CONSOLIDATED REPORT 2023

Version not compliant with ESEF

26.June.2024

Metropolitano de Lisboa FERCONSULT metrocom Trem, A.C.E. Trem II, A.C.E.

European Single Electronic Format (ESEF)

This document is an unofficial and unaudited version of the official accounts document of Metropolitano de Lisboa, EPE, submitted on the CMVM website on June 28, 2024. Nevertheless, it corresponds to a faithful copy of the aforementioned financial information, which can also be found on Metropolitano de Lisboa's website under the name "Annual Report and Accounts 2023 - Unofficial - unaudited version". In the event of any discrepancy, the official financial information submitted to the CMVM prevails.

Digital Signature

This report is signed in digital format.

The Board of Directors

Maria Helena Arranhado Carrasco Campos

João Paulo de Figueiredo Lucas Saraiva

Sónia Alexandra Martins Páscoa

Vitor Domingues dos Santos served as Chairman of the Board of Directors of Metropolitano de Lisboa in the financial year to which this document refers, and it was not possible to sign it due to his death on June 22, 2024.

The financial statements and their annexes are signed in digital format.

THE CHARTERED ACCOUNTANT

Pedro Miguel Galante Antunes Paiva

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NATURE OF THE REPORT

The Consolidated Report encompasses the financial and non-financial information of the Metropolitano de Lisboa (ML) group of companies for the 2023 fiscal year. This report was prepared in compliance with Articles 66 - “Management Report,” 66-A - “Annex to Accounts,” and 66-B - “Non-Financial Statement” of the Commercial Companies Code, and it adheres to the guidelines of the IIRC – International Integrated Reporting Council, relating to information on the strategy, management, and performance of the key business drivers within the corporate group.

The report also aims to address the “Instructions on the 2023 Accounting Reporting Process,” as outlined in the Circular Letter SAI_DGTF/2024/271, dated February 6, 2024, from the Directorate-General of Treasury and Finance. Additionally, it seeks to enhance stakeholders’ understanding of business strategy and value transfer concerning the activities undertaken by the Metropolitano de Lisboa group of companies, aligning these activities with the strategic objectives defined in the Activities and Budget Plan (PAO) and justifying the main deviations observed during this period. Furthermore, it includes information related to governance, context analysis, strategy, as well as the disclosure and performance achieved across various capitals (financial, intellectual, human, social, and natural).

The information presented in this report highlights the commitment and precision with which Metropolitano de Lisboa, E.P.E., Ferconsult, S.A., Metrocom, S.A., TREM, A.C.E., and TREM II, A.C.E. have continually implemented measures and procedures aimed at enhancing value creation and improving the quality of the services provided, thereby promoting sustainable mobility, decarbonization, and the quality of life of their customers and employees.

The individual and consolidated financial statements were prepared in accordance with the Accounting Standardization System (SNC), approved by Decree-Law No. 158/2009, of July 13, with subsequent amendments and the republication under Decree-Law No. 98/2015, of June 2, and with the International Financial Reporting Standards (IFRS), International Accounting Standards, and Interpretations, collectively referred to as IFRS, issued by the International Accounting Standards Board (IASB) and as adopted in the European Union (EU).

Under Article 29-G of the Securities Code, the documents included in this Report and Accounts were prepared in the ESEF Format and in accordance with the specifications stipulated in Delegated Regulation (EU) 2018/815 of the Commission, dated December 17, 2018, as well as subsequent amendments, also considering the guidance provided by the European Securities and Markets Authority (ESMA) in the updated version of the ESEF Reporting Manual.

The non-financial information was prepared in line with the GRI Standards guidelines. It should be noted that the non-financial information in this report has not been subject to external verification. However, compliance was ensured with point 6 of Article 451 of Decree-Law No. 89/2017, of July 28, which states that “in the case of companies required to present a non-financial statement under Article 66-B or Article 508-G, the chartered accountant is only required to confirm that it or the separate report has been presented.”

I. EXECUTIVE SUMMARY

Message from the Chairman. Highlights of the year

To all those interested.

In 2023, Metropolitano de Lisboa celebrated 75 years since the company was founded. It was a year of retrospection, with a long road already travelled, always with an eye on a future that we foresee as positive, expansive and sustainable.

In this document, we present the 2023 Consolidated Annual Report, which details the activity of Metropolitano de Lisboa (ML) and its subsidiaries: Ferconsult, S.A., Metrocom, S.A., TREM, A.C.E. and TREM II, A.C.E.. The year 2023 continued to be marked by armed conflict in Europe with the invasion of Ukraine by Russia, and in the Middle East by the war between Israel and Hamas in the Gaza Strip.

These conflicts, which we all wish would end, are having a negative impact on all sectors of society and causing inflationary surges due to the widespread shortage of goods and services.

Despite all these adverse realities, in 2023 there was a recovery in demand compared to the previous year of +21.1% in total validations. Although it surpassed 2022, demand in 2023 did not reach the figures for 2019, the pre-pandemic year, with only 90.2% of total passengers compared to that same year.

Although we are still below 2019, 2023 consolidated the recovery that has been taking place since 2022. From operations to sustainability, from certifications to ticketing, from works to the launch of new projects, Metropolitano de Lisboa continued its journey to consolidate its indispensable role in the new mobility challenges facing the city of Lisbon.

The year 2023 was also marked by World Youth Day (WYD), which took place between July 31 and August 6, 2023, a particularly important moment in the company's activity. During this period, Metropolitano de Lisboa strengthened its operation in view of the expected increase in demand by increasing supply, reinforcing workers and surveillance teams at stations, as well as implementing teams of promoters and volunteers for customer support actions.

During WYD, Metropolitano de Lisboa recorded a total of 4 million journeys. This is the highest number of journeys ever made by this transport operator over a period of seven consecutive days. On August 4 alone, Metropolitano de Lisboa recorded around 740,000 journeys, an unprecedented situation in the company's history.

The year 2023 was also the year of another edition of the Web Summit, the largest technology and entrepreneurship conference in the world. During this event, there was also a sharp increase in the number of passengers on Metropolitano de Lisboa (+30.2%) compared to the same period in Web Summit 2022.

In relation to the Asset Recovery Plan and within the scope of the National Plan for the Promotion of Accessibility, with a view to achieving the principle of "Accessibility and Mobility for All", Metropolitano de Lisboa launched several tenders in 2023 for the modernization and/or replacement of equipment, namely lifts and escalators in various stations on its network, which culminated in the development of several works in various stations.

Accessibility in general, and lifts and escalators in particular, are a priority for Metropolitano de Lisboa. This is why the company has been adapting and modernizing its stations and equipment to comply with the principle of Accessibility and Mobility for All. This program is currently underway and aims to modernize existing equipment to provide full accessibility in all Metropolitano de Lisboa stations. This modernization is based on the age and impact of the equipment on customers, with Metropolitano de Lisboa starting by modernizing the most obsolete equipment and those that have the greatest use in relation to the movement of the station in question. The Metropolitano de Lisboa network has 117 lifts and 244 escalators (the latter include moving walkways).

As of December 31, 2023, 43 of the 56 stations on the Metropolitano de Lisboa network have full accessibility, i.e. 77% of the stations already allow full access for people with reduced mobility, by means of lifts between the ticket hall and the street level, and between the hall and the platforms, as well as escalators and/or moving walkways.

As for rolling stock, Metropolitano de Lisboa is awaiting delivery of the first of fourteen triple units that are in production in Valencia (Spain). Production is proceeding at a good pace. In addition, Metropolitano de Lisboa launched an International Public Tender in November 2023 for the acquisition of a further 24 new triple units (72 cars), with an option for a further 12 (36 cars), with a view to reinforcing the rolling stock allocated to the Metropolitano de Lisboa network.

Manufacturing continues in the USA of the new Grinding Machine to replace the existing one from 1976, which is scheduled to be delivered in 2024, representing an investment of around 8 million euros.

As far as ticketing is concerned, Metropolitano de Lisboa has made the online service available for signing up for the personalized Navegante Card and has introduced contactless payments at station validators. By making these services available, ML is simplifying the purchase of transport tickets and promoting a better flow of travel for its customers, a system that has seen a high level of use.

During 2023, the planned work to replace the signalling system on the Blue line with a new Communications-Based Train Control (CBTC) system continued. This new system on the Blue, Yellow and Green lines will improve traffic regulation with a very significant reduction in the frequency of our train movements and, consequently, will boost the quality of service provided to customers. The acquisition of this new system represents a qualitative leap forward in the operation, scheduling and management of the entire ML network.

As part of the construction of the Circle line, which will connect the Yellow and Green lines, the projects are progressing at a good pace in the four lots awarded. In Lot 1, the connection between Rato, Estrela and Santos is already a reality. Similarly, the contract for Lot 3, the integration of the viaducts in Campo Grande and the installation of the acoustic cover, also completed in 2023, has developed on schedule. The greatest difficulties arose in Lot 2 (between Santos and Cais do Sodré) due to the characteristics of the contract.

Also in April 2023, the contract for the design and construction of the finishes and systems (Lot 4) was signed. The contract was signed with Zagope, Comsa, ACE, Agrupamento complementar de Empresas, for the sum of € 69,933,000.00 (sixty-nine million, nine hundred and thirty-three thousand euros), plus VAT.

The expansion of the Red Line between S. Sebastião and Alcântara has taken another step towards completion. In December 2023, Metropolitano de Lisboa approved the award of this Design and Construction Contract to Mota-Engil - Engenharia e Construção, S.A., and SPIE Batignolles Internacional - Sucursal em Portugal. With this extension, the Metropolitano de Lisboa network will be extended by around four new kilometres and will have four new stations: Campolide/Amoreiras, Campo de Ourique, Infante Santo and Alcântara, the latter of which will connect to the future Sustainable Intermodal Line (LIOS Ocidental), providing a quick connection to the municipality of Oeiras.

Regarding the Loures/Odivelas light rail, the project has also been progressing very positively. Provided for in the Recovery and Resilience Plan, the Violet Line project for the design and construction of the railway infrastructure, as well as the acquisition of rolling stock and the signalling system, provides for an initial investment of 527.3 million euros. Of this amount, 390 million euros come from the RRP, in the form of a loan, and 137.3 million euros from the state budget. The international public tender procedure was launched in March 2024, with publication in the Official Journal of the European Union (OJEU), under the terms of the regime set out in the Public Contracts Code, and provides for the construction of a light surface metro with around 11.5 kilometres of network and 17 stations. In the municipality of Loures, nine stations will be built to serve the parishes of Loures, Santo António dos Cavaleiros and Frielas, over a length of 6.4 km. In the municipality of Odivelas, eight stations will be built to serve the parishes of Póvoa de Santo Adrião and Olival de Basto, Odivelas, Ramada and Caneças over a total length of 5.1 km.

Regarding Innovation and Sustainable Development, Metropolitano de Lisboa continued to implement various measures to reduce CO2 and achieve carbon neutrality, which it will have reached by 2023.

In terms of innovation, we continued to implement the proposals selected in the internal Ideas and Projects program - MetroGO, as well as continuing the protocols aimed at developing joint innovation initiatives with the Higher Engineering Institute of the University of Lisbon (ISEL) and the University of Aveiro (UA), the National Civil Engineering Laboratory (LNEC) and other institutions.

To rationalize and reduce energy consumption on the network, the lighting systems have been renovated, with 57% of the stations now having a full LED lighting system. In the near future it is also planned to commission a photovoltaic plant at the Calvanas Workshop and Depot, with the capacity to produce 2 MW of energy per year, a measure that will reduce our dependence on energy suppliers by 5%.

One of the areas that deserves ML's continued attention has to do with seeking to make the most of its physical assets, which are scattered throughout various parts of Lisbon. During 2023, we continued negotiations with the new executive of Lisbon City Council regarding the approval of the urban plan for the land of the former Sete Rios Workshop and Depot, which, unfortunately, has not yet been concluded.

In the field of Risk and Compliance, in 2023 ML strengthened mechanisms to promote business ethics. The Risk Management System was consolidated and ML's Compliance Program was strengthened, increasing transparency and the involvement of all employees.

In 2023, the annual and interim assessment reports arising from the implementation of the Plan for the Prevention of Corruption Risks and Related Offenses (PPR) were approved and published in accordance with the law, and have been sent to the competent bodies and are available on the company's intranet and website.

As cybersecurity is such an important factor today, Metropolitano de Lisboa has also increased its cybersecurity conditions and developed actions to promote a culture of information security in the company.

In financial terms, ML maintained its long-term BBB+ investment grade rating in 2023, with a stable outlook compared to 2022.

In terms of human capital management, it is worth highlighting the hiring of personnel for areas of particular importance to the company, both to strengthen teams in various departments and to replace personnel who have since reached retirement age. These processes follow the authorization granted by the Government, within the scope of the 2023 Activity Plan and Budget, to hire 73 workers, especially for the stations and maintenance areas. Filling these vacancies enabled two internal calls to be held for train driver position, thus reinforcing the supply plans.

The hires in the maintenance area have made it possible to strengthen the teams to comply with the Maintenance Plans and, at the same time, to rejuvenate the personnel, reinforcing know-how.

Special mention should also be made of the launch of the second Trainee Program to discover and possibly strengthen young personnel, and the reinforcement of commitments to social responsibility issues with various initiatives with a significant impact on Metropolitano de Lisboa.

It is worth highlighting the continued importance of collective bargaining as an indispensable instrument for promoting social peace and improving workers' well-being. In 2023, Metropolitano de Lisboa signed agreements with the unions representing the workers for the Company Agreement for all workers and for the Company Agreement for Senior Technicians, thus concluding the Collective Bargaining Process by updating the salary scales (and clauses indexed to them) by 3%.

During 2023, Metropolitano de Lisboa continued to work with the State to sign an Amendment to the "Public Service Concession Contract for Passenger Underground Transport", dated March 23, 2015 and valid until July 1, 2024. This amendment was signed on March 27, 2024, and is currently being audited by the Court of Auditors.

Regarding Metropolitano de Lisboa's subsidiaries, Ferconsult, S.A. (a company 100% owned by ML) continued to focus its activity in 2023 on closing international projects in Algeria.

Regarding Metrocom, S.A., the company that operates the commercial spaces in the stations (and 100% owned by ML), throughout 2023 its activity was affected by the impact of rising inflation and interest rates and the consequent slowdown in demand, resulting in reduced demand for commercial spaces and early requests by lessees to terminate contracts. Turnover in 2023 remained below expectations, down 2% on the same period in 2022 and 11.6% lower than in 2019.

The activity of TREM, ACE and TREM II, ACE (90% owned by ML) focused on the management of its assets and liabilities, and the obligations arising from them.

Metropolitano de Lisboa contributes to improving mobility in the Lisbon Metropolitan Area, promotes accessibility and connectivity in public transport, promotes the reduction of travel times, decarbonization and sustainable mobility and reaffirms its efforts to continue to follow the best quality standards by investing in new ways of building loyalty and attracting new customers.

I would like to thank the Metropolitano de Lisboa employees for the professionalism and commitment they have always shown, making themselves available, within the framework of their respective competencies, to guarantee the company's daily activity to achieve the objectives mentioned in this report.

Our thanks go to all those who have collaborated directly or indirectly with Metropolitano de Lisboa and who have contributed daily to making this company a benchmark in the mobility sector and in decarbonization.

Vitor Domingues dos Santos

Chairman of the Board of Directors

Key Indicators of the Metropolitano de Lisboa Group of Companies

Table 1 – Main indicators for the Metropolitano de Lisboa group of companies

ACTIVITY INDICATORS	Un.	2023	2022	Var. 2023/2022	
				Abs.	%
DEMAND indicators [1]					
PT (Passengers Transported)	10^3	165 874	136 726	29 149	21,3
PKT (Passengers x km)	10^3	876 126	711 833	164 294	23,1
SUPPLY indicators					
Ckm (Cars x km)	10^3	28 971	27 965	1 005	3,6
LKO (Seats x km)	10^6	3 708	3 580	129	3,6
Quality of Service					
Regularity	%	104,1	96,8	-	7,3 p.p.
Occupancy rate	%	23,6	19,9	-	3,7 p.p.
HR INDICATORS					
No. of employees at 31 Dec	Un.	1 581	1 575	6	0,4
Wage Bill *	m€	67 913	64 064	3 849	6,0
Severance Payments	m€	0	0	0	-
SHAREHOLDER STRUCTURE					
Total Share Capital	M€	3 906,8	3 849,3	58	1,5
Share Capital Held by the State	%	100	100	-	0,0 p.p.
ASSET POSITION					
Non-current Assets	M€	5 662,7	5 634,3	28	0,5
Current Assets	M€	240,9	216,6	24	11,2
Total Assets	**M€**	**5 903,7**	**5 850,9**	**53**	0,9
Equity	M€	1 921,0	1 914,8	6	0,3
Liabilities	M€	3 982,7	3 936,0	47	1,2
Total Equity and Liabilities	M€	**5 903,7**	**5 850,9**	**53**	0,9
INVESTMENTS [1]					
Long-term infrastructures	M€	84,2	44,2	40	90,4
Other Investments	M€	5,8	5,9	(0)	(0,8)
Investment Expenditure	M€	**90,1**	**50,1**	**40**	79,7
STRUCTURE INDICATORS					
Interest-bearing Liabilities	M€	3 302	3 293	9	0,3
Financial Autonomy %	%	32,54	32,73	-	(0,2) p.p.
Solvency %	%	48,23	48,65	-	(0,4) p.p.
FINANCIAL INDICATORS					
Average Payment Period (APP)	Days	19	21	(2)	(9,5)
Consolidated Revenue	M€	133,97	111,95	22	19,7
Consolidated EBITDA *(adjusted)*[2] *	M€	(5,48)	(2,79)	(3)	(96,9)
Consolidated EBITDA Margin *(adjusted)*	%	(4,09)	(2,49)	-	(1,6) p.p.
Consolidated Operating Income *(adjusted)*[2]	M€	136,65	124,40	12	9,8
Consolidated Operating Expenses *(adjusted)*[2]	M€	(142,14)	(127,18)	(15)	(11,8)
Coverage Rate of Consolidated Operating Expenses *(adjusted)*	%	(96,1)	(97,8)	-	1,7 p.p.

[1] *Investment expenditure" only considers investment net of TPE and financial charges.*

[2] *Corrected value of Provisions, Adjustments, Impairments, Increases/decreases in fair value, Investment subsidies, Equity/subsidiaries and other non-cash items.*

* *Restated figures*

II. ORGANIZATION

ML and its subsidiaries

Metropolitano de Lisboa provides public passenger transport services via the metro within the city of Lisbon and surrounding municipalities under a concession regime. To achieve this goal, the company engages in a range of related activities, including operations, the promotion of public transport (PT), and infrastructure maintenance.

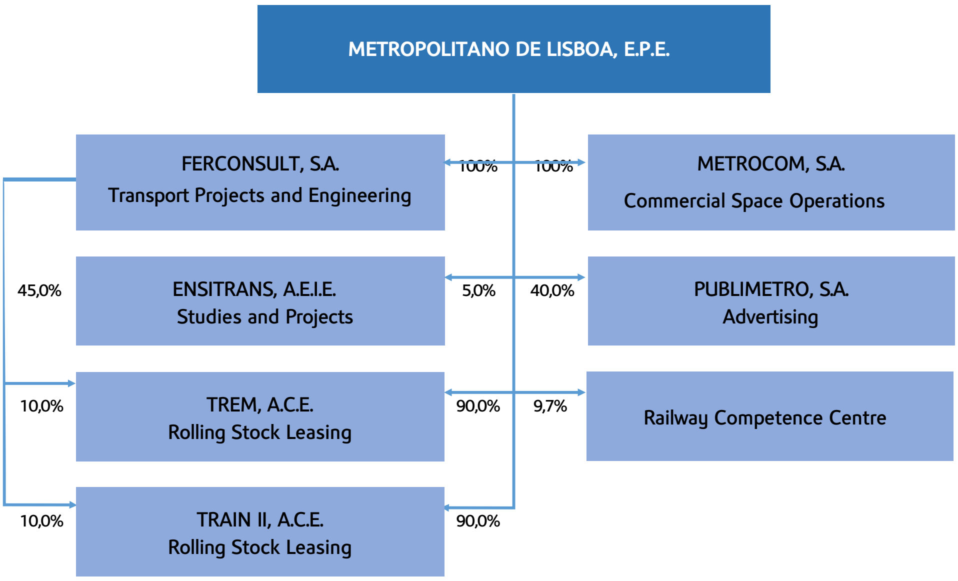
Furthermore, it monetizes the network by leasing space for shops, vending machines, and other uses through Metrocom, S.A., and by offering advertising services through Publimetro, S.A.

The subsidiary Ferconsult S.A., which is fully owned by Metropolitano de Lisboa, has become the primary partner for network development, particularly in the construction of new lines and expansion of existing ones. Following the implementation of a restructuring plan at the end of 2020, the employees of this entity were incorporated into the parent company's personnel.

In accordance with Order No. 9167/2022, issued by the Offices of the Ministers of Finance and Environment and Climate Action on July 13 (Official Gazette, 2nd series – No. 144, July 27, 2022), the current Board of Directors commenced its term on July 13, 2022, for the 2022-2024 term.

In accordance with Order No. 8113/2023, dated August 8, issued by the Minister of Environment and Climate Action and Secretary of State for the Treasury (Official Gazette, 2nd series – No. 153, August 8, 2023), Sónia Alexandra Martins Páscoa has been appointed as a member of the Metropolitano de Lisboa Board of Directors to complete the 2022-2024 term, effective August 10, 2023.

Illustration 1 - Organizational chart of shareholdings



Purpose, Scope and Management Principles

Metropolitano de Lisboa, E.P.E. is a Public Business Entity with legal personality, administrative, financial and patrimonial autonomy, governed by its own statutes and by the law applicable to public companies.

Ferconsult, S.A. and Metrocom, S.A. are companies wholly owned by Metropolitano de Lisboa.

The "Quality and Environmental Management System Manual"[1] was approved by the Board of Directors, which authorized the inclusion of the reference to the NP4475 standard certification, the integration of Ferconsult and the respective process adjustment.

This Manual is a document which defines the guidelines of the "Quality and Environmental Management System" of the Metropolitano de Lisboa group of companies.

In 2021[2] the Board of Directors decided to approve the replacement of the "Mission, Vision and Values" with the adoption of the concepts "Purpose, Scope and Management Principles", which are set out below:

Purpose

To be the central axis of mobility in the Lisbon Metropolitan Area (AML).

Scope

To provide a public passenger transport service in metropolitan mode or other mobility systems in a dedicated channel, which includes the overall management of the infrastructure, namely the design, production, construction and operation, including the operation of commercial spaces, oriented towards the customer, under a concession granted by the State, promoting sustainable mobility and aiming to improve the quality of life of current and future generations.

Management principles

The management decisions taken by Metropolitano de Lisboa reflect the following management principles:

- The best interests of our customers.
- The expectations of the different stakeholders by building lasting relationships of trust with our employees, customers, partners and communities.
- Developing the business in a socially responsible and sustainable way, working closely and in concert with other public transport operators.
- Promoting public transport and sustainable mobility.
- Rigor, transparency and ethical behaviour.
- Quality and safety in the provision of services, using innovative, efficient solutions and creating value in the areas in which we operate.

Management Policy

The Quality and Environment Management System (QEMS) is governed by a set of assumptions defined by the Board of Directors (BoD) and based on the general principles of ML:

- **Customer satisfaction as a central objective** – Designing and maintaining a public passenger transport service that meets the expectations and needs of our customers and other stakeholders.
- **A committed leadership** – Ensuring organizational alignment at the various levels, defining a clear strategy and objectives for the organization and monitoring the achievement of these objectives.
- **Shared and clearly defined responsibilities** – Defining clear responsibilities at the various levels of the organization and providing the means for responsibilities to be assumed.
- **Involving and qualifying workers** – Raising awareness, qualifying and encouraging workers to actively participate in improving processes in terms of efficiency, environmental performance and the mitigation of associated risks.
- **Managing the Organization as a system made up of interrelated processes** – Identifying the key processes in the value chain, and their interactions, to guarantee management efficiency.

[1] Resolution no. 1625645, of April 7, 2022.
[2] Resolution no. 1587859, of September 16, 2021.

- **Continuous performance improvement** - Through a Quality and Environmental Management System (QEMS) equipped with mechanisms to monitor process efficiency and environmental performance, including energy performance, to disclose this data transparently and to identify and implement opportunities for improvement.
- **Sustained decision-making** - Ensuring that there is data that allows decision-making to be based on facts.
- **Establishing partnership relations with suppliers** - Defining service levels and good quality and environmental practices, and working together to ensure compliance and continuous improvement with advantages for both parties.
- **Managing environmental impacts** - Identifying and assessing environmental aspects and impacts, implementing measures to minimize significant negative environmental aspects, including energy consumption, and maximizing positive environmental impacts.
- **Full compliance with applicable requirements** - Identifying the requirements applicable to the organization (legislation, standards and voluntary commitments) and defining measures to ensure compliance and the swift transposition of new requirements into the organization.
- **Innovation as a differentiating factor in the quality of the service provided** - Constantly seeking out the best practices and solutions on the market, verifying their applicability to the service provided and implementing them whenever appropriate.

Customer charter

A. Commitment Statement

Metropolitano de Lisboa's main objective is to continuously improve the quality of the service it provides, to satisfy the needs and meet the expectations of its customers, based on sustainable management. This Statement of Commitment aims to strengthen the dialog between the Company and its Customers, contributing to social well-being.

I. Supply of a transport service:

- To provide a quality service that meets the customer's expectations;
- Contribute to strengthening intermodal links;
- Implement timetables that effectively match existing demand.

II. Human resources:

- Ensuring the quality of human resources so that they carry out their work in a competent and professional manner, guaranteeing conditions of comfort, quality and rigor.

III. Safety and Security:

- Promote and implement, in permanent collaboration with the authorities, the actions necessary to guarantee high safety standards in the transport service and its use, as well as guaranteeing the safety of customers;
- Keep vehicles in good repair;
- Ensuring that the equipment at the customer's disposal is in perfect working order.

IV. Accessibility:

- In collaboration with the competent authorities, ensure accessibility for all customers, even those whose mobility is in some way reduced.

V. Regularity:

- Maintaining high levels of service regularity, taking all possible steps to minimize disruption caused by traffic disturbances.

VI. Suggestions and complaints:

- Provide customers with the necessary means to submit suggestions and complaints, analyse them, promote improvement measures and provide a timely response;
- Periodically evaluate the level of customer satisfaction through a specific survey.

VII. Customer information and support:

- Provide relevant information about the service provided in a clear and accurate manner, in the appropriate spaces and through the various means of communication with the customer, in normal situations or when the service is disrupted;

- Boosting the sales network by providing different ways and means of purchasing transport tickets;
- Providing channels and spaces of our own that allow customers to resolve anomalous situations or those that, due to their specific nature, require specialized analysis.

VIII. Environment

- Comply with legal requirements regarding pollutant emissions, contributing to the protection of the environment;
- Promote and provide the customer with means to facilitate good environmental protection practices.

IX. Cleaning and conservation:

- Ensure that stations, vehicles and equipment are in a good state of repair and cleanliness.

B. Customer obligations

The cooperation of customers is fundamental to achieving the proposed quality levels. In this sense, the use of ML must be carried out in accordance with simple rules, which will allow for a better quality of service, with benefits for all. Therefore, customers must:

- Travel with a valid ticket and present it to company agents whenever requested.
- Always validate your transport ticket. Failure to do so constitutes a breach of the law (Law no. 28/2006, of July 4, as amended by Law no. 83-C/2013, of December 31).
- Do not smoke on the premises or inside vehicles. Smoking constitutes an infraction punishable by law (Law no. 37/2007, of August 14, art. 4, no. 1, point u).
- Comply with rules regarding the transport of animals, bicycles, and other private items that, due to their size or nature, may cause inconvenience or pose a risk. (Decree-Law no. 315/2009, of October 29; Ordinance no. 968/2009, of August 26; and Ordinance no. 422/2004, of April 24).
- Use equipment responsibly and follow the instructions for proper use.
- Always observe door lock signals and safety warnings.
- Respect priority customers and those with reduced mobility, including their allocated seating areas, and offer assistance when necessary.
- Help maintain cleanliness in waiting areas and vehicles by disposing of waste in designated containers.
- Refrain from making excessive noise that might disturb other passengers.
- Report any irregular or hazardous situations to company employees promptly.

In short, the customer must behave in a responsible and compliant manner, whether towards other customers or the company's agents, always respecting the instructions they give.

III. CONTEXT ANALYSIS

Stakeholders

For Metropolitano de Lisboa, E.P.E. and Metrocom, S.A., both now and in the future, stakeholders are all the groups identified in accordance with the *AA1000 Stakeholder Engagement* guidelines, whose quality of life may be affected by the activities carried out.

To this end, and in addition to including all those with whom these companies have contractual or regulatory relationships (customers; workers and pensioners; suppliers; the Ministry of Justice; bodies and associations that ML has voluntarily joined), an analysis of the impact of their activity was carried out to identify other types of dependencies or relationships.

Illustration 2 – The stakeholders of the Metropolitano de Lisboa group of companies

For the various stakeholders, the compliance obligations and the documents that reflect them were identified, as well as the way in which they were consulted.

Table 2 – Alignment of stakeholders with forms of consultation

	COMPLIANCE OBLIGATIONS (Type of documentation)	CONSULTATION/COMMUNICATION METHODS
CUSTOMERS	Customer charter NP 4475 – Public passenger transport – Metro network – Service characteristics and supply	Customer Satisfaction Survey (CSS) Complaints Company website
OVERSIGHT	Concession contract (Amendment submitted to the Court of Auditors for prior approval)	Meetings Email State Sector Platforms
REGULATORY, SUPERVISORY AND INSPECTION BODIES	Legislation and other applicable legal requirements in force ISO 9001 – Quality Management System – Requirements	Audits Financial and non-financial reporting
WORKERS	Employment contract Company Agreements: AE II (Graduates and Bachelors) and AEI (Non-graduates)	Company Portal Email Employee Satisfaction Questionnaire (Company Climate Survey)
SUPPLIERS	Contracts	Supplier evaluation SaphetyGov
COMMUNITY	ISO 14001 – Environmental Management System – Requirements and guidelines for its use ISO 50001 – Energy Management System – Requirements and guidelines for its use (under implementation)	ML website Environmental complaints
OTHER TRANSPORT OPERATORS	Documented decisions taken at TML	Meetings Email
ORGANIZATIONS, ENTITIES AND ASSOCIATIONS	Statutes, Protocols or Letters of Commitment (voluntary adhesion by ML)	Email
ML SPACE LESSEES	Space leasing agreements	Lessees' satisfaction survey Internal audits

1. External analysis

This Consolidated Report includes an annual analysis of the external context in accordance with the PESTAL methodology. The analysis is based on the following vectors:

Political

The XXIII Constitutional Government of the Portuguese Republic, in possession of an absolute majority, has approved the proposed State Budget for 2023 (OE2023), which was published in the Official Gazette on December 30, 2022. The 2023 State Budget reflects the government's continued commitment to the infrastructure sector, with a particular focus on public transport and sustainable mobility.

The second half of the year was marked by political instability at the international level, based on the war between Ukraine and Russia, as well as the Israel-Hamas conflict in the Middle East. This has resulted in a regional hub of instability with geopolitical repercussions at the global level. It is also worth noting the changing power dynamics among various blocs of nations. The entry of Finland and Sweden into NATO is a notable development, as is Russia's eastward economic shift. Trade between China and the Russian Federation is set to increase by 26.3% in 2023. The current geopolitical climate, which is characterized by significant instability and potential for disruption to economic activity, could have an adverse impact on investment levels, given the prevailing uncertainty. Additionally, the EU's common industrial policy is anticipated to prioritize increased investment in the defence sector. In November 2023, the incumbent government submitted its resignation, which was accepted by the President of the Republic. The President subsequently dissolved Parliament and called for elections to be held on March 10, 2024.

Economic

In 2023, the national economy demonstrated a 2.3% growth rate, indicating that the 0.8% increase in GDP during the fourth quarter of the year, compared to the previous quarter, allowed the country to avoid the technical recession. Domestic demand provided a positive contribution to the annual change in GDP, although the year was marked by a slowdown in private consumption, associated with rising prices, and a decline in investment. In nominal terms, GDP increased by 9.7% to approximately 265.7 billion euros. Based on this result, we can project that 2023 will mark the second consecutive year in which GDP growth exceeds the Eurozone average and the sixth year since 2016.

Table 3 - Change in GDP compared to the same period in the previous year

Year-on-year GDP change (%)					
2023	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2022
2,3%	2,5%	2,6%	1,9%	2,2%	6,7%

Source: INE

There was a 4.2% increase in exports year-on-year, representing a 47.4% weight in GDP (30.5% in goods and 16.9% in services). In 2023, total exports increased by four million euros. In 2023, the Consumer Price Index (CPI) recorded an average annual change of 4.3%, a decrease from the rate recorded for the entirety of 2022 (7.8%). According to the National Institute of Statistics (INE), the year-on-year rate of change in the total CPI demonstrates a downward trend that was evident throughout the year. The months of April and May exhibited a notable deceleration, with a slowdown of 1.7 p.p. The deceleration in the CPI observed across most product categories can be attributed to the impact of price increases in 2022, the decline in energy prices, and the VAT exemption applied to certain essential food items from May. Consequently, construction expenses rose once more, albeit at a more gradual rate than in the previous two years. The deceleration can be attributed to the decline in material prices, which occurred concurrently with the sustained increase in labour expenses. Considering these circumstances, the ECB has opted for the second time in a row to maintain the current interest rates at the end of 2023, despite indications of a potential deceleration in inflation. Conversely, the underwhelming execution of the Recovery and Resilience Plan (RRP) in 2023 is facing hurdles due to inadequate implementation capacity, which could jeopardize planned investments and initiatives to bolster the economy and advance social development.

Table 4 - Total overnight stays

	Total overnight stays (10^3)				
	2023	2022	2019	Var (%) 2023/2019	Var (%) 2023/2022
National	77.151,1	69.571,3	70.159,0	10,0%	10,9%
Lisbon Metropolitan Area	20.256,1	17.996,7	18.639,1	8,7%	12,6%

Source: INE

The tourism sector continues to demonstrate positive results. By December 2023, the total number of overnight stays had reached 77.2 million, representing a 10.7% increase compared to the same period in 2022. Similarly, the number of guests had increased by 14.9% to 30.0 million. The total income generated by the tourism sector for the same period was €5.7 billion, representing a 20.4% year-on-year increase. The robust performance of public finances and economic growth had a favourable impact on the rating agencies' assessment of Portugal's long-term debt rating and outlook. Consequently, Standard & Poor's (S&P) upgraded Portugal's rating from 'BBB+' to 'A-', with a stable outlook. This decision marks the first time in 13 years that Portugal has been rated "A" level by all four of the main rating agencies (S&P, Moody's, Fitch, and DBRS).

Social

In the social sphere, 2023 was marked by some turbulence resulting from the inflation crisis that impacted the EU. As a result of the ECB's restrictive monetary policy, consumer goods prices have risen across the board, leading to a loss of purchasing power for the general population. Despite the government's budgetary policies to support disadvantaged families, the population has experienced a decline in income, which has been further exacerbated by the rise in financial expenses for those with a mortgage with a variable interest rate.

Table 5 - Unemployment rate

	Year-on-year unemployment rate (%)					
	2023	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2022
National	6,5%	7,2%	6,1%	6,1%	6,6%	6,0%
Lisbon Metropolitan Area	6,8%	7,3%	7,0%	6,1%	6,7%	7,2%

Source: INE

Despite the general increase in the cost of living, the national unemployment rate remained low, with a slight increase of 0.5 p.p.

In the housing sector, it is evident that a significant challenge exists, mirroring trends observed in other major European urban centres. As reported by the Financial Times, the influx of foreign nationals and the exponential growth of local accommodation (LA) in Portugal, as evidenced by Eurostat statistics, have contributed to the current housing shortage in Lisbon. The scarcity of construction projects in the city further exacerbates the situation.

Table 6 - The percentage of the employed population engaged in remote work.

percentage of the employed population engaged in remote work (%)	
2023	2022
17,8%	17,0%

Source: INE

In terms of social patterns in the workplace, the trend that emerged during the pandemic has continued, with 17.8% of the population employed in remote work for the entirety of 2023. This represents an increase of 0.8 p.p. compared to the same period last year. In 2023, ML has not yet reached pre-pandemic levels of passengers carried, which leads us to believe that the establishment of new workplaces at workers' homes is one of the factors contributing to this decline.

Technological

The advent of new technologies has resulted in significant disruption to existing business models. The current era is defined by rapid and constant technological advances, and digital transformation has had a revolutionary impact on several sectors, including urban mobility.

One such technology is the Internet of Things (IoT), which enables the interconnection of smart devices and vehicles, allowing for the collection of data in real time. The data collected enables the company to gain insights into traffic patterns, identify congestion, and optimize public transport routes. One of the company's key objectives is to gain a deeper understanding of its customers and market trends. Another crucial technology is artificial intelligence (AI), which, through sophisticated algorithms, enables the analysis of vast amounts of data (Big Data) to enhance transport predictability and personalize mobility services that align with individual needs. Furthermore, the use of mobile apps and shared platforms is transforming the way people access transport, offering a range of benefits for cities and their residents. These include reduced traffic congestion and greenhouse gas emissions.

The latest survey on the use of information and communication technologies in companies, conducted by INE, reveals that just 7.9% of Portuguese companies are utilizing AI technology in 2023, representing a 0.7 p.p. increase from 2021. However, this proportion rises with the number of employees, reaching 35.4% in companies with 250 or more employees.

Portugal maintains a strong commitment to technological advancement, with a focus on developing digital solutions and fostering a more conducive environment for start-ups. In 2023, there was a notable increase in the adoption of sustainable technologies, with the objective of reducing the carbon footprint. Portugal is investing in new energy technologies, such as hydrogen, with the aim of accelerating the energy transition. To accelerate the decarbonization process, it is essential to increase the use of renewable energies. Green hydrogen is emerging as a key solution in this regard. The digitization of processes enables companies to automate tasks, reduce errors, and enhance efficiency. On the other hand, contactless technologies, such as proximity payments, have proven to be highly beneficial in reducing the need for physical contact and, consequently, the spread of disease. Furthermore, they can enhance the customer experience.

To ensure adequate protection against constantly evolving cyber threats, a proactive and layered approach to cybersecurity is essential. The recently released "Cybersecurity in Portugal - Society 2023 Report" indicates that the rise in exposure to cyberspace and the expansion of cybersecurity awareness initiatives in Portugal are among the key findings of this CNCS report. The protection of personal data and sensitive information is becoming a critical priority, necessitating the implementation of advanced security solutions and strategies. In this context, companies and organizations that invest in robust security technologies and measures will be better positioned to navigate future challenges.

Environmental

Climate change represents a significant challenge for humanity in the 21st century. The increasing cost of natural resources is a direct result of climate change and extreme weather events, including floods, droughts, heat waves (rising temperatures), tropical cyclones, and forest fires, which have become more frequent. The year 2023 saw a significant increase in extreme weather events, with notable records set for warm oceans, rising sea levels, loss of sea ice in Antarctica, and retreating glaciers. This period, spanning June to October, has been identified as the year of extreme phenomena and the hottest on record.

To effectively address the challenges posed by climate change, it is crucial to implement mitigation strategies, such as reducing greenhouse gas emissions, and adaptation measures, such as enhancing the resilience of communities. Another area affected by climate change is public health. Air quality has worsened due to pollution, and new diseases have emerged because of extreme weather conditions. It is therefore vital to implement sustainable measures, such as promoting sustainable mobility and preserving natural ecosystems, to be able to meet the challenges of climate change while protecting the planet for future generations.

During the drafting phase, ML provided support to the Metropolitan Plan for Adaptation to Climate Change in the Lisbon Metropolitan Area (PMAAC-AML). This plan identifies current and future risks, promotes the creation of conditions to reduce the AML's climate vulnerability, and identifies critical areas and mitigation measures. As 2023 ended, the municipalities of Lisbon were once again affected by flooding. It is anticipated that the construction of drainage tunnels will help mitigate the impacts of this phenomenon in the future. Considering these meteorological circumstances, certain Metro stations are experiencing operational constraints. However, to effectively address the immediate effects of these events, ML has a robust and resilient infrastructure in place.

Legal

The evolution of the legal requirements applicable to the ML group of companies, both national and EU legislation, has become more demanding with new reporting obligations, especially regarding sustainability and environmental responsibility. With growing concern for the environment, green purchasing is becoming more of a priority for organizations looking to find ways to reduce their environmental impact and promote sustainability.

Since January 1, 2022, companies must start disclosing information in accordance with the EU taxonomy, complying with the requirements disclosed under the Non-Financial Reporting Directive (NFRD) and the Taxonomy Regulation. In this sense, market participants who are covered by the NFRD must disclose information about their efforts to adapt to and mitigate climate change in relation to specific economic activities in accordance with the rules of the taxonomy. It is therefore important for organizations to be prepared to face new challenges and to be aware of changes.

The existence of an adequate concession contract, even if it is demanding, allows the company to improve its efficiency and the quality of its service. On the other hand, its revision, which is currently underway, could bring possible changes and improvements to the quality of the public service provided.

On the other hand, the General Data Protection Regulation (GDPR), in force since May 2018, continues to be a concern for companies, requiring the appointment of a Data Protection Officer (DPO) who is responsible for ensuring that the company complies with privacy regulations and protects its customers' data. To this end, since 2018 ML has had a DPO, who has been making all the necessary changes to ensure full compliance with the legislation in force.

2. Internal Analysis

Alongside the analysis of the external context, an analysis of the organization's internal context is also carried out. This analysis is carried out for the following vectors:

Organization

The stability of the organizational structure represented, since April 2017, in the ML organization chart (see Illustration 5 - Metropolitano de Lisboa organization chart, on page 26), has sought to foster the smooth running and growth of the business.

However, even with a relatively stable organization, existing communication deficiencies can compromise the entire system, so it is essential to invest in effective communication channels, encouraging dialogue and collaboration between workers to promote an inclusive and participatory working environment.

Currently, ML is in a phase of expanding its network and improving its services, with major investments underway such as the Circle Line, signalling projects and the acquisition of new rolling stock, the extension of the Red Line to Alcântara and the connection of the municipalities of Odivelas and Loures with the construction of the Light Surface Metro (MLS). In this context, in July 2022, the government, through the Minister for Finance and the Minister for the Environment and Climate Action, appointed a new Board of Directors for the 2022-2024 term[3]. In August 2023, the Government appointed a new member to the Board of Directors to complete the current term.[4]

During the pandemic, ML was forced to quickly adapt its work organization to the government's demands. Since then, it has promoted remote work in the company by implementing pilot experiments in some areas. The year 2023 was marked by the full extension of remote work to most areas of the company, with the new "Remote work Regulations" coming into force on April 1.

Processes

The work processes and the way activities are carried out at Metropolitano de Lisboa are defined and documented, among other things, in the Process Manuals.

Given the stability of Metro's activity, the existing experience and the practice of always having processes based on best practices (national and international), supported by the knowledge and monitoring through benchmarking of international organizations such as UITP, ALAMYS or COMET, means that most work processes are effective and efficient.

The continuity given to the project to implement a culture of innovation has gradually tried to improve the methodologies followed by some processes, opening the company to the outside world and implementing new working methods.

Since 2021, ML has continued to certify its public passenger transport service according to NP 4475:2020, which clearly defines the requirements to be met for the customer service to be considered of quality, obliging ML to permanently monitor these requirements.

Human Resources

In 2023, we continued the process started in 2018 of recruiting new personnel for the commercial and maintenance areas, as well as senior technicians for other key areas of the company. A total of 49 new hires were made, making for a positive balance compared to the 42 departures recorded, 75% of which were due to retirement.

[3] Order no. 9167/2022, of July 27 (Official Gazette no. 144/2022, Series II of 2022-07-27, pages 96-99)
[4] Order no. 8113/2023, of August 8 (Official Gazette no. 153/2023, Series II of 2023-08-08, pages 47-48)

The company's workforce is characterized by the high average age of employees, a situation that cuts across the different professional categories, but is particularly critical in areas with specific skills associated with the company's operations. Its resolution continues to be based on a strategy of recruiting new employees for the next 5 to 10 years, with the aim of strengthening and rejuvenating specialized know-how. The aim is to enable the transfer of knowledge and professional experience, while at the same time updating and enhancing the professional skills of employees in general, based on learning new technologies present in ML's ongoing modernization and expansion projects.

In 2023, the third edition of the trainee program was launched to admit 10 (ten) recent graduates or masters in different specialties for one-year internships. As in the previous year, to meet the company's needs, 7 (seven) of the 10 (ten) trainees from the previous program were hired.

Despite having fallen by around 1% compared to the previous year, absenteeism continues to have a significant impact on the company's activity. Absences due to illness account for 55.82% of all absences, and the high age group of workers may be one of the causes that negatively influence this indicator.

Material resources

The legislation in force, namely the Public Procurement Code and the need for authorization from the Ministry of the Interior, through Ordinances Extending Contracts for multi-year contracts, as well as the use of green purchasing criteria in the search for what is most sustainable and environmentally friendly, make procurement processes take longer than desirable.

In addition, the increase in the minimum wage (when hiring intensive labour) and the cost of raw materials (including price revisions) because of current market conditions, have a direct impact on the expenses of companies that need to find ways to balance expenses and guarantee the sustainability of the business. In this context, it is becoming increasingly necessary to plan for material shortages to respond to the company's needs in good time.

In 2023, the special public procurement measures approved for projects financed or co-financed by European funds, the implementation of the Economic and Social Stabilization Program and the Recovery and Resilience Plan continued to be applied.

Financial resources

In 2023, in Metropolitano de Lisboa's individual accounts, turnover stood at 133.2 million euros, an increase of 22.0 million euros (19.8%) compared to 2022. The 2023 PAO estimated a turnover of around 106.3 million euros, which was exceeded by 27.0 million euros (25.4%).

EBITDA (adjusted) was -5.9 million euros, a decrease of 0.54 million euros compared to 2022. Compared to the 2022 PAO estimate, there was an improvement of 28.1 million euros.

In 2023, the Metropolitano de Lisboa group of companies recorded an increase in turnover of 19.7% (22.0 million euros) compared to 2022, because of increased demand.

The ML group's EBITDA (adjusted) fell by 2.7 million euros, corresponding to 96.9% compared to 2022. The Operating Result stood at -22.9 million euros, a decrease of 22.0 million euros, due to the decrease in operating subsidies, the decrease in other income, the increase in personnel expenses, Supplies and External Services, other expenses and the decrease in fair value.

Infrastructure and Rolling Stock

Infrastructure and rolling stock are essential elements in fulfilling Metropolitano de Lisboa's mission, and their availability is a crucial factor in the quality of the service provided.

The year 2023 was characterized by the restoration of normal operating conditions prior to the public health crisis caused by the COVID-19 pandemic, namely the replacement of the contingent, the release of restrictions on the movement of people and the replenishment of stocks of maintenance materials.

2023 was also characterized by the consolidation of normal operating conditions in all maintenance activities, restoring compliance with preventive maintenance plans, recovering delays that had still occurred and re-establishing Investment and rehabilitation plans for rolling stock and infrastructure.

Notwithstanding the significant effort made in rehabilitation or reconversion projects for the fleet with prolonged immobilization, such as retrofit contracts for passenger door mechanisms or the conversion of existing trainsets to automated driving, it was possible to maintain adequate levels of operational availability of the fleet, particularly in the morning peak period on working days, exceeding the needs arising from the supply plan.

In 2023, the average availability of the fleet in the morning peak period of a working day was 95.3 trainsets available for public service, for a maximum daily need of 88 trainsets, representing an increase of 2.6% compared to the same period last year.

In terms of the main infrastructure, stable technical performance levels were recorded throughout 2023.

Monthly unavailability was consistently lower than the established maximum of 4 accumulated hours per month across the entire network.

The reliability of the main infrastructure also recorded an average of 135 hours between failures, above the quality targets set for this infrastructure.

3. Risks and opportunities

Following the analysis of the external and internal context, an analysis is made of strategic risks and opportunities, which are reflected in the following SWOT analysis:

Illustration 3 – SWOT analysis

Metropolitano de Lisboa has a consolidated Risk Management System (SGR) using IT tools developed in-house (SAP and SAC[5]) and supported by a Risk Manual.[6]

In 2023, the Organization's Risk Committee fulfilled its duties under the Regulations, meeting quarterly and aligning the Risk Management System with the Company's strategy. All the information was recorded in the company's information system through quarterly reports.

[5] SAP *Analytics Cloud*.

[6] It is part of the certification of the Quality and Environmental Management System, through the Internal Audit and Risk Management process.

It should be noted that, throughout the year, a culture of risk was promoted, in addition to regular contact with risk owners, through awareness-raising activities on the RMS for the entire working community.

In 2023, the Organization's TOP risks were as follows :[7]

Illustration 4 - The organization's TOP risks

TOP

Foreign exchange and commodities
Control of fare revenue
Political, social and macroeconomic environment
Network expansion management
Cash management
Fraud, corruption and unethical behaviour
Debt management, credit and financing
Network innovation and modernization
Legal proceedings
IT security

In addition to the macro view of the SGR, there are risk management subsystems that are related to it and that allow for more detailed monitoring of the risks involved, namely:

- Subsystem for the expansion of the Metro network relating to the Circle line (extension between Rato station and Cais do Sodré station, including the new connections on the Campo Grande viaducts), linked to the "Management of network expansion" macro risk;
- The Plan for the Prevention of Risks of Corruption and Related Offenses (PPR)[8], linked to the macro risk of "Fraud, corruption and unethical behaviour".

In this regard, a specific fraud risk management system was also implemented in 2023 for the expansion projects financed by the RRP (red line and violet line), with the preparation, approval and dissemination of the risk assessment manual and report, in compliance with the amendments to the financing contracts granted at the end of September 2023 and Technical Guideline 14/2023 of the Recovering Portugal Mission Structure.

In the 2023 financial year, the Internal Audit, Risk and Compliance Office (IAO) carried out several audits with an impact on the fraud matrix, including the following:

- Audit of the procedure for returning guarantees provided or equivalent (withholding of payments) under contracts signed;
- Audit of the incident recording circuit;
- Audit of surveillance, guard and porter services - Parque Station (Blue Line).

Follow-up actions were also carried out on the implementation of the recommendations of the audit reports approved by the Board of Directors, recorded in quarterly reports.

Considering the breadth of the projects implemented in the Company in 2023 related to the promotion of ethics and integrity, all departments were subject to corruption risk analysis, as indicated in the table below and monitored by Compliance under Article 7(3) of the RGPC (General Regime for the Prevention of Corruption, approved by DL 109-E/2021, of December 9).

Table 7 - Analysis of corruption risks

	2023		2022	
	NO.	%	NO.	%
Business units targeted for corruption risk analysis	22	100,0%	23	100,0%
No. of corruption cases identified	1*	-	0	-

* Infraction related to corruption, reported to MENAC, with the penalty of dismissal with just cause having been applied and the corresponding criminal complaint having been drawn up.

In 2023, this theme received particular attention in terms of communication campaigns and training actions. In fact, news on business ethics has been published periodically (via the intranet) for the entire Work Community and to reach out to other stakeholders, including business partners, the anti-corruption policies in place were disclosed,

[7] Given the dynamic nature of the SGR, the top risks changed twice during 2023.
[8] The RRP identifies the areas that may be subject to acts of corruption, the main risks arising from this, the internal controls implemented to mitigate and prevent these risks, the respective impacts and the likelihood of occurrence.

including the Code of Ethics and Conduct and the supply policy, via email and the LinkedIn social network.

As far as training is concerned, ML promoted actions involving not only its employees, including managers, but also the Board of Directors and members of the Supervisory Board. To this end, various formats were adopted, from webinars, e-learning courses on SAP SF[9] (intranet) and face-to-face sessions for the company's new employees.

Table 8 - Communication and training on anti-corruption policies and procedures

	2023		2022		2021
	NO.	%	NO.	%	%
Members of the governance body to whom the anti-corruption policies and procedures adopted by the organization have been communicated	29	100,0%	(*) 26	89,7%	88,9%
Employees to whom the anti-corruption policies and procedures adopted by the organization have been communicated	1 571	100,0%	1 538	100,0%	100,0%
Business partners to whom the anti-corruption policies and procedures adopted by the organization have been communicated	(*) 913	100,0%	1 201	100,0%	100,0%
Governance body members who have received anti-corruption training	28	96,6%	1	3,4%	3,7%
Employees who have received anti-corruption training	786	50,0%	9	0,6%	0,3%

(*) Coincides with the total number of national ML suppliers with accounting movements 2021-2022 and with associated e-mail.

4. Governance structure

Metropolitano de Lisboa, E.P.E., as a structuring transport operator for the mobility of the Lisbon Metropolitan Area, aims to contribute to the development of a new and dynamic business model, with a focus on improving intermodality, efficiency and increasing the quality of the services provided. Metropolitano de Lisboa's governance structure is developed in an integrated manner.

Government model

The governing bodies of Metropolitano de Lisboa, E.P.E. are the Board of Directors (BoD), the Supervisory Board (SB), the Chartered Accountant (CA) or a Chartered Accountants Firm (CAF) and the Advisory Board (AB), under the terms of the Company's Articles of Association.

Resolution of the Council of Ministers (RCM) appoint the members of the BoD, on the proposal of the members of the government responsible for the areas of finance and transport. The term of office of BoD members is three years and is renewable, up to a maximum of three renewals, and all members are executive.

The supervisory board is made up of a board of directors and a chartered accountant or CAF who is not a member of that body. The SB is made up of three full members and one alternate, one of whom is the Chairman.

The members of the SB are appointed by joint order of the members of the government responsible for the areas of finance and transport, for a period of three years, renewable up to a maximum of three times.

The CA has a term of office of three years, renewable only once. The same chartered accountant may be reappointed at least two years after the end of the renewal period.

The existence of the AB is provided for in the Metropolitano de Lisboa, E.P.E. statutes as an option, and it has not been appointed.

Status remuneration

The remuneration of Metropolitano de Lisboa's directors is based on the classification set out in RCM no. 16/2012, of February 9, as amended by Decree-Law no. 18/2016, of April 13.

Article 28 of Decree-Law no. 8/2012, of January 18, states in point 1 that "*The remuneration of public managers includes a monthly salary that may not exceed the monthly salary of the Prime Minister*", plus a monthly allowance for representation expenses of 40% of the respective salary, paid 12 times a year. Directors receive only one salary and do not benefit from any additional allowance due to the accumulation of functions.

The executive members of the Board of Directors also receive the following remuneration benefits:

a) Social benefits that apply across the board to all the company's employees;

[9] SAP *SuccessFactors*

b) The monthly amount of fuel and tolls allocated to service vehicles is one quarter of the monthly allowance for fixed representation expenses, under the terms defined in Article 33(3) of the Public Manager's Statute (Decree-Law no. 71/2007, of March 27, amended by Decree-Law no. 8/2012, of January 18);

c) Allowance for communication expenses, including mobile telephone, home telephone and internet, the maximum overall monthly amount of which may not exceed 80.00 euros.

The remuneration status of the members of the SB, appointed for the 2023-2025 term, was determined by Joint Order of the Secretary of State for the Treasury and the Secretary of State for Urban Mobility, of October 25, 2023.

The gross annual remuneration of the Chartered accountant is that set out in the service contract signed between Metropolitano de Lisboa and the current Chartered accountant, under the terms and conditions defined by joint order of the Secretary of State for the Treasury and the Secretary of State for Urban Mobility, of October 3, 2023, which complies with the maximum limit equivalent to 22.5% of the amount corresponding to 12 months of the gross overall monthly remuneration attributed, under legal terms, to the Chairman of the Company's Board of Directors, in accordance with the provisions of articles 58 and 59 of the Statutes of the Portuguese Institute of Chartered Accountants.

Governance obligations

Table 9 - Correspondence table with the disclosure of non-financial information

Decree-Law no. 89/2017, of July 28th	Chapter / Section	Page(s)
Article 3 (referred to articles 66-B and 508-G of the CSC):		
The non-financial statement must contain sufficient information for an understanding of the evolution, performance, position and impact of its activities, relating at least to environmental, social and employee issues, equality between men and women, non-discrimination, respect for human rights, combating corruption and attempts at bribery, including:		
a. A brief description of the Group's business model;	Purpose, Scope and Management Principles Context Analysis Strategic objectives	Page 11 Page 13 Page 26
b. Description of the policies followed by the Group in relation to these issues, including the due diligence processes applied and the results of these policies;	PPRCIC Code of Ethics and Conduct	Page 20, 82 Page 83
c. The results of the policies followed by the Group;	PPRCIC Implementation Report Management System Policies	Page 20, 82 Page 11
d. The main risks associated with these issues, linked to the Group's activities, such as its business relationships, its products or services that could have a negative impact on these areas, and the way in which these risks are managed by the company;	PPRCIC PPRCIC Implementation Report Corporate Governance Report	Page 20, 82 ML website ML website
e. A description of the diversity policy applied in relation to management and supervisory bodies, in terms of age, gender, qualifications and professional background, the objectives of this policy, how it was applied and the results for the financial year in question;	Risks and Opportunities Social Responsibility Charter	Page 20 Page 62
f. Key performance indicators relevant to the specific activity.	Activity Indicators Risks and Opportunities GRI Indicators	Page 9 Page 20 Page 237
Article 29g(1)(c) of the Securities Code: Description of the Diversity Policy applied by the company in relation to its management and supervisory bodies, namely in terms of age, gender, qualifications and professional background, the objectives of this diversity policy, the way in which it was applied and the results in the reference period.	Social Performance GRI Indicators Corporate Governance Report	Page 62 Page 237 ML website

Table 10 – Correspondence table with the public business sector–

Law no. 62/2017, of August 1st	Chapter / Section	Page(s)
Article 4: *Public business sector*		
1. The proportion of persons of each sex appointed to each management and supervisory body of each company may not be less than 33.3% as of January 1, 2018.	Identification of Governing Bodies Corporate Governance Report	Page 24 ML website
2. If the management bodies include executive and non-executive directors, the threshold must be met for both.	Governance Model Remuneration Statute Corporate Governance Report	Page 22 Page 22 ML website
3. The threshold defined in paragraph 1 shall not apply to current mandates, without prejudice to paragraph 5.	Corporate Governance Report	ML website
4. For the purposes of the preceding paragraphs, the members of the Government responsible for the area of finance and for the respective sector of activity, where applicable, shall submit proposals that enable the threshold defined in paragraph 1 to be met.	Governance Model Corporate Governance Report	Page 22 ML website
5. Renewal and replacement in office shall comply with the threshold defined in paragraph 1.	Governance Model Corporate Governance Report	Page 22 ML website

5. Governing Bodies

Identification of Governing Bodies

BOARD OF DIRECTORS

The current Board of Directors, for the 2022-2024 term, was appointed by Order 9167/2022 of the Cabinets of the Ministers of Finance and Environment and Climate Action, of July 13 (DR 2nd Series – no. 144, of July 27, 2022), taking office on July 13, 2022.

By Order No. 8113/2023 of August 8, 2023, of the Minister for the Environment and Climate Action and Secretary of State for the Treasury (DR 2nd Series – no. 153, of August 8, 2023), Sónia Alexandra Martins Páscoa was appointed to the position of member of the Board of Directors of Metropolitano de Lisboa, E.P.E., to complete the 2022-2024 term, with effect from August 10, 2023.

Table 11 – Identification, academic background and responsibilities of the members of the BoD of the ML group of companies

Term of office (Start - End)	Position	Name	Academic background	Departments
2022-2024	Chairman	Eng. Vitor Manuel Jacinto Domingues dos Santos	PADE - AESE - Business School MBA in International Management - Portuguese Catholic University Degree in Civil Engineering - Faculty of Engineering, University of Porto	General Secretariat (SG) Customer, Commercial and Marketing Department (DCL) Planning, Control and Asset Management Department (DPG) Internal Audit, Risk and Compliance Office (GAI)
2022-2024	Member	Maria Helena Arranhado Carrasco Campos	- PhD - University of Minho, School of Engineering, Civil Engineering Department, Guimarães; - Master's Degree - University of Minho, School of Engineering, Civil Engineering Department, Guimarães; - Postgraduate - University of Minho, School of Engineering, Civil Engineering Department, Guimarães - Degree in Civil Engineering - University of Coimbra, Faculty of Science and Technology, Coimbra	Development Coordination Department (DCE) Maintenance Department (DMT)
2022-2024	Member	Eng. João Paulo de Figueiredo Lucas Saraiva	Degree in Electrical Engineering, Industrial Systems branch, from the Faculty of Sciences and Technology of the University of Coimbra, complemented by the Advanced Management Program for Executives of the Portuguese Catholic University. Technology of the University of Coimbra, complemented by the Advanced Management Program for Executives of the Portuguese Catholic University, specialization in Document Management - INA - National Institute of Administration, Organization and Quality Management - CEQUAL - Professional Training Center for Quality.	Human Capital Department (DCH) Finance Department (DFI) Operations Department (DOP) Center for Innovation and Sustainable Development (CIDS)
2022-2024	Member	Dr. Sónia Alexandra Martins Páscoa	XX Postgraduate Course in Public Regulation and Competition, Faculty of Law of the University of Coimbra, CEDIPRE, 2021 Admitted to the Portuguese Bar Association in 2004. Law degree, University of Lisbon Law School, 2001.	Logistics Department (DLO) Security and Surveillance Department (DSV) Information Technology Department (DTI) Legal and Litigation Office (GJC)

SUPERVISORY BOARD

The appointment of the Supervisory Board for the 2023-2025 term of office was determined by the Joint Order of the Secretary of State for the Treasury and the Secretary of State for Urban Mobility of October 25, 2023, and it took office on the date of appointment.

Table 12 - Identification of the Members of the Board of Directors of Metropolitano de Lisboa (until 25/10/2023)

Term of Office (Start - End)	Position	Name	Name	
			Form [(1)]	Date
2017-2019	Chairman	Dr. José Carlos Pereira Nunes	DC SETF and SEAMB	11/01/2017
2017-2019	Effective Member	Dr. Cristina Maria Pereira Freire	DC SETF and SEAMB	11/01/2017
2017-2019	Effective Member	Dr. Margarida Carla Campos Freitas Taborda	DC SETF and SEOPTC	11/01/2017
2017-2019	Alternate Member	Dr. Maria Teresa Vasconcelos Abreu Flor de Morais	DC SETF and SEOPTC	11/01/2017

[(1)] In accordance with the Joint Order of January 11, 2017 of the Deputy Secretary of State for the Treasury and Finance and the Deputy Secretary of State for the Environment.

The Supervisory Board remained in office after the 2017-2019 triennium, until 25/10/2023.

Table 13 - Identification of the Members of the Board of Directors of Metropolitano de Lisboa (after 25/10/2023)

Term of Office (Start - End)	Position	Name	Name	
			Form [(1)]	Date
2023-2025	Chairman	Dr. José Henrique Rodrigues Polaco	DC SETF and SEAMB	25/10/2023
2023-2025	Effective Member	Dr. Margarida Carla Campos Freitas Taborda	DC SETF and SEAMB	25/10/2023
2023-2025	Effective Member	Dr. Maria Teresa Figueiredo Alves Carvalho	DC SETF and SEAMB	25/10/2023
2023-2025	Alternate Member	Dr. Nelson Manuel Costa dos Santos	DC SETF and SEAMB	25/10/2023

[(1)] In accordance with the Joint Order of October 25, 2023 of the Secretary of State for the Treasury and the Secretary of State for Urban Mobility.

CHARTERED ACCOUNTANT

The current Chartered Accountants Firm (CAF) was the result of a proposal submitted by the Supervisory Board to the member of the Government responsible for the area of Finance, and was appointed for the three-year period 2023-2025 by Joint Order of the Secretary of State for the Treasury and the Secretary of State for Urban Mobility, on October 3, 2023.

Table 14 - Members of Metropolitano de Lisboa's CAF/CA (until 3/10/2023)

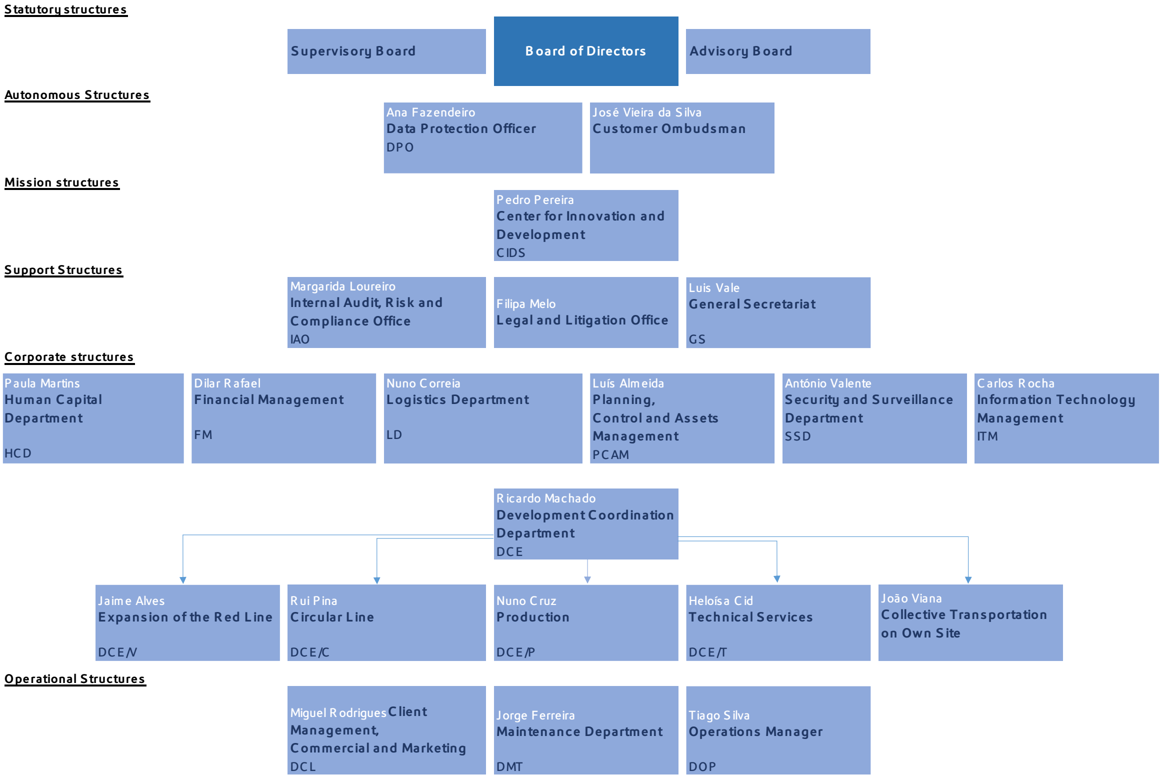
Term of office (Start-End)	Position	CAF/CA identification			Name	
		Name	Registration no. in OROC	Registration No. at CMVM	Form	Date
2019-2021	Effective Chartered Accountant	Alves da Cunha, A. Dias & Associados, SROC, Lda., represented by:	74	20161409	Joint order SE Treasury and SE Deputy Mobility	15/10/2019
		Dr. José Luís Areal Alves da Cunha	585	20160240		
	Alternate Chartered Accountant	Oliveira, Reis & Associados, SROC, Lda., represented by:	23	20161381		
		Dr. Joaquim Oliveira de Jesus	1056	20160668		

The firm Alves da Cunha, A. Dias & Associados, CAF, Lda. remained in office until the appointment of the new permanent and alternate chartered accountants on 3/10/2023.

Table 15 - Members of Metropolitano de Lisboa's CAF/CA (after 3/10/2023)

Term of office (Start - End)	Position	CAF/CA identification			Name	
		Name	Registration no. in OROC	Registration No. at CMVM	Form	Date
2023-2025	Effective Chartered Accountant	João Cipriano & Associados, SROC, Lda.	119	20161438	Joint Order of the Secretary of State for the Treasury and the Secretary of State for Urban Mobility	03/10/2023
		Dr. João Amaro Santos Cipriano	631	20160277		
	Alternate Chartered Accountant	Baker Tilly, PG & Associados, SROC, SA	235	20161528		
		Dr. Paulo Jorge Duarte Gil Galvão André	779	20160596		

Organizational Structure



IV. STRATEGY

Strategic Objectives

Metropolitano de Lisboa has defined the following strategic objectives which should guide all the activities carried out by the company and its subsidiaries:

1. Promote and develop urban mobility using public transport
2. Improving customer service levels
3. Strengthening innovation
4. Expanding and planning for the future, improving and renewing what exists
5. Promoting environmental and energy sustainability
6. Ensuring the company's financial balance
7. Ensuring employee well-being and motivation

At the same time, and in accordance with its public commitment, Metropolitano de Lisboa has integrated into its strategy four (4) of the SDGs of the UN's 2030 Agenda for Sustainable Development, which intersect with the first ones.

Illustration 6 - METRO's Sustainable Development Goals

1. Promote and develop urban mobility using public transport	• Timetable and frequency improvements in line with demand; • Continuous improvement of the regularity and reliability of the service provided; • Searching for and implementing new solutions to meet new customer needs.
2. Improving customer service levels	• Implementation of new payment systems for transport tickets, facilitating and simplifying their use; • Improving accessibility by increasing the number of fully accessible stations; • Improving the cleanliness of stations and trains; • Improvement and innovation in customer information systems; • Improving the quality of the commercial offer and spaces in the stations.
3. Strengthening innovation 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Reinforcement of an innovation strategy, adopting methodologies characteristic of innovation in the design of new solutions and the implementation of projects, involving the entire ML community; • Development of partnerships for innovation with other entities, such as suppliers, universities, technology centres, associations, among others, through the creation of partnerships in RDI projects, promoting the creation of value for all parties involved; • Establishment of systematic methodologies for technological surveillance, benchmarking and trend analysis to ensure that there is up-to-date knowledge on best practices and trends in the sector; • Promoting a culture of innovation with collaborative work dynamics.
4. Expanding and planning for the future, improving and renewing what exists 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Circle Line - Rato/Cais do Sodré Extension; • Expansion of the Red Line - S. Sebastião/Alcântara Extension; • Project to modernize the signalling system and rolling stock: Blue, Yellow and Green lines; • Loures/Odivelas Light Rail; • Purchase of a grinding machine; • Remodelling of Cais do Sodré station; • Accessibility Promotion Plan (NAPP); • Renovation of comfort systems (escalators, moving walks and lifts); • Renewal of the video and communication system + SADI in the cars (ML90, ML95, ML97 and ML99); • General remodelling of the doors of the ML95, ML97 and ML99 fleets; • Customer information system; • Technological upgrade of the ML90 series door drive system; • PMO III wheel lathe + automatic wheel measuring system; • General remodelling of ticket vending machines (MAVT) • Purchase of 24 Triple Units; • Installation of a photovoltaic plant in the PMO II parking garage; • Remodelling of Marquês de Pombal station.
5. Promoting environmental sustainability 13 CLIMATE ACTION	• Replacement of all its stations' traditional lighting systems with LED systems; • Implementation of a photovoltaic plant at the PMO II facilities; • Improving energy efficiency through technological and behavioural changes; • Reduced consumption of natural resources, namely electricity, gas, water and paper.
6. Ensuring the company's financial balance 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• Signing of an addendum to the Public Service Concession Contract that clarifies the situation of LTI assets, asset management and ML's form of remuneration; • Resolution of existing debt situations; • Monetization of non-operational assets, namely the current PMO I; • Seek to increase fare and non-fare revenue.
7. Ensuring well-being and employee motivation 5 GENDER EQUALITY	• Strengthening skills, alignment and motivation through training and internal communication; • Reinforcement of the personnel and start of the renewal of ML's personnel; • Improved working conditions; • Implementation of the gender equality plan.

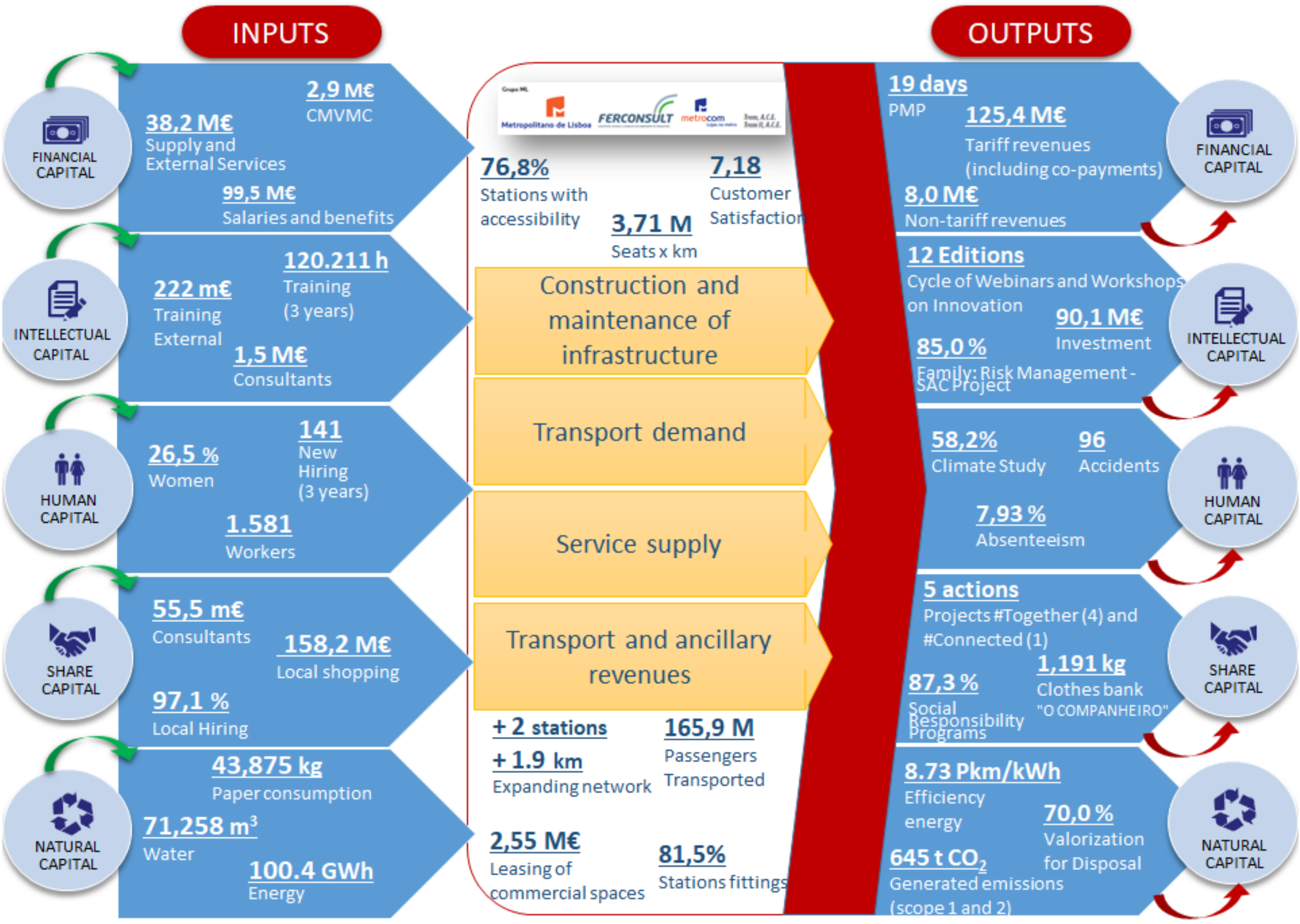
V. BUSINESS MODEL

1. Business Areas and Value Creation

As a public passenger transport service provider, ML has sought to develop a service of excellence that improves mobility in the Lisbon Metropolitan Area and provides experiences that meet the different demands of its users.

Promoting sustainable mobility is an essential factor in meeting the decarbonization targets set out in the Portugal 2030 programme. The complementary activities of ML and its subsidiaries, which include infrastructure rehabilitation and maintenance, network expansion and the operation of commercial spaces, are an indispensable driving force in achieving a unique transport service that satisfies customers' main needs and ensures their loyalty, this being the most important means of transport in the pursuit of the strategic goals set for green mobility.

Illustration 7 – Metro Group of Companies' value creation model



Quality

In 2021, Metropolitano de Lisboa obtained certification for the quality of the service it provides to its customers, in accordance with Standard NP 4475 – Public Passenger Transport Service by Metro. This standard defines a set of qualitative and quantitative requirements in the various dimensions of the Service provided to the customer, with the Metro now complying with and monitoring these requirements. ML currently has Quality Management System, Environmental Management System and Metro Transport certifications.

The continuous improvement of the quality of the service provided by ML is a constant and daily effort on behalf of its increasingly demanding customers who are looking for a service of excellence. From the organization's point of view, it is expected and desirable that this effort be valued and recognized. In 2023, the result of the customer satisfaction survey (CSS) was 7.18.

2. Investment and network expansion

Improving customer service levels

In terms of access to the network, the work to install lifts at Entrecampos and Cidade Universitária stations was completed in 2022. The work to install lifts at Campo Grande station began in June and is expected to be put into service at the beginning of 2024.

Work is currently being contracted for the installation of litfs at Campo Pequeno and Picoas Stations and Intendente and Martim Moniz Stations, which are expected to come into operation in the second half of 2024.

The procedures for installing lifts at Praça de Espanha, Anjos, Avenida, Jardim Zoológico, Laranjeiras and Alto dos Moinhos stations are expected to be launched in 2024.

Expanding and planning for the future, improving and renewing what exists

Circle Line

Work is underway on Lots 1, 2 and 3 (Lot 1 is expected to be completed in May 2024, Lot 2 in December 2024 and Lot 3 in August 2024). At the end of 2023, negotiations began with Infraestruturas de Portugal (IP) to carry out the detour of the Cascais line and interrupt the operation of the CP do CS station in Lot 2.

In September, the contract for Lot 4 came into force, relating to the finishing and systems of the extension between Rato and Cais do Sodré Stations (tunnels and Estrela and Santos stations, as well as the new interface atrium with the railway station), which is at the preliminary design stage.

Expansion of the Red Line between São Sebastião and Alcântara

In January, the public tender with international advertising was launched for the Design and Construction Contract for the Extension of the Red Line between São Sebastião and Alcântara of Metropolitano de Lisboa.

The bids were analysed and prior hearings were held in October/November. In December, the tender submitted by Bidder no. 3 - Mota-Engil - Engenharia e Construção, S.A., and SPIE Batignolles Internacional - Sucursal, was awarded for a total contract price of €321,888,000, to be executed within a total period of 1,046 days.

Violet Line: Light Rail Line between Beatriz Ângelo Hospital and Infantado (Loures and Odivelas Municipalities)

The Preliminary Program was completed at the end of December, based on the principles defined in the revised Base Program and the route considered in the EIA, as well as the changes made to the EIA route (Planalto da Caldeira), completion of the Infantado side, etc.) and the dossiers on the environment and routes.

Council of Ministers Resolution 155/2023 approved Investment expenditure of 527.3 million euros.

Legal work was carried out in November and December to consolidate the structure of the tender process. The procedure was launched in March 2024.

Expansion of the Yellow Line

Studies continued into the expansion of the future Yellow Line from Telheiras, with a connection to the Materials and Workshops Park located on the Pontinha road. Efforts were made with various stakeholders to collect and update information on the area in question and to define a decision-making methodology that best serves customers.

Station remodelling

The remodelling project for the Colégio Militar Station, relating to the replacement of the false ceilings, has been completed and the parts sent to prepare the procedure.
The Cais de Sodré Station project has been consolidated and the Specifications and Tender Program have been prepared, which require prior legal analysis, and an Extension of Contracts Order has been requested.
Work has begun on the execution project for the remodelling of Marquês do Pombal Station.

Renovation of escalators

The replacement of the escalators at Baixa Chiado and Campo Grande Stations was completed and work began on replacing the escalators at Cidade Universitária Station. The lifts at Alameda and Baixa Chiado stations were replaced.

The design/build contract to replace the conveyor belts at Entrecampos Station has been awarded. The contract was suspended due to a legal dispute.

Work was carried out on drawing up the technical requirements and compiling the design parts for the replacement of 30 escalators (Alameda, Odivelas, Oriente, Terreiro do Paço and Parque stations). In March 2024, Ordinance 405/2024/2 was published, authorizing the expenditure associated with this contract.

Increasing security

The replacements of the Automatic Fire Detection Systems for the Jardim Zoológico, Parque, and Campo Pequeno stations and in PMOII have been completed. The SADI has yet to be integrated into the SSIT.

Increasing resilience

During the year, the manoeuvring platforms islands and metal walkways were assembled and replaced at the Moscavide branch line and terminus (branch line - section 97) and S. Sebastião II (terminus - section 85), respectively.

Promoting environmental and energy sustainability

Energy generation

Detailed design completed for the installation of a photovoltaic plant in the Calvanas Workshops nd Depot. At the design review stage.

Ensuring employee well-being and motivation

The project to remodel Floor 0 and the garden areas on Floors 1 and 2 of the PMOIII has begun. The project to remodel the PMOIII kitchen is currently being contracted.

Automatic train control system and new rolling stock

This project includes the supply of 14 new triple units (42 cars) and the supply of an automatic train control system for the Blue, Yellow and Green lines and its installation on 70 trainsets in the existing fleet.

These new acquisitions represent a profound qualitative leap in the operation, programming and management of the Metro network.

The acquisition of the new rolling stock will provide:

- Improving the supply of trains and ML services;
- Remote technical supervision of the train on the line.
- State-of-the-art security and video surveillance systems;
- Greater comfort for customers and better ergonomics for the driver;
- Improving accessibility for customers with limited mobility;
- Customer communication system with variable and flexible information;

The CBTC - Communications Based Train Control - automatic train control system will enable:

- Automatic train driving and supervision at GoA2 level;
- Automatic regulation of traffic on the line;
- Continuous control of the movement of trains, guaranteeing safe distance between trains and compliance with speed limits at any point on the network;
- The progressive replacement of the prohibitive signal control system, installed in the 1970s and now obsolete;
- Technical and operational records that facilitate fault diagnosis and incident analysis.

This system, combined with the new trains, will also increase the frequency and regularity of the public transport service provided by Metropolitano de Lisboa, guaranteeing a more efficient supply of trains, at frequencies more suited to the needs of the public service and with increased safety.

In February 2020, Metropolitano de Lisboa signed a contract for the acquisition of a new rail signalling system and the acquisition of new triple units from the Stadler Rail Valencia, S.A.U. / Siemens Mobility Unipessoal, Lda. group, for 114.5 million euros.

As a result of legal proceedings brought by a competitor, the effects of the award of the contract were suspended under the terms of the law, thus paralyzing the acquisition process that was already underway. The Administrative Court of Lisbon dismissed the case following the withdrawal of the complaint and, having submitted the case for prior inspection by the Court of Auditors, the contract was approved by that court in May 2021, imposing an overall delay of 308 days in the execution of the contract.

As of December 31, 2023, the project had a physical execution rate of 28%, generally characterized by the development of detailed technical specifications and execution projects for rolling stock and signalling systems, as well as the installation of test tracks for CBTC-equipped trains.

Acquisition of Rolling Stock (24 Traction Units, with an option for 12 more)

Following the implementation of the ML Expansion Plan, with the consequent increase in the supply of metropolitan transport in the Lisbon area, both through the extension of the Yellow and Green Line - Rato - Cais do Sodré, and through the extension of the Red Line between São Sebastião station and Alcântara, it became necessary to make an Investment in new rolling stock with a view to the necessary reinforcement of supply, as well as the progressive and timely renewal of the fleet which is nearing the end of its life. To this end, an international public tender was launched in December 2023 for the purchase of 24 new units, with a base price of 138.0 million euros.

Systems and equipment

Within the scope of maintenance, several Investment projects were developed in 2023 which sought to achieve various strategic objectives, including the following:

a) Ensuring the continued operation of infrastructures or equipment due to the obsolescence of the current ones:
- Acquisition of a grinding machine for track maintenance;
- Renewal of the ML90 rolling stock passenger door drive system;
- General overhaul of the passenger doors of the ML95, ML97 and ML99 rolling stock;
- Remodelling of 160kVA (30kV/400V) transformers at the Amadora Este, S. Apolónia and Alameda substations;
- Replacement of autonomous blocks in stations, galleries and technical installations on Metropolitano de Lisboa lines;
- Installation of a pit wheel lathe and automatic wheel measuring system at PMOIII;
- Remodelling of 11 pumping stations on the Lisbon Underground network;
- Replacement of the wooden sleepers on the special track sections of the PMO2.

b) Ensuring the continuation of infrastructure or equipment maintenance services or support services essential to maintenance operations:
- Acquisition of preventive and corrective maintenance services for the telephone network and overhaul of 72 couplings (24 automatic and 48 semi-permanent);
- Acquisition of painting services for the fronts of the engines and the cab doors of the rolling stock;
- Purchase of installation services for Emergency Lighting Battery Groups and Alkaline Batteries for Traction Substations;
- Acquisition of maintenance services for the Power Grid's Centralized Power Control and Remote Control Units (RCU);
- Acquisition of UPS (Uninterrupted Power Supply) installation services and respective battery groups to power the metro network's signalling systems;
- Acquisition of aluminothermic rail welding services on the railway;
- Acquisition of carriage fleet management and operation services for the transport of picket and maintenance support teams;

c) Improving the energy efficiency of infrastructures:
- Renewal of the lighting systems at Terreiro do Paço, Carnide and Cais do Sodré, Pontinha and Baixa Chiado I and II stations using LED technology.

Of these projects, two are of strategic importance for the maintenance and safety of assets and for the quality of the public transport service provided by the company: the purchase of a new grinding vehicle for track maintenance and the renewal or overhaul of the passenger door drive systems of the current fleet of operational rolling stock.

Acquisition of grinding machine for track maintenance

The project aims to purchase a new rail grinding machine to replace the existing vehicle, which is now obsolete after 46 years of uninterrupted operation with very low reliability.

The new vehicle should enable the company to continue with its preventive maintenance tasks, guaranteeing the integrity, safety and operability of the railway infrastructure, as well as digital monitoring and recording of key geometric parameters, enabling a significant improvement in the planning, execution and quality control of railway maintenance.

The vehicle was awarded to Harsco Rail Europe GmbH for 8 million euros and execution of the contract began on April 30, 2021. Due to market conditions in the aftermath of the pandemic, the consequences of the war in Ukraine, and global supply current being disrupted because of raw material shortages, the equipment is not expected to be available for maintenance operations until 2024.

As of December 31, the project was 10% complete, generally characterized by the development of the detailed technical specifications.

Renewal or overhaul of passenger door drive systems for the entire rolling stock fleet

In practice divided into two separate contracts, the project aims to restore the reliability of the passenger door subsystem, which is responsible for most train failures.

FAIVELEY TRANSPORT IBERICA, S.A. has been contracted to replace the pneumatic drives with new, safer and more sensitive electric drives on 18 ML90 series trainsets, with a total of 324 doors, over 24 months, for a cost of 2.4 million euros.

For the remaining series of rolling stock, KNORR-BREMSE, ESPAÑA, S.A. was contracted to overhaul the current drives, including the replacement of obsolete or worn-out materials in 93 trainsets, a total of 1,674 doors, for a cost of 6 million euros and a duration of 36 months.

Both contracts include the rehabilitation and painting of the door leaves. By

the end of 2023, the fleet had 88 completely overhauled trainsets.

Information Systems

The main projects carried out in 2023 regarding the Information Systems process were the following:

- Renewal of the VPN Platform
  Implementation of the new technological platform that is essential to ensure the remote work system.
- IS security audit
  To assess the security of ML's information systems (exposed to the Internet and on the internal network) and implement measures to mitigate vulnerabilities.
- Marking units with biometric technology
  Implementation of a prototype to validate the use of biometric technology to record attendance, use of QR Codes to record tasks and preparation of the technological infrastructure.
- Integration between the Compliance and Contracting Platform in the SAP system
  Implementation of an interconnection mechanism between the Compliance Platform and the Contracting Platform, satisfying the need to create automatic reporting mechanisms for obligations without a defined deadline.
- SAP Authorizations Project
  Optimization and implementation of authorization functions in the SAP R/3 system that includes the differentiation of authorization profiles in all components, defined according to SAP standard rules. This project corresponds to the first stage of implementing SAP authorizations.
- Document classification ordinance in the SAP system
  Implementation of a system integrated with the Document Management system that allows files to be classified according to the classification grid defined by the GSG under Ordinance no. 33/2023 of January 23, for archival management.

- SAP BW/4HANA Platform
  In 2023, more indicators were implemented on the BW/4HANA Platform, such as passenger and human resources indicators.
- Implementation of improvements to the Teleprompter system
  Implementation of improvements in vacation scheduling and implementation of rules for attendance bonuses from previous years.
- Remote work Implementation
  Implementation of a remote work registration system in the Teleponto system, planning by roster or non-roster, possibility of exchanging and cancelling planned days.
- Implementation of a Corporate TV system
  Implementation in the cafeteria and bar of the PMOIII administrative building that allows the dissemination of institutional and corporate information, integration of TV, news and weather channels.
- Online sales
  Implementation of the browsing card request through the online store on the ML website and online sales integration middleware, which integrates the sales of browsing cards and all the sales that take place in the online store (merchandising).

As part of the Plago system, several improvements were made to the web platform and the "Shift Exchange" feature was implemented.

In the Portal system, we would highlight the implementation of various systems that have led to improvements in internal communication (internal contact management application and another for personal contacts), in internal knowledge (library observatory), in recording and consulting information (as required by the GDPR) and in the management of the company's photographic and audiovisual collection.

Relevant projects were also started which will only be completed later. Of note is the Assessment of the Document Management system, through the identification and analysis of the document management system to be adapted to replace the current system (SAP DMS). Market research was carried out, information was gathered from other transport companies and a prototype was made using the "Open Text" system.

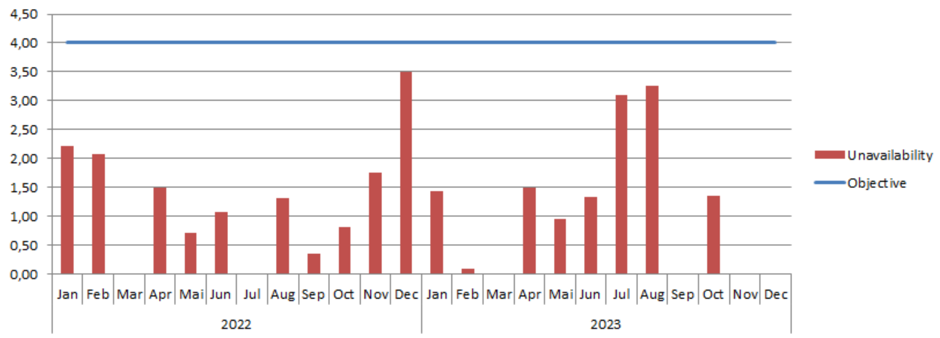
3. Upkeep and maintenance of infrastructure and rolling stock

Operational performance of the main infrastructure

It was generally possible to maintain the execution of the maintenance programs and the ongoing projects for the renovation or rehabilitation of systems or equipment.

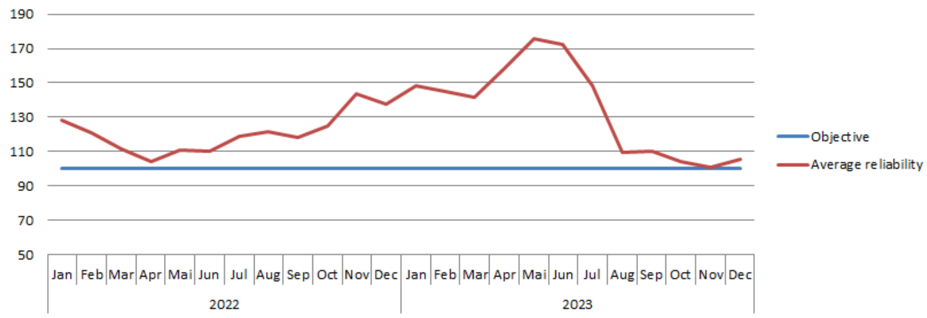
The unavailability of the main infrastructure was relatively stable in 2023, below the established maximum value of 4 hours per month accumulated across the entire network.

Graph 1 – Average monthly unavailability of the main infrastructure (in hours)



The reliability of the main infrastructure remained stabilized above the operational target for practically the whole of 2023.

Graph 2 – Reliability of the main infrastructure (12-month average; values in hours)



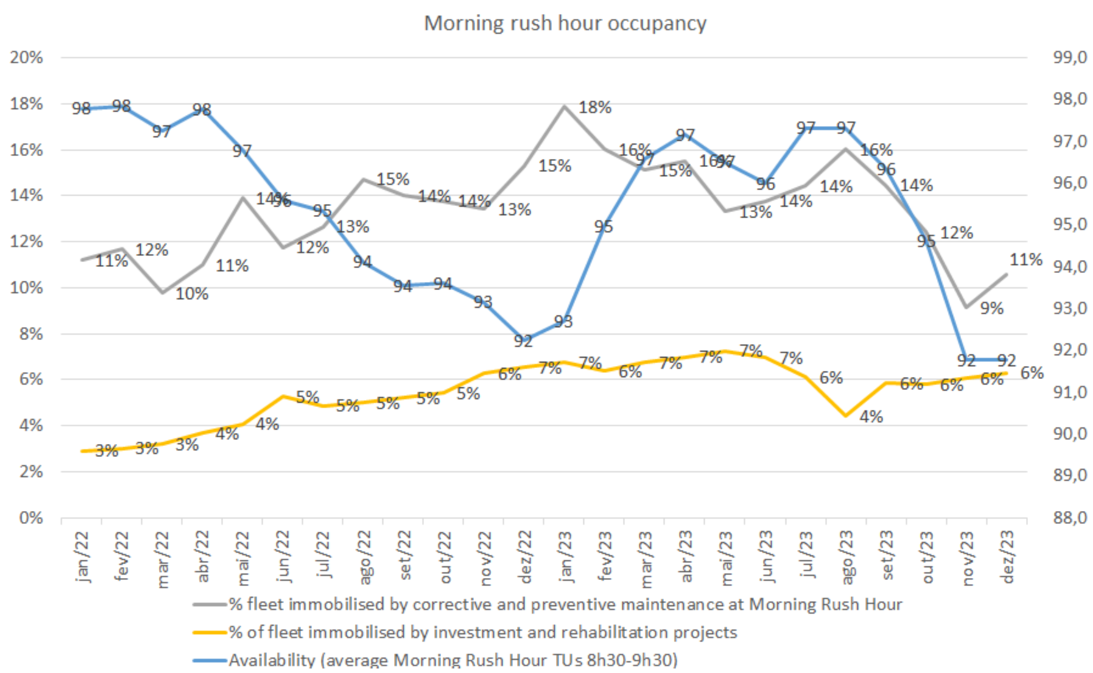
Operational performance of rolling stock

The year 2023 was characterized by the completion of the maintenance plan recovery program in practically all scheduled maintenance routines, resulting in a condition of operability of the operating rolling stock that had not been seen for several years.

The efforts made to recover equipment maintenance plans, to make trainsets that have been immobilized for a long time operational again, as well as to implement Investment programs to rehabilitate or renovate passenger doors on all the units in the rolling stock fleet, have led to the operational availability of rolling stock in the morning rush hour (MST) on working days.

As the following figures show, with the recovery of the historical backlog of scheduled maintenance routines, it was possible to start intense fleet rehabilitation programs, which involve prolonged immobilization of the train, such as the general overhaul of passenger doors throughout the fleet, without compromising the ability to meet the planned supply.

Graph 3 – Occupancy during the morning rush hour

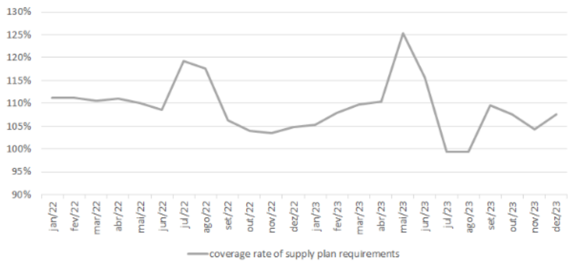


With an increasing value throughout 2023, in December 6% of the fleet was under intervention under Investment contracts, corresponding to 7 immobilized TUs.

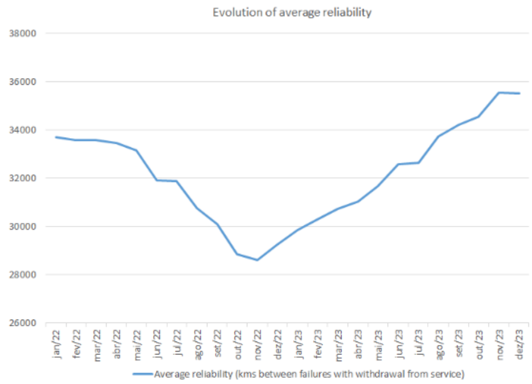
Despite this effort to rehabilitate the fleet, it was still possible to guarantee a coverage rate of more than 105% of rolling stock needs throughout the year to implement the supply plan.

The historical series of the average reliability of the rolling stock shows a tendency towards progressive growth, especially in the older series, the ML90 and ML95, now with more than 20 years of service.

Graph 4 – Coverage rate of rolling stock requirements



Graph 5 – Evolution of average reliability



4. Supply of transport services

In general, there was an increase in the supply produced, both compared to 2022 and to what was originally planned for 2023, in response to the increase in demand.

On the Yellow line, there was a very significant increase in the number of journeys made compared to what was planned, which is due to the adaptation of the planned supply plan because of the network expansion and modernization works that are underway. The works to expand and modernize the network, which most significantly affected the Yellow and Green lines, meant that three-carriage trains had to run, which resulted, in the case of the Yellow line, in a lower increase in the number of seats made available compared to the increase in the number of journeys.

Table 16 – Supply trends

Evolution of supply (public service)		Execution 2023	Implementation 2022	PAO	Var. 2023/2022		PAO deviation	
					Abs.	%	Abs.	%
Cars x km								
Blue Line	10^3	9 638	8 984	9 036	654	7,3	602	6,7
Yellow Line	10^3	7 048	7 015	6 512	33	0,5	536	8,2
Green Line	10^3	5 679	5 738	5 410	(59)	(1,0)	269	5,0
Red Line	10^3	6 605	6 228	6 250	377	6,1	356	5,7
Total	10^3	**28 971**	**27 965**	**27 207**	**71 005**	**3,6**	**1 763**	**6,5**
Seats x km								
Blue Line	10^3	1 233 676	1 149 913	1 156 569	83 763	7,3	77 106	6,7
Yellow Line	10^3	902 186	897 961	833 528	4 225	0,5	68 658	8,2
Green Line	10^3	726 863	734 466	692 443	(7 603)	(1,0)	34 420	5,0
Red Line	10^3	845 503	797 241	799 975	48 262	6,1	45 528	5,7
Total	10^3	**3 708 227**	**3 579 580**	**3 482 515**	**128 647**	**3,6**	**225 712**	**6,5**
Circulations								
Blue Line	No.	119 155	116 551	121 084	2 604	2,2	(1 929)	(1,6)
Yellow Line	No.	149 690	120 357	126 353	29 333	24,4	23 337	18,5
Green Line	No.	119 322	113 097	120 210	6 225	5,5	(888)	(0,7)
Red Line	No.	111 042	107 087	112 019	3 955	3,7	(977)	(0,9)
Total	No.	**499 209**	**457 092**	**479 666**	**42 117**	**9,2**	**19 543**	**4,1**

Table 17 - Supply realization rate

Realization Rate		2023	2022	Var. 2023/2022
Seat completion rate x km				
Blue Line	%	106,67	100,29	6.38 p.p.
Yellow Line	%	108,24	98,55	9.68 p.p.
Green Line	%	104,97	99,77	5.20 p.p.
Red Line	%	105,69	99,97	5.72 p.p.
Network	**%**	**106,48**	**90,33**	**16.15 p.p.**
Circulation rate				
Blue Line	%	98,41	95,23	3.18 p.p.
Yellow Line	%	118,47	95,15	23.32 p.p.
Green Line	%	99,26	94,74	4.52 p.p.
Red Line	%	99,13	95,83	3.29 p.p.
Network	**%**	**104,07**	**96,82**	**7.26 p.p.**

5. Demand

In 2023 there was a recovery in demand compared to the previous year of 21.1% more in total validations and 21.3% more in total passengers (validations plus fare evasion). Although it surpassed 2022, demand in 2023 did not reach the 2019 figures, corresponding to 93.2% of total validations and 90.2% of total passengers when compared to the reference year.

As part of the work on the Circle Line and the modernization of the signalling system, in 2023 several interventions were carried out that had an impact on the Metro service and on the customer:

- Carrying out a series of planned interventions to replace the Blue Line signalling system with a new Communications-Based Train Control (CBTC) system - closure of the Carnide/Jardim Zoológico section on February 5th. As part of these operations, the Blue Line had to be closed from April 7 to 10;
- The Stability Department carried out work on the Circle Line related to the integration of the two new viaducts built in Campo Grande with the existing viaducts, which led to the closure of sections and stations on the Yellow and Green Lines (April 5 to 26 | April 29 to 30 | May 2 to July 7);
- Installation of the acoustic cover on the new Campo Grande viaduct - closure of Telheiras station for short periods during the weekends from September 15 to November 5;
- Work on the railway to integrate the Circle line with the new signalling system, as part of the Network Expansion Plan - closure of CG and QC stations and circulation of the Yellow Line by sections (18/19 and 25/26 November)
- Completion of the installation of the acoustic cover over the Campo Grande Viaduct, as part of the works on the Circle line, with the closure of Telheiras station between 01 and 03 December inclusive, between 06h30 and 13h00.

To mitigate the impact on customers, Metro, whenever possible, tried to increase the supply of trains on the lines where the interventions took place, had a special service for the population of Telheiras and tried to get Carris to increase the supply of this operator on the routes serving the areas where these interruptions took place.

All these constraints meant that the recovery was not complete compared to 2019.

The year 2023 also marked Metropolitano de Lisboa in a positive light:

- On June 28, EMV technology was introduced in the access channels, which allows travel by using a contactless debit or credit card, smartphone or smartwatch (€1.65 ticket, the proceeds of which go entirely to ML). Since its introduction, there has been growing customer acceptance;
- From August 1st to 6th, Lisbon hosted World Youth Day. The event provoked a huge mass movement throughout the days, leading to August 4, 2023 being recorded as the day of the event.
737,318 validations on Metropolitano de Lisboa, beating the record of 693,931 validations on June 12, 2019;

- From November 13 to 16, the Web Summit event, the world's largest technology and entrepreneurship conference, returned to Lisbon for the eighth time. It took place at the Altice Arena and the Lisbon International Fair and during the event there were 2,388,857 validations across the network. Compared to the 2022 Web Summit, there were 65,646 more validations, which represents an increase of 30.2%.

In summary, demand varied as follows:

- Compared to 2022, there was an increase of 17.9% in paying passengers and 21.3% in total passengers;
- Compared to the estimate in the PAO, there was an increase of 9.2% in paying passengers and 9.4% in total passengers;
- Compared to 2019, the pre-pandemic year, there was a decrease of 11.4% in paid passengers and 9.8% in total passengers.

Table 18 – Demand

Passengers	Execution 2023	Execution 2022	PAO 2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Occasional Tickets	**34 679 484**	**29 201 100**	**27 818 481**	**5 478 384**	**18,76**	**6 861 003**	**24,66**
Carris │ Metro ticket	13 300 773	13 927 694	13 402 974	(626 921)	(4,50)	(102 201)	(0,76)
Zapping	10 856 057	10 182 680	9 926 248	673 377	6,61	929 809	9,37
EMV	1 835 949	0	0	1 835 949	-	1 835 949	-
Carris/Metro 24 Hour Ticket	4 628 262	3 570 995	3 189 922	1 057 267	29,61	1 438 340	45,09
Carris/Metro/TT 24 Hour Ticket	160 321	113 739	99 913	46 582	40,96	60 408	60,46
Carris/Metro/CP 24 Hour Ticket	580 428	428 805	322 715	151 623	35,36	257 713	79,86
Others	3 317 694	977 187	876 709	2 340 507	239,51	2 440 985	278,43
Passes	**113 812 664**	**96 798 828**	**108 218 335**	**17 013 836**	**17,58**	**5 594 329**	**5,17**
Navegante Metropolitano	85 554 557	70 724 371	77 426 562	14 830 186	20,97	8 127 995	10,50
Navegante Lisboa	18 217 873	16 583 542	19 597 341	1 634 331	9,86	(1 379 468)	(7,04)
Navegante Amadora	6 128	4 103	4 859	2 025	49,35	1 269	26,11
Navegante Odivelas	7 213	5 754	6 970	1 459	25,36	243	3,49
Navegante Metropolitano Família	3 507 598	2 851 233	3 186 810	656 365	23,02	320 788	10,07
Navegante Municipal Família	277 018	400 429	583 516	(123 411)	(30,82)	(306 498)	(52,53)
Navegante +65	4 421 358	4 098 460	4 557 166	322 898	7,88	(135 808)	(2,98)
Navegante Metropolitano Comb -65	80 693	54 881	59 193	25 812	47,03	21 500	36,32
Navegante Urbano	225 078	822 347	1 248 656	(597 269)	(72,63)	(1 023 578)	(81,97)
Navegante Rede	11 988	14 864	20 664	(2 876)	(19,35)	(8 676)	(41,99)
L/Operators - Others	1 285 755	1 070 184	1 324 881	215 571	20,14	(39 126)	(2,95)
Combined Tickets	217 405	168 660	201 716	48 745	28,90	15 689	7,78
Total with paid tickets	**148 492 148**	**125 999 928**	**136 036 817**	**22 492 220**	**17,85**	**12 455 331**	**9,16**
Free tickets	13 292 744	7 641 820	11 571 247	5 650 924	73,95	1 721 497	14,88
Total validations	**161 784 892**	**133 641 748**	**147 608 064**	**28 143 144**	**21,06**	**14 176 828**	**9,60**
Fraud	4 089 593	3 084 088	3 945 068	1 005 505	32,60	144 525	3,66
Total transported	**165 874 485**	**136 725 836**	**151 553 132**	**29 148 649**	**21,32**	**14 321 353**	**9,45**
Average distance per passenger	5,28	5,16	5,12	0	2,33	0	3,20
Passenger x km transported	876 126 315	711 832 577	775 684 558	164 293 737	23,08	100 441 757	12,95

Complementary Activities

Regarding the Lisboa Viva/Navegante personalized cards, in 2023, Metropolitano de Lisboa personalized approximately 150.8 thousand cards, of which 70.8% were urgent. Compared to the previous year, this represents a variation of -7.1% (a decrease of 11.4 thousand personalization) and, compared to 2019, a variation of -30.5% (a decrease of 66.1 thousand personalization).

Table 19 – Lisboa Viva card production

LV card production 2023		Metro
10 days	Normal	36 539
	4_18	3 325
	U23	3 267
	Sub-Total	43 131
Urgent	Normal	91 196
	4_18	5 906
	U23	9 603
	Sub-Total	106 705
Workers		959
	TOTAL	150 795

On October 12, 2020, two kiosks for issuing Lisboa viva cards were installed at Alameda station (Kiosks Viva). Although these cards are not produced by ML, a portion of the amount paid by the customer represents ML revenue. By the end of the year, a total of 22,109 cards had been produced at the two Kiosks Viva, which generated revenue for Metropolitano de Lisboa of 86,214 euros.

In March 2023, Metropolitano de Lisboa made available a specific platform for the online purchase of the Navegante card, allowing the process to be carried out without the need for customers to go to the stations. The revenue generated by this service was 18,262.50 euros.

6. Commercial activity

Metrocom, S.A.

Metrocom, S.A. operates, on an exclusive concession basis, the promotion and marketing of stores, showcases and commercial spaces existing or to be created in ML stations, as well as in other facilities or spaces under its jurisdiction, both existing and future. At the same time, the company ensures the maintenance of the spaces in the stations of the Metropolitano de Lisboa network.

Table 20 – Metrocom – Activity Indicators

ACTIVITY INDICATORS	Un.	2023	2022	Var. 2023/2022	
				Abs.	%
Commercial Activity					
Turnover (Blue Line)	m€	897	883	14,0	1,6
Turnover (Yellow Line)	m€	956	966	(10,0)	(1,0)
Turnover (Green Line)	m€	185	208	(23,0)	(11,1)
Turnover (Red Line)	m€	514	547	(33,0)	(6,0)
HR INDICATORS					
Employment Volume (RCM no. 16/2012)	Un.	6	6	0,0	-
Average number of employees	Un.	6	6	0,0	-
Wage bill	m€	196	186	9,9	5,3
SHAREHOLDER STRUCTURE					
Total Share Capital	m€	750	750	0	-
Share Capital Held by METRO	%	100	100	-	0.0 p.p.
ASSET SITUATION					
Non-current Assets	m€	423,9	486,0	(62,1)	(12,8)
Current Assets	m€	3 585,5	3 437,2	148,4	4,3
Total Assets	**m€**	**4 009,5**	**3 923,2**	86,3	**2,2**
Equity	m€	3 454,9	3 339,7	115,2	3,5
Liabilities	m€	554,6	583,5	(29,0)	(5,0)
Total Equity and Liabilities	**m€**	**4 009,5**	**3 923,2**	86,3	**2,2**
STRUCTURE INDICATORS					
Financial Autonomy %	%	86,2	85,1	-	1.0 p.p.
Solvency %	%	623,0	572,3	-	50.7 p.p.
FINANCIAL INDICATORS					
Turnover	m€	2 552,2	2 604,0	(51,8)	(2,0)
EBITDA (Adjusted)*	m€	207,9	236,9	(29,0)	(12,2)
EBITDA margin (Adjusted)	%	8,1	9,1	-	(1.0) p.p.
Operating Revenues (Adjusted)	m€	2 658,9	2 699,6	(40,7)	(1,5)
Operating Expenses (Adjusted)	m€	2 451,0	2 462,7	(11,7)	(0,5)
Operating Expenses Coverage Ratio (Adjusted)	%	108,48	109,62	-	(1.1) p.p.

** Amount corrected for impairments and other non-cash items.*

While in previous years Metrocom's activity had been strongly impacted by the effects of the pandemic, throughout 2023 it was affected by the impacts of rising inflation and interest rates and the consequent slowdown in demand. This resulted in a reduction in demand for commercial space and an increase in early termination requests from lessees. In addition to these impacts, the condition of the sub-concession for the activity to end on June 30, 2024 has delayed the entry of new businesses. It is hoped that this situation will be overcome during the second quarter of 2024, allowing the contacts maintained with the market to result in a renewal of the commercial services offered to Metro customers, with positive impacts on the company's profitability.

Turnover (TO) remained below expectations, with the TO for 2023 2% lower than the TO for 2022 and 11.6% lower than the TO for 2019, the best year of activity.

Overall, despite the entry of new lessees, there was a small positive balance in the occupancy of physical stores (+1), from 173 in December 2022 to 174 in December 2023, for a total of 210 stores.

In terms of temporary space occupation, the period under review was marked by an increase in temporary *stands* (+2), compared to the results obtained in the previous financial year, from 20 to 22 in December 2023.

The number of fairs remained at 4, just as the number of ATMs in the network remained at 54 and the number of *vending* machines installed in the network remained at 121 units.

Table 21 - Metrocom's EBITDA and Operating Result

Unit €

ITEMS	2023	2022	2023/2022	
			Abs.	%
Provision of Services	2.552.210	2.604.001	-51.791	-2,0%
Other Income	106.664	95.582	11.082	11,6%
Total Operating Revenues [1]	**2.658.874**	**2.699.583**	**-40.709**	**-1,5%**
Supplies and External Services	2.179.331	2.207.602	-28.271	-1,3%
Personnel expenses	247.356	235.789	11.567	4,9%
Impairment of receivables (losses)	0	27.756	-27.756	-100,0%
Other expenses and losses	24.323	19.327	4.996	25,9%
Operating Expenses (excluding depreciation and amortization) [2]	**2.451.009**	**2.490.474**	**-39.464**	**-1,6%**
EBITDA [3] = [1] - [2]	**207.865**	**209.109**	**-1.245**	**-0,6%**
Depreciation and amortization expenses / reversals [4]	60.290	60.887	-596	-1,0%
Total Operating Expenses [5] = [2] + [4]	**2.511.300**	**2.551.360**	**-40.061**	**-1,6%**
Operating Result [1] - [5]	**147.574**	**148.223**	**-648**	**-0,4%**

Table 22 - Metrocom invoicing

Un. m€

Year	Invoicing METROCOM	Value delivered to shareholders (72% of TO)
2022	2 572,1	1 851,9
2023	2 539,5	1 828,5

Ferconsult, S.A.

Ferconsult, S.A. is a multidisciplinary company specialized in the areas of Consultancy, Studies and Transport Engineering Projects, which has been operating in the national and international markets since 1991. The company's sole shareholder is ML.

In view of the accumulated loss-making results that Ferconsult had been achieving in recent years, because of constraints related to internal organization and management issues, in particular the existence of a cost structure that was out of line with its income, the Board of Directors developed a plan to restructure the company.

The measures of the Ferconsult Reorganization Plan presented in December 2017 (Our ref. 1262910, of 05/05/2017), and following the analysis of UTAM information no. 4/2019 on the proposed merger of Ferconsult with Metropolitano de Lisboa, which was the subject of SET Order no. 461/19-SET, its activity was reassessed, and a new proposal was presented in September 2019 for the immediate integration of Ferconsult's workers into ML, which happened at the end of 2020, with the company remaining only as an instrumental vehicle that forms an integral part of the ACE (Complementary Grouping of Companies) of TREM - Leasing of Rolling Stock.

Table 23 - Ferconsult - Activity Indicators

ACTIVITY INDICATORS	Un.	2023	2022	Var. 2023/2022	
				Abs	%
Commercial Activity					
Turnover (National Market)	m€	0,0	0,0	-	-
Turnover (International Market)	m€	0,0	0,0	-	-
Production indicators					
Hours worked (National Market)	%	0,0	0,0		-0.0 p.p.
Hours worked (International Market)	%	0,0	0,0		-0.0 p.p.
HR INDICATORS					
Employment Volume (RCM no. 16/2012) [1]	Un.	0	0	-	-
Average number of employees	Un.	0	0	-	-
Wage bill	m€	0,0	0,0	-	-
SHAREHOLDER STRUCTURE					
Total Share Capital	m€	5 295,3	5 295,3	-	-
Share Capital Held by METRO	%	100	100		-0.0 p.p.
ASSET SITUATION					
Non-current Assets	m€	117,8	0,0	117,8	-
Current Assets	m€	432,6	411,3	21,3	5,2
Total Assets	**m€**	**550,4**	**411,3**	139,1	33,8
Equity	m€	(1 124,1)	(1 253,1)	129,0	(10,3)
Liabilities	m€	1 674,5	1 664,4	10,1	0,6
Total Equity and Liabilities	m€	**550,4**	**411,3**	139,1	33,8
STRUCTURE INDICATORS					
Financial Autonomy %	%	(204,2)	(304,7)	-	100,5 p.p.
Solvency %	%	(67,1)	(75,3)	-	8,2 p.p.
FINANCIAL INDICATORS					
Turnover	m€	0,0	0,0	-	-
EBITDA *(adjusted)*	m€	(19,4)	27,6	(47,0)	(170,3)
EBITDA margin *(adjusted)*	%	-	-	-	-
Operating Revenues *(adjusted)* [2]	m€	6,0	43,1	(37,1)	(86,1)
Operating Expenses *(adjusted)* [2]	m€	25,4	92,8	(67,4)	(72,6)
Operating Expenses Coverage Ratio *(adjusted)*	%	23,62	46,48	-	(22.9) p.p.

[1] *According to point no. 6 of RCM no. 16/2012, work placed outside national territory and service providers with actual work of more than 3 months are considered.*

[2] *Operating Revenues and Expenses adjusted for provisions, impairments and gains/losses of subsidiaries.*

Table 24 - Ferconsult's EBITDA and Operating Result

Unit €

ITEMS	2023	2022	2023/2022	
			Abs.	%
Provision of Services	0	0	0	-
Gains Attributed to Subsidiaries, Associates, and Joint Ventures	512	0	512	-
Impairment of receivables (reversals)	170.532	0	170.532	-
Provisions (reductions)	0	0	0	-
Other Income	6.000	43.979	-37.979	-86,4%
Total Operating Income [1]	**177.044**	**43.979**	**133.064**	**302,6%**
Supplies and External Services	10.188	9.451	737	7,8%
Losses Attributed to Subsidiaries, Associates, and Joint Ventures	0	1.152	-1.152	-100,0%
Personnel expenses	0	0	0	-
Impairment of receivables (losses)	0	0	0	-
Provisions (increases)	22.616	241.675	-219.059	-90,6%
Other expenses	15.230	4.007	11.223	280,1%
Operating Expenses (excluding depreciation and amortization) [2]	**48.034**	**256.284**	**-208.251**	**-81,3%**
EBITDA [3] = [1] - [2]	**129.010**	**-212.305**	**341.315**	**-160,8%**
Depreciation and amortization expenses / reversals **[4]**	0	0	0	-
Total Operating Expenses [5] = [2] + [4]	**48.034**	**256.284**	**-208.251**	**-81,3%**
	129.010	**-212.305**	**341.315**	**-160,8%**

TREM, A.C.E.

TREM – Aluguer de Material Circulante, ACE (TREM) was set up on March 2, 2000, with the main purpose of acquiring and leasing railway equipment that may be necessary or related to the main purpose.

The contractual relationships established in 2000 by TREM, namely the carriage leasing contract signed with Metropolitano de Lisboa, E.P.E. and the financing contract signed with Caixa Geral de Depósitos, S.A. (CGD), Banco Santander Totta, S. A. (BST) and Banco Santander Negócios Portugal, S.A. (BSNP) – which in May 2010 was merged into BST, with BST assuming all the assets and liabilities of BSNP as the merged company – were maintained without any change.

In 2014, the CGD and BST entities were exonerated, without any payment or reimbursement of the respective contributions to ACE, under the terms of paragraphs 3 and 4 of article 8 of the respective statutes, so the allocated capital remains unchanged.

As of December 29, 2014, the Grouping has the following composition and structure:

1) Metropolitano de Lisboa, E.P.E. with a 90% stake in the capital
2) Ferconsult – Consultoria, Estudos e Projetos de Engenharia de Transportes, S.A. with a 10% contribution.

Table 25 – TREM Asset situation at December 31st

Unit: €

Asset situation	2023	2022	Var. 2023/2022	
			V. Abs.	%
Total Assets	**38.758**	**45.996**	**(7.238)**	**-15,74%**
Equity	(49.693.503)	(49.688.204)	(5.298)	0,01%
Liabilities	49.732.260	49.734.200	(1.940)	0,00%
Total Equity and Liabilities	**38.758**	**45.996**	**(7.238)**	**-15,74%**
Net Income	(5.298)	(3.212)	(2.086)	64,94%

TREM II, A.C.E.

TREM II – Aluguer de Material Circulante, ACE (TREM II) was set up on September 21, 2001, with the main purpose of acquiring and leasing railway equipment that may be necessary or related to the main purpose.

The contractual relationships established between 2001 and 2002 by TREM II, namely the carriage leasing contracts signed with Metropolitano de Lisboa, EPE and the financing contracts signed with Caixa Geral de Depósitos, SA (CGD), Caixa – Banco de Investment, SA (CaixaBI) and Crédito Predial Português, SA, which in December 2004 changed its name to Banco Santander Totta, SA, were maintained without any changes.

In 2015, the CGD and BST entities were exonerated, without any payment or reimbursement of the respective contributions to ACE, under the terms of paragraphs 3 and 4 of article 8 of the respective statutes, so the allocated capital remains unchanged.

As of December 29, 2015, the Grouping has the following composition and structure:

1) Metropolitano de Lisboa, E.P.E. with a 90% stake in the capital
2) Ferconsult – Consultoria, Estudos e Projetos de Engenharia de Transportes, S.A. with a 10% contribution.

Table 26 – TREM II Asset position at December 31st

Unit: €

Asset situation	2023	2022	Var. 2023/2022	
			V. Abs.	%
Total Assets	**56.673**	**67.841**	**(11.168)**	**-16,46%**
Equity	(105.232.835)	(105.226.936)	(5.898)	0,01%
Liabilities	105.289.508	105.294.777	(5.269)	-0,01%
Total Equity and Liabilities	**56.673**	**67.841**	**(11.168)**	**-16,46%**
Net Profit	(5.898)	2.040.092	2.034.194	-100,29%

Ensitrans

Ensitrans, A.E.I.E (European Economic Interest Grouping) is 45% owned by Ferconsult, S.A. and 5% by Metropolitano de Lisboa, E.P.E., with the other subsidiaries being Metro de Barcelona and SENER (an engineering consultancy and project company). Although it no longer has any assets projects, Ensitrans cannot dissolve the company because it still has money to receive from contracts signed with EMA - *Entreprise du Métro d'Alger* (although most of the money owed to Ensitrans by EMA belongs to Ferconsult for work it has carried out).

VI. PERFORMANCE

Financial capital

Fare and Ancillary Revenues

Some of the factors influencing fare revenues in 2023 stand out, namely:

- Fare increase, on January 1, 2023, for some Occasional Tickets (Zapping, Bank Card, BoD/ML 24 Hour Ticket, BoD/ML/TT 24 Hour Ticket and BoD/ML/CP 24 Hour Ticket);
- Introduction of EMV technology in the access channels on June 28, which allows Metropolitano customers to travel by simply bringing a contactless debit or credit card, smartphone or smartwatch. The price of the trip is €1.65;
- World Youth Day will be held in Lisbon from August 1 to 6, 2023. For this event, special daily tickets were created for 4, 8, 9 and 16 days, covering transport in the Lisbon Metropolitan Area. Following the distribution among the various operators, Metropolitano's revenue amounted to 2.95 million euros;
- An increase of 13.7% in the number of occasional tickets sold and 16.9% in the number of passes sold on the Metropolitano de Lisboa sales network compared to the previous year. Compared to 2019, there was a 6.6% decrease in the quantities of occasional tickets sold and a 4.6% increase in the quantities of occasional tickets and passes sold.

As a result, income from Occasional Tickets and Passes for 2023 showed the following changes, taking into account that the income from the WYD was taken into account under Co-payments:

- Compared to 2022, there was a 19.5% increase in revenue from Occasional Tickets and Passes. Considering the 4-18/Sub23, Social+, Former Combatants, Lisbon Gratuity and WYD, the increase in total revenue was 21.0%;

- Compared to the revenue recorded in the PAO, there was an increase of 27.5% in Occasional Tickets and Passes. Considering the total revenue, with the aforementioned co-payments, the increase was 26.8%;

In order to offset the decrease in revenue due to the fare change that took place in April 2019 (Regulation no. 278-A/2019), AML secured funds by way of payment on account. In 2023, Metropolitano de Lisboa was allocated 4.9 million euros in PART (AML) payments on account.

After taking into account the figures for the PART Payments on Account, the variation in revenue in 2023 compared to 2022, the year in which there were still payments on account as part of the pandemic, was 11.3%.

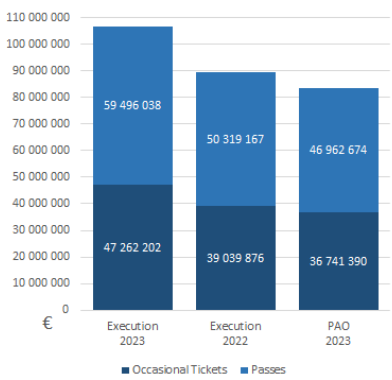
Table 27 – Revenue from transport tickets

Un: €

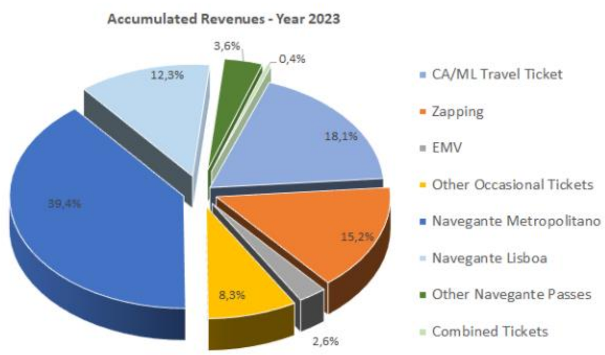
Revenue from transport tickets (excluding VAT)	Execution 2023	Execution 2022	PAO 2023	Var. 2023/2022 Abs.	Var. 2023/2022 %	PAO deviation Abs.	PAO deviation %
Occasional titles	**47 262 202**	**39 039 876**	**36 741 390**	**8 222 327**	**21,1**	**10 520 812**	**28,6**
Carris │ Metro ticket	19 354 303	18 049 132	17 203 875	1 305 170	7,2	2 150 427	12,5
Zapping	16 264 007	14 247 219	13 368 190	2 016 788	14,2	2 895 817	21,7
EMV	2 800 342	0	0	2 800 342	-	2 800 342	-
Carris/Metro 24 Hour Ticket	5 215 548	4 140 148	3 881 440	1 075 400	26,0	1 334 108	34,4
Carris/Metro/TT 24 Hour Ticket	200 879	154 038	146 847	46 841	30,4	54 032	36,8
Carris/Metro/CP 24 Hour Ticket	604 074	465 340	394 944	138 734	29,8	209 130	53,0
Others	2 823 050	1 983 999	1 746 095	839 051	42,3	1 076 955	61,7
Passes	**59 496 038**	**50 319 167**	**46 962 674**	**9 176 871**	**18,2**	**12 533 364**	**26,7**
Navegante Metropolitano	42 081 460	34 290 938	31 065 891	7 790 522	22,7	11 015 569	35,5
Navegante Lisboa	13 155 316	11 945 656	11 926 384	1 209 661	10,1	1 228 932	10,3
Navegante Amadora	15 826	12 176	9 574	3 649	30,0	6 252	65,3
Navegante Odivelas	31 331	24 747	30 576	6 583	26,6	754	2,5
Navegante Metropolitano Família	1 414 569	868 151	673 285	546 418	62,9	741 284	110,1
Navegante Municipal Família	148 487	187 472	190 471	(38 985)	(20,8)	(41 984)	(22,0)
Navegante +65	1 883 281	1 683 252	1 486 686	200 028	11,9	396 594	26,7
Navegante Metropolitano Comb -65	14 288	10 783	9 679	3 505	32,5	4 608	47,6
Navegante Urbano	107 698	112 097	59 160	(4 399)	(3,9)	48 538	82,0
Navegante Rede	171 828	780 511	1 090 132	(608 682)	(78,0)	(918 304)	(84,2)
L/Operators – Others	5 490	7 365	8 705	(1 876)	(25,5)	(3 215)	(36,9)
Combined Tickets	351 419	287 945	287 049	63 474	22,0	64 370	22,4
Carris │ Metro ticket	115 046	108 073	125 081	6 974	6,5	(10 035)	(8,0)
Total revenue	**106 758 241**	**89 359 042**	**83 704 064**	**17 399 198**	**19,5**	**23 054 176**	**27,5**
4-18/Sub23 Subsidies	2 593 454	2 593 454	2 209 322	0	0,0	384 132	17,4
Social+ Subsidies	912 091	912 091	912 091	0	0,0	0	0,0
Veterans	1 686 569	1 295 642	772 981	390 927	30,2	913 588	118,2
CML Free Passes	5 636 839	1 646 494	4 598 407	3 990 345	242,4	1 038 432	22,6
Advance Payments (AML)	4 867 366	7 848 238	6 671 068	(2 980 872)	(38,0)	(1 803 702)	(27,0)
World Youth Day [1]	2 954 402	0	0	2 954 402	-	2 954 402	-
Total Subsidies	**18 650 721**	**14 295 918**	**15 163 869**	**4 354 803**	**30,5**	**3 486 852**	**23,0**
Total revenue with subsidies	**125 408 961**	**103 654 960**	**98 867 934**	**21 754 001**	**21,0**	**26 541 028**	**26,8**
Payments on account (COVID)	0	9 050 009	7 149 749	(9 050 009)	(100,0)	(7 149 749)	(100,0)
Total	**125 408 961**	**112 704 969**	**106 017 682**	**12 703 992**	**11,3**	**19 391 279**	**18,3**

[1] In compliance with Order no. 294/2023-SET, of July 13, of the Secretary of State for the Treasury

Graph 6 – Ticket revenue



Graph 7 – Details of ticket revenue



Regarding supplementary revenue, 2023 saw an increase of 4.1% compared to 2022.

In terms of complementary fare revenue, those obtained from Viva Viagem cards stand out, with an increase in revenue of 254.8 thousand euros compared to 2022.

In terms of complementary non-fare revenue, there was a significant increase (116.2%) in filming revenue compared to the previous year. Regarding sub-concessions, there was a negative variation at Metrocom (-1.3%) and a positive variation at Publimetro (5.2%) compared to 2022.

Table 28 – Complementary Revenues

Un: €

Complementary Revenues (excluding VAT)	Execution 2023	Executio n 2022	PAO 2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Complementary Fare Revenues	**3 850 055**	**3 614 422**	**1 629 904**	**235 632**	**6,5**	**2 220 151**	**136,2**
Urgency fee	**477 250**	**517 065**	**287 983**	**(39 815)**	**(7,7)**	**189 267**	**65,7**
Viva Viagem Cards	**2 867 561**	**2 612 777**	**1 010 292**	**254 784**	**9,8**	**1 857 269**	**183,8**
Personalization Fee	**347 079**	**342 553**	**272 925**	**4 527**	**1,3**	**74 154**	**27,2**
Commissions	**156 944**	**142 028**	**58 459**	**14 916**	**10,5**	**98 485**	**168,5**
– BoD/ML ticket sales commission	75 618	70 304	33 618	5 314	7,6	42 000	124,9
– Zapping sales commission	81 312	71 527	24 841	9 785	13,7	56 471	227,3
– Ticket Sales Commission (non-ML quota titles)	14	197	0	(183)	(92,9)	14	-
Other Fare Complementary Revenues	**1 220**	**0**	**244**	**1 220**	**-**	**976**	**400,2**
Non-Fare Complementary Revenues	**3 968 472**	**3 899 355**	**3 741 181**	**69 118**	**1,8**	**227 291**	**6,1**
Property	**376 239**	**426 571**	**394 362**	**(50 332)**	**(11,8)**	**(18 124)**	**(4,6)**
Space Rentals	85 421	78 820	48 000	6 601	8,4	37 421	78,0
Optical Fibre and Telecommunications Rentals	290 818	347 751	346 362	(56 933)	(16,4)	(55 545)	(16,0)
Fleet – Stations – Miscellaneous means	**149 428**	**80 661**	**57 840**	**68 768**	**85,3**	**91 588**	**158,3**
Filming	134 450	62 200	28 200	72 250	116,2	106 250	376,8
Miscellaneous (Ads, Merchandising/Publications, Royalties)	2 728	6 211	10 140	(3 482)	(56,1)	(7 412)	(73,1)
Special Service	12 250	12 250	19 500		0,0	(7 250)	(37,2)
Other revenues	**67 593**	**70 314**	**95 634**	**(2 720)**	**(3,9)**	**(28 041)**	**(29,3)**
Sub-concessions	**3 375 212**	**3 321 810**	**3 193 345**	**53 403**	**1,6**	**181 867**	**5,7**
Metrocom	1 828 458	1 851 923	2 069 541	(23 465)	(1,3)	(241 083)	(11,6)
Publimetro – MOP	1 546 754	1 469 887	1 123 804	76 867	5,2	422 950	37,6
Total Complementary Revenues	**7 818 527**	**7 513 777**	**5 371 085**	**304 750**	**4,1**	**2 447 442**	**45,6**

Results

In 2023, ML shows a positive variation in Turnover of 22.0 million euros and a positive deviation of 27.0 million euros, due to the increase in Demand, as detailed in chapter **V BUSINESS MODEL**, point **5. Demand**.

Operating Revenues amounted to 137.8 million euros, a decrease of around 9.0 million euros compared to the same period last year, although there was a positive deviation of 24.4 million euros compared to what was presented in the 2023-2025 PAO. Details are given in **Operating Revenues**, page 46.

Operating Expenses amounted to 168.5 million euros, an increase of 12.9 million euros compared to the same period last year and 6.7 million euros compared to the PAO. Details are given in **Operating Expenses,** page 46.

The Financial Result stood at 1.1 million euros, with a positive variation of 19.1 million euros and a positive deviation of 255 thousand euros. Details are given in **Financial Results**, page 49.

The Net Profit recorded on December 31, 2023 was a negative 24.0 million euros, showing a negative evolution of 2.9 million euros compared to the same period of the previous year, but less negative than the PAO forecast of 18.0 million euros.

Contributing to this result were the main variations:

- Increase in Turnover: +22.0 million euros;
- Decrease in operating subsidies: -10.1 million euros;
- Imputed losses of subsidiaries, associates and joint ventures: -1.8 million euros;
- Increase in Personnel expenses: +12.5 million euros
- Fair Value: -17.7 million euros.

Table 29 – Results – Individual accounts

Results (values in millions of euros)	Execution 2023	Execution 2022	PAO 2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Turnover	133,25	111,20	106,26	22,04	19,82	26,99	25,40
*Public Service Income**	*125,41*	*103,66*	*98,87*	*21,75*	*20,99*	*26,54*	*26,84*
Non-fare revenues	*7,84*	*7,55*	*7,39*	*0,29*	*3,84*	*0,45*	*6,12*
Operating subsidies	0,54	10,64	7,15	(10,10)	(94,97)	(6,61)	(92,51)
Other income	11,02	31,30	7,80	(20,28)	(64,79)	3,23	41,37
Cost of Goods Sold and Materials Consumed	(2,86)	(2,70)	(4,32)	(0,16)	(6,00)	1,46	33,72
Supplies and External Services	(38,00)	(37,32)	(51,77)	(0,68)	(1,84)	13,77	26,59
Personnel expenses	(99,29)	(86,76)	(91,09)	(12,52)	(14,44)	(8,20)	(9,00)
Other expenses	(14,47)	(14,09)	(1,44)	(0,38)	(2,68)	(13,03)	(905,81)
EBITDA	**(9,82)**	**12,27**	**(27,42)**	**(22,09)**	**(180,02)**	**17,60**	**64,19**
**Corrected EBITDA ** **	**(5,86)**	**(5,33)**	**(34,01)**	**(0,54)**	**(10,12)**	**28,14**	**82,76**
Total Operating Revenues	145,61	154,66	121,20	(9,05)	(5,85)	24,41	20,14
Total Operating Expenses	168,53	155,62	161,83	12,91	8,29	6,70	4,14
Operating Result	(22,92)	(0,97)	(40,63)	(21,96)	**(2 273,30)**	17,71	**43,59**
Financial Results	(1,06)	(20,15)	(1,32)	19,09	**94,74**	0,25	**19,38**
Result before tax	(23,98)	(21,12)	(41,95)	(2,86)	**(13,56)**	17,97	**42,83**
Net Result	(24,00)	(21,14)	(41,95)	(2,86)	**(13,55)**	17,95	**42,79**

* Includes revenue from ticket sales, passes and fare compensation.

** Adjusted EBITDA (excluding Equity/Subsidiaries, TPE, Impairments, Provisions, Fair Value, Investment subsidies and other non-cash items).

In 2023, the Metropolitano de Lisboa group of companies recorded an increase in turnover of 19.7% (+22.0 million euros) compared to 2022, because of increased demand.

The ML group's EBITDA (adjusted) fell by 2.7 million euros compared to 2022. Operating Result stood at -22.9 million euros. The deterioration in results was due to the decrease in operating subsidies, the decrease in other income, the increase in personnel expenses, Supplies and External Services, other expenses and the decrease in fair value.

Table 30 – Results – Consolidated and individual accounts of the Metro Group of Companies – 2023

Results (values in thousands of euros)	Consolidated Accounts	Individual Accounts				
		ML	Ferconsult	Metrocom	TRAIN	TRAIN II
Turnover	133 966,19	133 248,69	-	2 552,21	-	-
EBITDA	**848,12**	**(9 817,97)**	**129,01**	**207,86**	**(5,30)**	**(5,90)**
Adjusted EBITDA *	**(5 484,24)**	-	**(19,40)**	**207,86**	**(5,30)**	**(5,90)**
Operating Revenues	146 426,88	145 609,81	177,04	2 658,87	-	-
Operating Expenses	(169 312,13)	(168 530,62)	(48,03)	(2 511,30)	(5,30)	(5,90)
Operating Result	(22 885,25)	(22 920,81)	129,01	147,57	(5,30)	(5,90)
Net Result	(24 002,04)	(23 999,58)	129,01	115,24	(5,30)	(5,90)

* Excludes equity/subsidiary effects, TPE, impairments, provisions, fair value increases/decreases, exchange differences and Investment subsidies.

Table 31 – Results – Consolidated accounts

Results (values in millions of euros)	Consolidated Accounts		Variation 2023/2022	
	2023	2022	Abs.	%
Turnover	133,97	111,95	22,02	19,67
EBITDA	**0,85**	**22,99**	**(22,14)**	**(96,31)**
Adjusted EBITDA *	**(5,48)**	**(2,79)**	**(2,70)**	**(96,90)**
Operating Revenues	146,43	155,58	(9,15)	(5,88)
Operating Expenses	(169,31)	(156,48)	(12,83)	(8,20)
Operating Result	(22,89)	(0,91)	(21,98)	(2 428,74)
Net Result	(24,00)	(21,14)	(2,86)	(13,55)

* Excludes equity/subsidiary effects, TPE, impairments, provisions, fair value increases/decreases, exchange differences and Investment subsidies.

Adjusted 2022EBITDA: Restated figures

Operating Revenues

In 2023, Turnover was 133.3 million euros, representing a positive variation of 22.0 million euros and a positive deviation of 25.4 million euros, with Fare Revenue contributing 17.4 million euros (of which 8.2 million euros in Occasional Bonds and 9.2 million euros in Passes), and Fare Compensation contributing 4.4 million euros, compared to 2022.

Non-fare revenues showed a slight increase of 289 thousand euros, with the most significant growth in Card sales (+215 thousand euros) and Advertising (+23 thousand euros).

Operating subsidies fell by 10.1 million euros. In 2022, 9.1 million euros were received from PART COVID, while in 2023 the operating subsidies, amounting to 535,000 euros, refer essentially to RRP and the Environmental Fund.

With regard to Other Income, the variation was negative, amounting to 31.1 million euros, with a particular focus on the Fair Value of financial instruments, which fell by 17.7 million euros, registering 1.3 million euros (compared to 19.0 million euros in 2022) and the Exchange Rate Differences associated with the Wells Fargo and Wilmington Trust collateral, which in 2022 registered 3.2 million euros, but in 2023 the Exchange Rate Difference was unfavourable by 1.9 million euros. On a positive note, ML recorded an increase of 723,000 euros in Compensation for damage caused, with the largest amount relating to compensation from an insurance company due for a composite claim in 2014.

Table 32 – Operating Revenues – Individual Accounts

Operating Revenues (values in millions of euros)	Execution 2023	Execution 2022	PAO 2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Sales of Passes and Tickets	106,76	89,36	83,70	17,40	19,47	23,05	27,54
4_18/Sub_23/Social+ Compensation and PART Compensation (AML)	18,65	14,30	15,16	4,35	30,46	3,49	22,99
Public Service Revenue	**125,41**	**103,66**	**98,87**	**21,75**	**20,99**	**26,54**	**26,84**
Non-fare revenues	7,84	7,55	7,39	0,29	3,84	0,45	6,12
Turnover	**133,25**	**111,20**	**106,26**	**22,04**	**19,82**	**26,99**	**25,40**
Operating subsidies	0,54	10,64	7,15	(10,10)	(94,97)	(6,61)	(92,51)
Work for the Company's Own Use	6,42	6,12	5,93	0,30	4,90	0,50	8,38
Fair Value (increases)	1,34	19,02	0,00	(17,68)	(92,98)	1,34	-
Other income	3,26	6,16	1,87	(2,89)	(47,02)	1,39	74,50
Impairment of depreciable/amortizable Investments (reversals)	0,80	1,51	0,00	(0,71)	(46,86)	0,80	-
Other income	**12,36**	**43,45**	**14,95**	**(31,09)**	**(71,55)**	**(2,59)**	**(17,30)**
Total Operating Revenues	**145,61**	**154,66**	**121,20**	**(9,05)**	**(5,85)**	**24,41**	**20,14**

Table 33 – Operating Revenues – Consolidated Accounts

Operating Revenues (values in millions of euros)	Consolidated Accounts 2023/2022		Variation	
	2023	2022	Abs.	%
Sales and Services Rendered	133,97	111,95	22,02	19,67
Operating subsidies	0,54	10,64	(10,10)	(94,97)
Gains from Subsidiaries, Associates, and Joint Ventures	-	0,04	(0,04)	(100,00)
Work for the Entity's Own Use	6,42	6,12	0,30	4,90
Fair Value Increases	1,34	19,02	(17,68)	(92,98)
Other income	3,36	6,30	(2,93)	(46,60)
Impairment of depreciable/amortizable Investments (reversals)	0,80	1,51	(0,71)	(46,86)
Total Operating Revenues	**146,43**	**155,58**	**(9,15)**	**(5,88)**

Operating Expenses

Operating Expenses totalled 168.5 million euros, an increase of 12.9 million euros compared to 2022 and 6.7 million euros compared to the PAO.

Losses allocated to subsidiaries increased by 1.7 million euros, essentially due to the application of the equity method to the subsidiaries TREM and TREMII.

Supplies and External Services increased by 685 thousand euros, despite the decrease of 2.1 million euros related to the end of the TREM II-2 operating lease in 2022, and a decrease of 964 thousand euros in Specialized Works.

There were more significant increases in expenses under Advertising (+136 thousand euros), Surveillance and Security (+880 thousand euros), Conservation and Repairs (+732 thousand euros), Other Interest - Expenses and Commissions (+163 thousand euros), Energy (+742 thousand euros), Insurance (+175 thousand euros) and Cleaning Services (+804 thousand euros).

In Personnel Expenses, the increase of 12.5 million euros compared to the same period in the previous year and the deviation of 8.2 million euros, is essentially the result of salary dynamics and the hiring of new employees, as detailed in ***III. CONTEXT ANALYSIS, 2. Internal Analysis, Human Resources*** and, below, in ***Personnel expenses***.

Other Expenses increased by 1.3 million euros compared to 2022 and showed a deviation of 2.5 million euros compared to the PAO. The increase is essentially due to unfavourable exchange rate differences on the collateral relating to Wells Fargo and Wilmington Trust (unfavourable exchange rate difference of 1.9 million euros).

Expenditure on COVID-19 amounted to 49,000 euros and concerned Supplies and External Services, namely cleaning services.

Table 34 - Operating Expenses - Individual Accounts

Operating Expenses (values in millions of euros)	Execution 2023	Execution 2022	PAO 2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Losses Attributed to Subsidiaries	10,16	8,41	-	1,75	20,75	10,16	-
Cost of Goods Sold and Materials Consumed	2,86	2,70	4,32	0,16	6,00	(1,46)	(33,72)
Supplies and External Services	38,00	37,32	51,77	0,68	1,84	(13,77)	(26,59)
Personnel Expenses	99,29	86,76	91,09	12,52	14,44	8,20	9,00
Impairment of Receivables (Losses)	0,23	0,49	-	(0,26)	(52,57)	0,23	-
Provisions (Increases)	0,55	1,92	-	(1,37)	(71,25)	0,55	-
Impairment of Non-Depreciable/Non-Amortizable Investments (Losses)	-	1,00	-	(1,00)	(100,00)	-	-
Fair Value (Reduction)	-	-	0,44	-	-	(0,44)	(100,00)
Other Expenses	3,53	2,27	1,00	1,26	55,50	2,53	253,96
Depreciation and Amortization Expenses	13,91	14,75	13,22	(0,84)	(5,70)	0,69	5,22
Total Operating Expenses	168,53	155,62	161,83	12,91	8,29	6,70	4,14

Table 35 - Operating Expenses (COVID-19) - Individual Accounts

Operating Expenses (COVID-19) (values in euros)	Execution 2023	Execution 2022	PAO 2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Cost of goods sold and materials consumed	-	6.872,4	-	(6.872,4)	(100,0)	-	-
Supplies and External Services	48.902,5	375.843,5	446.282,9	(326.941,1)	(87,0)	(397.380,4)	(89,0)
Personnel expenses	-	58.269,3	-	(58.269,3)	(100,0)	-	-
Other expenses	-	117,4	-	(117,4)	(100,0)	-	-
Total	48.902,5	441.102,6	446.282,9	(392.200,2)	(88,9)	(397.380,4)	(89,0)

Table 36 - Additional Operating Expenses Due to World Youth Day

Unit: €

Measures	Purchase of goods and services[1]
Adaptations to PMOII	8 318
Adding Support and Information to the network	22 246
Increased energy consumption[2]	100 822
Service adjustment	1 726
Increased Maintenance	14 001
Increased Security	101 416
Increased cleaning	16 527
Total	**265 056**

[1] Expenses related to the measures taken to ensure supply within the scope of the WYD, and in compliance with Order no. 294/2023-SET, of July 13, of the Secretary of State for the Treasury

[2] Increase compared to the reference period, July 15th to 23rd

Table 37 - Operating expenses - Consolidated accounts

Operating Expenses (values in millions of euros)	Consolidated Accounts		Variation 2023/2022	
	2023	2022	Abs.	%
Losses Attributed to Subsidiaries, Associates, and Joint Ventures	(0,02)	-	(0,02)	-
Cost of Goods Sold and Materials Consumed	(2,86)	(2,70)	(0,16)	(6,00)
Supplies and External Services	(38,15)	(35,39)	(2,76)	(7,80)
Personnel Expenses	(99,53)	(87,00)	(12,54)	(14,41)
Impairment of Inventories (Losses)			-	-
Impairment of Receivables (Losses)	(0,06)	(0,52)	0,46	88,17
Provisions (Increases)	(0,58)	(2,17)	1,59	73,42
Impairment of Non-Depreciable/Non-Amortizable Investments (Losses)	-	(1,00)	1,00	100,00
Fair Value Reductions	-	-	-	-
Other Expenses	(3,57)	(2,30)	(1,27)	(55,10)
Depreciation and Amortization Expenses	(24,54)	(25,41)	0,87	3,43
Impairment of Depreciable/Amortizable Investments (Losses)	-	-	-	-
Total Operating Expenses	**(169,31)**	**(156,48)**	**(12,83)**	**(8,20)**

EBITDA

Table 38 - Adjusted EBITDA - Individual accounts

Adjusted EBITDA - Individual Accounts (million euros)	Execution 2023	Execution 2022	PAO 2023	Variation 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
EBITDA DRN (amounts in millions of euros)	**(9,8)**	**12,3**	**(27,4)**	**(22,1)**	**(180,0)**	**17,6**	**64,2**
Equity Method / Subsidiaries	(10,16)	(8,41)	-	(1,75)	(20,75)	(10,16)	-
Work for the Entity's Own Use	6,42	6,12	5,93	0,30	4,90	0,50	8,38
Impairment of Receivables (Losses/Reversals)	(0,23)	(0,49)	-	0,26	52,57	(0,23)	-
Provisions (Increases/Reductions)	(0,55)	(1,92)	-	1,37	71,25	(0,55)	-
Impairment of Non-Depreciable/Non-Amortizable Investments (Losses/Reversals)	-	(1,00)	-	1,00	100,00	-	-
Fair Value Increases/Reductions	1,34	19,02	(0,44)	(17,68)	(92,98)	1,78	402,48
Investment Subsidies	1,11	1,11	1,11	-	-	0,00	0,00
Gains on Inventories	0,10	0,14	-	(0,05)	(31,87)	0,10	-
Losses on Inventories	(0,10)	(0,20)	-	0,10	49,08	(0,10)	-
Exchange Rate Differences (Favorable)	0,00	3,23	-	(3,23)	(99,99)	0,00	-
Exchange Rate Differences (Unfavorable)	(1,88)	(0,00)	(0,00)	(1,87)	(41 740,36)	(1,87)	(44 577,64)
Adjusted EBITDA	**(5,86)**	**(5,33)**	**(34,01)**	**(0,54)**	**(10,12)**	**28,14**	**82,76**

Table 39 - Adjusted EBITDA - Consolidated accounts

Adjusted EBITDA - Consolidated (values in millions of euros)	Accounts consolidated		Variation 2023/2022	
	2023	2022	Abs.	%
EBITDA DRN - Consolidated	**0,85**	**22,99**	**(22,14)**	**(96,31)**
Equity Method / Subsidiaries	(0,02)	0,04	(0,06)	(155,74)
Work for the Entity's Own Use	6,42	6,12	0,30	4,90
Impairment of Receivables (Losses/Reversals)	(0,06)	(0,52)	0,46	88,17
Provisions (Increases/Reductions)	(0,58)	(2,17)	1,59	73,42
Impairment of Non-Depreciable/Non-Amortizable Investments (Losses/Reversals)	-	(1,00)	1,00	100,00
Fair Value Increases/Reductions	1,34	19,02	(17,68)	(92,98)
Investment Subsidies	1,11	1,11	-	-
Gains on Inventories	0,10	0,14	(0,05)	(31,87)
Losses on Inventories	(0,10)	(0,20)	0,10	49,08
Exchange Rate Differences (Favourable)	0,00	3,23	(3,23)	(99,99)
Exchange Rate Differences (Unfavourable)	(1,88)	(0,00)	(1,87)	(41 740,71)
Adjusted EBITDA - Consolidated	**(5,48)**	**(2,79)**	**(2,70)**	**(96,90)**

2022 figures restated

Personnel expenses

Personnel expenses amounted to 99.3 million euros, showing a deterioration both in the variation of 12.5 million euros compared to 2022 and in the deviation of 8.2 million euros from what was forecast in the PAO.

The deviation is due to:

- Effect of the agreement to improve income not provided for in the PAO (Orders of 15-12-2022 and 12-5-2023, SET and SEF): 2.26 million euros;
- Effect of WYD not foreseen in the PAO (Order 294/2023 SET): 1.2 million euros;
- Absenteeism effect, not budgeted: 1.34 million euros;
- Effect of pension liabilities, not budgeted: 2.76 million euros;
- Other effects not foreseen in the PAO: 1.17 million euros, essentially due to changes in the cost of work accident and health insurance;
- Mandatory salary increases: 161 thousand euros;
- Effect of not hiring all the workers foreseen in the PAO: -702 thousand euros.

Salaries total 68.3 million euros, producing a variation of 6.2 million euros and a deviation of 3.5 million euros. This increase stems from salary dynamics and the effect of new hires (full year for those hired in 2022 and partial year for those hired in 2023).

Pension Liabilities (Pension Plan) also rose sharply, showing a variation of 3.9 million euros, as well as a deviation of 2.8 million euros.

Other expenses, which include items such as charges on salaries, social action expenses, insurance and others, also increased, with a variation of 2.4 million euros and a deviation of 1.9 million euros.

Table 40 - Personnel expenses - Individual accounts

Personnel expenses (values in millions of euros)	Execution 2023	Execution 2022	PAO 2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Remuneration	68,31	62,06	64,79	6,24	10,06	3,52	5,43
Pension supplement	12,59	11,92	10,23	0,67	5,65	2,36	23,11
Pension Liabilities	10,60	6,74	7,83	3,87	57,38	2,77	35,33
Cancellation of pension supplements	(12,60)	(11,92)	(10,23)	(0,68)	(5,68)	(2,37)	(23,16)
Other expenses	20,38	17,96	18,46	2,42	13,48	1,92	10,40
TOTAL	**99,29**	**86,76**	**91,09**	**12,52**	**14,44**	**8,20**	**9,00**

Table 41 - Additional personnel expenses resulting from WYD

Personnel Expenses - World Youth Day (WYD) Unit: €	Salaries	Charges	Total
Staff - Salaries	6 480	1 623	8 102
Supplement for Overtime Work	293 965	73 610	367 575
Supplement for Night Work Allowance	11 664	2 921	14 585
Supplement for Transport Allowance	3 221	806	4 027
Supplement for Meal Allowance	6 262	114	6 375
Supplement for Special Events	518 433	0	518 433
Supplement for Worked Holidays	221 198	55 389	276 587
Total	**1 061 222**	**134 462**	**1 195 684**

Expenses related to the measures taken for maximum availability of human resources, in compliance with Order no. 294/2023-SET, of July 13, of the Secretary of State for the Treasury

Financial Results

Financial results totalled 1.06 million euros, showing a favourable variation of 19.1 million euros compared to 2022, due to the maturity of the financial derivative underlying the TREM II-2 operating lease.

Table 42 - Financial results - Individual accounts

Financial results (values in thousands of euros)	Execution 2023	Execution 2022	PAO 2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Interest paid on bank loans/DGTF	1,06	1,14	1,32	(0,08)	(7,31)	(0,25)	(19,38)
Interest payable	-	19,01	-	(19,01)	(100,00)	-	-
Financial operating expenses	**1,06**	**20,15**	**1,32**	**(19,09)**	**(94,74)**	**(0,25)**	**(19,38)**

Financial Flows

In 2023, operating activities generated a positive cash flow of €8.2 million, providing funds for investment activities.

Receipts (Total: €154.9 million):

- Customers (fares): €32.2 million
- Ancillary activities: €5.4 million
- AML Receipts (veterans, CML free passes, PART): €11.1 million
- Fare subsidies: €4.0 million
- Taxes: €2.3 million

Payments (Total: €146.8 million):

- Suppliers: €51.4 million
- Personnel (salaries and related): €95.2 million
- Other payments: €0.2 million.

Investment activities also generated a positive cash flow of €444,000.

Receipts (Total: €96.1 million):

- State Investment Subsidies: €0.8 million
- Environmental Fund: €53.9 million
- POSEUR: €39.1 million
- RRP: €2.3 million

Payments (Total: €95.6 million):

- Tangible fixed assets: €94.6 million
- Intangible assets: €1.0 million.

Financing activities concluded with a positive balance of €14.1 million.

Receipts (Total: €76.9 million):

Shareholder Financial Support

- Capital Allocations: €57.5 million
- Loans: €9.0 million.

Reimbursement of Excess Collateral Deposit (Wilmington Trust):

- Stichting CBL Finance IV: €10.4 million

Payments (Total: €52.5 million):

- Interest: €48.8 million
- SWAP contracts: €1.2 million
- Guarantees: €2.4 million
- Other expenses: €44,000 (commissions and others)

Table 43 – Cash flow statement – Individual accounts

CASH FLOW STATEMENT (values in millions of euros)	Execution 2023	Execution 2022	PAO 2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Flow of Operating Activities	8,17	11,07	(32,26)	(2,90)	(26,19)	40,43	(125,32)
Flow of Investment Activities	0,44	(33,54)	(60,11)	33,99	(101,32)	60,56	(100,74)
Flow of Financing Activities	14,07	59,93	92,37	(45,85)	(76,51)	(78,30)	(84,76)
Changes in cash and cash equivalents	**22,69**	**37,45**	**-**	**(14,76)**	**(39,42)**	**22,69**	**-**
Cash and cash equivalents at the beginning of the period	**162,25**	**124,80**	**114,99**	**37,45**	**30,01**	**47,26**	**41,09**
Cash and cash equivalents at the end of the period	**184,94**	**162,25**	**114,99**	**22,69**	**13,98**	**69,94**	**60,82**

Financing Activities

Financing Receipts:

- Capital Allocations: €57.5 million
- Shareholder's Loans: €9.0 million

Financing Payments:

- Interest: €48.8 million
- SWAP Contracts: €1.2 million
- Guarantees: €2.4 million
- Other Expenses: €44,000 (commissions and miscellaneous)

Table 44 – Financing activities – Individual accounts

FINANCING ACTIVITIES PAO (values in millions of euros)	Execution 2023	Execution 2022	2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Receipts relating to:							
Paid-in capital and other equity instruments	57,5	181,4	99,9	(123,9)	(68,3)	(42,4)	(42,4)
Bank Loans - DGTF	9,0	35,2	45,0	(26,2)	(74,4)	(36,0)	(79,9)
Financing	66,5	216,6	144,9	(150,1)	(69,3)	(78,3)	(54,1)
Payments relating to:					-		-
Bank loans	-	81,0	-	(81,0)	(100,0)	-	-
Interest and Similar Expenses	52,5	75,7	52,5	(23,2)	(30,7)	(0,0)	(0,1)
Payments	52,5	156,7	52,5	(104,2)	(66,5)	(0,0)	(0,1)
Cash flows from financing activities	14,1	59,9	92,4	(45,9)	(76,5)	(78,3)	(84,8)

Asset Structure

Assets

Metropolitano de Lisboa adhered to the guideline established by its supervisory authority, presenting in the balance sheet the values associated with long-term infrastructure development (LTI) activities, evidencing the impact of investments made in infrastructure on behalf of the State and the corresponding liabilities.

The total assets amounted to €5.903 billion, reflecting a variation of €53 million and a deviation of -€175 million. The investment in progress for LTI contributed with an increase of €57 million. Non-current assets decreased by €29 million, primarily due to depreciation/amortization, equity investments (MEP), and other financial assets. Current assets increased by €24 million, driven by higher cash and bank deposits and other receivables.

The deviations observed are primarily attributable to the non-execution of planned investments for 2023.

Table 45 – Total assets – Individual accounts

Assets (values in millions of euros)	Execution 2023	Execution 2022	PAO 2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Non-current	5.426,7	5.369,3	5.567,6	57,4	1,1	(141,0)	(2,5)
Current	-	-	-	-	-	-	-
LTI	**5.426,7**	**5.369,3**	**5.567,6**	**57,4**	**1,1**	**(141,0)**	**(2,5)**
Non-current	239,3	268,1	305,3	(28,9)	(10,8)	(66,0)	(21,6)
Current	237,2	213,1	205,1	24,2	11,3	32,2	15,7
ML	**476,5**	**481,2**	**510,4**	**(4,7)**	**(1,0)**	**(33,9)**	**(6,6)**
Total Assets	**5.903,2**	**5.850,5**	**6.078,0**	**52,7**	**0,9**	**(174,8)**	**(2,9)**

Details of changes and deviations in assets:

Table 46 - Assets - Variations/Deviations

Unit: millions of euros

LTI	Variation	Deviation
Non-current Assets	**57,38**	**-141,00**
- Tangible Fixed Assets	3,30	-196,50
- Ongoing Investments	87,42	114,20
- State Accounts Receivable	46,09	57,40
- Receipt of Investment Subsidy	-81,81	-112,30
- Recognition of impairment losses	0,00	0,00
- Fair Value financial instruments	2,37	-3,80

ML	Variation	Deviation
Non-current Assets	**-28,82**	**-65,9 0**
- Tangible Fixed Assets	-8,06	-46,00
- Investment Properties	0,39	2,20
- Intangible assets	0,03	0,80
- Financial investments - MEP	-10,25	-14,90
- Other financial assets	-10,93	-8,00
Current Assets	**24,20**	**32,10**
- Inventories	0,60	-0,30
- Customers	-0,64	-1,60
- State and other public entities	-1,66	-21,40
- Other receivables	2,64	-14,10
- Deferrals	0,57	-0,40
- Cash and bank deposits	22,69	69,90

Liabilities and Equity

Total liabilities amounted to 3,956 million euros, representing a variation of 50 million euros and a deviation of 98 million euros.

Liabilities include the receipt of shareholder loans amounting to 9 million euros (3.3 million euros - LTI and 5.7 million euros - ML).

Liabilities for post-employment benefits (pensions) increased by 25.4 million euros and other payables by 7.8 million euros.

Equity includes: capital endowment (57.5 million euros), Retained Earnings (21.1 million euros), Investment subsidies (3.4 million euros) and actuarial losses (27.4 million euros).

Table 47 - Equity and Liabilities - Individual Accounts

Equity and Liabilities (values in millions of euros)	Executio n 2023	Executio n 2022	PAO 2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Equity	**1.947,3**	**1.944,6**	**2.219,8**	**2,7**	**0,1**	**(272,5)**	**(12,3)**
Non-current Liabilities	1.136,6	1.544,9	1.186,0	(408,3)	(26,4)	(49,4)	(4,2)
Current Liabilities	1.633,9	1.216,2	1.517,3	417,8	34,3	116,7	7,7
Liabilities - LTI	**2.770,6**	**2.761,1**	**2.703,3**	**9,5**	**0,3**	**67,3**	**2,5**
Non-current Liabilities	355,3	367,9	364,9	(12,6)	(3,4)	(9,7)	(2,6)
Current Liabilities	830,0	776,9	790,0	53,1	6,8	40,0	5,1
Liabilities - ML	**1.185,3**	**1.144,8**	**1.154,9**	**40,5**	**3,5**	**30,4**	**2,6**
Total liabilities	**3.955,9**	**3.905,9**	**3.858,2**	**50,0**	**1,3**	**97,7**	**2,5**
Total equity and liabilities	**5.903,2**	**5.850,5**	**6.078,0**	**52,7**	**0,9**	**(174,8)**	**(2,9)**

Details of changes/deviations in Equity and Liabilities:

Table 48 - Equity and Liabilities - Changes/deviations

Unit: millions of euros

	Variation	Deviation
Equity	**2,68**	**-272,51**
- Subscribed capital	57,51	-104,43
- Retained Earnings	-21,14	12,49
- Adjustments/other changes in Equity	-30,80	-198,51
- Net result for the period	-2,90	17,95

ILD	Variation	Deviation
Non-current Liabilities	**-408,29**	**-49,36**
- Provisions for ILD	-0,96	-3,53
- Financing Obtained for ILD	-398,72	-20,45
- Other Financial Liabilities for ILD	-8,61	-25,38
Current Liabilities	**417,75**	**116,66**
- Suppliers	-0,24	-4,12
- Obtained Financing	402,07	96,69
- Other payables	15,92	24,10

ML	Variation	Deviation
Non-current Liabilities	**-12,62**	**-9,66**
- Provisions	0,42	2,57
- Obtained Financing	-38,42	-8,07
- Derivatives	0,00	-6,63
- Post-employment benefit liabilities	25,37	2,47
Current Liabilities	**45,58**	**18,05**
- Suppliers	1,49	0,86
- State and other public entities	-0,01	-4,98
- Obtained Financing	44,10	22,17
- Other payables	7,84	22,50
- Deferrals	-0,29	-0,50

Financial Risk Management

ML has been consolidating its capital structure through the permanent reinforcement promoted by the shareholder, with a consequent reduction in debt.

Metropolitano de Lisboa's rating

Table 49 - ML Rating

Rating Metro	Standard & Poor's	
	Rating	Outlook
February 26, 2024	BBB+	Positive
March 05, 2024	A-	Positive

Interest-bearing Liabilities

Interest-bearing Liabilities reflect the receipt of shareholder loans amounting to 9 million euros (3.3 million euros - LTI and 5.7 million euros - ML).

The deviation of 137.6 million euros is due to the non-execution of the conversion of overdue debt, related to LTI, by integration into the State's assets (State - Account receivable).

Table 50 - Interest-bearing Liabilities ML - Individual Accounts

Interest-bearing Liabilities (Values in thousands of euros)	Execution 2023	Execution 2022	PAO 2023	Var. 2023/2022		PAO deviation	
				Abs.	%	Abs.	%
Bond loans	910,00	910,00	910,00	-	-	-	-
Other long-term debt / Treasury	297,14	434,28	325,66	(137,14)	(31,58)	(28,52)	(8,76)
Shuldschein	-	300,00	-	(300,00)	(100,00)	-	-
Medium and long-term debt	1.207,14	1.644,28	1.235,66	(437,14)	(26,59)	(28,52)	(2,31)
Other short-term debt / Treasury	1.795,16	1.648,99	1.657,57	146,17	8,86	137,58	8,30
Shuldschein	300,00	-	300,00	300,00	-	-	-
Short-term debt	2.095,16	1.648,99	1.957,57	446,17	27,06	137,58	7,03
Total	3.302,30	3.293,27	3.193,23	9,02	0,27	109,06	3,42

Table 51 - Interest-bearing Liabilities (2022-2023) - Consolidated accounts

Interest-bearing Liabilities (Amounts in millions	2023	2022	Var. 2023/2022	
			Abs.	%
Bond loans	910,0	910,0	-	-
Other long-term / Treasury	297,1	434,3	(137,1)	(31,6)
Shuldschein	-	300,0	(300,0)	(100,0)
Medium and long-term debt	1.207,1	1.644,3	(437,1)	(26,6)
Other short-term / Treasury	1.795,2	1.649,0	146,2	8,9
Shuldschein	300,0	-	300,0	-
Short-term debt	2.095,2	1.649,0	446,2	27,1
Total	3.302,3	3.293,3	9,0	0,3

Investment

GROSS FIXED CAPITAL FORMATION

In 2023, Gross Fixed Capital Formation was 90.1 million euros, comprising the amount of investments that were capitalized in ML's Fixed Assets accounts.

Table 52 - Investment Expenditure 2023

Investment expenditure 2023 (Unit: €)	Gross of Fixed Capital Execution	PAO 2023	Deviation		Investment at Technical Costs Execution 2023	Investment Expenses Execution 2023
			Abs.	%		
ML	**5 817 360**	**47 666 815**	**-41 849 455**	**-87,8%**	**5 863 620**	**5 863 620**
Buildings and Other Constructions	105 146	230 126	-124 980	-54,3%	107 545	107 545
PMO II Photovoltaic Plant	0	877 000	-877 000	-100,0%	0	0
Refurbishment and Renovation of Facilities	33 579	1 053 480	-1 019 901	-96,8%	35 668	35 668
Central Command Post	0	525 000	-525 000	-100,0%	0	0
Traction Substation - Jardim Zoológico	0	525 000	-525 000	-100,0%	0	0
Basic Equipment	592 240	1 356 608	-764 368	-56,3%	592 844	592 844
Renovation of Video and Communication Systems + SADI in Coaches (ML90, ML95, ML97, a	410 177	1 918 080	-1 507 903	-78,6%	410 177	410 177
Modernization of the Blue, Yellow, and Green Lines (Rolling Stock)	-1 178 236	23 710 355	-24 888 591	-105,0%	-1 178 236	-1 178 236
Modernization of the Blue, Yellow, and Green Lines (CBTC)	-1 141 316	121 010	-1 262 326	-1043,2%	-1 141 316	-1 141 316
Modernization of the Red Line (CBTC - Rolling Stock)	0	600 000	-600 000	-100,0%	0	0
Extension of the Rato / Cais do Sodré Line - Station Equipment	522 919	0	522 919	-	563 569	563 569
Customer Information Systems in Stations	0	1 825 000	-1 825 000	-100,0%	0	0
General Refurbishment of MAVT	1 536 112	1 100 000	436 112	39,6%	1 536 112	1 536 112
Grinding Machine	0	5 595 896	-5 595 896	-100,0%	0	0
Technological Upgrade of the ML90 Series Door Drive System	360 193	1 408 818	-1 048 625	-74,4%	360 193	360 193
General Refurbishment of Doors in ML95, ML97, and ML99 Fleets	2 460 730	1 858 064	602 665	32,4%	2 461 246	2 461 246
Wheel Lathe PMO3 + Automatic Wheel Measurement System	444 772	1 210 015	-765 243	-63,2%	444 772	444 772
Replacement of Pine Sleepers - PMO II	379 657	725 000	-345 343	-47,6%	379 657	379 657
Tools and Utensils	95 184	280 629	-185 445	-66,1%	95 184	95 184
Business Support Applications, Hardware, and Software	1 083 065	2 400 000	-1 316 935	-54,9%	1 083 065	1 083 065
Administrative Equipment	113 140	340 735	-227 595	-66,8%	113 140	113 140
COVID Prevention Plan	0	6 000	-6 000	-100,0%	0	0
LTI	**84 241 229**	**162 830 471**	**-78 589 242**	**-48,3%**	**90 570 974,05**	**90 570 974**
Refurbishment of the Blue Line	1 414 070	806 052	608 018	75,4%	1 438 214	1 438 214
Refurbishment of the Yellow Line	376 467	1 780 582	-1 404 116	-78,9%	383 906	383 906
Refurbishment of the Green Line	57 225	473 349	-416 125	-87,9%	57 225	57 225
Refurbishment of the Red Line	129 563	522 820	-393 257	-75,2%	134 647	134 647
Refurbishment of the Global Network	109 600	1 968 373	-1 858 773	-94,4%	110 722	110 722
Refurbishment of 11 Pumping Stations in the ML Network	304 330	744 325	-439 994	-59,1%	304 330	304 330
National Accessibility Plan	1 124 294	5 891 107	-4 766 813	-80,9%	1 210 181	1 210 181
Extension of the Rato / Cais do Sodré Line	76 572 515	70 805 903	5 766 612	8,1%	82 525 027	82 525 027
Extension of the S. Sebastião / Alcântara Line	506 996	55 100 000	-54 593 004	-99,1%	544 328	544 328
Surface Light Rail for Loures / Odivelas	57 944	9 178 286	-9 120 342	-99,4%	62 448	62 448
Modernization of the Blue, Yellow, and Green Lines (CBTC)	694 639	5 801 559	-5 106 920	-88,0%	694 639	694 639
Renovation of Comfort Systems (Escalators, Moving Walkways, and Elevators)	2 683 395	2 368 486	314 909	13,3%	2 884 577	2 884 577
Refurbishment of Areeiro Station	109 597	574 014	-464 417	-80,9%	113 184	113 184
Refurbishment of Arroios Station	150 381	105 000	45 381	43,2%	157 192	157 192
Refurbishment of Olivais Station	740	0	740	-	740	740
Refurbishment of Cais do Sodré Station	0	6 223 414	-6 223 414	-100,0%	0	0
Refurbishment of Colégio Militar Station	0	25 200	-25 200	-100,0%	0	0
Refurbishment of Marquês de Pombal Station	1 800	462 000	-460 200	-99,6%	1 940	1 940
Investment on Behalf of Third Parties	-52 327	0	-52 327	-	-52 327	-52 327
Total Investment	**90 058 589**	**210 497 286**	**-120 438 697**	**-57,2%**	**96 434 594**	**96 434 594**

Investment showed a negative deviation of 120.4 million euros (-57.2%), with an overall execution level of 42.8%. Of the 90.06 million euros executed, ML investment represents 6.5% and LTI investment represents 93.5%.

Table 53 - Change in Investment 2023-2022

Investment (Unit.: €)	2023	2022	Var. 2023/22	
			Abs. Amount	%
Gross Fixed Capital Formation (GFCF)	90.058.589	50.106.469	39.952.120	79,73%
Investment at Technical Cost (ITC)	96.434.594	56.172.015	40.262.579	71,68%
Investment expense (IE) (includes financial expenses)	96.434.594	56.172.015	40.262.579	71,68%

The main deviations are explained below:

Buildings and other constructions

The deviation in execution relating to contract ML 036/22 (PMOII and PMOIII Vehicle Charging Station installations) and contract ML 016/23 (SADI - PMO II Project Revision Proposal) is justified by delays in contracting and invoicing in the previous year, a situation which continued until 2023.

PMO II Photovoltaic Plant

Although the PMOII budgeted €877,000 for the installation of a photovoltaic plant, implementation was nil due to delays in drawing up the project.

Remodelling and Renovation of Facilities

The negative deviation of 1.02 million euros was due to delays related to implementation projects, the launching of procedures and their subsequent contracting.

Operation Control Centre

The budget included 0.53 million euros for the installation of theOperation Control Centre, but due to delays at a strategic level and delays in drawing up the projects, implementation was zero.

Traction Substation – Zoo

A budget of 0.53 million euros was planned for the installation of a traction substation at the Jardim Zoológico metro station, but due to delays in drawing up the projects, the execution value was zero.

Renovation of video and communication systems + SADI in coaches (ML90, ML95, ML97 and ML99)

Deviation of minus 1.51 million euros, related to delays in the implementation of this project.

Modernization of the Blue, Yellow and Green lines (Rolling Stock)

The deviation of minus 24.89 million euros refers to the settlement of advances.

Modernization of the Blue, Yellow and Green lines (CBTC)

A shortfall of 6.37 million euros is due to a delay in Investment in *Communications-based Train Control*, because of legal proceedings brought by a competitor.

Modernization of the Red Line (CBTC – Rolling Stock)

600,000 euros were planned for the modernization of the CBTC in 41 UTs for the extension of the S. Sebastião/ Alcântara Line, which did not materialize due to delays in contracting the overall extension procedure, thus extending to the remaining purchases of services and equipment.

Customer information system at stations

A shortfall of 1.83 million euros due to delays in preparing the procedure. The tender was launched at the end of August and the deadline for submitting bids was the end of 2023.

Grinding machine

Deviation of minus 5.60 million euros. Due to market conditions in the aftermath of the pandemic, the consequences of the war in Ukraine and global supply chains being disrupted because of shortages of raw materials, the equipment is not expected to be available for maintenance operations until 2024.

Technological upgrade of the ML90 series door drive system

Deviation of minus 1.05 million euros, due to delays in the implementation of this project.

Business Support Applications, Hardware and Software

A shortfall of 1.32 million euros, particularly in the purchase of computer equipment (*hardware*), which was lower than planned.

Remodelling the Global Network

A negative deviation of 1.86 million euros, which was due to delays in the execution of contracts such as ML028/22 (Contract for the Acquisition and Installation of the Automatic Fire Detection System for the Jardim Zoológico, Parque and Campo Pequeno stations) and ML 046/20 (Contract for the Acquisition and Installation of the Automatic Fire Detection System for the Anjos, Intendente, Cidade Universitária and Entre Campos stations), as well as the under-performance in the remodelling of substations.

National Accessibility Plan

5.89 million euros were planned, but only 1.12 million euros were executed. The negative deviation of 4.77 million euros was since no procedures were launched (Installation of lifts at Praça de Espanha, Picos and Campo Pequeno stations), the failure to complete projects and delays in the execution of contracts such as contract ML056/23 (Execution of Interventions to Ensure Accessibility for People with Reduced Mobility at Campo Grande Station on the Yellow and Green Line of Metropolitano de Lisboa, E.P.E.).

Rato / Cais do Sodré Extension

Compared to the forecast value of 70.81 million euros, 77.10 million euros were executed. Even though implementation was above the forecast for 2023, there were reasons that prevented an even higher level of implementation:

- In lot 1 there were some delays, particularly in the excavation of section T34, which had repercussions for subsequent work. In several stretches of this section, the soils were quite consistent, more so than initially expected, which made it impossible to achieve the expected yields and meant that recovery measures had to be taken, such as the use of expansive substances.
- In lot 2 there are several issues that have had implications for the normal development of the work;
  - Archaeology - archaeological finds in various locations, RSB, Av. D. Carlos and Section T35 at Aterro da Boavista affected the normal development of activities until they were removed and classified;
  - The need to relocate RSB services from the Santos barracks, the site of the attack pit at Santos station, to other locations in the city of Lisbon, with the need to change them to guarantee the normal development of the services to be relocated;
  - The legal change in the classification of soils, which involved renegotiating their transport and disposal;
  - The performance of the excavation activities was lower than expected.
  - On lot 3, work proceeded according to plan.
  - In lot 4 there were delays since there were two tenders in which there were no bids, which led to ML's decision to award the contract being made on 14/03/23. On 21/03/23 one of the bidders filed a complaint with an administrative challenge, which was rejected on 17/04/23. After the Court of Auditors' approval, the contract started on 05-09-23.
  - Regarding the price adjustment, in addition to the slowdown in the rise of the indices, the fact that the progress of the work is lower than expected implies a lower monthly invoicing of the work carried out and, consequently, a lower value of the price revision compared to the estimate for the year under review.

Regarding Expropriations, delays in the development of lot 2 meant that the expropriation period for the existing buildings had to be extended.

S. Sebastião / Alcântara Extension

Negative variance of 54.62 million euros, explained essentially by:

- Non-fulfilment of the planned expropriation expenses of around 34.6 million euros (ongoing process in view of the compensation reports submitted).
- Delay in finalizing the tender due to the need to revise parts of the procedure and respond to the comments submitted by the bidders, with a consequent delay in signing the contract with the successful bidder. The fact that work did not start in 2023, when the budget considered the design phase and an initial part of the next phase to be completed, had an impact on implementation of around 18.7 million euros.

Surface Light Rail Loures / Odivelas

Deviation of -9.12 million euros, due to delays in finalizing the tender due to the need to revise parts of the procedure, which meant that work did not start in 2023, when the budget considered the Execution Project phase to have been completed. The Expropriations budget was also expected to be executed.

Renovation of comfort systems (escalators, moving walks and lifts)

2.37 million euros were planned and 2.68 million euros were executed. The negative deviation was due to delays in the execution of contracts such as contract ML041/23 (Contract for the Replacement of Lifts 1, 2 and 3 at Baixa Chiado Station on the Blue and Green Lines of Metropolitano de Lisboa E.P.E.) and contract ML 103/22 (Contract for the Modernization of Escalators Nos. 2, 4 and 6 at the Access to Largo Chiado and Replacement of Escalators Nos. 9 to 12 at the Access to Rua do Crucifixo at Baixa-Chiado Station - Blue and Green Lines of Metropolitano de Lisboa E.P.E.).

Cais do Sodré station remodelling

6.22 million euros were planned for the remodelling of Cais do Sodré station, which did not materialize because the public tender launched on 08/11/2022, under which two bids were submitted, which were excluded, resulted in the decision not to award the contract and the concomitant revocation of the decision to contract. In March 2024, a new Order Extending Charges (408/2024/2) was published, which will allow a new procedure to be launched in 2024, after corrections have been made to the technical specifications and the base price has been changed.

FINANCIAL INVESTMENTS

Although 600,000 euros were considered in Financial Investments, relating to a capital increase by Ferconsult, this did not take place. Despite being reflected in the 2023 budget proposal, the estimated amount was not considered by the DGB, nor was there authorization from the Ministry to carry out the capital increase.

The negative figure shown in the implementation table is due to the application of the equity method, broken down as follows:

- Metrocom: 115.2 thousand euros;
- Publimetro: -19.7 thousand euros;
- TRAIN I: -3.34 million euros;
- TREM II: -7.04 million euros.

Table 54 - Financial Investments

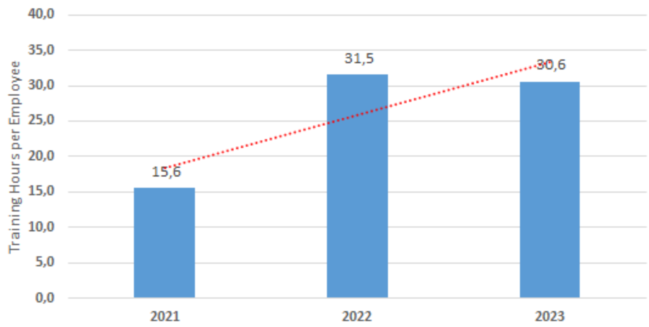
Investment (Unit: €)	Execution 2023	Execution 2022	PAO 2023	Var. 2023/2022 Abs.	Var. 2023/2022 %	Dev. Abs.	Dev. %
Financial Investments	-10.285.982	45.590.952	600.000	-55.876.934	-123%	-10.885.982	-1814%

Intellectual Capital

Regarding the development of Metropolitano de Lisboa's intellectual capital, 2023 was characterized by the strengthening of the transition to a digital training model and the link with universities, namely in the development of project management skills, essential in the modernization and expansion phase in which the Company finds itself. Also noteworthy was the continued development of actions aimed at boosting the company's culture of innovation, including support for the development of higher education studies/theses.

In 2023 it was possible to maintain the level of training achieved in the previous year, albeit with a reduction of approximately 1 hour of training per average personnel member, also reflecting the slight reduction in the number of actions carried out (-0.76%) compared to the previous year.

Graph 8 - Training Hours per Employee



The training solutions developed sought to give continuity to the guidelines and trends set out in the 2021-2023 Training Plan, of which we highlight:

- The customer as the central focus;
- Promoting a culture of innovation and environmental sustainability;
- Development of project management skills, helping to promote a project culture and practices;
- Involvement, motivation and qualification of workers, with training being extended to all workers, with priority given to strategic areas and populations;
- Promoting the principle of equality and non-discrimination between women and men, particularly regarding qualification opportunities.

Within the scope of the guidelines mentioned above, I would like to highlight the Project Management Training with the Strategic Digital Project Management and Certification Preparation Programs (Project Management Professional Certification Program), financed within the scope of the RRP and developed in partnership with ISCTE/INDEG.

Also noteworthy is the participation of women in training sessions, accounting for 39% of the total hours of training, well above the representation of the female gender in the company's workforce.

Human capital

The Human Capital management model is anchored in the same sustainability principles integrated into the business strategy and focused on valuing knowledge. It is ML's understanding that it is the people who make it possible to achieve the company's purpose of being the structuring public transport operator for mobility in Lisbon, so development policies are geared towards promoting skills, recognizing performance and maintaining a good environment and social climate.

It is recognized that there is a permanent need to optimize and adapt human capital in a balanced way to the actual needs of an efficient organization in fulfilling the public service mission entrusted to it, and to the need to respond to the evolution and challenges of future mobility.

In the area of human capital management, in 2023 the following stood out:

- The agreements with the unions representing the AE I and AE II workers, in collective bargaining, to update the salary scales by 3%, maintaining the commitment shown in valuing the importance of collective bargaining, as an indispensable instrument for promoting social peace and improving the well-being of workers;
- Reinforcement of the workforce to ensure the supply and quality of service, with particular emphasis on the hiring of technicians of various specialties for the maintenance area and senior technicians to reinforce the know-how installed, namely in the areas of Communication, Management Control, Engineering, Law and Human Capital;
- Reinforcing the transition of training to an online format, with an increase in the range of training content on offer, while maintaining the focus on valuing knowledge and improving employees' qualifications and skills, especially in the development of technical and leadership skills, in line with the strategic value assumed for Human Capital. I would also highlight the initiatives to promote a culture of innovation in the company;
- The consolidation of the hybrid work system, combining face-to-face work with remote work, extending this system to most areas of the company;
- Continuing to work with the community and contributing to charitable causes, in accordance with the principles of sustainability and social responsibility set out in the Social Responsibility Charter;
- The adoption, promotion and consolidated dissemination of values and practices in accordance with the guiding principles of the management commitment to promote equal opportunities and non-discrimination.

Workers

With the approval of the Activities and Budget Plan (PAO) for 2023, 73 new hires were authorized. These authorizations made it possible to continue hiring new workers, especially in the stations and maintenance areas. Filling these vacancies made it possible to hold two internal competitions for driver training, thus reinforcing the supply plans. The recruitment in the maintenance area have allowed the teams to be strengthened to comply with the Maintenance Plans and, at the same time, the personnel to be rejuvenated, reinforcing know-how.

A total of 49 workers were hired, including 3 on fixed-term contracts, as shown in the table below. These three hires were made as part of the implementation of the RRP, under the terms of Article 15(1) of Decree-Law 53-B/2021 of June 23 and Order 11 888-B/2021 of November 25, which approved the respective quota.

Table 55 - Workforce of the Metropolitano de Lisboa group of companies

Personnel by type of contract	2023	2022	Var. 2023/2022
Fixed-term contracts	3	0	3
Permanent contracts	1.578	1.575	3
TOTAL	1.581	1.575	6

Metropolitano de Lisboa's workforce on December 31, 2023 was 1,575. Considering the overall workforce of the group of companies that includes METROCOM, the total is 1,581 workers, of which 419 are women and 1,162 men, corresponding to a representation of 26% women and 74% men.

Most of the workforce is made up of men, and the number of men is higher in all professional careers, although it is less evident in the commercial area. This representation is also reflected in management positions, with women accounting for 34.91%.

Table 56 - Workforce data for the Metropolitano de Lisboa group of companies, by gender

	2023		TOTAL	2022		TOTAL
	Women	Men		Women	Men	
Global Workforce (number)	419	1.162	1.581	413	1.162	1.575
Global Workforce Share (%)	26	74	100	26	74	100
Average Age (years)	47,8	49,4	48,6	47,7	49,19	48,4
Average Seniority (years)	19,6	23,2	21,4	19,49	22,94	21,2

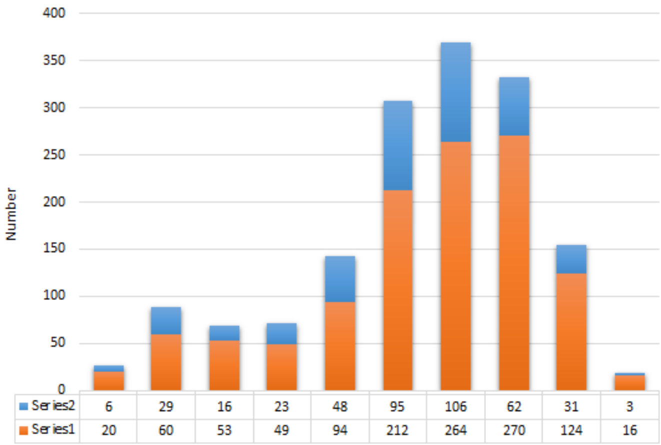
In 2023, the number of Directors was reduced to 22 due to the retirement of a Director. As for the Governing Bodies, they are now made up of 7, with the appointment of an additional Member of the Board of Directors.

Table 57 - Total number of human resources

Total number of HR (Corporate Bodies + Management Positions + Employees)	2023	2022	PAO 2022	Var. 2023/2022		Deviation PAO 2022	
				Abs.	%	Abs.	%
Number of Corporate Bodies (CB)	7	6	6	1	16,7%	1	16,7%
Number of Management Positions without CB	22	23	21	-1	-4,3%	1	4,8%
Number of Employees without CB and without Management Positions	1.552	1.546	1.560	6	0,4%	-8	-0,5%
TOTAL	1.581	1.575	1.587	6	0,4%	-6	-0,4%

The workforce is also characterized by a high average age (48.9 years), with 55.5% of the total workforce being over 50 years old. Analysing this indicator by gender, men have a higher average age (49.4) than women (47.8). In areas that are *core* to the business of the ML group of companies, the ageing of the workforce is even more significant, with higher average ages, which even exceed 52 in the case of train drivers and in the maintenance area.

Graph 9 - Workforce by gender and age group [blue = women / orange = men]

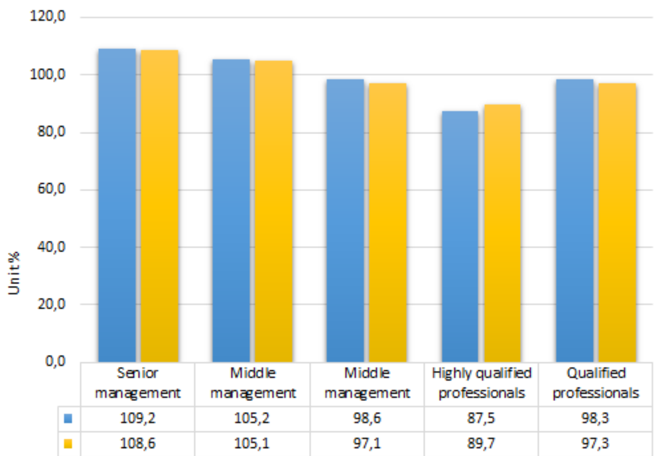


Similarly to the average age, the average length of service of personnel is high (21.4 years), although it has decreased slightly due to the replacement of departures over the year. There is therefore still a need to replenish personnel in specific business areas and to rejuvenate personnel to ensure the transfer of knowledge and guarantee long-term sustainability.

From the analysis of women's basic salaries compared to men's by qualification level, the ratios for highly qualified professionals, qualified professionals and middle managers stand out, where women have a higher basic salary. At the other qualification levels, senior managers and middle managers, the ratios indicate a higher salary for men.

Despite the differences in gender salaries, these differences are the result of objective criteria based on seniority and performance evaluation, which influence positioning and progression in the professional category, and there is no difference in the basic salary for women and men.

Graph 10 - Base Salary Ratio of the Metropolitano de Lisboa Group Between Women and Men [blue = 2022 / yellow = 2023]



Health and safety at work

In the field of Occupational Health and Safety, 2023 was characterized by the resumption of activity focused on improving working conditions and promoting health conditions, as well as programs to prevent accidents and occupational diseases and improve quality of life.

All employees perform their duties under conditions of adequate medical supervision, and 93.37% of the planned periodic examinations were carried out, an improvement of 1 pp on the examinations carried out the previous year.

Regarding prevention, the ML group of companies continued its awareness-raising program on safety at work with the Cycle of Webinars on Safety at Work, aimed at all employees, reinforced by the periodic dissemination of this topic in the company's media. Also noteworthy was the continuation of the Waste Management training program and the very significant reinforcement of training in the new safety regulations.

Table 58 - Accidents in the Metropolitano de Lisboa Group

Accidents	2023	2022	Variation 2023/2022	
			Abs.	Abs.
Workplace accidents (no.)	96	77	19	24,7%
Lost days (no.)	4.778	3.686	1.092	29,6%
Absenteeism rate (%)	7,9	8,9	-	-1.0 p.p.

In 2023, there was a significant increase in lost days due to workplace accidents compared to the previous year (29.6%), because of the very significant increase in the number of accidents (24.7%).

Table 59 - Accidents by gender

Accidents	2023		TOTAL	2022		TOTAL
	Women	Men		Women	Men	
Workplace accidents (no.)	13	83	96	13	64	77
Lost days (no.)	523	4.255	4.778	329	3.357	3.686

In terms of gender, workplace accidents reflect the predominance of men in the workforce of the ML group of companies and the absence of women in higher risk professions.

Regarding the absenteeism rate, there was a decrease of 1.0 p.p., reflecting the 21% reduction in sick leave hours compared to 2022.

Table 60 - Absenteeism rate

Absenteeism	2023	2022	Variation	
			Abs.	Abs.
Absenteeism rate (%)	7,93	8,92	-	-1.0 p.p.

Despite the decrease recorded, sickness absence continues to be the most significant reason for this indicator, accounting for 55.82% of the total hours of absence in 2023, around 1 p.p. less than the previous year.

Share Capital

Social Responsibility

In 2023, Metropolitano de Lisboa maintained its commitment to stakeholders, both by supporting its employees with measures aimed at reconciling work and family life and protecting parenthood, and by strengthening its contribution to charitable causes within the community.

In alignment with the principles of sustainability and social responsibility outlined in its Social Responsibility Charter, ML developed and supported various social solidarity initiatives and aid efforts for disadvantaged or at-risk groups, with the following initiatives standing out:

- Renewal of the collaboration protocol with "O COMPANHEIRO", an IPSS that supports the psychosocial inclusion of prisoners and ex-prisoners and their families through the development of personal and professional skills, the integration of ex-prisoners or other citizens in a disadvantaged situation into a work team and participation in workshop activities;
- Collaboration with CASA - Centro de Apoio ao Sem-Abrigo (Homeless Support Centre), an IPSS that provides support to Lisbon's most deprived population, in the Christmas Solidarity Lunch for the Homeless. In addition to free transport on the network and the traditional hot meal served in the cafeteria, the company offered 118 warm clothing kits, consisting of a bag, hat and blanket, which resulted from the transformation of textile items donated throughout the year and sent for transformation through a partnership with a start-up, giving old items of clothing another application and a second life, improving the conditions of homeless people.
- Continuation of the #Together program, inspired by the UN's 2030 Agenda for Sustainable Development, namely the strategic priorities defined by the Portuguese government and Metropolitano within the scope of this agenda: Education, Gender Equality, Reducing Inequalities and Sustainability. This program has resulted in effective support for APPACDM da Ajuda, the REFOOD Movement, the AFID Diferença Foundation and the CRESCER Association.
- Food collection campaigns as part of the "Race for Goods" initiative, where in exchange for free bibs, it was possible to collect goods to help Banco do Bebé - Associação de Ajuda ao Recém-Nascido, Lar Madre Teresa de Saldanha and the Obra do Ardina Foundation;
- Campaigns to collect clothes and toys as part of the "Dress this Cause" initiative, in favour of the O COMPANHEIRO Association, which enabled 1,191 kg of clothes and toys to be donated to the O Companheiro clothing bank;
- As a partner in spreading the word about the "Giving Tuesday" movement, we renewed our appeal to employees for solidarity and participation in social causes, which enabled us to collect and donate 169.5 kg of goods (73 kg of household textiles and 96.5 kg of crockery) to the "COMPANHEIRO" charity, complemented by 10 double-sized blankets (240*280) resulting from the textile processing of donated garments, in a circular economy project promoted in partnership with a start-up;
- Support for the ASE - Evangelical Social Assistance Home for the Elderly as part of the "Cash of Wishes" initiative, by sponsoring wishes and comforting its residents at Christmas.
- Collaboration with Kanimambo - Associação de Apoio ao Albinismo, a non-profit association with the status of Non-Governmental Organization for Development (NGDO), to collect sunscreen and glasses for people with albinism in the Gorongosa district of Mozambique.
- Collaboration with União Zoófila for the reuse of health products from the medical centre and expired medicines donated by workers, the treatment of dogs and cats that they house on their premises, victims of abandonment and mistreatment.

Equality and non-discrimination

The Metropolitano de Lisboa group of companies has made a commitment to Sustainable Development, integrating four of the Sustainable Development Goals (SDGs) of the UN's 2030 Agenda for Sustainable Development into its strategy:

- SDG5 - Achieve gender equality and empower all women and girls.
- SDG9 - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
- SDG13 - Take urgent action to combat climate change and its impacts.
- SDG16 - Substantially reduce corruption and bribery in all their forms. Develop effective, accountable and transparent institutions. (https://www.metrolisboa.pt/institucional/conhecer/sustentabilidade/)

To this end, in line with the National Strategy for Equality and Non-Discrimination 2018-2030 (ENIND) Portugal Mais Igual, Metropolitano has promoted values and practices in accordance with the guiding principles of the management commitment to promote equal opportunities and non-discrimination:

- As a member of the BCSD (Business Council for Sustainable Development), ML joins the group of large companies concerned with sustainability issues and committed to a human rights approach, becoming a signatory to the CEO's Guide to Human Rights;
- Also, as part of its participation in the BCSD (Business Council for Sustainable Development), ML signed up to the BCSD Portugal Charter of Principles, thereby committing itself to the United Nations 2030 Agenda and the Sustainable Development Goals.
- As a member of the Union Internationale des Transports Publics (UITP), ML adhered in 2021 to the declaration on equal opportunities for women and men in the public transport sector/"Women in Transport-EU Platform for Change", identifying good gender equality practices in the company, for integration into the platform coordinated by the UITP "Women un Trasport-EU Platform for Change";
- As a member of the iGen-Organizations for Equality Forum, ML has maintained its association with CITE - the Commission for Equality in Labour and Employment - in the dissemination of national awareness campaigns on issues such as domestic violence, equal pay, equality and non-discrimination, reaffirming the importance of highlighting equal opportunities in the performance of different roles to as many workers as possible;
- ML has been a signatory organization of the Pact against Domestic Violence (PAC) since 2020, and violence is one of the areas of work of the National Strategy for Equality and Non-Discrimination - Portugal + Igual (ENIND). In 2023, ML renewed its subscription to this pact, reaffirming itself as a partner entity with a view to developing organizational practices to prevent and respond to violence against women and domestic violence and supporting social responsibility practices regarding supporting victims of domestic violence and human trafficking.
- Also, within the scope of Equality, ML includes a chapter on iGen and non-discrimination in its Welcome Manual, in a clear commitment to promoting professional equality and ending all gender discrimination at work;
- Metropolitano de Lisboa is committed to promoting a transparent remuneration policy, based on the evaluation of job components and objective criteria. At the same time, it repudiates the widespread and structural disadvantage of women in the labour market in terms of remuneration, based on a broader context of gender inequalities.
- Also in 2023, under the terms of Article 7(1) of Law no. 62/2017, of August 1, in conjunction with Normative Order no. 23-A/2021, Metropolitano sent the Plan for Equality between Women and Men for 2024 to CITE - the Commission for Equality in Labour and Employment.

Customers

The year 2023 was marked by the arrival of 36 new Traffic Agents at the stations, which made it possible not only to renew but also to rejuvenate the average age of the workers who provide customer service at the stations. Availability, friendliness and knowledge of languages were determining factors in the selection process.

In compliance with current legislation, in 2023 the company's Automatic External Defibrillation Program (PDAE) remained assets in 30 stations, restarting a new cycle of revalidation of the certifications of AED Operators, who have been qualified to operate the equipment since 2018.

Also in this context, at the end of 2023, a procedure was launched for the allocation of 40 new AED (Automatic External Defibrillation) devices, to be placed in ML stations and facilities at the beginning of 2024.

As part of the inspection activity, in 2023 the project to dematerialize inspection notices and make new forms of payment available was developed, and the new features are expected to go live in 2024.

Activities to highlight as part of improving the service:

- Campo Grande station: improved accessibility
  Project to replace twelve escalators and install four new lifts;
- Alameda station: improving accessibility
  Project to modernize the five lifts at Alameda station (Green and Red lines);

- Improvement work at Jardim Zoológico station
  Rehabilitation work and seepage treatment started in October;
- Cidade Universitária station: improving accessibility
  Escalator modernization project started in October;
- Baixa-Chiado station: improving accessibility
  The process of modernizing the three lifts at Baixa-Chiado station (Blue and Green lines) began in October;
- Praça de Espanha station: improving accessibility
  The process of modernizing the station's three lifts began in November;
- Campo Pequeno and Picoas stations: improving accessibility
  In December, the civil construction process and the installation of the equipment needed to commission three lifts in each station began;
- Picoas Station
  The metal structure of the Guimard/RATP access at Picoas station has undergone a major overhaul due to its state of disrepair, forcing it to be temporarily removed.

Customer Ombudsman

Metropolitano de Lisboa's Customer Ombudsman, José Vieira da Silva, analysed and responded to 147 complaints and held several meetings with the company's internal services to find out about the Metro's constraints that are the cause of several complaints. He presented the company with suggestions for improving services.

Customer Service and Marketing

- Installation at Saldanha station of the Temporary Assisted Station - Navigator Card®, to apply for the Navigator Card® and renew 4_18 and Sub23 profile applications, in response to the increase in demand for Navigator Card® applications and to avoid crowding at Metro stations due to the high influx of customers in September and October at the start of the school year;
- Opening of 2 temporary service points dedicated exclusively to Lisboa Viva/Navegante Personalizado Urgente cards, at Jardim Zoológico and Alameda stations. This measure, implemented in the months when demand for cards is highest, namely September and October, has helped to reduce queues at the permanent service points, thus providing customers with a faster and more efficient service;
- Extension of the Metro service on the night of Saint Anthony - the Metro kept the Green and Blue lines open until 03h;
- Access to the 5G mobile network on the Red line, through collaboration with MEO, providing dedicated coverage along the tunnels and in the metro stations on this line. Users of these stations will now be able to make calls, stream, share, download and upload with greater speed and reliability, improving the way they communicate, work and entertain themselves during their journeys. This process of modernizing the technological infrastructure on the remaining Metropolitano de Lisboa lines will be completed by 2025;
- Campaign in the digital media and in collaboration with the organization of the Web Summit event, to encourage the early purchase of the Web Summit transport pass (through the voucher system, available on the Metro website);
- The launch of a newsletter featuring the sections “Metro Acontece” and “Metro Informa”, aimed at fostering closer communication tailored to customer needs, addressing relevant topics in a timely manner.
- The launch of the communication campaign “Traveling on the Metro with a Contactless Bank Card”, focused on the contactless system implemented on access gate validators at all stations. This project, a joint initiative of Metropolitano de Lisboa in partnership with Visa, Indra, Cybersource, Littlepay, and Unicre, allows passengers to travel on the Metro simply by tapping their bank card, mobile phone, or smartwatch on the validator.

World Youth Day

The 2023 edition of World Youth Day (WYD) took place in Portugal between August 1 and 6, 2023, with the major events located in the city of Lisbon (Parque Eduardo VII and Parque Tejo) and in the municipalities of Loures (Parque Tejo) and Oeiras (Passeio Marítimo de Algés).

World Youth Day was the biggest event ever held in Portugal, with around 1.5 million participants. In the 75-year history of the Metropolitano de Lisboa, the operation of the "World Youth Day 2023" metro was the biggest operational challenge ever posed.

Considering the number of people who would be moving around the city of Lisbon during WYD, preferably using the metro as a means of getting around, ML chose the "maximum possible availability of its human, material and technical resources" as the guiding principle for the measures to be implemented to meet what would be the greatest demand ever for its services in such a short space of time.

To ensure this principle regarding human capital, several measures have been implemented, including: not authorizing exchanges or vacation bookings for this period; suspending training activities; making overtime work available, under the terms legally and conventionally provided for; increasing the hourly rate during the WYD period (WYD Prize); suspending trips to the Occupational Medicine Department.

The offer was based on an operating model, between July 29 and August 6, of providing as many TUs as possible with permanent circulation with 6-carriage trains and with constant intervals between trains throughout the day, i.e. without distinguishing between peak hours, night time or weekend hours.

The following points stood out at the stations:

- Staffing the stations with the highest number of ML agents (AT and OC), ensuring at least two ML agents per station;
- Reinforcement of security guards, namely 17 extra services (6 on the blue line, 3 on the yellow line, 3 on the green line and 5 on the red line);
- Reinforcement of customer support at stations: in addition to the ML Agents and Security Guards, the presence of Inspectors (on a customer support mission), 20 Volunteers from corporate areas, 40 Promoters hired from an external company and 14 TAs who have recently joined the company and are still undergoing training;
- Reinforcement of station cleaning pickets, particularly at those stations expected to be busiest;
- Reinforcement of the maintenance teams in the various areas of the DMT, as well as the small maintenance/maintenance teams in the DCL
- An increase in the number of change units at stations, in the stock of rolls of Navegante occasional cards and in the stock of rolls of MAVT and MSAVT vouchers;
- Adapting the "Baby Area" at Alameda station into a first aid area staffed by an ML nurse.

In addition to the transport service, the Lisbon Underground, in solidarity with World Youth Day, has entered into a partnership with the Alto do Lumiar Parish Organizing Committee, providing a set of facilities for the accommodation and overnight stay of around 500 pilgrims from July 29 to August 7.

Between July 31 and August 6, the Metropolitano de Lisboa recorded a total of 4 million journeys. This is the highest number of metro journeys in a period of seven consecutive days. On August 4 alone, ML recorded 737,318 journeys, an unprecedented situation in the company's history.

During the event, the stations with the highest concentration of people were the stations that connect the lines, namely São Sebastião I and II, Saldanha I and II, Alameda I and II, Baixa-Chiado, and Cais do Sodré station.

The transport of pilgrims, which was carried out in an orderly fashion and without incident, was possible due to the reinforcement of trains, with more than 15,600 circulations, and the entire event was permanently monitored by Metropolitano de Lisboa in coordination withall the other entities involved. A series of security measures were put in place and operational support was reinforced at the stations with dozens of volunteers (non-operational workers) and promoters.

Under a Protocol signed between TML and the various AML operators, the following transport tickets were created and produced by TML, valid throughout the geographical area of the Lisbon Metropolitan Area, for all journeys on operators where the Navegante Metropolitano pass is valid, with predefined fixed days for use.

Table 61 - Titles created for the WYD event

Validity	Graphic coding printed on the card	Usage initial date	Usage end date	Quantity requested
16 days	JMJ 16D XXXXXXXXX	July 23rd	August 7th	22000
*9 days A	JMJ 9D7 XXXXXXXXX	July 30th	August 7th	12500
*9 days B	JMJ 9D8 XXXXXXXXX	July 31st	August 8th	50000
8 days	JMJ 8D XXXXXXXXX	July 31st	August 7th	242500
4 days	JMJ 4D XXXXXXXXX	August 4th	August 7th	112000
				439000

To coordinate and monitor the provision of the ML service during the Journey, a Crisis Office was set up to "anticipate any risks that may occur and identify a rapid response in all situations whose seriousness and potential for external repercussions recommend it, allowing for the implementation of the actions that may be determined". The Crisis Office was permanently operational from 06:00 to 02:00 between July 31 and August 6, and was staffed according to a pre-defined schedule.

Combating fraud

In 2023, the number of inspections conducted was approximately 260,000, representing a 16.4% decrease compared to the number of inspections carried out in 2022.

The main reasons for this decline include periods of unavailability among inspection team members, caused by health issues or workplace accidents.

To reduce the occurrence of undesirable incidents during inspections and to enable teams to focus more on customer support and effective enforcement activities, ML continued to provide security personnel to accompany inspection teams in 2023.

Reflecting the decrease in inspection activity, the number of fines issued dropped by 6.4% compared to 2022, leading to an increase in the fraud rate, which reached 2.75% in 2023.

Regarding the payment of fines issued in 2023, the trend of increased voluntary payment continued. The percentage of fines paid voluntarily compared to the total issued was 44.3%. Fines not paid voluntarily (3,983 in 2023) were referred to the Tax Authority for coercive collection.

Table 62 - Inspection activity

	Un.	2023	2022
Rate of fraud detected	%	2,75	2,45
Inspections	No.	260 112	311.350
Fines imposed	No.	7 146	7.638
Fines paid to ML	No.	3 163	3.231
Fines paid to ML a)	%	44,26	42,3
Amount paid to ML b)	€	189 780	193.815

a) Payments made to the taxman, by ATM reference or at the Fines Collection Point

b) Distribution of the amount: 30% to ML, 60% to the State and 10% to the Public Transport Service

Other activity indicators

In the 2023 financial year, some activity indicators related to customer service should also be highlighted:

Table 63 - Other activity indicators

Activity Indicators		2023	2022
Customer Satisfaction Index		7,18	7,42
Operational Absenteeism (monthly average)	%	6,4%	7,7%
Station Staffing Plan Compliance Rate	%	81,5%	79,0%
Telephone Assistance Centre Service Level	%	75,9%	81,2%
Number of Calls Answered	un.	39 239	41 976
Number of Calls Received	un.	51 691	51 712
ML Website - Number of Visits (pages viewed)	un.	5 473 696	5 365 871
Complaints	un.	7 014	4 978
Responses Within 30 Days (monthly average)	%	95,1%	94,7%
Inspections - Number of Approaches	un.	260 112	311 350
Inspections - Fines	un.	7 146	7 638

COMMERCIAL AND BRAND COMMUNICATION

To raise awareness of the Metro brand, foster customer relations and promote the use of the Metro, various actions and campaigns were carried out, including the following:

75th anniversary of the company

Metro carried out various activities to mark the 75th anniversary of the company's incorporation, including the following:

"Metro brings the city to life" campaign.

Launched on January 26 with the aim of attracting new customers, the campaign was based on an ode to the city that comes to life through the veins that distribute people to all its corners, the Metro.
With the signature 'The Metro gives life to the city', the narrative is spread across various media and stars 6 different characters, representing many of those who choose the ML to get around Lisbon. The campaign was based on a manifesto that expresses the intrinsic link between the Metro and the dynamism of this organism of many organisms that is the city of Lisbon.

12 months/12 shares

The cultural program started on January 26 and ended in December 2023. Once a month, a station hosted a cultural event - music, theatre, dance, among other artistic events - involving customers in this celebration.

"Metro brings the city to life" exhibition

Exhibition of a metro carriage in Praça do Comércio. For a month, Lisbon residents were able to visit the exhibition carriage entitled "The Metro brings the city to life" and learn about the projects that the Company has been developing, as well as the Expansion and Modernization Plans for the coming years, always with the aim of contributing to improving mobility in the Lisbon Metropolitan Area, fostering accessibility and connectivity of public transport, promoting the reduction of travel times, decarbonization and sustainable mobility.
The Metro carriage was in Praça do Comércio from January 28 to February 28, every day from 10am to 8pm, and admission was free.

Metro brings stations to life

As part of the actions to make the stations more dynamic, there were two moments in which Metro sought to have a positive impact on its customers' travel experience:
- Flashmob - On March 20, the International Day of Happiness was celebrated with a Flashmob that delighted those passing through Marquês de Pombal, S. Sebastião and Alameda Stations.
- VicenTuna - To mark National Student Day on March 24th, the VicenTuna - Tuna of the Faculty of Sciences of Lisbon, treated customers to a performance full of rhythm and animation at Marquês de Pombal station.

ACTIONS AND CAMPAIGNS

Pass the card, not the wallet campaign.

The aim was to alert customers that when they validate, they should only swipe the card they want to use, otherwise they could create difficulties and/or conflicts when validating their ticket. This awareness-raising followed the replacement and modernization of the access channel card readers, preparing the network for the latest technological trends in ticketing.

Information campaign on Carbon Neutrality

Metro has achieved carbon neutrality in its operations, a milestone of great importance considering the company's sustainable development objectives. For this occasion, and with the aim of informing and attracting customers, a video campaign was developed explaining all the actions that led to Metro becoming carbon neutral in its operations.

Avoid double payments. Choose the card you want to validate!

Creation of a film in tutorial format to alert customers to the behaviour they should adopt at the time of validation. It is important that they understand that, before validation, they must remove the card to be used from their wallet, thus avoiding "unwanted" charges.
They were also reminded that they should always validate the same card when entering and leaving the access channels, to avoid any difficulties when crossing the channels.

Benefits of public transport (UITP campaign)

The UITP has launched a campaign on the 12 benefits of public transport. Metro has joined this campaign by publicizing the safety and sustainability of public transport in its information media.

Simulacrums

Communication of the monthly drills carried out on the metro network, with the aim of testing and evaluating the emergency procedures contained in the Internal Emergency Plan. The drills have the help of the Sappers Fire Brigade, the Volunteer Fire Brigade, the Public Security Police/Public Transport Security Division and the Special Police Unit.

Security

In partnership with the PSP Metropolitan Command, Metro launched another campaign dedicated to the theme of "Safety", with the aim of educating customers about the behaviours they should adopt when using the metro and the need to stay safe while using it.

“People in search of a dignified life" exhibition

The Metro hosted this exhibition at its stations, which aims to raise awareness in host countries about the phenomenon of migration, by the Association for the Defence of Immigrant Rights, in partnership with the Rosa Luxemburg Foundation and the Women's Democratic Movement. The exhibition ran from February to March 2023.

Carolina Deslandes at the Metro

As part of the partnership established between Metro and singer Carolina Deslandes, the artist held a showcase at Alameda station on March 10 to promote her new album "Caos" to Metro customers. On Metro's Instagram page, there were competitions offering tickets for her show at the Altice Arena, with the aim of promoting the use of the Metro to travel to the show.

“Equal in Difference" exhibition

A project developed by Metro de Lisboa, in partnership with the Portuguese Association of Parents and Friends of Mentally Handicapped Citizens (APPACDM de Lisboa), as part of the initiatives to commemorate the 75th anniversary of the founding of Metropolitano de Lisboa. This exhibition, part of the Company's Social Responsibility Programme, aimed to raise awareness and generate contributions to the Sustainable Development Goals of the UN's 2030 Agenda, mobilizing collective efforts for a more inclusive and equal society. The exhibition was on display in some Metro stations from February to May 2023.

Metrox Club at the Politeama Theatre

Action to activate the Metrox Club, with the presence of the mascots, Metrox and Metrinha, on World Theatre Day at the Politeama Theatre, welcoming the children who were going to see the play "Cinderella".

Calouste Gulbenkian Foundation Exhibition

The Calouste Gulbenkian Foundation's "Art and Nature" traveling exhibition at the stations. This exhibition could be visited at various stations between May and October.

Move with the Metrox Club

The Metrox Club was present at European Mobility Week, at "Lisboa vive a rua." The mascots Metrox and Metrinha, in collaboration with the youngest, explored the advantages of using the Metro and other means of public transport that help keep the city cleaner, greener and more sustainable.

National Sustainability Day

To commemorate National Sustainability Day, which falls on September 25, Metro exhibited the exhibition "Sustainability, our Journey" in the Auditorium of Alto dos Moinhos station.
In this exhibition, visitors learned about the path to sustainability that Metro has been following over the years, through the presentation of some relevant mobility, environmental and social indicators.

“The lines continue to grow" exhibition

As part of European Mobility Week, Metro had the exhibition "The lines keep growing" from September 19 to 30 at Cais do Sodré station, exploring the evolution of the lines and the future plans for Metropolitano de Lisboa.

Mobi.E

Metro teamed up with Mobi.E, which launched a photo competition on its social networks, challenging people to take pictures related to the Environment/Nature/Sustainability theme.

After selecting the best photos, Mobi.E prepared an exhibition that was held at the Baixa-Chiado station from September 11 to 29, 2023.

There's music at the end of the tunnel 2023

The 3rd edition of "There's music at the end of the tunnel" took place on October 26 and 27 at the Cais do Sodré, Marquês de Pombal and São Sebastião stations. It was an initiative of the Ministry of Health's National Coordination of Mental Health Policies, which works to promote mental health, and which has been supported by Metro since its launch in 2021.

Make the world go round

Maintaining its partnership with To Be Green, a start-up linked to the University of Minho, which operates in the area of the circular economy, ML wanted to continue its work in recycling textiles and clothing. In July, a new campaign was launched to collect textiles and clothes. Anyone who wanted to take part in the campaign could leave their goods at the Campo Grande and Marquês de Pombal Customer Spaces in the bins provided for the purpose.

Concert-lecture VALVE

Metro has teamed up with Galeria de Arte Urbana to present VÁLVULA, a fascinating lecture-concert that explores the history of graffiti, in a unique space at Cais do Sodré Metro station.

75DH30: the 75th anniversary of the Universal Declaration of Human Rights on display in the Metro

Metropolitano de Lisboa, in partnership with the United Nations Regional Information Centre for Western Europe (UNRIC) and the Faculty of Fine Arts of the University of Lisbon, held an exhibition of the iconic articles of the Universal Declaration of Human Rights. The exhibition was at Baixa-Chiado station until January 2, 2024, and then moved on to Aeroporto, Jardim Zoológico and Reboleira stations until March 2024.

Metro Christmas

Christmas season

Customers were able to enter the magical world of Christmas as they explored the specially decorated station in the heart of Cais do Sodré. A space dedicated entirely to the enchantment of Christmas, where the festive decorations and activities created memorable moments for the whole family.

The Clube Metrox welcomed groups of children from various schools within the Metro network’s area of influence to the Natal Station. During the week, invited schools had the opportunity to attend the theatrical play “Who Brings Christmas Presents to Santa Claus?”, an engaging story about sharing and tolerance. The children were not just spectators but actively participated, becoming an integral part of the narrative. The event featured the mascots Metrox and Metrinha, who were at Natal Station, spreading their usual cheer among the invited children.

Christmas and Robotics" workshop

Metro held a series of "Christmas and Robotics" workshops at Natal station (Cais do Sodré), where younger customers had the opportunity to immerse themselves in a Christmas universe where traffic lights, traffic circles and various means of transport, including the Metro, were transformed into interactive works of art.

Christmas video

As part of the promotion of public transport and to encourage the use of the metro during the Christmas season, a more emotional film was developed, based on the rationale that Metropolitano de Lisboa lives within the city and brings it to life by transporting people along its lines to take them not only to their physical destinations, but also to what is important to each of us.

Facility security

In the 2023 financial year, Metropolitano de Lisboa continued its joint action plan with the Regiment of Sapper Firefighters, Amadora and Odivelas Volunteer Firefighters, which made it possible to carry out weekly exercises at stations and drills on the network.

The Internal Security plan was renewed, with self-protection measures in accordance with a model previously discussed with the National Emergency and Civil Protection Authority (ANEPC).

In terms of surveillance and considering the new security realities, new services were improved with a greater focus on the visibility and security of the facilities. These services took the form of double patrols, over a longer period, and circulating inside the trains and on the station platforms, with a view to improving the feeling of security among customers and workers.

In terms of security, it was possible to continue improving coordination with the PSP's Public Transport Security Division in terms of security actions, support for inspections and the preparation of security plans for the main events with an impact on the network.

Work has also begun on the project to renovate and improve the station's facilities at the Marquês de Pombal station.

By implementing the appropriate methodologies, Metropolitano de Lisboa has complied with the SCIE legal requirement regarding the annual maintenance of fire extinguishers and the wet reel network.

Also noteworthy was the installation of a new network technical infrastructure supervision system (SSIT) and the renewal of the CITV (internal circuit television) system, with the installation of a track descent and tunnel intrusion detection system in 17 stations.

The 4-year program to upgrade the automatic fire detection systems in the network's buildings and stations was also continued.

In station renovations and new constructions, the use of mineral salt fire extinguishing systems has been introduced in strategic station assets. This installation has already been possible in the renovation and extension of Arroios station.

A lock mastering system using mechatronic keys has been put into service at stations on two lines. This system improves access control to station facilities.

Procedures have begun to renew and improve the CITV systems in the cars and PMOs, using video analysis analytics.

With a view to the CBTC system coming into operation, the safety regulations for train movements and signalling have been revised and approved, and training is underway to enable them to come into force.

Institutional communication

Throughout 2023, Metropolitano de Lisboa attended various events and conferences in the sector to share and learn about new market trends.

Institutional ceremonies were organized in the presence of the Minister, including the signing of contracts, the reopening of new spaces in stations, the launch of new products related to the innovation of the transport system and equipment, and the celebrations of the 75th anniversary of the founding of Metropolitano de Lisboa, which took place throughout 2023.

As part of Metropolitano de Lisboa's 75th anniversary celebrations, a partnership was formed with the Orquestra Metropolitana de Lisboa to hold two classical music concerts open to the public. The first concert was held in December 2023 at the Basílica da Estrela and the next will take place in June 2024 at the BBVA Tivoli.

Also, as part of the anniversary celebrations, a documentary video and a book on the company's history are being produced and are expected to be available in the second half of 2024.

The contents of the microsite on the expansion and modernization of the Metropolitano de Lisboa network have been updated to make it possible to follow the progress of the different work fronts, the projects and studies under analysis, as well as the communication plans related to restrictions due to the works and the temporary occupation of buildings.

This specific communication plan for the expansion of the Metropolitano de Lisboa network has led to an increase in institutional contacts with local authorities and other stakeholders, which will continue to be developed until the completion of ongoing and planned works, such as the extension of the Red Line from S. Sebastião to Alcântara and the Loures/Odivelas Light Rail, which involves the Loures and Odivelas City Councils and the respective Parish Councils in the areas of influence of the future stations and other projects still under study.

The year 2023 was marked by visits to the Circle line works with the main institutional stakeholders: Environmental Fund and POSEUR teams, RRP, City Councils, mobility companies, technical and archaeological institutions, higher education institutions, the media, company employees, among other entities related to this expansion project. The visits to the works on the Circle line provided more insight into the development of the project and its impact on mobility in the Lisbon Metropolitan Area.

The procedure implemented in 2021 regarding customer service for all matters related to the expansion of the network, including complaints and suggestions and others, has also been continued, with digital (email addresses for each of the contracts), telephone (external fixed and mobile numbers) and face-to-face (creation of the "ML informa" Service Point, on Av. 24 de Julho, corner with D. Carlos I) channels having been created, which are essential for maintaining adequate levels of information in this area.

ML Informa", made available to the public on September 1, 2023, is a face-to-face public service point, located next to the Lot 2 construction site, dedicated to answering questions and sharing information about the network Expansion Plan, in particular about the extension of the Yellow and Green lines, from Rato to Cais do Sodré, and the extension of the Red line, from São Sebastião to Alcântara.

Located at the intersection of Avenida 24 de Julho and Avenida D. Carlos I, "ML Informa" is open from Monday to Friday, from 9:30 a.m. to 6:00 p.m. and provides information on the current and future Lisbon Underground Network Expansion Plan, namely the new routes, new stations and accesses to them, expropriations and temporary occupations, as well as up-to-date information on the progress of the works in progress and the temporary changes in road and pedestrian traffic necessary to carry out these projects.

Several communication actions were also carried out with the public, institutional stakeholders and the press to clarify the projects and expansion works underway.

Regarding contacts with the press, it is worth highlighting ML's participation in various television news and entertainment programs, through interviews and reports that have provided a positive image of the company.

Information on the year 2023 was marked by a special broadcast commemorating the 75th anniversary of Metro de Lisboa broadcast by Antena 1, the availability of the Web Summit pass, the expansion of new Metropolitano de Lisboa lines and the partnership with Visa, Indra, Cybersource, Littlepay and Unicre to provide contactless payments.

Other topics that were much discussed during the period under review were the constraints caused to the services of Metropolitano de Lisboa due to breakdowns, the suspension of negotiations on routes due to the political crisis, the increase in the number of complaints about public transport and the increase in prices announced for 2024.

Online was the preferred medium for disseminating news about Metropolitano de Lisboa, accounting for 64% of the volume of articles broadcast and 11% of the potential reach. TV news, although fewer in number than the online medium, accounted for 51% of the potential reach, around 629 MM people.

SIC Notícias (online and TV) was the source with the highest volume of articles published throughout the year, followed by RTP 1 and RTP 3.

78% of all the articles recorded over the period analysed showed positive/neutral sentiment towards Metropolitano de Lisboa. Articles with negative favourability accounted for 22% of the information published. All the news published in 2023 represented an ROI of 22,345,227 euros.

Around 28% of the news stories on Metropolitano de Lisboa in 2023 were related to the expansion of the lines, with a positive/neutral sentiment in 74% of these articles and a negative sentiment in 26%.

Also at institutional level, all the communication actions were carried out to publicize the institutional, commercial and brand campaigns that led to the media results described above.

Participation in activities of national and international organizations

In 2023, with the full lifting of travel restrictions imposed by the COVID-19 pandemic, ML fully resumed its presence at international events and activities, both at the level of the entities in which the Company is affiliated and through participation in various events related to the transport sector.

In this context, and as far as the UITP is concerned, ML took part in two meetings of the Policy Board, the Association's umbrella body, in March (online) and June (Barcelona). This last meeting also marked the end of ML's Chairman's term as National Ambassador to the UITP.

ML also continued to play an assets role in the UITP European Union Committee, as a full member of the body that represents the interests of European operators and influences the legislative and decision-making process in the EU institutions. The Member of the Board of Directors attended the last meeting of the year, Sónia Páscoa, who now represents ML on this body.

Also noteworthy was ML's appointment in May as vice-chair of the newly formed UITP Research Committee on Mobility (RIM). This committee, made up of universities, academic bodies and industry players, aims to promote the exchange of knowledge on future developments in the public transport sector and strengthen links between academic research and practice.

The company's representation at the UITP Summit 2023, the Association's World Congress and Exhibition in Barcelona, included a delegation of 11 members from different areas of the company. In addition, ML took part in the UITP Young Leaders Program, offering two young professionals the opportunity to familiarize themselves with the Association's various activities in an international context.

ML's participation also extended to various face-to-face and virtual meetings of the UITP's governing and working bodies, including attendance at the 100th Metros Assembly in Istanbul in December.

ML also attended meetings of the Latin American Association of Metros and Undergrounds (ALAMYS), with Maria Helena Campos, Member of the Board of Directors, representing the company. As the 2nd member of the ALAMYS Steering Committee, she took part in the Steering Committee and the 28th edition of the Technical Committees in Barcelona.

Also in 2013, ML's involvement in benchmarking activities was notable, especially through the Metro Community of Metros Benchmarking Group (CoMET), having taken part in various meetings and workshops, especially the Communications-Based Train Control (CBTC) Workshop, held in New York, together with the International Suburban Rail Benchmarking Group (ISBeRG).

Natural capital

Since May 2022, ML has had zero indirect greenhouse gas (GHG) emissions from supplying electricity exclusively from green renewable sources. To offset direct GHG emissions from natural gas consumption, liquid fuels and fluorinated gas leaks, ML has been contributing to tree-planting actions throughout the country. In this way, ML achieves carbon neutrality in its operations, fulfilling one of the company's major sustainable development objectives and reinforcing its contribution to decarbonizing the economy and improving sustainable mobility in the Lisbon Metropolitan Area.

Metropolitano de Lisboa is an important player in decarbonizing the economy and helping to minimize environmental impacts. In this context, and in addition to the effort to transfer more polluting means of mobility to the ML, there is constant monitoring of the environmental performance of the organization, which has implemented and certified the Environmental Management System by NP EN ISO 14001 as a benchmark for this purpose.

Every year, an analysis is made of the significant positive and negative environmental impacts resulting from the activities carried out by the ML group of companies:

Significant positive environmental impacts:

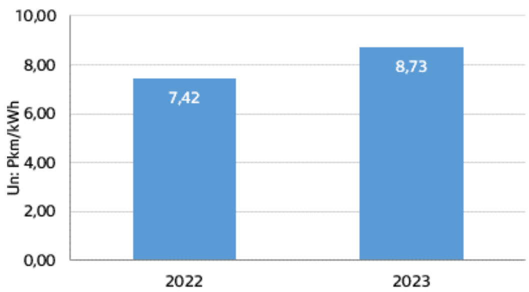
- Provision of public transport;
- Decongestion of public roads.

Significant negative environmental impacts:

- Paper consumption in administrative activities;
- Electricity consumption in operation, maintenance and administrative activities;
- Natural gas consumption;
- Liquid fuel consumption;
- Production of non-hazardous waste at stations.

Passengers x km transported per unit of energy in 2023 rose by 17.7% compared to the previous year, mainly because of growth in demand.

Graph 11 – Energy efficiency



In 2020, and as part of its commitment to "Lisbon – Green Capital", Metropolitano de Lisboa drew up an Integrated Environmental Sustainability Plan which it intends to implement by 2030, and whose following actions focus on energy, water, paper, air quality and noise, Circle economy, communication and citizenship.

Thus, during the last three years of PISA 2030, of the actions planned, the following measures have been successfully completed:

- Increase in the amount of waste sent for recovery;
- Installation of intelligent irrigation systems in PMOs;
- Dissemination of events and goals defined within the scope of Lisboa Capital Verde through the Metro's promotional media;
- Information on multimodal transport on the Metro *website*.

The work carried out on the actions throughout 2023 is presented below:

ACTIONS / PROJECTS	WORK CARRIED OUT
Adoption of the use of reused water for washing and irrigation in the stations and in PMO III	*Exploratory contacts were made with Águas do Tejo e Atlântico to analyse the feasibility of the measure.*
Complete replacement of station lighting with LED technology	*Full LED lighting is complete in 57% of metro stations). The Maintenance Plan foresees six stations per year.*
Installation of photovoltaic plant in PMO II	*In the final stages of drawing up the specifications for launching the procedure.*
Improving energy efficiency and reducing the emission coefficient of the energy consumed through the purchase of cleaner energy and own production	*Carbon neutrality achieved*
Change in parking rules to give priority to electric vehicles	*Under study is the balanced distribution of parking spaces, assigning specific spaces to electric vehicles in the parking lots of the company's administrative buildings.*
Guarantee of a set of reserved spaces for electric vehicles	*Places for electric vehicles (visitors and personnel) will be marked out for this purpose. The area in charge is studying the balanced distribution of seat markings by allocating specific seats for electric vehicles.*
Promoting the purchase of sustainable materials and products by environmental criteria in the procurement process	*The Ecological Purchasing Manual is being drawn up*
Reducing paper consumption by digitizing internal processes	*In 2022, with the end of lockdowns and remote work, there has been an increase in paper consumption compared to 2021 (+24.9%). However, when compared to 2019, the variation is -27.9%.*
Disclosure of this commitment to stakeholders and the degree of implementation of the actions defined	*PISA 2030 is disseminated internally to employees via the company's intranet, as well as to customers via digital media and press releases.*

VII. COMPLIANCE WITH GUIDELINES AND LEGAL PROVISIONS

1. Management Objectives and Activity Plan and Budget

(article 38 of the RJSPE and Ministerial Order no. 317-A/2021, of December 23)

a) Objectives set by the shareholder

Table 64 - Management objectives

	2023 REAL	2023 PAO	Execution degree	Comments/ Justification for deviations
Key Financial Principles				
Operational Efficiency (Ratio of operating expenses to turnover)	99,89 %	100,5 %	-0,61 p.p.	Page 84
PRC As per the PRC (Public Reclassification Criteria), in 2023, the following expenses must be equal to or lower than the value recorded or estimated for the reference year, as established for evaluating operational efficiency:				
a) Personnel expenses, excluding those related to corporate bodies, adjusted for the impacts of compliance with legal provisions, termination compensations, mandatory salary adjustments, and absenteeism effects.	91.662.433 €	89.459.294 €	102,5 %	Page 84
b) Combined costs for travel, per diems, accommodation, expenses associated with the vehicle fleet, and costs for contracting studies, opinions, projects, and consultancy.	1.966.750 €	3.526.931 €	55,8 %	Page 84
Investment [1]				
Investment LTI	84.241.229 €	162.830.471 €	51,7 %	Page 54
Investment ML	5.817.360 €	48.266.815 €	12,2 %	Page 54
Total Investment	**90.058.589 €**	**210.497.286 €**	**42,8 %**	Page 54

[1] The investment values for LTI (Long-Term Infrastructure Development) and ML (Metropolitano de Lisboa) are net of Work for the Company's Own Use (TPE) and financial charges.

b) Implementation of the Activity Plan and Budget

Table 65 - Implementation of the Activity Plan and Budget

Indicators	Executed 2023	PAO 2023	Deviation (+/-)	Observations / Measures
Net Profit	(23.999.579 €)	(41.947.462 €)	17.947.882 €	Results, page 44
EBITDA	(9.817.974 €)	(27.415.510 €)	17.597.536 €	EBITDA, page 48
Operating Result[1)] (EBIT)	(24.276.001 €)	(40.190.469 €)	15.914.467 €	Results, page 44
Turnover	133.248.691 €	106.255.262 €	26.993.429 €	Operating Revenues, page 46
Indebtedness[2)]	3.302.296.031 €	3.193.234.849 €	109.061.181 €	Interest-bearing Liabilities, page 53
Net Financial Debt[3)] / EBITDA	-31.752 %	-11.228 %	-20.523 p.p.	Financial Flows, page 50
Cash and cash equivalents[4)]	184.936.697 €	114.994.903 €	69.941.794 €	

1) Operating Result net of provisions, impairments and fair value adjustments.
2) Interest-bearing Liabilities
3) Net financial debt means the amount of debt reduced by cash and cash equivalents.
4) Cash and bank deposits, according to the balance sheet

c) Investment

Table 66 - Investment

Investment Plan (Unit: €)	PAO 2023	Executed 2023							Deviation (PAO vs Executed)	Observations/ measures
		Total	Sources of funding							
			Self-financing (Own revenues)	State budget	Indebtedness	EU funds	PRR	Other		
Rato / Cais do Sodré Extension	70 805 903	77 095 433	0	39 586 617	0	37 508 816	0	0	6 289 531	
S.Sebastião / Alcântara Extension	55 100 000	506 996	0	0	0	0	506 996	0	-54 593 004	
Surface Light Rail Loures / Odivelas	9 178 286	57 944	0	0	0	0	57 944	0	-9 120 342	Page 54
CBTC	6 522 569	694 639	0	694 639	0	0	0	0	-5 827 930	
Other investments	68 890 528	11 703 577	4 670 062	7 033 515	0	0	0	0	-57 186 952	
Total value of Investment	210 497 286	90 058 589	4 670 062	47 314 771	0	37 508 816	564 940	0	-120 438 697	

d) Financial budget (uploaded to SIGO/SOE)

Table 67 - Degree of implementation of the financial budget

Item		Budget	Execution	Execution Rate	Justification
R05.07	REM. CAPITAL - GENERAL REVENUE	459 €	458 €	99,8%	
R06.03	CENTRAL ADMINISTRATION	4.928.058 €	4.763.263 €	96,7%	
R06.05	LOCAL GOVERNMENT	65.332 €	65.331 €	100,0%	
R06.09	EU-INSTITUTIONS-OTHER FUNDS	51.870.694 €	985.449 €	1,9%	The deviation is related to the delay in obtaining the favourable Environmental Impact Statement (DIA), issued by the Portuguese Environment Agency (APA), for the launch of the international tender and subsequent contracting for the Red Line expansion contract, which only took place in December 2023. Preliminary studies of the Light Surface Metro (MLS) have been carried out.
R07.02	SERVICES	106.843.218 €	136.351.207 €	127,6%	This positive variation is related to the recovery in the number of passengers and, consequently, the sale of monthly securities but also the sale of occasional securities and the implementation of payment by bank card.
R07.03	BUILDINGS - RENTS	561.242 €	561.241 €	100,0%	
R08.01	OTHER	10.051.315 €	4.154.914 €	41,3%	Considering the low level of implementation of the projects, no VAT was refunded
R09.03	BUILDINGS	200.000 €	-	-	
R09.04	OTHER INVESTMENT GOODS	-	-	-	
R10.03	CENTRAL ADMINISTRATION	53.850.000 €	53.850.000 €	100,0%	
R10.09	EUROPEAN UNION	31.643.876 €	39.125.922 €	123,6%	POSEUR changed the percentage of funding allocated to the RA/CS project, which made it possible to increase the reimbursement of expenditure presented above what was budgeted.
R11.03	TITLE MLP - INTERNATIONAL ENTITIES	10.415.131 €	10.415.130 €	100,0%	
R12.06	FINANCIAL SUPPORT	48.415.476 €	9.024.285 €	18,6%	An allocation for the operational deficit was approved, but it was found to be unnecessary as the deficit was covered by the company's own revenue.
R12.07	OTHER FINANCIAL LIABILITIES	92.996.408 €	57.511.019 €	61,8%	The deviation is essentially due to the favourable variation in financial instruments (SWAP).
R15.01	REPLACEMENTS NOT DEDUCTED FROM PAYMENTS	1.434 €	1.433 €	100,0%	
R16.01	MANAGEMENT BALANCE	92.048.463 €	92.048.459 €	100,0%	
R17.02	OTHER TREASURY OPERATIONS	-	71.538.178 €	-	Recording of RRP transfers to be carried forward to 2024, in accordance with Article 8 of Decree-Law No. 53-B/2021, dated June 23 – RRP.

Item		Budget	Execution	Execution Rate	Justification
D01.01	FIXED AND PERMANENT SALARIES	58.622.591 €	61.101.371 €	104,2%	The increase in personnel expenses is due to the deferred impact of recruitments and reclassifications in 2023, the implementation of company agreements, particularly regarding promotional processes, and the 6.1% increase in the wage bill, as authorized by the supervisory authority.
D01.02	VARIABLE OR OCCASIONAL ALLOWANCES	5.547.084 €	5.512.094 €	99,4%	
D01.03	SOCIAL SECURITY	27.643.667 €	28.442.181 €	102,9%	
D02.01	ACQUISITION OF GOODS	8.979.070 €	4.348.308 €	48,4%	The deviation is related to the application of budget withholding by the DGB in the amount of €4,228,229.
D02.02	PURCHASE OF SERVICES	65.086.260 €	47.026.532 €	72,3%	The deviation is related to the application of budget withholding by the DGB in the amount €18,186,948.
D03.01	INTEREST ON PUBLIC DEBT	57.145.648 €	52.416.897 €	91,7%	The deviation is primarily due to the favourable variation in financial instruments (SWAPs).
D03.06	OTHER FINANCIAL CHARGES	154.702 €	43.894 €	28,4%	
D06.02	MISCELLANEOUS	836.887 €	822.281 €	98,3%	
D07.01	INVESTMENTS	42.315.110 €	10.267.248 €	24,3%	The deviation is mainly related to the failure to execute non-co-financed investments, caused by delays in the approval of Extension of Charges Orders, as well as prolonged public procurement processes.
D07.03	PUBLIC DOMAIN ASSETS	145.511.624 €	85.458.326 €	58,7%	The deviation is also related to the delay in obtaining a favourable Environmental Impact Statement (DIA) from the Portuguese Environment Agency (APA), which postponed the launch of the international tender and subsequent contracting for the Red Line expansion, which only occurred in December 2023. Preliminary studies were carried out for the Surface Light Rail (MLS). Similarly, in the Network Modernization/CBTC project, the delivery of MC for testing was postponed to 2023.
D09.02	FINANCIAL ASSETS	-	93.441.829 €	-	Creation of CEDIC - Order no. 12553/2023
D10.06	MEDIUM AND LONG-TERM LOANS	-	-	-	
D12.02	OTHER TREASURY OPERATIONS	-	21.004 €	-	

	BUDGET	REAL	
Total Revenue	503.891.106 €	480.396.293 €	95,3%
Total Expenditure	411.842.643 €	388.901.965 €	94,4%

2. Financial risk management

Table 68 – Average annual financing rate and interest paid

Years	2023	2022	2021	2020	2019
Financial Charges (€)	52.460.791	75.697.764	141.972.295	206.705.313	218.372.006
Average Financing Rate (%)	2,69	2,56	3,93	5,61	5,44

3. Debt growth limit

Table 69 – Change in debt

Debt variation (execution)	2023	2022	Variation 2023/2022	
	Values (€)		Value	%
Subscribed capital	3.906.805.655	3.849.294.636	57.511.019	1,5
Interest-Bearing Financing (Current and Non-Current)	3.302.296.031	3.293.271.746	9.024.285	0,3
New Investments in the year (with material expression)	0	0	0	-
Change in debt	**0,93%**			

4. Average payment period

Table 70 – Average payment period

PMP	2023	2022	Variation 2023/2022	
			Value	%
Deadline (days)	19	21	-2	-9,52

Table 71 – Overdue debts

Overdue debts (values in euros)	Value (€)	Amount of overdue debts according to art. 1 DL 65-A/2011 (€)			
	0-90 days	90-120 days	120-240 days	240-360 days	> 360 days
Purchase of Goods and Services	29.133	0	372	21.891	2.962
Capital Acquisitions	88.425	0	0	150.516	26.691
Total	**117.558**	**0**	**372**	**172.407**	**29.653**

Note: Values after 90 days not reconcilable. In process of analysis in 2024.

5. Shareholder recommendations

With the latest approval of the financial statements (2021), it was recommended that the Board of Directors take steps to:

- "Implementation of a system that allows budget statements to be obtained and validated automatically, in compliance with the Accounting Standardization System for Public Administrations, as well as observing compliance with the accounting rules applicable to the recognition and measurement of transactions and other events inherent to budget accounting."
- "Disclosure, in accordance with NCP 26 – Accounting and Budgetary Reporting of the Accounting Standardization System for Public Administrations, in the Annex to the budget statements for the 2022 financial year, of information relating to Administrative contracting, specifically the status of contracts and awards by type of procedure, and to Transfers and subsidies of expenditure and revenue."

1st Recommendation

ML is planning to develop new functions using its ERP to comply with the legal requirements relating to budget accounting.

However, given the inherent technical complexity, it is not possible at this time to present a deadline for this implementation to be fully operational.

Currently, the budget statements are prepared based on the information recorded in the company's ERP, which is extracted and processed to comply with all ML's reporting obligations. Thus, although it does not yet have a system that allows the budget statements to be obtained and validated automatically, their preparation considers the information reported in SIGO and other reports in the online DGB.

When calculating the management account, budget execution is presented by program, financing entity and economic classification items, as well as all the budget changes made, which led to the calculation of the management balance to be carried forward, which makes it possible to replicate what is reported to external entities in the tables that make up the budget statements.

1.3rd Recommendation

As mentioned in the 1st Recommendation, the technical conditions are not yet in place to respond to all the disclosures envisaged for the Annex to the budget statements, in particular the situation of contracts and awards by type of procedure.

Regarding tables 6.1 - Transfers and subsidies - Expenditure (not carried out by the company) and 6.2 - Transfers and subsidies - Revenue, ML will now include detailed information.

6. Efforts to address reservations issued in the last CLC

- "Following the "updating and unification of the general legal framework of the public service concession granted to ML", through Decree-Law no. 175/2014, of December 5, the Portuguese State signed with ML, on March 23, 2015, a public service concession contract for subway passenger transport in Greater Lisbon, the term of which ends on July 1, 2024. This contract includes the rights and obligations inherent to the aforementioned public service provision, as well as all the assets allocated to the concession, particularly those included in the Entity's assets as at 31 December 2014, which are characterized as concession assets. However, **the financial statements as at December 31, 2022 still do not show changes in the classification, recognition and measurement of these assets, as well as other possible consequences of the conclusion of the concession contract**, and we were unable to obtain sufficient information to allow us to conclude on the respective effects on the financial statements as at December 31, 2022."
- "As disclosed in notes 4.2 and 6 of the annex, the Government assumed, under the terms of Decree-Law no. 196/80, of June 20, the principle that it was up to the Portuguese State to finance the long-duration infrastructures ("LTI") of ML, which, according to its articles of association, is responsible for the administration of the assets in the public domain allocated to its activities. Despite the conclusion on March 23, 2015, between the Portuguese State and ML, of a public service concession contract for subway passenger transport in Greater Lisbon, **the terms and conditions governing the relationship between the parties regarding the ownership and use of the LTI remain silent. As a result, ML continues to record all flows related to LTI under balance sheet items called "Long-term infrastructure investments", presented under assets and liabilities. Thus, as at December 31, 2022, non-current assets include the amount of 5,369,302,753 euros relating to (i) receivables from the State (3,180,829,583 euros), (ii) derivatives measured at fair value (586,759 euros) and (iii) tangible fixed assets, intangible assets or investment properties, which total 2,187,886.411 euros and correspond to expenses incurred with the construction, administration and financing of the LTI (net of subsidies received); liabilities include financing, derivatives measured at fair value, provisions and other accounts payable related to the LTI, totalling 2,761,095,729 euros, of which 1,544,911,659 euros is considered non-current. It should also be noted that, because of the aforementioned contractual omission, the tangible and intangible fixed assets classified as LTI are not being depreciated and amortized, respectively**. Therefore, in view of the contractual vagueness that persists in this matter, we are unable to conclude on the adequacy of the accounting policy adopted by ML regarding the management of long-term infrastructure investment activities, as well as its effects on the financial statements in question."
- "As disclosed in note 16 to the accounts, the balance sheet includes on December 31, 2022**, under the item "Deferrals assets - work on behalf of third parties", the amount of 29,738,382 euros, net of impairment losses, relating to work carried out in the past by ML on behalf of entities in the state's business sector, for which the amounts to be invoiced and the respective payment terms, to date, have either not been formalized or have been insufficiently binding**. Consequently, we are unable to conclude on the time of realization and the appropriate measurement of these assets."

1st Effort

In 2023, work continued on revising and adapting the concession contract in force, with a view to signing the respective addendum that will extend the duration of the concession granted to ML until July 1, 2030.

Following AMT's prior binding opinion, RCM no. 57-D/2024 of 21 March was published, authorizing expenditure on the financial compensation to be paid by the State to ML, within the scope of public service obligations.

On March 27, 2024, the Addendum to the Concession Contract was granted, which was submitted by the Grantor for prior approval by the Court of Auditors and is awaiting its decision.

When the formalization of this whole process is completed, ML expects to be able to present in its financial statements the necessary changes in the classification, recognition and measurement of the concession assets, as well as any other consequences arising from compliance with the public service obligations set out in the aforementioned Amendment.

2nd Effort

Following on from the 1st Due Diligence, ML believes that the Amendment will clarify the terms and conditions governing the relationship between the Portuguese State and ML regarding the ownership and use of LTI, thus allowing an accounting policy to be adopted that is appropriate to the management of these Investment activities.

3rd Effort

In 2023 it was possible to achieve developments in 2 of the 3 processes included under "Deferrals assets - work on behalf of third parties":

- In the case with Infraestruturas de Portugal (€7.2 million), relating to the construction of the River Terminal and the Cais do Sodré Interface, meetings were held and correspondence exchanged with a view to obtaining a final settlement of accounts, but there is still an amount (around €1 million) for which IP has been asking for further clarification, and so far it has not been possible to resolve this discrepancy.
- In the case with Águas do Tejo Atlântico (€0.6 million), concerning the construction of the "Pumping System and Tidal Valve Chamber of the Terreiro do Paço River Station", contacts were made between the Administrations and correspondence was exchanged between the technical areas with a view to closing the protocol. AdTA recently sent a proposal, which is currently being analysed by ML.
- In the case with Transtejo (22.5 M€), concerning the construction of the Terreiro do Paço Interface, ML maintains the understanding that the respective resolution will only be possible through direct intervention by the state shareholder, as has happened in the past.

7. Remuneration/compensation for Governing Bodies and External Auditor

a) Governing Bodies

Board of Directors

Table 72 - Fixed monthly salary - Public Manager's Statute

BoD member	Fixed monthly salary - EGP			
	Fixed [Y/N]	Classification [A/B/C]	Gross monthly salary (€) (1)	
			Monthly salary	Representation Expenses
Vítor Manuel Jacinto Domingues dos Santos	S	B	4.817,93	1.927,17
Maria Helena Arranhado Carrasco Campos	S	B	3.854,35	1.541,74
João Paulo de Figueiredo Lucas Saraiva	S	B	3.854,35	1.541,74
Sónia Alexandra Martins Páscoa	S	B	3.854,35	1.541,74

(1) The gross monthly remuneration figures include the application of the 5% reduction in the gross monthly salary of executive public managers, as provided for in article 12(1) of Law no. 12-A/2010, of June 30.

Table 73 – Identification of the members of the Board of Directors

Term of office (Start-End)	Position	Name	Name		OPRLO or Option for the Average of the last 3 years				No. of mandates
			Form	Date	Yes/No	Source Entity Entity	Paying Entity (O/D)	Identification of date of authorization and form	
2022-2024	Chairman	Eng. Vítor Manuel Jacinto Domingues dos Santos	Order no. 9167/2022	27/07/2022	No	n.a.	D	-	3
2022-2024	Member	Eng. Maria Helena Arranhado Carrasco Campos	Order no. 9167/2022	27/07/2022	No	n.a.	D	-	4
2022-2024	Member	Eng. João Paulo de Figueiredo Lucas Saraiva	Order no. 9167/2022	27/07/2022	No	n.a.	D	-	1
2022-2024	Member	Dr. Sónia Alexandra Martins Páscoa	Order no. 8113/2023	25/07/2023	No	n.a.	D	-	1

Table 74 – Accumulation of duties

BoD member	Accumulation of Duties			
	Entity	Role	Regime	Date of authorization and form
Eng. Vítor Manuel Jacinto Domingues dos Santos	FERCONSULT	Chairman	Public	Minutes of General Meeting no. 72 of 31/05/2021
	METROCOM	Chairman	Public	Minutes of General Meeting no. 54 of 13/07/2020
	A.C.E. TRAIN	Chairman	Public	Minutes of General Meeting no. 34 of 29/04/2022
	TRAIN II A.C.E.	Chairman	Public	Minutes of General Meeting no. 31 of 29/04/2022
Eng. Maria Helena Arranhado Carrasco Campos	FERCONSULT	Administrator	Public	Minutes of General Meeting no. 72 of 31/05/2021
	METROCOM	Administrator	Public	Minutes of General Meeting no. 54 of 13/07/2020
Eng. João Paulo de Figueiredo Lucas Saraiva	METROCOM	Administrator	Public	Minutes of General Meeting no. 57 of 18/08/2022
Dr. Sónia Alexandra Martins Páscoa	FERCONSULT	Administrator	Public	Minutes of General Meeting no. 76 of 11/09/2023

Table 75 – Annual remuneration earned

BoD member	Annual Earned Remuneration - 2023 (€)				
	Fixed (1)	Variable (2)	Gross Value (3)=(1)+(2)	Pay cuts (4)	Final Gross Value (5)=(3)-(4)
Vítor Manuel Jacinto Domingues dos Santos	95.344,34	0,00	95.344,34	4.784,18	90.560,16
Maria Helena Arranhado Carrasco Campos	76.275,50	0,00	76.275,50	3.813,72	72.461,78
João Paulo de Figueiredo Lucas Saraiva	76.275,50	0,00	76.275,50	3.813,72	72.461,78
Sónia Alexandra Martins Páscoa	28.103,79	0,00	28.103,79	1.405,18	26.698,61
			275.999,13	13.816,80	262.182,33

Table 76 – Social benefits

BoD member	Social Benefits (€)							
	Meal allowance		Social Protection Scheme		Annual Charge Health Insurance	Annual Charge Life Insurance	Others	
	Amount / Dau	Amount Paid Year	Identification	Annual Charge			Identification	Value
Vitor Manuel Jacinto Domingues dos Santos	10,35	2.090,70	SS	22.230,71	757,31	0,00	Work Accident Insurance	1.071,12
Maria Helena Arranhado Carrasco Campos	10,35	2.090,70	CGA	17.209,66	757,31	0,00	Work Accident Insurance	862,28
João Paulo de Figueiredo Lucas Saraiva	10,35	2.235,60	SS	17.676,06	757,31	0,00	Work Accident Insurance	864,18
Sónia Alexandra Martins Páscoa	10,35	734,85	SS	6.539,62	298,77	0,00	Work Accident Insurance	337,31
		7.151,85		63.656,05	2.570,70	0,00		3.134,89

Table 77 – Vehicle expenses

BoD member	Encargos com Viaturas							
	Allocated vehicle [Y/N]	Conclusion of contract [Y/N]	Reference value of the vehicle (€)	Modality	Start year	End year	Monthly lease (€)	Annual lease cost (€)
Vitor Manuel Jacinto Domingues dos Santos	S	S	48 327,55 €	AOV	2023	2026	769,92 €	9 239,04 €
Maria Helena Arranhado Carrasco Campos	S	S	40 288,77 €	AOV	2023	2026	678,99 €	8 147,88 €
João Paulo de Figueiredo Lucas Saraiva	S	S	48 127,97 €	AOV	2023	2026	755,19 €	9 062,28 €
Sónia Alexandra Martins Páscoa	S	S	42.072,00 €	AOV	2017	2024	445,10 €	5 341,20 €

Table 78 – Annual Expenses Associated with Business Travel

BoD member	Annual Expenses Associated with Business Travel (€)					
	Business Travel	Accommodation Costs	Allowances	Others		Total travel expenses (∑)
				Identify	Value	
Vitor Manuel Jacinto Domingues dos Santos	1 864,74	1 590,07	512,95	-	0,00	3 967,76
Maria Helena Arranhado Carrasco Campos	727,80	1 278,54	250,20	-	0,00	2 256,54
João Paulo de Figueiredo Lucas Saraiva	0,00	0,00	87,65	-	0,00	87,65
Sónia Alexandra Martins Páscoa	9 682,13	3 032,27	750,60	-	0,00	13 465,00
						19 776,95

Supervision

Supervisory Board

Outgoing term of office

Table 79 – Identification of Supervisory Board members and remuneration status

Term of Office (Start - End)	Role	Name	Appointment		Fixed Monthly Remuneration (€)	No. of mandates
			Form (1)	Date		
2017-2019	Chairman	Dr. José Carlos Pereira Nunes	DC SETF and SEAMB	11/01/2017	1 419,75	2
2017-2019	Effective Member	Dr. Cristina Maria Pereira Freire	DC SETF and SEAMB	11/01/2017	1 064,81	1
2017-2019	Effective Member	Dr. Margarida Carla Campos Freitas Taborda	DC SETF and SEOPTC	11/01/2017	1 064,81	1
2017-2019	Alternate Member	Dr. Maria Teresa Vasconcelos Abreu Flor de Morais	DC SETF and SEOPTC	11/01/2017	-	2

(1) In accordance with the Joint Order of January 11, 2017 of the Deputy Secretary of State for the Treasury and Finance and the Deputy Secretary of State for the Environment.

The Supervisory Board remained in office after the 2017-2019 triennium, until 25/10/2023.

Table 80 – Annual remuneration earned

Name	Annual remuneration earned (gross)
Dr. José Carlos Pereira Nunes	16 006,49
Dr. Margarida Carla Campos Freitas Taborda	14 907,29
Dr. Cristina Maria Pereira Freire	12 004,80
Dr. Maria Teresa Vasconcelos Abreu Flor de Morais	0,00

Supervisory Board appointed on 25/10/2023

Table 81 – Identification of Supervisory Board members and remuneration status

Term of Office (Start - End)	Role	Name	Name		Fixed Monthly Remuneration Status (€)(2)	No. of mandates
			Form (1)	Date		
2023-2025	Chairman	Dr. José Henrique Rodrigues Polaco	DC SET and SEMB	25/10/2023	1 419,75	1
2023-2025	Effective Member	Dr. Margarida Carla Campos Freitas Taborda	DC SET and SEMB	25/10/2023	1 064,81	2
2023-2025	Effective Member	Dr. Maria Teresa Figueiredo Alves Carvalho	DC SET and SEMB	25/10/2023	1 064,81	1
2023-2025	Alternate Member	Dr. Nelson Manuel Costa dos Santos	DC SET and SEMB	25/10/2023	-	1

(1) In accordance with the Joint Order of October 25, 2023 of the Secretary of State for the Treasury and the Secretary of State for Urban Mobility.

Table 82 – Annual remuneration earned

Name	Annual remuneration earned (gross)
Dr. José Henrique Rodrigues Polaco	3 436,16
Dr. Margarida Carla Campos Freitas Taborda *	14 907,29
Dr. Maria Teresa Figueiredo Alves Carvalho	2 577,11
Dr. Nelson Manuel Costa dos Santos	0,00

* Carried over from the previous Supervisory Board

Chartered accountant

Outgoing term of office

Table 83 – Identification of the Chartered accountant

Term of office (Start-End)	Role	CAF/CA identification			Name			Number of Years of Service in the Group	Number of Years of Service in the Company
		Name	Registration number in OROC	Registration No. at CMVM	Form	Date	Date of contract		
2019-2021	Effective CA	Alves da Cunha, A. Dias & Associados, SROC, Lda., represented by:	74	20161409	Joint Order by the Secretary of State for the Treasury and the Deputy Secretary of State for Mobility	15/10/2019	15/10/2019	5	5
		Dr. José Luís Areal Alves da Cunha	585	20160240					
	Alternate CA	Oliveira, Reis & Associados, SROC, Lda., represented by:	23	20161381					
		Dr. Joaquim Oliveira de Jesus	1056	20160668					

Table 84 – Annual value of the Chartered accountant's service contract

Name	Annual Value of Services Contract – 2023 (€)		Annual Value of Additional Services – 2023 (€)	
	Annual value (€)	Service Identification	Annual value (€)	Service Identification
Alves da Cunha, A. Dias & Associados, SROC	22 800,00	Statutory Audit of Accounts	0,00	-

Chartered accountant appointed on 3/10/2023

Table 85 - Identification of the Chartered accountant

Term of office (Start-End)	Role	CAF/CA identification			Name			Number of Years of Service in the Group	Number of Years of Service in the Company
		Name	Registration number in OROC	Registration No. at CMVM	Form	Date	Date of contract		
2023-2025	Effective CA	João Cipriano & Associados, SROC, Lda.	119	20161438	Joint Order by the Secretary of State for the Treasury and the Deputy Secretary of State for Mobility	03/10/2023	06/12/2023	1	1
		Dr. João Amaro Santos Cipriano	631	20160277					
	Alternate CA	Baker Tilly, PG & Associados, SROC, SA	235	20161528					
		Dr. Paulo Jorge Duarte Gil Galvão André	779	20160596					

Table 86 - Annual value of the Chartered accountant's service contract

Name	Annual Value of Services Contract - 2023 (€)		Annual Value of Additional Services - 2023 (€)	
	Annual value (€)	Service Identification	Annual value (€)	Service Identification
João Cipriano & Associados, SROC, Lda.	4 583,34	Statutory Audit of Accounts	0,00	-

b) External auditor

Table 87 - Identification of the External Auditor

Identification of the External Auditor			Contract date	Contract duration	No. of years of service in the group	No. of years of service in the company
Name of External Auditor	NO. OROC	NO. CMVM				
BDO & ASSOCIADOS, CAF, LDA. represented by:	29	20161384	08/02/2021	3 years	3	3
António José Correia de Pina Fonseca	949	20160566				

Table 88 - Annual value of the External Auditor services contract

Name of External Auditor	Annual Value of Services Contract - 2023 (€)		Annual Value of Additional Services - 2023 (€)	
	Annual value (€)	Service Identification	Annual value (€)	Service Identification
BDO & ASSOCIADOS, SROC, LDA. represented by:	24 780,00	Audit services for the individual and consolidated accounts for the 2022 financial year	2 450,00	Fees External Audit ML ESEF 2022

8. Application of Articles 32 and 33 of the Public Manager's Statute

In 2023:

a. Under the terms of articles 32 and 33 of the Public Manager's Statute, no credit cards or other payment instruments were used by members of the Board of Directors for expenses incurred in the service of the Company;

b. No expenses were reimbursed under the concept of personal representation;

c. Value of expenses associated with communications:

Table 89 - Expenditure on communications

BoD member	Communications expenses (€)		
	Monthly Cap Defined	Annual Value	Remarks
Vitor Manuel Jacinto Domingues dos Santos	80,00	192,35	
Maria Helena Arranhado Carrasco Campos	80,00	101,75	
João Paulo de Figueiredo Lucas Saraiva	80,00	359,29	
Sónia Alexandra Martins Páscoa	80,00	431,05	
		1.084,44	

d. Amount of fuel and tolls allocated monthly to service vehicles:

Table 90 – Annual expenditure on vehicles

BoD member	Monthly Fuel and Toll Allowance	Annual expenses associated with vehicles (€)			
		Fuel	Tolls and Parks	Total	Observations
Vitor Manuel Jacinto Domingues dos Santos	481,79 €	2.094,91 €	1.153,98 €	3.248,89 €	
Maria Helena Arranhado Carrasco Campos	385,44 €	2.531,74 €	2.093,54 €	4.625,28 €	
João Paulo de Figueiredo Lucas Saraiva	385,44 €	1.777,31	264,14	2.041,45 €	
Sónia Alexandra Martins Páscoa	385,44 €	1.059,92 €	503,25 €	1.563,17 €	August to December
				11.478,79 €	

9. Undocumented or confidential expenses

ML complied with the provisions of Article 16(2) of Decree-Law 133/2013, of October 3, the Legal Regime of the Public Business Sector (RJSPE), and Article 11 of the Public Manager's Statute (EGP), having made no undocumented or Confidential Expenses.

10. Report on Salaries Paid to Women and Men

Metropolitano de Lisboa is committed to promoting a transparent remuneration policy based on job component assessments and objective criteria. At the same time, it firmly opposes the widespread and structural disadvantage faced by women in the labour market concerning salaries, rooted in a broader context of gender inequalities.

In compliance with Council of Ministers Resolution No. 18/2014, Metropolitano de Lisboa prepared, internally disseminated, and made available on its website the "Gender Pay Report 2021". The report aimed to diagnose and prevent any unjustified pay disparities that might exist in the company's remuneration structure between women and men.

The preparation of this report was also a measure to promote gender equality within the company, eliminate any form of discrimination, and achieve full equality of opportunities between women and men.

In this report, Metropolitano de Lisboa concluded that there were no instances of pay discrimination based on gender. The remuneration criteria are the same for women and men, and any differences in pay are not considered discriminatory as they are based on objective criteria common to both genders. These criteria include career development, performance, productivity, attendance, or seniority. (https://www.metrolisboa.pt/institucional/wp-content/uploads/sites/2/2022/04/MetropolitanoDeLisboa_RelatorioRemuneracoesPorGenero2021.pdf)

11. Preparation and dissemination of the Equality Plan

Action Plan for Equality between women and men - 2023
https://www.metrolisboa.pt/institucional/wp-content/uploads/sites/2/2022/12/Igualdade-de-genero_2023-vr.pdf

12. Annual report on the prevention of corruption and the Plan for the Prevention of Risks and Related Offenses

The annual report on corruption prevention is one of the obligations of the Regulatory Compliance Program imposed by the General Regime for the Prevention of Corruption (RGPC), approved by Decree-Law no. 109-E/2021, of December 9.

In 2023, the annual and interim assessment reports arising from the implementation of the Plan for the Prevention of Corruption Risks and Related Offenses (PPR) were approved and published in accordance with the law, and have been sent to the competent bodies and are available on the company's intranet and *website*.

Metropolitano de Lisboa has strengthened its culture of business ethics, complying with the obligations laid down in the RGPC and monitoring them through its Compliance system, whose implementation status, as of 31.12.2023, is listed in the table below:

Table 91 - RGPC obligations

RGPC obligations	Article	Observations
Regulatory Compliance Program (NCP)	5th/1	
Appointment of the person responsible for Regulatory Compliance Program	5th/2	Director of the Internal Audit, Risk and Compliance Office (IAO)
Plan for the Prevention of Risks of Corruption and Related Offenses (PPR)	6th/1	https://www.metrolisboa.pt/institucional/wp-content/uploads/sites/2/2020/10/PPRCIC_ML_FC_2020.pdf
PPR annual evaluation report	6/4. b)	https://www.metrolisboa.pt/institucional/wp-content/uploads/sites/2/2024/05/Report_plan_prevencao_risks_2023.pdf
PPR interim evaluation report	6/4. a)	https://www.metrolisboa.pt/institucional/wp-content/uploads/sites/2/2023/11/Prevencao_riscos_corrupcao_relatorio_intercalar_2023.pdf
Code of Ethics and Conduct	7th	Reformulated to include the provisions of the RGPC. https://www.metrolisboa.pt/institucional/wp-content/uploads/sites/2/2022/07/codigo_etica_conduta_julho_2022.pdf
Complaints channel	8th	Reformulated to include the provisions of the RGPC and Law no. 93/2021, December 18
Training and communication		Training: i. E-learning course on ethics and integrity/regulatory compliance program available to the entire work community since 21.04.2023 - 452 employees have completed the course (data as of 31.12.2023) ii.Webinar training: 3 sessions on 15.02.2023, 15.03.2023 and 12.04.2023 (Board of Directors, Supervisory Board, Managers and Senior Technicians and other employees in corporate areas) - 345 ML and Metrocom employees iii. Training given by the IAO to 24 new employees hired as Traffic Agents (08.03.2023 and 05.07.2023), with a total of 821 participants. Communication: Several news items on business ethics were disseminated internally via the portal, with the aim of raising awareness among employees of the need to prevent corruption. Communication on LinkedIn and email sent to all suppliers - international day against corruption / Christmas season / gift policy
Principle of administrative transparency	12th	Own tab on website and intranet https://www.metrolisboa.pt/institucional/informar/regime-geral-de-prevencao-da-corrupcao/

13. Public procurement

In 2023, Metropolitano de Lisboa applied the Public Procurement Code (CCP), approved by Decree-Law No. 18/2008, of January 29, in its current wording, to all public procurement activities subject to this legal framework.

ML also adhered to the guidelines outlined in Recommendation No. 1/2015, of January 7, from the Council for the Prevention of Corruption (Court of Auditors), as communicated through Circular Letter No. 4766, of August 10, and Order No. 438/10-SETF, of May 10, transmitted through Circular Letter No. 6132, of August 6, 2010.

The company complied with all applicable regulations concerning procurement, including consulting the Administrative Modernization Agency for the acquisition of goods and services covered by Decree-Law No. 107/2012, of May 18, as amended by Law No. 83-C/2014, of December 31, and Decree-Law No. 151/2015, of August 6. ML also ensured compliance with requests for authorization for the assumption of multiannual commitments as required by Article 6 of Law No. 8/2012, of February 21, as amended by Law No. 22/2015, of March 17, and by Article 11 of Decree-Law No. 127/2012, of June 21, as amended by Decree-Law No. 99/2015, of June 2. Additionally, ML fulfilled the requirements of Article 40 of the State Budget Law for 2023 (Law No. 24-D/2022, of December 30), in conjunction with Article 50 of Decree-Law No. 10/2023, of February 8, concerning the communication of external legal service contracts to JurisAPP.

Internally, ML adhered to the procedures outlined in the Purchasing Process Manual. To further promote transparency, small purchases were processed through a dedicated web application that ensured the confidentiality of proposals until the submission deadline.

ML has a Platform for recording and managing procurement procedures. This platform makes it possible to effectively monitor the status and record relevant information on the procurement procedures handled by ML (excluding small purchases). A report has also been developed which allows the consultation and reporting of management and compliance indicators for these procedures.

In addition to complying with the procurement rules, statistical reports on this matter were drawn up and sent to the competent authorities, as well as other procurement reports as part of audits.

In 2023, five contracts were signed with a value of more than €5,000,000. Three of these contracts are for the supply of electricity and the acquisition of surveillance, guard and concierge services for Metropolitano's facilities, which, in accordance with Article 47(1)(c) of the Law on the Organization and Procedure of the Court of Auditors (LOPTC), are exempt from prior inspection by the Court of Auditors.

Two works contracts were signed for:

i) Design and Construction of Finishes and Systems within the Scope of the Expansion Plan - Extension of the Yellow and Green Lines - Rato-Cais do Sodré Extension - Lot 4 of Metropolitano de Lisboa, E.P.E. and
ii) Contract for the Design and Construction of the Extension of the Red Line between São Sebastião and Alcântara, by Metropolitano de Lisboa, E.P.E., both subject to prior inspection by the Court of Auditors in accordance with the Law of Organization and Procedure of the Court of Auditors (LOPTC).

14. National Public Procurement System

In this regard, Metropolitano de Lisboa has been implementing the measures set out in the Stability and Growth Plan (SGP) 2010-2013 since 2010, having voluntarily joined the National Public Procurement System (SNCP).

It should be noted that, under the new organizational model, the Corporate Management area responsible for Logistics now centralizes procurement procedures, seeking, whenever possible, to obtain the best conditions for the acquisition of goods and services, by contracting using the aggregation of contracting entities.

15. Operating efficiency and operating expenses

The year 2019 was used to compare operational efficiency, as it had a higher turnover (compared to 2022), in accordance with the "Instructions on the process of rendering accounts for 2023".

Comparing the operating efficiency ratio in 2023 with 2019, there is a variation of -1.57 percentage points, complying with the "Instructions on the process of rendering accounts for 2023" and article 133 of the DLEO 2023.

Turnover increased by 14.5 million euros and the cost structure (adjusted) increased by 12.6 million euros, with a special focus on the personnel expenses component, which increased by 14.3 million euros (excluding social body expenses and the integration of Ferconsult employees) since 2019.

The ESF saw an increase of 1.1 million euros. One of the main causes is the impact of the increase in energy products, which rose by 4.9 million euros. The end of TREM II-2's operating *lease in* 2022 led to a reduction of 2.1 million euros. Expenditure on Cleaning Services increased by 1.5 million euros, as did expenditure on Security and Surveillance, which increased by the same amount.

In terms of personnel expenses, there was a 12.5% increase in 2023 compared to the previous year, reflecting the application of a remuneration policy following the Medium-Term Agreement for Improving Income, Wages and Competitiveness, respecting collective bargaining and ensuring an effective nominal increase in earnings per employee.

Also noteworthy is the 34.1% increase in compulsory pay rises, resulting from the application of the Company Agreements, namely the application of the performance appraisal systems and the award of annuities. These increases are part of the effects and remuneration components considered in the annualized increase of 6.08% in the overall wage bill, authorized by the government.

The integration into ML of the workers assigned to the subsidiary FERCONSULT represents an increase of 2.2 million euros, and this effect has been excluded for comparison purposes.

The reasons for the deviation in Personnel Expenses are detailed in *VI. PERFORMANCE, Personnel Expenses*, page *49*.

Table 92 – Operational efficiency

Unit: €

OPERATIONAL EFFICIENCY	Execution 2023	Budget 2023	Execution 2022	Execution 2019	Var. 2023/2022		Var. 2023/2019	
					∆ Absol.	Change %	∆ Absol.	Change %
(0) EBITDA (adjusted)	-5.864.679	-34.009.059	-5.325.751	-225.028	-538.929	10,1%	-5.639.652	2506,2%
(1) CMVMC	2.861.925	4.318.099	2.699.970	3.596.083	161.955	6,0%	-734.158	-20,4%
(2) FSE	38.003.510	51.772.365	37.318.592	36.878.739	684.918	1,8%	1.124.771	3,0%
(3) Personnel expenses	99.286.012	91.087.583	86.761.225	80.056.942	12.524.787	14,4%	19.229.070	24,0%
i. Relating to governing bodies [a]	403.263	333.248	339.567	327.914	63.695	18,8%	75.349	23,0%
ii. Effect of compliance with legal provisions[a]	0	0	0	0	0	-	0	-
iii. Effect of the agreement on improving performance[a]	2.263.141	0	0	0	2.263.141	-	2.263.141	-
iv. Remuneration increases that are compulsory [a]	1.456.136	1.295.041	1.085.890	1.173.821	370.246	34,1%	282.315	24,1%
v. Effect of absenteeism and severance costs[a]	1.344.920	0	1.919.562	1.169.735	-574.641	-29,9%	175.185	15,0%
vi. Integration of Ferconsult employees	2.156.119	1.915.286	1.943.658	0	212.461	10,9%	2.156.119	-
(4) Personnel expenses without i to vi impacts	**91.662.433**	**87.544.008**	**81.472.547**	**77.385.473**	**10.189.886**	**12,5%**	**14.276.961**	**18,4%**
(5) Impacts on expenses resulting from exceptional factors and/or legal impositions [b]	4.888.388	12.853.429	6.962.032	0	-2.073.643	-29,8%	4.888.388	-
(6) Operating expenses for the purposes of determining operating efficiency = (1)+(2)+(3)-(5)	133.106.941	132.409.332	117.874.098	120.531.765	15.232.843	12,9%	12.575.176	10,4%
(7) Turnover (TO)	133.248.691	106.255.262	111.204.866	118.794.598	22.043.825	19,8%	14.454.093	12,2%
Operating subsidies	535.446	7.149.749	10.639.940	516.729	-10.104.494	-95,0%	18.717	3,6%
Compensation payments	0	0	0	0	0	-	0	-
(8) Loss of revenue due to exceptional factors [b]	0	25.059.879	0	0	0	-	0	-
(9) Turnover for the purposes of calculating operating efficiency = (7+8)	133.248.691	131.315.141	111.204.866	118.794.598	22.043.825	19,8%	14.454.093	12,2%
(10) Weight of expenses/NV = (6)/(9)	**99,89%**	**100,83%**	**106,00%**	**101,46%**	**-6.10 p.p.**	-	**-1.57 p.p.**	-
i. Travel and accommodation expenses	101.577	174.357	84.428	40.013	17.148	20,3%	61.564	153,9%
ii. Expenditure on subsistence allowances	20.318	10.819	13.054	6.857	7.264	55,6%	13.461	196,3%
iii. Expenses associated with the carriage fleet [c]	353.606	422.753	383.320	292.344	-29.714	-7,8%	61.262	21,0%
iv. Expenses of contracting studies, opinions, projects and consultancy	1.491.249	2.919.003	2.455.736	1.614.032	-964.487	-39,3%	-122.782	-7,6%
(11) Total expenditure = (i) + (ii) + (iii) + (iv.) cf. Article 133(4)(c) of the DLEO 2023	**1.966.750**	**3.526.931**	**2.936.538**	**1.953.245**	**-969.788**	**-33,0%**	**13.505**	**0,7%**
No. of vehicles	47	47	47	39	0	0,0%	8	20,5%

a) In accordance with Article 133(4)(a) of the DLEO 2023.

b) If applicable, the exceptional impacts (namely of the geopolitical crisis) and impacts due to legal impositions must be duly justified, in accordance with article 133 of the DLEO 2023, as well as quantified and broken down in relation to the different items of expenditure/expenses, sales and services rendered.

c) Vehicle expenses include: rents/amortizations, inspections, insurance, tolls, fuel, maintenance, repairs, tires, taxes and fees.

Table 93 – Impacts on expenditure resulting from exceptional factors

Unit: euro

Description	2023	2019	Variation 2023/2019	
			Value	%
Electricity	14.111.889	9.439.531	**4.672.358**	**49,5%**
Fuels	41.662	32.680	**8.982**	**27,5%**
Gas	344.269	137.221	**207.048**	**150,9%**
TOTAL	**14.497.820**	**9.609.432**	**4.888.388**	**50,9%**

16. Human resources and wage bill

Table 94 – Human resources

	Execution 2023	PAO 2023	Execution 2022	Var. 2023/2022	
				∆ Absol.	Var. %
No. of Governing Bodies (GB)	7	6	6	1	16,7%
No. of Management Positions (MP)	22	23	23	-1	-4,3%
No. of Employees (excluding GB and MP)	1.553	1.686	1.546	7	0,5%
TOTAL	1.582	1.715	1.575	7	0,4%
No. of Employees / No. of MP	71	73	67	3	5,0%
Personnel Expenses / Total (GB+MP+E)	62.760 €	53.112 €	55.086 €	7.673 €	13,9%

Impact on Personnel expenses resulting from the increase in the workforce compared to 31/Dec/2022: **339,085€**

There were 48 new hires[10] and 1 re-entry:

- 29 Workers, as approved in the Activity Plan and Budget;
- Workers under the RRP;
- 16 Workers by counterpart of exits;

The change in the wage bill complies with paragraph 3 of the Joint Order of the Secretary of State for Finance and the Secretary of State for the Treasury of May 12, 2023, which allows for an annualized increase in the overall wage bill of up to 6.1%.

Table 95 – Wage bill update rate

Orders of 15/12/2022 and 12/05/2023, SET and SEF	
Wage bill update rate (2023-2022)	6,08%

To be comparable with 2023, and after defining the criteria for calculating the wage bill, it was necessary to restate the figure for 2022. For this calculation, only the salary processing movements in each month are considered, not the accounting effect of the measurements.

17. Principle of State Treasury Unity

Table 96 – Available funds at IGCP

IGCP	1st Quarter €	2nd Quarter €	3rd Quarter €	4th Quarter €
Availability	160 372 787	154 172 569	143 394 833	20 248 382
Financial applications	0	0	0	163 644 643
Total	160 372 787	154 172 569	143 394 833	183 893 026

Table 97 – Available funds in Commercial Banking

Commercial Banking	1st Quarter €	2nd Quarter €	3rd Quarter €	4th Quarter €
Wilmington Trust	1 263 889	2 543 081	2 589 092	21 115 565
Wells Fargo	17 448	20 037	22 640	23 128 595
Banco Português de Investimento	4 062	4 062	4 062	987 727
Banco Santander Totta	1 400	1 483	2 311	25 002
Caixa Banco Investimento	21 533 964	21 533 964	21 533 964	7 462
Caixa Geral de Depósitos	33 664 694	22 536 677	22 536 677	2 232
Total	56 485 457	46 639 302	46 688 746	45 266 582
Interest earned	0	0	0	0

Document 0293/2022, issued by the IGCP, exempts ML from complying with the State Treasury Unit (UTE) for the years 2022 and 2023, only in the amounts inherent to financing operations contracted with banks.

Cash and cash equivalents and centralized investments at IGCP accounted for 80.2% of the total, although 44.2 million euros of the 45.3 million in cash and cash equivalents at Banca Comercial refer to collateral deposits set up as part of American rolling stock operating leasing operations.

18. Audits conducted by the court of auditors in the last three years

N/A

19. Preparation and disclosure of non-financial statements

See pages 13 and 236.

[10] Annex: Approval of the Activity Plan and Budget - 2023

20. Dissemination of information on the SEE website

Table 98 – Information published on the SEE website

Information on the SEE website	Disclosure		Comments
	Y/N/N.A.	Update date	
Statutes	Y	Sep/2022	
Characterization of the Company	Y	Sep/2022	
Oversight and shareholder role	Y	Jan/2020	
Governance Model / Members of the Governing Bodies	Y		
– Identification of Governing Bodies	Y	Sep/2022	
– Fixed Remuneration Status	Y	Sep/2022	
– Disclosure of remuneration earned by Governing Bodies	Y	Sep/2022	
– Identification of the roles and responsibilities of the members of the Board of Directors	Y	Sep/2022	
– Presentation of the curricular summaries of the members of the Governing Bodies	Y	Sep/2022	
Public Financial Effort	Y	Sep/2022	
Summary sheet	Y	Sep/2022	
Historical and current financial information	Y	Jul/2021	
Principles of Good Governance	Y		
– Internal and external regulations to which the company is subject	Y	Sep/2022	
– Relevant transactions with related parties	Y	Sep/2022	
– Other transactions	Y	Sep/2022	
– Analysis of the company's sustainability in the domains:	Y	Sep/2022	
Economic	Y	Sep/2022	
Social	Y	Sep/2022	
Environmental	Y	Sep/2022	
– Assessment of compliance with the Principles of Good Governance	Y	Sep/2022	
– Code of ethics	Y	Sep/2022	

21. Summary table - Compliance with legal guidelines

Table 99 – Summary table – Compliance with legal guidelines

Compliance with Legal Guidelines – 2023	Compliance Y/N/N.A.	Quantification / Identification	Justification/ Reference to the Report Section
Management objectives			
Management objectives set for 2023			Page 74
Targets Set in the PAO 2023			
Investment	N	Execution ratio: 42.8%	Page 54
Level of debt	Y	Change in debt: 0.93%	Page 76
Degree of budget execution loaded into SIGO/SOE			
Revenue	Y	95,3 %	Page 75
Expenses	Y	94,4%	Page 75
Financial risk management	Y	2,69%	Page 76
Debt Growth Limits	Y	0,93%	Page 76
Evolution of PMP to suppliers	Y	-2 days	Page 76
Disclosure of Payment Delays ("Arrears")	Y	122.838 €	Page 76
Shareholder recommendations in the last annual report	N	2	Page 76
Reserves issued in the last CLC	N	3	Page 77
Remuneration/Fees			
BoD – salary reductions in force in 2023	Y	14.626 €	Page 79
EGP – article 32 and 33 of the EGP			
No use of credit cards	Y	81	-Page
Non-reimbursement of personal representation expenses	Y	81	-Page
Maximum cost of communications	Y	81	-Page
Maximum amount of fuel and tolls allocated monthly to service vehicles	Y	82	-Page
Undocumented or Confidential Expenses – Article 16(2) of the RJSPE and Article 11 of the EGP			
Prohibition of undocumented or confidential expenses	Y	-	Page 82
Promotion of Equality Between Women and Men – No. 2 of RCM No. 18/2014			
Preparation and Disclosure of the Report on Salaries Paid to Women and Men	Y	Link	Page 82
Preparation of the Annual Report on Corruption Prevention	Y	Link	Page 82
Public procurement	Y		
Application of public procurement rules by the company		-	Page 83
Application of public procurement rules by subsidiaries	Y	-	Page 83
Contracts subject to prior approval by the Court of Auditors	Y	2	Page 83
Adherence to the National Public Procurement System	Y	-	Page 84
Operating Expenses of Public Companies	Y	-1.57 p.p.	Page 84
Principle of Treasury Unity (Article 28 of Decree-Law 133/2013)			
Centralized Cash and Applications in IGCP	Y	183.893.026 €	Page 86
Cash and Applications in Commercial Banks	Y	45.266.582 €	Page 86
Interest Earned in Non-Compliance with UTE and Delivered as State Revenue	N.A.	-	Page 86
Audits by the Court of Auditors	N.A.	-	Page 86
Drawing up the equality plan as required by Article 7 of Law 62/2017 of August 1	Y	Link	Page 82
Presentation of the non-financial statement	Y		Pages 13 and 236

VIII. SUMMARY OF RESULTS

1. Subsequent events

Fare system in the Lisbon Metropolitan Area

Following the publication of Regulation No. 1362-C/2023, dated December 27, 2023, the reality of fare revenue distribution in the Lisbon Metropolitan Area (AML) changed significantly on January 1, 2024. The methodology for the compensation system now consists of assigning a compensation value per Navegante pass sold, until the maximum number of Navegante passes eligible for annual compensation is reached. This new methodology for fare revenue distribution enables the allocation of revenue generated from the sale of Navegante passes and the corresponding tariff compensation, based on the monthly usage of each operator's services, measured in passenger kilometres (Pass.km) — that is, the number of kilometres travelled by a specific number of passengers for each public transport operator. This new calculation methodology, considering the sample for January 2024, may reflect a considerable decrease in revenue for Metropolitano de Lisboa.

Metropolitano de Lisboa's rating

The financial rating agency Standard & Poor's has upgraded Metropolitano de Lisboa's rating from BBB+ to A-, aligning it with the revised rating assigned to the Portuguese Republic's debt.

Political Plan

Following the dissolution of the Assembly of the Republic, the legislative elections were held on March 10. The post-electoral composition of Parliament is characterized by significant heterogeneity, accompanied by a noticeable potential for political instability. Strategic decisions are expected to be taken with caution, not only due to the political context but also the international landscape, especially the influence of geopolitical destabilization on the economy. The XXIV Constitutional Government took office on April 2, 2024. At the organizational level, it is noteworthy that the State Secretariat for Urban Mobility (sectoral oversight of Metropolitano de Lisboa) was transferred to the portfolio of the Ministry of Infrastructure and Housing.

Conclusion of the Amendment to the Concession Contract

On March 27, 2024, the State, acting as the granting authority and the competent transport authority, signed an Addendum to the Current Concession Contract with Metropolitano de Lisboa, acknowledging the need to extend the concession granted to ML, E.P.E., by an additional six years, until July 1, 2030, due to the necessity of pursuing the public interest, considering the ongoing projects and investments under the concession framework. This Addendum is the result of multiple interactions between ML and the granting authority since 2018, aimed at clarifying the ownership of railway infrastructures, addressing recommendations from the Court of Auditors, and responding to reservations raised in audits and legal certifications of the company's accounts. The establishment of a balanced remuneration mechanism to financially compensate ML for fulfilling the public service obligations outlined in the contract, along with a traceable system for monitoring and tracking service indicators, were identified as essential measures to ensure compliance with sector regulations. The Addendum to the Concession Contract takes effect on July 1, 2024, pending prior approval by the Court of Auditors.

2. Future prospects

Metropolitano de Lisboa's development strategy has already borne fruit throughout 2023 and sets the stage for significant milestones in the near future. The company's objectives are:

- Promote and develop urban mobility using public transport;
- Improve the quality of service provided to customers;
- Expand and plan for the future, while improving and renewing existing infrastructure;
- Promote environmental and energy sustainability;
- Ensure the company's financial balance;
- Guarantee the well-being and motivation of employees.

ML remains committed to achieving these objectives, relying on the dedication of its employees and stakeholders. It aims to position itself at the forefront of urban mobility in the Lisbon Metropolitan Area (AML), fostering strong collaboration with competent authorities, operators, and customers.

The Addendum to the Concession Contract marks a critical milestone, ensuring stability for Metropolitano de Lisboa to develop its strategy, while adding the necessary stability and predictability required for the execution of ML's investment projects.

The Circle Line Project, which has been the main focus of ML's development efforts in recent years, is progressing at a good pace, with completion anticipated for 2025. On March 13, 2024, the connection between the future Santos station and the new Rato/Santos tunnel became a reality, with the demolition of the wall (*tímpano*) separating the new Santos station from this new tunnel. The stations Rato, Estrela, and Santos are now connected, marking a historic milestone in the construction of the Circle Line. This extension will not only serve areas of Lisbon previously uncovered by Metropolitano de Lisboa but will also significantly enhance the service for both current and potential public transport users traveling between Lisbon and Cascais, on the northern margin of the Lisbon Metropolitan Area (AML), and between Lisbon and Almada/Seixal/Montijo, with these municipalities offering direct rail and ferry connections to Cais do Sodré.

Alongside the Circle Line project, the modernization of the signalling system emerges as an essential project for improving public transport services, as it will allow for reduced wait times, increased safety, and greater availability of rolling stock in operation. It is also expected that the first Triple Unit (UT) will be delivered for testing in the first semester of 2024, with the phased delivery of the remaining 13 UTs estimated to occur between the second semester of 2024 and the first quarter of 2025.

Within the framework of the Recovery and Resilience Plan (PRR), particular emphasis is given to the extension of the Red Line between S. Sebastião and Alcântara, for which the contract for the design and construction works received prior approval from the Court of Auditors in the first quarter of 2024. The contract, signed on December 22, 2023, awaited until May 21, 2024, for the Lisbon Administrative Court's decision regarding the lifting of the automatic suspensive effect arising from a legal action brought by one of the competitors in the tender. The extension of the Red Line to Alcântara will serve areas with high travel demand, significant residential and employment density, schools, commerce, and services, as well as areas undergoing significant urban rehabilitation, such as Alcântara. This extension will cover approximately 4 km and include four new stations: Campolide/Amoreiras, Campo de Ourique, Infante Santo, and Alcântara, with the latter connecting to the future Sustainable Intermodal Line (LIOS Ocidental), promoting links to the Municipality of Oeiras.

The construction of the Violet Line as a Light Rail System (MLS), connecting the Municipalities of Loures and Odivelas, is expected to become a reality in the second half of 2026. On March 15, 2024, ML launched an international public tender for the following project components: the design and construction of the light rail system infrastructure and the surrounding urban redevelopment, the supply of Light Rail Vehicles (LRVs), and the provision of maintenance services for the rail infrastructure and vehicles. The Violet Line will feature 17 stations and span approximately 11.5 km.

In parallel with network expansion investments, projects will continue to equip all metro stations with accessibility solutions for people with reduced mobility, in line with the National Accessibility Promotion Plan (NAPP).

Given the increased extension of ML's operational network, and to meet its obligations for contracted public service and provide the highest quality service to its customers, ML launched an international public tender on November 30, 2023, for the acquisition of 24 new triple units (72 cars), with the option to acquire an additional 12 units (36 cars). This initiative aims to reinforce the rolling stock to meet the expected increase in demand over the coming years and to prepare for the replacement of rolling stock that is reaching the end of its lifecycle.

ML will continue its policy of investing in the recovery and replacement of assets at the end of their lifecycle, including workshop equipment (a new grinder and new lathe), comfort equipment in stations (escalators and lifts), remodelling of rolling stock (doors and on-board systems renovation), and various systems within the existing infrastructure.

It is also necessary to emphasize ML's need for human resources to ensure the generational renewal of the company, the consolidation of its workforce, and the viability of operations and maintenance, thereby meeting the current demands of ongoing projects and the management of diverse funding sources. Furthermore, it is essential to adapt the operational and corporate areas to structural changes driven by growth, particularly because of the expected retirement of specialized technicians in the coming years.

3. Proposed application of results

In the fiscal year 2023, the Metropolitano de Lisboa group reported consolidated net losses of 24,002,041.23 euros (twenty-four million, two thousand, forty-one euros and twenty-three cents) and individual net losses of 23,999,579.38 euros (twenty-three million, nine hundred and ninety-nine thousand, five hundred and seventy-nine euros and thirty-eight cents).

In compliance with subparagraph e) of paragraph 2 of Article 7 of the Metropolitano de Lisboa, E.P.E. statutes, the Board of Directors proposes that the losses reported in the individual accounts for the fiscal year ending December 31, 2023, amounting to 23,999,579.38 euros (twenty-three million, nine hundred and ninety-nine thousand, five hundred and seventy-nine euros and thirty-eight cents), be fully transferred to the retained earnings account.

The Board of Directors

Vítor Manuel Jacinto Domingues dos Santos

Maria Helena Arranhado Carrasco Campos

João Paulo de Figueiredo Lucas Saraiva

Sónia Alexandra Martins Páscoa

Lisbon, June 26, 2024

IX. Annexes

Final Statements

Under the terms of the Law, the Board of Directors must declare that:

1. In addition to the facts mentioned above, and those set out in greater detail in the documentation accompanying the Financial Statements for 2023, it is not aware of any other situations occurring after the end of the financial year which, due to their relevance, deserve to be highlighted;

2. Under the terms of article 228 of the Code of Contributory Regimes of the Social Security System (approved by Law 110/2009 of September 16), there are no outstanding debts to Social Security;

3. Under the terms of Article 324(2) of the Companies Code, there were no purchases or sales of own or other shares in the current financial year;

4. There were no transactions between the directors and the company in the period under review.

The Board of Directors

Vítor Manuel Jacinto Domingues dos Santos

Maria Helena Arranhado Carrasco Campos

João Paulo de Figueiredo Lucas Saraiva

Sónia Alexandra Martins Páscoa

Lisbon, June 26, 2024

Annex to the Management Report (Board of Directors, no. 5, art. 447 CSC)

Pursuant to Article 447(5) of the Share Capital Code, the members of the Board of Directors did not hold any shares representing the company's share capital on December 31, 2023.

The Board of Directors

Vítor Manuel Jacinto Domingues dos Santos

Maria Helena Arranhado Carrasco Campos

João Paulo de Figueiredo Lucas Saraiva

Sónia Alexandra Martins Páscoa

Lisbon, June 26, 2024

Annex to the Management Report (Supervisory Board, no. 5, art. 447 CSC)

In compliance with Article 447(5) of the Share Capital Code, we hereby inform you that the members of the Supervisory Board did not hold any shares representing the company's share capital on December 31, 2023.

The Supervisory Board

José Henrique Rodrigues Polaco

Margarida Carla Campos Freitas Taborda

Maria Teresa Figueiredo Alves Carvalho

Lisbon, June 26, 2024

Individual Financial Statements and Notes

Individual Financial Statements

INDIVIDUAL BALANCE SHEET AS OF DECEMBER 31, 2023

Currency unit (Euro)

Items	Notes	31 December 2023	31 December 2022
ASSETS			
Non-current Assets			
Investment in long-term infrastructure	5	5.426.679.188	5.369.302.753
Tangible fixed assets	6	100.907.217	108.965.796
Investment properties	7	14.799.783	14.414.687
Intangible assets	8	2.337.121	2.303.973
Financial investments - equity method	9	76.870.533	87.156.515
Other financial assets	10	44.369.866	55.304.221
Total non-current Assets		**5.665.963.708**	**5.637.447.945**
Current Assets			
Inventories	11	10.381.802	9.811.593
Customers	12	827.618	1.471.506
State and other public entities	13	1.573.263	3.229.117
Other receivables	14	8.331.178	5.695.142
Deferrals	15	31.180.625	30.607.962
Cash and bank deposits	16	184.936.697	162.250.374
Total Current Assets		**237.231.182**	**213.065.693**
Total assets in long-term infrastructure investments		5.426.679.188	5.369.302.753
Total assets allocated to the operation		476.515.703	481.210.885
TOTAL ASSETS		**5.903.194.890**	**5.850.513.639**
EQUITY AND LIABILITIES			
Equity			
Subscribed capital	17	3.906.805.655	3.849.294.636
Legal Reserves		21.597	21.597
Other reservations		1.501.878	1.501.878
Retained Earnings	17	(1.984.842.365)	(1.963.706.965)
Revaluation surpluses		37.234.076	37.234.076
Adjustments / other changes in equity	17	10.597.455	41.396.395
		1.971.318.296	**1.965.741.616**
Net profit for the period		(23.999.579)	(21.135.400)
Total equity		**1.947.318.717**	**1.944.606.216**
Liabilities			
Non-current Liabilities			
Investment in long-term infrastructure	5	1.136.618.704	1.544.911.659
Provisions	18	4.272.501	3.848.358
Obtained Financing	19	84.213.746	122.633.400
Liabilities for post-employment benefits	20	266.801.355	241.430.364
Total non-current liabilities		**1.491.906.306**	**1.912.823.780**
Current Liabilities			
Investment in long-term infrastructure	5	1.633.936.175	1.216.184.071
Suppliers	21	2.699.979	1.214.936
State and other public entities	13	3.363.376	3.368.482
Obtained Financing	19	744.676.065	700.579.038
Other payables	22	74.780.092	66.935.990
Deferrals	23	4.514.180	4.801.127
Total Current Liabilities		**2.463.969.868**	**1.993.083.643**
Total liabilities in long-term infrastructure investments		2.770.554.879	2.761.095.729
Total liabilities related to the operation		1.185.321.294	1.144.811.693
Total liabilities		**3.955.876.173**	**3.905.907.422**
TOTAL EQUITY AND LIABILITIES		**5.903.194.890**	**5.850.513.639**

THE BOARD OF DIRECTORS

Vitor Manuel Domingues dos Santos
Helena Arranhado Carrasco Campos
João Paulo de Figueiredo Lucas Saraiva
Sónia Alexandra Martins Páscoa

THE CHARTERED ACCOUNTANT

Pedro Miguel Galante Antunes Paiva Maria

INDIVIDUAL INCOME STATEMENT BY NATURE
Period ending December 31, 2023

Currency unit (Euro)

INCOME AND EXPENSES	Notes	2023	2022
Sales and services rendered	24	133.248.691	111.204.866
Operating subsidies	25	535.446	10.639.940
Imputed gains / losses of subsidiaries, associates and joint ventures	26	(10.157.642)	(8.412.170)
Work for the organization itself	5.1 and 6	6.423.680	6.123.475
Cost of goods sold and materials consumed	11	(2.861.925)	(2.699.970)
Supplies and External Services	27	(38.003.510)	(37.318.592)
Personnel expenses	28	(99.286.012)	(86.761.225)
Impairment of receivables (losses / reversals)	12 and 14	(231.586)	(488.306)
Provisions (increases / decreases)	18	(553.209)	(1.924.513)
Impairment of non-depreciable/amortizable investments (losses/reversals)	10	-	(1.000.000)
Increases / decreases in fair value	4.11 and 10	1.335.902	19.018.278
Other income	29	3.262.002	6.156.845
Other expenses	30	(3.529.809)	(2.269.945)
Profit before depreciation, Financing Expenses and taxes		**(9.817.974)**	**12.268.684**
Depreciation and amortization expenses / reversals	6 to 8	(13.906.920)	(14.747.705)
Impairment of depreciable/amortizable investments (losses/reversals)	6 to 8	804.085	1.513.242
Operating Result (before Financing Expenses and Taxes)		**(22.920.809)**	**(965.779)**
Interest and Similar Expenses incurred	31	(1.060.382)	(20.151.301)
Profit before tax		**(23.981.191)**	**(21.117.081)**
Income Taxes for the period	32	(18.388)	(18.319)
Net profit for the period		**(23.999.579)**	**(21.135.400)**

THE BOARD OF DIRECTORS

Vitor Manuel Domingues dos Santos

Helena Arranhado Carrasco Campos

João Paulo de Figueiredo Lucas Saraiva

Sónia Alexandra Martins Páscoa

THE CHARTERED ACCOUNTANT

Pedro Miguel Galante Antunes Paiva Maria

INDIVIDUAL STATEMENT OF CHANGES IN EQUITY
PERIOD ENDING DECEMBER 31, 2021 AND DECEMBER 31, 2023

Currency unit (Euro)

	Notes	Subscribed capital	Legal Reserves	Other Reserves	Retained Earnings	Revaluation surpluses	Adjustments / other changes in equity	Net profit for the period	Total	Total equity
Position on January 1st, 2022		3 667 903 891	21 597	1 501 878	(1 940 806 395)	37 234 076	18 104 175	(22 900 570)	**1 761 058 651**	**1 761 058 651**
Changes in the period										
Appropriation of net profit for the period ended December 31, 2021					(22 900 570)			22 900 570	-	-
Defined benefit plan - actuarial gains and losses							24 169 693		**24 169 693**	**24 169 693**
Other changes recognized in equity							(877 473)		**(877 473)**	**(877 473)**
		-	-	-	**(22 900 570)**	-	**23 292 220**	**22 900 570**	**23 292 220**	**23 292 220**
Net income for the period ended December 31, 2022								(21 135 400)	**(21 135 400)**	**(21 135 400)**
Full result								2 156 820	**2 156 820**	**2 156 820**
Transactions with shareholders in the period										
Capital subscriptions		181 390 745							**181 390 745**	**181 390 745**
		181 390 745	-	-	-	-	-	-	**181 390 745**	**181 390 745**
Position on December 31, 2022		**3 849 294 636**	**21 597**	**1 501 878**	**(1 963 706 965)**	**37 234 076**	**41 396 395**	**(21 135 400)**	**1 944 606 216**	**1 944 606 216**
Position on January 1st, 2023		3 849 294 636	21 597	1 501 878	(1 963 706 965)	37 234 076	41 396 395	(21 135 400)	**1 944 606 216**	**1 944 606 216**
Changes in the period										
Appropriation of net profit for the period ended December 31, 2022	17				(21 135 400)			21 135 400	-	-
Defined benefit plan - actuarial gains and losses	20						(27 367 419)		**(27 367 419)**	**(27 367 419)**
Other changes recognized in equity	17						(3 431 520)		**(3 431 520)**	**(3 431 520)**
		-	-	-	**(21 135 400)**	-	**(30 798 939)**	**21 135 400**	**(30 798 939)**	**(30 798 939)**
Net income for the period ended December 31, 2023								(23 999 579)	**(23 999 579)**	**(23 999 579)**
Full result								(54 798 519)	**(54 798 519)**	**(54 798 519)**
Transactions with shareholders in the period										
Capital subscriptions	17	57 511 019							**57 511 019**	**57 511 019**
		57 511 019	-	-	-	-	-	-	**57 511 019**	**57 511 019**
Position on December 31, 2023		**3 906 805 655**	**21 597**	**1 501 878**	**(1 984 842 365)**	**37 234 076**	**10 597 455**	**(23 999 579)**	**1 947 318 717**	**1 947 318 717**

THE BOARD OF DIRECTORS

Eng. Vítor Manuel Jacinto Domingues dos Santos

Eng. Maria Helena Arranhado Carrasco Campos

Eng. João Paulo de Figueiredo Lucas Saraiva

Dr. Sónia Alexandra Martins Páscoa

THE CERTIFIED ACCOUNTANT

Dr. Pedro Miguel Galante Antunes Paiva

INDIVIDUAL CASH FLOW STATEMENT
PERIOD ENDING DECEMBER 2023

Currency unit (Euro)

	Notes	2023	2022
Cash flows from operating activities			
Receipts from customers		152.615.340	134.861.112
Payments to suppliers		(51.353.953)	(51.105.037)
Payments to personnel		(95.155.861)	(86.890.138)
Cash generated by operations		**6.105.526**	**(3.134.063)**
Receipts from 'Support for restoring public transport'		-	20.103.300
Payment / receipt of Income Taxes		2.269.943	2.677.838
Other receipts / payments		(207.781)	(8.581.072)
Cash flows from operating activities [1]		**8.167.688**	**11.066.003**
Cash flows from Investment activities			
Receipts from:			
Financial investments		-	88.798
Investment subsidies		96.075.730	72.597.018
Payments relating to:			
Tangible fixed assets		(94.586.681)	(103.843.181)
Intangible assets		(1.044.928)	(1.386.595)
Financial investments		-	(1.000.000)
Cash flows from Investment activities [2]		**444.121**	**(33.543.960)**
Cash flows from financing activities			
Receipts from:			
Obtained Financing		9.024.285	35.197.631
Paid-in capital and other equity instruments		57.511.019	181.390.745
Payments from:			
Obtained Financing		-	(80.962.515)
Interest and Similar Expenses		(52.460.791)	(75.697.764)
Cash flows from financing activities [3]		**14.074.513**	**59.928.097**
Change in cash and cash equivalents [4]=[1]+[2]+[3]		**22.686.322**	**37.450.141**
Cash and cash equivalents at the beginning of the period		**162.250.374**	**124.800.233**
Cash and cash equivalents at the end of the period	16	**184.936.697**	**162.250.374**

THE BOARD OF DIRECTORS
Vitor Manuel Domingues dos Santos

Helena Arranhado Carrasco Campos

João Paulo de Figueiredo Lucas Saraiva

Sónia Alexandra Martins Páscoa

THE CHARTERED ACCOUNTANT
Pedro Miguel Galante Antunes Paiva Maria

Notes to the Individual Financial Statements as of December 31, 2023

1. INTRODUCTORY NOTE

Metropolitano de Lisboa, E.P.E. (hereinafter referred to as "ML" or "Company") is a public corporate entity, established in 1949, with its head office at Av. Fontes Pereira de Melo, no. 28, in Lisbon, whose current legal regime and Articles of Association were approved by Decree-Law no. 148-A/2009, of June 26. Its main purpose is to provide activities and services in the public transport of passengers by metro in the city of Lisbon and the neighbouring municipalities of Greater Lisbon, under the terms of the concession contract signed with the Portuguese State on March 23, 2015.

The financial statements, which include the balance sheet, the income statement by nature, the statement of changes in equity, the cash flow statement and these notes, were approved by the Board of Directors and authorized for issue on June 26, 2024, although they are still subject to approval by the sectoral and financial authorities, under the terms of the Legal Framework of the Public Business Sector.

The Board of Directors declares that, to the best of its knowledge, the information in these financial statements has been prepared in accordance with the applicable accounting standards and gives a true and fair view of ML's financial position as at December 31, 2023 and of its financial performance and cash flows for the year then ended.

Under the terms of Decree-Law 158/2009, of July 13, in its current wording, in addition to these individual financial statements, the Company is subject to the preparation of consolidated financial statements.

2. ACCOUNTING FRAMEWORK FOR THE PREPARATION OF FINANCIAL STATEMENTS

2.1. BASIS OF PRESENTATION

These financial statements have been prepared in accordance with the Accounting Standardization System (SNC), approved by Decree-Law 158/2009 of July 13, as subsequently amended and republished by Decree-Law 98/2015 of June 2.

The ML is not required to apply the Accounting Standards System for Public Administrations (SNC-AP), since in accordance with the provisions of Article 3.3 of Decree-Law 192/2015, of September 11, as amended by Art. 164 of Decree-Law 33/2018, of May 15, hereinafter DLEO, the SNC-AP financial accounting subsystem does not apply to reclassified public entities (RPE) supervised by the Securities Market Commission (CMVM), without prejudice to compliance with the provisions relating to the Central Chart of Accounts of the Ministry of Finance, in view of the provisions of Art. 26 of the DLEO, and budgetary accounting, provided for in Public Accounting Standard (NCP) 26 – Budget Accounting and Reporting.

2.2. DEPARTURES FROM THE SNC

No departures from the provisions of the SNC were made.

2.3. COMPARABILITY

The information contained in the financial statements is fully comparable with that of the previous period.

3. FIRST-TIME ADOPTION OF NCRF – TRANSITIONAL DISCLOSURE

The company made the transition to the Financial Reporting Accounting Standards (NCRF) on January 1, 2009, and the first financial statements in accordance with the NCRF were presented in the year ended December 31, 2010.

4. MAIN ACCOUNTING POLICIES

The main accounting policies used in the preparation of the financial statements are as follows:

4.1. MEASUREMENT BASIS

Unless otherwise stated, the figures are expressed in euros (EUR). The financial statements have been prepared on a going concern basis and in accordance with the accrual basis of accounting, based on accounting records kept in accordance with generally accepted accounting principles in Portugal.

4.2. LONG-TERM INFRASTRUCTURE INVESTMENT ACTIVITIES (LTI)

Over the years, the company has been responsible for the construction, renovation and management of long-term infrastructure for the regular operation of the public passenger transport service, based on the use of the subsoil in the city of Lisbon and surrounding areas. This is an activity carried out in accordance with state directives, the financing of which is guaranteed through subsidies and loans mostly guaranteed by the state.

Under the terms of Decree-Law 196/80 of June 20, the government assumed the principle that it was up to the Portuguese state to finance the long-term infrastructure built by the Company, defining the following types of Investment as such:

- Studies for network development;
- Galleries, stations, and other accessory or complementary constructions;
- Railway tracks;
- High- and low-voltage networks;
- Telecommunications and control systems;
- Ventilation and pumping equipment;
- Mechanical access systems.

This principle was put into practice through non-repayable subsidies granted by the Portuguese state for investments made up until December 31, 1980 and for the financial expenses incurred up until then. At that time, the amount of the investments made and the value of the subsidies granted coincided and were reflected in the accounts under assets financed by the State and reserves for Investment, respectively.

The Decree-Law contained a clause requiring it to be revised by the end of its term on December 31, 1980. However, since this review did not take place, from that date onwards the funds were allocated based on specific legislation within the framework of the Investment Plans of the State Business Sector and in the form of appropriations for statutory capital or generic subsidies for investments and financial reorganization, and consequently there was no coincidence between the investments made and the subsidies allocated.

Until 2009, the Company recognized the assets and liabilities allocated to LTI on its balance sheet in accordance with the interpretation of Decree-Law no. 196/1980, of June 20, in which the Portuguese State undertook to reorganize the Company economically and financially, namely to bear the expenses of investments in LTI made up to December 31, 1978. That Decree-Law also stated that for investments to be made after January 1, 1979, the State would set the amounts of debt it would assume, a provision that was never issued. In 2010 and 2011, the Board of Directors decided it was more appropriate to write off the assets and liabilities allocated to LTI, so the company's balance sheet total in those years was significantly reduced. In 2012, following Order no. 1491/12 from the Secretary of State for the Treasury and Finance, the Board decided to resume recording the assets and liabilities associated with LTI on the Company's balance sheet.

Thus, all the flows resulting from this activity are recorded in the balance sheet under "Long-term infrastructure investments" and include the following items:

Assets:

- LTI in the public domain built by the Company and over which it has the right of access for the provision of "Passenger transport" and "Infrastructure management" services;
- Research and development and installation expenses related to LTI activity;
- Materials acquired as part of the construction/repair of LTI, in inventories;
- The amounts of subsidies received to co-finance the construction of LTI to be deducted from investments in LTI;
- The financial expenses directly incurred with the loans contracted to finance the construction and repair of LTI, corresponding to the interest, guarantee fee and stamp duty arising from the activity carried out on behalf of the State, which have not been capitalized in the cost value of the LTI during their construction period;
- Derivative Financial Instruments contracted by the Company to cover changes in the interest rate of Obtained Financing to finance the activity of the LTI, which are recognized at their fair value in assets, in cases where their fair value is positive.

It should be noted that the tangible fixed assets and intangible assets shown under the LTI item are not being depreciated/amortized.

Liabilities:

- The balances payable to suppliers of LTI construction services;
- Loans taken out to finance the construction and repair activity of LTI, particularly those guaranteed by the State;
- Derivative Financial Instruments contracted by the Company to hedge the risk of changes in the interest rate of Obtained Financing to finance the activity of the LTI are recognized at their fair value in liabilities, in cases where their fair value is negative;
- Provisions for ongoing legal proceedings related to LTI activity.

The expenses of maintaining and repairing these assets are recorded in the income statement in the period in which they occur, as they result from the infrastructure management activity carried out by the company.

As a result of the change in recognition policy during the transition to the SNC, the company quantified the financial charges relating to interest, stamp duty, guarantee fee and set-up expenses for financing incurred in previous years and not borne by the state, and allocated them to the "Long-term infrastructure investments" item.

4.3. TANGIBLE FIXED ASSETS

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

The residual values of assets and their useful lives are reviewed and adjusted at the balance sheet date. If there are any changes to useful lives, they are treated as a change in accounting estimate and applied prospectively.

Depreciation is calculated after the asset is ready for use, using the straight-line method in twelfths, in accordance with the estimated useful life of each group of assets:

Asset Class	Years
Buildings and other constructions	10 - 50
Basic equipment	
Operating rolling stock	15 - 28
Service rolling stock	20
Other basic equipment	4 - 20
Transport equipment	4
Administrative equipment	3 - 10
Tools and utensils	4 - 8
Other tangible assets	3 - 4

Scheduled maintenance expenses are considered a component of the acquisition cost of the tangible fixed asset and are depreciated in full until the next scheduled maintenance date. Other repairs and maintenance expenses are recognized as an expense in the period in which they occur.

Gains or losses resulting from the disposal or write-off of a tangible fixed asset are determined as the difference between the Fair Value of the amount received in the transaction or receivable, where applicable, and the carrying amount of the asset, and are recognized in the income statement as other income/expenses.

4.4. LEASES

Leases are classified as financial whenever their terms transfer substantially all the risks and benefits associated with ownership of the asset to the lessee. All other leases are classified as operating leases. Leases are classified according to the substance and not the form of the contract.

Assets acquired under finance lease contracts, as well as the respective liabilities, are recorded at the beginning of the lease at the lower of the fair value of the assets and the present value of the minimum lease payments. Payments under finance leases are split between financial charges and deduction of the liability, to obtain a constant interest rate on the outstanding balance of the liability.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term. Incentives received are recorded as a liability, the aggregate amount of which is recognized as a reduction of the lease expense also on a straight-line basis over the lease period. Incentives received are recorded as a liability, the aggregate amount of which is recognized as a reduction of the lease expense, also on a straight-line basis.

Contingent rents are recognized as expenses in the period in which they are incurred.

4.5. INTANGIBLE ASSETS

Intangible assets are recorded at cost, less accumulated amortization and impairment losses. Expenditure on research activities is recorded as an expense in the period in which it is incurred.

Amortization of intangible assets is recognized on a straight-line basis, according to the following estimated useful life:

Asset class	Year
Industrial property and other rights	3 - 10

4.6. INVESTMENT PROPERTIES

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Depreciation is calculated after the asset is ready for use, according to the straight-line method on a twelfths basis, in accordance with the estimated useful life of each group of assets.

The depreciation rates used correspond to the following estimated useful life periods:

Asset class	Year
Buildings and other constructions	10 - 50
Other equipment	4 - 20

Expenses incurred related to Investment properties, namely maintenance, repairs, insurance and taxes, are recognized as an expense in the period to which they refer. Improvements to investment properties which are expected to generate additional future economic benefits are capitalized under "Investment properties".

4.7. FINANCIAL HOLDINGS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Investments in subsidiaries, associates and joint ventures are recorded using the equity method, and are initially recognized at cost and subsequently adjusted according to the changes, after acquisition, in the investor's or entrepreneur's share of the net assets of the investee or jointly controlled entity. The investor's or entrepreneur's results include their share of the results of the investee or jointly controlled entity. Dividends received from these companies are recorded as a decrease in the value of the Investment.

When the Company's share of the investee's accumulated losses exceeds the value at which the Investment is recorded, the Investment is reported at zero value, except when the Company has incurred legal or constructive obligations or has made payments in favour of the investee, in which cases the additional losses determine the recognition of a liability. If the investee subsequently reports profits, the Company resumes recognition of its share of those profits only after its share of the profits equals its share of the unrecognized losses.

Unrealized gains on transactions with subsidiaries, associates and joint ventures are eliminated in proportion to the Company's interest in them, against the corresponding Investment item. Unrealized losses are similarly eliminated, but only to the extent that the loss does not result from a situation in which the transferred asset is impaired.

The remaining Investments are recorded at acquisition cost, which is lower than market value.

4.8. IMPAIRMENT OF NON-CURRENT ASSETS

At each reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there are any indicators that they may be impaired. If there is any indicator, the recoverable amount of the respective assets (or the cash-generating unit) is estimated to determine the extent of the impairment loss (if any).

The recoverable amount of the asset (or cash-generating unit) consists of the higher of: (i) the Fair Value less expenses to sell; and (ii) the value in use. In determining the value in use, the estimated future cash flows are discounted using a discount rate that reflects market expectations as to the time value of money (which in the case of the Company was considered not to exist) and as to the specific risks of the asset (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

Whenever the carrying amount of an asset (or cash-generating unit) exceeds its recoverable amount, an impairment loss is recognized. The impairment loss is recorded immediately in the income statement, unless the loss offsets a revaluation surplus recorded in equity. In the latter case, the loss will be treated as a decrease in that revaluation.

The reversal of impairment losses recognized in previous years is recorded when there is evidence that the previously recognized impairment losses no longer exist or have decreased. The impairment loss is reversed up to the amount that would have been recognized (net of depreciation) if the previous impairment loss had not been recorded.

4.9. OBTAINED FINANCING COSTS

Financial charges related to Obtained Financing are recognized as expenses as they are incurred.

Obtained financing expenses directly related to the acquisition and construction of assets are capitalized, forming an integral part of the cost of the asset. The start of capitalization of these expenses begins after the start of preparation of the asset's construction activities and is interrupted after the start of use or end of construction of the asset or when the asset in question is suspended. Any income generated by financing obtained in advance related to a specific Investment is deducted from the financial charges eligible for capitalization.

4.10. INVENTORIES

Inventories are measured at the lower of cost and net realizable value. Raw materials, subsidiaries and consumables are recorded at acquisition cost, which does not exceed their market value.

The net realizable value represents the estimated selling price less all estimated expenses necessary to complete the inventories and sell them. In situations where the cost value is higher than the net realizable value, an impairment loss is recorded for the respective difference.

The inventory costing method adopted by the company is weighted average cost.

4.11. FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities are recognized in the balance sheet when the Company becomes a party to the corresponding contractual provisions.

Financial Liabilities are therefore measured according to the following criteria: (i) amortized cost less impairment losses and (ii) Fair Value with changes recognized in the income statement.

(i) Amortized cost less impairment losses

Financial assets that meet the following conditions are measured "at amortized cost less impairment losses":

- Are on demand or have a defined maturity;
- Have a fixed or determinable return; and
- Contain no contractual clause that could result in the holder incurring a loss of nominal value.

Apart from financial liabilities classified as held for trading, all financial liabilities must be measured at amortized cost.

Amortized cost is determined using the effective interest method. Effective interest is calculated using the rate that exactly discounts estimated future payments or receipts over the expected life of the financial instrument to the net carrying amount of the financial asset or liability (effective interest rate).

This category therefore includes the following financial assets and liabilities:

a) Trade and other receivables
Trade and other receivables are stated at amortized cost less any impairment losses. The amortized cost of these financial assets does not usually differ from their nominal value.

b) Cash and bank deposits
The amounts included under "Cash and bank deposits" correspond to cash on hand, bank deposits and term deposits and other treasury applications maturing in less than twelve months. The amortized cost of these financial assets does not usually differ from their nominal value.

c) Suppliers and other payables
The balances of suppliers and other payables are recorded at amortized cost. Usually, the amortized cost of these Financial Liabilities does not differ from their nominal value.

d) Obtained Financing
Obtained Financing is recorded under liabilities at amortized cost.

Any expenses incurred in obtaining these loans, namely bank commissions and stamp duty, as well as interest and similar expenses, are recognized using the effective interest method in the income statement over the life of these loans. If these expenses are not recognized, they are deducted from the "Obtained Financing" item. Interest incurred but not yet paid is shown under "Other payables".

(ii) At fair value with changes recognized in the income statement

All financial assets and liabilities not classified in the "at amortized cost" category are included in the "at fair value with changes recognized in the income statement" category.

These financial assets and liabilities are measured at fair value and changes in their fair value are recorded in the income statement.

This category includes collateral pledged as security for financing, recorded under the asset item 'Other financial assets'.

As described above, financial assets and liabilities have been classified as follows:

Financial assets	Notes	December 31, 2023		December 31, 2022		
		Fair Value	Amortized Cost	Fair Value	Amortized	
Non-current		cost				
Other financial assets	10	44 369 866				-55 304 221
		44 369 866	-	55 304 221	-	
-						
Current						
Customers	12	-	827 618	-	1 471 506	
State and other public entities	13	-	1 573 263	-	3 229 117	
Other receivables	14	-	8 331 178	-	5 695 142	
Cash and bank deposits	16	-	184 936 697	-	162 250 374	
		-	195 668 755	-	172 646 139	
		44 369 866	195 668 755	55 304 221	172 646 139	

Financial Liabilities	Notes	December 31, 2023		December 31, 2022	
		Fair Value	Amortized cost	Fair Value	Amortized cost
Non-current					
Obtained Financing	19	-	84 213 746	-	122 633 400
		-	84 213 746	-	122 633 400
Current					
Suppliers	21	-	2 699 979	-	1 214 936
State and other public entities	12	-	3 363 376	-	3 368 482
Obtained Financing	19	-	744 676 065	-	700 579 038
Other payables	22	-	74 780 092	-	66 935 990
		-	825 519 513	-	772 098 445
		-	909 733 259	-	894 731 845

4.12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash, bank deposits, other short-term highly liquid investments with initial maturities of up to three months and bank overdrafts with no significant risk of changes in value. Bank overdrafts are presented in the balance sheet, under current liabilities, under 'Obtained Financing'.

4.13. GOVERNMENT SUBSIDIES

Government subsidies are only recognized when there is reasonable certainty that the company will comply with the conditions for granting them and that they will be received.

Government subsidies associated with the acquisition or production of non-current assets are initially recognized in equity and are subsequently charged on a systematic basis (in proportion to the depreciation of the underlying assets) as income for the year over the useful lives of the assets to which they relate.

Other government grants are generally recognized as income on a systematic basis over the periods necessary to balance them with the expenses they are supposed to offset. Government grants that are intended to offset losses already incurred or that have no associated future expenses are recognized as income in the period in which they become receivable.

4.14. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Provisions are recorded when the Company has a present obligation (legal or implicit) resulting from a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be reasonably estimated. Provisions are reviewed at each balance sheet date and adjusted to reflect the best estimate at that date.

Contingent liabilities are not recognized in the financial statements, but are disclosed whenever the possibility of an outflow of resources encompassing economic benefits is not remote. Contingent assets are not recognized in the financial statements, but are disclosed when it is probable that there will be a future economic inflow of resources.

4.15. POST-EMPLOYMENT BENEFITS

Defined benefit plan

The company has a defined benefit plan for supplementary retirement (old age, disability and survivors) in addition to that paid by the Social Security system. The Company's liabilities related to this plan are determined using the projected unit credit method, and the respective actuarial valuations are carried out at each reporting date, in accordance with internationally accepted actuarial methods and assumptions, to know the value of the liabilities at the balance sheet date and the pension expense to be recorded in the period.

The liability associated with guaranteed benefits recognized in the balance sheet represents the present value of the corresponding obligation, adjusted for actuarial gains and losses and unrecognized past service expenses and deducted from the fair value of the plan assets.

Actuarial gains and losses are recognized annually in equity.

The benefit plans identified by the Company for the purpose of calculating these liabilities are:

- Pension supplements for retirement, disability, and survivors;
- Early retirement.

Healthcare

The Company has also assumed responsibilities for providing its employees with healthcare-related benefits until retirement age. These obligations are not recorded in the balance sheet as of December 31, 2023. To address these responsibilities, the Company has arranged a collective health insurance policy for active employees, granting them access to medical services co-financed by the Company. These costs are recognized in the income statement for the period in which they are incurred.

4.16. REVENUE

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

Revenue from the provision of public transport services results from the distribution of revenue from the sale of tickets that allow access to the mode operated by Metropolitano de Lisboa, E.P.E.. It is recognized if all the following conditions are met:

- The amount of revenue can be reliably measured;
- It is probable that future economic benefits associated with the transaction will flow to the Company;
- The costs incurred or to be incurred in the transaction can be reliably measured.

The fare system in force in the Lisbon Metropolitan Area (AML) is defined in Regulation no. 278-A/2019, of March 27, in its current wording, which defines the rules for calculating the financial compensation due to Operators for fulfilling public service obligations.

Decree-Law No. 14-C/2020, dated April 7, as amended, which establishes the procedures for allocating funding and compensation to essential transport operators in the context of the COVID-19 pandemic, remained in force until December 31, 2023.

Interest revenue is recognized using the effective interest method, if it is probable that economic benefits will flow to the Company and its amount can be measured reliably.

4.17. INCOME TAX

Income Tax for the period are calculated based on the Company's taxable income.

Current tax payable is calculated based on taxable profit. Taxable profit differs from the accounting result, since it excludes various expenses and income that will only be deductible or taxable in other years, as well as expenses and income that will never be deductible or taxable.

The company has not recorded Deferred Taxes and at this date they have not been fully quantified. Deferred Tax assets correspond to tax losses carried forward and impairments and provisions not accepted for tax purposes, and are not recognized because there is no reasonable certainty that future profits will be generated.

Deferred Tax liabilities correspond to depreciation of revalued assets not accepted for tax purposes and capital gains with deferred taxation, and are not recognized because there is no expectation that an outflow of resources will be generated because of the tax effect related to Investment subsidies.

4.18. BALANCE SHEET CLASSIFICATION

Assets that are realizable and liabilities that are due more than one year from the reporting date are classified as non-current assets and liabilities, respectively.

4.19. TRANSACTIONS AND BALANCES IN FOREIGN CURRENCY

Transactions in foreign currencies (currencies other than the Company's functional currency) are recorded at the exchange rates on the dates of the transactions. At each reporting date, the carrying amounts of monetary items denominated in foreign currency are updated at the exchange rates on that date.

Exchange differences calculated on the date of receipt or payment of transactions in foreign currency and those resulting from the aforementioned updates are recorded in the income statement for the period in which they arise.

The foreign currency quotations used to convert transactions expressed in a currency other than the euro or to update balances expressed in foreign currency were as follows:

Country	Currency	Average rate 2023	Average rate 31/12/2023	Average rate 2022	Average rate 31/12/2022
United States of America	USD	1,08	1,11	1,05	1,07
United Kingdom	GBP	0,87	0,87	0,85	0,89

Source: Bank of Portugal

4.20. ACCRUAL BASIS (ECONOMIC PERIODIZATION)

The company records its income and expenses on an accrual basis, whereby income and expenses are recognized as they are generated, regardless of when they are received or paid. The differences between the amounts received and paid and the corresponding income and expenses generated are recorded as assets or liabilities.

4.21. RISK MANAGEMENT POLICY

In carrying out its business, the company is exposed to a variety of risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The company's global risk management program focuses on the unpredictability of the financial markets and seeks to minimize the adverse effects this has on its financial performance.

Risk management is controlled by the company's finance department, in accordance with policies approved by the Board of Directors. To this end, the Board of Directors has defined the main principles of global risk management, as well as specific policies for certain areas, such as hedging exchange rate risk, interest rate risk and credit risk.

a) Exchange rate risk
The company's operational activity is carried out in Portugal and consequently most of its transactions are conducted in euros. The hedging policy for this specific risk is to avoid, as far as possible, contracting services denominated in foreign currencies.

b) Liquidity risk
Cash flow needs are managed appropriately, managing liquidity surpluses and deficits, and are covered by financing guaranteed by the Portuguese State or granted by it through non-refundable compensatory allowances and capital appropriations.

c) Interest rate risk
The company's revenues and cash flows are influenced by changes in interest rates, insofar as the company's cash and cash equivalents and any Obtained Financing are dependent on the evolution of interest rates in euros, which historically have low volatility.

Interest rate sensitivity analysis

The sensitivity analysis below was calculated based on the exposure to interest rates for the Derivative Financial Instruments existing at the reporting date. For variable rate assets and liabilities, the following assumptions were made:

- Changes in market interest rates affect the amount of interest receivable or payable on financial instruments indexed to variable rates and, in the case of fixed rates contracted in the period under review, changes in the interest rate also affect this component;
- Changes in market interest rates only influence the amount of interest receivable or payable on fixed-rate financial instruments if they are recorded at their fair value;
- Changes in market interest rates affect the fair value of derivatives;
- The fair value of Derivative Financial Instruments and other financial assets and liabilities is estimated by discounting future cash flows to the present time at the market interest rates prevailing at the end of each year; e,
- For the purposes of the sensitivity analysis, this analysis is carried out based on all the financial instruments existing during the year.

Sensitivity analyses assume that one variable changes while all the others remain constant. This assumption is hardly true, and changes in some of the assumptions may be correlated.

Under these assumptions, a 1% increase or decrease in market rates for Derivative Financial Instruments on December 29, 2023, would result in an increase of approximately 4.8 million euros and a decrease of approximately 18.8 million euros, respectively, in profit before tax and before allocation to the LTI item.

4.22. CRITICAL VALUE JUDGMENTS AND MAIN SOURCES OF UNCERTAINTY ASSOCIATED WITH ESTIMATES

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

The estimates and underlying assumptions were determined by reference to the reporting date based on the best knowledge existing at the date of approval of the financial statements of current events and transactions, as well as on the experience of past and/or current events. However, situations may occur in subsequent periods which, not being foreseeable at the date of approval of the financial statements, were not considered in these estimates. Changes to estimates that occur after the date of the financial statements will be corrected prospectively, in accordance with NCRF 4. For this reason and given the associated degree of uncertainty, the actual results of the transactions in question may differ from the corresponding estimates.

The main judgments and estimates made in the preparation of the financial statements were as follows:

a) Recording of investment activities in LTI;
b) Useful lives and impairment analysis of tangible fixed assets;
c) Impairment losses on accounts receivable - are calculated considering the overall risk of collection of receivables;
d) Determining the fair value of Derivative Financial Instruments - at the end of each year this is determined by the entity with which they were contracted;
e) Determination of retirement benefit liabilities - at the end of each year, the actuarial valuation of pension liabilities prepared by the actuary is obtained;
f) Creation of provisions - analysis of obligations resulting from past events and determination of the probability and amount of the financial outflow required to pay them.

4.23. EVENTS AFTER THE BALANCE SHEET DATE

Events after the balance sheet date that provide additional information on conditions that existed at the balance sheet date ("adjusting events") are reflected in the financial statements. Events that provide information on conditions that occurred after the reporting date ("non-adjusting events") are disclosed in the financial statements if they are considered material.

5. LONG-TERM INFRASTRUCTURE INVESTMENTS

The balance shown under "Long-term infrastructure investments" stems from the Company's infrastructure investment activity and is broken down by asset and liability items as follows:

	Notes	31-dec-2023	31-dec-2022
Non-current Assets			
Tangible fixed assets	5.1	3.355.620.894	3.265.196.740
Investment properties	5.2	1.804.209	1.804.209
Intangible assets	5.3	7.724.548	7.431.955
Other financial assets	5.4	2.957.885	586.759
Accounts receivable from the State	5.5	3.226.923.229	3.180.829.583
Subsidies	5.6	(1.168.351.577)	(1.086.546.493)
		5.426.679.188	**5.369.302.753**
Total assets		**5.426.679.188**	**5.369.302.753**
Non-current Liabilities			
Provisions	5.7	5.062.500	6.022.500
Obtained Financing	5.8	1.122.926.137	1.521.650.426
Other Financial Liabilities	5.4	8.630.067	17.238.733
		1.136.618.704	**1.544.911.659**
Current Liabilities			
Obtained Financing	5.8	1.418.111.905	1.016.040.706
Suppliers	5.9	111.397	353.083
Other payables	5.10	215.712.873	199.790.282
		1.633.936.175	**1.216.184.071**
Total liabilities		**2.770.554.879**	**2.761.095.729**
Total net LTI		**2.656.124.308**	**2.608.207.024**

5.1. TANGIBLE FIXED ASSETS

	December 31, 2023					
	Land and natural resources	Buildings and other constructions	Basic equipment	Tangible fixed assets in progress	Advances on tangible fixed assets in progress	Total
Assets						
Opening balance	13 511 055	2 675 222 631	469 081 327	99 046 302	9 030 278	**3 265 891 592**
Acquisitions	-	1 418 548	354 138	87 370 216	9 715 221	**98 858 123**
Disposals	-	-	-	-	-	-
Transfers	-	748 765	779 628	(1 528 393)	(8 432 905)	**(8 432 905)**
Write-offs	-	-	(1 065)	-	-	**(1 065)**
Closing balance	**13 511 055**	**2 677 389 944**	**470 214 028**	**184 888 125**	**10 312 594**	**3 356 315 746**
Impairment losses						
Opening balance	-	694 852	-	-	-	**694 852**
Increases	-	-	-	-	-	-
Reversals	-	-	-	-	-	-
Closing balance	-	**694 852**	-	-	-	**694 852**
Total net tangible fixed assets (LTI)	**13 511 055**	**2 676 695 092**	**470 214 028**	**184 888 125**	**10 312 594**	**3 355 620 894**

	December 31, 2022					
	Land and natural resources	Buildings and other constructions	Basic equipment	Tangible fixed assets in progress	Advances on tangible fixed assets in progress	Total
Assets						
Opening balance	13 511 055	2 672 787 632	462 141 178	47 042 320	20 247 455	**3 215 729 639**
Acquisitions	-	662 832	783 597	59 937 585	(1 447)	**61 382 567**
Disposals	-	-	-	-	-	-
Transfers	-	1 772 167	6 161 435	(7 933 603)	(11 215 731)	**(11 215 731)**
Write-offs	-	-	(4 883)	-	-	**(4 883)**
Closing balance	13 511 055	2 675 222 631	469 081 327	99 046 302	9 030 278	3 265 891 592
Impairment losses						
Opening balance	-	817 725	-	-	-	**817 725**
Increases	-	-	-	-	-	-
Reversals	-	(122 874)	-	-	-	**(122 874)**
Closing balance	-	694 852	-	-	-	694 852
Total net tangible fixed assets (LTI)	13 511 055	2 674 527 779	469 081 327	99 046 302	9 030 278	3 265 196 740

The additions in the year ended December 31, 2023 under the sub-item "Tangible assets in progress", amounting to 87,370,216 euros, refer essentially to the Circle Line project (79,501,294 euros) and the continuation of the "Accessibility and Mobility for All" project (1,190,738 euros).

The additions in the year ended December 31, 2023 under the sub-item "Advances on tangible fixed assets in progress", amounting to 9,715,221 euros, refer essentially to the granting of an advance within the scope of the Circle Line project (9,565,906 euros).

The transfers that occurred in the year ended December 31, 2023 under the sub-item "Advances on tangible fixed assets in progress", amounting to 8,432,905 euros, refer essentially to the settlement of advances granted as part of the Circle Line project (6,834,766 euros) and the Modernization of the Signalling Systems of the network in operation (1,448,824 euros).

In the years ended December 31, 2023 and 2022, departmental expenses of 6,308,640 euros and 5,967,890 euros, respectively, were capitalized in the cost of tangible fixed assets.

5.2. INVESTMENT PROPERTIES

	December 31, 2023					December 31, 2022				
	Gross amount	Accumulated depreciation	Accumulated impairment losses	Net amount	Fair value	Gross amount	Accumulated depreciation	Accumulated impairment losses	Net amount	Fair value
Praça Marechal Humberto Delgado	1 804 209	-	-	1 804 209	7 545 202	1 804 209	-	-	1 804 209	7 545 202
	1 804 209			1 804 209	7 545 202	1 804 209			1 804 209	7 545 202

ML chose not to request a valuation in 2023 and 2022 for Sete Rios PMO I, located in Praça Marechal Humberto Delgado, so the respective market value indicated refers to the valuation carried out with reference to December 31, 2021.

5.3. INTANGIBLE ASSETS

	December 31, 2023			
	Research and development expenses	Installation expenses	Intangible assets in progress	Total
Assets				
Opening balance	5 138 543	2 019 827	273 585	7 431 955
Acquisitions	-	-	292 593	292 593
Transfers	-	-	-	-
Final balance	**5 138 543**	**2 019 827**	**566 178**	**7 724 548**
Total intangible assets (LTI)	**5 138 543**	**2 019 827**	**566 178**	**7 724 548**

	December 31, 2022			
	Research and development expenses	Installation expenses	Intangible assets in progress	Total
Assets				
Opening balance	5 138 543	2 019 827	198 259	7 356 629
Acquisitions	-	-	75 326	75 326
Transfers	-	-	-	-
Final balance	**5 138 543**	**2 019 827**	**273 585**	**7 431 955**
Total intangible assets (LTI)	**5 138 543**	**2 019 827**	**273 585**	**7 431 955**

5.4. OTHER FINANCIAL ASSETS AND LIABILITIES

This item includes interest rate swaps related to Obtained Financing for long-term infrastructure investments. The breakdown by swap contract is as follows:

Other financial assets

Swap	Entity	Maturity	Original notional	Current notional	Fair value 31/12/2023	Fair value 31/12/2022
66#METLIS CGDBI Dez2026	CGDBI	04/12/2026	100 000 000	100 000 000	2 957 885	586 759
					2 957 885	**586 759**

Other financial liabilities

Swap	Entity	Maturity	Original notional	Current notional	Fair value 31/12/2023	Fair value 31/12/2022
52#METLIS BSN Jul2024	BSN	22/07/2024	100 000 000	100 000 000	1 721 537	4 692 373
58#METLIS ML Dez2026	ML	04/12/2026	30 000 000	30 000 000	3 465 053	6 107 266
59#METLIS CGD Dez2026	CGD	04/12/2026	30 000 000	30 000 000	3 443 478	6 439 094
					8 630 067	**17 238 733**

5.5. ACCOUNT RECEIVABLE FROM THE STATE

This item includes expenses, less any income, associated with long-term infrastructure Investment activities, broken down as follows:

	31-dec-2023	31-dec-2022
Opening balance corrected on transition to NCRF	289 555 301	289 555 301
Interest, guarantee fee and stamp duty	2 902 327 314	2 844 293 877
Emission expenses	20 230 150	20 230 150
Derivative Financial Instruments	5 672 182	16 651 974
Supplies and External Services	2 563 836	2 563 836
Provisions	9 374 809	10 334 809
Impairment losses on tangible fixed assets	694 852	694 852
Disposal of land	(3 495 216)	(3 495 216)
	3 226 923 229	**3 180 829 583**

Opening balance corrected on transition to NCRF

The financial expenses incurred with LTI, which could not be capitalized until December 31st 2008, were being recognized in the income statement. In the transition to the NCRF, the company decided to recapture the value of these financial expenses to add them to the LTI item, following the principle described in Note 4.2. Regarding the financial expenses incurred between 1995 and 2008, amounting to approximately 1,017,000,000 euros, the company quantified them based on the available accounting records. Regarding the financial expenses incurred up to December 31, 1994, and due to the obvious difficulty of quantifying them, the Board of Directors opted to record the amount of 289,555,301 euros, corresponding to the net balance between the LTI assets and liabilities items as at December 31, 2009.

Supplies and External Services

Following a court case in London brought by a financial institution against the Portuguese State, in 2016 lawyers' fees were recognized in relation to derivative financial instruments that were allocated to the LTI activity, in the total amount of 2,563,836 euros.

Disposal of land

This sub-item includes the income recorded from the transfer to the Portuguese State, by way of payment in kind, of the plot of land included in the Cais do Sodré River Terminal.

5.6 SUBSIDIES

	31-dec-2023	31-dec-2022
ERDF	(229 464 397)	(229 464 397)
PIDDAC	(186 239 717)	(185 439 717)
Cohesion Fund	(487 412 442)	(448 286 520)
Environmental Fund	(60 132 843)	(18 790 463)
RRP	(536 782)	-
Various subsidies	(204 565 396)	(204 565 396)
	(1 168 351 577)	**(1 086 546 493)**

5.7. PROVISIONS

This item includes movements (constitution/utilization/reversal) with provisions for ongoing legal proceedings related to LTI activity.

5.8. OBTAINED FINANCING

	Financing body	December 31, 2023				December 31, 2022			
		Limit	Current	Non-current	Total	Limit	Current	Non-current	Total
Bond loans:									
Metro 2025 Issuance	DBI, AG	110 000 000	-	110 000 000	110 000 000	110 000 000	-	110 000 000	110 000 000
Metro 2026 Issuance	JP Morgan	400 000 000	-	400 000 000	400 000 000	400 000 000	-	400 000 000	400 000 000
Metro 2027 Issuance	BNPP	400 000 000	-	400 000 000	400 000 000	400 000 000	-	400 000 000	400 000 000
			-	**910 000 000**	**910 000 000**		**-**	**910 000 000**	**910 000 000**
Bank loans:									
LP Loan 613.9 M EUR	DGTF (part)	507 957 564	253 978 782	-	253 978 782	507 957 564	253 978 782	-	253 978 782
LP Loan 648.6 M EUR	DGTF (part)	237 747 877	178 310 908	-	178 310 908	237 747 877	178 310 908	-	178 310 908
LP Loan 412.9 M EUR	DGTF (part)	282 974 244	282 974 244	-	282 974 244	282 974 244	282 974 244	-	282 974 244
LP Loan 32.6 M EUR	DGTF (part)	17 158 204	17 158 204	-	17 158 204	17 158 204	14 298 503	2 859 701	17 158 204
LP Loan 421.97 M EUR	DGTF (part)	262 008 399	218 340 332	43 668 066	262 008 399	262 008 399	174 672 266	87 336 133	262 008 399
LP Loan 131.88 M EUR	DGTF (part)	108 328 053	72 218 702	36 109 351	108 328 053	108 328 053	54 164 026	54 164 026	108 328 053
LP Loan 154.51 M EUR	DGTF (part)	137 118 041	68 559 020	68 559 020	137 118 041	137 118 041	45 706 014	91 412 027	137 118 041
LP Loan 100.86 M EUR	DGTF (part)	71 615 776	23 871 925	47 743 850	71 615 776	71 615 776	11 935 963	59 679 813	71 615 776
LP Loan 35.19 M EUR	DGTF (part)	16 198 725	2 699 788	13 498 938	16 198 725	16 198 725	-	16 198 725	16 198 725
Shareholders loans 9.02 M EUR	DGTF (part)	3 346 911	-	3 346 911	3 346 911	-	-	-	-
			1 118 111 905	**212 926 137**	**1 331 038 042**		**1 016 040 706**	**311 650 426**	**1 327 691 131**
Other loans obtained:									
Schuldschein	ABN AMRO	300 000 000	300 000 000	-	300 000 000	300 000 000	-	300 000 000	300 000 000
			300 000 000	**-**	**300 000 000**		**-**	**300 000 000**	**300 000 000**
Total loans obtained			**1 418 111 905**	**1 122 926 137**	**2 541 038 042**		**1 016 040 706**	**1 521 650 426**	**2 537 691 131**

The “Metro 2025” bond loan was contracted on December 23, 2010, for a period of 15 years, with a bullet repayment structure and at a fixed interest rate. A personal guarantee from the State was provided. The applicable law is Portuguese Law, except for the subscription agreement, which is governed by English Law. The issuance was listed on the Frankfurt Stock Exchange.

The “Metro 2026” bond loan was contracted on December 4, 2007, for a period of 20 years, with a bullet repayment structure and at a fixed interest rate. A personal guarantee from the State was provided. The applicable law is Portuguese Law, except for the subscription agreement, which is governed by English Law. The issuance was listed on both the Euronext Lisbon and the Frankfurt Stock Exchange.

The “Metro 2027” bond loan was contracted on December 7, 2007, for a period of 20 years, with a bullet repayment structure and at a fixed interest rate. A personal guarantee from the State was provided. The applicable law is Portuguese Law, except for the subscription agreement, which is governed by English Law. The issuance was listed on both the Euronext Lisbon and the Frankfurt Stock Exchange.

During the fiscal year ending December 31, 2011, the company contracted a loan with the Directorate-General of Treasury and Finance (DGTF) for a total amount of 613,932,000 euros, of which 507,957,564 euros are associated with responsibilities related to LTI. The loan had a term of 5 years and was repayable in 8 equal semi-annual instalments, with the first due in May 2013.

During the fiscal year ending December 31, 2012, the company contracted another loan with the DGTF for a total amount of 648,581,846 euros, of which 237,747,877 euros are associated with responsibilities related to LTI. This loan also had a term of 5 years and was repayable in 8 equal semi-annual instalments, with the first due in May 2014.

During the fiscal year ending December 31, 2013, the company contracted a loan with the Directorate-General of Treasury and Finance (DGTF) for a total amount of 412,860,000 euros, of which 282,974,244 euros are associated with responsibilities related to LTI (Long-Duration Infrastructure). The loan had a term of 7 years, repayable in 12 equal and successive semi-annual capital instalments, with the first instalment due in May 2015.

During the fiscal year ending December 31, 2017, the company contracted a loan with the DGTF for a total amount of 32,584,270 euros, of which 17,158,204 euros are associated with LTI responsibilities. The loan had a term of 7 years, repayable in 12 equal and successive semi-annual capital instalments, with the first instalment due in May 2019.

During the fiscal year ending December 31, 2018, the company contracted a loan with the DGTF for a total amount of 421,973,931 euros, of which 262,008,399 euros are associated with LTI responsibilities. The loan had a term of 7 years, repayable in 12 equal and successive semi-annual capital instalments, with the first instalment due in May 2020.

During the fiscal year ending December 31, 2019, the company contracted a loan with the DGTF for a total amount of 131,884,780 euros, of which 108,328,053 euros are associated with LTI responsibilities. The loan had a term of 7 years, repayable in 12 equal and successive semi-annual capital instalments, with the first instalment due in May 2021.

During the fiscal year ending December 31, 2020, the company contracted a loan with the DGTF for a total amount of 154,513,049 euros, of which 137,118,041 euros are associated with LTI responsibilities. The loan had a term of 7 years, repayable in 12 equal and successive semi-annual capital instalments, with the first instalment due in May 2022.

During the fiscal year ending December 31, 2021, the company contracted a loan with the DGTF for a total amount of 100,855,699 euros, of which 71,615,776 euros are associated with LTI responsibilities. The loan had a term of 7 years, repayable in 12 equal and successive semi-annual capital instalments, with the first instalment due in May 2023.

During the fiscal year ending December 31, 2022, the company contracted a loan with the DGTF for a total amount of 35,197,630.96 euros, of which 16,198,725.21 euros are associated with LTI responsibilities. The loan had a term of 7 years, repayable in 12 equal and successive semi-annual capital instalments, with the first instalment due in May 2024.

During the fiscal year ending December 31, 2023, the company contracted a shareholder loan with the DGTF for a total amount of 9,024,285 euros, of which 3,346,911.11 euros are associated with LTI responsibilities. The loan had a term of 7 years, repayable in 12 equal and successive semi-annual capital instalments, with the first instalment due in May 2025.

Since November 30, 2014, the deferral of debt service payments for the loans contracted with the DGTF mentioned above has been successively authorized without interest charges. The most recent moratorium was authorized under the Order from the Secretary of State for the Treasury No. 102/2024-SET, dated February 20, 2024, and the Order from the Minister of Finance, dated February 23, 2024, with a deferral until May 31, 2024.

As of December 31, 2023, the loans classified as non-current have the following repayment schedule:

Year	Amount
2025	99 211 499
2026	166 101 251
2027	438 046 576
2028 and following	419 566 812
	1 122 926 137

As of December 31, 2023, the Obtained Financing with associated covenants, namely those associated with the rating of the Portuguese Republic or which include holding clauses, are as follows:

CONTRACT	Amount outstanding at 31-12-2023 (€)	DUE DATE	NEGATIVE PLEDGE (YES/NO)	PARI PASSU (YES/NO)	OWNERSHIP CLAUSE (YES/NO)	RATING DOWNGRADE (YES/NO)	GROSS UP (YES/NO)	CROSS DEFAULT	EXPENSES / STAMP DUTY (YES/NO)	OTHER RELEVANT CLAUSES / COMMENTS
Schuldschein Loan Agreement concluded with ABN Amro Bank, NV on July 20, 2004, subject to German law and under the authority of the Frankfurt am Main courts.	300 000 000,00	July 20th of 2024	YES (see Annex D)	YES	NO	NO	YES	YES	Expenses and taxes borne by ML	Guarantee of the Portuguese Republic / No substantial change in the nature or corporate purpose of the company
EUR 110,000,000 7.30% Guaranteed Notes due 2025, issued by Deutsche Bank AG in December 2010, subject to Portuguese law and under the authority of Portuguese courts, except for the Subscription Agreement, which is governed by English law and subject to the authority of English courts.	110 000 000,00	December 23, 2025	NO	YES	YES – Loss of public company status (state participation of less than 51%)	NO	YES	YES	Expenses and taxes borne by ML	Guarantee of the Republic / No substantial change in the nature or corporate purpose of the company
EUR 400,000,000 4.061% Guaranteed Notes due 2026, issued by JP Morgan Securities Ltd in December 2006, subject to Portuguese law and under the authority of Portuguese courts, except for the Subscription Agreement, which is governed by English law and subject to the authority of English courts.	400 000 000,00	December 4, 2026	NO	YES	YES – Loss of public company status (state participation of less than 51%)	NO	YES	YES	Expenses and taxes borne by ML	Guarantee of the Republic / No substantial change in the nature or corporate purpose of the company
EUR 400,000,000 4.799% Guaranteed Notes due 2027, issued by BNP Paribas in December 2007, subject to Portuguese law and under the authority of Portuguese courts, except for the Subscription Agreement, which is governed by English law and subject to the authority of English courts.	400 000 000,00	December 7th, 2027	NO	YES	YES – Loss of public company status (state participation of less than 51%)	NO	YES	YES	Expenses and taxes borne by ML	Guarantee of the Republic / No substantial change in the nature or corporate purpose of the company
TOTAL	1 210 000 000									

5.9. SUPPLIERS

The suppliers item is essentially made up of current debts arising from network expansion and modernization/remodelling works.

5.10. OTHER PAYABLES

Other payables comprise interest on loans, interest on derivative financial instruments and guarantee fees to be settled during the following period, as well as the part of the Investment subsidies received that has not yet been spent.

6. TANGIBLE FIXED ASSETS

31 December 2023								
Land and natural resources	Buildings and other constructions	Basic equipment	Transport equipment	Administrative equipment	Other tangible fixed assets	Tangible fixed assets in progress	Advances on tangible fixed assets in progress	Total
20 967 185	217 142 581	518 162 004	129 208	23 305 442	4 254 193	29 212 124	5 258 039	818 430 776
-	4 760	599 990	-	311 303	67 318	5 612 075	1 110 791	7 706 237
-	-	-	-	(105)	-	-	-	(105)
-	28 969	5 818 034	-	-	-	(5 847 002)	(2 854 387)	(2 854 387)
-	-	(1 799 542)	-	(13 466)	(508)	-	-	(1 813 516)
20 967 185	**217 176 309**	**522 780 485**	**129 208**	**23 603 175**	**4 321 004**	**28 977 198**	**3 514 443**	**821 469 007**
-	(209 173 773)	(474 443 635)	(129 208)	(22 316 644)	(3 401 720)	-	-	(709 464 981)
	(339 569)	(11 898 624)	-	(322 423)	(58 286)	-	-	(12 618 903)
-	-	-	-		-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	1 508 152	-	13 434	508	-	-	1 522 094
-	**(209 513 342)**	**(484 834 108)**	**(129 208)**	**(22 625 633)**	**(3 459 499)**	**-**	**-**	**(720 561 789)**
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
20 967 185	**7 662 967**	**37 946 378**	**-**	**977 542**	**861 505**	**28 977 198**	**3 514 443**	**100 907 217**

31 December 2022								
Land and natural resources	Buildings and other constructions	Basic equipment	Transport equipment	Administrative equipment	Other tangible fixed assets	Tangible fixed assets in progress	Advances on tangible fixed assets in progress	Total
20 967 185	216 641 104	516 727 276	129 208	23 025 175	4 204 349	11 704 718	22 085 600	815 484 614
-	17 047	669 207	-	339 878	51 910	20 485 313	(7 285)	21 556 070
-	-	-	-	(1 091)	-	-	-	(1 091)
-	484 430	2 493 476	-	-	-	(2 977 906)	(16 820 276)	(16 820 276)
-	-	(1 727 955)	-	(58 520)	(2 066)	-	-	(1 788 541)
20 967 185	**217 142 581**	**518 162 004**	**129 208**	**23 305 442**	**4 254 193**	**29 212 124**	**5 258 039**	**818 430 776**
-	(208 853 063)	(462 769 313)	(129 208)	(22 040 238)	(3 341 546)	-	-	(697 133 367)
-	(320 710)	(13 028 215)	-	(335 991)	(62 240)	-	-	(13 747 157)
-	-	-	-	1 091	-	-	-	1 091
-	-	-	-	-	-	-	-	-
-	-	1 353 893	-	58 494	2 066	-	-	1 414 453
-	**(209 173 773)**	**(474 443 635)**	**(129 208)**	**(22 316 644)**	**(3 401 720)**	**-**	**-**	**(709 464 981)**
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
20 967 185	**7 968 808**	**43 718 369**	**-**	**988 798**	**852 473**	**29 212 124**	**5 258 039**	**108 965 796**

The additions in the year ended December 31, 2023 under the sub-item "Tangible fixed assets in progress", amounting to 5,612,075 euros, refer essentially to the intervention in the doors of the operating Rolling Stock (2,820,923 euros) and the implementation of the EMV system in the access channels of the ticketing system (1,531,841 euros).

The transfers that occurred in the year ended December 31, 2023 under the sub-item "Tangible assets in progress", amounting to 5,847,002 euros, refer essentially to the recognition of the Investment made in the implementation of the EMV system in the access channels of the ticketing system (2,045,185 euros), in the updating of the central ticketing system (1,096,846 euros) and in the TUs in which the intervention on the doors of the operating Rolling Stock was completed (1,483,871 euros).

The transfers that occurred in the year ended December 31, 2023 under the sub-item "Advances on account of tangible fixed assets in progress", amounting to 2,854,387 euros, refer essentially to the settlement of advances granted as part of the Modernization of Signalling Systems in the PMO (1,533,051 euros) and the acquisition of 14 Triple Units (1,321,336 euros).

The write-offs for the year ended December 31, 2023 under the sub-item "Basic equipment", amounting to 1,799,542 euros, essentially refer to the derecognition of the items replaced in the intervention on the operating Rolling Stock doors (1,667,989 euros). In the years ended December 31, 2023 and 2022, departmental expenses of 45,743 euros and 84,535 euros, respectively, were capitalized in the cost of tangible fixed assets.

7. INVESTMENT PROPERTIES

	December 31, 2023					December 31, 2022				
	Gross amount	Accumulated depreciation	Accumulated impairment losses	Net amount	Fair value	Gross amount	Accumulated depreciation	Accumulated impairment losses	Net amount	Fair value
Properties leased to third parties	22 134 855	10 870 240	68 493	11 196 122	12 079 700	22 098 320	10 428 163	872 578	10 797 579	11 308 800
Praça Marechal Humberto Delgado	22 309 373	18 705 712	-	3 603 661	93 297 798	22 309 373	18 692 265	-	3 617 108	93 297 798
	44 444 229	**29 575 953**	**68 493**	**14 799 783**	**105 377 498**	**44 407 693**	**29 120 428**	**872 578**	**14 414 687**	**104 606 598**

The properties leased to third parties held by the Company refer to 34 properties located in the Lisbon Metropolitan Area, for the rehousing of low-income families affected by the network expansion program and an office building in Lisbon, which are being depreciated over a period of 50 years.

The fair value of investment properties was based on a valuation by a specialized and independent entity. As mentioned in note 5.2, the market value indicated in 2023 and 2022 for the Sete Rios PMO I, located in Praça Marechal Humberto Delgado, refers to the valuation carried out with reference to December 31, 2021.

On December 31, 2023 and 2022, the following income and expenses related to Investment properties were recognized in the income statement:

	December 31, 2023				December 31, 2022			
	Rental income (Note 29)	Direct spending	Depreciation for the period	Result	Rental income (Note 29)	Direct spending	Depreciation for the period	Result
Properties leased to third parties	580 441	130 502	442 078	7 862	579 911	142 489	441 978	(4 555)
Praça Marechal Humberto Delgado	-	123 581	13 447	(137 028)	-	129 655	13 447	(143 102)
	580 441	**254 082**	**455 525**	**(129 166)**	**579 911**	**272 144**	**455 425**	**(147 658)**

8. INTANGIBLE ASSETS

	December 31, 2023			December 31, 2022		
	Industrial property and other rights	Intangible assets in progress	Total	Industrial property and other rights	Intangible assets in progress	Total
Assets						
Opening balance	4 224 966	-	4 224 966	3 097 339	-	3 097 339
Acquisitions	880 206	-	880 206	1 127 627	-	1 127 627
Transfers	-		-	-		-
Write-offs	(65 550)	-	(65 550)	-		-
Final balance	**5 039 622**	**-**	**5 039 622**	**4 224 966**	**-**	**4 224 966**
Accumulated depreciation						
Opening balance	(1 920 993)	-	(1 920 993)	(1 375 870)	-	(1 375 870)
Depreciation for the period	(832 493)	-	(832 493)	(545 123)	-	(545 123)
Transfers	-		-	-		-
Write-offs	50 985	-	50 985	-		-
Final balance	**(2 702 501)**	**-**	**(2 702 501)**	**(1 920 993)**	**-**	**(1 920 993)**
Impairment losses						
Opening balance	-		-	-	-	-
Increases	-		-	-	-	-
Reversals	-		-	-	-	-
Final balance	**-**	**-**	**-**	**-**	**-**	**-**
	2 337 121	**-**	**2 337 121**	**2 303 973**	**-**	**2 303 973**

The additions in the year ended December 31, 2023 under the sub-item "Industrial property and other rights", amounting to 880,206 euros, refer essentially to the implementation of new functionalities of the PLAGO system (728,894 euros).

9. FINANCIAL HOLDINGS

	December 31, 2023					
	Assets	Liabilities	Equity	Net profit	Shareholding	Financial investment
Subsidiaries						
Ferconsult	550 396	1 674 503	(1 124 108)	129 010	100%	-(a)
Metrocom	4 009 459	554 560	3 454 899	115 243	100%	**3 454 899**
TREM	38 758	49 732 260	(49 693 503)	(5 298)	90%	**13 263 562**
TREM II	56 673	105 289 508	(105 232 835)	(5 898)	90%	**60 143 434**
Associated companies						
Publimetro	2 904 229	2 882 636	21 594	(49 145)	40%	**8 638**
Joint ventures						
Ensitrans	140 964	154 367	(13 403)	(13 03)	5%	-(a)
						76 870 533

	December 31, 2022					
	Assets	Liabilities	Equity	Net profit	Shareholding	Financial investment
Subsidiaries						
Ferconsult	411 255	1 664 373	(1 253 118)	(233 750)	100%	-
Metrocom	3 923 171	583 515	3 339 656	118 369	100%	**3 339 656**
TREM	45 996	49 734 200	(49 688 204)	(3 212)	90%	**23 645 129**
TREM II	67 841	105 294 777	(105 226 936)	2 040 092	90%	**60 143 434**
Associated companies						
Publimetro	3 272 136	3 201 397	70 739	98 926	40%	**28 296**
Joint ventures						
Ensitrans	153 044	167 584	(14 540)	(14 540)	5%	-
						87 156 515

Notes:

(a) Liability for the potential effect of negative equity recognized under 'Provisions'.

(b) Liability for the potential effect of negative equity, assumed at 100% in the parent company, adjusted by the recognition of an impairment loss on a receivable of €50 million relating to the reimbursement by ML, as guarantor of TREM's obligations, of the last instalment of the loan agreement signed by ACE with banks, and the standardization of TREM's financial statements with the Group's accounting policies, in particular as regards the depreciation of the rolling stock recorded in its assets using the straight-line method.

(c) Liability for the potential effect of negative equity, assumed at 100% in the parent company, adjusted by the recognition of an impairment loss on a receivable of €105 million relating to the reimbursement by ML, as guarantor of TREM II's obligations, of the last instalments of the loan contracts (1st and 2nd tranche) signed by ACE with banks, and the standardization of TREM II's financial statements with the Group's accounting policies, in particular as regards the depreciation of the rolling stock recorded in its assets using the straight-line method.

10. OTHER FINANCIAL ASSETS

	31/12/2023	31/12/2022
Bank of America Leasing & Capital, LCC - Collateral		
Opening balance	**33 664 694**	**31 535 674**
Disbursement	(10 415 130)	-
Change in fair value	1 005 971	177 628
Exchange differences	(1 126 940)	1 951 392
Closing balance	**23 128 595**	**33 664 694**
Wilmington Trust - Collateral		
Opening balance	**21 533 964**	**20 677 410**
Change in fair value	329 931	(422 941)
Exchange differences	(748 330)	1 279 495
Closing balance	**21 115 565**	**21 533 964**
Investments in other companies		
Opening balance	-	-
Equity investment in CCF	-	1 000 000
Impairment losses	-	(1 000 000)
Closing balance	-	-
Employment Compensation Fund		
Opening balance	**105 564**	**5 489**
Increases	20 143	100 111
Changes in fair value	-	(36)
Closing balance	**125 707**	**105 564**
Total	**44 369 866**	**55 304 221**

As a result of the downgrades to the Company's rating, two collateralizations were required in 2009 and 2013, the first in favour of Bank of America Leasing & Capital, LCC and the second in favour of Wilmington Trust.

Following the creation of the Railway Competence Centre Association (CCF), and as provided for in RCM no. 99/2021, of July 27, ML made an investment of €1 million in 2022 relating to its financial participation in this association. After analysis, and considering the object and legal nature of the association, it is understood that there is a low probability of ML recovering the Investment in question, so an impairment loss was recognized for the entire amount invested.

11. INVENTORIES

	December 31, 2023			December 31, 2022		
	Gross amount	Impairment losses	Net Amount	Gross amount	Impairment losses	Net Amount
Raw materials, subsidiaries and consumables						
Materials	8 890 679	-	8 890 679	9 110 269	-	9 110 269
Tools	24 234	-	24 234	34 592	-	34 592
Cleaning products	114 019	-	114 019	102 024	-	102 024
Office supplies	54 057	-	54 057	65 750	-	65 750
Fuels	28 242	-	28 242	25 157	-	25 157
Transport securities	376 986	-	376 986	182 495	-	182 495
Other materials	861 364	-	861 364	254 216	-	254 216
Promotional items/publications	32 222	-	32 222	37 089	-	37 089
	10 381 802	**-**	**10 381 802**	**9 811 593**	**-**	**9 811 593**

Cost of goods sold and materials consumed	Raw materials, subsidiaries and consumables	
	2023	2022
Opening balance	9 811 593	9 771 398
Purchases	4 057 137	2 906 112
Adjustments	(625 003)	(165 946)
Closing balance	10 381 802	9 811 593
	2 861 925	**2 699 970**

12. CUSTOMERS

	31-dec-2023	31-dec-2022
Publimetro	501 360	1 153 695
AR Telecom	463 383	463 383
Lisbon Tourism Association	159 784	127 731
Lisbon City Council	-	105 095
Others	469 263	414 712
	1 593 790	**2 264 615**
Impairment losses	(766 172)	(793 109)
	827 618	**1 471 506**

Impairment losses on customers	31-dec-2023	31-dec-2022
Opening balance	**(793 109)**	**(778 856)**
Increases	(62 841)	(15 210)
Reversals	6 204	622
Uses	83 574	336
Closing balance	**(766 172)**	**(793 109)**

13. STATE AND OTHER PUBLIC ENTITIES

	December 31, 2023		December 31, 2022	
	Assets	Liabilities	Assets	Liabilities
Corporate Income Taxes	1 184 609	250	2 401 106	125
Personal Income Taxes	7 971	1 163 227	5 706	1 230 810
Value added tax	380 683	-	822 305	-
Social security contributions	-	1 691 699	-	1 635 039
Other taxes	-	508 200	-	502 508
	1 573 263	**3 363 376**	**3 229 117**	**3 368 482**

14. OTHER RECEIVABLES

	31-dec-2023	31-dec-2022
TREM II - Aluguer de Material Circulante, A.C.E.	105 555 556	105 555 556
TREM - Aluguer de Material Circulante, A.C.E.	50 000 000	50 000 000
Increased income	4 255 673	2 521 500
Traffic revenues	2 229 115	2 375 543
CP - Comboios de Portugal, E.P.E.	961 038	791 670
Personnel	324 820	346 360
Ferconsult - Consultoria, Estudos e Projectos de Engenharia de Transportes, S.A.	333 296	333 296
Other	1 245 780	194 506
	164 905 277	**162 118 431**
Impairment losses	(156 574 100)	(156 423 289)
	8 331 178	**5 695 142**

Impairment losses on other receivables	31-dec-2023	31-dec-2022
Opening balance	**(156 423 289)**	**(103 171 794)**
Increases	(175 676)	(53 252 162)
Reversals	727	667
Uses	24 139	-
Final balance	**(156 574 100)**	**(156 423 289)**

15. DEFERRED ASSETS

	31-dec-2023	31-dec-2022
Works on behalf of third parties	30 320 639	30 372 966
Transtejo	22 529 809	22 529 809
Infraestruturas de Portugal	7 156 247	7 208 573
Águas do Tejo Atlântico	634 584	634 584
Other	1 494 570	869 580
	31 815 209	**31 242 545**
Impairment losses	(634 584)	(634 584)
	31 180 625	**30 607 962**

The sub-item 'Works on behalf of third parties' includes the amounts relating to works carried out by the Company on behalf of entities in the State Business Sector, and the Board of Directors is taking steps to regularize this situation. To summarize:

- Transtejo: Following SET Order no. 22-XII_93 of September 24, ML was tasked with studying, designing and building the Terreiro do Paço Interface. The work was carried out but no protocol was signed with Transtejo regarding the expenses incurred and the allocation methodology adopted.
- Infraestruturas de Portugal: Following Order no. 75-XII/92, of December 17, and Official Letter no. 420, of February 10, 2000, from the Secretary of State for Transport, ML and the then REFER, E.P., signed the Protocol for the construction of the River Terminal and the Cais do Sodré Interface on September 29, 2004.
- Águas do Tejo Atlântico: In September 2009, based on SET Order no. 22-XII_93 of September 24, ML and the then Simtejo signed a Protocol making ML the contractor for the "construction of the underground valve chamber and pumping station".

16. CASH AND CASH EQUIVALENTS

	31-dec-2023	31-dec-2022
Cash	20 888	24 048
Current accounts	21 271 165	107 226 327
Time deposits	163 644 643	55 000 000
Cash and bank deposits	**184 936 697**	**162 250 374**

On December 29, 2023, following the Order of the Minister of Finance no. 12553/2023, of December 7, IGCP, E.P.E. executed, pursuant to article 90(5) of Decree-Law no. 10/2023, of February 8, as amended by Decree-Law no. 54/2023, of July 14, a transaction in Special Short-Term Debt Certificates (CEDIC) from ML's cash holdings, amounting to around 163.5 million euros.54/2023, of July 14, an operation to invest ML's cash resources in Special Short-Term Debt Certificates (CEDIC), amounting to around 163.6 million euros, maturing on January 2, 2024.

17. EQUITY

As of December 31, 2023, the Company's subscribed and paid-up capital amounted to 3,906,805,655 euros and was wholly owned by the Portuguese State.

During the year ended December 31, 2023, capital increases were made in the total amount of 57,511,019 euros.

In accordance with the proposal for the appropriation of profits, the net loss for the 2022 financial year, amounting to 21,135,399.74 euros, was transferred to the 'Retained Earnings' item.

The variation recorded under 'Adjustments/other changes in equity' is due to: (i) recognition of 2,310,185 euros relating to the subsidy awarded by the Environmental Fund for the "*Modernization of Signalling Systems - 1st Phase*" project; (ii) actuarial losses on post-employment benefit liabilities (Note 20); and (iii) allocation of subsidies to Investment (Note 29).

18. PROVISIONS

	December 31, 2023				
	Opening balance	Increases	Reversals	Uses	Final balance
Proceedings in progress	2 134 116	605 867	(95 742)	-	2 644 241
Coverage of losses					
Ferconsult	1 253 118	-	(129 010)	-	1 124 108
Publimeter	-	-	-	-	-
Ensitrans	727	670	-	(727)	670
Other provisions	460 397	43 085	-	-	503 482
	3 848 358	**649 622**	**(224 752)**	**(727)**	**4 272 501**

	December 31, 2022				
	Opening balance	Increases	Reversals	Uses	Final balance
Ongoing legal proceedings	670 000	1 464 116	-	-	2 134 116
Loss cover					
Ferconsult	1 019 367	233 750	-	-	1 253 118
Publimeter	11 275	-	(11 275)	-	-
Ensitrans	599	727	-	(599)	727
Other provisions	-	460 397	-	-	460 397
	1 701 241	**2 158 990**	**(11 275)**	**(599)**	**3 848 358**

19. OBTAINED FINANCING

	Financing body	December 31, 2023				December 31, 2022			
		Limit	Current	Non-current	Total	Limit	Current	Non-current	Total
Bank loans:									
LP Loan 613.9 M EUR	DGTF (part)	105 974 436	52 987 218	-	52 987 218	105 974 436	52 987 218	-	52 987 218
LP Loan 648.6 M EUR	DGTF (part)	410 833 969	308 125 476	-	308 125 476	410 833 969	308 125 476	-	308 125 476
LP Loan 412.9 M EUR	DGTF (part)	129 885 756	129 885 756	-	129 885 756	129 885 756	129 885 756	-	129 885 756
LP Loan 32.6 M EUR	DGTF (part)	15 426 066	15 426 066	-	15 426 066	15 426 066	12 855 055	2 571 011	15 426 066
LP Loan 421.97 M EUR	DGTF (part)	159 965 533	133 304 611	26 660 922	159 965 533	159 965 533	106 643 689	53 321 844	159 965 533
LP Loan 131.88 M EUR	DGTF (part)	23 556 727	15 704 485	7 852 242	23 556 727	23 556 727	11 778 364	11 778 364	23 556 727
LP Loan 154.51 M EUR	DGTF (part)	17 395 008	8 697 504	8 697 504	17 395 008	17 395 008	5 798 336	11 596 672	17 395 008
LP Loan 100.86 M EUR	DGTF (part)	29 239 923	9 746 641	19 493 282	29 239 923	29 239 923	4 873 321	24 366 603	29 239 923
LP Loan 35.19 M EUR	DGTF (part)	18 998 906	3 166 484	15 832 421	18 998 906	-	-	18 998 906	18 998 906
Shareholder Loans 49.3 M EUR	DGTF	49 300 000	49 300 000	-	49 300 000	49 300 000	49 300 000	-	49 300 000
Shareholder Loans 18.33 M EUR	DGTF	18 331 823	18 331 823	-	18 331 823	18 331 823	18 331 823	-	18 331 823
Shareholder Loans 9.02 M EUR	DGTF (part)	5 677 374	-	5 677 374	5 677 374	-	-	-	-
Total loans obtained			**744 676 065**	**84 213 746**	**828 889 811**		**700 579 038**	**122 633 400**	**823 212 437**

Additional information on the financing contracted with the DGTF is disclosed in Note 5.8.

The Board of Directors believes that the settlement of its liabilities, particularly regarding short-term repayable Obtained Financing, will continue to be met, essentially by obtaining additional lines of financing in coordination with its shareholder.

On December 31, 2023, loans classified as non-current have the following repayment plan:

Year	Amount
2025	41 526 016
2026	15 811 323
2027 and beyond	26 876 407
	84 213 746

20. POST-EMPLOYMENT BENEFITS - DEFINED BENEFIT PLANS

As mentioned in Note 4.15, the company has undertaken to provide employees with cash benefits in the form of supplementary old-age, disability and survivors' pensions. On December 31, 2023, the number of assets and retired/pensioner employees amounted to 920 and 1,309, respectively (954 and 1,336 on December 31, 2022).

The above-mentioned benefits correspond to pension supplements guaranteed by the Social Security system and are determined based on length of service and pensionable salary (the last monthly salary earned by the worker).

In 2004, the company decided and agreed with the unions that all employees who joined the company after December 31, 2003 would no longer be covered by this pension plan.

In the year ended December 31, 2023, an actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out by an independent entity.

According to the actuarial studies reported on December 31, 2023 and 2022, the present value of the Company's liabilities for past services of its assets and retired employees was estimated at:

	31-dec-2023	31-dec-2022
Active workers	128 481 182	106 219 984
Pensioners	138 320 173	135 210 380
	266 801 355	**241 430 364**

The increase in total Liabilities is essentially due to the increase in salaries and pensions, which was higher than forecast for the respective year.

The actuarial study reported to December 31, 2023 was carried out using the "Projected Unit Credit" method and considered the following assumptions and technical and actuarial bases:

	31-dec-2023	31-dec-2022
Mortality tables		
Male Mortality Table	TV88/90	TV88/90
Female Mortality Table	TV88/90	TV88/90
Disability tables	EKV80	EKV80
Rates		
Pension Technical Rate	3,00%	3,00%
Salary Growth Rate	3,00%	3,00%
Discount rate	3,00%	3,00%

The evolution in the Company's pension liabilities was as follows:

	31-dec-2023	31-dec-2022
Total liabilities at the beginning of the period	241 430 364	270 784 682
Current service expenses	3 496 482	3 803 255
Interest expenses	7 106 369	2 933 979
Benefits paid in the year	(12 599 279)	(11 921 859)
Actuarial losses (gains) for the year	27 367 419	(24 169 693)
Total liabilities at the end of the period	**266 801 355**	**241 430 364**

The cost of current services and the cost of interest for the 2023 financial year, amounting to 3,496,482 euros and 7,106,369 euros, respectively, were recognized in the income statement under "Personnel expenses".

The evolution of the actuarial gains/losses recognized under the item 'Adjustments/other changes in equity' for the years ended December 31, 2023 and 2022 is as follows:

	31-dec-2023	31-dec-2022
Other changes in equity		
Opening balance	**(21 245 545)**	**(45 415 238)**
Actuarial gain	-	24 169 693
Actuarial loss	(27 367 419)	-
Final balance	**(48 612 964)**	**(21 245 545)**

On December 31, 2023, the actuarial losses resulted essentially from the increase in salaries and pensions, which was higher than forecast for the respective year.

As at December 31, 2023, the company has not set up any fund to cover these liabilities, which are recorded in the balance sheet.

21. SUPPLIERS

	31-dec-2023	31-dec-2022
CP - Comboios de Portugal, E.P.E.	843 070	395 537
Arcelormittal Espanha, S.A.	658 907	-
CARRIS - Companhia Carris de Ferro de Lisboa, SA.	332 546	-
TML - Transportes Metropolitanos de Lisboa, EMT, S.A.	145 338	183 225
TK Elevadores Portugal, Unipessoal, Lda.	81 461	79 686
Eurest (Portugal) - Sociedade Europeia de Restaurantes, Lda.	30 829	28 101
Wells Fargo	28 199	14 508
M.E.S.I. - Manutenção e Serviços Industriais, Lda.	22 680	34 555
Arrow Iberia Electronica, S.L.U.	20 743	-
Transtejo - Transportes Tejo, S.A.	20 635	9 464
Socomec Ibérica S.A. - Sucursal	20 258	-
J.L. Cancio Martins - Projectos De Estruturas, Lda.	12 825	12 825
Schmitt - Elevadores, Lda.	2 510	30 797
FUTRIMETAL -Industria e Comércio de Produtos Metálicos, S.A.	-	73 800
Efacec Energia - Máquinas e Equipamentos Eléctricos, S.A.	-	38 922
Epal - Empresa Portuguesa das Águas Livres, S.A.	-	33 202
Tecnovia - Sociedade de Empreitadas S.A.	-	24 640
LIMPERSADO - Limpeza, Máquinas e Transportes, SA.	-	14 600
GEOCONTROLE - Geotecnia e Estruturas de Fundação, SA.	-	2 337
Other	479 978	238 738
	2 699 979	**1 214 936**

22. OTHER PAYABLES

	31-dec-2023	31-dec-2022
Accrued expenses – Interest payable	30 650 234	29 589 852
Grants – Environmental Fund	17 953 864	8 260 348
Accrued expenses – Remuneration payable	13 097 239	11 359 644
Transport tickets	2 586 753	2 541 311
Subsidies – Recovery and Resilience Plan (RRP)	2 371 696	5 512 000
Investment providers	1 665 031	5 430 312
Other	6 455 276	4 242 522
	74 780 092	**66 935 990**

23. DEFERRED LIABILITIES

	31-dec-2023	31-dec-2022
Income to be recognized - Protocols	2 562 251	2 849 239
Income to be recognized - Compensatory Indemnities	1 903 548	1 903 548
Income to be recognized - Leases	48 381	48 340
	4 514 180	**4 801 127**

24. SALES AND SERVICES RENDERED

	2023	2022
Sales	21 203	36 083
Provision of services		
Tickets	47 262 202	39 039 876
Passes	59 496 038	50 319 213
Cards	3 344 811	3 129 842
Lisboa Viva Personalization	347 782	342 553
AML fare compensation	15 145 176	10 790 373
Financial compensation 4_18, U23, Social +	3 505 545	3 505 545
Commercial spaces	1 828 458	1 851 923
Advertising operations	1 546 754	1 469 887
Other	750 722	719 573
	133 248 691	111 204 866

25. OPERATING SUBSIDIES

	2023	2022
RRP - Surface Light Rail Loures-Odivelas	490 192	448 839
AEROSOLFD	35 273	35 273
RRP - Alcântara Red Line Extension	9 331	1 015 734
Environmental Fund - Rato/Cais do Sodré Extension	650	31 365
AML - Support for restoring the public transport supply	-	9 050 009
LIOS - Sustainable Intermodal Line	-	33 156
PEES - Economic and Social Stabilization Programme	-	24 267
Environmental Fund - Signalling Systems Modernization Project (CBTC)	-	1 297
	535 446	10 639 940

26. IMPUTED GAINS / LOSSES OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

	2023	2022
Subsidiaries		
Ferconsult - Consultoria, Estudos e Projectos de Engenharia de Transportes, S.A.	129 010	(233 750)
Metrocom - Exploração de Espaços Comerciais, S.A.	115 243	118 369
TREM - Aluguer de Material Circulante, A.C.E.	(3 338 632)	(3 336 545)
TREM II - Aluguer de Material Circulante, A.C.E.	(7 042 935)	(4 996 945)
Associates		
Publimetro - Publicidade em Meios de Transporte e Outros, S.A.	(19 658)	39 570
Joint ventures		
OTLIS - Operadores de Transportes da Região de Lisboa, A.C.E.	-	(2 142)
Ensitrans - Engenharia e Sistemas de Transporte, A.E.I.E.	(670)	(727)
	(10 157 642)	**(8 412 170)**

27. SUPPLIES AND EXTERNAL SERVICES

	2023	2022
Electricity	(14 111 889)	(13 369 724)
Rents and leases	(313 989)	(2 408 656)
Conservation and repair	(5 697 755)	(4 965 780)
Cleanliness, hygiene and comfort	(4 941 320)	(4 137 451)
Surveillance and security	(7 098 323)	(6 218 722)
Specialized jobs	(1 491 249)	(2 455 736)
Others	(4 348 985)	(3 762 523)
	(38 003 510)	**(37 318 592)**

28. PERSONNEL EXPENSES

	2023	2022
Remuneration of governing bodies	(323 429)	(274 851)
Personnel remuneration	(67 981 718)	(61 787 339)
Post-employment benefits	(10 597 615)	(6 736 393)
Charges on remuneration	(15 481 235)	(14 224 292)
Insurance for workplace accidents and occupational diseases	(1 679 965)	(1 287 438)
Social action expenses	(1 435 642)	(1 242 659)
Health insurance	(1 196 358)	(901 095)
Other personnel expenses	(590 050)	(307 159)
	(99 286 012)	**(86 761 225)**

The average number of employees working for the company in 2023 was 1,571 (1,538 in 2022). The number of employees on December 31, 2023 was 1,575 (1,569 in 2022).

29. OTHER INCOME

	2023	2022
Investment subsidies	1 112 335	1 112 335
Property leases	594 584	594 030
Corrections for previous periods	192 926	468 820
Energy supply	172 155	173 285
Favourable exchange rate differences	379	3 230 981
Other	1 189 622	577 394
	3 262 002	**6 156 845**

The sub-item 'Investment subsidies' includes the allocation of ERDF subsidies - PRODAC 1993 and CSF 1995 and 1997, which were used to finance investments made by the company in the prototypes of PMO II and III and in the interim series of 17 TUs, complementary series 95 of 20 TUs and PMO III. This income is charged on a systematic basis to balance it with the depreciation expenses of the tangible fixed assets associated with them.

30. OTHER EXPENSES

	2023	2022
Unfavourable exchange rate differences	(1 876 395)	(4 485)
Taxes	(718 379)	(513 091)
Losses on non-financial investments	(307 080)	(378 971)
Inventory losses	(103 332)	(202 919)
Membership fees	(100 445)	(93 639)
Corrections for previous periods	(51 237)	(970 185)
Others	(372 941)	(106 657)
	(3 529 809)	**(2 269 945)**

31. INTEREST AND SIMILAR EXPENSES INCURRED

	2023	2022
Interest on Loans Obtained	(1 060 382)	(1 143 992)
Interest on Swaps	–	(18 926 093)
Other Interest	–	(81 216)
	(1 060 382)	(20 151 301)

32. INCOME TAXES FOR THE PERIOD

The company is subject to Corporate Income Tax (IRC) at a rate of 21%, plus a municipal surcharge at a maximum rate of 1.5% on taxable profit, thus reaching an aggregate rate of 22.5%.

Under the terms of article 88 of the Corporate Income Tax Code (CIRC), the company is subject to autonomous taxation on several charges at the rates set out in that article.

In accordance with current legislation, the Company's tax returns are subject to review and correction by the tax authorities for a period of four years (five years for Social Security), except when there have been tax losses, tax benefits have been granted, or inspections, claims or challenges are in progress, in which cases, depending on the circumstances, the deadlines are extended or suspended. The Board of Directors believes that any corrections resulting from reviews/inspections by the tax authorities of these tax returns will not have a significant effect on the financial statements as at December 31, 2023.

Tax losses calculated in tax periods beginning on or after January 1, 2023 are deducted from the taxable profits of subsequent tax periods, with no time limit. This rule also applies to tax losses calculated in tax periods prior to January 1, 2023, whose deduction period is still in progress on that date. ML's deductible tax losses are as follows:

	2023		2022	
	Amount	Limit	Amount	Limit
Generated in 2014	3.496.721	-	3.496.721	2028
Generated in 2017	39.093.595	-	39.093.595	2024
Generated in 2018	21.012.509	-	21.012.509	2025
Generated in 2019	12.972.374	-	12.972.374	2026
Generated in 2020	41.815.801	-	41.815.801	2034
Generated in 2021	16.408.154	-	16.408.154	2035
Generated in 2022	18.895.541	-		
	153.694.693		134.799.153	

The reconciliation between the nominal rate and the effective tax rate is as follows:

	2023	2022
Profit before tax	**(23.981.191)**	**(21.117.081)**
Permanent differences	8.600.785	2.221.540
Taxable income	**(15.380.406)**	**(18.895.541)**
Deducted tax losses	-	-
Tax Base	-	-
Nominal tax rate	21%	21%
Tax due	-	-
Autonomous taxation	(18.388)	(18.319)
Income Taxes	**(18.388)**	**(18.319)**
Effective tax rate	-	-

33. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

2023	Assets	Liabilities	Income	Expenses
Shareholder				
Portuguese State	-	2.159.927.854	-	-
Subsidiaries				
Ferconsult	333.296	-	-	
Metrocom	-	-	1.842.572	(6.022)
TRAIN	-	269.490	-	-
TRAIN II	-	267.948	-	-
Associates				
Publimetro	501.360	-	1.698.589	-
Key management personnel				
Board of Directors	-	-	-	(353.439)

2022	Assets	Liabilities	Income	Expenses
Shareholder				
Portuguese State	-	2.150.903.569	-	-
Subsidiaries				
Ferconsult	333.296	-	-	-
Metrocom	-	-	1.865.938	(6.029)
TRAIN	-	269.490	-	-
TRAIN II	-	267.948	-	(2.044.107)
Associates				
Publimetro	1.153.695	-	1.626.892	-
Key management personnel				
Board of Directors	-	-	-	(291.210)

The transactions recorded with the Board of Directors in 2023 and 2022 refer to their remuneration, contributions and non-monetary benefits, and no post-employment, long-term, termination or equity benefits were granted.

34. GUARANTEES PROVIDED

Entity	Start Date	Beneficiary	31-dec-2023 Amount	31-dec-2022 Amount
BPI Bank	10-03-2006	ADMINISTRATIVE COURT F.LX-2ND COURT	7.494	7.494
BPI Bank	11-05-2006	TAX OFFICE 4th DISTRICT	95.482	95.482
BPI Bank	17-08-2011	MUNICIPALITY OF LISBON	7.661	7.661
BPI Bank	17-06-2014	PETROGAL	7.500	7.500
BPI Bank	03-07-2015	Lisbon District Court, Central Instance, 1st Labour Division	438.047	438.047
			556.184	**556.184**

35. CONTINGENT LIABILITIES

As of December 31, 2023, there are compensation claims against the Company amounting to 6,145 euros, which refer to expropriation processes and damage caused by work related to the network expansion plan.

36. DISCLOSURES REQUIRED BY LEGISLATION

For the purposes of complying with the provisions of article 66-A (1) (b) of the Companies Code, it is hereby declared that the total fees invoiced during the financial year by the firm of chartered accountants for the statutory audit of the annual accounts amounted to 27,383 euros.

37. EVENTS AFTER THE BALANCE SHEET DATE

On March 27, 2024, an Amendment to the Concession Contract was granted, which was submitted by the Grantor for prior approval by the Court of Auditors. In the event of a favourable decision, ML will present in its financial statements the necessary changes to the classification, recognition and measurement of the concession assets, as well as any other consequences arising from compliance with the public service obligations set out in the Amendment, the effects of which cannot be estimated at the date of issue of this report.

THE BOARD OF DIRECTORS

Vitor Manuel Domingues dos Santos

Maria Helena Arranhado Carrasco Campos

João Paulo de Figueiredo Lucas Saraiva Sónia

Alexandra Martins Páscoa

THE CHARTERED ACCOUNTANT

Pedro Miguel Galante Antunes Paiva

Consolidated Financial Statements and Notes

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
ON DECEMBER 31, 2023

Currency unit (Euro)

Items	Notes	December 31, 2023	December 31, 2022
ASSETS			
Non-current Assets			
Investment in long-term infrastructure	5	5.426.679.188	5.369.302.753
Tangible fixed assets	6	174.108.914	192.598.153
Assets under right of use	7	309.956	314.350
Investment properties	8	14.799.783	14.414.687
Intangible assets	9	2.337.121	2.303.973
Financial investments - equity method	10	8.638	28.296
Other financial assets	11	44.487.665	55.304.221
Deferred Tax Assets		-	1.799
Total non-current Assets		**5.662.731.263**	**5.634.268.232**
Current Assets			
Inventories	12	10.381.802	9.811.593
Customers	13	947.836	1.534.861
State and other public entities	14	2.122.409	4.098.987
Other receivables	15	39.191.100	35.989.188
Cash and bank deposits	16	188.294.440	165.186.156
Total Current Assets		**240.937.587**	**216.620.785**
Total assets in long-term infrastructure investments		5.426.679.188	5.369.302.753
Total assets allocated to the operation		476.989.663	481.586.264
TOTAL ASSETS		**5.903.668.850**	**5.850.889.017**
EQUITY AND LIABILITIES			
Equity			
Subscribed capital	17	3.906.805.655	3.849.294.636
Legal Reserves		21.597	21.597
Other reservations		1.501.878	1.501.878
Retained Earnings		(1.984.842.365)	(1.963.706.965)
Revaluation surpluses		37.234.076	37.234.076
Adjustments / other changes in equity	17	(15.731.346)	11.636.073
		1.944.989.495	**1.935.981.294**
Net profit for the period		(24.002.041)	(21.138.782)
Total equity		**1.920.987.453**	**1.914.842.512**
Liability			
Non-current Liabilities			
Investment in long-term infrastructure	5	1.136.618.704	1.544.911.659
Provisions	18	3.690.833	3.115.576
Obtained Financing	19	84.213.746	122.633.400
Lease liabilities	7	70.661	121.225
Liabilities for post-employment benefits	20	266.801.355	241.430.364
Other Financial Liabilities	21	26.192.814	28.647.987
Total non-current liabilities		**1.517.588.113**	**1.940.860.210**
Current Liabilities			
Investment in long-term infrastructure	5	1.633.936.175	1.216.184.071
Suppliers	22	3.401.539	1.972.522
State and other public entities	14	3.489.248	3.507.656
Obtained Financing	19	744.676.065	700.579.038
Lease liabilities	7	241.756	196.508
Other payables	23	79.348.501	72.746.501
Total Current Liabilities		**2.465.093.284**	**1.995.186.296**
Total liabilities in long-term infrastructure investments		2.770.554.879	2.761.095.729
Total liabilities related to the operation		1.212.126.518	1.174.950.776
Total liabilities		**3.982.681.397**	**3.936.046.505**
TOTAL EQUITY AND LIABILITIES		**5.903.668.850**	**5.850.889.017**

THE BOARD OF DIRECTORS

Vitor Manuel Domingues dos Santos

Helena Arranhado Carrasco Campos

João Paulo de Figueiredo Lucas Saraiva

Sónia Alexandra Martins Páscoa

THE CHARTERED ACCOUNTANT

Pedro Miguel Galante Antunes Paiva Maria

CONSOLIDATED INCOME STATEMENT BY NATURE
PERIOD ENDING DECEMBER 31, 2023

Currency unit (Euro)

INCOME AND EXPENSES	Notes	2023	2022
Sales and services rendered	24	133.966.189	111.950.789
Operating subsidies	25	535.446	10.639.940
Imputed gains / losses of subsidiaries, associates and joint ventures	26	(19.817)	35.549
Work for the organization itself	5.1 and 6	6.423.680	6.123.475
Cost of goods sold and materials consumed	12	(2.861.925)	(2.699.970)
Supplies and External Services	27	(38.153.303)	(35.392.629)
Personnel expenses	28	(99.533.368)	(86.997.013)
Impairment of receivables (losses / reversals)	13 and 15	(61.054)	(516.062)
Provisions (increases / decreases)	18	(575.826)	(2.166.188)
Impairment of non-depreciable/amortizable investments (losses/reversals)	11	-	(1.000.000)
Increases / decreases in fair value	11 and 21	1.335.902	19.018.278
Other income	29	3.361.577	6.295.402
Other expenses	30	(3.569.379)	(2.301.269)
Profit before depreciation, Financing Expenses and taxes		**848.123**	**22.990.302**
Depreciation and amortization expenses / reversals	6 to 9	(24.537.455)	(25.408.551)
Impairment of depreciable/amortizable investments (losses/reversals)	6 to 9	804.085	1.513.242
Operating Result (before Financing Expenses and Taxes)		**(22.885.246)**	**(905.006)**
Interest and Similar Expenses incurred	31	(1.065.282)	(20.159.006)
Profit before tax		**(23.950.528)**	**(21.064.012)**
Income Taxes for the period	32	(49.714)	(74.771)
Deferred Tax		(1.799)	-
Net profit for the period		**(24.002.041)**	**(21.138.782)**
Net profit for the period attributable to:			
Shareholders of the parent company		(24.002.041)	(21.138.782)
Non-controlling interests		-	-
		(24.002.041)	**(21.138.782)**

THE BOARD OF DIRECTORS

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João Paulo de Figueiredo Lucas Saraiva Sónia

Alexandra Martins Páscoa

THE CHARTERED ACCOUNTANT

Pedro Miguel Galante Antunes Paiva

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

PERIOD ENDING DECEMBER 31, 2021 AND DECEMBER 31, 2023

Currency unit (Euro)

	Notes	Subscribed capital	Legal reserves	Other reserves	Retained earnings	Revaluation surpluses	Adjustments / other changes in equity	Net profit for the period	Total	Total equity
Position on January 1, 2022		3 667 903 891	21 597	1 501 878	(1 940 806 395)	37 234 076	(12 533 620)	(22 901 284)	**1 730 420 142**	**1 730 420 142**
Changes in the period										
Appropriation of net profit for the period ended December 31, 2021					(22 901 284)			22 901 284	–	–
Defined benefit plan – actuarial gains and losses							24 169 693		**24 169 693**	**24 169 693**
Other changes recognized in equity					715				**715**	**715**
		–	–	–	**(22 900 570)**	–	**24 169 693**	**22 901 284**	**24 170 407**	**24 170 407**
Net profit for the period ended December 31, 2022								(21 138 782)	**(21 138 782)**	**(21 138 782)**
Comprehensive income					(22 900 570)		24 169 693	1 762 502	**3 031 625**	**3 031 625**
Transactions with equity holders in the period										
Capital repayments		181 390 745							**181 390 745**	**181 390 745**
		181 390 745	–	–	–	–	–	–	**181 390 745**	**181 390 745**
Position at December 31, 2022		**3 849 294 636**	**21 597**	**1 501 878**	**(1 963 706**	**37 234 076**	**11 636 073**	**(21 138 782)**	**1 914 842**	**1 914 842 512**
Position at January 1, 2023		3 849 294 636	21 597	1 501 878	(1 963 706	37 234 076	11 636 073	(21 138 782)	**1 914 842**	**1 914 842 512**
Changes in the period										
Appropriation of net profit for the period ended December 31, 2022					(21 138 782)			21 138 782	–	–
Defined benefit plan – actuarial gains and losses	20						(27 367 419)		**(27 367 419)**	**(27 367 419)**
Other changes recognized in equity					3 382				**3 382**	**3 382**
		–	–	–	**(21 135 400)**	–	**(27 367 419)**	**21 138 782**	**(27 364 037)**	**(27 364 037)**
Net profit for the period ended December 31, 2023								(24 002 041)	**(24 002 041)**	**(24 002 041)**
Comprehensive income					(21 135 400)		(27 367 419)	(2 863 259)	**(51 366 078)**	**(51 366 078)**
Transactions with equity holders in the period										
Capital repayments	17	57 511 019							**57 511 019**	**57 511 019**
		57 511 019	–	–	–	–	–	–	**57 511 019**	**57 511 019**
Position at December 31, 2023		**3 906 805 655**	**21 597**	**1 501 878**	**(1 984 842 365**	**37 234 076**	**(15 731 346)**	**(24 002 041)**	**1 920 987 453**	**1 920 987 453**

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

PERIOD ENDING DECEMBER 31, 2023

Currency unit (Euro)

	Notes	2023	2022
Net profit for the period		**(24.002.041)**	**(21.138.782)**
Other comprehensive income for the period			
Defined benefit plan – actuarial losses	20	(27.367.419)	24.169.693
Other changes recognized in equity		3.382	715
		(27.364.037)	**24.170.407**
Total comprehensive income for the period		**(51.366.078)**	**3.031.625**
Attributable to:			
Shareholders of the parent company		(51.366.078)	3.031.625
Non-controlling interests		-	-
		(51.366.078)	**3.031.625**

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Pedro Miguel Galante Antunes Paiva Maria

CONSOLIDATED CASH FLOW STATEMENT

PERIOD ENDING DECEMBER 31, 2023

Currency unit (Euro)

	Notes	2023	2022
Cash flows from operating activities			
Receipts from customers		153.465.546	135.654.186
Payments to suppliers		(51.782.748)	(51.469.666)
Payments to personnel		(95.414.035)	(87.109.163)
Cash generated by operations		**6.268.762**	**(2.924.644)**
Receipts from 'Support for restoring public transport'		-	20.103.300
Payment / receipt of Income Taxes		3.036.000	2.963.621
Other receipts / payments		(715.096)	(9.206.583)
Cash flows from operating activities [1]		**8.589.666**	**10.935.693**
Cash flows from Investment activities			
Receipts from:			
Financial investments		-	88.798
Investment subsidies		96.075.730	72.597.018
Interest and similar income		-	12.184
Payments relating to:			
Tangible fixed assets		(94.586.681)	(103.853.461)
Intangible assets		(1.044.928)	(1.386.595)
Financial investments		-	(1.000.000)
Cash flows from Investment activities [2]		**444.121**	**(33.542.056)**
Cash flows from financing activities			
Receipts from:			
Obtained Financing		9.024.285	35.197.631
Paid-in capital and other equity instruments		57.511.019	181.390.745
Payments from:			
Obtained Financing		-	(137.062.390)
Interest and Similar Expenses		(52.460.791)	(20.107.780)
Cash flows from financing activities [3]		**14.074.513**	**59.418.206**
Change in cash and cash equivalents [4]=[1]+[2]+[3]		**23.108.300**	**36.811.843**
Effect of exchange rate differences		**(16)**	**2.918**
Cash and cash equivalents at the beginning of the period		**165.186.156**	**128.371.394**
Cash and cash equivalents at the end of the period	16	**188.294.440**	**165.186.156**

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Pedro Miguel Galante Antunes Paiva Maria

Notes to the Consolidated Financial Statements as of December 31, 2023

1. INTRODUCTORY NOTE

Metropolitano de Lisboa, E.P.E. (hereinafter referred to as "ML" or "Company") is a public corporate entity, established in 1949, with its head office at Av. Fontes Pereira de Melo, no. 28, in Lisbon, whose current legal regime and Articles of Association were approved by Decree-Law no. 148-A/2009, of June 26. Its main purpose is to provide activities and services in the public transport of passengers by metro in the city of Lisbon and the neighbouring municipalities of Greater Lisbon, under the terms of the concession contract signed with the Portuguese State on March 23, 2015.

ML is the parent company of the Metropolitano de Lisboa Group ("Group") made up of ML and its subsidiaries (Note 3.2).

The consolidated financial statements, which include the consolidated statement of financial position, the consolidated statement of profit and loss by nature, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and these notes, were approved by the Board of Directors and authorized for issue on June 26, 2024, although they are still subject to approval by the sectoral and financial authorities, under the terms of the Legal Framework of the Public Business Sector.

The Board of Directors declares that, to the best of its knowledge, the information in these consolidated financial statements has been prepared in accordance with the applicable accounting standards and gives a true and fair view of the financial position of the Group as at December 31, 2023 and of its financial performance and cash flows for the year then ended.

2. ACCOUNTING FRAMEWORK FOR THE PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with international accounting standards as adopted by the European Union, effective for financial years beginning on January 1, 2023. These standards correspond to the International Financial Reporting Standards (IAS/IFRS) issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC").

3. MAIN ACCOUNTING POLICIES

The main accounting policies adopted by the Group in preparing the consolidated financial statements are described below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

3.1. PRESENTATION BASIS

Unless otherwise stated, the figures are expressed in euros (EUR). The consolidated financial statements have been prepared from the accounting records of the Company and its subsidiaries (Note 3.2), on a going concern basis and under the historical cost convention, except for the revaluation of certain non-current assets (investment properties) and certain financial instruments, which are recorded at fair value. The Board of Directors assessed the Group's ability to operate on a going concern basis, based on all relevant information, facts and circumstances, of a financial, commercial or other nature, including events after the reference date of the financial statements available for the future. As a result of this assessment, it concluded that the Group has adequate resources to maintain its activities, with no intention of ceasing them in the short term, and therefore considered it appropriate to use the going concern assumption in the preparation of the financial statements. The accounting policies and measurement criteria adopted by the Group in 2023 were consistent with those applied by the Group in preparing the financial information for the previous year, presented for comparative purposes, except for the standards and interpretations whose effective date corresponds to financial years beginning on or after January 1, 2023, the adoption of which did not result in significant impacts on the Group's comprehensive income or financial position.

3.1.1. New standards, amendments and interpretations adopted by the Group

EU regulation	IASB standard or IFRIC interpretation adopted by the EU	Date of issue	Mandatory application for financial years starting on or after
Regulation 2036/2021	IFRS 17 Insurance Contracts (new)	May 2017 and June 2020	1-jan-2023
Regulation 357/2022	IAS 1 Presentation of Financial Statements: Disclosure of Accounting Policies (amendments) IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (amendments)	February 2021	1-jan-2023
Regulation 1392/2022	IAS 12 Income Taxes: Deferred taxes related to assets and liabilities arising from a single transaction (amendments)	May 2021	1-jan-2023
Regulation 1491/2022	IFRS 17 Insurance Contracts: Initial Application of IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments - Comparative Information (amendments)	December 2021	1-jan-2023
Regulation 2468/2023	IAS 12 Income Taxes: International Tax Reform - OECD Pillar II Model Rules (amendments)	May 2021	1-jan-2023

The Group has implemented the above changes and there has been no significant impact on its consolidated financial statements.

3.1.2. New standards, amendments and interpretations adopted by the EU but not effective for the year beginning January 1, 2023 and not applied in advance

EU regulation	IASB standard or IFRIC interpretation adopted by the EU	Date of issue	Mandatory application for financial years starting on or after
Regulation 2822/2023	IAS 1 Presentation of Financial Statements: i) Classification of Liabilities as Current and Non-Current (amendments); ii) Financial Liabilities with Covenants (amendments)	January and July 2020, October 2022	1-jan-2024
Regulation 2579/2023	IFRS 16 Leases: Lease liability resulting from a sale and leaseback (amendments)	September 2022	1-jan-2024

These changes are effective for annual periods beginning on or after January 1, 2024 and have not been applied in the preparation of these consolidated financial statements. It is not expected that these changes will have a significant impact on the Group's consolidated financial statements.

3.1.3. New standards, amendments and interpretations issued by the IASB and IFRIC but not yet adopted by the EU

IASB standard or IFRIC interpretation adopted by the EU	Date of issue	Mandatory application for financial years starting on or after
IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments - Disclosures: Additional disclosure requirements for reverse factoring arrangements (amendments)	May 2023	1-jan-2024
IAS 21 The Effects of Changes in Foreign Exchange Rates: i) Assessing the exchangeability of a currency (amendments); ii) Determining the exchange rate in situations of lasting non-changeability (amendments)	August 2023	1-jan-2025

Management is assessing the impact of the future adoption of the changes to the standards already in force, and no significant impact on the Group's consolidated financial statements is expected at this time.

3.2. CONSOLIDATION PRINCIPLES

Financial holdings in subsidiaries

The consolidated financial statements include the financial statements of the Company and the entities it controls (its subsidiaries). Control is understood to exist when the Company has the power to define the financial and operating policies of an entity, to obtain benefits derived from its activities, normally associated with direct or indirect control of more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing the control that the Company has over an entity.

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

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date of acquisition or until the date of disposal.

Interests in the net assets of subsidiaries that do not belong to the Group (non-controlling interests) are presented in equity, separately from the equity attributable to the shareholders of the parent company, under the item "Non-controlling interests". Non-controlling interests consist of the amount of these interests on the date of acquisition and their proportion in the changes in equity of the subsidiaries acquired after the date of their acquisition.

Net income and each of the components of comprehensive income are attributed to the Group and to non-controlling interests in proportion to their ownership (ownership interest), even if this results in a deficit balance for non-controlling interests. Transactions (including any capital gains or losses arising from disposals between Group companies), balances and dividends distributed between Group companies are eliminated in the consolidation process.

Changes in the Group's ownership interest in the subsidiary that do not result in a loss of control are recorded as equity transactions.

In situations where the Group has substantial control over other entities created for a specific purpose, even if it does not directly hold equity stakes in those entities, they are consolidated using the full consolidation method. At the date of these financial statements there are no entities in this situation.

The companies included in the consolidation perimeter (full consolidation method), with most of the voting rights, are as follows:

Company	Headquarters	% of capital held	
		2023	2022
Parent company:			
Metropolitano de Lisboa, E.P.E.	Lisbon	-	-
Subsidiaries:			
Ferconsult - Consultoria, Estudos e Projectos de Engenharia de Transportes, S.A.	Lisbon	100,00%	100,00%
Metrocom - Exploração de Espaços Comerciais, S.A.	Lisbon	100,00%	100,00%
TREM - Aluguer de Material Circulante, A.C.E.	Lisbon	100,00%	100,00%
TREM II - Aluguer de Material Circulante, A.C.E.	Lisbon	100,00%	100,00%

Joint ventures and associates

Joint control of an entity is the result of a particular form of joint venture, which involves the creation of an entity which, by contract, is jointly controlled by the various entrepreneurs.

The classification of investments in joint ventures is determined based on shareholders' agreements that regulate joint control and require unanimous decisions.

An associate is an entity in which the Group exercises significant influence, presumed when the voting rights are greater than 20%, or when the Group has the power to participate in the entity's financial and operating policy decisions, without however exercising control or joint control of those policies.

Investments in joint ventures and associates are included in the consolidated financial statements using the equity method.

The entities that qualify as joint ventures and associates are as follows:

Company	Headquarters	% of capital held	
		2023	2022
Publimetro - Publicidade em Meios de Transporte e Outros, S.A.	Lisbon	40,00%	40,00%
Ensitrans - Engenharia e Sistemas de Transporte, A.E.I.E.	Lisbon	50,00%	50,00%

In the specific case of Ensitrans - Engenharia e Sistemas de Transporte, A.E.I.E., although the percentage held by the Group is 50%, the Board of Directors believes that it does not have control of it, and has therefore recognized its holding in accordance with the equity method.

3.3. LONG-TERM INFRASTRUCTURE INVESTMENT ACTIVITIES (LTI)

Over the years, the company has been responsible for the construction, renovation and management of long-term infrastructures relating to the regular operation of the public passenger transport service based on the use of the subsoil in the city of Lisbon and surrounding areas. This is an activity carried out in accordance with state directives, the financing of which is guaranteed through subsidies and loans mostly guaranteed by the state.

Under the terms of Decree-Law 196/80 of June 20, the government assumed the principle that it was up to the Portuguese state to finance the long-term infrastructure built by the Company, defining the following types of Investment as such:

- Studies for the development of the network;
- Galleries, stations and other accessory or complementary constructions;
- Railway;
- High and low voltage networks;
- Telecommunications and control systems;
- Ventilation and pumping equipment;
- Mechanical access.

This principle was put into practice through non-repayable subsidies granted by the Portuguese state for investments made up to December 31, 1980 and for the financial expenses incurred up to that point. On that date, the amount of Investment made and the value of the subsidies attributed were coincident and had accounting expression in State-financed assets and Investment reserves, respectively.

The aforementioned Decree-Law contained a clause requiring it to be revised by the end of its term on December 31, 1980. However, since this review did not take place, from that date onwards the funds were allocated based on specific legislation within the framework of the Investment Plans of the State Business Sector and in the form of appropriations for statutory capital or generic subsidies for investments and financial reorganization, and consequently there was no coincidence between the investments made and the subsidies allocated.

Until 2009, the company recognized the assets and liabilities relating to LTI in the consolidated statement of financial position in accordance with the interpretation of Decree-Law no. 196/1980, of June 20, in which the Portuguese state undertook to reorganize the company economically and financially, namely to bear the expenses of investments in LTI made up to December 31, 1978. That Decree-Law also stated that for investments to be made after January 1, 1979, the state would set the amounts of debt it would assume, a provision that was never issued. In 2010 and 2011, the Board of Directors decided that it was more appropriate to write off the assets and liabilities allocated to LTI, which is why the total in the Company's consolidated statement of financial position in those years was significantly reduced. In 2012, following Order no. 1491/12 from the Secretary of State for the Treasury and Financial Liabilities, the Board of Directors decided to resume recording the assets and liabilities associated with LTI in the Company's consolidated statement of financial position.

Thus, all the flows resulting from this activity are recorded in the consolidated statement of financial position under "Long-term infrastructure investments" and include the following items:

Assets:

- LTI in the public domain built by the Company over which it has the right of access for the provision of "Passenger transport" and "Infrastructure management" services;
- Research and development and installation expenses related to LTI activity;
- Materials acquired as part of the construction/repair of LTI, in inventories;
- The amounts of subsidies received to co-finance the construction of LTI to be deducted from investments in LTI;
- The financial expenses directly incurred with the loans contracted to finance the construction and repair of LTI, corresponding to the interest, guarantee fee and stamp duty arising from the activity carried out on behalf of the State, which have not been capitalized in the cost value of the LTI during their construction period;
- Derivative Financial Instruments contracted by the Company to cover changes in the interest rate of Obtained Financing to finance the activity of the LTI, which are recognized at their fair value in assets, in cases where their fair value is positive.

It should be noted that the tangible fixed assets and intangible assets shown under the LTI item are not being depreciated/amortized.

Liabilities:

- The balances payable to suppliers of LTI construction services;
- Loans taken out to finance the construction and repair activity of LTI, particularly those guaranteed by the State;
- Derivative Financial Instruments contracted by the Company to hedge the risk of changes in the interest rate of Obtained Financing to finance the activity of the LTI are recognized at their fair value in liabilities, in cases where their fair value is negative;
- Provisions for ongoing legal proceedings related to LTI activity.

Maintenance and repair expenses that do not increase the useful life of these assets are recorded in the consolidated income statement in the period in which they occur, as they result from the company's infrastructure management activities.

As a result of the change in recognition policy during the transition to the Accounting Standardization System, the company quantified the financial expenses relating to interest, stamp duty, guarantee fees and Financing Expenses incurred in previous years and not borne by the State, and allocated them to the item "Long-term infrastructure investments".

3.4. TANGIBLE FIXED ASSETS

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

The residual values of the assets and their useful lives are reviewed and adjusted at the statement of financial position date. If there are any changes to the useful lives, they are treated as a change in accounting estimate and are applied prospectively.

Depreciation is calculated, once the asset is ready for use, using the straight-line method in twelfths, in accordance with the estimated useful life of each group of assets:

Asset Class	Years
Buildings and other constructions	10 - 50
Basic equipment	
Operating rolling stock	15 - 28
Service rolling stock	20
Other basic equipment	4 - 20
Other tangible fixed assets	3 - 10

Scheduled maintenance expenses are a component of the acquisition cost of the tangible fixed asset and are depreciated in full until the next scheduled maintenance date. Other repairs and maintenance expenses are recognized as an expense in the period in which they occur.

Gains or losses resulting from the sale or write-off of a tangible fixed asset are determined as the difference between the Fair Value of the amount received in the transaction or receivable and the carrying amount of the asset, net of accumulated depreciation, and are recognized in the income statement in the period in which they occur.

3.5. LEASES

In accordance with IFRS 16, the Group assesses whether a contract contains a lease, i.e. whether the contract provides for the right to control the use of a specific asset for a defined period in exchange for consideration.

Accounting for lessees:

Lease assets

On the lease commencement date, the Group recognizes a lease asset at its cost, which corresponds to the initial amount of the lease liability adjusted for any payments made in the meantime and any lease incentives received, plus additional direct expenses incurred and an estimate of removing and/or restoring the underlying asset and/or the site where it is located. The right of use is subsequently depreciated using the straight-line method from the start date until the end of the lease. In addition, the lease asset is periodically reduced by impairment losses, if any, and adjusted by any remeasurements of the lease liability.

Lease liabilities

On the lease commencement date, the Group recognizes lease liabilities measured at the present value of future lease payments, which include fixed payments less any incentives, variable lease payments, and amounts expected to be paid as guaranteed residual value. Lease payments also include the exercise price of purchase or renewal options reasonably certain to be exercised by the Group or lease termination penalty payments, if the lease term reflects the Group's option to terminate the contract.

When calculating the present value of future lease payments, the Group uses its incremental financing rate if the interest rate implicit in the lease is not easily determinable. Subsequently, the value of the lease liabilities is increased by the amount of interest and decreased by the lease payments.

In lease contracts in which the Group is the lessee and whose underlying assets have little value and in short-term lease contracts (12 months or less), the lease is not recognized and measured as described above, and the lease rents are recognized as an expense on a straight-line basis over the lease period in the consolidated income statement under "Supplies and External Services - Rents and leases".

Accounting for lessors:

The accounting for lessors is unchanged by IFRS 16. Thus, leases are accounted for as finance leases or operating leases under the previous IAS 17:

- Financial lease: if it transfers substantially all the risks and benefits inherent in holding the underlying asset;
- Operating lease: if it does not transfer substantially all the risks and benefits inherent in holding the underlying asset.

Lessors are not allowed the practical expedient of treating the non-lease component as a lease.

In a finance lease, the lessor recognizes a financial asset at amortized cost in the consolidated statement of financial position and recognizes the related interest income in the income statement.

In an operating lease, the lessor recognizes the lease receipts as income on a straight-line basis. The Group is a lessor only in operating leases.

3.6. INTANGIBLE ASSETS

Intangible assets are recorded at cost, less accumulated amortization and impairment losses. Expenditure on research activities is recorded as an expense in the period in which it is incurred.

Amortization of intangible assets is recognized on a straight-line basis, according to the following estimated useful life:

Asset class	Years
Industrial property and other rights	3 - 10

3.7. INVESTMENT PROPERTIES

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Depreciation is calculated after the asset is ready for use, using the straight-line method on a twelfths basis, in accordance with the estimated useful life of each group of assets.

The depreciation rates used correspond to the following estimated useful life periods:

Asset class	Years
Buildings and other constructions	10 - 50
Other equipment	4 - 20

Expenses incurred related to Investment properties, namely maintenance, repairs, insurance and taxes, are recognized as an expense in the period to which they refer. Improvements in investment properties for which there are expectations that they will generate additional future economic benefits are capitalized under "Investment properties".

3.8. FINANCIAL INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Investments in associates and joint ventures are recorded using the equity method, and are initially recognized at cost and subsequently adjusted according to the changes, after acquisition, in the investor's or entrepreneur's share of the net assets of the investee or jointly controlled entity. The investor's or entrepreneur's results include their share of the results of the investee or jointly controlled entity. Dividends received from these companies are recorded as a decrease in the value of the Investment.

When the Group's share of the investee's accumulated losses exceeds the amount at which the Investment is recorded, the Investment is reported at zero value, except when the Group has incurred legal or constructive obligations or has made payments in favour of the investee, in which cases the additional losses determine the recognition of a liability. If the investee subsequently reports profits, the Group resumes recognition of its share of those profits only after its share of the profits equals its share of the unrecognized losses.

Unrealized gains on transactions with associates and joint ventures are eliminated in proportion to the Group's interest in them, against the corresponding Investment item. Unrealized losses are similarly eliminated, but only to the extent that the loss does not result from a situation in which the transferred asset is impaired.

The remaining Investments are recorded at acquisition cost, which is lower than market value.

3.9. IMPAIRMENT OF NON-CURRENT ASSETS

At each reporting date, the carrying amounts of the Group's assets are reviewed to determine whether there are any indicators that they may be impaired. If there is any indicator, the recoverable amount of the respective assets (or the cash-generating unit) is estimated to determine the extent of the impairment loss (if any).

The recoverable amount of the asset (or cash-generating unit) consists of the higher of: (i) the fair value less expenses to sell; and (ii) the value in use. In determining the value in use, the estimated future cash flows are discounted using a discount rate that reflects market expectations as to the time value of money (which in the case of the Group was considered not to exist) and as to the specific risks of the asset (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

Whenever the carrying amount of the asset (or cash-generating unit) exceeds its recoverable amount, an impairment loss is recognized.

The impairment loss is recorded immediately in the consolidated income statement, unless this loss offsets a revaluation surplus recorded in equity. In the latter case, this loss will be treated as a decrease in that revaluation.

The reversal of impairment losses recognized in previous years is recorded when there is evidence that the previously recognized impairment losses no longer exist or have decreased. The impairment loss is reversed up to the amount that would have been recognized (net of depreciation) if the previous impairment loss had not been recorded.

3.10. OBTAINED FINANCING EXPENSES

Financial charges related to Obtained Financing are recognized as expenses as they are incurred.

Obtained financing expenses directly related to the acquisition and construction of assets are capitalized, forming an integral part of the cost of the asset. The start of capitalization of these charges begins after the start of preparation of the asset's construction activities and is interrupted after the start of use or end of construction of the asset or when the asset in question is suspended. Any income generated by financing obtained in advance related to a specific Investment is deducted from the financial charges eligible for capitalization.

3.11. INVENTORIES

Inventories are measured at the lower of cost and net realizable value. Raw materials, subsidiaries and consumables are recorded at acquisition cost, which does not exceed their market value.

The net realizable value represents the estimated selling price less all estimated expenses necessary to complete the inventories and sell them. In situations where the cost value is higher than the net realizable value, an impairment loss is recorded for the respective difference.

The inventory costing method adopted by the Group is weighted average cost.

3.12. FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities are recognized in the consolidated statement of financial position when the Group becomes a party to the corresponding contractual provisions.

Financial assets and liabilities are therefore measured according to the following criteria: (i) amortized cost less impairment losses and (ii) Fair Value with the changes recognized in the consolidated income statement.

(i) Amortized cost less impairment losses

Financial assets that meet the following conditions are measured "at amortized cost less impairment losses":

- Whether in cash or with a defined maturity;

- Have a fixed or determinable return; and
- They do not contain any contractual clause that could result in a loss of nominal value for the holder.

Except for financial liabilities classified as held for trading, all financial liabilities must be measured at amortized cost. Amortized cost is determined using the effective interest method. Effective interest is calculated using the rate that exactly discounts estimated future payments or receipts over the expected life of the financial instrument to the net carrying amount of the financial asset or liability (effective interest rate).
This category therefore includes the following financial assets and liabilities:

a) Trade and other receivables

Trade and other receivables are stated at amortized cost less any impairment losses. The amortized cost of these financial assets does not usually differ from their nominal value.

b) Cash and bank deposits

The amounts included under "Cash and bank deposits" correspond to cash on hand, bank deposits and term deposits and other treasury applications maturing in less than twelve months. The amortized cost of these financial assets does not usually differ from their nominal value.

c) Suppliers and other payables

The balances of suppliers and other payables are recorded at amortized cost. Usually, the amortized cost of these Financial Liabilities does not differ from their nominal value.

d) Obtained Financing

Obtained Financing is recorded under liabilities at amortized cost.

Any expenses incurred in obtaining these loans, namely bank commissions and stamp duty, as well as interest and similar expenses, are recognized using the effective interest method in the income statement over the life of the loans. If these expenses are not recognized, they are deducted from the "Obtained Financing" item. Interest incurred but not yet paid is shown under "Other payables".

(ii) At fair value with changes recognized in the consolidated income statement

All financial assets and liabilities not classified in the "at amortized cost" category are included in the "at fair value with changes recognized in the consolidated income statement" category.

These financial assets and liabilities are measured at fair value and changes in their fair value are recorded in the income statement.

This category includes collateral pledged as security for financing, recorded under the asset item 'Other financial assets'.

As described above, financial assets and liabilities have been classified as follows:

Financial Assets	Notes	December 31, 2023		December 31, 2022	
		Value	Amortized cost	Fair Value	Amortized cost
Non-current:					
Other financial assets	11	44 369 866	117 799	55 304 221	-
		44 369 866	**117 799**	**55 304 221**	**-**
Current:					
Customers	13	-	947 836	-	1 534 861
State and other public entities	14	-	2 122 409	-	4 098 987
Other receivables	15	-	39 191 100	-	35 989 188
Cash and bank deposits	16	-	188 294 440	-	165 186 156
		-	**230 555 785**	**-**	**206 809 192**
		44 369 866	**230 673 584**	**55 304 221**	**206 809 192**

Financial Liabilities	Notes	December 31, 2023		December 31, 2022	
		Fair Value	Amortized Cost	Fair Value	Amortized cost
Non-current:					
Obtained Financing	19	-	84 213 746	-	122 633 400
Other Financial Liabilities	21		26 192 814		28 647 987
		-	**110 406 560**	**-**	**151 281 386**
Current:					
Suppliers	22	-	3 401 539	-	1 972 522
State and other public entities	14	-	3 489 248	-	3 507 656
Obtained Financing	19	-	744 676 065	-	700 579 038
Other payables	23	-	79 348 501	-	72 746 501
		-	**830 915 353**	**-**	**778 805 717**
		-	**941 321 913**	**-**	**930 087 104**

3.13. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash, bank deposits, other short-term highly liquid investments with initial maturities of up to three months and bank overdrafts with no significant risk of change in value. Bank overdrafts are presented in the consolidated statement of financial position, under current liabilities, under 'Financial Liabilities'.

3.14. GOVERNMENT SUBSIDIES

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

Government subsidies associated with the acquisition or production of non-current assets are initially recognized as liabilities and are subsequently charged on a systematic basis (in proportion to the depreciation of the underlying assets) as income for the year over the useful lives of the assets to which they relate.

Other government grants are generally recognized as income on a systematic basis over the periods necessary to balance them with the expenses they are supposed to offset. Government grants that are intended to offset losses already incurred or that have no associated future expenses are recognized as income in the period in which they become receivable.

3.15. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Provisions are recorded when the Group has a present obligation (legal or implicit) resulting from a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be reasonably estimated. Provisions are reviewed at the date of each consolidated statement of financial position and are adjusted to reflect the best estimate at that date.

Contingent liabilities are not recognized in the financial statements, but are disclosed whenever the possibility of an outflow of resources encompassing economic benefits is not remote. Contingent assets are not recognized in the financial statements, but are disclosed when it is probable that there will be a future economic inflow of resources.

3.16. POST-EMPLOYMENT

BENEFITS Defined benefit plan

The company has a defined benefit plan for supplementary retirement (old age, disability and survivors) in addition to that paid by the Social Security system. The Company's liabilities related to this plan are determined using the projected unit credit method, and the respective actuarial valuations are carried out at each reporting date, in accordance with internationally accepted actuarial methods and assumptions, to know the value of the liabilities at the date of the consolidated statement of financial position and the pension expense to be recorded in the period.

The liability associated with guaranteed benefits recognized in the consolidated statement of financial position represents the present value of the corresponding obligation, adjusted for actuarial gains and losses and unrecognized past service expenses and deducted from the fair value of plan assets.

Actuarial gains and losses are recognized annually in equity.

The benefit plans identified by the Company for the purpose of calculating these liabilities are:

- Supplementary pensions for retirement, disability, and survivorship
- Early retirement plans.

Health care

The company has also assumed liabilities for the payment of health care benefits to its employees up to retirement age, which are not recorded in the consolidated statement of financial position as of December 31, 2023. To meet these liabilities, the company has provided its assets employees with group health insurance which gives them access to medical services reimbursed by the company. These expenses are recorded in the consolidated income statement for the period in which they are paid.

3.17. REVENUE

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

Revenue from the provision of public transport services results from the distribution of revenue from the sale of tickets that allow access to the mode operated by Metropolitano de Lisboa, E.P.E.. It is recognized if all the following conditions are met:

- The amount of revenue can be measured reliably;
- It is probable that future economic benefits associated with the transaction will flow to the Company;
- The expenses incurred or to be incurred in the transaction can be measured reliably.

The fare system in force in the Lisbon Metropolitan Area (AML) is defined in Regulation no. 278-A/2019, of March 27, in its current wording, which defines the rules for calculating the financial compensation due to Operators for fulfilling public service obligations.

Decree-Law no. 14-C/2020, of April 7, in its current wording, which establishes the definition of procedures for allocating funding and compensation to essential transport operators, within the scope of the COVID-19 pandemic, remained in force until December 31, 2023.

Interest revenue is recognized using the effective interest method, if it is probable that economic benefits will flow to the Group and its amount can be measured reliably.

3.18. INCOME TAXES

Income Taxes for the period are calculated based on the Group's taxable income.

Current tax payable is calculated based on taxable profit. Taxable profit differs from the accounting result, since it excludes various expenses and income that will only be deductible or taxable in other years, as well as expenses and income that will never be deductible or taxable.

The Group has not recorded Deferred Taxes and at this date they have not been fully quantified.

Deferred Tax assets correspond to tax losses carried forward and impairments and provisions not accepted for tax purposes, and are not recognized because there is no reasonable certainty that future profits will be generated. Deferred tax liabilities correspond to depreciation of revalued assets not accepted for tax purposes and capital gains with deferred taxation, which are not recognized because there is no expectation that an outflow of resources will be generated because of the tax effect related to Investment subsidies.

3.19. CLASSIFICATION OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets that can be realized and liabilities that are due more than one year from the reporting date are classified as non-current assets and liabilities, respectively.

3.20. TRANSACTIONS AND BALANCES IN FOREIGN CURRENCY

Transactions in foreign currencies (currencies other than the Group's functional currency) are recorded at the exchange rates on the dates of the transactions. At each reporting date, the carrying amounts of monetary items denominated in foreign currency are updated at the exchange rates on that date.

Exchange differences calculated on the date of receipt or payment of transactions in foreign currency and those resulting from the aforementioned updates are recorded in the consolidated income statement for the period in which they arise.

The foreign currency quotations used to convert transactions expressed in a currency other than the euro or to update balances expressed in foreign currency were as follows:

Country	Currency	Average rate 2023	Final rate 31/12/2023	Average rate 2022	Final rate 31/12/2022
United States of America	USD	1,08	1,11	1,05	1,07
United Kingdom	GBP	0,87	0,87	0,85	0,89
Brazil	BRL	5,40	5,36	5,44	5,64
Algeria	DZD	147,12	148,31	149,76	147,14

Source: Banco de Portugal / Exchange Rates UK

3.21. ACCRUAL BASIS (ECONOMIC PERIODIZATION)

The Group records its income and expenses on an accrual basis, whereby income and expenses are recognized as they are generated, regardless of when they are received or paid. The differences between the amounts received and paid and the corresponding income and expenses generated are recorded as assets or liabilities.

3.22. RISK MANAGEMENT POLICY

In carrying out its business, the Group is exposed to a variety of risks: market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's global risk management program focuses on the unpredictability of the financial markets and seeks to minimize the adverse effects this has on its financial performance.

Risk management is controlled by the company's finance department, in accordance with policies approved by the Board of Directors. To this end, the Board of Directors has defined the main principles of global risk management as well as specific policies for certain areas, such as hedging exchange rate risk, interest rate risk and credit risk.

a) Exchange rate risk

The Group's operational activity is carried out in Portugal and consequently most of its transactions are carried out in Euros. The hedging policy for this specific risk is to avoid, as far as possible, contracting services denominated in foreign currency.

b) Liquidity risk

Cash flow needs are managed appropriately, managing liquidity surpluses and deficits, and are covered by financing guaranteed by the Portuguese State or granted by it through non-refundable compensatory allowances and capital appropriations.

c) Interest rate risk

The Group's income and cash flow are influenced by changes in interest rates, as the Group's cash and cash equivalents and any Obtained Financing are dependent on the evolution of interest rates in Euro, which historically have low volatility.

Interest rate sensitivity analysis

The sensitivity analysis below was calculated based on the exposure to interest rates for the Derivative Financial Instruments existing at the reporting date. For variable rate assets and liabilities, the following assumptions were made:

- Changes in market interest rates affect the amount of interest receivable or payable on financial instruments indexed to variable rates and, in the case of fixed rates contracted in the period under review, changes in the interest rate also affect this component;
- Changes in market interest rates only influence the amount of interest receivable or payable on fixed-rate financial instruments if they are recorded at their fair value;
- Changes in market interest rates affect the fair value of derivatives;
- The fair value of Derivative Financial Instruments and other financial assets and liabilities is estimated by discounting future cash flows to the present time at the market interest rates prevailing at the end of each year; e,
- For the purposes of the sensitivity analysis, this analysis is carried out based on all the financial instruments existing during the year.

Sensitivity analyses assume that one variable changes while all the others remain constant. This assumption is hardly true, and changes in some of the assumptions may be correlated.

Under these assumptions, a 1% increase or decrease in market rates for Derivative Financial Instruments on December 29, 2023, would result in an increase of approximately 4.8 million euros and a decrease of approximately 18.8 million euros, respectively, in profit before tax and before allocation to the LTI item.

3.23. CRITICAL VALUE JUDGMENTS AND MAIN SOURCES OF UNCERTAINTY ASSOCIATED WITH ESTIMATES

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

The estimates and underlying assumptions were determined by reference to the reporting date based on the best knowledge existing at the date of approval of the consolidated financial statements of current events and transactions, as well as on the experience of past and/or current events. However, situations may occur in subsequent periods which, not being foreseeable at the date of approval of the financial statements, were not considered in these estimates. Changes to estimates that occur after the date of the consolidated financial statements will be corrected prospectively, in accordance with IAS 8. For this reason and given the associated degree of uncertainty, the actual results of the transactions in question may differ from the corresponding estimates.

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

a) Recording of investment activities in LTI;

b) Useful lives and impairment analysis of tangible fixed assets;

c) Impairment losses on accounts receivable - are calculated considering the overall risk of collection of receivables;

d) Determining the fair value of Derivative Financial Instruments - at the end of each year this is determined by the entity with which they were contracted;

e) Determination of retirement benefit liabilities - at the end of each year, the actuarial valuation of pension liabilities prepared by the actuary is obtained;

f) Creation of provisions - analysis of obligations resulting from past events and determination of the probability and amount of the financial outflow required to pay them.

3.24. SUBSEQUENT EVENTS

Events after the reporting date that provide additional information on conditions that existed at the reporting date ("adjusting events") are reflected in the consolidated financial statements. Events that provide information on conditions that occurred after the reporting date ("non-adjusting events") are disclosed in the consolidated financial statements if they are considered material.

4. INFORMATION BY OPERATING SEGMENT

In accordance with the disclosures required by IFRS 8 - Operating Segments, the Metropolitano de Lisboa Group has identified the 'Passenger transport and infrastructure management' business area.

Information on the other business areas can be found in the 'Other segments' category.

Transactions between segments are carried out under normal market conditions, following the same accounting policies adopted by the Group when dealing with transactions with unrelated entities.

The Group's financial information by business segment for the period ending December 31, 2023 and 2022 is as follows:

FINANCIAL YEAR 2023

INCOME AND EXPENSES	Passenger transport and infrastructure management	Other segments	Total Consolidated
Sales and services rendered	131 419 979	2 546 210	**133 966 189**
Operating subsidies	535 446	-	**535 446**
Imputed gains / losses of subsidiaries, associates and joint ventures	(20 328)	512	**(19 817)**
Works for own entity	6 423 680	-	**6 423 680**
Cost of goods sold and materials consumed	(2 861 925)	-	**(2 861 925)**
External supplies and services	(37 795 177)	(358 126)	**(38 153 303)**
Personnel costs	(99 286 012)	(247 356)	**(99 533 368)**
Impairment of receivables (losses / reversals)	(231 586)	170 532	**(61 054)**
Provisions (increases / decreases)	(553 209)	(22 616)	**(575 826)**
Impairment of non-depreciable/amortizable investments (losses/reversals)	-	-	-
Increases / decreases in fair value	1 335 902	-	**1 335 902**
Other income	3 248 142	113 436	**3 361 577**
Other expenses	(3 529 809)	(39 570)	**(3 569 379)**
Inter-segment operating results	(8 300 764)	8 300 764	-
Profit before depreciation, financing costs and taxes	**(9 615 662)**	**10 463 786**	**848 123**
Depreciation and amortization costs / reversals	(14 106 794)	(10 430 661)	**(24 537 455)**
Impairment of depreciable/amortizable investments (losses/reversals)	804 085	-	**804 085**
Operating profit (before financing costs and taxes)	**(22 918 371)**	**33 125**	**(22 885 246)**
Interest and similar expenses	(1 065 282)	-	**(1 065 282)**
Profit before tax	**(23 983 653)**	**33 125**	**(23 950 528)**
Income tax for the period	(18 388)	(31 326)	**(49 714)**
Deferred tax	-	(1 799)	**(1 799)**
Net profit for the period	**(24 002 041)**	-	**(24 002 041)**
Net profit for the period attributable to:			
Equity holders of the parent company	**(24 002 041)**	-	**(24 002 041)**
Non-controlling interests	-	-	-
	(24 002 041)	-	**(24 002 041)**

FINANCIAL YEAR 2022

INCOME AND EXPENSES	Passenger transport and infrastructure management	Other segments	Total Consolidated
Sales and services rendered	109 352 788	2 598 000	**111 950 789**
Operating subsidies	10 639 940	-	**10 639 940**
Imputed gains / losses of subsidiaries, associates and joint ventures	36 702	(1 152)	**35 549**
Works for own entity	6 123 475	-	**6 123 475**
Cost of goods sold and materials consumed	(2 699 970)	-	**(2 699 970)**
External supplies and services	(35 034 547)	(358 082)	**(35 392 629)**
Personnel costs	(86 761 225)	(235 789)	**(86 997 013)**
Impairment of receivables (losses / reversals)	(488 306)	(27 756)	**(516 062)**
Provisions (increases / decreases)	(1 924 513)	(241 675)	**(2 166 188)**
Impairment of non-depreciable/amortizable investments (losses/reversals)	(1 000 000)	-	**(1 000 000)**
Increases / decreases in fair value	19 018 278	-	**19 018 278**
Other income	6 142 985	152 417	**6 295 402**
Other expenses	(2 269 945)	(31 324)	**(2 301 269)**
Inter-segment operating results	(8 633 068)	8 633 068	-
Profit before depreciation, financing costs and taxes	**12 502 594**	**10 487 708**	**22 990 302**
Depreciation and amortization costs / reversals	(14 977 294)	(10 431 257)	**(25 408 551)**
Impairment of depreciable/amortizable investments (losses/reversals)	1 513 242	-	**1 513 242**
Operating profit (before financing costs and taxes)	**(961 458)**	**56 451**	**(905 006)**
Interest and similar expenses	(20 159 006)	-	**(20 159 006)**
Profit before tax	**(21 120 463)**	**56 451**	**(21 064 012)**
Income tax for the period	(18 319)	(56 451)	**(74 771)**
Deferred tax		-	-
Net profit for the period	**(21 138 782)**	-	**(21 138 782)**
Net profit for the period attributable to:			
Equity holders of the parent company	**(21 138 782)**	-	**(21 138 782)**
Non-controlling interests	-	-	-
	(21 138 782)	-	**(21 138 782)**

DECEMBER 31, 2023	Passenger transport and infrastructure management	Other segments	Total Consolidated
Segment assets	5 826 309 654	77 359 196	**5 903 668 850**
Segment liabilities	3 980 719 860	1 961 538	**3 982 681 397**

DECEMBER 31, 2022	Passenger transport and infrastructure management	Other segments	Total Consolidated
Segment assets	5 763 366 473	87 522 544	**5 850 889 017**
Segment liabilities	3 933 082 587	2 963 918	**3 936 046 505**

5. LONG-TERM INFRASTRUCTURE INVESTMENTS

The balance shown under "Long-term infrastructure investments" stems from the Company's infrastructure investment activity and is broken down by asset and liability items as follows:

	Notes	31-dec-2023	31-dec-2022
Non-current Assets			
Tangible fixed assets	5.1	3 355 620 894	3 265 196 740
Investment properties	5.2	1 804 209	1 804 209
Intangible assets	5.3	7 724 548	7 431 955
Other financial assets	5.4	2 957 885	586 759
Accounts receivable from the State	5.5	3 226 923 229	3 180 829 583
Subsidies	5.6	(1 168 351 577)	(1 086 546 493)
		5 426 679 188	**5 369 302 753**
Total assets		**5 426 679 188**	**5 369 302 753**
Non-current Liabilities			
Provisions	5.7	5 062 500	6 022 500
Obtained Financing	5.8	1 122 926 137	1 521 650 426
Other Financial Liabilities	5.4	8 630 067	17 238 733
		1 136 618 704	**1 544 911 659**
Current Liabilities			
Obtained Financing	5.8	1 418 111 905	1 016 040 706
Suppliers	5.9	111 397	353 083
Other payables	5.10	215 712 873	199 790 282
		1 633 936 175	**1 216 184 071**
Total liabilities		**2 770 554 879**	**2 761 095 729**
Total net LTI		**2 656 124 308**	**2 608 207 024**

5.1. TANGIBLE FIXED ASSETS

December 31, 2023

Land and natural resources	Buildings and other constructions	Basic equipment	Tangible fixed assets in progress	Advances on tangible fixed assets in progress	Total
13 511 055	2 675 222 631	469 081 327	99 046 302	9 030 278	**3 265 891 592**
-	1 418 548	354 138	87 370 216	9 715 221	**98 858 123**
-	-	-	-	-	-
-	748 765	779 628	(1 528 393)	(8 432 905)	**(8 432 905)**
-	-	(1 065)	-	-	**(1 065)**
13 511 055	**2 677 389 944**	**470 214 028**	**184 888 125**	**10 312 594**	**3 356 315 746**
-	694 852	-	-	-	**694 852**
-	-	-	-	-	-
-	-	-	-	-	-
-	**694 852**	**-**	**-**	**-**	**694 852**
13 511 055	**2 676 695 092**	**470 214 028**	**184 888 125**	**10 312 594**	**3 355 620 894**

December 31, 2022

Land and natural resources	Buildings and other constructions	Basic equipment	Tangible fixed assets in progress	Advances on tangible fixed assets in progress	Total
13 511 055	2 672 787 632	462 141 178	47 042 320	20 247 455	**3 215 729 639**
-	662 832	783 597	59 937 585	(1 447)	**61 382 567**
-	-	-	-	-	-
-	1 772 167	6 161 435	(7 933 603)	(11 215 731)	**(11 215 731)**
-	-	(4 883)	-	-	**(4 883)**
13 511 055	**2 675 222 631**	**469 081 327**	**99 046 302**	**9 030 278**	**3 265 891 592**
-	817 725	-	-	-	**817 725**
-	-	-	-	-	-
-	(122 874)	-	-	-	**(122 874)**
-	**694 852**	**-**	**-**	**-**	**694 852**
13 511 055	**2 674 527 779**	**469 081 327**	**99 046 302**	**9 030 278**	**3 265 196 740**

The additions in the year ended December 31, 2023 under the sub-item "Tangible assets in progress", amounting to 87,370,216 euros, refer essentially to the Circle Line project (79,501,294 euros) and the continuation of the "Accessibility and Mobility for All" project (1,190,738 euros).

The additions in the year ended December 31, 2023 under the sub-item "Advances on tangible fixed assets in progress", amounting to 9,715,221 euros, refer essentially to the granting of an advance within the scope of the Circle Line project (9,565,906 euros).

The transfers that occurred in the year ended December 31, 2023 under the sub-item "Advances on tangible fixed assets in progress", amounting to 8,432,905 euros, refer essentially to the settlement of advances granted as part of the Circle Line project (6,834,766 euros) and the Modernization of the Signalling Systems of the network in operation (1,448,824 euros).

In the years ended December 31, 2023 and 2022, departmental expenses of 6,308,640 euros and 5,967,890 euros, respectively, were capitalized in the cost of tangible fixed assets.

5.2. INVESTMENT PROPERTIES

	December 31, 2023					December 31, 2022				
	Gross amount	Accumulated depreciation	Accumulated impairment losses	Net amount	Fair value	Gross amount	Accumulated depreciation	Accumulated impairment losses	Net amount	Fair value
Praça Marechal Humberto Delgado	1 804 209	-	-	1 804 209	7 545 202	1 804 209	-	-	1 804 209	7 545 202
	1 804 209			**1 804 209**	**7 545 202**	**1 804 209**			**1 804 209**	**7 545 202**

ML chose not to request a valuation in 2023 and 2022 for Sete Rios PMO I, located in Praça Marechal Humberto Delgado, so the respective market value indicated refers to the valuation carried out with reference to December 31, 2021.

5.3. INTANGIBLE ASSETS

	December 31, 2023			
	Research and development expenses	Installation expenses	Intangible assets in progress	Total
Assets				
Opening balance	5 138 543	2 019 827	273 585	**7 431 955**
Acquisitions	-	-	292 593	**292 593**
Transfers	-	-	-	-
Final balance	**5 138 543**	**2 019 827**	**566 178**	**7 724 548**
Total gross intangible assets (LTI)	**5 138 543**	**2 019 827**	**566 178**	**7 724 548**

	December 31, 2022			
	Research and development expenses	Installation expenses	Intangible assets in progress	Total
Assets				
Opening balance	5 138 543	2 019 827	198 259	**7 356 629**
Acquisitions	-	-	75 326	**75 326**
Transfers	-	-	-	-
Final balance	**5 138 543**	**2 019 827**	**273 585**	**7 431 955**
Total gross intangible assets (LTI)	**5 138 543**	**2 019 827**	**273 585**	**7 431 955**

5.4. OTHER FINANCIAL ASSETS AND LIABILITIES

This item includes interest rate *swaps* related to Obtained Financing for long-term infrastructure investments. The breakdown by swap contract is as follows:

Other financial assets

Swap	Entity	Maturity	Original notional	Current notional	Fair value	
					31-dec-2023	31-dec-2022
66#METLIS CGDBI Dez2026	CGDBI	04/12/2026	100 000 000	100 000 000	2 957 885	586 759
					2 957 885	**586 759**

Other financial assets

Swap	Entity	Maturity	Original notional	Current notional	Fair value	
					31-dec-2023	31-dec-2022
52#METLIS BSN Jul2024	BSN	22/07/2024	100 000 000	100 000 000	1 721 537	4 692 373
58#METLIS ML Dez2026	ML	04/12/2026	30 000 000	30 000 000	3 465 053	6 107 266
59#METLIS CGD Dez2026	CGD	04/12/2026	30 000 000	30 000 000	3 443 478	6 439 094
					8 630 067	**17 238 733**

5.5. ACCOUNT RECEIVABLE FROM THE STATE

This item includes expenses, less any income, associated with long-term infrastructure Investment activities, broken down as follows:

	31-dec-2023	31-dec-2022
Opening balance corrected on transition to NCRF	289 555 301	289 555 301
Interest, guarantee fee and stamp duty	2 902 327 314	2 844 293 877
Emission expenses	20 230 150	20 230 150
Derivative Financial Instruments	5 672 182	16 651 974
Supplies and External Services	2 563 836	2 563 836
Provisions	9 374 809	10 334 809
Impairment losses on tangible fixed assets	694 852	694 852
Land sale	(3 495 216)	(3 495 216)
	3 226 923 229	**3 180 829 583**

Opening balance corrected on transition to NCRF

The financial expenses incurred with LTI that could not be capitalized until December 31, 2008, were being recognized in the consolidated income statement. In the transition to the NCRF, the company decided to recapture the value of these financial charges to add them to the LTI item, following the principle described in Note 4.2. Regarding the financial expenses incurred between 1995 and 2008, amounting to approximately 1,017,000,000 euros, the company quantified them based on the available accounting records. Regarding the financial expenses incurred up to December 31, 1994, and due to the obvious difficulty of quantifying them, the Board of Directors opted to record the amount of 289,555,301 euros, corresponding to the net balance between the LTI assets and liabilities items as at December 31, 2009.

Supplies and External Services

Following a case brought by a financial institution against the Portuguese State in a London court, in 2016 lawyers' fees were recognized in relation to derivative financial instruments that were allocated to LTI activity, in the total amount of 2,563,836 euros.

Land sale

This sub-item includes the income recorded from the transfer to the Portuguese State, by way of payment in kind, of the plot of land included in the Cais do Sodré River Terminal.

5.6 SUBSIDIES

	31-dec-2023	31-dec-2022
ERDF	(229 464 397)	(229 464 397)
PIDDAC	(186 239 717)	(185 439 717)
Cohesion Fund	(487 412 442)	(448 286 520)
Environmental Fund	(60 132 843)	(18 790 463)
RRP	(536 782)	-
Various subsidies	(204 565 396)	(204 565 396)
	(1 168 351 577)	**(1 086 546 493)**

5.7. PROVISIONS

This item includes movements (constitution/utilization/reversal) with provisions for ongoing legal proceedings related to LTI activity.

5.8. OBTAINED FINANCING

	Financing body	December 31, 2023				December 31, 2022			
		Limit	Current	Non-current	Total	Limit	Current	Non-current	Total
Bond loans:									
Metro 2025 Issuance	DBI, AG	110 000 000	-	110 000 000	110 000 000	110 000 000	-	110 000 000	110 000 000
Metro 2026 Issuance	JP Morgan	400 000 000	-	400 000 000	400 000 000	400 000 000	-	400 000 000	400 000 000
Metro 2027 Issuance	BNPP	400 000 000	-	400 000 000	400 000 000	400 000 000	-	400 000 000	400 000 000
			-	910 000 000	910 000 000		-	910 000 000	910 000 000
Bank loans:									
LP Loan 613.9 M EUR	DGTF (part)	507 957 564	253 978 782	-	253 978 782	507 957 564	253 978 782	-	253 978 782
LP Loan 648.6 M EUR	DGTF (part)	237 747 877	178 310 908	-	178 310 908	237 747 877	178 310 908	-	178 310 908
LP Loan 412.9 M EUR	DGTF (part)	282 974 244	282 974 244	-	282 974 244	282 974 244	282 974 244	-	282 974 244
LP Loan 32.6 M EUR	DGTF (part)	17 158 204	17 158 204	-	17 158 204	17 158 204	14 298 503	2 859 701	17 158 204
LP Loan 421.97 M EUR	DGTF (part)	262 008 399	218 340 332	43 668 066	262 008 399	262 008 399	174 672 266	87 336 133	262 008 399
LP Loan 131.88 M EUR	DGTF (part)	108 328 053	72 218 702	36 109 351	108 328 053	108 328 053	54 164 026	54 164 026	108 328 053
LP Loan 154.51 M EUR	DGTF (part)	137 118 041	68 559 020	68 559 020	137 118 041	137 118 041	45 706 014	91 412 027	137 118 041
LP Loan 100.86 M EUR	DGTF (part)	71 615 776	23 871 925	47 743 850	71 615 776	71 615 776	11 935 963	59 679 813	71 615 776
LP Loan 35.19 M EUR	DGTF (part)	16 198 725	2 699 788	13 498 938	16 198 725	16 198 725	-	16 198 725	16 198 725
Shareholders loans 9.02 M EUR	DGTF (part)	3 346 911	-	3 346 911	3 346 911	-	-	-	-
			1 118 111 905	212 926 137	1 331 038 042		1 016 040 706	311 650 426	1 327 691 131
Other loans obtained:									
Schuldschein	ABN AMRO	300 000 000	300 000 000	-	300 000 000	300 000 000	-	300 000 000	300 000 000
			300 000 000	-	300 000 000		-	300 000 000	300 000 000
Total loans obtained			1 418 111 905	1 122 926 137	2 541 038 042		1 016 040 706	1 521 650 426	2 537 691 131

The "Metro 2025" bond loan was contracted on December 23rd, 2010 for a period of fifteen years, bullet, at a fixed rate, and the State's personal guarantee was given. The applicable law is Portuguese law, except for the subscription agreement, which is governed by English law. The issue was listed on the Frankfurt Stock Exchange.

The "Metro 2026" bond loan was contracted on December 4, 2007 for a period of twenty years, bullet, at a fixed rate, and the State's personal guarantee was given. The applicable law is Portuguese law, except for the subscription agreement which is governed by English law. The issue was listed on Euronext Lisbon and the Frankfurt Stock Exchange.

The "Metro 2027" bond loan was contracted on December 7, 2007, for a period of twenty years, at a fixed rate, with the personal guarantee of the State. The applicable law is Portuguese law, except for the subscription agreement, which is governed by English law. The issue was listed on Euronext Lisbon and the Frankfurt Stock Exchange.

During the year ended December 31, 2011, the company contracted a loan of 613,932,000 euros with the Directorate-General for the Treasury and Finance (DGTF), of which 507,957,564 euros are associated with liabilities with the LTI, for a period of 5 years, repayable in 8 equal and half-yearly instalments, the first of which was due in May 2013.

During the year ended December 31, 2012, the company contracted a loan with the DGTF in the amount of 648,581,846 euros, of which 237,747,877 euros are related to liabilities with LTI, for a period of 5 years, repayable in 8 equal and half-yearly instalments, the first of which was due in May 2014.

During the year ended December 31, 2013, the company contracted a loan with the DGTF in the amount of 412,860,000 euros, of which 282,974,244 euros are associated with liabilities with LTI, for a period of 7 years, repayable in 12 equal and successive semi-annual instalments of capital, the first of which was due in May 2015.

During the year ended December 31, 2017, the company contracted a loan with the DGTF in the amount of 32,584,270 euros, of which 17,158,204 euros are associated with liabilities with LTI, for a period of 7 years, repayable in 12 equal and successive semi-annual capital instalments, the first of which was due in May 2019.

During the year ended December 31, 2018, the Company contracted a loan with the DGTF in the amount of 421,973,931 euros, of which 262,008,399 euros are associated with liabilities with LTI, for a period of 7 years, repayable in 12 equal and successive semi-annual capital instalments, the first of which was due in May 2020.

During the year ended December 31, 2019, the Company contracted a loan with the DGTF in the amount of 131,884,780 euros, of which 108,328,053 euros are associated with liabilities with LTI, for a period of 7 years, repayable in 12 equal and successive semi-annual capital instalments, the first of which was due in May 2021.

During the year ended December 31, 2020, the Company contracted a loan with the DGTF in the amount of 154,513,049 euros, of which 137,118,041 euros are associated with liabilities with LTI, for a period of 7 years, repayable in 12 equal and successive semi-annual capital instalments, the first of which is due in May 2022.

During the year ended December 31, 2021, the Company contracted a loan with the DGTF in the amount of 100,855,699 euros, of which 71,615,776 euros are associated with LTI liabilities, for a period of 7 years, repayable in 12 equal and successive semi-annual capital instalments, the first of which is due in May 2023.

During the year ended December 31, 2022, the company contracted a loan with the DGTF in the amount of 35,197,630.96 euros, of which 16,198,725.21 euros are associated with LTI liabilities, for a period of 7 years, repayable in 12 equal and successive semi-annual capital instalments, the first of which is due in May 2024.

During the year ended December 31, 2023, the company contracted a loan with the DGTF in the amount of 9,024,285 euros, of which 3,346,911.11 euros are associated with LTI liabilities, for a period of 7 years, repayable in 12 equal and successive half-yearly capital instalments, the first of which will be due in May 2025.

Since November 30, 2014, the payment of the debt service on the above-mentioned loans with the DGTF has been deferred successively, without charging interest, with the last moratorium having been authorized under the Order of the Secretary of State for the Treasury No. 102/2024-SET, of February 20, and the Order of the Minister of Finance, of February 23, 2024, deferred until May 31, 2024.

On December 31, 2023, loans classified as non-current have the following repayment plan:

Year	Amount
2025	99 211 499
2026	166 101 251
2027	438 046 576
2028 and following	419 566 812
	1 122 926 137

As of December 31, 2023, the Obtained Financing with associated covenants, namely those associated with the rating of the Portuguese Republic or which include holding clauses, are as follows:

CONTRACT	Amount outstanding at 31-12-2023 (€)	DUE DATE	NEGATIVE PLEDGE (YES/NO)	PARI PASSU (YES / NO)	OWNERSHIP CLAUSE (YES / NO)	RATING DOWNGRADE (YES/NO)	GROSS UP (YES / NO)	CROSS DEFAULT	EXPENSES/STAMP DUTY (YES/NO)	OTHER RELEVANT CLAUSES / COMMENTS
Schuldschein Loan Agreement entered into with ABN Amro Bank, NV on July 20, 2004, subject to German law and the courts of Frankfurt am Main	300 000 000,00	July 20th of 2024	YES (see Annex D)	YES	NO	NO	YES	YES	Expenses and taxes borne by ML	Guarantee of the Portuguese Republic / No substantial change in the nature or corporate purpose of the company
EUR 110,000,000.00 7.30% Guaranteed Notes due 2025. Deutsche Bank AG / December 2010, subject to Portuguese law and to the authority of the Portuguese courts, except for the Subscription Agreement, governed by English law and subject to the authority of the English courts.	110 000 000,00	December 23, 2025	NO	YES	YES - Loss of public company status (state participation of less than 51%)	NO	YES	YES	Expenses and taxes borne by ML	Guarantee of the Republic / No substantial change in the nature or corporate purpose of the company
EUR 400,000,000.00 4.061% Guaranteed Notes due 2026. JP Morgan Securities Ltd / December 2006, subject to Portuguese law and the authority of the Portuguese courts, except for the Subscription Agreement, governed by English law and subject to the authority of the English courts.	400 000 000,00	December 4, 2026	NO	YES	YES - Loss of public company status (state participation of less than 51%)	NO	YES	YES	Expenses and taxes borne by ML	Guarantee of the Republic / No substantial change in the nature or corporate purpose of the company
EUR 400,000,000.00 4.799% Guaranteed Notes due 2027. BNP Paribas / December 2007, subject to Portuguese law and the authority of the Portuguese courts, except for the Subscription Agreement, governed by English law and subject to the authority of the English courts.	400 000 000,00	December 7th, 2027	NO	YES	YES - Loss of public company status (state participation of less than 51%)	NO	YES	YES	Expenses and taxes borne by ML	Guarantee of the Republic / No substantial change in the nature or corporate purpose of the company
TOTAL	1 210 000 000									

5.9. SUPPLIERS

The suppliers item is essentially made up of current debts arising from network expansion and modernization/remodelling works.

5.10. OTHER PAYABLES

Other payables comprise interest on loans, interest on derivative financial instruments and guarantee fees to be settled during the following period, as well as the part of the Investment subsidies received that has not yet been spent.

6. TANGIBLE FIXED ASSETS

	Land and natural resources	Buildings and other constructions	Basic equipment	Transport equipment	Administrative equipment	Other tangible fixed assets	Tangible fixed assets in progress	Advances on tangible fixed assets in progress	Total
Assets									
Opening balance	20 967 185	217 758 717	829 273 115	129 208	23 346 572	4 254 193	29 212 124	5 258 039	**1 130 199 154**
Acquisitions	-	4 760	599 990	-	311 303	67 318	5 612 075	1 110 791	**7 706 237**
Disposals	-	-	-	-	(105)	-	-	-	**(105)**
Transfers	-	30 116	5 818 034	-	253	-	(5 847 002)	(2 854 387)	**(2 852 986)**
Disposals	-	-	(1 799 542)	-	(13 466)	(508)	-	-	**(1 813 516)**
Closing balance	**20 967 185**	**217 793 593**	**833 891 596**	**129 208**	**23 644 557**	**4 321 004**	**28 977 198**	**3 514 443**	**1 133 238 784**
Accumulated depreciation									
Opening balance	-	(209 305 701)	(702 406 598	(129 208)	(22 357 773)	(3 401 720)	-	-	**(937 601 001)**
Depreciation for the period	-	(399 860)	(22 268 994)	-	(322 423)	(58 286)	-	-	**(23 049 563)**
Disposals	-	(1 147)	-	-	-	-	-	-	**(1 147)**
Transfers	-	-	-	-	(253)	-	-	-	**(253)**
Write-offs	-	-	1 508 152	-	13 434	508	-	-	**1 522 094**
Closing balance	-	**(209 706 708)**	**(723 167 441**	**(129 208)**	**(22 667 015)**	**(3 459 499)**	-	-	**(959 129 871)**
Impairment losses									
Opening balance	-	-	-	-	-	-	-	-	-
Increases	-	-	-	-	-	-	-	-	-
Reversals	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-
	20 967 185	**8 086 885**	**110 724 155**	-	**977 542**	**861 505**	**28 977 198**	**3 514 443**	**174 108 914**

	Land and natural resources	Buildings and other constructions	Basic equipment	Transport equipment	Administrative equipment	Other tangible fixed assets	Tangible fixed assets in progress	Advances on tangible fixed assets in progress	Total
Assets									
Opening balance	20 967 185	217 257 240	827 838 387	129 208	23 066 304	4 204 349	11 704 718	22 085 600	**1 127 252 992**
Acquisitions	-	17 047	669 207	-	339 878	51 910	20 485 313	(7 285)	**21 556 070**
Disposals	-	-	-	-	(1 091)	-	-	-	**(1 091)**
Transfers	-	484 430	2 493 476	-	-	-	(2 977 906)	(16 820 276)	**(16 820 276)**
Disposals	-	-	(1 727 955)	-	(58 520)	(2 066)	-	-	**(1 788 541)**
Closing balance	**20 967 185**	**217 758 717**	**829 273 115**	**129 208**	**23 346 572**	**4 254 193**	**29 212 124**	**5 258 039**	**1 130 199 154**
Accumulated depreciation									
Opening balance	-	(208 924 104)	(680 361 905	(129 208)	(22 081 367)	(3 341 546)	-	-	**(914 838 131)**
Depreciation for the period	-	(381 597)	(23 398 586)	-	(335 991)	(62 240)	-	-	**(24 178 414)**
Disposals	-	-	-	-	1 091	-	-	-	**1 091**
Transfers	-	-	-	-	-	-	-	-	-
Write-offs	-	-	1 353 893	-	58 494	2 066	-	-	**1 414 453**
Closing balance	-	**(209 305 701)**	**(702 406 598**	**(129 208)**	**(22 357 773)**	**(3 401 720)**	-	-	**(937 601 001)**
Impairment losses									
Opening balance	-	-	-	-	-	-	-	-	-
Increases	-	-	-	-	-	-	-	-	-
Reversals	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-
	20 967 185	**8 453 017**	**126 866 517**	-	**988 798**	**852 473**	**29 212 124**	**5 258 039**	**192 598 153**

The additions in the year ended December 31, 2023 under the sub-item "Tangible fixed assets in progress", amounting to 5,612,075 euros, refer essentially to the intervention in the doors of the operating Rolling Stock (2,820,923 euros) and the implementation of the EMV system in the access channels of the ticketing system (1,531,841 euros).

The transfers that occurred in the year ended December 31, 2023 under the sub-item "Tangible assets in progress", amounting to 5,847,002 euros, refer essentially to the recognition of the Investment made in the implementation of the EMV system in the access channels of the ticketing system (2,045,185 euros), in the updating of the central ticketing system (1,096,846 euros) and in the TUs in which the intervention on the doors of the operating Rolling Stock was completed (1,483,871 euros).

The transfers that occurred in the year ended December 31, 2023 under the sub-item "Advances on account of tangible fixed assets in progress", amounting to 2,854,387 euros, refer essentially to the settlement of advances granted as part of the Modernization of Signalling Systems in the PMO (1,533,051 euros) and the acquisition of 14 Triple Units (1,321,336 euros).

The write-offs for the year ended December 31, 2023 under the sub-item "Basic equipment", amounting to 1,799,542 euros, essentially refer to the recognition of the items replaced in the intervention on the operating Rolling Stock doors (1,667,989 euros).

In the years ended December 31, 2023 and 2022, departmental expenses of 45,743 euros and 84,535 euros, respectively, were capitalized in the cost of tangible fixed assets.

7. LEASES

7.1. ASSETS UNDER RIGHT OF USE

	December 31, 2023		December 31, 2022	
	Transport equipment	Total	Transport equipment	Total
Assets				
Opening balance	848 933	**848 933**	793 841	**793 841**
Acquisitions / Additions	201 313	**201 313**	303 040	**303 040**
Disposals	(108 146)	**(108 146)**	(247 947)	**(247 947)**
Final balance	**942 100**	**942 100**	**848 933**	**848 933**
Accumulated depreciation				
Opening balance	(534 583)	**(534 583)**	(552 942)	**(552 942)**
Depreciation for the period	(199 873)	**(199 873)**	(229 588)	**(229 588)**
Disposals	102 312	**102 312**	247 947	**247 947**
Final balance	**(632 145)**	**(632 145)**	**(534 583)**	**(534 583)**
	309 956	**309 956**	**314 350**	**314 350**

7.2. LEASE LIABILITIES

	31-dec-2023	31-dec-2022
Non-current leases		
Vehicles	70.661	121.225
Current leases		
Vehicles	241.756	196.508
Total	**312.417**	**317.733**

Future minimum payments	December 31, 2023 Minimum leasing payments	December 31, 2023 Present value of minimum payments	December 31, 2022 Minimum leasing payments	December 31, 2022 Present value of minimum payments
Up to 1 year	245.435	241.756	202.065	196.508
Between 1 and 5 years	71.883	70.661	123.372	121.225
Total	**317.318**	**312.417**	**325.437**	**317.733**
Financial effect of the discount	(4.900)	-	(7.704)	-
Present value of minimum payments	**312.417**	**312.417**	**317.733**	**317.733**

8. INVESTMENT PROPERTIES

	December 31, 2023					December 31, 2022				
	Gross amount	Accumulated depreciation	Accumulated impairment losses	Net amount	Fair value	Gross amount	Accumulated depreciation	Accumulated impairment losses	Net amount	Fair value
Properties leased to third parties	22 134 855	10 870 240	68 493	11 196 122	12 079 700	22 098 320	10 428 163	872 578	10 797 579	11 308 800
Praça Marechal Humberto Delgado	22 309 373	18 705 712	-	3 603 661	93 297 798	22 309 373	18 692 265	-	3 617 108	93 297 798
	44 444 229	**29 575 953**	**68 493**	**14 799 783**	**105 377 498**	**44 407 693**	**29 120 428**	**872 578**	**14 414 687**	**104 606 598**

The properties leased to third parties held by the Company refer to 34 properties located in the Lisbon Metropolitan Area, for the rehousing of low-income families affected by the network expansion program and an office building in Lisbon, which are being depreciated over a period of 50 years.

The fair value of investment properties was based on a valuation by a specialized and independent entity. As mentioned in note 5.2, the market value indicated in 2023 and 2022 for the Sete Rios PMO I, located in Praça Marechal Humberto Delgado, refers to the valuation carried out with reference to December 31, 2021.

On December 31, 2023 and 2022, the following income and expenses related to Investment properties were recognized in the income statement:

	December 31, 2023				December 31, 2022			
	Lease income (Note 29)	Direct spending	Depreciation of the period	Result	Lease income (Note 29)	Direct spending	Depreciation of the period	Result
Properties leased to third parties	580 441	130 502	442 078	7 862	579 911	142 489	441 978	(4 555)
Praça Marechal Humberto Delgado	-	123 581	13 447	(137 028)	-	129 655	13 447	(143 102)
	580 441	**254 082**	**455 525**	**(129 166)**	**579 911**	**272 144**	**455 425**	**(147 658)**

9. INTANGIBLE ASSETS

	December 31, 2023				December 31, 2022			
	Computer programs	Industrial property and other rights	Intangible assets in progress	Total	Computer programs	Industrial property and other rights	Intangible assets in progress	Total
Assets								
Opening balance	19 451	4 224 966	-	4 244 417	19 451	3 097 339	-	3 116 790
Acquisitions	-	880 206	-	880 206	-	1 127 627	-	1 127 627
Transfers	1 401	-	-	1 401	-	-	-	-
Write-offs	-	(65 550)	-	(65 550)	-	-	-	-
Closing balance	**20 851**	**5 039 622**	-	**5 060 474**	**19 451**	**4 224 966**	-	**4 244 417**
Accumulated depreciation								
Opening balance	(19 451)	(1 920 993)	-	(1 940 444)	(19 451)	(1 375 870)	-	(1 395 321)
Depreciation for the period		(832 493)	-	(832 493)	-	(545 123)	-	(545 123)
Transfers	(1 401)	-	-	(1 401)	-	-	-	-
Write-offs	-	50 985	-	50 985	-	-	-	-
Closing balance	**(20 851)**	**(2 702 501)**	-	**(2 723 353)**	**(19 451)**	**(1 920 993)**	-	**(1 940 444)**
	-	**2 337 121**	-	**2 337 121**	-	**2 303 973**	-	**2 303 973**

The additions in the year ended December 31, 2023 under the sub-item "Industrial property and other rights", amounting to 880,206 euros, refer essentially to the implementation of new functionalities of the PLAGO system (728,894 euros).

10. FINANCIAL HOLDINGS

	December 31, 2023					
	Assets	Liabilities	Equity	Net profit	Participation	Financial investment
Associated companies						
Publimetro	2 904 229	2 882 636	21 594	(49 145)	40%	**8 638**
Joint ventures						
Ensitrans	140 964	154 367	(13 403)	(13 403)	50%	- (a)
						8 638

	December 31, 2022					
	Assets	Liabilities	Equity	Net profit	Participation	Financial investment
Associates						
Publimetro	3 272 136	3 201 397	70 739	98 926	40%	**28 296**
Joint ventures						
Ensitrans	153 044	167 584	(14 540)	(14 540)	50%	-
						28 296

Note:

(a) Liability for the potential effect of negative equity recognized under 'Provisions'.

11. OTHER FINANCIAL ASSETS

	31-dec-2023	31-dec-2022
Bank of America Leasing & Capital, LCC – Collateral		
Opening balance	**33.664.694**	**31.535.674**
Disbursements	(10.415.130)	-
Fair Value variation	1.005.971	177.628
Exchange rate differences	(1.126.940)	1.951.392
Final bal.	**23.128.595**	**33.664.694**
Wilmington Trust – Collateral		
Opening balance	**21.533.964**	**20.677.410**
Fair Value variation	329.931	(422.941)
Exchange rate differences	(748.330)	1.279.495
Final	**21.115.565**	**21.533.964**
Investment in other companies		
Opening balance	-	-
Capital participation CCF	1.000.000	1.000.000
Impairment losses	(1.000.000)	(1.000.000)
Final bal.	-	-
Work Compensation Fund		
Opening balance	**105.564**	**5.489**
Increases	20.143	100.111
Fair Value variation	-	(36)
Final bal.	**125.707**	**105.564**
Customers		
Open. bal.	-	-
Increases	117.799	-
Fair Value variation	-	-
Final	**117.799**	-
Total	**44.487.665**	**55.304.221**

As a result of the downgrades to the Company's rating, two collateralizations were required in 2009 and 2013, the first in favour of Bank of America Leasing & Capital, LCC and the second in favour of Wilmington Trust.

Following the creation of the Railway Competence Centre Association (CCF), and as provided for in RCM no. 99/2021, of July 27, ML made an investment of €1 million in 2022 relating to its financial participation in this association. After analysis, and considering the object and legal nature of the association, it is understood that there is a low probability of ML recovering the Investment in question, so an impairment loss was recognized for the entire amount invested.

12. INVENTORIES

	December 31, 2023			December 31, 2022		
	Gross amount	Impairment losses	Net Amount	Gross amount	Impairment losses	Net Amount
Raw materials, subsidiaries and consumables						
Materials	8 890 679	-	8 890 679	9 110 269	-	9 110 269
Tools	24 234	-	24 234	34 592	-	34 592
Cleaning products	114 019	-	114 019	102 024	-	102 024
Office supplies	54 057	-	54 057	65 750	-	65 750
Fuel	28 242	-	28 242	25 157	-	25 157
Transport securities	376 986	-	376 986	182 495	-	182 495
Other materials	861 364	-	861 364	254 216	-	254 216
Promotional items/publications	32 222	-	32 222	37 089	-	37 089
	10 381 802	**-**	**10 381 802**	**9 811 593**	**-**	**9 811 593**

Cost of goods sold and materials consumed	Raw materials, subsidiaries and consumables	
	2023	2022
Opening balance	9 811 593	9 771 398
Purchases	4 057 137	2 906 112
Adjustments	(625 003)	(165 946)
Closing balance	10 381 802	9 811 593
	2 861 925	**2 699 970**

13. CUSTOMERS

	31-dec-2023	31-dec-2022
Publimeter	501 360	1 153 695
Ar Telecom	463 383	463 383
Lisbon Tourism Association	159 784	127 731
GIBB Portugal	29 450	169 760
Lisbon City Council	-	105 095
Others	606 628	532 059
	1 760 605	**2 551 722**
Impairment losses	(812 769)	(1 016 861)
	947 836	**1 534 861**

Impairment losses on customers	31-dec-2023	31-dec-2022
Opening balance	**(1 016 861)**	**(1 153 457)**
Increases	(62 841)	(42 966)
Reversals	183 359	622
Uses	83 574	178 941
Final balance	**(812 769)**	**(1 016 861)**

14. STATE AND OTHER PUBLIC ENTITIES

	December 31, 2023		December 31, 2022	
	Assets	Liability	Assets	Liability
Corporate Income Taxes	1 650 888	250	3 167 645	11 599
Personal Income Taxes	7 971	1 284 200	5 706	1 353 088
Value added tax	463 550	-	925 636	-
Social security contributions	-	1 696 597	-	1 640 461
Other taxes	-	508 200	-	502 508
	2 122 409	**3 489 248**	**4 098 987**	**3 507 656**

15. OTHER RECEIVABLES

	31-dec-2023	31-dec-2022
Transtejo	22 529 809	22 529 809
Infraestruturas de Portugal	7 156 247	7 208 573
Increased income	4 260 234	2 521 500
Traffic revenues	2 229 115	2 375 543
CP - Comboios de Portugal, E.P.E.	961 038	790 120
Águas do Tejo Atlântico	634 584	634 584
Others	3 142 273	1 500 367
	40 913 298	**37 560 496**
Impairment losses	(1 722 198)	(1 571 307)
	39 191 100	**35 989 188**

Impairment losses on other receivables	31-dec-2023	31-dec-2022
Opening balance	**(1 571 307)**	**(1 102 981)**
Increases	(182 299)	(474 385)
Reversals	7 270	6 058
Uses	24 139	-
Final balance	**(1 722 198)**	**(1 571 307)**

The item "Other receivables" includes the amounts relating to works carried out by the Company on behalf of entities in the State Business Sector, and the Board of Directors is taking steps to regularize this situation. To summarize:

- Transtejo: Following SET Order no. 22-XII_93 of September 24, ML was tasked with studying, designing and building the Terreiro do Paço Interface. The work was carried out but no protocol was signed with Transtejo regarding the expenses incurred and the allocation methodology adopted.

- Infraestruturas de Portugal: Following Order no. 75-XII/92, of December 17, and Official Letter no. 420, of February 10, 2000, from the Secretary of State for Transport, ML and the then REFER, E.P., signed the Protocol for the construction of the River Terminal and the Cais do Sodré Interface on September 29, 2004.

- Águas do Tejo Atlântico: In September 2009, based on SET Order no. 22-XII_93 of September 24, ML and the then Simtejo signed a Protocol making ML the contractor for the "construction of the underground valve chamber and pumping station".

16. CASH AND CASH EQUIVALENTS

	31-dec-2023	31-dec-2022
Cash	22 494	24 643
Current accounts	21 727 302	110 141 579
Time deposits	166 544 643	55 019 933
Cash and bank deposits	**188 294 440**	**165 186 156**

On December 29, 2023, following the Order of the Minister of Finance no. 12553/2023, of December 7, IGCP, E.P.E. executed, under the terms of no. 5 of article 90 of Decree-Law no. 10/2023, of February 8, amended by Decree-Law no. 54/2023, of July 14, an operation in Special Short-Term Debt Certificates (CEDIC) of ML's and Metrocom's cash holdings in the amount of around 163,000 euros.54/2023, of July 14, an operation to invest ML's and Metrocom's cash and cash equivalents in Special Short-Term Debt Certificates (CEDIC), amounting to around 163.6 million euros and 2.9 million euros, respectively, maturing on January 2, 2024.

17. EQUITY

On December 31, 2023, the parent companies subscribed and paid-up capital amounted to 3,906,805,655 euros and was fully owned by the Portuguese State.

During the year ended December 31, 2023, the parent company increased its capital by a total of 57,511,019 euros.

The change recorded under 'Adjustments/other changes in equity' is due to actuarial gains on post-employment benefit liabilities (Note 20).

18. PROVISIONS

	December 31, 2023				
	Opening balance	Increases	Reversals	Uses	Final balance
Ongoing legal proceedings	2 134 116	605 867	(95 742)	-	2 644 241
Taxes	272 118	-	-	-	272 118
Onerous contracts	-	-	-	-	-
Loss cover	7 270	6 702	-	(7 270)	6 702
Other provisions	702 072	65 701	-	-	767 773
	3 115 576	**678 269**	**(95 742)**	**(7 270)**	**3 690 833**

	December 31, 2022				
	Opening balance	Increases	Reversals	Uses	Final balance
Ongoing legal proceedings	670 000	1 464 116	-	-	2 134 116
Taxes	272 118	-	-	-	272 118
Onerous contracts	-	-	-	-	-
Loss cover	17 265	7 270	(11 275)	(5 990)	7 270
Other provisions	-	702 072	-	-	702 072
	959 382	**2 173 458**	**(11 275)**	**(5 990)**	**3 115 576**

19. OBTAINED FINANCING

	Financing body	December 31, 2023				December 31, 2022			
		Limit	Current	Non-current	Total	Limit	Current	Non-current	Total
Bank loans:									
LP Loan 613.9 M EUR	DGTF (part)	105 974 436	52 987 218	-	52 987 218	105 974 436	52 987 218	-	52 987 218
LP Loan 648.6 M EUR	DGTF (part)	410 833 969	308 125 476	-	308 125 476	410 833 969	308 125 476	-	308 125 476
LP Loan 412.9 M EUR	DGTF (part)	129 885 756	129 885 756	-	129 885 756	129 885 756	129 885 756	-	129 885 756
LP Loan 32.6 M EUR	DGTF (part)	15 426 066	15 426 066	-	15 426 066	15 426 066	12 855 055	2 571 011	15 426 066
LP Loan 421.97 M EUR	DGTF (part)	159 965 533	133 304 611	26 660 922	159 965 533	159 965 533	106 643 689	53 321 844	159 965 533
LP Loan 131.88 M EUR	DGTF (part)	23 556 727	15 704 485	7 852 242	23 556 727	23 556 727	11 778 364	11 778 364	23 556 727
LP Loan 154.51 M EUR	DGTF (part)	17 395 008	8 697 504	8 697 504	17 395 008	17 395 008	5 798 336	11 596 672	17 395 008
LP Loan 100.86 M EUR	DGTF (part)	29 239 923	9 746 641	19 493 282	29 239 923	29 239 923	4 873 321	24 366 603	29 239 923
LP Loan 35.19 M EUR	DGTF (part)	18 998 906	3 166 484	15 832 421	18 998 906	-	-	18 998 906	18 998 906
Shareholder Loans 49.3 M EUR	DGTF	49 300 000	49 300 000	-	49 300 000	49 300 000	49 300 000	-	49 300 000
Shareholder Loans 18.33 M EUR	DGTF	18 331 823	18 331 823	-	18 331 823	18 331 823	18 331 823	-	18 331 823
Shareholder Loans 9.02 M EUR	DGTF (part)	5 677 374	-	5 677 374	5 677 374	-	-	-	-
Total loans obtained			**744 676 065**	**84 213 746**	**828 889 811**		**700 579 038**	**122 633 400**	**823 212 437**

Additional information on the financing contracted with the DGTF is disclosed in Note 5.8.

The Company's Board of Directors believes that the settlement of its liabilities, particularly regarding short-term repayable Obtained Financing, will continue to be met, essentially by obtaining additional lines of financing in coordination with its shareholder.

On December 31, 2023, loans classified as non-current have the following repayment plan:

Year	Amount
2025	41 526 016
2026	15 811 323
2027 and beyond	26 876 407
	84 213 746

20. POST-EMPLOYMENT BENEFITS - DEFINED BENEFIT PLANS

As mentioned in Note 3.16, the company has undertaken to provide employees with cash benefits in the form of supplementary old-age, disability and survivors' pensions. On December 31, 2023, the number of assets and retired/pensioner employees amounted to 920 and 1,309, respectively (954 and 1,336 on December 31, 2022).

The above-mentioned benefits correspond to pension supplements guaranteed by the Social Security system and are determined based on length of service and pensionable salary (the last monthly salary earned by the worker).

In 2004, the company decided and agreed with the unions that all employees who joined the company after December 31, 2003 would no longer be covered by this pension plan.

In the year ended December 31, 2023, an actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out by an independent entity.

According to the actuarial studies reported on December 31, 2023 and 2022, the present value of the Company's liabilities for past services of its assets and retired employees was estimated at:

	31-dec-2023	31-dec-2022
Active workers	128 481 182	106 219 984
Pensioners	138 320 173	135 210 380
	266 801 355	**241 430 364**

The increase in total Liabilities is essentially due to the increase in salaries and pensions, which was higher than forecast for the respective year.

The actuarial study reported to December 31, 2023 was carried out using the "Projected Unit Credit" method and considered the following assumptions and technical and actuarial bases:

	31-dec-2023	31-dec-2022
Mortality tables		
Male Mortality Table	TV88/90	TV88/90
Female Mortality Table	TV88/90	TV88/90
Disability tables	EKV80	EKV80
Rates		
Pension Technical Rate	3,00%	3,00%
Salary Growth Rate	3,00%	3,00%
Discount rate	3,00%	3,00%

The evolution in the Company's pension liabilities was as follows:

	31-dec-2023	31-dec-2022
Total liabilities at the beginning of the period	241 430 364	270 784 682
Current service expenses	3 496 482	3 803 255
Interest expenses	7 106 369	2 933 979
Benefits paid in the year	(12 599 279)	(11 921 859)
Actuarial losses (gains) for the year	27 367 419	(24 169 693)
Total liabilities at the end of the period	**266 801 355**	**241 430 364**

The cost of current services and the cost of interest for the 2023 financial year, amounting to 3,496,482 euros and 7,106,369 euros, respectively, were recognized in the income statement under "Personnel expenses".

The evolution of the actuarial gains/losses recognized under the item 'Adjustments/other changes in equity' for the years ended December 31, 2023 and 2022 is as follows:

	31-dec-2023	31-dec-2022
Other changes in equity		
Opening balance	**(21 245 545)**	**(45 415 238)**
Actuarial gain	-	24 169 693
Actuarial loss	(27 367 419)	-
Final balance	**(48 612 964)**	**(21 245 545)**

On December 31, 2023, the actuarial losses resulted essentially from the increase in salaries and pensions, which was higher than forecast for the respective year.

As at December 31, 2023, the company has not set up any fund to cover these liabilities, which are recorded in the balance sheet.

21. OTHER FINANCIAL LIABILITIES

This item includes interest rate swaps related to Obtained Financing and the non-current debt of Investment subsidies:

	31-dec-2023	31-dec-2022
Investment subsidies - FEDER-QCA	135 988	271 975
Investment subsidies - Environmental Fund	26 056 826	28 376 012
	26 192 814	**28 647 987**

22. SUPPLIERS

	31-dec-2023	31-dec-2022
CP - Comboios de Portugal, E.P.E.	843.070	395.537
CJC Engenharia e Projectos, Lda.	690.500	690.500
Arcelormittal Espanha, S.A.	658.907	-
CARRIS - Companhia Carris de Ferro de Lisboa, S.A.	332.546	-
TML - Transportes Metropolitanos de Lisboa, EMT, S.A.	145.338	183.225
TK Elevadores Portugal, Unipessoal, Lda.	81.461	79.686
Eurest (Portugal) - Sociedade Europeia de Restaurantes, Lda.	30.829	28.101
Wells Fargo	28.199	14.508
M.E.S.I. - Manutenção e Serviços Industriais, Lda.	22.680	34.555
Arrow Iberia Electronica, S.L.U.	20.743	-
Transtejo - Transportes Tejo, S.A.	20.635	9.464
Socomec Ibérica S.A. - Sucursal	20.258	-
J.L. Cancio Martins - Projectos De Estruturas, Lda.	12.825	12.825
Schmitt - Elevadores, Lda.	2.510	30.797
FUTRIMETAL -Industria e Comércio de Produtos Metálicos, S.A.	-	73.800
Samsic Portugal - Gestão e Manutenção de Edifícios, Lda.	-	42.872
Efacec Energia - Máquinas e Equipamentos Eléctricos, S.A.	-	38.922
Epal - Empresa Portuguesa das Águas Livres, S.A.	-	33.202
Tecnovia - Sociedade de Empreitadas S.A.	-	24.640
LIMPERSADO - Limpeza, Máquinas e Transportes, S.A.	-	14.600
GEOCONTROLE - Geotecnia e Estruturas de Fundação, S.A.	-	2.337
Other	491.038	262.953
	3.401.539	**1.972.522**

23. OTHER PAYABLES

	31-dec-2023	31-dec-2022
Accrued expenses - Interest payable	30 650 234	29 589 852
Accrued expenses - Remuneration payable	13 129 861	11 391 458
Grants - Environmental Fund	17 953 864	8 260 348
Subsidies - Recovery and Resilience Plan (RRP)	2 371 696	5 512 000
Investment providers	1 665 031	5 430 312
Transport tickets	2 586 753	2 541 311
Income to be recognized - Protocols	2 592 552	2 849 239
Income to be recognized - Compensatory Indemnities	1 903 548	1 903 548
Investment subsidies - FEDER-QCA	-	1 112 335
Others	6 494 962	4 156 098
	79 348 501	**72 746 501**

24. SALES AND SERVICES RENDERED

	2023	2022
Sales	21.203	36.083
Provision of services		
Tickets	47.262.202	39.039.876
Passes	59.496.038	50.319.213
Cards	3.344.558	3.129.687
AML fare compensation	15.145.176	10.790.373
Financial compensation 4_18, U23, Social +	3.505.545	3.505.545
Advertising exploitation	1.546.754	1.469.887
Operating contracts	2.546.210	2.598.001
Others	1.098.503	1.062.125
	133.966.189	**111.950.789**

25. OPERATING SUBSIDIES

	2023	2022
RRP - Surface Light Rail Loures-Odivelas	490 192	448 839
RRP - Alcântara Red Line Extension	9 331	1 015 734
Environmental Fund - Rato/Cais do Sodré Extension	650	31 365
AML - Support for restoring the public transport supply	-	9 050 009
Others	35 273	93 993
	535 446	**0 639 940**

26. IMPUTED GAINS / LOSSES OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

	2023	2022
Associates		
Publimetro – Publicidade em Meios de Transporte e Outros, S.A.	(19 658)	39 570
Joint ventures		
OTLIS – Operadores de Transportes da Região de Lisboa, A.C.E.	-	(2 142)
Ensitrans – Engineering and Transportation Systems, A.E.I.E.	(158)	(1 879)
	(19 817)	**35 549**

27. SUPPLIES AND EXTERNAL SERVICES

	2023	2022
Electricity	(14 196 623)	(13 453 691)
Surveillance and security	(7 098 323)	(6 218 722)
Conservation and repair	(5 912 139)	(5 180 220)
Cleanliness, hygiene and comfort	(4 941 320)	(4 137 451)
Specialized jobs	(1 533 449)	(2 495 633)
Others	(4 471 449)	(3 906 912)
	(38 153 303)	**(35 392 629)**

28. PERSONNEL EXPENSES

	2023	2022
	TOTAL	TOTAL
Remuneration of corporate bodies	(323 429)	(274 851)
Personnel remuneration	(68 177 479)	(61 973 482)
Post-employment benefits	(10 597 615)	(6 736 393)
Charges on remuneration	(15 525 547)	(14 267 418)
Insurance against accidents at work and occupational diseases	(1 682 020)	(1 289 554)
Health insurance	(1 198 820)	(901 095)
Social action costs	(1 435 642)	(1 242 659)
Other	(592 816)	(311 561)
	(99 533 368)	**(86 997 013)**

The average number of employees working for the Group in 2023 was 1,577 (1,543 in 2022). The number of employees on December 31, 2023 was 1,581 (1,576 in 2022).

29. OTHER INCOME

	2023	2022
Investment subsidies	1 112 335	1 112 335
Property rents	580 724	580 170
Energy supply	271 337	268 332
Corrections for previous periods	192 926	502 984
Favourable exchange rate differences	379	3 230 981
Interest	-	7 730
Others	1 203 876	592 870
	3 361 577	**6 295 402**

The sub-item 'Investment subsidies' includes the allocation of ERDF subsidies - PRODAC 1993 and CSF 1995 and 1997, which were used to finance investments made by the company in the prototypes of the Material and Workshop Parks (PMO) II and III and in the interim series of 17 Triple Units (TU), complementary series 95 of 20 TU and PMO III. This income is charged on a systematic basis to balance it with the depreciation expenses of the tangible fixed assets associated with them.

30. OTHER EXPENSES

	2023	2022
Unfavourable exchange rate differences	(1 876 395)	-
Taxes	(723 720)	(520 113)
Losses on non-financial investments	(307 080)	(378 971)
Inventory losses	(103 332)	(202 919)
Membership fees	(100 445)	(93 639)
Corrections for previous periods	(51 237)	(971 652)
Others	(407 170)	(133 975)
	(3 569 379)	**(2 301 269)**

31. INTEREST AND SIMILAR EXPENSES INCURRED

	2023	2022
Interest Obtained Financing	(1 060 382)	(1 143 992)
Interest on leases (Note 7)	(4 900)	(7 704)
Interest swaps	-	(18 926 093)
Other interest	-	(81 216)
	(1 065 282)	**(20 159 006)**

32. INCOME TAXES FOR THE PERIOD

Group companies based in Portugal are subject to Corporate Income Tax ("IRC"), based on their individual results, at a rate of 21%, plus a surcharge at a maximum rate of 1.5% on taxable profit, thus reaching an aggregate rate of 22.5%.

Under the terms of article 88 of the Corporate Income Tax Code (CIRC), the Group is subject to autonomous taxation on a set of charges at the rates set out in that article.

In accordance with current legislation, the tax returns of Group companies are subject to review and correction by the tax authorities for a period of four years (five years for Social Security), except when there have been tax losses, tax benefits have been granted, or inspections, claims or challenges are in progress, in which cases, depending on the circumstances, the deadlines are extended or suspended. The Board of Directors believes that any corrections resulting from reviews/inspections by the tax authorities of these tax returns will not have a significant effect on the consolidated financial statements as at December 31, 2023.

Tax losses calculated in tax periods beginning on or after January 1, 2023 are deducted from the taxable profits of subsequent tax periods, with no time limit. This rule also applies to tax losses calculated in tax periods prior to January 1, 2023, whose deduction period is still in progress on that date. The Group's deductible tax losses are as follows:

	2023		2022	
	Amount	Limit	Amount	Limit
Generated in 2014	5.277.942	-	5.277.942	2028
Generated in 2015	695.274	-	695.274	2029
Generated in 2017	39.359.676	-	39.552.131	2024
Generated in 2018	21.701.153	-	21.701.153	2025
Generated in 2019	13.308.812	-	13.308.812	2026
Generated in 2020	41.815.801	-	41.815.801	2034
Generated in 2021	16.408.154	-	16.408.154	2035
Generated in 2022	18.895.541	-		
	157.462.352		**138.759.266**	

The reconciliation between the nominal rate and the effective tax rate for the financial years 2023 and 2022 is as follows:

	2023				2022			
	ML	Ferconsult	Metrocom	TOTAL	ML	Ferconsult	Metrocom	TOTAL
Profit before tax	**(23.981.191)**	**129.010**	**148.368**		**(21.117.081)**	**212.305**	**153.376**	
Permanent differences	8.600.785	(140.668)	(4.698)		2.221.540	62.631	2.208	
Taxable income	**(15.380.406)**	**(11.659)**	**143.670**		**(18.895.541)**	**274.936**	**155.584**	
Deducted tax losses	-	-	(4.762)		-	(192.455)	(34.270)	
Tax Base	-	-	**138.908**		-	**82.481**	**121.315**	
Nominal tax rate	21%	21%	21%		21%	21%	21%	
Tax due	-	-	**(29.171)**		-	**(17.321)**	**(25.476)**	
Municipal surcharge	-	-	(2.155)		-	(4.124)	(2.334)	
Autonomous taxation	(18.388)	-	-		(18.319)	-	-	
Income Taxes	**(18.388)**	-	**(31.326)**	**(49.714)**	**(18.319)**	**(21.445)**	**(27.810)**	**(67.574)**
Effective tax rate	-	-	**21,11%**		-	**10,10%**	**18,13%**	

33. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

2023	Assets	Liabilities	Income	Expenses
Shareholder				
Portuguese State	-	2.159.927.854	-	-
Associates				
Publimeter	501.360	-	1.698.589	-
Joint ventures				
Ensitrans	-	-	6.000	-
Key management personnel				
Board of Directors	-	-	-	(353.439)

2022	Assets	Liabilities	Income	Expenses
Shareholder				
Portuguese State	-	2.150.903.569	-	-
Associates				
Publimeter	1.153.695	-	1.626.892	-
Joint ventures				
Ensitrans	-	-	6.000	-
Key management personnel				
Board of Directors	-	-	-	(291.210)

The transactions recorded with the Board of Directors in 2023 and 2022 refer to their remuneration, contributions and non-monetary benefits, and no post-employment, long-term, termination or equity benefits were granted.

34. GUARANTEES PROVIDED

			31-dec-2023	31-dec-2022
Entity	Start Date	Beneficiary	Amount	Amount
BPI Bank	10-03-2006	ADMINISTRATIVE COURT F.LX-2ND COURT	7.494	7.494
BPI Bank	11-05-2006	TAX OFFICE 4th DISTRICT	95.482	95.482
BPI Bank	17-08-2011	MUNICIPALITY OF LISBON	7.661	7.661
BPI Bank	17-06-2014	PETROGAL	7.500	7.500
BPI Bank	03-07-2015	Lisbon District Court, Central Instance, 1st Labour Division	438.047	438.047
BBVA Bank	19-02-1998	Petrogal	-	3.990
BBVA Bank	21-03-2007	Public Treasury	1.632	1.632
BBVA Bank	06-12-2010	Public Treasury	272.118	272.118
			829.934	**833.925**

35. CONTINGENT LIABILITIES

As of December 31, 2023, there are compensation claims against the Group amounting to 6,145 euros, which refer to expropriation processes and damage caused by work related to the network expansion plan.

36. DISCLOSURES REQUIRED BY LEGISLATION

For the purposes of complying with the provisions of paragraph b) of no. 1 of article 66-A of the Companies Code, it is hereby declared that the total fees invoiced during the financial year by the firms of chartered accountants, in relation to the statutory audit of the annual accounts of the Group companies, amounted to 35,083 euros.

37. SUBSEQUENT EVENTS

On March 27, 2024, an Amendment to the Concession Contract was granted, which was submitted by the Grantor for prior approval by the Court of Auditors. In the event of a favourable decision, ML will present in its financial statements the necessary changes to the classification, recognition and measurement of the concession assets, as well as any other consequences arising from compliance with the public service obligations set out in the aforementioned Amendment, the effects of which cannot be estimated at the date of issue of this report.

THE BOARD OF DIRECTORS

Vitor Manuel Domingues dos Santos

Maria Helena Arranhado Carrasco Campos

João Paulo de Figueiredo Lucas Saraiva

Sónia Alexandra Martins Páscoa

THE CHARTERED ACCOUNTANT

Pedro Miguel Galante Antunes Paiva

DECLARATION

In accordance with subparagraph c) of paragraph 1 of article 29.º-G of the Securities Code, each responsible person of the issuers is required to provide a series of declarations as outlined therein. For Metropolitano de Lisboa, E.P.E., a uniform declaration was adopted with the following wording:

I declare, pursuant to and for the purposes of subparagraph c) of paragraph 1 of article 29.º-G of the Securities Code, that, to the best of my knowledge, the information referred to in subparagraph a) was prepared in accordance with applicable accounting standards, providing a true and fair view of the assets and liabilities, financial position, and results of Metropolitano de Lisboa, E.P.E., and the companies included within the consolidation perimeter. Furthermore, the management report faithfully presents the business evolution, performance, and position of the entity and the companies included in the consolidation perimeter, and contains a description of the main risks and uncertainties faced. In compliance with the aforementioned legal provision, the names and roles of the signatories are provided:

Vítor Domingues dos Santos

Chairman of the Board of Directors

Maria Helena Campos

Member of the Board of Directors

João Paulo de Figueiredo Lucas Saraiva

Member of the Board of Directors

Sónia Alexandra Martins Páscoa

Member of the Board of Directors

Lisbon, June 26, 2024

Budget Statements

1 – Budget and Multiannual Budget Plan

Items	Name	Budget				Multiannual Budget Plan
		2021	2022	2023	Sum	2024
	CURRENT INCOME	**151.969.941**	**196.230.830**	**184.736.883**	**495.021.498**	**225.935.560**
R1	**Tax Revenue**	0	0	0	0	0
R11	Direct taxes	0	0	0	0	0
R12	Indirect taxes	0	0	0	0	0
R2	**Contributions to social protection and health subsistence systems**	0	0	0	0	0
R3	**Fees, fines and other penalties**	0	0	0	0	0
R4	**Property income**	0	0	0	0	0
R5	**Current Transfers**	**17.100.000**	**53.938.344**	**64.377.486**	**75.021.046**	**87.725.843**
R51	Public Administrations	17.100.000	3.590.995	4.928.058	24.673.697	87.725.843
R511	Central Administration - State	17.100.000	3.590.995	4.928.058	24.650.697	5.239.537
R512	Central Administration - Other entities	0	0	0	23.000	0
R515	Local Administration		**33.580.349**	**7.578.734**	33.580.349	82.486.306
	European Union	10.000.000	**16.767.000**	**51.870.694**	26.767.000	82.486.306
R6	**Sale of goods and services**	**104.046.748**	**128.831.905**	**109.908.082**	**375.716.678**	**126.648.885**
R7	**Other current income**	**20.823.193**	**13.460.581**	**10.451.315**	**34.283.774**	**11.560.832**
		20.823.193	13.460.581	10.451.315	34.283.774	11.560.832
	CAPITAL REVENUE	**60.947.536**	**88.640.184**	**85.693.876**	**248.535.734**	**146.075.839**
R8	**Sale of investment goods**	**550.000**	**480.000**	**200.000**	**31.664.620**	0
R9	**Capital Transfers**	**60.397.536**	**88.160.184**	**85.493.876**	**216.871.114**	**68.252.297**
R91	Public Administrations	37.644.200	42.780.000	53.850.000	140.092.698	19.862.066
R911	Central Administration - State	37.644.200	42.780.000	53.850.000	140.092.698	19.862.066
R912	Central Administration - Other entities	0	0	0	0	
R913	Social Security	0	0	0	0	
R914	Regional Administration	0	0	0	0	
R915	Local Administration	0	0	0	0	
R92	Abroad - EU	22.753.336	**45.380.184**	**31.643.876**	76.778.416	48.390.231
R93	Other	0			0	
R10	**Other capital income**	0			0	
R11	**Replacements not deducted from payments**	0	0	0	0	0
		0	0	0	0	**77.823.542**
	Effective revenue [1]	**212.917.477**	**284.871.014**	**270.430.759**	**743.557.232**	**372.011.399**
	Non-effective revenue [2]	**367.625.166**	**239.589.785**	**141.411.884**	**1.062.119.864**	449.195.539
R12	Revenue from financial assets	0	0	0	0	0
R13	Income from Financial Liabilities	367.625.166	239.589.785	141.411.884	1.062.119.864	449.195.539
	Total revenue [3] = [1] + [2]	**580.542.643**	**524.460.799**	**411.842.643**	**1.805.677.096**	**821.206.938**

Items	Name					Multiannual Budget Plan
		2021	2022	2023	Sum	2024
	CURRENT EXPENDITURE	**289.811.913**	**243.274.285**	**214.966.400**	**886.334.975**	**238.234.690**
D1	Personnel expenses	84.002.460	85.682.509	89.513.987	252.684.969	102.291.427
D11	Fixed and permanent salaries	54.275.298	54.289.031	58.944.233	162.337.167	66.787.450
D12	Variable or occasional allowances	4.437.456	4.575.935	4.755.700	13.450.847	6.094.495
D13	Social security	25.289.706	26.817.543	25.814.054	76.896.955	29.409.482
D2	Purchase of goods and services	57.776.516	59.373.302	72.943.397	177.145.220	67.699.836
D3	Interest and other charges	147.291.972	**97.620.166**	**52.509.016**	444.345.041	67.629.905
D4	Current transfers	0	0	0	0	0
D41	Public Administrations	0	0	0	0	0
D411	Central Administration - State	0	0	0	0	0
D412	Central Administration - Other entities	0	0	0	0	0
D413	Social Security	0	0	0	0	0
D414	Regional Administration	0	0	0	0	0
D415	Local Administration	0	0	0	0	0
D42	Non-profit institutions	0	0	0	0	0
D43	Families	0	0	0	0	0
D44	Other current expenditure	0	0	0	0	0
D5	Subsidies	0	0	0	0	0
D6	Other current expenditure	740.965	**598.308**	**0**	12.159.745	613.522
	CAPITAL EXPENDITURE	**150.866.772**	**200.223.998**	**196.876.243**	**482.001.050**	**282.972.248**
D7	Investment	150.866.772	200.223.998	196.876.243	482.001.050	282.972.248
D8	Capital transfers	0	0	0	0	0
D81	Public Administrations	0	0	0	0	0
D811	Central Administration - State	0	0	0	0	0
D812	Central Administration - Other entities	0	0	0	0	0
D813	Social Security	0	0	0	0	0
D814	Regional Administration	0	0	0	0	0
D815	Local government	0	0	0	0	0
D82	Non-profit institutions	0	0	0	0	0
D83	Families	0	0	0	0	0
D84	Other current expenditure	0	0	0	0	0
D9	Other capital expenditure	0	0	0	0	0
	Actual expenditure [4]	**440.678.685**	**443.498.283**	**411.842.643**	**1.368.336.025**	**521.206.938**
	Non-effective expenditure [5]	**139.863.958**	**80.962.516**	**0**	**437.341.071**	**300.000.000**
D10	Expenditure on financial assets	0	0	0	0	0
D11	Expenditure on Financial Liabilities	139.863.958	80.962.516	0	437.341.071	300.000.000
	Total expenditure [6] = [4] + [5]	**580.542.643**	**524.460.799**	**411.842.643**	**1.805.677.096**	**821.206.938**
	Total balance [3] - [6]	**0**	**0**	**0**	**0**	**0**
	Overall balance [1] - [4]	**-227.761.208**	**-158.627.269**	**-141.411.884**	**-624.778.793**	**-149.195.539**
	Primary expenditure	293.386.713	345.878.117	359.333.627	923.990.984	453.577.033
	Current balance	-137.841.972	-47.043.455	-30.229.517	-391.313.477	-12.299.130
	Capital balance	-89.919.236	-111.583.814	-111.182.367	-233.465.316	-136.896.409
	Primary balance	-80.469.236	-61.007.103	-88.902.868	-180.433.752	-81.565.634

2 – Multi-annual Investment Plan

Unit: Euros

Objective	Project number	Project name	Budget Item	Form of realization	Financing Source				Dates		Execution phase	Payments								Total planned
														Subsequent periods						
					RG	PR	EU	EMPR	Start	End		Realized in previous periods [13]	Estimated realization for period t-1 [14]	2024 [t]	2025	2026	2027	2028	Others	
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]			[15]	[16]	[17]	[18]	[19]	[20]	[21] = [13] + ... + [20]
	1	Network remodelling	D.7	E	17.558.621						n.a.			20.883.103						20.883.103
	2	Network expansion	D.2	E	850300	495.914			2020	2026	4		650							650
	2	Network expansion	D.7	E	38.666.113		31.643.876		2020	2026	4	90.725.428	78.367.220	97.390.414	101.195.537	64.661.544	0			432.340.143
	3	Modernization and CBTC	D.7	E/O	15.183.887	5.801.559		6.815.572	2020	2027	3	40.036.009	1.843.024	30.552.425	35.712.783	11.532.926	21.521.292			141.198.459
	4	Investment ML	D.7	E	27.989.707						n.a.			51.660.000						51.660.000
	5	S. Sebastião/Alcântara Expansion	D.02	E					2021	2026	2		10.381							
	5	S. Sebastião/Alcântara Expansion	D.7	E			44.212.688		2021	2026	2	1.248.693	471.406	71.357.822	133.169.381	202.770.235	0			409.017.537
	6	Odivelas/Loures Surface Light Metro	D.2/D.6	E					2021	2026	1		490.191							
	6	Odivelas/Loures Surface Light Metro	D.7	E			7.658.006		2021	2026	1	568.492	13.470	11.128.484	173.426.419	218.286.213	0			403.423.078
				Total	100.248.628	6.297.473	83.514.570	6.815.572			Total	132.578.622	81.196.342	282.972.248	443.504.120	497.250.917	21.521.292	0	0	1.458.522.969

Individual reporting statements

1. Budgetary Performance Statement - Revenue

Unit: Euros

ITEM	RECEIPTS	FINANCING SOURCES - 2023						2022
		PR	RG	EU	EMPR	THIRD PARTY FUNDS	TOTAL	
	Previous management balance						0	**0**
	Budget operations **[1]**	79.603.537	1.910.512	3.146.042	7.388.368		**92.048.459**	**123.105.832**
	Repayment of the balance of budgetary operations						0	0
	Treasury operations **[A]**	21.004		70.202.815			70.223.819	
	CURRENT INCOME	**141.133.152**	**3.963.263**	**2.299.808**	**0**	**0**	**147.396.223**	**152.146.010**
R1	**Tax revenue**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
R11	Direct taxes	0	0	0	0	0	0	0
R12	Indirect taxes	0	0	0	0	0	0	0
R2	**Contributions to social protection and health subsistence systems**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
R3	**Fees, fines and other penalties**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
R4	**Property income**	**458**	**0**	**0**	**0**	**0**	**458**	**72.919**
		458	0	0	0	0	458	
		458	0	0	0	0	458	
R5	**Current transfers**	**65.331**	**3.963.263**	**2.299.808**	**0**	**0**	**6.328.402**	**25.760.589**
R51	Public administrations	65.331	3.963.263	2.299.808	0	0	6.328.402	24.066.563
R511	Central government - State	0	3.963.263	0	0	0	3.963.263	3.963.263
R512	Central government - Other entities	0	0	2.299.808	0	0	2.299.808	0
R513	Social Security	0	0	0	0	0	0	0
R514	Regional Administration	0	0	0	0	0	0	0
R515	Local Administration	65.331	0	0	0	0	65.331	20.103.300
R52	Abroad - EU	0	0	0	0	0	0	1.694.026
R53	Other	0	0	0	0	0	0	0
R6	**Sale of goods and services**	**136.912.448**	**0**	**0**	**0**	**0**	**136.912.448**	**117.923.025**
R7	**Other current income**	**4.154.915**	**0**	**0**	**0**	**0**	4.154.915	**8.389.477**
	CAPITAL REVENUE	**1.433**	**54.650.000**	**39.125.922**	**0**	**0**	**93.777.355**	**72.869.862**
R8	**Sale of investment goods**	**0**	**0**	**0**	**0**	**0**	**0**	**15.880**
R9	**Capital transfers**	**0**	**54.650.000**	**39.125.922**	**0**	**0**	**93.775.922**	**72.597.018**
R91	Public administrations	0	54.650.000	0	0	0	54.650.000	42.780.000
R911	Central government - State	0	54.650.000	0	0	0	54.650.000	42.780.000
R912	Central Administration - Other entities	0	0	0	0	0	0	0
R913	Social Security	0	0	0	0	0	0	0
R914	Regional Administration	0	0	0	0	0	0	0
R93	Other	0	0	0	0	0	0	0
R11	**Replacement not deducted from payments**	**1.433**	**0**	**0**	**0**	**0**	**1.433**	**256.964**
	Effective revenue [2]	**141.134.585**	**58.613.263**	**41.425.730**	**0**	**0**	**241.173.578**	**225.015.872**
	Non-effective revenue [3]	**10.415.130**	**57.511.019**	**0**	**9.024.285**	**0**	**76.950.434**	**216.588.376**
R12	**Income from financial assets**	**10.415.130**	**0**	**0**	**0**	**0**	**10.415.130**	**0**
R13	**Income from Financial Liabilities**	**0**	**57.511.019**	**0**	**9.024.285**	**0**	**66.535.304**	**216.588.376**
	Sum [4] = [1] + [2] + [3]	**231.153.252**	**118.034.794**	**44.571.772**	**16.412.653**	**0**	**410.172.471**	**564.710.080**
	Treasury operations [B]	**0**	**0**		**0**	**0**	**0**	**0**

2. Budgetary Performance Statement - Expense

Unit: Euros

ITEM	PAYMENTS	FINANCING SOURCES - 2023						2022
		PR	RG	EU	EMPR	THIRD PARTY FUNDS	TOTAL	
	CURRENT EXPENDITURE	**142.589.515**	**53.484.178**	**0**	**3.639.865**	**0**	**199.713.558**	**215.266.515**
D1	Personnel expenses	95.055.646	0	0	0	0	95.055.646	86.890.138
D11	Fixed and permanent salaries	61.101.371	0	0	0	0	61.101.371	55.989.777
D12	Variable or occasional allowances	5.512.094	0	0	0	0	5.512.094	4.662.309
D13	Social security	28.442.181	0	0	0	0	28.442.181	26.238.052
D2	Purchase of goods and services	46.726.225	2.206.673	0	2.441.942	0	51.374.840	51.105.037
D3	Interest and other charges	0	51.277.505	0	1.183.286	0	52.460.791	75.697.764
D4	Current transfers	0	0	0	0	0	0	
D41	Public Administrations	0	0	0	0	0	0	
D411	Central Administration - State	0	0	0	0	0	0	
D412	Central Administration - Other entities	0	0	0	0	0	0	
D413	Social Security	0	0	0	0	0	0	
D414	Regional Administration	0	0	0	0	0	0	
D415	Local Administration	0	0	0	0	0	0	
D42	Non-profit institutions	0	0	0	0	0	0	
D43	Families	0	0	0	0	0	0	
D44	Other current expenditure	0	0	0	0	0	0	
D5	Subsidies	0	0	0	0	0	0	
D6	Other current expenditure	807.644	0	0	14.637	0	822.281	1.573.576
	CAPITAL EXPENDITURE	**129.494.415**	**8.944.027**	**41.462.348**	**9.266.613**	**0**	**189.167.403**	**106.229.776**
D7	Investment	49.890.878	7.033.515	38.316.306	484.876	0	95.725.575	105.229.776
D8	Capital transfers	0	0	0	0	0	0	0
D81	Public Administrations	0	0	0	0	0	0	0
D811	Central Administration - State	0	0	0	0	0	0	0
D812	Central Administration - Other entities	0	0	0	0	0	0	0
D813	Social Security	0	0	0	0	0	0	0
D814	Regional Administration	0	0	0	0	0	0	0
D815	Local government	0	0	0	0	0	0	0
D82	Non-profit institutions	0	0	0	0	0	0	0
D83	Families	0	0	0	0	0	0	0
D84	Other current expenditure	0	0	0	0	0	0	0
D9	Other capital expenditure	79.603.537	1.910.512	3.146.042	8.781.737	0	93.441.828	1.000.000
	Actual expenditure [5]	**272.083.930**	**62.428.205**	**41.462.348**	**12.906.478**	**0**	**388.880.961**	**321.496.291**
	Non-effective expenditure [6]	**0**	**0**	**0**	**0**	**0**	**0**	**80.962.515**
D10	Expenditure on financial assets	0	0	0	0	0	0	0
D11	Expenditure on Financial Liabilities	0	0	0	0	0	0	80.962.515
	Sum [7] = [5] + [6]	**272.083.930**	**62.428.205**	**41.462.348**	**12.906.478**	**0**	**388.880.961**	**402.458.806**
	Treasury operations [C]	**21.004**					**21.004**	**88.675**
	Balance for the following year							
	Budget operations [8] = [4] - [7]	-40.930.678	55.606.589	3.109.424	3.506.175	0	21.291.510	162.251.274
	Treasury operations [D] = [A] + [B] - [C]	0	0	70.202.815	0	0	70.202.815	0
	Overall balance [2] - [5]	-130.949.345	-3.814.942	-36.618	-12.906.478	0	-147.707.383	-96.480.419
	Primary expenditure	272.083.930	11.150.700	41.462.348	11.723.192	0	336.420.170	245.798.527
	Capital balance	-129.492.982	45.705.973	-2.336.426	-9.266.613	0	-95.390.048	-33.359.914
	Primary balance	-130.949.345	47.462.563	-36.618	-11.723.192	0	-95.246.592	-20.782.655
	Total revenue [1] + [2] + [3]	231.153.252	118.034.794	44.571.772	16.412.653	0	410.172.471	564.710.080
	Total expenditure [5] + [6]	272.083.930	62.428.205	41.462.348	12.906.478	0	388.880.961	402.458.806

3. Budget Execution Statement - Revenue

Unit: Euros

Items	Name	Corrected forecasts (1)	Uncollected revenue from previous periods (2)	Settled revenue (3)	Settlements annulled (4)	Gross revenue collected (5)	Refunds: Issued (6)	Refunds: Paid (7)	Net revenue collected: 2022 (8)	Net revenue collected: 2023 (9)	Net revenue collected: Total (10) = (5) - (7)	Revenue to be collected at the end of the period (11)	Ratio of budget execution: Previous periods (12) = (8) / (2) x 100	Ratio of budget execution: Current period (13) = (9) / (2) x 100
	CURRENT REVENUE	**201.092.516**	**0**	**147.396.223**	**0**	**147.396.223**	**1.314.359**	**1.314.359**	**0**	**147.396.223**	**147.396.223**	**0**	-	-
R1	Tax revenue	0	0	0	0	0	0	0	0	0	0	0	-	-
R11	Direct taxes	0	0	0	0	0	0	0	0	0	0	0	-	-
R12	Indirect taxes	0	0	0	0	0	0	0	0	0	0	0	-	-
R2	Contributions to social protection and health subsistence systems	0	0	0	0	0	0	0	0	0	0	0	-	-
R3	Fees, fines and other penalties	0	0	0	0	0	0	0	0	0	0	0	-	-
R4	Property income	458	0	458	0	458	0	0	0	458	458	0	-	-
		458	0	0	0	0	0	0	0	0	0	0	-	-
		458	0	0	0	0	0	0	0	0	0	0	-	-
R5	Current transfers	56.064.084	0	6.328.402	0	6.328.402	1.314.359	1.314.359	0	6.328.402	6.328.402	0	-	-
R51	Public administrations	4.193.390	0	3.963.263	0	3.963.263	0	0	0	3.963.263	3.963.263	0	-	-
R511	Central government - State	4.128.058	0	3.963.263	0	3.963.263	0	0	0	3.963.263	3.963.263	0	-	-
R512	Central government - Other entities	0	0	0	0	0	0	0	0	0	0	0	-	-
R513	Social Security	0	0	0	0	0	0	0	0	0	0	0	-	-
R514	Regional Administration	0	0	0	0	0	0	0	0	0	0	0	-	-
R515	Local Administration	65.332	0	65.331	0	65.331	0	0	0	65.331	65.331	0	-	-
R52	Abroad - EU	51.870.694	0	2.299.808	0	2.299.808	1.314.359	1.314.359	0	2.299.808	985.449	0	-	-
R53	Other	0			0	0	0	0	0	0	0	0	-	-
R6	Sale of goods and services	134.976.659	0	136.912.448	0	136.912.448	0	0	0	136.912.448	136.912.448	0	-	-
R7	Other current income	10.051.315	0	4.154.915	0	4.154.915	0	0	0	4.154.915	4.154.915	0	-	-
	CAPITAL REVENUE	**246.164.372**	**0**	**170.727.789**	**0**	**170.727.789**	**0**	**0**	**0**	**170.727.789**	**170.727.789**	**0**	-	-
R8	Sale of investment goods	200.000	0	0	0	0	0	0	0	0	0	0	-	-
R9	Capital transfers	94.135.923	0	93.775.922	0	93.775.922	0	0	0	93.775.922	93.775.922	0	-	-
R91	Public administrations	54.650.000	0	54.650.000	0	54.650.000	0	0	0	54.650.000	54.650.000	0	-	-
R911	Central government - State	54.650.000	0	54.650.000	0	54.650.000	0	0	0	54.650.000	54.650.000	0	-	-
R912	Central Administration - Other entities	0	0	0	0	0	0	0	0	0	0	0	-	-
R913	Social Security	0	0	0	0	0	0	0	0	0	0	0	-	-
R914	Regional Administration	0	0	0	0	0	0	0	0	0	0	0	-	-
R915	Local government	0	0	0	0	0	0	0	0	0	0	0	-	-
R92	Abroad - EU	39.485.923	0	39.125.922	0	39.125.922	0	0	0	39.125.922	39.125.922	0	-	-
R10	Other capital income	0	0	0	0	0	0	0	0	0	0	0	-	-
R11	Replacement not deducted from payments	1.434	0	1.433	0	1.433	0	0	0	1.433	1.433	0	-	-
R12	Financial assets	10.415.131	0	10.415.130	0	10.415.130	0	0	0	10.415.130	10.415.130	0	-	-
R13	Financial Liabilities	141.411.884	0	66.535.304	0	66.535.304	0	0	0	66.535.304	66.535.304	0	-	-
	Balance from previous year - budget operations	92.048.463		92.048.459		92.048.459			92.048.459		92.048.459		-	-
		539.305.351	**0**	**410.172.471**	**0**	**410.172.471**	**1.314.359**	**1.314.359**	**92.048.459**	**318.124.012**	**410.172.471**	**0**	-	-

4. Budget Execution Statement - Expense

Unit: Euros

Items	Name	Unpaid expenses from previous periods (1)	Corrected appropriations (2)	Frozen / released appropriations (3)	Commitments (4)	Obligations (5)	Expenses paid net of replacements: Previous period (6)	Expenses paid net of replacements: Current period (7)	Expenses paid net of replacements: Total (8) = (6) + (7)	Commitments to be carried forward (9) = (4) - (5)	Unpaid obligations (10) = (5) - (8)	Ratio of budget execution: Previous periods (11) = (6) / (2) x 100	Ratio of budget execution: Current period (12) = (7) / (2) x 100
	CURRENT EXPENDITURE	**700.018**	**244.523.829**	**22.415.177**	**203.305.623**	**203.305.623**	**700.017**	**199.013.539**	**199.713.556**	**0**	**3.592.067**	**0,3**	**81,4**
D1	Personnel expenses	146.958	95.090.726	0	95.055.646	95.055.646	146.958	94.908.689	95.055.646	0	0	0,2	99,8
D11	Fixed and permanent salaries	146.958	61.101.456	0	61.101.371	61.101.371	146.958	60.954.414	61.101.371	0	0	0,2	99,8
D12	Variable or occasional allowances	0	5.547.084	0	5.512.094	5.512.094	0	5.512.094	5.512.094	0	0	0,0	99,4
D13	Social security	0	28.442.186	0	28.442.181	28.442.181	0	28.442.181	28.442.181	0	0	0,0	100,0
D2	Purchase of goods and services	548.218	91.275.107	22.415.177	54.966.905	54.966.905	548.218	50.826.621	51.374.838	0	3.592.067	0,6	55,7
D3	Interest and other charges	2.960	57.300.350	0	52.460.791	52.460.791	2.960	52.457.831	52.460.791	0	0	0,0	91,5
D4	Current transfers	0	0	0	0	0	0	0	0	0	0	-	-
D41	Public Administrations	0	0	0	0	0	0	0	0	0	0	-	-
D411	Central Administration - State	0	0	0	0	0	0	0	0	0	0	-	-
D412	Central Administration - Other entities	0	0	0	0	0	0	0	0	0	0	-	-
D413	Social Security	0	0	0	0	0	0	0	0	0	0	-	-
D414	Regional Administration	0	0	0	0	0	0	0	0	0	0	-	-
D415	Local government	0	0	0	0	0	0	0	0	0	0	-	-
D42	Non-profit institutions	0	0	0	0	0	0	0	0	0	0	-	-
D43	Families	0	0	0	0	0	0	0	0	0	0	-	-
D44	Other current expenditure	0	0	0	0	0	0	0	0	0	0	-	-
D5	Subsidies	0	0	0	0	0	0	0	0	0	0	-	-
D6	Other current expenditure	1.882	857.646	0	822.281	822.281	1.882	820.399	822.281	0	0	0,2	95,7
	CAPITAL EXPENDITURE	**1.210.972**	**294.781.523**	**0**	**198.885.783**	**198.885.783**	**1.210.972**	**187.956.432**	**189.167.404**	**0**	**9.718.380**	**0,4**	**63,8**
D7	Investment	1.210.972	201.339.690	0	105.443.954	105.443.954	1.210.972	94.514.603	95.725.575	0	9.718.380	0,6	46,9
D8	Capital transfers	0	0	0	0	0	0	0	0	0	0	-	-
D81	Public Administrations	0	0	0	0	0	0	0	0	0	0	-	-
D811	Central Administration - State	0	0	0	0	0	0	0	0	0	0	-	-
D812	Central Administration - Other entities	0	0	0	0	0	0	0	0	0	0	-	-
D813	Social Security	0	0	0	0	0	0	0	0	0	0	-	-
D814	Regional Administration	0	0	0	0	0	0	0	0	0	0	-	-
D815	Local government	0	0	0	0	0	0	0	0	0	0	-	-
D82	Non-profit institutions	0	0	0	0	0	0	0	0	0	0	-	-
D83	Families	0	0	0	0	0	0	0	0	0	0	-	-
D84	Other current expenditure	0	0	0	0	0	0	0	0	0	0	-	-
D9	Other capital expenditure	0	93.441.833	0	93.441.829	93.441.829	0	93.441.829	93.441.829	0	0	0,0	100,0
D10	Financial assets	0	0	0	0	0	0	0	0	0	0	-	-
D11	Financial Liabilities	0	0	0	0	0	0	0	0	0	0	-	-
		1.910.990	**539.305.352**	**22.415.177**	**402.191.406**	**402.191.406**	**1.910.989**	**386.969.971**	**388.880.960**	**0**	**13.310.444**	**0,4**	**71,8**

5. Multiannual Investment Execution Statement

Unit: Euros

Objective [1]	Project number [2]	Project name [3]	Budget item [4]	Form of realization [5]	Financing Source				Dates		Planned amount			Amount executed			annual financial execution (%) [17]	overall financial execution (%) [18]
					RG [6]	PR [7]	EU [8]	EMPR [9]	Start [10]	End [11]	Year t 2023 [12]	Subsequent years [13]	Total [14] = [12] + [13]	Previous years [15]	2023 [16]	Total [17] = [15] + [16]		
	1	Network remodelling	D.6	E	0	807.644					0	0	0	24.267	807.644	831.911	4,60%	
	1	Network remodelling	D.7	E	5.630.466	111.683					17.558.621		17.558.621	8.093.554	5.742.148	13.835.702	8,17%	32,70%
	2	Network expansion	D.2	E		650			2020	2026			0	36.310	650	36.960	0,00%	
	2	Network expansion	D.7	E		40.050.914	38.316.306		2020	2026	71.656.203	263.247.495	334.903.698	37.889.153	78.367.220	116.256.373	111,46%	109,37%
	3	Modernization and CBTC	D.7	E/O		1.843.024			2020	2027	27.801.018	99.319.426	127.120.444	571.550	1.843.024	2.414.574	6,63%	6,63%
	4	Others	D.7	E	1.403.049	7.885.257					27.989.707		27.989.707	5.897.598	9.288.306	15.185.904	33,18%	33,18%
	5	S. Sebastião/Alcântara Expansion	D.2/D.6	E			10.381		2021	2026	44.212.688	407.297.437	451.510.125		10.381	10.381	0,02%	0,02%
	5	S. Sebastião/Alcântara Expansion	D.7	E			471.406						0	1.248.692	471.406	1.720.098		
	6	Odivelas/Loures Surface Light Metro	D.2/D.6	E			490.192						0	568.492	490.192	1.058.684		
	6	Odivelas/Loures Surface Light Metro	D.7	E			13.470		2021	2026	7.658.006	402.841.116	410.499.122		13.470	13.470	0,18%	0,18%
				Total	**7.033.515**	**50.699.172**	**39.301.755**	**0**		**Total**	**196.876.243**	**1.172.705.475**	**1.369.581.718**	**54.329.616**	**97.034.441**	**151.364.057**	**49,29%**	**156,65%**

Notes to the Budgetary Statements

1. Revenue Budget Adjustments

Un. Euros

Headings [1]	Description [2]	Revenue: Initial forecasts [3]	Budget changes: Allocations/Increases [4]	Budget changes: Decreases/ cancellations [5]	Budget changes: Special credits [6]	Corrected forecasts [7]=[3]+[4]-[5]+[6]	Observations [8]
	CURRENT INCOME	184.736.883	1.649.415	12.900.665	27.572.199	201.057.832	
R1	Tax revenue	0	0	0	0	0	
R11	Direct taxes	0	0	0	0	0	
R12	Indirect taxes	0	0	0	0	0	
R2	Contributions to social protection and health subsistence systems	0	0	0	0	0	
R3	Fees, fines and other penalties	0	0	0	0	0	
R4	Property income	0	459	0	0	459	
R5	Current transfers	12.506.792	0	8.313.402	0	4.193.390	
R51	Public administrations	12.506.792	0	8.313.402	0	4.193.390	
R511	Central government - State	4.928.058	0	800.000	0	4.128.058	
R512	Central government - Other entities	0	0	0	0	0	
R515	Local government	7.578.734	0	7.513.402	0	65.332	
R6	Sale of goods and services	109.908.082	865.278	3.403.585	27.572.199	134.941.974	
R7	Other current income	10.451.315	783.678	1.183.678	0	10.051.315	
	CAPITAL REVENUE	85.693.876	800.000	0	7.842.047	94.335.923	
R8	Sale of investment goods	200.000	0	0	0	200.000	
R9	Capital transfers	85.493.876	800.000	0	0	86.293.876	
R91	Public administrations	53.850.000	800.000	0	0	54.650.000	
R911	Central government - State	53.850.000	800.000	0	0	54.650.000	
R912	Central Administration - Other entities	0	0	0	0	0	
R913	Social Security	0	0	0	0	0	
R914	Regional Administration	0	0	0	0	0	
R915	Local government	0	0	0	0	0	
R92	Abroad - EU	31.643.876	0	0	7.842.047	39.485.923	
R93	Other	0	0	0	0	0	
R10	Other capital income	0	0	0	0	0	
	Effective revenue [1]	270.430.759	2.449.415	12.900.665	35.414.246	295.393.755	
	Non-effective revenue [2]	141.411.884	10.451.250	0	92.048.463	233.496.466	
R11	Replacement not deducted from payments	0	36.119	0	0	36.119	
R13	Financial Liabilities	141.411.884	0	0	0	141.411.884	
	Balance from previous year - budget operations				92.048.463	92.048.463	
	Total revenue [3] = [1] + [2]	411.842.643	12.900.665	12.900.665	127.462.709	539.305.352	

2. Expense Budget Adjustments

Un. Euros

Items [1]	Description [2]	Expenses: Initial appropriations [3]	Budget changes: Allocations/Increases [4]	Budget changes: Decreases/ cancellations [5]	Budget changes: Special credits [6]	Corrected appropriations [7]=[3]+[4]-[5]+[6]	Observations [8]
		214.966.400	19.810.883	12.154.744	21.901.290	244.523.829	
D1	Personnel expenses	89.513.987	5.240.910	2.941.555	3.277.384	95.090.726	
D11	Fixed and permanent salaries	58.944.233	2.012.428	2.334.070	2.478.865	61.101.456	
D12	Variable or occasional allowances	4.755.700	791.384	0	0	5.547.084	
D13	Social security	25.814.054	2.437.098	607.485	798.519	28.442.186	
D2	Purchase of goods and services	72.943.397	8.935.752	9.207.189	18.603.147	91.275.107	
D3	Interest and other charges	52.509.016	4.797.334	6.000	0	57.300.350	
D6	Other current expenditure	0	836.887	0	20.759	857.646	
		196.876.243	106.944.402	22.552.078	13.512.956	294.781.523	
D7	Investment	196.876.243	106.944.402	22.552.078	13.512.956	294.781.523	
	Actual expenditure [4]	411.842.643	126.755.285	34.706.822	35.414.246	539.305.352	
	Non-effective expenditure [5]	0	0	0	0	0	
D11	Expenditure on Financial Liabilities	0	0	0	0	0	
	Total expenditure [6] = [4] + [5]	411.842.643	126.755.285	34.706.822	35.414.246	539.305.352	
	Total balance [3] - [6]	0	-113.854.620	-21.806.157	92.048.463	0	
	Overall balance [1] - [4]	-141.411.884	-124.305.870	-21.806.157	0	-243.911.597	
	Primary expenditure	359.333.627	121.957.951	34.700.822	35.414.246	482.005.002	
	Current balance	-30.229.517	-18.161.468	745.921	5.670.909	-43.465.997	
	Capital balance	-111.182.367	-106.144.402	-22.552.078	-5.670.909	-200.445.600	
	Primary balance	-88.902.868	-119.508.536	-21.800.157	0	-186.611.247	

3. Adjustments to the Multiannual Investment Plan

Objective	Project number	Project name	Budget heading	Dates		Payments							Modification (+/-)
						2023		Subsequent periods					
				Start	End	Annual allocation	Corrected allocation	2023	2024	2025	2026	Others	
[1]	[2]	[3]		[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]=[7]-[6]
	1	Network remodeling	D.6				807.646	807.644					807.646
	1	Network remodeling	D.7			17.558.621	14.470.305	5.742.149	20.883.103				-3.088.316
	2	Network expansion	D.2	2020	2024		650	650					650
	2	Network expansion	D.7	2020	2024	71.656.203	80.611.238	78.367.220	97.390.414	101.195.537	64.661.544		8.955.035
	3	Modernization and CBTC	D.7	2020	2027	27.801.018	21.353.819	1.843.024	30.552.425	35.712.783	11.532.926	21.521.292	-6.447.199
	4	Others	D.7			27.989.707	35.083.634	9.288.307	51.660.000				7.093.927
	5	S. Sebastião/Alcântara Expansion	D.2	2021	2026	0	1.000.000	10.381					1.000.000
	5	S. Sebastião/Alcântara Expansion	D.7	2021	2026	44.212.688	43.212.688	471.406	71.357.822	133.169.381	202.770.235		-1.000.000
	6	Odivelas/Loures Surface Light Metro	D.2/D.6	2021	2026		1.050.000	490.191					1.050.000
	6	Odivelas/Loures Surface Light Metro	D.7	2021	2026	7.658.006	6.608.006	13.470	11.128.484	173.426.419	218.286.213		-1.050.000
					Total	196.876.243	204.197.986	97.034.441	282.972.248	443.504.120	497.250.917	21.521.292	7.321.743

4. Treasury Operations

Account code	Name	Opening balance	Receipts	Payments	Final balance
REVENUE		**70.202.815**	**1.335.363**	**0**	**71.538.178**
R.17	Extra-budgetary operations	70.202.815	1.335.363	0	71.538.178
R.17.02	Other treasury operations	70.202.815	1.335.363	0	71.538.178
R.17.02.00.00.00	Treasury operations	70.202.815	1.335.363		71.538.178
EXPENDITURE		**0**	**0**	**21.004**	**-21.004**
D.12	Extra-budgetary operations	0	0	21.004	-21.004
D.12.02.00	Other treasury operations	0	0	21.004	-21.004
D.12.02.00.00.00	Treasury operations	0	0	21.004	-21.004
	Total	70.202.815	1.335.363	21.004	71.517.174

5. Administrative Contracting

5.1 Status of contracts

ND

5.2 Awards by type of procedure

ND

6. Transfers and Subsidies

6.1 - Transfers and subsidies - expenditure

Type of expenditure	Legal provisions (1)	Purpose (2)	Beneficiary (3)	Budgeted expenditure (4)	Authorized expenditure (5)	Expenses paid (6)	Committed and unpaid expenses (7) = (5) - (6)	Return of transfers/subsidies during the year (8)	Observations (9)
Current transfers									
							0		
Total current transfers	-	-	-	0	0	0	0	0	-
Capital transfers									
							0		
Total capital transfers	-	-	-	0	0	0	0	0	-
Subsidies									
							0		
Total subsidies	-	-	-	0	0	0	0	0	-

6.2 - Transfers and subsidies - revenue

Type of revenue	Legal provisions (1)	Purpose (2)	Financing body (3)	Expected revenue (4)	Revenue received (5)	Revenue expected but not received (6) = (4) - (5)	Return of transfers/subsidies during the year (7)	Observations (8)
Current transfers								
Compensation payments	RCM no. 116/2023	Award of compensatory allowances under the 4_18/Sub_23 and Social + passes	SGMA - Secretary General of the Ministry of the Environment	4.128.058	3.963.263	164.795	0	
Red Line Expansion	RCM nº 143/2022	S. Sebastião/ Alcantâra Expansion	RRP - Recovery and Resilience Plan	481.787	481.787	0	0	
Violet Line Construction	RCM no. 155/2023	Odivelas/Loures Expansion	RRP - Recovery and Resilience Plan	503.662	503.662	0	0	
Total current transfers	-	-	-	**5.113.507**	**4.948.712**	**164.795**	0	-
Capital transfers								
Circle line expansion	RCM no. 89/2023	Rato/Cais do Sodré Expansion	POSEUR - Agência para o Desenvolvimento e Coesão, IP	31.643.876	39.125.922	-7.482.046	0	Increase in the initial % of funding for expenditure implemented
Circle line expansion	RCM no. 89/2023	Rato/Cais do Sodré Expansion	FA - Environmental Fund	53.850.000	53.850.000	0	0	
Network Remodelling Support	INFORMATION NO. 41452/2023	Network remodelling	SGMA - Secretary General of the Ministry of the Environment	800.000	800.000	0	0	
Total capital transfers	-	-	-	**86.293.876**	**93.775.922**	**-7.482.046**	0	-
Subsidies								
						0		
Total subsidies	-	-	-	0	0	0	0	-

Opinion of the Supervisory Board on the Individual and Consolidated Accounts

OPINION OF THE SUPERVISORY BOARD

METROPOLITANO DE LISBOA, E.P.E.

CONSOLIDATED MANAGEMENT REPORT AND INDIVIDUAL AND CONSOLIDATED ACCOUNTS FOR 2023

1. FRAMEWORK

Metropolitano de Lisboa, E.P.E. (ML) is a public business entity with legal personality, administrative, financial and patrimonial autonomy, governed by its Statutes[1] and by the Legal Framework of the Public Business Sector (RJSPE)[2]. Its main purpose is to provide activities and services in public subway passenger transport in the city of Lisbon and the neighbouring municipalities of Greater Lisbon, under the terms of the concession contract signed with the Portuguese State on March 23, 2015.

In compliance with the legal and statutory provisions in force, in particular the Commercial Companies Code (CSC)[3] and ML's Articles of Association, the Supervisory Board (SB) is responsible for overseeing management and compliance with the rules governing ML's activity, as well as issuing an opinion on the Consolidated Management Report[4] , the individual and consolidated financial statements of ML ("ML Group") and the proposed appropriation of profits, for the year ending December 31, 2023 [5]) and the proposal for the appropriation of profits for the financial year ending December 31st, 2023[6] , taking into account the respective Statutory Audit Certificates (CLC) issued by the Chartered accountant[7] , the Audit Reports issued by the External Auditor[8] and the corresponding Additional Reports .[9]

[1] Approved by Decree-Law no. 148-A/2009, of June 26.

[2] This law establishes the principles and rules applicable to the public business sector and was approved by Decree-Law 133/2013, of October 3, in its current wording.

[3] Article 60(2) of the RJSPE establishes that the supervisory bodies have the generic powers laid down in commercial law, without prejudice to the provisions of the aforementioned Decree-Law.

[4] Submitted under the terms of article 508-C, no. 6, of the CSC.

[5] The consolidated accounts include, using the full consolidation method, the companies Metropolitano de Lisboa, E.P.E., Ferconsult - Consultoria, Estudos e Projetos de Engenharia de Transportes, S.A. (Ferconsult), Metrocom, S.A. Exploração Espaços Comerciais, S.A., TREM - Aluguer Material Circulante, A.C.E. and TREM II - Aluguer Material Circulante, A.C.E. - Exploração de Espaços Comerciais, S.A., TREM - Aluguer de Material Circulante, A.C.E. and TREM II - Aluguer de Material Circulante, A.C.E. Investments in joint ventures and associates (Ensitrans - Engenharia e Sistemas de Transporte, A.E.I.E. and Publimetro - Publicidade em Meios de Transporte e Outros, S.A.) are included in the consolidated accounts using the equity method.

[6] Documents that were sent to this body for this purpose following their approval by the Board of Directors on June 26, 2024.

[7] João Cipriano & Associados, CAF, Lda, represented by CA Dr. João Amaro Santos Cipriano.

[8] Kreston & Associados, CAF, LDA., represented by Pedro Morais dos Santos.

[9] Pursuant to Article 11 of Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements for statutory audits of public interest entities.

This report and opinion consider the specific regulatory framework applicable to companies in the State Enterprise Sector (SEE), as well as the guidelines provided by the State, as the holder of the statutory capital, on the process of rendering accounts for 2023, through the circular letter from the Directorate-General for Treasury and Finance (DGTF) SAI_DGTF/2024/271, of February 6.

Also considered were the orders of May 12, 2023 and May 15, 2023, respectively, from the Secretaries of State for the Treasury and for Urban Mobility, which approved ML's 2023-2025 Activities and Budget Plan (PAO), "...*limited to the year 2023*..."[10].

In this context, and for the purposes of this report and opinion, it is important to highlight the following:

a) For the purposes of the State Budget, ML is a reclassified public entity, under the general regime, thus forming part of the consolidation perimeter of the Public Administration;

b) The individual and consolidated financial statements for 2023, approved by the Board of Directors (BoD) on June 26, 2024, were prepared in accordance with the accounting and financial reporting standards adopted in Portugal, with the application of the Accounting Standardization System (SNC) [11]and the International Financial Reporting Standards (IFRS), respectively, and the non-financial information was prepared in accordance with the guidelines of the Global Reporting Initiative (GRI) Standards;

c) When the consolidated management report and accounts for the 2023 financial year were drawn up and approved by the Board of Directors, the accounting documents for the financial year ending December 31, 2022 had not yet been approved by the Supervisory Authorities, and ML had registered them.

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[10] As part of the process of approving ML's PAO 2023-2025, the Secretary of State for the Treasury issued Order no. 180/2023, of May 12, through which he granted authorizations for: the hiring of up to 73 workers; an increase in personnel expenses up to a total of €91.1M; and an increase in travel, subsistence and accommodation expenses, those associated with the carriage fleet and the expenses of contracting studies, opinions, projects and consultancy (up to 264.2 thousand euros).

[11] Approved by Decree-Law 158/2009, of July 13, in its current wording. ML is not obliged to apply the Accounting Standardization System for Public Administrations (SNC-AP), since, in accordance with the provisions of Article 3(3) of Decree-Law no. 192/2015, of September 11, in its current wording, the financial accounting subsystem of the SNC-AP is not required. 192/2015, of September 11, in its current wording, the financial accounting subsystem of the SNC-AP does not apply to reclassified public entities (RPE) supervised by the Securities Market Commission (CMVM), without prejudice to compliance with the provisions relating to the Central Chart of Accounts for Accounting and Public Accounts, given the provisions of article 28 of the Decree-Law on Budget Execution. This is in accordance with Article 28 of the Budget Execution Decree-Law for 2023 (approved by Decree-Law no. 10/2023 of February 8), and budget accounting, as set out in Public Accounting Standard (NCP) 26 - Budget Accounting and Reporting.

the financial statements and the proposal for the appropriation of profits would be approved without significant changes;

d) By Order of the Secretaries of State for the Treasury and Urban Mobility of June 22, 2023, ML's individual and consolidated financial statements for the financial year 2021 were approved, with some recommendations[12], considering the reservations and emphases expressed in the legal certification of the accounts and in the external auditors' reports, as well as the opinion of the Audit Committee.

2. ACTIVITIES CARRIED OUT BY THE SUPERVISORY BOARD

The SB, appointed on October 25, 2023[13]monitored, within the scope of its powers, ML's activity at the end of the year, as well as the subsequent procedures for closing and auditing the accounts.

In 2023, the following activities were carried out by the SB:

a) Analysis of the proposed PAO for 2024, including the Multi-annual Investment Plan and respective sources of funding for the period 2024-2026, with the issue of the respective opinion;
b) Consultation of the minutes of BoD meetings;
c) Consultation of monthly Human Capital Indicator Reports;
d) Five meetings were held.

[12] It is recommended that the Board of Directors take steps to:

- Implement a system that allows budget statements to be obtained and validated automatically, in line with the Accounting Standardization System for Public Administrations, along with compliance with the accounting rules applicable to the recognition and measurement of transactions and other events inherent to budget accounting;
- Disclose, in accordance with NCP 26 - Accounting and Budgetary Reporting of the Accounting Standardization System for Public Administrations, in the Annex to the budget statements for the 2022 financial year, information on administrative contracting, specifically the status of contracts and awards by type of procedure, and on Transfers and subsidies of expenditure and revenue.

[13] The SB was appointed for the 2023-2025 term by Order of the then Secretaries of State for the Treasury and for Urban Mobility, on 11/10/2023 and 25/10/2023 respectively. The previous SB remained in office until the current SB was appointed.

In 2024, and with a special focus on the procedures for closing and reviewing the 2023 accounts, the following activities should be highlighted:

a) Preparation of the SB's quarterly implementation monitoring reports for the 2nd and 3rd quarters of 2023 (the report for the first quarter was prepared by the previous SB);

b) Accompanying the legal review and external audit of the individual and consolidated annual accounts, through various contacts and meetings, in which all the clarifications deemed necessary were obtained;

c) Appreciation of the additional reports issued by the Chartered accountant and the External Auditors, dated 27/06/2024 and 26/06/2024, respectively, whose contents merit the agreement of this supervisory body;

d) Verification of the independence of the Chartered accountant and the External Auditor;

e) Monitoring the activities of the Internal Audit, Risk and Compliance Office.
Compliance, through contacts and meetings;

f) Consultation of the minutes of BoD meetings;

g) Analysis of the Consolidated Management Report, the individual and consolidated financial statements for 2023 and their annexes, the Corporate Governance Report and the non-financial statements.

In this context, the necessary clarifications to the questions raised were obtained from the Human Capital Department, the Finance Department, the Chartered accountant, the External Auditors and the Board of Directors, in relation to the latter at the meeting to approve the financial statements for 2023, attended by the Board of Directors, the Chartered accountant, the External Auditors and the Board of Directors, in accordance with the provisions of Article 14(4) of ML's Articles of Association.

The SB was able to count on the total availability of the Board of Directors, the Chartered accountant, the External Auditors, the head of the Finance Department, as well as most of the ML employees it had to contact to carry out its duties, for which it is very grateful.

3. CONSOLIDATED MANAGEMENT REPORT AND ECONOMIC AND FINANCIAL SITUATION

The Consolidated Management Report adequately reflects the activity of ML and the ML Group for the 2023 financial year, and is consistent with the corresponding individual and consolidated financial statements, as expressed in the audit reports for the same financial year. The SB highlights the matters set out in the following points.

3.1. Activity indicators (ML)

In 2023, **demand** for ML grew compared to 2022, reflected in an increase in the number of passengers transported with a paid ticket (+17.9%) and total passengers transported (+21.3%), with an impact on public service revenue (+21.75%). Although in 2023 ML exceeded the demand of 2022, it has not yet reached the demand seen in 2019 (pre-pandemic COVID-19), with a decrease of 11.4% in the number of paying passengers and 9.8% in total passengers.

At the end of 2023, and compared to the previous year, there was a general increase in **supply** (+1005 cars*Km; +3.6%), in response to the increase in demand, with the Blue Line standing out the most (+654 cars*Km; +7.3%).

3.2. Financial statements (ML)

ML closed the 2023 financial year with a **net loss** of 24 million euros (M€), representing a 2.9M€ increase in the profit for the year compared to the previous year.

The **Operating Result** recorded in 2023 was a negative 22.9M€, corresponding to an unfavourable evolution of 22.0M€ compared to 2022, following the decrease in income (-9.0M€) and the increase in expenses (+12.9M€).

Operating Revenues include an increase in turnover of around €22.0m compared to 2022, showing a recovery to levels close to those recorded in 2019, mainly through an increase in public service revenue of around €21.8m (due to greater demand and price updates for some occasional tickets). On the other hand, there was a €10.1m decrease in operating subsidies (in 2022 €9.1m was received on account of PART COVID and in 2023 this subsidy did not materialize) and a €17.7m decrease in the Fair Value of financial instruments. In terms of **operating expenses**, we would highlight the increase in personnel expenses of around €12.5m compared to 2022, because of new hires, salary updates and pension liabilities (as mentioned in detail in a specific chapter below). Supplies and services increased by €0.7m, despite the €2.1m decrease due to the end of the TREM II operating lease and the €1m decrease in specialized work.

In 2023, financial expenses amounted to around €1.1m. This was due to interest incurred on financing from the DGTF, representing a decrease of 19.1M€ compared to the previous year (in 2022, 18.9M€ of interest was recorded on swaps contracts).[14]

On December 31, 2023, the **equity position** improved compared to 2022, essentially due to increases in Share Capital (+€57.5m), given that the company continues to generate losses. In this context, the negative variation of €30.8m recorded under "Adjustments/other changes in equity" is noteworthy, essentially due to the recognition of €2.3m of the subsidy awarded by the Environmental Fund for the *"Modernization of signalling systems - 1st phase"* project and €27.4m of actuarial losses on post-employment benefit liabilities.

The increase in total **assets** was essentially due to additions to non-current assets, especially those related to the Circle Line project (+79.5M€).

On December 31, 2023, ML's Interest-bearing **Liabilities** stood at 3,302.3 M€, representing a reduction of 0.3% (-9.0M€) compared to the end of 2022, and it should be noted that Treasury loans amount to 63.4% of the total (63.3% on December 31, 2022).

From a **financial flow perspective**, the cash balance increased by 22.7 million euros compared to 2022. This evolution is explained by the positive balance of financing activities (€14.1 million), with the value of capital increases and Obtained Financing (although overall lower than in 2022), and by the fact that Investment activity generates a positive cash flow of €0.4 million, essentially due to the increase in receipts from investment subsidies (+€23.5 million compared to 2022). In the opposite direction, there was an unfavourable evolution compared to 2022 (-2.9M€) in the cash balance from operating activities, mainly because the increase in receipts from customers (+17.8M€) did not offset the increase in payments to personnel (8.3M€) and the non-receipt, in 2023*, of the "support for the replacement of the public transport offer"* (20.1M€|2022).

[14] In 2022 the swap underlying the operational lease of TREM II-2 expired.

3.3. Proposed Application of Results (ML)

The proposal for the appropriation of profits presented by the Board of Directors, to transfer the Net Profit for the 2023 financial year to the Retained Earnings account, deserves the agreement of the SB, as it is in line with the applicable legal framework.

3.4. Consolidated financial statements

The consolidated financial statements, reported to December 31, 2023, reflect the financial position of the group of companies included in the consolidation (ML Group), the consolidated net income and comprehensive income of its operations, the changes in consolidated equity and the consolidated Cash Flows.

Given ML's very significant weight in the ML Group as a whole, there are no significant differences between the individual and consolidated accounts, which show total assets of €5.9 million, total liabilities of €4 million and equity of €1.9 million.

Consolidated net profit in 2023 amounted to -24M€, lower than in 2022 (-21.1M€). At the end of 2023, there will be a significant worsening of the Operating Result by -22M€ (-22.9M€ in 2023 and -0.9M€ in 2022).

3.5. Other matters

After December 31, 2023, more specifically on March 27, 2024, an **addendum was signed to the "Public Passenger Transport Service Concession Contract",** dated March 23, 2015, which provides for the extension of the duration of the public service contract until July 1, 2030 and the modification of the clauses in matters requiring treatment or updating, namely the concessionaire's remuneration model and the financial regime of the Railway Infrastructures, defined in the annex to Decree-Law no. 175/2014, of December 5. This addition is in the process of prior inspection by the Court of Auditors, after obtaining a favourable opinion from the regulator.

BoD admits as materially relevant the changes in ML's and the ML Group's (future) financial statements associated with the recognition and measurement of concession assets, as well as those arising from the fulfilment of public service obligations set out in the aforementioned addendum[15].

[15] On this subject, BoD mentions, under *"Subsequent Events",* that if the Court of Auditors concludes with a favourable decision on the Amendment to the Concession Contract, it will present in its financial statements the necessary changes to the classification, recognition and measurement of the concession assets, as well as any other consequences arising from compliance with the terms and conditions set out therein, the effects of which cannot be estimated at the date of issue of ML's consolidated report for 2023.

Notwithstanding this understanding, and given that half of ML's Share Capital has been lost, the SB warns of the need for the State to continue to ensure ML's financing, as well as the need for the Board of Directors to adopt measures to improve the company's Operating Result.

4. LEGAL CERTIFICATION OF THE ACCOUNTS AND OPINION OF THE EXTERNAL AUDITORS

In the CLC issued by the Chartered accountant[16] on June 27, 2024, and in the Audit Reports issued by the external auditors[17] on June 26, 2024, the reservations and emphases deemed appropriate were expressed, documents which generally deserve the agreement of the SB and are considered here as reproduced.

Both CLCs on the individual and consolidated financial statements express an opinion with 3 reservations.

The reservations are recurrent and relate to situations whose resolution does not depend exclusively on ML:

a) The financial statements as of December 31, 2023 continue to show no changes in the classification, recognition and measurement of the concession assets, as well as other effects arising from the concession contract signed with the Portuguese State on March 23, 2015.

b) The terms and conditions governing the relationship between the Portuguese State and ML regarding the ownership and use of LTI remain unresolved, and it is not possible to conclude on the adequacy of the accounting policy adopted regarding the management of LTI investment activities, as well as its effects on the 2023 financial statements;

c) The balance sheet includes in current assets, on December 31, 2023, the amount of €29.7 million relating to works carried out by ML on behalf of entities in the state business sector, for which, to date, the amounts to be invoiced and the respective payment terms have either not been formalized or have been insufficiently binding.

[16] In compliance with paragraphs 2 and 3 of article 451 of the CSC.
[17] In compliance with article 45(2) of the RJSPE.

The CLCs and the Audit Reports coincide in terms of the matters subject to reservation.

On matters a) and b), the Board of Directors believes that the "Addendum" to the concession contract, signed on March 27, 2024, will clarify the terms and conditions governing the relationship between the Portuguese State and ML, as well as creating the conditions for the necessary accounting policies to be established.

In relation to the situation of consecutive annual losses, both the Chartered accountant and the external auditors state that the company's continuity of operations is not in question, highlighting it as an emphasis (Chartered accountant) or other relevant matters (external auditors).

5. COMPLIANCE WITH LEGAL PROVISIONS[18] AND SHAREHOLDER GUIDELINES[19]

With relevance to this point, it should be noted that ML's 2023 PAO has been approved and that, in this context, the authorizations indicated in point 1 of this opinion have been granted. Against this backdrop and considering the clarifications provided and the information contained in point VII of the Consolidated Management Report, the following should be highlighted:

a) Management Objectives and Budget Execution for 2023

No **management objectives** have been set for 2023, in accordance with article 38 of the RJSPE, which makes it impossible to assess the performance and results achieved by the BoD, in compliance with the provisions of the Public Manager's Statute and Ordinance no. 317-A/2021, of December 23.

The Consolidated Management Report shows the degree of **budget execution** of various indicators, namely operational efficiency, Investment and indebtedness, as well as the budget uploaded to the State Budget System, justifying the main deviations.

[18] In particular, the rules contained in Law no. 24-D/2022, of December 30, which approved the State Budget Law for 2023, and in Decree-Law no. 10/2023, of February 8, which established the rules for implementing the Budget for 2023.

[19] Through the aforementioned circular letter on the 2023 accountability process.

In this context, it should be noted that the Operating Result (corrected)[20] executed in 2023 (-24.3M€) represents a favourable deviation of 15.9M€ compared to the budget (-40.2M€).

It should also be noted that **Investment** made (gross fixed capital formation), totalling €90.1M (€84.2M in LTI and €5.8M in ML investment), represents an execution rate of 42.8% compared to the forecast (€210.5M), with the "*São Sebastião/Alcântara Extension*" and "*Rato/Cais do Sodré Extension*" projects recording execution rates of -99.1% and 108.9%, respectively.

Meanwhile, projects related to the “Surface Light Rail for Loures/Odivelas,” the acquisition of a “Grinding Machine,” the “Modernization of the Blue, Yellow, and Green Lines (CBTC),” and the “National Accessibility Plan” recorded execution rates lower than projected in the Annual Operational Plan, at around -€9.1 million (-99.4%), -€5.6 million (-100%), -€5.1 million (-88%), and -€4.8 million (-80.9%), respectively. The company explained that this shortfall was due to post-pandemic market conditions and the adverse impacts of the war in Ukraine, specifically the shortage of raw materials, the general increase in prices, and delays in initiating and contracting procedures.

Of the investment made in 2023, around 52.5%, 41.7%, 5.2% and 0.6% was financed respectively by the State Budget, European Funds, own revenue and the Recovery and Resilience Plan (RRP). It is worth noting the low level of Investment made using RRP funding (€0.5 million) compared to the budgeted amount (€66.2 million).

b) Operational efficiency[21]

In 2023, the weight of operating expenses[22] on turnover (99.9%) showed a favourable deviation of 0.9 p.p. compared to what was budgeted and approved for 2023 (100.8%),

[20] Adjusted Operating Result (individual accounts) corresponds to Operating Result net of provisions, impairments and fair value adjustments.

[21] Measured by the GO/turnover ratio. When calculating this ratio, revenues and expenses that are justifiably related to exceptional factors (COVID-19 pandemic, increase in fuel prices, among others) may be excluded.

[22] The operating expenses, for the purposes of measuring operational efficiency, correspond to the cost of goods sold and materials consumed, Supplies and External Services and personnel expenses, minus exceptional expenses and/or expenses that distort comparability.

essentially because the turnover forecast for 2023 is 131.3M€, which compares with 133.2M€[23] of realized turnover.

When calculating this ratio, it should be noted that expenses incurred on an exceptional basis and/or which distort its comparability were excluded, specifically expenses resulting from the increase in energy prices (€4.9m) and the integration of Ferconsult, S.A. employees.[24] (2,2M€).

Considering the terms and authorizations granted as part of the approval process for the PAO 2023, it should be noted that expenditure on travel, subsistence, accommodation, the carriage fleet, and the contracting of studies, opinions, projects and consultancy, amounting to €2.0M, was within the approved limit for the period (€3.5M).

c) Evolution of human resources and personnel expenses

On December 31, 2023, ML had a total of 1,575[25] employees, which corresponds to a net increase of 6 employees compared to the same period in 2022 (1,569[26]). At the end of 2023, the workforce was well below the 1,709 employees authorized for the same period (-134 employees).

Despite the -7.8% deviation in the workforce compared to what was budgeted and authorized for 2023[27] it should be noted that personnel expenses amounted to 99.3M€, i.e. +8.2M€ compared to the budget for the period (an increase of 9.0%), exceeding the authorized limit (91.1M€) under the approval of the 2023 PAO.

According to the company, this deviation of €8.2M compared to what was approved in the PAO is essentially justified by the effects arising from: i) Orders from the members of the Government responsible for Finance, of December 15, 2022 and May 12, 2023, as part of the implementation of the *"Medium-Term Agreement for the Improvement of Incomes, Wages and*

[23] In 2023, the TO includes fare revenue of 125.4M€ (tickets and passes, PART (AML), 4_18 Financial Compensation, U23 and Social+, former combatants, Lisbon City Council gratuity and World Youth Day - WYD) and non-fare revenue of 7.8M€ (sale and personalization of cards, commercial spaces, leasing of spaces and sub-concessions).

[24] The integration, with effect from December 2020, was authorized by Order no. 602/2020-SET, of October 8.

[25] Not considering the governing bodies (4 members of the Board of Directors and 3 members of the Supervisory Board).

[26] Not considering the governing bodies (6).

[27] With an impact of -0.7M€ on personnel expenses compared to the budgeted amount.

Competitiveness"[28] (+2.3M€); [29]ii) Order no. 294/2023-SET, of July 13, by the Secretary of State for the Treasury, relating to the WYD event, as detailed below (+1.2M); iii) Pension liabilities (+2.8M€); and iv) Absenteeism (+1.3M€).

d) Order no. 294/2023-SET, of July 13 (World Youth Day)

By order of the Secretary of State for the Treasury no. 294/2023, of July 13, authorization was given for additional exceptional and non-permanent Operational Expenses, namely those related to the wage bill directly affected by the event and the expenses of Supplies and External Services, provided that, among other conditions, this expense was covered by the increase in revenue.

The additional operating expenses associated with the WYD amounted to 1.5M€ (corresponding to 0.3M€ in Supplies and External Services and 1.2M€ in Personnel Expenses) and were covered by the operating revenue generated by the event (3M€). According to the information provided by the company, this expenditure is exceptional and not permanent, and will be exhausted when the event is over.

In view of the above, the SB is of the opinion that ML has complied with the provisions of Order no. 294/2023-SET, of July 13.

e) Public Manager's Statute (EGP)[30]

To the best of the SB's knowledge, ML complied with the provisions of the EGP regarding not allowing the reimbursement of personal representation expenses, not allowing the use of means of payment for expenses in the company's service, the limit on communications expenses and the limit set for fuel and tolls (set at ¼ of the value of representation expenses).

[28] These Orders set out the guidelines for public companies to update their wage bill up to a limit of +6.1% compared to 2022, and the respective terms and conditions.

[29] As part of the pay rises for employees of state-owned companies, agreements were signed in 2023 and the collective bargaining process concluded, updating the salary scales (and clauses indexed to them) by 3%. This update of the salary scales and the respective impact on overtime work and other remuneration components resulted in a 6.08% increase in the wage bill compared to 2022.

[30] Decree-Law no. 71/2007, of March 27, in its current wording.

f) Limits to debt growth

Debt increased by 0.93% compared to December 31, 2022, due to the application of the calculation formula contained in the guidelines issued by the DGTF, which constitutes non-compliance with the 0.25% reduction budgeted and approved under the 2023 PAO. It should be noted that the budgeted decrease was based (among other things) on the conversion of LTI debt (DGTF loans) into state assets (99.4M€) and the conversion of Current Liabilities into capital (40.9M€), which did not occur.

g) Principle of State Treasury Unity (UTE)

By Order of 28/04/2022 from the Treasury and Public Debt Management Agency - IGCP, E.P.E., ML was exempted from complying with the UTE principle in the 2022/2023 biennium, exclusively for amounts: i) collected by a cash-in-transit company; ii) relating to bank guarantees that cannot be replaced by escrow deposits;
iii) inherent to the custody of securities; iv) leasing and factoring contracts, and v) for the purchase of foreign currency.

At the end of the period, ML had 80% of its balances centralized with IGCP, with the remaining 20% deposited with commercial banks exempt from UTE (as mentioned above).

h) Public procurement

In the Consolidated Management Report, ML, as the contracting authority, explains that it has applied the Public Contracts Code[31], and that it has complied with all the rules and regulations on public procurement.

In this context, the SB points out that the contracts signed in 2023 and published on the Basic Public Contracts Portal[32] totalled 102 contractual procedures, with an overall contract price of 445.5 M€. The type of procedure with the most significant contract price is the open tender (365.4 M€; 82% of the total; 37 procedures), followed by prior consultation (70.8 M€; 15.9% of the total[33]; 26 procedures) and, finally, direct award **(8.9 M€; 2% of the total; 34 procedures),**

[31] Approved by Decree-Law no. 18/2008, of January 29, in its current wording.
[32] Survey carried out on 02/06/2024
[33] This amount essentially refers to the contract for the design and construction of finishes and systems as part of the implementation of the expansion plan - extension of the Yellow and Green lines - Rato-Cais do Sodré extension -

of which 7.7 M€ (18 procedures) by material criteria (urgency and technical reasons/exclusivity). Analysis of the published data also shows that:

- *"Construction of buildings related to rail transport"* (€321.9 million; 72% of the total) is the most important type of contract, including ML's *"Design and Construction Contract for the Extension of the Red Line between São Sebastião and Alcântara"* (public tender procedure, subject to prior approval by the Court of Auditors);
- 59 direct award procedures and prior consultations (79.7 M€) were published on the Base Portal before the payment date or contract closing date. In the same period, notices of 56 public tenders were published in the 2nd Series of the Official Gazette, with a total base price of 123.2 M€.

i) Average Payment Period (APP) and Overdue Payments

According to the data released by the company, reported on December 31, 2023, the average payment period was 19 days (-2 days compared to 21 days in 2022) and arrears (debts unpaid for more than 90 days) were 202.4 thousand euros (an increase compared to 122.8 thousand euros in 2022).

j) Regulatory Compliance Program

In compliance with the General Corruption Prevention Regime, approved by Decree-Law 109-E/2021 of December 9, ML has a Regulatory Compliance Program and makes all the required information available on its website, including the Corruption and Related Offenses Risk Management Plan and the 2023 interim and annual assessment reports.

k) Disclosure of information

To the best of the SB's knowledge, ML has complied with its obligations to disclose information on its website and on the ESS website.

The 2023 Consolidated Report includes the information required for the non-financial statements, as set out in Article 66-B(2) of the CSC.

Metropolitano de Lisboa (Lot 4), with a contract price of 69.9 M€ and whose contract was approved by the Court of Auditors.

l) Shareholder recommendations/Budget statements

The SNC-AP is only applicable to ML in terms of compliance with the legal requirements relating to budget accounting and the use of the multidimensional chart of accounts, for the purposes of integrating information into the Central Accounting and Public Accounts System. Within this framework, ML presented the budget statements for the 2023 financial year, attached to the Consolidated Management Report, the process and disclosure of which still needs to be improved.

In the Order of June 22, 2023, issued by the Secretaries of State for the Treasury and Urban Mobility, which approved ML's 2021 financial statements (including the consolidated financial statements), BoD was recommended to develop certain technical functionalities necessary to comply with the legal requirements in terms of budget accounting and the disclosure of elements relating to administrative contracting (see point 1. of this report). According to information provided by ML, the technical conditions are not in place to fully comply with these recommendations, but efforts are being made to do so.

6. CORPORATE GOVERNANCE REPORT (RGS)

In compliance with article 54 of the RJSPE, ML presented the RGS 2023, which generally follows the structure previously defined by the Technical Unit for Accompanying and Monitoring the Public Business Sector (UTAM).

Taking into account the SB's analysis of the content of the RGS 2023, including the respective annexes and the opinion expressed by the CA in the CLCs in this area, the SB is of the opinion that ML's RGS 2023, approved at the Board meeting of June 26, 2024, includes information on the matters regulated in Chapter II of the RJSPE and generally reflects compliance with the applicable legal provisions and compliance with the guidelines in force.

Accordingly, and in compliance with Article 420(5) of the CSC, we are of the opinion that the RGS 2023 includes the elements required of ML, under the terms of Article 29-H of the Securities Code, in its current wording, and the other legal provisions applicable to it.

7. OPINION

In view of the above and taking into account the Legal Certification of Accounts and the External Auditor's Reports, the Supervisory Board considers that the Consolidated Management Report and ML's individual and consolidated Financial Statements clearly and rigorously show the evolution of the company's activity during the year and truthfully and appropriately reflect its economic and financial situation as at December 31, 2023, and that the Corporate Governance Report presented contains current and complete information on all the matters provided for in Chapter II of the RJSPE and Article 29-H of the Securities Code.

In view of the above, and in compliance with the provisions of Article 420(6) of the Companies Code, the Supervisory Board is of the opinion that it is/m:

a) Approval of ML's Consolidated Report and Individual and Consolidated Financial Statements, and respective annexes, for the financial year 2023, considering the reservations and emphasis expressed in the corresponding Legal Reserves, as well as the Corporate Governance Report for that financial year;

b) Approval was given to the proposal presented by the Board of Directors for the appropriation of Net Profits for the year ending December 31, 2023, in the negative amount of €23,999,579.38 (twenty-three million, nine hundred and ninety-nine thousand, five hundred and seventy-nine euros and thirty-eight cents), to transfer this amount in full to the Retained Earnings account.

Lisbon, June 27, 2024.

The Supervisory Board

Chairman	Effective member	Effective member
(José Henrique Rodrigues Polaco)	(Margarida Carla Campos Freitas Taborda)	(Maria Teresa de Figueiredo Ferreira Alves Carvalho)

Legal Certification of Individual and Consolidated Accounts

João Cipriano & Associado, SROC, Lda.
Registered with OROC under No. 119
Registered with CMVM under No. 20161438

João Amaro Santos Cipriano – Statutory Auditor (ROC) No. 631 - CMVM Registration No. 20160277
Andreia Sofia Sena Barreira – Statutory Auditor (ROC) No. 1739 – CMVM Registration No. 20161349

LEGAL CERTIFICATION OF ACCOUNTS

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified Opinion

We have audited the attached financial statements of ML - Metropolitano de Lisboa, E.P.E. (the Entity or ML), which include the balance sheet as of 31 December 2023 (showing a total of €5,903,194,890 and total equity of €1,947,318,717, including a net negative result of €23,999,579), the statement of comprehensive income by nature, the statement of changes in equity, the statement of cash flows for the year ended on that date, and the notes to the financial statements, which include a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters outlined in the “Basis for the Qualified Opinion” section, the attached financial statements give a true and fair view, in all material respects, of the financial position of ML - Metropolitano de Lisboa, E.P.E. as of 31 December 2023 and of its financial performance and cash flows for the year ended on that date, in accordance with the Accounting and Financial Reporting Standards adopted in Portugal through the Accounting Standardization System.

Basis for the Qualified Opinion

1. Following the "update and unification of the general legal framework for the public service concession granted to ML" via Decree-Law No. 175/2014 of 5 December, the Portuguese State entered into a public service concession agreement with ML on 23 March 2015 for metropolitan passenger transport in Greater Lisbon, set to expire on 1 July 2024. This contract includes the rights and obligations inherent to this public service provision, as well as all assets associated with the concession, particularly those on the Entity’s balance sheet as of 31 December 2014, categorized as concession assets. As noted in Note 37 of the Annex, an “Addendum” to the concession agreement was subsequently signed between the Portuguese State and ML on 27 March 2024; however, as of this date, it has yet to receive approval from the Court of Auditors to take effect. The financial statements as of 31 December 2023 have not been adjusted regarding the classification, recognition, and measurement of these assets, nor have other potential impacts of the concession agreement been reflected. We were unable to obtain sufficient information to conclude on the effects of these matters on the financial statements as of 31 December 2023. The enforcement of the “Addendum” signed on 27 March 2024 will allow for the necessary accounting policies to be established.

2. As disclosed in Notes 4.2 and 5 of the annex, the Government, under Decree-Law No. 196/80 of June 20, assumed the principle that it is the responsibility of the Portuguese State to finance the long-term infrastructure (“LTI”) of ML, which, in accordance with its statutes, is responsible for managing the public domain assets allocated to its activities. Despite the signing of a public service concession agreement between the Portuguese State and ML on March 23, 2015, for metro passenger transport in Greater Lisbon, the terms and conditions governing the relationship between the parties regarding the ownership and use of the LTI remain undefined. As a result, ML continues to record all flows related to the LTI under balance sheet items designated as "Long-Term Infrastructure Investments," presented in both assets and liabilities. As of December 31, 2023, non-current assets include a total of €5,426,679,188, broken

down as follows: (i) receivables from the State (€3,226,923,229), (ii) derivatives measured at fair value in other financial assets (€2,957,885), and (iii) tangible assets, intangible assets, or investment properties, totalling €2,196,798,074, representing costs incurred for the construction, management, and financing of the LTI (net of grants received). Liabilities include financing, derivatives measured at fair value, provisions, and other payables related to the LTI, amounting to €2,770,554,879, of which €1,136,616,704 is classified as non-current. It is also noteworthy that, due to the aforementioned contractual omission, the tangible and intangible fixed assets classified as LTI are not being depreciated or amortized, respectively. Consequently, given the contractual uncertainty that persists in this matter, we are unable to conclude on the appropriateness of the accounting policy adopted by ML concerning the management of long-term infrastructure investment activities, as well as its effects on the financial statements under review. The implementation of the "Addendum" to the concession agreement, signed on March 27, 2024, will establish the conditions necessary for the definition of the required accounting policies.

3. As disclosed in note 15 of the Annex, the balance sheet includes, as of 31 December 2023, an item labelled "Deferred assets - work for third parties," amounting to €29,686,056, net of impairment losses, related to past projects undertaken by ML on behalf of State-owned entities, where the amounts to be billed and respective payment terms either remain undefined or lack sufficiently binding formalization to date. Consequently, we are unable to conclude on the timing of realization and the proper measurement of these assets.

Our audit was conducted in accordance with International Standards on Auditing (ISA) and other technical and ethical standards and guidelines from the Order of Statutory Auditors (OROC). Our responsibilities under these standards are described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section below. We are independent of the Entity in accordance with legal requirements and have complied with other ethical obligations as stipulated by the code of ethics of the Order of Certified Accountants.

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

Emphasis of Matter

ML's operations have been generating consecutive annual losses, with financing essential for continuing operations secured by the Portuguese State through capital injections, subsidies, and loans, the latter subject to successive principal and interest moratoriums since 30 November 2014, resulting in current liabilities significantly exceeding current assets. Given that ML is a Public Corporate Entity (EPE) with public service obligations related to passenger metro transport, we consider the Entity's operational continuity to be assured, although it remains reliant on financial support from the Portuguese State, the national transport sector strategy, and the success of future operations. The fact that the "Addendum" to the concession contract with the Portuguese State, signed on 27 March 2024, has not yet come into effect does not alter our current assessment of the Entity's going concern assumption.

Our opinion is not modified in respect to this matter.

Key Audit Matters

Key audit matters are those which, in our professional judgment, were of most significance in the audit of the current year's financial statements. These matters were considered in the context of the audit of the financial statements as a whole, and in forming our opinion. We do not provide a separate opinion on these matters. In addition to the matters included in the "Basis for Qualified Opinion" section, we identified the following key audit matters:

1. Financial Instruments Derivatives Measurement

ML contracted financial instruments derivatives to hedge the risk of interest rate fluctuations on loans obtained to finance the activity of Long-Term Infrastructure (LTI). These financial instruments are measured at the end of each fiscal year based on valuations provided by the financial institutions with which the instruments were contracted.
As of 31 December 2023, the total amount of financial derivatives reflected in the assets is €2,957,885 (included in the Long-Term Infrastructure Investments category), and the amount reflected in the liabilities is €8,630,067 (included in the Long-Term Infrastructure Investments - Non-Current Liabilities category). Notes 4.2, 4.11, 5, and 5.4 of the Annex provide detailed disclosures on this matter.

Significant Risks of Material Misstatement	**Summary of the Response to Significant Risks of Material Misstatement**
Financial derivatives are measured at fair value, which is determined using valuation techniques that involve estimates, judgments, and assumptions. Given the uncertainty associated with the estimates used and the complexity involved in their valuation, we consider the risk related to the measurement of financial derivatives to be significant.	Our audit procedures included, among others: • Analysis of the methodologies and assumptions considered in determining fair value; • Obtaining and analysing valuations, specifically those conducted by IGCP; and • Assessing whether the corresponding disclosures are adequate.

2. Measurement of Post-Employment Benefit Obligations

The Entity maintains a defined benefit plan for supplementary pensions (old age, disability, and survivor pensions) in addition to those provided by Social Security. ML's obligations related to this plan are determined using the projected unit credit method, with actuarial valuations performed at each reporting date. These valuations adhere to internationally accepted actuarial methods and assumptions to estimate the value of obligations as of the balance sheet date and the pension costs to be recognized for the period.
As of December 31, 2023, ML reports post-employment benefit obligations amounting to €266,801,355. Notes 4.15 and 20 of the Annex provide disclosures regarding this matter.

Risks of Material Misstatement	**Summary of Response to the Most Significant Risks of Material Misstatement**
Given the uncertainty associated with the estimates used for various actuarial assumptions — namely the discount rate, inflation rate, salary and pension growth rates, and mortality tables — as well as the complexity involved in their valuation, we consider the risk associated with the measurement of post-employment benefit	Our audit procedures included, among others: • Analysing the reasonableness of the assumptions and estimates used in the actuarial study conducted by an external expert;

obligations to be significant.	• Validating the accounting records based on the amounts indicated in the actuarial report; • Verifying the competence, independence, and integrity of the hired actuary; and • Assessing whether the corresponding disclosures are adequate.

3. Revenue Recognition and Tariff Compensation

The Entity's revenue is primarily derived from the sale of metropolitan passenger transport tickets and the tariff compensations granted by the State for fulfilling certain public service obligations.

The legislation regulating the financing of the *Programa de Apoio à Redução Tarifária* (PART), as well as the allocation of compensatory indemnities related to the passes "4_18@escola.tp," "sub23@superior.tp," and "Social+," was amended in 2022 to maintain the extraordinary support regime for passenger transport operators performing essential public transport services as defined by transport authorities. These operators' economic situations were affected by the exceptional public health measures adopted during the COVID-19 state of emergency. This extraordinary regime, extended until December 31, 2023, is established in the current version of Decree-Law No. 14-C/2020 of April 7. It stipulates that the payment of these amounts is subject to an evaluation by the Mobility and Transport Authority (*Autoridade da Mobilidade e dos Transportes* - AMT), which may result in the return of funds or account adjustments in subsequent payments.
In 2023, ML recorded sales and services rendered amounting to €133,253,252. Notes 4.16 and 24 of the Annex provide disclosures related to these matters.

Risks of Material Misstatement	**Summary of Response to the Most Significant Risks of Material Misstatement**
Both because of the large number of financial movements, the records in the ticketing system and the competent integration into the accounting system, and because of the materiality of the amounts involved, we consider revenue to be a relevant matter for our audit. In view of the significance of the amounts involved, the complexity of the calculations and inherent judgments, depending on their type and their compliance with regulatory/legislative changes, we believe that compensation/tariff indemnities are a relevant audit matter.	Our audit procedures included, among others: • Survey and analysis of existing procedures and controls in the revenue cycle and ticketing system; • Obtaining documentary support for the fare compensation received and verifying the accuracy of the amounts recorded; • Checking, for a sample of transport tickets, whether the sales recorded in the ML ticketing system matched the TML information system in relation to the breakdown made by TML; • Obtaining external confirmations from transport operators with whom revenue is shared; • Carrying out an analytical review by analysing monthly changes by type of service;

	• Carrying out procedures to validate the cutting of operations; • Inquiries to the management body about the assumptions made in preparing the estimates; • Recalculation of the PART estimates based on the information provided by the TML/AML letters/reports and ML sales/revenue information; and • Assessment of whether the corresponding disclosures are adequate.

4. Recognition and Measurement of Provisions

As at December 31, 2023, ML has provisions amounting to 9,335,001 euros (of which 5,062,500 euros are included under the item Long-term infrastructure investments). Notes 4.2, 4.14, 5, 5.7 and 18 of the Appendix present the disclosures related to this matter.

Risks of Material Misstatement	**Summary of Response to the Most Significant Risks of Material Misstatement**
Given the complexity and level of judgment inherent in the diversity of the risks involved, the unpredictability associated with their outcome, and the materiality of the potential liabilities arising from the Entity's activity, as well as the activities related to the construction, installation, renovation, maintenance and management of the LTI assigned to it, we consider this item to be a relevant matter for our audit.	Our audit procedures included, among others: - Obtaining and analysing the detailed list of litigation cases prepared by the legal office; - Analysis of the most relevant accounting movements during the period under the item of provisions; - Obtaining and analysing responses to requests for confirmation from external lawyers and checking that they are in line with the calculations of provisions; - Obtaining and analysing the financial statements of subsidiaries in which ML as an E.P.E. has assumed legal or constructive obligations; - Inquiries to the management body about the assumptions, estimates and judgments used; - Reading and analysing the minutes of the Board of Directors; and - Assessment of whether the corresponding disclosures are adequate.

Responsibilities of the Management Body and Supervisory Body for the Financial Statements

The management body is responsible for:

- Preparing financial statements that provide a true and fair view of the financial position, financial performance, and cash flows of the Entity in accordance with the Accounting and Financial Reporting Standards adopted in Portugal through the Accounting

Standardization System;
- Preparing the single management report, referred to by the Entity as the Consolidated Report, the Corporate Governance Report, and the Non-Financial Statement, in compliance with applicable legal and regulatory requirements;
- Establishing and maintaining an appropriate internal control system to enable the preparation of financial statements free from material misstatement, whether due to fraud or error;
- Adopting appropriate accounting policies and criteria under the circumstances; and
- Assessing the Entity's ability to continue as a going concern, disclosing, when applicable, matters that may raise significant doubts about the continuation of activities.

The supervisory body is responsible for overseeing the process of preparing and disclosing the Entity's financial information.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit conducted in accordance with ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than for one due to error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern assumption and, based on the audit evidence obtained, whether any material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Entity to cease to continue as a going concern;
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit;

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- From the matters communicated with those charged with governance, including the supervisory body, determine those that were of the greatest significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure.
- we declare to the supervisory body that we comply with the relevant ethical requirements relating to independence and communicate to it all relationships and other matters that could be perceived as threats to our independence and, where applicable, what measures have been taken to eliminate the threats or what safeguards have been applied.

Our responsibility also includes verifying that the information contained in the management report is consistent with the financial statements on which it is based, and the verifications provided for in paragraphs 4 and 5 of article 451° of the Companies Code regarding corporate governance, as well as verifying that non-financial information has been presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the budgetary statements

We audited the attached budgetary statements of the Entity, which include the statement of budgetary performance, the statement of budgetary execution of revenue (showing a total net revenue collected of €410,172,471), the statement of budgetary execution of expenditure (showing a total net expenditure paid, excluding recoveries, of €388,880,960), and the statement of execution of the multiannual investment plan for the financial year ended December 31, 2023.

The management body is responsible for the preparation and approval of the budgetary statements as part of the entity's financial reporting. Our responsibility is to verify compliance with the accounting and reporting requirements established in Public Accounting Standard (NCP) 26 of the Accounting Standards System for Public Administrations.

In our opinion, the attached budgetary statements are prepared, in all material respects, in accordance with NCP 26 of the Accounting Standards System for Public Administrations, except for the following: (i) The Entity's accounting system is not organized in accordance with the Multidimensional Chart of Accounts, nor is the budgetary accounting subsystem organized according to Class "0," disaggregated by the current economic classifications, as required by NCP 26, which would allow the automatic and precise generation and validation of the budgetary statements or the preparation of a trial balance for Class "0," as well as ensuring compliance with the accounting movement rules applicable to the recognition and measurement of transactions and other events inherent to budgetary accounting. Instead, the preparation of the aforementioned statements is conducted manually, based on a set of support schedules for budgetary execution control; and (ii) the Annex to the budgetary statements does not include the informational elements regarding "Administrative Procurement," as required by NCP 26.

On the management report

Pursuant to article 451, paragraph 3, subparagraph e) of the Portuguese Commercial Companies Code, except for the possible effects of the matters mentioned in the section "Basis for the qualified opinion" in the Report on the Audit of the Financial Statements, we are of the opinion that the management report, referred to by the Entity as the "Consolidated Report," was prepared in accordance with the applicable legal and regulatory requirements in force, the information contained therein is consistent with the audited financial statements, and based

on our knowledge and assessment of the Entity, we did not identify any material misstatements. It should be noted that the Entity opted to present a single management report covering both individual and consolidated accounts, as permitted by paragraph 6 of article 508-C of the Portuguese Commercial Companies Code.
As referred to in article 451, paragraph 7, of the Portuguese Commercial Companies Code, this opinion does not apply to the non-financial statement included in the so-called "Consolidated Report."

On the corporate governance report
In compliance with Article 451, paragraph 4, of the Portuguese Commercial Companies Code, we are of the opinion that the corporate governance report includes the elements required of the Entity under Article 29-H of the Portuguese Securities Code, and no material misstatements were identified in the information disclosed therein. The report complies with the provisions of subparagraphs c), d), f), h), i), and l) of paragraph 1 of the mentioned article.

On the non-financial statement
In compliance with Article 451, paragraph 6, of the Portuguese Commercial Companies Code, we inform that the Entity prepared the non-financial information as stipulated in Article 66-B of the Portuguese Commercial Companies Code, and that it has been included in the so-called "Consolidated Report" and the Corporate Governance Report.

On the additional elements provided for in Article 10 of Regulation (EU) No. 537/2014

- Pursuant to Article 10 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014, and beyond the relevant audit matters mentioned above, we further report the following:
- We were appointed as the Statutory Auditor of ML for the 2023–2025 term by a Joint Order issued by the Secretary of State for the Treasury and the Secretary of State for Urban Mobility on 3 October 2023. This appointment resulted from a competitive selection process initiated by the Entity's Audit Committee and based on its proposal, in accordance with the legal and statutory provisions applicable to ML.
- The management body confirmed to us that it is not aware of any fraud or suspected fraud that could have a material impact on the financial statements. In planning and executing our audit in accordance with the International Standards on Auditing (ISA), we maintained professional scepticism and designed audit procedures to address the possibility of material misstatement in the Entity's financial statements due to fraud. As a result of our work, we did not identify any material misstatements in the financial statements due to fraud.
- We confirm that the audit opinion we issued is consistent with the additional report we prepared and delivered to the supervisory body of ML - Metropolitano de Lisboa, E.P.E., on this same date.
- We declare that we did not provide any prohibited services referred to in paragraph 1 of Article 5 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014, and that we maintained our independence from the Entity throughout the audit.
- We further inform that, apart from the audit, we did not provide ML with any services other than the audit.

LISBON, 27 June 2024

"João Cipriano & Associado, SROC, Lda"
(Registered with the OROC under No. 119 and with the CMVM under No. 20161438)
Represented by
João Amaro Santos Cipriano
(Statutory Auditor No. 631; registered with the CMVM under No. 20160277)

João Cipriano & Associado, SROC, Lda.
Registered with OROC under No. 119
Registered with CMVM under No. 20161438

João Amaro Santos Cipriano – Statutory Auditor (ROC) No. 631 – CMVM Registration No. 20160277
Andreia Sofia Sena Barreira – Statutory Auditor (ROC) No. 1739 – CMVM Registration No. 20161349

LEGAL CERTIFICATION OF ACCOUNTS

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified Opinion

We have audited the attached consolidated financial statements of ML – Metropolitano de Lisboa, E.P.E. (the Group or Entity), which comprise the consolidated statement of financial position as of December 31, 2023 (showing a total of €5,903,668,850 and total equity of €1,920,987,453, including a net loss of €24,002,041), the consolidated statement of profit and loss by nature, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the "Basis for the qualified opinion" section, the attached financial statements present fairly, in all material respects, the consolidated financial position of ML – Metropolitano de Lisboa, E.P.E. as of December 31, 2023, and its consolidated financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

Basis for the Qualified Opinion

1. Following the "update and unification of the general legal framework for the public service concession granted to ML," through Decree-Law No. 175/2014 of December 5, the Portuguese State entered into a public service concession agreement with ML on March 23, 2015, for the operation of passenger metro transport in Greater Lisbon. This agreement is set to expire on July 1, 2024. The contract encompasses the rights and obligations associated with the provision of this public service, as well as the entirety of assets assigned to the concession, particularly those listed on the Entity's balance sheet as of December 31, 2014, identified as concession assets. As mentioned in Note 37 of the Annex, an "Addendum" to the concession agreement was subsequently signed between the Portuguese State and ML on March 27, 2024. However, as of this date, it still requires approval from the Court of Auditors to become effective. The consolidated financial statements as of December 31, 2023, continue to reflect no changes in the classification, recognition, or measurement of these assets, nor any other potential impacts arising from the execution of the concession agreement. We were unable to obtain sufficient information to conclude on the respective effects on the Group's financial statements as of December 31, 2023. The implementation of the "Addendum" signed on March 27, 2024, will establish the conditions necessary for the adoption of the required accounting policies.

2. As disclosed in Notes 3.3 and 5 of the annex to the consolidated financial statements, the Government, under Decree-Law No. 196/80 of June 20, assumed the principle that the Portuguese State is responsible for financing the long-term infrastructure ("LTI") of ML, which, in accordance with its statutes, is responsible for managing public domain assets allocated to its activities. Despite the signing of a public service concession agreement between the Portuguese State and ML on March 23, 2015, for metro passenger transport in Greater Lisbon, the terms and conditions governing the relationship between the parties regarding the ownership and use of the LTI remain undefined.
   As a result, the Group continues to record all flows related to the LTI under items in the consolidated statement of financial position designated as "Long-Term Infrastructure Investments," presented in both assets and liabilities.
   As of December 31, 2023, non-current assets include a total of €5,426,679,188, broken down as follows: (i) receivables from the State (€3,226,923,229), (ii) derivatives measured at fair value in other financial assets (€2,957,885), and (iii) tangible assets, intangible assets, or

investment properties, totalling €2,196,798,074, representing costs incurred for the construction, management, and financing of the LTI (net of grants received).

Liabilities include financing, derivatives measured at fair value, provisions, and other payables related to the LTI, amounting to €2,770,554,879, of which €1,136,616,704 is classified as non-current.

It should also be noted that, due to the aforementioned contractual omission, the tangible and intangible fixed assets classified as LTI are not being depreciated or amortized, respectively. Consequently, given the contractual uncertainty that persists in this matter, we are unable to conclude on the appropriateness of the accounting policy adopted by the Group concerning the management of long-term infrastructure investment activities, as well as its effects on the consolidated financial statements under review.

The implementation of the "Addendum" to the concession agreement, signed on March 27, 2024, will create the conditions necessary for the establishment of the required accounting policies.

3. As disclosed in Note 15 of the annex to the consolidated financial statements, the consolidated statement of financial position as of December 31, 2023, includes under the item "Deferred assets – work performed for third parties" an amount of €29,686,056, net of impairment losses, related to works carried out in the past by ML on behalf of entities in the state-owned business sector, for which the amounts to be invoiced and the respective payment conditions have either not been formalized or have been insufficiently binding to date. Consequently, we are unable to conclude on the timing of realization and the proper measurement of these assets.

Our audit was conducted in accordance with International Standards on Auditing (ISA) and other technical and ethical standards and guidelines from the Order of Statutory Auditors (OROC). Our responsibilities under these standards are described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section below. We are independent of the Entity in accordance with legal requirements and have complied with other ethical obligations as stipulated by the code of ethics of the Order of Certified Accountants.

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

Emphasis of Matter

The Group's operations have consistently generated annual losses, with funding essential for the continuation of its activities being provided by the Portuguese State through capital injections, subsidies, and loans. These loans, since November 30, 2014, have been subject to successive moratoriums on principal and interest, which has contributed to the current liabilities being substantially higher than the current assets.

Given that the Group's parent company is a Public Business Entity (EPE) with public service obligations arising from its passenger metro transport activities, we believe that the Entity's going concern is not in question. However, it remains dependent on financial support from the Portuguese State, the national strategy for the transport sector, and the success of future operations.

The fact that the "Addendum" to the concession agreement signed with the Portuguese State on March 27, 2024, has not yet come into effect does not change our current judgment regarding the application of the going concern assumption.

Our opinion is not modified in respect to this matter.

Key Audit Matters
Key audit matters are those which, in our professional judgment, were of most significance in the audit of the current year's financial statements. These matters were considered in the context of the audit of the financial statements as a whole, and in forming our opinion. We do not provide a separate opinion on these matters. In addition to the matters included in the "Basis for Qualified Opinion" section, we identified the following key audit matters:

1. Financial Instruments Derivatives Measurement
ML contracted financial instruments derivatives to hedge the risk of interest rate fluctuations on loans obtained to finance the activity of Long-Term Infrastructure (LTI). These financial instruments are measured at the end of each fiscal year based on valuations provided by the financial institutions with which the instruments were contracted.
As of 31 December 2023, the total amount of financial derivatives reflected in the assets is €2,957,885 (included in the Long-Term Infrastructure Investments category), and the amount reflected in the liabilities is €8,630,067 (included in the Long-Term Infrastructure Investments - Non-Current Liabilities category). Notes 3.3, 3.12, 5, and 5.4 of the Annex provide detailed disclosures on this matter.

Significant Risks of Material Misstatement	Summary of the Response to Significant Risks of Material Misstatement
Financial derivatives are measured at fair value, which is determined using valuation techniques that involve estimates, judgments, and assumptions. Given the uncertainty associated with the estimates used and the complexity involved in their valuation, we consider the risk related to the measurement of financial derivatives to be significant.	Our audit procedures included, among others: • Analysis of the methodologies and assumptions considered in determining fair value; • Obtaining and analysing valuations, specifically those conducted by IGCP; and • Assessing whether the corresponding disclosures are adequate.

2. Measurement of Post-Employment Benefit Obligations
The Entity maintains a defined benefit plan for supplementary pensions (old age, disability, and survivor pensions) in addition to those provided by Social Security. ML's obligations related to this plan are determined using the projected unit credit method, with actuarial valuations performed at each reporting date. These valuations adhere to internationally accepted actuarial methods and assumptions to estimate the value of obligations as of the balance sheet date and the pension costs to be recognized for the period.

As of December 31, 2023, ML reports post-employment benefit obligations amounting to €266,801,355. Notes 3.16 and 20 of the Annex provide disclosures regarding this matter.

Risks of Material Misstatement	Summary of Response to the Most Significant Risks of Material Misstatement
Given the uncertainty associated with the estimates used for various actuarial assumptions — namely the discount rate, inflation rate, salary and pension growth rates, and mortality tables — as well as the complexity involved in their valuation, we consider the risk associated with the measurement of post-employment benefit obligations to be significant.	Our audit procedures included, among others: • Analysing the reasonableness of the assumptions and estimates used in the actuarial study conducted by an external expert; • Validating the accounting records based on the amounts indicated in the actuarial report; • Verifying the competence, independence, and integrity of the hired actuary; and • Assessing whether the corresponding disclosures are adequate.

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3. Revenue Recognition and Tariff Compensation
The Entity's revenue is primarily derived from the sale of metropolitan passenger transport tickets and the tariff compensations granted by the State for fulfilling certain public service obligations.

The legislation regulating the financing of the *Programa de Apoio à Redução Tarifária* (PART), as well as the allocation of compensatory indemnities related to the passes "4_18@escola.tp," "sub23@superior.tp," and "Social+," was amended in 2022 to maintain the extraordinary support regime for passenger transport operators performing essential public transport services as defined by transport authorities. These operators' economic situations were affected by the exceptional public health measures adopted during the COVID-19 state of emergency. This extraordinary regime, extended until December 31, 2023, is established in the current version of Decree-Law No. 14-C/2020 of April 7. It stipulates that the payment of these amounts is subject to an evaluation by the Mobility and Transport Authority (*Autoridade da Mobilidade e dos Transportes* - AMT), which may result in the return of funds or account adjustments in subsequent payments.

In 2023, ML recorded sales and services rendered amounting to €133,966,189. Notes 3.17 and 24 of the Annex provide disclosures related to these matters.

Risks of Material Misstatement	**Summary of Response to the Most Significant Risks of Material Misstatement**
Both because of the large number of financial movements, the records in the ticketing system and the competent integration into the accounting system, and because of the materiality of the amounts involved, we consider revenue to be a relevant matter for our audit.	Our audit procedures included, among others: • Survey and analysis of existing procedures and controls in the revenue cycle and ticketing system; • Obtaining documentary support for the fare compensation received and verifying the accuracy of the amounts recorded; • Checking, for a sample of transport tickets, whether the sales recorded in the ML ticketing system matched the TML information system in relation to the breakdown made by TML; • Obtaining external confirmations from transport operators with whom revenue is shared; • Carrying out an analytical review by analysing monthly changes by type of service; • Carrying out procedures to validate the cutting of operations; • Inquiries to the management body about the assumptions made in preparing the estimates; • Recalculation of the PART estimates based on the information provided by the TML/AML letters/reports and ML sales/revenue information; and • Assessment of whether the corresponding disclosures are adequate.

4. Recognition and Measurement of Provisions
As at December 31, 2023, ML has provisions amounting to 8,753,333 euros (of which 5,062,500 euros are included under the item Long-term infrastructure investments). Notes 3.3, 3.15, 5, 5.7 and 18 of the Appendix present the disclosures related to this matter.

Risks of Material Misstatement	Summary of Response to the Most Significant Risks of Material Misstatement
Given the complexity and level of judgment inherent in the diversity of the risks involved, the unpredictability associated with their outcome, and the materiality of the potential liabilities arising from the Entity's activity, as well as the activities related to the construction, installation, renovation, maintenance and management of the LTI assigned to it, we consider this item to be a relevant matter for our audit.	Our audit procedures included, among others: – Obtaining and analysing the detailed list of litigation cases prepared by the legal office; – Analysis of the most relevant accounting movements during the period under the item of provisions; – Obtaining and analysing responses to requests for confirmation from external lawyers and checking that they are in line with the calculations of provisions; – Obtaining and analysing the financial statements of subsidiaries in which ML as an E.P.E. has assumed legal or constructive obligations; – Inquiries to the management body about the assumptions, estimates and judgments used; – Reading and analysing the minutes of the Board of Directors; and – Assessment of whether the corresponding disclosures are adequate.

Responsibilities of the Management Body and Supervisory Body for the Financial Statements

The management body is responsible for:

- Preparing financial statements that provide a true and fair view of the financial position, financial performance, and cash flows of the Group in accordance with the Accounting and Financial Reporting Standards adopted in Portugal through the Accounting Standardization System;
- Preparing the single management report, referred to by the Entity as the Consolidated Report, the Corporate Governance Report, and the Non-Financial Statement, in compliance with applicable legal and regulatory requirements;
- Establishing and maintaining an appropriate internal control system to enable the preparation of financial statements free from material misstatement, whether due to fraud or error;
- Adopting appropriate accounting policies and criteria under the circumstances; and
- Assessing the Group's ability to continue as a going concern, disclosing, when applicable, matters that may raise significant doubts about the continuation of activities.

The supervisory body is responsible for overseeing the process of preparing and disclosing the Entity's financial information.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit conducted in accordance with ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than for one due to error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of

internal control;
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern assumption and, based on the audit evidence obtained, whether any material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Entity to cease to continue as a going concern;
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit;
- From the matters communicated with those charged with governance, including the supervisory body, determine those that were of the greatest significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure.
- we declare to the supervisory body that we comply with the relevant ethical requirements relating to independence and communicate to it all relationships and other matters that could be perceived as threats to our independence and, where applicable, what measures have been taken to eliminate the threats or what safeguards have been applied.

Our responsibility also includes verifying that the information contained in the management report is consistent with the financial statements on which it is based, and the verifications provided for in paragraphs 4 and 5 of article 451° of the Companies Code regarding corporate governance, as well as verifying that non-financial information has been presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the management report

Pursuant to article 451, paragraph 3, subparagraph e) of the Portuguese Commercial Companies Code, except for the possible effects of the matters mentioned in the section "Basis for the qualified opinion" in the Report on the Audit of the Financial Statements, we are of the opinion that the management report, referred to by the Entity as the "Consolidated Report," was prepared in accordance with the applicable legal and regulatory requirements in force, the information contained therein is consistent with the audited financial statements, and based on our knowledge and assessment of the Entity, we did not identify any material misstatements.

It should be noted that the Entity opted to present a single management report covering both individual and consolidated accounts, as permitted by paragraph 6 of article 508-C of the Portuguese Commercial Companies Code.

As referred to in article 451, paragraph 7, of the Portuguese Commercial Companies Code, this opinion does not apply to the non-financial statement included in the so-called "Consolidated Report."

On the European Single Electronic Format (ESEF)

The consolidated financial statements of ML - Metropolitano de Lisboa, E.P.E. for the year ended December 31, 2023, must comply with the requirements established in Commission Delegated Regulation (EU) 2019/815 of December 17, 2018 (ESEF Regulation).

The management body is responsible for the preparation and disclosure of the annual report in accordance with the ESEF Regulation. Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements included in the annual report are presented in compliance with the requirements established in the ESEF Regulation.

Our procedures considered the Technical Application Guide (GAT) 20 of the Portuguese Order of Statutory Auditors regarding ESEF reporting and included, among others:

- Obtaining an understanding of the financial reporting process, including the presentation of the annual report in valid XHTML format;
- Identifying and assessing the risks of material misstatement related to the tagging of the financial statement information in XBRL format using IXBRL technology. This assessment was based on our understanding of the process implemented by the Entity for tagging the information.

In our opinion, the consolidated financial statements included in the annual report are presented, in all material respects, in compliance with the requirements established in the ESEF Regulation.

On the corporate governance report

In compliance with Article 451, paragraph 4, of the Portuguese Commercial Companies Code, we are of the opinion that the corporate governance report includes the elements required of the Entity under Article 29-H of the Portuguese Securities Code, and no material misstatements were identified in the information disclosed therein. The report complies with the provisions of subparagraphs c), d), f), h), i), and l) of paragraph 1 of the mentioned article.

On the non-financial statement

In compliance with Article 451, paragraph 6, of the Portuguese Commercial Companies Code, we inform that the Entity prepared the non-financial information as stipulated in Article 66-B of the Portuguese Commercial Companies Code, and that it has been included in the so-called "Consolidated Report" and the Corporate Governance Report.

On the additional elements provided for in Article 10 of Regulation (EU) No. 537/2014

Pursuant to Article 10 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014, and beyond the relevant audit matters mentioned above, we further report the following:

- We were appointed as the Statutory Auditor of ML - Metropolitano de Lisboa, E.P.E. (the Group's parent entity), for the 2023-2025 term of office, by Joint Order of the Secretary of State for the Treasury and the Secretary of State for Urban Mobility, dated October 3, 2023. This appointment followed a tender procedure initiated by the Entity's Supervisory Board and at its proposal, under the legal and statutory terms applicable to ML.
- The management body confirmed to us that it is not aware of any fraud or suspected fraud that could have a material impact on the financial statements. In planning and executing our audit in accordance with the International Standards on Auditing (ISA), we maintained professional scepticism and designed audit procedures to address the possibility of material misstatement in the Entity's financial statements due to fraud. As a result of our work, we did not identify any material misstatements in the financial statements due to fraud.
- We confirm that the audit opinion we issued is consistent with the additional report we prepared and delivered to the supervisory body of ML - Metropolitano de Lisboa, E.P.E., on this same date.
- We declare that we did not provide to the Group any prohibited services referred to in paragraph 1 of Article 5 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014, and that we maintained our independence from the Entity throughout the audit.
- We further inform that, apart from the audit, we did not provide the Group with any services other than the audit.

LISBON, 27 June 2024

"João Cipriano & Associado, SROC, Lda"
(Registered with the OROC under No. 119 and with the CMVM under No. 20161438)
Represented by
João Amaro Santos Cipriano
(Statutory Auditor No. 631; registered with the CMVM under No. 20160277)

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External Auditor's Report (Individual and Consolidated Accounts)

Kreston & Associados - SROC Lda. - Capital Social: 75.200 euros | Matrícula C.R.C. Lisboa e NIPC 502 844 787 | Inscrição na OROC nº104 | Inscrição na CMVM nº 20161426

AUDIT REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion with reservations

We have audited the accompanying financial statements of **Metropolitano de Lisboa, E.P.E.**, (the Entity), which comprise the balance sheet as at December 31, 2023 (showing a total of 5,903,194,890 euros and a total equity of 1,947,318,717 euros, including a net loss of 23,999,579 euros), the income statement by nature, the statement of changes in equity and the cash flow statement for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters referred to in the "Basis for the qualified opinion" section, the accompanying financial statements present fairly, in all material respects, the financial position of **Metropolitano de Lisboa, E.P.E.** as of December 31, 2023, and its financial performance and cash flows for the year then ended in accordance with the Accounting and Financial Reporting Standards adopted in Portugal through the Accounting Standardization System.

Basis for a qualified opinion

1) The concession contract signed with the State in March 2015 awarded the Entity the concession, until July 1, 2024, of metropolitan public passenger transport in the Lisbon Metropolitan Area, comprising all the assets assigned to the concession and the rights and obligations intended for the development of this activity. However, the classification, recognition and measurement of the assets allocated to the concession, as well as any other effects arising from the conclusion of the concession contract, were not reflected in the financial statements for 2015 to 2023. We have no information to quantify the effects of this situation on the financial statements.

2) As disclosed in notes 4.2 and 5 of the annex, Decree-Law 196/80 of June 20 established the principle that the Portuguese State was responsible for financing the Entity's long-term infrastructures ("LTI"). The concession contract signed in 2015 did not define the terms and conditions governing the relationship between the parties regarding the ownership and use of the LTI. Notwithstanding this lack of definition, the Entity has adopted the procedure of recording all flows related to LTI in balance sheet items called "Long-term infrastructure investments", presented in assets and liabilities and whose balance as at December 31, 2023 amounts to 5,426,679,188 euros in non-current assets (which includes receivables from the State, derivatives measured at fair value,

tangible fixed assets, intangible assets and investment properties), and 1,136,618,704 euros in non-current liabilities and 1,633,936,175 euros in current liabilities (relating to financing, provisions and other payables related to LTI). It should also be noted that the tangible and intangible fixed assets classified as LTI are not being depreciated or amortized, respectively. Given the vagueness of the contract governing this matter, it is not possible for us to conclude on the suitability of the accounting policy adopted for the management of long-term infrastructure investment activities, as well as its effects on the financial statements in question.

3) As can be seen in note 15 to the accounts, the "Deferrals" item in assets includes around 29,700,000 euros, net of impairment losses, relating to works carried out by the company on behalf of state business sector entities which have not yet been invoiced, due to the lack of formalization of protocols due. The information available does not allow us to conclude on the recoverability of these amounts.

We conducted our audit in accordance with International Standards on Auditing (ISA) and other technical and ethical standards and guidelines issued by the Portuguese Institute of Chartered accountants. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the financial statements" section below. We are independent of the Entity under the terms of the law and comply with the other ethical requirements under the terms of the Code of Ethics of the Portuguese Institute of Chartered accountants.

We are satisfied that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Relevant audit matters

Relevant audit matters are those matters that, in our professional judgment, were of most significance in the audit of the current year's financial statements. These matters were considered in the context of the audit of the financial statements as a whole and in forming our opinion, and we do not express a separate opinion on these matters.

In addition to the matters mentioned in the "Basis for qualified opinion" section, we considered the following relevant matters in the audit:

Kreston & Associados - SROC Lda. - Capital Social: 75.200 euros | Matrícula C.R.C. Lisboa e NIPC 502 844 787 | Inscrição na OROC nº104 | Inscrição na CMVM nº 20161426

Kreston & Associados - SROC Lda. - Capital Social: 75.200 euros | Matrícula C.R.C. Lisboa e NIPC 502 844 787 | Inscrição na OROC nº104 | Inscrição na CMVM nº 20161426

1. Measurement of Derivative Financial Instruments

Most significant risks of material misstatement	Summary of audit response
Derivative Financial Instruments have been contracted to hedge the risk of changes in the interest rate on loans obtained to finance LTI activity, which are classified as trading. The balance of this item on December 31, 2023 in assets amounts to €2,957,885 and in liabilities to €8,630,067, according to the valuation made by the banking institutions with which they were contracted. The related disclosures can be found in notes 4.11 and 5.4 of the notes to the financial statements. Given the uncertainty associated with the estimates used and the complexity involved in their valuation, it is our understanding that the risk associated with measuring derivative financial instruments is significant.	Our audit procedures included, among others: • Assessment of the methodologies and estimates used to determine fair value; • Obtaining and analysis of the evaluations carried out, namely by IGCP; and • Assessment of whether the corresponding disclosures are adequate.

2. Recognition of services rendered

Most significant risks of material misstatement	Summary of audit response
The item Sales and services rendered essentially refers to the sale of transport tickets, the amount of which depends on laws and regulations, budget allocations and revenue breakdowns communicated by external entities, factors not controlled by the Entity. In addition, there are many records in the ticketing system, which implies the risk of income being incorrectly recognized, which is why we consider revenue to be a relevant audit matter. The balance of this item on December 31, 2023 amounts to 133,248,691 euros. The related disclosures can be found in notes 4.16 and 24 of the notes to the financial statements. The significance of the amounts involved, the size of the transactions and the inherent judgments, depending on their type and their compliance with regulatory/legislative changes,	Our audit procedures included, among others: • Survey and evaluation of the relevant procedures and controls identified in the revenue cycle and, in particular, in the ticketing system; • Testing the operation of the relevant controls relating to the integration of revenue into the accounts; • Assessment of the reasonableness of the specializations made and the assumptions made; • Validation of income recognition with the respective receipts and letters from TML - Transportes Metropolitanos de Lisboa, E.M.T., S.A. (TML); • Obtaining documentary support for the fare compensation received and verifying the accuracy of the amounts accounted for;

justify this area being considered as a relevant matter.	• Verification, for a sample of tickets, that the sales recorded in ML's ticketing system matched TML's information system and recalculation of the breakdown made by TML in relation to the sale of these tickets. • Obtaining external confirmations from transport operators with whom there is revenue sharing; • Analytical review by type of service; • Carrying out validation procedures for cutting operations; and • Assessment of whether the corresponding disclosures are adequate.

3. Measurement of post-employment benefit liabilities

Most significant risks of material misstatement	Summary of audit response
The entity has a defined benefit plan for supplementary pensions (old age, disability and survivors) in addition to that paid by Social Security. The liability arising from this plan is determined by an actuarial valuation carried out at each reporting date, in accordance with the projected unit credit method. The related disclosures can be found in notes 4.15 and 20 of the notes to the financial statements. Given that the assumptions used regarding the measurement of liabilities involve a degree of uncertainty and a high level of judgment on the part of the management body, we consider this to be a significant area of audit.	Our audit procedures included, among others: • Assessment of the reasonableness of the assumptions and estimates used in the actuarial study carried out by an external expert; • Validation of the accounting records made, based on the values indicated in the actuarial report; • Assessment of the competence, independence and integrity of the contracted actuary; and • Assessment of whether the corresponding disclosures are adequate.

4. Measurement of Provisions

Most significant risks of material misstatement	Summary of the response to the most significant risks of material misstatement
Given the complexity of legal proceedings, the large number of cases, the level of judgment involved in determining the risks, the unpredictability associated with the outcome and the materiality of the liabilities that may result, we consider this item to be a relevant matter for our audit. The related disclosures can be found in notes 4.14 and 18 of the notes to the financial statements	Our audit procedures included, among others: • Obtaining and analysing the list of litigation cases prepared by the legal department; • Obtaining and analysing responses to requests for confirmation from external lawyers and checking that they are in line with the calculation of provisions; • Critical analysis and discussion of the assumptions used to quantify provisions; • Obtaining and analysing the financial statements of subsidiaries in which the Entity has assumed legal or constructive obligations; • Inquiries to the management body about the assumptions, estimates and judgments used; • Reading and analysis of the minutes of the Board of Directors; • Assessment of whether the corresponding disclosures are adequate.

Other matters

The Entity has generated consecutive annual losses, and the financing it needs to carry on its business is provided by the Portuguese state through capital allocations, subsidies and loans, the latter of which, since November 30, 2014, have been subject to successive moratoriums on principal and interest, which has contributed to current liabilities being substantially higher than current assets. Given that we are dealing with a Public Business Entity (EPE), with public service obligations arising from the subway passenger transport activity, we believe that the continuity of the Entity's operations is not in question, although it remains dependent on the financial support of the Portuguese State, the national strategy for the transport sector and the success to be achieved in the operations to be carried out in the future.

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

The management body is responsible for:

- preparation of financial statements that present a true and fair view of the Entity's financial position, financial performance and cash flows in accordance with the Accounting and Financial Reporting Standards adopted in Portugal through the Accounting Standardization System;
- preparation of the management report, including the corporate governance report and non-financial information under the applicable legal and regulatory terms;

- creation and maintenance of an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- adoption of accounting policies and criteria that are appropriate in the circumstances; and
- assessment of the Entity's ability to continue as a going concern, disclosing, where applicable, any matters that may give rise to significant doubt as to the continuity of its activities.

The supervisory body is responsible for supervising the process of preparing and disclosing the Entity's financial information.

Auditor's responsibilities for auditing the financial statements

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit performed in accordance with the ISAs will always detect a material misstatement when one exists. Misstatements can arise from fraud or error and are considered material if, individually or taken together, they could reasonably be expected to influence the economic decisions of users taken based on those financial statements.

As part of an audit in accordance with the ISAs, we make professional judgments and maintain professional scepticism during the audit and:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is greater than the risk of not detecting a material misstatement due to error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control;
- obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- we assessed the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and respective disclosures made by the management body;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures included in the financial statements or, if those disclosures are not adequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Entity to discontinue its activities;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- we communicate with those charged with governance, including the supervisory body, among other matters, the planned scope and timing of the audit, and the significant findings of the audit including any significant deficiencies in internal control identified during the audit;
- of the matters we communicate to those charged with governance, including the supervisory body, we determine those matters that were of most significance in the audit of the current year's financial statements and that are significant audit matters. We describe these matters in our report, except where the law or regulation prohibits their public disclosure;
- we declare to the supervisory body that we comply with the relevant ethical requirements relating to independence and communicate to it all relationships and other matters that may be perceived as threats to our independence and, where applicable, what measures have been taken to eliminate the threats or what safeguards have been applied.

Our responsibility also includes verifying that the information contained in the management report is consistent with the financial statements, and the verifications provided for in paragraphs 4 and 5 of article 451 of the Companies Code regarding corporate governance, as well as verifying that the non-financial statement has been presented.

REPORTING ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the budget statements

We have audited the attached budgetary statements of the Entity, which comprise the statement of budgetary performance, the statement of budgetary execution of revenue (which shows total revenue collected net of 410,172,471 euros), the statement of budgetary execution of expenditure (which shows total expenditure paid net of repositions of 388,880,960 euros) and the statement of execution of the Multi-annual Investment Plan for the year ending December 31, 2023.

The management body is responsible for preparing and approving the budget statements as part of the entity's accountability. Our responsibility is to verify that the accounting and reporting requirements set out in Public Accounting Standard (NCP) 26 of the Accounting Standardization System for Public Administrations have been met.

In our opinion, the accompanying budget statements are prepared, in all material respects, in accordance with NCP 26 of the Accounting Standardization System for Public Administrations, except for the following:

i) The Entity has not adopted the Multidimensional Chart of Accounts and does not have Class "0" accounts as provided for in NCP 26, which does not allow it to obtain and validate the budget statements automatically and rigorously or to obtain a class "0" trial balance. In addition, it is not possible to observe compliance with the accounting rules applicable to the recognition and measurement of transactions and other events inherent to budgetary accounting, and the process of preparing these statements is manual and supported by a set of budget execution control charts; and

ii) The notes to the budget statements do not include the information required by NCP 26, specifically regarding "Administrative contracting".

About the management report

In compliance with Article 451(3)(e) of the Companies Code, except for the possible effects of the matters referred to in the "Basis for the qualified opinion" section, we are of the opinion that the management report has been prepared in accordance with the applicable legal and regulatory requirements in force and the information contained therein is consistent with the audited financial statements and, taking into account our knowledge and assessment of the Entity, we have not identified any material misstatements.

As stated in article 451.7 of the Companies Code, this opinion is not applicable to the non-financial statements included in the so-called "Consolidated Report".

About the corporate governance report

In compliance with article 451, no. 4, of the Companies Code, we are of the opinion that the corporate governance report includes the information required of the Entity under the terms of article 29-H of the Securities Code, and that no material inaccuracies have been identified in the information disclosed therein, complying with the provisions of paragraphs c), d), f), h), i) and l) of no. 1 of the aforementioned article.

About the non-financial statement

In compliance with article 451, no. 6 of the Companies Code, we hereby inform you that the Entity has included in its management report the non-financial statement provided for in article 66-B of the Companies Code.

About the European Single Electronic Format (ESEF)

The Entity's financial statements for the year ending December 31, 2023 must comply with the applicable requirements set out in Commission Delegated Regulation (EU) 2019/815 of December 17, 2018 (ESEF Regulation).

The management body is responsible for drawing up and publishing the annual report in accordance with the ESEF Regulations.

Our responsibility is to obtain reasonable assurance as to whether the financial statements included in the annual report are presented in accordance with the requirements set out in the ESEF Regulation.

Our procedures considered the Order of Statutory Auditors (OROC) Technical Application Guide on ESEF reporting and included, among other things, gaining an understanding of the financial reporting process, including the presentation of the annual report in valid XHTML format.

In our opinion, the financial statements included in the annual report are presented, in all material respects, in accordance with the requirements set out in the ESEF Regulation.

On the additional elements provided for in Article 10 of Regulation (EU) No 537/2014

In compliance with Article 10 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of April 16, 2014, and in addition to the relevant audit matters indicated above, we also report the following:

- We were engaged as the Entity's external auditors for the first time on December 27, 2023 for the financial years 2023 to 2025.

- The management body has confirmed to us that it is not aware of any fraud or suspected fraud with a material effect on the financial statements. In planning and performing our audit in accordance with the ISAs, we maintained professional scepticism and designed audit procedures to respond to the possibility of material misstatement of the financial statements due to fraud. As a result of our work, we did not identify any material misstatements in the financial statements due to fraud.

- We confirm that the audit opinion we have issued is consistent with the additional report we prepared and delivered to the Entity's supervisory body on the same date.

- We declare that we have not provided any services prohibited under the terms of article 77, number 8, of the Statute of the Order of Chartered accountants and that we have maintained our independence from the Entity during the audit.

- We would like to inform you that we have not provided the Entity and the entities under its control with any non-audit services.

Porto, June 26, 2024

KRESTON & ASSOCIADOS - CAF, Lda.

Represented by Pedro Morais dos Santos

AUDIT REPORT

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion with reservations

We have audited the accompanying consolidated financial statements of **Metropolitano de Lisboa, E.P.E.**, (the Group), which comprise the consolidated statement of financial position as at December 31, 2023 (showing total assets of 5,903,668,850 euros and total equity of 1,920,987,453 euros, including a net loss of 24,002.041 euros), the consolidated statement of profit and loss by nature, the consolidated statement of changes in equity, the consolidated statement of comprehensive income and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements which include a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters referred to in the "Basis for the qualified opinion" section, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of **Metropolitano de Lisboa, E.P.E.** as of December 31, 2023, and its consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Basis for a qualified opinion

1) The concession contract signed with the State in March 2015 awarded Metropolitano de Lisboa, E.P.E. the concession, until July 1, 2024, of metropolitan public passenger transport in the Lisbon Metropolitan Area, comprising all the assets assigned to the concession and the rights and obligations intended for the development of this activity. However, the classification, recognition and measurement of the assets allocated to the concession, as well as any other effects arising from the conclusion of the concession contract, were not reflected in the consolidated financial statements for 2015 to 2023. We have no information to quantify the effects of this situation on the consolidated financial statements.

2) As disclosed in notes 4.2 and 5 of the annex, Decree-Law 196/80 of June 20 established the principle that the Portuguese State was responsible for financing the Entity's long-term infrastructures ("LTI"). The concession contract signed in 2015 did not define the terms and conditions governing the relationship between the parties regarding the ownership and use of the LTI. Despite this lack of definition, the Group has adopted the procedure of recording all flows related to the LTI under balance sheet items called "Long-term infrastructure investments", presented under assets and liabilities and whose balance as at December 31, 2023 amounts to 5,426,679.188 euros in non-current assets (comprising receivables from the State, derivatives measured at fair value, tangible fixed assets, intangible assets and investment properties), and 1,136,618,704 euros in non-current liabilities and 1,633,936,175 euros in current liabilities (relating to financing, provisions and other payables related to LTI). It should also be noted that the tangible and intangible fixed assets classified as LTI are not being depreciated or amortized, respectively. Given the vagueness of the contract governing this matter, it is not possible for us to conclude on the suitability of the accounting policy adopted for the management of long-term infrastructure investment activities, as well as its effects on the financial statements in question.

3) As can be seen in note 15 to the accounts, the "Deferrals" item in assets includes around 29,700,000 euros, net of impairment losses, relating to works carried out by Metropolitano de Lisboa, E.P.E. on behalf of entities in the state business sector which have not yet been invoiced, due to the lack of formalization of the protocols due. The information available does not allow us to conclude on the recoverability of these amounts.

We conducted our audit in accordance with International Standards on Auditing (ISA) and other technical and ethical standards and guidelines issued by the Portuguese Institute of Chartered accountants. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the financial statements" section below. We are independent of the Entity under the terms of the law and comply with the other ethical requirements under the terms of the Code of Ethics of the Portuguese Institute of Chartered accountants.

We are satisfied that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Relevant audit matters

Relevant audit matters are those matters that, in our professional judgment, were of most significance in the audit of the current year's financial statements. These matters were considered in the context of the audit of the financial statements as a whole and in forming our opinion, and we do not express a separate opinion on these matters.

In addition to the matters mentioned in the "Basis for the qualified opinion" section, we considered the following relevant matters in the audit:

1. Measurement of Derivative Financial Instruments

Most significant risks of material misstatement	Summary of audit response
Derivative Financial Instruments have been contracted to hedge the risk of changes in the interest rate on loans obtained to finance LTI activity, which are classified as trading. The balance of this item on December 31, 2023 in assets amounts to €2,957,885 and in liabilities to €8,630,067, according to the valuation made by the banking institutions with which they were contracted. The related disclosures can be found in notes 4.11 and 5.4 of the notes to the financial statements. Given the uncertainty associated with the estimates used and the complexity involved in their valuation, it is our understanding that the risk associated with measuring derivative financial instruments is significant.	Our audit procedures included, among others: • Evaluation of the methodologies and estimates used to determine fair value; • Obtaining and analysing the evaluations carried out, namely by IGCP; and • Assessment of whether the corresponding disclosures are adequate.

2. Recognition of services rendered

Most significant risks of material misstatement	Summary of audit response
The item Sales and services rendered essentially relates to the sale of transport tickets, the amount of which depends on laws and regulations, budget allocations and revenue breakdowns communicated by external entities, factors not under the Group's control. In addition, there are many records in the ticketing system, which implies the risk of income being incorrectly recognized, which is why we consider revenue to be a relevant audit matter. The balance of this item on December 31, 2023 amounts to €133,966,189. The related disclosures can be found in notes 4.16 and 24 of the notes to the financial statements.	Our audit procedures included, among others: • Survey and evaluation of the relevant procedures and controls identified in the revenue cycle and, in particular, in the ticketing system; • Testing the operation of the relevant controls relating to the integration of revenue into the accounts; • Assessment of the reasonableness of the specializations made and the assumptions made; • Validation of the recognition of income with the respective receipts and letters from TML - Transportes Metropolitanos de Portugal. Lisbon, E.M.T., S.A. (TML);

The relevance of the amounts involved, the size of the transactions and the inherent judgments, depending on their type and their compliance with regulatory/legislative changes, justify this area being considered a relevant audit matter.	• Obtaining documentary support for the fare compensation received and verifying the accuracy of the amounts accounted for; • Verification, for a sample of tickets, that the sales recorded in ML's ticketing system matched TML's information system; • Obtaining external confirmations from transport operators with whom there is revenue sharing; • Analytical review by type of service; • Carrying out validation procedures for cutting operations; and • Assessment of whether the corresponding disclosures are adequate.

3. Measurement of post-employment benefit liabilities

Most significant risks of material misstatement	Summary of audit response
The entity has a defined benefit plan for supplementary pensions (old age, disability and survivors) in addition to that paid by Social Security. The liability arising from this plan is determined by an actuarial valuation carried out at each reporting date, in accordance with the projected unit credit method. The related disclosures can be found in notes 4.15 and 20 of the notes to the financial statements. Given that the assumptions used regarding the measurement of liabilities involve a degree of uncertainty and a high level of judgment on the part of the management body, we consider this to be a significant area of audit.	Our audit procedures included, among others: • Assessment of the reasonableness of the assumptions and estimates used in the actuarial study carried out by an external expert; • Validation of the accounting records made, based on the values indicated in the actuarial report; • Assessment of the competence, independence and integrity of the contracted actuary; and • Assessment of whether the corresponding disclosures are adequate.

4. Measurement of Provisions

Most significant risks of material misstatement	Summary of the response to the most significant risks of material misstatement
Given the complexity of legal proceedings, the large number of cases, the level of judgment involved in determining the risks, the unpredictability associated with the outcome and the materiality of the liabilities that may result, we consider this item to be a relevant matter for our audit. The related disclosures can be found in notes 4.14 and 18 of the notes to the financial statements	Our audit procedures included, among others: • Obtaining and analysing the list of litigation cases prepared by the legal department; • Obtaining and analysing responses to requests for confirmation from external lawyers and checking that they are in line with the calculation of provisions; • Critical analysis and discussion of the assumptions used to quantify provisions; • Obtaining and analysing the financial statements of subsidiaries in which the Entity has assumed legal or constructive obligations; • Inquiries to the management body about the assumptions, estimates and judgments used; • Reading and analysis of the minutes of the Board of Directors; • Assessment of whether the corresponding disclosures are adequate.

Other matters

The Group has generated consecutive annual losses, and the financing it needs to carry on its business is provided by the Portuguese state through capital allocations, subsidies and loans, the latter of which, since November 30, 2014, have been subject to successive moratoriums on principal and interest, which has contributed to current liabilities being substantially higher than current assets. Given that we are dealing with a Group whose parent company is a Public Business Entity (EPE), with public service obligations arising from the subway passenger transport activity, we believe that the continuity of the Group's operations is not in question, although it remains dependent on the financial support of the Portuguese State, the national strategy for the transport sector and the success to be achieved in the operations to be carried out in the future.

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

The management body is responsible for:

- preparation of consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union;
- preparation of the management report, including the corporate governance report and non-financial information under the applicable legal and regulatory terms;

- creation and maintenance of an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- adoption of accounting policies and criteria that are appropriate in the circumstances; and
- assessment of the Group's ability to continue as a going concern, disclosing, where applicable, any matters that may give rise to significant doubts as to the continuity of its activities.

The supervisory body is responsible for supervising the process of preparing and disclosing the Group's financial information.

Auditor's responsibilities for auditing the financial statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit performed in accordance with the ISAs will always detect a material misstatement when one exists. Misstatements can arise from fraud or error and are considered material if, individually or taken together, they could reasonably be expected to influence the economic decisions of users taken based on those financial statements.

As part of an audit in accordance with the ISAs, we make professional judgments and maintain professional scepticism during the audit and:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is greater than the risk of not detecting a material misstatement due to error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control;
- obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we assessed the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and respective disclosures made by the management body;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures included in the financial statements or, if those disclosures are not adequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to discontinue its activities;

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- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's audit and are ultimately responsible for our audit opinion;
- we communicate with those charged with governance, including the supervisory body, among other matters, the planned scope and timing of the audit, and the significant findings of the audit including any significant deficiencies in internal control identified during the audit;
- of the matters we communicate to those charged with governance, including the supervisory body, we determine those matters that were of most significance in the audit of the current year's financial statements and that are significant audit matters. We describe these matters in our report, except where the law or regulation prohibits their public disclosure;
- we declare to the supervisory body that we comply with the relevant ethical requirements regarding independence and communicate to it all relationships and other matters that could be perceived as threats to our independence and, where applicable, the respective safeguards.

Our responsibility also includes verifying that the information contained in the management report is consistent with the consolidated financial statements, and the verifications provided for in paragraphs 4 and 5 of article 451 of the Companies Code regarding corporate governance, as well as verifying that the non-financial statement has been presented.

REPORTING ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the consolidated management report

In compliance with Article 451(3)(e) of the Companies Code, except for the possible effects of the matters referred to in the "Basis for the qualified opinion" section, we are of the opinion that the management report has been prepared in accordance with the applicable legal and regulatory requirements in force and the information contained therein is consistent with the audited consolidated financial statements and, taking into account our knowledge and assessment of the Group, we have not identified any material misstatements.

As stated in article 451.7 of the Companies Code, this opinion is not applicable to the non-financial statements included in the so-called "Consolidated Report".

About the corporate governance report

In compliance with article 451(4) of the Companies Code, we are of the opinion that the corporate governance report includes the elements required of the Group under the terms of article 29-H of the Securities Code, and that no material inaccuracies have been identified in the information disclosed therein, complying with the provisions of paragraphs c), d), f), h), i) and l) of paragraph 1 of the aforementioned article.

About the non-financial statement

In compliance with Article 451(6) of the Companies Code, we hereby inform you that the Group has included in its management report the non-financial statement provided for in Article 66B of the Companies Code.

About the European Single Electronic Format (ESEF)

The Group's financial statements for the year ending December 31, 2023 must comply with the applicable requirements set out in Commission Delegated Regulation (EU) 2019/815 of December 17, 2018 (ESEF Regulation).

The management body is responsible for drawing up and publishing the annual report in accordance with the ESEF Regulations.

Our responsibility is to obtain reasonable assurance as to whether the consolidated financial statements included in the annual report are presented in accordance with the requirements set out in the ESEF Regulation.

Our procedures considered the Order of Statutory Auditors (OROC) Technical Application Guide on ESEF reporting and included, among other things, gaining an understanding of the financial reporting process, including the presentation of the annual report in valid XHTML format.

In our opinion, the consolidated financial statements included in the annual report are presented, in all material respects, in accordance with the requirements established in the ESEF Regulation.

On the additional elements provided for in Article 10 of Regulation (EU) No 537/2014

In compliance with Article 10 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of April 16, 2014, and in addition to the relevant audit matters indicated above, we also report the following:

- We were engaged as the Group's external auditors for the first time on December 27, 2023 for the financial years 2023 to 2025.

- The management body has confirmed to us that it is not aware of any fraud or suspected fraud with a material effect on the financial statements. In planning and performing our audit in accordance with the ISAs, we maintained professional scepticism and designed audit procedures to respond to the possibility of material misstatement of the financial statements due to fraud. As a result of our work, we did not identify any material misstatements in the financial statements due to fraud.

- We confirm that the audit opinion we have issued is consistent with the additional report we prepared and delivered to the group's supervisory body on the same date.

- We declare that we have not provided any services prohibited under Article 77(8) of the Statute of the Portuguese Institute of Chartered accountants and that we have maintained our independence from the Group during the audit.

- We would like to inform you that we have not provided the Group and the entities under its control with any non-audit services.

Porto, June 26, 2024

KRESTON & ASSOCIADOS - CAF, Lda.

Represented by Pedro Morais dos Santos

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GRI Indicators and GRI Indicator Table

Materiality analysis and report boundaries

According to the IIRC - International Integrated Reporting Council - we can define materiality as the material issues or topics that (significantly) affect an organization's ability to generate value in the short, medium and long term. According to the IIRC, "an integrated report is a concise document on how a company's strategy, governance, performance and prospects, in the context of the external environment, lead to the creation of value in the short, medium and long term."

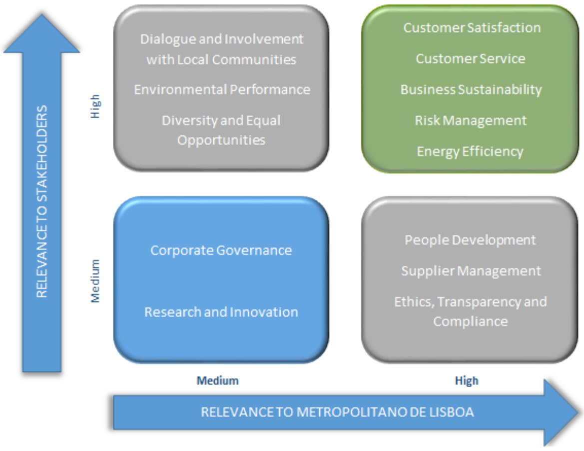
This Consolidated Report aims to communicate to stakeholders the path that ML is taking towards its sustainability and how it is contributing to the sustainability of its surroundings. To this end, the stakeholders have been identified (presented in this report in the "Stakeholders" chapter).

To recognize and prioritize, from the outset, all the relevant issues that could constitute risks and opportunities for the business, a selection was made of the material aspects for the 2022 financial year.

The selection of material aspects considered the Global Reporting Initiative (GRI) and the economic, environmental and social impacts they have on the organization, as well as how they can influence stakeholder evaluations and decisions.

For this step, the forms of consultation with stakeholders (already presented in this report) were considered.

Table 100 - Prioritization of material aspects

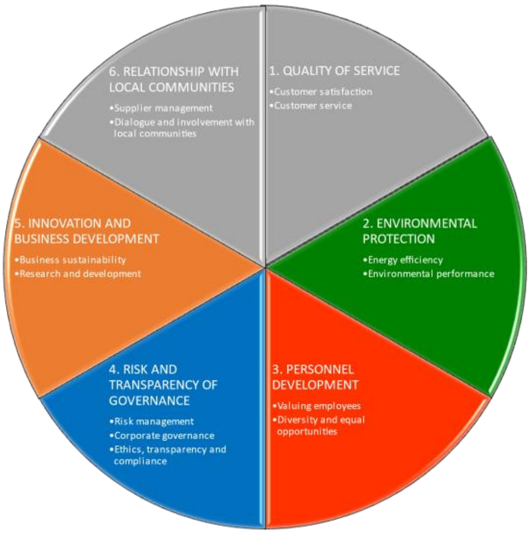


The main sources used for the selection of material issues include:

- The Global Reporting Initiative (GRI) standards;
- The indicators of the Quality and Environment Management System (SGQA) of the Metropolitano de Lisboa group of companies;
- The strategy defined and the commitments made by the organization;
- The events that took place in the reference year;
- The requirements of Directive 2014/95/EU of October 22 and legal compliance with Decree-Law 89/2017 of July 28;
- Analysis of the organization's external context.

The material issues considered can be attributed to METRO's sustainability approach and strategic areas of activity. This report focuses on these material issues.

Table 101 – Alignment of material aspects with strategy



GRI indicators

1. Economic Performance

GRI 201-1 Direct economic value generated and distributed

	2021	2022	2023
Economic value generated (€)	111.951.732	128.001.652	137.046.139
Economic value distributed (€)	146.308.899	149.201.034	144.741.639
Accumulated economic value (€)	-34.357.168	-21.199.382	-7.695.500

Restated figures

GRI 201-2 Financial implications and other risks and opportunities arising from climate change

Metropolitano de Lisboa has a resilient structure in the face of climate change, particularly the risk of rising sea levels, as it guarantees no entrances below 4 meters.

Greater community awareness of climate change and the need to decarbonize the economy could lead to increased demand for energy-efficient public transport such as the Metro, as well as positive discriminatory measures.

GRI 201-3 Defined benefit plan obligations and other retirement plans

The estimated value of the plan's liabilities in 2023 is 266,801,355 euros.

Not applicable regarding the existence of a separate fund to pay the liabilities of the Pension Plan.

GRI 201– 4 Financial support received from the government

	2021		2022		2023	
Capital appropriations (€)		253.904.909		181.390.745		57.511.019
Financial Compensation / Ministry of the Environment and Climate Action / AML (€)	(i)	48.233.046	(iii)	14.295.918	(v)	15.696.318
Investment Grant / PIDDAC / Environmental Fund / IMT (€)	(ii)	153.517.599	(iv)	10.639.940	(vi)	96.075.730
DGTF loans (€)		167.147.451		35.197.631		9.024.285

(i) Includes AML receipts: 44,566,434 € (PART: 7,848,238 €, COVID: 36,718,196 €) and fare contributions 3,666,613 €.
(ii) Includes PIDDAC 800.000 €, Environmental Fund: 56.847.527 €, Cohesion Fund: 38.683.399 € and RRP 70.816.795 €.
(iii) Includes PART: 10.8 million euros.
(iv) Includes Environmental Fund: 57,000 euros, RRP: 1.5 million euros and 'variable' PART: 9.1 million euros.
(v) Contribution 4-18, Sub_23 and Social+ 3.5 million euros, Veterans 1.7 million euros, CML Gratuity 5.6 million euros, PART 4.9 million euros
(vi) Sub. State Invest. 800 thousand euros, Environmental Fund 53.9 million euros, POSEUR 39.1 million euros, RRP 2.3 million euros

GRI 202–1 Ratio between the lowest wage and the local minimum wage, broken down by gender

	2021	2022	2023
Ratio between the lowest wage and the local minimum wage in important operating units	154,1	150,3	147,7

	Year 2022		Year 2023	
	WOMEN	MEN	WOMEN	MEN
Ratio between the lowest wage and the local minimum wage in important operating units	150,30	150,30	147,70	147,70
Proportion of the lowest wage in ML compared to the national minimum wage	145,33	146,60	145,33	144,18

GRI 202– 2 Proportion of management hired from the local community

	2021	2022	2023
% of senior management occupied by people from the local community	91,7%	92,3%	92,3%

GRI 203– 1 Investment in infrastructure and support services

Extension of the development of Investment in Long Duration Infrastructures supported to the value of 90,058,589 euros.

Identification of impacts on local communities:

- Investment in the public transport network is fundamental to guaranteeing access to the constitutional rights to work, education and health for the population that depends on it;
- Improving the public transport network promotes the dispersion of employment, benefiting areas further away from city centres and thus contributing to boosting the economy and improving the quality of life of the population;
- Improving the supply of the metro network also benefits the effective capacity of all other modes of transport – heavy and light rail, river transport, road traffic and soft modes. The "network effect" is common to all modes of transport, but the metro has the great advantage of helping to reduce local air pollution and relieve congestion on the road network.

The Investments and services described above are commercial commitments.

GRI 204–1 Proportion of spending on local suppliers

	2021	2022	2023
Spending with local suppliers (%)	96,9	97,3	97,1%

GRI 205-1 Operations assessed for risks related to corruption

	2021	2022	2023	
Percentage and total number of units business target of corruption risk analysis	100%	100%		100%
	21	23	(*)	22
No. of corruption cases identified	0	0	(**)	1

(*) As of December 1, 2020, the number of business units increased to 20 (previously 17).

(**) Infringement related to corruption, reported to MENAC, with the penalty of dismissal with just cause having been applied and the corresponding criminal complaint having been drawn up.

GRI 205-2 Communication and training in anti-corruption policies and procedures

	2021		2022			2023	
	NO.	%		NO.	%	NO.	%
Members of the governance body to whom the anti-corruption policies and procedures adopted by the organization have been communicated	24	88,9%	(*)	26	89,7%	29	100,0%
Employees to whom the anti-corruption policies and procedures adopted by the organization have been communicated.	1515	100,0%		1538	100,0%	1571	100,0%
Business partners to whom the anti-corruption policies and procedures adopted by the organization have been communicated.	1003	100,0%	(**)	1201	100,0%	913	100,0%
Governance body members who have received anti-corruption training.	1	3,7%		1	3,4%	28	96,6%
Employees who have received anti-corruption training.	5	0,3%		9	0,6%	786	50,0%

GRI 205- 3 Confirmed cases of corruption and measures taken

	2021	2022	2023	
Corruption incidents	0	0	(*)	1

(*) Infringement related to corruption, reported to MENAC, with the penalty of dismissal with just cause having been applied and the corresponding criminal complaint having been drawn up.

GRI 206-1 Legal actions for unfair competition, practices of trust and monopoly

No legal action has been taken in these matters.

GRI 207-1 Tax approach

Metropolitano de Lisboa is a Public Business Entity (E.P.E.) governed by its own statutes and carries out its activity in accordance with the laws and regulations applicable to it.

Since 2011, ML has been included in the list of entities reclassified in the Public Administration perimeter as a reclassified public entity (RPE), equivalent to Autonomous Funds and Services (AFS), resulting in significant impacts for the company in terms of budgetary framework, reporting of information and compliance with the applicable legislation, in particular being subject to the Law on Commitments and Overdue Payments, the Budgetary Framework Law and the obligation to prepare Budget Proposals to be submitted to the Directorate-General for the Budget (DGB) for direct entry in the State Budget (SB).

Since 2010, the Assembly of the Republic's Technical Budget Support Unit (UTAO) has been a permanent parliamentary unit with competence in budgetary and financial matters, which provides support in the preparation of studies and technical working documents on public budgetary and financial management.

GRI 207-2 Governance, control and fiscal risk management

ML monitors and manages tax matters in order to ensure better decision-making and minimize potential tax risks. The Supervisory Board is the body responsible for ensuring compliance in this area, overseeing the process of preparing and disclosing financial information. The Supervisory Board draws up opinions on the quarterly reports on the implementation of the Plan of Activities and Budget (PAO) and an annual report, giving its opinion on the report and accounts presented by the Board of Directors.

2. Environmental performance

GRI 301-1 Materials used, broken down by weight or volume

	2021	2022	2023
Light bulbs (pcs.)	12.934	19.922	10.451
Paper (kg)	12.612,00	24.881,00	43.875,00
Concrete (m3)	6.181,87	16.666,00	69.968,00
Steel (t)	716,00	676,00	5.703,00
Toners (pcs.)	23,00	213,00	97,00
Clamps (pcs.)	41.690,00	47.058,00	43.079,00
Cable (m)	9.213	13.276	15.686

GRI 301-2 Raw materials or recycled materials used

Data not available.

GRI 301-3 Recovered products and packaging

Not applicable.

GRI 302-1 Energy consumption within the organization

GRI 302-2 Energy consumption outside the organization

	2021	2022	2023
Diesel (MWh)	678	742	780
Gasoline (MWh)	4,66	1,98	7,42
Natural gas (MWh)	3.371	3.022	2.186
Electricity (MWh)	87.712	95.994	100.369
Total (MWh)	**91.766**	**99.760**	**103.342**

GRI 302-3 Energy intensity

	2021	2022	2023
Energy efficiency (Pass.km/kWh)	4,60	7,42	8,73

GRI 302-4 Reducing energy consumption

GRI 302-5 Reduction in energy requirements related to products and services

In 2023, the project to change the lighting technology in stations and other facilities to a more energy-efficient solution based on LED technology continued.

The implementation of the new fan operating regime was also completed, allowing the fan speeds to be adjusted to the air renewal needs after the installation of the stations' air quality monitoring probes.

Also in 2023, a 28% reduction was achieved in natural gas consumption compared to the previous year because of measures to change the temperature regulation of the air conditioning equipment in the workshop and office areas, as well as the elimination of hot water in the sanitary facilities of the PMO III administrative building.

GRI 303-1 Water renewal by source

GRI 303-2 Significant water sources affected by water withdrawals

All the water consumed by ML is supplied by the public and comes from the Castelo de Bode dam. ML's consumption does not significantly affect the water stored in this reservoir.

GRI 303-3 Percentage and total volume of water recycled and reused

0 (zero).

GRI 304-1 Operational sites owned, leased or managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas

GRI 304-2 Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas

GRI 304-3 Habitats protected or restored

GRI 304-4 Total number of species included in the IUCN Red List and in national lists for the conservation of habitats located in areas affected by the organization's operations, broken down by level of extinction risk

According to the Institute for Nature Conservation and Forests (ICNF), the city of Lisbon and its neighbouring municipalities (Amadora and Odivelas) are outside the Protected and Classified Areas of the ICNF's Lisbon and Tagus Valley Department for Nature Conservation and Forests.

GRI 305-1 **Direct greenhouse gas (GHG) emissions (scope 1)**
GRI 305-2 **Indirect greenhouse gas (GHG) emissions from energy purchases (scope 2)**
GRI 305-3 **Other indirect greenhouse gas (GHG) emissions (scope 3)**
GRI 305-4 **Intensity of greenhouse gas (GHG) emissions**
GRI 305-5 **Reduction of greenhouse gas (GHG) emissions**

	2021	2022	2023
Direct greenhouse gas emissions (t CO_2 e)	853	801	645
Indirect greenhouse gas emissions (t CO_2 e)	17.025	5.975	0
Other indirect GHG emissions (t CO_2 e)	4,76	20,63	24,49
GHG intensity (g CO_2 e/Pkm)	42,2	8,4	0,0
Total emissions avoided (t CO_2 e)	-3.703	38.772	20.671

GRI 305-6 **Emissions of ozone-depleting substances**

0 (zero).

GRI 305-7 **Emissions of nitrogen oxides (NOx), sulphur oxides (SOx) and other significant atmospheric emissions**

	2021	2022	2023
SO emissions$_2$ – acidifying gas (t)	229	251	262
NO_2 emissions – ozone precursor gas (t)	106	116	121

GRI 306-1 Water discharge by quality and destination

<table>
<tr><th>Source</th><th>Quality</th><th colspan="2">Destination</th><th>Treatment carried out</th><th>Annual estimate 2023 (m3)</th></tr>
<tr><td>Materials Parks and Workshops II (Lisbon)</td><td>Industrial wastewater from workshops</td><td>Wastewater is discharged into Lisbon's municipal collectors</td><td rowspan="6">The wastewater discharged into the collectors of these municipalities is sent to the following wastewater treatment plants:

Alcântara WWTP
Chelas WWTP
Beirolas WWTP
Bucelas WWTP
Frielas WWTP
São João da Talha WWTP</td><td rowspan="6">Alcântara WWTP - advanced primary treatment, with an installed treatment capacity for a peak flow of 3.3 $m^{3/s}$ in dry weather (with final disinfection of the effluent) and 6.6 $m^{3/s}$ in wet weather (with physical-chemical treatment).
Chelas WWTP - tertiary treatment using activated sludge, including filtration and final disinfection of the effluent, with an installed treatment capacity for a flow of 52,500$^{m3/day}$. Beirolas WWTP - tertiary treatment using activated sludge, including filtration and disinfection of the effluent, with an installed treatment capacity of 54,500$^{m3/day}$. Bucelas WWTP - secondary treatment using an oxidation ditch, sand filtration and UV disinfection, with an installed treatment capacity for a peak flow of 36.3 l/s and an average daily flow of 1,575$^{m3/day}$. Frielas WWTP - secondary treatment using activated sludge, including biofiltration and UV disinfection, with an installed treatment capacity of 70,000$^{m3/day}$. São João da Talha WWTP - secondary treatment using activated sludge, with an installed treatment capacity of around 16,000$^{m3/day}$.</td><td>5 558</td></tr>
<tr><td>Materials Parks and Workshops III (Lisbon)</td><td>Industrial wastewater from workshops</td><td>Wastewater is discharged into Lisbon's municipal collectors</td><td>18 907</td></tr>
<tr><td>ML stations integrated into the municipality of Lisbon</td><td>Potentially industrial wastewater from commercial premises (restaurants)</td><td>Wastewater is discharged into Lisbon's municipal collectors</td><td rowspan="4">32 541</td></tr>
<tr><td>ML stations integrated in the municipality of Loures</td><td>Potentially industrial wastewater from commercial premises (restaurants)</td><td>Wastewater is discharged into the Loures municipal collectors</td></tr>
<tr><td>ML stations integrated in the municipality of Odivelas</td><td>Potentially industrial wastewater from commercial premises (restaurants)</td><td>Wastewater is discharged into the Odivelas municipal collectors</td></tr>
<tr><td>ML stations integrated into the municipality of Amadora</td><td>Potentially industrial wastewater from commercial premises (restaurants)</td><td>Wastewater is discharged into Amadora's municipal collectors</td></tr>
<tr><td colspan="4" rowspan="2">Overview: The ML sites with industrial or potentially industrial wastewater production are:
- Materials Parks and Workshops II and III - where industrial wastewater is produced (and which, within ML, goes through treatment systems such as a hydrocarbon separator);
- ML stations - where potentially industrial water is produced, depending on the activities carried out there, such as catering activities.
ML wastewater is monitored periodically, according to a plan defined according to its characteristics.
It is estimated, based on ML's 2021 consumption, that the total wastewater discharged into the Materials Parks and Workshops was 26,347 m^3 and that a total of 37,954 m^3 was discharged from all metro stations.</td><td>Estimate of total wastewater discharged in Materials Parks and Workshops II and Materials Parks and Workshops III (industrial)</td><td>24 465</td></tr>
<tr><td>Estimate of total wastewater discharged at ML stations (potential industrial character)</td><td>32 541</td></tr>
</table>

It is estimated that around 80% of the water consumed is discharged as wastewater.

	2021	2022	2023
Total industrial wastewater discharged by ML (m3)	60.580	60.522	57.006

GRI 306-2 Total quantity of waste by type and disposal method

	2021	2022	2023
Total weight of hazardous waste	1,2%	10,4%	1,8%
Total weight of non-hazardous waste	98,8%	89,6%	98,2%
Total weight of waste for disposal	32,4%	68,3%	70,0%
Total weight of waste for recovery	67,6%	31,7%	30,0%

	2021	2022	2023
Hazardous waste (t)	19	116	22
Non-hazardous waste (t)	1.613	995	1.176
Waste for disposal (t)	528	759	839
Waste for recovery (t)	1.104	353	359

GRI 306-3 Total number and volume of significant spills

In 2023 there were no significant spills.

GRI 306-4 Weight of waste transported, imported, exported or treated as hazardous and percentage of waste transported internationally

All waste is managed entirely in Portuguese territory.

GRI 306-5 Identification, size, protection status and biodiversity value of water bodies affected by discharges and drainage of water and/or runoff carried out by the organization

Not applicable as all water runoff is routed through municipal collectors to the wastewater treatment plants.

GRI 307-1 Non-compliance with environmental laws and regulations

Metropolitano de Lisboa has a defined methodology for ensuring full compliance with environmental laws and regulations. This methodology is based on the existence of a constantly updated database with the legal requirements applicable to ML, the identification of the need for changes in the Company's procedures or equipment in the face of legislative changes, and an annual legal compliance audit carried out by a service provider specialized in this area.

In 2023, no legal non-compliance was identified during an inspection by the competent authorities, so no sanctions were imposed.

GRI 308-1 Percentage of new suppliers selected based on environmental criteria

Whenever applicable, environmental requirements are defined in ML's procurement processes. Compliance with these requirements is mandatory and suppliers who fail to meet them are immediately excluded from the process.

	2021	2022	2023
Procedures using environmental criteria (%)	10,8	12,4	19,2

GRI 308-2 Actual and potential negative environmental impacts in the supply chain and measures taken in this regard

ML has developed a methodology for identifying and evaluating environmental aspects and impacts that encompasses not only ML's activities, but also all those relating to the supply chain that ML can influence. The application of this methodology shows that there are no significant environmental impacts in the value chain, except for atmospheric emissions resulting from electricity production.

To minimize this impact, ML has been implementing energy efficiency measures, particularly in terms of lighting and ventilation systems.

3. Social Performance

GRI 401-1 Total number and rates of new employee hires and turnover by age group, gender and region

	2021	2022	2023
Personnel (women)	388	413	419
Personnel (men)	1.133	1.162	1.162
Total number of personnel	**1.521**	**1.575**	**1.581**
Admissions	16	75	(*) 50
Outputs	20	21	(**) 45
Turnover rate	**2,4%**	**6,1%**	**6,0%**

(*) Includes one rehire in 2023.
(**) Includes three temporary departures in 2023.

	Year 2022		Year 2023	
AGE	WOMEN	MEN	WOMEN	MEN
< 30 years	6,8%	6,3%	8,4%	6,9%
Between 30 and 50 years old	47,2%	37,6%	43,4%	35,1%
> 50 years	46,0%	56,1%	48,2%	58,0%

GRI 401-2 Benefits granted to full-time employees that are not offered to temporary or part-time employees, broken down by major operating units of the organization

There is no differentiation in the allocation of benefits between full-time and part-time workers.

GRI 401-3 Rate of return to work and retention after maternity/parental leave, broken down by gender

	WOMEN			MEN		
	2021	2022	2023	2021	2022	2023
Employees entitled to parental leave	388	413	416	1.133	1.162	1.159
Employees who took parental leave during the period	4	4	3	18	14	12
Employees who returned to work after the end of parental leave	3	3	3	15	14	12
Employees who returned to work and remained employed 12 months after	3	3	3	15	14	12
Return-to-work rate	75,0%	75,0%	100,0%	83,3%	100,0%	100,0%
Retention rate of employees who took parental leave	100%	100%	100%	100%	100%	100%

GRI 402-1 Minimum notification period for operational changes and whether they are specified in collective bargaining agreements

The deadline for notification is stipulated in the Labour Code.

GRI 403-1 Percentage of employees represented on formal management committees - Employee Health and Safety Committees that help monitor and advise on Health and Safety Programs

	2021	2022	2023
Total workforce represented on formal health and safety committees (%)	100,0%	100,0%	100,0%

GRI 403-2 Types and rates of injuries, occupational diseases, lost days, absenteeism and number of work-related fatalities, broken down by region and gender

	2021	2022	2023
Incidence rate	45,60	39,01	52,20
Frequency index	33,69	29,27	34,06
Severity index	1,64	1,80	1,98
Workplace accidents	75	77	96
Lost days	3.364	3.686	4.778
Number of deaths	0	0	0
Absenteeism rate (%)	7,48	8,92	7,93

	2022		2023	
	WOMEN	MEN	WOMEN	MEN
Incidence rate	22,73	44,66	24,39	62,02
Frequency index	14,77	28,63	16,19	40,23
Severity index	0,54	1,88	0,85	2,38
Workplace accidents (no.)	13	64	13	83
Lost days	329	3.357	523	4.255
Number of deaths	0	0	0	0
Absenteeism rate (%)	8,69	9,00	7,82	8,00

GRI 403-3 Workers with a high incidence or high risk of diseases related to their occupation

There are no workers in these conditions.

GRI 403-4 Health and safety topics covered by formal agreements with trade unions

Maintenance of a service responsible for compliance with health and safety conditions at work, in accordance with the Company Agreement (CA).

Compliance with occupational health and safety regulations (Annex II of the Company Agreement).

GRI 404– 1 Average hours of training per year and per employee

	2021	2022	2023
Managers	41,61	41,84	56,05
Senior management	33,80	38,46	50,35
Middle management	6,57	14,89	10,58
Intermediate management	18,90	11,16	17,70
Qualified / highly qualified professionals	11,77	35,17	29,88
Unskilled / semi-skilled professionals	8,66	13,75	2,25
Average	**16,47**	**31,52**	**30,60**

	Year 2022		Year 2023	
	Women	Men	Women	Men
Managers	59,79	35,50	34,10	62,51
Senior management	38,21	38,67	57,62	44,31
Middle management	13,13	16,26	10,58	10,57
Intermediate management	54,00	9,30	27,08	17,02
Highly qualified professionals qualified	46,50	31,47	33,64	28,73
Unqualified professionals / semi-skilled	0,00	13,75	0,00	2,25
Average	**41,88**	**28,13**	**36,69**	**28,31**

GRI 404-2 Skills management and continuous learning programs that contribute to the continued employability of employees preparing for retirement

	2021	2022	2023
Executive MBA (Directors)	0	0	0
Bachelor's Degree	10	9	16
Master's Degree	0	2	4
PhD	0	0	0

As assistance (where applicable), the company grants the Student Worker Statute set out in the Labour Code and the legislation that regulates and amends that code.

GRI 404-3 Percentage of employees receiving regular performance and career development reviews, by gender and functional category

By 2023 all employees (100%), women and men, had received performance and career development reviews.

GRI 405-1 **Composition of groups responsible for governance and breakdown of employees by category, according to gender, age group, membership of minority groups and other diversity indicators**

GOVERNANCE BODIES	2021 M	2021 F	2022 M	2022 F	2023 M	2023 F
Board of Directors	2	1	2	1	2	2
BoD Advisory Board	0	0	0	0	0	0
Supervisory Committee	1	2	1	2	1	2
Directors	15	6	17	6	17	5
Total	**18**	**9**	**20**	**9**	**20**	**9**

DIRECTORS	2021 M	2021 F	2022 M	2022 F	2023 M	2023 F
Under 30	0	0	0	0	0	0
Between 30 and 50 years old	3	3	3	3	2	1
Over 50 years old	12	3	14	3	15	4
Total	**15**	**6**	**17**	**6**	**17**	**5**

GRI 405- 2 **Ratio of basic salary and remuneration of women to men**

	2021	2022	2023
Senior management	108,9%	110,9%	112,6%
Middle management	105,1%	103,5%	106,8%
Intermediate management	98,3%	100,6%	108,7%
Highly qualified professionals	86,9%	89,8%	96,2%
Qualified professionals	98,2%	97,1%	97,9%

GRI 406-1 **Incidents of discrimination and corrective actions taken**

	2021	2022	2023
Number of cases of discrimination	0	0	0
Number of complaints and grievances related to human rights	0	0	0

GRI 407-1 **Operations and suppliers identified where the right to exercise freedom of association and collective bargaining may be violated or at risk, and the measures taken to support this right**

GRI 408-1 **Operations and suppliers identified as being at risk of incidents of child labour**

GRI 409-1 **Operations and suppliers at significant risk of incidents of child labour**

No incidents have been reported at any operation or supplier. At this level, ML is committed to respecting and protecting human rights, eradicating all forms of exploitation (forced labour and child labour) and eradicating all discriminatory practices. These and other principles of legality and business ethics form part of ML's Code of Ethics and Conduct .[11]

[11]https://www.metrolisboa.pt/institucional/informar/relatorios-e-documentos/

GRI 410-1 Security personnel who have received training in the organization's human rights policies or procedures

	2021	2022	2023
Security personnel who have received training in the organization's human rights policies or procedures that are relevant to operations.	0,0%	0,0%	85,0%

GRI 411-1 Incidents of violations involving the rights of indigenous peoples

There were no incidents in 2023.

GRI 412-1 Operations subject to human rights reviews or impact assessments

Metropolitano de Lisboa only operates in the Portuguese market and is therefore guaranteed compliance with all human rights issues, which are safeguarded by the laws of the Republic.

GRI 412-2 Total number of hours of employee training in human rights policies or procedures relevant to the organization's operations, including the percentage of employees trained

	2021	2022	2023
Total hours of training in human rights policies or procedures	0,0	181,5	1017,0
Employees trained during the reporting period in human rights policies	0,00%	2,41%	50,98%

GRI 412-3 Total number and percentage of significant Investment agreements and contracts that include human rights clauses or that have undergone human rights assessments

Metropolitano de Lisboa only operates in the Portuguese market and is therefore guaranteed compliance with all human rights issues, which are safeguarded by the laws of the Republic.

GRI 413-1 Operations with local community involvement, impact assessments and development programs

GRI 413-2 Operations with significant actual and potential negative impacts on local communities

The network expansion works require the installation of construction sites and noisy activities that potentially generate dust and other nuisances for nearby residents. Metropolitano de Lisboa implements a set of actions to minimize these negative impacts and ensures compliance with all limits imposed by current legislation.

GRI 414-1 New suppliers that have been selected using labour practices criteria

NC (Not calculated).

GRI 414-2 Main actual and potential impacts on labour practices in the supply chain and measures taken in this regard

No major impacts were identified for labour practices in the supply chain.

GRI 415-1 Political contributions

Metropolitano de Lisboa, as a public corporate entity, is unable to accept any contribution of this nature.

GRI 416-1 Assessment of the health and safety impacts of product and service categories

When designing its services, Metropolitano de Lisboa always prioritizes ensuring the safety of its customers. This assessment is also carried out as part of the environmental impact study, in which the Directorate-General for Health participates in the Evaluation Committee, and is subject to permanent supervision by the Security and Surveillance Department.

GRI 416-2 Incidents of non-compliance regarding the health and safety impacts of products and services

There have been no incidents of non-compliance in this area.

GRI 417-1 Requirements for product and service information and labelling

We comply with all existing legal regulations for this purpose and are subject to frequent audits that certify compliance with the defined requirements.

The requirements regarding customer information, complaints, as well as CSS and CM studies (which are structured according to the same quality criteria), are defined in NP 4475:2020 and EN 13816.

	2021	2022	2023
Percentage of main categories of products and services evaluated	87,5%	87,5%	87,5%
Customer Satisfaction Index	7,78	7,42	7,18
Total number of registered complaints regarding breach of customer privacy	0	0	0

GRI 417-2 Incidents of non-compliance in relation to information and labelling of products and services

Not applicable.

GRI 417-3 Incidents of non-compliance in relation to marketing communications

0 (zero).

GRI 418-1 Substantive complaints regarding breaches of customer privacy and losses of customer data

Since May 25, 2018, the company has had a Data Protection Officer (DPO) to ensure ML's compliance with the entry into force of the new General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016).

In 2023, there were no complaints about breaches of privacy and loss of customer data.

GRI 419-1 Non-compliance with laws and regulations in the socio-economic area

0 (zero).

4. Table of GRI Indicators

Table 102 - GRI Summary Table (I)

INDICATOR	GRI Standards	Page number(s) and/or URL(s)	OMISSION	SDGS
GRI 102 General Contents 2016				
Organizational Profile				
Name of the organization	102-1	Metropolitano de Lisboa, E.P.E. Page 10		
Activities, brands, products, and services	102-2	Page 11		
Location of the organization's headquarters	102-3	Avenida Fontes Pereira de Melo, 28, 1069-065 Lisboa, Page: http://www.metrolisboa.pt		
Locations of operations	102-4			
Nature of ownership and legal form	102-5	Page 11		
Markets served	102-6	Page 11		
Scale of the organization	102-7	Page 57		
Information about employees and other workers	102-8	Page 57		
Supply chain	102-9	Page 13		
Significant changes in the organization and its supply chain	102-10			
Precautionary principle or approach	102-11			
External initiatives	102-12	Page 62		
Membership in associations	102-13	Page 71		
Strategy				
Statement from the most senior decision-maker	102-14	Page 6		
Key impacts, risks, and opportunities	102-15	Page 20		
Ethics and integrity				
Values, principles, standards, and codes of conduct	102-16	ML Code of Ethics and Conduct		
Mechanisms for advice and concerns about ethics	102-17	PPRCIC implementation report		
Governance				
Governance structure	102-18	Page 22		
Delegation of authority	102-19	RGS 2022 The BoD's delegated powers are implemented by resolutions approved by the Board of Directors		
Executive-level responsibility for economic, environmental, and social topics	102-20	Page 24		
Stakeholder consultation on economic, environmental, and social topics	102-21	Page 13		
Composition of the highest governance body and its committees	102-22	RGS 2022		
Chair of the highest governance body	102-23	RGS 2022		
Nomination and selection processes for the highest governance body	102-24	RGS 2022		
Conflicts of interest	102-25	RGS 2022		
Role of the highest governance body in setting purpose, values, and strategy	102-26	RGS 2022		
Collective knowledge of the highest governance body	102-27	Page 22		
Evaluation of the performance of the highest governance body	102-28	RGS 2022		
Identification and management of economic, environmental, and social impacts	102-29	Page 245		
Effectiveness of risk management processes	102-30	RGS 2022; PPRCIC implementation report		
Review of economic, environmental, and social topics	102-31	Board meetings; RGS 2022		

Table 103 – GRI Summary Table (II)

INDICATOR	GRI Standard	Page number(s) and/or URL(s)	OMISSION	SDGS
Governance (continued)				
Role of the highest governance body in sustainability reporting	102-32	Page 22		
Communicating crucial concerns	102-33	Page 22		
Nature and total number of crucial concerns	102-34	Page 22		
Remuneration policies	102-35	Page 22		
Process for determining remuneration	102-36	Page 22		
Stakeholder involvement in remuneration	102-37			
Proportion of total annual remuneration	102-38	Page 22		
Proportion of percentage increase in total annual remuneration	102-39	Page 22		
Stakeholder involvement				
List of stakeholder groups	102-40	Page 13		
Collective bargaining agreements	102-41	Page 246		
Identification and selection of stakeholders	102-42	Page 13		
Approach to stakeholder involvement	102-43	Page 13		
Main concerns and topics raised	102-44			
Reporting practice				
Entities included in the consolidated financial statements	102-45	Page 10		
Defining the content of the report and the limits of the topics	102-46	Page 236		
List of material topics	102-47	Page 237		
Reformulating information	102-48			
Reporting changes	102-49			
Reporting period	102-50	Page 5		
Date of most recent report	102-51	Annual Report 2022		
Reporting cycle	102-52	Annual		
Contact for questions about the report	102-53	www.metrolisboa.pt relacoes.publicas@metrolisboa.pt		
Reporting statements in accordance with the GRI Standards	102-54	Page 5		
GRI content summary	102-55	Page 251		
External verification	102-56	Page 192		
GRI 201: Economic performance 2016				
Direct economic value generated and distributed	201-1	Page 237		5; 9
Financial implications and other risks and opportunities arising from climate change	201-2	Page 237		13
Defined benefit plan obligations and other retirement plans	201-3	Page 237		
Financial support received from the government	201-4	Page 238		
GRI 202: Market presence 2016				
Ratio between the lowest wage and the local minimum wage, broken down by gender	202-1	Page 238		
Proportion of board members hired from the local community	202-2	Page 238		
GRI 203: Indirect Economic Impacts 2016				
Investment in infrastructure and services provided	203-1	Page 238		5; 9
GRI 204: Purchasing practices 2016				
Proportion of spending with local suppliers	204-1	Page 238		

Table 104 - GRI Summary Table (III)

INDICATOR	GRI Standard	Page number(s) and/or URL(s)	OMISSION	
GRI 205: Fight against corruption 2016				
Operations assessed for risks related to corruption	205-1	Page 239		16
Communication and training on anti-corruption policies and procedures	205-2	Page 239		
Confirmed cases of corruption and measures taken	205-3	Page 239		16
GRI 206: Unfair competition 2016				
Legal actions for unfair competition, trust and monopoly practices	206-1	Page 239		
GRI 207: Taxes 2019				
Tax approach	207-1	Page 239		
Governance, control and fiscal risk management	207-2	Page 240		
GRI 301: Materials 2016				
Materials used, by weight or volume	301-1	Page 240		
Recycled materials used (input)	301-2	Page 240		
Recovered products and their packaging materials	301-3	Page 240		
GRI 302: Energy 2016				
Energy consumed in the organization	302-1	Page 240		13
Energy consumed outside the organization	302-2	Page 240		13
Energy intensity	302-3	Page 240		13
Reduced energy consumption	302-4	Page 241		13
Reducing the energy needs of products and services	302-5	Page 241		13
GRI 303: Water 2018				
Water abstraction by source	303-1	Page 241		
Water resources significantly affected by water abstraction	303-2	Page 241		
Water reuse and recycling	303-3	Page 241		
GRI 304: Biodiversity 2016				
Operations sites (leased or owned by the company) that carry out activities in or adjacent to protected areas or areas with high biodiversity value outside protected areas	304-1	Page 241		
Significant impacts of products and services on biodiversity	304-2	Page 241		
Protected or restored habitats	304-3	Page 241		
Species on the IUCN Red List or the national conservation list at the site of operations.	304-4	Page 241		
GRI 305: Emissions 2016				
Direct GHG emissions (scope 1)	305-1	Page 242		13
Indirect GHG emissions (scope 2)	305-2	Page 242		13
Other GHG emissions (scope 3)	305-3	Page 242		13
Intensity of GHG emissions	305-4	Page 242		13
Reducing GHG emissions	305-5	Page 242		13
Emissions of ozone-depleting substances	305-6	Page 242		13
Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant emissions	305-7	Page 242		13
GRI 306: Effluents and Waste 2016				
Water discharges, broken down by quality and destination	306-1	Page 243		13
Total amount of waste by type and treatment method	306-2	Page 244		13
Total number and volume of significant spills	306-3	Page 244		13
Weight of transported, imported, exported or treated waste considered hazardous and percentage of waste transported internationally	306-4	Page 244		
Identification, size, protection *status* and biodiversity value of water bodies affected by discharges and drainage of water and/or runoff carried out by the organization	306-5	Page 244		

Table 105 - GRI Summary Table (IV)

INDICATOR	GRI Standard	Page number(s) and/or URL(s)	OMISSION	SDGS
GRI 307: Environmental compliance 2016				
Non-compliance with environmental laws and regulations	307-1	Page 244		
GRI 308: Environmental Assessment of Suppliers 2016				
New suppliers selected based on environmental criteria	308-1	Page 244		
Negative environmental impacts in the supply chain and measures taken	308-2	Page 245		
GRI 401: Employment 2016				
New hires and employee turnover	401-1	Page 245		5
Benefits offered to full-time employees that are not provided to temporary or part-time employees	401-2	Page 245		
Maternity/parental leave	401-3	Page 246		5
GRI 402: Labour relations 2016				
Minimum notice period for operational changes	402-1	Page 246		
GRI 403: Occupational Health and Safety 2018				
Occupational health and safety management system	403-1	Page 246		
Hazard identification, risk assessment and incident investigation	403-2	Page 246		
Occupational health services	403-3	Page 246		
Worker participation, consultation and communication with workers regarding health and safety at work	403-4	Page 246		
Training workers in occupational health and safety	403-5	Page 57		
Promoting workers' health	403-6	Page 57		
Prevention and mitigation of health and safety impacts	403-7	Page 57		
Workers covered by an occupational health and safety management system	403-8	Page 57		
Workplace accidents	403-9	Page 57		
Occupational illnesses	403-10	Page 57		
GRI 404: Training and Education 2016				
Average hours of training per year, per employee	404-1	Page 247		5
Programs for improving employee skills and career transition assistance	404-2	Page 247		
Percentage of employees receiving regular performance and career development reviews	404-3	Page 247		5
GRI 405: Diversity and equal opportunities 2016				
Diversity in governance bodies and employees	405-1	Page 248		5
Ratio of basic salary and remuneration received by women to those received by men	405-2	Page 248		5
GRI 406: Non-Discrimination 2016				
Cases of discrimination and corrective measures taken	406-1	Page 248		5
GRI 407: Freedom of Association and Collective Bargaining 2016				
Operations and suppliers where the right to freedom of association and collective bargaining may be at risk	407-1	Page 248		
GRI 408: Child Labour 2016				
Operations and suppliers with a significant risk of child labour cases	408-1	Page 248		
GRI 409: Forced or Slave Labour 2016				
Operations and suppliers with a significant risk of cases of forced or compulsory labour	409-1	Page 248		
GRI 410: Safety Practices 2016				
Security personnel trained in human rights policies or procedures	410-1	Page 249		

Table 106 – GRI Summary Table (V)

INDICATOR	GRI Standard	Page number(s) and/or URL(s)	OMISSION	SDGS
GRI 411: Rights of Indigenous Peoples 2016				
Cases of violations of indigenous peoples' rights	411-1	Page 249		
GRI 412: Human Rights Assessment 2016				
Operations subject to human rights assessments or human rights impact assessments	412-1	Page 249		
Training employees in human rights policies or procedures	412-2	Page 249		
Significant Investment agreements and contracts that include human rights clauses or that have been subject to a human rights assessment	412-3	Page 249		
GRI 413: Local Communities 2016				
Operations with local community involvement, impact assessments and development programs	413-1	Page 249		
Operations with negative impacts (actual and potential) on local communities	413-2	Page 249		
GRI 414: Social Assessment of Suppliers 2016				
New suppliers selected based on social criteria	414-1	Page 249		5
Negative social impacts in the supply chain and measures taken	414-2	Page 249		5
GRI 415: Public Policies 2016				
Political contributions	415-1	Page 249		
GRI 416: Consumer Health and Safety 2016				
Assessment of health and safety impacts caused by categories of products and services	416-1	Page 250		
Cases of non-compliance in relation to health and safety impacts caused by products and services	416-2	Page 250		
GRI 417: Marketing and Labelling 216				
Requirements for product and service information and labelling	417-1	Page 250		
Cases of non-compliance regarding product and service information and labelling	417-2	Page 250		
Cases of non-compliance in relation to marketing communication	417-3	Page 250		
GRI 418: Customer Privacy 2016				
Proven complaints regarding breach of privacy and loss of customer data	418-1	Page 250		
GRI 419: Socioeconomic Compliance 419				
Non-compliance with laws and regulations in the socio-economic area	419-1	Page 250		

Approval of the Activity Plan and Budget - 2023

PORTUGUESE REPUBLIC – XXIII Constitutional Government

ORDER
FINANCE AND ENVIRONMENT AND CLIMATE ACTION

Considering that:

1. Article 39(9) of Decree-Law No. 133/2013, of October 3, which approved the Legal Framework of the Public Business Sector (RJSPE), in its current version, establishes that the proposals for the Activity Plan and Budget do not produce any effect until their respective approval by the members of the Government responsible for finance and the relevant sector of activity.

2. Metropolitano de Lisboa, E.P.E., submitted the Activity Plan and the respective Budget for the year 2023 in the Economic and Financial Information Collection System (SIRIEF), for which the Supervisory Body issued a favourable opinion.

3. Pursuant to Articles 39(7) and (8) of the RJSPE, the Technical Unit for Monitoring and Oversight of the Public Business Sector prepared Analysis Report No. 304/2022, dated December 12, concluding that the ML's Activity Plan and Budget for 2023 are in conditions to be approved, subject to the conditions detailed in its conclusion.

4. The aforementioned analysis report was approved by the Secretary of State for the Treasury, who also granted the legally required authorizations.

Therefore, under the terms and for the purposes of Article 39(9) of the RJSPE, the ML's Activity Plan and Budget for the year 2023 are hereby approved.

The Secretary of State for the Treasury,

The Secretary of State for Urban Mobility,

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