

# Consolidated Report & Accounts 2023



**Dear Shareholders**

In compliance with the legal and statutory provisions to which it is subject, the Board of Directors of SUMA – Serviços Urbanos e Meio Ambiente, SA (“SUMA” or “Company”) hereby submits the Consolidated Report & Accounts for the year 2023 for your consideration.

# Contents

05

Message from the Chairman

06

Key Indicators

07

Profile

09

Corporate Governance

13

The SUMA Group

24

Development of Activity in 2023

27

Analysis of SUMA Group Activity

43

Socioeconomic Analysis

51

Closing Remarks

52

Consolidated Financial Statements

59

Notes to the Consolidated Financial Statements

138

Opinions and Certifications

building  
a better  
environment



# Message from the President



## Leadership with focus on sustainability

**We grew, diversified and cultivated** - the year 2023 corresponded to a period of sustainable growth in activity, with significant international developments and a more ambitious strategic positioning.

The strategy of diversifying commercial activity and bolstering efficiency and sustainability practices are the main factors behind the 6.7% increase in sales and services provided compared to 2022, which generated consolidated revenues of more than €432 million. This result is the fruit of collective work that demonstrates the SUMA Group's ability to overcome challenges and explore new market opportunities.

The year 2023 was also the year in which Mota-Engil acquired the minority position previously held by Urbaser, a transaction formally completed on 3 January 2024, thus intensifying the strategic commitment to the Environment area, specifically in the internationalisation of this activity, supported by its vast know-how and presence in successful markets, such as Brazil, Angola, Oman and Mozambique.

At this level, it is worth highlighting the excellent international performance of the **SUMA Group**, with particular emphasis on the most significant growth in Brazil, a market where we are involved on several fronts and in various opportunities.

Sustainability remains central to our actions, as does our motivation to incorporate the best ESG practices, an example of which is our commitment to worker safety - SUMA is committed to everyone's safety, which is a non-negotiable value and the starting point for any action.

We anticipate a new cycle of growth and innovation, which will allow us to offer our clients more integrated and competitive proposals, reinforcing our distinctive competencies and the added value we bring to the implementation of projects.

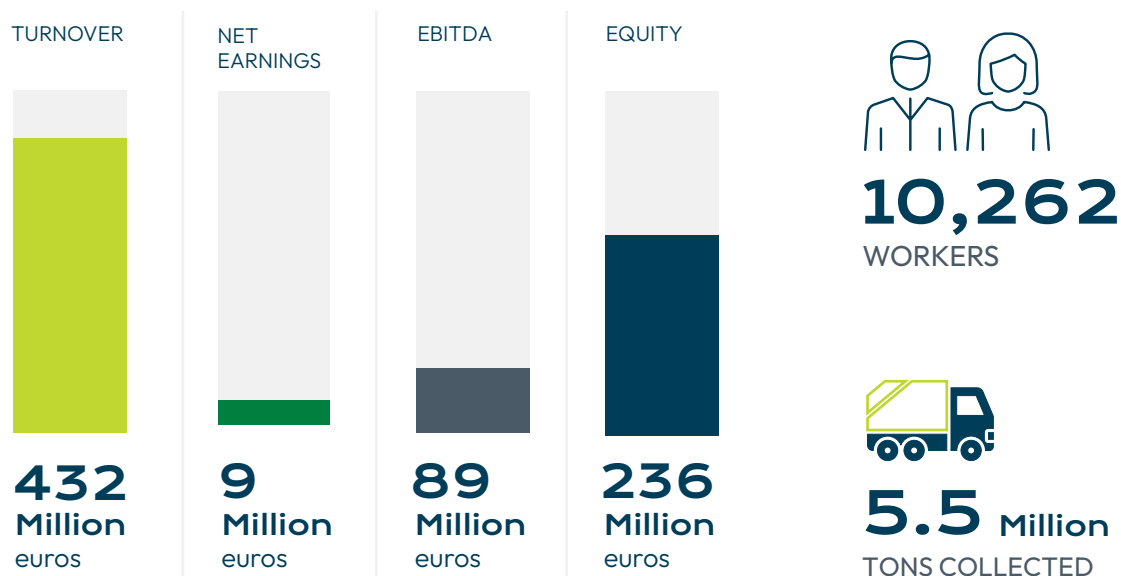
And also, because only by working as a team can we achieve more, I would like to express special thanks to all the employees, shareholders, customers, suppliers and partner entities, without whom it would not have been possible to achieve the positive results reported.

### **Manuel Costa**

President - Chief Executive Officer (CEO)

# O1

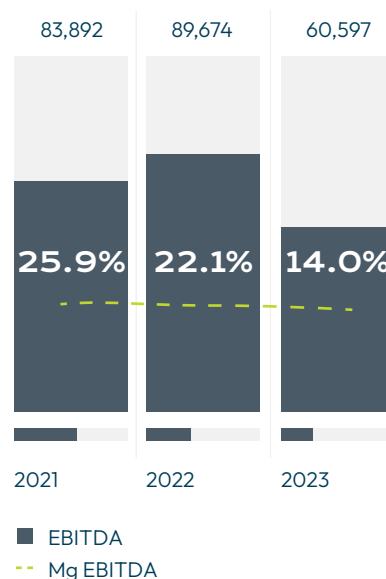
## Indicators 2023



### Turnover



### EBITDA



Note: Net Earnings and EBITDA do not take into account losses in associated companies

# 02

## Profile

The **SUMA Group** has three decades of experience serving the environment and the population, and has held a leading position in the domestic waste sector since 1996. Supported by the solid foundations of Mota-Engil, it has been following a path of leadership and entrepreneurship, establishing itself as a beacon in Portugal and in the international markets in which it operates.

Structured on best environmental and governance practices, the Company's organisational policy integrates emerging sector requirements, stakeholder expectations, customer needs, efficiency solutions and investments in state-of-the-art systems.

The permanent capacity for adaptation and innovation, as well as the commitment to the technical capacity of its human capital, forge a credibility that is publicly recognised and attested, both through certification of the management system and through the award of prizes over the course of its years of operation.

### Mission, Values and Vision



#### Mission

- To manage waste, building a better environment.



#### Values

- Focus on customers and improvement.
- Sustainable and safe performance.
- People's commitment.



#### Vision

- Maintaining leadership in the domestic market, in a sustainable manner.
- Consolidation of the business in international markets.

## Management Policy

Based on the mission, values and vision, SUMA's Management has established its management policy, undertaking to lead and manage the organisation in accordance with the following commitments and guidelines:

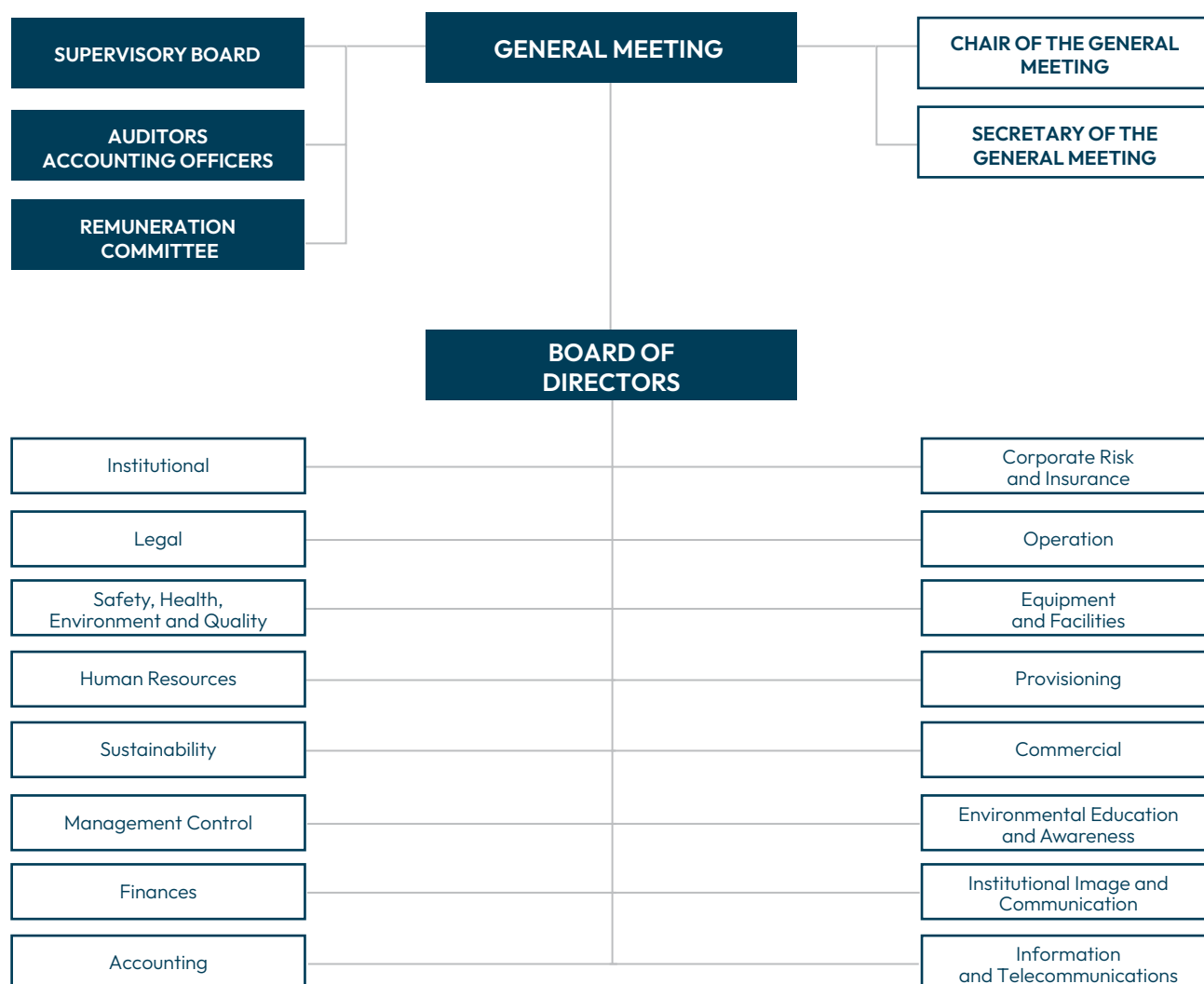
- 1)** Fulfilment of all compliance obligations of the Organisation;
- 2)** Maintaining leadership in the domestic market for Urban Cleaning and Municipal Solid Waste Collection, promoting the business area of Environmental Education and Awareness services and consolidating the internationalisation of the business;
- 3)** Sustained Customer Satisfaction, offering innovative, integrated, effective and efficient waste management solutions;
- 4)** Sustainable use of energy and water, pollution prevention, implementation of prevention and control measures to protect the environment;
- 5)** Prevention of injuries and health problems, promotion of safe and healthy workplaces, implementation of appropriate prevention and control measures to eliminate or reduce risks to the safety and health of Workers and Third Parties;
- 6)** Commitment of people, professional and personal advancement of Workers, adaptation of skills to their functions, responsibilities and authority;
- 7)** Creating value for Shareholders, Customers, Workers, Suppliers and other relevant Stakeholders;
- 8)** Appropriate communication to relevant Stakeholders, promoting both their involvement in the Organisation's Culture and the perception of the mutual benefit resulting from such involvement;
- 9)** Evidence-based decision-making, analysis and evaluation of data/information, to enhance the achievement of the desired results;
- 10)** Continuous Improvement of the Integrated Quality, Environment and Occupational Health and Safety Management System, in order to improve the Organisation's performance.

# 03

## Corporate Governance

The **SUMA Group** has adopted a reinforced classic governance model, consisting of a Board of Directors, a Supervisory Board and a Statutory Auditor, with the latter not being a member of the Supervisory Board. The Board of Directors is the body responsible for carrying out all administrative actions relating to the corporate purpose, determining strategic orientation, making appointments and general supervision. The remaining two bodies are responsible for supervision.

The Remuneration Committee is responsible for defining the remuneration policy for members of the corporate bodies, setting the applicable remuneration, taking into account the functions performed, the performance recorded and the economic situation of the Company.



# Corporate Bodies

## BOARD OF DIRECTORS

### ■ President

José Manuel Mota Neves da Costa

### ■ Vice-President

Ricardo Jorge de Sousa Duque Saramago

### ■ Voting Members

Carlos Alberto Vaz Pinto Garcez

Nuno Jorge Sêco da Costa

Nuno Manuel de Moraes Kol de Carvalho

## STATUTORY AUDITOR

Pricewaterhousecoopers & Associados

### ■ Represented by:

Hugo Miguel Patrício Dias, ROC

António Alberto Martins Afonso, ROC

## SUPERVISORY BOARD

### ■ Chair

Carlos Afonso Dias Leite Freitas dos Santos

### ■ Members

Pedro Miguel Pereira Gonçalves

Ricardo Humberto Pires Pereira de Almeida

### ■ Alternate

Tiago Nuno Correia da Cruz

## GENERAL MEETING BOARD

### ■ Chair

Ivone Santos Martins

### ■ Secretary

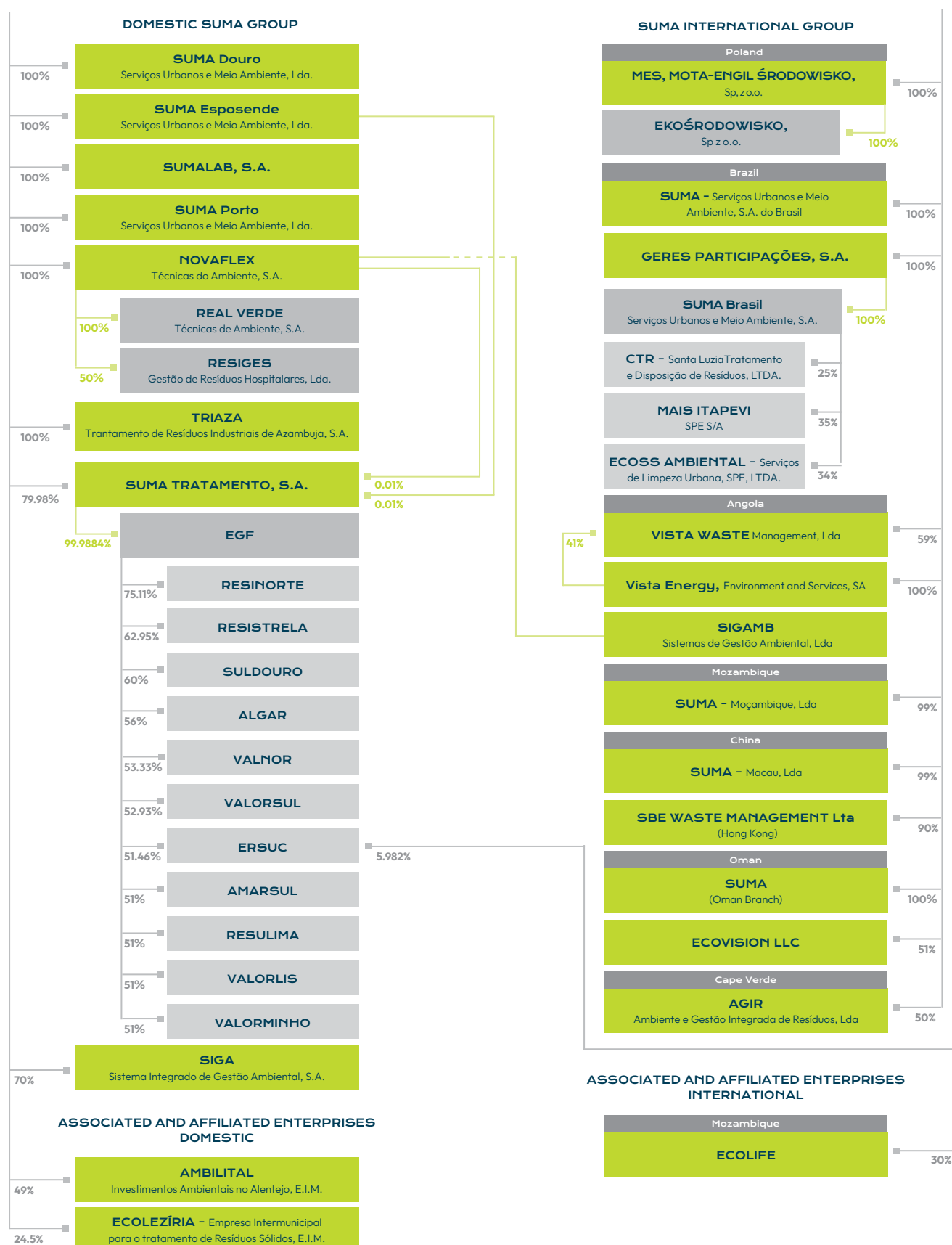
Patrícia Maria Fernandes dos Santos Tamang

## REMUNERATION COMMITTEE

Carlos António Vasconcelos Mota dos Santos

Luis Filipe Cardoso da Silva

# Corporate Structure



# Main Indicators

	2021	2022	2023	Var. 22/23
Sales and Services	324,038,545	405,191,876	432,279,101	6.7%
EBITDA	86,066,807	89,674,432	60,596,970	(32.4%)
EBITDA Margin	26.6%	22.1%	14.0%	(8.1 pp)
EBIT	41,396,463	35,210,391	13,815,368	(60.8%)
EBIT margin	12.8%	8.7%	3.2%	(5.5%)
Earnings Before Taxes	28,876,161	22,215,265	(11,281,528)	(150.8%)
Net Profit	12,897,243	9,565,131	(23,723,032)	(348.0%)
Net Sales Revenue	4.0%	2.4%	(5.5%)	(7.9%)
Return on Equity	5.8%	3.8%	(10.3%)	(14.1%)
General Indebtedness	69.6%	70.1%	73.8%	3.7 pp
Financial Autonomy	29.0%	29.5%	25.8%	(3.7 pp)
General Liquidity	82.7%	104.3%	83.5%	(20.8 pp)

	2021	2022	2023	Var. 22/23
Average number of employees	9,971	10,546	10,262	(2.7%)
Tons – MSW collection	1,389,750	1,510,309	1,690,608	11.9%
Tons – MSW treatment	3,603,366	3,442,308	3,421,628	(0.6%)
Tons – Industrial waste	506,359	539,477	379,619	(29.6%)
Municipalities Served – MSW Collection and Urban Cleaning	85	86	90	4.7%
Municipalities Served – MSW Treatment	180	174	174	-

Note: the activity indicators aggregate all companies under SUMA operational management, which in 2023 no longer included ECOSS Ambiente data.

# 04

## The SUMA Group

The **SUMA Group** engages in the global management of the waste life cycle, at all times allied with innovation and technology, anticipating trends and adapting to emerging needs.

The structures and know-how at its disposal allow the group to consider integrated and complete solutions, from planning, design and construction to implementation and monitoring, always with a view to improvement and sustainability.

### Municipal Solid Waste Collection and Urban Cleaning

#### **SUMA – Serviços Urbanos e Meio Ambiente, SA**

SUMA is the parent company of this Group and the main pillar of this organisation. The object of the company covers global waste management and its main activities are the provision of municipal solid waste collection and urban cleaning services (“MSWC”), establishing itself as a leading domestic company in its area of activity.

#### **SUMA (Esposende) – Serviços Urbanos e Meio Ambiente, Lda (“SUMA Esposende”)**

SUMA Esposende was created on 6 December 1999 with the aim of managing the concession contract for the collection and transport of municipal solid waste to its final destination, distribution, maintenance and replacement of containers and urban cleaning in the municipality of Esposende, which took place in August 2003, with the transfer of that same contract from Serurb – Serviços Urbanos, Lda. to SUMA Esposende. This Company changed its initial name – Serurb (Esposende) – Serviços Urbanos, Lda. – to SUMA (Esposende) – Serviços Urbanos e Meio Ambiente, Lda., in January 2008, after joined the SUMA group. This contract with the municipality of Esposende ended at the beginning of 2023.

#### **NOVAFLEX – Técnicas do Ambiente, SA (“NOVAFLEX”)**

Established in 1993 and acquired by SUMA in 2007, NOVAFLEX’s main activity is the provision of MSW collection and urban cleaning services. During 2021, the company continued to operate in the municipality of Loulé, providing urban cleaning services under a 2-year contract that ended in April 2023, and continued to execute short-term contracts in several municipalities, including multi-material collection services in Oliveira do Bairro and mechanical street sweeping in Grândola. From October 2021, NOVAFLEX took over once again the execution of the contract for the collection of municipal solid waste in the municipality of Figueira da Foz, awarded to the SUMA Group and transferred to NOVAFLEX, which will last until December 2026. For the operation of these services, the company had the support of companies in the SUMA group, in a regime of subcontracting resources and services.

#### **SUMALAB, SA (“SUMALAB”)**

SUMALAB was incorporated on 27 July 2000, with the aim of performing a concession contract for the operation and management of waste collection and sweeping services in the municipality of Matosinhos, including the provision of laboratory analysis services. The company was responsible for the implementation of this concession for 17 years, starting in 2000 and ending in June 2017, when it ceased its services in this area. The company changed its name to SUMALAB in February 2019, with the aim of promoting a change in image, after the end of the aforementioned concession contract and with the change in core business to laboratory activity.



The SUMA group also has two companies that have ceased operations and are waiting for new business opportunities:

#### **SUMA (Douro) – Serviços Urbanos e Meio Ambiente, Lda (“SUMA Douro”)**

SUMA Douro was created on 27 July 2000 and its creation aimed to manage and operate contracts for the provision of services and supply of equipment in the area of municipal solid waste (“MSW”), within the geographical scope of the municipalities that make up the Association of Municipalities of the Douro Valley North (AMVDN), contracts that have already ended.

#### **SUMA (Porto) – Serviços Urbanos e Meio Ambiente, SA (“SUMA Porto”)**

SUMA Porto was established on 17 October 2008, for the development, management and operation of services under a concession for the collection of municipal solid waste and public cleaning in the Municipality of Porto. This service provision was awarded to SUMA, which established this company in order to fulfil the contractual requirement. The activity at SUMA Porto under this contract ceased in 2018. Upon termination of the contract, the company ceased its activity and, since 2019, did not provide any service and did not have workers.

## **Municipal Solid Waste Treatment**

**The SUMA Group** adds to its national leadership in the private urban collection and cleaning market a leading position in municipal solid waste treatment and recovery (“MSWT”), with the integration of the EGF Group. The SUMA Group’s MSW treatment area covers around 6.38 million inhabitants in Portugal, more than 60% of the Portuguese population, distributed across 174 municipalities.

#### **SUMA Tratamento**

SUMA Tratamento was the company used by the SUMA Group as a vehicle company in the acquisition of EGF under a privatisation process, through an international public tender, and currently holds a 99.9884% stake in EGF’s capital, with the remaining 1,300 shares being held by EGF Group employees.

#### **EGF**

EGF is a holding company, responsible for the management and coordination of 11 companies, all of which are majority-owned – Valorminho, Resulima, Resinorte, Suldouro, Resiestrela, Ersuc, Valorlis, Valnor, Valorsul, Amarsul and Algar – and concessionaires of the Multi-municipal Systems, which operate over an area of 48,089 km<sup>2</sup>, 52% of the national territory. The population served represents 60% of the country’s inhabitants, i.e., around 6.3 million people, with around 3.2 million tons of waste treated and recovered during 2023.

#### **ALGAR**

Algar – Valorização e Tratamento de Resíduos Sólidos, SA (“ALGAR”) was established in 1995 and performs the treatment and recovery of waste produced in the 16 municipalities of the Algarve, contributing towards the well-being of the resident populations and the quality of the region’s tourism amenities. The shareholder structure of ALGAR includes EGF, which holds the majority of the share capital, with 56%, with the 16 municipalities of the Algarve holding the remaining 44%. It provides services to the municipalities of Albufeira, Alcoutim, Aljezur, Castro Marim, Faro, Lagoa, Lagos, Loulé, Monchique, Olhão, Portimão, São Brás de Alportel, Silves, Tavira, Vila do Bispo and Vila Real de Sto. António. ALGAR currently possesses the following infrastructure: thirteen eco-centres, one mechanical treatment unit, one mechanical and biological treatment plant, two sanitary landfills, two sorting centres, three green composting plants, three biogas recovery facilities, eight transfer stations.

#### **AMARSUL**

Amarsul – Valorização e Tratamento de Resíduos Sólidos, SA (“AMARSUL”) was established in 1997, and was awarded a contract to operate and manage the multi-municipal solid waste recovery and treatment system of the South Bank of the Tagus for a period of 25 years, a concession expanded in 2002 and in 2014, and which is now scheduled to end in 2034. The share capital of AMARSUL is 51% owned by EGF, with the remaining 49% owned by the 9 municipalities in the area. It serves a population of 779,399 inhabitants in the municipalities of Alcochete, Almada, Barreiro, Moita, Montijo, Palmela, Seixal, Sesimbra and Setúbal and, for this purpose, operates seven eco-centres, a mechanical treatment plant, two landfills, a sorting plant, a mechanical and biological treatment plant – composting plant, a mechanical biological treatment plant – anaerobic digestion, three biogas recovery facilities and a transfer station.



## ERSUC

Established in 1996, Ersuc - Resíduos Sólidos do Centro, SA ("ERSUC") is the company responsible for treating and recovering the solid waste produced in 36 municipalities of the Central Coastal region, promoting quality of life and the environment of this region. The geographical area covered is approximately 6,700 km<sup>2</sup>, serving a population of approximately 1 million inhabitants. ERSUC is 51.46% owned by EGF, 5.98% by SUMA, 0.18% by the Biomass Energy Centre, with the remaining 42.38% being owned by 32 of the 36 municipalities served. Its infrastructure consists of two biological mechanical treatment plants, seven eco-centres, two landfills, two sorting centres, five biogas recovery facilities, seven transfer stations, two RDF production plants.

## RESIESTRELA

Resiestrela - Valorização e Tratamento de Resíduos Sólidos, SA ("RESIESTRELA") was established in 2008 and is responsible for the management and operation of the Cova da Beira multi-municipal sorting, selective collection, recovery and municipal waste treatment system. It provides services to the municipalities of Almeida, Belmonte, Celorico da Beira, Covilhã, Figueira de Castelo Rodrigo, Fornos de Algodres, Fundão, Guarda, Manteigas, Meda, Penamacor, Pinhel, Sabugal and Trancoso. EGF holds a 62.95% stake in RESIESTRELA, with the remaining 37.05% belonging to the 14 municipalities identified above. It currently has fourteen eco-centres, a landfill, a landfill, a biogas recovery unit, a sorting plant, a composting plant and nine transfer stations, serving a population of 186,836 inhabitants over a geographical area of 6,132 km<sup>2</sup>.

## RESINORTE

Since 2015, Resinorte - Valorização e Tratamento de Resíduos Sólidos, SA ("RESINORTE") has been responsible for the concession of the multi-municipal municipal waste sorting, collection, recovery and treatment system of the Central North region. Incorporated in 2009, it is 75.11% held by EGF and the remainder by the Association of Local Authorities of the North Douro Valley and by 22 of the 35 municipalities that use the system, which are: Alijó, Amarante, Armamar, Baião, Boticas, Cabeceiras de Basto, Celorico de Basto, Chaves, Cinfães, Fafe, Guimarães, Lamego, Marco de Canaveses, Mesão Frio, Moimenta da Beira, Mondim de Basto, Montalegre, Murça, Penedono, Peso da Régua, Resende, Ribeira de Pena, Sabrosa, Santa Marta de Penaguião, Santo Tirso, São João da Pesqueira, Sernancelhe, Tabuaço, Tarouca, Trofa, Valpaços, Vila Nova de Famalicão, Vila Pouca de Aguiar, Vila Real and Vizela. It covers a geographical area of 8,090 km<sup>2</sup>, serving a population of approximately one million inhabitants and currently has four landfills, an organic recovery plant, eight transfer stations, four sorting stations, five biogas recovery plants and seventeen eco-centres.

## RESULIMA

Established in 1996, Resulima - Valorização e Tratamento de Resíduos Sólidos, SA ("RESULIMA") ensures the treatment and recovery of waste in six municipalities in Vale do Lima and Baixo Cávado. Covering the municipalities of Arcos de Valdevez, Barcelos, Esposende, Ponte da Barca, Ponte de Lima and Viana do Castelo, this system includes two eco-centres, a landfill, a sorting plant, a transfer station, a landfill biogas recovery plant and mechanical and biological treatment facility, covering a total area of 1,743.3 km<sup>2</sup> and serving approximately 311 thousand inhabitants.

## SULDOURO

The company Suldouro - Valorização e Tratamento de Resíduos Sólidos, SA ("SULDOURO") was established in 1996, with EGF holding a 60% stake, the municipality of Vila Nova de Gaia owning 25% and the municipality of Santa Maria da Feira, 15%. It is the multi-municipal system that guarantees the appropriate treatment and recovery of waste in two important municipalities in the Southern Douro region and, to this end, it has five eco-centres, an organic recovery plant, a landfill, a sorting centre and two landfill biogas recovery facilities. Its area of intervention measures 384 km<sup>2</sup>, serving around 438 thousand inhabitants.

## VALNOR

Valnor - Valorização e Tratamento de Resíduos Sólidos, SA ("VALNOR"), a company established in 2001 and responsible for the collection, sorting, recovery and treatment of solid waste in the 25 Municipalities within its area of influence (northern Alentejo and Beira Interior), has as its main mission the preservation of the environment in which it operates and the improvement of the service provided to the population under the ambit of municipal solid waste management. It operates in the municipalities of Abrantes, Alter do Chão, Arronches, Avis, Campo Maior, Castelo Branco, Castelo de Vide, Crato, Elvas, Fronteira, Gavião, Idanha-a-Nova, Mação, Marvão, Monforte, Nisa, Oleiros, Ponte de Sôr, Portalegre, Proença-a-Nova, Sardoal, Sertão, Sousel, Vila de Rei and Vila Velha de Ródão. The municipalities in question hold 46.67% of the capital, with the remaining 53.33% owned by EGF. The territory covered by the system has an approximate area of 11,980 km<sup>2</sup>, with an estimated



resident population of around 249,762 inhabitants. VALNOR currently has sixteen eco-centres, two landfills, an organic recovery plant with a biogas recovery unit, a sorting plant, seven transfer stations and a RDF (refuse derived fuel) production unit.

#### **VALORLIS**

Established on 6 August 1996, Valorlis - Valorização e Tratamento de Resíduos Sólidos, SA ("VALORLIS") is a company 51% owned by EGF and 49% by the Municipalities of Batalha, Leiria, Marinha Grande, Ourém, Pombal and Porto de Mós, covering an area of 2,160 km<sup>2</sup> and serving a population of 301 thousand inhabitants. The operation and management of the multi-municipal system of Alta Estremadura was awarded to VALORLIS in 1996, under an exclusive concession, for a period of 25 years, which was extended in 2014 to the year 2034. Its infrastructure consists of four eco-centres, a landfill, a sorting centre, two biogas recovery facilities, three transfer stations and an organic recovery centre.

#### **VALORMINHO**

Valorminho - Valorização e Tratamento de Resíduos Sólidos, SA ("VALORMINHO") was established in 1996 and is the concessionaire of the multi-municipal system for sorting, selective collection, recovery and treatment of municipal solid waste in the Minho Valley, which covers the municipalities of Caminha, Melgaço, Monção, Paredes de Coura, Valença and Vila Nova de Cerveira, these being part of the shareholder structure with a 49% stake, together with EGF, which in turn holds the remaining 51%. The system covers a total area of 950 km<sup>2</sup>, serving around 73 thousand inhabitants and includes in its infrastructures two eco-centres, a landfill, a sorting plant, a transfer station, a landfill biogas recovery facility and a mechanical treatment plant.

#### **VALORSUL**

Valorsul - Valorização e Tratamento de Resíduos Sólidos das Regiões de Lisboa e do Oeste, SA ("VALORSUL") was established in 2010 and is the result of the merger of the companies Valorsul, SA and Resioeste, SA. The company is 52.93% owned by EGF and serves the municipalities of Alcobaça, Alenquer, Amadora, Arruda dos Vinhos, Azambuja, Bombarral, Cadaval, Caldas da Rainha, Vila Franca de Xira, Lisbon, Loures, Lourinhã, Nazaré, Óbidos, Odivelas, Peniche, Rio Maior, Sobral de Monte Agraço and Torres Vedras. It has two sorting centres, seven eco-centres, an energy recovery plant, a slag treatment and recovery facility, an organic treatment and recovery station, two sanitary landfills, three biogas recovery units and five transfer stations.

In addition to the activity carried out by the EGF Group in the area of municipal waste treatment, SUMA manages contracts for the operation of municipal solid waste landfills managed by the following companies:

#### **REAL VERDE – Técnicas de Ambiente, Lda ("REAL VERDE")**

REAL VERDE was created in 2000 to manage the contract for the operation and maintenance of the Vale Douro Norte Inter-Municipal Landfill, an activity that continues until the present day. The area covered by this landfill, located on the north bank of the Douro River, includes the municipalities of Alijó, Mesão Frio, Murça, Peso da Régua, Sabrosa, Santa Marta de Penaguião and Vila Real. This contract was signed in the year 2000, with the Association of Municipalities of the Northern Douro Valley ("AMVDN") and, in 2012, the transfer of the contractual position of the AMVDN client to RESINORTE was agreed between the parties. Started in 2000 and lasting 10 years, the contract was renewed in 2010 and again in 2015, for periods of 5 years, until 31 July 2020. An addendum to the existing contract was signed on 1 August 2020, in which the price conditions were renegotiated and the term of service provision was extended until 31 July 2023. This agreement was subject to a new extension, until 31 October 2023, when a new contract was signed, lasting one year, for the operation of the transfer station, with the management of the landfill, during the next few months, being transferred to RESINORTE.

#### **SIGA – Sistema Integrado de Gestão Ambiental, SA ("SIGA")**

Established in September 2008 to operate in the waste sector in the Autonomous Region of the Azores ("ARA"), SIGA is the result of a partnership between SUMA and the Marques Group. SIGA is engaged in the management of the entire life cycle of waste and aims to contribute to the promotion of increased regional self-sufficiency and the fulfilment of the region's environmental development requirements.

From 2019 to 2022, SIGA developed its activity under the ambit of a contract for the "Exploration of Ecopark I and II of São Miguel Island", awarded by MUSAMI – Operações Municipais do Ambiente EIM, SA to the Consortium formed by SIGA and SUMA for a period of 36 months.

SUMA also holds minority stakes in domestic companies operating in the MSW treatment market, which provide greater diversification and complementarity to the Group's activities:



#### **AMBILITAL – Investimentos Ambientais no Alentejo, EIM (“AMBILITAL”)**

Established in 2001 to manage the integrated system for the collection, treatment and recovery of municipal solid waste from the territorial area of the municipalities associated with the AMAGRA – Association of Alentejo Municipalities for Regional Environmental Management. SUMA holds 49% of the capital in this company, with the remaining 51% belonging to AMAGRA.

#### **CITRUP – Centro Integrado de Resíduos, Lda (“CITRUP”)**

Established in 2001, 30% of its capital is held by SUMA. This company’s object is to operate the Maia landfill, support the energy recovery plant called LIPOR II and other related activities. In 2023, it was dissolved and liquidated.

#### **ECOLEZÍRIA – Empresa Intermunicipal para o Tratamento de Resíduos Sólidos, EIM (“ECOLEZIRIA”)**

It was established in 2004, with SUMA holding a 24.5% interest and its main objective is the collection, treatment and recovery of municipal solid waste produced in the area of the municipalities associated with RESIURB – the Association of Local Authorities for the Treatment of Solid Waste.

## **Collection and Treatment of Industrial Waste**

With the aim of achieving greater diversification and range of solutions for the waste market, SUMA has extended its activity through a group of companies that operate in the industrial waste collection and treatment (“IWCT”) market and provide global waste management services, sorting, treatment, recycling, regeneration of used oils and landfills for the disposal of non-hazardous waste.

With the integration of ENVIROIL into the SUMA Group, and in pursuit of a strategy of developing activities in the management of industrial, non-municipal or municipal-type waste, a Group was created, led by ENVIROIL, SGPS, Lda (“ENVIROIL”), which brings together a group of companies specialised in this area of activity – ENVIROIL II – Reciclagem de Óleos Usados, Lda (“ENVIROIL II”), CORREIA & CORREIA – Gestão de Resíduos, Lda (“Correia & Correia”), TRIU – Técnicas de Resíduos Industriais e Urbanos, SA (“TRIU”) and SRI – Gestão de Resíduos, Lda (“SRI”). This Group is joined by three companies that engage in the activity of management and operation of non-hazardous waste landfills – RIMA – Resíduos Industriais e Meio Ambiente, SA (“RIMA”), TRIAZA – Tratamento de Resíduos Industriais de Azambuja, SA (“TRIAZA”) and RESILEI – Tratamento de Resíduos Industriais, SA (“RESILEI”). In addition to these three landfills, SUMA also set up a company to develop a project for the construction of a non-hazardous waste landfill in Aveiro – CITRAVE – Centro Integrado de Tratamento de Resíduos de Aveiro, SA (“CITRAVE”).

Following the agreement signed in March 2023 between the Mota-Engil Group and the Urbaser Group, the companies that make up this industrial waste business area, with the exception of TRIAZA, were sold to Urbaser, SA (“Urbaser”) through a spin-off process concluded on 28 December 2023.



## International Area

### ANGOLA

#### VISTA WASTE Management, Lda (“Vista Waste”)

Vista Waste began its activity at the end of 2008 in a consortium between the Mota-Engil group and local partners, which aimed to make the company a leading name in the Angolan waste sector. With a 49% shareholding and control of the company by the majority shareholder, SUMA has ensured operational management, leveraging its business knowledge to develop waste collection and transportation, urban cleaning, waste management and treatment and environmental education activities. In December 2023, SUMA acquired a 10% share in Vista Waste, increasing its holding to 59% of the company, as well as 100% of the capital of Vista Energy, Environment and Services, SA, an entity that holds a 41% share in Vista Waste, with the SUMA Group thus controlling 100% of both entities.

#### SIGAMB – Sistemas de Gestão Ambiental, Lda (“SIGAMB”)

SIGAMB was created by the SUMA Group in Angola to develop technical studies, consultancy and training in the environmental field. The main activity is carried out under the ambit of providing services to Vista Waste, supporting the execution of its contracts. Given the termination of Vista Waste’s public contracts in December 2020, SIGAMB suspended its operation, which has since been resumed.

### MOZAMBIQUE

#### ECOLIFE, SA (“ECOLIFE”)

Established in 2013 and celebrating 10 years of existence, ECOLIFE began its activity in Mozambique with a contract to provide municipal solid waste collection services in the centre of Maputo. The company is minority-owned by SUMA, but its management model was applied with the objective of becoming a leading operator in the integrated waste management sector for the Mozambican market. In March 2020, the execution of a new contract for the provision of municipal solid waste collection and transportation services in the municipal district of Kampfumu began, awarded by Maputo municipal council, which will be valid until February 2025 and is worth a total of 573 million meticals.

### BRAZIL

#### SUMA Brasil – Serviços Urbanos e Meio Ambiente SA (“SUMA Brasil”)

In 2017, SUMA re-enters the Brazilian market with the acquisition of CONSITA, LTDA (“CONSITA”), a company that has been operating since 1990 in the environmental area, having been a pioneer in this sector through the privatisation process of urban cleaning services in Belo Horizonte, capital of the state of Minas Gerais, Brazil. For this acquisition operation, the company ECB SUMA Participações, S/A (“ECB SUMA”) was formed, together with Empresa Construtora Brasil (Mota-Engil group), with SUMA holding a minority stake in the capital and assuming a leading role in the structure, ensuring the management of the operation. In 2018, ECB SUMA changed its name to GERES Participações S/A (“GERES”) and in April 2020 CONSITA followed, changing its name to SUMA Brasil, assuming SUMA’s brand image. In November 2021, SUMA acquired the remaining 57.15% of GERES’ stake, thus holding all of its capital and, indirectly, 100% of SUMA Brasil.

### OMAN

#### SUMA – Serviços Urbanos e Meio Ambiente, Oman Branch (“SUMA Oman Branch”)

SUMA established a branch in Oman in 2014, SUMA Oman Branch, with the objective of participating in waste management tenders and starting operations in the Sultanate. In 2014, this focus on the Middle East resulted in the award of the decommissioning of six waste disposal sites in the province of Al Dakhiliyah, in northern Oman, to be performed within a time frame of six months.

#### ECO VISION, LLC (“ECOVISION”)

SUMA has formed a consortium in Oman with two companies with local operations — Tanzifco and MCS — in order to participate in the tender for waste management operations in Al Sharqiyah South in the Sultanate of Oman, launched in 2014 by Oman Environmental Services Holding Co (SAOC) – be’ah, the public company responsible for waste management in the territory of the Sultanate of Oman, and in 2015 its bid won the contract. For the performance of this contract, the company ECOVISION was established under the laws of Oman, in which SUMA holds a majority stake and is responsible for management of the contract. This project involves the collection of waste, the management of six transfer stations and management of a landfill. The population served is approximately 340 thousand inhabitants, covering a total area of 24,934 km<sup>2</sup>. The company has implemented a quality, environment and safety management system, in accordance with the standards EN ISO 9001:2015, EN ISO 14001:2015 and OHSAS 45001:2018.

# 05

## Development of Activity in 2023

### Macroeconomic Background

The year 2023 was marked by challenges linked to inflation, which remained high. Economic growth was moderate, with major central banks globally raising benchmark interest rates and tightening monetary policy. It was a challenging year for families, who faced higher prices and interest rates, but who benefited from the resilience of employment globally. In geopolitical terms, the war in Ukraine continued throughout 2023, with no prospect of resolution. In early October, a new large-scale military conflict emerged, this time in the Middle East, after Hamas carried out an unexpected attack on Israel.

Growth has slowed in many advanced economies, particularly in Europe, where debt is relatively high and the impact of rising energy costs has been particularly strong. However, household consumption remained better than expected in advanced economies and continued to expand steadily in most major emerging market economies. Although unemployment rates have remained low, signs of a slowdown in the labour market have begun to emerge in several economies, including a downturn in employment growth, fewer vacancies and, in some cases, a slight rise in unemployment rates. Nominal wage growth has begun to slow in many economies, while unit labour cost growth has remained high due to weak productivity growth.

Inflation declined in almost all economies, largely due to base effects and trends in energy prices, easing pressures on household incomes, but the inflation rate remained relatively high. Services inflation continued to be more rigid than goods inflation, as wages are generally the main production cost in services and because there was a persistent preference for consumption of services over goods. Inflation related to margin expansion was felt most strongly in non-tradable goods and services in general. Financial conditions became increasingly restrictive, with real interest rates rising in major advanced economies throughout the year. Japan bucked this trend, being the only major economy whose central bank did not restrict its monetary policy, acting only to control the yield curve.

The global economy expanded at an annualised rate of 3.1% in the first half of 2023, compared to 2.8% in the second half of 2022. According to the latest OECD estimates, global GDP growth will amount to 2.9% in 2023, slowing slightly compared to 3.3% in the previous year.

In the Euro Area, over the course of 2023, the economic repercussions of the Russian invasion of Ukraine gradually faded. Even so, output stagnated in Q2 and contracted slightly in Q3, raising concerns about whether the economy would enter a technical recession in Q4, while industry and services indicators pointed to a contraction in economic activity. Uncertainty has increased further with the worsening geopolitical situation in the Middle East. Confidence indicators deteriorated, industrial production continued to decline and output in the services sector weakened. Although underlying inflation has been falling throughout the year, it has remained high, with services inflation and wages posing a problem for the ECB. Bank lending to companies and households continued to slow, in a context of higher interest rates, lower demand for loans and more restrictive credit granting criteria. But at the same time, the labour market remained robust, with the job opening rate only slightly below its recent peak. Labour shortages have been reflected in above-average wage growth in many

countries. European companies have proven relatively resilient during the energy crisis, partly due to a sharp reduction in energy demand.

During the year, the ECB raised its reference interest rates, raising the deposit rate to 4% and the rate on main refinancing operations to 4.5%, both historic highs, with the justification that inflation had been “too high for too long”. At the end of the year, the ECB was expected to keep its reference interest rates unchanged throughout the first quarter of 2024, while the effects of the restrictive monetary policy implemented throughout 2023 persisted, with the first interest rate cuts occurring mainly in the second half of 2024.

In the Euro Area, the economy grew 0.5% in 2023, with OECD forecasts indicating a recovery of GDP to 0.9% in 2024. Average inflation in 2023 was set at 5.5% in 2023, with the OECD forecasting it to be 2.9% in 2024. The organisation also predicts that, in 2024, private consumption will be supported by a tight labour market and an increase in real incomes, as inflation declines. At the same time, higher financing costs and uncertainty are expected to weigh on private investment.

The growth of the Portuguese economy slowed in 2023 to 2.3%, with the Bank of Portugal forecasting a deterioration in 2024, while harmonised average inflation was 5.3% and is expected to stand at 2.9% in 2024.

Trends in economic growth throughout 2023 in Portugal were characterised by a stagnation of the economy in Q2 and Q3, and slightly stronger growth in Q4, having been affected by inflation, more restrictive financial conditions and weak growth among Portugal’s main trading partners. Conversely, the strong recovery of the tourism sector and the increase in expenditure related to the RRP supported activity. However, industrial production slowed and exports of goods fell away significantly. Inflation and an increase in bank repayments have reduced families’ consumption and investment capacity. The rise in interest rates had a faster and more visible negative impact on the industrial sector, but the resilience recorded in the services sector ended up justifying the maintenance of a favourable situation in the labour market, despite some slowdown that occurred in employment, with the unemployment rate standing at 6.6% in November.

The year was also marked by political instability with the resignation of the Prime Minister on 7 November and the decision of the President of the Republic to dissolve Parliament and schedule early legislative elections for 10 March 2024.

The Bank of Portugal estimated that the 2023 budget surplus could have reached 1.1% of GDP, above the 0.8% forecast in the State Budget. Despite this positive baseline scenario, the less favorable macroeconomic scenario is expected to place the budget balance for 2024 at 0.1%, according to the Bank of Portugal, a value close to the 0.2% considered in the 2024 State Budget. In 2023, the improvement in the budget balance resulted from the disappearance of several measures related to the pandemic and, to a lesser extent, from the positive cyclical contribution, but with inflation and the consequent evolution of nominal GDP also playing an important role. As for the public debt ratio, this will have reached 98.7% of GDP by the end of 2023, the lowest debt ratio since 2009.

## Background of the Waste Sector

The year 2023 was marked by the publication of the Strategic Plan for Municipal Waste (PERSU 2030), by means of Resolution of the Council of Ministers 30/2023, of 24 March, and the National Waste Management Plan (PNGR 2030), by means of Resolution of the Council of Ministers 31/2023, also of 24 March. The PNGR 2023 establishes the policies and strategy for meeting the objectives and targets set out in the General Waste Management Regulation, and the PERSU 2030 will be an instrument for planning and implementing a series of actions to achieve these defined objectives and targets. PERSU 2030 priorities are prevention to reduce the generation and hazardousness of municipal waste and the promotion of separate collection, treatment and recovery. These will be the areas where the Municipal Waste Management Systems (SGRU) and the municipalities should base their Municipal Waste Management Action Plans (PAPERSU), detailing the operationalisation of each of the systems and demonstrating their capacity, viability and sustainability.

In February 2023, the ERSAR published its annual report on the characterisation of water and waste services in Portugal (RASARP 2022), which summarised the most relevant information regarding the characterisation and development of the sector, referenced to 31 December 2021, including an assessment of the quality of the service provided to users, the benchmarking of the performance of the managing entities, legal and contractual

monitoring and the economic and financial framework of the sector. At the end of the year, in October, the Annual Municipal Waste Report (RARU 2022) was published by the Portuguese Environment Agency (APA), which characterised the management of municipal waste by means of the Municipal Waste Management Systems (SGRU) for the year 2022, delineating the performance achieved in national terms by each of the 23 SGRU existing in Mainland Portugal in relation to preparation for reuse and recycling, and landfill disposal. This Report also refers to the strategic changes in the sector recommended in the PERSU 2030, focusing on replacing the model based on undifferentiated collection and treatment in TMB facilities, with another solution that prioritises selective collection, through infrastructures capable of treating waste collected selectively.

According to the latest RARU, 57% of the waste produced in mainland Portugal in 2022 was deposited in landfills, which represents an increase of 1% compared to 2021. The production of urban waste in Portugal remained practically unchanged in 2022, with 5.323 million tons (t) of municipal waste (MW), 0.24% above 2021. The problem of what to do with this waste is growing, while undifferentiated collection systems remain the preferred type of collection for municipal solid waste (MSW). And while it will be difficult to identify solutions to drastically reverse the growth trend in waste generation, there is already a set of guidelines and measures that must be implemented at an accelerated pace in order to fulfil the defined goals and targets. The target set under the General Waste Management System (RGGR) for reducing waste production per inhabitant - 5% of the quantity, compared to the 2019 figure - seems impossible to achieve, given that these quantities have been practically constant since 2019. As for the destination of this waste, the scenario remains complex as more than half of municipal waste continues to be landfilled, which should reach only 10% by 2035, according to EU directives.

In 2024, the publication of Decree-Law 24/2024, of 26 March, changes the arrangements for waste management, landfill disposal and management of specific waste streams subject to the principle of extended product responsibility. This decree-law makes changes to the RGGR, the Legal Arrangements for the Deposition of Waste in Landfills (RJLRA) and the Unified Arrangements for Specific Flows, aiming to comply with European legislation and improve the efficiency of the domestic waste management system, promoting alignment with the new strategic plans for the sector, establishing objectives for reducing waste production and encouraging recycling and the reduction of landfilling and the development of a more sustainable circular economy.

# Analysis of SUMA Group Activity

In 2023, the SUMA Group continued its activities in the various areas it has been developing, operating in 67 municipalities in Portugal in the area of MSW collection and urban cleaning, reaching a share of the private market with contracts with a duration of more than one year of 33.5%. The Group also maintained its leadership in the area of treatment and recovery of municipal waste, where EGF is a leading player in our country, covering an estimated population of 6.3 million inhabitants in 174 municipalities.

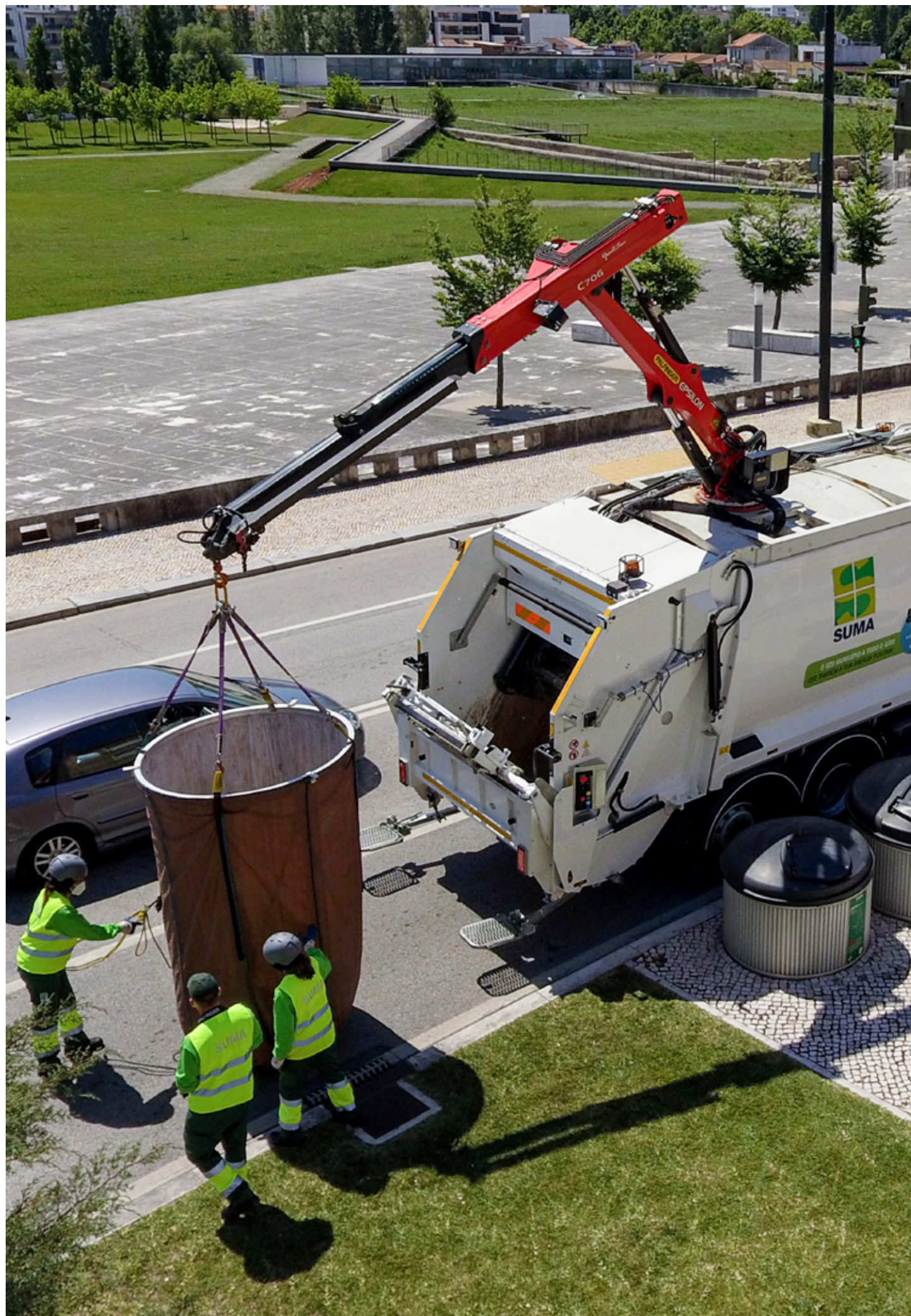
With regard to the international area, the SUMA Group continued its ambitious project, having operations in Angola (Viana and Belas), Mozambique (Maputo), Brazil (Avaré, Brasília, Conceição do Mato Dentro, Contagem, Igarapé, Itapevi, Itatiba, Jaguariúna, Maringá, Nova Lima, Santa Luzia, São Paulo, São Sebastião Paraíso and Sarandi), and Oman (Al Sharqiyah South).

During 2023, the SUMA Group generated consolidated revenues amounting to 432,279,101 euros, representing growth of 6.7% compared to the previous year.

Turnover by Area (thousand euros)	2021	2022	2023	Var. 22/23
Collection of MSW and Urban Cleaning PT	55,322	55,806	62,274	11.6%
MSW Treatment PT	219,104	260,682	273,820	5.0%
International	15,481	49,781	58,934	18.4%
Collection and Treatment of IW PT	34,133	38,923	37,252	(4.3%)
<b>Total</b>	<b>324,039</b>	<b>405,192</b>	<b>432,279</b>	<b>6.7%</b>

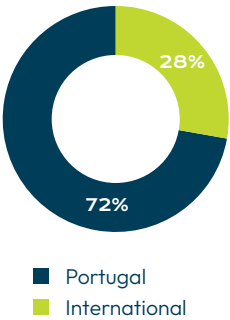
The SUMA Group companies recorded a total of tons of waste managed in 2023 identical to the previous year, but with a greater contribution from the collection of MSW and a sharp reduction in Industrial Waste, due to the suspension of the activities of Triaza and Rima, as well as a significant reduction at Resilei, as it reached maximum disposal capacity in active cells.

Tons of Waste	2021	2022	2023	Var. 22/23
MSW Collection	1,389,750	1,510,309	1,690,608	11.9%
MSW treatment	3,603,366	3,442,308	3,421,628	(0.6%)
Collection and Treatment of IW	506,359	539,477	379,619	(29.6%)
<b>Total</b>	<b>5,499,475</b>	<b>5,492,094</b>	<b>5,491,855</b>	<b>(0.0%)</b>



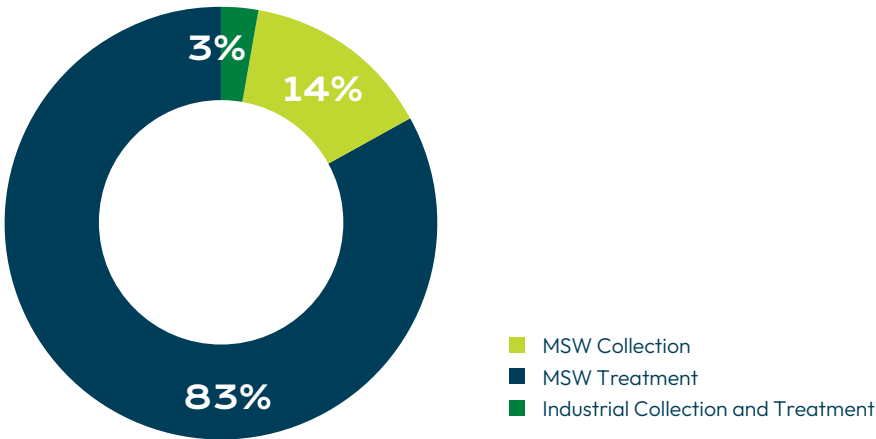
In Portugal, we have seen a decrease in the amount of waste managed, down 4.2% compared to the same period last year, mainly due to the reduction in industrial waste mentioned above. In the international area, we saw growth of 13.1%, explained essentially by the activity of Brazil and Angola.

Tons of Waste	2021	2022	2023	Var. 22/23
Portugal	4,372,477	4,147,441	3,971,685	(4.2%)
International	1,126,999	1,344,653	1,520,170	13.1%
<b>Total</b>	<b>5,499,475</b>	<b>5,492,094</b>	<b>5,491,855</b>	<b>(0.0%)</b>

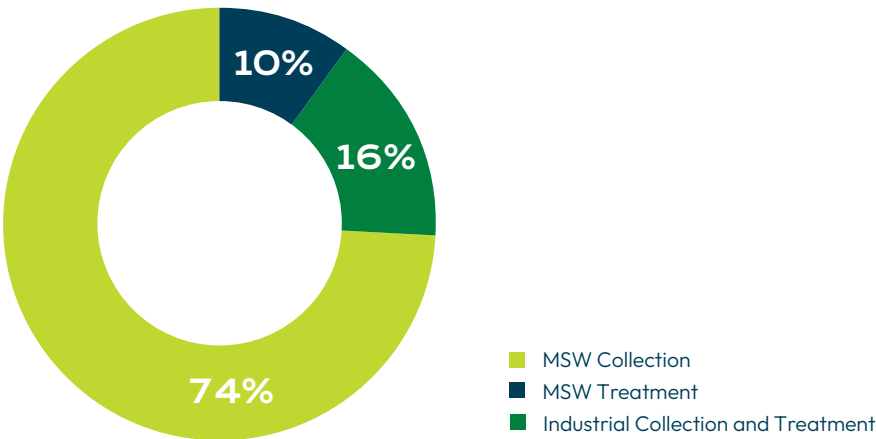


The assessment of the quantities of waste managed in the main activities carried out, during the period of 2023, shows that the MSW treatment area stands out as the activity responsible for managing the largest quantity of waste in Portugal, with the MSW collection area being the one that generates the largest quantity of waste in companies abroad.

### Tons of Waste Managed - Portugal



### Tons of Waste Managed - International





## Municipal Solid Waste Collection and Urban Cleaning

SUMA's commercial activity, which extends to its subsidiaries in the municipal services area, increased again in 2023, with 708 business opportunities being analysed in the domestic market, and 499 proposals being presented, with an overall value of 376.2 million euros. At the end of 2023, 78 proposals were pending a decision, worth approximately 61.6 million euros, and 18 proposals were still in the preliminary hearing phase, with a total value of 58.6 million euros.

Last year, SUMA Group was awarded services worth a total of 36.9 million euros, including the following:

Entity	Services
Monção City Council	<ul style="list-style-type: none"> <li>· Collection and transportation of municipal solid waste and similar waste produced in the Municipality;</li> <li>· Public cleaning in the urban centre of Vila de Monção.</li> </ul>
Caminha City Council	<ul style="list-style-type: none"> <li>· Collection and transportation of urban waste;</li> <li>· Supply, maintenance and washing of containers;</li> <li>· Urban cleaning of the municipality of Caminha.</li> </ul>
ALGAR	<ul style="list-style-type: none"> <li>· Provision of Services;</li> <li>· Collection of Recycling Points.</li> </ul>
Montalegre City Council	<ul style="list-style-type: none"> <li>· Acquisition of services for the collection, transportation and disposal of municipal solid waste.</li> </ul>
Mafra City Council	<ul style="list-style-type: none"> <li>· Gradil Ecocentre.</li> </ul>
AMARSUL	<ul style="list-style-type: none"> <li>· Washing of recycling points and containers on public highways.</li> </ul>
Marinha Grande City Council	<ul style="list-style-type: none"> <li>· Provision of municipal solid waste collection services in the Municipality of Marinha Grande.</li> </ul>
Figueira da Foz City Council	<ul style="list-style-type: none"> <li>· Contracting of services for cleaning and maintenance of the beaches in the Municipality of Figueira da Foz.</li> </ul>
Esposende City Council	<ul style="list-style-type: none"> <li>· Acquisition of undifferentiated waste collection services;</li> <li>· Collection of bio-waste;</li> <li>· Beach cleaning and supply;</li> <li>· Maintenance and washing of containers in the Municipality of Esposende.</li> </ul>

The provision of services lasting one year or more totals around 62% of the total value of contracts awarded in 2023.

In 2023, SUMALAB saw a significant increase in the number of tests carried out internally compared to previous years, associated with the fact that it began working on the implementation of new analytical methods in the area of microbiology and on maintaining Accreditation under EN 17 025, since 2022. During 2023, 49,957 samples were taken, corresponding to the determination of 399,678 parameters, of which 293,798 parameters were measured internally and 105,880 parameters were subcontracted.

## Municipal Solid Waste Treatment

The quantities of waste treated by the EGF Group have been relatively stable in recent years, exceeding 3.2 million tons in the last three years. In 2023, there was a notable decrease in the amount of undifferentiated waste received, which, although still a minor reduction compared to waste prevention objectives, already illustrates a downward trend.

In terms of selective collection, EGF Group companies achieved an amount of 661 thousand tons, registering a 5% increase in total selective collection, which includes packaging, wood, bio-waste, scrap and other selective waste streams. In terms of tri-flow selective collection activity, the total amount of material collected was 378 thousand tons, increasing again compared to the previous year. The selective collection of paper and cardboard registered an increase of 1.3%, and the collection of plastic and metal, an increase of 3.3%. The selective collection of glass bucked this growth trend, which could indicate a change in consumption habits, explaining the -2.4% in glass packaging. Also noteworthy is the selective collection of bio-waste, which has seen growth of 24%, as these services are being launched across the country. In 2023, around 100 thousand tons of green waste and food waste were delivered by the Municipalities for treatment at EGF concessionary companies for recovery.

The production and export of energy from the treatment and recovery of waste has become vital to the environmental sustainability of EGF Group companies. During 2023, approximately 378 GWh of electrical energy was exported to the national electricity grid, a lower value than in previous years, due to the lower availability of the Incinerator, fundamentally due to a period of shutdown for scheduled maintenance of the Valorsul Energy Recovery Plant.

During 2023, the preparation and submission of the PAPERSU 2030 was significant. This included the definition of the investments necessary to meet the demanding goals established in the PERSU 2030, as well as the establishment of measures and actions aimed at fulfilling the national strategy for the area covered by each concessionaire.

In 2023, the Group's companies saw their certifications renewed, demonstrating the companies' commitment to Quality, the Environment and Safety.

The quantities of waste deposited in the landfill managed by REAL VERDE, in 2023, show a decrease compared to 2022, with 45,844 tons of waste having been deposited in the landfill.

## Collection and Treatment of Industrial Waste

Following an agreement signed in March 2023 between the Mota-Engil Group and the Urbaser Group, the companies that make up this industrial waste business area, with the exception of TRIAZA, were sold to Urbaser through a spin-off process concluded on 28 December 2023.

## International Area

In 2023, the SUMA Group continued its business internationalisation strategy, maintaining and strengthening its presence in the markets in which it operates.

### VISTA WASTE

Vista Waste focused on continuing its activity in providing waste collection and urban cleaning services in the province of Luanda, through contracts signed in the municipalities of Viana and Belas.

In the area of management and recovery of waste (industrial, hospital, recyclable), a process was initiated of re-profiling the activity, which has a portfolio of approximately 300, mainly private, clients.

Due to its relevance, it is worth highlighting the agreement to settle overdue debt reached in 2022 with the Provincial Government of Luanda, which allowed the company, in September 2023, to receive in cash the remaining amount established in the agreement, which will allow the company to have a greater capacity in 2024 to face the challenges that arise in the performance of its activities.

### ECOLIFE

In 2023, Ecolife continued to successfully execute its main waste collection contract in the central area of Maputo, serving a population of 130,000 inhabitants and collecting and transporting 68 thousand tons of waste. A particular highlight, in the last quarter of 2023, was the first award of a contract for services by a company in the Oil & Gas sector, an area in which, as a result of synergies with the Mota-Engil Group, ECOLIFE has legitimate expectations of being able to increase its activities, both in 2024 and in future years.

### SUMA BRASIL

The balance of Suma Brasil's activity in 2023 was very positive, both from a commercial and operational standpoint, a reflection of the company's path of consolidation in the Brazilian market and its ability to respond effectively to pressing quality of life concerns of the population in general. With four new contracts secured in the state of Minas Gerais and one in São Paulo, the company also maintained its operations in the Federal District and Paraná, achieving record revenues, serving more than 6 million inhabitants and managing more than 75 thousand tons of waste per month.

Also in 2023, the start up of operations at the Santa Luzia landfill and the conclusion of various contracts with municipalities belonging to the metropolitan region of Belo Horizonte are worthy of note, as well as those with some private clients, which allowed the achievement of a daily average of 310 tons of waste treated.

Moreover, although on a smaller scale, the ECOSS and Mais Itapevi subsidiaries also met their objectives in terms of the quality of the services provided and their respective profitability.

The year 2024 will be marked by the expiry of several contracts and the continuity that will be given to the successful commercial strategy adopted by SUMA Brasil, based on mature solutions and the extensive knowledge acquired over decades of operation, which is why the company is expected to continue to win new contracts and maintain the growth trend of recent years.

### SUMA OMAN BRANCH

With the aim of expanding SUMA's business in this geographical region, the Branch continued to analyse opportunities and present commercial bids during 2023 and maintained its local ties in the area of environmental education consultancy services promoted by SUMA.

### ECOVISION

Following the contract signed at the end of 2015 for waste collection in the province of South Al Sharqiyah, ECOVISION continued to perform well during 2023, following the best operating practices it has been adopting in the market. Regarding the contract initiated in 2022 for the sealing and installation of a biogas system in two landfills in the Sultanate of Oman, ECOVISION completed the work on one of them during 2023, and work on the second landfill is estimated to be completed during 2024.

For the year 2024, it should also be noted that the limit of the two-year contractual extension of the above-mentioned waste collection contract will be reached at the end of the year. It is possible, however, that Ecovision's activities will continue until a new contract is finally awarded in 2025, the tender for which has not yet been launched.



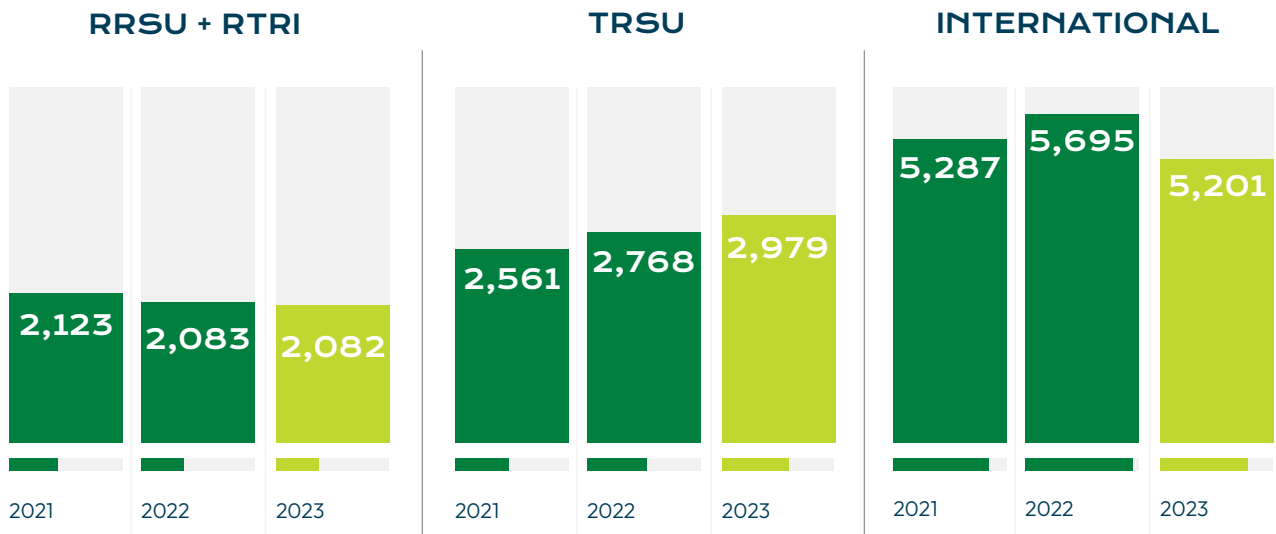
# Corporate Areas

## HUMAN RESOURCES

The focus on the advancement and motivation of workers, training and safety, and the quality and improvement of working conditions are among the SUMA Group's priorities.

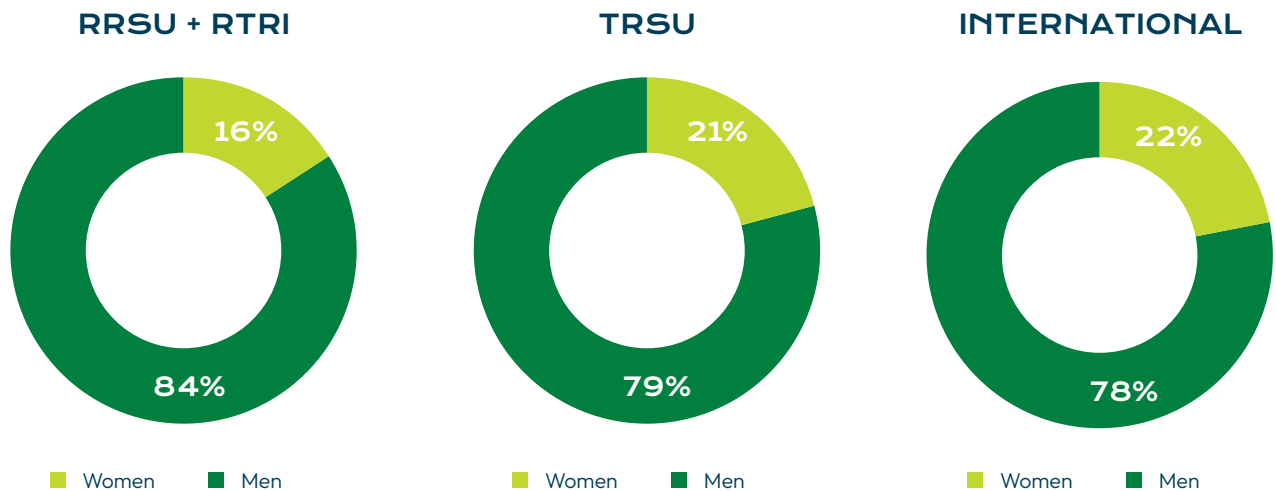
At the end of 2023, the set of companies in the SUMA group had more than 10 thousand workers working for more than 30 companies with continued operations during this period, as can be seen in the following graphs:

### Average Number of Employees



Regarding the distribution of employees by gender, there continues to be a male predominance across the group.

### Employees by Gender



The percentage of workers assigned to the operational area is around 88%, with the remainder performing functions in the organisation and workshops.

As in previous years, maintaining the perspective of social responsibility, in 2023 various contacts were made with entities that collaborate in the integration of individuals with different degrees of disability. Although our area of activity makes it difficult to integrate these candidates, improvements were made and we were able to move forward with new hires.

Throughout 2023, the SUMA Group’s human resources department demonstrated a continued commitment to innovation and the improvement of internal practices, with a focus on specialised training in leadership and team management, specifically aimed at operational managers. This training aimed to provide leaders with essential tools and skills for effective management of their teams, promoting more inspiring, collaborative and results-oriented leadership.

These actions reflect the SUMA Group’s commitment to excellence in people management and the recognition of human capital as the main driver of organisational success. By investing in leadership development and implementing active listening practices, the company aims to reinforce its positioning as a benchmark employer, capable of attracting, retaining and developing the best talent.

**PLANNING, OPERATION AND CONTROL**

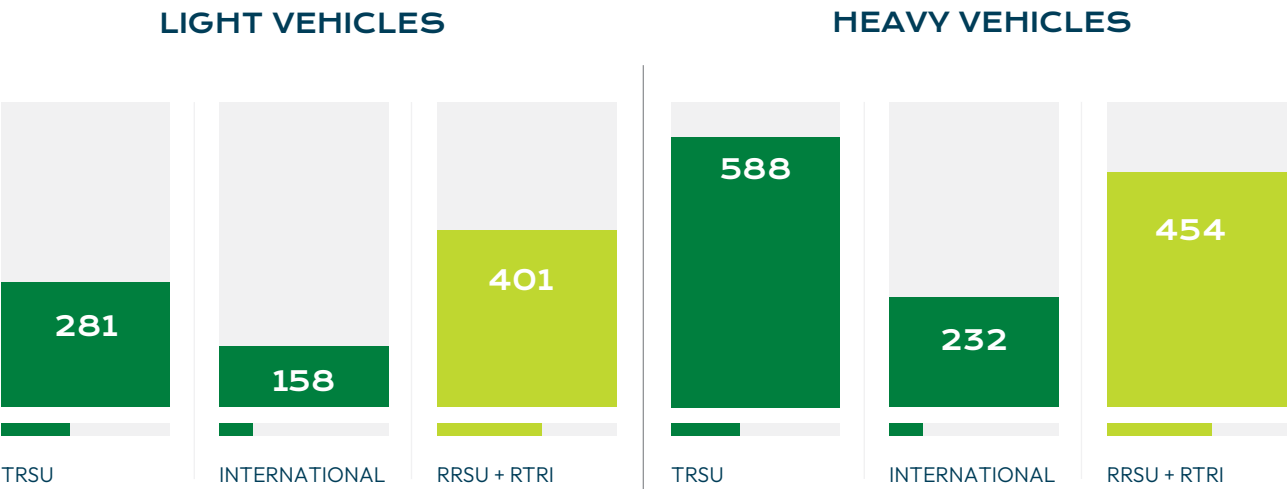
During 2023, SUMA invested in strengthening the Planning and Control team, with the aim of enhancing the work carried out and improving response capacity.

In terms of application development, of particular note is the new “SUMA no Bairro” app, which aims to become, if possible, the only source of information for registering residents’ complaints and requests, and is available for IOS and Android systems. Additionally, support was provided to the Environmental Education and Awareness services to provide several apps for collecting information on the ground, for awareness-raising initiatives and the registration of members, for later use by Operations.

Regarding operational control, it is worth highlighting the process of installing GPS/CanBUS modules, which began in 2023 and should, in April 2024, cover all Production vehicles. Additionally, several other technological support features were implemented, allowing information to be accessed virtually online and monitoring the real evolution of the activity and compliance with economic, production, quality, safety and training targets.

**EQUIPMENT AND FACILITIES**

During 2023, the vehicle acquisition process continued with the aim of bringing a wider range of solutions to the fleet for new contracts and some equipment renewals, thus allowing us to meet market demands with guaranteed quality and reliability in the services provided. To this end, the group acquired a total of around 130 new vehicles this year. In accordance with this policy, the vehicle fleet in 2023 is distributed as follows:



It should be noted that, in accordance with the policy followed by the company, the group has a significant number of electric vehicles, currently totalling around one hundred.

The practice of monitoring and training drivers/operators was also maintained, both when starting up new services and equipment, and in terms of continuous improvement of operating practices with the various equipment, in the operation of the chassis and the superstructures, with a special focus on the safety, upkeep and consumption of the equipment.

The incorporation of new technologies into working methods was pursued at various levels, with a predictive maintenance platform being studied as a maintenance support tool that would provide economic advantages for the company. This system allows the monitoring of various vehicle components and, through artificial intelligence models, aims to anticipate breakdowns or minimise their effects, thus allowing a significant reduction in corrective maintenance, its respective costs and inherent downtime. The ongoing pilot project will be monitored throughout 2024 to assess its suitability for the fleet.

It is worth highlighting SUMA's new facilities in Polima, which replaced and improved those previously located in Abrunheira, and will not only house all the services related to vehicle and equipment maintenance, but will also support, from an operational standpoint, a series of contracts in the Lisbon area. Decent, comfortable, practical, organised and functional facilities were guaranteed, which allow us to maximise and profit from our human and material resources, ensuring with this change a leap forward in terms of productivity, profitability and quality of the work performed.

It is also worth mentioning the acquisition of our own facilities in the municipality of Faro, which, after the necessary adaptation works, began to support operations from May onwards. These new facilities, with covered and uncovered areas much larger than at the previous rented facilities, have enabled us to resize all workshop, administrative and technical support services, with clear positive impacts on daily operations.

## **SUSTAINABILITY**

SUMA maintains an unwavering commitment to Sustainability, directing its actions towards environmental protection and the development of the quality of life of the communities it serves, which occurs simultaneously with the adoption of exemplary social responsibility and corporate governance practices.

For a more detailed and complete analysis of our commitment and performance in sustainability, we recommend consulting the Mota-Engil Group Consolidated Report and Accounts. This document presents consolidated sustainability information and centralises additional data covering sustainable practices that can be implemented within the Group's companies.

## **ENVIRONMENTAL EDUCATION AND AWARENESS**

The imminent introduction of a new separation and collection unit in waste co-management - bio-waste - the urgency in achieving certain targets for preventing waste production, preparing it for reuse and recycling and landfilling by 2025, and the recognised merit of SUMA's environmental education are reflected, in the year under review, in the number of new exclusive awards and active contracts, the turnover obtained and in the satisfaction of predefined departmental efficiency indicators.

In the area of Urban Services, of the 51 new exclusive environmental education contracts in 2023, 92% focused on the recovery of bio-waste or multi-material recovery, through the introduction and/or intensification of: dedicated door-to-door or proximity collection of bio-waste, domestic and collective composting systems, door-to-door or proximity separate collection systems for green waste, and dedicated multi-flow collection systems for packaging waste with a specific flow of organic waste.

The amount awarded in 2023 corresponded to contracting services for: design of thematic APPs, mobile awareness-raising units, campaigns and communication pieces, and procedure guides; door-to-door, remote and recreational awareness-raising initiatives; group training, education and mobilisation sessions; pedagogical monitoring; logistical management of equipment and resources; monitoring and evaluation.

As for the Treatment area, environmental communication and education involves regular and/or dedicated activities, which ensure contact with citizens to inform them and motivate them to adopt appropriate



environmental behaviours. In 2023, the campaigns and actions implemented led to direct contact with around 14.6 million people. One of the tools used is the Recycling Line, a free, nationwide, multiplatform public service. With a telephone number, a website and an email address, this platform attempts to respond to citizens' queries or requests for information, along with suggestions and complaints, in a direct and effective manner.

Several partnerships were also developed under the ambit of projects and initiatives with the community on a regular basis, as well as the implementation of 11 operational corporate campaigns. These campaigns, closely linked to collection services, resulted in the collection of 13.7 thousand tons of packaging.

## TRAINING

The training activity in the area of Urban Services focused on the following campaigns: Safety in Container Washing, Safety in Collection Operations, Safety in Grass Cutting Operations and Introduction to Moodle. In this context, objectives were defined not only in terms of direct action by the Training Department, but also in terms of the total training managed by it. It was thus established for 2023 that 2,255 training sessions would be carried out involving 18,174 trainees, with the completion of 83,743 hours in the year.

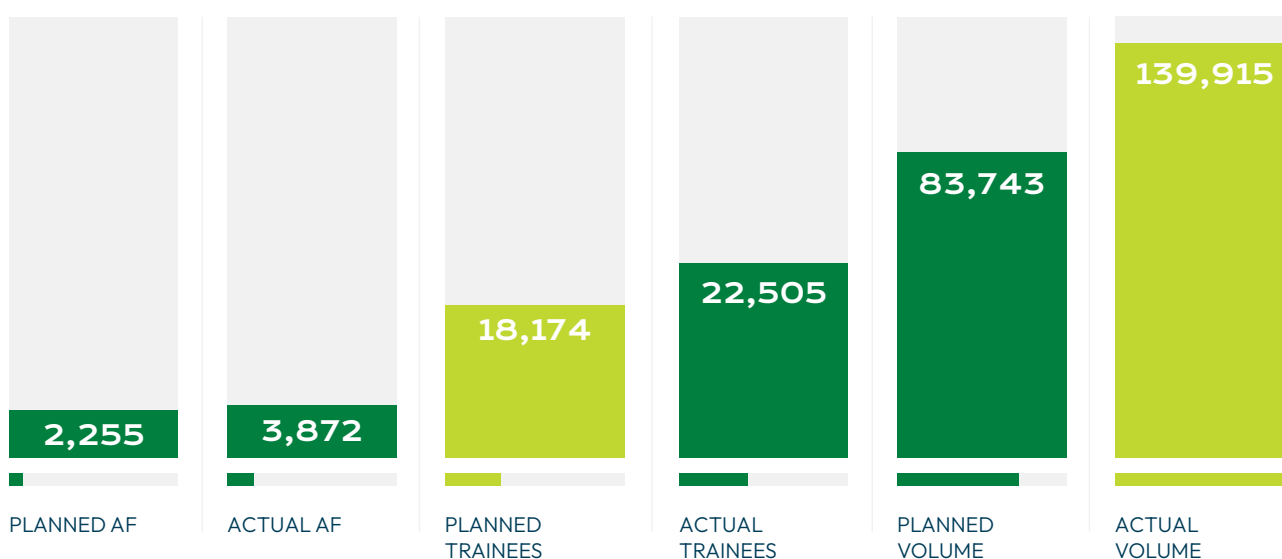
Regarding the training developed by the Tutors, for 2023, it was proposed they should carry out 1,785 training sessions, with the integration of a total of 1,339 workers and the completion of 893 hours of tutoring, including the creation of grids in the area of Safety and Equipment Operation and in the Behavioural area.

In the table below, we present the data relating to the planning and execution of training:

Action Code	AF Planned	AF Carried out	Planned Trainees	Actual Trainees	Planned Volume	Actual Volume
FI	121	540	778	1,399	3,792	9,464
FIEL	18	0	270	0	2,118	0
FLT	309	922	12,470	17,504	61,712	93,314
FPCT	1,807	2,410	4,656	3,602	16,120	37,137
<b>Total</b>	<b>2,255</b>	<b>3,872</b>	<b>18,174</b>	<b>22,505</b>	<b>83,743</b>	<b>139,915</b>

Caption: FI – Internal Training; FIEL – Internal e-Learning Training; FLT – Workplace Training; FPCT – Practical On-the-Job Training.

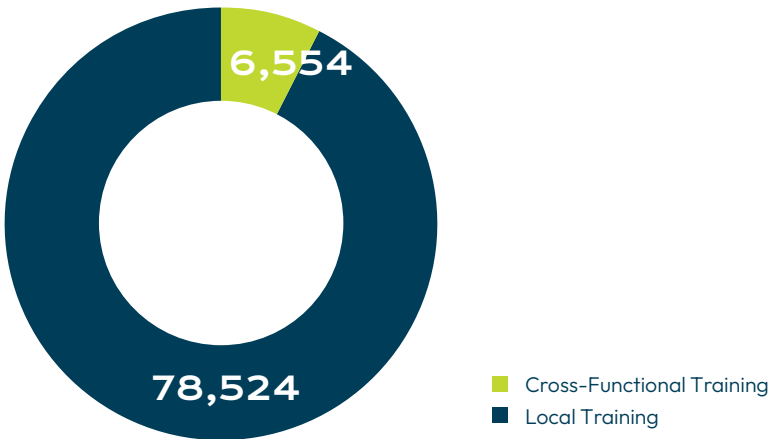
The objectives set for the year in terms of number of sessions, number of trainees and volume of hours were achieved, as can be seen in the following graph:



Similar to previous years, accident analysis remains a crucial component in shaping the training plan, enabling the training program to be tailored according to the specific needs identified through the data obtained from accident analysis. Thus, the resulting data are considered in the preparation of the Annual Training Plan, and direct the implementation of Tutoring aimed at services, tasks, workers and/or operations that have been identified as priorities in terms of risk, as well as for the definition, design and implementation of Training Campaigns and/or one-off Training, which serve as corrective and preventive models for workers in the performance of their duties and, consequently, reduce the Company's accident rate.

In the Treatment area, 85,078 hours were carried out, covering 3,069 people. Of this entire volume of training, 78,524 hours were provided locally within the companies and 6,554 hours were managed transversally, i.e., they responded to needs that were identified in various companies, which allowed the design of programmes and content capable of responding in the same way to the needs identified in the context of each company. It should be noted that, compared to 2022, the total volume of training hours grew by 25%, which compares with 4% growth in staff in the same period.

**Distribution of Training Hours**



**INSTITUTIONAL IMAGE AND COMMUNICATION**

For the seventh consecutive year, SUMA received recognition as an “Environment Trusted Brand” in the Waste Treatment Company category, a source of pride widely publicised both internally and externally.

It is also worth highlighting the Company's participation in three events in the last quarter of the year: the Portugal Smart Cities Summit - with the presence of SUMA at a dedicated stand and with the public launch of the SUMA no Bairro app; the ISWA 2023 International Solid Waste Association World Congress - with the participation of ECOVISION, and the creation of a dedicated exhibition area and specific content and support for the meetings and thematic sessions that ran parallel to the congress.

**QUALITY, ENVIRONMENT AND SAFETY**

**Quality and Certification**

In May 2023, APCER carried out an integrated audit of the Quality Management System (NP EN ISO 9001:2015), Environmental Management System (NP EN ISO 14001:2015) and Occupational Health and Safety Management System (NP EN ISO 45001:2019), with the decision to issue the new Certificates being communicated in July. APCER considered that the organisation has a management system integrated with the three standards that is in line with the applicable legal, statutory and regulatory requirements, allowing it to achieve the desired results in accordance with the reference standards for certification. Having been in place for several years, it is well developed and robust in terms of the requirements, and therefore meets the necessary conditions to maintain the certifications of the Integrated Quality and Environment Management System and migrate from

the reference standard in Occupational Health and Safety, which is implemented for the design, development, planning and marketing of the activities it carries out.

In the area of Treatment, it is the Regulatory Entity that ensures the regulation of the quality of the service provided to users by the managing entities, evaluating the performance of these entities. The quality of the municipal waste management services provided annually is assessed once a year and currently through the application of the 4th generation of the assessment system using service quality performance indicators. The “Guide to Assessing the Quality of Water and Waste Services Provided to Users – 4th Generation of the Assessment System” was published by the ERSAR on 29 December 2021. The results of this assessment system form an integral part of the Annual Report on Water and Waste Services in Portugal (RASARP). In February 2023, the 2022 RASARP, which summarises the most relevant information regarding the sector in 2021, was published and disclosed on the ERSAR website.

### Environment

Further interventions were carried out at the facilities, through technical visits and internal audits, seeking to identify critical situations and opportunities for improvement, which were corrected together with the various stakeholders in the operations, with various corrective and preventive measures being implemented. Given the high associated legal component, this work takes on a more inspiring outline and a longer assessment time. The entities managing municipal waste management services are subject to the intervention of the environmental regulator, namely the Portuguese Environment Agency (APA).

### Safety

In terms of Safety, the Group continued to intensify its visits to and internal audits of Services and Facilities, aiming to identify critical points and correct them, and defining, together with the various stakeholders involved in the operation, corrective and preventive measures with the aim of reducing accidents and encouraging good working practices.

### INFORMATION SYSTEMS

The SUMA Group considers Information Systems to be an essential pillar for the proper functioning of the organisation and, as such, continues to invest in an integrated data processing, storage and communication system that allows the Company to evolve and develop successfully.

Moreover, to address the increase in cyber threats as well as their sophistication, a series of improvements were completed that ensure greater resilience to potential attacks of this nature.

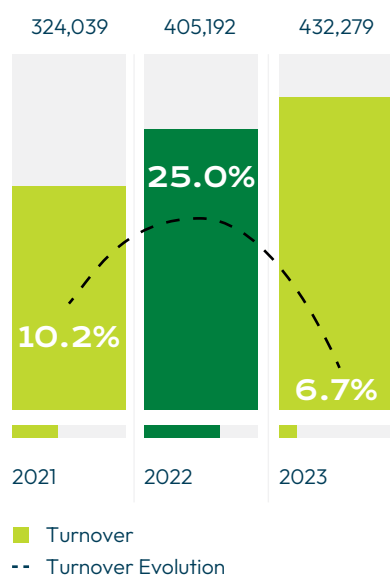




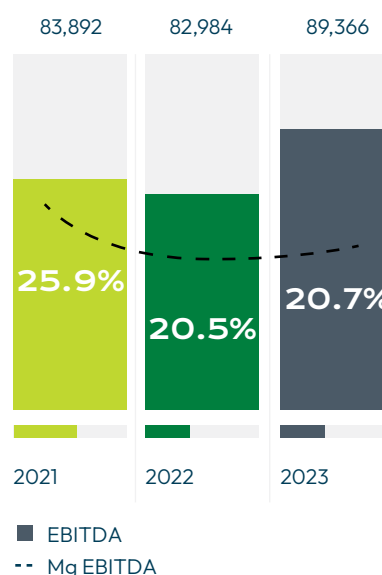
# Economic and Financial Analysis

In 2023, the **SUMA Group** reinforced the growth trajectory seen in previous years, recording a significant increase in turnover to 432,279,101 euros, up 6.7% compared to 2022, and, equally, notable growth in earnings before interest, taxes, depreciation and amortisation (“EBITDA”) to 89,365,753 euros, corresponding to a margin of 20.7% (before losses with associated enterprises).

## Turnover

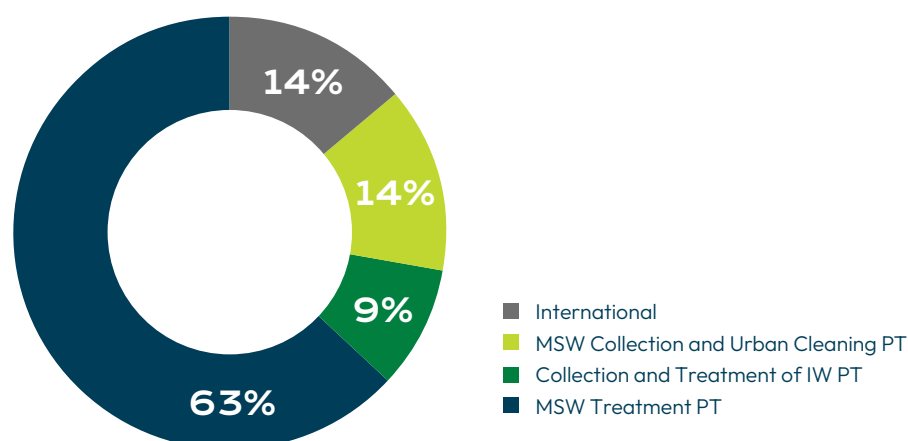


## EBITDA



The following graph shows the segmentation of Turnover by business area, where the Treatment of MSW PT stands out at 63%.

## Turnover by Business Area



The growth seen in 2023 is fundamentally justified by the expansion of the customer portfolio, mainly in urban cleaning and treatment, in the latter case, influenced by the adjustment of the applied tariffs. Also noteworthy is the inclusion, from December 2023, of Vista Waste revenues.

Turnover by Activity (thousand euros)	2021	2022	2023	Var. 22/23
MSW Collection	49,030	71,784	69,631	(3.0%)
Urban Cleaning	17,073	25,746	33,819	31.4%
MSW treatment	223,965	257,912	272,071	5.5%
Collection and Treatment of IW	26,558	38,732	38,986	0.7%
Laboratory	945	1,183	1,459	23.3%
Environmental Education	545	774	1,287	66.3%
Other	5,923	9,060	15,026	65.8%
<b>Total</b>	<b>324,039</b>	<b>405,192</b>	<b>432,279</b>	<b>6.7%</b>

The growth trend seen in previous years was maintained, with emphasis on positive variations in companies in the international area. Companies in the urban services sector in Portugal contributed an increase of 11.6% to the consolidated business volume, which resulted from a greater diversity of services provided and the normal tariff adjustment. Companies in the MSW treatment area contributed with an increase of 5.0%, demonstrating the positive evolution of the business in the national territory.

The turnover of each of the domestic companies is as follows:

Turnover - Portugal (thousand euros)	2021	2022	2023	Var. 22/23
<b>Urban Services</b>				
SUMA	59,152	60,044	67,239	12.0%
SUMALAB	1,546	1,803	2,210	22.6%
SUMA Esposende	1,632	1,248	90	(92.8%)
NOVAFLEX	529	1,560	1,476	(5.3%)
<b>MSW treatment</b>				
EGF	1,496	1,614	1,822	12.9%
ALGAR	26,195	32,457	34,587	6.6%
AMARSUL	25,969	30,407	33,365	9.7%
ERSUC	26,821	34,083	34,029	(0.2%)
RESIESTRELA	4,985	6,652	6,953	4.5%
RESINORTE	23,041	25,988	29,066	11.8%
RESULIMA	5,931	10,718	12,495	16.6%
SULDOURO	10,506	14,632	14,927	2.0%
VALNOR	8,479	11,130	11,684	5.0%
VALORLIS	8,078	10,925	11,834	8.3%
VALORMINHO	2,146	2,894	3,305	14.2%

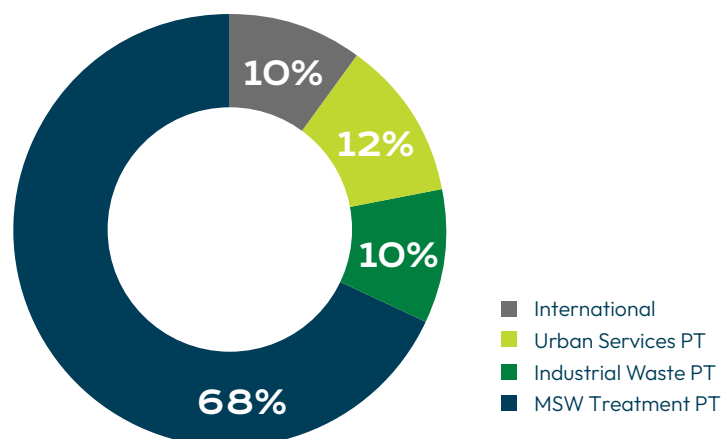
Turnover – Portugal (thousand euros)	2021	2022	2023	Var. 22/23
<b>MSW Treatment (cont.)</b>				
VALORSUL	63,036	79,475	82,191	3.4%
REAL VERDE	900	896	674	(24.8%)
SIGA	807	274	45	(83.5%)
<b>Industrial Waste</b>				
RIMA	3,523	1,555	509	(67.3%)
RESILEI	1,801	3,732	1,775	(52.4%)
TRIU	11,309	13,690	13,915	1.6%
ENVIROIL II	9,539	11,376	10,651	(6.4%)
CORREIA & CORREIA	11,379	14,081	14,274	1.4%
SRI	490	477	510	6.9%
TRIAZA	1,076	187	72	(61.3%)

During 2023, analysing companies operating abroad, we saw an increase in revenues in Brazil, in contrast to a decrease in the remaining geographical regions. The turnover of the main companies abroad was as follows:

Turnover – International (thousand euros)	2021	2022	2023	Var. 22/23
Angola VISTA WASTE	2,742	28,595	16,925	(40.8%)
Brazil SUMA BRASIL	26,293	38,208	45,907	20.2%
ECOSS AMBIENTAL	19,854	25,537	27,484	7.6%
MAIS ITAPEVI	931	6,345	8,278	30.5%
CTR	-	-	669	-
Mozambique ECOLIFE	1,230	2,016	1,882	(6.6%)
Oman ECOVISION	10,013	11,562	11,204	(3.1%)

With regard to consolidated EBITDA, the Treatment area continues to make the largest contribution with 68% (disregarding losses in associated enterprises), as shown in the following graph:

### EBITDA by Area



Although the SUMA Group's EBITDA in 2023, before applying losses with associated enterprises, amounted to 89,365,752 euros, it shows an increase of 0.2%. After applying losses with associated enterprises, it amounted to 60,596,970 euros, a drop of 32.4% compared to the same period in the previous year.

The value of the loss with associated enterprises of the SUMA Group in 2023 amounts to -28,768,782 euros, this value being fundamentally explained by the accounting of foreign exchange recycling resulting from the acquisition in December 2023, directly and indirectly, of 51% of the share capital of Vista Waste, previously 49% owned.

The Group presents consolidated earnings before interest and taxes of 13,815,368 euros in 2023, reducing the operating profitability of sales to 3.2%, below the same period of the previous year by 5.5%.

The consolidated net earnings of the SUMA Group, attributable to the shareholders, ends with a negative value of -23,723,032 euros, which would have been 11,333,082 euros if the aforementioned loss with the associated enterprises had not occurred.

Despite the negative result, the group of companies in the SUMA Group have a positive operational performance, with growth in activity and an increase in turnover and EBITDA, thus increasing the added value for its stakeholders.

The assessment of the main financial indicators, based on the consolidated accounts for the year-end of 2023, demonstrates the financial capacity of the SUMA Group to comply with its obligations to third parties and ensure its financial sustainability.

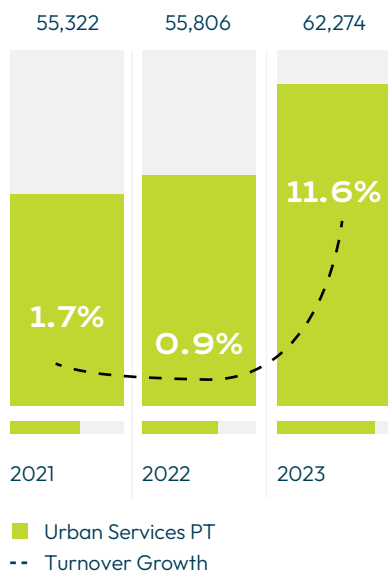
As a result of the contractual responsibilities assumed and the adaptation of the operation to meet the targets defined for the waste sector, in 2023, the financial autonomy ratio varied by -3.7% compared to the previous year, standing at 25.8%, while the level of general indebtedness increased, in this period, to 73.8%.

## Municipal Solid Waste Collection and Urban Cleaning

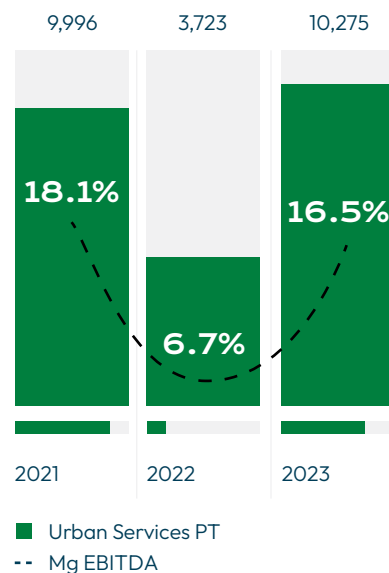
Companies in the urban services sector in Portugal contributed an increase of 11.6% to consolidated turnover, which resulted from a greater diversity of services provided and a tariff adjustment to market conditions. In the area of Municipal Solid Waste Collection and Urban Cleaning, there was an increase in EBITDA, as a result

of better operational performance. In 2023, it achieved an EBITDA margin of 16.5%, reaching 10,274,957 euros.

### Urban Services Area



### Urban Collection and Cleaning Area

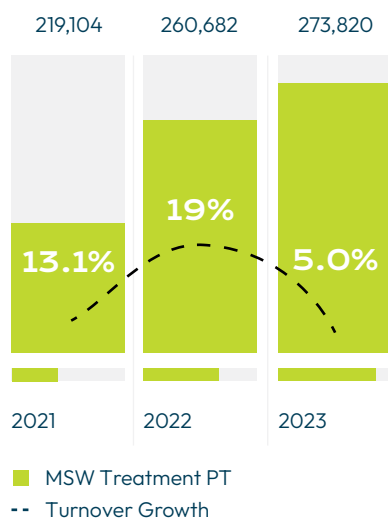


## Municipal Solid Waste Treatment

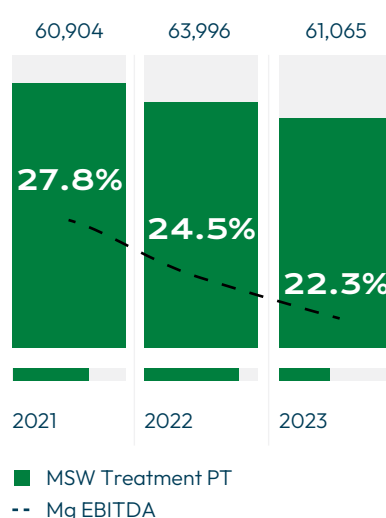
In 2023, the Municipal Solid Waste Treatment area reached a turnover of 273,819,532 euros, remaining in line with the growth plan established and the pursuit of the environmental goals defined.

This area reached an EBITDA of 61,065,334 euros, representing a decrease of 4.6%. The 2022 EBITDA is positively influenced by extraordinary movements related to the 2021 CRR, without which the EBITDA recorded in recent years would have been stable.

### Solid Waste Treatment Area



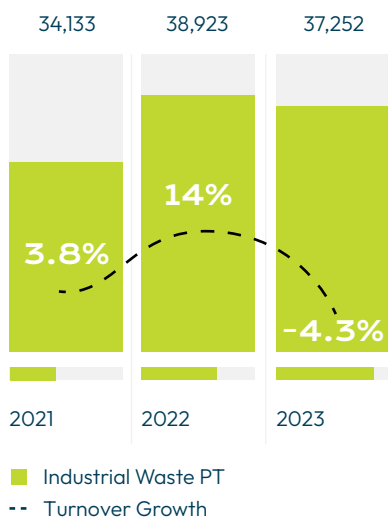
### EBITDA



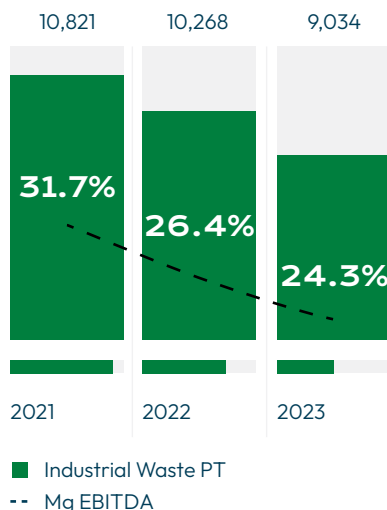
## Collection and Treatment of Industrial Waste

In 2023, the Industrial Waste Collection and Treatment area recorded a decrease of 4.3% in turnover compared to 2022, amounting to 37,252,474 euros. EBITDA reached 9,034,454 euros in 2023, a drop of 2.1% compared to the previous year.

### Industrial Waste Collection and Treatment Area



### EBITDA



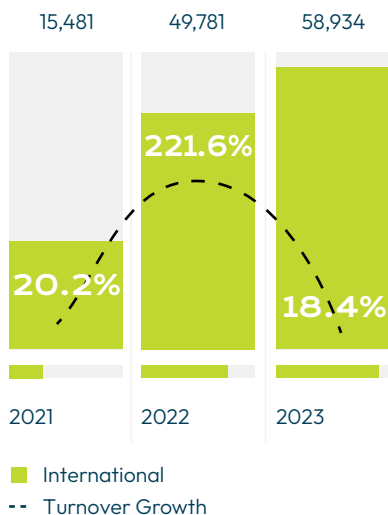
## International Area

The SUMA Group has been strengthening its international area, having registered, in 2023, a significant increase in its turnover to 58,933,516 euros, an increase of 18.4% compared to 2022.

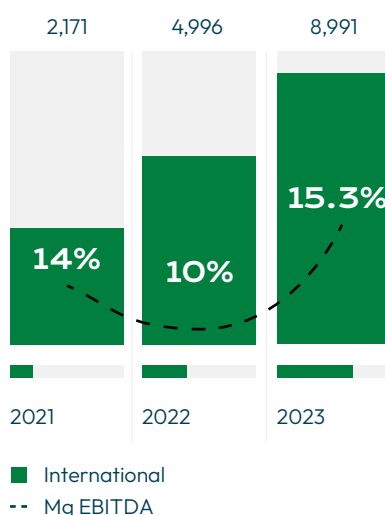
The increase in the consolidated turnover of companies operating abroad comes from the inclusion, from October 2021, of companies in Brazil and the growth of activity in that country, to which Vista Waste's revenues are added from December 2023.

Regarding EBITDA, there was growth both in absolute terms and in margin, essentially due to the better performance of companies in Brazil and, as already mentioned, the inclusion of Vista Waste from December 2023.

### International Area



### EBITDA



## Subsequent Events after the End of the Period

The agreement established between Mota-Engil and Urbaser, through which Mota-Engil acquired from Urbaser the shares that the latter held in SUMA and SUMA TRATAMENTO, was concluded on 3 January 2024, with Mota-Engil selling to Urbaser the industrial waste business that formed part of SUMA.

With this transaction, Mota-Engil will directly or indirectly hold the entire share capital of SUMA and SUMA TRATAMENTO.

On 3 May 2024, Suma Tratamento's request to postpone the due date of the bank loan taken out with a banking syndicate led by BPI was approved, through a Consent Letter, which provides for the settlement of only 4,655,002.61 euros in 2024, with the due date of the remainder being changed to 1 July 2025. This event was assessed as a non-adjustable subsequent event.

No other subsequent events having a significant impact on the financial statements as of 31 December 2023 are known to date.

# Outlook for 2024

Considering the escalation of the recent conflict in the Middle East, persistent inflation, financial tensions, global trade volatility and climate disasters, growth prospects in Portugal for 2024 point towards a slowdown, with uncertainty and an increase in risk factors prevailing. Despite this backdrop, private consumption and investment are expected to continue to grow, which is a positive sign for the national economy.

At sectoral level, recent changes to the general waste management regulation and the landfill waste disposal regulation aim to complete the transposition of European waste directives and to make waste management standards compatible with the objectives and measures contained in the recently approved PNGR 2030, PERSU 2030 and PERNU 2030. New methodologies and values are also established for the waste management fee (TGR), creating incentives for collection and recycling and seeking to reduce the disposal of waste in landfills.

In this regard, it will be up to SUMA, in its position as domestic market leader, to explore opportunities and, together with its clients, find ways to successfully take advantage of new challenges, maintaining its high level of professionalism and leveraging both its three decades of recognised success and its organisational policies based on the best management and environmental practices.

The year 2024 will therefore be characterised by continuation of intense commercial activity, with a greater number of contract awards and an increase in business volume anticipated, alongside the promotion of efficiency and innovation as accelerators of the creation of sustainable value for customers, shareholders, workers and the waste sector in general.

As a leading company in the sector in which it operates, SUMA, either directly, or indirectly through a broad portfolio of shareholdings in relevant companies in their respective segments, both nationally and internationally, will continue to deepen synergies and complementarities within the Mota-Engil Group, promoting the consolidated development of the business group of which it forms part.



# 06

## Closing Remarks

SUMA's Board of Directors expresses its gratitude to all those who co-operated in the development of activities during 2023, contributing to the positive performance and to achieving the proposed objectives.

To our shareholders and other members of our Corporate Bodies, we express our thanks for the trust, willingness and support shown, which drive the Company's successful performance.

To our customers, suppliers and other business partners, we extend our thanks for your cooperation and the maintenance of the good commercial relations established.

A special thanks to the Employees, whose determination, dedication and competence in the performance of their duties are essential for the success of SUMA.

Linda-a-Velha, 9 July 2024.

The Board of Directors

José Manuel Mota Neves da Costa

Ricardo Jorge de Sousa Duque Saramago

Carlos Alberto Vaz Pinto Garcez

Nuno Jorge Sêco da Costa

Nuno Manuel de Morais Kol de Carvalho

# 07

## Financial Statements

### Consolidated Balance Sheet as of 31 December 2023 and 2022

(Amounts stated in euros)

Assets	Notes	2023	2022
<b>NON-CURRENT ASSETS</b>			
Tangible fixed assets	8	44,088,041	38,791,245
Investment properties	9	1,706,896	1,707,576
Goodwill	10	6,112,016	1,643,207
Intangible assets	11	452,340,795	398,624,143
Financial holdings - equity method	12	14,301,077	28,883,001
Financial holdings - other methods		2,495	2,495
Other financial investments	13	276,036	287,530
Other receivables	17	24,452,034	36,000,843
Trade debtors	17	110,050	143,882
Deferrals	19	-	948,865
Other financial assets	4	2,319,380	2,364,880
Deferred tax assets	15	45,398,386	42,528,884
<b>Total non-current assets</b>		<b>591,107,204</b>	<b>551,926,551</b>
<b>CURRENT ASSETS</b>			
Inventories	16	6,281,002	3,815,773
Trade debtors	17	97,043,731	76,691,467
Advances to suppliers		1,648,706	-
State and other public bodies	18	15,528,210	10,696,039
Other receivables	17	74,059,414	34,626,163
Deferrals	19	9,320,180	8,277,402
Non-current assets held for sale	36	-	59,797,873
Bank deposits and cash	4	92,446,398	108,115,551
<b>Total current assets</b>		<b>296,327,641</b>	<b>302,020,268</b>
<b>Total assets</b>		<b>887,434,846</b>	<b>853,946,819</b>

Equity and Liabilities	Notes	2023	2022
<b>EQUITY</b>			
Subscribed capital	20	12,500,000	12,500,000
Additional paid-in capital	21	24,414,400	-
Share premiums	21	1,410,000	1,410,000
Legal reserve	21	2,500,000	2,500,000
Other reserves	21	92,737,620	83,172,489
Retained earnings	21	37,734,259	26,572,872
Other changes in equity	21	(3,047,904)	27,367,888
		168,248,375	153,523,249
Net income for the year		(23,723,032)	9,565,131
Equity attributable to company shareholders		144,525,343	163,088,380
Non-controlling interests	22	85,393,360	88,845,498
<b>Total equity</b>		<b>229,918,703</b>	<b>251,933,878</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Provisions	23	3,622,571	3,394,111
Borrowings	24	234,125,784	256,467,014
Deferred tax liabilities	15	53,700,852	51,800,547
Other payables	25	9,041,434	9,015,590
Trade creditors	25	73,816	76,976
Deferrals	19	16,871,613	-
<b>Total non-current liabilities</b>		<b>317,436,070</b>	<b>320,754,238</b>
<b>CURRENT LIABILITIES</b>			
Trade creditors	25	52,495,724	40,153,006
State and other public bodies	18	55,784,334	48,950,030
Shareholders	27	163,378	-
Borrowings	24	132,705,514	93,695,044
Non-current liabilities held for sale	36	-	20,131,660
Other payables	25	94,642,961	60,569,942
Deferrals	19	4,288,162	17,759,021
<b>Total current liabilities</b>		<b>340,080,073</b>	<b>281,258,703</b>
<b>Total liabilities</b>		<b>657,516,143</b>	<b>602,012,941</b>
<b>Total equity and liabilities</b>		<b>887,434,846</b>	<b>853,946,819</b>

The annex forms an integral part of the consolidated balance sheet as at 31 December 2023.

#### The Certified Accountant

Sérgio Lima

#### The Board of Directors

José Manuel Mota Neves da Costa

Ricardo Jorge de Sousa Duque Saramago

Carlos Alberto Vaz Pinto Garcez

Nuno Jorge Sêco da Costa

Nuno Manuel de Morais Kol de Carvalho

## Consolidated Income Statement by Nature of Expense for the Years Ended 31 December 2023 and 2022

(Amounts stated in euros)

Income and Expenses	Notes	2023	2022
Sales and services	27	432,279,101	405,191,876
Operating grants		293,507	846,392
Gains / (losses) attributed to associated enterprises	12	(28,768,782)	6,690,512
Capitalised production costs		7,592	9,552
Variations in production inventories	16	978,505	192,513
Cost of goods sold and materials consumed	16	(32,394,435)	(28,737,033)
External charges for services	28	(160,344,980)	(153,376,504)
Staff costs	29	(153,114,933)	(137,349,760)
Impairment of receivables	17	278,686	(90,510)
Accrued liabilities ((Constituted)/reversed)	23	(535,909)	(417,575)
Other income	30	104,126,532	63,644,902
Other expenses	31	(102,207,914)	(66,929,933)
<b>Earnings before interest, taxes, depreciation and amortisation</b>		<b>60,596,970</b>	<b>89,674,432</b>
Depreciation and amortisation expenses	32	(49,670,397)	57,286,698
Investment grants	21	2,888,795	2,822,657
<b>Earnings before interest and taxes</b>		<b>13,815,368</b>	<b>35,210,391</b>
Interest and similar income	33	3,391,354	2,856,605
Interests and similar expenses	34	(28,488,250)	(15,851,731)
<b>Earnings before taxes</b>		<b>(11,281,528)</b>	<b>22,215,265</b>
Income tax for the year	15	(8,186,766)	(4,832,264)
<b>Net earnings for the year</b>		<b>(19,468,294)</b>	<b>17,383,001</b>
Net earnings for the year attributable to:			
Company shareholders		(23,723,032)	9,565,131
Non-controlling interests	22	4,254,738	7,817,870
		<b>(19,468,294)</b>	<b>17,383,001</b>
Earnings per share	36	(94.89)	38.26

The annex forms an integral part of the consolidated statement of income by nature of expense for the year ended 31 December 2023.

### The Certified Accountant

Sérgio Lima

### The Board of Directors

José Manuel Mota Neves da Costa

Ricardo Jorge de Sousa Duque Saramago

Carlos Alberto Vaz Pinto Garcez

Nuno Jorge Sêco da Costa

Nuno Manuel de Morais Kol de Carvalho

Consolidated Statement of Changes in Equity for the Years Ended 31 December 2023 and 2022

(Amounts stated in euros)

EQUITY ATTRIBUTED to the COMPANY'S CAPITAL HOLDERS	Notes	Sub-scribed capital	Additional paid-in capital	Share premiums	Legal reserve	Other reserves	Retained earnings	Other changes in equity	Net earnings for the year	Total	Non-con-trolling interests (Note 20)	Total equity
Balance as of 1 January 2022		12,500,000	-	1,410,000	2,500,000	72,376,799	24,400,927	16,419,255	12,897,243	142,504,224	80,567,791	223,072,015
Application of net earnings for the year ended 31 December 2021	21	-	-	-	-	12,897,243	-	-	(12,897,243)	-	-	-
Net income for the year ended 31 December 2022		-	-	-	-	-	-	-	9,565,131	9,565,131	7,817,870	17,383,001
Effect of adjustments to associated enterprises resulting from the application of the equity method	12	-	-	-	-	-	-	9 055 497	-	9 055 497	-	9 055 497
Undistributed profits	15 and 27	-	-	-	-	(2,101,553)	2,171,945	(70,392)	-	-	-	-
Grants	20	-	-	-	-	-	-	1,294,162	-	-	244,420	1,538,582
Dividend distribution	8 and 24	-	-	-	-	-	-	-	-	-	(504,856)	(504,856)
Other variations	21	-	-	-	-	-	-	669,367	-	669,367	720,273	1,389,639
Balance at 31 December 2022		12,500,000		1,410,000	2,500,000	83,172,489	26,572,872	27,367,888	9,565,131	163,088,380	88,845,498	251,933,878
Net earnings for the year ended 31 December 2022		-	-	-	-	-	-	-	(23,723,032)	(23,723,032)	4,254,738	(19,468,294)
Application of net earnings for the year ended 31 December 2022	21	-	-	-	-	9,565,131	-	-	(9,565,131)	-	-	-
Provision of additional paid-in capital		-	24,414,400	-	-	-	-	-	-	24,414,400	7,592	24,414,400
Goodwill generated in the revaluation of the Geres acquisition		-	-	-	-	-	-	-	-	-	-	-
Effect of adjustments to associated enterprises resulting from the application of the equity method	12	-	-	-	-	-	11,161,387	23,278,693	-	23,278,693	-	23,278,693
Undistributed profits		-	-	-	-	-	-	(11,161,387)	-	-	-	-
Demerger effect		-	-	-	-	-	-	(41,002,954)	-	(41,002,953)	(9,492,383)	(50,495,336)
Grants		-	-	-	-	-	-	1,260,581	-	1,260,581	1,463,381	2,723,962
Net income for the year ended 31 December 2023		-	-	-	-	-	-	-	-	-	-	-
Other variations		-	-	-	-	-	-	(2,790,725)	-	(2,790,725)	322,126	(2,468,599)
Balance as of 31 December 2023		12,500,000	24,414,400	1,410,000	2,500,000	92,757,620	37,734,259	(3,047,904)	(23,723,032)	144,525,344	85,393,360	229,918,704

The annex forms an integral part of the consolidated statement of changes in equity for the year ended 31 December 2023.

The Certified Accountant: Sérgio Lima

The Board of Directors:

José Manuel Moita Neves da Costa  
Carlos Alberto Vaz Pinto Garcez

Ricardo Jorge de Sousa Duque Saramago

Nuno Manuel de Morais Kol de Carvalho

## Consolidated Statement of Cash Flows for the Years Ended 31 December 2023 and 2022

(Amounts stated in euros)

	Notes	2023	2022
<b>OPERATING ACTIVITIES</b>			
Payments from customers		476,440,920	432,911,014
Payments to suppliers		(219,319,015)	(202,105,141)
Payments to staff		(113,264,313)	(101,085,763)
Cash flow generated from operations		143,857,592	129,720,110
Payment of income tax		1,044,586	(5,885,590)
Other payments		(81,091,192)	(61,258,982)
<b>Operational activity flows (1)</b>		<b>63,810,986</b>	<b>62,575,538</b>
<b>INVESTMENT ACTIVITIES</b>			
Payments concerning:			
Tangible fixed assets		(2,760,532)	(3,057,663)
Intangible assets		(80,118,535)	(52,531,826)
Acquisition of minority interests		(9,108)	(20,983)
Investment grants		-	(62,054)
Loans granted to related parties		(16,656,779)	(16,480,000)
Financial interests		(410,310)	-
Other financial assets		(90,416)	(64,873)
		<b>(100,045,680)</b>	<b>(72,217,399)</b>
Receivables from:			
Tangible fixed assets		380,964	68,588
Intangible assets		505,825	1,157,984
Loans granted to related parties		21,551,471	21,607,559
Financial investments		10,340	10,704
Investment grants	21	8,390,543	13,257,948
Interests and other similar income		603,391	504,839
Dividends	12	6,357,775	16,569,384
Other financial assets		7,460	2,176,780
		<b>37,807,769</b>	<b>55,353,786</b>
<b>Cash flows from investment activities (2)</b>		<b>(62,237,911)</b>	<b>(16,863,613)</b>
<b>FINANCING ACTIVITIES</b>			
Borrowings from credit institutions		87,940,085	122,295,904
Capital contributions and other equity instruments		24,452,671	1,773
Other financing transactions		1,451,931	2,747,104
		<b>113,844,687</b>	<b>125,044,781</b>
Payments concerning:			
Borrowings from credit institutions			
Interest and similar costs		(105,540,144)	(97,820,825)

	Notes	2023	2022
<b>FINANCING ACTIVITIES (cont.)</b>			
Dividends	21 and 22	(23,758,604)	(13,588,361)
Reductions in capital and other equity instruments		(563,704)	(504,907)
Other financing transactions		-	-
		-	(80,053)
<b>Cash flow from financing activities (3)</b>		<b>(129,862,452)</b>	<b>(111,994,146)</b>
		<b>(16,017,765)</b>	<b>13,050,635</b>
<b>Change in cash and cash equivalents (4) = (1)+(2)+(3)</b>		<b>(14,444,690)</b>	<b>58,762,560</b>
Restitution/(constitution) of collateral	4	(2,475,333)	3,007,462
Effect of exchange differences		(919,621)	334,278
Change in consolidation perimeter		(13,233,260)	(1,153,424)
Cash and cash equivalents at beginning of year	4	123,519,302	62,568,426
Cash and cash equivalents at end of year	4	89,525,294	123,519,302
Captive bank deposit	4	2,921,104	648,095
Bank overdrafts	4	-	(1,944,435)
<b>Cash and cash equivalents at year-end</b>	<b>4</b>	<b>92,446,398</b>	<b>122,222,962</b>

The annex forms an integral part of the consolidated statement of cash flows for the year ended 31 December 2023.

#### The Certified Accountant

Sérgio Lima

#### The Board of Directors

José Manuel Mota Neves da Costa

Ricardo Jorge de Sousa Duque Saramago

Carlos Alberto Vaz Pinto Garcez

Nuno Jorge Sêco da Costa

Nuno Manuel de Morais Kol de Carvalho



# 08

## Annex to the Consolidated Financial Statements

### 1. Introductory Note

The **SUMA Group** (“Group” or “SUMA Group”) consists of SUMA – Serviços Urbanos e Meio Ambiente, SA (“Company” or “SUMA”) and its subsidiary companies (“subsidiaries”) and its main activity is the provision of urban services, both public and private, including, where applicable, the execution of works, studies or projects that are necessary for this purpose, whether under an administrative concession, lease, operating contract or management contract, or in any other form (including the establishment of joint ventures, companies of all types, co-operatives or other formulas permitted by applicable legislation), namely: (i) collection and transportation of solid and municipal waste; (ii) collection and transportation of toxic and hazardous waste; (iii) collection and transportation of industrial waste; (iv) collection and transportation of hospital waste; (v) transfer plants for solid, municipal and industrial waste; (vi) cleaning of offices, airports, subways, ports, gardens, industrial facilities, slaughterhouses, markets and all types of facilities, whether public or private; (vii) urban cleaning; (viii) treatment and disposal of solid and municipal, industrial, hospital, toxic and hazardous waste; (ix) landfills; (x) treatment, recycling, composting and incineration plants, with or without energy recovery; (xi) maintenance of WTPs and WWTPs; (xii) street furniture; (xiii) parks and gardens; and (xiv) road transport of goods for hire or reward.

As set forth in Note 6, the business group of SUMA and its subsidiaries consists of companies whose main activity is the collection and treatment of solid and municipal waste and concessionaires of multi-municipal waste treatment and recovery systems in partnership with the municipalities.

Due to its shareholder structure, SUMA pursues its operations within the scope of the activities of the Mota-Engil and Urbaser Groups, with whom it carries out various transactions, as shown in Note 26.

Under Decree-Law 45/2014 of 20 March 2014, a public tender process took place for the reprivatization of up to 100% of the share capital of EGF, held by the sub-holding of the Águas de Portugal Group (“ADP”). This reprivatization operation was divided into two phases: (i) the public tender for the sale of an indivisible batch of Empresa Geral do Fomento, SA (“EGF”) shares representing 95% of its share capital, and (ii) a public offer for the sale of the remaining shares with preferential rights. The transfer of EGF’s share capital to Suma Tratamento, SA (“Suma Tratamento”) resulted in a change in the legal framework of the management entities of the multi-municipal waste treatment systems, these being subsidiaries of EGF. Under this scenario, the Government reviewed the legal arrangements applicable to the operations of the management entities of the multi-municipal systems for the treatment and selective collection of municipal waste.

In November 2014, during the formation of Suma Tratamento, it entered into a contract with ADP for the acquisition of 100% of the capital of EGF. The price of the acquisition of 95% of EGF’s capital amounted to approximately 142,400,000 euros, which will be increased by the amounts required to acquire the remaining

5%. The acquisition of EGF's capital was only concluded in July 2015, as it required a number of actions, in particular a decision by the relevant Competition Authorities not to oppose the operation. In addition, as defined in the acquisition agreement, at the closing date of the operation, the acquisition cost of 95% of EGF's capital was increased by approximately 12,700,000 euros, mainly as a result of changes in the working capital of EGF and its subsidiaries between the period elapsed and conclusion of the operation.

In August 2017, after the conclusion of the public invitation to bid for the remaining shares with preferential rights to the employees, with only 1,300 shares having been acquired by them, Suma Tratamento acquired the remaining 4.99% of the share capital of EGF for the amount of 8,172,328 euros, thereafter holding 99.99% of the share capital of EGF.

As a result of the process of privatising EGF, changes were made to the legal framework of the management entities of the multi-municipal systems for the treatment and selective collection of municipal waste, which are controlled by EGF ("Concessionaires").

In April 2024, the Concessionaires submitted to the regulator the actual regulated accounts for the 2023 financial year, which showed a tariff adjustment compared to the values initially approved and the tariffs charged in that financial year.

It is the understanding of the Board of Directors that the estimate of the tariff adjustment for 2023 by the regulator should not result in significant differences compared to the amounts determined by the subsidiaries.

During the period ended 31 December 2023, with the aim of continuing to expand its activity internationally, the Group acquired a 10% stake in Vista Waste ("Vista"), thereafter holding 59% of its capital, and acquired Vista Energy, Environment and Services, SA ("Vista Energy"), which holds a 41% stake in Vista, with the Group thereafter controlling these entities.

The accompanying consolidated financial statements are presented in euros, as this is the currency used in the economic environment in which the Group operates.

These consolidated financial statements were approved by the Board of Directors at the meeting held on 9 July 2024, however, they are still subject to approval by the General Meeting.

It is the understanding of the Board of Directors that these consolidated financial statements accurately and appropriately reflect the consolidated operations of the Group, as well as its financial position and performance and cash flows.

## **1.1 Impacts of the ERSAR Decision – Adjustments 2023**

In March 2023, the ERSAR published the final decision on the 2022-2024 CRP, defining the amount of permitted revenues forecast for the 2022-2024 regulatory period and defining the tariff to be billed in 2023, which incorporates the approved 2021 tariff adjustment.

In December 2023, the ERSAR informed companies of the tariff to be billed in 2024. The communicated value is the value resulting from the decision of the 2022-2024 Provisional Regulated Accounts, without the adjustments referring to the year 2022, since the ERSAR did not receive approval from the Grantor for the changes in the investments presented in the Actual Regulated Accounts of 2022, with the expectation that it will be incorporated into the 2025 tariff.

Regarding the adjustment recorded in 2023 (with capitalisation), the amount is 16,871,613 euros (note 13).

## **1.2 Impacts arising from the agreement entered into between Mota-Engil SGPS, SA and the Urbaser Group**

In March 2023, the Mota-Engil Group announced the signing of an agreement with the Urbaser Group that will allow the group to acquire the capital position held by the latter, thereafter holding the entire capital in the municipal waste collection and treatment business, i.e., the shares previously held by that company in SUMA – Serviços Urbanos e Meio Ambiente, SA and in Suma Tratamento, SA. This agreement also results in the sale to

Urbaser, SA (“Urbaser”) of the industrial waste business, until now operated by SUMA, which consisted of the shares previously held by SUMA – Serviços Urbanos e Meio Ambiente, SA in the sub-group Enviroil, SGPS, SA (which includes the companies Correia & Correia, SRI, Triu, Enviroil II and Enviroil) and in the companies Rima – Resíduos Industriais e Meio Ambiente, SA, Citrave – Centro Integrado de Tratamento de Resíduos de Aveiro, SA and Resilei – Tratamento de Resíduos Industriais, SA.

In the period ended 31 December 2022, following this ongoing sale transaction maintained by Mota-Engil SGPS, SA with the minority shareholder of the SUMA Group, the Group began to classify the assets and liabilities associated with the industrial waste business, as represented in the companies referred to above, as non-current assets held for sale in its consolidated balance sheet. In the Group Management’s assessment, this business does not fit into the concept of a segment, so presentation in the consolidated income statement has not changed.

With this transaction, Mota-Engil will directly or indirectly hold the entire share capital of SUMA and Suma Tratamento.

On 28 December 2023, the spin-off operation of the companies belonging to the industrial waste business, as mentioned above, was completed with its registration defined. In the period prior to its registration, SUMA maintained control over the management and operational and financial policies of the companies included in the aforementioned agreement, and therefore, for consolidation purposes, the Board of Directors understood that the results of these companies should be presented in the consolidated income statement. Therefore, the presentation in the consolidated income statement did not change in the period ending 31 December 2023, with control of these companies having been lost by SUMA on 28 December 2023.

## **2. Accounting framework for preparing consolidated financial statements**

### **2.1 Accounting framework**

The attached consolidated financial statements have been prepared in accordance with the provisions in force in Portugal, in accordance with Decree-Law 98/2015 of 2 June, which amended Decree-Law 158/2009 of 13 July, and in accordance with the conceptual framework, the Accounting and Financial Reporting Standards (“NCRF”) and the Interpretative Standards (“NI”) set out, respectively, in notices 8254/2015, 8256/2015 and 8258/2015, of 29 July 2015, which together constitute the Accounting Standards System (“SNC”).

It should also be noted that the financial statements model and the chart of accounts were also changed, respectively, by Ordinance 220/2015, of 24 July 2015, and Rectification Statement 41-B/2015, of 21 September 2015, and by Ordinance 218/2015, of 23 July 2015, and Rectification Statement 41-A/2015, of 21 September 2015.

Hereinafter, those standards and interpretations will be generically referred to as the “NCRF” or the “SNC”.

The SNC provides that, where the NCRF does not meet the needs of users in terms of the accounting treatment of certain situations, they should first of all refer to the International Financial Reporting Standards (“IFRS”), as adopted by the European Union and then to other IFRS not yet adopted by the European Union.

Accordingly, the interpretation made by the International Accounting Standards Board (“IASB”) on this topic and set out in IFRIC 12 – Service Concession Arrangements (“IFRIC 12”) is understood as applicable to the case of public service concessions in general, and to the case of subsidiaries of the EGF subgroup in particular.

### **2.2 Comparability of the consolidated financial statements**

The elements contained in these consolidated financial statements are, in their entirety, comparable with those of the previous year, presented as comparatives in these financial statements.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The main accounting policies adopted in preparing the attached consolidated financial statements are as follows:

#### 3.1. Basis of presentation

The consolidated financial statements have been prepared according to the going concern principle, based on the accounting records of the companies included in the consolidation, maintained in accordance with the NCRF.

As of 31 December 2023, the Group has current liabilities greater than current assets in the amount of 43,752,432 euros, however, current liabilities include the following:

- Balances with related parties of the Mota-Engil Group in the amount of approximately 40,600,430 euros, and the Board is convinced that, if necessary, the shareholder will provide the financial support deemed necessary; and
- Balances relating to financing from the “Facility A” banking syndicate, in the amount of 38,763,376 euros. As mentioned in Note 24, on 3 May 2024, approval was obtained for the request to postpone the due date of this financing, through the issuance by the Banking Union of a Consent Letter, which provides for the settlement of only 4,655,002.61 euros in 2024, with the due date of the remainder being changed to 1 July 2025. This financing is owed by the subsidiary Suma Tratamento, SA, to which we know that, as of today, dividends in the amount of approximately € 10,194,400 have been allocated by its subsidiary Empresa Geral do Fomento, SA, part of which will allow the short-term amount due under this contract to be settled.

Management has assessed the Group’s capacity to operate on a continuing basis, based on all relevant information, facts and circumstances of a financial, commercial or other nature, including events subsequent to the date of reference of the consolidated financial statements, available regarding the future. As a result of the evaluation, Management has concluded that the Group has adequate resources to maintain its activities and has no intention of ceasing trading in the short term, as a result of which use of the going concern principle in the preparation of the consolidated financial statements was deemed appropriate.

#### 3.2. Business combinations and consolidation principles

##### CONSOLIDATION PRINCIPLES

The consolidated financial statements incorporate the financial statements of the Company and the entities it controls. Control is understood to exist when the Company has the power to define the operational financial policies of an entity so as to obtain benefits derived from its activities, and is normally associated with the direct or indirect control of more than half of the voting rights.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing the control that the Company holds over an entity.

Subsidiaries are included in the consolidated financial statements using the full consolidation method, from the date on which the Company assumes control over its financial and operating activities until such time as that control ceases.

The results of subsidiaries acquired or sold during the period are included in the consolidated income statement from the date of their acquisition until the date of their sale.

All transactions and balances between subsidiaries and between the Company and subsidiaries, as well as the income and expenses resulting from such transactions and balances, are completely cancelled during the consolidation process. Unrealised losses are also eliminated, but considered as an indicator of impairment for the transferred asset.

The equity and net earnings of subsidiaries that correspond to minority third-party interests in them are presented separately in the consolidated balance sheet and in the consolidated income statement, respectively, under the heading “Non-controlling interests”.

Non-controlling interests are initially measured by the corresponding share in the fair value of the net assets acquired. Subsequently, they are adjusted by the corresponding share in the subsequent variations in the equity capital of the subsidiaries.

### **FINANCIAL INVESTMENTS IN ASSOCIATED ENTERPRISES**

An associated enterprise is an entity in relation to which the Group has significant influence and which is neither a subsidiary nor a jointly controlled company. Significant influence is understood as the power to participate in decisions concerning the financial and operating policies of the associated enterprise, without this resulting in control or joint control by the Group.

Financial investments in associated enterprises are recognised in accordance with the equity method. Under the equity method, financial investments in associated enterprises are initially recognised at their acquisition cost, and subsequently adjusted according to changes, after acquisition, to the Group's share in the equity capital of the associated enterprises. Group results include the portion that corresponds to the results of the associated enterprises.

The excess of the acquisition cost over the fair value of identifiable assets and liabilities of each associated enterprise at the acquisition date is recognised as goodwill and is presented separately in the consolidated balance sheet. If the difference between the acquisition cost and the fair value of the net assets and liabilities acquired is negative, this is recognised as income for the period.

An assessment of investments in associated enterprises is conducted where there is evidence that the asset may be impaired, and the confirmed impairment losses that are proved to exist are then recorded as expenses in the consolidated income statement.

When the Group's share of the associated enterprise's accumulated losses exceeds the amount at which the investment is recorded, the investment is reported at zero, except when the Group has assumed commitments to cover the associated enterprise's losses. If, subsequently, the associated company reports profits, the Company resumes recognising its share of those profits only after its share of the profits equals the share of the losses not recognised.

Unrealised gains on transactions with associated companies are eliminated in proportion to the Group's interest in them. Unrealised losses are similarly eliminated, but only to the extent that the loss does not result from a situation in which the transferred asset is impaired.

### **INVESTMENTS IN OTHER INVESTEES**

Financial investments in other investees are recorded at acquisition cost less any impairment losses.

### **BUSINESS COMBINATIONS**

Acquisitions of subsidiaries and jointly controlled entities are recorded using the purchase method. The corresponding cost of the combination is determined as the aggregate, at the acquisition date, of: (a) the fair value of assets delivered or to be delivered; (b) the fair value of liabilities incurred or assumed; (c) the fair value of equity instruments issued by the Group in exchange for obtaining control over those entities; and (d) the costs directly attributable to the acquisition (the latter only relate to acquisitions completed up to 31 December 2015). With effect from 1 January 2016, the costs directly attributable to the acquisition are reported in the consolidated income statement.

The excess of the cost of the combination over the fair value of the Group's interest in the identifiable assets acquired is recorded as goodwill. If the cost of the combination is less than the fair value of the net assets of the acquired subsidiary, the difference is recognised directly in the consolidated income statement. Where applicable, the cost of the merger or acquisition includes the effect of contingent and/or additional payments agreed upon under the transaction.

Should the initial accounting for an acquisition not be completed at the end of the reporting period in which it occurred, the Group reports provisional amounts for the items for which the accounting is not complete. These provisional amounts are subject to adjustment during a period of 12 months from the acquisition date.

## GOODWILL

Goodwill is measured as the excess of the acquisition cost of registered interests over the fair value of the identifiable assets and liabilities of each acquired entity at the acquisition date, and is presented on a separate line in the balance sheet.

The estimated useful life of goodwill for the various investments is as follows:

Investment	Years
Ecoatlântica de Portugal, Lda ("Ecoatlântica") <sup>(a)</sup>	19
Gerês Participações SA	10
Vista Waste	10

<sup>(a)</sup> Company subsequently merged into Ersuc – Resíduos Sólidos do Centro SA ("Ersuc").

Goodwill is recognised as an asset on the date control is acquired. Subsequently, the goodwill is amortised, but is subject to impairment tests whenever signs of impairment are found.

For impairment testing purposes, goodwill is allocated to the Group's cash-generating units that benefit from the synergies resulting from consolidation. Cash-generating units to which goodwill has been allocated are subject to annual or more frequent impairment testing (if there is any indication that the unit may be impaired). If the recoverable amount of the cash-generating unit is less than the corresponding net book value, the resulting impairment loss is initially allocated to goodwill, with the remaining part allocated proportionately to the remaining assets of the cash-generating unit. Impairment losses allocated to goodwill are not subsequently reversed.

## TRANSLATION OF FINANCIAL STATEMENTS OF FOREIGN ENTITIES

Those entities that operate abroad and have organisational, economic and financial autonomy are treated as foreign entities.

The assets and liabilities of the financial statements of foreign entities are translated into euros using the exchange rates prevailing at the balance sheet date. The income, expenses and cash flows of the financial statements of foreign entities are translated into euros using the average exchange rate for the period. The exchange rate difference resulting from the translation is recorded in equity under the item "Other changes in equity".

Goodwill and fair value adjustments arising from the acquisition of foreign entities are treated as assets and liabilities of that acquired entity and translated into euros in accordance with the exchange rate at the consolidated balance sheet date.

Whenever a foreign entity is disposed of, the currency translation reserve accumulated in equity is recognised in the consolidated income statement as a gain or loss on the disposal.

The prices used for translation into euros of the consolidated financial statements of foreign operations were as follows:

Currency	Closing exchange rate		Average exchange rate	
	2023	2022	2023	2022
US Dollar	1.1050	1.0666	1.0829	1.0500
Kwanza	930.9625	537.5664	759.5493	476.0086
Zloti	4.3395	4.6808	4.5234	4.6868
Cape Verdean Escudo	110.2650	110.2650	110.2650	110.2650
Mozambique Metical	69.8700	67.4500	68.4942	66.3800
Omani Rial	0.4243	0.4103	0.4166	0.4040
Brazilian Real	5.3618	5.6386	5.3940	5.4051
Macanese Pataca	8.8903	8.5658	8.7346	8.4690
Hong Kong Dollar	8.6314	8.3163	8.5015	8.2223

### 3.3. Tangible fixed assets

Tangible fixed assets are initially recorded at acquisition cost, which includes the purchase cost, any costs directly attributable to the activities necessary to place the assets in the location and condition necessary to operate as intended and, where applicable, an initial estimate of the costs of dismantling and removing the assets and restoring their respective sites of installation/operation that the Group expects to incur, less accumulated depreciation and accumulated impairment losses.

The useful lives and depreciation method of the various assets are reviewed annually. The effect of any change in these estimates is recognised prospectively in the consolidated income statement.

Depreciation is calculated from the time the asset is in a position to be used. Tangible fixed assets allocated to the operation of landfills, namely land and basic equipment, are depreciated according to tons deposited and taking into account the available capacity of the landfills. The remaining tangible fixed assets are depreciated using the straight-line method, in accordance with the estimated useful life of each group of assets, as follows:

Homogeneous Class	Years
Land and natural resources	0 - 20
Buildings and other structures	8 - 20
Basic equipment	3 - 5
Transport equipment	2 - 10
Office equipment	3 - 8
Other tangible fixed assets	5 - 10

Depreciated land and natural resources correspond to landfills, whose estimated useful life is based on the depletion rate.

Maintenance and repair costs (subsequent expenditures) that are not likely to generate additional future economic benefits are recorded as expenses in the period in which they are incurred.

### 3.4. Leases

Leases are classified as financial whenever their terms substantially transfer all the risks and rewards associated with ownership of the asset to the lessee. All other leases are classified as operating leases. The classification of leases is considered based on the spirit and not on the form of the contract.

Assets acquired under finance lease contracts, as well as the corresponding liabilities, are recorded at the beginning of the lease at the lower of the fair value of the assets and the present value of the minimum lease payments. Finance leases are divided between financial charges and reduction in liability, so that a constant interest rate on the outstanding balance of the liability is obtained.

Operating leases are recognised as expenses on a straight-line basis over the lease term.

### 3.5. Investment properties

Investment properties comprise land and a unit of a property, both held for lease, appreciation of the capital invested through sale and not for use in the production or supply of goods and services or for administrative purposes, which are non-depreciable.

Investment properties are measured at cost, including transaction costs.

Costs incurred related to investment properties, specifically, maintenance, repairs, insurance and property taxes, are recognised as an expense in the period to which they relate. Improvements or betterments to investment properties that are expected to generate additional future economic benefits are capitalised under "Investment properties".

### 3.6. Intangible assets

Intangible assets are recorded at cost and correspond to: (i) computer programs, (ii) the remuneration defined in the service provision contract with Porto City Council and paid at the time of its signature, less accumulated amortisation and (iii) service concession contracts dealt with under IFRIC 12.

Depreciation is recognised on a systematic/straight-line basis over the estimated useful life of the intangible assets. The useful lives and amortisation method of the various intangible assets are reviewed annually. The effect of any changes to these estimates is recognised prospectively in the income statement.

Intangible assets are amortised using the straight-line method, during a three-year period for computer programs and, for the remainder, for the period of the concession contract.

#### **Concession assets – IFRIC 12 – Service concession arrangements**

The assets acquired/constructed by the Concessionaires, under a concession contract, are assets assigned to the concessions, corresponding to the respective infrastructure under concession.

IFRIC 12 applies to public service concession contracts in which the grantor controls (regulates):

- The services to be provided by the concessionaire (through the use of the infrastructure), to whom and at what price; and
- any residual interests in the infrastructure at the end of the contract.

IFRIC 12 applies to infrastructure:

- Constructed or acquired by the operator from third parties;
- Already existing and to which the operator is given access.

Accordingly, and in view of the above, the Concessionaires' concessions fall within the scope of this IFRIC for the following reasons:

- The concessionaires have concluded public service concession contracts with the Portuguese state ("grantor") and for a pre-defined period;
- The concessionaires provide public services through the use of infrastructure, as defined in detail in note 38;
- The grantor controls the services provided and the conditions under which they are provided, through the regulator ERSAR;
- The various assets used to provide the services revert to the grantor at the end of the concession contracts.

This interpretation establishes the general principles of recognition and measurement of rights and obligations under concession contracts with the characteristics mentioned above and define the following models:

i) Financial asset model – when the operator has an unconditional contractual right to receive cash or another financial asset from the grantor, corresponding to specific or terminable amounts, the operator must record a financial asset (account receivable). Under this model, the granting entity has little or no discretionary power to avoid payment, as the agreement is generally legally binding.

ii) Intangible asset model – when the operator receives from the grantor the right to charge a fee based on the use of the infrastructure, it must recognise an intangible asset.

iii) Mixed model – this model applies when the concession simultaneously includes remuneration commitments guaranteed by the grantor and remuneration commitments dependent on the level of use of the concession infrastructures.

Accordingly, and in view of the concession contract terms, namely with regard to the remuneration model, it was understood that the concessionaires' operations form part of the intangible asset model, essentially as a result of the concessionaires having an unconditional right to charge their users and assuming the operational, investment and financing risks of the concession.

Within this framework and in relation to the residual value of the assets assigned to the concession (according to the concession agreements, the concessionaires are entitled to reimbursement at the end of the concession based on the net book value of the concession assets), this was likewise incorporated as part of the intangible asset and remunerated annually in accordance with the tariff regulations in force.

In accordance with the framework described above, the assets allocated to the concession (intangible assets) are valued at acquisition or production cost, less accumulated amortisation and impairment losses. Depreciation is recognised on a systematic/straight-line basis over the estimated useful life of the intangible assets. The effect of any change in these estimates is recognised prospectively in the consolidated income statement.

For the purposes of amortising the assets assigned to the concession, the method that reflects the model by which the future economic benefits of the assets are expected to be consumed by the Group companies was taken into consideration. Therefore, and in view of the above, the Group considers that the amortisation method that best reflects the expected consumption pattern of the future economic benefits of the intangible asset is that based on the amortisation rates defined and approved by the regulator (ERSAR), as this is the basis of its annual income, i.e., the assets under concession are amortised in accordance with the remuneration model underlying the Tariff Regulation.

It should also be noted that, under the concession contract, the concessionaires may charge tariffs according to the costs incurred with infrastructure. Therefore, taking into account the tariff calculation methodology, the remuneration basis is determined taking into account each specific item of assets under concession, which presupposes the need to componentise the right. Consequently, it is considered that the right may be broken down into distinct parts as the various bases of remuneration are realised.

Thus, the intangible asset is increased as the various infrastructures related to the concession are completed, being recorded based on their acquisition/construction cost and reduced as future economic benefits are consumed.

With regard to investment grants allocated to assets, these are recognised in the consolidated income statement at the same rate as the depreciation of the assets.

Under the current concession contract, construction activity is subcontracted externally to specialised entities. Therefore, the Group does not have any margin in the construction of assets assigned to concessions, as a result of which the revenue and costs of acquiring these assets are equal (Notes 30 and 31).

### **3.7. Impairment of tangible and intangible fixed assets and investment properties**

At each reporting date, the carrying amounts of the Group's tangible and intangible fixed assets are reviewed to determine if there is any indication that they may be impaired and whether they should be subject to impairment testing.

Whenever there is any indicator that the Group's tangible and intangible fixed assets may be impaired, an estimate of their recoverable value is made in order to determine the extent of the impairment loss (if applicable). When it is not possible to determine the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit to which that asset belongs is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of: (i) its fair value less selling costs; and (ii) its current use value. In determining the current use value, estimated future cash flows are discounted using a discount rate that reflects market expectations regarding the value over time of money and the risks specific to the asset or cash-generating unit for which the estimates of future cash flows have not been adjusted.

Where the net book value of the asset or cash-generating unit exceeds its recoverable value, an impairment loss is recognised. An impairment loss is recorded immediately in the consolidated income statement, unless that loss offsets a revaluation surplus recorded in equity. In the latter case, such a loss is treated as a decrease in that revaluation.

Impairment losses recognised in previous periods are reversed where there is evidence that the impairment losses recognised previously no longer exist or have decreased. The reversal of an impairment loss is recognised in the consolidated income statement. The impairment loss is reversed up to the amount that would have been recognised (net of amortisation) if the loss had not been recorded.

### **3.8. Inventories**

Goods, as well as raw materials and consumables, are valued at acquisition cost, using average cost as the costing method.

By-products, finished and intermediate products are valued at their production cost.

Net realisable value represents the estimated selling price less all estimated costs necessary to complete inventories and to effect their sale. In situations where the cost value is higher than the net realisable value, impairment losses are recorded for the respective difference.

Changes in the period in impairment losses on inventory are recorded in the consolidated income statement.

### **3.9. Income taxes**

Income taxes are the sum of current taxes and deferred taxes. Current taxes and deferred taxes are recorded in profit or loss, except when deferred taxes relate to items recorded directly in equity. In these cases, the deferred taxes are also recognised in equity.

Current income tax is calculated based on the taxable income for the period. Taxable profit differs from accounting income, as it excludes various expenses and income that will only be deductible or taxable in subsequent periods, as well as expenses and income that will never be deductible or taxable according to the tax rules in force.

Deferred taxes refer to temporary differences between the amounts of assets and liabilities for accounting purposes and the respective amounts for tax purposes, as well as the results of tax exemptions or reductions obtained and temporary differences between the result for tax purposes and the accounting income.

Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are recognised for deductible temporary differences, but such recognition only occurs when there are reasonable expectations of sufficient future taxable profits to utilise these deferred tax assets. At each reporting date, a review of these deferred tax assets is carried out and they are adjusted based on expectations regarding their future use.

Deferred tax assets and liabilities are measured using the tax rates expected to be in force at the date of reversal of the corresponding temporary differences, based on the tax rates (and tax legislation) that are formally issued at the reporting date.

SUMA is covered by the special taxation arrangements for groups of companies ("RETGS"), which covers all

companies in which SUMA directly or indirectly holds at least 75% of the share capital and which simultaneously comply with the other conditions defined by those arrangements. The remaining investees, not covered by the SUMA Group's special taxation arrangements, are taxed individually, based on their respective taxable income and applicable tax rates.

### **3.10. Financial assets and liabilities**

Financial assets and liabilities are recognised in the consolidated balance sheet when the Group becomes a party to the corresponding contractual provisions, using for this purpose the provisions of NCRF 27 – Financial instruments.

#### **a) Trade debtors and other receivables**

The balances of trade debtors and other receivables are initially recorded at fair value and subsequently at amortised cost less any impairment losses.

The balances of trade debtors and other receivables are subject to impairment testing at each reporting date. Such financial assets are impaired where there is objective evidence that, as a result of one or more events occurring after their initial recognition, their estimated future cash flows have been affected.

#### **b) Cash and bank deposits**

The amounts included under the heading "Cash and bank deposits" correspond to cash, bank deposits and term deposits maturing in less than three months, for which the risk of a change in value is insignificant and which are immediately convertible into cash. These assets are measured at amortised cost.

#### **c) Borrowings**

Borrowings are recorded under liabilities at amortised cost.

Any expenses incurred in obtaining these loans, as well as interest charges and similar expenses, are recognised by the effective interest rate method in profit or loss for the period over the life of such loans. The expenses incurred, while not recognised, are included to be deducted from the carrying amount of the loans obtained.

#### **d) Trade creditors, other payables and other financial liabilities.**

The balances of trade creditors and other payables are carried at amortised cost.

### **IMPAIRMENT OF FINANCIAL ASSETS**

Financial assets are subject to impairment testing at each reporting date. Such financial assets are impaired when there is objective evidence that, as a result of one or more events occurring after their initial recognition, their estimated future cash flows are negatively affected.

For financial assets measured at amortised cost, the impairment loss to be recognised corresponds to the difference between the net book value of the asset and the present value of the new estimated future cash flows discounted at the respective original effective interest rate.

Impairment losses are recorded in the income statement in the period in which they are determined.

Subsequently, if the amount of the impairment loss decreases and such decrease can be objectively related to an event that occurred after the recognition of the loss, the loss should be reversed through profit or loss. The reversal must be made up to the limit of the amount that would have been recognised (amortised cost) if the loss had not been initially recorded. The reversal of impairment losses is reflected in profit or loss.

### **DE-RECOGNITION OF FINANCIAL ASSETS AND LIABILITIES**

The Group de-recognises financial assets only when the contractual rights to their cash flows expire, or when it transfers control of the financial assets and all significant risks and rewards associated with ownership of them to another entity. Transferred financial assets in relation to which that the Group retained some significant risks and benefits are de-recognised, provided that control over them has been ceded.

The Group de-recognises financial liabilities only where the underlying obligation is settled, cancelled or expires.

### 3.11. Foreign currency transactions and balances

Transactions in foreign currency (a currency other than the Group's functional currency) are recorded at the exchange rates prevailing on the transaction dates. At each reporting date, the monetary items denominated in foreign currency are restated at the exchange rates at that date.

The exchange differences resulting from the aforementioned restatements are recorded in the consolidated income statement for the period in which they are generated.

As of 31 December 2023 and 2022, the exchange rates referred to in Note 3.2 were used to convert assets and liabilities stated in foreign currency into euros, as well as transactions occurring during the periods ended on that date.

### 3.12. Subsidies

#### INVESTMENT GRANTS

Government grants are only recognised when there is reasonable certainty that the Group will comply with the conditions for granting them and that they will be received.

Non-repayable Government grants received, relating to the acquisition of tangible fixed and intangible assets are initially recognised in equity, together with their deferred tax liabilities, on a systematic basis as income for the period, in a manner consistent with and proportional to the depreciation of the assets, for the acquisition of which they are intended.

#### OPERATING GRANTS

Operating grants, particularly for the training of employees, are recognised in the consolidated income statement in accordance with the expenses incurred.

### 3.13. Provisions, contingent liabilities and contingent assets

#### PROVISIONS

Provisions are only recognised where the Group has a present obligation (legal or implicit) resulting from a past event, it is likely that an outflow of resources will occur to settle the obligation and the amount of the obligation can be reasonably estimated.

The amount of the provisions recognised consists of the present value of the best estimate, at the reporting date, of the resources required to settle the obligation. This estimate is determined taking into account the risks and uncertainties associated with the obligation.

Provisions are reviewed at the reporting date and are adjusted to reflect the best estimate at that date.

#### CONTINGENT LIABILITIES

Contingent liabilities are not recognised in the consolidated financial statements and are disclosed whenever the possibility of an outflow of resources encompassing economic benefits is neither remote, nor probable.

#### CONTINGENT ASSETS

Contingent assets are not recognised in the consolidated financial statements and are disclosed when it is probable that there will be a future economic inflow of resources.

### 3.14. Financial charges on borrowings

Financial charges related to borrowings are recognised as expenses as they are incurred.

Financial charges on borrowings related to the acquisition or construction of infrastructure are capitalised and form an integral part of the cost of the asset. The capitalisation of these financial charges begins when expenditure begins to be incurred on the asset and continues while the activities necessary to prepare the asset

for its intended use or sale are ongoing. Such capitalisation ceases when all activities necessary to prepare the asset for its intended use or sale are substantially complete. Additionally, capitalisation is suspended during extended periods in which the development of the aforementioned activities is interrupted. Any income generated by borrowings obtained in advance related to a specific investment is deducted from the financial charges eligible for capitalisation.

### 3.15. Non-current assets held for sale

Non-current assets for disposal are classified as held for sale when their carrying amount is primarily recovered through a sale rather than through their continued use.

This condition is considered to be met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. The corresponding sale must be completed within one year of the date of classification of the non-current asset as available for sale.

Non-current assets classified as held for sale are measured at the lower of their carrying amount before classification and their fair value less selling costs.

### 3.16. Employee benefits

The EGF benefits plan for former employees who have already retired is limited to the payment of a supplement to the retirement pension (for old age or disability) granted by Social Security. Liabilities under the retirement pension supplement are financed through an established independent fund, managed independently by a financial institution.

A defined benefit plan is a pension plan that defines the amount of pension benefit an employee will receive upon retirement, usually dependent on one or more factors, such as age, years of service and compensation.

The defined benefit plan obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting future benefit payments using the interest rate on high quality bonds denominated in the same currency in which the benefits will be paid and with maturity terms that approximate those of the liability assumed.

The liability recognised in the consolidated balance sheet in relation to the defined benefit plan is the present value of the defined benefit obligation at the balance sheet date, less the fair value of the assets of the plan, together with adjustments related to past service costs.

Actuarial gains and losses resulting from adjustments based on experience and changes in actuarial assumptions are recognised in the period in which they are incurred in the consolidated statement of changes in equity.

With effect from 1 January 2007, EGF changed the pension fund from “defined benefit” to “defined contribution” for current employees and it is based on a contribution from EGF calculated as a percentage of each employee’s pensionable salary, provided that the latter meets the necessary eligibility conditions for the Plan. Under this “Defined Contribution” plan, the pension plan expenditure is fixed at the outset. Contributions made by EGF to defined contribution plans are recorded as an expense on the date they are due.

### 3.17. Accruals

In accordance with the accruals basis, expenses and income are recognised in the periods to which they relate, regardless of when the transactions are invoiced. Where the actual value of income and expenses is not known, it is estimated.

Costs and income attributable to the current period where the expenses and revenues will only occur in future periods, as well as expenses and revenues that have already occurred, but which relate to future periods and which will be allocated to the profit or loss of each of those periods at the corresponding value, are recorded under the headings Other payables, Other receivables and Deferrals.

### 3.18. Revenue

Revenue is measured at the fair value of the consideration received or receivable. The revenue recognised is deducted from the amount of returns, discounts and other rebates and does not include VAT and other taxes paid in connection with the sale.

Revenue from the sale of energy and recoverable products is recognised when all of the following conditions are met:

- All risks and rewards associated with ownership of the goods have been transferred to the buyer;
- The Group does not maintain any control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that future economic benefits associated with the transaction will flow to the Group;
- The expenses incurred or to be incurred in connection with the transaction can be measured reliably.

Revenue originating from the rendering of services is recognised with reference to the stage of completion of the transaction/service at the reporting date, provided that all of the following conditions are met:

- The amount of revenue can be measured reliably;
- It is likely that future economic benefits associated with the transaction will flow to the Group;
- The expenses incurred or to be incurred in connection with the transaction can be measured reliably;
- The stage of completion of the transaction/service at the reporting date can be measured reliably.

Additional works and price reviews are recognised as revenue where they are agreed and accepted by customers, taking into consideration compliance with the conditions set out above.

The companies belonging to the EGF subgroup have the tariff supported by the annual approval of the grantor and the regulator.

The recognition of the revenue for the concessionary activities is based on the approved tariff of the regulator (ERSAR) determined by the revenues allowed on the basis of the quantities of waste from the undifferentiated collection.

The tariff has the purpose of recovering:

- i) Amortisation of concession assets associated with the regulated activity;
- ii) Return on the average book value of assets associated with the regulated activity, in accordance with the rates defined by the regulator;
- iii) Operating costs associated with the regulated activity.

#### TARIFF DEVIATIONS

The tariff regulation, issued by the ERSAR, defines the formula for calculating permitted revenues from regulated activities and includes in this calculation formula the calculation of tariff adjustments that are recovered until the second year after the date on which they are generated, thus defining the period in which these deviations are recovered.

Thus, the Concessionaires determine, on each reporting date and in accordance with the criteria defined by the tariff regulation published by the ERSAR, the deviations found between the permitted revenues recalculated based on actual values and the revenues invoiced.

In accordance with the legislation and regulatory framework in force, as described above, the tariff deviations determined by the Group in each period meet a set of characteristics (measurement reliability, right to recovery, transferability and incidence of interest) that support their recognition as revenue, and as an asset, in the year in which they are determined. Such rationality is also valid when tariff adjustments are to be delivered (payable), which are configurable as liabilities and less revenue.

In situations where concessionaires have an Active Tariff Deviation, the tariff was lower than that defined by the ERSAR, an increase in income is created as the transaction has already been carried out, there is the right to recovery, but it has not been invoiced.

In the opposite situations, i.e., in cases where the Tariff Deviation is Passive, the tariff was higher than that defined by the regulator, this difference is treated as a deferral, insofar as this “excess tariff” was invoiced, but its regularisation will not give rise to a future payment by the concessionaire nor to the issuance of credit notes, this difference being realised via a subsequent invoicing reduction.

As of the date of approval of the financial statements, the final decision on the 2022 CRR is not known. In April 2024, the Regulated Real Accounts (CRR) for the year 2023 were submitted, in relation to which the ERSAR's decision is awaited.

Any arrears interest charged to customers is recognised as revenue where it is paid by customers.

### **3.19. Regulatory Assets/Regulatory Liabilities**

On 1 January 2016, and with reference to the financial statements as at 31 December 2015, the concessionaires assessed whether there was a liability to the grantor (“Regulatory balance”), which was determined with reference to the amounts of accrued expenses relating to accumulated amortisation of contractual investments to be made, less the amount of deferred tax associated therewith and the net book value of amortisation and subsidies of the set of goods and assets that did not form part of the relevant regulated asset base for the purposes of determining permitted income. In cases where that amount was negative, that liability, “Regulatory Liability”, was recorded in liabilities; when positive, a “Regulatory Asset, or Contractual Right” was recorded. Subsequently, when an annual variation in tariffs is estimated to be greater than 2% of the annual revenue allowed to the concessionaires, the excess of that amount may be deducted from Regulatory Liabilities, where applicable. At the end of the concessions, if Regulatory Liabilities still exist, the corresponding amount will be deducted from the residual value of the BAR to which the concessionaires will be entitled. In cases where a “Regulatory assets” has been determined, this is amortised over the concession period.

### **3.20. Value judgments, critical assumptions and main sources of uncertainty associated with the estimates**

In preparing the attached consolidated financial statements, value judgments and estimates were made and various assumptions were used that affect the book value of assets and liabilities, as well as income and expenses for the period.

The estimates and underlying assumptions were determined based on the best knowledge available at the date of approval of the consolidated financial statements of ongoing events and transactions, as well as on experience from past and/or current events. However, situations may occur in subsequent periods that, not being foreseeable at the date of approval of the consolidated financial statements, were not considered in these estimates. Changes in estimates that occur after the date of the consolidated financial statements will be corrected prospectively. For this reason and given the degree of uncertainty associated with the actual results of the transactions in question, they may differ from the corresponding estimates.

The main value judgements and estimates made in the preparation of the accompanying consolidated financial statements were as follows:

- Useful lives of tangible fixed assets;
- Useful lives of intangible assets;
- Impairment tests on Goodwill and intangible assets;
- Impairment losses on accounts receivable;
- Recoverability of deferred tax assets on tax losses;
- Estimation of tariff deviation to be reflected in future tariffs and accrual of revenue based on ERSAR's regulatory model;
- Recognition and valuation of provisions.

### **3.21. Events after the consolidated balance sheet date**

Events after the date of the consolidated balance sheet that provide additional information regarding conditions that existed at the date of the consolidated balance sheet are reflected in the consolidated financial statements. Events after the consolidated balance sheet date that provide information about conditions

occurring after the consolidated balance sheet date are disclosed in the consolidated financial statements if they are considered material.

### 3.22. Consolidated statement of cash flows

The consolidated statement of cash flows is prepared using the direct method. The Group classifies assets with a maturity of less than three months and for which the risk of a change in value is insignificant under the heading of cash and bank deposits. For the purposes of the consolidated statement of cash flows, the cash and bank deposits item also includes bank overdrafts included in the balance sheet under the borrowings item.

The consolidated statement of cash flows is classified into operating, investment and financing activities.

Operating activities include collections from customers and the payments to suppliers, to staff and others related to operating activities.

Cash flows covered by investing activities include, in particular, receipts and payments arising from the purchase and sale of intangible and tangible assets, if applicable.

Financing activities include, namely, payments and receipts relating to borrowings, financial leasing contracts and dividend payments.

## 4. CASH AND BANK DEPOSITS

For the purposes of the consolidated statement of cash flows, cash and bank deposits includes cash and immediately drawable bank deposits (with a maturity less than or equal to three months), with bank overdrafts being classified as a financing activity, due to their permanent nature within the Group's financing structure. Cash and bank deposits as of 31 December 2023 and 2022 are as follows:

	2023	2022	Non-current assets held for sale (Note 36)	2022 Total
Cash	145,352	440,035	(13,764)	426,271
Immediately drawable bank deposits	49,722,845	67,020,856	(15,317,938)	51,702,917
Other bank deposits	32,606,892	55,658,412	(320,144)	55,338,268
Cash and cash equivalents	82,475,090	123,119,302	(15,651,846)	107,467,456
Captive deposits	2,921,105	648,095	-	648,095
Time deposits	7,050,204	400,000	(400,000)	-
Cash and cash equivalents	92,446,399	124,167,397	(16,051,846)	108,115,551
Bank overdrafts	-	(1,944,435)	-	(1,944,435)
	<b>92,446,399</b>	<b>122,222,962</b>	<b>(16,051,846)</b>	<b>106,171,116</b>

As of 31 December 2023 and 2022, the heading "Collateral" in the amounts of 2,921,105 euros and 648,095 euros, respectively, was not available for use by the Group. Of these amounts, 445,772 euros and 2,225,876 euros, respectively, corresponded to a counter-guarantee provided to various credit institutions in the form of collateral, to ensure full and punctual compliance with obligations arising from financing agreements entered into with the European Investment Bank ("EIB"), (Note 24). These will only be used to repay principal and/or pay interest and other bank charges under this loan agreement. The amount of these deposits must have a minimum balance of not less than the sum of principal, interest and other bank charges payable by the Group to the EIB in the next 6 months, in accordance with the payment plan established in the contract. The remaining 2,572,533 relating to the year 2023 correspond to deposits that are not for use by the company, corresponding to a guarantee provided to CGD under a financing contract, to guarantee the following 6 months of debt service.

As of 31 December 2023 and 2022, under the heading “Other financial assets”, the amounts of 2,319,380 euros and 2,364,880 euros, respectively, correspond to collateral with a maturity of more than 12 months.

## 5. CHANGES IN ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND ERRORS

During the period ended 31 December 2023, there were no changes in accounting policies compared to those used in the preparation of the consolidated financial statements for the period ended 31 December 2022, nor were material errors or significant changes in accounting estimates recognised for prior periods.

## 6. SUBSIDIARIES, ASSOCIATED AND AFFILIATED ENTERPRISES

### SUBSIDIARIES

The Company and the following subsidiaries, in which it holds or controls the majority of voting rights (control), were included in the consolidation using the full consolidation method as of 31 December 2023 and 2022:

Company Name	Head Office	Percentage Holding		Main activity	Date of incorporation	Date of acquisition
		2023	2022			
Suma - Serviços Urbanos e Meio Ambiente, SA (Suma - parent - company)	Lisbon	-	-	Collection and treatment of solid waste	Jun 94	-
Citrave - Centro Integrado de Resíduos de Aveiro, SA (Citrave) (e)	Lisbon	-	100.00	Treatment and disposal of other non-hazardous waste	Dec 08	-
Through Suma		-	99.85			
Through Novaflex - Técnicas do Ambiente, SA (Novaflex)		-	0.08			
Through Suma (Esposende) - Serviços Urbanos e Meio Ambiente, Lda (Suma Esposende)		-	0.08			
Correia & Correia, Lda (Correia & Correia) (e)	Sertã	-	78.35	Trade and collection of used oils	-	Nov 09
Through Enviroil		-	78.35			
Ekosrodowisko Spółka zoo (Ekosrodowisko)	Poland	100.00	100.00	Collection of municipal solid waste	-	Dec 05
Through MES	(Bytom)	100.00	100.00			
Enviroil, SGPS, Lda (Enviroil) (e)	Torres Novas	-	78.35	Recycling of used oils and electricity generation	-	Nov 09
Through Suma		-	78.35			
Investambiente - Recolha de Resíduos e Gestão de Sistemas de Saneamento Básico, SA (Investambiente) (Note 7)	Lisbon	-	-	Collection of other non-hazardous waste	Jan 00	-
Through Novaflex		-	-			
Mota-Engil Srodowisko, Sp zoo (MONTH)	Poland	100.00	100.00	Collection of municipal solid waste	-	Oct 09
Through Suma	(Krakow)	100.00	100.00			
Nova Beira - Gestão de Resíduos, SA (Nova Beira) (Note 7)	Lisbon	-	-	Treatment and disposal of other non-hazardous waste	-	Dec 07
Through Novaflex		-	-			
Through Investambiente		-	-			
Novaflex	Lisbon	100.00	100.00	Collection of other non-hazardous waste	-	Dec 07
Through Suma		100.00	100.00			

Real Verde - Técnicas de Ambiente, SA (Real Verde)	Vila Real	100.00	100.00	Treatment and disposal of other non-hazardous waste	-	Dec 07
Through Novaflex		100.00	100.00			
Resigés - Gestão de Resíduos Hospitalares, Lda (Resigés)	Setúbal	50.00	50.00	Collection of hazardous waste	-	Dec 07
Through Novaflex		50.00	50.00			
Resilei - Tratamento de Resíduos Industriais, SA (Resilei) (a) and (e)	Leiria	-	50.00	Collection and treatment of industrial waste	-	Jun 03
Through Suma		-	50.00			
Rima - Resíduos Industriais e Meio Ambiente, SA (Rima) (e)	Silvares	-	96.129	Collection and treatment of industrial waste	Aug 01	-
Through Suma		-	96.129			
Siga - Serviço Integrado Gestão Ambiental, SA (Siga)	São Roque	70.00	70.00	Treatment and disposal of non-hazardous waste	Oct 08	-
Through Suma		70.00	70.00			
SRI - Gestão de Resíduos, Lda (SRI)	Sertã	-	78.35	Collection of hazardous waste	Aug 08	-
Through Correia & Correia		-	78.35			
Suma (Douro) - Serviços Urbanos e Meio Ambiente, Lda (Suma Douro)	Murça	100.00	100.00	Collection and treatment of solid waste	Jul 00	-
Through Suma		100.00	100.00			
Suma Esposende	Esposende	100.00	100.00	Collection and treatment of solid waste	Dec 99	-
Through Suma		100.00	100.00			
SumaLab, SA	Matosinhos	100.00	100.00	Collection and treatment of solid waste	Jul 00	-
Through Suma		100.00	100.00			
Suma (Porto) - Serviços Urbanos e Meio Ambiente, SA (Suma Porto)	Porto	100.00	100.00	Collection of municipal solid waste	Nov 08	-
Through Suma		100.00	100.00			
Triu - Técnicas de Resíduos Industriais e Urbanos, SA (Triu) (e)	Prior Velho	-	78.35	Collection of non-hazardous waste	-	Sep-08
Through Enviroil		-	78.35			
Sigamb	Angola	99.90	99.90	Waste collection	Feb-14	-
Through Novaflex	(Luanda)	99.90	99.90			
Suma Macau	Macao	99.00	99.00	Waste collection	Dec-13	-
Through Suma		99.00	99.00			
Enviroil II (e)	Torres Novas	-	70.52	Recycling of used oils, production of electricity and sale of fuels	Apr-11	-
Through Enviroil		-	70.52			
Suma Moçambique, Lda (Suma Mozambique)	Mozambique	99.00	99.00	Household cleaning	Jun-11	-
Through Suma	(Maputo)	99.00	99.00			
AGIR - Ambiente e Gestão, Lda (Agir)	Cape Verde	50.00	50.00	Collection and treatment of solid waste	Dec 07	-
Through Suma		50.00	50.00			
Suma Tratamento	Lisbon	80.00	80.00	Collection and treatment of solid waste	Oct 14	-
Through Suma		79.98	79.98			
Through Novaflex		0.01	0.01			
Through Suma Esposende		0.01	0.01			

Triaza - Tratamento de Resíduos Industriais de Azambuja, SA (Triaza)	Lisbon	100.00	100.00	Construction and operation of the landfill	Aug 15	-
Through Suma		100.00	100.00			
Ecovision	Oman	51.00	51.00	Waste collection and urban cleaning	Jul 15	-
Through Suma		51.00	51.00			
EGF	Lisbon	79.99	79.99	Waste treatment and recovery	-	Jul 15
Through Suma Tratamento		79.99	79.99			
Valorminho	Valença	40.80	40.80	Waste treatment and recovery	-	Jul 15
Through EGF		40.80	40.80			
Resulima	Vila Fria	40.80	40.80	Waste treatment and recovery	-	Jul 15
Through EGF		40.80	40.80			
Resinorte	Celorico de Bastos	60.08	0.00	Waste treatment and recovery	-	Jul 15
Through EGF		60.08	0.00			
Suldouro	Vila Nova de Gaia	48.00	48.00	Waste treatment and recovery	-	Jul 15
Through EGF		48.00	48.00			
Resiestrela	Fundão	50.35	50.35	Waste treatment and recovery	-	Jul 15
Through EGF		50.35	50.35			
ERSUC - Resíduos Sólidos do Centro, SA (Ersusc)	Coimbra	51.93	51.93	Waste treatment and recovery	-	Jul 15
Through EGF		45.95	45.95			
Through Suma		5.98	5.98			
Valorlis	Leiria	40.80	40.80	Waste treatment and recovery	-	Jul 15
Through EGF		40.80	40.80			
Valnor	Avis	42.66	42.66	Waste treatment and recovery	-	Jul 15
Through EGF		42.66	42.66			
Valorsul	São João da Talha	42.34	42.34	Waste treatment and recovery	-	Jul 15
Through EGF		42.34	42.34			
Amarsul	Palmela	40.80	40.80	Waste treatment and recovery	-	Jul 15
Through EGF		40.80	40.80			
Algar	Almancil	44.80	44.80	Waste treatment and recovery	-	Jul 15
Through EGF		44.80	44.80			
Tratamento Complementar de Resíduos, SA (TCR) (g)	Porto	59.00	59.00	Waste treatment and recovery	May 12	-
Through Suma		59.00	59.00			
SBE Waste Management Limited (b)	Hong Kong	90.00	90.00	Waste treatment and recovery	Apr 16	-
Through Suma		90.00	90.00			
Suma Brazil Branch	Belo Horizonte	100.00	100.00	Collection and treatment of solid waste	May 19	-
Geres Participações (c) and (d)	Belo Horizonte	100.00	100.00	Collection and treatment of solid waste	Dec 14	-
Suma Brasil (c)	Belo Horizonte	100.00	100.00	Collection and treatment of solid waste	-	Dec 14
Through Geres						

Vista Waste (f)	Luanda	100.00	-	Collection and treatment of solid waste		
Through Suma		49.00	-			
Through Novaflex		41.00	-			
Vista Energy (f)	Luanda		-	Collection and treatment of solid waste		
Through Suma		100.00	-			
Vista Energy (f)	Luanda	100.00	-	Collection and treatment of solid waste		
Through Suma		41.00	-			

**(a)** On 31 December 2022, this subsidiary was included in the consolidation using the full consolidation method, as the remaining shareholders transferred control of the management of Resilei's operational and financial policies to SUMA. In 2023, and until the effective registration of the spin-off that occurred on 28 December 2023, SUMA maintained control of the management, operational and financial policies of Resilei, as a result of which, for consolidation purposes, it was the understanding of the Board of Directors that the results for the year 2023 of the companies within the spin-off perimeter should be consolidated (Note 1.2).

**(b)** This subsidiary was established in April 2016 and has not yet started operating. In September 2017, SUMA acquired 30% of its capital, thereafter holding 90% of its capital, and it is now included in the consolidation using the full method.

**(c)** With the acquisition of the remaining stake in Geres Participações, SA in November 2021, these subsidiaries were thereafter included in the consolidation using the full consolidation method.

**(d)** During the 2022 period, Geres ceased to hold the majority of the capital of Mais Itapevi, thereafter holding 35% of its capital.

**(e)** As of 31 December 2022, these affiliated companies were included in the consolidation using the full consolidation method, as SUMA exercised control over the management of their operational and financial policies. In 2023, and until the effective registration of the spin-off operation, which occurred on 28 December 2023, SUMA maintained control of the management of the operational and financial policies of the affiliated companies, as a result of which, for consolidation purposes, it was the understanding of the Board of Directors that the results thereof for the year 2023 should be consolidated (Note 1.2).

**(f)** In December 2023, with the aim of continuing to expand its activity internationally, the Group acquired a 10% stake in the entity Vista Waste ("Vista"), thereafter holding 59% of its capital, and acquired the entity Vista Energy, Environment and Services, SA ("Vista Energy"), which holds a 41% stake in the entity Vista Waste, with the Group thereafter controlling these entities.

These subsidiaries were included in the consolidation using the full consolidation method, under which it holds or controls the majority of the voting rights. In addition, the consolidated financial statements include the effect of the full consolidation of the operations of the subsidiaries disposed of and settled until the effective date.

For foreign-based companies, their financial statements were translated into euros using the exchange rates prevailing at the date of the consolidated balance sheet. The results of these companies were translated into euros at the average exchange rate for the periods. The difference resulting from the conversion is recorded in equity under "Other changes in equity".

## INVESTMENTS IN ASSOCIATED ENTERPRISES

As at 31 December 2023, the Group holds the following investments in associates:

Company Name	Head Office	Percentage Holding	Main activity
Ambibatalha - Gestão de Resíduos, SA (Ambibatalha)	Batalha	20.00	Collection and treatment of solid waste
Ambilital - Investimentos Ambientais no Alentejo, EIM (Ambilital)	Santiago do Cacém	49.00	Collection and treatment of solid waste
Ecoleziria - Empresa Intermunicipal para o Tratamento de Resíduos Sólidos, EIM (Ecoleziria)	Almeirim	24.50	Collection and treatment of solid waste
Ecolife	Maputo	30.00	Collection and treatment of solid waste
Ecoos ambiental	Belo Horizonte	34.00	Collection and treatment of solid waste
Mais Itapevi	Belo Horizonte	35.00	Collection and treatment of solid waste
CTR Sata Luzia <sup>(a)</sup>	Santa Luzia	25.00	Construction and operation of landfill

<sup>(a)</sup> From June 2023.

As of 31 December 2022, the Group holds the following investments in associated enterprises:

Company Name	Head Office	Percentage Holding	Main activity
AMBIBATALHA - Gestão de Resíduos, SA (Ambibatalha)	Batalha	20.00	Collection and treatment of solid waste
Ambilital - Investimentos Ambientais no Alentejo, EIM (Ambilital)	Santiago do Cacém	49.00	Collection and treatment of solid waste
Citrupe - Centro Integrado de Resíduos, Lda (Citrupe)	Maia	30.00	Collection and treatment of solid waste
Ecoleziria - Empresa Intermunicipal para o Tratamento de Resíduos Sólidos, EIM (Ecoleziria)	Almeirim	24.50	Collection and treatment of solid waste
Ecolife	Maputo	30.00	Collection and treatment of solid waste
Vista Waste	Luanda	49.00	Collection and treatment of solid waste
Ecoos ambiental	Belo Horizonte	34.00	Collection and treatment of solid waste
Mais Itapevi	Belo Horizonte	35.00	Collection and treatment of solid waste

Investments in associated enterprises are recognised in accordance with the equity method (Note 3.2), with the financial statements of these companies being used with the same reporting date as that of the Group. For foreign-based companies, their financial statements were translated into euros using the exchange rates prevailing at the date of the consolidated balance sheet. The results of these companies were translated into euros at the average exchange rate for the periods. The difference resulting from the conversion is recorded in equity under "Other changes in equity".

As per the introductory note, Vista Waste was considered an associated enterprise until November 2023, becoming a subsidiary as of December 2023.

## 7. CHANGES IN THE CONSOLIDATION PERIMETER

During the period ended 31 December 2023, the following changes occur in the Group's consolidation perimeter:

- Acquisition of 100% of the share capital of Vista Energy, which holds 41% of Vista Waste's shares;
- Acquisition of a 10% share in Vista Waste, giving the Group control of 100% of Vista Waste, directly holding 59% and indirectly the remaining 41%;
- With the completion of the spin-off operation at the end of December 2023, the companies within the spin-off

perimeter contributed to the consolidated income statement but do not present any balance sheet as a result of the loss of control on 28 December 2023. The companies that comprise the spin-off perimeter, and that left the consolidation perimeter, are Correia & Correia, SRI, Enviroil II, Triu, Enviroil SGPS ("Enviroil Group"), Rima, Citrave and Resilei, as described in note 1.2.

During the period ended 31 December 2022, the following changes occurred in the Group's consolidation perimeter:

- During the 2022 period, Geres ceased to hold the majority of the capital of Mais Itapevi, thereafter holding 35% of its capital.
- During the 2022 period, the companies Novabeira and Investambiente were dissolved and liquidated, and were therefore not considered in the consolidation perimeter.

## 8. TANGIBLE FIXED ASSETS

During the periods ended 31 December 2023 and 2022, the movements in tangible fixed assets, as well as in the respective accumulated depreciation and impairment losses, were as follows:

2023	Land and natural resources	Buildings and other structures	Basic equipment	Transport equipment	Office equipment	Other tangible fixed assets	Tangible fixed assets in progress	Total
<b>Gross assets</b>								
Opening balance	7,547,516	10,302,748	28,735,024	58,687,982	2,709,344	5,409,080	4,785,016	118,176,710
Change in consolidation perimeter (Note 7)	517,195	3,714,339	5,924,375	1,921,033	37,888	21,305	(1,944,028)	10,192,107
Acquisitions	1,743,817	100,494	1,109,530	6,724,463	219,599	213,543	2,202,283	12,313,730
Disposals	-	-	(212,230)	(2,610,290)	-	(308,006)	-	(3,130,526)
Transfers	-	9,458	504,769	3,712	-	-	(517,939)	( )
Write-offs	-	(1,984)	(113,671)	(29,713)	(111,415)	(61,424)	(7,316)	(325,523)
Other variations	(2,602,969)	-	(167,893)	-	-	168,147	(238,865)	(2,841,580)
Currency revaluation	393,177	(32,148)	(69,664)	334,520	(8,224)	6,376	-	624,037
<b>Closing balance</b>	<b>7,598,736</b>	<b>14,092,906</b>	<b>35,710,240</b>	<b>65,031,708</b>	<b>2,847,191</b>	<b>5,449,022</b>	<b>4,279,151</b>	<b>135,008,954</b>
<b>Accumulated depreciation and impairment losses:</b>								
<b>Opening balance</b>	<b>210,185</b>	<b>9,102,553</b>	<b>23,504,249</b>	<b>38,708,123</b>	<b>2,560,713</b>	<b>5,016,281</b>	<b>283,362</b>	<b>79,385,466</b>
Change in consolidation perimeter (Note 7)	81,580	755,396	4,922,095	1,340,196	39,920	20,511	-	7,159,698
Depreciation for the year (Note 32)	877,724	399,100	1,473,738	4,698,271	119,762	227,439	-	7,796,034
Disposals	-	-	(204,019)	(2,550,358)	-	(295,496)	-	(3,049,873)
Write-offs	-	(1,984)	(83,457)	(29,140)	(111,415)	(61,424)	-	(287,421)
Other variations	-	-	(123,361)	2,831	-	120,685	-	154
Currency revaluation	(67,175)	(41,851)	(130,497)	160,558	(8,173)	3,992	-	(83,146)
<b>Closing balance</b>	<b>1,102,314</b>	<b>10,213,214</b>	<b>29,358,748</b>	<b>42,330,480</b>	<b>2,600,806</b>	<b>5,031,989</b>	<b>283,362</b>	<b>90,920,913</b>
<b>Net assets</b>	<b>6,496,422</b>	<b>3,879,692</b>	<b>6,351,493</b>	<b>22,701,227</b>	<b>246,385</b>	<b>417,033</b>	<b>3,995,789</b>	<b>44,088,041</b>

2022	Land and natural resources	Buildings and other structures	Basic equipment	Transport equipment	Office equipment	Other tangible fixed assets	Tangible fixed assets in progress	Total
<b>Gross assets</b>								
Opening balance	12,893,579	21,693,289	56,361,442	65,491,313	3,224,675	6,749,605	7,306,948	173,720,851
Change in consolidation perimeter (Note 7)	-	-	(9,727)	-	(5,903)	-	-	(15,631)
Non-current assets held for sale (Note 36)	(6,415,234)	(11,755,388)	(29,134,539)	(7,960,891)	(626,293)	(1,338,637)	(5,295,631)	(62,526,613)
Acquisitions	-	70,265	1,141,893	1,813,553	133,380	250,465	3,342,724	6,752,280
Disposals	-	-	(202,103)	(1,866,178)	(2,287)	(227,713)	(14,950)	(2,313,231)
Transfers	-	239,351	313,049	597,835	4,888	840	(1,155,962)	()
Write-offs	-	(57,240)	(647,195)	(306,952)	(33,718)	(37,750)	(15,415)	(1,098,270)
Other variations	-	-	-	-	-	-	-	-
Currency revaluation	1,069,171	112,471	912,203	919,304	14,601	12,270	617,303	3,657,324
<b>Closing balance</b>	<b>7,547,516</b>	<b>10,302,748</b>	<b>28,735,024</b>	<b>58,687,982</b>	<b>2,709,344</b>	<b>5,409,080</b>	<b>4,785,016</b>	<b>118,176,710</b>
<b>Accumulated depreciation and impairment losses</b>								
Opening balance	883,114	15,898,684	43,108,789	42,063,760	3,005,722	6,319,354	283,362	111,562,785
Change in consolidation perimeter (Note 7)	-	-	(213)	-	(93)	-	-	(306)
Non-current assets held for sale (Note 36)	(709,475)	(7,736,323)	(21,856,960)	(6,336,297)	(569,824)	(1,312,326)	-	(38,521,205)
Depreciation for the year (Note 32)	36,546	915,911	2,567,865	4,752,866	144,792	271,387	-	8,689,368
Disposals	-	(36,857)	(212,530)	(2,127,180)	(5,040)	(231,829)	-	(2,613,436)
Write-offs	-	-	(633,844)	(34,936)	(30,932)	(31,402)	-	(731,114)
Currency revaluation	-	60,814	443,632	381,611	14,014	1,097	-	901,168
<b>Closing balance</b>	<b>210,185</b>	<b>9,102,553</b>	<b>23,504,249</b>	<b>38,708,123</b>	<b>2,560,713</b>	<b>5,016,281</b>	<b>283,362</b>	<b>79,385,466</b>
<b>Net assets</b>	<b>7,337,331</b>	<b>1,200,195</b>	<b>5,230,775</b>	<b>19,979,859</b>	<b>148,631</b>	<b>392,800</b>	<b>4,501,654</b>	<b>38,791,245</b>

During the periods ended 31 December 2023 and 2022, the main acquisitions of tangible fixed assets are related to the acquisition of transport equipment and containers, necessary for the Group's operational activity, as well as the improvement and expansion of facilities, such as the Algarve Service Centre and the Polima facilities.

The considerable increase in tangible fixed assets during the period ended 31 December 2023 is largely influenced by the change in the consolidation perimeter witnessed in November 2023, with the acquisition of a 100% interest in Vista Waste, directly through the acquisition of 10% of the shares and indirectly through the acquisition of the entire stake in Vista Energy (Note 7), which holds the remaining 41% of Vista Waste.

Transport equipment includes all types of vehicles and equipment used in municipal solid waste collection services, namely, sweeping vehicles and vacuum sweepers, container washers, crane and compactor vehicles and waste collection vehicles, among others. This type of equipment is essentially acquired through financial leasing contracts, as evidenced in Note 24.2.

Disposals correspond mainly to the sale of various types of used vehicles that were mostly depreciated.

The write-offs mainly concern containers that were no longer in working order.

With the acquisition of Gerês Participações, on 31 December 2021, land held by the subsidiary SUMA Brasil in the amount of 5,262,923 euros was recognised in SUMA's consolidated accounts. The Group's management expects that it will be operated as a landfill, and there are agreements in place with an investor for this purpose, which have underlying clauses with certain established conditions, including obtaining a licence.

## 9. INVESTMENT PROPERTIES

As of 31 December 2023 and 2022, investment properties include land located in Cascais, Escandarão and Várzea. This land is not allocated to the production or supply of goods and services, but is recorded at historical cost, in the amounts of 1,647,000 euros, 14,863 euros, 35,491 euros, respectively.

Additionally, on 31 December 2023 and 2022, this item includes a unit of a property leased to third parties in Lisbon.

In the periods ended 31 December 2023 and 2022, the movement under this heading was as follows:

	2023	2022
<b>Opening balance</b>	1,707,576	1,885,138
Disposals	-	-
Non-current assets held for sale (Note 36) <sup>(a)</sup>	-	(176,779)
Depreciation for the year (Note 32)	(681)	(783)
<b>Closing balance</b>	<b>1,706,896</b>	<b>1,707,576</b>

<sup>(a)</sup> This amount has been reclassified to Tangible fixed assets.

Investment properties have a market value below their book value, amounting to approximately 1,646,420 euros, according to property valuations carried out by an independent entity in 2023.

## 10. GOODWILL

Goodwill concerns the purchase difference recorded in the year, and in previous periods, in the acquisition of subsidiaries and associated enterprises. As of 31 December 2023 and 2022, goodwill may be broken down as follows:

Cash generating entity or unit	Acquisition year	Carrying amount 2022	Increases	Amortisation for the year (Note 32)	Carrying amount 2023
Ecolatlantica	2006	76,655		(6,559)	70,096
Geres	2021	1,648,132		(188,358)	1,459,774
Vista Waste	2023	-	4,620,651	(38,505)	4,582,145
		<b>1,724,787</b>	<b>4,620,651</b>	<b>(233,422)</b>	<b>6,112,016</b>

Cash generating entity or unit	Acquisition year	Carrying amount 2021	Amortisation for the year (Note 32)	Non-current assets held for sale (Note 36)	Carrying amount 2022
Ecolatlantica	2006	83,212	(6,559)	-	76,653
Resilei	2007	79,827	(21,007)	(58,820)	-
Triu	2008	2,188,123	(280,599)	(1,907,524)	-
Enviroil	2009	6,488,047	(509,830)	(5,978,217)	-
Geres	2021	1,836,490	(188,358)	-	1,648,132
Citrave	2009	-	-	(81,580)	(81,580)
		<b>10,675,699</b>	<b>(1,006,353)</b>	<b>(8,026,139)</b>	<b>1,643,207</b>

During the period ended 31 December 2023, the Group acquired 10% of Vista Waste's share as well as 100% of Vista Energy's share, thereafter holding the entire capital of both subsidiaries, which generated Goodwill, the useful life of which, as it is not defined, was set at 10 years.

During the periods ended 31 December 2023 and 2022, the change in goodwill was as follows:

	2023	2022
<b>Opening balance</b>	1,643,207	10,675,699
Non-current assets held for sale (Note 36)	-	(8,026,139)
Increases	4,620,651	-
Accumulated (Note 32)	(233,422)	(1,006,353)
Perimeter change - Citrave	81,580	-
<b>Closing balance</b>	<b>6,112,016</b>	<b>1,643,207</b>

In the year ended 31 December 2023, the Company assessed the recoverable value of its financial holdings, considering the cash flow projections in accordance with the financial projections of each cash-generating unit for a five-year period, using a discount rate for the subsidiaries Geres and Vista Waste of 14.5% and 22.08%, respectively, and a growth rate in perpetuity of 2% and 6.4%, respectively.

In the year ended 31 December 2022, the Company assessed the recoverable value of its financial holdings,

considering the cash flow projections in accordance with the financial projections of each cash-generating unit for a five-year period, using a discount rate of 6.29%, and a growth rate in perpetuity of 2%. For the subsidiary Geres and the associated enterprise Vista Waste, discount rates of 14.5% and 22.08%, respectively, and a growth rate in perpetuity of 3% and 6.4%, respectively, were used. For the investee Resilei, the discount rate of 6.29% was used, but no perpetuity growth rate and considering cash flow projections until 2041, given that the landfill has a finite useful life.

For the purposes of impairment testing, and based on the defined criteria, no signs of impairment were identified, and the goodwill was amortised.

## 11. INTANGIBLE ASSETS

During the periods ended 31 December 2023 and 2022, changes in intangible assets, as well as in their accumulated amortisations and impairment losses, were as follows:

2023	Contractual rights	Regulatory Asset	Computer programs	Intangible assets in progress	Other intangible assets	Total
<b>Gross assets</b>						
Opening balance	1,251,323,561	270,201	1,921,903	27,101,238	19,564,709	1,300,181,610
Change in consolidation perimeter (Note 7)	2,017,426	-	2,896	-	68,478	2,088,801
Non-current assets held for sale (Note 36)	-	-	-	-	-	-
Acquisitions	56,758,048	-	134,575	36,967,202	-	93,859,826
Disposals	(2,343,328)	-	-	-	-	(2,343,328)
Reductions	(25,331,821)	-	(5)	(5,335)	-	(25,337,161)
Reclassifications	-	-	(254)	-	-	(254)
Transfers	54,774,980	-	238,865	(54,774,980)	-	238,865
Currency revaluation	(371,458)	-	20,668	-	(12,328)	(363,118)
<b>Closing balance</b>	<b>1,336,827,408</b>	<b>270,201</b>	<b>2,318,648</b>	<b>9,288,126</b>	<b>19,620,859</b>	<b>1,368,325,241</b>
<b>Accumulated amortisation and impairment losses</b>						
Opening balance	881,242,564	99,516	870,204	-	19,345,185	901,557,467
Change in consolidation perimeter (Note 7)	179,506	-	(35,670)	-	13,685	157,521
Non-current assets held for sale (Note 36)	-	-	-	-	-	-
Amortisation for the year (Note 32)	41,331,315	14,221	320,253	-	201	41,665,990
Disposals	(2,535,428)	-	-	-	-	(2,535,428)
Reductions	(24,865,058)	-	(4)	-	-	(24,865,062)
Reclassifications	-	-	(154)	-	-	(154)
Currency revaluation	(32,701)	-	39,051	-	(2,239)	4,112
<b>Closing balance</b>	<b>895,320,197</b>	<b>113,737</b>	<b>1,193,680</b>	<b>-</b>	<b>19,356,833</b>	<b>915,984,446</b>
<b>Net assets</b>	<b>441,507,211</b>	<b>156,464</b>	<b>1,124,969</b>	<b>9,288,126</b>	<b>264,026</b>	<b>452,340,795</b>

2022	Contractual rights	Regulatory Asset	Development expenses	Computer programs	Intangible assets in progress	Other intangible assets	Total
<b>Gross assets:</b>							
Opening balance	1,215,824,957	270,201	557,533	1,777,507	21,582,672	20,929,237	1,260,942,104
Non-current assets held for sale (Note 36)	(2,860)	-	(557,533)	(304,265)	(24,750)	(13,526)	(902,934)
Acquisitions	18,277,802	-	-	447,046	37,205,588	258,771	56,189,207
Disposals	(2,922,553)	-	-	(940)	-	-	(2,923,493)
Reductions	(11,507,657)	-	-	-	(8,400)	(267,828)	(11,783,885)
Transfers	31,653,873	-	-	-	(31,653,873)	(1,341,945)	(1,341,945)
Currency revaluation	-	-	-	2,556	-	-	2,556
<b>Closing balance</b>	<b>1,251,323,561</b>	<b>270,201</b>	<b>-</b>	<b>1,921,903</b>	<b>27,101,238</b>	<b>19,564,709</b>	<b>1,300,181,610</b>
<b>Accumulated amortisation and impairment losses:</b>							
Opening balance	851,050,110	85,295	557,532	964,739	-	15,919,779	868,577,454
Non-current assets held for sale (Note 36)	(2,860)	-	(557,533)	(301,314)	-	(12,442)	(874,149)
Amortisation for the year (Note 32)	43,933,404	14,221	1	207,575	-	3,434,993	47,590,195
Disposals	(3,162,956)	-	-	(940)	-	253	(3,163,643)
Adjustments	-	-	-	-	-	2,602	2,602
Reductions	(10,575,134)	-	-	-	-	-	(10,575,134)
Currency revaluation	-	-	-	143	-	-	143
<b>Closing balance</b>	<b>881,242,564</b>	<b>99,516</b>	<b>-</b>	<b>870,204</b>	<b>-</b>	<b>19,345,185</b>	<b>901,557,468</b>
<b>Net assets</b>	<b>370,080,997</b>	<b>170,685</b>	<b>-</b>	<b>1,051,700</b>	<b>27,101,238</b>	<b>219,523</b>	<b>398,624,142</b>

The main investments made during the year ended 31 December 2023, were as follows:

**Algar:** completion of the supply of three motor generators for energy using biogas from landfills and completion of the installation of three Reverse Osmosis Leachate Treatment Plants;

**Amarsul:** adaptation of the Palmela Mechanical Treatment Unit for Mechanical and Biological Treatment. Acquisition of selective collection vehicles. Acquisition of other miscellaneous equipment;

**Ersuc:** completion of the adaptation of TMB for the selective reception of biodegradable waste. Acquisition of 2 reverse osmosis units and door-to-door collection vehicles. Sealing of the Figueira da Foz landfill.

**Resiestrela:** reformulation of the fire-fighting system. Acquisition of heavy door-to-door vehicles as well as collection and transport trucks;

**Resinorte:** acquisition of selective collection vehicles. Work to expand the Bigorne landfill and the changing rooms and social facilities. Sealing of the Santo Tirso landfill;

**Resulima:** completion of the installation of motor generators at the Vila Fria unit. Implementation of the Ecolugares project. Start of a series of actions aimed at mitigating odours from the Paradela UVR;

**Suldouro:** acquisition of 6 trucks for selective collection. Improvement works on the paper and cardboard warehouse. Acquisition of miscellaneous equipment for TMB and Landfill;

**Valnor:** acquisition of selective collection vehicles. Reformulation of the Elvas ET. Acquisition of other miscellaneous waste transportation equipment;

**Valorlis:** work to increase the organic recovery capacity of the TMB for the treatment of biodegradable waste and replacement of landfill and biogas equipment. Replacement of selective collection vehicles and heavy vehicles in the TMB;

**Valorminho:** acquisition of replacement equipment (biogas, selective collection and landfill). Building renovation contract;

**Valorsul:** acquisition of incineration gas scrubbers and primary incineration superheaters. Acquisition of ecopoints and construction of the Warehouse and upgrading of the Oeste Waste Treatment Centre.

The main investments made during the year ended 31 December 2022, were as follows:

**Algar:** completion of CTTRU - ASB Urban Waste Treatment and Sorting Centre. Replacement of fleet and mechanical equipment. Installation of two Leachate Water Treatment Plants by Reverse Osmosis;

**Amarsul:** adaptation of the Palmela Mechanical Treatment Unit for Mechanical and Biological Treatment. Purchase of door-to-door and separate collection vehicles. Acquisition of other equipment for CVO;

**Ersuc:** replacement of vehicles for selective collection, acquisition of containers for door-to-door collection. Partial sealing of operated Landfills.

**Resiestrela:** TMB optimisation project, renewal of Compost fine-tuning equipment. Acquisition of self-compactors and other auxiliary equipment;

**Resinorte:** acquisition of landfill equipment, partial sealing of landfills. Acquisition of other computer equipment;

**Resulima:** continuation of the partial sealing work on the Vila Fria landfill. Advance payment for the order of 2 motor generators for the Vila Fria Energy Recovery Plant;

**Suldouro:** Sermonde landfill sealing project. Purchase of 2 trucks for selective collection. Acquisition of other equipment for CVO and Landfill;

**Valnor:** optimisation of mechanical and biological treatment of CITVRS in Avis, reverse osmosis in Castelo Branco. Acquisition of selective collection vehicles and semi-trailers for waste transfer;

**Valorlis:** work to increase the organic recovery capacity of TMB for the treatment of biodegradable waste, acquisition of vehicles for selective collection. Acquisition of other equipment for Sorting, Biological Treatment and Mechanical Treatment;

**Valorminho:** acquisition of replacement equipment (biogas, leachate and landfill, acquisition of new equipment for mechanical treatment and transfer stations);

**Valorsul:** paper/cardboard presses and packaging for Sorting Centres. Fixed equipment for the West Sorting line and acquisition of selective collection vehicles.

As of 31 December 2023, the methods and main assumptions used in preparing the impairment test for Goodwill arising from the acquisition of the subsidiary EGF were based on the forecast regulated accounts approved by the regulator (ERSAR) for the regulatory period 2022-2024, plus capex investment projections taking into account the replacement investments necessary to maintain the Regulated Asset Base (BAR) at levels similar to 2023 considering inflation, as well as the new investments foreseen in PAPERSU 2030, and the variation in working capital for the period 2025-2034, remuneration rates currently in force for the entire contractual period and a post-tax discount rate of 5.72%. Based on the impairment test performed, no need was identified to recognise impairment losses associated with the assets of these cash-generating units (concessionaire companies that are subsidiaries of this Group).

The final approval process of the CRPs for the 2022-2024 regulatory period was completed in the 1st quarter of 2023, and there are no relevant differences between the amounts recognised in the accounts of EGF's 11 concessions and the amounts arising from the CRPs for the 2022-2024 regulatory period.

The process of approval by ERSAR of the Real Regulated Accounts (CRRs) for the financial years 2022 and 2023, submitted in April 2023 and April 2024, respectively, is currently underway.

As of 31 December 2023, based on the impairment test performed, no impairment losses were recorded for the aforementioned intangible assets.

## 12. FINANCIAL HOLDINGS – EQUITY METHOD

As at 31 December 2023 and 2022, the Group holds the following financial interests in associated enterprises:

2023	Head Office	% held	Assets	Equity	Turnover	Net earnings	Value of the holding	Additional paid-in capital	Total share of assets
<b>Investments in associated enterprises</b>									
Ambilital	Santiago do Cacém	49.00%	24,539,709	18,158,954	4,452,393	159,556	8,897,888	-	8,897,888
Ecolezíria (c)	Almeirim	24.50%	-	-	-	-	317,481	-	317,481
Ecolife (b)	Maputo	30.00%	2,644,771	1,415,374	1,881,777	255,471	424,612	-	424,612
Ecooss ambiental	Brazil	34.00%	11,110,754	4,210,153	27,484,027	2,388,021	1,426,603	-	1,426,603
Mais Itapevi	Brazil	35.00%	6,621,664	1,119,800	8,278,115	1,624,971	272,906	-	272,906
CTR Santa Luzia	Brazil	25.00%	7,446,895	6,207,807	668,919	248,291	2,961,587	-	2,961,587
			<b>52,363,793</b>	<b>31,112,089</b>	<b>42,765,231</b>	<b>4,676,310</b>	<b>14,301,077</b>	<b>-</b>	<b>14,301,077</b>

2022	Head Office	% held	Assets	Equity	Turnover	Net earnings	Value of the holding	Additional paid-in capital	Total share of assets
<b>Investments in associated enterprises</b>									
Vista Waste (a) and (b)	Luanda	49.00%	105,061,345	35,191,463	28,594,588	10,857,585	17,243,817	944,834	18,188,650
Ambilital	Santiago do Cacém	49.00%	25,661,816	18,810,983	4,301,917	438,451	9,217,381	-	9,217,381
Citrup	Maia	30.00%	12,283	(18,230)	28,714	(11,915)	-	-	-
Ecolezíria (c)	Almeirim	24.50%	-	-	-	-	317,481	-	317,481
Ecolife (b)	Maputo	30.00%	2,340,623	1,206,730	2,016,225	140,206	362,019	-	362,019
Ecooss ambiental	Brazil	34.00%	9,619,388	1,732,683	25,537,368	2,266,857	589,112	-	589,112
Mais Itapevi	Brazil	35.00%	3,350,401	595,306	6,345,229	697,332	208,357	-	208,357
			<b>146,045,856</b>	<b>57,518,933</b>	<b>66,824,042</b>	<b>14,388,516</b>	<b>27,938,167</b>	<b>944,834</b>	<b>28,883,001</b>

(a) The equity of this company includes additional paid-in capital or supplementary capital granted by the Group.

(b) These companies are headquartered outside Portugal and have a currency other than the euro. Their financial statements are translated to euros and transposed to the NCRF.

(c) Financial information not available.

During the periods ended 31 December 2023 and 2022, the Group did not identify any signs of impairment in relation to the financial interests held.

Investments in associated enterprises are recognised in accordance with the equity method (Note 3.2), with the financial statements of these companies being used with the same reporting date as that of the Group.

During the period ended 31 December 2023 and 2022, the movement occurred in the headings “Financial holdings – equity method” was as follows:

<b>2023</b>	<b>Value of the holding</b>	<b>Additional paid-in capital</b>	<b>Total</b>
<b>Opening balance</b>	27,938,167	944,834	28,883,001
Increases	2,961,587	-	2,961,587
Perimeter change	(10,610,103)	(944,834)	(11,554,937)
Dividends assigned	(459,962)	-	(459,962)
Equity method	(5,528,613)	-	(5,528,613)
<b>Closing balance</b>	<b>14,301,077</b>	<b>-</b>	<b>14,301,077</b>

During the year ended 31 December 2023, as a result of the holding of control of Vista Waste, as referred to in note 6 and note 7, the financial holding was reclassified from an associated company to a subsidiary, becoming part of the consolidation perimeter on 1 December 2023.

<b>2022</b>	<b>Value of the holding</b>	<b>Additional paid-in capital</b>	<b>Total</b>
<b>Opening balance</b>	38,507,551	944,834	39,452,384
Increases	208,357	-	208,357
Perimeter change	(3,909)	-	(3,909)
Dividends assigned	(26,523,416)	-	(26,523,416)
Equity method	15,749,584	-	15,749,584
<b>Closing balance</b>	<b>27,938,167</b>	<b>944,834</b>	<b>28,883,001</b>

During the periods ended on 31 December 2023 and 2022, of the dividends attributed, 459,962 euros and 16,569,384 euros were received, respectively, with the difference from the amounts approved for distribution being recorded under accounts receivable from the respective investees.

Movements relating to the application of the equity method are as follows:

<b>2023</b>	<b>Imputed gains/ (losses) of associated enterprises</b>	<b>Other changes in equity</b>	<b>Provisions for losses on financial holdings (Note 23)</b>	<b>Financial interests</b>
Vista Waste	(31,411,496)	23,514,532		(7,896,964)
Vista Energy	1,281,372			1,281,372
Ambilital	78,182	(260,660)	-	(182,478)
Citrup	(346)	-	(5,469)	-
Ecolife	76,641	(14,048)	-	62,593
Mais Itapevi	310,457		-	310,457
Ecosse ambiental	807,078		-	807,078
CTR Santa Luzia	89,328			89,328
	<b>(28,768,782)</b>	<b>23,239,824</b>	<b>(5,469)</b>	<b>(5,528,613)</b>

As of 31 December 2023, as a result of the acquisition of control of Vista Waste (Note 6 and Note 7) through the revaluation of the financial stake and recycling of foreign exchange reserves prior to the acquisition of control, there was a significant negative impact on earnings. By contrast, as a result of the acquisition of Vista Energy, goodwill was recorded and recognised in profit or loss.

<b>2022</b>	<b>Imputed gains/ (losses) of associated enterprises</b>	<b>Other changes in equity</b>	<b>Provisions for losses on financial holdings (Note 23)</b>	<b>Financial interests</b>
Vista Waste	5,297,872	9,103,376	-	14,401,248
Ambilital	214,841	783,101	-	997,942
Citrup	(3,574)	-	3,574	-
Ambibatilha	429	(429)	-	-
Ecolife	42,740	23,903	-	66,643
Mais Itapevi	367,457	(367,457)	-	-
Ecosse ambiental	770,748	(486,996)	-	283,752
	<b>6,690,512</b>	<b>9,055,497</b>	<b>3,574</b>	<b>15,749,584</b>

The heading “Other changes in equity” corresponds essentially to the recording of the exchange rate effect of the application of the equity method of associated enterprises in foreign currency and to the recording of Government grants they received.

## 13. OTHER FINANCIAL INVESTMENTS

As of 31 December 2023 and 2022, the “Other financial investments” heading has the following composition:

	2023	2022
<b>Opening balance</b>	287,530	283,447
Increases/decreases	(11,494)	63,143
Non-current assets held for sale (Note 36)	-	(59,060)
<b>Closing balance</b>	<b>276,036</b>	<b>287,530</b>

## 14. POST-EMPLOYMENT BENEFIT LIABILITIES

The EGF subgroup has a “defined benefit” pension plan for its former employees, financed through payments to independently managed funds, to cover the payment of pension supplements (old age or disability) in the part that exceeds that guaranteed by social security.

A defined benefit plan is a pension plan that defines the amount of pension benefit an employee will receive upon retirement, usually dependent on one or more factors, such as age, years of service and compensation.

The defined benefit plan obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting future benefit payments using the interest rate on high quality bonds denominated in the same currency in which the benefits will be paid and with maturity terms that approximate those of the liability assumed.

With effect from 1 January 2007, EGF changed the pension fund from defined benefit to defined contribution for current employees. This plan is based on a contribution from the Group calculated as a percentage of each employee’s pensionable salary, provided that the latter meets the necessary eligibility conditions for the Plan.

Under this defined contribution plan, the cost of the pension plan is fixed from the outset and remains stable, with no need to make periodic actuarial valuations or meet financing deficits.

For the former employees’ plan, the actuarial study carried out, with reference to 31 December 2023 and 2022, presented the following assumptions:

	2023	2022
Mortality table	TV 88/90	TV 88/90
Disability table	EKV 79	EKV 79
Annual discount rate	4.44%	3.80%
Fund Yield Rate	1.60%	-6.90%

As of 31 December 2023 and 2022, retirement benefit liabilities are as follows:

	2023	2022
<b>Opening balance</b>	236,536	259,519
Interest cost	4,441	1,126
Actuarial Losses/(Gains) resulting from changes in assumptions	28,847	50,058
Benefits foreseen	(69,301)	(68,622)
Discount rate change	(10,026)	(5,545)
<b>Closing balance</b>	<b>190,497</b>	<b>236,536</b>

With reference to the period ended on 31 December 2023 and 2022, the evolution of the fund's assets and the fund summary was as follows:

	2023	2022
<b>Opening balance</b>	210,812	216,340
Adjustment Opening balance	2,953	-
Effective return	2,386	925
Gain/(loss) of income	6,448	(14,578)
Company Contributions	14,564	76,067
Benefits paid	(58,756)	(67,942)
<b>Closing balance</b>	<b>178,407</b>	<b>210,812</b>
Current value of past liabilities	190,498	236,536
Current value of the assets in the fund	178,407	210,812
<b>(Deficit)/Surplus of the fund</b>	<b>(12,091)</b>	<b>(25,724)</b>

## 15. INCOME TAXES

The Company is subject to Corporation Tax ("IRC") at a standard rate of 21% on the basic taxable amount, plus a surcharge of 1.5% on taxable income and a state surcharge of 3%, resulting in an aggregate tax rate of, at the most, 25.5%.

Additionally, taxable profits for the period exceeding 1,500,000 euros are subject to a state surcharge, pursuant to Article 87-A of the Portuguese Corporation Tax Code, at the following rates:

- 3% for taxable profits between 1,500,000 euros and 7,500,000 euros;
- 5% for taxable profits between 7,500,000 euros and 35,000,000 euros; and
- 9% for taxable profits exceeding 35,000,000 euros.

The deduction of net financing costs in determining taxable profit was subject to the higher of the following limits:

- 1,000,000 euros;
- 30% of the earnings before interest, taxes, depreciation and amortisation.

Under Article 88 of the Portuguese Corporation Tax Code, the company is subject to autonomous taxation on a set of charges at the rates provided for in the above article.

In accordance with current legislation, tax returns are subject to review and correction by the tax authorities for a period of four years (five years for Social Security), except where there are tax losses, tax exemptions or reductions have been granted, or inspections, complaints or disputes are in progress, in which case, depending on the circumstances, the time limits may be extended or suspended. Therefore, the Group's tax returns for the years 2020 to 2023 may still be subject to review.

The Board of Directors understands that any corrections resulting from reviews/inspections by the tax authorities of those tax returns will not have a significant effect on the financial statements as at 31 December 2023 and 2022.

According to Law 24-D/2022, which approves the State Budget for 2023, tax losses can now be carried forward for an unlimited period (instead of 5 years and 12 for tax losses recorded in the 2020 and 2021 tax periods). Amendment applicable to tax losses recorded in tax periods prior to 1 January 2023 and where the deduction period remains ongoing at that date. The deduction of tax losses is now limited to an amount corresponding to 65% of the taxable profit determined in the tax period in question, with the increase of 10% remaining in place when the deduction of tax losses determined in the 2020 and 2021 tax periods is involved.

As of 31 December 2023, the Group has reportable tax losses in national territory amounting to 109,851,208 euros, of which 10,364,723 euros were generated during the said financial year. As of 31 December 2023, deferred tax assets amounting to 23,069,401 euros were constituted relating to tax losses.

Additionally, as of 31 December 2023, the Group has reportable tax losses from companies headquartered outside Portuguese territory amounting to approximately 3,802,716 euros, of which 2,652,223 euros relate to Brazil and 1,150,493 euros relate to Angola.

As of 31 December 2023, deferred tax assets were only recognised up to the amount of tax losses that Management expects to be recoverable.

## CHANGES IN DEFERRED TAXES

Deferred tax assets and liabilities as of 31 December 2023 and 2022, according to the temporary differences that generated them, may be broken down as follows:

	Deferred tax assets		Deferred tax liabilities			
	2023	2022	2023	2022	Non-current liabilities held for sale (Note 36)	2022 total
Provisions for other risks and charges	309,963	239,143	3,915,533	4,420,927	-	4,420,927
Financial restatement of accounts receivable	301,814	198,049	-	-	-	-
Tangible fixed assets	11,286	16,516	267,136	151,532	(151,532)	-
Impairment losses on inventories	505,706	105,285	-	-	-	-
Impairment losses on trade accounts receivable	235,043	178,950	-	-	-	-
Investment grants			12,471,313	11,983,317	(295,595)	11,687,722
Grants recognised in advance			1,193,740	1,324,016	-	1,324,016
Tax loss carryforwards	26,872,118	24,129,998	-	-	-	-
Regulatory liabilities	(96,455)	646,432	-	-	-	-
Transition adjustment - (POC/IFRS) (a)			14,885,656	16,170,771	-	16,170,771
Transition adjustment - grants	858,373	932,172	-	-	-	-
Intangible assets	10,847,501	12,255,122	9,360,533	9,081,451	-	9,081,451
Tariff deviation	3,754,044	2,733,351	7,788,335	8,658,363	-	8,658,363
Deferral of margins generated internally	25,874	25,874	-	-	-	-
Other	868,035	162,906	565,994	457,296	-	457,296
Regulatory balance	905,086	905,086	3,252,611	-	-	-
	<b>45,398,386</b>	<b>42,528,884</b>	<b>53,700,853</b>	<b>52,247,674</b>	<b>(447,127)</b>	<b>51,800,547</b>

(a) These temporary differences result from the transition adjustments determined, in 2009, by the Concessionaire Subsidiaries, due to the change from the POC to the IFRS. These differences are mainly due to increases in expenses for contractual investments made and amortisations relating to investments made, as well as the recognition of the respective grants, which, in view of the applicable legal provisions, will be recognised, for tax purposes, during the remaining period of the concession contract or in 5 years, depending on whether they relate to future or past investments, respectively. The remaining temporary differences arise essentially from the recording of accrued depreciation for future contractual investment and the recording of subsidies.

Changes in deferred tax assets and liabilities in the periods ended 31 December 2023 and 2022 were as follows:

2023	Opening balance	Change in consolidation perimeter (Note 7)	Income statement	Equity	Closing balance
<b>Deferred tax assets</b>					
Provisions for risks and charges	239,143	-	70,819	-	309,963
Financial restatement of accounts receivable	198,049	790,275	(686,510)	-	301,814
Tangible fixed assets	16,515	-	(5,229)	-	11,286
Impairment losses on inventories	105,285	386,311	14,109	-	505,706
Impairment losses on trade accounts receivable	178,949	805,747	(749,653)	-	235,043
Tax loss carryforwards	24,129,998	-	2,742,119	-	26,872,118
Regulatory liabilities	646,432	-	(742,887)	-	(96,455)
Transition adjustments - Subsidies	932,171	-	(73,799)	-	858,373
Intangible assets	12,255,121	-	(1,407,620)	-	10,847,501
Deferral of margins generated internally	25,874	-	-	-	25,874
Tariff deviation	2,733,350	-	1,020,692	-	3,754,044
Other	162,906	194,948	510,180	-	868,035
Regulatory balance	905,086	-	-	-	905,086
	<b>42,528,883</b>	<b>2,177,281</b>	<b>692,221</b>	<b>-</b>	<b>45,398,386</b>
<b>Deferred tax liabilities</b>					
Transition adjustment - (POC/IFRS) (a)	16,170,771	-	(1,285,116)	-	14,885,656
Tangible fixed assets	-	289,633	(22,497)	-	267,136
Investment grants	11,687,722	-	-	783,591	12,471,313
Grants recognised in advance	1,324,016	-	(130,276)	-	1,193,740
Accrued liability	4,420,927	-	(505,394)	-	3,915,533
Tariff deviation	8,658,363	-	(870,027)	-	7,788,335
Other	457,296	1,405,209	(1,296,512)	-	565,994
Fair value of intangible assets	9,081,451	-	279,082	-	9,360,533
Regulatory balance	-	-	3,252,611	-	3,252,611
	<b>51,800,547</b>	<b>1,694,842</b>	<b>(578,128)</b>	<b>783,591</b>	<b>53,700,852</b>

2022	Opening balance	Income statement	Equity	Non-current liabilities held for sale (Note 36)	Closing balance
<b>Deferred tax assets</b>					
Provisions for risks and charges	400,733	(161,590)	-	-	239,143
Financial restatement of accounts receivable	127,787	70,262	-	-	198,049
Tangible fixed assets	21,772	(5,256)	-	-	16,516
Impairment losses on inventories	105,285	-	-	-	105,285
Impairment losses on trade accounts receivable	371,150	(192,200)	-	-	178,950
Tax loss carryforwards	19,631,825	4,498,173	-	-	24,129,998
Regulatory liabilities	1,840,050	(1,193,618)	-	-	646,432
Transition adjustments - Subsidies	1,067,083	(134,911)	-	-	932,172
Intangible assets	14,180,415	(1,925,293)	-	-	12,255,122
Deferral of margins generated internally	25,874	-	-	-	25,874
Tariff deviation	5,073,171	(2,339,820)	-	-	2,733,351
Other	162,906	-	-	-	162,906
Regulatory balance	16,025	889,061	-	-	905,086
	<b>43,024,076</b>	<b>(495,192)</b>	<b>-</b>	<b>-</b>	<b>42,528,884</b>
<b>Deferred tax liabilities</b>					
Transition adjustment - (POC/IFRS) (a)	17,573,793	(1,403,022)	-	-	16,170,771
Tangible fixed assets	151,532	-	-	(151,532)	
Investment grants	11,586,741	(26,595)	423,171	(295,595)	11,687,722
Grants recognised in advance	2,063,953	(739,937)	-	-	1,324,016
Accrued liability	5,039,066	(618,138)	-	-	4,420,927
Tariff deviation	4,863,945	3,794,418	-	-	8,658,363
Other	384,702	72,594	-	-	457,296
Fair value of intangible assets	9,746,377	(664,926)	-	-	9,081,451
	<b>51,410,109</b>	<b>414,394</b>	<b>423,171</b>	<b>(447,127)</b>	<b>51,800,547</b>

In December 2017, the response was obtained to the binding information request submitted to the Tax Authorities by the subsidiary EGF as representative of the concessionaires, regarding the tax deduction for the de-recognition of assets not assigned to BAR, which led to the correction of the reportable tax loss for the period 2016, with a substantial part of the assets de-recognised following the change in the regulatory model to be recovered in the future through their tax amortisation.

As at 31 December 2023 and 2022, the temporary differences known as “Transition adjustments” result from the transition adjustments determined in 2009, as a result of the change from the POC to the IFRS (with the Group subsequently adopting the SNC). These differences are mainly due to increases in expenses for contractual investments made and amortisations relating to investments made, as well as the recognition of the respective grants, which, in view of the applicable legal provisions, will be recognised, for tax purposes, during the remaining periods concession contracts.

The remaining temporary differences arise essentially from the recording of accrued amortisation for future contractual investment (in accordance with the regulatory model in force until 31 December 2015) and the recording of investment grants in equity.

**b) Tax rate reconciliation:**

	2023	2022
<b>Earnings before taxes</b>	(11,281,528)	22,215,265
Nominal tax rate	21.00%	21.00%
Expected tax	(2,369,121)	4,665,206
Permanent differences (i)	8,596,635	(1,055,681)
Income tax for the period	35,400	-
Tax losses for which deferred tax was not recognised	258,626	264,187
Other	(1,002,468)	376,921
Tax benefits	-	-
Constitution / (use) of tax loss carryforwards	-	42,611
State surcharge	182,922	5,915
Autonomous taxation (ii)	546,390	803,145
Municipal Surcharge	59,108	26,427
(Excess)/deficit of tax estimate	1,879,274	(296,467)
	<b>8,186,766</b>	<b>4,832,264</b>
Current tax (Note 18)	6,528,226	4,332,090
(Excess)/deficit of tax estimate	1,230,508	(409,412)
Non-recoverable special payment on account	-	-
Non-resident withholding tax	35,400	-
Deferred tax generated in the year	392,632	909,586
	<b>8,186,766</b>	<b>4,832,264</b>
Effective tax rate	73%	22%

i) As of 31 December 2023 and 2022, this item had the following composition:

	2023	2022
<b>Undocumented expenses and other charges</b>	399,885	439,559
Bad debts	214,712	70,648
Non-deductible provisions	278,387	(599,228)
Capital gains with/without intention to reinvest	84,348	(8)
Corrections relating to previous years	208,207	399,083
Fines and other penalties	10,130	18,525
Impairment/Amortisation of Goodwill	227,585	1,075,481
Accounting capital gains/losses	(218,252)	(82,980)
(Gains)/losses allocated to associates (Note 12)	28,768,782	(6,690,512)
Tax benefits	(1,058,731)	(892,032)
Depreciation not accepted as expense	25,584	1,471
Other net	11,995,720	1,232,942
	<b>40,936,358</b>	<b>(5,027,052)</b>
Nominal tax rate	21.00%	21.00%
Permanent differences	<b>8,596,635</b>	<b>(1,055,681)</b>

## 16. INVENTORIES AND COST OF GOODS SOLD AND MATERIALS CONSUMED

As of 31 December 2023 and 2022, inventories are as follows:

2023	Gross Value	Impairment losses	Perimeter change	Net Value
Goods	-	-	-	-
Finished products	2,452,237	-	-	2,452,237
Raw materials and consumables	2,863,797	(412,883)	1,377,851	3,828,765
Miscellaneous materials	-	-	-	-
	<b>5,316,034</b>	<b>(412,883)</b>	<b>1,377,851</b>	<b>6,281,002</b>

2022	Gross Value	Impairment losses	Non-current assets held for sale (Note 36)	Net Value
Goods	-	-	-	-
Finished products	1,561,263	-	(57,355)	1,503,908
Raw materials and consumables	3,153,678	(412,883)	(436,233)	2,304,562
Miscellaneous materials	7,723	-	(420)	7,303
	<b>4,722,664</b>	<b>(412,883)</b>	<b>(494,008)</b>	<b>3,815,773</b>

The cost of goods sold and materials consumed recognised in the periods ended 31 December 2023 and 2022 has the following composition:

	2023		2022	
	Raw, subsidiary and consumable materials	Total	Raw, subsidiary and consumable materials	Total
<b>Opening balance</b>	3,161,401	3,161,401	2,874,175	2,874,175
Purchases	32,717,371	32,717,371	29,072,118	29,072,118
Adjustments	(620,540)	(620,540)	(47,859)	(47,859)
Perimeter change	1,377,851	1,377,851		
<b>Closing balance</b>	<b>(4,241,648)</b>	<b>(4,241,648)</b>	<b>(3,161,401)</b>	<b>(3,161,401)</b>
	<b>32,394,435</b>	<b>32,394,435</b>	<b>28,737,033</b>	<b>28,737,033</b>

In the periods ended 31 December 2023 and 2022, the cost of goods sold and materials consumed with related parties amounted to 8,512,126 euros and 8,388,152 euros respectively (Note 26). The cost of goods sold and materials consumed corresponds to the materials and consumables used in the operation, namely fuels, lubricants, personal protective equipment and cleaning products, among others, for SUMA and SUMA Brasil. In relation to the Enviroil Group, it includes the raw materials necessary for the production process, namely oils, chemical products and reagents, among others. In the sphere of Suma Tratamento, the cost related to goods is essentially due to the collection of recyclable waste subcontracted to Lisbon City Council, for the amount of 75% of the amount obtained by the subsidiary Valorsul through the sale of such waste to the companies Sociedade Ponto Verde, Novo Verde and Eletrão.

The variation in production inventories for the periods ended 31 December 2023 and 2022, had the following composition:

	2023	2022
<b>Opening balance</b>	<b>(1,503,908)</b>	<b>(1,374,837)</b>
Change in consolidation perimeter (Note 7)	57,355	-
Inventory adjustments	(27,179)	6,087
<b>Closing balance</b>	<b>2,452,237</b>	<b>1,503,908</b>
Variation in production inventories	978,505	135,158

### Impairment losses

As of 31 December 2023 and 2022, the change in impairment losses on inventories was as follows:

	2023	2022
<b>Opening balance</b>	<b>412,883</b>	<b>412,883</b>
<b>Closing balance</b>	<b>412,883</b>	<b>412,883</b>

## 17. TRADE DEBTORS AND OTHER RECEIVABLES

On 31 December 2023 and 2022, the items “Trade debtors” and “Other receivables” have the following composition:

2023	Gross value	Accumulated impairment	Financial restatement of trade accounts receivable	Income to be recognised	Net value
<b>Trade debtors, non-current</b>					
General	124,082	(14,032)	-	-	110,050
<b>Other receivables, non-current</b>					
2023 tariff deviation	41,768	-	-	-	41,768
Deferral of tariff (a)	9,037,624	-	-	-	9,037,624
Other debtors	112	-	-	-	112
Regulatory balance	14,870,803	-	-	-	14,870,803
Regulatory liabilities	457,256	-	-	-	457,256
Other debtors - Related parties (Note 26)	44,471	-	-	-	44,471
	<b>24,452,034</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,452,034</b>
	<b>24,576,116</b>	<b>(14,032)</b>	<b>-</b>	<b>-</b>	<b>24,562,084</b>
<b>Trade debtors, current account</b>					
General	61,552,178	(10,962,779)	(221,292)	(558,691)	49,809,415
Related parties (Note 26)	47,234,316	-	-	-	47,234,316
	<b>108,786,494</b>	<b>(10,962,779)</b>	<b>(221,292)</b>	<b>(558,691)</b>	<b>97,043,731</b>
<b>Other receivables, current account</b>					
Other general debtors	22,840,327	-	-	(1,447,924)	21,392,403
Other general debtors - Related parties (Note 26)	798,848	-	-	-	798,848
Grants receivable	2,138,968	-	-	-	2,138,968
Investment payments on account	1,731,400	-	-	-	1,731,400
2022 tariff deviation	31,249,701	-	-	-	31,249,701
Regulatory balance	6,829,019	-	-	-	6,829,019
Debtors by accrued income - Others	9,892,645	-	-	-	9,892,645
Accrued receivables - Related parties (Note 26)	26,429	-	-	-	26,429
	<b>75,507,338</b>	<b>-</b>	<b>-</b>	<b>(1,447,924)</b>	<b>74,059,414</b>
	<b>208,869,948</b>	<b>(10,976,811)</b>	<b>(221,292)</b>	<b>(2,006,615)</b>	<b>195,665,229</b>

2022	Gross value	Accumulated impairment	Financial restatement of trade accounts receivable	Income to be recognised	Net value
<b>Trade debtors, non-current</b>					
General	165,442	(21,560)	-	-	143,882
<b>Other receivables, non-current</b>					
2022 tariff deviation	29,561,535	-	-	-	29,561,535
Deferral of tariff (a)	6,341,625	-	-	-	6,341,625
Other debtors	53,212	-	-	-	53,212
Other debtors - Related parties (Note 26)	44,471	-	-	-	44,471
	<b>36,000,843</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,000,843</b>
	<b>36,166,285</b>	<b>(21,560)</b>	<b>-</b>	<b>-</b>	<b>36,144,724</b>
<b>Trade debtors, current account</b>					
General	60,133,047	(12,975,077)	(762,759)	(576,078)	45,819,133
Related parties (Note 26)	40,392,099	-	(28,387)	-	40,363,712
Non-current assets held for sale (Note 36)	(11,386,391)	1,895,013			(9,491,378)
	<b>89,138,755</b>	<b>(11,080,064)</b>	<b>(791,146)</b>	<b>(576,078)</b>	<b>76,691,467</b>
<b>Other receivables, current account</b>					
Other general debtors	4,751,715	-	-	(1,447,924)	3,303,791
Other general debtors - Related parties (Note 26)	7,547,864	-	-	-	7,547,864
Grants receivable	2,713,118	-	-	-	2,713,118
Investment payments on account	1,469,403	-	-	-	1,469,403
2017 tariff deviation	37,724	-	-	-	37,724
2018 tariff deviation	119,783	-	-	-	119,783
2019 tariff deviation	716,334	-	-	-	716,334
2020 tariff deviation	80,822	-	-	-	80,822
2021 tariff deviation	10,025,974	-	-	-	10,025,974
Debtors by accrued income - Others	9,146,992	-	-	-	9,146,992
Non-current assets held for sale (Note 36)	(535,642)	-	-		(535,642)
	<b>36,074,087</b>	<b>-</b>	<b>-</b>	<b>(1,447,924)</b>	<b>34,626,163</b>
	<b>161,379,127</b>	<b>(11,101,625)</b>	<b>(791,146)</b>	<b>(2,024,002)</b>	<b>147,462,354</b>

**a)** This amount arises from the difference in the value of the tariff decided by the ERSAR, compared to the value invoiced in 2016 by the subsidiary Valnor. In June 2017, the ERSAR accepted the proposal made by the subsidiary Valnor, with the agreement of the municipalities, to recover the tariff increase from the first regulatory period until 2024, hence part of the balance was classified as non-current. In April 2019, the ERSAR agreed to extend the tariff agreement until 2027, i.e., it accepted that the regulatory balance created by the agreement should be settled by the aforementioned date.

The “Grants receivable” heading essentially concerns PO-SEUR applications for investment made during the 2023 and 2022 financial years. During 2023, the Group recognised the amount of 14,252,400 euros relating to investment grants (Note 17), having made requests for grants in the amount of 2,138,968 euros on 31 December 2023, which are still to be received.

During the financial year ended 31 December 2023, the amount of 8,390,543 euros was received relating to investment grants. During the financial year ended 31 December 2022, the amount of 13,257,948 euros was received. As of 31 December 2022, 2,713,118 euros of grants had been requested.

During the periods ended 31 December 2023 and 2022, impairment losses on receivables showed the following movement:

	2023	2022
<b>Opening balance</b>	<b>11,101,625</b>	<b>13,454,699</b>
Change in the consolidation perimeter	456,242	-
Increases	718,015	970,371
Reversals	(982,668)	(1,060,881)
Uses	(342,354)	(484,876)
Currency revaluation	25,952	117,325
Non-current assets held for sale (Note 36)	-	(1,895,013)
<b>Closing balance</b>	<b>10,976,811</b>	<b>11,101,625</b>

As of 31 December 2023 and 2022, an impairment loss of approximately 6,000,000 euros was recorded relating to the amount of the financial contribution owed by Sociedade Ponto Verde – Sociedade Gestora de Resíduos de Embalagens, SA (“SPV”), for the increase in costs for the collection and sorting of certain waste delivered by the Group for recycling, for which that entity does not recognise itself as a debtor. In the Group’s understanding, there are legal and/or constructive responsibilities assumed by that entity, either with the Group or with the public bodies responsible for the Environment, which bind the SPV to the payment of those amounts, which is why the concessionaires filed a consolidated consortium dispute on 14 June 2017 with the aim of collecting those amounts. However, in view of the non-recognition of the debt part of the SPV and because the collection of those amounts is not certain, the Group decided to set up an impairment loss to meet those amounts.

The increase recorded in impairments was essentially due to secondary packaging that Sociedade Ponto Verde, Novo Verde and Electrão refused to pay for and which is under discussion with these entities and with the ERSAR and the reversal was related to the VAT on the SPV impairment.

In 2022, impairments were reinforced, namely at Resiestrela and impairments related to SPV were reversed.

In 2023, impairments were reinforced, namely at Resiestrela and Ersuc, and impairments relating to customers were reversed.

During the periods ended 31 December 2023 and 2022, the following movements were made in the balances of the financial restatement of trade receivables item:

	2023	2022
<b>Opening balance</b>	<b>791,146</b>	<b>507,906</b>
Increases/Decreases (Note 31)	(569,854)	283,240
<b>Closing balance</b>	<b>221,292</b>	<b>791,146</b>

During the periods ended 31 December 2023 and 2022, the following movements were made in the balances of income to be recognised from the headings trade receivables and other receivables:

	2023	2022
<b>Opening balance</b>	<b>2,024,002</b>	<b>1,994,950</b>
Increases/(decreases)	354	38,103
Recognised in profit or loss	(17,742)	(9,050)
<b>Closing balance</b>	<b>2,006,615</b>	<b>2,024,002</b>

The income receivable corresponds to interest on arrears charged to customers for delays in the settlement of amounts previously invoiced for services rendered and for services carried out. These amounts are recognised in the income statement at the time they are paid by the customers (Note 3.18). Additionally, this caption also includes the recognition of services deferred up to that point.

## 18. STATE AND OTHER PUBLIC BODIES

On 31 December 2023 and 2022, the “State and other public bodies” headings have the following composition:

2023	Debit balances	Credit balances
<b>IRC</b>		
Payments on account	1,353,622	-
Special payment on account	-	-
Tax estimate (Note 15)	(6,528,226)	-
Withholding	5,078,134	-
Other	1,636,655	-
Personal income tax		1,941,679
Value Added Tax (“VAT”)	12,753,931	-
VAT - refunds requested	1,234,095	-
Social Security Contributions	-	2,124,291
Waste Management Fee (a)	-	51,518,382
Other taxes	-	199,983
	<b>15,528,210</b>	<b>55,784,334</b>

2022	Debit balances	Non-current assets held for sale	Total outstanding balances	Credit balances	Non-current liabilities held for sale	Credit balances total
<b>IRC</b>						
Payments on account	3,942,653	-	3,942,653	(241,485)	241,485	-
Special payment on account	2,070	-	2,070	-	-	-
Tax estimate (Note 15)	(4,332,090)	2,018,165	(2,313,925)	-	-	-
Withholding	2,868,089	-	2,868,089	728	(728)	-
Other	1,331,803	(2,018,165)	(686,362)	823,190	(699,915)	123,275
Personal Income Tax	115	-	115	758,590	(34,110)	724,480
Value Added Tax (VAT)	6,519,020	(396,593)	6,122,427	-	-	-
VAT - refunds requested	442,956	(370,112)	72,844	168,806	(28,872)	139,934
Social Security Contributions	312	-	312	2,043,730	(68,151)	1,975,579
Waste Management Fee (a)	-	-	-	46,188,878	(2,057,735)	44,131,143
Other taxes	687,816	-	687,816	1,914,733	(59,114)	1,855,619
	<b>11,462,744</b>	<b>(766,705)</b>	<b>10,696,039</b>	<b>51,657,170</b>	<b>(2,707,140)</b>	<b>48,950,030</b>

a) Waste management fee corresponds to amounts invoiced to customers of companies in the EGF subgroup, which will be returned to the Portuguese Environment Agency (“APA”), and whose value in 2023 is €25/ton and in 2022 was €22/ton, which partly explains the increase in this liability.

## 19. ASSET AND LIABILITY DEFERRALS

As of 31 December 2023 and 2022, the asset and liability items of “Deferrals” have the following composition:

Nature	2023		2022	
	Assets	Liabilities	Assets	Liabilities
<b>Non-Current</b>				
2023 tariff deviation	-	16,871,613	-	-
Other	-	-	948,865	-
	-	<b>16,871,613</b>	<b>948,865</b>	-
<b>Current</b>				
Regulatory balance	-	-	208,613	-
2017 tariff deviation	-	-	-	64,394
2018 tariff deviation	-	-	-	321,565
2019 tariff deviation	-	-	-	160,046
2020 tariff deviation	-	-	-	150,532
2021 tariff deviation	-	-	-	12,503,904
Regulatory balance	89	3,629,135	-	3,966,250
Insurance policies paid in advance	4,176,362	62,758	3,743,853	-
Non-current assets held for sale (Note 36)	-	-	(162,123)	-
Other	5,143,729	596,269	4,487,059	592,330
	<b>9,320,180</b>	<b>4,288,162</b>	<b>8,277,402</b>	<b>17,759,021</b>

## 20. CAPITAL

As of 31 December 2023 and 2022, the capital consisted of two hundred and fifty thousand shares (Note 37) with a nominal value of fifty euros each, fully paid up. The subscribed capital is held by:

Companies	%	Amount
Mota-Engil Ambiente e Serviços, SGPS, SA ("MEAS")	61.5%	7,687,500
Urbaser (entity based in Spain and member of the ACS Group)	38.5%	4,812,500
		<b>12,500,000</b>

## 21. OTHER EQUITY HEADINGS

The relevant information under equity headings, as of 31 December 2023 and 2022, is as follows:

**Share premiums:** The amount recorded under this caption results from the premium obtained in the capital increase for the period ended 31 December 2004. In accordance with prevailing law, the use of the amount included under this item follows the legal reserve regime, i.e. it may not be distributed to shareholders, it may be used to absorb losses after all other reserves have been exhausted or it may be incorporated into capital.

**Legal reserve:** In accordance with prevailing legislation, at least 5% of the annual net profit, if positive, must be appropriated to the legal reserve, until it represents at least 20% of share capital. This reserve is not distributable except in the event of the Group's liquidation, but it can be used to absorb losses after other reserves have been exhausted, or incorporated into the capital.

**Other reserves:** These reserves are constituted as free reserves, available for distribution.

**Other changes in equity:** This item corresponds to the effect of currency translation adjustments arising from the application of the equity method of associated enterprises held in foreign currency and the effects on associated enterprises of the registration of Government grants. Additionally, it includes the effect of the translation of assets and liabilities held in foreign currency from the translation adjustments of the financial statements of the Oman Branch.

The details of this heading are as follows:

	2023	2022
<b>Opening balance</b>	27,367,889	16,419,255
Equity accounting (Note 12)	23,239,824	9,055,497
Net deferred tax grants (a)	1,260,581	1,294,162
Spin-off Reserve	(41,002,954)	-
Reclassification of undistributed profits	(11,161,387)	(70,392)
Other variations	(2,751,857)	669,367
<b>Closing balance</b>	<b>(3,047,904)</b>	<b>27,367,889</b>

**a) Government Grants**

As of 31 December 2023 and 2022, investment grants obtained by the Group were recorded in equity and are detailed as follows:

2023	Opening balance	Constitution	Recognition	Reclassification	Closing balance
Triu	(100)	-	-	100	-
Correia & Correia	40,271	-	-	(40,271)	-
Enviroil II	977,890			(977,890)	-
EGF	55,665,908	10,066,156	(6,558,603)	-	59,173,461
	<b>56,683,970</b>	<b>10,066,156</b>	<b>(6,558,603)</b>	<b>(1,018,061)</b>	<b>59,173,461</b>

2022	Opening balance	Constitution	Recognition	Reclassification	Closing balance
Triu	345	-	(445)		(100)
Correia & Correia	49,296	-	(11,644)	2,620	40,271
Enviroil II	1,060,122	-	(106,106)	23,874	977,890
EGF	53,585,960	8,514,657	(6,434,709)	-	55,665,908
	<b>54,695,723</b>	<b>8,514,657</b>	<b>(6,552,904)</b>	<b>26,494</b>	<b>56,683,970</b>

	2023	2022
Grants	3,507,553	1,961,753
Deferred tax liabilities	(783,591)	(423,171)
	<b>2,723,962</b>	<b>1,538,582</b>
Company shareholders		
Grants	1,596,600	1,444,335
Deferred tax liabilities	(336,019)	(150,173)
Non-controlling interests	1,463,381	244,420
	<b>2,723,962</b>	<b>1,538,582</b>

**Additional paid-in capital:** On 20 December 2023, the shareholders resolved to make additional capital contributions in the amount of 24,414,400.00 euros, with the aforementioned amount being fully paid up by the shareholder MEAS, which followed the supplementary capital contributions system.

**Appropriation of 2022 earnings:** By decision of the General Meeting, held on 19 June 2023, it was decided to appropriate the net earnings for the period ended 31 December 2022 in the amount of 9,565,131.14 euros to free reserves.

Additionally, the appropriation of the net earnings for the period includes the distribution of 247,500 euros to the Company's employees.

**Appropriation of 2021 earnings:** By decision of the General Meeting held on 29 August 2022, it was decided to allocate net income for the period ended 31 December 2021, amounting to 12,897,243.10 euros, to free reserves. Additionally, the appropriation of net income for the period includes the distribution of 200,000 euros to Company employees.

## PROPOSAL FOR APPROPRIATION OF 2023 EARNINGS

Under the terms of Article 376(b) of the Companies Code and taking into account the financial statements for the period, the Board of Directors proposed that the negative net earnings recorded in the period 2023, in the amount of EUR 29,758,859, should be appropriated to retained earnings. The net earnings recorded in the 2023 period of the individual SUMA differs from the consolidated net earnings due to the appropriation of the results of the spin-off perimeter, as described in note 1.2.

## 22. NON-CONTROLLING INTERESTS

As of 31 December 2023 and 2022, non-controlling interests are as follows:

	Balance sheet		Income statement	
	2023	2022	2023	2022
Agir	(30,546)	(23,828)	(6,718)	(8,039)
Enviroil	-	5,742,859	1,175,282	912,910
Subsidiaries of Novaflex	3,661	4,687	1,171	1,656
Resilei	-	2,363,883	88,712	957,302
Rima	-	135,894	501	12,137
Siga	16,531	38,389	(21,858)	(10,587)
Suma Macau	(10,729)	(10,699)	(428)	621
Ecovision	(815,081)	(707,507)	(133,358)	448,809
Brazil	-	(1,980,774)	-	-
SBE	(1,338)	(864)	(514)	-
Vista Waste	-	-	(91,505)	-
Suma Tratamento	(1,054,535)	(507,705)	(822,065)	78,702
Subsidiaries of Suma Tratamento	87,285,398	83,791,162	4,065,519	5,424,360
	<b>85,393,360</b>	<b>88,845,498</b>	<b>4,254,738</b>	<b>7,817,870</b>

## 23. PROVISIONS

The change in provisions in the period ended 31 December 2023 and 2022, was as follows:

2023	Opening balance	Increases	Reversals	Uses	Other	Closing balance
Current litigation	957,019	19,000	(71,318)	(7,522)	-	897,179
Provisions for environmental matters	992,725	88,365	-	(92,565)	-	988,525
Provisions for losses on financial holdings (Note 12)	5,469	-	-	-	(5,469)	-
Other risks and charges	1,438,898	751,015	(251,153)	(201,894)	-	1,736,867
	<b>3,394,111</b>	<b>858,380</b>	<b>(322,471)</b>	<b>(301,981)</b>	<b>(5,469)</b>	<b>3,622,571</b>

2022	Opening balance	Perimeter change consolidation	Increases	Reversals	Uses	Other	Non-current liabilities held for sale (Note 36)	Closing balance
Current litigation	751,234	-	309,608	(5,001)	-	(98,822)	-	957,019
Provisions for environmental matters	8,043,501	-	518,276	-	-	-	(7,569,052)	992,725
Provisions for losses on financial holdings (Note 12)	1,895	-	-	-	-	3,574	-	5,469
Other risks and charges	2,018,803	(1,628)	83,495	(488,803)	(167,089)	-	(5,880)	1,438,898
	<b>10,815,432</b>	<b>(1,628)</b>	<b>911,379</b>	<b>(493,804)</b>	<b>(167,089)</b>	<b>(95,248)</b>	<b>(7,574,932)</b>	<b>3,394,111</b>

The provisions recorded under “Current litigation” are intended to cover liabilities arising from lawsuits brought against the group, based on the opinion of lawyers and the historical experience of these types of litigation.

The amounts recorded under the caption “Environmental matters” correspond to accrued liabilities for the sealing and monitoring of landfills, and are recorded according to the amount of waste deposited in the landfill.

The amounts recorded under the heading “Provisions for other risks and charges” correspond essentially to provisions recorded to cover terminations of employment contracts, arising from the legal obligation to compensate, at the end of service provision contracts entered into with the various Municipalities, employees who are performing duties under those contracts, due to the termination of their jobs. The reversals recorded relate to the renewal and extension of service contracts.

In 2008, following an international tender for the “collection of municipal solid waste in high-density areas of the city of Maputo”, the subsidiary EGF formed a complementary company grouping (“ACE”) with the local company Neoquímica Moçambique Limitada, called EGF/Neoquímica, which is 75% owned by the subsidiary EGF and 25% by the local company. For the development of this contract, ACE provided undifferentiated collection services in the city of Maputo, for a period of approximately 36 months. Although this contract ended in October 2011, it has not yet been possible to complete the process of winding up the company, as a result of the liquidation of all its assets and liabilities. Taking into consideration the development of the business and the prospect of potential losses, all balances related to this contract are accrued under other liabilities and charges, amounting to 357,329 euros.

Additionally, during the period ended 31 December 2022, reversals in the amount of 5,001 euros occurred in ongoing legal proceedings. The amount of 98,822 euros was also used for ongoing legal proceedings. Provisions for other risks and charges were increased by 309,608 euros.

In 2023, a reinforcement of 19,000 euros was made and 71,318 euros were reversed relating to ongoing legal proceedings. The amount of 7,522 euros was also used for ongoing legal proceedings.

## 24. BORROWINGS

As of 31 December 2023 and 2022, borrowings has the following composition:

	2023		2022	
	Non-current	Current	Non-current	Current
Loans	193,681,662	115,478,362	220,264,638	80,187,913
Finance leases	40,444,122	17,227,152	37,936,492	14,419,396
Non-current liabilities held for sale (Note 36)	-	-	(1,734,116)	(912,265)
	<b>234,125,784</b>	<b>132,705,514</b>	<b>256,467,014</b>	<b>93,695,044</b>

### 24.1. Loans

As of 31 December 2023 and 2022, loans have the following composition:

	2023		2022	
	Non-current	Current	Non-current	Current
Bond issue	6,500,000	3,250,000	9,750,000	3,250,001
Bank loans	187,181,662	84,500,989	210,514,638	38,386,462
Commercial paper	-	16,000,000	-	18,500,000
Other borrowings	-	6,727,373	-	20,051,450
Loans from related parties (Note 26)	-	5,000,000	-	-
	<b>193,681,662</b>	<b>115,478,362</b>	<b>220,264,638</b>	<b>80,187,913</b>

During the period ended 31 December 2014, SUMA took out a loan from a Syndicate led by BPI, contracted under the ambit of the acquisition of EGF, for a total of 70,000,000.00 euros, with the amount of 68,750,885.81 euros having been disbursed by 31 December 2017 as initial credit and part of the Subsequent credit.

This loan was intended to support Suma Tratamento (subsidiary) in the acquisition of EGF and has been repaid semi-annually since May 2016.

Under the ambit of the financing described above, the Company agreed to comply with certain financial covenants, namely net financial debt ratios, debt-service coverage ratios and financial autonomy ratio.

In relation to the affiliated companies, there is no breach of the obligations arising from the financing contracts with the exception of the following financial covenants:

- Debt-Service Coverage Ratio and Net Debt/EBITDA Ratio in situation of non-compliance by Suma Tratamento in the financing contract entered into with a banking syndicate led by BPI.

In November 2023, a request to postpone the due date was made, and an addendum for a period of one year was formally adopted in May 2024. This event was assessed as a non-adjustable subsequent event, and the debt was recorded as current despite the consent described above.

- Net Debt/EBITDA ratio in the contracts concluded between the EIB and the various EGF subsidiaries, with the subsidiary Valnor being in a situation of non-compliance, which is why the debt is presented as a current liability;
- Net Capex limit in contracts signed between CGD and the various EGF affiliates;

- Financial Autonomy Ratio provided for in the contract signed between Algar and CGD.

Regarding the non-compliance with these covenants, CGD approved the right to elude them (exemption from compliance in 2023).

- Net Debt/Regulated Asset Base in the financing contracts concluded between Amarsul, Ersuc and Millennium BCP.

Regarding the non-compliance with this covenant, Millennium BCP approved the right to elude it (exemption from compliance in 2023).

Under the financing agreements concluded, bank loans are repayable as follows:

	2023	2022
2023	-	37,061,771
2024	84,500,989	69,250,040
2025 and later	187,181,662	142,589,288
	<b>271,682,651</b>	<b>248,901,100</b>

## 24.2. Leases

### FINANCIAL LEASES

As of 31 December 2023 and 2022, the Group holds the following assets under financial lease:

2023	Gross assets	Accumulated depreciation	Net assets
Right of Use of Infra Structures	62,906,082	16,316,797	46,589,285
Buildings and other structures	-	-	-
Basic equipment	556,085	306,363	249,722
Transport equipment	29,843,521	13,765,954	16,077,567
Other tangible assets	60,750	11,290	49,460
	<b>93,366,438</b>	<b>30,400,404</b>	<b>62,966,034</b>

2022	Gross assets	Accumulated depreciation	Non-current liabilities held for sale	Net assets
Right of Use of Infra Structures	44,572,073	11,129,143	-	33,442,930
Buildings and other structures	1,678,754	972,132	(706,622)	1,944,264
Basic equipment	2,040,941	912,248	(829,784)	2,123,405
Transport equipment	28,942,255	11,698,241	(1,283,803)	39,356,693
Other tangible assets	297,591	180,531	-	478,122
	<b>77,531,614</b>	<b>24,892,295</b>	<b>(2,820,208)</b>	<b>77,345,415</b>

The Group is lessee in financial lease contracts mainly related to the acquisition of transport vehicles, washing equipment and cranes.

As at 31 December 2023 and 2022, the Group's liabilities for future financial lease payments, including principal and interest, amount to 59,761,244 euros and 52,304,300 euros, respectively, and are due in the forthcoming periods, as follows:

<b>2023</b>	<b>Capital</b>	<b>Interest</b>	<b>Total</b>
Up to 1 year	17,227,152	1,083,389	18,310,541
Between 1 and 5 years	40,444,122	1,006,581	41,450,703
	<b>57,671,274</b>	<b>2,089,970</b>	<b>59,761,244</b>

<b>2022</b>	<b>Capital</b>	<b>Interest</b>	<b>Current liabilities held for sale</b>	<b>Total</b>
Up to 1 year	14,419,396	887,601	(760,641)	14,546,356
Between 1 and 5 years	37,936,492	1,209,980	(1,388,528)	37,757,944
	<b>52,355,888</b>	<b>2,097,581</b>	<b>(2,149,169)</b>	<b>52,304,300</b>

## OPERATING LEASES

The Group is lessee in operating lease contracts mainly related to the acquisition of light vehicles.

The operating lease agreements in force do not have contingent rents. Rents under operating leases fall due as follows:

	<b>2023</b>	<b>2022</b>
Up to 1 year	340,619	330,685
Between 1 and 5 years	285,656	536,542

## 25. TRADE CREDITORS AND OTHER PAYABLES

As of 31 December 2023 and 2022, the item “Trade creditors” has the following composition:

	2023	2022
<b>Trade creditors, non-current account</b>		
General	73,816	76,976
	<b>73,816</b>	<b>76,976</b>
<b>Trade creditors, current account</b>		
General	41,684,458	38,158,321
Related parties (Note 26)	10,170,879	5,619,533
Receipt and checking of invoices	640,387	762,297
Non-current liabilities held for sale (Note 36)	-	(4,387,145)
	<b>52,495,724</b>	<b>40,153,006</b>

As of 31 December 2023 and 2022, the item “Other payables” has the following composition:

	2023	2022
<b>Other payables, non-current</b>		
Investment providers	-	184,478
Other creditors	801,434	591,112
Shareholders (Note 26)	8,240,000	8,240,000
	<b>9,041,434</b>	<b>9,015,590</b>
<b>Other payables, current</b>		
Investment providers	28,113,217	19,264,493
Advances from customers	-	30,462
Shareholders (Note 26)	-	564,041
<b>Accrued expenses</b>		
Remunerations payable	16,622,306	15,763,645
External charges for services	754,399	1,064,825
Interest payable on financing	1,033,140	1,234,504
Balance sheet allowances / staff bonuses (Note 21)	335,406	247,500
Related parties (Note 26)	335,851	5,685
Other	5,160,236	4,812,766
Regulatory Liabilities (a)	-	2,738,596
Other general creditors	17,194,706	12,175,364
Related parties (Note 26)	25,093,700	5,036,996
Non-current liabilities held for sale (Note 36)	-	(2,368,935)
	<b>94,642,961</b>	<b>60,569,942</b>

The balance payable recorded under “Shareholders” corresponds to the dividends distributed by the Company to its shareholders for the year ended 31 December 2014.

(a) The amount used from Regulatory Liabilities resulted from the fact that certain concessionaires had an annual variation in tariffs exceeding 2% of the annual permitted income (Note 3.19).

The balance payable recorded under the heading Other creditors with related parties corresponds to account settlements made in the Vista Waste acquisition process and in the spin-off process.

## 26. RELATED PARTIES

The most relevant related parties for the Group belong to the SUMA Group and EGF Group, namely SUMA and EGF, with all their shareholders, directors/managers and key management personnel and companies controlled by them or with significant influence, as well as companies belonging to the Mota-Engil and Urbaser Groups, also considered related parties.

### SHAREHOLDERS

As mentioned in Note 20, the Company is 61.5% owned by the Mota-Engil Group and 38.5% by Urbaser (an entity based in Spain and part of the ACS Group).

### KEY MANAGEMENT PERSONNEL

Given the Group’s governance structure and decision-making process, the Group only considers the Board of Directors to be “key management personnel”. During the periods ended 31 December 2023 and 2022, the Board of Directors received remuneration of 3,168,868 euros and 3,141,450 euros, respectively (Note 29).

### RELATED PARTY TRANSACTIONS

During the periods ended 31 December 2023 and 2022, the following transactions were carried out with related parties:

2023 Related parties	Acquisition of the Right to Use Infrastructure	Purchases of tangible fixed assets	Cost of goods sold and materials consumed (Note 16)	External charges for services (Note 28)	Payroll Expenses	Other expenses (Note 31)	Interests and similar expenses	Sales and services (Note 27)	Other income (Note 30)	Interest and similar income earned (Note 33)
Águas de S. João e M, SA	-	-	-	-	-	-	-	5,785	-	-
Agrimota	-	-	-	54	116	14,364	-	2,126	-	-
Ambilital	-	-	-	-	-	-	-	17,000	-	-
Ambibatalha	-	-	-	-	-	-	-	44,450	-	-
Ambialhão EM	-	-	-	114,653	-	-	-	2,100,565	-	-
Aqualevel	-	-	-	-	-	-	-	23,219	-	-
Ascendi O&M, SA	-	-	-	7	-	-	-	-	-	-
APIN -E.I.A. PINHAL INTER. EIM, SA	-	-	-	4,130	-	109	-	1,578,928	-	-
Auto Sueco Angola, SA	-	-	-	547	-	-	-	-	-	-
Lousada Municipal Council	-	-	-	9,734	-	-	-	-	-	-

2023 Related parties	Acquisition of the Right to Use Infrastructure	Purchases of tangible fixed assets	Cost of goods sold and materials consumed (Note 15)	External charges for services (Note 28)	Payroll Expenses	Other expenses (Note 31)	Interests and similar expenses	Sales and services (Note 27)	Other income (Note 30)	Interest and similar income earned (Note 33)
Carlos Augusto P.Santos & Fil., Lda	-	-	-	11,430	-	-	-	4,923	-	-
Cerâmica Do Boialvo	-	-	-	-	-	-	-	600	-	-
Ecoleziria	-	-	-	671	-	-	-	357,890	-	-
Ecolife	-	-	-	-	-	-	-	1,074	3,223	-
Equimetra, SA	-	-	-	2,743	-	-	-	2,266	-	-
Ecopaint, SA	-	-	-	-	-	-	-	1,765	-	-
Eco Eburnie	-	-	-	-	-	-	-	21,243	30,578	-
Efacec - Engenharia de Sistemas	-	-	-	-	-	-	-	4,545	-	-
EMAR - Água e Resíduos de Vila Real, EM	-	-	-	-	-	-	-	2,772,412	-	-
EMARP - Emp. Mun. Ag. Res. Portimão EM	-	-	-	72,213	-	255	-	-	-	-
Emerge - ME Real Estate Developers, SA	-	-	-	8,597	-	25	-	2,361	-	-
Eurosol - Invest. Turísticos, Lda	-	-	-	53	-	-	-	-	-	-
FAGAR - Faro, Gestão Água Resíduos EM	-	-	-	44,000	-	-	-	2,530,869	-	-
Civil Parishes of Faro Sé and S. Pedro	-	-	-	-	-	-	-	300	-	-
Parish of Almancil	-	-	-	-	-	-	-	12,619	-	-
Parish of Boliqueime	-	-	-	-	-	-	-	3,117	-	-
Manuel Ant. da Mota Foundation	-	-	-	-	-	21,165	-	-	-	-
Iberfibran	-	-	-	-	-	-	-	4,856	-	-
Infralobo - Emp Infr. Vale do Lobo EM	-	-	-	-	-	-	-	187,530	-	-
Inframoura - Emp. Infr. Vilamoura, EM	-	-	-	1,662	-	21	-	594,538	-	-
Infraquinta - Emp. Infr. Quinta do Lago EM	-	-	-	499,444	-	-	-	231,322	-	-
Indaqua	-	-	-	5,293	-	-	-	35,695	-	-
Largo do Paço, Lda	-	-	-	151	-	-	-	-	-	-
Liz On-Line, SA	-	-	-	1,372	-	-	-	-	-	-
Lena Eng. E construção, SA	-	9,571	-	-	-	-	-	11,107	-	-
Lena Agregados, SA	-	-	-	2,488	-	-	-	-	-	-
Mais Itapevi	-	-	-	-	-	-	-	21,691	-	-
Manvia	-	-	-	210	-	-	-	-	-	-
Martifer	-	-	-	-	-	-	-	5,269	-	-
Metro Santos Sodré ACE	-	-	-	-	-	-	-	744	-	-
Mota-Engil Ativ	2,903,260	6,680	-	3,323,280	1,500	1,618	-	83,739	-	-

2023 Related parties	Acquisition of the Right to Use Infrastructure	Purchases of tangible fixed assets	Cost of goods sold and materials consumed (Note 16)	External charges for services (Note 28)	Payroll Expenses	Other expenses (Note 31)	Interests and similar expenses	Sales and services (Note 27)	Other income (Note 30)	Interest and similar income earned (Note 33)
Mota-Engil Angola	-	-	11,710	4,138,959	579	1,257	8,959,234	105,027	154,336	-
Mota-Engil - Africa	-	-	-	1,328	-	-	3,887,890	-	-	360
Mota-Engil, SGPS	-	-	-	10,185	-	-	1,031	-	51	49,426
Mota-Engil, Ambiente e Serviços	-	-	-	2,181,072	-	-	-	-	13,014	-
Mota-Engil Global Serviços Partilhados	20,647	-	-	1,075,186	275	476	-	-	-	-
Mota-Engil, Engenharia e Construção	18,807	-	-	3,565,298	135	3,865	-	340,985	3,525	-
Mota-Engil, Central Europe	-	-	-	8,400	-	-	-	-	-	-
Mota-Engil Next S.A	-	-	-	25,981	-	-	-	-	-	-
Mota-Engil Śródownisko Spółka z o.o	-	-	-	-	-	-	-	-	-	54,771
Mota-Engil Real Estate Alverca	-	-	-	-	-	-	-	11,421	-	-
Mota-Engil Real State Freixieiro	-	-	-	-	-	-	-	18,701	-	-
Mota-Engil Renewing, SA	-	-	-	6,012	34	-	-	-	-	-
Mota-Engil Railway Engineering	-	-	-	112	-	-	-	161,700	-	-
Municipalities of the Algarve	-	-	-	61,321	-	461	-	15,805,247	-	-
Municipalities of the Margem Sul do Tejo	-	-	-	232,319	-	27	-	24,102,615	-	-
Municipalities of the Centre Coast	-	-	-	957,341	-	115	39,079	15,681,416	8,947	-
Municipalities of Cova da Beira	-	-	-	124,033	-	-	-	3,771,050	3,854	-
Municipalities of the Centre North	-	-	-	-	-	-	-	6,677,208	4,571	-
Municipalities of Vale do Lima and Baixo Cávado	-	-	-	-	-	-	-	5,494,379	-	-
Municipalities of the South of the Douro	-	-	-	-	-	-	-	9,102,258	-	-
Municipalities of the North Alentejo	-	-	-	9,795	-	-	-	3,325,162	15,191	275,101
Municipalities of Upper Extremadura	-	-	-	-	-	-	-	6,524,003	-	-
Municipalities of Vale do Minho	-	-	-	-	-	-	-	2,425,097	-	-
Municipalities of Lisbon and the West Regions	-	-	7,422,409	1,226,789	-	2,973	-	19,550,109	3,551	7,657
Novicer-Cerâmicas Angola, Lda	-	-	-	-	-	-	-	2,533	-	-
Pneuang, Lda	-	-	-	-	-	-	-	1,264	-	-
Prefal-Préfabricados Luanda, Lda	-	-	-	-	-	-	-	2,172	-	-
Nov Pro Construções, SA	-	-	-	-	-	-	-	11,586	-	-
Operadora Douro Interior, SA	-	-	-	-	-	-	-	685	-	-
Prio Biocombustíveis, Sa	-	-	-	-	-	-	-	226	-	-
S.S. Bioenergias, SA	-	-	-	-	-	-	-	88,872	-	-

2023 Related parties	Acquisition of the Right to Use Infrastructure	Purchases of tangible fixed assets	Cost of goods sold and materials consumed (Note 16)	External charges for services (Note 28)	Payroll Expenses	Other expenses (Note 31)	Interests and similar expenses	Sales and services (Note 27)	Other income (Note 30)	Interest and similar income earned (Note 33)
SMAS Almada	-	-	-	622	-	-	-	58,572	-	-
Freguesia Vila do Bispo e Raposeira	-	-	-	-	-	-	-	707	-	-
Serviços Municip.Câmara Municipal Torres Vedras	-	-	-	19,431	-	-	-	1,467,074	-	-
Serv.Int.Águas e Resíduos Municípios Loures e Odivelas	-	-	1,078,007	323,343	-	15,566	-	6,025,550	451	-
Serviços Municip.Câmara Municipal Concelho Nazaré	-	-	-	2,619	-	-	-	414,546	-	-
Swipe News	-	-	-	15,000	-	-	-	-	-	-
SonanGalp	-	-	-	6,084	-	-	-	-	-	-
Sonangol Distribuidora, SA	-	-	-	25	-	-	-	18,568	-	-
Sonangol Holdings, SA	-	-	-	-	-	-	-	45,360	-	-
Sunviauto	-	-	-	-	-	-	-	46,464	-	-
Taviraverde EM	-	-	-	119,241	-	54	-	1,324,039	-	-
Transitex	-	-	-	-	-	-	-	83	-	-
Treciver	-	-	-	-	-	-	-	727	-	-
Urbaser	-	-	-	632,235	-	-	-	-	-	30,246
Urbaser (Branch)	-	-	-	-	-	-	-	-	6,500	-
Municipalised Services of Abrantes	-	-	-	1,590	-	-	-	690,010	-	56,659
Municipalised Services of Castelo Branco	-	-	-	6,157	-	-	-	1,133,351	-	93,068
Tejo Ambiente EIM, SA	-	-	-	-	-	-	-	179,365	232	14,727
Viamarca, SA	-	-	-	28	-	-	-	1,403	-	-
Vista Waste	-	-	-	960	-	-	-	-	-	-
Vbt-Proj.Obrasarq, Lda	-	-	-	1,380	-	-	-	3,555	-	-
Civil Parish of Quarteira	-	-	-	-	-	-	-	101,492	-	-
Municipal Services of Setúbal	-	-	-	62,687	-	-	-	-	-	-
Serv Mun. Caldas Rainha Municipal Council Water and Sanitation	-	-	-	-	-	-	-	941,828	-	-
	2,942,714	16,251	8,512,126	18,918,265	2,639	62,351	12,887,234	136,320,958	248,024	582,015

2022 Related parties	Acquisition of the Right to Use Infrastructure	Purchases of tangible fixed assets	Cost of goods sold and materials consumed (Note 16)	External charges for services (Note 28)	Payroll expenses	Other expenses (Note 31)	Interest and similar expenses	Sales and services (Note 27)	Other income (Note 30)	Interest and similar income earned (Note 33)
Águas de S. João e M, SA	-	-	-	-	-	-	-	5,397	-	-
Agrimota	-	-	-	-	19,232	7,347	-	385	-	-
Ambiolhão EM	-	-	-	39,765	-	-	-	1,874,913	-	-

2022 Related parties	Acquisition of the Right to Use Infrastructure	Purchases of tangible fixed assets	Cost of goods sold and materials consumed (Note 16)	External charges for services (Note 28)	Payroll expenses	Other expenses (Note 31)	Interest and similar expenses	Sales and services (Note 27)	Other income (Note 30)	Interest and similar income earned (Note 33)
Aqualevel	-	-	-	-	-	-	-	19,264	-	-
Ascendi O&M, SA	-	-	-	333	-	-	-	-	-	-
APIN - E.I.A. PINHAL INTER. EIM, SA	-	-	-	2,165	-	68	-	1,152,400	-	-
Biosmart, SA	-	-	-	60,000	-	-	-	-	-	-
Lousada Municipal Council	-	-	-	71,107	-	-	-	-	-	-
Carlos Augusto P.Santos & Fil., Lda	1,442,313	-	-	-	-	-	-	5,145	-	-
Cerâmica Do Boialvo	-	-	-	-	-	-	-	5,095	-	-
Ecoleziria	-	-	-	11	-	-	-	362,609	-	-
Ecolife	-	-	-	-	-	-	-	145,265	-	-
Eco Eburnie	-	-	-	-	-	-	-	38,937	-	-
Ecooss ambiental	-	-	-	-	54,269	-	-	-	2,324	-
Efacec - Engenharia de Sistemas	-	-	-	-	-	-	-	15,185	-	-
EMARP - Emp. Mun. Ag. Res. Portimão EM	-	-	-	61,976	-	331	-	2,508,119	-	-
Emerge - ME Real Estate Developers, SA	-	-	-	-	-	-	-	9,646	-	-
FAGAR - Faro, Gestão Água Resíduos EM	-	-	-	-	-	-	-	2,328,312	-	-
Manuel Ant. da Mota Foundation	-	-	-	-	-	5,346	-	-	-	-
Iberfibran	-	-	-	-	-	-	-	5,646	-	-
Infralobo - Emp Infr. Vale do Lobo EM	-	-	-	-	-	-	-	216,804	-	-
Inframoura - Emp. Infr. Vilamoura, EM	-	-	-	13,246	-	31	-	635,773	-	-
Infraquinta - Emp. Infr. Quinta do Lago EM	-	-	-	304,303	-	-	-	218,656	-	-
Largo do Paço, Lda	-	-	-	346	-	-	-	-	-	-
Lusoponte - Concessão Travessia Tejo, SA	-	-	-	-	-	-	-	91,552	-	-
Mais Itapevi	-	-	-	292,422	-	7,633	-	242,421	-	-
Manvia	-	-	-	216	4,860	-	-	-	-	-
Martifer	-	-	-	-	-	-	-	416	-	-
Metro Santos Sodré ACE	-	-	-	-	-	-	-	509	-	-
Mota-Engil Ativ	288,125	6,078	-	3,496,199	-	-	-	67,584	-	70
Mota-Engil - global	-	-	-	1,325	-	-	-	-	-	-
Mota-Engil - Africa	-	-	-	1,602	25	-	-	-	-	-
Mota-Engil, SGPS	-	-	-	159,762	48	1,063	-	-	-	49,982
Mota-Engil, Ambiente e Serviços	-	-	-	2,080,600	-	-	-	-	-	-
Mota-Engil, Serviços Partilhados, SA	199	-	-	744,753	-	-	-	-	-	-

2022	Acquisition of the Right to Use Infrastructure	Purchases of tangible fixed assets	Cost of goods sold and materials consumed (Note 16)	External charges for services (Note 28)	Payroll expenses	Other expenses (Note 31)	Interest and similar expenses	Sales and services (Note 27)	Other income (Note 30)	Interest and similar income earned (Note 33)
<b>Related parties</b>										
Mota-Engil Global Serviços Partilhados	-	-	-	340,705	(245)	374	-	-	-	-
Mota-Engil, Engenharia e Construção	-	-	-	3,513,767	-	179	-	253,480	8,204	-
Mota-Engil Poland	-	-	-	8,400	-	-	-	-	-	-
Mota-Engil Next S.A	-	-	-	123,449	-	-	-	-	-	-
Mota-Engil Real Estate SGPS, SA	-	-	-	164,415	-	-	-	-	-	-
Mota-Engil Real Estate Developers	-	-	-	64,941	-	3,358	-	-	-	-
Mota-Engil Real Estate Alverca	-	-	-	-	-	-	-	1,356	-	-
Mota-Engil Real State Freixeiro	-	-	-	-	-	-	-	2,970	-	-
Mota-Engil Renewing, SA	-	-	-	7,870	-	-	-	-	-	-
Mota-Engil Railway Engineering	-	-	-	2,859	-	696	-	146,691	-	-
Mts-Metro Transportes Sul, Sa	-	-	-	-	-	-	-	1,353	-	-
Municipalities of the Algarve	-	-	-	34,893	-	922	-	14,193,472	-	-
Municipalities of the Margem Sul do Tejo	-	-	-	33,440	-	406	-	17,359,301	434	-
Municipalities of the Centre Coast	-	-	-	884,062	-	245	8,022	11,503,072	13,082	-
Municipalities of Cova da Beira	-	-	-	124,263	-	2	-	2,562,888	3,058	-
Municipalities of the Centre North	-	-	-	-	-	-	-	5,471,257	-	-
Municipalities of Vale do Lima and Baixo Cávado	-	-	-	-	-	-	-	3,365,821	-	-
Municipalities of the South of the Douro	-	-	-	-	-	-	-	4,654,759	-	-
Municipalities of the North Alentejo	-	-	-	5,207	-	-	-	3,418,551	8,778	-
Municipalities of Upper Extremadura	-	-	-	-	-	-	-	3,810,513	-	-
Municipalities of Vale do Minho	-	-	-	-	-	-	-	1,443,698	-	-
Municipalities of Lisbon and the West Regions	-	-	7,302,250	1,183,919	-	1,724	-	16,823,570	96,791	1,219
SMAS Almada	-	-	-	610	-	-	-	53,603	-	-
Freguesia Vila do Bispo e Raposeira	-	-	-	-	-	-	-	383	-	-
Serviços Municip.Câmara Municipal Torres Vedras	-	-	-	6,796	-	-	-	1,255,005	-	-
Serv.Int.Águas e Resíduos Municípios Loures e Odivelas	-	-	1,085,902	327,957	-	20,953	-	5,200,105	16,292	-
Serviços Municip.Câmara Municipal Concelho Nazaré	-	-	-	2,406	-	-	-	345,278	329	329
Swipe News	-	-	-	15,000	-	-	-	-	-	-
Sunviauto	-	-	-	-	-	-	-	24,400	-	-
Taviraverde EM	-	-	-	90,194	-	56	-	1,219,080	-	-
Urbaser	-	-	-	814,216	-	-	-	-	-	-
Urbaser (Branch)	-	-	-	300,000	-	-	-	-	-	-

2022 Related parties	Acquisition of the Right to Use Infrastructure	Purchases of tangible fixed assets	Cost of goods sold and materials consumed (Note 16)	External charges for services (Note 28)	Payroll expenses	Other expenses (Note 31)	Interest and similar expenses	Sales and services (Note 27)	Other income (Note 30)	Interest and similar income earned (Note 33)
Vibeiras	-	-	-	-	-	-	-	39,532	-	-
Municipalised Services of Abrantes	-	-	-	1,326	-	-	-	702,636	-	-
Municipalised Services of Castelo Branco	-	-	-	4,714	-	-	-	1,141,331	-	-
Tejo Ambiente EIM, SA	-	-	-	-	-	-	-	183,666	281	-
Vista Waste	-	-	-	2,721	-	2,391,962	-	16,231	-	-
Civil Parish of Quarteira	-	-	-	-	-	-	-	94,358	-	-
Civil Parish of Santa Bárbara de Nexe	-	-	-	-	-	-	-	158	-	-
Civil Parishes of Faro Sé and S. Pedro	-	-	-	-	-	-	-	5,636	-	-
Serv Mun. Caldas Rainha Municipal Council Water and Sanitation	-	-	-	-	-	-	-	778,340	-	-
	1,730,637	6,078	8,388,152	15,388,261	78,189	2,442,696	8,022	106,022,527	149,573	51,600

The various municipalities identified above are considered related parties because they have a stake in several concessionaires.

The terms or conditions practised between the Group and related parties are substantially identical to those that would normally be contracted, accepted and practised between independent entities in comparable operations.

## BALANCES WITH RELATED PARTIES

As of 31 December 2023 and 2022, the Group had the following balances with related parties:

2023 Related parties	Trade debtors, current account (Note 17)	Accounts receivable (Note 17)	Other receivables (Note 17)	Deferred Assets	Trade creditors, current account (Note 25)	Shareholders (Note 25)	Borrowings (Note 24.1)	Accrued expenses (Note 25)	Other payables (Note 25)
Aqualevel	11,230	-	-	-	-	-	-	-	-
Águas de São João e M, SA	692	-	-	-	-	-	-	-	-
Agrimota	2,126	-	-	-	-	-	-	-	-
Ambilital	68,027	-	-	-	-	-	-	-	-
ASCENDI O&M SA	-	-	-	-	5	-	-	-	-
Carlos Augusto P.Santos & Filhos	418	-	-	-	-	-	-	-	-
CAPSFIL - Carlos Augusto Pinto dos Santos & Filhos, SA	-	-	-	-	2,000,267	-	-	-	73,816
Citrave	22,304	-	6,915	-	-	-	-	-	-
Clean Eburnie, SARL	5,672	-	-	-	-	-	-	-	-
Correia & Correia	80,642	-	8,546	-	24,886	-	-	-	-
Eco Eburnie, SA	40,505	-	4,514	-	-	-	-	-	-

2023 Related parties	Trade debtors, current account (Note 17)	Accounts receivable (Note 17)	Other receivables (Note 17)	Deferred Assets	Trade creditors, current account (Note 25)	Shareholders (Note 25)	Borrowings (Note 24.1)	Accrued expenses (Note 25)	Other payables (Note 25)
Ecolife	53,233	44,471	3,223	-	-	-	-	-	-
ECOSS ambiental	-	-	-	-	-	-	-	-	161,174
Empresa Construtora Brasil, SA	-	-	-	-	-	-	-	-	536,559
Enviroil II	13,941	-	7,464	-	-	-	-	-	-
Gestion e Inovacion in servicios	7,641	-	-	-	-	-	-	-	-
FAGAR - Faro, Gestão Água Resíduos EM	557,750	-	-	-	126	-	-	-	-
Infralobo - Emp Infr. Vale do Lobo EM	26,395	-	-	-	-	-	-	-	-
Inframoura - Emp. Infr. Vilamoura, EM	91,390	-	-	-	94	-	-	-	-
Infraquinta - Emp. Infr. Quinta do Lago EM	34,762	-	-	-	107,407	-	-	-	-
Ambiolhão EM	728,108	-	-	-	26,594	-	-	-	-
APIN -E.I.A. PINHAL INTER.EIM, SA	949,663	-	-	-	137	-	-	-	1,511
EMARP - Emp. Mun. Ag. Res. Portimão EM	269,721	-	-	-	11,905	-	-	-	-
Civil Parishes of Faro Sé and S. Pedro	174	-	-	-	-	-	-	-	-
Civil Parish of Quarteira	23,718	-	-	-	-	-	-	-	-
Parish of Boliqueime	541	-	-	-	-	-	-	-	-
Parish of Almancil	2,833	-	-	-	-	-	-	-	-
Lusoponte-Conces.Travessia Tejo SA	8,487	-	-	-	46	-	-	-	-
Indaqua Feira	2,261	-	-	-	-	-	-	-	-
Indaqua Matosinhos	4,377	-	-	-	-	-	-	-	-
Indaqua St. Tirso	654	-	111	-	-	-	-	-	-
Indaqua V. Conde	1,560	-	-	-	-	-	-	-	-
Largo do Paço	-	-	-	-	813	-	-	-	-
Mais Itapevi	-	-	11,838	-	-	-	-	-	-
Martifer - Const. Metálicas Angola	4,988	-	-	-	-	-	-	-	-
Metro Santos Sodré ACE	458	-	-	-	-	-	-	-	-
Mota-Engil Next SA	-	-	-	-	353	-	-	-	-
Mota-Engil Ativ	77,600	-	491	-	1,850,305	-	-	-	25,618
Mota-Engil Africa	-	-	-	-	9,694	-	-	-	-
Mota-Engil - Ambiente e Serviços	-	-	-	-	1,421,770	5,067,600	5,000,000	-	3,587,912
Mota-Engil - SGPS	10,115,977	-	326,289	-	240,345	-	-	-	12,952,541
Mota-Engil Mozambique Branch	-	-	-	-	-	-	-	-	712
Mota-Engil, Central Europe	-	-	-	-	29,400	-	-	-	-
Mota-Engil Dominicana	6,889	-	-	-	-	-	-	-	-
Mota-Engil Sucursal Angola	794,240	-	100	-	1,246,853	-	-	-	3,148,152

2023 Related parties	Trade debtors, current account (Note 17)	Accounts receivable (Note 17)	Other receivables (Note 17)	Deferred Assets	Trade creditors, current account (Note 25)	Shareholders (Note 25)	Borrowings (Note 24.1)	Accrued expenses (Note 25)	Other payables (Note 25)
Mota-Engil, Engenharia e Construção	435,534	-	8,735	-	784,089	-	-	2,786	245,223
Mota-Engil Engenharia e Construção África, SA	469	-	285,782	-	513	-	-	-	3,322
Mota-Engil Real Estate Freixeiro	8,672	-	-	16,441	13,447	-	-	-	-
Mota-Engil Branch Panama	11,952	-	-	-	-	-	-	-	-
MOTA-Engil Latam Colombia SAS	27,376	-	-	-	-	-	-	-	-
Mota-Engil, Renewing, SA	-	-	-	-	5,637	-	-	565	-
EMERGE - Mota-Engil Real Estate Developers	2,160	-	605	-	(8,335)	-	-	-	-
Mota-Engil Railway Engineering	63,490	-	-	-	857	-	-	-	-
Mota-Engil Global Serviços Partilhados	26	-	-	-	165,302	-	-	-	-
Municipalities of the Algarve	3,357,133	-	-	-	3,261	-	-	-	-
Municipalities of the Margem Sul do Tejo	4,420,074	-	-	-	72,043	-	-	-	-
Municipalities of the Centre Coast	4,933,019	-	-	-	111,599	-	-	-	35,971
Municipalities of Cova da Beira	1,214,164	-	494	-	1,181	-	-	-	58
Municipalities of the Centre North	1,908,677	-	-	-	-	-	-	-	219,280
Municipalities of Vale do Lima and Baixo Cávado	2,287,705	-	-	-	-	-	-	-	537,041
Municipalities of the South of the Douro	2,680,117	-	-	-	-	-	-	-	-
Municipalities of the North Alentejo	784,209	-	6,467	-	44	-	-	-	-
Municipalities of Upper Extremadura	982,579	-	-	-	204	-	-	-	2,643
Municipalities of Vale do Minho	1,577,556	-	-	-	-	-	-	-	-
Municipalities of Lisbon and the West Regions	5,520,980	-	55,000	-	1,080,474	-	-	-	3,122,516
PNEUANG, LDA	2,487	-	-	-	29,305	-	-	-	-
Prefal - Prefabricados de Luanda, Lda	3,282	-	-	-	-	-	-	-	-
Prio Biocombustíveis	278	-	-	-	-	-	-	-	-
Resilei	3,315	-	48	-	-	-	-	-	-
Rima	17,586	-	3,654	-	1,223	-	-	332,500	-
SRI	-	-	1,923	-	-	-	-	-	-
Municipal Services of Setúbal	-	-	-	-	11,679	-	-	-	-
SONANGALP - Sociedade de Distribuição	-	-	53,708	-	-	-	-	-	-
Suma Brasil Participações	-	-	-	-	-	-	-	-	407
Serv. Intermunicip. Águas e Resíduos Municípios Loures e Odivelas	1,438,537	-	23,902	-	108,351	-	-	-	432,073
Serviços Municip. Câmara Municipal Torres Vedras	318,401	-	-	-	128	-	-	-	-
Serviços Municipalizados Câmara Municipal Concelho Nazaré	81,834	-	-	-	174	-	-	-	-
Serv Mun. Caldas Rainha Municipal Council Water and Sanitation	102,774	-	-	-	-	-	-	-	-
Municipalised Services of Abrantes	155,167	-	-	-	-	-	-	-	-

2023 Related parties	Trade debtors, current account (Note 17)	Accounts receivable (Note 17)	Other receivables (Note 17)	Deferred Assets	Trade creditors, current account (Note 25)	Shareholders (Note 25)	Borrowings (Note 24.1)	Accrued expenses (Note 25)	Other payables (Note 25)
Municipalised Services of Castelo Branco	128,919	-	-	-	573	-	-	-	-
SMAS Almada	21,549	-	-	-	-	-	-	-	-
Taviraverde-Empresa Municipal de Ambiente, EM	415,948	-	-	-	36,041	-	-	-	-
Tejo Ambiente EIM, SA	18,824	-	-	-	-	-	-	-	-
Tracevia	-	-	-	-	-	-	-	-	11
Triu	251,977	-	8,626	-	162,484	-	-	-	7,160
Urbaser	-	-	-	-	245,000	3,172,400	-	-	-
Urbaser (Branch)	-	-	6,842	-	353,625	-	-	-	-
VBT - Proj.Oras Arq.Paisagistica, Lda	48,569	-	-	-	20,980	-	-	-	-
	<b>47,234,316</b>	<b>44,471</b>	<b>825,277</b>	<b>16,441</b>	<b>10,170,879</b>	<b>8,240,000</b>	<b>5,000,000</b>	<b>335,851</b>	<b>25,093,700</b>

2022 Related parties	Trade debtors, current account (Note 17)	Accounts receivable (Note 17)	Other receivables (Note 17)	Deferred Assets	Non-current assets held for sale	Trade creditors, current account (Note 25)	Shareholders (Note 25)	Accrued expenses (Note 25)	Other payables (Note 25)	Non-current liabilities held for sale
Aqualevel	10,753	-	-	-	-	-	-	-	-	-
Águas de São João e M, SA	1,315	-	-	-	-	-	-	-	-	-
ABIAM - Environment and Services, Lda.	-	-	-	-	-	203,746	-	-	-	203,746
Ambigere	-	-	2,534	-	-	2,306	-	-	-	-
Biosmart, SA	24,161	-	-	-	24,161	73,800	563,704	-	-	637,504
Lousada Municipal Council	-	-	-	-	-	-	-	-	450,596	450,596
Carlos Augusto P.Santos & Filhos	-	-	-	-	-	140,094	-	-	-	-
CAPSFIL - Carlos Augusto Pinto dos Santos & Filhos, SA	-	-	-	-	-	150,793	-	-	-	-
Cicomol	-	-	-	-	-	-	-	-	2,512	-
Clean Eburnie, SARL	5,672	-	-	-	-	-	-	-	-	-
Eco Eburnie, SA	129,817	-	-	-	-	-	-	-	-	-
ECOLEZÍRIA	67,842	-	-	-	67,842	-	-	-	102	-
Ecolife	52,159	44,471	-	-	-	-	-	-	-	-
ECOSS ambiental	-	-	558,879	-	-	-	-	-	-	-
Empresa Construtora Brasil, SA	-	-	-	-	-	-	-	-	536,698	-
Efacec-Engenharia e Sistemas, SA	7,410	-	-	-	-	-	-	-	-	-
Equimetra, SA	3,702	-	-	-	3,702	689	-	-	-	689
Eurosol - Invest. Turísticos	7	-	-	-	7	-	-	-	-	-
Gestion e Innovacion in servicios	7,641	-	-	-	-	-	-	-	-	-

2022 Related parties	Trade debtors, current account (Note 17)	Accounts receivable (Note 17)	Other receivables (Note 17)	Deferred Assets	Non-current assets held for sale	Trade creditors, current account (Note 25)	Shareholders (Note 25)	Accrued expenses (Note 25)	Other payables (Note 25)	Non-current liabilities held for sale
Iberibran, SA	3,857	-	-	-	3,857	-	-	-	-	-
Lena Eng. E construção, SA	-	-	-	-	-	25,000	-	-	-	25,000
Lena Agregados, SA	-	-	-	-	-	8,150	-	-	-	8,150
FAGAR - Faro, Gestão Água Resíduos EM	518,055	-	-	-	-	126	-	-	-	-
Infralobo - Emp Infr. Vale do Lobo EM	51,570	-	-	-	-	-	-	-	-	-
Inframoura - Emp. Infr. Vilamoura, EM	99,697	-	-	-	-	96	-	-	-	-
Infraquinta - Emp. Infr. Quinta do Lago EM	35,340	-	-	-	-	364,432	-	-	-	-
Ambiolhão EM	422,188	-	-	-	-	13,893	-	-	-	-
APIN - E.I.A. PINHAL INTER. EIM, SA	394,588	-	-	-	-	78	-	-	40	-
EMARP - Emp. Mun. Ag. Res. Portimão EM	271,354	-	-	-	-	3,198	-	-	-	-
Parishes of Faro Sé and S. Pedro	-	-	-	-	-	-	-	-	3	-
Parish of Vila do Bispo and Raposeira	8	-	-	-	-	-	-	-	-	-
Civil Parish of Quarteira	21,230	-	-	-	-	-	-	-	-	-
Lusoponte-Conces.Travessia Tejo SA	6,326	-	-	-	-	20	-	-	-	-
Largo do Paço	-	-	-	-	-	850	-	-	-	-
Liz On-Line, SA	-	-	-	-	-	424	-	-	-	424
Mais Itapevi	-	-	11,363	-	-	-	-	-	-	-
Manvia - Diagnósticos Eléctricos ACE	-	-	-	-	-	433,620	-	-	-	-
Mota-Engil Next SA	-	-	-	-	-	24,165	-	-	-	-
Mota-Engil Ativ	249,299	-	-	-	172,177	1,142,356	-	1,935	13,802	35,228
Mota-Engil Serviços Partilhados	-	-	-	-	-	66,200	-	-	-	-
Mota-Engil Africa	5,364,355	-	12,299	-	-	8,327	-	-	-	-
Mota-Engil - Ambiente e Serviços	-	-	319	-	-	583,692	5,067,600	-	-	-
Mota-Engil - SGPS	836,083	-	148	-	-	225,734	-	-	1,196	5,553
Mota-Engil Mozambique Branch	-	-	-	-	-	-	-	-	712	-
Mota-Engil Europa, SA	-	-	-	-	-	19,600	-	-	-	-
Mota-Engil, Central Europe	-	-	-	-	-	43,278	-	-	5	-
Mota-Engil Dominicana	6,889	-	-	-	-	-	-	-	-	-
Mota-Engil Sucursal Angola	3,877,022	-	313,843	-	-	1,557	-	-	-	-
Mota-Engil, Engenharia e Construção	1,579,250	-	8,735	-	1,133,596	1,180,669	-	1,900	16,881	7,314
Mota-Engil Engenharia e Construção África, SA	51	-	290,384	-	-	-	-	-	-	-
Mota-Engil Real Estate Freixeiro	3,464	-	-	-	1,176	-	-	-	-	-

2022 Related parties	Trade debtors, current account (Note 17)	Accounts receivable (Note 17)	Other receivables (Note 17)	Deferred Assets	Non-current assets held for sale	Trade creditors, current account (Note 25)	Shareholders (Note 25)	Accrued expenses (Note 25)	Other payables (Note 25)	Non-current liabilities held for sale
Mota-Engil Real Estate Alverca	1,439	-	-	-	1,439	-	-	-	-	-
Mota Engil Real Estate Portugal	2,255	-	-	-	2,255	-	-	-	-	-
Mota-Engil Branch Panama	11,952	-	-	-	-	-	-	-	-	-
MOTA-Engil Latam Colombia SAS	27,376	-	-	-	-	-	-	-	-	-
Mota-Engil, Renewing, SA	-	-	-	-	-	6,092	-	450	-	-
Mota-Engil, Polska	-	-	-	-	-	-	-	1,400	-	-
Mota-Engil Real Estate Developers	-	-	-	14,622	-	13,207	-	-	-	-
Mota-Engil Railway Engineering	17,059	-	-	-	2,783	857	-	-	-	-
Mota-Engil Global Serviços Partilhados	201	-	-	-	201	83,943	-	-	-	66,168
Municipalities of the Algarve	1,470,628	-	-	-	-	2,526	-	-	-	-
Municipalities of the Margem Sul do Tejo	2,350,418	-	-	-	-	2,913	-	-	-	-
Municipalities of the Centre Coast	1,531,708	-	-	-	-	86,546	-	-	54,960	-
Municipalities of Cova da Beira	826,579	-	38,574	-	-	898	-	-	-	-
Municipalities of the Centre North	1,256,600	-	-	-	-	-	-	-	-	-
Municipalities of Vale do Lima and Baixo Cávado	1,083,605	-	-	-	-	-	-	-	1,271,002	-
Municipalities of the South of the Douro	1,433,469	-	-	-	-	-	-	-	-	-
Municipalities of the North Alentejo	663,170	-	2,202	-	-	75	-	-	-	-
Municipalities of Upper Extremadura	369,797	-	-	-	-	65	-	-	-	-
Municipalities of Vale do Minho	682,471	-	-	-	-	-	-	-	-	-
Municipalities of Lisbon and the West Regions	2,160,083	-	55,000	-	-	118,583	337	-	2,034,830	-
Operadora Douro Interior, SA	726	-	-	-	726	-	-	-	-	-
S.S. Bioenergias, SA	187,741	-	-	-	187,741	-	-	-	-	-
Sunviauto	4,351	-	-	-	4,351	-	-	-	-	-
Serv. Inter Municip. Águas e Resíduos Municípios Loures e Odivelas	1,339,359	-	58,500	-	-	118,306	-	-	428,827	-
Serviços Municip. Câmara Municipal Torres Vedras	261,091	-	-	-	-	235	-	-	-	-
Serviços Municipalizados Câmara Municipal Concelho Nazaré	64,839	-	-	-	-	279	-	-	-	-
Serv. Mun. Água e Saneamento CM Caldas Rainha	84,639	-	-	-	-	-	-	-	-	-
Municipal Services of Abrantes	151,354	-	-	-	-	-	-	-	-	-
Municipal Services of Castelo Branco	248,490	-	-	-	-	459	-	-	-	-
SMAS Almada	38,263	-	-	-	-	-	-	-	-	-

2022 Related parties	Trade debtors, current account (Note 17)	Accounts receivable (Note 17)	Other receivables (Note 17)	Deferred Assets	Non-current assets held for sale	Trade creditors, current account (Note 25)	Shareholders (Note 25)	Accrued expenses (Note 25)	Other payables (Note 25)	Non-current liabilities held for sale
Taviraverde-Empresa Municipal de Ambiente, EM	238,578	-	-	-	-	15,813	-	-	-	-
Tejo Ambiente EIM, SA	57,402	-	-	-	-	-	-	-	-	-
Urbaser	214,264	-	600	-	-	325,000	3,172,400	-	-	-
Urbaser (Branch)	109,641	-	342	-	-	123,000	-	-	-	-
Treciver, SA	454	-	-	-	454	-	-	-	-	-
Vista Wate	9,450,992	-	6,194,142	-	-	3,843	-	-	224,830	-
	<b>40,392,099</b>	<b>44,471</b>	<b>7,547,864</b>	<b>14,622</b>	<b>1,606,466</b>	<b>5,619,533</b>	<b>8,804,041</b>	<b>5,685</b>	<b>5,036,996</b>	<b>1,440,372</b>

The balance payable recorded under the heading “Shareholders” corresponds essentially to the dividends distributed by SUMA to its shareholders for the period ended 31 December 2014, amounting to 8,240,000 euros. This amount is classified as non-current.

## 27. SALES AND SERVICES

Sales and services recognised by the Group, in the periods ended 31 December 2023 and 2022, are as follows:

	2023	2022
Treatment of municipal solid waste	162,209,917	141,654,176
Sale of energy	40,821,169	49,045,086
Recyclable material	66,097,533	65,600,923
Collection and transport of municipal solid waste	57,300,288	63,254,199
Treatment of industrial waste	32,907,004	33,869,530
Cleaning and sweeping	33,819,082	25,746,428
Management of landfills/integrated systems	2,641,466	1,611,953
Container maintenance	5,657,220	5,335,507
Industrial collection	6,079,182	4,862,589
Environmental Education	1,287,111	774,035
Other	23,459,129	13,437,450
	<b>432,279,101</b>	<b>405,191,876</b>

The services provided in the financial years ending 31 December 2023 and 2022 refer essentially to the treatment and recovery of waste from undifferentiated collection for municipal customers.

In the periods ended 31 December 2023 and 2022, services were provided and sales were made to related parties in the amounts of 136,320,958 euros and 106,022,527 Euros, respectively (Note 26).

## 28. EXTERNAL CHARGES FOR SERVICES

The item “External charges for services”, for the periods ending on 31 December 2023 and 2022, has the following composition:

	2023	2022
Maintenance and repairs	44,320,620	38,796,927
Specialised work	8,779,833	16,057,662
Energy, fuels and other fluids	28,387,762	31,556,349
Insurance	7,416,668	6,456,917
Leases and rents	7,448,978	6,490,487
Surveillance and security	4,867,235	4,375,082
Transport, travel and accommodation	3,438,432	4,438,075
Subcontracts	44,444,515	30,076,277
Communications	712,510	361,519
Commissions and fees	176,778	284,890
Advertising and promotion	5,173	-
Management charges	1,043,477	1,049,023
Other supplies and services	9,302,999	13,433,296
	<b>160,344,980</b>	<b>153,376,504</b>

The item “Other external charges for services” consists essentially of expenses incurred in the transportation of goods, consumption of reagents, tools and utensils subject to rapid wear and tear, and travel and accommodation.

In the periods ending 31 December 2023 and 2022, the increase in the maintenance and repair item stands out due to the increase in spending on multi-annual maintenance.

The subcontracts and specialised work item increased due to the increased hiring of temporary workers and transportation and selective collection.

In the periods ended 31 December 2023 and 2022, services provided by related parties amounted to 18,918,265 euros and 15,388,261 euros, respectively (Note 26).

## 29. PAYROLL EXPENSES

The heading “Payroll expenses” for the periods ending 31 December 2023 and 2022, has the following composition:

	2023	2022
Remuneration of staff	109,438,996	97,721,622
Charges on remunerations	24,799,238	22,792,837
Insurance	3,985,998	3,273,880
Payments to directors (Note 26)	3,168,868	3,141,450
Compensation payments	114,707	114,074
Social action expenses	166,855	123,736
Other	11,440,271	10,182,161
	<b>153,114,933</b>	<b>137,349,760</b>

The average number of employees working for the Group in the periods ended 31 December 2023 and 2022 was as follows:

	2023	2022
Employees	9,910	7,826
Employees assigned by municipal councils	2	4
	<b>9,912</b>	<b>7,830</b>

### 30. OTHER INCOME

The heading “Other income”, for the periods ending on 31 December 2023 and 2022, has the following composition:

	2023	2022
Construction income in right of use of infrastructure	97,351,558	59,118,577
Compensation payments associated with claims	439,839	339,703
Arrears interest charged to customers	82,944	133,479
Corrections relating to previous years	210,215	46,772
Cash discounts received	333,082	214,878
Operating grants	117,405	128,149
Gains from sales of tangible fixed assets	890,490	502,731
Financial restatement of trade receivables (Note 17)	601,900	-
Exchange differences	-	681,843
Gains on financial instruments	123	2,414
Other additional income	4,098,976	2,476,356
	<b>104,126,532</b>	<b>63,644,902</b>

In the periods ended 31 December 2023 and 2022, other income was obtained from related parties in the amounts of 248,024 euros and 149,573 euros, respectively (Note 26).

### 31. OTHER EXPENSES

The item “Other expenses”, for the periods ending on 31 December 2023 and 2022, has the following composition:

	2023	2022
Construction expenses in right of use of infrastructure	97,351,558	59,118,577
Taxes	2,048,477	1,493,621
Currency revaluation	54,447	2,278,452
Donations and contributions to employer's associations	370,566	214,658
Corrections relating to previous years	168,836	203,572
Undocumented expenses	391,256	439,519
Financial restatement of trade receivables (Note 17)	32,045	283,240
Contractual penalties	40,252	320,317
Losses on disposals/write-offs of tangible fixed assets	38,396	27,452
Cash discounts allowed	1	3
Losses Financial investments FCT	9	12
Bad debt write-offs	437	959,506
Other	1,711,634	1,591,004
	<b>102,207,914</b>	<b>66,929,933</b>

In 2023, the DUI was higher than the previous year, due to greater investment.

In the period ended 31 December 2023 and 2022, the Group incurred other expenses with related parties in the amount of 62,351 euros and 2,442,696 euros, respectively (Note 26).

## 32. DEPRECIATION AND AMORTISATION EXPENSES

The heading “Depreciation and amortisation expenses”, for the periods ended 31 December 2023 and 2022, has the following composition:

	2023	2022
Tangible fixed assets (Note 8)	7,770,306	8,689,368
Intangible assets (Note 11)	41,665,990	47,590,194
Investment properties (Note 9)	680.60	783
	<b>49,436,976</b>	<b>56,280,345</b>
Goodwill (Note 10)	233,422	1,006,353
	<b>49,670,397</b>	<b>57,286,698</b>

## 33. INTEREST AND SIMILAR INCOME EARNED

Financing income and gains recognised during the periods ended 31 December 2023 and 2022, have the following composition:

	2023	2022
<b>Interest earned:</b>		
Deposits and short-term investments	808,234	1,307,918
Financing granted to related parties (Note 26)	-	51,600
<b>Similar income earned:</b>		
Other	2,583,120	1,497,087
	<b>3,391,354</b>	<b>2,856,605</b>

### 34. INTEREST AND SIMILAR EXPENSES

Financing expenses and losses recognised during the periods ended 31 December 2023 and 2022, are made up as follows:

	2023	2022
Interest expenses	24,250,591	13,380,817
Stamp Duty	744,721	544,908
Bank fees	142	1,092
Other	3,492,796	1,924,914
	<b>28,488,250</b>	<b>15,851,731</b>

### 35. BANK GUARANTEES

As of 31 December 2023 and 2022, the Group had requested the issuance of bank guarantees provided to third parties (namely Municipal Councils and Associations of Municipalities), due to contractual requirements, as follows:

	2023	2022
Tax Authority	1,000	1,000
Municipal Chambers and Associations	7,935,550	9,454,705
Financial Institutions	333,333	728,000
Private Entities	739,242	755,697
Portuguese State	6,750,678	8,482,985
Other Public Entities	508,532	635,340
Courts	27,745	30,969
	<b>16,296,080</b>	<b>20,088,696</b>

As at 31 December 2023 and 2022, the Group had the following financial bank guarantees:

	2023	2022
Financial Institutions	6,008,889	9,279,998
Tax Authority	1,090,636	1,090,636
	<b>7,099,525</b>	<b>10,370,635</b>

## 36. NON-CURRENT ASSETS AND LIABILITIES HELD FOR SALE

In the period ended 31 December 2022, following an ongoing sale transaction with the minority shareholder of the SUMA Group, the Group began to classify the assets and liabilities associated with the industrial waste business as held for sale.

Since the business does not fit into any particular segment, there are no changes in its presentation within the consolidated income statement.

On 1 March 2023, the Mota-Engil Group announced the signing of an agreement with the Urbaser Group that will allow the group to acquire a 38.5% capital position, thus holding the entire capital in the urban waste collection and treatment business. This agreement also results in the sale to Urbaser, SA ("Urbaser") of 61.5% of the industrial waste business, previously operated by SUMA.

Since the business does not fit into any particular segment, there are no changes in its presentation within the consolidated income statement. The companies included in the above agreement are the Enviroil Group, namely (Correia & Correia, SRI, Triu, Enviroil II and Enviroil), Resilei, Citrave and Rima.

On 28 December 2023, the spin-off transaction was completed. In the period prior to its registration, SUMA maintained control over the management and operational and financial policies of the companies included in the aforementioned agreement, and therefore, for consolidation purposes, the Board of Directors understood that they should be presented in the consolidated income statement. Therefore, the presentation in the consolidated income statement has not changed.

As of 31 December 2022, non-current assets and liabilities held for sale related to the industrial waste activity may be broken down as follows:

ASSETS	Notes	2022
<b>Non-current assets</b>		
Tangible fixed assets	8/9	24,182,186
Goodwill	10	8,026,139
Intangible assets	11	28,785
Other financial investments	13	59,061
<b>Total non-current assets</b>		<b>32,296,171</b>
<b>Current assets</b>		
Inventories	16	494,008
Trade debtors	17	9,491,378
State and other public bodies	18	766,705
Other receivables	17	535,642
Deferrals	19	162,123
Bank deposits and cash	4	16,051,846
<b>Total current assets</b>		<b>27,501,702</b>
<b>Total assets</b>		<b>59,797,873</b>

LIABILITIES	Notes	2022
<b>Non-current liabilities</b>		
Provisions	23	7,574,932
Borrowings	24	1,734,116
Deferred tax liabilities	15	447,127
<b>Total non-current liabilities</b>		<b>9,756,175</b>
<b>Current liabilities</b>		
Trade creditors	25	4,387,145
State and other public bodies	18	2,707,140
Borrowings	24	912,265
Other payables	25	2,368,935
<b>Total current liabilities</b>		<b>10,375,485</b>
<b>Total liabilities</b>		<b>20,131,660</b>

## 37. EARNINGS PER SHARE

Earnings per share for the periods ended 31 December 2023 and 2022 were determined as follows:

	2023	2022
Net income for the year	(23,723,032)	9,565,131
Number of shares (Note 20)	250,000	250,000
<b>Basic and diluted earnings per share</b>	<b>(94.89)</b>	<b>38.26</b>

Since there are no situations that give rise to dilution, the diluted net return per share is equal to the basic net earnings per share.

## 38. FINANCIAL RISK MANAGEMENT

The Group is essentially exposed to the following financial risks:

### INTEREST RATE RISK

The interest rate risks are essentially related to the interest paid on the contracting of various loans with variable interest rates.

### LIQUIDITY RISK

Liquidity risk may occur if financing sources, such as operating cash flows, divestment cash flows, credit lines and cash flows obtained from financing operations, do not meet financing needs, such as cash outflows for operating and financing activities, investments, shareholder remuneration and debt repayment.

To reduce this risk, the group seeks to maintain a net position and an average debt maturity that allows it to

repay its debt in appropriate time frames. In the understanding of the Board of Directors, taking into account the main cash-flow projections for 2024 and the structure and type of its assets, the Group does not foresee difficulties in settling its current financial liabilities.

Although on 31 December 2023, there is a negative working capital of € 44 million, we would like to highlight that on this date, the amounts of available and unused medium and long-term credit are € 85 million and current accounts are € 59.3 million. Additionally, for the purposes of complying with the concessions investment plan, amounts of credit available and not used for leasing are available, amounting to € 11 million. Consequently, as a result of the information above and the assessment carried out, the Board of Directors concluded that the Group has adequate resources to maintain its activities, which also depend on the financial support of the Shareholder, and that there is no intention of ceasing them in the short term, and therefore considered it appropriate to use the going concern principle in the preparation of the consolidated financial statements.

## REGULATORY RISK

The profits recorded in each period by each concessionaire result essentially from the assumptions considered by the regulator ERSAR, when defining the regulated tariffs for the waste treatment and management sector.

On 6 March, Law 10/2014 was published, which approved the new Statutes of the ERSAR. This publication comes in the wake of Law 67/2013, of 28 August, which approved the framework law for independent administrative entities with functions to regulate the economic activity of the private, public and cooperative sectors.

According to the new statutes, the ERSAR saw its independence of action increased (Article 2), the range of entities subject to regulation expanded (Article 4) and its powers and attributions over the regulated entities reinforced (Articles 5, 9, 10 and 11). In view of the changes being implemented in the waste sector, strengthening the ERSAR's powers represents a significant challenge for both the regulatory body and the regulated entities. It is expected that, with this reinforcement of the ERSAR's powers, the sector will incorporate an agenda in line with the development phase in which it finds itself, placing the focus on economic, social and environmental sustainability in an integrated manner.

During 2014, in implementation of the ERSAR's new regulatory power, the RTR - tariff regulation for the urban waste management service, resolution 928/2014, was published in the *Diário da República* (Official Gazette), 2nd series, on 15 April. This regulation came into effect on 1 January 2016 and led to a change in the regulatory model in force, moving from a service cost model ( ) to a revenue cap model, which remunerates an asset base at the cost of capital and allows the recovery of operating expenses in a scenario of productive efficiency.

Over the years 2016 and 2017, three complementary Documents to the RTR were published with clarifications regarding the regulatory methodologies, and at the end of 2017, a Public Consultation was published by the ERSAR, no. 05/2017 for the "Draft to amend the Tariff Regulation for the Urban Waste Management Service", with a period for sending contributions to the consultation taking place between 07 November and 20 December 2017. The changes foreseen in this document were highly significant, changing conceptually the regulatory model then in effect. The EGF Group concessionaires jointly and in a timely manner submitted their statements on the document proposed by the Regulator and are eagerly awaiting the results thereof.

During 2018, a Review of the RTR, Regulation 52/2018 of 23 January, was published by ERSAR, which, taking account of the experience of the first regulatory period, sought to make some adjustments to the RTR in order to simplify, relax and clarify some of its provisions. The review of the RTR also required the revision and adaptation of the reporting models. Thus, in 2018, two of the Supplementary Documents were approved and revised, namely:

**(a)** Regulation 222/2018, published in the *Diário da República* (Official Gazette) on 13 April (1st Supplementary Document) with the aim of clarifying and adapting to the new RTR concepts related to the presentation of Provisional Regulated Accounts, repealing the previous Supplementary Document 1, Regulation 817/2016, of 18 August.

**(b)** Regulation 395/2018 published in the *Diário da República* (Official Gazette) of 29 June (3rd Supplementary Document) which established mechanisms that reward good performance with the aim of increasing environmental and economic added value.

The ERSAR carried out a public consultation at the end of 2021 on the Service Quality Indicators and at the end of 2022 on the regulation of regulatory procedures.

Due to the changes imposed by the above regulations, the ERSAR approved the Company's permitted revenues and tariffs for the 2016-2018 and 2019-2021 regulatory periods. Taking into account the impact on the Company's activity resulting from these ERSAR decisions, which appeared to be insufficient for the Company to provide the public service in a sustainable manner, they were the subject of special administrative action with a request for a challenge in Court by the Company.

Following the actions mentioned in the preceding paragraph, in 2020 the regulator proposed to EGF, as a way of finding balanced, sustainable and stable solutions in terms of the results of EGF's concessionaires, within a framework of operational efficiency, that it should appoint an independent external entity (auditor) to identify the causes of the variations in the companies' results between 2018 and 2019 and quantify them, in order to make corrections to the reference operating costs for the 2019-2021 regulatory period. This process took place during 2020 and 2021 with significant adjustments.

In view of this decision, in 2021, the Group withdrew the administrative actions relating to the regulatory periods 2016-2018 and 2019-2021 referred to above.

On the date of approval of the financial statements, the Actual Regulated Accounts for the year 2023 were submitted to the ERSAR at the end of April 2024, and the ERSAR's decision on them is not yet known. Also, there has been no final decision by the ERSAR regarding those for 2022.

## **39. INFORMATION ON EGF SUBGROUP CONCESSION CONTRACTS**

The exclusive concessions for a period of 19 years, ending in 2034, for the exploration and management of the areas of Algarve, South of Tejo, Leiria, Central Coast, Beira Alta, Central North, Lima Valley and Baixo Cávado, South of Douro, North of Alentejo, Minho Valley and Lisbon and West, under a public service regime, of the multi-municipal system for the treatment and selective collection of urban waste, were awarded to the subsidiaries of the EGF Group through the signing of the reconfiguration of the concession contract on 30 September 2015.

The activity covered by the concession includes the treatment of urban waste generated in the areas of the user municipalities, including its recovery and the provision of by-products, as well as the selective collection of urban waste, with the municipalities being obliged to deliver to the subsidiaries of the EGF Group all urban waste whose management is under their responsibility.

The supervision of the concession is the responsibility of the ERSAR, which has the power to determine the tariffs to be applied, approve the Regulated Accounts and the power to approve the investment plan passes to the grantor instead of the ERSAR.

The aforementioned operation and management also includes the design, construction, acquisition, extension, repair, renovation, maintenance and optimisation of the works and equipment necessary for the period of the Concessionaires' activity.

The concession bases define that the subsidiaries of the EGF Group have as their main activity that related to the operation and management of the multi-municipal urban waste system, comprising the treatment of urban waste resulting from undifferentiated collection and selective collection of urban waste, including sorting, and as complementary activities, the activities that, not being integrated into the main activity, use assets related to it, allowing its profitability to be optimised. The periods of complementary activities depend on authorisation from the grantor, preceded by opinions from the Competition Authority and the ERSAR.

The following shall be considered as concession-related assets:

- Infrastructures relating to the treatment and recovery of undifferentiated and selective urban waste, as well as assets used in the selective collection of urban waste: transfer stations, ecocentres, processing, sorting and recovery centres and their respective access points, associated infrastructures, landfills, ecopoints and means of transporting waste;
- The equipment necessary for the operation of the infrastructure and for monitoring and controlling their operation;
- All works, machines and equipment and their accessories used for the reception and treatment of waste and for the maintenance of equipment and management of the multi-municipal system not mentioned above;
- Equipment, machines, vehicles, apparatus and respective accessories used for the selective collection of urban waste.

Additionally, the following are also considered assets allocated to the concession:

- Properties acquired through private law or through expropriation for the implementation of infrastructures;
- The private intellectual and industrial property rights held by the Concessionaires;
- Other assets and rights related to the continued operation of the concession, namely labour, contracting, leasing and service provision.

The subsidiaries of the EGF Group must prepare and maintain an inventory of the assets and rights assigned to the concession, and must annually send detailed information about them to the ERSAR, as well as the write-offs carried out.

During the term of the concession, the subsidiaries of the EGF Group are obliged to maintain the assets and resources assigned to it in good condition in terms of operation, upkeep and safety, carrying out all repairs, renovations and adaptations necessary to maintain the assets in the required technical condition.

The subsidiaries of the EGF Group retain the right to operate the assets assigned to the concession until its termination. The assets assigned to the concession may only be used for the purpose provided for in the concession. On the date of termination of the concession, the assets assigned to it revert to an Inter-municipal Entity, Association of municipalities, the group of user Municipalities, or the State, subject to the period of the respective right of option and payment to the concessionaire of compensation corresponding to the net book value of those assets, under the terms set out in the Bases and in the concession contract.

The remuneration regime of the concession is based on the recognition of the revenues allowable to the Concessionaires, to be reflected in the tariffs to be applied to the users of the system. The Concessionaires are responsible for the risks inherent to the concession under the terms of applicable legislation, assuming the respective operational risks. The Company is responsible for obtaining the financing necessary for developing the object of the concession, in order to fully and timely comply with the obligations assumed in the concession contract, assuming the respective investment and financing risks.

The revenues allowed annually to the EGF Group subsidiaries, under the activity under concession, are defined by the ERSAR for a time frame of three to five years ("Regulatory period"). The regulatory model is established by the ERSAR and is based, inter alia, on the following assumptions:

- Eligibility of operating costs, for the purposes of determining the revenue cap, by reference to a scenario of productive efficiency in the operation and management of the multi-municipal system;
- Remuneration of capital based on the weighted average cost, with parameters defined with reference to market values and the performance of comparable representative entities;
- Definition of an asset base, consisting of the assets allocated to the concession, as a basis for capital remuneration;

- Adoption of mechanisms to encourage efficiency;

- Adequate impact on permitted income of the differences recorded between the estimated quantities and the quantities of urban waste delivered to the EGF Group subsidiaries.

Additionally, the definition of the operating cost base must take into account its effective control by the EGF Group subsidiaries, installed technologies and capacities, as well as fluctuations in demand.

Therefore, the tariffs to be applied to users must provide the subsidiaries of the EGF Group with the revenues permitted under the terms of the previous bases and correspond to the result of dividing the revenues permitted annually to the Concessionaires by the estimated consumption for that year.

The concession contract in force from 1 January 2016 allows for a contractual balance under the conditions of efficient management, promoting more rational investment and greater operational efficiency, through the recognition of investment, operation and maintenance costs and the adequate remuneration of the assets allocated to the concession, to be reflected in the tariffs applicable to the subsidiaries of the EGF Group, which allow for the recovery of operating costs and a certain remuneration on the assets.

The concession may be terminated by agreement between the parties, by rescission, by resumption of control and by expiry of the term. Upon termination of the concession, all assets and resources allocated to it shall be transferred to the Municipalities or to the State.

The concession contract may be terminated by the grantor if any of the following situations occur, with a significant impact on the concession operations: deviation from the purpose of the concession; prolonged interruption of operation due to a fact attributable to subsidiaries of the EGF Group; repeated opposition to the inspection period or repeated disobedience of the grantor's determinations or, moreover, systematic non-compliance with the laws and regulations applicable to the operation; refusal to carry out adequate maintenance and repair of infrastructures; repeated charging of amounts higher than those set out in the concession contracts and in contracts entered into with users; dissolution or insolvency of the Concessionaires; unauthorised transfer of the concession or sub-concession; unauthorised disposal of shares in the capital of the Concessionaires; encumbrance of shares in the capital of the Concessionaires in breach of the provisions of the concession contract; unauthorised increase or reduction, where applicable, of the share capital of the Concessionaires; failure to provide the security or renew its value within the terms and deadlines provided for; and refusal or inability of the Concessionaires to resume the concession.

The grantor may redeem the concession, assuming direct management of the public service granted, whenever reasons of public interest so justify and after at least two thirds of the contractual term have elapsed, by giving prior notice to the subsidiaries of the EGF Group, by registered letter with acknowledgement of receipt, at least one year in advance of the date on which the redemption shall take effect.

For the redemption, the subsidiaries of the EGF Group are entitled to compensation that must take into account the book value on the date of redemption of the reverted assets, the value of existing credits, as well as the value of any lost earnings, taking into account the number of years remaining until the end of the concession.

## 40. EVENTS AFTER THE BALANCE SHEET DATE

The agreement established between Mota-Engil and Urbaser, through which Mota-Engil acquired from Urbaser the shares that the latter held in SUMA and Suma Tratamento, was concluded on 3 January 2024, with Mota-Engil selling to Urbaser the industrial waste business that was part of SUMA, as referred to in note 1.2.

With this transaction, Mota-Engil now directly or indirectly holds the entire capital of SUMA and Suma Tratamento.

On 3 May 2024, Suma Tratamento obtained approval for the request for postponement of the due date through a Consent Letter, which provides for the settlement of only 4,655,002.61 euros in 2024, with the due date of the remainder being changed to 1 July 2025. This event was assessed as a non-adjustable subsequent event. As mentioned in note 24.1.

No other subsequent events having a significant impact on the financial statements as of 31 December 2023 are known to date.

## 41. INFORMATION REQUIRED UNDER THE LAW

Management reports that the Group has no debts to the State in arrears, pursuant to Decree-Law 534/80, of 7 November.

In compliance with the provisions of Decree 411/91 of 17 October, the Management confirms that the Group's situation with Social Security is in order, within the legally stipulated deadlines.

For the purposes of Article 66(5)(d) of the Companies Code, during the period 2022, the Company did not carry out transactions with its own shares, and the number of own shares held on 31 December 2023 is nil.

No authorisations were granted under Article 397 of the Companies Code, as a result of which there is nothing to report for the purposes of Article 66 (5) (e) of the Companies Code.

### The Certified Accountant

Sérgio Lima

### The Board of Directors

José Manuel Mota Neves da Costa

Ricardo Jorge de Sousa Duque Saramago

Carlos Alberto Vaz Pinto Garcez

Nuno Jorge Sêco da Costa

Nuno Manuel de Morais Kol de Carvalho



## RELATÓRIO e PARECER do CONSELHO FISCAL

### CONTAS CONSOLIDADAS

Aos Acionistas da  
SUMA – SERVIÇOS URBANOS E MEIO AMBIENTE, S.A.

#### INTRODUÇÃO

Em cumprimento das disposições legais e estatutárias aplicáveis e do mandato que nos foi conferido, o Conselho Fiscal apresenta o seu relatório e parecer sobre o relatório consolidado de gestão e as demonstrações financeiras consolidadas da SUMA – SERVIÇOS URBANOS E MEIO AMBIENTE, S.A. ("Grupo"), preparados pelo Conselho de Administração e da sua responsabilidade, relativos ao exercício findo em 31 de dezembro de 2023.

#### FISCALIZAÇÃO

O Conselho Fiscal acompanhou a gestão do Grupo, a evolução da sua atividade através de reuniões formais e informais com a extensão que considerou adequadas, mantendo igualmente contacto com o Revisor Oficial de Contas que nos informou da planificação das suas intervenções, do seu âmbito e natureza, bem como das conclusões dos trabalhos realizados. Foi ainda este Conselho Fiscal informado do desenvolvimento do processo de preparação e de divulgação da informação financeira consolidada, bem como da revisão das demonstrações financeiras consolidadas.

No âmbito das suas atribuições, o Conselho Fiscal examinou o balanço consolidado em 31 de dezembro de 2023, a demonstração consolidada dos resultados por naturezas, a demonstração consolidada das alterações no capital próprio, a demonstração consolidada dos fluxos de caixa e o correspondente anexo às demonstrações financeiras consolidadas para o exercício findo naquela data, os quais mereceram a sua concordância.

Procedeu ainda à apreciação do Relatório Consolidado de Gestão preparado pelo Conselho de Administração e da Certificação Legal de Contas Consolidadas, emitida pelo Revisor Oficial de Contas, inclui uma reserva por limitação de âmbito relacionada com a impossibilidade de se concluir sobre se o saldo da provisão registada é razoável para fazer face às obrigações presentes existentes, derivadas da obrigatoriedade da selagem e monitorização dos aterros em exploração por parte das participadas "Resilei – Tratamento de Resíduos Industriais, S.A." e "Rima – Resíduos Industriais e Meio Ambiente, S.A." e, bem assim, sobre o efeito desta situação nas demonstrações financeiras consolidadas do Grupo em 31 de dezembro de 2022. As mencionadas participadas foram, entretanto, incluídas no projeto de cisão, concluído em dezembro de 2023, que consubstanciou o acordo celebrado entre o Grupo Mota-Engil e a Urbaser, S.A., não fazendo assim parte do perímetro de consolidação do Grupo em 31 de dezembro de 2023, os mencionados documentos merecem igualmente a concordância do Conselho Fiscal.



No cumprimento das suas funções o Conselho Fiscal obteve do Conselho de Administração, dos Serviços do Grupo e do Revisor Oficial de Contas todas as informações e esclarecimentos solicitados, cobrindo a devida compreensão e avaliação da evolução dos negócios, do desempenho e da posição financeira, bem como dos sistemas de gestão de riscos e de controlo interno, não tendo tomado conhecimento de violações à Lei ou aos Estatutos.

#### **PARECER**

Tendo em consideração o exposto acima, somos de parecer que sejam aprovados:

- O Relatório Consolidado de Gestão e as Demonstrações Financeiras Consolidadas apresentados pelo Conselho de Administração relativos ao exercício de 2023.

#### **CONSIDERAÇÕES FINAIS**

O Conselho Fiscal manifesta o seu apreço pela colaboração recebida do Conselho de Administração e dos Responsáveis do Grupo e, bem assim, do Revisor Oficial de Contas.

Linda-a-Velha, 10 de julho de 2024

#### **O CONSELHO FISCAL**



Carlos Afonso Dias Leite Freitas dos Santos - Presidente



Pedro Miguel Pereira Gonçalves - Vogal



Ricardo Humberto Pires Pereira de Almeida - Vogal

## **REPORT and OPINION of the SUPERVISORY BOARD CONSOLIDATED ACCOUNTS**

To the Shareholders of  
SUMA-SERVIÇOS URBANOS E MEIO AMBIENTE, SA

### **INTRODUCTION**

In accordance with the applicable legal and statutory provisions and the mandate given to us, the Supervisory Board presents its report and opinion regarding the consolidated management report and consolidated financial statements of SUMA - SERVIÇOS URBANOS E MEIO AMBIENTE, SA ("Group"), prepared by and under the responsibility of the Board of Directors, in relation to the financial year ended 31 December 2023.

### **OVERSIGHT**

The Supervisory Board has monitored the management of the Group, the development of its activity by means of formal and informal meetings with the remit deemed necessary and has likewise maintained contact with the Statutory Auditor, who has informed us of the planning of his operations, their scope and nature, as well as the conclusions of the work carried out. The Supervisory Board was further informed of the development of the process of preparing and disclosing the consolidated financial information, as well as the auditing of the consolidated financial statements.

In performing its work, the Supervisory Board examined the consolidated balance sheet at 31 December 2023, the consolidated income statement by nature of expense, the statement of changes in equity and the consolidated statement of cash flows and the corresponding accompanying notes to the consolidated financial statements for the year then ended, which were met with approval.

It also reviewed the Consolidated Management Report prepared by the Board of Directors and the Statutory Audit of Consolidated Accounts, as issued by the Statutory Auditor, including a reservation due to a limitation of scope related to the fact that it was impossible to reach a conclusion regarding the reasonableness of the balance of the provision reported for existing current obligations, resulting from the mandatory nature of the capping and monitoring of landfills operated by the subsidiaries "Resilei - Tratamento de Resíduos Industriais, SA" and "Rima - Resíduos Industriais e Meio Ambiente, SA", as well as the effect of this situation on the Group's consolidated financial statements at 31 December 2022. Additionally, the aforementioned subsidiaries were involved in a demerger project concluded in December 2023, resulting in an agreement between the Mota-Engil Group and Urbaser, SA. Consequently, these subsidiaries are no longer included within the Group's consolidation perimeter as of 31 December 2023. These documents also have the Supervisory Board's approval.

[initials]

Page 1/2

In the pursuit of its duties, the Supervisory Board obtained from the Board of Directors, Group Departments and the Statutory Auditor all information and clarifications requested allowing a proper understanding and assessment of the development of the business, its performance and financial position, as well as the risk management and internal control systems and was not made aware of any violations of the law or the company charter.

## **OPINION**

Taking into account that stated above, we are of the opinion that the following should be approved:

- The Consolidated Management Report and Consolidated Financial Statements presented by the Board of Directors in relation to the year 2023.

## **CLOSING REMARKS**

The Supervisory Board expresses its thanks for the cooperation received from the Board of Directors and those in charge of the Group, as well as the Statutory Auditor.  
Linda-a-Velha, 10 July 2024.

## **THE SUPERVISORY BOARD**

[signature]

Pedro Miguel Pereira Gonçalves - Member

[signature]

Ricardo Humberto Pires Pereira de Almeida - Member

[signature]

Carlos Afonso Dias Leite Freitas dos Santos - Chairman

[initials]

Page 2/2

## **Certificação Legal das Contas**

### **Relato sobre a auditoria das demonstrações financeiras consolidadas**

#### **Opinião com reservas**

Auditámos as demonstrações financeiras consolidadas anexas da Suma – Serviços Urbanos e Meio Ambiente, S.A. (o Grupo), que compreendem o balanço consolidado em 31 de dezembro de 2023 (que evidencia um total de 887.434.846 euros e um total de capital próprio de 229.918.703 euros, incluindo um resultado líquido negativo de 23.723.032 euros), a demonstração consolidada dos resultados por naturezas, a demonstração consolidada das alterações no capital próprio e a demonstração consolidada dos fluxos de caixa relativas ao ano findo naquela data, e as notas anexas às demonstrações financeiras consolidadas que incluem um resumo das políticas contabilísticas significativas.

Em nossa opinião, exceto quanto aos possíveis efeitos da matéria referida na secção “Bases para a opinião com reservas”, as demonstrações financeiras consolidadas anexas apresentam de forma verdadeira e apropriada, em todos os aspetos materiais, a posição financeira consolidada da Suma – Serviços Urbanos e Meio Ambiente, S.A. em 31 de dezembro de 2023 e o seu desempenho financeiro e fluxos de caixa consolidados relativos ao ano findo naquela data de acordo com as Normas Contabilísticas e de Relato Financeiro adotadas em Portugal através do Sistema de Normalização Contabilística.

#### **Bases para a opinião com reservas**

Nos termos da legislação em vigor e conforme divulgado nas Notas 23 e 36 do anexo às demonstrações financeiras consolidadas, o Grupo tem a responsabilidade de selagem e monitorização dos aterros em exploração. Em 31 de dezembro de 2023, a provisão constituída para o efeito ascende a 989 milhares de euros (8.562 milhares de euros em 31 de dezembro de 2022, dos quais 7.569 milhares de euros respeitam às participadas Resilei - Tratamento de Resíduos Industriais, S.A. e Rima – Resíduos Industriais e Meio Ambiente, S.A., apresentadas no balanço na rubrica de Passivos não correntes detidos para venda, tendo as mesmas sido incluídas no processo de cisão concluído em dezembro de 2023, não fazendo assim parte do perímetro de consolidação do Grupo em 31 de dezembro de 2023). Até à presente data, a informação disponível referente ao saldo desta provisão não é suficiente para nos permitir concluir quanto à razoabilidade da responsabilidade registada para fazer face às obrigações presentes existentes e respetiva movimentação do exercício. Consequentemente, não nos é possível concluir sobre o efeito desta situação nas demonstrações financeiras consolidadas do Grupo em 31 de dezembro de 2022.

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**PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda.**

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Matriculada na CRC sob o NIPC 506 628 752, Capital Social Euros 314.000

Inscrita na lista das Sociedades de Revisores Oficiais de Contas sob o nº 183 e na CMVM sob o nº 20161485

PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda. pertence à rede de entidades que são membros da PricewaterhouseCoopers International Limited, cada uma das quais é uma entidade legal autónoma e independente.

A nossa auditoria foi efetuada de acordo com as Normas Internacionais de Auditoria (ISAs) e demais normas e orientações técnicas e éticas da Ordem dos Revisores Oficiais de Contas. As nossas responsabilidades nos termos dessas normas estão descritas na secção “Responsabilidades do auditor pela auditoria das demonstrações financeiras consolidadas” abaixo. Somos independentes das entidades que compõem o Grupo nos termos da lei e cumprimos os demais requisitos éticos nos termos do código de ética da Ordem dos Revisores Oficiais de Contas.

Estamos convictos de que a prova de auditoria que obtivemos é suficiente e apropriada para proporcionar uma base para a nossa opinião com reservas.

***Responsabilidades do órgão de gestão e do órgão de fiscalização pelas demonstrações financeiras consolidadas***

O órgão de gestão é responsável pela:

- a) preparação de demonstrações financeiras consolidadas que apresentem de forma verdadeira e apropriada a posição financeira consolidada, o desempenho financeiro e os fluxos de caixa consolidados do Grupo de acordo com as Normas Contabilísticas e de Relato Financeiro adotadas em Portugal através do Sistema de Normalização Contabilística;
- b) elaboração do relatório consolidado de gestão nos termos legais e regulamentares aplicáveis;
- c) criação e manutenção de um sistema de controlo interno apropriado para permitir a preparação de demonstrações financeiras consolidadas isentas de distorções materiais devido a fraude ou a erro;
- d) adoção de políticas e critérios contabilísticos adequados nas circunstâncias; e
- e) avaliação da capacidade do Grupo de se manter em continuidade, divulgando, quando aplicável, as matérias que possam suscitar dúvidas significativas sobre a continuidade das atividades.

O órgão de fiscalização é responsável pela supervisão do processo de preparação e divulgação da informação financeira do Grupo.

***Responsabilidades do auditor pela auditoria das demonstrações financeiras consolidadas***

A nossa responsabilidade consiste em obter segurança razoável sobre se as demonstrações financeiras consolidadas como um todo estão isentas de distorções materiais devido a fraude ou a erro, e emitir um relatório onde conste a nossa opinião. Segurança razoável é um nível elevado de segurança, mas não é uma garantia de que uma auditoria executada de acordo com as ISAs detetará sempre uma distorção material quando exista. As distorções podem ter origem em fraude ou erro e são consideradas materiais se, isoladas ou conjuntamente, se possa razoavelmente esperar que influenciem decisões económicas dos utilizadores tomadas com base nessas demonstrações financeiras.

Como parte de uma auditoria de acordo com as ISAs, fazemos julgamentos profissionais e mantemos ceticismo profissional durante a auditoria e também:

- a) identificamos e avaliamos os riscos de distorção material das demonstrações financeiras consolidadas, devido a fraude ou a erro, concebemos e executamos procedimentos de auditoria que respondam a esses riscos, e obtemos prova de auditoria que seja suficiente e apropriada para proporcionar uma base para a nossa opinião. O risco de não detetar uma distorção material devido a fraude é maior do que o risco de não detetar uma distorção material devido a erro, dado que a fraude pode envolver conluio, falsificação, omissões intencionais, falsas declarações ou sobreposição ao controlo interno;
- b) obtemos uma compreensão do controlo interno relevante para a auditoria com o objetivo de conceber procedimentos de auditoria que sejam apropriados nas circunstâncias, mas não para expressar uma opinião sobre a eficácia do controlo interno do Grupo;
- c) avaliamos a adequação das políticas contabilísticas usadas e a razoabilidade das estimativas contabilísticas e respetivas divulgações feitas pelo órgão de gestão;
- d) concluímos sobre a apropriação do uso, pelo órgão de gestão, do pressuposto da continuidade e, com base na prova de auditoria obtida, se existe qualquer incerteza material relacionada com acontecimentos ou condições que possam suscitar dúvidas significativas sobre a capacidade do Grupo para dar continuidade às suas atividades. Se concluirmos que existe uma incerteza material, devemos chamar a atenção no nosso relatório para as divulgações relacionadas incluídas nas demonstrações financeiras consolidadas ou, caso essas divulgações não sejam adequadas, modificar a nossa opinião. As nossas conclusões são baseadas na prova de auditoria obtida até à data do nosso relatório. Porém, acontecimentos ou condições futuras podem levar a que o Grupo descontinue as suas atividades;
- e) avaliamos a apresentação, estrutura e conteúdo global das demonstrações financeiras consolidadas, incluindo as divulgações, e se essas demonstrações financeiras representam as transações e os acontecimentos subjacentes de forma a atingir uma apresentação apropriada;
- f) obtemos prova de auditoria suficiente e apropriada relativa à informação financeira das entidades ou atividades dentro do Grupo para expressar uma opinião sobre as demonstrações financeiras consolidadas. Somos responsáveis pela orientação, supervisão e desempenho da auditoria do Grupo e somos os responsáveis finais pela nossa opinião de auditoria; e
- g) comunicamos com os encarregados da governação, entre outros assuntos, o âmbito e o calendário planeado da auditoria, e as conclusões significativas da auditoria incluindo qualquer deficiência significativa de controlo interno identificada durante a auditoria.

A nossa responsabilidade inclui ainda a verificação da concordância da informação constante do relatório consolidado de gestão com as demonstrações financeiras consolidadas.

## **Relato sobre outros requisitos legais e regulamentares**

### **Sobre o relatório consolidado de gestão**

Dando cumprimento ao artigo 451.º, n.º 3, alínea e) do Código das Sociedades Comerciais, exceto quanto aos possíveis efeitos da matéria referida na secção “Bases para a opinião com reservas” do Relato sobre a auditoria das demonstrações financeiras consolidadas, somos de parecer que o relatório consolidado de gestão foi preparado de acordo com os requisitos legais e regulamentares aplicáveis em vigor, a informação nele constante é concordante com as demonstrações financeiras consolidadas auditadas e, tendo em conta o conhecimento e a apreciação sobre o Grupo, não identificámos incorreções materiais.

10 de julho de 2024

PricewaterhouseCoopers & Associados  
- Sociedade de Revisores Oficiais de Contas, Lda.  
representada por:



Hugo Miguel Patrício Dias, ROC n.º 1432  
Registado na CMVM com o n.º 20161042

[logo: pwc]

## Statutory Auditor's Report

### Report on the audit of the consolidated financial statements

#### Qualified opinion

We have audited the accompanying consolidated financial statements of Suma - Serviços Urbanos e Meio Ambiente, SA (the Group), which include the consolidated balance sheet as of 31 December 2023 (showing total assets of 887,434,846 euros and total equity of 229,918,703 euros, with a net loss of 23,723,032 euros), the consolidated income statement by nature, the consolidated statement of changes in equity, and the consolidated cash flow statement for the year then ended, along with the accompanying notes to the consolidated financial statements, which include a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter referred to in the section “Grounds for qualified opinion”, the accompanying consolidated financial statements present fairly and appropriately, in all material respects, the financial position of Suma - Serviços Urbanos e Meio Ambiente, SA as of 31 December 2023 and its financial performance and consolidated cash flows in relation to the year then ended in accordance with the Financial Reporting Standards adopted in Portugal under the Accounting Standards System.

#### Grounds for the qualified opinion

Under prevailing law and as disclosed in Notes 23 and 36 of the notes to the consolidated financial statements, the Group has a liability concerning the capping and monitoring landfills in operation. As of 31 December 2023, the provision established for this purpose amounted to 989 thousand euros (8,562 thousand euros as of 31 December 2022, of which 7,569 thousand euros was associated with the subsidiaries Resilei - Tratamento de Resíduos Industriais, SA and Rima - Resíduos Industriais e Meio Ambiente, SA. These amounts were presented in the balance sheet under Non-current liabilities held for sale. Since these subsidiaries were included in the demerger process completed in December 2023, they were no longer part of the Group's consolidation perimeter as of 31 December 2023). To date, the available information regarding that provision is insufficient to enable us to conclude as to the reasonableness of the liability reported to cover existing current obligations and respective changes in the year. Consequently, we are unable to reach a conclusion regarding the effect of that situation on the consolidated financial statements of the Group as of 31 December 2022.

#### **PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda.**

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Entered on the list of Certified Public Accountants under the no. 183 and at the CMVM under the number 20161485  
PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda. belongs to the network of organisations of PricewaterhouseCoopers International Limited, each member of which is an autonomous and independent legal entity.

Our audit was carried out according to the International Standards on Auditing (ISA) and other technical and ethical standards and guidelines of the Portuguese Institute of Statutory Auditors. Our responsibilities under the terms of these standards are described in the section “Responsibilities of the auditor for auditing consolidated financial statements” below. We are independent of the entities that comprise the Group pursuant to the law and we fulfil all other ethical requirements pursuant to the code of ethics of the Institute of Statutory Auditors.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

### **Responsibilities of the management body and of the supervisory body for the consolidated financial statements**

The management body is responsible for:

- a) preparing consolidated financial statements that present fairly and appropriately the consolidated financial position, financial performance and consolidated cash flows of the Group in accordance with the Accounting and Financial Reporting Standards adopted in Portugal via the Accounting Standards System;
- b) preparing the consolidated management report under the applicable legal and regulatory terms;
- c) creating and maintaining an appropriate system of internal control to enable the preparation of consolidated financial statements that are free from material misstatement due to fraud or error;
- d) adoption of accounting policies and criteria that are appropriate in the circumstances; and
- e) evaluation of the ability of the Group to continue as a going concern, disclosing, where applicable, the issues that could raise significant doubts regarding the continuity of operations.

The supervisory board is responsible for supervising the process of preparing and disclosing the financial information of the Group.

### **Responsibilities of the management body and of the supervisory body for the consolidated financial statements**

Our responsibility consists of obtaining reasonable assurance that the consolidated financial statements as a whole are free from material distortions due to fraud or error and issuing a report that contains our opinion. Reasonable assurance is a high level of assurance but is not a guaranty that an audit carried out according to the ISAs will always detect a material distortion when it exists. The distortions may originate in fraud or error and are considered material if, separately or jointly, it can be reasonably expected that they will influence the economic decisions of the users made based on these financial statements

As part of an audit according to the ISAs, we make professional judgements and maintain professional scepticism during the audit and also:

- a) we identify and evaluate the risks of material distortion of the consolidated financial statements, due to fraud or error, design and carry out audit procedures that respond to these risks, and obtain proof of the audit that will be sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material distortion due to fraud is greater than the risk of not detecting a material distortion due to error, since fraud may involve collusion, falsification, intentional omissions, false statements, or superimposition of internal control;
- b) we obtained an understanding of the relevant internal control for the audit with the objective of designing audit procedures that are appropriate under the circumstances, but not to express an opinion on the effectiveness of the internal control of the Group;
- c) we evaluated the adequacy of the accounting policies used and the reasonableness of the accounting estimates and the respective disclosures made by the management body;
- d) we concluded on the appropriateness of the use, by the management body, of the assumption of continuity and, based on the proof of auditing obtained, whether there is any material uncertainty related to the occurrences or conditions that may give rise to significant doubts regarding the ability of the Group to continue its activities. If we conclude that material uncertainty exists, we should draw attention in our report to the related disclosures included in the consolidated financial statements or, if those disclosures are not adequate, modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may lead the Group to discontinue its activities;
- e) we evaluate the overall presentation, structure and content of the consolidated financial statements, including disclosures and whether those financial statements represent the underlying transactions and events so as to achieve a fair presentation;
- f) we obtained sufficient and appropriate audit evidence regarding the financial information of the entities or activities within the Group to express an opinion regarding the consolidated financial statements. We are responsible for the guidance, supervision and performance of the audit of the Group and we have ultimate responsibility for our audit opinion; and
- g) we communicated with those in charge of governance, among other issues, the context and the planned schedule for auditing, and the significant conclusions of the audit, including any significant shortcoming in internal control identified during the audit. Our responsibility also includes verifying that the information contained in the consolidated management report is consistent with the consolidated financial statements.

## Report on other legal and regulatory requirements

Concerning the consolidated management report

In compliance with Article 451 (3) (e) of the Companies Code, except for the possible effects of the matter referred to in the section “Basis for the qualified opinion” of the Report on the audit of the consolidated financial statements, we are of the opinion that the consolidated management report was prepared in accordance with the applicable legal and regulatory requirements in force, the information contained therein is consistent with the audited consolidated financial statements and, taking into account our knowledge and appraisal of the Group, we did not identify material inaccuracies.

10 July 2024

PricewaterhouseCoopers & Associados  
- Sociedade de Revisores Oficiais de Contas, Lda.  
represented by:

[signature]

Hugo Miguel Patrício Dias, ROC no. 1432  
Registered in CMVM with the no. 20161042



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