

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.

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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.

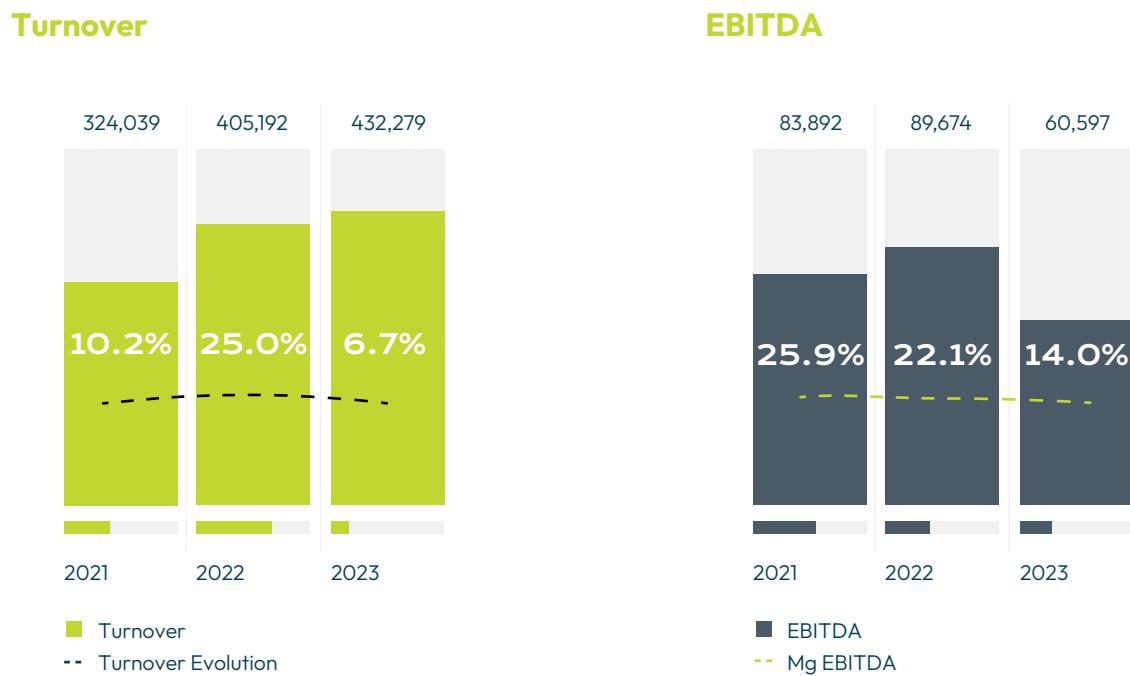
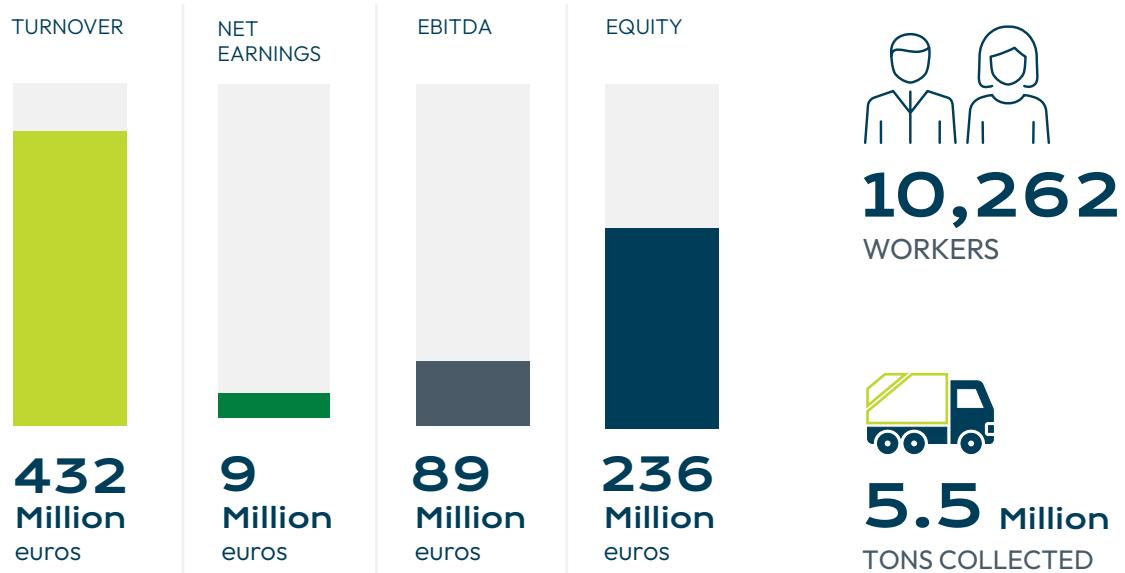
We anticipate a new cycle of growth and innovation, which will allow us to offer our clients more integrated and competitive proposals, reinforcing our distinctive competencies and the added value we bring to the implementation of projects.

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)

01

Indicators 2023



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

O2

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:

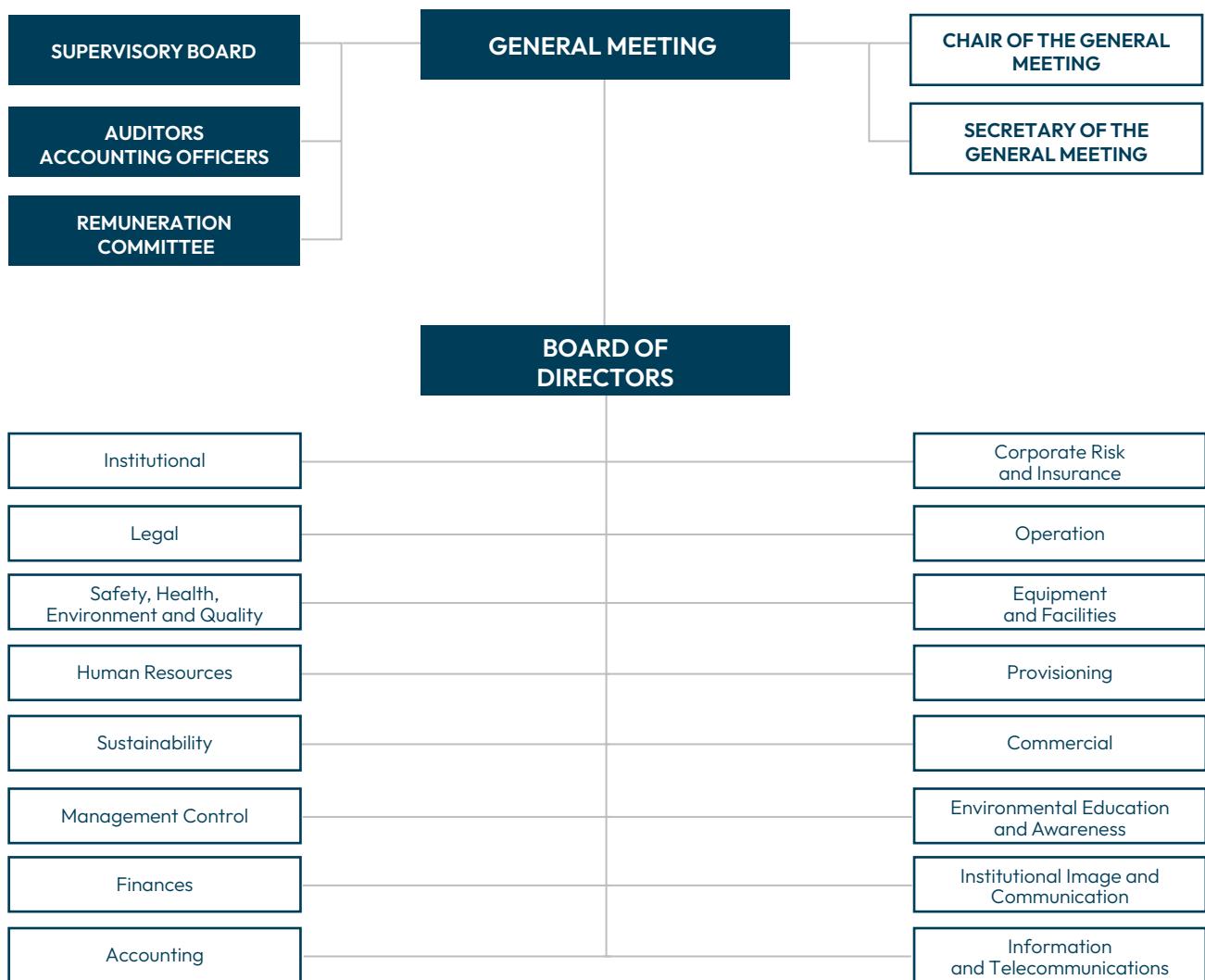
- 1)** Fulfilment of all compliance obligations of the Organisation;
- 2)** Maintaining leadership in the domestic market for Urban Cleaning and Municipal Solid Waste Collection, promoting the business area of Environmental Education and Awareness services and consolidating the internationalisation of 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.

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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

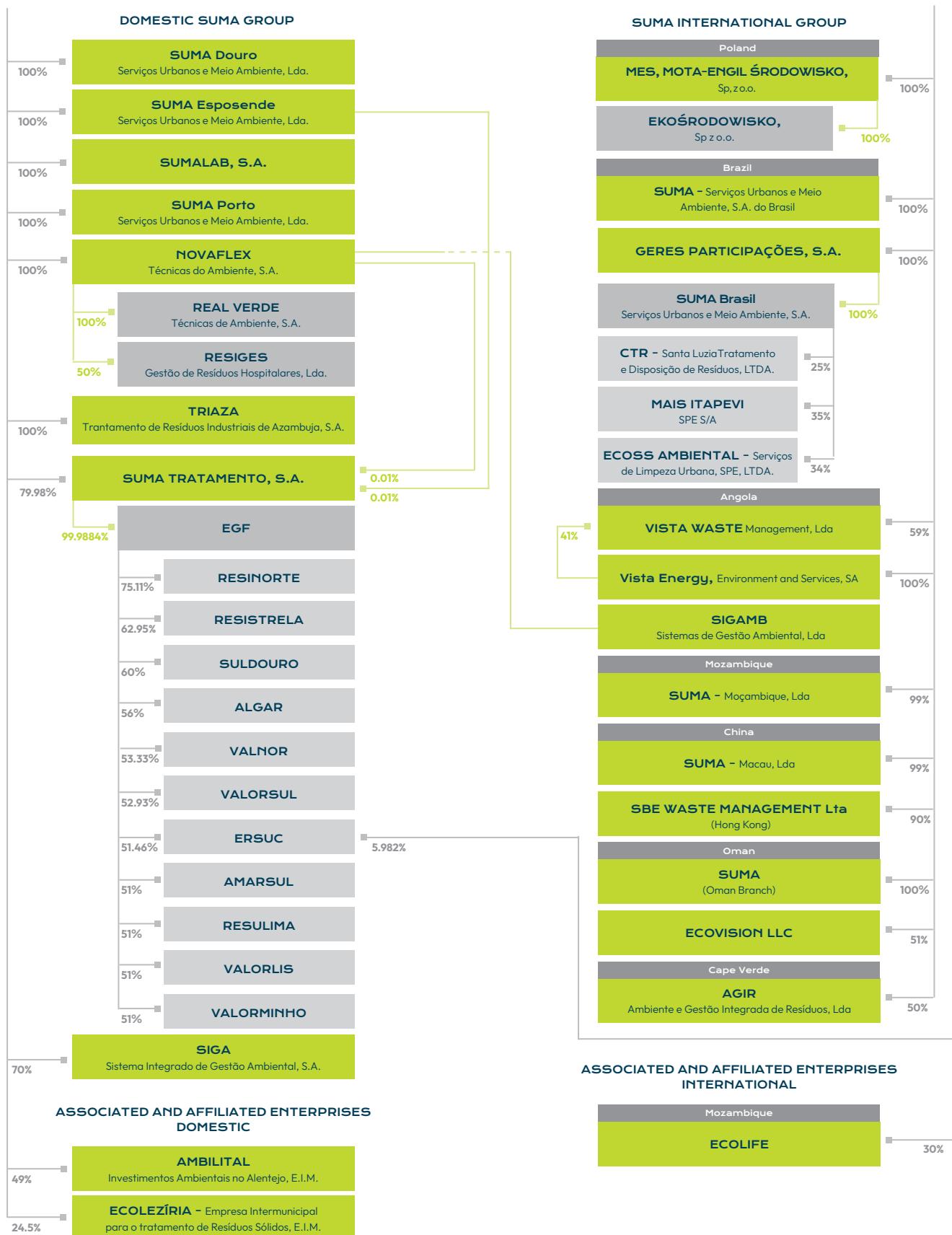
Patrícia Maria Fernandes dos Santos Tamang

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.

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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 km², 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 km², 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 sorting plant, a composting plant and nine transfer stations, serving a population of 186,836 inhabitants over a geographical area of 6,132 km².

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 km², 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 km² 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 km², 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, Sertã, 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 km², 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 km² 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 km², 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 meticais.

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 km². 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 (RJDRA) 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.

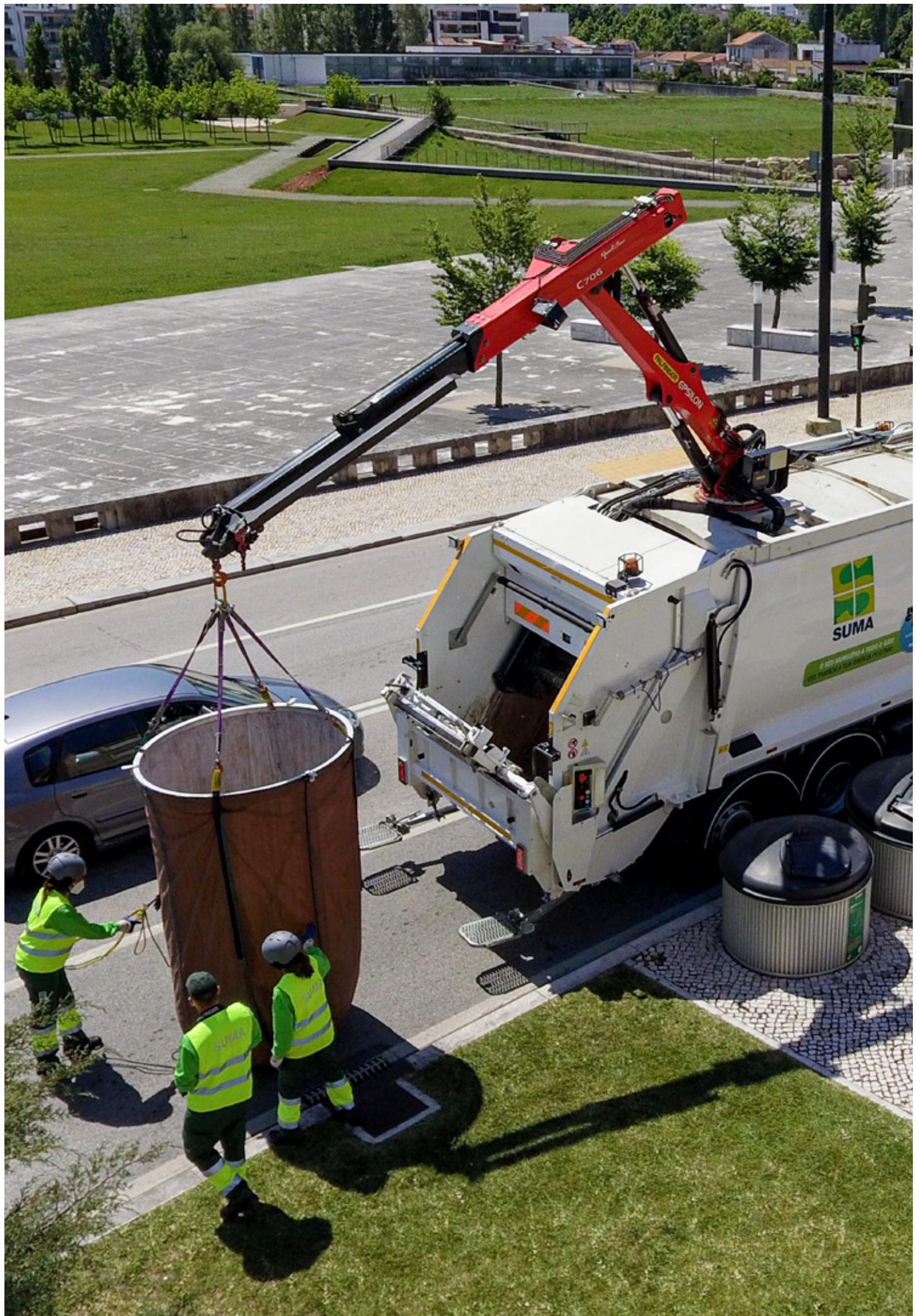
With regard to the international area, the SUMA Group continued its ambitious project, having operations in Angola (Viana and Belas), Mozambique (Maputo), Brazil (Avaré, Brasilia, Conceição do Mato Dentro, Contagem, Igarapé, Itapevi, Itatiba, Jaguariúna, Maringá, Nova Lima, Santa Luzia, São Paulo, São 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%) |
| Total | 324,039 | 405,192 | 432,279 | 6.7% |

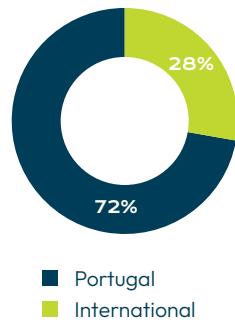
The SUMA Group companies recorded a total of tons of waste managed in 2023 identical to the previous year, but with a greater contribution from the collection of MSW and a sharp reduction in Industrial Waste, due to the suspension of the activities of Triaza and Rima, as well as a significant reduction 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%) |
| Total | 5,499,475 | 5,492,094 | 5,491,855 | (0.0%) |



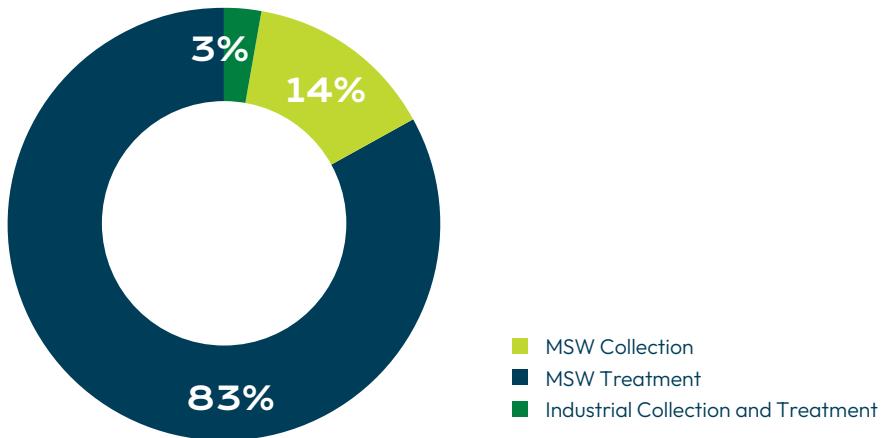
In Portugal, we have seen a decrease in the amount of waste managed, down 4.2% compared to the same period last year, mainly due to the reduction in industrial waste mentioned above. In the international area, we saw growth of 13.1%, explained essentially by the activity of Brazil and Angola.

| 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% |
| Total | 5,499,475 | 5,492,094 | 5,491,855 | (0.0%) |

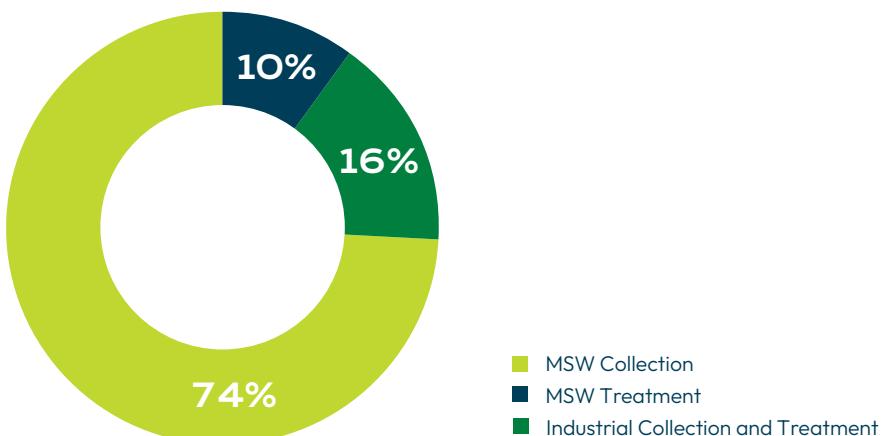


The assessment of the quantities of waste managed in the main activities carried out, during the period of 2023, shows that the MSW treatment area stands out as the activity responsible for managing the largest quantity of waste in Portugal, with the MSW collection area being the one that generates the 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">· Collection and transportation of municipal solid waste and similar waste produced in the Municipality;· Public cleaning in the urban centre of Vila de Monção. |
| Caminha City Council | <ul style="list-style-type: none">· Collection and transportation of urban waste;· Supply, maintenance and washing of containers;· Urban cleaning of the municipality of Caminha. |
| ALGAR | <ul style="list-style-type: none">· Provision of Services;· Collection of Recycling Points. |
| Montalegre City Council | <ul style="list-style-type: none">· Acquisition of services for the collection, transportation and disposal of municipal solid waste. |
| Mafra City Council | <ul style="list-style-type: none">· Gradil Ecocentre. |
| AMARSUL | <ul style="list-style-type: none">· Washing of recycling points and containers on public highways. |
| Marinha Grande City Council | <ul style="list-style-type: none">· Provision of municipal solid waste collection services in the Municipality of Marinha Grande. |
| Figueira da Foz City Council | <ul style="list-style-type: none">· Contracting of services for cleaning and maintenance of the beaches in the Municipality of Figueira da Foz. |
| Eposende City Council | <ul style="list-style-type: none">· Acquisition of undifferentiated waste collection services;· Collection of bio-waste;· Beach cleaning and supply;· Maintenance and washing of containers in the Municipality of Eposende. |

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.



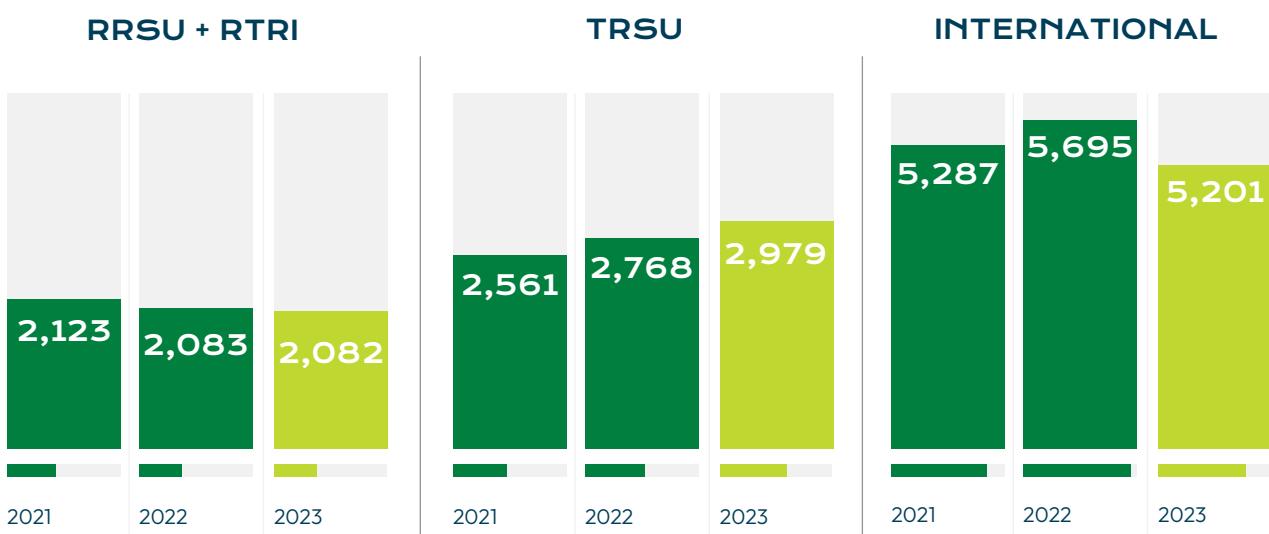
Corporate Areas

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.

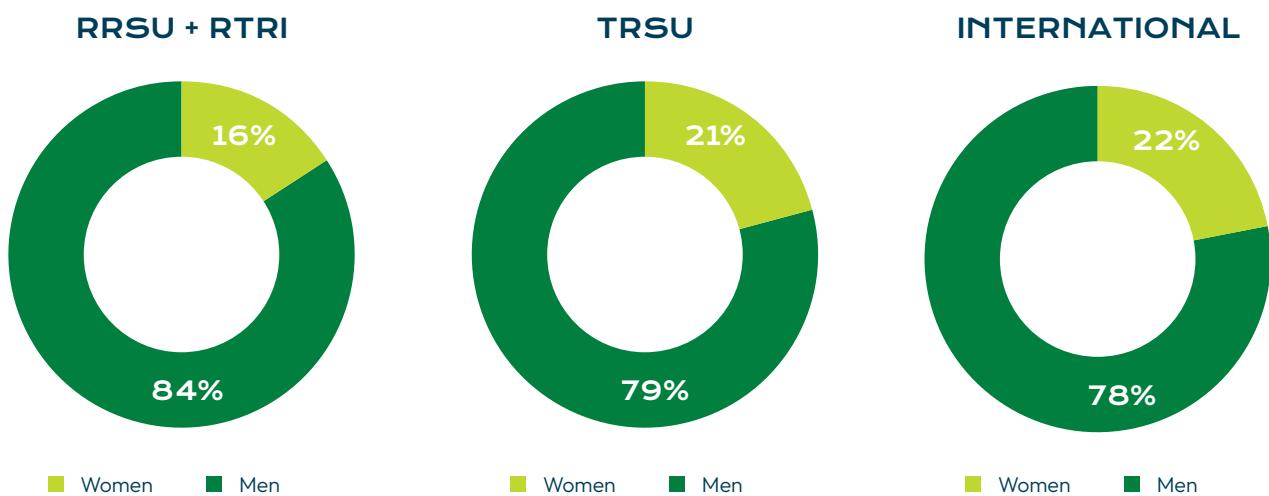
At the end of 2023, the set of companies in the SUMA group had more than 10 thousand workers working for more than 30 companies with continued operations during this period, as can be seen in the following graphs:

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

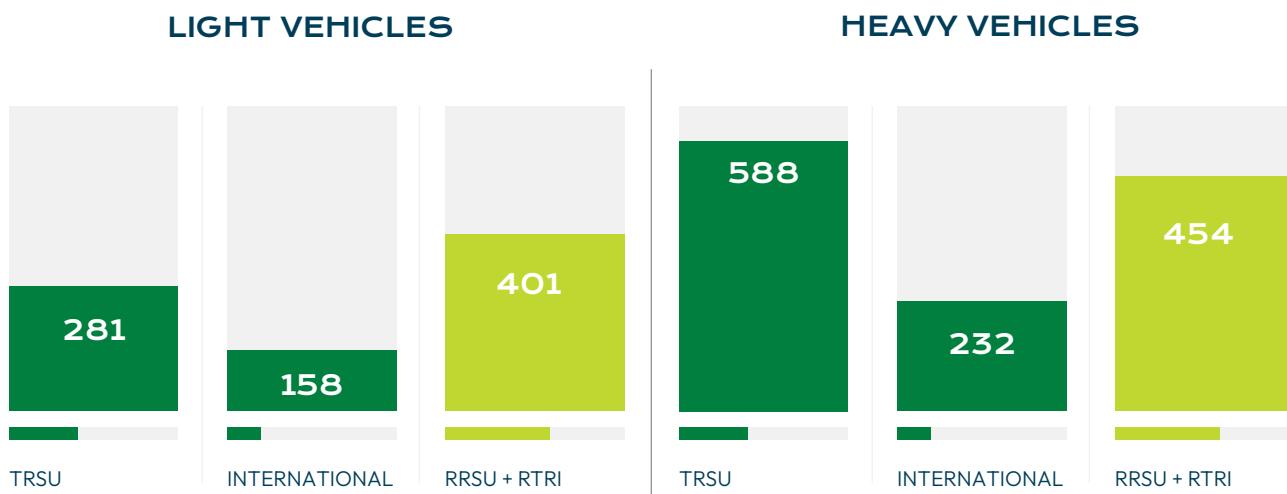
During 2023, SUMA invested in strengthening the Planning and Control team, with the aim of enhancing the work carried out and improving response capacity.

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.

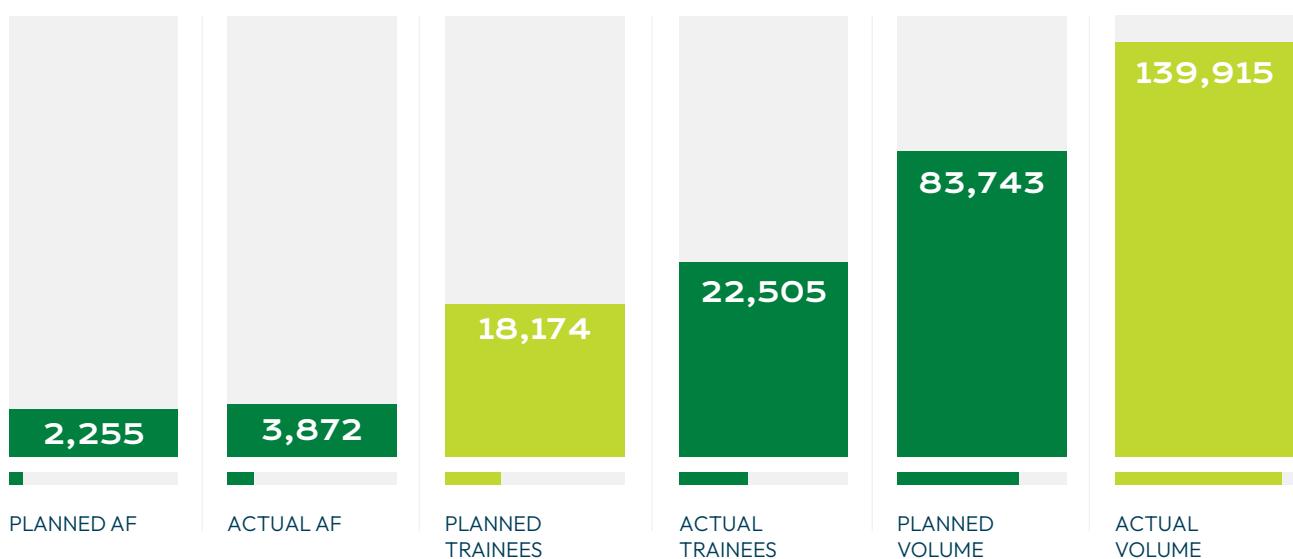
Regarding the training developed by the Tutors, for 2023, it was proposed they should carry out 1,785 training sessions, with the integration of a total of 1,339 workers and the completion of 893 hours of tutoring, including the creation of grids in the area of Safety and Equipment Operation and in the 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 |
| Total | 2,255 | 3,872 | 18,174 | 22,505 | 83,743 | 139,915 |

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

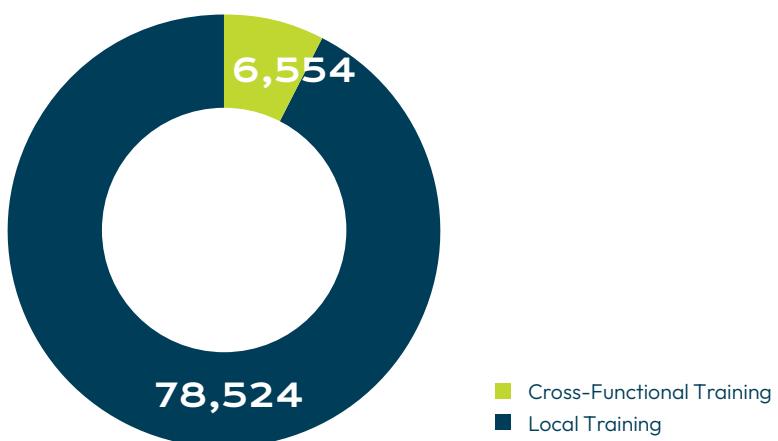
The objectives set for the year in terms of number of sessions, number of trainees and volume of hours were achieved, as can be seen in the following graph:



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.





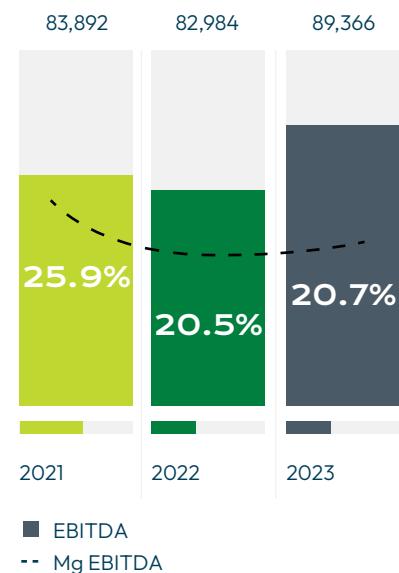
Economic and Financial Analysis

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

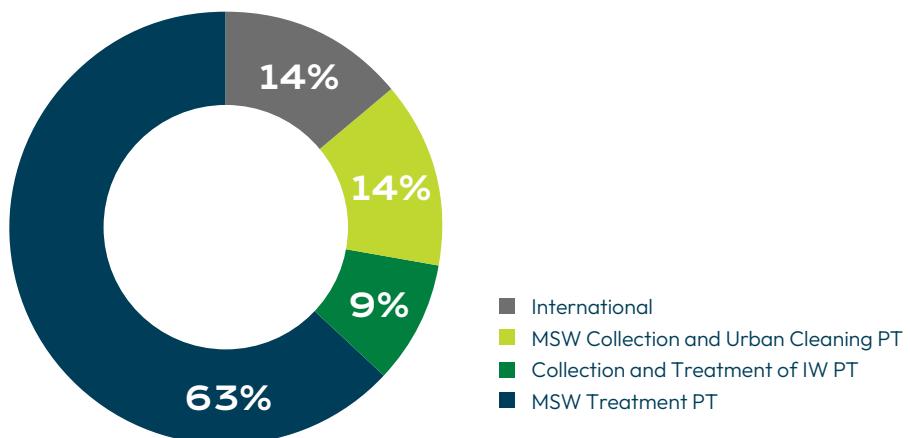


EBITDA



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% |
| Total | 324,039 | 405,192 | 432,279 | 6.7% |

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 |
|---|--------|--------|--------|------------|
| Urban Services | | | | |
| 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%) |
| MSW treatment | | | | |
| 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 |
|---|--------|--------|--------|------------|
| MSW Treatment (cont.) | | | | |
| VALORSUL | 63,036 | 79,475 | 82,191 | 3.4% |
| REAL VERDE | 900 | 896 | 674 | (24.8%) |
| SIGA | 807 | 274 | 45 | (83.5%) |

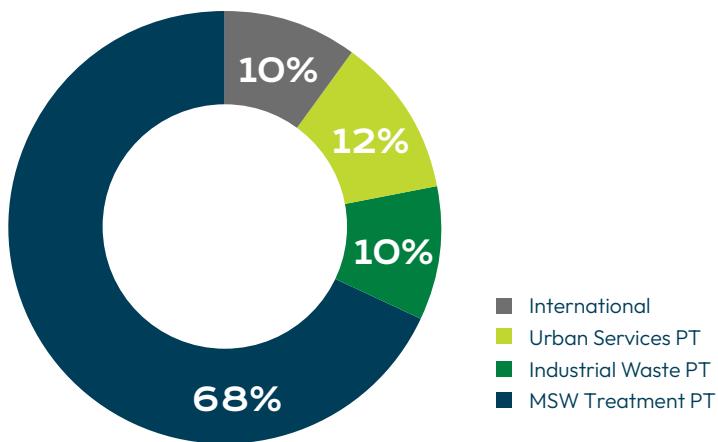
| Industrial Waste | 2021 | 2022 | 2023 | Var. 22/23 |
|-------------------|--------|--------|--------|------------|
| RIMA | 3,523 | 1,555 | 509 | (67.3%) |
| RESILEI | 1,801 | 3,732 | 1,775 | (52.4%) |
| TRIU | 11,309 | 13,690 | 13,915 | 1.6% |
| ENVIROIL II | 9,539 | 11,376 | 10,651 | (6.4%) |
| CORREIA & 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.

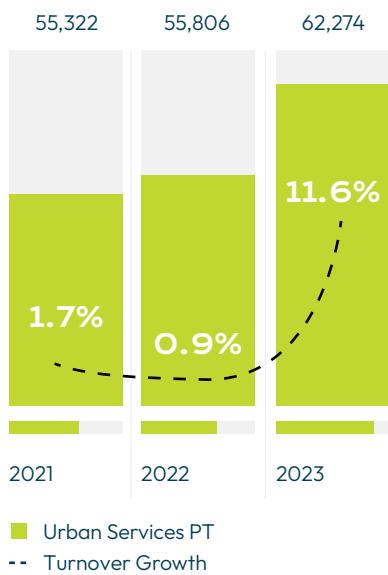
As a result of the contractual responsibilities assumed and the adaptation of the operation to meet the targets defined for the waste sector, in 2023, the financial autonomy ratio varied by -3.7% compared to the previous year, standing at 25.8%, while the level of general indebtedness increased, in this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

Municipal Solid Waste Collection and Urban Cleaning

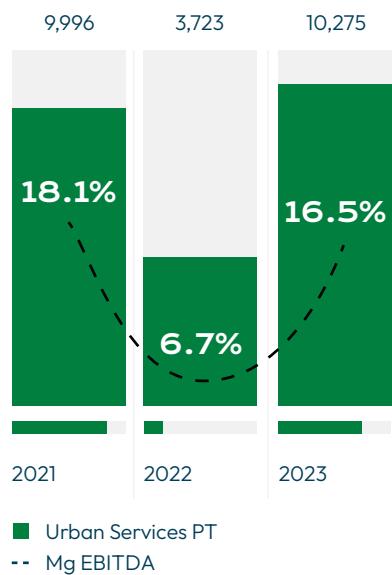
Companies in the urban services sector in Portugal contributed an increase of 11.6% to consolidated turnover, which resulted from a greater diversity of services provided and a tariff adjustment to market conditions. In the area of Municipal Solid Waste Collection and Urban Cleaning, there was an increase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

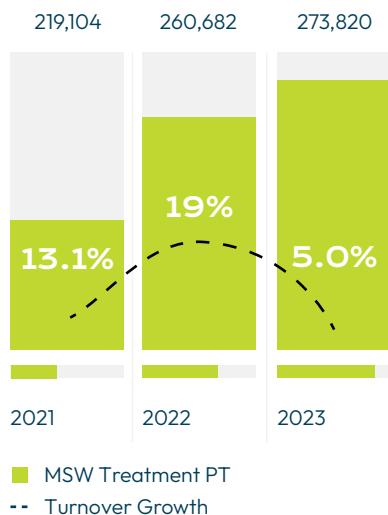


Municipal Solid Waste Treatment

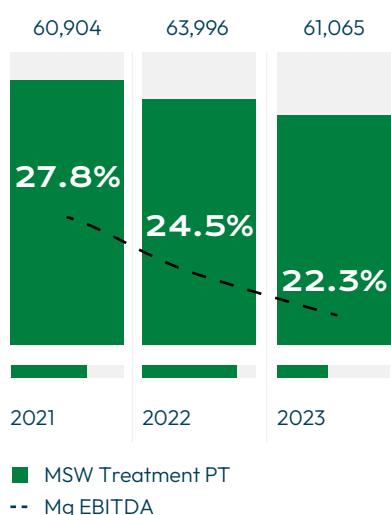
In 2023, the Municipal Solid Waste Treatment area reached a turnover of 273,819,532 euros, remaining in line with the growth plan established and the pursuit of the environmental goals defined.

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



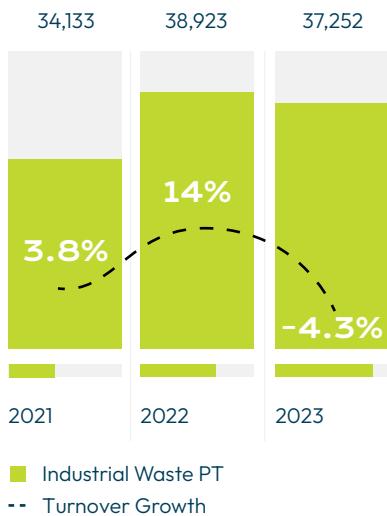
EBITDA



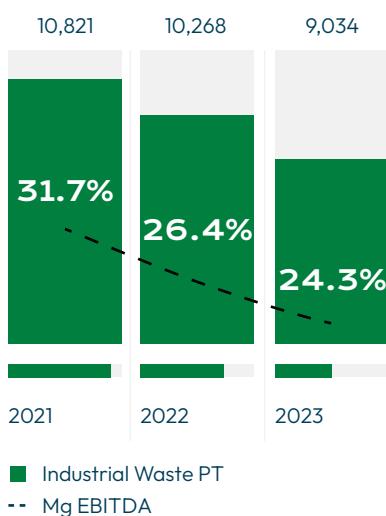
Collection and Treatment of Industrial Waste

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



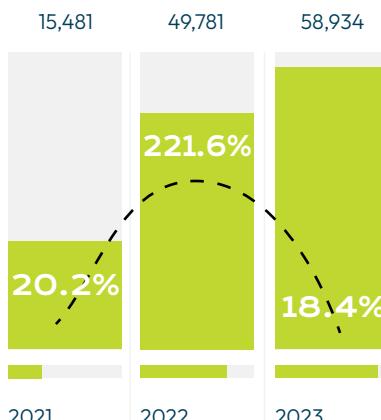
International Area

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.

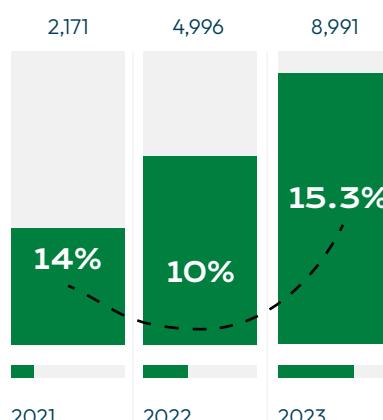
The increase in the consolidated turnover of companies operating abroad comes from the inclusion, from October 2021, of companies in Brazil and the growth of activity in that country, to which Vista Waste's revenues are added from December 2023.

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 PNCR 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 |
|------------------------------------|-------|--------------------|--------------------|
| NON-CURRENT ASSETS | | | |
| 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 |
| Total non-current assets | | 591,107,204 | 551,926,551 |
| CURRENT ASSETS | | | |
| 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 |
| Total current assets | | 296,327,641 | 302,020,268 |
| Total assets | | 887,434,846 | 853,946,819 |

| Equity and Liabilities | Notes | 2023 | 2022 |
|---|-------|--------------------|--------------------|
| EQUITY | | | |
| 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 |
| Total equity | | 229,918,703 | 251,933,878 |
| LIABILITIES | | | |
| NON-CURRENT LIABILITIES | | | |
| 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 | - |
| Total non-current liabilities | | 317,436,070 | 320,754,238 |
| CURRENT LIABILITIES | | | |
| 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 |
| Total current liabilities | | 340,080,073 | 281,258,703 |
| Total liabilities | | 657,516,143 | 602,012,941 |
| Total equity and liabilities | | 887,434,846 | 853,946,819 |

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 Moraes 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) |
| Earnings before interest, taxes, depreciation and amortisation | | 60,596,970 | 89,674,432 |
| Depreciation and amortisation expenses | 32 | (49,670,397) | 57,286,698 |
| Investment grants | 21 | 2,888,795 | 2,822,657 |
| Earnings before interest and taxes | | 13,815,368 | 35,210,391 |
| Interest and similar income | 33 | 3,391,354 | 2,856,605 |
| Interests and similar expenses | 34 | (28,488,250) | (15,851,731) |
| Earnings before taxes | | (11,281,528) | 22,215,265 |
| Income tax for the year | 15 | (8,186,766) | (4,832,264) |
| Net earnings for the year | | (19,468,294) | 17,383,001 |
| 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 |
| | | (19,468,294) | 17,383,001 |
| 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 Moraes 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-controlling 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 | - |
| 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 | 92,737,620 | 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 Mota Neves da Costa Ricardo Jorge de Sousa Duque Saramago

Carlos Alberto Vaz Pinto Garcez Nuno Jorge Sêco da Costa

Nuno Manuel de Moraes Kol de Carvalho

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

(Amounts stated in euros)

| | Notes | 2023 | 2022 |
|--|-------|----------------------|---------------------|
| OPERATING ACTIVITIES | | | |
| 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) |
| Operational activity flows (1) | | 63,810,986 | 62,575,538 |
| INVESTMENT ACTIVITIES | | | |
| 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) |
| | | (100,045,680) | (72,217,399) |
| 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 |
| | | 37,807,769 | 55,353,786 |
| Cash flows from investment activities (2) | | (62,237,911) | (16,863,613) |
| FINANCING ACTIVITIES | | | |
| 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 |
| | | 113,844,687 | 125,044,781 |
| Payments concerning: | | | |
| Borrowings from credit institutions | | | |
| Interest and similar costs | | (105,540,144) | (97,820,825) |

| | Notes | 2023 | 2022 |
|--|-----------|----------------------|----------------------|
| FINANCING ACTIVITIES (cont.) | | | |
| 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) |
| Cash flow from financing activities (3) | | (129,862,452) | (111,994,146) |
| | | (16,017,765) | 13,050,635 |
| Change in cash and cash equivalents (4) = (1)+(2)+(3) | | (14,444,690) | 58,762,560 |
| 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) |
| Cash and cash equivalents at year-end | 4 | 92,446,398 | 122,222,962 |

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 reprivatisation of up to 100% of the share capital of EGF, held by the sub-holding of the Águas de Portugal Group (“ADP”). This reprivatisation 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 NCDF 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") ^(a) | 19 |
| Gerês Participações SA | 10 |
| Vista Waste | 10 |

^(a) 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 NCDF 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 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) |
| | 92,446,399 | 122,222,962 | (16,051,846) | 106,171,116 |

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 z o.o. (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 z o.o. (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 - Tecnicas 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 Solidos 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 |
| Ecoss 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 ^(a) | Santa Luzia | 25.00 | Construction and operation of landfill |

^(a) 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 |
| Citrup - Centro Integrado de Resíduos, Lda (Citrup) | 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 |
| Ecoss 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 |
|--|----------------------------|--------------------------------|-------------------|---------------------|------------------|-----------------------------|-----------------------------------|--------------------|
| Gross assets | | | | | | | | |
| 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 |
| Closing balance | 7,598,736 | 14,092,906 | 35,710,240 | 65,031,708 | 2,847,191 | 5,449,022 | 4,279,151 | 135,008,954 |
| Accumulated depreciation and impairment losses: | | | | | | | | |
| Opening balance | 210,185 | 9,102,553 | 23,504,249 | 38,708,123 | 2,560,713 | 5,016,281 | 283,362 | 79,385,466 |
| 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) |
| Closing balance | 1,102,314 | 10,213,214 | 29,358,748 | 42,330,480 | 2,600,806 | 5,031,989 | 283,362 | 90,920,913 |
| Net assets | 6,496,422 | 3,879,692 | 6,351,493 | 22,701,227 | 246,385 | 417,033 | 3,995,789 | 44,088,041 |

| 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 |
|---|----------------------------|--------------------------------|-------------------|---------------------|------------------|-----------------------------|-----------------------------------|--------------------|
| Gross assets | | | | | | | | |
| 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 |
| Closing 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 |
| Accumulated depreciation and impairment losses | | | | | | | | |
| 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 |
| Closing balance | 210,185 | 9,102,553 | 23,504,249 | 38,708,123 | 2,560,713 | 5,016,281 | 283,362 | 79,385,466 |
| Net assets | 7,337,331 | 1,200,195 | 5,230,775 | 19,979,859 | 148,631 | 392,800 | 4,501,654 | 38,791,245 |

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 |
|---|------------------|------------------|
| Opening balance | 1,707,576 | 1,885,138 |
| Disposals | - | - |
| Non-current assets held for sale (Note 36) ^(a) | - | (176,779) |
| Depreciation for the year (Note 32) | (681) | (783) |
| Closing balance | 1,706,896 | 1,707,576 |

^(a) 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 |
| | | 1,724,787 | 4,620,651 | (233,422) | 6,112,016 |

| 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) |
| | | 10,675,699 | (1,006,353) | (8,026,139) | 1,643,207 |

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 |
|--|------------------|------------------|
| Opening balance | 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 | - |
| Closing balance | 6,112,016 | 1,643,207 |

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 |
|---|----------------------|------------------|-------------------|-------------------------------|-------------------------|----------------------|
| Gross assets | | | | | | |
| 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) |
| Closing balance | 1,336,827,408 | 270,201 | 2,318,648 | 9,288,126 | 19,620,859 | 1,368,325,241 |
| Accumulated amortisation and impairment losses | | | | | | |
| 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 |
| Closing balance | 895,320,197 | 113,737 | 1,193,680 | - | 19,356,833 | 915,984,446 |
| Net assets | 441,507,211 | 156,464 | 1,124,969 | 9,288,126 | 264,026 | 452,340,795 |

| 2022 | Contractual rights | Regulatory Asset | Development expenses | Computer programs | Intangible assets in progress | Other intangible assets | Total |
|--|----------------------|------------------|----------------------|-------------------|-------------------------------|-------------------------|----------------------|
| Gross assets: | | | | | | | |
| 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 |
| Closing balance | 1,251,323,561 | 270,201 | - | 1,921,903 | 27,101,238 | 19,564,709 | 1,300,181,610 |
| Accumulated amortisation and impairment losses: | | | | | | | |
| 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 |
| Closing balance | 881,242,564 | 99,516 | - | 870,204 | - | 19,345,185 | 901,557,468 |
| Net assets | 370,080,997 | 170,685 | - | 1,051,700 | 27,101,238 | 219,523 | 398,624,142 |

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 |
|--|-------------------|--------|-------------------|-------------------|-------------------|------------------|----------------------|----------------------------|-----------------------|
| Investments in associated enterprises | | | | | | | | | |
| Ambibital | 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 |
| Ecoss 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 |
| | | | 52,363,793 | 31,112,089 | 42,765,231 | 4,676,310 | 14,301,077 | - | 14,301,077 |

| 2022 | Head Office | % held | Assets | Equity | Turnover | Net earnings | Value of the holding | Additional paid-in capital | Total share of assets |
|--|-------------------|--------|--------------------|-------------------|-------------------|-------------------|----------------------|----------------------------|-----------------------|
| Investments in associated enterprises | | | | | | | | | |
| 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 |
| Ambibital | 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 |
| Ecoss 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 |
| | | | 146,045,856 | 57,518,933 | 66,824,042 | 14,388,516 | 27,938,167 | 944,834 | 28,883,001 |

(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:

| 2023 | Value of the holding | Additional paid-in capital | Total |
|------------------------|----------------------|----------------------------|-------------------|
| Opening balance | 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) |
| Closing balance | 14,301,077 | - | 14,301,077 |

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.

| 2022 | Value of the holding | Additional paid-in capital | Total |
|------------------------|----------------------|----------------------------|-------------------|
| Opening balance | 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 |
| Closing balance | 27,938,167 | 944,834 | 28,883,001 |

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:

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

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.

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

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

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 |
|--|----------------|----------------|
| Opening balance | 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) |
| Closing balance | 190,497 | 236,536 |

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 |
|---|-----------------|-----------------|
| Opening balance | 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) |
| Closing balance | 178,407 | 210,812 |
| Current value of past liabilities | 190,498 | 236,536 |
| Current value of the assets in the fund | 178,407 | 210,812 |
| (Deficit)/Surplus of the fund | (12,091) | (25,724) |

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 | - | - | - |
| | 45,398,386 | 42,528,884 | 53,700,853 | 52,247,674 | (447,127) | 51,800,547 |

(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 |
|--|------------------------|---|-------------------------|----------------|------------------------|
| Deferred tax assets | | | | | |
| 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 |
| | 42,528,883 | 2,177,281 | 692,221 | - | 45,398,386 |
| Deferred tax liabilities | | | | | |
| 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 |
| | 51,800,547 | 1,694,842 | (578,128) | 783,591 | 53,700,852 |

| 2022 | Opening balance | Income statement | Equity | Non-current liabilities held for sale (Note 36) | Closing balance |
|--|------------------------|-------------------------|----------------|--|------------------------|
| Deferred tax assets | | | | | |
| 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 |
| | 43,024,076 | (495,192) | - | - | 42,528,884 |
| Deferred tax liabilities | | | | | |
| 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 |
| | 51,410,109 | 414,394 | 423,171 | (447,127) | 51,800,547 |

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 |
|--|------------------|------------------|
| Earnings before taxes | (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) |
| | 8,186,766 | 4,832,264 |
| 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 |
| | 8,186,766 | 4,832,264 |
| Effective tax rate | 73% | 22% |

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

| | 2023 | 2022 |
|--|-------------------|--------------------|
| Undocumented expenses and other charges | 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 |
| | 40,936,358 | (5,027,052) |
| Nominal tax rate | 21.00% | 21.00% |
| Permanent differences | 8,596,635 | (1,055,681) |

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 | - | - | - | - |
| | 5,316,034 | (412,883) | 1,377,851 | 6,281,002 |

| 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 |
| | 4,722,664 | (412,883) | (494,008) | 3,815,773 |

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 |
| Opening balance | 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 | | |
| Closing balance | (4,241,648) | (4,241,648) | (3,161,401) | (3,161,401) |
| | 32,394,435 | 32,394,435 | 28,737,033 | 28,737,033 |

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 |
|--|--------------------|--------------------|
| Opening balance | (1,503,908) | (1,374,837) |
| Change in consolidation perimeter (Note 7) | 57,355 | - |
| Inventory adjustments | (27,179) | 6,087 |
| Closing balance | 2,452,237 | 1,503,908 |
| 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 |
|------------------------|----------------|----------------|
| Opening balance | 412,883 | 412,883 |
| Closing balance | 412,883 | 412,883 |

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 |
|---|--------------------|------------------------|--|-------------------------|--------------------|
| Trade debtors, non-current | | | | | |
| General | 124,082 | (14,032) | - | - | 110,050 |
| Other receivables, non-current | | | | | |
| 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 |
| | 24,452,034 | - | - | - | 24,452,034 |
| | 24,576,116 | (14,032) | - | - | 24,562,084 |
| Trade debtors, current account | | | | | |
| General | 61,552,178 | (10,962,779) | (221,292) | (558,691) | 49,809,415 |
| Related parties (Note 26) | 47,234,316 | - | - | - | 47,234,316 |
| | 108,786,494 | (10,962,779) | (221,292) | (558,691) | 97,043,731 |
| Other receivables, current account | | | | | |
| 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 |
| | 75,507,338 | - | - | (1,447,924) | 74,059,414 |
| | 208,869,948 | (10,976,811) | (221,292) | (2,006,615) | 195,665,229 |

| 2022 | Gross value | Accumulated impairment | Financial restatement of trade accounts receivable | Income to be recognised | Net value |
|---|--------------------|------------------------|--|-------------------------|--------------------|
| Trade debtors, non-current | | | | | |
| General | 165,442 | (21,560) | - | - | 143,882 |
| Other receivables, non-current | | | | | |
| 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 |
| | 36,000,843 | - | - | - | 36,000,843 |
| | 36,166,285 | (21,560) | - | - | 36,144,724 |
| Trade debtors, current account | | | | | |
| 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) |
| | 89,138,755 | (11,080,064) | (791,146) | (576,078) | 76,691,467 |
| Other receivables, current account | | | | | |
| 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) |
| | 36,074,087 | - | - | (1,447,924) | 34,626,163 |
| | 161,379,127 | (11,101,625) | (791,146) | (2,024,002) | 147,462,354 |

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 |
|--|-------------------|-------------------|
| Opening balance | 11,101,625 | 13,454,699 |
| 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) |
| Closing balance | 10,976,811 | 11,101,625 |

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 |
|-------------------------------|----------------|----------------|
| Opening balance | 791,146 | 507,906 |
| Increases/Decreases (Note 31) | (569,854) | 283,240 |
| Closing balance | 221,292 | 791,146 |

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

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 |
|-------------------------------|-------------------|-------------------|
| IRC | | |
| 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 |
| | 15,528,210 | 55,784,334 |

| 2022 | Debit balances | Non-current assets held for sale | Total outstanding balances | Credit balances | Non-current liabilities held for sale | Credit balances total |
|-------------------------------|-------------------|----------------------------------|----------------------------|-------------------|---------------------------------------|-----------------------|
| IRC | | | | | | |
| 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 |
| | 11,462,744 | (766,705) | 10,696,039 | 51,657,170 | (2,707,140) | 48,950,030 |

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 |
| Non-Current | | | | |
| 2023 tariff deviation | - | 16,871,613 | - | - |
| Other | - | - | 948,865 | - |
| | - | 16,871,613 | 948,865 | - |
| Current | | | | |
| 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 |
| | 9,320,180 | 4,288,162 | 8,277,402 | 17,759,021 |

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 |
| 12,500,000 | | |

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 |
|---|--------------------|-------------------|
| Opening balance | 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 |
| Closing balance | (3,047,904) | 27,367,889 |

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 |
| | 56,683,970 | 10,066,156 | (6,558,603) | (1,018,061) | 59,173,461 |

| 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 |
| | 54,695,723 | 8,514,657 | (6,552,904) | 26,494 | 56,683,970 |

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

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 |
| | 85,393,360 | 88,845,498 | 4,254,738 | 7,817,870 |

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 |
| | 3,394,111 | 858,380 | (322,471) | (301,981) | (5,469) | 3,622,571 |

| 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 |
| | 10,815,432 | (1,628) | 911,379 | (493,804) | (167,089) | (95,248) | (7,574,932) | 3,394,111 |

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) |
| | 234,125,784 | 132,705,514 | 256,467,014 | 93,695,044 |

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 | - | - |
| | 193,681,662 | 115,478,362 | 220,264,638 | 80,187,913 |

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 |
| | 271,682,651 | 248,901,100 |

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 |
| | 93,366,438 | 30,400,404 | 62,966,034 |

| 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 |
| | 77,531,614 | 24,892,295 | (2,820,208) | 77,345,415 |

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:

| 2023 | Capital | Interest | Total |
|-----------------------|-------------------|------------------|-------------------|
| 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 |
| | 57,671,274 | 2,089,970 | 59,761,244 |

| 2022 | Capital | Interest | Current liabilities held for sale | Total |
|-----------------------|-------------------|------------------|--|-------------------|
| 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 |
| | 52,355,888 | 2,097,581 | (2,149,169) | 52,304,300 |

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:

| | 2023 | 2022 |
|-----------------------|-------------|-------------|
| 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 |
|---|-------------------|-------------------|
| Trade creditors, non-current account | | |
| General | 73,816 | 76,976 |
| | 73,816 | 76,976 |
| Trade creditors, current account | | |
| 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) |
| | 52,495,724 | 40,153,006 |

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

| | 2023 | 2022 |
|--|-------------------|-------------------|
| Other payables, non-current | | |
| Investment providers | - | 184,478 |
| Other creditors | 801,434 | 591,112 |
| Shareholders (Note 26) | 8,240,000 | 8,240,000 |
| | 9,041,434 | 9,015,590 |
| Other payables, current | | |
| Investment providers | 28,113,217 | 19,264,493 |
| Advances from customers | - | 30,462 |
| Shareholders (Note 26) | - | 564,041 |
| Accrued expenses | | |
| 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) |
| | 94,642,961 | 60,569,942 |

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 | - | - |
| Ambiolhão 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 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) |
|--|---|--|---|--|---------------------|--------------------------------|-----------------------------------|------------------------------------|------------------------------|--|
| 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 Środowisko Spółka z oo | - | - | - | - | - | - | - | - | - | 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) | Interest 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 | 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) |
|--|--|------------------------------------|---|---|------------------|--------------------------|-------------------------------|------------------------------|------------------------|--|
| Related parties | | | | | | | | | | |
| 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 | - | - |
| Ecoss 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) |
|---|--|------------------------------------|---|---|------------------|--------------------------|-------------------------------|------------------------------|------------------------|--|
| Related parties | | | | | | | | | | |
| 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 Estate Freixieiro | - | - | - | - | - | - | - | 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 | 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) |
|--|--|------------------------------------|---|---|------------------|--------------------------|-------------------------------|------------------------------|------------------------|--|
| Related parties | | | | | | | | | | |
| 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 | 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) |
|--|--|-------------------------------|-----------------------------|-----------------|--|------------------------|------------------------|----------------------------|--------------------------|
| Related parties | | | | | | | | | |
| 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 Innovacion 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. Intermunicíp. 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 | 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) |
|---|--|-------------------------------|-----------------------------|-----------------|--|------------------------|------------------------|----------------------------|--------------------------|
| Related parties | | | | | | | | | |
| 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 | - | - | - | - |
| | 47,234,316 | 44,471 | 825,277 | 16,441 | 10,170,879 | 8,240,000 | 5,000,000 | 335,851 | 25,093,700 |

| 2022 | 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 |
|--|--|-------------------------------|-----------------------------|-----------------|----------------------------------|--|------------------------|----------------------------|--------------------------|---------------------------------------|
| Related parties | | | | | | | | | | |
| 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 | - | - | - | - | - | - | - | - | - |
| Equimeta, 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. Intermunicip. 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 | - |
| | 40,392,099 | 44,471 | 7,547,864 | 14,622 | 1,606,466 | 5,619,533 | 8,804,041 | 5,685 | 5,036,996 | 1,440,372 |

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 |
| | 432,279,101 | 405,191,876 |

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 |
| | 160,344,980 | 153,376,504 |

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 |
| | 153,114,933 | 137,349,760 |

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 |
| | 9,912 | 7,830 |

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 |
| | 104,126,532 | 63,644,902 |

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 |
| | 102,207,914 | 66,929,933 |

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 |
| | 49,436,976 | 56,280,345 |
| Goodwill (Note 10) | 233,422 | 1,006,353 |
| | 49,670,397 | 57,286,698 |

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

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 |
| | 28,488,250 | 15,851,731 |

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 |
| | 16,296,080 | 20,088,696 |

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 |
| | 7,099,525 | 10,370,635 |

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 |
|---------------------------------|-------|-------------------|
| Non-current assets | | |
| Tangible fixed assets | 8/9 | 24,182,186 |
| Goodwill | 10 | 8,026,139 |
| Intangible assets | 11 | 28,785 |
| Other financial investments | 13 | 59,061 |
| Total non-current assets | | 32,296,171 |
| Current assets | | |
| 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 |
| Total current assets | | 27,501,702 |
| Total assets | | 59,797,873 |

| LIABILITIES | Notes | 2022 |
|--------------------------------------|-------|-------------------|
| Non-current liabilities | | |
| Provisions | 23 | 7,574,932 |
| Borrowings | 24 | 1,734,116 |
| Deferred tax liabilities | 15 | 447,127 |
| Total non-current liabilities | | 9,756,175 |
| Current liabilities | | |
| 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 |
| Total current liabilities | | 10,375,485 |
| Total liabilities | | 20,131,660 |

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 |
| Basic and diluted earnings per share | (94.89) | 38.26 |

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.



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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:

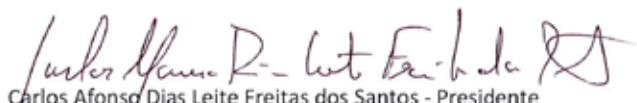
- O Relatório Consolidado de Gestão e as Demonstrações Financeiras Consolidadas apresentados pelo Conselho de Administração relativos ao exercício de 2023.

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.

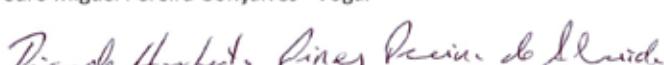
Linda-a-Velha, 10 de julho de 2024

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]

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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]

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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.

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

Sede: Palácio Sottomayor, Rua Sousa Martins, 1 - 3º, 1069-316 Lisboa, Portugal

Receção: Palácio Sottomayor, Avenida Fontes Pereira de Melo, nº16, 1050-121 Lisboa, Portugal

Tel: +351 213 599 000, Fax: +351 213 599 999, www.pwc.pt

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 nº 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.
Registered Office: Palácio Sottomayor, Rua Sousa Martins, 1 - 3º, 1069-316 Lisbon, Portugal
Reception: Palácio Sottomayor, Avenida Fontes Pereira de Melo, nº 16, 1050-121 Lisbon, Portugal
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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



Headquarters
Rua Mário Dionísio, 2
2799-557 Linda-a-Velha
Lisbon-Portugal

Telephone
+351 217 997 700 (National fixed network)
geral@suma.pt