



**CONCESSIONI
AUTOSTRADALI
VENETE**

FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022 AND RELATED REPORTS

Concessioni Autostradali Venete CAV S.p.A.

**Via Bottenigo, 64/A
30175 Marghera (Venezia)**

Share capital EUR 2,000,000.00 fully paid in

**Registration with Companies' Register, Fiscal Code, VAT Registration 03829590276
Registration with the Chamber of Commerce, Venice, R.E.A. VE 0341881**

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Notice of Annual General Meeting

To:
SHAREHOLDERS
Their addresses

Venice, 16 March 2023

SUBJECT: Notice of Annual General Meeting

Pursuant to article 2364 of the Civil Code, notice is hereby given that the annual general meeting of Concessioni Autostradali Venete - CAV S.p.A. will be held at the Company's registered office in Venezia-Marghera, Via Bottenigo, 64/a on 6 April 2023 at 12:00 noon in first call, and if necessary, on **19 April 2023 at 12:00** noon in second call, to transact the following

BUSINESS

1. Draft financial statements as of 31 December 2022 and report on operations for the year then ended, report of the Board of Statutory Auditors and independent auditor's report: related resolutions;
2. Audited non-financial statement prepared, on a voluntary basis, for the year 2022;
3. Report on corporate governance for the year 2022 pursuant to article 6, paragraph 4, of Legislative Decree No. 175/2016;

Pursuant to article 12 of the Articles of Association, shareholders are entitled to attend the annual general meeting and to vote on resolutions if they are duly registered in the shareholders' register or have applied for registration at least three days before the date of the general meeting in first call.

Pursuant to article 2372 of the Civil Code and article 12 of the Articles of Association, shareholders are entitled to appoint a proxy to attend and vote on their behalf, subject to filing an instrument of proxy in writing.

Pursuant to article 11.2 of the Articles of Association, shareholders may also attend via audio or video conference.

Yours faithfully

THE CHAIR
Monica Manto

BOARD OF DIRECTORS (1)

Chair
MANTO Monica (2)

Chief Executive Officer
CAMPITELLI Maria Rosaria Anna (3)

Directors
CERON Renzo
TIOZZO FASIOLO Lucio
TROMELLINI Elisabetta

BOARD OF STATUTORY AUDITORS (4)

President
USTINO Annamaria

Acting auditors
BRUTTO Corrado
PALMIERI Incononata

Alternate auditors
DANESIN Alessandro
MARCHESE Giandomenico

TOP MANAGEMENT

Chief Financial Officer
BORDIGNON Giovanni

*Chief Operating Officer
Legal affairs and Procurement*
MATASSI Angelo

Chief Human Resources
BRAGATO Paolo

INDEPENDENT AUDITOR

PRICEWATERHOUSECOOPERS S.p.A.

- (1) The Board of Directors was appointed by the Company in general meeting on 31 October 2022 for a term of three years 2022-2024.
- (2) Director Monica Manto was appointed Chair of the Board of Directors by the Company in general meeting on 31 October 2022.
- (3) Director Maria Rosaria Anna Campitelli was appointed CEO by the Board of Directors on 7 November 2022.
- (4) The Board of Statutory Auditors was appointed by the Company in general meeting on 8 April 2021.
The President of the Board of Statutory Auditors, Ms. Annamaria Ustino, was designated by the Ministry of the Economy and Finance ("MEF");
Acting auditor Mr. Corrado Brutto was designated by the Region Veneto; acting auditor Ms. Incononata Palmieri was designated by the Ministry of Sustainable Infrastructure and Mobility ("MIMS", formerly the Ministry of Infrastructure and Transport, "MIT").

Shareholder structure

SHAREHOLDER	NO. OF SHARES HELD	NOMINAL VALUE OF ORDINARY SHARES	SHARE CAPITAL	PERCENTAGE HELD
ANAS SpA	1,000,000	1.00	1,000,000	50
Region Veneto	1,000,000	1.00	1,000,000	50
Total	2,000,000		2,000,000	100

REPORT ON OPERATIONS

INTRODUCTION

Dear Sirs,

This report illustrates the key events of financial year 2022, first of all the result of operations which was satisfactory, the Company having closed the year with a considerably higher profit than in the previous year.

THE FINANCIAL STATEMENTS

The financial year 2022 closed with profit of EUR 24.6 million (EUR 16.0 million in 2020).

The key factor that determined this result was traffic: the number of vehicles per km travelling on motorways operated by CAV rose by 10.92%. Consequently, toll revenue (after the supplementary concession fee payable to ANAS) rose by EUR 10.4 million (+7.8%). It should be noted that the increase in toll revenue was not affected by rates, which were unchanged from the previous year.

With regard to both traffic and rates, additional figures, analyses and information are provided in other sections of this annual report.

Another important and significant factor that contributed to the result of operations was careful, constant attention to the operating costs of all corporate operations.

Finally, a last element that should be taken into consideration is the Company's liquid funds, which as of 31 December 2022 amounted to EUR 178 million (EUR 116 million in unrestricted cash and EUR 62 million in restricted cash): those considerable cash reserves prove the Company's financial viability and its ability to meet all its financial commitments with ease.

DECISION OF THE TRANSPORT REGULATION AUTHORITY (ART) ON THE METHOD OF CALCULATION OF TOLL RATES – INSTANCE APPEAL DECISION

In 2022, the second instance proceeding challenging Decision No. 67 of 19 June 2019 of the ART, on the *“Approval of the toll charging system referred to the Concession Agreement between ANAS S.p.A. and Concessionari Autostradali Venete - CAV S.p.A.”*, was closed.

The Council of State, at the time of the re-examination, was asked by the parties to express an opinion on the ruling issued by the Regional Administrative Court (“TAR”) of the Region Veneto (“TAR Veneto”) on 7 October 2020 (published on 25 November 2020).

With that decision, TAR Veneto confirmed the premise that the ART was required to establish the rate systems for motorway concessions being updated or revised, and that it did not act merely in a consulting capacity; the court then considered it reasonable and foreseeable to apply the price cap model, as it is suitable to balance efficiency of allocation with incentives to production efficiency, so as to ensure efficiency savings in an industry that is substantially monopolistic, on the assumption that the benefits, in terms of lower costs, may translate into lower toll rates for consumers; finally, the court considered the calculations made by the ART reliable, arguing that they also took into account the specificities of CAV.

However, in the same ruling TAR Veneto considered that CAV's argument related to the ART's failure to assess the margins for actual implementation of the target set by the ART itself was well founded, in light of the factual, legal and financial commitments already made by CAV.

The Company considered the first-degree ruling as not fully satisfactory, and instructed its legal counsel to lodge an appeal in the second degree of judgment, hoping to obtain a more favourable ruling and, for this purpose, gave an additional assignment to its legal counsel to continue with the proceedings.

The appeal before the Council of State was notified on 23 February 2021 and the action was registered under No. 1778/2021. It should be noted that, for its part, the ART notified a separate appeal before the Council of State (registered under No. 1920/2021). The two appeals were joined, after lengthy discussion, and a hearing to decide on the case was scheduled for 3 February 2022.

The proceeding was concluded with ruling No. 8765 published on 14 October 2022.

That ruling, partially modifying the first-degree ruling, accepted the ART's motions in full, accordingly rejecting all motions submitted by CAV.

Accordingly, as a result of the decision, CAV shall calculate motorway tolls in accordance with the parameters set out in ART Resolution No.67 dated 19 June 2019, and, furthermore, by virtue of the decision, it shall maintain careful and constant control with regard to operating cost reduction and improvement in production efficiency.

Among the parameters specifically provided for by the ART for the purposes of toll adjustment, in its financial projections the Company shall take into account the "value of the overall recovery rate of production efficiency X", indicated by the ART as equal to 23.13%, and of "the productivity indicator X_t to be applied in the price cap formula" indicated by the ART as equal to 5.13% (point 20 of the above-mentioned Resolution).

As a result of the situation described above, CAV will see a clear change in the method of calculation of toll rates as a result of the application of the parameters indicated by the ART which will generate a financial impact, substantially changing the previous method used for the calculation of motorway tolls.

THE NEW BUSINESS PLAN AND THE REGULATORY FINANCIAL PLAN 2020-2024

Article 13 of Law Decree No. 162 of 30 December 2019 No. 162 (known as "Milleproroghe", the 'Thousand Extensions' decree), requires operators whose addendum to the Concession Agreement has expired or is close to expiring (as is the case with CAV) to submit a new business plan and a new regulatory financial plan prepared using the new calculation rules introduced by the transport regulator (Autorità di Regolazione dei Trasporti, "ART"). In accordance with the decree, on 4 May 2020 the Company submitted its updated Business Plan for the period 2020-2032 and its updated Regulatory Financial Plan for the period 2020-2024. We note that in developing the updated Business Plan and Regulatory Financial Plan the Company took into account the contingent situation related to the health emergency caused by the Covid-19 pandemic.

Later, by a Communication dated 5 October 2020, the Ministry of Transport – having confirmed that the effects of the Covid-19 emergency are force majeure events, and having acknowledged the need to use calculation criteria that are transparent, uniform and consistent with the applicable regulatory framework to quantify the financial impact of the fall in traffic volumes following lockdown restrictions – provided criteria for quantifying the extraordinary effects of the health emergency. On the other hand, by the same Communication, the Ministry invited concession holders to draw up traffic forecasts as part of their updated business plans and regulatory financial plans "[...] on assumptions of consistency with previous regulatory periods" (establishing that, in relation to developments of the current health emergency "additional measures may be taken in future to rebalance the contract") and, accordingly, to revise already submitted regulatory financial plans taking into account the instructions set out in the Communication.

In light of the contents of the Ministry's Communication mentioned above, on 30 December 2020 the Company submitted revised versions of the Business Plan for the period 2020-2032 and of the Regulatory Financial Plan for the period 2020-2024, as well as a quantification of the impacts of Covid-19 prepared using the calculation

procedure illustrated in the Technical Note appended to the Ministry's Communication, and including certain qualifications and reservations.

CAV pointed out that it had complied with the Ministry's requirements in the Communication even though it did not agree with the instruction to draw up a business plan based on traffic estimates that did not consider the Covid-19 health emergency, believing its original approach, i.e. that used in the Business Plan submitted on 4 May 2020 in which it highlighted the critical situation that had developed, to be more correct.

Later, by a Communication dated 31 March 2021, the Ministry made some remarks on the 2020 Business Plan and requested certain clarifications about some profiles identified by the ART.

In consideration of the Communication of 31 March 2021, on 29 July 2021 the Company submitted third versions of the Business Plan for the period 2020-2032 and the Regulatory Financial Plan for the period 2020-2024.

We point out that, in consideration of having previously challenged the regulatory framework defined by the ART, the Company submitted two different new versions of the Business Plan and Regulatory Financial Plan, one prepared in accordance with the Concession Agreement and the Resolutions adopted by the CIPE and one prepared in accordance with the regulatory framework defined by the ART.

In the Business Plan submitted on 29 July 2021 the Company complied with the remarks made by the ART, except for the productivity coefficient X which, also in this version, was confirmed as equal to zero, and included an appendix to the Plan providing exhaustive, item-by-item replies to each of the requests for clarification made. Finally, it should be noted that as a result of the ruling of the Council of State published on 14 October 2022 the Company is preparing a new Business plan for the period 2020-2032. This Plan takes into account the new regulatory framework defined by the ART in its Resolution No. 67 of 19 June 2019 and the value of the recovery rate of production efficiency X indicated by the ART as equal to 23.13%.

Having said that, we summarise the key elements of the new Business Plan and Regulatory Financial Plan now being prepared:

1 - Duration: the plans are developed from the current financial year 2020 to 2032, i.e. the year when the Concession Agreement expires;

2 - Toll rates: the rates currently applied by the Company are assumed to remain unchanged until 31 December 2023. For the years 2024 to 2032 annual changes are assumed that have been determined using the criteria defined by the ART's resolution.;

3 - Traffic: the development in traffic flows is determined on the basis of forecasts provided by a leading third party consultant with large experience of the industry that drew up a specific traffic report. That report was prepared on the assumption of consistency with previous regulatory periods and, as indicated in the Technical Note appended to the Ministry's Communication of 5 October 2020, did not take into account the Covid-19 emergency;

4 - Investment: for the years 2020 to 2032 investment expenditure is planned for a total of around EUR 162 million, whereof around EUR 154 million on assets operated under concession (that are to be transferred to the state without charge at the end of the term of the concession) and around EUR 8 million on other assets;

5 - Maintenance: maintenance works are planned during the period 2020 to 2032 for a total of around EUR 226 million;

6 - Financial structure: the plans take into account the Project Bond which was issued on 12 April 2016 for an initial amount of EUR 830 million, at an interest rate of 2.115%, with maturity on 31 December 2030.

Following the submission of the Business Plan and Regulatory Financial Plan to the Ministry, the law provides for the approval process to be completed with the issuance of a specific inter-ministerial decree by the Ministry of Sustainable Infrastructure and Mobility and the Ministry of the Economy and Finance) and its subsequent filing

with the Court of Auditors (*Corte dei Conti*). The effective date of the Business Plan will be the filing date of the inter-ministerial decree.

IN-HOUSE PROVIDING APPLICATION

The possibility for CAV to become a so-called ‘in-house providing’ company is currently being discussed at an institutional level. The Company would be similarly and jointly managed by the current shareholders (ANAS and the Region Veneto) with its operations subjected to control and coordination both by the above-mentioned shareholders and by the Ministry for Infrastructure through two Committees established for that purpose.

The initiative represents the final outcome of a series of changes to the Company’s business purpose arising from an amendment – approved in 2021 (Law Decree No. 77 of 31 May 2021) – to the law by virtue of which CAV was established which enables the Company to carry out activities concerning the construction and operation, including ordinary and extraordinary maintenance, of additional motorway sections predominantly located in the territory of Veneto but also in neighbouring regions, subject to prior agreement between the regions concerned.

In the event the transaction is successfully completed, ordinary operations will be carried out similarly and jointly by the two current shareholders.

The final hypothesis provides for a review of the expiry date of the present concession (currently 31 December 2032) against the activation and operation by the Company of new investments and innovative projects.

In addition, in a future, hypothetical, perspective, taking into account the ‘in-house’ nature of the Company, subjected to control by MIT, CAV could become the assignee by the Ministry of inter-region motorway concessions.

HYPER TRANSFER PROJECT

On 16 March 2022, CAV, the Region Veneto and the Ministry for Infrastructure for sustainable mobility signed an agreement protocol with a commitment to start a partnership for innovation pursuant to article 65 of the Italian Code of Procurement, to identify one or more operators to cooperate with in research and development activities designed to ascertain the feasibility, through an appropriate study, of a so-called “Hyper Transfer” system (an ultrafast, fully automated, land transport system for goods and persons, in a reduced friction and controlled aerodynamic resistance environment, with low energy consumption); in the event of a positive outcome of the feasibility study, to prepare the preliminary and engineering design and final construction plan of the certification track; in the event of approval of the construction plan, to build the certification track with the purpose of certifying the system for operation within a commercial route to be defined.

The above protocol also established a Technical Committee comprising a representative of the Ministry for Infrastructure, a representative of the Region Veneto and a representative for CAV, with the task of co-ordinating and defining the project scope with the ultimate objective of certification of the system.

The project officially started on 1 April 2022, with the publication in the Official Journal of the call for tenders pursuant to article 65 of the Code of Procurement.

The objective of the project is to ensure higher sustainability of infrastructure and mobility, enabling:

- A reduction of HGV traffic density on motorways
- A reduction in traditional transportation times and related energy consumption;
- Increased protection of the environment;
- Increased road safety;

- Interconnection between transport systems and smart cities.

The award of the partnerships and the resulting start of research and development activities with regard to the feasibility and possibility of realization of the project is expected in the first half of 2023.

THE PROJECT BOND AND RELATED ASPECTS

In April 2016, for the purpose, among other things, of raising the necessary financial resources to repay the entire amount owed to ANAS for the costs incurred for the construction of the “Passante di Mestre”, the motorway bypassing Venice/Mestre (the “Bypass”), CAV issued a bond in the form of a project bond pursuant to article 157 of Legislative Decree No. 163 of 12 April 2006. As in previous years, during 2022 the Company complied with all the obligations established by the financing agreement, and specifically – in addition to meeting various disclosure and reporting requirements – it paid both the principal and interest portions of the two half-yearly instalments falling due on 30 June and 31 December 2022, respectively.

Rating

The financing agreement made between the parties following completion of the procedure for raising funds to finance construction of the Bypass through a project bond requires CAV periodically to have its creditworthiness rated and to obtain a long-term credit rating for the purpose of constant monitoring by the institutional investors involved in the transaction.

It should be noted that in 2022 the rating agency confirmed the Company’s rating as Baa1 with a negative outlook. That rating is the best among all those issued by rating agencies to Italian companies.

GOVERNANCE

At the annual general meeting of Concessioni Autostradali Venete – CAV S.p.A. held on 31 October 2022, the shareholders appointed a new Board of Directors.

We take this opportunity to thank the outgoing board for their activity and their contribution.

At the annual general meeting the shareholders also appointed a new Chair, Ms Monica Manto, who was vested with the relevant powers at the meeting of the Board of Directors held on 7 November 2022. The Board of Directors also appointed Ms. Maria Rosaria Anna Campitelli as Managing Director of CAV, and vested her with the relevant powers. The Board of Directors in office also comprises directors Renzo Ceron, Lucio Tiozzo Fasiolo and Elisabetta Tromellini.

ADDITIONAL DISCLOSURES PURSUANT TO ARTICLE 2428 OF THE CIVIL CODE

In accordance with article 2428 of the Civil Code we state that the Company did not carry out any research and development activities; the Company does not hold any treasury shares; it does not hold any financial instruments; the Company has no branches.

SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Significant events occurring after the balance sheet date are illustrated in a separate section of the notes to the financial statements.

BUSINESS AND FINANCIAL PERFORMANCE

BUSINESS PERFORMANCE

The year 2022 closed with a positive result: net profit after tax was EUR 24.6 million (FY 2021: EUR 16.0 million). Value of production was equal to EUR 167.3 million (FY 2021: EUR 154.4 million), an increase of EUR 12.9 million (+8.36%).

Within value of production, toll revenue (excluding VAT and the supplementary concession fee payable to ANAS) was equal to EUR 144 million, higher than in the previous year (FY 2021: EUR 133.6 million; +7.8%): the figure is directly related to the change in traffic (for these aspects – traffic and toll rates – we make reference to the specific paragraphs of the report on operations).

The supplementary concession fee payable to ANAS went from EUR 13.5 million to EUR 14.5 million (an increase of EUR 1 million; +7.762%) as a consequence of the traffic performance.

Other motorway income totalled EUR 6.3 million (FY 2021: EUR 5 million) and is detailed as follows: EUR 3.8 million in royalties on operations at service stations; EUR 1.5 million in other motorway operators' share of collection costs; EUR 0.1 million in recharges of costs.

Cost of production totalled EUR 121.4 million, an increase of EUR 4.2 million (FY 2021: EUR 117.2 million; +3.54%) as specified below.

Cost of services was EUR 35.3 million (FY 2021: EUR 31.7 million; +11.36%).

The increase was mainly due to maintenance costs, which went from EUR 17.9 million to EUR 19.8 million (+10.6%), to other motorway operators' share of collection costs, which went from EUR 4.2 million to EUR 4.8 million (+13.59%), and to electricity costs, which went from EUR 2.6 million to EUR 4.5 million (+73.46%).

Personnel costs were equal to EUR 19.6 million (FY 2021: EUR 19.5; +0.54%).

Depreciation charges in 2022 were equal to EUR 47.6 million (FY 2021: EUR 46.8 million; +1.59%). Most of this relates to the cost of the Bypass, accounting for EUR 28.7 million (unchanged from 2021): depreciation of the Bypass is calculated on a straight-line basis.

With regard to the provision for cycle maintenance, the charge in the year was equal to EUR 12.6 million (FY 2021: EUR 14.7 million); utilisation in the year was equal to EUR 14.7 million (FY 2021: EUR 15 million).

Another important component was other operating costs, equal to EUR 19.4 million (FY 2021: EUR 17.7 million; +9.54%).

Other operating costs include the concession fee referred to in article 1, paragraph 1020, of Law No. 296/2006, equal to EUR 3.5 million (FY 2021: EUR 3.2 million) and corresponding to 2.4% of net toll revenue: 21% of the concession fee (equal to EUR 0.7 million) is paid directly to ANAS and 79% (equal to EUR 2.7 million) to the State. Other operating costs also include the supplementary concession fee payable to ANAS, which went from EUR 13.5 in 2021 to EUR 14.5 in 2022 (+7.76%): the amount is equal to the figure recorded under revenue, being simply a collection made on behalf of a third party, i.e. ANAS.

The difference between value and cost of production was equal to EUR 45.9 (FY 2021: EUR 37.2 million). The increase of EUR 8.7 million (+23.54%) was essentially due to the growth of revenues.

Financial charges amounted to EUR 12.1 million, lower than in the previous year (FY 2021: EUR 13.5 million; -10.46%) and relate to interest expense on the project bond.

As a result of the above, profit before tax was equal to EUR 34 million (FY 2021: EUR 23.7 million; +43.66%), an increase of EUR 10.3 million; income taxes (IRES, corporation tax, IRAP, regional trade income tax, and deferred

tax assets) were equal to EUR 9.4 million (EUR 7.7 million in 2021); net profit for the year, as already mentioned, was equal to EUR 24.6 million.

Financial statements ratios

		FY 2022		FY 2021	
ROE	NET PROFIT	24,594	11.65%	16,014	8.59%
	EQUITY	211,122		186,529	
ROI	EBIT	45,925	4.36%	37,173	3.56%
	AVERAGE FIXED ASSET PORTION OF CAPITAL INVESTED	1,054,448		1,044,247	
ROS	EBIT	45,925	30.06%	37,173	26.38%
	NET SALES REVENUE	152,772		140,914	
ROA	EBIT + INTEREST INCOME	46,103	6.56%	37,179	4.99%
	TOTAL ASSETS	703,189		744,510	
FIXED ASSETS TO TOTAL ASSETS RATIO	FIXED ASSET PORTION OF INVESTED CAPITAL	1,058,947	150.59%	1,049,949	141.03%
	INVESTED CAPITAL	703,189		744,510	
DEBT TO EQUITY RATIO	DEBT	478,279	226.54%	541,731	290.43%
	EQUITY	211,122		186,529	
TOTAL INDEBTEDNESS	LIABILITIES - EQUITY	492,067	233.07%	557,981	299.14%
	EQUITY	211,122		186,529	
EQUITY RATIO	EQUITY	211,122	20.02%	186,529	17.86%
	AVERAGE FIXED ASSET PORTION OF CAPITAL INVESTED	1,054,448		1,044,247	
CURRENT RATIO	CURRENT ASSETS	164,573	149.72%	164,083	134.45%
	CURRENT LIABILITIES	109,923		122,038	

Reclassified income statement (thousands of euro)

	FY 2022	as a % of revenues	FY 2021	as a % of revenues
REVENUE				
Net toll revenue	143,964	94.23%	133,553	94.78%
Other revenue from sales and services	6,273	4.11%	4,962	3.52%
Other income	2,535	1.66%	2,399	1.70%
TOTAL REVENUE	152,772	100.00%	140,914	100.00%
Production overheads	-37,021	-24.23%	-33,425	-23.72%
Other costs and plus/minus balance	-4,766	-3.12%	-4,355	-3.09%
VALUE ADDED	110,984	72.65%	103,134	73.19%
Net labour costs	-19,573	-12.81%	-19,469	-13.82%
EBITDA	91,411	59.83%	83,665	59.37%
Depreciation/amortisation	-47,557	-31.13%	-46,810	-33.22%
Charges to provisions for risks and charges	2,070	1.35%	318	0.23%
EBIT	45,925	30.06%	37,173	26.38%
Financial income and charges	-11,912	-7.80%	-13,497	-9.58%
Adjustments to assets/disposal of equity investments	0	0.00%	0	0.00%
PROFIT BEFORE TAX	34,012	22.26%	23,676	16.80%
Income taxes	-9,419	-6.17%	-7,662	-5.44%
PROFIT FOR THE YEAR	24,594	16.10%	16,014	11.36%

Future outlook

With reference to toll revenue, a single factor shall influence its value: traffic performance, which should be positive. Indeed, toll rates for 2023 are unchanged and the slight decline in additional kilometres travelled applied at toll gates in relation to 2022 (established by the Ministry of Sustainable Infrastructure and Transport as 17.056 km, -0.050 km compared with 2022) will have a very modest impact. Having regard to the above, for 2023 an increase in revenue compared with the previous year can be prudently estimated.

We believe cost of production shall be substantially equivalent to the figure for 2022.

Finally, with regard to interest expense, the figure should decrease as a result of lower indebtedness following loan repayments.

Based on the above, in summary we expect a positive result also for FY 2023.

FINANCIAL PERFORMANCE

As of 31 December 2022 cash and cash equivalents totalled EUR 116 million (FY 2021: EUR 121 million), a decrease of EUR 5 million.

In addition, specific liquidity reserves (restricted current accounts) have been set up as required by the contractual agreements related to the project bond, for a total of EUR 62 million as of 31 December 2022 – in detail: a Debt Service Reserve Account of EUR 35.39 million, a Capex Reserve Account of EUR 18.5 million and a Maintenance Reserve Account of EUR 8.2 million.

Therefore, cash and cash equivalents including restricted reserves totalled EUR 178 million as of 31 December 2022.

With regard to the project bond, the status as of 31 December 2022 was the following: after principal repayments during the year the outstanding balance (calculated using the amortized cost method) was EUR 442.2 million.

A note on financing in 2022

Using the funds mentioned above, which will be supplemented by the cash flow generated from ordinary motorway operations, the Company will be able to meet all its financial requirements, first of all, those originating from the project bond, i.e. repayment of principal plus interest payments for a total of EUR 64.3 million (to be settled at half-yearly intervals, on 30 June 2023 for EUR 30.6 million in principal and EUR 4.7 million in interest, and on 31 December 2023 for EUR 24.7 million in principal and EUR 4.3 million in interest) and, secondly, those connected with investment expenditure referred both to the operating requirements of the motorways under concession and to completion of complementary and completion works on the Bypass.

KEY RISKS AND UNCERTAINTIES

Below we provide the information required pursuant to article 2428 of the Civil Code to analyse in detail the key risks and uncertainties to which the Company is exposed.

TRAFFIC AND RATE RISKS

The Company is exposed, in generating revenues, to the combined effect of changes in traffic and in rates. Changes in traffic are essentially caused by external factors influenced by the general performance of the economy. Changes in rates are a consequence of the approval process of the grantor and the formulas set out in the Concession Agreement. For details we make reference to the section titled "Motorway business".

FINANCIAL RISK

The financial requirements of ordinary operations, maintenance plans and commitments under the Concession Agreement are met through the existing bond issue (project bond).

Commitments under the Concession Agreement include compliance with the solvency covenant referred to in article 3, paragraph 2, letter t, which refers to Appendix K to the Concession Agreement in force.

MOTORWAY BUSINESS

Below we provide the key figures relating to the motorway business which are accompanied, in the final part of this report, by other statistics with the related tables and charts.

TRAFFIC

First of all, a few simple definitions.

“Actual vehicle count” is the total number of vehicles that entered the motorway, regardless of the number of kilometres travelled; “vehicles per km” is the number of vehicles that joined the motorway multiplied by the total kilometres travelled; “virtual vehicle count” is the number of vehicles that virtually travelled the entire length of the motorways under concession subject to payment of toll.

It should be noted that in the course of 2022 there were no changes in the infrastructure.

To clarify the presentation of data in the following sections, we list the motorways operated by the Company under concession: the stretch of motorway A4 between Padova Est and the interconnection with motorway A57, at Dolo, together with the Mestre Bypass; A57 “Tangenziale di Mestre”, i.e. the Mestre ring road, between the interconnection with A4 and the Venezia Mestre toll gate (in the closed system) as well as the additional stretch strictly speaking called the Mestre ring road, from the Venezia Mestre toll gate to the Terraglio junction (in the open system). The Company also operates the junction motorway link to Venice “Marco Polo” airport at Tessera in the open system.

Finally, please note that in the summary report below all figures are shown, as usual, with reference to traffic classified as “paying”. This is also for the purpose of more uniform comparison with the accounting data relating to toll revenue.

Traffic relating to the toll-free stretch, which is therefore classified as “non-paying”, is commented on separately where necessary.

Overall traffic figures

The first overall figure is vehicles per km (open system plus closed system), which in 2022 totalled 1,798,699,519 (FY 2021: 1,621,637,328), an increase equal to 10.92%, achieved thanks to the recovery following the Covid-19 pandemic which generated values very close to those recorded in the last year before the pandemic.

Closed system

During 2022, in the entire closed system (partly in A4 and partly in A57), the actual vehicle count was 49,398,026, an increase of 4,250,786 units, or +9.42%, on the 2021 figure of 45,147,240.

The related vehicles per km totalled 1,107,570,096, an 8.96% increase on the 2021 figure of 1,016,490,030. The virtual vehicle count was 24,062,964, an increase of 8.96% on the 2021 figure of 22,084,167.

An analysis on a daily level gives the following results: daily average actual vehicle count (VEMG) of 135,337 vs. 123,691 in 2021 (+9.42%); daily average vehicles per km (VkmMG) equal to 3,034,439 vs. 2,784,904 in 2021 (+8.96%); daily average virtual vehicle count (VTMG) of 65,926 vs. 60,505 in 2021 (+8.96%).

For completeness di information, we also report that traffic recorded at a national level shows an estimated increase in vehicles per km of about 25.5% (source: AISCAT, 30 June 2022).

Open system

Traffic in the open system is traffic entering and leaving the motorway at the Venezia Mestre toll gate (at Marghera), at the Mira/Oriago and Mirano/Dolo toll gates on A57, operated by CAV, at the Venezia Nord toll gate (at Mogliano) on A27, operated by Autostrade per l'Italia, and at the Venezia Est toll gate (at Quarto d'Altino) on A4, operated by Autovie Venete.

Transit through one of the above-mentioned gates represents passage from the open to the closed system or vice versa.

In 2022 transits totalled 29,050,037, an increase of 14.45% on 25,381,566 transits in 2021. Transits generated a total of 691,129,423 vehicles per km, an increase of 14.21% on 605,147,297 vehicles per km in 2021.

The transit figures mentioned above do not include vehicles entering or leaving the motorway at Venezia Mestre, Mira/Oriago and Mirano/Dolo with journeys starting/ending at those same gates, i.e. transactions referred to toll-free internal traffic, which is discussed further below.

Finally, it should also be noted that the above figures do not consider city traffic travelling on the Mestre ring road via the various spur roads (Miranese, Castellana and Terraglio) and on the motorway link to the airport that does not enter the closed system (A57, A4, A27) through one of the above-mentioned toll gates.

Application of discounted rates for commuters

- Application of a frequent traveller discount scheme on the stretch Padova Est – Mirano/Dolo.

In 2022 the number of commuting residents of the municipalities of Mirano, Dolo, Mira, Spinea and Pianiga (in the province of Venice) who benefited from the frequent traveller discount scheme on the stretch Mirano/Dolo – Padova Est (class A; use of Telepass; 40% discount) was equal to 376 for an annual total of over 11,000 transits, with a reduction in toll revenue for CAV of about EUR 13,900 (including VAT).

The Ministry of Infrastructure has again approved the extension of the scheme for the year 2023 for all free-flow tolling users..

- Toll reduction for motorcycles

The scheme, started on 1 August 2017 and extended to 31 December 2022, provides for the application of a 30% discount on motorcycle tolls for customers using Telepass, provided that the device is associated with one licence plate only and that no other subsidies are applied to the same Telepass device.

For FY 2022 the reduction in toll revenue for CAV was around EUR 25,500. As requested by the Ministry of Infrastructure and transport, the scheme will continue, again on a trial basis, until December 2023, for users equipped with a free-flow tolling device.

Removal of tolls on traffic between the toll gate at Venezia Mestre and the Mira/Oriago and Mirano/Dolo toll gates

In 2022 transits between the toll gate at Venezia Mestre and the Mira/Oriago and Mirano/Dolo toll gates (not subject to payment of toll) numbered 11,125,663, an increase of 7.15% on 2021 (10,382,939).

Classes of traffic and types of payment

Traffic is classified into five classes according to the axle-shape approach, as follows: class A (motorcycles and vehicles with 2 axles, with front axle height of up to 1.30 m), which conventionally indicates light vehicles; class B (vehicles with 2 axles, with front axle height exceeding 1.30 m); classes 3, 4 and 5 (vehicles with 3, 4 and 5 axles); classes B to 5 include heavy goods vehicles (HGVs).

The composition of traffic has been substantially stable over the years; vehicles classified as light generated 72.62% of total vehicles per km (traffic paying toll both in the closed and in the open system), whereas HGVs generated 27.38%.

Below we provide some figures on the use of the various toll payment systems.

Transits with toll paid in cash accounted for 15.64% of the total (15.63% in 2021) and are detailed as follows: 0.04% as cash at manned gates (0.05% in 2021) and 15.60% as cash at automated toll booths (15.58% in 2021). In this connection it should be noted that in the course of 2019 CAV completed the replacement of manned toll booths at the Venezia Mestre and Padova Est toll gates with automated toll booths, which can also be manned at times of very heavy traffic (May to September); therefore, all gates on the motorways operated by the Company are fully automated.

The various automated payment systems accounted for 84.36% of paying transits (84.37% in 2020).

While the difference with the previous year was not marked, the year 2022 saw a stable use of cash payments, with a modest fluctuation of the balance between free-flow automated payment systems (Telepass) which recorded a decrease from 71.10% to 70.34% against a slight increase in credit card payments which rose by 1.27% compared with 2021.

In this connection we note that in September 2020 the European Electronic Toll Service and Interoperable Electronic Toll Service for HGV started being rolled out; the project involves the homologation of free-flow tolling equipment with all motorway operators in Europe. For the time being only a few service providers are active for heavy goods vehicles and light vehicles, but use of the service is expected to grow exponentially, and in 2022 rose to 1.38% of total transits compared with 0.30% in 2021.

TOLL REVENUE

In 2022 toll revenue (excluding VAT and the supplementary concession fee payable to ANAS) totalled EUR 144.0 million vs. EUR 133.6 million in 2021.

The final figure – which increased by EUR 10.4 million, or 7.80% – was determined solely by traffic (+10.92%) since rates remained unchanged from the previous year: in this regard we make reference to the specific section of the report on the motorway business.

A clarification is in order: the final toll amount actually paid by users includes VAT and the rates per kilometre relating to the supplementary concession fee payable to ANAS and reflects final rounding up or down to the nearest 0.10 cents of euro, as established by Law Decree No. 10440/28/133 of 12 November 2001.

The toll revenue reported above comprises proceeds from tolls paid by vehicles travelling on the various motorway stretches operated by CAV, in detail: traffic on the Mestre Bypass (A4) and traffic on the Padova – Mirano/Dolo stretch (partly on A4 and partly on A57) in the closed system, as well as traffic in the open system (recorded at the Venezia Mestre, Mira/Oriago and Mirano/Dolo toll gates operated by CAV on A57; at the Venezia Nord gate operated by Autostrade per l'Italia on A27 and at the Venezia Est gate operated by Autostrade Venete on A4) where toll is applied for 6.685 km for the Mestre ring road and for 17.106 (FY 2021: 17.157 km) for the additional kilometres applied to finance construction of the Bypass.

The supplementary concession fee payable to ANAS was equal to EUR 14.5 million (FY 2021: EUR 13.5 million; +7.76%). The increase is related to the growth of traffic and its distribution among the five toll classes.

For every kilometre travelled (starting from 1 January 2011) the toll for vehicle classes A e B is increased by 6 thousandths of a euro while the toll for classes 3, 4 and 5 is increased by 18 thousandths of a euro: the resulting monthly amounts (payments on account plus balance payments) were regularly paid to ANAS.

TOLL RATES

The toll for each journey is calculated as the number of kilometres assigned to a given stretch multiplied by the unit toll rate, vehicle class by vehicle class; the resulting amount is increased by any surcharges mandated by law (supplementary concession fee payable to ANAS) and by value added tax (VAT) as provided by the legislation in force.

With regard to the additional kilometres calculated at the Venezia Mestre, Mirano/Dolo, Mira/Oriago, Venezia Nord and Venezia Est toll gates to finance construction of the Bypass, we confirm that these are determined and approved from year to year by the Ministry of Infrastructure and Transport in relation to the provisions of the Concession Agreement in force and to the accompanying Regulatory Financial Plan.

The rates applied in 2022 were illustrated at length in the report on operations accompanying the 2021 financial statements.

We therefore provide more recent information on the rates for 2023.

The Ministry of Infrastructure and Transport notified the suspension of the adjustment to toll rates applicable from 1 January 2023.

By a note dated 29 December 2022 the Ministry of Infrastructure and Transport defined the additional kilometres payable to CAV for the year 2023 applied at the Venezia Mestre, Mira/Oriago and Mirano/Dolo toll gates operated by CAV on A57; at the Venezia Nord gate operated by Autostrade per l'Italia on A27 and at the Venezia Est gate operated by Autostrade Venete on A4 as 17.056 km (0.050 km less than in 2022).

By another note dated 22 December 2022 the Ministry of Infrastructure and Transport notified CAV that the pilot discount scheme (frequent traveller discount of 40%) on the stretch between Mirano/Dolo and Padova Est (which was expected to end on 31 December 2022) may be extended for a further 12 months from 1 January 2023 to 31 December 2023.

INVESTMENT EXPENDITURE

The integrated management system was strengthened through further development and integration of the software started in 2020. This made it possible to obtain a certification of the system under several vertical standards. Additional improvements concerned the ERP SAP system, where the set of tools available for services, specifically for Planning and Control, was strengthened.

Development continued of software for monitoring, maintenance and management of operating activities which makes it possible to standardise and digitise core business processes, including the development of a new software platform for the operations centre.

Development continued of the asset management system, with the completion of input of master file models and asset data.

The SIEM system (Security Information and Event Management) was strengthened with additional integration of log sources and extended correlation. In detail, the logs from the email security platform, EDR and PAM were integrated. With regard to the PAM (Privileged Access Management) system, activities consisted in the choice of the solution, purchase, study of use cases, system go live and log configuration. A new distributed cluster using cutting-edge technology, which hosts the modern containerised infrastructure of the new operations centre was purchased, installed and put into operation.

An experimental infrastructure was installed that generates quantum keys to encrypt securely connections between distributed datacentres.

A new dedicated infrastructure was created for backing up CAV's information systems. The infrastructure uses immutable storage logic, backups and replication on different levels to increase data resilience.

A large part of the accomplishments detailed above contributed to CAV obtaining certification under the ISO 27001 standard (Data Security) in July 2022.

In addition to the above, the Company started preliminary studies and/or engineering designs in connection with the other works budgeted in the RFP as per the Addendum to the Concession approved by Inter-ministerial Decree No. 139 of 11 April 2019 filed with the Court of Auditors on 24 May 2019 and relating to the new Regulatory Financial Plan 2020-2024 submitted for approval to the Ministry of Infrastructure and Sustainable Mobility.

Also, the "Complementary and completion works of the Mestre Bypass" included in the Company's RFP are being completed by ANAS S.p.A.. In this connection, in the course of 2022 work related to "Upgrades to escape routes along the Mestre Bypass" was completed and so were technical-administrative activities (technical- administrative tests and price offsetting pursuant to Legislative Decree No. 73 of 25 May 2021) for the supply and installation of noise barriers at the interchanges of the Martellago/Scorzè gate.

Work was started and is ongoing on the "Extraordinary maintenance and static strengthening of the bridge on the Brenta river on motorway A4". The project was submitted to the Ministry for approval with a note dated 18 February 2021, protocol No.1940/2021 and has not yet been approved; it is included in the new Regulatory Financial Plan for the period 2020-2032 that was submitted for approval on 29 July 2021.

To guarantee the highest safety standards an advanced system was set up for the collection and analysis of actual load data to perform controls on a sample basis of the mass declared for exceptional transports; also, the necessary information was supplied to the police on vehicles in circulation, also for the purposes of carrying out appropriate checks, a weighbridge and a truck scale were installed at the exit from the Mira-Oriago gate on A57. The weighing instruments were verified on 19 May 2022 and subsequently started to operate.

Activities for the dynamic monitoring of bridges and viaducts have started, as provided for in Decree No. 93 of 12 April 2022 of the Ministry for Infrastructure and transport. Activities concern the inspection, knowledge and installation of dynamic monitoring systems on a predefined number of bridges and viaducts under concession.

Also, technological upgrades involved toll payment devices at the toll gates operated by CAV and the installation of new LED-based road-lighting systems.

Furthermore, with regard to the Company's headquarters in Marghera, Via Bottenigo 64/A, activities are in progress for the adjustment of the existing privileged electricity network, fed by an emergency generator set, in the event of a power cut by the supplier, through:

- the supply and re-positioning of the emergency gensets in the existing green area on the north-west side of the complex with the creation of a new technical room;
- the installation of two new 800 kVA generator sets to be connected in parallel;
- the upgrading of the existing and newly installed medium and low voltage electrical network for switching between the grid and the gensets in the event of a failure of the supplier's electricity grid.

Also, the project creates new infrastructure of the low voltage electricity network servicing the electric vehicle recharging systems, specifically:

- a new infrastructure for the power supply of electric car charging towers (AC and some AC/DC charging) to be installed in the new car parks under the new canopy on the north-west side of the premises;
- a new infrastructure for the power supply of charging towers for electric service vans with DC charging installed in the new car parks on the south-east side of the premises.

Finally, new photovoltaic systems are to be installed, in particular a photovoltaic system on the canopies of the new car parks on the north side of the premises.

SAFETY AND ENVIRONMENT

Occupational health and safety management system

In the course of 2022 the Company continued managing workplace safety proactively. Compliance with the law can be verified against occupational health and safety documents that are constantly updated and all approval certificates that were sought and obtained within the terms prescribed.

Continuous updating of business procedures and the preparation of operating instructions confirm the intent of the entire organisation to conduct activities using an approach that promotes best practices and virtuous behaviour. In the course of 2022 the integrated management system connected with security management has been enriched with a new standard: ISO 27001 (information security). Thus, security management currently takes place also through a certified management system complying with the ISO 9001, ISO 39001, ISO 45001 and ISO 27001 standards.

In relation to the dangers that arose with the spread of Covid-19 and in accordance with law provisions, the Company continued applying measures to contrast and contain the spread of the new virus at the workplace, issuing instructions, through the usual modes of communication, on the safety measures to be adopted by all employees.

Environmental protection

In the course of 2022 compliance with law requirements was verified for environmental aspects, and no instances of non-compliance by the Company were identified.

Procedures and instructions govern the Company's operations and are integrated in the management system, with the adoption of the OISO 14001 and ISO 14064 standards.

In order to monitor effectively the environmental aspects having an impact on the Company in emergency situations, specific procedures were issued. The Company is implementing automation of remote control of water treatment plants and of installations measuring the characteristics and concentrations of airborne polluting agents along the motorways under concession.

MAINTENANCE

In the course of 2022 maintenance activities set out in the Financial Plan approved by the grantor and included in the budget continued.

The activities related to the entire classification of maintenance works specified in Appendix E to the Concession Agreement for the motorways operated by the Company.

The constant commitment of staff of the Company's technical function made it possible to maintain optimal safety and comfort standards for the tens of thousands of people and vehicles travelling daily on CAV's motorway network.

The works scheduled and performed were:

- Road resurfacing;
- Checks and inspections of road structures;
- Generic and specific activities connected with motorway infrastructure and corporate buildings;
- Repainting of road surface markings and replacement of damaged vertical signs;

- Periodical inspections of road structures;
- Prevention of ice formation and snowfall monitoring;
- Clearing of carriageways and grass cutting in green areas and verges;
- Upgrade and hardening of the Citrix virtual environment with the rollout of new services in SaaS mode so as to increase their security levels
- Enhancement of the Office 365 environment with the implementation of new security profiles for both Azure AD and distributed notebooks and jointly with the Azure cloud;
- Hardening of the Networking structure and continued integration of corporate networks (Office, Esazione, Impianti);
- Hardening of corporate datacenters with the implementation of new file sharing methods;
- Integration of SOC logs with SaaS cloud services of Microsoft 365, the EDR platform and integration of email security;
- Development and integration of all software platforms (SAP, HR, Appalti, Adiuto, CMDBuild);
- Hardening of the backup system with review of retentions and upgrade of online servers;
- Maintenance of lighting, monitoring and traffic supervision equipment;
- Continuation of technical activities relating to EETS (European Electronic Toll Service) with the installation of the Cronos and Helios system and performance of VCCF tests required by industry regulations using the OBU's of the first new accredited providers;
- Upgrading of SCADA, the system that manages alarms from plant and installations, with integration of PLC systems into a single software platform to improve monitoring of the operation of field devices:
- Upgrade of the video surveillance system; and replacement of cameras with 4K resolution video equipment;
- Upgrade of the C-ITS server for managing Road Station Units along A57, the Mestre ring road, suitable for transmission of V2I and I2V data through ETSI G5 protocol relating to the construction of infrastructure in accordance with the C-ROADS ITALY project;
- Construction of electrical infrastructure preliminary to monitoring through sensors of two structures
- Replacement of light poles with Led technology installed on safety barriers at the exit interchanges of the Spinea toll gate and electric maintenance of light towers.

In addition to the above, which is part of ordinary annual maintenance, during 2022 the following works were carried out:

- Repairs to concrete surfaces of the structure on the A57 Mestre ring road, ID 274 Castellana viaduct, ID 276 Terraglio viaduct and certain structures of A4, A57 and the motorway link to Venice Marco Polo airport;
- Restoration of protective coatings of steel sheet piling at the ID 67 Galleria Caltana tunnel and ID 136 Galleria Moglianese tunnel;
- In-depth upgrading of road surface on deteriorated stretches of the A4 Mestre Bypass between km 401+900 and km 401+050 on the westbound carriageway;
- Resurfacing of the draining asphalt course at the exit plaza of the Preganziol toll gate on the eastbound carriageway and along A57 in the stretch between km 7+700 and km 5+200 on the westbound carriageway;
- Replacement of longitudinal and transverse floor joints in connection with sundry structures;

- Application of guidelines for risk classification and management, safety assessment and monitoring of existing bridges through the use of specific inspection cards and in-depth safety assessments of certain structures;
- Strengthening of the Cloud Azure environment for CAV;
- Implementation of a monitoring dashboard for security performance with related sources in the SIEM;
- Development of new documentary workflows;
- Hardening of a new containerised environment dedicated to the new operations centre using Nutanix Karbon technology.

MANAGEMENT SYSTEMS

2022 was a challenging and stimulating year for the management system, full of challenges and objectives that highlighted how the system's structure, based on the process approach, is key to the development of the organisation.

In April 2022, the National Agency for Railway, Road and Motorway Infrastructure Safety (ANSFISA) issued 'Guidelines for the implementation, certification and performance assessment of Safety Management Systems (SMS) for road and motorway infrastructure inspection and maintenance activities'.

CAV promptly took action to implement the provisions of the guidelines, even though they are not mandatory, by initiating an analysis of the ANSFISA requirements and updating the documents of the integrated management system, involving all the company structures concerned.

In just under two months, the management system was adapted to the ANSFISA guidelines and subjected to the first audit for continuous surveillance of the safety management system by the National Agency on 12-14 July 2022. The inspection was successfully concluded.

Furthermore, as part of the technological innovation process that CAV is pursuing, the optimal management of the data and information produced by the company has become increasingly important to guarantee the confidentiality, integrity and availability of the processed data.

As a result of the above, in the first few months of 2022 CAV decided to start a process of implementation of the already existing integrated management system, adopting the ISO/IEC 27001:2013 standard "Information Security Management System (ISMS)".

The integration of the management system and related documentation was then initiated, incorporating aspects related to the UNI CEI EN ISO/IEC 27001:2013 standard.

In July 2022, following the certification audit by a third party, CAV obtained certification under the aforementioned standard

Also in July 2022 the Company underwent an inspection by the certification body Bureau Veritas S.p.A. which confirmed the certification of the integrated management system in place under the UNI EN ISO 9001:2015, UNI EN ISO 14001:2015, UNI ISO 45001:2018 and UNI ISO 39001:2016 standards, including UNI CEI EN ISO/IEC 27001:2013.

Finally, in 2022 CAV decided to repeat the study of the organisation's carbon footprint in accordance with the UNI EN ISO 14064-1:2019 standard, "Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals", extending the scope of monitoring to indirect emissions.

The monitoring activity was verified by Bureau Veritas Italia S.p.A., a certification body accredited for the management system., in December 2022 and the Company achieved certification under the UNI EN ISO 14064-1:2019 standard.

LITIGATION AND DISPUTES

With reference to disputes and litigation pending, the number of outstanding proceedings (i.e. cases pending or with a decision but still within the time limit for lodging an appeal on the date of the survey) is twenty-five, whereof twenty-two involving CAV and three involving ANAS S.p.A. but with financial effects on CAV S.p.A.. As to disputes in which CAV is involved directly, most proceedings relate to taxes, specifically TOSAP and COSAP, a tax and a fee for occupation of public soil.

Litigation pending

With reference to litigation concerning the TOSAP tax and COSAP fee, we note that in 2022 the Supreme Court of Cassation issues ruling No. 8288/22 – filed at the clerk's office on 15 March 2022, which defined the case CAV S.p.A. vs. AIPA S.p.A. as concessionaire of the municipality of Martellago (VE), for the collection of the TOSAP tax, for the years 2009-2010.

In that decision, the Supreme Court rejected the appeal filed by CAV, ruling that the latter withdrew from public use the surface area below overpasses and therefore had to pay the TOSAP tax (*Tassa Occupazione Spazi e Aree Pubbliche*) to the municipality of Martellago (VE)

Following the publication of the ruling, the municipalities concerned took action against CAV seeking the balance of the amounts of the respective taxes/fees relating to the areas of the respective territories that intersect with CAV's competence.

At present, 17 (seventeen) proceedings are pending that relate to challenges of notices of assessment for the payment of the TOSAP tax or the COSAP fee.

In detail, of those proceedings 7 (seven) are in the first instance, and CAV is the claimant, 5 (five) are in the appeal stage and in 3 (three) of these CAV is the defendant, while in the other 2 (two) CAV is the claimant, 1 (one) is a revocation proceeding pursuant to articles 391-bis and 395, items 4 and 5, of the Italian Code of Civil Procedure, against the unfavourable judgement of the Court of Cassation No. 8288/22 and 4 (four) have been decided by a court judgment (3 in appeal and 1 in the first instance) but the term for appeal expires in April 2023.

Labour law disputes

With regard to labour law cases, twenty-one proceedings concerning challenges to the calculation of employee seniority or recovery of remuneration differences related to holiday pay have been brought before the Court of Venice – Labour court by CAV personnel since 2021.

Those proceedings were all settled on 13 July 2022 through court settlement agreements.

ISTAT list

CAV is included in the list of institutional units that are public administration bodies (Sector 13) identified by ISTAT, the National Institute of Statistics, pursuant to article 1, paragraph 3, of Law No. 196 of 31 December 2009 and subsequent amendments and supplements (Law on accounting and public finance) which are included in the consolidated income statement that is the reference for aggregates submitted to the European Commission in application of the Protocol on the excessive deficit procedure annexed to the Maastricht Treaty.

CAV has been included in the list since 1 January 2020 under “Public Administration - Local administrations”, subset “Other local administrations” (Official Journal of the Italian Republic – General Series, No. 262 of 8 November 2019).

Following a verification by the offices, in 2022 CAV was included in the “Public Administration – Central administrations” list, subset “Entities producing public services” (Official Journal of the Italian Republic – General Series, No. 229 of 30 September 2022).

It should be noted that the ISTAT list is valid for one year and relates to the calendar year subsequent to its publication (therefore, the 2022 List will apply from 2023).

The Company has taken immediate action analyzing the applicable regulations and complying with the related requirements.

OTHER OPERATING INFORMATION

Accidents and Roadside Assistance Service

In 2022 accidents on the closed and open system stretches of motorways operated by CAV totalled 249, an increase of 27.04% on 2021. Of these, 176 involved light vehicles, an increase of 29.41% on 2021, and 73 involved HGVs, an increase of 21.67% on 2021.

To assess the accident performance properly and in context, the figure should be considered in relation to actual traffic volumes and expressed as an accident rate: the accident rate is the ratio of the number of accidents to kilometres travelled by vehicles (i.e. vehicles per km) in the period considered: the accident rate is conventionally expressed per 100 million vehicles per km.

If we compare the year 2022 with 2021, the accident rate for light vehicles (per 100 million kilometres travelled) was 13.47 (+12.73%) while that for HGVs was 14.82 (+19.53%); the overall accident rate was 13.84, an increase of 14.54%.

Below we provide some additional figures of interest.

In 2022 there were 121 accidents causing injuries (an increase of 51.25% on 2021); the accident rate per 100 million kilometres travelled was 6.73 (an increase of 36.36% on 2021); the national figure available as of 30 September 2022 was 6.41 (source: AISCAT)..

The number of persons injured rose to 200 (+40.85% on 2021); the related rate was 11.12 (+26.98% on 2021); the national figure available as of 30 September 2022 was 10.56 (source: AISCAT)..

The number of fatalities was 1, unchanged from 2021; the related rate was 0.06 (-9.84% on 2021); the national figure available as of 30 September 2022 was 0.12 (source: AISCAT)..

Also in 2022 the Company worked to improve quality standards in motorway operations, the most important of which are: information of users, through variable message signs (VMSs); a website with information and dedicated pages and traffic monitoring through cameras; the INFOVIAGGIANDO app for fixed and mobile devices; continuously updated real-time reports on traffic events via national and local radios; activities of the Operations Centre through widespread monitoring by the Company of critical points; and performance of maintenance works with a particular focus on issues related to the setting up of worksites and safety (scheduling, night shifts, etc.).

Also important was the deterrence and surveillance work carried out by the traffic police: their work, whose purpose is to control and oversee traffic, was performed on the basis of real and mutual cooperation with the Company's services.. Traffic police service on the motorway stretches operated by the Company is regulated by a specific agreement that was recently reviewed and updated.

In connection with the above, we confirm once again the commitment of Concessioni Autostradali Venete S.p.A. to ensure the highest possible level of safety along all stretches under concession to the Company, both in the open and in the closed system.

The Roadside Assistance service was provided by four recovery operators – all of which operate at a national level – that intervene on motorways on the basis of contractually defined callout procedures.

In 2022 there were a total of 4489 callouts, an increase of 46.13% on 2021.

The callout rate per million kilometres travelled was equal to 2.50% (an increase of 31.74% on 2021).

Service Centre

The Service Centre provides sundry assistance to travellers and offer a broad range of services including the sale and distribution of Telepass devices and Viacard prepaid cards, post-sales assistance (billing, licence plate replacement, lost & found, etc.), settlement of unpaid tolls, information on motorway tolls, issue of frequent traveller cards on the stretch Mirano/Dolo – Padova Est and other forms of discounts applied to customers, etc. All transactions are made easier by a direct, personal relationship with our operators.

Overall, during 2022 services provided to customers involved 75,093 transactions at the Service Centre at Venezia/Mestre (+9.83% on 2021).

The most significant transactions at the Service Centre were:

- 3,428 unpaid toll reports collected (+9%);
- 16,797 Telepass transactions (deliveries, returns, replacements) (+12%);
- 38,733 transactions involving licence plates (+12%);
- 6,933 prepaid cards sold (+12%).

Service stations and Hotel

In 2022 the service stations located along the motorway (Arino Est and Arino Ovest on A4, in the closed system, close to the junction with the Mestre Bypass) and along the Mestre ring road (Marghera Est and Marghera Ovest on A57 close to the roundabout, in the open system) sold 4,809,000 litres of petrol (+26.79%); 14,330,000 litres of diesel fuel (+9.45%); 1,446,000 litres of LPG (+15.22%); 391 kilograms of methane (-45.99%) and 4,099 kilograms of lube oils (+30.87%); retail business at service stations totalled EUR 335,000 (+39.58%). Coffee shops and restaurants recorded total sales, excluding VAT, of EUR 6,550,000 (+30.53%); retail business at coffee shops and restaurants totalled EUR 2,358,000 (+35.99%); ancillary sales totalled EUR 5,452,000 (-9.88%). The hotel at Marghera sold services for EUR 2,137,000 (+100%). On the above-mentioned activities and sales the oil companies, catering companies and the hotel paid the fees agreed in the related agreements, which in 2022 generated net income of EUR 3,770,000 (+25.79%).

Operations Centre

The Operations Centre, open 24/7, is constantly in contact with the traffic officers patrolling A4, A57 Mestre ring road and the junction with the motorway link to Venice Marco Polo airport, and uses hi-res cameras and monitoring and data recording systems to control the various stretches of motorway operated by Concessioni Autostradali Venete S.p.A..

Depending on the events occurring, operators at the Centre, based on predefined management models and procedures, alert the relevant internal and external services dedicated to rescue and emergency management. They also check and record information on exceptional loads.

The Operations Centre provides traffic and road information through VMSs, the corporate website, the INFOVIAGGIANDO app, and CCISS – VIAGGIARE INFORMATI, a website operated by MIT.

We point out the completion of the new IT platform for the Operations Centre; the project was created using the specific knowledge of the Company's staff and is designed to meet all operating requirements related to road conditions and traffic; the platform, which has already started the go live stage, will make it possible, through total synergy of software applications and corporate IT systems to monitor and manage traffic and all innumerable activities associated with roads and traffic.

Traffic officers

Assistance to users in difficulty on the motorway stretches operated by CAV is provided by the Company's traffic officers, specially trained employees who patrol the motorway, assist users and report accidents, congestion and any traffic disruptions.

Moreover, traffic officers act in the case of accidents, drawing up accident reports where there are no physical injuries but only damage to property (if any individual is injured the police must be alerted) and intervene to ensure traffic safety and smoothen traffic flows.

The current organisation structure provides for at least 4 traffic officers, each with a fully equipped van, to be constantly present, day and night, along the motorway stretches operated by the Company; on days when heavy traffic flows are expected, staff and vehicles of third party contractors are added.

Traffic officers are in constant contact with the Operations Centre to optimise the effectiveness of roadside action. As mentioned above, traffic officers will take advantage of the utilities offered by the new Operations Centre platform, using a customised app: the user interface and user experience were also designed using the specific knowledge of personnel of Concessioni Autostradali Venete S.p.A., and its use, integrated with other corporate applications, will be paperless. The value added of the new utilities installed will be to make it easier for traffic officers to carry out their ordinary operations by making available a number of additional items of information.

TRANSACTIONS WITH ANAS

With reference to Legislative Decree No. 173/2008 implementing Directive 2006/46/EC and the consequent statutory effects, we disclose information relating to transactions with related parties (article 2427 of the Civil Code, item 22bis).

Related parties refers to ANAS S.p.A., with which the Company enters into significant transactions.

ADMINISTRATIVE-ACCOUNTING RELATIONSHIP BETWEEN CAV AND ANAS

Payables to and receivables from ANAS are analysed below with the balance of each item; the balance of payables and receivables as of 31 December 2022 gives a net amount payable by CAV to ANAS of EUR 6,649,772.

Receivables by CAV totalled EUR 1,501,130 as of 31 December 2022 and relate mainly to work performed by CAV on behalf of ANAS for complementary and completion works on the Mestre Bypass (contract work).

Payables by CAV totalled EUR 8,150,902 as of 31 December 2022 and are analysed as follows: EUR 645,271 relates to repayment of the costs actually incurred by ANAS for complementary and completion works on the Mestre Bypass; EUR 725,579 relates to the concession fee (pursuant to article 10 of Law No. 537/1993 and article 1, paragraph 1020, of Law No. 296/2006); EUR 6,742,567 relates to the supplementary concession fee (pursuant to article 19, paragraph 9/bis, of Law No. 102/2009 and article 15, paragraph 4, of Law No. 122/2010); EUR 37,485 relates to other payables.

TRANSACTIONS WITH THE REGION VENETO

The Region Veneto is a shareholder of Concessioni Autostradali Venete S.p.A. with 50% of share capital.

The motorway operated by CAV is entirely located within the road system of Veneto and in the same environment. Consistently with prior years, in 2022 CAV made available the resources generated from its cash flows, allowing the construction of works with a view to the growing enhancement of the territory of Veneto.

It should be noted that, since 2016, the year when the project bond was issued, an arrangement with the Region Veneto known as “Region Agreement” has been in place. Under the terms of that arrangement the Region Veneto, in its capacity as a shareholder of the Company, has undertaken in favour of secured creditors to ensure that the shares it owns shall not be sold, transferred or encumbered.

APPLICATION OF AND COMPLIANCE WITH THE DIRECTIVES SET OUT IN RESOLUTIONS OF THE VENETO REGIONAL GOVERNMENT No. 3966/2007, 1075/2011, 2790/2012 AND 2101/2014

The report on operations and notes to the financial statements provide information on the activities carried out by CAV and obviously also comply with the requirements of DGR 2101/2014 titled “Amendments and supplements to the directives to investees set out in DGR No. 258/2013”, also in light of the entry into force of Legislative Decree No. 175/2016.

Ad abundantiam, we note the following:

- Directives concerning tenders for works, supplies and services

CAV S.p.A. holds a concession as a motorway operator. In accordance with its articles of association and with the concession agreement, when tendering for works, supplies and services in 2022 CAV applied the regulations set out in Legislative Decree No. 50 of 18 April 2016, as subsequently amended and supplemented. We confirm that in 2022 the Company procured works, supplies and services, and applied purchase and negotiation tools provided by the programme for streamlining procurement in the Public Administration (known as the “Consip tools”) whenever this was required in accordance with the regulations in force applicable to entities such as CAV.

- Directives concerning personnel

By a decision taken by the Board of Directors on 21 May 2019, CAV approved criteria and methods for the recruitment of non-management personnel, which became effective on 5 June 2019.

By a decision taken by the Board of Directors on 30 November 2022, CAV approved criteria and methods for the recruitment of management personnel, which became effective on 15 December 2022.

- Directives concerning communications to the Region

By the prescribed deadlines CAV submits updated information on the membership of the corporate boards of direct and indirect subsidiaries and related remuneration, a report on the achievement of the objectives included in corporate plans in the previous year, the current year’s budget, preliminary figures for the previous year, the latest approved actual figures, the disclosures required by Legislative Decree No. 33/2013 and subsequent amendments and supplements, necessary for the Region Veneto to comply with transparency requirements, a report on activities performed in the second half of the previous year, and a report outlining activities planned for the first half of the current year. There are no agreements or service contracts with the Region Veneto to be reported on.

- Directives concerning the membership and remuneration of corporate boards

Resolutions on the remuneration of the members of the Board of Directors and governance bodies were adopted in compliance with the law.

- Directives concerning indirect subsidiaries

CAV S.p.A. has no subsidiaries.

- Directives concerning the requirements for appointment to administrative bodies of companies in which the Region has a direct or indirect investment

Members of the boards of directors of investees of CAV S.p.A. possess the requirements established by law and by the respective articles of association, as well as proven professional competence, experience and independence in relation to their assignments.

- Directives concerning the reduction and streamlining of public expenditure of the Region

CAV S.p.A. is not subject to guidelines "C" established by DGR 2101/2014.

In any case, all vehicles owned by CAV S.p.A. are used in motorway operations as required by the Concession Agreement to carry out monitoring, surveillance, assistance and other activities necessary to ensure the safety of users, as well as to carry out ordinary office activities.

At any rate, we note that on its website CAV S.p.A. publishes a summary table of company cars and the costs incurred for expense refunds, with a separate indication of those disbursed to members of corporate boards and to employees.

- Directives concerning transparency and publicity pursuant to Legislative Decree No. 33/2013 and Regional Law No. 39/2013 for updating the models referred to in article 6 of Legislative Decree No. 231/2001

CAV S.p.A. publishes all the information required by article 11, paragraph 1, of Regional Law No. 39/2013, as well as the information more generally required by Legislative Decree No. 33/2013 on its website. Also published on CAV's website is the Organisational, Management and Control Model adopted pursuant to Legislative Decree No. 231/2001 and subsequent amendments and supplements, updated on 30 November 2022 following approval by the Board of Directors of CAV S.p.A..

The Organisational, Management and Control Model and the Ethics Code are published on the Company's website.

MEMORANDA OF UNDERSTANDING

On 11 February 2019 the Ministry of Infrastructure and Transport, ANAS S.p.A. and the Region Veneto signed a document known as the "Protocollo CAV", the CAV Memorandum.

The purpose of the document is to identify criteria for determining amounts in the accounts of CAV that are generated from the motorway business that can be used for road infrastructure projects in the territory of the Region Veneto.

It should be noted, indeed, that CIPE Resolution No. 3 of 26 January 2007, letter f) of the preamble, states that *"in any case, by a separate agreement to be made with MIT and the Region Veneto, ANAS S.p.A. undertakes to use the resources generated from the operation of the Mestre Bypass and the motorways operated by Società delle Autostrade di Venezia e Padova under concession granted by positive silence and exceeding the requirement for amortisation of capital expenditure, repayment of related loans, and maintenance and operating charges, to finance additional expenditure on road infrastructure as will be indicated by the Region in agreement with the Ministry of Infrastructure"*.

In accordance with the above, CAV's articles and memorandum of association provide that "*the net profits resulting from the approved financial statements shall be appropriated, subject to maintaining the legal reserve, in accordance with CIPE Resolution No. 3 of 26 January 2007*" (see Memorandum of Association, section 6 and Articles of Association, article 27).

On 11 February 2019 the Ministry of Infrastructure and Transport and the Region Veneto also signed an additional memorandum of understanding (known as "Protocollo Opere", the Works Memorandum) to identify the required infrastructure works in the regional territory.

Following the full repayment of the loan from ANAS, in April 2019, and in any case in compliance with the limitations and restrictions for the Company arising from the Project Bond, CAV, on a reasoned proposal from the Region Veneto, may disburse the resources generated from the operation of the Mestre Bypass and the motorways operated by Società delle Autostrade di Venezia e Padova under concession granted by positive silence and exceeding the requirement for amortisation of capital expenditure, repayment of related loans, and maintenance and operating charges, to finance the infrastructure projects identified by the Region Veneto.

INVESTEES

Concessioni Autostradali Venete – CAV S.p.A. has only a share in a consortium, Consorzio Autostrade Italiane Energia.

CONSORZIO AUTOSTRADALE ITALIANE ENERGIA

Consorzio Autostrade Italiane Energia was set up on 29 February 2000 by eleven motorway operators, with shares in proportion to the electricity requirements of each member, also for the purposes of Legislative Decree No. 79 of 16 March 1999 (Deregulation of the electricity market) and to coordinate members' activities in order to improve their efficiency, development and rational energy management, acting as a service entity. . In the following years other motorway operators, as well as ANAS S.p.A., became members of the consortium, which CAV S.p.A. joined on 22 December 2010. The consortium fund totals EUR 114,865 and the share of CAV S.p.A. is 0.99%, corresponding to EUR 1,058. The consortium is a non-profit-making body and cannot distribute any form of dividend to members. However, it calls tenders under private- or public-sector regulations on behalf of its members; specifically, with regard to public-sector tenders, the consortium takes the role of central contractor, making a framework agreement with the bidder that is awarded the tender, which is then finalised, through specific agreements, by each interested member.

**FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022**

BALANCE SHEET

ASSETS	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
A) SUBSCRIBED CAPITAL UNPAID	0	0
B) FIXED ASSETS		
<i>I. Intangible assets</i>		
3) Intellectual property rights	125	26,436
6) Assets under construction and payments on account	12,272,411	6,610,233
7) Other intangible assets	<u>463,582,953</u>	<u>507,592,819</u>
	475,855,489	514,229,488
<i>II. Tangible assets</i>		
1) Land and buildings	0	0
2) Plant and machinery	839	2,516
3) Industrial and commercial equipment	15,380	19,691
4) Other assets	<u>1,141,635</u>	<u>1,253,555</u>
	1,157,854	1,275,762
<i>III. Financial assets</i>		
<i>Equity investments in:</i>		
<i>d bis) Other companies</i>	<u>1,058</u>	<u>1,058</u>
	1,058	1,058
	<u>477,014,401</u>	<u>515,506,308</u>
Total Fixed assets		
C) CURRENT ASSETS		
<i>I. Inventories</i>		
1) Raw materials and consumables	1,307,641	1,163,982
<i>II. Receivables</i>		
1) Trade receivables:		
- falling due within one year	2,854,526	3,750,311
- falling due after one year	208,625	255,205
5-bis) Tax receivables		
- falling due within one year	251,928	2,173
- falling due after one year	0	0
5-ter) Deferred tax assets	2,014,456	1,749,091
5-quater) Other receivables:		
- falling due within one year	41,837,224	36,348,703
- falling due after one year	<u>61,393,008</u>	<u>64,665,352</u>
	108,559,767	106,770,835

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
<i>III. Short-term investments</i>	0	0
<i>IV. Cash and cash equivalents</i>		
1) Bank and postal deposits	115,889,643	120,903,921
3) Cash in hand	<u>95,559</u>	<u>97,521</u>
	115,985,202	121,001,442
Total Current assets	<u>225,852,610</u>	<u>228,936,259</u>
<i>D) ACCRUED INCOME AND PREPAYMENTS</i>	322,242	67,355
TOTAL ASSETS	<u>703,189,253</u>	<u>744,509,922</u>

LIABILITIES	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
A) SHAREHOLDERS' EQUITY		
I. Share capital	2,000,000	2,000,000
IV. Legal reserve	400,000	400,000
VI. Other reserves:		
- Extraordinary reserve	174,177,589	158,163,286
- Restricted reserve for infrastructure	9,776,227	9,776,227
- Restricted reserve for penalties	175,000	175,000
IX. Profit/(Loss) for the year	<u>24,593,579</u>	<u>16,014,303</u>
	211,122,395	186,528,816
B) PROVISIONS FOR RISKS AND CHARGES		
4) Other provisions:		
a) for risks	368,494	786,689
c) for cycle maintenance	<u>12,647,000</u>	<u>14,717,000</u>
	13,015,494	15,503,689
C) PROVISION FOR POST-EMPLOYMENT BENEFITS (TFR)	452,011	391,568
D) PAYABLES		
1) Bonds		
- falling due within one year	53,860,073	63,609,213
- falling due after one year	381,691,405	435,551,478
7) Trade payables	16,665,836	14,161,629
12) Tax payables	3,984,395	7,033,206
13) Social security payables	1,225,180	1,021,049
14) Other payables	<u>20,852,596</u>	<u>20,354,478</u>
	478,279,485	541,731,053
E) ACCRUED EXPENSES AND DEFERRED INCOME	319,868	354,796
TOTAL LIABILITIES	<u><u>703,189,253</u></u>	<u><u>744,509,922</u></u>

INCOME STATEMENT

	FY 2022	FY 2021
<i>A) VALUE OF PRODUCTION</i>		
1) Revenue from sales and services	164,743,484	151,977,655
5) Other income		
- Other	1,670,957	2,271,999
- Grants	864,321	126,632
	<u>167,278,762</u>	<u>154,376,286</u>
<i>B) COST OF PRODUCTION</i>		
6) Raw materials, consumables and goods	955,579	802,488
7) Services	35,298,101	31,696,556
8) Leases and rentals	767,789	925,933
9) Personnel:		
a) Wages and salaries	13,387,369	13,539,968
b) Social charges	4,358,835	4,353,708
c) Provision for post-employment benefits (TFR)	1,018,111	978,476
e) Other personnel costs	809,021	596,440
	<u>19,573,336</u>	<u>19,468,592</u>
10) Amortisation, depreciation and write-downs		
a) Amortisation of intangible assets	47,048,161	46,327,707
b) Depreciation of property, plant and equipment	508,432	482,576
	<u>47,556,593</u>	<u>46,810,283</u>
11) Change in stocks of raw materials, consumables and goods	-143,659	92,836
13) Other accruals		
b) Charges to provision for cycle maintenance	12,647,000	14,717,000
c) Utilisation of provision for cycle maintenance	-14,717,000	-15,035,000
14) Other operating costs	19,416,499	17,724,706
	<u>121,354,238</u>	<u>117,203,394</u>
<i>DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION</i>	45,924,524	37,172,892

	FY 2022	FY 2021
<i>C) FINANCIAL INCOME AND CHARGES</i>		
16) Other financial income:		
d) financial income other than the above	178,359	6,421
17) Interest and other financial charges	<u>12,090,622</u>	<u>13,503,313</u>
	-11,912,263	-13,496,892
 <i>D) ADJUSTMENTS TO THE VALUES OF FINANCIAL ASSETS AND LIABILITIES</i>		
	<u>0</u>	<u>0</u>
 <i>PROFIT(LOSS) BEFORE TAX</i>	 34,012,261	 23,676,000
 20) Income tax for the year		
a) Current income taxes	9,684,047	8,068,429
b) Deferred tax liabilities	0	0
c) Deferred tax assets	<u>-265,365</u>	<u>-406,732</u>
	-9,418,682	-7,661,697
 21) Profit/(Loss) for the year	 24,593,579	 16,014,303

CASH FLOW STATEMENT

31 Dec. 2022 31 Dec.2021

A. Cash flow from operating activities (indirect method)		
Net profit for the period	24,593,579	16,014,303
Income taxes	9,418,682	7,661,697
Interest expense/(income)	11,912,263	13,496,892
1. Profit/(Loss) for the year before income taxes, interest, dividends, and gains/losses on disposals	45,924,524	37,172,892
<i>Adjustments for non-cash items with no impact on net working capital</i>		
Charges to provisions for risks and charges	12,647,000	14,717,000
Utilisation of provisions for risks and charges	-14,717,000	-15,035,000
Charge to provision for post-employment benefits (TFR)	1,018,111	978,476
Other provisions	-418,195	400,771
Amortisation of intangible assets	47,048,161	46,327,707
Depreciation of property, plant and equipment	508,432	482,576
Adjustments to the values of financial assets and liabilities	0	0
<i>Total adjustments for non-cash items</i>	<i>46,086,509</i>	<i>47,871,530</i>
2. Cash flow before changes in net working capital	92,011,033	85,044,422
<i>Changes in net working capital</i>		
(Increase)/Decrease in inventories	-143,659	92,836
(Increase)/Decrease in trade receivables	942,365	283,742
(Increase)/Decrease in tax receivables	-249,755	3,812,079
(Increase)/Decrease in other receivables	-2,216,177	3,869,961
(Increase)/Decrease in accrued income and prepayments	-254,887	266,968
(Decrease)/Increase in trade payables	2,504,207	4,276,037
(Decrease)/Increase in tax payables (indirect taxes)	-1,562,500	230,114
(Decrease)/Increase in social security payables	204,131	-248,208
(Decrease)/Increase in other payables (excluding amounts already included in other items)	498,118	-16,426,627
(Decrease)/Increase in accrued expenses and deferred income	-34,928	-33,466
<i>Total changes in net working capital</i>	<i>-313,085</i>	<i>-3,876,564</i>
3. Cash flow after changes in net working capital	91,697,948	81,167,858
<i>Other adjustments</i>		
Interest received/(paid)	-10,283,476	-11,672,469
(Income taxes paid)	-11,170,358	-339,059
(Utilisation of provisions)	-957,668	-934,653
<i>Total other adjustments</i>	<i>-22,411,502</i>	<i>-12,946,181</i>
Cash generated from (used in) operating activities (A.)	69,286,446	64,407,426
B. Cash flow from investing activities		
<i>Investing activities</i>		
(Increase) in intangible assets	-8,674,162	-11,402,976
Decrease in intangible assets	0	0
(Increase) in property, plant and equipment	-390,524	-982,242
Decrease in property, plant and equipment (excluding accumulated depreciation)	0	56,993
Cash generated from (used in) investing activities (B.)	-9,064,686	-12,328,225
C. Cash flow from financing activities		
Repayment of bonds	-65,238,000	-60,407,400
Cash generated from (used in) financing activities (C.)	-65,238,000	-60,407,400
Increase/(Decrease) in cash and cash equivalents	-5,016,240	-8,328,199
Cash and cash equivalents at beginning of period	121,001,442	129,329,641
Cash and cash equivalents at end of period	115,985,202	121,001,442

NOTES TO THE FINANCIAL STATEMENTS

PRESENTATION AND CONTENT OF THE FINANCIAL STATEMENTS

The annual financial statements as of 31 December 2022 have been prepared in accordance with the provisions of the Civil Code laid out in article 2423 and following articles, interpreted and supplemented by the accounting standards issued by OIC, the Italian accounting standards setter.

The layout of the balance sheet and income statement comply with the provisions of articles 2423 ter, 2424, 2424 bis, 2425 and 2425 bis of the Civil Code, which established mandatory layouts.

The financial statements are prepared in units of euro, without decimals, are required by article 2423, paragraph 6, of the Civil Code.

The notes to the financial statements, prepared in accordance with the provisions of articles 2427 and 2427 bis of the Civil Code, include the most significant accounting policies applied and comments on the individual financial statements line items, illustrating their composition and the reasons for the most significant variances from the comparative period.

The financial statements include a cash flow statement as required by article 2425 ter of the Civil Code.

ACCOUNTING POLICIES

As required by article 2427 of the Civil Code, below we set out the policies applied in the measurement of financial statements line items, taking into account the new provisions introduced by article 2426 of the Civil Code as a result of Legislative Decree No. 139/2016, and the revised OIC national accounting standards in force since December 2016 and subsequent amendments:

Concessions, licences, trademarks and similar rights

Concessions, licences, trademarks and similar rights are measured at cost less accumulated amortisation calculated systematically on a straight-line basis over a period not exceeding five years.

Intangible assets

Intangible assets, comprising software applications, are measured at cost less accumulated amortisation calculated systematically on a straight-line basis over a period of two years.

Other intangible assets

Other intangible assets – comprising the cost of construction of the Mestre Bypass to be refunded to ANAS, the indemnity paid to Società delle Autostrade di Venezia e Padova S.p.A., other works built on the motorway stretches under concession, complementary and completion works of the Mestre Bypass, financing costs resulting from taking over the concession (safety works on provincial road SP81 and the San Giuliano interchange at Mestre), costs for the renovation of the traffic police barracks, costs for the roundabout on entry to the Marco Polo–SS14 link road, costs refunded to the Region Veneto for safety works on the interchange of A27 with A57, E-roads, automated toll booths and costs related to service stations (feasibility study) – are measured at cost, increased by capitalised financial charges, less grants, and reduced by accumulated amortisation calculated on a straight-line basis over the term of the concession ending on 31 December 2032. The new software platform (SGI) is amortised over five years.

Tangible assets

Tangible assets comprise land and buildings, plant and machinery, industrial and commercial equipment and other assets (furniture and ordinary office machines; electronic office machines, computers and telephone installations; cars; other vehicles) and are recognised at costs less depreciation calculated systematically on a straight-line basis over their useful lives.

Depreciation is calculated at the following annual rates that are considered appropriate in relation to the assets' remaining useful lives: plant and machinery 20%; industrial and commercial equipment 12%; furniture and ordinary office machines 12%; electronic office machines, computers and telephone installations 20%; cars 25%; other vehicles 20%.

Equity investments

Equity investments in other entities are measured at cost. Purchase cost is increased following subscribed and paid-in capital increases of the investee and new purchases of shares from third parties. The carrying amount is reduced to reflect any impairment losses.

Equity investments are recognised in financial assets or in current assets depending on whether the Company intends to hold them in the long term.

Inventories

Inventories, comprising consumables and other items used in maintenance works on the motorways, are measured at the lower of cost, considered as the weighted average purchase cost of the year, and estimated realisable value derived from the market at the closing date.

Cash and cash equivalents

Cash and cash equivalents comprise cash, bank deposits, deposits on postal accounts and other items equivalent to cash. They are carried at estimated realisable value corresponding to nominal value; cash is measured at its face value. Restricted cash items are classified in receivables.

Receivables and payables

Receivables and payables are carried at amortised cost, having regard to the time value of money and, with reference to receivables, estimated realisable value. Restricted cash items are classified in receivables. The Company used the option allowed by Legislative Decree No. 139/2016 not to consider the time value of money in the measurement of transactions recorded before 1 January 2016.

Prepayments, accruals and deferrals

Prepayments, accruals and deferrals represent time-based apportionments of income and expenditure items that relate to more than one accounting period.

Shareholders' equity

Equity is the difference between total assets and total liabilities determined on the basis set out above and shows the value of the entity's own funds, i.e. internal sources of funds.

Provision for post-employment benefits (TFR)

The provision for post-employment benefits (*Trattamento di Fine Rapporto di lavoro subordinato*, TFR) is calculated in accordance with article 2120 of the Civil Code and the labour contracts and legislation in force.

Provision for cycle maintenance

The provision for cycle maintenance is increased during each period to provide for the renovation costs of assets that comprise the stretches of motorway under concession. 'Renovation costs' refers to restoration or replacement as well as maintenance, repairs, upgrades and transformation. The charge for the year is estimated by the Company in an amount suitable to maintain the motorway in good condition and efficient. The provision is utilised for the actual renovation costs incurred during each period.

Provision for taxes

The provision for taxes comprises tax liabilities that are probable, the amounts or timing of which cannot be determined accurately at the year end, and deferred tax liabilities arising from temporary differences between net profit per the financial statements and taxable income.

Provisions for risks and charges

Provisions for risks and charges, included within liabilities, are made for contingent liabilities, based on realistic estimates of the amount to be settled. Provisions are made only for specific losses or liabilities that are certain or probable, the amounts or timing of which cannot be determined accurately at the year end. Risks where the occurrence of a liability is probable are illustrated in the notes to the financial statements and a provision is posted for an appropriate amount. Risks where the occurrence of a liability is merely possible are disclosed in the notes to the financial statements but no provision is posted, in accordance with the applicable financial reporting standards.

Deferred tax assets and liabilities

Deferred tax assets and liabilities originate from temporary differences that will reverse in subsequent years between the carrying amounts of assets and liabilities and the corresponding fiscal values.

The rates applied in the calculation of deferred tax assets and liabilities are 3.90% for the purpose of IRAP, regional trade income tax, and 24.00% for the purpose of IRES, corporation tax.

Revenues and costs

Revenues and costs are recognised in accordance with the principle of prudence and the accrual basis of accounting.

BALANCE SHEET INFORMATION: ASSETS

Intangible assets

Intangible assets show a net decrease of EUR 38,373,999. Movements in the year may be analysed as follows:

	Balance as of 31 Dec. 2021	Increase	Decrease	Account transfer	Balance as of 31 Dec. 2022
Industrial patent rights	26,436	200	26,511	0	125
Assets under construction and payments on account	6,610,233	8,673,962	0	-3,011,784	12,272,411
Other intangible assets	507,592,819	0	47,021,650	3,011,784	463,582,953
Total	514,229,488	8,674,162	47,048,161	0	475,855,489

'Industrial patent rights' comprised the net book value of costs incurred for software licences. Amortisation is calculated on a straight-line basis over a period of two years.

'Assets under construction and payments on account' comprises: a) the costs incurred for construction of complementary and completion works of the Mestre Bypass; assets that went into operation during the year having been transferred to 'Other intangible assets'; b) the costs incurred for construction of other works on the motorways under concession that were not completed at the balance sheet date; c) costs incurred for the E-roads project; d) costs incurred for the New software platform (SGI) project; e) costs (feasibility studies) referred to service stations; f) costs related to automated toll booths; g) costs incurred for asset revamping; h) costs related to the ultra-fast transport system project ("Hyper Transfer"); and i) feasibility studies of new projects. Additional details are provided in the report on operations.

An amount of EUR 3,011,784 has been transferred from 'Assets under construction and payments on account' to 'Other intangible assets', as detailed in the following table.

Movements in assets under construction during the year may be analysed as follows:

	Balance as of 31 Dec. 2021	Increase	Decrease	Account transfer	Balance as of 31 Dec. 2022
Complementary and completion works on the Mestre Bypass	0	227,850	0	0	227,850
Other works on the motorways under concession	449,518	237,294	0	0	686,812
E-roads	4,940,262	4,478,664	0	-961,541	8,457,385
New software platform (SGI)	1,171,653	1,075,340	0	-1,955,243	291,750
Service stations	48,800	0	0	0	48,800
Automated toll booths	0	359,784	0	0	359,784
Asset revamping	0	502,846	0	-95,000	407,846
Hyper Trasfer ultra-fast transport system	0	772,807	0	0	772,807
Feasibility studies	0	1,019,377	0	0	1,019,377
Total	6,610,233	8,673,962	0	-3,011,784	12,272,411

'Other intangible assets' comprises the net book value of the costs of the Mestre Bypass, complementary and completion works of the Mestre Bypass, the indemnity paid to Società delle Autostrade di Venezia e Padova S.p.A., other works on the motorways under concession, safety works on provincial road SP81 between the Mira/Oriago toll gate and the roundabout on state road SS319 at Malcontenta, works on the San Giuliano interchange at Mestre, the renovation of the traffic police barracks, the roundabout on entry to the Marco Polo–SS14 link road, the interchange of A27 with A57, the new software platform (SGI), E-roads, and automated toll booths.

Amortisation is calculated on a straight-line basis over the entire term of the concession, except for the new software platform (amortisation period of 5 years).

Movements in other intangible assets during the year may be analysed as follows:

Other intangible assets	Historical cost			Accumulated amortisation				Net book value	
	Balance as of 31 Dec. 2021	Additions and account transfers	Decreases	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021	Amortisation charge	Decreases	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2022
Mestre Bypass	705,199,639	0	0	705,199,639	389,215,593	28,725,822	0	417,941,415	287,258,224
Complementary and completion works	225,679,451	0	0	225,679,451	91,186,566	12,226,716	0	103,413,282	122,266,169
Indemnity paid to Società delle Autostrade di Venezia e Padova	74,689,185	0	0	74,689,185	39,099,691	3,235,408	0	42,335,099	32,354,086
Other works on the motorways	6,995,909	0	0	6,995,909	2,681,318	392,255	0	3,073,573	3,922,336
Safety works on provincial road SP81	5,384,004	0	0	5,384,004	2,634,854	249,922	0	2,884,776	2,499,228
San Giuliano interchange at Mestre	7,746,853	0	0	7,746,853	3,847,311	324,962	0	4,172,273	3,574,580
Renovation of traffic police barracks	300,000	0	0	300,000	120,945	16,278	0	137,223	162,777
Roundabout on entry to the Marco Polo–SS14 link road	800,000	0	0	800,000	326,952	43,005	0	369,957	430,043
Safety works on the A27–A57 interchange	5,633,418	0	0	5,633,418	1,030,614	418,437	0	1,449,051	4,184,367
New software platform (SGI)	3,821,636	1,955,243	0	5,776,879	1,014,839	1,155,376	0	2,170,215	3,606,664
E-roads	1,534,004	961,541	0	2,495,545	40,427	136,376	0	176,803	2,318,742
Automated toll booths	1,047,811	0	0	1,047,811	39,981	91,781	0	131,762	916,049
Asset revamping	0	95,000	0	95,000	0	5,312	0	5,312	89,688
Total	1,038,831,910	3,011,784	0	1,041,843,694	531,239,091	47,021,650	0	578,260,741	463,582,953

The historical costs reported in the table above are illustrated below.

The costs of construction of the Mestre Bypass, amounting to EUR 705,199,639, which the Company refunded to ANAS in accordance with article 2, paragraph 290, of Law No. 244/2007 and article 6.2 of the Concession Agreement, comprise: costs actually incurred of EUR 986,400,000; financial charges capitalised up to the date of inauguration of the Bypass of EUR 20,828,985; less government grants (pursuant to CIPE Resolution No. 92 of

31 October 2002) of EUR 113,116,500 already collected by ANAS; government grants (referred to in article 1 paragraph 78, letters c) and i), of Law No. 266/2005) of EUR 70,537,502 deducted directly from the cost of the Mestre Bypass in 2011; government grants (referred to in article 1, paragraph 1045, of Law No. 296/2006) of EUR 100,000,000 deducted directly from the cost of the Mestre Bypass in 2013; as well as net revenues relating to the additional kilometres travelled preceding the opening of the Bypass, classified as government grants, of EUR 18,375,345. The costs of construction of the Bypass also include EUR 35,297,480 relating to steel price increases as well as the related provision referred to in article 135, paragraph 4, of Legislative Decree No. 163/2006; the amount of the provision has already been collected by ANAS as a grant from the Ministry, therefore the account has been closed and does not generate any impact on the Company's income statement or cash flows.

'Complementary and completion works' in operation comprise: Bypass landscaping ("Passante Verde"), environmental impact mitigation, sundry roads leading to the Mestre Bypass (Campocroce variant, junction between A4 and provincial road SP64 in the territory of Mogliano Veneto, junction between provincial road SP27 and Via Dante in the territory of Mirano, Marcon motorway link), complementary works to the main tender (Robegano variant, removal of the Roncade toll gate in the territory of Mogliano Veneto), the Martellago/Scorzè toll gate and the northern ring road at Mogliano Veneto.

The indemnity that the Company is required to pay pursuant to article 6.3 of the Concession Agreement relates to the cost of works not yet amortised by Società delle Autostrade di Venezia e Padova S.p.A. at the date of the transfer of the concession for the operation of the motorway, which took place on 1 December 2009. The amount of the indemnity was set by ANAS S.p.A., which notified the Company on 8 March 2010.

'Other works on the motorways' comprises signage for EUR 391,752; the supply and installation of storm drain grids on the Mestre Bypass for EUR 223,170; chloride storage plants for EUR 395,773; automation of toll payment equipment for EUR 2,496,419; upgrading of remote traffic management systems for EUR 443,073; remote access at Preganziol and Spinea toll gates for EUR 39,491; miscellaneous works for EUR 3,006,231.

The costs incurred for safety works on provincial road SP81 (in operation since 2011) between the Mira/Oriago toll gate and the roundabout on state road SS319 at Malcontenta, the reorganisation of the San Giuliano interchange at Mestre (in operation since 2011), and the roundabout on entry to the Marco Polo-SS14 link road (in operation since 2015) are part of the contractual commitments resulting from the concession of Società delle Autostrade di Venezia e Padova S.p.A. that CAV assumed on taking over the concession. The expenditure relates to the construction of works that will remain the property of, and will be maintained by, third parties.

The costs relating to renovation of the traffic police barracks went into operation in 2015.

The refund due to the Region Veneto in accordance with the Concession Agreement for safety works on the interchange of A27 with A57 went into operation in 2019.

The new software platform (SGI), E-roads, and new automated toll booths went into operation in 2021; asset revamping went into operation in 2022.

Tangible assets

Tangible assets are shown at the net book value after accumulated depreciation.

	Balance as of 31 Dec. 2021	Increase	Decrease	Balance as of 31 Dec. 2022
Land and buildings	0	0	0	0
Plant and machinery	2,516	0	1,677	839
Industrial and commercial equipment	19,691	0	4,311	15,380
Other assets	1,253,555	390,524	502,444	1,141,635
Total tangible assets	1,275,762	390,524	508,432	1,157,854

Movements in the year may be analysed as follows:

Tangible assets	Historical cost			Accumulated depreciation				Net book value	
	Balance as of 31 Dec. 2021	Additions	Disposals	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021	Depreciation charge	Disposals	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2022
Land and buildings	17,419	0	0	17,419	17,419	0	0	17,419	0
Plant and machinery	709,218	0	250	708,968	706,702	1,677	250	708,129	839
Industrial and commercial equipment	96,595	0	0	96,595	76,904	4,311	0	81,215	15,380
Other assets	3,630,012	390,524	13,491	4,007,045	2,376,457	502,444	13,491	2,865,410	1,141,635
Total	4,453,244	390,524	13,741	4,830,027	3,177,482	508,432	13,741	3,672,173	1,157,854

'Land and buildings' comprises light constructions.

'Plant and machinery' comprises snow ploughs and salt spreaders for EUR 649,967 and other plant for EUR 59,251.

'Industrial and commercial equipment' comprises miscellaneous small items.

'Other assets' comprises furniture and ordinary office machines, electronic office machines, computers, telephone installations, cars and other vehicles.

Increases in tangible assets of EUR 390,524 relate to IT equipment and other assets.

Decreases relate to the depreciation charges for the period and the disposal of certain assets (cars). Depreciation is calculated at the rates mentioned above that are considered to reflect the assets' estimated useful lives.

Financial assets

'Financial assets' comprises equity investments.

	Balance as of 31 Dec. 2021	Increase	Decrease	Balance as of 31 Dec. 2022
Other entities				
Consorzio Autostrade Italiane Energia	1,058	0	0	1,058
Total	1,058	0	0	1,058

Information on the investee is as follows:

	Registered office	Capital	Equity	Profit for the year	% held
Other entities					
Consorzio Autostrade Italiane Energia (*)	Rome	114,865	114,254	0	0.99

(*) Figures from the draft financial statements as of 31 December 2022, approved by the Board of Directors on 20 January 2023.

Inventories

The balance increased by EUR 143,659 and may be analysed as follows:

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
Consumables	121,564	109,919
Assets for use in maintenance	1,186,077	1,054,063
Total	1,307,641	1,163,982

Receivables

'Receivables' totalled EUR 108,559,767 as of 31 December 2022, an increase of EUR 1,788,932 compared with the previous year.

As of 31 December 2022 there were no receivables falling due after five years.

The balance may be analysed as follows:

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
Trade receivables:		
• falling due within one year	2,854,526	3,750,311
• falling due after one year	208,625	255,205
Tax receivables		
• falling due within one year	251,928	2,173
• falling due after one year	0	0
Deferred tax assets	2,014,456	1,749,091
Other receivables:		
• falling due within one year	41,837,224	36,348,703
• falling due after one year	61,393,008	64,665,352
Total	108,559,767	106,770,835

'Trade receivables' decreased by EUR 942,365 and may be analysed as follows:

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
Trade accounts receivable	172,653	1,248,752
Invoices to be issued	2,890,498	2,756,764
Total	3,063,151	4,005,516

'Invoices to be issued' comprises EUR 269,521 relating to crossing fees (whereof EUR 208,625 is expected to be collected after one year), EUR 2,271,623 to royalties relating to service stations and EUR 349,354 to other income.

The amounts reported are net of provisions posted in the year for certain doubtful debts, equal to EUR 242,890 (whereof EUR 42,802 against trade accounts receivable, EUR 17,542 against invoices to be issued falling due within one year and EUR 182,546 against invoices to be issued falling due after one year)

Trade receivables falling due after one year relate to crossing fees and their collection is considered certain based on the negotiations in progress. These accounts originated before 1 January 2016 and do not earn interest, however, they are not discounted to present value because, as allowed by article 2423, paragraph 4, of the Civil Code “it is not necessary to comply with recognition, measurement, presentation and disclosure requirements when compliance has a negligible effect on a true and fair presentation”.

‘Tax receivables’ increased by EUR 249,755 compared with the previous year:

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
Tax credit referred to the so-called “Decreto Aiuti”, a decree containing various government support measures	251,645	0
Amount paid as withholding agent to be recovered	283	2,173
Total	251,928	2,173

‘Deferred tax assets’ increased by EUR 265,365 compared with the previous year and refers to the following:

	Balance as of 31 Dec. 2022		Balance as of 31 Dec. 2021	
	Temporary difference	Tax effect	Temporary difference	Tax effect
Maintenance of tangible assets	117,846	28,283	142,438	34,185
Directors’ remuneration	20,590	4,942	3,785	909
Write-downs of receivables	229,431	55,063	229,431	55,063
Taxes	604	145	0	0
Personnel	22,181	5,323	0	0
Litigation	0	0	786,689	188,805
Provision for cycle maintenance	8,002,916	1,920,700	6,125,537	1,470,129
Total	8,393,568	2,014,456	7,287,880	1,749,091

The tax rate applied is reported in the section on accounting policies.

‘Other receivables’ increased by EUR 2,216,177 and may be analysed as follows:

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
Receivables from interconnected motorway operators	39,086,304	33,563,844
Restricted cash		
• falling due within one year	645,271	1,274,955
• falling due after one year	61,368,520	64,642,863
Other		
falling due within one year	2,105,649	1,509,904
• falling due after one year	24,488	22,489
• falling due after one year		
Total	103,230,232	101,014,055

‘Receivables from interconnected motorway operators’ relates to the settlement of transactions arising from the interconnection of motorways.

‘Restricted cash’ comprises deposits that are restricted as a result of the contractual obligations assumed by the Company in connection with the project bond. Italian accounting standard OIC 14, item 9, provides that “restricted cash items are recognised as receivables in current or fixed assets depending on the characteristics of the restriction”. The balance comprises: a) a ‘capex reserve account’ of EUR 18,491,836 (whereof EUR 17,846,565 falling due after one year; b) a ‘maintenance reserve account’ of EUR 8,250,000 (entirely falling due after one year); and c) a ‘debt service reserve account’ of EUR 35,271,955 (entirely falling due after one year). We note that the portion falling due after one year is not discounted because the rate at which cash and cash equivalents earn interest does not differ from the market interest rate. The restriction will apply up to 31 December 2030 and coincides with the term of the project bond, except for the capex reserve account whose amount is reduced as assets are built.

‘Other’ comprises receivables recognised after a provision for doubtful debts equal to EUR 180,653. The provision was posted against 100% of a receivable from a company that was declared bankrupt in 2013.

Cash and cash equivalents

The balance decreased by EUR 5,016,240 and may be analysed as follows:

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
Bank and postal deposits	115,889,643	120,903,921
Cash in hand	95,559	97,521
Total	115,985,202	121,001,442

Bank and postal deposits comprises: a) postal deposits of EUR 61,827; b) bank deposits of EUR 115,463,037; and c) toll payments not yet credited to the Company’s current accounts for EUR 364,779.

Accrued income and prepayments

The balance increased by EUR 254,887 compared with the previous year.

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
Prepayments	238,007	67,355
Accrued income	84,235	0
Total	322,242	67,355

‘Prepayments’ comprises long-term services that are billed in advance. ‘Accrued income’ comprises revenues of the reporting period that will be billed on completion of the contract.

BALANCE SHEET INFORMATION: LIABILITIES

Shareholders' equity

Shareholders' equity increased by EUR 24,593,579 compared with the previous year and may be analysed as follows:

	Balance as of 31 Dec. 2021	Increase	Decrease	Balance as of 31 Dec. 2022
Share capital	2,000,000	0	0	2,000,000
IV. Legal reserve	400,000	0	0	400,000
VII. Other reserves:				
- Extraordinary reserve	158,163,286	16,014,303	0	174,177,589
- Restricted reserve for road infrastructure	9,776,227	0	0	9,776,227
- Restricted reserve for fines and penalties	175,000	0	0	175,000
IX. Profit/(Loss) for the year	16,014,303	24,593,579	16,014,303	24,593,579
Total	186,528,816	40,607,882	16,014,303	211,122,395

Share capital comprises 2,000,000 ordinary shares of nominal EUR 1.00 each.

At the annual general meeting of 21 April 2022, the shareholders resolved to appropriate the profit for the year 2021 of EUR 16,014,303 to the extraordinary reserve.

The restricted reserve for road infrastructure was set up in 2014 pursuant to article 2.1 of the Articles of Association, to fund the additional expenditure on road infrastructure required by CIPE Resolution of 26 January 2007.

The restricted reserve for fines and penalties was set up as a consequence of two fines levied by the grantor: the first, amounting to EUR 150,000, notified on 9 April 2010 and the second, amounting to EUR 25,000, notified on 5 March 2012.

The following tables analyse shareholders' equity referred to the last two financial years, showing the origin, possible use and distributable amount of each item and whether they were actually utilised.

Nature / Description	Amount	Possible use	Available amount	Summary of uses in the previous three years	
				Loss coverage	Other uses
Capital					
Share capital	2,000,000				
Reserves from profits				-	-
- Legal reserve	400,000	B	0		
- Extraordinary reserve	174,177,589	A, B, C	174,177,589		
- Restricted reserve for road infrastructure	9,776,227	B, C	0		
- Restricted reserve for fines and penalties	175,000	B	0		
Total	186,528,816		174,177,589		
Non-distributable amount			0		
Distributable amount			174,177,589		

Legend

A: Capital increase

B: Loss coverage

C: Dividend distribution

	Share capital	Legal reserve	Extraordinary reserve	Restricted reserve for road infrastructure	Restricted reserve for fines and penalties	Profit/ (Loss) for the year	Total
As of 1 January 2021	2,000,000	400,000	155,513,784	9,776,227	175,000	2,649,502	170,514,513
Appropriation to extraordinary reserve			2,649,502				2,649,502
Utilisation of profit for 2020						-2,649,502	-2,649,502
Profit/(Loss) for 2021						16,014,303	16,014,303
As of 31 Dec. 2021	2,000,000	400,000	158,163,286	9,776,227	175,000	16,014,303	186,528,816
Appropriation to extraordinary reserve			16,014,303				16,014,303
Utilisation of profit for 2021						-16,014,303	-16,014,303
Profit/(Loss) for 2022						24,593,579	24,593,579
As of 31 Dec. 2022	2,000,000	400,000	174,177,589	9,776,227	175,000	24,593,579	211,122,395

Provisions for risks and charges

The balance decreased by EUR 2,488,195. Movements in the year may be analysed as follows:

	Balance as of 31 Dec. 2021	Increase	Decrease	Balance as of 31 Dec. 2022
Provision for risks	786,689	368,494	786,689	368,494
Provision for cycle maintenance	14,717,000	12,647,000	14,717,000	12,647,000
Total	15,503,689	13,015,494	15,503,689	13,015,494

'Provision for risks' decreased as a result of the settlement of a dispute relating to personnel, and increased as a result of an accrual posted for indirect taxes; it is discussed in the report on operations.

Changes in the 'Provision for cycle maintenance' relate to the accrual and utilisation in the year. For a description of the nature of the item we make reference to the section on accounting policies.

Provision for post-employment benefits (Trattamento di fine rapporto di lavoro subordinato, TFR)

The provision increased by EUR 60,443. Movements in the year may be analysed as follows:

	Balance as of 31 Dec. 2021	Increase	Decrease	Balance as of 31 Dec. 2022
Provision for post-employment benefits (TFR)	391,568	1,018,111	957,668	452,011

The increase relates to the accrual for the year; the decrease comprises EUR 354,153 relating to advances and severance indemnities paid out to employees, and EUR 603,515 relating to payments to 'Fondo di garanzia TFR', a fund securing payment of TFR and salaries in the event of insolvency of employers, to ASTRI, a pension fund for motorway, road, transport, infrastructure and rental industry workers, and to other items.

Payables

Payables totalled EUR 478,279,485 as of 31 December 2022, having decreased by EUR 63,451,568. The balance falling due after five years was EUR 173,426,063 and corresponds to the outstanding portion of the project bond maturing on 31 December 2027, calculated under the amortised cost method.

The heading is analysed below.

A) Bonds

The balance as of December 31, 2022 was EUR 435,551,478. Movements in the year may be analysed as follows:

	Balance as of 31 Dec. 2021	Increase	Decrease	Balance as of 31 Dec. 2022
Bonds	499,160,691	12,012,087	75,621,300	435,551,478
Total	499,160,691	12,012,087	75,621,300	435,551,478

On 12 April 2016 the project bond was issued for a nominal value of EUR 830,000,000. During 2020 the Company repaid EUR 65,238,000. With regard to the ancillary costs of the bond, the amortised cost method – as prescribed by article 2426, paragraph 1, item 8, amended by Legislative Decree No. 139/2015, article 6, paragraph 8, letter g, and reflected in the revised Italian accounting standard OIC 19 – requires the recognition of the net amount of the debt after deduction of those costs (EUR 20,956,882) and the value of the debt to be increased by the portion of the ancillary costs attributable to the period (EUR 1,628,787 for 2022).

The nominal interest rate on the project bond is 2.115%, the effective rate (calculated under the amortised cost method) was equal to 2.504%.

With regard to the fairness of the contractual interest rate when compared with rates available in the market, on 23 February 2016 a leading international consulting firm issued a report to CAV on this matter which contains a comparison between bank loans and other corporate bond issues comparable to the project bond in amount and nature. . The report's conclusion was: *"our findings indicate that the interest rate at which the bond will be issued is in line with the market interest rates applied to other project bond issues related to comparable transactions."*

Because the interest rate on the project bond is in line with the market, according to OIC 19 discounting is not necessary

The balance of EUR 435,551,478 comprises EUR 53,860,073 falling due within one year and EUR 381,691,405 falling due after one year (whereof EUR 173,426,063 falling due after five years).

The nominal debt (debt on issuance less principal repayments) as of 31 December 2022 was equal to EUR 442,190,800.

The Company has given the following guarantees to subscribers of the project bond and to the EIB: a) a privileged lien on all present and future movable property; b) a general lien on all present and future movable property; c) a pledge as collateral of receivables arising, inter alia, from project contracts and insurance policies; d) a pledge on bank current accounts; e) a pledge as collateral of receivables arising from the concession held by the Company; f) a pledge on receivables from ANAS in connection with VAT.

Subscribers of the project bond are also covered by the EIB through a letter of credit ("PBCE Agreement") for 20% of the amount of the bond.

The securities relating to the project bond are listed on the non-regulated market operated by Bourse de Luxembourg, in Luxembourg (the "Euro MTF" market).

B) Trade payables

The balance increased by EUR 2,504,207 compared with the previous year. In detail:

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
Trade accounts payable	3,274,636	2,561,968
Invoices to be issued	13,211,865	11,416,465
Contractual guarantee deposits	179,335	183,196
Total	16,665,836	14,161,629

C) Tax payables

The balance decreased by EUR 3,048,811 and is detailed as follows:

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
IRPEF, personal income tax, on the remuneration of employees and freelancers	586,929	559,570
IRES, corporation tax	2,200,309	3,243,132
IRAP, regional trade income tax	228,498	671,986
VAT	930,551	2,521,014
Other taxes	38,108	37,504
Total	3,984,395	7,033,206

D) Social security payables

The balance increased by EUR 204,131 compared with the previous year.

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
Social security payables	1,225,180	1,021,049

E) Other payables

The balance increased by EUR 498,118 compared with the previous year and is detailed as follows:

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
Payables to interconnected motorway operators	7,450,829	6,383,210
Payables to the State		
• Concession fee (MIMS)	2,729,559	2,532,167
• Concession fee (ANAS)	725,579	673,108
• Supplementary concession fee pursuant to Law No. 102/2009 (ANAS)	6,742,567	7,245,163
• Sub-concession fee (MIMS)	24,550	18,540
Payables to personnel	1,892,626	1,730,331
Payables to ANAS		
• Refund of the costs of construction of the Mestre Bypass and related complementary and completion works	645,271	1,274,955
Other	641,615	497,004
Total	20,852,596	20,354,478

Payables to interconnected motorway operators' relates to the settlement of interconnection transactions.

'Payables to the State', totalling EUR 10,222,255, comprises the concession fee pursuant to article 1, paragraph 1020, of Law No. 296/2006 payable to the State (79%) and to ANAS (21%); the sub-concession fee payable to the Ministry of Infrastructure and Sustainable Mobility; and the supplementary concession fee payable to ANAS pursuant to Law No. 102/2009.

Payables to personnel' comprises the 14th month salaries, holidays and leaves not taken.

'Payables to ANAS', totalling EUR 645,271, comprises the costs of construction of the Mestre Bypass and related complementary and completion works.

Accrued expenses and deferred income

The heading shows a decrease of EUR 34,928 compared with the previous year.

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
Deferred income	319,868	354,796

'Deferred income' relates to the portion attributable to future years of crossing fees already billed at the balance sheet date.

Commitments, guarantees and contingent liabilities

These comprise:

	Balance as of 31 Dec. 2022	Balance as of 31 Dec. 2021
Third party assets held by the Company	111,350	31,150

'Third party assets held by the Company' relates to the Viacard prepaid cards sold by the Service Centre on behalf of Autostrade per l'Italia S.p.A.

As concerns guarantees in favour of subscribers of the project bond we make reference to the comments to the relevant item in the notes to the financial statements.

INCOME STATEMENT INFORMATION

Value of production

Value of production totalled EUR 167,278,762, an increase of EUR 12,902,476 (+8.36%) compared with the previous year.

Value of production is analysed below.

A) Revenue from sales and services

'Revenue from sales and services' is analysed as follows:

	FY 2022	FY 2021
Toll revenue:		
• Toll revenue	143,964,068	133,553,105
• Supplementary concession fee pursuant to Law No. 102/09 and Law No. 122/2010	14,506,532	13,462,150
Other motorway income		
• Income from service stations	3,770,193	2,997,139
• Share of toll collection costs paid by interconnected motorway operators	1,472,421	1,283,145
• Recharges of costs of abnormal load movements and unpaid tolls	1,030,270	682,116
Total	164,743,484	151,977,655

'Toll revenue' comprises proceeds from tolls paid by vehicles travelling on the various motorway stretches operated by the Company, specifically by traffic on the Mestre Bypass (A4) and the Padova – Mirano/Dolo stretch (on A4, in the closed system; the Mirano/Dolo – Venezia Mestre stretch on A57 is in the open system and is toll-free) and traffic through the toll gates at Venezia Mestre, Mira/Oriago and Mirano/Dolo (on A57, operated by CAV), Venezia Nord (on A27, operated by Autostrade per l'Italia) and Venezia Est (on A4, operated by Autovie Venete) where toll is applied for 6.685 km (FY 2021: 6.685 km)) for the Mestre ring road and for 17.106 km (FY 2021: 17.157 km) for the additional kilometres applied to finance construction of the Bypass.

In FY 2022 toll revenue (after deducting the supplementary concession fee payable to ANAS) increased by EUR 10,410,963, +7.80%. The figure is directly related to the traffic performance affected by the Covid 19 health emergency. For a detailed description of factors affecting toll revenue we make reference to the section of the report on operation titled "Toll revenue".

The amount of the supplementary concession fee payable to ANAS was calculated in application of article 15, paragraph 4, of Law Decree No. 78/2010, converted into Law No. 122/2010: in 2022 (as in previous years), on each kilometre travelled the toll was increased by 6 thousandths of a euro for vehicle classes A e B and by 18 thousandths of a euro for classes 3, 4 and 5. The supplementary concession fee payable to ANAS increased by EUR 1,044,382 (+7.76%).

Income from service stations comprises royalties paid by oil companies and by restaurants and hotels on sales at the service stations.

There are four service stations: two in the closed system, i.e. Arino Ovest and Arino Est (located close to entry to the Mestre Bypass) and two in the open system, i.e. Marghera Ovest and Marghera Est (on the roundabout at Marghera); a hotel is present at the Marghera Est service station.

Income from service stations rose by EUR 773,054 (+25.79%).

The share of toll collection costs paid by interconnected motorway operators rose by 14.75%. This item of income arises from the application of article 17 of the interconnection agreement between all Italian motorway operators. All revenues are generated by activities located on the motorways under concession. For additional information on traffic and rates we make reference to the section titled “Motorway business” of the report on operations.

B) Other income

	FY 2022	FY 2021
Other	1,670,957	2,271,999
Grants	864,321	126,632
Total	2,535,278	2,398,631

‘Other income’ comprises: sub-concession fees of EUR 104,436; refunds of damage caused to structures by motorway users for EUR 145,625; contract work for EUR 272,837; refunds of lighting costs on the A57/A27 interchange for EUR 183,150; indemnities for failure to execute tenders and recovery of contract stamps for EUR 37,748, gains and non-recurring income of EUR 802,726, grants of EUR 864,321 (whereof EUR 649,176 in tax credits in connection with the so-called “Decreti Aiuti”, decrees containing various government support measures, Euro 208,095 in grants from the European Union for the C-ROADS ITALY and URSA MAIOR projects, EUR 7,050 in grants towards personnel training as a result of the Company being a member of Fondimpresa, a fund set up by the employers’ association and the largest trade unions that finances training); and other items of income for EUR 124,435.

Cost of production

Cost of production totalled EUR 121,354,238, an increase of EUR 4,150,844 (+3.54%), compared with the previous year.

A) Raw materials, consumables and goods

‘Raw materials, consumables and goods’ increased compared with the previous year by EUR 153,091, +19.08%, and may be analysed as follows:

	FY 2022	FY 2021
Purchases of items for maintenance	494,621	273,111
Purchases of other assets	460,958	529,377
Total	955,579	802,488

B) Services

Cost of services may be analysed as follows:

	FY 2022	FY 2021
Maintenance and renovation works	19,780,177	17,883,644
Contract work	272,837	1,322,873
Operating services		
• Share of toll collection costs	4,778,665	4,206,846
• Processing of traffic and proceeds data	632,356	659,193
• Electricity	4,492,636	2,590,000
• Other	1,598,311	1,383,754
Administrative services:		
• Administrative professional services	1,023,314	858,574
• Technical professional services	392,942	793,337
• Insurance	1,022,597	1,017,127
• Telephone	36,997	14,974
• Meal vouchers	253,000	261,651
• Tender evaluation committee members	156,700	190,151
• Other	560,615	227,012
Directors' remuneration	159,697	157,572
Statutory auditors' remuneration	76,657	75,860
Supervisory Board remuneration	60,600	53,988
Total	35,298,101	31,696,556

Cost of services increased by EUR 3,601,545 (+11.36%) compared with the previous year.

'Maintenance' totalled EUR 19,780,177 (EUR 17,883,644 in the previous year), an increase of EUR 1,896,533 (+10.60%).

'Operating services' totalled EUR 11,501,968 (EUR 8,839,793 in the previous year), an increase of EUR 2,662,175 (+30.12%).

'Administrative services' totalled EUR 3,446,165 (EUR 3,362,826 in the previous year), an increase of EUR 83,339 (+2.48%).

'Directors' remuneration' comprises emoluments (EUR 129,278), social charges (EUR 12,927) and expense refunds (EUR 17,492).

'Statutory auditors' remuneration' comprises emoluments (EUR 70,000), social charges (EUR 4,045) and expense refunds (EUR 2,612).

'Supervisory Board remuneration' comprises emoluments (EUR 50,000), social charges (EUR 5,600) and expense refunds (EUR 5,000).

C) Leases and rentals

	FY 2022	FY 2021
Leases and rentals	767,789	925,933

'Leases and rentals' decreased compared with the previous year by EUR 158,144; this item comprises car rentals (EUR 63,789) and other rentals (EUR 704,000).

D) Personnel

The cost of personnel is analysed as follows:

	FY 2022	FY 2021
Wages and salaries	13,387,369	13,539,968
Social charges	4,358,835	4,353,708
Provision for post-employment benefits (TFR)	1,018,111	978,476
Other personnel costs	809,021	596,440
Total	19,573,336	19,468,592

Personnel costs increased compared with the previous year by a total of EUR 104,744 (+0.54%).

The average headcount during the year was 216.338 (215.795 in the previous year), therefore the average cost per employee was equal to EUR 90,476 (EUR 90,218 in the previous year).

Movements in headcount during the year are analysed by category in the following table.

	As of 31 Dec. 2022	As of 31 Dec. 2021	Average
Executives	3	4	3.666
Middle managers	12	13	12.329
Clerical staff	148	138	143.940 (*)
• full time	131	119	
• part time	17	14	
• on term contracts	0	5	
Toll collectors			
• full time	45	51	50.403 (*)
• part time	37	41	
• on term contracts	8	10	
Workers	6	6	6.000
• full time	6	6	
• part time	0	0	
Total	214	212	216.338

(*) The average headcount is calculated considering also staff on term contracts, which numbered 16 in the year under consideration.

E) Amortisation, depreciation and write-downs

Amortisation, depreciation and write-downs increased compared with the previous year by EUR 746,310 and may be analysed as follows:

	FY 2022	FY 2021
Amortisation of intangible assets	47,048,161	46,327,707
Depreciation of tangible assets	508,432	482,576
Total	47,556,593	46,810,283

'Amortisation of intangible assets' comprises: a) amortisation of software for EUR 26,511; b) amortisation of other intangible assets for EUR 47,021,650, which is analysed in detail in these notes to the financial statements in the comments on movements in intangible assets. 'Depreciation of tangible assets' is analysed in detail in these notes to the financial statements in the comments on movements in tangible assets.

F) Change in inventories

	FY 2022	FY 2021
Change in inventories	-143,659	92,836

'Change in inventories' is the difference between opening inventories as of 1 January 2022, equal to EUR 1,163,982, and closing inventories as of 31 December 2022, equal to EUR 1,307,641.

G) Other accruals

	FY 2022	FY 2021
Charges to provision for cycle maintenance	12,647,000	14,717,000
Utilisation of provision for cycle maintenance	-14,717,000	-15,035,000
Total	-2,070,000	-318,000

Charges to the provision for cycle maintenance are made on the basis of future plans for scheduled maintenance and renovation works.

H) Other operating costs

This item increased compared with the previous year by EUR 1,691,793 (+9.54%) and may be analysed as follows:

	FY 2022	FY 2021
Taxes and duties	566,905	296,597
Supplementary concession fee pursuant to article 19, paragraph 9 bis, of Law No. 102/09 and Law No. 122/2010	14,506,532	13,462,150
Concession fee pursuant to article 10 L. 537/93 and article 1, paragraph 1020, of Law No. 296/2006	3,455,138	3,205,275
Sub-concession fee pursuant to article 13 of the Concession Agreement	77,493	62,014
Other costs	810,431	698,670
Total	19,416,499	17,724,706

The supplementary concession fee is owed to ANAS, as established, lastly, by article 15, paragraph 4 of Law No. 122/2010. It is applied to each kilometre travelled and is equal to 6 thousandths of a euro per km for vehicle classes A and B, and 18 thousandths of a euro per km for classes 3, 4 and 5.

The concession fee, as established by article 1, paragraph 1020, of Law No. 296/2006 and also article 12 of the Concession Agreement, is equal to 2.4% of net toll revenue: 21% is paid to ANAS and the remaining 79% is paid to the State.

The sub-concession fee payable to the Ministry of Infrastructure – Directorate General for Supervision of Motorway Operators is established by article 13 of the Concession Agreement and is equal to 2% of the income from retailing activities.

Financial income and charges

The heading is analysed as follows:

	FY 2022	FY 2021
Financial income:		
• Financial income other than the above	178,359	6,421
Interest and other financial charges	12,090,622	13,503,313
Total	-11,912,263	-13,496,892

‘Financial income’ comprises interest income for EUR 178,359.

‘Interest and other financial charges’ comprises: a) interest expense on the project bond, calculated under the amortised cost method – as prescribed by article 2426, paragraph 1, item 8, amended by Legislative Decree No. 139/2016, article 6, paragraph 8, letter g, and reflected in the revised OIC 19 – for EUR 12,012,087 (whereof EUR 10,383,300 disbursed at the interest rate of 2.115%, and EUR 1,628,787 that is the portion of the ancillary cost of issuance of the project bond attributable to the year under consideration); b) interest expense on bank accounts for EUR 65,839; and c) other interest expense for EUR 12,696.

Income taxes

Income taxes are analysed as follows:

	FY 2022	FY 2021
Income taxes		
• IRES, corporation tax	7,973,587	6,587,100
• IRAP, regional trade income tax	1,710,460	1,481,329
• Deferred tax expense	0	0
• Deferred tax income	-265,365	-406,732
Total	9,418,682	7,661,697

ADDITIONAL DISCLOSURES

Remuneration of corporate boards

Pursuant to item 16 of article 2427 of the Civil Code, we disclose the remuneration payable to the corporate boards for the functions discharged in the year under consideration.

The remuneration of members of the Board of Directors comprises emoluments (EUR 129,278), social charges (EUR 12,927) and expense refunds (EUR 17,492).

The remuneration of members of the Board of Statutory Auditors comprises emoluments (EUR 70,000), social charges (EUR 4,045) and expense refunds (EUR 2,612).

The remuneration of members of the Supervisory Board comprises emoluments (EUR 50,000), social charges (EUR 5,600) and expense refunds (EUR 5,000).

Independent auditor's fees

Pursuant to item 16 bis of article 2427 of the Civil Code, we report that on 8 April 2021 the Company in general meeting awarded the external auditor fees for the three-year period 2021-2023 equal to EUR 152,980 (EUR 50,993 per annum) for the audit of the annual financial statements.

Repurchase agreements

During the year the Company did not enter into any repurchase agreements.

Dividend-right shares, convertible bonds, other securities

The Company has not issued any dividend-right shares or convertible bonds.

The Company has not issued any security falling into the scope of article 2427, item 18, of the Civil Code

Other financial instruments issued

The Company has not issued any other financial instruments referred to in item 19 of the first paragraph of article 2427 of the Civil Code.

Equity reserves or borrowings appropriated for specific purposes

At the closing date there were no equity reserves or borrowings appropriated for specific purposes as defined in items 20 e 21 of the first paragraph of article 2427 of the Civil Code.

Monetary revaluations

Pursuant to article 10 of Law No. 72 of 19 March 1983 and subsequent legislation, we state that no monetary revaluations were applied to existing tangible or intangible assets.

Finance leases

Italian law provides for finance leases to be recognised as operating leases, with the lease payments recognised as operating costs under leases and rentals. We state that as of 31 December 2022 there were no finance leases in place.

Disclosure of transactions with related parties

In accordance with the provisions of article 2427, item 22 bis, of the Civil Code, we state that during the year the Company did not carry out significant transactions with related parties other than at arm's length. For details of transactions with shareholders we make reference to the report on operations.

Direction and co-ordination

Pursuant to article 2497-bis of the Civil Code, we state that the Company is not subject to direction and co-ordination by another entity.

Off-balance sheet transactions

During the year there were no off-balance sheet transactions.

Fair value of financial instruments

The Company does not hold any financial instruments.

Law Decree No. 34/2019 – Evidence of payment delays of enterprises

As required by Law Decree No 34 of 30 April 2019, we state that the Company's average payment delay for the year 2022 was 13.02 days (2021: 12,57 days).

Transactions with the Region Veneto

Payables to/receivables from the Region Veneto:

In accordance with the instructions given by the Region Veneto in its letter Ref. 49883 dated 7 February 2018, we disclose details of payables to and receivables from the Region as of 31 December 2022.

Cash flows:

The Company's receivables from the Region Veneto as of 31 December 2022 comprised deposits for an amount of EUR 1,146 (whereof EUR 566 relating to a water concession, file W08_001281, referred to Unità Organizzativa Genio Civile Venezia, falling due on 31 December 2032; and a guarantee deposit of EUR 580 relating to a water concession, file DD133 n.1367/C, referred to Unità Organizzativa Genio Civile Padova, falling due on 31 December 2032).

As of 31 December 2022 there were no payables by the Company to the Region Veneto (not even by way of advances against loans from the Region Veneto to the Company), nor bonds subscribed by the Region Veneto.

Guarantees given:

As of 31 December 2022 there were no sureties issued by the Region in favour of the Company nor letters of 'strong' patronage in favour of the Company, nor other forms of guarantees issued by the Region in favour of the Company. In this connection it is necessary to mention the arrangement with the Region Veneto known as "Region Agreement" reflected in the project bond issue. While the Region Agreement does not constitute any form of guarantee or fall back guarantee or letter of patronage, through it the Region Veneto has undertaken, in favour of the secured creditors, not to sell, transfer or encumber the Company's shares it owns.

Public-sector grants - pursuant to article 1, paragraphs 125-126, Law No. 124/2017

Type of grant	Grantor	Amount
	Government	649,176
Grants towards the C-ROADS ITALY and URSA MAIOR projects	European Union	208,095
Grants towards personnel training	Fondimpresa	7,050

Annexes

Enclosed with the financial statements is the table detailing investment expenditure on assets under concession required by the Motorway Concession Inspectorate (now Directorate General for Supervision of Motorway Operators, DGVCA) with a letter under protocol No. 14986 of 3 February 2009.

Also enclosed is the table required by the Region Veneto referred to in Appendix A, letter H, to DGR 2101 of 10 November 2014.

SIGNIFICANT EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

There are no significant events subsequent to the end of FY 2022 to be reported.

PROPOSED APPROPRIATION OF PROFIT FOR THE YEAR

Dear Sirs,

We thank our shareholders for their trust and the support given to the Company, and at the same time we express our heartfelt appreciation for management and all our employees who, working professionally and committedly, contributed to the results that we have illustrated to you.

The financial statements as presented, and illustrated to you in terms of individual items, were prepared in compliance with current regulations.

The Board of Directors therefore invites you to:

- Discuss and approve the report on operations and the financial statements as of 31 December 2022, comprising the balance sheet, income statement, cash flow statement and the notes to the financial statements; and;
- Appropriate the profit for the year 2022, equal to EUR 24,593,579, to the extraordinary reserve.

Venice, 28 February 2023

Signed on behalf of the Board of Directors

THE CHAIR

Monica Manto

ANNEXES

MIT TABLE: INVESTMENT EXPENDITURE

SUMMARY OF INVESTMENT IN ASSETS UNDER CONCESSION (Table 1)

Amounts in thousands of Euro

Ref. Art. 2 Concession Agreement	Ref. Appendix H	Ref. Appendix D	Engineering and contractual figures			Expenditure up to 31 Dec. 2021			Expenditure in 2022			Total expenditure as of 31 Dec. 2022			Notes			
			Total gross approved expenditure	Total net expenditure per contract	Works	Available funds	Financial charges	Total	Works	Available funds	Financial charges	Total	Works	Available funds		Financial charges	Total	
2.1.a	-	-	Mestre Bypass			988,025											988,025	1)
2.1.a	-	-	Grants			-283,654											-283,654	1)
2.1.a	-	-	Capitalised financial charges			20,829											20,829	1)
2.1.b	-	-	Indemnity paid to previous concession holder			74,689											74,689	2)
2.1.c	H.1	a.	New signage		392												392	3)
2.1.c	H.1	b.	Supply and installation of storm drain grids on the Mestre Bypass		223												223	3)
2.1.c	H.1	c.	Chorde storage plants		345												345	3)
2.1.c	H.1	d.	Automation of toll payment equipment		101												101	3)
2.1.c	H.1	e.	Upgrading of remote traffic management systems		443												443	3)
2.1.c	H.1	f.	Remote access at Pregoraid and Spinea toll gates		39												39	3)
2.1.c	H.1	g.	Miscellaneous		99												99	3)
2.1.c	H.3	h.	Renovation of traffic police barracks at Mestre				300										300	4)
2.1.c	H.3	i.	Sturdy road connectors: safety works on provincial road SR81 between SS309 and the Miła-Origo toll gate				5,384										5,384	4)
2.1.c	H.3	j.	Reorganisation of San Giuliano interchange with regional road SR14				7,747										7,747	4)
2.1.c	H.3	k.	Roundabout on entry to the Marco Polo-SS14 junction				800										800	4)
2.1.c	H.2	l.	Paniga and Mantalego toll gates and junctions		39,958		30,748										39,958	5)
2.1.c	H.2	m.	Bypass Bantasping		12,401		7,946										12,401	5)
2.1.c	H.2	n.	Service stations		-		49										49	5)
2.1.c	H.2	o.	Environmental impact mitigation		5,767		423										5,767	5)
2.1.c	H.2	p.	Ship road to Mestre Bypass		42,660		43,576										42,660	5), 6)
2.1.c	H.2	q.	Complementary works to train tender and cost reviewers		11,722		21,465										11,722	5)
4.2	H.3	s.	Complementary works to Mestre Bypass		-		3,983										4,242	5), 7)
4.2	H.3	t.	Environmental restoration of territories crossed by Mestre Bypass and additional environmental mitigation works		-		38										255	3), 7)
4.2	H.3	w.	New building and platform roof at Milano - Dolo station		-		1										1	3), 7)
4.2	H.3	z.	Safety works on the interchange of AC7 with AS7 (grant to a third party)		-		5,633										5,633	4), 7)
		a1.	Link to Venice harbour		-		57										57	8)
		n1.	Eroads		6,474		-										10,953	8)
		n11.	Asset reamping		295		69										757	8)
		rs0.	Software platform and hardware - ERP		4,993		-										6,069	8)
		rs1.	Supply of automated toll booths		1,048		-										1,408	8)
		ps.	Feasibility studies		-		31										31	8)
		tu.	Ultrafast transport system (hyper Transfer project)		-		-										773	8)
					132,053		108,638										20,829	1,054,319

The above table shows a summary of investment in assets held under concession CANV as holder of a concession only for the operation of the motorway, has not built and will not build any works itself, but in accordance with the concession agreement, either refunds the costs incurred by the concession holder or disburses grants to third parties. We present the table in any case.

1) The algebraic sum of these amounts is the cost of the Mestre Bypass that CANV is required to pay to ANAS. Because these costs are a refund for works built by ANAS, we do not provide a breakdown between Works, Available funds and Financial charges, except for the amount relating to Capitalised financial charges.

2) This is an indemnity paid to the previous holder of the concession for the motorway indicated. For this reason we do not provide a breakdown between Works, Available funds and Financial charges.

3) In the notes to the financial statements these investments are referred to collectively as 'Other works on the motorway under concession', reported partly in 'Intangible assets in progress', partly in 'Other intangible assets'.

4) These are commitments made under the terms of the concession agreement that may be classified as grants to third parties. For this reason we do not provide a breakdown between Works, Available funds and Financial charges.

5) In the notes to the financial statements these investments are referred to collectively as 'Complementary and completion works on the Bypass', reported partly in 'Intangible assets in progress', partly in 'Other intangible assets'.

6) The 'Total' differs from the algebraic sum of 'Works' and 'Available funds' due to the inclusion of the grant towards the construction of the Mogliano Veneto northern ring road, amounting to Euro 5,000 thousand, which cannot be classified in either category.

7) Expenditure in accordance with the 1st addendum to the Concession Agreement signed on 23 March 2010.

8) = Expenditure referred to Business Plans in the process of being approved

TABLE REQUIRED BY THE REGION VENETO

Compliance with regional directive D.G.R. 2101/2014, letter H

ENTITY:		CONCESSIONI AUTOSTRADALI VENETE CAV S.P.A.			
A - I	During 2022 did the company procure works, supplies and services from third parties?	During 2022 did the company apply the provisions of Legislative Decree No. 50/2016?			Note
	YES	YES			
C	Has the company submitted its three-year staff requirement plan?	Is the company, whose plan was approved by the Regional government, encountering difficulties in its implementation?			Note
	YES	NO			CAV S.p.A. is not subject to guidelines "C" established by DGR 2951/2010, DGR 25/2013 and currently DGR 2101/2014 as amended by DGR 751/2021 because it is not controlled by the Region Veneto
E - I	Cost of consulting engagements in the year 2009	Cost of consulting engagements in the year 2022	Cost for PR, conventions, exhibitions advertising and entertaining expenses in the year 2009	Cost for PR, conventions, exhibitions advertising and entertaining expenses in the year 2022	Note
	166,677.00	765,835.71	118,013.00	468,524.58	
E - I	Any reasons why the threshold for the cost of consulting engagements (50% of similar costs incurred in 2009) was exceeded in the year 2022	Any reasons why the threshold for the cost for PR, conventions, exhibitions advertising and entertaining expenses (20% of similar costs incurred in 2009) was exceeded in the year 2022	Estimated cost of consulting engagements in the year 2023 (proposed cost refund)	Estimated cost for PR, conventions, exhibitions advertising and entertaining expenses in the year 2023 (proposed cost refund)	Note

E - I	Did the company incur sponsorship costs in 2022?	Amount of any sponsorship costs incurred in 2022	Note	
	NO			
E - III	Did the company distribute dividends to shareholders in compliance with the directive?		Note	
	NO			
F - II	Are the caps to remuneration of corporate boards established by article 7 of Regional Law No. 39/2013 complied with?			Notes
				Concessioni Autostradali Venete CAV S.p.A. is not controlled by the Region Veneto and therefore it is not subject to article 7 of Regional Law No. 39/2013
F-III	Is the company the beneficiary of a direct loan from the Region Veneto for an amount greater than 80% of value of production?	Did the company close the preceding three financial years with a loss?	Should the company meet the two preceding conditions, indicate whether it has already reduced the remuneration of the Board of Directors by 30%	
	NO	NO		
F - IV	Are expense refunds to members of corporate boards paid in compliance with the directive and the thresholds set in article 7 of Regional Law No. 39/2013		Note	
	NO		Concessioni Autostradali Venete CAV S.p.A. is not controlled by the Region Veneto and therefore it is not subject to the Directive	
G - I	Has the company given directives to its subsidiaries?	Has the company implemented a system of controls over compliance with the directives by its subsidiaries?	Any instances of non-compliance with the directives by subsidiaries	Note
				CAV S.p.A. does not control any other entity

L	Indicate the entities in which the company exercised powers of appointment in 2022	Was directive L - III on double engagements complied with for appointments made in 2022?	Was directive L - IV on requirements complied with for appointments made in 2022?	Note
M - I	Are there any employees whose remuneration exceeds that of the first president of the Court of Cassation?	List any appointment and the excess amount		Note
	NO			Concessioni Autostradali Venete CAV S.p.A. is not controlled by the Region Veneto and therefore it is not subject to article 7 of Regional Law No. 39/2013.
M - III	Did the company comply with the spending thresholds for car purchases, maintenance, rental and operation, as well as taxi vouchers?	Report any departures in connection with long-term contracts in place		Note
				CAV S.p.A. does not fall into the scope of application of item M III) of Appendix A to DGR 2101/2014. Car maintenance and rental costs are referred to vehicles used in motorway operations.
M - III	Costs of car purchases, maintenance, rental and operation, and taxi vouchers, incurred in 2022	Costs of car purchases, maintenance, rental and operation, and taxi vouchers, incurred in 2011		Note
	469,341.55	357,998.00		CAV S.p.A. does not fall into the scope of application of item M III) of Appendix A to DGR 2101/2014. Car maintenance and rental costs are referred to vehicles used in motorway operations.

M-IV	Has information on service cars used in 2022 been submitted to the regional government?	Has information on service cars used and missions performed using private cars been published on the company's website?	Note
		Information about 2022 will be published within february 2023	CAV S.p.A. shall submit and publish the list referred to in DGR 2101/2014, Appendix A) letter M-IV) by the prescribed deadline.
M-V	Has the company monitored application of paragraphs 471 to 475 of article 1 of Law No. 147/2013 ?	Have there been any instances where the caps referred to in paragraphs 471 ff of article 1 of Law No. 147/2013 have been exceeded?	Note
	YES	NO	
N	Is the information required by Legislative Decree No. 33/2013 present on the company's website?	Have the organisation models pursuant to article 6 of Legislative Decree No. 231/2001 been updated following the developments introduced by Laws No. 3/2019 and 157/2019, Legislative Decrees No. 184/2021 and 195/2021, Laws No. 215/2021 and 22/2022?	Note
	YES	YES (latest update to CAV's organisation model dated 30 November 2022)	
	Name of the officer in charge of the prevention of corruption and transparency and date of appointment	Names of the members of the Supervisory Board (OdV) and dates of appointment	If not appointed, specify the reasons
	Chief Financial Officer of CAV S.p.A., Mr. Giovanni Bordignon (appointed by the CEO, CAV Protocol No. 1628 of 29 January 2015)	President: Ms. Daniela Giacomini; members: Mr. Armando Cologgi and Mr Giuseppe Franco (appointed by the Board of Directors on 18 March 2021)	
	Name of the company's legal representative or delegated person	Signature	Place, date
	MANAGING DIRECTOR Ing. Maria Rosaria Anna Campitelli		

REPORT OF THE BOARD OF STATUTORY AUDITORS

REPORT OF THE BOARD OF STATUTORY AUDITORS ON THE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2022, PREPARED PURSUANT TO ARTICLE 2429, PARAGRAPH 2, OF THE CIVIL CODE

To the shareholders of CAV S.p.A. in general meeting

On 28 February 2023 the board of directors approved the draft financial statements as of and for the year ended 31 December 2022.

In the course of the year ended 31 December 2022 the Board of Statutory Auditors discharged the functions referred to in article 2403 ff of the Civil Code, whereas the functions referred to in article 2409 bis ff of the Civil Code (as superseded by article 37 of Legislative Decree No. 39 of 27 January 2010) were discharged by the audit firm PricewaterhouseCoopers S.p.A..

SUPERVISION ACTIVITY PURSUANT TO ARTICLE 2403 FF OF THE CIVIL CODE

Based on the information obtained by us on the Company, we report the following:

- The Company's core business did not change during the year under consideration and is consistent with the business purpose;
- In the course of 2022 there were no significant changes in the Company's organisation structure and, at any rate, during the year the Company reviewed its organisation structure and management system with a view to integrating and making more efficient all corporate operations; we wish to note, however, that in the course of 2022 discussions have been held at an institutional level about the possibility for CAV to become an 'in-house providing' company that would be similarly and jointly managed by the current shareholders (ANAS and the Region Veneto) and by the Ministry for Infrastructure, through two Committees established for that purpose;
- The human resources making up the Company's workforce are substantially unchanged, whereas the corporate governance changed following the annual general meeting of 31 October 2022, when the shareholders appointed a new Chair, a new Board of Directors and a new Managing Director.

This report summarises the activities relating to the disclosures required by article 2429, paragraph 2, of the Civil Code, specifically:

- The result of operations
- Activities carried out in fulfilment of the duties provided for by the regulation;
- Comment and proposals on the financial statements, with particular reference to the possible use by the Board of Directors of the departure allowed by article 2423, paragraph 4, of the Civil Code;
- Any complaints from shareholders under article 2408 of the Civil Code.

During the year, starting from our inauguration meeting, we held regular meetings in accordance with article 2404 of the Civil Code, minutes of which were drawn up and signed for approval by all members of the Board.

WORK PERFORMED

During 2022 the Board met three times, on the following dates: **17 March, 9 June and 12 October**. During our periodical visits, we were informed of developments in the Company's business, and we paid special attention to

any contingent and/or extraordinary issues, in order to identify their financial impact on the result of operations and on the Company's equity structure, as well as to any risks.

Therefore, periodically we assessed the adequacy of the Company's organisation structure, and any changes, compared with the minimum requirements arising from operating activities.

Relations with the Company's management, employees and external consultants were characterised by mutual cooperation, while respecting the roles and responsibilities of each.

As far as we could ascertain in the course of our activities during the year, we believe that:

- the decisions taken by the shareholders and by the Board of Directors were in compliance with the law and the Company's Articles of Association and were not evidently imprudent or such as to threaten the existence of corporate assets;
- sufficient information was obtained regarding the general performance of operations and the future outlook, as well as the most significant transactions, by size or nature, carried out by the Company;
- transactions carried out were also in compliance with the law and the Company's Articles of Association and were not potentially in contrast with the resolutions taken by the shareholders in general meeting, or such as to threaten the existence of corporate assets;
- in detail, with regard to the sourcing of funds through a project bond, we note that during the year 2022 the Company duly complied with the obligations arising from the financing agreements, inter alia, through the payment (in both principal and interest) of the two half-yearly instalments due;
- we have no specific comments on the adequacy of the administrative-accounting system, which was supplemented and implemented, as part of the CAV 2.0 Project, with the new ERP system based on the SAP S/4HANA platform in the course of 2021, and was further strengthened in the course of 2022 with regard to Planning and Control, or on its ability to present fairly the Company's transactions, also considering the findings from the assessments performed by the Supervisory Board and the external auditor;
- it was not necessary for us to intervene as a result of omission of the Board of Directors pursuant to article 2406 of the Civil Code;
- no complaints were received pursuant to article 2408 of the Civil Code;
- no complaints were made pursuant to article 2409, paragraph 7, of the Civil Code;
- during the year we did not issue any opinions as envisaged by law.

ANNUAL FINANCIAL STATEMENTS

We confirm that the statutory audit of the accounts was performed by PricewaterhouseCoopers SpA and that the latter, in the Independent auditor's report on the financial statements as of 31 December 2022, issued on 15 March 2023 pursuant to article 14 of Legislative Decree No. 39/2010, did not include any qualifications or emphasis of matters paragraphs, but stated that "the financial statements as of 31 December 2022 give a true and fair view of the financial position of the Company as of as of 31 December 2022, and of the result of its operations and cash flows for the year then ended in compliance with the Italian laws governing the criteria for their preparation".

The Board of Statutory Auditors, which is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process, accordingly oversaw the general set up of the financial statements, their general compliance with law requirements in terms of formation and structure, and has nothing to report in this connection.

Therefore, given that:

- the draft financial statements as of 31 December 2022, comprising the balance sheet, income statement, cash flow statement and notes thereto, were approved by the Board of Directors at its meeting on 28 February 2023;
- the Board of Directors also prepared the report on operations required by article 2428 of the Civil Code;
- the above documents were delivered to the Board of Statutory Auditors in time to meet the deadline for filing at the Company's registered office, accompanied by this report, regardless of the term set in article 2429, paragraph 1, of the Civil Code;

the Board of Statutory Auditors examined the draft financial statements in question, for which the following additional information was provided:

- The accounting policies applied to the measurement of assets and liabilities, in a going concern perspective, were adjusted to reflect the provisions of Legislative Decree No. 139/2015;
- We paid attention to the structure of the draft financial statements, its general compliance with the law in terms of preparation and structure, and we have nothing to report in this respect;
- We verified compliance with law requirements concerning the preparation of the report on operations, and we have nothing to report in this respect;
- In the preparation of the financial statements the Board of Directors did not apply any departures as allowed by article 2423, paragraph 4, of the Civil Code;
- We checked that the financial statements correspond to the events and information that we became aware of as a result of discharging our obligations as Board of Statutory Auditors, and we have nothing to report in this respect;
- The financial statements do not include any costs referred to in article 2426, paragraph 1, item 5), of the Civil Code, or goodwill referred to in article 2426, paragraph 1, item 6), of the Civil Code;
- From the minutes of meetings of the Supervisory Board we obtained information about the activities performed by them during 2022 and the result of follow-ups.

Finally, with regard to the appropriation of the net result of operations proposed by the Board of Directors, as set out in the notes to the draft financial statements, we have no comments to report, in any case the relevant decision is to be taken by the shareholders in general meeting.

CONCLUSION

Based on the above, on the information brought to the attention of the Board of Statutory Auditors and on the findings from the periodical controls carried out, also considering the findings from the work carried out by the independent auditor engaged to perform the statutory audit, we report unanimously that there is no reason preventing you from approving the draft financial statements as of 31 December 2022, as prepared by the Board of Directors.

Marghera, 15 March 2023

The Board of Statutory Auditors

Ms. Anna Maria Ustino – President

Mr. Corrado Brutto - Acting auditor

Ms. Incoronata Palmieri - Acting auditor

INDEPENDENT AUDITOR'S REPORT



Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010

To the shareholders of Concessioni Autostradali Venete – CAV SpA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Concessioni Autostradali Venete – CAV SpA (the Company), which comprise the balance sheet as of 31 December 2022, the income statement and the cash flow statement for the year then ended and related notes.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2022, and of the result of its operations and cash flows for the year then ended in compliance with the Italian laws governing the criteria for their preparation.

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 Financial Statements* section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. 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 Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the Italian laws governing the criteria for their preparation and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

PricewaterhouseCoopers SpA

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240 Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 229691 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 010 29041 - **Napoli** 80121 Via dei Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Viale Tanara 20/A Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Corso Palestro 10 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Felissant 90 Tel. 0422 696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 040 3480781 - **Udine** 33100 Via Poscolle 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001 - **Vicenza** 36100 Piazza Pontelandolfo 9 Tel. 0444 393311

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The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained 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;
- We obtained 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 Company's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' 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 Company'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 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 Company to cease to continue as a going concern;



- We evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated 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 identified during our audit.

Report on Compliance with other Laws and Regulations

Opinion in accordance with Article 14, paragraph 2, letter e), of Legislative Decree No. 39/2010

The directors of Concessioni Autostradali Venete – CAV SpA are responsible for preparing a report on operations of Concessioni Autostradali Venete – CAV SpA as of 31 December 2022, including its consistency with the relevant financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to express an opinion on the consistency of the report on operations with the financial statements of Concessioni Autostradali Venete – CAV SpA as of 31 December 2022 and on its compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations is consistent with the financial statements of Concessioni Autostradali Venete – CAV SpA as of 31 December 2022 and is prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree No. 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Udine, 15 March 2023

PricewaterhouseCoopers SpA

Signed by

Manuel Forte
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

STATISTICS

PAYING VEHICLES PER KM, YEARS 2020 - 2021 – 2022

(article 19, para. 9/bis, of Law Decree No. 78/2009, converted into Law No. 102/2009, and article 15, para. 4, of Law Decree No. 78/2010, converted into Law No. 122/2010)

Year 2020

Month	Vehicle class					Total
	A	B	3	4	5	
January	103,556,795	13,042,870	2,087,942	1,722,865	19,729,024	140,139,495
February	92,113,559	13,186,823	2,151,637	1,850,098	20,646,234	129,948,350
March	29,004,734	7,449,208	1,651,140	1,293,988	18,206,787	57,605,856
April	12,236,434	5,012,254	1,156,867	831,968	13,634,269	32,871,794
May	43,847,637	9,687,154	1,773,551	1,391,407	17,828,725	74,528,473
June	88,667,511	12,939,268	2,182,950	1,665,486	19,737,412	125,192,629
July	114,228,133	15,318,828	2,617,790	1,918,494	22,467,031	156,550,276
August	119,858,146	12,889,543	2,164,010	1,355,926	15,880,929	152,148,553
September	106,818,871	14,930,598	2,445,133	1,805,649	21,685,745	147,685,996
October	93,458,080	14,623,307	2,350,662	1,994,248	22,606,296	135,032,594
November	61,947,341	12,228,310	2,083,705	1,755,474	21,422,987	99,437,817
December	58,156,727	11,280,020	1,896,408	1,659,174	18,393,445	91,385,773
Total	923,893,968	142,588,183	24,561,794	19,244,778	232,238,884	1,342,527,606

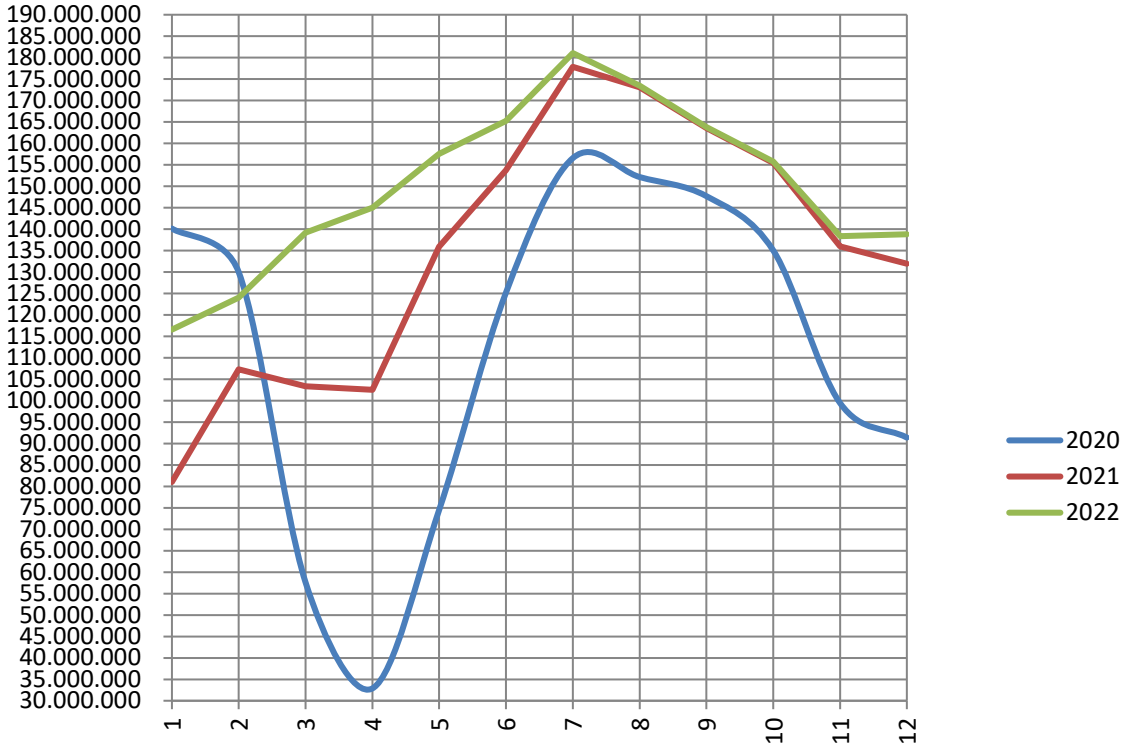
Year 2021

Month	Vehicle class					Total
	A	B	3	4	5	
January	49,422,097	10,066,378	1,712,364	1,528,242	18,300,100	81,029,180
February	70,707,765	11,973,017	1,989,800	1,751,192	20,867,216	107,288,991
March	60,920,675	13,585,836	2,344,255	1,980,342	24,490,078	103,321,186
April	63,894,834	12,813,408	2,170,714	1,745,173	21,870,685	102,494,814
May	94,881,727	14,645,418	2,333,379	1,717,825	22,285,409	135,863,758
June	110,233,887	15,998,368	2,584,848	1,764,279	23,168,023	153,749,404
July	132,345,000	17,394,504	2,969,332	1,799,983	23,340,134	177,848,953
August	136,760,675	14,868,664	2,537,734	1,314,098	17,604,472	173,085,643
September	118,699,962	17,025,178	2,800,403	1,748,167	23,310,422	163,584,131
October	112,158,127	16,193,601	2,494,121	1,729,691	22,906,265	155,481,805
November	93,936,572	14,520,005	2,315,044	1,698,948	23,464,569	135,935,139
December	93,885,349	13,679,071	2,156,695	1,563,827	20,669,382	131,954,324
Total	1,137,846,670	172,763,448	28,408,689	20,341,767	262,276,754	1,621,637,328

Year 2022

Month	Vehicle class					Total
	A	B	3	4	5	
January	82,253,066	11,523,455	1,853,574	1,413,259	19,519,883	116,563,237
February	85,408,479	12,989,389	2,092,550	1,614,059	21,885,824	123,990,300
March	94,407,405	15,386,231	2,504,779	1,814,596	25,070,865	139,183,876
April	105,072,965	15,048,078	2,347,598	1,547,007	20,986,199	145,001,847
May	111,941,129	16,982,864	2,779,742	1,735,253	24,095,044	157,534,032
June	120,526,719	17,158,472	2,908,108	1,678,368	22,975,463	165,247,130
July	136,772,531	17,382,396	3,069,007	1,653,792	22,176,344	181,054,070
August	136,734,581	15,150,994	2,621,999	1,305,398	17,642,668	173,455,639
September	119,212,127	17,139,433	2,901,298	1,685,593	22,877,839	163,816,290
October	113,336,023	16,117,344	2,521,736	1,644,394	22,107,347	155,726,844
November	97,528,551	14,570,545	2,316,507	1,647,572	22,275,183	138,338,358
December	103,053,165	13,475,650	2,096,238	1,481,640	18,681,203	138,787,897
Total	1,306,246,742	182,924,849	30,013,136	19,220,929	260,293,862	1,798,699,519

PAYING VEHICLES PER KM, FLUCTUATIONS IN MONTHLY TOTALS



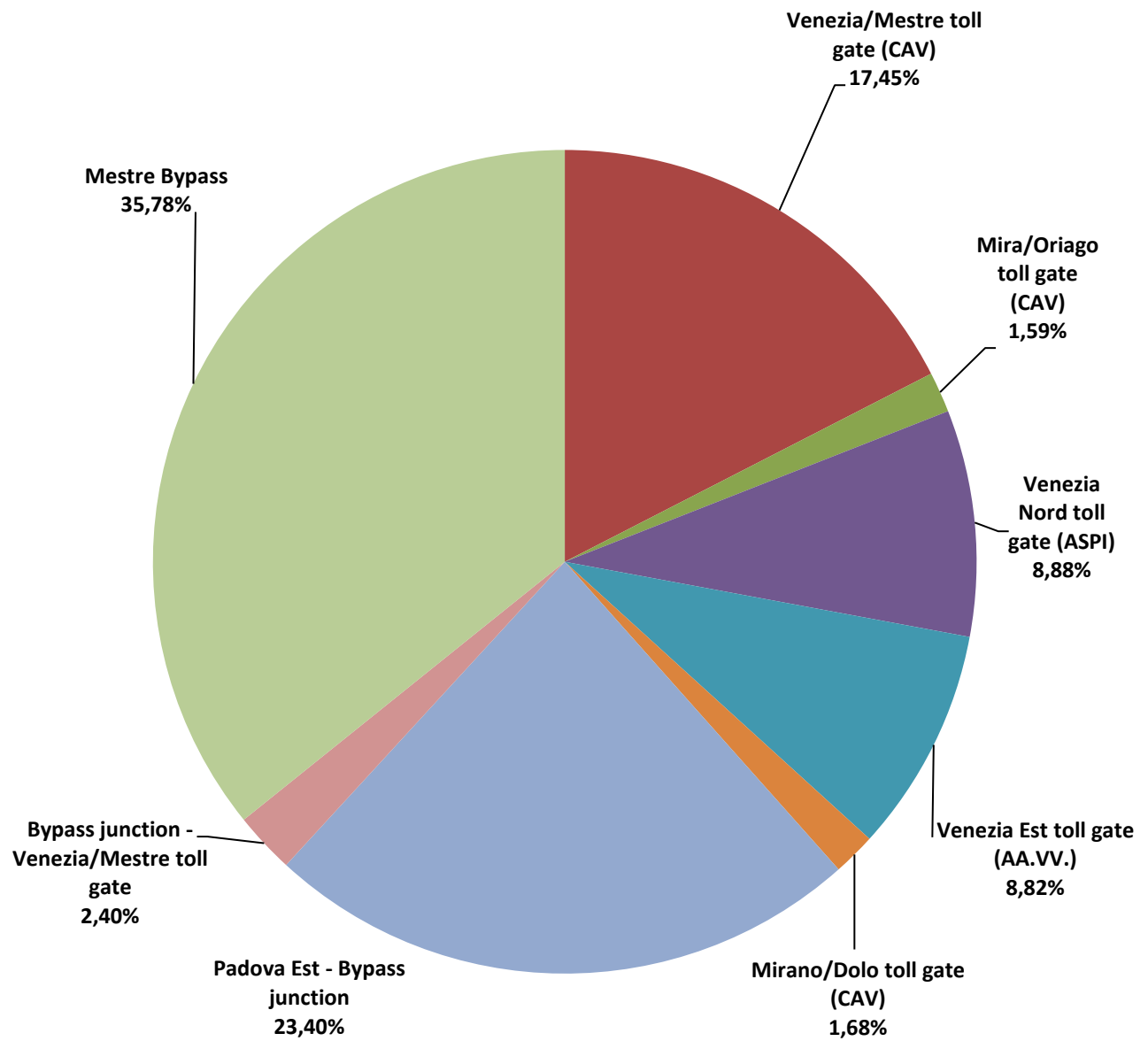
PAYING VEHICLES PER KM BROKEN DOWN BY MOTORWAY STRETCH IN THE CLOSED SYSTEM AND BY TOLL GATE IN THE OPEN SYSTEM YEAR 2022

Closed system	Vehicles per km
A) Padova Est - A4/A57 junction (entry to the Mestre Bypass)	420,954,455
B) A4/A57 junction (entry to the Mestre Bypass) - Venezia Mestre toll gate	43,112,699
A + B	464,067,155
C) Mestre Bypass	643,502,941
Total (A + B + C)	1,107,570,096

Open system	Transits at toll gates	Vehicles per km x 6.685 km	Vehicles per km x 17.206 km	Total vehicles per km
A) Venezia Mestre toll gate (A57 - CAV)	13,193,295	88,197,176	225,684,501	313,881,677
B) Mira/Oriago toll gate (A57 - CAV)	1,202,737	8,040,300	20,574,027	28,614,327
C) Mirano/Dolo toll gate (A57 - CAV)	1,270,216	8,491,394	21,728,316	30,219,710
D) Venezia Nord toll gate (A27 - ASPI)	6,715,168	44,890,900	114,869,670	159,760,570
E) Venezia Est toll gate (A4 - AA.VV.)	6,668,620	44,579,725	114,073,414	158,653,139
Total (A + B + C + D + E)	29,050,037	194,199,495	496,929,928	691,129,423

	Year 2020	Year 2021	Year 2022	% change 2021-2022
Total vehicles per km (open system + closed system):	1,342,527,606	1,621,637,328	1,798,699,519	10.92

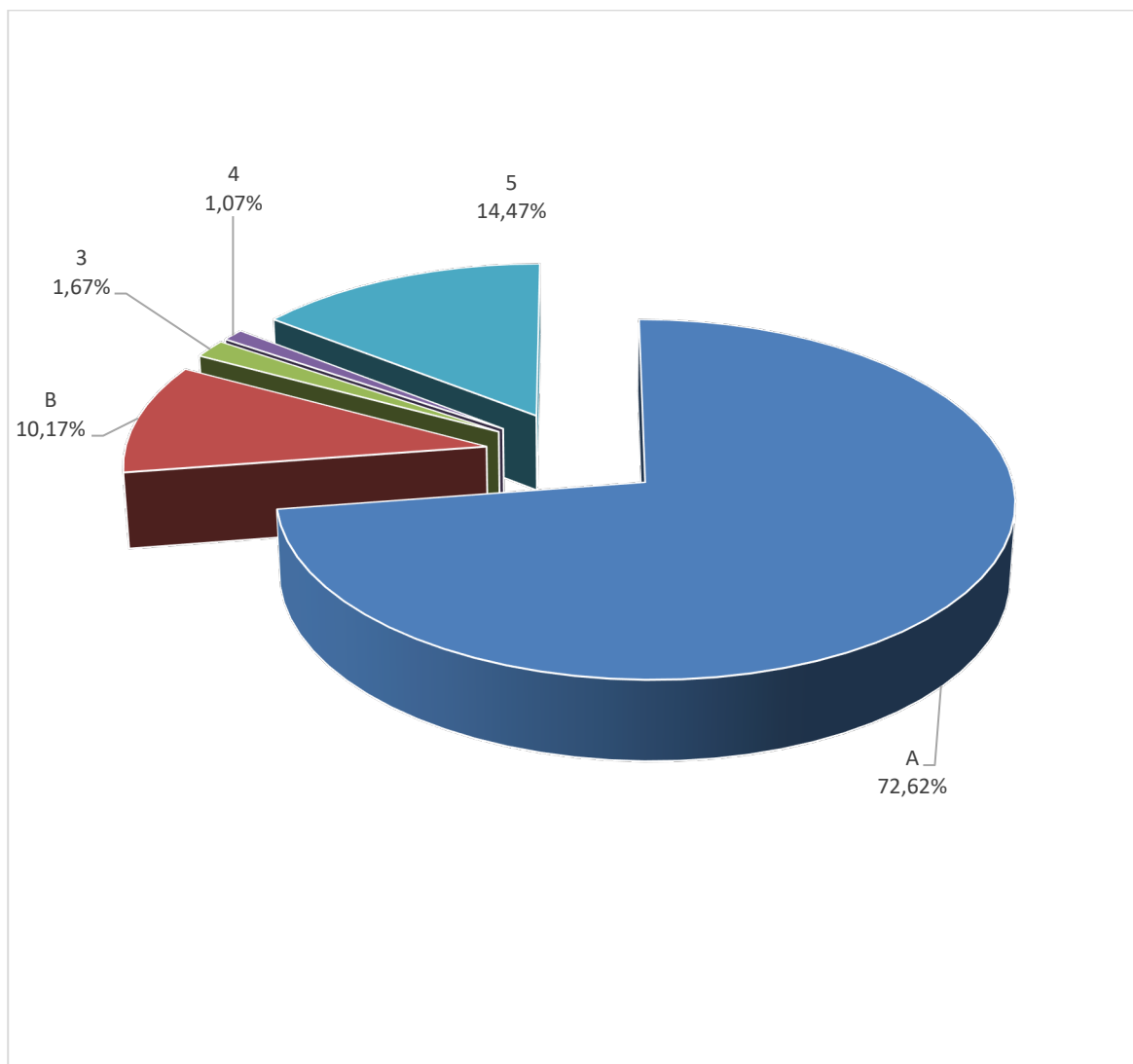
VEHICLES PER KM BY MOTORWAY STRETCH



TRAFFIC BREAKDOWN BY VEHICLE CLASS
 (Total paying vehicles per km)
 Closed system + open system
 YEAR 2022

	Class	Vehicles per km	%
Light vehicles	A	1,306,246,742	72.62
	B	182,924,849	10.17
HGVs	3	30,013,136	1.67
	4	19,220,929	1.07
	5	260,293,862	14.47
Total		1,798,699,519	100

VEHICLE CLASSES AS PERCENTAGE OF TOTAL



**ACTUAL VEHICLE COUNT - VEHICLES PER KM - VIRTUAL VEHICLE COUNT
PAYING TRAFFIC
YEARS 2021 AND 2022**

CLOSED SYSTEM	Year 2021	Year 2022	% change
Annual actual vehicle count	45,147,240	49,398,026	9.42
Daily average actual vehicle count	123,691	135,337	9.42
Annual vehicles per kilometre	1,016,490,030	1,107,570,096	8.96
Daily average vehicles per kilometre	2,784,904	3,034,439	8.96
Annual virtual vehicle count	22,084,167	24,062,964	8.96
Daily average virtual vehicle count	60,505	65,926	8.96

OPEN SYSTEM Venezia Mestre, Mira/Oriago, Mirano/Dolo, Venezia Nord and Venezia Est toll gates	Year 2021	Year 2022	% change
Annual vehicle count	25,381,566	29,050,037	14.45
Daily average vehicle count	69,539	79,589	14.45
Annual vehicles per kilometre: for 6.200 km in 2019 and 6.685 km in 2020	169,675,769	194,199,495	14.45
for 15.836 km in 2019 and 17.206 km in 2020	435,471,528	496,929,928	14.11
Total vehicles per kilometre	605,147,297	691,129,423	14.21
Daily average vehicles per kilometre	1,657,938	1,893,505	14.21

CLOSED SYSTEM + OPEN SYSTEM	Year 2020	Year 2021	% change
Annual vehicles per kilometre	1,621,637,328	1,798,699,519	10.92

TRAFFIC THROUGH TOLL GATES OPERATED BY CAV, BROKEN DOWN BY ORIGIN AND DESTINATION YEAR 2022

ENTRY	EXIT							TOTAL
	PREGANZIOL	MARTELLAGO /SCORZE'	SPINEA	VENEZIA MESTRE	MIRANO /DOLO	MIRA /ORIANO	PADOVA EST	
PREGANZIOL	-	77,093	55,088	1,634	3,618	327	153,006	290,766
MARTELLAGO-SCOR.	79,838	-	48,332	10,120	4,964	3,957	150,533	297,744
SPINEA	57,136	35,507	-	13,619	3,654	1,012	323,925	434,853
VENEZIA MESTRE	826	9,785	9,966	-	3,034,409	2,528,684	1,895,710	7,479,380
MIRANO DOLO	7,544	11,904	3,569	2,889,745	-	160,642	161,668	3,235,072
MIRA ORIANO	249	4,220	955	2,368,359	143,824	-	140,654	2,658,261
PADOVA EST	181,353	166,863	331,602	1,910,760	167,239	165,472	-	2,923,289
ASPI (STRETCHES A23/A27)	421,077	241,727	149,962	2,166	9,124	1,089	577,612	1,402,757
AUTOVIE VENETE	262,696	430,867	133,181	4,195	10,041	1,454	585,525	1,427,959
BRENNERO	23,925	25,353	19,119	314,946	19,361	33,839	165,506	602,049
MILANO SERRAVALLE	5,043	3,539	2,698	38,847	2,435	2,147	20,976	75,685
BRESCIA PADOVA	218,520	231,605	235,803	2,241,636	213,579	236,662	1,902,807	5,280,612
CENTRO PADANE	5,464	6,076	3,486	49,573	3,235	5,339	30,820	103,993
ASPI (STRETCH MI-BS)	47,641	41,978	26,298	444,093	25,469	33,568	198,337	817,384
BREBEMI	10,279	9,928	5,343	76,787	5,809	6,829	51,719	166,694
T.E. SPA	271	262	200	2,583	213	296	3,111	6,936
ASPI (OTHER MOTORWAYS)	162,948	202,426	177,871	1,297,853	142,982	140,694	462,880	2,587,654
OTHER MOTORWAYS	8,828	10,210	7,805	119,579	8,959	11,996	74,167	241,544
TOTAL	1,493,638	1,509,343	1,211,278	11,786,495	3,798,915	3,334,007	6,898,956	30,032,632

EXIT	ENTRY							TOTAL
	PREGANZIOL	MARTELLAGO /SCORZE'	SPINEA	VENEZIA MESTRE	MIRANO /DOLO	MIRA /ORIANO	PADOVA EST	
PREGANZIOL	-	79,838	57,136	826	7,544	249	181,353	326,946
MARTELLAGO-SCOR.	77,093	-	35,507	9,785	11,904	4,220	166,863	305,372
SPINEA	55,088	48,332	-	9,966	3,569	955	331,602	449,512
VENEZIA MESTRE	634	10,120	13,619	-	2,889,745	2,368,359	1,910,760	7,193,237
MIRANO DOLO	3,618	4,964	3,654	3,034,409	-	143,824	167,239	3,357,708
MIRA ORIANO	327	3,957	1,012	2,528,684	160,642	-	165,472	2,860,094
PADOVA EST	153,006	150,533	323,925	1,895,710	161,668	140,654	-	2,825,496
ASPI (STRETCHES A23/A27)	327,644	224,624	130,163	3,057	11,872	599	586,450	1,284,409
AUTOVIE VENETE	256,794	402,585	124,424	2,590	17,012	637	647,914	1,451,956
BRENNERO	21,150	25,101	19,900	319,157	20,719	30,071	158,415	594,513
MILANO SERRAVALLE	4,689	3,786	2,849	40,375	2,557	2,095	18,096	74,447
BRESCIA PADOVA	192,263	217,242	234,775	2,243,263	221,215	191,873	1,703,034	5,003,665
CENTRO PADANE	4,512	5,714	3,276	64,029	3,132	5,347	25,784	111,794
ASPI (STRETCH MI-BS)	39,062	42,430	24,265	436,336	22,534	35,035	163,111	762,773
BREBEMI	8,140	12,686	5,165	74,366	4,810	5,917	40,212	151,296
T.E. SPA	217	339	181	2,697	161	274	2,209	6,078
ASPI (OTHER MOTORWAYS)	141,558	203,050	178,533	1,383,649	146,941	122,488	494,952	2,671,171
OTHER MOTORWAYS	7,328	10,602	7,733	125,537	9,261	9,946	72,528	242,935
TOTAL	1,293,123	1,445,903	1,166,117	12,174,436	3,695,286	3,062,543	6,835,994	29,673,402

INTERNAL TRAFFIC BETWEEN VENEZIA MESTRE, MIRA/ORIAGO AND MIRANO/DOLO TOLL GATES (non-paying) YEAR 2022

Stretch travelled		Transits	% change 2021 vs. 2022	Vehicles per km in the closed system		Vehicles per km in the open system	
Entry	Exit			Km 9.800	km 2.000	km 6.685	km 17.206
Venezia Mestre Mira/Oriago	Mira/Oriago	2,528,684	7.90				
	Venezia Mestre	2,368,359	7.77				
Subtotal		4,897,043	7.84	-	9,794,086	32,736,732	83,768,818
Venezia Mestre Mirano/Dolo	Mirano/Dolo	3,034,409	6.71				
	Venezia Mestre	2,889,745	6.68				
Subtotal		5,924,154	6.70	58,056,709		39,602,969	101,338,578
Mirano/Dolo Mira/Oriago	Mira/Oriago	160,642	5.48				
	Mirano/Dolo	143,824	4.64				
Subtotal		304,466	5.08	2,983,767		2,035,355	5,208,195
General total		11,125,663	7.15	61,040,476	9,794,086	74,375,056	190,315,591

70,834,562	264,690,647
Total vehicles/km in the closed system	Total vehicles/km in the open system

Total vehicles/km	335,525,209
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Total outgoing traffic with origin/destination between Venezia Mestre, Mira/Oriago and Mirano/Dolo toll gates

Toll gate	2020	2021	2022	% change 2021 vs. 2022
Venezia Mestre	4,295,972	4,906,256	5,258,104	7.17
Mira/Oriago	2,205,427	2,495,736	2,689,326	7.76
Mirano/Dolo	2,608,335	2,980,947	3,178,233	6.62
Total	9,109,734	10,382,939	11,125,663	7.15

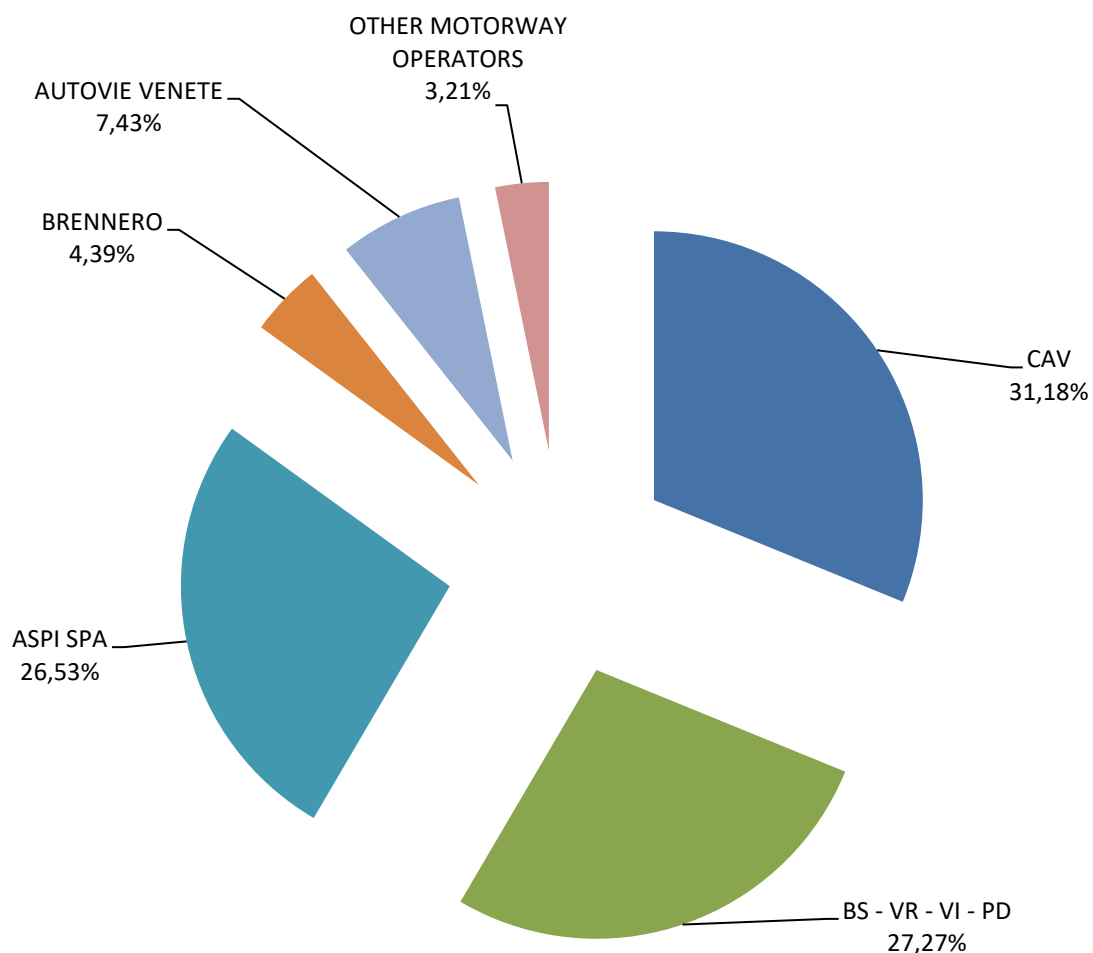
**TOLL REVENUE
TRANSACTIONS BETWEEN INTERCONNECTED MOTORWAY OPERATORS
YEAR 2022**

(Gross amounts expressed in thousands of euro)

Motorway operator	Concurrent toll payments collected by CAV attributable to CAV	Concurrent toll payments collected by CAV attributable to interconnected operators	Concurrent toll payments collected by interconnected operators attributable to CAV	Deferred toll payments attributable to CAV billed by ASPI SpA
CAV	11,730			
ASPI SPA (deferred payments)				144,021
ASPI SPA (concurrent payments)		8,703	16,020	
BS - VR - VI - PD		8,780	5,477	
BRENNERO		1,469	1,152	
AUTOVIE VENETE		2,377	13,367	
AUTOVIA PADANA		267	260	
AUT. FIORI		189	354	
SATAP A/21		322	239	
MILANO - SERRAVALLE		91	230	
OTHER MOTORWAY OPERATORS		139	484	
TOTAL	11,730	22,337	37,583	144,021

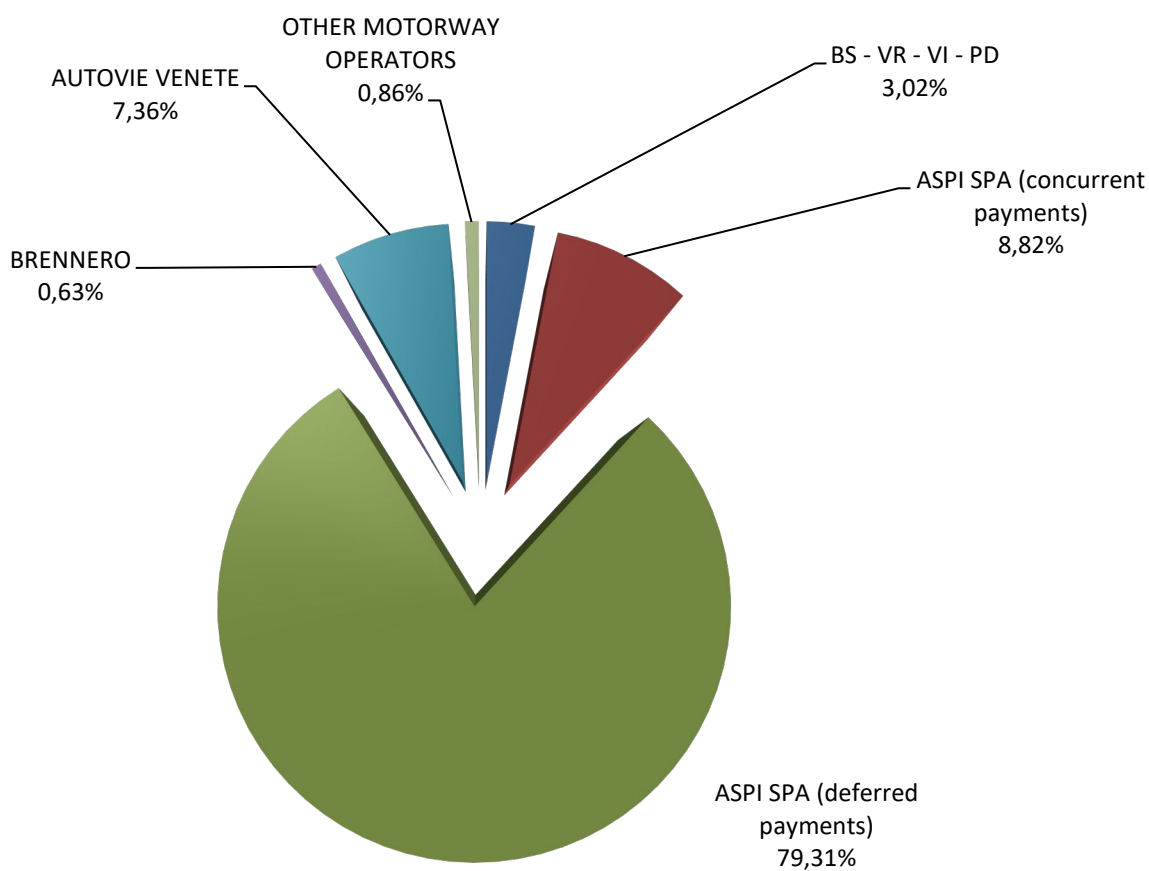
**CONCURRENT TOLL PAYMENTS COLLECTED AT TOLL GATES OPERATED BY CAV
BROKEN DOWN BY OPERATOR TO WHICH THEY ARE ATTRIBUTABLE
YEAR 2022**

OPERATOR	EUR'000	as % of total
CAV	11,730	31.18
BS - VR - VI - PD	10,259	27.27
ASPI SPA	9,982	26.53
BRENNERO	1,651	4.39
AUTOVIE VENETE	2,795	7.43
OTHER MOTORWAY OPERATORS	1,206	3.21
TOTAL	37,623	100



TOLL PAYMENTS ATTRIBUTED TO CAV BY INTERCONNECTED OPERATORS YEAR 2022

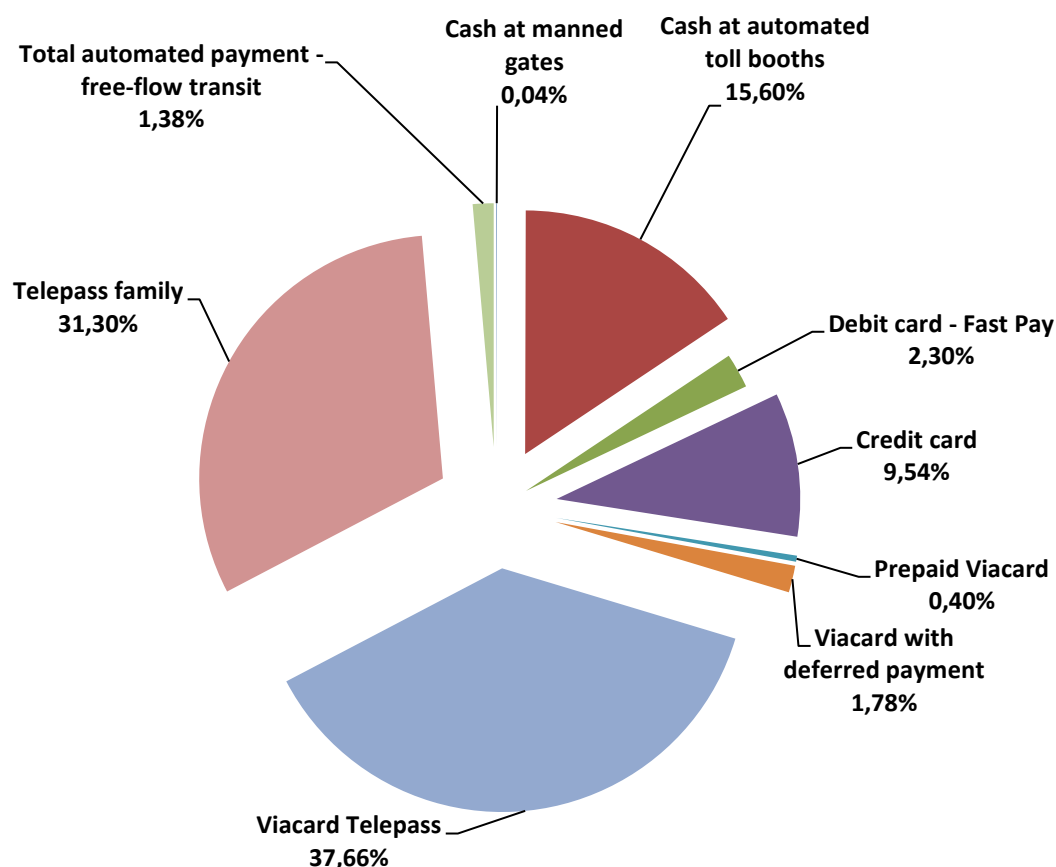
OPERATOR	EUR'000	as % of total
BS - VR - VI - PD	5,477	3.02
ASPI SPA (concurrent payments)	16,020	8.82
ASPI SPA (deferred payments)	144,021	79.3
BRENNERO	1,152	0.63
AUTOVIE VENETE	13,367	7.36
OTHER MOTORWAY OPERATORS	1,568	0.86
TOTAL	181,605	100



METHOD OF PAYMENT ON EXIT AT TOLL GATES OPERATED BY CAV
(as percentage of total)
YEARS 2019, 2020, 2021 and 2022

Method of payment	2019	2020	2021	2022
Cash at manned gates	1.36	0.15	0.05	0.04
Cash at automated toll booths	17.71	16.07	15.58	15.60
Total cash	19.07	16.22	15.63	15.64
Debit card - Fast Pay	2.67	2.66	2.50	2.30
Credit card	6.76	6.68	8.27	9.54
Prepaid Viacard	0.64	0.54	0.50	0.40
Viacard with deferred payment	1.94	2.44	2.00	1.78
Total automated payment - non-free-flow transit	12.01	12.32	13.27	14.02
Viacard Telepass	36.89	40.78	39.92	37.66
Telepass Family	31.93	30.59	30.88	31.30
Euroypass	0.10	0.09	0.30	1.38
Total automated payment - free-flow transit	68.92	71.46	71.10	70.34
	79.38	80.93	83.78	84.37
Total	100	100	100	100

YEAR 2022



**ACCIDENTS
YEARS 2020 AND 2021
ENTIRE MOTORWAY SYSTEM A4 + A57 (CLOSED + OPEN SYSTEM)**

	Accidents causing injuries or fatalities		Accident rate per 100 million vehicles/km		% change in rate	National accident rate as of 30 Sept. 2022
	2021	2022	2021	2022		
Light vehicles	59	100	5.19	7.66	47.64%	
HGVs	21	21	4.34	4.26	-1.76%	
Total	80	121	4.93	6.73	36.36%	6.41
No. of injured persons	142	200	8.76	11.12	26.98%	10.56
No. of fatalities	1	1	0.0617	0.0556	-9.84%	0.12

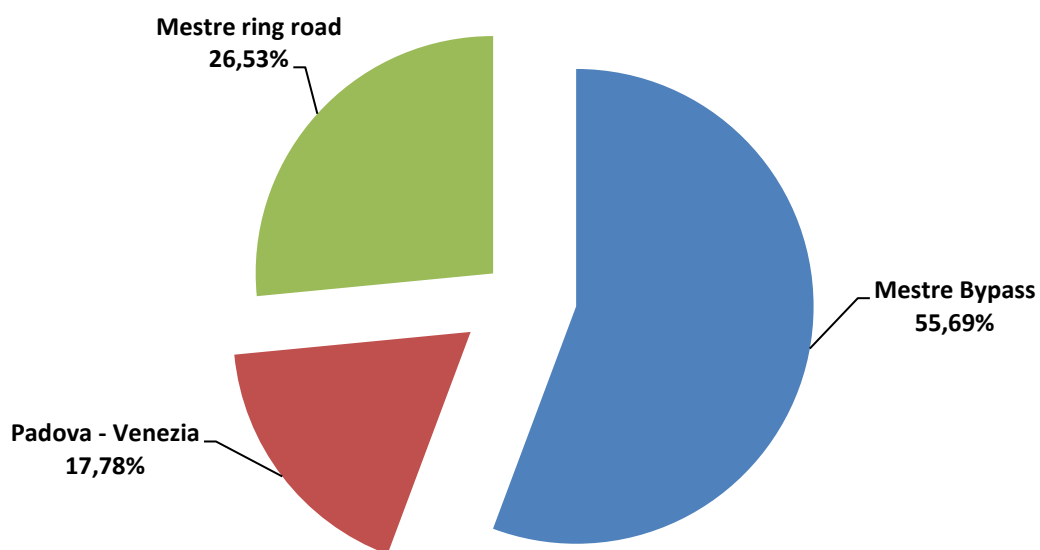
	Accidents without injuries or fatalities		Accident rate per 100 million vehicles/km		% change in rate
	2020	2021	2020	2021	
Light vehicles	77	76	6.77	5.82	14.02%
HGVs	39	52	8.06	10.56	30.99%
Total	116	128	7.15	7.12	-0.50%

	Total accidents		Accident rate per 100 million vehicles/km		% change in rate
	2020	2021	2020	2021	
Light vehicles	136	176	11.95	13.47	12.73%
HGVs	60	73	12.40	14.82	19.53%
Total	196	249	12.09	13.84	14.54%

**TOLL REVENUE (after VAT and the supplementary concession fee payable to ANAS)
BROKEN DOWN BY MOTORWAY STRETCH
YEAR 2022**

Motorway stretch	Revenue (EUR'm)	%
Closed system: A4/A57		
Mestre Bypass	80.2	55.69%
Padova - Venezia	25.6	17.78%
Subtotal	105.8	73.47%
Open system: Mestre ring road A57		
Subtotal	38.2	26.53%
General total	144.0	100.00%

NET TOLL REVENUE



SERVICE STATIONS - FUEL AND LUBRICANT SALES

Petrol - (litres sold)			
STATION	2021	2022	% change
Marghera Ovest	1,247,000	1,546,000	23.98
Marghera Est	320,000	413,000	29.06
Arino Ovest	1,245,000	1,594,000	28.03
Arino Est	981,000	1,256,000	28.03
Total	3,793,000	4,809,000	26.79

Diesel fuel - (litres sold)			
STATION	2021	2022	% change
Marghera Ovest	3,713,000	4,787,000	28.93
Marghera Est	1,422,000	1,823,000	28.20
Arino Ovest	4,089,000	4,010,000	-1.93
Arino Est	3,869,000	3,710,000	-4.11
Total	13,093,000	14,330,000	9.45

LPG - (litres sold)			
STATION	2021	2022	%change
Marghera Ovest	-	-	-
Marghera Est	-	-	-
Arino Ovest	775,000	917,000	18.32
Arino Est	480,000	529,000	10.21
Total	1,255,000	1,446,000	15.22

Methane gas - (kg sold)			
STATION	2021	2022	%change
Marghera Ovest	-	-	-
Marghera Est	-	-	-
Arino Ovest	359	189	-47.35
Arino Est	365	202	-44.66
Total	724	391	-45.99

Lubricants - (kg sold)			
STATION	2021	2022	%change
Marghera Ovest	640	1,221	90.78
Marghera Est	351	667	90.03
Arino Ovest	1,504	1,042	-30.72
Arino Est	637	1,169	83.52
Total	3,132	4,099	30.87

SERVICE STATIONS - FORECOURT RETAILING

(forecourt stores and convenience stores at cafés and restaurants)
(sales excluding VAT - EUR'000)

STATION	2021	2022	% change
Marghera Ovest	45	27	-40.00
Marghera Est	3	3	0.00
Arino Ovest	53	88	66.04
Arino Est	139	217	56.12
Total	240	335	39.58

SERVICE STATIONS - FOOD AND BEVERAGE - CAFES AND RESTAURANTS

(sales excluding VAT - EUR'000)

STATION	2021	2022	% change
Marghera Ovest	269	341	26.77
Marghera Est	349	382	9.46
Arino Ovest	2,660	3,603	35.45
Arino Est	1,740	2,224	27.82
Total	5,018	6,550	30.53

SERVICE STATIONS - RETAIL BUSINESS

(convenience stores at cafés and restaurants)
(sales excluding VAT - EUR'000)

STATION	2021	2022	%change
Marghera Ovest	93	127	36.56
Marghera Est	47	62	31.91
Arino Ovest	902	1,184	31.26
Arino Est	692	985	42.34
Total	1,734	2,358	35.99

SERVICE STATIONS - ANCILLARY SALES

(at cafés and restaurants)
(sales excluding VAT - EUR'000)

STATION	2021	2022	% change
Marghera Ovest	1,492	1,023	-31.43
Marghera Est	2,153	1,956	-9.15
Arino Ovest	1,332	1,342	0.75
Arino Est	1,073	1,131	5.41
Total	6,050	5,452	-9.88

HOTEL - MARGHERA

(sales excluding VAT - EUR'000)

Business	2021	2022	% change
Cafés, services and lodging	-	2,137	100.00

ROYALTIES PAID TO CAV

(excluding VAT - EUR'000)

Business	2021	2022	% change
Fuel	1,082	1,293	19.50
Lubricants	1	1	0.00
Forecourt retailing	33	46	39.39
Food and beverage	1,149	1,546	34.55
Retail business (convenience stores at cafés and restaurants)	251	342	36.25
Ancillary sales	50	47	-6.00
Hotel (café, services and lodging)	-	27	100.00
Land concession	431	468	8.58
Total	2,997	3,770	25.79