



**CONCESSIONI
AUTOSTRADALI
VENETE**

DRAFT
FINANCIAL STATEMENTS
AS OF 31 DECEMBER 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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Notice of Annual General Meeting

Protocol No.0002886/2024 of 6 March 2024

To:

SHAREHOLDERS
Their addresses

Copy to
Co-ordination Committee

SUBJECT: Notice of Annual General Meeting

Pursuant to article 2364 of the Civil Code and article 11 of the Articles of Association, 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 23 April 2024 at 12:00 noon in first call, and if necessary, on **30 April 2024 at 12:00** noon in second call, to transact the following

BUSINESS

1. Draft financial statements as of 31 December 2023 and report on operations for the year then ended, report of the Board of Statutory Auditors and independent auditor's report: related resolutions;
2. Report on corporate governance for the year 2023;
3. Audited non-financial statement prepared, on a voluntary basis, for the year 2023;
4. Assignment of the engagement for the statutory audit of the accounts for the three years 2024, 2025 and 2026 upon a reasoned proposal by the Board of Statutory Auditors, following completion of a public tender procedure pursuant to Legislative Decree No. 36/2023: related resolutions;
5. Appointment of the Board of Statutory Auditors for the three years 2024-2026 and determination of their remuneration pursuant to article 26 of the Articles of Association.

Pursuant to article 13 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 13 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 12.2 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 Incoronata

Alternate auditors
DANESIN Alessandro
MARCHESE Giandomenico

TOP MANAGEMENT

Chief Financial Officer
Legal affairs and Procurement Director
BORDIGNON Giovanni

Chief Operating Officer
MATASSI Angelo

Human Resources and Organisation Director
BRAGATO Paolo

Technical Director
PARISI Saverio

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 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 2023, first of all the result of operations which was very satisfactory, the Company having closed the year with a considerably higher profit than in the previous year.

THE FINANCIAL STATEMENTS

The financial year 2023 closed with profit of EUR 31.8 million (EUR 24.6 million in 2022).

Two key factors determined this result: the first, external factor was traffic, which rose by 4.1% with toll revenue (after the supplementary concession fee payable to ANAS) increasing by EUR 4 million (+2.52%), in spite of toll rates having remained 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.

The second, significant factor that contributed to the result of operations was careful, constant control of the operating costs of all corporate operations, with a view to cost efficiency and containment in spite of the inflationary environment of 2023.

Finally, of note is the amount of the Company's cash and cash equivalents, which as of 31 December 2023 totalled EUR 195.2 million (EUR 32.4 million in unrestricted cash and EUR 162.8 million in restricted cash): those considerable cash holdings express the Company's financial viability and its ability to meet all its financial commitments with ease.

CHANGES TO THE LAW BY WHICH CAV S.P.A. WAS ESTABLISHED

The establishment of Concessioni Autostradali Venete - CAV S.p.A., on 1 March 2008, in accordance with the provisions of article 2, paragraph 290, of Law No. 244 of 24 December 2007, took place in the framework of the so-called 'motorway federalism' introduced into Italian law through the provisions of article 2, paragraph 289 of said Law No. 244/2007, designed to allow the transfer of the powers and functions of the grantor and contracting party, originally assigned to ANAS S.p.A., to a public law entity specially established in corporate form – jointly owned by ANAS S.p.A. and by the interested Regions, or by an entity fully owned by the relevant Region – to build motorway infrastructure of sole regional interest envisaged by existing planning instruments.

Article 2, paragraph 290, of Law No. 244/2007, in the wording as of the date when the law entered into force, i.e. 1 January 2008, read as follows:

«The operation, including ordinary and extraordinary maintenance, of the motorway link between the A4 motorway and the Venice-Trieste section, of the complementary works to this, as well as of the Venice-Padua motorway section, is transferred, once the construction works have been completed or the concession granted to Autostrada Padova-Venezia S.p.a. has expired, to a joint-stock company established jointly by ANAS S.p.a. and the Region Veneto or to an entity wholly owned by it. This company, as a body governed by public law, carries out its operation activities in compliance with the rules on public tenders for works, supply and service contracts and is subject to the direct control of its shareholders. Transactions between the company and its public sector shareholders are governed, in addition to resolutions of transfer of functions, by a specific agreement. The company directly incurs the financing costs connected with the raising of the necessary resources for the construction of the motorway link between the A4 motorway - Venice-Trieste section, also by taking over the contracts directly entered into by ANAS S.p.a. The company is prohibited from taking part, either individually or with other economic operators, in

other projects that are not strictly necessary for the performance of the functions referred to in paragraph 289, or directly related to them».

Article 44, paragraph 8-bis, of Law Decree No. 77 of 31 May 2021, converted with amendments into Law No. 108 of 29 July 2021, replaced the last sentence of article 2, paragraph 290, of Law No. 244/2007 – which laid down the prohibition to participate in projects that are not strictly necessary for and/or connected with the performance of the functions referred to in paragraph 289 – with a new provision envisaging the possibility for the Company to be assigned *«the construction and operation, including ordinary and extraordinary maintenance, of additional motorway sections predominantly located in the territory of the Region Veneto but also in neighbouring regions, subject to prior agreement between the regions concerned, within the limits and in the manner laid down in paragraph 8-ter of article 178 of the Public Contract Code set out in Legislative Decree No. 50 of 18 April 2016».* Finally, with article 16, paragraph 1-ter, letters a), b) and c) of Law Decree No. 104 of 10 August 2023, converted with amendments into Law No. 136 of 9 October 2023, lawmakers modified the wording of article 2, paragraph 290, of Law No. 244/2007 to expand further the Company's possible sphere of action, while modifying its nature. In summary, the changes establish that:

- The joint stock company to which the operation of the motorway link between the A4 motorway and the Venice-Trieste section are transferred is an in house entity;
- The company is to be jointly controlled by its founders, in accordance with article 186, paragraph 7, of the new Public Contract Code (Legislative Decree No. 36/2023);
- The company may exercise the functions and carry out the activities assigned to it by law also through a wholly owned subsidiary;
- The company may be assigned not only the construction and operation, but also the engineering, of additional motorway sections, predominantly located in the territory of the Region Veneto or in neighbouring regions, and also of infrastructure other than motorways, even if not subject to toll rates, in the territory of the Region Veneto, and of logistics infrastructure necessary to meet intermodal transport requirements within the same region.

The text currently in force of article 2, paragraph 290, of Law No. 244/2007 has been reworded as follows:

«The operation, including ordinary and extraordinary maintenance, of the motorway link between the A4 motorway and the Venice-Trieste section, of the complementary works to this, as well as of the Venice-Padua motorway section, is transferred, once the construction works have been completed or the concession granted to Autostrada Padova-Venezia S.p.a. has expired, to an in-house joint-stock company established jointly by ANAS S.p.a. and the Region Veneto or to an entity wholly owned by it. The company, or its wholly owned subsidiary, carries out its operation activities in compliance with the rules on public tenders for works, supply and service contracts and is subject to the joint control of its shareholders, which is exercised in accordance with article 186, paragraph 7, of the Public Contract Code set out in Legislative Decree No.36 of 31 March 2023. Transactions between the company and its public sector shareholders are governed, in addition to resolutions of transfer of functions, by a specific agreement. The company directly incurs the financing costs connected with the raising of the necessary resources for the construction of the motorway link between the A4 motorway - Venice-Trieste section, also by taking over the contracts directly entered into by ANAS S.p.a..

The company may also be assigned the construction and operation, including the engineering and ordinary and extraordinary maintenance, of:

- a) *additional motorway sections, predominantly located in the territory of the Region Veneto, and in neighbouring regions, subject to prior agreement between the regions concerned, also in the manner laid*

down in paragraph 7 of article 186 of the Public Contract Code set out in Legislative Decree No.36 of 31 March 2023;

- b) *infrastructure other than motorways, even if not subject to toll rates, in the territory of the Region Veneto;*
- c) *logistics infrastructure necessary to meet intermodal transport requirements within the same region».*

In accordance with the provisions of paragraph 1-*quater* of Law Decree No. 104 of 10 August 2023, which required the Company to align its Articles of Association to the new law provisions within sixty days of the date the conversion law entered into force, on 11 December 2023 the Company in general meeting resolved to adopt new Articles of Association.

In accordance with the reworded article 2, paragraph 290, of Law No. 244/2007 and with article 25 of the new Articles of Association, on 19 December 2023 ANAS S.p.A. and the Region Veneto entered into an Agreement designed to regulate the Committee for the co-ordination of exercise of joint control over the Company, which is responsible for the information, preventative control, consultation, evaluation and verification of the operations and management of the Company; and is charged with giving the Board of Directors appropriate guidance in the matters governed by the new provisions of the Articles of Association.

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

The applicable laws require 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 law, 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 (“MIT”) – 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 formalised 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, albeit including certain qualifications and reservations.

CAV emphasised 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 clarifications about certain issues raised 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.

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 responses to each of the requests for clarification.

It should be noted that as a result of the ruling of the Council of State published on 14 October 2022, concerning the toll rate system and the recovery rate of production efficiency X, the Company has prepared a new Business plan for the period 2020-2032. This Plan, submitted on 16 March 2023, 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:

1 - Duration: the plans are developed from the 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 2024. For the years 2025 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 receipt from the MIT of requests for additional documentation and for clarifications of two issues raised by the ART in connection with the inquiry process preliminary to the issuance of its opinion, CAV submitted all the responses necessary for said process to continue.

Specifically, CAV provided to the MIT – and through the latter to the ART – all the additional documents and clarifications necessary to meet the regulator's requirements on a timely basis.

Following the responses submitted by CAV, it is possible to state that the approval process of the new Business Plan is proceeding successfully, considering that the ART, pursuant to article 43 of Law Decree No. 201 of 6 December 2011, issued opinion No. 32 of 21 December 2023 which contains a single remark concerning the eligibility – for the purpose of determining the development of rates to cover the costs of motorway operations – of a small part of the total planned capital expenditure.

On 15 January 2024 CAV, in line with the previously submitted responses, sent the MIT a Note concerning all detailed information necessary to respond to the arguments put forward in the latest remark.

As a result of the above, and consistently with the due date set by Law Decree No. 2015 of 30 December 2023 (known as “Milleproroghe”, the ‘Thousand Extensions’ decree), the revision process of the Business plan shall be completed by 31 December 2024.

Finally, it should be noted that the law provides for the approval process of the Business Plan and Regulatory Financial Plan to be completed with the issuance of a specific inter-ministerial decree (by the Ministry of Infrastructure and Transport 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.

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” or the “Mestre 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 2023 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 2023, respectively.

Changes to the project bond structure

Following approval by the Board of Directors on 14 June 2023 and by the Company in general meeting on 10 July 2023, changes were made to the structure of the project bond, specifically in relation to the capex reserve account. Activities were successfully completed on 4 August 2023 by the signing of the STID Proposal, following approval by the European Investment Bank and by bondholders.

The change to the structure of the capex reserve account was made so as to remedy the reduction of the Company’ estimated future financial ratios originating from: (i) the expected reduction in applicable rates and – consequently – in the Company’s revenues resulting from the application of the new toll rate regime defined by the ART; (ii) the significant expansion of the capital expenditure planned by the Company over the next few years, with a consequent significant increase in the costs to be incurred; and (iii) the impossibility of using the cash holdings accumulated over the last few years as a ‘rectifying’ element in the calculation of the financial ratios in order for them to reflect more closely the Company’s actual financial performance.

The structural change consisted substantially in: (i) the appropriation of the most part of the cash holdings accumulated by the Company over the last few years to a restricted reserve account designed to finance not only the costs of the so-called “complementary and completion” works, but also all capital expenditure planned in the Business Plan up to 2030 (this mechanism, by virtue of the method of calculation of the financial ratios, makes it possible to ‘neutralise’ the costs of new capital expenditure in the calculation of the financial ratios, with a significant improvement thereof); and (ii) the introduction of additional rectifications to the financing agreement relating to the project bond in order to ensure the full segregation of the operating cash flows from the cash holdings financing the new capital expenditure .

The change in question generates significant beneficial effects for the Company and indirectly for its shareholders, comprising: (i) a significant improvement in the values of the Company’s financial ratios that in the first part of 2023 stood at levels below the minimum values required by the financing agreement; (ii) a positive effect on the evaluations of the rating agency, which would otherwise have downgraded the rating of the project bond; (iii) the possibility, if forecasts of traffic volumes and the development of the relevant macro-economic scenario are met,

to approve, starting from the fourth quarter of 2024, dividend distributions that were prohibited in the previous scenario.

The above was immediately followed, with an undoubtedly favourable outcome, by the issuance of a new Credit Opinion by the rating agency which, in assessing the structural change favourably, confirmed the high credit rating of CAV, in the terms specified in the following paragraph.

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 on 11 August 2023 the rating agency, Moody's, in assessing the structural change favourably, confirmed CAV's rating as Baa1, modifying the outlook from negative to stable. The confirmation of the high rating, received immediately after the approval of the structural change to the project bond, is certainly supported by a favourable assessment of the change.

What is more, that rating is the best among all those issued by Moody's to Italian companies.

Covenants – Dividend distribution

The change to the structure of the project bond and the consequent implementation of the cash holdings present in the capex reserve account, in addition to improving the Company's financial position, will allow a marked rise in the values of the financial ratios calculated to verify compliance with the project bond's covenants so as to make it possible, if forecasts of traffic volumes and the development of the relevant macro-economic scenario are met, to approve, starting from the fourth quarter of 2024, dividend distributions (on this matter please also make reference to the "Memoranda of understanding" paragraph in the section titled "Transactions with the Region Veneto").

At any rate, it will be possible to distribute dividends when all the covenants set out on the financing agreement for the project bond are met.

It should be noted that the new structure involves the introduction of additional safeguards in favour of bondholders and the European Investment Bank, including (i) a mechanism by virtue of which, should capital expenditure and/or its costs increase in future, dividend distributions will not be permitted until the amounts necessary to finance the additional capital expenditure and/or higher costs are fully provided for in the capex reserve account (with a consequent reduction in the amount available for distribution); (ii) the introduction of more stringent monitoring commitments by the Company about the progress of capital expenditure projects; (iii) the introduction of additional restrictions and covenants to be met before distributions are permitted, including an increase from Euro 5 million to Euro 10 million of the minimum post-distribution cash balance and the requirement for the Business Plan for the period 2020-2032 to be approved before any distributions are permitted.

HYPER TRANSFER PROJECT

On 10 March 2022, CAV, the Region Veneto and the Ministry for Infrastructure and Sustainable Mobility signed a memorandum of understanding with the commitment to start a partnership for innovation pursuant to article 65 of Legislative Decree No. 50/2016, to identify one or more operators to cooperate with in a research and development project, divided into three stages, designed to:

- Stage 1 – Feasibility study: 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);
- Stage 2 – Engineering: prepare the preliminary and engineering design and final construction plan of the certification track;
- Stage 3 – Prototyping and field trials: 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 of 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 Legislative Decree No. 50/2016.

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.

After examining the tenders submitted by the economic operators invited to participate in the procedure as a result of the pre-qualification phase, the tender evaluation committee, appointed by the MIT with Decree No. 9 of 19 January 2023, made an award proposal. On 8 May 2023, in line with expectations, the innovation partnership procedure was awarded to a consortium whose members are contractors ebuild and Leonardo.

On completion of the award sub-phase relating to Stage 1 – Feasibility study in which the research and development project is functionally divided, following the declaration of effectiveness of the award made on 11 December 2023, subject to verification that the successful bidder holds the required qualifications, on 29 January 2024 the tender contract between CAV S.p.A. and the Consortium was signed.

The performance of the services stipulated in Stage 1 – preparation of a report and related documents reporting the analyses performed and related results concerning the possibility of designing and building a Hyper Transfer system (Feasibility study) – started on 12 February 2024, after delivery of the contractual services.

Stage 2 of the research and development project, consisting of the design of prototypes and engineering of the test track, as well as Stage 3, the prototyping and field trials of the transfer system, may be initiated by CAV S.p.A., as the contracting party, only if the execution of the previous stage has confirmed and ascertained the technical feasibility and achievability of that stage, in terms of both the consistency and correspondence of the results with the project objectives, and its economic sustainability.

The total duration of the various stages of the project is estimated as 2,190 days from the date of the tender contract, whereof: 150 days for Stage 1, 390 days for Stage 2 e 1,650 days for Stage 3.

The overall cost of the project is estimated as Euro 800 million, whereof Euro 4 million for Stage 1, Euro 46 million for Stage 2 and Euro 750 million for Stage 3.

NFS – VOLUNTARY NON-FINANCIAL STATEMENT

The Company, which has always paid attention to issues relating to the environment in which it operates, has started a reporting process on sustainability-related matters that led it in 2023 to prepare, on a voluntary basis, its first certified non-financial statement pursuant to Legislative Decree No. 254/2016.

A process designed to consolidate, in an integrated vision, not only financial aspects but environmental, social and governance perspectives.

In the preparation of its financial reporting, CAV follows ESG criteria and the UN's Agenda 2030, which provides goals and guidance for sustainable development that involve all member countries. The new development approach is bringing change also in the operation of infrastructure, which nowadays takes place with greater awareness of the environment, the people and the communities in which companies operate. CAV, being aware of its contribution to sustainable economic development, has embraced this guidance working, together with its stakeholders, to build increasingly sustainability-oriented projects and services.

CAV broadly promotes fair and sustainable wellbeing through the definition of new approaches and new operating policies in all the company's activities: from road safety to workplace health and safety, to the development of new technologies, to its commitment to the environment and to relations with its various stakeholders.

The intent is to direct the utmost efforts of the various corporate areas towards an action plan that promotes sustainable mobility, identifies a synergy with the various stakeholders and protects the environment for future generations.

GOVERNANCE

The Co-ordination Committee

In the terms set out in article 16, paragraph 1-ter, of Law Decree No. 104 of 10 August 2023, converted into Law No. 163 of 9 October 2023, Concessioni Autostradali Venete is now defined as an in-house joint stock company set up by ANAS S.p.A. and the Region Veneto with equal interests.

The Company's Articles of Association, amended and approved at the extraordinary general meeting of 11 December 2023 to make effective the transformation of Concessioni Autostradali Venete - CAV S.p.A. into an in-house entity, provide that the Company is to be jointly controlled by its shareholders through the members of the "Co-ordination Committee" referred to in article 24 of the Articles of Association. It should be noted that the obligation of intra-organic delegation is expressed in the powers of direction, authorisation, control and supervision of acts of extraordinary administration and of the main acts of ordinary administration by the Co-ordination Committee, which powers are to be exercised in compliance with the recently amended Articles of Association. Pursuant to the provisions of article 24 of the Articles of Association, "Joint Control and Shareholder Co-ordination", joint control over the Company is exercised through a board called "Co-ordination Committee", which is responsible for the information, preventative control, consultation, evaluation and verification of the operations and management of the Company, and is charged with giving the Board of Directors appropriate guidance in the matters governed by the new provisions of the Articles of Association.

In accordance with article 25 of the Articles of Association, the Co-ordination Committee comprises four members that are in office for a term of three years: two members, including the President, are appointed by the Region Veneto with a resolution of the Regional government – namely Mr. Giuseppe Fasiol, as President, and Mr. Nicola Pietrunti – and two members are appointed by ANAS – namely Ms. Federica Ribechi and Mr. Sergio Papagni.

The Co-ordination Committee exercises direction and control of the Board of Directors for the purposes of joint control over the Company, in accordance with its business purpose. In detail, the Committee exercises the following types of control on the Company's operations and on the acts of the Board of Directors: i) *ex ante facto* control, which is expressed in the power of direction, by giving instructions to the Board of Directors, and the power of authorisation, by giving binding opinions; ii) concurrent control, which is expressed in periodic monitoring of the Company's performance through an analysis of quarterly reports; iii) *ex post facto* control, which is expressed in the verification of the Company's performance, indicating any necessary actions to be taken and taking the appropriate measures vis-à-vis the Board of Directors, including binding requests to modify, cancel and/or revoke acts adopted in breach of and/or in contrast with the opinions, instructions and directions given.

The Supervisory Board ("Organismo di Vigilanza", "OdV")

In the course of 2023 a new Supervisory Board was appointed.

With a resolution taken by the Board of Directors on 13 December 2023, the Company, following a public selection procedure started on 22 November 2023, appointed the following members of the OdV for the three years 2024-2026: Mr. Gianluigi Masullo as President, Ms. Keti Carraro and Mr. Giuseppe Franco.

In this regard, we take this opportunity to thank the outgoing members of the OdV for their work conducted professionally and accurately.

The Board of Statutory Auditors ("Collegio Sindacale")

Finally, with regard to corporate governance we note that the term in office of the current Board of Statutory Auditors, appointed on 8 April 2021, ended in the year 2023. In consideration of the above, it is necessary to appoint a new *Collegio Sindacale* for the three years 2024–2026. The appointment of the new board will be on the agenda of the upcoming annual general meeting

We take this opportunity to thank the outgoing members of the *Collegio Sindacale* for their collaboration and the precious contribution given.

ADDITIONAL DISCLOSURES PURSUANT TO ARTICLE 24 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 2023 closed with a significantly positive result: net profit after tax was about EUR 31.8 million (FY 2022: EUR 24.6 million).

Value of production was equal to EUR 172.2 million (FY 2022: EUR 167.3 million), an increase of EUR 4.9 million (+2.94%).

Within value of production, toll revenue (excluding VAT and the supplementary concession fee payable to ANAS) was equal to EUR 147.5 million, higher than in the previous year (FY 2022: EUR 144 million; +2.48%); the only factor was the change in traffic; indeed, the increase in toll revenue was not affected by toll rates which remained unchanged from the previous year.

The supplementary concession fee payable to ANAS went from EUR 14.5 million to EUR 14.9 million (an increase of EUR 0.4 million; +2.91%) as a consequence of the traffic performance.

Other motorway income totalled EUR 7.2 million (FY 2022: EUR 6.3 million) and is detailed as follows: EUR 4.3 million in royalties on operations at service areas; EUR 1.7 million in other motorway operators' share of collection costs; EUR 1.2 million in recharges of costs.

Cost of production totalled EUR 121 million, a decrease of EUR 0.3 million (FY 2022: EUR 121.4 million; -0.31%) as specified below.

Cost of services was EUR 33.3 million (FY 2022: EUR 35.3 million; -5.74%). Within cost of services, we draw attention to maintenance costs, which totalled EUR 18.3 million (FY 2022: EUR 19.8 million) and decreased by EUR 1.5 million (-7.49%), and electricity costs, which went from EUR 4.5 million to EUR 2.8 million (-38.32%).

Personnel costs were equal to EUR 19 million (FY 2022: EUR 19.6 million; -3.09%).

Depreciation charges in 2023 were equal to EUR 47.9 million (FY 2022: EUR 47.6 million; +0.8%). Most of this relates to the cost of the Bypass, accounting for EUR 28.7 million (unchanged from 2022): depreciation of the Bypass is calculated on a straight-line basis.

With regard to the provision for cycle maintenance, the charge in the year for maintenance of assets under concession was equal to EUR 11.7 million (FY 2022: EUR 12.6 million); utilisation in the year was equal to EUR 12.6 million (FY 2022: EUR 14.7 million).

Another important component was other operating costs, equal to EUR 19.7 million (FY 2022: EUR 19.4 million; +1.61%).

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 2022: EUR 3.4 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 2.8 million) to the State. Other operating costs also include the supplementary concession fee payable to ANAS, which went from EUR 14.5 in 2022 to EUR 14.9 million in 2023 (+2.91%): 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 51.2 (FY 2022: EUR 45.9 million). The increase of EUR 5.3 million (+11.53%) was mainly due to the growth of revenues.

Financial income comprises interest income of EUR 3.0 million arising from time deposits made during the year, which were made possible by the rise in interest rates during 2023.

Financial charges were equal to EUR 10.5 million, lower than in the previous year (FY 2022: EUR 12.1 million; -13.35%) and relate to interest expense on the project bond.

As a result of the above, profit before tax was equal to EUR 43.7 million (FY 2022: EUR 34 million; +28.39%), an increase of EUR 9.7 million; income taxes (IRES, corporation tax, IRAP, regional trade income tax, and deferred tax assets) were equal to EUR 11.8 million (EUR 9.4 million in 2022); net profit for the year, as already mentioned, was equal to EUR 31.8 million.

Financial statements ratios

		FY 2023		FY 2022	
ROE	NET PROFIT	31,828	13.10%	24,594	11.65%
	EQUITY	242,951		211,122	
ROI	EBIT	51,218	4.81%	45,925	4.36%
	AVERAGE FIXED ASSET PORTION OF CAPITAL INVESTED	1,064,267		1,054,448	
ROS	EBIT	51,218	32.57%	45,925	30.06%
	NET SALES REVENUE	157,262		152,772	
ROA	EBIT + INTEREST INCOME	54,146	7.95%	46,103	6.56%
	TOTAL ASSETS	680,933		703,189	
FIXED ASSETS TO TOTAL ASSETS RATIO	FIXED ASSET PORTION OF INVESTED CAPITAL	1,069,587	157.08%	1,058,947	150.59%
	INVESTED CAPITAL	680,933		703,189	
DEBT TO EQUITY RATIO	DEBT	425,030	174.94%	478,279	226.54%
	EQUITY	242,951		211,122	
TOTAL INDEBTEDNESS	LIABILITIES - EQUITY	437,982	180.28%	492,067	233.07%
	EQUITY	242,951		211,122	
EQUITY RATIO	EQUITY	242,951	22.83%	211,122	20.02%
	AVERAGE FIXED ASSET PORTION OF CAPITAL INVESTED	1,064,267		1,054,448	
CURRENT RATIO	CURRENT ASSETS	93,875	89.98%	164,573	149.72%
	CURRENT LIABILITIES	104,326		109,923	

Reclassified income statement (thousands of euro)

	FY 2023	as a % of revenues	FY 2022	as a % of revenues
REVENUE				
Net toll revenue	147,541	93.82%	143,964	94.23%
Other revenue from sales and services	7,190	4.57%	6,273	4.11%
Other income	2,530	1.61%	2,535	1.66%
TOTAL REVENUE	157,262	100.00%	152,772	100.00%
Production overheads	-35,267	-22.43%	-37,021	-24.23%
Other costs and plus/minus balance	-4,771	-3.03%	-4,766	-3.12%
VALUE ADDED	117,223	74.54%	110,984	72.65%
Net labour costs	-18,969	-12.06%	-19,573	-12.81%
EBITDA	98,254	62.48%	91,411	59.83%
Depreciation/amortisation	-47,939	-30.48%	-47,557	-31.13%
Charges to provisions for risks and charges	903	0.57%	2,070	1.35%
EBIT	51,218	32.57%	45,925	30.06%
Financial income and charges	-7,549	-4.80%	-11,912	-7.80%
Adjustments to assets/disposal of equity investments	0	0.00%	0	0.00%
PROFIT BEFORE TAX	43,669	27.77%	34,012	22.26%
Income taxes	-11,841	-7.53%	-9,419	-6.17%
PROFIT FOR THE YEAR	31,828	20.24%	24,594	16.10%

Future outlook

With reference to toll revenue, various factors shall influence its value. The first factor is traffic performance, which should be positive. Second, toll rates rose in 2024 compared with 2023. In application of the Concession Agreement and of the provisions of the 'Thousand Extensions' decree of 2024 approved by the Council of Ministers on 28 December 2023, an increase in rates of +2.30% was granted.

Third, one should consider the slight decline in additional kilometres travelled applicable at toll gates in 2024 (established by the Ministry of Sustainable Infrastructure and Transport as 17.004 km, -0.052 km compared with 2023).

Having regard to the above, for 2024 a significant increase in revenue compared with the previous year can be estimated.

We believe cost of production will be substantially equivalent to the figure for 2023.

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

Based on the above, in summary we expect a positive result also for FY 2024.

FINANCIAL PERFORMANCE

As of 31 December 2023 cash and cash equivalents totalled EUR 32.4 million (31 December 2022: EUR 116 million).

In addition, specific cash reserves (restricted current accounts) have been set up as required by the contractual agreements related to the project bond, for a total of EUR 162.8 million as of 31 December 2023 (31 December 2022: EUR 62 million) – in detail: a 'debt service reserve account' of EUR 29.7 million, a 'capex reserve account' of EUR 124.9 million and a 'maintenance reserve account' of EUR 8.2 million.

The breakdown between unrestricted and restricted cash holdings changed to a significant extent following the change in the structure of the project bond in August 2023 (for additional information please refer to the specific section).

Therefore, total cash and cash equivalents including restricted reserves totalled EUR 195.2 million as of 31 December 2023 (EUR 178 million as of 31 December 2022), an increase of EUR 16.0 million.

With regard to the project bond, the status as of 31 December 2023 was the following: after principal repayments during the year the outstanding balance (calculated using the amortized cost method) was EUR 386.9 million (31 December 2022: EUR 442.2 million).

A note on financing in 2024

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 57.7 million (to be settled at half-yearly intervals, on 30 June 2024 for EUR 25.1 million in principal and EUR 4.1 million in interest, and on 31 December 2024 for EUR 24.7 million in principal and EUR 3.8 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 toll rates. Changes in traffic are essentially caused by external factors influenced by the general performance of the economy. Changes in toll rates are a consequence of the approval process of the grantor and the formulas set out in the Concession Agreement. For details please refer 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 paying vehicles that entered the motorway, regardless of the number of kilometres travelled; “vehicles per km” is the number of vehicles that entered 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 2023 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 section 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 motorway link to Venice “Marco Polo” airport at Tesserà 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 2023 totalled 1,870,792,755 (FY 2022: 1,798,699,519), an increase of 4.01%.

Closed system

During 2023, in the entire closed system (partly on A4 and partly on A57), the actual vehicle count was 51,960,077, an increase of 2,562,050 units, or +5.19%, on the 2022 figure of 49,398,026.

The related vehicles per km totalled 1,132,097,916, a 2.21% increase on the 2022 figure of 1,107,570,096. The virtual vehicle count was 24,595,853, a 2.21% increase on the 2022 figure of 24,062,964.

An analysis on a daily level gives the following results: daily average actual vehicle count (VEMG) of 142,356 vs. 135,337 in 2022 (+5.19%); daily average vehicles per km (VkmMG) equal to 3,101,638 vs. 3,034,439 in 2022 (+2.21%); daily average virtual vehicle count (VTMG) of 67,386 vs. 65,926 in 2022 (+2.21%).

For completeness of information, we also report that traffic recorded at a national level shows an estimated increase in vehicles per km of about 5.7% (source: AISCAT, 30 June 2023).

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

In 2023 transits totalled 31,114,731, an increase of 7.11% on 29,050,037 transits in 2022. Transits generated a total of 738,694,838 vehicles per km, an increase of 6.88% on 691,129,423 vehicles per km in 2022.

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 Padova Est – Mirano/Dolo stretch.

In 2023 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 Mirano/Dolo – Padova Est stretch (class A; use of Telepass; 40% discount) was equal to 62 for an annual total of over 11,375 transits, with a reduction in toll revenue for CAV of EUR 13,650 (including VAT).

The Ministry of Infrastructure has again approved the extension of the scheme for the year 2024 for all users equipped with a free-flow tolling device.

- Toll reduction for motorcycles

The scheme, started on 1 August 2017 and extended to 31 December 2023, provides for the application of a 30% discount on motorcycle tolls for Telepass customers, 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 2023 the reduction in toll revenue for CAV was EUR 28,114. As requested by the Ministry of Infrastructure and transport, the scheme will continue, again on a trial basis, until December 2024, for users equipped with a free-flow tolling device.

Toll-free traffic between the toll gate at Venezia Mestre and the Mira/Oriago and Mirano/Dolo toll gates

In 2023 transits between the toll gate at Venezia Mestre and the Mira/Oriago and Mirano/Dolo toll gates (not subject to payment of toll) numbered 11,302,030, an increase of 1.59% on 2022 (11,125,663).

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 73.62% of total vehicles per km (traffic paying toll both in the closed and in the open system), whereas HGVs generated 26.38%.

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

Transits with toll paid in cash accounted for 14.25% of the total (15.64% in 2022) and are detailed as follows: 0.01% as cash at manned gates (0.04% in 2022) and 14.24% as cash at automated toll booths (15.60% in 2022).

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 85.75% of paying transits (84.36% in 2022).

While the difference with the previous year was not marked, the year 2023 saw a decline in cash payments (-1.39%), which translated into increases in automated payments with non-dynamic transit (stopping at the toll gate) and with dynamic transit (free-flow), which rose from 14.02% to 14.88% (+0.86%) and from 70.34% to 70.87% (+0.53%), respectively.

In this connection we note that in September 2020 the European Electronic Toll Service and Interoperable Electronic Toll Service for HGVs (SET/SIT-MP) started being rolled out; the project involves the homologation of free-flow tolling devices 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 2023 rose to 3.63% of total transits from 1.38% in 2022 (+2.25%).

TOLL REVENUE

In 2023 toll revenue (excluding VAT and the supplementary concession fee payable to ANAS) totalled EUR 147.5 million vs. EUR 144.0 million in 2022.

The final figure – which increased by EUR 3.5 million, or 2.48% – was determined solely by traffic (+4.01%) since rates remained unchanged from the previous year: in this regard please refer to the specific section of this 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 17.056 km (FY 2022: 17.106 km) for the additional kilometres applied to finance construction of the Bypass.

The supplementary concession fee payable to ANAS was equal to EUR 14.9 million (FY 2022: EUR 14.5 million; +2.91%). 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 of the accompanying Regulatory Financial Plan.

The rates applied in 2023 were illustrated at length in the report on operations accompanying the 2022 financial statements.

We therefore provide more recent information on the toll rates for 2024.

By a note dated 30 December 2023 the Ministry of Infrastructure and Transport informed the Company that the rate increase granted in application of the Concession Agreement and of the provisions of the 'Thousand Extensions' decree of 2024 approved by the Council of Ministers on 28 December 2023 is equal to 2.30%, effective 1 January 2024.

By a note dated 29 December 2023 the Ministry of Infrastructure and Transport defined the additional kilometres payable to CAV for the year 2024 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 Autovie Venete on A4 as 17.004 km (0.052 km less than in 2023).

By another note dated 28 December 2023 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 2023) may be extended for a further 12 months from 1 January 2024 to 31 December 2024.

INVESTMENT EXPENDITURE

In 2023 CAV substantially abided by the capital expenditure programme included in the Business Plan.

Preliminary studies and/or engineering designs were started in connection with the other works budgeted in the Regulatory Financial Plan as per the Addendum to the Concession Agreement 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.

The "Complementary and completion works of the Mestre Bypass" included in the Company's Regulatory Financial Plan are being completed by ANAS S.p.A.. In this connection, 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 toll gate.

Work continued 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 Regulatory Financial Plan for the period 2020-2032 that was submitted for approval on 29 July 2021.

The installation was completed of a system for dynamic monitoring of bridges and viaducts required by Decree No. 93 of 12 April 2022 of the Ministry for Infrastructure and Sustainable Mobility. Activities involved the inspection, knowledge and installation of dynamic monitoring systems on a predefined number of bridges and viaducts under concession.

During 2023 engineering activities were completed for extraordinary maintenance of structure ID210 "Bridge on Volpin drainage canal" on A57 and were started for extraordinary maintenance of structures ID034 "SR 15 road junction flyover" on A4 and ID257 "Via Bottenigo flyover" on A57.

During 2023 engineering work was completed for the replacement of safety barriers in the Mestre-Padova motorway section and along the motorway link to Marco Polo airport that were installed before the entry into force of Ministerial Decree No.223 of 18 February 1992.

Also, technological upgrades were made to toll payment devices at the toll gates operated by CAV.

In detail, talk-listen systems for users requesting intervention were upgraded, surveillance cameras at toll gate lanes were replaced with new cameras using IP technology, switchboards and network systems useful for receiving data for device management were upgraded, and NFC systems were installed to allow payment via contactless cards.

Moreover, all toll booths with a manual desk were equipped with POS devices for electronic card payments.

Furthermore, with regard to the Company's headquarters in Marghera, Via Bottenigo 64/A, activities were completed for the upgrade 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 gensets 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 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 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 were installed, specifically a photovoltaic system on the canopies of the new car parks on the north side of the premises, which will start operating in the early months of 2024.

With regard to the eRoads project, the Company has started a process for the digital transformation of road infrastructure: the goal is to upgrade the Company's infrastructure and related services thorough the digitalisation and innovation of management systems, in compliance with Decree No. 70 of 28 February 2018 of the Ministry of Infrastructure and Transport, known as the "Smart Road decree", and also in connection with the C-ROADS ITALY project, in which the Company participates for the development of C-ITS systems (Cooperative Intelligent Transportation Systems).

The functional specifications required by the Smart Road decree have been implemented, also with reference to cooperative services (C-ITS), based on direct interaction between vehicle and infrastructure (services enabled by V2X technologies), to enable road users and traffic managers to share information, use it to co-ordinate their actions and thus significantly improve road safety, traffic efficiency and traffic flow, and energy efficiency with a view to reducing emissions of pollutants and to increasing driving comfort, assisted in a continuous and adaptive manner.

As part of that project a scientific committee has been set up with the task of directing the process towards maximum adherence to national and international best practices in terms of observation, forecasting and regulation of road traffic, as well as of the development and application of C-ITS solutions, insofar as relevant to the applicable functional standards set by law (Ministerial Decree No. 70 of 28 February 2018).

The activity of the eRoads Committee, divided into two sub-committees, a Functional and a Technological subcommittee, for easier evaluations and opinions on matters of specific competence, focused on the analysis of the eRoads project as an innovation project of CAV, which in addition to an important integrated software platform for monitoring road conditions and traffic, the lynchpin of which is the operations centre, comprises a number of technological solutions.

Following meetings with the technology partners, the main project streams were carefully analysed; these include the implementation of software at the operations centre, a weigh-in-motion system for dynamic weighing of HVGs, a system for detecting vehicles going against the flow, a system for monitoring infrastructure using drones, and a system for continuous monitoring of the roadway through the use of company vehicles appropriately equipped with last-generation cameras and laser scanners.

Finally, work focused on new activities related to cooperative intelligent transportation systems (C-ITS) with regard to the implementation of future vehicle-to-infrastructure (V2I) and vehicle-to-vehicle (V2V) communications preliminary to the achievement of semi-autonomous and autonomous driving according to rising levels of technological implementation.

The integrated management system was strengthened through further development and integration of the software applications adopted in 2020, which made it possible to obtain certification of the system under several vertical standards. Additional improvements concerned the SAP ERP system and the Adiuto document management system, where the set of tools available for services 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. Development of a new software platform for the operations centre was completed and the platform went live.

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

The SIEM (Security Information and Event Management) system was strengthened with additional integration of log sources and extended correlation; specifically, the logs from the email security platform, the EDR (Endpoint Detection and Response) and PAM (Privileged Access Management) systems were integrated.

The experimental infrastructure that generates quantum keys to encrypt securely connections between distributed datacentres was strengthened.

A new, dedicated, cloud-based infrastructure was created for backing up CAV's information systems (office and core business): 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 again certification under the Information Security Management standard ISO 27001 in July 2023.

A corporate intranet based on Sharepoint 365 was developed and went live.

As concerns the dynamic monitoring of bridges and viaducts required by Decree No. 93 of 12 April 2022 of the Ministry for Infrastructure and Sustainable Mobility, a use case was developed on Google Cloud Platform.

SAFETY AND ENVIRONMENT

Occupational health and safety management system

2023 was a dynamic year for workplace safety management as a result of revisions of certain parts of the risk assessment document (DVR) and the implementation of legislative developments. Consequently, 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.

During the year top management expressed their intent to give an impulse to social issues, starting a process of implementation of the integrated management system to make it compliant with the ethical principles of international Social Accountability Management System standard SA8000:2014 and the relevant practice UNI PdR 125:2022 for Gender Equality, which regulations also require compliance with requirements concerning occupational health and safety.

Continuous updating of business procedures and the preparation of operating instructions to make them compliant with the above regulations confirm the intent of the entire organisation to conduct activities using an approach that promotes best practices and virtuous behaviour. In the course of 2023 the integrated management system related to safety management was enhanced with two new standards: SA8000 (Social Accountability) and PdR 125 (Gender Equality).

Therefore, safety management currently takes place also through a certified management system complying with the ISO 9001, ISO 14001, ISO 14064-1, ISO 39001, ISO 45001, ISO 27001 and ISO 50001 standards.

Environmental protection

In the course of 2023 compliance with law requirements in environmental matters continued to be verified, and no instances of non-compliance by the Company were identified.

Moreover, from the early months of the year implementation was set up and started of a document system suitable to provide the corporate functions most closely involved in energy management with the most appropriate methodology to pursue the continuous improvement of the Company's energy performance through a systemic approach.

This activity made it possible to obtain certification of the integrated management system under the Energy Management System standard UNI EN ISO 50001:2018 in July 2023.

Consequently, the existence of procedures and instructions that govern the Company's operations made it possible to monitor effectively the environmental aspects having an impact on the Company in emergency situations.

Finally, the Company continued the project for the automation and remote control of water treatment plants and for measuring the characteristics and concentrations of airborne polluting agents along the motorways under concession.

FONDAZIONE VENEZIA CAPITALE MONDIALE DELLA SOSTENIBILITÀ

Venice World Sustainability Capital Foundation ("FVCMS"), set up on 14 March 2022, under the auspices of the Italian government, and comprising a large partnership of regional and local territorial bodies, cultural and academic institutions and large enterprises, was born of the need to ensure a sustainable future for the city of Venice and its territory, including in its key objectives the socio-economic revitalisation of the territory, the development of an integrated model of sustainability and the promotion of synergies between different players.

The projects promoted by the Foundation are based on intervention plans designed to achieve:

- The revitalisation in an ESG (environmental, social and corporate governance) perspective of the territory's social economy;
- The realisation of a new integrated (environmental, economic and social) model of sustainable territorial development, as a worldwide best practice that may be a benchmark for other cities throughout the world.

In relation to those projects CAV has decided, as a joint founding member, to support Fondazione Venezia Capitale Mondiale della Sostenibilità in achieving its social, economic and environmental sustainability objectives. For CAV, membership offers a unique opportunity to systematise the experience it has gained in terms of innovation, digitalisation and sustainability of infrastructure, contributing to creating value for the territory.

The scope of the Foundation's activities embraces nine thematic areas ("Construction sites") and each area is the subject of continuous dialogue between its participants. The "Construction site" where CAV is the key player is related to the energy transition and the environment, and the Company actively participates in the following 'sub-sites':

- Circular economy and protection of the environment,
- Energy efficiency and renewable energy,
- Sustainable mobility and infrastructure.

In the course of 2023 work started in the sub-sites, and will lead to the choice of at least two among proposed projects, then to the completion of the administrative process for approval of the chosen projects and the identification of the financial resources, and finally to the execution of the works and consequent analysis of the results.

MAINTENANCE

In the course of 2023 CAV substantially abided by the maintenance programme included in the Business Plan; maintenance activities 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:

- Maintenance of road pavements and joints;
- Localised road resurfacing;
- Checks and inspections of road structures;
- Checks and inspections of secondary structures (fixed-message signs, lighting towers, noise barriers);
- Generic and specific activities connected with motorway infrastructure and corporate buildings;
- Repainting of road surface markings in all motorway sections under concession;
- Replacement of all vertical signs on gantries in the Mestre Bypass of A4;
- Installation of four new traffic jam warning signs;
- Periodical inspections of road structures;
- Maintenance of road structures;
- Restoration of safety barriers damaged by road accidents;
- Prevention of ice formation and snowfall monitoring;
- Clearing of carriageways and grass cutting in green areas and verges;
- Upgrade and hardening of the VMware, Citrix and Nutanix virtual environments 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 continuing integration of corporate networks (Office, Esazione, Impianti) with a special focus on the Impianti (plant) and Esazione (toll collection) networks with a view to rationalisation;
- Integration of additional SOC logs (PAM, Microsoft 365, EDR platform and email security);
- Development and integration of all software platforms (SAP, HR, Appalti, Adiuto, CMDBuild);
- Upgrade of the backup system with a review of retentions and upgrades of online servers;
- Migration of the VoIP switchboard to a new virtual infrastructure, rationalisation of VMs, hardening of the system, integration with Teams, HA image;
- Strengthening and rationalisation of the dedicated workstations of Operations Centre operators;
- Maintenance of lighting, monitoring and traffic supervision equipment with implementation of new monitoring sensors along the motorways under concession;
- Upgrading of the SOS system for managing users' emergency calls for roadside and medical assistance through production for the new installation of emergency roadside telephones ("ERTs") and of the software system;
- 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 lighting towers.

In addition to the above, which is part of ordinary annual maintenance, during 2023 the following works were carried out:

- Repairs to concrete surfaces of structure ID 274 Castellana viaduct on A57 Mestre ring road;
- Replacement of bases of structure ID107 Sr245 Var di Robegano;
- Repairs to concrete parts of structure ID067 Galleria Caltana;
- Restoration of protective coatings of steel structures of structure ID082;
- Replacement of the draining and noise-absorbing asphalt course along A57 Mestre ring road in the Milan-bound carriageway between km 5+700 and km 0+000 for the entire width of the carriageway;
- Repairs to road surfaces and foundations along A4 in the Milan-bound carriageway between km 402+400 and km 401+900 for the entire width of the carriageway;
- 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;
- Improvements to safety barriers located at lay-bys equipped with ERTs and additional protection through the installation of special terminals at all lanes of the Venezia-Mestre toll gate;
- Strengthening of the Cloud Azure environment for CAV;
- Customisation of the monitoring dashboard for security performance with related sources in the SIEM with the inclusion of new KPIs;
- Development of new documentary workflows (legal affairs, single purchasing group "CUC");

- Hardening of the new containerised environment dedicated to the new operations centre using Nutanix Karbon technology, with a special focus on the 'Kasten' backup;
- Integration of the Sicr@ protocol with the document management system, Adiuto;
- Replacement of plant data network equipment
- Replacement of personal equipment for mobile working (laptops and smartphones).

MANAGEMENT SYSTEMS

2023 was a remarkable year for the integrated management system, not only marked by the achievement of planned objectives but also full of challenges that, thanks to a solid corporate structure and a management system based on a process approach, were addressed successfully.

At CAV the integrated management system has been consolidated and implemented over time, so much so that it has become an indispensable element in the management of business processes.

With this premise, in 2023, in conjunction with the audit carried out in the month of July by the certification body to confirm the existing certificates in accordance with the Quality Management System standard UNI EN ISO 9001:2015, the Environmental Management System standard UNI EN ISO 14001:2015, the Occupational Health and Safety Management System standard UNI ISO 45001:2018, the Road Traffic Safety Management System standard UNI ISO 39001:2016, and the Information Security Management System standard UNI CEI EN ISO/IEC 27001:2013, it was decided to achieve certification also under the Energy Management System standard UNI EN ISO 50001:2018.

Therefore, in the early months of the year, work was planned and started on the implementation of a document system suitable to provide the corporate functions most closely involved in energy management with the most appropriate methodology to pursue the continuous improvement of the Company's energy performance through a systemic approach.

This activity made it possible to obtain certification of the integrated management system under the Energy Management System standard UNI EN ISO 50001:2018 in July 2023.

Another corporate goal in 2023 was maintaining certification under the UNI EN ISO 14064:2019-1 standard – Management System for the Calculation of Greenhouse Gases, which involved preparing the annual report quantifying GHG emissions for the year 2022. The report was audited in the month of October by the certification body, which confirmed the certificate also for the year 2023.

Finally, with a process started in the second quarter of 2023, the management system was enhanced with the adoption of the ethical principles of international Social Accountability Management System standard SA8000:2014 and the relevant practice UNI PdR 125:2022 for Gender Equality, with a consequent successful certification audit in December 2023.

This confirms the Company's commitment to continue adopting sustainable, safe, ethical and technological policies, in an effective and organised manner.

REGULATORY COMPLIANCE

Anti-corruption and transparency

During 2023 the Anti-corruption and Transparency Officer ("RPCT") monitored compliance with the relevant laws and regulations.

In the past year, in detail, in addition to ordinary, everyday activities, where no particular issues were detected, the Three-year Plan for Corruption Prevention and Transparency was updated in January 2023 (and an annual update is scheduled for the year 2024, as per guidance from ANAC, the national anti-corruption authority).

As a result of the adoption of the Plan, the number and scope of documents to be published in the “Transparent Company” section increased, with particular reference to – but not limited to – public sector tenders.

The Company has acted in a timely manner to comply with these additional requirements.

In addition, following the approval of Legislative Decree No. 24/2023 on whistleblowing, in July 2023 the procedure for reporting illicit acts was entirely revised.

The new legislation tends to expand the powers of the RPCT in that specific area and strengthens co-operation with the Supervisory Board (“Organismo di Vigilanza”, “OdV”) set up pursuant to Legislative Decree No. 231/2001.

Both the Plan and the procedure are published on the Company’s website and are available to employees through the corporate intranet so as to ensure their widest dissemination and accessibility.

Anti-money laundering and anti-terrorism monitoring system

This intensive innovative activity was completed with the introduction – in the latter part of 2023 – of an internal monitoring system for anti-money laundering and anti-terrorism purposes pursuant to Legislative Decree No. 231/2007 and subsequent amendments and supplements.

After a careful internal inquiry of its functions, CAV adopted a verification and continuous control system in order to trace and prevent any potential cash movements that might somehow be suspicious.

In order to complete the monitoring system, the RPCT was also appointed Anti-money Laundering Operations Manager with the specific task, if necessary, of reporting to the designated bodies any irregularities that may be detected.

Organisational, Management and Control Model pursuant to Legislative Decree No. 231/2001 and subsequent amendments and supplements.

Since 2012 the Company has had a formal Organisational, Management and Control Model in place, adopted to prevent the offences referred to in Legislative Decree No. 231/2001, and an Ethics Code that summarises the values, principles and rules that inspire or inform the Company’s acts, and has appointed a Supervisory Board (Organismo di Vigilanza, “OdV”) with the task of monitoring the operation of and compliance with the Model.

The members of the OdV in office during 2023 were Ms. Daniela Giacomini, the President, and Messrs. Armando Cologgi and Giuseppe Franco.

In addition to monitoring the operation of and compliance with the Model through periodical interviews of the persons considered of interest and the performance of numerous audits, the OdV cooperated with the Company in update activities related to the development of the Company’s structure and to regulatory developments.

The Model and the Ethics Code are periodically updated in the event of changes in legislation or in the Company’s organisation or procedures.

Consistently with the above, following recent legislative developments concerning whistleblowing and/or the introduction of new ‘predicate offences’, on 13 December 2023 the Board of Directors of CAV S.p.A. approved the latest revision of the Model and of the Ethics Code, both published on the Company’s website and disseminated amongst employees.

During the same meeting, in light of the upcoming expiry of the term in office of the previous Supervisory Board, on 31 December 2023, the Board of Directors, following a public selection procedure, appointed the members of the OdV that will be in office for the three years 2024/2026.

In detail, the Board appointed Mr. Gianluigi Masullo as President, Ms. Keti Carraro and Mr. Giuseppe Franco as members.

The Company thanks the outgoing members of the OdV for their work conducted professionally and accurately and wishes the new members the best in their work.

Personal Data Protection

The Company pays the utmost attention to privacy matters, having appointed a Data Protection Officer (DPO) and adopting an internal management system for monitoring correct compliance with national and EU legislation in this area.

During 2023 the Company appointed Mr. Alessandro Vasta of the law firm Tonucci & Partners as DPO. Being satisfied for the work performed, the Company decided to confirm his appointment also for the year 2024.

The daily operations of this area are performed carefully and no issues to be reported have emerged.

On 31 March 2023, on completion of a long internal analysis carried out with the support of external consultants, a Privacy Manual was issued together with five related Operating Instructions.

Specifically, the Manual provides general guidance to internal personnel both on privacy and on the correct method of processing the personal data they may become aware of in everyday operations; the above-mentioned Instructions also give more detailed directions for data processing in specific areas (e.g. job candidates and employees; motorway users; video surveillance, etc.).

On 28 December 2023, the Record of processing activities was also updated. The latter is a document containing the key information (specified by article 30 of the General Data Protection Regulation, "GDPR") relating to the processing activities carried out by the Controller of the data and, if appointed, by the Processor. According to the Italian data protection authority, the Record is a suitable tool to provide an updated view of processing activities ongoing within an organisation, necessary for any risk assessment or analysis and therefore preliminary to those activities.

In order to ensure the development of employees' awareness and knowledge in this area, during 2023 the Company delivered training courses for the functions most closely involved, with the intention of broadening the offering in the course of 2024.

LITIGATION AND DISPUTES

With reference to disputes pending, as of 31 December 2023 the number of outstanding positions (i.e. cases pending or with a decision but still within the time limit for challenging the decision) was twenty-three, whereof twenty-two 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.

Tax litigation pending

With reference to litigation concerning the TOSAP tax and COSAP fee, we note that as of 31 December 2023 the following legal actions were pending: four in the First Instance, four in the Appeals stage, eight before the Supreme Court of Cassation.

Among proceedings pending before the Court of Cassation one was brought by CAV seeking the revocation, pursuant to articles 391 bis and 395, item 4, of the Code of Civil Procedure, of unfavourable Order No. 8288/22 issued by the Court of Cassation itself; the first hearing to discuss the case has been scheduled for 29 February 2024.

We also specify that for four positions, CAV has not only lodged appeals before the Court of Cassation for errors of law that characterise the relevant Appeals rulings, but also appeals for revocation, pursuant to article 64 of Legislative Decree No. 546/1992, before the Second Instance Tax Court of Veneto, for errors of fact. The total number of proceedings concerning taxes is therefore equal to twenty.

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) and reported 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 was included in the List effective 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).

Starting from 2023, in the ISTAT list CAV has been included in the “Public Administration – Central administrations” list, subset “Entities producing economic services” (Official Journal of the Italian Republic – General Series, No. 229 of 30 September 2022). This has been confirmed for the year 2024 (Official Journal of the Italian Republic – General Series, No. 225 of 26 September 2023).

Every year the Company checks changes to the List, if any, analysing the related requirements and complying with the applicable regulations in a timely manner.

OTHER OPERATING INFORMATION

Accidents and Roadside Assistance Service

In 2023 accidents on the closed and open system stretches of motorways operated by CAV totalled 204, a decrease of 18.07% on 2022. Of these, 141 involved light vehicles, a decrease of 19.89% on 2022, and 63 involved HGVs, a decrease of 13.70% on 2022.

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 2023 with 2022, the accident rate for light vehicles (per 100 million kilometres travelled) was 10.24 (-24.02%) while that for HGVs was 12.77 (-13.87%); the overall accident rate was 10.90, a decrease of 21.23%.

Below we provide some additional figures of interest.

In 2023 there were 194 accidents causing injuries (a decrease of 22.31% on 2022); the accident rate per 100 million kilometres travelled was 5.02 (a decrease of 25.31% on 2022); the national figure available as of 31 August 2023 was 6.49 (source: AISCAT).

The number of persons injured was 136 (-32.00% on 2022); the related rate was 7.27 (-34.62% on 2022); the national figure available as of 31 August 2023 was 11.07 (source: AISCAT)..

The number of fatalities was 4, vs. 1 in 2022; the related rate was 0.21 (0.06 in 2022); the national figure available as of 31 August 2023 was 0.22 (source: AISCAT).

In 2023 the Company continued working 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.

In connection with the above, we confirm once again CAV's commitment to ensure the highest possible level of safety along all motorways under concession to the Company.

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 2023 there were a total of 4648 callouts, an increase of 3.54% on 2022.

The callout rate per million kilometres travelled was equal to 2.48% (a decrease of 0.45% on 2022).

Service Centre

The Service Centre provides sundry assistance to travellers and offers 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 Mirano/Dolo – Padova Est stretch and other forms of discounts applied to customers, etc.

All transactions are made easier by a direct, personal relationship with our operators.

Overall, during 2023 services provided to customers involved 70,075 transactions at the Service Centre at Venezia/Mestre (-7% on 2022).

The most significant transactions at the Service Centre were:

- 898 unpaid toll notices collected (+12%);
- 14,650 Telepass device transactions (deliveries, returns, replacements) (-14%);
- 36,003 transactions involving licence plates (-8%);
- 5,740 prepaid cards sold (-21%).

Training offered to schools

As part of the Memorandum of Understanding signed by the Region Veneto with the regional school authority, motorway concession holders and motorway operators of Veneto, in synergy with the traffic police, for the second consecutive year CAV offered a training activity consisting in road safety education days for the third classes of secondary schools in the provinces of Venice, Padua and Treviso.

The offering centres on forming in young people who are about to approach driving a civic awareness oriented towards respect for the rules and for their own and other people's lives, and unlike other proposals it introduces a positive approach, highlighting the most fascinating and suggestive aspects of the transition that students will soon face: becoming drivers.

The training activity is proposed through knowledge of the roles that contribute to the planning and management of motorway safety: in a 'behind-the-scenes tour' organised at CAV's headquarters with qualified speakers, CAV

personnel and traffic police trainers, students are led to discover how the ultimate player in this planning is actually the motorist, an indispensable element, in the final mosaic, for achieving collective safety.

The first cycle of events, in the year 2022-2023, resulted in the participation of over 400 students and the enrolment of over 700 pupils for the year 2023-24.

“CAV in Piazza”

In 2023, for the third consecutive year, CAV offered an initiative called “CAV in Piazza” (‘CAV in the square’) with the aim of bringing to the population the sophisticated process put in place jointly by CAV and the traffic police to ensure road safety.

During the ‘days on the square’, arranged in Treviso at Piazza Borsa, in Mestre at Piazza Coin and in Padua at Prato della Valle, CAV and the traffic police set up an exhibition of service vehicles and historic vehicles, involving their staff, presenting the main operational procedures developed synergistically and unveiling the technologies used and those under study to ensure the best safety on increasingly connected, digital and intelligent roads.

CAV showed vehicles and tools in everyday use on its motorways, such as the Mobile Control Room, the drone used to monitor infrastructure and the Mobile Info Service, the vehicle for providing assistance to travellers that is used to take user services off site.

Moreover, CAV promoted the link with the state police which, to achieve the proposed objectives, presented its vehicles and the activities through which on a daily basis it ensures road safety along all major roads in Veneto: from vehicles equipped with special speed detection equipment (Telelaser Trucam HB, Autovelox), number plate reading equipment (Plate Check), road accident detection equipment (Top Crash), breathalyser precursors and breathalysers, motorcycles, historic vehicles. Also present were the State Police Lamborghini model fitted out for urgent transport of body organs for transplant and the traffic police’s Blue Coach, a real multi-media classroom designed for awareness building and that offers youngsters the opportunity to deal virtually with the dangers of driving while impaired by alcohol and drugs.

Service areas and Hotel

In 2023 the service areas 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 5,589,000 litres of petrol (+16.22%); 16,221,000 litres of diesel fuel (+13.20%); 1,422,000 litres of LPG (-1.66%); 450 kilograms of methane (+15.09%) and 3,516 kilograms of lube oils (-14.22%); retail business at service areas totalled EUR 403,000 (+20.30%). Coffee shops and restaurants recorded total sales, excluding VAT, of EUR 7,538,000 (+15.08%); retail business at coffee shops and restaurants totalled EUR 2,811,000 (+19.21%); ancillary sales totalled EUR 5,903,000 (+8.27%). The hotel at Marghera sold services for EUR 4,308,000 (+101.59%). 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 2023 generated net income of EUR 4,292,000 (+13.85%).

Operations Centre

The Operations Centre, open 24/7, is constantly in contact with the traffic officers patrolling A4, A57 Mestre ring road and 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 CAV.

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.

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 other 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.

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 2023 gives a net amount payable by CAV to ANAS of EUR 7,643,441.

Receivables by CAV totalled EUR 1,538,396 as of 31 December 2023 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 9,181,836 as of 31 December 2023 and are analysed as follows: EUR 1,540,070 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 6,888,315 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 9,845 relates to other payables. It should be noted that as a result of a garnishment action initiated by a creditor of ANAS and currently being challenged before the Court of Appeal in Rome, CAV withheld an amount of around EUR 5.5 million.

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 2023 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.

APPLICABLE REGULATIONS AND APPROVAL OF NEW ARTICLES OF ASSOCIATION

CAV's Articles of Association, in accordance with article 16, paragraph 1-*ter* of Law Decree No. 104 of 10 August 2023, converted into Law No. 163 of 9 October 2023, were amended and approved at the extraordinary general meeting of 11 December 2023 in order to render the Company's transformation into an 'in house' entity effective, by establishing that it is subject to the exercise of joint control by its shareholders – the Region Veneto and ANAS – through the members of the Co-ordination Committee referred to in article 24 of the Articles of Association. Joint control is exercised by the establishment of said Committee, which is responsible for the information, preventative control, consultation, evaluation and verification of the operations and management of the Company; and is charged with giving the Board of Directors appropriate guidance, as provided for by the Articles of Association.

REGIONAL MOBILITY DIGITAL HUB AND MAAS

In the course of 2023, in coordination with and in support of the Region's technicians, development of the Regional Mobility Digital Hub continued according to the 'mobility as a service' paradigm for the exchange of data with national systems for the provision of services related to mobility management and preparatory to the creation of a single integrated/interoperable ticketing system.

Also in co-ordination with the Region, as a logical evolution of the Digital Hub project, the MaaS project was initiated for the integration of non-scheduled public transport-related functions within the Regional Mobility Digital Hub and the design and implementation of a trial according to the MaaS paradigm within the "MAAS4ITALY - TERRITORI" call for tenders.

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 2023 CAV applied the regulations set out in Legislative Decree No. 50 of

18 April 2016 and subsequent amendments and supplements, and for procedures started after 1 July 2023, in Legislative Decree No. 36 of 31 March 2023. We confirm that in 2023 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: efficiency savings in operating costs, also consequent on specific guidance from the Region to that effect, were achieved also through the implementation of new controlling procedures that contributed to the Company’s performance for the year under examination.

It should also be noted, specifically, 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. Finally, we note that 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.

- 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, updated on 13 December 2023 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 which 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 article 31.3 of the current Articles of Association,).

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.

In this connection we note that in 2023 changes were made to the structure of the project bond, specifically in relation to the capex reserve account. Activities were successfully completed on 4 August 2023 through the signing of a STID Proposal following approval by the European Investment Bank and by bondholders. The change to the structure of the project bond will allow a significant increase in the values of the financial ratios used to calculate compliance with the bond's covenants such as to make it possible, if forecasts of traffic volumes and the development of the relevant macro-economic scenario are met, to approve, starting from the fourth quarter of 2024, dividend distributions that were prohibited in the previous scenario. For additional information about the activities performed and the beneficial effects of the change please refer to the section titled "The project bond and related aspects" .

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 116,330 and the share of CAV S.p.A. is 1.13%, 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 2023**

BALANCE SHEET

ASSETS

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
A) SUBSCRIBED CAPITAL UNPAID	0	0
B) FIXED ASSETS		
I. Intangible assets		
3) Intellectual property rights	5,238	125
6) Assets under construction and payments on account	10,471,914	12,272,411
7) Other intangible assets	428,387,670	463,582,953
	<u>438,864,822</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	11,115	15,380
4) Other assets	886,946	1,141,635
	<u>898,061</u>	<u>1,157,854</u>
III. Financial assets		
Equity investments in:		
d bis) Other companies	1,058	1,058
	<u>1,058</u>	<u>1,058</u>
Total Fixed assets	<u><u>439,763,941</u></u>	<u><u>477,014,401</u></u>
C) CURRENT ASSETS		
I. Inventories		
1) Raw materials and consumables	1,336,678	1,307,641
II. Receivables		
1) Trade receivables:		
- falling due within one year	2,956,945	2,854,526
- falling due after one year	147,845	208,625
5-bis) Tax receivables		
- falling due within one year	675,055	251,928
- falling due after one year	0	0
5-ter) Deferred tax assets	2,487,836	2,014,456
5-quater) Other receivables:		
- falling due within one year	53,264,964	41,837,224
- falling due after one year	147,145,401	61,393,008
	<u>206,678,046</u>	<u>108,559,767</u>

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
<i>III. Short-term investments</i>	0	0
<i>IV. Cash and cash equivalents</i>		
1) Bank and postal deposits	32,314,292	115,889,643
3) Cash in hand	<u>98,158</u>	<u>95,559</u>
	32,412,450	115,985,202
Total Current assets	<u>240,427,174</u>	<u>225,852,610</u>
<i>D) ACCRUED INCOME AND PREPAYMENTS</i>	741,513	322,242
TOTAL ASSETS	<u>680,932,628</u>	<u>703,189,253</u>

LIABILITIES	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 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	<u>31,828,216</u>	<u>24,593,579</u>
	242,950,611	211,122,395
 B) PROVISIONS FOR RISKS AND CHARGES		
4) Other provisions:		
a) for risks	433,008	368,494
c) for cycle maintenance	<u>11,744,000</u>	<u>12,647,000</u>
	12,177,008	13,015,494
 C) PROVISION FOR POST-EMPLOYMENT BENEFITS (TFR)	488,846	452,011
 D) PAYABLES		
1) Bonds		
- falling due within one year	48,524,555	53,860,073
- falling due after one year	333,166,850	381,691,405
7) Trade payables	18,984,098	16,665,836
12) Tax payables	2,553,686	3,984,395
13) Social security payables	890,300	1,225,180
14) Other payables	<u>20,910,398</u>	<u>20,852,596</u>
	425,029,887	478,279,485
 E) ACCRUED EXPENSES AND DEFERRED INCOME	286,276	319,868
 TOTAL LIABILITIES	<u><u>680,932,628</u></u>	<u><u>703,189,253</u></u>

INCOME STATEMENT

	FY 2023	FY 2022
<i>A) VALUE OF PRODUCTION</i>		
1) Revenue from sales and services	169,660,723	164,743,484
5) Other income		
- Other	1,564,602	1,670,957
- Grants	<u>965,543</u>	<u>864,321</u>
	172,190,868	167,278,762
<i>B) COST OF PRODUCTION</i>		
6) Raw materials, consumables and goods	930,845	955,579
7) Services	33,273,468	35,298,101
8) Leases and rentals	1,062,934	767,789
9) Personnel:		
a) Wages and salaries	13,119,104	13,387,369
b) Social charges	4,280,150	4,358,835
c) Provision for post-employment benefits (TFR)	940,066	1,018,111
e) Other personnel costs	<u>629,741</u>	<u>809,021</u>
	18,969,061	19,573,336
10) Amortisation, depreciation and write-downs		
a) Amortisation of intangible assets	47,517,840	47,048,161
b) Depreciation of property, plant and equipment	<u>421,397</u>	508,432
	47,939,237	47,556,593
11) Change in stocks of raw materials, consumables and goods	-29,037	-143,659
13) Other accruals		
b) Charges to provision for cycle maintenance	11,744,000	12,647,000
c) Utilisation of provision for cycle maintenance	-12,647,000	-14,717,000
14) Other operating costs	<u>19,729,382</u>	<u>19,416,499</u>
	120,972,890	121,354,238
<i>DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION</i>	51,217,978	45,924,524

	FY 2023	FY 2022
<i>C) FINANCIAL INCOME AND CHARGES</i>		
16) Other financial income:		
d) financial income other than the above	2,927,880	178,359
17) Interest and other financial charges	<u>10,476,844</u>	<u>12,090,622</u>
	-7,548,964	-11,912,263
 <i>D) ADJUSTMENTS TO THE VALUES OF FINANCIAL ASSETS AND LIABILITIES</i>		
	<u>0</u>	<u>0</u>
 <i>PROFIT(LOSS) BEFORE TAX</i>	43,669,014	34,012,261
 20) Income tax for the year		
a) Current income taxes	12,314,178	9,684,047
b) Deferred tax liabilities	0	0
c) Deferred tax assets	<u>-473,380</u>	<u>-265,365</u>
	-11,840,798	-9,418,682
 21) Profit/(Loss) for the year	31,828,216	24,593,579

CASH FLOW STATEMENT

	31 Dec. 2023	31 Dec. 2022
A. Cash flow from operating activities (indirect method)		
Net profit for the period	31,828,216	24,593,579
Income taxes	11,840,798	9,418,682
Interest expense/(income)	7,548,964	11,912,263
1. Profit/(Loss) for the year before income taxes, interest, dividends, and gains/losses on disposals	51,217,978	45,924,524
<i>Adjustments for non-cash items with no impact on net working capital</i>		
Charges to provisions for risks and charges	11,744,000	12,647,000
Utilisation of provisions for risks and charges	-12,647,000	-14,717,000
Charge to provision for post-employment benefits (TFR)	940,066	1,018,111
Other provisions	64,514	-418,195
Amortisation of intangible assets	47,517,840	47,048,161
Depreciation of property, plant and equipment	421,397	508,432
Adjustments to the values of financial assets and liabilities	0	0
<i>Total adjustments for non-cash items</i>	<i>48,040,817</i>	<i>46,086,509</i>
2. Cash flow before changes in net working capital	99,258,795	92,011,033
<i>Changes in net working capital</i>		
(Increase)/Decrease in inventories	-29,037	-143,659
(Increase)/Decrease in trade receivables	-41,639	942,365
(Increase)/Decrease in tax receivables	-423,127	-249,755
(Increase)/Decrease in other receivables	-97,180,133	-2,216,177
(Increase)/Decrease in accrued income and prepayments	-419,271	-254,887
(Decrease)/Increase in trade payables	2,318,262	2,504,207
(Decrease)/Increase in tax payables (indirect taxes)	-952,295	-1,562,500
(Decrease)/Increase in social security payables	-334,880	204,131
(Decrease)/Increase in other payables (excluding amounts already included in other items)	57,802	498,118
(Decrease)/Increase in accrued expenses and deferred income	-33,592	-34,928
<i>Total changes in net working capital</i>	<i>-97,037,910</i>	<i>-313,085</i>
3. Cash flow after changes in net working capital	2,220,885	91,697,948
<i>Other adjustments</i>		
Interest received/(paid)	-6,106,137	-10,283,476
(Income taxes paid)	-12,792,592	-11,170,358
(Utilisation of provisions)	-903,231	-957,668
<i>Total other adjustments</i>	<i>-19,801,960</i>	<i>-22,411,502</i>
Cash generated from (used in) operating activities (A.)	-17,581,075	69,286,446
B. Cash flow from investing activities		
<i>Investing activities</i>		
(Increase) in intangible assets	-12,338,792	-8,674,162
Decrease in intangible assets	1,811,619	0
(Increase) in property, plant and equipment	-183,653	-390,524
Decrease in property, plant and equipment (excluding accumulated depreciation)	22,049	0
Cash generated from (used in) investing activities (B.)	-10,688,777	-9,064,686
C. Cash flow from financing activities		
Repayment of bonds	-55,302,900	-65,238,000
Cash generated from (used in) financing activities (C.)	-55,302,900	-65,238,000
Increase/(Decrease) in cash and cash equivalents	-83,572,752	-5,016,240
Cash and cash equivalents at beginning of period	115,985,202	121,001,442
Cash and cash equivalents at end of period	32,412,450	115,985,202

NOTES TO THE FINANCIAL STATEMENTS

PRESENTATION AND CONTENT OF THE FINANCIAL STATEMENTS

The annual financial statements as of 31 December 2023 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, asset revamping, the traffic police's new Motorway Operations Centre (COA) and costs related to service areas (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 36,990,667. Movements in the year may be analysed as follows:

	Balance as of 31 Dec. 2022	Increase	Decrease	Account transfer	Balance as of 31 Dec. 2023
Industrial patent rights	125	10,426	5,313	0	5,238
Assets under construction and payments on account	12,272,411	12,328,366	1,811,619	-12,317,244	10,471,914
Other intangible assets	463,582,953	0	47,512,527	12,317,244	428,387,670
Total	475,855,489	12,338,792	49,329,459	0	438,864,822

'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 the costs incurred for: a) 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) other works on the motorways under concession that were not completed at the balance sheet date; c) the E-roads project; d) the new software platform (SGI) project; e) feasibility studies referred to service area; f) automated toll booths; g) asset revamping; h) the dynamic monitoring system; i) feasibility studies of new projects; j) the traffic police's new Motorway Operations Centre; k) the revamping of the Padova Est exit in the west-bound carriageway; and l) the digitisation of the Company's archive.

The decrease of EUR 1,811,619 relates for EUR 1,745,439 to the portion attributable to the year of the grant obtained under the National Plan for Investments Complementary to the NRRP ("PNC"), in respect of the dynamic monitoring project and for EUR 66,180 to an expense refund related to the agreement with the Region Veneto for a project called "VEN-QCI - Veneto Quantum Cybersecurity Infrastructure".

Additional details are provided in the report on operations.

An amount of EUR 12,317,244 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. 2022	Increase	Decrease	Account transfer	Balance as of 31 Dec. 2023
Complementary and completion works on the Mestre Bypass	227,850	894,799	0	-1,122,649	0
Other works on the motorways under concession	333,308	94,800	0	0	428,108
E-roads	8,457,385	2,914,832	0	-9,130,723	2,241,494
New software platform (SGI)	291,750	1,279,955	66,180	-449,972	1,055,553
Service areas	48,800	0	0	0	48,800
Automated toll booths	359,784	954,116	0	-1,313,900	0
Asset revamping	730,870	3,128,875	0	0	3,859,745
Dynamic monitoring system	0	1,745,439	1,745,439	0	0
Feasibility studies	1,822,664	788,741	0	0	2,611,405
New Motorway Operations Centre for the traffic police	0	300,000	0	-300,000	0
Revamping of the Padova Est exit in the west-bound carriageway	0	62,415	0	0	62,415
Digitisation of the Company's archive	0	164,394	0	0	164,394
Total	12,272,411	12,328,366	1,811,619	-12,317,244	10,471,914

'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, automated toll booths, revamping of assets and the new Motorway Operations Centre for the traffic police.

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. 2022	Additions and account transfers	Decreases	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022	Amortisation charge	Decreases	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2023
Mestre Bypass	705,199,639	0	0	705,199,639	417,941,415	28,725,823	0	446,667,238	258,532,401
Complementary and completion works	225,679,451	1,122,649	0	226,802,100	103,413,282	12,313,462	0	115,726,744	111,075,356
Indemnity paid to Società delle Autostrade di Venezia e Padova	74,689,185	0	0	74,689,185	42,335,099	3,235,409	0	45,570,508	29,118,677
Other works on the motorways	6,995,909	0	0	6,995,909	3,073,573	392,255	0	3,465,828	3,530,081
Safety works on provincial road SP81	5,384,004	0	0	5,384,004	2,884,776	249,923	0	3,134,699	2,249,305
San Giuliano interchange at Mestre	7,746,853	0	0	7,746,853	4,172,273	357,458	0	4,529,731	3,217,122
Renovation of traffic police barracks	300,000	0	0	300,000	137,223	16,278	0	153,501	146,499
Roundabout on entry to the Marco Polo-SS14 link road	800,000	0	0	800,000	369,957	43,004	0	412,961	387,039
Safety works on the A27-A57 interchange	5,633,418	0	0	5,633,418	1,449,051	418,437	0	1,867,488	3,765,930
New software platform (SGI)	5,776,879	449,972	0	6,226,851	2,170,215	1,245,370	0	3,415,585	2,811,266
E-roads	2,495,545	9,130,723	0	11,626,268	176,803	396,596	0	573,399	11,052,869
Automated toll booths	1,047,811	1,313,900	0	2,361,711	131,762	104,067	0	235,829	2,125,882
Asset revamping	95,000	0	0	95,000	5,312	8,976	0	14,288	80,712
New Motorway Operations Centre for the traffic police	0	300,000	0	300,000	0	5,469	0	5,469	294,531
Total	1,041,843,694	12,317,244	0	1,054,160,938	578,260,741	47,512,527	0	625,773,268	428,387,670

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; the traffic police's new Motorway Operations Centre went into operation in 2023.

Tangible assets

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

	Balance as of 31 Dec. 2022	Increase	Decrease	Balance as of 31 Dec. 2023
Land and buildings	0	0	0	0
Plant and machinery	839	0	839	0
Industrial and commercial equipment	15,380	0	4,265	11,115
Other assets	1,141,635	183,653	438,342	886,946
Total tangible assets	1,157,854	183,653	443,446	898,061

Movements in the year may be analysed as follows:

Tangible assets	Historical cost			Accumulated depreciation				Net book value	
	Balance as of 31 Dec. 2022	Additions	Disposals	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022	Depreciation charge	Disposals	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2023
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	4,265	0	85,480	11,115
Other assets	4,007,045	183,653	71,497	4,119,201	2,865,410	416,293	49,448	3,232,255	886,946
Total	4,830,027	183,653	71,497	4,942,183	3,672,173	421,397	49,448	4,044,122	898,061

'Land and buildings' comprises light constructions.

'Plant and machinery' comprises snow ploughs and salt spreaders for EUR 649,717 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 183,653 relate to IT equipment and other assets.

Decreases relate to the depreciation charges for the period and the disposal of certain assets (computer equipment). 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. 2022	Increase	Decrease	Balance as of 31 Dec. 2023
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	116,330	115,720	0	1.13

(*) Figures from the draft financial statements as of 31 December 2023, approved by the Board of Directors on 22 January 2024.

Inventories

The balance increased by EUR 29,037 and may be analysed as follows:

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
Consumables	211,820	121,564
Assets for use in maintenance	1,124,858	1,186,077
Total	1,336,678	1,307,641

Receivables

'Receivables' totalled EUR 206,678,046 as of 31 December 2023, an increase of EUR 98,118,279 compared with the previous year.

As of 31 December 2023 there were no receivables falling due after five years.

The balance may be analysed as follows:

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
Trade receivables:		
• falling due within one year	2,956,945	2,854,526
• falling due after one year	147,845	208,625
Tax receivables		
• falling due within one year	675,055	251,928
• falling due after one year	0	0
Deferred tax assets	2,487,836	2,014,456
Other receivables:		
• falling due within one year	53,264,964	41,837,224
• falling due after one year	147,145,401	61,393,008
Total	206,678,046	108,559,767

'Trade receivables' increased by EUR 41,639 and may be analysed as follows:

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
Trade accounts receivable	169,348	172,653
Invoices to be issued	2,935,442	2,890,498
Total	3,104,790	3,063,151

'Invoices to be issued' comprises EUR 195,009 relating to crossing fees (whereof EUR 147,845 is expected to be collected after one year), EUR 2,417,110 to royalties relating to service areas and EUR 323,323 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 closely connected with the hopefully favourable outcome of a proceeding, which CAV won in the first instance, currently in the appeals stage. 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 423,127 compared with the previous year:

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
VAT receivable	674,973	0
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	82	283
Total	675,055	251,928

‘Deferred tax assets’ increased by EUR 473,380 compared with the previous year and refers to the following:

	Balance as of 31 Dec. 2023		Balance as of 31 Dec. 2022	
	Temporary difference	Tax effect	Temporary difference	Tax effect
Maintenance of tangible assets	125,876	30,210	117,846	28,283
Directors’ remuneration	12,528	3,007	20,590	4,942
Write-downs of receivables	29,431	55,063	229,431	55,063
Taxes	678	163	604	145
Personnel	0	0	22,181	5,323
Provision for cycle maintenance	9,997,472	2,399,394	8,002,916	1,920,700
Total	10,365,985	2,487,836	8,393,568	2,014,456

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

‘Other receivables’ increased by EUR 97,180,133 and may be analysed as follows:

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
Receivables from interconnected motorway operators	34,216,418	39,086,304
Restricted cash		
• falling due within one year	15,696,485	645,271
• falling due after one year	147,117,912	61,368,520
Grants under the PNC (Complementary Plan)	1,483,532	0
Grants from the Region Veneto (VEN-QCI)	66,180	0
Grants from the Region Veneto (Digital Hub)	370,007	0
Other		
falling due after one year	1,432,342	2,105,649
• falling due after one year	27,489	24,488
Total	200,410,365	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 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 124,847,604 (whereof EUR 109,151,119

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 29,716,793 (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. For additional information about restricted cash, please refer to the section of the report on operations titled "The project bond and related aspects".

'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 83,572,752 and may be analysed as follows:

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
Bank and postal deposits	32,314,292	115,889,643
Cash in hand	98,158	95,559
Total	32,412,450	115,985,202

Bank and postal deposits comprises: a) postal deposits of EUR 123,722; b) bank deposits of EUR 30,934,184; and c) toll payments not yet credited to the Company's current accounts for EUR 1,256,386.

Accrued income and prepayments

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

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
Prepayments	274,171	238,007
Accrued income	467,342	84,235
Total	741,513	322,242

'Prepayments' comprises long-term services that are billed in advance. 'Accrued income' comprises revenues of the reporting period arising from time cash transactions straddling the reporting date.

BALANCE SHEET INFORMATION: LIABILITIES

Shareholders' equity

Shareholders' equity increased by EUR 31,828,216 compared with the previous year and may be analysed as follows:

	Balance as of 31 Dec. 2022	Increase	Decrease	Balance as of 31 Dec. 2023
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	31,828,216	24,593,579	31,828,216
Total	211,122,395	56,421,795	24,593,579	242,950,611

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 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	198,771,168	A, B, C	198,771,168		
- Restricted reserve for road infrastructure	9,776,227	B, C	0		
- Restricted reserve for fines and penalties	175,000	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	Profit/ (Loss) for the year	Total
As of 1 January 2022	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
Appropriation to extraordinary reserve			24,593,579				24,593,579
Utilisation of profit for 2022						-24,593,579	-24,593,579
Profit/(Loss) for 2023						31,828,216	31,828,216
As of 31 Dec. 2023	2,000,000	400,000	198,771,168	9,776,227	175,000	31,828,216	242,950,611

Provisions for risks and charges

The balance decreased by EUR 838,486. Movements in the year may be analysed as follows:

	Balance as of 31 Dec. 2022	Increase	Decrease	Balance as of 31 Dec. 2023
Provision for risks	368,494	64,514	0	433,008
Provision for cycle maintenance	12,647,000	11,744,000	12,647,000	11,744,000
Total	13,015,494	11,808,514	12,647,000	12,177,008

'Provision for risks' comprises 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 please 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 36,835. Movements in the year may be analysed as follows:

	Balance as of 31 Dec. 2022	Increase	Decrease	Balance as of 31 Dec. 2023
Provision for post-employment benefits (TFR)	452,011	940,066	903,231	488,846

The increase relates to the accrual for the year; the decrease comprises EUR 120,880 relating to advances and severance indemnities paid out to employees, and EUR 782,351 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 425,029,887 as of 31 December 2023, having decreased by EUR 53,249,598. The balance falling due after five years was EUR 115,128,716 and corresponds to the outstanding portion of the project bond maturing on 31 December 2028, calculated under the amortised cost method.

The heading is analysed below.

A) Bonds

The balance as of 31 December 2023 was EUR 381,691,405. Movements in the year may be analysed as follows:

	Balance as of 31 Dec. 2022	Increase	Decrease	Balance as of 31 Dec. 2023
Bonds	435,551,478	10,464,927	64,325,000	381,691,405

On 12 April 2016 the project bond was issued for a nominal value of EUR 830,000,000. During 2020 the Company repaid EUR 55,302,900. 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 1,442,827 for 2023).

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 381,691,405 comprises EUR 48,524,555 falling due within one year and EUR 333,166,850 falling due after one year (whereof EUR 115,128,716 falling due after five years).

The nominal debt (debt on issuance less principal repayments) as of 31 December 2023 was equal to EUR 386,887,900.

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).

For additional information about the change in the structure of the project bond in 2023, please refer to the section of the report on operations titled “The project bond and related aspects”.

B) Trade payables

The balance increased by EUR 2,318,262 compared with the previous year. In detail:

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
Trade accounts payable	5,299,316	3,274,636
Invoices to be issued	13,607,050	13,211,865
Contractual guarantee deposits	77,732	179,335
Total	18,984,098	16,665,836

C) Tax payables

The balance decreased by EUR 1,430,709 and is detailed as follows:

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
IRPEF, personal income tax, on the remuneration of employees and freelancers	565,335	586,929
IRES, corporation tax	1,668,091	2,200,309
IRAP, regional trade income tax	282,302	228,498
VAT	0	930,551
Other taxes	37,958	38,108
Total	2,553,686	3,984,395

D) Social security payables

The balance decreased by EUR 334,880 compared with the previous year.

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
Social security payables	890,300	1,225,180

E) Other payables

The balance increased by EUR 57,802 compared with the previous year and is detailed as follows:

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
Payables to interconnected motorway operators	7,105,554	7,450,829
Payables to the State		
• Concession fee (MIMS)	2,797,379	2,729,559
• Concession fee (ANAS)	743,607	725,579
• Supplementary concession fee pursuant to Law No. 102/2009 (ANAS)	6,888,314	6,742,567
• Sub-concession fee (MIMS)	17,554	24,550
Payables to personnel	1,464,662	1,892,626
Payables to ANAS		
• Refund of the costs of construction of the Mestre Bypass and related complementary and completion works	1,540,070	645,271
Other	353,258	641,615
Total	20,910,398	20,852,596

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

'Payables to the State', totalling EUR 10,446,854, 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 1,540,070, comprises the costs of construction of the Mestre Bypass and related complementary and completion works (whereof EUR 860,000 already billed and EUR 680,070 in invoices to be received).

For additional information on payables to ANAS please refer to the section of the report on operations titled "Transactions with ANAS".

Accrued expenses and deferred income

The heading shows a decrease of EUR 33,592 compared with the previous year.

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
Deferred income	286,276	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:

	Balance as of 31 Dec. 2023	Balance as of 31 Dec. 2022
Third party assets held by the Company	3,200	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 please refer 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 172,190,868, an increase of EUR 4,912,106 (+2.94%) 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 2023	FY 2022
Toll revenue:		
• Toll revenue	147,541,076	143,964,068
• Supplementary concession fee pursuant to Law No. 102/09 and Law No. 122/2010	14,929,225	14,506,532
Other motorway income		
• Income from service areas	4,292,248	3,770,193
• Share of toll collection costs paid by interconnected motorway operators	1,715,208	1,472,421
• Recharges of costs of abnormal load movements and unpaid tolls	1,182,966	1,030,270
Total	169,660,723	164,743,484

'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 2022: 6.685 km) for the Mestre ring road and for 17.056 km (FY 2022: 17.106 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 3,577,008, +2.48%. The figure is directly related to the traffic performance. For a detailed description of factors affecting toll revenue please refer to the section of the report on operations 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 2023 (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. As a consequence of the growth of traffic and of the composition of the classes among which traffic is distributed, the supplementary concession fee payable to ANAS increased by EUR 422,693 (+2.91%).

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

There are four service areas: 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 area.

Income from service areas rose by EUR 522,055 (+13.85%).

The share of toll collection costs paid by interconnected motorway operators rose by 16.49%. 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 please refer to the section of the report on operations titled “Motorway business”.

B) Other income

	FY 2023	FY 2022
Other	1,564,602	1,670,957
Grants	965,543	864,321
Total	2,530,145	2,535,278

‘Other income’ comprises: sub-concession fees of EUR 112,571; refunds of damage caused to structures by motorway users for EUR 188,085; contract work for EUR 463,654; refunds of lighting costs on the A57/A27 interchange for EUR 108,460; indemnities for failure to execute tenders and recovery of contract stamps for EUR 27,757; gains and non-recurring income of EUR 580,167; grants of EUR 965,543 (whereof EUR 236,736 in tax credits in connection with the so-called “Decreti Aiuti”, decrees containing various government support measures; grants from the European Union of EUR 334,585 for the URSA MAJOR project, EUR 122,500 for the Matis project, and EUR 187,500 for the Meridian project; EUR 39,529 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; EUR 44,693 for LIFE PollinAction projects; and other items of income for EUR 83,908.

Cost of production

Cost of production totalled EUR 120,972,890, a decrease of EUR 381,348 (-0.31%), compared with the previous year.

A) Raw materials, consumables and goods

‘Raw materials, consumables and goods’ decreased compared with the previous year by EUR 24,734, -2.59%, and may be analysed as follows:

	FY 2023	FY 2022
Purchases of items for maintenance	326,213	494,621
Purchases of other assets	604,632	460,958
Total	930,845	955,579

B) Services

Cost of services may be analysed as follows:

	FY 2023	FY 2022
Maintenance and renovation works	18,298,343	19,780,177
Contract work	463,654	272,837
Operating services		
• Share of toll collection costs	5,480,767	4,778,665
• Processing of traffic and proceeds data	719,581	632,356
• Electricity	2,770,927	4,492,636
• Other	1,486,380	1,598,311
Administrative services:		
• Administrative professional services	1,319,704	1,023,314
• Technical professional services	329,221	392,942
• Insurance	1,069,046	1,022,597
• Telephone	45,167	36,997
• Meal vouchers	256,822	253,000
• Remuneration of tender evaluation committee members	479,149	156,700
• Other	253,338	560,615
Directors' remuneration	162,905	159,697
Statutory auditors' remuneration	78,361	76,657
Supervisory Board remuneration	60,103	60,600
Total	33,273,468	35,298,101

Cost of services decreased by EUR 2,024,633 (-5.74%) compared with the previous year.

'Maintenance' totalled EUR 18,298,343 (EUR 19,780,177 in the previous year), a decrease of EUR 1,481,834 (-7.49%).

'Operating services' totalled EUR 10,457,655 (EUR 11,501,968 in the previous year), a decrease of EUR 1,044,313 (-9.08%).

'Administrative services' totalled EUR 3,752,447 (EUR 3,446,165 in the previous year), an increase of EUR 306,282 (+8.89%).

'Directors' remuneration' comprises emoluments (EUR 127,206), social charges (EUR 13,673) and expense refunds (EUR 22,026).

'Statutory auditors' remuneration' comprises emoluments (EUR 70,000), social charges (EUR 4,039) and expense refunds (EUR 4,322).

'Supervisory Board remuneration' comprises emoluments (EUR 50,000), social charges (EUR 5,278) and expense refunds (EUR 4,825).

C) Leases and rentals

	FY 2023	FY 2022
Leases and rentals	1,062,934	767,789

'Leases and rentals' increased compared with the previous year by EUR 295,145 ; this item comprises car rentals (EUR 58,991) rental of computer equipment (EUR 1,002,943) and rent (EUR 1,000).

D) Personnel

The cost of personnel is analysed as follows:

	FY 2023	FY 2022
Wages and salaries	13,119,104	13,387,369
Social charges	4,280,150	4,358,835
Provision for post-employment benefits (TFR)	940,066	1,018,111
Other personnel costs	629,741	809,021
Total	18,969,061	19,573,336

Personnel costs decreased compared with the previous year by a total of EUR 604,275 (-3.09%).

The average headcount during the year was 217.019 (216.338 in the previous year), therefore the average cost per employee was equal to EUR 87,407 (EUR 90,476 in the previous year).

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

	As of 31 Dec. 2023	As of 31 Dec. 2022	Average
Executives	4	3	3.122
Middle managers	12	12	12
Clerical staff	149	148	148.321
• full time	132	131	
• part time	16	17	
• on term contracts	1	0	
Toll collectors	46	45	
• full time	36	37	47.586
• part time	8	8	
• on term contracts	2	0	
Workers	6	6	6
• full time	6	6	
• part time	0	0	
Total	217	214	217.019

(*) The average headcount is calculated considering also staff on term contracts, which numbered 17 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 2023	FY 2022
Amortisation of intangible assets	47,517,840	47,048,161
Depreciation of tangible assets	421,397	508,432
Total	47,939,237	47,556,593

'Amortisation of intangible assets' comprises: a) amortisation of software for EUR 5,313; b) amortisation of other intangible assets for EUR 47,512,527, 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 2023	FY 2022
Change in inventories	-29,037	-143,659

'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 31 December 2023, equal to EUR 1,336,678.

G) Other accruals

	FY 2023	FY 2022
Charges to provision for cycle maintenance	11,744,000	12,647,000
Utilisation of provision for cycle maintenance	-12,647,000	-14,717,000
Total	-903,000	-2,070,000

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 312,883 (+1.61%) and may be analysed as follows:

	FY 2023	FY 2022
Taxes and duties	387,917	566,905
Supplementary concession fee pursuant to article 19, paragraph 9 bis, of Law No. 102/09 and Law No. 122/2010	14,929,225	14,506,532
Concession fee pursuant to article 10 L. 537/93 and article 1, paragraph 1020, of Law No. 296/2006	3,540,986	3,455,138
Sub-concession fee pursuant to article 13 of the Concession Agreement	88,096	77,493
Other costs	783,158	810,431
Total	19,729,382	19,416,499

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 2023	FY 2022
Financial income:		
• Financial income other than the above	2,927,880	178,359
Interest and other financial charges	10,476,844	12,090,622
Total	-7,548,964	-11,912,263

‘Financial income’ comprises interest income for EUR 2,927,880 arising from time deposits made during the year, which were made possible by the rise in interest rates during 2023

‘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 10,464,927 (whereof EUR 9,022,100 disbursed at the interest rate of 2.115%, and EUR 1,442,827 that is the portion of the ancillary cost of issuance of the project bond attributable to the year under consideration); and b) other interest expense for EUR 11,917.

Income taxes

Income taxes are analysed as follows:

	FY 2023	FY 2022
Income taxes		
• IRES, corporation tax	10,321,416	7,973,587
• IRAP, regional trade income tax	1,992,762	1,710,460
• Deferred tax expense	0	0
• Deferred tax income	-473,380	-265,365
Total	11,840,798	9,418,682

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 127,206), social charges (EUR 13,673) and expense refunds (EUR 22,026).

The remuneration of members of the Board of Statutory Auditors comprises emoluments (EUR 70,000), social charges (EUR 4,039) and expense refunds (EUR 4,322).

The remuneration of members of the Supervisory Board comprises emoluments (EUR 50,000), social charges (EUR 5,278) and expense refunds (EUR 4,825).

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 2023 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 please 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.

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 2023 was 12.79 days (2022: 13.02 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 2023.

Cash flows

The Company's receivables from the Region Veneto as of 31 December 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 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).

Moreover, they include amounts receivable in respect of the year, as follows: a) under the VEN-CQI agreement for EUR 66,180 by way of expense refund (CUP H16G23000240002; b) under the Digital Hub agreement for EUR 370,007 (CUP H71C22001400001).

As of 31 December 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 31 December 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.

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

Type of grant	Grantor	Amount
Tax credit in connection with the so-called "Decreti Aiuti"	Government	236,736
Grants towards the C-ROADS ITALY and URSA MAJOR projects	European Union	689,278
Grants towards personnel training	Fondimpresa	39,529

The amounts reported are recognised on a cash basis. Consequently, they do not include the grant earned but not yet collected of EUR 1,483,532 relating to the PNC (the National Plan for Investments Complementary to the NRRP). Also excluded are expense refunds and contract work.

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 2023 to be reported.

PROPOSED APPROPRIATION OF PROFIT FOR THE YEAR

Dear Sirs,

We thank you for the trust and support you have placed in the Company, and at the same time express our deep appreciation to management and all employees who, through their high level of expertise and great commitment, enabled the Company to achieve the results that we have illustrated to you.

The Board of Directors therefore invites you to:

- approve the report on operations and the financial statements as of 31 December 2023, comprising the balance sheet, income statement, cash flow statement and the notes to the financial statements; and;
- appropriate the profit for the year 2023, equal to EUR 31,828,216, to the extraordinary reserve.

Venice, 22 February 2024

Signed on behalf of the Board of Directors

THE CHAIR

Monica Manto

ANNEXES

MIT TABLE: INVESTMENT EXPENDITURE

Amounts in thousands of Euro

SUMMARY OF INVESTMENT IN ASSETS UNDER CONCESSION (Table 1)

Ref. Art. 2 Concession Agreement	Ref. Appendix H	Ref. Appendix D	Ref. 2023 16 March 2023	Engineering and contractual figures	Expenditure up to 31 Dec. 2022			Expenditure in 2023			Total expenditure as of 31 Dec. 2023			Note						
					Total gross approved expenditure	Total net expenditure per contract	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	2)					
2.1.c	H1	a.	-	New signage			392					392		392	3)					
2.1.c	H1	b.	-	Supply and installation of storm drain grids on the Mestre Bypass			223					223		223	3)					
2.1.c	H1	c.	-	Chloride storage plants			345	58				351	58	409	3)					
2.1.c	H1	d.	-	Automation of toll payment equipment			2,395	113				4	2,395	117	3)					
2.1.c	H1	e.	-	Upgrading of remote traffic management systems			443					443		443	3)					
2.1.c	H1	f.	-	Remote access at Preganziol and Spinea toll gates			39					39		39	3)					
2.1.c	H1	g.	-	Miscellaneous			2,907	99				2,907	99	3,006	3)					
2.1.c	H3	h.	-	Recreation of traffic police barracks at Mestre										300	4)					
2.1.c	H3	i.	s.	Supply and installation of safety works on provincial road SP91 between SS309 and SS309										5,384	4)					
2.1.c	H3	j.	s.	Reorganisation of San Giuliano interchanges with regional road SR14										7,747	4)					
2.1.c	H3	k.	s.	Roundabout on entry to the Maceo-Poio-SS14 Junction										800	4)					
2.1.c	H2	l.	s.	Pianiga and Marellago toll gates and junctions			39,958	30,748				39,958	30,748	70,706	5)					
2.1.c	H2	m.	s.	Bypass landscaping			12,401	7,946				12,401	7,946	20,347	5)					
2.1.c	H2	n.	s.	Service areas				49					49		49					
2.1.c	H2	o.	s.	Environmental impact mitigation			5,767	423				5,767	423	6,190	5)					
2.1.c	H2	p.	s.	Slip road to Mestre Bypass			42,680	43,576				42,680	43,576	91,236	5)					
2.1.c	H2	q.	s.	Complementary works to main tender and cost revisions			11,722	21,465				11,722	21,465	33,187	5)					
4.2	H3	s.	-	Complementary works to Mestre Bypass			31	4,211				894	65	5,071	5), 7)					
4.2	H3	l.	-	Environmental restoration of territories crossed by Mestre Bypass and additional environmental mitigation works								64	78	261	3), 7)					
4.2	H3	w.	-	New building and platform roof at Mirano-Dolo station				255						1	3), 7)					
4.2	H3	z.	-	Safety works on the interchange of A27 with A57 (grant to a third party)										5,633	4), 7)					
			at.	Link to Venice harbour				57						57	8)					
			n.1.	Errors			10,953	-				10,953	2,700	215	13,868	8)				
			n.11.	Asset reworking			757	69				826	1,703	1,426	3,126	2,460	3,955	8)		
			n6b. - n6.	Software platform and hardware - ERP			6,089	-				6,089	1,214	1,214	7,283	8)				
			n4. - n51.	Supply of automated toll booths			1,408	-				954	2,362	-	2,362	8)				
			n8.	Feasibility studies			1,792	31				1,823	788	2,590	31	2,611	8)			
			scheda 30.	Ultrafast transport system (Hyper Transfer project)												8)				
			scheda 31.	Dynamic monitoring of bridges under the National Plan for Complementary Investments			111	111				111	1745	1856	0	1856	8)			
			scheda 31.	Dynamic monitoring of bridges under the PNC - PNC grant			-111					-111	-1745	-1856	0	-1856	8), 9)			
			n2.	Reamping of the Padova Est exit in the west-bound carriageway										63	63	63	8)			
			n6.	Digitalisation of the Company's archive										165	165	165	8)			
			n7.	Road structures - Seismic and static retrofitting													8)			
			u	New Motorway Operations Centre for the traffic police at Patua										300	300	300	8)			
			v	Office/logistics building at Venezia Ovest toll gate			140,282	109,101				20,829	2,739	0	10,516	148,036	111,840	20,829	1,054,632	8)

The above table shows a summary of investment in assets held under concession. CAV, as holder of a concession only for the operation of the motorway, has not built and will not build any works directly, but, in accordance with the concession agreement, either relieves the costs incurred by the constructor or provides the concession holder with the necessary resources to carry out the works. The total amount of these investments is reported in the table below. 1) The algebraic sum of these amounts is the cost of the Mestre Bypass that CAV 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) Works, Available funds and Financial charges are referred to collectively as 'Other works on the motorway under concession'; reported party in 'Intangible assets in progress'; party 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 northern ring road, amounting to Euro 5,000 thousand, which cannot be classified in either category. 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. 9) Grant obtained under the National Plan for Complementary Investments to the NRPB (PNC), in respect of the dynamic monitoring project.

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 2023 did the company procure works, supplies and services from third parties?	During 2023 did the company apply the provisions of Legislative Decree No. 50/2016 and Legislative Decree No. 36 of 31 March 2023?			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
	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 2023	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 2023	Note
	166,677.00	549,287.98	118,013.00	151,545.99	
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 2023	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 2023	Estimated cost of consulting engagements in the year 2024 (proposed cost refund)	Estimated cost for PR, conventions, exhibitions advertising and entertaining expenses in the year 2024 (proposed cost refund)	Note
E - I	Did the company incur sponsorship costs in 2023?	Amount of any sponsorship costs incurred in 2023	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 2023	Was directive L - III on double engagements complied with for appointments made in 2023?	Was directive L - IV on requirements complied with for appointments made in 2023?		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 2023	Costs of car purchases, maintenance, rental and operation, and taxi vouchers, incurred in 2011	Note
	538,006.55	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 2023 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 2023 will be published within March 2024	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	

	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 Law No. 3/2019, by Law No. 157/2019, which converted, with amendments, Law Decree No. 124 of 26 October 2019, by Legislative Decrees No. 184/2021 and 195/2021, and by Laws No. 215/2021 and 22/2022?	Note
N	YES	YES (latest update to CAV's organisation model dated 13 December 2023)	
	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: Mr. Gianluigi Masullo; members: Ms. Keti Carraro and Mr. Giuseppe Franco (appointed by the Board of Directors on 13 December 2023)	
	Name of the company's legal representative or delegated person	Signature	Place, date
	MANAGING DIRECTOR Ing. Maria Rosaria Anna Campitelli		

STATISTICS

PAYING VEHICLES PER KM, YEARS 2021 - 2022 – 2023

(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 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

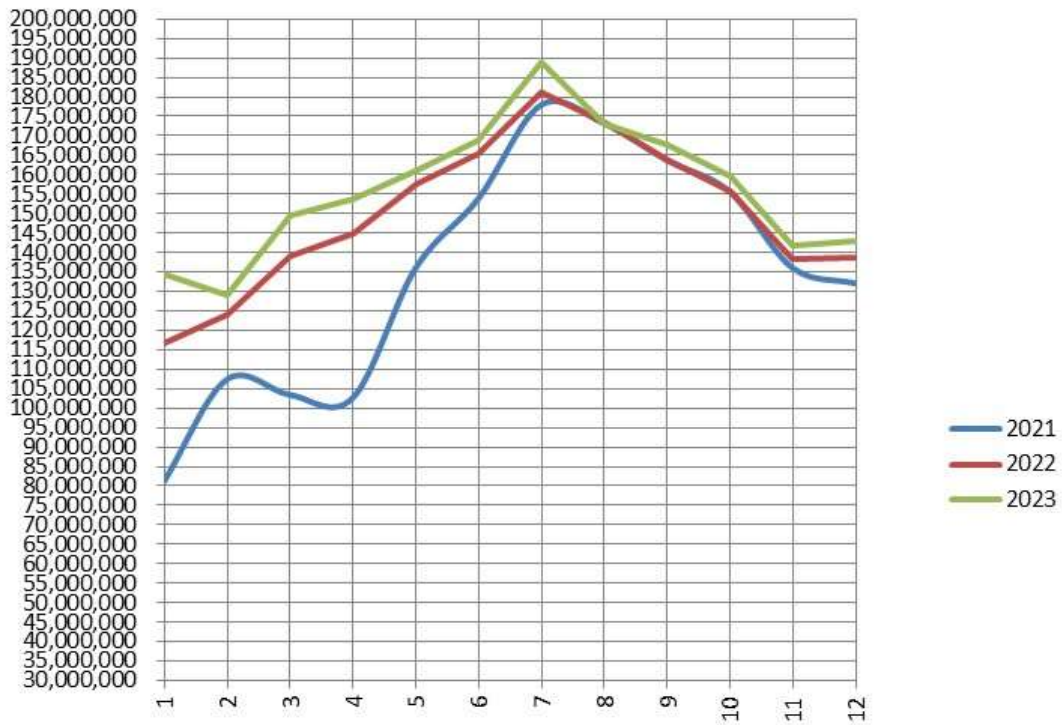
Year 2022

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

Year 2023

Month	Vehicle class					Total
	A	B	3	4	5	
January	99,138,603	12,612,614	1,971,433	1,400,684	19,209,602	134,332,937
February	91,302,399	13,198,662	2,143,047	1,502,892	20,910,545	129,057,545
March	104,496,002	15,775,109	2,564,525	1,790,593	24,769,990	149,396,219
April	115,059,869	15,037,357	2,352,437	1,491,127	19,780,551	153,721,340
May	115,188,577	17,181,861	2,855,100	1,831,442	24,171,344	161,228,324
June	124,081,379	17,126,407	2,866,904	1,770,743	22,797,517	168,642,952
July	143,876,785	17,693,125	3,131,151	1,757,009	22,479,909	188,937,980
August	136,565,161	15,059,220	2,611,564	1,408,639	17,601,426	173,246,011
September	123,869,150	16,969,541	2,841,510	1,724,289	22,422,593	167,827,083
October	115,382,274	16,403,929	2,654,884	1,820,117	23,375,789	159,636,992
November	100,563,746	14,534,937	2,317,461	1,765,874	22,745,060	141,927,079
December	107,810,770	13,159,540	2,030,163	1,505,742	18,332,079	142,838,293
Total	1,377,334,715	184,752,302	30,340,180	19,769,153	258,596,405	1,870,792,755

PAYING VEHICLES PER KM, FLUCTUATIONS IN MONTHLY TOTALS



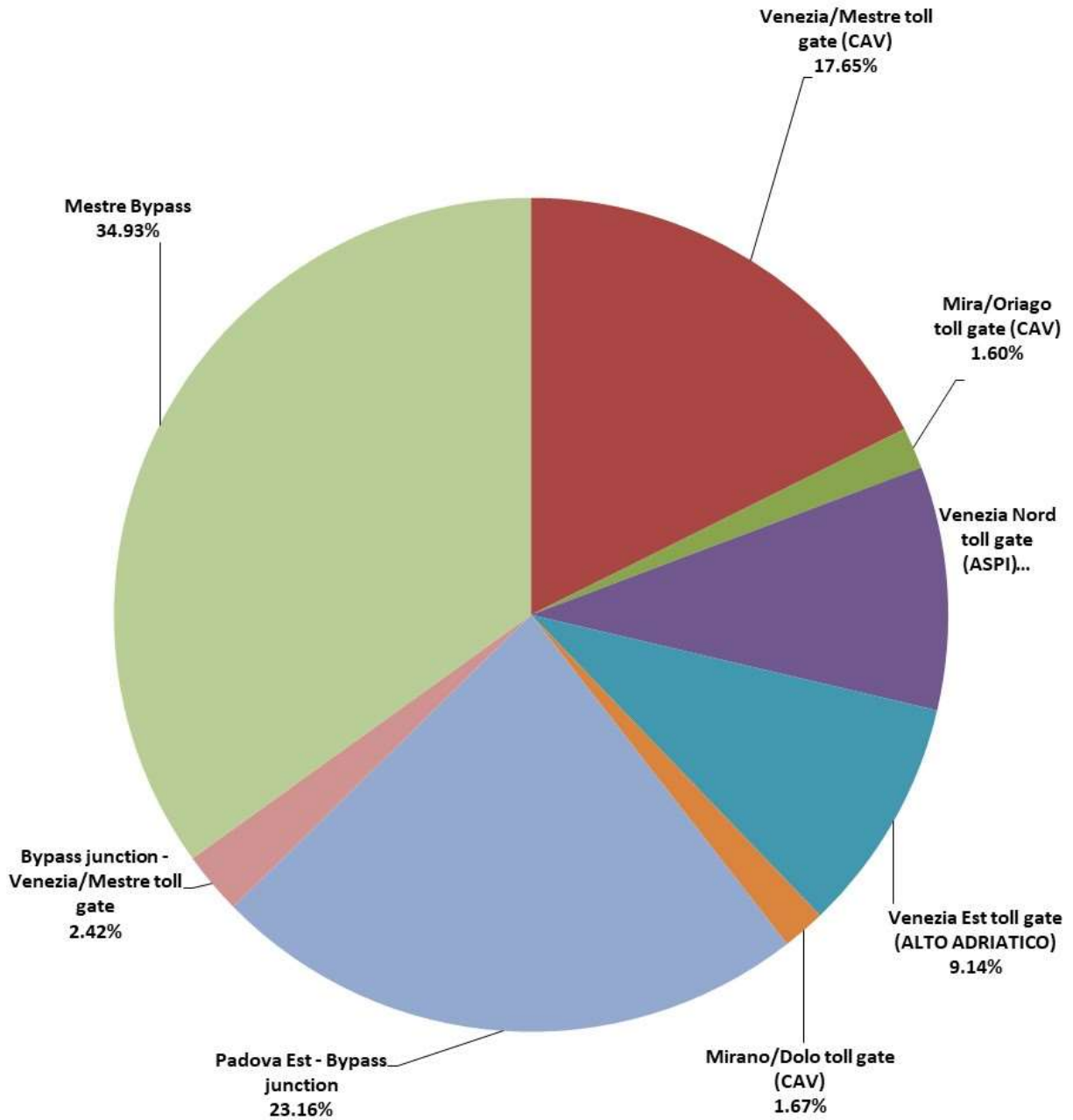
PAYING VEHICLES PER KM BROKEN DOWN BY MOTORWAY STRETCH IN THE CLOSED SYSTEM AND BY TOLL GATE IN THE OPEN SYSTEM YEAR 2023

Closed system	Vehicles per km
A) Padova Est - A4/A57 junction (entry to the Mestre Bypass)	433,365,907
B) A4/A57 junction (entry to the Mestre Bypass) - Venezia Mestre toll gate	45,299,861
A + B	478,665,768
C) Mestre Bypass	653,432,148
Total (A + B + C)	1,132,097,916

Open system	Transits at toll gates	Vehicles per km x 6.685 km	Vehicles per km x 17.056 km	Total vehicles per km
A) Venezia Mestre toll gate (A57 - CAV)	13,905,175	92,956,094	237,166,663	330,122,757
B) Mira/Oriago toll gate (A57 - CAV)	1,263,820	8,448,635	21,555,708	30,004,343
C) Mirano/Dolo toll gate (A57 - CAV)	1,315,713	8,795,543	22,440,806	31,236,349
D) Venezia Nord toll gate (A27 - ASPI)	7,431,559	49,679,972	126,752,672	176,432,644
E) Venezia Est toll gate (A4 - AA.VV.)	7,198,464	48,121,735	122,777,010	170,898,745
Total (A + B + C + D + E)	31,114,731	208,001,979	530,692,859	738,694,838

	Year 2021	Year 2022	Year 2023	% change 2022-2023
Total vehicles per km (open system + closed system):	1,621,637,328	1,798,699,519	1,870,792,755	4.01

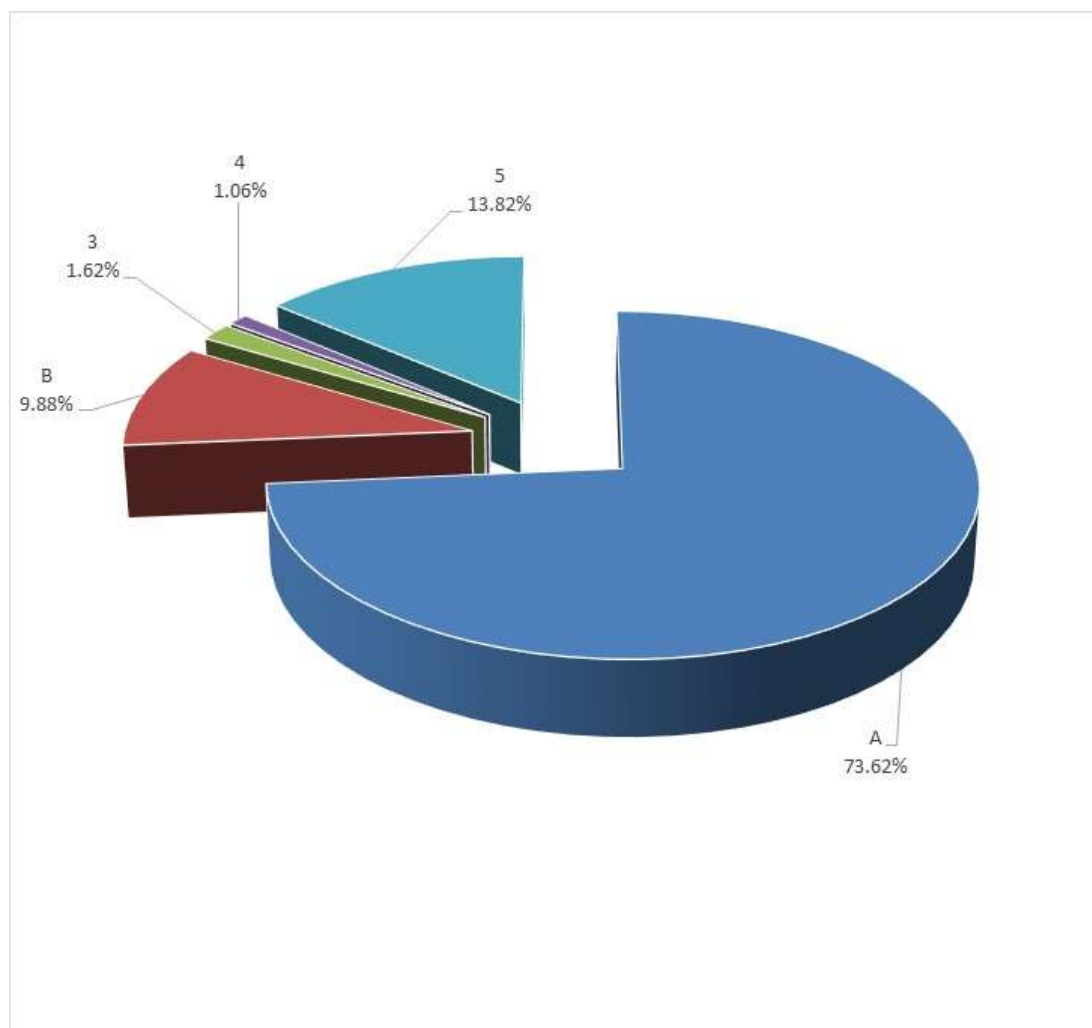
VEHICLES PER KM BY MOTORWAY STRETCH



TRAFFIC BREAKDOWN BY VEHICLE CLASS
 (Total paying vehicles per km)
 Closed system + open system
 YEAR 2023

	Class	Vehicles per km	%
Light vehicles	A	1,377,334,715	73.62
	B	184,752,302	9.88
HGVs	3	30,340,180	1.62
	4	19,769,153	1.06
	5	258,596,405	13.82
Total		1,870,792,755	100

VEHICLE CLASSES AS PERCENTAGE OF TOTAL



**ACTUAL VEHICLE COUNT - VEHICLES PER KM - VIRTUAL VEHICLE COUNT
PAYING TRAFFIC
YEARS 2022 AND 2023**

CLOSED SYSTEM	Year 2022	Year 2023	% change
Annual actual vehicle count	49,398,026	51,960,077	5.19
Daily average actual vehicle count	135,337	142,356	5.19
Annual vehicles per kilometre	1,107,570,096	1,132,097,916	2.21
Daily average vehicles per kilometre	3,034,439	3,101,638	2.21
Annual virtual vehicle count	24,062,964	24,595,853	2.21
Daily average virtual vehicle count	65,926	67,386	2.21

OPEN SYSTEM Venezia Mestre, Mira/Oriago, Mirano/Dolo, Venezia Nord and Venezia Est toll gates	Year 2022	Year 2023	% change
Annual vehicle count	29,050,037	31,114,731	7.11
Daily average vehicle count	79,589	85,246	7.11
Annual vehicles per kilometre:			
for 6.685 km		208,001,979	7.11
for 17.157 km in 2021 and 17.106 km in 2022	496,929,928	530,692,859	6.79
Total vehicles per kilometre	691,129,423	738,694,838	6.88
Daily average vehicles per kilometre	1,893,505	2,023,821	6.88

CLOSED SYSTEM + OPEN SYSTEM	Year 2022	Year 2023	% change
Annual vehicles per kilometre	1,798,699,519	1,870,792,754	4.01

TRAFFIC THROUGH TOLL GATES OPERATED BY CAV, BROKEN DOWN BY ORIGIN AND DESTINATION YEAR 2023

ENTRY	EXIT							TOTAL
	PREGANZIOL	MARTELLAGO /SCORZE'	SPINEA	VENEZIA MESTRE	MIRANO /DOLO	MIRA /ORIOGO	PADOVA EST	
PREGANZIOL	-	84,669	60,394	1,406	3,435	322	160,970	311,196
MARTELLAGO-SCOR.	86,129	-	48,534	10,746	5,660	4,427	158,679	314,175
SPINEA	63,163	38,183	-	11,940	3,922	997	328,470	446,675
VENEZIA MESTRE	981	11,735	19,943	-	3,064,568	2,586,251	1,985,657	7,669,135
MIRANO DOLO	7,687	13,064	4,360	2,933,592	-	166,981	162,082	3,287,766
MIRA ORIOGO	284	4,389	1,599	2,402,575	148,063	-	144,536	2,701,446
PADOVA EST	187,788	179,606	335,413	2,019,286	169,080	173,984	-	3,065,157
ASPI (STRETCHES A23/A27)	417,324	238,621	148,592	1,978	8,296	1,057	564,470	1,380,338
AUTOVIE VENETE	284,678	441,617	140,601	3,906	9,595	1,653	594,455	1,476,505
BRENNERO	24,472	26,588	19,444	308,529	21,309	34,997	173,731	609,070
MILANO SERRAVALLE	5,007	3,397	2,509	38,712	2,217	2,250	19,891	73,983
BRESCIA PADOVA	227,988	250,291	243,126	2,363,555	217,191	253,847	1,944,411	5,500,409
CENTRO PADANE	5,855	5,955	3,574	52,065	3,551	6,419	31,810	109,229
ASPI (STRETCH MI-BS)	49,671	45,251	27,104	471,372	26,195	36,499	205,260	861,352
BREBEMI	11,808	11,376	5,858	85,741	6,230	7,661	56,149	184,823
T.E. SPA	294	272	158	2,574	251	321	3,017	6,887
ASPI (OTHER MOTORWAYS)	172,174	216,892	186,278	1,409,895	154,105	150,742	522,438	2,812,524
OTHER MOTORWAYS	57,190	26,268	21,618	117,162	9,650	11,405	109,147	352,440
TOTAL	1,602,493	1,598,174	1,269,105	12,235,034	3,853,318	3,439,813	7,165,173	31,163,110

EXIT	ENTRY							TOTAL
	PREGANZIOL	MARTELLAGO /SCORZE'	SPINEA	VENEZIA MESTRE	MIRANO /DOLO	MIRA /ORIOGO	PADOVA EST	
PREGANZIOL	-	86,129	63,163	981	7,687	284	187,788	346,032
MARTELLAGO-SCOR.	84,669	-	38,183	11,735	13,064	4,389	179,606	331,646
SPINEA	60,394	48,534	-	19,943	4,360	1,599	335,413	470,243
VENEZIA MESTRE	1,406	10,746	11,940	-	2,933,592	2,402,575	2,019,286	7,379,545
MIRANO DOLO	3,435	5,660	3,922	3,064,568	-	148,063	169,080	3,394,728
MIRA ORIOGO	322	4,427	997	2,586,251	166,981	-	173,984	2,932,962
PADOVA EST	160,970	158,679	328,470	1,985,657	162,082	144,536	-	2,940,394
ASPI (STRETCHES A23/A27)	312,982	222,442	130,946	3,103	11,339	595	584,866	1,266,273
AUTOVIE VENETE	271,269	414,775	130,769	2,794	17,911	774	672,376	1,510,668
BRENNERO	21,300	25,712	20,766	304,148	21,530	29,500	162,275	585,231
MILANO SERRAVALLE	4,682	3,612	2,692	39,958	2,539	2,057	17,740	73,280
BRESCIA PADOVA	205,515	231,810	249,905	2,372,613	228,632	200,677	1,770,695	5,259,847
CENTRO PADANE	5,034	5,983	3,525	65,358	3,630	6,112	27,441	117,083
ASPI (STRETCH MI-BS)	41,122	44,458	26,069	434,628	24,479	35,332	170,143	776,231
BREBEMI	9,672	13,657	5,643	82,044	5,521	6,511	43,442	166,490
T.E. SPA	251	392	181	2,659	184	216	2,287	6,170
ASPI (OTHER MOTORWAYS)	155,570	215,664	192,291	1,492,182	154,645	123,139	533,747	2,867,238
OTHER MOTORWAYS	41,706	24,936	19,300	112,958	10,287	9,564	102,911	321,662
TOTAL	1,380,299	1,517,616	1,228,762	12,581,580	3,768,463	3,115,923	7,153,080	30,745,723

INTERNAL TRAFFIC BETWEEN THE VENEZIA MESTRE, MIRA/ORIAGO AND MIRANO/DOLO TOLL GATES
(non-paying)
YEAR 2023

Stretch travelled		Transits	% change 2022 vs. 2023	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 17.056
Venezia Mestre	Mira/Oriago	2,586,251	2.28				
Mira/Oriago	Venezia Mestre	2,402,575	1.44				
Subtotal		4,988,826	1.87		9,977,652	33,350,302	85,089,416
Venezia Mestre	Mirano/Dolo	3,064,568	0.99				
Mirano/Dolo	Venezia Mestre	2,933,592	1.52				
Subtotal		5,998,160	1.25	58,781,968		40,097,700	102,304,617
Mirano/Dolo	Mira/Oriago	166,981	3.95				
Mira/Oriago	Mirano/Dolo	148,063	2.95				
Subtotal		315,044	3.47	3,087,431		2,106,069	5,373,390
General total		11,302,030	1.59	61,869,399	9,977,652	75,554,071	192,767,423

71,847,051	268,321,494
Total vehicles/km in the closed system	Total vehicles/km in the open system

Total vehicles/km	340,168,545
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Total outgoing traffic with origin/destination between the Venezia Mestre, Mira/Oriago and Mirano/Dolo toll gates

Toll gate	2021	2022	2023	% change 2022 vs. 2023
Venezia Mestre	4,906,256	5,258,104	5,336,167	1.48
Mira/Oriago	2,495,736	2,689,326	2,753,232	2.38
Mirano/Dolo	2,980,947	3,178,233	3,212,631	1.08
Total	10,382,939	11,125,663	11,302,030	1.59

**TOLL REVENUE
TRANSACTIONS BETWEEN INTERCONNECTED MOTORWAY OPERATORS
YEAR 2023**

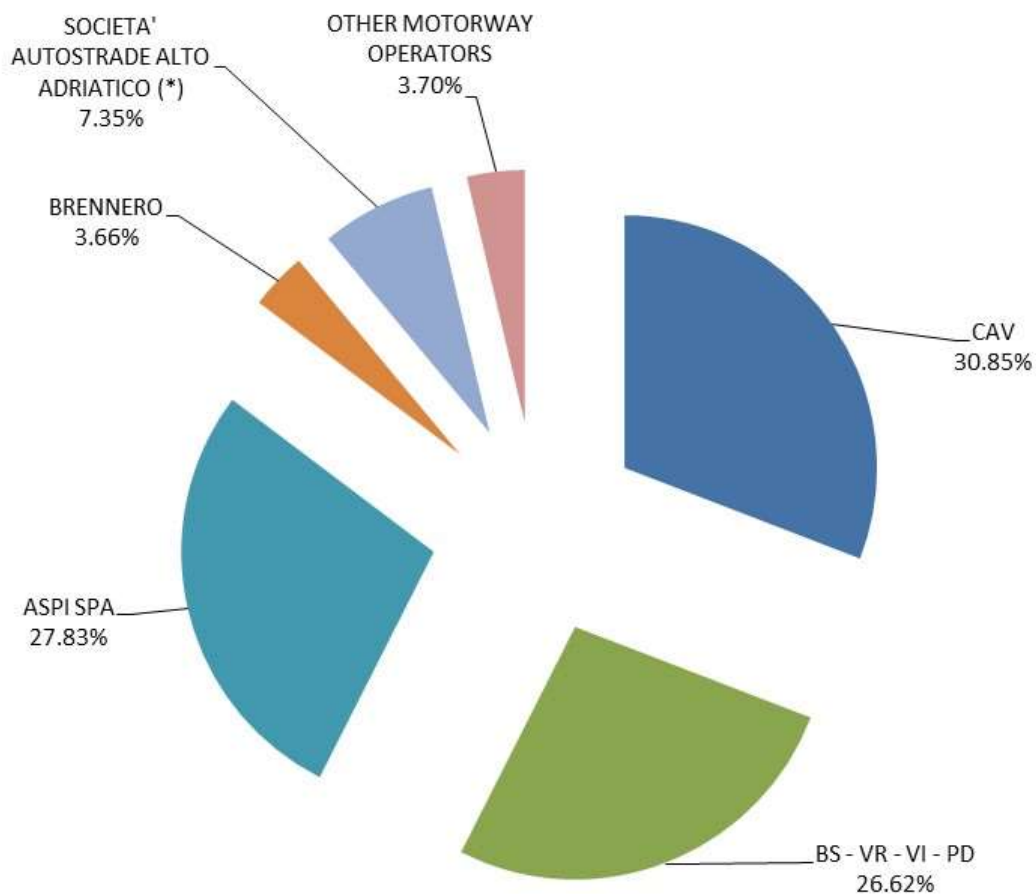
(Gross amounts expressed in thousands of euro)

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	12,350			
ASPI SPA (deferred payments)				147,229
ASPI SPA (concurrent payments)		11,141	16,364	
BS - VR - VI - PD		10,656	5,597	
BRENNERO		1,467	1,088	
SOCIETA' AUTOSTRADALE ALTO ADRIATICO (*)		2,941	13,708	
AUTOVIA PADANA		404	266	
AUT. FIORI		288	369	
SATAP A/21		424	228	
MILANO - SERRAVALLE		123	213	
OTHER MOTORWAY OPERATORS		242	801	
TOTAL	12,350	27,686	38,634	147,229

(*) Autovie Venete became Società Autostrade Alto Adriatico (SAAA) effective 1 July 2023.

**CONCURRENT TOLL PAYMENTS COLLECTED AT TOLL GATES OPERATED BY CAV
BROKEN DOWN BY OPERATOR TO WHICH THEY ARE ATTRIBUTABLE
YEAR 2023**

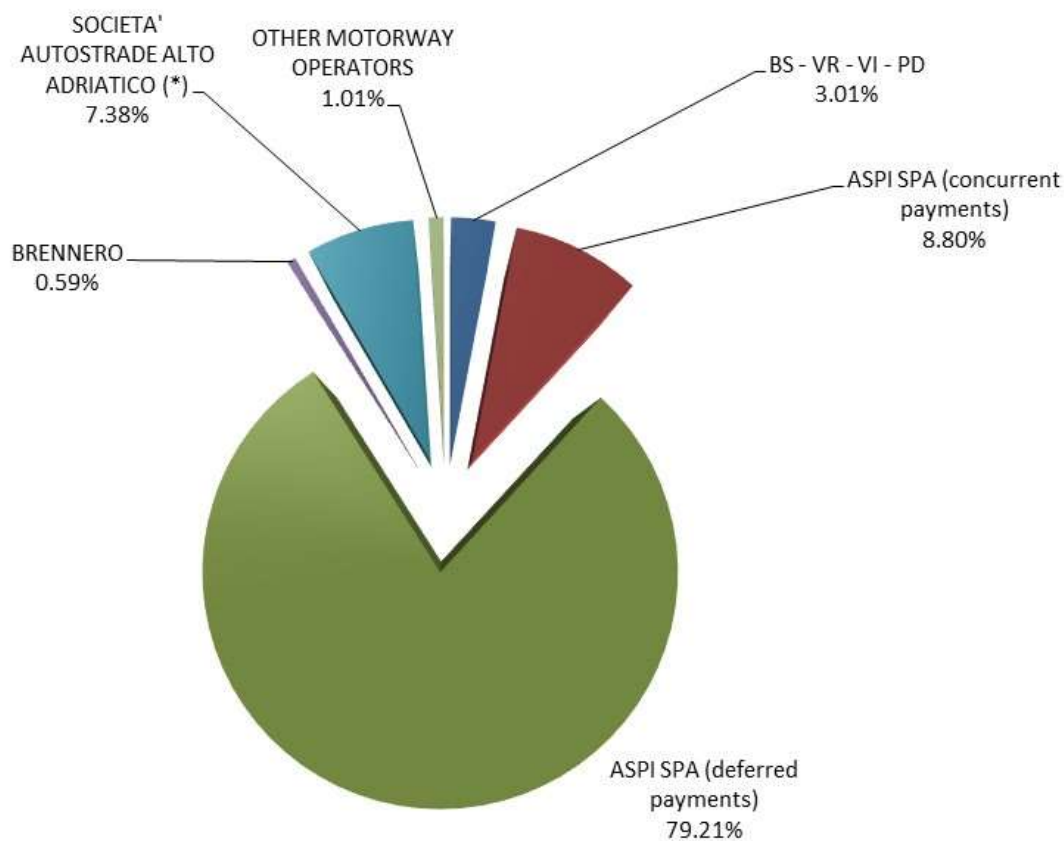
OPERATOR	EUR'000	as % of total
CAV	12,350	30.85
BS - VR - VI - PD	10,656	26.62
ASPI SPA	11,141	27.83
BRENNERO	1,467	3.66
SOCIETA' AUTOSTRADALE ALTO ADRIATICO (*)	2,941	7.35
OTHER MOTORWAY OPERATORS	1,481	3.7
TOTAL	40,036	100



(*) Autovie Venete became Società Autostrade Alto Adriatico (SAAA) effective 1 July 2023.

TOLL PAYMENTS ATTRIBUTED TO CAV BY INTERCONNECTED OPERATORS YEAR 2023

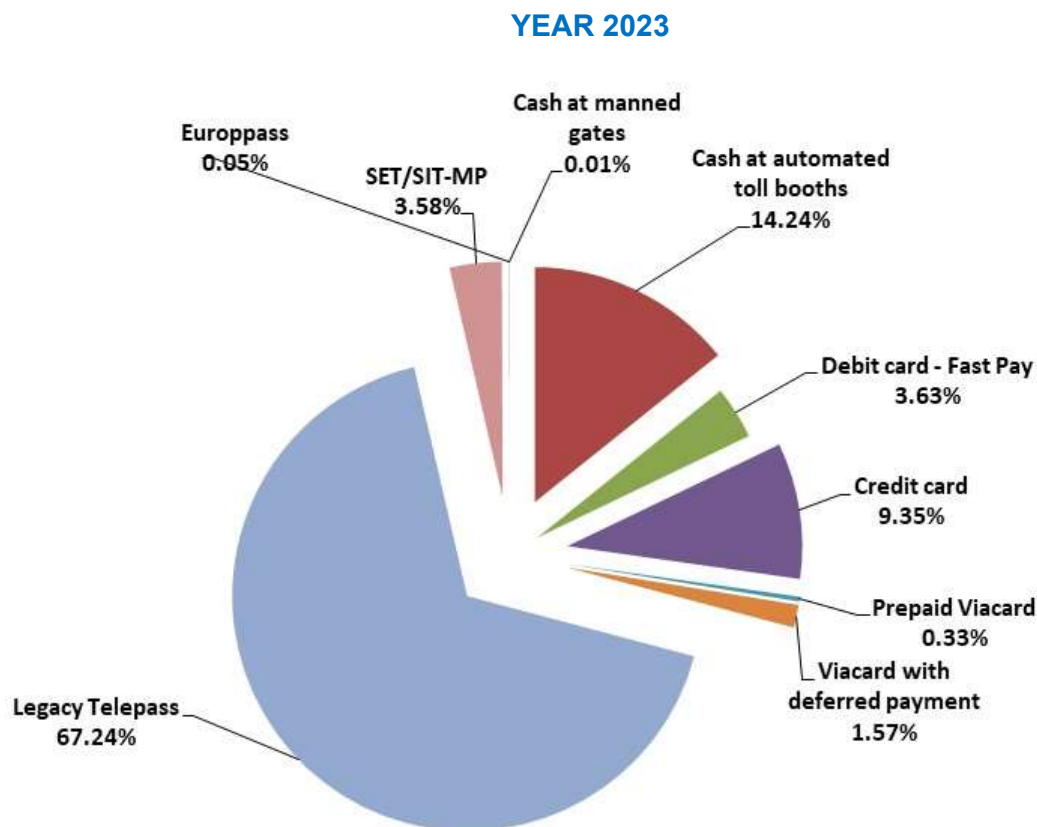
OPERATOR	EUR'000	as % of total
BS - VR - VI - PD	5,597	3.01
ASPI SPA (concurrent payments)	16,364	8.8
ASPI SPA (deferred payments)	147,229	79.21
BRENNERO	1,088	0.59
SOCIETA' AUTOSTRADALE ALTO ADRIATICO (*)	13,708	7.38
OTHER MOTORWAY OPERATORS	1,877	1.01
TOTAL	185,863	100



(*) Autovie Venete became Società Autostrade Alto Adriatico (SAAA) effective 1 July 2023.

METHOD OF PAYMENT ON EXIT AT TOLL GATES OPERATED BY CAV
(as percentage of total)
YEARS 2020, 2021, 2022 and 2023

Method of payment	2020	2021	2022	2023
Cash at manned gates	0.15	0.05	0.04	0.01
Cash at automated toll booths	16.07	15.58	15.6	14.24
Total cash	16.22	15.63	15.64	14.25
Debit card - Fast Pay	2.66	2.5	2.30	3.63
Credit card	6.68	8.27	9.54	9.35
Prepaid Viacard	0.54	0.5	0.40	0.33
Viacard with deferred payment	2.44	2.00	1.78	1.57
Total automated payment - non-free-flow transit	12.32	13.27	14.02	14.88
Viacard Telepass	71.37	70.8	68.96	67.24
Telepass Family	0.01	0.23	1.33	3.58
Europass	0.09	0.07	0.06	0.05
Total automated payment - free-flow transit	71.47	71.10	70.35	70.87
	83.79	84.37	84.37	85.75
Total	100	100	100	100



**ACCIDENTS
YEARS 2022 AND 2023
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. 2023
	2022	2023	2022	2023		
Light vehicles	100	67	7.66	4.86		
HGVs	21	27	4.26	5.47		
Total	121	94	6.73	5.02	-25.31%	6.49
No. of injured persons	200	136	11.12	7.27	-34.62%	11.07
No. of fatalities	1	4	0.06	0.21	284.59%	0.22

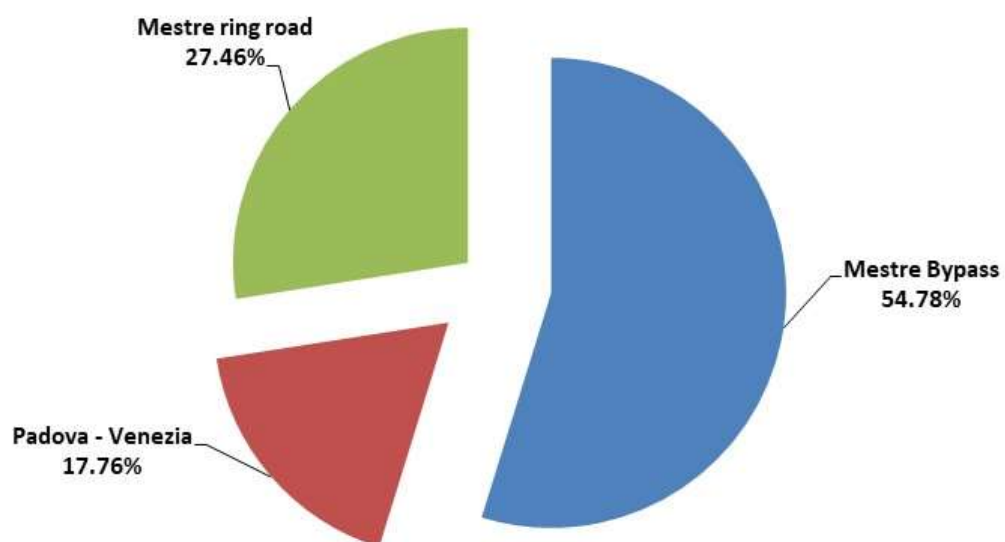
	Accidents without injuries or fatalities		Accident rate per 100 million vehicles/km		% change in rate
	2022	2023	2022	2023	
Light vehicles	76	74	5.82	5.37	-7.66%
HGVs	52	36	10.56	7.30	-30.91%
Total	128	110	7.12	5.88	-17.40%

	Total accidents		Accident rate per 100 million vehicles/km		% change in rate
	2022	2023	2022	2023	
Light vehicles	176	141	13.47	10.24	-24.02%
HGVs	73	63	14.82	12.77	-13.87%
Total	249	204	13.84	10.9	-21.23%

**TOLL REVENUE (after VAT and the supplementary concession fee payable to ANAS)
BROKEN DOWN BY MOTORWAY STRETCH
YEAR 2023**

Motorway stretch	Revenue (EUR'm)	%
Closed system: A4/A57		
Mestre Bypass	80.8	54.78%
Padova - Venezia	26.2	17.76%
Subtotal	107.0	72.54%
Open system: Mestre ring road A57		
	40.5	27.46%
Subtotal	40.5	27.46%
General total	147.5	100.00%

NET TOLL REVENUE



SERVICE AREAS - FUEL AND LUBRICANT SALES

Petrol - (litres sold)			
AREA	2022	2023	% change
Marghera Ovest	1,546,000	1,878,000	21.47
Marghera Est	413,000	497,000	20.34
Arino Ovest	1,594,000	1,765,000	10.73
Arino Est	1,256,000	1,449,000	15.37
Total	4,809,000	5,589,000	16.22

Diesel fuel - (litres sold)			
AREA	2022	2023	% change
Marghera Ovest	4,787,000	6,880,000	43.72
Marghera Est	1,823,000	1,879,000	3.07
Arino Ovest	4,010,000	3,817,000	-4.81
Arino Est	3,710,000	3,645,000	-1.75
Total	14,330,000	16,221,000	13.20

LPG - (litres sold)			
AREA	2022	2023	%change
Marghera Ovest	-	-	-
Marghera Est	-	-	-
Arino Ovest	917,000	919,000	0.22
Arino Est	529,000	503,000	-4.91
Total	1,446,000	1,422,000	-1.66

Methanegas-(kgsold)			
AREA	2022	2023	%change
Marghera Ovest	-	-	-
Marghera Est	-	-	-
Arino Ovest	189	278	47.09
Arino Est	202	172	-14.85
Total	391	450	15.09

Lubricants - (kg sold)			
AREA	2022	2023	%change
Marghera Ovest	1,221	1,505	23.26
Marghera Est	667	550	-17.54
Arino Ovest	1,042	1,198	14.97
Arino Est	1,169	263	-77.50
Total	4,099	3,516	-14.22

SERVICE AREAS - FORECOURT RETAILING

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

AREA	2022	2023	% change
Marghera Ovest	27	43	59.26
Marghera Est	3	4	33.33
Arino Ovest	88	124	40.91
Arino Est	217	232	6.91
Total	335	403	20.30

SERVICE AREAS - FOOD AND BEVERAGE - CAFES AND RESTAURANTS

(sales excluding VAT - EUR'000)

AREA	2022	2023	% change
Marghera Ovest	341	408	19.65
Marghera Est	382	423	10.73
Arino Ovest	3,603	4,149	15.15
Arino Est	2,224	2,558	15.02
Total	6,550	7,538	15.08

SERVICE AREAS - RETAIL BUSINESS

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

AREA	2022	2023	%change
Marghera Ovest	127	158	24.41
Marghera Est	62	80	29.03
Arino Ovest	1,184	1,384	16.89
Arino Est	985	1,189	20.71
Total	2,358	2,811	19.21

SERVICE AREAS - ANCILLARY SALES

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

AREA	2022	2023	%change
Marghera Ovest	1,023	1,208	18.08
Marghera Est	1,956	2,039	4.24
Arino Ovest	1,342	1,411	5.14
Arino Est	1,131	1,245	10.08
Total	5,452	5,903	8.27

HOTEL - MARGHERA

(sales excluding VAT - EUR'000)

Business	2022	2023	%change
Cafés, services and lodging	2,137	4,308	101.59

ROYALTIES PAID TO CAV

(excluding VAT - EUR'000)

Business	2022	2023	%change
Fuel	1,293	1,495	15.62
Lubricants	1	1	0.00
Forecourt retailing	46	53	15.22
Food and beverage	1,546	1,740	12.55
Retail business (convenience stores at cafés and restaurants)	342	407	19.01
Ancillary sales	47	52	10.64
Hotel (café, services and lodging)	27	54	100.00
Land concession	468	490	4.70
Total	3,770	4,292	13.85