

# REPORT AND ACCOUNTS 2022



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# **MANAGEMENT REPORT OF THE BOARD OF DIRECTORS**

## **I. INTRODUCTION**

This Management Report and its accounts refer to an individual analysis of Teixeira Duarte - Engenharia e Construções, S.A., with Teixeira Duarte Group's global and consolidated information, in which it is integrated, presented and developed within the scope of Teixeira Duarte, S.A.'s accountability documents, the Group's top listed company and Teixeira Duarte - Engenharia e Construções S.A.'s sole shareholder.

This Management Report firstly presents the Company's Profile, followed by the 2022 Activity Report, the 2022 Non-Financial Information Report, and the 2022 Activity Report, the latter reporting on the company's activities, its branches, subsidiaries and groupings that operate in the Construction sector and in operations within the scope of Concessions and Services linked to the construction activity.

This is followed by Prospects for Future Development, Mandatory Legal Information and concludes with the Proposal for the Allocation of Results.

Teixeira Duarte - Engenharia e Construções, S.A.'s financial statements hereby presented are prepared in accordance with the Accounting Standardisation System (*SNC – Sistema de Normalização Contabilística*).



## II. A TEIXEIRA DUARTE - ENGENHARIA E CONSTRUÇÕES, S.A. – PROFILE

### 1. IDENTIFICATION OF THE COMPANY AND CERTIFICATIONS

#### Identification of the Company

TEIXEIRA DUARTE – ENGENHARIA E CONSTRUÇÕES, S.A.

Head Office: Lagoas Park, Edifício 2 – 2740-265 Porto Salvo

Share Capital: € 280.000.000

Single Number of Moral Person and Registration at the Cascais Commercial Registry (Oeiras) 500 097 488

Holder of the Building Permit n.º 24 – PUB

#### Certifications



Teixeira Duarte – Engenharia e Construções, S.A., based on ISO 45001, ISO 9001, ISO 14001 and SA 8000 standards, implemented Management Systems, respectively, in the areas of Safety and Health at Work, Quality, Environment and Social Responsibility, certified by the Bureau Veritas Certification, covering the areas of "Civil, Industrial and Public Works, including Foundations Technology".

## 2. GOVERNING BODIES

Teixeira Duarte – Engenharia e Construções, S.A.

### General Meeting Board

President: - José Pedro Poiares Cobra Ferreira

### Board of Directors

President: - Manuel Maria Calainho de Azevedo Teixeira Duarte

Members of the Board: - Pedro Miguel Martins Cardoso Costa

- Sérgio Paulo Reis Pereira

- Paulo Alfredo de Carvalho Serradas

### Statutory Auditor

Active: - Moore Stephens & Associados, SROC, S.A

- Statutory Auditors Company, represented by

- Ana Patrícia Correia Monteiro Varela - ROC

Substitute: - António Gonçalves Monteiro – ROC

### 3. INTRODUCTION AND HISTORY

Teixeira Duarte - Engenharia e Construções, S.A. is a Portuguese company whose origins date back to the individual activity of its founder, Engineer Ricardo Esquível Teixeira Duarte, in 1921.

The company's first areas of activity were water collection, drilling, hydrological work and great depth geological drilling.

Given its Engineering House character, it soon became involved in more complex works, having, from the 1930s, extended its performance to other aspects of geotechnics and foundations, executing works in some of Lisbon's prime construction projects.

The company's technical worth and availability of capable human resources, enabled it to have the opportunity to execute, in the 1950s, geotechnics and foundations works in India and concrete injections at the Biópio dam in Angola.

It was only in the 1960s, however, that the company extended its operations to buildings and in the mid-1980s to the infrastructure area, performing various types of works ranging from bridges, highways, dams, underground works. In the 1990s it also consolidated a position in railway and maritime works.

This sustained growth resulted from the large number of tenders launched and infrastructure developed in Portugal during these periods, allowing Teixeira Duarte to expand its technical capacity, human and equipment resources, as well as production, studies and projects.

Internationally, since the late 1970s, early 1980s, Teixeira Duarte limited its operations to Portugal, Venezuela (since 1978), Angola (since 1979), Mozambique (since 1982) and the Macao Special Administrative Region (since 1984). Countries whose historical and cultural roots are close to Portugal.

At the beginning of the 21st century, Teixeira Duarte extended its scope to other countries beyond those mentioned above, namely Algeria, Brazil, Cape Verde, Colombia, Spain, Ecuador, Kuwait, Morocco Peru.

The cyclical variations which are typical of these different geographies allowed Teixeira Duarte to promote a rotation of technical resources and resources directly to these countries, where production varied, in the same way as it allocated studies' central resources, projects and proposals to these various markets according to each one's work intensity.

Both directly and through its branches and holdings in societies and groupings, Teixeira Duarte - Engenharia e Construções, S.A., pursued, during these last 100 years, the positioning of an Engineering House that operates on the basis of its Mission and Values and, thus, continues to "Do, contributing to the construction of a better world".



#### 4. MISSION AND VALUES

Teixeira Duarte's Mission and Values have always been transmitted to all workers by example and daily practice and constitute the essence of its ethics and shape the conduct of its employees, having been stated at Teixeira Duarte as a faithful reflection of its past and as pillars for its future.

Teixeira Duarte - Engenharia e Construções, S.A. has a Code of Ethics and Conduct which confirms the mission and values that define Teixeira Duarte's ethics and establishes rules that reinforce, develop or complement them, thus defining the Conduct of all recipients.

The central core of Teixeira Duarte's Ethics is based on its mission and values, which are defined below:

The **Mission** – To Do, contributing towards the construction of a better world – defines what moves its Employees on a daily basis, and constitutes the goal shared by all regardless of their area of activity, geography, or work team.

"**To Do**" because the intention is always to make it happen.

"**Contributing**" because we must have the notion that no one does anything alone.

For the "**Construction**" of something we're all a part of.

Of "**a better world**" which is the goal we all share inside and outside Teixeira Duarte.

The Values are the way one should act to achieve this goal and characterize the Company's involvement with all related parties. They are:

Skill - Value based on Teixeira Duarte's origin and design: "An Engineering House", where, from the research and domain of the principles of science, one innovates and develops knowledge and techniques to apply, with efficiency and minimum waste, in the resolution of practical issues, forming, encouraging and trusting the people in-house.

Truth – Consists in the clear appreciation of the facts, exposing things as they are, with good faith and rigour, assuming errors and limitations such as successes and capabilities and always reporting in a transparent and appropriate way according to the Company's scope of action and responsibilities.

Commitment – Corresponds to the responsible and committed manner in which challenges and responsibilities are accepted, based on the importance of the "Word given" and the fulfilment of all obligations, as much towards third parties as to loyalty and complicity towards own colleagues and to the Company itself, with respect for others, for the dignity of all mankind and for the sustainability of the community.

#### 5. ETHICS AND CONDUCT CODE AND COMPLIANCE SYSTEM

Many of these aspects are then developed in more detail in the Ethics and Conduct Code adopted by the company – which is "Teixeira Duarte Group's Ethics and Conduct Code" – in which Teixeira Duarte's values and mission are established and developed, defining ethics and conduct, determining the scope of the document and establishing, with the aforementioned mandatory nature (I) the General Rules of Conduct aimed at compliance with the law, respect for the human person and the community, respect for the environment and compliance with internal rules; (II) the rules of conduct applicable in the

relationship between employees and the company; and (III) the rules of conduct between employees and third parties, in particular public authorities, clients and suppliers and the competition, including, in this latter chapter, topics such as independence and collaboration with public authorities, measures to prevent money laundering, terrorist financing, conflicts of interest and corruption.

It is set forth in the said Code that, with regard to the monitoring of the implementation of its regulations, it is the duty of the Employees - and Indirect Recipients, in accordance with the terms and scopes mentioned above - to watch over the fulfilment of the Ethics and Conduct Code, by divulging it, by invoking it in their defence, by applying it and by demanding its application to their hierarchies, including these hierarchies, and to communicate eventual irregularities identified by the means and procedures implemented by each company for that purpose, which tend to be defined as Ethics Channel.

Also, it is in force a General Procedure for the Prevention and Combat of Harassment in the Workplace which establishes the action principles and the procedures considered adequate to the prevention and combat of harassment in the workplace within the Group Teixeira Duarte, to be observed by all its employees, thus making this Procedure a self-regulating instrument and the expression of an active policy intended to prevent, identify, eradicate and / or punish situations that are susceptible of constituting practice of harassment in the workplace. The General Procedure for the Prevention and Combat of Harassment in the Workplace is complementary to the Teixeira Duarte Group's Ethics and Conduct Code.

Besides the monitoring system of the abidance by the aforementioned Code itself, there is a system of compliance of the Group where Teixeira Duarte - Engenharia e Construções, S.A. is integrated, to ensure the safeguard of the fulfilment of the standards applicable to the activity carried out by the company, including the following corporate control areas which provide support to the company:

- The Internal Audit Department, whose functions are the assessment and improvement of the effectiveness of the risk management procedures and internal control systems, as well as carrying out the evaluation of the activities of the Group;
- The Chief Compliance Officer, whose mission is to develop a Compliance program to promote, within the Group Teixeira Duarte (i) the respect of the legal, regulatory and internal requirements, (ii) the correct identification and evaluation of the respective risks inherent to the activities carried out by the companies of the Group and (iii) the development of effective measures for the accomplishment of the said regulations and for the mitigation of the respective risks, establishing guidelines for the analysis of the reality, treatment and report of the information, defining intervention scopes and the respective means and subsequent monitoring of the results and promotion of the necessary revision of such measures.
- The person in charge of the normative compliance, designated in accordance with article 5 of the Decree-Law no. 109-E/2021, of the 9<sup>th</sup> of December, being responsible for the adoption and implementation (i) of the normative compliance program, (ii) of the Risks of Corruption and Similar Infractions Prevention Plan, (iii) of the Code of Ethics and Conduct, (iv) of the training program regarding these matters, and (v) of the whistleblowing channel, in order to prevent, detect and sanction acts of corruption and similar infractions, lead against or through the Group Teixeira Duarte.
- The Department of Compliance, which acts in a permanent and effective manner, being namely in charge of (i) the follow up and periodical assessment of the appropriateness and effectiveness of the measures and procedures adopted to detect any risk of non-fulfilment of the legal obligations and duties the Group Teixeira Duarte is subject to, as well as the measures taken to correct eventual fulfilment default situations, (ii) of the counselling rendered to

the management and administration bodies, for the purposes of compliance with the legal obligations and duties the Group Teixeira Duarte is subject to, and (iii) of the immediate supply to the administration bodies of information regarding any signs of non-compliance with legal obligations, rules of ethics and conduct of customer relation and of other duties which might lead Group Teixeira Duarte or its employees to incur in an infraction of administrative or criminal nature;

- The Management Systems Direction, which includes in its functions to ensure the respect of the Group policies, by implementing supervision criteria, making effective the respective training, internal auditing and the presentation of improvement suggestions.

There are in addition a set of procedures listed in Teixeira Duarte - Engenharia e Construções, S.A.'s Integrated Management System, in the areas in which it is certified, which currently range from Safety and Health at Work, Quality, Environment and Social Responsibility, certified by the Bureau Veritas Certification, covering the areas of "Civil Construction, Industrial and Public Works, including Foundation Technology".

## **6. ORGANISATION**

Teixeira Duarte - Engenharia e Construções, S.A., as the main company of the Teixeira Duarte Group in the Construction sector, currently develops its activity in the areas of Geotechnics and Foundations, Buildings, Infrastructures (including Maritime Works and Rehabilitation), Metalworking, Underground Works and Railway Works, which divide the production and commercial aspects into structures that are essential to management training and in the monitoring of their career and that integrate Exploitation and Management Centres, equally deploying a set of Support Structures specific for this construction sector, in particular in the areas of Formwork, Rebar Cages and Concrete, of Equipment Management and Logistics of Proposals and a Materials Laboratory. Also integrated in Teixeira Duarte - Engenharia e Construções, S.A. there are other Structures that, despite more focused on the Construction activity, also support other sectors of the Group in the area of Management and Supply Systems.

In addition to these structures, the Company also has an important Design Centre, through which are carried out technical engineering studies and designs, for the whole Group, which has proven to be of the utmost importance in the submittal of bids and designs with solid technical grounds. This structure is in charge of the coordination and the implementation of the BIM (Building Information Modelling), in the whole Group Teixeira Duarte, with the consolidation of internal and external training, development of designs using this technology and implementation of internal procedures.

In addition to all those structures more directly linked to the Company's operational area, there is a set of Central Structures and Services with special cross-sectional support responsibilities, which constitute the so-called Corporate Area.

## Teixeira Duarte - Engenharia e Construções, S.A.

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### Board of Directors

Manuel Maria Teixeira Duarte  
 Pedro Costa  
 Sérgio Pereira  
 Paulo Serradas

### CORPORATE AREA

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#### Internal Audit

Mário Faria

#### Compliance

Carlos Ferraz

#### Accounting

Alexandre de Jesus  
 Sérgio Castro

#### Finance

Sérgio Pereira  
 Pedro Cruz

#### Innovation

Rita Moura

#### Legal

Maria António Ambrósio

#### Shared Processes

André Henriques

#### Human Resources

Rogério Fonseca

#### Corporate Affairs

José Pedro Cobra Ferreira

#### Sustainability

Erica Beauvalet

#### Information Technologies

Rui Pedroso  
 Rui Miranda

### OPERATIONAL AREA

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#### Geotechnics and Foundations

Miguel Rocha

#### Buildings

Carlos Timóteo  
 Fernando Martins  
 Luís Mendonça  
 Luís Santos  
 Carlos Guedes  
 Luís Carreira  
 Paulo Ganhão  
 Pedro Nunes  
 Pedro Ferreira  
 Bruno Paisana

#### Infrastructures

Gustavo Lebreiro  
 Hélder Matos  
 João Pedro Lopes  
 António Diniz  
 Jorge Barata  
 Pinto Guedes

#### Metalworking

Henrique Nicolau

#### Underground Works

Dias de Carvalho  
 Carlos Russo

#### Railway Works

Rui Costa

#### Formwork, Rebar and Concrete

Caetano Machado

#### Project Design

Laura Esteves

#### Supplies

Rosa Almeida

#### Equipment Management

Rodrigo Ouro

#### Management Systems

Cláudia Almeida

#### Proposals' Logistics

Mário Baptista

### III. FINANCIAL INFORMATION REPORT 2022

The numbers referred in this report reflect the results of Teixeira Duarte - Engenharia e Construções, S.A.'s performance, and its branches as well as consortia and subsidiaries, included through the equity method application, in accordance to note 11 of the appendixes to the financial statements.

#### KEY INDICATORS OF THE 2022 ACTIVITY

	2018*	2019*	2020	2021	2022	Δ 2022/2021
Employees	3 546	3 417	2 123	2 612	2 218	(15,1%)
Turnover	368 808	377 130	276 649	230 301	407 537	77,0%
EBITDA	61 387	48 532	18 226	(80 381)	(8 375)	-
EBITDA Margin on Turnover	16,6%	12,9%	6,6%	-	-	-
Net income	9 975	1 645	(7 934)	(112 940)	(21 620)	-
Assets	1 468 270	1 368 344	1 258 286	1 142 764	1 254 088	9,7%
Liabilities	965 058	940 835	897 492	859 591	975 767	13,5%
Equity	503 212	427 509	360 794	283 173	278 321	(1,7%)
Net Debt	532 584	511 401	527 137	526 214	598 402	13,7%
Financial Autonomy	34,3%	31,3%	28,7%	24,8%	22,2%	(2,6) p.p
General Liquidity	146,0%	129,4%	136,5%	122,0%	120,0%	(2,0) p.p

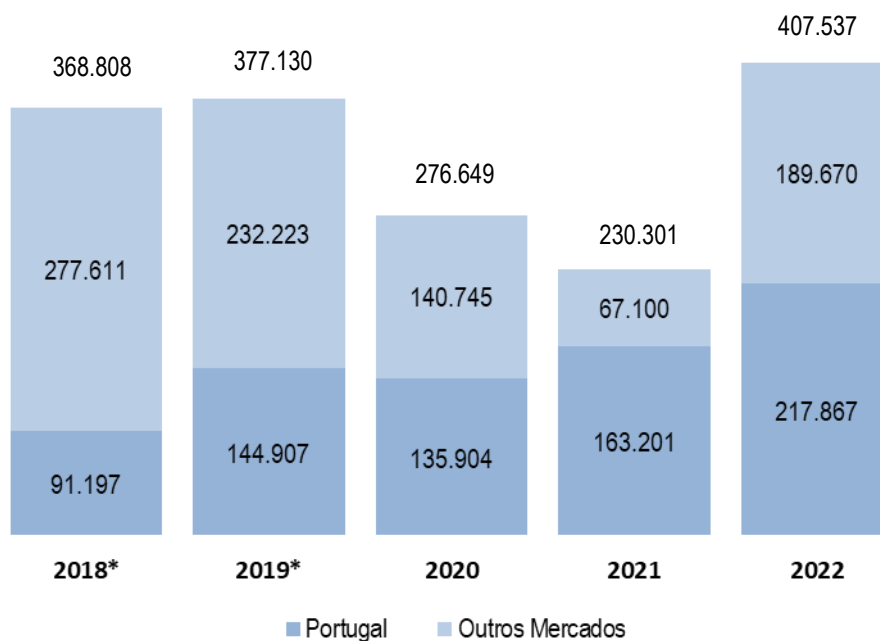
(\*) - 2018 and 2019 restated values

For a global approach of Teixeira Duarte - Engenharia e Construções, S.A.'s performance throughout 2022, a set of management and financial analysis indicators concerning this period is now presented, which not only refer to the company's internal evaluation, but also integrate market benchmarks and commercial requirements of the Construction sector.

For an adequate reading and comprehension of the operational and financial information presented further ahead it is indispensable to know, and bear in mind, two main factors which had a relevant impact in the activity and accounts of the Company, during the year 2021, which are:

- Following the unilateral and extemporaneous decision of Bolipueritos to terminate the “Strategic Alliance for the operation and management of the specialised containers terminal of the La Guaira” contract, which constitutes a clear breach of the bilateral agreements in force and of the rights and expectations of Teixeira Duarte, the Board of Directors of the Company decided to recognise in the accounts of 2021 the impact of the loss of the concession for the exploitation of the La Guaira port which would be in force until March 31, 2037, representing a reduction of the Asset and the aggravation of the Net Result of 26.919 thousand euros.
- A judicial decision delivered on February 17, 2022, by an Algerian court with regard to a lawsuit involving a partner of Teixeira Duarte - Engenharia e Construções, S.A. has raised questions as to the operational and financial conditions which allowed for the normal execution of the six projects contracted in Algeria. In this context, in spite of being a subsequent event, the Board of Directors decided to recognise in the accounts of the financial year of 2021 the effects resulting of the suspension of the activity of the said six public projects, which represented an impact in the Net Result of 61.120 thousand euros, as well as a Liabilities reduction of 13.722 thousand euros and an Asset reduction of 74.842 thousand euros.

Turnover Progress



(Amounts in thousands of euros)

(\*) - 2018 and 2019 restated values

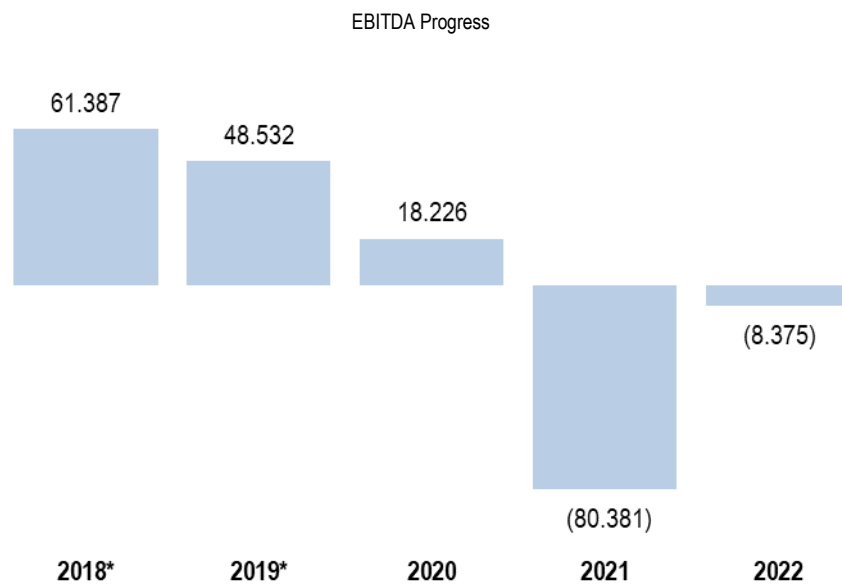
Turnover reached an amount of 407.537 thousand euros, which reflects a growth of 77,0%, when comparing with the previous year.

Without the de-recognition, in the period of 2021, of the 73.123 thousand euros of the income increase resulting from the six projects in Algeria, the company's turnover would still reach a significant growth of 34,3%.

The domestic market recorded a growth of 54.666 thousand euros compared to 2021 and the foreign markets, as a whole, grew 122.570 thousand euros, with particular reference to Kuwait which recorded a growth of 60.559 thousand euros.

In this context, foreign markets which had represented 29,9 % of the Company's Turnover in 2021, evolved to represent 46,5% in 2022.



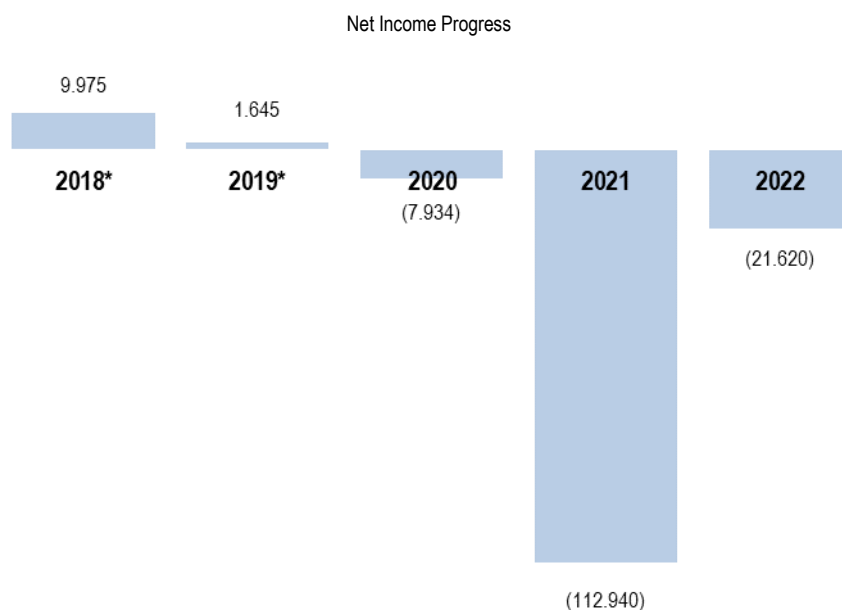


(Amounts in thousands of euros)

(\*) - 2018 and 2019 restated values

EBITDA reached a negative amount of 8.375 euros which corresponds to recovery of 72.006 thousand euros compared to the previous year.

By de-recognising the impact of the suspension of six projects in Algeria of 74.979 thousand euros and the impact of the impairments in Venezuela of 4.484 thousand euros, 2021 EBITDA would reach the negative amount of 918 thousand euros, thus corresponding to a negative variation of 7.457 thousand euros, when compared to 2022.



(Amounts in thousands of euros)

(\*) - 2018 and 2019 restated values

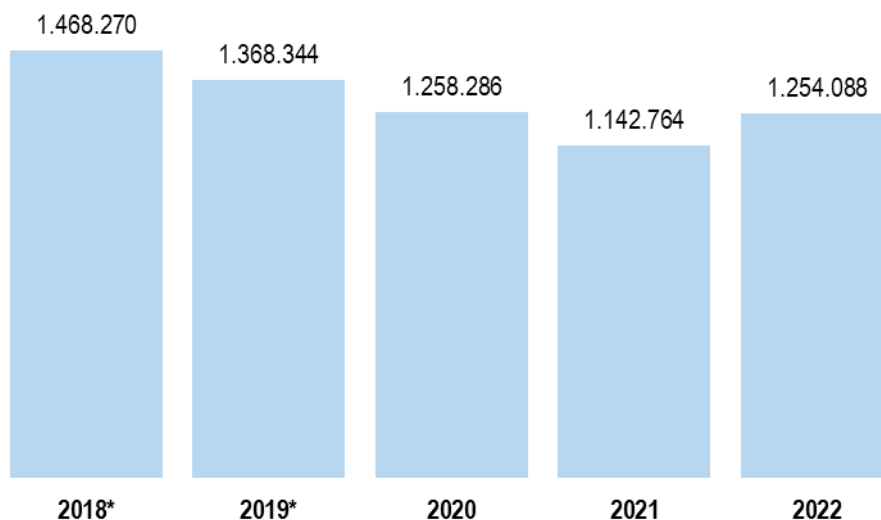
The **Net Income** reflected, when compared to the same period of the previous year, an improvement of 91.320 thousand euros, having reached 21.620 thousand negative euros.

No considering in the Net Income of 2021 the impact of the losses related to the projects in Algeria and of the losses regarding assets in Venezuela, of 61.120 thousand euros and 26.919 thousand euros, respectively, it would be negative, i.e., - 24.901 thousand euros, a result which compares with the negative 21.620 thousand euros of the Net Income of the period 2022.

In addition to the development of the Company's activity, this indicator was influenced by three important facts that must be highlighted:

- variation of gains / losses assigned to subsidiaries, associates and joint ventures, with a positive impact of 12.725 thousand euros;
- variation of the exchange rates differences, with a positive impact of 8.129 thousand euros;
- variation of the financing obtained and granted interests, with a positive impact of 1.413 thousand euros;

Assets Progress



(Amounts in thousands of euros)

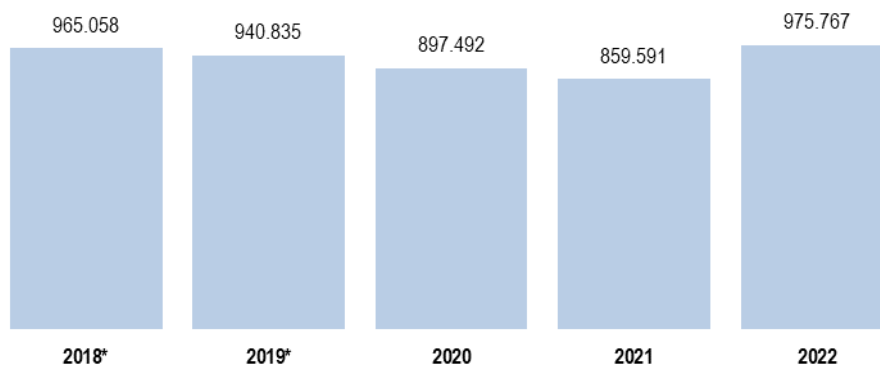
(\*) - 2018 and 2019 restated values

Total Assets stood at 1.254,088 thousand euros, recording an increase of 111.324 thousand euros, an increase of 9,7 % when compared to the end of last year.

It must be noted that the increase of the Assets is impacted by the Decrease, in 2021, of the suspension of six projects in Algeria, representing 74.842 thousand euros, and the de-recognition of assets in Venezuela, which represent an amount of 26.919 thousand euros.

If not considered these effects, the increase in the Assets would be of 9.563 thousand euros.

#### Liabilities Progress

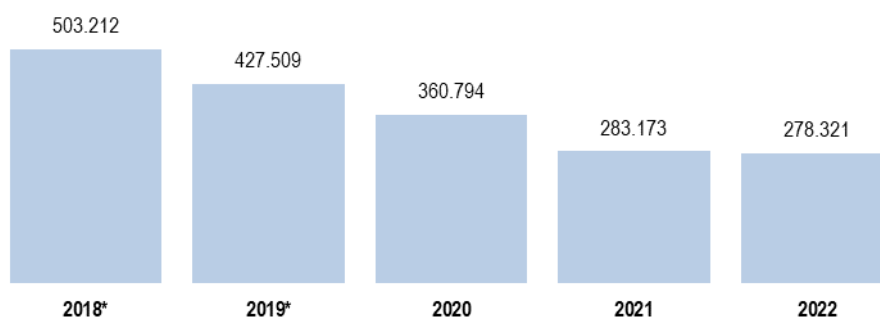


(Amounts in thousands of euros)

(\*) - 2018 and 2019 restated values

Total Liabilities increased by 13,5% when compared to the same period, having reached an amount of 975.767 thousand euros.

#### Equity Progress

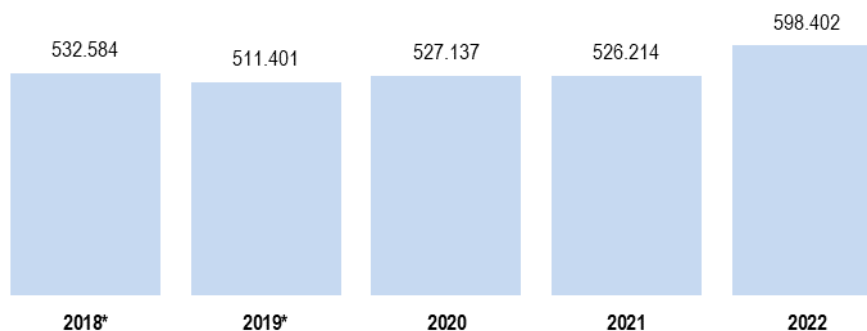


(Amounts in thousands of euros)

(\*) - 2018 and 2019 restated values

Total Equity recorded a decrease of 4.852 thousand euros, which corresponds to a reduction of 1,7% when compared to the end of 2021.

#### Net Debt Progress

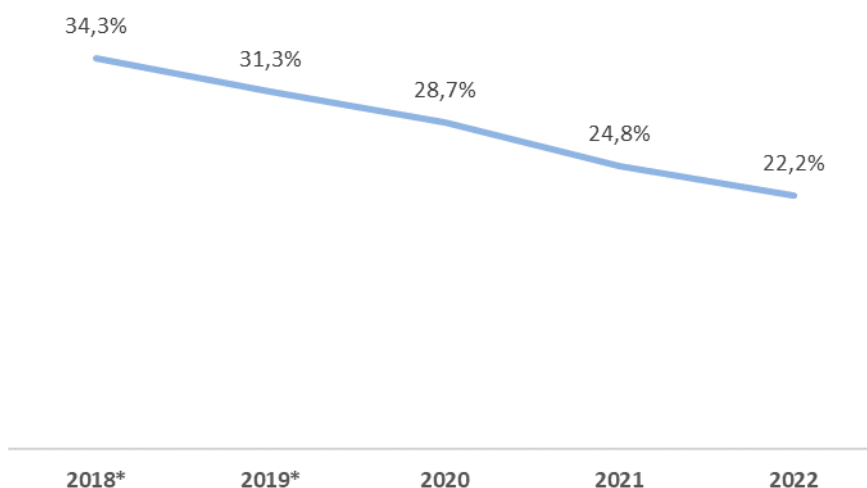


(Amounts in thousands of euros)

(\*) - 2018 and 2019 restated values

Net Debt reached 598.402 thousand euros on December 31, 2022, which represents a variation in line with the liabilities one, recording a 13,7% increase compared to last year.

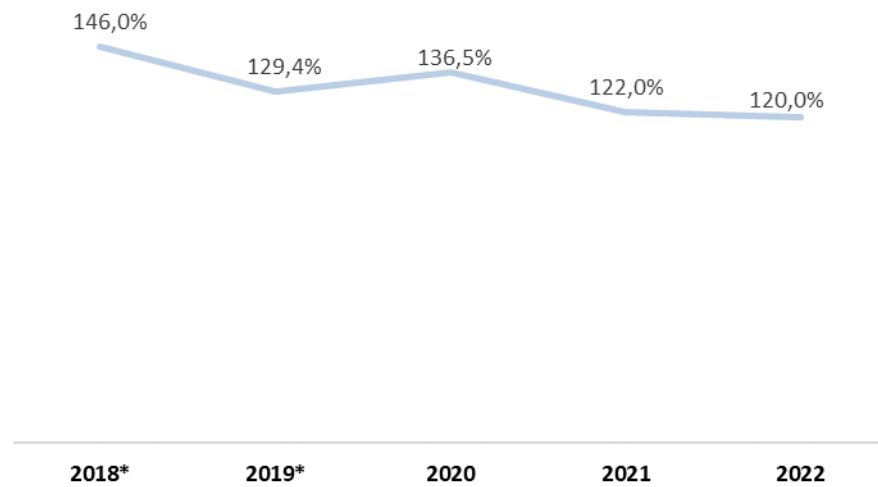
#### Financial Autonomy Progress



(\*) - 2018 and 2019 restated values

Financial Autonomy reached 22,2% on December 31, 2022, reflecting a 2,6 p.p. decrease when compared to December 31, 2021.

General Liquidity Progress



(\*) - 2018 and 2019 restated values

On December 31, 2022, General Liquidity decreased by 2,0 p.p. when compared to the same period, from 122,0 % to 120,0 % in 2020.



#### IV. NON-FINANCIAL INFORMATION OF 2022

For Teixeira Duarte - Engenharia e Construções, S.A. sustainability results from certain way of being and acting, with a sense of responsibility, which is mirrored in the relationship of its employees with all stakeholders. This is also the corporate vision of the Teixeira Duarte Group, where the Company is integrated, in relation to sustainable development.

As a matter of fact, the Mission of the Group - Do, contributing to the construction of a better world - and its structuring Values - Skill, Truth and Commitment - reflect a deeply rooted acting mode throughout several generations which contributes decisively for the global sustainability of the affiliated companies, economically, socially and environmentally.

Teixeira Duarte Group defines transversal guidelines and local objectives for the affiliated companies, as to the sustainable development, being these companies responsible for coming up with an answer to the specific sustainability challenges of their activity and markets.

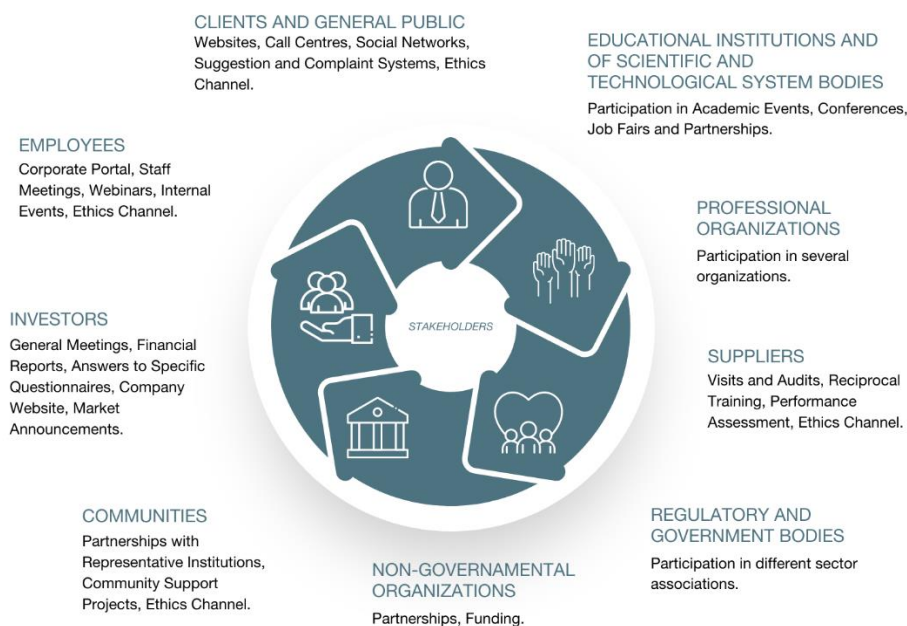


To manage Sustainability in an organised and cohesive manner, assuring the Group companies are aligned with the fulfilment of the transversal principles defined therein, it was created in 2019 a Sustainable Development Commission.

With functions of strategic management of sustainability for the Group Teixeira Duarte, the Sustainable Development Commission depends, organically, from the Board of Directors, and is composed of representatives of all business areas of the most representative markets for the Group; Portugal, Angola, Brazil and Mozambique.

#### COMMUNICATION WITH STAKEHOLDERS

There is a wide variety of groups of interested parties which Teixeira Duarte - Engenharia e Construções, S.A. establishes relations with. For a better understanding of their expectations and to communicate more efficiently with these different groups, the Company uses various tools.



## ALIGNMENT WITH THE SUSTAINABLE DEVELOPMENT GOALS

Group Teixeira Duarte adopted, in 2018, United Nations Sustainable Development Goals as global framework to guide the performance of its companies within the scope of Sustainable Development and its report to the interested parties, given the identification of significant affinities between these goals and its mission, values and corporate vision on Sustainability.

A NOSSA MISSÃO

## FAZER, CONTRIBUINDO PARA A CONSTRUÇÃO DE UM MUNDO MELHOR

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COMO FAZEMOS

## COM ENGENHO, VERDADE E COMPROMISSO

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PARA O QUE CONTRIBUIMOS

**OBJETIVOS DE DESENVOLVIMENTO SUSTENTÁVEL**

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AS NOSSAS PRIORIDADES LOCAIS

Sustainability Model of Teixeira Duarte Group on December 31, 2022

The 17 Sustainable Development Goals (SDGs) were established at a UN summit in 2015 and unanimously approved by 193 Member States with the purpose of creating an ambitious agenda for poverty eradication and global economic, social and environmental development by 2030. The fulfilment of this plan, known as the 2030 Agenda for Sustainable Development, assumes unprecedented efforts sharing on a global scale among all countries and players, both public and private.

Teixeira Duarte Group has identified and assesses, on a continuous basis, the impacts of the activities developed by its affiliates on the global priorities and aspirations for 2030 defined in the 17 SDGs. To give priority to the most significant impacts of these activities on the topics of sustainable development proposed in the SDGs, the sectors / business areas operating in the most relevant markets for the Group - Angola, Brazil, Portugal and Mozambique determined the material SDGs in each of these countries.

Thus, despite contributing to all SDGs, Teixeira Duarte assumed 5 SDGs as priorities, at a local level, to which Teixeira Duarte believes to be able to contribute in a more active and more effective way.



## COMPLIANCE WITH INTERNATIONAL AGREEMENTS

Teixeira Duarte - Engenharia e Construções, S.A.'s performance is based on its Mission - To do, contributing to the construction of a better world - and is implemented in accordance with the UN Declarations of Human Rights, the Guiding Principles of the Organization for Economic Cooperation and Development (OECD), the International Labour Organization (ILO), national and international legislation and the 10 Principles of the United Nations Global Pact in the fields of Human Rights, Labour Practices, Environment and Anti-Corruption.

In Portugal, the Company also holds the International Standard SA 8000 voluntary certification, expressing the organisation's commitment to develop, maintain and apply responsible practices in issues such as slave and child labour, health and safety at work, freedom of association and collective bargaining, discrimination, disciplinary practices, working hours, remuneration and management systems.

## ETHICS AND CONDUCT

Being ethics and conduct a strategic pillar of its performance, Teixeira Duarte - Engenharia e Construções, S.A. has a Code of Ethics and Conduct. This Code of Ethics and Conduct consecrates the transversal performance principles of all employees of the Company and, thus, the involvement of Teixeira Duarte with the related parties, thus constituting a reinforcement and development of its Mission and Values.

The Code is intended for all Directors, Personnel and Other Company Representatives, and it is additionally the obligation of all these employees not only to know and internalise, institutionally implement and defend the Code externally, but also to promote the application of the respective rules by third parties within the scope and execution of the relations they maintain with Teixeira Duarte. The Code of Ethics and Conduct is mandatory for all employees and its non-application is subject to disciplinary procedures and sanctions.

Briefly, in accordance with this Code, all employees of the Company are committed to complying, defending and enforcing, including with indirect recipients, the legislation and regulation in force in the geographies where it operates, including any global or sectoral agreements and specific rules of ethics of each professional, as well as any and all commitments contractually incurred into.

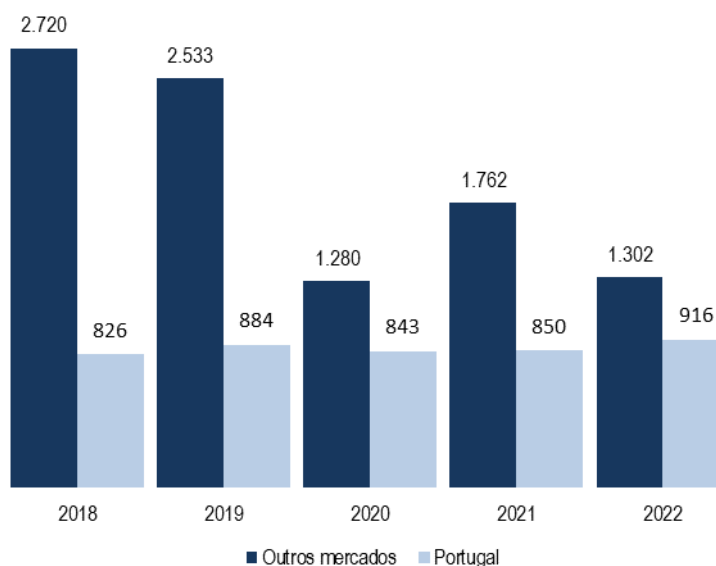
Communicated to all employees with the express indication of the obligation to comply, the Code of Ethics and Conduct is available at the website [www.teixeiraduarteconstrucao.com](http://www.teixeiraduarteconstrucao.com) and at the website of Group Teixeira Duarte: [www.teixeiraduarte.com](http://www.teixeiraduarte.com).

## HUMAN RESOURCES

The well-being of employees, including the promotion of good health and safety conditions, as well as the development of skills and the conciliation of the professional life with the personal and family life, assume high importance in the management of the human resources of Teixeira Duarte - Engenharia e Construções, S.A., and are duly consolidated on a culture of dignified treatment and respect for human and labour rights.

Teixeira Duarte - Engenharia e Construções, S.A. continues to adapt the number of workers to the activities carried out in various sectors and markets, promoting the personal and professional development of its employees.

**Progress of the average number of employees**



The average number of employees recorded a reduction of 15,1% when compared to 2021; nevertheless, Portugal recorded an increase of 7,8% and the foreign markets a global reduction of 26,1%.

This decrease is mainly due to the reduction of the activity in Brazil and in Algeria.

Teixeira Duarte - Engenharia e Construções, S.A. has always had as a principle the dignified treatment of its employees, respecting their human and labour rights, including an effective equality among all, by the adoption of the best practises to aim

at the effective equality of treatment and opportunities between men and women, promoting the elimination of the discrimination based on the gender and fostering the conciliation between personal, familiar and professional life.

The Company adopted a **Plan for Equity** drawn by Teixeira Duarte, S.A., whose third edition was published in 2022, and which includes a set of objectives and measures to be developed by the Group affiliated companies in a way suitable to their own realities, both geographical and sectoral, throughout 2023. This Plan aims at strengthening the companies' management in the following dimensions:

- a) equal access to employment;
- b) equal working conditions;
- c) equal remuneration;
- d) protection in parenthood; and,
- e) conciliation of the professional activity and family and personal life.

The most recent edition of the plan is available at [www.teixeiraduarte.com](http://www.teixeiraduarte.com).

#### **Compliance with the International Labour Organisation (ILO) Conventions**

The promotion of the fundamental conventions of the International Labour Organisation (ILO) and of the human rights is enshrined in the Teixeira Duarte - Engenharia e Construções, S.A.'s Code of Ethics and Conduct.

The code states the commitment of the Company to the acknowledgement of the freedom of association and the right to collective bargaining. The company's practises protect the labour rights and promote safe and healthy working environments to all workers.

#### **Health and safety protection and promotion**

Being the Construction its main activity, Teixeira Duarte - Engenharia e Construções, S.A. has a deeply rooted corporate culture of investment in safety and of risk eradication. This implies the adoption of rigorous policies of prevention which are meant to ensure the safekeeping of the life of all employees and service providers in all facilities.

##### **Promotion of Safety and Health at Work**

Teixeira Duarte - Engenharia e Construções, S.A. promotes, every year, various initiatives when of the World Day for Safety and Health at Work, celebrated on April 28, to strengthen the awareness of the employees and the resilience of its operations before the respective professional risks. In 2022, training sessions were carried out with its work teams in the various countries the company operates on and shared within the Company.



Teixeira Duarte – Engenharia e Construções, S.A., Portugal



Teixeira Duarte – Engenharia e Construções, S.A., Brazil



Teixeira Duarte – Engenharia e Construções, S.A., Mozambique

Regarding health at work, it is highlighted the health surveillance policy of Teixeira Duarte - Engenharia e Construções, S.A.'s employees, implemented through the widespread performance of health examinations, visits to workstations and monitoring of disease situations. The existence of in-house curative medical services in various markets turned out to be very effective in the follow-up of emergency and high gravity situations, such as the one experienced in 2020 and 2021 due to COVID-19 pandemics, improving the Company's response capacity.

In the particular cases of Angola and Mozambique, Teixeira Duarte - Engenharia e Construções, S.A. has also defined a policy of medical and medicine assistance, which include the access to medical consultations to all employees and their directly related family.

In Brazil, the company continued the internal program "*Fique Bem*" (stay well), which had been launched in 2021. Working the domains of health, environment, communities, nutrition, sports and leisure, this program aids the development of actions which are beneficial for the organisational environment and relevant for the employees' quality of life, in any of its fixed or temporary units, in an aligned and coordinated mode.

The Company's best practises are reinforced by its certification in occupational health and safety management systems under the ISO 45001 standard, providing a more inclusive and effective operational risk management, thus allowing for a more comprehensive and effective management of the operational risks and contributing for the employees' protection and for a better performance.



### Safety at Work National Meeting



Between the 18<sup>th</sup> and the 20<sup>th</sup> of October 2022, Teixeira Duarte - Engenharia e Construções, S.A.'s safety professionals held a meeting in São Paulo, where the Group Teixeira Duarte carried out a National Meeting, in order to reinforce the integration and training of the professionals of the safety teams. During the three days, the participants visited FISP (International Fair of Safety and Protection), attended talks, case studies and activities where were discussed issues such as culture of safety and prevention, updating regulatory standards, ergonomic risks, noise, technical responsibility, among many other.

In the scope of health promotion, various activities are also encouraged, such as screening, awareness-raising and individual and group health related training.

### Promotion of Mental Health

To raise the awareness of its employees to the importance of mental health, Teixeira Duarte - Engenharia e Construções, S.A. promoted, in Mozambique, together with other companies of the Group Teixeira Duarte, the campaign *Yellow September* in 2022, with a walk in the town of Maputo in which participated dozens of employees.



### **Other benefits for employees**

#### **a) Health and life insurance**

The Company provides health insurance to its employees according to defined criteria, which include the possibility of extending insurance to his household.

In addition to health insurance, life insurance is also available that guarantees protection in situations of personal accident, death and disability.

These insurances thus complement the mandatory protections applicable in matters of social security and labour legislation.

#### **b) Protocols and Partnerships**

Employees are offered a set of protocols and partnerships with external entities, in various fields of business, such as telecommunications, banking, educational establishments, auto dealers, travel agencies and airlines, allowing employees access to goods and services at better market conditions.

Teixeira Duarte - Engenharia e Construções, S.A. also adopted, in Portugal, a complementary solution within the scope of partnerships that made it possible to broaden the network of discounts available to its employees and to their families - "Compras.td" Portal.

#### **c) Flexible Benefits Program**

In January 2022, Teixeira Duarte - Engenharia e Construções, S.A. launched a new edition of the program created in 2020 which offers employees the chance to access a set of benefits for them and for their families, according to their preferences.

Destined to the permanent staff members in Portugal, the adhesion to the program is voluntary and enables the access to advantages, such as reimbursement of health related expenses, childhood vouchers, professional training, technology and car purchase.

#### **d) Family Monitoring Policy**

Teixeira Duarte - Engenharia e Construções, S.A. has a Family Monitoring Policy in place that includes administrative, logistical and financial support for the legalization, displacement and accommodation of employee family members who, according to certain criteria, are moved outside their country.

### Most attractive Company to Work in the Construction Sector



*Employer Brand Research 2022*, carried out by Randstad in Portugal, revealed that Teixeira Duarte – Engenharia e Construções, S.A. is the most attractive company to work at, in the sector of Construction and Infrastructures.

This independent study, carried out for the 7th consecutive year, analyses the perception of the population with regard to the 150 biggest employers in the country, announcing publicly the top 3 of the companies with higher recognition in each sector of activity. The study also allows for the identification of the most relevant criteria when making a job decision and of the best strategies for employer branding management.

### Qualification for talent expression: development and training

Teixeira Duarte - Engenharia e Construções, S.A. assumes a position in the markets where it is active of acknowledged employer, with perspectives of personal and professional development for its employees, regardless of their level of experience. The promotion of young employment, with potential talent, and of strong professional training policies have been rather important for the expansion of the Company in the various markets / countries.

Driven by the Values of Skill, Truth and Commitment and by the Mission "To do, contributing to the construction of a better world", the Company is aware of the accelerated transformations we have undergone and the need to direct People to new growth models and to the acquisition of new skills that allow us to overcome constant challenges.

As a strategy for the sustainability of its business in the face of this new reality, the Company has stimulated the following:

- Enhance talent within the organization, attracting the most qualified People, developing them and promoting their evolution through merit and performance;
- Foster strong leadership, improving the ability to promote People's performance and alignment with business purposes;
- Effectively communicate your organizational identity, creating a strong values proposal, both internally and externally; and
- Build a learning culture of strong impact, with growth opportunities for all, outlined in different knowledge areas (technical and non-technical), at different levels (operational, tactical and strategic) and in different learning formats (in daily life, in observation and interaction with others, in formal learning through training in the classroom or on-line platforms).

In 2022, Teixeira Duarte - Engenharia e Construções, S.A. continued to use the *e-learning tool* implemented in 2020, which globalised personal and professional development regardless of the physical location of persons and operations. Using the platform “OK – Online Knowledge” it is possible to access training sessions and information on-line, by sharing contents developed internally and externally by the Company.

In Portugal, Teixeira Duarte - Engenharia e Construções, S.A. kept, in 2022, the certification as training entity, granted by DGERT - Direção Geral do Emprego e das Relações de Trabalho, which enables the Company to provide certified training in several areas including Safety and Hygiene at Work, Civil Construction and Civil Engineering, Metalworking and Metalmechanics, among others.

### BIM training on site

Being the methodology “Building Information Modelling” (BIM) one of the pillars to foster the digital transformation of its sector, Teixeira Duarte - Engenharia e Construções, S.A. implemented a plan for the BIM qualification of employees which includes on-line, on-site, internal and external training, for Civil Engineers, Architects, Civil Engineering Technicians, which is led by the Company’s Design Centre. Over the sanitary constraints imposed by COVID-19 pandemics, in 2022, it was possible to reach approximately 80 hours of on-site training, on the worksites of the projects where BIM is used, to personally monitor the practical use of the methodology and to increase the overall maturity of the Company adopting BIM’s principles and procedures.

In Angola, the Professional Development Centre (CDP) Teixeira Duarte goes on being a structuring pillar for Teixeira Duarte - Engenharia e Construções, S.A. in the construction of a learning ecosystem throughout the life of the employees.

### Professional Development Centre Teixeira Duarte



- 1.500 m<sup>2</sup> of total building area (approximately).
- 6 rooms for theoretical training sessions.
- 1 IT room.
- 2 laboratories (electricity and electronics and civil engineering)
- 1 auditorium and one dining hall with a capacity for more than 100 persons.
- 94 training courses certified by INEFOP.

Within the scope of the employability, professional qualification and social accountability of the Company in Angola, it is worthy of note the program “*Fazer Pescar*” (make fishing) which is functioning since 2013. “*Fazer Pescar*” (make fishing) is an initiative developed by the Group Teixeira Duarte with the goal of creating opportunities for youngsters, training them to, autonomously, become a fundamental part of the development of the communities they belong to.

It is an educational program with a duration of 3 months, which includes components of social interaction, integration in the company and in the work.

The attendance is free and the trainees are given daily meals, daily transport allocation, personal accident insurance, uniform and clothes for individual use, school material and periodical medical surveillance.

In the Group were formed a total 45 groups since 2013 (7 groups in 2022), having 520 youngsters been integrated in the Group companies during this period.

In Brazil, Teixeira Duarte – Engenharia e Construções, S.A. has, ongoing for several years, a training program for newly graduated professionals, with a minimum duration of 12 months and whose objective is to develop youngsters through *on the job* training, aiming at their subsequent integration in the Company. In 2022, were integrated 23 trainees, having 9 youngsters been promoted following a period of traineeship and 14 youngsters been integrated in a follow-up phase of 1 to 2 years.

“*Jovem Aprendiz*” (young apprentice) is another important program in Brazil which is destined to high school students. In 2022, 26 youngsters were integrated and 2 of which were absorbed by the Company. This initiative has a duration of 16 months and intends to provide youngsters with an experience in a work environment.

#### SOCIO-ECONOMIC PERFORMANCE

Aware that its activities have impacts on the socio-economic development of the places where it operates, Teixeira Duarte - Engenharia e Construções, S.A. acts to enhance its positive impacts and, on the other hand, mitigate the negatives ones. To this end, the Company promotes a culture of ethics, quality, of commitment to local hiring and the development of local subcontractors and suppliers, strengthening their technological capabilities and social responsibility, which contribute to the of communities' sustainable development.

Teixeira Duarte – Engenharia e Construções, S.A. in Portugal, is a certified company in social responsibility according to the SA 8000 reference.

To this purpose it must be noted the responsibility of the Corporate Area of the Group which, integrated in Teixeira Duarte – Engenharia e Construções, S.A., transversally supports and guides the action of the other companies in matters such as *Compliance* and Social Accountability.

#### **Tackling corruption and bribery, money laundering and terrorist financing**

Corruption and bribery are inherent risks to any economic activity. In this domain, the tool that guides management at Teixeira Duarte– Engenharia e Construções, S.A. is a compliance program that establishes and implements a set of measures and procedures based on the Compliance Policy, the Code of Ethics and Conduct and Teixeira Duarte's Mission and Values in order to ensure, with greater effectiveness and evidence, the respect of the law and of internal regulations, contributing towards a climate of integrity and ethical culture in the development of the Company's activities.

With regard to this matter, it is worthy of note that Teixeira Duarte - Engenharia e Construções, S.A., complying with the provisions of the Decree-law no. 109-E/2021, of December 9, approved on May 9, 2022, on a meeting of the Board of Directors, its Risks of Corruption and Similar Infractions Prevention Plan.

The Risks of Corruption and Similar Infractions Prevention Plan comprehends the whole organisation and its activities, including the areas of administration, direction, operation and support, containing (i) the identification, analysis and classification of the risks and of the situations which might expose Teixeira Duarte - Engenharia e Construções, S.A. to acts of

corruption and similar infractions, including those associated to the functions of the members of the administration and direction bodies, considering the reality of the sector and the geographical areas where the company operates, (ii) preventive and corrective measures which enable the reduction of the probability of occurrence and the impact of the identified risks and situations.

**Teixeira Duarte - Engenharia e Construções, S.A.'s compliance system includes the following mechanisms:**

1. Risk assessment processes and internal financial and non-financial control procedures, which include preliminary proceedings toward third parties and high responsibility employees, relationship with competitors, confidentiality, conflict of interests, among others;
2. Monitoring the performance of this system, such as internal and external audits, investigation of complaints and other compliance violations and constant training;
3. Whistleblowing policy, through the implementation of a reporting channel - the Ethics Channel - which enables the communication of the facts related to corruption, as well as any other infringement which might imply the practice of an unlawful act such as harassment or discrimination, with total anonymity. The reporting of infringement of applicable external and internal rules may be received through the Ethics Channel of the Group Teixeira Duarte (<https://teixeiraduarteconstrucao.com/quem-somos/canal-de-etica/>) and also through the following channels:
  - a) Mail addressed to the Company using the respective addresses;
  - b) Mail addressed to the Board of Directors or to the Supervisory Board of Teixeira Duarte, S.A.;
  - c) Electronic mail sent to the address [conselho-fiscal@teixeiraduarte.com](mailto:conselho-fiscal@teixeiraduarte.com), with exclusive access granted to the members of the Supervisory Board;
  - d) Electronic mail sent to the address [compliance@teixeiraduarte.com](mailto:compliance@teixeiraduarte.com), with exclusive access granted to the members of the Ethics Team;
  - e) Message sent from the site of Teixeira Duarte ([www.teixeiraduarte.com](http://www.teixeiraduarte.com));
  - f) Message sent from the Teixeira Duarte's Employee Portal.

The compliance system also ensures the implementation and evaluation of the Code of Ethics and Conduct's effectiveness, according to which employees must act in order to evaluate and avoid any situations of conflicts of interest, as well as prevent any corrupting behaviour, in an active or passive form, including facilitation payments or receipts, or the creation, maintenance or promise of irregular or biased situations.

The employees have an obligation to report information on any actions that constitute incorrect behaviour, including those that constitute possible illegal or unlawful practices in financial and accounting matters, fraud, corruption and money laundering, as well as any actions directly or indirectly related to terrorist entities or that may target or support terrorism practices.

They are also responsible for promoting the same attitude on the part of indirect recipients of this Code.

Within the scope of the Compliance system it is worthy of note, in 2022, the creation of a new corporate area, the Department of Compliance, which proves the commitment of the Group Teixeira Duarte regarding these matters.



## Relationships with people and organizations impacted by the Company's activities

### a) Trade debtors

The focus on quality, to continuously improve overall performance and the intention to meet the needs and expectations of its clients, has led the Company to invest in the implementation and certification of Quality Management Systems according to ISO 9001, as a strengthening and sustainability factor for the business, contributing to the economic pillar, which in turn allows for the capacity and means for other sustainability initiatives.

As of December 31, 2022, the Company had implemented Quality Management Systems (ISO 9001) in Portugal, Brazil and Mozambique.

### b) Partners, suppliers and subcontractors

Conscious of the importance of third parties for the development of its activity, the principles underlying its compliance policy must always be present in the relationship between Teixeira Duarte - Engenharia e Construções, S.A. and its business partners, and in the interaction with public agents.

The Company also encourages its business partners to implement compliance systems compatible with their activities, with the purpose of promoting and maintaining an ethical business environment. Teixeira Duarte - Engenharia e Construções, S.A., in accordance with SA 8000 which was implemented in Portugal, promotes respect for safe and healthy labour rights and working environments for all workers with suppliers and subcontractors, requiring compliance with social responsibility requirements, of which we highlight:

- Non-use or supporting the use of child, forced or compulsory labour;
- Providing a safe and healthy environment for the provision of work;
- Not inhibiting the freedom of association and the right to collective bargaining;
- Not engaging in or supporting discriminatory acts in any form;
- Not exercising or supporting the exercise of rude or inhumane disciplinary practices;
- Act in accordance with applicable laws and the standards of the respective area of activity, in matters related to working hours; and
- Remuneration considered adequate for the work which is actually performed, always respecting what was legally stipulated.

In 2022, 100% of the contracts signed by Teixeira Duarte - Engenharia e Construções, S.A. with its suppliers included specific clauses on the conditions to meet with regard to matters such as social accountability, ethics, integrity and transparency, in alignment with Teixeira Duarte's Code of Ethics and Conduct, thus ensuring these principles are spread through its chain of suppliers.

In the specific case of subcontractors, the Company has set specific contractual provisions which are mandatory, besides the legal ones, regarding safety and health at work, including occupational accidents insurance, personal protection equipment, accidents rates, training and information, prevention and control of alcoholism, among other.

## Responsible Purchasing

Teixeira Duarte - Engenharia e Construções, S.A. has restructured the supplier's process of qualification and risk assessment, in order to strengthen the sustainability criteria, namely regarding environment, social accountability, health and safety at work and compliance management, thus prioritising suppliers employing sustainability best practises.

Based on the geographic location of the supplier, the field of activity carried out and the Company's capacity to influence the said supplier, Teixeira Duarte – Engenharia e Construções, S.A. evaluates the potential social risk of suppliers against the expected risk, being selected to be monitored the cases with a higher risk. In 2022, 10 suppliers were under monitoring, in Portugal, within the universe of companies with which Teixeira Duarte - Engenharia e Construções, S.A. had supplying relations.

### c) Support for communities

The Mission and Values of Teixeira Duarte - Engenharia e Construções, S.A., particularly the value "Commitment", mirror their concern for Social Responsibility, which is also reinforced by compliance with The SA 8000 Standard, by the principles and rules established in the Code of Ethics and Conduct applicable mainly to human capital and by the vision and model of sustainability that affirms the plan of contributing to the development of communities.

In the context of support for social projects and social solidarity organizations, it should be noted that the Teixeira Duarte Group has decided to adopt an institutionalized position through initiatives that are not exclusive or centred on decisions of the Boards of Directors, but rather ones that involve all employees in a direct action.

It was with this goal in mind that, in 2015, TODOS DAMOS Program was promoted for the first time, a project that allows Teixeira Duarte Group companies to reinforce the donations that their employees intend to make to social solidarity projects and institutions that support people.

Teixeira Duarte Group establishes an annual amount for this purpose, and the employees choose which institutions they want to support. The Company donates twice the amount given by employees, thus tripling the donation amount received by the institutions.

In 2022, were accepted to the program "*Todos Damos*" (we all give) 38 applications, involving employees of 9 companies belonging to the Group in Portugal, Angola and Brazil.

In total, between employee donations and donations from companies belonging to Group Teixeira Duarte, 35.825 € were collected and distributed to 41 institutions.

Besides the financial support that the employees give through the applications to the program "*Todos Damos*" (we all give), these institutions are, in some cases, supported also by the employees by means of volunteer and goods gathering actions.

### Association ACOSIDA in Mozambique



The Association to Support AIDS Orphan Children, in Mozambique, was identified in 2020, through the program “*Todos Damos*” (we all give) and since then the employees of Teixeira Duarte have promoted several initiatives to support the institution. In 2022, it was promoted a campaign for the donation of toys and clothes on World Children’s Day, a joint volunteer action of Teixeira Duarte and the European Training Mission in Mozambique (EUTM-MOZ) which included improvement works in the facilities and a campaign for the donation of food in December. AACOSIDA provides shelter to an average number of 60 children.

In Angola, and having identified that the scarcity of blood in hospital facilities affected directly or indirectly many of its employees, Teixeira Duarte - Engenharia e Construções, S.A. created the program “*Dar Vida*” (give life) to foster the volunteer and periodical donation of blood, namely among its employees. Currently, several companies of the Group promote this initiative in Angola and Mozambique. By raising the awareness of its employees regarding the importance of blood voluntary donation and by creating the conditions for its effective donation, through technical partnerships, the Company wants to contribute for the reduction of the current lack of blood stock in the health care institutions and to stimulate the solidarity feeling of its employees and their personal offers.

In 2022, 164 blood collections were made in Angola and Mozambique which, given that each blood collection may save up to 3 lives, made it possible to save nearly 500 lives.

### Program “*Dar Vida*” (give life) helps saving more than 1.400 lives in Angola and Mozambique



Through the program “*Dar Vida*” (give life), created by Teixeira Duarte - Engenharia e Construções, S.A., in 2019, in the Angolan market, and through its expansion to other companies and markets of the Group Teixeira Duarte, 479 collections were made since the beginning of the program which made possible to help saving the life of more than 1.400 persons.

## Research, Development and Innovation (RDI)

Teixeira Duarte - Engenharia e Construções, S.A. participates in the Innovation Committee created in 2021, by the Group Teixeira Duarte, with the objective of, with their affiliated companies, promoting the creation of innovative solutions, fostering synergies and stimulating employees as agents of innovation. This team works to:

- Promote the innovation within the Group Teixeira Duarte;
- Motivate the business and to develop a culture of innovation;
- Introduce methodologies, management tools and better practises between businesses and the market;
- Measure, analyse and divulge the innovation activity within the Group Teixeira Duarte;
- Help transforming ideas in actual results and with practical application;
- Improve procedures, management and organisation and to innovate in products and services;
- Increase competitiveness of the businesses in the market.

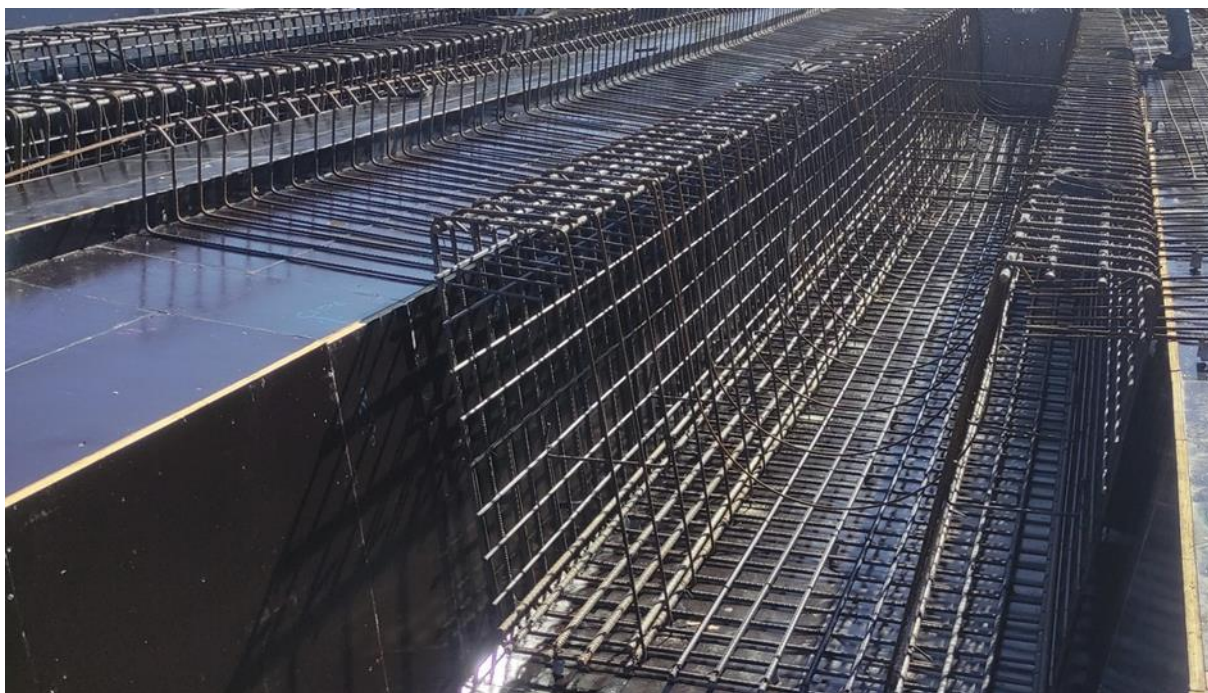
Teixeira Duarte - Engenharia e Construções, S.A. invests a lot in digitalisation, having an ambitious plan ongoing for the consolidation of the methodology “Building Information Modelling” (BIM) and to reach a level of competences in all BIM dimensions, thus becoming a reference in the market. In 2022, the Company broadened the number of projects managed with BIM and continued training of its employees, the production of *standards* and *templates* adequate to the reality and the development of applications and *software* for design and on-site production teams.

Regarding this matter, it is worthy of note the digital production of various components for the projects through the connection of BIM models to the production machines of the Rebar Cages Production Centre (CPA), at Teixeira Duarte's operational pole in Montijo, in Portugal. The CPA (rebar cages production centre), created in June 2021, is equipped with equipment and technological solutions which automate various constructive processes, which allowed for the industrialisation of the preparation, cutting and bending of steel for the assembling of rebar cages, thus avoiding most of the manual labour associated to this activity and contributing to increase efficiency and productiveness, mainly when on the work front.



Pilot-project: Viaducts of Campo Grande, in Lisboa (rebar cages 3D modelling)





Pilot-project: Viaducts of Campo Grande, in Lisboa (rebar cages)

Still within the innovation domain, namely with the objective of increasing construction speed and modular construction, the Company has developed or / and participated in several projects, among which :

a) Mobilising project - *Digital Construction Revolution* Project - REV@CONSTRUCTION

The project has a global investment of circa 8.5 million euros, of which about 1.3 million euros are the corresponding value of the Teixeira Duarte Group.

It has 24 participants, including companies, academic and industry associations, and is led by Teixeira Duarte - Engenharia e Construções, S.A.

Products, Processes and Services to be developed within the scope of this project:

- DIGI4Construction - development of a national digital platform for construction, with BIM4bridges pilot application, involving Infraestruturas de Portugal, S.A.;
- Digital Twin for AEC - processing of design/construction data, with pilot applications, namely paving 4.0 (Mota-Engil) and concrete 4.0 (Teixeira Duarte);
- RCM4Assets - Digital Twin for Operation and Maintenance / Asset Management, predictive maintenance (Coordination Teixeira Duarte and TDGI);
- Integration of all solutions with living lab projects, including BIM4Bridges using RCM4Assets concepts;
- Project Management and Communication.

The project funds these activities through outright grants.

b) "OMICRON" Project

"OMICRON" is a European project funded by *Horizon 2020*, as part of the *Mobility for Growth applications*, with a duration of 42 months, in which Teixeira Duarte - Engenharia e Construções, S.A. participates with 15 other partners from 7 European countries.

This project aims to develop innovative solutions for the maintenance and regeneration of road infrastructures, using more automated and optimized solutions through robotic technologies and intelligent decision support tools.

Teixeira Duarte is responsible for coordinating the main demonstrator of the project that aims to develop modular solutions for the execution of superior passages (for situations of: highway widening; fauna pathways and replacement of existing ones), in a fast, safe and sustainable mode. On the Portuguese team, by Teixeira Duarte's indication, the company Armando Rito is also involved. BRISA will also be involved as an interested party, providing access, signalling and safety during tests to be carried out on the demonstrator.

The financing originates 100% from outright grants, having been allocated to Teixeira Duarte - Engenharia e Construções, S.A. 268.500,00€.

c) SHELTER Project - Structural Hyper-resisting Element for Life Threatening Earthquake Risk

This project began in 2019 and is ongoing. The aim is to develop a worldwide innovative product, which can be installed in a central location of any apartment and will save the human lives of occupants in the event of an intense earthquake, with very low associated costs.

It is a 1.1 million euros project co-promoted by Instituto Superior Técnico (IST), funded by the Portugal 2020 Program, with a total duration of 3 years. The project involves internally the areas of Metalworking, in the development of prototypes, and Buildings, in the construction of partial models of masonry buildings by Teixeira Duarte - Engenharia e Construções, S.A. External participants are the Laboratório Nacional de Engenharia Civil (LNEC), for testing on a seismic table, the IADE – Universidade Europeia, for the design and architectural integration of the shelter, and SPI, through a provision of services.

### Intellectual Property

To ensure the protection of all intellectual property rights generated in the scope of Research, Development and Innovation, Teixeira Duarte - Engenharia e Construções, S.A. has granted several patents in Portugal, with emphasis on the following pioneering systems and methods:

- System of bridge trays and / or viaducts assembly by incremental progress, with reaction in the temporary support beams in the meeting and sliding over plastic material;
- Method of protecting the fixation of the rubber-gutter in the expansion joints of bridges/viaducts and their assembly;
- Suspended scaffold on the funicular cables of a suspension bridge equipped with means to allow them to be moved and transposition of the existing brackets on the hanging cables of that bridge.

In the 2022 financial year, no new invention patents were submitted for registration.

### **Contribution to the Construction sector's normative activity**

The contribution to the normalization of the activity sectors establishes, for companies, a means of competitive differentiation, as it privileges activity development in line with rules of the trade and national and international standards.

In 2022, Teixeira Duarte - Engenharia e Construções, S.A. kept its participation in the *Technical Working Group* of the *European Federation of Foundation Contractors* (EFFC) which aims at the cooperation and development of guides and standards for the execution of geotechnical works.

The Company also participates in the standardization activities of the Comissão Técnica Portuguesa de Normalização CT156 – Geotecnia em Engenharia Civil, chairing the SC10 subcommittee, technical body targeted towards issuing normative opinions and translating CEN's European standards in the scope of Geotechnical Structures Testing and Implementation of Special Geotechnical works, also integrating ISO's TC182 Technical Commission WG11 work group, responsible for creating the Geotechnical investigation and testing – Testing of geotechnical structures - Part 2: *Testing of piles: Static tension load testing* and ISO 22477-6 *Geotechnical investigation and testing – Testing of geotechnical structures – Part 6: Testing of soil nails and rock bolts*.

Teixeira Duarte - Engenharia e Construções, S.A. maintains its participation in the work groups GT2 Port Geotechnics and GT3 *Digital in Transportation Geotechnics* of the Portuguese Commission of Transportation Geotechnics (CPGT), as well as the work group GT4 *BIM and Information Management in Underground Works* of the Portuguese Commission of Tunnels and Underground Space (CPT), which focus on the organisation of and participation in training sessions and technical-scientific divulging events, the promotion visits of projects and the development and publication of technical documentation in the various domains of the transportation geotechnics, among others.

In the domain of the BIM standardisation in Portugal, the company participates in the CT 197, whose mission is to develop the standardisation regarding the systems of classification, modelling of information and processes throughout the life cycle of the construction projects and follow the developments of CEN/TC 442, CEN technical committee ("European Committee for Standardisation") regarding BIM standardisation.

With the objective of being an active part in the definition of the *Twin Transition* strategy of the AEC sector, Teixeira Duarte – Engenharia e Construções, S.A. is one of the main sponsors of the design industry FoC – *Future of Construction*.

Through FoC, a project promoted by BUILT CoLAB, the AEC sector intends to implement a structured action plan to sustainably promote the areas where currently exist the main constraints of the industry: digital transformation, carbon neutrality, circular economy, innovation and qualification / certification of competences.

Within the scope of the development of this action plan, it is noted, in 2022, the collaboration of the company in the professions and professional categories revision process in the AEC sector, adapting them to the new digital transformation context.

### Participation in technical - scientific events

Teixeira Duarte - Engenharia e Construções, S.A. is often asked to participate in technical and scientific events in different countries, while entity with recognised experience in several areas of *expertise*. In 2022, it is worth noting the following participations:

- Integration in the Scientific Commission of the Brazilian Congress of Soil Mechanics and Geotechnical Engineering (COBRAMSEG), which took place in Campinas, Brazil;
- Organisation of the Seminar Port Geotechnics and Soil Improvement, where was represented by the subject *Solutions for the treatment of soils in buildings' foundations: practical cases*;
- Participation in the XI Luso-Brazilian Congress of Geotechnics, integrated in the COBRAMSEG2022, with the article *Geotechnical solutions for the installation of a synchrolift for ships of 9000T on an existing port infrastructure* ;
- Participation in the X Conference on Coastal and Port Engineering which took place in the Port of Sines, with the presentation of the paper *Rehabilitation, underpinning and reinforcement of a mooring structure for the installation of a synchrolift for ships of 9000T*;
- Participation in the session on *Standard framework of load testing in micropiles: practical cases and methodologies*, organised by the Commission of Specialisation on Geotechnics (CEG) of *Ordem dos Engenheiros* (Engineers Association) (OE), where was represented by the subject *Static testing of geotechnical structures*.
- Participation in the seminary *Geotechnics as a reference of Portuguese Engineering*, evoking the 50 years of the Portuguese Society of Geotechnics and integrated in the celebrations of the 75 years of the National Laboratory of Civil Engineering, where was represented with the paper *BIM: Jumping to digital*

### Partnerships with entities of the scientific and technological system of the Construction sector

Within the sector where it is located, Teixeira Duarte - Engenharia e Construções, S.A. promotes innovation and technological development, also developing RDI activities in partnership with institutions of the scientific and technological system and other similar companies.

Main Partnerships in Portugal:

#### a) Portuguese Construction Technology Platform

The PTPC brings together companies, designers, universities, public entities and other entities of the Scientific and Technological National System, with the mission of promoting reflection on the Construction sector, implementing initiatives and Research projects, Development and Innovation, contributing to increased competitiveness in the economy's general framework and promoting cooperation between stakeholders in the Construction and Public Works sector or related to it.

Teixeira Duarte - Engenharia e Construções, S.A. has held the PTPC Presidency since its constitution in 2011.

#### b) AEC Cluster – Architecture, Engineering and Construction

Established in 2016, the AEC Cluster is managed by PTPC. Operating in the economic sector of Architecture, Engineering and Construction and respective rank or value chain, favouring the achievement of high innovation, technological development and competitive capacity levels, cooperation and networking and the cluster's internationalization development through, namely, the participation in international networks.



c) Built CoLAB - Collaborative Laboratory for the Environment Built from the Future

In 2020, PTPC approved the application for a Collaborative Laboratory for the provision of services, by highly qualified human resources, that promote the development of cooperative or internal business skills. The overall value of 5-year outright grant financing is 3,4 million euros.

Under this Collaborative Laboratory, the following business skills development areas are eligible:

- Productivity and Competitiveness;
- Digital Transformation;
- Smart Buildings and Infrastructures; and
- Sustainable and Resilient Buildings and Infrastructures.

Teixeira Duarte - Engenharia e Construções, S.A. holds the Presidency of BUILT CoLAB's Board of Directors.

d) Portuguese Structures' Engineering Association which constitutes the Portuguese group of the International Association for Bridge & Structural Engineer (IABSE)

Teixeira Duarte - Engenharia e Construções, S.A., through PTPC, participates in this association that targets the development and promotion of structural engineering, at an international level. It is in charge of the organisation of major congresses and international conferences.

e) Fund for the Development of the Sciences of Construction (FUNDICIC)

Teixeira Duarte - Engenharia e Construções, S.A. presides the General Meeting of FUNDICIC, a private association of scientific nature which gathers, among other entities, the National Laboratory of Civil Engineering, and, being a non-profit organisation, fosters the research and development of engineering.

f) Association for Training and Development in Civil Engineering and Architecture (FUNDEC)

Teixeira Duarte - Engenharia e Construções, S.A. is member of the Advisory Board of FUNDEC since its foundation. FUNDEC has defined as goals the institutionalisation of continuous training actions, add value and recycle persons and companies operating on the wide domain of Civil Engineering and Architecture. Simultaneously, FUNDEC supports companies through the provision of services of science and technology.

g) Association *BuildingSMART*

Teixeira Duarte - Engenharia e Construções, S.A. is associated of *BuildingSMART*, whose main objective is to promote the efficiency in the construction sector through the use of open standards of interoperability in BIM ("Building Information Modelling") to achieve new levels of : reduction of costs, execution time and quality.

Teixeira Duarte - Engenharia e Construções, S.A. has established protocols with the following entities of the national scientific and technological system: Faculty of Engineering of the university of Porto (FEUP), High Technical Institute (IST), National Laboratory of civil Engineering (LNEC) and University of Minho (UM).

Main International Partnerships:

a) *ENCORD - European Network of Construction for Research and Development*

Teixeira Duarte - Engenharia e Construções, S.A. was admitted to ENCORD in 2014. ENCORD is the European Commission's contact association in matters regarding innovation in construction and superintends the activity of the ECTP - *European Construction Technology Platform*. ENCORD receives the participation of the major construction companies in Europe in the promotion of innovation and competitiveness.

Teixeira Duarte - Engenharia e Construções, S.A. is a member of ENCORD's Strategic Council and participates, among other, in the Foresight group.

b) *ECTP – European Construction Technology Platform*

ECTP is a similar association to PTPC but with a European scope. As PTPC's President, Teixeira Duarte - Engenharia e Construções, S.A. participates in the ECTP Steering Committee, Vision Group and Working Group Heritage and Regeneration.

c) *B4P - Built4People*

Through the PTPC and the ECTP, the company participates in this partnership within the scope of Horizon Europe since 2021. The partnership intends to catalyse the transition to an environment built centred on the persons, neutral for the climate, sustainable and intelligent.

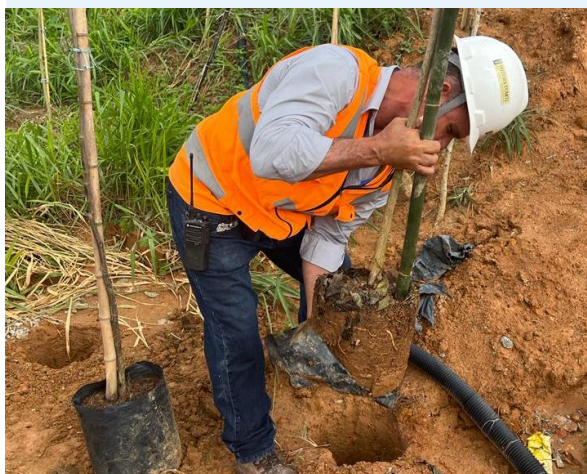
## ENVIRONMENTAL MANAGEMENT

The operating principles of the employees of Teixeira Duarte - Engenharia e Construções, S.A., with regard to environment, which are enshrined in the Code of Ethics and Conduct and are transmitted to indirect recipients of this instrument, are based on a management approach of the environmental risks allowing for the effective minimisation of the impacts of the companies activities and the improvement of the environmental performance of the buildings and infrastructures built by the company.

In fact, the company, as a reference in an industry where the activities have a significant environmental impact, is committed to innovate in processes, raw-materials and operations allowing not only for the modernisation and increase of productivity, but also contribute for a greater alignment of the industry with world's environmental goals. In the management of the environmental issues, Teixeira Duarte - Engenharia e Construções, S.A. considers the main global macro-tendencies, the regulatory and normative context (Agenda 2030 of the United Nations, European Ecological Pact, European Climate Law), the main economic and financial frameworks ("Next Generation EU", Taxonomy), ESG requirements for investors, and other tools.

## World Environment Day

Every year, Teixeira Duarte - Engenharia e Construções, S.A. promotes numerous initiatives to raise its employees' awareness regarding the role of each one of them in the environment. The World Environment Day is one of the milestones the company uses to raise the awareness of its employees regarding the importance of preserving the natural resources and encourage them to concentrate their efforts around the more urgent environmental issues. In 2022, within the scope of this objective were carried out several activities in various markets.



Teixeira Duarte – Engenharia e Construções, S.A., Brazil



Teixeira Duarte – Engenharia e Construções, S.A., Mozambique

Since the Company's activity is subject to strong variations in the impacts caused depending on the works carried out (type, quantity and phase) - which limits the possibility of yearly comparing data, the choice of a set of indicators and of an adequate reporting approach to reflect the performance of its activities is conditioned.

## Environmental management systems

ISO 14001 is a worldwide reference for environmental management systems, according to which Teixeira Duarte - Engenharia e Construções, S.A. governs its practices with a view to continuous improvement of its environmental performance, incorporating specific processes to identify and manage the main environmental risks. As of December 31, 2022, the Company had a certified environmental management system according to the reference in Portugal and Brazil. In general, the environmental risks parametrised and safeguarded are closely linked with legal aspects, contractual provisions, when applicable, and to the operating efficiency itself, given the implementation of measures and the investments which result in gains, namely with regard to the consumption of energy, water, materials, waste management, among others.

## Certified Production of Metallic Structures

The production of metallic structures by Teixeira Duarte - Engenharia e Construções, S.A. is certified by EN 1090-1, and the process maintained the necessary control audits during the year under analysis.

Compliance with this standard allows the Company to provide quality structures aligned with European standards.

### Provisions and financial guarantees on environmental risks

In the normal course of their activities, companies operating in the Construction sector and complementary areas are exposed to environmental risks. In this regard, it should be said that, in order to comply with the legal obligations under the liability for environmental damage, arising from Decree-law no. 147/2008, and subsequent amendments, Teixeira Duarte - Engenharia e Construções, S.A. chose, in Portugal, to constitute financial guarantees adding up to 67,395€ as of December 31, 2022.

It is thus considered that the risk of possible environmental damage arising in the activities of those companies is duly safeguarded.

### Energy

Teixeira Duarte - Engenharia e Construções, S.A. has acted to minimise energetic consumption in its fix and temporary facilities and, consequently, the emission of green house effect gases, seeking for the improvement of the environmental performance with a higher operational efficiency as well.

This action involves a gradually larger investment in “clean” technologies and raising the awareness of employees.

#### Reduction of the emission of greenhouse effect gases in Portugal



In 2022, the Group Teixeira Duarte signed a contract with Greenvolt Next Portugal to install in the operation pole of the Construction sector, in Montijo, a Production Unit for Auto-Consumption (PUAC) which will have more than 2.100 photovoltaic solar panels which will allow for a 62% reduction on the energetic invoice of the facilities and avoid the emission of 823 tons of CO<sub>2</sub>e per year. The operational pole PUAC will have an installed capacity of 1.174 kWp and its installation does not require an initial investment by Teixeira Duarte. The emissions which were avoided through the implementation of this measure are the equivalent to the CO<sub>2</sub> captured per year by 5.700 trees.

Energy rationalisation measures have also been implemented to reduce specific consumption per user in the Company's fixed facilities, particularly in the offices and operational centres, which include raising employee awareness of the frugal use of energy and good practices to be taken into account.

### Water resources

Within the scope of environmental management systems, Teixeira Duarte - Engenharia e Construções, S.A. evaluates the environmental impacts resulting from the use of water resources, seeking to act in reducing consumption and minimising the pollution load discharged in a soil or water environment.

During the pursuit of its activities, water resources can be consumed from various sources - public supply network, groundwater collection, rain collection, externally supplied by a water tank and bottled water - with this consumption being subject to significant fluctuations depending on the type, quantity and phase of each project.

It is common practice, in construction activities, the reuse of water for parallel activities such as watering / sprinkler on powdery surfaces, wheel washing at the yard exit, concrete mixers washing, among others. This topic is widely publicized in training and awareness-raising initiatives, with the aim of eliminating waste and maximizing the resources available on site. Still, the water consumed is mostly supplied by the water supply network.

The activities that usually take place along water lines are the target of monitoring of surface water resources in order to identify any change in quantitative or qualitative terms. At the same time, monitoring of water captures and discharges into soil or water is carried out whenever there are potential impacts on the surrounding environment.

The implementation of good practices and the search for constant improvement in the reduction and reuse of water has been converted into the implementation of good practices, which include water reuse measures, optimising the moments of consumption and awareness-raising initiatives for employees.

### **Consumption of Materials**

The consumption of materials in Construction is directly related to the quantity, dimension and type of works carried out. Among the most commonly used raw materials are concrete, cement and aggregates.

#### **Concrete and Aggregates Laboratory in Portugal**

Teixeira Duarte - Engenharia e Construções, S.A. maintains a Materials Laboratory in Portugal with the objective of supporting the manufacture and control of concrete to be applied in its works. Certified by IPQ – Instituto Português da Qualidade since 1996 and having been one of the first laboratories to obtain this Certification in the field of concrete and aggregates in the country, the Materials Laboratory maintained its accreditation, in 2022, under the EN ISO/IEC17025 Standard.

In 2022, the Group Teixeira Duarte carried on with its strategy of digital transformation of the procedures, consolidating various projects which are being implemented these last two years, and developing new instruments which aim at de-materialising procedures and, consequently, reducing the use of paper in the various facilities, permanent and temporary, of its companies.

### **Noise**

In the Construction activity, noise can be an environmental and social risk factor, in some phases and types of work. Thus, the noisiest activities that are carried out in the vicinity of sensitive receivers are planned in order to minimise their impact - whenever possible noisy activities are planned for during the day and excluding Saturdays, Sundays and holidays.

If this is not at all possible, a special noise license is requested for the execution of the works.



## **Emissions**

Whether in offices or in its operational facilities, Teixeira Duarte - Engenharia e Construções, S.A. works to reduce its ecological footprint by reducing CO2 emissions inherent to its activities.

As part of its certification in environmental management, Teixeira Duarte - Engenharia e Construções, S.A., collects data related to CO2 emissions in Portugal, Brazil and Angola, with the possibility of extrapolating results obtained for most of its operations. Emissions are obtained from two major sources: travel made at the Company's service (plane, train and car) and energy consumption (electricity, gaseous and liquid fuels).

The most significant source of energy in the emissions produced by Teixeira Duarte - Engenharia e Construções, S.A. are liquid fuels, of fossil origin, used to carry out the works.

## **Waste**

Waste production is one of the most relevant environmental aspects in the Construction sector. The Company has, in recent years, developed awareness and training campaigns, with the objective of promoting waste segregation and, consequently, its recovery. These campaigns are aimed not only at the Company's employees, but also at all interested parties and players in waste management, including subcontractors and suppliers.

When it is not possible to guarantee recycling and / or recovery solutions, waste is sent to duly authorised and licensed locations.

## **European Taxonomy**

With the approval of the Regulation (EU) 2020/852 on June 22, 2020 - Taxonomy Regulation - the companies under the obligation of publishing a consolidated non-financial statement, in accordance with the Decree-Law no. 89/2017, of July 28, must divulge the proportion of the turnover, capital expenses (CapEx) and operating expenses (OpEx) which results from sustainable economic activities from an environmental point of view. This regulation, which is applicable to Teixeira Duarte, S.A., top company of the Group Teixeira Duarte, tries to channel investments to sustainable projects and activities, contributing to the substantiation of the European Ecological Pact as part of the EU response to the climate and environmental challenges.

In 2021, Teixeira Duarte, S.A. began the exercise of the implementation of the Taxonomy by mapping the eligible and non-eligible economic activities of the companies included in its consolidation perimeter. The mapping enabled the identification of the eligible activities within the scope of the activities of the Group in the sectors of Construction, Concessions and Services and Real Estate (more information in the 2021 Annual Report and Accounts of Teixeira Duarte, S.A.).

Therefore, and as a reference company in the Construction sector of the Group Teixeira Duarte, Teixeira Duarte – Engenharia e Construções, S.A. began, in 2022, monitoring its activities in the dimensions set out in the Taxonomy Regulation, namely in terms of response to the criteria alignment of the Regulation, so that Teixeira Duarte, S.A. may fulfil the regulation in a consolidated manner.

## **V. 2022 ACTIVITY REPORT**

### **Scope of the Activity Report**

The figures referred to in the previous chapters (Financial Information Report and Non-Financial Information Report) reflect the results of Teixeira Duarte - Engenharia e Construções, S.A.'s performance, and its branches as well as consortia and subsidiaries, there included through the equity method application, in accordance to note 11 of the appendixes to the financial statements.

The report that follows refers to the activity of Teixeira Duarte - Engenharia e Construções, S.A., and of its branches, as well as groupings and company subsidiaries which operate in the Construction sector and in operations within the scope of Concessions and Services linked to the construction activity.

Among these, besides the branches of Teixeira Duarte - Engenharia e Construções, S.A. and of various groupings it is part of, are worthy of notice EPOS – Empresa Portuguesa de Obras Subterrâneas, S.A. (and its branches), Teixeira Duarte Algérie, SPA, EMPA, Serviços de Engenharia, S.A. (in Brazil), Teixeira Duarte - Engenharia e Construções (Colombia), S.A. and Teixeira Duarte - Engenharia e Construções (Moçambique), Lda.

Thus, in this report is presented hereafter the joint activity of Teixeira Duarte - Engenharia e Construções, S.A. and of all these entities in the construction field (Chapter V.1.), and then a chapter where it is highlighted the activity in connection with Concessions and Services (Chapter V.2.).

### **V.1. CONSTRUCTION**

Teixeira Duarte - Engenharia e Construções, S.A., as the main company of the Teixeira Duarte Group in the Construction sector, currently develops its activity in the areas of Geotechnics and Foundations, Buildings, Infrastructures (including Maritime Works and Rehabilitation), Metalworking, Underground Works and Railway Works, which divide the production and commercial aspects into structures that are essential to management training and in the monitoring of their career and who integrate Exploitation and Management Centres, equally deploying a set of Support Structures specific for this construction sector, in particular in the areas of Formwork, Rebar Cages and Concrete, Equipment Management and Logistics of Proposals and a Materials Laboratory.

In addition to these structures, the Company also has an important Design Centre, through are carried out technical engineering studies and designs, for the whole Group, which has proven to be of the utmost importance in the submittal of bids and designs with solid technical grounds. This structure is in charge of the coordination and the implementation of the BIM (Building Information Modelling), in the whole Group Teixeira Duarte, with the consolidation of internal and external training, development of designs using this technology and implementation of internal procedures.

Also integrated in Teixeira Duarte - Engenharia e Construções, S.A. there are other structures which, though more focused in the construction activity, support other sectors of the Group in the domain of the management systems and procurement, being that there is also an operational pole settled in Montijo, with an area of more than 100.000 m<sup>2</sup> which is a major asset for the company and for the services rendered to its clients.

Its founder, Engineer Ricardo Esquível Teixeira Duarte, who completed the first Civil Engineering course taught at the Instituto Superior Técnico and who played a role as President of the Order of Engineers, has always been recognized by his peers for his technical and innovation value.

Teixeira Duarte - Engenharia e Construções, S.A. continued its performance defined by this hallmark, always assuming itself as a true Engineering house. From large infrastructures such as bridges, dams, roads and other public works, as well as hospitals and large buildings constituting historical landmarks, the Teixeira Duarte brand is recognized as a synonym of knowledge and experience, being a constant presence in the construction market.

The Company's performance is characterized by interventions in projects of high technical complexity and dimension, both in public and private works, with highly specialized and technically prepared human resources, supported by technologically advanced own equipment.

In 2022, Teixeira Duarte - Engenharia e Construções, S.A. operated directly and through the above mentioned entities in the markets of Portugal, Angola, Algeria, Brazil, Cabo Verde, Colombia, Spain, Kuwait, Mozambique, Peru and Venezuela and kept commercial activity in several other markets for the purposes of study and research.

#### **V.1.1. GEOTECHNICS AND FOUNDATIONS**

In the Geotechnics and Foundations area, technical solutions for foundation engineering, geological studies, mining surveys, diaphragm walls, piles, micropiles, nailing, anchoring, consolidations, injections, jet-grouting, concrete, among other works which are conceived and executed in this domain.

The sector of Geotechnics and Foundations was involved in numerous contracts for the execution of Deep Foundations, Excavations and Retaining Systems, Slopes Retention, Geological and Geotechnical Survey and Instrumentation of Structures.

2022 was the year of a significant recovery in this sector, especially in Portugal, which still is the main market with more than 50% of the activity.

In the other markets, a particular mention to Angola and Brazil which have large potential for growth. Mozambique and Colombia are the other countries where the sector of Geotechnics and Foundations operates.

In Portugal, it is worth mentioning the following works:

- In “Alta de Lisboa” were executed three contract works for the excavation and retaining system with diaphragm walls bore by provisional anchors and with foundation piles: (Plot 14.5, Plot 14.3 and Plots 10 and 11);
- For Metro de Lisboa, were executed the foundations with piles of the new viaducts of Campo Grande.
- It was initiated the execution of the contract works for the demolition, structural reinforcement and foundations with micropiles, retaining system and excavation of a building at Rua Garrett, in Lisboa;



- In Parque dos Cisnes, Algés, were carried out works of three different contracts for the excavation and retaining system with diaphragm wall and pile wall and provisional anchors: (Plots 19 e 20, Plots 21 and 22 and in Plot 16);
- Foundations reinforcement with micropiles of the head office of the *Ordem dos Farmacêuticos*, in Lisboa;
- Retaining system with diaphragm wall in the *Escola Superior de Música*, in Lisboa;
- For HILIMOB, it was executed the retaining system with diaphragm wall and general excavation of a new residential building at Avenida da República, in Gaia;
- Execution of micropiles for the foundations of the new *Hospital Central do Alentejo*, in Évora;
- For Metro do Porto, it was executed, in the circular line, a retaining system with a pile wall in the new metro station Casa da Música;
- The Company also executed throughout the year several works of geological and geotechnical survey, including rotation bore-holes with continuous sampling and subsequent laboratory testing.

In **Angola**, it must be noted the completion of the contract works for the foundations and footings of the cereal silos of St. George milling plant, in Funda, among other works of deep foundations of smaller dimension and geotechnical survey. It was also initiated the contract for the execution of deep foundations and retaining system of a mixed building at Sodimo, in Luanda, works for the execution of piles, diaphragm wall and anchors, with a section of excavation executed using the top-down method.

In this market, it is worth mentioning the following works:

- Completion of the execution of the deep foundations and reinforced concrete works at *Fábrica de Bolachas*, for INDUVE – Indústrias Alimentares, S.A.
- Completion of the deep foundations for the *Hospital do Cacucaco*, for Alkra Technologies FZ-LLC.
- Continuation of the works of deep foundations for the "Transmission Lines of Laúca", for OMATAPALO - Engenharia & Construção, S.A., section Catete-Laúca;
- Deep foundations for the Agro-industrial Unit of *Fazenda Socamia* for Moldaterras.
- Drilling and installation of horizontal drains in the tunnels of Av. Van Dúnem Loy for Tecnovia
- Foundations with piles for the bridge Paraíso, for Norafrica.
- Foundations with piles for the control tower of the Port of Luanda, for Norafrica.
- Foundations with piles for the for the bridge Capacala, in Dondo, for Norafrica.
- Offshore geological - geotechnical survey of the port of Barra do Dande for "OEC".

In **Brazil**, due to the high demand of the residential market, especially in São Paulo, the sector participated in several contract works for the excavation and retaining systems in urban areas, for different developers, besides the participation in various projects of infrastructures:

- For the client GAFISA, were executed several works of excavation and retaining systems with diaphragm walls:
  - Complex "Invert Campo Belo" in São Paulo
  - Complex "Tom Leblon" in Rio de Janeiro
  - Complex "Flow Nestor Pestana" in São Paulo
  - Complex "Lamborghini" in São Paulo

- Complex “Vinci” in São Paulo
- For Engetec, it was initiated the execution of the foundation piles of the Special Engineering Work of the complex of Topolândia, in São Sebastião, located at the littoral north of the state of São Paulo;
- In Paraíba, it was initiated the execution of the piles for the foundations of the aqueducts of the “Transposition Branch Apodi”, for the client Álya;

In **Colombia**, the sector was involved in various projects of public works, but always through private clients, namely:

- For “*Consórcio Ferrocól*”, in Bucaramanga, it was executed the stabilisation of several slopes;
- In Girardot, for “*Consórcio RUTA 40*” were executed the deep foundations with piles in several engineering works;
- For “*Gravimezclas S.A.*” were executed gravel piles for the consolidation of the soils of a road platform of a new bypass at Sogamoso;

In Bogotá, for “*Concesionaria Ferrea de Occidente*”, the sector participated in the execution of the initial piles and dynamic load tests.

In **Mozambique** were finished the works for the deep foundations of a car park silo, in Maputo, and the foundation piles for the Construction of the second railway bridge at Km 26 of the line Ressano Garcia. The Sector also executed several works of geotechnical survey.

#### V.1.2. BUILDINGS

In the buildings sector, an important role in the construction and rehabilitation of all types of buildings has remained, namely of great size and complexity, public or private and destined to the most varied uses. In 2022, the Group operated in this area in Portugal, Angola, Algeria, Brazil, Mozambique and Kuwait.

Overall, in 2022, there was an activity growth of 49%, when comparing with 2021.

This turnover growth was supported mainly by the markets of Kuwait, Portugal, Brazil and Angola, where was recorded a rather relevant activity growth when comparing with 2021.

Regardless of this situation, in 2022, and as had happened in the two previous years, the activity continued to endure heavy constraints which result from the abrupt and sudden raw-materials, materials and labour force price escalation due to the disruption in the supply channels, consequences of the COVID-19 pandemics, of the global energetic crisis and of the war in Ukraine. These facts had negative impacts on the projects, both with regard to costs and to the availability of means, situations that for the most part, and given that these are multi-year contracts without price adjustment clauses, caused a deterioration of the Buildings main economic indicators, in 2022.

In Mozambique, the turnover volume kept levels similar to those recorded in 2021.

**Portugal** continued to be the main market in the Buildings sector, with approximatively 47% of the sector's activity total, followed by the market of Kuwait with 31%.

In Portugal, resulting from what was happening in 2021, there was an increase in the activity in the private real estate market, with special emphasis on the residential domain which, together with the multi-year contracts signed in previous years, resulted in an activity growth of 15%, thus maintaining the growth tendency initiated in 2017, only interrupted in 2020, when of the beginning of the COVID-19 pandemics.

Among those projects, were finished in 2022, for the real estate of the Group Teixeira Duarte, the residential development "One Living" - Plot 1, in Cascais, and the 1st phase of "Fábrica 1921", in Benfica - Lisboa. Simultaneously, it was initiated for the same company of the Group the construction of the 2nd phase of "Fábrica 1921", with a total of 82 apartments, and in the north of the country, in Vila Nova de Gaia, the construction of Plot Q19, in Quinta do Cravel, with 50 apartments which are, together with the development "River Plaza", whose construction is ongoing, two important projects in the region.

For OCM Capital Partners, it was finished the project of the building "Valrio II", in Lisboa; and continued the execution of ongoing projects, namely "Villa Unika", in Cascais, and Plot 14.3 and 14.6 in Alta de Lisboa. Also for this client, it was initiated in 2022 the construction of plots 19 and 21, in Parque dos Cisnes, Miraflares, which count, in total, 204 apartments and a gross building area of 63.280 m<sup>2</sup>.

In the second semester of 2022, began the project for the 1st phase of the Office Tower of the Shopping Centre Colombo and respective car park, which will result in the third office tower, for Sonae Sierra, a contract with a price of 11,8 million euros.

With regard to the residential and commercial real estate development located at the Eastern Entrance of Cascais, for GRAND BAY RESIDENCES - SICAFI, S.A. and AUCHAN RETAIL PORTUGAL, S.A., it was finished the contract works of the Auchan Commercial Zone and the residential component continued with the construction of plots 2 and 3.

Among the contracts which passed on from 2021, were concluded the projects *Palacete Henrique Mendonça*, in Lisboa, for ISMACO, the *Beneficência Familiar*, in Porto, the student hall of residence "Hoso Tower" in Porto, for Rational Cipher, the structure of the Hotel "Dom Luís Boavista", for the Closed Real estate Investment Fund Sete Colinas, and the residential development "High Lapa", for Reformosa.

Still in 2022, continued the execution of the project "MUDE – Museu do Design e da Moda", in Lisboa, for Sociedade de Reabilitação Urbana (urban rehabilitation society), the residential and hospitality development "Legacy", in Cascais, for Reformosa, the Research Centre "IBET – Biofarma", in Oeiras, for iBET – Instituto de Biologia Experimental e Tecnologia (institute of experimental biology and technology), the residential building at Avenida da República 55, in Lisboa, for EMGI, and the finishes of the Hotel "Dom Luís Boavista", for the Closed Real estate Investment Fund Sete Colinas.

On the basis of the current portfolio, the strong dynamics of the real estate market, both private and public, and the growth in the activity in the industrial in the region of Sines, it is expected a growth of the activity in 2023.

In **Angola**, in spite of some signs of slight recovery, especially in the tertiary sector, the performance of the economy during 2022 remained at low levels; the beginning of relevant projects keeps being delayed, both in public and private investments.

Notwithstanding the scenario of economic contraction, in 2022, as foreseen, there was an increase of the activity when comparing with 2021, having been concluded throughout the year the works of the 1<sup>st</sup> phase of the foundations and structure of the project for the construction of the general hospital of Cacuaco, for Alkra Technologies FZ-LLC, by a consortium under the leadership of Teixeira Duarte. Also in the health domain, it was finished, as a design / build project, the Health Unit of Belas for the Clínica Sagrada Esperança, in Talatona, an innovative centre of Disease Prevention and Control, with a global price of 2,2 million dollars; in the residential domain, the structure of the Building Mfinda, for the Cooperativa Mfinda, in the island of Luanda, with a price of 2,4 million dollars, a building with a total of 11 apartments. There were also some interventions in the hospitality units of the Group.

In the industrial construction domain, it is pointed out the completion of the infrastructure works carried out for KT – Kinetics Technology Angola (SU), Lda., in the Refinery of Luanda, with a price of 1,0 million dollars.

In the last trimester of 2022, it was signed the contract for a Hospital Unit for Clínica Sagrada Esperança, in Cabinda, with a price of 10,6 million dollars, which will allow to increase the capacity of the existing hospital with two more operating theatres and twenty-one ward beds.

Considering the portfolio of projects and also the expectation of beginning in 2023, for a price of 85 million dollars, the construction of the Expansion of the Hospital of the Island for Clínica Sagrada Esperança, a project composed of an hospital building with emergency service, special exams, five operating blocks and 92 hospitalisation beds, a car park silo for 398 vehicles, a technical central and a WWTP that, together, shall ensure an increase of the capacity and response quality of the existing facilities of Clínica Sagrada Esperança, it is possible to anticipate a new increase of the turnover in the Buildings sector in 2023.

In **Brazil**, throughout the year 2022, it is worth mentioning the following projects:

- Continuation of the execution of the contract for the Mormons Temple, in the town of Salvador, state of Bahia;
- Completion, in the interior of the state of São Paulo, for Aliansce Sonae, of the works for the reformation of the shopping centre in the town of Franca;
- Continuation of the works of the of the regional hospital of Ourilandia do Norte, state of Pará, for VALE;
- Continuation of the contract for the execution of the works for the reformation and expansion of the International Airport of João Pessoa – President Castro Pinto – and of the Airport of Campina Grande – President João Suassuna – both in the state of Paraíba, for AENA Brazil, in consortium with the leadership of Teixeira Duarte
- In October 2022, began the execution of the first phase – adaptation of the basic design - of the contract for the works of modernisation and expansion of the passengers terminal and improvement of the airport infrastructure of the runways and yards of the International Airport of Boa Vista – Atlas Brasil Cantanhede, in the state of Roraima and of the International Airport of Porto Velho – Governador Jorge Teixeira de Oliveira, in the state of Rondonia. Contract EPC (Engineering, Procurement and Construction) Turn-Key Lump Sum – for the Concessionaire of the Amazonia Airports (Group Vinci Airports), a consortium with the leadership of Teixeira Duarte;

For 2023, it is expected to maintain the level of activity recorded in 2022

In **Kuwait**, Teixeira Duarte continued to execute the contract job for the construction of the Waste Water Treatment Plant of Umm Al Hayman, for WTE Wassertechnik GmbH – Koweit Branch, with a price of approximately 166 million euros.

Following the years of 2020 and 2021, with heavy constraints for the construction activities due to effects of the COVID-19 pandemics, in 2022, with the lifting of the restrictions, it was possible to have the necessary conditions for the normal execution of the project, which resulted in a significant increase of the levels of productions and turnover, when compared to 2021.

The completion of this project is estimated to occur in the last trimester of 2023.

In **Mozambique** the difficult economic and financial conjuncture the country is going through these last years, aggravated by the extreme climatic phenomena and by the instability resulting from the armed conflict in the north of the country, continues to affect the construction activity and to delay new investments which were intended for that region of the country.

In 2022, the level of activity in the Buildings sector remained low, with particular mention to the completion of the contract for the Design / Build of the Administrative Building of the Port of Maputo, for DP World, the 1st Phase of the structure composed of foundations and ground slab of a car park silo in the Central Market of Maputo, for Cobham Development, Lda and the completion of the support buildings within the scope of the contract for the Construction of the Port of Nacala, Phases I and II, for the Japanese consortium Penta Ocean / Toa.

In the last trimester of 2022, it worth noting the contract for the Construction of the New Head Office of the Constitutional Council, an institutional building with 7.700 m2 of building area and a price of 17,6 million dollars, as well as the contract for the Structure, Finishes and Special Installations of the Car Park Silo in the Central Market of Maputo, for the *Empresa Municipal de Mobilidade e Estacionamento, E.P.*, for a price of 4,5 million dollars, which will increase the parking solutions in this zone of the town with more 420 places.

These two situations anticipate an activity growth in the Buildings sector in 2023.

### V.1.3. INFRASTRUCTURES

In the Infrastructure sector, the Teixeira Duarte Group companies bring together a vast and diverse set of executed works, namely roads and highways, bridges and viaducts, dams, tunnels, railways, railway stations and interfaces, harbour works, environmental construction and water and natural gas infrastructure.

In 2022, the Company executed works within the scope of contract works in Portugal, Algeria, Brazil, Colombia, Cabo Verde and Mozambique, having also carried on with technical and commercial activity in some countries of Latin America, Africa and Europe, which anticipates, at short or medium term, the awarding of some contracts in these regions.

In **Portugal**, the activity increased significantly (approximately 175%) with particular reference to the following projects:

- The continuation of the execution of the infrastructures of the real estate development “Vila Rio”, in Póvoa Santa Iria, for the real estate department of the Group;

- Execution and completion of the works for REN – Rede Elétrica Nacional for the Rehabilitation and Reinforcement of the Slopes of the Substation of Carvoeira, in Torres Vedras, which consisted in the integral excavation of the existing landfills, with roughly 66.000 m<sup>3</sup>, the execution of draining ditches, the execution of new rockfill / landfill and the reconstitution of the access road ;
- Within the scope of the Grouping denominated *ACE Viadutos do Campo Grande*, composed of Teixeira Duarte - Engenharia e Construções, S.A. and its affiliate SOMAFEL– Engenharia e Obras Ferroviárias, S.A., were carried out, throughout the year, the *Contract works for the design and execution of the structural works, finishes and systems within the scope of the materialisation of the Expansion Plan of the Metro of Lisboa – Extension of the Yellow and Green Lines – VIADUCTS OF CAMPO GRANDE – PLOT 3*. The two new viaducts comprised in the contract signed allow for the connection between the green and yellow lines to the west of the Campo Grande station, closing the circular line (future green line), making it possible to have a new connection to the north by means of a viaduct to Telheiras (future yellow line). Thus, two viaducts were executed, the north viaduct connecting to the yellow line - (VL2) - with a length of 410,703 m, which replaces the existing viaduct in the connection of the Campo Grande station to Telheiras, becoming a section of the yellow line, and the viaduct connecting the green line - (VL1) – with a length of 157,607 m, which connects the two lines creating a diagonal connection between the existing viaducts (south and north) to the west of the station, closing and becoming part of the circular line. It must be emphasised that the executive design was developed with the methodology BIM, on the basis of the survey done using laser scanning in the whole surrounding area, which constituted a challenge in the scope of Innovation and technological development of the Company;
- For IP, Infraestrutura de Portugal, S.A., continued the Contract works for the Modernisation of the Railway Line of Beira da Alta, section Celorico da Beira – Guarda, which is executed in consortium with the participation of SOMAFEL – Engenharia e Obras Ferroviárias, S.A., another company of the Group. The intervention includes the trains stations of Celorico da Beira, Vila Franca das Naves, Pinhel and Guarda, as well as five halts: Baraçal, Maçal do Chão, Cerejo, Trajinha and Sobral; this project marks the beginning of a new cycle of the useful life of the infrastructure, increases the safety conditions and the levels of comfort, ensures a design speed of 120 km/h, ensures the inter-operation of the line, namely with the adoption of the multi-purpose sleeper, making it possible to migrate to the European track gauge and to increase the maximum load towing capacity.
- The contract comprises the full replacement of the track superstructure, the treatment and stabilisation of the track platform, the stabilisation and reinforcement of the slopes, the rehabilitation and reinforcement of the transversal and longitudinal drainage system, the remodelling of stations and halts, the adaptation of the support infrastructures to the new signage and telecommunications system, the elimination of level crossings and the construction road, railway and pedestrian underpasses and overpasses, among other works which ensure the reliability and continuity of the railway exploitation.
- For IP, Infraestruturas de Portugal, S.A., the continuation of the execution of the contract works of track and overhead line between Évora and Elvas / Fronteira and the civil works of the sub-section Évora - Évora North, in consortium, in which also participates SOMAFEL – Engenharia e Obras Ferroviárias, S.A., a company of the Group. The project

is part of the denominated Southern International Corridor (SIC) and has the objective of connecting the ports of the south (Sines, Setúbal and Lisboa) and the Spanish frontier (Caia / Badajoz).

- This railway corridor will allow for the reduction of the distance, by 140 km, and of the duration of the trip by approximately 3 hours. It will enable the circulation with electrical traction in the full extension of the line and the circulation of freight trains with 750 m of length. It will allow for the increase of the cargo towing capacity to 1.400 tons, with simple electrical traction and the creation of railway inter-operation conditions at a national, Iberian and European level, thus improving the reliability and the availability of the structure.
- For BRISA, Concessão Rodoviária S.A., it was initiated the contract works for the rehabilitation and reinforcement of the viaduct over the river Este, in the sub-section Cruz/Braga Sul, of A3 - Motorway Porto/Valença.
- The viaduct over river Este is composed of 2 parallel and independent decks, with 2 terminal spans with 27 m, 26 intermediate spans with 34m and a total length of 938m.
- The contract includes the replacement of the bearings, the treatment of the fissures and the damaged concrete, the rehabilitation of the edge beams, the improvement of the drainage system of the deck and abutments, the levelling and protection of abutment slopes and of the land around the foundations of the piers which are eroded.

Still in Portugal, it is worthy of mention, in the rehabilitation domain, the execution of the following projects:

- For the University of Coimbra, the completion of the “Contract works for the execution of the rehabilitation of the coverings and façades of the Colégio de S. Pedro of the University of Coimbra”. The building object of this intervention, designated as Colégio de S. Pedro, is integrated in the Paço das Escolas, classified as National Monument, within the area of the University of Coimbra, also classified as World Patrimony by UNESCO. The works comprised the rehabilitation building’s covering, including the chimney, the restoration of the façades, the repair or replacement of the existing wooden framing, the conservation and restoration of the masonries, and also ordinary maintenance works;
- Also for the University of Coimbra, and in the same patrimonial scope of the previous project, were executed throughout the year the “Contract works for the execution of the rehabilitation of the coverings and façades of the Sala dos Capelos e Palácio Real of the University of Coimbra”.
- Still with the University of Coimbra, it was signed the “Contract works for the execution of the rehabilitation of the coverings and façades of the Biblioteca Joanina of the University of Coimbra”. This project has the same patrimonial framing of the precedent ones. *Biblioteca Joanina* (library Joanina) is the greatest exponent of the Portuguese baroque and it is considered one of the richest libraries in Europe. From the beginning of the XVIII century, it holds in its interior approximately 60 thousand volumes, from XVI to XVIII centuries, with a high patrimonial value.
- For CLT - Companhia Logística de Terminais Marítimos, S.A., still ongoing was the execution of the works for the rehabilitation and reinforcement of structures in the liquid bulk terminal of Sines (LBTS). This important intervention in the terminal comprises the rehabilitation and reinforcement of several structures. In spite of the strong execution constraints inherent to the operation, it was possible to articulate with GALP the minimisation of such constraints,



allowing for the operation of the terminal under normal operating conditions simultaneously with the execution of the project.

- For the City Council of Figueira da Foz, it was initiated the contract works for the rehabilitation and consolidation of the Convent of Seíça". The Convent Santa Maria de Seíça was founded on the XII century, during the reign of D. Afonso Henriques, being classified as National Monument since 2019. Initially, it belonged to the Benedictine Order, having later, at the end of the XII century, become part of the Cister Order. In the XIX century it was abandoned; in the XX century it became a rice hulling industrial unit which was active until 1976. The contractual works comprise the conservation and restoration of the church structure, transforming it in a ruin which may be visited, and the rehabilitation and reconstruction of the adjacent convent building and cloisters, which will become a space for museology purposes.
- For IP, Infraestruturas de Portugal, S.A., it was initiated the project *IC15 - Viaduct Duarte Pacheco, seismic reinforcement and complementary rehabilitation*. The viaduct Duarte Pacheco is an historic and structuring infrastructure of the city of Lisboa and an unavoidable symbol of Portuguese engineering, with approximately 80 years of service in the national road network. The intervention includes the structural rehabilitation and reinforcement, the paving of the whole deck and the painting of the engineering work.

In the field of maritime infrastructures, three projects are worthy of note :

- For Porto dos Açores, S.A., the consortium led by Teixeira Duarte, continued the execution of the contract works for the re-profiling of the pier -10m (HZ), repaving of the port hard standing and improvement of the technical networks there integrated and dredging of the basin of the port of Ponta Delgada, in São Miguel.
- Also with Porto dos Açores, S.A., was signed the contract for the "Repair of the protection jetty, of the curtain wall and of the infrastructures of the commercial port of Ponta Delgada, within the scope of the damages provoked by the hurricane Lorenzo", which affected the archipelago of Açores on October 2 and 3, 2019, with a grouping of companies which includes Teixeira Duarte.
- The reinforcement intervention involves the pre-casting of cubic blocks type Antifer with weights ranging from 250 kN to 670 kN and their subsequent setting at the extrados of the jetty, along 5 sectors which add up to length of 1.110 m, creating "sacrifice prisms" at the base of the cover of the shelter structure, with shoulders at +3,5 m (ZH) and width ranging from 20 m to 30 m.
- The contract price is 25.966.138,03 € and the execution term is of 34 months.
- For APDL - Administração dos Portos do Douro, Leixões e Viana do Castelo, S.A., the consortium with the leadership of Teixeira Duarte continued the execution of the contract for the extension of the outer breakwater and the maritime access ways to the port of Leixões, which comprises the works for the extension of the outer breakwater over a length of 300 m, as well as the maritime access ways.
- This year, an important phase of the project was completed, within the set deadlines, the works for the deepening of the access channel and of the rotation basin, by means of dredging of incoherent and rocky material, using for that purpose, among other equipment, the biggest dredger in the world: the Spartacus. It is a CSD - cutter suction dredger - with the capacity to dredge in continuous materials with different geological - geotechnical characteristics and with a total installed power of 44.180 kW.



In **Algeria**, the political and economic conjuncture continued to constrain the activity development, with most of the projects suspended, with the exception of the maritime project “*L’étude, la réalisation des aires de travail e de transfert, les infrastructures maritimes et génie civil, les fournitures et l’installation d’un complexe élévateur à bateaux d’une capacité de levage égale ou supérieure à 9000 tonnes et la formation de techniciens*”, for E.C.R.N. “*Établissement de Construction et de Réparation Navales*” (integrated in the Ministry of National Defence of Algeria), settled at the naval base of Mers-EL-Kebir, which continued to be carried out with the possible normality, having the project been delivered to the Client in March 2023.

In **Cabo Verde**, the consortium led by Teixeira Duarte finished successfully the project designated *Travaux d’expansion et de requalification du Port Inglês, île de Maio*, for the Ministry of Infrastructures and Land Planning and Housing .

In **Colombia**, it is emphasised the macro context of the public works sector which has a public investment positive outlook. The company keeps an attentive lookout with the intention of ceasing the opportunities which may appear in this market, in the private clients’ sector.

In the area of infrastructure works, the company continues to execute the project for the construction of an underpass, for the first line of the metro of Bogotá, for the concessionaire of the Line-1 of the Metro of Bogotá. This initiative strengthens the presence of Teixeira Duarte in one of the country’s most important projects of urban mobility.

Thus, the company remains active in the Colombian market, carefully analysing the feasibility of its permanence and the possible expansion of its presence.

In **Mozambique**, within the scope of the sub-contract for the Japanese consortium “Penta Ocean/Toa”, were finished the main works of *Construction of Port Facilities for Nacala Port Development Project Phase I & II*, in Nacala, namely the reconstruction of the pier with 400 meters of length, the construction of containers parks with 98.000m<sup>2</sup> of paving, track, buildings and multiple infrastructures. Ongoing are the works of testing and commissioning which are completion is estimated for the first semester 2023.

The works of the project for the Construction of the second railway bridge at Km 26+900, of the railway line Ressano Garcia, for *Portos e Caminhos de Ferro de Moçambique, E.P.*, were initiated and resumed the works for the repair of the damages caused by the collision of a ship in the port of Pemba.

In **Brazil**, there was a growth of approximatively 30%, when comparing with 2021, which represents the market with the largest activity in the sector of infrastructures with approximately 40% of the sector’s total.

Among the activity carried out during the period under analysis, it is worth mentioning the following contracts:

- For the DNIT - Departamento Nacional de Infraestrutura de Transportes, continued the elaboration of the designs and the execution of the works for the duplication of the road BR-116/BA – Plot 06, over an extension of 40 Km, in the state of Bahia. It is a project for the duplication of one Brazil’s most important roads, in a state which lacks in infrastructures and where the economy has grown at a rhythm higher than the one of the road infrastructures, which is executed by a Consortium including two other companies;

- For VALE do Rio Doce, S.A., continued the execution of the civil works for the heightening of the Itabiruçu dam's wall, up to 850m, continued to be executed, in the municipality of Itabira, state of Minas Gerais;
- Still for the same client, it was signed, it was finished the contract works for the execution of the civil works of Santana's dam, in the municipality of Itabira / Minas Gerais, another contract for the downstream reinforcement of the dam's body, increasing its safety level in accordance with the new regulations in force;
- Conclusion of the works of drilling and rock blasting, using explosives, excavation, loading, transportation, unloading of ore and sterile, conservation of the equipment circulation ways, spreading and deposition of the transported materials, for Atlantic Nickel, S.A., near the town of Ipiáu, in the municipality of Itagibá/BA. It is a contract of strict open sky mining operation, which is executed in consortium with four other companies;
- For BAMIN (Bahia Mineração, S.A.), it was finished the execution of the contract for the provision of engineering and civil construction services, under a regime of full contract, for the necessary initial works of the future establishment of Porto Sul (south port), which consists in the construction of the intersection and of the industrial access way to the future Porto Sul, near the town of Ilhéus, state of Bahia, including the bridge over Almada river, the viaduct over the BA-648 and the execution of an access way with a length of 12 Km;
- For the City Council of the municipality of Sto. André, continued the execution of the contract for the Road Network Santa Teresinha and the Structural Reinforcement of the Castelo Branco Viaduct. It is a project to be executed by a consortium and consists in the execution of a road network including various viaducts, in an area densely inhabited, with the purpose of improving the traffic fluidity of a zone which has major traffic jams. It is also comprised in the contract, the structural restoration of a viaduct in service which has growing signals of deterioration, thus requiring immediate intervention;
- For DNOCS – *Departamento Nacional de Obras Contra as Secas* (National Department of Works Against the Droughts), continued the execution the contract for the remaining works for the construction of the Fronteiras' dam, in the municipality of Crateús, state of Ceará. The project consists in the execution of the remaining works of a dam with the central body built in cylinder compacted concrete, earth in the abutments, complementary organs and access ways, which is executed in consortium with three other companies, under the leadership of EMPA.

In the specific sector of rehabilitation, in 2022, it is worth noting the following projects executed for VALE:

- Two maintenance contracts of engineering works and metallic bridges, of the Estrada de Ferro (railway) Vitória – Minas, continued to be executed.
- In the region of Mangaratiba, in the state of Rio de Janeiro, continued the execution of the contract for the structural rehabilitation of the TIG (terminal of the Guaíba island) pier;
- The contract job for the structural rehabilitation of the Pier-2, in Porto do Tubarão, state of Espírito Santo, whose works consist in the rehabilitation and structural reinforcement of a pier in reinforced concrete, continued to be executed;
- In March 2022, was initiated the contract for the filling of the gallery of the dam of Pontal and Armco pipe of dyke 2 and plugging of the gallery of the dam of Santana, in the municipality of Itabira, state of Minas Gerais;

For 2023, it is expected an activity growth, when compared to 2022, which is by now of 5%, considering the contract signed on February 10, 2023, for the de-characterisation of the dam of Campo Grande, in the municipality of Mariana, state of Minas Gerais, for the client VALE do Rio Doce, S.A. The contract price is of approximately 442 million *reais*, with an impact in the years 2023, 2024 and 2025.

#### V.1.4. METALWORKING

The Metalworking area is highly focused on metallic construction, mastering the fabrication and assembling domains, allied to specialisation in technologies in the field of mechanics, oil-hydraulics and systems of synchronised movement. The superior know-how in this field enables the Group to study, develop and implement solutions for the execution of high complexity and precision works, inherent to the execution, movement, and assembly of large structures.

Working directly for external customers, or in an integrated and complementary way with other areas of the Group, in its portfolio are included various projects of rehabilitation and construction of metal or mixed bridges and viaducts, buildings, industrial facilities, hydro-mechanical equipment and other mobile equipment.

In 2022, the activity of the Metalworking was carried out in the markets of Portugal, Algeria and Brazil.

Globally there was a decrease of the volume of activity when comparing to the previous year which is the result of the significant reduction in the foreign markets.

In Portugal, the activity recorded an increase of 36% when compared to the previous year.

In the industrial facilities of Teixeira Duarte's operational pole continued the activity of fabrication of metallic structures destined to various projects of the Group or to external clients.

For projects of the Group, it is worth noting the participation in the projects of MUDE – *Museu de Design e da Moda* (design and fashion museum), of SIDUL Açucares “Sugar Delivery System”, and of the Viaducts of Campo Grande, for Metropolitano de Lisboa, E.P.E.

With BRISA – CONCESSÃO RODOVIÁRIA, S.A. was signed a contract for the “Works of Reinforcement and Repair of Full Lane Gentries and in the Liaison to the External Network, in A12 – Motorway Setúbal Montijo and Liaison to Alto do Guerra”.

For EDP- Gestão e Produção de Energia, S.A. was executed the project “AH of Belver - Contract Works for the Improvement of the Water Inlet of Group 6 “.

For IP- Infraestruturas de Portugal, S.A. was executed, with urgency, the project “ EN 120- Bridge of Odemira (km 103+350) – Replacement of the upper bracing of the arches of the span 4”.

With UTIS – Ultimate Technology to Industrial Savings was signed a contract for the supply of 14 containers destined to the installation of hydrogen production units.

In the speciality of mechanics, dedicated to the repair, maintenance and adaptation of equipment, an activity which is carried out in Teixeira Duarte's operational pole and also in the workshops in Neves Corvo, was maintained the collaboration with

companies of the Group, such as EPOS, S.A., and with external clients, such as SOMINCOR – Sociedade Mineira de Neves Corvo, S.A.

Also with SOMINCOR – Sociedade Mineira de Neves Corvo, S.A. was resumed the contract of Technical Assistance for the repair and maintenance of mining equipment in the facilities of the client.

In the area of research and development, continued the participation in the project SHELTER, for the development of an anti-seismic shelter, within the scope of the Program Portugal 2020, and also the collaboration in the project “OMICRON- Intelligent Road Asset Management Platform” for the development of prototypes and tests.

The commercial activity continues to be intense with the presentation of a significant number of bids, being expected a successful rate allowing for the increase of the activity in Portugal, together with the expected large number of calls for tenders in the area of infrastructures, which usually have a considerable component of metallic structures.

In **Algeria** was executed the final phase of the project “*L’Étude et la réalisation des aires de travail et de transfert, les infrastructures maritimes et génie-civil, les fournitures et l’installation d’un complexe élévateur à bateaux d’une capacité de levage égale ou supérieure à 9000 tonnes et la formation de techniciens. Structures génie civil et maritime pour Installation d’un complexe élévateur à bateaux*”, where the Metalworking had a rather significant participation, being the activity, at this stage, dedicated mainly to the execution of the tests leading to the commissioning of the equipment and technical installations, and transfer of knowledge to the client, and ultimately to the acceptance of the project.

In **Brazil** there was a rather important reduction of the Metalworking activity, when compared to previous years.

The activity consisted solely in the participation in the assembling of metallic structures within the scope of the project Reformation and expansion of the airports João Pessoa and Campina Grande, in Paraíba”, for AENA Brazil.

Particular attention has been given to the commercial activity in this market, with the submittal of a significant number of bids, some of a rather high amount, with the expectation of reaching higher levels of activity.

#### **V.1.5. UNDERGROUND WORKS**

In Underground Works, the Teixeira Duarte Group holds 100% of the capital of a specialist company E.P.O.S. - Empresa Portuguesa de Obras Subterrâneas, S.A. (EPOS, S.A.), which, since 1986, operates in the domain of civil engineering and mining.

Aside from Portugal, in 2022, the company continued to develop its activity in four foreign markets, through the branches there established: Spain, Brazil, Peru and, though residual, Colombia.

The activity in 2022 generated a turnover of 65.207 thousand euros, recording a growth for two consecutive years which, in this case, and comparing with last year, represents more 4,2%.

This activity growth results essentially from the increase of the activity in Brazil and in Portugal (the two main markets for EPOS), thus topping the turnover reduction in Peru and Colombia.

Though more modestly, but consistently, it must be noted the contribution of the Spanish market for the turnover global growth.

In global terms, the domestic market represents now 51,4% of the global volume of the turnover in 2022, recording a slight increase when compared to 2021, when the domestic and the foreign markets were almost equal.

As to the foreign market, it stands out Brazil that represents 74% of this market. Once again, Brazil had, in 2022, an increase of the turnover superior to 4 million euros, which represents more 20,6% when compared to the same period of the previous year, reaching the amount of 23.503 thousand euros.

The Spanish market also recorded a growth of the turnover of approximately 404 thousand euros, (a percentage of 7,2%), reaching a total of 6.035 thousand euros.

In the opposite direction, the turnover in Colombia and Peru recorded a decrease, resulting from the completion of the works in the tunnel de La Paz, in 2021, without the existence of new awarded projects in 2022, and of the completion of the subcontract - signed in 2018 - for the construction of the Metro de Lima in the beginning of 2022.

In spite of the two new projects in Peru, awarded in the beginning of the fourth trimester 2022, to be detailed further ahead, both geographies represented a little more than 6% of the turnover of the foreign market, corresponding to 2.079 thousand euros.

Thus, in **Portugal**, in Mina de Neves Corvo, continued the works within the scope of the contract signed on February 1, 2019, with SOMINCOR – Sociedade Mineira de Neves Corvo, S.A., for the development of a mining infrastructure, drilling, loading, sustainment and removal of ore, as well as the transport and application of shotcrete. This contract, whose expiration date was initially on January 31, 2020, was the object of successive additional contracts, having the term of execution been prorogued until December 31, 2022.

In the mines of Aljustrel, for the client Almina – Minas do Alentejo S.A, continued the works that were already being executed in 2021, namely the loading and transport of rubble for the filling in mine of Moinho, as well as long drilling for the blasting of ore in terrace. During the first trimester, were awarded works of drilling and installation of double support cables. Still with this client, during the month of November were signed contracts for new mining works. The contract designated “Works for the excavation, retaining and transport in the mines of Aljustrel” has an estimated duration of 14 months and comprises the execution of mining galleries of various sizes, drilling for the production of ore, drilling and installation of supporting cables, transport of rubble, sterile or ore and application of shotcrete.

In **Spain**, the activity remained concentrated exclusively in the mining sector, including activities connected, being recorded in 2022 an increase of approximately 7% of the volume of sales, when compared to 2021.

In MATSA – Mina de Aguas Teñidas, S.A.U. continued the execution of the two contracts for the provision of services of maintenance, one for mining equipment and the other for the maintenance of trucks, signed in October 2020 with a term of 5 years, with a price of approximately 20 million euros.

Also the contract signed in 2021 for the rental of long drilling equipment continued to be executed, having been prorogued until March 2022.

It was signed a contract for sustainment in an inner shaft, IVRM03, which was executed between July and October of this year, with a final price of approximately 398 thousand euros; finally, it is worth mentioning the execution of drilling and application of supporting cables, with an execution term of seven months and a price of approximately one million and ninety thousand euros.

In **Peru**, during 2022, were finished the works comprised in the contract signed December 6, 2018, with *Consórcio Construtor M2 Lima*.

As a result of the success achieved in the execution of the above mentioned contract, the same client - *Consórcio Construtor M2 Lima* - awarded to EPOS new works to be executed in the project which were the object of two new contracts.

The first of these contracts, designated “*Movimiento De Tierras Y Obras Civiles Para La Tercera Vías Oscar Benavides*”, was signed on October 10, 2022, with a price of approximately 3,6 million USD and an execution term of 8 months, which comprises, in general, the construction of an underground structure, similar to a metro station with a length of 286.

The other contract, also signed on October 10, 2022, designated “*Ejecución De Movimiento De Tierras Y Obras Civiles En Pozo De Ventilación Pv-17 Y Pv-18*”, regards the excavation and execution of the civil works of the ventilation shafts PV17 and PV 18. The project consists in the construction of 2 ventilation shafts, with the respective support structures, and of 2 emergency galleries in each shaft.

In **Brazil**, it was continued the industrial activity started in April 2019 with the execution of the mining complex of the Mine of Cuiabá, in the state of Minas Gerais, for the client Anglogold Ashanti Córrego do Sítio Mineração S/A. This contract was signed on November 8, 2018, and its estimated expiration is on April 2, 2024.

Most of the processes that generated the volume of proposals submitted in 2022 were not concluded by the contracting entities, which have decided to postpone their decision. Thus, 2023 is expected to be the year of the respective return in terms of projects awarding and its contribution for the increase of the Company’s success rate.

It is expected the implementation of the recovery and resilience plan to foster the country’s growth, through the increase of public investment in construction and public works. It is also expected an increase of labour force scarcity and the extension of the delivery terms of services, equipment spare parts and new equipment.

#### V.1.6. RAILWAY WORKS

In the Group in which Teixeira Duarte - Engenharia e Construções, S.A. is integrated, there is another entity specialized in this area of activity – SOMAFEL - Engenharia e Obras Ferroviárias, S.A. – dedicated to the construction, renovation and conservation of railway infrastructures including its electrification (overhead line), which, in addition to the technical value, the experience of several decades working in various markets, the capacity of specialized equipment and human resources, is distinguished by working on four distinct fronts, in the simultaneous specialities of track and overhead line.

In 2022, the activity of SOMAFEL, S.A. which, besides the domestic market, includes the markets of Morocco, Algeria, Mozambique and Gabon, recorded a growth of approximately 70%, when compared to the previous year.

As to its origin, the turnover of the railway activity is divided as follows: 76 % correspond to the domestic market and the remaining 24% to the international market. In the international market stand out Brazil, with approximately 17%, Gabon with 6% and Mozambique with 1%.

In Portugal, there was a growth of domestic market, when compared to the previous year, due to the actual beginning of the investment projects of the client IP – Infraestruturas de Portugal, S.A, namely with regard to the projects of the railway line of Beira Alta, sections Cerdeira / Vilar Formoso and Celorico / Guarda, but also the execution of some activities in the project of the section Évora / Elvas, of the railway line of the south.

In the opposite direction, the activity in the maintenance domain decreased when compared to the previous year, mainly due to IP's investment restrictions.

It must also be mentioned the beginning of the activities of SOMAFEL in the project of the viaducts of Campo Grande, for Metropolitano de Lisboa, where SOMAFEL is member of a CGC (complementary grouping of companies) with Teixeira Duarte.

In France and in the United Kingdom, the SOMAFEL's activity was strictly commercial, keeping contact with the usual clients and partners.

In Morocco, this year was one of follow-up of the projects under warranty and in Algeria there was no activity.

Throughout 2022, SOMAFEL executed in Gabon the contract for the provision of services of heavy tamping for SETRAG (holder of the concession of the line with 650km), having signed and begun the execution of an addendum with the same object, which is valid until December 2024.

In Mozambique, SOMAFEL finished a railway project for Teixeira Duarte – Engenharia e Construções, Moçambique, Lda. in the port of Nacala.

In Brazil, where SOMAFEL operates through its Brazilian subsidiary, there was a decrease of activity of approximately 40% when compared to the previous year. Nevertheless, SOMAFEL continued to secure some projects of maintenance and renovation in the railway line of Carajás for Vale; however, contrasting with what had happened in previous years, new contracts were signed with a new client, the Companhia Siderúrgica Nacional (CSN).

For SOMAFEL, 2022 was a year which was marked by an intense package of internal and external training, to increase the technical capacity of the company's employees, adding up to, in all geographies, 600 workers, highly specialised in railway works.

The perspectives for the coming years in this field continue to be promising, both for the projects already awarded, mainly in the national market, and for the worldwide perspectives of strong investment in the railway.

## **V.2. CONCESSIONS AND SERVICES**

Here are some brief references to the participation of Teixeira Duarte - Engenharia e Construções, S.A. in the Concessions and Services Sector, particularly following the execution of public works projects it carried out.

### **HARBOUR OPERATION IN VENEZUELA**

Through the licence granted to Teixeira Duarte - Engenharia e Construções, S.A., the Group has been marketing, up keeping, operating, managing, building and using the "specialized terminal of containers (piers 27 and 28- west sector) of the port of La Guaira". Indeed, it was on March 30, 2017 that this company of the Group received such authorization under the "Strategic Alliance for the operation and management of the specialised containers terminal of the La Guaira port" celebrated with the Venezuelan entity Bolivariana de Puertos (BOLIPUERTOS), S.A.

This Alliance aimed to optimize the development and growth of terminal activity, converting it into a transshipment harbour of the Caribbean Sea and Latin America, with Teixeira Duarte - Engenharia e Construções, S.A., undertaking, for a 20 year period, the marketing, upkeep, operation, administration, construction and use of the aforementioned specialized container terminal of the La Guaira Harbour, with a capacity to move 1,200,000 TEUS/year and an area of 17 ha, 693 m of dockable piers and depth funds at 15.2 m. It is equipped with state-of-the-art port operation equipment - 6 STS pier gantry cranes, 15 fleet gantry cranes, 2 reach-stackers, 6 front forklifts, 32 terminal tractors and 40 platforms, as well as administrative and technical facilities and equipment maintenance and repair spaces in areas totalling more than 5 ha.

In 2021, the unilateral and extemporaneous decision of Bolipuertos to terminate the contract of Strategic Alliance clearly violated the bilateral agreements in force and the rights and expectations of Teixeira Duarte, while investor in Venezuela for more than 40 years. During 2022, Teixeira Duarte took the necessary measures to claim its rights; negotiations currently are ongoing.

**TDHOSP - Gestão de Edifício Hospitalar, S.A.** The TDHOSP – Gestão de Edifício Hospitalar, S.A. (TDHOSP), in which Teixeira Duarte - Engenharia e Construções, S.A. currently holds 10% of share capital, is a company that whose object is the management of the Cascais Hospital for a 30-year period, comprising the activities of planning, project, construction, financing, upkeep and maintenance.

Once the construction of the Cascais Hospital Building was completed in February 2010, TDHOSP's activity focused on the management and maintenance of the hospital building, as well as on the management and operation of the respective car park.



The year under analysis, the twelfth civil year of TDHOPS activity, was once again characterised by the fulfilment of several assessment parameters of the management contract, namely: Service, Availability and Satisfaction.

Throughout this financial year were issued periodical monthly reports which show the good performance of this Company, thus being expected a positive evaluation of Very Good for 2022. Within the scope of the activities set forth in the management contract, TDHOSP carried out small modifications in the building, requested and supported by the Building Managing Entity and approved by the Public Contracting Entity.

During the year under analysis, the income of the Parking Lot reached 90% of the annual income before the Covid-19 pandemics.

It is worthy of note that Lusíadas - Parcerias Cascais, S.A. ceased its functions as Manager of the Facilities on December 31, 2022 and that Galo Saúde - Parcerias Cascais, S.A. assumed the functions Manager of the Facilities on January 1, 2023.

**AEBT - Estradas do Baixo Tejo, S.A.**, incorporated on January 15, 2009, is a company in which Teixeira Duarte - Engenharia e Construções, S.A. holds a 9% stake of share capital and a sub-concession for the activities of design, project, construction, increase in the number of lanes, financing, motorway operation and upkeep, regional road and associated road groupings in the district of Setúbal. AEBT finished the construction activities on its sections in November 2012, with an extension of 25,6 km; since that date, it has been operating a network of 60,2 km. As of December 31, 2022, the sub-concession object is:

- (i) Construction, exploitation, operation and maintenance of two motorway sections, A33/IC32 – Palhais / Coina and A33/IC32 – Casas Velhas / Palhais (which includes the connection to Trafaria and the connection to Funchalinho), which has a toll fee, except for local traffic, with regard to the last section of A33. The total length of these two road infrastructures is of 25,6 km;
- (ii) Exploitation, operation and maintenance of the sections which are in service, at the present date, IC32 – Coina / Montijo (IP1), IC3 – Montijo (IP1) / Alcochete, IC20 – Express way of Caparica and IC21 – Express way of Barreiro, which adds up to a total of 34,6 km.

Besides the normal operating activities of the sub-concession network, AEBT's activity in 2022 was focused on the investment activity, especially in the designs for the increase of the number of lanes of A33 and IC20, having been initiated the execution of the widening in A33, as well as the maintenance of infrastructures, given their nature and relevance.

In 2023, AEBT's activity will continue to be focused in investment, especially in the realisation / completion of the number of lanes of A33 and in the beginning of the works for the increase of the number of lanes in IC20, including the usual activities of maintenance of infrastructures, given their nature and relevance.

## **VI. RELEVANT FACTS OCCURRING AFTER THE END OF THE PERIOD**

We have no knowledge of any fact materially relevant, with impact on the financial statements as of December 31, 2022, having occurred between the end of the financial year and the present date.

However, it is pointed out that, on February 10, 2023, the Company signed a contract with VALE do Rio Doce, S.A., for the execution of the contract works for the de-characterisation of the Campo Grande dam, in the municipality of Mariana, state of Minas Gerais, for an amount of 442 million *reais*.

## **VII. PROSPECTS OF FUTURE DEVELOPMENT**

Teixeira Duarte - Engenharia e Construções, S.A. expects to continue its operations in the different sectors and markets where it has been operating, with the exception of the markets of Algeria and Venezuela.

## **VIII. MANDATORY LEGAL INFORMATION**

Pursuant to and for the purposes of Article 447 of the Commercial Companies Code, it is reported that the members of the Company's Administrative and Supervisory Bodies do not hold any shares of Teixeira Duarte – Engenharia e Construções, S.A., nor have they carried out any transactions with shares of the company during the 2022 financial year.

There were no businesses between the Company and its Directors.

The Company did not carry out transactions with its own shares and, as of December 31, 2022, the company did not own any shares of its own.

## **IX. PROPOSAL FOR THE ALLOCATION OF RESULTS**

The Board of Directors proposes that the net results of Teixeira Duarte - Engenharia e Construções, S.A. calculated in the 2022 period, negative in the amount of 21.619.975,47€ (twenty-one million six hundred nineteen thousand nine hundred seventy-five euros and forty-seven cents) be brought forward to retained earnings.

Lagoas Park, on April 14, 2023

The Board of Directors

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(Manuel Maria Calainho de Azevedo Teixeira Duarte)

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(Pedro Miguel Martins Cardoso Costa)

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(Sérgio Paulo Reis Pereira)

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(Paulo Alfredo de Carvalho Serradas)

# FINANCIAL STATEMENTS

## I. BALANCE SHEET

Items	Notes	31/12/2022	31/12/2021
<b>Asset</b>			
<b>Non-current asset:</b>			
Tangible Fixed Assets	7	12 228	16 256
Investment properties	8	140	193
Goodwill	10	13 070	17 426
Intangible Assets	6	3 827	9 106
Biological Assets		-	-
Financial holdings – equity method	11	281 609	246 051
Other Financial Investments	20.1	8 832	18 091
Accounts receivable	20.1	89 246	131 746
Deferred tax assets	19	23 162	22 173
Trade debtors		-	-
Deferrals		-	-
		<b>432 114</b>	<b>461 042</b>
<b>Current asset:</b>			
Inventories	13	4 127	2 837
Biological Assets		-	-
Trade debtors	20.1 and 27	279 446	272 676
Government and other public entities	20.1	15 007	12 083
Capital subscribed and not fulfilled	11.1	-	-
Other accounts receivable	20.1	508 785	378 847
Deferrals	20.1	6 656	7 571
Financial Assets Held for Negotiation	20.1	346	-
Other financial assets		-	-
Non-current assets held for sale	20.1	5	5
Cash and bank deposits	4	7 602	7 703
		<b>821 974</b>	<b>681 722</b>
<b>Total assets</b>		<b>1 254 088</b>	<b>1 142 764</b>
<b>Equity and Liabilities</b>			
<b>Equity:</b>			
Subscribed capital	28	280 000	280 000
Own shares		-	-
Other equity instruments		-	-
Share premium		-	-
Legal reserves	28	45 600	45 600
Other Reserves	28	114 082	114 082
Retained earnings:			
Retained earnings		(22 175)	94 547
Undistributed profits - equity mode		(78 670)	(78 949)
Revaluation surpluses		-	-
Adjustments / Other equity changes:			
Undistributed profits - equity mode		78 670	78 949
Other adjustments in financial assets		(52 809)	(72 543)
Other equity changes		(64 757)	(65 573)
		<b>299 941</b>	<b>396 113</b>
Net income of the period	28	(21 620)	(112 940)
Anticipated dividends		-	-
<b>Total Equity</b>		<b>278 321</b>	<b>283 173</b>
<b>Liabilities</b>			
<b>Non-current liabilities:</b>			
Provisions	16	20 317	18 225
Loans obtained	20.2 and 27	270 588	280 894
Responsibilities for post-employment benefits		-	-
Deferred tax liabilities	19	17	1 550
Other payable debts	20.2 and 27	-	-
Advance payments from Clients		-	-
		<b>290 922</b>	<b>300 669</b>
<b>Current liabilities:</b>			
Trade creditors	20.2 and 27	173 544	149 641
Advance payments from Clients	20.2 and 27	80 003	65 870
Government and other public entities	20.2 and 27	8 104	8 468
Loans obtained	20.2 and 27	335 416	253 023
Other payable debts	20.2 and 27	71 313	64 355
Deferrals	20.2	16 465	17 565
Financial liabilities held for negotiation		-	-
Other financial liabilities		-	-
Non-current liabilities held for sale		-	-
		<b>684 845</b>	<b>558 922</b>
<b>Total Liabilities</b>		<b>975 767</b>	<b>859 591</b>
<b>Total Equity and Liabilities</b>		<b>1 254 088</b>	<b>1 142 764</b>

(Amounts in thousands of euros)

The Appendix is part of the Balance Sheet as of 31 December 2022.

The Certified Accountant

Board of Directors

## II. INCOME STATEMENT BY ACTIVITY

Income and expenses	Notes	2022	2021
Sales and services rendered	15	407 537	230 301
Exploitation subsidies		31	228
Gains / Losses attributable to subsidiaries, associated companies and joint ventures	11 and 12	12 322	(403)
Changes in the inventories of production	13	(102)	-
Own work capitalised	7	392	664
Cost of goods sold and of the materials consumed	13	(94 433)	(57 637)
External Supplies and Services	24	(263 183)	(176 443)
Expenses with personnel	23	(78 289)	(69 815)
Impairments in inventories (losses / reversals)	9	(43)	(8)
Impairments of receivable accounts (losses / reversals)	9	942	(21 668)
Provisions (increases/ / reductions)	16	(1 785)	5 780
Impairment of non-depreciable / non-amortisable (losses / reversals) investments	9	-	(148)
Fair value increase / decrease	8	(4)	4
Other Income	25	21 274	31 169
Other Expenses	26	(13 034)	(22 405)
<b>Income before depreciation, financing costs and taxes</b>		<b>(8 375)</b>	<b>(80 381)</b>
Expenses with depreciation and amortisation	6, 7, 10 and 11	(10 448)	(13 479)
Impairment of depreciable / amortisable (losses / reversals) investments	7 and 9	657	(30 310)
<b>Operating income (before financing costs and taxes)</b>		<b>(18 166)</b>	<b>(124 170)</b>
Interests receivable and similar income	22	52 768	52 425
Interests payable and similar costs	22	(59 581)	(65 631)
<b>Income before taxes</b>		<b>(24 979)</b>	<b>(137 376)</b>
Income Tax Period	19	3 360	24 436
<b>Net income for the period</b>		<b>(21 620)</b>	<b>(112 940)</b>

(Amounts in thousands of euros)

The Appendix is part of the Income Statement by Activity as of 31 December 2022.

The Certified Accountant

Board of Directors

### III. STATEMENT OF CHANGES IN EQUITY

Description	Notes	Equity attributable to equity holders							Total
		Subscribed capital	Legal reserves	Other Reserves	Retained earnings	Adjustments to financial assets of subsidiaries and associated companies	Other equity changes	Net income for the period	
Balance on 1 January 2021	1	280 000	45 600	114 082	28 440	(35 824)	(63 570)	(7 934)	360 794
Changes in the period:		-	-	-	-	-	-	-	
Translation differences from financial statements	18	-	-	-	-	-	(2 003)	-	(2 003)
Application of the equity method		-	-	-	-	37 508	-	-	37 508
Allocation of Results		-	-	-	(7 934)	-	-	7 934	-
Other operations recognised in equity		-	-	-	(4 908)	4 722	-	-	(186)
Net income for the period	2	-	-	-	(12 842)	42 230	(2 003)	7 934	35 319
Comprehensive income for the period	3	-	-	-	-	-	-	(112 940)	(112 940)
	4=2+3	-	-	-	-	-	-	-	(77 621)
Balance on 31 December 2021	5=2+3	280 000	45 600	114 082	15 598	6 406	(65 573)	(112 940)	283 173
Balance on 1 January 2022	6	280 000	45 600	114 082	15 598	6 406	(65 573)	(112 940)	283 173
Changes in the period:									
Translation differences from financial statements	18	-	-	-	-	-	816	-	816
Application of the equity method		-	-	-	-	19 734	-	-	19 734
Allocation of Results	28	-	-	-	(112 940)	-	-	112 940	-
Other operations recognised in equity		-	-	-	(3 503)	(279)	-	-	(3 782)
Net income for the period	7	-	-	-	(116 443)	19 455	816	112 940	16 768
Total income for the period	8	-	-	-	-	-	-	(21 620)	(21 620)
	9=7+8	-	-	-	-	-	-	-	(4 852)
Balance on 31 December 2022	10=6+7+8	280 000	45 600	114 082	(100 845)	25 861	(64 757)	(21 620)	278 321

(Amounts in thousands of euros)

The Appendix is part of the Statement of changes in equity as of 31 December 2022.

The Certified Accountant

Board of Directors



#### IV. CASH-FLOW STATEMENT

Description	Notes	2022	2021
Operating activities:			
Receipts from customers		412 995	246 395
Payment to suppliers		(365 300)	(230 522)
Payment to staff		(49 425)	(40 290)
Cash flow generated by operating activities		(1 730)	(24 417)
Payment / Receipt of income tax		13 646	(1 553)
Other receipts / payments		18 347	(20 277)
Cash-flows of operational activities (1)		30 263	(46 247)
Investment activities:			
Payments relating to:			
- Tangible Fixed Assets		(3 463)	(2 721)
- Intangible Assets		(26)	(471)
- Financial Investments	4	(33)	-
- Other Assets - Related Parties		(108 226)	(17 108)
Receipts relating to:			
- Tangible Fixed Assets		527	921
- Financial Investments	4	21	-
- Interests receivable and similar income		13 732	8 527
- Dividends	4	1 220	1 773
- Other Assets - Related Parties		22 245	76 505
Cash-flows of investment activities (2)		(74 003)	67 426
Financing activities:			
Receipts relating to:			
- Loans obtained	20.2	2 885 562	2 719 536
- Loans obtained - Related Parties	20.2	580 171	296 514
Payments relating to:			
- Loans obtained	20.2	(2 891 099)	(2 726 232)
- Amortisation of lease contracts	20.2	(2 202)	(552)
- Interests payable and similar expenses		(21 453)	(18 576)
- Loans obtained - Related Parties	20.2	(504 609)	(320 650)
Cash-flows of financing activities (3)		46 370	(49 960)
Variation of cash and of cash equivalents (1+2+3)		2 630	(28 781)
Effect of the exchange rate differences		(2 731)	(52)
Cash and cash equivalents in the beginning of the period	4	7 703	36 536
Cash and cash equivalents in the end of the period	4	7 602	7 703

(Amounts in thousands of euros)

The Appendix is part of the Statement of cash-flow as of 31 December 2022.

The Certified Accountant

Board of Directors

## **V. APPENDIX**

### **1. INTRODUCTORY NOTE**

Teixeira Duarte – Engenharia e Construções, S.A. (hereinafter referred to as “Teixeira Duarte or Company”), legal person number 500.097.488, with head office at Lagoas Park, was incorporated on January 4, 1934 and its main activity is civil construction and public works.

All values in this appendix are expressed in thousands of euros.

### **2. ACCOUNTING BENCHMARK**

These financial statements, which include the Balance Sheet, the Income Statement by activity, the Statement of Changes in Equity, the Cash Flow Statement and Appendix, were prepared in accordance with the Generally Accepted Accounting Principles (GAAP) foreseen by the Accounting Normalisation System (SNC – *Sistema de Normalização Contabilística*), approved by Decree-Law No. 158/2009 of July 13, with the corrections of The Rectification Declaration No. 67-B/2009 of September 11, and with the amendments introduced by Law No. 20/2010 of August 23 and Decree-Law No. 98/2015 of 2 June, which introduced into the Accounting Normalisation System (SNC) the amendments considered indispensable to ensure their compliance with Directive No. 2013/34/EU of the European Parliament and the Council, of June 26, with the Decrees and Notices relating to the accounting instruments that make up the SNC being consequently amended.

As of January 1, 2018, Teixeira Duarte considered the companies in Angola and Venezuela as belonging to hyperinflationary economies, complying with the application of IAS 29, with significant impacts on the companies' equity. However, on January 1, 2019, Teixeira Duarte suspended this application in Angolan companies because it was no longer considered a hyperinflationary economy.

Additionally, on December 31, 2018, Teixeira Duarte changed the measurement model of a set of "homogeneous class" assets, from the cost model to the revaluation model, with a significant impact on the increase in the equity of the companies holding these assets.

Thus, for the purpose of the application of the equity method, the financial statements of the companies include as of December 31, 2022 and 2021, the set of impacts mentioned above, with relevant effect on the Company's equity capital.

No provisions of the Accounting Normalisation System were removed in view of the need for them to give a true and appropriate picture of the entity's assets, liabilities and results, so there is no effect on the financial statements arising from this situation.

The Balance and the Income statements are comparable to those of the previous period.

### 3. MAIN ACCOUNTING POLICIES

#### 3.1 MEASUREMENT BASES

The financial statements were prepared in accordance with the historical cost convention, except for investment properties measured at the fair value, on the assumption of continued operations, from the Company's books and accounting records, maintained in accordance with the Accounting and Financial Reporting Standards of the Accounting Normalisation System (SNC - *Sistema de Normalização Contabilística*).

The Company integrates all branch movements eliminating internal operations and, if any, the results derived from them.

#### 3.2 RELEVANT ACCOUNTING POLICIES

##### Assumption of Continuity

The attached financial statements were prepared on the assumption of continued operations, based on the Company's books and accounting records, maintained in accordance with the Accounting and Financial Reporting Standards of the SNC.

##### a) Financial Investments

Financial investments in subsidiary companies, associates and interests in jointly controlled entities, are registered by the equity method, and the shares initially accounted for at the acquisition cost, which was increased or deducted from the difference between that acquisition cost and the value proportional to the equity of those companies, reported at the date of acquisition or the first application of said method.

The differences between the acquisition cost of investments in subsidiaries, associates and interests in jointly controlled entities and the investor's share of the fair net value of the identifiable contingent assets and liabilities of the subsidiary, if positive, are recorded as *Goodwill*. In cases where the acquisition cost is less than the fair value of the net assets identified, the difference determined (negative *Goodwill*) is recorded as a gain for the period in which the acquisition takes place, under the heading "Other income".

Amortisations are calculated using the straight-line method in accordance with the usefulness period expected by the company for the *Goodwill* concerned. Amortisation is undertaken according to the following estimated service life:

	Years of useful life
<i>Goodwill</i>	10

According to the equity method, financial holdings are adjusted periodically by the amount corresponding to the equity interest of the subsidiary, associated companies and joint ventures in return for "Subsidiaries', associated companies' and joint ventures' allocated gains / losses", and for other variations in their own capital in return for the item "Other financial assets adjustments", as well as for the recognition of impairment losses. Additionally, dividends received from these companies are registered as a decrease in the value of financial investments.

When losses in subsidiaries, associated companies and joint ventures exceed the investment in these entities, a provision is recognized up to the limit of said participation.

The classification of financial investments as jointly controlled entities is determined based on agreements regulating joint control.

#### b) Investment properties

Investment properties concern buildings held for lease, capital appreciation, or both. They are initially recorded at their purchase price or their construction date cost (in the case of own construction investment), including any directly attributable expenditure.

After initial appreciation, all investment properties, including those under construction, are measured at their value reflecting market conditions at the balance sheet date. All gains or losses arising from changes in the fair value of investment properties are acknowledged in the results of the period in which they occur and recorded under the heading "Fair value increases/decreases".

The fair value of each investment property is determined through valuations carried out by an independent expert entity and according to generally accepted valuation criteria for the real estate market. Costs incurred with investment properties in use, including maintenance, reparations, insurance and taxes, are acknowledged in the income statement for the period to which they relate.

#### c) Tangible Fixed Assets

Tangible fixed assets used in the production, provision of services or for administrative use, including expenses attributable to the purchase, deducted from accumulated depreciation and impairment losses, where applicable.

Tangible fixed assets are depreciated by the straight-line method, according to their estimated service life, from the date on which they are available for the intended use and cease when the assets are disposed of or classified as non-current assets held for sale. Depreciation is carried out according to the following estimated service lives:

	Years of useful life
Buildings and other constructions	50
Basic equipment	4 - 8
Transport equipment	4 - 5
Administrative equipment	3 - 10
Other tangible fixed assets	1

Improvements and benefits are only recorded as assets in cases when they correspond to the replacement of goods, which are thus written-off, or lead to an increase in future economic benefits.

Current tangible fixed assets represent assets still under construction, recorded at the acquisition cost deducted from any impairment losses. These tangible fixed assets are depreciated from the moment the underlying assets are completed or in a state of use.

Potential gains and losses resulting from the sale or write-off of tangible fixed assets are determined by the difference between the selling price and the net book value on the disposal/write-off date and are recorded at net value in the income statement under the headings "Other income" or "Other expenses".

All works that the company carries out for itself, under its direct management, applying own or acquired means for this purpose and which are used for its tangible fixed assets, are recognized as gain for the period under the heading "Works for the entity itself".

#### d) Intangible Assets

Intangible assets essentially comprise contractual rights in computer programs and surface rights, are recorded at acquisition cost, deducted from accumulated amortizations and impairment losses. Intangible assets are only recognised if it is likely that future economic benefits for the company will arise from them, are controllable by the company and their respective value can be reliably measured.

Internal costs associated with software maintenance and development are recorded as costs in the income statement when incurred, except where these costs are directly associated with projects for which future economic benefits are likely to be generated for the company. In these situations, these costs are capitalized as intangible assets.

Amortisations are calculated from the date on which they are available for the intended use, by the straight-line method in accordance with the service period expected by the company for the assets concerned. Amortisation is carried out according to the following estimated service lives:

	Years of useful life
Software	3 - 6
Surface rights	3 - 20

#### e) Inventories

Raw materials are recorded at acquisition cost, using the weighted average cost as a costing method.

Finished and intermediate products are valued at the weighted average cost of production, which includes the cost of incorporated raw materials, labour and general manufacturing costs (considering depreciation of production equipment calculated according to normal levels of use), which is lower than the net achievable value. The net achievable value corresponds to the normal sales price deducted from the costs to complete production and marketing costs.

Inventories' impairment adjustments are recorded by the difference between the cost value and the respective inventory realisation value if they are less than the cost.

#### f) Impairment of Assets

On the date of each report, or when an event or change in circumstances is identified indicating that the amount by which the asset is registered may not be recoverable, an impairment assessment of the same is carried out.

When the amount by which the asset is registered is greater than its recoverable amount, an impairment loss is recognised, recorded in the income statement under the respective headings, according to its nature.

The recoverable amount is the highest between the net sales price and the value-in-use. The net sales price is the amount that would be obtained from the disposal of the asset, in a transaction between independent and knowledgeable entities, minus the costs directly attributable to the disposal. The value-in-use is the present value of the estimated future cash flows expected to arise from the continued use of the asset and its disposal at the end of its service life. The recoverable amount is estimated for each asset, individually, or if that's not possible, for the cash flow generating unit to which the asset belongs.

The reversal of impairment losses recognised in previous periods is recorded when it is concluded that previously recognised impairment losses no longer exist or have decreased. The reversal of impairment losses is recognised in the income statement under the respective headings.

The reversal of the loss by impairment is carried out up to the limit of the amount that would be recognised (net of depreciation or amortisation), if the loss by impairment had not been recorded in previous periods.

#### g) Accrual Basis

Income and expenses are recorded according to the accrual basis of accounting, whereby they are recognised as they are generated.

Income and expenses whose true value is not known are estimated based on the best information available at the time of preparation of the financial statements.

The differences between the amounts received and paid and the corresponding income and expenses are recorded under the headings "Other receivable credits" and asset "Deferrals" and "Other payable debts" and liability "Deferrals".

#### h) Expenses of Financing Obtained

Expenses on financing obtained are recognised in the income statement of the period to which they relate, except to the extent that the financial charges of loans obtained directly related to the acquisition, construction and production of assets that take a substantial period of time to be prepared for the intended use are capitalised, being part of the cost of the asset. The capitalisation of these charges begins after the start of the construction preparation or development activities of the asset and is interrupted after the beginning of use, or end of production or construction of the asset, or when the project concerned is suspended. Any financial income generated from loans obtained in advance and allocated to a specific investment is deducted from the financial costs eligible for capitalisation.

#### i) Construction Contracts

The company recognises the revenue and expenses of the works in progress according to the percentage of completion method, which is understood as being the relationship between the expenses incurred in each contract up to the balance sheet date and the sum of these expenses with the estimated expenses to complete the work. The assessment of the percentage of completion of each contract is periodically reviewed considering the latest production indicators.

Provisions are constituted for expensive contracts when it is likely that the total expenses of the contract will exceed its total revenue. The corresponding expected loss is immediately recognised as an expense. The amount of such loss is determined independently of: (i) whether or not the work of the contract has begun, (ii) the completion percentage of the contract activity, or (iii) the profit amount expected to arise in other contracts that are not treated as a single construction contract.

#### j) Revenue

Revenue from the sale of goods is recognised when all the following conditions will have been met:

- • the Company has transferred the significant risks and advantages of ownership of the goods to the buyer;
- • The Company does not maintain continued management involvement with a degree generally associated with ownership, or effective control of the goods sold;
- • The amount of revenue can be reliably measured;
- • The economic benefits associated with the transaction are likely to flow to the Company; and
- • The costs incurred or to be incurred in connection with the transaction can be reliably measured.

Revenue associated with a service provision is recognised with reference to the completion phase of the transaction at the balance sheet date when the outcome of a transaction can be reliably estimated. The outcome of a transaction can be reliably estimated when all the following conditions are met:

- • The amount of revenue can be reliably measured;
- • The economic benefits associated with the transaction are likely to flow to the Company; and
- • The completion phase of the transaction at the balance sheet date can be reliably measured; and
- • The costs incurred or to be incurred in connection with the transaction can be reliably measured.

Revenue originating from interest, royalties and dividends is recognised when future economic benefits are likely to flow to the Company and its respective amount can be valued and measured reliably. Interest revenue must be recognised using the effective interest method, the royalty-related revenue must be recognised under an accrual basis and according to the substance of its contract and, finally, dividend revenue must be recognised when the right of the shareholder to receive payment is established.

#### k) Balances and transactions expressed in foreign currency

Transactions in foreign currency (currency other than the Company's operating currency) are recorded at the exchange rates of transaction dates. On each reporting date, the carrying amounts of monetary items denominated in foreign currency are updated at the exchange rates of that date.

The exchange rate differences calculated on the date of receipt or payment of transactions in foreign currency and those resulting from the above updates are recorded in income and financing expenses for the period in which they are generated.



## I) Financial Instruments

Financial assets and liabilities are recognized when the company becomes a party to its contractual relationship.

### Cash and Bank Deposits

The amounts included in the Cash and bank deposits item correspond to cash amounts, bank deposits and term deposits, which can be due less than three months, and which are immediately callable at negligible value change risk.

### Accounts receivable (Clients and Other receivables)

Receivables are measured, when initially recognised, at their fair value and subsequently at their amortized cost, which doesn't usually differ from their nominal value. When there is evidence that there is an impairment, the corresponding adjustment in results is registered. The recognized adjustment is measured by the difference between the value at which receivables are recognised and the current cash flow value discounted at the effective interest rate determined at the time of initial recognition.

### Investments

Investments are recognised on the date in which the inherent risks and advantages are substantially transferred. They are initially recorded at their acquisition value, which is the fair value of the price paid, including transaction expenses.

### Non-current assets held for sale

Non-current assets (or discontinued transactions) are classified as held for sale if their value is callable through a sale transaction, rather than through their continued use. This situation is only considered to occur when: (i) the sale is highly likely; (ii) the asset is available for immediate sale in its current conditions; (iii) management is committed to a sales plan; and (iv) the sale is expected to take place within a period of twelve months.

Non-current Assets (or discontinued transactions) classified as held for sale are measured at the lowest value between their book value or their fair value minus their sale costs.

Non-current Assets held for sale are measured, based on the assumptions in the first paragraph of the IFRS 8 (International Financial Reporting Standards), at the lowest value between the carrying amount and the fair value minus the costs associated with the sale, as well as worthy of distinction from their display on the balance sheet.

### Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the contractual substance regardless of the legal form they take. Equity instruments are contracts that show a residual interest in the Company's assets after liability deduction.

The equity instruments issued by the Company are recorded at the received amount net of costs incurred with their issuance.

#### Accounts payable (Suppliers and Other debts payable)

Accounts payable are initially recognised at their fair value and subsequently at their amortised cost, which does not usually differ from their nominal value.

#### Financing obtained and granted

Financing obtained is initially recorded and recognized in liabilities at the nominal value received, net of expenses with the issuance of these loans and subsequently measured by the amortized cost method. Financial expenses, calculated according to the effective interest rate and including premiums to be paid, are recorded in accordance with the accrual basis and added to the book value of the loan if not settled during the period.

Financing obtained is initially recorded and recognized in liabilities at the nominal value received, net of expenses with the issuance of these loans and subsequently measured by the amortized cost method. Financial expenses, calculated according to the effective interest rate and including premiums to be paid, are recorded in accordance with the accrual basis and added to the book value of the loan if not settled during the period.

#### m) Pensions Liabilities

The Company provides its employees with retirement insurance constituted within the framework of a social and incentives policy for workers. Characterized by its optional nature, it is by the exclusive decision of Management that contributions are made at each moment that they appear appropriate, considering performance and the economic and financial situation. Thus, contributions made are registered as an expense on the date on which they are due.

Without prejudice to its voluntary origin, the availability of contributions made by the Company are exclusively those provided for in the applicable tax legislation.

#### n) Income Tax

The Company is subject to the Special Group Tax Regime (RETGS – *Regime Especial Tributação de Grupos Sociedades*) provided for in Article 69 of the Corporate Income Tax Code, of which Teixeira Duarte, S.A. (Parent Company) has been the dominant company since January 1, 2012.

The "Period Income Tax" recorded in the income statement represents the sum of the current and deferred tax, being the latter the recognition of temporary differences between the accounting and tax results, as provided for in NCRF 25 - Income taxes.

The current income tax is calculated based on the Company's taxable income in accordance with the tax rules in force.

The active and passive deferred taxes are calculated and annually evaluated using the taxing rates in force or announced to be in force at the expected date for the reversion of the temporary differences.

Deferred tax assets are recognised only when there are reasonable expectations of enough future tax profits for their use, or in situations where there are taxable temporary differences that compensate for the temporary deductible differences in the period of their reversal. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred taxes are recorded as expenditure or income for the period, unless they result from amounts recorded directly in equity, in which case the deferred tax is also recorded under the same item.

At the end of each period, a review of the deferred taxes recorded is carried out, and the amount of the same is adjusted according to the expectations of future use.

#### **o) Contingent Assets and Liabilities**

Contingent assets are possible assets arising from past events and whose existence will only be confirmed by the occurrence, or not, of one or more uncertain future events not entirely under the entity's control.

Contingent assets are not recognised in the entity's financial statements but are disclosed when a future economic benefit is likely.

Contingent liabilities are defined as: (i) possible obligations arising from past events and whose existence will only be confirmed by the occurrence, or not, of one or more uncertain future events not entirely under the entity's control; or (ii) present obligations arising from past events, but which are not recognised because a flow of resources affecting economic benefits is not likely to be necessary to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the financial statements of the entity, and the same are disclosed, unless the possibility of an outflow of funds affecting future economic benefits is remote, in which case they are not even disclosed.

#### **p) Provisions**

Provisions are recorded when the Company has a present obligation (legal or implied) resulting from a past event, it is likely that for the settlement of that obligation there will be an outflow of resources and the amount of the obligation may be reasonably estimated.

The amount of the provisions recorded consists of the best estimate, on the reporting date, of the resources necessary to settle the obligation. Such an estimate, revised at each reporting date, is determined considering the risks and uncertainties associated with each obligation.

Present obligations resulting from onerous contracts are recognised and measured as provisions. There is an onerous contract when the Company is an integral part of the obligations of a contract or agreement, the fulfilment of which has associated expenses that cannot be avoided, which exceed the economic benefits derived from it.

#### **q) Exchange Rate Conversion**

##### Functional and reporting currency

The Company's financial statements are presented in euros, which is the functional and reporting currency of the Company.

The financial statements include elements depending on different functional currencies, according to the currency of the economic environment in which the Company operates.

#### Transactions and balances

Transactions in a currency other than the euro are converted into functional currency using the exchange rate at the date of the transactions.

The associated income and expenses realised in the period, as well as the potential ones, are recognised in the Income Statement.

#### Foreign operating unit and subsidiaries with reporting currency other than the euro

The financial statements of foreign operating units and subsidiaries with reporting currency other than the euro that have a functional currency other than the reporting currency are converted to the reporting currency as follows:

- The assets and liabilities of each Balance Sheet are converted at the exchange rate in force on the date of the financial statements;
- The income and expenses of each Income Statement are converted by the average exchange rate; and
- The resulting exchange rate differences are recognised as a separate component in equity.

### **3.3 VALUE JUDGEMENTS OF THE MANAGEMENT BODY**

In the preparation of the financial statements, the Company adopted certain assumptions and estimates that affect the assets and liabilities, income and expenses reported. All estimates and assumptions made by the management body were done so based on its best existing knowledge, at the approval date of the financial statements, events and ongoing transactions.

The most significant accounting estimates reflected in the financial statements include: i) service lives of tangible and intangible fixed assets; (ii) impairment analyses, including accounts receivable, inventories, financial investments and Goodwill, tangible fixed assets and intangible assets; (iii) construction contracts; (iv) provisions; v) accruals and deferrals; and vi) assessment of the possibility of recovery of deferred taxes.

Estimates were determined based on the best information available at the time of preparation of the financial statements and based on the best knowledge and experience of past and/or current events. However, situations may occur in subsequent periods that, not being predictable to date, were not considered in these estimates. Changes to these estimates, which occur after the date of the financial statements, will be corrected in the income statement in a forward-looking manner.

#### 4. CASH-FLOW

##### Cash and Bank Deposits

As of December 31, 2022 and 2021, the detail of cash and bank deposits was as follows:

	31/12/2022	31/12/2021
Cash	642	261
Bank deposits	5 505	7 169
Time deposits	1 455	273
	7 602	7 703

##### Flows from investment activities

Receipts from dividends in the periods ended December 31, 2022 and 2021, relate to the following transactions:

	2022	2021
AEBT, S.A.	900	1 773
TDHOSP, S.A.	320	-
	1 220	1 773

Payments of financial investments in the periods ended December 31, 2022 and 2021, relate to the following transactions:

	2022	2021
TDAP-ATIVIDADES PORTUÁRIAS, S.A. - losses coverage	(33)	-
	(33)	-

Receipts from financial investments in the periods ended December 31, 2022 and 2021, relate to the following transactions:

	2022	2021
Labour Compensation Fund - FCT	21	-
	21	-

#### 5. RELATED PARTIES

##### Final parent company

Identification Teixeira Duarte, S.A.

Head Office: Lagoas Park, Edifício 2, Porto Salvo, Oeiras.

#### Compensation awarded to members of the governing bodies and company senior management

Compensation awarded to the members of the Company's governing bodies, in the periods ended December 31, 2022 and 2021, was as follows:

	2022	2021
Executive Directors:		
Short-term benefits	646	772
	646	772

Compensation awarded to the members of the Company's senior management, in the periods ended December 31, 2022 and 2021, was as follows:

	2022	2021
Top management		
Short-term benefits	646	772

## Balances and transactions

The prevailing terms or conditions between the Company and its related parties are substantially identical to those normally contracted, accepted and practised between independent entities in comparable transactions.

The main balances in the periods ended December 31, 2022 and 2021, with related parties can be detailed as follows:

	Trade debtors (Note 20.1)		Advance payments from Clients		Shareholders		Trade creditors (Note 20.2)	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<b>Parent-company:</b>								
TEIXEIRA DUARTE, S.A.	86 660	86 316	-	-	77 541	-	2 159	2 443
	<b>86 660</b>	<b>86 316</b>	<b>-</b>	<b>-</b>	<b>77 541</b>	<b>-</b>	<b>2 159</b>	<b>2 443</b>
<b>Subsidiaries:</b>								
EPOS- Empresa Portuguesa de Obras Subterrâneas, S.A.	414	2 687	-	-	-	-	41	58
TEIXEIRA DUARTE - Engenharia e Construções (Angola), Lda.	3 317	29 160	-	-	-	-	2 136	20 476
EMPA - Serviços de Engenharia, S.A.	143	143	-	-	-	-	525	104
TEIXEIRA DUARTE ALGERIE, SPA	-	1 679	-	-	-	-	-	10 719
TEIXEIRA DUARTE- Engenharia e Construções (Colômbia) SAS	2 528	1 648	-	-	-	-	49	-
TEIXEIRA DUARTE CONSTRUCTION SERVICES, LLC	1 297	-	-	-	-	-	720	-
TEIXEIRA DUARTE - Engenharia e Construções, Lda. (Mozambique)	-	6 643	-	-	-	-	-	11 458
TDAP-Atividades Portuárias, S.A.	-	1	-	-	-	-	-	-
EPOS, S.A. (Branch of Colombia)	-	154	-	-	-	-	-	-
BOYACÁ - La Guaira, A.C.E.	9 744	2 376	-	-	-	-	-	(52)
TEGAVEN - Teixeira Duarte y Asociados, C.A.	1	1	-	-	-	-	-	(20)
UTE- VIANA	6	6	-	-	-	-	-	-
	<b>17 450</b>	<b>44 498</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 471</b>	<b>42 743</b>
<b>Joint Ventures:</b>								
TEIXEIRA DUARTE - SOPOL - Metro Superfície, A.C.E.	7	7	-	-	-	-	55	55
CONBATE, A.C.E.	12	8	-	-	-	-	-	4
METROLIGEIRO - Construção de Infraestruturas, A.C.E.	9	9	-	-	-	-	-	-
DOURO LITORAL, A.C.E.	5	-	-	-	-	-	-	43
DOURO LITORAL OBRAS ESPECIAIS, A.C.E.	-	-	-	-	-	-	-	10
CONSTRUSALAMONDE, A.C.E.	-	1	-	-	-	-	1	-
TD / SOMAFEL - Viadutos do Campo Grande, A.C.E.	-	741	-	-	-	-	-	277
	<b>33</b>	<b>766</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56</b>	<b>389</b>
<b>Other related parties:</b>								
TDGI - Tecnologia de Gestão de Imóveis, S.A.	381	244	-	-	-	-	43	75
IMOTD - Sociedade Gestora de Participações Sociais, S.A.	4	-	-	-	-	-	-	-
ESTA - Gestão de Hotéis, S.A.	22	38	-	-	-	-	26	22
SINERAMA - Organizações Turísticas e Hoteleiras, S.A.	5	-	-	-	-	-	7	-
TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A.	57	529	-	-	-	-	378	754
TD VIA - Sociedade Imobiliária, S.A.	704	-	-	-	-	-	-	-
TDE - Empreend Imobiliários, S.A.	6	-	-	-	-	-	-	-
V8 - Gestão Imobiliária, S.A.	929	-	-	-	-	-	4	-
QUINTA DE CRAVEL - Imobiliária, S.A.	464	-	-	-	-	-	1	-
SOMAFEL - Engenharia e Obras Ferroviárias, S.A.	1 027	370	-	-	-	-	2 959	2 253
TEDAL - Sociedade Gestora de Participações Sociais, S.A.	2	2	-	-	-	-	-	31
TDH - Sociedade Gestora de Participações Sociais, S.A.	1	1	-	-	-	-	3	1
TRANSBRITAL - Britas e Empreend Imobiliários, S.A.	11	-	-	-	-	-	-	-
LAGOAS HOTEL, S.A.	12	11	-	-	-	-	52	6
C + P.A. - Cimento e Produtos Associados, S.A.	3	1	-	-	-	-	-	-
TDO - Investimento e Gestão, SA	52	26	-	-	-	-	234	74
TDO - Sociedade Gestora de Participações Sociais, S.A.	1	-	-	-	-	-	-	-
IMOPEDROUÇOS - Sociedade Imobiliária, S.A.	2	1	-	-	-	-	-	-
TEIXEIRA DUARTE - Distribuição, S.A.	40	82	-	-	-	-	594	754
FUNDO DE INVESTIMENTO - TDF	4 019	18 597	2 123	-	-	-	-	-
ALVALADE - Empreendimentos Turísticos e Hoteleiros, Lda.	241	377	-	-	-	-	4 435	277
AUTO COMPETIÇÃO ANGOLA (SU), Lda.	67	78	-	-	-	-	-	-
AVENIDA - Empreendimentos Turísticos e Hoteleiros, Lda.	260	792	-	-	-	-	-	135
COMÉRCIO DE AUTOMÓVEIS (SU), Lda.	108	80	-	-	-	-	-	-
CND - Companhia Nacional de Distribuição (SU), Lda.	18 102	26 304	-	-	-	-	26 294	26 304
GO CORP TRAVEL SOLUTIONS - Agência de Viagens, S.A.	3	1 329	-	-	-	-	48	33
TDA - Comércio e Indústria (SU), Lda.	494	550	-	-	-	-	-	62
Other	31 402	5 978	-	-	-	-	32 051	2 195
	<b>58 419</b>	<b>55 390</b>	<b>2 123</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67 129</b>	<b>32 976</b>
	<b>162 562</b>	<b>186 970</b>	<b>2 123</b>	<b>-</b>	<b>77 541</b>	<b>-</b>	<b>72 815</b>	<b>78 551</b>



	Financing obtained (Note 20.2)		Deferrals		Accounts receivable / Other receivables		Other payable debts	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<b>Parent-company:</b>								
TEIXEIRA DUARTE, S.A.	-	1 020	133	(277)	420 958	412 465	2 187	3 072
	-	1 020	133	(277)	420 958	412 465	2 187	3 072
<b>Subsidiaries:</b>								
EPOS- Empresa Portuguesa de Obras Subterrâneas, S.A.	14 765	19 990	-	-	48	31	287	57
TEIXEIRA DUARTE - Engenharia e Construções (Angola), Lda.	-	-	-	-	12 233	26 721	-	54
EMPA - Serviços de Engenharia, S.A.	69	787	-	-	-	273	-	373
TEIXEIRA DUARTE ALGERIE, SPA	-	-	-	-	-	-	-	(345)
TEIXEIRA DUARTE - Engenharia e Construções (Colômbia) SAS	-	-	-	-	-	-	232	-
TEIXEIRA DUARTE - Engenharia e Construções (Macau), Lda.	-	-	-	-	(196)	(185)	-	-
TEIXEIRA DUARTE PERU-Ingenier y Construc, Soc. Anonima Cerrada	-	-	-	-	288	287	(12)	-
TEIXEIRA DUARTE CONSTRUCTION SERVICES, LLC	-	-	-	-	42	-	-	-
TEIXEIRA DUARTE - Eng e Construções, Lda. (Mozambique)	-	-	-	-	-	380	-	17 947
TDAP-Aktividades Portuárias, S.A.	-	-	-	-	-	31	-	-
EPOS, SA (Branch of Angola)	-	-	-	-	-	-	-	936
EPOS - Empresa Portuguesa de Obras Subterrâneas, S.A. - Suc. Peru	-	59	-	-	-	-	-	-
EPOS- Empresa Portuguesa de Obras Subterrâneas, S.A. Brazil	-	-	-	-	-	78	-	-
TEGAVEN - Teixeira Duarte y Asociados, C.A.	-	-	-	-	-	11	-	2
UTE- VIANA	-	-	-	-	-	2 403	-	-
	14 834	20 836	-	-	12 415	30 030	507	19 024
<b>Joint Ventures:</b>								
CONBATE, A.C.E.	-	-	-	-	-	69	-	-
METROLIGEIRO - Construção de Infraestruturas, A.C.E.	-	-	-	-	-	11	-	-
DOURO LITORAL, A.C.E.	-	-	-	-	-	91	-	1
DOURO LITORAL OBRAS ESPECIAIS, A.C.E.	-	-	-	-	-	-	-	(26)
CONSTRUSALAMONDE, A.C.E.	345	120	-	-	-	-	-	-
TD / SOMAFEL - Viadutos do Campo Grande, A.C.E.	-	-	-	-	1 435	1	25	1 451
	345	120	-	-	1 435	172	25	1 426
<b>Other related parties:</b>								
TDGI - Tecnologia de Gestão de Imóveis, S.A.	14 470	14 290	-	42	(21)	(12)	567	239
IMOTO - Sociedade Gestora de Participações Sociais, S.A.	4 093	-	-	-	-	-	-	-
ESTA - Gestão de Hotéis, S.A.	8 675	8 085	-	-	-	4	150	16
SINERAMA - Organizações Turísticas e Hoteleiras, S.A.	2 249	-	-	-	-	-	32	-
TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A.	76 789	86 445	1	(150)	3 196	3 209	1 121	207
V8 - Gestão Imobiliária, S.A.	-	-	3	-	1	-	-	-
QUINTA DE CRAVEL - Imobiliária, S.A.	570	-	-	-	-	-	14	-
SOMAFEL - Engenharia e Obras Ferroviárias, S.A.	7 640	9 040	-	1 669	1 042	207	287	245
TEDAL - Sociedade Gestora de Participações Sociais, S.A.	-	10 645	-	-	1 000	4	91	25
TDH - Sociedade Gestora de Participações Sociais, S.A.	1 200	349	-	-	-	1	12	1
TRANSBRITAL - Brlas e Empreendimentos Imobiliários, S.A.	-	-	-	-	1 633	-	-	-
LAGOAS HOTEL, S.A.	315	-	-	-	-	-	2	-
C + P.A. - Cimento e Produtos Associados, S.A.	-	-	-	-	-	-	-	(5)
TDO - Investimento e Gestão, S.A.	86 521	25 571	-	-	-	6	9 645	8 168
IMOPEDROUÇOS - Sociedade Imobiliária, S.A.	-	130	-	-	-	-	-	(1)
TEIXEIRA DUARTE - Distribuição, S.A.	13 320	6 150	-	-	-	4	910	736
FUNDO DE INVESTIMENTO - TDF	-	-	-	-	-	-	-	1 256
ALVALADE - Empreendimentos Turísticos e Hoteleiros, Lda.	-	-	-	-	-	-	-	4
CND (S.U.), Lda.	-	-	-	(8)	-	-	-	-
GO CORP TRAVEL SOLUTIONS - Agência de Viagens, S.A.	4 215	2 795	-	-	-	-	85	6
Other	30 607	4 865	-	2	(1 935)	1 261	9 345	571
	250 664	168 365	4	1 555	4 916	4 684	22 261	11 468
	265 843	190 341	137	1 278	439 724	447 351	24 980	34 990

The main transactions carried out in the periods ended December 31, 2022 and 2021, with related parties can be detailed as follows:

	Sales and services rendered		Interests receivable and similar income		Other income		Cost of goods sold and of the materials consumed	
	2022	2021	2022	2021	2022	2021	2022	2021
<b>Parent-company:</b>								
TEIXEIRA DUARTE, S.A.	31	236	19 912	11 362	-	(144)	-	-
	31	236	19 912	11 362	-	(144)	-	-
<b>Subsidiaries:</b>								
EPOS - Empresa Portuguesa de Obras Subterrâneas, S.A.	1 089	1 028	-	-	-	543	-	-
TEIXEIRA DUARTE - Engenharia e Construções (Angola), Lda.	53	250	-	-	-	107	-	20
EMPA - Serviços de Engenharia, S.A.	-	89	-	-	-	-	-	(1)
EPOS, S.A. (Branch of Angola)	-	3	-	-	-	-	-	-
TDAP - Atividades Portuárias, S.A.	-	7	-	-	-	-	-	-
TEIXEIRA DUARTE ALGERIE, SPA	-	1 414	-	-	-	37	-	-
TEIXEIRA DUARTE - Engenharia e Construções (Colômbia) SAS	-	237	-	-	-	161	-	-
TEIXEIRA DUARTE - Eng e Construções, S.A. - Mozambique Branch	-	1 690	-	-	-	563	-	-
	1 142	4 718	-	-	-	1 411	-	19
<b>Joint Ventures:</b>								
CONBATE, A.C.E.	69	140	-	-	-	-	-	-
CONSTRUSALAMONDE, A.C.E.	-	10	-	-	-	-	-	-
DOURO LITORAL, A.C.E.	25	34	-	-	-	-	-	-
TD / SOMAFEL - Viadutos do Campo Grande, A.C.E.	9 448	741	-	1	-	-	-	-
	9 542	925	-	1	-	-	-	-
<b>Other related parties:</b>								
ALVALADE - Empreendimentos Turísticos e Hoteleiros, Lda.	131	264	-	-	-	91	-	-
AUTO COMPETIÇÃO ANGOLA (SU), Lda.	6	35	-	-	-	-	-	-
AVENIDA - Empreendimentos Turísticos e Hoteleiros, Lda.	27	64	-	-	-	16	-	-
C + P.A. - Cimento e Produtos Associados, S.A.	30	12	-	-	-	-	-	-
COMÉRCIO DE AUTOMÓVEIS (SU), Lda.	57	46	-	-	-	-	-	-
CND - Companhia Nacional de Distribuição (SU), Lda.	622	1 471	-	-	-	159	-	78
ESTA - Gestão de Hotéis, S.A.	171	340	-	-	-	2	-	-
FUNDO DE INVESTIMENTO IMOBILIÁRIO FECHADO TDF	-	43 544	-	-	-	-	-	-
GO CORP TRAVEL SOLUTIONS - Agência de Viagens, S.A.	32	30	-	-	-	-	-	-
IMOPEDROUÇOS - Sociedade Imobiliária, S.A.	20	13	-	-	-	-	-	-
LAGOAS HOTEL, S.A.	113	114	-	-	-	-	-	-
SOMAFEL - Engenharia e Obras Ferroviárias, S.A.	3 727	968	-	-	-	196	272	78
TDA - Comércio e Indústria (SU), Lda.	290	373	-	-	-	-	-	1
TDGI - Tecnologia de Gestão de Imóveis, S.A.	2 291	1 700	-	-	-	(2)	4	19
TDH - Sociedade Gestora de Participações Sociais, S.A.	5	25	-	-	-	-	-	-
TDO - Investimento e Gestão, S.A.	491	302	-	-	-	-	-	-
TEDAL - Sociedade Gestora de Participações Sociais, S.A.	22	23	-	-	-	-	-	-
TEIXEIRA DUARTE - Distribuição, S.A.	358	596	-	-	-	-	-	-
TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A.	511	660	-	11	-	(150)	-	-
Other	2 176	7 363	273	133	-	431	1 458	11
	11 080	57 943	273	144	-	743	1 734	187
	21 795	63 822	20 185	11 507	-	2 010	1 734	206

	External Supplies and Services		Expenses with personnel		Interests payable and similar costs		Other expenses	
	2022	2021	2022	2021	2022	2021	2022	2021
<b>Parent-company:</b>								
TEIXEIRA DUARTE, S.A.	3 174	3 160	-	-	144	4	-	-
	3 174	3 160	-	-	144	4	-	-
<b>Subsidiaries:</b>								
EPOS - Empresa Portuguesa de Obras Subterrâneas, S.A.	-	-	-	-	812	255	-	-
TEIXEIRA DUARTE - Engenharia e Construções (Angola), Lda.	-	229	-	-	-	-	-	-
EMPA - Serviços de Engenharia, S.A.	-	98	-	(20)	(74)	1	-	(1)
EPOS, S.A. (Branch of Brazil)	-	(45)	-	(33)	-	-	-	-
TEIXEIRA DUARTE ALGERIE, SPA	-	(559)	-	-	-	-	-	21
TEIXEIRA DUARTE - Eng e Construções, S.A. - Mozambique Branch	(1 206)	286	-	1	-	-	-	-
	(1 206)	9	-	(52)	738	256	-	20
<b>Joint Ventures:</b>								
CONBATE, A.C.E.	2	3	-	-	-	-	-	-
CONSTRUSALAMONDE, A.C.E.	-	-	-	-	-	(291)	-	-
DOURO LITORAL, A.C.E.	-	2	-	-	-	-	-	-
NOVA ESTACÃO, A.C.E.	-	32	-	-	-	-	-	-
TD / SOMAFEL - Viadutos do Campo Grande, A.C.E.	17	234	-	-	-	35	-	15
	19	271	-	-	-	(256)	-	15
<b>Other related parties:</b>								
AUTO COMPETIÇÃO ANGOLA (SU), Lda.	-	8	-	-	-	-	-	-
C + P.A. - Cimento e Produtos Associados, S.A.	-	-	-	-	-	(4)	-	-
COMÉRCIO DE AUTOMÓVEIS (SU), Lda.	-	3	-	-	-	-	-	-
CND - Companhia Nacional de Distribuição (SU), Lda.	-	85	-	-	-	-	-	4
ESTA - Gestão de Hotéis, S.A.	-	-	-	-	408	78	-	-
GO CORP TRAVEL SOLUTIONS - Agência de Viagens, S.A.	311	227	-	-	246	62	-	-
IMOPEDROUÇOS - Sociedade Imobiliária, S.A.	-	-	-	-	1	-	-	-
LAGOAS HOTEL, S.A.	64	51	53	31	3	(6)	(21)	-
SOMAFEL - Engenharia e Obras Ferroviárias, S.A.	423	(21)	-	-	344	205	-	62
TDA - Comércio e Indústria (SU), Lda.	-	386	-	-	-	-	-	-
TDGI - Tecnologia de Gestão de Imóveis, S.A.	315	413	-	-	604	354	-	-
TDH - Sociedade Gestora de Participações Sociais, S.A.	-	-	-	-	28	7	-	-
TDO - Investimento e Gestão, S.A.	-	-	-	-	3 019	1 340	-	-
TEDAL - Sociedade Gestora de Participações Sociais, S.A.	-	-	-	-	301	328	-	-
TEIXEIRA DUARTE - Distribuição, S.A.	-	-	-	-	506	132	-	-
TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A.	2 133	1 674	-	-	2 984	2 546	-	-
Other	311	831	-	(90)	267	135	-	(1)
	3 557	3 657	53	(59)	8 711	5 177	(21)	65
	5 544	7 097	53	(111)	9 593	5 181	(21)	100

## 6. INTANGIBLE ASSETS

During the period ended December 31, 2022, the changes in intangible Assets, as well as in the respective accumulated amortisations, were as follows:

	Opening balance	Additions	Transfers and write-offs	Closing balance
Gross asset				
Software	4 229	205	(114)	4 320
Industrial property and other rights	46 194	-	(7 390)	38 804
Other intangible assets	965	-	(965)	-
Intangible assets in progress	888	58	(12)	934
	52 276	263	(8 481)	44 058
Accumulated amortisations				
Software	3 450	272	(71)	3 652
Industrial property and other rights	10 773	13	(3 154)	7 632
	14 223	285	(3 224)	11 284
Losses due to accumulated impairment				
Industrial property and other rights (Note 9)	28 947	-	-	28 947
	28 947	-	-	28 947
Net value of intangible assets	9 106			3 827

As of December 31, 2022, the write-offs which occurred in the item "Industrial Property and other rights" refers to the regularisation of a revaluation carried out by the subsidiary of Angola over the Surface Right of the land plot of the Operational Pole of Viana.

During the period ended December 31, 2022, the changes in intangible Assets, as well as in the respective accumulated amortisations, were as follows:

	Opening balance	Additions	Transfers and write-offs	Closing balance
Gross asset				
Software	4 375	395	(541)	4 229
Industrial property and other rights	46 194	-	-	46 194
Other intangible assets	1 240	-	(275)	965
Intangible assets ongoing	960	112	(184)	888
	52 769	507	(1 000)	52 276
Accumulated amortisations				
Software	4 050	125	(725)	3 450
Industrial property and other rights	8 902	1 871	-	10 773
	12 952	1 996	(725)	14 223
Losses due to accumulated impairment				
Industrial property and other rights (Note 9)	-	28 947	-	28 947
Other intangible assets ongoing	113	-	(113)	-
	113	28 947	(113)	28 947
Net value of intangible assets	39 704			9 106

## 7. TANGIBLE FIXED ASSETS

During the period ended December 31, 2022, the changes in tangible Assets, as well as in the respective accumulated amortisations, were as follows:

	Opening balance	Additions	Own work (a)	Transfers and write-offs	Disposals	Reversals	Closing balance
<b>Gross asset</b>							
Buildings and other constructions	18 348	3	-	(9 642)	(157)	-	8 552
Basic equipment	106 914	2 013	144	(5 581)	(5 586)	-	97 904
Transport equipment	19 088	324	125	(52)	(1 279)	-	18 208
Tools and instruments	25 577	646	122	(267)	(502)	-	25 578
Administrative equipment	8 115	10	-	(626)	(148)	-	7 349
Other tangible fixed assets	61	504	-	(151)	-	-	414
Tangible fixed assets ongoing	-	55	-	-	-	-	55
	178 103	3 555	391	(16 319)	(7 672)	-	158 060
<b>Accumulated depreciations:</b>							
Land and natural resources	-	-	-	-	-	-	-
Buildings and other constructions	13 032	531	-	(8 247)	(116)	-	5 200
Basic equipment	98 852	3 376	-	(4 645)	(5 323)	-	92 259
Transport equipment	16 773	669	-	(52)	(1 162)	-	16 231
Tools and instruments	24 161	949	-	(185)	(499)	-	24 425
Administrative equipment	7 532	275	-	(797)	(141)	-	6 870
Other tangible fixed assets	21	7	-	-	-	-	28
	160 371	5 807	-	(13 926)	(7 241)	-	145 013
<b>Losses due to accumulated impairment</b>							
Buildings and other constructions (Note 9)	1 096	-	-	-	-	(378)	718
Basic equipment (Note 9)	232	-	-	-	-	(200)	32
Transport equipment (Note 9)	3	-	-	-	-	(3)	-
Tools and utensils (Note 9)	132	-	-	-	-	(65)	67
Administrative equipment (Note 9)	13	-	-	-	-	(11)	2
	1 476	-	-	-	-	(657)	819
<b>Net value of tangible fixed assets</b>	16 256						12 228

As of December 31, 2022, the write-offs which occurred in the item "Buildings and other constructions" refers to the regularisation of a revaluation carried out by the subsidiary of Angola over the Surface Right of the land plot of the Operational Pole of Viana.

During the period ended December 31, 2021, the changes in tangible Assets, as well as in the respective accumulated amortisations, were as follows:

	Opening balance	Additions	Own work (a)	Transfers and write-offs	Disposals	Closing balance
<b>Gross asset</b>						
Buildings and other constructions	18 837	163	6	(658)	-	18 348
Basic equipment	107 578	4 292	548	(143)	(5 361)	106 914
Transport equipment	19 819	247	76	(2)	(1 052)	19 088
Tools and instruments	27 312	458	34	(1 616)	(611)	25 577
Administrative equipment	6 408	434	-	1 397	(124)	8 115
Other tangible fixed assets	37	24	-	-	-	61
	179 991	5 618	664	(1 022)	(7 148)	178 103
<b>Accumulated depreciations:</b>						
Buildings and other constructions	12 958	614	-	(540)	-	13 032
Basic equipment	100 067	4 024	-	(24)	(5 215)	98 852
Transport equipment	16 827	408	-	374	(836)	16 773
Tools and instruments	24 253	1 757	-	(1 267)	(582)	24 161
Administrative equipment	5 939	317	-	1 399	(123)	7 532
Other tangible fixed assets	15	6	-	-	-	21
	160 059	7 126	-	(58)	(6 756)	160 371
<b>Losses due to accumulated impairment</b>						
Buildings and other constructions (Note 9)	-	1 096	-	-	-	1 096
Basic equipment (Note 9)	-	232	-	-	-	232
Transport equipment (Note 9)	-	3	-	-	-	3
Tools and utensils (Note 9)	-	132	-	-	-	132
Administrative equipment (Note 9)	-	13	-	-	-	13
	-	1 476	-	-	-	1 476
<b>Net value of tangible fixed assets</b>	19 932					16 256

- (a) - The works for the entity itself are essentially due to the capitalisation of costs associated to the manufacturing of basic equipment, transportation equipment and tools and utensils.

## 8. INVESTMENT PROPERTIES

In the measurement of the Investment Properties item, the fair value method was used (Note 3.2.b)).

As of December 31, 2022 and 2021, the amounts entered under the investment properties item are as follows:

	31/12/2022	31/12/2021
Buildings and other constructions	140	193
	140	193

The fair value of each investment property was determined through valuations, carried out by an independent evaluator expert registered in the Securities and Exchange Commission (CMVM), according to generally accepted valuation methodologies for the real estate market, namely market comparison, replacement cost and the multiples of income method, depending on the particular situation of each property.

The main assumptions and methods inherent in the valuations to support the market value of the Investment Properties were as follows:

- Yield and 8.5%; and,
- Average of the comparative and multiples of income method.

The amounts related to Investment Properties recognised in results in the periods ended December 31, 2022 and 2021 were:

	2022	2021
Income:		
Investment property rents	(19)	22
	(19)	22
Operating direct costs:		
Generated rental income	(6)	(7)
	(6)	(7)
	(25)	15

In the period ended December 31, 2022, the item Income - investment property rents is negative due to correction of amounts, of 32 thousand euros, following the revocation of a rental contract.

The item "Expenses" is mostly composed of condominium expenses, sewer conservation rate and municipal property tax.

During the periods ended December 31, 2022 and 2021, the change occurred in investment properties was as follows:

	2022	2021
Balance on 1 January	193	189
Reductions	(49)	-
Variation of the fair value	(4)	4
Balance on 31 December	140	193

The decrease in the period ended 31 December 2022 refers to the disposal of a fraction.

## 9. IMPAIRMENT OF ASSETS

The amounts related to losses / unwinding of assets recognized in results in the periods ended December 31, 2022 and 2021 were:

31/12/2022							
	Opening balance	Increases	Decreases		Adjustments / Transfers	Currency translation differences	Closing balance
			Direct use	Reversal			
Debits receivable (Note 20.1)	91 931	-	(487)	(1 108)	-	2 952	93 288
Inventories (Note 13)	281	59	-	(16)	-	32	356
Financial Investments (Note 20.1)	148	-	-	-	-	-	148
Tangible fixed assets (Note 7)	1 476	-	-	(657)	-	-	819
Intangible Assets (Note 6)	28 947	-	-	-	-	-	28 947
Other debtors (Note 20.1)	216	166	-	-	-	-	382
	122 999	225	(487)	(1 781)	-	2 984	123 940

31/12/2021							
	Opening balance	Increases	Decreases		Adjustments / Transfers	Currency translation differences	Closing balance
			Direct use	Reversal			
Debits receivable (Note 20.1)	52 632	21 668	(930)	-	16 694	1 867	91 931
Inventories (Note 13)	238	23	-	(15)	-	35	281
Financial Investments (Note 20.1)	-	148	-	-	-	-	148
Tangible fixed assets (Note 7)	-	1 476	-	-	-	-	1 476
Intangible Assets (Note 6)	113	28 947	-	(113)	-	-	28 947
Other debtors (Note 20.1)	216	-	-	-	-	-	216
	53 199	52 262	(930)	(128)	16 694	1 902	122 999

The credit risk of accounts receivable balances is assessed at each reporting date, considering client's and other debtors' historical information and their risk profile. Receivables are adjusted by the management's assessment of the collection risks existing at the closing date of the financial statements, which may differ from the actual risk to be incurred.

The cost of inventories may not be recoverable if these inventories are damaged or become fully or partially obsolete.

The practice of reducing the cost of inventories (write down) to net realizable value is consistent with the view that assets should not be booked for amounts greater than those that were expected to result from their use or sale.

Asset impairment is adjusted by the evaluation carried out by the management at each reporting date, based on the recoverability risk of the same.

## 10. GOODWILL

The amounts related to Goodwill in the periods ended December 31, 2022 and 2021 were:

	31/12/2022		
	Gross amounts	Accumulated amortisations	Net amounts
Investments in Subsidiaries (Note 11)	43 567	(30 497)	13 070
	43 567	(30 497)	13 070

	31/12/2021		
	Gross amounts	Accumulated amortisations	Net amounts
Investments in Subsidiaries (Note 11)	43 567	(26 141)	17 426
	43 567	(26 141)	17 426

In the period ended December 31, 2022, based on the forecast business plan of the subsidiary EPOS, S.A., management did not identify any indicators of impairment.

## 11. FINANCIAL HOLDINGS – EQUITY METHOD

On December 31, 2022 and 2021, the Company had registered in the item Financial holdings – equity method, the following different amounts per investment:

	31/12/2022	31/12/2021
Investments in subsidiaries	279 570	243 791
Investments in associated companies	523	698
Investments in jointly controlled entities	1 516	1 562
	281 609	246 051

### Investments in subsidiaries

As of December 31, 2021, the Company had the following financial holdings in subsidiaries, measured by the equity method:

Corporate name	Head Office	Actual equity stake
CBLG - Consorcio Boyacá - La Guaira	Av. San Juan Bosco, Edificio Centro Altamira, Piso 5, Oficina 54 - Venezuela	57,20%
DPLG - Sociedade Unipessoal, Lda.	Lagoas Park - Edificio 2 - 2740-265 Porto Salvo	100,00%
EMPA - Serviços de Engenharia, S.A.	Rua Major Lopes, nº 800 - Belo Horizonte - Brasil	100,00%
EPOS- Empresa Portuguesa de Obras Subterrâneas, S.A.	Edificio 2, Lagoas Park - Oeiras - Portugal	100,00%
OPSUT - Consorcio Octavo Proyecto de Servicio Universal de Telecomu	Calle 4, Casa nº 4, Urbanización Los Laureles, Valle de la Pascoa - Venezuela	51,00%
TEGAVEN - Teixeira Duarte Y Asociados, C.A.	Distrito Capital - Caracas - Venezuela	100,00%
TEIXEIRA DUARTE - Constructions Services (EUA), LLC	New Jersey - United States Of America	100,00%
TEIXEIRA DUARTE - Engenharia e Construções (Angola), Lda.	Rua Amílcar Cabral, nº 27 C - Luanda - Angola	80,00%
TEIXEIRA DUARTE - Engenharia e Construções (Colômbia), S.A.S.	Bogotá, D.C. - Colômbia	100,00%
TEIXEIRA DUARTE - Engenharia e Construções (Macau), Lda.	Av. Dr. Mário Soares, nº 25, Apr. 26 e 28 - 3º andar - Macau	80,00%
TEIXEIRA DUARTE - Engenharia e Construções (Moçambique), Lda.	Av. Vinte e Quatro de Julho, nº 141 - Maputo - Moçambique	49,00%
TEIXEIRA DUARTE Algérie, SPA	Parc Miremont, Rue A, nº136 - Algiers - Algeria	99,94%
TEIXEIRA DUARTE PERU - Ingenieria y Construcciones, S.A.C.	Lima - Peru	80,00%
UTE VIANA	Av. Alberto Alcocer, 24-7ª - Madrid - Espanha	30,00%



In the period ended on December 31, 2022, the company carried out the liquidation of its subsidiary 100% owned, TDAP – Atividades Portuárias, S.A., and recognised, following the said liquidation, the subsidiary DPLG – Sociedade Unipessoal, Lda., formerly held by TDAP – Atividades Portuárias, S.A.

The main financial information, adjusted for the purposes of applying the equity method for subsidiary companies as of December 31, 2022 and 2021, is as follows:

	Assets		Liabilities		Income		Net income	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	2022	2021	2022	2021
CBLG - Consorcio Boyacá - La Guaira	15 419	14 109	15 434	14 116	2	1	(13)	(7)
EMPA - Serviços de Engenharia, S.A.	37 231	30 125	18 404	14 640	55 535	31 758	1 331	(4 003)
EPOS- Empresa Portuguesa de Obras Subterrâneas, S.A.	51 693	54 159	30 282	33 074	69 088	66 840	5 545	5 867
OPSUT - Consorcio Octavo Proyecto de Servicio Universal de Telecomunicaciones	-	-	-	-	-	-	-	-
TEGAVEN - Teixeira Duarte Y Asociados, C.A.	75	38	355	226	74	137	(228)	152
TEIXEIRA DUARTE - Construtions Services (EUA), LLC	350	1 025	625	1 268	(2)	-	(17)	(9)
TEIXEIRA DUARTE - Engenharia e Construções (Colômbia), S.A.S.	1 419	944	1 900	1 462	2 759	705	(16)	368
TEIXEIRA DUARTE - Engenharia e Construções (Angola), Lda.	418 086	345 929	154 604	104 868	36 912	12 951	7 755	(1 279)
TEIXEIRA DUARTE - Engenharia e Construções (Macau), Lda.	273	145	4	3	-	-	1	(5)
TEIXEIRA DUARTE - Engenharia e Construções (Moçambique), Lda.	63 621	62 005	31 514	28 738	28 589	31 113	(2 459)	(944)
TEIXEIRA DUARTE Algérie, SPA	16 900	16 756	4 418	6 334	3 798	3 006	644	(99)
TEIXEIRA DUARTE PERU - Ingenieria y Construcciones, S.A.C.	30	29	305	287	47	14	11	(23)
UTE VIANA	1 277	2 432	1 649	2 591	-	64	(213)	(179)
DPLG - Sociedade Unipessoal, Lda.	41	-	4	-	8	-	-	-
	606 415	527 696	259 498	207 607	196 810	146 589	12 341	(161)

(a) - In the periods ended December 31, 2022 and 2021, Teixeira Duarte – Engenharia e Construções (Angola), Lda has in its equity the amounts of 6.485 thousand euros and 15.557 thousand euros, respectively, referring to additional payments subject to the supplementary instalments scheme. The variation which occurred resulted from the coverage of accumulated losses through the additional payments.

On December 31, 2018, the Teixeira Duarte group's measurement model of a set of "homogeneous class" assets changed from the cost model to the revaluation model. This change had a cumulative impact in 2022 of 106.974 thousand euros on the Company's equity.

The equity holdings in subsidiary companies had the following changes in the periods ended December 31, 2022 and 2021:

	Equity holdings	Goodwill	Total
Balance on 1 January 2021	206 717	21 783	228 500
Amortisation	-	(4 357)	(4 357)
Effects of the application of the equity method			
- Effect on the income of the period	(410)	-	(410)
- Effect on equity	37 531	-	37 531
- Dividends	(47)	-	(47)
Balance on 31 December 2021	243 791	17 426	261 217
Balance on 1 January 2022	243 791	17 426	261 217
Increase	9 564	-	9 564
Decrease	(72)	-	(72)
Amortisation	-	(4 356)	(4 356)
Effects of the application of the equity method			
- Effect on the income of the period	12 556	-	12 556
- Effect on equity	19 751	-	19 751
- Dividends	(6 019)	-	(6 019)
Balance on 31 December 2022	279 570	13 070	292 640

The increase occurred in the period ended on December 31, 2022 refers to losses coverage, of an amount of 9.519 thousand euros, in the subsidiaries TEIXEIRA DUARTE - Engenharia e Construções (Angola), Lda. and TDAP – Atividades Portuárias, S.A. And by the recognition of the participation in the subsidiary DPLG – Sociedade Unipessoal, Lda., with a worth of 45 thousand euros.

The reduction occurred in the period ended on December 31, 2022, of an amount of 72 thousand euros, refers to the de-recognition of the participation in the subsidiary TDAP – Atividades Portuárias, S.A.

The detail of the investments in subsidiaries in the periods ended December 31, 2022 and 2021, was as follows:

	Equity holdings	
	31/12/2022	31/12/2021
EMPA - Serviços de Engenharia, S.A.	18 827	15 449
EPOS- Empresa Portuguesa de Obras Subterrâneas, S.A.	21 411	21 085
TDAP - Atividades Portuárias, S.A.	-	22
TEGAVEN - Teixeira Duarte Y Associados, C.A.	37	-
TEIXEIRA DUARTE - Engenharia e Construções (Angola), Lda.	210 786	180 404
TEIXEIRA DUARTE - Engenharia e Construções (Macau), Lda.	215	114
TEIXEIRA DUARTE - Engenharia e Construções (Moçambique), Lda.	15 820	16 301
TEIXEIRA DUARTE Algérie, SPA	12 474	10 416
	279 570	243 791

The Company has recorded in the period ended December 31, 2022, a *Goodwill* of an amount of 13.070 thousand euros regarding its participation in the company EPOS - Empresa Portuguesa de Obras Subterrâneas, S.A., which will be amortised during a period of 10 years, since 2016.

The effect of the application of the equity method in the periods ended December 31, 2022 and 2021, can be detailed as follows:

	Gains / Losses		Adjustments in equity		Dividends	
	2022	2021	2022	2021	2022	2021
DPLG - Sociedade Unipessoal, Lda	-	-	(9)	-	-	-
EMPA - Serviços de Engenharia, S.A.	1 331	(4 003)	2 048	(413)	-	-
EPOS- Empresa Portuguesa de Obras Subterrâneas, S.A.	5 545	5 866	354	(3 303)	(5 573)	-
TDAP - Atividades Portuárias, S.A.	(11)	(1)	28	2	-	-
TEIXEIRA DUARTE - Engenharia e Construções (Colômbia), S.A.S.	-	(363)	-	(3)	-	-
TEIXEIRA DUARTE - Engenharia e Construções (Angola), Lda.	6 204	(1 023)	15 139	36 722	(446)	-
TEIXEIRA DUARTE - Engenharia e Construções (Macau), Lda.	1	(5)	101	12	-	-
TEIXEIRA DUARTE - Engenharia e Construções (Moçambique), Lda.	(1 157)	(943)	675	3 327	-	-
TEIXEIRA DUARTE Algérie, SPA	643	68	1 415	1 187	-	-
UTE Viana	-	(6)	-	-	-	(47)
	12 556	(410)	19 751	37 531	(6 019)	(47)

#### Investments in associated companies

As of December 31, 2022, the Company had the following financial holdings in associated companies, measured by the equity method:

Corporate name	Head Office	Actual equity stake
GUAYAQUIL II - Consorcio Puente Daule	Avenida Francisco de Orellana, Guayaquil - República do Equador	20,00%

The main financial information, adjusted for the purposes of applying the equity method for subsidiary companies on December 31, 2022 and 2021, is as follows:

	Assets		Liabilities		Income		Net income	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	2022	2021	2022	2021
GUAYAQUIL II - Consorcio Puente Daule	2 530	35 302	152	31 810	-	-	(794)	(70)
	2 530	35 302	152	31 810	-	-	(794)	(70)

The equity holdings in associated companies had the following changes in the periods ended December 31, 2022 and 2021:

	Equity holdings	Goodwill	Total
Balance on 1 January 2020	658	-	658
Effects of the application of the equity method			
- Effect on the income of the period	(14)	-	(14)
- Effect on equity	-	-	-
- Dividends	(18)	-	(18)
Currency translation differences	72	-	72
Balance on 31 December 2020	698	-	698
Balance on 1 January 2021	698	-	698
Effects of the application of the equity method			
- Effect on the income of the period	(159)	-	(159)
Currency translation differences	(16)	-	(16)
Balance on 31 December 2021	523	-	523

The detail of the investments in associated companies in the periods ended December 31, 2022 and 2021, was as follows:

	Equity holdings	
	2022	2021
GUAYAQUIL II - Consorcio Puente Daule	523	698
	523	698

The effect of the application of the equity method in the periods ended December 31, 2022 and 2021, can be detailed as follows:

	Gains / Losses		Dividends		Currency translation differences	
	2022	2021	2022	2021	2022	2021
GUAYAQUIL II - Consorcio Puente Daule	(159)	(14)	-	(18)	(16)	72
	(159)	(14)	-	(18)	(16)	72

## Interests in joint ventures

As of December 31, 2022, the Company had the following financial holdings in joint ventures, measured by the equity method:

Corporate name	Head Office	Actual equity stake
CONBATE, A.C.E.	Edifício 2, Lagoas Park, Oeiras	20,00%
CONSTRUSALAMONDE, A.C.E.	Edifício 2, Lagoas Park, Oeiras	52,50%
DOURO LITORAL, A.C.E.	Edifício 2, Lagoas Park, Oeiras	40,00%
METROLIGEIRO - Construção de Infraestruturas, A.C.E.	Rua Abranches Ferrão, N° 10 – 5° F, Lisboa	26,80%
TEIXEIRA DUARTE - SOMAFEL - Viadutos do Campo Grande, A.C.E.	Edifício 2, Lagoas Park, Oeiras	78,00%
TEIXEIRA DUARTE / SOPOL - Metro de Superfície, A.C.E.	Edifício 2, Lagoas Park, Oeiras	57,30%

The main financial information, adjusted for the purposes of applying the equity method to joint ventures on December 31, 2022 and 2021, is as follows:

	Assets		Liabilities		Income		Net income	
	2022	2021	2022	2021	2022	2021	2022	2021
CONBATE, A.C.E.	427	1 003	454	431	3	4 359	(599)	423
CONSTRUSALAMONDE, A.C.E.	370	409	656	584	24	146	(112)	82
DOURO LITORAL, A.C.E.	4 612	4 982	823	1 362	312	45	169	(145)
METROLIGEIRO, A.C.E.	9	14	25	25	-	-	(5)	(11)
TEIXEIRA DUARTE - SOMAFEL, A.C.E.	2 218	3 553	2 218	3 553	10 587	1 124	-	-
TEIXEIRA DUARTE / SOPOL, A.C.E.	190	193	190	193	-	1	(2)	-
	7 826	10 154	4 366	6 148	10 926	5 675	(549)	349

The equity holdings in joint ventures had the following changes in the periods ended December 31, 2022 and 2021:

	Equity holdings	Goodwill	Total
Balance on 1 January 2021	1 888	-	1 888
Increase	-	-	-
Decrease	(297)	-	(297)
Effects of the application of the equity method			
- Effect on the income of the period	22	-	22
- Effect on equity	(5)	-	(5)
- Dividends received	(45)	-	(45)
Balance on 31 December 2021	1 563	-	1 563
Balance on 1 January 2022	1 563	-	1 563
Effects of the application of the equity method			
- Effect on the income of the period	(46)	-	(46)
Balance on 31 December 2022	1 516	-	1 516

The effect of the application of the equity method in the periods ended December 31, 2022 and 2021, can be detailed as follows:

	Gains / Losses		Adjustments in equity		Dividends	
	2022	2021	2022	2021	2022	2021
CONBATE, A.C.E.	(114)	85	-	(5)	-	-
DOURO LITORAL, A.C.E.	68	(58)	-	-	-	-
D.L.O.E., ACE	-	(5)	-	-	-	-
TRÊS PONTO DOIS, ACE	-	-	-	-	-	45
	(46)	22	-	(5)	-	45

## 12. GAINS / LOSSES ATTRIBUTABLE TO SUBSIDIARIES, ASSOCIATED AND JOINT VENTURES

In the periods ended December 31, 2021 and 2020, the Company had the following amounts in results in investments in financial holdings in subsidiaries, associated companies and joint ventures:

	2022	2021
Income:		
Application of the equity method	13 791	6 019
	13 791	6 019
Expenses:		
Application of the equity method	(1 440)	(6 422)
Disposals	(29)	-
	(1 469)	(6 422)
	12 322	(403)

The alienation which occurred in the period ended on December 31, 2022 refers to the liquidation of the subsidiary TDAP – Atividades Portuárias, S.A.

## 13. INVENTORIES

The change in raw materials, subsidiaries and consumption, finished and intermediate products items in the periods ended December 31, 2022 and 2021, is as follows:

31/12/2022								
	Gross amounts						Losses due to accumulated impairment (Note 9)	Net amounts
	Opening balance	Regularisations	Currency translation differences	Purchases	Cost for the period	Changes in the inventories of production	Closing balance	
Raw materials and consumables	2 822	-	596	95 304	(94 433)	-	4 289	(356)
Finished and intermediate products held by third parties	296	-	-	-	-	(102)	194	-
	3 118	-	596	95 304	(94 433)	(102)	4 483	(356)
								4 127

31/12/2021								
	Gross amounts						Losses due to accumulated impairment (Note 9)	Net amounts
	Opening balance	Regularisations	Currency translation differences	Purchases	Cost for the period	Changes in the inventories of production	Closing balance	
Raw materials and consumables	2 187	-	(222)	58 494	(57 637)	-	2 822	(281)
Finished and intermediate products held by third parties	296	-	-	-	-	-	296	-
	2 483	-	(222)	58 494	(57 637)	-	3 118	(281)
								2 837

#### 14. CONSTRUCTION CONTRACTS

As of December 31, 2022 and 2021, the Company had its accounts impacted by the following amounts, related to construction contracts:

	2022	2021
Estimated costs	1 104 205	1 062 592
Costs incurred in from previous periods	483 882	363 748
Costs incurred in the period	283 711	243 806
Accumulated Costs	767 593	607 554
Contract Price	1 137 418	1 136 892
Revenue from previous periods	475 051	443 212
Revenue for the period	313 758	187 549
Accumulated revenue	788 809	630 761
Amount of received advances	49 867	9 511
Amounts withheld	1 508	3 670

#### 15. REVENUE

In the periods ended December 31, 2022 and 2021, the company's recognised revenue had the following breakdown:

	2022	2021
Sales	514	1 548
Services rendered	407 023	228 753
Royalties (Note 25)	791	310
Interests (Note 22 and Note 25)	20 398	11 633
Dividends	1 220	2 364
	429 946	244 608

For the periods ended December 31, 2022 and 2021, the Company's turnover was geographically distributed as follows:

	2022			2021		
	Sales	Services rendered	Total	Sales	Services rendered	Total
Angola	-	17 089	17 089	11	8 300	8 311
Algeria	476	2 780	3 256	1 501	(54 436)	(52 935)
Brazil	-	69 495	69 495	-	62 776	62 776
Cabo Verde	-	2 643	2 643	-	3 023	3 023
Colombia	-	374	374	16	666	682
Mozambique	-	115	115	9	(127)	(118)
Kuwait	-	96 698	96 698	-	36 139	36 139
Portugal	38	217 829	217 867	11	163 190	163 201
Venezuela	-	-	-	-	9 222	9 222
	514	407 023	407 537	1 548	228 753	230 301

In the period ended on December 31, 2021, it was recorded in Algeria, due to the reduction of the activity, a decrease of 122.114 thousand euros, 73.123 of which resulting from the suspension of six projects and respective de-recognition of the accrued income.

## 16. PROVISIONS

The change in accumulated provisions in the periods ended December 31, 2022 and 2021, was as follows:

31/12/2022							
	Opening balance	Additional / Reinforcements	Decreases		Adjustments / Transfers	Currency translation effects	Closing balance
			Equity	Reversal			
Guarantees to trade debtors	7 110	1 542	-	(924)	-	227	7 955
Ongoing legal proceedings	2 046	47	-	(385)	-	70	1 778
Onerous contracts	2 295	1 495	-	(627)	-	(106)	3 057
Other provisions	6 774	678	(13)	(41)	-	129	7 527
	18 225	3 762	(13)	(1 977)	-	320	20 317

31/12/2021							
	Opening balance	Additional / Reinforcements	Decreases		Adjustments / Transfers	Currency translation differences	Closing balance
			Direct use	Reversal			
Guarantees to trade debtors	9 444	1 474	-	(3 907)	-	99	7 110
Ongoing legal proceedings	1 571	893	-	(437)	-	19	2 046
Onerous contracts	9 600	2 270	-	(9 578)	-	3	2 295
Other provisions	2 336	3 551	(61)	(46)	-	994	6 774
	22 951	8 188	(61)	(13 968)	-	1 115	18 225

"Other provisions" include provisions relating to equity holdings intended to cover liabilities arising from losses in affiliate companies held with negative equity.

As of December 31, 2022 and 2021, the amount of the provisions regarding equity holdings is 1.862 thousand euros and 1.538 thousand euros, respectively.

## 17. CONTINGENT LIABILITIES

### Fiscal Procedures

As a result of an inspection carried out by the Tax and Customs Authority to the Company's accounting data of the 2008 financial year, the benefits subject to taxes regarding that financial year were amended, corresponding to 35.467 thousand euros.

With regard to this correction, the Company, as the controlling organization of the group of companies in force at the time, contested 32.595 thousand euros, pertaining to tax credit, tax capital gains reinvestment scheme and application of number 10 of the Article 22 of the Statute of Tax Benefits. In October 2022, TEIXEIRA DUARTE – Engenharia e Construções, S.A. had a favourable decision, which was not appealed by the AT (tax and customs authority) to the higher courts, having been later required the cancellation of the bank guarantee, cancellation that has already occurred.



## 18. EFFECT OF THE EXCHANGE RATES CHANGES

The quotes used to convert the assets and liabilities expressed in foreign currency on December 31, 2022 and 2021, into euros, as well as the results of operations carried out in countries with an operating currency other than the Euro, of the periods ended on those dates:

Currency	Closing exchange rate			Average exchange rate		
	31/12/2022	31/12/2021	Change	2022	2021	Change
Venezuelan Sovereign Bolivar (VES)	18,693990	5,211570	258,70%	18,693990	5,211570	258,70%
Algerian Dinar (DZD)	146,052700	156,429000	(6,63%)	149,894570	159,468110	(6,00%)
Kuwaiti Dinar (KWD)	0,326130	0,342190	(4,69%)	0,323100	0,357400	(9,60%)
Moroccan Dirham (MAD)	11,124600	10,475100	6,20%	10,672850	10,662570	0,10%
Tunisian Dinar (TND)	3,305400	3,250700	1,68%	3,233020	3,287930	(1,67%)
United Arab Emirates Dirham (AED)	3,916700	4,159600	(5,84%)	3,888170	4,352420	(10,67%)
US Dollar (USD)	1,066600	1,132600	(5,83%)	1,056340	1,185060	(10,86%)
Cape Verdean Escudo (CVE)	110,265000	110,265000	-	110,265000	110,265000	-
Yen (JPY)	140,660000	130,380000	7,88%	137,542310	126,490000	8,74%
Angolan Kwanza (AON)	537,438000	635,751000	(15,46%)	499,823780	739,749110	(32,43%)
British Pound Sterling (GBP)	0,886930	0,840280	5,55%	0,853700	0,861530	(0,91%)
Mozambican Metical (MZN)	68,850000	71,580000	(3,81%)	68,140000	77,484940	(12,06%)
Peruvian Novo Sol (PEN)	4,065000	4,513600	(9,94%)	4,072740	4,587850	(11,23%)
Macanese Pataca (MOP)	8,565800	9,098300	(5,85%)	8,517400	9,487220	(10,22%)
Colombian Peso (COP)	5 134,407480	4 604,480000	11,51%	4 499,163220	4 440,057550	1,33%
South African Rand (ZAR)	18,105700	18,062500	0,24%	17,285780	17,625260	(1,93%)
Brazilian Real (BRA)	5,569400	6,310100	(11,74%)	5,470420	6,378190	(14,23%)
Qatari Rial (QAR)	3,910400	4,124400	(5,19%)	3,855210	4,329090	(10,95%)

The differences in net foreign exchange recognized in equity related to the transposition of operating units with a reporting currency other than the euro (Note 3.2 q)), in the periods ended December 31, 2022 and 2021 were as follows:

	Net exchange rate differences
Balance on 1 January 2021	(63 570)
Favourable exchange rate differences	8 821
Unfavourable exchange rate differences	(10 824)
Balance on 31 December 2021	(65 573)
Balance on 1 January 2022	(65 573)
Favourable exchange rate differences	14 196
Unfavourable exchange rate differences	(13 380)
Balance on 31 December 2022	(64 757)

## 19. INCOME TAX

The Company is subject to Corporate Income Tax, at the rate of 21%, incurring on taxable income. If taxable profit is calculated in the period, it is also subject to Municipal Tax, whose rate may vary up to a maximum of 1,5%, as well as the State Tax, incurred on the share of taxable profit that exceeds the amount of 1.500, 7.500 and 35.000 thousand euros, at the rates of 3%, 5% and 9%, respectively. It is also subject to autonomous taxation, on fees and expenditure, charges and expenses provided for in Article 88 of the Corporate Income Tax Code.

Under the Corporate Income Tax Code, tax losses can be brought forward over a period of 5 (five) years for those generated in the tax period of 2018 onwards, being eligible for a deduction from taxable income at a later date, and such deduction is limited to 70% of the taxable income calculated in the tax period in which it occurs.

The Supplementary State Budget Law for 2020 changed the rules for reporting and deducting tax losses listed above, in the following terms:

- Tax losses in the 2020 and 2021 tax periods can be brought forward 10 (ten) years;
- The calculation of the reporting period of tax losses, applicable to those still in force on the first day of the 2020 tax period, shall be suspended during that tax period and the one following; and
- The limit on the deduction of tax losses when the difference results from tax losses calculated in the 2020 and 2021 tax periods is raised to 80% of taxable income.

The 2023 Budget Law estimates the deduction of tax losses to the taxable profit ceases to be limited in time. This new rule applies to all periods of taxation which start on or after January 1, 2023, as well as to the tax losses relating to periods previous to January 1, 2023 and which are still available for deduction. In exchange, the deduction to carry out in each of the taxation periods shall not exceed the amount corresponding to 65% of the respective taxable profit.

According to current legislation, tax returns in Portugal are subject to review and correction by the tax authorities for a period of four years, except where there has been deduction of tax losses, or inspections, ongoing complaints or challenges, cases where, depending on the circumstances, that period may be extended or suspended.

For countries where the Company operates through Branches / Permanent Establishments, the period for reviewing its tax returns varies between three and ten years.

The Board of Directors considers that any corrections resulting from tax revisions/inspections to those statements will not have a significant effect on the financial statements reported on December 31, 2022.

The tax charge recorded in the periods ended 31 December 2022 and 2021 may be presented as follows:

	2022	2021
Current tax:		
Income tax in Portugal	461	477
Income tax in other jurisdictions	848	1 833
	1 309	2 310
Deferred tax:		
Deferred tax in Portugal	(4 669)	(26 731)
Deferred tax in other jurisdictions	-	(15)
	(4 669)	(26 746)
	(3 360)	(24 436)

The relation, in Portugal, between expenditure and accounting profit, in the periods ended December 31, 2022 and 2021, is as follows:

	2022	2021
Net income for the period	(21 620)	(112 940)
Adjustments to taxable profit		
Permanent differences:		
- to add	15 416	21 094
- to deduct	(21 990)	(24 996)
Temporary differences:		
- to add	7 603	73 500
- to deduct	(1 686)	(36 499)
<b>Tax loss</b>	<b>(22 277)</b>	<b>(79 841)</b>
Tax base	-	-
Tax credit for international double taxation	-	(1 809)
Other components of income tax:		
Separate taxation	461	477
<b>Current tax</b>	<b>461</b>	<b>477</b>
Deferred tax	(4 669)	(26 731)
Income tax expenses	(4 208)	(26 254)

The changes in deferred tax assets and liabilities in the periods ended December 31, 2022 and 2021, were as follows:

	2022					
	Opening balance	Establishment	Reversal		Adjustment	Closing balance
			Net income	Equity		
Deferred tax assets:						
Bad debt adjustments	3 485	88	-	-	-	3 573
Adjustment in inventories	63	17	-	-	-	80
Reportable tax losses	-	4 678	-	-	(4 678)	-
International double taxation	10 702	1 800	(21)	-	(805)	11 677
Projects with losses	502	183	-	-	-	685
Impairment tangible assets	330	-	(147)	-	-	183
Impairment intangible assets	6 513	-	(29)	-	-	6 484
Other financial assets	-	-	-	-	-	-
Other taxed provisions	578	536	(633)	-	-	481
	22 172	7 302	(830)	-	(5 483)	23 163
Deferred tax liabilities:						
Investment properties	16	-	(16)	17	-	17
Revaluations of tangible fixed assets	1 534	-	-	(1 534)	-	-
Other taxed provisions	-	-	-	-	-	-
	1 550	-	(16)	(1 517)	-	17

	2021					
	Opening balance	Establishment	Reversal		Adjustment	Closing balance
			Net income	Equity		
Deferred tax assets:						
Bad debt adjustments	25	3 460	-	-	-	3 485
Adjustment in inventories	-	63	-	-	-	63
Reportable tax losses	-	16 767	-	-	(16 767)	-
International double taxation	11 025	1 267	-	-	(1 590)	10 702
Projects with losses	2 200	-	(1 580)	-	(118)	502
Impairment tangible assets	-	330	-	-	-	330
Impairment intangible assets	-	6 513	-	-	-	6 513
Other taxed provisions	667	-	(89)	-	-	578
	13 917	28 400	(1 669)	-	(18 475)	22 173
Deferred tax liabilities:						
Investment properties	16	-	-	-	-	16
Revaluations of tangible fixed assets	1 549	-	(15)	-	-	1 534
Other taxed provisions	-	-	-	-	-	-
	1 565	-	(15)	-	-	1 550

The constitutions and unwinding verified in the periods ended were recognized as expenses or income for the period under the heading "Income Tax for the period".

The adjustments made in the periods ended 31 December 2022 and 2021 under the items Reportable Tax Losses and international Double taxation refer to transfers in favour of the controlling company under the Special Taxation Regime of Group Companies (RETGS).

## 20. FINANCIAL INSTRUMENTS

Current and non-current financial assets and liabilities had the following breakdown in the periods ended December 31, 2022 and 2021:

### 20.1 FINANCIAL ASSETS

#### Trade debtors

As of December 31, 2022 and 2021, the item Trade debtors had the following breakdown:

	31/12/2022			31/12/2021		
	Non Group	Group (Note 5)	Total	Non Group	Group (Note 5)	Total
Trade debtors - current account	133 041	162 562	295 603	101 452	186 970	288 422
Bad debt trade debtors	77 131	-	77 131	76 185	-	76 185
	210 172	162 562	372 734	177 637	186 970	364 607
Losses due to accumulated impairment (Note 9)	(93 288)	-	(93 288)	(91 931)	-	(91 931)
	116 884	162 562	279 446	85 706	186 970	272 676

The credit risk of the balance of Trade debtors is detailed in note 27.

### State and other public entities

As of December 31, 2022 and 2021, State and other public entities had the following breakdown:

	31/12/2022	31/12/2021
Government and other public entities:		
Income tax	7 734	6 382
Value added tax	6 817	5 476
Other taxes	389	178
Other charges	67	47
	15 007	12 083

### Accounts receivable

As of December 31, 2022 and 2021, the items Other accounts receivable (current) and Accounts receivable (non-current) had the following decomposition:

	31/12/2022		31/12/2021	
	Current	Non-current	Current	Non-current
Debtors for accrued income	64 064	-	40 080	-
Other debtors:				
Advance payments to trade creditors	6 263	-	3 784	-
Shareholders	395 888	89 246	275 310	131 746
Staff	87	-	68	-
RETGS	22 351	-	36 022	-
Other	20 514	-	23 799	-
	445 103	89 246	338 983	131 746
Losses due to accumulated impairment:				
Other debtors (Note 9)	(382)	-	(216)	-
	(382)	-	(216)	-
	508 785	89 246	378 847	131 746

In the period ended 31 December 2022 and 2021, the item "Debtors through increase in revenue" includes an amount of 55,026 and of 23,012 thousand euros, respectively, resulting from the application of the percentage of completion method.

### Deferrals

As of December 31, 2022 and 2021, the item Deferrals had the following breakdown:

	31/12/2022	31/12/2021
Costs to be recognised	6 656	7 571
	6 656	7 571

### Financial Assets Held for Negotiation

As of December 31, 2022 and 2021, the item Financial assets held for negotiation had the following breakdown:

	31/12/2022	31/12/2021
Negotiable instruments	346	-
	346	-

The financial assets, on December 31, 2022, refer to Treasury Bonds held by the subsidiary of Angola.

### Non-current assets held for sale

As of December 31, 2022 and 2021, the item Non-current assets held for sale had the following breakdown:

	31/12/2022	31/12/2021
Financial Investments	5	5
	5	5

### Other Financial Investments

As of December 31, 2022 and 2021, the item "Other financial investments" net of impairment losses had the following breakdown:

	31/12/2022	31/12/2021
Financing loans:		
DPLG - Des. Terminal Esp. Contentores Porto La Guaira, Soc. Unip. Lda	30	-
TDAP - Atividades Portuárias, S.A.	-	40
TEIXEIRA DUARTE Algérie, SPA	11	12
TEIXEIRA DUARTE - Engenharia e Construções Angola, Lda.	8 612	17 897
	8 653	17 949
Financial holdings - other methods		
Association Built Colab - Colaborative Laboraty For The Future Built Environment	13	13
Other contributions		
Labour Compensation Fund - FCT	166	129
	8 832	18 091

As of December 31, 2022, it is constituted an impairment on the Financing Loan granted to the CBLG – Consortium Boyacá – La Guaira, of 148 thousand euros (Note 9).

## 20.2 FINANCIAL LIABILITIES

### Trade creditors

As of December 31, 2022 and 2021, the item Trade creditors had the following breakdown:

	31/12/2022			31/12/2021		
	Non Group	Group (Note 5)	Total	Non Group	Group (Note 5)	Total
Trade creditors - current account	85 454	72 815	158 269	58 058	78 551	136 609
Trade creditors - invoices received and checked	518	-	518	461	-	461
Other trade creditors	14 757	-	14 757	12 571	-	12 571
	100 729	72 815	173 544	71 090	78 551	149 641

The liquidity risk of the balance of Suppliers is detailed in note 27.

### Advance payments from trade debtors

As of December 31, 2022 and 2021, the item Advance payments from Trade debtors had the following breakdown:

	31/12/2022	31/12/2021
Advance payments from Clients	80 003	65 870
	80 003	65 870

The liquidity risk of the balance of Clients advance payments is detailed in note 27.

### State and other public entities

As of December 31, 2022 and 2021, State and other public entities had the following breakdown:

	31/12/2022	31/12/2021
Income tax	5 240	6 059
Withheld income taxes	1 540	1 278
Value added tax	60	-
Social Security contributions	1 257	1 126
Other taxes	7	5
	8 104	8 468

The liquidity risk of the balance of State and other public entities is detailed in note 27.

### Financing obtained

As of December 31, 2022 and 2021, the item Financing obtained (current and non-current) had the following breakdown:

		31/12/2022			31/12/2021		
		Current	Non-current	Total	Current	Non-current	Total
Bank loans	a)	54 204	43 431	97 635	58 635	49 962	108 597
Bank overdrafts	a)	4 659	-	4 659	3 701	-	3 701
Financial leases	a)	2 765	1 427	4 192	355	1 782	2 137
Other Financing	c)	7 525	-	7 525	50	-	50
Securities market - commercial paper	b)	420	225 730	226 150	-	229 150	229 150
Related Parties	Note 5	265 843	-	265 843	190 282	-	190 282
		335 416	270 588	606 004	253 023	280 894	533 917

The liquidity risk of the balance of Financing obtained is detailed in note 27.

During the period ended December 31, 2022, the movements in the Financing obtained were as follows:

	31/12/2022					
	Opening balance	Increase	Decrease	Moratoria	Exchange Rate Conversion	Closing balance
Bank loans	108 597	186 891	(197 862)	9	-	97 635
Bank overdrafts	3 701	958	-	-	-	4 659
Financial leases	2 137	4 257	(2 202)	-	-	4 192
Other Financing	50	24 362	(16 886)	-	-	7 525
Securities market - other financing	229 150	2 673 350	(2 676 350)	-	-	226 150
Related Parties	190 282	580 171	(504 609)	-	-	265 843
	533 917	3 469 988	(3 397 910)	9	-	606 004

During the period ended December 31, 2021, the movements in the Financing obtained were as follows:

	31/12/2021					
	Opening balance	Increase	Decrease	Moratoria	Exchange Rate Conversion	Closing balance
Bank loans	112 302	127 941	(133 864)	239	1 979	108 597
Bank overdrafts	2 998	15 525	(14 822)	-	-	3 701
Financial leases	126	2 570	(552)	-	(7)	2 137
Other Financing	196	-	(146)	-	-	50
Securities market - bond loans	500	-	(500)	-	-	-
Securities market - other financing	232 550	2 573 500	(2 576 900)	-	-	229 150
Related Parties	215 001	296 514	(320 650)	-	(583)	190 282
	563 673	3 016 050	(3 047 434)	239	1 389	533 917

As of December 31, 2022, the item Financing obtained relates to several transactions contracted with various financial institutions and related parties, bearing interest at normal market rates.

#### (a) Bank loans

As of December 31, 2022, bank loans for bank overdrafts and escrow accounts bore interest at normal market rates.

Bank loans taken out by the Company correspond essentially to:

Bank	Type of financing	Start date	End date	Financing	Currency	Total financing amount - Currency	Total financing amount - €	Ceiling used Company (€)	Ceiling used rest of the group (€)
CAIXA GERAL DE DEPÓSITOS	Term loans	22 September 2014	1 June 2034	Grouped	EURO	85 869	85 869	10 304	75 565
BANCO COMERCIAL PORTUGUÊS, S.A.	Term loans	27 November 2017	30 December 2033	Grouped	EURO	32 015	32 015	7 027	24 988
BANCO COMERCIAL PORTUGUÊS, S.A.	Term loans	12 August 2016	30 December 2033	Grouped	EURO	8 639	8 639	8 639	-
NOVO BANCO, S.A.	Term loans	12 August 2016	30 December 2033	Grouped	EURO	8 233	8 233	8 233	-
CAIXA GERAL DE DEPÓSITOS	Term loans	12 August 2016	30 December 2033	Grouped	EURO	6 101	6 101	6 101	-
NOVO BANCO, S.A.	Term loans	30 December 2015	1 June 2022	Individual	EURO	11 812	11 812	11 812	-
BANCO BIC PORTUGUÊS, S.A.	Term loans	2 January 2020	2 July 2025	Grouped	EURO	4 087	4 087	4 087	-
BANCO DE FOMENTO ANGOLA, S.A.	Term loans	3 March 2022	4 March 2027	Individual	ANGOLAN KWANZA	1 600 240	3 721	3 501	-
BANCO BRADESCO S.A.	Term loans	25 May 2022	23 November 2022	Individual	REAL	12 673	2 396	2 396	-
BANCO ANGOLANO DE INVESTIMENTOS, S.A.	Term loans	31 July 2020	31 July 2027	Individual	ANGOLAN KWANZA	1 440 216	3 349	2 319	-
BANCO PORTUGUÊS DE INVESTIMENTO, S.A.	Term loans	5 July 2016	5 May 2023	Grouped	EURO	1 563	1 563	1 563	-
BANCO COMERCIAL PORTUGUÊS, S.A.	Term loans	30 January 2018	30 January 2023	Grouped	EURO	1 260	1 260	1 132	129
BANCO MONTEPIO, S.A.	Term loans	30 November 2022	30 May 2023	Individual	EURO	1 250	1 250	1 250	-
CAIXA GERAL DE DEPÓSITOS	Term loans	30 January 2018	15 December 2022	Grouped	EURO	120	120	120	-
DAYCOVAL	Term loans	31 August 2021	30 August 2025	Individual	REAL	450	85	85	-
BANCO COMERCIAL PORTUGUÊS, S.A.	Term loans	16 January 2018	31 December 2033	Individual	EURO	9 490	9 490	4 675	-
NOVO BANCO, S.A.	Term loans	9 March 2020	31 December 2022	Individual	EURO	16 260	16 260	4 552	-
CAIXA GERAL DE DEPÓSITOS	Term loans	25 July 2019	31 December 2022	Individual	EURO	9 250	9 250	4 034	-
BANCO BIC PORTUGUÊS, S.A.	Escrow account	6 August 2015	31 December 2033	Grouped	EURO	10 190	10 190	-	10 190
BANCO BIC PORTUGUÊS, S.A.	Escrow account	2 June 2020	31 December 2022	Individual	ANGOLAN KWANZA	3 810 745	8 862	8 862	-
BANCO BIC PORTUGUÊS, S.A.	Escrow account	6 August 2015	31 December 2033	Grouped	EURO	5 000	5 000	5 000	-
CAIXA GERAL DE DEPÓSITOS	Escrow account	7 July 2010	31 December 2033	Grouped	EURO	4 278	4 278	3 865	-
BANCO SANTANDER, S.A.	Escrow account	31 October 2012	31 December 2033	Grouped	EURO	923	923	-	923
BANCO BIC PORTUGUÊS, S.A.	Escrow account	1 January 2016	31 December 2022	Individual	ANGOLAN KWANZA	304 046	707	558	-
BANCO COMERCIAL PORTUGUÊS, S.A.	Escrow account	27 June 2014	31 December 2033	Grouped	EURO	10 312	10 312	-	-
BANCO MILLENNIUM ATLANTICO, S.A.	Escrow account	29 November 2012	31 December 2022	Individual	ANGOLAN KWANZA	228 034	530	-	-
NOVO BANCO, S.A.	Overdraft	1 February 2007	31 December 2033	Grouped	EURO	18 283	18 283	4 659	6 576
DEUTSCHE LEASING	Leasing	20 December 2021	20 December 2028	Individual	EURO	1 112	1 112	1 112	-
BANCO MONTEPIO, S.A.	Leasing	5 August 2021	5 August 2026	Individual	EURO	413	413	413	-
BANCO MONTEPIO, S.A.	Leasing	30 July 2021	27 July 2026	Individual	EURO	118	118	118	-
BANCO PORTUGUÊS DE INVESTIMENTO, S.A.	Leasing	25 August 2020	25 May 2025	Individual	EURO	50	50	50	-
BANCO MONTEPIO, S.A.	Leasing	1 December 2020	1 December 2024	Individual	EURO	19	19	19	-
							266 299	106 487	118 370



## (b) Commercial Paper

As of December 31, 2022, the Company has negotiated the following commercial paper programs:

Bank	Type of financing	Start date	End date	Financing	Currency	Total financing amount - Currency	Total financing amount - €	Ceiling used Company (€)	Ceiling used rest of the group (€)
BANCO PORTUGUÊS DE INVESTIMENTO, S.A.	Commercial Paper	20 May 2021	20 May 2024	Grouped	Euros	4 500	4 500	4 500	-
CAIXA GERAL DE DEPÓSITOS	Commercial Paper	07 July 2010	31 December 2033	Grouped	Euros	20 550	20 550	20 550	-
NOVO BANCO, S.A.	Commercial Paper	30 December 2013	31 December 2033	Grouped	Euros	119 300	119 300	119 300	-
NOVO BANCO, S.A.	Commercial Paper	28 December 2015	15 June 2027	Grouped	Euros	95 000	95 000	8 550	86 450
NOVO BANCO, S.A.	Commercial Paper	30 December 2013	31 December 2033	Grouped	Euros	61 050	61 050	61 050	-
NOVO BANCO, S.A.	Commercial Paper	16 December 2005	15 December 2023	Grouped	Euros	25 500	25 500	-	25 500
NOVO BANCO, S.A.	Commercial Paper	14 January 2016	31 December 2033	Grouped	Euros	12 200	12 200	12 200	-
						338 100	338 100	226 150	111 950

## (c) Other Financing

Other financing taken out by the Company corresponds essentially to:

Bank	Type of financing	Start date	End date	Financing	Currency	Total financing amount - Currency	Total financing amount - €	Ceiling used Company (€)	Ceiling used rest of the group (€)
BANCO COMERCIAL PORTUGUÊS, S.A.	Factoring with appeal	16 December 2022	31 December 2033	Individual	Euros	2 700	2 700	2 650	-
CAIXA GERAL DE DEPÓSITOS	Factoring with appeal	16 December 2022	31 December 2033	Individual	Euros	2 600	2 600	1 482	-
NOVO BANCO, S.A.	Factoring with appeal	16 December 2022	31 December 2033	Individual	Euros	4 700	4 700	3 394	-
						10 000	10 000	7 525	-

The financing obtained above is refundable according to the following repayment periods:

	31/12/2022	31/12/2021
Less than one year	335 416	253 023
1 to 2 years	25 989	10 572
2 to 3 years	15 896	14 894
3 to 4 years	6 412	5 176
4 to 5 years	4 844	3 386
More than 5 years	217 447	246 866
	606 004	533 917

## Other payable debts

As of December 31, 2022 and 2021, the item Other payable debts had the following breakdown:

	31/12/2022		31/12/2021	
	Current	Non-current	Current	Non-current
Creditors due to accrued expenses	34 545	-	31 344	-
Other creditors:				
Staff	172	-	87	-
Shareholders	279	-	301	-
Other	36 317	-	32 623	-
	36 768	-	33 011	-
	71 313	-	64 355	-

As of December 31, 2022 and 2021, the item Other creditors – others includes the amounts of 31.291 thousand euros and 31.199 thousand euros, respectively, regarding related parties.

The liquidity risk of the balance of Other debts to pay is detailed in note 27.

### Deferrals

As of December 31, 2022 and 2021, the item Deferrals had the following breakdown:

	31/12/2022	31/12/2021
Rendimentos a reconhecer	16.465	17.565
	16.465	17.565

In the period ended 31 December 2022 and 2021, the income to be recognised includes the amounts 16.324 thousand euros and 16.276 thousand euros, respectively, resulting from the application of the percentage of completion method.

## 21. GUARANTEES AND COMMITMENTS

### Guarantees

As of December 31, 2022, and 2021, the Company had provided third parties with bank guarantees and insurance bonds, as follows:

	31/12/2022	31/12/2021
Bank guarantees	317 470	177 019
Insurance bonds	88 922	84 345
	406 392	261 364

As of December 31, 2022, were active the following bank guarantees and bond insurances:

Designation	Bank	Currency	Amount - Currency	Amount - Euros
<b>Insurance Bonds:</b>	Cosec-Companhia de Seguros de Crédito, S.A.	Dinar Argelino	2 719 723	18 622
	Cosec-Companhia de Seguros de Crédito, S.A.	Euro	65 842	65 842
	Mapfre - Seguros Gerais S.A.	Euro	4 458	4 458
				88 922
<b>Bank Guarantees:</b>				
	Banco BIC Português, S.A.	Euro	8 025	8 025
	Banco Bilbao Vizcaya Argentaria, S.A.	Euro	2 500	2 500
	Banco Comercial Português, S.A.	Dinar Argelino	267 293	2 000
	Banco Comercial Português, S.A.	Euro	51 685	51 685
	Banco Comercial Português, S.A.	Dinar Kuwaitiano	400	1 227
	Banco Comercial Português, S.A.	Dólar Americano	413	387
	Banco Comercial Português, S.A.	Euro	31	31
	Banco Português de Investimento, S.A.	Dinar Argelino	794 693	5 441
	Banco Português de Investimento, S.A.	Euro	1 516	1 516
	Banco Santander Totta, S.A.	Euro	128	128
	Caixa Económica Montepio Geral, S.A.	Euro	8 002	8 002
	Caixa Geral de Depósitos, S.A.	Dinar Argelino	7 681 758	52 596
	Caixa Geral de Depósitos, S.A.	Euro	88 844	88 844
	Caixa Geral de Depósitos, S.A.	Euro	3	3
	Novo Banco, S.A.	Escudo Cabo Verdiano	76 277	692
	Novo Banco, S.A.	Dinar Argelino	481 028	3 294
	Novo Banco, S.A.	Euro	86 295	86 295
	Novo Banco, S.A.	Dólar Americano	5 120	4 801
	Novo Banco, S.A.	Euro	5	5
				317 470
				406 392

Bank guarantees and bond insurance were provided primarily for the purposes of tenders, advances received and as good execution guarantee.

For the purposes of suspension of tax enforcement proceedings initiated against the Company relating to the 2008 Corporate tax debt, bank guarantees were issued in favour of the TA, whose value, as of December 31, 2021, amounted to 4.373 thousand euros. However, during the period of 2022, and following the court decision favourable to the Company (which was not appealed by the AT (tax and customs authority)), the guarantee in question was fully cancelled.

In addition to the guarantees indicated above, the following pledges and mortgages were also provided:

Bank	Type of financing	Start date	End date	Amount	Collateral
Banco Comercial Português, S.A.	Loan	27 de novembro de 2017	30 de dezembro de 2033	7 027	Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Mortgage Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira
Banco Comercial Português, S.A.	Loan	30 de janeiro de 2018	30 de janeiro de 2023	6 419	Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Mortgage Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira
Banco BIC Português, S.A.	Escrow account	6 de agosto de 2015	31 de dezembro de 2033	4 500	BG issued by BIC AO (23M €) to BIC PT : Mortgage building nº 2554 (TD Branch Angola) Commercial Complex and Work Shops Automobile Pole - Talatona
Banco Comercial Português, S.A.	Loan	12 de agosto de 2016	30 de dezembro de 2033	8 643	Mortgage of: (i) Plot 26 of the Magnolia Complex (TDGPPI), (ii) Land plot designated Troviscais (Transbril), (iii) Lezíria Park II (TDVIA), (iv) Vila Rio, 50 plots of land (TDVIA), (v) Land plot designated Jardins da Póvoa and Logistics Park of Póvoa (TDVIA). Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Mortgage Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira.
Caixa Geral de Depósitos, S.A.	Escrow account	7 de julho de 2010	31 de dezembro de 2033	160	Pledge of 4.675.000 participation in the fund TDF (TDGPPI). Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Hipoteca Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira.
Caixa Geral de Depósitos, S.A.	Loan	12 de agosto de 2016	30 de dezembro de 2033	6 101	Mortgage of: (i) Plot 26 of the Magnolia Complex (TDGPPI), (ii) Land plot designated Troviscais (Transbril), (iii) Lezíria Park II (TDVIA), (iv) Vila Rio, 50 plots of land (TDVIA), (v) Land plot designated Jardins da Póvoa and Logistics Park of Póvoa (TDVIA). Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Mortgage Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira.
Caixa Geral de Depósitos, S.A.	Loan	22 de setembro de 2014	1 de junho de 2034	10 304	Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Hipoteca Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira.
Caixa Geral de Depósitos, S.A.	Loan	30 de janeiro de 2018	15 de dezembro de 2022	2 690	Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Hipoteca Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira
Caixa Geral de Depósitos, S.A.	Loan	7 de julho de 2010	31 de dezembro de 2033	20 550	Pledge of 4.675.000 participation in the fund TDF (TDGPPI). Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Hipoteca Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira.
Novo Banco, S.A.	Loan	12 de agosto de 2016	30 de dezembro de 2033	8 233	Mortgage of: (i) Plot 26 of the Magnolia Complex (TDGPPI), (ii) Land plot designated Troviscais (Transbril), (iii) Lezíria Park II (TDVIA), (iv) Vila Rio, 50 plots of land (TDVIA), (v) Land plot designated Jardins da Póvoa and Logistics Park of Póvoa (TDVIA). Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Mortgage Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira.
Novo Banco, S.A.	Loan	30 de dezembro de 2015	1 de junho de 2022	21 604	Pledge 70.000 Shares of BCP (TDGPPI) + Pledge 1.936.396 Shares of BCP (C+PA). Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Mortgage Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira
Novo Banco, S.A.	Commercial Paper	30 de dezembro de 2013	31 de dezembro de 2033	119 300	Pledge of: (i) All shares of EPOS, (ii) All shares of C+PA, (iii) 1.325.000 participation units of the Closed investment fund TDF and mortgage of: (i) Industrial pole of Montijo (TDGPPI), (ii) 10 land plots (VB), (iii) 9 land plots (Quinta do Craveiro). Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Mortgage Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira.
Novo Banco, S.A.	Commercial Paper	30 de dezembro de 2013	31 de dezembro de 2033	61 050	Pledge of: (i) All shares of EPOS, (ii) All shares of C+PA, (iii) 1.325.000 participation units of the Closed investment fund TDF and mortgage of: (i) Industrial pole of Montijo (TDGPPI), (ii) 10 land plots (VB), (iii) 9 land plots (Quinta do Craveiro). Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Mortgage Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira.
Novo Banco, S.A.	Commercial Paper	14 de janeiro de 2016	31 de dezembro de 2033	15 200	Full pledge of the shares of TDGI. Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Mortgage Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira.
Novo Banco, S.A.	Overdraft	1 de fevereiro de 2007	31 de dezembro de 2033	3 701	Full pledge of shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Mortgage Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira
Caixa Geral de Depósitos, S.A.	Commercial Paper	28 de dezembro de 2015	15 de junho de 2027	8 550	Pledge of 1.045.610 shares of Recolte Espanha + Pledge of 50% of the shares of TDE + Pledge of all shares: Soc. Automóvel Angola + Soc. Distribuição Angola + TDSP Brasil + TD Angola Lda   Mortgage Hotels Angola: Alvalade and Baia   Mortgage Hotels Mozambique: Avenida and Tivoli Beira.
Banco Montepio, S.A.	Leasing	1 de dezembro de 2020	1 de dezembro de 2024	29	Respective equipment
Banco Montepio, S.A.	Leasing	30 de julho de 2021	27 de julho de 2026	149	Respective equipment
Banco Montepio, S.A.	Leasing	5 de agosto de 2021	5 de agosto de 2026	515	Respective equipment
Banco Português de Investimento, S.A.	Leasing	25 August 2020	25 May 2025	69	Respective equipment
Daycoval	Leasing	31 August 2021	30 August 2025	96	Respective equipment
Deutsche Leasing	Leasing	20 de dezembro de 2021	20 de dezembro de 2028	1 280	Respective equipment
Caterpillar Financial Corporación Financiera	Loan	7 de julho de 2016	31 de março de 2021	12	Respective equipment
Caterpillar Financial Corporación Financiera	Loan	7 de agosto de 2016	31 de março de 2021	6	Respective equipment
Caterpillar Financial Corporación Financiera	Loan	12 de dezembro de 2016	31 de março de 2021	32	Respective equipment

### Undertaken Financial Commitments

As of December 31, 2022 and 2021, factoring contracts with no right of recourse were in force, which were recorded as a decrease in accounts receivable, as follows:

	31/12/2022	31/12/2021
Notified factoring without appeal	1 672	1 053
	1 672	1 053

In accordance with the contractual conditions, the Company's responsibility is limited, essentially, to guaranteeing that clients accept the invoices subject to factoring.

As of December 31, 2022, the Company issued comfort letters in favour of group companies as follows:

	Amount	Currency	Amount in Euros
ESTA - Gestão de Hotéis, S.A.	998	EUR	998
HOTEL TRÓPICO, S.A.	2 000 000	AON	3 721
RECOLTE, Servicios y Medioambiente, S.A.	33 550	EUR	33 550
TDHC - Instalações para Desporto e Saúde, S.A.	398	EUR	398
TEIXEIRA DUARTE - Engenharia e Construções (Angola), Lda.	2 000	USD	1 875
TEIXEIRA DUARTE - Engenharia e Construções, S.A. (Branch of Angola)	29 000	USD	27 189
TEIXEIRA DUARTE - Engenharia e Construções, S.A. (Branch of Venezuela)	300 000	VES	16 048
TEIXEIRA DUARTE - Gestão de Participações e Investimentos Imobiliários, S.A.	13 500	EUR	13 500
TEIXEIRA DUARTE - Engenharia e Construção, Lda. (Mozambique)	5 846 311	MZN	84 914
TEIXEIRA DUARTE - Engenharia e Construção, Lda. (Mozambique)	74 500	USD	69 848
			252 041

## 22. FINANCIAL INCOME

In the periods ended December 31, 2022 and 2021, financial results were broken down as follows:

	2022	2021
Financial expenses:		
Interest paid - interest of financing obtained	(24 326)	(14 102)
Other interest paid	(823)	(158)
Exchange losses	(28 854)	(45 596)
Other financing expenses	(5 578)	(5 775)
	(59 581)	(65 631)
Financial income:		
Interests obtained (Note 15)	20 330	11 519
Favourable exchange rate differences	32 279	40 892
Other financial income:	159	14
	52 768	52 425
	(6 813)	(13 206)

### 23. EMPLOYEE BENEFITS

During the periods ended December 31, 2022 and 2021, the average number of employees hired directly by Portugal was 916 and 850 persons, respectively. The average number of employees hired directly by branches and permanent establishments abroad was 1.302 and 1.762 persons, respectively.

In the periods ended on those dates, Personnel expenses had the following decomposition:

	2022	2021
Remuneration of the corporate bodies	839	1 041
Salaries and wages	55 706	50 717
Compensations	1 646	1 986
Remunerations costs	9 934	10 519
Insurances covering accidents at work and occupational diseases	439	1 460
Social work costs	183	181
Other expenses with staff	9 542	3 911
	78 289	69 815

### 24. EXTERNAL SUPPLIES AND SERVICES

In the periods ended December 31, 2022 and 2021, the item External supplies and services had the following breakdown:

	2022	2021
Subcontracting	168 686	103 273
Expert services	20 118	19 090
Materials	9 996	5 901
Energy and fluids	3 536	2 740
Travel, accommodation and transport	11 401	8 273
Sundry services	49 446	37 166
	263 183	176 443

## 25. OTHER INCOME

In the periods ended December 31, 2022, and 2021, Other income was as follows:

	2022	2021
Equipment rental	149	448
Performance of the holders of corporate bodies	459	452
Royalties (Note 15)	791	310
Other supplementary income	7 625	3 633
Inventory gains - surpluses	27	48
Alienation of tangible fixed assets	1 474	1 351
Prior periods corrections	105	295
Adjustments of income taxes provisions	17	534
Compensations	201	179
Favourable exchange rate differences	7 271	18 822
Interests obtained on bank deposits (Note 15)	19	48
Arrears Interest (Note 15)	-	7
Interest earned on other financing granted	49	59
Other	3 087	4 983
	21 274	31 169

## 26. OTHER EXPENSES

In the periods ended December 31, 2022, and 2021, Other expenses were broken down as follows:

	2022	2021
Taxes and fees	1 336	1 733
Unrecoverable debt	32	29
Inventory shortfalls	87	33
Unfavourable exchange rate differences	6 810	13 662
Losses from tangible fixed assets	135	178
Prior periods corrections	166	1 293
Levies	29	10
Insufficient tax estimate	1 166	-
Other	3 273	5 467
	13 034	22 405

## 27. FINANCIAL RISK MANAGEMENT

### General Principles

The Company is exposed to a set of financial risks resulting from its activity, of which the following should be emphasized:

- Interest rate risk arising from financial liabilities;
- Exchange rate risk resulting essentially from the existence of operations and assets located outside the Euro zone, namely Angola, Algeria, Brazil, Colombia, Ecuador, Kuwait, Macau, Mozambique, Peru and Venezuela;
- Credit risk, particularly client credits related to the company's operational activity; and
- Liquidity risk, regarding maintaining a cash balance equilibrium.

The Company's Financial Management ensures centralized management of financing operations, investment of cash surpluses, foreign exchange transactions as well as the management of the company's counterpart risk.

In addition, it is responsible for the identification, quantification and proposal and implementation of management/mitigation measures of the financial risks to which the Company is exposed.

The main financial risks to which the Company is exposed, and the main measures implemented in the scope of its management are analysed in more detail below.

#### (a) Interest Rate Risk

The purpose of the interest rate risk management policy is to minimise the cost of debt subject to maintaining a low level of financial burden volatility.

As of December 31, 2022 and 2021, financial liabilities are composed solely and exclusively of variable interest rate.

If market interest rates had been 1% lower during the periods ended 31 December 2022 and 2021, the financial results of those periods would have decreased by 1.519 thousand euros and 1.194 thousand euros, respectively. If the same market interest rates had, on the contrary, been 1% higher during the same periods, financial results would have already increased by 1.519 thousand euros and 1.194 thousand euros, respectively.

#### (b) Exchange Rate Risk

The company's operating activities are exposed to changes in the Euro exchange rates against other currencies.

Furthermore, taking into account the various countries where the Company operates, its exposure to exchange rate risk stems from the fact that its subsidiaries report assets and liabilities denominated in currency other than the reporting currency, namely Angola, Algeria, Brazil, Colombia, Ecuador, Kuwait, Macau, Mozambique, Peru and Venezuela.

The company's exchange rate risk management policy has as its ultimate objective to reduce the sensitivity of the company's results to exchange rate fluctuations as much as possible.



Monetary assets and liabilities denominated in foreign currency, converted to euros as of December 31, 2022 and 2021, are as follows:

	Assets		Liabilities		Balances	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
South Africa - Rand	3	3	3	3	-	-
Angola - Kwanza	152 467	18 619	101 819	18 301	50 648	318
Algeria - Dinar	792	19 985	62 123	51 790	(61 331)	(31 805)
Brazil - Real	2 650	(382)	455	641	2 195	(1 023)
United States - Dollar	97 358	92 686	36 482	18 560	60 876	74 126
Japan - Yen	22	23	22	23	-	-
Kuwait - Dinar	582	5 244	1 343	6 021	(761)	(777)
Macau - Pataca	-	(185)	197	-	(197)	(185)
Morocco - Dirham	-	-	53	231	(53)	(231)
Mozambique - Metical	30 236	25 548	28 346	21 180	1 890	4 368
Peru - Sol	4	4	-	-	4	4
United Kingdom - Pound	-	4	-	-	-	4
	284 114	161 549	230 843	116 750	53 271	44 799

Potential impacts stemming from the Company's financial statements, if there was an appreciation of 5% of the above-mentioned currency, can be summarized as follows:

	Assets		Liabilities		Balances	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
South Africa - Rand	-	-	-	-	-	-
Angola - Kwanza	7 623	931	5 091	915	2 532	16
Algeria - Dinar	40	999	3 106	2 589	(3 067)	(1 590)
Brazil - Real	132	(19)	23	32	110	(51)
United States - Dollar	4 868	4 634	1 824	928	3 044	3 706
Japan - Yen	1	1	1	1	-	-
Kuwait - Dinar	29	262	67	301	(38)	(39)
Macau - Pataca	-	(9)	10	-	(10)	(9)
Morocco - Dirham	-	-	3	12	(3)	(12)
Mozambique - Metical	1 512	1 277	1 417	1 059	95	218
Peru - Sol	-	-	-	-	-	-
United Kingdom - Pound	-	-	-	-	-	-
	14 206	8 076	11 542	5 837	2 664	2 239

### (c) Credit Risk

As of December 31, 2022 and 2021, the balances of accounts receivable from clients (Note 20.1) for which no adjustments have been made, given that the Board of Directors considers that they are achievable, are as follows:

	31/12/2022	31/12/2021
Balances:		
Not due	31 100	47 248
Up to 180 days	53 900	20 403
180 to 360 days	3 624	29 406
More than 360 days (a)	190 822	175 619
	279 446	272 676

(a) In the period ended December 31, 2022, the balances of the accounts receivable with more than 360 days, in the amount of 190.822 thousand euros, include 125.829 with related parties.

#### (d) Liquidity Risk

This risk can occur if sources of financing, such as operating cash flows, divestment, credit lines and cash flows from financing operations, do not meet financing needs such as cash outflows for operating and financing activities, investments, shareholder compensation and debt repayment.

To mitigate this risk, the Company seeks to maintain a net position and an average debt maturity that allows it to repay its debt within appropriate time frames.

Financial liabilities maturing up to one year are, whenever it's considered appropriate, replaced with medium and long-term maturity.

The maturity of financial liabilities (Note 20.2) as of December 31, 2022 and 2021, is as follows:

	31/12/2022				Total
	Up to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Trade creditors	173 544	-	-	-	173 544
Advance payments from Clients	80 003	-	-	-	80 003
Government and other public entities	8 104	-	-	-	8 104
Financing obtained	606 004	-	-	-	606 004
Other payable debts	71 313	-	-	-	71 313
	938 968	-	-	-	938 968

	31/12/2021				Total
	Up to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Trade creditors	149 641	-	-	-	149 641
Advance payments from Clients	65 870	-	-	-	65 870
Government and other public entities	8 468	-	-	-	8 468
Financing obtained	253 023	10 572	14 894	255 428	533 917
Other payable debts	64 355	-	-	1	64 356
	541 357	10 572	14 894	255 429	822 252

## 28. CAPITAL

### Share Capital

As of December 31, 2022 and 2021, the Company's paid-in capital is fully subscribed and fulfilled, consisting of 280.000.000 shares with a nominal value of 1,00 euro each.

As of December 31, 2022 and 2021, the Company's share capital was 280.000 thousand euros.

### Legal Reserve

Commercial legislation states that at least 5% of the annual net income must be allocated to the strengthening of the Legal Reserve until it represents at least 20% of capital. This reserve is not distributable unless in the event of the Company's liquidation but can be used to absorb losses after the other reserves have been exhausted or incorporated into the capital.

As of December 31, 2022 and 2021, the Company's Legal reserve was 45.600 thousand euros.

### Other Reserves

Other reserves are composed solely and exclusively by open reserves.

As of December 31, 2022 and 2021, the Other reserves were 114.082 thousand euros.

### Allocation of Results

Following the decision of the General Meeting, held on April 21, 2022, the accounts of the period 2021 were approved and was decided that the Net Result in the negative amount of 112.939.924,04 € (one hundred twelve million nine hundred thirty-nine thousand nine hundred twenty-four euros and four cents) is as follows:

	Amount
Retained earnings	(112 939 924,04)
	(112 939 924,04)

In accordance with the management Report, the proposal for the allocation of results in the period ended December 31, 2022, of a negative amount of 21.619.975,47 € (twenty-one million six hundred nineteen thousand nine hundred seventy-five euros and forty-seven cents) is as follows:

	Amount
Retained earnings	(21 619 975,47)
	(21 619 975,47)

## 29. OTHER INFORMATION

The Board of Directors approved and authorized the issuance of the financial statements for the period of 2022 on April 14, 2022.

The Board of Directors declares that the Company does not have overdue debts.

The Board of Directors declares that the Company's situation before the Social Security is settled, complying with legal deadlines.

### Additional Disclosures

Total fees invoiced by a statutory auditor's company for the statutory review of the financial statements were as follows:

	2022	2021
Statutory Auditor:		
Fees:	58	58
	58	58

### 30. EVENTS AFTER THE BALANCE SHEET DATE

We have no knowledge of any fact materially relevant, with impact on the financial statements on December 31, 2022, having occurred between the end of the financial year and the present date.

However, it is pointed out that, on February 10, 2023, the Company signed a contract with VALE do Rio Doce, S.A., for the execution of the contract works for the de-characterisation of the Campo Grande dam, in the municipality of Mariana, state of Minas Gerais, for an amount of 442 million *reais*.

Lagoas Park, on April 14, 2023

The Certified Accountant

Board of Directors

# **REPORT AND OPINION OF THE SOLE SUPERVISOR AND LEGAL CERTIFICATION OF THE ACCOUNTS 2022**