Annual Report 2023

Aeroporto di Bologna

AEROPORTO G. MARCONI DI BOLOGNA S.P.A.

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Dear Shareholders,

Traffic trends for the year under review **point to an end to the crisis brought about by the pandemic, as Marconi posted a new all-time traffic record in 2023.**

After a "lukewarm" start to the year, with better numbers than 2022 but below the same period of 2019, we saw the first turnaround beginning in May, with passenger numbers trending higher (+0.5%) even over the last year prior to COVID. **Even greater passenger increases came in the summer**, with approximately one million passengers per month in June, July, August and September, and steadily rising growth on the 2019 figures. The year closed with a total of nearly **10 million passengers, up 17.4% on 2022 and 6% on 2019**. In 2023, Bologna Airport again **ranked seventh** in Italy by number of passengers and **third** by cargo volumes transported (at nearly 51 million Kg).

Service quality and **passenger satisfaction** trends were also positive in 2023 on the strength, in particular, of services entirely concerning the Group, for which actions for improvement have been introduced since the beginning of the year in order to anticipate any critical issues over the summer. For example, major work was completed on the airport access roads, with the upgrade of the signage from static to digital, contributing to smoother access to the car parks at the airport. Work was also conducted within the terminal, such as the upgrading of certain blocks of toilet facilities and air conditioning for the boarding bridges, which were completed before the start of summer and had a favourable impact on passenger satisfaction. On December 1, 2023, the Group also completed the insourcing of the air-side PRM passenger assistance service, which had been outsourced to a handler.

In general in 2023, the Group worked intensely in many areas, including **Operational**, to manage summer traffic peaks, **Infrastructure development** to resume construction sites within the passenger terminal, and **Innovation** and Sustainability efforts, to offer passengers increasingly modern and effective solutions that are compatible with the local area on a social, environmental, and economic level.

In terms of **Infrastructure Development**, work began on the **redevelopment of the passenger terminal** in 2023, particularly with regard to the security checkpoints, passport checkpoints, and Schengen boarding areas, in order to improve passenger comfort and offer more innovative and sustainable services and solutions. On the whole, **investments totalling approx. Euro 30 million** were made.

Many projects were launched and/or continued in 2023 in the area of **Innovation and Sustainability**, including becoming Italy's fist airport management company to obtain **ISO 56002:2019 innovation management certification** and beginning to plant more than 20,000 trees and bushes for the 40-hectare **woodland strip** being created to the north of the runway with the goal of helping to mitigate climate change. Also in this area, the Company in 2023 renewed the **level 3+ Neutrality rating under the international Airport Carbon Accreditation framework** promoted by ACI World in order to monitor and improve the carbon footprint of airports, with the goal of achieving decarbonisation by 2050, a target that the Group has brought forward to 2030.

Within the scope of social responsibility and the various initiatives in favour of employees, Bologna Airport obtained **ISO 30415:2021 Human Resources Management Diversity and Inclusion** certification in 2023, while also renewing the **UNI/PdR 125:2022 Gender Equality** certification and signing the **Post-Emergency Smart Working Agreement**, establishing a permanent hybrid work organisation.

In terms of **commercial partnerships**, 2023 saw the consolidation of relations with Ryanair, the airport's leading carrier, renewing the agreement for six years. Other discussions that saw the Parent Company intensely engaged, beginning in 2022 and concluding in 2023, were negotiations for the signing of the **new Regulatory Agreement and definition of the related tariff dynamics**. On October 6, 2023, at the ENAC headquarters in Rome, the **ENAC-AdB Regulatory Agreement** was signed **for the 2023-2026 period**.

Looking to the operating results, a consolidated profit of Euro 16.7 million is reported for 2023 (Euro 31.1 million in 2022), of which Euro 21.1 million due to the contribution from the COVID-19 compensation fund. **Net of this extraordinary contribution**, the 2022 profit (comparative period) would be **Euro 10 million, for growth therefore of 67.5%.**

Consolidated EBITDA was **Euro 44.1 million,** compared to Euro 54.8 million in 2022 (Euro 32.7 million net of the COVID-19 contribution), posting significant growth compared to the previous year and essentially in line with the last year prior to COVID (Euro 44.9 million in 2019).

In terms of **financing**, the Parent Company worked to optimise the financial structure and improve the debt maturity profile, repaying in advance the loan of Euro 33.9 million and obtaining a new ESG KPI-linked loan for Euro 15 million, which stipulates a bonus on the contractually-agreed spread on the achievement of certain ESG KPIs. In particular, commitments were agreed to progressively reduce the amount of climate-altering gas emissions, together with an increased self-generation of electricity from renewable sources.

In short, Marconi posted a strong performance in 2023, markedly higher than in 2022, and has continued this trend into the initial part of 2024. Our focus on the current instability and unpredictability brought about by the various conflicts in regions that are not so far from Italy, by the major elections set for 2024, and by other economic and geopolitical factors remains very high, but at the same time, we are being pushed, not to bring a stop to our plans, particularly in terms of sustainability, innovation, and improving the overall travel experience for our passengers. In early 2024, for example, construction work also began on the **new parking garage**, comprising two buildings and eight parking levels, for a total of an additional 2,200 parking spaces available to passengers.

Dear Shareholders, the financial statements of the company Aeroporto Guglielmo Marconi di Bologna Spa, which we present for your approval, report a profit of Euro 15,893,347.82, for which the Board of Directors proposes the following allocation:

a) to the legal reserve 5%, on the basis of the statutory provisions and Article 2430 of the Civil Code, for an amount of Euro 794,667.39;
b) to Shareholders, for an amount of Euro 9,537,175.56, corresponding to a gross dividend of Euro 0.264 for each of the 36,125,665 ordinary shares in circulation at the dividend coupon date;
c) the residual of Euro 5,561,504.87 to the extraordinary reserve.

The Chairperson of the Board of Directors

(Enrico Postacchini)

Aeroporto Guglielmo Marconi di Bologna Spa

Via Triumvirato, 84 - 40132 Bologna
Bologna Economic and Administrative Register No.: 268716
Bologna Company Registration Office, Tax and VAT No.: 03145140376
Share capital: Euro 90,314,162.00 fully paid-in

Ownership of the Parent Company Aeroporto Guglielmo Marconi di Bologna S.p.A.

According to the shareholder register and the notices received pursuant to Article 120 of Legislative Decree No. 58/98, the shareholders of the Parent Company, Aeroporto Guglielmo Marconi di Bologna S.p.A., with holdings of more than 5% were as follows at December 31, 2023:

SHAREHOLDER	% Held
BOLOGNA CHAMBER OF COMMERCE	39.10%
MUNDYS S.P.A. (EDIZIONE S.R.L.)	29.38%
F2I FONDI ITALIANI PER LE INFRASTRUTTURE SGR SPA	9.99%

The following have been considered in presenting the Parent Company's ownership structure:
- Interests held by the party reporting the holding, or by the party at the head of the chain of control of the holding
- Interests deriving from notices submitted by shareholders or notices relating to significant shareholdings pursuant to Article 152 of the CONSOB Issuers' Regulation.

This Shareholder Agreement, filed at the Bologna Companies Registration Office on August 5, 2021 sent to Consob on the same date and concludes on August 1, 2024, and includes provisions on voting and transfer restrictions, binding the following interests.

The table below presents the percentage holding of each Public Shareholder pursuant to the Shareholder Agreement and the number of voting rights related to the shares corresponding to the share capital percentage.

Public shareholders	% share capital of AdB*	% of shares allocated to the Voting Agreement*	No. of votes conferred to the Voting Agreement
Bologna Chamber Of Commerce	39.10	81.26	14,124,377
Municipality of Bologna	3.88	8.06	1,400,590
Metropolitan City of Bologna	2.31	4.81	836,201
Region of Emilia-Romagna	2.04	4.23	735,655
Modena Chamber of Commerce	0.30	0.62	107,637

Ferrara Chamber of Commerce	0.22	0.47	80,827
Reggio Emilia Chamber of Commerce	0.15	0.32	55,115
Parma Chamber of Commerce	0.11	0.23	40,568
Total	**48.11**	**100.00**	**17,380,970**

** Percentages rounded to the second decimal place*

The number of voting rights in the Company's shares corresponding to the share capital percentages indicated in the following table are allocated subject to the transfer restriction agreement referred to below (the "Transfer Restriction Agreement").

Public shareholders	% blocked shares of AdB's share capital*	% of shares allocated to the Transfer Restriction Agreement**	No. of voting rights conferred to the Transfer Restriction Agreement
Bologna Chamber Of Commerce	37.5325326	81.74	13,558,877
Municipality of Bologna	3.8477737	8.38	1,390,034
Metropolitan City of Bologna	2.2972543	5.00	829,898
Region of Emilia-Romagna	2.0210297	4.40	730,110
Modena Chamber of Commerce	0.0835370	0.18	30,178
Ferrara Chamber of Commerce	0.0627298	0.14	22,662
Reggio Emilia Chamber of Commerce	0.0427747	0.09	15,453
Parma Chamber of Commerce	0.0314848	0.07	11,374
Total	**45.9191166**	**100**	**16,588,586**

** Percentages rounded to the seventh decimal place*

*** Percentages rounded to the second decimal place*

We note that on June 22, 2023, the Issuer was informed of the merger between the Ferrara Chamber of Commerce and the Ravenna Chamber of Commerce (a non-shareholder entity and therefore not a party to the Shareholder Agreement), forming a single entity under the name of the Ferrara and Ravenna Chamber of Commerce. This therefore assumed the same rights and obligations in the Shareholder Agreement as were previously held by the Ferrara Chamber of Commerce.

We also note that on July 18, 2023, the Issuer was informed of the merger between the Reggio Emilia Chamber of Commerce, the Parma Chamber of Commerce and the Piacenza Chamber of Commerce (a non-shareholder entity and therefore not a party to the Shareholder Agreement), forming a single entity under the name of the Emilia Chamber of Commerce. This therefore assumed the same rights and obligations in the Shareholder Agreement as were previously held by the Reggio Emilia Chamber of Commerce and the Parma Chamber of Commerce.

Board of Directors

The Board of Directors, appointed by the Shareholders' Meeting of April 26, 2022 and in office until the approval date of the financial statements as at December 31, 2024 are:

Name	Office
Enrico Postacchini	Chairperson
Nazareno Ventola	Chief Executive Officer (*)
Elena Leti	Director (B)
Giada Grandi	Director (A)
Sonia Bonfiglioli	Director (**)
Valerio Veronesi	Director
Alessio Montrella	Director
Giovanni Cavallaro	Director (A) (B)
Laura Pascotto	Director (A) (B)

(*) Chief Executive Officer and General Manager. He has also been appointed as Director responsible for the Internal Control and Risk Management System.

(**) On February 28, 2024, board member Sonia Bonfiglioli resigned with irrevocable effect. On March 14, 2024, the Board of Directors therefore resolved, with the Board of Statutory Auditors' approval and in accordance with Article 2386 of the Italian Civil Code, to co-opt Claudia Bugno to replace the outgoing independent director Sonia Bonfiglioli.

(A) Member of the Remuneration Committee (Chairperson Giovanni Cavallaro, appointed to the Remuneration Committee and named Chairperson by resolution of the board on March 6, 2024, to replace the outgoing Sonia Bonfiglioli)

(B) Member of the Control, Risks and Sustainability Committee (Chairperson Laura Pascotto)

Board of Statutory Auditors

The Board of Statutory Auditors, appointed by the Shareholders' Meeting of April 26, 2022 and in office until the approval date of the financial statements as at December 31, 2024 are:

Name	Office
Rosalba Cotroneo	Chairperson
Francesca Aielli	Statutory Auditor
Alessandro Bonura	Statutory Auditor
Sergio Graziosi	Alternate Auditor
Alessia Bastiani	Alternate Auditor

Auditing Firm

EY S.p.a. was appointed as the auditing firm by the Shareholders' Meeting of May 20, 2015 for the financial years 2015-2023.

Directors' Report of Aeroporto Guglielmo Marconi di Bologna S.p.A. Group for year ended December 31, 2023

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INTRODUCTION

Dear Shareholders,
this report, accompanying the Consolidated Financial Statements of the Aeroporto Guglielmo Marconi di Bologna Group (hereinafter also the "Aeroporto Group", "Aeroporto" or "AdB") for the year ended December 31, 2023, in presenting the Group's performance indirectly analyses also the performance of the Parent Company, Aeroporto Guglielmo Marconi di Bologna S.p.A., the holder of the concession for the full management of Bologna Airport, i.e. Full Management Concession No. 98 of July 12, 2004 and subsequent Additional Deeds, approved by Decree of the Ministry of Transport and Infrastructure and of the Economy and Finance of March 15, 2006, with a term of 40 years starting on December 28, 2004. Given the drastic drop in traffic at Italy's airports due to COVID-19, Article 102, Paragraph 1-*bis* of Decree-Law No. 34 of May 19 (Relaunch Decree), converted into Law No. 77 of July 17, 2020, extended the duration of airport concessions by two years in order to cushion the consequent economic blow. Given the direct applicability of the above law, Bologna Airport's concession is extended to December 2046.

The Group's structure at December 31, 2023 and a brief description of the type and businesses of its subsidiaries and associates is presented below:

- Tag Bologna S.r.l. (hereinafter also "TAG"), formed in 2001 and operational since 2008, following the completion and opening of the General Aviation Terminal and hangar. In addition to managing the above infrastructure at Bologna airport, the company operates as a handler in the General Aviation sector. The Parent Company on October 2, 2018, taking the opportunity to better control the dedicated airside flight infrastructure, acquired 49% of TAG to gain full ownership;

- Fast Freight Marconi Spa (hereinafter also "FFM"), formed in 2008 by the former subsidiary Marconi Handling S.r.l. (GH Bologna Spa with effect from April 1, 2017), following the contribution of a cargo and mail handling business unit based out of Bologna airport. The Parent Company acquired a 100% interest in FFM in 2009.

The amounts in the tables in this Directors' Report are in thousands of Euro, whereas those in the comments are in millions of Euro, unless otherwise indicated. The data is from internal Parent Company sources unless otherwise indicated.

Business Description

Airport business may be divided into aviation and non-aviation activities. Aviation activities primarily consist of managing, maintaining and developing airports, which also includes security checks and surveillance, as well as aviation services for passengers, other users and airport operators and marketing activities to develop passenger and cargo traffic. Non-aviation activities primarily consist of developing airport real estate and commercial potential.

Based on the nature of operations, the Group manages the airport through the following Strategic Business Units (SBU's):

- Aviation Strategic Business Unit
- Non-Aviation Strategic Business Unit.

Aviation SBU

The Aviation SBU's main activities involve managing and developing airport infrastructure and in particular of:

- providing customers and operators with efficient access to all infrastructure, both land side (terminal, baggage sorting, car parking, traffic and cargo storage) and air side (aircraft runways and aprons);
- providing security services and services for passengers with reduced mobility (PRM's);
- informing the public and airport users;
- developing, revamping and expanding airport infrastructure, including installations and equipment, ensuring compliance with applicable legislation.

Consideration for such services takes the form of airport charges of the following types paid by airlines, airport operators and passengers, which the managing company collects from the carriers and the airport operators:

- passenger service fees: these fees are due for the use of infrastructure, installations and common areas required for passenger boarding, disembarkation and hospitality and are based on the number of departing passengers, as well as whether they are bound for destinations within or outside the EU, with reductions for minors;
- take-off and landing fees: these fees are due for all aircraft that take off and land and are calculated on the basis of the aircraft's maximum authorised weight at take-off and the type of flight (commercial or general aviation);
- aircraft parking fees, calculated according to maximum weight at take-off and the duration of stay;
- cargo fees based on the weight of the cargo carried by aircraft;
- refuelling fees, assessed per cubic metre of fuel supplied to aircraft.

The Aviation SBU's other major revenue sources are:

- departing passenger security fees: these fees are due for providing security check services, including the personnel and equipment used by the manager to provide this service;
- checked baggage security fees: these fees are due for the equipment and personnel responsible for performing such checks;
- PRM fees: they include the fees paid for services for passengers with reduced mobility and are based on the number of departing passengers (PRM and otherwise);

- fees for the exclusive use of premises: they include fees for using airport infrastructure dedicated to individual carriers or operators (check-in desks, offices, operating premises), calculated according to the duration of use, floor area and/or location and type of the premises used;
- centralised infrastructure fees: these fees refer solely to aircraft de-icing services and are based on the number of winter flights;
- cargo handling and general aviation fees and fees due for the related activities such as customs clearance and refuelling.

Non-Aviation SBU

The Non-Aviation SBU's main activities relate to parking management, retail sub-concessions, advertising, services for passengers and real estate management.

Parking

Bologna airport's directly operated paid parking areas offer approximately 5,000 car parking spaces, located in three parking areas: the first close to the terminal, the second close to airport grounds and the third located at approx. 1.5 KM away.

Retail

Bologna airport's retail offerings include internationally recognised brands with local ties and some of the leading local, domestic and international retail and catering chains. The shopping area extends over approximately 4,340 m^2 and includes 35 shops. The latest airport upgrade developed the Duty-free areas – one of the SBU's main revenue sources.

Advertising

Advertising is managed using digital and large-format back-lit displays located in areas of the terminal's interior and exterior where the advertisements are highly visible. Campaigns involving the personalisation of particular areas or furnishings located in the airport are sometimes conducted.

Passenger services

Passenger services include a business lounge operated directly by the Parent Company. The *Marconi Business Lounge* (MBL) is an exclusive, comfortable environment used mostly by business passengers travelling with the major legacy carriers. The "You First" service provides arriving and departing passengers with access to exclusive services such as check-in and baggage collection assistance, porterage, gate assistance and priority boarding.

Among the other services offered to passengers is car hire: 12 rental companies offer a total of 19 specialised brands, with a total of 490 vehicle spaces available for their fleets.

Real Estate

Real estate activity is divided into two general areas: sub-concession revenues for aviation-related commercial activities, above all express couriers, and sub-concession revenues for handling services, which are subject to regulated tariffs.

The total commercial premises under sub-concession extend to over 100,000 square metres, of which over 75,000 square metres of offices, warehouses, technical service areas and hangars and approximately 30,000 square metres of outdoor space used for parking operating vehicles, manoeuvring in loading and loading areas and aircraft refuelling vehicle areas.

1 STRATEGIES AND RESULTS

1.1 AIR TRANSPORT GENERAL SECTOR AND PERFORMANCE: G. MARCONI AIRPORT OVERVIEW AND POSITIONING

At a global level, the weakening of economic output among the leading advanced economies, stagnating manufacturing output and sluggish services, related to the continued war in Ukraine and the recent conflict in the Middle East, weigh on the global economic outlook. In the United States, after the significant pick up in consumption in Q3 2023, a number of signs of slowdown emerged, while in China the continued real estate sector crisis is slowing growth, which remains well under pre-pandemic levels. International trade was therefore subdued, negatively impacted by weak demand for goods and global monetary tightening. In addition, any spread of the Middle-Eastern conflict may pose a significant risk to growth and inflation. According to the estimates published in November by the OECD, global GDP in 2024 is expected to slow to 2.7%, from 2.9% in 2023.

The Eurozone's stagnation continued, with GDP decreasing 0.1% on the third quarter. Widespread signs of weakness are impacting the manufacturing cycle, in addition to the construction, services and demand components, slightly reducing consumer confidence in the fourth quarter and despite more negative expectations on the general economic situation. According to the projections of the Eurosystem experts published in December, Eurozone GDP however will pick up 0.8% in 2024 (from the expected 0.6% for 2023) and 1.5% in the 2025-26 period. Estimates were revised downwards for 2023 and 2024 compared to last September, due to (i) the weakening of the international economic cycle and (ii) tighter household and business lending conditions.

Following heightened volatility at the beginning of October, crude oil and natural gas prices declined and remained contained despite the geopolitical backdrop of the conflict in the Middle East and the attacks on vessels in the Red Sea, with the simultaneous disruption of a pipeline in Finland. In Europe, consumer prices in December on an annual basis rose 2.9%, while the underlying component[1] declined for the fifth consecutive month to 3.4%. According to Eurosystem's estimates, disinflation shall continue also into 2024 to 2.7%, extending to all major basket components and reaching 2.0% from the third quarter of 2025, benefiting from the stability of official interest rates, confirmed by the Board of the European Central Bank (*Source: Economic Bulletin, Bank of Italy, January 2024*).

Against this backdrop, according to the IATA (International Air Trasport Association), passenger traffic in December 2023 confirmed the significant recovery seen throughout the year, continuing to indicate the full recovery of pre-pandemic domestic traffic, which remains resilient. Global passenger traffic in December was 2.5% under pre-COVID numbers, while however seeing uneven developments. Domestic traffic is driving the recovery - up +2.3% on 2019 - while international traffic remains 5.3% lower than 2019, although benefiting from the recovery following the lifting of movement restrictions, particularly in Asia-Pacific. In addition, the IATA points out that although sales forecasts confirm the general upward trend for the coming months even

[1] *Component excluding trends in energy, fresh food, alcohol and tobacco prices.*

in view of the recent conflicts in the Middle East, the expectations remain cautious due to the potential challenges in the current environment, such as the rising cost of living and the pressure of high energy prices on household spending. December's global cargo traffic is up on the same month of 2023 (+10.8%), reflecting a particularly poor comparative month. The cargo segment, however, although negatively impacted by the cooling of demand during the period under analysis, has demonstrated resilience and continues its slow recovery and readjustment phase after the period of strong growth in 2021. Cargo transport was therefore affected by the general economic and current geopolitical conditions, particularly in view of the slowing global economy, linked to (i) supply chain pressures due to the ongoing Russia-Ukraine conflict and current tensions in the Middle East (ii) the uncertain general economic conditions affecting consumer decision-making, despite the easing of inflation and the recovery of international trade. In addition, we underline the positive effect for air cargo traffic from the recent number of disruptions for conventional maritime cargo routes as a result of the recent conflicts in the Suez Canal (*Source: IATA, Air Passenger and Air Freight Market Analysis, December 2023).*

European passenger traffic in 2023 was 5.4% lower than 2019, negatively impacted by - having benefited from seasonality during the summer season - a slowdown in the winter months and the cooling of the global economy. Cargo traffic was down 10% on 2019, worsening due to the general economic and geopolitical environment (*Source: ACI Europe, December 2023*).

Italian passenger numbers exceeded pre-pandemic levels in 2023, reporting a substantial volume recovery on 2019 (+2.1%), driven by the strong domestic traffic performance. In December, passenger traffic was more than 1.8% higher than 2019. Cargo traffic in the year was however 1.5% lower than 2019 domestically (*Source: Assaeroporti and Aeroporti 2030, December 2023*).

Bologna Airport saw a substantial improvement in passenger numbers in 2023 compared to pre-pandemic levels (+6.0% on 2019). A two-speed recovery is confirmed, driven by the major improvement for domestic traffic (+24.6% vs 2019), while international traffic remains 1.1% higher than the same period of 2019, with the traffic mix featuring a 68.1% contribution from the low-cost carriers. In relation to the latter, on February 1, 2023, the Parent Company and the largest low cost carrier operating at the airport consolidated their partnership by signing a new 6-year agreement, applicable retrospectively from winter season 2022/2023.

In 2023, Bologna Airport ranked seventh in Italy by number of passengers and third by cargo volumes transported *(Source: Assaeroporti and Aeroporti 2030, December 2023).*

1.2 STRATEGIC OBJECTIVES

The Group's strategic objectives which underlie the development of all operations are outlined below.

"Connect"

The Group seeks to maintain a varied range of flight offerings suited to various types of users by adding to the number of airlines operating out of the airport, while continuing to maintain good margins also on the new traffic generated. In terms of traffic development, the Group targets the adding of routes, with the introduction of new Eastern and long-haul destinations, while boosting frequencies to existing destinations. The Group also focuses on improving airport accessibility, through the development of ground connections and the expansion of its catchment area.

"Develop"

The investments outlined in the Master Plan and Regulatory Agreement are fundamental to the development of the Group's business. The strategy in question calls for an efficient use of the existing infrastructure's capacity and modular implementation of new investments to ensure that infrastructure capacity keeps pace with expected traffic development. The passenger terminal expansion project is a key part of the infrastructure development plan, permitting the development of - in particular - the boarding gates area, in addition to extending dedicated commercial space.

This project is complemented by targeted work to increase the capacity of some specific subsystems, such as security and passport controls.

"Experience"

The Group is focused on ensuring the constant improvement of the services offered to airport users in its fields of operation, both directly and indirectly, while also constantly improving its standards of security, quality and respect for the environment. In order to support and improve all aspects of operations and generate Customer loyalty, the Group considers it key to develop a culture of innovation which revolves around the installation of technology that facilitates greater interaction with passengers and optimises the airport travelling experience.

"Care"

The Group is committed to all aspects of sustainability, ranging from those of an environmental nature to compliance with ethical and social principles, in view of the important role which Bologna airport plays as a vital hub for the region. The Group also strives to develop those who work at the Airport and build an organisation which responds to the evolving demands of the market and which supports the individual in their work.

The Group has furthermore identified two overarching guidelines to the strategic objectives identified above which are viewed as a touchpoint for company operations:

"Maximise financial performance"

The Group is focused on consistently improving the financial performance and on ensuring an adequate return for shareholders.

"Performing and sustainable corporation"

The Group aims to improve the efficiency and efficacy of its processes and internal structure, with a view to improving company performance and development, while paying increasing attention to sustainability in its environmental, social and governance components.

1.3 SHARE PERFORMANCE

AdB's shares began trading on the STAR segment of the Milan Stock Exchange on July 14, 2015.

The following graphs present:

- the share performance between January 1, 2023 and December 31, 2023;
- tracking of the company's share performance against the FTSE Italia all-share index.

On December 31, 2023, the official share price was Euro 8.28 per share, resulting in an AdB Group market capitalisation of approximately Euro 299 million at that date.

AdB share performance (01/01/2023-31/12/2023)

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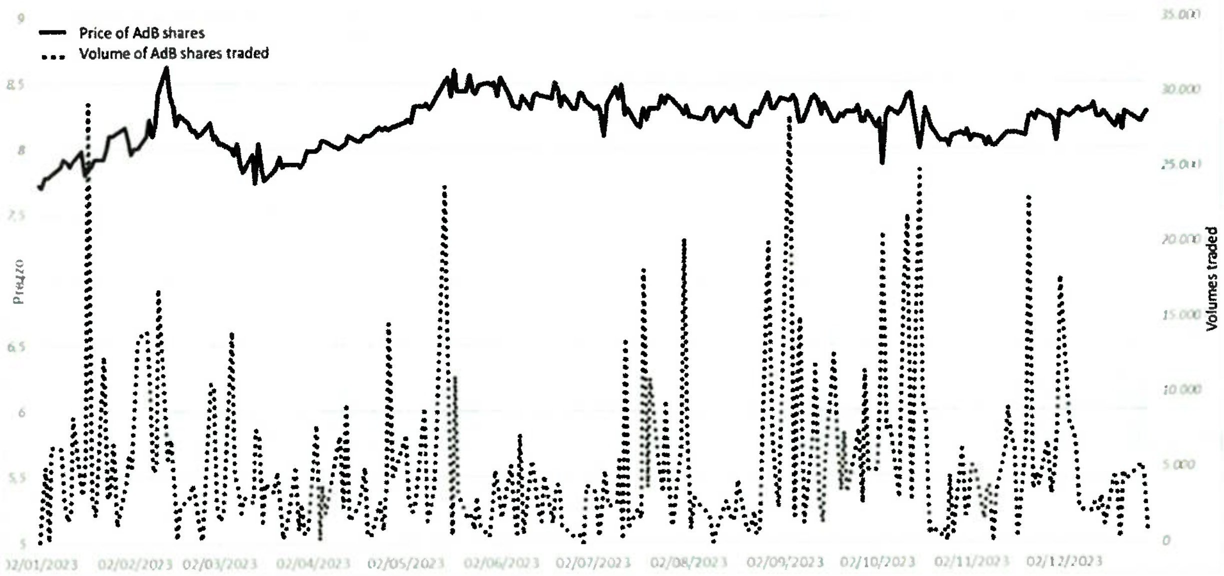
AdB share and FTSE Italia All-Share performance (01/01/2023-31/12/2023)

AdB share performance – prices and volumes (01/01/2023-31/12/2023)



In 2023, AdB's share price remained essentially stable, slightly recovering from April, while seeing a peak in mid-February as market trading volumes increased. After a brief decline between the end of February and March, the share has recovered, reflecting the market confidence, particularly with the global pandemic behind us and the first signs of inflation easing, which was followed by a stabilisation phase. The AdB share price at the end of 2023 was substantially in line with the beginning of the second half of 2022, which was followed by a period featuring a general lack of market confidence in view of the significant raw material price inflation.

2. KEY OPERATING RESULTS ANALYSIS

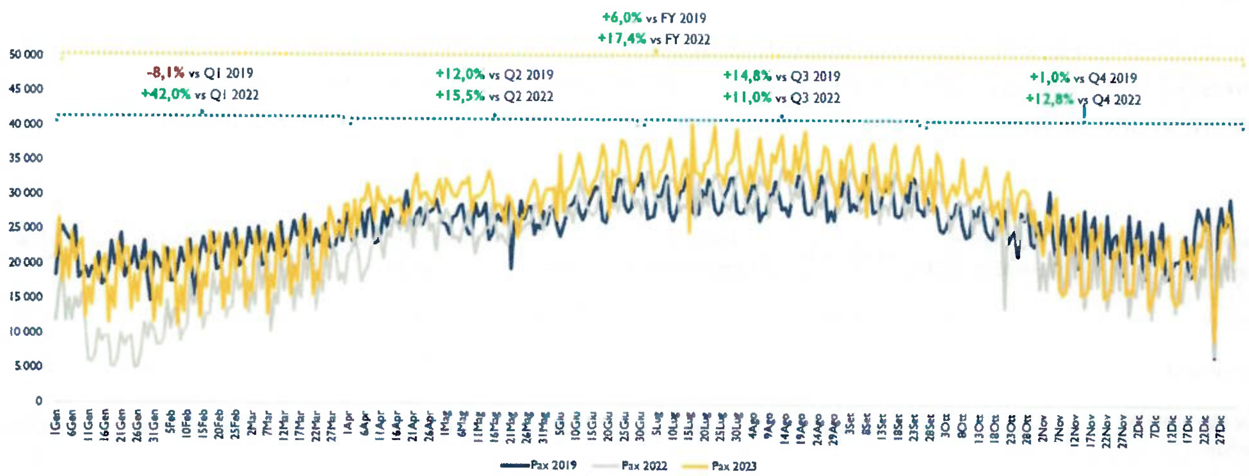
2.1 AVIATION STRATEGIC BUSINESS UNIT

2.1.1 AVIATION STRATEGIC BUSINESS UNIT: TRAFFIC DATA

The year 2023 saw a gradual recovery in traffic volumes. The first three months were again negatively impacted by demand seasonality and the general economic and geopolitical uncertainties. However, the beginning of the Summer Season '23 indicated the full recovery of pre-pandemic levels, with all-time monthly traffic records reported for the airport, and officially putting the "black period" of Covid behind us.

During the first year the airport recorded a total of 9,970,284 passengers, an increase on 2022 (+17.4%), which was shaped by the Omicron variant outbreak and Russia's aggression towards Ukraine, with 78,658 movements (+11.0%) and 50,994 tonnes of cargo transported (-7.6%). Also against 2019, the airport reports increased passenger traffic of 6.0%, with July being the best month in the airport's history. Movements have followed the traffic trends and surpassed 2019 levels by 2.0%, where as cargo traffic were 4.4% higher. The average load factor increased from 79.2% in 2022 to 82.5% in 2023. The average aircraft load factor was also higher than 2019 (81.5%).

Passenger traffic performance January-December 2023



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	January - December 2023	January - December 2022	Change % 2023-2022	January - December 2019	Change % 2023-2019
Passengers	9,970,284	8,496,000	17.4%	9,405,920	6.0%
Movements	78,658	70,871	11.0%	77,126	2.0%
Tonnage	5,480,246	4,854,383	12.9%	5,086,505	7.7%
Cargo	50,994,486	55,194,607	-7.6%	48,832,550	4.4%

Data includes General Aviation and transits

Passenger traffic breakdown	January - December 2023	*% of total*	January - December 2022	*% of total*	January - December 2019	*% of total*	Change % 23-22	Change % 23-19
Legacy	3,117,917	*31.3%*	2,350,062	*27.7%*	3,765,104	*40.0%*	32.7%	-17.2%
Low-cost	6,792,953	*68.1%*	6,098,218	*71.8%*	5,497,081	*58.4%*	11.4%	23.6%
Charter	42,686	*0.4%*	29,080	*0.3%*	121,033	*1.3%*	46.8%	-64.7%
Transits	6,649	*0.1%*	7,930	*0.1%*	14,090	*0.1%*	-16.2%	-52.8%
Total Commercial Aviation	**9,960,205**	***99.9%***	**8,485,290**	***99.9%***	**9,397,308**	***99.9%***	**17.4%**	**6.0%**
General Aviation	10,079	*0.1%*	10,710	*0.1%*	8,612	*0.1%*	-5.9%	17.0%
Total	**9,970,284**	***100.0%***	**8,496,000**	***100.0%***	**9,405,920**	***100.0%***	**17.4%**	**6.0%**

Low-cost traffic saw increased volumes compared to 2019 (+23.6%), whereas legacy traffic saw a slower recovery (-17.2% compared to 2019) and a contraction in movements on 2019, despite a recovering aircraft load factor. These varying growth trends altered the traffic mix, resulting in an increase in the low-cost share, which offers lower margins, from 58.4% in 2019 to 68.1% in 2023.

Although international traffic over the last three years has been negatively impacted by the significant slowdowns related to continued partial restrictions on the movement of people between countries, in addition to the unstable general economic and geopolitical environment, from summer 2022 a significant recovery on 2019 was evident, reflecting the benefit from "revenge tourism" as a result of the lifting of movement restrictions.

The domestic segment recovered quicker, with passengers on domestic flights exceeding pre-pandemic levels (+24.6% on 2019), while the international segment continues to be negatively impacted by the current general economic and geopolitical uncertainties, although finally exceeding 2019 levels (+1.1%).

Passenger traffic breakdown	January - December 2023	*% of total*	January - December 2022	*% of total*	January - December 2019	*% of total*	Change % 23-22	Change % 23-19
Domestic	2,438,699	*24.5%*	2,217,001	*26.1%*	1,957,731	*20.8%*	10.0%	24.6%
International	7,521,506	*75.4%*	6,268,289	*73.8%*	7,439,577	*79.1%*	20.0%	1.1%
Total Commercial Aviation	**9,960,205**	***99.9%***	**8,485,290**	***99.9%***	**9,397,308**	***99.9%***	**17.4%**	**6.0%**
General Aviation	10,079	*0.1%*	10,710	*0.1%*	8,612	*0.1%*	-5.9%	17.0%
Total	**9,970,284**	***100.0%***	**8,496,000**	***100.0%***	**9,405,920**	***100.0%***	**17.4%**	**6.0%**

EU traffic reached 97% of the levels of 2019, while non-EU traffic rose on the same period of 2019 (+54.8%), due to the reclassification of UK traffic from EU to Non-EU. Also net of this differing classification, Non-EU traffic was up 6.8% on 2019.

Passenger traffic breakdown	January - December 2023	% of total	January - December 2022	% of total	January - December 2019	% of total	Change % 23-22	Change % 23-19
EU	7,800,631	*78.2%*	6,831,403	*80.4%*	8,001,891	*85.1%*	14.2%	-2.5%
Non-EU	2,159,574	*21.7%*	1,653,887	*19.5%*	1,395,417	*14.8%*	30.6%	54.8%
Total Commercial Aviation	**9,960,205**	***99.9%***	**8,485,290**	***99.9%***	**9,397,308**	***99.9%***	**17.4%**	**6.0%**
General Aviation	10,079	*0.1%*	10,710	*0.1%*	8,612	*0.1%*	-5.9%	17.0%
Total	**9,970,284**	***100.0%***	**8,496,000**	***100.0%***	**9,405,920**	***100.0%***	**17.4%**	**6.0%**

Domestic passenger traffic in 2023 is approaching 2019's levels, supporting an expansion of international traffic, which accounts for approximately 75% of the total.

Among international destinations, Spain confirmed its number two spot in passenger traffic by volume, accounting for 15.4% of the total. Germany is next, with 7.1% of total passengers, followed by the United Kingdom with 6.7%, France with 5.4% and Romania with 4.9%. Three Non-EU countries are among the top 10: in addition to the United Kingdom, also Turkey and Albania.

Passenger traffic by country	January - December 2023	% of total	January - December 2022	% of total	January - December 2019	% of total	Change % 23-22	Change % 23-19
Italy	2,438,699	*24.5%*	2,217,001	*26.1%*	1,957,731	*20.8%*	10.0%	24.6%
Spain	1,532,470	*15.4%*	1,351,734	*15.9%*	1,302,254	*13.8%*	13.4%	17.7%
Germany	703,942	*7.1%*	558,980	*6.6%*	890,293	*9.5%*	25.9%	-20.9%
United Kingdom	669,622	*6.7%*	566,701	*6.7%*	904,859	*9.6%*	18.2%	-26.0%
France	538,060	*5.4%*	500,422	*5.9%*	507,613	*5.4%*	7.5%	6.0%
Romania	486,156	*4.9%*	422,725	*5.0%*	478,390	*5.1%*	15.0%	1.6%
Turkey	362,129	*3.6%*	232,843	*2.7%*	303,726	*3.2%*	55.5%	19.2%
Greece	357,277	*3.6%*	293,987	*3.5%*	315,159	*3.4%*	21.5%	13.4%
Netherlands	307,594	*3.1%*	261,471	*3.1%*	336,994	*3.6%*	17.6%	-8.7%
Albania	306,724	*3.1%*	206,177	*2.4%*	165,821	*1.8%*	48.8%	85.0%
Other	2,267,611	*22.7%*	1,883,959	*22.2%*	2,243,080	*23.8%*	20.4%	1.1%
Total	**9,970,284**	***100.0%***	**8,496,000**	***100.0%***	**9,405,920**	***100.0%***	**17.4%**	**6.0%**

In 2023, 118 destinations were directly reachable from Bologna.

Destinations reachable from Bologna Airport	*2023*	*2022*	*2019*
Destinations (airports) connected directly	118	127	120

In line with the reopenings to movements and despite the positive effect of revenge tourism, seven of the top ten destinations were foreign cities, with Barcelona leading the way with approximately 438 thousand passengers.

Main passenger traffic routes	January - December 2023	January - December 2022	Change % 2023-2022	January - December 2019	Change % 2023-2019
Catania	629,398	577,896	8.9%	397,194	58.5%
Barcelona	437,726	377,402	16.0%	389,343	12.4%
Palermo	313,338	346,931	-9.7%	276,883	13.2%
Tirana	306,724	206,177	48.8%	165,821	85.0%
Paris CDG	287,610	273,590	5.1%	298,900	-3.8%
Madrid	274,949	275,667	-0.3%	312,296	-12.0%
London LHR	253,393	200,274	26.5%	307,990	-17.7%
Istanbul	248,354	179,299	38.5%	199,708	24.4%
Frankfurt	244,876	186,088	31.6%	310,925	-21.2%
Brindisi	229,666	205,893	11.5%	189,762	21.0%

Passenger traffic including transits

The airport's network of main airlines reduced slightly on 2019 due to the outbreak of the pandemic and in consideration of the current geopolitical environment.

Number of carriers	***2023***	***2022***	***2019***
Airlines	55	52	57

Analysing the performance of the airlines, Ryanair is confirmed as the leading airline at the airport with 53.3% of total traffic, followed by Wizz Air with 9.7% of traffic (up 5.4% on 2019). The leading legacy airlines appear among the top ten at the airport, confirming the wide range of carriers operating at Bologna Airport, despite the extraordinary circumstances.

Passenger traffic by airline	2023	*% of total*	2022	*% of total*	2019	*% of total*
Ryanair	5,315,335	*53.3%*	4,831,709	*56.9%*	4,317,628	*45.9%*
Wizz Air	966,363	*9.7%*	848,516	*10.0%*	507,595	*5.4%*
Air France	287,290	*2.9%*	289,928	*3.4%*	313,319	*3.3%*
British Airways	253,444	*2.5%*	200,358	*2.4%*	308,163	*3.3%*
Turkish Airlines	248,546	*2.5%*	179,271	*2.1%*	199,708	*2.1%*
Lufthansa	244,398	*2.5%*	185,979	*2.2%*	310,707	*3.3%*
Vueling	242,521	*2.4%*	207,557	*2.4%*	197,294	*2.1%*
KLM Royal Dutch Airlines	193,556	*1.9%*	152,137	*1.8%*	226,232	*2.4%*
Air Nostrum	182,790	*1.8%*	161,460	*1.9%*	169,328	*1.8%*
Neos	168,142	*1.7%*	139,490	*1.6%*	124,425	*1.3%*
Other	1,867,899	*18.7%*	1,299,595	*15.3%*	2,731,521	*29.0%*
Total	**9,970,284**	***100.0%***	**8,496,000**	***100.0%***	**9,405,920**	***100.0%***

Cargo Traffic

Global cargo traffic numbers reflected the general economic and geopolitical conditions, particularly in view of the global economic slowdown, decreasing 2% on 2022 (-4% on 2019). Also in Europe, the contraction on 2019 was mainly due to the issues impacting the current environment which affected also the domestic sector (-1.5% on 2019).

Bologna Group cargo and mail traffic in 2023 totalled 50,994,486 kg, down 7.6% on 2022. This result reflects the significant degree of uncertainty in the entire global cargo segment, due to the challenging international and economic situation related to the continuing war in Ukraine and the recent macro-economic and geopolitical tensions.

An overall increase of 4.4% is reported for 2023 cargo traffic on the same period of 2019.

(in KG)	January - December 2023	January - December 2022	Change % 2023-2022	January - December 2019	Change % 2023-2019
Air cargo of which	41,174,117	42,973,932	-4.2%	38,050,148	8.2%
Cargo	41,173,770	42,926,429	-4.1%	38,027,623	8.3%
Mail	347	47,503	-99.3%	22,525	-98.5%
Road cargo	9,820,369	12,220,675	-19.6%	10,782,402	-8.9%
Total	**50,994,486**	**55,194,607**	**-7.6%**	**48,832,550**	**4.4%**

2.1.2 AVIATION STRATEGIC BUSINESS UNIT: FINANCIAL HIGHLIGHTS

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Total change vs 2022	% change vs 2022	for the year ended 31.12.2019	% change vs 2019
Passenger Revenues	56,014	48,098	7,916	16.5%	60,500	-7.4%
Carrier Revenues	30,139	26,969	3,170	11.8%	25,777	16.9%
Airport Operator Revenues	4,381	5,007	(626)	-12.5%	3,510	24.8%
Traffic Incentives	(27,370)	(26,499)	(871)	3.3%	(25,895)	5.7%
Construction Service Revenues	25,972	14,979	10,993	73.4%	12,715	104.3%
Other revenues	1,769	1,528	241	15.8%	1,552	14.0%
Aeronautical and FSC Revenue Reduction	(113)	(106)	(7)	6.6%	(879)	-87.1%
Reduction in Other Revenues to FSC	0	(41)	41	n.a.	0	n.a.
Total AVIATION SBU Revenues	**90,792**	**69,935**	**20,857**	**29.8%**	**77,280**	**17.5%**

The Aviation Strategic Business Unit's revenues consist of fees paid by users (airlines and passengers through the airlines) and airport operators for the use of the infrastructure and services provided on an exclusive basis by the Group for landing, take-off, lighting, aircraft parking and passenger and cargo operations, in addition to centralised infrastructure and exclusive-use premises.

Given the public utility aspect of airport services, airport charges are regulated by both national and EU legislation. The new regulations and implementation measures – including the models approved by the Transport Regulation Authority – require that changes to the system or amount of airport fees be made with the consent, on the one hand, of the airport manager, and of the airport's users on the other.

Revenues in 2023 were up on both 2022 and on 2019. The growth on 2022 stems from the traffic volumes reported, and significantly also from the increased investment in Concession Rights, which increased also on 2019.

Group revenues from the Aviation Strategic Business Unit were up 29.8% overall on 2022 and 17.5% on 2019. The individual accounts broke down as follows:

- Passenger Revenues (+16.5% on 2022 and -7.4% on 2019): passenger revenues are in line with the trend in passenger traffic and in tariffs, which in 2023 were substantially unchanged on 2022 (same tariffs for the January-May period; average tariff slightly up on 2022 in the June-August period and slightly decreasing from September), although reducing on 2019;
- Carrier Revenues (+11.8% on 2022 and +16.9% on 2019): carrier revenues are in line with the trend in movements and tonnage and with the trend in tariffs, particularly take-off and landing tariffs, which increased on 2019 and were generally in line with 2022, as previously indicated;
- Airport Operator Revenues (-12.5% on 2022 and +24.8% on 2019): revenues benefited from traffic volumes and particularly from General Aviation, which generates fuel service revenues, responsible for the contraction on 2022 and the growth on 2019;
- Incentives: the movement in incentives (+3.3% on 2022 and +5.7% on 2019) relates to the volume of incentivised traffic;

- Revenues from Construction Services: the increase in this item (+73.4% on 2022 and +104.3% on 2019) is linked to the greater capex.

2.2 NON-AVIATION STRATEGIC BUSINESS UNIT

2.2.1 NON-AVIATION STRATEGIC BUSINESS UNIT: FINANCIAL HIGHLIGHTS

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Total change vs 2022	% change vs 2022	for the year ended 31.12.2019	% change vs 2019
Retail and Advertising	18,201	14,803	3,398	23.0%	15,620	16.5%
Parking	19,923	15,970	3,953	24.8%	16,818	18.5%
Real Estate	2,985	2,995	(10)	-0.3%	2,450	21.8%
Passenger services	7,464	5,786	1,678	29.0%	6,206	20.3%
Construction Service Revenues	2,442	973	1,469	151.0%	3,705	-34.1%
Other revenues	3,267	3,192	75	2.3%	3,056	6.9%
Non-Aeronautical and FSC Revenue Reduction	(10)	(226)	216	-95.6%	0	n.a.
Reduction in Other Revenues to FSC	0	(10)	10	n.a.	0	n.a.
Total NON AVIATION SBU Revenues	**54,272**	**43,483**	**10,789**	**24.8%**	**47,855**	**13.4%**

Total non-aviation business revenues in the year increased 24.8% on 2022 and 13.4% on 2019.

The individual areas of this business unit performed as follows.

Retail and Advertising

Performance in this revenue category (+23% on 2022 and +16.5% on 2019) is mainly tied to traffic, based on the contract terms in effect beginning in 2021, mainly retail and some advertising agreements, according to which fees vary on the basis of traffic levels compared to 2019. The good Duty Free and food & beverage segment performances were driven by the traffic numbers compared to both 2022 and 2019. The advertising sector recovery also contributed to the growth on 2022, although remaining under 2019 levels.

Parking

The movements in parking and rail access revenues (+24.8% on 2022 and +18.5% on 2019) are also strictly tied to the trend in traffic volumes, in addition to a new sales strategy which led to improved performance.

Real Estate

The increase in Real Estate revenues on 2019 was mainly due to a new sub-concession agreement related to new areas delivered from June 2021.

Passenger services

In 2023, passenger services posted growth of 29% on 2022 and of 20.3% on 2019, attributable both to premium services (i.e. lounge and accessory services) and to car hires. The performance of the individual businesses is described below.

Premium services

This business posted an increase in revenues on 2022 due to the growth in traffic and in the share of departing passengers which requires this service. Although volumes are still under 2019 levels as business traffic has not fully recovered, the inflationary effect on the tariff resulted in increased revenues on 2019.

Car hire sub-concessions

Car hire revenues were up both on 2022 and on 2019. This was driven by the comprehensive renegotiation of contracts within the entire segment, resulting in higher space sub-licensing charges and variable fees recognised to the manager.

The strong results stem also from the increased number of car hire companies at the airport, which was matched by an increased commercial offer.

Construction Service Revenues

The movement in this item (+151% on 2022 and -34.1% on 2019) relates to investments in the business unit compared to the previous years.

Other revenues

The increase in other revenues on 2022 (+2.3%) is mainly attributable to the increased maintenance on the vehicles of airport operators and the penalties resulting from the delays in executing the lot III aircraft apron construction works.
Compared to 2019 (+6.9%) the increase derives from the sale of de-icing fluid (in the same period of 2019 the new management of fluid, acquired and managed by AdB and sold to the service handler to undertake the service began in November and was therefore not present in the first three months of the year), from the extraordinary contribution to partially offset the increased charges incurred for electricity and natural gas acquired and actually utilised (received as a non-energy intensive and non-gas intensive enterprise which has seen an increase of greater than 30% in the corresponding average price against the same quarter of 2019), accruing in the first and second quarter of 2023, from the accrual of the contribution for the ITAIR-ISAC-funded project for the creation of a shared cyber-security risk centre in collaboration with Assaeroporti, as it was concluded and reported, and from the application of the above penalties.

2.3 STRATEGIC BUSINESS UNIT OTHER

2.3.1 STRATEGIC BUSINESS UNIT OTHER: FINANCIAL HIGHLIGHTS

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Total change vs 2022	% change vs 2022	for the year ended 31.12.2019	% change vs 2019
Other revenues	0	21,137	(21,137)	n.a.	0	n.a.
Total OTHER SBU Revenues	**0**	**21,137**	**(21,137)**	**n.a.**	**0**	**n.a.**

The account "Business Unit Other" residually includes those businesses not directly attributable to the identified segments.

The significant amount in 2022 is due to the contribution from the compensation fund established under Italian law No. 178 of December 30, 2020 (the 2021 Budget Law), enacted by Decree of the Ministry for Infrastructure and Sustainable Mobility, in concert with the Ministry for the Economy and Finance, of November 25, 2021, for the coverage of losses caused by the pandemic during the period March 1 to June 30, 2020. The amount granted to the Group as compensation for damages was Euro 21,137 thousand, of which Euro 20,903 thousand related to the Parent Company and Euro 234 thousand to the subsidiary TAG Bologna S.r.l.

The Group decided not to allocate this component of income to the individual operating segments so as not to alter the presentation of the business units' performance for the period.

3 ANALYSIS OF THE OPERATING RESULTS, FINANCIAL POSITION AND CASH FLOWS

3.1 CONSOLIDATED OPERATING RESULTS ANALYSIS

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Total change vs 2022	% change vs 2022	for the year ended 31.12.2019	% change vs 2019
Revenues from aeronautical services	63,325	53,754	9,571	17.8%	63,274	0.1%
Revenues from non-aeronautical services	51,811	42,257	9,554	22.6%	44,295	17.0%
Revenues from construction services	28,414	15,952	12,462	78.1%	16,420	73.0%
Other operating revenues and income	1,514	22,592	(21,078)	-93.3%	1,146	32.1%
REVENUES	**145,064**	**134,555**	**10,509**	**7.8%**	**125,135**	**15.9%**
Consumables and goods	(3,673)	(4,133)	460	-11.1%	(2,305)	59.3%
Service costs	(24,789)	(21,383)	(3,406)	15.9%	(20,920)	18.5%
Revenues from construction services	(27,061)	(15,192)	(11,869)	78.1%	(15,639)	73.0%
Leases, rentals and other costs	(10,406)	(8,259)	(2,147)	26.0%	(8,614)	20.8%
Other operating expenses	(3,635)	(3,257)	(378)	11.6%	(3,260)	11.5%
Personnel costs	(31,418)	(27,503)	(3,915)	14.2%	(29,460)	6.6%
COSTS	**(100,982)**	**(79,727)**	**(21,255)**	**26.7%**	**(80,198)**	**25.9%**
GROSS OPERATING PROFIT (EBITDA)	**44,082**	**54,828**	**(10,746)**	**-19.6%**	**44,937**	**-1.9%**
Amortisation of concession rights	(8,744)	(8,014)	(730)	9.1%	(6,243)	40.1%
Amortisation of other intangible assets	(692)	(661)	(31)	4.7%	(1,576)	-56.1%
Depreciation of tangible assets	(2,276)	(5,249)	2,973	-56.6%	(2,750)	-17.2%
DEPRECIATION, AMORTISATION AND IMPAIRMENT	**(11,712)**	**(13,924)**	**2,212**	**-15.9%**	**(10,569)**	**10.8%**
Provisions for doubtful accounts	654	(693)	1,347	n.a.	1	n.a.
Provision for renewal of airport infrastructure	(3,733)	(4,079)	346	-8.5%	(2,893)	29.0%
Provisions for other risks and charges	(3,507)	(171)	(3,336)	1950.9%	(409)	757.5%
PROVISIONS FOR RISKS AND CHARGES	**(6,586)**	**(4,943)**	**(1,643)**	**33.2%**	**(3,301)**	**99.5%**
TOTAL COSTS	**(119,280)**	**(98,594)**	**(20,686)**	**21.0%**	**(94,068)**	**26.8%**
EBIT	**25,784**	**35,961**	**(10,177)**	**-28.3%**	**31,067**	**-17.0%**
Financial income	840	1,427	(587)	-41.1%	150	460.0%
Financial expense	(3,202)	(1,471)	(1,731)	117.7%	(1,125)	184.6%
Non-recurring income and charges	0	0	0	n.a.	0	n.a.
PRE-TAX RESULT	**23,422**	**35,917**	**(12,495)**	**-34.8%**	**30,092**	**-22.2%**
TAXES FOR THE YEAR	**(6,716)**	**(4,808)**	**(1,908)**	**39.7%**	**(9,240)**	**-27.3%**
PROFIT (LOSS) FOR THE YEAR	**16,706**	**31,109**	**(14,403)**	**-46.3%**	**20,852**	**-19.9%**
Profit (Loss) for the year - Minority interests	**0**	**0**	**0**	**n.a.**	**0**	**n.a.**
Profit (loss) for the year – Group	**16,706**	**31,109**	**(14,403)**	**-46.3%**	**20,852**	**-19.9%**

To offer a more useful comparison with the pre-pandemic figures, the operating results tables provide figures for the same period of 2019.

A consolidated profit of Euro 16.7 million is reported for 2023 (Euro 31.1 million in 2022), of which Euro 21.1 million due to the contribution from the COVID-19 compensation fund. Net of this extraordinary contribution, 2022 profit (comparative period) would be Euro 10 million, for growth therefore of 67.5%.

Operating **revenues** overall grew 7.8% on 2022 and 15.9% on 2019.
This performance was significantly shaped by the contribution from the compensation fund disbursed in Q1 2022. See the section on adjusted EBITDA for an analysis of performance for the period without this contribution. Revenues break down as follows:

- **revenues from aeronautical services** grew 17.8% on 2022, due to the strong traffic performance, while in line with 2019, despite the increase in traffic, against a reduction in aviation tariffs and given a different traffic mix, with an increase in the low-cost segment;

- **revenues from non-aeronautical services** grew 22.6% on 2022 and 17% on 2019 due to the performance of the various category components, as outlined in the relative section;

- **revenues from construction services** grew (+78.1% on 2022 and +73% on 2019) due to the increased aviation and non-aviation sector capex on 2022 and in view of the increased capex in the aviation sector alone compared to 2019;

- **other operating revenues and income**: this aggregate in the same period of 2022 includes the contribution from the compensation fund as described above, in the amount of Euro 21,137 thousand. Net of this contribution, other operating revenues and income in 2023 rose 4.1% on 2022. The increase on 2019 is due also to the contributions outlined in the non-aviation section, the penalties from the delays in executing the construction works of the lot III aircraft apron contributed and increased revenues from condominium charges following the increased cost of energy. Compared to 2022, condominium charges and increased revenues from penalties contributed.

Period **costs** overall increased 26.7% on the same period of 2022 and 25.9% on 2019.

These break down as follows:

- ✓ **costs for consumables and goods** contracted 11.1% on 2022, due to the reduced purchases of General Aviation aircraft fuel as a result of the decline in movements, offset in part by increased purchases of consumables and operational furnishings for the passenger terminal. The 59.3% increase on 2019 is due to the higher purchases of aircraft fuel and cargo packaging materials, in addition to the increased purchases of de-icing liquid;
- ✓ **service costs** increased on 2022 (+15.9%), due to the increase in traffic-related services (PRM - passengers with reduced mobility service and the MBL – Marconi Business Lounge service), but particularly as a result of increased costs for all other services, such as maintenance, shuttles for off-site parking, utilities, professional and consulting services, cleaning, development and promotion, and insurance; Service costs also increased on 2019 (+18.5%) due to higher costs for utilities, maintenance, security services, professional and consulting services, cleaning, shuttles for off-site parking, insurance and development and promotion;
- ✓ the movements in the **lease, rentals and other costs** account (+26% on 2022 and +20.8% on 2019) is mainly due to the change in traffic volume, on whose basis the concession and security fees are calculated, in addition to the increased data processing fees and rental charges;
- ✓ **other operating expenses** increased 11.6% on 2022 and 11.5% on 2019, due to the increased taxes and association dues, alongside, in the comparison with 2019, an increase also of the fire prevention contribution.

Reference should be made to the personnel costs section of this report for further details.

Overall, **EBITDA of Euro 44.1 million** is reported for 2023, compared to Euro 54.8 million in 2022, which benefited significantly from the Compensation fund contribution, and to Euro 44.9 million in 2019. See the section on adjusted EBITDA for a description of performance for the period without the 2022 contribution.

On **overheads, "amortisation and depreciation"** amounted to Euro 11.7 million, down on 2022 (-15.9%), a year in which a write-down was recognised of a property complex recognised to investment property as per IAS 40.

Provisions, on the other hand, increased 33.2%, from Euro 4.9 million to Euro 6.6 million, due to the increased accruals to the provision for disputes in progress and future charges. The increase in the provisions for disputes in progress is mainly due to the higher legal interest rate, at which interest is calculated for the late payment of the fire service fee, which has been the subject for multi-year litigation. The increased provisions for future charges mainly concern the estimate of the land reclamation charges (see note 16). On the other hand, a positive component concerns the release of a portion of the provision for doubtful accounts, against the collection of items considered at risk in the previous year.

EBIT was **Euro 25.8 million,** compared to Euro 36 million in 2022 (Euro 14.7 million net of the COVID contribution) and Euro 31.1 million in the last pre-COVID year.

Net financial expense amounted to **Euro 2.4 million,** compared to a substantial break-even financial management result in 2022 (income of Euro 44 thousand), due to the increased financial expense on loans as a result of the higher interest rates and of charges to discount provisions due to declining prospective interest rates. In order to optimise the financial structure and improve the debt maturity profile, the Parent Company in September repaid in advance the Intesa Sanpaolo Spa loan of Euro 33.9 million, which had increasing commissions linked to the SACE guarantee, and agreed a new ESG KPI Linked Loan with Credit Agricole Italia for Euro 15 million and 60 months duration, which stipulates a bonus on the contractually-agreed spread on the achievement of certain ESG KPI's. In particular, commitments were agreed to progressively reduce the amount of climate-altering gas emissions, together with an increased self-generation of electricity from renewable sources.

On the basis of the above, the **Pre-tax result** for the year was a profit of **Euro 23.4 million** (Euro 35.9 million in 2023 - Euro 14.8 million net of the COVID contribution and Euro 30.1 million in 2019).

Income taxes rose from Euro 4.8 million in 2022 to Euro 6.7 million, as a result of the increased assessable base, as in 2022 theCOVID-19 contribution was not included in the IRES and IRAP assessable base as per Article 10-bis of Legislative Decree No. 137/2020.

The **result for the year**, entirely concerning the Group, was therefore a net profit of **Euro 16.7 million,** compared to Euro 31.1 million in 2022.

The performance of **EBITDA adjusted** for the construction services margin, the contribution of the COVID damages compensation fund and the revenues from Terminal Value on the Provision for Renewal (see the Intangible Assets paragraph of the Accounting Policies of the notes to the consolidated and separate financial statements) is presented below:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Total change vs 2022	% change vs 2022	for the year ended 31.12.2019	% change vs 2019
Revenues from aeronautical services	63,325	53,754	9,571	17.8%	63,274	0.1%
Revenues from non-aeronautical services	51,811	42,257	9,554	22.6%	44,295	17.0%
Other operating revenues and income	1,341	1,421	(80)	-5.6%	1,065	25.9%
ADJUSTED REVENUES	**116,477**	**97,432**	**19,045**	**19.5%**	**108,634**	**7.2%**
Consumables and goods	(3,673)	(4,133)	460	-11.1%	(2,305)	59.3%
Service costs	(24,789)	(21,383)	(3,406)	15.9%	(20,920)	18.5%
Leases, rentals and other costs	(10,406)	(8,259)	(2,147)	26.0%	(8,614)	20.8%
Other operating expenses	(3,635)	(3,257)	(378)	11.6%	(3,260)	11.5%
Personnel costs	(31,418)	(27,503)	(3,915)	14.2%	(29,460)	6.6%
ADJUSTED COSTS	**(73,921)**	**(64,535)**	**(9,386)**	**14.5%**	**(64,559)**	**14.5%**
ADJUSTED GROSS OPERATING PROFIT (ADJUSTED EBITDA)	**42,556**	**32,897**	**9,659**	**29.4%**	**44,075**	**-3.4%**
Construction service revenues	28,414	15,952	12,462	78.1%	16,420	73.0%
Revenues from construction services	(27,061)	(15,192)	(11,869)	78.1%	(15,639)	73.0%
Construction Services Margin	**1,353**	**760**	**593**	**78.0%**	**781**	**73.2%**
Revenues from Terminal Value on Provision for Renewal	173	34	139	408.8%	81	113.6%
Revenues from compensation fund contribution 2021 Budget Law	0	21,137	(21,137)	n.a.	0	n.a.
GROSS OPERATING PROFIT (EBITDA)	**44,082**	**54,828**	**(10,746)**	**-19.6%**	**44,937**	**-1.9%**

(*) For further information on terminal value, refer to the note in the financial statements on accounting policies regarding intangible assets.

Adjusted revenues were up 19.5% on 2022 and 7.2% on 2019. **Adjusted costs** rose 14.5% on 2022 and on 2019, resulting in **adjusted EBITDA of Euro 42.6 million**, compared to Euro 32.9 million in 2022 (+29.4%), although lower than the Euro 44.1 million for 2019 (-3.4%).

3.2 CASH FLOW ANALYSIS

The consolidated cash flow statement, indicating cash flows generated/absorbed from operating, investing and financing activities, is summarised below for the financial years 2023 and 2022:

in thousands of Euro	as at 31.12.2023	as at 31.12.2022	Change
Cash flow generated / (absorbed) by operating activities before working capital changes	**43,044**	**54,555**	**(11,511)**
Cash flow generated / (absorbed) by net operating activities	**34,812**	**69,928**	**(35,116)**
Cash flow generated / (absorbed) by investing activities	**11,217**	**(63,431)**	**74,648**
Cash flow generated / (absorbed) by financing activities	**(29,563)**	**(6,844)**	**(22,719)**
Change in closing cash flow	**16,466**	**(347)**	**16,813**
Cash and cash equivalents at beginning of year	**27,868**	**28,215**	**(347)**
Change in closing cash flow	**16,466**	**(347)**	**16,813**
Cash and cash equivalents at end of the year	**44,334**	**27,868**	**16,466**

Cash flow generated by operating activities before working capital changes amounted to Euro 43 million, against Euro 54.6 million in 2022.

Net of the Euro 21.1 million contribution from the COVID-19 compensation fund recognised in 2022, an improvement over 2022 of Euro 9.6 million is reported.

Working capital absorbed cash of Euro 8 million in the period, due to:

- the increase in gross trade receivables of Euro 5.7 million and of other receivables for Euro 4.3 million, related to the increased traffic and the impact on trade receivables and on the surtax and IRESA receivables under "other receivables";
- outflows for the payment of interest and the use of provisions for Euro 4.8 million, in addition to those for the payment of taxes for Euro 3.4 million.

  In terms of sources, trade payables increased Euro 2 million, with "other payables" increasing Euro 8 million, mainly due to the increase in payables for surtaxes and IRESA, for the fire prevention service and of tax payables.

As a result of that outlined above, **cash flows from operating activities, net of working capital changes,** generated **Euro 34.8 million**, compared to a cash generation of Euro 69.9 million in 2022.

The generation of cash flows of Euro 11.2 million from **investing activities** was due to:

- from the generation of resources of Euro 40 million for the receipt of overdue time deposits and for Euro 9 million for the reclassification to cash and cash equivalents of the time deposits with a residual duration of less than 3 months;
- the absorption of cash from **investment activities** in tangible and intangible assets, mainly concession rights for **Euro 28.8 million**, compared to Euro 18.4 million in the comparative period.

Financing activities absorbed cash flows of **Euro 29.6 million**, due to:

- the voluntary early settlement of the Intesa Sanpaolo Spa loan with SACE guarantee for Euro 33.9 million;
- the repayment of the maturing loan instalments;
- the receipt of a new loan for Euro 15 million;
- the settlement of lease liabilities.

As a result, the **final overall change in cash** for the period was a **positive Euro 16.5 million.**

The Group's net financial position at December 31, 2023 compared to December 31, 2022 is presented below, in accordance with Consob Communication of July 28, 2006 and the ESMA/2011/81 and ESMA32-382-1138 Recommendations of March 4, 2021.

	in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
A	Cash	35,323	27,868	7,455
B	Other cash equivalents	9,011	0	9,011
C	Other current financial assets	5,002	45,058	(40,056)
D	**Liquidity (A+B+C)**	**49,336**	**72,926**	**(23,590)**
E	Current financial debt	(7,232)	(2,819)	(4,413)
F	Current portion of non-current debt	(12,323)	(14,976)	2,653
G	**Current financial debt (E + F)**	**(19,555)**	**(17,795)**	**(1,760)**
H	**Net current financial position (G - D)**	**29,781**	**55,131**	**(25,350)**
I	Non-current financial payables	(21,284)	(47,605)	26,321
J	Debt instruments	0	0	0
K	Trade payables and other non-current payables	(115)	(521)	406
L	**Non-current financial debt (I + J + K)**	**(21,399)**	**(48,126)**	**26,727**
M	**Total net financial Position (H + L)**	**8,382**	**7,005**	**1,377**

The net financial position at December 31, 2023 was a cash position of **Euro 8.4 million** compared to Euro 7 million at December 31, 2022.

Compared to December 31, 2022, the movement in liquidity is due to:

- the generation of operating cash flows, net of Net Working Capital movements, of Euro 34.8 million;
- the cash flow absorbed from investing activities for Euro 28.8 million;
- the cash flow generated from the maturity of time deposits for Euro 40 million;
- the cash flow absorbed from financing activities for Euro 29.6 million.

In terms of payables, significant differences are reported between the periods reviewed due to the settlement by AdB of the Intesa Sanpaolo loan with SACE guarantee and the signing of a new loan with Credit Agricole.

3.3 FINANCIAL POSITION ANALYSIS

The Group financial position, classified according to "sources" and "uses", is presented below for the two year period 2022-2023:

USES	as at 31.12.2023	as at 31.12.2022	Change Absolute	Change %
-Trade receivables	19,072	12,672	6,400	51%
- Tax receivables	360	387	(27)	-7%
- Other Receivables	6,522	4,775	1,747	37%
- Inventories	878	912	(34)	-4%
Sub-total	**26,832**	**18,746**	**8,086**	**43%**
-Trade payables	(26,897)	(24,869)	(2,028)	8%
- Tax payables	(2,664)	(2,923)	259	-9%
- Other payables	(36,305)	(32,256)	(4,049)	13%
Sub-total	**(65,866)**	**(60,048)**	**(5,818)**	**10%**
Net operating working capital	**(39,034)**	**(41,302)**	**2,268**	**-5%**
Fixed assets	238,820	220,367	18,453	8%
- Deferred tax assets	6,831	10,002	(3,171)	-32%
- Other non-current assets	16,263	13,869	2,394	17%
Total fixed assets	**261,914**	**244,238**	**17,676**	**7%**
- Provisions for risks, charges & severance	(22,426)	(17,673)	(4,753)	27%
- Deferred tax liabilities	(2,790)	(2,843)	53	-2%
- Other non-current liabilities	(77)	(115)	38	-33%
Sub-total	**(25,293)**	**(20,631)**	**(4,662)**	**23%**
Fixed Operating Capital	**236,621**	**223,607**	**13,014**	**6%**
Total Uses	**197,587**	**182,305**	**15,282**	**8%**

SOURCES	as at 31.12.2023	as at 31.12.2022	Change Absolute	Change %
Net financial (debt) position	**8,382**	**7,005**	**1,377**	**20%**
- Share Capital	(90,314)	(90,314)	0	0%
- Reserves	(98,949)	(67,887)	(31,062)	46%
- Profit (loss) for the year	(16,706)	(31,109)	14,403	-46%
Group Shareholders' Equity	**(205,969)**	**(189,310)**	**(16,659)**	**9%**
- Minority Interests	0	0	0	0%
Total Shareholders' Equity	**(205,969)**	**(189,310)**	**(16,659)**	**9%**
Total sources	**(197,587)**	**(182,305)**	**(15,282)**	**8%**

Net invested capital at December 31, 2023 was **Euro 197.6 million**, increasing Euro 15.3 million on December 31, 2022, mainly due to the increase in investments, principally concerning concession rights - the fixed capital increased Euro 17.7 million to Euro 261.9 million, compared to Euro 244.2 million at December 31, 2022.

In terms of sources, at December 31, 2023 a net financial position of approximately Euro 8.4 million is reported, compared to Euro 7 million at December 31, 2022, while **consolidated and Group Shareholders' Equity** amounted to **Euro 206 million,** compared to Euro 189.3 million at December 31, 2022, increasing due to the overall profit in the year.

3.4 KEY INDICATORS

The key consolidated financial indicators for the two-year period are presented below.

KEY INDICATORS		2023	2022
ROE	Net Result/ Average Net Equity	8.5%	17.9%
ROI	Adjusted Operating Result/ Average Net Invested Capital	12.8%	7.3%
ROS	Adjusted Operating Result/ Adjusted revenues	20.4%	11.8%
ROCE	Adjusted Operating Result/ Net Invested Capital	12.3%	7.7%
ROD financial	Financial expenses on financial debt/ Bank payables	6.6%	2.2%
Debt ratio	Financial expenses on financial debt/ Adjusted EBITDA	5.2%	4.2%
Liquidity ratio	Current assets and assets held-for-sale Current Liabilities	0.86	1.14
Enlarged Solvency Margin	(Net equity+Non-current liability)/ Non-current assets	0.95	1.05
Financial independence	Net Equity/ Total Assets	0.61	0.56

The days sales outstanding and the days payable outstanding are presented below:

DSO and DPO	2023	2022	Change
Days sales outstanding	41	52	(11)
Days payable outstanding	53	52	1

Days sales outstanding stood at 41, significantly improving on 2022 (-11 average days), and close to the pre-COVID years (44 average days in 2019). Days payable outstanding were substantially stable, from 52 days in 2022 to 53 days in 2023.

3.5 AIRPORT INFRASTRUCTURE DEVELOPMENT AND INVESTMENTS

3.5.1 AIRPORT INFRASTRUCTURE DEVELOPMENT

2023 saw the resumption of infrastructure development activities, which had slowed during the pandemic period following the restrictions imposed by the pandemic and the Lay-Off Scheme that the Group had utilised.

Infrastructure development therefore continued with key projects in the various airside, terminal and landside areas as approved in the *"2016-30 Airport Development Plan"*.

In addition to medium to long-term planning, in December 2021 ENAC issued a circular letter concerning the preparation of Plans for the functional development of terminals for airports with annual passenger traffic greater than 5 million. In compliance with this request, AdB has structured the "Plan for the Functional and Sustainable Development of the Terminal Area" as a new short-term (four-year/five-year) planning tool, which includes the main interventions planned in relation to the terminal in the 2022-2026 period and constitutes a technical framework to support the Regulatory Agreement.

3.5.2 INVESTMENTS

Total Group **investments** in **2023** amount to **Euro 29.7 million.** In particular, Euro 18.3 million concerned infrastructure investments, alongside Euro 11.4 million for investments in airport operations.

The main <u>infrastructure investments concluded</u> in the year related to:

- **Aircraft Parking Lot 3 expansion**: in Q3 2023, the expansion of Apron 3 was completed and it became partially operational. Work however on the construction of a new fuel facility for General Aviation flights and work on the installation of new AVLs (Luminous Visual Aids) however continued, with both to be completed in early 2024;
- **Apron 1 redevelopment**: phase I work on Apron 1 (section between stand 112 and stand 116 totalling 15,000 sq. m.) was completed, which upgraded the surface down to the deepest layers through the use of higher-performance materials to enable the useful life of the apron to be extended. Phase II work (section between stands 110 and 111 totalling 10,000 sq. m.) is in progress;
- **Curbside reconfiguration 1st floor** : the work was completed in the autumn with the redevelopment and adaptation of the landside spaces located outside the passenger terminal on the first floor;
- **Redevelopment of the cargo area:** work was competed to reconfigure the cargo area to increase the storage capacity of the cargo infrastructure, reorganising internal spaces and maximising the areas for storing import and export cargo.

The main <u>investments concluded in 2023 in airport operations</u> to improve the service offered to passengers and increase the efficiency of company processes are listed below:

- fire retrofitting of the Smoke and Heat Evacuation Systems (SEFC) at the Terminal;
- completion of some technological systems work, specifically: completion of the second evaporation tower serving the Terminal's air conditioning chillers, air conditioning of the boarding bridges, new generators at the Freight Terminal;
- installation of new dynamic signage along the airport entrance driveway;

- new "dual view" x-ray machine to inspect goods in compliance with current regulations;
- construction of a new compass near the MBL area to improve management of passenger flows and create a dedicated entrance for People Mover access;
- various information technology interventions to improve the "passenger experience."

Actions focused on sustainability include:

- **environmental compensation:** we note the completion of expropriation activities regarding properties in the areas earmarked for the creation of a wooded strip along the northern perimeter of the airport site, in order to comply with the requirements of the EIA Decree Masterplan and the Regional Implementing Agreement for the Decarbonisation of the airport, compensating for the environmental impact of airport operations. In the autumn, the "planting" phase for the establishment of the forest began;
- **new photovoltaic systems**: include the completion of the rooftop photovoltaic panels on the BHS building, the start of work on the construction of a more powerful system than the existing one covering the terminal, and the start of the Executive Project for the construction of a ground-mounted photovoltaic system located north of the runway after obtaining approval from Enac for the Technical-Economic Feasibility Project;
- **new laminating plant:** the installation of a new airport run-off water overflow system, replacing the existing basin known as the Olmi Quarry, has been completed; Redevelopment of the area where the current basin is located remains to be completed;
- **other efficiency upgrades and renovations**: these interventions include lighting of offices, terminal building and aprons using energy-saving LEDs, installation of anti-radiation films at the terminal for increased passenger comfort, charging stations for electric vehicles, the renewal of the vehicle fleet with new electric cars and operating vehicles, and a rainwater recovery system to collect rainwater runoff to be conveyed to a new prefabricated underground tank intended for reuse for compatible uses. The replacement of the absorption refrigeration unit serving the trigeneration plant was also completed.

Among the principal works still underway at December 31, 2023 we report:

- Purchase of a **computer system** (kiosks and software) for processing passengers subject to "entry-exit" regulations
- **Schengen Departure Hall Reconfiguration:** work has started on expanding the Schengen departure hall, involving the expansion of landside areas, rearrangement and improvement of the existing passenger flow structure, and ensuring optimisation of the commercial areas;
- **New perimeter roadway:** work has started on the new perimeter roadway; this comprises the execution of urbanisation works to commission the roadway and the future construction of fuel depots and aprons;
- **New Multi-story Car Park:** work has begun on the construction of a new multi-story parking lot consisting of two bodies spread over 8 levels (ground floor + 7 floors) that will accommodate 2,218 parking spaces; in addition, the relocation of the ecological island has been completed as it interferes with the construction of the parking lot;

- **Security and Passport Control Area Redevelopment:** work continues with an aim to raise the efficiency of the terminal's main control subsystems, including security checks and passport control and increase the level of quality and service offered to passengers. In particular, at the end of 2023, the renovation of the passport area and new offices of the state agencies (police, financial police, and customs) was completed with the installation of an additional new counter for manual passport control and flow optimisation;
- **Terminal expansion:** during 2023, the executive project related to the airside area of the passenger terminal expansion was completed, and the bidding process for the construction of the building related to the Terminal expansion began. Assignments for geological surveys and topographical surveys preparatory to the work have also been initiated, as well as the development of guidelines for the design and standardisation of the exterior of the passenger terminal.

Provisions for Renewal

The total works for the **renewal and maintenance cycle of the airport infrastructure and plant** in 2023 amounted to **Euro 3.2 million,** of which **Euro 1.02 million** for airside works (wear layer restoration work on taxiway), **Euro 901 thousand** for various plant works and **Euro 1.3 million** for landside works for operational maintenance.

3.6 PERSONNEL

Workforce breakdown

	for the year ended 31.12.2023	for the year ended 31.12.2022	Total change vs 2022	% change vs 2022	for the year ended 31.12.2019	Total change vs 2019	% change vs 2019
Full Time Equivalent average workforce	**491**	**444**	**47**	**11%**	**492**	**-1**	**0%**
Executives	8	8	0	0%	9	(1)	-11%
Managers	41	36	5	14%	33	8	24%
White-collars	348	316	32	10%	354	(6)	-2%
Blue-collars	94	84	10	12%	96	(2)	-2%

	for the year ended 31.12.2023	for the year ended 31.12.2022	Total change vs 2022	% change vs 2022	for the year ended 31.12.2019	Total change vs 2019	% change vs 2019
Average workforce	**542**	**486**	**56**	**12%**	**543**	**-1**	**0%**
Executives	8	8	0	0%	9	(1)	-11%
Managers	41	36	5	14%	33	8	24%
White-collars	393	355	38	11%	402	(9)	-2%
Blue-collars	100	87	13	15%	99	1	1%

Source: Company workings

The increase in the workforce on 2022 (+47 FTE) almost entirely concerns operating personnel and therefore concerns traffic movements and the bringing in-house of the airside PRM service from December 2023.

Costs

	for the year ended 31.12.2023	for the year ended 31.12.2022	Total change vs 2022	% change vs 2022	for the year ended 31.12.2019	% change vs 2019
Payroll	31,418	27,503	3,915	14.2%	29,460	6.6%

Source: Company workings

Personnel costs in 2023 increased 14.2% on 2022, mainly due to:

- the increase in the workforce outlined above;
- the use of the social security schemes in the initial months of 2022, although for a minimal percentage;
- increased use of temporary staffing;
- increased use of overtime;
- lesser paid holidays;
- increase in variable bonuses owing to business performance;
- increased costs for canteen, training, missions.

Although the workforce numbers are in line with 2019, personnel costs rose 6.6%, mainly due to the salary increases based on the renewal of the National Collective Bargaining Agreement (CCNL), settled in tranches between January 2020 and July 2022, in addition to the increase in variable bonuses and social charges.

Trade union relations

In 2023, it became necessary to configure a parking relocation plan for employees of the Group and other airport operators in order to allow construction work to begin on the ecological island and the new multi-storey car park in an area where a staff car park is currently located. This requirement was discussed with the trade union representatives and led to a reallocation plan for parking spaces in order to take into account both company needs and worker safety requirements.

Discussions and monitoring of the procedure for assault emergencies introduced in 2022 also continued, with presentation and dissemination (also institutional), in collaboration with the ETF European transport union, to ACI Europe. This led to the creation and publication of a compendium by ETF and ACI Europe on best practices in Europe for the prevention and management of disruptive passengers, in which the case of Bologna airport was also reported.
Agreements for the 2023 Performance Bonus and the 2023 Welfare Plan were signed in July.

Training of personnel

Two major management training courses were conducted both of which were funded:

- *"Eng-Agement,"* Personal & Team Development to improve self-management, strengthen self-image and self-esteem, and facilitate mutual relationship and interaction by nurturing trust;
- "Gender Equality and Empowerment" a pathway to improve and ensure inclusion, gender equality and social communication, with a focus on decreasing gender diversity, in line with the company's vision and values.

in addition to several other courses for example on sustainability, cyber-security and the New Procurement Code.

Delivery of the Front Line and Disruptive Passenger Relations course also continued. This was for front line staff and sought to improve their ability to greet, listen to and understand the real needs of users (within the limited time available) in order to satisfy their requests and anticipate any aggressive attitudes. Finally, refresher courses for security personnel from 2023 onward shall be delivered in-house by an ENAC-certified Training Center instructor who, in addition to annual refresher training for colleagues, delivers introductory training for new security aspirants in preparation for the ENAC exam.
For further details reference should be made to the Sustainability Report - Non-Financial Information Report 2023.

3.7 KEY INFORMATION ON THE SUBSIDIARIES' PERFORMANCES

Fast Freight Marconi Spa

The Parent Company acquired a 100% interest in FFM in 2009. The main activity of the subsidiary is cargo and mail handling at Bologna airport. In particular, FFM is the handling agent for cargo export and import operations of carriers moved through the airport via air and for surface cargo and manages the Temporary Customs Warehouse for Non-EU Cargo arriving at the airport. The company thereafter in subsequent years developed accessory services such as booking, operating as a regulated agent and has a specialist customs operations structure.
The company prepares its financial statements according to Italian GAAP. The key indicators for the period, adjusted where necessary entirely for the purposes of preparing these consolidated financial statements as per IAS/IFRS, are presented below.

At December 31, 2023, the company had 15 employees (same as December 31, 2022) and, in continuity with previous years, assigned many staff activities to the parent under a management & staffing contract which covers the accounting, administrative, legal, supervision, personnel and ICT areas.

Cargo traffic in Italy contracted 1.6% on the previous year. FFM in 2023 managed 23,750,769 Kg of cargo, up 7% on 2022 and higher also than 2019's pre-COVID levels. Against this traffic recovery, the value of production in 2023 rose 2% thanks to the revenues deriving from exports, from on-demand handling and accessory services, such as miscellaneous services and customs clearance, while reporting a contraction in the revenues from the import traffic component. Core operating costs increased 5% due to the increased cost for porterage services, consulting services and staff secondment from the parent company.

As a result of the factors outlined above, EBITDA contracted 7% at Euro 750 thousand, in line with the decrease in EBIT (Euro 728 thousand, -6%). The profit for 2023 was Euro 547 thousand, 5% lower than 2022.

In 2023, the works by the parent company to upgrade the cargo infrastructure operated by FFM was completed. Thanks to these works - which over the two-year period 2022-2023 had a major impact in terms of space limitations and various critical operational issues - FFM now has more capacity available to enable and facilitate the development of the cargo business.

Finally, reference should be made to the disputes section with regards to the customs dispute involving FFM in 2021, as indirect representative, following the customs declaration assessments made by the Bologna Customs Office.

Tag Bologna Srl

TAG began operations in 2008 following the completion and opening of the General Aviation Terminal and hangar. In addition to managing the above infrastructure at Bologna airport, the company operates as a handler in the General Aviation sector. The Parent Company acquired a 100% interest (previously 51%) in TAG Bologna in 2018.

The company, which assigned certain staff activities to the parent under a management & staffing contract covering the legal and personnel area, had 17 employees at December 31, 2023 (16 employees at December 31, 2022).
The company prepares its financial statements according to Italian GAAP. The key indicators for the period, adjusted where necessary entirely for the purposes of preparing these consolidated financial statements as per IAS/IFRS, are presented below.

Tag in 2023 reported a 3% reduction in movements, greater than the national average (-0.6% on 2022, Source: Assaeroporti), and also in terms of passenger traffic which was down 7% on 2022. This follows the cancellation of events scheduled for May due to the flooding, along with lower infrastructural capacity due to the upgrading work on the aircraft apron.

Revenues were lower than 2022 (-15.2%), due to weak traffic performance and the absence of the COVID contribution as per the 2021 Budget Law in the comparative period of approx. Euro 234 thousand.
Operating costs decreased 14%, mainly due to the reduced purchase of fuel and the slight decrease in the raw material cost, in addition to energy cost savings, resulting in EBITDA of Euro 1.3 million (-6% on the 2022 figure adjusted for the COVID contribution). Finally, the net profit of Euro 266 thousand decreased 69% on the 2022 figure adjusted for the COVID contribution. This decrease is due on the one hand to the increased accrual to the provision for the renewal of airport infrastructure, and on the other to the higher amortisation of "Concession rights", due to the General Aviation fuel distribution plant earmarked for demolition in early 2024 as part of the work on the construction of the third lot apron (see the Investments section of the Directors' Report).

Reference should be made to the specific paragraph of the Notes to this document for information concerning transactions undertaken during the period with subsidiaries and related parties.

4 MAIN NON-FINANCIAL RESULTS ANALYSIS

A number of topics are explored below, in relation to which reference should be made to the Sustainability Report - Non-Financial Statement 2023.

4.1 SUSTAINABILITY

In 2023, in continuation of the activities carried out in previous years, the Group continued to pay attention to all major sustainability topics, pursuing more than 60 projects. The initiatives seek to monitor and reduce the impact of airport activities on the surrounding environment by implementing energy efficiency actions, investing in sustainable mobility and renewable energy, taking care of employees and the local area, and for the development of an increasingly ESG-oriented business model and supply chain.

In 2023, AdB carried out specific environmental offsetting works, as set out in the Regional Agreement for the Decarbonisation of the Airport, signed in 2015 with the regional entities and updated in January 2020. In particular, the first trees and tree species were planted as part of the creation of a large wooded strip north of the airport which covers 40 hectares (including a bike path usable by the community). The design phase continues of a cycle path linking the airport to the residents of Bologna and Lippo di Calderara di Reno.

In relation to decarbonisation, Aeroporto di Bologna complies with the international Airport Carbon Accreditation framework with the goal of reducing the airport's direct emissions to zero by 2050. With regard to this important issue, AdB made a formal commitment to attain Net Zero Carbon status (i.e. zero absolute direct and indirect CO_2 emissions) by 2030. In this regard, in 2023 the airport has confirmed the framework's Level 3+ Neutrality status. In 2023, the airport also completed the technical and economic feasibility design for a large photovoltaic system north of the runway to increase energy production from renewable sources. It also completed a photovoltaic system on the BHS rooftop. The first batch of electric cars to be used in operations and to replace traditional combustion vehicles was also purchased and delivered.

In terms of the fight against climate change, the Group completed a risk analysis for several climate hazards, with the goal of helping to identify specific adaptation strategies for the assets most vulnerable to climate change.

In 2023, AdB carried out several projects with the aim of enhancing and supporting its people, acting in synergy with the main local authorities. First and foremost, Bologna Airport committed the resources from the awarding of the Conciliamo call, promoted by the Presidency of the Council of Ministers, for projects on work-life balance, welfare and sustainable mobility. In addition, the company has confirmed its certification according to Reference Practice 125 for Gender Equality in Organisations and achieved ISO 30415:2021 "Human Resources Management Diversity and Inclusion" certification, which certifies the presence of a truly inclusive system that respects the diversity of gender, nationality, language, culture, sexual orientation, religion, ability, and disability in the workplace environment, based on measured and measurable data and objectives.

The Group has also joined the United Nations Global Compact and remains active, including through participation in local and European panels and working groups, on issues related to European Taxonomy and sustainable procurement.

4.2 AIRPORT SECURITY

Safety, Compliance & Security Management System.

Under the macro processes being monitored in 2023 - Certification Specifications, Documentation, Emergency and Contingency Plans, Maintenance, Management, Operations - the Safety & Compliance Monitoring Management System conducted a total of 41 audits divided between internal audits within the organisation, external audits to third parties, and airside audits, thus covering 27 processes among those mapped.

Numerous change management activities of an operational, maintenance and infrastructural nature were then coordinated with constant updating and sharing of the airport's hazard log and Airport Manual, with the involvement of all post holders and stakeholders.
The primary objective of safety at the airport was further consolidated, consisting in striking an effective balance between reporting and protective activities, while also ensuring a blame/no blame culture designed to ensure ethical accountability for operators.

The integrated system in 2023 again featured in the security area the continuation of the digitisation process begun in 2022. This is gradually leading to the replacement of paper documentation and the creation of computer databases to support periodic analysis and reporting.

Finally, periodic committees for liaising with the Accountable Manager and the operations staff were coordinated and established, in addition to dedicated times for security updates during all safety committees. This allows the concrete setting up of an efficient security system in line with the models regulated and approved by ENAC in the field of Safety, raising the quality and performance levels of security at Bologna airport.

Security

The workforce of 208 Security Officers at December 31, 2023 (including 51 Supervisors, 8 Security Passenger Managers and 1 temporary position) is employed in the screening of passengers, staff and crew, in addition to baggage, cargo and airport supplies, providing supervision, surveillance and patrolling by operating in shifts to cover the time slots in which departing flights are scheduled.

AdB in 2023 continued to carry out important transaction digitisation processes, as well as continuous investments and special tests, in order to periodically monitor the quality of service provided. In this regard, the surveillance and patrolling service was strengthened as a result of Risk Assessment review and in view of the international geo-political situation.

4.3 QUALITY

Service quality and passenger satisfaction levels continued to improve in 2023. That outlined for the initial part of the year was in fact confirmed in the second half of the year. The results were particularly positive, especially for services entirely concerning the Group, for which actions for improvement have been introduced since the beginning of the year in order to anticipate any critical issues over the summer. A very high level of satisfaction has been maintained with cleaning of the terminal and the toilets, for example, owing to a strengthening of the daily checks and renewal works carried out. Air conditioning of the boarding bridges, concluded by the start of the summer months, has benefitted passenger satisfaction levels, as has the increased availability of charging points due to the new installations in 2022. Likewise, assistance times for arriving and departing PRM passengers reported very good results. As regards accessibility, major work was completed on the airport access road, with the upgrade of the signage from static to digital, contributing to allowing smoother access to the long-stay and short-stay car parks at the airport.

As regards the difficulties encountered in certain processes, particularly baggage collection, the Group has organised discussion groups with the handlers to analyse the current conditions and address potential measures for improvement in the short-medium-term, with an aim to support the process.

INDICATORS	2023	2022
Perception of the cleaning level and functionality of toilets	98.5	94.6
Perception of the availability of mobile phone and laptop recharging stations in common areas	92.3	73.9
Overall perception of the efficacy and accessibility of public information services	99.7	99.3
Perception of the clarity, comprehensibility and effectiveness of internal signage	99.6	99.3
Check-in waiting time	21'11"	22'49"
Perception of passport control waiting time	6'42"	10'05"
Wait time for departing PRM passengers with reservations	8'50"	9'23"
Wait time for arriving PRM passengers with reservations	6'12"	5'33"
First baggage return times	27'59"	26'59"
Last baggage return times	35'59"	33'59"
Boarding wait time for the 1st passenger	6'54"	7'08"

5. REGULATORY FRAMEWORK

5.1 REGULATORY AGREEMENT AND TARIFF DYNAMIC FOR 2023-2026

On October 6, 2023, at the ENAC headquarters in Rome, the ENAC-AdB "Regulatory Agreement" was signed for the 2023-2026 period.

In terms of the tariffs for the four-year period 2023-2026, then, we note that on April 28, 2023, with Resolution No. 82/2023, the Transport Regulation Authority declared compliance with the requirements in relation to the proposed revision of airport fees prepared by AdB S.p.A. and approved by airport users. The requirements set out by the Authority in that resolution were, therefore, fully enacted by the operator and, subsequently, on July 13, 2023 the TRA adopted a final compliance resolution.

The new tariffs for the 2023 fiscal year have been valid and effective as of September 1, 2023.

On October 25, 2023, the Annual Hearing of the Users of Bologna's "Guglielmo Marconi" Airport was held, the subject of which was:

- the determination of fees for 2024 and the annual reporting of fees for 2022;
- the updating of the level of fees applied as of September 1, 2023, due to the corrections imposed through Resolution No. 82/2023 of the TRA;
- the final balance of fees recovered from airport users (plus or minus), with reference to the period between June 1, 2023 and August 31, 2023;
- proposal to change the tariff for the PRM fee for 2024.

The 2024 PRM fee - which has dropped against the 2023 fee, partly owing to the effect of the progressive insourcing of the service by the Manager - was approved with a favourable vote by all of the eligible users present, in addition to the votes of those who were absent. At the end of the hearing, the Manager published the level of applicable fees for the new year on its website, also sending the update of the IATA ticketing system at the agencies for the sale of travel tickets by certified e-mail to those responsible in Italy, without prejudice to the provisions of Article 6.2 of the Directive Annex A1 to Resolution no. 92/2017 of July 6, 20172009/12/CE.

The supervisory activity of the Italian Transport Regulation Authority (ART), under the terms of and in accordance with paragraph 6.1.2 of the ART Model and those of ENAC concerning the approved 2024 PRM fee were completed.

In relation to the aforementioned Authority resolutions, an extraordinary appeal was submitted to the Head of State, subsequently brought before the Regional Administrative Court of Turin (RG 820/2023) by DHL Express (Italy) Srl, FedEx Express Italy Srl, and United Parcel Service Italia Srl against the Transport Regulation Authority (TRA), the Ministry of the Economy and Finance, the Ministry of Infrastructure and Transportation, and towards AdB, for the annulment, *inter alia*, of TRA Resolution No. 82/2023 of April 28, 2023, on the proposed revision of the airport fees of Aeroporto Guglielmo Marconi di Bologna for the 2023-2026 tariff period. In October 2023, the Parent Company granted a legal defence mandate, having also identified the main arguments to defend the procedural acts for which the plaintiffs seek annulment, as established in the related judgement.

At present, acceptance of the appeal is difficult to predict; however, considering both the limited significance of the contested tariff and the existing mechanisms for the distribution of costs on tariffs, the Company believes that the appeal would not, in any event, have a significant financial impact.

The first hearing is set for July 10, 2024.

5.2 FIRE PREVENTION FUND

Article 1, paragraph 1328, of Law No. 296 of December 27, 2006 (2007 Finance Law) requires the payment by Italian airport management companies of an amount, to be calculated proportionally to its airline traffic, in order to lower the cost to the State for the provision of fire prevention services (so-called "Fire Prevention Fund"). This purpose was modified by Article 4, paragraph 3-*bis* of Law Decree No. 185/2008, entering into force on January 29, 2009, which separated the relationship between those required to fund the so-called Fire Prevention Fund and the benefit deriving from the activity financed, allocating the Fund to differing purposes than its original scope related to airport fire prevention services.

Following the entry into force, from January 1, 2016 of Article 1, paragraph 478, of Law No. 208 of December 28, 2015 implementing "Provisions for the drawing up of annual and multi-year budgets of the State" (2016 Stability Law), the Legislature, through Law Decree No. 159 of October 1, 2007 converted with modifications by Law No. 222 of November 29, 2007, introduced the qualification of "payments", with reference to the contributions allocated to the Fire Prevention Fund. This latter was subject to a constitution legality opinion, following the deferral by the Court of Cassation, through reasoned ordinance issued on December 28, 2016. From July 26, 2018, as per Article 30 of Law No. 87 of 1953, the challenged provision of Article 1, paragraph 478 of Law No. 208/2015, declared illegal, with the Constitutional Court order No. 167/2018, may no longer be applied.

Within the judicial framework we must also mention the important judgement of the Court of Cassation of February 1, 2019, No. 3162, which outlined a framework encompassing the complex Fire Prevention Fund, in which the following was definitively ascertained and declared:

- the nature of the tax contribution to be paid;

- the competent tax jurisdiction.

This pronouncement of the Cassation recalls, in addition, with particular importance from a general judicial principle viewpoint, the ruling handed down by the Rome Provincial Tax Commission No. 10137/51/14, which ascertained the "non-obligation to pay the tax from 2009, due to the non-applicability of its original legislative purpose as per Article 4, paragraph 3-*bis* of Legislative Decree No. 185 of 2008".

Furthermore, in 2019 the Regional Tax Commission of Lazio rendered judgement no. 7164/2019 which, after reviewing all the facts and legal arguments examined by the various courts (Constitutional Court, Court of Cassation, Provincial Tax Commission, etc.), lays down a thorough legal basis and reinforce the tax case law on the treatment of the Fire Prevention Fund.

The Court of Cassation, in the appeal brought by the Administrations against the Lazio Regional Tax Commission's (CTR) ruling No. 7164/2019, which had annulled the 2007 to 2010 annual fees of the Airport Fire Prevention Fund, most recently stated its position in ruling No. 990/2024 of January 10, 2024, subverting the previous jurisprudential orientation of the same unified sections affirmed in ruling No. 3162/2019. The Court of Cassation has, therefore, most recently ruled that: a) the airport management companies are the taxable entities of the Airport Fire Prevention Fund, according to their specific subjective legal situation, i.e. due to the fact that they are companies holding the concessions for the management of airport services at the airports where fire prevention services are the responsibility of the Fire Department; b) the external applicability is excluded of *res judicata* judgments against other airport management companies that were not parties to those judgments, and the same multi-year applicability against companies that, on the other hand, were parties to such and have one or two *res judicata* judgments; c) "the allocation constraint is unrelated to the regulation of the levy's imposition phase, but pertains to the use of the revenue"; d) the legislative choice of a different allocation of resources and the attribution of fire prevention service costs in general to a limited group of subjects instead of the general community would not be unreasonable, rejecting the raised issue of constitutional legitimacy, referring the case back to the Second Instance Lazio Tax Court (CGT) for a fresh examination of the matters raised. At the same time, the Court of Cassation has, however, acknowledged that affirmed by the management companies since 2009 on the existence of a specific allocation constraint by confirming the following principle: the Airport Fire Prevention Fund "***has the nature of a tied tax***" in order to reduce the cost borne by the State in the fire prevention service at airports, specifying further that the allocation constraint arises "*limited to the phase of use of the revenue*".

In terms of the direct interest of the Parent Company, on February 8, 2022, after many years of civil dispute, AdB obtained a ruling from Rome Civil Court (No. 2012 of 2022) that clarified the jurisdiction of the tax court before which the case was taken up again in December 2022, with reference to the specific years subject to a claim, given the specific nature of the appeal presented. On May 2, 2023 - in a decision that went entirely against the current and was therefore unexpected, despite the well-reported nature of the overall litigation's huge financial dimensions and political significance at the national level - the Tax Court of Rome dismissed the appeal filed by AdB and those filed by 14 other domestic airport companies, combined in a single proceeding.

AdB has, therefore, appealed the first instance ruling at the second instance CGT and, here, will carry out any and all defence, also taking into account the issues referred to the Tax Court, by the latest Court of Cassation ruling No.990/2024 of January 10, 2024, reproposing a specific question of constitutional legitimacy, taking into account the allocation constraint stated and the distortion made by the "Novella 2009" of the law that established the "Fire Prevention Fund".

For further details, reference should be made to the Disputes section.

5.3 NEW PUBLIC CONTRACTS CODE

The new Public Contracts Code set out in Legislative Decree No. 36 of March 31, 2023 and its Annexes was published in the Official Gazette of the Italian Republic No. 77 of March 31, 2023. The regulations are "effective" as of July 1, 2023. For notices or tenders published before that date, the former provisions continue to apply. A transitional period was also established, until December 31, 2023, with the validity of certain provisions of Legislative Decree No. 50/2016, of the Simplification Decree No. 76/2020 and of the Simplification and Governance Decree No. 77/2021. The Annexes to the new Code will replace every other implementing source of the former regulations, namely: the Annexes to Legislative Decree No. 50/2016, the seventeen ANAC Guidelines and approximately fifteen Regulations (including Presidential Decree No. 207/2010).

The new Public Contracts Code, in implementation of Article 1 of the "delegation" Law No. 78, 21.06.2022, presents significant new developments and a need for due exploration and full understanding and legitimate application in terms of the “key contracts” of the Parent Company.

The Company adopted its own internal regulations at the end of 2023 at the level of general procurement and purchasing regulations and at the level of internal procedures and systems to support procurement processes.

The "powers of self-organisation" of entities operating in the special sectors appear to have been enhanced, with the aim of ensuring the full autonomy of the relevant rules in the light of the EU Directives (Article 141 and subsequent), and greater flexibility consistent with the essential nature of public services managed by contracting entities (water, energy, transport, etc.). The standards introduced are "self-contained" and thus are without further references to other parts of the Code. Provision is made for the contracting parties to determine the extent of that covered by the contract and the lots into which it may be subdivided, without the need for aggravated justification.

The digitisation of the procurement cycle applied since January 1, 2024 required by the relevant ministry and delegated to ANAC for implementation is so far unsatisfactory for operators and risks leading to slowdowns in the procurement process in excess of the EU threshold. Studies and investigations are underway at the technical and legal levels to ensure compliance with the new regulations, always taking into account the specificities and needs of the public service managed and the company's development plans. Interpretations of some rules that are not clearly understandable are also being evaluated and managed at the industry level, and with comparisons and insights needing clarification at the jurisprudential level.

5.4 SUSTAINABILITY REPORTING: THE CONSOLIDATED NON-FINANCIAL INFORMATION REPORT 2023 AND THE NEW CSRD - CORPORATE SUSTAINABILITY REPORTING DIRECTIVE

For Sustainability Reporting, the Group in accordance with Article 5, paragraph 3, letter b of Legislative Decree 254/2016 has since 2018 drawn up the consolidated non-financial information report as a separate report. The 2023 NFR, after two years in which it was drafted voluntarily given the reduction in the average workforce due to the pandemic, due to the growth in the number of average employees in 2023 exceeding the 500-employee threshold, is again mandatory and is drafted, as previously, according to the "GRI Standards". The document will be available on the Group's website from March 29, 2024.

On December 16, 2022, the new CSRD - Corporate Sustainability Reporting Directive (EU Directive 2022/2464 of December 14, 2022) was published, which strengthens and extends the rules for corporate sustainability reporting. The CSRD came into effect on January 5, 2023, and member states have 18 months to transpose it. As of the preparation date of this document, the Ministry for the Economy and Finance has published the text of the delegated decree transposing the Corporate Sustainability Reporting Directive, which is subject to public consultation until March 18, 2024. The application for companies such as AdB, which are already obliged to prepare the NFR, is from the financial year 2024.

On July 31, 2023, the European Commission definitively adopted the Delegated Regulation that contains a first set of sustainability reporting standards issued by the European Financial Reporting Advisory Group (EFRAG) known as ESRS (European Sustainability Reporting Standards). Companies must use these standards to carry out their sustainability reporting in accordance with the new CSRD Directive.

5.5 PRIVACY COMPLIANCE

The Parent Company implemented on May 25, 2018 a specific model in order to ensure adequate compliance with European Regulation No 679/2016 (GDPR - General Data Protection Regulation) - and the necessary adjustment of the organisation, processes, company deeds and procedures. The model is implemented and developed in accordance with the principles outlined in the GDPR of privacy by design and privacy by default through a dedicated inter-departmental body (Data Protection Committee) comprising internal specialist personnel. The Company periodically updates its Register of processing operations and risk analysis in order to adopt adequate security measures. Periodic audits are undertaken to ensure correct compliance with legislation by the DPO team. The Company renewed the appointment of its Data Protection Officer (DPO).
The company always places maximum focus on the issues of data protection and the security measures within the framework of the company cybersecurity plan, taking into account the many projects with a highly innovative component launched and considering on the one hand their increasingly strategic nature and on the other the growing risks.

5.6 ALITALIA IN EXTRAORDINARY ADMINISTRATION

By order of the Ministry of Economic Development of May 2, 2017, published in edition No. 104 of Italy's Official Gazette dated May 6, 2017, Alitalia - Società Aerea Italiana S.p.A was admitted to the extraordinary administration procedure with immediate effect. The Court of Civitavecchia declared Alitalia in extraordinary administration ("Alitalia SAI in EA") insolvent by judgment of May 11, 2017.
The Parent Company, as part of the extraordinary administration procedure, in a timely manner raised the receivable matured to May 2, 2017 of Euro 0.78 million, of which Euro 0.66 million requested in preference form as per Article 1023 No. 1 of the navigation code, and Euro 0.12 million as unsecured. The tenth statement of liabilities, including the claim lodged by the Parent Company, was filed on December 17, 2019. At this juncture, full priority was granted to the airport fees accrued in the final months of operation prior to the declaration of insolvency, amounting to Euro 0.66 million. Subsequently, following a Court Technical Consultant (CTU) appraisal under the procedure, the amount with preferential status was reduced to Euro 51 thousand as the receivables accrued on the aircraft used by Alitalia under lease agreements totalling Euro 0.6 million were deemed to be eligible for unsecured credit. AdB opposed this proposal, requesting full recognition such preferential status.
At December 31, 2023, the trade receivable from Alitalia - Società Aerea Italiana S.p.A. had been fully written down.

In relation to the debt situation accrued by Alitalia SAI in a.s. since May 2, 2017, and taking into account that the carrier ceased flights on October 14, 2021, maintaining at Bologna airport only its maintenance activity, at June 30, 2023, the exposure is approximately Euro 1 million, of which Euro 0.4 million are non-trade receivables, primarily relating to the municipal surtax on boarding fees. Taking into account that the European Commission deemed illegitimate the measure regarding the Euro 900 million loan granted in 2017 by the Italian State to Alitalia pursuant to state aid rules and that the assessment of the further measure of Euro 400 million lent in 2019 is still in progress, the trade receivable from the carrier maturing from May 2, 2017 of approximately Euro 0.6 million was also entirely written down.

As an update to the disputed position, we note that on August 3, 2022 a further application was filed for diligent management, seeking admission to the bankruptcy claim regarding pre-deductible amounts accrued between May 3, 2017 and October 14, 2021 for approximately Euro one million. This also includes amounts due as municipal surtaxes, which are therefore the responsibility of INPS and other entities. This additional application was also submitted to demonstrate to these entities that every action within the Company's competence had been taken to collect the debt, despite the latter's awareness that this debt was unlikely to be effectively and satisfactorily recovered. On February 6, 2023, the notice of enforceability of the state of liabilities was issued.

5.7 RETURN OF ENAV VISUAL AID LIGHTS (VAL's), GOODS AND AREAS

On November 30, 2020 a decree was published that had been signed on April 3, 2020 by the Ministry of Economy and Finance on the "Return to the State of assets no longer instrumental for the institutional duties of ENAV and their subsequent reassignment to ENAC, under the combined provisions of Articles 692 and 693 of the Navigation Code, and subsequent provision under concession to the airport manager" (Official Gazette No. 297 of 30-11-2020, General Series).

The decree states:

- the airport managers shall take delivery of the VALs within 18 months of the decree's publication in the Official Gazette, and they shall, under their own responsibility and at their own expense, manage, maintain and supply them with electricity, recovering the associated costs through the airport tariffs;
- the airport managers shall take delivery of the goods and areas and sole areas within 60 days of the decree's publication in the Official Gazette, and they shall, under their own responsibility and at their own expense, manage, maintain and supply them with electricity, recovering the associated costs through the airport tariffs.

With specific reference to the tariff profile of the goods and areas comprising the VALs, the act provides in Article 2: "[...] Until the above-mentioned airport managers take responsibility for them, and in any event until the end of the above-mentioned period, ENAV shall be in possession of the VAL systems and shall manage, maintain and supply them with electricity, and is entitled to recover the associated costs through its terminal tariff. 2. From the publication date of this decree, ENAV may add to the terminal tariff the non-amortised book value of the assets covered by this decree, in accordance with a graduated mechanism agreed with ENAC."

The return provision was adopted following a lengthy preliminary procedure involving the Ministry of Infrastructure and Transport (MIT), ENAC and ENAV, but not the airport managers.

Based on the above, AdB, like other Italian airport managers, brought an administrative appeal against this decree, highlighting the various grounds for deeming it unlawful, including the infringement of the right to be heard and requesting that an investigation be duly launched into what the equipment and assets returned consist of. In parallel, negotiations were launched with ENAC, with the additional help of Assaeroporti. They are currently addressing the issue of the local decentralised bodies, i.e. the ENAC airport offices.

In particular, we note the recent activity of the local ENAC department, which supported the verification and inspection, in the presence of representatives from ENAV and AdB, of certain assets that are no longer used for ENAV's institutional purposes and other than the VAL's, as a result of which the assets were legitimately consigned. This was done by introducing appropriate protections in the formal documents, given the poor state and condition of most of the assets, which, net of *pro-tempore* usage, will subsequently be demolished, in line with the Master Plan's provisions and, in any event, without settlement of the matter involved in the aforesaid dispute, for which the diligent arguing of positions will continue in order to safeguard the full legitimacy of the procedure and the position of AdB, given the particular nature of the ENAV infrastructure at the airport. This is also in the interest of the safe and uninterrupted airport operations. In February 2022, Italian airports formalised a specific filing with ENAC that underscores the obsolescence of a large part of these assets and the lack of specific maintenance and laments the future problem of the necessary joint airports/ENAV management of the auxiliary visual aid systems and the potential negative impact on rates for users and airport managers given the permanence of the rates required by ENAV, which would be unduly added to the airport fees to be paid by airport managers.

At the preparation date of this Report, there are no further updates to be made.

6 DISPUTES

This section outlines the main - fundamental in financial terms - disputes and/or those which in the period saw significant legal and/or non-legal developments, without therefore providing an exhaustive outline of all positions for which specific amounts have been allocated to the disputes risk provision.

6.1 Fire Prevention Fund

In relation to the contribution to the Fund set up by the 2007 Finance Act in order to reduce the cost to the State for the organisation and provision of the fire prevention service at Italian airports, the Parent Company promoted, in 2012, a specific judicial action before the Rome Civil Tax Court, substantially requesting the Judge to ascertain and declare the cessation of the obligatory contribution following the change in the purpose of the afore-mentioned Fund, i.e. from January 1, 2009. In fact, from that date the resources accumulated in the Fund were allocated to the generic requirements of the public purse and civil defence, as well as for financing salary increases of the Fire Prevention Service.

While awaiting the civil procedure, which extended over numerous years across a series of different judges and postponements, a consolidated jurisprudence (ex pluris Rome Provincial Tax Court No. 10137/51/2014 - passed into Law - and Rome Provincial Tax Court No. 2517/2019) sealed by the pronouncement of the Court of Cassation No. 3162 of February 1, 2019 and, latterly, by the Lazio Regional Tax Commission No. 7164/2019, affirmed: i) the nature of the contribution to the Fire Prevention Fund, ii) the consequent competent tax jurisdiction, iii) the non-obligation to pay the tax from 2009, due to the non-applicability of its original legislative purpose, pending a legitimate legal provision.

In relation to the above-mentioned civil case, promoted by the Company before the Rome Court, the Tax Administrations notified however on January 16, 2015 an injunctive decree relating to the presumed contribution to the Fire Prevention Fund for the years 2007, 2008, 2009 and 2010. This decree, containing clear material and formal errors, was immediately opposed, requesting the cancellation of the decree or, in replacement, to declare upon its jurisdiction and to order the reinstatement of the case before the Rome Court. On December 20, 2017, the Bologna Court issued a jurisdiction ordinance, declaring the Tax Commission as the competent judge, which cancelled Injunction Decree No. 20278/14. Unexpectedly and incomprehensibly, on May 24, 2018, the State District Lawyer notified an appeal against the ordinance of the Bologna Court of December 20, 2017.

The Company therefore appealed (RG No. 2020/18), fully outlining its defence and invoking, preliminarily, the clear lack of jurisdiction of the Bologna Court. The appeal was definitively rejected as inadmissible by the Bologna Court of Appeal in judgment No. 1718/19. This judgment became *res judicata* on October 28, 2019, definitively ending the dispute initiated by the administrations, which, additionally, were ordered to reimburse AdB in full for all legal costs incurred.

In October 2020, the statement of conclusions was then held before the Civil Court of Rome. On December 27, 2021, a motivated motion to receive funds was filed and, on February 2, 2022, a specific request was submitted to the section chairman of the Rome Court, who, on February 4, 2022, promptly assured us of a rapid resolution of the dispute. Finally, on February 8, 2022, the Rome Court issued its ruling No. 2012/2022 clarifying the jurisdiction of the tax court.

In order to obtain a direct recognition of the principles embodied universally by the Court of Cassation and by the Rome Provincial Tax Court, in December 2022 the Company presented the case before the Rome Court (RG No. 22375/12).

On April 17, 2023, the Rome Provincial Tax Court dismissed AdB's appeal, radically departing from all relevant precedents. AdB has, therefore, appealed to the second instance Tax Court (CTR) (RGR proceeding No. 5921/2023) the first instance ruling No. 5768/2023 issued by Section 4 of Rome's first instance CTR. In this forum, it will carry out any and all defence, also taking into account the issues referred to the Tax Court, by the latest Court of Cassation ruling No.990/2024 of January 10, 2024, reproposing a specific question of constitutional legitimacy, taking into account the allocation constraint also reconfirmed, most recently, in the Supreme Court's recent ruling and the distortion from the above-mentioned allocation constraint made by the "Novella 2009" of the law that established the "Fire Prevention Fund".

Despite the complexity and the latest unexpected and unfavourable pronouncements, on the basis of the opinion of the appointed lawyers supporting the unchanged illegitimacy, also of constitutional significance, determined by the *ex lege* violation of the allocation constraint, possible settlement solutions to the entire dispute will continue to be sought at the national level, in addition to the promotion, in all relevant forums, of every attempt to repeal the 2009 rule and the issuance of a legitimate device in favour of taxpayers (i.e. airport operators) and recipients (National Fire Prevention Service for the management of fire prevention activities in the local areas of airport sites).

6.2 FFM customs dispute

On April 20, 2021, the Bologna Customs Office issued a notice of correction of several customs declaration assessments to the subsidiary FFM, following controls carried out in 2020 on behalf of third party importers on personal protective equipment, as part of the COVID-19 emergency and also to be delivered to Emilia-Romagna healthcare authorities. As Customs did not deem that the conditions for exemption from import duties and exemption from value added tax on importation had been met in the cases in question, the notices presented an invitation to FFM to settle the higher duties and VAT, together with interest on arrears, amounting to approximately Euro 4.3 million, within 10 days. The aforementioned notices identified FFM (indirect representation declarant courier) and, jointly and severally, the importers (legal and physical persons) as the parties obliged to pay.

FFM considers that it has always operated with absolute correctness and legality and, in particular, during the most critical phases of the spread of the pandemic, as a cargo sector operator, took action and did its utmost following requests and contacts from regional and local authorities, making the greatest operational and managerial efforts to provide assistance to the extraordinary cargo flights that imported into Italy the medical equipment that was highly sought after by local hospitals and healthcare authorities. The operations were carried out by the subsidiary in full compliance with procedures and regulations, insofar as they were the responsibility of the latter, and therefore strongly rejects the claims of the customs authorities. Consequently, FFM has assigned its defence to lawyers specialising in this area and has lodged an appeal against the above notices within the legal term of 60 days of notification. This is in order to put forward all possible defences, in view of the fact that it is not responsible whatsoever with the alleged failure, by the importer and in an action subsequent to importation and in no way verifiable by FFM at the time of its own operations, to fulfil the conditions regarding the destination of the goods and, therefore, with all the conditions legitimising the aforesaid exemption. Requests for suspension have also been made in connection with the proposed appeals. In particular, following the request filed with the Bologna Customs Authority pursuant to Article 45 of the UCC for the suspension of the notices of assessment, FFM obtained such a suspension subject to issuance of a bank or insurance guarantee.

FFM therefore proceeded to seek an adequate guarantee, which was finalised in October 2021 with a leading national insurance company in accordance with the conditions and terms prescribed by the Customs Agency. This guarantee included a co-obligation for the Parent Company. In the meantime, having verified the tax proceedings before the Bologna Provincial Tax Commission and following the outcome of the October 13, 2021 hearing, the suspension motion filed by FFM was rejected. This circumstance does not, in any event, affect the assessment of the likelihood of the Company losing the case, which continues, ahead of the setting of the relevant hearing.

Following the Company's submission of a further justified request accompanied by an addendum to the guarantee policy undertaken, the total amount guaranteed remaining unchanged, the Bologna Customs Office ordered the definitive suspension of the enforceability of the measures.

The hearing on the merits of the proceedings rooted in the Bologna PTC was therefore held on July 6, 2022. In rulings filed on July 19, the PTC only partially upheld FFM's appeals. Specifically, the Court found in favour of the argument that VAT on imports after May 19, 2021 is not due, thus reducing the amount of the sums claimed by the revenue agency by Euro 0.8 million, and did not uphold the other grounds of appeal. In November 2022, FFM brought an appeal before the Emilia-Romagna CTR against the July 2022 judgements, further supporting the broad legal arguments already put forward to protect FFM.

Following the outcome of a review procedure, the Customs Office re-notified the Company - prior to the publication on July 19, 2022 of the ruling by the aforementioned Bologna PTC - of the assessment reports that were the subject of the appeal, with a partial revision of the amounts. These reports are subject to the directly enforceable provision of the aforementioned PTC ruling insofar as it relates to the adjustment of VAT erroneously claimed. FFM therefore filed appropriate appeals for the relevant suspension under Article 45 of the UCC. In addition, a surety of Euro 278 thousand was issued to secure the suspension of enforceability. In any case, FFM will reiterate arguments to obtain full cancellation of the assessment notices in all relevant courts and degrees and also the revision of the amounts covered by the sureties provided in accordance with the provisions of the rulings issued.

Finally, pending the decisions on appeal, the Company, for the full and broad protection of its position has instructed its legal team, through its Board of Directors, to also take precautionary action against the importer, who is believed to be the possible direct perpetrator of the charges filed by ADM against FFM in the litigation before the Tax Court. Consequently, an attachment procedure is underway, with the first hearing set for April 4, 2024.

The Company, supported by the opinion of its appointed lawyers, having evaluated the dossier outlining the position and the jurisprudence on the subject, and also taking into account the first instance ruling, consider it possible but not probable that the case will be lost.

6.3 Tax appeal against the Tax Agency - Provincial Office

On November 28, 2018, the Municipality of Bologna invited the Parent Company for the first time to reconsider the cadastral classification of some properties (procedure ex L.311/2004) on airport land, based on a purported orientation of case law that would point to a different classification. This request was then reiterated on February 10, 2020, with amendments to the scope of the request, resulting, in certain cases, in the new and retroactive assessment of IMU property tax.

The Parent Company has always opposed these requests out of court within the scope of administrative procedure and with the filing, in July 2021, of a protective request with the Bologna provincial office of the Italian Tax Administration and the Municipality of Bologna, disputing the merits and underscoring the fact that the original registration of the properties concerned was done in 2007 in coordination with and based on the instructions and authentic interpretation of applicable legislation by said local Land Registry. This initial registration was, in fact, carried out in concert with the competent authority and in accordance with the provisions of Law 262/2006 and circulars 4/T 2006 and 4/T 2007, which are still valid and unchanged, without even being able to point to the existence of changes in construction or other factors of non-conformity that could not be known since 2007.

Therefore, in the second half of 2021 and in early 2022, we reached the start of the concluding phase of this procedure by way of a potential proposed settlement with the Municipality of Bologna with regard to IMU, following the official measure for the cadastral assignment, as per Law 311/04, for these properties, as communicated on December 13, 2021, by the Bologna provincial office of the Italian Tax Administration responsible for land registration.

Therefore, the Group decided to submit a proposal for settlement, with limited and justified concessions in the interest of the company and without the assessment of the sanctions demanded by the Municipality of Bologna, in light of the provisions of Law 212/2000 (the Taxpayers Law), given the legitimate expectations of the companies of the Group. The voluntary settlement proposal is not an admission of guilt and is solely motivated so as to settle the 2015-2020 period of taxation without having to contest the individual assessments for each year and to avoid a tax dispute that would, in any event, be excessively costly.

The position was conclusively finalised with the signature of the deed of adhesion and the payment by AdB and TAG of a total of Euro 152 thousand in IMU tax in April 2022, with a request to exclude administrative penalties.

At the same time, on February 9, 2022, a tax appeal has been filed against the Land Registry and Tax Administration to contest the classification of December 13, 2021, for which we fundamentally dispute the assumptions and justifications. On May 18, 2022, the appeal was filed with the Bologna Provincial Tax Commission for the purpose of settling the dispute, following the rejection of the attempted mediation communicated together with a draft of the counter arguments of the other party. On June 3, 2022, the Tax Agency - Bologna Provincial Office filed Counterclaims to the Appeal. The Parent Company's legal team has filed various rebuttals to the Office's Counterclaims in further illustration and emphasis of the arguments made in the introductory appeal.

The hearing on the merits before the competent Tax Commission was held on March 7, 2023, the outcome of which was favourable, with the Tax Court of First Instance of Bologna - with ruling No. 123/2023 filed on March 13, 2023 - having accepted the Group's reasons in full, ruling - disregarding all contrary objections - for the annulment of the contested act and compensating for costs.

On October 11, 2023, the Italian Tax Agency - Bologna Provincial Branch nevertheless submitted an appeal, challenging the favourable result issued by the Tax Court of First Instance. The parent company's legal team will submit the appropriate counterclaims according to the time limits laid down by law, further illustrating the arguments supporting the positions of the Parent Company.

The procedural line pursued and the arguments presented were also enacted and reiterated in the judicial opposition to a similar classification notice served by the Bologna provincial office of the Italian Tax Administration responsible for land registration.

As long as the land registry dispute continues without a final judgment, the Group will pay the relevant IMU taxes and then, within the terms of the law, make any claims for reimbursement of the amount paid.

6.4 Alitalia Revocatory Action

At the beginning of May 2020, the Company received notification of the revocatory action submitted by the Extraordinary Commissioner of ALITALIA SAI in limited partnership. This concerns a bankruptcy revocatory action for Euro 2.01 million (gross of the passenger boarding fee surtaxes already paid to the beneficiary entities) or of any payments made during the "suspect period," i.e. the six months before bankruptcy was declared (November 1, 2016 - May 1, 2017), starting on the date the company entered into extraordinary administration.
The Company appeared in the proceedings, both strongly condemning and challenging the legal basis and timing of such an action, and will launch an appropriate legal defence to effectively oppose the lawsuit. The first hearing of the proceedings was duly held on February 24, 2021, and judgement was postponed to the hearing to be held on November 11, 2021. At that hearing, several witnesses were admitted, some of whom have already given testimony, while the judge adjourned the questioning of other witnesses to the hearing on November 23, 2022.
Subsequently, the case was adjourned to a hearing set for October 24, 2024.
In light of the evidence and documents already produced in court, the legal team entrusted with the mandate considers a loss to be possible but not probable.

6.5 Action before AGA proposed in relation to the Decree of April 3, 2020 concerning ENAV assets, including the VAL equipment

On January 27, 2021 the Parent Company filed an appeal with Emilia-Romagna Regional Administrative Court for the annulment of the Decree of April 3, 2020, adopted by the Director-General of the Department of Finance at the Ministry of Economy and Finance together with the Head of the Department for transport, navigation, general affairs and staff of the Ministry of Infrastructure and Transport, published in Italian Official Gazette No. 297 of November 30, 2020, General Series, on the: " the "Return to the State of assets no longer instrumental for the institutional duties of ENAV and their subsequent reassignment to ENAC, under the combined provisions of Articles 692 and 693 of the Navigation Code, and subsequent provision under concession to the airport manager"; and of ENAC note Ref. No. 114427 of October 7, 2019 and of any other deed founded or consequential upon and/or connected to the above interministerial decree.

The appeal has been registered and has been given the number RG. 98/2021. Awaiting the administrative dispute, the management companies, in concert with ENAC and in discussion with ENAV, conducted an inspection of the airport systems and assets involved. This provides for the delivery of a series of objects other than the VAL assets, which remain on the site, with possible *pro-tempore* use by AdB for urgent operational reasons, but destined for restoration to the original condition, in accordance with the Airport Development Plan. The delivery of these assets, by trilateral delivery memo and assignment to ENAC before the related delivery to AdB, does not constitute acquiescence as regards the rights asserted with the pending litigation. In February 2022, Italian airports formalised a specific filing with ENAC that underscores the obsolescence of a large part of these assets and the lack of specific maintenance and laments the future problem of the necessary joint airports/ENAV management of the auxiliary visual aid systems and the potential negative impact on rates for users and airport managers given the permanence of the rates required by ENAV, which would be unduly added to the airport fees to be paid by airport managers.

With a note dated November 27, 2021 addressed to ENAV and for information to the Italian airports involved, ENAC communicated that "Phase 1" was nearly complete, requesting for the start of "Phase 2", in implementation of the return measure, i) that ENAV send the technical documentation necessary to define the efficiency status of the AVL facilities to be transited, ii) assessment of the possibilities of the full transit of the electrical substations supplying power to these facilities. To the best of our knowledge, ENAV began to provide feedback on the requests made by ENAC required for the aforementioned Phase 2 only at the end of March 2022. The risk associated with this litigation is essentially attributable to the requisition of facilities that are not fully functional or in good repair and to the actual ability of the tariff system to fully remunerate the higher costs and investments associated with the same AVL facilities.
On September 28, 2022, on the appeal of SAC, the Administrative Court for Sicily CT section issued an important precedent (No. 02553/2022 reg.prov.coll. no. 00229/2021 reg.ric.). This established the illegitimacy of the opposition (since airport operators were not duly involved) which formed the prerequisite to the decree to downgrade airport lighting installations, while also annulling the relevant part of the inter-ministerial decree of April 3, 2020.

6.6 Tender contract - termination for damages

Regarding the contract for work to reconfigure the Security and Passport Control Area at Guglielmo Marconi Airport of Bologna, for the reasons set out in the Parent Company's 2022 Financial Statements, and at the proposal of the Public Contracts Manager, on June 16, 2022 the contractual termination for damages was ordered for serious delay attributable to the Contractor. The order is pursuant to and in accordance with Article 108 of Legislative Decree No. 50/2016. This was followed by the preparation, on an adversarial basis, of the state of progression following the aforementioned contractual termination, followed by the preparation of the job order accounting by the Director of Works.

Subsequently, on July 1, 2022 the Contractor filed requests and claims for compensation, and following the termination of the contract in damages, activated preliminary proceedings for an evaluation of these requests, acquiring from the Public Contracts Manager the confidential Director of Works' report. This report suggests (albeit subject to further study by the Public Contracts Manager and the formulation by the same of a proposal in this regard) the substantial and near total inadequacy of the counterparty's claims and a lack of basis for them and, therefore, the rejection of these claims (which totalled approx. Euro 2.18 million).

In this regard, we note the beginning of measures to enforce the guarantees held by the Customer and also the beginning of litigation by the Contractor, which has served a writ of summons for compensation for damages allegedly caused as a result of the aforementioned contract termination. At present, the Court of Bologna has already issued two judicial payment injunctions for the repayment of advances received and the enforcement of the final guarantee, respectively. Both injunctions were opposed.

The Parent Company, regarding the main case introduced by the contractor with the citation before the Court of Bologna (Case No. 10935/2022), through its attorneys, has prepared an appearance, calling to the case the Designer and Works Department. At the hearing of September 20, acknowledging the inability to reach an out-of-court settlement of the dispute, the Court reserved a decision on the multiple requests of the parties.

In December 2023, CLP Costruzioni served a further writ of summons in relation to a different contract involving the "Construction of a metal carpentry canopy at the Terminal Cargo apron" with entirely different implications and values and far lower than the aforementioned litigation. The first hearing is currently set for May 22, 2024, and the position is being studied and subject to initial investigation by the engineers in charge of the contract and the appointed legal team.

The Parent Company, with the support of legal counsel, assesses the risk of loss as possible, yet considers a loss to the extent of the plaintiff's claim to be remote.

6.7 Appeal against ENAC "fuellers" Regulation – LAZIO Regional Administrative Court

This is an appeal to the Lazio Regional Administrative Court against the ENAC Regulation submitted by AdB for the cancellation, subject to adoption of the precautionary measure pursuant to Article 55, paragraph 10 of the Code of Administrative Procedure of ENAC Regulation on "provisions on the construction, purchase and operation of aviation fuel depots at airports open to commercial traffic entrusted under concession", published on May 26, 2023 (hereinafter, Regulation).

The judges have set a public hearing on the merits for December 6, 2023. The Lazio Regional Administrative Court, Third Section, then on February 9, 2024 issued the final ruling, fully upholding the grounds of appeal presented by AdB, with annulment of the challenged acts, in particular the new ENAC Regulations on the construction and management of fuel depots and facilities at airports.

6.8 Land Litigation - EMILIA ROMAGNA Regional Administrative Court

This is an appeal to the Administrative Judicial Authority filed by the owner of a property complex subject to expropriation to obtain the annulment of the purchase measure in favour of AdB, alleging that the compensation paid pursuant to and for the purposes of Article 43 of Presidential Decree 327/2011, governing the matter *ratione tempori,* was not satisfactory in terms of their rights and, therefore nullifies the provision establishing ownership, and jointly and severally requesting the payment of compensation quantified at approximately Euro 415 thousand, on the basis of the provisions of Article 42 bis of the same measure. The case is fundamentally a question of legal interpretation.

On 29/12/2023, the Emilia-Romagna Regional Administrative Court, in ruling No. 775/2023, dismissed the appeal filed by the plaintiff, also ascertaining a lack of jurisdiction concerning the Ordinary Court and awarding legal costs in favour of AdB.

7. PRINCIPAL RISKS AND UNCERTAINTIES

Risks relating to the COVID-19 pandemic

On May 5, 2023, the WHO officially declared the conclusion of the COVID-19 health emergency. While from a health perspective the pandemic is no longer an emergency, the effects it has generated on the air transport sector have been so pervasive that the airport system has continued to be affected in more recent times. The main impacts regard, in addition to the slowdown of the traffic recovery (at a global level), which is not yet at 2019 levels, the sudden spike in demand following the reopenings, which has caused significant pressures from an operational perspective, especially related to the need to re-establish adequate supply, which has caused staffing difficulties.

According to ACI World's latest forecasts, a full recovery in air traffic is now expected in 2024 and no longer in 2025, in the absence of further disruptive impacts related to the current environment, and exceeding the 2019 numbers by 6%. The recovery is driven mainly by domestic tourism (expected to recover as early as 2024), and supported by declining inflation, despite the unstable geopolitical environment and the variability of the macroeconomic environment that has affected the current year (*Source*: *ACI World, The trusted source for air travel demand updates – Advisory Bulletin, February 2024*).

The AdB Group's financial performance is influenced by air traffic, which is, in turn, influenced by the economic environment, national and international health conditions, the economic and financial situation of individual airlines and airline alliances, as well as competition, on some routes, with alternative means of transport.

Depending on the specific way in which they evolve, these factors can have a impact on long-term performance, thus resulting in changes to the Group's development policies. The areas listed below may be affected by these issues, given the pervasive and uncertain nature of the developing pandemic.

In the context of such an extreme and prolonged crisis and given the considerable commitments to infrastructure developments, the **liquidity risk** could manifest as difficulty in obtaining timely, cost-effective financing to cover the requirements of the operations plan. The Group has addressed this risk, on the one hand by strategically reviewing its investment plan in consultation with ENAC, identifying new priorities and implementation phases based on the 2023-2026 Regulatory Agreement, and on the other by agreeing new loans, most recently, in December 2021, with the European Investment Bank (EIB) up to a maximum of Euro 90 million. Thanks to these new sources, the current account balances and the additional credit line of Euro 5 million, the Group believes to have a flexibility of financing in line with the progress of the infrastructure development plan and with actual funding needs. With regard to the covenants of the existing loan agreements, the Group is in compliance with its contractual commitments.

The Group has sought to manage **interest rate risk**, in view of its outstanding financing, by entering into both fixed-rate and floating-rate facilities. The EIB loan, not yet utilised at December 31, 2023, allows a choice between fixed and variable rates, the amount of which in both cases will be determined by the EIB in relation to the timing of the loan request and the overall conditions of disbursement and repayment.

The Group's **credit risk** is concentrated, in that 51% of its accounts receivable at December 31, 2023 are claimed from its top ten clients (30% at December 31, 2022). In general, the credit risk is offset through specific trade payable management and control tools and procedures, in addition to adequate provisioning for doubtful accounts – taking into account the increased risk owed to the current crisis – according to the principles of prudency and in compliance with the accounting standards IFRS 15 and IFRS 9, which strengthens the *ex-ante* analysis approach, rather than existing receivable recovery, in the credit risk assessment processes.

The commercial policies pursued by the Group to limit its exposure involve:

- requesting immediate payment for transactions with end consumers or occasional counterparties (i.e., parking areas);
- requesting advance payment from occasional airlines or airlines without an appropriate credit profile or collateral;
- requesting performance bonds from sub-concession holder clients.

In accordance with the disclosure requirements set out in Article 2428, c.2, No. 6-*bis*, considering the criteria that inform its choice of investments, such as:

- minimising the risk of the return of invested capital;
- the differentiation of the credit institutions;
- the duration, normally less than two years;
- the return offered;

the Group believes the **financial risks** – understood as the risks of changes in the value of the financial instruments – to be limited.

The Group is not subject to **foreign exchange risk** since it does not undertake transactions in foreign currencies.

Risks arising from the conflicts in Ukraine and in the Middle East

The Group is exposed to the risk of a loss of traffic volumes to Eastern European countries due to the still ongoing conflict between Russia and Ukraine. Therefore, negative consequences on the recovery of traffic volumes are possible, but are already included both in the actual figures and in the forecasts related to impairment and are not significant. Currently, the Group, in its estimates, does not expect a recovery of traffic to/from Russia and Ukraine in the short term.

This conflict could, however, adversely affect consumer confidence, the propensity to travel and the economic recovery in general, including outside of Eastern Europe. The conflict in Ukraine could further exacerbate the rise in commodity prices, impacting utility costs and supplies of certain materials. Moreover, the Cyber Security risk is increased by a phase of international conflict, in particular for critical infrastructures such as airports. The Group therefore continues to monitor developments in the conflict to identify any additional risks and impacts on the business.

This has recently been compounded by the conflict in the Middle East, which exacerbates the difficulties posed by increasing global geopolitical uncertainties.

Risk of cyber attack on information systems and technology infrastructure

The current global landscape is now characterized by the ubiquity of information systems within organisations. In today's volatile geopolitical context, exacerbated by the recent conflicts in Ukraine and the Middle East, the increasing ability of organised hackers to attack and penetrate companies' information and technological systems and the predisposition for increasingly aggressive and significantly rising number of cyber attacks necessitate progressively more focus on the creation of cyber-security systems to protect the data of both individuals and businesses.

In light of the above, the Group has implemented cyclical and ongoing actions to protect airport systems, aiming to reduce the risk of temporary interruptions (with consequent potential disservices) and of exposure to data theft. In addition to the constant updating of software and the installation of new antivirus systems, ongoing activities include conducting periodic audits (according to ISO 27001 certification) and monthly vulnerability assessments, the execution of annual penetration tests, and the continuous training of employees and other efforts to increase awareness of cyber-security issues. The Group also has a long-term Cyber Security Governance Plan in place, in addition to IT continuity and disaster recovery procedures.

Risks of interruption of airport operations due to accidents, damage to aircraft and airport equipment as a result of intense and unforeseen weather events

As a direct cause of climate change, particularly intense and unanticipated weather events (high intensity rainfall, hailstorms, heat waves) have occurred in recent times. Some of these adverse weather events could cause operational problems, as well as a high risk of damage to aircraft and operational equipment/vehicles. As a result, the Group is exposed to the risk of damage to airport infrastructure and equipment, as well as inefficiencies and impacts on airport users, despite the fact that immediate response actions such as the Snow Clearance Plan and remote warning systems are already in place.

The possible impacts of the occurrence of one of these events on airport operations currently do not appear to be readily assessable. The Group, however, has begun planning for climate change vulnerability analyses that will include (i) assessment of climatic phenomena and their probability of occurrence; and (ii) definition of specific contingency plans for the purpose of containing possible damage and disruption caused by such climatic events.

The ESMA in the Public Statement of October 25, 2023 recommended that issuers consider climate change issues to the extent that their effects are relevant to the Company, and in this case, ensure consistency in financial disclosure between financial statements and sustainability reports, while outlining in the financial statements the timing and financial impacts of transition and adaptation plans to address climate change risks.

At the beginning of 2023, Adb commissioned the Mediterranean Center on Climate Change Foundation to conduct a climate change-related risk analysis for the airport with the goal of supporting the identification of specific adaptation strategies for assets most vulnerable to climate change in order to make them more resilient. The analysis, now in its final stages, began with the identification of the following climatic hazards to which the airport is exposed: temperature (extreme heat events and extreme cold events), precipitation (extreme rain and snow events) and wind. Subsequently, exposure factors were assessed, i.e. all infrastructural and non-infrastructure elements of the airport that could be threatened by the aforementioned climatic hazards. Finally, vulnerability factors were assessed, i.e. for each of the above elements, the propensity of the element itself to be negatively impacted by climate change was evaluated. The risk factors (hazard, exposure and vulnerability) were, finally, integrated to develop a risk matrix for each climate hazard according to the three emission scenarios outlined by the IPCC - Intergovernmental Panel on Climate Change (RCP 2.6 low emission scenario, RCP 4.5 intermediate scenario and RCP 8.5-high emission scenario).

The final risk matrix regarding extreme heat events showed that the risk related to this climate hazard is mainly between "Medium" and "High" for most of the exposed samples in both the intermediate (RCP4.5) and high emissions scenarios (RCP8.5). This result is due to the presence of significant changes in the hazard level in the future period, and thus a significant increase in the probability of occurrence of such events, under all climate scenarios considered. For the other climatic hazards, the risk was found to be low overall, although a cautious approach to the results is necessary, especially in relation to the "rainfall" hazard and particularly in light of the floods that hit the Emilia-Romagna Region in May 2023, which stemmed in fact from extreme rainfall events.

The results of this analysis will enable the Company to define specific climate hazard intervention priorities for the airport system and targeted adaptation strategies in line with the most up-to-date scientific literature, and will thus provide the starting point for subsequent economic-financial assessments. In any case, from the analysis carried out and the assessments made so far, it is considered that:

- a number of relevant climate change mitigation environmental compensation works have already been presented in the parent company's financial statements and investment plan (e.g., forest strip and other environmental compensation works related to the "Via decree" of the 2016-2030 Airport Masterplan);
- a number of additional measures are already in place (e.g. a snow-protection plan, weather monitoring, employee training, de-icing procedures, etc.);
- any additional increased costs, provisions and/or investments resulting from such should be adequately covered in the tariff dynamics.

At present, based on these considerations, climate change risks are deemed to have been taken duly into account within the scope of impairment testing, as described in greater detail in the notes to the financial statements.

Risks related to a dependence on Ryanair traffic volumes

Group operations are significantly based on relations with the leading airlines at the airport and to which the Group offers its services, including - in particular - Ryanair. Due to the large proportion of total passenger flights at the airport operated by Ryanair, the Group is exposed to the risk that the airline may scale back or discontinue entirely its operations at the airport. Ryanair passengers accounted for 53.3% of the airport's total traffic volumes in 2023.

In the wake of the successful multi-year arrangement AdB and Ryanair have consolidated the partnership, started in 2008, with a new 6-year agreement signed in February 2023. Particularly, AdB and Ryanair have signed an agreement, within the framework of their respective development objectives, in order to: ensure the maintenance of an comprehensive and varied network of connections within the areas served by the carrier and also to ensure network development in line with capacity and consistent with the infrastructure development projects of Marconi airport. The agreement pursues overall long-term sustainability goals and includes an incentive scheme linked to the airport's traffic development policy.

Although in the Group's opinion Bologna airport is of strategic importance to the airline, it is still possible that Ryanair may decide to change the routes served, significantly reducing or discontinuing entirely its flights at the airport. Any reduction or stoppage of flights by the afore-mentioned airline or the stoppage or change to flights with other destinations with high passenger traffic volumes may impact - even to a significant degree - the Group financial statements.

In view of the recent air transport industry crisis, any redistribution of passenger traffic among other airlines is more complex and uncertain. However, the Parent Company maintains proactive relationships and other initiatives with all sector operators.

Risk related to the effect of incentives on revenue margins

The Parent Company is exposed to the risk of a decrease in the margins of its Aviation Business Unit due to an increase in traffic volumes by airlines that receive incentives. In accordance with its incentive policy aimed at developing traffic and routes at the Airport, the Company pays some airlines – including both legacy and low-cost carriers – incentives tied to passenger traffic volumes and new routes. This policy limits incentives to levels compatible with positive margins on each airline's operations. However, should passenger traffic and the routes operated by airlines receiving incentives increase over time, the Company's positive margins could decline proportionally, with a negative impact, possibly to a material degree, on the Group's financial performance and financial position.

Although the low-cost segment's share of the Italian national market is increasing, the Group manages this risk by proactively developing traffic that generates a positive marginal contribution.

Unlike the risk of interruption and/or significant change in the volumes of traffic developed with the low-cost airlines, which is currently considered remote, risks related to potential outcomes of future negotiations on incentives that are worse than the assumptions currently included in the forecast information prepared by the Group have been the subject of specific sensitivity analyses within impairment testing, as better described in the explanatory notes to the financial statements, and have not pointed to any indicators of impairment losses.

Risk relating to a reduction in the margin of non-aviation revenues

In view of the revised contractual structures consequent to the pandemic resulting in a significant amount of variable fees, compared to the previous and more certain structures with MAG (minimum annual guarantees) there is a risk of variability of Non-Aviation Business Unit revenues - in the retail areas - related to traffic trends at the airport. Similarly, parking revenues are also affected by the same risk profile, which is closely dependent on passenger traffic at Marconi airport.

In this regard, however, the Group considers that the forecast for a recovery in traffic, corroborated in part by 2023 data, results in a non-significant profile for this risk.

Risks related to implementation of the Action Plan

The Parent Company invests in the airport as part of its overall management on the basis of an Action Plan approved by the Italian Civil Aviation Authority (ENAC). The Action Plan was drafted on the basis of the investments envisaged in the Master Plan according to a modular approach, the main driver of which is air traffic performance. With Order No. 0100428/P dated August 11, 2022, the National Civil Aviation Authority expressed a favourable opinion on the Investment Plan submitted by AdB for the four-year period 2023-2026.

AdB could encounter difficulties in implementing the investments provided for under the Action Plan in a timely manner due to unforeseeable events, such as delays in the process of obtaining authorisation for and/or executing the works, delays in procurement processes for certain materials or components, with possible adverse effects on the amount of the tariffs that may be applied and possible penal risks of withdrawal from or termination of the Agreement. The execution of the planned interventions could be conditioned by the non-availability of raw materials or by sharply increasing costs. Recent international geopolitical tensions have, in fact, led to an increase in energy prices, which have reached exceptionally high levels, accompanied by a general rise in inflation. These effects, together with uncertainty regarding the availability of raw materials, could lead to criticality in the supply of certain materials, an increase in operating costs linked to the functioning of airport infrastructure and an increase in the costs of carrying out certain investments.

The investment plan as remodelled from time to time, while always ensuring due and constant reporting to ENAC, will be implemented with the financial resources that are largely already available as a result of the EIB financing.

Risks related to the failure to guarantee user services by certain airport operators

The handling companies operating at the airport, in response to growing and intense competitive pressure and in order to ensure the economic sustainability of their operations, in recent years placed particular attention on containing personnel costs, as featuring a significant labour intensive component, in addition to their efficiency, even to detriment of their quality. The difficult market conditions in which these parties operate were thereafter further worsened by the crisis emerging with the COVID-19 outbreak which hits the entire air sector, making already fragile operating-financial conditions even more difficult. This situation may therefore compromise the quality and the continuity of services offered to passengers by handlers at Bologna airport. The Parent Company is working to draw up a contingency plan aimed at and limited to ensuring the continuity of services that are the direct responsibility of the airport manager, including where difficulties arise among the airport operators currently providing those services, which in 2021 began with the awarding to Tag of the H24 service and which was strengthened with the insourcing of the airside PRM service, previously entrusted to a handler as of December 1, 2023.

Risks concerning the regulatory framework

The Aeroporto Guglielmo Marconi di Bologna S.p.A. Group's core business involves acting as concession holder operating under special exclusive rights to the Bologna airport grounds. Primarily for this reason, it operates in an industry that is highly regulated at the domestic, supranational and international levels. Any change to the regulatory framework (and in particular any changes in relations with the state, public bodies and sector authorities, the determination of airport fees and the amount of concession fees, the airport tariff system, the allocation of slots, environmental protection and noise pollution) may impact operations and Company and Group results.

Risk related to the high level of intangible assets in proportion to the Group's total assets and shareholders' equity

In terms of the risk of the non-recoverability of the carrying amount of the Concession Rights recognised to intangible assets consolidated at December 31, 2023 for Euro 225 million, as per IAS 36, the Group carried out an impairment test on the most recent cash flow projections approved by the Board of Directors of the Parent Company and based on assumptions considered reasonable and demonstrable, in order to present the best estimate of the future economic conditions that the current situation of uncertainty - in particular on the duration of the crisis - permits.
The impairment test and related analyses of sensitivity concerning assumptions characterised by greater randomness did not point to any impairment of the carrying amounts of the concession rights recognised at December 31, 2023; therefore, no impairment losses were recognised on the assets concerned (see Note 1 - Intangible Assets for further information).
On the recoverability of the value of assets please also see note 4 – other non-current financial assets – and note 8 – trade receivables.

Operational restrictions and other risks resulting from exceeding airport noise zoning limits

In 2022, the LVA acoustic footprint was found to be close to airport acoustic zoning limits. Following the ministerial meeting on night flight operations, on June 13, 2023 AdB revised its nighttime landing and take-off procedures from June, which are designed and managed by ENAV in order to decrease overflight impacts on the city of Bologna. Specifically, operational procedures by ENAV in the night time slot (11 pm-6 am), both on take-off and landing, avoided overflying city neighbourhoods, except where operation safety and security needs make this unavoidable, while maintaining the schedule of passenger and cargo flights for the entire season substantially unchanged. Additional measures have also been confirmed at the ministerial level, and made operational from October, which consist of departing aircraft turning earlier than provided for by the previous ascent procedures. The objective is to further reduce the overflight of populated areas, with important overall benefits in terms of the noise footprint.

As part of the noise impact monitoring and management programme, AdB prepared the calculation of the airport noise level (LVA) for the year 2023, according to the current regulations, from which certain excesses of the noise limits provided by the airport noise zoning maps were detected in areas falling mainly in the western sector of the airport featuring limited surface area and low population density. The same surveys also verified the containment of emission levels within acoustic limits in high-density residential areas located in the eastern sector of the airport (Navile, Pescarola and Corticella neighbourhoods).

In relation to the excesses detected, in the identified reported areas, of the acoustic limits as indicated above, AdB will immediately initiate the appropriate discussions with the members of the Commission as per Article 5 of Ministry of the Environment Decree of 31/10/1997, in order to develop in updated and adequate terms the acoustic remediation plan, as prescribed by the European and domestic regulations, allocating adequate resources consistent with the sustainable development plans of the airport management company and sharing with the municipalities concerned effective uses of the revenue of the IRESA purpose tax.

Within the framework of these initiatives, there is also the public commitment to setting up a multi-year fund to support soundproofing of the residential buildings most exposed to noise impact from airport operations, as described in note 16 to the financial statements.

In this regard, we note that, as per the relevant EU regulations, several alternative corrective manoeuvres may be introduced before air traffic restrictions are required. Any further investment that should result should be adequately covered by tariff dynamics.

Seasonality of revenues

Due to the cyclical nature of the sector in which the Group generally operates, higher revenues and operating results are expected in the third quarter rather than in the first and final quarters of the year. Higher revenues are concentrated in June-September, during the peak summer vacation period experiencing maximum usage levels. In addition, there is a strong business passenger component, due to the characteristics of the local business community and the presence of internationally renowned trade fair events, which offsets the seasonal peaks of tourist activity. Accordingly, financial performance figures for interim periods may not be representative of the Group's financial performance and financial position situation at the annual level.

8 OPERATING PERFORMANCE OF THE PARENT COPMANY

The table below summarises the economic and financial performance of the Parent Company in the three-year period under consideration; for the relevant comments, reference should be made to chapter 3 as the numbers are similar to the Group.

8.1 PARENT COMPANY RESULTS

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Total change vs 2022	% change vs 2022	for the year ended 31.12.2019	% change vs 2019
Revenues from aeronautical services	56,241	46,088	10,153	22.0%	57,764	-2.6%
Revenues from non-aeronautical services	51,171	41,665	9,506	22.8%	43,721	17.0%
Construction service revenues	28,414	15,952	12,462	78.1%	16,420	73.0%
Other operating revenues and income	1,747	22,520	(20,773)	-92.2%	1,274	37.1%
Revenues	**137,573**	**126,225**	**11,348**	**9.0%**	**119,179**	**15.4%**
Consumables and goods	(1,339)	(1,094)	(245)	22.4%	(1,084)	23.5%
Service costs	(23,489)	(20,300)	(3,189)	15.7%	(19,453)	20.7%
Revenues from construction services	(27,061)	(15,192)	(11,869)	78.1%	(15,639)	73.0%
Leases, rentals and other costs	(10,310)	(8,172)	(2,138)	26.2%	(8,523)	21.0%
Other operating expenses	(3,574)	(3,160)	(414)	13.1%	(3,200)	11.7%
Personnel costs	(29,796)	(25,937)	(3,859)	14.9%	(28,076)	6.1%
Costs	**(95,569)**	**(73,855)**	**(21,714)**	**29.4%**	**(75,975)**	**25.8%**
Gross Operating Profit (EBITDA)	**42,004**	**52,370**	**(10,366)**	**-19.8%**	**43,204**	**-2.8%**
Amortisation/Write-down concession rights	(8,266)	(7,829)	(437)	5.6%	(6,045)	36.7%
Amortisation of other intangible assets	(691)	(660)	(31)	4.7%	(1,561)	-55.7%
Depreciation of tangible assets	(2,198)	(5,176)	2,978	-57.5%	(2,637)	-16.6%
Depreciation, amortisation and impairment	**(11,155)**	**(13,665)**	**2,510**	**-18.4%**	**(10,243)**	**8.9%**
Provisions for doubtful accounts	662	(687)	1,349	n.a.	5	n.a.
Provision for renewal of airport infrastructure	(3,448)	(4,060)	612	-15.1%	(2,814)	22.5%
Provisions for other risks and charges	(3,502)	(165)	(3,337)	2022.4%	(267)	1211.6%
Provisions for risks and charges	**(6,288)**	**(4,912)**	**(1,376)**	**28.0%**	**(3,076)**	**104.4%**
Total Costs	**(113,012)**	**(92,432)**	**(20,580)**	**22.3%**	**(89,294)**	**26.6%**
Operating Result	**24,561**	**33,793**	**(9,232)**	**-27.3%**	**29,885**	**-17.8%**
Financial income	817	1,392	(575)	-41.3%	129	533.3%
Financial expenses	(3,125)	(1,449)	(1,676)	115.7%	(1,089)	187.0%
Pre-tax result	**22,253**	**33,736**	**(11,483)**	**-34.0%**	**28,925**	**-23.1%**
Taxes for the year	**(6,360)**	**(4,293)**	**(2,067)**	**48.1%**	**(8,857)**	**-28.2%**
Profit (loss) for the year	**15,893**	**29,443**	**(13,550)**	**-46.0%**	**20,068**	**-20.8%**

The three year **EBITDA adjusted** for construction services and of the terminal value receivable revenues on interventions of the provision for renewal (*) and the contribution from the Compensation Fund for Covid damages is presented in the table below:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Total change vs 2022	% change vs 2022	for the year ended 31.12.2019	% change vs 2019
Revenues from aeronautical services	56,241	46,088	10,153	22.0%	57,764	-2.6%
Revenues from non-aeronautical services	51,171	41,665	9,506	22.8%	43,721	17.0%
Other operating revenues and income	1,574	1,583	(9)	-0.6%	1,194	31.8%
Adjusted revenues	**108,986**	**89,336**	**19,650**	**22.0%**	**102,679**	**6.1%**
Consumables and goods	(1,339)	(1,094)	(245)	22.4%	(1,084)	23.5%
Service costs	(23,489)	(20,300)	(3,189)	15.7%	(19,453)	20.7%
Leases, rentals and other costs	(10,310)	(8,172)	(2,138)	26.2%	(8,523)	21.0%
Other operating expenses	(3,574)	(3,160)	(414)	13.1%	(3,200)	11.7%
Personnel costs	(29,796)	(25,937)	(3,859)	14.9%	(28,076)	6.1%
Adjusted costs	**(68,508)**	**(58,663)**	**(9,845)**	**16.8%**	**(60,336)**	**13.5%**
Adjusted Gross Operating Profit (Adjusted EBITDA)	**40,478**	**30,673**	**9,805**	**32.0%**	**42,343**	**-4.4%**
Revenues from construction services	28,414	15,952	12,462	78.1%	16,420	73.0%
Revenues from construction services	(27,061)	(15,192)	(11,869)	78.1%	(15,639)	73.0%
Construction Services Margin	**1,353**	**760**	**593**	**78.0%**	**781**	**73.2%**
Revenues from TV on Provision for Renewal	173	34	139	408.8%	80	116.3%
Revenues from compensation fund contribution Budget Law 2021	0	20,903	(20,903)	n.a.	0	n.a.
Gross Operating Profit (EBITDA)	**42,004**	**52,370**	**(10,366)**	**-19.8%**	**43,204**	**-2.8%**

(*) For further information on terminal value, refer to the comment in the notes on accounting policies regarding intangible assets.

Quarterly **Passenger Traffic** and **EBITDA adjusted** for construction services and of the terminal value receivable revenues on interventions of the provision for renewal (*) and the contribution from the Compensation Fund is presented in the table below:

	Q1 2023	Change % vs 2022	Change % vs 2019	Q2 2023	Change % vs 2022	Change % vs 2019	Q3 2023	Change % vs 2022	Change % vs 2019	Q4 2023	Change % vs 2022	Change % vs 2019
Passenger Traffic	1,803,185	42.0%	-8.1%	2,781,930	15.5%	12.0%	3,131,726	11.0%	14.8%	2,253,451	12.8%	1.0%
INCOME STATEMENT (in thousands of Euro)												
ADJUSTED REVENUES	**21,044**	**45.8%**	**-5.1%**	**29,227**	**21.7%**	**8.9%**	**32,005**	**14.3%**	**8.7%**	**26,710**	**16.7%**	**10.3%**
Revenues from aeronautical services	10,606	43.1%	-13.5%	15,098	21.2%	-1.6%	16,785	14.7%	-1.1%	13,752	18.8%	4.3%
Revenues from non-aeronautical services	10,189	48.5%	5.3%	13,574	21.6%	21.7%	14,905	14.2%	21.9%	12,503	18.1%	17.2%
Other operating revenues and income	249	59.6%	5.2%	555	41.1%	56.6%	315	2.8%	34.6%	455	-37.4%	23.3%
ADJUSTED COSTS	**(15,736)**	**24.7%**	**9.9%**	**(17,401)**	**18.5%**	**13.5%**	**(17,578)**	**12.4%**	**20.1%**	**(17,793)**	**13.2%**	**10.9%**
Personnel costs	(6,926)	20.3%	1.7%	(7,538)	15.7%	1.1%	(7,310)	10.6%	9.3%	(8,022)	13.7%	12.6%
Other operating costs	(8,810)	28.3%	17.2%	(9,863)	20.8%	25.3%	(10,268)	13.7%	29.1%	(9,771)	12.8%	9.5%
ADJUSTED EBITDA	**5,308**	**193.6%**	**-32.4%**	**11,826**	**26.7%**	**2.7%**	**14,427**	**16.7%**	**-2.5%**	**8,917**	**24.3%**	**9.1%**
ADJUSTED EBITDA MARGIN	**25.2%**	**n.a.**	**n.a.**	**40.5%**	**n.a.**	**n.a.**	**45.1%**	**n.a.**	**n.a.**	**33.4%**	**n.a.**	**n.a.**

8.2 CASH FLOW STATEMENT OF THE PARENT COMPANY

	in thousands of Euro	as at 31.12.2023	as at 31.12.2022	Change
A	Cash	27,316	20,656	6,660
B	Other cash equivalents	9,011	0	9,011
C	Other current financial assets	5,002	45,058	(40,056)
D	**Liquidity (A+B+C)**	**41,329**	**65,714**	**(24,385)**
E	Current financial payables	(7,220)	(2,805)	(4,415)
F	Current portion of non-current bank payables	(11,802)	(14,456)	2,654
G	**Current financial debt (E + F)**	**(19,022)**	**(17,261)**	**(1,761)**
h	**Net Current Financial Position (G - D)**	**22,307**	**48,453**	**(26,146)**
I	Non-current financial payables	(20,601)	(46,419)	25,818
J	Debt instruments	0	0	0
K	Trade payables and other non-current payables	(110)	(515)	405
L	**Non-current financial debt (I + J + K)**	**(20,711)**	**(46,934)**	**26,223**
M	**Total Net Financial Position (H + L)**	**1,596**	**1,519**	**77**

8.3 PARENT COMPANY STATEMENT OF FINANCIAL POSITION

USES	as at 31.12.2023	as at 31.12.2022	Change Ab.	Change %
-Trade receivables	18,126	11,664	6,462	55%
- Tax receivables	156	199	(43)	-22%
- Other Receivables	6,382	5,095	1,287	25%
- Inventories	806	817	(11)	-1%
Sub-total	**25,470**	**17,775**	**7,695**	**43%**
-Trade payables	(26,044)	(24,291)	(1,753)	7%
- Tax payables	(2,600)	(2,815)	215	-8%
- Other payables	(35,966)	(31,907)	(4,059)	13%
Sub-total	**(64,610)**	**(59,013)**	**(5,597)**	**9%**
Net operating working capital	**(39,140)**	**(41,238)**	**2,098**	**-5%**
Fixed assets	234,496	215,663	18,833	9%
- Deferred tax assets	6,643	9,794	(3,151)	-32%
- Other non-current assets	18,284	15,911	2,373	15%
Total fixed assets	**259,423**	**241,368**	**18,055**	**7%**
- Provisions for risks, charges & severance	(21,635)	(17,194)	(4,441)	26%
- Deferred tax liabilities	(2,139)	(2,163)	24	-1%
- Other non-current liabilities	(75)	(114)	39	-34%
Sub-total	**(23,849)**	**(19,471)**	**(4,378)**	**22%**
Fixed Operating Capital	**235,574**	**221,897**	**13,677**	**6%**
Total Uses	**196,434**	**180,659**	**15,775**	**9%**

SOURCES	as at 31.12.2023	as at 31.12.2022	Change Ab.	Change %
Net Financial Position	**1,596**	**1,519**	**77**	**5%**
- Share Capital	(90,314)	(90,314)	0	0%
- Reserves	(91,823)	(62,421)	(29,402)	47%
- Profit (loss) for the year	(15,893)	(29,443)	13,550	-46%
Total Shareholders' Equity	**(198,030)**	**(182,178)**	**(15,852)**	**9%**
Total Sources	**(196,434)**	**(180,659)**	**(15,775)**	**9%**

9 STATEMENT OF RECONCILIATION BETWEEN SHAREHOLDERS' EQUITY AND NET RESULT

Reconciliation between shareholders' equity and the result for the year of the Parent Company and the Consolidated shareholders' equity and result is shown below:

in thousands of Euro	Shareholders' Equity 31.12.2023	Net Result 31.12.2023
Net equity and result of Aeroporto G. Marconi S.p.A.	198,030	15,893
Net equity and result of the consolidated company Tag Bologna s.r.l.	3,978	266
Net equity and result of the consolidated company Fast Freight Marconi S.p.A.	7,109	547
Aggregated net equity and result	***209,117***	***16,706***
Carrying value of consolidated companies	(3,193)	0
Elimination and write-down of investments in subsidiaries	111	0
Valuation effects of associated companies under the equity method	0	0
Alignment costs and revenues of the subsidiaries consolidated to costs and revenues of the Parent Company	0	0
Elimination costs relating to the conferment capitalised to increase the investment in FFM	(66)	0
Consolidated net equity and result	***205,969***	***16,706***
Minority interest share of net equity and result	0	0
GROUP NET EQUITY AND RESULT	**205,969**	**16,706**

in thousands of Euro	Shareholders' Equity 31.12.2022	Net Result 31.12.2022
Net equity and result of Aeroporto G. Marconi S.p.A.	182,177	29,443
Net equity and result of the consolidated company Tag Bologna s.r.l.	3,713	1,087
Net equity and result of the consolidated company Fast Freight Marconi S.p.A.	6,565	578
Aggregated net equity and result	***192,456***	***31,109***
Carrying value of consolidated companies	(3,193)	0
Elimination and write-down of investments in subsidiaries	111	0
Valuation effects of associated companies under the equity method	0	0
Alignment costs and revenues of the subsidiaries consolidated to costs and revenues of the Parent Company	2	0
Elimination costs relating to the conferment capitalised to increase the investment in FFM	(66)	0
Consolidated net equity and result	**189,310**	***31,109***
Minority interest share of net equity and result	0	0
GROUP NET EQUITY AND RESULT	**189,310**	**31,109**

10 ALTERNATIVE PERFORMANCE INDICATORS

In this Directors' Report, various performance indicators are presented in order to permit a better assessment of operating performance and financial position.

On December 3, 2015, Consob published Communication No. 92543/15, rendering applicable the Guidelines issued on October 5, 2015 by the European Security and Markets Authority (ESMA) regarding the presentation of such indicators in regulated information circulated or financial statements published on or after July 3, 2016. These Guidelines, updating the previous CESR Recommendation (CESR/05-178b), seek to promote the utility and transparency of alternative performance indicators included in regulated information or financial statements within the scope of application of Directive 2003/71/EC in order to improve their comparability, reliability and comprehensibility.

The criteria utilised for these indicators, in line with the above communications, are provided below:

- **EBITDA:** EBITDA (earnings before interest, taxation, depreciation and amortisation) is defined by management as the pre-tax result for the year, financial income and charges, income and charges from equity investments, depreciation, amortisation and impairment. It therefore coincides, in this case, with the gross operating margin. EBITDA is not identified as an accounting measure as per IFRS and therefore should be considered as an alternative measure for the evaluation of the Group's performance. Since calculation of this indicator is not governed by the accounting standards that form the basis of preparation of the Group's Consolidated Financial Statements, the criterion used to determine and measure the indicator might not be uniform with that adopted by other groups. Accordingly, the figure in question might not be comparable with that presented by such other groups;
- **ADJUSTED REVENUES AND COSTS:** total revenues net of revenues from construction services and terminal value receivable revenues on the provision for renewal and total costs net of construction service costs. Adjusted revenues and costs allow for the calculation of adjusted EBITDA as presented below:
- **Adjusted EBITDA:** this is a measure used by the Group's management to monitor and assess the Group's operating and financial performance. This is calculated by subtracting from EBITDA:
    - the margin calculated as the difference between the Group's construction revenues and construction costs as the Airport's manager;
    - terminal value receivable revenues on the provision for renewal, where this account is understood to refer to the consideration – equal to the present value of the terminal value credit – that the airport manager is entitled to be paid at the end of the concession from the new manager for renewal work on the assets under concession that at the date concerned have not been fully depreciated according to the regulatory accounting rules (Art. 703 of the Navigation Code, as amended by Art. 15-quinquies, para. 1, of Decree-Law No. 148/2017, converted, with amendments, by Law No. 172 of December 4, 2017) and
    - in the comparative year, the COVID-19 compensation fund contribution.
- **Net Financial Debt/Net Financial Position:** the composition of the Net Financial Debt/Net Financial Position is represented in accordance with the Consob Communication of July 28, 2006 and ESMA recommendations ESMA/2011/81 and ESMA32-382-1138 of March 4, 2021.

11 GUARANTEES PROVIDED

The following table summarises the guarantees provided in the two years by the Group.

in thousands of Euro	31/12/2023	31/12/2022	Change	Change. %
Sureties	10,664	9,668	996	10%
Pledge on Equity Financial Instruments	10,873	10,873	0	0%
Patronage letters	1,206	1,711	(505)	-30%
Total guarantees provided	**22,742**	**22,251**	**491**	**2%**

At December 31, 2023, the guarantees provided by the Group total Euro 22.7 million and principally concern:

- sureties, the principal of which being Adb's co-obligation in the surety of Euro 5.8 million in favour of the Customs Office at the request of the subsidiary, FFM, regarding the customs dispute in which it is involved (see the section on disputes in the Directors' Report), in addition to the surety in favour of Enac provided for in the Full Management Agreement (Euro 2.7 million);
- a pledge of the equity financial instrument issued by Marconi Express S.p.a. and subscribed for by the Company for a nominal value of Euro 10.87 million, securing the obligations of Marconi Express to the credit institutions that financed the People Mover project;
- letter of comfort concerning the mortgage loan granted to the subsidiary Tag Bologna S.r.l. by Banca Agricola Mantovana (now Monte dei Paschi di Siena) which at the end of the period amounted to Euro 1.2 million.

12 TREASURY SHARES IN PORTFOLIO

In accordance with Article 2428, paragraphs 2, 3 and 4 of the Civil Code, it is communicated that AdB and the Group do not hold treasury shares at December 31, 2023.

13 SHARES HELD BY DIRECTORS AND STATUTORY AUDITORS

Based on the legally required communications, the Directors and Statutory Auditors of Aeroporto Guglielmo Marconi di Bologna Spa directly and/or indirectly holding shares at December 31, 2023 were:

- the Chief Executive Officer Nazareno Ventola 2,750 shares.

14 OPT-OUT REGIMES

On April 13, 2015 the Board of Directors of the Parent Company decided, in accordance with Article 70, paragraph 8, and Article 71, paragraph 1-*bis*, of the Issuers' Regulation, to opt out of publishing the disclosure documents provided for in Annex 3B to the Issuers' Regulation in the event of significant merger, spin-off, share capital increase through conferment of assets in kind, acquisition, and sales operations.

15 SUBSEQUENT EVENTS AND BUSINESS OUTLOOK

No events have occurred subsequent to year end that would require changes in terms of the presented performance or equity and financial position and that would therefore necessitate adjustments and/or additional disclosures in the financial statements with reference to the amounts reported at December 31.

Resignation of an independent director and non-executive director and co-option of a new director

On March 6, 2024, the Board of Directors noted the resignation submitted on February 28 by Independent and Non-Executive Director Sonia Bonfiglioli, who was also Chairperson of the Remuneration Committee. The Board of Directors on the same date approved the reinstatement of a Remuneration Committee comprising of three members, appointing Independent Director Giovanni Cavallaro and also appointing him as Chairperson.

On March 14, 2024, the Board of Directors resolved, with the Board of Statutory Auditors' approval, to co-opt Claudia Bugno to replace Independent Director Sonia Bonfiglioli.

Noise impact in the airport surroundings

As part of the noise impact monitoring and management programme, AdB prepared the calculation of the airport noise level (LVA) for the year 2023, according to the current regulations. In this regard and having compared the actual 2023 noise map with the noise limits in the airport noise zoning maps, a number of excesses of these limits were detected during 2023 in areas falling mainly in the western sector of the airport surroundings and characterised by limited surface area and low population density. The same surveys also verified the containment of emission levels within acoustic limits in high-density residential areas located in the eastern sector of the airport (Navile, Pescarola and Corticella neighbourhoods).

The airport management company considers the limited and circumscribed excesses mentioned above to be attributable to the proactive and positive procedures and ordinances shared at the Commission among all constituents for the purpose of noise impact containment on the densely populated areas bordering the airport. These measures concerned, respectively, ENAC Order No. 5/2023 of 14/06/2023 introducing additional operational restrictions and halving the runway operational capacity in the "night" band, which has allowed since 19/06/2023 the drastic reduction of night overflights over the built-up area of Bologna, and ENAV's operational procedure of modifying the initial climb for Runway 12 take-offs from Bologna, which, since 07/09/2023, by bringing forward the turn altitude from 800 feet to 520 feet, has allowed an effective shift of take-off trajectories to areas with lower population density. Taken together, these actions have reduced the overall population exposed to airport noise levels.

In relation to the excesses detected, in the identified reported areas, of the acoustic limits as indicated above, AdB will immediately initiate the appropriate discussions with the members of the Commission as per Article 5 of Ministry of the Environment Decree of 31/10/1997, in order to develop in updated and adequate terms the acoustic remediation plan, as prescribed by the European and domestic regulations, also allocating adequate resources consistent with the sustainable development plans of the airport management company and in addition sharing with the municipalities concerned effective uses of the revenue of the IRESA purpose tax.

Traffic performance

Bologna Airport reports 1,208,736 passengers for the first two months of 2024 (up 7.4% on 2023), with 9,438 total movements (+6.3% on 2023), while 7,131 tonnes of cargo was carried (+7.1% on 2023).

Operating and Financial Performance and Business Outlook

The latest ACI World forecasts confirm the complete recovery of air traffic in fact by 2024, and no longer in 2025, in the absence of further disruptions related to the current general environment. 9.7 billion passengers will be reached in 2024, surpassing the 9.2 billion of 2019 (+106%). The recovery is driven mainly by domestic tourism (expected to recover as early as the beginning of 2024), while international tourism continues to benefit from the gradual reopenings of the Chinese market. The strong growth of the low cost airlines is again confirmed for 2024, benefiting from disinflation, with a positive impact on prices.

Taking a long-term view, also according to the ACI, future air traffic development shall be shaped by a combination of particularly challenging factors for the sector's resilience. The main variables that impact the forecast growth scenario may be either positive or negative. The downside variables include (i) the continuation of geopolitical tensions, (ii) the deterioration of general economic conditions and inflation, (iii) increased raw material costs, (iv) difficulties in sourcing raw materials and industrial spare parts (v) increased regulatory costs (i.e. "EU Fit for 55"). The upside variable however concerned (i) the resilience of the strong travel propensity of users and (ii) the reopening of international traffic to the Asian market (*Source: ACI Europe, Airport Traffic Forecast - 2023 Scenarios & 2023-2027 Outlook, October 2023*). CAPA also points out that demand is subject to continuous external shocks, as well as being affected by important sustainability-side pushes, which could impact intermodal transportation choices by users to the detriment of air traffic. However, the opportunity to investigate and develop new solutions for more sustainable transportation (i.e., new aircraft, engines and technologies) could ensure that there will be new, cleaner and cheaper means of transportation in the future *(Source: CAPA, Charting Trends: domestic demand remains strong, but data shows a stalling recovery, February 2024*).

In the complex environment outlined above, the Group will continue to be engaged in overcoming the limits of the infrastructural capacity of certain sub-systems, with various interventions at the terminal, with a view to improving the quality of service and the travel experience of passengers, once the critical issues related to maintaining the full operation of the infrastructure and operational processes amid the construction work have been overcome. Also in the area of non-aviation services, construction work has begun on the new multi-story parking lot for a total of an additional 2,200 parking spaces available to passengers. At the same time, important commitments in the areas of innovation and sustainability continue, for which reference should be made to the Sustainability Report - Non-Financial Information Report 2023, which outlines the Group's concrete actions to mitigate the negative environmental impacts of airport operations, protect natural resources, improve the quality of life and well-being of the surrounding community, and provide safe and inclusive workplaces.

In 2023, the particularly strong traffic performance at the airport has enabled the Group to deliver results which have beat even the most optimistic forecasts at the beginning of the year in terms of volumes, leading to strong financial results, although margins have been negatively impacted by the general economic environment and inflation.

The framework of full traffic recovery and the Group's solid financial structure allow AdB's Board of Directors to propose, after several years of interruption due to the COVID-19 crisis, to the Shareholders' Meeting the distribution of a dividend, in a measure that also takes into account the continued general market and economic uncertainty and the challenging long-term investment plan of Bologna Airport.

The Chairperson of the Board of Directors
(Enrico Postacchini)

Bologna, March 14, 2024

Consolidated Financial Statements for the year ended December 31, 2023

Statement of Consolidated Financial Position

Consolidated Income Statement

Consolidated Statement of Comprehensive Income

Consolidated Cash Flow Statement

Statement of changes in Consolidated Shareholders’ Equity

Statement of Consolidated Financial Position

in thousands of Euro	Note	as at 31.12.2023	As at 31.12.2022
Concession rights		224,716	205,997
Other intangible assets		1,480	1,391
Intangible assets	**1**	**226,196**	**207,388**
Land, property, plant and equipment		11,007	11,362
Investment property		1,617	1,617
Tangible assets	**2**	**12,624**	**12,979**
Investments	**3**	44	119
Other non-current financial assets	**4**	16,032	13,489
Deferred tax assets	**5**	6,831	10,002
Other non-current assets	**6**	187	261
Other non-current assets		**23,094**	**23,871**
NON-CURRENT ASSETS		**261,914**	**244,238**
Inventories	**7**	878	912
Trade receivables	**8**	19,072	12,672
Other current assets	**9**	6,882	5,162
Current financial assets	**10**	5,002	45,058
Cash and cash equivalents	**11**	44,334	27,868
CURRENT ASSETS		**76,168**	**91,672**
ASSETS HELD-FOR-SALE		**0**	**0**
TOTAL ASSETS		**338,082**	**335,910**
Share capital		90,314	90,314
Reserves		98,949	67,887
Profit/(loss) for the year		16,706	31,109
GROUP SHAREHOLDERS' EQUITY	**12**	205,969	189,310
MINORITY INTEREST SHARE. EQUITY			
TOTAL SHAREHOLDERS' EQUITY	**12**	**205,969**	**189,310**
Severance and other personnel provisions	**13**	3,317	3,313
Deferred tax liabilities	**14**	2,790	2,843
Provision for renewal of airport infrastructure	**15**	12,107	10,541
Provisions for risks and charges	**16**	4,276	1,235
Non-current financial liabilities	**17**	21,399	48,126
Derivative financial instruments		0	0
Other non-current liabilities		77	115
NON-CURRENT LIABILITIES		**43,966**	**66,173**
Trade payables	**18**	26,897	24,869
Other liabilities	**19**	38,969	35,179
Provision for renewal of airport infrastructure	**15**	2,259	2,555
Provisions for risks and charges	**16**	467	29
Current financial liabilities	**17**	19,555	17,795
CURRENT LIABILITIES		**88,147**	**80,427**
TOTAL LIABILITIES		**132,113**	**146,600**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**338,082**	**335,910**

Consolidated Income Statement

in thousands of Euro	*Note*	for the year ended 31.12.2023	for the year ended 31.12.2022
Revenues from aeronautical services		63,325	53,754
Revenues from non-aeronautical services		51,811	42,257
Revenues from construction services		28,414	15,952
Other operating revenues and income		1,514	22,592
REVENUES	**20**	**145,064**	**134,555**
Consumables and goods		3,673	4,133
Service costs		24,789	21,383
Revenues from construction services		27,061	15,192
Leases, rentals and other costs		10,406	8,259
Other operating expenses		3,635	3,257
Personnel costs		31,418	27,503
COSTS	**21**	**100,982**	**79,727**
Amortisation of concession rights		8,744	8,014
Amortisation of other intangible assets		692	661
Depreciation of tangible assets		2,276	5,249
DEPRECIATION, AMORTISATION AND IMPAIRMENT	**22**	**11,712**	**13,924**
Provisions for doubtful accounts		(654)	693
Provision for renewal of airport infrastructure		3,733	4,079
Provisions for other risks and charges		3,507	171
PROVISIONS FOR RISKS AND CHARGES	**23**	**6,586**	**4,943**
TOTAL COSTS		**119,280**	**98,594**
OPERATING RESULT		**25,784**	**35,961**
Financial income	**24**	840	1,427
Financial expenses	**24**	3,202	1,471
Non-recurring income and charges		0	0
PRE-TAX RESULT		**23,422**	**35,917**
TAXES FOR THE YEAR	**25**	**6,716**	**4,808**
NET RESULT FROM DISCONTINUED OPERATIONS		**0**	**0**
PROFIT (LOSS) FOR THE YEAR		**16,706**	**31,109**
Minority interest profit (loss)		0	0
Group profit (loss) for the year		16,706	31,109
Undiluted earnings/(loss) per share (in Euro)		0.46	0.87
Diluted earnings/(loss) per share (in Euro)		0.46	0.87

Consolidated Statement of Comprehensive Income

in thousands of Euro	**for the year ended 31.12.2023**	**for the year ended 31.12.2022**
Profit (loss) for the year (A)	**16,706**	**31,109**
Other profits (losses) that will be reclassified in the net result for the year	**0**	**0**
Total other profits (losses) that will be reclassified in the net result for the year (B1)	0	0
Other profits (losses) that will not be reclassified in the net result for the year		
Actuarial profits (losses) on severance and other personnel provisions	(60)	533
Tax impact on actuarial profits (losses) on severance and other personnel provisions	15	(131)
Total other profits (losses) that will not be reclassified in the net result for the year (B2)	(45)	402
Total other profits (losses), net of taxes (B1 + B2) = B	(45)	402
Total profits (losses), net of taxes (A + B)	**16,661**	**31,511**
of which Minority Interests	0	0
of which Group	16,661	31,511

Consolidated Cash Flow Statement

in thousands of Euro	As at 31.12.2023	As at 31.12.2022
Core income-generating operations		
Result for the year before taxes	23,422	35,917
Adjustments to items with no impact on cash and cash equivalents		
- Margin from construction services	(1,353)	(760)
+ Depreciation and impairment of tangible assets and right-of-use assets	11,712	13,924
+ Provisions	6,586	4,943
+ Interest charges not involving cash outlays	785	(1,214)
+/- Interest income and financial expenses	1,577	1,257
+/- Losses/gains and other non-monetary costs/revenues	175	342
+/- Severance provisions and other personnel costs	140	146
Cash flow generated / (absorbed) by operating activities before changes in working capital	**43,044**	**54,555**
Change in inventories	34	(177)
(Increase)/decrease in trade receivables	(5,769)	6,540
(Increase)/decrease in other receivables and current assets (non financial)	(4,295)	946
Increase/(decrease) in trade payables	2,028	6,552
Increase/(decrease) in other liabilities, various and financial	8,030	5,600
Interest paid	(2,058)	(1,363)
Interest collected	730	1
Taxes paid	(3,405)	(37)
Severance paid	(205)	(116)
Utilisation of provisions for payments	(3,322)	(2,573)
Cash flow generated / (absorbed) by net operating activities	**34,812**	**69,928**
Purchase tangible assets	(2,283)	(2,062)
Payment from sale of tangible assets	0	0
Purchases of intangible assets/concession rights	(26,507)	(16,305)
Proceeds on sale of intangible assets/concession rights	7	11
Purchase/capital increase of equity investments	0	(75)
Payment from sale of equity investments	0	0
Changes in current and non-current financial assets	40,000	(45,000)
Cash flow generated / (absorbed) by investment activities	**11,217**	**(63,431)**
Proceeds from the issuance of shares	0	0
Dividends paid	0	0
Loans received	15,000	0
Loans repaid	(43,961)	(6,197)
Leases liability payments	(602)	(647)
Cash flow generated / (absorbed) by financing activities	**(29,563)**	**(6,844)**
Final cash change	**16,466**	**(347)**
Cash and cash equivalents at beginning of year	**27,868**	**28,215**
Final cash change	**16,466**	**(347)**
Cash and cash equivalents at end of the year	**44,334**	**27,868**

Statement of changes in Consolidated Shareholders' Equity

In thousands of Euro	Share capital	Share premium reserve	Legal reserve	Other reserves	Revaluation and realignment reserve	FTA Reserve	Profits (losses) carried forward	OCI reserve	Profit/(loss) for the year	GROUP SHAREHOLDERS' EQUITY	TOTAL SHAREHOLDERS' EQUITY
Shareholders' Equity as at 31.12.2021	**90,314**	**25,683**	**8,179**	**57,116**	**0**	**(3,272)**	**(12,445)**	**(1,060)**	**(6,717)**	**157,798**	**157,798**
Allocation of the 2021 financial year result	0	0	0	273	0	0	(6,990)	0	6,717	0	0
Share capital increase	0	0	0	0	0	0	0	0	0	0	0
Dividends distributed	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive profit (loss)	0	0	0	0	0	0	0	402	31,109	31,511	31,511
Shareholders' Equity as at 31.12.2022	**90,314**	**25,683**	**8,179**	**57,389**	**0**	**(3,272)**	**(19,435)**	**(658)**	**31,109**	**189,310**	**189,310**
Allocation of the 2022 financial year result	0	0	1,494	28,538	0	0	1,076	0	(31,109)	0	0
Share capital increase	0	0	0	0	0	0	0	0	0	0	0
Dividends distributed	0	0	0	0	0	0	0	0	0	0	0
Total comprehensive profit (loss)	0	0	0	0	0	0	0	(45)	16,706	16,661	16,661
Shareholders' Equity as at 31.12.2023	**90,314**	**25,683**	**9,673**	**85,926**	**0**	**(3,272)**	**(18,359)**	**(703)**	**16,706**	**205,969**	**205,969**

Notes to the Consolidated Financial Statements for the year ended December 31, 2023

Information on Group activities

The Group operates in the airport management business. Specifically:

- Aeroporto Guglielmo Marconi di Bologna S.p.A. (hereinafter "AdB" or the "Parent Company") is full manager of Bologna airport under Full Management Agreement No. 98 of July 12, 2004 and subsequent additional instruments, approved by Decree of the Ministry of Transport and Infrastructure and the Ministry of the Economy and Finance on March 15, 2006, with a term of 40 years from December 28, 2004 and expiry in December 2046 following the extension of two years in accordance with Law No. 77 of July 17, 2020, which converted Article 102, paragraph 1-bis of Decree-Law No. 34 of May 19, (Relaunch Decree) in order to contain the economic effects of the COVID-19 emergency. Its registered office is located at Via del Triumvirato 84, Bologna and it is registered with the Bologna Companies Register.
- Fast Freight Marconi S.p.A. (hereinafter FFM) operates in the cargo and mail handling business at Bologna airport. Its registered office is located at Via del Triumvirato 84, Bologna and it is registered with the Bologna Companies Register. It is subject to management and coordination by Aeroporto Guglielmo Marconi di Bologna S.p.A..
- TAG Bologna S.r.l. (hereinafter TAG) operates in the general aviation business as a handler and manager of the related infrastructure at the Bologna airport. Its registered office is located at Via del Triumvirato 84, Bologna and it is registered with the Bologna Companies Register. It is subject to management and coordination by Aeroporto Guglielmo Marconi di Bologna S.p.A..

Accounting Standards adopted in the preparation of the 2023 Consolidated Financial Statements

Basis of preparation

These consolidated financial statements concern the year ended December 31, 2023 and include the comparative figures for the year ended December 31, 2022 (hereafter "the Group consolidated financial statements" or "consolidated financial statements").
The consolidated financial statements were prepared under the historic cost convention, except for any financial assets held-for-sale, and any Intangible Assets comprising Energy Certificates, which were recognised at fair value, and in accordance with the going concern principle.
The consolidated financial statements are presented in thousands of Euro, which is also the Group functional currency, and all amounts are rounded to the nearest thousands of Euro, where not otherwise indicated.

Compliance with IAS/IFRS and the enacting provisions of Article 9 of Legislative Decree 38/2005

The Group consolidated financial statements were prepared in compliance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") endorsed by the European Union and in force at the preparation date of the financial statements, in addition to the provisions issued in enactment of Article 9 of Legislative Decree 38/2005 (Consob Motions No. 15519 and 15520 of July 27, 2006).

In 2014, the Group voluntarily opted to prepare the consolidated financial statements in accordance with the International Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The accounting standards and policies utilised are those adopted for the preparation of the annual financial statements at December 31, 2022 with the exception of the new accounting standards, amendments and interpretations which entered into force from January 1, 2023, applied for the first time by the Group at the obligatory effective date and summarised in this document in the paragraph "Accounting standards, amendments and interpretations endorsed by the European Union adopted by the Group". The Group has not adopted in advance any accounting standard, interpretation or amendment issued but not yet in effect.

The publication of the consolidated financial statements of Aeroporto Guglielmo Marconi di Bologna S.p.A. and the two subsidiaries (the Group) for the year ended December 31, 2023 was approved by the Board of Directors on March 14, 2024 and shall be subject to audit by EY S.p.A.

Content and form of the consolidated financial statements

The Group opted to apply the Separate and Comprehensive Statement of Income, as permitted by IAS 1, considering such more representative of operations. In particular, the Statement of Consolidated Financial Position has been prepared by separating assets and liabilities into current and non-current categories.
An asset is current when:

- it is expected to be realised, or is held for sale or consumption, in the normal course of the operating cycle;
- it is held principally for trading;
- it is expected to be realised within twelve months from the reporting date;
- it comprises cash or cash equivalents, upon which no prohibition exists on their exchange or utilisation to settle a liability for at least 12 months from year-end.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled within the normal operating cycle;
- it is held principally for trading;
- it must be settled within twelve months of year-end; or
- the entity does not have an unconditional right to defer settlement of the liability for at least twelve months of year-end.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Consolidated Income Statement has been prepared by classifying income and expenses by their nature, whereas the Consolidated Cash Flow Statement has been prepared using the indirect method, according to which cash flows are classified into operating, investing and financing categories.

Basis of consolidation

The Consolidated Financial Statements include the Statement of Consolidated Financial Position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement and the statement of changes in consolidated shareholders' equity.
The Group opted to prepare the statement of comprehensive income which includes, in addition to the result for the period, also the changes to equity relating to income items which, in accordance with International Accounting Standards, are recognised under equity.
The consolidated financial statements were prepared based on the financial statements of the company and its subsidiaries, directly and indirectly held, approved by the respective shareholders' meetings or executive bodies, appropriately adjusted in line with IFRS.
The subsidiary companies are fully consolidated from the date of acquisition, or from the date in which the Group acquires control, and ceases to be consolidated at the date on which the Group no longer has control.

An entity may exercise control if it is exposed to or has the right to variable income streams, based on the relationship with the investee, and, at the same time, has the capacity to affect such income streams through the exercise of power over the investee.

Specifically, an entity is able to exercise control if, and only if, it has:

- power over the investment entity (or holds valid rights which confer it the current capacity to control the significant activities of the investment entity);
- exposure or rights to variable returns deriving from involvement with the investment entity;
- the capacity to exercise its power on the investment entity to affect its income streams.

When a company of the Group holds less than the majority of the voting rights (or similar rights) of an investee, it should consider all the facts and significant circumstances to establish whether control of the investment entity exists, including:

- Contractual agreements with other holders of voting rights;
- Rights deriving from contractual agreements;
- Voting rights and potential voting rights of the Group.

The Group reconsiders if it has control of an investee and if the facts and circumstances indicate that there have been changes in one or more of the three significant elements for the definition of control. The consolidation of a subsidiary begins when the Group obtains control and ceases when the Group loses this control. The assets, liabilities, revenues and costs of the subsidiary acquired or sold during the year are included in the statement of comprehensive income from the date in which the Group obtains control until the date in which the Group no longer exercises control on the company.

The result for the period and each of the other comprehensive income statement items are allocated to the shareholders of the Parent Company and minority shareholders, even if this implies that the minority shareholder investments have a negative balance. Where necessary, appropriate adjustments are made to the financial statements of the subsidiaries, in line with the accounting policies of the Group. All assets and liabilities, shareholders' equity, revenues and costs, and inter-company cash flows relating to transactions between entities of the Group are completely eliminated on consolidation.

When the share in the equity held by the Parent Company changes, which does not result in a loss of control, this change must be recorded under equity. If the Group loses control, it must:

- eliminate the assets (including any goodwill) and the liabilities of the subsidiary;
- eliminate the book value of all the minority shareholdings;
- eliminate the cumulative translation reserve recorded in equity;
- record the fair value of the amount received;
- record the fair value of any holding maintained in the former subsidiary;
- record the profit or loss in the income statement for the period;
- reclassify the share of the Parent Company of any items previously recorded in the statement of comprehensive income to the income statement or profits/(losses) carried forward, as required by specific accounting standards, as if the Group had directly sold the related assets or liabilities.

The following table summarises the information on the subsidiaries at December 31, 2023 and 2022 in terms of the Group's direct and indirect holding.

		% Held	
SUBSIDIARIES (in thousands of Euro)	**Share capital**	**As at 31.12.2023**	**As at 31.12.2022**
Fast Freight Marconi S.p.a. Società Unipersonale	520	100.00%	100.00%
Tag Bologna S.r.l. Società Unipersonale	316	100.00%	100.00%

Accounting policies

Business combinations and goodwill

Business combinations are recognised using the acquisition method. The purchase cost is calculated as the total of the fair value consideration transferred at the acquisition date, and the value of any minority equity holding. For each business combination, the Group decides whether to measure the minority interest at fair value or in proportion to the amount held in the identifiable net assets of the investee. The acquisition costs are expensed in the year and classified under administration expenses.

When the Group acquires a business, the financial assets acquired or liabilities assumed under the agreement are classified or designated in accordance with the contractual terms, the economic conditions and the other conditions at the acquisition date. This includes the verification to establish whether an embedded derivative must be separated from the host contract.

In the case of business combinations undertaken in a series of phases, the previous holding is remeasured at fair value at the acquisition date and any gain or loss is recorded to the income statement. It is therefore considered in the determination of goodwill.

Any contingent payment to be recognised is recorded by the acquirer at fair value at the acquisition date. The change in the fair value of the potential payment classified as an asset or liability must be recorded in the income statement or in the statement of comprehensive income. Where the potential payment is not within the scope of IAS 39, the amount is measured in accordance with the appropriate IFRS. If the potential payment is classified in equity, the amount is not remeasured and its subsequent settlement is recorded in equity.

Goodwill is initially recognised at cost represented by the excess of the total amount paid and the amount recognised for minority interests in respect of the net identifiable assets acquired and the liabilities assumed by the Group. If the fair value of the net assets acquired exceeds the total consideration paid, the Group again verifies if it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedure utilised to determine the amount to be recorded at the acquisition date. If from the new valuation the fair value of the net assets acquired is still above the consideration, the difference (profit) is recorded in the income statement.

After its initial recognition, goodwill is measured at cost net of accumulated impairment. For the purpose of impairment testing, goodwill acquired in a business combination is allocated, from the acquisition date, to each of the Group's cash-generating units expected to benefit from the synergies of the combination, regardless of whether other assets or liabilities of the acquiree are assigned to those units.

If goodwill has been allocated to a cash-generating unit and the entity disposes of an operation within that unit, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss of the disposal. The goodwill associated to assets sold is calculated based on the relative values of the asset sold and the part maintained by the cash generating unit.

Investments in associates and joint ventures

An associated company is one in which the Group exercises significant influence and is not classifiable as a subsidiary or joint venture. Investments of the Group in associates are measured using the equity method.

Under the equity method, the investment in an associated company is initially recognised at cost and the carrying amount is increased or decreased to recognise the associated company's share of the profit or loss after the date of acquisition.

Goodwill pertaining to associates is included in the carrying value of the investment and is not subject to amortisation or an impairment test.

The income statement reflects the Group's share of the associate's result for the period. If an associated company records adjustments with direct charges to shareholders' equity, the Group records its share and records such (where applicable) in the statement of changes in shareholders' equity. Profits and losses deriving from transactions between the Group and associated companies are eliminated in proportion to the investment held in the associated company.
The Group share of the results of the associated companies is recognised in the income statement. The share of the result represents the result of the associated company attributed to the shareholders; this refers therefore to the net result after taxes and the share attributable to the other shareholders of the associate.
The reporting date of the financial statements of the associated company must coincide with the year-end of the Parent Company. The company's financial statements must be prepared using uniform accounting policies for like transactions and events in similar circumstances.
Subsequent to the application of the equity method, the Group assesses whether it is necessary to recognise a loss in value of investments in associates. The Group at each reporting date assesses whether an investment in an associate has incurred a loss in value. Where a loss arises, the Group calculates the amount of the loss as the difference between the recoverable value of the associate and the carrying value in the financial statements, recognising this difference in the income statement.
Once significant influence on the associate no longer exists, the Group values any residual investment at fair value. Any difference between the carrying value of the investment at the date significant influence no longer exists and the fair value of the residual investment and the amount received must be recorded in the income statement.

Conversion of accounts in foreign currencies

Transactions and balances

Foreign currency transactions are initially recorded in the functional currency, applying the exchange rate at the transaction date.
Monetary assets and liabilities in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. The profits and losses deriving from the conversion are recorded in the income statement.
Non-monetary items, measured at historical cost in foreign currency, are translated using the exchange rates on the date the transaction was first recorded. The non-monetary accounts recorded at fair value in foreign currencies are converted using the exchange rate at the date the value was determined. The profit or loss deriving from the translation of non-monetary items is treated in line with the recognition of the profit or loss recorded on the change in the fair value of these items (i.e. the translation differences on the accounts to which the fair value changes is recorded in the statement of comprehensive income or in the income statement are recorded, respectively in the statement of comprehensive income or in the income statement).

Intangible assets

An intangible asset is an asset without physical substance, identifiable, under control of the entity and capable of generating future economic benefits, and those derived from business combinations.
The useful life of the intangible assets is measured as finite or indefinite.
Intangible assets with a definite useful life are recorded at acquisition or production cost or, where deriving from business combinations, are capitalised at the fair value at the acquisition date; these assets include accessory charges, amortised on a straight-line basis for the period of their residual useful life in accordance with IAS 36 and undergo an impairment test whenever there are indications of loss in value.
The residual value at the end of the useful life is presumed to be zero unless there is a commitment by a third-party purchaser of the asset at the end of the useful life or an active market for the asset exists. The Directors review the estimate of the useful life of intangible assets at each reporting date.
The amortisation of definite intangible assets is recorded in the income statement.

The Group has not identified intangible assets with indefinite useful lives.

The useful life of an intangible asset deriving from contractual rights or other legal rights is determined on the basis of the lower between the duration of the contractual or legal rights (concession duration) and the utilisation period of the asset. The recoverability of the carrying value less amortisation is verified annually adopting the impairment test criteria.

The gains and losses deriving from the elimination of an intangible asset are measured as the difference between the net sales proceeds and the book value of the intangible asset, and are recorded in the income statement in the year in which they are eliminated.

"Concession rights" refer to the amount recognised under intangible assets against the airport infrastructure assets held in relation to the concession rights acquired for the management of the infrastructures which permits the right to charge for the utilisation of such infrastructure, in execution of a public service, in accordance with the provisions of IFRIC 12 – Service Concession Arrangements.

The Concession under which the Group operates meets the requirement that the concession holder must construct and operate the infrastructure on the grantor's behalf. Accordingly, the Group may not recognise it among tangible assets.

The Group contracts with third parties responsible for constructing and improving the infrastructure. Accordingly, the increases in "Concession rights" are at cost, equal to the fair value of the fees for the construction/improvement services rendered by the Group and the fair value of the fees for the construction/improvement service rendered by third parties, plus a mark-up representative of the internal costs of planning and coordination of the work by a specific internal unit.

The external costs incurred to provide construction service are therefore recognised under the item "Construction service costs" of the income statement.

Together with these costs, the Group also recognises an increase in the item "Concession rights" equal to the fair value of the service rendered, with a balancing entry to the item "Revenues from construction services".

The resulting concession rights are amortised on a straight-line basis over the term of the concession, starting when the asset constructed on the grantor's behalf becomes operational.

In accordance with Article 703 of the Navigation Code (Article 15-quinquies, paragraph 1, Legislative Decree No. 148 of October 16, 2017, converted with amendments by Law No. 172 of December 4, 2017), AdB, as an airport manager, shall receive on conclusion of the concession from the succeeding party, a fee equal to the residual value, where positive (Terminal Value) of the investments made on the concession areas, net of amortisation and depreciation, calculated according to the regulatory accounting rules.

The Receivables from Terminal Value is recorded for the portion of fees from construction/improvement services provided by the Group regarding the investments which shall have a Terminal Value at concession conclusion, calculated according to the regulatory accounting rules. The Terminal Value is discounted and recognised to non-current financial assets.

The Terminal Value rule is applicable also to interventions on the provisions for renewal, while calculated according to the regulatory accounting rules. This Terminal Value is an integration to the performance obligation fee, as per IFRS 15, concerning the concession contract.

Consequently, non-current financial assets are recorded, with counterentry to Other revenues and income in the income statement. Subsequent to the initial recognition, the Terminal Value receivable is valued at amortised cost on the basis of a "Hold to Collect" business model. For further details, reference should be made to the accounting policies for financial assets. Finally, also in relation to the Terminal Value receivable, this is subject to an impairment test as per IFRS 9, taking account of the default risk of the State counterparty.

"Software, licences and similar rights" primarily refers to the costs of implementing and customising management software and of purchasing software licences, amortised at a rate of 33%.

Tangible assets

Tangible assets are initially recognised at purchase price or construction cost and includes the price paid to acquire or construct the asset (net of discounts) and any directly attributable costs to the acquisition and necessary for the asset to enter into service.

Land, both constructible and relating to civil and industrial buildings, is accounted for separately and is not depreciated in that it has an indefinite useful life.

Tangible fixed assets are presented net of accumulated depreciation and any losses in value, calculated as described below. Depreciation is calculated, on a straight-line basis, based on the estimated useful life. Where a tangible fixed asset comprises a number of significant components with differing useful lives, the depreciation is carried out separately for each component. Land is not depreciated and fixed assets held-for-sale are valued at the lower of the subscription value and the fair value net of selling costs.

The depreciation rates used are as follows:

- Buildings and light construction: from 3% to 10%;
- Machinery, equipment and plant: from 10% to 31.5%;
- Furnishings, office machines and vehicles: from 12% to 25%.

The residual value of the asset, useful life and the methods applied are reviewed on an annual basis and adjusted if necessary at the end of each year.

Losses in value are charged to the income statement under depreciation costs. Such losses are restated when the reasons for their write-down no longer exist.

At the time of sale, or when there are no expected future economic benefits from the use of an asset, it is eliminated from the financial statements and any loss or profit (calculated as the difference between sale's price and book value) is charged to the statement of profit and loss in the year of its elimination.

Maintenance and repair expenses, which do not increase the value and/or extend the residual useful life of the asset are expensed in the year in which they are incurred; where they increase the value and/or extend the residual life of the assets, they are capitalised.

Investment property

The Group classifies the property complex purchased for the execution of future real-estate investments to be defined as investment property.

The complex is initially recognised at purchase cost and then measured at cost, in accordance with IAS 16.

The Group uses technical valuations to monitor the fair value of the property in question in order to determine whether it has become impaired.

Investment properties are eliminated from the financial statement when they are sold or when they are unusable on a long-term basis and no future economic benefits are expected from their sale. Any profits or losses due to the retirement or disposal an investment property are recognised in the income statement when the property is retired or disposed of.

Impairment of non-financial assets

The carrying amount of non-financial assets undergo an impairment test whenever there are signs internal or external to the entity which indicate the possibility of a loss in value of the assets or group of assets (defined as the Cash Generating Unit or CGU).

The recoverable value is the higher between the fair value of the asset or cash generating unit, net of selling costs, and its value in use. The recoverable value is determined by individual asset except when this asset generates cash flows which are not sufficiently independent from those generated by other assets or groups of assets.

If the carrying amount of an asset is higher than its recoverable value, this asset has incurred a loss in value and is consequently written down to the recoverable value. In the determination of the value in use, the estimated future cash flows are discounted by the Group at a pre-tax rate that reflects the market assessment of the current value of money and the risks specific to the asset. In determining the fair value less selling costs, an adequate valuation model is utilised. These calculations are made utilising appropriate valuation multipliers, listed equity prices for publicly traded securities and other fair value indicators available.

The losses in value incurred by operating assets are recorded in the income statement in the category of costs relating to those assets.

At each reporting date, the Group evaluates, in relation to the assets other than goodwill, the existence of indicators of a reduction in the loss of value previously recorded and, where these indicators exist, makes an estimate of the recoverable value. The value of an asset previously written down may be restated only if there have been changes in the estimates used to determine the recoverable value of the asset after the last recording of a loss in value. The recovery of value cannot exceed the carrying amount which would have been calculated, net of depreciation or amortisation, where no such loss in value was recorded in previous years. This recovery is recorded in the income statement unless the fixed asset is recorded at revalued amount, in which case the recovery is treated as a revaluation profit.

The following criteria are utilised for the recording of impairments on specific categories of assets:

Concession rights

The Group undertakes an impairment test on Concession rights annually at the year-end close or more frequently if events or changes in circumstances indicate that the carrying amount may have incurred a loss in value (whenever impairment indicators arise).

The loss in value on such intangible assets is determined through a valuation of the recoverable value of the cash generating unit (or group of units) to which they relate. When the recoverable value of the cash generating unit (or group of units) is lower than the carrying value of the cash generating unit (or group of cash-generating units) to which the intangible assets are allocated, a loss in value is recognised.

For impairment testing purposes, the Group has identified a single CGU (cash generating unit), which coincides with the Aeroporto G. Marconi di Bologna S.p.A. Group.

The impairment test compares the carrying amount of the asset or of the cash generating unit (CGU) with the recoverable value of the asset, arising from the higher between the fair value (net of selling costs) and the value of the net discounted cash flows which are expected to arise from the asset or from the CGU.

Each unit or Group of units to which the intangible asset is allocated represents the lowest level within the Group to which the goodwill is monitored at internal management level.

The conditions and the methods for any write-back of an asset previously written down applied by the Group, excluding in any case any recovery in the value of goodwill, are those as per IAS 36.

Financial assets

IFRS 9 provides for a single approach for the analysis and classification of all financial assets, including those contained in embedded derivatives. The classification and the relative measurement is made considering both the management model of the financial assets and the contractual characteristics of the cash flows from the asset.

The financial asset is measured using the amortised cost method where both of the following conditions are satisfied:

- the management model of the financial asset consists of holding the asset with the sole purpose of collecting the relative cash flows; and
- the financial asset generates, at pre-determined contractual dates, cash flows exclusively representative of the return from the financial asset and repayment of capital.

The financial asset is measured at fair value, with recognition of the effects in the statement of comprehensive income, if the objectives of the management model are to hold the financial asset in order to obtain the contractual cash flows or to sell the asset.

Finally, there is the residual category of financial assets measured at fair value with recognition of the effects through the income statement, which includes assets held for trading.

A financial asset which satisfies the requirements to be classified and measured at amortised cost may, on initial recognition, be designated as a financial asset at fair value, with recognition through the income statement, if this accounting treatment permits the elimination or significant reduction of the asymmetry in the measurement or recognition (so-called "accounting mismatch"), which would otherwise arise from the measurement of the asset or liability or from the recognition of the relative profits or losses on a different basis.

In addition, in the case of investments in equity instruments for which, therefore, it is not possible the recognition and measurement at amortised cost, where this concerns equity investments not held for trading purposes, but for strategic purposes, IFRS 9 provides that on initial recognition the entity may irrevocably choose to measure these at fair value, with recognition of any subsequent changes in the statement of comprehensive income without passing through profit or loss any gains or losses in the case of disposal.

Where the financial assets are only held for the Group's temporary needs to invest liquidity in order to obtain the contractual cash flows these are classified in the category "Held to collect - HTC".

Where the financial assets meet the Group's objective either to collect the contractual cash flows or the future sale these are classified in the category "Held to collect and sell – HTC and S".

The Group does not hold and did not hold during the two-year period derivative financial instruments.

Loans and receivables

Loans, similar to trade receivables, are held until their collection at the contractual maturities and generate cash flows relating to the collection of the principal and interest. The Group analysed the contractual cash flows of these instruments and concluded that they comply with the amortised cost measurement criteria in accordance with IFRS 9.

The amortised cost is calculated taking into consideration all discounts or purchase premiums and includes the commissions which are an integral part of the effective interest rate and of the transaction costs. Current trade receivables are not discounted as the effect of discounting the cash flows is immaterial. The gains and losses are recognised to the income statement when the loans and receivables are eliminated or if there is an impairment loss, also through the amortisation process.

Fair value
In the notes, the Group discloses the fair value of financial instruments at amortised cost and non-financial assets, such as investment property.

Fair value concerns the price that will be received for the sale of an asset or which will be paid for the transfer of a liability, in a transaction settled between market operators at the measurement date.

Fair value measurement requires that the sale of the asset or transfer of the liability has taken place:

(a) in the principal market of the asset or liability; or

(b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal market or the most advantageous market must be accessible for the Group.

The fair value of an asset or liability is measured adopting the assumptions which market operators would utilise in the determination of the price of the asset or liability, assuming they act to best satisfy their economic interests.

The fair value measurement of a non-financial asset considers the capacity of a market operator to generate economic benefits utilising the asset to its maximum and best use or of selling to another market operator that would utilise the asset to its maximum or best use.

The Group utilises measurement techniques which are appropriate to the circumstances and for which there is sufficient available data to measure the fair value, maximising the utilisation of relevant observable inputs and minimising the use of non-observable inputs.

All the assets and liabilities for which the fair value is measured or stated in the financial statements are categorised based on the fair value hierarchy, as described below:

- Level 1 - listed prices (not adjusted) on active markets for identical assets or liabilities which the entity can access at the measurement date;
- Level 2 - inputs other than listed prices included in Level 1, directly or indirectly observable for the asset or the liability;
- Level 3 - measurement techniques for which the input data are not observable for the asset or for the liability.

The fair value measurement is classified entirely in the same hierarchical level of the fair value in which the lowest hierarchical input level utilised for the measurement is classified.

For the assets and liabilities recognised in the financial statements on a recurring basis, the Group assesses whether there have been transfers between the hierarchy levels, reviewing the classification (based on the lowest input level, which is significant for the fair value measurement in its entirety) at each reporting date.

Impairment of financial assets
IFRS 9 defines a new impairment model of financial assets, with the objective to provide useful information to the readers of the financial statements in relation to expected losses. In particular, the model requires verification and recognition of any expected losses at any time over the life of the instrument and the updating of the expected losses at each reporting date to reflect the changes in the credit risk of the instrument; therefore, it is no longer necessary that a particular event arises ("trigger event") in order to verify and recognise losses on receivables.
The impairment test must be applied to all financial instruments, with the exception of those measured at fair value with recognition through the income statement.

The Group applies the simplified Provision Matrix approach and recognises the expected losses on all trade receivables based on the residual duration, defining a matrix for the provision based on the historical experience relating to the losses on receivables, adjusted to take into account specific forecast factors relating to the creditors and the economic environment (Expected Credit Loss – ECL concept).
The book value of the asset is reduced through the use of a provision and the amount of the loss recognised in the income statement.

Receivables which have incurred a loss in value are reversed when it is determined that they are irrecoverable.

Derecognition of financial assets
Financial assets (or, where applicable, part of a financial asset or part of a group of similar financial assets) are derecognised firstly (e.g. eliminated from the balance sheet) when:

- the rights to receive cash flows from the asset are extinguished, or
- the Group has transferred to a third party the right to receive the cash flows of the asset or has assumed the contractual obligation to pay entirely and without delay and (a) has substantially transferred all of the risks and rewards of ownership of the financial asset, or (b) has not substantially transferred all of the risks and rewards of the asset, but has transferred control.

Non-current assets held-for-sale and discontinued operations
Non-current assets classified as held-for-sale are measured at the lower of their carrying value and the fair value less selling costs. They are classified as such if the carrying value will be recovered through a sales operation rather than through their continual use. This condition exists only when the sale is highly probable and the asset or discontinued group is available for an immediate sale in its current conditions. Management must be committed to the sale, whose completion must be expected within one year from the date of the classification.
In the consolidated income statement and the previous year comparative period, the profits and losses of discontinued operations must be classified separately from profits and losses from continuing operations, shown after taxes, even when the Group maintains a minority interest in the subsidiary after the sale. The resulting profit or loss, after taxes for the period, is shown separately in the income statement.
Plant, property and equipment and intangible assets once classified as held-for-sale are no longer amortised or depreciated.

Construction and service contracts work-in-progress
Construction contracts work-in-progress are measured on the basis of the contractual payments matured with reasonable certainty in relation to the advancement of work under the percentage of completion method, determined through the measurement of work completed, to be attributed to the revenues and economic result of the contract to each year in proportion to the advancement of work. The positive or negative difference between the value of the completed portion of the contracts and that of the advances received is recognised in the statement of financial position, as an asset or liability, respectively, while also taking account of any impairment losses recognised due to risks associated with non-payment for work done on behalf of clients.
The contract revenues, in addition to the contractual payments, include the variances, price revisions and any claims up to the amount it is probable that they represent effective revenues that can be determined reliably.
If a project is expected to yield a loss, this loss is immediately recognised in full, regardless of the progress on the project.

Construction services for the grantor relating to the concession agreement to which AdB is a party are also recognised in the income statement according to the state of progress, i.e. the assessment of progress towards complete fulfilment of the obligation over time. In particular, construction and/or improvement revenue – which represents the consideration due for the services rendered – is measured at fair value, determined on the basis of the total costs incurred, consisting primarily of the costs of external services and the costs of benefits for employees engaged in the activities concerned.
The balancing entry for such construction service revenue is to a financial asset or airport concession taken to concession rights among intangible assets, as discussed in the relevant section.

Inventories
Inventories are recorded at the lower of purchase or production cost and realisable value represented by the amount that the company expects to obtain from their sale in the normal course of operations. The cost of inventories is calculated using the weighted average cost method.

Cash and cash equivalents
Cash and cash equivalents include those values which are available on demand at short notice, certain in nature and with no payment expenses.

Employee benefits
The benefits guaranteed to employees paid on the conclusion of employment (leaving indemnity) or other long-term benefits (e. g. non-competitive agreements, long-term incentive plans) are recognised in the period the right matures.
The liability, net of any plan assets, is calculated on the basis of actuarial assumptions and is recorded by the accrual method consistent with the years of employment necessary to obtain such benefits. The liability is calculated by independent actuaries utilising the projected unit credit method.
The amount not only reflects the payables matured at the Consolidated Financial Statements date but also the future salary increases and related statistical data.

Revaluations, which include actuarial profits and losses, changes in the effect of the limit on the assets, not including net interest (not applicable to the Group) and the return on plan assets (not including net interest) are recognised immediately in the statement of financial position by debiting or crediting profits/(losses) carried forward through other comprehensive income in the year in which they occur. Revaluations are not reclassified to the income statement in subsequent years.
The cost of employee service in prior periods is recognised in the income statement on the later of the following dates:

(a) the date on which the plan is changed or reduced; and
(b) the date on which the Group recognises the related restructuring costs.

Net interest on the net defined-benefit liabilities/assets are calculated by multiplying the net asset/liability by the discount rate. The Group recognises the following changes in the net defined benefit obligation in the cost of goods sold, administrative expenses and selling and distribution costs in the consolidated income statement (by nature):

- Costs of employee service, inclusive of costs of both current and prior employee service, profits and losses on non-routine curtailments and settlements;
- Net interest income or charges.

Following the amendments to severance benefits introduced by Law No. 296 of December 27, 2006 (Finance Law 2007) and subsequent Decrees and Regulations, the severance benefits of Italian companies with more than 50 employees matured from January 1, 2007, or from the option date chosen by the employee, is included under defined contribution plans, both in the case of supplementary pension options and in the case of allocation to the INPS Treasury Fund. The severance benefits accrued until December 31, 2006 have been treated as defined-benefit.

The contributions to be paid into a defined-contribution plan in exchange for the employee service in question are treated both as a liability (account payable) after having deducted any contributions already paid, and as a cost.

Provisions for risks and charges
Provisions for risks and charges relate to costs and expenses of a defined nature and of certain or probable existence whose amount or date of occurrence is uncertain at the present Consolidated Financial Statements date. The provisions are recorded when:

(i) it is probable the existence of a current obligation, legal or implicit, deriving from a past event;
(ii) it is probable that compliance with the obligation will result in a charge;
(iii) the amount of the obligation can be estimated reliably.

Provisions are recorded at the value representing the best estimate, supported by expert opinion, of the amount that the Company would rationally pay to discharge the obligation or to transfer it to a third party at the reporting date. When the financial effect of the time is significant and the payment dates of the obligations can be reliably estimated, the provision shall be discounted at the average cost of debt to the company; the increase of the provision due to the passing of time is recorded in the income statement in the account "Net financial income/(expenses)".
If the liability relates to a tangible fixed asset (demolition of assets), the provision is recognised in line with the asset to which it refers; the recognising of the charge to the income statement is made through depreciation.
The provisions are periodically updated to reflect the changes in the estimate of the costs, of the time period and of the discounting rate; the revision of estimates is recorded in the same income statement accounts in which the provision was recorded, when the liability relates to tangible fixed assets, and in the asset account to which it refers.

Provision for renewal of airport infrastructure
In accordance with the obligations assumed under current agreements, the provision for renewal of airport infrastructure includes accruals relating to extraordinary maintenance, refurbishment and replacement to be undertaken at a future point in time to ensure that existing airport infrastructure remains duly functional and secure. Accruals to this provision are recognised according to the degree of use of the infrastructure, indirectly reflected in the expected date of replacement/renewal. The values recorded in this line item also take due account of a financial component, to be applied according to the intervals between the various renewal cycles, intended to ensure that the provisions set aside are adequate. The estimate of the provision for renewal of airport infrastructure therefore requires complex professional technical judgement, in particular in relation to the nature of the costs to be incurred, their amount and the timing of the expected interventions.

Trade payables and other non-financial liabilities
Short-term trade payables, which mature within the normal commercial terms, are recognised at cost (their nominal value) and are not discounted as the discounting of cash flows is insignificant.
The other non-financial liabilities are recorded at cost (identified as nominal value).

Loans
Other financial liabilities, with the exception of the derivatives, are recognised initially at cost, corresponding to the fair value of the liability plus transaction costs that are directly attributable at the issue of the liability. After initial recognition, the financial liabilities are measured at amortised cost using the original effective interest rate, which is the rate that renders equal, on the initial recognition, the present cash flow value and the initial recognition value (amortised cost method).

Any gain or loss is recognized in the income statement when the liability is extinguished, as well as through the amortization process.

Financial guarantee liabilities
Financial guarantee liabilities issued by the Group are contracts which require a specific payment to reimburse the holder of a debt security against a loss incurred following non-compliance of the debtor in the payment at the scheduled contractual maturity date. Financial guarantee contracts are initially recognised as a liability at fair value, increased by the directly attributable transaction costs to the issue of the guarantee. After initial recognition, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised, less accumulated amortisation.

Derecognition of financial liabilities
A financial liability is derecognised when the underlying obligation of the liability is extinguished, settled or cancelled. If an existing financial liability is replaced by another by the same lender but under substantially different conditions, or if the conditions of an existing financial liability are substantially changed, such a swap or change is treated as an elimination of the original liability and the opening of a new liability, with any differences in accounting values recorded in the income statement.

Recognition of revenues
Revenues are recognised for an amount which reflects the payment which the entity considers to have the right to in exchange for the transfer of goods or services to the customer and are calculated on the basis of the following five phases:
1. Identification of the contract;
2. Identification of the performance obligations present in the contract;
3. Establishment of the sales price;
4. Allocation of the transaction price to each of the performance obligations identified;
5. Recognition of the revenues on the satisfaction of the performance obligation.

These are recognised when the contractual obligations have been complied with and in particular when control has been transferred to the customer. In addition, in the measurement of revenue it is necessary to take into account the probability of obtaining and/or collecting the economic benefit related to the income.

The Group has identified the following revenue streams:
1. Airport fees
2. Commercial/non-comm. sublicense/lease
3. Parking
4. Construction Services
5. Others.

Revenues are recorded net of returns, discounts and premiums and promotional charges directly related to the sales revenue, in addition to direct sales taxes.

Commercial discounts, recorded as a direct deduction of revenues, are measured on the basis of contracts signed with airlines and tour operators.

Royalties are recorded based on the accruals principle in accordance with the contracts in force and as per IFRS 15.

As per IFRS 16, operating lease income whereby the Group acts as lessee is recognised on a straight-line basis over the lease term, and is recognised as revenues to the income statement given its operating nature. The initial brokering costs are added to the carrying amount of the leased asset and recognised over the duration of the contract, on the same basis as lease income. Variable fees or rents are recognised as revenue in the period in which they mature.

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

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

Recognition of costs and expenses
Costs are recorded when relating to goods and services sold or consumed in the year or when there is no future utility.

Interest expense is recognised in accordance with the accruals principle, which takes into account the effective yield of the liabilities to which it refers. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which requires a lengthy period before availability for use shall be capitalised as part of the cost of that asset.

Taxes for the year

Current income taxes
Current income taxes are valued at the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate such amounts are those issued or substantially issued as at the reporting date of the consolidated financial statements. Current income taxes relating to items recorded directly in equity are charged directly to shareholders' equity and not to the income statement. The Directors periodically assess the positions assumed in the income tax returns where the fiscal regulations are subject to interpretations and, where appropriate, record appropriate provisions.
In 2021, the National Tax Consolidation was renewed for 2021-2023, pursuant to Articles 117 to 129 of Presidential Decree No. 917 of December 26, 1986 (CFA), in which all Group companies have participated and which allows for IRES taxation at Group level.
At December 31, 2023, the companies FFM and TAG recognised an IRES receivable from the parent company, due to the higher advance payments made during the year than the estimated IRES under the tax consolidation.
In this regard, it should be noted that the Pillar 2 related regulations are not applicable to the Company or its subsidiaries.

Deferred taxes
Deferred taxes are calculated using the liability method on temporary differences between values used for fiscal purposes and the assets and liabilities reported in the present consolidated financial statements. The deferred tax liabilities are recorded against all temporary taxable differences, with the exception of:

- the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, has no effects on the year's profit calculated for purposes of the Financial Statements or on profit or loss calculated for tax purposes;
- the reversal of the temporary differences, related to investments in subsidiaries, associates and joint ventures, can be controlled and it is probable that such will not occur in the foreseeable future.

Deferred tax assets are recognised on all temporary differences and fiscal losses carried forward to the extent of the probable existence of adequate future tax profits that can justify the use of deductible temporary differences and fiscal loses carried forwards, except:

- when deferred tax assets relate to the temporary differences deriving from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, has no effects on the year's profit calculated for the purposes of the Financial Statements or on profit or loss calculated for tax purposes;
- in the case of temporary differences related to investments in subsidiaries, associates and joint ventures, the deferred tax assets are only recognised to the probable extent that the temporary differences will reverse in the foreseeable future and there are sufficient assessable amounts to utilise such temporary differences.

The carrying value of deferred tax assets is reviewed at each reporting date and reduced to the extent it is unlikely that sufficient future taxable income will be available, so that some or all of the asset may be used. Unrecognised deferred tax assets are reviewed at each reporting date and are recognised to the extent of the probability that the taxable income is sufficient to permit such deferred tax assets to be recovered.

Deferred tax assets and liabilities are calculated on the basis of the tax rates expected to be applied in the year in which the assets are realised or the amounts are paid, considering the rates in effect and those already issued or substantially issued as of the closing date of the financial statements.

Deferred taxes concerning items recognised outside of the income statement are also recognised outside of the income statement and therefore to net equity or to the statement of comprehensive income, in line with the item to which they refer.

The Group offsets deferred tax assets and deferred tax liabilities when there is a legal right to offset current tax assets and current tax liabilities and the deferred tax assets and liabilities relate to income taxes due to the same tax authority.

The fiscal benefits acquired following a business combination, but which do not satisfy the criteria for separate recognition at the acquisition date, may be recognised subsequently, when updated information is received on the facts and on the circumstances. The adjustment is recognised as a reduction of goodwill (up to the value of the goodwill), where this is recorded during the measurement period, or in the income statement, if recorded subsequently.

The rates utilised for the calculation of deferred taxes, which reflect the expected rates on the basis of national legislation in force, are the following:

- IRES 24%
- IRAP 4.2% (in force for airport management companies)
- IRAP (3.9%).

Indirect taxes

Costs, revenues, assets and liabilities are recognized net of indirect taxes, such as value added tax, with the following exceptions:

- the tax applied to the purchase of goods or services is non-deductible; in this case, it is recognized as part of the purchase cost of the asset or part of the cost recognized in the income statement;
- trade receivables and payables include the indirect tax applicable.

The net amount of indirect taxes to be recovered or paid to the tax authorities is included in the financial statements as receivables or payables.

Earnings per share

Undiluted

The earnings/(loss) per share is calculated by dividing the result of the Group by the weighted average number of ordinary shares outstanding during the year, excluding any treasury shares.

Diluted

The diluted earnings/(loss) per share is calculated by dividing the result of the Group by the weighted average number of ordinary shares outstanding during the year, excluding any treasury shares. In order to calculate the diluted earnings per share, the average weighted number of shares outstanding is adjusted in respect of the dilution potential of ordinary shares, while the profit or loss of the Group is adjusted to take into account the effects, net of income taxes, of the conversion.

Dividends and distribution of assets other than Cash and Cash Equivalents

The Group records a liability against the distribution to its shareholders of available liquidity or assets other than available liquidity when the distribution is appropriately authorised and is no longer at the discretion of the company. Based on company law in Europe, a distribution is authorised when it is approved by the shareholders. The corresponding amount is recorded directly in shareholders' equity.

The distribution of assets other than available liquidity is measured at fair value of the assets to be distributed; the remeasurement of the fair value is recorded directly in shareholders' equity.

On the payment of the dividend, any difference between the book value of the assets distributed and the book value of the dividend payable is recorded in the statement of comprehensive income.

Cash Flow Statement

The Group presents its cash flow statement utilising the indirect method, as permitted under IAS 7 and has reconciled the pre-tax profit with the net cash flows from operating activities. IAS 7, paragraph 33 allows classification of interest income and expense as an operating activity or financial activity based on the presentation considered most representative by the entity; the Group classifies interest income received and interest expense paid as cash flows from operating activities.

Accounting standards, amendments and interpretations endorsed by the European Union adopted by the Group

From January 1, 2023 the following new accounting standards, amendments and interpretations, revised by the IASB, entered into force, which have not impacted the Group's financial statements.

The Group has applied for the first time a number of standards and amendments entering into force from January 1, 2023. The Group has not adopted in advance any accounting standard, interpretation or amendment issued but not yet in effect.

IFRS 17 - Insurance Contracts, including the June 25, 2020 amendments

In May 2017, the IASB issued IFRS 17 - Insurance Contracts, a complete new standard relating to insurance contracts which covers recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts issued in 2005. IFRS 17 applies to all types of insurance contracts (for example: life, non-life, direct insurance, re-insurance) regardless of the type of entity that issues them, as well as certain guarantees and financial instruments with characteristics of discretionary participation; some exceptions apply with regards to the scope of application. The general objective of IFRS 17 is to present an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the provisions of IFRS 4, which are largely based on the maintenance of previous accounting standards, IFRS 17 provides a complete model for insurance contracts that covers all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

- a specific adaptation for contracts with direct participation features (the variable fee approach);
- a simplified approach (the approach to the allocation of premiums) mainly for short-term contracts.

The amendments did not have any impact on the Group consolidated financial statements.

Amendments to IFRS 17: Insurance Contracts: Initial application of IFRS 17 and IFRS 9 – Comparative information

The IASB published an amendment to this standard on December 9, 2021. The amendment is a transition option related to comparative disclosure on financial assets presented upon first-time application of IFRS 17. It is intended to help entities avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and thus improve the utility of comparative disclosure for users of financial statements. The amendment will be effective for fiscal years beginning January 1, 2023. This standard is not applicable to the Group.

Definition of Accounting Estimates (Amendments to IAS 8)

The amendments to IAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies and error correction. They also clarify how entities should use valuation techniques and inputs to develop accounting estimates.

The amendments did not have any impact on the Group consolidated financial statements.

Disclosure of Accounting policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply judgements to accounting policy disclosures. The amendments are intended to help entities provide more useful accounting policy disclosures by replacing the requirement for entities to provide their "significant" accounting policies with a requirement to provide disclosures about their "material" accounting policies; in addition, guidance is added on how entities apply the concept of materiality in making accounting policy disclosure decisions.

The changes had an impact on the Group's disclosure of accounting policies, but not on the measurement, recognition and presentation of items in the Group's consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments to IAS 12 Income Taxes narrow the scope of the exception to initial recognition, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning liabilities. The amendments did not have any impact on the Group consolidated financial statements.

International Tax Reform – Pillar Two Model Rules – Amendments of IAS 12

The amendments to IAS 12 were introduced to respond to the OECD BEPS Pillar Two rules and include:

- a temporary mandatory exemption to the recognition and disclosure requirements for deferred taxes resulting from the implementation in jurisdictions of the Pillar Two rules; and

- disclosure requirements for affected entities to help financial statement users better understand the income tax impacts arising from this legislation, particularly before the effective date.

The temporary mandatory exemption - whose use is required to be disclosed - is immediately applicable. The remaining disclosure requirements apply for fiscal years beginning on or after January 1, 2023, but not for interim periods prior to December 31, 2023.

The change has no effect on the Group's consolidated financial statements in that the Group is not affected by the Pillar Two rules, given that revenues are below Euro 750 million annually.

New accounting standards and amendments not yet effective and not adopted in advance by the Group

The standards and interpretations which at the date of the preparation of this financial report were issued but not yet in force are reported below. The Group will adopt these standards when they enter into force, if applicable. No material impact to the Group is expected from these standards and amendments:

Amendments to IAS 1: Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current

On January 23, 2020, the IASB issued an amendment to IAS 1 that seeks to clarify one of the criteria in IAS 1 for classifying a liability as non-current or the requirement that the entity must have the right to defer settlement of the liability for at least 12 months subsequent to the reporting date. The amendment includes:

- an indication that the right to defer settlement must exist at the reporting date;
- a clarification on the fact that the classification is not influenced by management's intentions or expectations regarding the possibility of using the right of deferral;
- a clarification on how the conditions of funding affect the classification and;
- a clarification of the requirements for the classification of liabilities that an entity intends to settle or could settle by issuing its own equity instruments.

In addition, on October 31, 2022, the IASB published amendments concerning non-current liabilities subject to conditions. Only the terms of a liability arising from a financing arrangement, which an entity must settle by the period-end will affect the classification of that liability as current or non-current.

The new amendment is applied from January 1, 2024 and must be applied retrospectively. The Group is currently assessing any impact from these amendments.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback".

On September 22, 2022, the IASB issued an amendment to this standard that specifies the requirements that a seller-lessee uses to measure the lease liability arising from a sale and leaseback transaction to ensure that the seller-lessee does not recognise any amount of the gain or loss that relates to the right-of-use it retains. The amendment seeks to improve the requirements for sale and leaseback transactions in IFRS 16 but does not change the accounting for leases unrelated to sale and leaseback transactions. The amendment will be effective for fiscal years beginning January 1, 2024, with early application permitted.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Supplementary Information: Reverse Factoring Arrangements

On May 25, 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Supplementary Information, to clarify the characteristics of reverse factoring agreements and requests to provide further disclosure of such agreements. The disclosure requirements included in the amendments are intended to assist financial statement users in understanding the effects on an entity's liabilities, cash flows, and exposure to liquidity risk of reverse factoring arrangements.

The amendments will be effective for fiscal years beginning on or after January 1, 2024. Early application is permitted, and notice of this fact must be provided.

These changes are not expected to have a material impact on the Group's financial statements.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability

On August 15, 2023, the IASB issued amendments to IAS 21 that specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is not possible.

A currency is considered exchangeable into another currency when the entity is able to obtain the other currency within a time period that allows for normal administrative delay, and through an exchange market or mechanism where an exchange transaction would create actionable rights and obligations.

If a currency is not exchangeable into another currency, the entity is required to estimate the spot exchange rate on the valuation date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly foreign exchange transaction would take place on the valuation date among market participants under prevailing economic conditions. The amendments note that an entity may use an observable exchange rate without adjustment or other estimation techniques.

When an entity estimates a spot exchange rate as one currency is not exchangeable into another currency, it provides information that enables users of its financial statements to understand how the currency that is not exchangeable into the other currency affects, or is expected to affect, the entity's operating results, financial position, and cash flows.

The amendments will be effective for fiscal years beginning on or after January 1, 2025. Early application is permitted, and notice of this fact must be provided.

These changes are not expected to have a material impact on the Group's financial statements.

Discretional evaluations and significant accounting estimates

Preparation of the financial statements requires the use of estimates and judgments that are reflected in the carrying amounts of assets and liabilities and the disclosures in the notes, including with regard to contingent assets and liabilities at the reporting date. The subsequently observed actual results for the period may differ from such estimates; estimates and assumptions are also revised and updated periodically and the effects of any changes are immediately reflected in the financial statements. The company based its estimates and assumptions on information available at the preparation date of the consolidated financial statements.

Impacts on estimates of factors covered by the ESMA recommendation of October 25, 2023

The ESMA (European Securities and Markets Authority) outlined in its European Common Enforcement Priorities on October 25, 2023 two areas (climate change and the general economic environment) which issuers should assess closely in preparing their financial statements. The factors considered to have possible impacts on the Group's sector are:

- the risk of needing unplanned investments in order to pursue the net zero carbon goal;
- the risk of gradual erosion of short-haul air traffic as a result of new regulations and/or changes in individual travellers' habits in preference of lower-impact alternatives on these routes.
- risks associated with provisions and/or investments that would result from particularly intense and unforeseen weather events (high intensity rainfall, hailstorms, heat waves);
- the risk, again related to environmental impact in the broadest sense, connected with the issue more fully described in the section "Operational restrictions and other risks resulting from exceeding airport noise zoning limits" in the Directors' Report, to which reference should be made;
- the risk of variability in inflation rates and related interest rates.
-

a) IFRIC 12 - Service Concession Arrangements

With regard to the risk of changes in inflation rates and related interest rates, the forecasts used for the purpose of discounting the provision for the renewal of airport infrastructure uses discount rates that already reflect the most up-to-date estimates of future interest rate and inflation trends.

b) IFRS 9 Loans and Bonds

With regard to the risk of changes in inflation rates and related interest rates, the forecasts used for the purposes of the impairment test on concession rights carried out in accordance with IAS 36, the discounting of the provision for the renewal of airport infrastructure and the receivables from Terminal Value, uses discount rates that already reflect the most up-to-date estimates of future interest rate and inflation trends.

c) IAS 37 - Provisions, Contingent Liabilities and Contingent Assets

The legislation introduced in response to climate change may give rise to new obligations that previously did not exist. The Group has therefore put in place an environmental policy which outlines its compliance with practices to contain and reduce its environmental impact, which even go beyond the legal requirements, while also not compromising the protection of other general interests under the concession. The full implementation of this policy, which also targets the cutting of CO_2 emissions, includes energy efficiency measures.

In view of this regulatory framework, management has assessed that these policies do not require the recognition of new liabilities.

The only additional provision decided on during the year, following a critical review of the provisions in the financial statements covering the issues related to the Airport's environmental impact is the provision related to the commitment made by the Company's top management to establish a long-term fund to support soundproofing measures for the residential buildings most exposed to the noise impact of airport operations, described in greater detail in paragraph *16. Provisions for risks and charges (non-current and current),* to which reference should be made.

d) IAS 36- Impairment of Assets

Reference should be made to Note 1 - Intangible Assets.
As detailed in the "Test on the recoverability of assets and groups of assets" section, while considering these factors, the impairment test and related sensitivities did not indicate any impairment loss.

Significant estimates

Also in light of the above considerations, the most significant estimates were the following:

a) Impairment test

The Group provides in the Note to the "Test on the recoverability of assets and groups of assets" paragraph the estimates and assumptions for the Impairment Test at the reporting date, mainly referring to traffic volumes, tariff models and the general economic environment.

b) Provision for renewal of airport infrastructure

The Group provides in the Note to the paragraph "15. Provision for renewal of airport infrastructure (non-current and current)" the breakdown of the provision for the renewal of airport infrastructure, which includes at year-end, in accordance with the obligations assumed, accruals relating to extraordinary maintenance, refurbishment and replacement to be undertaken at a future point in time to ensure that airport infrastructure remains duly functional and secure. The estimate of the provision for renewal of airport infrastructure therefore requires complex professional technical judgement, in particular in relation to the nature of the costs to be incurred, their amount and the timing of the expected interventions.

c) Deferred tax assets

The Group provides in the Note to the paragraph "5. Deferred tax assets" the details of deferred tax assets and their value. The recoverability of deferred tax assets is based on forecasts of taxable income derived from operating and financial forecasts of the Group.

d) Fair value of investment property

The Group records investment property at cost. This value is maintained as approximates the fair value of the investment properties given their particular nature (absence of a comparable active market).

Operating Segment information

The Aeroporto Guglielmo Marconi di Bologna Group, in application of IFRS 8, identified its operating segments as the business areas which generate revenues and costs, whose results are periodically reviewed by the highest decision-making level in order to evaluate the outcome of the decisions concerning the allocation of resources and for which separate financial statements are available.
The Group operating segments as per IFRS 8 - Operating Segment are as follows:

- Aviation;
- Non-Aviation;
- Other.

The disclosure concerning operating segments for the Continuing Operations is outlined to reflect the future organisational structure of the Group, with separate disclosure for Discontinued Operations.

In relation to the operating segments, the Group evaluates their performance based on passenger revenues, separating those concerning the aviation sector from those concerning the non-aviation sector.

The account "Other" residually includes those businesses not directly attributable to the identified segments. The significant amount in 2022 is due to the contribution from the compensation fund established under Italian law No. 178 of December 30, 2020 (the 2021 Budget Law), enacted by Decree of the Ministry for Infrastructure and Sustainable Mobility, in concert with the Ministry for the Economy and Finance, of November 25, 2021, for the coverage of losses caused by the pandemic during the period March 1 to June 30, 2020. The Group decided not to allocate this component of income to the individual operating segments so as not to alter the presentation of the business units' performance for the period.

In Group operations, financial income and charges and taxes are not allocated to the individual operating segments.

The segment assets are those employed by the segment for operating activities or which may be allocated reasonably for the carrying out of operating activities.
The segment assets presented are measured utilising the same accounting policies adopted for the presentation of the Group consolidated financial statements.

in thousands of Euro	for the year ended 31.12.2023 Aviation	for the year ended 31.12.2023 Non-Aviation	for the year ended 31.12.2023 Other	Total for the year ended 31.12.2023
Revenues	90,792	54,272	0	145,064
Costs	(79,327)	(21,655)	0	(100,982)
Gross operating profit/(loss)	**11,465**	**32,617**	**0**	**44,082**
Depreciation, amortisation & impairment	(8,060)	(3,652)	0	(11,712)
Provisions	(4,555)	(2,031)	0	(6,586)
Operating result	**(1,150)**	**26,934**	**0**	**25,784**
Financial income	0	0	840	840
Financial expenses	0	0	(3,202)	(3,202)
Pre-tax result	**(1,150)**	**26,934**	**(2,362)**	**23,422**
Taxes for the year	0	0	(6,716)	(6,716)
Profit (loss) for the year	**(1,150)**	**26,934**	**(9,078)**	**16,706**
Minority interest profit (loss)	**0**	**0**	**0**	**0**
Group profit (loss)	**0**	**0**	**0**	**16,706**

in thousands of Euro	**for the year ended 31.12.2022 Aviation**	**for the year ended 31.12.2022 Non-Aviation**	**for the year ended 31.12.2022 Other**	**Total for the year ended 31.12.2022**
Revenues	69,935	43,483	21,137	134,555
Costs	(64,461)	(15,266)	0	(79,727)
Gross operating profit (loss)	**5,474**	**28,217**	**21,137**	**54,828**
Depreciation, amortisation & impairment	(7,299)	(6,625)	0	(13,924)
Provisions	(4,370)	(573)	0	(4,943)
Operating result	**(6,195)**	**21,019**	**21,137**	**35,961**
Financial income	0	0	1,427	1,427
Financial expenses	0	0	(1,471)	(1,471)
Pre-tax result	**(6,195)**	**21,019**	**21,093**	**35,917**
Taxes for the year	0	0	(4,808)	(4,808)
Profit (loss) for the year	**(6,195)**	**21,019**	**16,285**	**31,109**
Minority interest profit (loss)	0	0	0	0
Group profit (loss)	**0**	**0**	**0**	**31,109**

The table below presents the segment information for assets:

in thousands of Euro	As at 31.12.2023 Aviation	As at 31.12.2023 Non-Aviation	As at 31.12.2023 Other	Consolidated As at 31.12.2023
Non-current assets	**200,972**	**37,931**	**23,011**	**261,914**
Intangible assets	**196,938**	**29,258**	**0**	**226,196**
Concession rights	196,139	28,577	0	224,716
Other intangible assets	799	681	0	1,480
Tangible assets	**3,962**	**8,662**	**0**	**12,624**
Land, property, plant and equipment	3,962	7,045	0	11,007
Investment property	0	1,617	0	1,617
Other non-current assets	**72**	**11**	**23,011**	**23,094**
Investments	0	0	44	44
Other non-current financial assets	0	0	16,032	16,032
Deferred tax assets	0	0	6,831	6,831
Other non-current assets	72	11	104	187
Current assets	**17,985**	**7,410**	**50,773**	**76,168**
Inventories	444	434	0	878
Trade receivables	12,521	6,551	0	19,072
Other current assets	5,020	425	1,437	6,882
Current financial assets	0	0	5,002	5,002
Cash and cash equivalents	0	0	44,334	44,334
Total Assets	**218,957**	**45,341**	**73,784**	**338,082**

in thousands of Euro	As at 31.12.2022 Aviation	As at 31.12.2022 Non-Aviation	As at 31.12.2022 Other	Consolidated As at 31.12.2022
Non-current assets	**185,291**	**35,158**	**23,789**	**244,238**
Intangible assets	**181,186**	**26,202**	**0**	**207,388**
Concession rights	180,362	25,635	0	**205,997**
Other intangible assets	824	567	0	**1,391**
Tangible assets	**4,034**	**8,945**	**0**	**12,979**
Land, property, plant and equipment	4,034	7,328	0	**11,362**
Investment property	0	1,617	0	**1,617**
Other non-current assets	**71**	**11**	**23,789**	**23,871**
Investments	0	0	119	**119**
Other non-current financial assets	0	0	13,489	**13,489**
Deferred tax assets	0	0	10,002	**10,002**
Other non-current assets	71	11	179	**261**
Current assets	**11,111**	**6,263**	**74,298**	**91,672**
Inventories	411	501	0	**912**
Trade receivables	7,301	5,371	0	**12,672**
Other current assets	3,399	391	1,372	**5,162**
Current financial assets	**0**	**0**	45,058	**45,058**
Cash and cash equivalents	**0**	**0**	27,868	**27,868**
Total Assets	**196,402**	**41,421**	**98,087**	**335,910**

Segment disclosure regarding the identified operating segments is undertaken as outlined below.
Aviation: refers to the airport's core business. This includes aircraft landing, take-off and parking fees, passenger boarding fees, freight fees, in addition to passenger security control fees and hand-carry and checked baggage control fees. It includes also cargo handling, customs clearance and fuelling operations. Finally, this segment includes all centralised infrastructure and exclusive assets: the centralised infrastructure represents revenues received in relation to infrastructure under the exclusive operation of the airport management company for reasons of safety, security or in view of their economic impact. Exclusive assets concern check-in desks, the gates and spaces assigned to airport operators.
Non-Aviation: operations not directly connected to the aviation business. This include sub-concession, retail, catering, self-hire and parking management operations, the Marconi Business Lounge and advertising.
The breakdown of revenues and costs between the Aviation and Non-Aviation SBU's follows the guidelines for analytic/regulatory reporting for airport management companies.
The residual accounts excluded from regulatory reporting were subsequently allocated according to the operating criteria.
The main differences were as follows:

- accounts not considered relevant for regulatory accounting purposes which are allocated through a specific review of the individual cost/revenue items;
- revenues and costs for construction services allocated according to an analytical breakdown of investments in the year between the two SBU's according to regulatory criteria;
- incentives for the development of air traffic, allocated entirely to the Aviation SBU in accordance with the financial statement breakdown. For regulatory accounting purposes, however, incentives are allocated to the Non Aviation SBU in line with the provisions of the TRA guidelines on regulatory accounting in Resolution No. 38 of March 9, 2023.

COMMENTS ON THE MAIN ITEMS ON THE STATEMENT OF CONSOLIDATED FINANCIAL POSITION

ASSETS

1. Intangible assets

The following table breaks down intangible assets at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Concession rights	224,716	205,997	18,719
Software, licences and similar rights	861	765	96
Other intangible assets	40	45	(5)
Other intangible assets in progress	579	581	(2)
TOTAL INTANGIBLE ASSETS	**226,196**	**207,388**	**18,808**

The table below shows the changes in intangible assets for the year ended December 31, 2023 compared to December 31, 2022, by intangible asset category.

in thousands of Euro	31.12.2022			Changes in the year				As at 31.12.2023		
	Historic cost	Accumulated amortisation	Book value	Increases / Acquisitions	Amortisation	Decreases/ Disposals/ Write-downs	Decrease provision	Historic cost	Accumulated amortisation	Book value
Concession rights	268,669	(62,672)	205,997	27,079	(8,307)	(72)	19	295,676	(70,960)	224,716
Software, licences and similar rights	15,549	(14,784)	765	782	(687)	0	1	16,331	(15,470)	861
Other intangible assets	250	(205)	45	0	(5)	0	0	250	(210)	40
Energy Certificates	0	0	0	50	0	(50)	0	0	0	0
Other intangible assets in progress	581	0	581	(2)	0	0	0	579	0	579
TOTAL INTANGIBLE ASSETS	**285,049**	**(77,661)**	**207,388**	**27,909**	**(8,999)**	**(122)**	**20**	**312,836**	**(86,640)**	**226,196**

At December 31, 2023, Concession rights increased Euro 27.1 million, gross of amortisation in the period (equal to the fair value of construction services provided in the period), and net of the Terminal Value on these assets i.e. of the takeover value pursuant to Article 703 of the Naval Code recognised to item "4. Other non-current financial assets" at the revalued value at the end of the concession and discounted to December 31, 2023 by Euro 3.2 million, of which Euro 2.2 million was an increase in the year under review.

The increase in Concession rights is mainly due to:

- the building of a new commercial aviation aircraft apron; This relates to work to expand Apron 3, partially entering into service in Q3 2023, to connect it with the dedicated General Aviation apron (Apron 4), and the upgrading of Apron 1. As of December 31, 2023, the latter intervention and additional investments related to Apron 3 such as the installation of new AVLs (Luminous Visual Aids) and the construction of a new fuel facility for General Aviation flights, are recorded in Concession rights in progress;
- the payment of the expropriation indemnity for the creation of a wooded strip north of the airport as environmental compensation work, including a bicycle path usable by the community, covering 40 hectares;
- the redevelopment of the cargo area;
- the reconfiguration of the curbside of the first floor of the Terminal;
- the creation of a new airport run-off water overflow system and concurrent retirement of the current system, replacing the existing basin known as the "Olmi Quarry";
- upgrading of smoke and heat evacuation system of the Terminal;

in addition to other investments for which reference should be made to the Investments section in the Directors' Report.

The amount includes, finally, work advances totalling Euro 1.3 million regarding the reconfiguration of the departures hall and the security area.

Amortisation of concession rights in the year amounted to Euro 8.3 million and was applied according to the residual duration of the concession.

Software, licenses and similar rights increased by Euro 0.8 million, gross of amortisation in the year, which mainly concerns investments for the development and implementation of an API - Application Programming Interface platform related to the Innovation Plan and Datawarehouse/Business Intelligence.

Test on the recoverability of assets and groups of assets

The Net Invested Capital, mainly comprised of Concession Rights, is subject to an impairment test at least once a year, when the financial statements are approved, as well as periodically when there are internal and external indicators of the reduction in value of such assets in order to identify any loss in value.
For the year 2023, the Group updated the impairment test in order to assess the existence of any long-term losses in value with reference to the Net Invested Capital, mainly comprising Concession Rights, which at December 31, 2023 amounted to Euro 225 million (corresponding to 66.47% of the total assets).
The test, as per IAS 36, compares the carrying value of the asset or group of assets of the cash generating unit (CGU) with the recoverable value, arising from the discounted net cash flows which are expected to be produced from the asset or group of assets of the CGU (value in use).

For impairment testing purposes, the Group has identified a single CGU which coincides with the Aeroporto G. Marconi di Bologna S.p.A. Group. The methodology and assumptions related to the impairment test were approved by the Board of Directors on March 6, 2024.
The test used the explicit operating and financial forecasts for the period 2024-2046 which include, in the operating-financial forecasts relating to 2046, the "Terminal Value" as the cash flow provided for in IAS 36, paragraph 39, letter c) for the disposal of assets at the end of the concession to which the Group is entitled under the regulations (Article 703 of the Navigation Code).

The method used is based on the presumption that the economic capital value of a company at a certain date (in the present case, December 31, 2023) is representative of the algebraic sum of the following elements:

- "operating' value", i.e. the present value of the cash flows from operating activities over a defined time period including the discounted cash flows of the Terminal Value receivable estimated on conclusion of the concession (explicit projection period; in the present case this coincides with the end of the airport concession expected for 2046);
- value of the non-strategic surplus assets at the measurement date. It should be noted that there are no non-core or non-capital ancillary activities included in the projections.

The main assumptions underlying the 2024-2046 operating-financial forecasts for the impairment tests are summarised below:

- with regard to passenger traffic 2024, it was estimated based on the available flight schedule. Up to 2028, contained annual growth rates have been estimated, taking into account the work that will affect the terminal in the coming years, while in the medium to long term, passenger traffic estimates are slightly more conservative than the traffic growth predicted by the main industry studies and take into account the effects of the investments made by the Company to further expand infrastructure capacity;

- the aviation revenues underlying the cash flow calculation for the purpose of the impairment test were calculated from the estimated traffic volumes and 2024-2026 tariffs corresponding to the tariff dynamics based on an update of the investments earmarked in the 2023-2026 Regulatory Agreement, with assumptions on the regulatory framework for the subsequent periods.

- for Non-Aviation and Other Revenues, growth estimates were made based on traffic trends, historical trends, and trends in commercial space available to passengers.

The operating cash flow was discounted utilising the UDCF (Unlevered Discounted Cash Flow) at a rate equal to the weighted average cost of debt and own funds (WACC - Weighted Average Cost of Capital), determined through the application of the Capital Asset Pricing Model ("CAPM") with:

- Italian risk-free rate of 4.5%;
- Equity risk premium of 6.5%;
- Average unlevered beta for peers (panel of listed airport companies) equal to 0.46.

The cost of debt was calculated as the weighted average of the cost of existing borrowings net of the tax effect (24%), amounting to 3.59%.

The weighting of own funds and of debt capital equal to respectively 64.0% and 36.0% was made on the basis of an average gearing of industry peers equal to 56.2%.
A premium was also applied on the additional risk equal to 1.0% taking into account the following factors:

- level of risk in the 2024-2046 Economic-Financial Forecasts, in particular considering forecasts relating to a period as long as 2029-2046;
- smaller size of the company compared to the listed companies in the sample.

Based on that outlined above the company therefore determined a WACC of 7.54%.

The impairment test performed did not identify any impairment of the carrying amounts of the concession rights for the year ended December 31, 2023 and no impairment losses were therefore recognised on the assets concerned.

The Group considered it appropriate to undertake some sensitivity analysis in order to verify the impacts on the recoverable amount deriving from changes considered reasonably possible in the following parameters considered significant:

- EBITDA margin;
- WACC:

and analysing the impacts which such changes could have in relation to the differential with the value of the Net Invested Capital ("NIC") and with the account Intangible Assets.

Neither of the sensitivities indicated any impairment loss.

The value of the EBITDA margin of the plan period used for the impairment test, with all other conditions remaining equal, which renders the value of the CGU equal to the book value of the Net Invested Capital, is approx. 15% lower that used in the impairment test.

The value of the WACC which, with all other conditions remaining equal, renders the value of the CGU equal to the book value of the Net Invested Capital is 9.62%.

In order to ascertain that it has an up-to-date mapping of the possible elements of uncertainty to be considered within the scope of the impairment test, the Group then assessed with particular attention both the risk factors attentively addressed by ESMA in the European Common Enforcement Priorities of October 25, 2023, i.e., those pertaining to climate change and the macroeconomic environment, as well as those subject to an increasing level of attention by the Group, beginning with the issue described in more detail in the section "Operational restrictions and other risks resulting from exceeding airport noise zoning limits" in the Directors' Report, to which reference should be made.

In this regard, the Group has developed the following considerations:

- with reference to the risks related to climate change, a number of significant climate change mitigation environmental compensation works have already been included in the forecasts used as the basis for the impairment test or in specific sensitivities, which already include both the environmental compensation works related to the Via decree of the 2016-2030 Airport Masterplan (see section *7. PRINCIPAL RISKS AND UNCERTAINTIES* of the Directors' Report) and the possible effects of a progressive erosion of short-haul air traffic; the additional investments that might result from this, which are the subject of a vulnerability analysis currently underway, better described in the Directors' Report (to which reference should be made), should in any case find adequate coverage in the tariff dynamics;
- with reference to the risks related to the macroeconomic environment, which for the Group mainly include the risk of changes to inflation rates and related interest rates, the forecasts used for the purpose of the impairment test use discount rates that already reflect the most up-to-date estimates of future trends in rates and traffic volumes, which, drawing on the most recent market studies, already "capture" the foreseeable impacts of inflation on the purchasing power of travellers; despite this, it was deemed appropriate to carry out the above-described sensitivities on the WACC and EBITDA Margin, which are considered to adequately cover possible negative impacts on these variables;
- with reference, finally, to the risks related to the detection of certain excesses of the noise limits provided for by the airport acoustic zoning maps and, more generally, to the risks related to the "noise" issue, the Group has included in the cash flows used as the basis for the impairment test the estimated cost related to the commitment made on a voluntary basis to establish a long-term fund to supplement IRESA revenue for the soundproofing works in the most exposed residential buildings. In this regard, it should be noted that, as required by the relevant EU regulations, there are several alternative corrective manoeuvres that may be activated before having to resort to air traffic restrictions, while the additional investments that may result from the noise remediation plan to be agreed with all relevant stakeholders, based on the requirements of the regulations in force, although not reliably determinable as of today, should find adequate coverage in the tariff dynamics.

More generally, the headroom outlined above, even in the context of uncertainty typical of an exercise conducted over such a large time horizon as the concession period, should also allow against any worse-than-expected trends in some of the model's most critical assumptions, including:

- future tariff levels, which are in turn dependent on (i) changes in the underlying models; (ii) negotiations with industry authorities and users, on the setting of the tariffs; and (iii) commercial relations with major carriers, which are subject to periodic renegotiation;
- significant growth in traffic volumes expected by all industry studies, although within an uncertain environment due to the gradual increase in tariffs, to the noise zoning limits, the difficulties related to airports, the supply chain and the capacity management challenges (particularly for the network carriers);
- the adequacy of the airport infrastructure in view of the expected growth rates.

2. Tangible assets

The following table breaks down tangible assets at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Land	2,763	2,763	0
Buildings, light constructions and improvements	3,077	3,232	(155)
Machinery, equipment & plant	1,756	1,877	(121)
Furniture, EDP and transport	1,955	1,663	292
Tangible fixed assets in progress	911	809	102
Investment property	1,617	1,617	0
TOTAL TANGIBLE ASSETS	*12,079*	*11,961*	*118*
Land in leasing	254	560	(306)
Leased buildings and minor construction and improvements	0	0	0
Leased machinery, equipment & plant	161	262	(101)
Leased furniture, office machinery, transport equipment	130	196	(66)
TOTAL LEASED TANGIBLE ASSETS	*545*	*1,018*	*(473)*
TOTAL TANGIBLE ASSETS	*12,624*	*12,979*	*(355)*

The table below shows the changes in tangible assets for the year ended December 31, 2023 compared to December 31, 2022, by asset category.

in thousands of Euro	*31.12.2022*			*Changes in the year*				*as at 31.12.2023*		
	Historic cost	**Accumulated depreciation/ Impairment provision (*)**	**Book value**	**Increases/ Acquisitions**	**Depreciation**	**Decreases/ Disposals/ Write-downs Reclassifications**	**Decrease provision**	**Historic cost**	**Accumulated depreciation/ Impairment provision (*)**	**Book value**
Land	2,763	0	2,763	0	0	0	0	2,763	0	2,763
Buildings, light constructions and improvements	9,006	(5,774)	3,232	337	(300)	(199)	7	9,144	(6,067)	3,077
Machinery, equipment & plant	16,256	(14,379)	1,877	506	(624)	(309)	306	16,453	(14,697)	1,756
Furniture, EDP and transport	11,412	(9,749)	1,663	905	(608)	(160)	155	12,157	(10,202)	1,955
Assets in progress and advances	809	0	809	541	0	(439)	0	911	0	911
Investment property	4,732	(3,115)	1,617	0	0	0	0	4,732	(3,115)	1,617
TOTAL TANGIBLE ASSETS	**44,978**	**(33,017)**	**11,961**	**2,289**	**(1,532)**	**(1,107)**	**468**	**46,160**	**(34,081)**	**12,079**
Land in leasing	1,902	(1,342)	560	11	(345)	28	0	1,941	(1,687)	254
Leased buildings and minor construction and improvements	0	0	0	0	0	0	0	0	0	0
Leased machinery, equipment & plant	473	(211)	262	17	(117)	0	(1)	490	(329)	161
Leased furniture, office machinery, transport equipment	460	(264)	196	25	(92)	1	0	486	(356)	130
TOTAL LEASED TANGIBLE ASSETS	**2,835**	**(1,817)**	**1,018**	**53**	**(554)**	**29**	**(1)**	**2,917**	**(2,372)**	**545**
TOTAL TANGIBLE ASSETS	**47,813**	**(34,834)**	**12,979**	**2,342**	**(2,086)**	**(1,078)**	**467**	**49,077**	**(36,453)**	**12,624**

(*) The impairment provision relates only to the Investment Property item

At December 31, 2023, this category increased overall by Euro 2.3 million and mainly concerns the purchase of:

- ✓ x-ray machine for security checks;
- ✓ apron manoeuvring vehicles;
- ✓ airside grass mowing tractor;
- ✓ partial renewal of the vehicle fleet with electric vehicles;
- ✓ passenger queuing facility;
- ✓ Cargo terminal storage equipment

in addition to computers, hardware, and various equipment.

This category includes right-of-use assets, recognised in accordance with IFRS 16, which the Group recognises as a lessee primarily for the long-term lease of land used for parking, employee motor vehicles, De Icer plant and some equipment. The amount recognised at December 31, 2023 corresponds to the present value of the lease instalments falling due, which is reflected under current and non-current financial liabilities for leases.

The Investment properties item includes the total value of the real estate complex owned by the Group and intended for investment properties. This investment was initially recorded at purchase cost, subsequently measured at fair value, updated periodically through valuations commissioned by the parent company.

In the financial statements at December 31, 2022, on the basis of the appraisal carried out by an outside expert to support the fair value measurement, the value of this property complex was written down. As of the date of preparation of these financial statements, the above assessment is confirmed as no indicators of impairment emerged.

3. Investments

The following table breaks down other investments at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2022	Increases / Acquisitions	Decreases / Disposals	Write-downs	As at 31.12.2023
Other investments	119	0	0	(75)	44
TOTAL INVESTMENTS	**119**	**0**	**0**	**(75)**	**44**

On November 10 this year, the Parent Company acquired from Aeroporti di Roma a 5% holding in UrbanV Spa, incorporated on June 28, 2022 by Aeroporti di Roma, Aeroporto di Venezia and Aeroports de la Cote d'Azur to develop urban air mobility internationally. The investment was fully written-down at December 31, 2023 due to the losses recognised by the company to November 30, 2023, with the consequent reduction, as per Article 2447 of the Civil Code, of the Share Capital to zero and its simultaneous increase to Euro 100 thousand, as approved by the Shareholders' Meeting of UrbanV of January 30, 2024.
The recapitalisation transaction, in addition to the paid-in Share Capital increase for Euro 100 thousand, stipulates a total subscription price of Euro 4 million, to be allocated for Euro 100 thousand to the nominal value and for Euro 3.9 million to share premium, indivisible for Euro 50 thousand and with a further consequent full coverage of losses and divisible for an additional Euro 50 thousand. Adb took part in the transaction with a payment of Euro 200 thousand in February 2024, of which Euro 5 thousand Share Capital and Euro 195 thousand Share Premium reserve.

The composition of the account is as follows:

in thousands of Euro	Holding	As at 31.12.2023	As at 31.12.2022	Change
UrbanV Spa	5%	0	75	(75)
Bologna Welcome Srl	10%	41	41	0
Consorzio Energia Fiera District	14.3%	3	3	0
CAAF dell'Industria Spa	0.07%	0	0	0
TOTAL OTHER INVESTMENTS		**44**	**119**	**(75)**

Finally, the Parent Company is part of the business network "Comunità Aziende Pari Opportunità" (CAPOD) ("Equal Opportunity Community Companies"), together with other major companies in the area to cooperate and exchange information or services in order to individually and collectively increase its innovative capacity and competitiveness on the domestic and international markets. The participation fee in the common fund is Euro 1,500 for each participating company.

4. Other non current financial assets

The following table shows the movements in other non-current financial assets for the year ended December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2022	Increases/ Acquisitions	Decreases / Reclass.	Write-downs	As at 31.12.2023
Receivables from Terminal Value	1,553	2,523	0	0	4,076
Equity Financial Instruments	10,873	0	0	0	10,873
Other financial assets	1,063	20	0	0	1,083
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS	**13,489**	**2,543**	**0**	**0**	**16,032**

At December 31, 2023 the account "Other non-current financial assets" mainly comprises:

- Euro 4.1 million in receivables from Terminal Value relating to investments in concession rights and on the interventions carried out on the provisions for renewal of airport infrastructure. This receivable, recorded at present value, derives from application of the Terminal Value regulation as per Article 703 of the Navigation Code, which established that, for investments in concession rights and for the interventions carried out on the provisions for renewal of airport infrastructure, the airport manager shall receive from the succeeding concession holder, on conclusion of the concession, an amount equal to the residual value at that date of the investment according to the regulatory accounting rules.
- Euro 10.9 million of equity financial instruments in Marconi Express Spa, concession holder for the construction and management of the rapid rail link infrastructure between the Airport and Bologna Central Station called People Mover. This financial instrument, subscribed by the Parent Company on January 21, 2016 for a total value of Euro 10.9 million, is recorded corresponding to the amount effectively paid or rather the cost incurred at that date. The investment, in addition to the strategic/operating interest related to improving accessibility to the airport, meets the company's objective both in relation to the collection of the contractual cash flows and to any future sale of the financial asset. In accordance with IFRS 9, since it is an equity instrument, financial assets are measured at fair value through profit or loss. In this case, considering the difficulty in measuring the fair value of these Equity Financial Instruments, the subsequent valuations of this EFI is at cost as the best fair value estimate. Due to the wide range of values that the fair value of the instrument can take as part of a valuation based on the present value of expected cash flows over a very long period such as that of the airport concession, this analysis is used only for the purpose of identifying possible impairment. With regards to the valuation of the Equity Financial Instrument at December 31, 2023, no movement was made as the results announced by the concession holder in terms of passenger numbers and tickets sold are strong and ahead of the business plan. Considering, in any case, that the passenger volume of the People Mover is related to the passenger volume of the airport, an analysis was carried out regarding the recoverability of the equity financial instrument in Marconi Express based on the sensitivities established by the Group to verify the recoverability of the value of the Concession Rights (see Note 1). On the basis of these factors, the Group considers there is no impairment loss indicators to be recorded on the value of the equity instrument at December 31, 2023;
- Euro 1.1 million of a capitalisation product purchased in 2019, with a 10-year duration and 2029 maturity. In accordance with the standard IFRS 9, these assets are classified to the category "Held to collect – HTC", as this complies with the Group's need to invest temporary liquidity held in order to collect the contractual cash flows. In this specific case, the maturity is defined contractually, but the return is related to the capital management performance and therefore this financial instrument is measured at fair value through profit or loss.

5. Deferred tax assets

The following table presents the movements in deferred tax assets for the year ended December 31, 2023 compared with December 31, 2022.

in thousands of Euro	As at 31.12.2022	Provisions	Util./adjustments	As at 31.12.2023
DEFERRED TAX ASSETS	**10,002**	**1,940**	**(5,111)**	**6,831**

The main temporary differences on which deferred tax assets are recognized are detailed in the following table.
Specifically:

- "Other IRES deferred deductible costs" mainly include maintenance costs as per Article 107 of the CFA, deductible in future years;
- "Fiscally deferred provisions" mainly include provisions for disputes and charges deductible in future years;
- "Provision for renewal of airport infrastructure" refers to the portion of the provision not deducted, in addition to the quota deductible in future years;

The decrease in the year is mainly due to the utilisation, as a deduction from income generated in the year, of the entire tax losses for the years 2020 and 2021.

The recoverability of deferred tax assets is based on forecasts of taxable income derived from the 2024-2028 operating and financial forecasts approved by the Board of Directors of the Parent Company on March 6, 2024 and is therefore reliably attributable to the underlying forecasts from the Company's most up-to-date operating projections.

IRES	**Assessable**				**Tax**			
in thousands of Euro	**As at 31.12.2022**	**Increases**	**Uses**	**As at 31.12.2023**	**As at 31.12.2022**	**Increases**	**Uses**	**As at 31.12.2023**
1) Other costs with deferred IRES deductibility	6,380	3,242	(1,968)	7,654	1,531	779	(472)	1,838
2) Provision for doubtful accounts	2,352	107	(754)	1,705	565	25	(181)	409
3) IRES deferred tax provisions	1,244	3,519	(40)	4,723	297	845	(9)	1,133
4) Provision for renewal of airport infrastructure	11,729	18	(681)	11,066	2,813	5	(164)	2,654
5) Amort. Concession rights from ENAC - ENAV Agreement	167	0	(13)	154	41	0	(3)	38
6) Discounting of severance provision plus other long-term personnel costs	195	87	(60)	222	50	21	(14)	57
7) Amort. Formation and start-up costs	11	0	(2)	9	3	0	(1)	2
8) Prior ACE surplus	0	0	0	0	0	0	0	0
9) Recoverable tax losses	17,151	0	(17,151)	0	4,117	0	(4,117)	0
Total IRES	**39,229**	**6,973**	**(20,669)**	**25,533**	**9,417**	**1,675**	**(4,961)**	**6,131**

IRAP	**Assessable**				**Tax**			
in thousands of Euro	**As at 31.12.2022**	**Increases**	**Uses**	**As at 31.12.2023**	**As at 31.12.2022**	**Increases**	**Uses**	**As at 31.12.2023**
IRAP deferred tax provisions	65	1,908	(31)	1,942	3	80	(1)	82
Provision for renewal of airport infrastructure	13,158	4,344	(3,195)	14,307	552	182	(134)	600
Amortisation FTA set-up and expansion costs	11	0	(2)	9	1	0	0	1
Amortisation concession rights from ENAC - ENAV Agreement	95	0	(13)	82	4	0	(1)	3
Discounting other long-term personnel costs	208	84	(60)	232	9	3	(2)	10
Total IRAP	**13,537**	**6,336**	**(3,301)**	**16,572**	**569**	**265**	**(138)**	**696**

The table below shows the tax credits for the utilisation of the fiscal benefits in relation to energy recovery actions and the relative utilisations in the year.

Other	*Tax Receivables*			
in thousands of Euro	As at 31.12.2022	Increases	Util./adjustments	As at 31.12.2023
Other receivables	16	0	(12)	4
Total "other receivables"	**16**	**0**	**(12)**	**4**
Total deferred tax assets	**10,002**	**1,940**	**(5,111)**	**6,831**

6. Other non-current assets

The following table breaks down other non-current assets at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Non-current prepayments and accrued income	42	42	0
Guarantee deposits	95	92	3
Non-current tax receivables	50	127	(77)
OTHER NON-CURRENT ASSETS	**187**	**261**	**(74)**

"Non-current tax receivables", which is the most significant change in this category, mainly includes the tax receivable due beyond one year for:

- capital investments of the parent company, as per Law No. 160/2019 Article 1, paragraphs 184 to 197 and Law No. 178/2020, Article 1, paragraphs 1051 to 1063;
- research, development, technological innovation, design and aesthetics under Article 1, paragraphs 198-209 of Italian Law No. 160 of December 27, 2019.

The uses in the year relate to the reabsorption of the 2023 shares of the above contributions.

7. Inventories

The following table breaks down inventories at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	as at 31.12.2023	As at 31.12.2022	Change
Inventories of raw materials, supplies and consumables	587	524	63
Inventories of finished products	291	388	(97)
INVENTORIES	**878**	**912**	**(34)**

Supplies and consumables concern inventories held of heating fuel and de-icing liquid for the runway, workshop materials and consumables, such as stationery, moulds and uniforms, while inventories of finished goods refer to aircraft fuel and antifreeze liquid for de-icing the aircraft. The decrease in inventories at December 31, 2023 is mainly due to these latter components.

8. Trade receivables

The table below illustrates the trade receivables and the relative provision for doubtful accounts:

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Trade receivables	20,844	15,075	5,769
Provisions for doubtful accounts	(1,772)	(2,403)	631
TRADE RECEIVABLES	**19,072**	**12,672**	**6,400**

At December 31, 2023, gross trade receivables, which include allowances for invoices and credit notes to be issued, totalled Euro 20.8 million, increasing Euro 5.8 million mainly due to the higher traffic volumes and revenue since average collection days improved (from 52 days in 2022 to 41 days). Net of invoices to be issued, and therefore considering only invoices issued, the average days outstanding for customer receivables decreased from 48 to 40, confirming the significant improvement in collection times.

Information concerning the Main Clients

In 2023, the Group's revenue was primarily from the customers shown in the table below compared to 2022:

2023	2022
RYANAIR DAC (*)	RYANAIR DAC
WIZZ AIR HUNGARY LTD (*)	WIZZ AIR HUNGARY LTD
HEINEMANN ITALIA SRL	HEINEMANN ITALIA SRL
BRITISH AIRWAYS PLC	SOCIETE' AIR FRANCE S.A.
EMIRATES	VECCHIA MALGA NEGOZI SRL
SOCIETE' AIR FRANCE S.A.	BRITISH AIRWAYS PLC
TURKISH AIRLINES	EMIRATES
VECCHIA MALGA NEGOZI SRL	TURKISH AIRLINES
AUTOGRILL ITALIA S.P.A.	LUFTHANSA LINEE AEREE GERMANICHE
LUFTHANSA LINEE AEREE GERMANICHE	VUELING AIRLINES SA

(*) Referring to the Group

At December 31, 2023, seven of the top ten clients by revenue in 2023 are carriers (eight in 2022). Among these, Ryanair and Wizz Air are confirmed as the Group's top clients, as carrying the highest number of passengers. The two non-aviation clients among the top 10 customers also in 2022, Heinemann, the Duty Free sub-concession holder and Vecchia Malga, were joined in 2023 by Autogrill: these latter two are sub-concession holders of a number of Food and Beverage points at the Terminal.

An analysis of the aging of trade receivables of the Group at December 31, 2023 compared with December 2022 is reported below:

in thousands of Euro	Not yet due	Overdue	Total at 31.12.2023
Trade receivables for invoices/credit notes issued	9,107	9,348	18,454
Trade receivables for invoices/credit notes to be issued	2,390	0	2,390
TOTAL TRADE RECEIVABLES	**11,497**	**9,348**	**20,844**

in thousands of Euro	Not yet due	Overdue 0-30	Overdue 30-60 days	Overdue 60-90 days	Overdue over 90 days	Total
TRADE RECEIVABLES	**9,107**	**5,309**	**1,628**	**652**	**1,759**	**18,454**

in thousands of Euro	Not yet due	Overdue	Total at 31.12.2022
Trade receivables for invoices/credit notes issued	6,009	8,313	14,322
Trade receivables for invoices/credit notes to be issued	753	0	753
TOTAL TRADE RECEIVABLES	**6,762**	**8,313**	**15,075**

in thousands of Euro	Not yet due	Overdue 0-30	Overdue 30-60 days	Overdue 60-90 days	Overdue over 90 days	Total
TRADE RECEIVABLES	**6,009**	**3,140**	**1,832**	**369**	**2,972**	**14,322**

Of trade receivables over 90 days past due, 62% are covered by the provisions for doubtful accounts.

As can be seen in the tables for the year under review, the ageing of receivables improved; in particular, receivables not yet due at December 31, 2023 were 49% of total receivables compared to 42% at December 31, 2022, and receivables overdue beyond 90 days decreased from 21% to 10% of total receivables. This improvement was mainly due to the collection of receivables from an airport operator whose solvency was considered at risk at December 31, 2022, such that a significant provision was made to the provision for doubtful accounts. Conversely, at December 31, 2023, the collection of these items permitted for a release of the provision, with a consequent positive effect on the income statement, as outlined below:

in thousands of Euro	As at 31.12.2022	Provisions	Uses	Releases	As at 31.12.2023
PROVISIONS FOR DOUBTFUL ACCOUNTS	**(2,403)**	**(170)**	**100**	**701**	**(1,772)**

in thousands of Euro	As at 31.12.2021	Provisions	Uses	Releases	As at 31.12.2022
PROVISIONS FOR DOUBTFUL ACCOUNTS	**(1,639)**	**(1,100)**	**312**	**24**	**(2,403)**

The provision for doubtful accounts, in addition to the nominal amount based on the write-down of the individual credit positions, comprises also the write-downs applied to the residual debtor balance, classified by client category and overdue period, in application of the simplified parameter method, as permitted by IFRS 9 for companies with a diversified and fragmented client portfolio (Provision Matrix).

In summary, the provisions in the period total Euro 170 thousand, of which Euro 123 thousand recorded as a direct reduction of the relative revenues as concerning amounts invoiced during the year and no longer considered collectible, in addition to Euro 701 thousand of releases of a portion of the provision thanks to the payments received from a client previously considered a solvency risk.

In the first two months of 2024, the Parent Company had collected approximately 62% of trade receivables (trade and surtax and Iresa related) present at December 31, 2023.

9. Other current assets

The following table breaks down other current assets at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
VAT Receivable	265	170	95
Direct income tax receivables	53	217	(164)
Other tax assets	42	0	42
Employee receivables	55	31	24
Other receivables	6,467	4,744	1,722
OTHER CURRENT ASSETS	**6,882**	**5,162**	**1,719**

This category includes the increase of the VAT receivable related to the higher sales volumes and of "other receivables", which are broken down in the following table, with the increase substantially due to the increase in receivables for passenger boarding fee surtaxes.
"Other tax receivables" relates to the short-term receivable for investments in capital goods pursuant to Law No. 160/2019 Article 1, paragraphs 184 to 197, and Law No. 178/2020 Article 1, paragraphs 1051 to 1063.

The summary of "other receivables" is as follows:

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Receivables for passenger boarding fees surtax	5,666	3,986	1,680
IRESA receivables	185	200	(15)
Other current receivables provision for doubtful accounts	(1,337)	(1,289)	(48)
Prepayments and accrued income	715	790	(75)
Advances to suppliers	517	497	20
Pension and social security institutions	69	80	(11)
Other current receivables	652	480	172
TOTAL OTHER RECEIVABLES	**6,467**	**4,744**	**1,722**

The receivables for passenger boarding fee surtax increased due to the higher passenger traffic and therefore revenue. A corresponding liability is recognised as a liability and is due only on the surtax and Iresa collected from carriers. The account "other current receivables provision for doubtful accounts" includes the provision for passenger boarding fee surtax doubtful accounts and for IRESA, obtained for reclassification under assets in the statement of financial position, as a deduction of the respective receivable, of the surtax and IRESA charged to the carriers which in the meantime were subject to administration procedures or which contested the charge. This item, which is exclusively posted in the statement of financial position, is classified as a deduction of the respective receivables due to the high improbability of recovery, reporting the following movements:

in thousands of Euro	As at 31.12.2022	Provisions/Increases	Uses	Releases	As at 31.12.2023
Municipal surtax receivable provision	(1,283)	(44)	0	0	(1,327)
Provisions for doubtful accounts for IRESA	(6)	(4)	0	0	(10)
TOTAL PROVISIONS FOR OTHER DOUBTFUL RECEIVABLES	**(1,289)**	**(44)**	**0**	**0**	**(1,337)**

Finally, it is recalled that in December 2022, the Parent Company submitted to GH Italia S.p.A. a request for a verification of the price adjustment clause of the sales price of the holding in Marconi Handling, a clause contained in the December 2012 deed of sale of the holding that provides for a price adjustment mechanism linked to conditions which would needed to be completed by December 31, 2022 at the latest. Although checks and contacts with GH have continued in order to precisely calculate the receivable in fulfilment of this contractual clause, the non reasonable certainty of the receivable remains, resulting in its non-recognition at December 31, 2022, which is confirmed at September 31, 2023.

10. Current financial assets

The following table breaks down current financial assets at December 31, 2023 and in the subsequent table the movements in the year.

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Time deposits	5,002	45,058	(40,056)
CURRENT FINANCIAL ASSETS	**5,002**	**45,058**	**(40,056)**

in thousands of Euro	As at 31.12.2022	Acquisitions	Other increases Reclassifications	Decreases / Disposals	As at 31.12.2023
Time deposits	45,058	5,000	531	(45,587)	5,002
TOTAL CURRENT FINANCIAL ASSETS	**45,058**	**5,000**	**531**	**(45,587)**	**5,002**

At December 31, 2022, this account comprised Time Deposits undertaken by the Parent Company at the end of 2022 with six and twelve-month durations. The movement in the year is due to the receipt of the Time Deposits maturing in June 2023 for Euro 15 million and December 2023 for Euro 30 million including the yield matured. The amount at December 31, 2023 concerns Time Deposits acquired in December with a duration of six months.

11. Cash and cash equivalents

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Bank and postal deposits	44,304	27,839	16,465
Cash in hand and similar	30	29	1
CASH AND CASH EQUIVALENTS	**44,334**	**27,868**	**16,466**

"Bank and postal deposits" represent the bank current account balances, in addition to the Time Deposits of a nominal value of Euro 9 million maturing in March 2024. In addition to bank current accounts, the parent company has an unutilised credit line of Euro 5 million available.

For the comment on liquidity in the period, reference should be made to Section 3.2 of the Directors' Report.

Net Financial Position

The following table shows the breakdown of the net financial position at December 31, 2023 and December 31, 2022, in accordance with Consob Communication of July 28, 2006 and the ESMA/2011/81 and ESMA32-382-1138 Recommendations of March 4, 2021:

	in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022
A	Cash	35,323	27,868
B	Other cash equivalents	9,011	0
C	Other current financial assets	5,002	45,058
D	**Liquidity (A+B+C)**	**49,336**	**72,926**
E	Current financial debt	(7,232)	(2,819)
F	Current portion of non-current debt	(12,323)	(14,976)
G	**Current financial debt (E + F)**	**(19,555)**	**(17,795)**
H	**Net current financial position (G - D)**	**29,781**	**55,131**
I	Non-current financial payables	(21,284)	(47,605)
J	Debt instruments	0	0
K	Trade payables and other non-current payables	(115)	(521)
L	**Non-current financial debt (I + J + K)**	**(21,399)**	**(48,126)**
M	**Total Net Financial Position (H + L)**	**8,382**	**7,005**

Account A+B is equal to the account "cash and cash equivalents"; reference should be made to note 11 for further details.
The account C is equal to the account "current financial assets"; reference should be made to note 10 for further details.
Account G is equal to the account "current financial liabilities"; reference should be made to note 17 for further details.
Account L is equal to the account "non-current financial liabilities"; reference should again be made to note 17 for further details.

For a detailed analysis on the movements in the net financial position in the two-year period 2022-2023 reference should be made to the analytical analysis in the Directors' Report.

LIABILITIES

12. Shareholders' Equity

The following table breaks down the Shareholders' Equity at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Share capital	90,314	90,314	0
Reserves	98,949	67,887	31,062
Profit/(loss) for the year	16,706	31,109	(14,403)
GROUP SHAREHOLDERS' EQUITY	**205,969**	**189,310**	**16,659**

i. Share capital

The share capital of the Parent Company at December 31, 2023 amounts to Euro 90,314,162, entirely paid-in and comprising 36,125,665 ordinary shares without par value.

The following table outlines the calculation of the basic and diluted earnings per share:

in Euro	for the year ended 31.12.2023	for the year ended 31.12.2022
Group profit/(loss) for the year (*)	16,660,455	31,511,149
Average number of shares outstanding	36,125,665	36,125,665
Undiluted earnings/(losses) per share	**0.46**	**0.87**
Diluted earnings/(losses) per share	**0.46**	**0.87**

(*) from Consolidated Statement of Comprehensive Income

The undiluted earnings/(losses) and diluted earnings/(losses) per share of the AdB Group December 31, 2023 and December 31, 2022 are the same due to the absence of potential dilutive instruments.

ii. Reserves

The following table breaks down the Reserves at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Share premium reserve	25,683	25,683	0
Legal reserve	9,673	8,179	1,494
Extraordinary reserve	85,926	57,389	28,537
FTA Reserve	(3,272)	(3,272)	0
Profits (losses) carried forward	(18,359)	(19,435)	1,076
OCI reserve	(703)	(658)	(45)
TOTAL RESERVES	**98,949**	**67,887**	**31,062**

The share premium reserve comprises:

- Euro 14.35 million following the paid-in share capital increase approved by the Shareholders' Meeting of February 20, 2006;
- Euro 11.33 million following the public offering of shares in July 2015.

Pursuant to Article 2431 of the Civil Code this reserve is available but may not be distributed until the legal reserve has reached the limit established as per article 2430 of the Civil Code.

The legal reserve and extraordinary reserve increased due to the allocation of the 2023 profit of Adb and of the subsidiaries.

The change in the profits/losses carried forward is due to:

- the profits/losses deriving from the IAS accounting entries of the subsidiary companies;
- the allocation of the result for the previous year of the subsidiary Tag.

The OCI reserve records the changes deriving from the discounting of the severance provision in accordance with IAS 19 revised (note 13), net of the relative tax effect as per the following table:

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
IAS 19 actuarial profits/losses	(922)	(862)	(60)
Deferred taxes on actuarial gains/losses as per IAS 19	219	204	15
OCI RESERVE	**(703)**	**(658)**	**(45)**
of which minority interest	**0**	**0**	**0**
of which Group	**(703)**	**(658)**	**(45)**

13. Severance and other personnel provisions

The following table breaks down severance and other personnel provisions at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Severance	3,086	3,106	(20)
Other personnel provisions	231	207	24
SEVERANCE AND OTHER PERSONNEL PROVISIONS	**3,317**	**3,313**	**4**

The table below shows the movements in the provisions in the period:

in thousands of Euro	As at 31.12.2022	Service cost	Net interest	Benefits paid	Actuarial profits/ (losses)	As at 31.12.2023
Severance	3,106	19	111	(205)	54	3,086
Other personnel provisions	207	121	7	(111)	6	231
SEVERANCE AND OTHER PERSONNEL PROVISIONS	**3,313**	**140**	**119**	**(315)**	**60**	**3,317**

The actuarial valuation of severance provisions is carried out on the basis of the "benefits matured" with the support of actuarial experts.

The principal assumptions in the actuarial estimation process of the severance provisions for the years concerned are as follows:

a) discount rate: 3.08% for the valuation at December 31, 2023 and 3.63% for the valuation at December 31, 2022;
b) inflation rate: 2% for the valuation at December 31, 2023 and 2.30% for the valuation at December 31, 2022;
c) demographic bases (mortality/invalidity): the mortality tables RG 48 published by the State General Office were used for the mortality rates. For invalidity, an INPS table based on age and gender was utilised;
d) staff turnover rate: 1%.

As for any actuarial valuation the results depend on the technical bases adopted such as, among others, interest rate, inflation rate and expected turnover. The table below shows the sensitivity for each actuarial assumption at the end of the year, highlighting the effects of the changes of the actuarial assumptions reasonably possible at that date, in absolute terms.

	Valuation parameter					
in thousands of Euro	+1 % on turnover rate	-1 % on turnover rate	+ 0.25% on annual inflation rate	- 0.25% on annual inflation rate	+ 0.25% on annual discount rate	- 0.25% on annual discount rate
Severance	3,094	3,076	3,123	3,049	3,028	3,145

For completeness the following table also shows the expected disbursements of the plan over a 5-year period:

Years	Estimated future disbursements (in thousands of Euro)
1	313
2	176
3	251
4	122
5	348

The other personnel provisions at December 31, 2023 concern the long-term incentive plan and the non-competition agreement of the Chief Executive Officer/General Manager as governed by the Remuneration Policy commented upon in the Corporate Governance and Share Ownership Report, to which reference should be made.

The actuarial valuation at December 31, 2023 of the long-term incentive plan and the non-competition agreement of the CEO/GM was made with the support of actuarial experts utilising the "benefits matured" method based on IAS 19 (paragraphs 67-69) through the "Project Unit Credit" criterion. Under this method the valuation is based on the average present value of the obligations matured based on the employment service up to the time of the valuation.
The main valuation parameters were:

a) discount rate: 3.17% for the valuation at December 31, 2023 (3.77% for the valuation at December 31, 2022) of the liability for the non-competition agreement equal to the yield on the comparable duration of the employment duration in the sector and 3.15% for the valuation at December 31, 2023 (3.34% for the valuation at December 31, 2022) of the liabilities for the long-term incentive, yield in line with the three-year duration of the plans under consideration;
b) demographic bases (mortality/invalidity): the mortality tables RG 48 published by the State General Office were used for the mortality rates.
c) frequency voluntary resignations and dismissals by the company: 1%;
d) probability of reaching objectives equal to 60-100% depending on the cycle.

Finally, we report the sensitivity which highlights the effects on the other employee provisions, in particular on the provision relating to the non-competitive agreement, in the case of termination of employment with probability equal to 10%:

in thousands of Euro	Service cost
Other personnel provisions	29

14. Deferred tax liabilities

The following table breaks down the deferred tax liabilities at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2022	Provisions	Uses	as at 31.12.2023
DEFERRED TAX LIABILITIES	**2,843**	**0**	**(53)**	**2,790**

The deferred tax liability provision amounts to Euro 2.8 million. The deferred tax liabilities were recorded on transition to IFRS following the application of IFRIC 12 *"Service concession arrangements"*, as illustrated in the note relating to the Transition to International Accounting Standards IFRS in the 2014 Financial Statements. The utilisation of the assessable amount, exclusively for IRES purposes, is attributable to the absorption of deferred taxes on the OCI actuarial losses regarding the measurement as per IAS 19 of the Severance Provision.

IRES rate 24%	Assessable				Tax			
in thousands of Euro	As at 31.12.2022	Increases	Uses	As at 31.12.2023	As at 31.12.2022	Increases	Uses	As at 31.12.2023
Amortisation of concession rights	9,881	380	(478)	9,783	2,370	91	(115)	2,346
Discounting of severance benefits IAS 19	239		(105)	134	86	0	(25)	61
Total IRES	**10,120**	**380**	**(583)**	**9,917**	**2,456**	**91**	**(140)**	**2,407**

IRAP rate 4.2%	Assessable				Tax			
in thousands of Euro	As at 31.12.2022	Increases	Uses	As at 31.12.2023	As at 31.12.2022	Increases	Uses	As at 31.12.2023
Amortisation of concession rights	8,954	380	(478)	8,856	387	16	(20)	383
Total IRAP	**8,954**	**380**	**(478)**	**8,856**	**387**	**16**	**(20)**	**383**
Total					**2,843**	**107**	**(160)**	**2,790**

15. Provision for renewal of airport infrastructure (non-current and current)

The provision for renewal of airport infrastructure includes the provision allocated to cover the conservation maintenance expenses and renewal of the assets held under concession which the Group must return at the end of the concession period in perfect functioning state.

The changes in the provision in the year ending December 31, 2023 are reported below, divided between non-current and current.

in thousands of Euro	As at 31.12.2022	Provisions	Uses	Reclass.	As at 31.12.2023
Provision for renewal of airport infrastructure (non-current)	10,541	2,286	(640)	(80)	12,107
Provision for renewal of airport infrastructure (current)	2,555	2,179	(2,555)	80	2,259
TOTAL PROVISION FOR RENEWAL OF AIRPORT INFRASTRUCTURE	**13,096**	**4,465**	**(3,195)**	**0**	**14,366**

At December 31, 2023, the provision for the renewal of airport infrastructure totalled Euro 14.4 million (Euro 13.1 million at December 31, 2022). The movements during the year regard:

- ✓ the increase of Euro 4.5 million, of which Euro 3.7 million for provisions and Euro 0.7 million for financial expenses due to the updating of the cash flow discounting rates;
- ✓ to uses (Euro 3.2 million) for interventions that mainly concern the restoration of the wear layer of a number of sections of the taxiway, in addition to various interventions regarding plant and the upgrading of the Terminal toilets.

The reclassifications concern the periodic reclassification to current liabilities of the disbursements expected in the twelve months subsequent to period end.

For completeness the following table shows the sensitivity in the interest rates applied for the discounting of the provision for renewal of airport infrastructure at December 31, 2023:

in thousands of Euro	Financial (charges)/ financial income	Sensitivity Analysis (+0.5%)	Sensitivity Analysis (-0.1%)
Provision for renewal of airport infrastructure	(733)	(804)	(713)

The discounting curve utilised for the valuation includes the country risk. In this specific case the input data utilised was the short, medium and long-term zero-coupon government bonds (from 3 months to 30 years), sourced from the information provider Bloomberg.

16. Provisions for risks and charges (non-current and current)

The changes in the non-current and current provision for risks and charges in the year are reported below:

in thousands of Euro	As at 31.12.2022	Provisions	Util./Other decreases	As at 31.12.2023
Risk provision for disputes	1,166	1,145	(6)	2,305
Provisions for other risks and charges	69	1,909	(7)	1,971
PROVISIONS FOR RISKS AND CHARGES (NON-CURRENT)	**1,235**	**3,054**	**(13)**	**4,276**
Employee back-dated provision	29	467	(29)	467
PROVISIONS FOR RISKS AND CHARGES (CURRENT)	**29**	**467**	**(29)**	**467**
TOTAL PROVISIONS FOR RISKS AND CHARGES	**1,264**	**3,521**	**(42)**	**4,743**

The "Risk provision for disputes" includes the updated liabilities prudently estimated, including with the help of mandated lawyers, for pending litigation and mainly includes: the estimates of interest owing in relation to the fire prevention service (Euro 20.1 million at December 31, 2023); for further details, reference should be made to the chapter on Disputes in the Directors' Report. The significant provision for the year is due to the increase in the legal interest rate with which this estimate is calculated.

The risk provision for disputes includes also the estimate of the liabilities for possible disputes with employees and contractors for airport works, and the estimation of revocation risks on clients going bankrupt in previous years, with the exception of the Alitalia bankruptcy. For the latter, please refer to the next section.

On the basis of the progress of litigation at the preparation date of this document, supported by an update from their advisors, the Group believes that the provisions set aside in the financial statements are adequate and represent the best estimate of liabilities for risks and charges.

The increase in "other provisions for risks and charges" is due on the one hand to the best estimate by Management of the commitment assumed by company management to establish a long-term fund to support soundproofing measures for those residential buildings most exposed to the airport's noise impact. As outlined in the Directors' Report, to which reference should be made, in 2023 a number of measures were applied to reduce the noise impact of flights, mainly during night-time and in the city of Bologna. These initiatives also include the public commitment referred to in the relative provision for future charges, whose amount, to be considered as a supplement to the collections of the "IRESA" tax, shall be calculated in their final amount and disbursed on the basis of subsequent analysis and agreements with the local public entities. For the present year, the company recognised an estimated liability to the financial statements of approximately Euro 100 thousand.

The account "other provisions for risks and charges" also includes the provision of Euro 1.8 million to cover the reclamation costs of the land used as an airport parking lot in which, following judicial technical investigations to identify the causes of the damage evident on the surfaces as part of a civil dispute with the contractor who built the parking lot, materials that need to be removed as potentially harmful to the environment have been found. The Company has therefore committed to carrying out permanent safety work in the area. The relative timeframe and costs shall be subject to the approval of a forthcoming Services Conference, and whose estimated amount has been set aside in the relative provision for future charges.

Current provisions, finally, include the employee back-dated provision and, in particular, the estimated economic impact of the renewal of the Airport Operators' Collective Bargaining Agreement, which concluded on December 31, 2022. This item also include the utilisation of the employee back-dated provision related to the movement of the subsidiary FFM, whose contract (Handlers National Collective Bargaining Agreement) was renewed on October 25, 2023.

Contingent liabilities

As regards the customs dispute involving the subsidiary FFM in 2021 (which is described in greater detail in the "disputes" section of the Directors' Report, to which reference should be made), we note that on April 20, 2021, the Bologna Customs Office notified FFM that it had corrected a number of customs declaration assessments. It therefore requested payment of higher customs and VAT duties which, including interest for late payment, totalled approx. Euro 4.3 million. The subsidiary FFM, which maintains that it has always operated with the fullest correctness and legality, filed an appeal against these notices and the Bologna Provincial Tax Commission ruled on this appeal on July 6, 2022, finding partially in favour of FFM and reducing the sum requested by the Tax Agency by Euro 0.8 million, declaring the non obligation of the VAT and exclusive charge of the direct importer. It was, therefore, appealed in November 2022 to the Emilia-Romagna Regional Tax Commission (CTR).

In relation to this dispute, a guarantee was issued for Euro 5.8 million by a leading bank in favour of the Customs Authority as requested by FFM, for the suspension of the assessment notices issued to the subsidiary, which includes a co-obligation for AdB. At the beginning of 2023, an additional surety was added for a value of Euro 278 thousand in order to obtain the suspension of the enforceability of the assessment reports covered by the appeal, following a partial increasing amendment as a result of an additional customs office audit.

The Company, supported by the opinion of its appointed lawyers, having evaluated the dossier outlining the position and the jurisprudence on the subject, and the recent first instance ruling, consider it possible but not probable that the case will be lost.

In relation, finally, to the extraordinary administration of Alitalia, in May 2020 the Company received notification of revocatory action submitted by the Extraordinary Commissioner of ALITALIA SAI in administration. The Group assessed the potential liability related to the revocation of receivables arising in the six months before the procedure, for an amount of Euro 2.01 million (gross of municipal passenger boarding fee surtaxes already paid to the competent authorities). At the preparation date of this document, taking account of the information noted and the defensive arguments against the advanced action, the Directors, having met with the appointed lawyers, judged the liability as possible but not probable. They therefore considered it appropriate to provide disclosure in the Notes, without making any accrual, while at the same time continuing its defensive action. In any event, the case will not be settled before the end of the year 2024.

17. Non-current and current financial liabilities

The following table breaks down non-current and current financial liabilities at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Bank loans – non-current	21,284	47,605	(26,321)
Non-current financial liabilities for leasing	115	521	(406)
NON-CURRENT FINANCIAL LIABILIITES	**21,399**	**48,126**	**(26,727)**
Bank loans - current	12,323	14,976	(2,653)
Current financial liabilities for leasing	454	540	(86)
Payables due for boarding fee surtaxes and Iresa	6,742	2,254	4,488
Other current financial debt	36	25	11
CURRENT FINANCIAL LIABILITIES	**19,555**	**17,795**	**1,760**
TOTAL FINANCIAL LIABILITIES	**40,954**	**65,921**	**(24,967)**

Financial liabilities at December 31, 2023 totalled Euro 40.9 million compared to Euro 65.9 million at December 31, 2022, mainly due to a number of financial transactions that the parent company completed in September 2023 to optimise the structure and improve the debt maturity profile.

The transactions concerned:

- the agreement of a Euro 15 million loan with Crèdit Agricole Italia. This is an ESG KPI Linked Loan which stipulates a bonus on this contractually-defined spread on the achievement of three ESG KPI's. In particular, commitments were agreed to progressively reduce the amount of climate-altering gas emissions, together with an increased self-generation of electricity from renewable sources. The financial covenants are in line with that set out in the loan contract agreed with the European Investment Bank. This funding transaction, structured over a duration of 60 months, is mainly to support the Parent Company's business plan.
- the full voluntary advance repayment at the end of September of the loan agreed in July 2020 with Intesa Sanpaolo Spa for Euro 33.9 million, with SACE guarantee and with the objective of containing financial charges which, in addition to the increase in interest rates, would have seen the SACE guarantee commission increase to 2%. The residual duration of the loans subject to early voluntary repayment would have been an additional 3 years.

Following the above transactions and the payment of the instalments maturing in the period for Euro 10.1 million, the total liabilities for loans at December 31 amount to Euro 33.6 million, compared to Euro 62.6 million at December 31, 2022.

"Loans" include:

- loan with SACE guarantee, maturing in 2026, issued by Unicredit Spa in July 2020 for Euro 25 million to support the infrastructural development plan and offset the reduction in traffic due to the COVID-19 emergency. This loan is classified for Euro 9.4 million under non-current financial liabilities and for Euro 6.2 million under current loans. Instalments of Euro 6.3 million were settled in 2023;
- ten-year bank loan with December 2024 maturity, with a balance of Euro 2.6 million at December 31, 2023, issued by Intesa Sanpaolo Spa to fund the infrastructure investment plan and classified under current loans. In 2023, the instalments settled amounted to Euro 2.6 million;
- Euro 15 million five-year loan maturing in September 2028 provided by Credit Agricole Italia. This loan is classified for Euro 11.2 million under non-current loans and for Euro 3 million under current loans. In 2023, an instalment of Euro 0.7 million was settled;
- fifteen-year bank loan with maturity 2026, with a residual balance at December 31, 2023 of
  Euro 1.2 million, granted by Monte dei Paschi di Siena (former Banca Agricola Mantovana) to fund investments of the General Aviation Terminal. This liability is classified for Euro 0.7 million under non-current loans and for Euro 0.5 million under current loans. In 2023, the instalments due for Euro 0.5 million were repaid;

In order to guarantee the necessary liquidity to support the airport infrastructure investment and development plan, in December 2021 the Parent Company signed a loan with the European Investment Bank (EIB), for which as of December 31, 2023 no request for disbursement has been made. The loan agreement will provide AdB with the flexibility required for the progression of the infrastructural development plan and funding requirements, with disbursement available up to 48 months from signing and in multiple tranches and in any case for a total amount not exceeding 50% of the total estimated project costs. This is alongside the flexibility of the option to choose between a fixed rate and a variable rate, which will be determined by the EIB in relation to the timing of the loan request and the overall conditions of disbursement and repayment. The last repayment date for each tranche shall fall no earlier than four years and no later than eighteen years from the relevant disbursement date, subject to the option for AdB to make voluntary early repayments. The contract includes negative pledges and covenants, including of a disclosure nature typical of such situations, with an early settlement obligation where control of AdB is acquired.

Loans breakdown:

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Bank loans – non-current	21,284	47,605	(26,321)
Bank loans - current	12,323	14,976	(2,653)
TOTAL LOANS	**33,607**	**62,581**	**(28,974)**

The contractual conditions of the loans in place at December 31, 2023 are illustrated below:

Credit Institution	Type of loan	Interest rate applied	Rate	Maturity	Covenant
Intesa San Paolo S.p.A.	Loan	Fixed rate of 3%	Half-Yearly	2024	NFP/EBITDA NFP/SE
Unicredit Spa Sace guarantee	Loan	Fixed rate of 0.77%	Quarterly	2026	NFP/EBITDA NFP/SE
Credit Agricole Italia	ESG KPI Linked Loan	Euribor variable 3 Months + spread 1.15%	Quarterly	2028	Yes
Monte dei Paschi di Siena (former Banca Agricola Mantovana)	Loan	Euribor variable 3 Months + spread 0.9%	Quarterly	2026	No

The annual nominal cost of the Unicredit loan with SACE guarantee granted in 2020, shown in the table above, is in addition to the cost of the SACE guarantee, which in this third year of the loan is 1% and shall rise to 2% from the fourth to sixth years of the guaranteed portion of the debt, equal to 90% of the residual loan.

The loans are not covered by secured guarantees.

With reference to the cross default clauses on the loan contracts of the Group, an acceleration clause may be triggered where the Company financed is not in compliance with obligations of a credit or financial nature, or with guarantees assumed with any party. We report that at December 31, 2023 the Group has not received any communication for application of cross default clauses by any of its lenders as the Group is in compliance with its existing contractual commitments. On the basis of the figures at December 31, 2023, compliance with the financial covenants is confirmed.

A sensitivity analysis is illustrated below on variable interest rate loans held at December 31, 2023.

			in thousands of Euro			
Credit Institution	Type of loan	Interest rate applied	Balance 31.12.2023	Interest balance for year	Sensitivity Analysis (+0.5%)	Sensitivity Analysis: (-0.1%)
Monte dei Paschi di Siena (former Banca Agricola Mantovana)	Banking	Euribor 3 months/360 + 0.9%	1,206	54	4	(-1)
Intesa San Paolo Spa - SACE-backed	Banking	Euribor 3 months/360 + 1.29%	0	1,087	128	-26)
Credit Agricolè	Banking	Euribor 3 months/360 + 1.15%	14,250	205	19	(4)

The following table shows the liabilities for leases, in accordance with IFRS 16, representing the obligation to make the contractually-agreed payments for the right-to-use assets recorded under fixed assets in note 2.

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Non-current lease liabilities	115	521	(406)
Current lease liabilities	454	540	(86)
TOTAL LEASE LIABILITIES	**569**	**1,061**	**(492)**

The Group has both underwritten leasing contracts as lessor with the sub-license of airport areas and spaces to its customers and also has undertaken leasing contracts as lessee for equipment, plant, machinery, automotive vehicles and land.
The table above refers to these latter obligations broken down into financial liabilities for leases:

- non-current: Euro 0.1 million for contractual instalments due beyond 12 months;
- current: Euro 0.5 million relating to contractual instalments due within the current year.

We illustrate below the table required by IAS 7 - Cash Flow Statement for a greater disclosure of changes in financial liabilities:

in thousands of Euro	31/12/2022	Cash flows	New contracts	Interest/Other Reclassifications	31/12/2023
Loans - current portion	14,976	(15,711)	3,000	10,058	12,323
Lease liabilities - current portion	540	(602)	37	479	454
Loans - non-current portion	47,605	(28,250)	12,000	(10,071)	21,284
Lease liabilities - non-current portion	521	0	15	(422)	115
Total	**63,642**	**(44,563)**	**15,052**	**44**	**34,175**

The passenger boarding fee surtax and IRESA payable concerns the portion received from carriers at December 31, 2023 and reversed to the Authority in January.

in thousands of Euro	as at 31.12.2023	As at 31.12.2022	Change
Payables due for boarding fee surtaxes and Iresa	6,742	2,254	4,488
PAYABLES DUE FOR BOARDING FEE SURTAXES AND IRESA	**6,742**	**2,254**	**4,488**

18. Trade payables

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
TRADE PAYABLES	26,897	24,869	2,028

Trade payables are primarily owed to domestic suppliers and increased due to the rise in costs. In terms of payment times, the average days remained substantially unchanged on 2022 (53 days compared to 52 average days at December 31, 2022).

The table below shows the breakdown of trade payables at December 31, 2023 and December 31, 2022 by due date:

in thousands of Euro	Not yet due	Overdue	Total at 31.12.2023
Invoices/credit notes received	8,721	3,283	12,004
Invoices/credit notes to be received	14,893	0	14,893
TOTAL TRADE PAYABLES	**23,614**	**3,283**	**26,897**

in thousands of Euro	Not yet due	Overdue 0-30	Overdue 30-60	Overdue 60-90	Overdue over 90 days	Total
TRADE PAYABLES	8,721	2,848	202	13	220	12,004

in thousands of Euro	Not yet due	Overdue	Total at 31.12.2022
Invoices/credit notes received	12,220	3,086	15,306
Invoices/credit notes to be received	9,563	0	9,563
TOTAL TRADE PAYABLES	**21,783**	**3,086**	**24,869**

in thousands of Euro	Not yet due	Overdue 0-30	Overdue 30-60	Overdue 60-90	Overdue over 90 days	Total
TRADE PAYABLES	12,220	1,720	77	92	1,197	15,306

As can be seen from the above tables, the ageing of trade payables has decreased; in particular, payables over 90 days past due have decreased from 10% to 2% of total payables, due mainly to the unblocking of a supplier's payment given the regularisation of contribution payments.

19. Other Liabilities

The following table breaks down current liabilities at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Current tax payables	2,664	2,923	(259)
Employee payables and social security institutions	5,157	4,137	1,020
ENAC concession fee and other State payables	24,535	23,339	1,196
Other current liabilities, accrued liabilities and deferred income	6,613	4,780	1,833
TOTAL OTHER CURRENT LIABILITIES	**38,969**	**35,179**	**3,790**

The principal changes were as follows:

i. CURRENT TAX PAYABLES

The following table breaks down tax payables at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
VAT payable	0	216	(216)
Direct income taxes	1,637	1,665	(28)
Other tax payables	1,027	1,042	(15)
TOTAL CURRENT TAX PAYABLES	**2,664**	**2,923**	**(259)**

This category decreased due to the absence of the VAT payable while direct taxes concerned the IRAP payable for Euro 0.4 million and the IRES tax consolidation payable for Euro 1.2 million. The item other tax payables is primarily composed of the IRPEF payable on employees and consultants and there were no significant changes compared to December 31, 2022.

ii. Employee payables and social security institutions

The following table breaks down employee payables and social security institutions at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Due to personnel renumeration	1,270	975	295
Employee deferred compensation	2,466	1,911	555
Social security payables	1,421	1,251	170
EMPLOYEE PAYABLES AND SOCIAL SECURITY INSTITUTIONS	**5,157**	**4,137**	**1,020**

Employee payables and social security institution payables reported an increase due to the increased personnel costs. Reference should be made to the relative section for further details.

iii. ENAC concession fee and other State payables

The ENAC concession fees and other State payables mainly comprises:

- Euro 20.1 million (Euro 18.6 million in 2022) concerning the fire prevention service as governed by Article 1, paragraph 1328 of the 2007 Finance Act, modified by Article 4, paragraph 3*bis* of Law No. 2/2009. For further details, reference should be made to the chapter on Disputes in the Directors' Report;
- Euro 4.4 million (compared to Euro 4.6 million at December 31, 2022) as the variable airport concession fee payable regarding the second payment on account and the 2023 final settlement.

The liability relating to the fire prevention service, as further described in the Directors' Report, to which reference should be made, was recognised to incorporate the contribution owed by AdB to the Fund established by the 2007 Budget Law in order to reduce the cost borne by the State for organising and providing the fire prevention service at Italian airports. The Parent Company promoted, in 2012, a specific judicial action before the Rome Civil Tax Court, substantially requesting the Judge to ascertain and declare the cessation of the obligatory contribution following the change in the purpose of the afore-mentioned Fund, i.e. from January 1, 2009. In fact, from that date the resources accumulated in the Fund were allocated to the generic requirements of the public purse and civil defence, as well as for financing salary increases of the Fire Prevention Service.
While awaiting the civil procedure, which extended over numerous years across a series of different judges and postponements, a consolidated jurisprudence (ex pluris Rome Provincial Tax Court No. 10137/51/2014 - passed into Law - and Rome Provincial Tax Court No. 2517/2019) sealed by the pronouncement of the Court of Cassation No. 3162 of February 1, 2019 and, latterly, by the Lazio Regional Tax Commission No. 7164/2019, affirmed: i) the nature of the contribution to the Fire Prevention Fund, ii) the consequent competent tax jurisdiction, iii) the non-obligation to pay the tax from 2009, due to the non-applicability of its original legislative purpose, pending a legitimate legal provision.

Finally, on February 8, 2022, the Rome Court issued its ruling No. 2012/2022 clarifying the jurisdiction of the tax court. The company in order to obtain a direct recognition of the principles embodied universally by the Court of Cassation and by the Rome Provincial Tax Court in December 2022 presented the case before the Rome Court (RG No. 22375/12). The hearing on the substance of the case before the Rome Provincial Tax Commission has been set for April 17, 2023.

On April 17, 2023, the Rome Provincial Tax Court, however, unexpectedly dismissed AdB's appeal, radically departing from all relevant precedents. AdB has, therefore, appealed to the second instance Tax Court (CTR) (RGR proceeding No. 5921/2023) the first instance ruling No. 5768/2023 issued by Section 4 of Rome's first instance CTR. In this forum, it will carry out any and all defence, also taking into account the issues referred to the Tax Court, by the latest Court of Cassation ruling No.990/2024 of January 10, 2024, reproposing a specific question of constitutional legitimacy, taking into account the allocation constraint also established, also latterly in this recent judgement, and the distortion from the "Novella 2009" of the law that established the "Fire Prevention Fund".

In fact, the Court of Cassation, in the appeal brought by the Administrations against the Lazio Regional Tax Commission's (CTR) ruling No. 7164/2019, which had annulled the 2007 to 2010 annual fees of the Airport Fire Prevention Fund, most recently stated its position in ruling No. 990/2024 of January 10, 2024, subverting the previous jurisprudential orientation of the same unified sections affirmed in ruling No. 3162/2019.

The Court of Cassation has, therefore, most recently ruled that: a) the airport management companies are the taxable entities of the Airport Fire Prevention Fund, according to their specific subjective legal situation, i.e. due to the fact that they are companies holding the concessions for the management of airport services at the airports where fire prevention services are the responsibility of the Fire Prevention Service; b) the external applicability is excluded of *res judicata* judgments against other airport management companies that were not parties to those judgments, and the same multi-year applicability against companies that, on the other hand, were parties to such and have one or two *res judicata* judgments; c) "the allocation constraint is unrelated to the regulation of the levy's imposition phase, but pertains to the use of the revenue"; d) the legislative choice of a different allocation of resources and the attribution of fire prevention service costs in general to a limited group of subjects instead of the general community would not be unreasonable, rejecting the raised issue of constitutional legitimacy, referring the case back to the Second Instance Lazio Tax Court (CGT) for a fresh examination of the matters raised. At the same time, the Court of Cassation has, however, acknowledged that affirmed by the management companies since 2009, i.e. on the existence of a specific allocation constraint, affirming the following principle of law: the Airport Fire Prevention Fund "*has the nature of a tied tax*" in order to reduce the cost borne by the State in the fire prevention service at airports, specifying further that the allocation constraint arises "*limited to the phase of use of the revenue*".

Despite the complexity and the latest unexpected and unfavourable pronouncements, on the basis of the opinion of the appointed lawyers supporting the unchanged illegitimacy, also of constitutional significance, determined by the *ex lege* violation of the allocation constraint, possible settlement solutions to the entire dispute will continue to be sought at the national level, in addition to the promotion, in all relevant forums, of every attempt to repeal the 2009 rule and the issuance of a legitimate device in favour of taxpayers (i.e. airport operators) and recipients (National Fire Prevention Service for the management of fire prevention activities in the local areas of airport sites).

iv. Other current liabilities, accrued liabilities and deferred income

The following table breaks down current liabilities, accrued liabilities and deferred income at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Payables due for boarding fee surtaxes and Iresa	4,526	2,904	1,622
Other current liabilities	1,753	1,684	69
Current accrued liabilities and deferred income	334	192	142
TOTAL OTHER CURRENT LIABILITIES, ACCRUED LIABILITIES AND DEFERRED INCOME	**6,613**	**4,780**	**1,833**

The main account concerns the surtax for passenger boarding fees and for IRESA, relating to the receivables from carriers not yet received at December 31, 2023 for Euro 4.5 million. The portion of the passenger boarding fees payable and for IRESA relating to receivables collected from carriers, to be paid to the creditor entities on the other hand is classified under current financial liabilities (Note 17).

"Other current liabilities" include deposits and advances received from customers in addition to deferred income and miscellaneous payables. Finally, the "other accrued liabilities and deferred income" account increased, mainly due to the portion of online sales revenues collected in advance.

NOTES TO THE MAIN CONSOLIDATED INCOME STATEMENT ACCOUNTS

REVENUES

20. Revenues

The tables below breakdown revenues for the comparative years. In relation to the performance, reference should be made to the greater detail provided in the Directors' Report.

Consolidated revenues totalled Euro 145.1 million, growth of Euro 10.5 million on 2022. Isolating the "revenues from construction services" item which concerns investments in concession rights in the year, which significantly increased in 2023 (Euro 28.4 million compared to Euro 15.9 million in 2022) and excluding the contribution of the COVID compensation fund for Euro 21.1 million in 2022, revenues in the year were however up 19.68% (from Euro 97.5 million in 2022 to Euro 116.6 million in 2023).

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Revenues from aeronautical services	63,325	53,754	9,571
Revenues from non-aeronautical services	51,811	42,257	9,554
Revenues from construction services	28,414	15,952	12,462
Other operating revenues and income	1,514	22,592	(21,078)
TOTAL REVENUES	**145,064**	**134,555**	**10,509**

The reclassification of Group revenues based on revenue streams defined by IFRS 15, i.e. those from contracts with customers, is shown in the following table:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Airport fees	55,119	45,162	9,957
Parking	19,923	15,970	3,953
Revenues from construction services	28,414	15,952	12,462
Other	14,635	13,643	992
TOTAL IFRS 15 REVENUE STREAMS	**118,091**	**90,727**	**27,364**

The reconciliation between IFRS 15 revenue streams and total revenues is shown in the following table:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Airport fees	55,119	45,162	9,957
Parking	19,923	15,970	3,953
Revenues from construction services	28,414	15,952	12,462
Other	14,635	13,643	992
TOTAL IFRS 15 REVENUE STREAMS	**118,091**	**90,727**	**27,364**
Commercial/non-comm. sub-licenses	26,708	22,465	4,243
TOTAL NON IFRS 15 REVENUE STREAMS	**26,708**	**22,465**	**4,243**
TOTAL NON IFRS 15 Revenues	265	21,363	(21,098)
TOTAL REVENUES	**145,064**	**134,555**	**10,509**

i. Revenues from aeronautical services

The table below shows revenues from aeronautical services in 2023 and 2022. This revenue category grew 17.8% against a passenger traffic increase of 17.4% and of movements of 12.5%.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Revenues from centralised infrastructure/other airport services	936	749	187
Exclusive use revenues	1,041	884	157
Airport fee revenues	75,471	65,746	9,725
PRM revenues	6,723	5,725	998
Air traffic development incentives	(27,370)	(26,499)	(871)
Handling services	2,910	2,810	100
Other aeronautical revenues	3,614	4,408	(794)
Reduction in revenues from aeronautical services to doubtful debt provision	0	(69)	69
TOTAL REVENUES FROM AERONAUTICAL SERVICES	**63,325**	**53,754**	**9,571**

The breakdown of airport fee revenues is shown below:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Passenger boarding fees	34,604	29,385	5,219
Landing, take-off and parking fees	25,470	22,551	2,919
Passenger security fees	10,581	9,341	1,240
Baggage stowage control fees	4,106	3,647	459
Freight loading and unloading charges	823	859	(36)
Reduction for provision	(113)	(37)	(76)
TOTAL AVIATION FEE REVENUES	**75,471**	**65,746**	**9,725**

ii. Revenues from non-aeronautical services

The table below shows revenues from non-aeronautical services in 2023 and 2022.

These revenues rose 22.6%, owing to all revenue categories:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Commercial premises and spaces sub-concession	24,083	20,442	3,641
Parking	19,923	15,970	3,953
Other commercial revenues	7,805	5,845	1,960
TOTAL REVENUES FROM NON-AERONAUTICAL SERVICES	**51,811**	**42,257**	**9,554**

The revenues for the sub-concession of spaces and commercial areas and for parking services are both related to the traffic served, in addition to the new parking pricing strategies, the updating of the self-hire contracts and the strong performances of a number of retail sales points. "Other commercial revenues" were strong thanks to the revenues from the Marconi Business Lounge, advertising and other types of services, such as security services, training courses and road access to the terminal.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Marconi Business Lounge	3,132	2,154	978
Advertising	1,719	1,254	465
Misc. commercial revenues	2,954	2,437	517
TOTAL OTHER COMMERCIAL REVENUES	**7,805**	**5,845**	**1,960**

iii. Revenues from construction services

Revenues from construction services concern the construction services undertaken by the Aeroporto Guglielmo Marconi di Bologna S.p.A. Group on behalf of the ENAC granting entity for the capital investments previously commented upon in relation to the Concession Rights in Note 1.
These revenues amounted to Euro 28.4 million compared to Euro 15.9 million in 2022, due to the higher investments in airport infrastructure under concession; see Directors' Report for further information.

iv. Other Revenues and Income

The table below shows other revenues and income in 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Indemnities, reimbursement and misc. income	989	903	86
Operating and plant grants	346	559	(213)
Cont. COVID-19 compensation fund Budget Law 2021	0	21,137	(21,137)
Revenues from Terminal Value on Provision for Renewal	173	34	139
Capital gains	6	10	(4)
Reduction in other revenues to Provision for doubtful accounts	0	(51)	51
TOTAL OTHER REVENUES AND INCOME	**1,514**	**22,592**	**(21,078)**

Excluding from the comparative year the contribution from the Compensation Fund provided by Law No. 178/2020 for COVID-19, other operating revenues and income for 2023 grew 4%.
"Indemnities, reimbursements and miscellaneous income" increased also due to a number of penalties as a result of delays in executing the lot III apron works.
"Operating and plant grants" include the contributions recorded:

- ✓ as partial compensation on the increased charges incurred for electricity and natural gas acquired and effectively used in 2023;
- ✓ in relation to the Itair-Isac funded project related to the creation of a shared cyber-security risk centre in collaboration with Assaeroporti;
- ✓ to cover the provision of employee training courses.

COSTS

Total costs in 2023 increased 26.7% over 2022. Isolating the "construction service costs" item which increased significantly due to the higher investment in airport infrastructure in 2022, the adjusted costs still report a significant increase (14.5%) due to the increase in all cost components, mainly costs for services, the airport concession fee and personnel costs.

21. Costs

i. Consumables and goods

The table below presents consumables and goods in 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Consumables and goods	1,054	940	114
Maintenance materials	254	180	74
Fuel and gasoline	2,365	3,013	(648)
TOTAL CONSUMABLES AND GOODS	**3,673**	**4,133**	**(460)**

This category of costs decreased 11.1% due to the lower purchase of fuel to service General Aviation aircraft.

ii. Service costs

The following table shows the breakdown of services costs for 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Maintenance costs	5,886	4,836	1,050
Utilities	3,454	3,565	(111)
Cleaning and accessory services	2,638	2,305	333
Services	6,513	5,654	859
MBL Services	529	392	137
Advertising, promotion and development	860	669	191
Insurance	1,159	1,074	85
Professional and consultancy services	2,689	1,827	862
Statutory board fees and expenses	619	625	(6)
Other service costs	442	436	6
TOTAL SERVICE COSTS	**24,789**	**21,383**	**3,406**

Costs for services saw an overall increase of 15.9% due to the increase in traffic served and the related greater infrastructure and services activities, in addition to the rising raw material. The largest increase was for maintenance, cleaning and other services (see the table at the end of this section), these latter mainly for the shuttle service to transport passengers to/from the parking lots. This service was not present in the comparative period as temporarily suspended due to the drop in traffic as a result of COVID and was reinstated only from the second half of 2022.

Finally, also professional services and consultancy costs increased, due mainly to the launch of new initiatives, such as for example those related to the investment in Urban V Spa, personnel selection and legal expenses, while the cost of utilities reports a saving due to the lower unitary electricity cost.

A breakdown of maintenance expenses is provided below:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Owned asset maintenance expenses	1,388	1,132	256
Airport infrastructure maintenance expenses	3,844	3,186	658
Third party asset maintenance expenses	654	518	136
TOTAL MAINTENANCE EXPENSES	**5,886**	**4,836**	**1,050**

The breakdown of services is illustrated below:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Snow clearance	476	398	78
Porterage, transport third-party services	1,174	509	665
PRM assistance service	885	850	35
De-icing and other public service charges	350	350	0
Security service	1,969	2,001	(32)
Other outsourcing	1,659	1,546	113
TOTAL SERVICES	**6,513**	**5,654**	**859**

The PRM assistance service cost slightly increased on 2022, despite the increase in traffic as part of the service outsourced was brought in-house from December 1, 2023, with a simultaneous expansion of the workforce and therefore of personnel costs. As of this date, the service is completely managed by Adb.

For the disclosure pursuant to Article 38, paragraph 1, letter o) of Legislative Decree No. 127/91, it should be noted that the remuneration of the sole director of Adb, who also serves on the Board of Directors of the subsidiary, FFM, amounts to Euro 108 thousand (Euro 98 thousand for Adb and Euro 10 thousand for FFM).

The table below reports the fees paid to the Board of Statutory Auditors and the Independent Audit Firm:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Statutory auditors fees	160	175	(16)
Independent auditors fees	165	159	6
Total	**324**	**334**	**(10)**

The independent auditors' fees are illustrated below:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Audit (*)	141	136	5
Certification work	7	11	(4)
Other services (**)	17	11	5
Total	**165**	**159**	**6**

(*) Including review of Non-Financial Information Report
(**) Including the Certification of regulatory accounting

iii. Construction service costs

Construction service costs concern the construction costs incurred by Aeroporto Guglielmo Marconi di Bologna S.p.A. Group for the capital investments previously commented upon in relation to the Concession Rights in Note 1.

iv. Leases, rentals and other costs

The following table shows the breakdown of leases, rentals and other costs for 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Concession fees	7,986	6,342	1,644
Hire charges	180	208	(28)
Rental charges	359	151	208
EDP service processing charges	1,775	1,550	225
Other rental & hire costs	106	8	98
TOTAL LEASES, RENTALS AND OTHER COSTS	**10,406**	**8,259**	**2,147**

The increase in this category of costs (26%) is due to the airport concession fee as a result of increased traffic volumes, on whose basis it is calculated, in addition to parking area rental fees for the variable portion related to the increased parking and higher data processing fees.

v. Other operating expenses

The following table shows the breakdown of other operating expenses for 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Misc. and local taxes	1,474	1,327	147
Fire prevention service contribution	1,498	1,526	(28)
Capital losses	58	3	55
Other operating costs and expenses	604	401	203
TOTAL OTHER OPERATING EXPENSES	**3,634**	**3,257**	**377**

The increase in this category of costs (11.6%) is due to the increase in tax charges, particularly the TARI, waste tax, as 2022 benefited from a rate reduction granted by the City of Bologna due to the pandemic and other operating charges and expenses. These include, among others, increased costs regarding membership fees and charitable contributions.

vi. Personnel costs

The following table shows the breakdown of personnel costs for 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Wages and salaries	21,709	18,921	2,788
Social security contributions	6,161	5,348	813
Severance provisions	1,498	1,420	78
Retirement pension and similar	204	196	8
Other personnel costs	1,846	1,618	228
TOTAL PERSONNEL COSTS	**31,418**	**27,503**	**3,914**

The increase in personnel costs (14.2%) is due to the expanded (mainly operating) workforce (+56 average staff and +69 staff at December 31), the absence of the Extraordinary Temporary Lay-Off Scheme applied in the initial months of 2022, although in low percentages, the greater use of temporary staff and overtime and the lower use of vacations. There is also an increase related to staff variable premiums, in addition to higher costs related to the increased workforce, such as the cafeteria service, education and training costs, missions, and staff medical examinations and checkups.

"Other personnel costs" are broken down in the following table:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Employee canteen	637	521	116
Personnel training and refresher courses	219	177	42
Employee expenses	218	124	94
Misc. personnel costs	652	671	(19)
Other personnel provisions	120	125	(5)
TOTAL OTHER PERSONNEL COSTS	**1,846**	**1,618**	**228**

The average headcount by category in the two periods under consideration is shown below:

Average workforce (No.)	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Executives	8	8	0
White-collars	434	391	43
Blue-collars	100	87	13
TOTAL PERSONNEL	**542**	**486**	**56**

The headcount at the end of the two financial years under consideration was as follows:

Workforce (number)	as at 31.12.2023	As at 31.12.2022	Change
Executives	8	8	0
White-collars	451	404	47
Blue-collars	115	93	22
TOTAL PERSONNEL	**574**	**505**	**69**

22. Depreciation, amortisation and impairment

The following table shows the movement of depreciation and amortisation for the years ended December 31, 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Amortisation/impairment of Concession Rights	8,744	8,014	730
Amortisation of other intangible assets	692	661	31
Depreciation/impairment of tangible assets	2,276	5,249	(2,973)
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT	**11,712**	**13,924**	**(2,212)**

This item consists of depreciation and amortisation of Euro 11.1 million and impairments of Euro 0.6 million.

The former is in line with the effects of the full year application from the progressive roll-out of investments over the last twelve months (see Investment Chapter in the Directors' Report and notes 1 and 2). The increase in the item "Concession Rights" is due, in addition to the higher investments realised, also to the General Aviation fuel distribution plant which is scheduled for demolition in the first half of 2024 as part of the work on the construction of the third lot apron).

"Depreciation of tangible assets", finally, includes Euro 554 thousand of depreciation on leased assets in accordance with IFRS 16.

The total impairments recognised amounted to Euro 0.6 million and referred mainly to the impairment of projects that are no longer usable.

23. Provisions for risks and charges

The following table shows the movement of the provisions for risks and charges in 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Provisions for doubtful accounts	(654)	693	(1,347)
Provision for renewal of airport infrastructure	3,733	4,079	(346)
Provisions for other risks and charges	3,507	171	3,336
TOTAL PROVISIONS	**6,586**	**4,943**	**1,643**

This costs category increased due almost entirely to the increased accrual to the risks and charges provisions, partially offset by the lower accrual to the provision for the renewal of airport infrastructure, and the release of the excess of the provision for doubtful accounts for Euro 0.7 million, as the risk on certain client positions was no longer applicable. In addition to the above-mentioned amount, the write-down of receivables during the year against the risk of uncollectability also derives from the reduction of revenues accrued during the year for a further Euro 123 thousand. Reference should be made to item 8 Trade receivables for comments on the provision for doubtful accounts and to item 16 for comments on provisions for other risks and charges.

24. Net financial income and expenses

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Income from securities	20	18	2
Other income	712	100	612
Discounting income on provisions	108	1,309	(1,201)
TOTAL FINANCIAL INCOME	**840**	**1,427**	**(587)**
Interest expenses and bank charges	(1,632)	(850)	(782)
Discounting charges on provisions	(865)	(77)	(788)
Interest charges for discounting of liabilities for leasing	(29)	(18)	(11)
Other financial expenses	(601)	(526)	(75)
Write-down of investments	(75)	0	(75)
TOTAL FINANCIAL EXPENSES AND WRITE-DOWNS OF INVESTMENTS	**(3,202)**	**(1,471)**	**(1,731)**
TOTAL FINANCIAL INCOME AND EXPENSES	**(2,362)**	**(44)**	**(2,318)**

Net financial expenses amounted to Euro 2.4 million compared to net expenses of Euro 44 thousand in the previous year due to:

- of the decrease in income from the discounting of provisions due to the decrease in projected interest rates, which also contributes to the increase in provision discounting charges;
- of the increase in financial expense on loans, again due to the rate effect and accessory charges to the loan with Sace guarantee.

"Financial income other than above", which mainly includes the return on Time Deposits recognised as current assets, increased, while "write-downs of investments" includes the write-down of the 5% equity investment in Urban V as a result of losses recognised as of November 30, 2023, in accordance with Article 2447 of the Civil Code (please refer to Note 3 Investments).

25. Income taxes

The following table shows income taxes for the year for 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Current income taxes	3,595	1,727	1,868
Deferred tax (assets) and liabilities	3,121	3,081	40
TOTAL INCOME TAXES FOR THE YEAR	**6,716**	**4,808**	**1,908**
% current taxes on results before taxes	**15.35%**	**4.81%**	**10.54%**
% income taxes for the year on results before taxes	**28.67%**	**13.39%**	**15.29%**

In 2023, income taxes amounted to Euro 6.7 million, an increase compared to FY 2022 despite the lower pre-tax result taking into account the tax relief in 2022 on the COVID-19 grant, which did not contribute to the IRES and IRAP taxable base in accordance with Article 10-*bis* of Decree Law No. 137/2020.

"Current income taxes" comprises:

- Euro 2.1 million of "tax consolidation charges" for IRES on a reduced taxable base in 2023 thanks to the full utilisation of the residual 2020-2021 tax losses, as presented in the effective and theoretical IRES rate reconciliation table.
- Euro 1.4 million of IRAP for the year, as detailed in the table below:

Breakdown of current taxes for the year	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Charges from tax consolidation	2,142	718	1,424
IRAP	1,424	1,012	412
Prior year taxes	29	(3)	32
TOTAL	**3,595**	**1,727**	**1,868**

The reconciliation between the IRES effective and theoretical tax rate is illustrated below:

IRES effective/theoretical Tax Rate Reconciliation	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Pre-tax result	23,422	35,917	(12,495)
Ordinary tax rate	**24%**	**24%**	**0%**
Theoretical tax charge / (recovery) 24%	5,621	8,620	(2,999)
Effect of increases and decrease to the ordinary rate			
Provisions deductible in future years	3,722	1,708	2,014
Costs deductible in future years	4,045	3,361	684
Other non-deductible costs	1,207	4,026	(2,819)
Utilisation provisions deductible in future years	(907)	(1,150)	243
Costs not deductible in previous years	(2,609)	(2,394)	(215)
Other differences	(2,174)	(2,765)	591
Contribution COVID compensation fund	0	(21,137)	21,137
Prior ACE use	0	(1,485)	1,485
Current ACE use	(1,216)	(845)	(371)
Utilisation prior year losses	(16,660)	(11,972)	(4,688)
Release deferred tax assets/Provision deferred tax liability	94	(270)	364
Total increase/decrease	**(14,498)**	**(32,924)**	**18,426**
Assessable income	**8,924**	**2,993**	**5,931**
Current IRES	2,142	718	1,424
Effective IRES rate	**9.14%**	**2.00%**	**7.14%**

26. Related party transactions

For the definition of "Related Parties", reference should be made to IAS 24, approved by Regulation (EC) No. 1725/2003.
Intercompany transactions are carried out within the scope of ordinary operations and at normal market conditions. Related party transactions principally concern commercial and financial transactions, in addition to participation in the tax consolidation. None of these have particular economic or strategic significance for the company as they do not account for a significant percentage of the total financial statement amounts.
The Bologna Chamber of Commerce shareholders were identified as a Government party, therefore exempt from the disclosure regarding related parties as defined by IAS 24. The categorisation of the Bologna Chamber of Commerce as a Government party therefore limited the checks required for the identification of related parties to the mere identification of the Bologna Chamber of Commerce. No additional information is reported in the financial statements concerning transactions undertaken by the company with the Bologna Chamber of Commerce as no significant transactions are undertaken with this shareholder.
Reference should be made to Note 26 of the parent company financial statements with regards to transactions with subsidiaries, while the following paragraph reports transactions with other related parties.

Related party transactions

In 2023, the Group undertook commercial transactions with subsidiaries of the shareholder Mundys Spa as follows:

- Telepass Spa: under the contract for the supply of electronic parking payment services using the Telepass system, AdB incurred costs of Euro 182 thousand compared with Euro 173 thousand in 2022. Trade payables were recognised for Euro 96 thousand (Euro 49 thousand at December 31, 2022);
- Urban V: at December 31, 2023 the parent company incurred costs for professional services provided by the investee for Euro 275 thousand (Euro 25 thousand in 2022) and recognised trade payables for Euro 122 thousand (Euro 31 thousand in 2022).

27. Commitments and risks

Environmental investment commitments

The Parent Company, through the Regional Agreement for a Low-Carbon Airport, signed with regional authorities in 2015 and updated in January 2020, has committed to perform work with a maximum total cost of Euro 9.3 million. These investments will be carried out over a period consistent with the timeframe for implementation of the airport Master Plan.
Specifically, in 2023 expropriation activities related to the land on which the first trees and tree species were planted as part of the construction of the forested strip north of the airport of an extension of 40 hectares including a bicycle path for the community were almost completed. The design phase continues of a cycle path linking the airport to the residents of Bologna and Lippo di Calderara di Reno.
For the other environmental commitments, please refer to Item 16 Liabilities for risks and charges, in addition to the Sustainability Report - Non-Financial Information Report 2023.

Types and management of other risks

With regards to the disclosure concerning the types and means of financial risk management under Article 2428, paragraph 2 No. 6 bis, reference should be made to the specific section of the Directors' Report, also with regards to the comment upon the other risks to which the Group is subject.

28. Law 124/2017 Article 1, paragraphs 125-129 - Transparency of public disbursements
In 2023, the Group did not utilise "State aid". For further details reference should be made to the National Registry for State Aid website, as per Article 52 of Law No. 234 of December 24, 2012.

SUBSEQUENT EVENTS AND BUSINESS OUTLOOK

No events have occurred subsequent to year end that would require changes in terms of the presented performance or equity and financial position and that would therefore necessitate adjustments and/or additional disclosures in the financial statements with reference to the amounts reported at December 31.

Reference should be made to the Directors' Report for further details and for information on the business outlook.

The Chairperson of the Board of Directors
(Enrico Postacchini)

Bologna, March 14, 2024

Declaration on the consolidated financial statements as per Article 154-bis, paragraph 5, CFA

1. The undersigned Nazareno Ventola, as Chief Executive Officer, and Patrizia Muffato, as Executive Officer for Financial Reporting, of Aeroporto Guglielmo Marconi di Bologna S.p.A., declare, also in consideration of Article 154-bis, paragraphs 3 and 4 of Legislative Decree No. 58 of February 24, 1998:
   - the accuracy of the information on company operations and
   - of the administrative and accounting procedures for the preparation of the consolidated financial statements for the year ended December 31, 2023.
2. The valuation of the adequacy of the accounting and administrative procedures for the preparation of the consolidated financial statements at December 31, 2023, is based on a process defined by Aeroporto Guglielmo Marconi di Bologna S.p.A., in accordance with the Internal Control Integrated Framework defined by the Committee of the Sponsoring Organisations of the Treadway Commission, which represents the benchmark standard generally accepted at international level.
3. We also declare that:

   3.1 the Consolidated Financial Statements as at December 31, 2023:

   a) were prepared in accordance with international accounting standards, recognised in the European Union pursuant to EU Regulation No. 1606/2002 of the European Parliament and Council, of July 19, 2002;

   b) correspond to the underlying accounting documents and records;

   c) provide a true and fair view of the financial position, financial performance and cash flow of the Issuer and of the other companies in the consolidation scope.

   3.2 The Directors' Report includes a reliable analysis on the performance and operating result as well as on the situation of the issuer and of the companies included in the consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

Bologna, 14 Marzo 2024

Amministratore Delegato

Nazareno Ventola

Dirigente preposto alla redazione dei documenti contabili societari

Patrizia Muffato

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Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated January 27, 2010 and article 10 of EU Regulation n. 537/2014
(Translation from the original Italian text)

To the Shareholders of
Aeroporto Guglielmo Marconi di Bologna S.p.A.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Aeroporto Guglielmo Marconi di Bologna Group (the Group), which comprise the statement of financial position as at December 31, 2023, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity and the cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing article 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Aeroporto Guglielmo Marconi di Bologna S.p.A. in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters:

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Sede Secondaria: Via Lombardia, 31 – 00187 Roma
Capitale Sociale Euro 2.600.000,00 i.v.
Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
Codice fiscale e numero di iscrizione 00434000584 - numero R.E.A. di Milano 606158 - P.IVA 00891231003
Iscritta al Registro Revisori Legali al n. 70945 Pubblicato sulla G.U. Suppl. 13 - IV Serie Speciale del 17/2/1998

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Key Audit Matters	Audit Response
Impairment test on the Concession rights *Concession rights* recognized in the consolidated financial statements as at 31 December 2023 amount to Euro 224.7 million and are subjected to an Impairment Test at least once a year or more frequently if internal and external indicators of impairment of these assets occur. The processes and methodologies for measuring the recoverable amount of these assets are based at times on complex assumptions, which by their nature imply the use of judgment by the directors, especially with reference to the forecast of traffic volumes, tariff levels and the consequent cash flows, as well as the determination of the applicable discount rates. These forecasts, relating to a broad time horizon such as that of the concession period, are impacted by the risk factors and uncertainties that characterize the current market context. In consideration of the judgment required and the complexity of the assumptions used in estimating the recoverable amount of the *Concession Rights*, we deemed that this aspect represents a key matter in the audit. The disclosures relating to this key matter are included in note 1. "Intangible assets".	Our audit procedures in response to this key audit matter included, amongst others: • analysis of the valuation methodology adopted by the Group; • analysis of the main assumptions underlying the financial and economic forecasts used for the Impairment Test; • analysis of the consistency of these assumptions with the 2024-2028 business plan approved by the directors and with the market context; • discussions with *management* regarding the manner of construction of the Impairment Test model; • testing the consistency of the discount rate applied (WACC). In performing our audit procedures, we also involved our valuation specialists who performed an independent calculation and carried out a sensitivity analysis of the key assumptions for the purpose of determining changes in assumptions that could significantly impact the determination of the recoverable amount. Lastly, we reviewed the adequacy of the disclosures provided in the notes to the financial statements in relation to the key audit matter.
Estimate of the *Provision for renewal of airport infrastructure* The *Provision for renewal of airport infrastructure* (the "Provision") recorded in the consolidated financial statements as at December 31, 2023 amounts to Euro 14.3 million and includes accruals for non-recurring maintenance expenses, as well as estimated future costs for restoration and replacement of assets under concession that the Group plans to incur in accordance with the obligations of the concession agreements in place. The processes and methodologies for measuring and determining such estimated future costs are based at times on complex assumptions, which by their nature, imply the use of judgment by	Our audit procedures performed in response to this key audit matter included, amongst others: • analysis of the process and key controls implemented by the Group; • understanding of the concession agreement from which the obligation arises; • analysis of the main changes to the amount of the Provision as compared to the prior year; • a critical analysis of the assumptions underlying the calculation of the

the directors, in particular with reference to the nature of the maintenance work to be carried out, the expected timing of such and the quantification of the related costs, including the relevant financial component applied based on the timing of such maintenance work. Considering the judgment required by the directors in order to evaluate the nature of the maintenance work, the timing of such and the quantification of the related costs, we deemed that this aspect represents a key matter in the audit.

The disclosures relating to the valuation of the *Provision for renewal of airport infrastructure* are included in paragraph "Provisions for risks and charges" of the section "Accounting policies", as well as in notes 15. "Provision for renewal of airport infrastructure (non-current and current)".

Provision, through the verification of the consistency of such with the supporting technical report prepared by the Group's competent departments, with the 2024-2028 business plan approved by the directors and with the additional historical and forecast information available;

- test of details on a sample of Provision's utilizations recorded during the fiscal year;
- testing the reasonableness of the discount rate used and the mathematical accuracy of the accrued Provision.

Lastly, we reviewed the adequacy of the disclosures provided in the notes to the financial statements in relation to the key audit matter.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing article 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the Parent Company Aeroporto Guglielmo Marconi di Bologna S.p.A. or to cease operations or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance, identified at an appropriate level as required by international standards on auditing (ISA Italia), regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated with them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Aeroporto Guglielmo Marconi di Bologna S.p.A., in the general meeting held on May 20, 2015, engaged us to perform the audits of the financial statements and the consolidated financial statements for each of the years ending December 31, 2015 to December 31, 2023.

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We declare that we have not provided prohibited non-audit services, referred to article 5, paragraph 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the consolidated financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of Aeroporto Guglielmo Marconi di Bologna S.p.A. are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Delegated Regulation") to the consolidated financial statements, to be included in the annual financial report.

We have performed the procedures under the auditing standard SA Italia n. 700B, in order to express an opinion on the compliance of the consolidated financial statements as at December 31, 2023 with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at December 31, 2023 have been prepared in the XHTML format and have been marked-up, in all material aspects, in compliance with the provisions of the Delegated Regulation.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated January 27, 2010 and of article 123-bis, paragraph 4, of Legislative Decree n. 58, dated February 24, 1998

The Directors of Aeroporto Guglielmo Marconi di Bologna S.p.A. are responsible for the preparation of the Directors' Report and of the Report on Corporate Governance and Ownership Structure of Aeroporto Guglielmo Marconi di Bologna Group as at December 31, 2023, including their consistency with the related consolidated financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Directors' Report and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated February 24, 1998, with the consolidated financial statements of Aeroporto Guglielmo Marconi di Bologna Group as at December 31, 2023 and on their compliance with the applicable laws and regulations, and in order to assess whether they contain material misstatements.

In our opinion, the Directors' Report and the above-mentioned specific information included in the Report on Corporate Governance and Ownership Structure are consistent with the consolidated financial statements of Aeroporto Guglielmo Marconi di Bologna Group as at December 31, 2023 and comply with the applicable laws and regulations.

With reference to the statement required by article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated January 27, 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Statement pursuant to article 4 of Consob Regulation implementing Legislative Decree n. 254, dated 30 December 2016

The Directors of Aeroporto Guglielmo Marconi di Bologna S.p.A. are responsible for the preparation of the non-financial information pursuant to Legislative Decree n. 254, dated December 30, 2016. We have verified that non-financial information has been approved by Directors.
Pursuant to article 3, paragraph 10, of Legislative Decree n. 254, dated December 30, 2016, such non-financial information is subject to a separate compliance report signed by us.

Bologna, March 28, 2024

EY S.p.A.
Signed by: Marco Menabue, Auditor

As disclosed by the Directors on the first page, the accompanying consolidated financial statements of Aeroporto Guglielmo Marconi di Bologna S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815.

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

Financial Statements for the year ended December 31, 2023

Statement of Financial Position
Income Statement
Statement of Comprehensive Income
Cash Flow Statement
Statement of Changes in Shareholders' Equity

Statement of Financial Position

in units of Euro	Notes	As at 31.12.2023	As at 31.12.2022
Concession rights		220,770,676	201,572,968
Other intangible assets		1,479,031	1,389,785
Intangible assets	**1**	**222,249,707**	**202,962,753**
Land, property, plant and equipment		10,629,613	11,084,299
Investment property		1,617,000	1,617,000
Tangible assets	**2**	**12,246,613**	**12,701,299**
Investments	**3**	3,189,098	3,264,098
Other non-current financial assets	**4**	14,948,882	12,425,301
Deferred tax assets	**5**	6,643,257	9,793,525
Other non-current assets	**6**	146,539	220,536
Other non-current assets		**24,927,776**	**25,703,460**
NON-CURRENT ASSETS		**259,424,096**	**241,367,512**
Inventories	**7**	805,441	816,159
Trade receivables	**8**	18,126,017	11,664,737
Other current assets	**9**	6,537,516	5,294,660
Current financial assets	**10**	5,001,983	45,058,219
Cash and cash equivalents	**11**	36,327,401	20,655,663
CURRENT ASSETS		**66,798,358**	**83,489,438**
TOTAL ASSETS		**326,222,454**	**324,856,950**

in units of Euro	Notes	As at 31.12.2023	As at 31.12.2022
Share capital		90,314,162	90,314,162
Reserves		91,822,462	62,420,877
Profit (loss)		15,893,348	29,443,458
TOTAL SHAREHOLDERS' EQUITY	**12**	**198,029,972**	**182,178,497**
Severance and other personnel provisions	13	2,941,347	2,973,914
Deferred tax liabilities	14	2,139,058	2,163,127
Provision for renewal of airport infrastructure	15	11,804,382	10,447,818
Provisions for risks and charges	16	4,260,617	1,216,472
Non-current financial liabilities	17	20,711,182	46,933,974
Other non-current liabilities		75,169	113,638
NON-CURRENT LIABILITIES		**41,931,755**	**63,848,943**
Trade payables	18	26,043,868	24,291,756
Other liabilities	19	38,566,939	34,722,056
Provision for renewal of airport infrastructure	15	2,178,808	2,554,961
Provisions for risks and charges	16	449,402	0
Current financial liabilities	17	19,021,710	17,260,737
CURRENT LIABILITIES		**86,260,727**	**78,829,510**
TOTAL LIABILITIES		**128,192,482**	**142,678,453**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		***326,222,454***	***324,856,950***

Income Statement

in units of Euro	Notes	for the year ended 31.12.2023	for the year ended 31.12.2022
Revenues from aeronautical services		56,241,576	46,087,684
Revenues from non-aeronautical services		51,172,135	41,664,406
Revenues from construction services		28,413,613	15,951,846
Other operating revenues and income		1,745,238	22,520,682
Revenues	**20**	**137,572,562**	**126,224,618**
Consumables and goods		(1,339,439)	(1,093,278)
Service costs		(23,488,858)	(20,298,568)
Revenues from construction services		(27,060,584)	(15,192,235)
Leases, rentals and other costs		(10,309,713)	(8,171,533)
Other operating expenses		(3,574,006)	(3,159,663)
Personnel expense		(29,795,194)	(25,938,026)
Costs	**21**	**(95,567,794)**	**(73,853,303)**
Amortisation/impairment of Concession Rights		(8,265,771)	(7,829,176)
Amortisation of other intangible assets		(691,224)	(660,055)
Depreciation of tangible assets		(2,198,066)	(5,176,077)
Depreciation, amortisation and impairment	**22**	**(11,155,061)**	**(13,665,308)**
Provisions for doubtful accounts		661,928	(687,141)
Provision for renewal of airport infrastructure		(3,448,064)	(4,060,490)
Provisions for other risks and charges		(3,502,159)	(165,097)
Provisions for risks and charges		**(6,288,295)**	**(4,912,728)**
Total Costs		**(113,011,150)**	**(92,431,339)**
Operating result		**24,561,412**	**33,793,279**
Financial income		817,472	1,392,763
Financial expenses		(3,125,788)	(1,449,090)
Pre-tax result		**22,253,096**	**33,736,952**
Taxes for the year		(6,359,748)	(4,293,494)
Profit (loss) for the year		**15,893,348**	**29,443,458**

Undiluted earnings/(loss) per share (in Euro)	**0.44**	**0.83**
Diluted earnings/(loss) per share (in Euro)	**0.44**	**0.83**

Statement of Comprehensive Income

in units of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022
Profit (loss) for the year (A)	**15,893,348**	**29,443,458**
Other profits (losses) that will be reclassified in the net result for the year	0	0
Total other profits (losses) that will be reclassified in the net result for the year (B1)	**0**	**0**
Other profits (losses) that will not be reclassified in the net result for the year		
Actuarial profits (losses) on severance and other personnel provisions	(55,454)	502,754
Tax impact on actuarial profits (losses) on severance and other personnel provisions	13,581	(123,079)
Total other profits (losses) that will not be reclassified in the net result for the year (B2)	**(41,873)**	**379,675**
Total other profits (losses), net of taxes (B1 + B2) = B	**(41,873)**	**379,675**
Total profits (losses), net of taxes (A + B)	**15,851,475**	**29,823,133**

Cash Flow Statement

in units of Euro	As at 31.12.2023	As at 31.12.2022
Core income-generating operations		
Result for the year before taxes	22,253,096	33,736,952
Adjustments to items with no impact on cash and cash equivalents		
- Margin from construction services	(1,353,029)	(759,611)
+ Depreciation and amortisation	11,155,061	13,665,308
+ Provisions	6,288,295	4,912,728
+ Interest expense (income) on discounting and severance provisions	764,627	(1,207,813)
+/- Interest income and financial expenses	1,543,689	1,264,140
+/- Losses/gains and other non-monetary costs/revenues	175,082	341,907
+/- Severance provisions and other personnel costs	120,847	125,631
Cash flow generated/(absorbed) by operating activities before changes in working capital	**40,947,668**	**52,079,242**
Change in inventories	10,718	(121,736)
(Increase)/decrease in trade receivables	(5,830,525)	7,163,224
(Increase)/decrease in other receivables and current/non-current assets	(4,220,811)	976,150
Increase/(decrease) in trade payables	1,752,113	6,366,866
Increase/(decrease) in other liabilities, various and financial	7,995,699	5,590,355
Interest paid	(2,003,160)	(1,352,051)
Interest collected	729,598	899
Taxes paid	(2,550,776)	131,679
Severance and other personnel provisions paid	(204,515)	(92,102)
Use of provisions	(3,296,481)	(2,342,546)
Cash flow generated / (absorbed) by net operating activities	**33,329,528**	**68,399,980**
Purchase tangible assets	(2,105,371)	(2,027,785)
Purchases of intangible assets/concession rights	(26,507,179)	(16,302,730)
Payment from sale of intangible assets	6,834	10,874
Acquisition of equity investments	0	(75,000)
Changes in current and non-current financial assets	40-000.000	(45,000,000)
Cash flow generated / (absorbed) by investing activities	**11,394,284**	**(63,394,641)**
Loans received	15,000.000	0
Loans repaid	(43,455,556)	(5,680,557)
Payments of leasing capital share	(596,518)	(641,576)
Cash flow generated / (absorbed) by financing activities	**(29,052,074)**	**(6,322,133)**
Final cash change	**15,671,738**	**(1,316,794)**
Cash and cash equivalents at beginning of year	**20,655,663**	**21,972,457**
Final cash change	**15,671,738**	**(1,316,794)**
Cash and cash equivalents at end of the year	**36,327,401**	**20,655,663**

Statement of changes in Shareholders' Equity

in units of Euro	*Share capital*	*Share Premium Reserve*	*Legal Reserve*	*Others Reserves*	*FTA Reserve*	*Actuarial profits (losses) reserve*	*Profit (losses) carried forward*	*Profit (loss) for the year*	*Shareholders' Equity*
Shareholders' Equity as at 31.12.2021	**90,314,162**	**25,683,134**	**8,034,062**	**52,034,855**	**(3,205,671)**	**(991,243)**	**(11,971,583)**	**(7,542,354)**	**152,355,364**
Allocation of the 2021 financial year result	0	0	0	0	0	0	(7,542,354)	7,542,354	0
Share capital increase	0	0	0	0	0	0	0	0	0
Dividends paid	0	0	0	0	0	0	0	0	0
Total comprehensive profit (loss)	0	0	0	0	0	379,675	0	29,443,458	29,823,133
Shareholders' Equity as at 31.12.2022	**90,314,162**	**25,683,134**	**8,034,062**	**52,034,855**	**(3,205,671)**	**(611,568)**	**(19,513,937)**	**29,443,458**	**182,178,497**
Allocation of the 2022 financial year result	0	0	1,472,173	27,971,285	0	0	0	(29,443,458)	0
Share capital increase	0	0	0	0	0	0	0	0	0
Dividends paid	0	0	0	0	0	0	0	0	0
Total comprehensive profit (loss)	0	0	0	0	0	(41,873)	0	15,893,348	15,851,475
Shareholders' Equity as at 31.12.2023	**90,314,162**	**25,683,134**	**9,506,235**	**80,006,140**	**(3,205,671)**	**(653,442)**	**(19,513,937)**	**15,893,348**	**198,029,972**

Notes to the Financial Statements for the year ended December 31, 2023

Information on the Company's business

Aeroporto Guglielmo Marconi di Bologna S.p.A. (hereinafter "AdB" or the "Company") is full manager of Bologna airport under Full Management Agreement No. 98 of July 12, 2004 and subsequent additional instruments, approved by Decree of the Ministry of Transport and Infrastructure and the Ministry of the Economy and Finance on March 15, 2006, with a term of 40 years from December 28, 2004 and expiry in December 2046 following the extension of two years in accordance with Law No. 77 of July 17, 2020, which converted Article 102, paragraph 1-bis of Law Decree No. 34 of May 19, (Relaunch Decree) in order to contain the economic effects of the COVID-19 emergency. Its registered office is located at Via del Triumvirato 84, Bologna and it is registered with the Bologna Companies Register.

Accounting Standards adopted for the preparation of the Financial Statements for the year ended December 31, 2023

Basis of preparation

These financial statements of the company concern the year ended December 31, 2023 and include the comparative figures for the year ended December 31, 2022 (hereafter "the financial statements of the company", "separate financial statements" or "financial statements").
The financial statements were prepared under the historic cost convention, except for financial assets held-for-sale, and Intangible Assets comprising Energy Certificates, which were recognised at fair value, and in accordance with the going concern principle.
These financial statements are presented in thousands Euro, which is also the company functional currency, and all amounts are rounded to the nearest thousands of Euro, where not otherwise indicated.

Compliance with IAS/IFRS and the enacting provisions of Article 9 of Legislative Decree 38/2005

These financial statements were prepared in compliance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") endorsed by the European Union and in force at the preparation date of the financial statements, in addition to the provisions issued in enactment of Article 9 of Legislative Decree 38/2005 (Consob Motions No. 15519 and 15520 of July 27, 2006).

In 2014, the Company voluntarily opted to prepare the consolidated financial statements and the separate financial statements in accordance with the International Accounting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The accounting standards and policies utilised are those adopted for the preparation of the annual financial statements at December 31, 2022 with the exception of the new accounting standards, amendments and interpretations which entered into force from January 1, 2023, applied for the first time by the Company at the obligatory effective date and summarised in this document in the paragraph "Accounting standards, amendments and interpretations endorsed by the European Union adopted by the Company".

The Company has not adopted in advance any accounting standard, interpretation or amendment issued but not yet in effect.
The publication of the financial statements of Aeroporto Guglielmo Marconi di Bologna S.p.A. for the year ended December 31, 2023 was approved by the Board of Directors on March 14, 2024 and shall be subject to audit by EY S.p.A..

Content and form of the Financial Statements

The company opted to apply the Separate and Comprehensive Income Statements, as permitted by IAS 1, considering such more representative of operations.
In particular, the Statement of Financial Position has been prepared by separating assets and liabilities into current and non-current categories.
An asset is current when:

- it is expected to be realised, or is held for sale or consumption, in the normal course of the operating cycle;
- it is held principally for trading;
- it is expected to be realised within twelve months from the reporting date;
- it comprises cash or cash equivalents, upon which no prohibition exists on their exchange or utilisation to settle a liability for at least 12 months from year-end.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled within the normal operating cycle;
- it is held principally for trading;
- it must be settled within twelve months of the closing date of the year or
- the entity does not have an unconditional right to defer settlement of the liability for at least twelve months of year-end.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Income Statement has been prepared by classifying income and expenses by their nature, whereas the Cash Flow Statement has been prepared using the indirect method, according to which cash flows are classified into operating, investing and financing categories.

Information upon investments in subsidiaries and associates

The information at December 31, 2023 and 2022 concerning the name, Share Capital and percentage holding in the subsidiaries is provided below:

			% Held	
in thousands of Euro	**Currency**	**Share capital**	**As at 31.12.2023**	**As at 31.12.2022**
Fast Freight Marconi S.p.a. Società Unipersonale	Euro	520	100.00%	100.00%
Tag Bologna S.r.l. Società Unipersonale	Euro	316	100.00%	100.00%

Accounting policies

Business combinations and goodwill

Business combinations are recognised using the acquisition method. The purchase cost is calculated as the total of the fair value consideration transferred at the acquisition date, and the value of any minority equity holding. For every business combination, the company decides whether to measure the minority interest at fair value or in proportion to the amount held in the identifiable net assets of the investee. The acquisition costs are expensed in the year and classified under administration expenses.

When the company acquires a business, the financial assets acquired or liabilities assumed under the agreement are classified or designated in accordance with the contractual terms, the economic conditions and the other conditions at the acquisition date. This includes the verification to establish whether an embedded derivative must be separated from the host contract.

In the case of business combinations undertaken in a series of phases, the previous holding is remeasured at fair value at the acquisition date and any gain or loss is recorded to the income statement. It is therefore considered in the determination of goodwill.

Any contingent payment to be recognised is recorded by the acquirer at fair value at the acquisition date. The change in the fair value of the potential payment classified as an asset or liability must be recorded in the income statement or in the statement of comprehensive income. Where the potential payment is not within the scope of IAS 39, the amount is measured in accordance with the appropriate IFRS. If the potential payment is classified in equity, the amount is not remeasured and its subsequent settlement is recorded in equity.

The goodwill is initially recorded at cost represented by the excess of the total consideration paid and the amount recognised for the minority interest holdings compared to the net identifiable assets acquired and liabilities assumed by the company. If the fair value of the net assets acquired exceeds the total consideration paid, the company again verifies if it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedure utilised to determine the amount to be recorded at the acquisition date. If from the new valuation the fair value of the net assets acquired is still above the consideration, the difference (profit) is recorded in the income statement.

After its initial recognition, goodwill is measured at cost, net of accumulated impairment. For the purpose of impairment testing, goodwill acquired in a business combination must be allocated, from the acquisition date, to each of the company's cash-generating units which are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the entity are assigned to those units. If the goodwill is allocated to a cash generating unit and the entity sells part of the activities of this unit, the goodwill associated with the activity sold is included in the book value of the activity when determining the gain or loss deriving from the sale. The goodwill associated to assets sold is calculated based on the relative values of the asset sold and the part maintained by the cash generating unit.

Investments in subsidiaries, associates and joint ventures

A subsidiary is a company over which control may be exercised.

This occurs when and only when it has:

- power over the investment entity (or holds valid rights which confer it the current capacity to control the significant activities of the investment entity);
- exposure or rights to variable returns deriving from involvement with the investment entity;
- the capacity to exercise its power on the investment entity to affect its income streams.

When a company holds less than the majority of the voting rights (or similar rights) of an investee, it should consider all the facts and significant circumstances to establish whether control of the investment entity exists, including:

- Contractual agreements with other holders of voting rights;
- Rights deriving from contractual agreements;
- voting rights and potential voting rights.

The company reconsiders if it has control of an investee and if the facts and circumstances indicate that there have been changes in one or more of the three significant elements for the definition of control.

The investments of the company in subsidiaries are valued at cost, adjusted in the case of impairment.

An associated company is one in which the company exercises significant influence and is not classifiable as a subsidiary or joint venture.
The investments of the company in associates are valued at cost, adjusted in the case of impairment.

Conversion of accounts in foreign currencies
Transactions and balances
Foreign currency transactions are initially recorded in the functional currency, applying the exchange rate at the transaction date.
Monetary assets and liabilities in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. The profits and losses deriving from the conversion are recorded in the income statement.
Non-monetary items, measured at historical cost in foreign currency, are translated using the exchange rates on the date the transaction was first recorded. The non-monetary accounts recorded at fair value in foreign currencies are converted using the exchange rate at the date the value was determined. The profit or loss deriving from the translation of non-monetary items is treated in line with the recognition of the profit or loss recorded on the change in the fair value of these items (i.e. the translation differences on the accounts to which the fair value changes is recorded in the statement of comprehensive income or in the income statement are recorded, respectively in the statement of comprehensive income or in the income statement).

Intangible assets
An intangible asset is an asset without physical substance, identifiable, under control of the entity and capable of generating future economic benefits, and those derived from business combinations.
The useful life of the intangible assets is measured as finite or indefinite.
Intangible assets with a definite useful life are recorded at acquisition or production cost or, where deriving from business combinations, are capitalised at the fair value at the acquisition date; these assets include accessory charges, amortised on a straight-line basis for the period of their residual useful life in accordance with IAS 36 and undergo an impairment test whenever there are indications of loss in value.
The residual value at the end of the useful life is presumed to be zero unless there is a commitment by a third-party purchaser of the asset at the end of the useful life or an active market for the asset exists. The Directors review the estimate of the useful life of intangible assets at each reporting date.
The amortisation of definite intangible assets is recorded in the income statement.

The company has not identified intangible assets with indefinite useful lives.
The useful life of an intangible asset deriving from contractual rights or other legal rights is determined on the basis of the lower between the duration of the contractual or legal rights (concession duration) and the utilisation period of the asset. The recoverability of the carrying value less amortisation is verified annually adopting the impairment test criteria.

The gains and losses deriving from the elimination of an intangible asset are measured as the difference between the net sales proceeds and the book value of the intangible asset, and are recorded in the income statement in the year in which they are eliminated.

"Concession rights" refer to the amount recognised under intangible assets against the airport infrastructure assets held in relation to the concession rights acquired for the management of the infrastructures which permits the right to charge for the utilisation of such infrastructure, in execution of a public service, in accordance with the provisions of IFRIC 12 – Service Concession Arrangements.

The Concession under which the company operates meets the requirement that the concession holder must construct and operate the infrastructure on the grantor's behalf. Accordingly, the Group may not recognise it among tangible assets.

The Company contracts with third parties responsible for constructing and improving the infrastructure. Accordingly, the increases in "Concession rights" are at cost, equal to the fair value of the fees for the construction/improvement services rendered by the company and the fair value of the fees for the construction/improvement service rendered by third parties, plus a mark-up representative of the internal costs of planning and coordination of the work by a specific internal unit.

The external costs incurred to provide construction service are therefore recognised under the item "Construction service costs" of the income statement.

Together with these costs, the company also recognises an increase in the item "Concession rights" equal to the fair value of the service rendered, with a balancing entry to the item "Revenues from Construction services".

The resulting concession rights are amortised on a straight-line basis over the term of the concession, starting when the asset constructed on the grantor's behalf becomes operational.

In accordance with Article 703 of the Navigation Code (Article 15-quinquies, paragraph 1, Legislative Decree No. 148 of October 16, 2017, converted with amendments by Law No. 172 of December 4, 2017), AdB, as an airport manager, shall receive on conclusion of the concession from the succeeding party, a fee equal to the residual value, where positive (Terminal Value) of the investments made on the concession areas, net of amortisation and depreciation, calculated according to the regulatory accounting rules.

The Receivables from Terminal Value is recorded for the portion of fees from construction/improvement services provided by the company regarding the investments which shall have a Terminal Value at concession conclusion, calculated according to the regulatory accounting rules. The Terminal Value is discounted and recognised to non-current financial assets.

The Terminal Value rule is applicable also to interventions on the provisions for renewal, while calculated according to the regulatory accounting rules. This Terminal Value is an integration to the performance obligation fee, as per IFRS 15, concerning the concession contract. Consequently, non-current financial assets are recorded, with counterentry to Other revenues and income in the income statement. Subsequent to the initial recognition, the Terminal Value receivable is valued at amortised cost on the basis of a "Hold to Collect" business model. For further details, reference should be made to the accounting policies for financial assets. With regards to the Terminal Value receivable, this is subject to an impairment test as per IFRS 9, taking account of the default risk of the State counterparty.

"Software, licences and similar rights" primarily refers to the costs of implementing and customising management software and of purchasing software licences, amortised at a rate of 33%.

Tangible assets

Tangible assets are initially recognised at purchase price or construction cost and includes the price paid to acquire or construct the asset (net of discounts) and any directly attributable costs to the acquisition and necessary for the asset to enter into service.

Land, both constructible and relating to civil and industrial buildings, is accounted for separately and is not depreciated in that it has an indefinite useful life.

Tangible fixed assets are presented net of accumulated depreciation and any losses in value, calculated as described below. Depreciation is calculated, on a straight-line basis, based on the estimated useful life. Where a tangible fixed asset comprises a number of significant components with differing useful lives, the depreciation is carried out separately for each component. Land is not depreciated and fixed assets held-for-sale are valued at the lower of the subscription value and the fair value net of selling costs.

The depreciation rates used are as follows:

- Buildings and light construction: from 3% to 10%;
- Machinery, equipment and plant: from 10% to 31.5%;
- Furnishings, office machines and vehicles: from 12% to 25%.

The residual value of the asset, useful life and the methods applied are reviewed on an annual basis and adjusted if necessary at the end of each year.

Losses in value are charged to the income statement under depreciation costs. Such losses are restated when the reasons for their write-down no longer exist.

At the time of sale, or when there are no expected future economic benefits from the use of an asset, it is eliminated from the financial statements and any loss or profit (calculated as the difference between sale's price and book value) is charged to the statement of profit and loss in the year of its elimination.

Maintenance and repair expenses, which do not increase the value and/or extend the residual useful life of the asset are expensed in the year in which they are incurred; where they increase the value and/or extend the residual life of the assets, they are capitalised.

Investment property

The Company classifies the property complex purchased for the execution of future real-estate investments to be defined as investment property.

The complex is initially recognised at purchase cost and then measured at cost, in accordance with IAS 16.

The Company uses technical valuations to monitor the fair value of the property in question in order to determine whether it has become impaired.

Investment properties are eliminated from the financial statement when they are sold or when they are unusable on a long-term basis and no future economic benefits are expected from their sale. Any profits or losses due to the retirement or disposal an investment property are recognised in the income statement when the property is retired or disposed of.

Impairment of non-financial assets

The carrying amount of non-financial assets undergo an impairment test whenever there are signs internal or external to the entity which indicate the possibility of a loss in value of the assets or group of assets (defined as the Cash Generating Unit or CGU).

The recoverable value is the higher between the fair value of the asset or cash generating unit, net of selling costs, and its value in use. The recoverable value is determined by individual asset except when this asset generates cash flows which are not sufficiently independent from those generated by other assets or groups of assets.

If the carrying amount of an asset is higher than its recoverable value, this asset has incurred a loss in value and is consequently written down to the recoverable value. In the determination of the value in use, the estimated future cash flows are discounted by the Company at a pre-tax rate that reflects the market assessment of the current value of money and the risks specific to the asset. In determining the fair value less selling costs, an adequate valuation model is utilised. These calculations are made utilising appropriate valuation multipliers, listed equity prices for publicly traded securities and other fair value indicators available.
The losses in value incurred by operating assets are recorded in the income statement in the category of costs relating to those assets.
At each reporting date, the company evaluates, in relation to the assets other than goodwill, the existence of indicators of a reduction in the loss of value previously recorded and, where these indicators exist, makes an estimate of the recoverable value. The value of an asset previously written down may be restated only if there have been changes in the estimates used to determine the recoverable value of the asset after the last recording of a loss in value. The recovery of value cannot exceed the carrying amount which would have been calculated, net of depreciation or amortisation, where no such loss in value was recorded in previous years. This recovery is recorded in the income statement unless the fixed asset is recorded at revalued amount, in which case the recovery is treated as a revaluation profit.

The following criteria are utilised for the recording of impairments on specific categories of assets:

Concession rights
The company undertakes an impairment test on Concession rights annually at the year-end close or more frequently if events or changes in circumstances indicate that the carrying amount may have incurred a loss in value (whenever impairment indicators arise).
The loss in value on such intangible assets is determined through a valuation of the recoverable value of the cash generating unit (or group of units) to which they relate. When the recoverable value of the cash generating unit (or group of units) is lower than the carrying value of the cash generating unit (or group of cash-generating units) to which the intangible assets are allocated, a loss in value is recognised.
For impairment testing purposes, the company has identified a single CGU (cash generating unit), which coincides with the entity Aeroporto G. Marconi di Bologna S.p.A..
The impairment test compares the carrying amount of the asset or of the cash generating unit (CGU) with the recoverable value of the asset, arising from the higher between the fair value (net of selling costs) and the value of the net discounted cash flows which are expected to arise from the asset or from the CGU.
Each unit or Group of units to which the intangible asset is allocated represents the lowest level within the group to which the goodwill is monitored at internal management level.
The conditions and the methods for any write-back of an asset previously written down applied by the company, excluding in any case any recovery in the value of goodwill, are those as per IAS 36.

Financial assets
IFRS 9 provides for a single approach for the analysis and classification of all financial assets, including those contained in embedded derivatives. The classification and the relative measurement is made considering both the management model of the financial assets and the contractual characteristics of the cash flows from the asset.

The financial asset is measured using the amortised cost method where both of the following conditions are satisfied:

- the management model of the financial asset consists of holding the asset with the sole purpose of collecting the relative cash flows; and
- the financial asset generates, at pre-determined contractual dates, cash flows exclusively representative of the return from the financial asset and repayment of capital.

The financial asset is measured at fair value, with recognition of the effects in the statement of comprehensive income, if the objectives of the management model are to hold the financial asset in order to obtain the contractual cash flows or to sell the asset.
Finally, there is the residual category of financial assets measured at fair value with recognition of the effects through the income statement, which includes assets held for trading.
A financial asset which satisfies the requirements to be classified and measured at amortised cost may, on initial recognition, be designated as a financial asset at fair value, with recognition through the income statement, if this accounting treatment permits the elimination or significant reduction of the asymmetry in the measurement or recognition (so-called "accounting mismatch"), which would otherwise arise from the measurement of the asset or liability or from the recognition of the relative profits or losses on a different basis.
In addition, in the case of investments in equity instruments for which, therefore, it is not possible the recognition and measurement at amortised cost, where this concerns equity investments not held for trading purposes, but for strategic purposes, IFRS 9 provides that on initial recognition the entity may irrevocably choose to measure these at fair value, with recognition of any subsequent changes in the statement of comprehensive income without passing through profit or loss any gains or losses in the case of disposal.

Where the financial assets are only held for the company's temporary needs to invest liquidity in order to obtain the contractual cash flows these are classified in the category "Held to collect - HTC".
Where the financial assets meet the company's objective either to collect the contractual cash flows or the future sale these are classified in the category "Held to collect and sell – HTC&S".
The company does not hold and did not hold during the two-year period derivative financial instruments.

Loans and receivables
Loans, similar to trade receivables, are held until their collection at the contractual maturities and generate cash flows relating to the collection of the principal and interest. The company analysed the contractual cash flows of these instruments and concluded that they comply with the amortised cost measurement criteria in accordance with IFRS 9.

The amortised cost is calculated taking into consideration all discounts or purchase premiums and includes the commissions which are an integral part of the effective interest rate and of the transaction costs. Current trade receivables are not discounted as the effect of discounting the cash flows is immaterial. The gains and losses are recognised to the income statement when the loans and receivables are eliminated or if there is an impairment loss, also through the amortisation process.

Fair value
In the notes, the company discloses the fair value of financial instruments at amortised cost and non-financial assets, such as investment property.

Fair value concerns the price that will be received for the sale of an asset or which will be paid for the transfer of a liability, in a transaction settled between market operators at the measurement date.

Fair value measurement requires that the sale of the asset or transfer of the liability has taken place:

(a) in the principal market of the asset or liability; or

(b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal market or the most advantageous market must be accessible for the Company.

The fair value of an asset or liability is measured adopting the assumptions which market operators would utilise in the determination of the price of the asset or liability, assuming they act to best satisfy their economic interests.

The fair value measurement of a non-financial asset considers the capacity of a market operator to generate economic benefits utilising the asset to its maximum and best use or of selling to another market operator that would utilise the asset to its maximum or best use.

The Company utilises measurement techniques which are appropriate to the circumstances and for which there is sufficient available data to measure the fair value, maximising the utilisation of relevant observable inputs and minimising the use of non-observable inputs.

All the assets and liabilities for which the fair value is measured or stated in the financial statements are categorised based on the fair value hierarchy, as described below:

- Level 1 - listed prices (not adjusted) on active markets for identical assets or liabilities which the entity can access at the measurement date;
- Level 2 - inputs other than listed prices included in Level 1, directly or indirectly observable for the asset or the liability;
- Level 3 - measurement techniques for which the input data are not observable for the asset or for the liability.

The fair value measurement is classified entirely in the same hierarchical level of the fair value in which the lowest hierarchical input level utilised for the measurement is classified.

For the assets and liabilities recognised in the financial statements on a recurring basis, the company assesses whether there have been transfers between the hierarchy levels, reviewing the classification (based on the lowest input level, which is significant for the fair value measurement in its entirety) at each reporting date.

Impairment of financial assets

IFRS 9 defines a new impairment model of financial assets, with the objective to provide useful information to the readers of the financial statements in relation to expected losses. In particular, the model requires verification and recognition of any expected losses at any time over the life of the instrument and the updating of the expected losses at each reporting date to reflect the changes in the credit risk of the instrument; therefore, it is no longer necessary that a particular event arises ("trigger event") in order to verify and recognise losses on receivables.

The impairment test must be applied to all financial instruments, with the exception of those measured at fair value with recognition through the income statement.

The company applies the simplified Provision Matrix approach and recognises the expected losses on all trade receivables based on the residual duration, defining a matrix for the provision based on the historical experience relating to the losses on receivables, adjusted to take into account specific forecast factors relating to the creditors and the economic environment (Expected Credit Loss – ECL concept).

The book value of the asset is reduced through the use of a provision and the amount of the loss recognised in the income statement.

Receivables which have incurred a loss in value are reversed when it is determined that they are irrecoverable.

Derecognition of financial assets
Financial assets (or, where applicable, part of a financial asset or part of a group of similar financial assets) are derecognised firstly (e.g. eliminated from the balance sheet) when:

- the rights to receive cash flows from the asset are extinguished, or
- the company has transferred to a third party the right to receive the cash flows of the asset or has assumed the contractual obligation to pay entirely and without delay and (a) has substantially transferred all of the risks and rewards of ownership of the financial asset, or (b) has not substantially transferred all of the risks and rewards of the asset, but has transferred control.

Non-current assets held-for-sale and discontinued operations
Non-current assets classified as held-for-sale are measured at the lower of their carrying value and the fair value less selling costs. They are classified as such if the carrying value will be recovered through a sales operation rather than through their continual use. This condition exists only when the sale is highly probable and the asset or discontinued group is available for an immediate sale in its current conditions. Management must be committed to the sale, whose completion must be expected within one year from the date of the classification.
In the income statement and the previous year comparative period, the profits and losses of discontinued operations must be classified separately from profits and losses from continuing operations, shown after taxes, even when the company maintains a minority interest in the subsidiary after the sale. The resulting profit or loss, after income taxes, is shown separately in the income statement.
Plant, property and equipment and intangible assets once classified as held-for-sale are no longer amortised or depreciated.

Construction and service contracts work-in-progress
Construction contracts work-in-progress are measured on the basis of the contractual payments matured with reasonable certainty in relation to the advancement of work under the percentage of completion method, determined through the measurement of work completed, to be attributed to the revenues and economic result of the contract to each year in proportion to the advancement of work. The positive or negative difference between the value of the completed portion of the contracts and that of the advances received is recognised in the statement of financial position, as an asset or liability, respectively, while also taking account of any impairment losses recognised due to risks associated with non-payment for work done on behalf of clients.
The contract revenues, in addition to the contractual payments, include the variances, price revisions and any claims up to the amount it is probable that they represent effective revenues that can be determined reliably.
If a project is expected to yield a loss, this loss is immediately recognised in full, regardless of the progress on the project.
Construction services for the grantor relating to the concession agreement to which the Company is a party are also recognised in the income statement according to the state of progress, i.e. the assessment of progress towards complete fulfilment of the obligation over time. In particular, construction and/or improvement revenue – which represents the consideration due for the services rendered – is measured at fair value, determined on the basis of the total costs incurred, consisting primarily of the costs of external services and the costs of benefits for employees engaged in the activities concerned.
The balancing entry for such construction service revenue is to a financial asset or airport concession taken to concession rights among intangible assets, as discussed in the relevant section.

Inventories
Inventories are recorded at the lower of purchase or production cost and realisable value represented by the amount that the company expects to obtain from their sale in the normal course of operations. The cost of inventories is calculated using the weighted average cost method.

Cash and cash equivalents
Cash and cash equivalents include those values which are available on demand at short notice, certain in nature and with no payment expenses.

Employee benefits
The benefits guaranteed to employees paid on the conclusion of employment (leaving indemnity) or other long-term benefits (e. g. non-competitive agreements, long-term incentive plans) are recognised in the period the right matures.
The liability, net of any plan assets, is calculated on the basis of actuarial assumptions and is recorded by the accrual method consistent with the years of employment necessary to obtain such benefits. The liability is calculated by independent actuaries utilising the projected unit credit method.
The amount not only reflects the payables matured at the financial statement date but also the future salary increases and related statistical data.

Revaluations, which include actuarial profits and losses, changes in the effect of the limit on the assets, not including net interest (not applicable to the company) and the return on plan assets (not including net interest) are recognised immediately in the statement of financial position by debiting or crediting profits/(losses) carried forward through other comprehensive income in the year in which they occur. Revaluations are not reclassified to the income statement in subsequent years.
The cost of employee service in prior periods is recognised in the income statement on the later of the following dates:

(a) the date on which the plan is changed or reduced; and
(b) the date on which the company recognises the related restructuring costs.

Net interest on the net defined-benefit liabilities/assets are calculated by multiplying the net asset/liability by the discount rate. The company recognises the following changes in the net defined-benefit obligation in the cost of goods sold, administrative expenses and selling and distribution costs in the income statement (by nature):

- Costs of employee service, inclusive of costs of both current and prior employee service, profits and losses on non-routine curtailments and settlements;
- Net interest income or charges.

Following the amendments to severance benefits introduced by Law No. 296 of December 27, 2006 (Finance Law 2007) and subsequent Decrees and Regulations, the severance benefits of Italian companies with more than 50 employees matured from January 1, 2007, or from the option date chosen by the employee, is included under defined contribution plans, both in the case of supplementary pension options and in the case of allocation to the INPS Treasury Fund. The severance benefits accrued until December 31, 2006 have been treated as defined-benefit.

The contributions to be paid into a defined-contribution plan in exchange for the employee service in question are treated both as a liability (account payable) after having deducted any contributions already paid, and as a cost.

Provisions for risks and charges

Provisions for risks and charges relate to costs and expenses of a defined nature and of certain or probable existence whose amount or date of occurrence is uncertain at the present financial statement date.

The provisions are recorded when:

(i) it is probable the existence of a current obligation, legal or implicit, deriving from a past event;

(ii) it is probable that compliance with the obligation will result in a charge;

(iii) the amount of the obligation can be estimated reliably.

Provisions are recorded at the value representing the best estimate, supported by expert opinion, of the amount that the Company would rationally pay to discharge the obligation or to transfer it to a third party at the reporting date. When the financial effect of the time is significant and the payment dates of the obligations can be reliably estimated, the provision shall be discounted at the average cost of debt to the company; the increase of the provision due to the passing of time is recorded in the income statement in the account "Net financial income/(charges)".

If the liability relates to a tangible fixed asset (demolition of assets), the provision is recognised in line with the asset to which it refers; the recognising of the charge to the income statement is made through depreciation.

The provisions are periodically updated to reflect the changes in the estimate of the costs, of the time period and of the discounting rate; the revision of estimates is recorded in the same income statement accounts in which the provision was recorded, when the liability relates to tangible fixed assets, and in the asset account to which it refers.

Provision for renewal of airport infrastructure

In accordance with the obligations assumed under current agreements, the provision for renewal of airport infrastructure includes accruals relating to extraordinary maintenance, refurbishment and replacement to be undertaken at a future point in time to ensure that existing airport infrastructure remains duly functional and secure. Accruals to this provision are recognised according to the degree of use of the infrastructure, indirectly reflected in the expected date of replacement/renewal. The values recorded in this line item also take due account of a financial component, to be applied according to the intervals between the various renewal cycles, intended to ensure that the provisions set aside are adequate. The estimate of the provision for renewal of airport infrastructure therefore requires complex professional technical judgement, in particular in relation to the nature of the costs to be incurred, their amount and the timing of the expected interventions.

Trade payables and other non-financial liabilities

Short-term trade payables, which mature within the normal commercial terms, are recognised at cost (their nominal value) and are not discounted as the discounting of cash flows is insignificant.

The other non-financial liabilities are recorded at cost (identified as nominal value).

Loans

Other financial liabilities, with the exception of the derivatives, are recognised initially at cost, corresponding to the fair value of the liability plus transaction costs that are directly attributable at the issue of the liability. After initial recognition, the financial liabilities are measured at amortised cost using the original effective interest rate, which is the rate that renders equal, on the initial recognition, the present cash flow value and the initial recognition value (amortised cost method).

Any gain or loss is recognized in the income statement when the liability is extinguished, as well as through the amortization process.

Financial guarantee liabilities

Financial guarantee liabilities issued by the company are contracts which require a specific payment to reimburse the holder of a debt security against a loss incurred following non-compliance of the debtor in the payment at the scheduled contractual maturity date. Financial guarantee contracts are initially recognised as a liability at fair value, increased by the directly attributable transaction costs to the issue of the guarantee. After initial recognition, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised, less accumulated amortisation.

Derecognition of financial liabilities

A financial liability is derecognised when the underlying obligation of the liability is extinguished, settled or cancelled. If an existing financial liability is replaced by another by the same lender but under substantially different conditions, or if the conditions of an existing financial liability are substantially changed, such a swap or change is treated as an elimination of the original liability and the opening of a new liability, with any differences in accounting values recorded in the income statement.

Recognition of revenues

Revenues are recognised for an amount which reflects the payment which the entity considers to have the right to in exchange for the transfer of goods or services to the customer and are calculated on the basis of the following five phases:

1. Identification of the contract;
2. Identification of the performance obligations present in the contract;
3. Establishment of the sales price;
4. Allocation of the transaction price to each of the performance obligations identified;
5. Recognition of the revenues on the satisfaction of the performance obligation.

These are recognised when the contractual obligations have been complied with and in particular when control has been transferred to the customer. In addition, in the measurement of revenue it is necessary to take into account the probability of obtaining and/or collecting the economic benefit related to the income.

The Company has identified the following revenue streams:

1. Airport fees
2. Commercial/non-comm. sublicense/lease
3. Parking
4. Construction Services
5. Others.

Revenues are recorded net of returns, discounts and premiums and promotional charges directly related to the sales revenue, in addition to direct sales taxes.

Commercial discounts, recorded as a direct deduction of revenues, are measured on the basis of contracts signed with airlines and tour operators.
Royalties are recorded based on the accruals principle in accordance with the contracts in force and as per IFRS 15.
As per IFRS 16, operating lease income whereby the Company acts as lessee is recognised on a straight-line basis over the lease term, and is recognised as revenues to the income statement given its operating nature. The initial brokering costs are added to the carrying amount of the leased asset and recognised over the duration of the contract, on the same basis as lease income. Variable fees or rents are recognised as revenue in the period in which they mature.

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

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

Recognition of costs and expenses
Costs are recorded when relating to goods and services sold or consumed in the year or when there is no future utility.

Interest expense is recognised in accordance with the accruals principle, which takes into account the effective yield of the liabilities to which it refers. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which requires a lengthy period before availability for use shall be capitalised as part of the cost of that asset.

Taxes for the year

Current income taxes
Current income taxes are valued at the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate such amounts are those issued or substantially issued as at the reporting date of the operational financial statements. Current income taxes relating to items recorded directly in equity are charged directly to shareholders' equity and not to the income statement. The Directors periodically assess the positions assumed in the income tax returns where the fiscal regulations are subject to interpretations and, where appropriate, record appropriate provisions.
In 2021, the National Tax Consolidation was renewed for 2021-2023, pursuant to Articles 117 to 129 of Presidential Decree No. 917 of December 26, 1986 (CFA), in which all Group companies have participated and which allows for IRES taxation at Group level. At December 31, 2023, the companies FFM and TAG recognised an IRES receivable from AdB, due to the higher advance payments to the Parent Company compared to the overall IRAP payable for the year.
In this regard, it should be noted that the Pillar 2 related regulations are not applicable to the Company or its subsidiaries.

Deferred tax liabilities
Deferred taxes are calculated using the liability method on temporary differences between values used for fiscal purposes and the assets and liabilities reported in the present financial statements. The deferred tax liabilities are recorded against all temporary taxable differences, with the exception of:

- the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, has no effects on the year's profit calculated for purposes of the Financial Statements or on profit or loss calculated for tax purposes;
- the reversal of the temporary differences, related to investments in subsidiaries, associates and joint ventures, can be controlled and it is probable that such will not occur in the foreseeable future.

Deferred tax assets are recognised on all temporary differences and fiscal losses carried forward to the extent of the probable existence of adequate future tax profits that can justify the use of deductible temporary differences and fiscal loses carried forwards, except:

- when deferred tax assets relate to the temporary differences deriving from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, has no effects on the year's profit calculated for the purposes of the Financial Statements or on profit or loss calculated for tax purposes;
- in the case of temporary differences related to investments in subsidiaries, associates and joint ventures, the deferred tax assets are only recognised to the probable extent that the temporary differences will reverse in the foreseeable future and there are sufficient assessable amounts to utilise such temporary differences.

The carrying value of deferred tax assets is reviewed at each reporting date and reduced to the extent it is unlikely that sufficient future taxable income will be available, so that some or all of the asset may be used. Unrecognised deferred tax assets are reviewed at each reporting date and are recognised to the extent of the probability that the taxable income is sufficient to permit such deferred tax assets to be recovered.

Deferred tax assets and liabilities are calculated on the basis of the tax rates expected to be applied in the year in which the assets are realised or the amounts are paid, considering the rates in effect and those already issued or substantially issued as of the closing date of the financial statements.

Deferred taxes concerning items recognised outside of the income statement are also recognised outside of the income statement and therefore to net equity or to the statement of comprehensive income, in line with the item to which they refer.

The Group offsets deferred tax assets and deferred tax liabilities when there is a legal right to offset current tax assets and current tax liabilities and the deferred tax assets and liabilities relate to income taxes due to the same tax authority.

The fiscal benefits acquired following a business combination, but which do not satisfy the criteria for separate recognition at the acquisition date, may be recognised subsequently, when updated information is received on the facts and on the circumstances. The adjustment is recognised as a reduction of goodwill (up to the value of the goodwill), where this is recorded during the measurement period, or in the income statement, if recorded subsequently.

The rates utilised for the calculation of deferred taxes, which reflect the expected rates on the basis of national legislation in force, are the following:

- IRES 24%
- IRAP 4.2% (in force for airport management companies)

Indirect taxes

Costs, revenues, assets and liabilities are recognized net of indirect taxes, such as value added tax, with the following exceptions:

- the tax applied to the purchase of goods or services is non-deductible; in this case, it is recognized as part of the purchase cost of the asset or part of the cost recognized in the income statement;
- trade receivables and payables include the indirect tax applicable.

The net amount of indirect taxes to be recovered or paid to the tax authorities is included in the financial statements as receivables or payables.

Earnings per share

Undiluted

The earnings/(loss) per share is calculated by dividing the result of the company by the weighted average number of ordinary shares outstanding during the year, excluding any treasury shares.

Diluted

The diluted earnings/(loss) per share is calculated by dividing the result of the company by the weighted average number of ordinary shares outstanding during the year, excluding any treasury shares. In order to calculate the diluted earnings per share, the average weighted number of shares outstanding is adjusted in respect of the dilution potential of ordinary shares, while the profit or loss of the company is adjusted to take into account the effects, net of income taxes, of the conversion.

Dividends and distribution of assets other than Cash and Cash Equivalents

The company records a liability against the distribution to its shareholders of available liquidity or assets other than available liquidity when the distribution is appropriately authorised and is no longer at the discretion of the company. Based on company law in Europe, a distribution is authorised when it is approved by the shareholders. The corresponding amount is recorded directly in shareholders' equity.
The distribution of assets other than available liquidity is measured at fair value of the assets to be distributed; the remeasurement of the fair value is recorded directly in shareholders' equity.
On the payment of the dividend, any difference between the book value of the assets distributed and the book value of the dividend payable is recorded in the statement of comprehensive income.

Accounting standards, amendments and interpretations endorsed by the European Union adopted by the company

The Company has applied for the first time a number of standards and amendments entering into force from January 1, 2023. The Company has not adopted in advance any accounting standard, interpretation or amendment issued but not yet in effect.

IFRS 17 - Insurance Contracts, including the June 25, 2020 amendments

In May 2017, the IASB issued IFRS 17 - Insurance Contracts, a complete new standard relating to insurance contracts which covers recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts issued in 2005. IFRS 17 applies to all types of insurance contracts (for example: life, non-life, direct insurance, re-insurance) regardless of the type of entity that issues them, as well as certain guarantees and financial instruments with characteristics of discretionary participation; some exceptions apply with regards to the scope of application. The general objective of IFRS 17 is to present an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the provisions of IFRS 4, which are largely based on the maintenance of previous accounting standards, IFRS 17 provides a complete model for insurance contracts that covers all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach);

- A simplified approach (the approach to the allocation of premiums) mainly for short-term contracts.

These amendments did not have any impact on the Company financial statements.

Amendments to IFRS 17: Insurance Contracts: Initial application of IFRS 17 and IFRS 9 – Comparative information

The IASB published an amendment to this standard on December 9, 2021. The amendment is a transition option related to comparative disclosure on financial assets presented upon first-time application of IFRS 17. It is intended to help entities avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and thus improve the utility of comparative disclosure for users of financial statements. The amendment will be effective for fiscal years beginning January 1, 2023. This standard is not applicable to the Company.

Definition of Accounting Estimates (Amendments to IAS 8)

The amendments to IAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies and error correction. They also clarify how entities should use valuation techniques and inputs to develop accounting estimates.

These amendments did not have any impact on the Company financial statements.

Disclosure of Accounting policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply judgements to accounting policy disclosures. The amendments are intended to help entities provide more useful accounting policy disclosures by replacing the requirement for entities to provide their "significant" accounting policies with a requirement to provide disclosures about their "material" accounting policies; in addition, guidance is added on how entities apply the concept of materiality in making accounting policy disclosure decisions.

The changes had an impact on the Company's disclosure of accounting policies, but not on the measurement, recognition and presentation of items in the Company's financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments to IAS 12 Income Taxes narrow the scope of the exception to initial recognition, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning liabilities. These amendments did not have any impact on the Company financial statements.

International Tax Reform – Pillar Two Model Rules – Amendments of IAS 12

The amendments to IAS 12 were introduced to respond to the OECD BEPS Pillar Two rules and include:

- A temporary mandatory exemption to the recognition and disclosure requirements for deferred taxes resulting from the implementation in jurisdictions of the Pillar Two rules; and

- Disclosure requirements for affected entities to help financial statement users better understand the income tax impacts arising from this legislation, particularly before the effective date.

The temporary mandatory exemption - whose use is required to be disclosed - is immediately applicable. The remaining disclosure requirements apply for fiscal years beginning on or after January 1, 2023, but not for interim periods prior to December 31, 2023.

The change has no effect on the Group's consolidated financial statements in that the Group is not affected by the Pillar Two rules, given that revenues are below Euro 750 million annually.

New accounting standards and amendments not yet effective and not adopted in advance by the company

The standards and interpretations which at the date of the preparation of this financial report were issued but not yet in force are reported below. The Company will adopt these standards when they enter into force, if applicable. No material impact to the Company is expected from these standards and amendments.

Amendments to IAS 1: Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current

On January 23, 2020, the IASB issued an amendment to IAS 1 that seeks to clarify one of the criteria in IAS 1 for classifying a liability as non-current or the requirement that the entity must have the right to defer settlement of the liability for at least 12 months subsequent to the reporting date. The amendment includes:

- ✓ an indication that the right to defer settlement must exist at the reporting date;
- ✓ a clarification on the fact that the classification is not influenced by management's intentions or expectations regarding the possibility of using the right of deferral;
- ✓ a clarification on how the conditions of funding affect the classification and;
- ✓ a clarification of the requirements for the classification of liabilities that an entity intends to settle or could settle by issuing its own equity instruments.

In addition, on October 31, 2022, the IASB published amendments concerning non-current liabilities subject to conditions. Only the terms of a liability arising from a financing arrangement, which an entity must settle by the period-end will affect the classification of that liability as current or non-current.

The new amendment is applied from January 1, 2024 and must be applied retrospectively. The Company is currently assessing any impact from these amendments.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback".

On September 22, 2022, the IASB issued an amendment to this standard that specifies the requirements that a seller-lessee uses to measure the lease liability arising from a sale and leaseback transaction to ensure that the seller-lessee does not recognise any amount of the gain or loss that relates to the right-of-use it retains. The amendment seeks to improve the requirements for sale and leaseback transactions in IFRS 16 but does not change the accounting for leases unrelated to sale and leaseback transactions. The amendment will be effective for fiscal years beginning January 1, 2024, with early application permitted.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Supplementary Information: Reverse Factoring Arrangements

On May 25, 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Supplementary Information, to clarify the characteristics of reverse factoring agreements and requests to provide further disclosure of such agreements. The disclosure requirements included in the amendments are intended to assist financial statement users in understanding the effects on an entity's liabilities, cash flows, and exposure to liquidity risk of reverse factoring arrangements.

The amendments will be effective for fiscal years beginning on or after January 1, 2024. Early application is permitted, and notice of this fact must be provided.

These changes are not expected to have a material impact on the Company s financial statements.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability

On August 15, 2023, the IASB issued amendments to IAS 21 that specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is not possible.

A currency is considered exchangeable into another currency when the entity is able to obtain the other currency within a time period that allows for normal administrative delay, and through an exchange market or mechanism where an exchange transaction would create actionable rights and obligations.

If a currency is not exchangeable into another currency, the entity is required to estimate the spot exchange rate on the valuation date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly foreign exchange transaction would take place on the valuation date among market participants under prevailing economic conditions. The amendments note that an entity may use an observable exchange rate without adjustment or other estimation techniques.

When an entity estimates a spot exchange rate as one currency is not exchangeable into another currency, it provides information that enables users of its financial statements to understand how the currency that is not exchangeable into the other currency affects, or is expected to affect, the entity's operating results, financial position, and cash flows.

The amendments will be effective for fiscal years beginning on or after January 1, 2025. Early application is permitted, and notice of this fact must be provided.

These changes are not expected to have a material impact on the Company s financial statements.

Discretional evaluations and significant accounting estimates

Preparation of the financial statements requires the use of estimates and judgments that are reflected in the carrying amounts of assets and liabilities and the disclosures in the notes, including with regard to contingent assets and liabilities at the reporting date. The subsequently observed actual results for the period may differ from such estimates; estimates and assumptions are also revised and updated periodically and the effects of any changes are immediately reflected in the financial statements. The company based its estimates and assumptions on information available at the preparation date of the financial statements.

Impacts on estimates of factors covered by the ESMA recommendation of October 25, 2023

The ESMA (European Securities and Markets Authority) outlined in its European Common Enforcement Priorities on October 25, 2023 two areas (climate change and the general economic environment) which issuers should assess closely in preparing their financial statements. The factors considered to have possible impacts on the Company's sector are:

- the risk of needing unplanned investments in order to pursue the net zero carbon goal;
- the risk of gradual erosion of short-haul air traffic as a result of new regulations and/or changes in individual travellers' habits in preference of lower-impact alternatives on these routes.
- risks associated with provisions and/or investments that would result from particularly intense and unforeseen weather events (high intensity rainfall, hailstorms, heat waves);
- the risk, again related to environmental impact in the broadest sense, connected with the issue more fully described in the section "Operational restrictions and other risks resulting from exceeding airport noise zoning limits" in the Directors' Report, to which reference should be made;
- the risk of variability in inflation rates and related interest rates.

a) IFRIC 12 - Service Concession Arrangements

With regard to the risk of changes in inflation rates and related interest rates, the forecasts used for the purpose of discounting the provision for the renewal of airport infrastructure uses discount rates that already reflect the most up-to-date estimates of future interest rate and inflation trends.

b) IFRS 9 Loans and Bonds

With regard to the risk of changes in inflation rates and related interest rates, the forecasts used for the purposes of the impairment test on concession rights carried out in accordance with IAS 36, the discounting of the provision for the renewal of airport infrastructure and the receivables from Terminal Value, uses discount rates that already reflect the most up-to-date estimates of future interest rate and inflation trends.

c) IAS 37 - Provisions, Contingent Liabilities and Contingent Assets

The legislation introduced in response to climate change may give rise to new obligations that previously did not exist. The Group has therefore put in place an environmental policy which outlines its compliance with practices to contain and reduce its environmental impact, which even go beyond the legal requirements, while also not compromising the protection of other general interests under the concession. The full implementation of this policy, which also targets the cutting of CO2 emissions, includes energy efficiency measures.
In view of this regulatory framework, management has assessed that these policies do not require the recognition of new liabilities.
The only additional provision decided on during the year, following a critical review of the provisions in the financial statements covering the issues related to the Airport's environmental impact is the provision related to the commitment made by the Company's top management to establish a long-term fund to support soundproofing measures for the residential buildings most exposed to the noise impact of airport operations, described in greater detail in paragraph *16. Provisions for risks and charges (non-current and current),* to which reference should be made.

d) IAS 36- Impairment of Assets

Reference should be made to Note 1 - Intangible Assets.
As detailed in the "Test on the recoverability of assets and groups of assets" section, while considering these factors, the impairment test and related sensitivities did not indicate any impairment loss.

Significant estimates

Also in light of the above considerations, the most significant estimates were the following:

a) Impairment test

The Group provides in the Note to the "Test on the recoverability of assets and groups of assets" paragraph the estimates and assumptions for the Impairment Test at the reporting date, mainly referring to traffic volumes, tariff models and the general economic environment.

b) Provision for renewal of airport infrastructure

The Company provides in the Note to the paragraph "15. Provision for renewal of airport infrastructure (non-current and current)" the breakdown of the provision for the renewal of airport infrastructure, which includes at year-end, in accordance with the obligations assumed, accruals relating to extraordinary maintenance, refurbishment and replacement to be undertaken at a future point in time to ensure that airport infrastructure remains duly functional and secure. The estimate of the provision for renewal of airport infrastructure therefore requires complex professional technical judgement, in particular in relation to the nature of the costs to be incurred, their amount and the timing of the expected interventions.

c) Deferred tax assets

The Company provides in the Note to the paragraph "5. Deferred tax assets" the details of deferred tax assets and their value. The recoverability of deferred tax assets is based on forecasts of taxable income derived from operating and financial forecasts of the Group.

d) Fair value of investment property

The Company accounts for its investment properties at cost. This value is maintained as approximates the fair value of the investment properties given their particular nature (absence of a comparable active market).

ANALYSIS OF THE MAIN ITEMS ON THE STATEMENT OF FINANCIAL POSITION

ASSETS

1. Intangible assets

The following table breaks down intangible assets at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Concession rights	220,770	201,573	19,197
Software, licences and similar rights	861	765	96
Other intangible assets	40	45	(5)
Other intangible assets in progress	579	580	(1)
TOTAL INTANGIBLE ASSETS	**222,250**	**202,963**	**19,287**

The table below shows the changes in intangible assets for the year ended December 31, 2023 compared to the previous year, by intangible asset category.

	31.12.2022			Changes in the year				As at 31.12.2023		
in thousands of Euro	**Historic cost**	**Accumulated amortisation**	**Book value**	**Increases / Acquisitions**	**Amortisation**	**Decreases/ Disposals/ Write-downs/ Reclassifications**	**Decrease provision**	**Historic cost**	**Accumulated amortisation**	**Book value**
Concession rights	262,123	(60,550)	201,573	27,079	(7,829)	(70)	17	289,132	(68,362)	220,770
Software, licences and similar rights	15,312	(14,547)	765	781	(686)	0	1	16,093	(15,232)	861
Other intangible assets	100	(55)	45	0	(5)	0	0	100	(60)	40
Energy Certificates	0	0	0	50	0	(50)	0	0	0	0
Other intangible assets in progress	580	0	580	(1)	0	0	0	579	0	579
TOTAL INTANGIBLE ASSETS	**278,115**	**(75,152)**	**202,963**	**27,909**	**(8,520)**	**(120)**	**18**	**305,904**	**(83,654)**	**222,250**

At December 31, 2023, Concession rights increased Euro 27 million, gross of amortisation in the period (equal to the fair value of construction services provided in the period), and net of the Terminal Value on these assets i.e. of the takeover value pursuant to Article 703 of the Naval Code recognised to item "4. Other non-current financial assets" at the revalued value at the end of the concession and discounted to December 31, 2023 by Euro 2.2 million.

The increase in Concession rights is mainly due to:

- the building of a new commercial aviation aircraft apron; This relates to work to expand Apron 3, partially entering into service in Q3 2023, to connect it with the dedicated General Aviation apron (Apron 4), and the upgrading of Apron 1. As of December 31, 2023, the latter intervention and additional investments related to Apron 3 such as the installation of new AVLs (Luminous Visual Aids) and the construction of a new fuel facility for General Aviation flights, are recorded in Concession rights in progress;
- the payment of the expropriation indemnity for the creation of a wooded strip north of the airport as environmental compensation work, including a bicycle path usable by the community, covering 40 hectares;
- the redevelopment of the cargo area;
- the reconfiguration of the curbside of the first floor of the Terminal;
- the creation of a new airport run-off water overflow system and concurrent retirement of the current system, replacing the existing basin known as the "Olmi Quarry";
- upgrading of smoke and heat evacuation system of the Terminal;

in addition to other investments for which reference should be made to the Investments section in the Directors' Report.

The amount includes, finally, work advances totalling Euro 1.3 million regarding the reconfiguration of the departures hall and the security area.

Amortisation of concession rights in the year amounted to Euro 7.8 million and was applied according to the residual duration of the concession.

Software, licenses and similar rights increased by Euro 0.8 million, gross of amortisation in the year, which mainly concerns investments for the development and implementation of an API - Application Programming Interface platform related to the Innovation Plan and Datawarehouse/Business Intelligence.

Test on the recoverability of assets and group of assets

The Net Invested Capital, mainly comprised of Concession Rights, is subject to an impairment test at least once a year, when the financial statements are approved, as well as periodically when there are internal and external indicators of the reduction in value of such assets in order to identify any loss in value.
With regard to 2023, the Company updated the impairment test in order to assess the existence of any impairment losses with reference to Net Invested Capital, mainly comprising Concession Rights; a brief summary is provided below, while reference should be made to Note 1 to the Consolidated Financial Statements for further details.

The test, as per IAS 36, compares the carrying value of the asset or group of assets of the cash generating unit (CGU) with the recoverable value, arising from the discounted net cash flows which are expected to be produced from the asset or group of assets of the CGU (value in use).

For impairment testing purposes, the company has identified a single CGU which coincides with the Aeroporto G. Marconi di Bologna S.p.A. Group. The methodology and assumptions related to the impairment test were approved by the Board of Directors on March 6, 2024.

The test used the explicit operating and financial forecasts for the period 2024-2046 which include, in the operating-financial forecasts relating to 2046, the "Terminal Value" as the cash flow provided for in IAS 36, paragraph 39, letter c) for the disposal of assets at the end of the concession to which the Company is entitled under the regulations (Article 703 of the Navigation Code).

The method used is based on the presumption that the economic capital value of a company at a certain date (in the present case, December 31, 2023) is representative of the algebraic sum of the following elements:

- "operating' value", i.e. the present value of the cash flows from operating activities over a defined time period including the discounted cash flows of the Terminal Value receivable estimated on conclusion of the concession (explicit projection period; in the present case this coincides with the end of the airport concession expected for 2046);
- value of the non-strategic surplus assets at the measurement date. It should be noted that there are no non-core or non-capital ancillary activities included in the projections.

These operating cash flow was discounted utilising the UDCF (Unlevered Discounted Cash Flow) at a rate equal to the weighted average cost of debt and own funds (WACC - Weighted Average Cost of Capital), equal to 7.54%.

The impairment test performed did not identify any impairment of the carrying amounts of the concession rights for the year ended December 31, 2023 and no impairment losses were therefore recognised on the assets concerned.

Also in view of the fact that the carrying amount of the statutory and consolidated financial statements are substantially aligned, for all other considerations, including the necessary sensitivity analysis, please refer to Note 1 of the consolidated financial statements.

2. Tangible assets

The following table breaks down tangible assets at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Land	2,763	2,763	0
Buildings, light constructions and improvements	3,076	3,235	(159)
Machinery, equipment & plant	1,613	1,754	(141)
Furniture, EDP and transport	1,728	1,517	211
Tangible fixed assets in progress	911	809	102
Investment property	1,617	1,617	0
TOTAL TANGIBLE ASSETS	***11,708***	***11,695***	***13***
Land in leasing	253	560	(307)
Leased buildings and minor construction and improvements	0	0	0
Leased machinery, equipment & plant	161	257	(96)
Leased furniture, office machinery, transport equipment	124	188	(64)
TOTAL LEASED TANGIBLE ASSETS	*538*	***1,005***	*(467)*
TOTAL TANGIBLE ASSETS	**12,246**	**12,700**	**(454)**

The table below shows the changes in tangible assets for the period ended December 31, 2023 compared to the previous year, by asset category.

	31.12.2022			Changes in the year				as at 31.12.2023		
in thousands of Euro	Historic cost	Accumulated depreciation/ Impairment provision (*)	Book value	Increases/ Acquisitions	Amortisation	Decreases / Disposals Write-downs/ Reclassifications	Decrease provision	Historic cost	Accumulated depreciation/ Impairment provision (*)	Book value
Land	2,763	0	2,763	0	0	0	0	2,763	0	2,763
Buildings, light constructions and improvements	8,987	(5,752)	3,235	334	(300)	(199)	6	9,122	(6,046)	3,076
Machinery, equipment & plant	15,321	(13,567)	1,754	455	(593)	(309)	306	15,467	(13,854)	1,613
Furniture, EDP and transport	10,854	(9,337)	1,517	761	(567)	(160)	177	11,455	(9,727)	1,728
Assets in progress and advances	809	0	809	541	0	(439)	0	911	0	911
Investment property	4,732	(3,115)	1,617	0	0	0	0	4,732	(3,115)	1,617
TOTAL TANGIBLE ASSETS	***43,466***	***(31,771)***	***11,695***	***2,091***	***(1,460)***	***(1,107)***	***489***	***44,450***	***(32,742)***	***11,708***
Land in leasing	1,902	(1,342)	560	10	(344)	27	0	1,939	(1,686)	253
Leased buildings and minor construction and improvements	0	0	0	0	0	0	0	0	0	0
Leased machinery, equipment & plant	403	(146)	257	17	(113)	0	0	420	(259)	161
Leased furniture, office machinery, transport equipment	451	(263)	188	25	(90)	1	0	477	(353)	124
TOTAL LEASED TANGIBLE ASSETS	***2,756***	***(1,751)***	***1,005***	***52***	***(547)***	***28***	***0***	***2,836***	***(2,298)***	***538***
TOTAL TANGIBLE ASSETS	**46,222**	**(33,522)**	**12,700**	**2,143**	**(2,007)**	**(1,079)**	**489**	**47,286**	**(35,040)**	**12,246**

(*) The impairment provision relates only to the Investment Property item

At December 31, 2023, the total increase in this category was Euro 2.1 million and mainly concerns the purchase of an x-ray machine for security checks, a vehicle for apron manoeuvres, a tractor for airside grass mowing, seven electric vehicles, a passenger queuing facility, as well as computers, hardware and various equipment.

This category includes right-of-use assets, recognised in accordance with IFRS 16, which the Company recognises as a lessee primarily for the long-term lease of land used for parking, employee motor vehicles, De Icer plant and equipment. The amount recognised at December 31, 2023 corresponds to the present value of the lease instalments falling due, which is reflected under current and non-current financial liabilities for leases.

The Investment properties item includes the total value of the real estate complex owned by the Company and intended for investment properties. This investment was initially recorded at purchase cost, subsequently measured at fair value, updated periodically through valuations commissioned by the Company.

In the financial statements at December 31, 2022, on the basis of the appraisal carried out by an outside expert to support the fair value measurement, the value of this property complex was written down. As of the date of preparation of these financial statements, the above assessment is confirmed as no indicators of impairment emerged.

3. Investments

The following table breaks down the Reserves at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2022	Increases / Acquisitions	Decreases / Disposals	Write-downs	As at 31.12.2023
Investments in subsidiaries	3,147	0	0	0	3,147
Other investments	117	0	0	(75)	42
TOTAL INVESTMENTS	**3,264**	**0**	**0**	**(75)**	**3,189**

The following table breaks down investments in subsidiaries at the end of the two comparative years:

in thousands of Euro	Holding	As at 31.12.2023	As at 31.12.2022	Change
Fast Freight Marconi Spa	100%	597	597	0
Tag Bologna Srl	100%	2,550	2,550	0
TOTAL INVESTMENTS IN SUBSIDIARIES		**3,147**	**3,147**	**0**

Finally, the following table breaks down investments in other companies in the two comparative years:

in thousands of Euro	Holding	As at 31.12.2023	As at 31.12.2022	Change
Consorzio Energia Fiera District	7.14%	2	2	0
CAAF dell'Industria Spa	0.07%	0	0	0
Bologna Welcome Srl	10%	40	40	0
Urban V. Spa	5%	0	75	(75)
TOTAL OTHER INVESTMENTS		**42**	**117**	**(75)**

UrbanV Spa is a company incorporated in June 2022 by Aeroporti di Roma, Aeroporto di Venezia and Aeroports de la Cote d'Azur to develop urban air mobility internationally. Adb acquired a 5% stake from Aeroporti di Roma at the end of 2022 for a total amount of Euro 75 thousand, which was fully written-down at December 31, 2023 due to the losses recognised by the company to November 30, 2023, with the consequent reduction, as per Article 2447 of the Civil Code, of the Share Capital to zero and its simultaneous increase to Euro 100 thousand, as approved by the Shareholders' Meeting of UrbanV of January 30, 2024.
The recapitalisation transaction, in addition to the paid-in Share Capital increase for Euro 100 thousand, stipulates a total subscription price of Euro 4 million, to be allocated for Euro 100 thousand to the nominal value and for Euro 3.9 million to share premium, indivisible for Euro 50 thousand and with a further consequent full coverage of losses and divisible for an additional Euro 50 thousand. Adb took part in the transaction with a payment of Euro 200 thousand in February 2024, of which Euro 5 thousand Share Capital and Euro 195 thousand Share Premium reserve.

Investments held at December 31, 2023 are broken down below, with indication of the holding and the relative carrying amount.

in thousands of Euro	Registered Office	Currency	% Holding	Share capital as at 31.12.2023	Profit (loss) 2023	Net Equity 31.12.2023	Share Net Equity 31.12.2023	Book value	Difference
Fast Freight Marconi S.p.A.	Bologna	Euro	100%	520	547	7,103	7,103	597	6,506
Tag Bologna Srl (1)	Bologna	Euro	100%	316	459	2,480	2,480	2,550	(70)
TOTAL INVESTMENTS IN SUBSIDIARIES								**3,147**	

in thousands of Euro	Registered Office	Currency	% Holding	Share capital as at 31.12.2023	Profit (loss) 2023	Net Equity 31.12.2023	Share Net Equity 31.12.2023	Book value	Difference
Consorzio Energia Fiera District (2)	Bologna	Euro	7.14%	33	0	33	2	2	0
CAAF dell'Industria Spa (3)	Bologna	Euro	0.07%	367	1	563	0.39	0.30	0.09
Bologna Welcome Srl (3)	Bologna	Euro	10%	310	104	1,073	107	40	67
Urban V. Spa	Rome	Euro	5%	50	(1,406)	(332)	(17)	0	(17)
TOTAL OTHER INVESTMENTS								**42**	

(1) The negative difference concerning the subsidiary TAG Bologna S.r.l. is not considered an impairment.

(2) Shareholders' Meeting of Consorzio Energia Fiera District of February 20, 2024 approved the 2023 financial statements and resolved to wind up the Consortium early and put it into liquidation.

(3) The figures concerning shareholders' equity and the net result of CAAF dell'Industria Spa and of Bologna Welcome S.r.l. concern the year ending December 31, 2022.

Finally, Adb is part of the business network "Comunità Aziende Pari Opportunità" (CAPOD) ("Equal Opportunity Community Companies"), together with other major companies in the area to cooperate and exchange information or services in order to individually and collectively increase its innovative capacity and competitiveness on the domestic and international markets. The participation fee in the common fund is Euro 1,500 for each participating company.

4. Other non current financial assets

The following table shows the movements in other non-current financial assets for the year ended December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2022	Increases/ Acquisitions	Decreases / Reclass.	Write-downs	As at 31.12.2023
Receivables from Terminal Value	1,553	2,523	0	0	4,076
Equity Financial Instruments	10,873	0	0	0	10,873
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS	**12,426**	**2,523**	**0**	**0**	**14,949**

At December 31, 2023 the account "Other non-current financial assets" mainly comprises:

- Euro 4.1 million in receivables from Terminal Value relating to investments in concession rights and on the interventions carried out on the provisions for renewal of airport infrastructure. This receivable, recorded at present value, derives from application of the Terminal Value regulation as per Article 703 of the Navigation Code, which established that, for investments in concession rights and for the interventions carried out on the provisions for renewal of airport infrastructure, the airport manager shall receive from the succeeding concession holder, on conclusion of the concession, an amount equal to the residual value at that date of the investment according to the regulatory accounting rules.
- Euro 10.9 million of equity financial instruments in Marconi Express Spa, concession holder for the construction and management of the rapid rail link infrastructure between the Airport and Bologna Central Station called People Mover. This financial instrument, subscribed by the Parent Company on January 21, 2016 for a total value of Euro 10.9 million, is recorded corresponding to the amount effectively paid or rather the cost incurred at that date. The investment, in addition to the strategic/operating interest related to improving accessibility to the airport, meets the company's objective both in relation to the collection of the contractual cash flows and to any future sale of the financial asset. In accordance with IFRS 9, since it is an equity instrument, financial assets are measured at fair value through profit or loss. In this case, considering the difficulty in measuring the fair value of these Equity Financial Instruments, the subsequent valuations of this EFI is at cost as the best fair value estimate. Due to the wide range of values that the fair value of the instrument can take as part of a valuation based on the present value of expected cash flows over a very long period such as that of the airport concession, this analysis is used only for the purpose of identifying possible impairment. With regards to the valuation of the Equity Financial Instrument at December 31, 2023, no movement was made as the results announced by the concession holder in terms of passenger numbers and tickets sold are strong and ahead of the business plan. Considering, in any case, that the passenger volume of the People Mover is related to the passenger volume of the airport, an analysis was carried out regarding the recoverability of the equity financial instrument in Marconi Express based on the sensitivities established by the Company to verify the recoverability of the value of the Concession Rights (see Note 1). On the basis of these factors, the Group considers there is no impairment loss indicators to be recorded on the value of the equity instrument at December 31, 2023;

5. Deferred tax assets

The following table presents the movements in deferred tax assets for the year ended December 31, 2023 compared with December 31, 2022.

in thousands of Euro	As at 31.12.2022	Provisions	Util./adjustments	As at 31.12.2023
DEFERRED TAX ASSETS	9,794	1,907	(5,058)	6,643

The main temporary differences on which deferred tax assets are recognized are detailed in the following table.

Specifically:

- "Other IRES deferred deductible costs" mainly include maintenance costs as per Article 107 of the CFA, deductible in future years;
- "Fiscally deferred provisions" mainly include provisions for disputes and charges deductible in future years;
- "Provision for renewal of airport infrastructure" refers to the portion of the provision not deducted, in addition to the quota deductible in future years;

The decrease in the year is mainly due to the utilisation, as a deduction from income generated in the year, of the entire tax losses for the years 2020 and 2021.

The recoverability of deferred tax assets is based on forecasts of taxable income derived from the 2024-2028 operating and financial forecasts approved by the Board of Directors on March 6, 2024 and is therefore reliably attributable to the underlying forecasts from the Company's most up-to-date operating projections.

IRES	Assessable				Tax			
in thousands of Euro	As at 31.12.2022	Increases	Uses	As at 31.12.2023	As at 31.12.2022	Increases	Uses	As at 31.12.2023
Other costs with deferred IRES deductibility	5,836	3,182	(1,907)	7,111	1,401	764	(458)	1,707
Doubtful debt provision	2,324	102	(754)	1,672	558	24	(181)	401
IRES deferred tax provisions	1,169	3,502	(9)	4,662	280	841	(2)	1,119
Provision for renewal of airport infrastructure	11,675	0	(681)	10,994	2,802	0	(164)	2,638
Amortisation concession rights from ENAC - ENAV Agreement	167	0	(13)	154	40	0	(3)	37
Disc. severance prov. plus other Long-term personnel costs	208	84	(60)	232	50	20	(14)	56
Unlimited tax losses carried forward	17,030	0	(17,030)	0	4,087	0	(4,087)	0
Total IRES	**38,409**	**6,870**	**(20,454)**	**24,825**	**9,218**	**1,649**	**(4,909)**	**5,958**

IRAP	Assessable				Tax			
in thousands of Euro	As at 31.12.2022	Increases	Uses	As at 31.12.2023	As at 31.12.2022	Increases	Uses	As at 31.12.2023
IRAP deferred tax provisions	6	1,908	0	1,914	1	80	0	81
Provision for renewal of airport infrastructure	13,002	4,176	(3,195)	13,983	546	175	(134)	587
Amortisation concession rights from ENAC - ENAV Agreement	95	0	(13)	82	4	0	(1)	3
Discounting other long-term personnel costs	208	84	(60)	232	9	3	(2)	10
Total IRAP	**13,311**	**6,168**	**(3,268)**	**16,211**	**560**	**258**	**(137)**	**681**

The following table presents the tax credits for the utilisation of the tax benefits in relation to the energy upgrade investments made in previous years and the relative utilisation in the year.

Other	Tax Receivables			
in thousands of Euro	As at 31.12.2022	Increases	Util./adjustments	As at 31.12.2023
Other receivables	16	0	(12)	4
Total "other receivables"	**16**	**0**	**(12)**	**4**
Total deferred tax assets	**9,794**	**1,907**	**(5,058)**	**6,643**

6. Other non-current assets

The following table breaks down other non-current assets at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Security deposits	54	52	2
Non-current prepayments and accrued income	42	42	0
Non-current tax receivables	50	127	(77)
OTHER NON-CURRENT ASSETS	**146**	**221**	**(75)**

"Non-current tax receivables", which is the most significant change in this category, mainly includes the tax receivable due beyond one year for:

- capital investments of the parent company, as per Law No. 160/2019 Article 1, paragraphs 184 to 197 and Law No. 178/2020, Article 1, paragraphs 1051 to 1063;
- research, development, technological innovation, design and aesthetics under Article 1, paragraphs 198-209 of Italian Law No. 160 of December 27, 2019.

The uses in the year relate to the reabsorption of the 2023 shares of the above contributions.

7. Inventories

The following table breaks down inventories at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Inventories of raw materials, supplies and consumables	587	524	63
Inventories of Finished Products	219	293	(74)
INVENTORIES	**806**	**817**	**(11)**

Supplies and consumables concern inventories held of heating fuel and de-icing liquid for the runway, workshop materials and consumables, such as stationery, moulds and uniforms, while inventories of finished goods refer to antifreeze liquid for de-icing the aircraft. There is a decrease in the latter item at December 31, 2023 and, in parallel, an increase in antifreeze liquid for runway de-icing and consumables.

8. Trade receivables

The table below illustrates the trade receivables and the relative provision for doubtful accounts:

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Trade receivables	19,858	14,027	5,831
Provisions for doubtful accounts	(1,732)	(2,363)	631
TRADE RECEIVABLES	**18,126**	**11,664**	**6,462**

At December 31, 2023, gross trade receivables, which include allowances for invoices and credit notes to be issued, totalled Euro 19.9 million, increasing Euro 5.8 million, related to the increase in traffic volumes and therefore revenues. In 2023, days sales outstanding were 44, compared to 53 days in 2022 and now approximate pre-covid levels.

The following tables provide an analysis of the aging of trade receivables of the company at December 31, 2023 and December 31, 2022:

in thousands of Euro	Not yet due	Overdue	Total at 31.12.2023
Trade receivables for invoices/credit notes issued	8,756	8,657	17,413
Trade receivables for invoices/credit notes to be issued	2,445	0	2,445
TOTAL TRADE RECEIVABLES	**11,201**	**8,657**	**19,858**

in thousands of Euro	Not yet due	Overdue 0-30	Overdue 30-60	Overdue 60-90	Overdue over 90 days	Total
TRADE RECEIVABLES	**8,756**	**5,022**	**1,446**	**584**	**1,604**	**17,413**

Of trade receivables over 90 days past due, 66% are covered by the provisions for doubtful accounts.

in thousands of Euro	Not yet due	Overdue	Total at 31.12.2022
Trade receivables for invoices/credit notes issued	5,722	7,509	13,231
Trade receivables for invoices/credit notes to be issued	796	0	796
TOTAL TRADE RECEIVABLES	**6,518**	**7,509**	**14,027**

in thousands of Euro	Not yet due	Overdue 0-30	Overdue 30-60	Overdue 60-90	Overdue over 90 days	Total
TRADE RECEIVABLES	**5,722**	**2,867**	**1,603**	**229**	**2,810**	**13,231**

As can be seen in the year under review, the ageing of receivables improved; in particular, receivables due by December 31, 2023 were 50% of total receivables compared to 43% at December 31, 2022. Similarly, the receivables overdue by more than 90 days decreased from 21% to 9% of total receivables, thanks mainly to the collection of receivables from an airport operator whose solvency was considered at risk at December 31, 2022, such that a significant provision was made to the provision for doubtful accounts. Conversely, at December 31, 2023, the collection of these items permitted for a release of the provision, with a consequent positive effect on the income statement, as outlined below:

in thousands of Euro	As at 31.12.2022	Provisions	Uses	Releases	As at 31.12.2023
PROVISIONS FOR DOUBTFUL ACCOUNTS	**(2,363)**	**(162)**	**92**	**701**	**(1,732)**

in thousands of Euro	As at 31.12.2021	Provisions	Uses	Releases	As at 31.12.2022
PROVISIONS FOR DOUBTFUL ACCOUNTS	**(1,600)**	**(1,091)**	**309**	**21**	**(2,363)**

The provision for doubtful accounts, finally, in addition to the write-downs carried out on the basis of specific analysis of cases in arrears and/or in dispute, reflects also the write-down applied on the residual debtor balance, classified by customer category and overdue period, with the simplified parameter method applied, as permitted by IFRS 9 for companies with a diversified and fragmented client portfolio (Provision Matrix*)*.
The monitoring of collections indicated that at February 29, 2024, approximately 62% of trade receivables at December 31, 2023 (commercial and concerning the boarding fee surtaxes and IRESA) were collected and therefore the strong trend beginning in 2023 has continued.

9. Other current assets

The following table breaks down other current assets at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Tax assets	156	199	(43)
Tax consolidation receivables	0	416	(416)
Employee receivables	55	30	25
Other receivables	6,327	4,649	1,678
OTHER CURRENT ASSETS	**6,538**	**5,294**	**1,244**

"Tax receivables" relate to the short-term receivable for investments in capital goods pursuant to Law No. 160/2019 Article 1, paragraphs 184 to 197, and Law No. 178/2020 Article 1, paragraphs 1051 to 1063, in addition to the annual VAT receivable.
Receivables from subsidiaries for the IRES tax consolidation were zero at December 31, 2023, as a result of higher advance payments collected by the parent company during the year than the IRES due from subsidiaries following the transfer of the annual tax base.

The summary of "other receivables" is as follows:

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Receivables for passenger boarding fees surtax	5,667	3,988	1,679
IRESA receivables	186	197	(11)
Other current receivables provision for doubtful accounts	(1,337)	(1,289)	(48)
Prepayments and accrued income	662	749	(87)
Advances to suppliers	516	496	20
Pension and social security institutions	68	79	(11)
Other current assets	565	429	136
TOTAL OTHER RECEIVABLES	**6,327**	**4,649**	**1,678**

The increase is solely due to receivables for passenger boarding fee surtaxes, directly related to the increase in passenger traffic. A corresponding liability is recognised as a liability and is due only on the surtax and Iresa collected from carriers.
The account "other current receivables provision for doubtful accounts" includes the provision for passenger boarding fee surtax doubtful accounts and for IRESA, obtained for reclassification under assets in the statement of financial position, as a deduction of the respective receivable, of the surtax and IRESA charged to the carriers which in the meantime were subject to administration procedures or which contested the charge. This item, which is exclusively posted in the statement of financial position, is classified as a deduction of the respective receivables due to the high improbability of recovery, reporting the following movements:

in thousands of Euro	As at 31.12.2022	Provisions/Increases	Uses	Releases	As at 31.12.2023
Municipal surtax receivable provision	(1,283)	(44)	0	0	(1,327)
Provisions for doubtful accounts for IRESA	(6)	(4)	0	0	(10)
TOTAL PROVISIONS FOR OTHER DOUBTFUL RECEIVABLES	**(1,289)**	**(48)**	**0**	**0**	**(1,337)**

Finally, it is recalled that at the end of 2022 AdB submitted to GH Italia S.p.A. a request for a verification of the price adjustment clause of the sales price of the holding in Marconi Handling, a clause contained in the December 2012 deed of sale of the holding that provides for a price adjustment mechanism linked to conditions which would needed to be completed by December 31, 2022 at the latest. Although checks and contacts with GH have continued in order to precisely calculate the receivable in fulfilment of this contractual clause, the non reasonable certainty of the receivable remains, resulting in its non-recognition at December 31, 2022, which is confirmed at September 31, 2023.

10. Current financial assets

The following table breaks down current financial assets at December 31, 2023 and in the subsequent table the movements in the year.

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Time deposits	5,002	45,058	(40,056)
CURRENT FINANCIAL ASSETS	**5,002**	**45,058**	**(40,056)**

in thousands of Euro	As at 31.12.2022	Acquisitions	Other increases Reclassifications	Decreases / Disposals	As at 31.12.2023
Time deposits	45,058	5,000	531	(45,587)	5,002
TOTAL CURRENT FINANCIAL ASSETS	**45,058**	**5,000**	**531**	**(45,587)**	**5,002**

At December 31, 2022, this account comprised Time Deposits undertaken by the Parent Company at the end of 2022 with six and twelve-month durations. The movement in the year is due to the receipt of the Time Deposits maturing in June 2023 for Euro 15 million and December 2023 for Euro 30 million including the yield matured. The amount at December 31, 2023 concerns Time Deposits acquired in December with a duration of six months.

11. Cash and cash equivalents

The following table breaks down cash and cash equivalents at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Bank and postal deposits	36,304	20,634	15,670
Cash in hand and similar	23	22	1
CASH AND CASH EQUIVALENTS	36,327	20,656	15,671

"Bank and postal deposits" represent the bank current account balances, in addition to the Time Deposits of a nominal value of Euro 9 million maturing in March 2024. The Company in addition has an unutilised credit line of Euro 5 million available.

For the comment on liquidity in the period, reference should be made to Section 3.2 of the Directors' Report.

Net Financial Position

The following table shows the breakdown of the net financial position at December 31, 2023 and December 31, 2022, in accordance with Consob Communication of July 28, 2006 and the ESMA/2011/81 and ESMA32-382-1138 Recommendations of March 4, 2021:

	in thousands of Euro	As at 31.12.2023	As at 31.12.2022
A	Cash	27,316	20,656
B	Other cash equivalents	9,011	0
C	Other current financial assets	5,002	45,058
D	**Liquidity (A+B+C)**	**41,329**	**65,714**
E	Current financial payables	(7,220)	(2,805)
F	Current portion of non-current financial debt	(11,802)	(14,456)
G	**Current financial debt (E + F)**	**(19,022)**	**(17,261)**
h	**Net Current Financial Position (G - D)**	**22,307**	**48,453**
I	Non-current financial payables	(20,601)	(46,419)
J	Debt instruments	0	0
K	Trade payables and other non-current payables	(110)	(515)
L	**Non-current financial debt (I + J + K)**	**(20,711)**	**(46,934)**
M	**Total Net Financial Position (H + L)**	**1,596**	**1,519**

Account A+B is equal to the account "cash and cash equivalents"; reference should be made to note 11 for further details.
The account C is equal to the account "current financial assets"; reference should be made to note 10 for further details.
Account G is equal to the account "current financial liabilities"; reference should be made to note 17 for further details.
Account L is equal to the account "non-current financial liabilities"; reference should again be made to note 17 for further details.
For a detailed analysis on the movements in the net financial position, reference should be made to the analytical analysis in the Directors' Report.

LIABILITIES

12. Shareholders' Equity

The following table breaks down the Shareholders' Equity at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Share capital	90,314	90,314	0
Reserves	91,823	62,421	29,402
Profit/(loss)	15,893	29,443	(13,550)
SHAREHOLDERS' EQUITY	**198,030**	**182,178**	**15,852**

a. Share capital

The share capital of the Parent Company at December 31, 2023 amounts to Euro 90,314,162, entirely paid-in and comprising 36,125,665 ordinary shares without par value.

The following table outlines the calculation of the basic and diluted earnings per share:

in Euro	for the year ended 31.12.2023	for the year ended 31.12.2022
Group profit/(loss) for the year (*)	15,851,475	29,823,133
Average number of shares outstanding	36,125,665	36,125,665
Undiluted earnings/(losses) per share	**0.44**	**0.83**
Diluted earnings/(losses) per share	**0.44**	**0.83**

(*) from Statement of Comprehensive Income

The undiluted earnings/(losses) and diluted earnings/(losses) per share of AdB at December 31, 2023 and December 31, 2022 are the same due to the absence of potential dilutive instruments.

b. Reserves

The following table breaks down the Reserves at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Share premium reserve	25,683	25,683	0
Legal reserve	9,506	8,034	1,472
Extraordinary reserve	80,006	52,035	27,971
FTA Reserve	(3,206)	(3,206)	0
Profits (losses) carried forward	(19,514)	(19,514)	0
OCI reserve	(652)	(611)	(41)
TOTAL RESERVES	**91,823**	**62,421**	**29,402**

The share premium reserve comprises:

- Euro 14.35 million following the paid-in share capital increase approved by the Shareholders' Meeting of February 20, 2006;
- Euro 11.33 million following the public offering of shares in July 2015.

Pursuant to Article 2431 of the Civil Code this reserve is available but may not be distributed until the legal reserve has reached the limit established as per article 2430 of the Civil Code.

The extraordinary reserve is entirely made up of profits from previous years, while the reserves for retained earnings/losses were established, as for the FTA reserves, on the occasion of the transition to IAS/IFRS accounting standards, in addition to the losses in 2020 and 2021.

The OCI reserve records the changes deriving from the discounting of the Severance and other personnel provisions (Note 13) in accordance with IAS 19 revised, net of the relative tax effect.
The following table breaks down the OCI reserve for the year ended December 31, 2023 and the comparative period:

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
IAS 19 actuarial profits/losses	(856)	(801)	(55)
Deferred taxes on actuarial gains/losses as per IAS 19	204	190	14
OCI RESERVE	**(652)**	**(611)**	**(41)**

The information required by Article 2427, No. 7 *bis* of the Civil Code is presented in the following table:

Key: A=Share capital increase, B = Coverage of losses, C = Distribution to shareholders

in thousands of Euro	31.12.2023	Possibility of use	Quota available	Summary of utilisations made in the three previous years
Share premium reserve	25,683	A/B	25,683	/
Legal reserve	9,506	B	/	/
Extraordinary reserve	80,006	A/B/C	58,500	/
Profits (losses) carried forward	(21,506)	/	/	/
FTA Reserve	(3,206)	/	/	/
Profit/loss carried forward IAS transition	1,992	/	/	/
OCI reserve	(652)	/	/	/
TOTAL RESERVES	**91,823**			

13. Severance and other personnel provisions

The following table breaks down severance and other personnel provisions at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2023	As at 31.12.2022	Change
Severance	2,710	2,767	(57)
Other personnel provisions	232	206	26
SEVERANCE AND OTHER PERSONNEL PROVISIONS	**2,942**	**2,974**	**(32)**

The table below shows the movements in the provisions in the period:

in thousands of Euro	As at 31.12.2022	Service cost	Net interest	Benefits paid	Actuarial profits/ (losses)	As at 31.12.2023
Severance	2,767	0	99	(205)	49	2,710
Other personnel provisions	206	121	9	(111)	6	232
SEVERANCE AND OTHER PERSONNEL PROVISIONS	**2,974**	**121**	**108**	**(316)**	**55**	**2,942**

The actuarial valuation of severance provisions is carried out on the basis of the "benefits matured" with the support of actuarial experts.

The principal assumptions in the actuarial estimation process of the severance provisions for the years concerned are as follows:

e) discount rate: 3.08% for the valuation at December 31, 2023 and 3.63% for the valuation at December 31, 2022;
f) inflation rate: 2% for the valuation at December 31, 2023 and 2.30% for the valuation at December 31, 2022;
g) demographic bases (mortality/invalidity): the mortality tables RG 48 published by the State General Office were used for the mortality rates. For invalidity, an INPS table based on age and gender was utilised;
h) staff turnover rate: 1%.

As for any actuarial valuation the results depend on the technical bases adopted such as, among others, interest rate, inflation rate and expected turnover. The table below shows the sensitivity for each actuarial assumption at the end of the year, highlighting the effects of the changes of the actuarial assumptions reasonably possible at that date, in absolute terms.

	Valuation parameter					
in thousands of Euro	+1 % on turnover rate	-1 % on turnover rate	+ 0.25% on annual inflation rate	- 0.25% on annual inflation rate	+ 0.25% on annual discount rate	- 0.25% on annual discount rate
Severance	2,718	2,701	2,744	2,677	2,658	2,764

For completeness the following table also shows the expected disbursements of the plan over a 5-year period:

Years	Future estimated disbursements (in thousands of Euro)
1	271
2	136
3	194
4	87
5	303

The other personnel provisions at December 31, 2023 concern the long-term incentive plan and the non-competition agreement of the Chief Executive Officer/General Manager as governed by the Remuneration Policy commented upon in the Corporate Governance and Share Ownership Report, to which reference should be made.

The actuarial valuation at December 31, 2023 of the long-term incentive plan and the non-competition agreement of the CEO/GM was made with the support of actuarial experts utilising the "benefits matured" method based on IAS 19 (paragraphs 67-69) through the "Project Unit Credit" criterion. Under this method the valuation is based on the average present value of the obligations matured based on the employment service up to the time of the valuation.
The main valuation parameters were:

e) discount rate: 3.17% for the valuation at December 31, 2023 (3.77% for the valuation at December 31, 2022) of the liability for the non-competition agreement equal to the yield on the comparable duration of the employment duration in the sector and 3.15% for the valuation at December 31, 2023 (3.34% for the valuation at December 31, 2022) of the liabilities for the long-term incentive, yield in line with the three-year duration of the plans under consideration;
f) demographic bases (mortality/invalidity): the mortality tables RG 48 published by the State General Office were used for the mortality rates.
g) frequency voluntary resignations and dismissals by the company: 1%;
h) probability of reaching objectives equal to 60-100% depending on the cycle.

Finally, we report the sensitivity which highlights the effects on the other employee provisions, in particular on the provision relating to the non-competitive agreement, in the case of termination of employment with probability equal to 10%:

in thousands of Euro	Service cost
Other personnel provisions	29

14. Deferred tax liabilities

The following table breaks down the deferred tax liabilities at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	As at 31.12.2022	Provisions	Uses	As at 31.12.2023
DEFERRED TAX LIABILITIES	2,163	0	(24)	2,139

IRES rate 24%	*Assessable*				*Tax*			
in thousands of Euro	as at 31.12.2022	Increases	Uses	as at 31.12.2023	as at 31.12.2022	Increases	Uses	as at 31.12.2023
Amortisation of concession rights	7,480	0	0	7,480	1,795	0	0	1,795
Severance provision IAS 19	226	0	(100)	126	83	0	(24)	59
Total IRES	**7,706**	**0**	**(100)**	**7,606**	**1,878**	**0**	**(24)**	**1,854**

IRAP rate 4.2%	Assessable				Tax			
in thousands of Euro	as at 31.12.2022	Increases	Uses	as at 31.12.2023	as at 31.12.2022	Increases	Uses	as at 31.12.2023
Amortisation of concession rights	6,786	0	0	6,786	285	0	0	285
Total IRAP	**6,786**	**0**	**0**	**6,786**	**285**	**0**	**0**	**285**
Total					**2,163**	**0**	**(24)**	**2,139**

The deferred tax liabilities were recorded on transition to IFRS following the application of IFRIC 12 "*Service concession arrangements*", as illustrated in the note relating to the Transition to International Accounting Standards IFRS in the 2014 Financial Statements, a transition that resulted in the misalignment between statutory and tax values of concession rights for the mark-up on construction services and the redefinition of the amortization schedule based on the duration of the concession.
The utilisation of the assessable amount, exclusively for IRES purposes, is attributable to the absorption of deferred taxes on the OCI actuarial losses regarding the measurement as per IAS 19 of the Severance Provision.

15. Provision for renewal of airport infrastructure (non-current and current)

The provision for renewal of airport infrastructure include the provision allocated to cover the maintenance and renewal expenses of the airport infrastructure in the areas obtained under concession, which the company is required to return in a perfect operational state at the end of the concession.

The changes in the provision in the year ending December 31, 2023 are reported below, divided between non-current and current.

in thousands of Euro	as at 31.12.2022	Provisions/ Increases	Uses	Reclassifications	as at 31.12.2023
Provision for renewal of airport infrastructure (non-current)	10,448	4,176	(640)	(2,180)	11,804
Provision for renewal of airport infrastructure (current)	2,555	0	(2,555)	2,180	2,180
TOTAL PROVISION FOR RENEWAL OF AIRPORT INFRASTRUCTURE	**13,003**	**4,176**	**(3,195)**	**0**	**13,984**

At December 31, 2023, the provision for the renewal of airport infrastructure totalled Euro 14 million (Euro 13 million at December 31, 2022). The movements during the year regard:

- ✓ the increase of Euro 4.2 million, of which Euro 3.5 million for provisions and Euro 0.7 million for financial expenses due to the updating of the cash flow discounting rates;
- ✓ to uses (Euro 3.2 million) for interventions that mainly concern the restoration of the wear layer of a number of sections of the taxiway, in addition to interventions regarding plant and the upgrading of the Terminal toilets.

The reclassifications concern the periodic reclassification to current liabilities of the disbursements expected in the twelve months subsequent to period end.

For completeness the following table shows the sensitivity in the interest rates applied for the discounting of the provision for renewal of airport infrastructure at December 31, 2023:

in thousands of Euro	Financial income/(charges)	Sensitivity Analysis (+0.5%)	Sensitivity Analysis (-0.1%)
Provision for renewal of airport infrastructure	(728)	(803)	(713)

The discounting curve utilised for the valuation includes the country risk. In this specific case the input data utilised was the short, medium and long-term zero-coupon government bonds (from 3 months to 30 years), sourced from the information provider Bloomberg.

16. Provisions for risks and charges (non-current and current)

The following table presents the movements in the year ending December 31, 2023 in the provisions for risks and charges:

in thousands of Euro	as at 31.12.2022	Provisions	Util./Other decreases	as at 31.12.2023
Risk provision for disputes	1,160	1,145	(4)	2,301
Provisions for other risks and charges	57	1,908	(5)	1,960
PROVISIONS FOR RISKS AND CHARGES (NON-CURRENT)	**1,217**	**3,053**	**(9)**	**4,261**
Employee back-dated provision	0	449	0	449
PROVISIONS FOR RISKS AND CHARGES (CURRENT)	**0**	**449**	**0**	**449**
TOTAL PROVISIONS FOR RISKS AND CHARGES	**1,217**	**3,502**	**(9)**	**4,710**

The "Risk provision for disputes" includes the updated liabilities prudently estimated, including with the help of mandated lawyers, for pending litigation and mainly includes: the estimates of interest owing in relation to the fire prevention service (Euro 20.1 million at December 31, 2023); for further details, reference should be made to the chapter on Disputes in the Directors' Report. The significant provision for the year is due to the increase in the legal interest rate with which this estimate is calculated.

The provision for disputes includes also the estimate of the liabilities for possible disputes with employees and contractors for airport works, and the estimation of revocation risks on clients going bankrupt in previous years, with the exception of the Alitalia bankruptcy. For the latter, please refer to the next section.

On the basis of the progress of litigation at the preparation date of this document, supported by an update from their advisors, the Group believes that the provisions set aside in the financial statements are adequate and represent the best estimate of liabilities for risks and charges.

The increase in "other provisions for risks and charges" is due on the one hand to the best estimate by Management of the commitment assumed by company management to establish a long-term fund to support soundproofing measures for those residential buildings most exposed to the airport's noise impact. As outlined in greater detail in the Directors' Report, to which reference should be made, in 2023 a number of measures were applied to reduce the noise impact of flights, mainly during night-time and in the city of Bologna. These initiatives also include the public commitment referred to in the relative provision for future charges, whose amount, to be considered as a supplement to the collections of the "IRESA" tax, shall be calculated in their final amount and disbursed on the basis of subsequent analysis and agreements with the local public entities. For the present year, the company recognised an estimated liability to the financial statements of approximately Euro 100 thousand.

The account "other provisions for risks and charges" also includes the provision of Euro 1.8 million to cover the reclamation costs of the land used as an airport parking lot in which, following judicial technical investigations to identify the causes of the damage evident on the surfaces as part of a civil dispute with the contractor who built the parking lot, materials that need to be removed as potentially harmful to the environment have been found. The Company has therefore committed to carrying out permanent safety work in the area. The relative timeframe and costs shall be subject to the approval of a forthcoming Services Conference, and whose estimated amount has been set aside in the relative provision for future charges.

Current provisions, finally, include the employee back-dated provision and, in particular, the estimated economic impact of the renewal of the Airport Operators' Collective Bargaining Agreement, which concluded on December 31, 2022.

Contingent liabilities

As regards the customs dispute involving the subsidiary FFM in 2021 (which is described in greater detail in the "disputes" section of the Directors' Report, to which reference should be made), we note that on April 20, 2021, the Bologna Customs Office notified FFM that it had corrected a number of customs declaration assessments. It therefore requested payment of higher customs and VAT duties which, including interest for late payment, totalled approx. Euro 4.3 million. The subsidiary FFM, which maintains that it has always operated with the fullest correctness and legality, filed an appeal against these notices and the Bologna Provincial Tax Commission ruled on this appeal on July 6, 2022, finding partially in favour of FFM and reducing the sum requested by the Tax Agency by Euro 0.8 million, declaring the non obligation of the VAT and exclusive charge of the direct importer. It was, therefore, appealed in November 2022 to the Emilia-Romagna Regional Tax Commission (CTR).

In relation to this dispute, a guarantee was issued for Euro 5.8 million by a leading bank in favour of the Customs Authority as requested by FFM, for the suspension of the assessment notices issued to the subsidiary, which includes a co-obligation for AdB. At the beginning of 2023, an additional surety was added for a value of Euro 278 thousand in order to obtain the suspension of the enforceability of the assessment reports covered by the appeal, following a partial increasing amendment as a result of an additional customs office audit.

The Company, supported by the opinion of its appointed lawyers, having evaluated the dossier outlining the position and the jurisprudence on the subject, and also in view of the first instance ruling, consider it possible but not probable that the case will be lost.

In relation, finally, to the extraordinary administration of Alitalia, the Group assessed the potential liability related to the revocation of receivables arising in the six months before the procedure, for an amount of Euro 2.01 million (gross of municipal surtaxes for passenger boarding fees previously paid to the relevant authorities). At the preparation date of this document, and specifically taking account of the information noted and the defensive arguments against the advanced action, the Directors, having met with the appointed lawyers, judged the liability as possible but not probable. They therefore considered it appropriate to provide disclosure in the Notes, without making any accrual, while at the same time continuing its defensive action. In any event, the case will not be settled before the end of the year 2024.

17. Non-current and current financial liabilities

The following table breaks down non-current and current financial liabilities at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	as at 31.12.2023	as at 31.12.2022	Change
Bank loans – non-current	20,601	46,419	(25,818)
Non-current financial liabilities for leasing	110	515	(405)
NON-CURRENT FINANCIAL LIABILIITES	**20,711**	**46,934**	**(26,223)**
Bank loans - current	11,802	14,456	(2,654)
Current financial liabilities for leasing	451	534	(83)
Payables due for boarding fee surtaxes and Iresa	6,742	2,254	4,488
Other current financial debt	27	17	10
CURRENT FINANCIAL LIABILITIES	**19,022**	**17,261**	**1,761**
TOTAL FINANCIAL LIABILITIES	**39,733**	**64,195**	**(24,462)**

Financial liabilities for loans at December 31, 2023 totalled Euro 32.4 million, compared to Euro 60.9 million at December 31, 2022, mainly due to a number of financial transactions that AdB completed in September 2023 to optimise the structure and improve the debt maturity profile.

The transactions concerned:

- the agreement of a Euro 15 million loan with Crèdit Agricole Italia. This is an ESG KPI Linked Loan which stipulates a bonus on this contractually-defined spread on the achievement of three ESG KPI's. In particular, commitments were agreed to progressively reduce the amount of climate-altering gas emissions, together with an increased self-generation of electricity from renewable sources. The financial covenants are in line with that set out in the loan contract agreed with the European Investment Bank. This funding transaction, structured over a duration of 60 months, is mainly to support the Adb's business plan.
- the full voluntary advance repayment at the end of September of the loan agreed in July 2020 with Intesa Sanpaolo Spa for Euro 33.9 million, with SACE guarantee and with the objective of containing financial charges which, in addition to the increase in interest rates, would have seen the SACE guarantee commission increase to 2%. The residual duration of the loans subject to early voluntary repayment would have been an additional 3 years.

in thousands of Euro	as at 31.12.2023	as at 31.12.2022	Change
Bank loans – non-current	20,601	46,419	(25,818)
Bank loans - current	11,802	14,456	(2,654)
TOTAL LOANS	**32,403**	**60,875**	**(28,472)**

"Loans" include:

- loan with SACE guarantee, maturing in 2026, issued by Unicredit Spa in July 2020 for Euro 25 million to support the infrastructural development plan and offset the reduction in traffic due to the COVID-19 emergency. This loan is classified for Euro 9.4 million under non-current financial liabilities and for Euro 6.2 million under current loans. Instalments of Euro 6.3 million were settled in 2023;
- ten-year bank loan with December 2024 maturity, with a balance of Euro 2.6 million at December 31, 2023, issued by Intesa Sanpaolo Spa to fund the infrastructure investment plan and classified under current loans. In 2023, the repaid instalments amount to Euro 2.6 million;
- Euro 15 million five-year loan maturing in September 2028 provided by Credit Agricole Italia. This loan is classified for Euro 11.2 million under non-current loans and for Euro 3 million under current loans. In 2023, an instalment of Euro 0.7 million was settled;

In order to guarantee the necessary liquidity to support the airport infrastructure investment and development plan, in December 2021 the Company signed a loan with the European Investment Bank (EIB), for which as of December 31, 2023 no request for disbursement has been made. The loan agreement will provide AdB with the flexibility required for the progression of the infrastructural development plan and funding requirements, with disbursement available up to 48 months from signing and in multiple tranches and in any case for a total amount not exceeding 50% of the total estimated project costs. This is alongside the flexibility of the option to choose between a fixed rate and a variable rate, which in both cases will be determined by the EIB in relation to the timing of the loan request and the overall conditions of disbursement and repayment. The last repayment date for each tranche shall fall no earlier than four years and no later than eighteen years from the relevant disbursement date, subject to the option for AdB to make voluntary early repayments. The contract includes negative pledges and covenants, including of a disclosure nature typical of such situations, with an early settlement obligation where control of AdB is acquired.

The contractual conditions of the loans in place at December 31, 2023 are illustrated below:

Credit Institution	Type of loan	Interest rate applied	Rate	Maturity	Covenant
Intesa San Paolo S.p.A.	Loan	Fixed rate of 3%	Half-Yearly	2024	NFP/EBITDA NFP/SE
Unicredit Spa Sace guarantee	Loan	Fixed rate of 0.77%	Quarterly	2026	NFP/EBITDA NFP/SE
Credit Agricole Italia	ESG KPI Linked Loan	Euribor variable 3 Months + spread 1.15%	Quarterly	2028	Yes

The annual nominal cost of the Unicredit loan with SACE guarantee granted in 2020, shown in the table above, is in addition to the cost of the SACE guarantee, which in this third year of the loan is 1% and shall rise to 2% from the fourth to sixth years of the guaranteed portion of the debt, equal to 90% of the residual loan.

The loans are not covered by secured guarantees.

With reference to the cross default clauses on the loan contracts of the Company, these include both clauses where the benefits are no longer applicable and where the Company financed is not in compliance with obligations of a credit or financial nature, or guarantees assumed with any party. We report that at December 31, 2023, AdB has not received any communication for application of cross default clauses by any of its lenders as the Company is in compliance with its existing contractual commitments. On the basis of the figures at December 31, 2023, compliance with the financial covenants is confirmed.

			in thousands of Euro			
Credit Institution	**Type of loan**	**Interest rate applied**	**Balance 31.12.2023**	**Interest balance for year**	**Sensitivity Analysis (+0.5%)**	**Sensitivity Analysis: (-0.1%)**
Intesa San Paolo Spa - SACE-backed	Banking	Euribor 3 months/360 + 1.29%	0	1,087	128	(26)
Credit Agricole Italia	Banking	Euribor at 3 months + spread 1.15%	14,250	205	19	(4)

Non-current and current financial liabilities for leases at the end of the two fiscal years are as follows:

in thousands of Euro	as at 31.12.2023	as at 31.12.2022	Change
Non-current lease liabilities	110	515	(405)
Current lease liabilities	451	534	(83)
TOTAL LEASE LIABILITIES	**561**	**1,049**	**(488)**

The Company has both underwritten leasing contracts as lessor with the sub-license of airport areas and spaces to its customers and also has undertaken leasing contracts as lessee for equipment, plant, machinery, automotive vehicles and land.

"Non-current financial liabilities for leasing" concern contractually due fees and with maturity beyond 12 months for the right to use third party assets recorded as fixed assets in application of IFRS 16 (note 2), while current financial liabilities for leases regard the current portion of the instalments due for the right to use third party assets recorded as fixed assets as of January 1, 2019 in application of IFRS 16.

We illustrate below the table required by IAS 7 - Cash Flow Statement for a greater disclosure of changes in financial liabilities:

in thousands of Euro	31/12/2022	Cash flows	New contracts	Interest/Other Reclassifications	31/12/2023
Loans - current portion	14,456	(15,206)	3,000	9,552	11,802
Lease liabilities - current portion	534	(597)	37	477	451
Loans - non-current portion	46,419	(28,250)	12,000	(9,568)	20,601
Lease liabilities - non-current portion	515	0	15	(421)	110
Total	**61,924**	**(44,053)**	**15,052**	**40**	**32,964**

Finally, also relating to current financial liabilities, the surtax on passenger boarding fees payable and for IRESA concerns the portion received by airlines and reversed to the authority body in January.

in thousands of Euro	as at 31.12.2023	as at 31.12.2022	Change
Payables due for boarding fee surtaxes and Iresa	6,742	2,254	4,488
PAYABLES DUE FOR BOARDING FEE SURTAXES AND IRESA	**6,742**	**2,254**	**4,488**

18. Trade payables

in thousands of Euro	as at 31.12.2023	as at 31.12.2022	Change
TRADE PAYABLES	**26,044**	**24,291**	**1,753**

Trade payables are primarily owed to domestic suppliers and increased due to the rise in costs. In terms of payment times, the average days remained unchanged on 2022 (53 days).

The table below shows the breakdown of trade payables at December 31, 2023 and December 31, 2022 by due date:

in thousands of Euro	Not yet due	Overdue	Total at 31.12.2023
Invoices/credit notes received	8,379	3,048	11,427
Invoices/credit notes to be received	14,617	0	14,617
TOTAL TRADE PAYABLES	**22,996**	**3,048**	**26,044**

in thousands of Euro	Not yet due	Overdue 0-30	Overdue 30-60	Overdue 60-90	Overdue over 90 days	Total
TRADE PAYABLES	**8,379**	**2,710**	**158**	**0**	**180**	**11,427**

in thousands of Euro	Not yet due	Overdue	Total at 31.12.2022
Invoices/credit notes received	11,805	2,993	14,798
Invoices/credit notes to be received	9,493	0	9,493
TOTAL TRADE PAYABLES	**21,298**	**2,993**	**24,291**

in thousands of Euro	Not yet due	Overdue 0-30	Overdue 30-60	Overdue 60-90	Overdue over 90 days	Total
TRADE PAYABLES	**11,805**	**1,669**	**74**	**89**	**1,161**	**14,798**

The ageing of trade payables shows a significant decrease in amounts overdue for more than 90 days (from 8% to 2% of total payables), due to the release to payment of one supplier in particular, as a result of obtaining the certification of regularity of contributions.

19. Other Liabilities

The following table breaks down other liabilities at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	as at 31.12.2023	as at 31.12.2022	Change
Current tax payables	2,600	2,815	(215)
Employee payables and social security institutions	4,947	3,946	1,001
ENAC concession fee and other State payables	24,530	23,339	1,191
Other current liabilities, accrued liabilities and deferred income	6,439	4,622	1,817
Fiscal consolidation payables	50	0	50
OTHER LIABILITIES	**38,566**	**34,722**	**3,844**

The principal changes were as follows:

i. CURRENT TAX PAYABLES

The following table breaks down tax payables at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	as at 31.12.2023	as at 31.12.2022	Change
VAT payables	0	216	(216)
Direct income taxes	1,635	1,625	10
Other tax payables	965	974	(9)
CURRENT TAX PAYABLES	**2,600**	**2,815**	**(215)**

This category decreased due to the absence of the VAT payable while direct taxes concerned the IRAP payable for Euro 0.4 million and the IRES tax consolidation payable for Euro 1.2 million. The item other tax payables is primarily composed of the IRPEF payable on employees and consultants and there were no significant changes compared to December 31, 2022.

ii. Employee payables and social security institutions

The following table breaks down employee payables and social security institutions at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	as at 31.12.2023	as at 31.12.2022	Change
Due to personnel renumeration	1,186	892	294
Employee deferred compensation	2,400	1,860	540
Social security payables	1,361	1,194	167
CURRENT PAYABLES TO PERSONNEL AND SOCIAL SECURITY INSTITUTIONS	**4,947**	**3,946**	**1,001**

Employee payables and social security institution payables reported an increase at December 31, 2023, due to the increased personnel costs.

iii. ENAC concession fee and other State payables

The ENAC concession fees and other State payables mainly comprises:

- Euro 20.1 million (Euro 18.6 million in 2022) concerning the fire prevention service as governed by Article 1, paragraph 1328 of the 2007 Finance Act, modified by Article 4, paragraph 3*bis* of Law No. 2/2009. For further details, reference should be made to the chapter on Disputes in the Directors' Report;
- Euro 4.4 million (compared to Euro 4.6 million at December 31, 2022) as the variable airport concession fee payable regarding the second payment on account and the 2023 final settlement.

The liability relating to the fire prevention service, as further described in the Directors' Report, to which reference should be made, was recognised to incorporate the contribution owed by AdB to the Fund established by the 2007 Budget Law in order to reduce the cost borne by the State for organising and providing the fire prevention service at Italian airports. The Company promoted, in 2012, a specific judicial action before the Rome Civil Tax Court, substantially requesting the Judge to ascertain and declare the cessation of the obligatory contribution following the change in the purpose of the afore-mentioned Fund, i.e. from January 1, 2009. In fact, from that date the resources accumulated in the Fund were allocated to the generic requirements of the public purse and civil defence, as well as for financing salary increases of the Fire Prevention Service.
While awaiting the civil procedure, which extended over numerous years across a series of different judges and postponements, a consolidated jurisprudence (ex pluris Rome Provincial Tax Court No. 10137/51/2014 - passed into Law - and Rome Provincial Tax Court No. 2517/2019) sealed by the pronouncement of the Court of Cassation No. 3162 of February 1, 2019 and, latterly, by the Lazio Regional Tax Commission No. 7164/2019, affirmed: i) the nature of the contribution to the Fire Prevention Fund, ii) the consequent competent tax jurisdiction, iii) the non-obligation to pay the tax from 2009, due to the non-applicability of its original legislative purpose, pending a legitimate legal provision.
Finally, on February 8, 2022, the Rome Court issued its ruling No. 2012/2022 clarifying the jurisdiction of the tax court. The company in order to obtain a direct recognition of the principles embodied universally by the Court of Cassation and by the Rome Provincial Tax Court in December 2022 presented the case before the Rome Court (RG No. 22375/12). The hearing on the substance of the case before the Rome Provincial Tax Commission has been set for April 17, 2023. On April 17, 2023, the Rome Provincial Tax Court, however, unexpectedly dismissed AdB's appeal, radically departing from all relevant precedents. AdB has, therefore, appealed to the second instance Tax Court (CTR) (RGR proceeding No. 5921/2023) the first instance ruling No. 5768/2023 issued by Section 4 of Rome's first instance CTR. In this forum, it will carry out any and all defence, also taking into account the issues referred to the Tax Court, by the latest Court of Cassation ruling No.990/2024 of January 10, 2024, reproposing a specific question of constitutional legitimacy, taking into account the allocation constraint also established, also latterly in this recent judgement, and the distortion from the "Novella 2009" of the law that established the "Fire Prevention Fund".

In fact, the Court of Cassation, in the appeal brought by the Administrations against the Lazio Regional Tax Commission's (CTR) ruling No. 7164/2019, which had annulled the 2007 to 2010 annual fees of the Airport Fire Prevention Fund, most recently stated its position in ruling No. 990/2024 of January 10, 2024, subverting the previous jurisprudential orientation of the same unified sections affirmed in ruling No. 3162/2019.

The Court of Cassation has, therefore, most recently ruled that: a) the airport management companies are the taxable entities of the Airport Fire Prevention Fund, according to their specific subjective legal situation, i.e. due to the fact that they are companies holding the concessions for the management of airport services at the airports where fire prevention services are the responsibility of the Fire Prevention Service; b) the external applicability is excluded of *res judicata* judgments against other airport management companies that were not parties to those judgments, and the same multi-year applicability against companies that, on the other hand, were parties to such and have one or two *res judicata* judgments; c) "the allocation constraint is unrelated to the regulation of the levy's imposition phase, but pertains to the use of the revenue"; d) the legislative choice of a different allocation of resources and the attribution of fire prevention service costs in general to a limited group of subjects instead of the general community would not be unreasonable, rejecting the raised issue of constitutional legitimacy, referring the case back to the Second Instance Lazio Tax Court (CGT) for a fresh examination of the matters raised. At the same time, the Court of Cassation has, however, acknowledged that affirmed by the management companies since 2009, i.e. on the existence of a specific allocation constraint, affirming the following principle of law: the Airport Fire Prevention Fund "*has the nature of a tied tax*" in order to reduce the cost borne by the State in the fire prevention service at airports, specifying further that the allocation constraint arises "*limited to the phase of use of the revenue*".

Despite the complexity and the latest unexpected and unfavourable pronouncements, on the basis of the opinion of the appointed lawyers supporting the unchanged illegitimacy, also of constitutional significance, determined by the *ex lege* violation of the allocation constraint, possible settlement solutions to the entire dispute will continue to be sought at the national level, in addition to the promotion, in all relevant forums, of every attempt to repeal the 2009 rule and the issuance of a legitimate device in favour of taxpayers (i.e. airport operators) and recipients (National Fire Prevention Service for the management of fire prevention activities in the local areas of airport sites).

iv. Other current liabilities, accrued liabilities and deferred income

The following table breaks down current liabilities, accrued liabilities and deferred income at December 31, 2023 (compared with December 31, 2022).

in thousands of Euro	as at 31.12.2023	as at 31.12.2022	Change
Payables due for boarding fee surtaxes and Iresa	4,526	2,904	1,622
Other current liabilities	1,601	1,545	56
Current accrued liabilities and deferred income	312	173	139
TOTAL OTHER CURRENT LIABILITIES, ACCRUED LIABILITIES AND DEFERRED INCOME	**6,439**	**4,622**	**1,817**

The main account concerns the surtax for passenger boarding fees and for IRESA, relating to the receivables from carriers not yet received at December 31, 2023 for Euro 4.5 million. The portion of the passenger boarding fees payable and for IRESA relating to receivables collected from carriers, to be paid to the creditor entities on the other hand is classified under current financial liabilities (Note 17).

"Other current liabilities" include deposits and advances received from customers in addition to deferred income and miscellaneous payables. Finally, the "other accrued liabilities and deferred income" account increased, mainly due to the portion of online sales revenues collected in advance.

NOTES TO THE MAIN INCOME STATEMENT ACCOUNTS

REVENUES

20. Revenues

The following table shows details of revenues by category for the years 2023 and 2022, and in relation to the performance reference should be made to the detailed comments in the Directors' Report.
Overall, total revenues of Euro 137.6 million were recognised, an increase of Euro 11.3 million over the previous year. Isolating the item "revenues from construction services", which concerns investments in concession rights in the period (Euro 28.4 million, compared to Euro 15.9 million in 2022) and excluding from the comparative year the contribution of the COVID compensation fund for Euro 20.9 million, revenues grew 22.1%, from Euro 89.4 million in 2022 to Euro 109.2 million in 2023.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Revenues from aeronautical services	56,241	46,088	10,153
Revenues from non-aeronautical services	51,171	41,665	9,506
Revenues from construction services	28,414	15,952	12,462
Other operating revenues and income	1,747	22,520	(20,772)
REVENUES	**137,573**	**126,225**	**11,349**

The reclassification of Company revenues based on revenue streams defined by IFRS 15, i.e. those from contracts with customers, is shown in the following table:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Airport fees	55,119	45,162	9,957
Parking	19,924	15,971	3,953
Revenues from construction services	28,414	15,952	12,462
Other	7,313	5,697	1,616
TOTAL IFRS 15 REVENUE STREAMS	**110,770**	**82,782**	**27,988**

The reconciliation between IFRS 15 revenue streams and total revenues is shown in the following table:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Airport fees	55,119	45,162	9,957
Parking	19,924	15,971	3,953
Revenues from construction services	28,414	15,952	12,462
Other	7,313	5,697	1,616
TOTAL IFRS 15 REVENUE STREAMS	**110,770**	**82,782**	**27,988**
Commercial/non-comm. sub-licenses	26,546	22,321	4,225
TOTAL NON IFRS 15 REVENUE STREAMS	**26,546**	**22,321**	**4,225**
TOTAL NON IFRS 15 Revenues	257	21,122	(20,865)
TOTAL REVENUES	**137,573**	**126,225**	**11,348**

i. Revenues from aeronautical services

The table below shows revenues from aeronautical services in 2023 and 2022. Thanks to the traffic results, this revenue category grew 22% against a passenger traffic increase of 17.4% and of movements of 12.5%.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Revenues from centralised infrastructure/other airport services	294	191	103
Exclusive use revenues	1,113	959	154
Airport fee revenues	75,471	65,746	9,725
PRM revenues	6,723	5,725	998
Air traffic development incentives	(27,370)	(26,499)	(871)
Other aeronautical revenues	10	35	(25)
Reduction in other aviation revenues to Provision for doubtful accounts	0	(69)	69
TOTAL REVENUES FROM AERONAUTICAL SERVICES	**56,241**	**46,088**	**10,153**

The breakdown of airport fee revenues is shown below:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Passenger boarding fees	34,604	29,385	5,219
Landing, take-off and parking fees	25,470	22,551	2,919
Passenger security fees	10,581	9,341	1,240
Baggage stowage control fees	4,106	3,647	459
Freight loading and unloading charges	823	859	(36)
Reduction fees to provision for doubtful accounts and other	(113)	(37)	(76)
TOTAL AVIATION FEE REVENUES	**75,471**	**65,746**	**9,725**

ii. Revenues from non-aeronautical services

The table below shows revenues from non-aeronautical services in 2023 and 2022. Also for this revenue category, the growth of 22.8% related to the revenues for the sub-concession of spaces and commercial areas and for parking services, both related to the traffic served, in addition to the new parking pricing strategies, the updating of the self-hire contracts and the strong performances of a number of retail sales points.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Sub-licensing of areas and premises	23,849	20,224	3,625
Parking	19,924	15,971	3,953
Other commercial revenues	7,398	5,470	1,928
TOTAL REVENUES FROM NON-AERONAUTICAL SERVICES	**51,171**	**41,665**	**9,506**

Other commercial revenues also show growth in all categories, as detailed below:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Marconi Business Lounge	3,132	2,154	978
Advertising	1,719	1,254	465
Misc. commercial revenues	2,547	2,062	485
TOTAL OTHER COMMERCIAL REVENUES	**7,398**	**5,470**	**1,928**

iii. Revenues from construction services

Revenues from construction services concern the construction services undertaken by the Company on behalf of the ENAC granting entity for the capital investments previously commented upon in relation to the Concession Rights in Note 1.
These revenues amounted to Euro 28.4 million compared to Euro 15.9 million in 2022, due to the greater investments in airport infrastructure under concession; see the Directors' Report for further information.

iv. Other Revenues and Income

The table below shows other revenues and income in 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Indemnities, reimbursement and misc. income	1,222	1,065	157
Operating and plant grants	346	559	(213)
Cont. COVID-19 compensation fund Budget Law 2021	0	20,903	(20,903)
Revenues from Terminal Value on Provision for Renewal	173	34	139
Capital gains	6	10	(4)
Reduction in other revenues and income to provision for doubtful accounts.	0	(51)	51
TOTAL OTHER REVENUES AND INCOME	**1,747**	**22,520**	**(20,773)**

Excluding from the comparative year the contribution from the Compensation Fund provided by Law No. 178/2020 for COVID-19, other operating revenues and income for 2023 grew 8%.
"Indemnities, reimbursements and miscellaneous income" increased also due to a number of penalties as a result of delays in executing the lot III apron works.
"Operating and plant grants" include the contributions recorded:

- ✓ as partial compensation on the increased charges incurred for electricity and natural gas acquired and effectively used in 2023;
- ✓ in relation to the Itair-Isac funded project related to the creation of a shared cyber-security risk centre in collaboration with Assaeroporti;
- ✓ to cover the provision of employee training courses.

COSTS

21. Costs

Costs in 2023 increased 29.4%, from Euro 73.8 million in 2022 to Euro 95.6 million. Excluding "construction services", operating costs increased 16.8%.

i. Consumables and goods

The table below presents consumables and goods in 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Consumables and goods	892	727	165
Maintenance materials	253	179	74
Fuel and gasoline	194	188	6
TOTAL CONSUMABLES AND GOODS	**1,339**	**1,094**	**245**

This cost category saw an increase of 22.4% across all items and related to the increased activities and higher prices. This latter factor has negatively impacted all external operating costs.

ii. Service costs

The following table shows the breakdown of services costs for 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Maintenance costs	5,806	4,775	1,031
Utilities	3,351	3,449	(98)
Cleaning and accessory services	2,605	2,259	346
Services	6,052	5,329	723
MBL Services	529	392	137
Advertising, promotion and development	847	670	177
Insurance	961	862	99
Professional and consultancy services	2,539	1,741	798
Statutory board fees and expenses	558	564	(6)
Other service costs	241	259	(18)
TOTAL SERVICE COSTS	**23,489**	**20,300**	**3,189**

Costs for services saw an overall increase of 15.7% due to the increase in traffic served and the related greater infrastructure and services activities, in addition to the rising raw material. The largest increase was for maintenance and other outsourced services (see the table at the end of this section), these latter mainly for the shuttle service to transport passengers to/from the parking lots. This service was not present in the comparative period as temporarily suspended due to the drop in traffic as a result of COVID and was reinstated only from the second half of 2022.

Finally, also professional services and consultancy costs increased, due mainly to the launch of new initiatives, such as for example those related to the investment in Urban V Spa, personnel selection and legal expenses, while the cost of utilities reports a saving due to the lower unitary electricity cost.

A further breakdown in maintenance expenses is provided below:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Owned asset maintenance expenses	1,347	1,100	247
Airport infrastructure maintenance expenses	3,808	3,158	650
Third party asset maintenance expenses	651	517	134
TOTAL MAINTENANCE EXPENSES	**5,806**	**4,775**	**1,031**

The breakdown of services is illustrated below:

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Snow clearance	476	398	78
Porterage, transport third-party services	1,127	478	649
PRM assistance service	885	850	35
De-icing and other public service charges	551	626	(75)
Security service	1,917	1,947	(30)
Other outsourcing	1,096	1,030	66
TOTAL SERVICES	**6,052**	**5,329**	**723**

In this category, we highlight the PRM assistance service cost slightly increased on 2022, despite the increase in traffic as part of the service outsourced was brought in-house from December 1, 2023, with a simultaneous expansion of the workforce and therefore of personnel costs. As of this date, the service is completely managed by Adb.

iii. Construction service costs

Construction service costs concern the construction costs incurred by Aeroporto Guglielmo Marconi di Bologna S.p.A. for the capital investments previously commented upon in relation to the Concession Rights in Note 1.

iv. Leases, rentals and other costs

The following table shows the breakdown of leases, rentals and other costs for 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Concession fees	7,986	6,342	1,644
Hire charges	161	197	(36)
Rental charges	359	151	208
EDP processing charges	1,698	1,474	224
Other rental & hire costs	106	8	98
TOTAL LEASES, RENTALS AND OTHER COSTS	**10,310**	**8,172**	**2,138**

The increase in this cost category is almost exclusively due to the higher traffic volumes, on whose basis the concession and security fees are calculated, in addition to parking land leases for the variable portion related to increased parking.

v. Other operating expenses

The following table shows the breakdown of other operating expenses for 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Misc. and local taxes	1,431	1,244	187
Fire prevention service contribution	1,498	1,526	(28)
Capital losses	58	3	55
Other operating costs and expenses	587	387	200
TOTAL OTHER OPERATING EXPENSES	**3,574**	**3,160**	**414**

The increase in this category of costs (13.1%) is due to the increase in tax charges, particularly the TARI, waste tax, as 2022 benefited from a rate reduction granted by the City of Bologna due to the pandemic and other operating charges and expenses. These include, among others, increased costs regarding membership fees and charitable contributions.

vi. Personnel costs

The following table shows the breakdown of personnel costs for 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Wages and salaries	20,565	17,812	2,753
Social security contributions	5,812	5,015	797
Severance provisions	1,426	1,342	84
Retirement pension and similar	196	186	10
Other personnel costs	1,797	1,582	215
TOTAL PERSONNEL COSTS	**29,796**	**25,937**	**3,859**

The increase in personnel costs (14.9%) is due to the expanded (mainly operating) workforce (+55 average staff and +68 staff at December 31), the absence of the Extraordinary Temporary Lay-Off Scheme applied in the initial months of 2022, although in low percentages, the greater use of temporary staff and overtime and the lower use of vacations. There is also an increase related to staff variable premiums, in addition to higher costs related to the increased workforce, such as the cafeteria service, education and training costs, missions, and staff medical examinations and checkups.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Employee canteen	605	494	111
Personnel training and refresher courses	208	172	36
Employee expenses	215	122	93
Other personnel provisions	649	669	(20)
Misc. personnel costs	120	125	(5)
TOTAL OTHER PERSONNEL COSTS	**1,797**	**1,582**	**215**

The average headcount by category in the two periods under consideration is shown below:

Average workforce (number)	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Executives	8	8	0
White-collar	409	366	43
Blue-collar	93	81	12
TOTAL PERSONNEL	**510**	**455**	**55**

The headcount at the end of the two financial years under consideration was as follows:

Workforce (number)	as at 31.12.2023	as at 31.12.2022	Change
Executives	8	8	0
White-collar	426	380	46
Blue-collar	108	86	22
TOTAL PERSONNEL	**542**	**474**	**68**

22. Depreciation, amortisation and impairment

The table below shows depreciation, amortisation and impairments in 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Amortisation/write-downs Concession rights	8,266	7,829	437
Amortisation of other intangible assets	691	660	31
Depreciation/impairment of tangible assets	2,198	5,176	(2,978)
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT	**11,155**	**13,665**	**(2,510)**

The depreciation and amortisation of Euro 10.5 million is in line with the effects of the full year application from the progressive roll-out of investments over the last twelve months (see Investment Chapter in the Directors' Report and notes 1 and 2). "Depreciation of tangible assets", finally, includes Euro 547 thousand of depreciation on leased assets in accordance with IFRS 16.

The total impairments recognised amounted to Euro 0.6 million and referred mainly to the impairment of projects that are no longer usable.

23. Provisions for risks and charges

The following table shows the movement of the provisions for risks and charges in 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Provisions for doubtful accounts	(662)	687	(1,349)
Provision for renewal of airport infrastructure	3,448	4,060	(612)
Provisions for other risks and charges	3,502	165	3,337
TOTAL PROVISIONS	**6,288**	**4,912**	**1,376**

This costs category increased due almost entirely to the increased accrual to the risks and charges provisions, partially offset by the lower accrual to the provision for the renewal of airport infrastructure, and the release of the excess of the provision for doubtful accounts. Reference should be made to item 8 Trade receivables for this latter and to item 16 for the other provisions for other risks and charges.

24. Net financial income and expenses

The following table shows the breakdown of Financial income and financial expenses for 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Discounting income on provisions	108	1,294	(1,186)
Other income	709	98	611
TOTAL FINANCIAL INCOME	**817**	**1,392**	**(575)**
Interest expenses and bank charges	(1,578)	(838)	(740)
Discounting charges on provisions	(844)	(69)	(775)
Interest charges for discounting of liabilities for leasing	(28)	(17)	(11)
Other financial expenses	(600)	(525)	(75)
Write-down of investments	(75)	0	(75)
TOTAL FINANCIAL EXPENSES AND WRITE-DOWNS OF INVESTMENTS	**(3,125)**	**(1,449)**	**(1,676)**
TOTAL FINANCIAL INCOME AND EXPENSES	**(2,309)**	**(57)**	**(2,251)**

Net financial expenses amounted to Euro 2.3 million compared to net expenses of Euro 57 thousand in the previous year due to:

- of the decrease in income from the discounting of provisions due to the decrease in projected interest rates, which also contributes to the increase in provision discounting charges;
- of the increase in financial expense on loans, again due to the rate effect and accessory charges to the loan with Sace guarantee.

Finally, "Financial income other than above", which mainly includes the return on Time Deposits recognised as current assets, increased, while "write-downs of investments" includes the write-down of the 5% equity investment in Urban V as a result of losses recognised as of November 30, 2023, in accordance with Article 2447 of the Civil Code (please refer to Note 3 Investments).

25. Income taxes

The following table shows income taxes for the year for 2023 and 2022.

in thousands of Euro	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Current income taxes	3,232	1,335	1,897
Deferred and prepaid taxes	3,128	2,958	170
TOTAL INCOME TAXES FOR THE YEAR	**6,360**	**4,293**	**2,067**
% current taxes on results before taxes	**14.52%**	**3.96%**	**10.57%**
% income taxes for the year on results before taxes	**28.58%**	**12.73%**	**15.86%**

In 2023, income taxes amounted to Euro 6.4 million, an increase compared to FY 2022 despite the lower pre-tax result taking into account the tax relief in 2022 on the COVID-19 grant, which did not contribute to the IRES and IRAP taxable base in accordance with Article 10-bis of Decree Law No. 137/2020.

"Current income taxes" comprises:

- Euro 1.9 million of "tax consolidation charges" for IRES on a reduced taxable base in 2023 thanks to the full utilisation of the residual 2020-2021 tax losses, as presented in the effective and theoretical IRES rate reconciliation table.
- Euro 1.4 million of IRAP for the year, as detailed in the table below:

Breakdown of taxes for the year	for the year ended 31.12.2023	for the year ended 31.12.2022	Change
Income from IRES tax consolidation	1,856	393	1,463
IRAP	1,356	942	414
Prior year taxes	20	0	20
TOTAL	**3,232**	**1,335**	**1,897**

The reconciliation between the IRES effective and theoretical tax rate is illustrated below:

IRES effective/theoretical Tax Rate Reconciliation	**for the year ended 31.12.2023**	**for the year ended 31.12.2022**	**Change**
Pre-tax result	22,253	33,736	(11,483)
Ordinary tax rate	**24%**	**24%**	**0%**
Theoretical tax charge/(recovery) 24%	5,341	8,097	(2,756)

Effect of increase or decrease to the IRES ordinary tax rate:	**for the year ended 31.12.2023**	**for the year ended 31.12.2022**	**Change**
Provisions deductible in future years	3,682	1,699	1,983
Costs deductible in future years	3,868	3,168	700
Other non-deductible costs	1,160	4,000	(2,840)
Utilisation provisions deductible in future years	(877)	(938)	61
Costs not deductible in previous years	(2,548)	(2,342)	(206)
Other differences	(2,129)	(2,756)	627
Contribution COVID compensation fund	0	(20,903)	20,903
Prior ACE use	0	(1,485)	1,485
Current ACE use	(1,127)	(744)	(383)
Utilisation prior year losses	(16,547)	(11,797)	(4,750)
Total increase/decrease	**(14,518)**	**(32,098)**	**17,580**
Assessable income	**7,735**	**1,638**	**6,097**
Charges from IRES tax consolidation	1,856	393	1,463
TOTAL	1,856	*393*	1,463
Effective tax rate	**8.34%**	**1.16%**	**7.18%**

26. Related party transactions

For the definition of "Related Parties", reference should be made to IAS 24, approved by Regulation (EC) No. 1725/2003.

Intercompany transactions are carried out within the scope of ordinary operations and at normal market conditions. Related party transactions principally concern commercial and financial transactions, in addition to participation in the tax consolidation. None of these have particular economic or strategic significance for the company as they do not account for a significant percentage of the total financial statement amounts.

The Bologna Chamber of Commerce shareholders were identified as a Government party, therefore exempt from the disclosure regarding related parties as defined by IAS 24. The categorisation of the Bologna Chamber of Commerce as a Government party therefore limited the checks required for the identification of related parties to the mere identification of the Bologna Chamber of Commerce. No additional information is reported in the financial statements concerning transactions undertaken by the
company with the Bologna Chamber of Commerce as no significant transactions are undertaken with this shareholder.

The following related party transactions was carried out in the year:

Transactions with subsidiary companies

Commercial transactions between the Parent Company and the subsidiary Tag Bologna Srl, in terms of receivables, principally concern the twenty-year sub-concession of the General Aviation traffic assistance infrastructure and the provision of administration and legal services, including the compensation, reversed to the employer Adb, of directors of the Parent Company and the secondment of personnel, for Euro 91 thousand (Euro 120 thousand in 2022).

Adb's contract liabilities to the subsidiary relate primarily to:

- the capital grant for the covering of General Aviation terminal infrastructure operation and maintenance costs for the boarding and disembarking of passengers, against the financial advantage for AdB of including these costs in the calculation of passenger boarding fees;
- the H24 contract.

Overall, 2023 costs to TAG totalled Euro 459 thousand, compared to Euro 475 thousand in 2022.

Non-commercial transactions with Tag concerned:

- the tax consolidation contract renewed on the basis of the Board of Directors' motions of the companies Aeroporto Guglielmo Marconi di Bologna Spa of January 25, 2021 (consolidating company) and Tag Bologna Srl of February 22, 2021 (consolidated company) for the years 2021-2023; In this regard, as of December 31, 2023, AdB presents a payable to Tag of Euro 35 thousand;
- a letter of patronage concerning the mortgage loan granted to the subsidiary Tag Bologna S.r.l. by Banca Agricola Mantovana (now Monte dei Paschi di Siena), equal to the residual principal, which at the end of the year amounted to Euro 1.2 million.

Commercial transactions between the Parent Company and the subsidiary Fast Freight Marconi S.p.A. concern mainly the provision by AdB of the following services:

- sub-concession of offices, areas and operating rooms;
- management and staffing, including the following staff services: accounting, administration, finance, operating control, management reporting, personnel, legal, ICT, personnel secondment and directors' competences and Supervisory Board;
- packages and goods x-ray controls.

Revenues in the year from the subsidiary amount to Euro 481 thousand compared to Euro 393 thousand in 2022. this increase is mainly attributable to the greater recourse to seconded personnel of the subsidiary.

The contract liabilities to FFM relate to the public service charge connected with management of the Temporary Storage Warehouse, on which contributions to cover the loss from management of the Temporary Storage Warehouse amounting to Euro 25 thousand accrued, compared to Euro 84 thousand in 2022.

Non-commercial transactions with FFM included:

- the tax consolidation contract renewed on the basis of the Board of Directors' motions of the companies Aeroporto Guglielmo Marconi di Bologna Spa of January 25, 2021 (consolidating company) and FFM of February 17, 2021 (consolidated company) for the years 2021-2023. In this regard, as of December 31, 2023, AdB presents a payable to FFM of Euro 15 thousand;
- the co-obligation of AdB in a number of FFM's guarantees for Euro 6 million, the most significant of which (at Euro 5.8 million) issued to the customs authority for a customs dispute in which FFM is involved. For more information, see the Directors' Report.

Related party transactions

In 2023, the Company undertook commercial transactions with subsidiaries of the shareholder Mundys Spa as follows:

- Telepass Spa: under the contract for the supply of electronic parking payment services using the Telepass system, AdB incurred costs of Euro 182 thousand compared with Euro 173 thousand in 2022. Trade payables were recognised for Euro 96 thousand (Euro 49 thousand at December 31, 2022);
- Urban V: at December 31, 2023 the parent company incurred costs for professional services provided by the investee for Euro 275 thousand (Euro 25 thousand in 2022) and recognised trade payables for Euro 122 thousand (Euro 31 thousand in 2022).

The following tables present the balances of related parties transactions contained in the financial statements balances.

in thousands of Euro	for the year ended 31.12.2023		for the year ended 31.12.2022	
	Total	**of which related parties**	**Total**	**Total**
Concession rights	220,770	0	201,573	0
Other intangible assets	1,480	0	1,390	0
Intangible assets	**222,250**	**0**	**202,963**	**0**
Land, property, plant and equipment	10,629	0	11,083	0
Investment property	1,617	0	1,617	0
Tangible assets	**12,246**	**0**	**12,700**	**0**
Investments	3,189	0	3,264	0
Other non-current financial assets	14,949	0	12,426	0
Deferred tax assets	6,643	0	9,794	0
Other non-current assets	146	0	221	0
Other non-current assets	**24,927**	**0**	**25,705**	**0**
NON-CURRENT ASSETS	**259,423**	**0**	**241,368**	**0**
Inventories	806	0	817	0
Trade receivables	18,126	208	11,664	250
Other current assets	6,538	30	5,294	429
Current financial assets	5,002	0	45,058	0
Cash and cash equivalents	36,327	0	20,656	0
CURRENT ASSETS	**66,799**	**238**	**83,489**	**680**
TOTAL ASSETS	**326,222**	**238**	**324,857**	**680**

in thousands of Euro	for the year ended 31.12.2023		for the year ended 31.12.2022	
	Total	of which related parties	Total	of which related parties
Share capital	90,314	0	90,314	0
Reserves	91,823	0	62,421	0
Profit/(loss)	15,893	0	29,443	0
TOTAL SHAREHOLDERS' EQUITY	**198,030**	**0**	**182,178**	**0**
Severance and other personnel provisions	2,942	0	2,974	0
Deferred tax liabilities	2,139	0	2,163	0
Provision for renewal of airport infrastructure	11,804	0	10,448	0
Provisions for risks and charges	4,261	0	1,217	0
Non-current financial liabilities	20,711	0	46,934	0
Other non-current liabilities	75	0	114	0
NON-CURRENT LIABILITIES	**41,932**	**0**	**63,850**	**0**
Trade payables	26,044	309	24,291	259
Other liabilities	38,566	50	34,722	3
Provision for renewal of airport infrastructure	2,179	0	2,555	0
Provisions for risks and charges	449	0	0	0
Current financial liabilities	19,022	0	17,261	0
CURRENT LIABILITIES	**86,260**	**359**	**78,829**	**262**
TOTAL LIABILITIES	**128,192**	**359**	**142,679**	**262**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**326,222**	**359**	**324,857**	**262**

in thousands of Euro	for the year ended 31.12.2023		for the year ended 31.12.2022	
	Total	of which related parties	Total	of which related parties
Revenues from aeronautical services	56,241	72	46,088	75
Revenues from non-aeronautical services	51,171	260	41,665	258
Revenues from construction services	28,414	0	15,952	0
Other operating revenues and income	1,747	239	22,520	180
Revenues	**137,573**	**572**	**126,225**	**512**
Consumables and goods	(1,339)	0	(1,094)	0
Service costs	(23,489)	(934)	(20,300)	(750)
Revenues from construction services	(27,061)	0	(15,192)	0
Leases, rentals and other costs	(10,310)	0	(8,172)	(9)
Other operating expenses	(3,574)	(5)	(3,160)	(5)
Personnel expense	(29,796)	(2)	(25,937)	(2)
Costs	**(95,569)**	**(941)**	**(73,855)**	**(766)**
Amortisation/write-downs Concession rights	(8,266)	0	(7,829)	0
Amortisation of other intangible assets	(691)	0	(660)	0
Depreciation/impairment of tangible assets	(2,198)	0	(5,176)	0
Depreciation, amortisation and impairment	**(11,155)**	**0**	**(13,665)**	**0**
Provisions for doubtful accounts	662	0	(687)	0
Provision for renewal of airport infrastructure	(3,448)	0	(4,060)	0
Provisions for other risks and charges	(3,502)	0	(165)	0
Provisions for risks and charges	**(6,288)**	**0**	**(4,912)**	**0**
Total Costs	**(113,012)**	**(941)**	**(92,432)**	**(766)**
Operating result	**24,561**	**0**	**33,793**	**0**
Financial income	817	0	1,392	0
Financial expenses	(3,125)	0	(1,449)	0
Pre-tax result	**22,253**	**0**	**33,736**	**0**
Taxes for the year	(6,360)	**0**	(4,293)	**0**
Profit (loss) for the year	**15,893**	**0**	**29,443**	**0**

The movements with regards to the individual related parties respectively in 2023 and 2022 are presented below.

	2023							
in thousands of Euro	Trade Receivables	Other current assets	Total Current Assets	Total Assets	Trade payables	Other Liabilities	Current Financial Liabilities	Total liabilities
Tag Bologna Srl	87	5	92	**92**	66	35	0	**101**
Fast Freight Marconi S.p.A.	120	0	120	**120**	25	15	0	**40**
Telepass Spa	0	0	0	**0**	96	0	0	**96**
Urban V. Spa	0	25	25	**25**	122	0	0	**122**
Total	**208**	**30**	**238**	**238**	**309**	**50**	**0**	**359**

	2022							
in thousands of Euro	Trade Receivables	Other current assets	Total Current Assets	Total Assets	Trade payables	Other Liabilities	Current Financial Liabilities	Total liabilities
Tag Bologna Srl	164	185	349	**349**	95	1	96	**96**
Fast Freight Marconi S.p.A.	86	244	331	**331**	84	1	85	**85**
Telepass Spa	0	0	0	**0**	49	0	49	**49**
Infloblu Spa	0	0	0	**0**	0	0	0	**0**
Urban V. Spa	0	0	0	**0**	31	0	31	**31**
Total	**250**	**429**	**680**	**680**	**259**	**2**	**262**	**262**

	2023								
in thousands of Euro	Revenues from aeronautical services	Revenues from non-aeronautical services	Other operating revenues and income	TOTAL REVENUES	Service costs	Leases, rentals and other costs	Other operating expenses	Personnel costs	TOTAL COSTS
Tag Bologna Srl	0	70	20	**91**	452)	0	(5)	(2)	**(459)**
Fast Freight Marconi S.p.A.	72	190	219	**481**	(25)	0	0	0	**(25)**
Telepass Spa	0	0	0	**0**	(182)	0	0	0	**(182)**
Urban V. Spa	0	0	0	**0**	(275)	0	0	0	**(275)**
Total	**72**	**260**	**239**	**572**	**(934)**	**0**	**(5)**	**(2)**	**(941)**

in thousands of Euro	2022 Revenues from aeronautical services	Revenues from non-aeronautical services	Other operating revenues and income	TOTAL REVENUES	Service costs	Leases, rentals and other costs	Other operating expenses	Personnel costs	TOTAL COSTS
Tag Bologna Srl	0	73	47	**120**	(468)	0	(5)	(2)	**(475)**
Fast Freight Marconi S.p.A.	75	185	132	**392**	(84)	0	0	0	**(84)**
Telepass Spa	0	0	0	**0**	(173)	0	0	0	**(173)**
Infloblu Spa	0	0	0	**0**	0	(9)	0	0	**(9)**
Urban V. Spa	0	0	0	**0**	(25)	0	0	0	**(25)**
Total	**75**	**258**	**180**	**512**	**(750)**	**(9)**	**(5)**	**(2)**	**(766)**

All the related party transactions described above were undertaken during the course of ordinary operations and on an arm's length basis.

27.Commitments and risks

Environmental investment commitments

The Company, through the Regional Agreement for a Low-Carbon Airport, signed with regional authorities in 2015 and updated in January 2020, has committed to perform work with a maximum total cost of Euro 9.3 million. These investments will be carried out over a period consistent with the timeframe for implementation of the airport Master Plan.
In 2023, in addition to land expropriations, the first trees and tree species intended for the creation of a forested strip north of the airport of about 40 hectares were planted; the overall planting includes more than 20 thousand tree and shrub species with a $CO2$ absorption potential of about 2,300 tons/year. The wooded strip will also be equipped with a bicycle path that can be used by the community and, again in the area of bicycle paths, the design of a bicycle path connecting the airport hub and the towns of Bologna and Lippo di Calderara di Reno continues.
For the other environmental commitments, please refer to Item 16 Liabilities for risks and charges and to the Non-Financial Information Report 2023.

Guarantees granted

With regards to the guarantees provided, reference should be made to the summary table at December 31 presenting the two comparative years. These concern:

- sureties, the principal of which being Adb's co-obligation in the surety of Euro 5.8 million in favour of the Customs Office at the request of the subsidiary, FFM, regarding the customs dispute in which it is involved (see the section on disputes in the Directors' Report), in addition to the surety in favour of ENAC provided for in the Full Management Agreement (Euro 2.7 million);
- a pledge of the equity financial instrument issued by Marconi Express S.p.a. and subscribed for by the Company for a nominal value of Euro 10.87 million, securing the obligations of Marconi Express to the credit institutions that financed the People Mover project;
- letter of patronage concerning the mortgage loan granted to the subsidiary Tag Bologna S.r.l. by Banca Agricola Mantovana (now Monte dei Paschi di Siena) which at the end of the period amounted to Euro 1.2 million.

in thousands of Euro	31/12/2023	31/12/2022	Change	% Change
Sureties	9,425	8,400	1,026	12%
Pledge on Equity Financial Instruments	10,873	10,873	0	0%
Patronage letters	1,206	1,711	(505)	-30%
Total guarantees provided	**21,503**	**20,983**	**521**	**2%**

Types and management of other risks

With regards to the disclosure concerning the types and means of financial risk management under Article 2428, paragraph 2 No. 6 bis, reference should be made to the specific section of the Directors' Report, also with regards to the comment upon the other risks to which the company is subject.

28 Law 124/2017 Article 1, paragraphs 125-129 - Transparency of public disbursements

In 2023, the Company did not utilise "State aid". For further details reference should be made to the National Registry for State Aid website, as per Article 52 of Law No. 234 of December 24, 2012.

SUBSEQUENT EVENTS AND BUSINESS OUTLOOK

No events have occurred subsequent to year end that would require changes in terms of the presented performance or equity and financial position and that would therefore necessitate adjustments and/or additional disclosures in the financial statements with reference to the amounts reported at December 31.

Reference should be made to the Directors' Report for further details and for information on the business outlook.

PROPOSAL FOR THE ALLOCATION OF THE RESULT FOR THE YEAR

Dear Shareholders,

the financial statements of the company Aeroporto Guglielmo Marconi di Bologna Spa, which we present for your approval, report a profit of Euro 15,893,347.82, for which the Board of Directors proposes the following allocation:

a) to the legal reserve 5%, on the basis of the statutory provisions and Article 2430 of the Civil Code, for an amount of Euro 794,667.39;

b) to Shareholders, for an amount of Euro 9,537,175.56, corresponding to a gross dividend of Euro 0.264 for each of the 36,125,665 ordinary shares in circulation at the dividend coupon date;

c) the residual of Euro 5,561,504.87 to the extraordinary reserve.

The Chairperson of the Board of Directors

(Enrico Postacchini)

Bologna, March 14, 2024

Declaration on the statutory financial statements as per Article 154-bis, paragraph 5, CFA

1. The undersigned Nazareno Ventola, as Chief Executive Officer, and Patrizia Muffato, as Executive Officer for Financial Reporting, of Aeroporto Guglielmo Marconi di Bologna S.p.A., declare, also in consideration of Article 154-bis, paragraphs 3 and 4 of Legislative Decree No. 58 of February 24, 1998:
   - the accuracy of the information on company operations and
   - the effective application of the administrative and accounting procedures for the compilation of the financial statements at December 31, 2023.
2. The valuation of the adequacy of the accounting and administrative procedures for the preparation of the statutory financial statements at December 31, 2023, is based on a process defined by Aeroporto Guglielmo Marconi di Bologna S.p.A., in accordance with the Internal Control Integrated Framework defined by the Committee of the Sponsoring Organisations of the Treadway Commission, which represents the benchmark standard generally accepted at international level.
3. We also declare that:

   3.1 the Statutory Financial Statements at December 31, 2023:

   a) were prepared in accordance with international accounting standards, recognised in the European Union pursuant to EU regulation No. 1606/2002 of the European Parliament and Council, of July 19, 2002;

   b) correspond to the underlying accounting documents and records;

   c) provides a true and fair view of the financial position, financial performance and cash flow of the issuer.

   3.2 The Directors' Report includes a reliable analysis on the performance and as well as the issuer's situation, together with a description of the main risks and uncertainties to which it is exposed.

Bologna, 14 Marzo 2024

Amministratore Delegato

Nazareno Ventola

Dirigente preposto alla redazione dei documenti contabili societari

Patrizia Muffato

Aeroporto Guglielmo Marconi di Bologna S.p.A.
Registered Office in Bologna
Share capital Euro 90,314,162fully paid-in
Enrolled in the Bologna Companies Registry at No. 03145140376
Bologna Economic & Administrative Register No. - 268716

Report of the Board of Statutory Auditors to the Shareholders' Meeting
(in accordance with Article 153 of Legislative Decree 58/1998 and Article 2429, paragraph 2 of the Civil Code)

Dear Shareholders,

this report, drawn up as per Article 153 of Legislative Decree 58/1998 (hereafter "CFA") and Article 2429, paragraph 2 of the Civil Code, outlines the oversight activities carried out by the Board of Statutory Auditors of Aeroporto G. Marconi SpA during financial year 2023, in compliance with the indications of Consob Communication DEM/1025564 of April 6, 2001 and subsequent amendments and supplements.

The current Board of Statutory Auditors was appointed on April 26, 2022 by the Shareholders' Meeting of Aeroporto Guglielmo Marconi di Bologna Spa (hereafter also AdB), with its mandate concluding on the approval of the financial statements at December 31, 2024.

During the year, the Board of Statutory Auditors performed its supervisory activities, as the chief body of the corporate controls system, as required by law, the "Rules of conduct for Boards of Statutory Auditors of listed companies" issued by the Italian Accounting Profession (Consigli Nazionale dei Dottori Commercialisti e degli Esperti Contabili) and the CONSOB provisions concerning corporate controls and activities of the Board of Statutory Auditors and the indications of the Corporate Governance Code.

The Board of Statutory Auditors on February 5, 2024 verified that its members met the requirements of integrity and professionalism specified by Ministerial Decree No. 162 of March 30, 2000, that there were no reasons for removal from office or ineligibility pursuant to Article 148, paragraph 3 of the CFA and that they met the same independence requirements that apply to directors under the Corporate Governance Code.

The execution of the accounting and statutory audits is assigned to the Independent Audit Firm EY S.p.A. (hereinafter the "Independent Audit Firm" or "EY"), following appointment for the financial years 2015-2023 by the Shareholders' Meeting of May 20, 2015 and with its mandate therefore concluding with the Shareholders' Meeting called to approve the 2023 Financial Statements.

The following is reported based on information obtained during meetings of the Board of Directors and Internal Committees to the Board (the Control, Risks and Sustainability Committee, the Remuneration Committee) and through meetings with corporate departments and as a result of audits performed.

Significant transactions

The Board of Statutory Auditors considers that sufficient information was obtained on the significant operating, equity and financial transactions carried out by the company, as shown in the documents that comprise the consolidated and separate financial statements and in the Directors' Report.

2023 saw a gradual recovery of traffic volumes. Bologna Airport managed a total of 9,970,284 passengers, up both on 2022 (+17.4%) and on 2019, the last pre-COVID year (+6%). In terms of cargo traffic, 50,994 tonnes were managed in 2023, decreasing 7.6% on 2022 - although increasing 4.4% on 2019.

A consolidated profit of Euro 16.7 million was reported in 2023 (Euro 31.1 million in 2022, which included the contribution of the COVID compensation fund of Euro 21.1 million). Net of this extraordinary contribution, the 2022 consolidated profit would have totalled Euro 10 million, with the 2023 profit therefore marking a significant increase, although a reduction on the profit for the last pre-COVID year (2019) of Euro 20.1 million.

Atypical or unusual transactions

No atypical or unusual transactions carried out in 2023 emerged from the information received from the Directors and from meetings with representatives of the Independent Audit Firm, including any inter-company or related party transactions. The Board did not receive communications from subsidiaries' Control Bodies or from the Independent Audit Firm, containing findings in this respect.

Related party or inter-company transactions

The characteristics of inter-company transactions carried out during the year, the parties involved and the corresponding financial effects are suitably reported in the Notes to the company's separate and consolidated financial statements, which also set out the related receivables/payables and cost/revenue transactions.

Related party transactions, implemented in compliance with the applicable "Related Party Transaction Policy" adopted by the Board of Directors in the meeting of June 28, 2021, are of an ordinary nature and principally concern commercial and financial transactions, in addition to participation in the tax consolidation. These transactions are also listed in the Notes to the company's separate and consolidated financial statements, which also set out the related receivables/payables and cost/revenue transactions, and the fact that these transactions will be carried out at normal market conditions.

Supervisory Activities of the Board of Statutory Auditors

In exercising its functions pursuant to Article 2403 of the Civil Code and Article 149 of the CFA, the Board of Statutory Auditors:

- verified compliance with law and the company's By-Laws;
- in particular, it received sufficient information concerning:

- ✓ Receivables for municipal surtax on passenger fees and, in particular, receivables from bankrupt/discontinued clients;
- ✓ Fire prevention service contribution and, in particular, the provision of interest for late payment;
- ✓ Payment to Tax Authorities for amounts due for the doubling of landing and departure fees for General Aviation;
- ✓ ERM update - First half 2023;
- ✓ Induction on the new Whistleblowing regulations and assessment of the updated Policy;
- ✓ Induction regarding the decree transposing Directive (EU) 2022/2464 Corporate Sustainability Reporting Directive (CSRD);
- ✓ Assessment regarding the update of the Related Parties list at June 30, 2023;

✓ Update on major pending disputes, among which, with regard to the Fire Prevention Fund litigation, please refer to the Directors' Report -Chapter 5 "Regulatory Framework" and Chapter 6 Disputes - which provides insights into the recent Court of Cassation ruling No. 990, dated January 10, 2024;

✓ Signing of the Regulatory Agreement and relative ENAC communications;

- verified compliance with the principles of correct administration;
- oversaw the adequacy of the indications to the subsidiaries as per Article 114, paragraph 2 of the CFA, ensuring that subsidiaries' coordination activities (Fast Freight Marconi S.p.A and TAG Bologna S.r.l.) are also carried out through the presence of Parent Company executives on the corporate boards;
- exchanged information with subsidiaries' corresponding boards pursuant to Article 151, paragraph 2 of the CFA;

- held periodic meetings with the Independent Audit Firm, also in accordance with the provisions of Article 19, paragraph 1 of Legislative Decree No. 39/2010 and Article 150, paragraph 3 of the CFA, in order to supervise the financial disclosure process and its suitability and integrity, as well as compliance with legal provisions concerning the formation of financial statements, their layout and structure;
- reviewed the annual report of the Supervisory Board regarding the updating of the model, the control on its functioning and the compliance of the Model with Legislative Decree No. 231/2001, which concluded with a positive opinion on the organisation and on the internal control system within the scope of the Legislative Decree No. 231/01 offenses, although amid specific areas of improvement;

- reviewed the report of the Ethics and Anticorruption Committee (a collective body which replaces the position of Prevention, Transparency and Anticorruption Manager (RPCT)), which has been assigned the duty to monitor and verify the effective implementation of the "Anticorruption Policy" and reviewed the activities carried out;
- did not receive any statements pursuant to Article 2408 of the Civil Code, nor any petitions from third parties;
- verified the suitability of the administrative and accounting system and its capacity to accurately reflect operating events by obtaining information from managers of the respective departments and analysing the results of work carried out by the Independent Audit Firm. The certification as per Article 154-*bis*, paragraph 5 of the CFA, signed by the Chief Executive Officer and the Executive Officer for financial reporting, on the adequacy of the administrative and accounting procedures for the drafting of the statutory financial statements and the consolidated financial statements are annexed to these documents;

- acquired information on the activities of the internal audit function manager carried out in the year. The above activities covered the scope of those scheduled and the review of the annual report of these activities did not reveal any significantly critical profiles, except for certain carefully considered aspects of improvement to be undertaken in the present year. The Board of Statutory Auditors notes that the annual internal audit report concluded with an overall opinion which considered the internal control and risk management system as adequate (expressed in terms of negative assurance), and that the Control, Risks and Sustainability Committee assessed the internal control and risk management system as adequate in terms of the company's size and characteristics;

- acquired information and supervised the suitability of the company's organisational structure and the internal control, monitoring, mitigation and risk management system, including through participation in the meetings of the Control, Risks and Sustainability Committee. The Board of Statutory Auditors therefore, sharing the assessment of the Board of Directors in the meeting of March 14, 2024, on the basis of the preliminary report undertaken by the Control, Risks and Sustainability Committee, which considered AdB's internal control and risk management system to be generally suitable with respect to the characteristics of the company and the risk profile assumed;
- reviewed the Audit Plan of the Internal Audit function for 2024 and did not express any objections;
- verified the correct application of assessment criteria and procedures adopted by the Board of Directors to assess the independence of its members and has no observations to make in this regard;

- supervised compliance with the corporate governance rules laid down by the Corporate Governance Code of listed companies, issued by Borsa Italiana and approved by the Corporate Governance Committee, to which the company declared and confirmed its compliance. The governance system adopted by the company is described in detail in the Corporate Governance and Ownership Structure Report for the year 2023, approved by the Board of Directors in the meeting of March 14, 2024;

- supervised the independence of the Independent Audit Firm EY S.p.A., pursuant to Article 19 of Legislative Decree 39/2010 and, in its concomitant capacity of Internal Control and Audit Committee, ascertained the compatibility of services, other than the statutory audit provided to the company, with the limitations envisaged by Article 5 of EU Regulation No. 537/2014. In 2023, AdB SpA paid Euro 110,365 in fees to EY S.p.A. for assignments involving audit services and the auditing of regulatory accounts, while subsidiaries (Fast Freight Marconi S.p.A and TAG Bologna S.r.l.) paid Euro 17,822 for auditing services. In addition, the following non-audit services assignments were conferred by the Parent Company to EY S.p.A.: the review of the requirements concerning the Non-Financial Information Report (Euro 24,405) and the certifications for the purposes of Legislative Decree No. 118 of June 23, 2011 and miscellaneous (Euro 12,204). The Independent Audit Firm issued the "Statement of Independence" certifying that no situations were in place that may compromise their independence nor were there grounds for incompatibility in respect of AdB. Considering the above statement, it should be noted that no critical aspects emerged that could have compromised the Independent Audit Firm's independence.

The Board of Directors comprising 9 members was appointed by the Shareholders' Meeting of April 26, 2022 and will remain in office until the approval of the Financial Statements as at December 31, 2024.

On February 28, 2024, Independent and Non-Executive Director Sonia Bonfiglioli, also Chairperson of the Remuneration Committee, resigned, as per the press release issued on the same date. The Board of Directors on March 6, 2024 noted the resignations and supplemented the Remuneration Committee to three members, appointing the Independent Director Giovanni Cavallaro as Chairperson of the Committee.

On March 14, 2024, the Board of Directors resolved, with the Board of Statutory Auditors' approval, to co-opt Claudia Bugno to replace Independent Director Sonia Bonfiglioli.

Eight directors are non-executive, while four of these are independent as per Article 147-*ter*, paragraph 4, of the CFA and the Corporate Governance Code and one is considered independent only as per Article 147-*ter*, paragraph 4 of the CFA.

During 2023, the Board of Statutory Auditors attended:

- the Shareholders' Meeting of April 26, 2023;
- 10 Board of Directors' meetings;
- 7 Control, Risks and Sustainability Committee meetings;
- 5 Remuneration Committee meetings;

In all the above meetings, the Board of Statutory Auditors always received sufficient information on activities performed and the nature of transactions carried out.

During the year, the Board of Statutory Auditors held 7 meetings and held joint meetings with the Control, Risks and Sustainability Committee for the exchange of information between parties with significant duties in terms of internal control and audit.

During the supervisory activities carried out and on the basis of the information obtained from the Independent Audit Firm, at the periodic meetings, as per Article 150, paragraph 3 of the CFA, no significant data and information were noted that would need to be highlighted in this report, nor were there omissions and/or citable events and/or irregularities or, in any case, significant matters meriting mention in this report.

Non-Financial Information Report

As per Article 3, paragraph 7 of Legs. Decree No. 254 of December 30, 2016, it is confirmed that, with regards to the Non-Financial Information Report, the Board of Statutory Auditors oversaw, to the extent of its remit, compliance with the provisions set out in the stated decree. The company appointed EY S.p.A. as the auditor, and to also undertake the tasks as per Article 3, paragraph 10 of the decree. The Independent Audit Firm issued a certification upon the consistency of the information provided in the Non-Financial Information Report against that required by Articles 3 and 4 of the decree and the reporting standard adopted.

Separate and Consolidated Financial Statements

The Board of Statutory Auditors carried out the necessary audits on compliance with the rules concerning the compilation of the statutory financial statements and Group consolidated financial statements as at December 31, 2023, approved by the Board of Directors on March 14, 2024.

In particular, it acknowledges that the separate and consolidated financial statements were drawn up in compliance with International Financial Reporting Standards adopted by the European Union and that the company applied the format of financial statements and company information as established by CONSOB. Compliance with regulations relating to the preparation of the Directors' Report was verified and, in this regard, there are no particular matters to report. With reference to its content, we point out that this Directors' Report sufficiently illustrates the operating result, cash flows, financial position and operating performance during the year and provides significant data concerning the company within the scope of consolidation, also providing information on the principal risks and uncertainties which the company is exposed to.

The Independent Audit Firm EY S.p.A. issued on March 28, 2024 the reports as per Article 14 of Legislative Decree No. 39 of January 27, 2010 and Article 10 of Regulation (EU) No. 537/2014, in which it declared that the separate and consolidated financial statements at December 31, 2023, provide a true and fair view of the statement of financial position, the result and cash flows of the company and the Group and that the Directors' Report and information contained in the Corporate Governance and Ownership Structure Report indicated in Article 123-bis, paragraph 4 of the CFA, are consistent with the company's statutory financial statements and Group consolidated financial statements.

The Independent Audit Firm also produced the Additional Report indicated in Article 11 of Regulation (EU) No. 537/2014 which denotes that there were no significant deficiencies in the internal control system or in the administrative and accounting system of the company.

Board of Statutory Auditors activities concerning the selection of the independent audit firm for the 2024-2032 nine-year period

Considering that with the approval of the 2023 Financial Statements by the Shareholders' Meeting, the audit appointment of the independent audit firm EY Spa concludes, the Board of Statutory Auditors, in agreement with the relevant corporate functions, began a selection process from June 2023 for the assignment of the independent audit firm mandate for the fiscal years 2024 - 2032 in order to submit the appointment to the Shareholders' Meeting called to approve AdB's financial statements as of December 31, 2023. The timely start of the procedure enabled compliance with the time limits set to safeguard the auditor's independence ("cooling-in period" under Article 5 of European Regulation No. 537/2014). Based on the current legislation (in addition to the above regulation, Legislative Decree No. 39/2010, supplemented by Legislative Decree No. 135/2016 that transposed Directive 2014/56/EU), the new legally-required audit engagement must be assigned by the Shareholders' Meeting upon the reasoned proposal of the Board of Statutory Auditors in its capacity as the Internal Control Committee pursuant to Article 19 of Legislative Decree No. 135/2016, following a special selection procedure in accordance with the criteria and procedures set forth in Article 16 of European Regulation No. 537/2014. In accordance with the provisions of Article 16 of the stated Regulation, since it is a matter of granting the legally-required audit engagement for a Public Interest Entity (PIE), the proposal drawn up by the Board of Statutory Auditors, submitted for the approval of the Shareholders' Meeting, provides for at least two possible alternatives for the engagement and indicates the reasoned preference for one of them.

Conclusions

The Board of Statutory Auditors, in concluding this Report on the auditing activities carried out during 2023, expresses, to the extent of its remit, a positive opinion on the activity performed by the company, its organisation, the effectiveness of the internal control system and the administrative and accounting system, compliance with the principles of correct administration and compliance with law and the By-Laws. In view of the results of the activity performed by the Independent Audit Firm appointed for the financial audit and noting the declarations issued by the Chief Executive Officer and by the Executive Officer for Financial Reporting, expresses a favourable opinion on the proposal to approve the financial statements of AdB SpA at December 31, 2023, in terms of the version approved by the Board of Directors at the meeting of March 14, 2024, and are in agreement with the proposal of the allocation of the net profit by the Board of Directors.

Bologna, March 28, 2024

The Board of Statutory Auditors

Ms. Rosalba COTRONEO (Chairperson)

Ms. Francesca AIELLI	(Member)
Mr. Alessandro BONURA	(Member)

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Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated January 27, 2010 and article 10 of EU Regulation n. 537/2014
(Translation from the original Italian text)

To the Shareholders of
Aeroporto Guglielmo Marconi di Bologna S.p.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Aeroporto Guglielmo Marconi di Bologna S.p.A. (the "Company"), which comprise the statement of financial position as at December 31, 2023, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity and the cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing article 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters:

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Key Audit Matters	Audit Response
Impairment test on the Concession rights	
Concession rights recognized in the financial statements as at 31 December 2023 amount to Euro 220.7 million and are subjected to an Impairment Test at least once a year or more frequently if internal and external indicators of impairment of these assets occur. The processes and methodologies for measuring the recoverable amount of these assets are based at times on complex assumptions, which by their nature imply the use of judgment by the directors, especially with reference to the forecast of traffic volumes, tariff levels and the consequent cash flows, as well as the determination of the applicable discount rates. These forecasts, relating to a broad time horizon such as that of the concession period, are impacted by the risk factors and uncertainties that characterize the current market context. In consideration of the judgment required and the complexity of the assumptions used in estimating the recoverable amount of the *Concession Rights*, we deemed that this aspect represents a key matter in the audit. The disclosures relating to this key matter are included in note 1. "Intangible assets".	Our audit procedures performed in response to this key audit matter included, amongst others: • analysis of the valuation methodology adopted by the Company; • analysis of the main assumptions underlying the financial and economic forecasts used for the Impairment Test; • analysis of the consistency of these assumptions with the 2024-2028 business plan approved by the directors and with the market context; • discussions with *management* regarding the manner of construction of the Impairment Test model; • testing the consistency of the discount rate applied (WACC). In performing our audit procedures, we also involved our valuation specialists who performed an independent calculation and carried out a sensitivity analysis of the key assumptions for the purpose of determining changes in assumptions that could significantly impact the determination of the recoverable amount. Lastly, we reviewed the adequacy of the disclosures provided in the notes to the financial statements in relation to the key audit matter.
Estimate of the *Provision for renewal of airport infrastructure*	
The *Provision for renewal of airport infrastructure* (the "Provision") recorded in the financial statements as at December 31, 2023 amounts to Euro 14.0 million and includes accruals for non-recurring maintenance expenses, as well as estimated future costs for restoration and replacement of assets under concession that the Company plans to incur in accordance with obligations of the concession agreements in place. The processes and methodologies for measuring and determining such estimated future costs are based at times on complex assumptions, which by their nature, imply the use of judgment by	Our audit procedures performed in response to this key audit matter included, amongst others: • analysis of the process and key controls implemented by the Company; • understanding of the concession agreement from which the obligation arises; • analysis of the main changes to the amount of the Provision as compared to the prior year; • a critical analysis of the assumptions underlying the calculation of the

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the directors, in particular with reference to the nature of the maintenance work to be carried out, the expected timing of such and the quantification of the related costs, including the relevant financial component applied based on the timing of such maintenance work. Considering the judgment required by the directors in order to evaluate the nature of the maintenance work, the timing of such and the quantification of the related costs, we deemed that this aspect represents a key matter in the audit.

The disclosures relating to the valuation of the *Provision for renewal of airport infrastructure* are included in paragraph "Provisions for risks and charges" of the section "Accounting policies", as well as in note 15. "Provision for renewal of airport infrastructure (non-current and current)".

Provision, through the verification of the consistency of such with the supporting technical report prepared by the Company's competent departments, with the 2024-2028 business plan approved by the directors and with the additional historical and forecast information available;

- test of details on a sample of Provision's utilizations recorded during the fiscal year;
- testing the reasonableness of the discount rate used and the mathematical accuracy of the accrued Provision.

Lastly, we reviewed the adequacy of the disclosures provided in the notes to the financial statements in relation to the key audit matter.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing article 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Company's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with those charged with governance, identified at an appropriate level as required by international standards on auditing (ISA Italia), regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated with them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Aeroporto Guglielmo Marconi di Bologna S.p.A., in the general meeting held on May 20, 2015, engaged us to perform the audits of the financial statements and the consolidated financial statements for each of the years ending December 31, 2015 to December 31, 2023.

We declare that we have not provided prohibited non-audit services, referred to article 5, paragraph 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of Aeroporto Guglielmo Marconi di Bologna S.p.A. are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Delegated Regulation") to the financial statements, to be included in the annual financial report.

We have performed the procedures under the auditing standard SA Italia n. 700B, in order to express an opinion on the compliance of the financial statements as at December 31, 2023 with the provisions of the Delegated Regulation.

In our opinion, the financial statements as at December 31, 2023 have been prepared in the XHTML format in compliance with the provisions of the Delegated Regulation.

Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated January 27, 2010 and of article 123-bis, paragraph 4, of Legislative Decree n. 58, dated February 24, 1998

The Directors of Aeroporto Guglielmo Marconi di Bologna S.p.A. are responsible for the preparation of the Directors' Report and of the Report on Corporate Governance and Ownership Structure of Aeroporto Guglielmo Marconi di Bologna S.p.A. as at December 31, 2023, including their consistency with the related financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Directors' Report and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated February 24, 1998, with the financial statements of Aeroporto Guglielmo Marconi di Bologna S.p.A. as at December 31, 2023 and on their compliance with the applicable laws and regulations, and in order to assess whether they contain material misstatements.

In our opinion, the Directors' Report and the above-mentioned specific information included in the Report on Corporate Governance and Ownership Structure are consistent with the financial statements of Aeroporto Guglielmo Marconi di Bologna S.p.A. as at December 31, 2023 and comply with the applicable laws and regulations.

With reference to the statement required by article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated January 27, 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

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Statement pursuant to article 4 of Consob Regulation implementing Legislative Decree n. 254, dated December 30, 2016

The Directors of Aeroporto Guglielmo Marconi di Bologna S.p.A. are responsible for the preparation of the non-financial information pursuant to article 7 of Legislative Decree n. 254, dated December 30, 2016. We have verified that non-financial information has been approved by Directors.

Pursuant to article 3, paragraph 10, of Legislative Decree n. 254, dated December 30, 2016, such non-financial information is subject to a separate compliance report signed by us.

Bologna, March 28, 2024

EY S.p.A.
Signed by: Marco Menabue, Auditor

As disclosed by the Directors on the first page, the accompanying financial statements of Aeroporto Guglielmo Marconi di Bologna S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815.

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

Aeroporto di Bologna

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