



**CONCESSIONI
AUTOSTRADALI
VENETE**

**SEMI-ANNUAL FINANCIAL
STATEMENTS**
AS OF 30 JUNE 2023 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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Corporate offices

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 Incoronata

Alternate Auditors
DANESIN Alessandro
MARCHESE Giandomenico

TOP MANAGEMENT

*Chief Financial Officer -
Legal affairs and Procurement*
BORDIGNON Giovanni

Chief Operating Officer
Chief Technical Officer
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. Incoronata 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 S.p.A.	1.000.000	1,00	1.000.000	50
Veneto Region	1.000.000	1,00	1.000.000	50
Total	2.000.000		2.000.000	100

REPORT ON OPERATIONS

INTRODUCTION

Dear Sirs,

The following is a summary of the performance of the first six months of 2023.

THE FINANCIAL STATEMENTS

In the first half of 2023 CAV closed with profit of 14 million Euro (EUR 9,5 million in the same period of 2022). The value of production amounts to 83,3 million Euro (in the comparative period: 79,2 million Euro) with an increase of 4,1 million Euro (+ 5,15%).

Toll revenue result equal to EUR 71.4 million (excluding VAT and the supplementary concession fee payable to ANAS) with an increase of + 3,66% compared to the previous year (in the comparative period: EUR 68.9 million)

The supplementary concession fee payable to ANAS went from EUR 7 million to EUR 7.2 million (+3,71%) as a consequence of the traffic performance.

Other motorway income totalled EUR 3.5 million (in the comparative period of the previous year: EUR 2.7 million) and is detailed as follows: EUR 2.1 million in royalties on operations at service stations; EUR 0.8 million in other motorway operators' share of collection costs; EUR 0.6 million in recharges of costs.

Costs of production totalled EUR 60.2 million with an increase of EUR 0.2 million (in the same period of the previous year: EUR 60 million; + 0.33%) as specified below.

Cost of services is equal to EUR 15.6 million, with a decrease of – 1,52% compared to the same period of the previous year (EUR 15.9 million).

The participation of CAV in the collection costs incurred by the Motorway Companies connected was significant: EUR 2.6 million (in the same period of the previous year: EUR 2.3 million; + 14.28%).

Personnel costs amount to EUR 9.9 million (in the comparative period: EUR 9.9; - 0,36%).

Depreciation charges amount to EUR 23.8 million (in the same period of the previous year: EUR 23.6 million; + 0,84%).

With regard to the provision for cycle maintenance, the charge in the year was equal to EUR 8.2 million, and its utilization in the period was equal to EUR 8 million.

Another important component was other operating costs, equal to EUR 9,8 million (in the same period of the previous year: EUR 9,6 million; + 1,85%).

Other operating costs include the concession fee referred to in article 1, paragraph 1020, of Law No. 296/2006, equal to EUR 1,7 million (in the same period of the previous year: EUR 1,7 million) and corresponding to 2.4% of net toll revenue: 21% of the concession fee is paid directly to ANAS and 79% to the State. Other operating costs also include the supplementary concession fee payable to ANAS, which went from EUR 7 million in the same period of the previous year to EUR 7,2 in the period under consideration (+ 3,71%): 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 23,1 million (in the same period of the previous year: EUR 19,2 million). The increase of EUR 3,9 million (+ 20,22%) was essentially due to the growth of revenues.

Financial charges amounted to EUR 5,4 million lower than in the previous year (in the same period of the previous year: EUR 6,2 million; - 12,90%) and relate to interest expense on the project bond.

The increase in financial revenues (the balance rose to 1 million Euro) is related to the increase in interest rates charged by the banking system.

As a result of the above, profit before tax was equal to EUR 18,7 million (in the same period of the previous year EUR 13 million) to EUR 34 million (FY 2021: EUR 23.7 million; +43.66%), an increase of EUR 5,7 million; income taxes (IRES, corporation tax, IRAP, regional trade income tax, and deferred tax assets) were equal to EUR 4,7 million (EUR 3,5 million in the same period of the previous year); net profit for the year, as already mentioned, was equal to EUR 14 million.

With regard to the Activities, Assets as of 30 June 2023 amounts to EUR 121,5 million. In addition to this, special Cash Reserves have been set up (current accounts tied) as required by the contractual documentation related to the Project Bond. The abovementioned Cash reserve on 30 June 2022 amounts to EUR 56,3 million whereof: Debt Service Reserve Account for EUR 29,5 million, Capex Reserve Account for EUR 18,5 million and Maintenance Reserve Account for EUR 8,3 million. Therefore, the overall amount of cash reserves amounts to about EUR 177,8 million.

Please note the debt to the bondholders: the nominal debt amounts to EUR 411,6 million (the figure corresponds to the total amount of bond issues for EUR 830 million - deducted repayments).

TRAFFIC AND TOLL REVENUE

Traffic and Toll revenue (excluding VAT and the supplementary concession fee payable to ANAS) totaled EUR 896.405.931 with an increase of 5,77% compared to 2022 and an increase of 2,41% compared to 2019 (before the advent of the pandemic and related restrictions).

Light vehicles totaled 649.287.761, an increase of +8,29% compared to 2022 and +2,07% compared to 2019. Heavy traffic totaled 247.118.170, down slightly (-0,32%) compared to 2022 but in increase (+3,31%) compared to 2019.

ACCIDENT RATE

In the first semester of 2023 reduced the number of accidents (equal to 84, a decrease of - 40 % compared to 2022) whereof 60 involving light vehicles and 24 involving heavy vehicles.

The number of the injured was 62 (a decrease of - 19 % compared to 2022) whereof 46 involving light vehicles and 16 involving heavy vehicles. One person has died, no deaths in 2022.

INVESTMENT

The planning activities connected to the replacement of the safety barriers installed prior to the ministerial decree - DM. 223/92 were initiated.

The activities related to the dynamic monitoring system for remote control of those works financed by PNRR – Ministerial Decree no. 93/2022, were initiated.

Thanks to the software development (2020) the software integrated management system has been strengthened and CAV obtained a specific certification related to vertical standards.

The ERP and SAP set of tools available for Planning and Control has been strengthened; The development of software for monitoring and maintenance and operation management activities has continued, enabling standardization and digitization of core business processes, including the development of a new central operating software platform.

The development of the asset management system has been completed by filling-in models of personal and assets data.

The SIEM (Security Information and Event Management) has been integrated by log sources for a greater correlation, especially in LOG, EDR, PAM platform.

The activities carried out for the Privileged Access Management (PAM) concerned the choice of the solution, the purchase, the study of the use cases, the putting in production of the new system and the configuration of all logs.

A new intranet portal for all employees has been activated; The complete integration between the document management system and the protocol system has been developed and brought into production using BTP SAP technology.

A new App (Employee's App) has been created and made available with the functionality of stamping and opening the gates (virtual card).

In addition, some study and/or planning activities have been continued to carry out the other investments provided for in the Regulatory Financial Plan referred to in the Amendment approved by Law Decree no. 139/2019, other than those linked to the new Regulatory Financial Plan 2020-2024 submitted, for approval, to the Ministry of Infrastructure and Transport.

The works «of extraordinary maintenance and static reinforcement of the bridge over the Brenta river of the A4 motorway» continued. This is an intervention included in the new Regulatory Financial Plan and therefore not yet approved, which was sent for regulatory authorizations to MIT (Note no. 1940/2021).

The technological updating of the devices of the toll collection systems of the motorway stations in competence and the installation of new LED street lighting systems have been carried out.

In addition, the activities of upgrading the existing electricity grid powered by emergency generator group have been completed. In absence of electricity from the supplier institution, this ensures continuity of service by:

- the supply and the new positioning of the emergency generating sets in the current 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 generating sets to be connected in parallel;
- the adaptation of the existing and new medium and low voltage power grid to realize the network switching;

The project also creates a new low voltage electricity grid infrastructure to serve the systems for charging electric vehicles and in particular:

- a new infrastructure for the power supply of AC-charged electric car charging towers and some in AC/DC) to be installed under the new parking lots on the north-west side of the building.

- A new infrastructure for the power supply of charging turrets for the electric vans with DC charging installed in the new parking lots south - east side of the building.
- The installation of new photovoltaic systems and in particular of a photovoltaic system located in the new north side car parks.
- The adaptation of the C-ITS server for the management of the Road Station Units along the A57 West Ring Road of Mestre (functional to the transmission of V2I and I2V data via ETSI G5 protocol related to the infrastructure provided by the C - Roads Italy project).

During the second half of 2022 and the first half of 2023, a data management activity was developed for the Hyper transfer project. The project wants to define all the processes for the control and monitoring of the activity, with the aim of ensuring a digital management with the use of the full potential of the tools and information systems related to the corporate context. The project set the following objectives:

Identify, through a special assessment, the processes related to the project (e.g. planning, monitoring of physical and economic progress, quality, procurement, communication, etc.) with an innovative approach based on the use of IT tools and their potential; standardize the monitoring of all phases of the project through appropriate reporting; simplify the interaction activities between the parties involved in the Governance of the project as indicated in paragraph 3.1; improve and simplify the management of the project.

MAINTENANCE

During the first half of 2023 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.
- Upgrading oh safety barriers;
- Generic and specific activities connected with motorway infrastructure and corporate buildings.
- Repainting of road surface markings and replacement of damaged vertical signs.
- Prevention of ice formation and snowfall monitoring.
- Clearing of carriageways and grass cutting in green areas.
- Upgrade and hardening of the Citrix virtual environment with the rollout of new services in SaaS to increase their security levels.
- Enhancement of the Office 365 environment with the implementation of new security profiles for both Azure AD and distribution of notebooks with the Azure cloud;

- Hardening of the Networking structure and continued integration of corporate networks (Office, Tolls, Plants).
- Hardening of the Firewalling structure and continuation of work for the integration of company domains.
- Hardening of company datacenters with implementation of new file sharing mode (NTX Files);
- 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, Public Procurement, Adiuto, CMDBuild).
- Hardening of the backup system with review of retentions and upgrade of online servers.
- The update of operating systems has been automated.
- The VOIP system has been updated and the integration with Microsoft Teams has started.
- Maintenance of road lighting, traffic control and traffic supervision systems.
- Continuation of the technical activities related to the SET (European Electronic Toll System) with the installation of the Cronos and Helios system and execution of the VCCF tests required by regulations using the OBU of 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.
- 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 2023 the following works were carried out:

- Surface restorations of the A57 Tangenziale di Mestre ID 267 Viadotto Miranese, railway overpass;
- Restoration of the protective coatings on the west track of the Viaduct Spinea ID82.
- Waterproofing of the initial trench-tunnel joint along the west roadway of the ID67 Galleria Caltana tunnel and provision of a system for collecting and conveying groundwater.
- Rebuilding of the draining layer near the entrance station of Preganziol on the west carriageway and along the A57 in the section between km 5+200 and km 0+600 on west carriageway.
- Rebuilding of the multifunctional layer on the junctions of the Mira-Oriago station along the west carriageway of the A57, near the Mirano-Dolo station and the junction towards the west carriageway of the A57.
- Replacement of the vertical road signs along the east and west carriageways of the A4 motorway from km 374+650 to km 406+976 and along the west carriageway of the A57 Tangenziale di Mestre between km 2+800 and km 1+500.
- Replacement of part of the vertical road signs at the motorway stations of Spinea, Martellago-Scorzè and Preganziol.

- Replacement of the vertical road signs in A4 and A57 Tangenziale di Mestre for roadway closure and traffic diversion in case of emergency.
- Update of video surveillance vertical signs along the sections in competence.
- Installation of four new code signaling systems equipped with remote-operated light signs.
- Installation of special terminals at the runways of the motorway station of Venice-Mestre.
- Redevelopment of safety barriers with SOS columns at rest areas along the east and west roads of the A4 motorway from km 363+724 to km 374+650, along the east and west carriageways of the A57 Meste ring road between km 0+000 to km 9+272 and along the east and west carriageways of the Marco Polo Junction.
- 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.
- Activation of Google Cloud for CAV.
- Implementation of a monitoring dashboard for security performance with related sources in the SIEM.
- Development of new documentary workflows.
- Hardening of the new Operations Centre on Nutanix Karbon technology.
- integration of the software via Azure AD to increase access security.

LITIGATION AND DISPUTES

With reference to disputes and pending litigation, the number of outstanding proceedings (i.e. cases pending or with a decision but still within the time limit for lodging an appeal) is nineteen, whereof: eighteen involving CAV and one 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.

About TOSAP and COSAP Tax disputes, at the date of 30 June 2023 we note eight pending litigation procedures: four on first instance, one on appeal and three on Supreme Court – whereof one in revocation pursuant to art. 391 bis - art. 395 n. 4 c.p.c. (Code of Civil Procedure).

Eight procedures ended with a judgment but are still in time to be appealed.

CAV wants to appeal on Supreme Court the decisions related to four litigations, other than revocation pursuant to art. 64 d.lgs. 546/1992 s.m.i.

BALANCE SHEET RATIOS AND RECLASSIFIED INCOME STATEMENT

To provide more comprehensive information on the economic-financial situation, below are two statements: the first one represents the most significant balance sheet ratios, the second one contains the income statement data reclassified at production value and value added.

Statement of financial statement ratios (in thousands of euros)

		30.06.2023		30.06.2022	
ROE	NET PROFIT	14.033	6,23%	9.492	4,84%
	EQUITY	225.156		196.021	
ROI	EBIT	23.090	2,19%	19.206	1,83%
	AVERAGE FIXED ASSET PORTION OF CAPITAL INVESTED	1.056.272		1.047.810	
ROS	EBIT	23.090	30,37%	19.206	26,60%
	NET SALES REVENUE	76.040		72.216	
ROA	EBIT + INTEREST INCOME	24.114	3,52%	19.206	2,67%
	TOTAL ASSETS	684.780		720.002	
FIXED ASSETS TO TOTAL ASSETS RATIO	FIXED ASSET PORTION OF INVESTED CAPITAL	1.062.595	155,17%	1.052.379	146,16%
	INVESTED CAPITAL	684.780		720.002	
DEBT TO EQUITY RATIO	DEBT	445.642	197,93%	507.023	258,66%
	EQUITY	225.156		196.021	
TOTAL INDEBTEDNESS	LIABILITIES - EQUITY	459.625	204,14%	523.981	267,31%
	EQUITY	225.156		196.021	
EQUITY RATIO	EQUITY	225.156	21,32%	196.021	18,71%

	AVERAGE FIXED ASSET PORTION OF CAPITAL INVESTED	1.056.272		1.047.810
CURRENT RATIO	CURRENT ASSETS	172.943	169,70%	160.218
	CURRENT LIABILITIES	101.908		117.928

Reclassified income statement (thousands of euro)

	30.06.2023	as a % of revenues	30.06.2022	as a % of revenues
REVENUES				
Net toll revenue	71.404	93,90%	68.884	95,39%
Other revenue from sales and services	3.493	4,59%	2.742	3,80%
Other income	1.143	1,50%	590	0,82%
TOTAL REVENUE	76.040	100,00%	72.216	100,00%
Production overheads	-16.515	-21,72%	-16.667	-23,08%
Other costs and plus/minus balance	-2.605	-3,43%	-2.517	-3,49%
VALUE ADDED	56.920	74,86%	53.032	73,43%
Net labour costs	-9.874	-12,99%	-9.910	-13,72%
EBITDA	47.045	61,87%	43.122	59,71%
Depreciation/amortisation	-23.798	-31,30%	-23.600	-32,68%
Charges to provisions for risks and charges	-157	-0,21%	-315	-0,44%
EBIT	23.090	30,37%	19.206	26,60%
Financial income and charges	-4.352	-5,72%	-6.171	-8,55%
Adjustments to assets/disposal of equity investments	0	0,00%	0	0,00%

PROFIT BEFORE TAX	18.738	24,64%	13.035	18,05%
Income taxes	-4.705	-6,19%	-3.543	-4,91%
PROFIT FOR THE YEAR	14.033	18,46%	9.492	13,14%

**SEMI-ANNUAL FINANCIAL
STATEMENTS as of 30/06/2023**

BALANCE SHEET

	BALANCE AS OF 30.06.2023	BALANCE AS OF 31.12.2022
ASSETS		
A) SUBSCRIBED CAPITAL UNPAID	0	0
B) FIXED ASSETS		
I. Intangible assets		
4) Concessions, licenses, trademarks and similar rights	10.285	125
6) Assets under construction and payments on account	15.266.310	12.272.411
7) Other intangible assets	440.508.924	463.582.953
	<u>455.785.519</u>	<u>475.855.489</u>
II. Tangible assets		
1) Land and buildings	0	0
2) Plant and machinery	0	839
3) Industrial and commercial equipment	13.225	15.380
4) Other assets	1.069.304	1.141.635
	<u>1.082.529</u>	<u>1.157.854</u>
III. Financial assets		
Equity investments in:		
d) Other companies	1.058	1.058
	<u>1.058</u>	<u>1.058</u>
Total Fixed assets	<u><u>456.869.106</u></u>	<u><u>477.014.401</u></u>
C) CURRENT ASSETS		
I. Inventories		
1) Raw materials and consumables	1.279.084	1.307.641
II. Receivables		
1) Trade receivables:		
- falling due within one year	941.451	2.854.526
- falling due after one year	178.148	208.625
5bis) Tax receivables		
- falling due within one year	201	251.928
- falling due after one year	0	0
5ter) Deferred tax assets	2.515.470	2.014.456
5quater) Other receivables:		
- falling due within one year	45.712.518	41.837.224
- falling due after one year	54.790.554	61.393.008
	<u>104.138.341</u>	<u>108.559.767</u>

	BALANCE AS OF 30.06.2023	BALANCE AS OF 31.12.2022
<i>III. Short term investments</i>	0	0
<i>IV. Cash and cash equivalents</i>		
1) Bank and postal deposits	121.460.484	115.889.643
3) Cash in hand	<u>97.740</u>	<u>95.559</u>
	121.558.224	115.985.202
Total Current assets	<u><u>226.975.649</u></u>	<u><u>225.852.610</u></u>
 <i>D) ACCRUED INCOME AND PREPAYMENTS</i>	 935.606	 322.242
 <i>TOTAL ASSETS</i>	 <u><u>684.780.361</u></u>	 <u><u>703.189.253</u></u>

LIABILITIES	BALANCE AS OF 30.06.2023	BALANCE AS OF 31.12.2022
A) SHAREHOLDERS' EQUITY		
I. Share capital	2.000.000	2.000.000
IV. Legal reserve	400.000	400.000
VI. Other reserves:		
- Extraordinary reserve	198.771.168	174.177.589
- Restricted reserve for infrastructure	9.776.227	9.776.227
- Restricted reserve for penalties	175.000	175.000
IX. Profit/(Loss) for the year	14.033.195	24.593.579
	<u>225.155.590</u>	<u>211.122.395</u>
B) PROVISIONS FOR RISKS AND CHARGES		
4) Other provisions:		
a) for risks	353.026	368.494
c) for cycle maintenance	12.804.000	12.647.000
	<u>13.157.026</u>	<u>13.015.494</u>
C) PROVISION FOR POST EMPLOYMENT BENEFITS (TFR)		
	483.975	452.011
D) PAYABLES		
1) Bonds		
- falling due within one year	48.411.112	53.860.073
- falling due after one year	357.232.335	381.691.405
7) Trade payables	13.525.268	16.665.836
12) Tax payables	4.539.138	3.984.395
13) Social security payables	1.477.377	1.225.180
14) Other payables	20.457.192	20.852.596
	<u>445.642.422</u>	<u>478.279.485</u>
E) ACCRUED EXPENSES AND DEFERRED INCOME		
	341.348	319.868
TOTAL LIABILITIES	<u><u>684.780.361</u></u>	<u><u>703.189.253</u></u>

INCOME STATEMENT

	BALANCE AS OF 30.06.2023	BALANCE AS OF 30.06.2022
<i>A) VALUE OF PRODUCTION</i>		
1) Revenue from sales and services	82.130.940	78.601.828
5) Other income:		
a) Other	592.297	382.340
b) Grants	551.007	208.096
	<hr/>	<hr/>
	83.274.244	79.192.263
<i>B) COST OF PRODUCTION</i>		
6) Raw materials, consumables and goods	380.669	462.217
7) Services	15.620.150	15.861.286
8) Leases and rentals	513.854	343.556
9) Personnel:		
a) wages and salaries	6.934.359	6.883.253
b) social charges	2.221.051	2.280.061
c) Provision for post-employment benefits (TFR)	467.369	502.975
e) other personnel costs	251.673	243.964
	<hr/>	<hr/>
	9.874.452	9.910.253
10) Amortisation, depreciation and write downs:		
a) Amortisation of intangible assets	23.558.943	23.321.984
b) Depreciation of property, plant and equipment	239.313	278.331
	<hr/>	<hr/>
	23.798.256	23.600.315
11) Change in stocks of raw materials, consumables and goods	28.557	-139.313
13) Other accruals		
b) Charges to provision for cycle maintenance	8.183.000	8.257.000
c) Utilisation of provision for cycle maintenance	-8.026.000	-7.942.000
14) Other operating costs	9.811.303	9.632.639
	<hr/>	<hr/>
	60.184.241	59.985.953
 <i>DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION</i>		
	23.090.003	19.206.310

	BALANCE AS OF 30.06.2023	BALANCE AS OF 30.06.2022
<i>C) FINANCIAL INCOME AND CHARGES</i>		
16) Other financial income:		
d) financial income other than the above	1.023.908	32
17) Interest and other financial charges	<u>5.375.529</u>	<u>6.171.401</u>
	-4.351.621	-6.171.369
 <i>D) ADJUSTMENTS TO THE VALUES OF FINANCIAL ASSETS AND LIABILITIES</i>	 0	 0
 <i>PROFIT (LOSS) BEFORE TAX</i>	 18.738.382	 13.034.941
 20) Income tax for the year		
a) Current income taxes	5.206.201	3.451.617
c) Deferred tax liabilities	0	0
c) Deferred tax assets	<u>-501.014</u>	<u>91.413</u>
	-4.705.187	-3.543.030
 21) Profit/(Loss) for the year	 14.033.195	 9.491.911

CASH FLOW STATEMENT

30.06.2023

30.06.2022

A. Cash flow from operating activities (indirect method)		
Net profit for the period	14.033.195	9.491.911
Income taxes	4.705.187	3.543.030
Interest expense/(income)	4.351.621	6.171.369
1. Profit/(Loss) for the year before income taxes, interest, dividends, and gains/losses on disposals	23.090.003	19.206.310
Adjustments for non-cash items with no impact on net working capital		
Charges to provisions for risks and charges	8.183.000	8.257.000
Utilisation of provisions for risks and charges	-8.026.000	-7.942.000
Charge to provision for post-employment benefits (TFR)	467.369	502.975
Other provisions	-15.468	357.650
Amortisation of intangible assets	23.558.943	23.321.984
Depreciation of property, plant, and equipment	239.313	278.331
Adjustments to the values of financial assets and liabilities	0	0
Total adjustments for non-cash items	24.407.157	24.775.939
2. Cash flow before changes in net working capital	47.497.160	43.982.249
Changes in net working capital		
(Increase)/Decrease in inventories	28.557	-139.313
(Increase)/Decrease in trade receivables	1.943.552	-1.013.661
(Increase)/Decrease in tax receivables	251.727	2.073
(Increase)/Decrease in other receivables	2.727.161	-5.425.271
(Increase)/Decrease in accrued income and prepayments	-613.364	-546.055
(Decrease)/Increase in trade payables	-3.140.568	-1.225.565
(Decrease)/Increase in tax payables (indirect taxes)	1.847.267	0
(Decrease)/Increase in social security payables	252.197	-22.869
(Decrease)/Increase in other payables (Excluding amounts already included in other items)	-395.404	2.696.929
(Decrease)/Increase in accrued expenses and deferred income	21.480	17.715
Total changes in net working capital	2.922.605	-5.656.018
3. Cash flow after changes in net working capital	50.419.765	38.326.231
Other adjustments		
Interest received/(paid)	-3.649.252	-5.381.180
(Income taxes paid)	-6.498.725	-6.833.262
(Utilisation of provisions)	-435.405	-485.277
Total other adjustments	-10.583.382	-12.699.719
Cash generated from (used in) operating activities (A.)	39.836.383	25.626.512
B. Cash flow from investing activities		
Investing activities		
(Increase) in intangible assets	-3.488.973	-2.429.363
Decrease in intangible assets	-164.735	-52.832
(Increase) in property, plant, and equipment	747	0
Cash generated from (used in) investing activities (B.)	-3.652.961	-2.482.195
C. Cash flow from financing activities		
Repayment of bonds	-30.610.400	-33.565.200
Cash generated from (used in) financing activities (C.)	-30.610.400	-33.565.200

Increase/(Decrease) in cash and cash equivalents	5.573.022	-10.420.883
Cash and cash equivalents at beginning of period	115.985.202	121.001.442
Cash and cash equivalents at end of period	121.558.224	110.580.559

NOTES TO THE SEMI-ANNUAL FINANCIAL STATEMENTS

PRESENTATION AND CONTENT OF THE FINANCIAL STATEMENTS

The semi-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.

Balance sheet compares the semi-annual financial statements as of 30.06.2023 and the financial statements as of 31.12.2022.

Income statements compares the semi-annual financial statements as of 30.06.2023 and the semi-annual financial statements as of 30.06.2022.

The financial statements are prepared in units of euro, without decimals, are required by article 2423, paragraph 5, 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, considering 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, licenses, trademarks and similar rights

Concessions, licenses, trademarks and similar rights are measured at cost less accumulated amortization 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 amortization 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 capitalized financial charges, less grants, and reduced by accumulated amortization calculated on a straight line basis over the term of the concession ending on 31 December 2032. The new software platform (SGI) is amortized 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 recognized 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 recognized 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 realizable 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 realizable 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 amortized cost, having regard to the time value of money and, with reference to receivables, estimated realizable 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 labor 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 utilized 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 27.50% for the purpose of IRES, corporation tax.

Revenues and costs

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

Off-balance sheet commitments

They include goods belonging to third parties registered with the Company at their current value.

BALANCE SHEET INFORMATION: ASSETS

Intangible assets

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

	Balance as of 31.12.2022	Increase	Decrease	Account transfer	Balance as of 30.06.2023
Industrial patent rights	125	10.427	267	0	10.285
Assets under construction and payments on account	12.272.411	3.478.546	0	-484.647	15.266.310
Other intangible assets	463.582.953	0	23.558.676	484.647	440.508.924
Total	475.855.489	3.488.973	23.558.943	0	455.785.519

'Industrial patent rights' comprised the net book value of costs incurred for software licenses. Amortization 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 New software platform (SGI) project; d) costs incurred for the E roads 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.

The other intangible fixed assets item covers only depreciation.

The movements in fixed assets during the period can be analysed as follows.

	Balance as of 31.12.2022	Increase	Decrease	Account transfer	Balance as of 30.06.2023
Complementary and completion works on the Mestre Bypass	227.850	860.000	0	0	1.087.850
Other works on the motorways under concession	333.308	6.000	0	0	339.308
E roads	8.457.385	1.062.279	0	-218.860	9.300.804
New software platform (SGI)	291.750	436.001	0	-265.787	461.964
Service stations	48.800	0	0	0	48.800

Automated toll booths	359.784	192.066	0	0	551.850
Asset revamping	730.870	593.440	0	0	1.324.310
Hyper Trasfer ultra-fast transport system	772.807	172.264	0	0	945.071
Feasibility studies	1.049.857	156.495	0	0	1.206.352
Total	12.272.411	3.478.546	0	-484.647	15.266.310

'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.

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

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

Other intangible assets	Balance as of 31 Dec 2022	Historical cost		Balance as of 30 June 2023	Balance as of 31 Dec 2022	Accumulated amortisation		Balance as of 30 June 2023	Net book value Balance as of 30 June 2023
		Additions and account transfers	Decreases			Amortisation charge	Decreases		
Mestre Bypass	705.199.639	0	0	705.199.639	417.941.415	14.362.911	0	432.304.326	272.895.313
Complementary and completion works	225.679.451	0	0	225.679.451	103.413.282	6.111.870	0	109.525.152	116.154.299
Indemnity paid to Società delle Autostrade di Venezia e Padova	74.689.185	0	0	74.689.185	42.335.099	1.617.704	0	43.952.803	30.736.382
Other works on the motorways	6.995.909	0	0	6.995.909	3.073.573	195.809	0	3.269.382	3.726.527
Safety works on provincial road SP 81	5.384.004	0	0	5.384.004	2.884.776	124.961	0	3.009.737	2.374.267
San Giuliano Interchange at Mestre	7.746.853	0	0	7.746.853	4.172.273	162.481	0	4.334.754	3.412.099

Renovation of Traffic Police Barracks	300.000	0	0	300.000	137.223	8.139	0	145.362	154.638
Roundabout on entry to the Marco Polo - SS14 link road	800.000	0	0	800.000	369.957	21.502	0	391.459	408.541
Safety works on the A27-A57 interchange	5.633.418	0	0	5.633.418	1.449.051	209.218	0	1.658.269	3.975.149
ERP	5.776.879	265.787	0	6.042.666	2.170.215	578.874	0	2.749.089	3.293.577
E-roads	2.495.545	218.860	0	2.714.405	176.803	115.242	0	292.045	2.422.360
Automated toll booths	1.047.811	0	0	1.047.811	131.762	45.513	0	177.275	870.536
Asset revamping	95.000	0	0	95.000	5.312	4.452	0	9.764	85.236
Total	1.041.843.694	484.647	0	1.042.328.341	578.260.741	23.558.676	0	601.819.417	440.508.924

The costs of construction of the Mestre Bypass, amounting to EUR 705,199,639, 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 capitalized up to the date of opening 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 31.12.2022	Increase	Decrease	Balance as of 30.06.2023
Land and buildings	0	0	0	0
Plant and machinery	839	0	839	0
Industrial and commercial equipment	15.380	0	2.155	13.225
Other assets	1.141.635	164.735	237.066	1.069.304
Total tangible assets	1.157.854	164.735	240.060	1.082.529

'Land and buildings' comprises light constructions.

'Plant and machinery' comprises snow ploughs and salt spreaders.

'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.

The increase in tangible assets mainly refers to the purchase of patrol vehicles.

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.

The movements during the period can be summarized as follows:

Tangible assets	Balance as of 31.12.2022	Historical cost		Balance as of 30.06.2023	Balance as of 31.12.2022	Accumulated depreciation		Balance as of 30.06.2023	Net book value Balance as of 30.06.2023
		Additions	Disposals			Depreciation charge	Disposals		
Land and buildings	17.419	0	0	17.419	17.419	0	0	17.419	0
Plant and machinery	708.968	0	0	708.968	708.129	839		708.968	0
Industrial and commercial equipment	96.595	0	0	96.595	81.215	2.155	0	83.370	13.225
Other assets	4.007.045	164.735	5.976	4.165.804	2.865.410	236.319	5.229	3.096.500	1.069.304
Total	4.830.027	164.735	5.976	4.988.786	3.672.173	239.313	5.229	3.906.257	1.082.529

Financial assets

'Financial assets' comprises equity investments.

	Balance as of 31.12.2022	Increase	Decrease	Balance as of 30.06.2023
Other entities:				
• Consorzio Autostrade Italiane Energia	1.058	0	0	1.058
Total	1.058	0	0	1.058

Equity investments are measured using the equity method based on the last available financial statements.

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 decreased by EUR 28.557 and may be analysed as follows

	30.06.2023	31.12.2022
Consumables	122.798	121.564

Asset for use in maintenance	1.156.286	1.186.077
Total	1.279.084	1.307.641

Receivables

'Receivables' totalled EUR 104.138.341, an increase of EUR 4.421.426 compared to the previous period.

The item may be analyzed as follows:

	30.06.2023	31.12.2022
Trade receivables:		
• falling due within one year	941.451	2.854.526
• falling due after one year	178.148	208.625
Tax receivables		
• falling due within one year	201	251.928
• falling due after one year	0	0
Deferred tax assets	2.515.470	2.014.456
Other receivables:		
• falling due within one year	45.712.518	41.837.224
• falling due after one year	54.790.554	61.393.008
Total	104.138.341	108.559.767

'Trade receivables' decreased by EUR 1.943.552 and may be analyzed as follows:

	30.06.2023	31.12.2022
Trade accounts receivable	370.594	172.653
Invoices to be issued	749.005	2.890.498
Total	1.119.599	3.063.151

The amount is calculated excluding commitments made in 2018 – 2019 for credits difficult recovery (EUR 242.890, whereof: EUR 42.802 for customer adjustments, EUR 17.542 for adjustments of invoices to be issued in one year and EUR 182.546 for adjustments of invoices to be issued 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' decreased by EUR 251.727 compared to the previous period:

	30.06.2023	31.12.2022
Tax credit referred to the so-called "Decreto Aiuti", a decree containing various government support measures	0	251.645
Amount paid as withholding agent to be recovered	201	283
Total	201	251.928

'Other receivables' decreased by EUR 2.727.161 and may be analysed as follows:

	30.06.2023	31.12.2022
Receivables from interconnected motorway operators	42.622.106	39.086.304
Restricted cash		
• falling due within one year	1.505.271	645.271
• falling due after one year	54.766.066	61.368.520
Other falling due within one year		
• falling due after one year	1.585.141	2.105.649
• Restricted cash	24.488	24.488
Total	100.503.071	103.230.232

'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 recognized as receivables in current or fixed assets depending on the characteristics of the restriction". The item amounts to EUR 56.271.337 and refers to: a) *capex reserve account* of EUR 18.495.762 (whereof EUR 1.505.271 falling due after one year); b) *maintenance reserve account* of EUR 8.250.387 (entirely falling due after one year); c) *debt service reserve account* of EUR 29.525.188 (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 recognized 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 increased by EUR 5.573.022 and may be analyzed as follows:

	30.06.2023	31.12.2022
Bank and postal deposits	121.460.484	115.889.643
Cash in hand	97.740	95.559
Total	121.558.224	115.985.202

'Bank and postal deposits' comprises: a) postal deposits of EUR 114.434; b) bank deposits of EUR 120.911.887; c) toll payments not yet credited to the Company's current accounts for EUR 434.163.

Accrued income and prepayments

The balance increases of EUR 613.364 compared to the previous period.

	Balance as of 30 June 2023	Balance as of 31 Dec 2022
Prepayments	935.606	238.007
Accrued income	0	84.235
Totale	935.606	322.242

'Prepayments' comprises long term insurance cover and car rental services that are billed in advance.

BALANCE SHEET INFORMATION: LIABILITIES

Shareholders' equity

Shareholders' equity increased by EUR 14.033.195 and may be analyzed as follows:

	Balance as of 31.12.2022	Increase	Decrease	Balance as of 30.06.2023
I. Share capital	2.000.000	0	0	2.000.000
IV. Legal reserve	400.000	0	0	400.000
VII. Other reserves:				
- Extraordinary reserve	174.177.589	24.593.579	0	198.771.168
- 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	24.593.579	14.033.195	24.593.579	14.033.195
Total	211.122.395	38.626.774	24.593.579	225.155.590

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

At the annual general meeting of 19 April 2023, the shareholders resolved to appropriate the profit for the year 2022 of EUR 24.593.579 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 because 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 utilized.

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	198.771.168	A, B, C	198.771.168		
Restricted reserve	9.776.227	B, C	0		
Restricted reserve	175.000	B	0		
Restricted reserve	0	B	0		
Total	211.122.395		198.771.168		
Non-distributable amount			0		
Distributable amount			198.771.168		

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	Restricted reserve for maintenance	Profit/(Loss) for the year	Total
As of 1 January 2023	2.000.000	400.000	158.163.286	9.776.227	175.000	0	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 December 2022	2.000.000	400.000	174.177.589	9.776.227	175.000	0	24.593.579	211.122.395
Utilisation of profit for 2022							- 24.593.579	- 24.593.579
Appropriation to extraordinary reserve			24.593.579					24.593.579
Profit/(Loss) 30.06.2023							14.033.195	14.033.195
As of 30.06.2023	2.000.000	400.000	198.771.168	9.776.227	175.000	0	14.033.195	225.155.590

Provisions for risks and charges

The balance decreased by EUR 141.532. Movements in the year may be analyzed as follows:

	Balance as of 31.12.2022	Increase	Decrease	Balance as of 30.06.2023
Provision for risks	368.494	0	15.468	353.026
Provision for cycle maintenance	12.647.000	8.183.000	8.026.000	12.804.000
Total	13.015.494	8.183.000	8.041.468	13.157.026

Changes in the 'Provision for risks' relate to the accrual and utilization in the year for EUR 353.026.

Changes in the 'Provision for risks and charges' relate to the accrual in the year. For a description of the nature of the item we refer to the section on accounting policies

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

The provision increased by EUR 31.964. Movements in the year may be analysed as follows

	Balance as of 31.12.2022	Increase	Decrease	Balance as of 30.06.2023
Provision for post-employment benefits (TFR)	452.011	467.369	435.405	483.975

The increase relates to the accrual for the year; the decrease comprises advances and severance indemnities paid out to employees, 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 totaled EUR 445.642.422, having decreased by EUR 32.637.063. The balance falling due after five years was EUR 143.700.347 and corresponds to the outstanding portion of the project bond maturing on 30 June 2028, calculated under the amortized cost method.

The heading is analyzed below.

A) Bonds

The balance decreased by EUR 29.908.031. Movements may be analysed as follows:

	Balance as of 31.12.2022	Increase	Decrease	Balance as of 30.06.2023
Bonds	435.551.478	5.375.269	35.283.300	405.643.447

On 12 April 2016 the project bond was issued for a nominal value of EUR 830,000,000. During 2020 the Company repaid EUR 30.610.400. With regard to the ancillary costs of the bond, the amortized 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 and the value of the debt to be increased by the portion of the ancillary costs attributable to the period (EUR 5.375.269 in the period).

The nominal interest rate on the project bond is 2.115%, the effective rate (calculated under the amortized cost method) was equal to 2.504%. Regarding 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 405.643.447 comprises EUR 48.411.112 falling due within one year and EUR 357.232.335 falling due after one year and EUR (whereof EUR 143.700.347 falling due after five years).

The nominal debt (debt on issuance less principal repayments) as of 31 December 2022 was equal to EUR 411.580.400.

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 decreased by EUR 3.140.568 compared with the previous period. In detail:

	30.06.2023	31.12.2022
Trade accounts payable	4.089.301	3.274.636
Invoices to be issued	9.336.527	13.211.865
Contractual guarantee deposits	99.440	179.335
Total	13.525.268	16.665.836

C) Tax payables

The balance increased by EUR 554.743 and is detailed as follows:

	30.06.2023	31.12.2022
IRPEF, personal income tax, on the remuneration of employees and freelancers	419.660	586.929
IRES, corporation tax	892.812	2.200.309
IRAP, regional trade income tax	243.471	228.498
VAT	2.927.320	930.551
Other taxes	55.875	38.108
Total	4.539.138	3.984.395

D) Social security payables

The balance increased by EUR 252.197 compared with the previous period.

	30.06.2023	31.12.2022
Social security payables	1.477.377	1.225.180

E) Other payables

The balance decreased by EUR 395.404 compared with the previous period and is detailed as follows:

	30.06.2023	31.12.2022
Payables to interconnected motorway operators	7.555.026	7.450.829
Payables to the State		
• Concession fee (MIMS)	1.353.815	2.729.559
• Concession fee (ANAS)	359.875	725.579
• Supplementary concession fee pursuant to Law No. 102/2009 (ANAS)	7.165.154	6.742.567
• Sub concession fee (MIMS)	11.840	24.550
Payables to personnel	1.872.534	1.892.626
Payables to ANAS		
Refund of the costs of construction of the Mestre Bypass and related complementary and completion works		
•	1.505.271	645.271
Other		
	633.677	641.615
Total	20.457.192	20.852.596

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

'Payables to the State', totaling EUR 8.890.684, 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', totaling EUR 1.505.271, 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 21.480.

	30.06.2023	31.12.2022
Deferred income	341.348	319.868

'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:

	30.06.2023	31.12.2022
Third party assets held by the Company	84.500	111.350

'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 totaled EUR 83.274.244, an increase EUR 4.081.981 (+5,15%) compared with the previous period.

Value of production is analyzed below.

A) Revenue from sales and services

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

	30.06.2023	30.06.2022
Toll revenue:		
• Toll revenue	71.403.771	68.884.230
• Supplementary concession fee pursuant to Law No. 102/09 and Law No. 122/2010	7.234.573	6.976.050
Other motorway income:		
• Income from service stations	2.075.088	1.517.042
• Share of toll collection costs paid by interconnected motorway operators	806.315	699.703
• Recharges of costs of abnormal load movements and unpaid tolls	611.193	524.803
Total	82.130.940	78.601.828

'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 for the Mestre ring road and for 17.106 km for the additional kilometres applied to finance construction of the Bypass.

Tolls revenue (after deducting the supplementary concession fee payable to ANAS) are increased by EUR 2.519.541 (+3,66%). The result is determined by the course of traffic.

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 258.523 (3,71%).

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 558.046 (36,79%).

The share of toll collection costs paid by interconnected motorway operators rose by 15,24%. 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

	30.06.2023	30.06.2022
Other income		
- Other	592.297	382.340
- Grants	551.007	208.096
Total	1.143.304	590.435

'Other income' comprises: sub concession fees of EUR 56.758, refunds of damage caused to structures by motorway users for EUR 70.233, contract work for EUR 70.007, refunds of lighting costs on the A57/A27 interchange for EUR 91.575, indemnities for failure to execute tenders for EUR 14.692, gains and non-recurring income of EUR 236.635, grants of EUR 551.007 and other items of income for EUR 52.397.

Cost of production

Cost of production totaled EUR 60.184.241 an increase of EUR 198.288 (+0,33%) compared with the same period in the previous year.

A) Raw materials, consumables and goods

'Raw materials, consumables and goods' decreased compared with the previous year by EUR 81.548, -17,64%, and may be analyzed as follows:

	30.06.2023	30.06.2022
Purchases of items for maintenance	121.873	229.825
Purchases of other assets	258.796	232.392
Total	380.669	462.217

B) Services

Cost of services may be analyzed as follows:

	30.06.2023	30.06.2022
Maintenance and renovation works	8.603.537	8.749.119
Contract works	70.007	13.000
Operating services		
• Share of toll collection costs	2.582.635	2.259.958
• Processing of traffic and proceeds data	312.584	327.178
• Electricity	1.353.873	1.911.525
• Other	659.751	670.042
Administrative services		
• Administrative professional services	567.813	438.518
• Technical professional services	262.506	217.341
• Insurance	510.477	547.053
• Telephone	26.186	18.186
• Meal vouchers	129.132	126.479
• Tender evaluation committee members	255.369	106.819
• Other	134.580	329.962
Directors' remuneration	81.878	78.980
Statutory auditors' remuneration	39.844	37.927
Supervisory Board remuneration	29.978	29.200
Total	15.620.150	15.861.286

Cost of services decreased by EUR 241.136 (-1,52%) compared with the same period of the previous year.

'Maintenance' totaled EUR 8.603.537 (EUR 8.749.119 in the same period of the previous year) a decrease of EUR 145.582 (-1,66%).

'Operating services' totaled EUR 4.908.843 (EUR 5.168.702 in the comparative period) a decrease of EUR 259.859 (-5,03%).

'Administrative services' totaled EUR 1.886.063 (EUR 1.784.358 in the comparative period) an increase of EUR 101.705 (+ 5,70%).

'Directors' remuneration' comprises emoluments (EUR 64.800), social charges (EUR 7.120) and expense refunds (EUR 9.958).

'Statutory auditors' remuneration' comprises emoluments (EUR 35.000), social charges (EUR 2.026) and expense refunds (EUR 2.818).

'Supervisory Board remuneration' comprises emoluments (EUR 25.000), social charges (EUR 2.478) and expense refunds (EUR 2.500).

C) Leases and rentals

	30.06.2023	30.06.2022
Leases and rentals	513.854	343.556

'Leases and rentals' increased compared with the previous year by EUR 170.298 this item comprises car rentals (EUR 28.014) and other rentals (EUR 485.840).

D) Personnel

The cost of personnel is analyzed as follows:

	30.06.2023	30.06.2022
Wages and salaries	6.934.359	6.883.253
Social charges	2.221.051	2.280.061
Provision for post-employment benefits (TFR)	467.369	502.975
Other personnel costs	251.673	243.964
Total	9.874.452	9.910.253

Personnel costs decreased compared with the previous year by a total of EUR 35.801 (-0,36%).

The average headcount during the year was 215,006 (214,017 in the comparative period).

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

	30.06.2023	30.06.2022	Average
Executives	3	4	3
Middle managers	12	12	12
Clerical staff:	149	146	148,210
• full time	132	129	
• part time	16	16	
• on term contracts	1	1	
Toll collectors:			
• full time	56	60	45,796
• part time	36	38	
• on term contracts	8	8	
Workers	12	14	
full time			
part time	6	6	6
on term contracts	6	6	
	0	0	
Total	226	212	215,006

(*) The average headcount is calculated also considering staff on term contracts, which numbered 13 in the year under consideration.

E) Amortization, depreciation and write downs

Amortization, depreciation and write downs increased compared with the previous year by EUR 197.941 and may be analyzed as follows:

	30.06.2023	30.06.2022
Amortisation of intangible assets	23.558.943	23.321.984
Depreciation of tangible assets	239.313	278.331
Total	23.798.256	23.600.315

'Amortization of intangible assets' comprises: a) amortization of software for EUR 267; ; b) amortization of other intangible assets for EUR 23.558.676, which is analyzed in detail in these notes to the financial statements in the comments on movements in intangible assets. 'Depreciation of tangible assets' is analyzed in detail in these notes to the financial statements in the comments on movements in tangible assets.

F) Change in inventories

	30.06.2023	30.06.2022
Change in inventories	28.557	-139.313

'Change in inventories' is the difference between opening inventories as of 1 January 2023, equal to EUR 1.307.641 and closing inventories as of 30 June 2023, equal to EUR 1.279.084.

G) Other accruals

	30.06.2023	30.06.2022
Charges to provision for cycle maintenance	8.183.000	8.257.000
Use of provision for cycle maintenance	-8.026.000	-7.942.000
Total	157.000	315.000

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 178.664 (+1,85%) and may be analysed as follows:

	30.06.2023	30.06.2022
Taxes and duties	219.439	432.029
Supplementary concession fee pursuant to article 19, paragraph 9 bis, of Law No. 102/09 and Law No. 122/2010	7.234.573	6.976.050
Concession fee pursuant to article 10 L. 537/93 and article 1, paragraph 1020, of Law No. 296/2006	1.713.690	1.653.222
Sub concession fee pursuant to article 13 of the Concession Agreement	42.637	31.377
Other costs	600.964	539.961
Total	9.811.303	9.632.639

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 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:

	30.06.2023	30.06.2022
Financial income:		
• Financial income other than the above	1.023.908	32
Interest and other financial charges	5.375.529	6.171.401
Total	-4.351.621	-6.171.369

The item financial income amounts to EUR 380.983.

'Interest expenses and other financial charges' include EUR 5.375.269 of effective interest charges on the project bond (effective interest rate 2,504%, nominal interest rate 2,115%).

Income taxes

Income taxes are analysed as follows:

	30.06.2023	30.06.2022
Income taxes:		
• IRES, corporation tax	4.278.546	2.675.080
• IRAP, regional trade income tax	927.655	776.537
• Deferred tax expense	0	0
• Deferred tax income	-501.014	91.413
Total	4.705.187	3.543.030

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 64.800), social charges (EUR 7.120) and expense refunds (EUR 9.958).

The remuneration of members of the Board of Statutory Auditors comprises emoluments (EUR 35.000), social charges (EUR 2.026) and expense refunds (EUR 2.818).

The remuneration of members of the Supervisory Board comprises emoluments (EUR 25.000), social charges (EUR 2.478) and expense refunds (EUR 2.500).

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 (50.993 per annum) for the audit of the semi-annual financial statements.

Repurchase agreements

During the year the Company did not enter 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.

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 refer 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.

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 30 June 2023.

Cash flows:

The Company's receivables from the Region Veneto as of 30 June 2023 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 guaranteed 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 30 June 2023, 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 30 June 2023, 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.