





Commercial Registry Office of Valongo
Share Capital: 10,000,000 euros
Corporate Taxpayer No.: 500 070 210
Building Permit No.: 568



SECTION 01 > CONDURIL



SECTION 04 > REPORT AND OPINION OF THE STATUTORY AUDIT BOARD



SECTION 02 > CONSOLIDATED MANAGEMENT REPORT

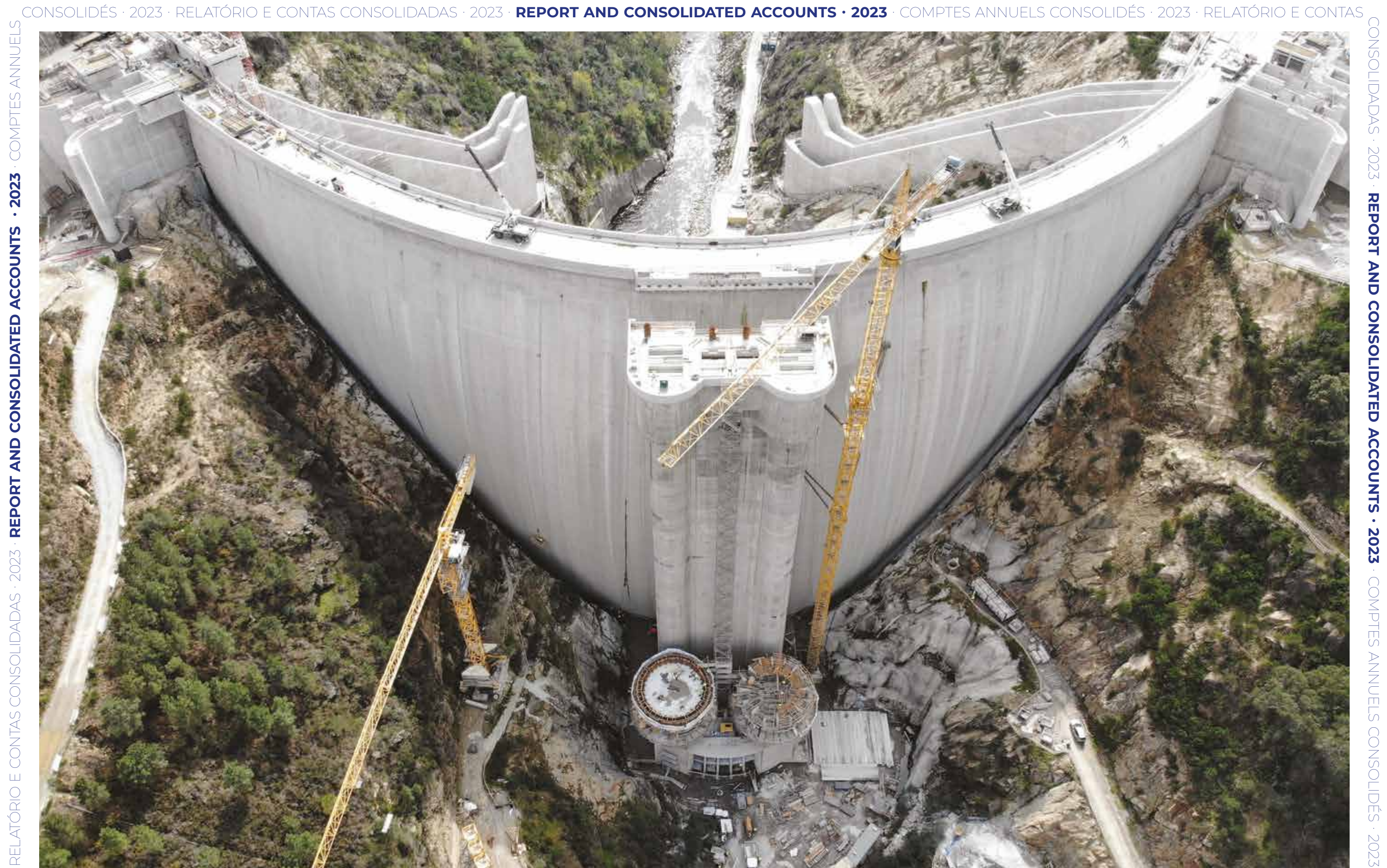


SECTION 05 > LEGAL CERTIFICATION OF CONSOLIDATED ACCOUNTS

SECTION 03 > CONSOLIDATED FINANCIAL STATEMENTS AND NOTES



TABLE OF CONTENTS



Portugal



MESSAGE FROM THE CHAIRWOMAN OF THE BOARD OF DIRECTORS



Dear Shareholders,

In 2023, we said goodbye to Amorim Martins, the mentor and creator of Conduril's business culture, and Chairman of the Board of Directors between 1970 and 2023.

Amorim Martins dedicated more than 50 years of his life to Conduril, leaving a mark for the future of rigour, honesty and social responsibility at the company.

I had the privilege and tremendous responsibility of continuing his legacy, an incomparable business project. For this, the support and cohesion of the entire Board of Directors, as well as the support of all employees, was decisive, which I acknowledge.

In 2023, we did not witness the expected increase of public works related to the Recovery and Resilience Plan (RRP) in Portugal, and we continue to see enormous competition and low prices in tenders.

In its proposals, Conduril maintained a conciliation strategy of operational goals with its sustainability and social responsibility commitment, with a consequent slight decrease of its turnover compared to 2022.

We face 2024 with caution, especially in the domestic market, awaiting the beginning of important projects in Angola and Mozambique. This is also the year in which we fulfil another historic milestone at Conduril: 65 years of existence, which make us proud and motivated to continue building the future.

Lastly, a word of acknowledgment to our clients, suppliers and partners for the ongoing trust.

Benedita Amorim Martins
Chairwoman of the Board of Directors

1959

Foundation of Conduril -
Construtora Duriense, Lda.

1970

Acquisition by the main
shareholders

1990

Admission to trading at the
Stock Exchange

📍 Angola

1997

📍 Mozambique

2004

📍 Morocco

2010

📍 Spain

2008

📍 Botswana

2011

Change of the legal name to
"Conduril - Engenharia, S.A."

📍 Cabo Verde

2013

📍 Senegal
📍 Zambia

2019

📍 Zimbabwe

2015

📍 Gabon

2014

📍 Malawi

AWARDS/DISTINCTIONS

 <div>2023 Iberdrola Global Supplier of the Year Awards Sustainability Iberdrola</div>	 <div>2013 2013 Export Award 1st Place – Services Large Company BES + Jornal Negócios (newspaper)</div>
<div>2017 Engineers' Society of Western Pennsylvania International Bridge Conference</div> 	 <div>2010 Best Companies to Work 1st Place – Construction Sector/ 4th Place – Large Companies Exame magazine</div>
 <div>2017 Excellence Index 1st Place – Sector of Construction, Infrastructure, Transport and Logistics Neves de Almeida, HR Consulting, INDEG-ISCTE, Human Resources Portugal and Executive Digest</div>	 <div>2010 500 Best & Largest Companies 1st Place – Construction Sector Exame magazine</div>
<div>2015 500 Best & Largest Companies 1st Place – Construction Sector Exame magazine</div> 	 <div>2009 500 Best & Largest Companies Company of the Year + 1st Place – Construction Sector Exame magazine</div>
 <div>2015 Merit for the work developed in the Education area UNESCO Special Mention</div>	 <div>2008 500 Best & Largest Companies 1st Place – Construction Sector Exame magazine</div>
<div>2014 500 Best & Largest Companies 1st Place – Construction Sector Exame magazine</div> 	

MANAGEMENT BODIES

Board of the General Meeting

Crisóstomo Aquino de Barros (President)
Amadeu Augusto Vinhas
Filipa Bastos Pinho Ferreira Lemos

Board of Directors

Maria Benedita Andrade de Amorim Martins (Chair)
Maria Luísa Andrade Amorim Martins (Vice-chair)
António Baraças Andrade Miragaia
António Emanuel Lemos Catarino
Jorge Lúcio Teixeira de Castro
Miguel José Alves Montenegro de Andrade
Ricardo Nuno Araújo Abreu Vaz Guimarães

Executive Committee

Maria Benedita Andrade de Amorim Martins (CEO)
Maria Luísa Andrade Amorim Martins (Vice-CEO and CFO)
António Baraças Andrade Miragaia
António Emanuel Lemos Catarino
Jorge Lúcio Teixeira de Castro
Miguel José Alves Montenegro de Andrade
Ricardo Nuno Araújo Abreu Vaz Guimarães

Statutory Audit Board

Júlio Gales Ferreira Pinto (President)
Deolinda Paula Baptista Nunes
Jorge Manuel Silva Tavares
Alberto Luciano Costa Santos Rolo (Alternate)

Statutory Auditor

Crowe & Associados, SROC, Lda.
Represented by
Ana Raquel B. L. Esperança Sismeiro
João Miguel Neiva de Oliveira Coelho Pires (Alternate)



CONSOLIDATED MANAGEMENT REPORT

1.

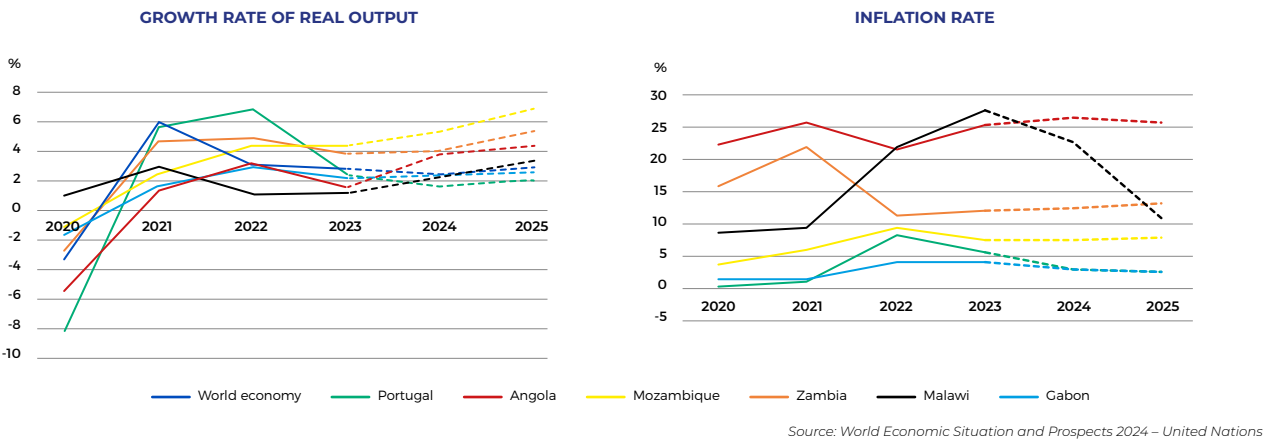
After three years of this new decade, there is greater awareness among the economic agents and the certainty that the so-called *ceteris paribus* is just a utopia. The projected growth is being constantly updated, with a certain trend for a downward revision.

The end of the pandemic, announced in the middle of the second quarter of 2023, was not sufficient incentive to speed up the rate of growth of the economic activity and, while we were dealing with its remnants, we have observed a worsening of the inflationary surges, whose countermeasure to its fight was a continuous increase of the interest rates, and an intensification of the geopolitical tensions and the adverse effects of climate change.

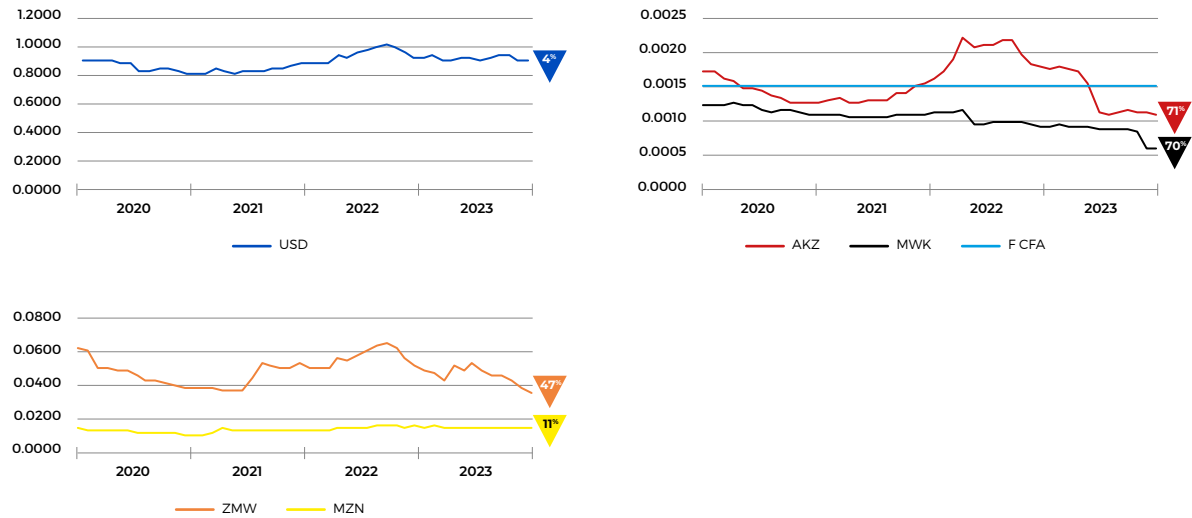
Repercussions were felt by all in general and, in particular, by the less developed economies, where the shortage of several basic necessities, alongside with the high poverty rate, were notably worsened by the high inflation rates – in many cases, with amounts higher than 2 figures – and by the reduction of the investment projects and external financing.

The Board of Directors of Conduril - Engenharia, S.A., in compliance with the by-laws and applicable legal provisions, presents and submits to the General Meeting of Shareholders, the consolidated management report, the consolidated accounts for the period and other consolidated financial statements, for the financial year 2023.

In 2023, the growth of real output worldwide should have been close to 2.7% (3%, in 2022), which represents an equivalent reduction of 10%, where the developed countries have registered average growth rates of 1.6% (2.6%, in 2022) and the remaining countries 4% (3.9%, in 2022). On average, these last countries have represented the lowest rates in the last 30 years since 2020.



Also, in the regions where Conduril is currently operating, 2023 was marked by a positive evolution of the domestic product, although with values far from those desirable. The economic climate in these countries had a generalised reflection of the depreciation of the respective currencies in comparison to the euro:



The construction sector, which historically has a propellant role regarding economic growth, continues to be affected by the instability surrounding it, namely:

► in Portugal: public tenders in the amount of 6,000 million euros were launched (which represents an increase of 65% compared to the previous year), and work contracts in the amount of 3,700 million euros were awarded. We also assisted to the beginning of a set of projects related to green energies, aligned with the public policies for energy transition. However, apart from the fact that the volume of public works still does not reflect the volume announced in the Recovery and Resilience Plan (RRP), we continue to witness a fierce competition in terms of pricing in tender processes and, later, in terms of increase of the number of claims with court proceedings;

► in Africa: the local authorities keep holding the investment in infrastructures due to the difficulty in obtaining financing for those projects. The reduced amount of projects has increased competition, with the occurrence of anti-competitive policies from the different players, a situation that has been reflecting a reduction in the quality of the projects and other damaging consequences that, sooner or later, will affect the majority of the economic agents.

2.

Aware of the difficulties the market is facing, the Group maintained a cautious strategy, sacrificing its turnover, which presents a 16% reduction compared to the previous year, but without jeopardising its financial solvency.

The Portuguese market took the lead in the Group's activity, representing 62%, despite the reinforcement demonstrated by the African market.

In Portugal, 2023 was marked by the completion of the main activities in two major reference projects performed over the last years – the Alto Tâmega dam and hydroelectric power plant and the 3rd extension phase of the eastern pier of the Sines port –, but also by the beginning of the works at the Galp project related to green hydrogen, in Sines. In turn, a significant set of projects was acquired in Africa, namely in Angola and Mozambique, due to start in 2024, maintaining also in progress the projects previously started in Zambia, Gabon and Malawi.

The main economic and financial indicators of the Conduril Group, shown in the table below, reflect the performance of the Group over the last three years, highlighting the continuous commitment and its capacity to adapt to the demanding conditions which it has encountered:

INDICATORS	2023	2022	2021
Assets (€)	361,871,381	387,048,715	381,358,328
Liabilities (€)	183,091,538	179,022,019	186,030,240
Equity (€)	178,779,843	208,026,696	195,328,088
Net debt (€)	24,335,909	-894,932	-4,338,883
Turnover (€)	183,429,353	218,870,901	156,230,714
GAV (€)	66,164,273	82,457,168	63,009,471
EBITDA (€)	14,565,930	27,701,783	17,858,063
Net income for the period (€)	2,262,273	7,257,641	5,784,268
Financial autonomy	49%	54%	51%
General liquidity	174%	206%	188%
Solvency ratio	98%	116%	105%

The depreciation of the currencies of African economies where the Conduril Group develops its activity had a pernicious effect on its equity position, due to the currency conversion of the respective assets and liabilities.

Likewise, the delay in the beginning of some work contracts and in the formalisation of the decisions of some employers, whether in terms of the works executed and to be executed, or in terms of the owed financial recovery, were also damaging to the Group's profitability and liquidity.

3.

Throughout its entire and demanding production process, the Conduril Group always seeks to combine its business goals with its high excellence and commitment standards, ensuring a harmonious and sustainable articulation with its entire environment, namely:

- meeting the needs of its clients, ensuring the scrupulous compliance with the contractual obligations and high levels of technical skills, based on the requirements of the ISO 9001 standard – Quality Management System, duly certified by APCER (Portuguese Association of Certification) in Portugal, Angola and Mozambique, and also reinforced by the accreditation by IPAC (Portuguese Institute for Accreditation) to perform tests in soils, aggregates and concrete, in accordance with the EN ISO/IEC 17025 standard;
- ensuring the best working conditions for its 2,500 employees and for those who work for the entities that cooperate with it in different work fronts, aiming to efficiently manage the unique risks of its activity. Within this scope, the Group is certified by APCER in Portugal, Angola and Mozambique, in accordance with the ISO 45001 standard – Occupational Health and Safety Management System.

The commitment of the Conduril Group to provide its employees with high levels of performance, satisfaction and professional fulfilment has been materialised in the award of different privileges and benefits: the reinforcement of the economic stability during retirement through the Conduril Pension Fund, which is fully funded by the Group, and which amounted to 11.1 million euros at the end of 2023; the concern with medical assistance through a health insurance policy; the support to the family in case of death and/or disability through a life insurance; the acknowledgment of every worker who completes 25 or 40 years of work at the Group; and, last but not least, the promotion of training and development of skills, a role performed in Angola and Mozambique by the Conduril Academy, which, in 2023, was materialised in more than 22,700 training hours, as well as the scholarship programme for higher education for the children of its employees, which currently benefits 30 scholarship holders and already has 8 graduates since the beginning of the programme.

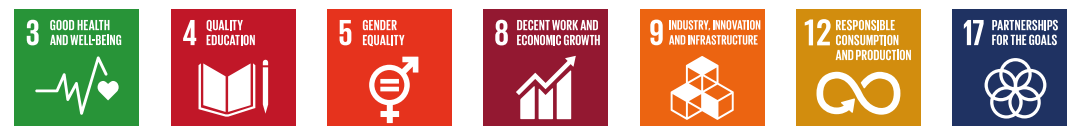
- preserving information security against the growing demands and risks in this area, through the certification obtained from APCER in accordance with the ISO 27001 standard – Information Security Management System;
- safeguarding an environmental impact as balanced as possible, going beyond the legal and contractual requirements, namely by developing its performance in accordance with the principles of the ISO 14001 standard – Environmental Management System, which is duly certified by APCER in Portugal, Angola and Mozambique;
- implementing internal mechanisms, which ensure the scrupulous compliance with the applicable legislation and regulations, particularly in the scope of prevention, detection and sanctioning of acts of corruption and related infractions, having, therefore, created the Compliance Program in matters of Prevention and Fight Against Corruption;



Portugal

- ensuring a relationship of communication and information transparency with its shareholders and investors, through different channels, offering a specialised support service under the responsibility of the Group's representative for market relationships.

These are just some of the principles of social responsibility that guide the Group's performance and whose commitment is declared and public in the Corporate Social Responsibility Policy of the Conduril Group. Its willingness to go further also led the Conduril Group to integrate, in its business strategy, the Sustainable Development Goals (SDGs) which are in line with those determined by the United Nations, having identified seven SDGs that it considers a priority and whose follow-up and monitoring may be evaluated through the Sustainability Report 2023:



The performance of the Conduril Group was recognised by Iberdrola, with the grant of the award in the Sustainability category, within the "Global Supplier of the Year 2023 Awards", where the ability of the Group to meet demanding deadlines, the quality of the work performed, the promotion of local employment and the high ESG score (Environmental, Social e Corporate Governance criteria), mainly in the environmental area, was highlighted, based on Iberdrola's evaluation model, in the construction of the Alto Tâmega dam and power plant.

4.

The intrinsic complexity of the construction sector is aggravated by the geographical dispersion of the operation of the Conduril Group, which entails the exposure to multiple risks, not always predictable, and imposes a cautious internal risk management policy of continuous monitoring, assessment and intervention whenever necessary.

The performance in different countries, with diverse currencies, generates a constant challenge that requires a permanent management that strikes a balance between the assets and liabilities expressed in each currency, maintaining, whenever possible, the funds in the strong currencies, in order to mitigate the exchange rate risk.

The safeguard, through legal mechanisms foreseen in the contracts concluded, which allow the reduction of the exposure of its contracts to price fluctuation is also a constant concern, seeking that guarantee through an efficient procurement management policy.

The Group's activity requires a strict management of all its resources, whether these are people or equipment, since these resources are limited and the works take place not only in different countries, but also in multiple locations in the same country.

At the same time, there is a constant concern in terms of the Group's cash flow, focusing its activity on projects whose clients have the capacity to meet their contractual obligations and, whenever possible, funded by international lines of credit, on the one hand, and ensuring lines of credit with banks to safeguard potential cash flow needs, on the other.

5.

The most recent economic forecasts do not foresee 2024 as a particularly easy year, with an expected slowdown of the global economy growth, which contrasts with the predictable acceleration in developing countries, especially in Africa. However, the macroeconomic changeability may generate significant changes in the environment and go against these expectations.

The business strategy that the Conduril Group has been working on entailed the acquisition of some important new projects, which are internationally funded, especially in Angola, such as the Chicomba dam, the supply and assembly of 186 Acrow metal bridges in 18 provinces of this country, the building of the water supply system in the agro-pastoral region of Porto Amboim, and the construction of a road with an extension of 105 km in the Bengo province; and, in Mozambique, with two lots for the rehabilitation of roads in the Zambézia province.

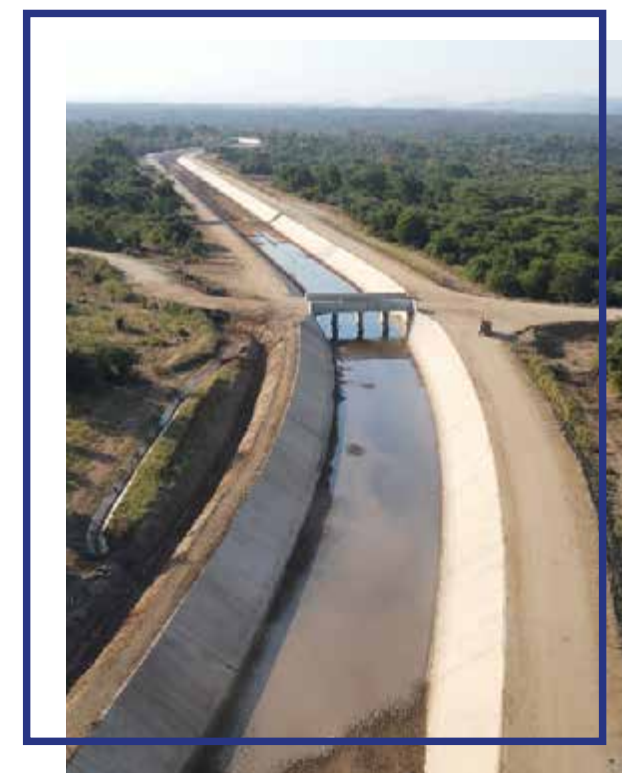
With the most recent work contracts, the Group's portfolio of works reached its highest amount, exceeding 900 million euros, and with growth expectations throughout 2024.

In turn, in Portugal, a significant increase of new tenders is expected, with a highlight on the high-speed railway line, whose first section, Porto-Oiã, is in tendering until the end of the first semester of 2024, with the Conduril Group strongly committed to reinforce its portfolio of works.

6.

Other information:

- a)** Conduril has branches in Angola, Mozambique, Cabo Verde, Zambia, Malawi and Morocco.
- b)** There are no overdue debts to the State or any other public entities, including the Social Security.
- c)** The share capital is fully subscribed and paid-in, and is composed of 2,000,000 ordinary shares with a nominal value of 5 euros each.
- d)** According to the resolutions approved in the General Meeting of Shareholders on 20 April 2022, Conduril - Engenharia, S.A. had increased its share capital in September 2023, through the incorporation of reserves, to 10,000,000 euros, by issuing 200,000 new shares. After this issue, Conduril - Engenharia, S.A. now holds 200,009 own shares.



Malawi

e) Regarding the arbitration proceeding of the participated company, RAL - Rodovias do Algarve Litoral, S.A., concessionary of the road sub-concession of Algarve Litoral, since 2019, there are no significant developments concerning the recognition of acknowledgement of its right to withdraw from the existing labour contract with IP - Infraestruturas de Portugal, S.A. and the reimbursement of the investment made up to that date (a claim for compensation that amounts to 445 million euros), after relevant changes to the original contract being denied by the Portuguese Court of Auditors in 2018. In 2023, the president of the arbitral tribunal ceased functions, and the process for the appointment of the new president is now ongoing, with Conduril maintaining its confidence in a favourable decision.

f) In accordance with the provisions of article 447 of the Portuguese Companies Code, the securities issued by Conduril - Engenharia, S.A., held by members of the management bodies were the following at 31 December 2023:

MEMBERS	MANAGEMENT BODY	NO. OF SHARES
Maria Benedita Andrade de Amorim Martins	Board of Directors	(a) 413,557
Maria Luísa Andrade Amorim Martins	Board of Directors	(b) 306,533
António Baraças Andrade Miragaia	Board of Directors	7,444
António Emanuel Lemos Catarino	Board of Directors	5,857
Jorge Lúcio Teixeira de Castro	Board of Directors	55
Ricardo Nuno Araújo Abreu Vaz Guimarães	Board of Directors	22,230

(a) 198,925 shares indirectly owned through the company dominated by Conduril, Geonorte - Geotecnia e Fundações Especiais, Lda.
(b) 74,696 shares indirectly owned through the company dominated by Conduril, Quinta do Javali, Lda.

Regarding these securities, there was no disposal of shares. Only the following acquisitions took place during 2023:

- the shareholder Maria Benedita Andrade de Amorim Martins acquired 3 shares for the unit value of 26 euros, on 12 October;



Mozambique

- the shareholder Maria Luísa Andrade Amorim Martins acquired 9,341 shares for the unit value of 27.20 euros, on 3 July, and 8 shares for the unit value of 26 euros, on 12 October;

- the shareholder Ricardo Nuno Araújo Abreu Vaz Guimarães acquired 7 shares for the unit value of 26 euros, on 12 October.

g) Business or operations between the Company or any other entity controlled by it and the members of its management and supervisory bodies are non-existent or take the nature of transactions without special economic meaning for any of the parties involved and are performed in the scope of the current activity of the Group, under normal market conditions for similar operations. If they exist, the same are subject to the authorisation by deliberation of the Board of Directors, respecting the provisions of the Portuguese Companies Code.

7.

The Board of Directors proposes in its report and individual accounts that the net income for the 2023 period, in the amount of 2,260,381 euros, has the following distribution:

- Dividends: 899,996 euros, corresponding to 0.5 euros per share;
- Other reserves: 1,360,385 euros.

8.

The Board of Directors expresses its acknowledgement and gratitude to all employees, clients, suppliers, banks, management bodies and other stakeholders who have been cooperating with the Conduril Group during these 65 years of existence.

The growth, stability and success achieved are only possible thanks to everyone's commitment, support and partnership.

Ermesinde, 8 March 2024
The Board of Directors



Portugal

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2023 AND 2022

Amounts expressed in EURO

	NOTES	2023	2022
ASSETS			
NON-CURRENT ASSET			
Property, plant and equipment	3;7	84,811,643	86,408,576
Intangible assets	3;6	5,418,484	5,397,153
Permanent participations (equity method)	3;9	494,241	494,241
Other financial investments	3;9;18	43,013,462	37,826,787
Deferred tax assets	3;17	3,468,480	3,352,383
Subtotal		137,206,310	133,479,140
CURRENT ASSET			
Inventories	3;10	16,251,536	20,692,395
Clients	3;18	109,682,313	123,603,465
Clients with retention payments	3;18	9,046,399	7,616,362
State and other public bodies	20	20,533,693	23,535,535
Shareholders		-	7,160
Other accounts receivable	3;20	42,324,290	28,805,333
Deferrals	3;20	1,330,167	1,771,795
Financial assets held for trading	3;18	2,633,217	19,307,548
Other financial assets	3;18	1,521	1,521
Cash and bank deposits	3;4	22,861,936	28,228,462
Subtotal		224,665,071	253,569,575
TOTAL ASSETS		361,871,380	387,048,715
SHAREHOLDERS' FUNDS AND LIABILITIES			
EQUITY			
Paid-in capital	18	10,000,000	9,000,000
Own shares	3;18	(5,220,000)	(5,220,000)
Legal reserves	18	2,477,348	3,525,817
Other reserves		215,561,737	209,717,121
Retained profit		4,483,291	4,914,600
Revaluation surpluses		2,514,769	2,564,723
Adjustments/Other changes in equity		(53,317,037)	(23,774,968)
Subtotal		176,500,107	200,727,293
Net income for the period		2,260,381	7,238,296
Subtotal		178,760,488	207,965,589
Non-controlling interests		19,354	61,107
TOTAL SHAREHOLDERS' FUNDS	3	178,779,842	208,026,696
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	3;13	5,202,539	7,032,038
Financing obtained	3;8;18	45,874,052	45,172,319
Deferred tax liabilities	3;17	3,225,203	3,990,582
Subtotal		54,301,793	56,194,939
CURRENT LIABILITIES			
Trade creditors	3	44,336,571	45,427,873
Advanced payments from clients	3	18,002,572	14,107,022
State and other public bodies	20	14,783,616	17,988,772
Shareholders		2,862,424	2,843,685
Financing obtained	3;8;18	32,980,652	25,300,138
Other accounts payable	3;20	10,572,999	14,099,995
Deferrals	3;11;20	5,250,911	3,059,597
Subtotal		128,789,745	122,827,081
TOTAL LIABILITIES		183,091,538	179,022,019
TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES		361,871,380	387,048,715

The Management,

The Chartered Accountant,

CONSOLIDATED PROFIT AND LOSS ACCOUNT BY NATURE

AS AT 31 DECEMBER 2023 AND 2022

Amounts expressed in EURO

INCOME AND EXPENSES	NOTES	2023	2022
Sales and services provided	3;12;20;21	183,429,353	218,870,901
Grants received as compensation for expenses		-	-
Gains/losses allocated to subsidiaries, associated companies and joint ventures	3;9	-	-
Variation of inventories in production	3;10	44,094	(61,366)
Own work capitalised	3	564,171	618,243
Cost of goods sold and materials consumed	10	(49,764,353)	(66,546,582)
External supplies and services	20	(75,650,037)	(76,603,996)
Personnel expenses	3;19;20	(51,598,342)	(54,755,385)
Impairment of inventories (losses/reversals)	3;10	27,473	-
Impairment of doubtful debts (losses/reversals)	3;18	-	1,402,744
Provisions (increases/reductions)	3;13	1,717,169	(3,233,567)
Impairment of non-depreciable/amortisable investments (losses/reversals)		-	(87,180)
Increases/reductions of fair value		-	-
Other income	14;20	16,249,329	25,099,447
Other expenses	14;20	(8,708,284)	(18,919,479)
Operating income before depreciations, financing costs and taxes		16,310,572	25,783,780
Depreciation and amortisation expenses/reversals	3;6;7	(7,378,853)	(7,400,055)
Impairment of depreciable/amortisable investments (losses/reversals)		-	-
Net operating income (before financing costs and taxes)		8,931,719	18,383,725
Interests and similar income obtained		-	-
Interests and similar expenses supported	3;20	(5,083,070)	(4,931,874)
Income before taxation		3,848,649	13,451,851
Income taxes	3;17	(1,586,376)	(6,194,210)
NET INCOME FOR THE PERIOD		2,262,273	7,257,641
Income of discontinued operations (net of tax) inc. in the net income for the period		-	-
NET INCOME FOR THE PERIOD ATTRIBUTABLE:			
Holders of equity of the parent entity		2,260,381	7,238,296
Non-controlling interests		1,893	19,345
Subtotal		2,262,273	7,257,641
EARNINGS PER SHARE (BASIC)		1.26	4.03

The Management,

The Chartered Accountant,

CONSOLIDATED CASH FLOW STATEMENT

AS AT 31 DECEMBER 2023 AND 2022

Amounts expressed in EURO			
ITEMS	NOTES	2023	2022
OPERATING ACTIVITIES FLOW			
Cash receipts from clients		145,425,678	196,208,977
Payments to suppliers		(137,977,091)	(159,860,834)
Payments to employees		(46,923,986)	(48,189,888)
Cash flow generated by operations		(39,475,399)	(11,841,745)
Payment/Receipt of income taxes		(1,004,889)	(3,593,401)
Other cash receipts/payments		23,999,425	17,495,653
OPERATING ACTIVITIES FLOW (1)		(16,480,863)	2,060,507
INVESTMENT ACTIVITIES FLOW			
CASH PAYMENTS ARISING FROM:			
Property, plant and equipment		(1,466,273)	(2,814,557)
Intangible assets		-	-
Financial investments		(22,102)	(48,100)
Other assets		(8,542,334)	(24,131,242)
CASH RECEIPTS ARISING FROM:			
Property, plant and equipment		738,000	-
Financial investments		26,920	-
Other assets		19,430,393	55,338,293
Interest and similar income		3,822,566	6,411,269
Dividends		393,687	320,416
INVESTMENT ACTIVITIES FLOW (2)		14,380,857	35,076,079
FINANCING ACTIVITIES FLOW			
CASH RECEIPTS ARISING FROM:			
Financing obtained		175,501,716	149,432,702
Other financing operations			
CASH PAYMENTS ARISING FROM:			
Financing obtained		(155,101,089)	(153,321,112)
Leasing financing		(9,924,867)	(8,899,272)
Interests and similar expenses		(3,613,467)	(1,438,269)
Dividends		(1,620,000)	(1,800,000)
Capital decreases and other equity instruments		-	(5,220,000)
Other financing operations			
FINANCING ACTIVITIES FLOW (3)		5,242,293	(21,245,951)
Net increase/decrease in cash and cash equivalents (1 + 2 + 3)		3,142,286	15,890,636
Effects of foreign exchange rate		(8,508,812)	(540,448)
Cash and cash equivalents at the beginning of the period		28,228,462	12,878,274
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	22,861,936	28,228,462

The Management,

The Chartered Accountant,

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDING ON 31 DECEMBER 2023

SHAREHOLDERS' FUNDS ATTRIBUTED TO HOLDERS OF EQUITY OF THE PARENT ENTITY												Amounts expressed in EUR
	NOTES	PAID-IN CAPITAL	OWN SHARES	LEGAL RESERVES	OTHER RESERVES	RETAINED PROFIT	REVALUATION SURPLUSES	ADJUSTMENTS/ OTHER CHANGES IN EQUITY	NET INCOME FOR THE PERIOD	TOTAL	NON-CONTROLLING INTERESTS	TOTAL SHAREHOLDERS' FUNDS
POSITION AS AT 1 JANUARY 2023												
		9,000,000	(5220,000)	3,525,816	209,717,121	4,914,600	2,564,723	(23,774,967)	7,238,296	207,965,589	61,107	208,026,696
	Application of the income for the period			9,427	7,464,812	(235,943)			(7,238,296)	-		-
	Position as at 1 January 2023 after application of income	9,000,000	(5220,000)	3,535,243	217,181,933	4,678,657	2,564,723	(23,774,967)	-	207,965,589	61,107	208,026,696
CHANGES IN THE PERIOD:												
	First adoption of the new accounting framework											
	Changes in accounting policies											
	Differences in the translation of financial statements							(30,776,051)		(30,776,051)	(43,645)	(30,819,697)
	Realisability of the revaluation surpluses											
	Revaluation surpluses					57,914	(57,914)					
	Adjustments by deferred taxes					(7,960)	7,960					
	Actuarial changes of post-employment benefits							1289,740		1289,740		1289,740
	Other recognised changes in equity			(57,895)	(196)	(245,320)		(55,759)	-	(359,171)		(359,171)
		-	-	(57,895)	(196)	(195,366)	(49,954)	(29,542,070)	-	(29,845,482)	(43,645)	(29,889,127)
	Net income for the period								2,260,381	2,260,381	1,893	2,262,273
	OVERALL RESULT								2,260,381	(27,585,101)	(41,753)	(27,626,854)
OPERATIONS WITH EQUITY HOLDERS IN THE PERIOD												
	Capital subscriptions	1,000,000		(1,000,000)						-		-
	Subscriptions of share issuance premiums									-		-
	Distributions				(1,620,000)					(1,620,000)		(1,620,000)
	Contributions to cover losses									-		-
	Other operations									-		-
		1,000,000	-	(1,000,000)	(1,620,000)	-		-	-	(1,620,000)	-	(1,620,000)
POSITION AT THE END OF DECEMBER 2023	3	10,000,000	(5,220,000)	2,477,348	215,561,737	4,483,291	2,514,769	(53,317,037)	2,260,381	178,760,488	19,354	178,779,842

The Management,

The Chartered Accountant,

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE
PERIOD ENDING ON 31 DECEMBER 2022

SHAREHOLDERS' FUNDS ATTRIBUTED TO HOLDERS OF EQUITY OF THE PARENT ENTITY											Amounts expressed in EURO	
	NOTES	PAID-IN CAPITAL	OWN SHARES	LEGAL RESERVES	OTHER RESERVES	RETAINED PROFIT	REVALUATION SURPLUSES	ADJUSTMENTS/ OTHER CHANGES IN EQUITY	NET INCOME FOR THE PERIOD	TOTAL	NON-CONTROLLING INTERESTS	TOTAL SHAREHOLDERS' FUNDS
POSITION AS AT 1 JANUARY 2022		10,000,000	(950,000)	3,470,856	205,679,034	5,719,711	1,885,767	(36,291,544)	5,782,682	195,296,506	31,582	195,328,088
Application of the income for the period				4,961	5,838,088	(60,366)			(5,782,682)	0.20		0
Position as at 1 January 2022 after application of income		10,000,000	(950,000)	3,475,817	211,517,121	5,659,345	1,885,767	(36,291,544)	-	195,296,506	31,582	195,328,089
CHANGES IN THE PERIOD:												
First adoption of the new accounting framework												
Changes in accounting policies												
Differences in the translation of financial statements								8,917,827		8,917,827	10,179	8,928,006
Realisability of the revaluation surpluses												
Revaluation surpluses						(678,956)	678,956					
Adjustments by deferred taxes												
Actuarial changes of post-employment benefits								3,585,614		3,585,614		3,585,614
Other recognised changes in equity						(65,790)		13,136		(52,654)		(52,654)
		-	-	-	-	(744,746)	678,956	12,516,577	-	12,450,787	10,179	12,460,966
Net income for the period									7,238,296	7,238,296	19,345	7,257,641
OVERALL RESULT									7,238,296	19,689,083	29,524	19,718,607
OPERATIONS WITH EQUITY HOLDERS IN THE PERIOD												
Capital subscriptions					(1,800,000)					(1,800,000)		(1,800,000)
Subscriptions of share issuance premiums										-		-
Distributions										(5,220,000)		(5,220,000)
Contributions to cover losses												
Other operations		(1,000,000)	(4,270,000)	50,000				-	-	(7,020,000)	-	(7,020,000)
		(1,000,000)	(4,270,000)	50,000	(1,800,000)	-			-	(7,020,000)		
POSITION AT THE END OF DECEMBER 2022	3	9,000,000	(5,220,000)	3,525,817	209,717,121	4,914,600	2,564,723	(23,774,967)	7,238,296	207,965,589	61,107	208,026,696

The Management,

The Chartered Accountant,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023

1.

INTRODUCTORY NOTE

> ACTIVITY

Conduril - Engenharia, S.A. ("Conduril" or "Company"), is a company founded in 1959 and transformed into a company limited by shares in 1976, with registered office at Av. Eng.º Duarte Pacheco, 1835, 4445-416 Ermesinde - Valongo, Portugal, and the participated companies ("Group"), whose main activity is civil engineering contracts and all other works related to the exercise of this activity.

The Board of Directors believes that these consolidated financial statements are a true and proper representation of the operations of the companies belonging to the Group, as well as their financial position and performance and cash flows.

The Board of Directors will closely follow every development related to the national and international economic situation, namely those arising from the war in Ukraine. This event has had significant impacts on the current economic environment, being seen with high uncertainty, namely regarding the regular operation of the supply chains of products, both in terms of availability and prices, so it is not possible to estimate, with a reasonable degree of confidence, the possible impacts on the Group's activity.

The consolidated financial statements are filed in the Company's registered office.

All amounts expressed in these notes are presented in euros, rounded to the nearest unit.

The scope of consolidation of Conduril - Engenharia, S.A. includes the following entities:

FULL CONSOLIDATION	%
Conduril - Gestão de Concessões de Infraestruturas, S.A.	100.00
Edirio - Construções, S.A.	100.00
Métis Engenharia, Lda.	99.00
ENOP - Engenharia e Obras Públicas, Lda.	100.00
Urano, Lda.	99.99
Conduril Engenharia - Açores, S.A.	100.00
Esquénio - Estudos e Projetos de Engenharia, S.A.	100.00
Conduril Construction Zimbabwe (PVT) LTD	100.00
Conduril Engenharia Gabon, S.A.	100.00
PROPORTIONATE CONSOLIDATION:	
Groupement Adriano, Jaime Ribeiro, Conduril - Construção, ACE	33.33
Groupement Túnel de Nador, Construção ACE	50.00
RAL - Rodovias do Algarve Litoral, ACE	16.67
RBA - Rodovias do Baixo Alentejo, ACE	17.86
EQUITY METHOD:	
Rotas do Algarve Litoral, S.A.	21.64
Marestrada - Operação e Manutenção Rodoviária, S.A.	33.33

2.

ACCOUNTING FRAMEWORK FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

2.1. These financial statements have been prepared bearing in mind the continuation of the Group's operations, from the accounting records of the Group and in accordance with the rules of the Accounting Standardisation System, governed by the following legislation:

- Decree-law no. 158/2009, of 13 July, as amended by Decree-law no. 98/2015, of 2 June (Accounting Standardisation System);
- Decree Order no. 220/2015, of 24 July (Financial Statements Models);
- Notice no. 8254/2015, of 29 July (Framework);
- Notice no. 8256/2015, of 29 July (Accounting Standards and Financial Reporting);
- Decree Order no. 218/2015, of 23 July (Code of Accounts);
- Notice no. 8258/2015, of 29 July (Interpretation Standards).

2.2. Indication and comment on the balance sheet and the income statement whose contents are not comparable with those of the previous financial year:

The amounts presented for comparison purposes are comparable and presented in accordance with the model resulting from the amendments introduced by the legislation mentioned in the previous paragraph.

3.

SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the attached financial statements are the following:

3.1. Measurement bases used in the preparation of the financial statements

The attached financial statements have been prepared bearing in mind the continuation of the Group's operations, from the accounting books and records of the companies belonging to the Group, maintained in accordance with the Accounting Standards and Financial Reporting (NCRF).

The Board of Directors assessed the capacity of the Company, its subsidiaries and associated companies to continuously operate, based on relevant information, facts and circumstances

of financial, commercial or other nature, including subsequent events to the reference date of the financial statements, available regarding the future. As a result of the assessment performed, the Board of Directors concluded that Conduril has the necessary resources to maintain its activities, with no intention of ceasing those activities in the short-term, so it considered adequate to assume the continuity of the operations in the preparation of the financial statements.

A) CONSOLIDATED PRINCIPLES

The consolidated principles adopted by the Group in the preparation of the consolidated financial statements are the following:

i. Investments in subsidiaries

Permanent participations in companies in which the Group owns, directly or indirectly, more than 50% of the voting rights at a General Meeting of Shareholders or is able to establish financial and operational policies (definition of control used by the Group), are included in the consolidated financial statements using the full consolidation method. Equity and net income of these companies corresponding to the shareholding of third parties in the subsidiary companies is shown separately in the consolidated balance sheet and in the consolidated profit and loss account in the item "Non-controlling interests".

When losses attributable to minority shareholders exceed the minority interest in a subsidiary's equity, then the Group absorbs this excess and any additional losses, except when the minority shareholders have a binding obligation and are able to cover such losses. If the subsidiary subsequently reports profits, then the Group appropriates all profits until the minority's share of losses absorbed has been recovered.

The results of subsidiaries acquired or sold during the period are included in the income statement from the effective date of acquisition or up to the effective date of sale, as appropriate.

Adjustments to the financial statements of subsidiaries are made whenever necessary to adjust them to the accounting policies used by the Group. Transactions, balances and dividends distributed between the Group's subsidiaries are eliminated on consolidation.

Whenever the Group has, in substance, control over other entities created for a specific purpose ("Special Purpose Entities"), even if no share capital interest is directly or indirectly held in those entities, these are consolidated by the full consolidation method.

ii. Investments in associated companies

Investments in associated companies (companies where the Group exercises significant influence, but does not have control or joint control through the participation in financial and operational policies – usually corresponding to holdings between 20% and 50% in a company's share capital) are registered by the equity method.

According to the equity method, investments in associated companies are initially accounted for at the acquisition cost, which is adjusted proportionally to the Group's share in the corresponding equity of those companies, at the date of acquisition or at the date of the first adoption of the equity method. Permanent participations are adjusted annually by the amount corresponding to the participation in the net profit/loss of the associated companies as opposed to income or expenses in the period. Furthermore, the dividends of these companies are registered as a decrease in investments, and the Group's share in the changes occurred in the associated company's equity is registered as a change in the Group's equity.

The differences between the acquisition cost and fair value of the assets and liabilities attributable to the associated company on the acquisition date, if positive, are recognised as goodwill. If those differences are negative, after reassessment of the estimated fair value, they are registered as gains for the period in the item "Other income".

An assessment of the investments in associated companies is performed whenever there are indications that the asset may be impaired, with the impairment losses that are shown to exist being registered as expenses. Impairment losses recognised in previous periods that are no longer justifiable are reversed.

When the Group's share of losses of the associated company exceeds the investment value, the investment is reported at null value, except to the extent of the Group's commitments to the associated company, setting up a provision to cover those obligations.

The Group's share in unrealised gains arising from transactions with associated companies is eliminated proportionately, against the investment in that associated company. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment of the asset transferred.

iii. Jointly controlled entities

The financial interests in jointly controlled companies/entities were consolidated in the attached financial statements by the proportionate consolidation method from the date in which the control is shared. According to this method, the assets, liabilities, income and expenses of these companies have been included in the consolidated financial statements, on a line-by-line basis, in proportion to the Group's participation in the companies.

The classification of the financial interests held in jointly controlled companies/entities is determined based on:

- shareholder agreements that regulate the joint control;
- effective percentage held;
- voting rights held.

Any change of consolidation generated by the acquisition of a jointly controlled company/entity is registered according to the accounting policies defined for subsidiaries. Transactions, balances and dividends distributed between the jointly controlled companies are eliminated in proportion to the Group's participation.

iv. Goodwill

At the balance sheet date, an evaluation of the recoverable amount of the net value of the goodwill is made, and the respective impairment losses recognised whenever the accounting value of goodwill exceeds its recoverable amount. The goodwill value is not amortised. The gain or loss on disposal of an entity includes the accounting value of goodwill related to the entity sold, unless the business to which that goodwill is related is maintained generating benefits to the Group. Impairment losses related to goodwill cannot be reversed and are registered in the income statement for the period, in the item "Impairment of non-depreciable/amortisable investments (losses/reversals)".

The differences between the acquisition cost of investments in subsidiaries and associated companies, and the fair value of the identifiable assets and liabilities (including contingent liabilities) of these companies at the date of their acquisition, if negative, are recognised as income at the date of acquisition, after reassessment of the fair value of the identifiable assets and liabilities.

The gain or loss on disposal of an entity includes the accounting value of goodwill related to the entity sold, unless the business to which that goodwill is related is maintained generating benefits to the Group.

v. Translation of financial statements of foreign subsidiaries expressed in foreign currency

Assets and liabilities of foreign entities financial statements included on consolidation are translated into euros using the exchange rates at the balance sheet date, and income and expenses using the average exchange rates. The amount related to the exchange rate difference is registered in the equity item "Other changes in equity".

The goodwill value and fair value adjustments resulting from the acquisition of foreign entities are treated as assets and liabilities of those entities and translated into euros according to the exchange rate in force at the end of the period. Whenever a foreign company is sold, accumulated exchange rate differences are recognised in the income statement as a gain or loss on the disposal.

B) INTANGIBLE ASSETS

The intangible assets, which essentially comprise development rights and computer programmes, are registered at acquisition cost, net of eventual impairment losses and accumulated amortisation. These assets are written down from the moment in which the underlying assets are completed or in use, by the straight-line method, for a period of 60 and 6 years, respectively.

The intangible assets are only recognised when it is probable that they derive future economic benefits for the Group, are controllable by the Group and that they can be measured reliably.

The development costs for which the Group demonstrates ability to complete their development and start their marketing and/or use, and for which it is probable that their created asset will generate future economic benefits, are capitalised. The development costs that do not meet these criteria are registered as expense in the period in which they are incurred.

The gains or losses arising from the sale or write-off of these assets are determined as the difference between the sale price and the accounting net value at the date of sale/write-off, and are registered by the net value in the income statement, as "Other income" or "Other expenses".

C) PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment acquired up to 1 January 2009, are registered at their considered cost, which corresponds to the acquisition cost or the revaluated acquisition cost in accordance with the generally accepted principles in Portugal until that date, net of accumulated depreciation and impairment losses.

The property, plant and equipment acquired after that date, are registered at acquisition cost, net of the corresponding depreciation and accumulated impairment losses.

Depreciations are calculated after the beginning of use of the assets, by the straight-line method, on an annual basis.

The depreciation rates used in the present period correspond to the following estimated useful lives:

	YEARS
Buildings and other constructions	4 - 50
Machinery and other equipment	3 - 30
Transport equipment	4 - 12
Office equipment	3 - 25
Other property, plant and equipment	4 - 20

Maintenance and repair costs, which do not increase the useful life of these fixed assets are registered as expenses in the period in which they occur. The costs of major repairs and renovations are included in the accounting value of the asset whenever it is expected that this would involve additional future economic benefits.

Property, plant and equipment in progress represent assets still in the construction phase or in transit, and are registered at acquisition cost net of eventual impairment losses. These assets are depreciated from the moment they are in a state of use.

The gains or losses arising from the sale or write-off of these assets are determined as the difference between the sale price and the accounting net value at the date of sale/write-off, and are registered by the net value in the income statement, as "Other income" or "Other expenses".

D) LEASES

Classification of leases as financial or operating is made based on the substance and not on the form of the contract. The lease agreements in which the Group acts as lessee are classified as finance leases, if the risks and rewards incident to ownership lie with the lessee, and as operating leases, if the risks and rewards incident to ownership do not lie with the lessee.

In accordance with the financial method, the cost of the asset is registered as an asset, the corresponding responsibility is registered as a liability, in the item "Financing obtained", and the interests included in the value of rentals and the assets reintegration are registered as costs in the income statement for the concerning period.

Operating lease instalments are recognised as expenses in the income statement, on a straight-line basis, over the rental period.

E) INTEGRATION OF BRANCHES

The accounting information of the branches where the Group develops its activity, namely Angola, Mozambique, Morocco, Cabo Verde, Zambia and Malawi, is included in accounting every month. The balances and transactions occurred in the period between the registered office and the branches are eliminated.

When the functional currency of the branch is different from the reporting currency of the Group, the process of integration is performed through the translation of the variations of assets and liabilities, income and expenses at the exchange rate in force on the date of each monthly integration. On the reporting date, the exchange differences resulting from monetary assets and liabilities are calculated and registered on a monthly basis as changes in equity.

In the accounting information of the branches are mainly used accounting policies in force in Portugal. To guarantee the uniformity of the accounting policies, whenever the local legislation is different from the laws in force in Portugal, the proper adjustments are made.

F) IMPAIRMENT OF NON-CURRENT ASSETS (EXCEPT FOR GOODWILL)

Whenever an event or change in circumstances is identified that would indicate that the amount by which the asset is registered cannot be recovered, an assessment of impairment is performed with reference at the end of each period.

Whenever the amount by which the asset is registered is higher than its recoverable amount, an impairment loss is recognised, registered as an expense in the item "Impairment of depreciable/amortisable investments (losses/reversals)". The recoverable amount is the highest between the assets' net selling price and the use value. The net selling price is the amount that would have been achieved with the disposal of the asset in a transaction between independent and knowledgeable entities, deducted from the costs directly attributable to the disposal. The use value is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if this is not possible, for the cash-generating unit to which the asset belongs.

After the recognition of an impairment loss, the expense with the amortisation/depreciation of an asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

The reversal of impairment loss recognised in previous periods is registered when it is concluded that the recognised impairment losses no longer exist or have decreased. This assessment is made whenever it is believed that impairment losses previously recognised have been reversed. The reversal of impairment losses is recognised as income in the income statement. However, the reversal of the impairment loss is performed up to the limit of the amount that would be recognised (net of amortisation or depreciation), if the impairment loss had not been registered in previous periods.

G) COSTS OF FINANCING OBTAINED

Costs related to financing are recognised as an expense on an accrual basis, even in cases where these costs are directly attributable to the acquisition, construction or production of an asset whose period of time to get ready for its intended use is substantial, in which case it could be capitalised until the moment in which all the activities necessary to prepare the asset eligible for its use or sale are complete.

H) INVENTORIES

Goods and raw, subsidiary and consumable materials are stated at acquisition cost or at market price, whichever is lower (using the average cost as a costing method). Market price means the net realisable value or the replacement cost.

Finished or semi-finished products, by-products and products and work in progress are valued at production cost (which includes the cost of raw materials, labour and production overheads) or at market price in case this is lower. Market price means the net realisable value.

In cases where the market price is lower than the acquisition cost, impairment losses are recognised.

I) FINANCIAL INSTRUMENTS**i. Investments**

The investments on other companies are registered at acquisition cost or, in the case of loans granted, at nominal value. An assessment of these investments is made whenever there are indications that the asset may be impaired, with the impairment losses that are shown to exist being registered as costs. Income obtained from financial investments (dividends or profit distributed) are registered in the income statement for the period in which distribution is decided and announced.

ii. Debtors

Debtors are initially registered at their fair value and presented at the balance sheet net of eventual impairment losses, recognised in the item "Impairment of doubtful debts (losses/reversals)", in order to reflect their net realisable value. There are no situations where the nominal value differs from the fair value and, therefore, where the debt should be measured using the effective interest method.

Impairment losses are recognised if there is objective and measurable evidence that, as a result of one or more events which occurred, the outstanding balance will not be fully or partially received. For that, the Group takes into consideration market information showing that the client is insolvent along with historical data of overdue and not paid amounts.

Recognised impairment losses correspond to the difference between the carrying amount and the present value of the estimated cash flows, discounted at the original effective interest rate, which is null whenever payment is expected to occur within less than one year.

iii. Financing

Financing is registered as liabilities at its amortised cost. Financial expenses are calculated based on the effective interest rate and are registered in the income statement for the period on an accruals basis.

There are no situations where the application of the amortised cost method has a materially relevant impact on the measurement, when compared to the nominal value.

iv. Trade creditors

Trade creditors and other creditors are initially recognised at fair value, and subsequently at amortised cost, which does not differ from its nominal value, since the effect of the use of the effective interest method is considered immaterial.

v. Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified based upon their contractual substance, regardless of the legal form they assume.

An instrument is classified as a financial liability when there is a contractual obligation for its settlement to be effected through the delivery of cash or another financial asset, regardless of its legal form. Financial liabilities are recognised initially at fair value net of transaction costs incurred, and subsequently at amortised cost, using the effective interest rate method.

An instrument is classified as an equity instrument when there is no contractual obligation for its settlement to be effected through the delivery of cash or another financial asset, regardless of its legal form, which evidence a residual interest in the assets of an entity after deducting all of its liabilities.

The costs directly attributable to the issuance of equity instruments are recognised in equity as a deduction to the amount issued. Amounts paid or received related to purchases or sales of equity instruments are registered in equity, net of transaction costs.

The distributions made of an equity instrument are deducted to equity as dividends, when declared.

vi. Own shares

Own shares are accounted for at the acquisition cost as an allowance to equity. Gains or losses arising from disposal of own shares are registered in the item "Other reserves", not affecting the profit/loss of the period.

vii. Discounted bills and accounts receivable in factoring

The Group derecognises financial assets in its consolidated financial statements, only when the contractual rights to the cash flows inherent to those assets have already expired, or when the Group substantially transfers all the risks and benefits inherent to the ownership of those assets to a third entity. If the Group substantially retains the risks and benefits inherent to the ownership of those assets, it continues to recognise them in its financial statements, by registering in liabilities, in the item "Financing obtained", the monetary consideration for the assets transferred.

Consequently, accounts receivable in factoring as at the balance sheet date, with the exception of operations of "Factoring without resource", are recognised in the consolidated financial statements, in liabilities, until they are collected.

viii. Cash and cash equivalents

The amounts included in the item "Cash and cash equivalents" correspond to cash on hand, bank deposits, term deposits and other treasury applications, which mature in less than three months and are subject to insignificant risk of change in value.

J) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised only when the Group has a present obligation (legal or constructive) as result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of that obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the best estimate at that date. Provisions for restructuring costs are recognised whenever a formal and detailed restructuring plan exists and that plan has been communicated to the parties involved.

Contingent liabilities are defined by the Group 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 under full control of the Group, or (ii) present obligations arising from past events, but which are not recognised because it is unlikely that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Group. The Group does not recognise the contingent assets in its consolidated financial statements; it only proceeds to its disclosure if it considers that the economic benefits which may result from there to the Group are likely. When the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

K) ECONOMIC PERIODS

Income and expenses are registered in the period to which they relate, regardless of the corresponding payment or receipt, on an accruals basis. Differences between the amounts received or paid and the corresponding income and expenses are registered in the items "Other accounts receivable", "Other accounts payable" or "Deferrals".

L) INCOME TAXES

The income taxes registered in profit/loss include the effects of current taxes and deferred taxes. The current income tax is determined based on the taxable profit of each company included on consolidation, in accordance with the tax rules in force.

The Company is subject to the Special Taxation Regime for Company Groups (RETGS), under the terms of article 69 of the Portuguese Corporate Income Tax Code, from which it is, since 1 January 2022, the dominant company.

Deferred taxes refer to the temporary differences between the amounts of the assets and liabilities for the purposes of accounting records and the respective amounts for the purposes of taxation, as well as those arising from the tax benefits obtained and the temporary differences between the tax and accounting results. The tax is recognised in the income statement, except when related with items, which are moved in equity, a fact that implies their recognition in equity.

Deferred tax assets and liabilities are calculated and periodically evaluated using the taxation rates, which are expected to be in force on the date of reversal of temporary differences.

Deferred taxes refer to temporary differences between the accounting values of the assets and liabilities and their tax base, using the tax rates approved or substantially approved, at the balance sheet date, in each jurisdiction and which are expected to be applied when the temporary differences are reversed.

Deferred tax liabilities are recognised for all taxable temporary differences (except for goodwill not deductible for tax purposes), differences arising on initial recognition of assets and liabilities that affect neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred tax assets are recognised to the extent when it is probable that future taxable profits will be available to absorb deductible temporary differences for tax purposes.

Deferred tax assets are registered only when there are reasonable expectations of sufficient taxable profits for them to be used. Every year, a revaluation of the temporary differences underlying to the deferred tax assets is made, with the purpose of recognising or adjust them according to the present expectation of their future recovery.

M) NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale if the balance sheet value is realisable through a sales transaction, rather than through its continuing use. This situation is only verified when: (i) the sale is probable and the assets are available for immediate sale in the present conditions; (ii) the management is committed with a sales plan; and (iii) the sale is expectable to occur within twelve months.

Non-current assets classified as held for sale are measured at the lower value between the carrying amount and fair value net of expectable expenses with its sale.

N) GOVERNMENT AND OTHER PUBLIC ENTITIES SUBSIDIES

Subsidies for vocational training programmes or exploration subsidies are registered in the item "Grants received as compensation for expenses" of the income statement for the period in which these programmes are carried out, independently of when they are received, unless it becomes receivable in a later period, in which it will be income for the period when it was received.

Non-reimbursable subsidies related to the assets are registered in the balance sheet as "Other changes in equity" and recognised in the income statement proportionally to the reintegrations of the subsidised assets, in each period.

O) RETIREMENT COMPLEMENTS

Conduril - Engenharia, S.A. has assumed the commitment of attributing a number of pecuniary benefits to its employees at complementary title of retirement pensions for old age or disability. To cover those responsibilities Conduril - Engenharia, S.A. created a defined benefit Pension Fund in 1989, exclusive to its employees, whose annual charges, determined according to actuarial calculations, are registered in accordance with the NCRF 28 - "Employee benefits".

The actuarial responsibilities are calculated according to the "Projected Unit Credit Method", by using the actuarial and financial assumptions considered appropriate.

P) REVENUE

The Group recognises the income of works, contract by contract, in accordance with the NCRF 19 - "Construction contracts" under the percentage of completion method, which is understood as the relation between costs incurred in each work until a certain date and the sum of those costs with the costs estimated for the work completion. The differences between the values resulting from the application of the level of completion to the estimated income and the invoiced values are included in the items "Other accounts receivable" and "Deferrals".

Variations in works in the amount of revenue agreed in the contract are recognised in the income for the period when it is highly possible that the client will approve the amount of revenue arising from the variation, and that this can be reliably measured.

Claims for reimbursement of costs not included in the contract price are included in contract revenue when negotiations are at an advanced stage and it is probable that the client will accept the claim, and that it will be reliably measurable.

To meet the costs incurred during the warranty period of the works, the Group recognises every year liabilities to fulfil this legal obligation, which is calculated taking into account the annual production volume and the costs incurred in the past with works in warranty period. When it is probable that total costs foreseen in the construction contract will exceed its defined income, the expected loss shall be immediately recognised in the income statement for the period.

Dividends from participations registered at cost are recognised as income in the income statement for the period in which its attribution is decided.

Q) EXPENSES WITH THE PREPARATION OF PROPOSALS

The expenses made with the preparation of proposals for several tenders are recognised in the income statement for the period in which they are incurred.

R) OWN WORK CAPITALISED

Own work capitalised corresponds to construction and improvement works carried out by any company of the Group, as well as the major repairs of equipment and include expenses with materials, direct labour and general expenses.

Those expenses are object of capitalisation only when fulfilled the following requirements:

- The assets developed are identifiable;
- There is a strong probability of the assets generating future economic benefits; and
- They can be reliably measured.

S) SUBSEQUENT EVENTS

Events that occur after the balance sheet date that provide evidence or additional information on conditions existing at the balance sheet date ("adjusting events"), are reflected in the consolidated financial statements. Events after the balance sheet date that provide information on conditions arising after the balance sheet date ("non-adjusting events"), when material, are disclosed in the notes to the consolidated financial statements.

T) JUDGEMENTS AND ESTIMATES

For the preparation of the consolidated financial statements, the Board of Directors of each company included on consolidation has been based on best knowledge of past and/or present events, considering assumptions related to future events.

The most significant accounting estimates reflected in the consolidated financial statements for the periods ending on 31 December 2023 and 2022 include:

- Useful lives of tangible assets;
- Record of provisions and impairment losses;
- Recognition of revenue in works in progress;
- Recognition of the present value of responsibilities with retirement benefits; and
- Calculation of fair value of the financial instruments.

The estimates were determined based on the best information available at the preparation date of the financial statements. However, situations may occur in subsequent periods that, not being foreseeable at the date, have no impact on the estimates. Changes to the estimates that occur after the date of the consolidated financial statements, will be corrected in profit/loss, using a prospective method, in accordance with NCRF 4.

3.2. Other relevant accounting policies**A) EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the net profit attributable to the shareholders of the Company by the weighted average number of ordinary shares in circulation during the period, excluding the number of own shares held.

B) FOREIGN CURRENCY

On initial recognition, transactions in foreign currency (a currency other than the functional currency) are registered at the exchange rates on the dates of the transactions. All assets and liabilities expressed in foreign currency have been converted into the functional presentation currency, using the exchange rates in force at the reporting date. Exchange gains and losses resulting from differences between the exchange rates in force on the date of the transactions and those in force on the dates of collection, payments or the balance sheet date, are recognised as income and expenses in the income statement for the period. The non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange differences related to accounts receivable/payable whose maturity is not defined, are registered in the income statement for the period when those accounts receivable/payable are depreciated/disposed/liquidated. Financial statements of participated companies and branches expressed in foreign currency are translated into euros.

The exchange rates used to convert to euros were as follows:

CURRENCY	TRANSACTION CURRENCY	2023		2022	
		31 DECEMBER	EXCHANGE RATE	31 DECEMBER	EXCHANGE RATE
US dollar	Euro	0.90498	n/a	0.93756	n/a
Moroccan dirham	Euro	0.09137	0.09126	0.08961	0.09334
Metical	Euro	0.01416	0.01452	0.01566	0.01500
Cabo Verde escudo	Euro	0.00907	0.00907	0.00907	0.00907
CFA franc	Euro	0.00152	0.00152	0.00152	0.00152
Zambian kwacha	Euro	0.03520	0.04491	0.05181	0.05581
Malawian kwacha	Euro	0.00052	0.00077	0.00089	0.00098
Kwanza	Euro	0.00108	0.00131	0.00184	0.00203
Zimbabwe dollar	Euro	0.00015	0.00025	0.00140	0.00245

3.3. Judgements on the application process of the accounting policies and which had greater impact in the amounts recognised in the consolidated financial statements

In preparation of the consolidated financial statements according with NCRF (equivalent to GAAP), the Board of Directors of each company included on consolidation uses estimates and assumptions that affect the application of the policies and amounts reported. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances on which the estimate was based, or as a result of new information or more experience.

3.4. Main assumptions concerning the future

The attached consolidated financial statements have been prepared bearing in mind the continuation of the Group's operations, from the accounting books and records of the Group, maintained in accordance with the accounting principles generally accepted in Portugal.

Events that occur after the balance sheet date that affect the value of the existing assets and liabilities at the balance sheet date are considered when preparing the consolidated financial statements for the period. Those events are disclosed in the notes to the consolidated financial statements, if material.

3.5. Major sources of uncertainty

The present note makes reference to the major assumptions for the future adopted in the preparation of the attached financial statements, which may involve a significant risk of material adjustments to the valuation of assets and liabilities in the following financial period.

A) IMPAIRMENT OF ASSETS

The determination of the impairment of assets requires an estimate of the present value of the future cash flows associated to those assets. In this calculation, the assumptions are adopted based on the historical experience of the companies belonging to the Group, as well as on future expectations. The Group considers that there is a controlled risk of these assumptions not taking place.

B) USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The expected useful lives of property, plant and equipment and intangible assets are reviewed on each reporting date. The useful lives of the assets depend on various factors related to both their use and their location.

C) REVENUE AND CONSTRUCTION CONTRACTS

The revenue of the ongoing construction contracts is recognised under the percentage of completion method of the contract. The stage of completion is translated into a relevant estimate based on the prediction of the costs incurred until the contract completion. This process is based on technical analyses performed by technicians.

D) PROVISIONS FOR OTHER RISKS AND COSTS

Provisions are recognised after the technical analyses, in order to determine the existence of a present obligation as a result of a past event, a probable outflow of resources. This estimate is equally supported by the opinion of the Group's lawyers and advisers.

E) RECOGNITION OF THE PRESENT VALUE OF RESPONSIBILITIES WITH RETIREMENT BENEFITS

The responsibilities with retirement pensions are estimated based on the actuarial assessments performed by external experts. In the establishment of the responsibility, financial and actuarial assumptions are included, namely the discount rate, mortality and invalidity tables, growth rate of pensions and wages, among others.

In light of the above, relevant changes are not foreseen to the estimates made and, consequently, material variations in registered assets and liabilities based on those estimates are also not expected.

4. CASH FLOWS

4.1. Management's comment about the amount of significant balances of cash and cash equivalents, which are not available for use

The balance amount of "Cash and cash equivalents" is fully available.

4.2. Breakdown of the amounts registered in "Cash and bank deposits"

The cash and bank deposits balance is the following:

	31.12.2023	31.12.2022
Cash	38,560	165,798
Demand deposits	13,534,858	22,181,199
Term deposits	9,288,518	5,881,465
TOTAL CASH AND BANK DEPOSITS	22,861,936	28,228,462

5. RELATED PARTIES

5.1. Remunerations of the key management personnel

A) TOTAL REMUNERATIONS: 1,872,342 euros (2022: 1,931,472 euros).

5.2. Transactions between related parties

A) NATURE OF THE RELATED PARTY RELATIONSHIP:

	COUNTRY	DIRECT %	TOTAL %
BRANCHES:			
Angola	-	-	-
Mozambique	-	-	-
Morocco	-	-	-
Cabo Verde	-	-	-
Zambia	-	-	-
Malawi	-	-	-
SUBSIDIARIES:			
Conduril - Gestão de Concessões de Infraestruturas, S.A.	Portugal	100.00	100.00
Edirio - Construções, S.A.	Portugal	100.00	100.00
Métis Engenharia, Lda.	Angola	99.00	99.00
ENOP - Engenharia e Obras Públicas, Lda.	Mozambique	100.00	100.00
Urano, Lda.	Angola	99.99	99.99
Conduril Engenharia - Açores, S.A.	Portugal	100.00	100.00
Esquénio - Estudos e Projetos de Engenharia, S.A.	Portugal	100.00	100.00
Conduril Construction Zimbabwe (PVT) LTD	Zimbabwe	100.00	100.00
Conduril Engenharia Gabon, S.A.	Gabon	100.00	100.00
JOINTLY CONTROLLED ENTITIES:			
Groupement Adriano, Jaime Ribeiro, Conduril - Construção, ACE	Morocco	33.33	33.33
Groupement CJA / Lot 3 - Construção ACE	Morocco	33.33	33.33
Groupement Túnel de Nador, Construção ACE	Morocco	50.00	50.00
RAL - Rodovias do Algarve Litoral, ACE	Portugal	16.67	16.67
RBA - Rodovias do Baixo Alentejo, ACE	Portugal	17.86	17.86
UTE Alcántara - Garrovillas	Spain	15.00	15.00
ASSOCIATED COMPANIES:			
Rotas do Algarve Litoral, S.A.	Portugal	21.64	23.64
Marestrada - Operação e Manutenção Rodoviária, S.A.	Portugal	33.33	33.33
KEY MANAGEMENT PERSONNEL:			
BOARD OF DIRECTORS:			
Maria Benedita Andrade de Amorim Martins (Chair of the Board of Directors and President of the Executive Committee)			
Maria Luísa Andrade Amorim Martins (Vice-chair of the Board of Directors and Vice-president of the Executive Committee)			
António Baraças Andrade Miragaia			
António Emanuel Lemos Catarino			
Jorge Lúcio Teixeira de Castro			
Miguel José Alves Montenegro de Andrade			
Ricardo Nuno Araújo Abreu Vaz Guimarães			
OTHER RELATED PARTIES:			
Geonorte - Geotecnia e Fundações Especiais, Lda.	Portugal	-	-
Quinta do Javali, Lda.	Portugal	-	-
Mugige Vinhos, Lda.	Angola	-	-

B) TRANSACTIONS AND OUTSTANDING BALANCES:

As at 31 December 2023 and 2022, the Group presented the following transactions and balances in what concerns the related entities:

As at 31 December 2023:

RELATED PARTIES	OUTSTANDING BALANCES - ASSETS	OUTSTANDING BALANCES - LIABILITIES	ACCUMULATED IMPAIRMENT LOSSES
ENTITIES WITH JOINT CONTROL OR SIGNIFICANT INFLUENCE:			
Groupement CJA / Lot 3 - Construção ACE	831,397	-	-
	831,397	-	-
OTHER PARTICIPATIONS:			
Rotas do Algarve Litoral, S.A.	13,663,492	17,870	40,000
Marestrada - Operação e Manutenção Rodoviária, S.A.	69,597	-	-
	13,733,089	17,870	40,000
OTHER RELATED PARTIES:			
UTE Alcántara - Garrovillas	1,219,788	-	-
Geonorte - Geotecnia e Fundações Especiais, Lda.	66,386	1,005,175	-
Geonorte - Geotecnia e Fundações Especiais, Lda. - Angola branch	509,386	154,297	-
Mugige Vinhos, Lda.	2,744,765	356	-
	4,540,325	1,159,828	-

RELATED PARTIES	INCOME	EXPENSES
OTHER RELATED PARTIES:		
Geonorte - Geotecnia e Fundações Especiais, Lda.	235,560	3,103,010
Geonorte - Geotecnia e Fundações Especiais, Lda. - Angola branch	232,744	-
Quinta do Javali, Lda.	-	98,178
Mugige Vinhos, Lda.	-	1,252
	468,304	3,202,440

As at 31 December 2022:

RELATED PARTIES	OUTSTANDING BALANCES - ASSETS	OUTSTANDING BALANCES - LIABILITIES	ACCUMULATED IMPAIRMENT LOSSES
ENTITIES WITH JOINT CONTROL OR SIGNIFICANT INFLUENCE:			
Groupement CJA / Lot 3 - Construção ACE	829,542	-	-
	829,542	-	-
OTHER PARTICIPATIONS:			
Rotas do Algarve Litoral, S.A.	13,663,492	17,870	40,000
	13,663,492	17,870	40,000
OTHER RELATED PARTIES:			
UTE Alcántara - Garrovillas	1,219,788	-	-
Geonorte - Geotecnia e Fundações Especiais, Lda.	73,770	1,257,222	-
Geonorte - Geotecnia e Fundações Especiais, Lda. - Angola branch	531,086	342,321	-
Mugige Vinhos, Lda.	4,897,540	202,665	-
	6,722,184	1,802,208	-

RELATED PARTIES	INCOME	EXPENSES
OTHER RELATED PARTIES:		
Geonorte - Geotecnia e Fundações Especiais, Lda.	107,979	2,538,014
Geonorte - Geotecnia e Fundações Especiais, Lda. – Angola branch	151,747	71,058
Quinta do Javali, Lda.	334	278,528
Mugige Vinhos, Lda.	-	223,759
	260,060	3,111,359

6. INTANGIBLE ASSETS

6.1. Disclosure for each class of intangible assets, distinguishing between internally generated intangible assets and other intangible assets

A) DEPRECIATIONS FOR THE PERIOD ARE CALCULATED TAKING INTO ACCOUNT THE FOLLOWING AVERAGE USEFUL LIVES AND AMORTISATION RATES FOR EACH ITEM:

INTANGIBLE ASSETS	USEFUL LIFE	AMORTISATION RATE
Research and development	6	16.67%
Development rights	60	1.66%
Computer programmes	6	16.67%
Other intangible assets	6	16.67%

B) ELEMENTS OF INTANGIBLE ASSETS ARE DEPRECIATED BY THE STRAIGHT-LINE METHOD, BASED ON THEIR EXPECTED USEFUL LIFE.

C) THE INTANGIBLE ASSETS ARE THE FOLLOWING:

INTANGIBLE ASSETS	31.12.2023		31.12.2022	
	GROSS ASSETS	AMORTISATIONS AND IMPAIRMENT LOSSES	GROSS ASSETS	AMORTISATIONS AND IMPAIRMENT LOSSES
Research and development	27,740	15,441	27,740	10,817
Development rights	5,862,458	658,903	5,885,521	651,525
Computer programmes	250,073	166,961	202,149	146,450
Industrial property	47,121	-	47,121	-
Other intangible assets	5,338	877	10,780	3,006
Intangible assets in progress	67,936	-	35,640	-
TOTAL	6,260,666	842,182	6,208,951	811,798

D) THE VALUE OF AMORTISATIONS RELATED TO INTANGIBLE ASSETS INCLUDED IN THE ITEM “DEPRECIATION AND AMORTISATION EXPENSES/REVERSALS” OF THE INCOME STATEMENT IS THE FOLLOWING:

AMORTISATIONS FOR THE PERIOD	31.12.2023	31.12.2022
Research and development	4,623	4,623
Development rights	9,310	13,892
Computer programmes	20,624	21,077
Other intangible assets	112	163
TOTAL	34,670	39,755

E) THE MOVEMENTS IN THE ITEM “INTANGIBLE ASSETS” DURING 2023 AND 2022 ARE THE FOLLOWING:

	2023						
	RESEARCH AND DEVELOPMENT	DEVELOPMENT RIGHTS	COMPUTER PROGRAMMES	INDUSTRIAL PROPERTY	OTHER INTANGIBLE ASSETS	INTANGIBLE ASSETS IN PROGRESS	TOTAL
GROSS ASSETS:							
Balance as at 31.12.2022	27,740	5,885,521	202,149	47,121	10,780	35,640	6,208,951
Additions	-	-	47,924	-	-	32,296	80,220
Other variations	-	(23,063)	-	-	(5,442)	-	(28,505)
Balance as at 31.12.2023	27,740	5,862,458	250,073	47,121	5,338	67,936	6,260,666
ACCUMULATED AMORTISATION:							
Balance as at 31.12.2022	10,817	651,520	146,455	-	3,006	-	811,798
Additions	4,623	9,310	20,624	-	112	-	34,670
Other variations	-	(1,927)	(118)	-	(2,241)	-	(4,286)
Balance as at 31.12.2023	15,441	658,903	166,961	-	877	-	842,182
NET VALUE	12,299	5,203,555	83,112	47,121	4,461	67,936	5,418,484

	2022						
	RESEARCH AND DEVELOPMENT	DEVELOPMENT RIGHTS	COMPUTER PROGRAMMES	INDUSTRIAL PROPERTY	OTHER INTANGIBLE ASSETS	INTANGIBLE ASSETS IN PROGRESS	TOTAL
GROSS ASSETS:							
Balance as at 31.12.2021	27,740	5,877,514	196,125	47,121	218,080	-	6,366,580
Additions	-	-	6,024	-	-	35,640	41,664
Other variations	-	8,007	-	-	(207,300)	-	(199,293)
Balance as at 31.12.2022	27,740	5,885,521	202,149	47,121	10,780	35,640	6,208,951
ACCUMULATED AMORTISATION:							
Balance as at 31.12.2021	6,194	637,279	125,373	-	2,737	-	771,583
Additions	4,623	13,892	21,077	-	163	-	39,755
Other variations	-	354	-	-	106	-	460
Balance as at 31.12.2022	10,817	651,525	146,450	-	3,006	-	811,798
NET VALUE	16,923	5,233,996	55,699	47,121	7,774	35,640	5,397,153

7. TANGIBLE ASSETS

7.1. Disclosure on property, plant and equipment

A) MEASUREMENT BASES:

Tangible assets are valued according to the cost model, to which an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses.

B) DEPRECIATION METHOD USED:

The Group amortises its property, plant and equipment goods according to the straight-line method. In accordance to this method, depreciation is constant during the useful life of the assets if its residual value does not change.

C) USEFUL LIVES AND DEPRECIATION RATES USED:

Depreciations for the period are calculated taking into account the following average useful lives and amortisation rates for each item:

TANGIBLE ASSETS	USEFUL LIFE	AMORTISATION RATE
Land and natural resources	-	-
Buildings and other constructions	4 - 50	2% - 25%
Machinery and other equipment	3 - 30	3.33% - 33.33%
Transport equipment	4 - 12	8.33% - 25%
Office equipment	3 - 25	4% - 33.33%
Other property, plant and equipment	4 - 20	5% - 25%

D/E. RECONCILIATION OF THE CARRYING AMOUNT AT THE BEGINNING AND END OF THE PERIOD:

	2023							
	LAND AND NATURAL RESOURCES	BUILDINGS AND OTHER CONSTRUCTIONS	MACHINERY AND OTHER EQUIPMENT	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	OTHER PROPERTY, PLANT AND EQUIPMENT	INVESTMENTS IN PROGRESS	TOTAL
GROSS ASSETS:								
Balance as at 31.12.2022	3,717,725	34,805,270	119,115,664	30,352,143	2,770,071	1,906,592	17,716,560	210,384,025
Additions	-	451,777	2,863,777	3,360,007	71,863	192,628	563,773	7,503,825
Disposals	(27,212)	(106,176)	(1,751,409)	(184,829)	(286)	-	-	(2,069,912)
Other variations	-	(880,456)	(717,336)	(86,565)	(30,507)	(10,093)	-	(1,724,957)
Transfers and write-offs	-	(40,801)	(66,026)	(143,624)	(45,865)	(58)	(282,923)	(579,297)
Balance as at 31.12.2023	3,690,513	34,229,614	119,444,670	33,297,132	2,765,276	2,089,069	17,997,410	213,513,684
ACCUMULATED DEPRECIATION:								
Balance as at 31.12.2022	-	21,099,526	77,882,677	21,433,437	2,094,553	1,465,256	-	123,975,449
Additions	-	843,825	4,566,598	1,565,161	148,893	219,706	-	7,344,183
Disposals	-	(33,447)	(747,516)	(174,183)	(248)	-	-	(955,394)
Other variations	-	(667,001)	(619,568)	(85,246)	(30,195)	(9,754)	-	(1,411,764)
Transfers and write-offs	-	(6,590)	(54,296)	(143,624)	(45,865)	(58)	-	(194,969)
Balance as at 31.12.2023	-	21,236,313	81,027,895	22,595,545	2,167,138	1,675,150	-	128,702,041
NET VALUE	3,690,513	12,993,301	38,416,775	10,701,587	598,138	413,919	17,997,410	84,811,643

	2022							
	LAND AND NATURAL RESOURCES	BUILDINGS AND OTHER CONSTRUCTIONS	MACHINERY AND OTHER EQUIPMENT	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	OTHER PROPERTY, PLANT AND EQUIPMENT	INVESTMENTS IN PROGRESS	TOTAL
GROSS ASSETS:								
Balance as at 31.12.2021	3,717,725	33,293,488	120,612,045	29,332,029	2,422,959	1,811,440	18,210,041	209,399,727
Additions	-	118,350	2,365,121	1,221,862	327,084	129,611	659,920	4,821,948
Disposals	-	-	(4,110,780)	(162,078)	-	(477)	-	(4,273,335)
Other variations	-	343,404	343,738	46,363	20,028	(33,982)	-	719,551
Transfers and write-offs	-	1,050,028	(94,460)	(86,033)	-	-	(1,153,401)	(283,866)
Balance as at 31.12.2022	3,717,725	34,805,270	119,115,664	30,352,143	2,770,071	1,906,592	17,716,560	210,384,025
ACCUMULATED DEPRECIATION:								
Balance as at 31.12.2021	-	20,021,132	76,877,742	20,138,216	1,947,333	1,319,267	-	120,303,690
Additions	-	863,276	4,738,175	1,454,847	127,126	176,875	-	7,360,299
Disposals	-	-	(3,992,161)	(127,652)	-	(477)	-	(4,120,290)
Other variations	-	215,118	323,057	49,729	20,094	(30,409)	-	577,589
Transfers and write-offs	-	-	(64,136)	(81,703)	-	-	-	(145,839)
Balance as at 31.12.2022	-	21,099,526	77,882,677	21,433,437	2,094,553	1,465,256	-	123,975,449
NET VALUE	3,717,725	13,705,744	41,232,988	8,918,706	675,518	441,336	17,716,560	86,408,576

7.2. Amount of expenditures recognised in the carrying amount of fixed assets during its construction

TANGIBLE ASSETS	EXPENDITURES RECOGNISED DURING CONSTRUCTION	
	31.12.2023	31.12.2022
Buildings and other constructions	563,773	659,920
TOTAL	563,773	659,920

7.3. Depreciation recognised in profit/loss or as part of other assets costs during the period

TANGIBLE ASSETS	DEPRECIATION RECOGNISED IN PROFIT/LOSS	
	31.12.2023	31.12.2022
Buildings and other constructions	843,825	863,276
Machinery and other equipment	4,566,598	4,738,175
Transport equipment	1,565,161	1,454,847
Office equipment	148,893	127,126
Other property, plant and equipment	219,706	176,875
TOTAL	7,344,183	7,360,299

7.4. Accumulated depreciation at the end of the period

TANGIBLE ASSETS	ACCUMULATED DEPRECIATION	
	31.12.2023	31.12.2022
Buildings and other constructions	21,236,313	21,099,526
Machinery and other equipment	81,027,895	77,882,677
Transport equipment	22,595,545	21,433,437
Office equipment	2,167,138	2,094,553
Other property, plant and equipment	1,675,150	1,465,256
TOTAL	128,702,041	123,975,449

7.5. Items of fixed assets in progress

The most significant values included in the item "Investments in progress", as at 31 December 2023 and 2022, refer to the following projects:

TANGIBLE ASSETS	31.12.2023	31.12.2022
Buildings and other constructions	17,997,410	17,716,560
TOTAL	17,997,410	17,716,560

7.6. Property, plant and equipment by geographical location

31.12.2023	GROSS ASSETS	ACCUMULATED DEPRECIATION	NET AMOUNT
Portugal	81,947,862	42,411,316	39,536,546
Angola	93,383,983	59,872,241	33,511,742
Mozambique	18,393,575	12,409,064	5,984,511
Morocco	539,079	539,079	-
Cabo Verde	51,348	49,706	1,642
Zambia	11,438,531	8,154,230	3,284,301
Malawi	5,028,753	3,394,297	1,634,456
Gabon	2,730,553	1,872,108	858,445
TOTAL	213,513,684	128,702,041	84,811,643

31.12.2022	GROSS ASSETS	ACCUMULATED DEPRECIATION	NET AMOUNT
Portugal	80,593,790	38,147,732	42,446,058
Angola	92,912,338	60,364,658	32,547,680
Mozambique	17,234,014	11,867,440	5,366,574
Morocco	594,543	594,543	-
Cabo Verde	51,348	49,706	1,642
Zambia	11,608,029	8,454,457	3,153,572
Malawi	4,714,565	2,873,486	1,841,079
Gabon	2,668,172	1,618,546	1,049,626
Zimbabwe	7,226	4,881	2,345
TOTAL	210,384,025	123,975,449	86,408,576

8. LEASES

8.1. Finance leases – Lessees

A) NET CARRYING AMOUNT FOR EACH ASSET CATEGORY AT 31 DECEMBER 2023 AND 2022:

	31.12.2023	31.12.2022
Buildings and other constructions	204,870	235,711
Machinery and other equipment	15,118,404	19,884,399
Transport equipment	6,564,584	6,963,161
TOTAL	21,887,858	27,083,271

B) RECONCILIATION BETWEEN THE TOTAL OF THE FUTURE MINIMUM LEASE PAYMENTS AT 31 DECEMBER 2023 AND 2022 AND ITS PRESENT VALUE:

	31.12.2023	31.12.2022
Minimum payments up to 1 year	5,555,354	8,170,717
Minimum payments for more than 1 year and no more than 5 years	5,635,007	8,118,220
Minimum payments for more than 5 years	-	-
Total minimum payments	11,190,361	16,288,937
Future interest payments	832,062	269,627
PRESENT VALUE OF RESPONSIBILITIES	10,358,299	16,019,310

C) TOTAL OF THE FUTURE MINIMUM LEASE PAYMENTS AT THE BALANCE SHEET DATE AND ITS PRESENT VALUE:

	MINIMUM PAYMENTS		PRESENT VALUE	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
No more than 1 year	5,555,354	8,170,717	5,266,529	8,012,375
More than 1 year and no more than 5 years	5,635,007	8,118,220	5,091,769	8,006,935
More than 5 years	-	-	-	-
TOTAL	11,190,361	16,288,937	10,358,298	16,019,310

9.

INTERESTS IN JOINT VENTURES AND INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

9.1. Subsidiaries**A) LIST AND DESCRIPTION OF THE SUBSIDIARIES:**

COMPANY	TYPE OF PARTICIPATION	METHOD USED
Conduril - Gestão de Concessões de Infraestruturas, S.A.	100.00%	Full consolidation
Edirio - Construções, S.A.	100.00%	Full consolidation
Métis Engenharia, Lda.	99.00%	Full consolidation
ENOP - Engenharia e Obras Públicas, Lda.	100.00%	Full consolidation
Urano, Lda.	99.99%	Full consolidation
Conduril Engenharia - Açores, S.A.	100.00%	Full consolidation
Esquério - Estudos e Projetos de Engenharia, S.A.	100.00%	Full consolidation
Conduril Construction Zimbabwe (PVT) LTD	100.00%	Full consolidation
Conduril Engenharia Gabon, S.A.	100.00%	Full consolidation

9.2. Joint ventures**A) LIST AND DESCRIPTION OF THE INTERESTS IN SIGNIFICANT JOINT VENTURES:**

COMPANY	TYPE	OTHER PARTICIPANTS
Groupement Adriano, Jaime Ribeiro, Conduril - Construção, ACE	Jointly controlled entity	Elevation and Jaime Ribeiro e Filhos
Groupement CJA / Lot 3 - Construção ACE	Jointly controlled entity	Elevation and Jaime Ribeiro e Filhos
Groupement Túnel de Nador, Construção ACE	Jointly controlled entity	Jaime Ribeiro e Filhos
RAL - Rodovias do Algarve Litoral, ACE	Jointly controlled entity	Elevation and Tecnovia
RBA - Rodovias do Baixo Alentejo, ACE	Jointly controlled entity	Elevation and Tecnovia

B) PROPORTION OF OWNERSHIP INTEREST HELD AND DATA ABOUT THE ENTITIES:

COMPANY	PROPORTION OF THE INTEREST HELD	CONSOLIDATION METHOD
Groupement Adriano, Jaime Ribeiro, Conduril - Construção, ACE	33.33%	Proportionate method
Groupement CJA / Lot 3 - Construção ACE	33.33%	Cost
Groupement Túnel de Nador, Construção ACE	50.00%	Proportionate method
RAL - Rodovias do Algarve Litoral, ACE	16.67%	Proportionate method
RBA - Rodovias do Baixo Alentejo, ACE	17.86%	Proportionate method

At the preparation date of the financial statements, the financial statements of the group Groupement CJA / Lot 3 - Construção ACE, Groupement Adriano, Jaime Ribeiro, Conduril - Construção, ACE and Groupement Túnel de Nador, Construção ACE were not available. These groups do not have a significant activity; therefore, the Board of Directors considers that there are no substantial impacts regarding these participations.

C) METHOD USED IN THE RECOGNITION OF INTERESTS IN JOINT VENTURES:

The interests in jointly controlled companies were recognised in the consolidated financial statements by the proportionate consolidation method, from the date in which the control is shared until the date it effectively ends. According to this method, the assets, liabilities, income and expenses of these companies have been included in the consolidated financial statements, on a line-by-line basis, in proportion to the Group's participation in the companies.

9.3. Associated companies**A) LIST AND DESCRIPTION OF THE ASSOCIATED COMPANIES:**

COMPANY	PARTICIPATION	METHOD USED
Rotas do Algarve Litoral, S.A.	23.64%	Equity method
Marestrada - Operação e Manutenção Rodoviária, S.A.	33.33%	Equity method

B) CARRYING AMOUNT AND DATA ABOUT THE ENTITIES:

31.12.2023 COMPANY	CARRYING AMOUNT	TOTAL ASSETS	TOTAL SHAREHOLDERS' FUNDS	TOTAL PERIOD INCOME
Rotas do Algarve Litoral, S.A.	-	176,387,636	(31,729,840)	n/a
Marestrada - Operação e Manutenção Rodoviária, S.A.	494,241	5,897,572	745,453	n/a
TOTAL	494,241			

At the preparation date of the financial statements, the financial statements of Rotas do Algarve Litoral, S.A. and Marestrada - Operação e Manutenção Rodoviária, S.A. were not available.

31.12.2022 COMPANY	CARRYING AMOUNT	TOTAL ASSETS	TOTAL SHAREHOLDERS' FUNDS	TOTAL PERIOD INCOME
Rotas do Algarve Litoral, S.A.	-	176,387,636	(31,729,840)	(17,744,591)
Marestrada - Operação e Manutenção Rodoviária, S.A.	494,241	5,897,572	745,453	49,850
TOTAL	494,241			

Related to the participations in associated companies, in December 2023, in the item "Other financial investments" are registered the following amounts concerned to financing granted:

COMPANY	FINANCING GRANTED	ACCUMULATED IMPAIRMENT LOSSES
Rotas do Algarve Litoral, S.A. (Note 18.4)	13,511,551	40,000
TOTAL	13,511,551	40,000

10. INVENTORIES

10.1. Accounting policies adopted in the measurement of inventories and cost formula used

Inventories are valued by cost or net realisable value, if this is lower. Cost includes purchase costs, conversion costs and other costs incurred in bringing the inventories to their present condition. The purchase costs comprise the purchase price, import duties and other taxes, transport expenses, handling, trade discounts, rebates and other similar items. The conversion costs include expenses directly related to units of production, such as direct labour. They also include a systematic allocation of fixed and variable production overheads that are incurred in finished goods. The allocation of fixed production overheads is based on the normal capacity of the production facilities.

The Group values its inventories by the weighted average cost formula, which assumes that the cost of each item is determined from the weighted average of the cost of similar items at the beginning of a period and the cost of similar items purchased or produced during the period.

10.2. Total carrying amount of inventories and carrying amount in appropriate classifications

The carrying amount of inventories is the following:

INVENTORIES	31.12.2023	31.12.2022
Raw, subsidiary and consumable materials	16,827,474	21,271,934
Goods	-	-
Finished and semi-finished products	328,794	352,666
Products and work in progress	-	-
	17,156,268	21,624,600
Impairment losses	(904,732)	(932,205)
TOTAL	16,251,536	20,692,395

10.3. Amount of inventories recognised as expense during the period

The amount of inventories recognised as expense during the period was the following:

	RAW, SUBSIDIARY AND CONSUMABLE MATERIALS	
	31.12.2023	31.12.2022
Initial inventory	20,339,729	16,376,806
Impairment losses in stocks	-	-
Purchases	45,580,739	70,434,415
Inventories adjustments and reclassification	(233,373)	75,090
Ending inventory	(15,922,742)	(20,339,729)
EXPENSES IN THE PERIOD	49,764,353	66,546,582

	FINISHED AND SEMI-FINISHED PRODUCTS	
	31.12.2023	31.12.2022
Initial inventory	352,666	411,403
Inventories adjustments and reclassification	(67,966)	2,629
Accumulated impairment losses	-	-
Ending inventory	(328,794)	(352,666)
VARIATION OF INVENTORIES IN PRODUCTION	(44,094)	61,366

10.4. Amount of impairment losses in inventories recognised in the income for the period

The value of impairment losses recognised in the result of the period was the following:

IMPAIRMENT LOSSES IN INVENTORIES	31.12.2023	31.12.2022
Goods	-	-
Raw, subsidiary and consumable materials	(27,473)	-
Finished and semi-finished products	-	-
TOTAL	(27,473)	-

10.5. Movement during the period of impairment losses in inventories

	RAW, SUBSIDIARY AND CONSUMABLE MATERIALS
ACCUMULATED IMPAIRMENT LOSSES ON 31.12.2022	932,205
Increases	-
Reversal	(27,473)
Utilisations	-
Exchange variations	-
ACCUMULATED IMPAIRMENT LOSSES ON 31.12.2023	904,732

	RAW, SUBSIDIARY AND CONSUMABLE MATERIALS
ACCUMULATED IMPAIRMENT LOSSES ON 31.12.2021	932,205
Increases	-
Reversal	-
Utilisations	-
Exchange variations	-
ACCUMULATED IMPAIRMENT LOSSES ON 31.12.2022	932,205

11.

CONSTRUCTION CONTRACTS

11.1. Amount of contract revenue recognised as revenue in the period

The revenue of each construction contract includes the initial amount of revenue agreed, as well as variations in works, claims and incentive payments to the extent that it is probable that will result in revenue and are capable of being reliably measured. As at 31 December 2023 and 2022, the amount of revenue recognised as revenue in the period was the following:

WORK/CONTRACT	REVENUE IN THE 2023 PERIOD	REVENUE IN THE 2022 PERIOD
Construction contracts	180,544,599	215,165,567
TOTAL	180,544,599	215,165,567

11.2. Methods used to determine the contract revenue recognised in the period

The recognition of revenue in the period is made according to the percentage of completion method. Under this method, revenue is matched with the contract costs incurred when reaching the stage of completion. Contract revenue is recognised as revenue in the income statement in the accounting periods in which the work is performed. In the cases the outcome of the contracts cannot be estimated reliably, revenue shall be recognised only to the extent of contract costs incurred that it is probable to be recoverable.

11.3. Methods used to determine the stage of completion of ongoing contracts

In order to determine the stage of completion of a contract, it is used the method that most reliably measures the work performed. Depending on the nature of the contract, the method used to determine the stage of completion can vary as follows:

- The proportion that contract costs incurred for work performed to date bear to the estimated total contract costs (most used methodology);
- Survey of the work performed;
- Completion of a physical proportion of the work performed.

11.4. Information related to the ongoing construction contracts

31.12.2023	EXPENSES INCURRED	RECOGNISED INCOME	ADVANCES RECEIVED	RETENTION
Ongoing contracts	623,779,841	734,865,971	11,522,320	6,148,419
TOTAL	623,779,841	734,865,971	11,522,320	6,148,419

31.12.2022	EXPENSES INCURRED	RECOGNISED INCOME	ADVANCES RECEIVED	RETENTION
Ongoing contracts	492,235,446	586,650,638	7,082,382	3,471,863
TOTAL	492,235,446	586,650,638	7,082,382	3,471,863

12.

REVENUE

12.1. Accounting policies adopted for the recognition of revenue, including the methods adopted to determine the stage of completion of transactions involving the provision of services

The Group recognises revenue according to the following criteria:

A) SALES – are recognised in the income statement when the risks and benefits inherent to the ownership have been transferred to the buyer, when there is not a continued management involvement to a degree usually associated with ownership, when the amount of revenue can be reasonably measured, when it is probable that the economic benefits associated with the transaction will flow to the entity, and when the expenses incurred or to be incurred with the transaction can be reliably measured.

B) PROVISION OF SERVICES – are recognised in the income statement with reference to the stage of completion of the provision of services at the balance sheet date.

C) INTEREST – is recognised using the effective interest method.

D) DIVIDENDS – are recognised from the moment in which is established the shareholder's right of receiving the payment.

12.2. Amount of each significant category of revenue recognised during the period, including the revenue from:

	31.12.2023	31.12.2022
Sales of goods	1,578,555	4,236,559
Provision of services	181,850,797	214,634,342
Interest	4,161,082	6,101,845
Dividends	393,687	320,416
TOTAL	187,984,121	225,293,162

13.

PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

13.1. Provisions

The Group recognises a provision when, cumulatively, there is a present obligation as a result of a past event; it is likely that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

During the period ending on 31 December 2023, the movements relating to provisions occurred were the following:

PROVISIONS	OPENING BALANCE	INCREASES	OTHER MOVEMENTS	REVERSAL	CLOSING BALANCE
Guarantees to clients	3,921,032	282,423	-	(389,907)	3,813,548
Ongoing court proceedings	-	-	-	-	-
Construction contracts	2,803,668	4,366	-	(1,446,505)	1,361,529
Other provisions	307,338	-	(112,330)	(167,546)	27,462
	7,032,038	286,789	(112,330)	(2,003,958)	5,202,539
Financial assets (Note 9)	-	-	-	-	-
TOTAL	7,032,038	286,789	(112,330)	(2,003,958)	5,202,539

During the period ending on 31 December 2022, the movements relating to provisions occurred were the following:

PROVISIONS	OPENING BALANCE	INCREASES	OTHER MOVEMENTS	REVERSAL	CLOSING BALANCE
Guarantees to clients	3,760,802	479,975	-	(319,745)	3,921,032
Ongoing court proceedings	231,000	-	(231,000)	-	-
Construction contracts	10,207	2,793,460	-	-	2,803,668
Other provisions	27,462	284,162	-	(4,285)	307,338
	4,029,471	3,557,598	(231,000)	(324,031)	7,032,038
Financial assets (Note 9)	-	-	-	-	-
TOTAL	4,029,471	3,557,598	(231,000)	(324,031)	7,032,038

13.2. Proceedings in litigation

Following the several ongoing proceedings in litigation, the Group is convinced that the risk of losing these proceedings is unlikely and their outcome will not affect the material form of its financial position, a belief that is sustained by Conduril's internal legal office, as well as by its legal advisers.

Regarding the tax proceedings, there are proceedings arising from legal disputes filed by Conduril related to the additional settlements of IRC (Corporate Income Tax) (2011 and 2012), with the Company's opinion being, based on the opinions of its tax advisers, that the outcome will be favourable, and this is the reason why no provisions were registered in the consolidated financial statements.

13.3. Guarantees provided

As at 31 December 2023, the Group had assumed responsibilities for the guarantees provided in the amount of 86,786,904 euros (as at 31 December 2022, the amount was 91,992,828 euros).

The bank guarantees were essentially provided for the purpose of tenders, as a good performance guarantee of works and finance.

13.4. Management of financial risks

A) GENERAL PRINCIPLES

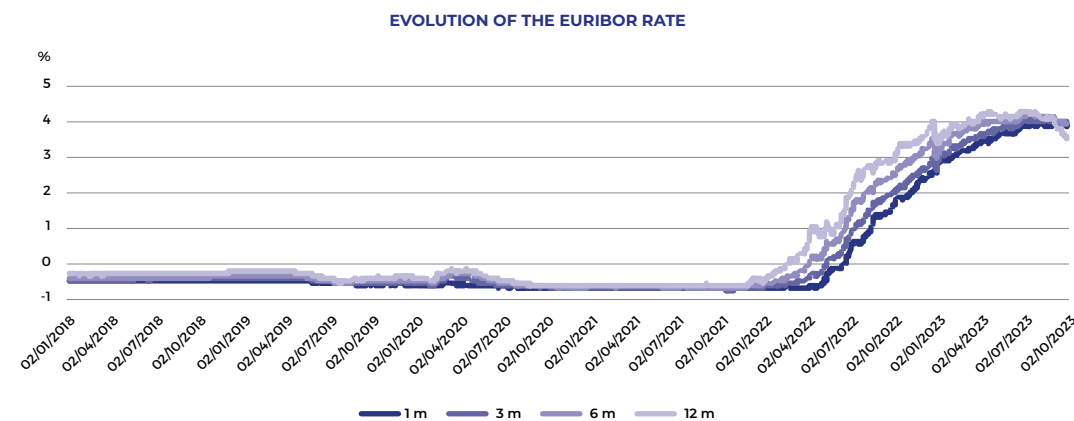
Among the several risks a company faces, the financial risks are those with the most direct impact on the cash flows and on its income statement. The Group's activity is exposed to several financial risks, such as exchange rate risk, interest rate risk, credit risk and liquidity risk. These risks are the result of the uncertainty inherent to the financial markets, which is reflected in the capacity to estimate future cash flows and returns. The risk management policy of the Group is a continuous process in constant development, applied to the implementation of its strategy, trying to minimise the adverse effects arising from these uncertainties, typical of financial markets.

B) EXCHANGE RATE RISK

Since the Group's activity is mainly located in Portugal and Africa (Angola, Mozambique, Zambia, Malawi, Gabon and Zimbabwe), it is exposed to the exchange rate risk of the currencies in use in those countries. In order to address this risk, the contracts are celebrated in USD/EUR, whenever possible. The evolution of the kwanza, metical, Zambian kwacha, Malawian kwacha and Zimbabwe dollar currencies against the euro impact the financial statements, and the financial instruments used to hedge these currencies are limited or non-existent.

C) INTEREST RATE RISK

The interest rate risk essentially results from the indebtedness indexed to variable rates. Only a small percentage of the Group's indebtedness is indexed to an interest rate coverage, an issue that is being permanently monitored, in order to take, in good time, the necessary measures to reduce the impact of this variable on its financing.



D) CREDIT RISK

The exposure of the Group to credit risk is mainly related to the accounts receivable resulting from the operating activities: sales debts and services provided to clients. The management of this risk aims to guarantee the recovery of the credits in the established deadlines, without affecting the financial balance of the Group. This risk is regularly monitored. The management of these risks aims to:

- i. evaluate the client in accordance with internal procedures that imply detailed analyses of the entities and the amounts involved. For this evaluation, we also resort to information entities and credit risk profiles available in the market;
- ii. limit the credit granted to clients, considering the deadline for receipt of each client;
- iii. monitor the evolution of the level of credit granted;
- iv. perform an impairment analysis of the amounts to receive on a regular basis.

E) LIQUIDITY RISK

Liquidity risk is defined as the risk of lack of ability to settle or fulfil its obligations on the stipulated deadline and at a reasonable price. An essential instrument for liquidity risk management is the annual and global liquidity plan, prepared based on the liquidity plans of each establishment. These plans are updated every month. The existence of liquidity implies the definition of parameters for the management of that liquidity, which allow to maximise the return obtained and minimise the costs of opportunity related to holding that liquidity safely and efficiently.

The risk management at the Group aims at:

- Liquidity – guarantee the permanent and efficient access to enough funds to deal with current payments in the respective due dates;
- Safety – minimise the probability of default in terms of refund of any application of funds; and
- Financial efficiency – guarantee to minimise the cost of opportunity of the surplus liquidity holding at the short-term.

The Group's policy is to reconcile the due dates of assets and liabilities, managing their maturities in a balanced way.

Managing its exposure to liquidity risk, the Group's policy is to ensure the hiring of credit instruments of different natures and in amounts adjusted to the specificities of its needs, guaranteeing comfortable levels of liquidity. It is also a Group rule to contract those facilities without providing any guarantee.

14. THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES

14.1. Exchange differences recognised in profit/loss

	31.12.2023	31.12.2022
Exchange losses		
- Other expenses	5,897,475	14,066,281
TOTAL	5,897,475	14,066,281
Exchange gains		
- Other income	7,930,398	15,337,399
TOTAL	7,930,398	15,337,399

14.2. Net exchange differences classified in a separate component of equity

	EXCHANGE DIFFERENCES IN EQUITY
BALANCE AS AT 31.12.2022	(35,468,315)
Exchange gains	786,961
Exchange losses	(35,709,004)
Balance as at 31.12.2023	(70,390,358)

	EXCHANGE DIFFERENCES IN EQUITY
BALANCE AS AT 31.12.2021	(45,458,794)
Exchange gains	14,957,388
Exchange losses	(4,966,909)
Balance as at 31.12.2022	(35,468,315)

15.

EVENTS AFTER THE BALANCE SHEET DATE**15.1. Disclosure updating about the conditions at the balance sheet date**

Between the balance sheet date and the issuance of the consolidated financial statements, no information on the conditions that existed at the balance sheet date were received, so no adjustments in amounts recognised in the present financial statements were made.

15.2. Authorisation for the issue of financial statements

These financial statements were approved by the Board of Directors, in the meeting of 8 March 2024. The Board of Directors believes that these consolidated financial statements are a true and proper representation of the operations of the companies belonging to the Group, as well as their financial position and performance and cash flows.

16.

ENVIRONMENTAL ISSUES**16.1. Description of the measurement bases adopted, as well as the methods used in the calculation of value adjustments**

From its activity, the Group has a legal or contractual responsibility to prevent, reduce or repair environmental damage. To fulfil this obligation, the Group incurred in expenses that amounted to 331,836 euros (in 2022, they amounted to 395,997 euros) during the period ending on 31 December 2023.

To measure the environmental expenses incurred, the Group recognises the expenses effectively made in the period.

16.2. Environmental expenses allocated to profit/loss

All environmental expenses should be considered in profit/loss if they were expenses incurred in that period, i.e., if they do not aim to prevent future damage or provide future benefits.

Therefore, environmental expenses allocated to profit/loss refer to past or present activities, or restoration of environmental conditions in the state in which they were before contamination.

ENVIRONMENTAL EXPENSES	31.12.2023 AMOUNT ALLOCATED TO PROFIT/LOSS
Waste treatment	331,836
TOTAL	331,836

17.

INCOME TAXES**17.1. Main components of tax expense and income**

	31.12.2023	31.12.2022
Current tax and adjustments:		
Current tax for the period	2,482,087	3,293,588
	2,482,087	3,293,588
Deferred taxes:		
Deferred taxes related to temporary differences	(895,711)	2,900,622
	(895,711)	2,900,622
INCOME TAXES EXPENSE	1,586,376	6,194,210

Current tax and deferred tax shall be charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly to equity.

During the period ending on 31 December 2023 and 2022, no debits/credits were made directly to equity related to the deferred taxes.

17.2. Relation between tax expense/income and accounting profit

RECONCILIATION OF THE EFFECTIVE TAX RATE	31.12.2023	31.12.2022
Income before taxation	3,848,649	13,451,851
Income taxes expense	1,586,376	6,194,210
Effective tax rate	41.22%	46.05%
Nominal tax rate (21% in Portugal, and 25% in Angola)	982,436	3,155,027
ADJUSTMENTS:		
Income deriving from the application of the equity method	813	169,757
Differentiated rates of taxation	1,382,300	474,567
Expenses not accepted as tax cost	182,392	519,938
Provisions not accepted as expense	304,818	661,906
Reversal of untaxed provisions	-	(294,576)
Tax refund	(93,355)	-
Other untaxed income	(2,553,654)	(1,111,917)
Tax loss deduction for the period	(11,050)	(2,024,252)
Tax losses for the period	2,335,144	1,049,861
Autonomous taxation	348,591	348,451
Deferred taxes	(895,711)	2,900,622
Tax benefits	(75,118)	(12,803)
Others	(321,230)	357,629
	603,940	3,039,183
INCOME TAXES EXPENSE	1,586,376	6,194,210

With reference to the period ending on 31 December 2023 and 2022, in accordance with article 54-A of the Portuguese IRC Code, the Company opted for the non-inclusion of the taxable profit allocated to the Angola branch.

17.3. Deferred taxes

As at 31 December 2023, deferred tax assets and liabilities are the following:

DEFERRED TAX ASSETS	OPENING BALANCE	OTHER VARIATIONS	INCREASES	REVERSAL	CLOSING BALANCE
Warranty of works	63,740	-	-	-	63,740
Expenses not accepted	3,288,643	(248,557)	364,654	-	3,404,741
Tax losses	-	-	-	-	-
TOTAL	3,352,383	(248,557)	364,654	-	3,468,480

DEFERRED TAX LIABILITIES	OPENING BALANCE	OTHER VARIATIONS	INCREASES	REVERSAL	CLOSING BALANCE
Revaluation surpluses	744,598	-	-	(23,825)	720,773
Taxable income	2,783,194	(301,658)	146,651	(233,160)	2,395,027
Depreciation not accepted	462,790	67,336	-	(420,723)	109,403
TOTAL	3,990,582	(234,323)	146,651	(677,708)	3,225,203

As at 31 December 2022, deferred tax assets and liabilities are the following:

DEFERRED TAX ASSETS	OPENING BALANCE	OTHER VARIATIONS	INCREASES	REVERSAL	CLOSING BALANCE
Warranty of works	65,867	(2,127)	-	-	63,740
Expenses not accepted	6,990,029	535,961	321,218	(4,558,565)	3,288,643
Tax losses	834,001	(33,878)	-	(800,123)	-
TOTAL	7,889,897	499,956	321,218	(5,358,688)	3,352,383

DEFERRED TAX LIABILITIES	OPENING BALANCE	OTHER VARIATIONS	INCREASES	REVERSAL	CLOSING BALANCE
Revaluation surpluses	730,364	47,724	-	(33,490)	744,598
Taxable income	5,013,022	336,319	597,308	(3,163,455)	2,783,194
Depreciation not accepted	-	-	462,790	-	462,790
TOTAL	5,743,386	384,043	1,060,098	(3,196,945)	3,990,582

18. FINANCIAL INSTRUMENTS

18.1. Measurement bases

It is the Group's policy recognise an asset, a financial liability and an equity instrument only when it becomes a part of the contractual provisions of the instrument.

The Group measures, at cost or amortised cost less impairment loss, the financial instruments that have a defined maturity, which the returns have a fixed amount, with a fixed interest rate during the instrument's life or of variable rate which is a typical market indexing for financing operations (for example, Euribor), or that includes a spread on that indexing, which does not contain a contractual clause that can result to its holder in a loss of nominal value and accrued interest (excluding the cases of credit risk).

The contracts to grant or take a loan in a net basis and the equity instruments that are not publicly negotiated and whose fair value cannot be obtained reliably, as well as contracts connected to those instruments that, if executed, result in the delivery of those instruments, are also measured at cost or amortised cost less impairment loss.

All financial instruments which are not measure at cost or amortised cost less any impairment loss are measured at fair value.

The Group does not include the transaction costs in the initial measurement of financial asset or liability, which is measured at the fair value as part of profit/loss.

As long as the Group holds a financial instrument, the measurement policy will not be affected.

18.2. Financial assets and liabilities

Financial assets with recognition of impairment:

	31.12.2023		31.12.2022	
	CARRYING AMOUNT	ACCUMULATED IMPAIRMENT	CARRYING AMOUNT	ACCUMULATED IMPAIRMENT
Trade accounts receivable	109,682,313	-	123,603,465	-
Clients with guarantees	9,046,399	-	7,616,362	-
Doubtful debtors	2,600,362	(2,600,362)	3,237,812	(3,237,812)
TOTAL	121,329,074	(2,600,362)	134,457,639	(3,237,812)

18.3. Financing obtained

As at 31 December 2023 and 2022, the item “Financing obtained” is the following:

FINANCING OBTAINED	31.12.2023	31.12.2022
Escrow accounts	19,994,622	10,620,976
Bank loans	17,409,592	16,451,724
Commercial paper	28,050,000	25,150,000
Finance leases	10,358,298	16,019,310
Factoring	-	1,302,417
Contracted bank overdrafts	3,042,192	928,030
TOTAL	78,854,704	70,472,457

In addition, the maturity on 31 December 2023 and 2022 is the following:

FINANCING OBTAINED 2023	CURRENT	NON-CURRENT
Escrow accounts	19,994,622	-
Bank loans	4,677,309	12,732,283
Commercial paper	-	28,050,000
Finance leases	5,266,529	5,091,769
Contracted bank overdrafts	3,042,192	-
TOTAL	32,980,652	45,874,052

FINANCING OBTAINED 2022	CURRENT	NON-CURRENT
Escrow accounts	10,620,976	-
Bank loans	4,437,976	12,013,748
Commercial paper	-	25,150,000
Finance leases	8,010,738	8,008,572
Factoring	1,302,417	-
Contracted bank overdrafts	928,031	-
TOTAL	25,300,138	45,172,319

18.4. Other financial investments and financial assets held for trading

Financial investments in associated companies and jointly controlled entities are registered by the equity method (Note 9). The remaining investments are registered at acquisition cost or, in the case of financing granted, at nominal value. An assessment of the investments is made whenever there are indications that the asset may be impaired, with the impairment losses that are shown to exist being registered as expenses. Income obtained from financial investments (dividends or profit distributed) are registered in the income statement for the period in which distribution is decided and announced.

As at 31 December 2023 and 2022, the detail of permanent participations registered by the cost model and of other financial investments are the following:

	31.12.2023			31.12.2022		
	INVESTMENT	LOANS GRANTED		INVESTMENT	LOANS GRANTED	
		COST	ACCUMULATED IMPAIRMENT		COST	ACCUMULATED IMPAIRMENT
Rotas do Algarve Litoral, S.A.	-	13,511,551	(40,000)	-	13,511,551	(40,000)
Garval	1,682	-	-	1,682	-	-
Lisgarante	1,682	-	-	1,682	-	-
Norgarante	18,877	-	-	18,877	-	-
BAI - Banco Angolano de Investimentos, S.A.	341,375	-	-	341,375	-	-
Lusitânia Seguros	2,405	-	-	2,405	-	-
Public debt securities - non-current	-	-	-	4,487,960	-	-
Public debt securities - current	2,633,217	-	-	19,307,548	-	-
Treasury bonds - non-current	29,023,642	-	-	19,343,419	-	-
Other - FCT	151,162	-	-	156,039	-	-
Others	1,086	-	-	1,797	-	-
TOTAL	32,175,128	13,511,551	(40,000)	43,662,784	13,511,551	(40,000)
Other non-current financial investments	43,013,462			37,826,787		
Other current financial investments	2,633,217			19,307,548		

The Angolan public debt securities include securities indexed to AKZ and present a maturity date in 2024.

The public debt securities of the Angolan State were received as a result of the debt settlement agreements.

The Angolan treasury bonds are in USD and present a maturity date in 2026, therefore the payment of interest and the return of principal are made in USD.

18.5. Total of interest income and expense for financial assets and liabilities

To calculate the amortised cost of a financial asset or a financial liability and allocate the interest income or interest expense during the period, the effective interest method was used. According to this method, the total of interest income for financial assets and the total of interest expenses for financial liabilities are the following:

A) INTEREST INCOME FOR FINANCIAL ASSETS:

FINANCIAL ASSETS	31.12.2023	31.12.2022
Bank deposits and securities	4,161,063	6,101,845
Others	19	-
TOTAL	4,161,082	6,101,845

B) INTEREST EXPENSES FOR FINANCIAL LIABILITIES:

FINANCIAL LIABILITIES	31.12.2023	31.12.2022
Financing	3,243,621	3,147,508
Finance leases	483,196	237,164
Others	88,393	36,032
TOTAL	3,815,210	3,420,704

18.6. Impairment losses in financial assets

For financial assets, which are not measured at fair value through the profit/loss and regarding which impairment is verified, the Group evaluated the respective impairment. From this evaluation, the Group was able to acquire objective evidence that the financial assets, shown in the following table, present impairment losses for the period:

FINANCIAL ASSETS	31.12.2023		
	INCREASES	REVERSALS	OTHER VARIATIONS
Clients	-	-	-
Other accounts receivable	-	-	-
Other financial assets	-	-	-
TOTAL	-	-	-

FINANCIAL ASSETS	31.12.2022		
	INCREASES	REVERSALS	OTHER VARIATIONS
Clients	-	(1,402,744)	(655)
Other accounts receivable	-	-	-
Other financial assets	-	-	-
TOTAL	-	(1,402,744)	(655)

18.7. Amount of share capital

As at 31 December 2023, the Company had a share capital of 10,000,000 euros, fully subscribed and paid-in. In September 2023, an increase of the share capital through the incorporation of reserves in the amount of 1,000,000 euros occurred.

18.8. Shares representing share capital

As at 31 December 2023, the share capital was composed of 2,000,000 shares, with a nominal value of 5 euros each.

18.9. Own shares

Own shares are accounted for at the acquisition cost as a reduction of equity in the item "Own shares", and gains or losses arising from their disposal are registered in the item "Reserves".

As at 31 December 2023, the Company holds 200,009 own shares. The amount registered in this item reflects the acquisition cost of the own shares acquired in 2022 and the impact of the increase of the share capital through the incorporation of reserves that occurred in 2023.

18.10. Legal reserves

The commercial legislation and the Company's by-laws establish that at least 5% of the net income for the period must be transferred to reinforce the legal reserve, until this reserve represents 20% of the share capital. This reserve cannot be distributed except in the event of the liquidation of the company, but it may be used to cover losses after all other reserves have been exhausted, or incorporated in the share capital.

As at 31 December 2023, the legal reserve was fully constituted, in accordance with the existing commercial legislation, amounting to 2,477,348 euros.

18.11. Application of the net income

By decision of the General Meeting of Shareholders, the net income for the 2022 period, in the amount of 7,238,296 euros, should have the following distribution: free reserves of 5,618,296 euros and dividends of 1,620,000 euros.

19. EMPLOYEE BENEFITS

19.1. Post-employment benefits

As at 31 December 2023, there were 127 employees enjoying post-employment benefits regarding benefit plans defined. As at 31 December 2023, the operations related to the period are the following:

PENSION COSTS	31.12.2023	31.12.2022
Cost of current services	416,755	604,836
Interest cost	523,554	214,773
Actuarial gains and losses	-	-
Net income of the fund deducted from net interest	(430,025)	(144,684)
Other variations	79,140	129,946
TOTAL	589,424	804,871

As at 31 December 2023, there was a deficit in the amount of past responsibilities regarding the value of the existing fund in the amount of 1,095,344 euros. This amount is registered in the item "Creditors by accrued expenses". The responsibilities with assets in the solvency scenario are fully financed.

In what concerns the accrued amounts of actuarial gains and losses, these are registered in the equity item "Adjustments/Other changes in equity", in the amount of 664,521 euros (2022: 1,954,261 euros).

Assumptions used in the actuarial study of 2023 and 2022:

	ASSUMPTIONS 2023	ASSUMPTIONS 2022
Mortality table	TV 88/90	TV 88/90
Invalidity table	Swiss Re 2001	Swiss Re 2001
Normal retirement age	66-70 years	66-70 years
Number of pensions in the year	13	13
Rate of return of assets	4.60%	4.10%
Growth rate of wages	2.00%	2.00%
Growth rate of pensions	0.00%	0.00%
Participants	512	456
Beneficiaries	127	123

19.2. Social benefits

As at 31 December 2023, the expenses related to the activity of the Conduril Academy (centre accredited by the bodies that are responsible for vocational training in the countries in which it operates), are fully financed by Conduril, and are the following:

EXPENSES WITH CONDURIL ACADEMY PROGRAMMES	31.12.2023	31.12.2022
PAAE (Literacy and School Acceleration Programme) and scholarships	117,563	119,321
Technical and vocational, human and cultural training	22,043	22,176
Process for recognition, validation and certification of professional skills	7,348	6,342
TOTAL	146,954	147,839

20. OTHER INFORMATION

20.1. State and other public bodies

The item "State and other public bodies" as at 31 December 2023 and 2022 is the following:

ASSETS	31.12.2023	31.12.2022
Personal Income Tax	75,542	-
Value Added Tax	13,250,529	13,881,221
Social Security Contributions	-	-
Business Income Tax	6,595,641	7,504,073
Other taxation	611,981	2,150,241
TOTAL	20,533,693	23,535,535

LIABILITIES	31.12.2023	31.12.2022
Personal Income Tax	724,904	701,503
Value Added Tax	10,907,184	13,706,813
Social Security Contributions	1,050,488	1,018,949
Business Income Tax	1,699,891	2,081,853
Other taxation	401,149	479,654
TOTAL	14,783,616	17,988,772

20.2. Turnover

The turnover as at 31 December 2023 and 2022 is distributed as follows:

	31.12.2023	31.12.2022
Internal market	113,722,549	138,805,421
External market	69,706,804	80,065,480
TOTAL	183,429,353	218,870,901

20.3. External supplies and services

The item "External supplies and services" is the following, for the period ending on 31 December 2023 and 2022:

	31.12.2023	31.12.2022
Subcontracts	51,396,342	53,175,428
Specialised services	6,829,132	6,747,809
Materials	1,122,901	1,144,255
Energy and fluids	2,358,484	2,726,457
Travel, accommodation and transport	5,824,759	5,382,170
Rentals and leases	4,535,520	4,210,319
Communication	245,194	357,477
Insurances	1,122,279	1,074,305
Royalties	3,798	7,034
Legal and notary services	30,066	27,715
Representation expenses	65,713	52,001
Hygiene and comfort services	377,991	435,797
Other services	1,737,858	1,263,229
TOTAL	75,650,037	76,603,996

20.4. Personnel expenses

The item "Personnel expenses" is the following, for the period ending on 31 December 2023 and 2022:

	31.12.2023	31.12.2022
Remunerations of the management bodies	1,631,592	1,702,061
Personnel remunerations	39,099,172	41,006,994
Post-employment benefits (Note 19.1)	589,424	804,871
Compensations	93,183	90,209
Social charges	5,981,346	6,212,180
Insurance schemes for occupational accidents and diseases	1,621,793	1,470,634
Social welfare expenses	1,666,454	2,605,860
Others	915,378	862,576
TOTAL	51,598,342	54,755,385

During the period ending on 31 December 2023 and 2022, the average number of employees was of 2,522 and 2,806, respectively.

20.5. Other income

The item "Other income" is the following, for the period ending on 31 December 2023 and 2022:

	31.12.2023	31.12.2022
Additional income	2,080,201	1,132,332
Cash discounts obtained	79,815	22,907
Exchange gains	7,930,398	15,337,399
Gains in inventories	-	70,701
Income in the remaining financial investments	2,032	2,031
Income in non-financial investments	324,257	1,430,231
Interest received	4,161,082	6,101,845
Dividends earned	393,687	320,416
Corrections related to previous periods	22,764	50,593
Benefits from contractual penalties	200,997	185,401
Others	1,054,096	445,591
TOTAL	16,249,329	25,099,447

20.6. Other expenses

The item "Other expenses" is the following, for the period ending on 31 December 2023 and 2022:

	31.12.2023	31.12.2022
Taxes	2,039,826	3,522,988
Cash discounts given	1,679	301
Bad debts	-	25,288
Exchange losses	5,897,475	14,066,281
Expenses and losses in non-financial investments	299,805	134,426
Corrections related to previous periods	79,519	220,004
Others	389,980	950,191
TOTAL	8,708,284	18,919,479

20.7. Financial profit and loss account

The financial profit and loss are the following:

FINANCING EXPENSES AND LOSSES	31.12.2023	31.12.2022
Interest paid	3,726,817	3,384,672
Other financing expenses and losses	1,356,253	1,547,202
TOTAL	5,083,070	4,931,874

20.8. Deferrals

Deferred assets and deferred liabilities are the following:

DEFERRED ASSETS	31.12.2023	31.12.2022
Expenses to be recognised - insurances	847,481	752,048
Other deferrals	482,686	1,019,747
TOTAL	1,330,167	1,771,795

DEFERRED LIABILITIES	31.12.2023	31.12.2022
Income to be recognised - NCRF 19	5,243,797	2,878,882
Other deferrals	7,114	180,715
TOTAL	5,250,911	3,059,597

20.9. Other accounts payable and receivable

The item "Other accounts receivable" is the following, for the period ending on 31 December 2023 and 2022:

OTHER ACCOUNTS RECEIVABLE	31.12.2023	31.12.2022
Trade creditors – debit balances	557,791	621,567
Contract retentions	1,338,035	1,040,119
Debtors by accrued income	32,428,387	17,859,911
Payments on account	685,616	333,706
Personnel	9,373	27,866
Other debtors	7,305,088	8,922,164
TOTAL	42,324,290	28,805,333

The amount related to "Debtors by accrued income" essentially refers to the application of the percentage of completion method, according to the NCRF 19 – "Construction contracts".

The item "Other accounts payable" is the following, for the period ending on 31 December 2023 and 2022:

OTHER ACCOUNTS PAYABLE	31.12.2023	31.12.2022
Clients – credit balances	61,200	33,673
Personnel	1,486,687	1,533,589
Investment providers	151,798	343,845
Creditors by accrued expenses – remunerations	2,910,151	2,866,556
Creditors by accrued expenses – others	3,640,555	6,509,719
Other creditors	2,322,608	2,812,613
TOTAL	10,572,999	14,099,995

20.10. Proposal of application of net income

In compliance with the legal and statutory provisions, in continuation of the policy of fair return of the capital invested and increase of its solvency, the Board of Directors proposes in the individual management report that the net income for the period, in the amount of 2,260,381 euros, has the following distribution:

- Dividends: 899,996 euros, corresponding to 0.5 euros per share;
- Other reserves: 1,360,385 euros.

21.

DISCLOSURES REQUIRED BY LEGISLATION

The Company has no overdue debts to the Portuguese State, in accordance with the Decree-law no. 534/80, of 7 November.

Compliant with the Code of Contributory Regimes of the Social Security System, the Company paid its social security contributions within the stipulated time frames.

Additional disclosures for the entities referred to in article 2(1)(h) and article 9(4), of the Decree-law no. 158/2009, of 13 July, as amended by Decree-law no. 98/2015, of 2 June:

21.1. Net turnover broken down by geographical markets

	31.12.2023	31.12.2022
Portugal	115,067,712	138,978,328
Angola	18,474,667	38,754,193
Mozambique	13,383,279	10,013,680
Zambia	10,578,933	6,998,278
Malawi	18,919,031	17,352,437
Gabon	7,005,731	6,773,985
TOTAL	183,429,353	218,870,901

21.2. Statutory Auditor fees

In 2023, the fees of the Statutory Auditor amounted to 35,850 euros (2022: 35,850 euros).

The Management,

The Chartered Accountant,



Angola

STATUTORY AUDIT BOARD

FINANCIAL YEAR OF 2023

Dear Shareholders:

In compliance with the legal provisions, the Statutory Audit Board submits its report and issues its opinion on the consolidated management report, consolidated balance sheet, consolidated accounts and proposal of application of net income, which were presented by the Board of Directors of Conduril - Engenharia, S.A., regarding the financial year ended on 31 December 2023.

REPORT

In the performance of its duties, the Statutory Audit Board had regular meetings accompanying the social activity and the evolution of Conduril - Engenharia, S.A. business, watched and ensured the fulfilment of the law and the by-laws, and it was informed of the acts carried out by the Board of Directors, which has always clarified any situation when requested.

Also in the performance of its duties, the Board carried out a careful analysis of the consolidated management report presented by the Board of Directors, the consolidated balance sheet, the consolidated income statement, the consolidated cash flows and the changes in consolidated equity for the financial year ended on 31 December 2023, and its annex with the explanatory notes. These documents are considered to be correct and offer a clear picture of the activity developed and the financial position.

Within the framework of its competence, the Board was informed of the works developed during the year by the Audit Firm, obtained from it the necessary information and clarifications, provided by its representative, required for the control of the official audit to the other financial statements, was informed of the conclusions and recommendations of the audit report sent to the Board of Directors, and proceeded to the analysis of the legal certification of consolidated accounts, whose contents deserve the agreement of the Board.

The Board, still in the framework of its competence, expresses its agreement regarding the accounting policies and the valuation criteria adopted.

As a result of the above, the Board considers that the consolidated management report, consolidated balance sheet, consolidated income statement, consolidated cash flows and changes in consolidated equity allow, in the whole, for a correct understanding of the consolidated financial situation of Conduril - Engenharia, S.A., on 31 December 2023, and the income statement for the financial year ended on that date, and, finally, it also considers that the legal and statutory provisions were respected.

As a conclusion, the Board also thanks, along with the Board of Directors, the Employees for their commitment and dedication.

Therefore, the Statutory Audit Board issues the

OPINION

1. that the consolidated management report, consolidated balance sheet, consolidated accounts and its notes for the financial year ended on 31 December 2023 are approved;
2. that the proposal of application of net income included in the consolidated management report, in the terms presented by the Board of Directors is approved.

Ermesinde, 19 March 2024

THE STATUTORY AUDIT BOARD

Júlio Gales Ferreira Pinto

Deolinda Paula Baptista Nunes

Jorge Manuel Silva Tavares



Portugal

LEGAL CERTIFICATION OF CONSOLIDATED ACCOUNTS

REPORTING ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Conduril - Engenharia, S.A. (the Group), which comprise the consolidated balance sheet on 31 December 2023 (which reflects a total of 361,871,380 euros and total equity of 178,779,842 euros, including a net income of 2,260,381 euros), the consolidated profit and loss account by nature, the consolidated statement of changes in equity and the consolidated cash flow statement for the year ended on that date, and the notes attached to the consolidated financial statements, comprising a summary of significant accounting policies.

In our opinion, the consolidated financial statements attached present a true and proper view, in all material aspects, of the consolidated financial position of Conduril - Engenharia, S.A. on 31 December 2023 and its consolidated financial performance and cash flows for the year

ended on that date, in accordance with the Accounting Standards and Financial Reporting adopted in Portugal through the Accounting Standardisation System.

Grounds for the opinion

Our audit was performed in accordance with the International Standards on Auditing (ISAs) and further standards and technical and ethical guidelines of the Portuguese Institute of Statutory Auditors (OROC, Ordem dos Revisores Oficiais de Contas). Our responsibilities under those standards are described in the section “Auditor’s responsibilities for the audit of the consolidated financial statements” below. We are independent from the entities belonging to the Group under the law and we meet all other ethical requirements in accordance with the code of ethics of the Portuguese Institute of Statutory Auditors.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis to our opinion.

Responsibilities of the management body and the supervisory body for the consolidated financial statements

The management body is responsible for:

- ▶ the preparation of the consolidated financial statements that present a true and proper view of the financial position, financial performance and cash flows of the Group, in accordance with the Accounting Standards and Financial Reporting adopted in Portugal through the Accounting Standardisation System;
- ▶ the preparation of the consolidated management report under the terms of the applicable rules and regulations;
- ▶ the creation and maintenance of an appropriate internal control, to enable the preparation of consolidated financial statements free of material misstatements due to fraud or errors;
- ▶ the adoption of accounting policies and criteria adequate to the circumstances; and
- ▶ the assessment of the Group’s ability to maintain its continuity, disclosing, when applicable, the topics that could give rise to justifiable doubt about the continuity of the activities.

The supervisory body is responsible for supervising the process of preparation and disclosure of the financial information of the Group.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our responsibility is to obtain a reasonable assurance if the consolidated financial statements, as a whole, are free of material misstatements due to fraud or errors and issue a report where our opinion is expressed. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit performed in accordance with the ISAs will always detect a material misstatement when it exists. The misstatements may derive from fraud or errors, and they are considered material if, alone or together, they might reasonably be expected to influence the economic decisions made by the users based on those financial statements.

As part of an audit under the ISAs, we make professional judgements and we maintain professional scepticism during the audit, and we also:

- identify and assess the risks of material misstatements of the consolidated financial statements, due to fraud or errors; prepare and perform audit procedures that address those risks; and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to errors, since fraud can involve collusion, falsification, intentional omissions, false statements or overlap of the internal control;
- obtain an understanding of the internal control relevant to the audit, with the aim of preparing audit procedures that are appropriate in the circumstances, but not to express an opinion about the efficiency of the internal control of the Group;
- evaluate the appropriateness of the accounting policies used and reasonableness of accounting estimates and respective disclosures made by the management body;
- concluded on the appropriation of use, by the management body, of the going concern assumption and, based on the audit evidence obtained, if there is any material uncertainty related to events or conditions that could give rise to justifiable doubt about the Group's ability to continue its activities. If we conclude that there is a material uncertainty, we should point out in our report the disclosures included in the consolidated financial statements or, if those disclosures are not appropriate, change our opinion. Our conclusions are based on the audit evidence obtained until the date of our report. However, events or future conditions may take the Group to discontinue its activities;
- evaluate the presentation, structure and global contents of the consolidated financial statements, including the disclosures, and if those financial statements represent the underlying transactions and events in order to achieve an appropriate presentation;
- obtain sufficient and appropriate audit evidence regarding the financial information of the entities or the activities inside the Group to express an opinion on the consolidated financial statements. We are responsible for the guidance, supervision and performance of the Group's audit, and we are ultimately responsible for our audit opinion;
- communicate to the governance officers, among other subjects, the scope and planned schedule of the audit, and the relevant conclusions of the audit, including any significant gap of the internal control identified during the audit.

Our responsibility also includes the verification of compliance of the information in the consolidated management report with the consolidated financial statements.

REPORTING ON OTHER LEGAL RULES AND REGULATIONS

About the consolidated management report

Compliant with article 451(3)(e) of the Portuguese Companies Code, we believe that the consolidated management report was prepared in accordance with the applicable rules and regulations in force, its information is in line with the consolidated financial statements audited and, based on the knowledge and evaluation on the Group, we did not identify material misstatements.

Porto, 18 March 2024

Crowe & Associados, SROC, Lda.
Represented by Ana Raquel Borges L. Esperança Sismeiro, ROC
Registration in OROC no. 1126
Registration in CMVM no. 20160738

**CONDURIL - ENGENHARIA, S.A.**

Avenida Eng.º Duarte
Pacheco, n.º 1835
4445-416 Ermesinde – Portugal
T. +351 229 773 920
geral@conduril.pt

CONDURIL AÇORES

Rua de São Gonçalo,
n.º 2013 - 2.º Dt.º
9500-343 Ponta Delgada –
Portugal
T. +351 296 653 468
geral@conduril-acores.pt

CONDURIL ANGOLA

Rua 2 IL (ao Largo do Ambiente)
Município de Ingombota –
Luanda – Angola
T. +244 929 637 913/9
expgeral@conduril.pt

MÉTIS

Parque Industrial de Viana – B.º
Capalanga
Município de Viana –
Luanda – ANGOLA
T. +244 939 212 517
expgeral@metis-engenharia.com

CONDURIL MOÇAMBIQUE, ENOP

Estrada Nacional n.º 4,
Tchumene 2,
Parcela 3380/12 – Matola –
Moçambique
T. +258 203 004 71
delegacao@conduril.co.mz

URANO

Polo Industrial de Viana,
Zona do Km 25
Município de Viana – Comuna
do Zango – Luanda – ANGOLA
T. +244 939 133 245
geral@urano-metalomecanica.com

CONDURIL ZÂMBIA

Plot 3817 Martin Mwamba Road
PO Box 473 P/Bag E891 Manda Hill
Lusaka – Zambia
T. +260 211 291 441
zambia@conduril.pt

EDIRIO

Rua Dr. Francisco Sá
Carneiro, 22
4825-087 Água Longa –
Santo Tirso
T. +351 229 688 411
geral@edirio.pt

CONDURIL MALAWI

Plot BC 922 House 5, Area Mandala
PO Box 907
Blantyre – Malawi
T. +265 994 956 884
malawi@conduril.pt

CONDURIL ZIMBABUÉ

75, Tredgold Way,
Lincoln Green
Belvedere, Harare –
Zimbabwe

CONDURIL GABÃO

Nzeng-Ayong (Après le carrefour GP)
Libreville – Gabon
gabon@conduril.pt