An abstract graphic of a network or web structure, composed of numerous small blue dots connected by thin, light blue lines. The structure is curved, resembling a partial sphere or a large, open arc, and is set against a dark blue background.

STRATEGIC PLAN STEP UP 2020

GROWING TOGETHER TOWARDS THE FUTURE



MOTAENGIL

Group's Vision, Mission and Values

VISION

To be an international reference in the infrastructure value chain, in line with the best market practices in productivity, with permanent innovation, assuming a strong identity, recognized in technical skills by providing a service of excellence to its clients and to the community.

GRUPO MOTAENGIL

Group's Vision, Mission and Values

MISSION

To create shareholder value respecting the community and the future, in a socially responsible way.

MOTAENGIL

Group's Vision, Mission and Values

VALUES

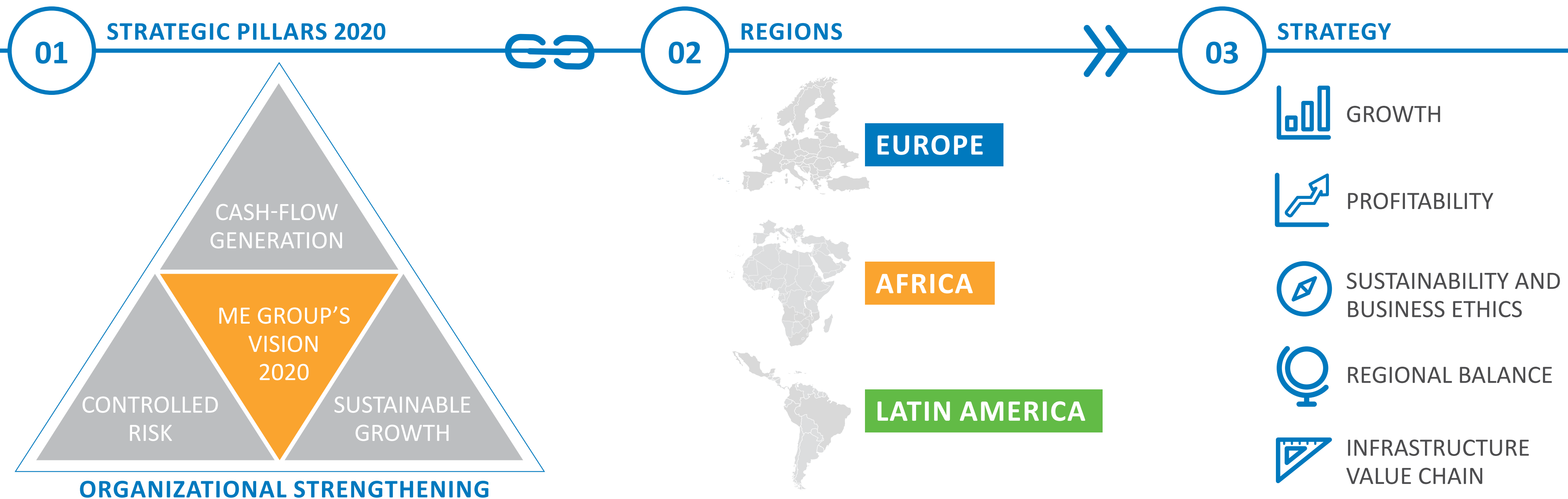
Ambition, Integrity, Cohesion,
and Group Spirit.

GRUPO MOTAENGIL

GRUPO MOTAENGIL

Strategic concept

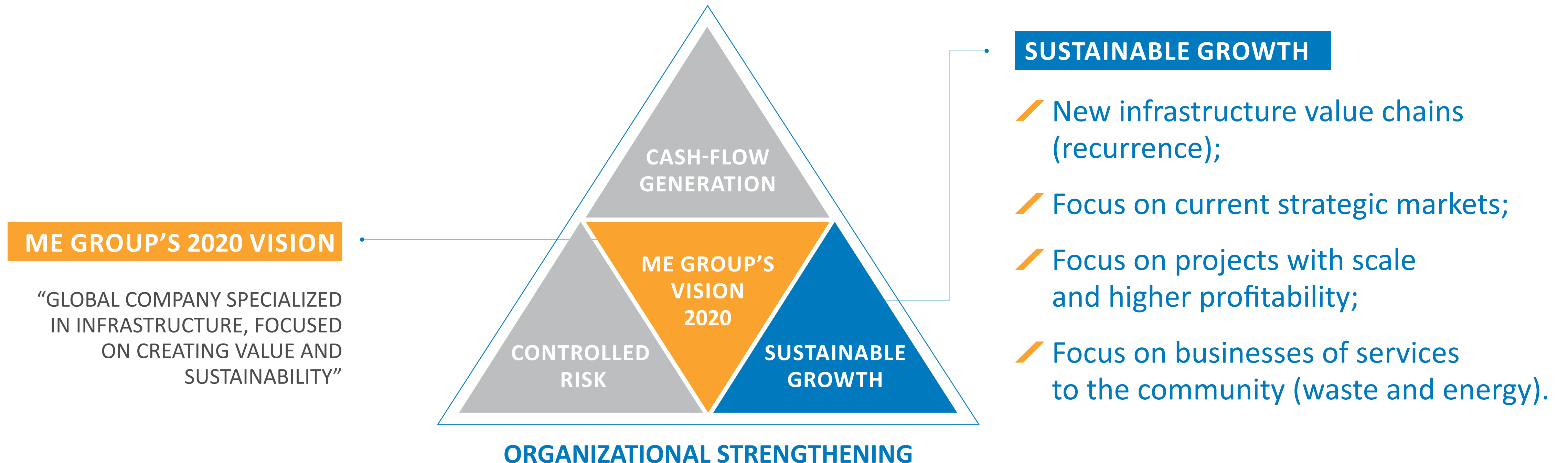
The strategic concept is developed around three pillars, a regional balance, and is based on five critical goals.



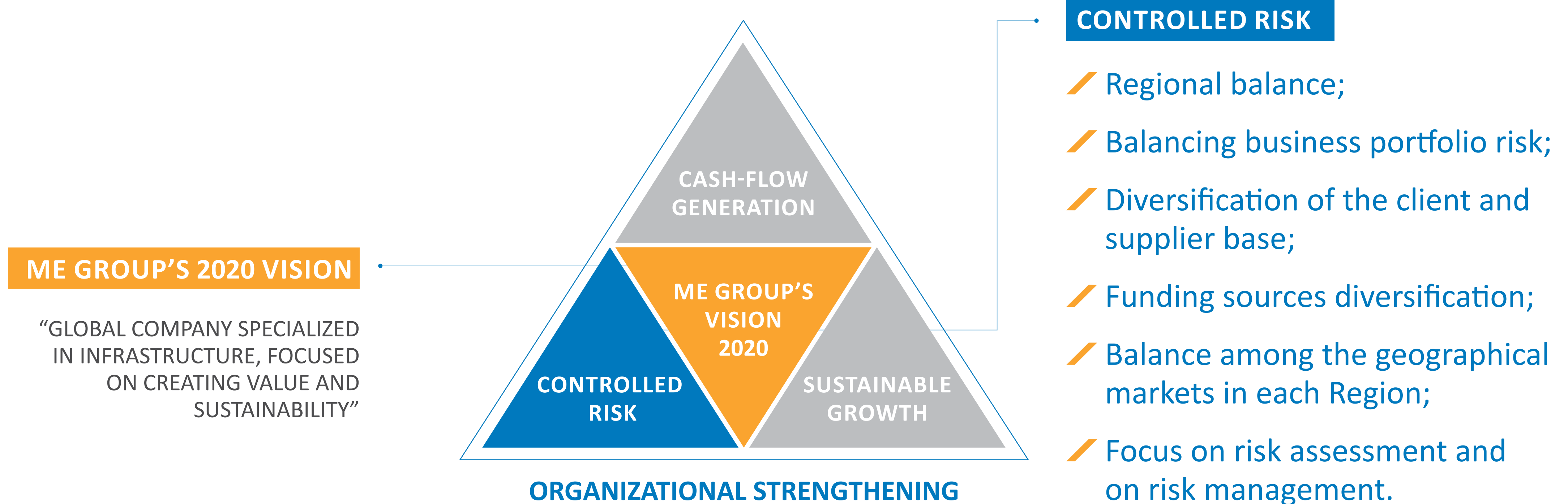
ME Group's strategic pillars for 2020 horizon



ME Group's strategic pillars for 2020 horizon



ME Group's strategic pillars for 2020 horizon



Organizational Strengthening

The size and global nature of the Group require the implementation of an organizational model that is standardized, efficient, and known by the entire Group, in order to improve the perception of the Group as a true multinational, thereby facilitating communication, processes, and mobility among markets and regions.



Expansion in the infrastructure value chains

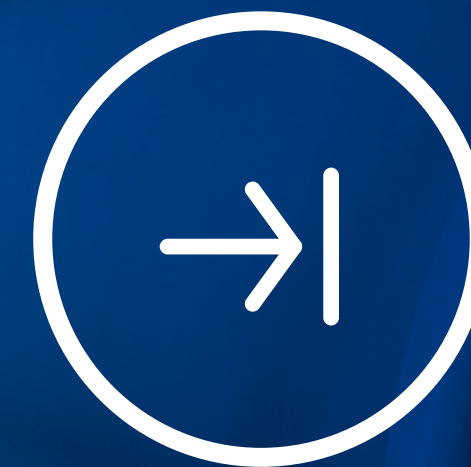
The repositioning as a global company specialized in infrastructure will require the Group to expand in the life cycle and to other value chains.



EXPAND THE CONSTRUCTION BUSINESS TO OTHER INFRASTRUCTURES AND CIVIL CONSTRUCTION SECTORS



DEVELOP THE ENERGY BUSINESS ACCORDING TO LIFE CYCLE OF SUCH INFRASTRUCTURES



LEVERAGE THE KNOW-HOW OBTAINED FROM THE ACQUISITION OF EGF (WASTE TREATMENT), IN THE MARKETS WHERE WE ARE PRESENT



FOSTER THE EXPERIENCE OBTAINED FROM STRUCTURING AND SETTING UP CONCESSIONAL PROJECTS, EXTENDING IT TO ALL KINDS OF INFRASTRUCTURE

Development and strengthening of strategic partnerships

Focus on building stable partnerships.

MARKET

- Reinforcement of current partnerships:
 - Angola [Sonangol, BPA, Finicapital and Globalpactum – 49%];
 - Brazil [Bonsucesso – 49,99%];
 - Mexico [Prodi – 49%];
- Development of partnerships in new markets.

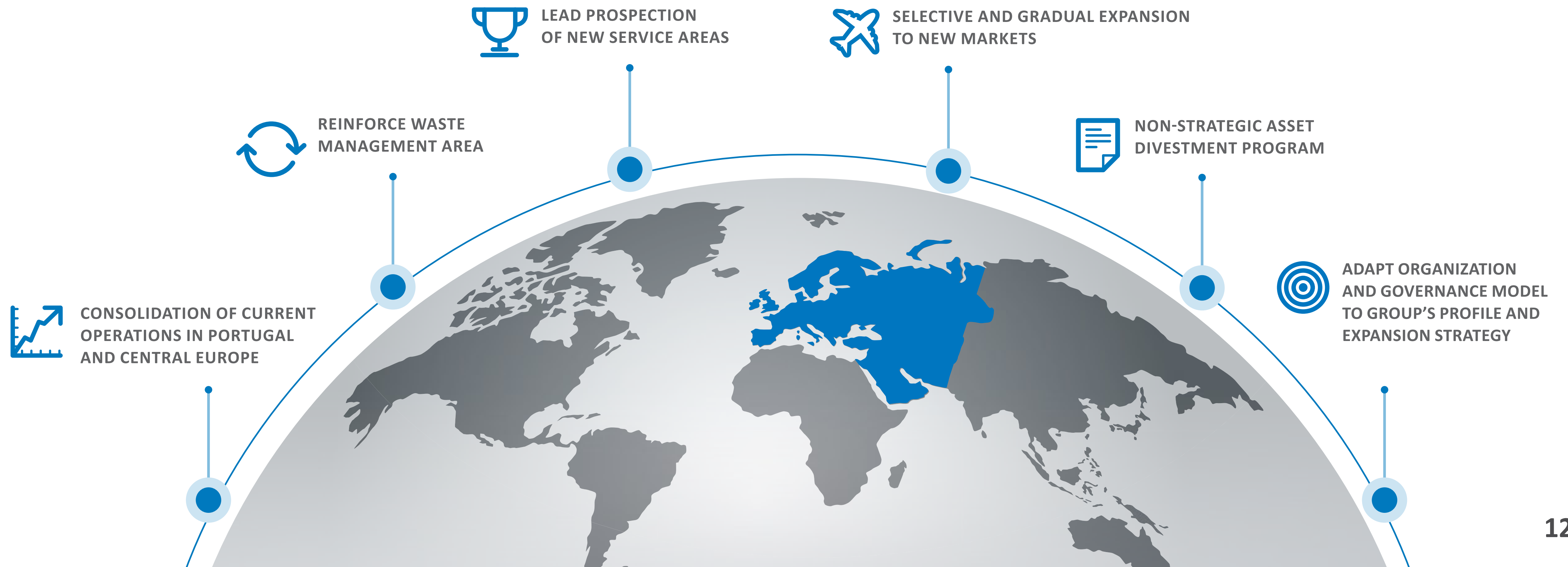
BUSINESS

- Establishment of partnerships to allow expansion in the value chain of infrastructure;
- Maintenance of current partnerships with municipalities in the waste business.

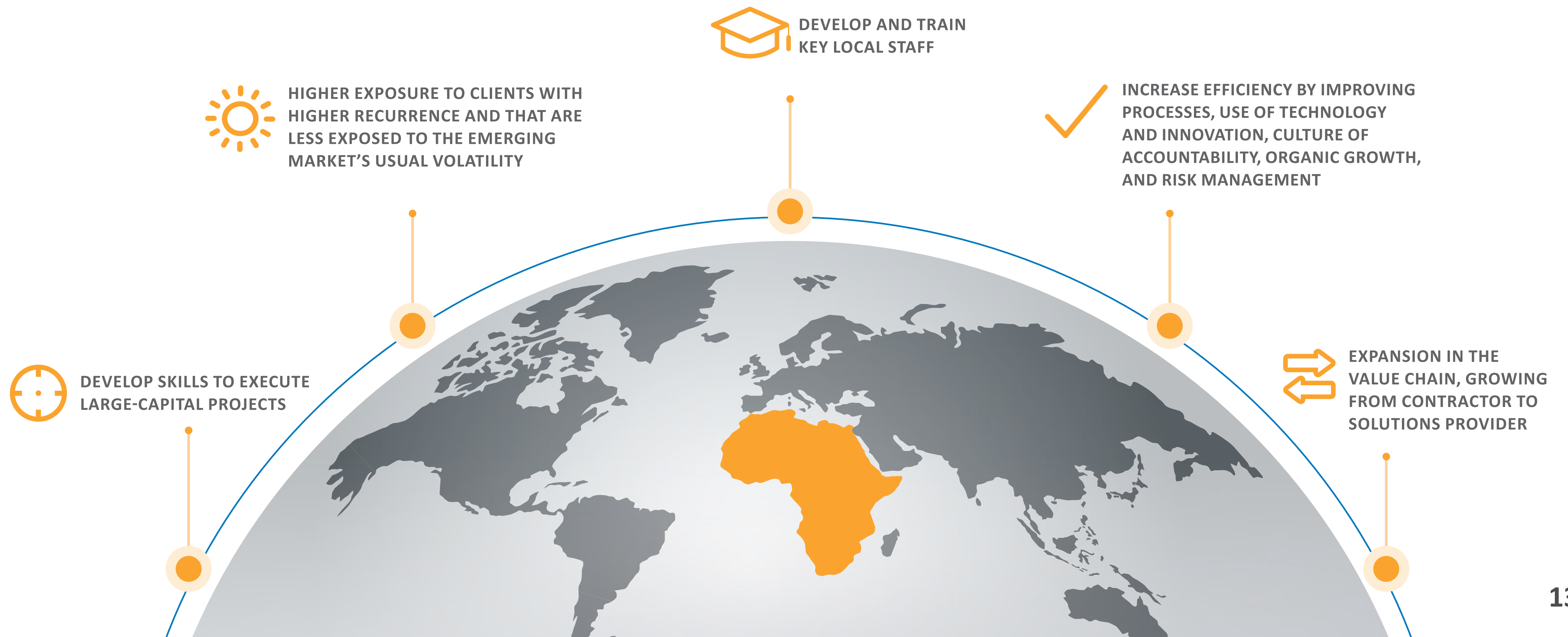
FINANCE

- Establishment of new partnerships to develop concessions projects, as the one established with Novo Banco in the past;
- Reinforcement the relationship with global banks in order to support the Group globally.

Strategic drivers according to region



Strategic drivers according to region

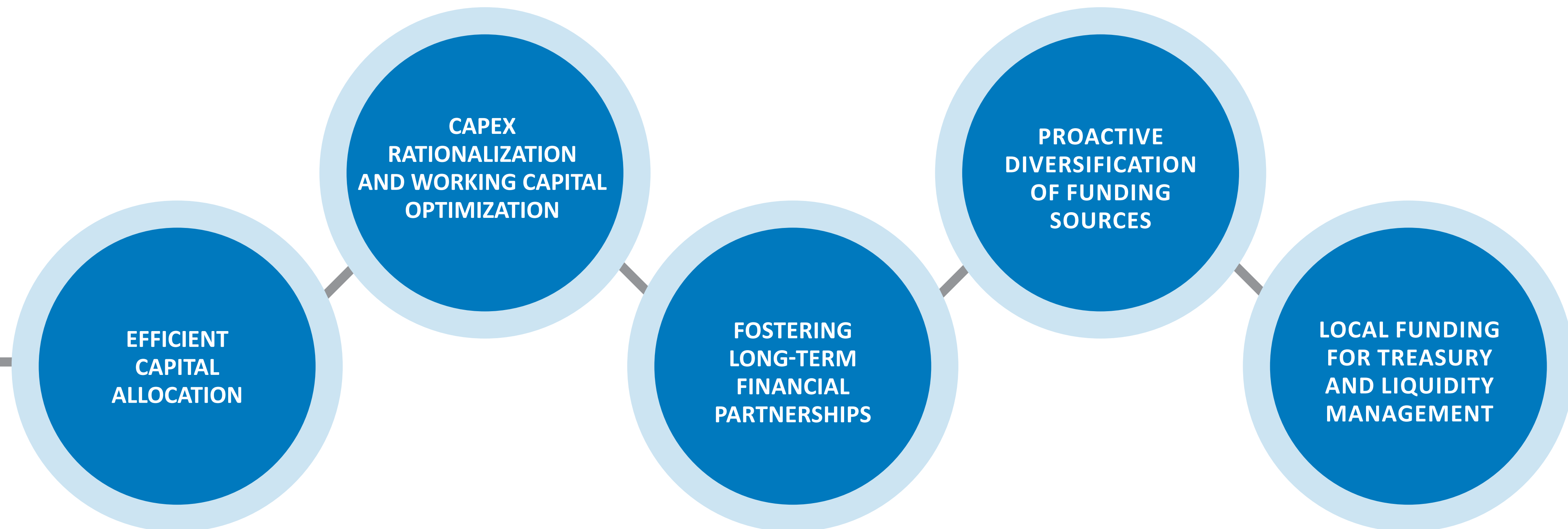


Strategic drivers according to region



Financial strategy

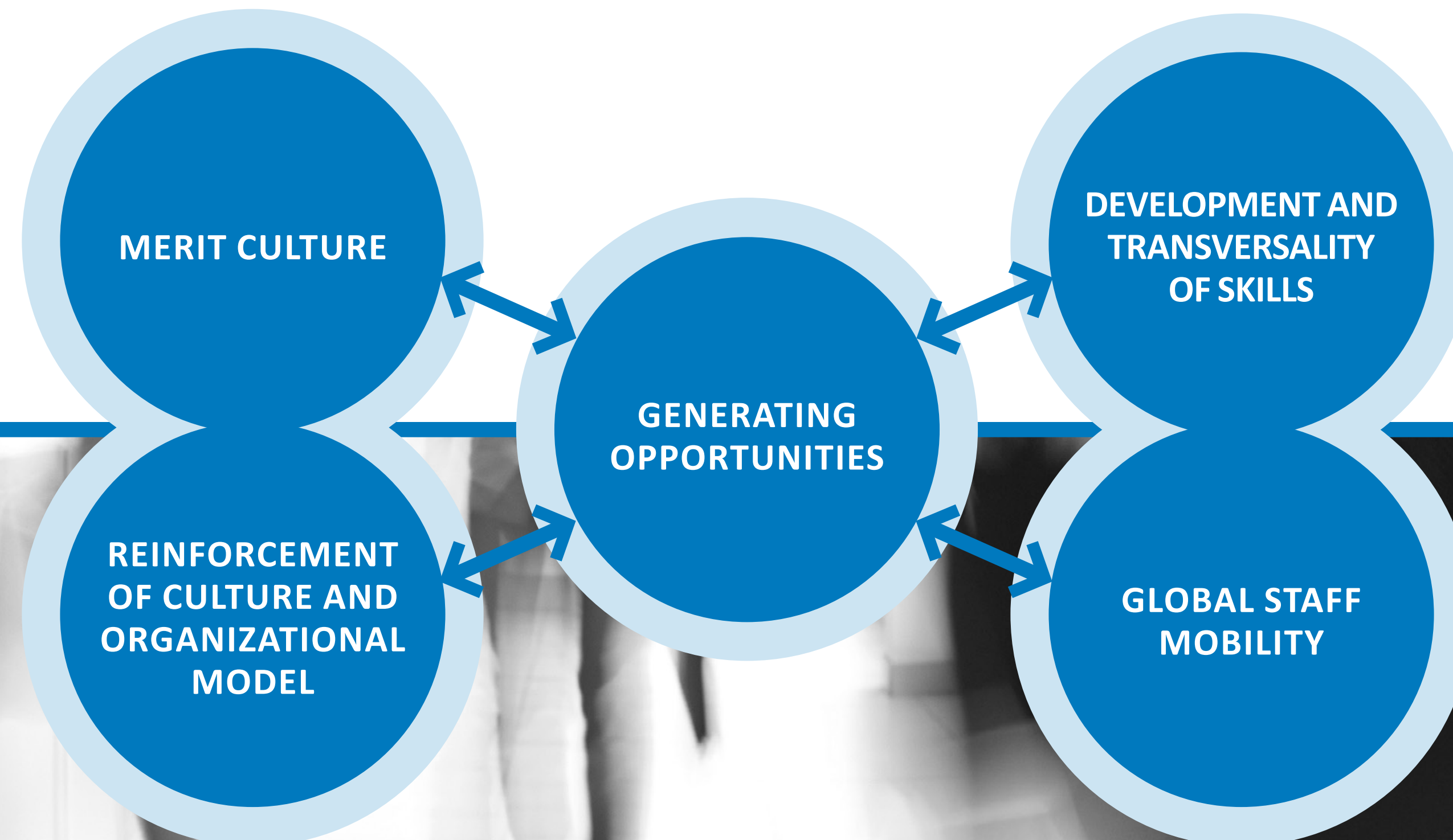
The financial strategy for the 2015-2020 period is supported by five pillars:



Organizational culture and human resources

Four strategic axes that should support the development of organizational culture and of human resources, to deal with the main Group challenges.

STRATEGIC AXES





Goals **2020**

Focus on organic cash-flow generation (FCF):

- ✓ Accumulated FCF for the period 2016-2020 > 1 bi €;
- ✓ Accumulated FCF to equity ⁽¹⁾ for the period 2016-2020 > 450 M€.

Additionally, it should be added the inflow of the disposals of Tertir, Indaqua, Ascendi and some real estate assets, in an amount higher than 500 M€.



Focus on nominal net debt reduction:

- ✓ Reinforcement of capital structure;
- ✓ In 2020, net debt tentatively should only finance:
 - working capital, notwithstanding it should be lower in nominal terms;
 - non construction business;
 - equity stakes in infrastructures concessions.



Expansion in the infrastructure value chains will keep the profitability as “Best in class”:

- ✓ Maintenance of EBITDA margins of c. 15%;
- ✓ EBITDA in line with historical margins;
- ✓ Optimization of the organizational structure in order to reduce overheads to 3% of turnover;
- ✓ Improvement in net margin to 3%.



Turnover increase to 4 bi€

Assumptions:

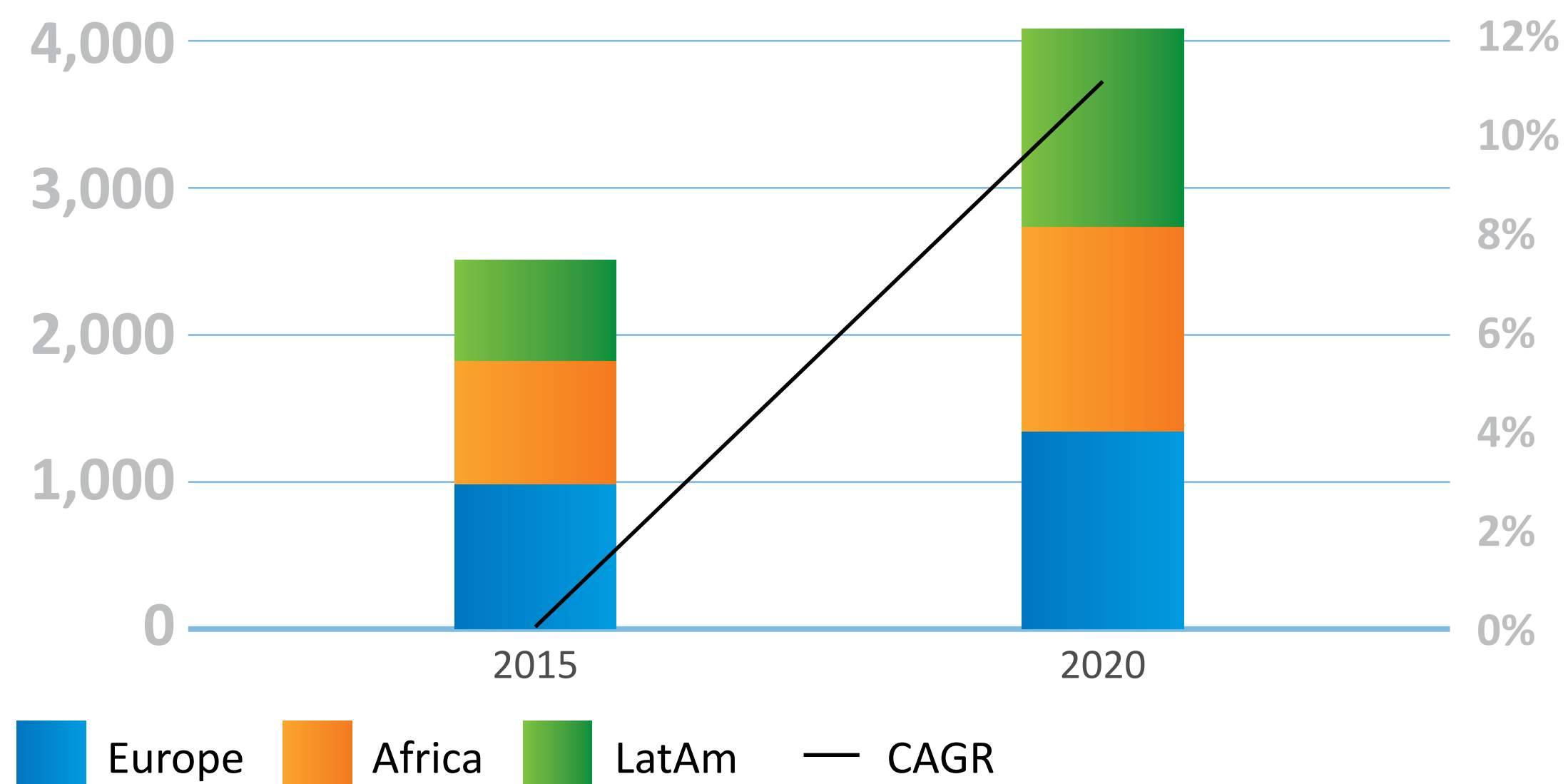
- ✓ African countries economic recovery;
- ✓ Commodities price increase;
- ✓ Maintenance of international financial entities appetite to finance relevant projects in Africa and Latin America, through equity or debt;
- ✓ Turnover growth with decreasing working capital;
- ✓ Promote at least 2 markets in each region, which represent 60% of regional turnover.



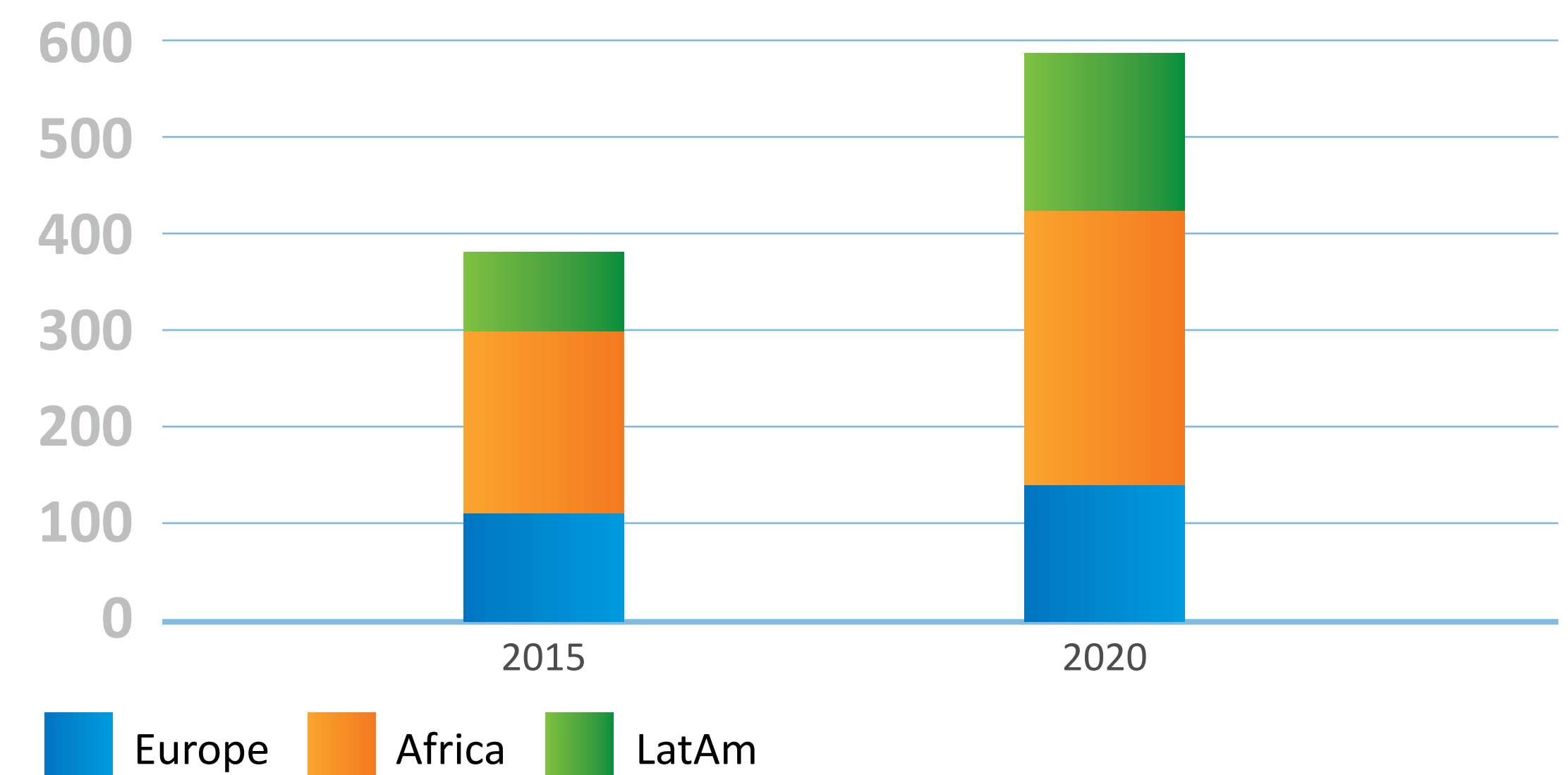
Turnover and EBITDA

The Group's homogeneous growth objective, balanced among the three regions where it is present, as a way to manage the risk and have sustainable growth.

TURNOVER GROWTH 2015-2020 (CAGR 11%)



MAINTENANCE OF HISTORICAL MARGINS



MOTAENGIL
EUROPE

PORTUGAL Rua do Rego Lameiro, nº 38 4300-454 Porto Portugal Rua Mário Dionísio, nº 2 2799-557 Linda-a-Velha Portugal	POLAND Ul. Wadowicka 8 W 30-415 Kraków Poland	SPAIN Campus Tribeca Carretera de Fuencarral a Alcobendas, nº 44, Edificio 4 – B, nº 21 Alcobendas – Madrid Spain	IRELAND Railway House Station Road Loughrea Co. Galway Republic of Ireland	CZECH REPUBLIC Kavčí Hory Office Park, Building A, Silver tower, 5 th floor Na Hřebenech II 1718/10 Praha 4, 140 00 Czech Republic
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MOTAENGIL
AFRICA

ANGOLA Rua Joaquim Cordeiro da Mata, nº 61-63 Bairro da Maianga Luanda Angola MALAWI Nasra House – City Centre P.O. Box 31379 – Lilongwe 3 Malawi	MOZAMBIQUE Edifício Milenium Park, 14º / 15º andar Avenida Vladimir Lenine, nº 179 2284 Maputo Mozambique SOUTH AFRICA Oxford Corner 6th, 7th and 8th Floor 32A Jellicoe Avenue West Rosebank Johannesburg 2196 South Africa	CAPE VERDE Rua S. Vicente, 63, 1º andar, Palmarejo 721 – Plateau – Praia Cape Verde SÃO TOMÉ AND PRÍNCIPE Av. Marginal 12 de Julho, nº 1011 – CP 167 São Tomé e Príncipe	ZAMBIA Incito Office Park Reed Buck Road, 45 / 5B Kabulonga – Lusaka P.O. Box 320337 Woodlands – Lusaka Zambia ZIMBABWE 7, Routledge Street,Milton Park, Harare Zimbabwe	UGANDA 4, Upper Kololo Terrace P.O. Box 8453 Kololo, Kampala Uganda RWANDA Kigali City Tower Plot no. 6418 15th Floor, Avenue du Commerce, Office 1507 Kigali Rwanda
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MOTAENGIL
LATIN AMERICA

PERU Av. Nicolás Ayllón, nº 2634 Ate, Lima 3 Peru MEXICO Horacio 828 esq. Tennyson Col. Polanco Reforma C.P. 11550 Del. Miguel Hidalgo Mexico, D.F.	BRAZIL Rua Gonçalves Dias, 2316 Bairro Lourdes – Belo Horizonte/MG CEP.: 30140-092 Brazil COLOMBIA Carrera 13A-87-81 38007 Bogotá Colombia	CHILE Avenida Vitacura 2736 Oficina 504 Las Condes, Región Metropolitana, Santiago de Chile Código postal 7550000 Chile	DOMINICAN REPUBLIC Avenida Winston Churchill, esq. Calle Andrés Julio Aybar Torre Acrópolis, Piso 11, Ens. Piantini, Santo Domingo Codigo postal 10147 Dominican Republic	PARAGUAY Calle 22 de septiembre 221, esq. Calle Eligio Ayala Primer piso, oficinas 202 y 203 Asunción Paraguay
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