MILIONE S.p.A.

Consolidated Financial Statements

MILIONE S.p.A.

at December 31, 2022

Contents

MILIONE S.p.A.
Share capital: Euro 188,737.00 fully paid-in
Registered office: viale G. Galilei No. 30/1 - 30173 Venice
Venice REA No.: 418330
Venice Companies Registration Office, Tax and VAT No.: 03411340262

According to the Shareholder Register, at December 31, 2022, the share capital of Milione S.p.A. was broken down as follows:

	% HELD
INFRA HUB S.R.L.	43.9942
LEONE INFRASTRUCTURE S.R.L.	43.9942
SVILUPPO 87 S.R.L.	12.0079
CENTRO VACANZE PRA' DELLE TORRI S.R.L.	0.0037

Board of Directors

The Board of Directors appointed by the Shareholders' Meeting of October 8, 2020 and in office at December 31, 2022 were:

Name	**Office**
Enrico Marchi	Chairperson
Hamish Macphail Massie Mackenzie	Vice Chairperson
Athanasios Zoulovits	Vice Chairperson
Fabio Battaggia	Director
Grégoire Parrical De Chammard	Director
Zeynep Lucchini Gilera	Director
Walter Manara	Director
Giovanni Marchi	Director
Monica Scarpa	Director

Board of Statutory Auditors

The Board of Statutory Auditors appointed by the Shareholders' Meeting of October 8, 2020 and in office at December 31, 2022 were:

Name	**Office**
Nicola Broggi	Chairperson
Paolo Caprotti	Statutory Auditor
Roberto Lonzar	Statutory Auditor
Fabrizio Acerbis	Alternate Auditor
Michele Crisci	Alternate Auditor
Anna Masè	Alternate Auditor

Independent Audit Firm

Deloitte & Touche S.p.A. (appointed by the Shareholders' AGM of April 17, 2020)

Directors' Report

Consolidated Financial Highlights

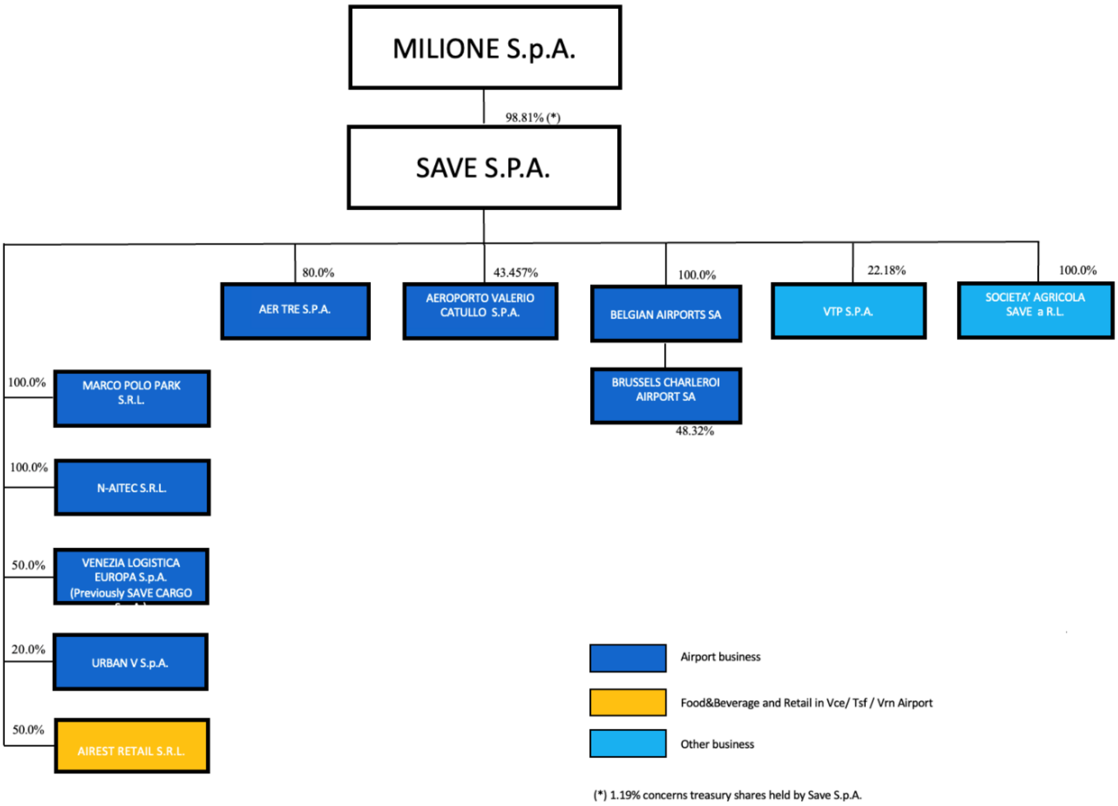
(Euro millions)	**2022**	**2021**	**% Change**
Revenues	255.5	86.4	195.6%
EBITDA	148.6	14.6	915.3%
EBIT	70.6	(62.9)	-212.3%
Group Net Profit/(loss)	45.8	(75.5)	-160.6%
Fixed Capital Employed	1,564.0	1,593.4	-1.8%
Net operating working capital	(65.0)	(48.5)	34.0%
Net capital employed	**1,499.0**	**1,544.9**	**-3.0%**
- Own funds	582.1	502.9	15.7%
- Minority shareholders	3.2	2.5	28.0%
SHAREHOLDERS' EQUITY	**585.2**	**505.4**	**15.8%**
NET FINANCIAL POSITION	**913.7**	**1039.9**	**-12.1%**
EBIT/Revenue (ROS)	27.6%	-72.7%	
Venice-Treviso Airport System Passenger Nos.	11,954,328	4,659,150	156.6%

A number of alternative performance measures not governed by IFRS are utilized in this document, as described in the dedicated paragraph of the Directors' Report. Given that these measures are not identified as an accounting measure within IFRS, the criterion for their determination may not be uniform with other groups or companies.

The Group

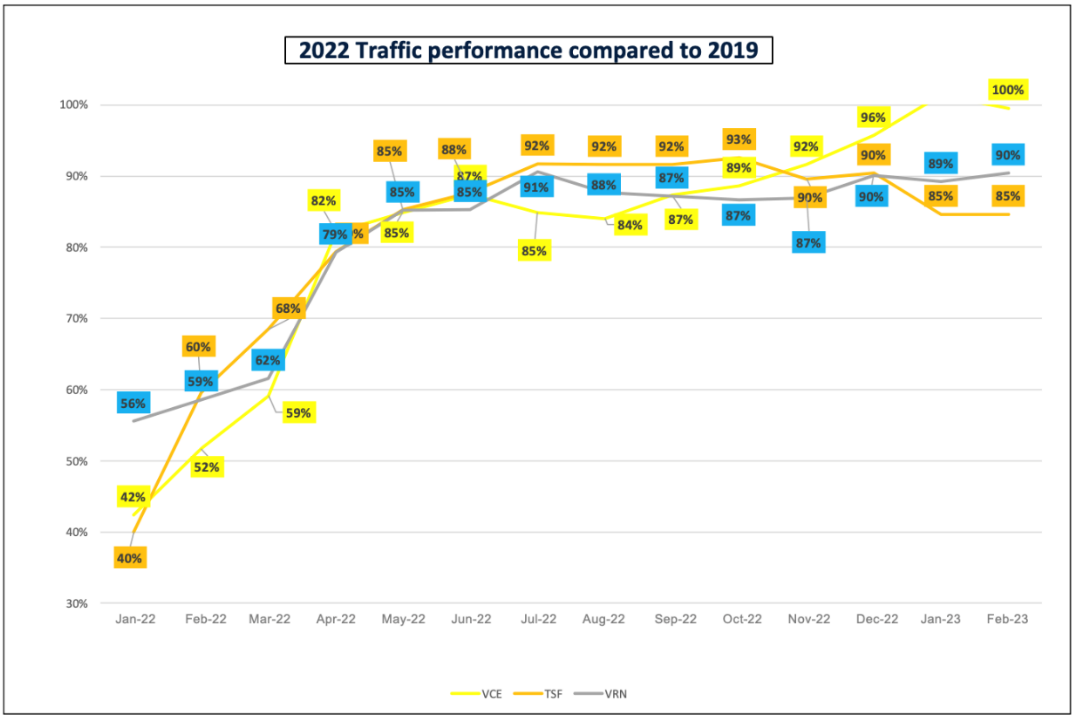
Milione S.p.A. (hereafter also the "Company" or "Milione" or "Parent Company"), previously Agora Investimenti S.p.A., holds a majority investment in SAVE S.p.A. – hereafter also "SAVE" –, an investment holding company which mainly operates through its subsidiaries in the airport management sector. The subsidiary directly manages Venice Marco Polo Airport and controls the management company of the Treviso Antonio Canova airport. Save also has significant holdings in the companies that manage Valerio Catullo di Verona Villafranca airport, Gabriele D'Annunzio di Montichiari (BS) airport and Charleroi (Belgium) airport, in addition to those in companies operating in airport management related sectors.

We report below the Group structure, with the main operating companies and the Group holding percentage.



Market performance

Against an easing of the COVID-19 pandemic, 2022 saw our market recover, although the outbreak of the Russia-Ukraine conflict resulted in the blocking of certain markets and geopolitical and general economic instability which has continued to date and is not yet fully predictable.
In fact, on the one hand the ongoing COVID-19 pandemic, thanks to the mass vaccination campaigns and the reduced impacts from the latest variants of the virus, saw an easing of movement restrictions, which were still heavily impacted in 2021 and in the initial months of 2022. With the start of the summer season this new situation supported a clear air traffic recovery and particularly for the European and North American markets, even creating an operational crisis for some major European hubs.
By contrast, since February the conflict between Russia and Ukraine, in addition to creating a political, military and humanitarian emergency, for the rest of Europe resulted in the greatest energy crisis of recent decades, leading to increased operating costs for the entire sector as a result of the increases - which were entirely unpredictable in view of the prices before the conflict - in the cost of energy, gas and fuel.
Based on the latest available figures (source: Bank of Italy), the global economy continues to be impacted by high inflation, the significant uncertainty surrounding the war in Ukraine and the restrictive monetary policy outlook: following a strong Q3 2022, the fourth quarter saw a retreat and particularly for manufacturing company indices. Gas prices dropped significantly in the initial months of the new year, which will certainly benefit the economy and particularly the Eurozone.
Against this still critical general economic environment, we have however detected a positive shift in the propensity to travel. In fact, although against an effective reduction in spending power, travel bookings (in particular tourism) continue to rise significantly and, taking account of the nature of Venice and Veneto, the achievement of 2023 results in line with 2019 now appears to be obtainable for our Group.
This expectation however may not be extended to the entire sector, as large parts of the world have not yet fully reopened traffic to the rest of the world (China and the Far East in general) or have been impacted by the ongoing war (Russia), with traffic volumes for the major European hubs therefore still a long way off pre-pandemic levels.
Looking to ACI Europe's 2022 traffic data, these gaps are apparent with 79% of 2019's volumes having been recovered overall, while only 27% of airports (90% of which considered "smaller&regional airports") have recovered pre-pandemic volumes by 2022.
These differences emerge also when analysing results by market: the recoveries of countries whose passenger traffic has a significant tourism element, such as Greece (-1.9%), Portugal (-5.8%), Spain (-11.4%) and Italy (-17.9%) have been significantly above average compared to major countries still experiencing difficulty, such as the UK (-24.8%) and Germany (-34.9%).
The North-East Italian airports in 2022 had recovered 81% of the pre-pandemic figures, with Q4 having recovered 91% of Q4 2019, confirming the highly attractive nature of our destinations and the success of a commercial strategy which, during the pandemic, focused on providing the greatest possible availability of flights/destinations as soon as the expected surge in demand materialised following the lifting of the pandemic restrictions.



Group Structure

The Group in 2022 completed a number of transactions to improve operating flexibility and to increase holdings in certain investee companies, enabling greater involvement in the operational and strategic management of these airports.

We in fact report the completion of the process for the sale to third parties of the subsidiary Triveneto Sicurezza in May 2022 and the reverse merger, completed on June 28, 2022, resulting in the incorporation of Save International Holding into the subsidiary Belgian Airport S.a., and finally the merger of Save Engineering into its parent company Save.

In addition, we indicate the increase in the Group's holding in Bruxelles South Charleroi Airport S.A. (BSCA) from 27.65% to 48.3%, on the basis of the share capital increase subscribed by Belgian Airport S.a..

Finally, the acquisition of small minority stakes in the investee company Aeroporto Valerio Catullo di Verona Villafranca continues, following their sale by the public shareholders, with the holding increasing from 43.05% to 43.457% in the period, thereby strengthening our role as the company's majority shareholder.

Milione Group Consolidated Operational Overview

The Group consolidated reclassified income statement is reported below (in thousands of Euro):

Euro/000	2022		2021		CHANGE	
Operating revenue and other income	**255,518**	**100.0%**	**86,432**	**100.0%**	**169,086**	**195.6%**
Raw materials and goods	1,722	0.7%	833	1.0%	889	106.8%
Services	52,946	20.7%	36,023	41.7%	16,923	47.0%
Lease and rental costs	11,469	4.5%	4,965	5.7%	6,504	131.0%
Personnel costs	38,763	15.2%	27,990	32.4%	10,773	38.5%
Other operating charges	2,014	0.8%	1,986	2.3%	28	1.4%
Total operating costs	**106,914**	**41.8%**	**71,796**	**83.1%**	**35,118**	**48.9%**
EBITDA	**148,604**	**58.2%**	**14,636**	**16.9%**	**133,968**	**915.3%**
Amortisation & write-down of intangible assets	60,470	23.7%	60,556	70.1%	(86)	-0.1%
Depreciation & write-down of tangible assets	10,594	4.1%	11,377	13.2%	(783)	-6.9%
Replacement provision	6,095	2.4%	3,370	3.9%	2,725	80.9%
Losses and doubtful debt provision	257	0.1%	2,204	2.5%	(1,947)	-88.3%
Provision for risks and charges	610	0.2%	0	0.0%	610	n/a
Total amortisation, depreciation, provisions & write-downs	**78,026**	**30.5%**	**77,507**	**89.7%**	**519**	**0.7%**
EBIT	**70,578**	**27.6%**	**(62,871)**	**-72.7%**	**133,449**	**-212.3%**
Financial income and (charges)	(30,968)	-12.1%	(22,774)	-26.3%	(8,194)	-36.0%
Profit/losses from Associates & JV's carried at equity	6,673	2.6%	(13,233)	-15.3%	19,906	150.4%
Profit before taxes	**46,283**	**18.1%**	**(98,878)**	**-114.4%**	**145,161**	**146.8%**
Income taxes	(248)	-0.1%	(23,303)	-27.0%	23,055	98.9%
Profit/(loss) from Continuing Operations	**46,531**	**18.2%**	**(75,575)**	**-87.4%**	**122,106**	**161.6%**
Profit/(loss) from Discontinued Operations/Held-for-sale	(41)	0.0%	(932)	-1.1%	891	95.6%
Net Profit	**46,490**	**18.2%**	**(76,507)**	**-88.5%**	**122,997**	**160.8%**
Minorities	(690)	-0.3%	958	1.1%	(1,648)	-172.0%
Group Net Profit/(loss)	**45,800**	**17.9%**	**(75,549)**	**-87.4%**	**121,349**	**160.6%**

The Group's operating figures are primarily derived from the consolidation of SAVE S.p.A. and the Group that it controls, which operates at the Venice and Treviso airports.

As evident from the preceding paragraphs, the year featured a significant recovery of passenger traffic volumes for the Venice-Treviso system, with growth of 157% on 2021, although still at 80.7% of 2019 volumes.

Therefore, comparison with the preceding year, as in the previous year, continues to be of little significance.

Operating revenues and other income amounted to Euro 255.5 million, a 195.6% increase on the previous year. This is broken down as follows:

	2022				2021				Change				Change %
Euro / 1000	Total	Venice	Treviso	Others	Total	Venice	Treviso	Others	Total	Venice	Treviso	Others	Total
Aviation fees and tariffs	120,434	108,039	12,395	0	51,247	45,780	5,467	0	69,187	62,259	6,928	0	135.0%
Handling	3,181	1,465	1,716	0	1,751	888	863	0	1,430	577	853	0	81.7%
Aviation Revenue	**123,615**	**109,504**	**14,111**	**0**	**52,998**	**46,668**	**6,330**	**0**	**70,617**	**62,836**	**7,781**	**0**	**133.2%**
Ticketing	106	22	84	0	63	2	61	0	43	20	23	0	68.3%
Parking	18,224	16,143	2,081	0	7,649	6,681	968	0	10,575	9,462	1,113	0	138.3%
Advertising	1,688	1,606	82	0	868	817	51	0	820	789	31	0	94.5%
Commercial	33,509	29,859	3,650	0	13,955	12,219	1,736	0	19,554	17,640	1,914	0	140.1%
Non-Aviation Revenue	**53,527**	**47,630**	**5,897**	**0**	**22,535**	**19,719**	**2,816**	**0**	**30,992**	**27,911**	**3,081**	**0**	**137.5%**
Other income	**78,376**	**66,819**	**7,657**	**3,901**	**10,899**	**5,565**	**324**	**5,010**	**67,478**	**61,254**	**7,333**	**(1,109)**	**619.1%**
Total Revenue	**255,518**	**223,953**	**27,664**	**3,901**	**86,432**	**71,952**	**9,470**	**5,010**	**169,087**	**152,001**	**18,194**	**(1,109)**	**195.6%**

As can be seen, the various **revenue** items benefitted from the significant improvement in traffic for the Venice-Treviso system.
Specifically:

• *aviation revenues* totalled approx. Euro 123.6 million (Euro 53 million in 2021). The traffic performance from the summer season - which saw an average recovery compared to 2019 of 87.3% - drove the recovery of operations and consequently of aviation revenue.

• *non-aviation revenues* totalled approx. Euro 53.5 million, compared to Euro 22.5 million in 2021, bringing the per passenger indicators in line with pre-pandemic levels.

• the significant increase in Other revenues is due for Euro 48 million to the recognition of the contribution from the Aviation sector damage compensation fund, approved by the Ministry for Infrastructure and Sustainable Mobility in May 2022 and collected in two tranches in H1, in partial compensation of the damages incurred by the Group's airports in the March-June 2020 period. The account was in addition impacted by the review of a number of debt items, of which Euro 12.4 million concerned the restatement of the payable recognised for the Fire Protection Service Fund contribution, which resulted in the cancellation of a portion of the liabilities recognised in previous years.

Operating costs, and particularly in the second quarter (which coincides with the beginning of the summer season), reflect the full operability of the terminals, increasing significantly from Euro 71.8 million in 2021 to Euro 106.9 million in 2022.
We however highlight in this regard the efficiency actions introduced during the pandemic and which have continued throughout 2022, resulting in significant operating cost savings, which partially absorbed the increased energy and fuel costs in the year.
With particular regard to the latter, the Group benefited also from the purchases at fixed prices throughout H1 2022, which therefore mitigated the impact on the 2022 income statement. More recent price developments, with considerable reductions, alongside the company's hedging strategy, indicate that the market uncertainty should not result in significant economic shocks for the present year.
As a result of the above, **EBITDA** stood at Euro 148.6 million, compared to Euro 14.6 million in the previous year. This result includes the reclassification to discontinued operations of the result of the subsidiary Triveneto Sicurezza S.r.l. from the previous year.

EBIT returned to profitability at Euro 70.6 million, compared to a loss of approx. Euro 62.9 million in 2021. Amortisation, depreciation and provisions were substantially in line with the previous year, although against a higher accrual to the renewal provision of Euro 2.7 million, in view of the updated estimate for the works to be carried out at Venice and Treviso airports, impacted by increasing prices, offset by the lower accrual to the Doubtful debt provision for Euro 2 million and a reduction in amortisation and depreciation of Euro 0.7 million.

Net financial charges improved to Euro 24.3 million (Euro 36 million in 2021). This improvement is due to the result of the investees which, also benefitting from improved operating levels, reported net income of Euro 6.7 million, compared to net charges of Euro 13.2 million in the previous year. The net balance between financial charges and income however declined to a charge of Euro 31 million, compared to Euro 22.8 million in 2021, due to the impact of the net balance of renegotiation charges, with a net cost of Euro 2.7 million, resulting from the refinancing transaction in February 2022 of a Group credit line and the increased average cost of debt compared to the 2021 average.

The Company, in order to reduce the risks stemming from rising interest rates, together with the refinancing transaction of February 2022 undertook hedging instruments for a notional Euro 486 million which shall fix the rate until maturity (scheduled for December 2027) of the underlying loan. The market value at December 31, 2022 of the derivatives undertaken was a positive Euro 45.7 million. Following this transaction, 86% of Group funding sources are at fixed rates.

Current and deferred taxes for 2022 presented a positive balance of Euro 0.2 million, due to the offsetting of current and deferred balances.

The Group **net result** therefore returned to profit at approx. Euro 45.8 million, compared to a loss of Euro 75.7 million in 2021.

Reclassified Balance Sheet of the Milione Group

Euro/000	12/31/2022	12/31/2021	Change
Property, plant and equipment	53,456	57,576	(4,120)
Airport concession rights	601,827	604,942	(3,115)
Intangible assets	992,233	1,024,695	(32,462)
Financial assets	107,532	84,663	22,869
Deferred tax assets	51,206	57,953	(6,747)
TOTAL FIXED ASSETS	**1,806,254**	**1,829,829**	**(23,575)**
Post-employment benefits	(3,009)	(3,407)	398
Provision for liabilities and deferred taxes	(239,267)	(233,056)	(6,211)
Fixed Capital Employed from assets held-for-sale	**0**	**(80)**	**80**
FIXED CAPITAL EMPLOYED	**1,563,978**	**1,593,286**	**(29,308)**
Inventories	2,320	2,299	21
Trade receivables	43,541	35,337	8,204
Tax assets	814	2,204	(1,390)
Other receivables and other current assets	4,781	6,530	(1,749)
Trade payables and advances	(65,970)	(48,444)	(17,526)
Tax payables	(4,762)	(1,336)	(3,426)
Payables to social security institutions	(2,835)	(2,543)	(292)
Other payables	(42,874)	(42,542)	(332)
Net working capital from assets held-for-sale	**0**	**516**	**(516)**
TOTAL NET WORKING CAPITAL	**(64,985)**	**(47,979)**	**(17,006)**
TOT. CAPITAL EMPLOYED	**1,498,993**	**1,545,307**	**(46,314)**
Group Net Equity	582,085	502,887	79,198
Minority Interest Net Equity	3,162	2,471	691
SHAREHOLDERS' EQUITY	**585,247**	**505,358**	**79,889**
Cash	(74,219)	(24,587)	(49,633)
Other financial assets	(45,708)	(540)	(45,168)
Current bank payables	7,667	60,662	(52,995)
Non-current bank payables	1,021,275	999,287	21,988
Other lenders	4,881	5,277	(395)
Financial receivables from group & related companies	(150)	(591)	441
Financial payables to group & related companies	0	0	0
Financial liab. related to assets held-for-sale	**0**	**441**	**(441)**
TOTAL NET FINANCIAL POSITION	**913,746**	**1,039,948**	**(126,202)**
TOT. FINANCING SOURCES	**1,498,993**	**1,545,307**	**(46,314)**

The evolution of the Group's capital structure reflects the development of the Save Group's operations during the year.
The containment of investments in the year, following the review of the investment plan being implemented at the various airports, with the objective of incorporating the newly emerging needs of the terminals within the altered operating environment, in fact resulted in a reduction in **Fixed Capital** of approx. Euro 29.3 million, due to amortisation and depreciation of approx. Euro 71 million, which more than offset investments in the year of approx. Euro 32.2 million and financial investments, with the increase in the share capital subscribed in the associate B.S.C.A., in addition to the increase from valuation at equity of the associates.

The recovery of operations has also resulted in an increase in balances with customers and suppliers which, as generally the case, resulted in the negative **Net Working Capital** balance increasing from Euro 48 million at the end of 2021 to Euro 65 million at the end of 2022 (Euro 95 million at December 31, 2019).

Shareholders' equity of Euro 585.2 million compared to approx. Euro 505.4 million at December 31, 2021. The increase is mainly due to the net profit for the year, gross of the minority share, amounting to a net profit of approx. Euro 46.5 million, and the positive effect of the Mark to Market on derivative transactions for interest rate hedges of approx. Euro 33.1 million.

Net Financial Position

The Group **net financial position** improved from a net debt of Euro 1,040 million at December 31, 2022 to Euro 914 million at December 31, 2021.

(Euro thousands)	12/31/22	12/31/21
Cash and cash equivalents	74,219	24,587
Financial assets of group companies held-for-sale (Discontinued Operations)	0	441
Other financial assets	45,858	690
Financial assets	**120,077**	**25,718**
Bank payables	7,667	60,662
Other financial liabilities – current portion	402	377
Financial liabilities of Discontinued Operations	0	441
Current liabilities	**8,069**	**61,480**
Bank payables – less current portion	1,021,275	999,287
Other lenders – less current portion	4,479	4,899
Non-current liabilities	**1,025,754**	**1,004,186**
Net financial position from Continuing Operations	(913,746)	(1,040,389)
Net financial position from Discontinued Operations	0	441
Net Financial Position	**(913,746)**	**(1,039,948)**
Total gross payables to banks	1,028,942	1,059,949

Cash and other cash equivalents amounted to approx. Euro 74 million, significantly improving on Euro 25 million at December 31, 2021. In addition, in 2022 new hedging transactions undertaken in February generated a market value at December 31 of a positive Euro 45.7 million, recognised to other financial assets.

Analyzing the cash flow statement, it is noticeable that operating activities generated cash, excluding the government contribution of Euro 48 million, of Euro 80 million, while investing activities absorbed cash of approx. Euro 35.3 million, of which approx. Euro 19.3 million due to the payment of investments at the various terminals and for Euro 16 million the investments to acquire additional holdings in the companies BSCA s.a. and Aeroporto V.Catullo di Verona Villafranca Spa.

As outlined previously, management in February negotiated a significant review of the main credit lines in place.
In fact, a major refinancing transaction of the principal Group credit line was concluded, signed by a banking syndicate which, in addition to the banks involved in the previous line, saw the entry of two leading banks (Cassa Depositi and Prestiti and Mediobanca).

The transaction, which establishes a total credit line of Euro 640 million, was reduced following the early settlement of Euro 25 million. The amount of Euro 615 million increases Group liquidity compared to the previous credit line by Euro 20 million, while extending the maturity by two years.
Also within the scope of this transaction, the maturity of the Eurobond was extended to 2028 (from 2026), agreeing at the same time improved terms for certain covenants.

With regards to the other credit lines in place at December 31, 2022, during the year principal amounts of Euro 27.7 million were settled, with approx. Euro 6.2 million on various tranches of loans in place with the European Investment Bank, Euro 1.5 million on the loan with Intesa SanPaolo, and finally Euro 20 million on the short-term bank advance. During the period, the overall management of long-term loans and short-term drawdowns resulted in an outflow of approx. Euro 43 million.

Group bank loans at December 31, 2022, measured under the amortised cost method, totalled Euro 1,028 million, compared to Euro 1,060 million at December 31, 2021. Nominal capital instalments maturing in the coming 12 months amounted to Euro 7.7 million, of which Euro 6.2 million relating to the parent company. Nominal principal payments due beyond one year totalled Euro 1,027 million, of which Euro 459 million beyond five years.

In addition to the above transactions, Management also successfully renegotiated certain contractual clauses with all Group lenders, including those regarding financial covenants on the Group's consolidated figures, in view of the earnings and financial consequences caused by the COVID-19 pandemic.

Investments at Venice and Treviso airports

Investments in the half-year totalled approx. Euro 32.3 million, of which approx. Euro 0.8 million allocated to the assets under concession replacement provision.

The main investments in 2022 included for Euro 5.6 million the extension of the Venice BHS, for Euro 5.4 million other investments and works to maintain infrastructure operability, for Euro 5.1 million the upgrade of the BHS and other investments and works to maintain infrastructure operability at Treviso airport, for Euro 3.9 million IT investments, for Euro 3.8 million the new purification plant at Venice airport, for Euro 3.4 million the purchase of the "Ex Pesco" land and buildings adjacent to Venice airport, for Euro 1.8 million the design or environmental compensation works, for Euro 1.3 million the design and works to expand Venice terminal lot 2.

Alternative performance indicators

In addition to the financial indicators established by IFRS, a number of alternative performance measures are presented to provide more complete disclosure on the operating performance and financial position. A description follows of the means to calculate these alternative measures, as not uniform and comparable with those applied by other operators.

"EBITDA" measures the result before amortisation, depreciation, provisions for risks and the replacement provision, write-downs, financial income and charges, taxes and non-recurring operations.
"EBIT" measures the result excluding financial income and charges, income taxes and non-recurring operations.
The "Net financial position" includes liquidity, financial receivables and current securities, net of financial payables (current and non-current) and the fair value of the derivative financial instruments.
"Net working capital" includes inventory, trade receivables, tax and social security receivables and payables, other assets and liabilities and trade payables.
"Net capital employed" measures the sum of "Net working capital" as defined above and fixed assets, net of the Post-Employment benefit provision and risks provisions and added to Other non-current non-financial assets.
"ROS" is the ratio between EBIT, as defined above, and Revenues.
"ROI" is the ratio between EBIT, as defined above, and Net capital employed.
"Gearing" is the ratio between the Net Financial Position and Net equity.
"Total Workforce" is the number of employees enrolled to the employee register on the last day of the period.
"Movements" relates to the total number of arriving/departing aircraft.
"Passengers" concerns the total number of arriving/departing passengers.

Guarantees granted

(Euro thousands)	amount
Sureties:	**2,589**
- as a guarantee for lease contracts	411
- as a guarantee for public grants	638
- as a guarantee for loans	-
- other	1,540
Mortgages and privileges in guarantee of loans	**37,157**
Total guarantees granted	**39,746**

The Company pledged SAVE S.p.A. shares to its lenders.
Current accounts held by Milione S.p.A. with a balance of approx. Euro 1.6 million as at December 31, 2022 have also been pledged to the above lenders.

The shares of Milione have in addition been provided as a lien in favour of these lending institutes.

Human Resources

An analysis of the Group workforce follows.

Workforce	12-31-22 Full Time	12-31-22 Part Time	12-31-21 Full Time	12-31-21 Part Time	Cge. 12/31 - 12/31 Full Time	Cge. 12/31 - 12/31 Part Time
Executives	16	0	17	0	(1)	0
Managers	49	0	48	0	1	0
White-collar	328	109	571	239	(243)	(130)
Blue-collar	179	23	138	50	41	(27)
Apprentices	0	0	0	0	0	0
TOTAL	**572**	**132**	**774**	**289**	**(202)**	**(157)**
TOTAL WORKFORCE	**704**		**1,063**		**(359)**	

Airport personnel in service as at December 31, 2022, including both full-time and part-time employees, in addition to fixed contract employees, totalled 704, a decrease of 359 compared to December 31, 2021 attributable to the sale of the investment in the subsidiary Triveneto Sicurezza S.r.l.; the employees of the latter at December 31, 2021 numbered 366.

The workforce full-time equivalent at December 31, 2022 was 664, compared to 986 in 2021. The average full-time equivalent in 2022 was 639.76.

Airport Management Review

Airport Management

Global air traffic was impacted in the initial months of 2022 by the outbreak of the new Omicron variant and the start of the Russia-Ukraine conflict.
From the second quarter of the year, only the temporarily curbed traffic emerged, operated by airlines which - despite the still unstable environment - sold flights and destinations at a discount.
Between January and December 2022, passenger volumes at European airports recovered 80% of the 2019 levels (+101% on 2021 - ACI Europe data). Cargo movements were up 2% on 2019 (-5% on 2021).
Domestic airport traffic in 2022 saw a traffic recovery of 85% on the pre-pandemic period, for over 164 million passengers (Aeroporti 2030 and Assaeroporti figures).

Tourism data for the Veneto Region also show that there were signs of recovery during the year.
The provisional figures covering the January-September period indicate a return to 2019 levels for Italians (+0.1%), while the return to pre-COVID levels for travellers from overseas was slower (-17.6%). Following on from a period in which the domestic tourism contribution was fundamental, all overseas markets are now increasing their presence in Veneto. A number of markets also indicate increases over pre-pandemic levels: Germans (arrivals +7.2%), Austrians (+6.4%), Swiss (+5.1%), Dutch (+9.8%), Belgians (+5.7%), etc.. Internationally, we indicate the significant impact of the "zero COVID strategy" adopted by the Chinese government, which resulted in lengthy lockdowns in 2022 and the consequent absence of Chinese tourist arrivals (numbering nearly 600 thousand in 2019).

North-Eastern Airport Hub

The North-East airport hub, which includes the Venice, Treviso, Verona and Brescia airports, transported approx. 15 million passengers in 2022, recovering 81% of 2019 traffic.
The operations of the North-Eastern Airport Hub focus on developing the network of direct destinations and improving intermodality and infrastructure, with a particular view towards sustainable growth.

Venice Airport System

2022 system (Venice and Treviso) traffic volumes totalled nearly 12 million passengers, for over 100 thousand movements, with recoveries of 81% and 85% respectively on 2019.
Venice airport carried over 9.3 million passengers (81% of 2019 volumes), for over 79 thousand movements.
Treviso airport reports over 2.6 million passengers for the year, with an 81% recovery on 2019 (with over 21 thousand movements).

The following table reports the key traffic data for 2022 (compared to the data for 2021 and 2019):

VENICE AIRPORT SYSTEM
Year to December

	2022	2021	Cge. % '22/'19	Cge. % '22/'21
SAVE				
Movements	79,171	39,165	-17%	102%
Passengers	9,319,156	3,437,204	-19%	171%
Tonnage	5,604,358	2,542,843	-20%	120%
Cargo (Tonnage)	47,585	44,228	-26%	8%
AERTRE				
Movements	21,766	13,886	-10%	57%
Passengers	2,635,172	1,221,946	-19%	116%
Tonnage	1,190,748	644,097	-12%	85%
Cargo (Tonnage)	9	18		-50%
SYSTEM				
Movements	100,937	53,051	-15%	90%
Passengers	11,954,328	4,659,150	-19%	157%
Tonnage	6,795,106	3,186,940	-19%	113%
Cargo (Tonnage)	47,594	44,228	-26%	8%

Venice

Venice airport passenger movements in 2022 numbered 9,319,156, of which over 1 million from June to September, recovering 81% of 2019 traffic.
The leading 4 carriers based on passenger numbers at Marco Polo were: Ryanair and Wizz Air opened their bases this year, adding to the existing bases of easyJet and Volotea, which overall ensure the region of both excellent international and domestic accessibility, with a broad point-to-point network of destinations.
The airport's main carrier by volume of passenger traffic in 2022 was Ryanair, with nearly 2.4 million passengers handled, which represents a 26% share of total traffic. easyJet, Wizz Air and Volotea follow. The carriers with bases moved over 5 million passengers (54% of total traffic).
The network carriers played a strategic role in recovering international and intercontinental traffic through their European hubs, helping to satisfy demand well in excess of the capacity offered by the direct long-haul connections. The five leading network carriers were Air France, Lufthansa, British Airways, Iberia and KLM, accounting for 18% of the airport's traffic.
The domestic market was confirmed as the top market, with over 2.2 million passengers (24% of total 2022 traffic). The main international markets were France, Great Britain and Spain.
185 thousand passengers were carried in 2019 between Venice and the Russian market, in addition to 90 thousand passengers from and to Ukraine (2.4% of total traffic). Following the war between Russia and Ukraine, flights were suspended from the initial months of 2022.
The main Marco Polo passenger destinations were Paris CDG, Barcelona, Catania, Naples and Madrid.
With the 2022 summer season, after over two years, Marco Polo re-established its place as the third largest Italian intercontinental airport, substantially recovering all the longstanding routes with North America (New York JFK, New York Newark, Atlanta, Philadelphia, Toronto, Montreal). Eastward, the Venice-Dubai route was successfully reconfirmed (reopened in July 2021).

Approx. 500 thousand passengers were carried on direct long-haul routes in 2022, with an average load factor of 83%.
18% of passengers continued their journeys beyond the first destination in 2022. The main layovers were: Frankfurt (15% of continuing traffic), Paris CDG, Istanbul, Munich, Madrid. Over 100 thousand passengers travelled to Dubai (principally for India, Australia, Bangladesh).
Over 180 thousand passengers reached their final destination through intermediate North American stopovers.
The main final continuing destinations during the year were Los Angeles, New York JFK, Chicago, Dhaka and San Francisco.
In terms of new flights, Wizz Air has opened a new operating base in Venice, connecting Marco Polo with a wide range of domestic and international destinations, including Reykjavík and Tallinn (connected for the first time) and Venice with scheduled flights. Since October, Wizz Air has started to directly connect Venice to Amman.
Ryanair opened its new Venice base in late March (adding to the Treviso base that became operational in June 2021), with 24 direct destinations operating in the summer season.
Volotea, which celebrated its 10-year anniversary in Venice in April, added to its network from Marco Polo a connection to Lourdes from July, in addition to those to Luxembourg and Kalamata (Greece). Since October, the network has been further integrated with Nice and Lille.

On June 12, Polish airline LOT, which already operates regular services between Venice and Warsaw, launched a new weekly scheduled Venice-Rzeszów service, which operated until September.
Flyr, a new Scandinavian carrier, has added Venice to its summer route network from its Oslo base.
Co-marketing proposals with carriers, advertising activities, and actions in the region were also activated, including in synergy with local institutions, to stimulate traffic and the prompt restoration of air connections available to airport users. This was accompanied by the development of flight promotions on the Company's social media accounts.
General aviation traffic, with over 19 thousand passengers, grew 40% on 2021, for nearly 9 thousand movements (+32% on the previous year): the Venice Biennial Arts Festival was held this year (between April 23 and November 27), previously suspended due to the pandemic.
Over 44 thousand tonnes of cargo was transported by air from Venice airport in 2022, in addition to approx. 3 thousand tonnes of cargo transported by road, up 7.6% on 2021 and recovering 74% of 2019 volumes.
The overall cargo traffic performance was also impacted in 2022 by the lack of wide-body aircraft for medium/long-haul flights, suspended due to the pandemic and partially resuming during the year, in addition to the suspension of Aeroflot flights. In any case, the recovery of a large part of long-haul US and Emirates operations provided a boost to air cargo transport worldwide. This was supported by cargo moved by couriers, which operated at full capacity at the airport.

Treviso

Treviso airport managed over 2.6 million passengers in the year, recovering 81% of 2019 volumes.
For the entire summer period, the airport reported an average volume of 250,000 passengers per month. This growth was supported by Ryanair's investments at the airport (in June 2021, with the reopening of the airport, it opened an operational base with 2 aircraft) and Wizz Air.
Ryanair reports over 2.2 million passengers for 2022 (81% of 2019 traffic). Wizz Air carried over 400 thousand passengers, in line with 2019.
89% of passengers travelled to international destinations in the year. The main markets were Romania (320 thousand passengers) and Spain (307 thousand). Domestic destination passengers numbered 284 thousand.

The main routes in 2022 were Brussels CRL, Bucharest OTP, Tirana, Lamezia Terme and Paris BVA.
Ryanair's base and Wizz Air's connections to Eastern Europe guarantee Canova an extensive network, which complements the routes operated from the bases at Marco Polo Airport. The wide range of destinations on offer is targeted at both outgoing (vacation or city-break destinations and north-south connections) and incoming traffic, in addition to numerous ethnic traffic destinations.

Verona

Verona airport reports approx. 3 million passengers for 2022, recovering 82% of 2019 traffic volumes. This is an excellent result considering that in 2019 the Russian market (now entirely absent) reported over 235 thousand passengers, approx. 6.5% of total traffic.
Ryanair was the leading carrier by passenger traffic in 2022 with 950 thousand passengers (32% of total traffic), followed by Volotea, Neos, and Wizz Air.
The domestic market was the leading market, with nearly 1.4 million passengers (46% of total traffic). In terms of international traffic, the English market led the rankings, followed by Germany, Albania, Spain, Egypt and Greece.
The main destinations were Catania, Palermo, Bari, Cagliari and London LGW.
Operations to long-haul tourist destinations resumed in the year, with approx. 30 thousand passengers carried (main markets: Dominican Republic, Maldives, Tanzania and Kenya).
The base of Volotea, Verona airport's main carrier, together with increasing investment from Ryanair and Wizz Air, have helped meet the needs of the catchment area. Six new international destinations were added in the summer. Paris CDG, Barcelona, Hamburg, Malta, Porto and Palma de Mallorca. Neos' Verona base continues to offer a range of domestic (mainly summer routes to the islands and southern Italy) and international medium- and long-haul routes, confirming Catullo's leadership in the outgoing tourism market review.
The comprehensive network of connections with Europe's leading destinations confirms Catullo's international focus and the capacity of Verona to attract significant tourist numbers.

Brescia

Domestic cargo traffic saw a slight decline (1.7%) on the previous year, while increasing on 2019.
2022 was a complex year for the air cargo segment due to the war between Russia and Ukraine, the COVID situation in China (leading to a total production shutdown) and the energy crises.
Brescia airport confirmed its position as a cargo airport, managing a total of nearly 39 thousand tonnes, substantially in line with 2021 (+27% on 2019).
It is an "Poste Italiane" hub, with this segment in 2022 representing 63% of total airport cargo volumes, with 24,550 tonnes, in addition to 14,397 tonnes of cargo handled by air.
During 2022, a further agreement was reached with DHL to sublicense the marquee previously used for postal processing, which was concurrently relocated to the former passenger terminal.

Charleroi Airport

Passengers carried at Charleroi airport in 2022 numbered nearly 8.3 million. The main airline at the airport remains Ryanair, with a market share of 81.2% and carrying nearly 6.7 million passengers. Ryanair's operations to December 2022 comprised of 90 destinations.
In contrast, the carrier Wizz Air, which operates 15 routes as of December 2022, carried almost 808 thousand passengers during 2022.

Regulatory framework developments

Regulatory Agreement and airport fees

SAVE applies the airport fees set in the Regulatory Agreement signed with the Italian Civil Aviation Authority (ENAC) on October 26, 2012 and approved by Decree of the President of the Council of Ministers of December 28, 2012, pursuant to Article 17, paragraph 34-*bis* of Legs. Decree No. 78/2009, converted with Law No. 102/2009. The tariff system entered into force on March 11, 2013. The fees are updated annually in accordance with Article 15 of the Regulatory Agreement.

Law No. 37 of May 3, 2019, which came into effect on May 26, 2019 states that: "*(National Supervisory Authority*). - 1. *The transport regulation authority, set up in accordance with Article 37 of Legislative Decree No. 201 of December 6, 2011, converted with amendments by law No. 214 of December 22, 2011, acts as the National oversight authority as per this decree also with regards to the regulatory agreements established by Article 17, paragraph 34-bis, of Legislative Decree No. 78 of July 1, 2009, converted with amendments by law No. 102 of August 3, 2009. The above Authority undertakes the functions transferred with the human resources, tools and funding available in its financial statements, without new or additional charges for public funding".*

With this provision, it is provided that the Transport Authority carries out the functions of the national oversight authority also for the supplementary regulatory agreements governed by the stated Article 17, paragraph 34-*bis*, Legislative Decree No. 78 of July 1, 2009.

With Resolution No. 136/2020 of July 16, 2020 the Authority approved the airport fee regulation models and the relative annexes, establishing that these models shall enter into force on July 1, 2021. SAVE proceeded to appeal the new models, deeming them harmful to its position in relation to the Regulatory Agreement in derogation.

On May 20, 2021, the Transport Regulation Authority (ART) published Resolution No. 68/2021 establishing extraordinary provisions in connection with the entry into force of Resolution No. 136/2020 and additions to the sector regulation due to the COVID-19 pandemic. This resolution postponed to January 1, 2023, the application of the airport regulation models of Resolution No. 136/2020 of July 16, 2020, from the original effective date of July 1, 2021.

Most recently, with Resolution No. 42/2022 of March 23, 2022, the Authority began proceedings to revise the airport fee regulation models approved by the Transport Regulation Authority's (ART) Resolution No. 92/2017 of July 6, 2017, as supplemented by Resolution No. 68/2021 of May 20, 2021. By Resolution 255/2022 of December 29, 2022, the entry into force of the airport fees in Resolution No. 136/2020 was postponed to February 1, 2023.

Fire Service Fund contribution

In Article 1, paragraph 1328, of Law No. 296 of December 27, 2006 (2007 Finance Law), the Legislature provided, "in order to reduce the cost to the State of firefighting services at airports," for a surcharge on passenger boarding fees and the creation of a Fund, *"with contributions from airport companies in proportion to the traffic generated,"* which contributes a total amount of Euro 30 million annually for this purpose.

Subsequently, Law No. 2 of January 28, 2009, which converted with amendments Decree-Law No. 185 of November 29, 2008, from January 1, 2009 changed the legal prerequisite for reducing the cost for firefighting service at airports borne by the state, allocating the relevant amounts to the payment of expenses other than those set out in the establishing regulation.

Moreover, Article 1, paragraph 478 of Law No. 208 of December 28, 2015 amended Article 39-*bis* of Legislative Decree No. 159/2007, establishing that *"The provisions with regard to [...] payments by airport managers concerning the fire protection services at airports, as per Article 1, paragraph 1328 of Law No. 296 of December 25, 2006, are considered not to impose tax obligations"*.
With judgment No. 167/2018 of July 20, 2018, the Constitutional Court declared the unconstitutionality of Article 1, paragraph 478 of Law No. 208 of December 28, 2015 implementing "Provisions for the drawing up of annual and multi-year budgets of the State" (2016 Stability Law). The aforementioned provision established that the fees charged to airport management companies for fire-fighting services at airports, as per Article 1, Paragraph 1328, of Law 296 of 2006, are not subject to taxation.
Finally, the unified sections, following the restart of the process suspended ahead of the Constitutional Court's pronouncement, with judgment No. 3162/2019 published on February 1, 2019 declared the contribution to the Fire Fighting Fund as of a tax nature, consequently declaring the tax court to have exclusive jurisdiction.

Laws and provisions adopted in view of the COVID-19 health emergency
In view of the COVID-19 emergency, a series of laws and provisions were introduced on the one hand to contain the spread of the virus and, on the other, to support the economic system through targeted actions for businesses. The main air transport sector provisions included the following.

- **Law No. 178 of December 30, 2020, "State forecast budget for the 2021 financial year and multi-annual budget for the three-year period 2021-2023" (the 2021 Budget Law)**

Paragraphs 715 to 720 of Article 1 of the Budget Law provide for the establishment, in the MIT's budget forecast, of a fund of Euro 500 million in total for 2021 (Euro 450 million of which is earmarked for airport management companies and the remaining Euro 50 million for handlers) to offset damage suffered as a result of COVID-19.
Subsequently, Decree-Law No. 73 of May 25, 2021, entitled *"Urgent measures related to the COVID-19 emergency for businesses, work, young people, health and local services"* (GU General Series No. 123 of 25-05-2021), Article 73, paragraph 2, provides for a Euro 300 million increase in the compensation fund established by the 2021 Budget Law, of which 285 million is allocated to airport operators and the remaining 15 million for airport groundhandling service providers. It follows, therefore, that the fund provision to compensate the damages suffered by management companies amounts to a total of Euro 735 million.
It should also be noted that the Ministry of Infrastructure and Sustainable Mobility has requested that ENAC, with note No. 4429 of June 16, 2021, provide certain information to the European Commission for the purpose of assessing the compatibility with the domestic market of the measure specified under paragraph 715.
With a decision dated July 26, 2021, the European Commission approved, as per Article 107(2)(b) of the TFEU, the Euro 800 million Italian aid scheme designed to compensate airports and ground handling operators for damages suffered as a result of COVID-19. The reference period for the purpose of quantifying the damage suffered as a direct result of COVID-19 is:

- March 1 to June 30, 2020 for beneficiaries who were eligible to restart operations as of June 3 or June 14, 2020;
- March 1 to July 14, 2020 for beneficiaries who could only restart operations after July 15, 2020.

Subsequent to approval of the scheme, on November 25, 2021 the Italian authorities issued a decree ("Implementation Decree"), which defined the use of compensation for damages suffered by airport operators and airport ground-handling service providers due to the COVID-19 pandemic. More specifically, the implementing decree defines the beneficiaries and requirements to be met to qualify as such, how to calculate compensation for the damages suffered, the content and submission methods for funding access applications, the preliminary investigations by the Italian authorities and the payment of funds, together with a series of provisions on non-cumulation, the ex-post checks that the Italian authorities will carry out on compensation applications, the relationship with the Commission, the financial provisions on the coverage of costs, and the effectiveness of the implementing decree itself. The latter was published in the Official Gazette on December 28, 2021. In January, the companies Save S.p.A., Aer Tre S.p.A. and Aeroporto Valerio Catullo di Verona Villafranca S.p.A. filed for the grant for a total of Euro 55.7 million (of which Euro 48 million related to the fully consolidated companies and recorded under Other income). These amounts were received during 2022 and - as also described in the notes to last year's financial statements - accounted for in the current year, since all the conditions required by IAS 20 to account for the income have been met.

Thus, in relation to the legislative action on social security schemes, paragraph 714 lays down the possibility of also granting supplementary benefits of the "Solidarity fund for the air transport sector and the airport system" in the case of lay-off scheme payments on an exceptional basis, which may be triggered by all companies (including air transport and airport management companies) under paragraph 300 of Article 1 of the 2021 Budget Law, for a maximum of 12 weeks, which must be in the period from January 1 to June 30, 2021.

ENAC Note prot. 2053-P dated January 11, 2022 on Guidelines for the centralised management of fuel depots as strategic infrastructure for airport operations

The note in question was addressed to airport management companies. In it, after a brief reconstruction of the regulatory framework, the Authority provided that: *"the Board of Directors of ENAC has shared as a guideline, in order to overcome the aforementioned critical issues, the need to return to the airport operator the possibility of and responsibility for managing fuel depots, simultaneously providing for the adoption of a technical provision to uniformly regulate - on the basis of the aforementioned guideline - the means of managing fuel depots as centralised, strategic airport infrastructure."*

On November 25, 2022, ENAC published a draft regulation on "*provisions on the construction, purchase and operation of aviation fuel depots at airports open to commercial traffic entrusted under concession*", setting a deadline of December 7, 2022 for comments from operators.

ENAC Regulation *"Certification of airport ground-handling service providers"* edition 7 of May 31, 2022

On May 31, 2022 the new Regulation on the certification of ground-handling service providers (edition 7) was published on the ENAC website.
By Orders No. 5879 of September 15, 2022 and No. 5948 of September 19, 2022, and following an appeal filed by a number of operators, the Lazio Regional Administrative Court suspended the effectiveness of the Regulation provisions covered by the orders.
ENAC therefore communicated that, as a result of the aforementioned pronouncements, the effectiveness of edition 7 of the Regulation had been temporarily suspended and the matter would be brought to the attention of the October Board of Directors for guidance.
On November 7, 2022, ENAC published on its website edition 7, revision 1 of the Regulation on the certification of ground-handling service providers.
Among the notable changes from the previous edition 7 is the reform of Article 10 on contracting services, which prohibits contracting out the following sub-categories under Legislative Decree No. 18/99:
- Category 5: all activities in subcategory 5.4;
- Category 7: all.

Article 23 of the Regulation provided for the adjustment of certificates by January 2023.
By Order No. 7995 of December 30, 2022, the Lazio Regional Administrative Court suspended some of the provisions of Regulation edition 7 rev. 1. Similarly, by subsequent Order Nos. 279/2023, 293/2023 and 294/2023 of January 16, 2023, ENAC again suspended the Regulation, with particular reference to the provisions of Article 10 paragraph 4 and Article 23.
In a note dated January 20, 2023 (prot. 7616-P), ENAC therefore provided that "*given the recent precautionary orders issued by the Lazio Regional Administrative Court, paragraphs 2 and 3 of Article 23 of the Regulation in question are understood to be suspended and, therefore, the deadline set for the conversion of certificates for providers already certified and certificates for those already in possession of a certificate of competence, is to be considered inapplicable, pending the respective hearings.*"

DECREE-LAW No. 68 of June 16, 2022, converted with amendments by Law No. 108 of August 5, 2022: Urgent provisions on the safety and development of infrastructure, transport and sustainable mobility, and on major events and the functioning of the Ministry for Sustainable Infrastructure and Mobility

Article 6 of the aforementioned Law amended the terms regarding EIA and public debate by providing that:
1. To accelerate the development of the National Integrated Transport System (SNIT) and increase rail access through public transport to airports, and to increase the strategic significance and development of Italy's intercontinental airports:
*(a) The environmental impact assessment procedures set out in Article 6, paragraph 3-*ter*, of Legislative Decree No. 152 of April 3, 2006, and those relating to work included in airport development plans, including environmental mitigation and improvement works, must be carried out within the timeframe provided for the projects referred to in Article 8, paragraph 2-*bis*, of Legislative Decree No. 152 of 2006;*
(b) the public debate referred to in Article 22 of the public contracts code, as per Legislative Decree No. 50 of April 18, 2016, will be held in accordance with the terms provided for in Article 4-6, paragraph 1, second sentence, of Decree-Law No. 77 of May 31, 2021, converted, with amendments, by Law No.

108 of July 29, 2021;
(c) the deadlines for the assessment of compliance set out in Article 2 of the Regulation as per Presidential Decree No. 383 of April 18, 1994 for airport development plans and work included in such plans, are halved (2).
2. The work referred to in Paragraph 1 that improves environmental impacts on man-made areas must be incorporated as a priority as part of existing instruments for urban, nature and landscape planning.
3. As regards development plans for airports of national interest other than those identified in paragraph 1, and for work included in the same development plans, the deadlines for the environmental assessment procedures as per Part Two of Legislative Decree No. 152 of 2006 are halved. The provisions of paragraph 1(b) and (c) also apply.
3-bis. *In order to rapidly achieve the goals of the National Recovery and Resilience Plan set out in Mission 2 of that Plan, "Green Revolution and Ecological Transition", the following shall be inserted after subparagraph c*-bis*) of Article 20, Paragraph 8 of Legislative Decree No. 199 of November 8, 2021:*
"c-bis.*1) the sites and facilities used by airport management companies within the perimeter of the airports of the smaller islands, referred to in Annex 1 to the Decree of the Minister of Economic Development of February 14, 2017, published in the Official Gazette No. 114 of May 18, 2017, subject to the necessary technical verifications by the National Civil Aviation Authority (ENAC)."*
3-ter. In Article 11-quinquiesdecies, paragraph 1 of Decree-Law No. 52 of April 22, 2021, converted with amendments by Law No. 87 of June 17, 2021, the words: "December 31, 2022", are replaced with the words: "March 31, 2023".

COMMISSION DELEGATED REGULATION (EU) 2022/1645 of July 14, 2022 laying down detailed rules for the implementation of Regulation (EU) 2018/1139 of the European Parliament and of the Council on requirements for the management of information security risk with a potential impact on aviation security for companies covered by Commission Regulations (EU) No. 748/2012 and (EU) No. 139/2014 and amending Commission Regulations (EU) No. 748/2012 and (EU) No. 139/2014

The regulation establishes requirements to be met by companies - including airport operators - to identify and manage information security risks with a potential impact on aviation security which could affect information and communication technology systems and data used for civil aviation purposes.
The regulation, which amends some provisions of Regulation (EU) No. 748/2012 and 139/2015, will apply from October 16, 2025.

DIRECTIVE (EU) 2022/2555 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of December 14, 2022 on measures for a high common level of cybersecurity across the Union, amending Regulation (EU) No 910/2014 and Directive (EU) 2018/1972, and repealing Directive (EU) 2016/1148 (NIS 2 Directive)
The Directive (a.k.a. NIS 2) became effective on January 17, 2023 and introduces, *inter alia*, more stringent and specific measures on cyber risk management, security incident reporting and information sharing by expanding the number of sectors and recipients compared to the previous NIS Directive.

Annex I among the sectors of other criticality also lists Air Transport, and among the relevant entities identifies - in addition to air carriers and operators active in air traffic management control - "Airport operators as defined in Article 2(2) of Directive 2009/12/EC of the European Parliament and of the Council, airports as defined in Article 2(1) of that Directive, including central airports as defined in Section 2 of Annex II of Regulation (EU) No. 1315/2013 of the European Parliament and of the Council, and entities operating ancillary facilities located at airports."
Article 41, paragraph 1 states that "*By 17 October 2024, Member States shall adopt and publish the measures necessary to comply with this Directive. They shall immediately inform the Commission thereof.*"

Financial statements of the parent company Milione S.p.A.

The Income Statement and Balance Sheet of the parent company Milione S.p.A. are presented below. Differing from the consolidated financial statements, drawn up as per IAS/IFRS, the parent company Milione S.p.A. drew up its statutory financial statements according to local GAAP.

MILIONE S.P.A.

Registered office: 30173 Venice (VE) - Viale Galileo Galilei 30/1
Share capital: Euro 188,737.00 fully paid-in - VE Economic & Administrative Index No. 418330
VE Tax, VAT and Company Registration Office No. 03411340262

FINANCIAL STATEMENTS AT DECEMBER 31, 2022

Prepared in condensed form as per Article 2435-bis of the Civil Code

BALANCE SHEET

(in Euro thousands)

Assets

ASSETS		AT 12/31/2022		AT 12/31/2021	
A) RECEIVABLES FROM SHAREHOLDERS FOR UNPAID CAPITAL			**0**		**0**
B) FIXED ASSETS			**1,327,306,404**		**1,327,315,659**
I) Intangible assets			*0*		*9,255*
	1) Formation and start up costs	*0*		*9,255*	
III - Financial fixed assets			*1,327,306,404*		*1,327,306,404*
	1) Investments in:				
	a) Subsidiaries	*1,327,306,404*		*1,327,306,404*	
C) CURRENT ASSETS			**358,071,559**		**344,168,458**
II) RECEIVABLES			*311,022,640*		*342,963,353*
	2) Subsidiaries				
	Amount due within one year	*221,616,792*		*244,100,711*	
	Amount due beyond one year	*83,605,118*		*89,744,539*	
	3) Associates				
	4) Parent companies				
	Amount due within one year	*0*		*0*	
	Amount due beyond one year	*0*		*0*	
	5) Companies subject to control of holding companies				
	5-bis) Tax receivables				
	Amount due within one year	*20,263*		*34,640*	
	Amount due beyond one year	*0*		*0*	
	5-ter) Deferred tax assets				
	Amount due within one year	*5,276,438*		*9,015,795*	
	Amount due beyond one year	*0*		*0*	
5-quater) Deferred tax assets	Others				
	Amount due within one year	*504,029*		*67,668*	
	Amount due beyond one year	*0*		*0*	
	Amount due within one year	***227,417,521***		***253,218,814***	
	Amount due beyond one year	***83,605,118***		***89,744,539***	
III) CURRENT FINANCIAL ASSETS			*45,708,301*		*539,780*
5)	Derivative financial instruments - Assets	*45,708,301*		*539,780*	
IV) CASH AND CASH EQUIVALENTS			*1,340,618*		*665,325*
	1) Bank and postal deposits	*1,340,309*		*528,770*	
	3) Cash in hand and similar	*309*		*309*	
D) ACCRUED INCOME AND PREPAYMENTS			**15,333**		**15,333**
TOTAL ASSETS			**1,685,393,296**		**1,671,499,450**

BALANCE SHEET

(in Euro thousands)

Liabilities and shareholders' equity

LIABILITIES	AT 12/31/2022		AT 12/31/2021	
A) SHAREHOLDERS' EQUITY		**647,210,897**		**637,639,578**
I) SHARE CAPITAL		*188,737*		*188,737*
II) SHARE PREMIUM RESERVE		*27,651,283*		*27,651,283*
IV) LEGAL RESERVE		*76,056*		*76,056*
VI) OTHER RESERVES		*648,717,303*		*648,717,303*
VII) CASH FLOW HEDGE RESERVE		*34,738,308*		*1,602,733*
VIII) RETAINED EARNINGS/(ACCUMULATED LOSSES)		*(40,596,534)*		*(27,153,728)*
IX) NET PROFIT (LOSS) FOR THE YEAR		*(23,564,256)*		*(13,442,806)*
B) PROVISIONS FOR RISKS AND CHARGES		**11,077,036**		**679,700**
1) Pensions and similar obligations		*0*		*0*
2) Provision for taxes		*11,077,036*		*679,700*
3) Derivative financial instruments		*0*		*0*
4) Others		*0*		*0*
D) PAYABLES		**1,027,105,363**		**1,033,180,171**
1) Bonds		*395,712,958*		*397,501,878*
Amount due within one year	0		0	
Amount due beyond one year	395,712,958		397,501,878	
3) Shareholder loan		*0*		*0*
4) Bank payables		*630,114,732*		*634,921,109*
Amount due within one year	*7,060,839*		*36,983,445*	
Amount due beyond one year	*623,053,893*		*597,937,664*	
7) Trade payables		*230,731*		*294,030*
Amount due within one year	*230,731*		*294,030*	
Amount due beyond one year	*0*		*0*	
9) Subsidiaries		*69,054*		*130,737*
Amount due within one year	*69,054*		*130,737*	
Amount due beyond one year	*0*		*0*	
11) Payables to parent companies		*0*		*0*
11) bis Companies subject to control of holding companies		*0*		*0*
12) Tax payables		*956,952*		*319,729*
Amount due within one year	*956,952*		*319,729*	
Amount due beyond one year				
13) Payables to social security institutions Social;		*0*		*0*
14) Other payables		*20,935*		*12,688*
Amount due within one year	*20,935*		*12,688*	
Amount due beyond one year	*0*		*0*	
Total payables due within one year	***8,338,512***		***37,740,629***	
Total payables due beyond one year	***1,018,766,851***		***995,439,542***	
E) ACCRUED EXPENSES AND DEFERRED INCOME		**0**		**0**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**1,685,393,296**		**1,671,499,449**

INCOME STATEMENT

(in Euro thousands)

Costs and revenues

INCOME STATEMENT	2022		2021	
A) VALUE OF PRODUCTION		**12**		**12**
5) Other revenues and income		12		12
B) (COSTS OF PRODUCTION)		**(1,274,597)**		**(753,409)**
7) Services		*(1,240,963)*		*(710,587)*
10) Amortisation, depreciation, and write-downs		*(9,255)*		*(19,160)*
14) Other operating costs		*(24,379)*		*(23,662)*
DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION		**(1,274,585)**		**(753,397)**
C) FINANCIAL (INCOME) CHARGES		**(25,236,475)**		**(17,450,493)**
15) Income from equity investments:		*0*		*0*
a) subsidiaries	*0*		*0*	
16) Other financial income		*10,395,476*		*4,712,679*
c) from securities held as current assets exc. invest.	*0*		*0*	
d) income other than the above:				
- interests and commisions from subsidiaries	*5,306,242*		*4,712,583*	
- interests and commisions from associates	*0*		*0*	
- interest & commissions from parent companies	*0*		*0*	
- companies subject to control of holding companies	*0*		*0*	
- interest & commissions from other companies	*5,089,234*		*96*	
17) Interest and other financial charges		*(35,631,138)*		*(22,163,097)*
- subsidiary companies	*0*		*0*	
- other companies	*(35,631,138)*		*(22,163,097)*	
17-bis) Exchange gains and losses		*(813)*		*(75)*
D) ADJUSTMENT TO FINANCIAL ASSETS AND LIABILITIES		**0**		**0**
18) Revaluations		*0*		*0*
d) of derivative financial instruments	*0*		*0*	
19) (Write-downs)		*0*		*0*
d) of derivative financial instruments	*0*		*0*	
PROFIT/(LOSS) BEFORE TAXES		**(26,511,060)**		**(18,203,890)**
20) Income taxes, current and deferred		*2,946,804*		*4,761,084*
NET PROFIT/(LOSS)		**(23,564,256)**		**(13,442,806)**

Management and co-ordination

The company is not subject to management and co-ordination pursuant to Article 2497 and subsequent of the Italian Civil Code.

Financial Risks

The management of financial risks is in line with Company objectives and focuses on the minimisation of interest rate risk and the optimisation of the cost of debt, the credit risk and the liquidity risk. Management of these risks is based on the principle of prudence and in line with best market practices. For further information, reference should be made to the paragraph "Type and management of financial risk" of the Explanatory Notes.

Other principal risks and uncertainties of the Group

Risks associated with economic conditions

The economic and financial situation of the Group is affected by various factors related to the general economic environment (including the increase or the decrease of GDP, the level of consumer and business confidence, interest rates for consumer credit, the cost of raw materials and the unemployment rate) in the various countries in which the Group operates.
The present report contains a number of forward-looking statements. These statements are based on current Group expectations and projections made by Management

concerning future events, including the general conditions of the economy described above, subject to an intrinsic degree of risk and uncertainty and, by their nature, outside the Group's control given the current market situation.

Risks deriving from a reduction in the number of passengers or the quantity of cargo transported through airports managed by the Group

The volume of passenger traffic and cargo in transit at the Group managed airports represents a key factor in the results achieved by the Group. In particular, any reduction or interruption to flights by one or more airlines (particularly those operating at the airports managed by the Group), also as a result of the continued economic - financial difficulties of such airlines, the stoppage or alteration to connections with destinations with a particularly high level of passenger numbers, the discontinuation or alteration of airline alliances or the occurrence of events which may impact upon the general quality perception of users, of services provided at the airports managed by the Group (due, for example, to a reduction in service quality standards provided by the handling companies operating at the airports, or the interruption to the activities exercised), in addition to the occurrence of unforeseeable natural events, may result in a decrease in traffic, with a consequent impact on the activities and the results of the Group.
The Group however, in routine situations not affected by natural disasters, and based on past experience, considers that - although no certainty may be assured - the risk of a reduction or suspension of flights by one or more airlines operating out of the airports managed by the Group does not pose a significant threat, also in consideration of the redistribution of passengers among airlines present on the market and the capacity of the Group to attract new airlines to the airports it manages. However, such redistribution of traffic may require a certain period of time and may temporarily affect traffic volumes.

Risks related to Group results

All general economic events, such as a significant contraction in one of the main markets, the volatility of the financial markets and the consequent deterioration of the capital markets, an increase in commodity prices, unfavorable movements in specific sector variables such as interest rates, susceptible to causing impacts in the sector in which the Group operates, may significantly impact the Group outlook, in addition to the results and financial position. The profitability of the activities of the Group is also subject to risks related to interest rate and inflation fluctuations, the solvency of the counterparties, and the general economic conditions of the countries in which these activities are undertaken.

Risks connected with the importance of certain key figures

The success of the Group depends on a number of key figures who have contributed significantly to the Group’s development. The Group considers that it has in place an adequate operational and managerial structure to ensure continuity of general and operational management. However, in the case where such key figures discontinued their working relationship with the Group, there is no guarantee that a suitable replacement may be found in such a time period so as to ensure the same contribution in the short-term, with consequent possible implications for the Group.

Risks concerning the regulatory framework

The Group operates within a sector governed by an extensive domestic and international regulatory framework. Any change to the regulatory framework (and in particular any changes in relations with the state, public bodies and sector authorities, the determination of airport fees and the amount of concession fees, the airport tariff system, the allocation of slots, environmental protection and noise pollution) may impact operations and Company and Group results.
For greater details on the principal amendments to the regulatory framework and sector developments, reference should be made to the dedicated paragraph of the Directors' Report.

Information Technology Security

The subsidiary company Save S.p.A. possesses IT security certification ISO/IEC 27001:2013. In 2022, Save also achieved the significant goal of certifying the adoption of ISO/IEC 27035 guidelines on information security incident management.
The company believes that risk management plays a key role in the protection of its IT assets. It also considers correctly managing security events, vulnerabilities and incidents to be imperative. Save has therefore decided to introduce structured processes and technological tools to effectively manage potential IT incidents, with a view to continuous improvement. This allows for better protection of the entire Group's information assets and minimizes potential direct and indirect impacts on business operations. The Company carries out a comprehensive information security risk analysis and management process on an annual basis. These activities are annually verified and validated by an external certification body during the audit to renew the ISO/IEC 27001:2013 certification. As such, said process is a key component of the IT security management system (ISMS).
The gradual digitalization process that many businesses are going through has increased their dependence on digital systems and changed society as a result: where possible, remote work has been adopted and platforms to enable it have spread. The automation and productivity benefits of digitalization have increased the potential attack surface to which companies are exposed. Added to a steep increase in the likelihood of cyber attacks due to the changing international backdrop and global geopolitical situation, this has led to new elements of risk. For manufacturing facilities and infrastructure that provide services to the public, the potential repercussions of a cyber attack can have major repercussions for entire communities.

The compliance of IT architectures and business processes with "zero trust" security models has become essential in allowing organizations to effectively adapt to the complexity of the modern environment and to protect data, devices and applications in the hybrid work environment. This model also applies to the supply chain, where the recent increases in cyber attack frequency highlight that companies must adopt a holistic approach to cyber security, considering their interdependencies with external organizations, infrastructure and managed services.

Climate change

The Group pays particular attention to topics relating to sustainability and the effects of climate change, in full knowledge that sustainability and environmental responsibility are key to its development and growth.

The airports of Venice and Treviso have already made a number of investments in environmental sustainability and to reduce their carbon footprints. This in fact has led to Marco Polo airport of Venice achieving the 4+ Transition certification and Treviso Canova airport achieving the 3+ Neutrality certification from the Airport Carbon Accreditation scheme. Catullo Airport in Verona is accredited to Level 2 Reduction.

At the June 2019 ACI Europe General Assembly, SAVE joined other major European airports in a resolution committing signatories to achieve carbon neutrality by 2050 without offsets for activities under their direct control (scope 1 and 2 of the GHG Protocol).

SAVE subsequently presented ACI EUROPE with a road map outlining the strategy that Venice Airport intends to adopt to achieve Net Zero Carbon Emissions in 2030, 20 years ahead of the commitment already made in 2019. The launch of the public archive compiling the various airport roadmaps took place at the same time as ACI Europe's annual congress and Shareholders' Meeting in October 2021 in Geneva.

As for the physical risks deriving from climate change and the potential increase in the frequency and magnitude of extreme weather events, such as severe storms and exceptionally high tides, SAVE is fully aware that events of this nature could lead to the temporary interruption of its airport activities, for example, due to the flooding of runways and/or the area surrounding the airports. Physical risks also include the potential rise in sea levels in the Venice area.

SAVE Group infrastructures have been designed, built and maintained in compliance with legal requirements, which include specific parameters to protect against such weather events. Appropriate procedures are also envisaged to manage emergencies and to minimize the associated operational risks.

Governance

Milione's corporate governance system is based on the traditional model; the main corporate bodies are therefore:

• the Shareholders' Meeting

• the Board of Directors

• the Board of Statutory Auditors

As per the By-Laws, as long as the ownership comprises three shareholders each holding a stake in excess of 10% of the Company's share capital, the Board of Directors will comprise 9 (nine) members.

In accordance with law and the By-Laws, the Board of Statutory Auditors comprises three Statutory Auditors and three Alternate Auditors.

In accordance with law, the statutory audit is executed by an audit firm appointed by the Shareholders' Meeting in compliance with law and the By-Laws.

The Shareholders' Meeting of October 8, 2020, in accordance with law and the By-Laws, elected the Board of Directors in office for the 2020-2022 three-year period, until the Shareholders' Meeting for the approval of the 2022 Annual Accounts; the mandate of the Board of Statutory Auditors appointed by the Shareholders' Meeting of October 8, 2020 will conclude with the Shareholders' Meeting for the approval of the 2022 Annual Accounts.

Holding and acquisition of treasury shares of the Parent Company

No treasury shares are held, nor were held during the year, even through subsidiaries, associates, trust companies or nominees.

Inter-company and other related party transactions

Reference should be made to the specific paragraph of the Explanatory Notes for information concerning transactions undertaken during the year with subsidiaries, associated companies and related parties.

Subsequent events and business outlook

No significant events which could substantially alter the current balance sheet and financial situation or which would require amendments or supplements to the consolidated financial statements took place after the reporting date.

Traffic levels in the initial months of 2023 indicate that the coming year will continue to see increasing traffic, with the numbers returning to 2019 levels, the last year before the COVID-19 pandemic crisis.

Allocation of the result for the year

The Board of Directors proposes to Shareholders to carry forward the net result for the year.

Dear Shareholders,

we trust that you will be in agreement with the criteria for the preparation of the financial statements for the year ended December 31, 2022, and we invite you to approve them.

Chairperson of the Board of Directors
Mr. . Enrico Marchi

CONSOLIDATED FINANCIAL STATEMENTS
AT DECEMBER 31, 2022

FINANCIAL STATEMENTS

Consolidated Balance Sheet
Consolidated Income Statement
Consolidated Comprehensive Income Statement
Consolidated Cash Flow Statement
Statement of changes in Consolidated Shareholders' Equity

Consolidated Balance Sheet

Assets (Euro thousands)	note	12/31/22	12/31/21
Cash and cash equivalents	1	74,219	24,587
Other financial assets	2	45,858	1,131
of which related parties	2	*150*	*591*
Tax receivables	3	814	2,203
Other receivables	4	4,782	6,493
Trade receivables	5	43,541	35,336
of which related parties	5	*4,158*	*2,380*
Inventories	6	2,320	2,299
Total current assets		**171,534**	**72,049**
Assets held-for-sale		**0**	**1,720**
Property, plant and equipment	7	53,456	57,576
Airport Concession rights	8	601,827	604,942
Concessions	8	675,454	708,539
Other intangible fixed assets with finite useful life	8	6,245	5,623
Goodwill - other intangible fixed assets with indef. useful life	8	310,533	310,533
Equity investments in associates and Joint Ventures	9	106,315	83,444
Other equity investments	9	1,155	1,155
Other assets	10	62	63
Deferred tax assets	11	51,206	57,953
Total non-current assets		**1,806,253**	**1,829,828**
TOTAL ASSETS		**1,977,787**	**1,903,597**

Liabilities (Euro thousands)	note	12/31/22	12/31/21
Trade payables	12	65,970	48,443
of which related parties	12	*418*	*1,160*
Other payables	13	42,874	42,359
of which related parties	13	*310*	*762*
Tax payables	14	4,762	1,336
Social security institutions	15	2,835	2,544
Bank payables	16	7,667	60,662
Other financial liabilities – current portion	17	402	377
Total current liabilities		**124,510**	**155,721**
Liabilities related to assets held-for-sale		**0**	**1,722**
Other payables	18	0	144
Bank payables – less current portion	19	1,021,275	999,287
Other lenders – less current portion	20	4,479	4,900
Deferred tax liabilities	21	209,766	208,997
Post-employment benefits and other employee provisions	22	3,009	3,408
Provisions for other risks and charges	23	29,501	24,059
Total non-current liabilities		**1,268,030**	**1,240,795**
TOTAL LIABILITIES		**1,392,540**	**1,398,238**

Shareholders' Equity (Euro thousands)	note	12/31/22	12/31/21
Share capital		189	189
Share premium reserve		27,651	27,651
Legal reserve		76	76
Reserve for treasury shares in portfolio		0	0
Other reserves and retained earnings		508,369	550,663
Net Profit/(loss)		45,800	(75,691)
Total Group shareholders' equity	24	**582,085**	**502,888**
Shareholders' equity - minority interest		3,162	2,471
TOTAL SHAREHOLDERS' EQUITY	24	**585,247**	**505,359**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**1,977,787**	**1,903,597**

Consolidated Income Statement

(Euro thousands)	note	2022	2021
Operating revenue	25	180,252	78,090
Other income	25	75,266	8,339
Total operating revenue and other income		**255,518**	**86,429**
Costs of Production			
Raw and ancillary materials, consumables and goods	26	1,784	1,027
Services	27	52,946	36,023
Rents, lease and similar costs	28	11,469	4,965
Personnel costs:			
wages and salaries and social security charges	29	36,491	25,829
post-employment benefits	29	1,780	1,751
other costs	29	492	411
Amortisation, depreciation, and write-downs			
amortisation	30	60,470	60,556
depreciation	30	10,594	11,376
Write-downs of current assets	31	257	2,204
Change in inventories of raw and ancillary materials, consumab	32	(62)	(195)
Provisions for risks	33	610	0
Replacement provision	34	6,095	3,370
Other charges	35	2,014	1,985
Total costs of production		**184,940**	**149,302**
EBIT		**70,578**	**(62,873)**
Financial income and revaluation of financial assets	36	5,215	39
Interest, other financial charges and write-down of financial as	36	(36,183)	(22,813)
Profit/losses from Associates & JV's carried at equity	36	6,673	(13,233)
		(24,295)	**(36,007)**
Profit/(loss) before taxes		**46,283**	**(98,880)**
Income taxes	37	(248)	(23,303)
current		*2,894*	*398*
deferred		*(3,143)*	*(23,701)*
Profit/(loss) on Continuing Operations		**46,531**	**(75,577)**
Profit/(loss) from Discontinued Operations/Held-for-sale	38	(41)	(932)
Net Profit/(loss)	39	**46,490**	**(76,509)**
Minority interest		690	(818)
Group Net Profit/(loss)		**45,800**	**(75,691)**

Consolidated Comprehensive Income Statement

(Euro thousands)	Notes	2022	2021
Net Profit/(loss)		**46,490**	**(76,509)**
effect oci of equity investment valuation as per equity method	**9**	177	(172)
Hedging instruments	**19**	33,136	2,876
Total Gains/(Losses) on other comprehensive income statement items net of taxes which may be reclassified to the income statement		**33,313**	**2,704**
Actuarial gains/(losses) of employee defined plans, net of taxes	**22**	87	40
Total Gains/(Losses) on other comprehensive income statement items net of taxes which may not be reclassified to the income statement		**87**	**40**
Total comprehensive income/(expense)		**79,891**	**(73,766)**
Minority comprehensive income/(expense)		692	(819)
Total comprehensive income/(expense) pertaining to the Group		**79,198**	**(72,947)**

Consolidated Cash Flow Statement

(Euro thousands)	2022	2021	Notes
Operating activities			
Profit/(loss) from continuing operations	46,531	(75,577)	
Profit on discontinued operations/held-for-sale	(41)	(932)	36
Profit/(loss) for they year	46,490	(76,509)	**37**
Adjustments for:			
- Amortisation, depreciation and write-downs	70,808	71,968	29
- Provisions	6,962	6,081	32 - 33
- Financial income and charges	23,234	35,298	35
- Income taxes	(248)	(23,303)	36
- Other changes in provisions	(784)	(1,517)	22
- Financial income received	4,070	0	
- Interest paid	(24,624)	(18,040)	35
- (Gains)/Losses on disposal of assets	(7)	28	
- Taxes paid in the year	(207)	(143)	14 - 36
- Other changes in deferred taxes	(312)	(307)	20 - 36
Sub-total (A)	**125,382**	**(6,444)**	
Decrease (increase) in trade receivables	(8,022)	(16,376)	5
Decrease (increase) in other current assets	2,684	(620)	4 - 6
Decrease (increase) in other tax assets/liabilities	2,128	3,993	14 - 20
Increase (decrease) in trade payables	4,956	(660)	12
Increase (decrease) in social security payables	292	(249)	15
Increase (decrease) in other liabilities	570	5,074	13
Sub-total (B)	**2,608**	**(8,839)**	
CASH FLOW FROM OPERATING ACTIVITIES (A + B) = (C)	**127,990**	**(15,283)**	
Investing activities			
(Acquisition) of property, plant & equipment	(6,548)	(1,108)	7
Divestments of property, plant & equipment	99	91	7
(Acquisition) of intangible assets	(25,715)	(6,476)	8
Divestments of intangible assets	244	705	8
Change in Trade payables for investments	12,571	(13,094)	7 - 8 - 12
(Increase) in financial fixed assets	(15,999)	(15,771)	9
(Acquisition) of minority interests in subsidiaries	0	(1,300)	
CASH FLOW FROM INVESTING ACTIVITIES (D)	**(35,347)**	**(36,953)**	
Financing activities			
Change in payables to other lenders	(395)	(331)	20
Issue of loans and related charges	580,080	92,980	16 19
(Repayment) and other changes in loans	(622,694)	(68,005)	16 19
(Increase)/Decrease in financial assets	0	(540)	2
CASH FLOW FROM FINANCING ACTIVITIES (E)	**(43,009)**	**24,104**	
CASH FLOW FROM DISCONTINUED OPERATIONS (F)	**0**	**0**	
NET CASH FLOW FOR THE YEAR (C+D+E+F)	**49,632**	**(27,990)**	
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	**24,587**	**52,719**	
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**74,219**	**24,587**	

Statement of changes in Shareholders' Equity

Refer to Note 24

(Euro thousands)	Share capital	Legal reserve	Share premium reserve	Other reserves and retained earnings	Net profit/(loss)	Group Shareholders' Equity	Minority interest Net Equity	Total Net Equity
Balance at January 1, 2021	**189**	**76**	**27,651**	**625,892**	**(80,605)**	**573,203**	**7,221**	**580,424**
Profit/(loss) previous year				(80,605)	80,605			
Result of separate income statement					(75,691)	(75,691)	(818)	(76,509)
Other comprehensive profits / losses				2,744		2,744	(1)	2,743
Result of comprehensive income statement				2,744	(75,691)	(72,946)	(819)	(73,765)
Other movements				**2,632**		**2,632**	**(3,932)**	**(1,300)**
Balance at December 31, 2021	**189**	**76**	**27,651**	**550,663**	**(75,691)**	**502,888**	**2,471**	**505,359**

(Euro thousands)	Share capital	Legal reserve	Share premium reserve	Other reserves and retained earnings	Net profit/(loss)	Group Shareholders' Equity	Minority interest Net Equity	Total Net Equity
Balance at January 1, 2022	**189**	**76**	**27,651**	**550,663**	**(75,691)**	**502,888**	**2,471**	**505,359**
Profit/(loss) previous year				(75,691)	75,691			
Result of separate income statement					45,800	45,800	690	46,490
Other comprehensive profits / losses				33,398		33,398	2	33,400
Result of comprehensive income statement				**33,398**	**45,800**	**79,198**	**692**	**79,890**
Other movements						0		0
Balance at December 31, 2022	**189**	**76**	**27,651**	**508,369**	**45,800**	**582,085**	**3,162**	**585,247**

Notes to the Consolidated Financial Statements
AT DECEMBER 31, 2022

MILIONE S.p.A.
Share capital: Euro 188,737.00 fully paid-in
Registered office: viale G. Galilei No. 30/1 - 30173 Venice
Venice REA No.: 418330
Venice Companies Registration Office, Tax and VAT No.: 03411340262

Information on Group activities

Milione S.p.A. (hereinafter also the "Parent Company", "Company" or "Milione") holds a majority investment in SAVE S.p.A. (hereinafter also "SAVE"), which mainly operates in the airport management sector through its subsidiaries. Save directly manages Venice Marco Polo Airport and controls Treviso Antonio Canova Airport. The Company also has significant holdings in Verona Valerio Catullo Airport and in Charleroi Airport (Belgium). Save also holds airport related services sector companies.
The Parent Company's registered offices are in Tessera (Venice), at Viale G. Galilei No. 30/1.

Accounting Standards adopted for the preparation of the Consolidated Financial Statements

Basis of preparation

The present consolidated financial statements for the Milione Group concern the year ended December 31, 2022.
The consolidated financial statements were prepared according to the historical cost criterion, as well as on the going concern assumption.

The consolidated financial statements are presented in Euro, which is also the Group functional currency, and all amounts are rounded to the nearest thousands of Euro, where not otherwise indicated.

Statement of compliance with IAS/IFRS

The consolidated financial information at December 31, 2022 was prepared in compliance with International Financial Reporting Standards (IFRS), adopted by the European Union and in force at the preparation date of the financial statements.

Content and form of the consolidated financial statements

These financial statements were prepared by the Board of Directors on the basis of the consolidation and accounting records updated to December 31, 2022.
For comparative purposes, the financial statements are presented with the comparative balance sheet at December 31, 2021 and the 2021 income statement.

The company opted to prepare separately the Separate Income Statement and the Comprehensive Income Statement, as permitted by IAS 1, considering this presentation preferable. In addition, considering this approach to better reflect company developments, the liquidity criterion was utilised for the balance sheet items, breaking down current and non-current assets and liabilities, the income statement with allocation of income and charges by type and the cash flow statement using the indirect method, with breakdown of operating, investing and financing activities.

Consolidation scope

Subsidiaries

The consolidated financial statements include, through the line-by-line method, the companies in which the Parent Company holds, directly or indirectly, control, as defined by IFRS 10, or the majority of share capital and voting rights.
All inter-company balances and transactions, including any unrealised gains and losses deriving from transactions between Group companies, are fully eliminated.
The subsidiary companies are fully consolidated from the date of acquisition, or from the date in which the Group acquires control, and ceases to be consolidated at the date on which the Group no longer has control.
The book value of the investments included in the consolidation scope is eliminated against the net equity of the investee companies according to the line-by-line method. Any difference between the acquisition cost and the book value of the net equity of the investees on the acquisition of the investment, is allocated to the specific assets, liabilities or contingent liabilities of the acquired companies, based on their fair value at the acquisition date and for the residual part, where fulfilling the requirements, to Goodwill. In this case, these amounts are not amortised but subject to an impairment test at least annually and where indicators of impairment exist.
Minority interests represent the part of profits or losses and of net assets not held by the Group and are shown in a separate income statement account and in the balance sheet under equity, separately from the Group net equity. The acquisition of minority interests in previous years are recognised utilising the "parent entity extension method", on the basis of which the difference between the price paid and the book value of the share of net assets acquired is recorded as goodwill. Changes in ownership not resulting in a loss of control were treated as equity transactions and therefore recognised to net equity.

The companies included in the consolidation scope through the line-by-line method are listed below:

Company	Currency	Share capital	Group % holding 12/31/22	12/31/22
PARENT COMPANY:				
Milione S.p.A.	**Euro**	188,737		
its subsidiary:				
SAVE S.p.A.	Euro	35,971,000	100	100
its subsidiaries:				
Marco Polo Park S.r.l.	Euro	516,460	100	100
Save International Holding SA	Euro	7,450,000	-	100
its subsidiary:				
Belgian Airports SA	Euro	13,050,000	100	100
Save Engineering S.r.l.	Euro	100,000	-	100
N-AITEC S.r.l.	Euro	50,000	100	100
Aer Tre S.p.A.	Euro	13,119,840	80	80
Società Agricola Save a r.l.	Euro	75,000	100	100
Triveneto Sicurezza S.r.l.	Euro	100,000	-	93
Archimede 3 S.r.l.	Euro	50,000	100	100

On January 27, 2022, the SAVE Group concluded the tender for the sale of 100% of Triveneto Sicurezza S.r.l in favour of the Securitalia Group. The sales contract was signed on February 16, 2022. The sale provides for the protection of Triveneto Sicurezza employees, i.e., an obligation to safeguard the level of employment at Triveneto Sicurezza in place at the time the sale was signed for at least three years.
We also note that in H1 the subsidiary Save International Holding SA was merged into its subsidiary Belgian Airport SA.
On October 24, 2022, the merger of Save Engineering S.r.l. into the parent SAVE S.p.A. was approved. January 1, 2022 was established as the date from which the transactions of the incorporated company are recognised to the financial statements of the incorporating company. The income tax and IRAP effects also run from that date.

Associates and JV's

Where control of an activity is assigned jointly to two or more operators a Joint Arrangement is deemed to be in place and as such is classified as a Joint Operation (JO) or as a Joint Venture (JV) on the basis of the contractually-established underlying rights and obligations. In particular, a JV is a Joint Arrangement in which the participants, although having control over the main strategic and financial decisions through voting mechanisms which provide for the unanimous approval of decisions, do not have significant legal rights over the individual assets and liabilities of the JV. In this case, joint control concerns the net assets of the JV. This form of control is represented in the financial statements through valuation at equity. Joint Operations are however Joint Arrangements in which the participants have rights upon assets and direct obligations for the liabilities. In this case, the individual assets and liabilities and the relative costs and revenues are recognised to the financial statements of the participant on the basis of the rights and obligations of each, independently of the interest held. The Group's Joint Arrangements have all been classified as Joint Ventures.

The companies over which significant influence is exercised, generally accompanied by a holding of between 20% and 50% (investments in associates) and Joint Ventures (as previously qualified) are valued at equity.
For the application of the equity method the value of the investment is aligned with the adjusted equity, where necessary, to reflect the application of international financial reporting standards and includes the recognition of the higher amount paid and subject of the purchase price allocation identified on acquisition, and the effects of the adjustments required by the standards relating to the preparation of the consolidated financial statements.
In the case in which the Group establishes losses in value in the investment greater than already recognised through the equity method, the existence of an impairment is assessed to be recognised to the income statement, as the difference between the recoverable amount of the investment and its carrying amount.

The associates and JV's are detailed below:

Company	Currency	Share capital	Group % holding	
			12/31/22	12/31/22
Associates and Joint Ventures				
Airest Retail S.r.l.	Euro	1,000,000	50	50
GAP S.p.A.	Euro	510,000	49.87	49.87
Venezia Terminal Passeggeri S.p.A.	Euro	3,920,020	22.18	22.18
Brussels South Charleroi Airport SA	Euro	26,877,000	48.32	27.65
Venezia Logistica Europa S.p.A.	Euro	1,000,000	50.0	50.00
2A - Airport Advertising S.r.l.	Euro	10,000	50	50
Aeroporto Valerio Catullo di Verona Villafranca	Euro	86,323,688	43.46	43.05
Urban V S.p.A.	Euro	50,000	20	-

We note that following the subscription by the subsidiary Belgian Airport SA of the share capital increase in the associated company Brussells South Charleroi Airport SA carried out in several stages in Q1 2022, the Save Group's ownership in the Belgian airport increased to 48.32%.

On June 28, 2022, the company Urban V S.p.A. was established, with stakes held by Aeroporti di Roma, Aeroporto di Venezia, Aeroports de la Cote d'Azur and Aeroporto Guglielmo Marconi di Bologna, for the development of international urban air transport infrastructure. Save S.p.A. will hold 20% of the company, which will study, design, construct and manage the infrastructure, known as "vertiports", which will be essential to enabling electric vertical take-off and landing (e-VTOL) aircraft to connect airports with city centres, thereby enhancing intracity mobility and promoting lower levels of traffic in urban areas.

The company name was changed from Save Cargo S.p.A. to Venezia Logistica Europa S.p.A. with effect from November 14, 2022.

Basis of consolidation

Change of accounting standards

Change of accounting standards

The accounting standards adopted for the preparation of the consolidated financial statements conform with those for the preparation of the annual financial statements of the Group at December 31, 2021, with the exception of the adoption of the new standards and interpretations applicable from January 1, 2022, listed below.

IFRS Standards, Amendments and Interpretations applied from January 1, 2022

The following IFRS accounting standards, amendments and interpretations were applied for the first time by the Group from January 1, 2022:
On May 14, 2020, the IASB published the following amendments:

- ***Amendments to IFRS 3 Business Combinations***: the purpose of the amendments is to update the reference in IFRS 3 to the revised version of the Conceptual Framework, without changing the provisions of the standard.
- ***Amendments to IAS 16 Property, Plant and Equipment***: the purpose of the amendments is not to allow the amount received from the sale of goods produced during the testing phase of the asset to be deducted from the cost of the asset. These revenues from sales and related costs will therefore be recognised through profit or loss.
- ***Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets***: the amendment clarifies that in estimating the possible onerousness of a contract, all costs directly attributable to the contract must be considered. Accordingly, the assessment of whether a contract is onerous includes not only incremental costs (such as the cost of direct material used in processing), but also all costs that the enterprise cannot avoid because it has entered into the contract (such as, for example, the share of depreciation of machinery used to perform the contract).
- **Annual Improvements 2018-2020**: the amendments were made to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples of IFRS 16 Leases.

The adoptions of these amendments do not have any effects on the Group consolidated financial statements.

IFRS and IFRIC Accounting Standards, Amendments and Interpretations approved by the EU, not yet mandatory and not adopted in advance by the Group at December 31, 2022

- On May 18, 2017, the IASB published **IFRS 17 - Insurance Contracts** which replaces IFRS 4 - Insurance Contracts.

The new standard ensures that an entity provides pertinent information which accurately presents the rights and obligations under insurance contracts. The IASB developed the standard in order to eliminate inconsistencies and weaknesses in the existing accounting policies, providing a single principle-based framework to take account of all types of insurance contracts, including reinsurance contracts held by an insurer.

The new standard sets out in addition presentation and disclosure requirements to improve comparability between entities belonging to the same sector.
It measures insurance contracts on the basis of a General Model or a simplified version of such, called the Premium Allocation Approach ("PAA").
The main features of the General Model are:

- the estimates and assumptions of future cash flows always refer to the current portion;
- the measurement reflects the time value of money;
- the estimates include an extensive use of observable market information;
- a current and clear risk measurement exists;
- the expected profit is deferred and aggregated into groups of insurance contracts on initial recognition; and,
- the expected profit is recognised in the period of contractual coverage, taking account of adjustments from changes in the assumptions on cash flows for each group of contracts.

The PAA approach involves the measuring of the liability for the residual coverage of a group of insurance contracts on the condition that, on initial recognition, the entity expects that this liability reasonably reflects an approximation of the General Model. Contracts with a coverage period of one year or less are automatically considered appropriate for the PAA approach. The simplifications from application of the PAA method do not apply to the valuation of liabilities for existing claims, which are measured with the General Model. However, it is necessary to discount these cash flows where it is expected that the balance will be paid or received within one year from the date on which the claim occurred.
The entity should apply the new standard to insurance contracts issued, including reinsurance contracts issued, reinsurance contracts held and also investment contracts with a discretionary participation feature (DPF).
The standard is effective from January 1, 2023, although advance application is permitted, only for entities applying IFRS 9 – Financial Instruments and IFRS 15 - Revenue from Contracts with Customers. The Directors do not expect this standard to have a significant impact on the Group consolidated financial statements.

- On December 9, 2021, the IASB published an amendment called **"Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information".** The amendment is a transition option related to comparative information on financial assets presented at the date of initial application of IFRS 17. The amendment is intended to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and thus improve the usefulness of comparative information for financial statement readers. The amendments will apply from January 1, 2023, together with the application of IFRS 17. The Directors do not expect this amendment to have a significant impact on the Group consolidated financial statements.
- On February 12, 2021, the IASB published two amendments entitled "**Disclosure of Accounting Policies—Amendments to IAS 1 and IFRS Practice Statement 2" and "Definition of Accounting Estimates—Amendments to IAS 8".** The changes are intended to improve disclosure on accounting policies to provide more useful information to investors and other primary users of financial statements and to help companies distinguish between changes in accounting estimates and changes in accounting policies. The amendments will be applicable from January 1, 2023, although advance application is permitted. The Directors do not expect these

amendments to have a significant impact on the Group consolidated financial statements.

- On May 7, 2021, the IASB published an amendment called "**Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction**". The document clarifies how deferred taxes should be accounted for on certain transactions that can generate assets and liabilities of equal amounts, such as leases and decommissioning obligations. The amendments will be applicable from January 1, 2023, although advance application is permitted. The Directors do not expect this amendment to have a significant impact on the Group consolidated financial statements.

IFRS Standards, Amendments and Interpretations not yet approved by the European Union

At the reporting date, the relevant bodies of the European Union had not yet concluded the process necessary for the implementation of the amendments and standards described below.

- On January 23, 2020, the IASB published an amendment entitled "**Amendments to IAS 1 Presentation of Financial Statements: *Classification of Liabilities as Current or Non-current***" and on October 31, 2022 published an amendment entitled "***Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants."***. The purpose of the documents is to clarify how to classify payables and other short or long-term liabilities. These amendments shall enter into force on January 1, 2024 and early application is permitted. The Directors do not expect this amendment to have a significant impact on the Group consolidated financial statements.
- On September 22, 2022, the IASB published an amendment entitled "***Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback".*** The document requires the seller-lessee to measure the lease liability arising from a sale & leaseback transaction so as not to recognise income or losses relating to the retained right of use. The amendments will be applicable from January 1, 2024, although advance application is permitted. The Directors do not expect this amendment to have a significant impact on the Group consolidated financial statements.

Seasonal activities

Due to the cyclical nature of the sector in which the Group generally operates, higher revenues and operating results are expected in the second and third quarters rather than in the first and final quarters of the year. Higher revenues are concentrated in June-September, during the peak summer vacation period and the maximum usage levels of the directly managed infrastructure (airports).

Significant accounting estimates

The preparation of the consolidated financial statements and the relative notes in application of the relevant accounting standards requires that directors make estimates and assumptions on the values of the assets and liabilities in the financial statements and on the disclosures relating to the assets and contingent liabilities at the reporting date. The estimates and assumptions adopted are based on experience and other elements deemed relevant and are periodically revised; the effects of all changes to such estimates and assumptions are reflected in the income statement of the year in which the estimate is revised. If results differ from estimates, adjustments that cannot be estimated or predicted at this time may become necessary.

A description of the accounts most significantly affected by estimates and assumptions is provided below.

Impairment on goodwill and other intangible assets
An impairment test is carried out on goodwill on an annual basis; this test requires an estimate of the value in use from the cash generating units of the cash flows to which the goodwill is attributed, in turn based on the expected future cash flows of the unit and discounted in accordance with an adequate discount rate.
The group undertakes an impairment test on goodwill recognised in the financial statements in accordance with the methods described in the paragraph "Impairments of intangible assets and property, plant and equipment". The cash flows of the cash generating units attributable to the individual goodwill recognised was taken from the Business Plan approved by the Board of Directors of the Company or its subsidiaries, as the case may be.
In relation to the other intangible assets with finite useful life, an impairment test was carried out annually on the residual value, resulting from the allocation of the higher value paid on acquisition.
For more in-depth information and analysis of the assessments undertaken at December 31 on the individual goodwill amounts and other intangible assets, reference should be made to the paragraph "Tests on the recoverability of assets and groups of assets", illustrated in the accounting policies.

Deferred tax assets
Deferred tax assets refer to tax losses that may be carried forward, to financial charges whose deductibility is conditional, and to temporary differences between the financial statements values and the values recognised for tax purposes, attributable to costs with deferred deductibility, mainly concerning provisions for risks.
These assets are recognised in the financial statements on the basis of a discretional assessment by the Directors on the probability of their recovery, with particular regard to the estimate of the capacity of the Parent Company and of the subsidiaries, also based on involvement in the "tax consolidation", to generate future assessable income in the coming years on the basis of the operating-financial forecasts made by management, subject by definition to significant uncertainties, in particular within the current economic and sector environment.
The calculation was made based on the expected tax rates for the year in which the temporary differences are expected to reverse.

Doubtful debt provision
The doubtful debt provision is based on a specific analysis of receivables in dispute and also an analysis of overdue receivables. The provision includes, in addition, the measurement of the residual receivables according to the Expected Loss method, calculated over the entire duration of the receivable as per the new IFRS 9. The overall valuation of the realisable value of trade receivables requires estimates on the probability of recovery of the above-mentioned receivables, in addition to the write-down percentages applied to receivables not in dispute and, therefore, is subject to uncertainty.

Assets under concession replacement provision
A provision was established against buildings held under concession by a number of Group companies including the amounts necessary for the maintenance or replacement of assets constituting the infrastructure held which must be returned to the State in optimal operating condition at the end of the concession.
The Replacement Provision is updated annually based on a technical evaluation of the estimated future charges relating to the cyclical maintenance of the assets which will be returned free at the end of the concession and is utilised based on the maintenance undertaken during the year.

Pension provision and other post-employment benefits
The cost of defined benefit plans and post-employment benefits are determined utilising actuarial valuations. The actuarial valuations require the consideration of statistical hypothesis concerning discount rates, the expected return on plan assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, these estimates are subject to a significant degree of uncertainty.

Current income taxes
Current income taxes are valued at the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate such amounts are those issued or substantially issued as at the reporting date of the consolidated financial statements. Current income taxes relating to items recorded directly in equity are charged directly to net equity and not to the income statement.

Test on the recoverability of assets and groups of assets

Impairment tests were undertaken to assess the existence of impairments on the amounts allocated to Goodwill or Concessions, recognised in the present and previous years.

The impairment test compares the carrying value of the asset or group of assets of the cash generating unit (CGU) with the recoverable value, arising from the higher between the fair value (net of selling costs) and the value in use calculated with the Discounted Cash Flows method, i.e. according to the discounted net cash flows which are expected to be produced from the asset or group of assets of the CGU (value in use). Specifically, the recoverable amounts of the assets relating to the CGUs subject to the test were verified by comparing them with the present value of expected cash flows until the end of the respective concessions.

In this regard, we indicate that the recoverable value is calculated according to estimates, which by their nature feature uncertainty, in addition to the general economic uncertainty caused by the dramatic geopolitical developments and inflation which was a feature of 2022.

Value of concessions and goodwill allocated to the Venice CGU on the Purchase Price Allocation

The Group considered it necessary to carry out impairment tests to value the existence of any impairment loss on the amount of Euro 849.2 million allocated to "Concession Rights" and of Euro 303.6 million allocated to "Goodwill" during the acquisition completed in 2017 and with reference to the capital employed by the "Venice CGU", with regards to the activities carried out at Venice Tessera Marco Polo airport.

The cash flows of the Cash Generating Unit are from the Milione Group Business Plan, which was drawn up by management with the support of two leading independent consultancy firms, and approved by the Board of Directors on February 9, 2023 and submitted to a stress test to identify any critical issues.

Following the amendment of Article 202, paragraph 1-*bis* of the "Relaunch Decree" converted into law on July 17, 2020, which extends by two years all existing airport concessions, the forward-looking scenario covers a time period between 2023 and 2043, based on the following key factors: (i) the presence of a full management concession, (ii) growth of both aviation and non-aviation commercial revenues, thanks to opportune investments, based on traffic, (iii) the forward-looking review and updating, also in view of the 2022 results which were better than expected, of a number of growth drivers and related investments.

For the discounting of cash flows, a Weighted Average Cost of Capital (WACC) was utilised, net of the tax effect of 6.4%, which considers the recent increase in interest rates, utilising the six-month average of the risk free rate, rather than the 12-month average. The recoverable value, i.e. the value in use, thus identified, is higher than the carrying value and the test did not therefore highlight the need to make write-downs of the assets recognised. The WACC value which renders the value in use of the CGU equal to the relative carrying amount is approx. 7.1%.

Concession value allocated to Treviso CGU on the Purchase Price Allocation and the value of goodwill from the acquisition of a further minority shareholding in Aer Tre S.p.A.

The company verified for the 2022 financial statements the existence of any impairment loss on the Euro 16.2 million allocated to "Concession Rights", and the amount of Euro 6.9 million allocated to "Goodwill" on the acquisition from third party shareholders, in 2007, of a 35% stake in the share capital of Aer Tre S.p.A., which manages Treviso airport.

The cash flows of the Cash Generating Unit are based from the Milione Group Business Plan approved by the Board of Directors on February 9, 2023.
Following forward-looking scenario considered, the amendment of Article 202, paragraph 1-bis of the "Relaunch Decree" converted into law on July 17, 2020, which extends by two years all existing airport concessions, the scenario covers a time period between 2023 and 2055, based on the following key factors: (i) the presence of a full management concession, (ii) growth of commercial revenues, thanks to planned incisive investments; (iii) the review of a number of growth drivers and related investments by outlining the plan until the end of the concession.

The Weighted Average Cost of Capital (WACC) utilised for the discounting of cash flows net of taxes was 6.4%. The identified value in use, applying the variables identified for the test to the drivers of the operating-financial scenario, was therefore higher than the carrying value. The WACC value which renders the value in use of the CGU equal to the relative carrying amount is approx. 7.5%.

Value of Concession from the acquisition of a further minority shareholding in Aeroporto Valerio Catullo S.p.A.

An impairment test was undertaken to establish the existence of any impairment loss on the Euro 15.7 million allocated to "Goodwill" on the undertaking of a stake in Aeroporto Valerio Catullo di Verona Villafranca S.p.A. ("Catullo"), a company which holds concessions for the management of the Verona Villafranca and Brescia airports, between 2014 and 2015.

The operation, carried out through an initial acquisition from the Municipality of Villafranca of 2% of the Share Capital of Catullo, with subsequent subscription to a share capital increase and finally the exercise of the pre-emption right on a further 5.3% relating to shareholders who opted to exercise the right to withdrawal, resulted in a SAVE holding at December 31, 2015 of 40.31% in Catullo. As a result of subsequent additional purchases and the share capital increase in 2021, the interest held at December 31, 2022 is 43.5% of the investee's capital.

It is recalled that the investee was included in the consolidated financial statements at equity and therefore the above-stated goodwill was included in the investment's value.

The cash flows of the Cash Generating Unit concerning Catullo covers a timeframe between 2022 and 2055. The first period of the forward-looking scenario covering the years 2023-2030 highlights as key elements: (i) the development of Verona airport within its catchment area and the recovery therefore of a level of traffic in line with the regions potential through the entry of new carriers in a position to ensure significant traffic growth, the development of point-to-point destinations currently not served or significantly underserved (also through low-cost carriers) and improved connectivity with hubs by network carriers; (ii) the improvement of operations at Brescia with increased courier traffic, the growth of the general cargo segment and the consolidation of postal traffic; (iii) the growth of commercial revenues, thanks to targeted investments on the basis of increased traffic. The second reference period of this scenario, extended by 2 years following the amendment to Article 202, paragraph 1-bis of the "Relaunch Decree", converted into Law on July 17, 2020, which runs from 2031 to the conclusion of the Verona concession in 2050 and concerns cash flows from the application of a "g" growth rate of 2% on revenues and costs of the year 2030. The Weighted Average Cost of Capital (WACC) utilised for the discounting of cash flows net of taxes was 6.4%. The recoverable value, i.e. the value in use as identified above, applying the variables identified for the test to the drivers of the economic-financial scenario, was higher than the carrying value of the investment. The WACC value which renders the value in use of the CGU equal to the relative carrying amount is approx. 9.4%.

Value of concession relating to the minority investment in the Airest Group

Under the shareholder agreements with the Lagardère Group within the sale of the Airest Group, on May 6, 2015, LSTR Food Services Italia S.r.l. exercised the call option on 50% of Lagardère Food Services S.r.l., the company resulting from the spin-off from Airest S.p.A. on May 1, 2015 and including all of the Airest Group operations, excluding the commercial activities at the airports in which the SAVE Group operates. Airest S.p.A., in fact, following the corporate operations in 2015 controls three companies in the Food & Beverage and Retail sectors, operating at Venice, Treviso and Verona airports. In order to simplify the Airest Group structure, in 2016 a merger was undertaken by a number of companies resulting in Airest Retail S.p.A. becoming the parent company which wholly-owns Collezioni Venezia S.r.l..

As a result of this reorganisation, the Group now holds 50% of Airest Retail S.p.A.. The investee was included in the consolidated financial statements at equity and therefore the above mentioned value allocated to the concession is included in the value of the investment.

The cash flows of the Airest Cash Generating Unit were taken from the 2023 budget approved by the Board of Directors of Airest Retail, on the basis of which a finance plan was drawn up which covers a time period between 2023 and 2028, coinciding with the duration of the concession contract for the F&B and Retail spaces at Venice and Treviso airports.

The Weighted Average Cost of Capital (WACC) utilised for the discounting of cash flows net of taxes was 6.4%. The analyses indicated that the value in use so calculated is higher than the carrying value of the investment. The value of the WACC which makes the value in use of the CGU equal to the relative carrying amount is significantly higher than the value used for the test in light of the significant hedging margin highlighted by such.

Accounting policies

The IAS/IFRS accounting principles applied are illustrated below.

Intangible assets

An intangible asset is an asset without physical substance, identifiable, under control of the entity and capable of generating future economic benefits, and those derived from business combinations.
The useful life of the intangible assets is measured as finite or indefinite.
Intangible assets with a finite useful life are recorded at acquisition or production cost or, where deriving from business combinations, are capitalised at the fair value at the acquisition date; these assets include accessory charges, amortised on a straight-line basis for the period of their residual useful life in accordance with IAS 36 and undergo an impairment test whenever there are indications of loss in value.
The residual value at the end of the useful life is presumed to be zero unless there is a commitment by a third-party purchaser of the asset at the end of the useful life or an active market for the asset exists. The Directors review the estimate of the useful life of intangible assets at each reporting date.
The amortisation of finite intangible assets is recorded in the income statement under the category of costs relating to intangible assets.

The indefinite intangible assets undergo an impairment test for loss in value at individual level or at cash generating unit level.
The recoverability of the value recorded is verified adopting the criteria indicated below.
These assets are not amortised. The useful life of an indefinite intangible asset is reviewed on an annual basis in order to assess whether the conditions exist for it to remain in this classification.

The useful life of the various intangible asset categories is illustrated below:

Category	Amortisation period
Patents and intellectual property rights software	3 years
Airport Concession rights	Duration of Airport concession
Patents and intellectual property rights	5 years
Licences, brands and similar rights	Duration of contract

"Patents and intellectual property rights" principally refers to costs for the implementation and tailoring of operational software.

"Airport concession rights" refer to the amount recognised under intangible assets against the airport infrastructure assets held in relation to the concession rights acquired for the management of the infrastructures which permits the right to charge for the utilisation of such infrastructure, in execution of a public service, in accordance with the provisions of IFRIC 12 – Service Concession Arrangements.

Business combinations and goodwill

Business combinations before January 1, 2010

Business combinations are recorded in accordance with the purchase method. The cost of the business combination is measured as the aggregate of the present values, at the date of exchange, of assets sold, liabilities incurred or assumed, and equity instruments issued by the purchaser, in exchange for control of the company acquired, plus any costs directly attributable to the business combination. The acquisition cost is allocated to the assets, liabilities and contingent liabilities of the company acquired measured at fair value at the acquisition date, which satisfy the criteria as per IFRS 3. The difference recorded between the business combination cost and the amount acquired at net fair value of the assets, liabilities and contingent liabilities is recorded as goodwill. Goodwill acquired in a business combination is not amortised; an impairment test is undertaken annually to verify any loss in value, or more frequently if specific events or changed circumstances indicate the possibility of an impairment, in accordance with IAS 36 "Impairment of assets". In the determination of the fair value of the assets and liabilities and the impairment tests, the evaluations of the Directors are supported by opinions from independent experts. The minority interests in the companies acquired are initially measured at the fair value of the assets, liabilities and contingent liabilities recognised.

Business combinations after January 1, 2010

Following the introduction of IFRS 3 Revised, from January 1, 2010, date of first prospective application of the standard, business combinations are recognised utilising the acquisition method. The acquisition cost is calculated as the total of the fair value at the date of acquisition and the value of any minority equity holding in the acquisition. For every business combination, the buyer must measure any minority holding at fair value or in proportion to the amount held in the identifiable net assets of the acquisition. The acquisition costs are expensed and classified under administration expenses. When the group acquires a business, the financial assets acquired or liabilities assumed under the agreement are classified or designated in accordance with the contractual terms, the economic conditions and the other conditions at the acquisition date. This includes the verification to establish whether an embedded derivative must be separated from the host contract. If the business combination is realised in a series of phases, the purchaser recalculates the fair value of the holding previously held and measures under the equity method and records to the income statement any resulting profit or loss. Every potential payment is recorded by the purchaser at fair value at the acquisition date. The change in the fair value of the potential payment classified as an asset or liability will be recorded in accordance with IFRS 9, in the income statement or in the statement of comprehensive income. If the potential payment is classified under equity, the value must not be recalculated until its elimination is recorded against equity. Goodwill is initially valued at cost calculated as the difference between the sum of the amount paid and the amount recognised for the minority interest holdings compared to the net identifiable assets acquired and liabilities assumed by the Group. If the amount is lower than the fair value of the net assets of the subsidiary acquired, the difference is recorded in the income statement. After initial recognition, goodwill is measured at cost, less any accumulated loss in value. For the purpose of impairment testing, goodwill acquired in a business combination must, from the acquisition date, be allocated to each of the Group's cash-

generating units which are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the entity are assigned to those units.
If the goodwill is allocated to a cash-generating unit and the entity sells part of the activities of this unit, the goodwill associated with the activity sold is included in the book value of the activity when determining the gain or loss deriving from the sale. The goodwill associated to assets sold is calculated based on the relative values of the asset sold and the part maintained by the cash-generating unit.

Property, plant & equipment

Property, plant and equipment are initially recognised at purchase price or construction cost or, where deriving from business combinations, at fair value at the acquisition date; the value includes the price paid to acquire or construct the asset (net of discounts) and any directly attributable costs to the acquisition and necessary for the asset to enter into service. The assets held by third parties are measured at fair value on the basis of a specific valuation. The purchase price or construction cost is net of public grants which are recognised when the conditions for their concession are verified. Land, both constructible and relating to civil and industrial buildings, is accounted for separately and is not depreciated in that it has an indefinite useful life. Tangible assets are presented net of accumulated depreciation and any losses in value, calculated as described below. Depreciation is calculated, on a straight-line basis, based on the estimated useful life.
Losses in value are charged to the income statement under depreciation costs. Such losses are restated when the reasons for their write-down no longer exist.
At the time of sale, or when there are no expected future economic benefits from the use of an asset, it is eliminated from the financial statements and any loss or profit (calculated as the difference between sale's price and book value) is charged to the income statement in the year of its elimination.
Where a tangible fixed asset comprises a number of significant components with differing useful lives, the depreciation is carried out separately for each component. Land is not depreciated and fixed assets held-for-sale are valued at the lower of the subscription value and the fair value net of selling costs.
Maintenance and repair expenses, which do not increase the value and/or extend the residual useful life of the asset are expensed in the year in which they are incurred; where they increase the value and/or extend the residual life of the assets, they are capitalised.
Property, plant and equipment are depreciated on a straight-line basis based on the residual useful life of the asset, as follows:

Category	%
Buildings	3%
Runway vehicles and equipment	10% - 31.5%
Office machinery	12.5%
Other machinery/plant	15.0%
Communication plant	25.0%
Alarm systems	30.0%
Operating/loading/unloading machinery	10.0%
Equipment	35% - 15% - 12.5%
Motor vehicles	20% - 25%
Ordinary office machinery	12.0%
Furniture & fittings	15.0%
Telephones and EDP	20.0%

Leased fixed assets

Assets acquired through finance lease contracts, which substantially transfer the majority of the risks and benefits related to the ownership of an asset to the Group, are capitalised at commencement of the lease at the fair value of the asset or, if lower, at the present value of the minimum lease payments on the recording of a liability to the leasing company. Lease instalments are allocated to principal and interest to obtain application of a constant interest rate on the balance of the debt (principal). Financial charges are expensed to the income statement. Capitalised lease assets are depreciated over their estimated useful life. See the first section of these notes for the accounting treatment of operating leases in accordance with the accounting standard IFRS 16.

Impairments on intangible assets and property, plant and equipment

The carrying amount of intangible assets and property, plant and equipment undergo an impairment test whenever there are signs internal or external to the entity which indicate the possibility of a loss in value of the assets or group of assets (defined as the Cash Generating Unit or CGU).
The recoverable value is the higher between the fair value of the asset or cash generating unit, net of selling costs, and its value in use. The recoverable value is determined by individual asset except when this asset generates cash flows which are not sufficiently independent from those generated by other assets or groups of assets.
If the carrying amount of an asset is higher than its recoverable value, this asset has incurred a loss in value and is consequently written down to the recoverable value. In the determination of the value in use, the estimated future cash flows are discounted by the Group at a rate that reflects the market assessment of the current value of money and the risks specific to the asset. In determining the fair value less selling costs, an adequate valuation model is utilised. These calculations are made utilising appropriate valuation multipliers, listed equity prices for publicly traded securities and other fair value indicators available.
The losses in value incurred by operating assets are recorded in the income statement in the category of costs relating to those assets.
At each reporting date, the Group also evaluates, in relation to the assets other than goodwill, the existence of indicators of a recovery in the loss of value previously recorded and, where these indicators exist, makes an estimate of the recoverable value. The value

of an asset previously written down may be restated only if there have been changes in the estimates used to determine the recoverable value of the asset after the last recording of a loss in value. The recovery of value cannot exceed the carrying amount which would have been calculated, net of amortisation, where no such loss in value was recorded in previous years. This recovery is recorded in the income statement unless the fixed asset is recorded at revalued amount, in which case the recovery is treated as a revaluation profit.
The value of goodwill may not be reversed following an increase in the recoverable value.

The following criteria are utilised for the recording of impairments on specific categories of assets:

Goodwill
The Group undertakes an impairment test on goodwill annually or more frequently if events or changes in circumstances indicate that the carrying amount may have incurred a loss in value.
The loss in value on such intangible assets is determined through a valuation of the recoverable value of the cash-generating unit (or group of units) to which they relate. When the recoverable value of the cash-generating unit (or group of units) is lower than the carrying value of the cash-generating unit (or group of cash-generating units) to which the intangible assets are allocated, a loss in value is recognised.
The decrease in the value of goodwill cannot be restated in future years.
The Group undertakes the annual impairment test on the value of the above-mentioned intangible assets close to the end of the year.
The impairment test compares the carrying amount of the asset or of the cash generating unit (CGU) with the recoverable value of the asset, arising from the higher between the fair value (net of selling costs) and the value of the net discounted cash flows which are expected to arise from the asset or from the CGU.
Each unit or Group of units to which the intangible asset is allocated represents the lowest level within the Group to which the goodwill is monitored at internal management level.
The conditions and the methods for any write-back of an asset previously written down applied by the Group, excluding in any case any recovery in the value of goodwill, are those as per IAS 36.

Non-current assets held-for-sale and discontinued operations

Non-current assets and discontinued groups classified as held-for-sale are measured at the lower of their carrying value and the fair value less selling costs. Non-current assets and discontinued groups are classified as held-for-sale when the carrying value will be recovered through a sales operation rather than through their continual use. This condition exists only when the sale is highly probable and the asset or discontinued group is available for an immediate sale in its current conditions. Management must be committed to the sale, whose completion must be expected within one year from the date of the classification.
In the consolidated income statement the gains and losses of discontinued operations must be classified separately from profits and losses from continuing operations, shown after taxes, even when the Group maintains a minority interest in the subsidiary after the sale. The resulting profit or loss, after income taxes, is shown separately in the income statement.
Plant, property and equipment and intangible assets once classified as held-for-sale are no longer amortised or depreciated.

Financial assets

With regards to the classification and measurement of financial assets, the Group applied IFRS 9 to the instruments recognised at January 1, 2018 and did not apply this standard to assets which had already been eliminated for accounting purposes at the initial application date.

All financial assets recognised which fall within the scope of IFRS 9 should subsequently be measured at amortised cost or at fair value on the basis of the business model of the entity managing the financial assets and the characteristics concerning the contractual cash flows of the financial asset.

Specifically:
• Debt instruments held within a business model whose objective is the holding of financial assets for the collection of the contractual cash flows, and whose cash flows are represented only by the payment of capital and interest on the amount of the capital to be repaid, are subsequently measured at amortised cost;
Debt instruments held within a business model whose objective is achieved both through the collection of the contractual cash flows and the sale of the financial assets, and whose cash flows only derive from the payment of capital and interest on the amount of capital to be repaid, are subsequently measured at fair value with changes recognised to other comprehensive income (FVTOCI);
• All other debt instruments and capital instruments are subsequently measured at fair value, with changes recognised to profit or loss (FVTPL).

Where an investment in a debt instrument measured as FVTOCI is eliminated, the cumulative profit (loss) recognised previously to other comprehensive income is reclassified from shareholders' equity to the profit (loss) for the year through a reclassification adjustment. On the other hand, when an investment in a capital instrument designated as measured at FVTOCI is eliminated, the cumulative profit (loss) recognised previously to other comprehensive income is subsequently transferred to retained earnings without transiting from the income statement.

Debt instruments subsequently valued at amortised cost or FVTOCI are subject to an impairment test.

Impairment of financial assets

In relation to the loss in value of the financial assets, IFRS 9 requires the application of a model based on expected credit losses, instead of based on the losses on receivables already incurred required by IAS 39. The differing model based on expected losses on receivables requires the Group to consider these losses and their changes and at each balance sheet date to reflect changes in the credit risk since the initial recognition of the financial asset. In other words, it is no longer necessary that an event occurs to put in doubt the recoverability of the receivable before the recognition of a doubtful debt.

IFRS 9 requires the Group to recognise the doubtful debt provision for expected losses on receivables with regards to:

1) Investments in debt instruments valued subsequently at amortised cost or FVTOCI;
2) Financial lease receivables;
3) Commercial receivables and contract assets;
4) commitments to issue loans and guarantee contracts to which the reduction in value provisions of IFRS 9 apply.

In particular, IFRS 9 requires that the Group measures the provision to cover the losses of a financial asset at an amount equal to the expected losses over the lifetime of the receivable (lifetime expected credit losses or ECL), where the credit risk of this financial asset is significantly increased after initial recognition, or where the financial instrument is an acquired or arising deteriorated financial asset. Therefore, where the credit risk of a financial instrument has not increased significantly after initial recognition (except for an acquired or arising deteriorated financial asset), the Group should measure the coverage of losses provision for the financial instrument for an amount equal to the expected credit losses from a default event in the 12 subsequent months (12-months expected credit losses). IFRS 9 in addition, in such circumstances, requires the adoption of a simplified method to measure the provision for the coverage of losses for the trade receivables, the contract assets and the finance lease receivables, estimating the lifetime expected credit losses.

Treasury shares

Treasury shares acquired are recorded at cost and as a reduction of shareholders' equity. The purchase, sale or cancellation of treasury shares does not give rise to any profit or loss in the income statement. The difference between the carrying value and the payment received is recorded in the share premium reserve. The voting rights related to treasury shares are cancelled, as are the rights to receive dividends. In the case of the exercise of options on shares in the period, such are settled with treasury shares.

Inventories

Inventories, excluding contract work-in-progress, are recorded at the lower of purchase or production cost and realisable value represented by the amount that the Company expects to obtain from their sale in the normal course of operations. The cost of inventories is calculated using the weighted average cost method.
Contract work-in-progress is measured on the basis of the payments agreed in relation to the advancement of the work, determined utilising the cost-to-cost method. The payments on account paid by clients are deducted from inventories up to the payments matured; the remaining part is recorded under liabilities. Any losses deriving from the completion of the contracts are recognised fully in the period in which such is ascertained.

Cash and cash equivalents

Cash and cash equivalents include those values which are available on demand at short notice, certain in nature and with no payment expenses.

Employee benefits

The benefits guaranteed to employees paid on the conclusion of employment or other long-term benefits are recognised in the period the right matures.
The liability, net of any plan assets, is calculated on the basis of actuarial assumptions and is recorded by the accrual method consistent with the years of employment necessary to obtain such benefits. The liability is calculated by independent actuaries utilising the projected unit credit method. The amount not only reflects the payables matured at the consolidated balance sheet date (only for companies with less than 50 employees) but also the future salary increases and related statistical data.

Provisions for risks and charges

Provisions for risks and charges relate to costs and expenses of a defined nature and of certain or probable existence whose amount or date of occurrence is uncertain at the present Consolidated Financial Statements date. The provisions are recorded when:
(i) it is probable the existence of a current obligation, legal or implicit, deriving from a past event;
(ii) it is probable that compliance with the obligation will result in a charge;
(iii) the amount of the obligation can be estimated reliably.
Provisions are recorded at the value representing the best estimate, supported by expert opinion, of the amount that the Company would rationally pay to discharge the obligation or to transfer it to a third party at the reporting date. When the financial effect of the time is significant and the payment dates of the obligations can be reliably estimated, the provision shall be discounted at the average cost of debt to the company; the increase of the provision due to the passing of time is recorded in the income statement in the account “Net financial income/(charges)”.
If the liability relates to a tangible fixed asset (demolition of assets), the provision is recognised in line with the asset to which it refers; the recognising of the charge to the income statement is made through depreciation.
The provisions are periodically updated to reflect the changes in the estimate of the costs, of the time period and of the discounting rate; the revision of estimates is recorded in the

same income statement accounts in which the provision was recorded, when the liability relates to tangible fixed assets, and in the asset account to which it refers.

Trade payables and other non-financial liabilities

Payables, which mature within the normal commercial terms, are recognised at cost (their nominal value). The payables in foreign currencies are recorded at the transaction exchange rate and, subsequently, translated at the year-end rate. The profits and losses deriving from the conversion are recorded in the income statement.
The other liabilities are recorded at cost (identified as nominal value).

Financial liabilities

Financial liabilities are recognised in accordance with IFRS 9 and, with the exception of derivative financial instruments, are initially recognised at cost, corresponding to the fair value of the liability plus transaction costs that are directly attributable at the issue of the liability.
After initial recognition, the financial liabilities are measured at amortised cost using the original effective interest rate, which is the rate that renders equal, on the initial recognition, the present cash flow value and the initial recognition value (amortised cost method).
All gains and losses are recognised in the income statement when the liability is settled, in addition through the amortisation process.

Derecognition of financial assets and liabilities

Financial assets
Financial assets (or, where applicable, part of a financial asset or part of a group of similar financial assets) are derecognised from the financial statements when:
• the right to receive the financial flows of the asset terminate;
• the Group retains the contractual right to receive the cash flows from the asset, but assumes a contractual obligation to pay the cash flows fully and without delay to a third party;
• the Group has transferred its right to receive the cash flows from the asset and (a) has transferred substantially all of the risks and rewards of ownership of the financial asset or (b) has not transferred or retained substantially all of the risks and rewards of the asset, but has transferred control over same.
Where the Group has transferred all the contractual rights to receive the cash flows from an asset and has not transferred or withheld substantially all of the risks and rewards or has not lost control, the asset is recorded in the financial statements of the Group up to the amount of its residual holding in the asset. Residual involvement that takes the form of a guarantee on the transferred asset is valued at the asset's initial book value or the maximum consideration that the Group could be required to pay, whichever is less.

Financial liabilities
A financial liability is derecognised from the financial statements when the underlying liability is settled or cancelled.

Derivative financial instruments and hedging operations

In line with the strategy chosen, the Group does not carry out operations and derivatives for speculative purposes. However, in the case in which these operations were undertaken for hedging purposes not qualifying as hedges according to the rules of IFRS 9, such are recognised as trading operations.

Derivative financial instruments are classified as hedging instruments (therefore designated as Hedge Accounting) when the relation between the derivative and the hedged item is formally documented and the effectiveness of the hedge, periodically verified, is high. In accordance with IFRS 9, the verification of the efficacy of the hedge is based on the evaluation of the "economic relationship" between the hedged element and the hedging element, favouring therefore qualitative aspects over quantitative aspects. When the hedged derivatives cover the risk of change of the fair value of the instruments hedged (fair value hedge; e.g. hedge in the variability of the fair value of asset/liabilities at fixed rate), these are recorded at fair value through the income statement; therefore, the hedging instruments are adjusted to reflect the changes in fair value associated to the risk covered. When the derivatives hedge the risk of changes in the cash flows of the hedge instrument (cash flow hedge; e.g. coverage of changes in cash flow of asset/liabilities at variable interest rate due to changes in the interest rates), the changes in the fair value are initially recognised under equity and subsequently through the income statement in line with the economic effects produced from the operation hedged.
The changes in the fair value of the derivatives compared to their initial value, which do not satisfy the conditions for hedge accounting, are recorded through the income statement.

Revenues and other income components

Revenues are recognised as per IFRS 15 and for an amount which reflects the payment which the entity considers to have the right to in exchange for the transfer of goods or services to the customer. These are recognised when the contractual obligations have been complied with and in particular when control has been transferred to the customer. In addition, in the measurement of revenue it is necessary to take into account the probability of obtaining and/or collecting the economic benefit related to the income.

Revenues are recorded net of returns, discounts and premiums and promotional charges directly related to the sales revenue, in addition to direct sales taxes.

Airport management services can be broken into two categories: aviation and non-aviation.

Aviation revenues
The former category primarily consists of managing, maintaining and developing airport infrastructure, which also includes security checks and surveillance, as well as services related to the landing and departure of aircraft for passengers, other users and airport operators. Consideration for such services takes the form of airport fees of the following types paid by airlines, airport operators and passengers (defined by a regulated tariff system). These principally comprise: passenger boarding fees, landing and departure fees, aircraft parking and storage fees. Other sources of revenues concern the fees for the checking of departing passengers, checked baggage safety control fees, PRM fees (reduced mobility passengers), fees for the exclusive use of assets and de-icing service fees. The General Aviation business includes the full range of services relating to business traffic.
Commercial discounts, recorded as a direct deduction of revenues, are measured on the basis of contracts signed with airlines and tour operators.

Non-aviation revenues
The main non-aviation activities include however a wide range of services, some provided directly and others indirectly through sub-concession contracts for commercial services for passengers and operators. This include parking management, retail and advertising. These revenues consist of the market fees for activities directly carried out by the Group and from activities carried out by third parties under license and of royalties based on a percentage of revenues generated by the licensee, usually with the provision of a guaranteed minimum.
Royalties are recorded based on the accruals principle, in accordance with the contracts in force and IFRS 15.

Interest income is recognised in accordance with the accruals principle, which takes into account the effective yield of the assets to which it refers.

Dividends are recorded when the shareholders have the right to receive them.

Measurement of costs and expenses

Costs are recorded when relating to goods and services sold or consumed in the year or when there is no future utility.

Income taxes

Current income taxes
Current income taxes are valued at the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate such amounts are those issued or substantially issued as at the reporting date of the consolidated financial statements. Current income taxes relating to items recorded directly in equity are charged directly to net equity and not to the income statement.

Deferred taxes

Deferred taxes are calculated using the liability method on temporary differences between values used for fiscal purposes and the assets and liabilities reported in the present consolidated financial statements. Deferred tax liabilities derive from all temporary timing differences, except for the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, has no effects on the profit for the year calculated for the financial statements or on the profit or loss calculated for tax purposes.

The reversal of the temporary differences, related to investments in subsidiaries, associates and joint ventures, can be controlled and it is probable that such will not occur in the foreseeable future.

Deferred tax assets are recorded against all temporary deductible differences and fiscal losses carried forward, up to the amount it is probable there exists adequate future assessable profits against the utilisation of the temporary deductible differences and of the assets or liabilities carried forward, except in the case where the deferred tax asset related to the temporary deductible differences derives from the initial recording of an asset or a liability in a transaction that is not a business combination and that, at the time of the transaction, does not impact on the profit of the period calculated for the accounts or on the losses calculated for tax purposes. In the case of temporary differences related to investments in subsidiaries, associates and joint ventures, the deferred tax assets are only recognised to the probable extent that the temporary differences will reverse in the foreseeable future and there are sufficient assessable amounts to utilise such temporary differences.

The rates utilised for the calculation of deferred taxes, which reflect the expected rates on the basis of national legislation in force, are mainly the following:

IRES 24%
IRES 27.5% (airport companies for tax periods 2020 and 2021)
IRAP 4.20% (Airport Companies)
IRAP 3.90%

Translation of accounts in foreign currencies

The present consolidated financial statements are presented in Euro, which is the Company's operational currency. Each Group company decides the operative currency to be used to value the accounts in the financial statements. Transactions in foreign currency are initially recorded at the exchange rate (referred to the operative currency) at the transaction date. Monetary assets and liabilities in foreign currency are translated to the operative currency at the exchange rate at the consolidated balance sheet date. All exchange differences are recognised in the income statement. Non-monetary items valued at historical cost in foreign currency are translated by using the exchange rates in effect on the date the transaction was first recorded. Non-monetary items recorded at fair market value in foreign currency are translated by using the exchange rate on the date the value was calculated.

Regional overview

The Group focus on Airport operations resulted in the *de facto* concentration of the business in Italy, therefore no longer requiring disclosure upon the main geographic areas.

Information concerning the Principal Clients

Approx. 10.4% of the total revenues for 2022 of the subsidiary SAVE S.p.A. derived from the airline Ryanair, while the subsidiary Aer Tre S.p.A. derives approx. 60.1% of its revenues from Ryanair and approx. 12.7% from Wizz Air.

Net Financial Position

The breakdown of the Group's net financial position is as follows:

(Euro thousands)	**12/31/22**	**12/31/21**
Cash and cash equivalents	74,219	24,587
Financial assets of group companies held-for-sale (Discontinued Operations)	0	441
Other financial assets	45,858	690
Financial assets	**120,077**	**25,718**
Bank payables	7,667	60,662
Other financial liabilities – current portion	402	377
Financial liabilities of Discontinued Operations	0	441
Current liabilities	**8,069**	**61,480**
Bank payables – less current portion	1,021,275	999,287
Other lenders – less current portion	4,479	4,899
Non-current liabilities	**1,025,754**	**1,004,186**
Net financial position from Continuing Operations	(913,746)	(1,040,389)
Net financial position from Discontinued Operations	0	441
Net Financial Position	**(913,746)**	**(1,039,948)**
Total gross payables to banks	1,028,942	1,059,949

ANALYSIS OF THE MAIN BALANCE SHEET ACCOUNTS

(where not otherwise specified, the amounts are expressed in thousands of Euro)

ASSETS

Current Assets

at		
12.31.2022	€	171,534
12.31.2021	€	72,049
Cge.		99,485

The items of the above stated account are as follows:

1. Cash and cash equivalents

at		
12.31.2022	€	74,291
12.31.2021	€	24,587
Cge.		49,632

These concern the bank current accounts available and cash and cash equivalents at the reporting date.

Cash and cash equivalents are reported at their book value, which is considered a reasonable approximation of the fair value at the date of the present consolidated financial statements.

2. Other financial assets

at		
12.31.2022	€	45,858
12.31.2021	€	1,131
Cge.		44,727

Other financial assets concern the positive effects from the recognition of the mark to market of the derivative instruments for a total of Euro 45.7 million and of the financial receivables from the associate Venezia Logistica Europa (previously Save Cargo) S.p.A. for Euro 150 thousand.

The Group holds financial derivatives in order to cover its exposure to interest rate risk regarding specific liabilities.

In the case where these operations may not be accounted for as hedging operations, they are recorded as speculative operations. The accounting policies applied establish that derivative financial instruments are recorded in accordance with the "hedge accounting" method only when at the beginning of the hedge the formal designation and documentation relating to the hedge exists and it is presumed that the hedge is highly effective initially and over the accounting periods. In the absence of these requirements, if hedge accounting cannot be applied, the profits or losses deriving from the fair value of the derivative financial instruments are immediately recognised in the income statement.

The existing hedging contracts were settled in February 2022, in addition to the related loan contract entered into in 2018 with a bank syndicate and renegotiated in February 2022. New hedging contracts were undertaken alongside this renegotiation. At December 31, 2022, therefore, the parent company Million S.p.A. had six IRS contracts signed on February 16, 2022, effective February 14, 2022, and maturing on December 31, 2026, with a total notional amount of Euro 486 million. As a result of these contracts, Milione S.p.A. pays a fixed rate of 0.6955%, which is exchanged for a variable rate of Euribor at 6M.

3. Tax receivables

at		
12.31.2022	€	814
12.31.2021	€	2,203
Cge.		(1,389)

The account includes for approx. Euro 0.3 million the tax credit recognised to non-energy and non-gas enterprises by Legislative Decree No. 115/2022, No. 144/2022 and No. 176/2022 in order to offset the increased cost incurred following the increase in the cost of the raw material in 2022; for approx. Euro 0.1 million the Group VAT Receivable; for approx. Euro 0.1 million the IRAP Receivable and for approx. Euro 0.2 million tax credits for new investments in tangible and intangible capital goods as per Law No. 160 of December 26, 2019 (2022 Budget Law) and Law No. 178 of December 30, 2022 (2021 Budget Law). During the year, IRES tax credits recognised at December 31, 2021 of approx. Euro 1.3 million were used to offset other taxes and contributions.

4. Other receivables

at		
12.31.2022	€	4,782
12.31.2021	€	6,493
Cge.		(1,711)

The analysis is as follows:

(Euro thousands)	12.31.22	12.31.21	Change
ENAC guarantee deposits	-	2,205	(2,205)
Social security institution receivables	13	216	(203)
Suppliers for advances	1,589	1,535	54
Other receivables	2,676	2,469	207
Other assets for suspended financial charges	504	68	436

Total other receivables	**4,782**	**6,493**	**(1,711)**

In 2022, the subsidiary Aer Tre S.p.A. collected the receivable from ENAC of Euro 2,205 thousand regarding the deposits paid by the subsidiary in the period before the signing of the concession contract for the full management of Antonio Canova di Treviso airport. Suppliers for advances refers mainly to contractual advances for investments and the movement in this account in the period reflects the advancement of investment projects.

5. Trade receivables

at		
12.31.2022	€	43,541
12.31.2021	€	35,336
Cge.		8,205

The breakdown of trade receivables is outlined below:

(Euro thousands)	12.31.22	12.31.21	CHANGE
Trade receivables – third parties	39,383	32,956	6,427
Trade receivables - related parties	4,158	2,380	1,778
Total trade receivables	**43,541**	**35,336**	**8,205**

This principally concerns receivables from airlines for aviation activities and receivables from sub-agents for commercial spaces.

The table below illustrates the trade receivables and the relative doubtful debt provision:

(Euro thousands)	12.31.22	12.31.21	CHANGE
Trade receivables	41,495	36,955	4,540
Doubtful debt provision	(2,112)	(3,999)	1,887
Total trade receivables	**39,383**	**32,956**	**6,427**

The Group doubtful provision amounts to Euro 2.1 million; this considers both the analysis of individual positions, for a number of which a credit recoverability risks exists, and an analysis concerning the aging of the receivable. This is in line with the valuation methods applied over time and is considered compliant with IFRS 9 described above. The analysis took into account the economic environment in which all airport operators find themselves.

The movements in the doubtful debt provision during the year were as follows:

(Euro thousands)	
Balance at 12/31/2021	**(3,999)**
Utilisations and other movements	2,144
Provisions	(257)
Balance at 12/31/2022	**(2,112)**

An analysis of the aging of the Group's net trade receivables from third parties at December 31, 2022 is reported below (in thousands of Euro):

Trade receivables from third parties	Total	Not yet due	Due < 30 Days	Due 30-60 Days	Due 60-90 Days	Due 90-120 Days	Due > 120 Days
12/31/2022							
Net receivables	**39,383**	19,527	9,288	3,972	2,754	1,388	2,455

Trade receiv. from third parties	Total	Not yet due	Due < 30 Days	Due 30-60 Days	Due 60-90 Days	Due 90-120 Days	Due > 120 Days
12/31/2021							
Net receivables	**32,956**	12,402	7,081	4,730	2,073	1,312	5,358

Analysis of receivables according to the aging criterion above indicates that the net amount of receivables in the first three bands has increased significantly on the previous year, due to the greater Group business volumes.

The monitoring and reminder activities continued in order to limit credit risk.
With regards to the trade receivables balance, it is considered in fact that, following the actions, also of a legal nature, undertaken for credit protection and receipt, based on the information currently available, supported by the legal experts handling the relative disputes and in view of the guarantees received, including sureties, the net value indicated above prudently reflects the expected realisable value.
Trade receivables are reported at their book value net of write-downs; it is considered that this value reasonably approximates the fair value of such receivables, as at Group level there are no medium/long-term receivables which require discounting.

Trade receivables from related parties entirely concern investee companies, as follows:

(Euro thousands)	12.31.22	12.31.21	CHANGE
Airest Retail S.p.A. Group	2,468	507	1,961
2A - Airport Advertising S.r.l.	547	577	(30)
Aeroporto Valerio Catullo S.p.A.	702	713	(11)
Venezia Logistica Europa (previously Save Cargo) S.p.A.	359	474	(115)
Triveneto Sicurezza S.r.l.		105	(105)
Brussels South Charleroi Airport (BSCA) SA	81	-	81

Other minor	-	4	(4)
Total	**4,158**	**2,380**	**1,778**

The increase in the balance from the associate Airest Retail S.r.l. concerns the recovery of airport traffic, which enabled all companies operating at the airport to benefit from increased business volumes.

6. Inventories

at		
12.31.2022	€	2,320
12.31.2021	€	2,299
Cge.	€	21

The value of inventories substantially relates to Save S.p.A. and concerns material inventories for airport activities.

Non-current assets

at		
12.31.2022	€	1,806,253
12.31.2021	€	1,829,828
Cge.		(23,575)

The account is comprised as follows:

7. Property, plant & equipment

at		
12.31.2022	€	53,456
12.31.2021	€	57,576
Cge.		(4,120)

The balance reduced by approx. Euro 4.1 million, mainly due to the relative depreciation. The composition of these tangible assets is outlined in Attachment "B", which highlights the historic cost, accumulated depreciation and net values, for each asset category.

8. Intangible Assets

at		
12.31.2022	€	1,594,059
12.31.2021	€	1,629,637
Cge.		(35,578)

The intangible asset items are indicated separately.
Specifically:

(Euro thousands)	12.31.22	12.31.21	CHANGE
Airport Concession rights	601,827	604,942	(3,115)
Concessions	675,454	708,539	(33,085)
Other intangible fixed assets with finite useful life	6,245	5,623	622
Goodwill – other intangible assets with indefinite life	310,533	310,533	-
Total intangible assets	**1,594,059**	**1,629,637**	**(35,578)**

The composition of these intangible assets is outlined in Attachment "A", which highlights the historic cost, accumulated amortisation and net values, for each asset category.
A net decrease of Euro 35.6 million is reported in the year, considering amortisation of approx. Euro 60.5 million. See the paragraph "Accounting policies – Intangible assets", where the accounting treatment of investments in accordance with IFRIC 12 is described.

The breakdown of "Concessions" is as follows:

(Euro thousands)	12.31.22	12.31.21	CHANGE
Save S.p.A.	661,644	694,301	(32,657)
Aer Tre S.p.A.	13,810	14,238	(428)
Total concessions	**675,454**	**708,539**	**(33,085)**

Concessions reflect the greater amount paid by Milione S.p.A. on the acquisition of the controlling interest in SAVE in 2017 allocated to the Save S.p.A. and Aer Tre S.p.A. concessions. In 2020, the amortization plan of such amounts was modified due to the two-year extension of the duration of the concessions by the regulatory provision.

The breakdown of the account Goodwill, with reference to the cash generating units identified from the acquisition operations, is outlined below:

(Euro thousands)	12.31.22	12.31.21	CHANGE
Save S.p.A.	303,556	303,556	-
Aer Tre S.p.A.	6,937	6,937	-
N-Aitec S.r.l.	40	40	-
Total Goodwill	**310,533**	**310,533**	**-**

The account comprises:

- for Euro 303,556 thousand the portion allocated to "Goodwill" of the amount paid in excess of equity on the acquisition of the controlling interest in SAVE in 2017.
- for Euro 6,937 thousand, the higher value paid compared to net equity, entirely allocated to "Goodwill" on acquisition from minority shareholders of 35% of the investment held by the Group in the company Aer Tre S.p.A. in 2007, by which the Group brought its holding in the company to 80%;
- for Euro 40 thousand the higher amount paid in 2006, compared to the relative share of net equity, deriving from the acquisition from minority shareholders of 49% of N-Aitec S.r.l., which brought the Group holding to 100%.

In order to establish the recoverability of the principal amounts, the Company carried out impairment tests, whose features are outlined in the paragraph "Recoverability of assets or group of assets", to which reference should be made. The tests performed did not indicate a need for impairment.

9. Equity investments

at		
12.31.2022	€	107,470
12.31.2021	€	84,599
Cge.		22,871

The "Investments in companies carried at equity" and "Other investments" are reported separately.

(Euro thousands)	12.31.22	12.31.21	Change
Investments in companies carried at equity	106,315	83,444	22,871
Other investments	1,155	1,155	-
Total investments	**107,470**	**84,599**	**22,871**

"Investments in companies carried at equity" are outlined below.

(Euro thousands)	% held	12.31.22	12.31.21	Change
Venezia Terminal Passeggeri S.p.A.	22.18	8,128	8,899	(771)
GAP S.p.A.	49.87	292	288	4
Brussels South Charleroi Airport SA	48.32	29,295	8,907	20,388
2A – Airport Advertising S.r.l.	50	12	21	(9)
Aeroporto Valerio Catullo di Verona Villafranca S.p.A.	43.46	35,394	33,961	1,433
Airest Retail S.p.A.	50	32,187	30,602	1,585
Venezia Logistica Europa (previously Save Cargo) S.p.A.	50	792	766	26
Urban V S.p.A.		215		215
Total Investments valued under the equity method		**106,315**	**83,444**	**22,871**

The value of the investments measured at equity reflect the results of these companies in 2022, with the exception of the investment in Venezia Terminal Passeggeri S.p.A., for which the carrying amount is based on the financial statements at December 31, 2021, the last available date as the financial statements at December 31, 2022 have not yet been approved. The Directors, based on the information available at the approval date of these financial statements, considers therefore the carrying amount of the investment to represent a prudent estimate, considering the expected return of a net profit for 2022.

10. Other assets

at		
12.31.2022	€	62
12.31.2021	€	63
Cge.		(1)

11. Deferred tax assets

at		
12.31.2022	€	51,206
12.31.2021	€	57,953
Cge.		(6,747)

Deferred tax assets totalled Euro 51 million, whose recoverability is considered probable in view of the operating-financial forecasts of the Group, used also for the impairment tests indicated previously. Deferred tax assets mainly concern:

• tax losses concerning prior years;
• financial charges whose tax deductibility is conditional;
• temporary differences in relation to depreciation fiscally deductible over a longer timeframe following the revaluation of fixed assets in application of Article 110 of Decree Law 104/2020 carried out by the subsidiary Marco Polo Park S.r.l.;
• deferred tax assets on the realignment of the higher tax values of the investments in application of Article 15, paragraphs 10-*bis* and 10-*ter* of Legislative Decree No. 185/2008;
• fiscally deductible provisions in subsequent periods such as the assets under concession replacement provision, the risks and charges provision and the doubtful debt provision;
• adjustments related to the application of international accounting standards (principally non-capitalised non-current charges in terms of IAS);
• write-down of intangible assets and other amortisation deductible in subsequent periods;
• adjustments relating to the discounting of pension provisions in line with international accounting standards;
• other consolidation adjustments which generate deferred tax assets.

• other consolidation adjustments which generate deferred tax assets.

DEFERRED TAX ASSETS

(amounts in thousands)

	ASSESSABLE				TAX			
Rate 24 %	**12/31/21**	**INCREASES**	**DECREASES**	**12/31/22**	**12/31/21**	**INCREASES**	**DECREASES**	**12/31/22**
Doubtful debt provision	3,631	79	1,919	1,791	944	19	534	429
Amortisation, depreciation, and write-downs	18,936	2,614	483	21,067	4,549	628	117	5,060
Deferred charges	2,724	-22	801	1,901	737	-5	272	459
Tax losses	100,916	1,372	12,210	90,078	24,453	330	2,988	21,797
ACE	4,261	5	4,266	0	1,021	1	1,022	0
GOI	1,620	538	2,024	134	388	129	485	32
Losses from transparent companies	1,002	167	26	1,143	240	40	9	271
Revaluation of tangible fixed assets DL 104/2020	7,416	0	638	6,778	1,850	0	84	1,766
Assets under concession replacement provision	5,330	14,467	1,441	18,356	1,652	3,475	562	4,565
Risks provision and other future deductible costs	36,647	23,819	34,121	26,345	8,309	4,195	7,712	4,790
Goodwill amortisation	4,161	0	694	3,467	1,020	0	173	847
Concessions amortisation	37,724	0	6,287	31,437	9,054	0	1,509	7,545
Employee benefits IAS 19	232	-117	298	-183	57	-28	71	-42
Operating leases IFRS 16	794	219	3	1,010	192	53	1	243
Intercompany eliminations	9	0	2	7	4	0	0	4
IRES Deferred tax assets	**225,403**	**43,141**	**65,213**	**203,331**	**54,470**	**8,835**	**15,539**	**47,766**

(amounts in thousands)

	ASSESSABLE				TAX			
Rate 3.9% - 4.2%	**12/31/21**	**INCREASES**	**DECREASES**	**12/31/22**	**12/31/21**	**INCREASES**	**DECREASES**	**12/31/22**
Amortisation, depreciation, and write-downs	17,730	2,540	311	19,959	744	107	13	**838**
Deferred charges	423	-22	35	366	16	-1	1	**14**
Revaluation of tangible fixed assets DL 104/2020	7,416	0	638	6,778	323	0	15	**308**
Assets under concession replacement provision	13,526	4,848	416	17,948	629	204	55	**778**
Risks provision and other future deductible costs	21	285	145	161	1	13	6	**8**
Goodwill amortisation	4,161	0	694	3,467	154	0	22	**132**
Concessions amortisation	37,725	0	6,287	31,438	1,585	0	264	**1,321**
Operating leases IFRS 16	794	219	0	1,013	32	9	0	**41**
IRAP Deferred tax assets	**81,796**	**7,870**	**8,526**	**81,130**	**3,483**	**332**	**376**	**3,440**
TOTAL MOVEMENTS IN DEFERRED TAX ASSETS					**57,953**	**9,167**	**15,915**	**51,206**

LIABILITIES

Current liabilities

at		
12.31.2022	€	124,510
12.31.2021	€	155,721
Cge.		(31,211)

The account is comprised as follows:

12. Trade payables

at		
12.31.2022	€	65,970
12.31.2021	€	48,443
Cge.		17,527

Trade payables principally concern Italian suppliers and are reported at their book value, which approximates their reasonable fair value, as at Group level the amount of medium/long-term payables is insignificant and therefore do not require discounting processes. As may be seen in the cash flow statement, the balance increased significantly on the previous year due to the investments made in the final part of the year, in addition to the return to full operability of the Group's airports from the summer season 2022.
The breakdown of trade payables is shown below:

(Euro thousands)	12.31.22	12.31.21	CHANGE
Trade payables – third parties	65,552	47,283	18,269
Trade payables - related parties	418	1,160	-742
Total trade payables	**65,970**	**48,443**	**17,527**

The breakdown of trade payables to related parties is as follows:

(Euro thousands)	12.31.22	12.31.21	CHANGE
Airest Retail S.p.A. Group	368	100	268
Aeroporto Valerio Catullo di Verona Villafranca S.p.A.	8	14	(6)
2A - Airport Advertising S.r.l.	3	-	3
Triveneto Sicurezza S.r.l.		1,041	(1,041)
Urban V S.p.A.	39		39
Other related parties		5	(5)
Total	**418**	**1,160**	**(742)**

As previously indicated, Triveneto Sicurezza S.r.l. was sold in the year and the balance at the reporting date is presented under payables to third parties.

13. Other payables

at		
12.31.2022	€	42,874
12.31.2021	€	42,359
Cge.		515

Further details on "Other Payables" is provided in the following table:

(Euro thousands)	12.31.22	12.31.21	CHANGE
Payables to related parties	310	762	(452)
Customer advances	136	109	27
Personnel for deferred compensation	3,950	2,338	1,612
Airport concession fee	6,674	2,010	4,664
Fire prevention services	15,894	26,173	(10,279)
Municipal surtax payables	10,772	7,340	3,432
Other payables	5,138	3,627	1,511
Total	**42,874**	**42,359**	**515**

The increase in payables relating to airport license fees and for the municipal surtax reflects the increase in the Group's aviation revenues in the year.

Similarly, the increase in employee payables for the portion of deferred remuneration is connected to the increased volume of activities, which resulted in higher unused vacation and leave accruals than the still particularly depressed levels at December 31, 2021.

"Payables for the fire protection service", amounting to Euro 15.9 million, relate to the contribution to the Fire service fund, currently subject to a dispute. During the year, this amount was restated in order to reflect the amount of the liability in view of the findings of the in-depth investigations requested by our legal and tax advisors. This restatement resulted in prior year income of Euro 12.4 million, recognised to "Other income". Liabilities at December 31, 2022 include the cost provisioned for 2022 of Euro 2.1 million.

Payables to related parties are broken down as follows:

(Euro thousands)	12.31.22	12.31.21	Change
Payables to the Airest Group	0	8	(8)
Venezia Logistica Europa (previously Save Cargo) S.p.A.	158	145	13
2A - Airport Advertising S.r.l.	152	251	(99)
Triveneto Sicurezza S.r.l.	-	358	(358)
Total other payables to related parties	**310**	**762**	(452)

As previously indicated, Triveneto Sicurezza S.r.l. was sold in the year. The payable to this company at December 31, 2022 was therefore presented under other payables to third parties.

14. Tax payables

at		
12.31.2022	€	4,762
12.31.2021	€	1,336
Cge.		3,426

This account is broken in the following table:

(Euro thousands)	12.31.22	12.31.21	Change
Employee withholding taxes	1,147	844	303
Other tax payables	159	188	29
Direct income taxes	3,456	305	3,151
Total	**4,762**	**1,336**	**3,426**

15. Payables to social security institutions

at		
12.31.2022	€	2,835
12.31.2021	€	2,544
Cge.		291

16. Bank payables

at		
12.31.2022	€	7,667
12.31.2021	€	60,662
Cge.		(52,995)

The account is comprised as follows:

(Euro thousands)	12.31.22	12.31.21	Change
Ordinary current accounts	1	1	-
Short-term advances		23,000	(23,000)
Current portion of bank loans	7,666	37,661	(29,995)
Total	**7,667**	**60,662**	**(52,995)**

As previously indicated, the Group during the year renegotiated the conditions of a large part of its bank exposure. Within this context, the short-term financial advances outstanding at December 31, 2021 were settled.

The nominal portions of medium/long-term loans falling due within 12 months amount to Euro 7.7 million. Reference should be made to "Non-current bank payables" in the subsequent note for an outline of these loans.

The following table provides a breakdown of bank credit lines utilised and available at December 31, 2022.

TYPE	Granted	Used	Residual
Cash credit facilities	35,077	0	35,077
Endorsement credit	1,575	(184)	1,391
Mortgages / loans	1,159,492	(1,034,492)	125,000
Total	**1,196,144**	**(1,034,676)**	**161,468**

17. Other financial liabilities – current portion

at		
12.31.2022	€	402
12.31.2021	€	377
Cge.		25

The current portion of payables to other lenders for lease contracts in compliance with IFRS 16 was recognised for Euro 0.4 million.

Non-current liabilities

at		
12.31.2022	€	1,268,030
12.31.2021	€	1,240,795
Cge.		27,235

The account is comprised as follows:

18. Other payables

at		
12.31.2022	€	-
12.31.2021	€	144
Cge.		(144)

The item included in the previous year amounts due to the tax authorities for substitute tax to be paid beyond the next financial year.

19. Bank payables – less current portion

at		
12.31.2022	€	1,021,275
12.31.2021	€	999,287
Cge.		21,988

(Euro thousands)	12.31.22	12.31.21	Change
Medium/long-term loans	625,562	601,785	23,777
Bond loan	395,713	397,502	(1,789)
Total	**1,021,275**	**999,287**	**21,988**

Non-current bank payables comprise mainly the medium/long-term portion of loans undertaken by the Group and outstanding at December 31, 2022.
The nominal value of the amount due within one year is Euro 7.7 million, while payables due beyond one year totalled Euro 1,027 million.

The loan, in use of existing cash credit lines, signed by Save S.p.A. with Banca Intesa SanPaolo S.p.A., disbursed on September 23, 2020, was fully repaid in the first half of 2022.

The loan with a bank syndicate, subscribed by Milione S.p.A. at the end of 2018 with a total value of Euro 695 million, initially disbursed for Euro 515 million and subsequently subject to both early repayment and further drawdowns - was fully repaid and settled in February 2022. At the same time, a new loan agreement was signed. Likewise, all related hedging contracts concluded.

The following loans were outstanding as at December 31, 2022:

- a loan subscribed by Aer Tre S.p.A. in November 2017 with Mediocredito Italiano - now Banca Intesa SanPaolo S.p.A. - for an initial amount of Euro 10 million with repayment in equal half-yearly instalments beginning September 30, 2018 and ending September 30, 2024. The two instalments due during 2020 were subject to a moratorium, with the final maturity of loan now September 30, 2025. The interest, settled on time during the year, is calculated at a variable rate linked to the 6-month Euribor increased by a spread. On issue, an up-front fee recognised to the financial statements in line with the valuation of financial liabilities at amortised cost was paid. SAVE S.p.A. has committed to repay in full the residual payable;

- The loan contracted by Milione S.p.A. in February 2022 from a syndicate of banks with a total amount of Euro 640 million, of which Euro 565 million initially disbursed, followed by an early repayment of Euro 25 million in H1 2022. Accordingly, at December 31, 2022 the total debt amounted to Euro 540 million, subject to bullet repayment in December 2027. The additional sum of Euro 75 million remains available to be drawn down. The loan stipulates the payment of interest based on Euribor plus a spread. The payable is therefore subject to the derivative hedges outlined in paragraph 2 "Other Financial Assets".

- The loan contracted by Milione S.p.A from the European Investment Bank in late 2018 for a total of Euro 150 million, to be disbursed in one or more tranches in the first four years and then repaid according to a repayment schedule of up to 18 years from the disbursement date. On December 31, 2022, the loan was disbursed for a total of Euro 100 million, of which Euro 80 million with a grace period of two years and repayment in equal capital instalments from 2021, with maturity in 2037, and Euro 20 million with a grace period of two years and repayment in equal capital instalments from 2022, with maturity in 2037. The loan stipulates the half-yearly payment of interest based on Euribor plus a spread. A waiver was obtained in December 2022 extending the possibility of the drawdown of the remaining Euro 50 million until December 16, 2024.

The table below presents the information required by IFRS 7 with regard to the maturities of the principal amounts of the outstanding financial payables, including bond loans, in addition to an estimate of the financial charges that will accrue in the coming years.

Expiry	Capital portion	Up-front fee	Interest portion (*)	Total

12/31/2023	7,694	(2,923)	39,920	44,691
12/31/2024	7,694	(2,506)	38,949	44,137
12/31/2025	7,693	(1,451)	39,672	45,914
12/31/2026	6,155	356	41,060	47,571
12/31/2027	546,155	1,549	41,923	589,627
12/31/2028	306,156	(725)	11,065	316,496
12/31/2029	6,155	(114)	3,663	9,704
12/31/2030	6,155	(114)	3,421	9,462
12/31/2031	106,155	(93)	2,741	108,803
12/31/2032	6,156	(10)	1,243	7,389
12/31/2033	6,155	(8)	1,004	7,151
12/31/2034	6,155	(6)	774	6,923
12/31/2035	6,155	(4)	547	6,698
12/31/2036	6,156	(2)	313	6,467
12/31/2037	3,703	(1)	81	3,783
12/31/2038	0	0	0	0
TOTAL	**1,034,492**	**(6,052)**	**226,376**	**1,254,816**

Finally, the parent company Milione S.p.A. issued the following bond loans:

- Euro 300 million on the Extra MOT market in Milan, to be redeemed in bullet form at maturity in 2026. This bond has been subscribed by a single bank and provides for the payment of interest in arrears at a fixed rate on a half-yearly basis; the terms of the bond, including the maturity date which was deferred to 2028, were modified for the payment of a fee in February 2022.
- Euro 100 million on the Vienna Securities Exchange, to be redeemed in bullet form at maturity in 2031. The bonds were subscribed by two US insurers and bear interest at a fixed rate, payable in half-yearly instalments at arrears.

(In Euro thousands) TYPE	NOMINAL VALUE	BOOK VALUE	CURRENCY	RATE	COUPON	MATURITY
Senior Secured Bonds	300,000	296,571	Euro	2.47%	half-yearly	12/20/2028
Senior Secured Notes	100,000	99,142	Euro	1.72%	half-yearly	09/27/2031

These financial payables stipulate a number of covenants for the parent company based on the consolidated financial statements of the Milione Group, to be verified on a half-yearly basis. As a result of the COVID-19 pandemic, management obtained specific waivers on compliance with these covenants and other contractual terms. Therefore, at December 31, 2022, the above parameters were not tested, with the exception of the Euro 100 million total bond for which the parameters were met.

20. Other lenders – less current portion

at		
12.31.2022	€	4,479
12.31.2021	€	4,900
Cge.		(421)

The account refers to the medium-/long-term share of amounts payable other lenders for lease contracts in accordance with IFRS 16.

21. Deferred tax liabilities

at		
12.31.2022	€	209,766
12.31.2021	€	208,997
Cge.		769

The deferred tax liability provision amounts to Euro 209.8 million.
The principal reasons for recognition of deferred tax liabilities include:

• the higher price paid on the acquisition of control of the Save Group allocated definitively to Concessions;
• adjustments to IFRIC 12 “Service concession arrangements”;
- fair value of IRS derivative instruments at December 31, 2022;
• amortisation and depreciation and other future deductible costs.

DEFERRED TAX LIABILITIES

(amounts in thousands)

Rate 24 %	ASSESSABLE				TAX			
	12/31/21	UTILISATION	INCREASES	12/31/22	12/31/21	UTILISATION	INCREASES	12/31/22
Leasing IAS 17	-287	0	0	-287	-78	0	0	-78
Other amortisation & depreciation	230	0	3	233	70	15	1	56
Suspension of depreciation DL 104/2020	2,744	1,186	0	1,558	659	285	0	374
Assets under concession accumulated amortisation	26,839	870	1,156	27,125	6,552	255	277	6,574
Other provisions and other future deductible costs	118	6	58	170	31	1	14	44
Gains on concessions & goodwill	705,277	33,084	0	672,193	169,864	7,938	0	161,926
Non-deductible interest expense	2,832	2,400	0	432	680	576	0	104
MTM Derivatives	0	0	45,708	45,708	0	0	10,971	10,971
IRES deferred tax liabilities	**737,753**	**37,546**	**46,925**	**747,132**	**177,779**	**9,070**	**11,263**	**179,972**

(amounts in thousands)

Rate 3.9% - 4.20%	ASSESSABLE				TAX			
	12/31/21	UTILISATION	INCREASES	12/31/22	12/31/21	UTILISATION	INCREASES	12/31/22
Leasing	-287	0	0	-287	-3	0	0	-3
Assets under concession accumulated amortisation	26,046	870	0	25,176	1,094	38	0	1,057
Other provisions	66	6	58	118	4	0	2	6
Gains on concessions & goodwill	739,878	33,084	0	739,878	30,124	1,390	0	28,734
IRAP deferred tax liabilities	**765,703**	**33,960**	**58**	**764,885**	**31,219**	**1,428**	**2**	**29,794**

TOTAL DEFERRED TAX LIABILITIES	**208,997**	**10,498**	**11,265**	**209,766**

22. Post-employment benefits and other employee provisions

at		
12.31.2022	€	3,009
12.31.2021	€	3,408
Cge.		(399)

The change in the post-employment benefit liabilities at December 31, 2022 are outlined below:

Balance at 12/31/2021	**3,408**
Utilisations and other changes	(294)
Advances granted in period and transfers	(47)
Payments to suppl. provision and INPS Treasury	(1,677)
Substitute tax	(49)
Provisions and revaluations	1,780
Change due to actuarial calculation	(112)
Balance at 12/31/2022	**3,009**
	3,408

The actuarial estimates of post-employment benefits is carried out on the basis of the "benefits accrued" using the Projected Interest Credit Method, as per IAS 19. Under this method the valuation is based on the average present value of the pension obligations matured based on the employment service up to the time of the valuation, without projecting the remuneration of the employee in accordance with the regulatory modifications introduced by the Pension Reform.

The method can be divided into the following components:

- projection for each employee in service at the measurement date, of the post-employment benefit already provisioned which will mature up to the payment date;
- determination for each employee of the probable post-employment benefit payments which will be made by the company in the case of the employee leaving due to dismissal, resignation, injury, death or pension, as well as the advanced payments requested;
- discounting, at the measurement date, of each probable payment.

For the actuarial calculation of the post-employment benefit provision, the Group utilised the valuations of an independent expert, carried out on the basis of the following fundamental assumptions:

- mortality rate: table IPS55
- inability rate: table INPS - 2000
- employee turnover: 1.5%
- discount rate: 3.77%
- growth rate of salaries: 1.5%
- rate of advances: 1%
- inflation rate: airline inflation 3%

23. Other provisions for risks and charges

at		
12.31.2022	€	29,501
12.31.2021	€	24,059
Cge.		5,542

The account comprises:

(Euro thousands)	12.31.22	12.31.21	CHANGE
Provisions for risks and charges	1,510	1,241	269
Assets under concession replacement provision	27,991	22,818	5,173
Total other provisions for risks and charges	**29,501**	**24,059**	**5,442**

The movements in the provision for risks and charges during the year were as follows:

(Euro thousands)

Balance at 12/31/2021	**1,241**
Utilisations and other changes	(341)
Provisions for risks and future charges	610
Balance at 12/31/2022	**1,510**

"Provisions for risks and charges" comprise provisions to cover the estimated risk undertaken by the Group companies, principally against disputes with suppliers and ex-employees. The provisions are considered sufficient to cover legal case and dispute risks, based on a reasonable estimate according to the available information and having consulted with legal experts.

Assets under concession replacement provision

at		
12.31.2022	€	27,991
12.31.2021	€	22,818
Cge.		5,173

The movements in the provision during the year were as follows:

(Euro thousands)

Balance at 12/31/2021	**22,818**
Utilisations and other changes	(922)
Provisions for risks and future charges	6,095
Balance at 12/31/2022	**27,991**

This concerns an estimate for the necessary maintenance and replacement on assets under concession, which require free transfer to the state in optimal working condition on the conclusion of the Group airport concession. The entire provision concerns cyclical restoration and maintenance at the Venice and Treviso airports.

The Replacement Provision is updated annually based on a technical evaluation of the estimated future charges relating to the cyclical maintenance of the assets and is utilised based on the maintenance undertaken during the year. The utilisations during the year refer to maintenance work done drawing down the accruals recognised in previous years.

Shareholders' Equity

24. Shareholders' Equity

at		
12.31.2022	€	585,247
12.31.2021	€	505,359
Cge.		79,888

The Shareholders' Equity comprises the Group Shareholders' Equity of Euro 582.1 million and Minority interest shareholders' equity for Euro 3.2 million.

Shareholders' Equity consists of:

Share capital

at		
12.31.2022	€	189
12.31.2021	€	189
Cge.		-

Share premium reserve

at		
12.31.2022	€	27,651
12.31.2021	€	27,651
Cge.		-

Legal reserve

at		
12.31.2022	€	76
12.31.2021	€	76
Cge.		-

Other reserves and retained earnings

at		
12.31.2022	€	508,369
12.31.2021	€	550,663
Cge.		(42,294)

Minority interest shareholders' equity

at		
12.31.2022	€	3,162
12.31.2021	€	2,471
Cge.		691

The minority interest shareholders' equity concerns the share of shareholders' equity and the net result concerning the minority interests of the subsidiaries not fully held.

ANALYSIS OF THE PRINCIPAL INCOME STATEMENT ACCOUNTS
(where not otherwise specified, the amounts are expressed in thousands of Euro)

OPERATING REVENUE AND OTHER INCOME

25. Operating revenue and other income

2022	€	255,518
2021	€	86,429
Cge.		169,089

Other operating revenues

2022	€	180,252
2021	€	78,090
Cge.		102,162

Other Income

2022	€	75,266
2021	€	8,339
Cge.		66,927

The significant increase in "Other income" is due to the contribution received in the first half of 2022 from the Aviation Sector Damage Compensation Fund of Euro 48 million and the write-off of a number of debt items deemed no longer due and/or collectible, including mainly the debt for the contribution to the Fire Protection Service Fund of Euro 12.4 million.

For a detailed analysis of Operating revenues and other income, reference should be made to the Directors' Report.

COSTS OF PRODUCTION

2022	€	184,940
2021	€	149,302
Cge.		35,638

The costs of production are broken down in the following table:

26. Raw materials, consumables and goods

2022	€	1,784
2021	€	1,027
Cge.		757

27. Services

2022	€	52,946
2021	€	36,023
Cge.		16,923

(Euro thousands)	2022	2021	Change
Utilities	8,133	3,627	4,506
Maintenance	9,617	7,909	1,707
Professional services	4,235	2,836	1,399
Cleaning and waste removal	5,360	3,587	1,773
Development charges and traffic promo	451	748	(298)
Other general services	3,553	1,829	1,724
Corporate board fees	1,710	1,379	331
Other personnel charges	1,108	673	434
Recovery of expenses	1,901	949	952
Insurance	1,440	1,430	10
Operating services	655	361	293
Airport security	12,760	8,081	4,679
IT Systems	1,033	850	183
Other sales expenses	991	1,762	(771)
Total	**52,946**	**36,023**	**16,923**

The significant increase in Service costs in 2022 stems from the increased volume of activity but also was impacted by the significant increases in energy costs experienced in the fiscal year after the onset of the Russian-Ukrainian conflict.

The following table reports the contractual fees concerning the auditing of accounts and other services provided in relation to the 2022 financial statements of the Milione Group by the Independent Audit Firm and its network.

(in Euro/1000)

Type of service	Service provider	Company	
Audit	Deloitte & Touche S.p.A.	Parent Company	78
Audit	Deloitte & Touche S.p.A.	Subsidiaries	100
Audit	Deloitte Bedrijfsrevisoren/Reviseurs d' entreprises	Subsidiaries	6
Other services	Deloitte & Touche S.p.A.	Parent Company	-

Other services	Deloitte & Touche S.p.A.	Subsidiaries	59
Total Remuneration			**243**

28. Rents, leasing and similar costs

2022	€	11,469
2021	€	4,965
Cge.		6,504

They consist of:

	2022	2021	CGE.
Airport concession fee	8,156	2,976	5,180
Contribution to the fire protection fund	2,174	1,626	548
Security fee	415	161	254
Rentals and other	724	202	522
Total rent, leases and similar costs	**11,469**	**4,965**	**6,504**

The airport concession fee for the year, relating to Venice and Treviso airports, significantly increased due to the air traffic performance in the year.
Other costs also rose for the same reason.

29. Personnel costs

2022	€	38,763
2021	€	27,991
Cge.		10,772

30. Amortisation, depreciation & write-downs

2022	€	71,064
2021	€	71,932
Cge.		(868)

This account is divided as follows:

(Euro thousands)	2022	2021	CHANGE
Amortisation & write-down of intangible assets	60,470	60,556	(86)
Depreciation & write-down of tangible assets	10,594	11,376	(782)
Total amortisation & depreciation	**71,064**	**71,932**	**(868)**

31. Write down of current assets

2022	€	257
2021	€	2,204
Cge.		(1,947)

The account "write-down of current assets" includes the doubtful debt provisions; in calculating the allocation, further account was taken of the provision compared to total overdue receivables.
The provisions cover the risk concerning specific positions for which payment difficulties may arise.

32. Changes in inventories of raw materials and goods

2022	€	(62)
2021	€	(195)
Cge.		133

Change in inventories principally concerns consumable material stores.

33. Provisions for risks

2022	€	610
2021	€	-
Cge.		610

Reference should be made to the note "Other risks and charges provisions" for further comment.

34. Assets under concession replacement provision

2022	€	6,095
2021	€	3,370
Cge.		2,725

The accrual in the year takes into consideration the most up-to-date estimates on the extraordinary maintenance and restoration/renewal actions at Venice and Treviso airports.

35. Other charges

2022	€	2,014
2021	€	1,985

Cge.	29

In greater detail, other charges comprise:

(Euro thousands)	2022	2021	Change
Sector association contributions	395	225	170
Taxes	1,171	1,242	(71)
Charitable donations and gifts	56	39	17
Other costs	393	479	(86)
Total other charges	**2,014**	**1,985**	**29**

FINANCIAL INCOME AND CHARGES

36. Financial income and charges

2022	€	(24,295)
2021	€	(36,007)
Cge.		11,712

"Financial income and charges" are broken down as follows:

(Euro thousands)	2022	2021	Change
Financial income and revaluation of financial assets	5,215	39	5,176
Interest, other financial charges	(36,183)	(22,813)	(13,370)
Profit/losses from associates carried at equity	6,673	(13,233)	19,906
Total financial income and charges	**(24,295)**	**(36,007)**	**11,712**

Financial income includes approx. Euro 5 million from the settlement of the derivatives in February 2022 as a result of the debt renegotiation transaction.

For a further breakdown of the nature of the accounts included in the previous categories, reference should be made to the following tables.

Interest, other financial charges and write-down of financial assets

(Euro thousands)	2021	2021	CHANGE
Interest charges	(192)	(214)	22
Interest charges on loans	(23,351)	(17,722)	(5,629)
Other financial expenses	(12,640)	(4,877)	(7,763)
Total	**(36,183)**	**(22,813)**	**(13,370)**

Compared to the previous year:

- interest charges on loans increased, mainly due to the higher interest rates paid, although the average debt has decreased slightly;
- other financial charges increased, which was almost entirely due to the recognition in the year;
- of renegotiation charges of Euro 7.5 million with regards to the previously stated redefinition of the syndicate loan, of Euro 0.2 million for costs related to the early settlement of the derivative CAP contracts and of Euro 0.1 million for upfront fees paid for the change to bond durations.

Profit/losses from associates/JV's carried at equity

The change in profit and losses concerning associates and joint ventures carried at equity is provided in the following table:

(Euro thousands)	2022	2021	CHANGE
Valuation at equity of GAP S.p.A.	4	(18)	22
Valuation at equity of BSCA SA	5,094	(2,470)	7,564
Valuation at equity of Aeroporto Catullo di Verona Villafranca S.p.A.	909	(5,357)	6,266
Valuation of equity of 2A S.r.l.	(89)	(192)	103
Valuation at equity of Airest S.p.A.	1,585	(3,214)	4,799
Valuation at equity of VTP S.p.A.	(771)	(1,890)	1,119
Valuation at equity of Urban V S.p.A..	(85)		(85)
Valuation at equity of Venezia Logistica Europa (previously Save Cargo) S.p.A.	25	(92)	117
Total	**6,673**	**(13,233)**	**19,906**

The positive contribution in the year from the measurement at equity of the investees derives from the significant improvement in 2022 of traffic levels, which allowed for a recovery on the drop in the recent past due to the COVID-19 pandemic.

INCOME TAXES

37. Income taxes

2022	€	(248)
2021	€	(23,303)
Cge.		23,055

Income taxes in the year comprised:

(Euro thousands)	2022	2021	CHANGE
Current taxes	2,894	398	2,496
Deferred tax income & charges	(3,143)	(23,701)	20,558
Total income taxes	**(248)**	**(23,303)**	**23,055**

Income taxes present a net positive balance (net income) of Euro 0.2 million.
Deferred tax assets have been calculated on the prior year tax losses, as considering it probable that the Company will generate net profits in future years, sufficient to recover the amount in full.

The analysis of tax adjustments, resulting in a change in the effective tax rate compared to the notional rate of 24%, is outlined in the following table. The result before taxes and income taxes were reclassified taking into account the loss from discontinued operations.

Tax rate reconciliation *(Euro thousands)*	2022	%	2021	%
Profit before taxes	**46,282**		**(98,880)**	
Profit/(loss) on assets held-for-sale	(40)		(1,309)	
Reclassified profit before taxes	**46,242**		**(100,189)**	
Notional taxes	**11,098**	**24.00%**	**(24,045)**	**24.00%**
Effective taxes	**(248)**	**-0.54%**	**(23,680)**	**23.64%**
Net profit/(loss)	**46,490**		**(76,509)**	
Difference from theoretical tax rate of 24%	**(11,346)**	**-24.54%**	**365**	**-0.36%**
Permanent differences:				
i) effect of increased IRES rate on deferred taxes	-	0.00%	323	-0.32%
iii) IRAP	3,646	7.88%	(910)	0.91%
(iii) IRAP tax relief effect on COVID-19 contribution	(2,017)	-4.36%		
(iv) IRES tax relief effect on COVID-19 contributions	(11,523)	-24.92%	-	0.00%
vii) other non-deductible costs / exempt income	490	1.06%	(990)	0.99%
viii) income taxes of prior years	20	0.04%	7	-0.01%
ix) valuation of investments at equity	(1,967)	-4.25%	2,901	-2.90%
vi) exempt gains	84	0.18%	-	0.00%
iv) ACE transferable to CNM	(554)	-1.20%	(442)	0.44%
xi) GOP transferable to NCE / deductible interest expense	(1,814)	-3.92%	(376)	0.38%
x) super ACE benefit	-	0.00%	(94)	0.09%
xii) deferred tax assets on revaluation as per Decree Law No. 104/2020	-	0.00%	(54)	0.05%
(x) unremunerated interest expense	2,289	4.95%	(94)	0.09%
	(11,346)	**-24.54%**	**365**	**-0.36%**

The 24.54% negative differential between the effective (-0.54%) and the theoretical (24%) IRES rate is mainly due to the non-taxability for IRES and IRAP purposes of the grant received to compensate the damages due to the pandemic, of the grants received against the increased energy and gas prices provided by the Government in the form of tax

credits, and super and hyper amortisation benefits under the former tax rules, in addition to the measurement of equity investments and partly of prior interest charges, partly offset by the IRAP due for the year and non-deductible interest charges for the year.

38. Profit/(loss) from Discontinued Operations

The result from discontinued operations/held for sale concerns the effect from the recognition as per IFRS 5 of the subsidiary Triveneto Sicurezza S.r.l..

2022	€	(41)
2021	€	(932)
Cge.		891

39. RESULT FOR THE YEAR

2022	€	46,490
2021	€	(76,509)
Cge.		122,999

The Group and minority interest results are broken down as follows:

(Euro thousands)	2022	2021	CHANGE
Net Profit for the period	46,490	(76,509)	12,999
Minority interest loss (profit)	690	(818)	1,508
Group Net Profit/(loss)	**45,800**	**(75,691)**	**121,491**

39. Types of financial risks and management

The Group strategy for the management of financial risks is based on the Company objectives and focuses on the minimisation of the risk of rising interest rates and the relative optimisation of the cost of debt, the credit risk and the liquidity risk.
The management of these risks is undertaken in compliance with the principles of prudence and market best practices, with all risk management operations managed centrally.

Interest rate risk

The pre-fixed Group objectives concern:

- hedging of the interest rate risk and financial liabilities;
- compliance with, in the hedging of risk, the general balance criteria between loans and usages for the Group (variable rate and fixed rate portion, short-term and medium/long-term portion).

The Group, in the pursuit of the above-stated objectives and in consideration of the current continually monitored market conditions, decided to implement hedges in the period, which at December 31, 2022 overall accounted for 47% of the total value of the loans.
The current hedging operations concern the loan of Milione S.p.A. for a value to date issued of Euro 540 million, with bullet repayment on maturity in 2027 and supported by a set of secured guarantees.

The Group's payables require, among others, compliance by the Company with a number of operating-financial covenants based on the Group, on a half-yearly basis and which at December 31, 2022 were not tested, with the exclusion of the Euro 100 million bond, whose covenants were fully complied with.

The following table provides a breakdown of the derivative instruments in place at Group level at December 31, 2022:

Statement on the recording of hedging transactions

(Euro thousands; the positive values are receivables for the company, while the negative values are payables)

Type of instrument	Group company	Nature of hedged risk	Counterparty bank	Contract date	Start date - Option exercise date	Contract maturity date	Contract notional amount	Amount outstanding at 12/31/2021	Amount outstanding at 12/31/2022	Fair Value (Mark to Market) at 12/31/2021	Fair Value (Mark to Market) at 12/31/2022
CAP RATE (*)	Milione SpA	Change in interest rates	Unicredit SpA	2/27/19	9/30/20	2/14/22	15,250	15,250	0	(116)	0
CAP RATE (*)	Milione SpA	Change in interest rates	Intesa SanPaolo SpA	2/27/19	9/30/20	2/14/22	15,250	15,250	0	(116)	0
IRS	Milione SpA	Change in interest rates	Unicredit SpA	9/25/19	9/30/20	2/14/22	130,000	130,000	0	(431)	0
IRS	Milione SpA	Change in interest rates	Intesa SanPaolo SpA	9/25/19	9/30/20	2/14/22	130,000	130,000	0	(433)	0
IRS (**)	Milione SpA	Change in interest rates	Intesa SanPaolo SpA	9/22/20	9/30/20	2/14/22	85,094	85,094	0	725	0
IRS (**)	Milione SpA	Change in interest rates	Unicredit SpA	9/25/20	9/30/20	2/14/22	85,094	85,094	0	710	0
IRS (***)	Milione SpA	Change in interest rates	Societe Generale SA	12/2/20	12/31/20	2/14/22	24,313	24,313	0	201	0
IRS	Milione SpA	Change in interest rates	Intesa SanPaolo SpA	2/16/22	2/14/22	12/31/26	112,649	0	112,649	0	10,665
IRS	Milione SpA	Change in interest rates	Unicredit SpA	2/16/22	2/14/22	12/31/26	112,649	0	112,649	0	10,576
IRS	Milione SpA	Change in interest rates	BNP Paribas S.A.	2/16/22	2/14/22	12/31/26	112,649	0	112,649	0	10,631
IRS	Milione SpA	Change in interest rates	Societe Generale SA	2/16/22	2/14/22	12/31/26	56,325	0	56,325	0	5,280
IRS	Milione SpA	Change in interest rates	Crédit Agricole C.I.B.	2/16/22	2/14/22	12/31/26	56,325	0	56,325	0	5,249
IRS	Milione SpA	Change in interest rates	Mediobanca S.p.A.	2/16/22	2/14/22	12/31/26	35,403	0	35,403	0	3,307
Total							**971,001**	**485,001**	**486,000**	**540**	**45,708**

** the contractual notional amount is 15.25 million from 09.30.2020 to 06.30.2022 and 50.25 million from 07.01.2022 to 12.31.2022*

*** the contractual notional amount is 85.09 million from 09.30.2020 to 06.30.2022 and 54.47 million from 07.01.2022 to 09.30.2025*

**** the contractual notional amount is 24.3 million from 12.31.2020 to 06.30.2022 and 15.56 million from 07.01.2022 to 09.30.2025*

An analysis of expected non-discounted cash flows is broken down by the timing of the derivative instruments is also presented.
On the basis of the same maturities, the table also presents a summary of expected cash flows for medium/long term, including the capital and interest portions.

	Total estimated cash flows		Within 1 year		From 2 to 5 years		Over 5 years	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/312022	12/31/2021
Derivative instruments	40,589	(2,298)	10,161	(1,406)	30,428	(892)	0	0
Medium/ long-term loans	(1,260,868)	(1,159,401)	(47,614)	(74,239)	(729,301)	(910,227)	(483,953)	(174,935)
Total	**(1,220,279)**	**(1,161,699)**	**(37,453)**	**(75,645)**	**(698,873)**	**(911,119)**	**(483,953)**	**(174,935)**

Cash flow sensitivity analysis

The Group prepared a cash flow analysis concerning loans in place. The analysis begins with the market position at December 31, 2022 and on the basis of interest rate increases/decreases of 0.25% and of 0.50%.

The impact of these changes on future cash flows is Euro +/- 3.7 million for a 0.25% interest rate increase/decrease, and Euro +7.3 million for an increase/decrease in the interest rate of 0.50%.

Credit risk

This concerns the risk that either of the parties undertaking a contract, which provides for deferred settlement over a period, does not fulfil a payment obligation, resulting therefore in a financial loss for the other party.
This risk may therefore give rise to more strictly technical-commercial or administrative-legal repercussions (disputes on the nature/quantity of supply, on the interpretation of the

contractual clauses, on the supporting invoices etc.), in addition to issues of a typically financial nature, i.e. the credit standing of the counterparty.
For the Group, exposure to credit risk is principally related to the commercial activities concerning the sale of aviation and real estate activity services.
In order to control this risk, the Group has implemented procedures and actions under which the customers may be evaluated according to the assigned level of attention.
The credit risk concerning other financial assets of the Group, which comprise cash and cash equivalents, presents a maximum value equal to the book value of these activities in the case of insolvency of the counterparty.

Liquidity Risk

The liquidity risk management policy, i.e. the strategy put in place to avoid cash flow difficulties constituting a problem for the Group, continued to favour prudency. The impact on Group operations and the wider sector from the restrictions introduced to contain the COVID-19 outbreak required the adoption of measures to safeguard Group liquidity and its ability to operate as a going concern.

Unutilised credit lines of the banking system at Group level amount to Euro 35.1 million, while the credit lines not yet utilised concerning the loan contract subscribed amount to Euro 125 million.

The financial payables of the Parent Company stipulate a number of covenants based on the consolidated financial statements of the Milione Group to be verified on a half-yearly basis. Following the COVID-19 pandemic, management obtained specific waivers on these covenants and other contractual terms. At December 31, 2022, these covenants either were not tested or were met.

For the breakdown of the medium/long-term loans in place, reference should be made to the notes to the consolidated financial statements and the paragraph “Bank payables less current portion”.

Fair value hierarchy levels

A list of derivative financial instruments at December 31, 2022, measured at fair value, is reported in the table of the "Interest rate risk" paragraph above.

In relation to the financial instruments recorded in the balance sheet at fair value, IFRS 7 requires that these values are classified based on the hierarchy levels which reflects the significance of the input utilised in the determination of fair value. The following levels are used:

- Level 1 - assets or liabilities subject to valuation listed on an active market;
- Level 2 - input based on prices listed at the previous point, which are directly observable (prices) or indirectly (derivatives from the prices) on the market;
- Level 3 - input which is not based on observable market data.

The derivative instruments measured at fair value at December 31, 2022 are classifiable to hierarchy Level 2 of the fair value measurement. During the year, no transfers occurred from Level 1 to Level 2 or Level 3 or vice-versa.

40. Investments in subsidiaries, associates and other companies

The Parent Company controls the following companies, fully consolidated. The figures reported are based on the financial statements and accounting situations prepared in accordance with the accounting standards adopted by each company.

- **Save S.p.A.**

Holding: 100%; 98.81% net of treasury shares held by the company.
SAVE S.p.A. is an investment holding company which principally operates as an airport manager. It directly manages Venice Marco Polo Airport and controls Treviso Antonio Canova Airport. The Company also has significant holdings in Verona Valerio Catullo Airport and in Charleroi Airport (Belgium).
Save in addition holds investments mainly in companies operating in the airport management sector. The subsidiary's 2022 financial statements present a value of production of Euro 219.1 million and a pre-tax profit of Euro 106 million.

• Marco Polo Park S.r.l.
Holding: 100%
The company manages airport parking directly and under sub-concession from SAVE and Aer Tre.
A value of production of approx. Euro 18.3 million was reported in 2022, and a pre-tax profit of Euro 2.5 million.

• Save International Holding SA
Holding: 100%
The company was incorporated in 2009 as a vehicle company for the acquisition of Brussels South Charleroi Airport SA in December 2009.
The company was merged by incorporation into the subsidiary Belgian Airport SA, through which the acquisition took place together with third party shareholders.

• Belgian Airport SA
Holding: 100%
The company was incorporated in the fourth quarter of 2009, also as a vehicle company for the acquisition of Brussels South Charleroi Airport SA in December 2009. The company incorporates the investment in Brussels South Charleroi Airport SA, consolidated at equity.

• Save Engineering S.r.l.
Holding: 100%
The company is involved in the design and coordination of works concerning the airport development programmes carried out by the Parent Company SAVE as part of the Airport Masterplan.
On October 24, 2022, the company Save Engineering S.r.l. was merged by incorporation into the parent company SAVE S.p.A..

• Naitec S.r.l.
Holding: 100%
The company is involved in the implementation of IT projects for airports in the operational and administrative management areas. The company also develops and commercialises software products in this field.
A value of production of Euro 4.3 million was reported in 2022, with a pre-tax profit of Euro 1.6 million.

• Aeroporto di Treviso AER TRE S.p.A.
Holding: 80%
The Company Aer Tre S.p.A. holds the concession for the management of Treviso airport. The value of production totalled Euro 28.9 million; a pre-tax profit of Euro 3 million was reported for 2022.

• Società Agricola Save a r.l.
Holding: 100%
The company is wholly-owned by Save S.p.A., following the spin-off of Agricola Cà Bolzan a r.l. in 2013 and is exclusively involved in the activities established by Article 2135 of the Civil Code. The value of production amounted to Euro 0.5 million, with a pre-tax profit of Euro 0.1 million.

• Archimede 3 S.r.l.
Holding: 100%
The company was acquired in 2004. No significant costs or revenues were reported in the year.

Associates and joint ventures

The key financial highlights of the joint ventures and associated companies considered significant are reported. The figures reported below are based on the financial statements at year-end of the respective companies, prepared in accordance with the accounting standards adopted by each company.
Reference should be made to the supplementary table Attachment D for the key quantitative disclosure required by IFRS 12.

• Airest Retail S.r.l.
Holding: 50%

The company manages food & retail sales points within the airports where the Save Group operates at Venice, Treviso and Verona and wholly-owns the company Airest Collezioni Venezia S.r.l. which manages through sub-license some retail sales points at the Venice airport.
The value of the investment at the date of these consolidated financial statements amounts to Euro 32.2 million; this includes the effect of the valuation at equity reflected in the income statement in a write-down of Euro 1.6 million. The investment is considered an associate as the shareholder agreements establish that control is exercised exclusively by the shareholder Lagardére.

• **Aeroporto Valerio Catullo di Verona Villafranca S.p.A.**
Holding: 43.457%

The value of the investment at the date of these consolidated financial statements amounts to Euro 35.4 million; this includes the positive effect of the valuation at equity reflected in the income statement in a write-down of Euro 0.9 million. The shareholder agreements provide for joint control of the company.

Brussels South Charleroi Airport S.A.
Holding: 48.32%

The company manages Charleroi airport. The company was consolidated at equity. The value of the investment of Euro 29.3 million includes an effect of the valuation at equity reflected in the income statement in a revaluation of Euro 5.1 million.

• **V.T.P. S.p.A. (Venezia Terminal Passeggeri)**
Holding: 22.18%.

The company, founded by the Venice Port Authority, provides embarkation/disembarkation services for cruise ships, ferries, hydrofoils, recreational craft and all other passenger vessels using Venice Port. No data on the company's performance for 2022 is available. The measurement of the investment was therefore carried out according to the last approved financial statements (2021).

• **G.A.P. S.p.A.**
Holding: 49.87%
The company, held 49.87%, operates in the airport sector, principally carrying out land assistance activities at Pantelleria Airport.

• **Venezia Logistica Europa S.p.A.** (previously Save Cargo S.p.A.)
Holding: 50%
The company provides cargo and postal assistance services at Venice's Marco Polo airport. In 2016, Save conferred the "Cargo" business unit to the subsidiary Save Cargo S.p.A.; in 2019, it sold 50% of the investment.

• **2A – Airport Advertising S.r.l.**
Holding: 50%
The company was incorporated in 2012 for the management of advertising spaces. The shareholder agreements provide for joint control of the company.

Subsequent events and business outlook

No significant events which could substantially alter the current balance sheet and financial situation or which would require amendments or supplements to the consolidated financial statements took place after the reporting date.

Traffic levels in the initial months of 2023 indicate that the coming year will continue to see increasing traffic, with the numbers returning to 2019 levels, the last year before the COVID-19 pandemic crisis.

Disclosure as per Article 1, paragraph 125 of Law No. 124 of August 4, 2017

In relation to the provisions of Article 1, paragraph 125 of Law 124/2017, regarding the obligation to report in the notes to the financial statements contributions or aid in cash or in kind received during the year by way of grants, subsidies, advantages not of a general nature and without consideration, remuneration or compensation, from the entities referred to in paragraph 125 of the same article, the Group received the following public disbursements during the year:

Amounts in Euro	Non-repayable grant referred to in Law No. 178, Article 1, paragraphs 714 - 719 of Dec. 30, 2020, and the Decree for the implementation of the relief measures provided for airport operators and airport ground handling service providers	Tax credit for non-energy-consuming enterprises under Article 6, paragraph 3, of Decree-Law No. 115 of August 9, 2002 - third quarter 2022	Tax credit for non-energy-intensive enterprises under Article 1, paragraph 3, of Decree-Law No. 144, Oct. 23, 2022 - October and November 2022	Tax credit for non-energy-consuming enterprises referred to in Article 1, of Decree-Law No. 176 of November 18, 2022-December 2022	Tax credit for non-gas companies under Article 6, paragraph 4, of Decree-Law No. 115 of August 9, 2002 - third quarter 2022	Tax credit for the benefit of non-gasivor companies under Article 1, paragraph 4, of Decree-Law No. 144 of September 23, 2022 - October and November 2022	Tax credit for the benefit of non-gas companies under Article 1, of Decree-Law No. 176 of November 18, 2022 - December 2022	TOTAL GRANTS 2022
SAVE S.P.A	43,897,091	43,185	13,851		33,149	58,944	41,989	**44,088,209**
AERTRE S.P.A	4,115,055	72,089	44,696	28,445		3,226	8,011	**4,271,522**
MARCO POLO PARK S.R.L.								**0**
NAITEC S.R.L.								**0**
SOCIETA AGRICOLA SAVE A R.L.								**0**
	48,012,146						**50,000**	**48,359,731**

Related party transactions

The consolidated financial statements at December 31, 2022 include the financial statements of Milione S.p.A. and its subsidiaries, as indicated in the paragraph "Consolidation scope".
The transactions with associated companies and related parties were undertaken at the respective average market values for similar services and of a similar quality.
In relation to transactions in the period with Group Companies, reference should be made to the comments of the Balance Sheet and Income Statement accounts of the Explanatory Notes and attachment C for payable/receivable and cost/revenue transactions.

Supplementary Statements

Supplementary Statements
Annex A
Statement of changes in intangible assets and relative amortisation
(In Euro/000)

	Historical cost							Accumulated depreciation						
	Value at 01/01/22	Acquisitions	Decreases	Grants	IFRS 5	Reclassifications/ Other movements	Value at 12/31/22	Value at 01/01/22	Increases in the period	Uses	IFRS 5	Reclassifications / Other movements	Value at 12/31/22	Net intangible assets
Airport Concession rights	762,221	5,081	(2)	0		1,404	768,704	189,845	24,235	(1)		11	214,090	554,614
Assets in progress and advances	32,566	16,270	(236)	0		(1,386)	47,213							47,213
Sub-total airport concession rights	**794,787**	**21,351**	**(238)**	**0**		**18**	**815,917**	**189,845**	**24,235**	**(1)**		**11**	**214,090**	**601,827**
Concessions (*)	**865,401**	**0**	**0**	**0**		**0**	**865,401**	**156,863**	**33,084**	**0**		**0**	**189,947**	**675,454**
Other intangible fixed assets with finite useful life	29,433	3,129	(106)			695	33,151	24,731	2,904	(106)		(141)	27,388	5,763
Assets in progress and advances	923	419	0			(859)	483	0	0	0		0	0	483
Subtotal other intangible fixed assets with finite useful life	**30,356**	**3,548**	**(106)**	**0**		**(164)**	**33,633**	**24,731**	**2,904**	**(106)**		**(141)**	**27,388**	**6,245**
Goodwill and other intangible assets with indefinite useful life (*)	**310,533**	**0**	**0**	**0**		**0**	**310,533**	**0**	0	0		0	0	**310,533**
Total intangible assets	**2,001,077**	**24,898**	**(344)**	**0**		**(146)**	**2,025,485**	**371,439**	**60,223**	**(107)**		**(130)**	**431,425**	**1,594,060**

Additional Statements
Annex B
Statement of changes in tangible assets and relative depreciation
(In Euro/000)

	Historical cost							Accumulated depreciation						
	Value at 01/01/22	Acquisitions	Decreases	Grants	IFRS 5	Reclassifications/ Other movements	Value at 12/31/22	Value at 01/01/22	Increases in the period	Uses	IFRS 5	Reclassifications /Other movements	Value at 12/31/22	Net tangible assets
Land and buildings	52,032	2	(202)			0	51,833	5,389	1,081	(127)		0	6,343	45,489
Property, plant and equipment	80,665	1,173	(12)			194	82,021	63,016	4,842	(12)		(251)	67,596	14,425
Industrial and commercial equipment	9,272	562	(1)			(18)	9,815	7,372	646	(1)		(38)	7,980	1,836
Other assets	29,074	1,352	(528)			(285)	29,613	23,133	2,355	(511)		(288)	24,690	4,923
Impairment								16,988	1,648	0		0	18,636	(18,636)
Assets in progress and payments on account	2,431	3,459	(8)			(463)	5,419							5,419
Total tangible assets	**173,475**	**6,548**	**(750)**	**0**		**(572)**	**178,701**	**115,898**	**10,574**	**(651)**		**(576)**	**125,245**	**53,456**

Attachment C1

Balance sheet transactions
with group companies incl. in the financial statements
and associates
amounts stated in Euro thousands

Amounts stated in Euro thousands	Financial assets	Trade receivables	Trade payables	Other payables	Financial liabilities
Venezia Logistica Europa S.pA.	150	354	-	-	-
Airest Retail S.r.l.		1,508	368	-	
Airest Collezioni Venezia S.r.l.		961			
2A - Airport Advertising S.r.l.		547	3	152	
Aeroporto Valerio Catullo di Verona Villafranca S.p.A.		701	8		
Gabriele D'Annunzio Handling S.p.A.		2			
Brussels South Charleroi Airport (BSCA) SA		81			
GAP S.p.A. Aeroporto di Pantelleria		-			
Finanziaria Internazionale Holding S.p.A. (PC)		-	-		
Finint & Wolfson Associati S.r.l. (PC)			-		
Urban V			39		
Total	**150**	**4,152**	**418**	**152**	**-**

Attachment C2

Income statement transactions
with group companies incl. in the financial statements

Amounts stated in Euro thousands	Operating revenue	Other income	Services	Other charges	Financial income
Venezia Logistica Europa S.pA.	315	58			
Airest Retail S.r.l.	10,994	515	2,226	5	9
2A - Airport Advertising S.r.l.	1,688	74		2	
Airest Collezioni Venezia S.r.l.	1,367	15			
Airest S.p.A.					
Aeroporto Valerio Catullo di Verona Villafranca S.p.A.	179	1,199	12	-	
Gabriele D'Annunzio Handling S.p.A.	26	2			
Brussels South Charleroi Airport (BSCA) SA	46	102			
Venezia Terminal Passeggeri (VTP) S.p.A.	-	10	-		-
GAP S.p.A. Aeroporto di Pantelleria	-	1			
Total	14,616	1,976	2,238	7	9

(in Euro/1000 as per IFRS before inter-company eliminations)	Aertre S.p.A. 12 31 2022	12 31 2021
Dividends paid to minority interests	0	0
current assets	10,850	13,753
non-current assets	37,574	35,151
current liabilities	26,903	29,245
liabilities held-for-sale		
non-current liabilities	7,331	8,857
revenues	28,881	8,499
profit (loss) on continuing operations	3,388	(3,857)
profit (loss) on discontinued operations		

Supplementary Statements
Attachment D2

Key Financial Highlights of the associates/Joint Ventures
communicated to the Parent Company as per local GAAP

	Aeroporto Valerio Catullo di Verona Villafranca S.p.A.		Venezia Terminal Passeggeri S.p.A.		Brussels South Charleroi Airport SA		Airest Retail S.p.A.	
(in Euro/1000)	12 31 2022	12 31 2021	12 31 2022	12 31 2021	12 31 2022	12 31 2021	12 31 2022	12 31 2021
Dividends paid to joint ventures or associates				0				
Key Financial Highlights								
current assets	52,513	60,065	16,865	17,284	59,762	46,202	32,753	14,762
non-current assets	118,814	108,539	14,401	17,633	50,726	47,470	39,977	46,098
current liabilities	(81,730)	(67,382)	(3,330)	(2,726)	(31,034)	(37,556)	(15,118)	(6,838)
non-current liabilities	(25,465)	(42,135)	(1,184)	(1,049)	(23,589)	(31,268)	(2,752)	(4,421)
Shareholders' Equity	(64,133)	(59,087)	(26,752)	(31,142)	(55,865)	(24,848)	(54,853)	(49,601)
Revenues	**46,363**	**21,602**	**5,614**	**1,269**	**124,650**	**69,631**	**80,329**	**27,434**
Raw materials and goods	(1,029)	(675)	(51)	(68)	(880)	(509)	(29,295)	(11,145)
Services	(20,693)	(16,080)	(3,583)	(2,576)	(60,786)	(47,798)	(10,673)	(4,054)
Rents, leasing and similar costs	(2,031)	(1,473)	(789)	(1,823)			(13,604)	(4,562)
Personnel costs	(7,849)	(6,220)	(2,229)	(2,024)	(40,649)	(31,128)	(12,968)	(6,276)
Other charges	(745)	(594)	(63)	(80)	(4,065)	(1,995)	(84)	(52)
EBITDA	**14,016**	**(3,440)**	**(1,101)**	**(5,302)**	**18,270**	**(11,799)**	**13,705**	**1,345**
Amortisation, depreciation, and write-downs	(6,162)	(4,606)	(3,227)	(3,865)	(5,515)	(6,021)	(6,452)	(7,063)
Provisions	(1,337)	(1,350)	(119)	(20)	(200)	(974)	(78)	
EBIT	**6,517**	**(9,396)**	**(4,447)**	**(9,187)**	**12,555**	**(18,794)**	**7,175**	**(5,718)**
Financial income	57	30	110	160	534	10,343	120	
Financial charges	(693)	(789)		(1)	(756)	(626)	(13)	(45)
Impairments on financial assets and write downs	(1,139)	(926)	(34)					
Profit before taxes	**4,742**	**(11,081)**	**(4,371)**	**(9,028)**	**12,333**	**(9,077)**	**7,282**	**(5,763)**
Income taxes	(103)	233	(19)	(8)	(787)	82	(2,030)	1,107
profit (loss) on continuing operations;	**4,639**	**(10,848)**	**(4,390)**	**(9,036)**	**11,546**	**(8,995)**	**5,252**	**(4,656)**
profit (loss) on discontinued operations / held-for-sale								
Net Profit/(loss)	**4,639**	**(10,848)**	**(4,390)**	**(9,036)**	**11,546**	**(8,995)**	**5,252**	**(4,656)**
Cash and cash equivalents	20,066	28,954	12,017	13,372	35,176	30,326	899	587
Financial receivables (payables)	(3,758)						18,174	4,118
Current financial liabilities	(21,903)	(8,451)	(3)	(1)			(71)	(1,562)
Non-current financial liabilities		(17,807)			(17,656)	(22,612)		(1,885)
Financial position	**(1,837)**	**(26,258)**	**12,014**	**13,371**	**17,520**	**7,714**	**19,002**	**1,258**

Deloitte & Touche S.p.A.
Via Fratelli Bandiera, 3
31100 Treviso
Italia

Tel: +39 0422 5875
Fax: +39 0422 587812
www.deloitte.it

INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

To the Shareholders of
Milione S.p.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Milione Group (the Group), which comprise the consolidated balance sheet as at December 31, 2022, the consolidated income statement, consolidated comprehensive income statement, statement of changes in shareholders' equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2022, of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Milione S.p.A. in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of Milione S.p.A. or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated 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 resulting from fraud is higher than for one resulting from 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 in order 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;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

- 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 business 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 audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion pursuant to art. 14 paragraph 2 (e) of Legislative Decree 39/10

The Directors of Milione S.p.A. are responsible for the preparation of the Directors' report of Milione Group as at December 31, 2022, including its consistency with the related consolidated financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the Directors' report with the consolidated financial statements of Milione Group as at December 31, 2022 and on its compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the above-mentioned Directors' report is consistent with the consolidated financial statements of Milione Group as at December 31, 2022 and is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the Group and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Barbara Moscardi
Partner

Treviso, Italy
April 14, 2023

This report has been translated into the English language solely for the convenience of international readers.

MILIONE S.P.A.

Milione S.p.A.
Viale G. Galilei, 30/1 - 30173 Tessera-Venezia (Ve)