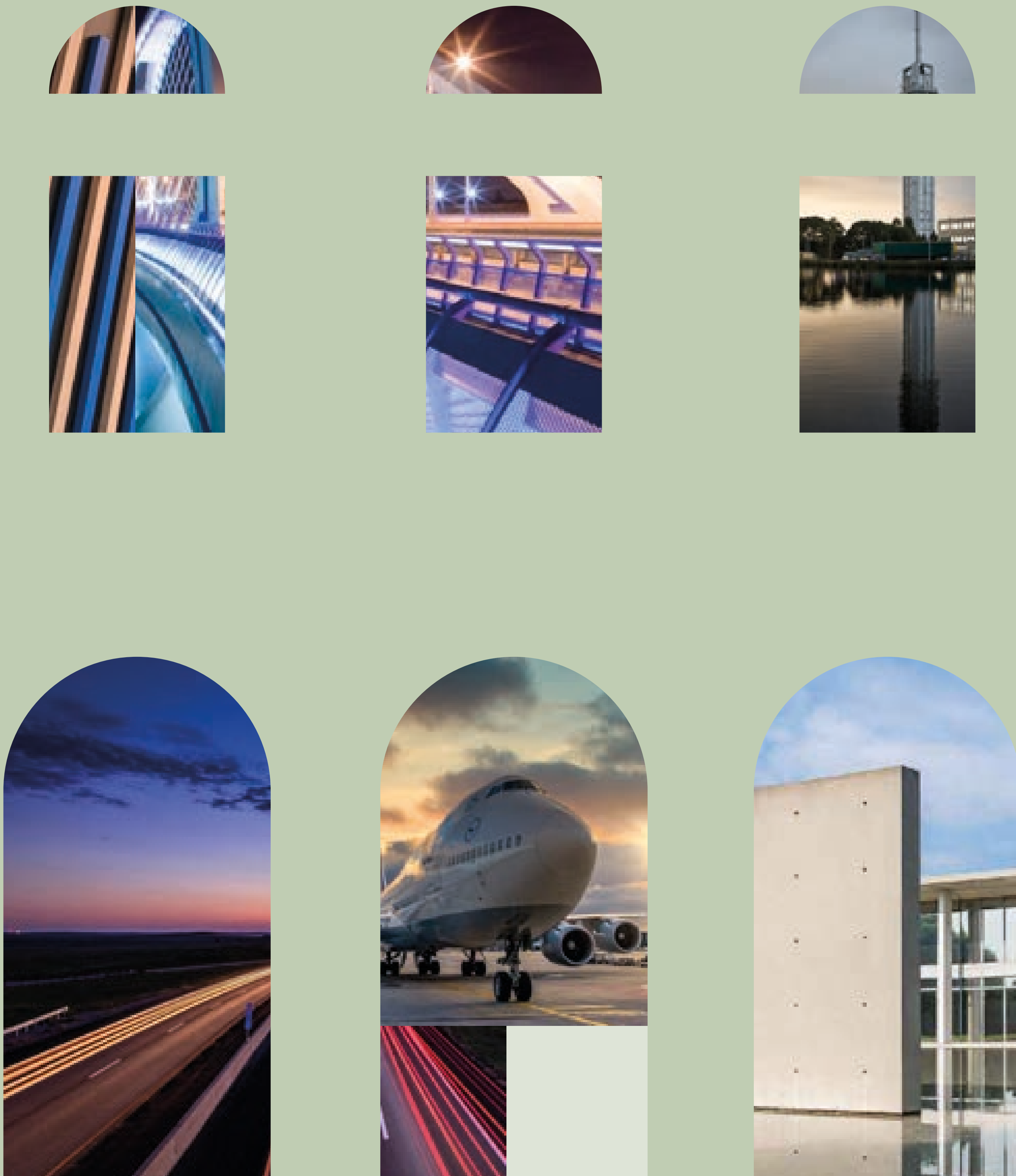
Consolidated financial statements 2023



EDIZIONE

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1.
About Edizione

1.1 Letter to Stakeholders

Dear Stakeholders,
2023 saw us hard at work on shaping the new Edizione, breaking with the past and adopting a forward-looking approach. The year was marked by new investments, innovations and new trajectories for growth and international expansion.

All this was also made possible thanks to the faith that all our shareholders have shown in me, the Chief Executive Officer and our highly qualified Board, which continued to believe in the project and in the ethical principles of our founding fathers: growth, partnership, internationalisation, sustainability and innovation.

The Group delivered an extremely solid set of results. They are important not only for the creation of value but because they represent the efforts made by a team of over 100,000 people to achieve sustainable development and growth. This is in line with our long-standing commitment to ensuring that we have a real impact on the areas and communities in which we operate.

The launch of Mundys was one of the key events in 2023. This was not just a matter of rebranding and a change of company name, but the creation of a new identity for a company whose organisation and management have been radically transformed and that is now a global leader in the mobility sector.

This initiative was driven by an ambitious goal: to be a group with an Italian heart and soul but that provides integrated, sustainable mobility infrastructure and services around the world. In this sector, we aim to be a driver of innovation, through collaboration with universities and startups and close links with major Italian and international partners, with whom to develop groundbreaking projects.

In this regard, I would like to once again cite the example of the Innovation Hub at Fiumicino, a catalyst for innovation designed to deliver revolutionary projects of global importance in the aviation sector. Another example of this approach is Mundys's leadership of the World Economic Forum's "Financing the Airports of tomorrow" project, which aims to identify the most suitable financial instruments to support the energy transition of approximately 18,000 civil airports around the globe.

These initiatives, involving large numbers of young people, will enable us to develop the mobility of the future, intelligent and sustainable in part thanks to the technological know-how of companies such as Aeroporti di Roma, Telepass, Abertis and Yunex, leaders in mobility services and intelligent transport systems.

A new name dominated the scene at Edizione in 2023, with the launch of Avolta, the new home of Autogrill and Dufry who have now merged into one. This marks a key step for the global number one in the Travel Retail and Food & Beverage sector for travellers. This is a combination that is now bringing significant results.

Avolta stands out for its commitment to and investment in transforming the travel experience: increasingly digitalised and customer-centred, with an expanded hospitality and food & beverage offering. A major global player capable of taking food services and retail in new directions to serve increasingly connected and mobile travellers.

Here again, the commitment to innovation and the environment goes hand in hand with growth and development. Autogrill has brought to Avolta its extensive experience in this sector, including its Factory Food Designer, an ideas incubator for new food and beverage products and services for travellers, located close to Milan. This is a laboratory for gastronomic innovation in which chefs, designers, nutritionists and other experts work together to create a unique taste experience. This summer, Autogrill will also launch its own Innovation Hub, with young startups taking on a leading role: the coming months will see the development of five projects already selected worldwide as the most innovative in the field of travel food services.

Alliances and projects of this size and global importance can only be developed thanks to well-established, long-term relationships with major partners and shareholders who share a common business philosophy: growth and development that is sustainable in environmental, social and governance terms. The aim is to take a joint approach to promising markets and the most innovative sectors.

Edizione and its management have succeeded in developing relationships with leading international investors such as, for example, Spain's Grupo ACS and America's Blackstone and Advent International.

Working alongside these partners has leads me to observe, paraphasing the writer, Henry Miller, that "one's destination is never a place, but a new way of seeing things".

I would also like to mention our investment in Cellnex, an investment with major potential in a European leader in a sector undergoing rapid consolidation. Benetton UCB - the company that bears our name and that was the starting point for our entrepreneurial journey - is in need of a radical rethink to return the brand to a stable growth and development pathway. Having seen that the plan devised by management was not bearing fruit, we are now working on a new approach in order to relaunch the business.

In December 2023, I received the Global Advocate of the Year 2023 award from the United Nations Secretary General, Antonio Guterres, in New York. This is an important recognition for sustainability awarded by the United Nations Correspondents Association. This is reward for the efforts that Edizione, together with our subsidiaries and associates, is making to deliver excellence in our approach to environmental and social aspects and corporate governance.

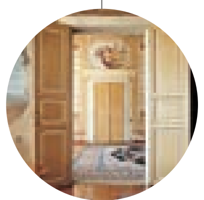
2023 was also a year in which Edizione renewed its management team to enable the Company to be more effective as we build for the future.

These are the values that must always continue to inspire us, now and in the years to come, setting the standards to be followed as we respond to new challenges. When both on familiar ground and on the new unexplored terrain that awaits us in the future to come.

Alessandro Benetton
Chairman of Edizione SpA

1.2 Our values-driven history

Birth of Benetton
The Benetton family begins the production and sale of knitwear. In 1965, it becomes the Benetton Group and opens the first Benetton Knitwear factory.



Edizione is founded
The Group Holding Company, Ragione di G. Benetton e C. snc, the current Edizione SpA, is established.

Benetton is listed on the Stock Exchange
The Benetton Group is listed on the Milan Stock Exchange. The resources generated from the placement constitute the propellant for the subsequent growth and diversification of Edizione.

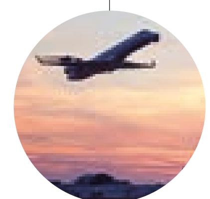
Acquisition of Compañía de Tierras Sud Argentino SA
Edizione acquires the Argentinian company operating in the agricultural sector and in the breeding of livestock.

Acquisition of a stake in Autogrill
By purchasing a 28% interest in SME, Edizione, Leonardo Finanziaria and Mövenpick Holding acquire stakes in the GS group and Autogrill, with the latter listed on the stock exchange the following year.

Acquisition of Maccarese and a stake in Pirelli
Edizione acquires the Maccarese farming business from Iritecna. In the same year, it acquires a minority interest in Pirelli & C.

Sale of the GS group and acquisition of Autostrade
Edizione exits mass retail with the sale of its entire stake in the GS group.
In the same year, it purchases a 30% stake in Autostrade per l'Italia. The stake is further increased in 2003 through the launch of a public tender offer.

Investment in Telecom Italia
Edizione co-invests with Pirelli in the telecommunications company, Telecom Italia. It sells its entire stake in 2009.



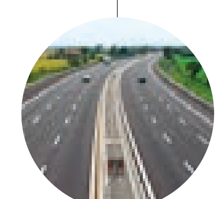
Investment into Aeroporti di Roma and Assicurazioni Generali
Edizione acquires a stake in Investimenti Infrastrutture SpA, a company that holds a significant interest in Gemina SpA (the parent company of Aeroporti di Roma). A minority interest is also purchased in Assicurazioni Generali, with the stake added to 2022.

Acquisition of Mediobanca stake
Edizione acquires an interest of around 2% in Mediobanca.

Public tender offer for Benetton Group and reorganisation of the group
Edizione launches a public tender offer for all the Benetton shares it does not own.
The group is later split into three different legal entities in 2014: Benetton (retail), Olimpias (manufacturing) and Edizione Property (real estate).

World Duty Free
Edizione splits the travel retail business of Autogrill, creating the new listed group, World Duty Free. The entire investment is then sold in 2015.

Cellnex acquisition
Edizione invests in the Spanish company, Cellnex, a provider of infrastructure for wireless telecommunications and broadcasting.



Sale of ASPI
The investee Atlantia agrees to sell its entire stake in Autostrade per l'Italia.

Public tender offer for Atlantia and Mundys
Edizione and Blackstone launch a public tender offer for all of Atlantia's shares they do not own. In 2023, Atlantia changes its name and becomes Mundys.

Business combination between Autogrill and Dufry
Edizione transfers its stake in Autogrill to the strategic business combination with Dufry, creating a new global player in the food & beverage and travel retail sector.

November 2023
The combination of Autogrill and Dufry results in the creation of Avolta.

1955 1960 1965 1970 1975 1981 1986 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023

1.3 Mission and values

Mission
Edizione is one of the leading European industrial holding companies, wholly owned by the Benetton family.
In over 40 years of activity, Edizione has pursued an investment policy focused on driving growth at its investee companies, above all by supporting their international expansion.
Edizione stands out in the market due to its ability to integrate entrepreneurial expertise and strong financial discipline with a solid sense of identity.
In evaluating and managing its investments, Edizione focuses on a combination of financial performance with environmental, social and governance-related factors, maintaining an open dialogue with other investors and partners in order to be consistently aligned with the relevant international best practices.

Edizione is an active investor, exercising strategic influence over its investees in terms of sustainability, driving a process of improvement with the aim of creating shared value that brings together business value and social responsibility.

Vision
Against a highly challenging and rapidly changing backdrop, Edizione acknowledges the responsibility that comes with its position, aware of its role in helping to drive its investees' innovation and growth within the economic and social contexts in which they operate.

This is why Edizione continues to apply a long-term approach and vision, taking into account the economic, environmental and social impacts of its activities as an active and responsible investor.
Edizione firmly believes in sustainability as a strategic driver, putting the emphasis on lasting partnerships with shareholders and investees, based on a shared vision.
The renewed impetus provided by the second generation of the Benetton family has led Edizione to seek to be an even greater part of the solution in responding to the major changes and challenges to be dealt with in building a better, more sustainable and inclusive future.

1.4 Corporate officers

Board of Directors
In office until approval of the financial statements for the year ended 31 December 2024

Alessandro Benetton
Chairman

Enrico Laghi
Chief Executive Officer

Christian Benetton
Director

Carlo Bertagnin Benetton
Director

Ermanno Boffa
Director

Irene Boni
Director

Francesca Cornelli
Director

Claudio De Conto
Director

Vittorio Pignatti-Morano Campori
Director

Board of Statutory Auditors
In office until approval of the financial statements for the year ended 31 December 2025

Angelo Casò
Chairman

Aldo Laghi
Standing Auditor

Livia Amidani Aliberti
Standing Auditor

Giorgio Grosso
Alternate Auditor

Gianluca Pivato
Alternate Auditor

Independent Auditor
In office until approval of the financial statements for the year ended 31 December 2023

Deloitte & Touche SpA

1.5 Group structure

Edizione SpA ("Edizione" or the "Company"), a company wholly owned by the Benetton family, holds investments in the following sectors: Transport Infrastructure, Food & Beverage and Travel Retail, Digital Infrastructure, Clothing and Textiles, Real Estate and Agriculture, Financial Institutions and Other sectors.

The simplified structure of the Group is as follows:

* Listed company

Edizione SpA

- **Transport Infrastructure**
  - 100% **Schema Alfa** → 57.01% **Mundys** →
    - 50% **Abertis**
    - **Overseas motorway operators in Chile, Brazil and Poland**
    - 99.39% **Aeroporti di Roma**
    - 60.40% **Azzurra Aeroporti** → 64% **Aéroports de la Côte d'Azur**
    - 51% **Telepass**
    - 100% **Yunex Traffic**
    - 15.49%* **Getlink**
    - 29.38%* **Aeroporto di Bologna**
- **Food & Beverage and Travel Retail**
  - 100% **Schema Beta** → 21.86%* **Avolta**
- **Digital Infrastructure**
  - 100% **Schema Gamma** → 9.9%* **Cellnex Telecom**
- **Clothing and Textiles**
  - 100% **Benetton** → 100% **Benetton Group**; 100% **Benetton Manufacturing**; 100% **Olimpias Group**
- **Real Estate and Agriculture**
  - 100% **Edizione Property**
  - 100% **Schema Epsilon** → 100% **Maccarese**; 100% **Cia de Tierras**; 100% **Ganadera Condor**; 100% **Edizione Renewables**
- **Financial Institutions**
  - 100% **Schema Delta** → 4.83%* **Assicurazioni Generali**; 2.2%* **Mediobanca**
- **Other sectors**
  - 100% **Verde Sport** → 100% **Benetton Rugby**

1.6 Group activities

In 2023, Edizione completed a number of extraordinary transactions resulting from the decision to break with the past taken by the second generation of the Benetton family in 2022:
→ the Public Tender Offer for Atlantia SpA ("Atlantia");
→ the combination of Autogrill SpA ("Autogrill") with Avolta AG ("Avolta", formerly Dufry AG, "Dufry");
→ the demerger of real estate assets.

Following completion of the reorganisation in 2023, Edizione focused on consolidating the investments in its portfolio and laying the foundations for new investment initiatives as part of the ongoing, progressive process of embedding ESG criteria in its business model. Breaking with the past, an international outlook, the ability to attract capital and applying ESG criteria throughout its activities were the standout elements of Edizione's strategy in 2023.

Trilateral merger of Schemaquarantadue and Schema Alfa with and into Mundys
On 14 March 2023, Atlantia assumed it new name of Mundys.
On 30 April 2023, the reverse merger of Schemaquarantadue and Schema Alfa, the two vehicle companies set up to conduct the Public Tender Offer for Atlantia's shares in April 2022, with and into Mundys became effective.
Following completion of the merger, Edizione owns 57.01% of Mundys through its direct subsidiary, Sintonia which, in May 2023, changed its name to Schema Alfa.

Strategic business combination Autogrill-Dufry
On 11 July 2022, Edizione, its subsidiary Schema Beta SpA ("Schema Beta") and Dufry signed an agreement (the Combination Agreement) to create a global group in food and beverage and retail services for travellers through a strategic business combination between Autogrill and Dufry.
Transaction closing was completed on 3 February 2023:
→ Dufry became Autogrill's majority shareholder with a 50.3% stake;
→ by exercising the conversion right attaching to bonds issued by Dufry, Schema Beta received 30,663,329 newly issued Dufry shares, becoming the main shareholder.
As a result of the transfer of the 50.3% stake in Autogrill to Dufry, the latter launched a mandatory public exchange offer (the "Dufry Offer") with an alternative cash consideration for the Autogrill shares other than those involved in the transfer, offering shareholders the option of exchanging their Autogrill shares with Dufry shares (listed in Switzerland on the SIX Swiss Exchange), with the exchange based on the same exchange ratio enjoyed by the majority shareholder or, alternatively, to receive an equivalent cash alternative amounting to €6.33 per share.
The acceptance period for the Dufry Offer, agreed with Borsa Italiana SpA pursuant to art. 40, paragraph 2 of the Regulations for Issuers, corresponded with 21 stock exchange trading days and began on 14 April 2023, ending on 18 May 2023. The period was then reopened from 26 May 2023 to 1 June 2023.
Following settlement of the joint procedure for exercising the purchase right, Dufry's public exchange offer was successfully completed and, on 24 July 2023, Autogrill's shares were delisted from the Euronext Milan exchange. Schema Beta's total stake in Dufry on completion of the Dufry Offer was 22.17%.
In November 2023, Dufry changed its name to Avolta AG.
Following the conversion of bonds issued by Avolta into shares, as of 31 December 2023, Schema Beta holds a 21.86% stake in Avolta.

Demerger of real estate assets
The General Meeting of Edizione's shareholders held on 26 May 2023 approved the plan to reorganise the property portfolio. The plan aims, on the one hand, to focus the Group's activities on its core sectors and on the companies in which Edizione directly or indirectly holds a strategic stake and, on the other, to enable its shareholders to pursue their own business strategies in respect of the demerged property assets.
This reorganisation took the form of two demerger transactions: a partial proportional demerger of Edizione Property SpA, the Group company that controls the property assets, and a reverse partial non-proportional demerger of Edizione. On 1 August 2023, the demergers became effective.
As part of the reorganisation, Edizione made a capital contribution to Edizione Property amounting to €500 million. The related payments were used to fund repayment of Edizione Property's borrowing of €516 million and cancel the guarantees attaching to the demerged properties.

Demerger of Schema Alfa (formerly Sintonia) and merger of Schema Gamma with and into Edizione
On 17 October 2022, the General Meeting of the shareholders of Schema Alfa SpA ("Schema Alfa", formerly Sintonia SpA) approved a plan for a partial, proportional demerger, involving the transfer of the investment in ConnecT Due Srl ("ConnecT Due"), the vehicle that holds the stake in Cellnex Telecom SA ("Cellnex"), and its net assets to a newly established beneficiary company, Schema Gamma Srl ("Schema Gamma"), owned directly by Edizione. This demerger aimed to reorganise the investments held by Schema Alfa to enable it to focus its activities on management of its investment in Mundys. The transaction was also carried out in view of the complex shareholder agreements governing relations between the partners in this transaction, which could, in future, impact the Company's ability to manage its investments.
The merger deed was executed on 21 December 2022 and became effective 1 January 2023.
On 27 June 2023, a General Meeting of Edizione's shareholders then approved the merger of Schema Gamma with and into Edizione, resulting in the latter having a directly held stake in ConnecT Due.
Finally, on 4 October 2023, the General Meeting of ConnecT Due's shareholders renamed Schema Gamma.

Increase in the stake in Cellnex
In May and June 2023, Edizione, acting through Schema Gamma, acquired 12,000,000 Cellnex shares, equal to 1.7% of the issued capital, in the market at a cost of €467 million.

Investment in the packaging sector
In December 2023, Edizione joined the project promoted by Byron Trott of Bdt & Msd Partners, investing in IMA SpA ("IMA") and ProMach Inc. ("ProMach"), both leaders in the packaging sector, with turnover of approximately €2 billion and Usd1.7 billion, respectively. The investment is part of the portfolio diversification strategy, whilst also being linked to the issue of sustainability in a sector with attractive growth prospects.

Establishment of Edizione Renewables Srl ("Edizione Renewables")
Edizione Renewables, a vehicle company controlled by Edizione through Schema Epsilon Srl ("Schema Epsilon", formerly Edizione Agricola Srl) was established on 11 December 2023. The company will operate in the renewable energy sector.

Investment in Benetton
Benetton Group Srl ("Benetton Group") made a net loss of €235 million in 2023 (€81 million in the prior year) and has negative equity of €63 million as of 31 December 2023 (equity of €142 million as of 31 December 2022), alongside net debt of €460 million (€537 million as of 31 December 2022). The financial position also includes a medium/long-term loan from a pool of banks and guaranteed by SACE. As of 31 December 2023, the company was in breach of certain financial covenants attaching to the loan, which may trigger a demand for early repayment, with the resulting presentation of the remaining debt in liabilities falling due within twelve months.
Benetton Group's Directors analysed the key factors leading to this negative performance, which was not in line with the guidance for 2023 contained in the 2021-2026 Business Plan.
In view of this situation, Benetton Group's Directors decided that it was necessary to conduct a major review of the group's strategy and to draw up a new multi-year plan, with the support of a leading strategy consulting firm. Work on preparation of the plan was periodically reviewed by Benetton Group's Board of Directors, who validated the assumptions and, at the meeting of 8 May 2024, subsequently adopted the 2024-2029 Plan as the basis for preparation of the financial statements for 2023. It was also decided to submit the Plan to Edizione as part of a request for financial backing and to immediately enter into discussions with the company's banks. The document marks a major break with the past, as the 2024-2029 Plan includes, on the one hand, measures designed to drive down costs and, on the other, changes to the operating model and a relaunch of the brand.
Benetton Group's Directors took immediate steps to begin implementing the new Plan at operational level. This involved initiating discussions with Edizione and the banks, confident of the fact that the operational levers activated under the Plan will also weigh on the financial considerations involved in the debate that in the coming months will lead the Benetton Group to arrive at a broader definition of its financial structure. This will include adoption of a different method of measuring compliance with the covenants in its loan agreements.
Benetton Group's Directors took into account the company's and the group's financial position, assessments of the underlying causes of the performance, the reasonableness of the assumptions adopted in preparing the new Business Plan and, in part based on the financial support guaranteed by Edizione, came to the reasonable conclusion that the company will be in a position to deliver on the Plan and meet its financial obligations in the normal course of business, over a period of at least twelve months from the reporting date. As a result, the financial statements have been prepared on a going concern basis.

1.7 Consolidated financial highlights

The Group's financial results in the last two years, prepared in accordance with international financial reporting standards (IAS/IFRS), are summarised in the table at the bottom of the page.

As a result of the strategic combination of Autogrill and Avolta, the Autogrill group's contribution in both years has been reclassified to a single line item in the statement of profit or loss, "Profit/(Loss) from discontinued operations and assets held for sale". In 2023, the Autogrill group contributed to the consolidated results for one month, compared with 12 months in 2022.
In order to adequately understand the statements of profit or loss and financial position, the reader should bear in mind that the Mundys group, partly as a result of the business combination between Autogrill and Avolta, accounts for the predominant share of the Edizione Group's results.

Despite ongoing global uncertainties, the results for 2023 show progressive growth in business volumes, providing proof of the Group's solidity and resilience.

Revenue is up 13% compared with 2022 to €9.5 billion. Volume growth, above all in the Transport Infrastructure segment, led to an improvement in EBIT which, partly due to the reduced impact of provisions, depreciation, amortisation and impairments, was a positive €2.1 billion (€1.4 billion in 2022, an increase of 48%).

Profit attributable to owners of the parent for 2023 amounts to €768 million. This includes the results of the Autogrill group through to the date on which control was lost and the gain generated following its deconsolidation. The result for 2022 included the results of the Autostrade per l'Italia group ("ASPI group") through to its sale and the gain generated following its deconsolidation.

Net debt is up €3.5 billion, broadly due to the M&A transactions carried out by the Mundys group during the year.

The net asset value amounts to €11.7 billion, compared with the €11.4 billion of 2022.

Group financial highlights

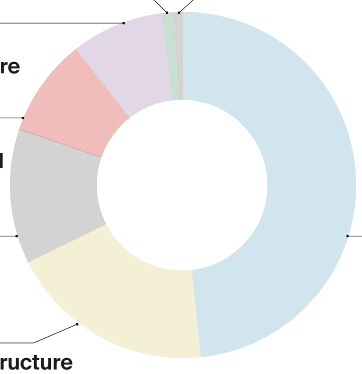
(€m)	2023	2022	Change	%
Revenue	9,534	8,406	1,128	13
EBIT	2,142	1,446	696	48
Profit attributable to owners of the parent	768	1,171	(403)	(34)
Net invested capital	51,049	46,759	4,290	
Net debt	31,996	28,519	3,477	
Equity	19,053	18,240	813	
Non-controlling interests	10,961	10,607	354	
Equity attributable to owners of the parent	8,092	7,633	459	
Net Asset Value (*)	11,719	11,433	285	

(*) The NAV as of 31 December 2022 has been recalculated by stripping out the value of the demerged properties to ensure a consistent basis of comparison across the two years.

1.8 Net Asset Value

The net asset value ("NAV") corresponds to the total value of assets (gross asset value or "GAV"), less the debt of certain of the Group's sub-holding companies.

31 December 2023 (€m)



The value of assets was determined as follows:

- → investments in listed companies and other listed securities are valued on the basis of the arithmetic average of closing prices in the 20 trading days prior to the measurement date;
- → investments in unlisted companies are valued on the basis of the valuation method that best reflects their most recent fair value, which may be (i) a valuation calculated by independent experts, (ii) a valuation that reflects the value of the investee's equity or (iii) a valuation at cost if the investment was recently completed;
- → investments in funds or other investment vehicles are valued at NAV or Edizione's share of the value reported by the fund;
- → assets and liabilities denominated in a foreign currency are converted at the exchange rate at the date of calculation of NAV.

Net debt includes the debt of Edizione and the wholly-owned financial sub-holding companies at the measurement date, after deducting cash and investments readily convertible into cash as of the same date.

NAV as of 31 December 2022 has been recalculated by stripping out the value of the demerged properties to ensure a consistent basis of comparison across the two years.

Breakdown of Edizione's NAV (€m)

			31.12.2023			31.12.2022			
	Company	Measurement criterion	Share as of 31.12.2023	Value (€m)	% of GAV	Share as of 31.12.2022	Value Pro forma	% of GAV	Change
Transport Infrastructure	Mundys	Fair Value	57.01%	6,287	49	57.01%	6,287	52	-
Digital Infrastructure	Cellnex	Fair Value	9.9%	2,499	19	8.2%	1,867	16	632
Food & Beverage and Travel Retail	Avolta	Fair Value	21.86%	1,155	9	50.32%	1,363	11	(208)
Clothing and Textiles	Benetton Group, Benetton Manufacturing and Olimpias Group	Book Value	100%	114	1	100%	312	3	(198)
Real Estate	Edizione Property, San Giorgio	Fair Value	100%	1,037	8	100%	570	5	467
Agriculture	Maccarese	Book Value	100%	37	0.3	100%	36	0.3	1
Agriculture	Argentine companies	Book Value	100%	73	0.6	100%	72	0.6	1
Financial Institutions	Assicurazioni Generali	Fair Value	4.83%	1,438	11	4.75%	1,279	11	159
Financial Institutions	Mediobanca	Fair Value	2.2%	206	2	2.19%	169	1	37
Packaging	IMA, ProMach	Fair Value	-	39	0.3	-	-	-	39
Investment funds		Fair Value	-	49	0.4	-	38	0.3	11
Sport	Verde Sport, Asolo Golf, Benetton Rugby	Book Value	100%	13	0.1	100%	12	0.1	1
Other	Other companies	Book Value	-	5	-	-	5	-	-
Gross asset value ("GAV")				**12,953**	**100**		**12,010**	**100**	**942**
Net debt				(1,234)			(577)		(658)
Net asset value				**11,719**			**11,433**		**286**

2.
Directors' Report on Operations

2.1 Performance by operating segment

Edizione is a Group that operates in over 100 countries worldwide. Turnover in 2023 totalled more than €26 billion, with the Group employing over 100 thousand people.

Through its investees, Edizione:
- → operates approximately 9,000 kilometres of motorways across 46 concessions;
- → operates five airports handling almost 60 million passengers in 2023;
- → through its mobility services, operates in 600 cities across four continents and has distributed approximately 10 million onboard devices for electronic tolling services;
- → is present in 5,100 outlets providing food services at 1,000 locations;
- → has a retail network consisting of around 3,600 clothing stores;
- → owns real estate assets worth over €1 billion;
- → owns approximately 3,100 hectares of land in Italy and over 900,000 hectares of land in Argentina;
- → is a leading shareholder in the digital infrastructure sector and holds investments in the financial sector;
- → is engaged in the sports industry and plays an active role in the social and cultural spheres.

A more detailed description of the operating performances of the companies in the sectors in which the Edizione Group is present is provided below.

2.1.1 Transport Infrastructure

Schema Alfa is the holding company that manages the Group's investments in the Transport Infrastructure sector, through a 57.01% stake in Mundys.

Mundys

Mundys is a global player, with a presence in four continents through companies operating in the motorways and airports sectors and is a technological leader in mobility services and in the Intelligent Transport Systems sector.

+8,900 km
of motorway infrastructure

5
airports

~10 milion
onboard units

600
cities managed using ITS

+23,600
employees

2023 was a transformative year for Mundys. Having completed the change in ownership structure initiated in 2022, the group embarked on a new path.
In July 2023, a new strategic collaboration agreement for Abertis was entered into with the partner, Actividades de Costrucciòn Y Servicio SA ("ACS"), with the aim of strengthening the company's global leadership. The agreement sets out a new governance model and renews the shareholders' commitment to accelerating value creation through a new investment plan. The plan aims to expand the portfolio of assets under management and increase their average life, whilst at the same time retaining the company's investment grade credit rating. Having concluded the new agreement, a number of major transactions involving Abertis were carried out (in response to which the agencies S&P and Fitch reaffirmed the company's investment grade ratings):

- the acquisition of a 57% stake in the SH-288 motorway ("SH288") in Houston, Texas;
- the award of a contract to modernise and operate four new sections of toll motorway in Puerto Rico;
- the conclusion of an agreement to acquire a 100% stake in Autovia del Camino in Spain.

In addition, with the goal of optimising overall earnings, work continued on rationalising the portfolio, with the signature of an agreement (expected to complete in the first half of 2024) for the sale of the entire interest (50% plus one share) in AB Concessões and the related Brazilian motorway assets (the "ABC group").

Revenue of €8,625 million in 2023 is up €1,198 million (16%) on 2022 (€7,427 million) and includes the Yunex Traffic group's revenue for full-year 2023, amounting to €743 million (€351 million in 2022).
Toll revenue of €5,792 million is up €426 million compared with 2022 (€5,366 million), reflecting tariff increases during the year and traffic growth reported by the group's motorway operators (€612 million), after the reduction in revenue due to expiry of the concessions held by Triangulo do Sol and Elqui (€116 million) and adverse exchange rate movements (€70 million).
Aviation revenue of €768 million is up €170 million (28%) compared with 2022, reflecting increases in passenger traffic at Aeroporti di Roma (+35.3%) and Aéroports de la Côte d'Azur (+17.1%) with a return to pre-Covid levels in the fourth quarter of 2023.
Other operating revenue of €2,065 million is up €602 million (41%) compared with 2022, primarily due to:

- the Yunex Traffic group's contribution for the full year in 2023 compared with only for six months in 2022 (€392 million);
- an increase in non-aviation revenue at Aeroporti di Roma and Aéroports de la Côte d'Azur (€92 million);
- revenue growth at Telepass (€61 million).

EBITDA of €5,053 million is up €555 million (12%) compared with 2022 (€4,498 million).
The improvement benefited from the above revenue growth, after taking into account increases in the cost of materials and external services and personnel costs, primarily due to traffic growth at the airport and motorway operators (€390 million) and the contribution from Yunex Traffic (€369 million) and the impact of exchange rate movements (€137 million).

EBIT of €2,187 million is up €717 million compared with 2022 (€1,470 million). This reflects the reversal of impairment losses on Arteris's Brazilian concessions (€484 million).

Profit for 2023 attributable to owners of the parent amounts to €124 million (€5,791 million in 2022). Profit for 2022 included the results of the Autostrade per l'Italia group through to the date of its sale (€526 million) and the gain resulting from the group's deconsolidation (€5,304 million, after taxation and transaction costs). Excluding the profit from discontinued operations, profit for 2023 attributable to owners of the parent amounts to €106 million (€37 million in 2022).

The Mundys group's capex amounted to €1,591 million in 2023, compared with €1,649 million in 2022.

Equity amounts to €13,838 million (€21,446 million as of 31 December 2022), marking a decrease of €7,608 million. This essentially reflects the impact of the trilateral reverse merger of Schemaquarantadue SpA and Schema Alfa SpA with and into Mundys.

Net debt as of 31 December 2023 amounts to €30,355 million, an increase of €12,871 million compared with 31 December 2022 (€17,484 million). This reflects debt resulting from the trilateral reverse merger (€8,038 million) and M&A transactions during the year (€4,480 million).

Consolidated financial highlights for Mundys

(€m)	2023	2022	Change	%
Revenue	8,625	7,427	1,198	16
EBITDA	5,053	4,498	555	12
EBIT	2,187	1,470	717	49
Profit/(Loss) for the year attributable to owners of the parent	124	5,791	(5,667)	(98)
FFO	3,245	3,139	106	3
Capex	1,591	1,649	(58)	(4)

	31.12.2023	31.12.2022	Change
Equity	13,838	21,446	(7,608)
Net debt/(cash)	30,355	17,484	12,871

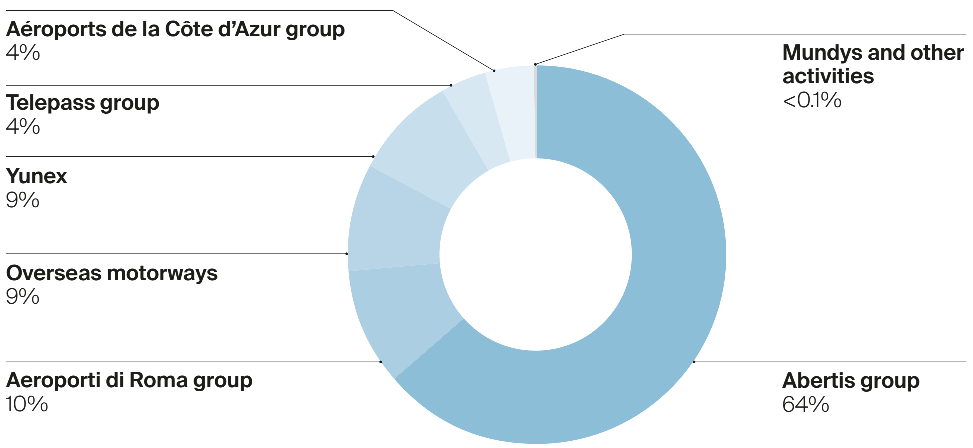
A breakdown of the Mundys group's performance by operating segment is shown below.

Financial highlights for Mundys's operating segments in 2023

(€m)	Abertis group	Overseas motorways	Aeroporti di Roma group	Aéroports de la Côte d'Azur group	Telepass group	Yunex	Mundys and other activities	2023
External revenue	5,532	773	890	302	373	743	12	**8,625**
EBITDA	3,887	480	469	117	159	39	(98)	**5,053**
FFO	2,406	412	377	77	102	26	(155)	**3,245**
Capex	993	91	323	83	86	14	1	**1,591**
Net financial debt	25,056	(813)	1,095	834	301	79	3,803	**30,355**

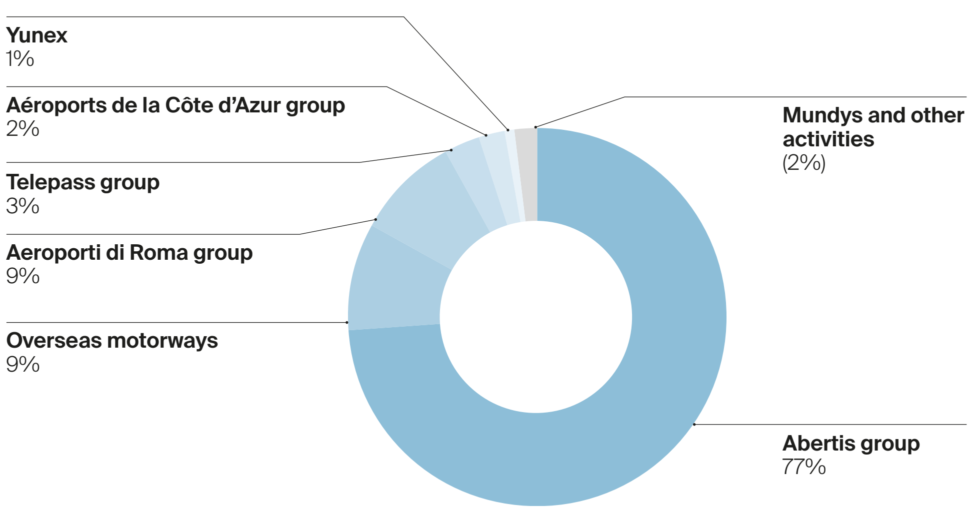
External revenue

2023/ **Total revenue €8,625 million**



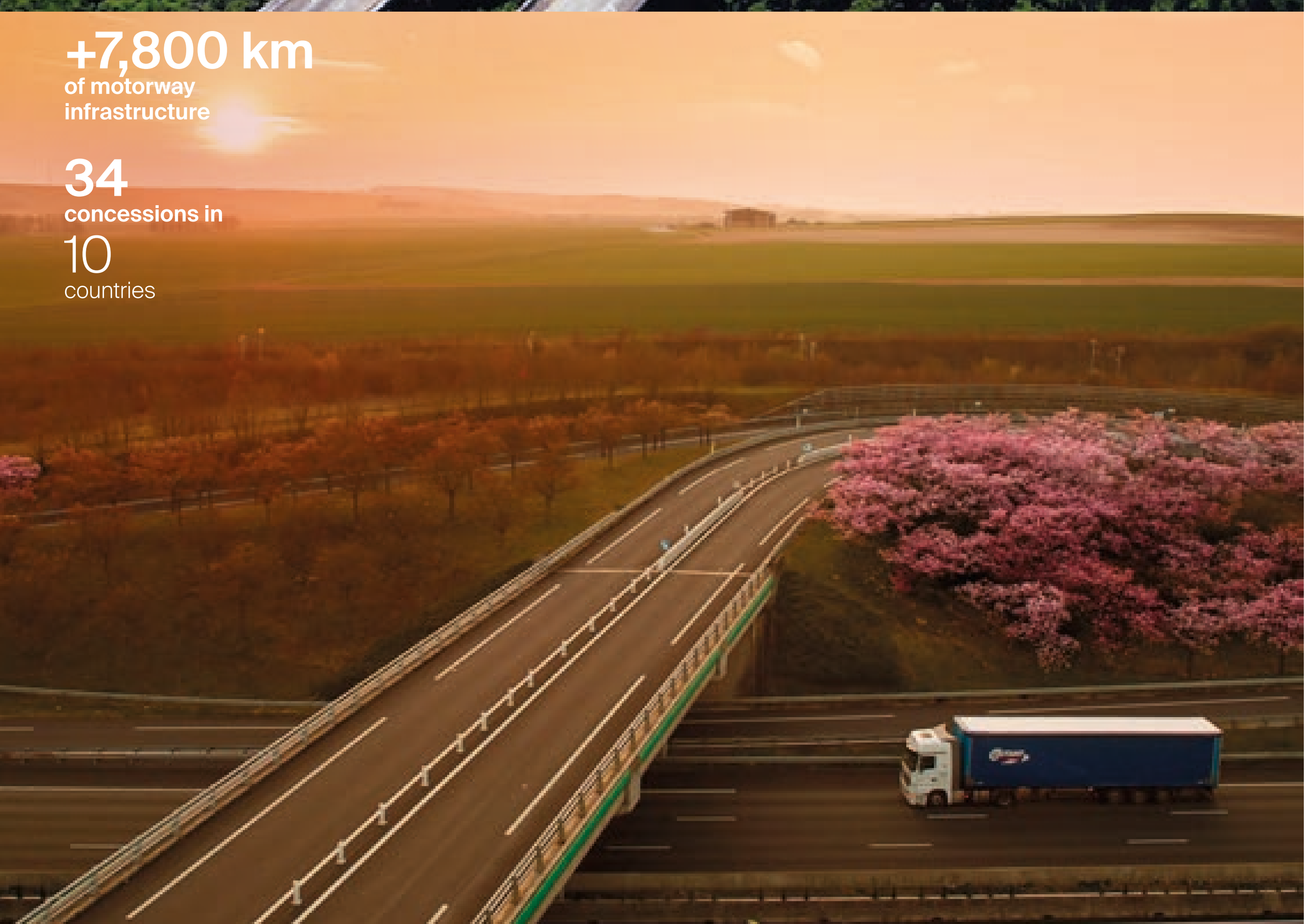
EBITDA

2023/ **Total EBITDA €5,053 million**



Abertis group

Abertis is a world leader in the operation of motorways and mobility solutions. Abertis is the largest motorway operator in Chile and Brazil and has a significant presence in France, Spain, Italy, Mexico, the United States, Puerto Rico and Argentina.



+7,800 km
of motorway infrastructure

34
concessions in
10
countries

Revenue for 2023 amounts to €5,532 million, an increase of €436 million (9%) compared with 2022. This reflects the toll increases applied (8.6% on average) and traffic growth (up 3.4% on a like-for-like basis), partially offset by the effect of the weaker Argentine peso against the euro and the change in scope of consolidation (accounting for €36 million) linked to the expiry of Elqui's concession in Chile.

EBITDA of €3,887 million for 2023 is up €356 million (10%) compared with 2022, having benefited from the above revenue growth, partially offset by an increase in operating costs linked to traffic volumes.

FFO for 2023 amounts to €2,406 million, an increase of €290 million (14%) compared with 2022, essentially due to the improved operating performance.

Capex amounted to €993 million in 2023 (€873 million in 2022), primarily attributable to the operators in Brazil (Contorno di Florianopolis), France (Plan de Relance and Free Flow A13/A14), Mexico (Ramales) and Italy (Montecchio toll station).

Net debt as of 31 December 2023 amounts to €25,056 million, up on the figure for 31 December 2022 (€21,547 million). This primarily reflects a combination of M&A transactions during the year, consisting of the acquisition of SH288 and award of a contract for four sections of motorway Puerto Rico (amounting to €4,498 million), only partially offset by FFO net of capex.

Financial highlights

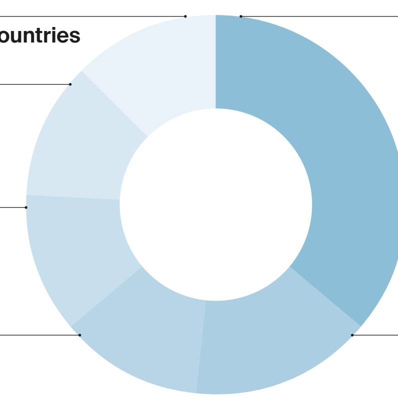
(€m)	2023	2022	Change	%
Revenue	5,532	5,096	436	9
EBITDA	3,887	3,531	356	10
FFO	2,406	2,116	290	14
Capex	993	873	120	14

	31.12.2023	31.12.2022	Change
Net debt/(cash)*	25,056	21,547	3,509

* Does not include €2 billion in hybrid financial instruments classified in equity in accordance with IFRS.

EBITDA by geographical area

2023/ **EBITDA €3,887 million**



Revenue of €773 million in 2023 was up €44 million (6%) compared with 2022, reflecting the toll increases applied and traffic growth (up 2% on a like-for-like basis), partially offset by reduced revenue at Triangulo do Sol, whose concession expired in April 2023.

EBITDA of €480 million for 2023 is down €31 million (6%) compared with 2022, reflecting expiry of Triangulo do Sol's concession (€72 million) and an increase in provisions for repair of the infrastructure managed by the Polish operator in accordance with the plan to hand back the concession in 2027 (€30 million), partially offset by the improved operating performances of the Chilean operators (€52 million) and the Brazilian operators (€21 million).

FFO for 2023 amounts to €412 million, a reduction of €9 million (2%) compared with 2022, reflecting expiry of Triangulo do Sol's concession (€63 million), increased financial expenses essentially as a result higher interest rates (€20 million), partially offset by the improved operating performance (€77 million).

Capex amounted to €91 million in 2023 (€99 million in 2022) and primarily regarded the Chilean operator, Concessiónaria Américo Vespucio Oriente II (€33 million), work on widening the motorway operated by Rodovia MG 050 (€19 million) and drainage works carried out by Stalexport (€18 million).

Net cash as of 31 December 2023 amounts to €813 million, compared with net cash of €1,194 million in 2022. In both years, the balances as of 31 December include regulatory financial assets of €1,130 million as of 31 December 2023 and €1,187 million as of 31 December 2022. Overall, the movement in cash reflects:

→ the collection of regulatory receivables from the Ministry of Public Works (€137 million), partially offset by the impact of discounting to present value (€73 million);
→ dividends paid to non-controlling shareholders (€231 million by Grupo Costanera and €6 million by Stalexport) and the transfer of cash and cash equivalents held by the sub-holding company, Autostrade dell'Atlantico, following the merger with and into Mundys completed in 2023.

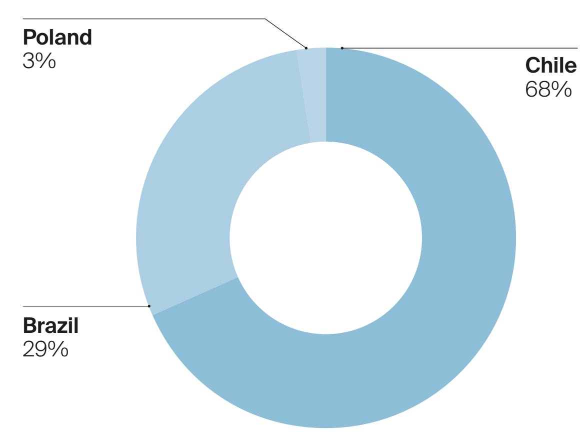
Financial highlights

(€m)	2023	2022	Change	%
Revenue	773	729	44	6
EBITDA	480	511	(31)	(6)
FFO	412	421	(9)	(2)
Capex	91	99	(8)	(8)

	31.12.2023	31.12.2022	Change
Net debt/(cash)	(813)	(1,194)	381

EBITDA by geographical area

2023/ **EBITDA €480 million**



Aeroporti di Roma
group

Aeroporti di Roma manages the international airports "Leonardo da Vinci" located in Fiumicino and "Giovan Battista Pastine" located in Ciampino. Aeroporti di Roma is the leading airport operator in Italy by number of passengers (before the Covid-19 pandemic, almost 50 million passengers in full-year 2019) and the seventh biggest operator in Europe.

~44.4 million
passengers handled by the Roman airport system

2
airports in Italy

Revenue amounts to €890 million, an increase of €226 million (34%) compared with 2022. This includes:
- → aviation revenue of €609 million, marking an increase of €152 million, essentially due to the recovery in traffic that was consolidated from the second quarter of 2023, thanks to a significant recovery in European short- and medium-haul traffic. This was then reinforced, from the summer season on, by growth in traffic to and from North America, which also outperformed the volumes recorded in 2019;
- → non-aviation revenue of €281 million, an increase of €74 million compared with 2022, reflecting increases in income from retail activities, car parks and advertising linked to the above growth in passenger traffic and an increase in the passenger spend, partly driven by the opening of new retail units.

EBITDA of €469 million in 2023 is up €169 million compared with 2022, reflecting the above revenue growth, partially offset by higher energy and personnel costs, due to airports returning to full capacity, and rising concession fees linked to the increase in traffic.

FFO of €377 million is up €120 million compared with 2022 in line with the improved operating performance and lower financial expenses due to an increase in interest income as a result of higher rates, after the related tax effects.

Capex during the year amounted to €323 million (€215 million in 2022) and for the most part regarded work on completion of the facilities to the east of the terminal that handles domestic and Schengen traffic, including renovation of older boarding areas and the opening of new retail spaces.

Net debt as of 31 December 2023 amounts to €1,095 million, down €85 million compared with 31 December 2022. This reflects operating cash flow net of capex and payment of an interim dividend totalling €82 million in December 2023.

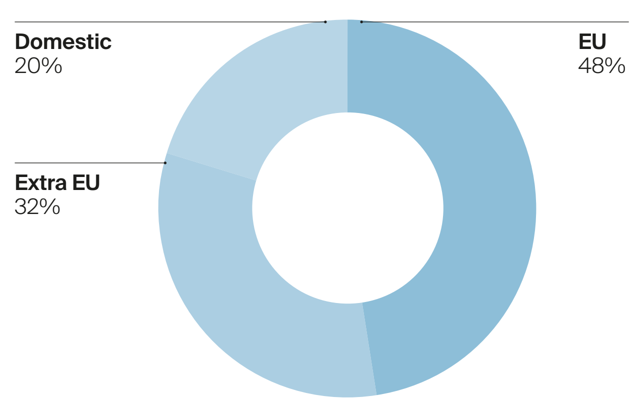
Financial highlights

(€m)	2023	2022	Change	%
Revenue (aviation)	609	457	152	33
Revenue (non-aviation)	281	207	74	36
EBITDA	469	300	169	56
FFO	377	257	120	47
Capex	323	215	108	50

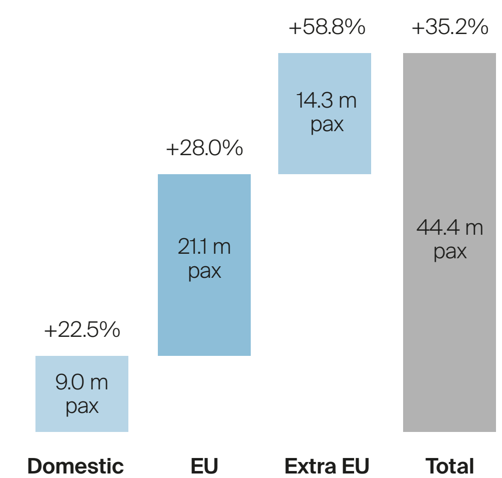
	31.12.2023	31.12.2022	Change
Net debt/(cash)	1,095	1,180	(85)

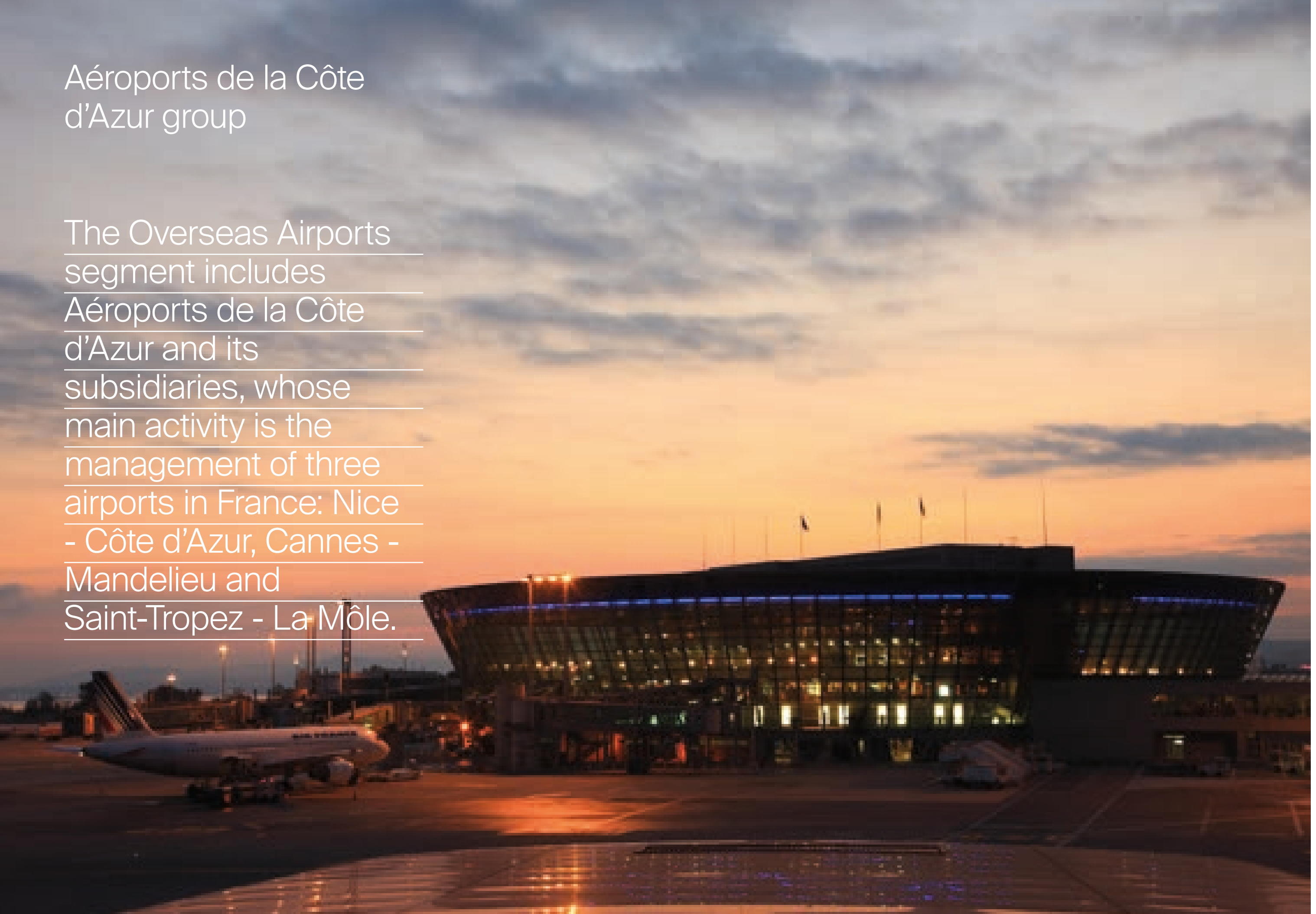
Number of passengers

2023/ **44.4 million passengers handled**



Change 2022/2023 in passenger traffic





Aéroports de la Côte d'Azur group

The Overseas Airports segment includes Aéroports de la Côte d'Azur and its subsidiaries, whose main activity is the management of three airports in France: Nice - Côte d'Azur, Cannes - Mandelieu and Saint-Tropez - La Môle.

~14.2 milion
passengers handled by the Côte d'Azur airport system

3
airports in France

Revenue of €302 million is up €37 million (14%) compared with 2022, due to traffic growth (up 17.1%) following the addition of 25 new routes for the summer season (between April and October), including seven that remained in operation during the winter, as well as the launch, in the last two months of 2023, of two new routes. The increase in revenue was to a lesser extent due to the 4.4% increase in fees applied at the end of 2022 and the 4.9% increase applied from 1 November 2023.

EBITDA amounts to €117 million (€101 million for 2022) and reflects the above revenue growth, only partially offset by an increase in operating costs in line with the above rise in traffic.

FFO of €77 million is up €12 million compared with 2022, essentially due to the improved operating performance, after the related tax effects.

Capex amounted to €83 million (€50 million in 2022) and primarily regarded the enlargement of Terminal 2 and the improvement strategy, also in terms of environmental footprint and quality within the terminals, through the installation of EV charging points, the creation of a geothermal power plant for Terminal 2 and the installation of photovoltaic systems.

Net debt amounts to €834 million as of 31 December 2023, an increase of €35 million compared with 31 December 2022.

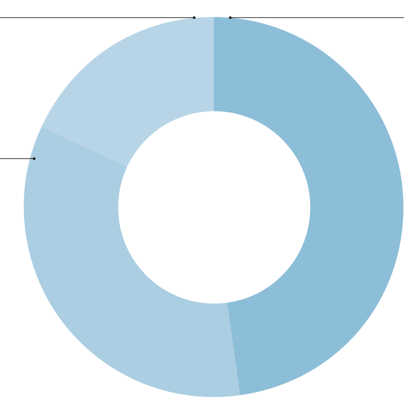
Financial highlights

(€m)	2023	2022	Change	%
Revenue (aviation)	159	141	18	13
Revenue (non-aviation)	143	124	19	15
EBITDA	117	101	16	16
FFO	77	65	12	18
Capex	83	50	33	66

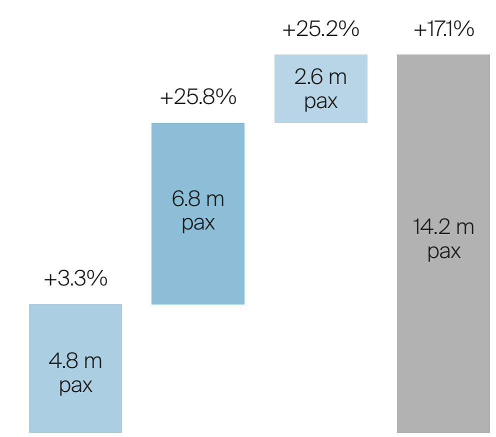
	31.12.2023	31.12.2022	Change
Net debt/(cash)	834	799	35

Number of passengers

2023/ **14.2 million passengers handled**



Change 2022/2023 in passenger traffic



Telepass group

Telepass provides electronic tolling systems and transport-related payments systems (car parks, restricted traffic zones, vehicle tracking systems, etc.), alongside the provision of digital mobility, insurance and breakdown services.

~10 million
onboard units

+1 million
T-Pay subscribers

14
countries

In 2023, the Telepass group generated revenue of €373 million, an increase of €61 million (20%) compared with 2022. This primarily reflects (i) an increase in business and consumer subscriptions, (ii) the impact of new subscription fees in Italy from the second half of 2022, (iii) an increase in merchant fees on the international market and (iv) other income linked to recognition of a refund of indirect taxes dating back to previous years.

EBITDA amounts to €159 million, an increase of €30 million compared with 2022. This reflects the above revenue growth, partially offset by higher costs linked to (i) the increase in turnover (distribution and marketing costs), (ii) promotional and advertising activity aimed at maintaining leadership in the Italian mobility sector and driving customer acquisitions, and (iii) an increase in the workforce.

FFO of €102 million is up €3 million (3%) compared with 2022, reflecting the improvement in EBITDA, partially offset by an increase in interest expense due to rising rates.

Capex amounted to €86 million, down €14 million compared with 2022. This relates to (i) the purchase of remote tolling devices, (ii) the development of strategic new projects in Italy and overseas, and (iii) improvements to existing systems and platforms.

Net debt amounts to €301 million as of 31 December 2023, an increase of €148 million compared with 31 December 2022). This reflects (i) dividends paid to shareholders (€46 million), (ii) capex and (iii) net working capital outflows relating to billing trends and collections in the business and customer segments, partially offset by (iv) FFO.

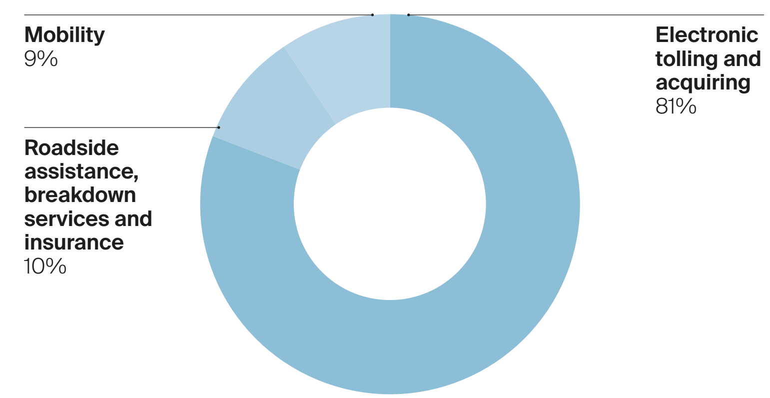
Financial highlights

(€m)	2023	2022	Change	%
Revenue	373	312	61	20
EBITDA	159	129	30	23
FFO	102	99	3	3
Capex	86	100	(14)	(14)

	31.12.2023	31.12.2022	Change
Net debt/(cash)	301	153	148

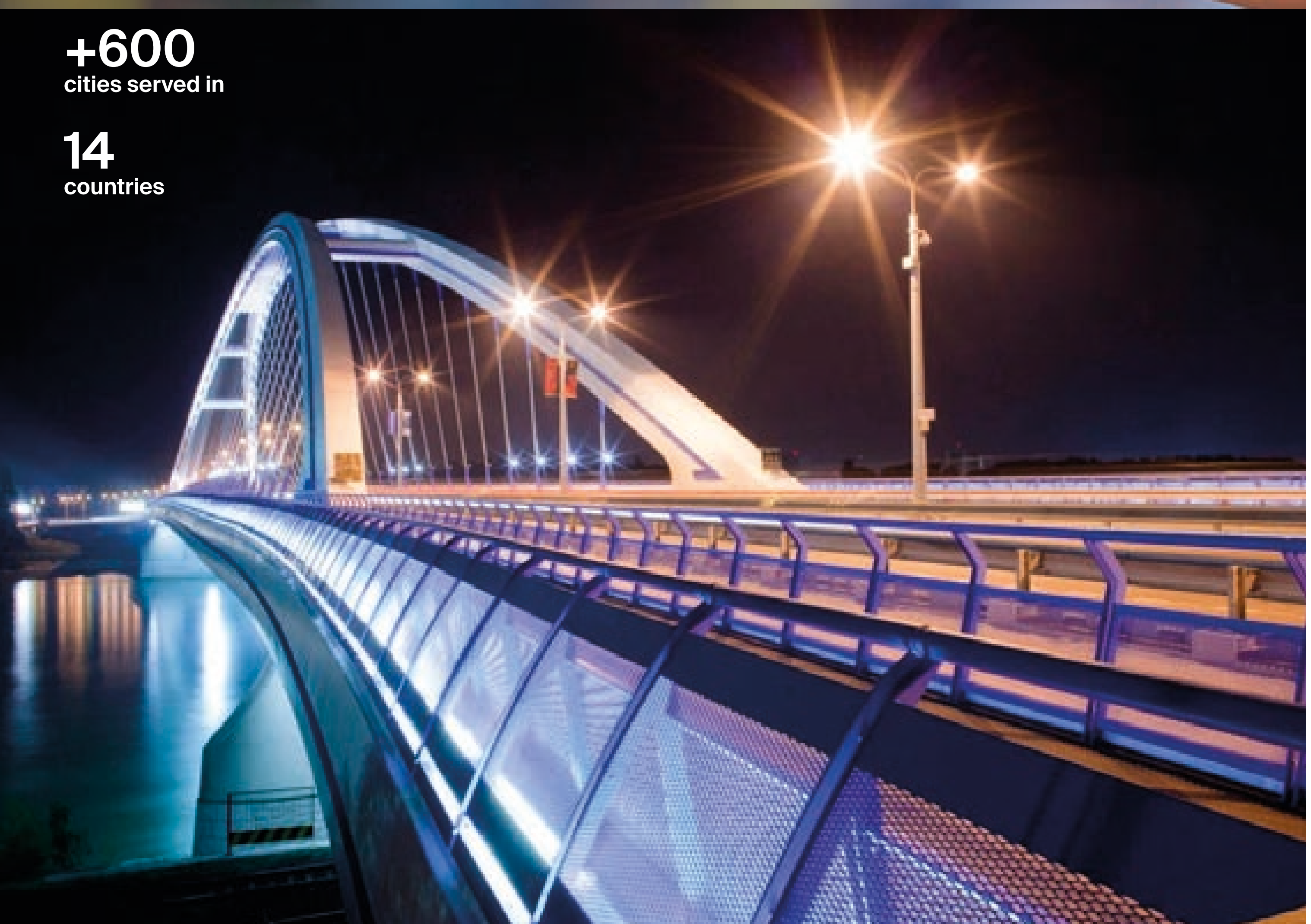
Revenue by activity

2023/ **Total revenue €373 million**



Yunex Traffic

Yunex Traffic is a global provider of Intelligent Transport Systems (ITS) and Smart Mobility solutions, specialising in the development and supply of integrated hardware and software platforms and solutions for the operators of smart and sustainable mobility infrastructure serving urban and out-of-town areas.



+600
cities served in

14
countries

2023 was the first year in which Yunex and its subsidiaries contributed to the Mundys Group's results for the full year, following completion of the company's acquisition on 30 June 2022. In 2023, the Yunex group acquired orders amounting to €798 million, generating revenue of €743 million. This confirms its share of its main markets, above all Germany, the UK, the USA, the Netherlands and Austria.

EBITDA amounts to €39 million, having been hit by €8 million in costs incurred in 2023 as a result of the carve-out from Siemens.

FFO amounts to €26 million.

Capex of €14 million primarily regards research and development expenditure incurred by the headquarters.

Net debt of €79 million is up from the €45 million of 31 December 2022, primarily due to movements in working capital linked to progress on the projects in Yunex Traffic's portfolio.

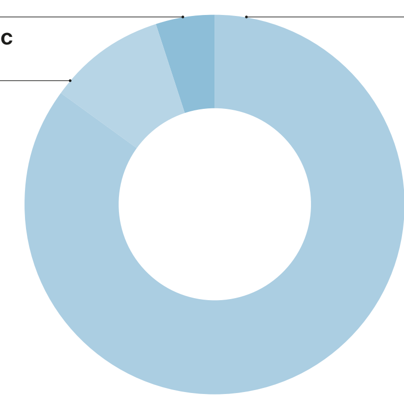
Financial highlights

(€m)	2023	2022	Change	%
Revenue	743	351	392	n/s
EBITDA	39	16	23	n/s
FFO	26	15	11	73
Capex	14	5	9	n/s

	31.12.2023	31.12.2022	Change
Net debt	79	45	34

Revenue by geographical area

2023/ **Total revenue €743 million**



Outlook

Based on traffic forecasts and the increases in motorway and airport tariffs approved or under review in the different countries in which Mundys group companies operate, the group expects to see continued growth in consolidated revenue and EBITDA in 2024. The operating results should also benefit from the contributions of the new motorway operators acquired by the Abertis group between the end of 2023 and the beginning of 2024 in the USA, Puerto Rico and Spain, whilst the sale of Mundys's Brazilian assets is expected to be completed during the year following finalisation of the sale agreement. Net financial debt, which rose at the end of 2023 due to the above acquisitions, is instead expected to fall as a result of operating cash flow net of the group's capex and dividends to be paid, absent significant adverse exchange rate movements.
However, geopolitical instability also means that the current year will be marked by uncertainty over the direction of the international economic and financial situation, which could impact the above forecasts.

2.1.2
Food & Beverage and Travel Retail

Schema Beta is the holding company that directly controls the Group's investments in the Food & Beverage and Travel Retail sectors with a stake of 21.86% in Avolta. In these consolidated financial statements, this investment is measured using the equity method.

Following the transfer of the 50.3% stake in Autogrill to Dufry, on 3 February 2023 the latter launched a mandatory public exchange offer (the "Dufry Offer") with an alternative cash consideration for the Autogrill shares other than those involved in the transfer, offering shareholders the option of exchanging their Autogrill shares with Dufry shares (listed in Switzerland on the SIX Swiss Exchange), with the exchange based on the same exchange ratio enjoyed by the majority shareholder or, alternatively, to receive an equivalent cash alternative amounting to €6.33 per share.
The acceptance period for the Dufry Offer, agreed with Borsa Italiana SpA pursuant to art. 40, paragraph 2 of the Regulations for Issuers, corresponded with 21 stock exchange trading days and began on 14 April 2023, ending on 18 May 2023. The period was then reopened from 26 May 2023 to 1 June 2023.
Following settlement of the joint procedure for exercising the purchase right, Dufry's public exchange offer was successfully completed and, on 24 July 2023, Autogrill's shares were delisted from the Euronext Milan exchange.

Present in 73 countries, Avolta serves 2.3 billion passengers through its 5,100 outlets located at approximately 1,000 airports, motorways, seaports, train stations and tourist centres. The group has more than 1,000 brands in its portfolio. Avolta employs approximately 77,000 people.

In 2023, Avolta completed the business combination with Autogrill, transforming the group and contributing to the restructuring of the food & beverage and travel retail businesses at global level.
Among other things, 2023 saw Avolta renew its Spanish airport concessions for a further 12 years, whilst also renewing its concession at Las Vegas Harry Reid international airport for a further 15 years and winning and/or renewing concession agreements in Europe, the Middle East, Latin America and North America.

To provide a clearer view of the Avolta group's consolidated results, which in 2023 include the Autogrill group's results for 11 months, proforma amounts for 2022 have been presented, showing the Autogrill group's contribution for 11 months (from February 2022 to December 2022).

The Avolta group generated core revenue of CHF12,534 million in 2023, an increase of 16% (compared with the core proforma figure for 2022). This reflects a solid recovery in passenger demand, a broadening of the offer with the addition of new product lines and other commercial initiatives. Duty Free accounted for approximately 37% of net sales, whilst the figure for Duty Paid was 31% and for Food & Beverage 32%. The airport channel generates around 82% of the group's revenue.

Core EBITDA for 2023 amounts to CHF1,130 million, compared with core proforma EBITDA of CHF941 million for 2022 (an increase of 20%), resulting in a core EBITDA margin of 9% (compared with a core proforma margin of 8.7% in 2022). The improvement is due to cost efficiencies achieved at group level and synergies deriving from the combination with the Autogrill group (CHF30 million), despite approximately CHF25 million in costs relating to the combination.

Core EBIT amounts to CHF818 million (a core EBIT margin of 6.6%) having benefited not only from the improvement in core EBITDA but also from the reduced impact of depreciation and amortisation.

Equity free cash flow for 2023 amounts to CHF323 million and primarily reflects the performance of both capex and financial expenses.

As of 31 December 2023, Avolta has net debt of CHF10,549 million (including CHF7,853 million in lease liabilities), compared with CHF5,813 million as of 31 December 2022 (including CHF3,003 million in lease liabilities). After stripping out lease liabilities, net debt amounts to CHF2,696 million at the end of 2023, down from the CHF2,810 million of the end of 2022. This primarily reflects the repayment of borrowings during the year.

The Avolta group's equity as of 31 December 2023 amounts to CHF2,495 million, compared with CHF966 million as of 31 December 2022. The change reflects the capital increases carried out in order to complete the business combination with Autogrill and consolidate the latter.

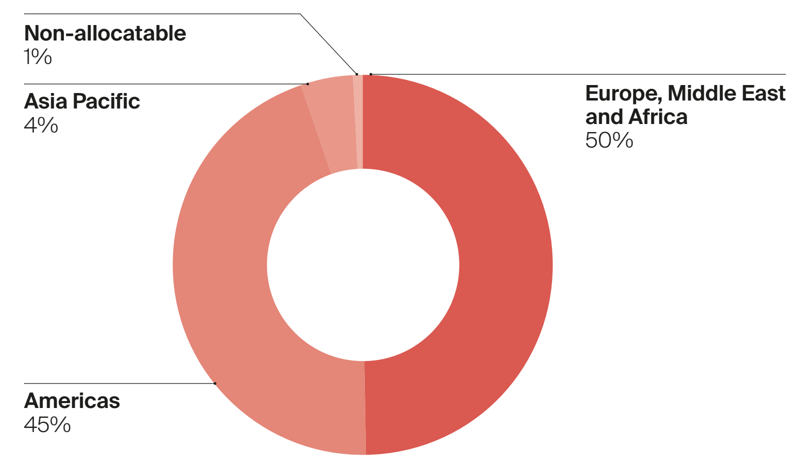
The Avolta group's consolidated financial highlights for 2023 and proforma 2022

(CHFm)	2023	2023 Core	2022 Core Proforma	2022	Change Core	%
Revenue	12,789	12,534	10,805	6,878	1,729	16
EBITDA	2,475	1,130	941	1,597	189	20
EBIT	865	818	590	502	228	39
Profit/(Loss) attributable to owners of the parent	87	308	126	58	182	n/s
Equity free cash flow		323	441		(118)	
Capex		433	302		131	

	31.12.2023	31.12.2022	Change
Net debt	10,549	5,813	4,736
Capex	2,495	966	1,529

Revenue by geographical area

2023 Core/ Total revenue CHF12,534 million



Outlook

Despite ongoing geopolitical and macroeconomic tensions, Avolta believes that consumer demand is robust, with the level of spending consistently outstripping pre-pandemic levels.
In the medium term, Avolta expects:

- → constant core revenue growth, reflecting its global diversification;
- → an improvement in the core EBITDA margin from 20 to 40 bps through improvements in operating efficiency;
- → an equity free cash flow conversion ratio of between 100 and 150 bps;
- → a level of capex amounting to approximately 4% of core revenue.

2.1.3 Digital Infrastructure

Schema Gamma Srl ("Schema Gamma") is the holding company that controls the Group's investments in the digital infrastructure sector, with a 9.9% stake in Cellnex, the leading European provider of telecommunications infrastructure. In these consolidated financial statements, this investment is measured using the equity method.

Cellnex Telecom

Cellnex is a Spanish company, the leading European provider of telecommunications and broadcasting infrastructure. It operates in 12 countries in Europe with the aim of creating a telecommunications platform to drive the continent's digitalisation.

138,000
sites of which
113,175
already in operation

~3,000
employees

12
countries

Cellnex's business is organised into four main areas: telecommunications infrastructure services; audiovisual broadcast networks, other network services, including security and emergency service networks, and smart urban infrastructure and service management solutions (Smart Cities and the Internet of Things or IoT).

In 2023, Cellnex implemented a selective divestment strategy. In September 2023, it sold 2,353 sites to Phoenix Tower International and its joint venture with Bouygues Telecom, in compliance with the condition imposed by France's competition authority following the acquisition of Hivory in 2021. The sale raised €631 million. In November 2023, Cellnex agreed to sell its 49% stakes in Cellnex Sweden and Cellnex Denmark to Stonepeak, raising a further €730 million. Moreover, in November 2023, Cellnex sold its "private networks" business unit to Boldyn.

Total revenue for 2023 amounts to €4,049 million, an increase of 16% compared with the prior year. This reflects both the full-year consolidation of the acquisition of Hutchison United Kingdom, completed in the second half of 2022, and organic growth.

Adjusted EBITDA for 2023 amounts to €3,008 million, an increase of 14% compared with the prior year, partly due to operating cost efficiencies.

EBIT for 2023, amounting to €374 million, is up €144 million compared with the prior year. The positive impact of revenue growth and operating cost efficiencies was partially offset by an increase in depreciation and amortisation (up 10%) in 2023 following the acquisitions completed in previous years.

The loss attributable to owners of the parent amounts to €297 million in 2023, unchanged with respect to the comparative year. In addition to the depreciation of assets, the loss reflects increased financial expenses (up 11%) due to M&A activity.

Recurring leveraged free cash flow amounts to €1,545 million, a 13% increase compared with the €1,368 million of 2022.

Equity as of 31 December 2023 amounts to €15,147 million, compared with €15,188 million as of 31 December 2022.

Net debt as of 31 December 2023 amounts to €20,102 million, compared with €19,738 million as of 31 December 2022.

Consolidated financial highlights for Cellnex

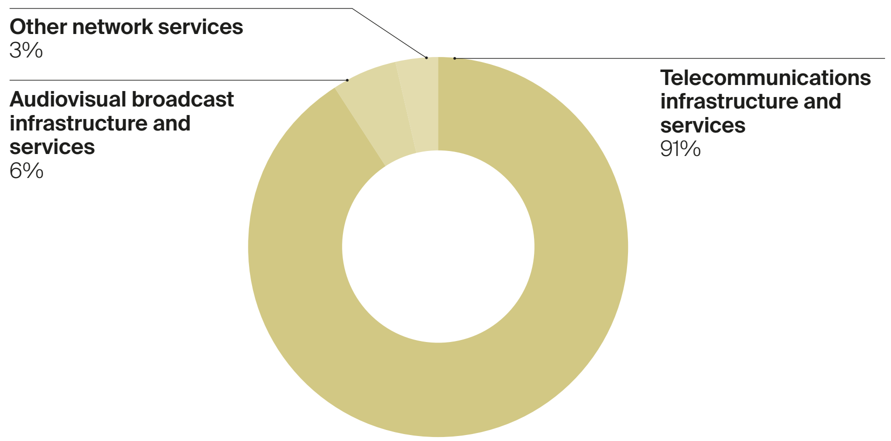
(€m)	2023	2022	Change	%
Revenue	4,049	3,495	554	16
Adjusted EBITDA	3,008	2,630	378	14
EBIT	374	230	144	63
Profit/(Loss) attributable to owners of the parent	(297)	(297)	-	-
Recurring leveraged free cash flow	1,545	1,368	177	13
Capex	1,395	2,483	(1,088)	(44)

	31.12.2023	31.12.2022[R]	Change
Equity	15,147	15,188	(41)
Net debt/(cash)	20,102	19,738	364

(R) As permitted by IFRS 3, certain amounts in the statement of financial position for 2022 have been remeasured following completion of the process of measuring and allocating the assets and liabilities resulting from the business combination of CK Hutchison.

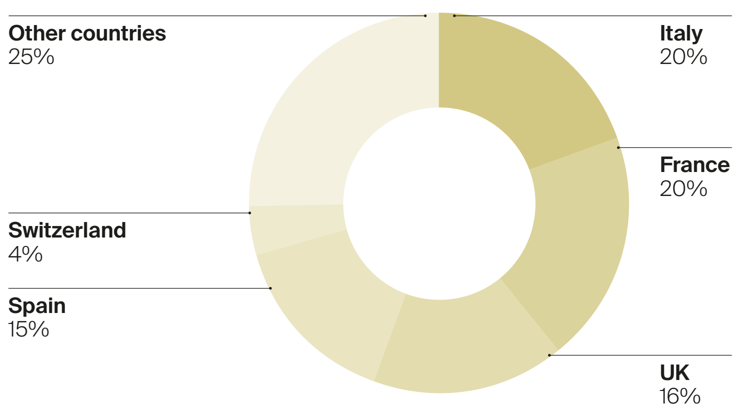
Revenue by activity

2023/ **Total revenue €4,049 million**



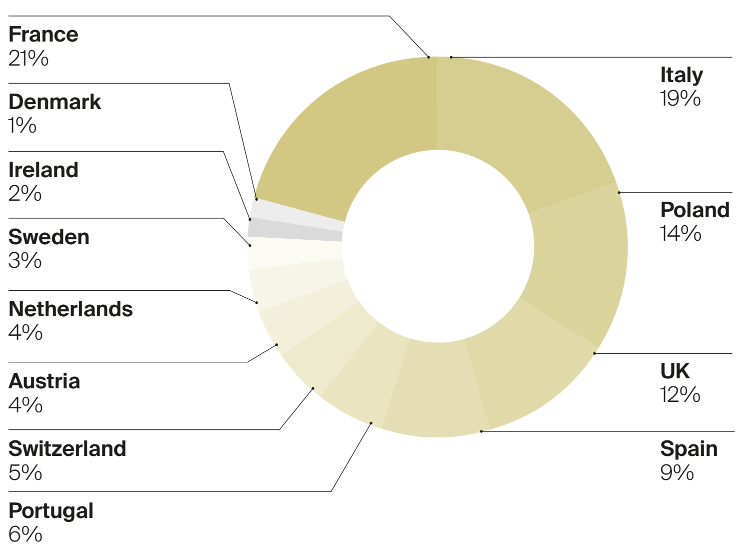
Revenue by geographical area

2023/ **Total revenue €4,049 million**



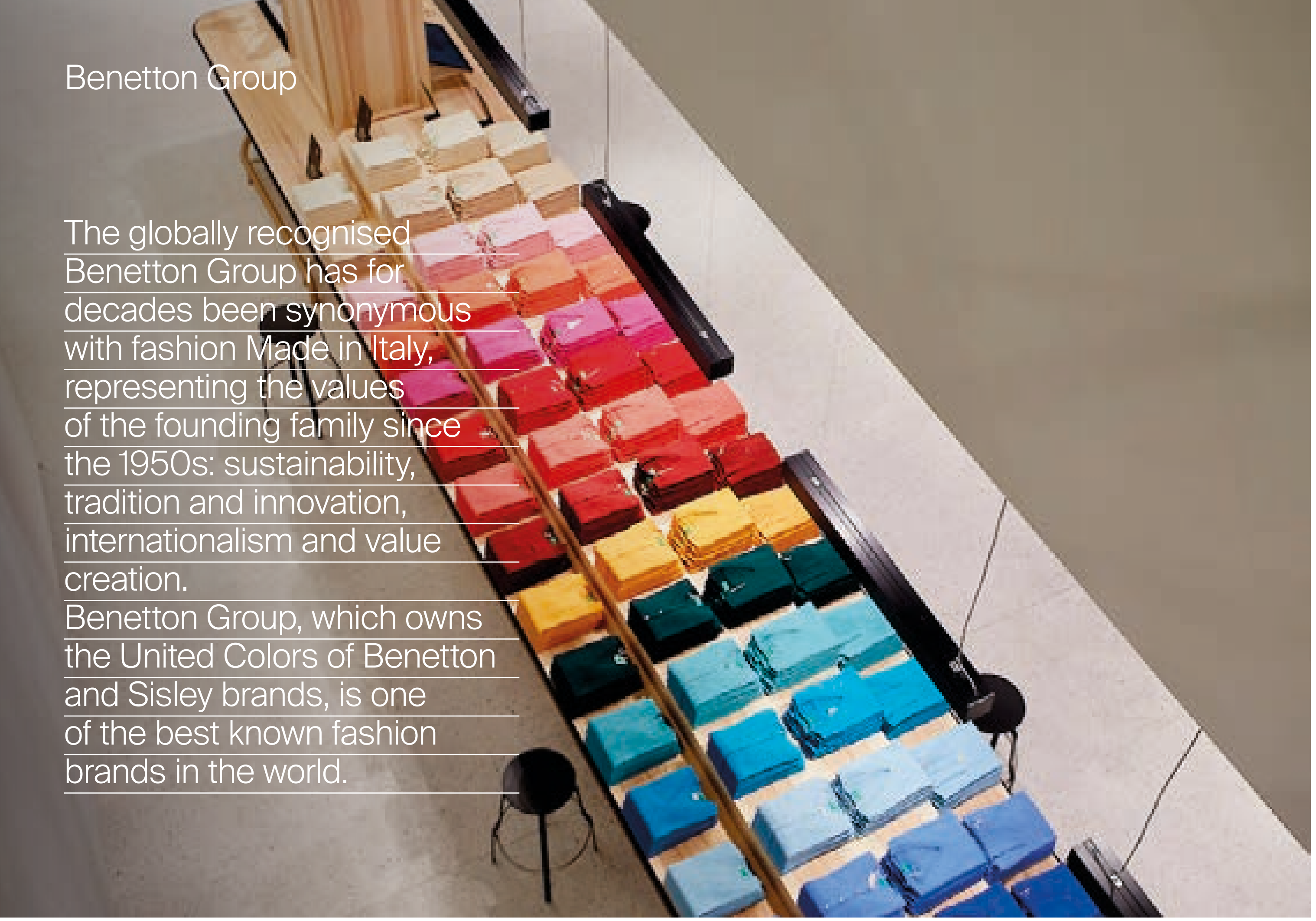
Cellnex portfolio

2023/ **Total sites 113,175**



2.1.4
Clothing and Textiles

Benetton controls the wholly-owned subsidiaries, Benetton Group Srl ("Benetton Group" or "Benetton group"), Olimpias Group Srl ("Olimpias Group" or "Olimpias group") and Benetton Manufacturing Srl ("Benetton Manufacturing").



Benetton Group

The globally recognised Benetton Group has for decades been synonymous with fashion Made in Italy, representing the values of the founding family since the 1950s: sustainability, tradition and innovation, internationalism and value creation.
Benetton Group, which owns the United Colors of Benetton and Sisley brands, is one of the best known fashion brands in the world.

3,574
stores of which
1,384
under direct management
2,190
managed indirectly

+6,400
employees

The macroeconomic environment in 2023 was marked by rising geopolitical tensions (resulting from the protracted conflict between Russia and Ukraine and renewed fighting between Israel and the Palestinians) and ongoing inflationary pressures that led to a climate of economic uncertainty and a consequent slowdown in consumer spending. In addition, above all in Europe, adverse weather conditions hit the clothing market in both seasons, with the start of summer delayed and warmer summer temperatures continuing into mid-October. Finally, volatility in a number of the group's key currencies (the Indian rupee, the Turkish lira, the Korean won and the Russian rouble) had a very negative impact on the annual results, almost entirely eroding constant currency growth with respect to 2022.

The above conditions had an adverse impact on sales, with the effects apparent in April and May 2023 and, from September, worsening throughout the last four months of 2023.
This compromised the company's ability to deliver on the financial targets set in the 2021-2026 Business Plan and, as a result, meaning that the company was in breach of the covenants provided for in the loan agreement with SACE at the measurement date of 31 December 2023.

In light of the above, the Benetton group's management hired an independent strategy consultant to assist it in reviewing the previous 2021-2026 Business Plan and drawing up a new business plan (the "2024-2029 Plan"). The final form of the new plan was presented to Benetton Group Srl's Board of Directors on 8 May 2024 and was used as the basis for preparation of the financial statements for 2023.

Revenue rose 1.1% in 2023 to €1,015 million. 2023 was marked by a positive first half, with sales rising 4.6%, followed by a second half slowdown due primarily to macroeconomic influences.
An analysis shows that:

- → revenue from the stores under direct management was broadly in line with the prior year (down 0.2%), whilst revenue on a constant currency basis was up 3.9%, registering a positive like-for-like performance;
- → the performance of the direct online channel saw a slight downturn (down 2.0%) compared with the prior year, which recorded double-digit growth. This would appear to reflect a normalisation of the online distribution channel after the exuberance of the pandemic and post-pandemic periods; on a constant currency basis, revenue is up 3.9%;
- → the indirect channel saw growth of 3.4%, rising to 9.0% on a constant currency basis; indirect online sales performed particularly well, benefiting from improved management of the sale of previous collections and, more generally, from faster delivery times compared with previous seasons conducted through "bricks and mortar" channels.

In terms of geographical area, revenue in Italy was broadly in line with the previous year. The rest of Europe saw a slight improvement in northern and eastern Europe, whilst there was a slowdown in southern Europe. Outside Europe, revenue rose 5.7% at current exchange rates (up 16.2% on a constant currency basis). In this area, Korea, India and Türkiye were once again the markets that made the largest contribution to the group's revenue, accounting for a 22.1% share, in line with the previous year. The Multi-region area, which represents the turnover achieved by the group in the various geographical areas through the indirect and direct online channel, saw growth of 3.9% compared with the previous year.

Positive EBITDA for 2023 amounts to €88 million, compared with €103 million in 2022.

Negative EBIT amounts to €122 million for 2023 (negative EBIT of €43 million in 2022). This includes non-recurring expenses incurred by the Benetton group, amounting to €91 million, relating to significant impairment losses on non-current assets, based on cash flow forecasts in the 2024-2029 Plan.

The result attributable to owners of the parent for 2023 is a €235 million loss, compared with a loss of €81 million for the prior year. In addition to the above impairment losses, this result reflects the impact of the write-down of deferred tax assets, amounting to €87 million, following the Directors' assessment of the non-recoverability of such assets based on projected taxable income in the new 2024-2029 Plan.

Capex amounted to €31 million (€37 million as of 31 December 2022) and focused on stores under direct management and information technology solutions to support the digital transformation.

Net debt as of 31 December 2023 amounts to €460 million (€537 million as of 31 December 2022) and includes the impact of IFRS 16, amounting to €306 million (€450 million as of 31 December 2022).

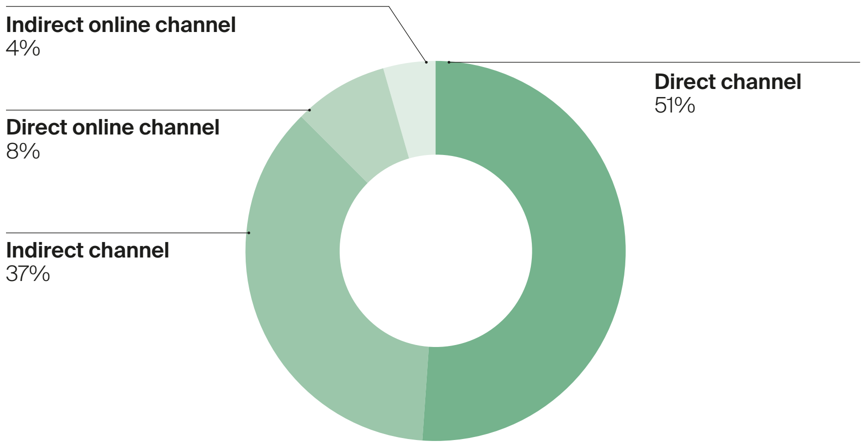
Consolidated financial highlights for Benetton Group

(€m)	2023	2022	Change	%
Revenue	1,015	1,004	11	1
EBITDA	88	103	(15)	(15)
EBIT	(122)	(43)	(79)	n/s
Profit/(Loss) attributable to owners of the parent	(235)	(81)	(154)	n/s
Net cash from operating activities	22	104	(82)	(79)
Capex	31	37	(6)	(16)

	31.12.2023	31.12.2022	Change
Equity	(63)	142	(205)
Net debt/(cash)	460	537	(77)

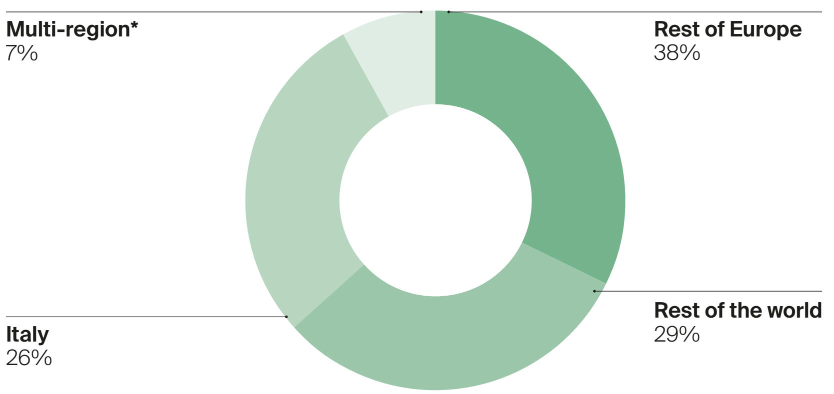
Revenue by channel

2023/ Total revenue €1,015 million



Revenue by geographical area

2023/ Total revenue €1,015 million



* Includes the group's turnover in various geographical areas through the indirect and direct online channels.

Outlook

The focus in 2024 will be on implementation of the 2024-2029 Plan, in terms of both definition of the related strategies and taking the steps necessary to draw up a detailed action plan and guide implementation. The operational levers referred to in the above 2024-2029 Plan will be activated, with the aim being, on the one hand, to drive down costs and, on the other, to make changes to the operating model and relaunch the brand.

Benetton Manufacturing

On 1 October 2022, the demerger involving the transfer of certain of the Olimpias Group's assets to Benetton Manufacturing, in accordance with the demerger plan approved by shareholders on 25 July 2022, became effective. The following assets were also transferred at the same time:

→ investments in Aerre Srl, S.C. Anton Industries Srl, Olimpias Tekstil Doo, Olimpias Industrielle Tunisie Sàrl, Olimpias Manufacturing Tunisie Sàrl and Olimpias Serbia Doo;
→ loans and receivables of certain of these companies;
→ trade receivables due from the Benetton Group.

Following this transaction, Benetton Manufacturing holds the investments in the overseas manufacturing operations that make up the Clothing business that serves the Benetton group.

Consolidated financial highlights for Benetton Manufacturing

(€m)	2023	Change	%
Revenue	133	n/s	n/s
EBIT	4	n/s	n/s
Profit/(Loss) attributable to owners of the parent	1	n/s	n/s

	31.12.2023	Change
Equity	115	n/s
Net debt/(cash)	(14)	n/s

Olimpias Group

Olimpias is a major player in the manufacturing of textiles for use in the production of clothing. In line with the Group's philosophy, Olimpias combines a close attachment to its Italian roots with a global outlook.

6
factories

~6 million
metres of textiles

~116 million
labels

~500
employees

Following the extraordinary transactions that took place in 2022, resulting in the reorganisation of the operations of the Olimpias and Benetton groups, in 2023 the Olimpias group was responsible for managing the Textiles business alone.
The operating results and financial position in 2023 regard the Textiles business, whilst the figures for 2022 also include the results of the Clothing manufacturing operations.

Revenue for 2023 amounts to €83 million, compared with the €238 million of 2022.

Positive EBIT for 2023 amounts to €6 million, compared with positive EBIT of €9 million in 2022.

Profit attributable to owners of the parent for 2023 amounts to €5 million (a profit of €4 million in 2022).

Olimpias's net cash as of 31 December 2023 amounts to €23 million (compared with €40 million as of 31 December 2022).

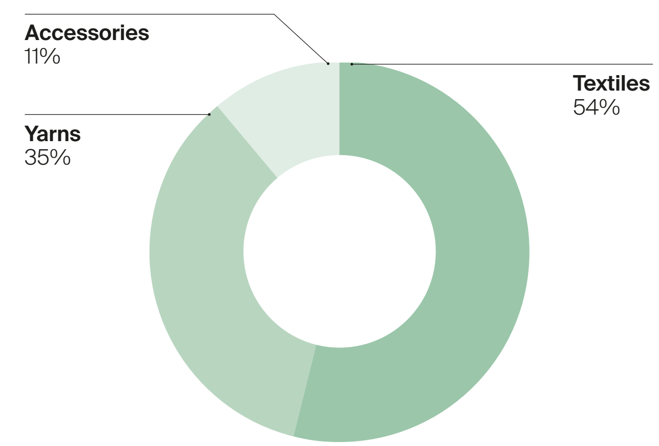
Consolidated financial highlights for Olimpias Group

(€m)	2023	2022	Change	%
Revenue	83	238	(155)	(65)
EBITDA	11	16	(5)	(29)
EBIT	6	9	(3)	(33)
Profit/(Loss) attributable to owners of the parent	5	4	1	25
Net cash from operating activities	(10)	(16)	6	(38)
Capex	5	7	(2)	(29)

	31.12.2023	31.12.2022	Change
Equity	62	170	(108)
Net debt/(cash)	(23)	(40)	17

Revenue by product

2023/ **Total revenue €83 million**



Outlook

Whilst being aware of the many uncertainties that might weight on 2024, as a result of global tensions, Olimpias confirms that it expects to see a stable revenue performance in 2024 with respect to 2023, alongside investment in new technologies, the replacement of obsolete assets and energy efficiency initiatives.

2.1.5 Real Estate and Agriculture

Edizione's presence in the Real Estate and Agriculture sectors is through Edizione Property and Schema Epsilon.

Edizione Property

Edizione Property is responsible for managing Edizione's real estate assets.

76
properties of which
40
in Italy

+1 billion
in market value of the properties

+50
employees

12
countries

On 1 August 2023, the partial, proportional demerger of property assets to four newly established beneficiary companies became effective for legal and accounting purposes. The four companies are Edizione Prima (now Augusto Imperatore 10 Srl), Edizione Seconda (now Regia Property Srl), Edizione Terza (now Terza Srl) and Edizione Quarta (now Quarta Srl). The corporate restructuring, designed to rationalise the Edizione Group's property assets as a whole, regarded properties not used in the Group's core activities, payables, receivables and cash. As part of the reorganisation, Edizione made a capital contribution to Edizione Property amounting to €500 million.

In addition to the above partial, proportional demerger of the company, as part of a reorganisation of its property portfolio, in 2023 the company proceeded to sell properties in Taranto, Treviso Isola di Mezzo, Belluno and Chieti and land at Pederobba. On 5 October 2023, a preliminary agreement for the sale of the investment in Monaco Collection Srl (formerly Edizione Alberghi Srl) was signed. The sale was completed in January 2024.
The restructuring and development of the remaining properties in the portfolio also continued.

Rental income, amounting to €37.4 million in 2023, primarily regarded the management of commercial properties. This figure is down compared with the prior year due to the impact of the demerger.

EBITDA amounts to €22.1 million (€28.2 million in the comparative year), whilst positive EBIT amounts to €3.6 million (negative EBIT of €5.7 million in 2022, following impairment losses on land and buildings and trade receivables).

The loss attributable to owners of the parent for 2023 amounts to €29.3 million, compared with a loss of €7.4 million in 2022, and includes current tax expense of €22.4 million.

The Edizione Property group's net debt at the end of 2023 amounts to €11.4 million. Financial support from Edizione has enabled Edizione Property to repay debt (€517 million), cancelling the guarantees on the demerged properties, and obtain a new revolving credit facility.

Consolidated financial highlights for Edizione Property

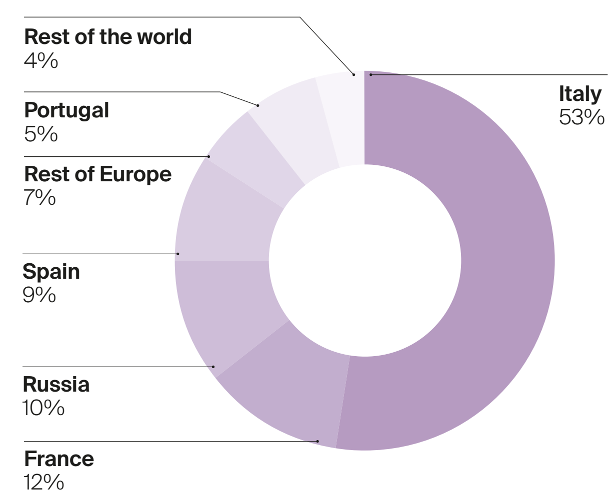
(€m)	2023	2022[R]	Change	%
Revenue	37.4	46.2	(8.8)	(19)
EBITDA	22.1	28.2	(6.1)	(22)
EBIT	3.6	(5.7)	9.3	n/s
Profit/(Loss) attributable to owners of the parent	(29.3)	(7.4)	(21.9)	n/s

	31.12.2023	31.12.2022	Change
Equity	443.1	534.6	(91.5)
Net debt/(cash)	11.4	485.3	(473.9)

(R) Edizione Property's consolidated financial highlights for 2022 differ from those published due to the presentation of amounts relating to Edizione Alberghi Srl in accordance with IFRS 5.

Properties by country

2023/ **Total 76 properties**



Outlook

The group will continue to manage its property assets in 2024. From a financial viewpoint, it meets its commitments through the generation of cash from operating activities and the use of existing credit facilities.

Schema Epsilon

Schema Epsilon ("Schema Epsilon", formerly Edizione Agricola), a wholly-owned subsidiary of Edizione, holds 100% interests in Maccarese SpA Società Agricola Benefit ("Maccarese"), Compañía de Tierras Sud Argentino SAU ("Cia de Tierras") and Ganadera Condor SAU ("Ganadera").

Maccarese Società Agricola Benefit

Acquired by Edizione in 1998, it is one of the largest agricultural firms in Italy and is based in the homonymous location in the Lazio region.

~3,200 hectares
of flat land

~3,600
livestock

90
employees

The company currently owns approximately 3,200 hectares of flat land located within Rome's National Coastal Park that imposes strict rules on land use aimed at protecting the environment. Maccarese has always pursued this objective, partly through its collaboration with the WWF, which has been assigned responsibility for managing three conservation areas within the estate.

Maccarese is a Società Benefit (benefit company). whose purpose is to create value for the community and the surrounding area a responsible, sustainable and transparent manner.

Financial highlights for Maccarese

(€m)	2023	2022	Change	%
Revenue	15.8	15.1	0.7	5
EBIT	1.1	1.3	(0.2)	(15)
Profit/(Loss) for the year	0.8	1.1	(0.3)	(31)
Capex	2.2	4.7	(2.5)	

	31.12.2023	31.12.2022	Change
Equity	37.2	36.5	0.7
Net debt/(cash)	7.4	7.9	(0.5)

The Argentine companies / Compañía de Tierras Sud Argentino Ganadera Condor

~940,000 hectares
of land

~270,000
of livestock

+400
employees

Compañia de Tierras and Ganadera Condor operate at several farms covering a total area of around 922 thousand hectares in Patagonia and around 16 thousand hectares in Balcarce, in the province of Buenos Aires.

In Patagonia, the Group farms sheep and cattle to produce wool and meat.
In the Balcarce area, on the other hand, the Group grows cereals and soya for sale to external customers and, to a lesser extent, for use as animal feed.

The results of the Argentine companies are impacted by inflation and exchange rate movements. With regard to Compañía de Tierras, the result reflects the increase in value of an investment in a Canadian mining company, Minsud Resources Corp. (€19 million).

Ganadera owns 95% of Frigorifico Faimali, a company specialising in the processing and sale of sheep meat. The figures shown have been consolidated with those of Frigorifico Faimali.

Financial highlights for Compañía de Tierras

(€m)	2023	2022	Change	%
Revenue	11.7	18.8	(7.1)	(38)
EBIT	9.1	(2.1)	11.2	n/s
Profit/(Loss) for the year	25.2	0.6	24.6	n/s

	31.12.2023	31.12.2022	Change
Equity	62.0	55.7	6.3
Net debt/(cash)	1.7	0.7	1.0

Consolidated financial highlights for Ganadera Condor

(€m)	2023	2022	Change	%
Revenue	5.8	11.9	(6.1)	(51)
EBIT	0.4	(0.5)	0.9	n/s
Profit/(Loss) attributable to owners of the parent	0	(1.1)	1.1	n/s

	31.12.2023	31.12.2022	Change
Equity	10.3	15.6	(5.3)
Net debt/(cash)	0.4	0.5	(0.1)

2.1.6 Financial Institutions

Schema Delta

As of 31 December 2023, Schema Delta holds a 4.83% stake in Assicurazioni Generali and a 2.20% stake in Mediobanca SpA (“Mediobanca”).

In the current and previous years, Schema Delta received dividends from its investments in Assicurazioni Generali and Mediobanca. With regard to Assicurazioni Generali, in May 2023 the investee paid a dividend of €1.16 per share, making a total of €87.4 million. The investee, Mediobanca, paid a dividend of €0.85 per share in November 2023, making a total of €15.8 million.
In the comparative period, dividends received from Assicurazioni Generali amounted to €80.6 million, whilst dividends received from Mediobanca amounted to €14 million.

Operating costs include the fees paid to members of the Board of Directors, the Board of Statutory Auditors and the Independent Auditor.

Net financial income regards interest income accruing on the intercompany current account with Edizione. This item also includes financial income accruing in the form of guarantee fees receivable in return for the pledge of up to a maximum 51,000,000 Assicurazioni Generali shares under the guarantee agreement entered into by Schema Delta and Edizione on 28 July 2022. The contract has a three-year duration and is aligned with the duration of the loan agreement signed by Edizione and secured by the Assicurazioni Generali shares.

Income tax expense for the year (€0.4 million) includes the return on the tax losses of companies participating in the tax consolidation arrangement, used by Schema Delta to offset its taxable income, as provided for under the tax consolidation scheme headed by the Parent Company, Edizione, and the cost of IRAP for the year.

The change in equity as of 31 December 2023 compared with the prior year reflects the fair value measurement of the investments in Assicurazioni Generali and Mediobanca (a gain of €225.6 million) and profit for the period (€103.8 million), after dividends paid (€94 million).

Cash reserves as of 31 December 2023 primarily regard the balance on the intercompany current account with Edizione, which is in credit following the collection of dividends from Assicurazioni Generali and Mediobanca, less the dividends paid to Edizione in April 2023.

Financial highlights for Schema Delta

(€m)	2023	2022	Change	%
Dividends from investments	103.2	94.6	8.6	9
Operating costs	(0.1)	(0.1)	-	-
Financial income/(expenses), net	1.1	(0.3)	1.4	n/s
Income tax expense for the year	(0.4)	(0.2)	(0.2)	100
Profit/(Loss) for the year	103.8	94.0	9.8	10

	31.12.2023	31.12.2022	Change
Equity	1,666.6	1,431.2	235.4
Net debt/(cash)	(23.1)	(13.7)	(9.4)

Outlook

On 11 March 2024, the Board of Directors of Assicurazioni Generali voted to propose that the Annual General Meeting of shareholders approve payment of a dividend of €1.28 per share.

2.1.7 Other sectors

Verde Sport

Since 1988 Verde Sport has been promoting sport as a way of transmitting positive values and a healthy, community-based lifestyle. Verde Sport manages “La Ghirada”, built by the Benetton family in 1982 and located near Treviso. The centre is open to the public, offering 22 hectares of space for practicing sport in a healthy setting, ideal for young people and families.

Verde Sport holds investments in Benetton Rugby Treviso, Pallacanestro Treviso SSD and Asolo Golf Club.

Financial highlights for Verde Sport

(€m)	2023	2022	Change	%
Revenue	2.0	2.1	(0.1)	(5)
EBIT	(0.5)	(1.0)	0.5	(52)
Profit/(Loss) for the year	(3.6)	(3.3)	(0.3)	9

	31.12.2023	31.12.2022	Change
Equity	(0.3)	(2.7)	2.4
Net debt/(cash)	13.4	11.7	1.7

2.1.8
The Parent Company

The Parent company

This section describes the Parent Company's operating results and financial position in 2023.

Dividends from investments in 2023 (amounting to €294 million) were paid by the subsidiaries, Schema Alfa (€200 million) and Schema Delta (€94 million). Dividends paid by Schema Alfa (formerly Sintonia SpA) in 2022 amounted to €200 million.

Compared with the prior year, operating costs are up €7.1 million, reflecting a combination of the following:

→ an increase in Directors' fees (up €0.6 million) and personnel costs (up €3.9 million), reflecting payments linked to the Company's incentive plans; personnel costs includes the charge relating to the agreed termination of employment of an employee;

→ an increase in service costs (up €2.5 million) due to consulting fees linked to the reorganisation that took place during the year and new investment projects.

Having centralised all the bank borrowings of its sub-holding companies, 2023 registered an increase in Edizione's debt which, together with rising interest rates, led to an increase in net financial expenses.

Income tax for 2023 has resulted in a benefit of €0.3 million (a benefit of €1 million in 2022) and regards the estimated income on the Parent Company's tax losses used in the tax consolidation arrangement.

Fair value adjustment of investment funds includes the effect of the fair value measurement of investment funds managed by 21 Invest based on their net asset value at the end of the year.

Impairment losses on investments in 2023 and in the comparative year regard the subsidiary, Verde Sport Srl, having adjusted the carrying amount of the investment to reflect the value of the company's equity at year end. An impairment loss of €560 million was also recognised on the investment in Benetton Srl in 2023 as a result of the events described above.

As a result of the one-off impairment loss on the investment in Benetton, the Parent Company reports a loss for 2023 of €341.6 million. After stripping out this impairment loss, the Parent Company would have made a profit of €218.4 million, an improvement of 23% compared with the prior year.

As of 31 December 2023, the Company has net debt of €1,509.7 million, compared with €603.7 million at the end of 2022. The change compared with the prior year reflects the use of two credit facilities agreed by Edizione in 2022. These, together with dividends collected during the year, have been used to provide capital for subsidiaries, to pay dividends to shareholders and meet operating costs. The increase in the use of credit facilities in 2023 reflects the contribution for future capital increases paid to Edizione Property (€500 million), with the funds to be used to pay off the subsidiary's bank borrowings (€516 million).

As of 31 December 2023, equity amounts to €4,508.2 million (€4,064.4 million as of 31 December 2022). Dividends amounting to €100 million were paid to shareholders during the year.

Financial highlights for Edizione

(€m)	2023	2022	Change	%
Dividends from investments	294.0	200.0	94.0	47
Income from investment funds	0.1	1.1	(1.0)	(91)
Dividends and income from investment funds	**294.1**	**201.1**	**93.0**	**46**
Other revenue and income	1.0	0.8	0.2	25
Operating costs	(26.0)	(18.9)	(7.1)	38
Depreciation, amortisation and impairments	(1.2)	(1.4)	0.2	(14)
Financial income/(expenses), net	(51.8)	(6.4)	(45.4)	n/s
Income tax expense for the year	0.3	1.0	(0.7)	(70)
Net operating profit	**216.4**	**176.2**	**40.2**	**23**
Fair value adjustment of investment funds	5.6	4.7	0.9	19
Impairment losses on investments	(563.6)	(3.3)	(560.3)	n/s
Profit/(Loss) for the year	**(341.6)**	**177.6**	**(519.2)**	**n/s**

	31.12.2023	31.12.2022	Change
Non-current investments	5,923.2	4,627.0	1,296.2
Other net assets	94.7	41.1	53.6
Invested capital	**6,017.9**	**4,668.1**	**1,349.8**
Equity	4,508.2	4,064.4	443.8
Net debt/(cash)	1,509.7	603.7	906.0
Sources of funding	**6,017.9**	**4,668.1**	**1,349.8**

Outlook

The Parent Company expects an increase in dividends received from subsidiaries in 2024 compared with 2023.

Edizione is committed to providing financial support for the restructuring and relaunch of its indirect subsidiary, Benetton Group.

Edizione is specifically committed:

→ as sole shareholder, to making a capital contribution to Benetton Srl in a series of tranches amounting to up to €150 million, based on the financial needs of Benetton Group Srl as they arise;

→ to issuing a letter of financial support for the benefit of Benetton Srl and Benetton Group, guaranteeing that these companies are able to continue to operate as going concerns over the period of 12 months.

2.2 Consolidated financial review
2.2.1 Consolidated statement of profit or loss

The operating performance in 2023 is described below:
- → revenue is up 13% compared with 2022, thanks to growth in revenue from motorway tolls (up 8%) and airport services (up 28%) and the full-year contribution from the Yunex group;
- → net operating costs are up 14%, reflecting the above revenue growth and the increased contribution from Yunex;
- → the impact of impairment losses on intangible assets and depreciation and amortisation is lower than in 2022, reflecting the balance of reversals of impairments (€487 million), depreciation and amortisation and impairment losses on non-current assets and receivables (€383 million) and the operating change in provisions (€17 million);
- → there was an increase in net financial expenses (up 38%) due to higher interest rates, impairment losses on financial assets and the absence of certain non-recurring income items recognised in 2022;
- → the profit from discontinued operations and assets held for sale primarily includes the gain on the deconsolidation of the Autogrill group (€887 million).

An examination of the main items in the statement of profit or loss is provided below.

Revenue for 2023 amounts to €9,534 million, an increase of €1,128 million (13%) compared with 2022 thanks to growth in motorway traffic (up 3.2% on 2022) and airport traffic (up 30.4% on 2022) and tariff increases applied during the year.
The contribution from Yunex in 2023 also related to the full 12 months, whilst in 2022 Yunex contributed to the Group's results for just six months (up €300 million). The breakdown of revenue by operating and geographical segments is provided in the table on the following table.

Net operating costs for 2023 amount to €4,435 million, an increase of €553 million compared with the comparative year, reflecting both traffic growth at the group's motorway and airport operators and the Yunex group's contribution (approximately €369 million).

Provisions, depreciation, amortisation and impairments amount to €2,957 million (€3,078 million in 2022), marking an improvement of €121 million due to Mundys's reversal of impairment losses on the assets of a Brazilian operator, making a positive contribution of €484 million, offset by the impairment loss of €230 million on the financial assets (concession rights) of the Spanish company, Acesa (AP 7), following the judgement handed down by the Spanish Supreme Court on the claim for unpaid compensation linked to guaranteed levels of traffic and investment and an increase in depreciation and amortisation (€122 million).
The intangible assets (concession rights) of Aéroports de la Côte d'Azur were also written down in 2023 (€147 million), as were the concession rights of the Italian motorway operator, A4 (€20 million) and the right-of-use assets of the Benetton group (€63 million). In 2022, on the other hand, in addition to the concession rights of the operator, A4 (€38 million), the Group recognised a partial impairment of the goodwill attributable to Yunex (€175 million).

As a result of the above, positive EBIT for 2023 amounts to €2,142 million, compared with positive EBIT of €1,446 million for 2022 (up 48%).

Income/(Losses) from investments in 2023 includes dividends collected from Assicurazioni Generali (€87 million) and Mediobanca (€16 million), the effect of the measurement of investees using the equity method (€82 million) and fair value gains on the investment in a Canadian mining company, Minsud Resources Corp. (€19 million) and investment funds (€6 million).

Net financial expenses amount to €1,444 million for 2023, an increase of €399 million compared with 2022 due to:
- → a €258 million increase in interest expense and other financial expenses, reflecting an increase in the average value of debt and interest rate rises over the year, in addition to lower income recognised in 2022 as a result of refinancing transactions carried out by certain Abertis group companies;
- → an increase of €142 million in interest income from banks, due primarily to rising interest rates and the greater volume of liquidity held by the Abertis group and Aeroporti di Roma;
- → a reduction of €179 million in income, after the related expenses, from derivative transactions;
- → an increase of €123 million in impairment losses on financial assets, essentially reflecting impairment losses on the financial components of Acesa's receivables (AP 7) (€186 million), following the above judgement handed down by the Spanish Supreme Court, partially offset by a reduction of €53 million in impairment losses recognised by the Argentine operators.

Income tax expense for 2023 amounts to €486 million (€426 million in 2022) and includes the write-down of the Benetton group's deferred tax assets, amounting to €87 million.

In 2023, the profit/(Loss) from discontinued operations and assets held for sale includes the gain on the loss of control of the Autogrill group, amounting to €887 million. In the comparative period, this item included the results of the ASPI group until its sale (€507 million), the gain recognised on its deconsolidation (€4,641 million, after tax, transaction costs and other consolidation adjustments) and the Autogrill group's results for the full year.

Profit for the year of €1,310 million compares with €5,292 million for 2022.

Profit attributable to non-controlling interests amounts to €542 million for 2023, compared with €4,121 million for 2022, which benefited from the impact of deconsolidation of the ASPI group on 5 May 2022.

Profit attributable to owners of the parent amounts to €768 million for 2023, compared with €1,171 million for 2022.

Consolidated statement of profit or loss

(€m)	2023	2022	Change	%
Revenue	**9,534**	**8,406**	**1,128**	**13**
Net operating costs	(4,435)	(3,882)	(553)	(14)
Provisions, depreciation, amortisation and impairment losses	(2,957)	(3,078)	121	(4)
Operating profit (EBIT)	**2,142**	**1,446**	**696**	**48**
Income/(Losses) from investments	209	134	75	56
Net financial income/(expenses)	(1,444)	(1,045)	(399)	38
Income tax expense	(486)	(426)	(60)	14
Profit from continuing operations	**421**	**109**	**312**	**n/s**
Profit/(Loss) from discontinued operations and assets held for sale	889	5,183	(4,294)	(83)
Profit for the year	**1,310**	**5,292**	**(3,982)**	**(75)**
Profit attributable to non-controlling interests	542	4,121	(3,579)	(87)
Profit attributable to owners of the parent	**768**	**1,171**	**(403)**	**(34)**

Revenue by operating segment

(€m)	2023	%	2022	%	Change	%
Transport Infrastructure	8,363	88	7,222	86	1,141	16
Clothing and Textiles	1,115	12	1,096	13	19	2
Other segments	56	1	88	1	(32)	(36)
Total	**9,534**	**100**	**8,406**	**100**	**1,128**	**13**

Revenue by geographical area

(€m)	2023	%	2022	%	Change	%
Italy	2,018	21	1,729	21	289	17
Rest of Europe	4,027	42	3,508	42	519	15
Americas	3,130	32	2,819	33	311	11
Rest of the world	359	4	350	4	9	3
Total	**9,534**	**100**	**8,406**	**100**	**1,128**	**13**

2.2.2 Consolidated statement of financial position

As of 31 December 2023, net assets/(liabilities) held for sale almost entirely regard the Mundys group and includes the net assets of the ABC group and Sky Valet Portugal and Spain. The change in this item compared with 31 December 2022 primarily reflects the deconsolidation of the Autogrill's net assets and liabilities.

Net concession rights are up €4,163 million. In addition to work on the expansion and modernisation of motorway and airport infrastructure (€992 million), and amortisation for the year (€2,536 million), the main changes in this item relate to the M&A transactions carried out by Abertis in 2023. These regard:

→ four sections of toll motorway in Puerto Rico, totalling €2,663 million;
→ the contribution of SH288, amounting to €2,696 million.

Impairment losses on the concession rights held by the Brazilian operator, Arteris, amounting to €484 million, were also reversed in 2023.

Reclassified consolidated statement of financial position

(€m)	31.12.2023	31.12.2022	Change
Net working capital	**(148)**	**(70)**	**(78)**
Net assets/(Liabilities) held for sale	**319**	**2,530**	**(2,211)**
Non-current assets, net:			
– goodwill	9,290	8,951	339
– net concession rights	38,488	34,325	4,163
– other property, plant and equipment and intangible assets	2,489	3,203	(714)
– non-current financial assets	7,033	4,737	2,296
– other assets/(liabilities), net	(6,422)	(6,917)	495
Total non-current assets, net	**50,878**	**44,299**	**6,579**
Net invested capital	**51,049**	**46,759**	**4,290**
Consolidated net debt	**31,996**	**28,519**	**3,477**
Equity	**19,053**	**18,240**	**813**
– Non-controlling interests	10,961	10,607	354
– Shareholders' equity	8,092	7,633	459
Sources of funding	**51,049**	**46,759**	**4,290**

Other property, plant and equipment and intangible assets are down, above all due to the demerger of Edizione Property's real estate assets (€538 million) and to impairment losses and reductions in the Benetton group's right-of-use assets.

The value of non-current financial assets is up following recognition of the investment in Avolta, whose fair value at the date of exchange with the Autogrill shares (3 February 2023) was €1,287 million, purchases of shares in Cellnex (€467 million) and fair value gains on investments (€539 million).

Consolidated net debt as of 31 December 2023 amounts to €31,996 million (€28,519 million as of 31 December 2022). The increase broadly reflects the M&A transactions carried out by Mundys during the year.
The Bridge Loan of €8.2 billion obtained in 2022 to finance the public tender offer for Atlantia was repaid early in 2023. At consolidated level, the transfer of this debt to Mundys following the trilateral reverse merger had a neutral impact.
The composition of net debt is shown below.

Breakdown of consolidated net debt by operating segment

(€m)	31.12.2023	31.12.2022	Change
Transport Infrastructure	30,355	17,491	12,864
Food and Beverage	-	1,581	(1,581)
Clothing and Textiles	423	453	(30)
Real Estate and Agriculture	21	477	(456)
Other companies and adjustments	1,197	8,517	(7,320)
Total	**31,996**	**28,519**	**3,477**

Composition of net debt

(€m)	31.12.2023	31.12.2022	Change
Net cash and cash equivalents	**(6,377)**	**(14,889)**	**8,512**
Financial assets (concession rights)	(1,764)	(2,202)	438
Term deposits	(467)	(506)	39
Other financial assets	(1,520)	(1,545)	25
Other financial assets held for sale	(344)	(659)	315
Total financial assets	**(4,095)**	**(4,912)**	**817**
Bank and other borrowings	14,580	18,590	(4,010)
Bond issues	26,245	25,940	305
Other financial liabilities	879	980	(101)
Net lease liabilities	498	570	(72)
Net financial liabilities held for sale	266	2,240	(1,974)
Total financial liabilities	**42,468**	**48,320**	**(5,852)**
Net debt	**31,996**	**28,519**	**3,477**

2.3 Other information

At the reporting date, the Parent Company did not hold treasury shares and its subsidiaries did not own shares of the Parent Company or of their respective controlling companies, either directly or through trust companies or intermediaries, nor had the Parent Company or its subsidiaries ever purchased or sold any such shares.
Edizione has a branch office in Milan at Corso di Porta Vittoria 16.
Note 50 – Financial risk management describes the financial risks of the main Group companies. With regard to risks of another nature, research and development activities, information about the environment and additional details of the workforce, please refer to the annual reports approved by each group.

3.
Consolidated financial statements as of and for the year ended 31 December 2023

3.1 Financial statements

Statement of financial position

	(€m)	31.12.2023	31.12.2022	Note
Assets	**Non-current assets**			
	Property, plant and equipment	1,349	1,865	1
	Right-of-use assets	380	493	2
	Intangible assets (concession rights)	39,022	34,723	3
	Goodwill and other intangible assets with indefinite useful lives	9,290	8,951	4
	Other intangible assets	760	845	5
	Investments in subsidiaries	3	–	6
	Investments in associates and joint ventures	5,208	1,203	7
	Investments in other companies	1,734	3,496	8
	Non-current securities	88	38	9
	Non-current financial right-of-use assets	–	–	10
	Other non-current financial assets	2,432	3,566	11
	Other non-current receivables	36	53	12
	Deferred tax assets	640	734	13
	Total non-current assets	**60,942**	**55,967**	
	Current assets			
	Inventories	520	520	14
	Trade receivables	2,588	2,384	15
	Tax assets	143	232	16
	Other current receivables	693	555	17
	Current financial right-of-use assets	–	–	
	Other current financial assets	1,338	686	11
	Cash and cash equivalents	6,377	14,889	18
	Total current assets	**11,659**	**19,266**	
	Assets held for sale	847	4,111	19
	TOTAL ASSETS	**73,448**	**79,344**	

	(€m)	31.12.2023	31.12.2022	Note
Equity	**Equity attributable to owners of the parent**			
	Issued capital	1,500	1,500	20
	Fair value and hedging reserve	(485)	(964)	21
	Other reserves and retained earnings	6,627	6,224	22
	Translation reserve	(318)	(298)	23
	Profit for the year	768	1,171	
	Total	**8,092**	**7,633**	
	Equity attributable to non-controlling interests	10,961	10,607	24
	Total equity	**19,053**	**18,240**	
Liabilities	**Non-current liabilities**			
	Provisions and other non-current liabilities	1,845	1,902	25
	Bond issues	24,531	24,031	26
	Non-current borrowings	12,692	9,624	27
	Non-current lease liabilities	370	439	28
	Other non-current financial liabilities	353	341	29
	Deferred tax liabilities	5,541	5,841	30
	Other non-current payables	257	252	31
	Total non-current liabilities	**45,589**	**42,430**	
	Current liabilities			
	Trade payables	2,075	2,077	32
	Provisions and other current liabilities	573	542	25
	Current portion of bond issues	1,714	1,909	26
	Current portion of borrowings	1,621	8,842	27
	Current lease liabilities	128	131	28
	Other current financial liabilities	526	639	29
	Bank borrowings	267	123	33
	Tax liabilities	281	191	34
	Other current payables	1,172	1,057	35
	Total current liabilities	**8,357**	**15,511**	
	Liabilities held for sale	449	3,163	19
	Total liabilities	**54,395**	**61,104**	
	TOTAL EQUITY AND LIABILITIES	**73,448**	**79,344**	

Statement of profit or loss

(€m)	2023	2022	Note
Revenue	**9,534**	**8,406**	**36**
Revenue from construction services	1,084	912	37
Other income and operating revenue	335	301	38
Purchases of and change in raw materials and consumables	(472)	(506)	39
Personnel costs	(1,531)	(1,326)	40
Service costs	(3,218)	(2,683)	41
Leases and rentals	(212)	(168)	42
Other operating costs	(421)	(412)	43
Depreciation, amortisation and impairment losses on non-current assets	(2,997)	(3,124)	1, 2, 3, 4, 5
Provisions for doubtful accounts	(43)	(20)	15, 17
Operating change in provisions and provisions for risks	83	66	25
Operating profit/(loss)	**2,142**	**1,446**	
Profit/(Loss) from associates	82	8	44
Financial income	981	1,076	45
Impairment losses on investments and investment funds	22	1	46
Financial expenses	(2,370)	(2,033)	45
Net gains/(losses) on translation differences and currency hedges	50	37	47
Profit/(Loss) before tax	**907**	**535**	
Income tax expense	(486)	(426)	48
Profit/(Loss) from discontinued operations and assets held for sale	889	5,183	49
Profit/(Loss) for the year	**1,310**	**5,292**	
Profit/(Loss) attributable to:			
- owners of the parent	768	1,171	
- non-controlling interests	542	4,121	

Statement of comprehensive income

(€m)	2023	2022
Profit/(Loss) for the year	**1,310**	**5,292**
Profit/(Loss) from fair value measurement of cash flow hedges	(178)	925
Profit/(Loss) from fair value measurement of net investment hedges	-	(8)
Profit/(Loss) from conversion of financial statements in functional currencies other than the euro	(48)	722
Profit/(Loss) from measurement of associates and JVs using the equity method	48	116
Other changes in fair value	(56)	-
Items that may be reclassified to profit or loss	**(234)**	**1,755**
Profit/(Loss) from fair value measurement of fair value hedges	-	-
Profit/(Loss) from fair value measurement of investments (FVTOCI)	519	(1,442)
Actuarial gains/(losses) (IAS 19)	4	34
Other changes in fair value	-	-
Items that may not be reclassified to profit or loss	**523**	**(1,408)**
Reclassifications of other comprehensive income to profit or loss for the year	**32**	**(70)**
Tax effect	22	(210)
Total comprehensive income/(loss)	**343**	**67**
Total comprehensive income/(loss) for the year attributable to:	**1,653**	**5,359**
- owners of the parent	1,183	165
- non-controlling interests	470	5,191

Statement of changes in equity

(€m)	Issued capital	Fair value and hedging reserve	Other reserves and retained earnings	Translation reserve	Profit/ (Loss) for the year	Equity attributable to owners of the parent	Equity attributable to non-controlling interests	Total
Balance as of 31.12.2021	**1,500**	**180**	**6,004**	**(446)**	**1,606**	**8,844**	**13,848**	**22,692**
Retained earnings from 2021	-	-	1,606	-	(1,606)	-	-	-
Issue of equity instruments	-	-	(7)	-	-	(7)	(34)	(41)
Payment of dividends	-	-	(100)	-		(100)	(964)	(1,064)
Capital increases/ (returns)	-	-	-	-	-	-	4,741	4,741
Public tender offer for Atlantia (now Mundys)	-	-	(1,269)	-	-	(1,269)	(11,438)	(12,707)
Other transactions with non-controlling interests	-	-	(4)	-	-	(4)	(27)	(31)
Change in scope of consolidation	-	-	(19)	-	-	(19)	(739)	(758)
Other changes	-	-	20	-	-	20	29	49
Comprehensive income/ (loss) for the year	-	(1,144)	(7)	148	1,171	168	5,191	5,359
Balance as of 31.12.2022	**1,500**	**(964)**	**6,224**	**(298)**	**1,171**	**7,633**	**10,607**	**18,240**
Retained earnings from 2022	-	-	1,171	-	(1,171)	-	-	-
Payment of dividends	-	-	(100)	-		(100)	(1,113)	(1,213)
Demerger of property assets	-	-	(558)	-	-	(558)	-	(558)
Capital increases/ (returns)		-	-	-	-	-	651	651
Deconsolidation of the Autogrill group	-	-	-	-	-	-	-	-
Other transactions with non-controlling interests	-	-	-	-	-	-	-	-
Change in scope of consolidation	-	-	887	-	-	887	349	1,236
Other changes	-	-	(953)	-	-	(953)	(3)	(956)
Comprehensive income/ (loss) for the year	-	479	(44)	(20)	768	1,183	470	1,653
Balance as of 31.12.2023	**1,500**	**(485)**	**6,627**	**(318)**	**768**	**8,092**	**10,961**	**19,053**

Statement of cash flows

	(€m)	2023	2022
Operating activities	Profit/(Loss) for the year attributable to owners of the parent and non-controlling interests	1,310	5,292
	Income tax expense	484	458
	Profit before tax	**1,794**	**5,750**
	Adjusted by:		
	– depreciation, amortisation, impairment losses and reversals of impairment losses	3,039	3,677
	– operating (gains)/losses	(7)	(3)
	– provisions after releases to profit or loss	0	(7)
	– (profit)/loss from associates	22	14
	– dividends from associates	(61)	(23)
	– dividends from other companies	(105)	(120)
	– (gains)/losses/impairment losses on investments	(22)	(4,646)
	– financial expenses/(income), net	1,345	981
	Cash flows from/(for) operating activities before changes in working capital	**6,005**	**5,623**
	Cash generated by/(used in) changes in working capital	(922)	(459)
	Cash generated by/(used in) changes in non-current assets and liabilities	(1,495)	1,444
	Payment of taxes	(669)	(615)
	Payment of employee benefits	(30)	(54)
	Interest received/(paid), net	(1,428)	(1,317)
	Cash generated by/(used in) operating activities	**1,461**	**4,622**
Investing activities	Capital expenditure	(4,230)	(1,614)
	Operating divestments	37	31
	Increase in financial assets (concession rights) due to investment	(73)	(56)
	Purchases of investments and capital increases	(470)	(356)
	Purchases of consolidated investments, after net cash acquired	(1,294)	(13,584)
	Dividends from other companies	105	120
	Sales of investments	-	458
	Sales of consolidated investments	(21)	5,854
	Management of non-current financial assets	(45)	3
	Cash generated by/(used in) investing activities	**(5,991)**	**(9,143)**
Financing activities	Capital increases/(returns)	651	4,741
	Issue of equity instruments	-	(41)
	New medium/long-term borrowings and bond issues	6,916	11,687
	Repayment of medium/long-term borrowings and bond issues	(11,439)	(4,440)
	Net changes in other sources of funding	1,040	1,028
	Payment of dividends and reserves	(1,212)	(1,064)
	Cash generated by/(used in) financing activities	**(4,044)**	**11,910**
	Net increase/(decrease) in cash and cash equivalents	**(8,573)**	**7,389**
	Cash and cash equivalents at the beginning of the year	**15,421**	**8,032**
	Translation differences and other changes	-	-
	Cash and cash equivalents at the end of the year	**6,848**	**15,421**

3.2 Notes

3.2.1 Group activities

Established in 1981, Edizione is one of Europe's most important industrial holding companies, now in its second generation and wholly-owned by the Benetton family. As of 31 December 2023, it holds controlling and non-controlling interests in companies operating in the following sectors:
- → Transport Infrastructure;
- → Food & Beverage and Travel Retail;
- → Digital Infrastructure;
- → Clothing and Textiles;
- → Real Estate and Agriculture;
- → Financial Institutions.

3.2.2 Basis of preparation

The scope of consolidation includes subsidiaries for which the Group, pursuant to IFRS 10, is exposed to or has rights to variable returns and is able to affect those returns through power over these investees.
The scope of consolidation also includes joint arrangements, pursuant to IFRS 11 (joint ventures and joint operations), and associates over which the Group has a significant influence in accordance with IAS 28.
A list of the companies included in the scope of consolidation is annexed to these notes.
Edizione Group's consolidated financial statements include Edizione's financial statements as of and for the year ended 31 December 2023 and those of all the Italian and overseas companies over which the Parent Company has direct or indirect control or dominant influence.
The financial statements used for the consolidation are those approved or pending approval by the shareholders of the various companies or, in the case of companies which close their financial year on a date other than 31 December 2023, the interim financial statements prepared as of the Group reporting date.
The results of subsidiaries acquired or sold during the year are included in the consolidated statement of profit or loss as from the effective date of acquisition and until the effective date of disposal, with slight timing adjustments where these dates do not coincide with monthly reporting dates.

The scope of consolidation as of 31 December 2023 has undergone a number of changes with respect to 31 December 2022, due to:
- → the deconsolidation, from 3 February 2023, of the Autogrill group following Edizione's loss of control;
- → Abertis's acquisition of SH 288 HoldCo Spain SL, which through sub-holding companies holds a 56.76% stake in Blueridge Transportation Group LLC, the holder of a motorway concession in the state of Texas (hereinafter "SH288"), as described in note 53 - Business combinations;
- → the sale, on 1 July 2023, of Telepass's investment in Eurotoll SAS (a 72% stake) with deconsolidation of the subsidiary, Eurotoll Central Europe ZRT.

In accordance with the provisions of IFRS 5, balances relating to discontinued operations and assets held for sale during 2023 were reclassified in a separate line item in the statement of profit or loss for 2023, "Profit/(Loss) from discontinued operations and assets held for sale". This regards the income and expenses of the Autogrill group through to 3 February 2023, the closing date for the transaction with Avolta that resulted in Edizione's loss of control of the group, and the related gain. Cash flows generated and used by the Autogrill group in 2023 contribute to the separate line items in the statement of cash flows and are also presented in aggregate form in the sub-items for net cash flows from discontinued operations: (i) from operating activities, (ii) from investing activities and (iii) from financing activities. More details are provided in section 3.2.3 Effects of the transfer of the investment in the Autogrill group.
The net assets of Edizione Alberghi Srl ("Edizione Alberghi") were also presented in discontinued operations in 2023. The sale of this company was completed in January 2024.

In November 2023, Mundys signed an agreement for the sale of the investment (equal to 50%+1 share) in AB Concessões SA, held through Autostrade Concessões e Participações Brasil Limitada.
The sale agreement also covered the companies directly controlled by AB Concessões SA, such as Triangulo do Sol, Nascentes das Gerais (Rodovia MG050), Rodovias das Colinas and Soluciona Conservaçao Rodoviaria, in addition to the joint venture, Rodovias do Tietê (the "ABC group").
The agreed price is 1,025 million Brazilian reais (equal to €191 million), plus a ticking fee accruing from 1 June 2023 through to the date of sale and an earn-out of up to a maximum 592 million Brazilian reais (equal to €110 million) linked to potential extensions of the terms of the motorway concessions held by ABC group companies. The earn-out has been valued at zero given the uncertainty around award of the above extensions. The transaction is expected to complete by the end of the first half of 2024 and, although still subject to receipt of certain approvals, is deemed to be highly probable. As a result, as of 31 December 2023, the ABC group is presented as a disposal group pursuant to IFRS 5. This is because it does not qualify as a discontinued operation, given that it does not represent a separate major line of business or geographical area of operations for the Mundys Group, also bearing in mind the Group's continued presence in Brazil through the motorway concessions controlled by the Abertis group.
As a result:
- → assets and liabilities as of 31 December 2023, after the elimination of intragroup transactions with the ABC group, are presented in assets and liabilities held for sale in note 19;
- → the ABC group's income, expenses and cash flows are included in continuing operations.

In addition to the Autogrill group's income and expenses, in 2022 the income and expenses of the ASPI group, sold on 5 May 2022, were also reclassified in a separate line item in the statement of profit or loss, "Profit/(Loss) from discontinued operations and assets held for sale".

With regard to the voluntary public tender offer for Atlantia (now Mundys) launched by Schema Alfa SpA, in accordance with the terms of the Public Tender Offer Document, on 15 February 2023, Extraordinary General Meetings of the shareholders of Mundys, Schemaquarantadue SpA and Schema Alfa SpA approved the trilateral reverse merger of Schemaquarantadue SpA and Schema Alfa SpA with and into Mundys. The merger deed was signed on 26 April 2023, at the end of the 60-day term required by art. 2503 of the Italian Civil Code.
The merger was effective for civil law purposes from 30 April 2023 and for accounting and tax purposes from 1 January 2023.
The merger constitutes a mere reorganisation of the Group's corporate structure, given that (i) there was no exchange of consideration with third-party entities, with Edizione remaining in control of Mundys and (ii) the merger has not had a significant impact on the merged companies' pre- and post-merger cash flows.
The transaction is therefore classed as "under common control" and, as such, falls outside the scope of application of IFRS 3 - Business Combinations and has not had any impact on the Edizione Group's consolidated results.

The consolidated financial statements consist of the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and these notes.
The statement of financial position based on the format that separately disclose current and non-current assets and liabilities, while in the statement of profit or loss, costs are classified by nature of expense. The statement of cash flows has been prepared using the indirect method.
All amounts in the consolidated financial statements are shown in millions of euros, unless otherwise stated. The euro is the presentation currency in the consolidated financial statements.
These financial statements have been prepared on a going concern basis, matching costs and revenues to the accounting periods to which they pertain and applying the historical cost principle to all items except those that, in accordance with IFRS, are measured at fair value, as specified in the individual accounting policies.
Compared with the information previously published in the consolidated financial statements as of and for the year ended 31 December 2022, certain items in the statement of profit or loss have been restated.
This regards:
- → an increase of €59 million in "Service costs" following reclassification of the cost of insurance, previously recognised in "Other operating costs";
- → an increase of €31 million in "Leases and rentals", previously recognised in "Service costs".

3.2.3 Effects of the transfer of the investment in the Autogrill group

On 11 July 2022, Schema Beta, Edizione and Dufry signed an agreement to create a global group in food & beverage and retail services for travellers through a business combination between Autogrill and Dufry. The combination involved the transfer of Schema Beta's 50.32% majority stake in Autogrill to Dufry in exchange for newly issued Dufry shares. As consideration for the transfer, Schema Beta received an interest-free note convertible into newly issued Dufry shares, with an implied exchange ratio of 0.1581 new Dufry shares for each Autogrill share.

Transaction closing was completed on 3 February 2023:
- → Dufry became Autogrill's majority shareholder with a 50.32% stake in Autogrill; and
- → following its exercise of the above conversion right, Schema Beta received 30,663,329 newly issued Dufry shares, becoming the main shareholder.

In accordance with IFRS 5, the assets, liabilities, income and expenses of Autogrill and its subsidiaries were presented in discontinued operations in the financial statements as of and for the year ended 31 December 2022.
The income and expenses of the Autogrill group through to 3 February 2023 and the gain resulting from Edizione's loss of control have been included in "Profit/(Loss) from discontinued operations and assets held for sale" in the statement of profit or loss for 2023.

Autogrill group's contribution to consolidated profit

(€m)	2023	2022
Revenue	351	4,461
of which transfers to continuing operations	-	-
External revenue	**351**	**4,461**
Costs	(365)	(4,381)
of which transfers to continuing operations	-	*23*
External costs	**(365)**	**(4,358)**
Operating profit/(loss)	**(14)**	**103**
Financial income	2	11
of which transfers to continuing operations	-	-
External financial income	**2**	**11**
Financial expenses	(8)	(72)
of which transfers to continuing operations	-	-
External financial expenses	**(8)**	**(72)**
Losses resulting from measurements using the equity method	-	-
Profit/(Loss) before tax	**(20)**	**42**
Income tax benefits/(expense)	2	(32)
Profit/(Loss) from assets held for sale	**(18)**	**10**
Gain on the deconsolidation of the Autogrill group	887	-
Autogrill group's total contribution	**869**	**10**

Autogrill group's summary cash flows

(€m)	2023	2022
Net cash generated from/(used in) operating activities relating to assets held for sale (A)	10	724
Net cash generated from/(used in) investing activities relating to assets held for sale (B)	(24)	(220)
Net cash generated from/(used in) financing activities relating to assets held for sale (C)	(43)	(316)
Net cash flow for the year from/(for) assets held for sale (A)+(B)+(C)	**(57)**	**188**

3.2.4 Consolidation criteria

The consolidation criteria adopted in the preparation of the consolidated financial statements are as follows:

a. the financial statements of subsidiaries are consolidated on a line-by-line basis, with elimination of the carrying amount of investments against the related equity;
b. when a company is consolidated for the first time, any positive difference emerging from the elimination of its carrying amount on the basis indicated in a. above is allocated, where applicable, to the assets and liabilities of the subsidiary. Any excess of the acquisition cost over the net assets acquired is recognised in goodwill and other intangible assets with indefinite useful lives. Negative differences are recognised in the statement of profit or loss as income, following fair value measurement of the assets acquired and the liabilities assumed. Purchases of non-controlling interests in subsidiaries are recognised as owner transactions and, consequently, the difference between the acquisition cost and the relevant portions of equity is recognised directly in equity;
c. intercompany receivables and payables, costs and revenues, and all significant transactions between consolidated companies, including intragroup payments of dividends, are eliminated. Unrealised intercompany gains and losses arising from transactions between Group companies are also eliminated;
d. non-controlling interests in equity and in the income or loss of consolidated companies are shown separately in equity and in the consolidated statement of profit or loss. Non-controlling interests are measured on the basis of the percentage ownership of the fair value of assets and liabilities recognised at the original acquisition date and of changes in equity after that date;
e. the financial statements of foreign subsidiaries with a functional currency other than the euro are translated using period-end exchange rates for assets and liabilities, and average exchange rates for the period for statement of profit or loss items. Differences arising from the translation into the euro of foreign currency financial statements are reported in comprehensive income for the year and accumulated in an equity reserve.

Exchange rates applied in converting the foreign currency financial statements of the main subsidiaries into euros

Currency	Rate as of 31.12.2023	Average rate 2023
Euro/US dollar	1.105	1.081
Euro/Polish zloty	4.340	4.542
Euro/Chilean peso	977.070	908.197
Euro/Argentine peso[1]	892.924	892.924
Euro/Brazilian real	5.362	5.401
Euro/Indian rupee	91.905	89.300
Euro/Czech koruna	24.724	24.004
Euro/GB sterling	0.869	0.870
Euro/Japanese yen	156.330	151.990
Euro/ Hong Kong dollar	8.631	8.465
Euro/Russian rouble	99.947	93.066
Euro/Korean won	1,433.660	1,412.880
Euro/Canadian dollar	1.464	1.460
Euro/Swiss franc	0.926	0.972
Euro/Mexican peso	18.723	19.183
Euro/Ukrainian hryvnia	41.996	39.540
Euro/Iranian rial	429.361	393.099
Euro/Bosnia and Herzegovina mark	1.956	1.956
Euro/Mongolian tugrik	3,768.810	3,747.255
Euro/new Turkish lira[1]	32.653	32.653

1 – As required by IAS 21 and IAS 29 in relation to hyperinflationary economies, the spot rate was used to convert the Argentine peso and the Turkish lira for both the statement of financial position and cash flows for the year.

3.2.5 Accounting standards and policies

International accounting standards

Following the entry into effect of EU Regulation 1606 of 19 July 2002, in preparing its consolidated financial statements, since 1 January 2005, the Group has adopted the International Accounting Standards and the International Financial Reporting Standards (IAS/IFRS) published by the International Accounting Standards Board (IASB) and approved by the European Union and the related interpretations issued thereby (IFRIC and SIC). IFRS means the International Financial Reporting Standards and International Accounting Standards (IAS), supplemented by the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), previously called the Standard Interpretations Committee (SIC).

The consolidated financial statements as of and for the year ended 31 December 2023 and for comparative years have been prepared in accordance with the aforesaid standards and interpretations.

Application of IFRS

The following table below provides information on the accounting standards, amendments and interpretations issued by the IASB and endorsed by the European Union for mandatory adoption in the financial statements for annual reporting periods beginning on or after 1 January 2023.

These standards have not had a material impact on the Group's consolidated financial statements.

Description	Effective date of IASB document	Date of EU endorsement
IFRS 17 - Insurance Contracts (including amendments published in June 2020)	1 January 2023	19 November 2021
Initial application of IFRS 17 and IFRS 9 - Comparative Information (Amendments to IFRS 17)	1 January 2023	8 September 2022
Definition of Accounting Estimates (Amendments to IAS 8)	1 January 2023	2 March 2022
Disclosure of Accounting Policies (Amendments to IAS 1)	1 January 2023	2 March 2022
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	1 January 2023	11 August 2022
International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)	1 January 2023	8 November 2023

The following table provides information on the accounting standards, amendments and interpretations issued by the IASB and endorsed by the European Union for mandatory adoption in the financial statements for annual reporting periods beginning after 1 January 2023.

Description	Effective date	Date of endorsement
Lease Liability in a Sale and Leaseback Transaction (Amendments to IFRS 16)	1 January 2024	20 November 2023
Classification of Liabilities as Current or Non-current (Amendments to IAS 1) and Non-current Liabilities with Covenants (Amendments to IAS 1)	1 January 2024	January 2020, July 2020, October 2022

The third table provides information on new accounting standards and the respective applications, not yet effective or endorsed by the European Union, that may be applied in the future.

Group companies are assessing any effects that may result from future application of the new accounting standards and interpretations not yet in effect as of 31 December 2023, which are not, however, expected to have a material impact.

Description	Effective date of IASB document	Date of issue by IASB
Standards		
IFRS 14 - Regulatory Deferral Accounts	1 January 2016	January 2014
Amendments		
Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Deferred	September 2014
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 9)	1 January 2024	May 2023
Lack of Exchangeability (Amendment to IAS 21)	1 January 2025	August 2023

Global Minimum Tax – Pillar 2

As a multinational group of companies exceeding the threshold for consolidated revenue of at least €750 million for two of the previous four financial years, since 1 January 2024, the Edizione Group falls within the scope of application of the new Global Anti-Base Erosion Model Rules, specifically referred to as "Pillar 2". The Rules were adopted by 140 OECD countries on 20 December 2021. They provide for a coordinated system of taxation designed to guarantee that large multinational enterprises pay a minimum level of tax, equal to 15%, on their income arising in each of the jurisdictions in which they operate. Pillar 2 consists of three different levels of legislation: (i) the OECD implementation package, (ii) EU Directive 2523/2022 and (iii) Legislative Decree 209/2023, which applies the EU Directive and recognises the OECD Pillar.
As an "Ultimate Parent Entity" under the relevant legislation, Edizione has initiated a specific process, with the support of a leading advisor, with the aim of: i) mapping the entities relevant for the purposes of Pillar 2; ii) gathering the information necessary for the purposes of determining the Transitional Country-by-Country safe harbor; iii) gathering the relevant information needed to calculate Globe Income and Adjusted Covered Taxes, necessary to compute the minimum rate of 15%; iv) preparing the Gap Analysis.
The Edizione Group has applied the temporary exemption from the obligations to recognise and disclose deferred tax assets and liabilities deriving from the Pillar 2 Model Rules introduced with an amendment to IAS 12 (paragraph 4.A). As a result, these financial statements do not include deferred tax assets and liabilities relating to income tax deriving from implementation of the Pillar 2 Rules.
At the date of preparation of these consolidated financial statements, based on preliminary estimates, application of the new legislation is not expected to result in additional tax expense of a significant amount and no effects are expected in relation to the application of IAS 36 – Impairment of assets, taking into account the fact that in calculating value in use a tax rate of more than 15% is applied.

Accounting policies

The historical cost convention has been applied in the preparation of the financial statements, with the exception of the measurement of certain financial instruments. The more important accounting policies adopted by the Group for the measurement of financial statement items are described below.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of each combination is determined as the aggregate of the fair values, at the date of exchange, of the assets acquired, the liabilities incurred or assumed, and the financial instruments issued by the acquirer in exchange for control of the acquiree. Incidental expenses relating to the combination are recognised in profit or loss in the period in which they are incurred.
The acquiree's identifiable assets, liabilities and contingent liabilities that can be recognised under IFRS 3 (2008) – Business Combinations are accounted for at their fair value at the acquisition date.
Goodwill is determined as the amount by which the aggregate of the consideration transferred in a business combination, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree exceeds the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed. If the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceed the aggregate amount of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree, this excess is immediately recognised in profit or loss as a gain on a bargain purchase.
In case of a business combination achieved in stages, the interest previously held in the acquiree is remeasured at its acquisition-date fair value and any resulting gain or loss is recognised in profit or loss.
Non-controlling interests at the acquisition date may be measured either at fair value or in proportion to their share in the acquiree's recognised identifiable net assets. The choice of measurement method is made on a transaction by transaction basis.
On acquiring control, further acquisitions/disposals of non-controlling interests that do not result in a loss of control do not give rise to the recognition of goodwill or capital gains or losses in profit or loss, but are considered transactions between shareholders that only have an effect on equity. The sale of shares to non-controlling interests, resulting in the Group's loss of control over the investee, generate gains or losses that are recognised in profit or loss.
The purchase of shares from non-controlling interests, resulting in the acquisition of control, results in goodwill calculated as above.
On initial adoption of IFRS, the Group decided not to apply IFRS 3 retroactively to acquisitions made prior to the IFRS transition date (1 January 2004). Consequently, goodwill arising on acquisitions made prior to that date has been maintained at the value determined under Italian GAAP, subject to measurement and recognition of any impairment losses.

Property, plant and equipment
These are recorded at purchase or production cost, including the price paid to buy the asset (net of discounts and rebates) and any costs directly attributable to the purchase and commissioning of the asset, including financial expenses incurred during construction of the asset. The cost of a commercial property purchased is the purchase price or equivalent of the price in cash, including all other directly attributable expenses such as legal costs, stamp duty and other transaction costs.
The cost of internally produced assets is the cost at the date of completion of the work. For the transition to International Accounting Standards, property revaluations carried out in accordance with specific monetary revaluation laws have been maintained only if they meet the requirements of IFRS 1.
The cost of assets to be relinquished (whether free of charge or in exchange for payment of the residual carrying amount of the asset by the incoming operator) includes the cost allowed by IAS 37 that is reasonably estimated and expected to be borne on expiry of the relevant contract to bring the asset to the contractually agreed state of upkeep, assuming that maintenance will continue to be carried out properly and in a timely manner.

Investment property, consisting of real estate held for rental and/or appreciation rather than for use in the production or supply of goods and services, is accounted for at cost on the same basis as other property, plant and equipment and is depreciated over its useful life.
Costs incurred to enhance and maintain an asset that produce a material and tangible increase in its productivity or safety, or that extend its useful life, are capitalised and increase the carrying amount of the asset. Routine maintenance costs are taken directly to profit or loss.
The cost of property, plant and equipment, determined as above, whose use is limited in time, is depreciated on a straight-line basis each year applying rates that represent the expected useful life of the asset.

The components of property, plant and equipment with their own material value and with a useful life different from that of the asset to which they belong are considered separately for the purposes of depreciation. Depreciation is calculated on the useful life of each individual component, which is modified if any maintenance work or replacements during the year have substantially increased its useful life. In the event of replacement, new components are capitalised to the extent that they satisfy the criteria for recognition as an asset, and the carrying amount of the replaced component is derecognised. The residual value and useful life of an asset is reviewed at least at the end of each financial year; if, regardless of depreciation already accounted for, an impairment loss is identified in accordance with IAS 36, the asset is correspondingly written down. If, in subsequent years, the reasons for the impairment no longer exist, the impairment loss is reversed.
The rates of depreciation applied in 2023 are within the ranges shown in the table below by asset class.

Land is not depreciated.
Leasehold improvements are depreciated over the shorter of the period during which the improvement may be used and the residual duration of the lease contract.
Assets to be relinquished are depreciated on a straight-line basis over the shorter of the asset's useful life and the length of the depreciation plan, which is based on the concession term.
Property, plant and equipment is derecognised when sold. Any gain or loss (determined as the difference between the disposal proceeds, less costs to sell, and the carrying amount of the asset) is recognised in profit or loss for the year in which the asset is sold.

	2023
Commercial and industrial buildings and investment property	2.5% – 33.3%
Plant and machinery	10% – 33.3%
Industrial and business equipment	4.5% – 40%
Furniture, fittings, electronic equipment and store furnishings	10% – 25%
Motor vehicles	20% – 25%
Other assets	8.6% – 33.33%

Intangible assets
Intangible assets are measured initially at cost, normally defined as their purchase price, inclusive of any incidental expenses and less any trade discounts and rebates; also included is any directly attributable expenditure on preparing the asset for its intended use, until the asset is capable of operating. The cost of an internally generated intangible asset includes only those expenses which can be directly attributed or allocated to it as of the date on which it satisfies the criteria for recognition as an asset.
Research costs are expensed in the period in which they are incurred.
Goodwill is recognised initially in intangible assets, as the excess of the purchase cost over the fair value of the net assets of the company acquired. As required by IAS 38, at the time of recognition, any intangible assets that have been generated internally by the acquired entity are eliminated from goodwill. Items that meet the definition of "assets acquired as part of a business combination" are only recognised separately if their fair value can be measured reliably. At the acquisition date, goodwill is allocated to each cash generating unit (CGU) or group of CGUs expected to benefit from the synergies obtained as a result of the business combination.

The cost of concession rights is recovered in the form of payments received from road users and may include one or more of the following:

a. the fair value of construction and/or upgrade services carried out on behalf of the Grantor, less finance-related amounts, consisting of:
   (i) the amount funded by government grants;
   (ii) the amount that will be unconditionally paid by incoming operators on termination of the concession (so-called "takeover rights"), and/or;
   (iii) any minimum level of tolls or revenue guaranteed by the grantor. In particular, the following give rise to intangible assets (concession rights):
   → rights received as consideration for specific obligations to provide construction services for road widening and improvement for which the operator does not receive additional economic benefits. These rights are initially recognised at the fair value of the construction services to be provided in the future (equal to their present value, less the portion covered by grants, and excluding any financial expenses that may be incurred during provision of the services), with a contra entry of an equal amount in "Provisions for construction services required by contract", accounted for in liabilities in the statement of financial position. In addition to the impact of amortisation, the initial value of the rights changes over time as a result of periodic reassessment of the fair value of the part of the construction services still to be rendered (equal to their present value, less the portion covered by grants, and excluding any financial expenses that may be incurred during provision of the services) at the end of the reporting period;
   → rights received as consideration for construction and/or upgrade services rendered for which the operator receives additional economic benefits in the form of specific toll increases and/or significant increases in the expected number of users as a result of expansion/upgrade of the infrastructure;
b. concession rights acquired from the Grantor or from third parties (the latter following the acquisition of control of a company that holds a concession).

After initial recognition, intangible assets are accounted for at cost, less accumulated amortisation and any accumulated impairment losses calculated in accordance with IAS 36.
Intangible assets are amortised unless they have indefinite useful lives.
Goodwill is not amortised, but is submitted to an annual impairment test to identify any impairment, or more often whenever there is evidence of impairment (see "Impairment of non-financial assets", below). Amortisation, which starts from the time the intangible asset begins to produce the related economic benefits, is applied systematically over the intangible asset's useful life according to the estimated future economic use. Concession rights are amortised over the concession term in a pattern that reflects the estimated manner in which the economic benefits embodied in the right are consumed; rates of amortisation are, consequently, determined taking into account, among other things, any significant changes in traffic volumes during the concession term.
The residual value at the end of the useful life is assumed to be zero, unless there is a commitment by third parties to buy the asset at the end of its useful life or there is an active market for the asset.
Management reviews the estimated useful lives of intangible assets at the end of every financial year. Normally, brands are amortised over periods of five to twenty-five years, while patents, contractual rights and concession rights are amortised over the life of the related right. Deferred charges are amortised over the residual duration of the lease contract, with the exception of fonds de commerce, which are amortised over twenty years. Software and software licenses are amortised over a period from three to six years. Development costs are amortised over three to six years.

Right-of-use assets

The right to use leased assets is recognised under assets at the commencement date of the lease contract, i.e. the date on which a lessor makes the underlying asset available to the lessee. Under certain circumstances, the lease contract may contain various lease components and, as a result, the commencement date must be determined for each single lease component.
This item is initially measured at cost, and includes the initial valuation of the lease liabilities, the lease payments made prior to or at the commencement date of the contract and any other initial direct cost. The item may be subsequently adjusted further in order to reflect any recalculations of the lease assets/liabilities.
The right to use leased assets is depreciated on a straight-line basis each year over the lease term or the underlying asset's residual useful life, whichever is shorter. Amortisation begins at the start date of the lease.
If, irrespective of amortisation previously charged, there is evidence of impairment, determined in accordance with the criteria described in the standard for onerous contracts, the asset is correspondingly written down.

Impairment of non-financial assets

The carrying amounts of the Group's property, plant and equipment and intangible assets are tested for impairment whenever there is clear internal or external evidence indicating that the asset or group of assets (defined as cash generating units or CGUs) may be impaired. In the case of goodwill, other intangible assets of indefinite useful life and intangible assets not in use, the impairment test must be carried out at least annually, and in any even whenever there are signs of a potential impairment.
The impairment test is carried out by comparing the carrying amount of the asset or CGU with its recoverable value, defined as the higher of fair value (less any costs to sell) and value in use. Value in use is determined by calculating the present value of the future net cash flows expected to be generated by the asset or CGU. In determining value in use, the estimated future cash flows are discounted to present value using a rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the carrying amount is higher than the recoverable amount, the asset or CGU is written down by the difference and the impairment loss recognised in profit or loss.
The conditions and methods applied by the Group in reversing impairment losses, excluding in any event those relating to goodwill that may not be reversed, are as set out in IAS 36. Under no circumstances may the carrying amount of an asset be restored to a value higher than the carrying amount it would have had if the impairment loss had not occurred. Any reversal of an impairment loss is recognised immediately in profit or loss.

Investments

Investments in unconsolidated subsidiaries are measured at cost, including directly attributable incidental expenses. The cost is adjusted for any impairment losses, in accordance with the criteria set out in IAS 3.
Investments in associates and joint ventures are accounted for using the equity method. The Group's share of profits or losses accruing during the year is recognised in profit or loss for the accounting period to which they relate, with the exception of the effects deriving from other changes in the equity of the investee, excluding any owner transactions, when the Group's share is recognised directly in comprehensive income.
In addition, when measuring the value of the investment, the fair value of the investee's assets and liabilities and any goodwill, determined with reference to the acquisition date, is also measured. Such assets and liabilities are subsequently measured in future years, applying the accounting standards and policies described in these notes.
In measuring the value of Avolta using the equity method, management deemed that it was appropriate, given the overall structure of the transaction involving the associate, to not take into account the transaction carried out by the associate with Autogrill's non-controlling shareholders as part of the above share exchange, which resulted in a reduction in the associate's equity. Application of this accounting treatment represents the Company's choice of accounting policy to apply in similar circumstances.
Under IFRS 11, investments in joint ventures are recognised using the equity method, while interests in joint operations are recognised using the proportional consolidation method.
Investments in other companies, classified in the residual category envisaged by IFRS 9, are measured at fair value through profit or loss.
In the event of investments in equity instruments not held for trading, on initial recognition, the entity may irrevocably choose to measure these at fair value, recognising subsequent changes in comprehensive income.
If the fair value cannot be reliably measured, investments are valued at cost, net of any impairment losses.
Held-for-sale investments or those acquired as a temporary investment are recognised at the lower of their carrying amount and fair value, less any costs to sell.
Provisions are made to cover the risk that the losses of an investee company could exceed the carrying amount of the investment, to the extent that the shareholder is required to comply with actual or constructive obligations to cover such loss.

Financial assets

The classification and related measurement are driven by both the business model in which the financial asset is held and the contractual cash flow characteristics of the asset.
The financial asset is measured at amortised cost subject to both of the following conditions being met:
→ the asset is held in conjunction with a business model whose objective is to hold assets in order to collect contractual cash flows; and
→ the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Receivables measured at amortised cost are initially recognised at the fair value of the underlying asset, after any directly attributable transaction proceeds. The receivables are measured at amortised cost using the effective interest method, less any provisions for doubtful accounts recognised in profit or loss. The amount of the provisions is based on the present value of expected future cash flows. These flows take into account expected collection times, estimated realisable value, any guarantees received, and the expected costs of recovering the amounts due.
Impairment losses are reversed in future periods if the circumstances that resulted in the loss no longer apply. In this case, the reversal is accounted for in profit or loss and may not in any event exceed the value of the amortised cost of the receivable had no previous impairment loss been recognised.
Trade receivables subject to normal commercial terms and conditions, or that do not include significant financial components, are not discounted to present value.
The financial asset is measured at fair value through other comprehensive income if the objectives of the business model are to hold the financial asset to collect the contractual cash flows, or to sell it, and the contractual terms of the financial asset give rise, on specified dates, to cash flows that solely represent a return on the financial asset.
Finally, any remaining financial assets, other than those described above, are classified as held for trading and measured at fair value through profit or loss.

Inventories

Inventories are accounted for at the lower of purchase or production cost, generally determined on a weighted average cost basis, and their market or net realisable value.
Production cost includes raw materials and all attributable direct and indirect production-related expenses. The calculation of estimated realisable value includes any production costs still to be incurred and direct selling expenses. Obsolete and slow-moving inventories are written down to their useful or net realisable value.

Construction contracts and services in progress

Construction contracts are accounted for on the basis of the contract revenue and costs that can be reliably estimated with reference to the stage of completion of the contract, in accordance with the percentage of completion method, as determined by an assessment of the work carried out. Contract revenue is allocated to the individual reporting periods in proportion to the stage of contract completion.
Any positive or negative difference between contract revenue and any advance payments received is recognised in assets or liabilities, taking account of any impairment of the value of the completed work, in order to reflect the risks linked to the inability to recover the value of work performed on behalf of customers.
In addition to contract payments, contract revenue includes variations in contract work, price reviews and claims to the extent that they can be measured reliably.
If a loss is expected to result from performance of the contract activities, it is immediately recognised in full in the financial statements, regardless of the current progress of work on the contract.
With specific regard to construction services provided to grantors under the concession arrangements awarded to Group companies, such services are recognised in profit or loss in accordance with the stage of completion method. Specifically, construction and/or upgrade service revenue represents the consideration for the services provided and is measured at fair value, calculated on the basis of the total costs incurred. These primarily consist of the costs of materials and external services, the cost of employment benefits payable to employees used to provide the services, attributable financial expenses (the latter only in the case of construction and/or upgrade services for which the operator receives additional economic benefits), and any profit on services rendered within the Group (in that they represent the market value of these services).

Trade receivables

Receivables are initially recognised at fair value and are subsequently stated at amortised cost, using the effective interest rate method, less impairment losses recorded in specific provisions for doubtful accounts. The amount of the provisions is based on the present value of expected future cash flows. These flows take account of expected collection times, estimated realisable value, any guarantees received and the expected costs of recovering the amounts due. Impairment losses are reversed in future periods if the circumstances that resulted in the loss no longer apply. In this case, the reversal is accounted for in profit or loss and may not in any event exceed the amortised cost of the receivable had no previous impairment losses been recognised.

Any medium and long-term receivables that include an implicit interest component are discounted using an appropriate market rate.
Receivables factored without recourse, for which all risks and rewards are substantially transferred to the assignee, are derecognised at their nominal value. Fees paid to factoring companies for their services are included in service costs.

Accruals and deferrals
These are recognised to match costs and revenues in the accounting periods to which they relate.

Cash and cash equivalents
This includes cash, bank and post office current accounts, demand deposits and other short-term financial investments that are highly liquid, easily convertible to cash and subject to insignificant risk of any change in value. They are stated at nominal value.

Provisions for contingent liabilities
The Group makes provisions only when a present obligation exists for a future outflow of economic resources as a result of a past event, and when it is probable that this outlay will be required to settle the obligation and a reliable estimate of the related amount can be made. The amount provided for is the best estimate of the expenditure required to settle the present obligation in full, discounted to present value using a suitable pre-tax rate.
When cash flows are discounted, the increase in the provision over time is recorded as a financial expense. Any provisions for restructuring costs are recognised when the Group has drawn up a detailed restructuring plan and has announced it to the parties concerned.
In the event of onerous contracts where the unavoidable costs of meeting the contractual obligations exceed the economic benefits expected to be received under the contract, the present obligation is recognised and measured as a provision.
Provisions for the repair and replacement of motorway infrastructure operated under concession, referring to the Mundys group, cover the present value of the liability represented by the contractual obligation to repair and replace infrastructure, as required by the concession arrangements entered into by the group's motorway operators and the respective grantors with the aim of ensuring the necessary serviceability and safety. These provisions are calculated on the basis of the usage and state of repair of motorways at the end of the reporting period and the resulting work to be carried out, taking into account, if material, the time value of money.
Provisions for construction services required by contract relate to the present value of any outstanding contractual obligations for construction services to be performed, having regard to motorway expansion and upgrades for which the operator receives no additional economic benefits in terms of a specific increase in tolls and/or a significant increase in expected use of the infrastructure. Since the performance of such obligations is treated as part of the consideration for the concession, an amount equal to the fair value of future construction services (equal to the present value of the services, less the portion covered by grants, and excluding any financial expenses that may be incurred during provision of the services) is initially recognised, with a contra entry for concession rights deriving from construction services for which no additional economic benefits are received. The fair value of the residual liability for future construction services is, therefore, periodically reassessed and changes to the measurement of the liabilities (such as, for example, changes to the estimated cash outflows necessary to discharge the obligation, a change in the discount rate or a change in the construction period) are recognised as a matching increase or reduction in the corresponding intangible asset. Any increase in provisions to reflect the time value of money is recognised as a financial expense.

Trade payables
Payables are initially recognised at cost, which corresponds to fair value, after directly attributable transaction costs.
They are subsequently recognised at amortised cost, using the original effective interest rate method. The implicit interest component included in medium/long-term payables is recognised separately using an appropriate market rate.

Financial liabilities
Financial liabilities fall into two categories:
→ liabilities acquired with the intention of making a profit from short-term price fluctuations or that are part of a portfolio held for short-term profit. These are recognised at fair value, with the related gains and losses recognised in profit or loss;
→ other liabilities (bank overdrafts, loans, bond issues, bank borrowings), which are initially recorded at fair value, on the basis of the amounts received net of transaction costs, and are subsequently stated at amortised cost using the effective interest rate method.

Lease liabilities
Lease liabilities represent the present value of the minimum lease payments due and not paid at the commencement date, including those measured on the basis of an index or a rate (initially measured using the index or rate at the commencement date of the contract), as well as any penalties set out if the lease term provides the option of early termination of the lease and exercise of that option is estimated as reasonably certain. The present value is determined using the interest rate implicit in the lease. Where it is not possible to easily determine this rate, the Group uses the incremental borrowing rate as the discount rate. Lease liabilities are subsequently increased by the interest accruing on the liability and decreased by lease payments made.
The lease liability is remeasured if there is a change in the minimum future lease payments due as a result of:
→ a change in the index or rate used to measure those payments: in such cases, the lease liability is remeasured by discounting the new lease payments using the initial discount rate;
→ a change in the duration of the lease contract or a change in the assessment of whether the purchase, extension or early termination options in the contract will be exercised: in such cases, the lease liability is remeasured by discounting the new minimum lease payments due using the revised discount rate;
→ contractual changes that do not qualify for separate recognition of a new lease contract: in such cases, the lease liability is remeasured by discounting the new minimum lease payments due using the revised discount rate.

On 9 October 2020, the European Union endorsed the Amendment to IFRS 16 – Covid-19-Related Rent Concessions, issued by the IASB on 28 May 2020, and applicable to financial statements for annual reporting periods starting on or after 1 June 2020, permitting companies to opt for early application in their financial statements for annual reporting periods starting on 1 January 2020. The amendment to IFRS 16 allows lessees to account for reductions in lease payments relating to the Covid-19 pandemic without having to assess, through contract analysis, whether it meets the definition of a lease modification under IFRS 16. Therefore, lessees that apply this expedient may account for the effects of the reductions in lease payments directly in profit or loss at the effective date of the reduction. Specifically, this amendment is applicable only to new agreements that are a direct result of the Covid-19 pandemic, and only if the following conditions are met:
→ the total amount of minimum future payments guaranteed as a result of the renegotiation must be substantially equal to or less than the amount paid for the lease contract in force immediately prior to the modification;
→ the reduction, or the waiver or any reduction in the minimum lease payments by the lessor regards only the payments originally due by 30 June 2021;
→ there is no substantial modification to any other terms and conditions of the original lease contract.

Foreign currency transactions and net investments in foreign operations
Transactions in foreign currencies are recorded using the exchange rates in effect on the transaction dates. Foreign exchange gains or losses realised during the period are recognised in profit or loss.
At the reporting date, Group companies have adjusted receivables and payables in foreign currency using closing exchange rates, recognising all resulting gains and losses in profit or loss.
Exchange differences arising on a monetary item forming part of a net investment in a foreign operation are initially recognised in equity and recycled through profit or loss when the gains or losses resulting from the investment's disposal are recognised.

Derivative financial instruments and hedge accounting
The Group only uses derivative financial instruments with the intent of managing and hedging its exposure to the risk of fluctuations in exchange rates for currencies other than the euro and in interest rates.
As established by IFRS, derivative financial instruments qualify as hedging instruments only when at the inception of the hedge there is formal designation and documentation of the hedging relationship and of the risk management objective and strategy for undertaking the hedge. In addition, the Group checks at the inception of the hedge, and throughout its duration, that the hedging instrument used in the relationship is highly effective in offsetting changes in the fair value of cash flows attributable to the hedged risk.
After initial recognition, derivative financial instruments are reported at their fair value. The method of accounting for gains and losses relating to such instruments depends on the type and sustainability of the hedge.
The objective of hedging transactions is to offset the impact on profit or loss of exposures relating to hedged items. Fair value hedges for specific assets and liabilities are recorded in assets and liabilities; the hedging instrument and the underlying item are measured at fair value and the respective changes in value (which generally offset each other) are recognised in profit or loss.
Cash flow hedges are recorded in assets and liabilities; the hedging instrument is measured at fair value and the effective portion of changes in value is recognised directly in other comprehensive income and accumulated in an equity reserve, which is released to profit or loss in the financial periods in which the cash flows from the underlying item occur. The ineffective portion of the changes in value is recognised in profit or loss.
If a hedged transaction is no longer thought probable, unrealised gains or losses, recognised in other comprehensive income and accumulated in an equity reserve, are immediately recognised in profit or loss.

The equity of foreign subsidiaries may be subject to hedging, in order to protect investments in foreign operations from fluctuations in exchange rates (foreign exchange translation risk). Exchange differences resulting from these net investment hedges are debited or credited directly to other comprehensive income and accumulated in equity as an adjustment to the translation reserve.
They are released to profit or loss at the time of disposal or liquidation of the foreign operation.
Derivative instruments hedging financial risk, which do not meet the formal requirements to qualify for the application of hedge accounting in accordance with IFRS, are accounted for in financial assets/liabilities with changes in value recognised in profit or loss.

Share-based payments
The costs of the services rendered by directors and/or employees and remunerated through share-based compensation plans is determined on the basis of the fair value of the rights granted, measured at the grant date. The method used in measuring fair value takes into account all the characteristics, at the grant date, of the instrument (term, price, exercise conditions, etc.) and of the security underlying the option. This value is recognised in profit or loss on a straight-line basis over the vesting period and is offset by an entry in an equity reserve. The amount recognised is based on an estimate of the share options that will effectively vest for beneficiaries, taking into account the related conditions of use.
The cost of any services provided by employees and/or directors and remunerated through cash-settled share-based payments is measured at the fair value of the liability recorded in the "Provisions for employee benefits". Fair value is remeasured at the end of each reporting period until such time as the liability is settled, with any changes recognised in profit or loss.

Government grants
Government grants are accounted for at fair value when the related amount can be reliably determined and there is reasonable certainty that they will be received and that the conditions attaching to them will be satisfied.
Grants related to income are recognised in profit or loss in the same reporting period as the costs to which they relate.
Grants received for investment in motorways and airports are accounted for as construction service revenue in accordance with the accounting policy on "Construction contracts and services in progress".
Grants related to assets received to fund development projects or activities are accounted for in liabilities, and are subsequently recognised in operating revenue in the statement of profit or loss, in line with depreciation of the assets to which they refer.
Any grants received to fund investment in property, plant and equipment are accounted for as a reduction in the cost of the asset to which they refer and result in a reduction in depreciation.

Employee benefits
All employee benefits are recognised and disclosed on an accruals basis.
According to local conditions and practices in the countries in which the Group operates, personnel participate in defined-benefit and defined-contribution plans.
Post-employment benefit plans are formal and informal agreements whereby the entity provides post-employment benefits to one or more employees.
Defined-contribution plans are post-employment benefit plans whereby the entity pays predetermined contributions to a separate entity (a fund) and have or will have no legal or construed obligation to pay additional contributions if the fund does not have sufficient assets to meet obligations to employees.
The amount accrued at year end is projected forward to estimate the amount payable on termination of employment and is then discounted using the projected unit credit method, to account for the time that will elapse before actual payment occurs.
Due to changes in the legislation governing Italian employee termination benefits (Trattamento di Fine Rapporto or TFR) brought about by Law 296 of 27 December 2006, and by the decrees and regulations issued in early 2007 (the "Social security reform"), the Group has adopted the following accounting rules:
→ TFR accruing through to 31 December 2006 is treated as a defined-benefit plan in accordance with IAS 19. The benefits provided to employees in the form of TFR, which are paid upon termination of service, are recognised in the period when the right vests;
→ TFR accruing from 1 January 2007 is treated as a defined-contribution plan, so contributions accruing during the period are fully expensed and shown as a liability under employee termination benefits and other provisions for employee benefits, after deducting any contributions already made.

Gains or losses from changes in actuarial assumptions are recognised in other comprehensive income.

Assets and liabilities held for sale and discontinued operations
Where the carrying amount of non-current assets held for sale, or of assets and liabilities included in disposal groups and/or related to discontinued operations is to be recovered primarily through sale rather than through continued use, these items are presented separately in the statement of financial position. They are classified, as appropriate, under "Assets held for sale" or "Liabilities held for sale" and the amounts may not be offset.
Immediately prior to being classified as held for sale, each asset and liability is recognised under the specific IFRS applicable and subsequently accounted for at the lower of the carrying amount and fair value, less any costs to sell. Any impairment losses are recognised immediately in profit or loss.
Disposal groups or discontinuing operations are recognised in profit or loss as discontinued operations provided the following conditions are met:
→ they represent a major line of business or geographical area of operation;
→ they are part of a single coordinated plan to dispose of a separate major line of business or geographical area of operation;
→ they are subsidiaries acquired exclusively with a view to resale.

After tax gains and losses resulting from the management or sale of such operations are recognised as one amount in consolidated profit or loss ("Profit/(Loss) from discontinued operations and assets held for sale") with comparatives.

Revenue
Revenue is recognised when the fair value can be reliably measured and it is probable that the economic benefits associated with the transactions will flow to the Group. The amount recognised as revenue reflects the consideration to which the Group is entitled in exchange for goods transferred to the customer and services rendered. This revenue is recognised when the performance obligations under the contract have been satisfied.
Depending on the type of transaction, revenue is recognised on the basis of the following specific criteria:
→ toll revenue is accrued with reference to traffic volumes;
→ revenue from airport charges is recognised when the facilities are utilised by airport users;
→ revenue from the sale of goods, net of any returns and discounts, is recognised when the Group transfers the main risks and rewards associated with ownership of the goods to the buyer and when collection of the relevant receivables is reasonably certain;
→ revenue from services rendered is recognised with reference to the stage of completion of the transaction as of the reporting date. Revenue is recognised in the reporting period in which the service is provided, based on the percentage of completion method. If revenue from services cannot be estimated reliably, it is only recognised to the extent that the related costs are recoverable. This method appropriately discloses the services provided and the economic results achieved during the period. Revenue in the form of rental income or royalties is recognised on an accruals basis, considering the related contractual terms and conditions.

Revenue from the sale of goods through directly operated stores is recognised when the customer pays for the merchandise. The Group's policy regarding customer returns is quite restrictive, allowing these only in very specific circumstances (e.g. defective goods or late shipment). At the end of each year, the Group uses past trends to estimate the overall amount of returns expected in the following year relating to sales in the year just ended.
This amount is then deducted from revenue reported in that year.
Provision of the above services also includes construction and/or upgrade services provided to Grantors, in application of IFRIC 12, and relating to concession arrangements to which certain Group companies are party. This revenue represents the consideration for services provided and are measured at fair value, calculated on the basis of the total costs incurred (primarily consisting of the costs of materials and external services, the relevant employee benefits and attributable financial expenses, the latter only in the case of construction and/or upgrade services for which the operator receives additional economic benefits) plus any arm's length profits realised on construction services provided by Group entities (insofar as they represent the fair value of the services). The double entry of revenue from construction and/or upgrade services is represented by a financial asset (concession rights and/or government grants) or an intangible asset (concession rights).

Financial income and expenses
Interest income and expense is recognised on an accruals basis, using the effective interest method.

Dividends
Dividends from third parties are recognised when the shareholders' right to receive payment is established, following a resolution by shareholders of the investee company.

Cost recognition
Costs and expenses are recognised on an accruals basis.
The recovery of costs borne on behalf of others is recognised as a deduction from the related cost.

Income and costs relating to lease contracts

Income and costs relating to operating leases are recognised on a straight-line basis over the term of the contract.

Income taxes

Income taxes are recognised by each consolidated company on the basis of a reasonable estimate of taxable income, in accordance with applicable local regulations and taking into account any tax credits due.
In 2007, the Parent Company and certain Italian subsidiaries meeting the relevant requirements adopted a tax consolidation arrangement.
The arrangement, provided for in articles 117 to 129 of the of the Consolidated Income Tax Act (TUIR), involves the calculation of a single amount for taxable income for the purposes of corporate income tax (IRES), by adding the incomes and/or losses of the Parent Company and participating subsidiaries. The Parent Company then pays the tax due or carries forward/receives a refund for any credits. The Parent Company also carries forward any consolidated loss. The relationships arising from participation in the arrangement are governed by specific rules, approved and signed by all participating companies, which provide for full recognition of the amount calculated on the tax losses or taxable income transferred at current corporate tax rates (IRES).
Amounts due for IRAP (regional business tax), payable directly to the tax authority, are shown in current tax liabilities after any payments on account.
Deferred tax assets and liabilities are recognised on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases, on consolidation adjustments and in relation to deferral of the taxation or deduction of revenue and costs.
Deferred tax assets are recorded for all temporary differences to the extent it is probable that taxable income will be available against which the deductible temporary difference can be recovered. The same principle is applied to the recognition of deferred tax assets on the carryforward of unused tax losses.
The carrying amount of deferred tax assets is reviewed at every reporting date and, if necessary, reduced to the extent that it is no longer probable that sufficient taxable income will be available to recover all or part of the asset.
Except in certain specific cases, deferred tax liabilities are always recognised.
Deferred tax assets and liabilities are not recognised if the temporary differences arise from initial recognition of goodwill or (in the case of transactions other than business combinations) of other assets or liabilities in transactions that have no influence either on accounting profit or on taxable income.
Deferred tax assets and liabilities are calculated on the basis of the tax rate expected to be in effect at the time the related temporary differences will reverse, taking into account any legislation enacted by the end of the reporting period. Current tax assets and liabilities are only offset if there is a legally enforceable right to offset the recognised amounts and if it is intended to settle or pay on a net basis or to realise the asset and settle the liability at the same time.
Deferred tax assets and liabilities may only be offset if it is possible to offset current tax assets and liabilities and if the deferred taxes refer to taxes levied by the same tax authority.

Statement of cash flows

In compliance with IAS 7, the statement of cash flows, prepared using the indirect method, represents the Group's ability to generate "cash and cash equivalents". Other cash equivalents consist of highly liquid short-term investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short term to maturity, being when the original maturity is shorter than three months.
Bank overdrafts are usually classed as borrowings, unless they are repayable on demand and form an integral part of an entity's management of its cash and cash equivalents, in which case they are classified as a reduction in cash and cash equivalents.
Cash and cash equivalents included in the statement of cash flows consist of the amounts for this item shown in the statement of financial position at the reporting date. Foreign currency cash flows are translated at the average exchange rate for the period. Income and expenses relating to interest, dividends received and income taxes are included in cash flows from operating activities.
The format adopted by the Group provides separate disclosure of the following:

→ cash generated by/(used in) operating activities: cash flow from operating activities is recognised by the Group using the indirect method; under this method, profit/(loss) for the year is adjusted for the effects of items that did not involve cash outflows or generate inflows (i.e. non-cash transactions);
→ cash generated by/(used in) investing activities: investing activities are reported separately, in part because they indicate investments/ divestments designed to ensure the future generation of revenue and positive cash flows;
→ cash generated by/(used in) financing activities: financing activities consist of cash flows that determine changes in the amount and composition of equity and borrowings.

Use of estimates

Preparation of financial statements in compliance with IFRS involves the use of estimates and judgements, which are reflected in the measurement of the carrying amounts of assets and liabilities and in the disclosures provided in the notes to the financial statements, including contingent assets and liabilities at the end of the reporting period. The amounts subsequently recognised may, therefore, differ from these estimates. The Group has used estimates to measure assets tested for impairment, provisions for doubtful accounts, obsolete inventory, depreciation and amortisation, employee benefits, deferred tax assets and liabilities, other provisions and provisions for restructuring, in addition to the fair value measurement of financial assets and liabilities. These estimates and judgements are periodically reviewed and updated, and the resulting effects of each change immediately recognised in the financial statements.

Activities in hyperinflationary economies

As required by IAS 29, the Group assesses whether or not any of the functional currencies used by subsidiaries are the currencies of a hyperinflationary economy.
As a result of application of the above standard, costs and revenue have been translated at closing exchange rates. All items in the statement of profit or loss have been restated by applying movements in the general consumer price index from the date on which the costs and revenue were initially recognised in the financial statements to the reference date thereof.
With regard to the statement of financial position, monetary elements have not been restated, as they were already expressed in the current unit of measure at the end of the period. Instead, non-monetary assets and liabilities have been revalued to reflect the loss of purchasing power of the local currency between the date on which the assets and liabilities were initially recognised and the end of the period. The profit or loss on net monetary assets deriving from the application of IAS 29 is recognised in profit or loss under financial income and expenses.

3.2.6 Notes to assets

Non-current assets

The item "Reclassification of assets held for sale" refers to the assets of the Mundys group and those of Edizione Alberghi in the process of being disposed of. These are described in note 19 – Assets and liabilities held for sale.

1 - Property, plant and equipment

The gross amount, accumulated depreciation and impairments and the related carrying amount of the Group's property, plant and equipment are detailed in table 1A.
Table 1B shows changes in property, plant and equipment in 2023, shown net of accumulated depreciation.

The Group invested €249 million in 2023, compared with €452 million in 2022, with €208 million attributable to the Mundys group, €20 million to the Benetton group and €4 million to the Edizione Property group.

The changes in these items include the effect of the demerger of a portion of Edizione Property's real estate assets (€538 million).

The fair value of investment property is greater than the carrying amount.

1A - Historical cost and accumulated depreciation of property, plant and equipment

(€m)	31.12.2023	31.12.2022
Cost	3,953	4,876
Accumulated depreciation	(2,604)	(3,011)
Total	**1,349**	**1,865**

1B - Changes in property, plant and equipment in 2023

(€m)	Land and buildings	Investment property	Plant, machinery and equipment	Furniture, fittings and electronic devices	Leasehold improv-ements	Other PPE	PPE under construction and advance payments	Total
Opening balance	**542**	**621**	**175**	**31**	**40**	**365**	**91**	**1,865**
Additions	6	1	30	9	10	123	70	**249**
Depreciation	(17)	(6)	(34)	(8)	(12)	(87)	-	**(164)**
Impairments	(2)	-	-	(2)	(3)	-	-	**(7)**
Reversal of impairments	2	-	-	-	-	-	-	**2**
Reclassification of assets held for sale	-	-	(1)	(2)	-	(1)	-	**(4)**
Other changes	(37)	(484)	(13)	(4)	-	4	(58)	**(592)**
Closing balance	**494**	**132**	**157**	**24**	**35**	**404**	**103**	**1,349**

2 - Right-of-use assets

The value of right-of-use assets is based on the present value of the minimum future fixed or substantially fixed payments due on concession arrangements or lease contracts outstanding as of that date, updated to take into account new contracts awarded.
The historical cost and accumulated depreciation of right-of-use assets are shown in table 2A.
Table 2B shows changes in right-of-use assets in 2023.
The item "Buildings" refers to the lease of areas, business unit leases and commercial leases, while "Other assets" consist mainly of vehicle leases.

Impairment losses of €63 million regard the Benetton group's business assets, after the group revised the terms of leases covered by an early termination option. This has reduced the value of certain right-of-use assets and the related lease liability.

2A - Historical cost and accumulated depreciation of right-of-use assets

(€m)	31.12.2023	31.12.2022
Cost	879	851
Accumulated depreciation	(499)	(358)
Total	**380**	**493**

2B - Changes in right-of-use assets in 2023

(€m)	Buildings	Other assets	Total
Opening balance	**444**	**49**	**493**
Additions	60	4	64
Reductions	(58)	(2)	(60)
Depreciation	(104)	(32)	(136)
Impairments	(63)	-	(63)
Reclassification of assets held for sale	(9)	(2)	(11)
Other changes	59	34	93
Closing balance	**329**	**51**	**380**

3 - Intangible assets (concession rights)

Table 3A shows the historical cost and accumulated amortisation of intangible assets (concession rights). The different categories of these assets are described in "Accounting policies – Intangible assets".
Intangible assets (concession rights) have increased by €4,299 million. Changes in 2023 are shown in table 3B. Changes in this item compared with the prior year regard:

- → investment of €3,681 million during the year, reflecting the award to Abertis of the concession for four sections of toll motorway in Puerto Rico (€2,663 million), and work on the expansion and modernisation of infrastructure carried out by the Abertis group, Aeroporti di Roma and Aéroports de la Côte d'Azur (€992 million);
- → an increase of €208 million to account for the commitment to investment to be carried out in Puerto Rico;
- → amortisation of €2,536 million (including €2,147 million relating to the Abertis group), primarily attributable to rights acquired from third parties;
- → the reversal of impairment losses relating to the concession rights held by Arteris (€484 million) and impairment losses on the intangible assets (concession rights) relating to Aéroports de la Côte d'Azur and A4 (€147 million and €20 million, respectively);
- → the reclassification of €371 million, representing the contribution of the ABC group, to "Assets held for sale";
- → the contribution from SH288, amounting to €2,696 million;
- → the positive balance of currency translation differences, amounting to €326 million, due to a strengthening of the Brazilian real and the Mexican peso against the euro.

With regard to Abertis, as noted above, on 17 October 2023, the Abertis group was awarded the contract to operate and maintain the following sections of toll motorway in Puerto Rico until 2063: PR-52 (108 km), PR-53 (59 km), PR-66 (14 km) and PR-20 (10 km).
The motorway sections concerned will be operated by Puerto Rico Tollroads (a wholly-owned subsidiary of the Abertis group). The transaction was completed on 14 December 2023 for a consideration of US$2,850 million (equal to €2,663 million), including directly attributable expenses that include the cost of currency hedges. As this involves the acquisition of the right to operate motorway infrastructure and does not qualify as a business combination, as defined by IFRS 3, the transaction has been accounted for by identifying and recognising the intangible assets (concession rights) acquired and the commitments to carry out investment in accordance with the agreements entered into, based on the respective fair values.

3A - Historical cost and accumulated amortisation of intangible assets (concession rights)

(€m)	31.12.2023	31.12.2022
Cost	69,027	63,073
Accumulated amortisation	(30,005)	(28,350)
Total	**39,022**	**34,723**

3B - Changes in intangible assets (concession rights) in 2023

(€m)	Acquired rights	Concession rights accruing from construction services for which no additional economic benefits are received	Concession rights accruing from construction services for which additional economic benefits are received	Total
Opening balance	**30,089**	**438**	**4,196**	**34,723**
Investment	2,666	-	1,015	3,681
Amortisation	(2,248)	(21)	(267)	(2,536)
Impairments	(147)	-	(20)	(167)
Reversal of impairments	484	-	-	484
Reclassification of assets held for sale	(156)	(5)	(210)	(371)
Changes in scope	2,696	-	-	2,696
Translation differences	245	40	41	326
Other changes	(13)	223	(24)	186
Closing balance	**33,616**	**675**	**4,731**	**39,022**

4 - Goodwill and other intangible assets with indefinite useful lives

Goodwill and other intangible assets with indefinite useful lives as of 31 December 2023 almost entirely regard goodwill attributable to the Mundys group.
This breaks down as follows:

- → €7,869 million regarding goodwill allocated in 2018 following the acquisition of the Abertis group, representing the group's collective ability to generate or acquire additional business in the operation of infrastructure under concession and in the related services (including business beyond its activities or geographical footprint at the acquisition date); this goodwill has not been allocated to single CGUs;
- → €588 million regarding goodwill resulting from the acquisition of control, in 2020, of the Mexican group, RCO; this amount is higher than in the prior year due to translation differences;
- → €289 million, following provisional allocation as of 31 December 2023 of the gain attributed to SH288;
- → €59 million relating to goodwill resulting from the acquisition of control of Autopistas Trados-45 in 2019;
- → €13 million relating to goodwill resulting from the acquisition of control of Elizabeth River Crossings in 2020;
- → €9 million regarding the acquisition of control of Wash Out in 2020;
- → €415 million relating to the acquisition of Yunex in 2022.

Changes in goodwill in 2023 are shown in table 4.
Goodwill and other intangible assets with indefinite useful lives are tested for impairment once a year.
Changes in scope refer to the consolidation of SH288.
Translation differences are attributable to the Mundys group.

4 - Changes in goodwill in 2023

(€m)	
Opening balance	**8,951**
Additions	-
Impairments	(2)
Changes in scope	289
Reclassification of assets held for sale	-
Translation differences	60
Other changes	(8)
Closing balance	**9,290**

5 - Other intangible assets

Table 5A shows the historical cost and accumulated amortisation of other intangible assets.
Other intangible assets are down €85 million compared with 31 December 2022. Changes in the main items relating to intangible assets in 2023 are shown in table 5B.

"Commercial contractual relations" regard the Mundys group and include:

→ the amount resulting from the fair value measurement if the assets acquired and liabilities assumed as a result of the acquisition of Aeroporti di Roma group in 2013, the change in which is solely due to amortisation for the year;
→ the amount resulting from the purchase price allocation of the Yunex group in 2022, amounting to €158 million, based on orders agreed at the acquisition date and not yet completed (the backlog) and the value of customer relationships.

"Concessions, licenses, trademarks and similar rights" as at 31 December 2023 regard the value of the Yunex brand, totalling €72 million, and the value of Mundys's licences (€193 million).

"Deferred charges" consist of key money for the acquisition of retail operations by the Benetton group, amortised over the term of the related lease contract.

"Other intangible assets" primarily include the cost of purchasing and developing software (€30 million), the cost of assets under construction and advances (€45 million) and research and development costs (€82 million).
Increases totalling €86 million in this item regard the Mundys group (€78 million), primarily reflecting investment in development (€19 million) and in industrial patents and intellectual property rights (€15 million).

5A - Historical cost and accumulated amortisation of other intangible assets

(€m)	31.12.2023	31.12.2022
Cost	2,273	2,272
Accumulated amortisation	(1,513)	(1,427)
Total	**760**	**845**

5B - Changes in other intangible assets in 2023

(€m)	Commercial contractual relations	Concessions, licenses, trademarks and similar rights	Deferred charges	Other intangible assets	Total
Opening balance	**243**	**260**	**14**	**328**	**845**
Additions	-	42	1	86	**129**
Amortisation	(65)	(41)	(4)	(66)	**(176)**
Impairments	-	-	-	-	**-**
Reversal of impairments	-	-	-	-	**-**
Reclassification of assets held for sale	-	-	-	(22)	**(22)**
Other changes	-	7	-	(23)	**(16)**
Closing balance	**178**	**268**	**11**	**303**	**760**

Impairment testing of property, plant and equipment and intangible assets

On the basis established by IAS 36, the Group has:

→ assessed whether or not there is evidence of a potential impairment of property, plant and equipment and intangible assets with indefinite useful lives;
→ compared the recoverable amount and the carrying amount of intangible assets with indefinite useful lives and intangible assets not yet available for use; such a comparison was carried out irrespective of any evidence indicating that the carrying amount of such assets might be impaired.

With regard to the Mundys group, each operator represents a separate CGU. Subsidiaries that do not hold concessions are also identified as individual CGUs. The sole exception is represented by the Abertis group, which is considered a separate CGU. The Yunex group is also considered as a separate CGU. The impairment tests for these CGUs were conducted by estimating the value in use of each CGU, using the Unlevered Discounted Cash Flow approach and the estimated discount rate for each CGU. In estimating operating cash flows, reference was generally made to publicly available information from external sources and to the latest long-term business plans of subsidiaries, containing traffic, tariff, revenue, cost and investment projections for the full term of the related concessions. These projections also include investment specifically aimed at increasing the resilience of the assets, their modernisation and technological development to mitigate climate change risks. The outcomes of the impairment tests indicated:

→ a reversal of impairment losses recognised in prior years on Arteris's intangible assets (concession rights), amounting to €484 million;
→ impairment losses of €167 million, including €147 million regarding the intangible assets (concession rights) of Aéroports de la Côte d'Azur and €20 million relating to the intangible assets (concession rights) of the A4 motorway operator.

In addition, in order to also take into account the risks linked to the worsening macroeconomic scenario (rising inflation and interest rates), appropriate sensitivity analyses were also conducted.

Impairment testing of the Benetton group was carried out on the following basis:

→ stores in which the group has invested, whether operated directly or by partners, were divided into two categories:
  - "discontinuing stores" due for closure or sale to third-party customers, which have been the subject of direct impairments;
  - "continuing stores" that will remain in operation, for which the future cash flows have been determined. Each store is treated as a separate CGU, for which the net present value of future cash flows (value in use) is calculated; in 2023, impairment losses were recognised on right-of-use assets (€63 million) and on furniture, fittings, electronic office equipment and leasehold improvements (€5 million);
→ if there are indications of a potential impairment loss, the "fonds de commerce", included in the "Deferred charges" category, are assessed to determine whether their recoverable amount is higher than their carrying amount. No impairment losses were identified for this asset class in 2023;
→ goodwill arising from the acquisition of a Cypriot company through a business combination was the subject of a specific test, which showed that the cash flows of the acquired operations were insufficient to cover their value. As a result, an impairment loss of €2 million was recognised on this goodwill.

Impairment testing of the Olimpias group involves use of the Discounted Cash Flow approach to the measure the value in use of the CGU, with the related estimate of the discount rate and the perpetual growth rate, in keeping with the method used in the previous year. Following the extraordinary events that took place in 2022, in 2023 the Olimpias group remained in control of the Textiles segment alone, represented by a separate CGU. There was no evidence of impairment of this CGU in 2023.

With regard to the Edizione Property group, the impairment test of non-current assets is based on a comparison of the carrying amount of the assets or the CGU with the related recoverable amount, resulting from the higher of fair value (less any costs to sell) and value in use. The latter was computed by discounting projected net cash flows to be generated by the assets or the CGU. Impairment losses recognised in 2023 primarily regarded the properties in Foggia, Latina and Kaliningrad in Russia and amounted to €2 million. €2 million of impairment losses recognised in prior years on the property located in via Mazzini in Verona was reversed.

The discount rate used to determine the present value of projected cash flows (WACC) depends on the cost of money and the country risk specific to the asset. The nominal growth rate (g rate) of projected cash flows is consistent with the estimates of long-term growth in the sector and the countries in which each CGU operates.
The specific forecast period does not exceed five years, with the exception of certain of the Mundys group's CGUs, for which projections are based on business plans covering the full concession term.

The outcomes of the impairment tests conducted in 2023 are summarised in table 5C, showing the impairment losses recognised in profit or loss during the year.

6 - Investments in subsidiaries

This item is made up of non-material subsidiaries that are not included in the scope of consolidation. The increase with respect to the prior year regards the capitalisation of an unconsolidated investee and the establishment of Edizione Renewables.

5C - Outcomes of impairment tests in 2023

(€m)		Transport Infrastructure	Clothing and Textiles	Real Estate and Agriculture	Total
Property, plant and equipment	Land, buildings and investment property	-		2	2
	Plant, machinery and equipment	-	-	-	-
	Furniture, fittings and electronic equipment	-	2	-	2
	Leasehold improvements	-	3	-	3
	Other assets	-	-	-	-
	Total property, plant and equipment	**-**	**5**	**2**	**7**
Right-of-use assets		**-**	**63**	**-**	**63**
Intangible assets	Intangible assets with indefinite useful lives	-	2	-	2
	Intangible assets with definite useful lives	167	-	-	167
	Total intangible assets	**167**	**2**	**-**	**169**
Total		**167**	**70**	**2**	**239**

7 - Investments in associates and joint ventures

Investments in associates and joint ventures are measured using the equity method. For each investment, measurement is based on the latest financial statements approved and published by investees. If the financial statements as of 31 December 2023 were not available, the latest approved accounts were supplemented with estimates, based on the available information and adjusted, where necessary, to align them with the accounting standards applied by the Group. The investment in Cellnex was reclassified to this category in 2023. In May and June 2023, Edizione increased its stake in Cellnex to 9.9% by acquiring 12,000,000 Cellnex shares in the market through the subsidiary, Schema Gamma, at a cost of €467 million. Despite the fact that following the share purchases, the interest in Cellnex remains below the threshold of 20%, beyond which, in accordance with IAS 28, the Parent Company would be considered to have significant influence over the investee, it was deemed that a number of the requirements referred to in paragraph 6 of IAS 28 had been met and Cellnex was thus again classified as an associate. The change in classification of the investment which, until 31 December 2022, was accounted for in "Investments in equity instruments" measured at fair value (note 8 – Investments in other companies) has involved a remeasurement of its fair value, which has become the new cost of the investment.
As of 31 December 2023, the investment in Cellnex was measured using the equity method, resulting in a loss of €25 million.

On 3 February 2023, on closing the business combination between Autogrill and Avolta, 30,663,329 newly issued Avolta shares, received by the subsidiary Schema Beta in exchange for its holding of 193,730,675 Autogrill shares, were accounted for in this category. At the same date, the 2,700,000 Avolta shares that Schema Beta had acquired in the market during the previous year and which, as of 31 December 2022, were accounted for in "Investments in other companies" (note 8), were also reclassified to this category. The Avolta shares held by Edizione, through Schema Beta, were measured at fair value at the closing date and this represents the carrying amount of the investment. As of 31 December 2023, the investment in Avolta, equal to a 21.86% stake, has been measured using the equity method.

Getlink is the company that operates the Channel Tunnel under concession. The company is listed on the Paris and London stock exchanges.

Changes in investments in associates and joint ventures are shown in table 7A.
With regard to the additional disclosures required by IFRS 12, the table 7B shows key financial indicators for Cellnex for the year ended 31 December 2023, whilst table 7C shows key financial indicators extracted from the financial statements for the year ended 31 December 2023 of Avolta and table 7D those for Getlink for the year ended 31 December 2023.

7A - Changes in investments in associates and joint ventures in 2023

(€m)	Carrying amount as 31.12.2022	Additions	Dividends	Changes through profit or loss	Changes through other comprehensive income	Reclassifications and other changes	Carrying amount as of 31.12.2023	% interest
Cellnex Telecom SA	-	-	(3)	(10)	1	2,640	2,628	9.90%
Avolta AG	-	1,287	-	23	(57)	107	1,360	21.86%
Getlink SE	1,086	-	(43)	45	(2)	-	1,086	15.49%
Aeroporto Guglielmo Marconi di Bologna SpA	83	-	-	3	-	-	86	29.38%
Other minor investments	34	-	(14)	21	4	3	48	n/a
Total	**1,203**	**1,287**	**(60)**	**82**	**(54)**	**2,750**	**5,208**	

7B - Key financial indicators for Cellnex in 2023

(€m)	Cellnex Telecom SA
Current assets	3,742
Non-current assets	41,872
of which gain allocated under IFRS 3	*1,249*
Current liabilities	3,531
Non-current liabilities	25,687
of which gain allocated under IFRS 3	-
Equity	16,396
of which gain allocated under IFRS 3	*1,249*
Revenue	4,049
EBIT	374
Profit/(Loss) for the year (reported)	(297)
Profit/(Loss) for the year adjusted in accordance with IFRS 3	(297)
Other comprehensive income/(loss)	(14)
Total comprehensive income/(loss)	**(311)**
% interest	**9.90%**
- Edizione's share of profit/(loss)	(13)
- Edizione's share of comprehensive income/(loss)	1
Carrying amount	2,628
Dividends received	3

7C - Key financial indicators for Avolta in 2023

(CHFm)	Avolta AG
Current assets	2,477
Non-current assets	14,888
of which gain allocated under IFRS 3	*850*
Current liabilities	4,140
Non-current liabilities	9,880
of which gain allocated under IFRS 3	-
Equity	3,345
of which gain allocated under IFRS 3	-
Revenue	12,789
EBIT	865
Profit/(Loss) for the year (reported)	87
Profit/(Loss) for the year adjusted in accordance with IFRS 3	87
Other comprehensive income/(loss)	(129)
Total comprehensive income/(loss)	**(42)**
% interest	**21.86%**
- Edizione's share of profit/(loss)	23
- Edizione's share of comprehensive income/(loss)	(57)
Carrying amount	1,360
Dividends received	-

7D - Key financial indicators for Getlink in 2023

(€m)	Getlink SE
Current assets	1,799
Non-current assets	14,991
of which gain allocated under IFRS 3	*7,763*
Current liabilities	868
Non-current liabilities	8,910
of which gain allocated under IFRS 3	*3,219*
Equity	7,013
of which gain allocated under IFRS 3	*4,544*
Revenue	1,829
EBIT	979
Profit/(Loss) for the year (reported)	326
Profit/(Loss) for the year adjusted in accordance with IFRS 3	288
Other comprehensive income/(loss)	(22)
Total comprehensive income/(loss)	**266**
% interest	**15.49%**
- Edizione's share of profit/(loss)	45
- Edizione's share of comprehensive income/(loss)	41
Carrying amount	1,086
Dividends received	43

8 - Investments in other companies

This item includes investments that can be classified in the residual category established by IFRS 9, "Other financial assets at fair value". For certain investments recognised in this item, the Group has exercised the irrevocable option, as permitted by the standard, to recognise changes in fair value through other comprehensive income instead of in profit or loss.
In May and June 2023, Edizione increased its stake in Cellnex, purchasing 12,000,000 Cellnex shares in the market through the subsidiary, Schema Gamma, at a cost of €467 million. As indicated in note 7 – Investments in associates and joint ventures, the renewed classification of Cellnex as an associate and the resulting reclassification to investments in associates involved remeasurement of its fair value, amounting to €319 million, with a contra entry in other comprehensive income. As noted in note 7 – Investments in associates and joint ventures, on closing the business combination between Autogrill and Avolta, the 2,700,000 Avolta shares acquired by Schema Beta in August and September of the previous year were reclassified to investments in associates. This reclassification involved remeasurement of the fair value of the shares as of 3 February 2023, with a contra entry in other comprehensive income.

"Other minor investments" include investments in Autostrade del Brennero SpA (€36 million), Volocopter GmbH (€24 million) and Minsud Resources Corp. (€25 million), a mining company listed on the Toronto Stock Exchange, which registered a change in fair value during the year of €19 million.

A breakdown of investments in other companies is shown in table 8A.
Changes in investments in other companies during the year are shown in table 8B.

9 - Non-current securities

The balance refers to the fair value as of 31 December 2023 of units of investment funds held by the Parent Company (€88 million), classified, in accordance with IFRS 9, as "Financial assets measured at fair value through profit or loss". The fair value of the investment funds as of the reporting date coincides with the related net asset value as of the same date. The change in the balance compared with the prior year reflects the value of the units of two investment vehicles in the packaging sector, subscribed for by Edizione in December 2023.

8A - Investments in other companies

	31.12.2023		31.12.2022	
	Percentage interest	**Carrying amount**	**Percentage interest**	**Carrying amount**
Cellnex Telecom SA	-	-	8.20%	1,867
Assicurazioni Generali SpA	4.83%	1,438	4.75%	1,279
Mediobanca SpA	2.20%	206	2.19%	169
Avolta AG	-	-	2.97%	106
Other minor investments	-	90	-	75
Total		**1,734**		**3,496**

8B - Changes in investments in other companies in 2023

(€m)	Fair value as of 31.12.2022	Purchases	Sales	Fair value adjustments	Reclassifications/ Other changes	Changes in equity: Gains/ (Losses)	Changes in equity: Fair value adjustments	Fair value as of 31.12.2023
Cellnex Telecom SA	1,867	467	-	-	(2,653)	-	319	-
Assicurazioni Generali SpA	1,279	-	-	-	-	-	159	1,438
Mediobanca SpA	169	-	-	-	-	-	37	206
Avolta AG	106	-	-	-	(113)	-	7	-
Other minor investments	75	1	-	18	(3)	-	(1)	90
Total	**3,496**	**468**	**-**	**18**	**(2,769)**	**-**	**521**	**1,734**

10 - Current and non-current financial right-of-use assets

There were no such items in either of the two years.

11 - Other current and non-current financial assets

Other financial assets are shown in table 11.
Financial assets (concession rights) as of 31 December 2023 consist of:

- → takeover rights of €205 million, including €169 million relating to the Brazilian operator, Fluminense;
- → financial assets (concession rights) relating to the minimum level of tolls guaranteed by the Grantor, amounting to €519 million and relating to certain Chilean operators;
- → other concession rights amounting to €1,040 million, primarily relating to:
  - – amounts receivable by the Chilean operator, Costanera Norte, totalling €601 million, relating to investment in "Programma Santiago Centro Oriente";
  - – amounts receivable by the Abertis group from grantors, amounting to €402 million, including €196 million due to the Spanish operator, Castellana.

Financial assets (concession rights) are down €438 million compared with 31 December 2022, primarily due to the expected credit loss of €337 million on the amount due from the grantor to the Spanish operator, Acesa (AP 7), which is in dispute with the grantor over compensation for guaranteed levels of traffic and the return on investment. On 29 January 2024, the Spanish Supreme Court found against the company, ruling that it should receive only partial compensation.
The recoverability of other financial assets (concession rights) where there was a significant increase in credit risk in 2023 was tested in accordance with IFRS 9. As a result, the financial assets (concession rights) of the Argentine operators, GCO and Ausol (in which Mundys holds interests of 21.25% and 15.66%) were adjusted by €93 million, broadly offset by €86 million resulting from revaluation of the rights whose value is linked to the US dollar, which strengthened against the Argentine peso in 2023.

Derivative assets, amounting to €103 million as of 31 December 2023 (€682 million as of 31 December 2022), primarily include hedging agreements classified as level 2 in the fair value hierarchy. The reduction of €579 million primarily reflects the early unwinding of Forward-Starting Interest Rate Swaps hedging the future debt of Abertis Infraestructuras and Holding d'Infrastructures de Transport (a notional value of €4,591 million and fair value gains of €412 million as of 31 December 2022), and a general decrease in medium-to long-term interest rates during 2023, This resulted in a significant reduction in the fair value of the interest rate hedges.

Term deposits, amounting to €467 million as of 31 December 2023, essentially relating to the Abertis group (€200 million) and Stalexport (€139 million), in the latter's case relating to cash reserves required by the grantor for work to be carried out prior to expiry of the concession.

Other financial assets (€1,388 million as of 31 December 2023) include:

- → financial receivables due from the ACS group to Abertis HoldCo for capital contributions yet to be paid in, amounting to €650 million;
- → the Abertis group's financial receivables due from credit institutions following the unwinding of Forward-Starting Interest Rate Swaps, with settlement expected between 2024 and 2029 (€282 million);
- → loans provided by the Abertis group companies, Túnels de Barcellona and Trados, to their shareholders (€79 million and €24 million, respectively, representing the component relating to non-controlling shareholders);
- → amounts receivable from grantors, amounting to €63 million, primarily due to Autopista Central.

11 - Other current and non-current financial assets

(€m)	Current portion	Non-current portion	31.12.2023	Current portion	Non-current portion	31.12.2022
Financial assets (concession rights) - Takeover rights	-	205	205	-	148	148
Financial assets (concession rights) - Guaranteed minimum tolls	113	406	519	114	489	603
Financial assets (concession rights) - Other rights	89	951	1,040	40	1,411	1,451
Derivative assets	2	101	103	113	569	682
Accrued financial income on derivatives	3	-	3	23	-	23
Term deposits	268	199	467	268	238	506
Guarantee deposits	-	45	45	-	105	105
Other financial assets	863	525	1,388	128	606	734
Total	**1,338**	**2,432**	**3,770**	**686**	**3,566**	**4,252**

12 - Other non-current receivables

Other non-current receivables, amounting to €36 million as of 31 December 2023 (€53 million as of 31 December 2022), are down €17 million and include contributions from:

- → the Mundys group (€20 million);
- → the Benetton group, in the form of guarantee deposits (€14 million).

13 - Deferred tax assets

Table 13 shows the nature and composition of net deferred tax assets.

The balance as of 31 December 2023 is down, essentially due to uses during the year and the Benetton group's write-down of deferred tax assets deemed no longer recoverable based on its updated multi-year business plans (€87 million).

13 - Nature and composition of net deferred tax assets

(€m)	31.12.2023	31.12.2022
Tax effect on deductible intragroup goodwill	-	1
Tax effect on provisions and costs deductible in future years	408	362
Tax effect on different basis for depreciation and amortisation and related impairments	420	555
Benefit on tax loss carryforwards	438	428
Tax effect on derivative financial transactions	96	100
Other deferred tax assets	461	322
Total deferred tax assets	**1,823**	**1,768**
Deferred tax liabilities eligible for offset	(1,183)	(1,034)
Deferred tax assets, net	**640**	**734**

14 - Inventories
Inventories are accounted for after deducting the related impairments and amount to €65 million (€61 million as of 31 December 2022), including €51 million attributable to the Benetton group and €10 million to the Benetton Manufacturing group.

The breakdown of inventories is shown in table 14.

15 - Trade receivables
The balance of trade receivables, after provisions for doubtful accounts, includes the contributions from the Mundys group, amounting to €2,465 million, and from the Benetton group, amounting to €104 million. The increase in receivables compared with the prior year (€204 million) is due to traffic growth and the toll increases applied by the Mundys group's operators with respect to the prior year.

Changes in provisions for doubtful accounts during the year are shown in table 15B.

14 - Inventories

(€m)	31.12.2023	31.12.2022
Raw and other materials and consumables	114	128
Work in progress and semi-finished goods	26	28
Finished goods and contract assets	380	364
Total	**520**	**520**

15A - Trade receivables

(€m)	31.12.2023	31.12.2022
Trade receivables	3,326	3,036
Provisions for doubtful accounts	(820)	(704)
Other trading assets	82	52
Total	**2,588**	**2,384**

15B - Changes in provisions for doubtful accounts in 2023

(€m)	Opening balance	Additions	Uses	Releases to profit or loss	Riclassification of assets held for sale	Translation differences	Change in scope and other changes	Closing balance
Provisions for doubtful accounts	704	42	(32)	(1)	(1)	(40)	148	820
Total	**704**	**42**	**(32)**	**(1)**	**(1)**	**(40)**	**148**	**820**

16 - Tax assets
As of 31 December 2023, the balance of this item (€143 million) regards the Mundys group (€137 million) and relates to refundable IRES (€3 million), overseas tax credits (€129 million) and other tax credits (€5 million).

17 - Other current receivables
The amount due from public entities essentially regards the Mundys group (€131 million).
Tax credits other than for income tax are up €65 million, including approximately €43 million relating to an increase in refundable VAT at Telepass and Yunex.
Other current assets are shown after provisions for doubtful accounts, amounting to €27 million, including €25 million relating to the Mundys group.
The change in this item reflects the recognition by Iberpistas of a receivable of €69 million, following final resolution of the amount due from the grantor to the subsidiary, Alazor.

A breakdown of this item is shown in table 17.

18 - Cash and cash equivalents
Cash has fallen €8,512 million compared with 31 December 2022. The change is primarily due to early repayment of the Bridge Loan obtained to pay for the public tender offer for Atlantia.
As of 31 December 2023, the balance of this item includes €6,124 million in cash held by the Mundys group.

A breakdown of this item is shown in table 18.

17 - Other current receivables

(€m)	31.12.2023	31.12.2022
Amounts due from public entities	132	127
Tax credits other than for income tax	352	287
Other current assets	209	141
Total	**693**	**555**

18 - Cash and cash equivalents

(€m)	31.12.2023	31.12.2022
Term deposits	2,512	10,493
Bank current accounts	3,831	4,359
Cash in hand	34	37
Total	**6,377**	**14,889**

19 - Assets and liabilities held for sale

As of 31 December 2023, the net balance of assets and liabilities held for sale amounts to €398 million and includes the net assets of the ABC group (€382 million), those of Sky Valet Portugal and Spain and of Edizione Alberghi.
Table 19A shows the value of assets and liabilities held for sale.

With regard to the ABC group, given that it does not represent a separate major line of business or geographical area of operations, in accordance with IFRS 5, the ABC group is not presented in discontinued operations but as a disposal group. As a result, the ABC group's income, expenses and cash flows continue to be included in these financial statements in continuing operations.

For the purposes of full disclosure, table 19B shows the contribution from the ABC group to the Group's net result for 2023 and 2022, after adjusting for intragroup transactions, and summary cash flows for 2023 and 2022. In 2023, the ABC group's comprehensive loss was €108 million (including €30 million attributable to the Mundys group).

19A - Assets and liabilities held for sale

(€m)		31.12.2023	31.12.2022
Assets held for sale	Property, plant and equipment and intangible assets	399	3,091
	Non-current financial assets	269	5
	Current financial assets	78	660
	Deferred tax assets	28	50
	Trading assets	17	184
	Other assets	56	121
	Total assets held for sale	**847**	**4,111**
Liabilities held for sale	Financial liabilities	266	2,241
	Trading liabilities	29	408
	Other liabilities	154	514
	Total liabilities held for sale	**449**	**3,163**

19B - ABC group's contribution to the net result and summary cash flows

(€m)	2023	2022
Revenue	241	315
Costs	(155)	(173)
Operating profit/(loss)	**86**	**142**
Financial expenses, net	(135)	(127)
Profit/(Loss) before tax	**(49)**	**15**
Tax expense	(59)	(72)
Loss for the year	**(108)**	**(57)**
Net cash generated by/(used in) operating activities (A)	60	88
Net cash generated by/(used in) investing activities (B)	(10)	(42)
Net cash generated by/(used in) financing activities (C)	(92)	(37)
Net cash flow for the year from/(for) assets held for sale (A+B+C)	**(42)**	**9**

3.2.7 Comments on shareholders' equity items

Equity

20 - Issued capital

As of 31 December 2023, Edizione's fully subscribed, paid-in issued capital amounts to €1.5 billion and is represented by 15,000,000 no-par shares.

21 - Fair value and hedging reserve

This item reflects changes arising from the fair value measurement of financial assets recognised in current and non-current assets, as well as changes in the effective hedging component of cash flow hedges.

22 - Other reserves and retained earnings

This item, amounting to €6,627 million as of 31 December 2023 (€6,224 million as of 31 December 2022), includes:

- €137 million relating to the Parent Company's legal reserve;
- €3,212 million relating to the Parent Company's other reserves;
- €3,322 million representing the portion of the equity of consolidated companies that exceeds their carrying amount, in addition to consolidation adjustments.

23 - Translation reserve

This reserve shows the effects of consolidating companies whose financial statements are denominated in currencies other than the euro using the line-by-line method.

The following table shows the composition of other comprehensive income and the related tax effect.

Composition of other comprehensive income and the related tax effect for 2023

(€m)	Gross amount	Tax (expense)/ benefit	Net amount
Profit/(Loss) from fair value measurement of cash flow hedges	(178)	30	(148)
Profit/(Loss) from conversion of financial statements in functional currencies other than the euro	(48)	-	(48)
Profit/(Loss) from measurement of associates and JVs using the equity method	48	(2)	46
Other changes in fair value	(56)	-	(56)
Items that may be reclassified to profit or loss	**(234)**	**28**	**(206)**
Profit/(Loss) from fair value measurement of investments (FVTOCI)	519	2	521
Actuarial gains/(losses) (IAS 19)	4	(3)	1
Items that may not be reclassified to profit or loss	**523**	**(1)**	**522**
Reclassifications of other comprehensive income to profit or loss for the year	**32**	**(5)**	**27**
Total comprehensive income/(loss)	**321**	**22**	**343**

The reconciliation of Edizione's equity and profit/(loss) for the year with the corresponding consolidated amounts as of 31 December 2023 is shown below, after the portion attributable to non-controlling interests.

Reconciliation of Edizione's equity and profit/(loss) for the year with the corresponding consolidated amounts as of 31 December 2023

(€m)	Equity	Net profit/ (loss)
Amounts in financial statements of Edizione SpA	**4,508**	**(342)**
Share of profit and equity of consolidated subsidiaries attributable to owners of the parent, less the carrying amounts of the related investments	3,626	(189)
Elimination of intercompany dividends	-	(723)
Allocation to non-current assets of goodwill arising on the acquisition of subsidiaries at the acquisition date, less the related amortisation	44	-
Adjustment of the value of equity of associates	(66)	10
Elimination of (gains)/losses deriving from intragroup transactions	(20)	1,125
Consolidated gain on Autogrill	-	887
Consolidated financial statements, share attributable to owners of the parent	**8,092**	**768**

24 - Interests attributable to non-controlling shareholders

As of 31 December 2023 and 31 December 2022, interests in the equity of consolidated companies attributable to non-controlling shareholders are shown in table 24.

The interest in the Autogrill group attributable to non-controlling shareholders has been derecognised following the group's deconsolidation.

24 - Interests in the equity of consolidated companies attributable to non-controlling shareholders

(€m)	31.12.2023	31.12.2022
Mundys group	10,953	10,090
Autogrill group	-	510
Benetton Manufacturing	7	-
Olimpias group	1	7
Total	**10,961**	**10,607**

3.2.8 Notes to liabilities
Non-current liabilities

The item "Reclassification of liabilities held for sale" refers to the liabilities of the Mundys group and those of Edizione Alberghi in the process of being disposed of. These are described in note 19 – Assets and liabilities held for sale.

25 - Provisions and other liabilities
A breakdown of "Provisions and other liabilities" as of 31 December 2023 and 31 December 2022 is shown in table 25A.
Changes in 2023 are shown in table 25B.

Provisions for employee benefits, amounting to €190 million as of 31 December 2023, include the Abertis group's provisions (€119 million), consisting of provisions for defined benefit plans representing obligations to pay benefits to employees on termination of their employment, essentially in France, Spain and Italy.

Provisions for construction services required by contract, amounting to €534 million as of 31 December 2023, represent the present value of motorway infrastructure construction and/or upgrade services to be carried out. These are attributable to the Mundys group's Mexican motorway operators (€198 million), the newly acquired sections of motorway operated by Puerto Rico Tollroads (€161 million) and Stalexport (€82 million).

Provisions for the repair and replacement of motorway infrastructure, amounting to €914 million as of 31 December 2023, includes the present value of the estimated cost of the meeting a contractual obligation to repair and replace infrastructure, primarily attributable to operators in France (€278 million), Brazil (€122 million), Spain (€101 million), Italy (€97 million), Mexico (€90 million), USA (€77 million) and Puerto Rico (€54 million).

25A - Provisions and other liabilities

(€m)	Current portion	Non-current portion	31.12.2023	Current portion	Non-current portion	31.12.2022
Provisions for employee benefits	-	190	**190**	-	175	**175**
Provisions for construction services required by contract	152	382	**534**	107	291	**398**
Provisions for the repair and replacement of motorway infrastructure	265	649	**914**	269	630	**899**
Provisions for the renewal of assets held under concession	69	272	**341**	98	251	**349**
Provisions for risks	68	238	**306**	57	441	**498**
Provisions for other charges	19	110	**129**	12	106	**118**
Provisions for sales agent indemnities	-	4	**4**	-	7	**7**
Total	**573**	**1,845**	**2,418**	**543**	**1,901**	**2,444**

25B - Changes in provisions and other liabilities in 2023

(€m)	31.12.2022	Operating and financial provisions	Uses	Changes in scope	Reclassification to liabilities held for sale	Other changes	31.12.2023
Provisions for employee benefits	**175**	41	(30)	-	-	4	**190**
Provisions for construction services required by contract	**398**	10	(100)	-	(15)	241	**534**
Provisions for the repair and replacement of motorway infrastructure	**899**	255	(248)	-	(15)	23	**914**
Provisions for the renewal of assets held under concession	**349**	63	(71)	-	-	-	**341**
Provisions for risks	**498**	68	(1)	-	(67)	(192)	**306**
Provisions for other charges	**118**	22	(10)	-	-	(1)	**129**
Provisions for sales agent indemnities	**7**	-	(2)	-	-	(1)	**4**
Total	**2,444**	**459**	**(462)**	**-**	**(97)**	**74**	**2,418**

Provisions for the renewal of assets held under concession, amounting to €341 million as of 31 December 2023, represent the present value of the estimated cost of the meeting a contractual obligation to repair and replace airport assets operated under the concessions held by Aeroporti di Roma (€230 million) and Aéroports de la Côte d'Azur (€111 million).

As of 31 December 2023, provisions for risks amount to €306 million. The Mundys group's contribution amounts to €297 million and includes the expenses that Mundys expects to incur to meet its contractual and legal obligations resulting from past events, where it is deemed probable that an outflow of resources will be required to settle the obligation (€120 million), and provisions relating to tax and legal risks attributable to Abertis (€58 million) and Red de Carreteras de Occidente (€52 million).
The reduction of €192 million compared with 31 December 2022 is due to the complete release of provisions relating to the investment in Alazor Inversiones, linked to the financial guarantees issued by Iberpistas and Acesa to credit institutions, following the company's insolvency.

As of 31 December 2023, "Provisions for other charges" amount to €129 million, including €110 million relating to the Mundys group.

Provisions for sales agent indemnities reflect the estimated liability for the termination of contracts entered into with Benetton group sales representatives in the cases provided for by law.

26 - Bond issues
As of 31 December 2023, this item regards the Mundys group and consists of:
- → €10,744 million in bonds issued by Abertis group companies;
- → €5,304 million in bonds issued by HIT (the holding company that controls the French motorway operators, Sanef and SAPN);
- → €2,736 million in bonds issued by Mundys;
- → €1,606 million in bonds issued by Aeroporti di Roma;
- → €1,863 million in bonds issued by Red de Carreteras de Occidente;
- → €1,800 million in bonds issued by the Arteris Brasil group.

Table 26A shows changes in bond issues in 2023.

The increase in the overall balance of €305 million reflects issues by Abertis infraestructuras (€1,100 million), HIT (€500 million), Aeroporti di Roma (€400 million) and Arteris Brasil (€178 million), partially offset by repayments in 2023 by Abertis Infraestructuras (€600 million), HIT (€500 million), the Abertis group's Chilean, Brazilian and Mexican motorway operators (€329 million) and by Aeroporti di Roma (€242 million), and the reclassification to "Assets and liabilities held for sale" of the balances of Rodovias das Colinas and Nascentes das Gerais (Rodovia MG050) (€236 million).
A breakdown of bond issues by maturity is shown in table 26B.

26A - Changes in bond issues in 2023

(€m)	Current portion	Non-current portion	31.12.2022	Issues/ Additions	Repayments	Translation differences	Reclassification to liabilities held for sale	Other changes	31.12.2023	Current portion	Non-current portion
Bonds issues	1,909	24,031	**25,940**	2,132	(1,940)	198	(236)	151	**26,245**	1,714	24,531

26B - Bond issues by maturity

(€m)	31.12.2023
2024	1,714
2025	3,199
2026	2,677
2027	4,891
2028	3,415
2029 and after	10,349
Total	**26,245**

27 - Borrowings

The balance of this item amounts to €14,313 million, including €12,840 million attributable to the Mundys group.

Changes in 2023 are shown in table 27A and regard:

- the agreement of new bank facilities by Abertis Infraestructuras (€1,900 million) and consolidation of the borrowings of Puerto Rico Tollroads (€1,252 million) and SH288 (€534 million); the use, after repayments, of two revolving credit facilities obtained by Edizione (€718 million) and the agreement of a new loan by Edizione Property (€122 million);
- early repayment of the Bridge Loan with a nominal value of €8,225 million used to fund the public tender offer for Atlantia; and repayment of a loan to Edizione Property (€516 million) as part of the demerger of property assets.

A breakdown of borrowings from financial institutions by maturity is shown in table 27B.

28 - Lease liabilities

The amount of €498 million represents the present value of future minimum lease payments in relation to lease contracts entered into primarily by Benetton group companies (€268 million) and Mundys (€226 million).

27A - Changes in borrowings in 2023

(€m)	Current portion	Non-current portion	31.12.2022	Additions	Repayments	Translation differences	Other changes	31.12.2023	Current portion	Non-current portion
Bank borrowings	8,793	9,485	**18,278**	4,784	(9,438)	(8)	509	**14,125**	1,438	12,687
Other borrowings	49	139	**188**	-	(61)	-	61	**188**	183	5
Total	**8,842**	**9,624**	**18,466**	**4,784**	**(9,499)**	**(8)**	**570**	**14,313**	**1,621**	**12,692**

27B - Borrowings from financial institutions by maturity

(€m)	31.12.2023
2024	1,438
2025	2,133
2026	1,994
2027	207
2028	3,019
2029 and after	5,334
Total	**14,125**

29 - Other financial liabilities

Derivative liabilities refer to fair value losses on outstanding derivatives as of 31 December 2023, primarily consisting of:

- €164 million on Cross Currency Swaps entered into by the Abertis group to hedge its exposure to movements in exchange rates and €40 million relating to Interest Rate Swaps to hedge its exposure to movements in interest rates, both classified as cash flow hedges;
- €36 million on Offsetting Interest Rate Swaps (not qualifying for hedge accounting) entered into by Azzurra Aeroporti when issuing bonds in 2020.

Other financial payables mainly regard Túnels de Barcelona (€70 million) for tolls in excess of the amount provided for in the financial plan and amounts payable by Aulesa for loans received from the Government (€46 million).
Accrued financial expenses and deferred financial income and other payables regards the value of accrued interest payable on bonds and bank borrowings (€462 million) and accrued expenses on derivative transactions (€5 million).

A breakdown of this item is shown in table 29.

30 - Deferred tax liabilities

The balance of this item consists of deferred tax liabilities not eligible for offset with deferred tax assets, mainly calculated on goodwill resulting from the fair value measurement of assets acquired through business combinations.

31 - Other non-current payables

Amounts payable to grantors include the amount payable to the French Government by the French motorway operators, Sanef and SAPN, under agreements relating to the "Plan de Relance" project and amounting to a total of €90 million (€94 million as of 31 December 2022).
Accrued expenses and deferred income regard investment to be carried under contractual obligations and other deferred non-trading income of the Mundys group.
Other payables include amounts payable to social security institutions and to personnel.

A breakdown of this item is shown in table 31.

29 - Other financial liabilities

(€m)	Current portion	Non-current portion	31.12.2023	Current portion	Non-current portion	31.12.2022
Derivative liabilities	12	233	**245**	101	223	**324**
Other financial payables	36	120	**156**	67	118	**185**
Accrued financial expenses and deferred financial income and other payables	478	-	**478**	471	-	**471**
Total	**526**	**353**	**879**	**639**	**341**	**980**

31 - Other non-current payables

(€m)	31.12.2023	31.12.2022
Amounts payable to grantors	90	94
Accrued expenses and deferred income	72	81
Other payables	95	77
Total	**257**	**252**

Current liabilities

32 - Trade payables
This item regards amounts payable by the Group on the purchase of goods and services.

33 - Bank borrowings
As of 31 December 2023, the balance (table 33) is up, primarily due to short-term loans agreed by certain Benetton group companies (€136 million). The balance attributable to the Mundys group amounts to €123 million.

34 - Tax liabilities
Tax liabilities represent the Group's current tax liabilities for the year accounted for after payments on account, tax credits and any withholding taxes paid.

35 - Other current payables
Sundry taxes other than income tax include €249 million in VAT payable, of which €238 million attributable to the Mundys group.
Amounts payable to personnel regard accrued, unpaid amounts due as of 31 December and also include the current portion of the liability for long-term staff incentive plans.
Social security contributions payable regard contributions payable by Group companies and their employees.
Guarantee deposits and amounts payable to public entities regard Mundys group companies.

Other current payables are shown in table 35.

33 - Bank borrowings

(€m)	31.12.2023	31.12.2022
Current bank borrowings	250	122
Bank overdrafts	17	1
Total	**267**	**123**

35 - Other current payables

(€m)	31.12.2023	31.12.2022
Sundry taxes other than income tax	493	417
Amounts payable to personnel	236	246
Social security contributions payable	58	55
Guarantee deposits	75	76
Amounts payable to public entities	21	11
Other	289	252
Total	**1,172**	**1,057**

3.2.9 Notes to the statement of profit or loss

36 - Revenue
A breakdown of revenue by type is shown in table 36A.

Net sales of €1,103 million are up €13 million compared with 2022, due to the performance of Clothing and Textiles.
Motorway toll revenue of €5,792 million is up €426 million (8%) compared with 2022 (€5,366 million), reflecting tariff increases during the year and traffic growth reported by the group's motorway operators (€612 million), after the reduction in revenue due to expiry of the concessions held by Triangulo do Sol and Elqui (€116 million) and adverse exchange rate movements (€70 million).
Aviation revenue of €768 million is up €170 million (28%) compared with 2022, reflecting increases in passenger traffic at Aeroporti di Roma (+35.3%) and Aéroports de la Côte d'Azur (+17.1%).

Revenue from subconcessions and royalties mainly regards the Mundys group and includes revenue in the form of fees from motorway and airport subconcessions.
Other revenue primarily includes fees charged by Telepass (up €61 million compared with the comparative year), other revenue from motorway and airport operations and revenue from the development and operation of mobility infrastructure by the Yunex group, which contributed for the full year in 2023 compared with only for six months in 2022 (€300 million).

Table 36B shows a breakdown of revenue by geographical area.

36A - Revenue by type

(€m)	2023	2022
Net sales	1,103	1,090
Tolls	5,792	5,366
Aviation revenue	768	598
Revenue from subconcessions and royalties	464	342
Other revenue	1,407	1,010
Total	**9,534**	**8,406**

36B - Revenue by geographical area

(€m)	2023	2023
Italy	2,018	1,729
Rest of Europe	4,027	3,508
Americas	3,130	2,819
Rest of the world	359	350
Total	**9,534**	**8,406**

37 - Revenue from construction services

Revenue from construction services, amounting to €1,084 million, is up €172 million compared with 2022. This was primarily generated by the work carried out by Aeroporti di Roma in completing the portion to the east of the terminal for domestic and Schengen area traffic, including the renovation of older boarding areas and the opening of new retail space (€96 million). The increase also reflects motorway construction work on the sections operated by the Brazilian operator, Litoral Sul (€62 million).

A breakdown of revenue from construction services is shown in table 37.

38 - Other income and operating revenue

A breakdown of this item is provided in table 38.

Rental income includes rents received from the lease of commercial properties used primarily for the sale of Benetton group branded products (€14 million). Insurance proceeds and compensation includes €22 million in compensation and indemnities received by Mundys group companies.

The increase in contract revenue reflects the increased contribution from the Yunex group which contributed for the full year in 2023 compared with only for six months in 2022 (up €92 million).

39 - Purchases of and change in raw materials and consumables

The reduction in this item is attributable to the Clothing segment.

37 - Revenue from construction services

(€m)	2023	2022
Revenue from construction services	972	818
Capitalised personnel costs	35	28
Capitalisation of financial expenses	77	66
Total	**1,084**	**912**

38 - Other income and operating revenue

(€m)	2023	2022
Rental income	16	18
Insurance proceeds and compensation	24	41
Other income	103	85
Contract revenue	192	157
Total	**335**	**301**

40 - Personnel costs

Personnel costs (table 40A) amount to €1,531 million and are up €205 million. The change reflects the contribution from the Yunex group for full year 2023 compared with only six months in 2022 (€138 million), and increased costs incurred by Aeroporti di Roma (€31 million) due to the recovery in airport traffic and a progressive withdrawal from job support schemes.

The average number of employees broken down by business segment, and expressed in full-time equivalents (FTEs), is shown in table 40B.

41 - Service costs

Service costs (table 41) amount to €3,218 million and are up €535 million, reflecting:

- → an increase in the cost of construction and similar services, amounting to €306 million, primarily due to the contributions from the Yunex group (€166 million), the Abertis group (€22 million), Aeroporti di Roma (€15 million) and Aéroports de la Côte d'Azur (€13 million), reflecting traffic growth, and increased marketing costs at Telepass (€17 million);
- → an increase in the cost of construction services carried out under concession, totalling €171 million and linked to the above increase in revenue from construction services;
- → an increase of €58 million in the cost of professional services, communication and other services, including €33 million attributable to the Yunex group.

40A - Personnel costs

(€m)	2023	2022
Wages, salaries and social security contributions	1,368	1,207
Defined contribution and benefit plans and other post-employment benefits	23	19
Other personnel costs	165	126
Capitalised personnel costs for services not carried out under concession	(25)	(26)
Total	**1,531**	**1,326**

40B - Number of FTEs by business segment

(FTE)	2023	2022
Transport Infrastructure	23,117	22,934
Clothing and Textiles	7,790	8,084
Other segments	548	684
Total	**31,455**	**31,702**

41 - Service costs

(€m)	2023	2022
Cost of construction and similar services	1,429	1,123
Cost of construction services performed under concession	1,115	944
G&A, commercial support and communication	674	616
Total	**3,218**	**2,683**

42 - Leases and rentals

This item includes the concession fees payable by the Mundys group (€149 million) and variable rentals and leases for the stores used by the Benetton group (€7 million).

43 - Other operating costs

Other operating costs (table 43) includes the contributions of the Mundys group, amounting to €375 million, the Benetton group, totalling €33 million, and the Edizione Property group, amounting to €8 million.

44 - Share of profit/(loss) of associates

This item includes the impact of the measurement of investments using the equity method.

45 - Financial income and expenses

The decrease of €95 million in financial income in 2023 compared with 2022 primarily reflects:

→ reduced income from derivative financial instruments (down €241 million), essentially due to the unwinding, in 2022, of Mundys's Forward-Starting Interest Rate Swaps, and fair value losses on derivatives classified as not qualifying for hedge accounting held by Azzurra Aeroporti, following a fall in long-term interest rates in 2023;

→ an increase in interest and other financial income of €187 million, due to an increase in the average annual interest rate in 2023 and increases in a) available liquidity at the Abertis group and Aeroporti di Roma and b) increased income resulting from the release of financial guarantees connected with early termination of Alazor's concession arrangement (€87 million).

Financial income is shown in table 45A.

Financial expenses of €2,370 million are up €337 million, essentially reflecting:

→ an increase in interest expense and other financial expenses (€258 million), reflecting the absence of the positive factors seen in 2022 (€201 million), linked essentially to the Abertis group's refinancing activities, and increases in the average notional value of debt and the level of interest rates during the year;

→ an increase in impairment losses (€123 million), primarily attributable to Acesa (€186 million), following the above judgement handed down by the Spanish Supreme Court, partially offset by a reduction of €53 million in impairment losses recognised by the Argentine operators.

Financial expenses are shown in table 45B.

43 - Other operating costs

(€m)	2023	2022
Indirect and other taxes	304	300
Other	117	112
Total	**421**	**412**

45A - Financial income

(€m)	2023	2022
Financial income from discounting of financial assets	136	162
Dividends from other companies	105	120
Income from derivative financial instruments	91	332
Other financial income	649	462
Total financial income	**981**	**1,076**

45B - Financial expenses

(€m)	2023	2022
Financial expenses from discounting of provisions for construction services and other provisions	72	54
Interest expense and other financial expenses	1,700	1,442
Losses on derivative financial instruments	154	216
Impairment losses on financial assets	444	321
Total financial expenses	**2,370**	**2,033**

46 - Impairment losses on investments and investment funds

This item includes fair value adjustments as of 31 December to the value of investment funds based on the relevant net asset value at the same date and impairment losses on unconsolidated investments. In 2023, this item also includes fair value gains on the investment in Minsud Resources Corp. (€19 million).

47 - Net gains/(losses) on translation differences and currency hedges

This item includes the net balance of foreign exchange gains and losses generated during the year and the result of currency hedges.

48 - Income tax expense

Current tax expense, deferred tax liabilities and deferred tax assets are shown by group in table 48. The Mundys group's tax expense includes the impairment of the net assets of the ABC group, following conclusion of the related sale agreement, and current taxation connected with dividends collected by certain of the group's Chilean companies. The increase in the Benetton group's tax expense compared with 2022 reflects the negative impact, amounting to €87 million, of the write-down of deferred tax assets no longer considered recoverable based on projected taxable income in the new 2024-2029 Plan.

Income tax expense recognised by the other Group companies in 2023, amounting to €29 million (compared with a tax benefit of €2 million in 2022), reflects approximately €19 million in taxation of the gain resulting from the transfer of a French property, which during the year was then included in the demerger of real estate assets.

49 - Profit/(Loss) from discontinued operations and assets held for sale

In 2023, this item includes the results of the Autogrill group through to the Group's loss of control (3 February 2023) and the gain on the group's deconsolidation. In addition, "Other net income/(losses) from discontinued operations" includes the price adjustment connected with the sale of the ASPI group in 2022 (€18 million), reflecting the compensation received by Mundys in the form of the amount paid out to ASPI under All Risk insurance policies and the contribution from Edizione Alberghi.

In the comparative year, the profit from assets held for sale included:

→ the Autogrill group's results for the full year;

→ the ASPI group's results through to the date of its sale (5 May 2022) and the gain recognised following its deconsolidation.

48 - Income tax expense

(€m)	Current tax expense	Deferred tax liabilities	Deferred tax assets	Total 2023	Total 2022
Mundys group	(890)	397	126	(367)	(421)
Benetton group	(3)	2	(89)	(90)	(7)
Other Group companies	(25)	(2)	(2)	(29)	2
Total	**(918)**	**397**	**35**	**(486)**	**(426)**

49 - Profit/(Loss) from discontinued operations and assets held for sale

(€m)	2023	2022
Operating income	351	5,906
Operating costs	(365)	(5,120)
Financial income/(expenses)	(6)	(11)
Losses from measurement using the equity method	-	-
Income tax benefits/(expense)	2	(226)
Contribution to profit/(loss)	**(18)**	**549**
Other assets held for sale	-	-
Profit/(Loss) from discontinued operations and assets held for sale	**(18)**	**549**
Gain on the sale of the Autogrill group, after the tax effect and other consolidation adjustments	887	4,641
Other net income/(losses) from discontinued operations	20	(6)
Profit/(Loss) from discontinued operations	**889**	**5,183**

50 - Financial risk management
The holding companies, Edizione, Schema Alfa, Schema Gamma (formerly ConnecT Due), Schema Beta and Schema Delta (the "Holding System") and the main sub-groups belonging to the Edizione Group, such as Mundys, Benetton, Olimpias and Edizione Property, pay close attention to identifying, assessing and managing the financial risks associated with their operations. In keeping with their own specific aims, strategies and risks, each sub-group has independently established general financial risk management principles and guidelines.

The various financial risks are categorised as follows:

1. Market risk: market risk consists of the possibility that movements in exchange rates, interest rates or commodity prices may adversely affect the value of assets, liabilities or expected cash flows. Market risks are classified as follows:
- currency risk: this risk is associated with unfavourable movements in exchange rates that affect costs and revenue denominated in foreign currency, adjustment of the fair value of exposed financial assets and liabilities and the consolidation of subsidiaries that use different accounting currencies;
- interest rate risk: this risk is attributable to adverse movements in interest rates that affect financial expenses or the fair value adjustment of financial assets and liabilities;
- financial asset risk: this risk is associated with the likelihood that financial assets, traded on a sufficiently liquid market, are subject to major price movements, due to the unpredictability of factors capable of affecting such price. These factors may be the uncertainty related not only to the performance of the price of the financial asset itself, but also to the performance of key financial market indicators (EURIBOR, LIBOR, the spread between the government bonds of a given country and government bonds perceived as risk free, exchange rates), or real indicators (the inflation and unemployment rates of a given country, industrial output);
- commodity risk: this form of risk relates to adverse commodity market trends, price volatility or a lack of demand for raw materials and natural resources;
- liquidity risk: potential impacts due to an entity's inability to promptly meet its short-term financial obligations other than on unfavourable financial terms or by liquidating assets on financial markets where there are restrictions on the divestment of assets.

2. Liquidity risk: this is the risk that an entity may not be able to meet its financial obligations due to difficulties in obtaining funds or liquidating assets on the market.

3. Credit risk: this risk refers to an entity's exposure to potential losses resulting from a counterparty's failure to meet its obligations, a rating downgrade or significant exposures to a single counterparty or counterparties operating in the same sector or geographical area.

The financial risks to which the Holding System, including Edizione, and the sub-groups Mundys, Benetton, Olimpias and Edizione Property, are exposed are described below.

Holding System

Market risk
Companies in the Holding System are potentially exposed to the risk of movements in the market price of financial assets, particularly with respect to their medium- and long-term investments in companies listed on regulated markets and classified as investments measured at fair value through profit or loss or through other comprehensive income under IFRS 9. It should be noted that with reference to the fair value hierarchy within which to classify assets and liabilities measured at fair value, or for which fair value is given in financial statement disclosures, the prevailing level is 1 for securities listed on regulated markets and 2 for investment funds.

Liquidity risk
Companies in the Holding System believe that they are not exposed to significant liquidity risk as they are well-capitalised and able to generate stable cash flows, enabling them to access sources of funding whose amounts and maturities are in line with their investment plans.

Table 50A summarises the time distribution of the maturities of outstanding financial liabilities as of 31 December 2023.

Credit risk
Companies in the Holding System believe that their credit risk exposure is low due to the high creditworthiness of the counterparties in which they are invested.

Mundys group

The management of financial risks plays a central role in the Mundys Group's decision-making and risk management process, with a view to enabling the creation of value for the organisation and for its stakeholders by achieving a correct balance between the assumption of risk and the profitability of the business.

Mundys aims to ensure the adoption within the group of principles, criteria and tools for use in identifying, measuring, monitoring and managing the financial risks that can directly and indirectly impact Mundys, based on best practices in financial risk management. At the same time, the company aims to foster an independent, responsible approach to risk management within consolidated companies. The Mundys group is exposed to the following financial risks:
- financial planning risk;
- financial market risk;
- liquidity risk;
- guarantee risk;
- financial contract risk;
- rating risk;
- liquid investment risk;
- interest rate risk;
- currency risk.

The Mundys group's Integrated Annual Report for 2023 illustrates these risks and the related hedging strategies and instruments adopted by the group.

50A - Holding System: maturities of financial liabilities as of 31 December 2023

(€m)	Total contractual flows	Within 1 year	Between 1 and 5 years	After 5 years
Revolving Facility (€800 million)	763	32	731	-
Term Loan (€200 million)	240	11	229	-
Margin Loan (€500 million)	501	23	478	-
Intercompany current accounts	277	277	-	-
Lease liabilities	6	1	5	-
Total	**1,787**	**344**	**1,443**	**-**

Currency risk

It is the group's policy to manage currency risk through derivative financial instruments, such as currency forwards, currency swaps, currency spot transactions and currency options, to reduce or hedge its exposure to such risk. According to the type of risk, the maximum duration of hedging transactions is less than two years. The financial policy does not allow the group to undertake any transactions for the purposes of realising gains from exchange rate fluctuations or any transactions in currencies to which there is not an underlying exposure or transactions in currencies designed to increase the underlying exposure. Financial instruments are designated as part of a hedging relationship at the inception of the hedge. Fluctuations in the market value of hedging instruments are therefore related to changes in the market value of the underlying asset hedged for the entire duration of the contract.
As of 31 December 2023, fair value gains on hedging instruments used to hedge currency risk amount to €2 million (gains of €2 million as of 31 December 2022).
As of 31 December 2023, the potential (pre-tax) impact on profit or loss of a hypothetical 10% increase in exchange rates against the euro, assuming that all other variables remain equal, would have a negative impact of approximately €6 million. A hypothetical 10% decrease in exchange rates against the euro, assuming that all other variables remain equal, would have a positive impact of approximately €8 million.
As of 31 December 2022, the potential (pre-tax) impact on profit or loss of a hypothetical 10% increase, assuming that all other variables remain equal, would have a negative impact of approximately €10 million. A hypothetical 10% decrease in exchange rates against the euro, assuming that all other variables remain equal, would have a positive impact of approximately €11 million. In addition to derivative financial instruments, the analysis also includes the related underlying assets (trade receivables and payables and financial receivables and payables).

Interest rate risk

Benetton group companies use external financial resources in the form of debt and invest the available liquidity in money and financial market instruments. Movements in market interest rates influence the cost and performance of the different forms of financing, affecting the level of the group's financial income and expenses.
Under its financial policy, the Benetton group may use derivative financial instruments to hedge or reduce its exposure to interest rate risk.
In November 2021, 3-year Interest Rate Swaps were entered into with a notional value of €135 million to hedge the SACE loan. As of 31 December 2023, the notional value of the Interest Rate Swaps is €135 million, the fair value is €2.2 million and the (pre-tax) impact on profit or loss is zero, whilst the impact on equity is €2.2 million.
Approximately 65% of interest-bearing debt (excluding amounts resulting from the application of IFRS 16) is fixed rate or variable rate converted into fixed rate through use of the above Interest Rate Swaps.
The potential (pre-tax) impact on profit or loss of a hypothetical 10% increase in interest rates, applied to the group's average amount of interest-bearing variable rate debt (or remunerated in the event of a credit position) would be an increase of approximately €0.6 million in financial expenses as of 31 December 2023. A similar change, but in the opposite direction, would occur in the event of a 10% fall in interest rates.

Liquidity risk

Liquidity requirements are monitored by the group's head office functions in order to guarantee effective access to financial resources and/or the adequate investment of liquidity. Credit line management was coordinated by Benetton Group, which performed this function based on an efficient approach taking into account the needs of group companies.
On June 24, 2021, the Benetton group agreed a €135 million loan with a pool of banks, backed by a SACE guarantee provided under Law Decree 23 of 8 April 2020 (the "Liquidity Decree"). The loan has a duration of six years, with a three-year grace period and repayments in equal quarterly instalments. As of 31 December 2023, in addition to the above SACE loan, the group also has "uncommitted" credit facilities of approximately €185 million, of which €136 million has been drawn down, cash on hand of €130 million and unsecured credit facilities of approximately €260 million, of which €131 million has been drawn down.
As of 31 December 2023, the group was in breach of certain financial covenants attaching to the SACE loan, which may trigger a demand for early repayment.
As a result, whilst awaiting the outcome of talks with its shareholders and the banks with the aim of arriving at a broader review of the group's financial structure, including the adoption of a different method of measuring compliance with the covenants in its loan agreements, Benetton Group's directors opted to present the remaining debt in liabilities falling due within twelve months.
The Directors of Benetton Group Srl have the reasonable expectation that currently available cash and cash equivalents and credit facilities, together with the cash generated by operating and financing activities, and financial support from the shareholders Benetton Srl and Edizione, will allow the group to meet its obligations in terms of investment, working capital requirements and debt repayments when falling due.
Maturity analyses for the group's financial liabilities as of 31 December 2023 and 2022 are shown in tables 50B and 50C. It should be noted that these amounts include cash flows for future financial expenses.

50B - Benetton Group: maturities of financial liabilities as of 31 December 2023

(€m)		31.12.2023	Within 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	After 5 years
Non-current liabilities	Medium/long-term borrowings	8,235	-	3,054	1,704	1,727	1,750	-
	Other medium/long-term debt	3,384	2,828	-	-	-	-	556
	Lease liabilities	253,798	-	91,405	66,004	38,421	25,210	32,758
Current liabilities	Trade payables	238,372	238,372	-	-	-	-	-
	Other payables, accrued expenses and deferred income	40,072	35,472	1,259	616	574	568	1,583
	Current portion of lease liabilities	110,085	110,085	-	-	-	-	-
	Current portion of medium/long-term borrowings	139,932	139,932	-	-	-	-	-
	Bank borrowings	143,516	143,516	-	-	-	-	-

50C - Benetton Group: maturities of financial liabilities as of 31 December 2022

(€m)		31.12.2022	Within 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	After 5 years
Non-current liabilities	Medium/long-term borrowings	189	(1)	36	47	45	61	1
	Other medium/long-term debt	8	3	3	1	-	-	1
	Lease liabilities	390	-	100	84	70	38	98
Current liabilities	Trade payables	228	228	-	-	-	-	-
	Other payables, accrued expenses and deferred income	53	51	1	-	-	-	1
	Current portion of lease liabilities	122	122	-	-	-	-	-
	Current portion of medium/long-term borrowings	2	2	-	-	-	-	-
	Bank borrowings	64	64	-	-	-	-	-

Credit risk
The Benetton group has different concentrations of credit risk depending on the nature of the activities that have generated the receivables.
Commercial credit risk is essentially related to the indirect channel (IOS/FOS).
Sales to direct and online customers are settled in cash or using credit and debit cards. The Benetton group applies a simplified approach to calculating expected credit losses and, as a result, does not monitor changes in credit risk, but fully recognises expected losses at each measurement date.
The Benetton group has defined a matrix-based system using historical information, revised on the basis of forward-looking elements with regard to specific types of debtor and their economic context, as a tool for determining expected losses.
Individually significant positions may be subject to a specific provision if they are objectively deemed to be partially or totally unrecoverable. The amount of the provision takes into account a forecast of recoverable cash flows and their relevant collection date, as well as the fair value of any guarantees.
Collective provisions are made for receivables not subject to specific provision.
Financial credit risk regards the counterparty's or the issuer's inability to meet its financial obligations.
The group uses financial instruments to invest liquidity and hedge financial risks, with the following rating and concentration limits per individual issuer:

- → investment of liquidity with maturities of more than 90 days, a long-term issuer and/or counterparty rating of at least "BBB-" from S&P (or equivalent); for shorter maturities, a short-term issuer and/or counterparty rating of at least "A-3" from S&P (or equivalent). To limit concentration risk, the maximum exposure per individual issuer depends on the rating (and can range from €10 million to €50 million) and in any case must not exceed 30% of the value of investments.
  These limits do not apply in the case of cash on hand and bank deposits with maturities of less than two weeks;
- → financial risk hedging for maturities of more than 12 months, a long-term issuer or counterparty rating of at least "BBB-" from S&P (or equivalent); for shorter maturities, a short-term issuer or counterparty rating of at least "A-3" from S&P (or equivalent). To limit concentration risk, the maximum exposure per individual counterparty depends on the rating (and can range from 25% to 40%).

Cash and cash equivalents are stated at their fair value. As of 31 December 2023, the group does not have any positions with sovereign debtors bearing significant repayment risk.

Country risk
The sector in which the group operates is also affected by the level of economic growth and political stability in the countries in which there is demand for Benetton products. The group's ability to develop its business in the various countries in which it operates, directly or indirectly through subsidiaries, depends on this. Although Benetton operates in a significant number of countries around the world, thus reducing the risk of a high concentration of business in limited geographical areas, the potential for a deterioration in economic, social or political conditions in one or more markets in which it operates could have negative consequences on sales as well as on its operating and financial performance. For this reason, the group constantly monitors developments in the related risks (political, economic/financial and security) in order (where possible) to take steps to mitigate such impacts.

Olimpias group

Currency risk
It is the Olimpias group's policy to manage currency risk through derivative financial instruments such as currency forwards, currency swaps, and currency spot transactions to reduce or hedge its exposure to this risk. The financial policy does not allow the group to undertake any transactions for the purposes of realising gains from exchange rate fluctuations or any transactions in currencies to which there is not an underlying exposure or transactions in currencies designed to increase the underlying exposure.
Financial instruments are designated as part of a hedging relationship at the inception of the hedge. Fluctuations in the market value of hedging instruments are therefore related to changes in the market value of the underlying asset hedged for the entire duration of the contract.

Interest rate risk
Olimpias Group is not exposed to interest rate risk.

Liquidity risk
In terms of liquidity risk, any requirements, if any, arising from investing activities are covered by the credit facilities made available to the group by two leading Italian banks.

Credit risk
Commercial credit risk essentially relates to sales.
Trade receivables due from customers not belonging to the Benetton group are usually insured with a leading insurance company, covering 90% of the amount of receivables arising from sales of yarns, fabrics, labels, clothing and contract work.
The percentage coverage decreases for customers residing in countries at higher risk. Positions can be subject to specific provision if they are objectively considered to be partially or totally unrecoverable.
The amount of the provision takes into account a forecast of recoverable cash flows and their relevant collection date, as well as the fair value of guarantees. Collective provisions are made for receivables not subject to specific provisions, taking into account historic bad debt provisions and statistical data based on the last five years.

Edizione Property group

Currency risk
The Edizione Property group's net foreign currency assets and liabilities are exposed to this risk in various countries around the world. Many of these currencies cannot be hedged by the banking system, or such hedges would be unaffordable. As of 31 December 2023, the group has no related hedging derivatives and is thus exposed to the risk of movements in the exchange rates applicable to its foreign operation.

Interest rate risk
The Edizione Property group uses debt and invests available liquidity in money and financial market instruments. Movements in market interest rates influence the cost and performance of the different forms of financing, affecting the level of financial income and expenses. There are no interest rate hedges in place at 31 December 2023. Almost all interest-bearing debt consists of variable rate loans and/or deposits and so their fair value is close to their carrying amount.

Liquidity risk
As of 31 December 2023, Edizione Property had committed credit facilities of €100 million, of which €13 million drawn down, and uncommitted facilities of €10 million, with approximately €5.3 million drawn down.
Liquidity requirements are monitored by head office in order to guarantee effective access to financial resources and/or the adequate investment of liquidity.
Management considers that currently available cash and credit facilities, together with the cash generated by operating and financing activities, will allow the group to meet its obligations in terms of investment, working capital requirements and debt repayments when falling due.

Country risk
The real estate group operates in several countries of the former Soviet Union, including Ukraine and Russia. The conflict between these two countries, which broke out in February 2022, has resulted in an unstable economic and political environment, affected normal market conditions and, more generally, made it more difficult for the business to operate.
The extent of the conflict and its long-term impact are not known yet. The group has relatively low exposure to areas involved in the conflict in Ukraine, compared to its total assets. The Edizione Property group has a real estate investment in Kiev through the subsidiary, Real Estate Ukraine LLC, while in Russia the group has investments in Moscow, Saint Petersburg, Kaliningrad and in other minor cities through the subsidiaries, Real Estate Russia Ooo, Real Estate Management Ooo and Kaliningrad Real Estate Ooo.
Based on the financial information for 2023, the group's turnover in Russia and Ukraine accounts for only 5.3% of total consolidated turnover.
The most recent appraisals of the value of the Russian properties, conducted by an independent international company, have not identified any impairments.

51 - Related party transactions

Table 51 shows the impact of related party transactions on the financial position as of 31 December 2023 and on income and expenses in 2023.
Related party transactions are conducted on an arm's length basis and with the utmost transparency.

52 - Disclosure regarding non-controlling interests in consolidated companies

Mundys is the only group deemed relevant for Edizione in terms of the percentage interests held by non-controlling shareholders for the purposes of the disclosures required by IFRS 12.
The financial data shown in table 52 includes the balances for Mundys and its subsidiaries extracted from its consolidated financial statements.

51 - Related party transactions

(€m)	Receivables	Payables	Service costs leases and rentals	Revenue from sales and services	Other income	Financial income	Financial expenses
Unconsolidated subsidiaries	-	-	2	-	1	-	-
Associates, joint ventures and other companies	11	-	3	-	46	-	-
Total	**11**	**-**	**5**	**-**	**47**	**-**	**-**

52 - Financial highlights for Mundys

(€m)	2023	2022
Revenue	9,709	8,339
Profit/(Loss) for the year	619	6,067
Profit/(Loss) for the year attributable to non-controlling interests	**495**	**276**
Non-current assets	54,164	50,656
Current assets	11,761	18,365
Non-current liabilities	43,959	40,813
Current liabilities	8,128	6,762
Net assets	13,838	21,446
Net assets attributable to non-controlling interests	**8,778**	**7,602**
Cash flows from operating activities	3,286	3,545
Cash flows from/(for) investing activities	(5,388)	5,618
Cash flows from/(for) financing activities	(6,414)	(2,165)
Effect of movements in exchange rates and other changes on net cash and cash equivalents	23	120
Increase/(Decrease) in cash and cash equivalents	(8,293)	7,118
Dividends paid to non-controlling shareholders	**(789)**	**(558)**

53 - Business combinations

Yunex

In the first half of 2023, the process of identification and fair value measurement of the assets and liabilities of Yunex GmbH was completed.
The company was acquired by the Group on 30 June 2022.
As provided for in the purchase agreement, the cost of the acquisition was adjusted in Mundys's favour, resulting in a reduction of €8 million in the consideration payable to €923 million (€931 million as of 31 December 2022). Goodwill therefore amounts to €590 million (€598 million as of 31 December 2022).
Table 53A shows the carrying amounts of the assets acquired and liabilities assumed, and the matching identified fair values.

SH288

Under the new strategic collaboration agreement between Mundys and the ACS group, Abertis has acquired a 56.76% stake in Blueridge Transportation Group from the ACS group. This is a US-registered company that holds the concession (until 2068) for a 16-km section of motorway (SH288) in Houston. The transaction was completed on 27 December 2023 for a consideration of US$1,533 million (equal to €1,400 million).
The transaction has been accounted for using the acquisition method, as required by IFRS 3. Whilst awaiting final identification and fair value measurement of the assets acquired and liabilities assumed, and completion of the process of drawing up the acquired company's multi-year business plan, the net value of fair value adjustments applied to the net assets acquired has been provisionally measured as €1,646 million. This relates to:
→ the increased value attributed to SH288's intangible assets (concession rights), amounting to €1,871 million;
→ the reduction in the value of financial liabilities due to a fair value adjustment of €62 million;
→ deferred taxation linked to the above adjustments, totalling €287 million.

53A - Carrying amount and fair value of the net assets acquired

(€m)	Carrying amount	Elimination of pre-existing goodwill and fair value adjustments	Fair value
Net assets acquired			
Property, plant and equipment	48	-	48
Goodwill	59	(59)	-
Intangible assets with indefinite lives	-	72	72
Other intangible assets	28	247	275
Financial assets	5	-	5
Current tax assets	16	-	16
Trading and other assets	300	-	300
Cash and cash equivalents	54	-	54
Deferred tax assets, net/(Deferred tax liabilities, net)	13	(67)	(54)
Provisions	(45)	-	(45)
Financial liabilities	(100)	-	(100)
Trading and other liabilities	(238)	-	(238)
Total net assets acquired	**140**	**193**	**333**
Goodwill			590
Total consideration			**923**
Cash and cash equivalents acquired			(54)
Net cash outflow for the acquisition			**869**

The share of equity attributable to non-controlling interests was measured based on the relevant share of the fair values attributed to the assets and liabilities at the date on which control was obtained, excluding any goodwill attributable to them (the "partial goodwill method"). Net of the share attributable to non-controlling interests, the fair value of the net assets acquired by the Mundys group amounts to €1,111 million, compared with a purchase consideration of €1,400 million. This has resulted in the recognition of goodwill (only the portion attributable to the Mundys group) of €289 million.
As permitted by IFRS 3, final recognition of the fair values of the acquired company's assets and liabilities will be completed within 12 months of the acquisition date.
Had the acquisition been completed and consolidated on a line-by-line basis from 1 January 2023, the Mundys group's consolidated revenue and profit for 2023 would have been €9,788 million and €598 million, respectively (after also considering the effects of the purchase price allocation).
Table 53B shows the carrying amounts of the provisionally measured assets acquired and liabilities assumed.

53B - Carrying amount and fair value of the net assets acquired

(€m)	Carrying amount	Elimination of pre-existing goodwill and fair value adjustments	Fair value
Net assets acquired			
Property, plant and equipment	1	-	1
Concession rights and other intangible assets	825	1,871	2,696
Financial assets	1	-	1
Trade and other assets	7	-	7
Cash and cash equivalents	98	-	98
Deferred tax assets, net/(Deferred tax liabilities, net)	5	(287)	(282)
Provisions	(12)	-	(12)
Financial liabilities	(596)	62	(534)
Trading and other liabilities	(18)	-	(18)
Total assets acquired	**310**	**1,646**	**1,956**
Equity attributable to non-controlling interests			845
Share of net assets acquired by the Group			**1,111**
Goodwill			289
Total consideration			**1,400**
Cash and cash equivalents acquired			(98)
Net cash outflow for the acquisition			**1,302**

54 - Events after 31 December 2023

Transport Infrastructure segment

Mundys launches first Sustainability-Linked Bond worth €750 million

In January 2024, Mundys launched its first Sustainability-Linked Bond worth €750 million (under its Euro Medium Term Note Programme, as updated with a supplement on 27 December 2023). The bond will mature in January 2029 and pay coupon interest of 4.75% and are based on the Sustainability-Linked Financing Framework updated in December 2023.
At the same time as the issue, the Company completed the partial buyback, amounting to €150 million, of bonds maturing in February 2025 (with an original nominal value of €750 million, reduced to €600 million following the buyback).

Abertis completes acquisition of Autovia del Camino

On 6 February 2024, the Abertis group acquired a 100% stake in the operator, Autovia del Camino, which operates 72 km of motorway connecting Pamplona and Logrono in north-west Spain, from the UBS infrastructure fund.

Mundys and ACS complete Abertis capital injections

In February 2024, Abertis received injections of capital totalling €1.3 billion, in line with the new strategic collaboration agreement agreed with ACS, with the aim of strengthening its global leadership in the motorway transport infrastructure sector.

Termination of the SH288 concession

On 28 March 2024, the Texas Transportation Commission authorized the Texas Department of Transportation to take the necessary steps to terminate for convenience the SH288 concession awarded to Blueridge Transportation Group LLC, a company controlled by Abertis group and in which Mundys indirectly owns a 28.11% stake. On 8 April 2024, the start of the termination for convenience procedure was notified. This is expected to be completed by 8 October 2024 and will be effective after the payment of the indemnity equal to USD1.7 billion for the entire concession, gross of any costs connected with the transfer to the incoming operator. As announced by Abertis, the operator entered into negotiations with the Texas Department of Transportation to evaluate alternative options aimed at finalizing an agreement in the best interests of the state of Texas and the operator itself with a view to avoiding the termination. As confirmed by the Chairman of the Texas Department of Transportation, there is no evidence of the operator having committed breaches of contract in managing the project.

Food & Beverage and Travel Retail segment

Renewals and awards of new contracts

In early 2024, the Avolta group was awarded new contracts and negotiated the extension of existing contracts. In detail:
- → Avolta expanded its presence in Bulgaria with an exclusive airside retail contract at Burgas and Varna airports, extending the contract by eight years, adding six new stores and increasing its total retail space to 2,707 m^2 at the airports;
- → Avolta agreed the renewal of 22 food & beverage (F&B) outlets and the addition of four further F&B outlets through to 2032 at Sabiha Gökçen international airport in Istanbul;
- → Avolta extended its contract to manage the duty free shop at Edinburgh airport for another seven years, increasing its retail space by 30%. Edinburgh is the busiest airport in Scotland, handling almost 15 million passengers a year (based on pre-Covid figures for 2019);
- → Avolta signed a new six-year contract at Brazil's Maceió-Zumbi dos Palmares airport to operate a 170-m^2 duty paid store. The airport serves over 2.5 million passengers a year (2023 figures);
- → Avolta won a contract to open 17 new F&B outlets at Cologne Bonn airport in Germany. Operating 24/7 and with access to a potential customer base of 17 million within a radius of 100 km, the new outlets will begin operating in the fourth quarter of 2024;
- → Avolta was awarded eight new F&B concessions for 10 years at Noida international airport in India, occupying space of over 1,200 m^2;
- → Avolta was selected to be the main retail partner of Norwegian Cruise Line, which awarded Avolta new contracts for a total of four ships, in addition to renewing existing contracts for 14 vessels;
- → Avolta negotiated a ten-year extension of its contract with Athens airport until 2034, which will see Avolta continue to manage 31 stores providing total retail space of over 4,900 m^2;
- → Avolta was awarded a new duty free contract at Kualanamu international airport in Medan, Indonesia to manage two stores within the airport.

Clothing and Textiles segment

There are no material events after 31 December 2023 to report.

Digital Infrastructure segment

Phoenix Tower International acquires all Cellnex's assets in Ireland

On 5 March 2024, Phoenix Tower International ("PTI") and Cellnex Telecom reached agreement for PTI to acquire all Cellnex's assets in Ireland for approximately €971 million. Cellnex has operated in Ireland since 2019, when it acquired the tower operator, Cignal. It then expanded its presence in 2020 by agreeing to buy CK Hutchison's infrastructure assets located in six European countries, including Ireland, where Cellnex currently manages around 1,900 sites.

Real Estate segment and Edizione

There are no material events after 31 December 2023 to report.

55 - Guarantees

As of 31 December 2023, the Edizione Group has given the following guarantees:

- → mortgage guarantees on Relevant Properties in Italy linked to the new bank borrowing obtained by Edizione, amounting to €200 million;
- → other financial guarantees given to third parties by Mundys, amounting to €1,491 million, including €1,128 million in performance bonds provided by Group companies and €363 million guaranteeing future payments. The overall amount also includes the guarantees provided to third parties by Yunex group companies (€406 million). The guarantees provided by Mundys for the benefit of Siemens under the share purchase agreement governing the acquisition of Yunex were released in 2023.

Purchase commitments relate to units in investment funds that the Parent Company has subscribed for but has not yet paid for at the end of the year. A breakdown of guarantees is provided in table 55.

56 - Other Group commitments rights

Edizione is committed to providing financial support for the restructuring and relaunch of its indirect subsidiary, Benetton Group. Edizione is specifically committed:

- → as sole shareholder, to making a capital contribution to Benetton Srl in a series of tranches amounting to up to €150 million, based on the financial needs of Benetton Group Srl as they arise;
- → to issuing a letter of financial support for the benefit of Benetton Srl and Benetton Group, guaranteeing that these companies are able to continue to operate as going concerns over the period of 12 months.

57 - Contingent liabilities

A description of the main disputes or litigation (criminal, civil, or administrative) that might be relevant and/or have an impact on the financial statements is provided below. The disputes and litigation are described in detail in Mundys's Integrated Annual Report.

Sale of the investment in Autostrade per l'Italia

The share purchase agreement for the sale of Mundys's investment in Autostrade per l'Italia ("ASPI") to Holding Reti Autostradali SpA ("HRA"), completed on 5 May 2022, provides for a number of "Special Indemnities" indemnifying HRA against two types of claim:

a. pending or future criminal and civil proceedings in connection with the Polcevera event, other proceedings linked to issues relating to maintenance obligations, and civil claims included in a detailed list in the agreement, where the maximum remaining indemnity has been capped at €434 million;
b. the criminal proceedings of an environmental nature pending before the Court of Appeal in Florence, with a potential claim for damages filed by the Ministry of the Environment (with the indemnities capped at €412 million).

With regard to point a), the agreement provides that Mundys shall be solely liable for up to €150 million, above which sum, without prejudice to the cap on the indemnity payable, the amount payable will be shared by the purchaser and the seller, with Mundys to be liable for 75%.

The agreement also provides for certain further price adjustments in addition to those determined on closing, in relation to some of which the purchaser and Mundys have brought claims against each other. All the claims are out-of-court. The agreement also provides for payment to Mundys of any indemnities received under the All-risk insurance policy, capped at the sum of €264 million.

With regard to these indemnities, ASPI has brought a civil claim against a pool of insurers, which has been settled via the payment of €29 million. Under the agreement, HRA must pay Mundys a sum equal to 88%, net of any tax benefits, of the indemnity received by ASPI (equal to approximately €18 million). The conditions for payment of the indemnity to Mundys were met with effect from 2 January 2024.

Among the potential forms of price adjustment, the agreement also provides for the payment to Mundys of up to €203 million if, by 31 December 2022, the relevant authorities confirm the right to aid of €461.4m that Autostrade per l'Italia applied for to the Ministry of Infrastructure and Transport ("MIT") to cover lost revenue due to the reduction in traffic caused by the Covid-19 pandemic in the period between 1 July 2020 and 31 December 2021 ("Additional Covid Support"). At the end of 2022, HRA informed Mundys that the administrative process involved in obtaining the above aid had yet to be concluded. Mundys thus requested HRA to agree to a suitable extension of the above deadline to reflect the parties' contractual intent at the date of signature of the agreement. This request was turned down by the purchaser. At the date of approval of Mundys's Integrated Annual Report, based on the information received from the purchaser, and without this being construed as a decision by Mundys to waive its rights under the agreement regarding the Additional Covid Support, the relevant amount does not meet the related requirements for certainty and has not, therefore, been included as a price adjustment relating to the sale of the investment in ASPI.

Updates on certain criminal, civil and administrative proceedings that may be of relevance and/or may have an impact under the agreement are provided below.

55 - Guarantees	(€m)		31.12.2023	31.12.2022
	Guarantees given	Sureties and guarantees	1,691	5,625
	Commitments	Purchase commitments	97	28
		Other	4	4
		Total	**1,792**	**5,657**

Criminal action following the collapse of a section of the Polcevera road bridge

This regards the criminal action brought before the Court of Genoa relating to the tragic events caused by the collapse of a section of the Polcevera road bridge on the A10 Genoa–Ventimiglia motorway. The action involves employees and former employees of Autostrade per l'Italia and SPEA Engineering ("SPEA"). The trial continued from November 2022 with the examination of certain procedural issues raised by the defendants and the admission of evidence. The Public Prosecutor then began the process of examining witnesses, following by examination of the accused who had requested to be heard. In the first quarter of 2024, the examination of defence witnesses began. The judgement at first instance is expected to be handed down by the end of 2024. Following the ruling handed down by the Court of Genoa on 19 September 2022, excluding ASPI and SPEA from the criminal trial, and the earlier ruling in favour of the request for a settlement from ASPI and SPEA on 7 April 2022, both companies have now been definitively excluded from the criminal trial. The final number of civil claimants whose claims have been admitted is 224. In addition to the above civil claims, a number of civil claims for indirect damages have also been brought against ASPI alone. These are estimated to amount to approximately €40 million.

HRA has brought a number of claims against the Company relating to the consequences of the above event, primarily to cover the cost of compensation paid by ASPI to injured parties and defendants' legal expenses.

Investigation regarding the installation of integrated safety and noise barriers on the A12

In December 2019, the Guardia di Finanza (Finance Police) of Genoa made several visits to the offices of Autostrade per l'Italia and SPEA in order to seize technical documents (i.e., designs, calculation reports, test certificates) and organisational documents (i.e., service orders and organisational arrangements in place since 2013) regarding the installation and maintenance of "Integautos" model noise barriers. The Public Prosecutor's Office in Genoa has combined this investigation with two other investigations: i) the criminal investigation (the "Bertè Tunnel Proceeding") launched following the accident in the Bertè Tunnel on the A26 on 30 December 2019 and ii) a criminal investigation into the forgery of reports on certain viaducts on the network (the "Forged Reports Proceeding") and jointly referred to as the "Satellite Proceedings". All the above proceedings involve the investigation of employees and former employees of ASPI and SPEA.

In October 2022, the Public Prosecutor's Office in Genoa notified the natural persons under investigation that the investigation was now closed in accordance with art. 415-bis of the code of criminal procedure. This was followed, in July 2023, by a request for all the persons under investigation to be remanded for trial. The preliminary hearing began on 9 November 2023 and at the hearing on 18 January 2024, 26 civil parties filed entries of appearance. The trial was adjourned until 15 February 2024, when the defence challenged the appearances filed, after which the preliminary hearing judge adjourned the hearing until 7 March 2024. At this hearing, the judge, overruling the objections, excluded all the civil plaintiffs and granted the request of the MIT and the Municipalities of Genoa, Masone, Campo Ligure, Rossiglione and Cogoleto to file civil claims. At the hearing of 14 March 2024, the judge thus issued summons to ASPI, SPEA, ANAS and the MIT as civil defendants at the request of the admitted civil plaintiffs. In its turn, the MIT has brought a civil case against ASPI and SPEA. The hearing was adjourned until 11 April 2024 to allow the civil defendants to enter an appearance and formulate their objections. This is for the purpose of their exclusion from the proceeding and for the exclusion of the civil parties already admitted. Subsequent hearings will be held on 9 May 2024 for the civil plaintiffs to present their arguments and on 16 May 2024 for the judge to rule on all the objections submitted by the civil defendants and for the Public Prosecutor to begin to present the case for the prosecution.

The preliminary hearing judge is expected to rule on the request for the defendants to be remanded for trial by the end of the first half of 2024. If the request to remand the defendants for trial is upheld, the trial at first instance will be heard before the Court of Genoa. It should be noted that the charges against ASPI and SPEA relating to breaches of Legislative Decree 231/2001 have been dropped and they have been excluded from the related proceeding following the preliminary investigating magistrate's ruling that accepted the settlement agreement on 26 September 2022. On 4 August 2022, HRA sent the Company a notice of claim stating that, following the combination of the three legal proceedings described above, all three are covered by the indemnities provided under the agreement.

On 9 September 2022, the Company replied to HRA with a notice of disagreement, in which the Company argued that the Forged Reports and Bertè Tunnel proceedings were not covered by the indemnities provided under the agreement. This was because, according to Mundys, the proceedings covered by the Special Indemnities, and expressly indicated in the agreement, constitute a closed list, even if the parties were aware of both investigations when signing the agreement.
There have been further exchanges of correspondence between HRA and Mundys, in which both parties have reiterated their opposing views.

Criminal action brought before the court of Ancona regarding the collapse of the SP10 flyover above the A14 Bologna-Taranto

This relates to the action resulting from the collapse of the SP10 flyover over the A14 at km 235+794 on 9 March 2017 resulted in the death of the driver and one passenger of a vehicle, and injuries to three workers from a subcontractor working for Pavimental (now Amplia Infrastructure SpA), to whom Autostrade per l'Italia had previously allocated the works for widening the third lane along the A14 Bologna-Bari-Taranto in the Rimini North-Porto Sant'Elpidio section. Criminal proceedings have been brought against a number of employees of ASPI, SPEA and Pavimental regarding the offences of "accessory to culpable collapse" and "accessory to multiple negligent homicide". The above companies are also under investigation pursuant to art. 25-septies of Legislative Decree 231/2001 ("culpable homicide or grievous or very grievous bodily harm resulting from breaches of occupational health and safety regulations").
In addition to drawing up a new design, SPEA's role was to manage the project and coordinate safety during construction. Having run out of time to submit a request for a settlement pursuant to Legislative Decree 231/2001, at the hearing of 7 June 2022, ASPI, Pavimental and SPEA filed a joint motion making available the sum of €123,000, as quantified by the expert appointed by the Public Prosecutor's Office as ASPI's proceeds from the crime. The defendants also declared that ASPI had implemented all the necessary remedial measures in response to the event.
The trial is thus proceeding with the examination of witnesses by the Public Prosecutor. The next hearings are scheduled for 21 May, 25 June, 16 July and 24 September 2024.
In a letter dated 15 July 2022, HRA reserved the right to file a claim with regard to this litigation, without so far actually filing any such claim.

Alleged breaches of environmental laws during work on the Variante di Valico

In the judgement handed down by the Court of Florence on 30 October 2017, the court acquitted ASPI's Joint General Manager for Network Development and the Project Manager of all charges, ruling that there was no case to answer in relation to alleged breaches of environmental laws during work on the Variante di Valico (offences provided for and punished in accordance with art. 260, "organised trafficking in waste", in relation to art. 186, paragraph 5 "use of soil and rocks from excavation work as by-products and not as waste" in the Consolidated Law on the Environment 152/06; art. 256, paragraph 1(a) and (b) "unauthorised management of waste" and paragraph three, "fly tipping" of the Consolidated Law).
The Public Prosecutor's office in Florence filed a per saltum appeal before the Supreme Court.
The Supreme Court, partially upholding the per saltum appeal, cancelled the above judgement, returning the case to the Florence Court of Appeal for a new trial. This court, following the hearing of 25 September 2023, halted the trial until 16 September 2024.
The Ministry of the Environment has filed an appearance as a civil claimant.

Proceeding before the Court of Appeal in Rome – Autostrade per l'Italia and Movyon against Alessandro Patanè

This regards the appeal filed by Autostrade per l'Italia and Movyon before the Court of Appeal in Rome against judgement 120/2019, in which the court of first instance had (i) rejected ASPI's request for a ruling in its favour on ownership of the intellectual property represented by the information system used in conducting speed checks (SICVe) and the related claim for damages due to lack of evidence, and (ii) declared inadmissible Mr Patanè's counterclaim regarding certain outstanding orders from ASPI to purchase products relating to the SICVe system.
In judgement 7942 dated 7 December 2022, the Court of Appeal in Rome ruled that neither ASPI nor the companies controlled by Mr Patanè had provided proof of ownership of the software used in the information system for conducting speed checks ("SICVe"). The Court upheld ASPI's motion rejecting the claim based on the Memorandum of Understanding signed in 2013, considering that ASPI had never requested initiation of a project, and rejected the claim for libel damages brought by ASPI following the article "Tutor: the amazing battle of Alessandro Patanè (MPA Group)" published on the website www.automobilista.it on 27 July 2013.
ASPI and Movyon have appealed to the Supreme Court.

Patanè/ANAS, Ministry of Internal Affairs, Autostrade per l'Italia and Movyon

This regards legal action brought by Mr Patanè against ANAS and the Ministry of Internal Affairs for improper use of the SICVe (Vergilius) system and the related software.
ANAS appeared to implead Autostrade per l'Italia and Movyon in order to be relieved of liability and held harmless. ANAS, Autostrade per l'Italia and Movyon have all requested the case to be suspended in accordance with art. 295 of the code of civil procedure, in view of the pending litigation regarding the ownership of the software.
At the hearing on 15 September 2021, the court upheld the requests from Autostrade per l'Italia and Movyon and halted the case whilst awaiting the outcome of the action brought by Mr Patanè before the Supreme Court.

Class action

This regards the class action launched by Altroconsumo (a consumers' association) representing 16 claimants/motorway users pursuant to art. 140-bis of the Consumer Code. The action regards alleged breaches by ASPI (prior to 18 May 2021) in relation to disruption suffered by motorway users as a result of a lack of maintenance. As a result, the plaintiffs are claiming a refund of a portion of the tolls paid.
On 10 October 2023, the court ruled that the class action in question was inadmissible as it is manifestly without grounds. Finally, on 9 January 2024, the Court of Appeal in Rome rejected the appeal brought by Altroconsumo against the above ruling of inadmissibility, which was thus given final confirmation.
In terms of indemnities to be provided under the share purchase agreement, on 9 September 2022, Mundys responded to HRA with a Notice of Disagreement, contesting the grounds for the Notice of Claim dated 4 August 2022 as the class action is not covered by the Special Indemnities.

Notice of claim from HRA - Lazio Regional Administrative Court – referral to the European Court

On 28 July 2022, Mundys was advised of a notice of claim from HRA regarding representations made in the agreement regarding effectiveness of the conditions and documents required for the Settlement Agreement and Addendum to ASPI's Single Concession Arrangement to be effective. Mundys, supported by external legal opinion, has contested the grounds for any such claim. The above documents are being challenged at Lazio Regional Administrative Court by a number of trade associations.
Following the hearing on the merits held on 11 October 2022, on 19 October the Court handed down a non-final ruling (no. 13434/2022) in which it ruled that only one plaintiff and two associations appearing ad adiuvandum had the legal interest and standing to bring the action. The Court also referred the case to the European Court of Justice for a ruling on certain preliminary matters. The Court thus adjourned the case whilst awaiting a ruling from the Court of Justice.
On 26 October 2022, the Attorney General – acting on behalf of the respondents - notified an appeal before the Council of State requesting cancellation, with prior injunctive relief, of the above non-final ruling and contesting the part in which Lazio Regional Administrative Court ruled that one plaintiff and two associations appearing ad adiuvandum had the legal interest and standing to bring the action.
The associations whose legal standing was ruled against by the Court also appealed the decision of Lazio Regional Administrative Court.
As a counter-interested party, Mundys has filed a cross-appeal with the Council of State, challenging Lazio Regional Administrative Court's non-final ruling.
On 23 August 2023, the Council of State filed its non-final ruling partially rejecting the appeal insofar as it confirmed that only Adusbef had the legal interest and standing to bring the action (whilst the two associations appearing ad adiuvandum, Codacons and Associazioni Utenti Autostradali, were excluded from the proceeding).
On 8 September 2023, Mundys filed an appeal requesting a revision of the Council of State's ruling, arguing that the Council of State had not ruled on one of the motives for challenging Adusbef's standing. The related hearing was held on 11 January 2024 and the Council's decision is awaited.
In the meantime, the European Court of Justice held a hearing on 28 February 2024 at which it dealt with the preliminary matters referred to it by Lazio Regional Administrative Court. The conclusions of the Court of Justice's Solicitor General will be presented on 30 April 2024. A judgement is expected in the coming months.

Notice of claim – Appia Investments Srl and Silk Road Fund

On 3 and 5 May 2021, Mundys received two notices of claim, one from Appia Investments Srl ("Appia") and another from Silk Road Fund (Autostrade per l'Italia's non-controlling shareholders). The claims allege breaches of the representations and undertakings given at the time of Mundys's sale of a 11.94% stake in Autostrade per l'Italia in accordance with the respective share purchase agreements (SPAs) signed by the parties in May 2017. The attempt to reach an amicable settlement of the dispute between the parties, in accordance with the SPAs, has failed.
On 31 July 2023, Appia and Silk Road Fund then submitted two requests for arbitration against the Company according to the rules established by the International Chamber of Commerce's International Court of Arbitration. The requests for arbitration broadly contain the same claims notified on 3 and 5 May 2021, regarding losses that Appia and Silk Road Fund are alleged to have incurred due to the collapse of the Polcevera road bridge. Appia and Silk Road Fund have quantified their claims at €450 million and €325 million, respectively.

On 11 October 2023, the Company responded to the request for arbitration, arguing that the claims are without grounds in fact and in law and noting, among other things, that the Company's maximum liability under the SPAs entered into with Appia and Silk Road Fund is in any event limited to €109 million and €151 million, respectively. The Company also rejects the claimants' argument that such limitations do not apply to cases of wilful misconduct or gross negligence and denies any suggestion of wilful misconduct or gross negligence. To make the process more efficient, the parties have agreed to combine the two arbitrations in a single proceeding.
The court of arbitration, consisting of two members, met on 4 December 2023 to address initial procedural matters, including the dates of the hearings.
The arbitration award will not be issued before the end of 2025.

Yunex: termination of the contract to upgrade the "Advanced Traffic Management System" in the County of Miami-Dade (Florida - USA)
In 2020, Siemens Mobility Inc. signed a contract with the Miami-Dade County to upgrade the County's Advanced Traffic Management System and traffic signal controllers. In 2021, the contract was then amended to assign the contract to Yunex LLC, the US subsidiary of Yunex GmbH.
The contract is worth around US$160 million, has a project completion date in 2029 and is supported by a performance bond to guarantee the proper performance of the contract and a payment bond to guarantee payment to Yunex LLC's subcontractors, each worth US$92.5 million. Both bonds are insurance-based, and Yunex GmbH and Mundys have assumed counter-guarantee commitments.
In September 2023, Miami-Dade County sent Yunex LLC a Notice of Default, which Yunex LLC objected to. On 19 March 2024, the Board of Commissioners of the County of Miami-Dade, based on a recommendation issued by the County Mayor's office, approved a resolution to (i) terminate the advanced traffic management system contract with Yunex LLC for cause, (ii) negotiate a completion contract with Horsepower Electric Inc., (iii) present a written recommendation to the Board as to whether the County should enter into such completion contract within 30 days of termination of the contract with Yunex LLC.
Subsequently, in execution of the aforementioned resolution of the Board of Commissioners of Miami-Dade County on 2 April 2024, the County's Strategic Procurement Department notified Yunex LLC of termination for default of the contract with effect from 5 March 2024.
In the notification, Miami-Dade County also informed Yunex LLC that:
→ the same notification was being submitted by Miami-Dade County to the insurance company issuing the aforementioned performance and payment bonds, given that the notification also constituted termination for default of the contract and a claim against the same bonds; and that
→ in the event that a court should determine that insufficient cause exists to terminate the contract for default, the notification of termination for default shall be deemed to be a notice of termination for convenience under the terms of the contract.

Yunex and Mundys believe that the termination for default is groundless and, on 19 March 2024, Yunex LLC filed a civil lawsuit against the client, Miami-Dade County, in the District Court of Miami-Dade, invoking breach of contract and unlawful termination of the same by the client, requesting that the client indemnify Yunex LLC for all damages incurred. This position was subsequently confirmed by Yunex LLC in the letter sent on 5 April 2024 to Miami-Dade County in response to the termination notice.
Based on the information available and on the preliminary assessments of any financial consequences of the termination, and also on the basis of available assessments of the lack of grounds for the termination for default notified by Miami-Dade County, it is not believed that any consequences will have a material impact on the consolidated financial statements.

58 - Fees payable for audit and other non-audit services
Table 58 summarises the fees paid to the network of the Parent Company's Independent Auditor (Deloitte & Touche) for services provided to Edizione Group companies in the current year.

58 - Fees payable for audit and other non-audit services

(€m)		2023	2022
Type of service	Audit	-	3
	Certification services	-	2
	Other services	1	3
	Total	**1**	**8**

4. Annexes

4.1 List of consolidated companies as of 31 December 2023

Name	Registered office	Currency	Issued capital	Percentage interest
Companies consolidated on a line-by-line basis				
Parent Company and holding companies				
Edizione SpA	Italy	Euro	1,500,000,000	
Schema Alfa (formerly Sintonia) SpA	Italy	Euro	1,000,000	100.00%
Schema Delta (formerly Schematrentatre) SpA	Italy	Euro	1,000,000	100.00%
Schema Beta (formerly Schematrentaquattro) SpA	Italy	Euro	100,000,000	100.00%
Benetton Srl	Italy	Euro	225,708,580	100.00%
Schema Gamma (formerly ConnecT Due) Srl	Italy	Euro	100,000,000	100.00%
Schema Epsilon (formerly Edizione Agricola) Srl	Italy	Euro	1,001,000	100.00%
Transport Infrastructure segment				
Mundys (formerly Atlantia) SpA	Italy	Euro	825,783,990	57.01%
A4 Holding SpA	Italy	Euro	134,110,065	45.24%
A4 Mobility Srl	Italy	Euro	100,000	45.24%
A4 Trading Srl	Italy	Euro	3,700,000	45.24%
AB Concessões SA	Brazil	Brl	558,625,000	50.00%
Abertis Autopistas España SA	Spain	Euro	551,000,000	49.57%
Abertis Gestion Viaria SA	Spain	Euro	60,000	49.57%
Abertis Holdco SA	Spain	Euro	100,059,990	50.00%
Abertis India Toll Road Services Llp	India	Inr	185,053,700	49.57%
Abertis India SL	Spain	Euro	16,033,500	49.57%
Abertis Infraestructuras Finance BV	Netherlands	Euro	18,000	49.57%
Abertis Infraestructuras SA	Spain	Euro	1,531,429,823	49.57%
Abertis Italia Srl	Italy	Euro	341,000,000	49.57%
Abertis Mobility Services Sl	Spain	Euro	1,003,000	49.57%
ACA Holding SAS	France	Euro	17,000,000	38.66%
ADR Assistance Srl	Italy	Euro	4,000,000	99.39%
Aero 1 Global & International S.àr.l.	Luxembourg	Euro	6,670,862	100.00%
Aeroporti di Roma SpA	Italy	Euro	62,224,743	99.39%
Aéroports de la Côte d'Azur SA	France	Euro	148,000	38.66%
Aéroports du Golfe de Saint Tropez SA	France	Euro	3,500,000	38.63%

Name	Registered office	Currency	Issued capital	Percentage interest
Airport Cleaning Srl	Italy	Euro	1,500,000	99.39%
ADR Infrastrutture SpA	Italy	Euro	5,050,000	99.39%
ADR Mobility Srl	Italy	Euro	1,500,000	99.39%
ADR Security Srl	Italy	Euro	400,000	99.39%
ADR Ingegneria SpA	Italy	Euro	500,000	99.39%
ADR Tel SpA	Italy	Euro	600,000	99.39%
ADR Ventures Srl	Italy	Euro	10,000	99.39%
AMS Mobility Services Spain SL	Italy	Euro	3,000	49.57%
Arteris Participações SA	Brazil	Brl	73,842,009	20.81%
Arteris SA	Brazil	Brl	5,353,847,555	20.81%
Autopista Fernão Dias SA	Brazil	Brl	1,733,584,583	20.81%
Autopista Fluminense SA	Brazil	Brl	1,034,789,100	20.81%
Autopista Litoral Sul SA	Brazil	Brl	3,144,167,739	20.81%
Autopista Planalto Sul SA	Brazil	Brl	1,099,584,052	20.81%
Autopista Regis Bittencourt SA	Brazil	Brl	976,785,422	20.81%
Autopistas de León Sace (AULESA)	Spain	Euro	34,642,000	49.57%
Autopistas de Puerto Rico y Compañía Se (APR)	Puerto Rico	Usd	3,037,690	49.57%
Autopistas del Sol SA (AUSOL)	Argentina	Ars	19,209,368,580	15.66%
Autopistas Metropolitanas de Puerto Rico Llc	Puerto Rico	Usd	317,749,644	25.28%
Autopistas Vasco-Aragonesa Cesa (AVASA)	Spain	Euro	237,094,716	49.57%
Autopista Trados-45 SA (Trados-45)	Spain	Euro	21,039,010	25.28%
Autopistes de Catalunya SA (AUCAT)	Spain	Euro	96,160,000	49.57%
Autostrada BS VR VI PD SpA	Italy	Euro	125,000,000	45.24%
Autostrade Concessões e Participações Brasil Limitada	Brazil	Brl	729,590,863	100.00%
Autostrade Holding do Sur SA	Chile	Clp	51,496,805,692	100.00%
Autovías SA	Brazil	Brl	127,655,876	20.81%
Azzurra Aeroporti SpA	Italy	Euro	3,221,234	60.40%
Bip&Go SAS	France	Euro	1,000	49.57%
Castellana de Autopistas Sace	Spain	Euro	100,500,000	49.57%
Centrovias Sistemas Rodoviários SA	Brazil	Brl	98,800,776	20.81%
Concessionária da Rodovia MG050 SA	Brazil	Brl	16,000,000	50.00%
Concesionaria de Rodovias do Interior Paulista SA	Brazil	Brl	129,625,130	20.81%
Servicios AVO II SpA	Chile	Clp	100,000	50.01%
Abertis USA Holdco LLC	USA	Usd	666,279,884	49.57%
Virginia Tollroad Transportco LLC	USA	Usd	1,206,675,187	27.36%

Name	Registered office	Currency	Issued capital	Percentage interest
Elisabeth River Crossing Holdco LLC	USA	Usd	142,581,193	27.36%
Elisabeth River Crossing Opco LLC	USA	Usd	193,431,000	27.36%
Emovis Operations Chile SpA	Chile	Clp	180,000,000	49.57%
Emovis Operations Ireland Ltd	Ireland	Euro	10	49.57%
Emovis Operations Leeds (UK)	UK	Gbp	10	49.57%
Emovis Operations Mersey Ltd	UK	Gbp	10	49.57%
Emovis Operations Puerto Rico Inc.	USA	Usd	1,000	49.57%
Emovis SAS	France	Euro	11,781,984	49.57%
Emovis Tag UK Ltd	UK	Gbp	10	49.57%
Emovis Technologies Doo	Croatia	Hrk	2,365,000	49.57%
Emovis Technologies Ireland Limited	Ireland	Euro	10	49.57%
Emovis Technologies Québec Inc.	Canada	Cad	100	49.57%
Emovis Technologies UK Limited	UK	Gbp	130,000	49.57%
Emovis US Inc.	USA	Usd	28,860	49.57%
Emovis Technologies US Inc.	USA	Usd	1,000	49.57%
Eurotoll France SAS	France	Euro	1,676,450	51%
Gestora de Autopistas SpA (GESA)	Chile	Clp	1,091,992,270	39.66%
Globalcar Services SpA	Italy	Euro	500,000	45.24%
Grupo Concesionario del Oeste SA (GCO)	Argentina	Ars	34,774,345,735	21.25%
Grupo Costanera SpA	Chile	Clp	328,443,738,418	50.01%
Sociedad Concesionaria Acceso Vial Aeropuerto Arturo Merino Benitez SA	Chile	Clp	4,800,000,000	50.01%
Holding d'Infrastructures de Transport 2 SAS	France	Euro	50,000,000	49.57%
Holding d'Infrastructures de Transport SAS	France	Euro	769,358,743	49.57%
Hub & Park	Italy	Euro	10,000	51.00%
Iberpistas SA	Spain	Euro	54,000,000	49.57%
Telepass Innova SpA	Italy	Euro	5,160,000	51.00%
Infraestructuras Viarias Mexicanas, SA de CV	Mexico	Mxn	30,687,130,616	49.57%
Red de Carreteras de Occidente, SAB de CV (RCO)	Mexico	Mxn	337,967,405	26.33%
Prestadora de Servicios RCO, S. de Rl de CV (PSRCO)	Mexico	Mxn	3,000	26.33%
RCO Carreteras, S. de Rl de CV (RCA)	Mexico	Mxn	5,003,000	26.33%
Concesionaria de Vias Irapuato Queretaro, SA de CV (COVIQSA)	Mexico	Mxn	1,226,685,096	26.33%
Concesionaria Irapuato La Piedad, SA de CV (CONIPSA)	Mexico	Mxn	264,422,673	26.33%
Concesionaria Tepic San Blas, S. de Rl de CV (COTESA)	Mexico	Mxn	270,369,940	26.33%

Name	Registered office	Currency	Issued capital	Percentage interest
Autovias de Michocàn, SA de CV (AUTOVIM)	Mexico	Mxn	438,981,692	26.33%
Inversora de Infraestructuras Sl (INVIN)	Spain	Euro	163,416,300	39.66%
Jadcherla Expressways Private Limited (JEPL)	India	Inr	1,654,312,606	49.57%
Leonardo Energia Srl	Italy	Euro	742,000	99.39%
Leonord Exploitation SAS	France	Euro	40,000	42.14%
Mulhacen Srl - in liquidation	Italy	Euro	10,000	45.24%
Operavias SA	Chile	Clp	4,230,063,893	39.66%
Partícipes en Brasil II Sl	Spain	Euro	3,100	25.28%
Partícipes en Brasil SA	Spain	Euro	41,093,222	25.28%
PDC Partecipações SA	Brazil	Brl	608,563,218	25.28%
Rodovias das Colinas SA	Brazil	Brl	226,145,401	50.00%
Sanef 107.7 SAS	France	Euro	15,245	49.57%
Sanef SA	France	Euro	53,090,462	49.57%
SAPN SA (Société des Autoroutes Paris-Normandie)	France	Euro	14,000,000	49.56%
SCI la Ratonnière SAS	France	Euro	243,918	38.66%
SE BNPL SAS	France	Euro	40,000	49.57%
Sky Valet Portugal Lda	Portugal	Euro	50,000	38.66%
Sky Valet Spain SL	Spain	Euro	231,956	38.66%
Sociedad Concesionaria AMB SA	Chile	Clp	5,875,178,700	50.01%
Sociedad Concesionaria Americo Vespucio Oriente II SA	Chile	Clp	100,000,000,000	50.01%
Sociedad Concesionaria Autopista Central SA	Chile	Clp	76,694,956,663	39.66%
Sociedad Concesionaria Autopista de los Andes SA	Chile	Clp	35,466,685,791	39.66%
Sociedad Concesionaria Autopista del Sol SA	Chile	Clp	4,960,726,041	39.66%
Sociedad Concesionaria Autopista los Libertadores SA	Chile	Clp	16,327,525,305	39.66%
Puerto Rico Tollroads LLC	Puerto Rico	Usd	1,408,714,601	49.57%
Metropistas Llc	Puerto Rico	Usd	1,176,471	25.28%
Abertis SH 288 HoldCo Spain S.l.	Spain	Euro	13,010	49.57%
SH 288 Investment Inc	USA	Usd	71,623,605	49.57%
SH 288 Holdings SA	USA	Usd	60,000	49.57%
SH 288 Capital LLC	USA	Usd	51,191,023	49.57%
SH 288 Holdings LLC	USA	Usd	711,523,130	49.57%
Blueridge Transportation Group HoldCo LLC	USA	Usd	285,817,435	28.14%
Blueridge Transportation Group LLC	USA	Usd	270,108,268	28.14%

Name	Registered office	Currency	Issued capital	Percentage interest
Sociedad Concesionaria Autopista Nororiente SA	Chile	Clp	22,738,904,654	50.01%
Sociedad Concesionaria Autopista Nueva Vespucio sur SA	Chile	Clp	166,967,672,229	50.01%
Sociedad Concesionaria Conexion Vial Ruta 78 – 68 SA	Chile	Clp	32,000,000,000	50.01%
Sociedad Concesionaria Costanera Norte SA	Chile	Clp	58,859,765,519	50.01%
Sociedad Concesionaria del Elqui SA (Elqui)	Chile	Clp	2,494,203,437	39.66%
Sociedad Concesionaria de los Lagos SA	Chile	Clp	53,602,284,061	100.00%
Sociedad Concesionaria Litoral Central SA	Chile	Clp	18,368,224,675	50.01%
Sociedad Concesionaria Rutas del Pacífico SA	Chile	Clp	73,365,346,000	39.66%
Sociedade para Participação em Infraestructura SA	Brazil	Brl	22,506,527	25.28%
Sociedad Gestion Vial SA	Chile	Clp	11,397,237,788	50.01%
Sociedad Operacion y Logistica de Infraestructuras SA	Chile	Clp	11,736,819	50.01%
Soluciona Conservaçao Rodoviaria Ltda	Brazil	Brl	1,890,000	50.00%
Spea Engineering SpA	Italy	Euro	6,966,000	79.88%
Spea do Brasil Projetos e Infra Estrutura Limitada	Brazil	Brl	5,845,010	79.88%
Stalexport Autostrada Malopolska SA	Poland	Pln	66,753,000	61.20%
Stalexport Autostrady SA	Poland	Pln	185,446,517	61.20%
Telepass SpA	Italy	Euro	26,000,000	51.00%
Telepass Assicura SA	Italy	Euro	3,000,000	51.00%
Telepass Broker Srl	Italy	Euro	500,000	51.00%
Triangulo do Sol Auto-Estradas SA	Brazil	Brl	71,000,000	50.00%
Trichy Tollway Private Limited (TTPL)	India	Inr	1,949,872,010	49.57%
Túnels de Barcelona i Cadí Concesionaria de la Generalitat de Catalunya SA	Spain	Euro	60,000	24.79%
URBANnext SA	Switzerland	Chf	100,000	35.70%
Urbi DE GmbH - in liquidation	Germany	Euro	25,000	35.70%
Via4 SA	Poland	Pln	500,000	33.66%
Vianorte SA	Brazil	Brl	107,542,669	20.81%
Viapaulista SA	Brazil	Brl	1,441,385,843	20.81%
Vías Chile SA	Chile	Clp	93,257,077,900	39.66%
Wash Out Srl	Italy	Euro	17,129	51.00%
Wah Out France SAS	France	Euro	1,000	51.00%
Yunex GmbH	Germany	Euro	3,000,000	100.00%
Yunex Llc	USA	Usd	1	100.00%
Yunex SA/NV	Belgium	Euro	1,250,675	100.00%

Name	Registered office	Currency	Issued capital	Percentage interest
Yunex Sro	Slovakia	Euro	75,000	100.00%
Yunex Ulasim Teknolojileri AS	Türkiye	Try	101,860,800	100.00%
Yunex Traffic Kft.	Hungary	Huf	3,000,000	100.00%
Yunex, Sro	Czech Rep.	Czk	182,695,000	100.00%
Yunex SpZoo	Poland	Pln	75,373,500	100.00%
Yunex Pte. Ltd.	Singapore	Sad	1,806,547	100.00%
Yutraffic Lda	Portugal	Euro	1,062,400	100.00%
Yutraffic Co. Ltd.	China	Hkd	63,912,444	100.00%
Yunex Pty. Ltd.	Australia	Aud	10,107,498	100.00%
Yunex SA	Greece	Euro	805,180	100.00%
Yunex Traffic Doo Beograd	Serbia	Rsd	8,731,000	100.00%
VMZ Berlin Betreibergesellschaft mbH	Germany	Euro	50,000	100.00%
Yunex SAS	Colombia	Cop	5,342,907,500	100.00%
Aldridge Traffic Controllers Pty. Ltd.	Australia	Aud	200	100.00%
Aimsun SL	Spain	Euro	38,464	100.00%
Aimsun Sàrl	France	Euro	10,000	100.00%
Aimsun Pty Ltd.	Australia	Aud	10,000	100.00%
Aimsun Pte. Ltd.	Singapore	Sad	10,000	100.00%
Aimsun Inc.	USA	Usd	30,000	100.00%
Aimsun Ltd.	UK	Gbp	1,000	100.00%
Yunex Corporation	USA	Usd	1	100.00%
Yutraffic Co. Ltd.	China	Cny	50,000,000	100.00%
Yunex Ltd.	UK	Gbp	173,500,000	100.00%
Yunex Traffic BV	Netherlands	Euro	1	100.00%
Yunex GmbH AT	Austria	Euro	35,000	100.00%
Yunex AG	Switzerland	Chf	100,000	100.00%
Clothing and Textiles segment				
Benetton Group Srl	Italy	Euro	200,000,000	100.00%
Retail Italia Network Srl	Italy	Euro	1,000,000	100.00%
Fabrica Srl	Italy	Euro	250,000	100.00%
Ponzano Children Srl	Italy	Euro	110,000	100.00%
Villa Minelli – Società agricola a rl	Italy	Euro	110,000	100.00%
Ben-Mode AG	Switzerland	Chf	500,000	100.00%
Benetton Denmark ApS - in liquidation	Denmark	Dkk	125,000	100.00%

Name	Registered office	Currency	Issued capital	Percentage interest
Benetton Retail Poland SpZoo	Poland	Pln	23,000,000	100.00%
Benetton Hellas Agency of Clothing Single Partner EPE	Greece	Euro	2,250,030	100.00%
Benetton Giyim Sanayi ve Ticaret AS	Türkiye	Try	79,533,433	100.00%
Benetton Pars PJSC	Iran	Irr	6,831,400,000	100.00%
Benetton de Commerce International Tunisie Sàrl	Tunisia	Tnd	1,936,000	100.00%
Benetton Commerciale Tunisie Sàrl	Tunisia	Tnd	2,429,000	100.00%
Benetton India Pvt. Ltd.	India	Inr	6,200,000,000	100.00%
Benetton Asia Pacific Ltd.	Hong Kong	Hkd	100,000	100.00%
Benetton Trading Taiwan Ltd.	Taiwan	Twd	115,000,000	100.00%
Benetton Japan Co., Ltd.	Japan	Jpy	90,000,000	100.00%
Benetton Korea Inc.	Korea	Krw	2,500,000,000	100.00%
Benetton Russia Ooo	Russia	Rub	223,518,999	100.00%
Kazan Real Estate Ooo	Russia	Rub	2,117,010,000	100.00%
Benetton Trading USA Inc.	USA	Usd	207,847,833	100.00%
Benetton Mexicana SA de CV	Mexico	Mxn	278,592,613	100.00%
Sabbia Ltd.	Cyprus	Euro	100,000	100.00%
Benetton Cairo for Consulting LLC	Egypt	Egp	200,000	100.00%
Benetton Singapore Pte. Ltd.	Singapore	Sad	100	100.00%
Benetton (Shangai) Trading Co. Ltd.	China	Rmb	15,240,000	100.00%
Benetton Bangladesh Pvt. Ltd.	Bangladesh	Bdt	10,034,760	100.00%
Olimpias Group Srl	Italy	Euro	50,000,000	100.00%
Filatura di Vittorio Veneto Srl	Italy	Euro	110,288	50.00%
Aerre Srl	Italy	Euro	15,000	60.00%
Benetton Knitting Serbia Doo	Serbia	Rsd	10,000	60.00%
Sc Anton Industries	Romania	Lei	1,162,460	60.00%
Benetton SRB Doo	Serbia	Rsd	1,138,444	100.00%
Benetton Industrielle Tunisie Sàrl	Tunisia	Tnd	1,999,990	100.00%
Benetton Manufacturing Tunisia Sàrl	Tunisia	Tnd	699,800	100.00%
Benetton Tekstil Doo	Croatia	Hrk	155,750,000	100.00%
Olimpias MFG Romania Srl	Romania	Ron	1,416,880	100.00%
Olimpias Ungheria Kft	Hungary	Huf	89,190	100.00%
Real Estate and Agriculture segment				
Edizione Property SpA	Italy	Euro	4,000,000	100.00%
Monaco Collection (già Edizione Alberghi) Srl	Italy	Euro	5,000,000	100.00%

Name	Registered office	Currency	Issued capital	Percentage interest
Edizione Property France SA	France	Euro	25,009,197	100.00%
Edizione Realty Czech Sro	Czech Rep.	Czk	40,000,000	100.00%
Edizione Property Spain S.L.	Spain	Euro	15,270,450	100.00%
Edizione Property Portugal Imobiliaria SA	Portugal	Euro	100,000	100.00%
Edizione Property Austria GmbH	Austria	Euro	2,500,000	100.00%
Real Estate Ukraine LLC	Ukraine	Usd	7,921	100.00%
Hotel Union Shpk	Kosovo	Euro	3,200,000	100.00%
Edizione Property Doo Sarajevo	Bosnia-Herzegovina	Bam	20,000	100.00%
Edizione Property Latvia Sia	Latvia	Euro	896,304	100.00%
Real Estate Russia Ooo	Russia	Rub	120,010,000	100.00%
Real Estate Management Ooo	Russia	Rub	250,000,000	100.00%
Kaliningrad Real Estate Ooo	Russia	Rub	10,000	100.00%
Benetton International Kish Pjsc	Iran	Irr	57,366,000,000	100.00%
Benetton Istanbul Real Estate Ltd	Türkiye	Try	34,325,000	100.00%
Edizione Property Mongolia LLC - in liquidation	Mongolia	Mnt	3,543,564,000	100.00%
Edizione Renewables Srl	Italy	Euro	100,000	100.00%
Compania de Tierras Sud Argentino SAU	Argentina	Ars	137,579,000	100.00%
Frigorifico Faimali SA	Argentina	Ars	40,000,000	100.00%
Ganadera Condor SAU	Argentina	Ars	115,541,000	100.00%
Maccarese SpA società agricola benefit	Italy	Euro	34,485,805	100.00%
San Giorgio Srl	Italy	Euro	100,000	100.00%
Other sectors				
Verde Sport Srl	Italy	Euro	8,000,000	100.00%
Asolo Golf Club Srl	Italy	Euro	100,000	100.00%
Investments in associates and joint ventures				
Avolta AG	Switzerland	Chf	763,071,255	21.86%
Cellnex Telecom SA	Spain	Euro	176,618,844	9.90%
Aeroporto Guglielmo Marconi di Bologna SpA	Italy	Euro	90,314,162	29.38%
Alazor Inversiones SA	Spain	Euro	223,600,000	31.22%
Autopista Terrassa-Manresa Concessionària de la Generalitat de Catalunya SA (AUTEMA)	Spain	Euro	83,411,000	23.72%
Bip & Drive SA	Spain	Euro	4,612,969	50.00%
CIRALSA Sace	Spain	Euro	50,167,000	25.00%

Name	Registered office	Currency	Issued capital	Percentage interest
Biuro Centrum SpZoo	Poland	Pln	80,000	40.63%
Getlink SE	France	Euro	220,000,000	15.49%
Infraestructuras y Radiales SA (IRASA)	Spain	Euro	11,610,000	30.00%
Leonord SAS	France	Euro	697,377	35.00%
M-45 Conservacion SA	Spain	Euro	553,000	25.50%
Routalis SAS	France	Euro	40,000	30.00%
Airport One SAS	France	Euro	1,000	49.00%
Areamed 2000 SA	Spain	Euro	2,070,000	50.00%
Concessionária Rodovias do Tietê SA	Brazil	Brl	303,578,476	50.00%
Pune Solapur Expressways Private Limited	India	Inr	100,000,000	50.00%
Bellis GmbH	Germany	Euro	100,000	49.00%

Investments in companies measured at cost or fair value				
Petrostal SA (in liquidation)	Poland	Pln	2,050,000	100.00%
Spea do Brasil Projetos e Infra Estrutura Limitada	Brazil	Brl	5,845,010	100.00%
Autostrade Indian Infrastructure Development Pvt Ltd	India	Inr	500,000	100.00%
Yunex EXP SAS	Colombia	Cop	1,000,000	100.00%
Aimsun Digital Mobility Solutions - Sole Proprietorship LLC	United Arab Emirates	Aed	50,000	100.00%
Urban V SpA	Italy	Euro	50,000	75.00%
Aeroporto di Genova SpA	Italy	Euro	7,746,900	15.00%
Assaia Inc.	USA	Usd	647,249	1.70%
Autoroutes Trafic SAS	France	Euro	349,000	20.63%
Autovie Venete SpA	Italy	Euro	157,965,738	0.42%
Centaure Paris-Normandie SAS	France	Euro	700,000	49.90%
Centaure Nord Pas-de-Calais SAS	France	Euro	320,000	34.00%
Centaure Grand Est SAS	France	Euro	450,000	14.45%
Compagnia Aerea Italiana SpA	Italy	Euro	3,526,846	6.52%
Convention Bureau Roma e Lazio Scrl	Italy	Euro	125,000	0.76%
Interporto Padova SpA	Italy	Euro	36,000,000	3.26%
Inwest Star SA (in liquidation)	Poland	Pln	11,700,000	0.26%
Ligabue Gate Gourmet Roma SpA (insolvent)	Italy	Euro	103,200	20.00%
S.A.CAL. SpA	Italy	Euro	23,920,556	5.37%
Società di Progetto Brebemi SpA	Italy	Euro	52,141,227	0.05%
Stradivaria SpA	Italy	Euro	20,000,000	1.00%
Terra Mitica, Parque Tematico de Benidorm SA	Spain	Euro	247,487,181	1.28%

Name	Registered office	Currency	Issued capital	Percentage interest
Volocopter GmbH	Italy	Euro	283,471	1.75%
Walcownia Rur Jednosćˊ SpZoo	Poland	Pln	220,590,000	0.01%
Zakłady Metalowe Dezamet SA	Poland	Pln	19,241,750	0.26%
Huta Laziska SA	Poland	Pln	677,931,930	0.01%
Benetton Rugby Treviso Srl SSD	Italy	Euro	52,000	100.00%
Pallacanestro Treviso Società Sportiva Dilettantistica arl	Italy	Euro	50,000	100.00%
Bensec Scarl	Italy	Euro	110,000	93.20%
Eurostazioni SpA	Italy	Euro	16,000,000	32.71%
Assicurazioni Generali SpA	Italy	Euro	1,592,382,832	4.83%
Mediobanca SpA	Italy	Euro	444,509,681	2.20%

4.2

Report of the Independent Auditor

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INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

To the Shareholders of
Edizione S.p.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of the group headed by Edizione S.p.A. (hereinafter Edizione Group or Group), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated income statement, the consolidated statement of comprehensive income, the statement of changes in consolidated shareholders' equity and consolidated cash flows 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 consolidated financial position of the Group as at December 31, 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

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 Edizione S.p.A. (the Company) in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors and the Board of Statutory Auditors for the consolidated financial statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the parent company Edizione S.p.A. or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.

- Obtain 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of management's 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate 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.

- Obtain 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 communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion pursuant to art. 14 paragraph 2 (e) of Legislative Decree 39/10

The Company's Directors are responsible for the preparation of the Directors' report of Edizione Group as at December 31, 2023, including its consistency with the related consolidated financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the Directors' report, with the consolidated financial statements of Edizione Group as at December 31, 2023 and on its compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the above-mentioned Directors' report is consistent with the consolidated financial statements of Edizione Group as at December 31, 2023 and is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the Group and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Barbara Moscardi
Partner

Treviso, Italy
June 10, 2024

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.

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Companies' Register
00778570267
REA CCIAA Treviso 148942
Issued capital
€1,500,000,000.00, fully paid-in

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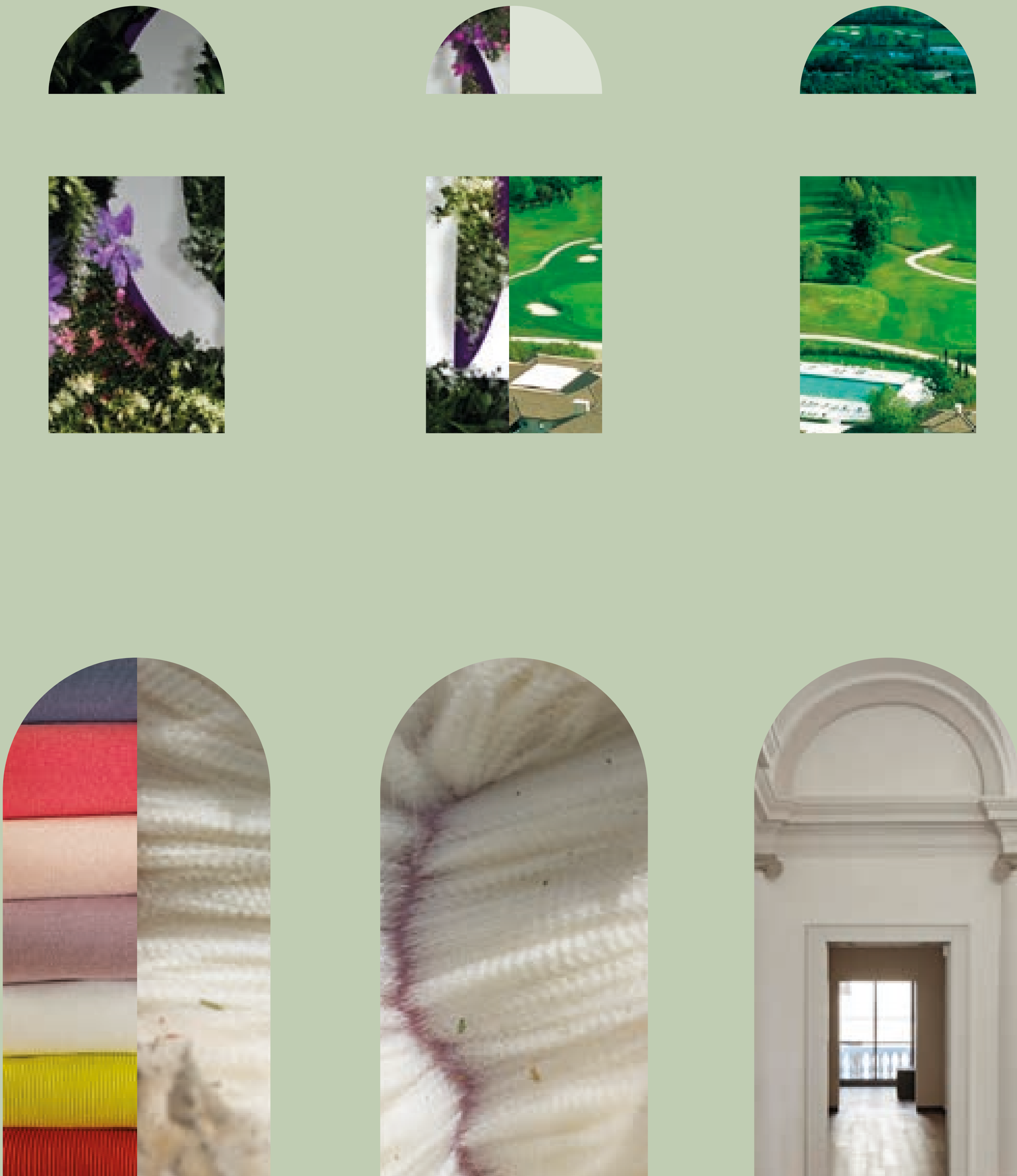

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