

MILIONE S.P.A.

Consolidated Financial Statement **MILIONE S.p.A.** as of December 31, 2023

This Consolidated Financial Statement has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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MILIONE S.p.A.

Share Capital Euro 188,737.00 fully paid-up
Registered Office: viale G. Galilei n. 30/1 - 30173 Venice
REA Venezia n. 418330
Venice Business Register, Tax Code and VAT 03411340262

Based on the results of the Shareholders' Register, as of 31 December 2023, the composition of the share capital of Milione S.p.A. is as follows:

	%
POSSESSION	
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 composition of the Board of Directors, appointed by the Shareholders' Meeting of 8 October 2020 and in office as of 31 December 2023, is as follows:

Nominative case	Charge
Enrico Marchi	Chairman
Hamish Macphail Massie Mackenzie	Vice Chairman
Athanasios Zoulovits	Vice Chairman
Fabio Battaglia	Councillor
Grégoire Parrical De Chammard	Councillor
Zeynep Lucchini Gilera	Councillor
Walter Manara	Councillor
Giovanni Marchi	Councillor
Monica Scarpa	Councillor

(*) During the Shareholders' Meeting of 18 May 2023, the Shareholders Sviluppo 87 S.r.l. ("SV87"), Infra Hub S.r.l. ("**InfraHub**") and Leone Infrastructure S.r.l. ("**Lion**") (together with the "**Members**" which represent a total of 99.9963% of the share capital), have deemed it appropriate: *i*) postpone – for the time being – the renewal of the administrative body, keeping the current members in office under the *prorogatio*, pursuant to art. 2385, 2 co. c.c. and *ii*) to delegate to a subsequent meeting the task of making appointments.

Board of Statutory Auditors

The composition of the Board of Statutory Auditors, appointed by the Shareholders' Meeting of 8 October 2020 and in office as of 31.12.2023, is as follows:

Nominative case	Charge
Alessandro Danovi (*)	Chairman

Raffaele Carlotti (*)	Auditor
Roberto Lonzar	Auditor
Matteo Sala (*)	Alternate Auditor
Golova Newsky Carolina	Alternate Auditor
Magdalena (*)	
Anna Masè	Alternate Auditor

(*) On 11 May 2023, the statutory auditors Nicola Broggi (Chairman of the Board of Statutory Auditors), Paolo Caprotti (standing auditor), Michele Crisci (alternate auditor) and Fabrizio Acerbis (alternate auditor), resigned, with effect from the moment they were replaced by the Shareholders' Meeting. The Shareholders' Meeting of 18 May 2023 therefore reinstated the Supervisory Body through the appointment of Prof. Alessandro Danovi (as Chairman of the Board of Statutory Auditors), Raffaele Carlotti (as Standing Auditor) and Matteo Sala and Carolina Magdalena (as Alternate Auditors). During the same meeting, the Shareholders Sviluppo 87 S.r.l. ("**SV87**"), Infra Hub S.r.l. ("**InfraHub**") and Leone Infrastructure S.r.l. ("**Leone**") (together the "**Shareholders**" representing a total of 99.9963% of the share capital), also deemed it appropriate i) to postpone – for the time being – the renewal of the supervisory body, keeping the current members in office under the *prorogatio regime*, pursuant to Article 2400 of the Italian Civil Code and ii) to delegate to a subsequent meeting of the Shareholders' Meeting, the task of making appointments.

Independent Audit Firm

Deloitte & Touche S.p.A. (appointed at the shareholders' meeting held on 18 May 2023)

Directors' Report

Consolidated Financial Highlights

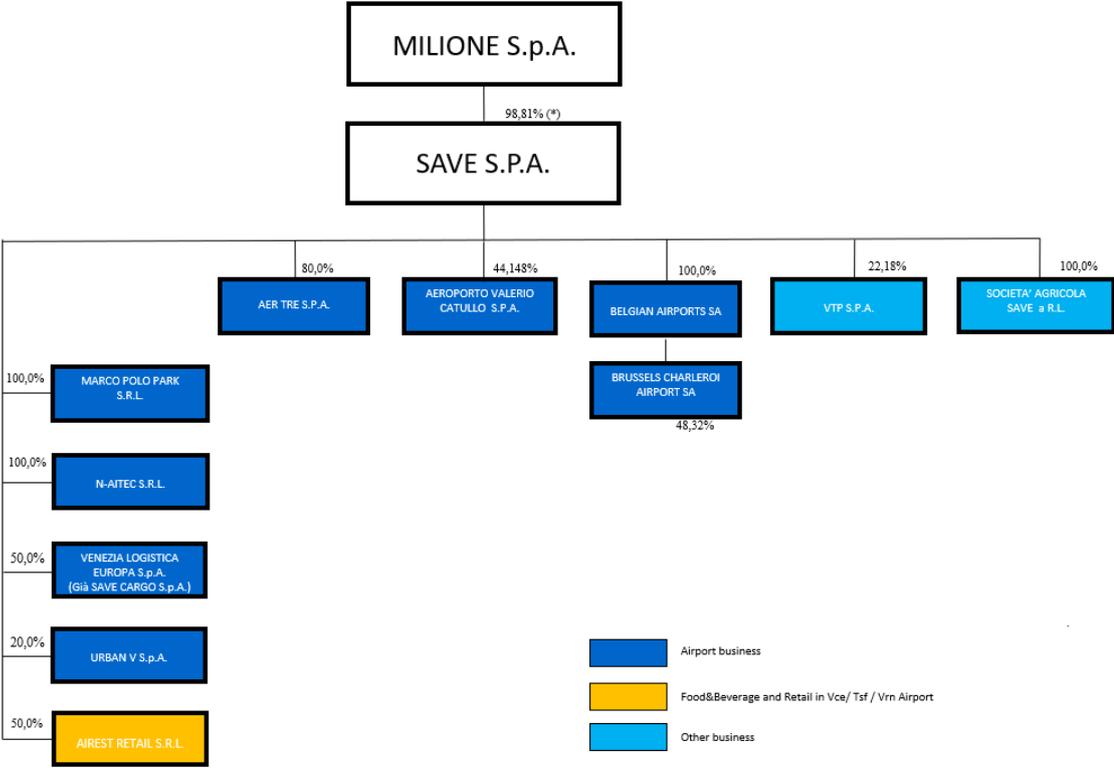
	2023	2022	CHANGE. %
<i>(Euro millions)</i>			
Revenues	234.7	255.5	-8.1%
EBITDA	117.3	148.6	-21.1%
EBIT	39.9	70.6	-43.5%
Group Net Profit/(loss)	14.6	45.8	-68.1%
Fixed Capital Employed	1,557.8	1,564.0	-0.4%
Net operating working capital	(84.7)	(65.0)	30.3%
Net capital employed	1,473.1	1,499.0	-1.7%
- Own funds	581.5	582.1	-0.1%
- Minority shareholders	2.9	3.2	-7.7%
SHAREHOLDERS' EQUITY	584.4	585.2	-0.1%
NET FINANCIAL POSITION	888.6	913.7	-2.7%
EBIT/Revenue (ROS)	17.0%	27.6%	
Venice-Treviso Airport System Passenger Nos.	14,360,538	11,954,328	20.1%

This document uses several alternative *performance* indicators that are not required by IFRS, the meaning and content of which are indicated in the relevant paragraph of the Directors' Report. Since these indicators are not identified as an accounting measure under IFRS, the determination criterion may not be homogeneous with respect to that indicated by other Groups or Companies.

The Group

Milione S.p.A. (hereinafter also referred to as the "Company" or "Milione" or "Parent Company") holds a controlling interest in SAVE S.p.A. – hereinafter also referred to as "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 Treviso Antonio Canova Airport. SAVE also has significant shareholdings in the companies that manage the Valerio Catullo airports in Verona Villafranca, the Gabriele D'Annunzio airport in Montichiari (BS) and in the Charleroi airport (Belgium) as well as in companies operating in sectors related to airport management.

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



(*)1.19% concerns treasury shares held by Save S.p.A.

Market Performance

The world economy stabilisation in 2023, albeit slowed, is still affected by commodities prices' fluctuations and uncertainties arising from geopolitical tensions, due to the recently Israeli-Palestinian conflict, which have further complicated the international situation.

The latest projections from the International Monetary Fund show the world economy expected to grow by 3.0% in 2023, after 3.5% in 2022. Annual growth remains below the average for the two decades preceding the pandemic crisis (2000-2019, equal to 3.8%), although slightly higher than in the year before the pandemic (2.8% in 2019). Regarding to the evolution of the global inflation rate, it remains closely linked to the dynamics of the last few months of energy and food prices, the state of global supply chains and the monetary policy choices of the main central banks. Overall, the change in the global consumer price index is expected to decline by 1.8 percentage points in 2023 compared to 2022 (from 8.7% to 6.9%). As regards price developments, after the levels reached in 2022, a gradual fall in inflation is expected.

Eurozone economy shows subdued growth and one of the factors to consider as a brake is the presence of a restrictive monetary policy, with an increase in interest rates by the European Central Bank. In Italy, the progressive exhaustion of the drive due to the post-pandemic recovery also played a role: once the spending levels that had to be given up were reached again, consumption growth rates in 2023 continued to decrease, stabilizing at rates equal to approximately a quarter of those of 2022. The latest estimates show a growth in 2023 of the Italian economy of 0.7% compared to a growth of 3.7% in 2022; this trend was also observed in other large European countries, whose GDP grew less than in 2022.

As regards air transport, ACI Europe data¹ for 2023 shows that passenger traffic increased by 19% year-on-year, bringing the total volume of 2.3 billion passengers to just -5.3% below pre-pandemic levels (2019). The result is even more important given inflationary pressures, rising airfares, as well as the highest geopolitical tensions of the period.

International passenger traffic, which grew by 21% compared to 2022, increased almost twice as much as domestic passenger traffic (+11.7%), with the EU market increasing by 19% and non-EU by 16%.

European cargo traffic fell by 3% in 2023 compared to the previous year, a direct result of geopolitical and trade tensions and supply chain disruptions. The decrease was driven by EU airports (-3.6%) while airports in the rest of Europe (+3%) saw an expansion in cargo traffic.

Aircraft movements in Europe increased by 12% in 2023 compared to the previous year, but still 8.1% below pre-pandemic levels.

About the analysis to the results in Italy, 2023 marked a historic result for the Italian airport system²: Italian airports have recorded a total of 197.2 million passengers, exceeding by 2% the traffic volumes of 2019, the last pre-Covid year, when the Italian airport sector reached 193 million passengers.

¹ ACI Europe (Airports Council International) Press Release 01 February 2024

² Assaeroporti Press Release January 31, 2024

Group Structure

Group structure had no significant changes during the 2023.

The only change concerns the Aeroporto Valerio Catullo di Verona Villafranca investment which, following the subscription of its share of the capital increase and the exercise of its pre-emption rights on share capital not subscribed under option, saw the percentage of the shareholding of the subsidiary SAVE S.p.A. go from 43.457% to 44.148%.

It is noted that, in February 2024, the subsidiary SAVE S.p.A., exercising its pre-emption right on 118,066 shares of the company put up for sale by Fondazione Cassa di Risparmio VR VI BL AN, purchased an additional 56,313 shares of the company, thus bringing the shareholding to 45.231%.

Milione Group Consolidated Operational Overview

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

EURO/000	2023		2022		CHANGE	
Operating revenue and other income	234,703	100.0%	255,518	100.0%	(20,815)	-8.1%
Raw materials and goods	1,954	0.8%	1,722	0.7%	232	13.5%
Services	56,160	23.9%	52,946	20.7%	3,214	6.1%
Lease and rental costs	14,140	6.0%	11,469	4.5%	2,671	23.3%
Personnel costs	42,732	18.2%	38,763	15.2%	3,969	10.2%
Other operating charges	2,464	1.0%	2,014	0.8%	450	22.3%
Total operating costs	117,450	50.0%	106,914	41.8%	10,536	9.9%
EBITDA	117,253	50.0%	148,604	58.2%	(31,351)	-21.1%
Amortisation & write-down of intangible assets	60,982	26.0%	60,470	23.7%	512	0.8%
Depreciation & write-down of tangible assets	9,858	4.2%	10,594	4.1%	(736)	-6.9%
Replacement provision	5,990	2.6%	6,095	2.4%	(105)	-1.7%
Losses and doubtful debt provision	68	0.0%	257	0.1%	(189)	-73.5%
Provision for risks and charges	503	0.2%	610	0.2%	(107)	-17.5%
Total amortisation, depreciation, provisions & write-downs	77,401	33.0%	78,026	30.5%	(625)	-0.8%
EBIT	39,852	17.0%	70,578	27.6%	(30,726)	-43.5%
Financial income and (charges)	(35,366)	-15.1%	(30,968)	-12.1%	(4,398)	-14.2%
Profit/losses from Associates & JV's carried at equity	9,503	4.0%	6,673	2.6%	2,830	42.4%
Profit before taxes	13,989	6.0%	46,283	18.1%	(32,294)	69.8%
Income taxes	(400)	-0.2%	(248)	-0.1%	(152)	-61.3%
Profit/(loss) from Continuing Operations	14,389	6.1%	46,531	18.2%	(32,142)	69.1%
Profit/(loss) from Discontinued Operations/Held-for-sale	(2)	0.0%	(41)	0.0%	39	95.1%
Net Profit	14,387	6.1%	46,490	18.2%	(32,103)	69.1%
Minorities	244	0.1%	(690)	-0.3%	934	135.4%
Group Net Profit/(loss)	14,631	6.2%	45,800	17.9%	(31,169)	68.1%

The Group's operating activities 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 can be seen from the considerations set out in the previous paragraphs, the year was characterized by a significant increase in passenger traffic volumes, which in the Venice-Treviso system recorded a growth of 20.1% compared to 2022, substantially aligning with pre-COVID values (-3%).

Overall, it should be noted that 2022 benefited in terms of corporate profitability from the accounting of the state contribution, from the Fund for the compensation of damage to the aviation sector resulting from the crisis generated by the COVID-19 epidemic, of 48 million euros. Net of this effect, the Group's profitability is up compared to 2022 figures and returns to pre-pandemic crisis levels.

Operating **revenues and other income** for the year were 20.8 million Euros (-8.1%) lower than the previous year and amounted to 234.7 million Euros, but up 13% compared to the 2022 figure before the COVID contribution. The data is detailed as follows:

EURO / 1000	2022				2021				2020				TOTALE
	TOTALE	VENEZIA	TREVISO	ALTRI	TOTALE	VENEZIA	TREVISO	ALTRI	TOTALE	VENEZIA	TREVISO	ALTRI	
Aviation fees and tariffs	140,924	131,176	9,748	0	120,434	108,039	12,395	0	20,490	23,137	(2,647)	0	17.0%
Handling	7,616	1,172	6,444	0	3,181	1,465	1,716	0	4,435	(293)	4,728	0	139.4%
Aviation Revenue	148,540	132,348	16,192	0	123,615	109,504	14,111	0	24,925	22,844	2,081	0	20.2%
Ticketing	89	26	63	0	106	22	84	0	(17)	4	(21)	0	-16.0%
Parking	21,761	18,899	2,862	0	18,224	16,143	2,081	0	3,537	2,756	781	0	19.4%
Advertising	1,558	1,483	75	0	1,688	1,606	82	0	(130)	(123)	(7)	0	-7.7%
Commercial	43,937	39,549	4,388	0	33,509	29,859	3,650	0	10,428	9,690	738	0	31.1%
Non-Aviation Revenue	67,345	59,957	7,388	0	53,527	47,630	5,897	0	13,818	12,327	1,491	0	25.8%
Other income	18,818	13,036	1,370	4,412	78,376	66,819	7,657	3,901	(59,559)	(53,783)	(6,287)	511	-76.0%
Total Revenue	234,703	205,341	24,950	4,412	255,518	223,953	27,664	3,901	(20,815)	(18,612)	(2,714)	511	-8.1%

As can be seen, the various **revenue** items were affected by the significant positive change in traffic recorded in the Venice-Treviso system.

Specifically:

- *Aeronautical revenues* amount to approximately €148.5 million compared to €123.6 million in 2022, an increase of 20.2% in line with the increase in traffic.
- *Non-aeronautical revenues* amount to approximately €67.3 million compared to €53.5 million in 2022, up 25.8%, improving the performance of stopovers per passenger. The delay on advertising performance was more than compensated, within the Commercial Revenues, by Venice VIP lounge performance which reached its record levels of attendance and revenues (9.5 million Euros).
- significant change in Other income, which recorded a reduction of €59.6 million, mainly due to the income recorded in 2022 for the COVID contribution of €48 million and the write-off of some debt items for approximately €12 million.

As far as the trend in **operating costs** is concerned, these increase from €106.9 million to €117.4 million, as a result of higher volumes of activity and recording significant increases in utilities costs, which had partially benefited in 2022 from the fixed-price contracts entered into before the energy crisis, and the effect of inflationary increases. The efficiency measures constantly pursued by all the various Group companies made it possible to keep the increase in costs for services at 6.1% and overall operating costs below (+9.9%) the percentage increase in aeronautical and non-aeronautical revenues (+21.8%).

In the face of all this, the **gross operating result (EBITDA)** amounted to 117.2 million Euros, up 16.5% compared to the EBITDA, pre-COVID contribution value (100.6 million Euros), of the previous year.

EBIT amounted to €39.8 million, after accounting for depreciation, amortisation and provisions for a total amount of €77.4 million, substantially in line with the previous year's figures.

Net finance charges is slightly lower than the 2022 values, going from a negative net balance of €24.3 million to a negative balance of €25.9 million in 2023. Despite the improvement in the results of the investee companies, whose *equity valuations* goes from a positive balance of €6.7 million to a balance of €9.5 million, the balance of financial management worsened due to the net balance of the item Financial income and expense which went from an expense of €31 million in 2022 to a net expense of €35 million in 2023.

The hedging transactions carried out by the Parent Company in February 2022 on a notional amount of €486 million and €400 million of bonds issued at a fixed rate, have led the Parent Company's debt structure to have the fixed-rate component for more than 85% of the notional amount and have allowed the entire group to contain the effect of the steep increase in reference base rates operated by the Central Bank from the second half of 2022.

2023 **Current and deferred taxes** impact is positive for €0.4 million compared to the positive balance of €0.2 million in the previous year.

The Group **net result** is positive and amounts to €14.6 million, compared to €45.8 million profit of the previous year.

Reclassified Balance Sheet of the Milione Group

EURO/000	12/31/2023	12/31/2022	CHANGE
Property, plant and equipment	52,642	53,456	(814)
Airport concession rights	606,295	601,827	4,468
Intangible assets	958,427	992,233	(33,806)
Financial assets	126,886	107,532	19,354
Deferred tax assets	47,198	51,206	(4,008)
TOTAL FIXED ASSETS	1,791,448	1,806,254	(14,806)
Post-employment benefits	(3,057)	(3,009)	(48)
Provision for liabilities and deferred taxes	(230,634)	(239,267)	8,633
FIXED CAPITAL EMPLOYED	1,557,758	1,563,978	(6,220)
Inventories	3,805	2,320	1,485
Trade receivables	47,463	43,541	3,922
Tax assets	394	814	(420)
Other receivables and other current assets	4,240	4,781	(541)
Trade payables and advances	(80,669)	(65,970)	(14,699)
Tax payables	(3,127)	(4,762)	1,635
Payables to social security institutions	(3,357)	(2,835)	(522)
Other payables	(53,423)	(42,874)	(10,549)
TOTAL NET WORKING CAPITAL	(84,674)	(64,985)	(19,689)
TOT. CAPITAL EMPLOYED	1,473,084	1,498,993	(25,909)
Group Net Equity	581,518	582,085	(567)
Minority Interest Net Equity	2,918	3,162	(244)
SHAREHOLDERS' EQUITY	584,436	585,247	(811)
Cash	(115,268)	(74,219)	(41,049)
Other financial assets	(25,860)	(45,708)	19,848
Current bank payables	7,670	7,667	3
Non-current bank payables	1,016,376	1,021,275	(4,899)
Other lenders	5,880	4,881	999
Financial receivables from group & related companies	(150)	(150)	0
TOTAL NET FINANCIAL POSITION	888,648	913,746	(25,098)
TOT. FINANCING SOURCES	1,473,084	1,498,993	(25,909)

The evolution of the Milione Group's capital structure reflects the development of the Save Group's operations during the year.

The investments of €40.5 million in the infrastructure managed by the Group, the investment relating to Aeroporto Valerio Catullo di Verona Villafranca S.p.A. capital increase for €14 million are absorbed by the significant amount of annual depreciation accounted for by the Group. Net of movements in deferred tax assets and provisions for risks, the group's **fixed capital** fell by approximately €6.2 million.

The increase in operating activity combined with the implementation of investments in the second half of the year, which justifies the significant increase in the supplier balance, leads to the increase in the negative balance of **Net Working Capital** from 65 million Euros at the end of 2022 to 84.7 million Euros at the end of 2023.

Shareholders' **equity** amounts to €584.4 million, compared to the balance of approximately €585.2 million at 31 December 2022; the substantially equal value is the result of the offsetting between the positive result for the year and the reduction of the reserve for the valuation of the *Mark to Market* on transactions in derivative financial

instruments for hedging existing interest rates, which decreased by €15 million compared to the balance at 31 December 2022.

Net Financial Position

The **Group's net financial position** improved from a debt situation of €913.7 million at 31 December 2022 to a negative situation of €888.6 million at 31 December 2023.

(EURO THOUSANDS)	12/31/2023	31/12/2022
Cash and cash equivalents	115,268	74,219
Other financial assets	26,010	45,858
Financial assets	141,278	120,077
Bank payables	7,670	7,667
Other financial liabilities – current portion	716	402
Financial liabilities of Discontinued Operations		
Current liabilities	8,386	8,069
Bank payables – less current portion	1,016,376	1,021,275
Other lenders – less current portion	5,164	4,479
Non-current liabilities	1,021,540	1,025,754
Net financial position from Continuing Operations	(888,648)	(913,746)
Net financial position from Discontinued Operations		
Net Financial Position	(888,648)	(913,746)
Total gross payables to banks	1,024,046	1,028,942

Cash and cash equivalents amounted to approximately €115.3 million, a marked improvement compared to the €74 million balance at 31 December 2022. As anticipated, hedging transactions carried out in February 2022 changed their valuation, recorded under Other financial assets, from a positive balance of €45.8 million in December 2022 to €26 million in December 2023.

The cash flow statement's analysis shows that operations generated cash of €99.3 million, partially offset by investments in property, plant and equipment and intangible assets for approximately €35.7 million and investments in financial assets for approximately €14 million, mainly as a result of the aforementioned subscription of the capital increase in the investee Aeroporto Valerio Catullo di Verona Villafranca S.p.A.

With reference to the credit lines outstanding as at 31 December 2023, a total of €7.7 million of principal amounts were repaid during the period, approximately €6.2 million of the various tranches of loans outstanding with the European Investment Bank, and €1.5 million of the outstanding bank loan stipulated by the subsidiary Aeroporto di Treviso S.p.A.

The Group's outstanding bank loans at 31 December 2023, measured at amortised cost, amount to €1,024 million compared to €1,028 million at 31 December 2022. The nominal value of the capital shares maturing in the next 12 months is equal to €7.7 million, of

which €6.2 million relates to the Parent Company. The nominal value of the capital shares, payable beyond the year, is equal to Euro 1,019 million, of which Euro 153 million over five years.

Investments at Venice and Treviso airports

Total investments made in 2023 amounted to Euro 40.5 million, of which approximately Euro 1.3 million from the provision for the renewal of concession assets.

The main investments made in 2023 include Euro 12.39 million for the extension of the BHS plant at the Venice airport, Euro 7.72 million for investments and works aimed at maintaining the operation of Venice's infrastructure, Euro 3.94 million for IT investments, Euro 2.15 million for the design and expansion of the lot 2 terminal in Venice, €1.95 million for the Venice terminal and passenger areas, €1.89 million for the security infrastructure of the Venice airport, €1.84 million for investments and works aimed at maintaining the operation of the infrastructure of the Treviso airport and other smaller amounts.

Alternative performance indicators

In addition to the financial indicators required by IFRS, several alternative performance indicators are presented to provide more complete disclosure on the operating performance and financial position. A description follows of how these are determined, as they may not be unequivocal and comparable with the practices in place at 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

WARRANTIES ISSUED	AMOUNT
(EURO THOUSANDS)	
SURETIES:	2.627
- AS A GUARANTEE LEASE CONTRACTS	369
- AS A GUARANTEE OF PUBLIC GRANTS	638
- AS A GUARANTEE LOANS	-
-OTHER	1.620
MORTGAGES AND PLEDGES TO GUARANTEE LOANS	40.156
TOTAL GUARANTEES GRANTED	42.783

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 4.6 million as at December 31, 2023 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	12-31-23		12-31-22		CGE. 12/31 - 12/31	
	FULL TIME	PART TIME	FULL TIME	PART TIME	FULL TIME	PART TIME
Executives	16	0	16	0	0	0
Managers	53	0	49	0	4	0
White-collar	360	109	328	109	32	0
Blue-collar	180	18	179	23	1	(5)
Apprentices	0	0	0	0	0	0
TOTAL	609	127	572	132	37	(5)
TOTAL WORKFORCE	736		704		32	

Airport personnel in service as of 31 December 2023, including both *full-time* and *part-time* employees as well as employees hired on fixed-term contracts, totalled to 736 employees, an increase of 32 compared to 31 December 2022.

The workforce *full-time equivalent* at 31 December 2023 was 699, compared to 664 in 2022. The *average full-time equivalent* for 2023 was 695.6 units.

Airport Management Data

Airport Management

European and National Performance

Air traffic is continuing its post-pandemic recovery. The recovery reflects the resilience of demand, despite sustained inflation pressure, higher airfares and geopolitical tensions, and is also helped by the reopening of the Chinese market and the acceleration of the recovery in Asia-Pacific markets. Risk factors remain, including the economic slowdown at European level, the push of inflation, the availability of aircraft and the development of the international situation (conflict between Russia and Ukraine, tension in the Middle East).

At European level, passenger volume in 2023 recorded a recovery of 95% compared to 2019 (+18.8% on 2022 - ACI Europe data). Cargo handling decreased by -10% compared to 2019 (-2.1% compared to 2022).

The 2023 data referring to national airports (source: *aeroporti2030* and *Assaeroporti*) confirm a trend in passenger traffic up by +2.1% compared to 2019 (+19.8% on 2022), for over 197 million passengers. Cargo traffic showed a decrease of -1.5% on volumes handled in 2019.

As far as tourism at the regional level (Veneto Region) is concerned, the data available up to November show that the record figures of 2019 have been exceeded: provisional data indicate that tourists who stayed in Veneto between January and November were more numerous than in the same pre-covid period (arrivals +3.1%; presences +0.1%). 2023 also showed a strong recovery compared to the same period in 2022 (arrivals +15.1%; presences +8.2%), thanks to the important return of foreign tourists.

Since the beginning of the year, the number of Italian tourists is higher than in the same period of 2019 (arrivals +3.8%; presences -5.5%, due to the choice of generally shorter stays). Foreigners were also more numerous than in the same pre-covid period (arrivals +2.7%; presences +2.8%).

The strong attractiveness exerted on customers most linked to the Veneto tourist offer is evidenced by the increase in arrivals from Germany and Austria as the main countries of origin, as well as by the return of American tourists (+15.9% compared to 2019). A part of British tourism is still missing, in addition to Asians and Russians (in 2019 China was one of the main markets for tourist flows at a regional level).

Northeast Airport Hub

The Northeast Airport Hub, which includes the Venice, Treviso, Verona and Brescia airports, handled over 17.8 million passengers during 2023, with a recovery of 96% of the traffic of 2019, the reference year before the crisis caused by the pandemic.

The analysis of the data broken down by airport shows that each of the airports has recovered large shares of traffic, thanks to coordination in a single system that promotes an integrated dialogue with the airlines.

The activities of the Northeast Airport Hub are focused on the development of the network of direct destinations available to the catchment area and on the enhancement of infrastructure and intermodality, with particular attention to the sustainability of growth.

Also in 2023, joint marketing actions with carriers and activities in the area were finalized, with the aim of stimulating the expansion of air connections and knowledge of the routes served by the airports of the Northeast Pole, as well as inaugural events at the terminal. This has been complemented by the promotion of airport destinations through corporate social networks.

Venice Airport System

For the Airport System (Venice and Treviso), the year 2023 closed with a total traffic volume of over 14.3 million passengers, with a recovery of 97% of the traffic volumes of 2019 (pre-pandemic reference year) and an increase of +20.1% compared to 2022.

Venice airport has handled over 11.3 million passengers since the beginning of the year, with a recovery of 98% of traffic in the same period of 2019 and an increase compared to 2022 of +21.5% (for a total of 86,476 movements)

Treviso airport handled over 3 million passengers during 2023 (for a total of 22,526 movements), with a recovery of 93% of 2019 flows (+15.1% compared to 2022).

The following table highlights the main traffic indices of 2023, compared with the data for the same period in 2022 and 2019:

VENICE AIRPORT SYSTEM

Year to December

	GEN/DIC 2023	V. % '23/'19	V. % '23/'22
SAVE			
Movements	86.476	-9%	9%
Passengers	11.326.212	-2%	22%
Tonnage	6.426.049	-8%	15%
Cargo (Tonnage)	47.339	-26%	-1%
AERTRE			
Movements	22.526	-7%	3%
Passengers	3.034.326	-7%	15%
Tonnage	1.299.480	-4%	9%
Cargo (Tonnage)	0		-100%
SYSTEM			
Movements	109.002	-9%	8%
Passengers	14.360.538	-3%	20%
Tonnage	7.725.529	-8%	14%
Cargo (Tonnage)	47.339	-26%	-1%

Venice

More than 11.3 million passengers were handled at Venice airport during 2023, of which over 1 million per month from May to October, with a 98% recovery on 2019 traffic.

It should be considered that during 2019 more than 270 thousand passengers were handled between Venice and the Russian and Ukrainian markets.

Since the fourth quarter of 2023, traffic has been higher than in 2019 (+1% between October and December).

The 4 carriers based on the airport (EasyJet, Ryanair, Volotea, Wizz Air) guarantee excellent accessibility to the territory both domestically and internationally, with a wide network of point-to-point destinations.

Network carriers (33% of total traffic, excluding long-haul carriers) are playing a strategic role in the gradual recovery of international and intercontinental flows through their European hubs. The main airline networks during 2023 were Air France, British Airways and Iberia. In addition to the operations of the network carriers, during the Summer 2024 season Air Europa will resume connecting Venice to Madrid with two direct daily frequencies, with the possibility of connection with Central and South America.

The domestic market was confirmed as the main reference market, with over 2.3 million passengers, +2% compared to the previous year; Its incidence has realigned to 20% of total traffic, with the acceleration of the recovery of the international market.

The United Kingdom became the second largest market, with a share of 14% (1.5 million passengers), followed by France, with 1.4 million passengers, and Spain (1.2 million passengers).

The preferred destination cities were London, Paris, Barcelona, Madrid and Naples.

There were over 650,000 passengers on long-haul destinations operating at the airport (United States, Canada, United Arab Emirates, charter flights from South Korea) during the year.

In March, Delta Air Lines resumed operations between Venice and New York, adding to Emirates' already operational flight to Dubai. During the second quarter, direct connections to Atlanta, Newark and Philadelphia and to Canada (Toronto and Montreal) were restored.

In 2024, non-stop operations between Venice and Chicago (American Airlines) and between Venice and Doha (Qatar Airways), suspended due to the pandemic, will also be reactivated.

Direct intercontinental flights also stimulated indirect traffic flows, leading to a total of over 1 million passengers between Venice and North America (+4% compared to 2019).

Frankfurt, Istanbul and Paris were the main connection points for indirect traffic, which accounted for 20% of the overall passenger volume between January and December 2023 (amounting to more than 2.2 million passengers). Passengers' preferred onward final destinations were Los Angeles, New York, Chicago, Sao Paulo and Washington.

The data also shows a gradual recovery in flows between Venice and the Far East, with almost 270 thousand passengers during the year (but still only 53% compared to 2019).

Looking at the new flights during 2023, Wizz Air inaugurated the direct flight between Venice and Yerevan (Armenia) in January. In March, the carrier's new operations to Jeddah began, to which Riyadh was added starting in April, thus directly connecting Marco Polo with Saudi Arabia.

In the second quarter of the year, new connections to Oviedo by Volotea, to Thessaloniki by Aegean Airlines and to Larnaca by EasyJet were inaugurated. During the month of June, the carriers SunExpress to Izmir and Play to Reykjavik began operating at the Venice airport.

Examining Marco Polo's cargo traffic, over 43 thousand tons of air cargo were recorded during 2023, to which must be added almost 4,000 tons of goods transported by truck, with a recovery of 74% of 2019 volumes (and in line with 2022). The overall trend in cargo traffic was also affected in 2023 by the lack of wide-body aircraft, intended for medium- to long-haul flights suspended due to the pandemic, in addition to the suspension of Aeroflot's flights. In any case, the resumption of most of the long-haul operations of American carriers has favoured the transport of goods by air worldwide. Added to this was the goods handled by couriers, who continued their aviation activity at the airport constantly.

Treviso

Treviso airport has handled over 3 million passengers since the beginning of the year, with a recovery of 93% of 2019 traffic volumes. During 2019, there were almost 55 thousand passengers between Treviso and the Russian market, which is now completely absent.

In the peak summer months, almost 300 thousand passengers per month were handled at the airport, thanks to the operations of Ryanair and Wizz Air, which together guarantee the offer of a vast network of "point-to-point" destinations.

The range of destinations was expanded during the year with new routes available to users aimed at both *outgoing* and *incoming traffic*, as well as numerous destinations related to ethnic traffic and VFR (*Visiting Friends and Relatives*).

Ryanair recorded over 2.5 million passengers during 2023 (83% of the airport's total traffic), in addition to over 500 thousand passengers who flew with Wizz Air.

93% of users travelled on international routes. The main market during the year was the Spanish market, followed by Romania, Poland, Belgium and France.

Passengers' preferred routes during the year were Bucharest, Brussels, Tirana, Paris and Malta.

Verona

Verona Airport recorded over 3.4 million passengers in 2023, recovering 94% of 2019 flows. It should also be considered that in 2019 the Russian market, which is now totally absent, had over 235 thousand passengers, about 6.5% of total traffic.

Ryanair was the airport's leading carrier during 2023, exceeding 1 million passengers (32% of total traffic), followed by Volotea, Neos and Wizz Air.

The main reference markets during the year were: the domestic market (42% of total traffic, with 15 routes operating at the airport during the year), Great Britain (the first international market with over 500 thousand passengers), Germany, Albania and Egypt.

With over 1.4 million passengers, domestic traffic showed a positive trend of +7% compared to 2019, thanks to the operations of Ryanair (55% share), Volotea (29% share) and Wizz Air (10% share). The main destination was Catania (almost 380 thousand passengers), followed by Palermo and Cagliari.

Passengers' preferred international destination cities were London, Tirana and Frankfurt.

After the successful international routes opened in 2022, new connections to Berlin by Volotea, Newcastle by Jet2.com and Düsseldorf by Eurowings were activated this year. Lumiwings operated its first season on Foggia and Sky Alps marked the return to Verona of the direct connection to Rome FCO (two daily flights from mid-September).

The Verona base of Neos (Alpitour group) continues to offer a range of medium and long-haul domestic and international routes, strengthening the outgoing tourist segment of Catullo. In 2023, the carrier handled almost 500 thousand passengers, connecting the Verona airport to over 30 destinations (including 10 long-haul including Cape Verde). During the year, the carrier launched some new operations: Dakar (Senegal), Amritsar (India) and the Christmas flight to Rovaniemi (Finland).

New direct connections have already been announced for 2024. Volotea will inaugurate direct connections between the Verona airport and Bordeaux, Comiso, Copenhagen, Madrid, Prague and Valencia. Air France has announced the opening of a multi-weekly non-stop flight between Verona and Paris CDG, with the possibility of subsequent worldwide connections. Ryanair is implementing an expansion program at Verona airport, with a particular focus on the Iberian Peninsula (Madrid, Valencia, Porto). Sky Alps is also planning to expand to leisure destinations in Croatia.

Brescia

As far as the air cargo sector is concerned, 2023 was still affected by general instability due to external factors such as the war in Ukraine and, as of October, the evolution of the situation in the Middle East.

According to ACI Europe data, cargo traffic at European level in 2023 showed a decrease of -10% compared to the volumes handled in 2019 (-2.1% on 2022).

Based on 2023 data referring to Italian airports, cargo traffic recorded a decrease of -1.5% on volumes handled in 2019 (-1.6% compared to 2022).

Brescia airport handled a total volume of over 35 thousand tons of cargo (+14.8% compared to 2019, the pre-pandemic reference year, -9.5% compared to 2022).

Poste Italiane's hub airport, the postal segment accounted for 61% of total airport cargo volumes in 2023, with over 21 thousand tons, to which were added 13,712 tons of goods handled by air.

Swiss Post recorded the largest year-on-year decrease in volume terms (-12.7%). The elimination by Poste Air Cargo (from February 2023) of the flight from Brescia to Rome Fiumicino (replaced by a truck connection) and the afternoon connection from Brescia to Lamezia Terme, which maintained only the evening operation, contributed significantly to the overall weakening of postal air volumes.

The air freight segment had a decline of -4.8% compared to the previous year, due to the decline recorded by DHL, linked to the difficult European economic situation.

Charleroi Airport

In addition to the 4 Italian airports described above, the Group holds a 48% stake in the management company of the Belgian airport of Charleroi, the main traffic figures of which are shown below.

Almost 9.4 million passengers passed through Charleroi airport during 2023. The airport's main operating carrier - with a *market share* of 83.4% - remains Ryanair, which carries over 7.8 million passengers. Ryanair's operations in June 2023 consist of 84 destinations. The carrier Wizzair, which operates in June 2023 with 14 routes, carried over one million passengers during the first half of 2023.

Regulatory framework developments

Program Agreement and Airport Charges

SAVE applies the airport charges established by the Programme Contract stipulated with ENAC on 26 October 2012 and approved by the Prime Ministerial Decree of 28 December 2012, pursuant to art. 17 par. 34 bis of Legislative Decree no. 78/2009 converted into Law 102/2009, the tariff system came into force on 11 March 2013. The rights are updated annually, pursuant to art. 15 of the Program Agreement.

Law no. 37 of 3 May 2019, which came into force on 26/05/2019, states that: "*(National Supervisory Authority). - 1. The Transport Regulatory Authority, established pursuant to Article 37 of Decree-Law No. 201 of 6 December 2011, converted, with amendments, by Law No. 214 of 22 December 2011, performs the functions of National Supervisory Authority referred to in this Decree also with reference to the programme contracts provided for in Article 17, paragraph 34-bis, of Decree-Law of 1 July 2009, No. 78, converted, with amendments, by Law No. 102 of 3 August 2009. That Authority shall carry out the transferred functions with the human, instrumental and financial resources available in its budget, without any new or increased burden on public finances.*"

The aforementioned provision provides that the Transport Authority also performs the functions of National Supervisory Authority for programme contracts in derogation governed by the aforementioned Article 17, paragraph 34-bis, of Decree-Law no. 78 of 1 July 2009.

By means of resolution 136/2020 of 16 July 2020, the Authority approved the Airport Charges Regulation Models and related annexes, determining that these models will come into force on 1 July 2021. SAVE proceeded to challenge the new models as they were deemed to be detrimental to its position also in relation to the Programme Contract in derogation.

On 20 May 2021, ART published Resolution no. 68/2021 containing "*Extraordinary provisions related to the entry into force of Resolution no. 136/2020 and integration to the regulation applicable to the sector due to the epidemiological emergency from COVID-19*", with which it provided that the entry into force of the Models for the regulation of airport charges referred to in Resolution no. 136/2020 of 16 July 2020, Originally scheduled to take effect on 1 July 2021, it is deferred to 1 January 2023.

Finally, with Resolution 42/2022 of 23 March 2022, the Authority initiated a procedure for the revision of the airport charge regulation models approved by the Transport Regulation Authority's Resolution No. 92/2017 of 6 July 2017, as supplemented by Resolution No. 68/2021 of 20 May 2021. By Resolution 255/2022 of 29 December 2022, the entry into force of the airport charges referred to in Resolution No. 136/2020 was postponed to 1 February 2023. Finally, with Resolution 38/2023 of 9 March 2023, the ART approved the new Tariff Regulation models attached to the resolution, in force from 1 April 2023, and repealed the previous Models referred to in Resolution 136/2020 of 16 July 2020.

Fire Brigade Fund Contribution

Article 1, paragraph 1328, of Law No. 296 of 27 December 2006 (Finance Law for 2007), the Legislator provided, "in order to reduce the cost to the State of the fire-fighting service at airports", an additional tax on passenger boarding fees, as well as the establishment of a Fund, "*fed by the airport companies in proportion to the traffic generated*" which contributes, for the same purpose, for a total amount of €30 million per year.

Subsequently, Law No 2 of 28 January 2009, which converted, with amendments, Decree-Law No 185 of 29 November 2008, with effect from 1 January 2009, amended the legal requirement to reduce the cost to be borne by the State of the fire-fighting service at

airports by allocating the relevant amounts to the payment of expenses other than those set out in the founding provision.

In addition, Article 1, paragraph 478, of Law No. 208 of 28 December 2015 amended Article 39 bis of Legislative Decree No. 159/2007, providing that "*The provisions on [...] fees to be paid by airport management companies in relation to fire-fighting services at airports, pursuant to art. 1, paragraph 1328, of Law no. 296 of 25 December 2006, shall be interpreted as meaning that no tax obligations arise from them*".

With judgment no. 167/2018 of 20 July 2018, the Constitutional Court declared the constitutional illegitimacy of art. 1, paragraph 478, of Law No. 208 of 28 December 2015, containing "Provisions for the preparation of the annual and multi-year State budget" (2016 Stability Law). With the provision, the legislator had provided that (also) the fees to be paid by airport management companies in relation to fire-fighting services at airports, referred to in art. 1, paragraph 1328, of Law no. 296 of 2006 must be understood as not having a tax nature.

The Joint Sections, following the resumption of the trial suspended pending the ruling of the Constitutional Court, with sentence no. 3162/2019 published on 1 February 2019, ascertained the tax nature of the contribution to the Fire Prevention Fund with a consequent declaration of exclusive jurisdiction of the tax court.

On 10/01/2024, the Court of Cassation published judgment no. 990/2024 with which it upheld the appeal of the Administrations, attributing, among other things, to the airport management companies the qualification of taxable persons of the Airport Fire Prevention Fund according to their specific subjective legal situation, i.e. for the fact that they are holders of concessions for the management of airport services in the airports where fire-fighting services are the responsibility of the Fire Brigade of the Fire Department, referred the case back to the Tax Justice Commission of the Second Degree of Lazio for a new examination of the issues that remained absorbed and at the same time acknowledged what the airport management companies have said since 2009 on the existence of a specific destination constraint, stating that the Fire Prevention Fund has the nature of a tied tax. Please note that Save and AerTre were not parties to the specific proceedings reported above.

ENAC Regulation containing "*provisions on the construction, purchase and management of aviation fuel depots in airports open to commercial traffic entrusted under concession*"

On 26 May 2023, the regulation in question was published on the ENAC website.

In particular, art. Article 1 provides that the construction of fuel depots at airports open to civil traffic is to be carried out directly by the airport operators or through their subsidiaries, in accordance with Article 2359 of the Civil Code. In the case of the deposit being made through a subsidiary, the manager identifies the shareholders as industrial partners through selection procedures that guarantee compliance with the principles of publicity, transparency and non-discrimination. The construction costs of the fuel depots are eligible for tariff coverage, based on the rules and criteria defined by the tariff models approved by the Transport Regulatory Authority, up to a maximum limit of the construction cost resulting from the economic framework of the work approved by ENAC, net of any public contributions and discounts achieved during the tender.

Art. Article 2, on the other hand, regulates the purchase of depots by providing that, if the depots are not at the disposal of the management company, the latter shall commence activities aimed at purchasing the fuel depot from its owner. The management company may extend the expiry date of the sub-concession of the area on which the fuel depot is located for the time strictly necessary to complete the purchase and actual transfer of the

asset based on the plan approved by ENAC pursuant to Article 5, paragraph 2. In addition, if it is impossible to proceed with the purchase of the fuel depot (also for technical or economic assessments), the operator is required to submit a proposal to update the Airport Development Plan with the provision for the construction of a new depot by the end of the sub-concession deadline. In the case of multiple depots, the operator may purchase only the depots deemed necessary to ensure the operation of the airport. Deposits deemed non-instrumental will be disposed of. The costs for the purchase of the existing fuel depot on the site will be covered by the tariffs.

Article 3, on the other hand, regulates the management of fuel depots, which is carried out by the management company itself or by a company controlled by it, whose shareholders are identified through selection procedures that guarantee compliance with the principles of publicity, transparency and non-discrimination. Paragraph 2 of art. Article 3 provides that *"The airport management company that has built or purchased the fuel depot directly and not through a company controlled by it may entrust the technical management service to third parties, selected from among subjects of proven technical suitability and professional experience, through selection procedures that guarantee compliance with the principles of advertising, transparency and non-discrimination. The technical management includes maintenance and all the verification and control activities required by the sector regulations necessary to ensure the efficiency of the plant and its safe operation"*.

Finally, Article 5 prescribes that *"The airport management company, within 12 months of the entry into force of the regulation, shall submit to ENAC for approval a Plan containing the methods and related timing, including the duration of any extension of the sub-concession of the area on which the fuel depot is located, to comply with the provisions of Article 2"*.

ENAC Regulation *"Certification of airport ground handling service providers"* edition ed. 8 of 5 May 2023

On 1 June 2023, the new Regulation on the certification of suppliers of ground handling services (ed. 8) was published on the ENAC website.

The Rules of Procedure are divided into two parts. The first part provides for the requirements and modalities for the certification of suppliers of ground handling services. As regards the conditions for the award of services to third parties, which have been amended again, subcontracting at airports above the threshold is permitted between providers certified at the same airport and only for the same categories of services for which they are certified.

The provisions of Part One of the Regulation are in force from the ninetieth day from the publication on the ENAC website with the additional safeguard provisions contained in art. 23.

Part two of the Regulation regulates airport sub-concessions.

In particular, Article 2, paragraph 1, provides for a two-year extension of all existing aviation sub-concessions and those relating to logistics and cargo, including those in fact existing at the airports referred to in Article 1 above, which are not in arrears. The second paragraph of art. Article 2, then, provides that *"If, at the end of the sub-concession, there is a residual non-depreciated book value of the non-removable works approved by ENAC, carried out with its own resources, the sub-concession itself may be extended for the time necessary to recover the aforementioned value, with revaluation of the sub-concession fee"*. Alternatively, Article 3 allows the sub-concessionaire to claim compensation corresponding to the residual non-depreciated book value of non-removable works carried out with its own resources.

The provisions of Part Two of the Regulation are in force from the moment of

publication on the ENAC institutional website.

ENAC Regulation "Aircraft Control Regulation and Departure Prohibition" Ed.1 Rev 0 of 21 September 2023"

With Resolution no. 26/2023 of the Board of Directors of 21 September 2023, ENAC approved the Regulation in question which repeals and replaces Circular APT-08C "Procedures for the application of articles 801 and 802 of the Navigation Code, in relation to the new attributions of the Airport Management".

The Regulation regulates the methods of monitoring aircraft and ramp inspections, providing, in art. 8, the procedure for the adoption of the departure ban in situations of prejudice to the safety of navigation.

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

Art. Article 6 of the aforementioned law amended the terms on EIA and public debate by providing that:

1. In order to accelerate the development of the National Integrated Transport System (SNIT) and to increase rail access to airports by public transport, as well as to increase the strategic relevance and development of Italian intercontinental airports:

a) the environmental impact assessment procedures referred to in Article 6, paragraph 3-ter, of Legislative Decree No 152 of 3 April 2006, as well as those relating to the works included in the airport development plans, including environmental mitigation and improvement measures, shall be carried out within the timeframe provided for the projects referred to in Article 8, paragraph 2-bis, Legislative Decree No. 152 of 2006;

(b) the public debate referred to in Article 22 of the Public Procurement Code, referred to in Legislative Decree No 50 of 18 April 2016, shall be held in accordance with the terms set out in Article 4-6, paragraph 1, second sentence, of Decree-Law No 77 of 31 May 2021, converted, with amendments, by Law No 108 of 29 July 2021;

(c) the time limits for the assessment of conformity provided for in Article 2 of the Regulation referred to in Decree No 383 of the President of the Republic of 18 April 1994 in relation to airport development plans and the works included in those plans shall be reduced by half (2).

2. The works referred to in paragraph 1 that lead to an improvement of the environmental impact on man-made areas shall be implemented as a matter of priority within the urban, naturalistic and landscape planning instruments in force.

3. In relation to the airport development plans of airports of national interest other than those referred to in paragraph 1, as well as to the works included in the same development plans, the deadlines for the environmental assessment procedures referred to in Part Two of Legislative Decree No 152 of 2006 shall be reduced by half. The provisions of paragraph 1, letters b) and c) shall also apply.

3-bis. In order to quickly achieve the objectives of the National Recovery and Resilience Plan set out in Mission 2 of the same Plan, Green Revolution and Ecological Transition, the following is inserted in Article 20, paragraph 8, of Legislative Decree No. 199 of 8 November 2021, after letter c-bis:

"c-bis.1) the sites and facilities available to the 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 14 February 2017, published in the Official Gazette no. 114 of 18 May 2017, without prejudice to the necessary technical checks by the National Civil Aviation Authority (ENAC)".

3-ter. In Article 11-quinquiesdecies, paragraph 1, of Decree-Law No 52 of 22 April 2021, converted, with amendments, by Law No 87 of 17 June 2021, the words: "31 December 2022" are replaced by the following: "31 March 2023".

COMMISSION DELEGATED REGULATION (EU) 2022/1645 of 14 July 2022 laying down rules for the application of Regulation (EU) 2018/1139 of the European Parliament and of the Council as regards requirements for the management of information security risks with a potential impact on aviation security for undertakings 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 lays down the requirements to be met by undertakings, including airport operators, in order to identify and manage information security risks with a potential impact on aviation security that could affect information and communication technology systems and data used for civil aviation purposes.

The Regulation, which amends certain provisions of Regulations (EU) No 748/2012 and 139/2015, shall apply from 16 October 2025.

DIRECTIVE (EU) 2022/2555 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 14 December 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 Directive 2)

The Directive (so-called NIS 2), in force since 17 January 2023, introduces, *inter alia*, more stringent and specific measures in terms of cyber risk management, reporting and sharing of information relating to security incidents, expanding the number of sectors and recipients compared to the previous NIS Directive.

Annex I also mentions Air transport among the sectors with a high criticality, and among the related entities are identified - in addition to air carriers and operators active in air traffic management control - also the "Airport operators as defined in Article 2, point 2) of Directive 2009/12/EC of the European Parliament and of the Council, airports as defined in Article 2, point (1) of that Directive, including central airports referred to in Section 2 of Annex II to Regulation (EU) No 1315/2013 of the European Parliament and of the Council, and entities operating ancillary facilities located at airports". Article 41(1) provides that *"By 17 October 2024, Member States shall adopt and publish the measures necessary to comply with this Directive. They shall forthwith communicate to the Commission the text of those provisions."*

ENAC Guidelines 2023/001-APT "Criteria for the identification of strategic investments for the purpose of applying incremental remuneration"

With the aforementioned text, ENAC has identified a series of eligible interventions for the purpose of recognising incremental remuneration, divided into categories based on their type.

For the purposes of the recognition of the aforementioned remuneration, the management company submits, at the same time as the proposal for the Investment Plan (or PQI), a specific application accompanied by a technical report demonstrating the compliance of one or more interventions or part of them, among those present in the Plan, with the criteria identified in paragraphs (A to F), the expected benefits on the

airport as well as any further evidence that will be provided in support of the technical assessments of the Entity.

The technical clearance of the Authority, all-inclusive of the assessments carried out as well as all the annexes that constitute an integral part thereof, is sent before the start phase of the consultation with users, as per practice, to the management company and to the ART.

The results of the consultation procedure with users are transmitted by the management company to ENAC within thirty (30) days of the issuance, by the ART, of the resolution on the compliance of the tariff proposal with the reference Model for the purpose of subsequent actions aimed at signing the Programme Contract.

The criteria set out in the Guidelines will be applied for the future, and will concern investments that will be assessed as eligible for the incentive measure in question from the date of entry into force of the Guidelines in question.

Law No. 136 of 9 October 2023 Conversion into law, with amendments, of Decree-Law No. 104 of 10 August 2023, containing urgent provisions to protect users, on economic and financial activities and strategic investments.

The conversion law makes amendments to Legislative Decree no. 104 of 10 August 2023, providing for amendments to art. 1 entitled "*Provisions for the transparency of prices charged on domestic flights*". Some of the most significant changes include:

- Paragraph 1 states that Articles 2 and 3 of Law no. 287 of 10 October 1990 – relating respectively to agreements restricting freedom of competition and to cases of abuse of a dominant position – shall also apply in the event that the Italian Competition Authority, at the request of any person or organisation having an interest, or even ex officio, ascertains that the algorithmic coordination of the fares charged by airlines in the airline sector, facilitates, implements or in any case monitors an agreement restricting competition, even pre-existing, or ascertains that the level of prices set through a revenue management system constitutes an abuse of a dominant position;
- Paragraph 2 essentially recalls the qualifying elements of the conduct referred to in paragraph 1 of the previous case (conduct carried out on national routes connecting with the islands; during a period of peak demand linked to seasonality or in conjunction with a state of national emergency; leading to a sale price of the ticket or ancillary services, in the last week prior to the flight, more than 200 % higher than the average flight fare);
- Paragraph 3 reiterates that for the routes and in the cases referred to in paragraph 2, letters a) and b) it is forbidden to use automated procedures for determining fares based on the user's *web* profiling activities or on the type of electronic devices used for bookings, when this involves a prejudice to the user's economic behaviour;
- it is also provided, in paragraph 4, that the above provisions shall also apply to national connections other than those referred to in paragraph 2, letter a), in the presence of a state of national emergency or if road or rail travel along the national territory is, in whole or in part, prevented by exceptional events declared by public authorities;
- paragraph 5 entrusts the AGCM with the power, following a fact-finding investigation (overseen by strong inspection powers), to impose, where distorting factors emerge in the flight market, structural or behavioural measures that eliminate such distortion by indicating a series of elements to be taken into account;

- Paragraph 7 increases the transparency and knowability of the criteria used by airports for the granting of subsidies for the development of routes, giving new monitoring powers to the Transport Regulatory Authority.

LAW No. 213 of 30 December 2023 (Budget Law for the year 2024)

The provisions of greatest interest to the sector are set out below

Art. 1, paragraph 482

The municipalities referred to in paragraph 480 (*editor's note, the municipalities that are the capital of metropolitan cities, which on 31 December 2023 end the five-year recovery period starting from the drafting of the stably rebalanced budget hypothesis*) **have the right to establish**, with special resolutions of the Municipal Council, an increase in the municipal income tax surcharge, by way of derogation from the limit provided for in Article 1, paragraph 3 of Legislative Decree no. 360 of 28 September 1998, not exceeding 0.4 percentage points and a **municipal surcharge on port and airport boarding fees per passenger not exceeding 3 euros per passenger**. The aforementioned right may be exercised subject to the adoption of measures aimed at increasing the collection of one's own revenue referred to in Article 1, paragraph 572, letter c) of Law no. 234 of 30 December 2021;

Art. 1 paragraph 529

As of **1 January 2024, the municipal surcharge on passenger boarding rights on aircraft referred to in Article 2, paragraph 11, of Law No. 350 of 24 December 2003, and subsequent increases, does not apply in the territory of the Friuli Venezia Giulia region**. Consequently, the transfers referred to in letter *a*) of the same paragraph 11 are not due to the municipalities of the Friuli Venezia Giulia region and the Friuli Venezia Giulia region shall provide annual refreshments to the municipalities concerned.

Art. 1 paragraph 530

In relation to the provisions of paragraph 529 and pursuant to Legislative Decree No. 154 of 25 November 2019, **starting from the year 2024, the Friuli Venezia Giulia Region shall pay, by 30 April of each year, the sum of 2,500,000 euros to the State budget revenue.**

Art. 1 paragraph 531

As of 2024, the endowment of the Solidarity Fund for the air transport sector and the airport system, established pursuant to Article 1-ter of Decree-Law No. 249 of 5 October 2004, converted, with amendments, by Law No. 291 of 3 December 2004, **is increased by €1,925,000 per year.**

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 shown below. It should be noted that, unlike the consolidated financial statements, which are prepared in accordance with IAS/IFRS, the Parent Company Milione S.p.A. has prepared its financial statements in accordance with national accounting standards.

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 12/31/2023	AT 12/31/2022
A) RECEIVABLES FROM SHAREHOLDERS FOR UNPAID CAPITAL	0	0
B) FIXED ASSETS	1,327,306,404	1,327,306,404
I) Intangible assets	0	0
1) Formation and start up costs	0	0
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	315,493,168	358,071,559
II) RECEIVABLES	283,181,487	311,022,640
2) Subsidiaries		
Amount due within one year	198,037,970	221,616,792
Amount due beyond one year	77,464,600	83,605,118
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	0	20,263
Amount due beyond one year	0	0
5-ter) Deferred tax assets		
Amount due within one year	7,197,857	5,276,438
Amount due beyond one year	0	0
5-quater) Deferred tax assets Others		
Amount due within one year	481,060	504,029
Amount due beyond one year	0	0
Amount due within one year	205,716,887	227,417,521
Amount due beyond one year	77,464,600	83,605,118
III) CURRENT FINANCIAL ASSETS	25,860,040	45,708,301
5) Derivative financial instruments - Assets	25,860,040	45,708,301
IV) CASH AND CASH EQUIVALENTS	6,451,641	1,340,618
1) Bank and postal deposits	6,451,332	1,340,309
3) Cash in hand and similar	309	309
D) ACCRUED INCOME AND PREPAYMENTS	15,375	15,333
TOTAL ASSETS	1,642,814,947	1,685,393,296

BALANCE SHEET

(in Euro thousands)

Liabilities and shareholders' equity

LIABILITIES	AT 12/31/2023	AT 12/31/2022
A) SHAREHOLDERS' EQUITY	612,914,959	647,210,897
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	19,653,630	34,738,308
VIII) RETAINED EARNINGS/(ACCUMULATED LOSSES)	(64,160,790)	(40,596,534)
IX) NET PROFIT (LOSS) FOR THE YEAR	(19,211,260)	(23,564,256)
B) PROVISIONS FOR RISKS AND CHARGES	7,049,080	11,077,036
1) Pensions and similar obligations	0	0
2) Provision for taxes	7,049,080	11,077,036
3) Derivative financial instruments	0	0
4) Others	0	0
D) PAYABLES	1,022,850,908	1,027,105,363
1) Bonds	396,336,452	395,712,958
Amount due within one year	0	0
Amount due beyond one year	396,336,452	395,712,958
3) Shareholder loan	0	0
4) Bank payables	626,159,822	630,114,732
Amount due within one year	7,282,519	7,060,839
Amount due beyond one year	618,877,303	623,053,893
7) Trade payables	135,979	230,731
Amount due within one year	135,979	230,731
Amount due beyond one year	0	0
9) Subsidiaries	34,728	69,054
Amount due within one year	34,728	69,054
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	153,090	956,952
Amount due within one year	153,090	956,952
Amount due beyond one year	0	0
13) Payables to social security institutions Social;	0	0
14) Other payables	30,837	20,935
Amount due within one year	30,837	20,935
Amount due beyond one year	0	0
Total payables due within one year	7,637,153	8,338,512
Total payables due beyond one year	1,015,213,755	1,018,766,851
E) ACCRUED EXPENSES AND DEFERRED INCOME	0	0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,642,814,947	1,685,393,296

INCOME STATEMENT

(in Euro thousands)

Costs and revenues

INCOME STATEMENT	2023	2022
A) VALUE OF PRODUCTION	12	12
5) Other revenues and income	12	12
B) (COSTS OF PRODUCTION)	(466,999)	(1,274,597)
7) Services	(450,835)	(1,240,963)
10) Amortisation, depreciation, and write-downs	0	(9,255)
14) Other operating costs	(16,164)	(24,379)
DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION	(466,987)	(1,274,585)
C) FINANCIAL (INCOME) CHARGES	(26,192,353)	(25,236,475)
15) Income from equity investments:	0	0
a) subsidiaries	0	0
16) Other financial income	10,063,581	10,395,476
c) from securities held as current assets exc. in	0	0
d) income other than the above:		
- interests and commissions from subsidiaries	9,519,390	5,306,242
- interests and commissions 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	544,191	5,089,234
17) Interest and other financial charges	(36,255,934)	(35,631,138)
- subsidiary companies	0	0
- other companies	(36,255,934)	(35,631,138)
17-bis) Exchange gains and losses	0	(813)
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	(26,659,340)	(26,511,060)
20) Income taxes, current and deferred	7,448,080	2,946,804
NET PROFIT/(LOSS)	(19,211,260)	(23,564,256)

Management and co-ordination

The Company is not subject to management and coordination activities pursuant to art. 2497 et seq. of the Italian Civil Code.

Financial risks

The management of financial risks is in line with the company's objectives and aims to minimise the risk of rising interest rates and optimise the cost of debt, credit risk and liquidity risk. The management of these risks is carried out in compliance with the principles of prudence and in line with market best *practices*. For additional information on this, see the paragraph "Type and management of financial risks" in the explanatory notes to the consolidated financial statements.

Other main risks and uncertainties of the Group

Risks associated with economic conditions

The Group's economic, equity and financial situation is influenced by the various factors that make up the macro-economic framework - including the increase or decrease in gross national product, the level of consumer and business confidence, the trend in interest rates for consumer credit, the cost of raw materials, the unemployment rate - in the various countries in which the Group operates.

This report contains certain forward-looking statements. These statements are based on the current expectations and projections prepared by the Group's management regarding future events, including the development of the general economic conditions described above, which are subject to an intrinsic component of risk and uncertainty and, by their nature, beyond the control of the Group, in particular in the current market environment.

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

The volume of passenger and cargo traffic passing through the airports managed by the Group is a key factor in the performance of the Group's economic results. In particular, any reduction or interruption of flights by one or more airlines (with particular reference to those operating at the airports managed by the Group), also as a result of the persistent economic and financial weakness of the airlines themselves, the cessation or variation of connections to certain destinations characterized by high passenger traffic, the loss or change of alliances between carriers, the occurrence of events that may diminish the general perception of quality, by users, of the services provided at the airports managed by the Group (due, for example, to the decrease in the quality standards of the services provided by *handling* companies operating at the same airports, or the interruption of the activities carried out by them), rather than the occurrence of unforeseeable natural events, could lead to a decrease in the aforementioned traffic with a consequent negative impact on the Group's activities and results of operations.

However, in ordinary situations and not in the face of natural disasters, on the basis of the experience gained in the past, the Group believes, although there can be no certainty in this regard, that it can cope with the risk of a reduction or interruption of flights by one or more airlines operating at the airports managed by the Group, also in view of the redistribution of passenger traffic among the airlines on the market and the Group's ability to attract new carriers to the airports managed by the Group. Moreover, it cannot be ruled out that the redistribution of traffic may take a certain period of time and may temporarily affect the volume of that traffic.

Risks associated with the Group results

Any macro-economic event, such as a significant decline in one of the main markets, the volatility of the financial markets and the consequent deterioration of the capital market, an increase in *commodity* prices, adverse fluctuations in sector-specific factors such as interest rates, which may have negative effects in the sectors in which the Group operates, could have a significant negative impact on the prospects and business of the Group, as well as its results of operations and financial position. The profitability of the Group's activities is also subject to risks related to fluctuations in interest rates and the inflation rate, the solvency of counterparties, as well as the general economic conditions of the countries in which these activities are carried out.

Risks connected with the importance of certain key figures

The success of the Group depends on a number of key figures who have made a decisive contribution to its development. The Group believes that it has an operational and managerial structure capable of ensuring continuity in the management of corporate affairs. However, should any of the above-mentioned key figures interrupt their collaboration with the Group, there is no guarantee that the Group will be able to replace them in a timely manner with figures capable of ensuring, in the short term, the same contribution, with the consequence that the Group could be adversely affected.

Risks related to the regulatory framework

The Group operates in a sector governed by several national, supranational and international regulatory provisions. Any changes in the current regulatory framework (and, in particular, any changes in relations with the State, public bodies and sector authorities, determination of airport charges and the amount of concession fees, airport pricing system, allocation of *slots*, environmental protection and noise pollution) could have an impact on the operations and economic results of the Company and the Group to which it belongs.

For a detailed examination of the main changes to the regulatory framework and developments in the sector, please refer to the previous paragraph "Salient aspects of the current regulatory framework" of this Directors' Report dedicated to these aspects.

Cyber Security

In 2023, the subsidiary Save S.p.A. renewed its ISO 27001 certification on information security, updating the scheme to the latest ISO/IEC 27001:2022 version, in line with the current threat landscape. Save has also launched a project to extend the scope of certification of the Information Security Management System to the Group's other airports.

The Company considers the protection of its information assets to be absolutely strategic, and considers it essential to properly manage the risks to which the company's assets are subjected and the adequate management of IT events and incidents in preventive and reactive terms. In this regard, the implementation of the guidelines dictated by the international standard ISO/IEC 27035 has been certified, through the strengthening of the processes, services and technologies necessary for the effective management of potential IT incidents and business continuity aspects.

This activity, in addition to the implementation of a model for assessing the security of technological systems, makes it possible to obtain greater visibility on security events and metrics affecting the Company's assets, and to better protect the information assets and operations of the Group's companies.

The growing interconnections with suppliers and the relevance of cyber attacks on supply chains have led the Company to conduct a project to consolidate processes and procedures for the management of security aspects in the relationship with them, both from the point of view of technical and contractual measures.

The analysis of information security risks conducted periodically by the Company and the related management of the treatment plan are verified annually by an external certification body during surveillance audits or renewal of ISO/IEC 27001:2022 certification, aimed at ensuring compliance and effectiveness of the Information Security Management System.

Digital transformation has become a key element for companies that want to remain competitive in their markets; technologies such as Cloud Computing, the Internet of Things (IoT) and Artificial Intelligence (AI) contribute significantly to the growth and improvement of business productivity. However, also due to the delicate geopolitical situation due above all to the ongoing conflicts on Europe's borders, the adoption of these technologies by companies is leading to a significant evolution in the threats and techniques used by criminals to compromise the information assets of companies and their operations.

The strengthening of the governance of the processes of updating and managing vulnerabilities, and of the security supervision of products and services during the entire life cycle of software and systems, is of fundamental importance in the development of digitalization in companies, especially if we consider the increase in dependence on service providers and the potential exposure surface that can be exploited for conducting cyber attacks.

The adequate protection of the backup copies of company data and an incident response plan have acquired a fundamental importance to cope with a possible interruption of services, in particular when it is the consequence of targeted and increasingly probable cyber attacks.

Climate change

The Group pays particular attention to issues related to sustainability and the effects of climate change, in the awareness that sustainability and environmental responsibility are essential requirements for development and growth.

The airports of Venice and Treviso have already made many investments aimed at environmental sustainability and the reduction of their carbon footprint, in fact Venice Marco Polo Airport has already been certified at level 4+ Transition and Treviso Canova Airport at level 3+ Neutrality of the Airport Carbon Accreditation; in the same program, Verona's Catullo airport is accredited to level 2 Reduction.

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

The commitment to net zero CO₂ emissions by 2050 has subsequently been confirmed several times, most recently with the declaration adopted by the 33rd Annual Congress

and General Assembly of ACI Europe on 27 June 2023, signed by 324 airports operated by 104 operators from 38 European countries; on that occasion, SAVE confirmed the goal of net zero CO2 emissions for Venice Airport by 2030, along with 132 other European airports³.

To achieve this goal, SAVE presented to ACI EUROPE the roadmap describing the decarbonization strategy of Venice airport; the launch of the public archive that collects the different airport road maps took place at the same time as the annual congress and general assembly of ACI Europe in October 2021 in Geneva⁴.

With regard to the risks arising from climate change, SAVE specifically considered the physical and business continuity risks related to the possible intensification in frequency and magnitude of extreme weather events, such as cloudbursts of great intensity or tides of exceptional and unpredictable magnitude.

However, SAVE is aware that events of this nature could still lead to temporary interruptions to airport activities, for example due to flooding of the runways and/or the area surrounding the managed airports; for the Venice site, the physical risk also takes into account projections of possible sea level rise.

The company has therefore launched further analyses on airport facilities and operational activities in relation to different climate evolution scenarios, with the aim of deepening their resilience to weather and climate drifts and extreme weather events; The results of these analyses will make it possible to identify and adopt any further initiatives necessary to reduce or contain the risks related to climate change.

Governance

Millione's corporate governance system is traditional; The main corporate bodies are:

- the Shareholders' Meeting;
- the Board of Directors;
- the Board of Statutory Auditors.

Pursuant to the Articles of Association, as long as the corporate structure is composed of three significant shareholders and each holds a shareholding greater than or equal to 10% (ten percent) of the Company's share capital, the Board of Directors will be composed of 9 (nine) directors.

Pursuant to the law and the Articles of Association, the Board of Statutory Auditors is composed of three Standing Auditors and three Alternate Auditors.

In accordance with the law, the statutory audit of the accounts is entrusted to an auditing firm, appointed by the Shareholders' Meeting, in compliance with the provisions of the law and the provisions of the Articles of Association.

The Shareholders' Meeting held on 8 October 2020 elected, in accordance with the law and the Articles of Association, the Board of Directors and the Board of Statutory Auditors in office for the three-year period 2020-2022.

During the Shareholders' Meeting of 18 May 2023, the Shareholders Sviluppo 87 S.r.l. ("SV87"), Infra Hub S.r.l. ("InfraHub") and Leone Infrastructure S.r.l. ("Leone") (together the "Shareholders" representing a total of 99.9963% of the share capital),

³ <https://www.aci-europe.org/netzero>.

⁴ <https://www.aci-europe.org/netzero/repository-of-roadmaps.html>.

deemed it appropriate to: i) postpone – for the time being – the renewal of the administrative and control bodies, keeping the current members in office under the prorogatio regime, respectively, pursuant to art. 2385, 2 co. and 2400 of the Italian Civil Code and ii) to delegate to a subsequent meeting of the Shareholders' Meeting, the task of making appointments.

Holding and acquisition of treasury shares of the Parent Company

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

Intercompany and related parties transactions

About transactions with subsidiaries and associates and related parties during the year, reference should be made to the relevant paragraph of the notes to the Company's financial statements and the explanatory notes to the Group's consolidated financial statements.

Subsequent events and business outlook

No significant events have occurred that would make the current financial position substantially different or require amendments or additions to the financial statements after the end of these consolidated financial statements.

It should be noted that, in February 2024, SAVE S.p.A. purchased, exercising its right of first refusal on 118,066 shares of the company put up for sale by Fondazione Cassa di Risparmio VR VI BL AN, a further 56,313 shares of the investee company Aeroporto Valerio Catullo di Verona Villafranca S.p.A., thus bringing its stake to 45.231%.

Despite the persistence of a global macroeconomic situation of little development and a geopolitical situation of extreme uncertainty linked to the still open conflicts in Ukraine and the Middle East, the traffic trend in the first months of 2024 and the offer included by the various airlines for the summer season in all the airports managed by the Group makes us expect 2024 to continue with growing volumes compared to 2023 and also compared to the 2019 to resume that growth path abruptly interrupted by the crisis generated by the COVID-19 pandemic.

Allocation of the result for the year

Dear Shareholders,

We submit the Financial Statements for the year ended 31 December 2023 for your approval, and we trust that we will agree with the criteria we have followed in the preparation of the Financial Statements for the year ended 31 December 2023, leaving any decision regarding the allocation of the result for the year ended 31 December 2023 to you.

The Chairman of the Board of Directors
Cav. Lav. Dr. Enrico Marchi

CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2023

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	12/31/2023	12/31/2022
Cash and cash equivalents	1	115,268	74,219
Other financial assets	2	26,010	45,858
<i>of which related parties</i>	2	150	150
Tax receivables	3	394	814
Other receivables	4	4,240	4,782
Trade receivables	5	47,463	43,541
<i>of which related parties</i>	5	3,325	4,158
Inventories	6	3,805	2,320
Total current assets		197,180	171,534
Assets held-for-sale		0	0
Property, plant and equipment	7	52,642	53,456
Airport Concession rights	8	606,295	601,827
Concessions	8	642,370	675,454
Other intangible fixed assets with finite useful life	8	5,524	6,245
Goodwill - other intangible fixed assets with indef. useful life	8	310,533	310,533
Equity investments in associates and Joint Ventures	9	125,666	106,315
Other equity investments	9	1,155	1,155
Other assets	10	66	62
Deferred tax assets	11	47,198	51,206
Total non-current assets		1,791,449	1,806,253
TOTAL ASSETS		1,988,629	1,977,787

Liabilities (Euro thousands)	NOTE	12/31/2023	12/31/2022
Trade payables	12	80,669	65,970
<i>of which related parties</i>	12	385	418
Other payables	13	53,423	42,874
<i>of which related parties</i>	13	162	310
Tax payables	14	3,127	4,762
Social security institutions	15	3,357	2,835
Bank payables	16	7,670	7,667
Other financial liabilities – current portion	17	716	402
Total current liabilities		148,962	124,510
Liabilities related to assets held-for-sale		0	0
Other payables	18	0	0
Bank payables – less current portion	19	1,016,376	1,021,275
Other lenders – less current portion	20	5,164	4,479
Deferred tax liabilities	21	196,475	209,766
Post-employment benefits and other employee provisions	22	3,057	3,009
Provisions for other risks and charges	23	34,159	29,501
Total non-current liabilities		1,255,231	1,268,030
TOTAL LIABILITIES		1,404,193	1,392,540

Shareholders' Equity (Euro thousands)	NOTE	12/31/2023	12/31/2022
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		538,971	508,369
Net Profit/(loss)		14,631	45,800
Total Group shareholders' equity	24	581,518	582,085
Shareholders' equity - minority interest		2,918	3,162
TOTAL SHAREHOLDERS' EQUITY	24	584,436	585,247
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,988,629	1,977,787

Consolidated Income Statement

(Euro thousands)	NOTE	2023	2022
Operating revenue	25	219,790	180,252
Other income	25	14,912	75,266
Total operating revenue and other income		234,702	255,518
Costs of Production			
Raw and ancillary materials, consumables and goods	26	2,158	1,784
Services	27	56,160	52,946
Rents, lease and similar costs	28	14,140	11,469
Personnel costs:			
wages and salaries and social security charges	29	40,227	36,491
post-employment benefits	29	2,043	1,780
other costs	29	462	492
Amortisation, depreciation, and write-downs			
amortisation	30	60,982	60,470
depreciation	30	9,858	10,594
Write-downs of current assets	31	68	257
Change in inventories of raw and ancillary materials, consumables & goods	32	(204)	(62)
Provisions for risks	33	503	610
Replacement provision	34	5,990	6,095
Other charges	35	2,464	2,014
Total costs of production		194,851	184,940
EBIT			
		39,851	70,578
Financial income and revaluation of financial assets	36	1,762	5,215
Interest, other financial charges and write-down of financial assets	36	(37,127)	(36,183)
Profit/losses from Associates & JV's carried at equity	36	9,503	6,673
		(25,862)	(24,295)
Profit/(loss) before taxes		13,989	46,283
Income taxes	37	(400)	(248)
<i>current</i>		4,062	2,894
<i>deferred</i>		(4,463)	(3,143)
Profit/(loss) on Continuing Operations		14,389	46,531
Profit/(loss) from Discontinued Operations/Held-for-sale	38	(2)	(41)
Net Profit/(loss)	39	14,387	46,490
Minority interest		(244)	690
Group Net Profit/(loss)		14,631	45,800

Consolidated Comprehensive Income Statement

(EURO THOUSANDS)	NOTES	2023	2022
Net Profit/(loss)		14,387	46,490
effect oci of equity investment valuation as per equity method	9	(94)	177
Hedging instruments	19	(15,085)	33,136
Total Gains/(Losses) on other comprehensive income statement items net of taxes which may be reclassified to the income statement		(15,179)	33,313
Actuarial gains/(losses) of employee defined plans, net of taxes	22	(19)	87
Total Gains/(Losses) on other comprehensive income statement items net of taxes which may not be reclassified to the income statement		(19)	87
Total comprehensive income/(expense)		(810)	79,889
Minority comprehensive income/(expense)		(244)	692
Total comprehensive income/(expense) pertaining to the Group		(567)	79,197

Consolidated Cash Flow Statement

(EURO THOUSANDS)	2023	2022
Operating activities		
Profit/(loss) from continuing operations	14.387	46.531
Profit on discontinued operations/held-for-sale	(2)	(41)
Profit/(loss) for they year	14.385	46.490
Adjustments for:		
- Amortisation, depreciation and write-downs	70.664	70.808
- Provisions	6.200	6.962
- Financial income and charges	25.862	23.234
- Income taxes	(400)	(248)
- Other changes in provisions	(514)	(784)
- Financial income received	1.761	4.070
- Interest paid	(33.588)	(24.624)
- Dividends received	4.250	0
- (Capital gains) capital losses disposals of assets	5	(7)
- Taxes paid	5.139	(207)
- Other changes in ferred taxes	(57)	(312)
Sub-total (A)	93.708	125.382
Decrease (increase) in trade receivables	(3.990)	(8.022)
Decrease (increase) in other current assets	(1.056)	2.684
Decrease (increase) in other tax assets/liabilities	(10.415)	2.128
Increase (decrease) in trade payables	10.234	4.956
Increase (decrease) in social security payables	521	292
Increase (decrease) in other liabilities	10.283	570
Sub-total (B)	5.577	2.608
CASH FLOW FROM OPERATING ACTIVITIES (A + B) = (C)	99.285	127.990
Investing activities		
(Acquisition) of property, plant & equipment	(7.858)	(6.548)
Divestments of property, plant & equipment	81	99
(Acquisition) of intangible assets	(32.667)	(25.715)
Divestments of intangible assets	242	244
Change in Trade payables for investments	4.465	12.571
(Increase) in financial fixed assets	(14.101)	(15.999)
CASH FLOW FROM INVESTING ACTIVITIES (D)	(49.839)	(35.347)
Financing activities		
Change in payables to other lenders	(697)	(395)
Issue of loans and related charges	0	580.080
(Repayment) and other changes in loans	(7.698)	(622.694)
CASH FLOW FROM FINANCING ACTIVITIES (E)	(8.395)	(43.009)
CASH FLOW FROM DISCONTINUED OPERATIONS (F)	0	0
NET CASH FLOW FOR THE YEAR (C+D+E+F)	41.050	49.632
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	74.219	24.587
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	115.268	74.219

Statement of changes in Shareholders' Equity

Reference Note 24

	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
(Euro thousands)								
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								
Balance at December 31, 2022	189	76	27,651	508,369	45,800	582,085	3,162	585,247

	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
(Euro thousands)								
Balance at January 1, 2023	189	76	27,651	508,369	45,800	582,085	3,162	585,247
Profit/(loss) previous year				45,800	(45,800)			
Result of separate income statement					14,631	14,631	(244)	14,387
Other comprehensive profits / losses				(15,198)		(15,198)	0	(15,198)
Result of comprehensive income statement				(15,198)	14,631	(567)	(244)	(811)
Other movements						0		0
Balance at December 31, 2023	189	76	27,651	538,971	14,631	581,518	2,918	584,436

Notes to the Consolidated Financial Statements
at DECEMBER, 31 2023

MILIONE S.p.A.

Share Capital Euro 188,737.00 fully paid-up
Registered Office: viale G. Galilei n. 30/1 - 30173 Venice
REA Venezia n. 418330
Venice Business Register, Tax Code and VAT 03411340262

Information on Group activities

Milione S.p.A. (hereinafter also referred to as the "Parent Company", the "Company" or the "Milione") holds the controlling interest in SAVE S.p.A. – hereinafter also referred to as "SAVE", a company that also operates through its subsidiaries mainly in the management of airports. Save directly manages Venice's Marco Polo Airport and controls the management company of Treviso's Antonio Canova Airport. It also holds significant stakes in Valerio Catullo airport in Verona and in Charleroi airport (Belgium). Save also owns companies operating in the field of airport-related services.

The Parent Company has its registered office in Tessera (Venice), Viale G. Galilei no. 30/1.

Accounting Standards adopted for the preparation of the Consolidated Financial Statements

Basis of preparation

These consolidated financial statements of the Milione Group refer to the year ended 31 December 2023.

The consolidated financial statements have been prepared according to the historical cost principle as well as on the assumption of going concern.

The consolidated financial statements are presented in Euro, which is also the functional currency of the Group, and all values are rounded to the nearest thousand Euro unless otherwise indicated.

Statement of compliance with IAS/IFRS

The consolidated financial information as at 31 December 2023 has been prepared in compliance with the *International Financial Reporting Standards (IFRS)* approved by the European Union and in force at the date of preparation of the financial statements.

Content and form of the consolidated financial statements

These financial statements have been prepared by the Board of Directors on the basis of the accounting and consolidation records as at 31 December 2023.

For comparative purposes, the financial statements show a comparison with the balance sheet data as at 31 December 2022 and with the economic data for 2022.

The Company has opted for the preparation of separate income statement and comprehensive income statements, as permitted by IAS 1, considering this representation preferable. In addition, considering these methods to be more effective in representing business phenomena, the liquidity criterion was used in the representation of balance sheet items, dividing assets and liabilities into current and non-current, the income statement with

the allocation of income and expenses by nature and the analysis of cash flows prepared with an indirect method divided between operating activities, investment and financing.

Consolidation scope

Subsidiaries

The consolidated financial statements include, using the global integration method, companies in which the Parent Company holds, directly or indirectly, control, as defined by IFRS 10, or the majority of the shares or capital units and voting rights.

All intra-group balances and transactions, including any unrealised gains and losses arising from relationships between Group companies, are eliminated.

The subsidiaries are consolidated on a line-by-line basis from the date of acquisition, i.e. the date on which the Group acquires control, and cease to be consolidated on the date on which control is transferred outside the Group.

The carrying amount of the investments included in the scope of consolidation is eliminated against the shareholders' equity of the investee companies according to the global integration method. Any difference between the acquisition cost and the book equity of the investee companies at the time of acquisition of the investment is allocated to specific assets, liabilities or contingent liabilities of the acquired companies, on the basis of their fair value at the acquisition date and for the remaining part, if the conditions are met, to Goodwill. In this case, these amounts are not amortized, but are subject to *impairment testing* at least on an annual basis and in any case whenever impairment indicators are detected.

Non-controlling interests represent the portion of profits or losses and net assets not held by the Group and are presented separately in the income statement and in the balance sheet under equity separately from the Group's shareholders' equity. Purchases of minority interests in previous years have been accounted for using the parent *entity extension method*, whereby the difference between the price paid and the carrying amount of the portion of the net assets acquired is recognised as goodwill. Changes in the interest that do not constitute a loss of control were treated as *equity transactions* and therefore were offset by shareholders' equity.

The following is a summary of the companies included in the consolidation scope using the global integration method:

COMPANY	CURRENCY	SHARE CAPITAL	GROUP % HOLDING	
			12/31/2023	12/1/2022
PARENT COMPANY:				
Milione S.p.A.	Euro	188.737		
<i>its subsidiary:</i>				
SAVE S.p.A.	Euro	35.971.000	100	100
<i>its subsidiaries:</i>				
Marco Polo Park S.r.l.	Euro	516.460	100	100
Belgian Airports SA	Euro	13.050.000	100	100
N-ATTEC 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
Archimede 3 S.r.l.	Euro	50.000	100	100

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Associates and JVs

When control over an asset is attributed jointly to two or more operators, it is a *Joint Arrangement*, and as such is classified as a *Joint Operation* (JO) or *Joint Venture* (JV), based on an analysis of the underlying contractual rights and obligations. In particular, a JV is a *Joint Arrangement* in which the participants, while having control of the main strategic and financial decisions through voting mechanisms that provide for unanimity of decisions, do not have legally relevant rights over the individual assets and liabilities of the JV. In this case, the joint control relates to the net assets of the JVs. This form of control is represented in the financial statements using the equity valuation method. *Joint Operations*, on the other hand, are *Joint Arrangements* in which the participants have rights to the assets and are directly obligated for the liabilities. In this case, the individual assets and liabilities and the related costs and revenues are recognised in the investee's financial statements on the basis of the rights and obligations of each of them, regardless of the interest held. The *Group's Joint Arrangements* have all been classified as *Joint Ventures*.

Companies over which significant influence is exercised, generally accompanied by a percentage of ownership between 20% and 50% (investments in associates) and *Joint Ventures* (as previously qualified) are measured using the equity method.

In the case of application of the equity method, the value of the investment is aligned with adjusted equity, where necessary, to reflect the application of IFRS and includes the recognition of the higher value paid and subject to *purchase price allocation* that may be identified at the time of acquisition as well as for the effects of the adjustments required by the standards relating to the preparation of the consolidated financial statements.

In the event that the Group has evidence of impairment losses on the investment in addition to any amount already recognised through the equity method, any *impairment* to be recognised in the income statement is determined, determined as the difference between the recoverable amount of the investment and its carrying value.

Below is a breakdown of associates and JVs:

COMPAN ^y	CURRENC Y	SHARE CAPITAL	GROUP % HOLDING	
			12/31/2023	12/1/2022
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	48,32
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 Villaf Euro	Euro	114.378.880	44,15	43,46
Urban V S.p.A.	Euro	50.000	20	20

In September, the Shareholders' Meeting of Valerio Catullo di Verona Villafranca S.p.A. approved a share capital increase of approximately Euro 30.2 million, of which Euro 28.1 million as capital and Euro 2.1 million as share premium through the issue of 1,275,236 shares with the same characteristics as those already outstanding. Save S.p.A., already a 43.457% shareholder, subscribed the share offered in pre-emption in proportion to the shares already held, then exercised the right of pre-emption in the purchase of the new

shares that remained unsubscribed, for a total consideration of approximately Euro 14 million, thus bringing its stake to 44.148%.

Basis of consolidation

Changes in accounting standards

The accounting standards adopted for the preparation of the consolidated financial statements are in line with those followed for the preparation of the Group's annual financial statements as at 31 December 2022, with the exception of the adoption of the new Standards and Interpretations applied as of 1 January 2023 listed below.

Accounting standards, amendments and IFRS interpretations applied from 1 January 2023

The following accounting standards, IFRS amendments and interpretations have been applied by the Group for the first time as of January 1, 2023:

- On 18 May 2017, the IASB published IFRS 17 – *Insurance Contracts*, which is intended to replace IFRS 4 – *Insurance Contracts*. The principle has been applied since 1 January 2023. The objective of the new standard is to ensure that an entity provides relevant information that accurately represents the rights and obligations arising from the insurance contracts issued. The adoption of this standard and its amendment did not have any effect on the Group's consolidated financial statements.

- On 7 May 2021, the IASB published an amendment entitled *"Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction"*. The document clarifies how deferred taxes are to be accounted for on certain transactions that may generate assets and liabilities of the same amount at the date of first recognition, such as leasing and decommissioning obligations. The changes were effective January 1, 2023.

The adoption of this amendment had no effect on the Group's consolidated financial statements.

- On February 12, 2021, the IASB published two amendments called *"Disclosure of Accounting Policies—Amendments to IAS 1 and IFRS Practice Statement 2"* and *"Definition of Accounting Estimates—Amendments to IAS 8"*. Amendments to IAS 1 require an entity to disclose material information about the accounting policies applied by the Group. The amendments are aimed at improving the disclosure of the Group's accounting policies in order to provide more useful information to investors and other primary users of the financial statements, as well as to help companies distinguish changes in accounting estimates from changes in *accounting policies*. The changes were effective January 1, 2023. The Company has adopted these amendments in these financial statements by adjusting the disclosure of material information to the accounting policies adopted.

- On May 23, 2023, the IASB published an amendment called *"Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules"*. The document introduces a temporary exception to the obligations to recognise and disclose deferred tax assets and liabilities relating to the Pillar *Two Model Rules* (the rule of which is in force in Italy as of 31 December 2023, but applicable from 1 January 2024) and provides for specific disclosure obligations for entities affected by the related *International Tax Reform*.

The document provides for the immediate application of the temporary exception, while the disclosure requirements are applicable only to annual financial statements started on or after 1 January 2023 but not to interim financial statements with a closing date prior to 31 December 2023. The Company is not affected by the aforementioned *International Tax Reform*.

Accounting standards, amendments and IFRS interpretations approved by the European Union as of December 31, 2023, not yet mandatory and not adopted in advance by the group as of December 31, 2023

The following IFRS accounting standards, amendments and interpretations have been approved by the European Union but are not yet mandatory and have not been adopted in advance by the Group as of December 31, 2023:

- On 23 January 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 31 October 2022 it published an amendment called "***Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants***". The purpose of these amendments is to clarify how to classify short-term or long-term debts and other liabilities. In addition, the amendments also improve the information that an entity must provide when its right to defer the extinguishment of a liability for at least twelve months is subject to compliance with certain parameters (i.e. covenants). The changes come into force from 1 January 2024; Early application is still permitted. The directors do not expect a material effect on the Group's consolidated financial statements from the adoption of this amendment.
- On September 22, 2022, the IASB published an amendment called "***Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback***". The document requires the seller-lessee to assess the lease liability arising from a *sale & leaseback* transaction so as not to recognize a gain or loss that relates to the retained right of use. The changes will apply from January 1, 2024, but early enforcement is allowed. The directors do not expect a material effect on the Group's consolidated financial statements from the adoption of this amendment.

Accounting standards, amendments and IFRS interpretations not yet approved by the European Union as of December 31, 2023

At the reference date of this document, the competent bodies of the European Union have not yet completed the approval process necessary for the adoption of the amendments and principles described below.

- On May 25, 2023, the IASB published an amendment entitled "***Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements***". The document requires an entity to provide additional information on *reverse factoring* arrangements that allow users of the financial statements to assess how financial arrangements with suppliers may affect the entity's liabilities and cash flows and to understand the effect of such arrangements on the entity's exposure to liquidity risk. The changes will apply from January 1, 2024, but early enforcement is allowed. The Directors do not expect a material effect on the Group's consolidated financial statements from the adoption of this amendment.

- On August 15, 2023, the IASB published an amendment called "***Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability***". The document requires an entity to apply a methodology to be applied in a consistent manner in order to verify whether one currency can be converted into another and, when this is not possible, how to determine the exchange rate to be used and the disclosure to be provided in the notes to the financial statements. The change will apply from 1 January 2025, but an early application is allowed. The directors do not expect a material effect on the Group's consolidated financial statements from the adoption of this amendment.

Seasonality of the activity

Due to the cyclical nature of the industry in which the Group operates, higher revenues and operating results are generally expected in the second and third quarters, rather than in the first and final months of the year. In fact, the highest sales are concentrated in the period June-September, the peak time of the summer holidays, when the highest level of users is recorded at the directly managed mobility infrastructures (airports).

Significant accounting estimates

The preparation of the consolidated financial statements and the related Explanatory Notes in accordance with the relevant accounting principles requires the Directors to make estimates and assumptions that have an effect on the values of assets and liabilities in the financial statements and on the information relating to contingent assets and liabilities at the balance sheet date. The estimates and assumptions used are based on experience and other elements considered relevant and are subject to periodic review; The effects of any changes made to them are reflected in the income statement in the year in which the estimate revision takes place. The materialization of results different from those estimated may require adjustments, which to date cannot be estimated or foreseeable.

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

Impairment losses on goodwill and other specific intangible assets

Goodwill is audited for any impairment at least once a year. Such verification requires an estimate of the value in use of the cash-generating unit to which the goodwill is allocated, which in turn is based on the estimate of the expected cash flows of the unit and their discounting at an appropriate discount rate.

For verifying any impairment of goodwill recorded in the financial statements, the Company has adopted the methodology described in the paragraph "Impairment losses on property, plant and equipment and intangible assets". The cash flows of the *cash generating units* attributable to each goodwill have been derived from the *Business Plans* approved by the Boards of Directors of the Company or its subsidiaries, as applicable.

In relation to other specific intangible assets with a defined useful life, an impairment check is carried out annually on the residual value, resulting from the allocation of the higher value paid at the time of acquisition.

For a more detailed and analytical discussion of the valuations carried out as at 31 December on individual goodwill items and other specific intangible assets, please refer to the following paragraph "Verification of the recoverability of the value of assets or groups of assets", reported before the valuation criteria.

Deferred tax assets

Deferred tax assets refer to tax losses carried forward, financial expenses whose deductibility is conditional and temporary differences between the book values and the amounts recognised for tax purposes, attributable to deferred deductible costs, mainly relating to provisions for risks.

These assets are recorded in the financial statements based on a discretionary assessment by the Directors of the probability of their recovery, assessed with particular regard to the estimate of the ability of the Parent Company and its subsidiaries, also as a result of adherence to the "tax consolidation" regime, to generate positive taxable income in the coming years on the basis of the economic and financial forecasts prepared by management. subject to significant uncertainties, particularly in the current macroeconomic and sector context.

The valuation was carried out on the basis of the expected tax rate for the year in which the temporary difference is expected to be passed on.

Doubtful debts provision

The doubtful debt provision is based on a specific analysis of both the cases in dispute and the files that, although not in litigation, show some symptoms of delay in collection. The allocation also includes the measurement of residual receivables according to the *Expected Loss logic* calculated over the entire life of the receivable in accordance with the new provisions of IFRS 9. The overall valuation of the realisable value of trade receivables requires estimates on the probability of recovery of the aforementioned practices as well as of the write-down percentages applied to non-litigated receivables and, therefore, is subject to uncertainty.

Renewal of concession assets fund

A special fund has been allocated to the properties held under concession by some Group companies, which includes the amounts necessary for the initial maintenance or replacement of each asset constituting the infrastructure owned, which must be donated to the State in perfect working condition at the end of the concession.

The renovation fund is replenished annually based on a technical assessment of the estimated future costs relating to the cyclical maintenance necessary for the maintenance of the assets that are expected to be donated free of charge at the end of the concession and used on the basis of the maintenance carried out during the period.

Pension funds and other post-employment benefits

The cost of defined benefit pension plans and other post-employment benefits is determined using actuarial valuations. Actuarial valuation requires the development of assumptions about discount rates, the expected rate of return on employment, future wage 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 taxes

Current taxes for the current year are assessed at the amount that is expected to be recovered or paid to the tax authorities. The tax rates and legislation used to calculate the amount are those issued or substantially issued at the date of the consolidated financial statements. Current taxes relating to items reflected directly in equity are recognised directly in equity and not in the income statement.

Test on the recoverability of assets and groups of assets

Impairment tests were carried out in order to assess the existence of any impairment losses with reference to the amounts allocated to Goodwill or Concessions, which were accounted for in this and previous years.

The test is carried by comparing the carrying value of the asset or group of assets that make up the cash flow generating unit (CGU) with the recoverable amount of the same, given by the greater of the fair value (net of any costs to sell) and the value in use determined using the Discounted Cash Flows method, i.e. on the basis of the discounted net cash flows that are expected to be produced by the asset or group of assets that make up the asset. CGU (value in use). In particular, the recoverable amounts of the assets referred to the CGUs under test were verified by comparing them with the present value of the cash flows expected until the end of the respective concessions.

In this regard, it should be noted that the recoverable amount is determined based on estimates, characterised by their nature by uncertainty profiles, to which is added the macroeconomic uncertainty caused by the dramatic geopolitical evolution and inflationary dynamics that characterised 2023.

Concession value and goodwill allocated to the Venice CGU on the *Purchase Price Allocation*

The Group, in accordance with the provisions of IAS 36, has carried out an audit of the existence of any impairment losses with reference to the amount of €849.2 million allocated to "Concession Rights", and the amount of €303.6 million allocated to "Goodwill" at the time of the acquisition, which took place in 2017 and with reference to the invested capital of the so-called Venice CGU, referring to the activities carried out at the Marco Polo airport in Venice Tessera.

The cash flows of the Cash Generating Unit were taken from the Business Plan approved by the Board of Directors on 9 February 2023, and prepared by the management also with the support of two leading independent consulting firms, duly updated with the forecasts for the year 2024. Cash flows were subjected to a stress test in order to identify any *impairment losses*.

Following the amendment to Article 202, paragraph 1-bis, provided for in the so-called "Legislative Decree". "Relaunch Decree" converted into law on 17 July 2020, which led to an extension of all existing airport concessions by two years, the forecast scenario covers a time horizon between 2024 and 2043, the key elements of which are to be found: (i) in the presence of a concession under total management, (ii) the growth of both aviation and non-aviation commercial revenues, thanks to appropriate investments made, depending on traffic, (iii) the prospective revision and updating, also in light of the results achieved in 2023, of certain revenue growth drivers and related investments.

A Weighted Average Cost of Capital (WACC) net of tax effect of 6.6% was used to discount the flows, using the 12-month average of the *risk free rate*. The recoverable amount, understood as value in use, thus identified, is higher than the carrying value and the test therefore did not show the need to make write-downs to the assets recorded. The value of

the WACC, which makes the value in use of the CGU equal to its carrying amount, is approximately 7.1%.

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

For the 2023 financial year, the Group verified the existence of any impairment losses with reference to the amount of €16.2 million allocated to "Concession Rights", and the amount of €6.9 million, allocated to "Goodwill" when it acquired from third-party shareholders, in 2007, a 35% stake in the capital of the company Aer Tre S.p.A. which manages Treviso airport.

The cash flows of the Cash Generating Unit were taken from the Milione Group's Business Plan approved by the Board of Directors on 9 February 2023, duly updated with the forecasts for the year 2024.

The forecast scenario considered, following the amendment to Article 202, paragraph 1-bis provided for in the so-called "Relaunch Decree" converted into law on 17 July 2020, which provided for a 2-year extension of all existing airport concessions, covers a time horizon between 2024 and 2055 and whose key elements are to be sought: (i) the presence of a concession under total management, (ii) the growth of commercial revenues, thanks to the appropriate investments envisaged, (iii) the revision and updating of some drivers of revenue growth and related investments, making explicit the plan until the end of the concession.

A Weighted Average Cost of Capital (WACC) after tax of 6.6% was used to discount the flows. The value in use identified, by applying the variables identified for the test to the drivers of the economic and financial scenario, is in any case higher than the carrying value. The value of the WACC, which makes the value in use of the CGU equal to its carrying amount, is approximately 7.5%.

Concession value deriving from the acquisition of a minority stake in Aeroporto Valerio Catullo S.p.A.

The impairment test was developed in order to assess the existence of any impairment losses with reference to the amount, equal to 15.7 million Euros, allocated to "Concession" and, residually, to "Goodwill" at the time of entry into the share capital and subsequent acquisitions of minority stakes in Aeroporto Valerio Catullo di Verona Villafranca S.p.A. ("Catullo"), company that holds the concessions for the management of the airports of Verona, Villafranca and Brescia, which took place since 2014.

The transaction, carried out through an initial purchase from the Municipality of Villafranca of 2% of Catullo's share capital, the subsequent subscription of a capital increase and finally with the exercise of the pre-emption right on a further 5.3% relating to shareholders who had opted to exercise the right of withdrawal, resulted in a 40.31% stake in Catullo held by SAVE at 31 December 2015. Following subsequent further purchases and capital increases that took place during 2021 and 2023, the shareholding held at 31 December 2023 was equal to 44.15% of the investee's share capital.

It should be noted that the investee is included in the consolidated financial statements using the equity method, therefore the value of the concession and goodwill mentioned above are included in the value of the investment.

The cash flows of the Cash Generating Unit attributable to Catullo relate to a time horizon between 2024 and 2055. The first period of the forecast scenario for the years 2024-2032 highlights the following key elements: (i) the strengthening of Verona airport within the catchment area and the simultaneous restoration of a traffic level in line with the potential of the reference area through the entry of new carriers based on the airport capable of guaranteeing a strong boost to traffic, the development of point-to-point destinations that are currently underserved or severely underserved (including through low-cost carriers), and the improvement of connectivity to hubs provided by network carriers; (ii) the development of the business in Brescia with the development of courier traffic, the growth of the general cargo segment and the consolidation of postal traffic; (iii) the growth of commercial revenues, thanks to the appropriate planned investments, according to the development of traffic. The second reference period of the scenario, extended by 2 years following the amendment to Article 202, paragraph 1-bis provided for in the so-called "Amendment to Article 202", is not the same as the "Reference Period". The "Relaunch Decree" converted into law on 17 July 2020, runs from 2033 to the end of the Verona concession in 2050 and refers to the flows deriving from the application of a so-called "g-rate" growth rate of 2% to revenues and costs for the year 2032. A Weighted Average Cost of Capital (WACC) net of 6.6% was used to discount the flows. The recoverable amount understood as the value in use thus identified, by applying the variables identified for the test to the drivers of the economic and financial scenario, 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 its carrying amount, is approximately 9.7%.

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

With regard to the execution of the shareholders' agreements with the Lagardère Group resulting from the sale agreement of the Airst Group, on 6 May 2015 LSTR Food Services Italia S.r.l. exercised its right to purchase ("call option") 50% of Lagardère Food Services S.r.l., a company resulting from the demerger, completed on 1 May 2015, of Airst S.p.A. and including all the activities of the Airst Group with the exception of the commercial activities present in the airports where the SAVE Group operates. Airst S.p.A., in fact, following the extraordinary transactions that took place in 2015, controls three companies in the Food & Beverage and Retail sectors, operating at the airports of Venice, Treviso and Verona. In order to rationalise the corporate structure of the Airst Group, in 2016 a merger took place between some of the companies that led to the parent company becoming Airst Retail S.p.A., which controls 100% of Collezioni Venezia S.r.l.

As a result of this reorganization, the Group has since held a 50% stake in Airst Retail S.p.A. The investee is included in the consolidated financial statements using the equity method and therefore the above-mentioned value allocated to the concession is included in the value of the investment.

The cash flows of the Airst Cash Generating Unit are derived from the 2024 budget, approved by the Board of Directors of Airst Retail, on the basis of which an economic and financial plan has been developed that covers a time horizon, between 2024 and 2028,

which coincides with the duration of the sub-concession contract for the F&B and Retail spaces at Venice and Treviso Airports.

A Weighted Average Cost of Capital (WACC) net of tax of 6.5% was used to discount the flows. The analyses showed that the value in use thus determined 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 coverage margin highlighted by the same.

Accounting Policies

The measurement criteria adopted as well as the relevant information relating to the international accounting standards (IAS/IFRS) applied for these consolidated financial statements are set out below.

Intangible assets

Intangible assets refer to assets without identifiable physical substance, controlled by the company and capable of producing future economic benefits, as well as those deriving from business combinations.

The useful life of intangible assets is assessed as definite or indefinite.

Intangible assets, with a finite useful life, are recognised at purchase or production cost or, if they arise from business combinations, are capitalised at fair value at the acquisition date; they include ancillary charges, systematically amortised for the period of their remaining usability in accordance with IAS 36 and subject to *impairment* tests whenever there are indications of a possible loss of value.

The residual value at the end of its useful life is assumed to be zero unless there is a commitment by a third party to purchase the asset at the end of its useful life or if there is an active market for the asset. The Directors revise the estimate of the useful life of the intangible asset at each end of the financial year.

The depreciation and amortisation of intangible assets with a finite life are recognised in the income statement in the cost category consistent with the function of the intangible asset.

Intangible assets with an indefinite useful life are subject to an annual review of the recoverability of their value at the individual level or at the level of the cash-generating unit (*impairment test*).

The recoverability of their book value shall be verified by adopting the criteria set out below.

No depreciation is recognised for these assets. The useful life of an intangible asset with an indefinite life shall be reviewed annually in order to ascertain whether the conditions underlying this classification persist.

The years of useful life of the different types of intangible assets are summarized below:

Category	Depreciation period
Patent rights and intellectual property rights: software	3 years/5 years
Airport Concession rights	Duration of airport concession

Development Costs	5 years
Licenses, Trademarks, and Other Similar Rights	Duration of the contract

The item "Patent rights and intellectual property rights" mainly refers to the costs for the implementation and customization of the management *software*.

The item "Right to use airport concessions" includes the value recognised under intangible assets in respect of airport infrastructures held in relation to the concession right acquired for the management of the same infrastructures in return for the right to charge users for the use of the same infrastructures, in the performance of public services, in accordance with the provisions of IFRIC 12 - Concession Service Agreements.

The depreciation of this item was carried out taking into account the estimate of the residual value of this asset, equal to the estimate of the value paid to the Concessionaire pursuant to the Navigation Code at the end of the airport concessions held by the Group companies.

Development costs refer to the mostly internal activities carried out by the indirect subsidiary Naitec S.r.l., aimed at applying the results of research or other knowledge possessed or acquired to current and potential products and services, prior to the start of marketing or use, and are amortized over five years.

Business combinations and goodwill

Business combinations before 1 January 2010

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of the acquisition is determined by the sum of the fair value at the exchange date, the assets sold, the liabilities incurred or assumed and the equity instruments issued by the acquirer, in exchange for control of the acquired company including the costs directly attributable to the business combination. The cost of the acquisition is allocated to the assets, liabilities and contingent liabilities of the acquired company valued at their *fair value* at the date of acquisition that meet the criteria set out in IFRS 3. The difference thus recognised between the cost of the business combination and the purchaser's interest, at the net *fair value* of identifiable assets, liabilities and contingent liabilities, is recognised as goodwill. Goodwill acquired in a business combination is not amortized; annually it is verified whether it has been impaired, or more frequently whether specific events or changed circumstances indicate the possibility that it may have been impaired, in accordance with IAS 36 "Impairment of assets". For the purposes of determining the *fair value* of assets and liabilities and *impairment* tests, directors' valuations are supported by independent experts. The minority shareholders' interest in the acquired companies is initially valued at their share of the fair values of the assets, liabilities and contingent liabilities recorded.

Business combinations after 1 January 2010

Following the introduction of the revised IFRS 3 standard, starting from 1 January 2010, the date of its first prospective application, business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the sum of the consideration transferred measured at *fair value* at the date of acquisition and the amount of any minority interest in the acquisition. For each business combination, the acquirer must measure any non-controlling interest in the acquiree at *fair value* or in proportion to the minority interest's share in the acquiree's identifiable net assets. Acquisition costs are expensed and classified under administrative expenses. When the group acquires a *business*,

it must classify or designate the financial assets acquired or liabilities assumed in accordance with the contractual terms, economic terms and other relevant conditions in place at the date of acquisition. This includes verifying whether an embedded derivative should be separated from the parent contract. If the business combination is carried out in several stages, the acquirer must recalculate the *fair value* of the investment previously held and measured using the *equity method* and recognise any resulting gain or loss in the income statement. Any potential consideration shall be recognised by the purchaser at *fair value* at the date of acquisition. The change in the *fair value* of the contingent consideration classified as an asset or liability will be recognised in accordance with IFRS 9 in the income statement or in the statement of other comprehensive income. If the contingent consideration is classified in equity, its value does not need to be recalculated until its repayment is accounted for against equity. Goodwill is initially measured at cost which is the excess between the sum of the consideration paid and the amount recognised for minority interests over identifiable net assets acquired and liabilities assumed by the Group. If the consideration is less than the *fair value* of the acquired subsidiary's net assets, the difference is recognised in the income statement. After initial recognition, goodwill is measured at the reduced cost of accumulated impairment losses. For the purposes of impairment, goodwill acquired in a business combination must, from the date of acquisition, be allocated to each cash-generating unit of the group that is expected to benefit from the combination, regardless of whether other assets or liabilities of the acquired entity are allocated to those units.

If goodwill has been allocated to a cash-generating unit and the entity disposes of part of the assets of that unit, the goodwill associated with the discontinued asset shall be included in the carrying amount of the asset when determining the gain or loss arising from disposal. The goodwill associated with the discontinued asset shall be determined based on the relative values of the discontinued asset and the retained portion of the cash-generating unit.

Property, plant and equipment

Property, plant and equipment are initially recognised at purchase or realisation cost or, if they arise from business combinations, at fair value at the acquisition date; the value includes the price paid to purchase or build the asset (net of discounts and rebates) and any costs directly attributable to the acquisition and necessary for the commissioning of the asset. For assets taken over by third parties, they are valued at *fair value* based on a specific appraisal. The purchase price or construction cost is net of public capital grants that are recognised when the conditions for granting them have been met. The land, both free of construction and annexed to civil and industrial buildings, has been accounted for separately and is not depreciated as it has an unlimited useful life. Property, plant and equipment are shown net of accumulated depreciation and amortization and any impairment losses determined as described below. Depreciation is calculated on a straight-line basis based on the estimated useful life of the asset.

Impairment losses are recognised in the income statement under depreciation and amortization costs. Such impairment losses shall be reinstated if the reasons for them cease to 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 balance sheet and any loss or gain (calculated as the difference between the sale value and the carrying value) is recognized in the income statement in the year of such elimination.

When the property, plant and equipment consist of several significant components with different useful lives, depreciation is made for each component. Land and property, plant and equipment held for sale are not subject to depreciation and are measured at the lower of their book value or fair *value*, net of disposal charges.

Maintenance and repair costs, which are not likely to enhance and/or extend the residual life of the assets, are expensed in the year in which they are incurred; otherwise, they are capitalized.

Property, plant and equipment are depreciated on a straight-line basis on the basis of the residual usability, shown in the following table:

CATEGORY	%
Manufactured	3%
Track vehicles and equipment	10% - 31,5%
Workshop machinery	12,5%
Miscellaneous machinery/other plants	15,0%
Remote signalling systems	25,0%
Alarm systems	30,0%
Operating machines/loading/unloading systems	10,0%
Equipment	35% - 15% - 12,5%
Cars / Motorcycles	20% - 25%
Ordinary office machines	12,0%
Furniture & Furnishings	15,0%
Telephone systems and electronic office machines	20,0%

Rights of use of leased property

Assets held by the Group under operating or financial lease agreements are accounted for by Milione S.p.A. and its subsidiaries in accordance with the provisions of IFRS 16 – Leases. The standard introduced the definition of *lease* and provides for a criterion based on the notion of control (*right of use*) of an asset to distinguish *lease contracts* from contracts for the provision of services, identifying as discriminating factors of *leases*: the identification of the asset, the right to replace it, the right to obtain substantially all the economic benefits deriving from the use of the asset and, lastly, the right to direct the use of the asset underlying the contract.

The Standard establishes a single model for the recognition and valuation of *lease* contracts for the lessee which provides for the recognition of the *leased asset*, including operating assets, in the assets with a counterpart to a financial debt. The financial debt is determined by discounting the lease payments according to the *incremental borrowing rate*. The Group has availed itself of the exemption granted by IFRS 16:5(b) concerning *lease* agreements for which the underlying asset is a *low-value asset*. The contracts for which the exemption has been applied mainly fall into the following categories:

- Computers, phones and tablets;
- Printers;
- Other electronic devices;
- Furniture and furnishings.

Impairment losses on property, plant and equipment and intangible assets

The carrying amounts of tangible and intangible assets are measured whenever there are clear signals internal or external to the company that indicate the possibility of the loss of the value of the asset or of a group of them (defined as Cash Generating Units or CGU).

The recoverable amount is the greater of the fair value of the cash generating asset or unit, net of costs to sell, and its value in use. The recoverable amount is determined on a per-asset basis, except when that asset generates cash flows that are not largely independent of those generated by other assets or groups of assets.

If the carrying amount of an asset is greater than its recoverable amount, that asset has suffered an impairment loss and is consequently written down to its recoverable amount. In determining the value in use, the Group discounts its estimated future cash flows at present value using a discount rate that reflects market valuations of the present value of money and asset-specific risks. An appropriate valuation model is used to determine the fair value net of costs of sale. These calculations shall be made using appropriate valuation multipliers, prices of listed shares for investee companies whose securities are publicly traded, and other available fair value indicators.

Impairment losses on continuing operations are recognised in the income statement in the cost categories consistent with the allocation of the asset that showed the impairment.

At each end of the financial statements, the Group also assesses, with reference to assets other than goodwill, the possible existence of indications of the elimination (or reduction) of impairment losses previously recognized and, if such indications exist, estimates the recoverable amount. The value of a previously impaired asset can only be reinstated if there have been changes in the estimates underlying the calculation of the recoverable amount determined after the recognition of the last impairment loss. The reversal in value may not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized in previous years. This recovery is recognised in the income statement unless the fixed asset is accounted for at a revalued value, in which case the recovery is treated as a revaluation increase.

The value of goodwill cannot be restored due to increases in recoverable amount.

The following criteria are used to account for impairment losses relating to specific types of assets:

Goodwill

The Group tests goodwill for impairment on an annual basis, or more frequently if events or changes in circumstances indicate that the carrying amount may be subject to impairment.

The impairment loss on these intangible assets is determined by valuing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which they are attributable. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (or group of cash-generating units) to which the intangible assets have been allocated, an impairment loss is recognised.

The reduction in the value of goodwill cannot be reinstated in future periods.

The Group carries out an annual audit of the impairment of the intangible assets identified above during the process of closing the annual financial statements.

The *impairment test* is carried out by comparing the carrying amount of the asset or cash flow generating unit (CGU) with the recoverable amount of the asset, which is the greater of the

fair value (net of any selling charges) and the value of the discounted net cash flows that are expected to be produced by the asset or CGU.

Each unit or group of units to which the specific intangible is allocated represents the lowest level within the Group where it is monitored for internal management purposes.

The conditions and procedures for the eventual reversal of the impairment of a previously impaired asset applied by the Group, excluding in any case any possibility of reversal of the value of goodwill, are those provided for by IAS 36.

Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale must be measured at the lower of carrying amount to fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through its continued use. This condition is considered to be met only when the sale is highly probable and the disposal business or group is available for immediate sale in its current condition. Management must have committed to the sale, which is expected to be completed within one year from the date of classification.

In the consolidated income statement, gains and losses on discontinued operations are represented separately from gains and losses on operating activities, under the after-tax profit line, even when the Group retains a minority stake in the subsidiary after the sale. The resulting profit or loss, net of tax, is presented separately in the income statement.

Property, plant and equipment and intangible assets, once classified as held for sale, no longer need to be depreciated.

Financial assets

With reference to the classification and measurement of financial assets, the Group has applied the requirements of IFRS 9 to instruments recorded as of 1 January 2018 and has not applied these requirements to assets that have already been eliminated at the date of initial application.

All recognised financial assets that fall within the scope of IFRS 9 shall subsequently be recognised at amortised cost or *fair value* based on the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial asset.

Specifically:

- Debt instruments held as part of a business model whose objective is the holding of financial assets for the purpose of collecting contractual cash flows, and which have cash flows represented solely by principal payments and interest on the principal amount to be repaid, are subsequently measured at amortised cost;
- Debt instruments held as part of a business model whose objective is achieved both through the collection of contractual cash flows and through the sale of financial assets, and which have cash flows represented solely by principal payments and interest on the principal amount to be repaid, are subsequently measured at *fair value* with changes recognised in other comprehensive income (FVTOCI);
- All other debt instruments and investments in equity instruments are subsequently measured at *fair value*, with changes recognised in profit or loss (FVTPL).

When an investment in a debt instrument measured as FVTOCI is eliminated, the cumulative profit (loss) previously recognized among the other components of the

statement of comprehensive income is reclassified from equity to profit or loss through a reclassification adjustment. Conversely, when an investment in an equity instrument designated as an FVTOCI valuation is eliminated, the cumulative profit (loss) previously recognised among the other components of the statement of comprehensive income is subsequently transferred to retained earnings without passing through the income statement.

Debt instruments subsequently measured at amortised cost or FVTOCI are subject to impairment.

Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires the application of an expected credit loss model, instead of the expected credit loss model required by IAS 39. The different model based on expected credit losses requires the Group to consider expected credit losses and changes in such expected credit losses at each balance sheet date to reflect changes in credit risk since the initial recognition of financial assets. In other words, it is no longer necessary for an event to occur that casts doubt on the recoverability of the receivable before recognising a credit loss.

IFRS 9 requires the Group to recognize a provision for doubtful accounts for expected credit losses with reference to:

- 1) Investments in debt instruments measured after amortised cost or FVTOCI;
- 2) financial leases receivables;
- 3) Trade receivables and contract assets;
- 4) commitments to provide loans and financial collateral arrangements to which the impairment provisions of IFRS 9 apply.

In particular, IFRS 9 requires the Group to measure the loss cover of a financial asset at an amount equal to the *lifetime expected credit losses* (ECLs) if the credit risk of that financial asset has significantly increased since initial recognition, or if the financial instrument is a purchased or originated non-performing financial asset. However, if the credit risk of a financial instrument has not increased significantly since initial recognition (except for a purchased or originated non-performing financial asset), the Group must value the loss allowance for the financial instrument for an amount equal to the expected credit losses arising from a default event in the next 12 months (12-months expected credit losses). IFRS 9 also requires in certain circumstances the adoption of a simplified approach to measure the loss allowance for trade receivables, contract assets and finance lease receivables by estimating expected losses over the life of the receivable.

Treasury Shares

The treasury shares repurchased are recognised at cost and reduced to 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 purchase value and the consideration, in the event of a remittance, is recognised in the share premium reserve. Voting rights attached to treasury shares are cancelled as well as the right to receive dividends. If share options are exercised during the period, they are fulfilled with treasury shares.

Inventories

Inventories, except for contract work in progress, are recorded at the lower of the purchase or production cost and the net realisable value, represented by the amount that the company expects to obtain from their sale in the ordinary course of business. The cost of inventories is determined by applying the weighted average cost method.

Contract assets are valued on the basis of the agreed fees in relation to the progress of the works determined using the *cost-to-cost method*. The advances paid by the clients are deducted from the value of the inventories within the limits of the amounts accrued; the remaining part is recorded in liabilities. Any losses arising from the closing of contracts are recognised in full during the period in which they are expected.

Cash and cash equivalents

Cash and cash equivalents (also including cash equivalents) include cash and cash equivalents, i.e. those securities that meet the requirements of demand or very short-term availability, success and absence of collection costs.

Employee Benefits

Benefits granted to employees paid at or after the termination of the employment relationship through defined benefit programs (severance pay) or other long-term benefits are recognized during the period in which the right is vested.

The related liability, net of any assets servicing the plan, is determined based on actuarial assumptions and is recognised on an accrual basis, consistent with the work required to obtain the benefits; The valuation of the liability is carried out by independent actuaries, using the unit credit projection method. The amount reflects not only the payables accrued at the balance sheet date, but also future wage increases (only for companies with fewer than 50 employees) and the related statistical dynamics.

Provisions for risks and charges

Provisions for risks and charges relate to costs and charges of a specific nature and of certain or probable existence, which, at the date of closure of these consolidated financial statements, are undetermined in their amount or on the date of occurrence. Provisions are recognised when:

- (i) there is likely to be a current obligation, legal or implied, arising out of a past event;
- (ii) the performance of the obligation is likely to be onerous;
- (iii) the amount of the obligation can be reliably estimated.

Provisions are recorded at the value representing the best estimate, sometimes with expert support, of the amount that the company would pay to pay the obligation or to transfer it to a third party at the end of the financial year. When the financial effect of time is significant and the payment dates of the obligations can be reliably estimated, the provision is discounted; the increase in the provision related to the passage of time is recognised in the income statement under "Financial income (expense)".

When the liability relates to property, plant and equipment (demolition of assets), the provision is recognised as a contra-entry to the asset to which it refers; The allocation to the income statement takes place through the depreciation process.

The funds are periodically updated to reflect changes in cost estimates, lead times and discount rates; Revisions to the estimates of provisions are recognised in the same income statement item that previously included the provision or, when the liability relates to property, plant and equipment, as a counterpart to the asset to which it refers.

Trade payables and other non-financial liabilities

Payables, which are due within normal commercial terms, are recorded at cost (their nominal value). Payables in currencies other than the account currency are recorded at the exchange rate on the day of the transaction and subsequently converted at the year-end exchange rate. The gain or loss arising from the conversion is recognised in the income statement.

Other liabilities are recognised at cost (identified by nominal value).

Financial liabilities

Financial liabilities are accounted for in accordance with IFRS 9 and, except for derivative financial instruments, are initially recognised at cost equal to the *fair value* of the liability net of transaction costs, which are directly attributable to the issuance of the liability.

Following initial recognition, financial liabilities are measured at amortised cost using the original effective interest rate method represented by the rate that equalises, at the time of initial recognition, the present value of cash flows and the initial carrying amount (the so-called amortised cost method).

Any gain or loss is accounted for in the income statement when the liability is extinguished, as well as through the depreciation process.

Write-off of financial assets and liabilities

Financial assets

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognised from the balance sheet when:

- the rights to receive cash flows from the activity are extinguished;
- the Group retains the right to receive cash flows from the business, but has assumed a contractual obligation to pay them in full and without delay to a third party;
- the Group has transferred the right to receive cash flows from the business and (a) 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 business, but has transferred control of the asset.

In cases where the Group has transferred the rights to receive cash flows from an asset and has neither transferred nor retained substantially all of the risks and rewards or has not lost control over the asset, the asset is recognised in the Group's financial statements to the extent of its residual involvement in the business. The residual involvement, which takes the form of a guarantee on the transferred asset, is measured at the lower of the initial carrying amount of the asset and the maximum value of the consideration that the Group may be required to pay.

Financial liabilities

A financial liability is derecognised from the balance sheet when the obligation underlying the liability is extinguished, cancelled or discharged.

Derivative financial instruments and hedging transactions

In line with the strategy chosen, the Group does not engage in derivatives transactions for speculative purposes. However, in the event that such transactions, although carried out

with hedging management logic, do not qualify as hedging transactions according to the rules set out in IFRS 9, they are accounted for as trading transactions.

Derivative financial instruments are classified as hedging instruments (therefore designated in *Hedge Accounting*) when the relationship between the derivative and the hedged object is formally documented and the effectiveness of the hedge, which is periodically verified, is high. Pursuant to IFRS 9, the verification of the effectiveness of the hedge is based on the assessment of the "economic relationship" between the hedged item and the hedging item, thus giving preference to qualitative rather than quantitative aspects.

When hedging derivatives hedge the risk of changes in the *fair value* of the hedged instruments (*fair value hedges*; e.g. hedging the variability of the fair value of fixed-rate assets/liabilities), they are recognised at *fair value* with the effects recognised in the income statement; accordingly, the hedged instruments are adjusted to reflect changes in *fair value* associated with the hedged risk. When derivatives hedge the risk of changes in the cash flows of the hedged instruments (e.g. hedging the variability of the cash flows of floating-rate assets/liabilities due to interest rate fluctuations), changes in *fair value* are initially recognised in equity and subsequently recognised in the income statement in line with the economic effects produced by the transaction blanket.

Changes in the *fair value* of derivatives compared to their initial value that do not meet the conditions to qualify as hedging are recognised in the income statement.

Revenues and other income components

Revenue is accounted for in accordance with IFRS 15 and is recognised in an amount that reflects the consideration to which the entity believes it is entitled in exchange for the transfer of goods or services to the customer. This detection takes place when the contractual obligations have been fulfilled and in particular when control is transferred to the customer. In addition, in determining the amount of revenue, it is necessary to consider the probability of obtaining and/or collecting the economic benefits linked to the income.

Revenues are recorded net of returns, discounts, rebates, bonuses and promotional charges directly related to sales revenues, as well as directly related taxes.

The services provided as airport managers can be traced back to two types: *aviation* and *non-aviation*.

Aviation revenues

The first category mainly includes the management, maintenance and development of airport infrastructure, which includes security and surveillance controls, as well as the provision of services related to the landing and departure of aircraft to passengers and airport users and operators. These activities are remunerated by airlines, airport operators and passengers through the payment of airport charges (defined by a regulated tariff system). The main ones can be traced back to: passenger boarding rights, landing and departure rights, parking rights and aircraft shelter. Other sources of revenue include fees for checking departing passengers, fees for security checks on checked baggage, fees for PRM (services for passengers with reduced mobility), fees due for the use of goods for exclusive use, fees due for *de-icing* services. The General Aviation business, on the other hand, includes general aviation activities, which include the full range of services related to business traffic.

The trade discounts, which were a direct decrease in revenues, were calculated based on

contracts signed with airlines and *tour operators*.

Non-aviation revenues

The main activities provided in the *non-aviation* category include a wide range of services, some directly and others indirectly, through a sub-concession of commercial services for passengers and operators. They include parking management, retail, and advertising. The revenues generated in this way are represented by the market fees for the activities carried out directly by the Group and, with reference to the activities carried out by third parties under sub-concession, by the royalties expressed as percentages of the turnover achieved by the third-party operator, usually with the indication of a guaranteed minimum.

Royalties are accounted for on an accrual basis in accordance with the substance of the contractual arrangements and in accordance with the provisions of IFRS 15.

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

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

Accounting for costs and expenses

Costs are recognised when they relate to goods and services sold or consumed during the period or by systematic distribution or when the future usefulness of the same cannot be identified.

Income taxes

Current taxes

Current taxes for the current year are assessed at the amount that is expected to be recovered or paid to the tax authorities. The tax rates and legislation used to calculate the amount are those issued or substantially issued at the date of the consolidated financial statements. Current taxes relating to items recognised directly in equity are recognised directly in equity and not in the income statement.

Deferred tax assets

Deferred tax assets are calculated using the so-called "*liability method*" on the temporary differences resulting at the date of these consolidated financial statements between the tax values taken as a reference for assets and liabilities and the amounts reported in the consolidated financial statements. Deferred tax liabilities are recognised against all taxable temporary differences, with the exception of the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and which, at the time of the transaction, has no effect on either the profit for the period calculated for financial statement purposes or the profit or loss calculated for tax purposes.

The reversal of taxable temporary differences, associated with investments in subsidiaries, associates and *joint ventures*, can be controlled and is not likely to occur in the foreseeable future.

Deferred tax assets are recognised against all deductible temporary differences and tax losses carried forward, to the extent that there is likely to be adequate future tax gains that may make the use of deductible temporary differences and retained tax assets and liabilities applicable, except where the deferred tax income related to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is

not a business combination and that, at the time of the transaction, does not affect either the profit for the period calculated for balance sheet purposes or the profit or loss calculated for tax purposes. In the case of deductible temporary differences associated with investments in subsidiaries, associates and *joint ventures*, deferred tax assets are recognised only to the extent that they are likely to be reversed in the foreseeable future and that there will be sufficient taxable income to allow such temporary differences to be recovered.

The rates used for the calculation of deferred taxation, which reflect the prospective rates on the basis of current national legislation, are mainly the following:

IRES	24%
IRAP	4.20% (Airport Companies)
IRAP	3,90%

Conversion of currency items

These consolidated financial statements are presented in Euro, which is the functional and presentation currency adopted by the Company. Each Group company defines its own functional currency, which is used to value the items included in the individual financial statements. Foreign currency transactions are initially recognised at the exchange rate (referring to the functional currency) prevailing on the date of the transaction. Monetary assets and liabilities, denominated in foreign currency, are retranslated into the functional currency at the exchange rate prevailing at the balance sheet date. All exchange rate differences are recognised in the income statement. Non-monetary items valued at historical cost in foreign currencies are translated using the exchange rates prevailing on the date the transaction is initially recognised. Non-monetary items recorded at fair value in foreign currencies shall be converted using the exchange rate on the date of determination of that value.

Regional overview

The Group's focus on airport activities has in fact led to the concentration of *business* in Italy and the consequent elimination of the need to disclose information on the main geographical areas.

Information concerning the Principal Customers

With reference to the subsidiary SAVE S.p.A., it should be noted that it achieved approximately 10.5% of its total 2023 turnover vis-à-vis the carrier Ryanair; the subsidiary Aer Tre S.p.A., on the other hand, achieves approximately 59.5% of its total turnover with respect to the carrier Ryanair and approximately 9% with respect to the carrier Wizz Air Malta Limited.

Net Financial Position

The Group's net financial position is shown below.

(EURO THOUSANDS)	12/31/2023	31/12/2022
Cash and cash equivalents	115,268	74,219
Other financial assets	26,010	45,858
Financial assets	141,278	120,077
Bank payables	7,670	7,667
Other financial liabilities – current portion	716	402
Financial liabilities of Discontinued Operations		
Current liabilities	8,386	8,069
Bank payables – less current portion	1,016,376	1,021,275
Other lenders – less current portion	5,164	4,479
Non-current liabilities	1,021,540	1,025,754
Net financial position from Continuing Operations	(888,648)	(913,746)
Net financial position from Discontinued Operations		
Net Financial Position	(888,648)	(913,746)
Total gross payables to banks	1,024,046	1,028,942

ANALYSIS OF THE MAIN BALANCE SHEET ITEMS

(unless otherwise specified, the amounts are to be understood as expressed in thousands of Euros)

ASSETS

Current Assets

amount to

12.31.2023	€	197,180
12.31.2022	€	171,534
Cge.		25,646

The components of this aggregate are as follows:

1. Cash and cash equivalents

amount to

12.31.2023	€	115,268
12.31.2022	€	74,291
Cge.		41,049

They are represented by available bank account balances and cash on hand at the balance sheet date.

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

2. Other financial assets

amount to

12.31.2023	€	26,010
12.31.2022	€	45,858
Cge.		(19,848)

Other financial assets relate to the positive effect deriving from the recording of the *mark-to-market* of derivative instruments for a total of Euro 25.9 million, from financial receivables from the associated company Venezia Logistica Europa S.p.A. (formerly Save Cargo) for Euro 150 thousand.

The Group holds derivative instruments in order to hedge its exposure to the risk of changes in interest rates in relation to specific liabilities on the balance sheet.

In the event that such transactions do not qualify as hedging transactions, they are recorded as speculative transactions. The accounting methodologies applied provide that derivative financial instruments are accounted for in accordance with the methods established for *hedge accounting* only when, at the beginning of the hedge, there is a formal designation and documentation of the hedge report and the hedge is presumed to be highly effective at the

initial time and during the different accounting periods. In the absence of these requirements, *hedge accounting* cannot be applied; it follows that the gains or losses arising from the measurement at fair value of the derivative financial instrument are immediately recognised in the income statement.

In February 2022, the existing hedging contracts related to the loan agreement signed in 2018 with the pool of banks and renegotiated in February 2022 were extinguished. At the same time as this renegotiation, new hedging contracts were entered into. As of December 31, 2023, the parent company Milione S.p.A. therefore has six IRS contracts in place, signed on February 16, 2022, effective February 14, 2022 and expiring on December 31, 2026, which provide for a total notional amount of €486 million. As a result of these contracts, which have been considered hedging and designated in *hedge accounting*, Milione S.p.A. pays a fixed rate of 0.6955% which trades at a floating rate equal to Euribor at 6M.

3. Tax receivables

amount to		
12.31.2023	€	394
12.31.2022	€	814
Cge.		(420)

Tax receivables decreased by €0.4 million compared to the previous year; include €0.2 million for the tax credit for new investments, including new 4.0 investments, and €0.2 million for group VAT credit.

4. Other receivables

amount to		
12.31.2023	€	4,240
12.31.2022	€	4,782
Cge.		(542)

The analysis is as follows:

(Euro thousands)	12.31.23	12.31.22	VAR.
Receivables from social security institutions	10	13	(3)
Vs. suppliers for advances	1,437	1,589	(152)
Miscellaneous Credits	2,398	2,676	(278)
Other assets for deferred financial charges	395	504	(109)
Total other receivables	4,240	4,782	(542)

Receivables from suppliers for advances mainly refer to contractual advances for investments and the trend of this item in the period reflects the dynamics of the progress of investment projects in progress.

Miscellaneous receivables mainly include the allocations made by the Parent Company during the year with reference to white certificates accrued at the balance sheet date for €0.9 million.

5. Trade receivables

amount to

12.31.2023	€	47,463
12.31.2022	€	43,541
Cge.		3,922

The breakdown of trade receivables is as follows:

(Euro thousands)	12.31.23	12.31.22	CGE.
Trade receivables from third parties	44,137	39,383	4,754
Trade receivables from related parties	3,325	4,158	(833)
Total trade receivables	47,463	43,541	3,922

They mainly consist of receivables from airlines for aviation activities and receivables from sub-concessionaires of commercial spaces.

The following table shows the breakdown of trade receivables from third parties and related provisions for adjustments:

(Euro thousands)	12.31.23	12.31.22	CGE.
Receivables from customers	45,851	41,495	4,356
Provision for doubtful debts	(1,713)	(2,112)	399
Total trade receivables	44,137	39,383	4,754

The Group's provision for doubtful accounts amounted to €1.7 million; It has been quantified taking into account both the analysis of specific positions, for some of which the risk regarding the recoverability of the credit persists, and an assessment of the seniority of the credit itself. This is in line with the valuation methodologies applied over time and deemed to be in compliance with the IFRS 9 forecasts described above. The analysis took into account the economic context in which all operators in the airport sector are operating.

The change in the Provision for Doubtful Accounts during the year was as follows:

(Euro thousands)	
Balance as of 31/12/2022	(2,112)
Uses and other movements	467
Provision for the first half year	(68)
Balance as of 31/12/2023	1,713

Below is an analysis by seniority of net trade receivables from third parties outstanding at 31 December 2023 (values in Euro Thousands):

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
12/31/2023							
Net receivables	44.137	25.636	7.886	3.282	1.496	1.766	4.071

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
12/31/2022							
Net receivables	39.383	19.527	9.288	3.972	2.754	1.388	2.455

The analysis of receivables according to the seniority criterion above shows that the net amount of receivables of the portion due has significantly increased compared to the previous year, compared to the higher turnover of the Group.

Monitoring and continuous reminders to customers continued in order to limit credit risk. With regard to the balance of receivables from customers, it is believed that, as a result of the actions, including legal actions, taken to protect the credit and to collect it, on the basis of the information available to date, supported by the lawyers who follow the related litigation and considering the guarantees, including sureties, received, the net value indicated above prudently reflects the presumed realisable value.

Trade receivables are shown in the financial statements at their book value, net of any write-downs; it is believed that this value reasonably approximates the *fair value* of the total receivables itself, since there are no particular medium/long-term receivables at Group level, which require discounting processes.

Trade receivables from related parties are entirely attributable to investee companies, as detailed below:

(Euro thousands)	12.31.23	12.31.22	CGE.
Airest Retail S.p.A. Group	1,645	2,468	(823)
2A - Airport Advertising S.r.l.	377	547	(170)
Valerio Catullo Airport S.p.A.	620	702	(82)
Venezia Logistica Europa S.p.A.	582	359	223
Brussels South Charleroi Airport (BSCA) SA	29	81	(52)
Other minor	72	-	72
Total	3,325	4,158	(833)

6. Inventories

amount to

12.31.2023	€	3,805
12.31.2022	€	2,320
Cge.	€	1,485

The value of the warehouse includes inventories of material preparatory to the airport operations of SAVE S.p.A. and the subsidiary Aertre S.p.A. for a total of 2.2 million Euros, the *contract assets* of the subsidiary Naitec S.r.l. for approximately 1.2 million Euros and the inventories of the subsidiary Società Agricola Save for 0.4 million Euros. The increase compared to the previous year mainly concerns the inventories of the subsidiary Naitec S.r.l., which as of December 31, 2023 has projects of a significant amount not yet completed.

Non-Current Assets

amount to

12.31.2023	€	1,791,449
12.31.2022	€	1,806,253
Cge.		(14,804)

They are composed as follows:

7. Property, plant and equipment

amount to

12.31.2023	€	52,642
12.31.2022	€	53,456
Cge.		(814)

The balance decreased by approximately €0.8 million, mainly due to the related depreciation and amortization.

The composition of these intangible assets is analytically illustrated in Annex "B", from which it is possible to deduce the data relating to the historical cost, depreciation and depreciation and residual values to be depreciated, shown by each category of assets.

8. Intangible assets

amount to

12.31.2023	€	1,564,722
12.31.2022	€	1,594,059
Cge.		(29,337)

The items that make up intangible assets are shown separately.

In detail:

(Euro thousands)	12.31.23	12.31.22	CGE.
Right to use airport concessions	606,295	601,827	4,468
Concessions	642,370	675,454	(33,084)
Other intangible assets with a finite useful life	5,524	6,245	(721)
Goodwill - other intangible assets with an indefinite useful life	310,533	310,533	-
Total intangible assets	1,564,722	1,594,059	(29,337)

The composition of these intangible assets is analytically illustrated in Annex "A", from which it is possible to deduce the data relating to the historical cost, depreciation and depreciation and residual values to be depreciated, shown by each category of assets.

In the period, there was a net decrease of €29.3 million, including depreciation and amortization of approximately €60.91 million. Reference should be made to the paragraph "Valuation criteria – Intangible assets" where the method of accounting for investments in accordance with the provisions of IFRIC 12 is indicated.

Appendices A and B to these Explanatory Notes also show the changes in fixed assets under construction, both relating to intangible assets and tangible assets. It should be noted that investment projects in progress as of 31 December 2023 amounted to a total of €67.4 million, of which €64.6 million related to assets relating to the "Rights to use airport concessions" pursuant to IFRIC 12. These capitalisations refer entirely to ongoing projects concerning Venice and Treviso Airports currently confirmed and whose completion, for some projects, has been prolonged over time in the face of the pandemic emergency that significantly impacted the airport's operations in 2020, 2021 and 2022.

The breakdown of the item "Concessions" is as follows:

(Euro thousands)	12.31.23	12.31.22	CGE.
Save S.p.A.	628,988	661,644	(32,656)
Aer Tre S.p.A.	13,382	13,810	(428)
Total Concessions	642,370	675,454	(33,084)

The item "Concessions" recognises the higher value paid by Milione S.p.A. at the time of the acquisition of the controlling stake in SAVE in 2017 and allocated to the concessions of Save S.p.A. and Aer Tre S.p.A. In 2020, the amortization schedule of these values was modified as a result of the two-year extension of the duration of the concessions by express regulatory provision.

With reference to the cash generating units identified in the acquisitions, the breakdown of the item Goodwill is shown below:

(Euro thousands)	12.31.23	12.31.22	CGE.
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 entry detects:

- 303,556 thousand euros for the portion allocated to "Goodwill" of the higher value paid compared to shareholders' equity at the time of the acquisition of the controlling stake in SAVE in 2017.
- Euro 6,937 thousand, the higher value paid than the shareholders' equity allocated entirely to "Goodwill" when the Group acquired 35% of the Group's shareholding in Aer Tre S.p.A. from third-party shareholders in 2007, bringing its shareholding in the company to 80%;

- for 40 thousand Euros, it represents the higher value paid in 2006, compared to the relative share of shareholders' equity, deriving from the acquisition of 49% of the company N-Aitec S.r.l. from third-party shareholders, which brought the Group's shareholding in the company to 100%.

In order to assess the recoverability of the main amounts recorded, the Company has carried out specific impairment tests, the characteristics of which have been set out in detail in the paragraph "Verification of the recoverability of the value of assets or groups of assets", to which reference should be made. The tests carried out did not reveal the need for write-downs.

9. Equity investments

amount to

12.31.2023	€	126,821
12.31.2022	€	107,470
Cge.		19,351

"Investments in companies accounted for using the equity method" and "Other investments" are shown separately.

(Euro thousands)	12.31.23	12.31.22	CGE.
Investments in companies accounted for using the equity method	125,666	106,315	19,351
Other participations	1,155	1,155	
Total investments	126,821	107,470	19,351

The balance of "Investments in companies accounted for using the equity method" is detailed below.

(Euro thousands)	% SHARE	12.31.23	12.31.22	CGE.
Venezia Terminal Passeggeri S.p.A.	22,18	8,735	8,128	607
GAP S.p.A.	49,87	373	292	81
Brussels South Charleroi Airport SA	48,32	35,403	29,295	6,108
2A – Airport Advertising S.r.l.	50	9	12	(3)
Valerio Catullo Airport of Verona Villafranca S.p.A.	44,148	47,685	35,394	12,291
Airest Retail S.r.l.	50	32,716	32,187	529
Venezia Logistica Europa (formerly Save Cargo) S.p.A.	50	744	792	(48)
Urban V S.p.A.	20	-	215	(215)
Tot. Equity investments accounted for using the equity method		125,666	106,315	19,351

In September, the Shareholders' Meeting of Valerio Catullo di Verona Villafranca S.p.A. approved a share capital increase of approximately Euro 30.2 million, of which Euro 28.1 million as capital and Euro 2.1 million as share premium through the issue of 1,275,236 shares with the same characteristics as those already outstanding. Save S.p.A., already a 43.457% shareholder, subscribed the share offered in pre-emption in proportion to the shares already held, then exercised the right of pre-emption in the purchase of the new shares that remained unsubscribed, for a total consideration of approximately Euro 14 million, thus bringing its stake to 44.148%.

The valuations of equity investments accounted for using the equity method reflect the results achieved by these companies in 2023.

With reference to the investment held in Venezia Terminal Passeggeri S.p.A., it should be noted that the book value is based on the latest available data relating to the investee's shareholders' equity as the financial statements for the year ended 31 December 2023 are not yet available. The Directors, on the basis of the information available at the date of approval of these financial statements, believe that the carrying value of the investment represents a conservative estimate of the value of the same according to the *equity method*.

10. Other assets

amount to		
12.31.2023	€	66
12.31.2022	€	62
Cge.		4

11. Deferred tax assets

amount to		
12.31.2023	€	47,198
12.31.2022	€	51,206
Cge.		(4,008)

Deferred tax assets have a total value of €47 million and are considered likely to be recoverable within the Group's economic and financial forecasts, which are also used for the purposes of the impairment tests mentioned above. Deferred tax assets mainly concern:

- tax losses recognised in previous years;
- financial expenses deductible in subsequent years with future ROIs generated by the Group;
- temporary differences in relation to tax-deductible depreciation over a longer period of time following the revaluation of property, plant and equipment carried out pursuant to art. 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 values of equity investments, pursuant to art. 15(10a) and (10b) of Decree-Law No 185/2008;
- provisions that are tax-deductible in subsequent years, such as the provision for the renewal of assets under concession, the provision for risks and charges and the provision for doubtful debts;
- adjustments related to the application of international accounting standards (mainly on multi-year charges that cannot be capitalised under IAS);
- write-downs of intangible assets and other depreciation deductible in subsequent years;

- adjustments relating to the discounting of provisions relating to pension benefits for compliance with international accounting standards;
- other consolidation adjustments that generate deferred taxation.

DEFERRED TAX ASSETS

(amounts in thousands)

Rate 24 %	31/12/2022	ASSESSABLE		31/12/2023	31/12/2022	TAX		31/12/2023
		INCREASES	DECREASES			INCREASES	DECREASES	
Doubtful debt provision	1,791	44	548	1,287	429	11	132	308
Amortisation, depreciation, and write-downs	20,954	1,643	131	22,466	5,059	366	31	5,394
Deferred charges	1,901	-3	802	1,096	459	-1	192	266
ACE	0	13,570	5,248	8,322	0	3,256	1,260	1,997
Tax losses	90,078	484	16,492	74,070	21,797	133	3,956	18,006
income from renegotiation	0	1,234	0	1,234	0	296	0	296
ROL	134	69	0	203	32	17	0	17
Losses from transparent companies	1,143	207	0	1,350	271	52	0	323
Revaluation of tangible fixed assets DL 104/202	6,778	0	643	6,135	1,766	0	85	1,681
Assets under concession replacement provision	18,356	5,145	7,484	16,017	4,565	1,234	1,797	4,002
Risks provision and other future deductible costs	26,456	32,435	33,262	25,629	4,790	5,606	5,781	4,615
Goodwill amortisation	3,468	0	694	2,774	847	0	168	679
Concessions amortisation	31,438	0	6,288	25,150	7,545	0	1,510	6,035
Employee benefits IAS 19	-183	72	0	-111	-42	18	0	-24
Operating leases IFRS 16	1,010	13	90	933	243	3	22	224
Intercompany eliminations	7	0	2	5	4	0	0	3
IREs Deferred tax assets	203,331	54,913	71,684	186,560	47,766	10,991	14,934	43,823

(amounts in thousands)

Rate 3.9% - 4.2%	31/12/2022	ASSESSABLE		31/12/2023	31/12/2022	TAX		31/12/2023
		INCREASES	DECREASES			INCREASES	DECREASES	
Amortisation, depreciation, and write-downs	19,959	1,621	76	21,504	838	68	3	903
Deferred charges	366	-3	35	328	14	0	1	13
Revaluation of tangible fixed assets DL 104/2020	6,778	0	643	6,135	308	0	15	293
Assets under concession replacement provision	17,948	5,248	1,518	21,678	779	244	71	952
Risks provision and other future deductible costs	161	503	256	408	8	21	11	18
Goodwill amortisation	3,467	0	694	2,773	132	0	29	103
Concessions amortisation	31,438	0	6,288	25,150	1,321	0	265	1,056
Operating leases IFRS 16	1,013	13	90	936	41	1	4	38
IRAP Deferred tax assets	81,130	7,382	9,600	78,912	3,440	334	399	3,375

TOTAL MOVEMENTS IN DEFERRED TAX ASSETS

51,206 11,325 15,333 47,198

LIABILITIES

Current Liabilities

amount to

12.31.2023	€	148,962
12.31.2022	€	124,510
Cge.		24,252

They are composed as follows:

12. Trade payables

amount to

12.31.2023	€	80,669
12.31.2022	€	65,970
Cge.		14,699

Trade payables are mainly due to domestic suppliers; they are shown in the financial statements at their book value, which is reasonably considered to be close to *fair value*, since there are no particular medium- to long-term trade payables at Group level that require discounting processes.

The breakdown of trade payables is as follows:

(Euro thousands)	12.31.23	12.31.22	CGE.
Trade payables to third parties	80,284	65,552	14,732
Trade payables to related parties	385	418	(33)
Total trade payables	80,669	65,970	14,699

With regard to trade payables to related parties, see the following detail:

(Euro thousands)	12.31.23	12.31.22	CGE.
Airest Retail S.p.A. Group	223	368	(145)
Valerio Catullo Airport of Verona Villafranca S.p.A.	1	8	(7)
2A - Airport Advertising S.r.l.	3	3	0
Urban V S.p.A.	133	39	94
Other related parties	25	-	25
Total	385	418	(33)

13. Other payables

amount to

12.31.2023	€	53,423
12.31.2022	€	42,874
Cge.		10,549

For more details of the item "Other payables", please refer to the following table:

(Euro thousands)	12.31.23	12.31.22	CGE.
Payables to related parties	162	310	(148)
For advances and advances from customers	1,024	136	888
To staff for deferred remuneration	5,440	3,950	1,490
By airport concession fee	6,264	6,674	(410)
For fire service	15,727	15,894	(167)
Payables for municipal surcharge	19,525	10,772	8,753
Other payables	5,280	5,138	142
Total	53,423	42,874	10,549

The item "Payables for fire-fighting services", amounting to €15.7 million, relates to the contribution to the Fire Brigade Fund. During the year, this amount was recalculated in order to express the amount of the debt in line with the findings of the in-depth analysis requested from our legal and tax advisors.

The payables for the municipal surcharge reflect the increase in the Group's aviation revenues and the increase in this tax established by the Municipality of Venice and still subject to litigation.

For details of payables to related parties, see the following details:

(Euro thousands)	12.31.23	12.31.22	CGE.
Venezia Logistica Europa S.p.A.	108	158	(50)
2A - Airport Advertising S.r.l.	30	152	(122)
Valerio Catullo Airport of Verona Villafranca S.p.A.	24	-	24
Total other payables to related parties	162	310	(148)

14. Tax payables

amount to

12.31.2023	€	3,127
12.31.2022	€	4,762
Cge.		(1,635)

For a detailed description of this item, please refer to the table below:

(Euro thousands)	12.31.23	12.31.22	CGE.
Payables for withholding taxes on earned income	984	1,147	(163)
Other payables to the Treasury	3	159	(156)
Direct tax payables	840	3,456	(2,616)
Tax payables for previous years	1,300		1,300
Total	3,127	4,762	(1,635)

The reduction in this item is due to a lower direct tax liability offset by the allocation of the tax liability of previous years, for more details please refer to the paragraph "Income taxes".

15. Payables to social security institutions

amount to

12.31.2023	€	3,357
12.31.2022	€	2,835
Cge.		522

16. Bank payables

amount to

12.31.2023	€	7,670
12.31.2022	€	7,667
Cge.		3

The item in question can be detailed as follows:

(Euro thousands)	12.31.23	12.31.22	CGE.
Ordinary current accounts	1	1	-
Current portion of bank loans	7,669	7,666	3
Total	7,670	7,667	3

The nominal portions of medium/long-term loans maturing within 12 months amount to €7.7 million. For a description of these loans, please refer to the following note "Financial payables to banks net of the current portion".

The table below summarises the breakdown of bank credit lines used and available as of 31 December 2023.

TYPOLGY	ENTRUSTED	USED	RESIDUE
CASH OVERDRAFT	35,077	0	35,077
FIDO FIRMA	1,575	(142)	1,433
PROMISCUOUS CREDIT LINE CASH/SIGNATURE	0	0	0
LEASING	0	0	0
MORTGAGES/LOANS	1,151,799	(1,026,799)	125,000
TOTAL	1,188,451	(1,026,941)	161,510

17. Other financial liabilities – current portion

amount to

12.31.2023	€	716
12.31.2022	€	402
Cge.		314

The current portion of payables to other lenders for leasing contracts in accordance with IFRS 16 is recorded for €0.7 million.

Non-Current Liabilities

amount to

12.31.2023	€	1,255,231
12.31.2022	€	1,268,030
Cge.		(12,799)

They are composed as follows:

18. Bank payables – less current portion

amount to

12.31.2023	€	1,016,376
12.31.2022	€	1,021,275
Cge.		(4,899)

(Euro thousands)	12.31.23	12.31.22	CGE.
Short-term loans	620,040	625,562	(5,522)
Bond	396,336	395,713	623
Total	1,016,376	1,021,275	(4,899)

Financial payables to banks, net of the current portion, mainly consist of the medium- to long-term portions of the loans subscribed by the Group and outstanding as of 31 December 2023.

The nominal value of the amount due within one year is equal to 7.7 million Euros, while the debts beyond the year amount to 1,019 million Euros.

The following loans were outstanding as at December 31, 2023:

- 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, 2023 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, 2023, 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.

EXPIRATION	CAPITAL RATIO	IMPACT OF AMORTIZED COST	INTEREST RATE (*)	TOTAL
12/31/2024	7,694	(2,469)	48,316	53,541
12/31/2025	7,694	(1,461)	46,785	53,018
12/31/2026	6,155	346	48,066	54,567
12/31/2027	546,155	1,559	48,858	596,572
12/31/2028	306,155	(745)	11,137	316,547
12/31/2029	6,156	(115)	4,258	10,299
12/31/2030	6,155	(114)	3,940	9,981
12/31/2031	106,155	(115)	3,209	109,249
12/31/2032	6,155	(10)	1,621	7,766
12/31/2033	6,156	(8)	1,311	7,459
12/31/2034	6,155	(7)	1,011	7,159
12/31/2035	6,155	(4)	714	6,865
12/31/2036	6,155	(2)	409	6,562
12/31/2037	3,703	(1)	106	3,808
12/31/2038	0	0	0	0
12/31/2039	0	0	0	0
TOTAL	1,026,798	(3,146)	219,741	1,243,393

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

- €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.

DENOMINATION	VALUE. NOMINAL	VALUE AS OF 31 DEC 2023	CURRENCY	BADGER	COUPON	EXPIRATION
SENIOR SECURED BONDS	300,000	297,102	EURO	2,47%	SEMIANNUAL	12/20/2028
SENIOR SECURED NOTES	100,000	99,234	EURO	1,72%	SEMIANNUAL	09/27/2031

(AMOUNTS IN EURO THOUSANDS)

These financial payables require the Parent Company to comply with a series of economic and financial parameters (*covenants*) to be determined on the consolidated financial statements of the Milione Group and to be verified on a half-yearly basis. As of 31 December 2023, the above parameters have been met.

19. Other lenders – less current portion

amount to

12.31.2023	€	5,164
12.31.2022	€	4,479
Cge.		685

This item consists of the medium/long-term portion of payables to other lenders for leasing contracts in accordance with the provisions of IFRS 16.

20. Deferred tax liabilities

amounts to

12.31.2023	€	196,475
12.31.2022	€	209,766
Cge.		(13,291)

The provision for deferred taxes amounted to €196.5 million.

The main cases that determine the recognition of the provision for deferred taxes are:

- portion of the higher price paid at the time of acquisition of control of the Save Group definitively allocated to concessions;
- adjustments to IFRIC 12 "Concession Service Agreements";
- *fair value* of IRS derivatives as at 31 December 2022;
- depreciation, and other costs that are deductible in the future.

DEFERRED TAX LIABILITIES									
<i>(amounts in thousands)</i>									
Rate 24 %	ASSESSABLE				TAX				
	12/31/2022	UTILISATION	INCREASES	12/31/2023	12/31/2022	UTILISATION	INCREASES	12/31/2023	
Leasing IAS 17	-287	0	0	-287	-78	0	0	-78	
Other amortisation & depreciation	233	4	0	229	55	1	0	54	
Income from renegotiation	432	432	0	0	104	104	0	0	
Charge from renegotiation	0	0	3,511	3,511	0	0	843	843	
Suspension of depreciation DL 104/2020	1,558	251	415	1,722	374	60	99	413	
Assets under concession accumulated amortisat	27.125	602	710	27.233	6.573	145	170	6.600	
Other provisions and other future deductible co	170	6	0	164	44	1	0	43	
Gains on concessions & goodwill	672.193	33.084	0	639.109	161.926	7.940	0	153.986	
Mark to Market	45.708	19.848	0	25.860	10.970	4.763	0	6.206	
IREs deferred tax liabilities	747.132	54.227	4.636	697.541	179.968	13.014	1.112	168.067	
<i>(amounts in thousands)</i>									
Rate 3.9% - 4.20%	ASSESSABLE				TAX				
	12/31/2022	UTILISATION	INCREASES	12/31/2023	12/31/2022	UTILISATION	INCREASES	12/31/2023	
Leasing	-287	0	0	-287	-3	0	0	-3	
Assets under concession accumulated amortisat	25.176	602	710	25.284	1.056	25	30	1.062	
Other provisions	118	6	0	112	6	0	0	6	
Gains on concessions & goodwill	706.794	33.084	0	673.710	28.734	1.389	0	27.344	
IRAP deferred tax liabilities	731.801	33.692	710	698.819	29.793	1.414	30	28.409	
TOTAL DEFERRED TAX LIABILITIES					209.762	14.428	1.142	196.477	

21. Post-employment benefits and other employee provisions

amount to

12.31.2023	€	3,057
12.31.2022	€	3,009
Cge.		48

The change in the balance of severance indemnity liabilities as at 31 December 2023 is outlined below:

BALANCE AS OF 31/12/2022	3,009
Usage and Other Variations	(156)
Advances granted during the period and transfers	(10)
Supplementary management payments and INPS Treasury Fund	(1,844)
Substitute tax	(10)
Provisions and revaluations	2,043
Change due to actuarial calculation	25
BALANCE AS OF 31/12/2023	3,057

The actuarial valuation of severance pay is carried out based on the "accrued benefits" methodology through the *Projected Unit Credit Method* as required by IAS 19. This methodology consists of valuations that express the average present value of pension obligations accrued since the service that the worker has performed up to the time in which the valuation itself is carried out, not projecting the worker's salaries according to the regulatory changes introduced by the Social Security Reform.

The calculation methodology can be summarized in the following steps:

- projection for each employee in force at the valuation date, of the severance pay already accrued up to the uncertain period of payment;
- determination for each employee of the probable severance pay payments to be made by the company in the event of the employee's exit due to dismissal, resignation, disability, death and retirement, as well as in the event of a request for advances;
- discounting, at the valuation date, of each probabilised payment.

For the actuarial calculation of the TFR Fund, the Group used the valuations carried out by an independent expert, who determined the value on the basis of the following fundamental assumptions:

- Mortality rate: IPS55 tables
- Disability rates: INPS tables – 2000
- Staff turnover rate: 1.5%
- Discount rate: 3.17%
- Rate of wage growth: 1.5%
- Anticipation rate: 1%
- Inflation rate: Inflation vector 2.5%

22. Other provisions for risks and charges

amount to

12.31.2023	€	34,159
12.31.2022	€	29,501
Cge.		4,658

The entry in question is composed as follows

(Euro thousands)	12.31.23	12.31.22	CGE.
Provision for risks and charges	1,781	1,510	271
Fund for the renewal of concession assets	32,287	27,991	4,296
Provision for loss coverage	91	-	91
Total Other provisions for risks and charges	34,159	29,501	4,658

Provision for risks and charges

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

(Euro thousands)

Balance as of 12/31/2022	1,510
Uses and Other Variations	(232)
Provisions for future risks and charges	503
Balance as of 12/31/2023	1,781

The item "Provisions for risks and charges" consists of provisions to cover the estimated risk borne by Group companies, mainly in relation to disputes with suppliers, former

employees and public bodies. The funds are considered to be sufficiently large to cover the risks arising from lawsuits and litigation of a specific nature with the Group companies as a passive plaintiff on the basis of a reasonable estimate, based on available information and after consulting legal advisors.

Assets under concession replacement provision

amount to		
12.31.2023	€	32,287
12.31.2022	€	27,991
Cge.		4,296

The movement of the fund during the year was as follows:

(Euro thousands)

Balance as of 12/31/2022	27,991
Uses and Other Variations	(1,694)
Provisions	5,990
Balance as of 12/31/2023	32,287

It represents the estimate for the maintenance and replacement of the assets under concession that must be donated free of charge to the State in perfect operating conditions at the end of the Group's airport concessions. The entirety of the fund refers to renovation and cyclical maintenance work on the Venice and Treviso airport grounds.

The Renovation Fund is replenished annually on the basis of a technical assessment, carried out with the support of an independent expert, of the estimated future costs relating to the cyclical maintenance necessary for the maintenance of the assets and used on the basis of the maintenance carried out during the period. Utilisations for the year refer to maintenance work carried out on the portion of provisions made in previous years.

Shareholders' Equity

23. Shareholders' Equity

amounts to		
12.31.2023	€	584,436
12.31.2022	€	585,247
Cge.		(811)

Shareholders' equity consists of the Group's shareholders' equity of €581.5 million and minority interests of €2.9 million.

Shareholders' equity breaks down as follows:

Share capital

amounts to		
12.31.2023	€	189
12.31.2022	€	189
Cge.		-

Share premium reserve

amounts to		
12.31.2023	€	27,651
12.31.2022	€	27,651
Cge.		-

Legal Reserve

amounts to		
12.31.2023	€	76
12.31.2022	€	76
Cge.		-

Other reserves and retained earnings

amount to		
12.31.2023	€	538,971
12.31.2022	€	508,369
Cge.		30,602

Minority interest shareholders' equity

amounts to

12.31.2023	€	2,918
12.31.2022	€	3,162
Cge.		(244)

Minority interests represent the share of shareholders' equity and profit or loss for the year attributable to the minority shareholders of the subsidiaries.

ANALYSIS OF THE PRINCIPAL INCOME STATEMENT ACCOUNTS

(unless otherwise specified, the amounts are to be understood as expressed in thousands of Euros)

OPERATING AND OTHER INCOME

24. Operating revenue and other income

amount to

2023	€	234,702
2022	€	255,518
Cge.		(20,816)

Operating Revenue

amount to

2023	€	219,790
2022	€	180,252
Cge.vvvv		39,538

Other income

amount to

2023	€	14,912
2022	€	75,266
Cge.		(60,354)

The significant decrease in "Other income" is due to the contribution received last year from the Fund for the compensation of damages in the aviation sector for 48 million euros collected in the first half of 2022 and the write-off, also last year, of some debt items deemed no longer due and/or payable.

For a more detailed analysis of Operating Revenues and Other Income, please refer to the Directors' Report.

COSTS OF PRODUCTION

amount to

2023	€	194,851
2022	€	184,940
Cge.		9,911

Production costs are detailed in the following items:

25. Raw Materials, Consumables and Goods

amount to

2023	€	2,158
2022	€	1,784
Cge.		374

26. Services

amount to

2023	€	56,160
2022	€	52,946
Cge.		3,214

(Euro thousands)	2023	2022	CGE.
Utilities	8,229	8,133	97
Maintenance	10,143	9,617	527
Professional performance	3,920	4,235	(315)
Cleaning and waste removal	5,595	5,360	235
Development costs and traffic promo	368	451	(82)
Miscellaneous general services	5,027	3,553	1,473
Remuneration of corporate bodies	1,721	1,710	11
Other personnel expenses	1,664	1,108	557
Costs to be charged back	788	1,901	(1,113)
Insurance	1,361	1,440	(79)
Operational Services	919	655	264
Airport Security	13,670	12,760	910
Information Systems	1,157	1,033	124
Other business expenses	1,597	991	605
Total	56,160	52,946	3,214

The following table shows the contractual fees relating to the statutory audit activities and other services provided with reference to the 2023 financial statements and the checks on the regular bookkeeping of the Milione Group, by the appointed auditing firm and by entities belonging to its network.

(AMOUNTS IN
EURO/1000)

TYPE OF SERVICES	ENTITY THAT PROVIDED THE SERVICE	ADDRESSEE	
Audit	Deloitte & Touche S.p.A.	Parent Company	80
Audit	Deloitte & Touche S.p.A.	Subsidiaries	98
Audit	Deloitte Bedrijfsrevisoren/Reviseurs d' entreprises	Subsidiaries	6
Other services	Deloitte & Touche S.p.A.	Parent Company	10
Other services	Deloitte & Touche S.p.A.	Subsidiaries	54

27. Rents, leasing and similar costs

amount to

2023	€	14,140
2022	€	11,469
Cge.		2,671

They consist of:

	2023	2022	CGE.
Airport concession fee	10,691	8,156	2,535
Contribution to the fire-fighting fund	2,154	2,174	(20)
Security fee	499	415	84
Leases & More	796	724	72
Total enjoyment of third-party assets	14,140	11,469	2,671

28. Personnel Costs

amount to

2023	€	42,732
2022	€	38,763
Cge.		3,969

29. Depreciation, amortization and write - downs

amount to

2023	€	70,840
2022	€	71,064
Cge.		(224)

They are divided as follows:

(Euro thousands)	2023	2022	CGE.
Administrative and impairment losses Intangible assets	60,982	60,470	512
Administrative and impairment losses materials	9,858	10,594	(736)
Total depreciation and amortization	70,840	71,064	(224)

30. Write down of current assets

amount to		
2023	€	68
2022	€	257
Cge.		(189)

The item "Write-downs of short-term assets" includes provisions for doubtful debts; In determining the provision, a further assessment was also made of the capacity of the provision with respect to the total overdue receivables.

The provisions address risk situations related to specific positions, for which difficulties are expected to arise in the collection of the related receivable.

31. Change in inventories of raw materials and goods

amount to		
2023	€	(204)
2022	€	(62)
Cge.		(142)

The change in inventories mainly refers to stocks of consumables.

32. Provisions for risks

amount to		
2023	€	503
2022	€	610
Cge.		(107)

For a comment on the item in question, please refer to the note relating to "Other Provisions for Risks and Charges".

33. Assets under concession replacement provision

amount to		
2023	€	5,990
2022	€	6,095
Cge.		(105)

The provision for the year takes into account the most up-to-date estimates regarding extraordinary maintenance and restoration/renovation work on the Venice and Treviso airport grounds.

34. Other charges

amount to		
2023	€	2,464
2022	€	2,014

Cge.			450
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More specifically, the other charges break down as follows:

(Euro thousands)	2023	2022	CGE.
Contributions to trade associations	423	395	28
Taxes & Fees	1,330	1,171	159
Gifts and donations	122	56	66
Other costs	551	393	158
Total other expenses	2,426	2,014	412

FINANCIAL INCOME AND CHARGES

35. Financial income and charges

amount to			
2023		€	(25,862)
2022		€	(24,295)
Cge.			(1,567)

"Financial income and expenses" are detailed in the following items:

(Euro thousands)	2023	2022	CGE.
Financial and rival income. of financial assets	1,762	5,215	(3,453)
Interest, other financial charges	(37,127)	(36,183)	(944)
Gains/losses from related to The Equity Method	9,503	6,673	2,830
Total financial income and expenses	(25,862)	(24,295)	(1,567)

For further details on the nature of the items included in the above categories, consider the following summary tables.

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

(Euro thousands)	2023	2022	CGE.
Interest expense	(515)	(192)	(323)
Interest expense on loans	(32,901)	(23,351)	(9,550)
Other financial charges	(3,711)	(12,640)	8,929
Total	(37,127)	(36,183)	(944)

Compared to the previous year,

- an increase in interest expense on loans, mainly due to higher interest rates paid, although average borrowing decreased slightly; in fact, the total amount of interest expense includes the benefit deriving from the accounting of the spread on derivative contracts related to debt for c.ca Euro 13.1 million.
- a decrease in other financial expenses almost entirely due to higher costs in the previous year for the recognition of renegotiation charges of €7.5 million with reference to the aforementioned February 2022 redefinition of the pooled loan, €0.2 million of costs related to the early extinguishment of CAP derivative contracts and €0.1 million for upfront fees paid for the modification of the duration of the bonds.

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

With regard to the change in gains and losses relating to the valuation of associates and joint ventures using the equity method, reference should be made to the following table:

(Euro thousands)	2023	2022	CGE.
Equity valuation of GAP S.p.A.	81	4	77
Equity valuation of BSCA SA	6,108	5,094	1,014
Equity valuation of Aeroporto Catullo di Verona Villafranca S.p.A.	(1,601)	909	(2,510)
Equity valuation of 2A S.r.l.	(118)	(89)	(29)
Equity valuation of Airst S.r.l.	4,779	1,585	3,194
Equity valuation of VTP S.p.A.	607	(771)	1,378
Equity valuation of Urban V S.p.A.	(305)	(85)	(220)
Equity valuation of Venezia Logistica Europa S.p.A.	(48)	25	(73)
Total	9,503	6,673	2,830

INCOME TAXES

36. Income taxes

amount to

2023	€	(400)
2022	€	(248)
Cge.		(152)

Taxes on the profit or loss for the year are as follows:

(Euro thousands)	2023	2022	CGE.
Current taxes	2,762	2,894	(132)
Taxes for previous years	1,300	-	1,300
Deferred and deferred tax assets	(4,463)	(3,143)	(1,320)
Total income taxes	(400)	(248)	(152)

The tax charge for the year resulted in the recognition of net tax income of €0.4 million. Taxes from previous years refer to the total additional charge deriving from the redetermination of Save S.p.A.'s tax charge for the period 2014-2019 deriving from the application of different deductibility time criteria compared to those adopted by the company, relating to the provision for the renewal of assets under concession as well as maintenance expenses. This redetermination, closed with two deeds of adhesion finalized in March 2024 for the sole purpose of preventing the costs and uncertainty of a tax litigation from diverting the Company from its industrial and strategic development objectives, closes the findings contained in a report of the Revenue Agency notified to the company in September 2022.

It should be noted that deferred tax assets have been calculated on the tax losses generated in previous years, considering it probable that positive and capacious economic results will be achieved in future years for the full recovery of this amount.

The analysis of the tax adjustments, which resulted in the change in the effective tax rate compared to the theoretical tax rate of 24%, is shown in the table below. Pre-tax income and taxes have been reclassified to take into account the loss on assets held for sale.

Tax rate reconciliation (Euro thousands)	2023	%	2022	%
Profit before taxes	13,989		46,282	
Profit/(loss) on assets held-for-sale	- 2		- 40	
Reclassified profit before taxes	13,987		46,242	
Notional taxes	3,357	24.00%	11,098	24.00%
Effective taxes	- 400	-2.86%	- 248	-0.54%
Net profit/(loss)	14,387		46,490	
Difference from theoretical tax rate of 24%	- 3,757	-26.86%	- 11,346	-24.54%
<i>Permanent differences:</i>				
i) IRAP	1,936	13.84%	3,646	7.88%
(ii) IRAP tax relief effect on COVID-19 contribution	-		- 2,017	-4.36%
(iii) IRES tax relief effect on COVID-19 contributions	-		- 11,523	-24.92%
iv) other non-deductible costs / exempt income	- 827	-5.91%	490	1.06%
v) income taxes of prior years	- 577	-4.13%	20	0.04%
vi) valuation of investments at equity	- 2,279	-16.29%	- 1,967	-4.25%
vi) exempt gains	-		84	0.18%
vii) ACE transferable to CNM	- 1,803	-12.89%	- 554	-1.20%
viii) GOP transferable to NCE / deductible interest expense	- 2,156	-15.41%	- 1,814	-3.92%
(ix) unremunerated interest expense	1,949	13.93%	2,289	4.95%
	- 3,757	-26.86%	- 11,346	-24.54%

37. Profit/(loss) from Discontinued Operations

The result from discontinued operations/operations held for sale relates to the accounting of items relating to the sale of Triveneto Sicurezza S.r.l. in the previous year.

amount to

2023	€	(2)
2022	€	(41)
Var.		(39)

38. RESULT FOR THE YEAR

amount to

2023	€	14,387
2022	€	46,490
Var.		(32,103)

The breakdown of the Group's and minority interests is as follows:

(Euro thousands)	2023	2022	CGE.
Result for the period	14,387	46,490	(32,103)
Loss (Profit) attributable to minority interests	(244)	690	(934)
Result attributable to the Group	14,631	45,800	(31,169)

39. Types of financial risks and management

The Group's strategy for managing financial risks is in line with the company's objectives and aims to minimise the risk of rising interest rates and the related optimisation of the cost of debt, credit risk and liquidity risk.

The management of these risks is carried out in compliance with the principles of prudence and in line with market best *practices*, and all risk management operations are managed centrally.

Interest rate risk

The objectives that the Group has set itself are aimed at:

- hedge financial liabilities against the risk of changes in interest rates;
- comply with the Group's general criteria for the balance between uses and uses in terms of risk coverage (floating-rate and fixed-rate portions, short-term and medium/long-term portions).

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 as of 31 December 2023, is a total of 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 include, among other things, the Company's compliance with a series of economic and financial parameters measured on the Group, to be verified every six months and which as of 31 December 2023 are complied with.

A summary table of derivative instruments outstanding as of December 31, 2023 is provided below:

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
IRS	MILIONE SPA	CHANGE IN INTEREST RATES	INTESA SANPAOLO SPA	02/16/22	02/14/22	12/31/26	112,649	112,649	112,649	10,665	5,989
IRS	MILIONE SPA	CHANGE IN INTEREST RATES	UNICREDIT SPA	02/16/22	02/14/22	12/31/26	112,649	112,649	112,649	10,576	5,996
IRS	MILIONE SPA	CHANGE IN INTEREST RATES	BNP PARIBAS S.A.	02/16/22	02/14/22	12/31/26	112,649	112,649	112,649	10,631	5,966
IRS	MILIONE SPA	CHANGE IN INTEREST RATES	SOCIETE GENERALE SA	02/16/22	02/14/22	12/31/26	56,325	56,325	56,325	5,280	3,020
IRS	MILIONE SPA	CHANGE IN INTEREST RATES	CRÉDIT AGRICOLE C.L.B.	02/16/22	02/14/22	12/31/26	56,325	56,325	56,325	5,249	3,001
IRS	MILIONE SPA	CHANGE IN INTEREST RATES	MEDIOBANCA S.P.A.	02/16/22	02/14/22	12/31/26	35,403	35,403	35,403	3,307	1,888
TOTAL							486,000	486,000	486,000	45,708	25,860

An analysis of the expected undiscounted cash flows broken down by maturity of the derivative instruments outstanding is also provided.

Based on the same maturities, the table also summarizes the expected cash flows of short-term loans, including principal and interest.

	TOTAL ESTIMATED CASH		WITHIN 1 YEAR		FROM 2 TO 5 YEARS		OVER 5 YEARS	
	12/31/23	12/31/22	12/31/23	12/31/22	12/31/23	12/31/22	12/31/23	12/31/22
DERIVATIVE INSTRUMENTS	47.278	40.589	15.845	10.161	31.433	30.428	0	0
MEDIUM/LONG-TERM LOANS	(1.246.539)	(1.275.024)	(56.010)	(55.835)	(1.021.005)	(740.747)	(169.524)	(478.442)
TOTAL	(1.199.261)	(1.234.435)	(40.165)	(45.674)	(989.572)	(710.319)	(169.524)	(478.442)

Cash Flow Sensitivity Analysis

The Group has prepared an analysis of future cash flows in relation to outstanding loans. This analysis starts from the market situation as of December 31, 2023 and assumes increases/decreases in interest rates of 0.25% and 0.50%.

The effect of these changes on the flow of future interest is equal to +/- €3.3 million for an increase/decrease in interest rates of 0.25% and +€6.6 million for an increase/decrease in rates of 0.50%.

Credit risk

It represents the risk that one of the parties to a contract with deferred monetary settlement fails to meet a payment obligation, thereby causing the other party a financial loss.

This risk may arise both from factors of a more strictly technical-commercial or administrative-legal nature (disputes over the nature/quantity of the supply, on the interpretation of contractual clauses, on supporting invoices, etc.) and from factors of a typically financial nature, or in short, the so-called *credit standing* of the counterparty.

For the Group, exposure to credit risk is mainly linked to the commercial activity of selling aviation services and real estate.

In order to control this risk, the Group has implemented procedures and actions for the evaluation of customers, on the basis of which the level of attention is assessed.

The credit risk of the Group's other financial assets, which include cash and cash equivalents, is maximum equal to the carrying amount of these assets in the event of the insolvency of the counterparty.

Liquidity risk

The liquidity risk management policy, i.e. the strategy developed to prevent cash disbursements from representing a critical issue for the Group, remained prudent.

The unused cash loans of the banking system at Group level amounted to €35.1 million, while the unused loans relating to the loan agreements signed amounted to €125 million.

The financial payables of the Parent Company provide, among other things, for the Company to comply with a series of economic and financial parameters measured on the Group, to be verified every six months and which as of 31 December 2023 are complied with.

For details of the medium/long-term loans outstanding, please refer to the Explanatory Notes to the consolidated financial statements, in the paragraph dedicated to "Financial payables to banks net of the current portion".

Fair value hierarchy levels

For a list of derivative financial instruments outstanding at 31 December 2023 and measured at *fair value*, please refer to the table in the "Interest rate risk" paragraph above.

In relation to financial instruments recognised in the statement of financial position at *fair value*, IFRS 7 requires that these values be classified on the basis of a hierarchy of levels that reflects the significance of the inputs used in determining *fair value*. A distinction is made between the following levels:

- Level 1 – quotations recorded on an active market for assets or liabilities being measured;
- Level 2 – inputs other than the quoted prices referred to in the previous point, which are observable directly (prices) or indirectly (derived from prices) in the market;
- Level 3 – inputs that are not based on observable market data.

It should be noted that derivative instruments measured at *fair value* as at 31 December 2023 can be classified in the hierarchical level number 2 of *fair value* measurement. In addition, there were no transfers from Level 1 to Level 2 or Level 3 and vice versa during the year.

40. Investments in subsidiaries, associates and other companies

The Parent Company controls the following companies, which are consolidated on a line-by-line basis. The data reported are derived from the financial statements and accounting statements prepared in accordance with the accounting principles adopted by each company.

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

Control Percentage: 100%; 98.81% net of treasury shares held by the company.

SAVE S.p.A. is a *holding company* that operates mainly in the management of airports. It directly manages Venice's Marco Polo Airport and controls Treviso's Antonio Canova

Airport. In addition, it holds significant shareholdings in Valerio Catullo airport in Verona and in Charleroi airport (Belgium).

Save also holds stakes in companies operating mainly in the airport management sector. The subsidiary's financial statements for the year ended 31 December 2023 show a value of production of €198.8 million and a pre-tax profit of €74.3 million.

• **Marco Polo Park S.r.l.**

Percentage of control: 100%

It manages the airport car parks directly and in sub-concession by Save and Aer Tre.

The 2023 financial year showed a value of production of approximately 22.4 million Euros and a pre-tax profit of 4.2 million Euros.

• **Belgian Airport SA**

Percentage of control: 100%

The company was established in 2009, also as a shareholding vehicle necessary for the acquisition of Brussels South Charleroi Airport SA, which took place in December 2009.

The company incorporates the investment in the company Brussels South Charleroi Airport SA, consolidated using the equity method.

• **Naitec S.r.l.**

Percentage of control: 100%

It deals with the implementation of IT projects for airports in the areas of operational and administrative management. In this context, it develops and markets software products.

The 2023 financial year closed with a production value of 5.3 million euros; pre-tax profit amounted to €2.1 million.

• **Treviso Airport AER TRE S.p.A.**

Control Percentage: 80%

Aer Tre S.p.A. is the concessionaire for the management of Treviso airport.

The value of production for the year amounted to €30 million, the 2023 financial year closed with a pre-tax loss of €1.7 million.

• **Società Agricola Save a r.l.**

Percentage of control: 100%

A 100% subsidiary of Save S.p.A., it was born from the demerger of Società Agricola Cà Bolzan a r.l. in 2013 and has as its exclusive purpose the performance of the activities provided for by art. 2135 of the Italian Civil Code.

The value of production for the year was €0.7 million, with a profit before tax of €0.3 million.

• **Archimede 3 S.r.l.**

Percentage of control: 100%

It was acquired in 2004. This company did not record any significant costs or revenues during the year.

Associates and *Joint Ventures*

A summary of the main economic and financial data is provided for each *joint venture* and associated company deemed relevant. The figures below are derived from the financial statements of the respective companies at the balance sheet date, prepared in accordance with the accounting principles adopted by each.

Please refer to the supplementary prospectus "Annex D" for the main quantitative information required by IFRS 12.

• **Airest Retail S.r.l.**

Participation rate: 50%

The company manages *food & retail* outlets within the airports where the Save Group operates in Venice, Treviso and Verona and holds a total stake in Airest Collezioni Venezia S.r.l., a company that deals with the sub-concession management of some retail outlets at Venice airport.

The value of the investment at the date of these consolidated financial statements, equal to 32.7 million Euros; includes an economic effect of the valuation carried out according to the equity method reflected in the income statement of €4.8 million. The shareholding is considered to be a link because the shareholder agreements provide that control is exercised exclusively by the shareholder Lagardère.

• **Valerio Catullo Airport of Verona Villafranca S.p.A.**

Percentage of participation: 44.148%

The value of the investment at the date of these consolidated financial statements, equal to Euro 47.7 million, includes an economic effect of the valuation carried out according to the equity method reflected in the income statement of Euro 1.6 million. Agreements between shareholders provide for joint control of the company.

In September, the Shareholders' Meeting of Valerio Catullo di Verona Villafranca S.p.A. approved a share capital increase of approximately Euro 30.2 million, of which Euro 28.1 million as capital and Euro 2.1 million as share premium through the issue of 1,275,236 shares with the same characteristics as those already outstanding. The subsidiary Save S.p.A., already a 43.457% shareholder, subscribed the share offered in pre-emption in proportion to the shares already held, then exercised the right of pre-emption in the purchase of the new shares that remained unsubscribed, for a total consideration of approximately Euro 14 million, thus bringing its shareholding to 44.148%.

• **Brussels South Charleroi Airport S.A.**

Percentage of participation: 48.32%

It operates Charleroi Airport. The company has been consolidated according to the equity method, the value of the investment, equal to 35.4 million Euros, includes an economic effect of the valuation carried out according to the equity method reflected in the income statement equal to a revaluation of 6.1 million Euros.

• **V.T.P. S.p.A. (Venice Passenger Terminal)**

Percentage of participation: 22.18%.

The company, founded by the Venice Port Authority, provides services related to the embarkation/disembarkation of cruise ships, ferries, hydrofoils, boats and pleasure boats and in any case used for passenger transport in the port of Venice.

• **G.A.P. S.p.A.**

Participation fee: 49.87%

The company, in which it holds a 49.87% stake, operates in the airport sector, mainly carrying out ground handling activities at Pantelleria airport.

• **Venezia Logistica Europa S.p.A.** (formerly Save Cargo S.p.A.)

Control Percentage: 50%

The company carries out cargo and mail assistance activities at Venice's Marco Polo airport. In 2016, Save transferred the "Cargo" business unit to its subsidiary Save Cargo S.p.A.; During the 2019 financial year, it then sold 50% of the stake.

• **2A – Airport Advertising S.r.l.**

Participation fee: 50%

Company established in 2012 for the management of advertising spaces. Agreements between shareholders provide for joint control of the company.

Subsequent events and business outlook

Subsequent to the date of the end of these consolidated financial statements, no significant events have occurred that would make the current financial position substantially different or require amendments or additions to the financial statements.

It should be noted that, in February 2024, SAVE S.p.A. purchased, exercising its right of first refusal on 118,066 shares of the company put up for sale by Fondazione Cassa di Risparmio VR VI BL AN, a further 56,313 shares of the investee company Aeroporto Valerio Catullo di Verona Villafranca S.p.A., thus bringing its stake to 45.231%.

Despite the persistence of a global macroeconomic situation of little development and a geopolitical situation of extreme uncertainty linked to the still open conflicts in Ukraine and the Middle East, the traffic trend in the first months of 2024 and the offer included by the various airlines for the summer season in all the airports managed by the Group makes us expect 2024 to continue with growing volumes compared to 2023 and also compared to the 2019 to resume that growth path abruptly interrupted by the crisis generated by the COVID-19 pandemic.

Information pursuant to Article 1, paragraph 125, of Law no. 124 of 4 August 2017

In relation to the provisions of art. 1, paragraph 125, of Law 124/2017, with regard to the obligation to disclose in the notes to the financial statements the 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 Thousands

Tax credit in favour of non-energy-intensive companies – Article 1, paragraph 3, of Law No. 197 of 29 December 2022 (first quarter 2023)
Tax credit in favour of non-energy-intensive companies – art. 4, c. 3, Legislative Decree no. 34/2023 (second quarter 2023)
Tax credit in favour of non-gas-intensive companies – Article 1, paragraph 5, of Law No. 197 of 29 December 2022 (first quarter 2023)
Tax credit in favour of non-gas-intensive companies – art. 4, c. 5, Legislative Decree no. 34/2023 (second quarter 2023)
Total

SAVE S.P.A	AERTRE S.P.A	TOTALE
23	57	80
7	12	18
85	15	99
23	0	23
137	84	221

Related party transactions

The consolidated financial statements as at 31 December 2023 include the financial statements of Milione S.p.A. and its subsidiaries, as indicated in the paragraph "Scope of consolidation".

Transactions with associates and related parties were carried out in compliance with the average market values charged for similar services of the same quality.

With regard to the transactions maintained during the year with Group companies, reference should be made to the notes contained in the comments to the Balance Sheet and Income Statement items contained in the Explanatory Notes and see Annexes C for the debt/credit and cost/income ratios.

Supplementary Statements

Supplementary Statements

Annex A

Statement of changes in intangible assets and relative amortisation
(In Euro/000)

	Historical cost						Accumulated depreciation						Net intangible assets	
	Value at 01/01/23	Acquisitions	Decreases	Grants	IFRS 5	Reclassification s/ Other movements	Value at 12/31/23	Value at 01/01/22	Increases in the period	Uses	IFRS 5	Reclassification s/ Other movements		Value at 12/31/23
Airport Concession rights	768,704	6,522	(58)	0		5,081	780,250	214,090	24,499	0		0	238,589	541,660
Assets in progress and advances	47,213	23,984	(184)	0		(6,378)	64,635							64,635
Sub-total airport concession rights	815,917	30,506	(242)	0		(1,297)	844,885	214,090	24,499	0		0	238,589	606,295
Concessions (*)	865,401	0	0	0		0	865,401	189,947	33,084	0		0	223,031	642,370
Other intangible fixed assets with finite useful life	33,150	2,327	(547)	0		367	35,298	27,388	3,224	(546)		0	30,066	5,233
Assets in progress and advances	485	150	0	0		(341)	291	0	0	0		0	0	291
Subtotal other intangible fixed assets with finite useful life	33,633	2,477	(547)	0		26	35,589	27,388	3,224	(546)		0	30,066	5,524
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	2,025,484	32,983	(788)	0		(1,271)	2,056,408	431,425	60,807	(546)		0	491,686	1,564,722

Additional Statements

Annex B

Statement of changes in tangible assets and relative depreciation
(In Euro/000)

	Historical cost						Accumulated depreciation						Net intangible assets	
	Value at 01/01/23	Acquisitions	Decreases	Grants	IFRS 5	Reclassification s/ Other movements	Value at 12/31/23	Value at 01/01/22	Increases in the period	Uses	IFRS 5	Reclassification s/ Other movements		Value at 12/31/23
Land and buildings	51,833	1,710	0	0		3,277	56,819	6,343	1,104	0		0	7,447	49,372
Property, plant and equipment	82,272	3,489	(5,719)	0		1,406	81,448	67,847	4,429	(5,719)		0	66,557	14,891
Industrial and commercial equipment	9,853	303	(169)	0		7	9,994	8,017	623	(100)		0	8,540	1,453
Other assets	29,901	1,849	(439)	0		0	31,311	24,977	2,076	(422)		0	26,631	4,680
Impairment								18,636	1,621	0		0	20,257	(20,257)
Assets in progress and payments on account	5,419	503	0	0		(3,419)	2,504							2,504
Total tangible assets	179,277	7,855	(6,328)	0		1,271	182,075	125,821	9,854	(6,241)		0	129,433	52,642

**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.p.A.	-	150	582	2	108	-
NEM		72				
Airest Retail S.r.l.		1,587	223	-		
Airest Collezioni Venezia S.r.l.		58				
2A - Airport Advertising S.r.l.		377	3	30		
Aeroporto Valerio Catullo di Verona Villafranca S.p.A.		583	1	24		
Gabriele D'Annunzio Handling S.p.A.		37				
Brussels South Charleroi Airport (BSCA) SA		29				
GAP S.p.A. Aeroporto di Pantelleria		-				
Finanziaria Internazionale Holding S.p.A. (PC)		-		-		
Finint & Wolfson Associati S.r.l. (PC)				-		
Urban V S.p.A.				133		
TOTAL	-	150	3,325	363	162	-

**Attachment C2
Income statement transactions
with group companies incl. in the financial statements**

AMOUNTS STATED IN EURO THOUSANDS	OPERATING REVENUE	OTHER INCOME	SERVICES	RENTS, LEASE AND SIMILAR COSTS	OTHER CHARGES
Venezia Logistica Europa S.p.A.	542	87		0	2,008
Airest Retail S.r.l.	14,486	629	3,296		3
2A - Airport Advertising S.r.l.	1,561	80			2
Airest Collezioni Venezia S.r.l.	1,564	16			
Airest S.p.A.					
Aeroporto Valerio Catullo di Verona Villafranca S.p.A.	156	922	3		24
Gabriele D'Annunzio Handling S.p.A.	5	37			
Brussels South Charleroi Airport (BSCA) SA	32	71			
	18,345	1,843	3,300	-	31

Supplementary Statements

Annex D1

Key Financial Highlights of the subsidiaries with minority holdings

(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	12.228	10.850
non-current assets	6.760	37.574
current liabilities	35.026	26.903
liabilities held-for-sale		
non-current liabilities	12.449	7.331
revenues	23.515	28.881
profit (loss) on continuing operations	(1.222)	3.388
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

(in Euro/1000)	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.	
	12 31 2023	12 31 2022	12 31 2022	12 31 2021	12 31 2023	12 31 2022	12 31 2023	12 31 2022
Dividends paid to joint ventures or associates				0			8.500	
Key Financial Highlights								
current assets	63.968	52.513	35.736	16.865	52.636	59.762	37.614	32.753
non-current assets	149.795	118.814	11.447	14.401	70.255	50.726	35.469	39.977
current liabilities	(96.205)	(81.730)	(9.202)	(3.330)	(35.311)	(31.034)	(14.640)	(15.118)
non-current liabilities	(28.950)	(25.465)	(2.165)	(1.184)	(17.904)	(23.589)	(3.028)	(2.752)
Shareholders' Equity	(88.608)	(64.133)	(35.816)	(26.752)	(69.676)	(55.865)	(55.415)	(54.853)
Revenues	42.560	46.363	35.838	5.614	148.076	124.650	104.113	80.329
Costs of production	(43.901)	(39.846)	(25.767)	(10.061)	(130.902)	(112.095)	(92.483)	(73.154)
Financial income and charges	(1.812)	(1.775)	(154)	76	981	(222)	912	107
Income taxes	(127)	(103)	(854)	(19)	(2.927)	(787)	(3.480)	(2.030)
Net Profit/(loss)	(3.280)	4.639	9.064	(4.390)	15.228	11.546	9.062	5.252

Report of the Independent Auditors

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, 2023, 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 material accounting policy information.

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, 2023, 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.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560156 - I.C.E.A. n. MI-1720239 | Partita IVA: IT 03049560156

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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, 2023, 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, 2023 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, 2023 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
Filippo Verardo
Partner

Treviso, Italy
April 12, 2024

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

MILIONE S.P.A.

Milione S.p.A.

Viale G. Galilei, 30/1 - 30173 Tessera-Venezia (Ve)