

Reprivatisation of Efacec Power Solutions, SGPS, S. A.

Expressions of Interest

Pursuant to the terms of reference for the reprivatisation of the shareholding held by Parpública, Participações Públicas (SGPS), S.A. ("Parpública" or the "Seller") in Efacec Power Solutions, SGPS, S. A. ("Efacec") (the "Reprivatisation"), approved by the Resolution of the Council of Ministers 107-A/2022, of 21 November ("Terms of Reference"), Parpública has on the date hereof published an announcement on the date hereof assuring any national or foreign entities that wish to participate in the Reprivatisation (as defined in the announcement) and invest in the Efacec Group with a stable and long-term approach to submit their expressions of interest.

This document specifies the terms and conditions for the investors to submit their expressions of interest to participate in the Reprivatisation.

1. Reprivatisation Structure and Objectives

The Reprivatisation encompasses the sale of the shareholding held by Parpública in Efacec, potentially complemented by a share capital increase of Efacec which can be also accompanied by restructuring measures to be implemented within the Efacec Group in coordination with the selected final bidder or as required to achieve a successful sale that maximises the value and optimises the Portuguese Republic's financial effort and the selected final bidder.

The expressions of interest will be evaluated by Parpública at its sole discretion and in order to determine the investor's suitability and financial capacity. The Seller may also, when evaluating whether an investor could be admitted as a Prospective Purchaser, consider whether the investor offers any guarantees of compliance with any of the criteria listed in Article 5 (b) to (f) of the Terms of Reference.

2. Eligible Investors

The Reprivatisation is aimed at national and foreign investors that are suitable and capable of investing in the Efacec Group with a stable and long-term investment approach, aligned with the objectives established for the reprivatisation process.

With a view to allow an assessment of the respective suitability and financial capacity as provided for in Article 5 (a) of Terms of Reference, potential investors shall provide such evidence, as they deem appropriate that they have the financial capacity adequate for the pursuit of the objectives established for this process and a sworn statement that they are not in any of the following situations:

- (i) Have been convicted of non-compliance under the provisions of Law No. 87/2017, of August 18;
- (ii) Be subject, directly or indirectly, to financial sanctions or restrictive measures imposed under Articles 75 and/or 215 of the Treaty on the Functioning of the European Union;
- (iii) Be a "designated person" for the purposes of the UK Terrorist Freezing Act 2010 ("UK Terrorist Freezing Act 2010");
- (iv) Be subject, directly or indirectly, to any sanctions adopted, administered and/or enforced by the Office of Foreign Assets Control of the US Treasury Department;
- (v) Be subject, directly or indirectly, to sanctions or measures similar to those mentioned above, adopted, administered and/or applied by any authority, agency or body of any Member State of the European Union;
- (vi) Be domiciled in high risk or non-cooperative jurisdictions identified by the International Financial Action Task Force (FATF) against money laundering and terrorist financing.

If the investors analyse the joint acquisition of Efacec's shareholdings, each one must individually comply with the above criteria.

Each investor can only submit one expression of interest, which must comply with the terms and conditions set out in this document. No entity can integrate more than one group of investors and no entity can, simultaneously, integrate a group and submit a proposal individually. For the purposes of this section, two or more entities that are in a control or group relationship shall be deemed as one and the same entity, in accordance with Article 21 of the Portuguese Securities Code.

Considering that, in order to ensure that the reprivatisation process takes place in a swift and expedited manner whilst limiting the disruption to the Efacec Group's activities, Parpública will limit access to the binding offer stage to a few selected investors.

For the purpose of this document, the term "Prospective Purchaser" means an investor or a group of investors who are selected by the Seller to participate in the binding offer stage of the Reprivatisation. Entities comprised in the group of investors and any legal person(s) incorporated by the former for the purpose of this Reprivatisation shall be jointly and severally liable for the fulfilment of the obligations arising from the expression of interest and for the proposals submitted in the context of the Reprivatisation.

3. Submission of Expressions of Interest

Expressions of interest shall be sent by e-mail (in pdf format) no later than 5.00 p.m. GMT/Lisbon Time on 5 December 2022 to the following address:

EFACEC-Reprivatização@parpublica.pt

When, due to its nature, a document included in the expression of interest cannot be submitted electronically, It must be enclosed in an opaque and closed envelope, with a reference to "Reprivatisation" and "Parpública" on its cover, and delivered directly or sent by registered mail to the address set out below within the deadline set above for the submission of the expressions of interest.

Parpública, Participações Públicas (SGPS), S.A.

Att.: Dr. Jaime Serrão Andrez

Rua de Santa Marta, nº 55 - 4º Piso

1150-294 Lisboa,

Portugal

Expressions of interest shall be signed and dated on behalf of the relevant investor or group of investors.

4. Content of the Expressions of Interest

Expressions of interest shall include, at least, the following information:

- (i) Investor's Overview: summary description of the investor, including name and place of incorporation and main permanent establishment, as well as a description of ownership up to the ultimate beneficial owner (as long as, in case of a strategic investor, he/she, directly or indirectly, holds at least 25% of the investor; in the case of collective investment undertakings, namely private equity funds, who, directly or indirectly, hold a shareholding of at least 25% in the relevant management company, or at least 10% of the collective investment undertaking in question, provided that the collective investment undertaking will act as Prospective Purchaser is already defined).
- (ii) Brief description of the main businesses carried out and the operational and technical capabilities, as well as the experience of investing in and/or managing assets/businesses similar to Efacec.
- (iii) Contact Persons: if any, the name, telephone number and email address of the person who is tasked with answering any questions the Seller and its advisors might have about the expression of interest and to whom all related correspondence must be sent, and identification of any financial, legal or other advisors whom the investor has retained or proposes to retain in connection with the Reprivatisation.

- (iv) Other Relevant Information: details of any other matter of relevant importance to the investor(s) in connection with the expression of interest or any other matter deemed important to be analysed by the Seller.
- (v) Accuracy: confirmation that the expression of interest has been made on a principal basis and not on behalf of a third party as broker or an agent. Confirmation that the information provided in relation to the expression of interest is updated, complete, true and accurate and that the investor will notify Parpública immediately should such information be subject to material changes.

If an expression of interest is jointly submitted by two or more entities from different corporate groups (a “Joint Expression of Interest”), the relevant information shall have to be provided in relation to each entity forming part of the consortium.

Expression of interest must further be accompanied by the following documentation to attest the investor(s) suitability and financial capacity as listed in the Announcement:

- Documentation that the investor considers adequate to demonstrate suitability and adequate financial capacity to meet the objectives established for this Reprivatisation process;
- Submit a sworn statement mentioning that the potential investor is not in either of these situations (i) have been convicted of non-compliance under the provisions of Law No. 87/2017, of August 18; (ii) be subject, directly or indirectly, to financial sanctions or restrictive measures imposed under Articles 75 and/or 215 of the Treaty on the Functioning of the European Union; (iii) be a “designated person” for the purposes of the UK Terrorist Freezing Act 2010 (“UK Terrorist Freezing Act 2010”); (iv) be subject, directly or indirectly, to any sanctions adopted, administered and/or enforced by the Office of Foreign Assets Control of the US Treasury Department; (v) be subject, directly or indirectly, to sanctions or measures similar to those mentioned above, adopted, administered and/or applied by any authority, agency or body of any Member State of the European Union; nor (vi) be domiciled in high risk or non-cooperative jurisdictions identified by the International Financial Action Task Force (FATF) against money laundering and terrorist financing. The submission of a sworn statement does not prevent Parpública from requesting further clarification.

5. Pre-selection of Prospective Purchasers

Following receipt and evaluation of the expressions of interest, a limited number of investors may be selected by Parpública, and at its absolute discretion within the criteria set forth in Article 5 (1) (a) of the Terms of Reference, to participate in the Reprivatisation and in the discussion of the possible restructuring of Efacec, to be established after the binding offers phase and only the limited number of investors selected for the final phase, submitting their binding offer. This selection will be made and communicated to the investors.

In the event that the likely decision is not to select a given investor or group of investors, Parpública will submit its preliminary decision to the relevant investor(s) so that they may submit their comments in the context of a prior hearing within two (2) business days.

By submitting an expression of interest the investor(s) acknowledge and accept that the Seller is permitted to disclose the existence and details of the expression of interest to the Portuguese Government and potentially to other public entities, when so required under applicable law.

6. Communications

Other than the information attached to this document, the Seller is under no obligation to provide any additional information to the investors for the purpose of their expressions of interest.

Any clarification request regarding this document must be submitted by email to **EFACEC-Esclarecimentos@parpublica.pt** within 2 business days counting from the date hereof.

The Prospective Purchasers must provide any clarifications requested by the Seller regarding the content of the respective expressions of interest within the time limit established for that purpose.

Under no circumstances shall any investor or its advisors, without the prior written consent of the Seller, contact the Seller or the Target, or their respective management team and employees, or visit their premises other than in the normal course of business unconnected to the Reprivatisation.

7. Miscellaneous

The Council of Ministers and the Seller expressly reserve the right, in their sole and absolute discretion, at any time and in any respect, for public interest reasons, to amend or terminate the procedures set out in this letter. The Council of Ministers and the Seller are not under any obligation to consider or accept any expression of interest, nor will they be liable for any costs or expenses incurred by any investor in regard to this process.

Neither the Council of Ministers, the Seller, Efacec and its advisors and any of their respective affiliates, sellers, directors, employees or advisors shall have any liability to any investors as a result of the rejection of any or all proposals, the acceptance of any proposal or initiating, pursuing or ending discussions or any transaction in respect of the Target with any other party.

The existence and the contents of this letter and any subsequent conversations and discussions in relation to this matter, as well as information that may be provided to the investor, together with any analysis, memoranda or notes derived from it, in any phases of the process, are confidential.

By submitting an expression of interest, investors acknowledge and accept that they are relying solely upon their own independent investigation and evaluation of Efacec and the Reprivatisation, and that they are acting on their own risk and account in participating in this process for a possible Reprivatisation.

This letter does not constitute an offer or invitation for the sale or purchase of securities or any of the businesses or assets referred to herein or a tender thereof and does not constitute any form of commitment or recommendation on the part of the Council of Ministers, the Seller, Efacec, or any of their respective subsidiaries or associated companies. In particular, please be aware that no provision contained in this document constitutes any form of commitment or recommendation on the part of the Council of Ministers or the Seller, or shall be construed as a proposal to sell Efacec or as granting a promise to enter into a contract with relation to Efacec or any other right or expectation thereto.

Neither this letter, nor any other written or oral information made available to any investor, or its advisors will form the basis of any contract. Notwithstanding the role of the Seller in conducting this process, a proposal regarding the Reprivatisation will only give rise to any contractual obligations when a definitive SPA has been discussed, negotiated, agreed and executed with the Seller and approved by the Council of Ministers. Furthermore, the Seller makes no representation or warranty, express or implied, including as refers to any information contained herein. Only those representations and warranties which may be made in any definitive agreement executed by the parties thereto shall be effective and binding to the parties thereto, and no obligations shall exist until such execution. The information contained herein was prepared to assist investors in making their own evaluation regarding the submission of an expression of interest and does not purport to be complete in its description of Efacec. Investors should make an independent assessment of the merits of pursuing the Reprivatisation.

This document and the procedures referred to herein shall be governed by and construed in accordance with Portuguese law.

Lisbon, 22 November 2022