



**CONCESSIONI
AUTOSTRADALI
VENETE**

SEMI-ANNUAL FINANCIAL STATEMENTS

AS OF 30 JUNE 2024 AND RELATED REPORTS

Concessioni Autostradali Venete CAV S.p.A.

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

Capitale Sociale € 2.000.000,00 interamente versato

**Registro Imprese, Codice Fiscale, Partita IVA 03829590276
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Corporate offices

BOARD OF DIRECTORS (1)

Chair
MANTO Monica (2)

Chief Executive Officer
CAMPITELLI Maria Rosaria Anna (3)

Directors
CERON Renzo
TIOZZO FASIOLO Lucio
TROMELLINI Elisabetta

BOARD OF STATUTORY AUDITORS (4)

President
USTINO Annamaria

Acting Auditors
GARGIULO Sergio
TOMBOLATO Paola

TOP MANAGEMENT

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

Chief Operating Officer
MATASSI Angelo

Chief Human Resources
BRAGATO Paolo

Chief Technical Officer
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 24 June 2024. 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. Gargiulo Sergio was designated by the Ministry of Infrastructure and Transport, ("MIT"); acting auditor Ms. Tombolato Paola was designated by the Veneto Region. Alternate auditors are Mr. Claudio Marcantognini and Ms. Sonia Saccon.

Shareholder structure

SHAREHOLDER	NO.OF SHARES HELD	NOMINAL VALUE OF ORDINARY SHARES	SHARE CAPITAL	PERCENTAGE HELD
ANAS S.p.A.	1.000.000	1,00	1.000.000	50
Veneto Region	1.000.000	1,00	1.000.000	50
Total	2.000.000		2.000.000	100

REPORT ON OPERATIONS

Dear Sirs,

The following is a summary of the performance of the first six months of 2024.

THE FINANCIAL STATEMENTS

In the first half of 2024 CAV closed with profit of 15,7 million Euro (Euro 14 million in the same period of 2023).

The value of production amounts to 87 million Euro (in the comparative period: 83,3 million Euro) with an increase of 3,8 million Euro (+ 4,51%).

Toll revenue result equal to EUR 74,2 million (excluding VAT and the supplementary concession fee payable to ANAS) with an increase of + 3,92% compared to the previous year (in the comparative period: EUR 71,4 million).

The supplementary concession fee payable to ANAS went from EUR 7,2 million to EUR 7,4 million (+ 1,89%) as a consequence of the traffic performance.

Other motorway income totalled EUR 3,7 million (in the comparative period of the previous year: EUR 3,5 million) and is detailed as follows: EUR 2,2 million in royalties on operations at service stations; EUR 0,9 million in other motorway operators' share of collection costs; EUR 0,6 million in recharges of costs.

Costs of production totalled EUR 62,3 million with an increase of EUR 1,7 million (in the same period of the previous year: EUR 60,1 million; + 7,18%) as specified below.

Cost of services is equal to EUR 16,2 million with an increase of +3,97% (compared to the same period of the previous year (EUR 15,6 million);

The participation of CAV in the collection costs incurred by the Motorway Companies connected was significant: EUR 2,8 million (in the same period of the previous year: EUR 2,6 million; + 8,57%).

Personnel costs amount to EUR 10,5 million (in the comparative period: EUR € 9,9; + 6,66%).

Depreciation charges amount to EUR 24,5 million (in the same period of the previous year: EUR 23,8 million; + 2,99%).

With regard to the provision for cycle maintenance, the charge in the year was equal to EUR 8,2 million, and its utilization in the period was equal to EUR 8,1 million.

Another important component was other operating costs, equal to EUR 9,8 million (in the same period of the previous year: EUR 9,8 million; + 0,16%).

Other operating costs include the concession fee referred to in article 1, paragraph 1020, of Law No. 296/2006, equal to EUR 1,8 million (in the same period of the previous year: EUR 1,7 million) and corresponding to 3,9% of net toll revenue. 21% of the concession fee is paid directly to ANAS and 79% to the State. Other operating costs also include the supplementary concession fee payable to ANAS, which went from EUR 7,2 million in the same period of the previous year to EUR 7,4 in the period under consideration (+ 1,89%): 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 24,7 million (in the same period of the previous year: EUR 23,1 million). The increase of EUR 1,7 million (+ 7,18%) was essentially due to the growth of revenues.

Financial charges amounted to EUR 4,7 million lower than in the previous year (in the same period of the previous year: EUR 5,4 million; - 11,92%) and relate to interest expense on the project bond.

The increase in financial revenues (the balance rose to €2,1 mln Euro) is related to the increase in interest rates charged by the banking system.

As a result of the above, profit before tax was equal to EUR 22,1 million (in the same period of the previous year EUR 18,7 million; + 17,82%) to EUR € 3,4 million; income taxes (IRES, corporation tax, IRAP, regional trade income tax, and deferred tax assets) were equal to EUR 6,4 million (EUR 4,7 million in the same period of the previous year); net profit for the year, as already mentioned, was equal to EUR 15,7 million.

With regard to the Activities, Assets as of 30 June 2024 amounts to EUR 56,3 million. In addition to this, special Cash Reserves have been set up (current accounts tied) as required by the contractual documentation related to the Project Bond. The abovementioned Cash reserve on 30 June 2024 amounts to EUR 155,8 million whereof: Debt Service Reserve Account for EUR 30,9 million, Capex Reserve Account for EUR 116,6 million and Maintenance Reserve Account for EUR 8,3 million. Therefore, the overall amount of cash reserves amounts to about EUR 155,8 million.

Please note the debt to the bondholders: the nominal debt amounts to EUR 361,8 million (the figure corresponds to the total amount of bond issues for EUR 830 million - deducted repayments), corresponding to a real debt of EUR 357,2 million (calculated under the amortized cost method).

TRAFFIC

In the first half of 2024, although with a still provisional June, traffic volumes show a positive development compared to 2023, Year in which the highest values were recorded.

Vehicles totaled an increase of +1,39% compared to 2023, whereof light vehicle totaled an increase of + 1,36% almost equal to heavy traffic (+1,46%).

Traffic volumes have essentially the same trend, shared equally by the Mestre Bypass and 'Società delle Autostrade di Venezia e Padova S.p.A.'

ACCIDENT RATE

In the first semester of 2024 increased the number of accidents (equal to 107, an increase of +27,38% compared to 2023) whereof 78 involving light vehicles and 29 involving heavy vehicles.

The number of the injured was 71 (an increase of +14,52% compared to 2023) whereof 56 involving light vehicles and 15 involving heavy vehicles. One person has died, as in 2023.

INVESTMENT

Letter N11

The works «of extraordinary maintenance and static reinforcement of the bridge over the Brenta river of the A4 motorway» continued. This is an intervention included in the new Regulatory Financial Plan was sent for regulatory authorizations to MIT (Note no. 1940/2021) and Note no. 14282/2023 (for ANAS e Veneto Region price update 2023) not yet approved.

Pursuant to article 42 of Legislative Decree No. 36/2023, assignments for preliminary verification of the planning activities connected to the replacement of the safety barriers installed prior to the ministerial decree - DM. 223/92 and for certification by University, were improved.

Letter N7

In the first semester of 2024 the projects of extraordinary maintenance for the adaptation of buildings ID034 Overpass Sr 15 – A4 Bottenigo overpass and ID 034 Sr. 15 Road connection;

MAINTENANCE

The works scheduled and performed were:

- Road resurfacing and maintenance of road joints;
- Localised road resurfacing;
- Periodical 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 the vertical road signs in A4 and A57 Tangenziale di Mestre;
- Update of video surveillance vertical signs along the sections in competence;
- Inspection activities on buildings;
- Maintenance on buildings;
- Restoration of safety barriers damaged by road accidents;
- Prevention of ice formation and snowfall monitoring;
- Clearing of carriageways and grass cutting in green areas;

In addition to these activities, which are part of the annual maintenance activities, during the first half of 2024 the following projects were carried out:

- Surface restorations of the A57 Tangenziale di Mestre ID 267 Viadotto Miranese, railway overpass;
- Replacement of bases of structure ID107 Sr245 Var di Robegano;
- Replacement of support base ID315 Marco Polo Viaduct;
- Restoration of protective coatings of steel structures of structure A27, ID175;
- Maintenance on ID071 Ponte Taglio;
- Rebuilding of the draining layer on the A4 west carriageway and in the section between km 374+650 and km 372+300 along the carriageway;
- complete replacement of the pavement over the entire width of the A27 underpass along the west track of the A4 (from km 402+400 to km 401+900);
- Repairs to road surfaces and foundations along A4 in the Milan-bound carriageway between km 394+200 and km 394+900 for the entire width of the carriageway; replacement of the draining and noise-absorbing asphalt course;
- Replacement of a steel road joint along the est carriageway of the Marco Polo link road - ID315 Marco Polo viaduct;
- Application of guidelines for risk classification and management, safety assessment and monitoring of existing bridges using specific inspection cards and in-depth safety assessments of certain structures.

LITIGATION AND DISPUTES

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

Most proceedings relate to taxes, specifically TOSAP and COSAP, a tax and a fee for occupation of public soil.

Tax disputes

About TOSAP and COSAP Tax disputes, at the date of 30 June 2024 we note eight pending litigation procedures: two on first instance, six on appeal and seven on Supreme Court – whereof four in revocation pursuant to art. 391 bis - art. 395 n. 4 c.p.c. (Code of Civil Procedure).

The Supreme Court hearing is scheduled for 22 October 2024.

BALANCE SHEET RATIOS AND RECLASSIFIED INCOME STATEMENT

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

Statement of financial statement ratios (in thousands of euros)

		30.06.2024		30.06.2023	
ROE	NET PROFIT	15.724	6,08%	14.033	6,23%
	EQUITY	258.674		225.156	
ROI	EBIT	24.748	2,33%	23.090	2,19%
	AVERAGE FIXED ASSET PORTION OF CAPITAL INVESTED	1.062.065		1.056.272	
ROS	EBIT	24.748	31,07%	23.090	30,37%
	NET SALES REVENUE	79.659		76.040	
ROA	EBIT + INTEREST INCOME	26.813	3,93%	24.114	3,52%
	TOTAL ASSETS	681.556		684.780	
FIXED ASSETS TO TOTAL ASSETS RATIO	FIXED ASSET PORTION OF INVESTED CAPITAL	1.074.181	157,61%	1.062.595	155,17%
	INVESTED CAPITAL	681.556		684.780	
DEBT TO EQUITY RATIO	DEBT	409.801	158,42%	445.642	197,93%
	EQUITY	258.674		225.156	
TOTAL INDEBTEDNESS	LIABILITIES - EQUITY	422.881	163,48%	459.625	204,14%
	EQUITY	258.674		225.156	
EQUITY RATIO	EQUITY	258.674	24,36%	225.156	21,32%
	NET PROFIT	1.062.065		1.056.272	
CURRENT RATIO	CURRENT ASSETS	126.539	109,42%	172.943	169,70%
	CURRENT LIABILITIES	115.645		101.908	

Reclassified income statement (thousands of euro)

	30.06.2024	as a % of revenues	30.06.2023	as a % of revenues
REVENUES				
Net toll revenue	74.204	93,15%	71.404	93,90%
Other revenue from sales and services	3.693	4,64%	3.493	4,59%
Other income	1.762	2,21%	1.143	1,50%
TOTAL REVENUE	79.659	100,00%	76.040	100,00%
Production overheads	-17.262	-21,67%	-16.515	-21,72%
Other costs and plus/minus balance	-2.517	-3,16%	-2.605	-3,43%
VALUE ADDED	59.879	75,17%	56.920	74,86%
Net labour costs	-10.532	-13,22%	-9.874	-12,99%
EBITDA	49.348	61,95%	47.045	61,87%
Depreciation/amortisation	-24.509	-30,77%	-23.798	-31,30%
Charges to provisions for risks and charges	-91	-0,11%	-157	-0,21%
EBIT	24.748	31,07%	23.090	30,37%
Financial income and charges	-2.669	-3,35%	-4.352	-5,72%
Adjustments to assets/disposal of equity investments	0	0,00%	0	0,00%
PROFIT BEFORE TAX	22.078	27,72%	18.738	24,64%
Income taxes	-6.355	-7,98%	-4.705	-6,19%
PROFIT FOR THE YEAR	15.724	19,74%	14.033	18,46%

SEMI-ANNUAL FINANCIAL STATEMENTS
as of 30/06/2024

BALANCE SHEET

	BALANCE AS OF 30.06.2024	BALANCE AS OF 31.12.2023
ASSETS		
A) SUBSCRIBED CAPITAL UNPAID	0	0
B) FIXED ASSETS		
I. Intangible assets		
4) Concessions, licenses, trademarks and similar rights	3.825	5.238
6) Assets under construction and payments on account	14.284.236	10.471.914
7) Other intangible assets	404.127.725	428.387.670
	<u>418.415.786</u>	<u>438.864.822</u>
II. Tangible assets		
1) Land and buildings	0	0
2) Plant and machinery	0	0
3) Industrial and commercial equipment	9.042	11.115
4) Other assets	1.483.498	886.946
	<u>1.492.540</u>	<u>898.061</u>
III. Financial assets		
Equity investments in:		
d) Other companies	1.058	1.058
	<u>1.058</u>	<u>1.058</u>
Total Fixed assets	<u>419.909.384</u>	<u>439.763.941</u>
C) CURRENT ASSETS		
I. Inventories		
1) Raw materials and consumables	1.274.849	1.336.678
II. Receivables		
1) Trade receivables:		
- falling due within one year	1.070.266	2.956.945
- falling due after one year	162.999	147.845
5bis) Tax receivables		
- falling due within one year	345	675.055
- falling due after one year	0	0
5ter) Deferred tax assets	2.518.544	2.487.836
5quater) Other receivables:		
- falling due within one year	64.292.857	53.264.964
- falling due after one year	134.944.396	147.145.401
	<u>202.989.407</u>	<u>206.678.046</u>

	BALANCE AS OF 30.06.2024	BALANCE AS OF 31.12.2023
<i>III. Short term investments</i>	0	0
<i>IV. Cash and cash equivalents</i>		
1) Bank and postal deposits	56.212.634	32.314.292
3) Cash in hand	<u>100.106</u>	<u>98.158</u>
	56.312.740	32.412.450
 Total Current assets	 <u>260.576.997</u>	 <u>240.427.174</u>
 <i>D) ACCRUED INCOME AND PREPAYMENTS</i>	 1.069.378	 741.513
 <i>TOTAL ASSETS</i>	 <u>681.555.759</u>	 <u>680.932.628</u>

LIABILITIES	BALANCE AS OF 30.06.2024	BALANCE AS OF 31.12.2023
A) SHAREHOLDERS' EQUITY		
I. Share capital	2.000.000	2.000.000
IV. Legal reserve	400.000	400.000
VI. Other reserves:		
- Extraordinary reserve	230.599.384	198.771.168
- Restricted reserve for infrastructure	9.776.227	9.776.227
- Restricted reserve for penalties	175.000	175.000
IX. Profit/(Loss) for the year	15.723.855	31.828.216
	<u>258.674.466</u>	<u>242.950.611</u>
B) PROVISIONS FOR RISKS AND CHARGES		
4) Other provisions:		
a) for risks	433.602	433.008
c) for cycle maintenance	11.835.000	11.744.000
	<u>12.268.602</u>	<u>12.177.008</u>
C) PROVISION FOR POST EMPLOYMENT BENEFITS (TFR)		
	502.081	488.846
D) PAYABLES		
1) Bonds		
- falling due within one year	50.497.775	48.524.555
- falling due after one year	306.734.560	333.166.850
7) Trade payables	18.187.443	18.984.098
12) Tax payables	10.626.592	2.553.686
13) Social security payables	1.439.200	890.300
14) Other payables	22.315.496	20.910.398
	<u>409.801.066</u>	<u>425.029.887</u>
E) ACCRUED EXPENSES AND DEFERRED INCOME		
	309.544	286.276
TOTAL LIABILITIES	<u><u>681.555.759</u></u>	<u><u>680.932.628</u></u>

INCOME STATEMENT

	BALANCE AS OF 30.06.2024	BALANCE AS OF 30.06.2023
<i>A) VALUE OF PRODUCTION</i>		
1) Revenue from sales and services	85.268.096	82.130.940
5) Other income:		
a) Other	1.690.032	592.297
b) Grants	72.247	551.007
	87.030.375	83.274.244
<i>B) COST OF PRODUCTION</i>		
6) Raw materials, consumables and goods	240.388	380.669
7) Services	16.239.489	15.620.150
8) Leases and rentals	782.205	513.854
9) Personnel:		
a) wages and salaries	7.220.815	6.934.359
b) social charges	2.409.914	2.221.051
c) Provision for post-employment benefits (TFR)	491.615	467.369
e) other personnel costs	409.310	251.673
	10.531.654	9.874.452
10) Amortisation, depreciation and write downs:		
a) Amortisation of intangible assets	24.262.857	23.558.943
b) Depreciation of property, plant and equipment	245.956	239.313
	24.508.813	23.798.256
11) Change in stocks of raw materials, consumables and goods	61.829	28.557
13) Other accruals		
b) Charges to provision for cycle maintenance	8.183.000	8.183.000
c) Utilisation of provision for cycle maintenance	-8.092.000	-8.026.000
14) Other operating costs	9.827.116	9.811.303
	62.282.494	60.184.241
 <i>DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION</i>	 24.747.881	 23.090.003

	BALANCE AS OF 30.06.2024	BALANCE AS OF 30.06.2023
<i>C) FINANCIAL INCOME AND CHARGES</i>		
16) Other financial income:		
d) financial income other than the above	2.065.266	1.023.908
17) Interest and other financial charges	<u>4.734.735</u>	<u>5.375.529</u>
	-2.669.469	-4.351.621
 <i>D) ADJUSTMENTS TO THE VALUES OF FINANCIAL ASSETS AND LIABILITIES</i>	 0	 0
 <i>PROFIT (LOSS) BEFORE TAX</i>	 22.078.412	 18.738.382
 20) Income tax for the year		
a) Current income taxes	6.385.265	5.206.201
Deferred tax liabilities	0	0
c) Deferred tax assets	<u>-30.708</u>	<u>-501.014</u>
	-6.354.557	-4.705.187
 21) Profit/(Loss) for the year	 15.723.855	 14.033.195

CASH FLOW STATEMENT

30.06.2024

30.06.2023

A. Cash flow from operating activities (indirect method)			
	Net profit for the period	15.723.855	14.033.195
	Income taxes	6.354.557	4.705.187
	Interest expense/(income)	2.669.469	4.351.621
1.	Profit/(Loss) for the year before income taxes, interest, dividends, and gains/losses on disposals	24.747.881	23.090.003
	Adjustments for non-cash items with no impact on net working capital		
	Charges to provisions for risks and charges	8.183.000	8.183.000
	Utilisation of provisions for risks and charges	-8.092.000	-8.026.000
	Charge to provision for post-employment benefits (TFR)	491.615	467.369
	Other provisions	594	-15.468
	Amortisation of intangible assets	24.262.857	23.558.943
	Depreciation of property, plant, and equipment	245.956	239.313
	Adjustments to the values of financial assets and liabilities	0	0
	Total adjustments for non-cash items	25.092.022	24.407.157
2.	Cash flow before changes in net working capital	49.839.903	47.497.160
	Changes in net working capital		
	(Increase)/Decrease in inventories	61.829	28.557
	(Increase)/Decrease in trade receivables	1.871.525	1.943.552
	(Increase)/Decrease in tax receivables	674.710	251.727
	(Increase)/Decrease in other receivables	1.173.112	2.727.161
	(Increase)/Decrease in accrued income and prepayments	-327.865	-613.364
	(Decrease)/Increase in trade payables	-796.655	-3.140.568
	(Decrease)/Increase in tax payables (indirect taxes)	2.203.305	1.847.267
	(Decrease)/Increase in social security payables	548.900	252.197
	(Decrease)/Increase in other payables (Excluding amounts already included in other items)	1.405.098	-395.404
	(Decrease)/Increase in accrued expenses and deferred income	23.268	21.480
	Total changes in net working capital	6.837.227	2.922.605
3.	Cash flow after changes in net working capital	56.677.130	50.419.765
	Other adjustments		
	Interest received/(paid)	-2.037.639	-3.649.252
	(Income taxes paid)	-515.664	-6.498.725
	(Utilisation of provisions)	-478.380	-435.405
	Total other adjustments	-3.031.683	-10.583.382
	Cash generated from (used in) operating activities (A.)	53.645.447	39.836.383
B. Cash flow from investing activities			
	Investing activities		
	(Increase) in intangible assets	-3.813.822	-3.488.973
	Decrease in intangible assets	-842.224	-164.735
	(Increase) in property, plant, and equipment	1.789	747
	Cash generated from (used in) investing activities (B.)	-4.654.257	-3.652.961
C. Cash flow from financing activities			
	Repayment of bonds	-25.090.900	-30.610.400
	Cash generated from (used in) financing activities (C.)	-25.090.900	-30.610.400

Increase/(Decrease) in cash and cash equivalents	23.900.290	5.573.022
Cash and cash equivalents at beginning of period	32.412.450	115.985.202
Cash and cash equivalents at end of period	56.312.740	121.558.224

NOTES TO THE SEMI-ANNUAL FINANCIAL STATEMENTS

PRESENTATION AND CONTENT OF THE FINANCIAL STATEMENTS

The semi-annual financial statements as of 30 June 2024 have been prepared in accordance with the provisions of the Civil Code laid out in article 2423 and following articles, interpreted and supplemented by the accounting standards issued by OIC, the Italian accounting standards setter.

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

Balance sheet compares the semi-annual financial statements as of 30.06.2024 and the financial statements as of 31.12.2023.

Income statements compares the semi-annual financial statements as of 30.06.2024 and the semi-annual financial statements as of 30.06.2023.

The financial statements are prepared in units of euro, without decimals, are required by article 2423, paragraph 5, of the Civil Code.

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

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

ACCOUNTING POLICIES

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

Concessions, licenses, trademarks and similar rights

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

Intangible assets

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

Other intangible assets

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

Tangible assets

Tangible assets comprise land and buildings, plant and machinery, industrial and commercial equipment and other assets (furniture and ordinary office machines; electronic office machines, computers and telephone installations; cars; other vehicles) and are recognized at costs less depreciation calculated systematically on a straight-line basis over their useful lives. Depreciation is calculated at the following annual rates that are considered appropriate in relation to the assets' remaining useful lives: plant and machinery 20%; industrial and commercial equipment 12%; furniture and ordinary office machines 12%; electronic office machines, computers and telephone installations 20%; cars 25%; other vehicles 20%.

Equity investments

Equity investments in affiliates are measured, pursuant to article 2426, item 4, of the Civil Code, in accordance with the equity method, i.e., each investment is recognised at a value equal to the proportionate share held by the Company in the investee's equity resulting from its latest available financial statements.

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 labor contracts and legislation in force.

Provision for cycle maintenance

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

Provision for taxes

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

Provisions for risks and charges

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

Deferred tax assets and liabilities

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

The rates applied in the calculation of deferred tax assets and liabilities are 3.90% for the purpose of IRAP, regional trade income tax, and 27.50% for the purpose of IRES, corporation tax.

Revenues and costs

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

Off-balance sheet commitments

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

BALANCE SHEET INFORMATION: ASSETS

Intangible assets

Intangible assets show a net decrease of EUR 20.449.036. Movements in the year may be analyzed as follows:

	Balance as of 31.12.2023	Increase	Decrease	Account transfer	Balance as of 30.06.2024
Industrial patent rights	5.238	1.500	2.913	0	3.825
Assets under construction and payments on account	10.471.914	3.812.322	0	0	14.284.236
Other intangible assets	428.387.670	0	24.259.945	0	404.127.725
Total	438.864.822	3.813.822	24.262.858	0	418.415.786

'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)* other works on the motorways under concession that were not completed at the balance sheet date; *b)* the E-roads project; *c)* the new software platform (SGI) project; *d)* feasibility studies referred to service area; *e)* the revamping of the Padova Est exit in the west-bound carriageway; *f)* asset revamping; *g)* the digitisation of the Company's archive; *h)* feasibility studies of new projects; *i)* automated toll booths; *j)* Hyper transfer; *k)* Road structures - Seismic and static retrofitting.

'Intangible assets' comprises only decrease in amortization.

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

	Balance as of 31.12.2023	Increase	Decrease	Account transfer	Balance as of 30.06.2024
Other works on the motorways under concession	428.108	0	0	0	428.108
E-roads	2.241.494	723.056	0	0	2.964.550
New software platform (SGI)	1.055.553	855.719	0	0	1.911.272
Service areas	48.800	0	0	0	48.800
Revamping of the Padova Est exit in the west-bound carriageway	62.415	244.737	0	0	307.152
Asset revamping	3.859.745	546.730	0	0	4.406.475
Digitisation of the Company's archive	164.394	41.744	0	0	206.138

Feasibility studies	2.611.405	52.064	0	0	2.663.469
Automated toll booths	0	487.225	0	0	487.225
Hyper Transfer	0	733.333	0	0	733.333
Road structures - Seismic and static retrofitting	0	127.714	0	0	127.714
Total	10.471.914	3.812.322	0	0	14.284.236

‘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	Balance as of 31.12.2023	Historical cost		Balance as of 30.06.2024	Balance as of 31.12.2023	Accumulated amortisation		Balance as of 30.06.2024	Net book value Balance as of 30.06.2024
		Additions and account transfers	Decreases			Amortisation charge	Decreases		
Mestre Bypass	705.199.639	0	0	705.199.639	446.667.238	14.362.911	0	461.030.149	244.169.490
Complementary and completion works	226.802.100	0	0	226.802.100	115.726.744	6.169.622	0	121.896.366	104.905.734
Indemnity paid to Società delle Autostrade di Venezia e Padova	74.689.185	0	0	74.689.185	45.570.508	1.617.704	0	47.188.212	27.500.973
Other works on the motorways	6.995.909	0	0	6.995.909	3.465.828	195.915	0	3.661.743	3.334.166
Safety works on provincial road SP81	5.384.004	0	0	5.384.004	3.134.699	124.961	0	3.259.660	2.124.344
San Giuliano interchange at Mestre	7.746.853	0	0	7.746.853	4.529.731	178.729	0	4.708.460	3.038.393

Renovation of traffic police barracks	300.000	0	0	300.000	153.501	8.139	0	161.640	138.360
Roundabout on entry to the Marco Polo–SS14 link road	800.000	0	0	800.000	412.961	21.502	0	434.463	365.537
Safety works on the A27–A57 interchange	5.633.418	0	0	5.633.418	1.867.488	209.218	0	2.076.706	3.556.712
Software platform and hardware - ERP	6.226.851	0	0	6.226.851	3.415.585	622.001	0	4.037.586	2.189.265
E-roads	11.626.268	0	0	11.626.268	573.399	610.926	0	1.184.325	10.441.943
Automated toll booths	2.361.711	0	0	2.361.711	235.829	117.578	0	353.407	2.008.304
Asset revamping	95.000	0	0	95.000	14.288	4.464	0	18.752	76.248
New Motorway Operations Centre for the traffic police	300.000	0	0	300.000	5.469	16.275	0	21.744	278.256
Total	1.054.160.938	0	0	1.054.160.938	625.773.268	24.259.945	0	650.033.213	404.127.725

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 31.12.2023	Increase	Decrease	Balance as of 30.06.2024
Land and buildings	0	0	0	0
Plant and machinery	0	0	0	0
Industrial and commercial equipment	11.115	0	2.073	9.042
Other assets	886.946	842.224	245.672	1.483.498
Total tangible assets	898.061	842.224	247.745	1.492.540

Movements in the year may be analysed as follows:

Tangible assets	Balance as of 31.12.2023	Historical cost			Balance as of 31.12.2023	Accumulated depreciation		Balance as of 30.06.2024	Net book value Balance as of 30.06.2024
		Additions	Disposals	Balance as of 30.06.2024		Depreciation charge	Disposals		
Land and buildings	17.419	0	0	17.419	17.419	0	0	17.419	0

Plant and machinery	708.968	0	45.272	663.696	708.968	0	45272	663.696	0
Industrial and commercial equipment	96.595	0	0	96.595	85.480	2.073	0	87.553	9.042
Other assets	4.119.201	842.224	6.295	4.955.130	3.232.255	243.883	4.506	3.471.632	1.483.498
Total	4.942.183	842.224	51.567	5.732.840	4.044.122	245.956	49.778	4.240.300	1.492.540

Financial assets

'Financial assets' comprises equity investments.

	Balance as of 31.12.2023	Increase	Decrease	Balance as of 30.06.2024
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 (*)	Roma	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 decreased by EUR 61.829 and may be analysed as follows:

	30.06.2024	31.12.2023
Consumables	122.798	211.820
Assets for use in maintenance	1.152.051	1.124.858
Total	1.274.849	1.336.678

Receivables

'Receivables' totalled EUR 202.989.407 an decrease of EUR 3.688.639 compared to the previous period.

The balance may be analysed as follows:

	Balance as of 30.06.2024	Balance as of 31.12.2023
Trade receivables:		
• Falling due within one year	1.070.266	2.956.945
• Falling due after one year	162.999	147.845

Tax receivables		
• Falling due within one year	345	675.055
• Falling due after one year	0	0
Deferred tax assets	2.518.544	2.487.836
Other receivables:		
• Falling due within one year	64.292.857	53.264.964
• Falling due within one year	134.944.396	147.145.401
Total	202.989.407	206.678.046

'Trade receivables' decreased by EUR 1.871.524 and may be analysed as follows:

	30.06.2024	31.12.2023
Trade accounts receivable	826.354	169.348
Invoices to be issued	406.911	2.935.442
Total	1.233.265	3.104.790

'Invoices to be issued' comprises EUR 169.079 relating to crossing fees of EUR 35.907 to royalties relating to service areas and EUR 201.925 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' decreased by EUR 674.710 compared to the previous period:

	30.06.2024	31.12.2023
VAT receivable	0	674.973
Amount paid as withholding agent to be recovered	345	82
Total	345	675.055

'Other receivables' decreased by EUR 1.173.112 and may be analysed as follows:

	30.06.2024	31.12.2023
Receivables from interconnected motorway operators	37.766.630	34.216.418
Restricted cash		
• falling due within one year	20.863.000	15.696.485
• falling due after one year	134.916.907	147.117.912
Grants under the PNC (Complementary Plan)	1.483.532	1.483.532
Grants from the Region Veneto (VEN-QCI)	66.180	66.180
Grants from the Region Veneto (Digital Hub)	1.345.902	370.007
Other		
• falling due within one year	2.767.613	1.432.342
• falling due after one year	27.489	27.489
Total	199.237.253	200.410.365

‘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 116.592.451 (whereof EUR 95.729.451 falling due after one year; b) a ‘maintenance reserve account’ of EUR 8.250.177 (entirely falling due after one year); and c) a ‘debt service reserve account’ of EUR 30.937.279 (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 23.900.290 and may be analysed as follows:

	30.06.2024	31.12.2023
Bank and postal deposits	56.212.634	32.314.292
Cash in hand	100.106	98.158
Total	56.312.740	32.412.450

Bank and postal deposits comprises: a) postal deposits of EUR 138.003; ; b) bank deposits of EUR 55.115.802; c) toll payments not yet credited to the Company's current accounts for EUR 958.829.

Accrued income and prepayments

The balance increased by EUR 327.865 compared to the previous period.

	30.06.2024	31.12.2023
Prepayments	968.572	274.171
Accrued income	100.806	467.342
Total	1.069.378	741.513

'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 15.723.855 compared with the previous year and may be analysed as follows:

	Balance as of 31.12.2023	Increase	Decrease	Balance as of 30.06.2024
I. Share capital	2.000.000	0	0	2.000.000
IV. Legal reserve	400.000	0	0	400.000
VII. Other reserves:				
- Extraordinary reserve	198.771.168	31.828.216	0	230.599.384
- 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	31.828.216	15.723.855	31.828.216	15.723.855
Total	242.950.611	47.552.071	31.828.216	258.674.466

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

At the annual general meeting of 30 April 2024 the shareholders resolved to appropriate the profit for the year 2023 of EUR 31.828.216 to the extraordinary reserve.

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

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

The following tables analyse shareholders' equity referred to the last two financial years, showing the origin, possible use and distributable amount of each item and whether they were actually 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 profit					
Legal reserve	400.000	B	0		
Extraordinary reserve	230.599.384	A, B, C	230.599.384		
Restricted reserve	9.776.227	B, C	0		
Restricted reserve	175.000	B	0		

Restricted reserve	0	B	0	
Total	242.950.611		230.599.384	
Non distributable amount			0	
Distributable amount			230.599.384	

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 2023	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
Appropriation to extraordinary reserve			31.828.216				31.828.216
Utilisation of profit for 2023						-31.828.216	-31.828.216
Profit/(Loss) as of 30 June 2024						15.723.855	15.723.855
As of 30 June 2024	2.000.000	400.000	230.599.384	9.776.227	175.000	15.723.855	258.674.466

Provisions for risks and charges

The balance decreased by EUR 91.594. Movements may be analysed as follows:

	Balance as of 31.12.2023	Increase	Decrease	Balance as of 30.06.2024
Provision for risks	433.008	594	0	433.602
Provision for cycle maintenance	11.744.000	8.183.000	8.092.000	11.835.000
Total	12.177.008	8.183.594	8.092.000	12.268.602

'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 13.235. Movements in the year may be analysed as follows:

	Balance as of 31.12.2023	Increase	Decrease	Balance as of 30.06.2024
Provision for post-employment benefits (TFR)	488.846	491.615	478.380	502.081

The increase relates to the accrual for the year; the decrease relates to advances and severance indemnities paid out to employees, 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 409.801.066 having decreased by EUR 15.228.821. The balance falling due after five years was EUR 85.474.353 and corresponds to the outstanding portion of the project bond maturing on 31 December 2029, calculated under the amortised cost method. The heading is analysed below.

A) Bonds

The balance decreased by € 24.459.070. Movements may be analysed as follows:

	Balance as of 31.12.2023	Increase	Decrease	Balance as of 30.06.2024
Bonds	381.691.405	4.723.730	29.182.800	357.232.335

On 12 April 2016 the project bond was issued for a nominal value of EUR 830,000,000. During 2020 the Company repaid EUR 25.090.900. 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 631.830 for the first semester 2024).

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 357.232.335 comprises EUR 50.497.775 falling due within one year and EUR 306.734.560 falling due after one year (whereof EUR 85.474.353 falling due after five years).

The nominal debt (debt on issuance less principal repayments) as of 30 June 2024 was equal to EUR 361.797.000.

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 decreased by EUR 796.655 compared with the previous period. In detail:

	30.06.2024	31.12.2023
Trade accounts payable	3.805.201	5.299.316
Invoices to be issued	14.318.041	13.607.050
Contractual guarantee deposits	64.201	77.732
Total	18.187.443	18.984.098

Tax payables

The balance increased by EUR 8.072.906 and is detailed as follows:

	30.06.2024	31.12.2023
IRPEF, personal income tax, remuneration of employees and freelancers	430.461	565.335
IRES, corporation tax	6.548.089	1.668.091
IRAP, regional trade income tax	1.271.905	282.302
VAT	2.316.797	0
	59.340	37.958

Other taxes

Total	10.626.592	2.553.686
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C) Social security payables

The balance increased by EUR € 548.900 compared with the previous period.

	30.06.2024	31.12.2023
Social security payables	1.439.200	890.300

D) Other payables

The balance increased by EUR 1.405.098 rispetto al periodo precedente ed è così composta:

	30.06.2024	31.12.2023
Payables to interconnected motorway operators	9.383.539	7.105.554
Payables to the State		
• Concession fee (MIT/MIMS)	1.406.901	2.797.379
• Concession fee (ANAS)	373.986	743.607
• Supplementary concession fee pursuant to Law No. 102/2009 (ANAS)	8.385.721	6.888.314
• Sub-concession fee (MIT-SVCA)	7.779	17.554
Payables to personnel	1.630.905	1.464.662
Payables to ANAS		
• Refund of the costs of construction of the Mestre Bypass and related complementary and completion works	680.070	1.540.070
Other	446.595	353.258
Total	22.315.496	20.910.398

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

'Payables to the State', totalling EUR 10.174.387 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 680.070, comprises the costs of construction of the Mestre Bypass and related complementary and completion works.

Accrued expenses and deferred income

The heading shows an increase of EUR 23.268. compared with the previous period.

	30.06.2024	31.12.2023
Deferred income	309.544	286.276

'Deferred income' relates to the portion attributable to future years of crossing fees and royalties on operations at service stations already billed at the balance sheet date.

Commitments, guarantees and contingent liabilities

These comprise:

	30.06.2024	31.12.2023
Third party assets held by the Company	28.300	3.200

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

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

INCOME STATEMENT INFORMATION

Value of production

Value of production totaled EUR 87.030.375 an increase EUR3.756.131 (+4.51%) compared with the previous period.

Value of production is analyzed below.:

A) Revenue from sales and services

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

	30.06.2024	30.06.2023
Toll revenue:		
• Toll revenue	74.203.645	71.403.771
• Supplementary concession fee pursuant to Law No. 102/09 and Law No. 122/2010	7.371.585	7.234.573
Other motorway income:		
• Income from service stations	2.155.108	2.075.088
• Share of toll collection costs paid by interconnected motorway operators	898.992	806.315
• Recharges of costs of abnormal load movements and unpaid tolls	638.766	611.193
Total	85.268.096	82.130.940

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

Tolls revenue (after deducting the supplementary concession fee payable to ANAS) are increased by EUR 2.799.874 (+3,92%). The result is determined by the course of traffic.

The amount of the supplementary concession fee payable to ANAS was calculated in application of article 15, paragraph 4, of Law Decree No. 78/2010, converted into Law No. 122/2010: in 2022 (as in previous years), on each kilometre travelled the toll was increased by 6 thousandths of a euro for vehicle classes A e B and by 18 thousandths of a euro for classes 3, 4 and 5. The supplementary concession fee payable to ANAS increased by EUR137.012 (+1.89%).

Income from service stations comprises royalties paid by oil companies and by restaurants and hotels on sales at the service stations. There are four service stations: two in the closed system, i.e. Arino Ovest and Arino Est (located close to entry to the Mestre Bypass) and two in the open system, i.e. Marghera Ovest and Marghera Est (on the roundabout at Marghera); a hotel is present at the Marghera Est service station.

Income from service stations rose by EUR 80.020 (3,86%).

The share of toll collection costs paid by interconnected motorway operators rose by 11.49%. 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 we make reference to the section titled "Motorway business" of the report on operations.

B) Other income

	30.06.2024	30.06.2023
Other income:		
- Other	1.690.032	592.297
- Grants	72.247	551.007
Total	1.762.279	1.143.304

'Other income' comprises: sub concession fees of EUR 56.796, refunds of damage caused to structures by motorway users for EUR 183.156, contract work for EUR 1.295.566, indemnities for failure to execute tenders for EUR 25.740, gains and non-recurring income of € 89.751, grants of EUR 72.247 and other items of income for EUR 39.023.

Cost of production

Cost of production totaled EUR 62.282.494 an increase of EUR 2.098.253 (+3,49%) and comprises:

A) Raw materials, consumables and goods

'Raw materials, consumables and goods' decreased compared with the same period in the previous year by EUR 140.281 (-36,85%) and may be analyzed as follows:

	30.06.2024	30.06.2023
Purchases of items for maintenance	69.728	121.873
Purchases of other assets	170.660	258.796
Total	240.388	380.669

B) Services

Cost of services may be analyzed as follows:

	30.06.2024	30.06.2023
Maintenance and renovation works	8.633.531	8.603.537
Contract works	1.295.566	70.007
Operating services:		
• Share of toll collection costs	2.803.958	2.582.635

• Processing of traffic and proceeds data	308.277	312.584
• Electricity	1.023.304	1.353.873
• Other	604.924	659.751
Administrative services:		
• Administrative professional services	603.739	567.813
• Technical professional services	56.881	262.506
• Insurance	506.103	510.477
• Telephone	18.547	26.186
• Meal vouchers	127.246	129.132
• Tender evaluation committee members	818	255.369
• Other	119.193	134.580
Directors' remuneration	70.700	81.878
Statutory auditors' remuneration	36.702	39.844
Supervisory Board remuneration	30.000	29.978
<hr/>		
Total	16.239.489	15.620.150
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Cost of services increased by EUR 619.339 (+ 3,97%).

'Maintenance' totaled EUR 8.633.531 (EUR 8.603.537 in the same period of the previous year) an increase of EUR 29.994 (+ 0,35%).

'Operating services' totaled EUR 4.740.463 (EUR 4.908.843 in the comparative period) a decrease of EUR 168.380 (-3,43%).

'Administrative services' totaled EUR 1.432.527 (EUR 1.886.063 in the comparative period) a decrease of EUR 453.536 (-24,05%).

'Directors' remuneration' comprises emoluments (EUR 57.600), social charges (EUR 4.328) and expense refunds (EUR 8.772).

'Statutory auditors' remuneration' comprises emoluments (EUR 32.158), social charges (EUR 2.000) and expense refunds (EUR 2.544).

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

C) Leases and rentals

	30.06.2024	30.06.2023
Leases and rentals	782.205	513.854

'Leases and rentals' increased compared with the previous year by EUR 268.351 this item comprises car rentals (EUR 18.306) and other rentals (EUR 763.899).

D) Personnel

The cost of personnel is analyzed as follows:

	30.06.2024	30.06.2023
Wages and salaries	7.220.815	6.934.359
Social charges	2.409.914	2.221.051
Provision for post-employment benefits (TFR)	491.615	467.369
Other personnel costs	409.310	251.673
Total	10.531.654	9.874.452

Personnel costs increased compared with the previous year by a total of EUR 657.202 (+ 6,66%).

The average headcount during the year was 215,198 (215,006 in the comparative period).

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

	30.06.2024	30.06.2023	Average
Executives	4	3	4
Middle managers	11	12	12,22
Clerical staff:	146	149	147,148
• full time	128	132	
• part time	17	16	
• on term contracts	1	1	
Toll collectors:	64	56	46,5
• full time	35	36	
• part time	8	8	
• on term contracts	21	12	
Workers	5	6	5,33
• full time	0	6	
• part time	0	0	
Total	230	226	215,198

E) Amortization, depreciation and write downs

Amortization, depreciation and write downs increased compared with the previous year by EUR 710.557 and may be analyzed as follows:

	30.06.2024	30.06.2023
Amortisation of intangible assets	24.262.857	23.558.943
Depreciation of tangible assets	245.956	239.313
Total	24.508.813	23.798.256

'Amortization of intangible assets' comprises: a) amortization of software for EUR 2.913; b) amortization of other intangible assets for EUR 24.259.944, which is analyzed in detail in these notes to the financial statements in the comments on movements in intangible assets. 'Depreciation of tangible assets' is analyzed in detail in these notes to the financial statements in the comments on movements in tangible assets.

F) Change in inventories

	30.06.2024	30.06.2023
Change in inventories	61.829	28.557

'Change in inventories' is the difference between opening inventories as of 1 January 2024, equal to EUR 1.336.678 and closing inventories as of 30 June 2024, equal to EUR 1.274.849.

G) Other accruals

	30.06.2024	30.06.2023
Charges to provision for cycle maintenance	8.183.000	8.183.000
Use of provision for cycle maintenance	-8.092.000	-8.026.000
Total	91.000	157.000

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 15.813 (+ 0,16%) and may be analysed as follows:

	30.06.2024	30.06.2023
Taxes and duties	238.148	219.439
Supplementary concession fee pursuant to article 19, paragraph 9 bis, of Law No. 102/09 and Law No. 122/2010	7.371.585	7.234.573
Concession fee pursuant to article 10 L. 537/93 and article 1, paragraph 1020, of Law No. 296/2006	1.780.887	1.713.690
Sub concession fee pursuant to article 13 of the Concession Agreement	44.261	42.637
Other costs	392.235	600.964
Total	9.827.116	9.811.303

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

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

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

Financial income and charges

The heading is analysed as follows:

	30.06.2024	30.06.2023
Financial income:		
• Financial income other than the above	2.065.266	1.023.908
Interest and other financial charges	4.734.735	5.375.529
Total	-2.669.469	-4.351.621

The item 'financial income' amounts to EUR 448.019 for Bank and postal deposits interests; € 1.617.247 for cash deposit interests.

Interest and other financial charges include EUR 4.723.730 of effective interest charges on the project bond (effective interest rate 2,504%, nominal interest rate 2,115%).

Income taxes

Income taxes are analysed as follows:

	30.06.2024	30.06.2023
Income taxes:		
• IRES, corporation tax	5.395.662	4.278.546
• IRAP, regional trade income tax	989.603	927.655
• Deferred tax expense	0	0
• Deferred tax income	-30.708	-501.014
Total	6.354.557	4.705.187

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 57.600), social charges (EUR 4.328) and expense refunds (EUR 8.772). The remuneration of members of the Board of Statutory Auditors comprises emoluments (EUR 32.158), social charges (EUR 2.000) and expense refunds (EUR 2.544). The remuneration of members of the Supervisory Board comprises emoluments (EUR 25.000), social charges (EUR 2.500) and expense refunds (EUR 2.500).

Independent auditor's fees

Pursuant to item 16 bis of article 2427 of the Civil Code, we report that on 30 April 2024 the Company in general meeting awarded the external auditor fees for the three-year period 2024-2026 equal to EUR 158.844 (52.948 per annum) for the audit of the semi-annual financial statements.

Repurchase agreements

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

Dividend-right shares, convertible bonds, other securities

The Company has not issued any dividend-right shares or convertible bonds. The Company has not issued any security falling into the scope of article 2427, item 18, of the Civil Code.

Other financial instruments issued

The Company has not issued any other financial instruments referred to in item 19 of the first paragraph of article 2427 of the Civil Code. At the closing date there were no equity reserves or borrowings appropriated for specific purposes as defined in items 20 e 21 of the first paragraph of article 2427 of the Civil Code.

Monetary revaluations

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

Finance leases

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

Disclosure of transactions with related parties

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

Direction and co-ordination

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

Off-balance sheet transactions

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

Fair value of financial instruments

The Company does not hold any financial instruments.

Transactions with the Region Veneto

Payables to/receivables from the Region Veneto:

In accordance with the instructions given by the Region Veneto in its letter Ref. 49883 dated 7 February 2018, we disclose details of payables to and receivables from the Region as of 30 June 2024.

Cash flows:

The Company's receivables from the Region Veneto as of 30 June 2024 comprised deposits for an amount of EUR 1.146 (whereof EUR 566 relating to a water concession, file W08_001281, referred to Unità Organizzativa Genio Civile Venezia, falling due on 31 December 2032; and a guaranteed deposit of EUR 580 relating to a water concession, file DD133 n.1367/C, referred to Unità Organizzativa Genio Civile Padova, falling due on 31 December 2032). 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 MaaS agreement for EUR 845.902.

As of 30 June 2023, there were no payables by the Company to the Region Veneto (not even by way of advances against loans from the Region Veneto to the Company), nor bonds subscribed by the Region Veneto.

Guarantees given:

As of 30 June 2024, 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
Grants towards the C-ROADS ITALY and URSA MAJOR projects	Unione Europea	58.717
Grants towards personnel training	Fondi impresa	13.530

The amounts reported are recognised on a cash basis.