (which is expected to occur on 28 May 2021, following the financial settlement of the Offer). Mota-Engil cannot ensure investors that this registration will take place when scheduled and, in case of a delay, there may be a time gap between the payment of the Subscription Price and the receipt of the New Shares. Please note that the completion of the commercial registration of the share capital increase is subject to the interpretation of the applicable legislation, the Articles of Association and relevant corporate resolutions by the competent Portuguese commercial registry office. A delay in the admission to trading of the New Shares may also affect their liquidity.

CHAPTER 6. SELECTED CONSOLIDATED FINANCIAL INFORMATION

6.1. Selected consolidated financial data

6.1.1 Consolidated income statements by nature of the Issuer

	2020 € '000	2019 € '000
Sales and services rendered	2,429,134	2,912,440
EBITDA	380,256	417,071
Amortisations and depreciations, provisions and impairment losses	(235,770)	(229,337)
EBIT	144,485	187,734
Net Financial Results	(134,797)	(64,440)
Gains / (losses) in associates and jointly controlled companies	(6,049)	(5,407)
Gains / (losses) on the acquisition and disposal of subsidiaries, jointly controlled and associated companies	11,146	(7,986)
Net monetary position	10,748	1,746
Income before taxes	**25,534**	**111,647**
Income tax	(17,725)	(41,474)
Consolidated net profit of the year	**7,809**	**70,173**
Attributable:		
To non-controlling interests	27,753	43,445
To the Group	**(19,944)**	**26,728**

6.1.2 Consolidated statements of financial position of the Issuer

	2020 € '000	2019 € '000
Assets		
Non-current		
Goodwill	20,717	22,233
Intangible assets, tangible assets and rights of use assets	1,310,823	1,336,250
Financial investments in associates, in jointly controlled companies and other financial investments [2]	361,692	389,976
Other assets (non-current)[3]	561,497	537,912
Total of non-current assets	**2,254,729**	**2,286,371**
Current		
Other financial investments recorded at amortised cost	21,088	10,568
Other assets (current)[4]	1,962,846	2,050,366
Cash and cash equivalents with and without recourse	449,851	432,853
Non-current assets held for sale	126,967	274,407
Total of current assets	**2,560,753**	**2,768,193**
Total Assets	**4,815,482**	**5,054,564**
Liabilities		
Non-current		
Loans with and without recourse	931,220	977,185
Other liabilities (non-current) [5]	771,813	769,078
Total of non-current liabilities	**1,703,033**	**1,746,263**
Current		
Loans with and without recourse	960,068	891,739
Other liabilities (current) [6]	1,976,141	1,958,933
Non-current liabilities held for sale	30,229	129,600
Total of current liabilities	**2,966,437**	**2,980,272**
Total Liabilities	**4,669,470**	**4,726,535**

[2] Comprises the algebraic sum of the following captions of the consolidated statement of financial position: “Financial investments in associated companies”, “Financial investments in jointly controlled companies”, “Other financial investments recorded at amortised cost” and “Other financial investments recorded at fair value through other comprehensive income”.
[3] Comprises the algebraic sum of the following captions of the consolidated statement of financial position: “Investment properties”, non-current “Customers and other debtors”, “Other non-current assets”, “Derivative financial instruments” and “Deferred tax assets”.
[4] Comprises the algebraic sum of the following captions of the consolidated statement of financial position: current “Customers and other debtors”, “Contract assets”, “Other current assets” and “Corporate income tax”.
[5] Comprises the algebraic sum of the following captions of the consolidated statement of financial position: Non-current “Lease liabilities”, Non-current “Derivative financial instruments”, Non-current “Suppliers and sundry creditors”, Non-current “Contract liabilities”, “Other non-current liabilities”, “Provisions” and “Deferred tax liabilities”.
[6] Comprises the algebraic sum of the following captions of the consolidated statement of financial position: “Other financial liabilities”, Current “Lease liabilities”, Current “Derivative financial instruments”, Current “Suppliers and sundry creditors”, Current “Contract liabilities”, “Other current liabilities” and “Corporate income tax”.

Shareholders' equity		
Share capital	237,505	237,505
Own shares	(10,232)	(10,232)
Reserves, retained earnings and share premiums	(295,963)	(177,674)
Consolidated net profit of the year	(19,944)	26,728
Own funds attributable to the Group	**(88,634)**	**76,327**
Non-controlling interests	234,646	251,703
Total shareholders' equity	**146,012**	**328,030**
Total shareholders' equity and liabilities	**4,815,482**	**5,054,564**

6.1.3 Consolidated statements of cash flows of the Issuer

	2020 € '000	2019 € '000
Net cash-flows from operating activities	221,000	117,502
Net cash-flows from investment activities	(32,847)	(207,490)
Net cash-flows from financing activities	(108,294)	84,586
Variation of cash and cash equivalents	**79,859**	**(5,402)**
Impact of cash and cash equivalents of companies recorded as held for sale	-	(767)
Impact of hyperinflation and exchange rate effect	(44,204)	(12,133)
Cash and cash equivalents at the beginning of the year	334,550	352,852
Cash and cash equivalents at the end of the year	**370,206**	**334,550**

6.2. Significant change in the financial position of the Issuer

There has been no significant change in the financial position of the Group since the end of the last financial period for which the Annual 2020 Audited Consolidated Financial Statements have been published.

CHAPTER 7. ISSUER'S CAPITALISATION AND INDEBTEDNESS AND STATE AID STATEMENT

7.1. Capitalisation and indebtedness

The following tables set out the Issuer's capitalisation and indebtedness as at 31 January 2021. This information was prepared in accordance with IFRS-EU and shall be read in conjunction with the Annual 2020 Audited Consolidated Financial Statements. It was not subject to audit or limited review procedures.

Statement of Capitalisation (thousands of euros)		**31 Jan 2021**
Current Debt (including current portion of non-current debt)		
A.	Guaranteed [(1)]	7,320
B.	Secured [(2)]	140,787
C.	Guaranteed and Secured	6,040
D.	Non-guaranteed / non-secured [(3)]	724,237
E.	Total Current Debt[(4)] (A + B +C + D)	878,384
Non-Current Debt (excluding current portion of long-term debt)		
F.	Guaranteed [(1)]	3,047
G.	Secured [(2)]	303,156
H.	Guaranteed and Secured	4,429
I.	Non-guaranteed / non-secured [(3)]	646,769
J.	Total Non-Current Debt [(5)] (F + G +H + I)	957,401
K.	Total Debt [(6)] (E + J)	**1,835,786**
Equity		
L.	Share capital	237,505
M.	Own shares	(10,232)
N.	Share premium	92,584
O.	Legal reserves	57,733
P.	Other reserves	(465,216)

Q.	Total Equity (L + M + N + O + P)	**(87,626)**
R.	Total capitalisation (K + Q)	**1,748,159**

(1) Guaranteed debt consists of debt consolidated by Mota-Engil and guaranteed by third parties not included in the Issuer's consolidation perimeter, namely through surety and personal endorsement.

(2) Secured debt encompasses debt consolidated by Mota-Engil which, in the event of default, benefits from an encumbrance effectively constituted over assets consolidated by the Issuer, namely (i) pledge securities and deposits, and (ii) mortgage over real estate assets, and includes loans without recourse. Please refer to note 30 to the Annual 2020 Audited Consolidated Financial Statements for further detail.

The assets that secure the Issuer's total secured debt amount to €356,516 thousand as at 31 January 2021. For clarification purposes, except for pledges of shares of consolidated companies, where their net assets (total assets minus total liabilities) have been considered, the remaining abovementioned assets are recorded in the Annual 2020 Audited Consolidated Financial Statements, under line items Tangible assets, Inventories, Financial investments recorded at amortised cost, Cash and cash equivalents with/without recourse, and Investment properties.

(3) Non-guaranteed and non-secured debt includes loans with recourse. Please refer to note 30 to the Annual 2020 Audited Consolidated Financial Statements for further detail.

(4) Total current debt is derived from the financial statements line items as at 31 January 2021, which are consistent with the financial statements line items in the Annual 2020 Audited Consolidated Financial Statements, namely corresponding to the current "Loans with recourse" and current "Loans without recourse".

(5) Total non-current debt is derived from the financial statements line items as at 31 January 2021, which are consistent with the financial statements line items in the Annual 2020 Audited Consolidated Financial Statements, namely corresponding to non-current "Loans with recourse" and non-current "Loans without recourse".

(6) Total Debt is derived from the financial statements line items as at 31 January 2021, which are consistent with the financial statements line items in Annual 2020 Audited Consolidated Financial Statements, namely corresponding to current and non-current "Loans with recourse" and "Loans without recourse". Furthermore, this definition of Debt corresponds to the Gross Debt, as defined in the "Alternative Performance Measures" subsection, and it is the one used by the Issuer in its financial reports and presentations.

Statement of Indebtedness (thousands of euros)	**31 Jan 2021**
Current Debt	
A. Cash (a)	3,092
B. Cash equivalents (b)	394,787
C. Other current financial assets (c)	21,088
D. Liquidity (A+B+C)	418,967
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt) (d)	675,540
F. Current portion of non-current financial debt (e)	557,434
G. Current financial indebtedness (E+F)	1,232,974
H. Net current financial indebtedness (G-D)	814,007
I. Non-current financial debt (excluding current portion and debt instruments) (g)	833,482
J. Debt instruments (f)	352,572
K. Non-current trade and other payables (h)	68,677
L. Non-current financial indebtedness (I + J + K)	1,254,731
M. Total financial indebtedness (H+L)	2,068,739

a) Comprises the sub-caption "Cash in hand" included in the financial statement line items "Cash and cash equivalents with recourse – Term/Demand deposits" and "Cash and cash equivalents without recourse - Demand deposits" of the consolidated statement of financial position captions. Please refer to note 27 to the Annual 2020 Audited Consolidated Financial Statements for further detail.

b) Comprises the algebraic sum of the sub-captions "Other treasury applications" and "Bank deposits", included in the financial statement line items "Cash and cash equivalents with recourse – Term/Demand deposits" and "Cash and cash equivalents without recourse - Demand deposits" of the consolidated statement of financial position. Please refer to note 27 to the Annual 2020 Audited Consolidated Financial Statements for further detail.

c) Comprises the following caption of the consolidated statement of financial position: "Other financial investments recorded at amortised cost - current". Please refer to note 20 to the Annual 2020 Audited Consolidated Financial Statements for further detail.

d) Comprises the algebraic sum of the following captions of the consolidated statement of financial position: "Loans with recourse - current", "Loans without recourse - current", "Lease liabilities - current", "Other financial liabilities - current" and the amount of confirming operations recorded in the caption "Suppliers and sundry creditors" which are fully redeemable in the next 12 months. Please refer to notes 17, 30, 31 and 33 to the Annual 2020 Audited Consolidated Financial Statements for further detail.

e) Comprises the algebraic sum of the following captions of the consolidated statement of financial position: "Loans with recourse - current", "Loans without recourse - current" and "Lease liabilities - current" which are associated with the portion of non-current financial debt which has to be repaid in the next 12 months. Furthermore, this heading includes €228 million of financial debt that, on 31 December 2020, was reclassified to here due to non-compliance with established covenants, which has, in the meantime, been waived by all respective counterparties. Please refer to notes 17 and 30 to the Annual 2020 Audited Consolidated Financial Statements for further detail.

f) Comprises the algebraic sum of the sub-captions "Non-convertible bond loans" and "Commercial paper issues" of the consolidated statement of financial position, together "Debt instruments", included in the financial statement line items "Loans with recourse - non-current" and "Loans without recourse - non-current". Please refer to note 30 to the Annual 2020 Audited Consolidated Financial Statements for further detail.

g) Comprises the algebraic sum of the following captions of the consolidated statement of financial position: "Loans with recourse - non-current", "Loans without recourse - non-current", "Lease liabilities - non-current", the sub-caption of the consolidated statement of financial position "Suppliers and sundry creditors – Associates and other shareholders - non-current" minus the amounts related to Debt instruments referred in (f). Please refer to notes 17, 30 and 33 to the Annual 2020 Audited Consolidated Financial Statements for further detail.

h) Comprises the algebraic sum of the following captions of the consolidated statement of financial position: "Suppliers and sundry creditors - non-current", deducted by the sub-caption of the consolidated statement of financial position caption "Suppliers and sundry creditors – Associates and other shareholders - non-current", "Contract liabilities non-current" and the sub-captions "Work in progress not invoiced by suppliers" and "Others" of the consolidated statement of financial position caption "Other liabilities non-current". Please refer to notes 33, 34 and 35 to the Annual 2020 Audited Consolidated Financial Statements for further detail.

Total current and non-current financial indebtedness as at 31 January 2021 corresponds to the total debt disclosed in the statement of capitalisation (€1,835,786 thousand) plus the leasing and factoring operations included in the following captions of the consolidated statement of financial position: "Lease liabilities – non-current", "Lease liabilities - current" and "Other financial liabilities - current" (€523,231 thousand) plus other remunerated financial debt and other non-remunerated debt for which there is a significant financing component included in the following captions of the consolidated statement of financial position: "Suppliers and sundry creditors - non-current" ,"Contract liabilities non-current", in the sub-captions "Work in progress not invoiced by suppliers" and "Others" of the consolidated statement of financial position caption "Other non-current liabilities" and the amount of confirming operations recorded in the caption "Suppliers and sundry creditors" (€ 128,689 thousand).

Indirect and contingent indebtedness amounts to €111.9 million and comprises the amounts disclosed in the sub-captions "Sundry provisions - Liabilities arising from defined benefit pension plan" and "Sundry provisions - Provisions for construction warranties" of the consolidated statement of financial position caption "Provisions" plus the amount of investment commitments already assumed by the EGF companies of the Group. Please refer to notes 15 and 37 to the Annual 2020 Audited Consolidated Financial Statements for further detail.
Furthermore, as at 31 January 2021, the Issuer has not assumed any indirect indebtedness, namely obligations towards third parties in case of their default.
Furthermore, €18.6 million of "Cash equivalents" are collateralizing financing operations included in the Gross debt and Financial debt includes €296.8 million of leasing operations, of which €89.3 million is classified as current.

There has been no material change in the Issuer's capitalisation and indebtedness position since 31 January 2021.

7.2. Working Capital statement

In the Issuer's opinion, its working capital is currently sufficient for its present requirements as well as for the next 12 (twelve) months as from the date of this Prospectus considering that, as at 31 December 2020, the Issuer had circa €153 million in credit lines available but not used and, during the year 2021, the Group has already refinanced or is in the process of refinancing a portion of Gross debt in the amount of €578 million. This amount includes financing agreements totalling €228 million, that on 31 December 2020, were reclassified to current liabilities due to non-compliance with established financial covenants, which has, in the meantime, been waived by all respective counterparties.

7.3. Receipt of state aid support

During 2020, the Group executed circa €23 million of credit lines made available by the Portuguese government ("*Linhas de Apoio à Economia – Covid-19*") with the aim of providing companies with additional liquidity during the pandemic. These credit lines are guaranteed by the Portuguese State (mutual guarantee), they have a maturity of 72 months and an average interest rate of 1.5%.

The information is provided solely under the responsibility of the persons responsible for this Prospectus (please see Sections 4.1 (*Identification of the entities responsible for the information in the Prospectus*) to 4.6 (*Financial intermediaries responsible for the provision of assistance services in relation to the Offer*)). The CMVM's role in approving this Prospectus, as competent authority under the Prospectus Regulation, is to scrutinise its completeness, comprehensibility and consistency and, therefore, the CMVM is under no obligation to independently verify this statement.

CHAPTER 8. TREND INFORMATION

From 31 December 2020 up to the date of this Prospectus, to the best of the Issuer's knowledge, there were no significant changes in recent trends related to production, sales and inventory, costs or selling prices with material impact on the Issuer's activity. Also, from 31 December 2020 up to the date of this Prospectus, to the best of the Issuer's knowledge, there were no known trends, uncertainties, demands, commitments or events reasonably likely to have a material effect on the Issuer's prospects for the current financial year and, during the aforementioned period of time, there was no significant change in the financial performance of the Group.

The economic impacts of the Covid-19 pandemic continue to affect Mota-Engil's results and the Group has already suffered (i) a decrease in the Group's 2020 Turnover of 17% when compared to 2019, driven by the Engineering and Construction business in the African and Latin American regions; and (ii) the negative impact on productivity and the dilution of fixed costs, with Mota-Engil's consolidated EBITDA having suffered a decrease of 9% in 2020, when compared to 2019, influenced, once again, by the less positive performance in the African and Latin American regions.

As a result of the uncertainty and negative impacts triggered by the pandemic, the Group proceeded, for the purpose of preparing its annual consolidated financial statements, to a review of the main estimates and assumptions used in such financial statements, with special focus on the impairment tests carried out on goodwill, on intangible assets, on tangible assets, as well as on the recognition of deferred tax assets and on the measurement of estimated impairment losses for accounts receivable and for other financial investments recorded at amortised cost. As a result of the analyses carried out, the impairment tests, the discount rates were higher than those used in 2019 and the values projected for 2021 were lower than the real values of 2019. To measure estimated impairment losses, matrices with higher uncollectable rates were applied and for the estimated impairment losses for other financial investments, it was used the latest available data of probability of default and loss in case of default published by Moody's. In a prudent scenario, the Group recorded in the 2020 total impairment losses of €37 million, mainly allocated to the Latin America and Africa Regions. Furthermore, by 31 December 2020, the Group had postponed part of its planned investment to avoid overburdening its treasury in amount of €89 million.

The Issuer's strategic agenda for the short and medium-term is focused on optimising its engineering and construction business, expanding its environment and concessions businesses, and on improving the operational efficiency of its businesses across the Group.

The aim for the engineering and construction business is to concentrate its operation in larger markets (namely Portugal, Poland, Angola, Mozambique, Mexico, Brazil and Peru) with significant scale and relevance. This will help reduce the dispersion of financial and human resources, giving core markets greater capacity and focus to increase their growth at a sustainable pace. Accordingly, the Issuer's presence in less profitable smaller markets or underperforming markets is being reconsidered. Additionally, more restrictive selective criteria have been implemented in the tendering process. These criteria include a far larger minimum threshold for the size and profitability of the projects to be performed in new countries. Growth in the Turnover of the engineering and construction business segment for this year and the upcoming years is thus expected to be moderate.

In the environment and concessions business segments, the Issuer's strategy aims to increase Turnover in the coming years. Regarding the environment business segment, the main goal is to achieve sustainable evolution by increasing the Issuer's international presence, namely in Africa and Latin America, leveraging the know-how gained through Suma – Serviços Urbanos e Meio Ambiente, S.A. and Empresa Geral de Fomento, S.A. in all types of waste collection and treatment processes, of both urban and industrial waste.

Regarding the concessions business segment, the Issuer has in-depth knowledge in the structuring and set-up of concession projects in different markets, such as Portugal, Poland, Mexico, Brazil, Mozambique, Colombia and Aruba. Following the successful experiences of the Ascendi, Tertir, Indaqua concessions and, more recently, in Mexican concessions, the Group intends to further develop its concessions business by concentrating on the current portfolio of road concessions, services and real estate businesses, and focusing on the development of new greenfield projects.

The share capital increase to which the Offer refers and the corresponding issue of the New Shares thereunder will have a positive impact on the Issuer's Financial Autonomy Ratio, as further detailed in Section 10.2.1 (*Reasons for the Offer*), recently affected by the macro-economic conditions, namely the Covid-19 pandemic. Such share capital increase and the Investment Agreement are both considered strategic and interlinked, given their potential for enhancing Mota-Engil's financial, technical and commercial capabilities in order to upscale the activities of the Issuer and open new opportunities with the aim of accelerating the goals referred to above, in accordance with the principal intended use of the net proceeds by the Issuer described in Section 10.2.2 (*Use of proceeds*).

CHAPTER 9. ISSUER'S DIVIDEND POLICY AND SHARE BUY-BACK POLICY

9.1. Dividend policy

The share capital of the Issuer is entirely represented by ordinary shares. There are no special rights to dividends or voting rights. There is no situation in respect of the Issuer which may lead to a reduction of earnings per share as a result of options, warrants, convertible bonds or other rights associated with its ordinary shares. Therefore, there is no dissimilarity between the calculation of basic earnings per share and the calculation of diluted earnings per share.

The Board of Directors follows a dividend policy to remunerate shareholder capital by assessing a set of conditions, including the Issuer's future operations and profitability, capital expenditure requirements, general financial condition, legal and contractual restrictions, and any other factors it may deem relevant. By considering the medium-term projections of the Group's performance, it is intended to provide an appropriate degree of stability in dividend payments. The Issuer expects to target a minimum pay-out ratio of 50% and maximum of 75%. The pay-out ratio is calculated by using the net income adjusted for significant non-recurring and extraordinary items. If applied, this adjustment will be separately explained in the Issuer's annual report.

The dividends paid by the Issuer over the last five years may be summarised as follows:

Year	Dividend (€/shares)	Approval date	*Pay-out ratio*
2015	Gross dividend per share €0.05	25 May 2016	62%
2016	Gross dividend per share €0.13	24 May 2017	62%
2017(*)	N/A	N/A	N/A
2018	Gross dividend per share €0.074	23 May 2019	74%
2019(**)	N/A	N/A	N/A

(*) On 11 May 2018, the Annual General Meeting of Shareholders approved the transfer of the net loss of the financial year of 2017, in the amount of €9,201,755.06, to retained earnings.

(**) On 18 June 2020, the Annual General Meeting of Shareholders approved the transfer of the profit of the financial year of 2019, in the amount of €1,323,125.74, to free reserves.

9.2. Share buy-back policy

In the past years, the General Meeting of Shareholders approved, in its ordinary annual meeting, the acquisition and disposal by the Issuer of its treasury shares and mandated the Board of Directors to implement such acquisition and disposal. However, there is no approved share buy-back policy and there was no acquisition or sale by the Issuer of treasury shares in the past two years. As at the date of this Prospectus, the Issuer holds 6,091,581 treasury shares, corresponding to 2.5648% of its share capital.

CHAPTER 10. MAIN FEATURES OF THE OFFER

10.1. Terms and conditions of the Offer and other related information

10.1.1 Amount, class (*categoria*) and form of representation of the New Shares

The Offer refers to 100,000,000 ordinary, nominative book-entry shares, with a nominal value of €1 each, representing the share capital of the Issuer. Assuming a scenario of full subscription, the New Shares will represent an increase of €100,000,000 (corresponding to a total Offer amount of €150,000,000, including a share premium ("*ágio*") of €0.50 per New Share) in the nominal amount of the Issuer's share capital, up to a total nominal amount of €337,505,141. Therefore, in this scenario the New Shares will represent approximately 29.63% of the Issuer's share capital upon completion of the Offer.

Under the statutory authorisation foreseen in article 6-A of the Articles of Association, which was granted by the general meeting of shareholders held on 7 January 2021, on 1 April 2021 the Board of Directors resolved (such resolution having been the object of a favourable opinion by the Statutory Audit Board on the same date) to approve the share capital increase that will result from the issue and subscription of the New Shares.

If such resolution is judicially disputed within the legal deadline for filing this type of proceedings, the New Shares will be deemed a separate class of shares in relation to the remaining company's shares (meaning that such shares will not be fungible with the other shares representing the Issuer's share capital) until the judicial dispute is resolved, pursuant to article 25(b) of the PSC.

When admitted to trading on Euronext Lisbon, under the symbol "EGL", the New Shares will have the same ISIN code (PTMEN0AE0005) as the shares representing the Issuer's share capital already admitted to trading on the date of this Prospectus and, until such admission to trading, will have the ISIN code PTMEN9AM0022. The New Shares will be integrated in the CVM centralised system and will grant their holders the same rights as those corresponding to the shares representing the Issuer's share capital existing prior to the Offer, as detailed in 10.1.2 (*Rights attached to the shares and procedure for the exercise of those rights*).

10.1.2 Rights attached to the shares and procedure for the exercise of those rights

The shares representing the Issuer's share capital are ordinary and, therefore, form part of the same class (*categoria*). The New Shares will also be ordinary shares and, therefore, upon their issue and admission to trading, they will be fungible with the other shares representing the Issuer's share capital existing prior to the Offer, with all inherent rights and obligations as established in the PCC, the PSC and the Articles of Association.

The holders of the Issuer's shares have, in accordance with the PCC, the PSC and the Articles of Association, the right to receive profits (upon deduction of the amounts necessary to form or reconstitute the required legal reserve, and in the manner resolved by the General Meeting of Shareholders), the right to participate in the General Meetings of Shareholders and to exercise their voting rights therein (without prejudice to the applicable restrictions), the right to share in the assets in the event of winding up of the Issuer, a pre-emption right in the subscription of new shares in the event of share capital increases by cash contributions in which the respective right is not limited or suppressed, the right to receive new shares of the Issuer in share capital increases by incorporation of reserves, and the right to information about the Issuer, among other rights.

In respect of recent changes to the Articles of Association carried out in 2020 and 2021, please refer to the General Meeting of Shareholders' convening notices and the related proposals disclosed on 25 May 2020 (as supplemented and amended on 29 May 2020 and 8 June 2020), 3 December 2020 and 24 February 2021 (as complemented by the market announcement disclosed by the Issuer on 26 February 2021) in respect of the General Meetings of Shareholders held on 18 June 2020, 7 January 2021 and 19 March 2021, respectively, which are incorporated by reference in this Prospectus.

10.1.3 Addressees of the Offer

The Offer is exclusively addressed to (i) shareholders of the Issuer who, by virtue of holding shares representative of the Issuer's share capital, hold Subscription Rights; and (ii) investors who acquire Subscription Rights, by and to whom such acquisition or sale may lawfully be made. Subscription Rights must be exercised in accordance with applicable laws and the Issuer reserves the right to reject any applications to exercise Subscription Rights where it is not satisfied (in its sole discretion) that this is the case.

10.1.4 Allocation and negotiation of Subscription Rights

Given that no Subscription Rights will be exercised in respect of the Issuer's treasury shares (6,091,581 shares), a Subscription Right will be granted for each share not held by the Issuer. The number of New Shares that each shareholder of the Issuer or each holder of Subscription Rights may subscribe for is the result of the application of the factor 0.43212679 to the number of Subscription Rights when placing the subscription order, rounded down to the nearest whole number.

The New Shares not subscribed pursuant to the exercise of the Subscription Rights shall be apportioned amongst the holders of Subscription Rights who have expressed their intention to subscribe more New Shares than the number they would be entitled to, in the exact proportion of the New Shares subscribed in the exercise of the respective Subscription Rights, rounded down to the nearest whole number of ordinary shares representing the Issuer's share capital. The request for subscription of additional

New Shares shall be made along with the request for subscription through the exercise of Subscription Rights and shall not be detachable from the latter.

Issuer shares (i) acquired on Euronext Lisbon up to, and including, 5 May 2021, corresponding to the last Trading Day of the shares with the corresponding Subscription Rights attached, and (ii) transferred or acquired outside of a regulated market and registered in the acquirer's securities account up to, and including, the day before the beginning of the subscription period of the Offer, that is, up to, and including, 7 May 2021, shall entitle their holders to subscribe for New Shares.

Shareholders of the Issuer that do not intend to exercise their Subscription Rights may dispose of such Subscription Rights, in whole or in part, on Euronext Lisbon. Such Subscription Rights will trade between 10 May 2021 and 20 May 2021, that is, from the first day of the Subscription Rights Trading Period (i.e. the first day of the Offer Period) up to and including the last day of the Subscription Rights Trading Period (i.e. the third Trading Day prior to the last day of the Offer Period). The Subscription Rights may also be traded outside Euronext Lisbon, in accordance with the general terms of the law, having to be registered on the relevant individual securities account of the acquirer until 25 May 2021 (inclusive), in order for the relevant exercise of such Subscription Rights. Therefore, shareholders of the Issuer that do not intend to exercise their Subscription Rights, in whole or in part, or that intend to hold a higher number of Subscription Rights, may trade such Subscription Rights either on Euronext Lisbon and/or outside Euronext Lisbon, in accordance with the general terms of the law, within the aforementioned deadlines.

Subscription Rights that are not disposed of or exercised prior to the end of the Subscription Rights Trading Period and of the Offer Period, respectively, will expire and no compensation will be due to the holders of such Subscription Rights. The New Shares corresponding to such undisposed and unexercised Subscription Rights will be apportioned as described above and in more detail in 10.1.9 (*Distribution and allocation plan*).

This Prospectus also concerns the admission of subscription rights inherent to shares not held by the Issuer for trading on Euronext Lisbon. The ISIN code corresponding to the Subscription Rights is PTMEN0AMS003 and they will be traded under the ticker "MENS1".

10.1.5 Subscription price, payment terms, commission and other expenses

The New Shares will be offered at the Subscription Price, which represents a share premium ("*ágio*") of €0.50 per New Share relative to its nominal value. The Subscription Price also contrasts with a net asset value per share of -€0.383, calculated by dividing the own funds attributable to the Group of the Issuer set out in the statement of financial position as of 31 December 2020 (of -€88.6 million) by the number of shares representing the share capital of the Issuer, excluding 6,091,581 treasury shares held by the Issuer as at 31 December 2020.

The payment of the Subscription Price, including in relation to any additional subscription requests made in the apportionment phase, will be made in cash and in full upon the act of subscription, and commissions or other expenses may be charged to investors in addition to the Subscription Price. Costs related to the submission of subscription orders and/or the maintenance of securities accounts will depend on the prices applied by financial intermediaries for these services, which are available on the CMVM's website at www.cmvm.pt and should be communicated to the investor by the financial institution receiving the subscription order. The Issuer will not charge any commissions or other expenses to investors in relation to the Offer.

10.1.6 Maximum and minimum amount of subscriptions

Subscription orders are not required to refer to a minimum number of New Shares. The maximum number of New Shares an investor may subscribe for (if an investor has expressed its intention to subscribe more shares than the amount it would be entitled to) is limited to the maximum number of New Shares to be issued. The allocation of the subscription orders will be made in accordance with to the criteria described in 10.1.9 (*Distribution and allocation plan*).

10.1.7 Conditions of the Offer

Under the Share Purchase Agreement, MGP has agreed to subscribe at least 22,598,927 New Shares and CCCC has agreed to subscribe at least 44,426,974 New Shares. As of the date of this Prospectus, under certain agreements, MGP and CCCC have agreed to acquire the necessary Subscription Rights to honour these subscription commitments. The Offer is conditioned to a minimum number of 67,025,900 New Shares being subscribed by MGP and CCCC. To comply with the commitment to subscribe at least 22,598,927 of New Shares, MGP has agreed to purchase 4,895,459 Subscription Rights from members of the Mota-Engil family, corresponding to 2.06% of Mota-Engil's current share capital. After the Offer, assuming the fulfilment of MGP's and CCCC's subscription commitments and full subscription of the Offer, MGP´s qualifying holding will be 36.35%.

MGP and/or CCCC may fail to subscribe the abovementioned number of New Shares if the Share Purchase Agreement is terminated. Termination may occur, subject to the mandatory provisions of the PSC on withdrawal of the Offer, by written agreement of both MGP and CCCC (in which case the Investment Agreement may also be terminated) or by either of them if the transactions described in 10.2.1 (*Reasons for the Offer*) are not completed until 30 June 2021, or such later date as may be agreed by the parties (in which case the Investment Agreement may also be terminated). Furthermore, termination of the Share Purchase Agreement may be triggered by CCCC (in which case the Investment Agreement may also be terminated), even if the transactions described in 10.2.1 (*Reasons for the Offer*) have already been completed, if (i) MGP does not subscribe at least 22,598,927 New Shares, (ii) the Beneficiaries do not authorise or prevent CCCC from exercising the Subscription Rights inherent to the Relevant Shares and/or the Relevant Subscription Rights or if the pledges over the Relevant Shares and the Relevant Subscription Rights held by the Beneficiaries are enforced, (iii) the Relevant Shares and the New Shares subscribed by CCCC are not free from encumbrances on the date of settlement of the Offer, or (iv) the Offer is revoked, cancelled, suspended, prohibited or substantially modified, or if the share capital increase to which the Offer refers is cancelled or becomes ineffective.

If the demand for subscription of New Shares is lower than the Offer and the Offer is therefore incomplete, it will be maintained only with respect to the New Shares subject to valid subscription orders, provided that a minimum number of 67,025,900 New Shares is subscribed. In that case, the share capital increase of the Issuer to which the Offer refers will be limited to the New Shares actually subscribed pursuant to the terms provided for under the Board of Directors' resolution that approved the share capital increase and articles 457 of the PCC and 161 of the PSC.

10.1.8 Term of the Offer, subscription process for the New Shares and calendar

The New Shares may be subscribed for during the Offer Period. Shareholders of the Issuer wanting to subscribe for New Shares pursuant to the relevant Subscription Rights may place a subscription order with any financial intermediary legally qualified to provide registration and deposit of securities services.

Any subscription order may be revoked or amended until 3 p.m. on 24 May 2021, i.e. the Trading Day immediately prior to the last day of the Offer Period, by means of a notification sent to the financial intermediary that received the relevant subscription order. From the moment the subscription orders become irrevocable, any subscription order may only be amended to increase the number of New Shares to be subscribed, to the extent permitted under the Offer and the law.

Financial intermediaries receiving subscription orders are responsible for monitoring the veracity and authenticity of the information submitted by investors, as well as the capacity in which the persons making the relevant instructions act, in accordance with the legal requirements imposed by the conditions of the Offer; however, financial intermediaries will not be liable if the information provided is not true, except in case of culpable action or omission by said financial intermediaries.

The following table summarises the most relevant expected dates in relation to the Offer:

Description of the main steps	Envisaged date
Approval and publication of the Prospectus	3 May 2021
Publication of the notice to shareholders to exercise their Subscription Rights	3 May 2021
"Record date"/ Share cum-Subscription Rights date – last day on which the shares of the Issuer may be traded on Euronext Lisbon with the inherent Subscription Rights attached *Note: Issuer's shares acquired outside the regulated market and registered in the book-entry securities account of the relevant shareholder up to, and including, 4 p.m. (Lisbon time) on 7 May 2021 shall grant such shareholder the related Subscription Rights, unless otherwise stipulated*	5 May 2021
First day of the Offer Period (i.e. first day on which subscription orders in respect of the New Shares may be placed)	10 May 2021
First day of the Subscription Rights Trading Period (i.e. first day on which Subscription Rights may be traded on Euronext Lisbon)	10 May 2021
Last day of the Subscription Rights Trading Period (i.e. last day on which Subscription Rights may be traded on Euronext Lisbon) *Note: The Subscription Rights may also be traded outside Euronext Lisbon, in accordance with the general terms of the law, having to be registered on the relevant individual securities account of the acquirer until 25 May 2021 (inclusive), in order for the relevant exercise of such Subscription Rights*	20 May 2021
Period during which financial intermediaries shall send to Interbolsa information on the subscription orders received in respect of the Offer	10 May 2021 – 25 May 2021 at 4 p.m.
Date and time from which subscription orders in respect of New Shares become irrevocable and cannot be changed	24 May 2021 at 03:00 p.m.
Last day and end of the Offer Period (i.e. last day on which subscription orders in respect of the New Shares may be placed)	25 May 2021 at 03:00 p.m.
Announcement of the results of the Offer	26 May 2021
Financial settlement of the New Shares subscribed through the exercise of Subscription Rights	27 May 2021
Financial settlement of the New Shares allocated on a pro-rata basis to oversubscription orders	27 May 2021
Registration of the share capital increase with the commercial registry office	28 May 2021
Expected date for the issue and physical settlement of the New Shares *Note: the issue and physical settlement of the New Shares and the commencement of trading on Euronext Lisbon is conditioned upon prior registration of the share capital increase with the commercial registry office, which is expected to occur on 28 May 2021. There is no assurance that the registration of the share capital increase, the issue and physical settlement of the New Shares and the commencement of trading on Euronext Lisbon will not be delayed*	31 May 2021
First day of trading of the New Shares on Euronext Lisbon *Note: Conditioned to prior favourable decision by Euronext Lisbon*	31 May 2021

10.1.9 Distribution and allocation plan

The New Shares shall be distributed among the holders of Subscription Rights in the Offer as follows: (a) pursuant to the exercise of Subscription Rights, each shareholder of the Issuer shall be entitled to subscribe the number of New Shares that result from the application of the factor 0.43212679 to the number of Subscription Rights held by such shareholder at the moment of subscription and which it has declared its intention to exercise, rounded down to the nearest whole number; (b) the New Shares not subscribed for are to be allotted to holders of Subscription Rights that have expressed their intention to subscribe for more New Shares than those they are proportionally entitled to subscribe for pursuant to their Subscription Rights, pro rata to their exercise of Subscription Rights, rounded down to the nearest whole number; and (c) with regards to the New Shares not allocated under the preceding paragraphs, lots will be drawn, one at a time, to apportion such New Shares among the holders of Subscription Rights whose requests for the additional subscription of New Shares were not fully satisfied.

Subscription Rights not disposed of or unexercised prior to the end of the Subscription Rights Trading Period and of the Offer Period, respectively, shall be apportioned as described above.

If the demand to subscribe New Shares is lower than the Offer and the Offer is therefore incomplete, it will be maintained with respect to the New Shares subject to valid subscription orders and, in that case, the share capital increase of the Issuer referred to in this Prospectus will be limited to the New Shares actually subscribed, subject to the conditions referred to in 10.1.7 (*Conditions of the Offer*).

The results of the Offer, with respect to the exercise of Subscription Rights and the apportionment to shareholders that requested the additional subscription of New Shares, are expected to be published on 26 May 2021 on the CMVM's website (www.cmvm.pt). These results will be assessed by CaixaBI and Haitong Bank, who shall inform Interbolsa, in accordance with the standard practice applicable to processing subscription orders in share capital increases similar to the Offer.

10.1.10 Registration of the New Shares, settlement of the Offer and listing on Euronext Lisbon

The registration of the New Shares in the book-entry securities accounts will be made upon registration of the share capital increase with the commercial registry office, which is expected to occur on 28 May 2021, the first day of trading of the New Shares on Euronext Lisbon being scheduled to occur on 31 May 2021. However, no assurance can be given that the registration of the share capital increase and subsequent issue and physical settlement of the New Shares and their commencement of trading on Euronext Lisbon will not be delayed.

The financial settlement of the Offer is expected to occur on the second Trading Day following the end of the Offer Period, in the case of New Shares subscribed through the exercise of the Subscription Rights, and on the third Trading Day following the end of the Offer Period, in the case of the remaining New Shares attributed on a pro-rata basis to subscribers who have expressed their intention to be allocated such remaining New Shares.

The payment of the Subscription Price in respect of the New Shares subscribed by each investor (either by means of the exercise of Subscription Rights or by request for additional subscription in the apportionment phase) shall be made against the registration of the certificates of the subscribed New Shares in the relevant securities account, under the terms of articles 61 et seq. of the PSC. Such certificates shall be converted into Issuer's shares following the commercial registration of the share capital increase of the Issuer.

It is expected that the admission of the New Shares, if decided favourably by Euronext Lisbon, will occur on or around 31 May 2021, following the commercial registration of the share capital increase. Notwithstanding the Issuer's request for admission of the New Shares to trading on Euronext Lisbon, this admission may be rejected. Thus, the addressees of the Offer may cancel their subscription of New Shares in the situations set forth in article 163(1) of the PSC.

Cancellation of the subscription of New Shares shall be notified to the Issuer under the terms of article 163(2) of the PSC and the Issuer shall return any and all amounts received pursuant to article 163(3) of the PSC.

10.2. Reasons for the Offer and use of proceeds

10.2.1 Reasons for the Offer

The opportunity and size of the share capital increase to which the Offer relates is explained by the evolution of the Group's main key performance indicators on a consolidated basis, together with its strategic business development goals in Portugal and abroad. In this context, and taking into account, among other factors, the significant impact of currency devaluations in several markets where the Group operates (a trend strongly enhanced by the current pandemic crisis), in recent years there has been a worsening of the Financial Autonomy Ratio and a deviation in the diversification of funding sources that such strategic goals require. Upon completion of the Offer and considering the gross proceeds of €150 million that will result to the Issuer in the event of full subscription, the Financial Autonomy Ratio of the Group would raise from 3% as of 31 December 2020 to 6.1%. Accordingly, the share capital increase to which the Offer refers will allow the Issuer to reinforce its own funds, thus creating the conditions to boost its the international activity and the development of larger scale projects, as well as its stability and profitability, with a view to aligning economic and financial indicators with the strategy set for the Group's medium to long-term development.

Furthermore, the Offer is launched following the execution of the Share Purchase Agreement and the Investment Agreement, which contemplate, *inter alia*, the acquisition of the Relevant Shares and the inherent Subscription Rights by CCCC from MGP, at a price of €3.08 per share, and the approval and carrying out by the Issuer of a share capital increase through the issue of up to 100,000,000 New Shares at €1.50 per share, to be partly subscribed by MGP and by CCCC, and CCCC being granted certain business representations and warranties by the Issuer with regards to its acquisition of shares of the Issuer. Additionally, under the Investment Agreement, the Issuer and CCCC acknowledged that they share the goal of seeking out and developing opportunities for cooperation in construction and infrastructure management operations in sectors such as transportation, energy, water, mining, waste management, and oil & gas, given that such cooperation can add value and/or certainty to these projects, while also enhancing technical and financial solutions, health & safety and sustainable construction - core values of both the Issuer and CCCC and expressed the wish to combine their resources and efforts in such projects, which are to be carried out through the Issuer or through joint-ventures agreements pursuant to further specific written contractual arrangements. Although being in an initial stage, subject to further developments and the identification of adequate business opportunities, by combining resources and efforts with CCCC, the Issuer believes there could be potential, if circumstances so permit, for a targeted amount of over €250 million per year in construction and infrastructure management projects, so that in 5 years such amount may potentially be increased to over €1 billion per year. On the financial side, CCCC's strength, relationships, and exposure to entities and/or markets to which the Issuer is less or not exposed to, may allow the Issuer to reach at least 10% to 20% of the consolidated financial debt as a result of those new sources.

Accordingly, under the Investment Agreement the parties agreed that CCCC's investment in the Issuer should be made in the context of the share capital increase to which the Offer refers, upon the sale by MGP to CCCC under the Share Purchase Agreement, on the Completion Date, of (i) the Relevant Shares and (ii) the Relevant Subscription Rights, and the subsequent exercise by CCCC, in the Offer, of the Subscription Rights inherent to the Relevant Shares and the Relevant Subscription Rights. Upon completion of such transactions and the Offer, CCCC is expected to hold, on a fully diluted basis (i.e. post-completion of the Offer), a total number of the Issuer's shares representing no less than 30% and no more than 1/3 of the Issuer's voting rights (taking into consideration the treasury shares held by the Issuer, which correspond to 2.56% of the Issuer's share capital). Also, in line with the Investment Agreement, after the Completion Date, the Issuer shall use its best efforts to ensure that all the members of its Board of Directors will have resigned and a new Board of Directors is elected in due course in a General Meeting of Shareholders.

As at the date hereof, the Issuer is not aware of any fact or circumstance that, under the Investment Agreement or the Share Purchase Agreement, may lead to CCCC not acquiring and paying for the Relevant Shares and the Relevant Subscription Rights on the Completion Date as provided for in those agreements, subject to customary confirmations, the fulfilment of conditions precedent (including the favourable decision of the Mexican Competition Authority which was released on 29 of Abril 2021) and further actions to be performed by the parties in similar transactions. As at the date hereof, the Issuer is also not aware of any fact or circumstance that may result in the termination of the Investment Agreement or the Share Purchase Agreement.

10.2.2 Use of proceeds

Assuming full subscription of the New Shares and considering the amount of the Subscription Price (€1.50 per New Share), it is expected that the total gross proceeds of the Offer (€150,000,000) will correspond to a net amount of approximately €148.5 million, after deducting all expenses, including the fees due to the Joint Global Coordinators and other advisors, registration of the New Shares with CVM and admission of the New Shares to trading on Euronext Lisbon.

The Issuer intends to principally use the net proceeds of the Offer to strengthen its international expansion in several business areas (around 40% of the net proceeds), to support the growth of its core business (around 20% of the net proceeds) and to improve the Group's liquidity (around 40% of the net proceeds), with no priority among such principal uses having been set by the Issuer.

10.3. Dilution and shareholding after the issuance

The shareholders of the Issuer who subscribe for all the New Shares to which they are entitled, by exercising their Subscription Rights, will receive New Shares in a percentage proportional to their current percentage of ownership in the Issuer's share capital. Hence, upon completion of the Offer these shareholders will maintain the same percentage of interest in the Issuer's share capital as they held prior to the Offer, thus not suffering any dilution as a result of the share capital increase carried out through the Offer.

The proportion of share ownership and voting rights in the Issuer of shareholders who do not exercise their Subscription Rights shall be diluted upon completion of the Offer, following the issue of the New Shares. Such dilution will be equivalent to 29.63%, corresponding to the quotient between the amount of the New Shares issued and the total number of shares representing the Issuer's share capital upon completion of the Offer. For instance, for current shareholders that do not exercise their Subscription Rights in the Offer, a participation in the Issuer's share capital of 1% will be reduced to approximately 0.7037% after the share capital increase, assuming that the shareholder does not exercise any of its Subscription Rights and that the Issuer's share capital increase carried out through the Offer is fully subscribed.

As explained in 10.1.7 (*Conditions of the Offer*) and 10.2.1 (*Reasons for the Offer*), and assuming that the transactions referred in those sections take place, MGP's qualifying holding is expected to be diluted to 36.35%.

The following table highlights the evolution of the major shareholdings across different scenarios:

		FM - Sociedade de Controlo	MGP	CCCC
Before the Offer	Share Capital	0,00%	40,09 %	23.16%
	Voting Rights	43.25%	43.25%	23.77%
After the Offer, assuming MGP's and CCCC's subscription commitments and no participation from other shareholders	Share Capital	0,00%	38,69 %	32.65%
	Voting Rights	41.11%	41.11%	33.31%
After the Offer, assuming MGP's and CCCC's subscription commitments and full subscription of the Offer	Share Capital	0,00%	34,91 %	29.46%
	Voting Rights	37.02%	37.02%	30.00%

10.4. Underwriting and placement agreements

Without prejudice to MGP and CCCC's respective subscription commitments referred to in 10.1.7 (*Conditions of the Offer*) and 10.2.1 (*Reasons for the Offer*), the Issuer is not aware of any other firm commitment to subscribe the New Shares, including from members of its Board of Directors or Supervisory Board. The Joint Global Coordinators have been engaged by the Issuer, as financial intermediaries, to perform the services in respect of the Offer which are required under article 113 of the PSC.

10.5. Conflicts of interest

The Joint Global Coordinators, as financial intermediaries engaged by the Issuer to perform the services in respect of the Offer in accordance with the law, have a direct financial interest in the Offer concerning their remuneration for the provision of these services. The Joint Global Coordinators and/or their respective affiliates have provided in the past, and may in the future provide, commercial banking, investment banking and financial advisory or other services to the Issuer or any parties related to it. However, the Issuer is not aware of any significant interest of any person involved in the Offer which conflicts with the Offer.

CHAPTER 11. INFORMATION INCORPORATED BY REFERENCE AND DOCUMENTATION AVAILABLE TO THE PUBLIC

11.1. Information incorporated by reference

For at least 10 years after the publication of this Prospectus, i.e. 3 May 2021, the following documents shall remain publicly available in electronic form and can be viewed via the following links:

(a) The Articles of Association (available at https://www.mota-engil.com/wp-content/uploads/2021/03/Estatutos-19-marco-2021-VFi.pdf);

(b) The Annual 2020 Audited Consolidated Financial Statements (available at https://web3.cmvm.pt/sdi/emitentes/docs/PC78834.pdf); Information found on the Issuer's official website (www.mota-engil.com) does not form part of this Prospectus unless that information is incorporated by reference into this Prospectus;

(c) The General Meeting of Shareholders' convening notices and the related proposals disclosed on 25 May 2020 (as supplemented and amended on 29 May 2020 and 8 June 2020) in respect of the General Meeting of Shareholders held on 18 June 2020 (available at https://web3.cmvm.pt/sdi/emitentes/docs/CONV75825.pdf, https://web3.cmvm.pt/sdi/emitentes/docs/CONV75919.pdf and https://web3.cmvm.pt/sdi/emitentes/docs/CONV76073.pdf, respectively);

(d) The General Meeting of Shareholders' convening notices and the related proposals disclosed on 3 December 2020 in respect of the General Meeting of Shareholders held on 7 January 2021 (available at https://web3.cmvm.pt/sdi/emitentes/docs/CONV77744.pdf);

(e) The General Meeting of Shareholders' convening notices and the related proposals disclosed on 24 February 2021, in respect of the General Meeting of Shareholders held on 19 March 2021 (available at https://web3.cmvm.pt/sdi/emitentes/docs/CONV78276.pdf); and

(f) The market announcements disclosed by the Issuer on the CMVM's information disclosure system on 27 August 2020, 27 November 2020 and 26 February 2021 (available at https://web3.cmvm.pt/sdi/emitentes/docs/FR76713.pdf, https://web3.cmvm.pt/sdi/emitentes/docs/FR77672.pdf and https://web3.cmvm.pt/sdi/emitentes/docs/FR78319.pdf, respectively).

Information contained in the Issuer's official website (www.mota-engil.com) or in any other website referred to in this Prospectus does not form part of this Prospectus and has not been scrutinised or approved by the CMVM unless that information is incorporated by reference into this Prospectus and therefore the Issuer is not liable, and cannot be held liable, for the information contained on such websites, which, except for the Issuer's official website (www.mota-engil.com), have not been reviewed by the Issuer with the purpose of assessing if the information contained therein is complete, true, updated, clear, objective and licit.

11.2. Prospectus available to the public

A copy of the Prospectus on a durable medium shall be delivered by the Issuer to any potential investor, upon request and free of charge, such delivery being however limited to Portugal.

The Prospectus will also be published in electronic form, thus being available to the public, and shall remain publicly available in electronic form for at least 10 years after its publication on the following websites:

(a) on the Issuer's website (www.mota-engil.com); and

(b) on the CMVM's website at www.cmvm.pt.

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