

*Joint-Stock Company*

*Registered Office in Milan – Piazzale Cadorna, 14*

*Share Capital EUR 230,000,000.00 fully paid up*

***Interim Management Report  
as at 31 March 2024***



## CORPORATE BODIES

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### *Board of Directors*

<b>Chair</b>	Andrea Gibelli
<b>Deputy Chair</b>	Gianantonio Battista Arnoldi
<b>Directors</b>	Fulvio Caradonna
	Ivo Roberto Cassetta
	Paola Panzeri
	Francesca Pili
	Mara Teresa Tomaselli

### *Board of Statutory Auditors*

<b>Chair</b>	Marco Gurioli
<b>Statutory Auditors</b>	Massimo Codari
	Paola Luretti

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<b>General Manager</b>	Marco Piuri
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<b>Executive in charge</b>	Eugenio Giavatto
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<b>Independent Auditor</b>	PricewaterhouseCoopers S.p.A.
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la vita in movimento

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# **INTERIM MANAGEMENT REPORT**

## **as at 31 March 2024**

### **INTRODUCTION**

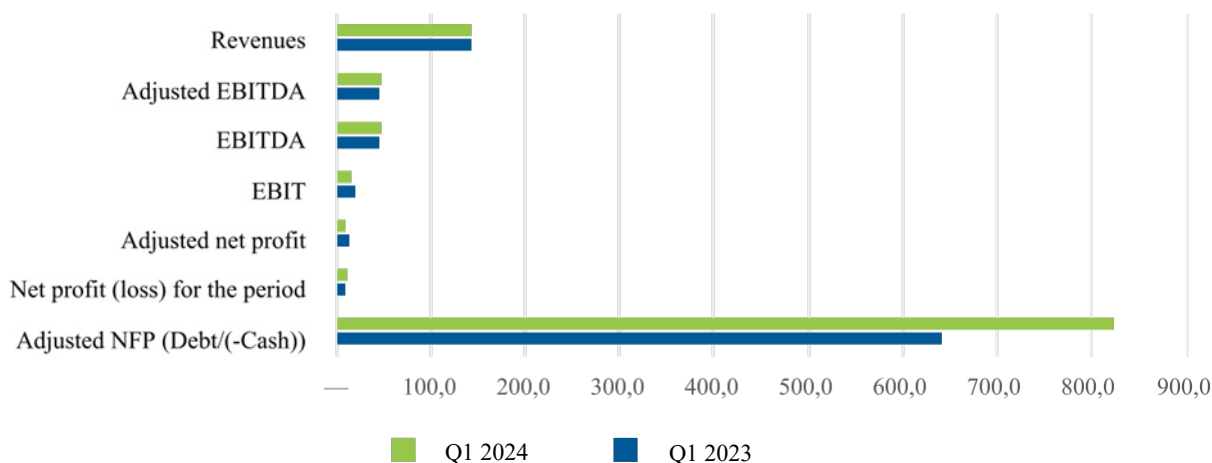
With reference to the three-month period ended 31 March 2024 (hereinafter the "first quarter of 2024", "three months of 2024" or "period"), the quantitative data and the comments contained in this Report are intended to provide an overview of the Group's economic, financial and equity situation, the relative changes that occurred during the period in question, and the significant events that affected the result for the period.

Thanks to the continuous recovery in mobility and growth in motorway traffic, the first three months of 2024 recorded improved results on the whole compared to the same period of the previous year, in line with expectations, despite the continuing uncertainties linked to inflation and interest rate trends. The results for the period take into account the effects of the acquisition of 80% of the share capital of Viridis Energia S.p.A. and the companies directly controlled by it (together "Viridis"), consolidated with effect from 23 February 2024, through which the FNM Group entered the renewable energy production sector.

## 1 SUMMARY INDICATORS OF THE FNM GROUP CONSOLIDATED RESULTS

Amounts in EUR millions	Q1 2024	Q1 2023	Change	Change %
Turnover	143.7	143.7	—	— %
Adjusted EBITDA	48.6	46.6	2.0	4.3 %
EBITDA	47.8	46.6	1.2	2.6 %
EBIT	16.5	21.2	(4.7)	-22.2 %
Earnings before tax	14.1	17.9	(3.8)	-21.2 %
Adjusted net profit	9.8	15.9	(6.1)	-38.4 %
Net profit/loss for the period	13.1	10.0	3.1	31.0 %
Shareholders' Equity (A)*	364.0	376.2	(12.2)	-3.2 %
Net Financial Position (Cash) (B)*	740.6	549.8	190.8	34.7 %
Adjusted Net Financial Position (Debt / (-Cash))*	826.7	642.8	183.9	28.6 %
Net invested capital (A+B)*	1,104.6	926.0	178.6	19.3 %
Market capitalisation at 31.03	192.2	196.6	(4.4)	-2.2 %
Investments	141.1	101.5	39.6	39.0 %

\* Comparative values relate to 31.12.2023



### Credit Ratings<sup>1</sup>











<b>Moody's</b>	
Long term	Baa3
Outlook	negative
Assignment date	05/04/2024
<b>Fitch</b>	
Long term	BBB
Outlook	stable
Assignment date	20/12/2021

<sup>1</sup> As shown in the table, Moody's updated its rating following the last review, which resulted in the confirmation of the rating of Baa3 and a change in the outlook from "stable" a "negative"; for Fitch, the rating was confirmed following periodic credit assessments, the last of which took place on 13 October 2023.

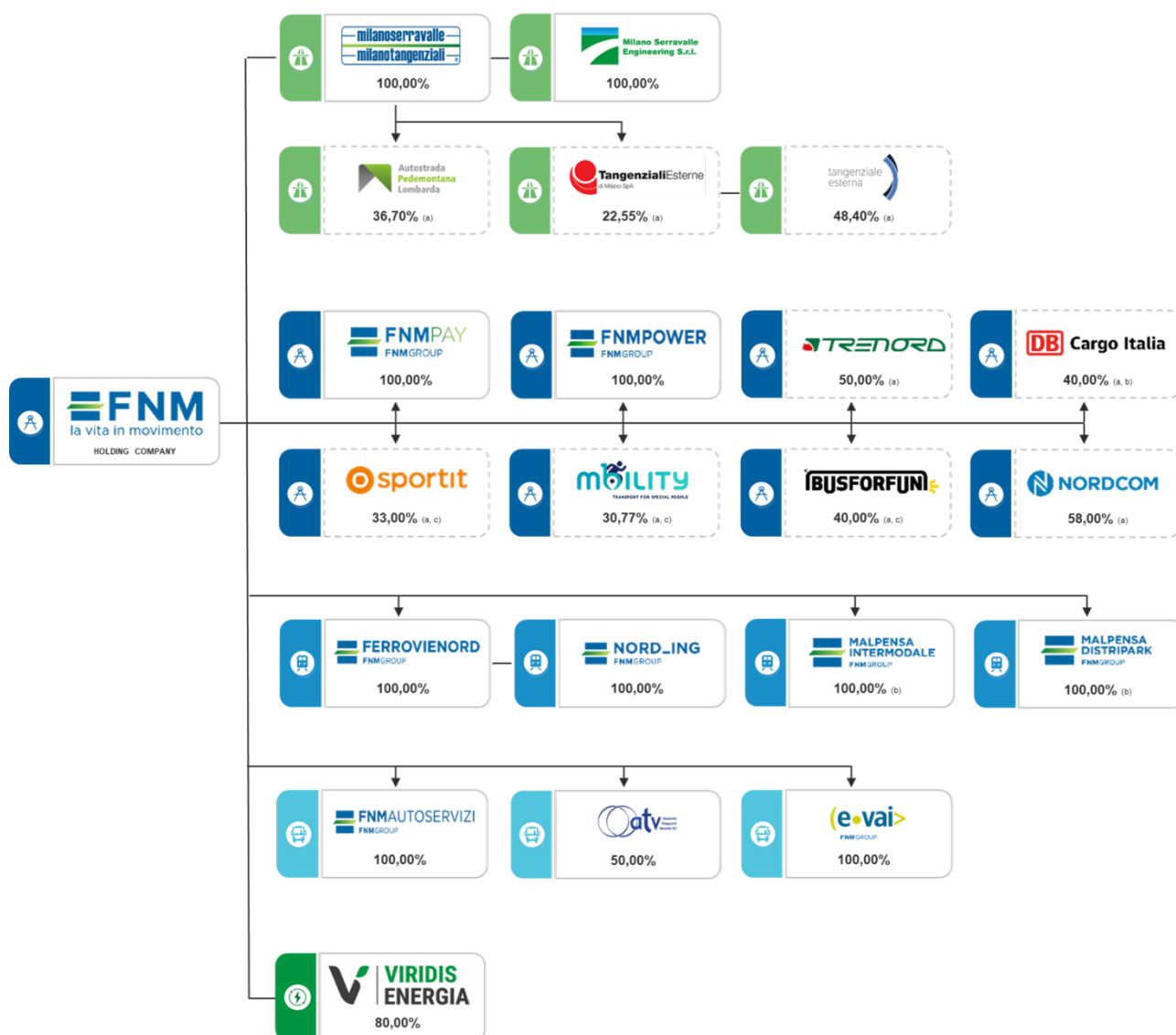
## 2 GROUP STRUCTURE AND BUSINESS SEGMENTS

FNM is the leading **integrated sustainable mobility Group in Lombardy**. It is the first organisation in Italy to combine railway infrastructure management with road transport and motorway infrastructure management in order to offer an innovative model for managing mobility supply and demand that optimises flows and is **environmentally and economically sustainable**. It is one of Italy's leading operators in the sector. FNM S.p.A. is a Joint-Stock Company that has been listed on the Italian Stock Exchange since 1926. The majority shareholder is Regione Lombardia, which holds a 57.57% stake.

The FNM Group operates in five segments:

 <b>Autostrade</b>	<p>Management of motorway infrastructure through a concession expiring in 2028</p> <ul style="list-style-type: none"> <li>Highway from Milan to Serravalle Scrivia (A7 86Km)</li> <li>Milan West, East and North ring roads (A50 33Km, A51 29Km, A52 19Km)</li> <li>Pavia West ring road (A54 9Km) and Bereguardo-Pavia motorway link (A53 8Km)</li> </ul>	 <p><b>185 Km</b> Motorway Network</p>
 <b>Ro.S.Co &amp; Services</b>	<p>Leasing of rolling stock in the local public transport (LPT) and freight logistics sector (mainly to Trenord and DB Cargo Italia)</p> <p>Corporate services to subsidiaries and management of the real estate assets of the Group</p> <p>Development of complementary digital platforms according to MaaS paradigm</p>	 <p><b>98</b> Owned trains</p>
 <b>Infrastruttura ferroviaria</b>	<p>Management of railway infrastructure in Lombardy on the basis of the concession expiring on 31 October 2060</p> <p>Intermodal terminal management and real estate development in freight logistic sector</p>	 <p><b>330 Km</b> Railway Network</p>
 <b>Mobilità passeggeri su gomma</b>	<p>LPT road transport in Lombardy (Province of Varese, Brescia and Como) and Veneto (Province of Verona)</p> <p>Train replacement services for Trenord</p> <p>Electric car-sharing service</p>	 <p><b>723</b> Buses into service</p>
 <b>Energia</b>	<p>Renewable energy production with 25 plants already operational</p> <p>Multiple initiatives for solar and wind power plants in different stages of implementation</p> <p>Operational structure with established expertise capable of managing all major stages of the value chain</p>	 <p><b>47 MW</b> Installed capacity</p>

The FNM Group is present in each segment through the main controlling interests and/or equity investments in companies subject to joint control or associates, highlighted in the table below.



(a) Companies subject to joint control and/or associates consolidated with the equity method for financial reporting purposes.

(b) Companies operating in the freight transport and logistics sector, today included respectively in the Ro.S.Co. & Services and Railway Infrastructure segment.

(c) Company operating in Road passenger mobility, but considered in the Ro.S.Co.& Services segment for the purpose of preparing the Financial Statements.

For a detailed list of all subsidiaries and investee companies, please refer to Annex 1.



## 2.1 RO.S.CO. & SERVICES

The Parent Company FNM S.p.A. (or FNM) purchases and leases rolling stock directly to its subsidiaries operating in the LPT (Local Public Transport) and freight transport sector, primarily Trenord and DB Cargo Italia, acting as Rolling Stock Company (hereinafter referred to as "**Ro.S.Co.**").

Trenord (50% jointly owned with Trenitalia S.p.A.) is the main manager of suburban and regional rail passenger transport services in Regione Lombardia. For further details please refer to section 2.6. DB Cargo Italia S.r.l. ("**DB Cargo Italia**", 40% owned by FNM S.p.A. with DB Cargo Italy S.r.l.) offers logistics and freight handling services, mainly on the rail network in Italy, using a fleet of 42 electric and diesel locomotives.

Trenord and DB Cargo Italia are measured with the equity method in the Consolidated Financial Statements of the FNM Group.

FNM S.p.A. also provides administrative services to its investees, manages its real estate assets and is involved, together with its subsidiary FERROVIENORD S.p.A. (hereinafter, "**FERROVIENORD**"), in the development of the **FILI project** dedicated to the redevelopment of FERROVIENORD's main connection centres on the Milan-Malpensa line, as described in the Annual Financial Report as at 31 December 2023.

### **H2iseO project**

The project, extensively described in the Annual Financial Report as at 31 December 2023, aims at the development of a *Hydrogen Valley* in Valcamonica, starting from the use of hydrogen in local public transport, and in particular calls for: (i) the commissioning of 14 new hydrogen-powered trains to replace the current diesel-powered trains; (ii) the construction of 3 hydrogen production plants in Brescia, Iseo and Edolo; (iii) the implementation of various infrastructural adjustments to the railway line (hydrogen storage and distribution plants, a new maintenance depot in Rovato, fitting out and specific adjustments along the line); (iv) the replacement of the entire fleet currently used by FNMA in the area with the commissioning of 40 hydrogen-powered buses.

Considering project progress, the impacts generated by the increase in material costs and the estimated update of costs relating to the rolling stock not yet purchased, the total investment as at 31 March 2024 is in line with that illustrated in section 6.1 of the Annual Financial Report as at 31 December 2023.

The infrastructure part necessary for the overall operation of the hydrogen system is for the most part managed by FERROVIENORD through the Programme Agreement for investments. The construction of hydrogen production plants is managed through the subsidiary FNM Power S.r.l. (“**FNM POWER**”), which will be active in hydrogen production and distribution plants, also with reference to the subsequent operational phase.

### **Mobility as a Community (MaaC)**

Consistent with the 2021-2025 Strategic Plan, as part of the People/Community pillar, FNM is also active in the development of complementary digital platforms which, together with the transport services offered by the Group, enable the implementation of the Mobility as a Community (MaaC) strategic paradigm as an enabling tool of the new digital mobility focused on the needs of communities. The development of the MaaC strategy includes, operationally, the equity investments in Busforfun.Com S.r.l. (“**Busforfun**”) and Sportit S.r.l. (“**Sportit**”) and Mbility S.r.l. (“**Mbility**”). For further details, please refer to the Annual Financial Report as at 31 December 2023. The Group is also directly active in the field of digital payment services through its subsidiary FNMPAY S.p.A. (“**FNMPAY**”) to perform primarily acquiring services (payment acceptance through physical/virtual POS) supporting MaaC, focusing firstly on the Group’s captive companies.

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In addition, the FNM Group also extended its operations into the Information & Communication Technology sector with the joint venture NordCom, which operates both for the benefit of the FNM Group and for third parties.

The jointly-controlled company NORD ENERGIA S.p.A. was placed in liquidation as of 10 January 2023, as it was no longer possible to commercially exploit the electricity import capacity via the Mendrisio-Cagno power line as of July 2022 due to the expiry of the concession under which the investee operates.

## **2.2 RAILWAY INFRASTRUCTURE**

The Group is active in the management of railway infrastructures in Lombardy through FERROVIENORD S.p.A. (**FERROVIENORD**), which is entrusted with the management and maintenance of a 330 km railway network, divided between the Milan (222 km) and Iseo (108 km) branches, on the basis of the concession expiring on 31 October 2060 (the "**Concession**"), the Programme Agreement for investments (the "**Programme Agreement**") and the Service Contract for the management and ordinary maintenance of infrastructure, as well as the acquisition and

management of rolling stock granted for use to Trenord on behalf of Regione Lombardia (the "**Service Contract**"). The Programme Agreement and the Service Contract were entered into with Regione Lombardia and expire in 2027. Furthermore, FERROVIENORD relies on the services provided by NORD\_ING S.r.l. for design activity, as well as technical and administrative support for investments in the railway network. For further details, please refer to the Annual Financial Report as at 31 December 2023.

The segment also includes the management activities of the **Saconago intermodal terminal** in Busto Arsizio (VA), near the Malpensa airport, carried out by Malpensa Intermodale S.r.l. ("**Malpensa Intermodale**"). The subsidiary receives complete trains and uses self-propelled cranes to manage goods/containers, positioning the intermodal transport units in the storage locations, or it provides direct delivery to the customer. The terminal is equipped with two operational tracks extending to an area measuring approximately 48,000 square metres and benefits from a service and logistics development area covering more than 200,000 square metres.

Malpensa Distripark S.r.l. ("**Malpensa Distripark**") is instead entrusted with the real estate development of the areas adjacent to the Sacconago Terminal, which is key to the management of intermodal connections in the cargo sector handled by Malpensa Intermodale. As of September 2023, Malpensa Distripark also began MTO (*Multimodal Transport Operator*) activities for the management of rail freight transport services from the loading point to delivery.

### 2.3 ROAD PASSENGER MOBILITY

FNM operates in the road mobility sector with different companies depending on territorial competence or the service rendered.

In Lombardy, FNM Autoservizi S.p.A. (hereinafter also referred to as "**FNMA**") is the concessionaire of portions of public transport services by road in the provinces of Varese and Brescia, and is the holder, as part of an A.T.I. (temporary association of companies) with ASF Autolinee S.r.l. (49% owned by Omnibus Partecipazioni<sup>2</sup> - 50% owned by FNM S.p.A.) of a Service Contract for those in the Province of Como. FNMA also operates rail-replacement services on behalf of Trenord, tourist bus rental services with driver and school bus services on behalf of municipal administrations. These services are provided partly directly with its own personnel and partly by coordinating the work of subcontracted third-party transportation operators.

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<sup>2</sup> Company operating in Road passenger mobility, but considered in the Ro.S.CO. segment for the purposes of drafting the Financial Statements. It is measured with the equity method in the Consolidated Financial Statements of the FNM Group.

LPT activities in the Provinces of Varese and Brescia are carried out under Concession, while those in the Province of Como are governed by a Service Contract; the subsidiary is operating under an extension of the original agreements and the duration has currently been extended until 31 December 2025 for the Varese concession and the Como Service Contract and until 31 December 2024 for the Brescia concession.

In Veneto, FNM is present with Azienda Trasporti Verona S.r.l. (hereinafter referred to as "ATV"), that provides urban public transport services in the municipalities of Verona and Legnago and extra-urban services throughout the province of Verona on the basis of three Service Contracts, also extended until 31 December 2026. ATV also operates in the commercial service sector with a licence for rental services with driver and, especially during the summer season, also provides tourist connections (Verona-Lake Garda-Venice) alongside its ordinary service. Public transport services are carried out partly directly with its own personnel and partly by coordinating the work of subcontracted third-party transportation operators.

Lastly, the road transport offer is complemented by the car sharing service provided by E-Vai S.r.l.(hereinafter also "E-Vai") integrated with the railway service (covering 46 railway stations) and the three main airports in Lombardy. The service offering currently comprises the following models, the first aimed at the consumer segment and the others at the B2B segment:(i) Regional Electric - "station-based" regional electric car sharing service integrated with the regional rail service network; (ii) Public - service aimed at municipalities during working hours and at citizens at other times and on weekends; (iii) Corporate - service aimed at companies and their employees during working hours and for private use.

## 2.4 MOTORWAYS

The FNM Group is also present in the motorway infrastructure management sector thanks to its 100% shareholding in Milano Serravalle – Milano Tangenziali S.p.A. ("MISE"), fully consolidated in the FNM Group's financial statements starting on 26 February 2021. Thanks to the acquisition of MISE, FNM created a strategic group in the infrastructure sector in Lombardy for the management of the mobility system that integrates rail transport, local public road transport and motorway infrastructure.

MISE operates under a concession, which will expire on 31 October 2028, on the basis of the Consolidated Agreement entered into with the Awarding Body ANAS (now the Ministry of Infrastructure and Transport – or "MIT") on 7 November 2007, approved by Law No. 101 of 6 June 2008, which converted Decree Law No. 59 of 8 April 2008. On 10 March 2017, following communication by the Awarding Body, the Additional Agreement, relating to the second regulatory

period 2013-2017, approved by Interministerial Decree No. 422 of 2 December 2016 and registered by the Court of Auditors on 1 February 2017, became effective. In particular, MISE is the concessionaire of the A7 Motorway, from Milan to Serravalle Scrivia, and the three Milan ring roads: A50 Tangenziale Ovest (western ring road), A51 Tangenziale Est (eastern ring road), A52 Tangenziale Nord (northern ring road). The Company also manages the western ring road of Pavia (A54) and the Bereguardo-Pavia (A53) motorway link. Located at the centre of one of the main European motorway networks, the network covers 184.9 km – of which 124.1 km with three lanes – and consists of the following:

<i>Section</i>	<i>Km</i>
A7 Milan-Serravalle Motorway, from Milan Piazza Maggi to Serravalle Scrivia	86.3
A53 Bereguardo-Pavia Motorway Link	9.1
A54 Pavia Ring Road	8.4
A50 Motorway, Tangenziale Ovest (western ring road) of Milan with Fiera Rho-Però link	33.0
A51 Motorway, Tangenziale Est (eastern ring road) of Milan	29.4
A52 Motorway, Tangenziale Nord (northern ring road) of Milan	18.7
<b>TOTAL</b>	<b>184.9</b>

The network is interconnected to the main motorway sections in northern Italy:

- A4 SATAP S.p.A., Turin-Milan
- A4 Autostrade per l'Italia S.p.A. (Area 2 Office), Milan-Venice
- A8 Autostrade per l'Italia S.p.A. (Area 2 Office), Milan-Lakes
- A1 Autostrade per l'Italia S.p.A. (Area 2 Office), Milan-Bologna
- A7 Autostrade per l'Italia S.p.A. (Area 1 Office), Serravalle-Genoa
- A21 SATAP S.p.A., Turin-Piacenza
- A26 Autostrade per l'Italia S.p.A. (Area 1 Office), A7-A26 Motorway Link, Predosa Bettole

MISE's activities also include the management of contractual relations with sub-concessionaires, entrusted with the management of the 19 service areas located along the sections under concession, which - on the basis of sub-concession agreements - pay MISE royalties on the value of sales. Consistent with the new sub-concession agreements, significant work is also planned to modernise the facilities and upgrade the services offered to make them more suited to the needs of motorway customers, including the installation of photovoltaic panels and charging stations for electric cars.

MISE also provides design, as well as technical and administrative support, services for infrastructure investments on the motorway network through Milano Serravalle Engineering ("**MISE Engineering**"), of which it holds 100% of the share capital.

Lastly, MISE holds minority interests in some motorway concession companies, the main ones being Autostrada Pedemontana Lombarda S.p.A. (hereinafter referred to as "**APL**"), with 36.7% of the

capital) and Tangenziali Esterne di Milano S.p.A.(hereinafter referred to as “TEM”, with a 22.55% stake), described in more detail in section 2.6. In support of the activities of the investees, MISE carries out (i) the collection service on behalf of TEEM under a contract entered into with the company Aurea S.c.ar.l.(a consortium company assigned O&M services under a global service arrangement) expiring on 31 December 2024; and (ii) service activities in favour of APL in relation to the collection process, technical support and other administrative services by virtue of a cooperation agreement for valuable consideration until 31 December 2024. As far as relations between MISE and its investees are concerned, it is necessary to mention the variable rate **Shareholder Loan** granted to APL in prior years (more information is available in the Annual Financial Report as at 31 December 2023).

### **Renewal and approval of the Economic and Financial Plan**

While making reference to the Annual Financial Report as at 31 December 2023 for an analysis of issues relating to the renewal and approval of the Economic and Financial Plan (EFP) annexed to the motorway concession, and the relative repercussions on tariff trends, it should be noted that on 24 January 2024, the ART issued opinion no. 2/2024 relating to the update of the 2020-2024 EFP, without making any particular remarks except for the request to reformulate the EFP with the adoption of the same traffic assumptions as those used for the development of the RFP, i.e. without the Covid-19 effect. In order to proceed with the approval process, and submit the proposal to the CIPESS, on 13 February 2024 MISE submitted a new version of the EFP to MIT, which assumes estimated data from 2019 and traffic without the Covid-19 effect.

### **SerraHydrogenValle Project**

The project, described in detail in the Annual Financial Report as at 31 December 2023, represents a synergistic and complementary extension of the H2IseO project and aims to develop, in MISE's area of competence, the first hydrogen refuelling motorway network in Italy through the creation of a motorway corridor with 5 hydrogen refuelling stations.

The investment is estimated at a total of EUR 55.4 million and had access to two sources of grant funding: (i) under the NRRP relating only to the Carugate East and West and Tortona West stations for a total contribution of EUR 15.0 million (EUR 4.9 million for the Carugate East area; EUR 4.8 million for the Carugate West area and EUR 5.3 million for the Tortona area); (ii) under the European Commission CEF tender with reference to the Carugate East and West, Tortona East and West and Rho West refuelling stations. However, since three refuelling stations out of the five have already received NRRP funding, the CEF grant - currently EUR 13.7 million for the five stations - will

consequently be recalibrated to the Tortona East and Rho West stations only. The draft request to amend the Grant Agreement to be submitted to the Project Adviser of CINEA is currently being prepared.

With regard to the progress of work relating to hydrogen distributors in service areas in the early months of 2024, the initial construction phase already took place, while the most significant development will take place in the coming months with plant installation. Commercial operations are scheduled to start in the second half of 2025. Any further improvements will follow a modular approach, integrating production and increasing distribution capacity according to demand trends. At a later stage, the project will allow for the potential installation of a photovoltaic plant for the production of renewable electricity, connected to an electrolyser for the production of hydrogen from renewable sources.

## 2.5 ENERGY

The Group is also present in the renewable energy production sector thanks to the acquisition of 80% of the share capital of Viridis Energia S.p.A. and its wholly-owned subsidiaries (hereinafter collectively referred to as “Viridis”), completed on 23 February 2024. The remaining portion of the share capital is 13.33% held by Lagi Energia 2006 S.r.l. and 6.67% by HNF S.p.A.

Active since 2010, Viridis is an integrated company in the renewable energy sector, mainly in photovoltaics, but also wind and biogas, operating in Italy and capable of supporting and managing all of the main stages of the industrial value chain. Indeed, the activity of Viridis consists of: (i) the development of new plants (greenfield), including the search and survey of suitable sites, authorisation, construction and sale of energy on the free market or through Power Purchase Agreements (PPA); (ii) the acquisition of operating plants (brownfield), including opportunity search activities, due diligence, project finance and possible plant revamping/repowering; (iii) maintenance and management (Operations & Maintenance - O&M), including commissioning, monitoring, reporting and supervision of health, safety and environmental aspects.

As at 31 March 2024, Viridis owns (i) 23 operating photovoltaic power generation plants with a nominal installed capacity of 45 MWp; (ii) 2 operating biogas power generation plants for a nominal installed capacity of 2 MWp; (iii) 3 plants under construction with an expected capacity of 23.5 MWp; (iv) 2 photovoltaic projects fully authorised and for which construction can already begin (“ready to build”) with an expected capacity of 15.5 MWp; (v) several photovoltaic and wind power projects in various stages of development. The following table shows the installed capacity as at 31 March 2024:

Technology	Market regime	Tariff	MWp installed	COD	Incentive expiry	
Solar photovoltaic	Energy Account 2	FIP	346 €/MWh	5.7	4 Q 2010	4 Q 2030
Solar photovoltaic	Energy Account 4	FIP	average 257 €/MWh	14.1	3 Q 2011	3 Q 2031
Solar photovoltaic	Energy Account 4	FIP	189 €/MWh	1.1	1 Q 2012	1 Q 2032
Solar photovoltaic	Energy Account 4	FIP	average 180 €/MWh	2.4	4 Q 2012	4 Q 2032
Solar photovoltaic	FER	FIT	65 €/MWh	10.0	December 2022	December 2042
Solar photovoltaic	Market	—	—	1.5	June 2021	
Solar photovoltaic	RES (first 18 months at Market)	FIT	65 €/MWh	10.3	December 2023	December 2043
Biogas	Bio	FIT	280 €/MWh	2.0	1 Q 2013	1 Q 2028
<b>Total operating plants</b>				<b>47.1</b>		

The energy produced is sold to traders and wholesalers through PPAs (Power Purchase Agreements), typically on an annual basis and more recently also on a multi-year basis. Plants connected during the 2010-2014 period benefit from former energy account incentives (Feed-In Premium - FIP) while newly built plants, if eligible, can participate in auctions promoted by the GSE that guarantee a fixed selling price (Feed-In Tariff - FIT) for 20 years through a contract for difference. Direct self-consumption of the energy produced is not currently planned.

As described in more detail in the Information Document dated 5 March 2024, the total consideration paid for the acquisition is EUR 80.0 million and includes the subscription of 80% of a shareholder loan as well as the recognition of the capital contribution made by Lagi Energia 2006 and HNF prior to the closing, to support the development of future investments. The fee also includes an advance payment of the earn-out agreed upon for the development of a portfolio of plants to be completed within 6 years of the closing. The transaction was financed by a credit line in the amount of EUR 85 million repayable in a lump sum by no later than August 2025.

The acquisition of Viridis is consistent with the evolutionary path of the FNM Group aimed at defining new possible strategic areas that will allow it to strengthen its role as an infrastructure manager supporting future profitability, as a result of the changed possibilities of making some of the investments originally set forth in the 2021-2025 Strategic Plan. Entering a sector that is “green” by definition also reinforces the environmental objectives of the 2021-2025 Strategic Plan, which includes amongst its enabling elements investments in innovative energy projects, and will allow for the development of other environmental sustainability objectives with a view to achieving medium- and long-term decarbonisation targets and securing the country's energy needs. FNM will therefore contribute more actively to achieving the goals of the 2030 Agenda and the country's energy transition.

From an economic and financial point of view, Viridis is also able to generate positive and predictable operating cash flows from the outset, in addition to having highly liquid, well diversified assets in terms of size and geographical location. Thanks to the availability of a portfolio of photovoltaic and



wind power plants in various stages of development and an operating structure with consolidated expertise in the sector, Viridis will allow the FNM Group to embark upon a strategic path towards becoming a producer of electricity from renewable sources. The development of this new business, which has appealing growth outlooks in Italy over the coming years, will contribute towards strengthening the Group's infrastructure business.

## **2.6 MAIN INVESTEES MEASURED WITH THE EQUITY METHOD**

### **TRENORD**

Trenord (50% jointly owned with Trenitalia S.p.A.) is one of the most important suburban and regional local public rail transport companies in Europe, in terms of both size and widespread service: its 460 stations, located across 2,000 kilometres of railway network in Lombardy and some Provinces in neighbouring regions under the jurisdiction of two operators (FERROVIENORD and RFI of the FS Group), mean that 77% of Lombardy's Municipalities have a railway station within a radius of 5 km, serving 92% of the region's residents. Trenord also manages passenger transport services on the Milan Railway Link and connects seven provinces of neighbouring regions (Alessandria, Novara, Parma, Piacenza, Verbano-Cusio-Ossola, Vercelli and Verona), as well as the Canton of Ticino, through TILO (50% owned jointly with the Swiss Federal Railways) and operates the Malpensa Express airport connection to Malpensa International Airport.

The investee has a fleet of more than 467 trains leased for valuable consideration from FNM and Trenitalia, or made available under free loan for use, through FERROVIENORD, by Regione Lombardia, which enable it to operate around 2,200 runs every day.

The railway service is managed under a new Service Contract for public rail transport with Regione Lombardia effective from 1 December 2023 to 30 November 2033 (more information can be found in the Annual Financial Report as at 31 December 2023).

The investee also provides traction and personnel for international train connections between Italy, Germany and Austria on the Brenner line in cooperation with Deutsche Bahn and Österreichische Bundes Bahn. In this regard, it should be noted that at the end of April 2024 Trenord was awarded the European tender for the international long-distance service via the Brenner Pass called by Deutsche Bahn. Trenord will therefore manage the driving and security guard operations on the Italian part of the link with Germany and Austria for the duration of 8 years starting in December 2024, guaranteeing production of 1.2 million train-km per year for a total value of more than EUR 50 million.

## **AUTOSTRADA PEDEMONTANA LOMBARDA (APL)**

Another one of MISE's investee companies is APL: a concessionaire company for the design, construction and management of the motorway between Dalmine, Como, Varese, Valico di Gaggiolo and associated works, for a total of approximately 188 km (including junctions and associated works), of which 85 km in operation since 2015 (A and B1 sections, A59 and A60), based on a 30-year concession starting from the entry into operation of the entire motorway link.

Relations between APL and the Awarding Body (Concessioni Autostradali Lombarde S.p.A. or "CAL") are governed by the Consolidated Agreement entered into on 1 August 2007 and the relative Additional Agreements (Additional Agreement no. 1 entered into on 6 May 2010; Additional Agreement no. 2 entered into on 29 September 2016 and effective as of February 2020; Additional Agreement no. 3 entered into on 23 June 2023 and effective as of 10 January 2024).

It is a complex initiative, from both an engineering and environmental perspective, due to the development of the route, the importance of the connected infrastructures and the type of territory crossed. APL is also the first motorway in Italy to have the Free Flow Multi Lane collection system, which allows the amount of the toll to be calculated according to the actual use of the infrastructure, avoiding the use of toll booths and physical barriers.

### **Renewal and approval of the Economic and Financial Plan**

One of the most significant regulatory events in the first quarter of 2024, as extensively explained in the 2023 Annual Report, was the Interministerial Decree that gave full effect to Additional Agreement no. 3, which was registered by the Court of Auditors on 10 January 2024.

It should also be noted that pursuant to Article 12 of the Consolidated Agreement, the investee asked the Awarding Body to revise the Economic and Financial Plan, believing that the conditions and reasons were in place for the alteration of the economic-financial balance of the concession. The investee and the Awarding Body agreed on an outline of Additional Agreement no. 4, including, inter alia, a rebalancing and updating economic and plan. This document was sent, in the first instance, by the Awarding Body to the Ministry of Infrastructure and Transport on 7 August 2023 and subsequently, following the acknowledgement of certain observations made by the Transport Regulatory Authority (ART), it was definitively transmitted to the Ministry of Infrastructure and Transport on 6 December 2023.

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On 21 March 2024, the CIPESS expressed a positive opinion on the foregoing with several requirements/recommendations that will be subject to joint analysis between the investee and the Awarding Body CAL.

### **Sections B2, C and D**

As described in detail in the Annual Financial Report as at 31 December 2023, which should be referred to for more details, for the complete implementation of the services covered by the Agreement, as of today the executive design and construction activities of the second part of the work, consisting of motorway sections B2, C and D, and associated works, remain under the responsibility of APL.

With regard to the management of the financial funding for the construction of sections B2 and C, it should be recalled that the disbursement of the Senior Loan 1 - initially scheduled for 2023 - was extended in line with the new construction schedule of Sections B2 and C to 31 July 2024. In light of the conditions set forth in the loan agreement, on 28 March 2024 MISE's Board of Directors also approved the contract for the assignment of the Operation & Maintenance (O&M) service, which provides for the outsourcing to MISE of all activities relating to the operational management of APL.

### **TANGENZIALI ESTERNE DI MILANO (TEM)**

As mentioned in section 2.4, MISE owns 22.55% of the share capital of TEM, which in turn holds a single shareholding of 48.4% of the capital of the motorway concessionaire Tangenziale Esterna S.p.A. ("TE"), responsible for the design, construction and management of the Milan East Outer Bypass (hereinafter "TEEM"), entrusted to it under a concession by public tender with a negotiated project financing procedure. Following the awarding of the tender on 27 March 2009, the Consolidated Agreement was signed with the Awarding Body CAL, the content of which was subsequently supplemented and amended: the new Agreement signed on 29 July 2010 became fully effective on 22 November 2010.

The TEEM motorway route has a length of 32 km, from Melegnano (A1 Milan-Bologna Motorway) to Agrate Brianza (A4 Milan-Venice Motorway). Together with the motorway section, important work was also carried out on the ordinary provincial and municipal roads, for a total of 38 km of associated newly constructed road works and 15 km of upgraded existing roads.

The duration of the Concession is set at fifty years starting from the entry into operation of the entire motorway link in May 2015.

With regard to the EFP update process, in a note dated 22 February 2024, ART, to be able to complete the preliminary investigation for the issue of its opinion, requested a further update of the RFP/EFP reformulated on the basis of additional indications and the provision of additional documentation. TE is currently preparing the additional update of its 2024-2028 EFP/RFP proposal to be transmitted to the Awarding Body CAL for the continuation of its approval process.

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It should be noted that, as a result of the valuation using the equity method, the contribution of the jointly controlled companies Trenord (and its associated company TILO), NORD ENERGIA, NordCom, Omnibus Partecipazioni (and its joint venture ASF) and the associated companies DB Cargo Italia, Busforfun, Sportit, Mbility, APL and TEM has no impact on the individual items of the consolidated statement of financial position and the consolidated income statement, with the exception of the items "Investments" and "Net profit of companies measured with the equity method", respectively.

### 3 CONSOLIDATED OPERATING AND FINANCIAL PERFORMANCE

#### 3.1 ECONOMIC DATA SUMMARY

The reclassified Income Statement for the period is shown below, compared with that of the corresponding period of 2023. For the sake of a complete disclosure, in the following reclassified Income Statement the items "Costs for construction services – IFRIC 12" and "Revenues from construction services – IFRIC 12", relating exclusively to concessionaire companies FERROVIENORD and MISE in which, in application of IFRIC 12, the amounts of the funded investments made during the period and the corresponding contributions are recognised, are stated net in "Other revenues and income". Comments on the gross values of investments are provided in section 3.3.

The item "Adjusted EBITDA" was determined by excluding non-recurring items from the previous items in the Income Statement, which were reclassified under "Extraordinary income and expenses". As indicated in section 2.5 below, the first quarter of 2024 includes the economic effects arising from the line-by-line consolidation of Viridis and its subsidiaries as of 23 February 2024. The period of comparison represents the scope of consolidation prior to the acquisition.

<i>Amounts in EUR millions</i>	Q1 2024	Q1 2023	Change	Change %
Revenues from sales and services	134.3	135.6	(1.3)	(1.0) %
Other revenues and income	9.4	8.1	1.3	16.0 %
<b>TOTAL REVENUES AND OTHER INCOME</b>	<b>143.7</b>	<b>143.7</b>	<b>—</b>	<b>— %</b>
Operating costs	(53.2)	(57.6)	4.4	(7.6) %
Personnel costs	(41.9)	(39.5)	(2.4)	6.1 %
<b>ADJUSTED EBITDA</b>	<b>48.6</b>	<b>46.6</b>	<b>2.0</b>	<b>4.3 %</b>
Non-ordinary income and expenses	(0.8)	—	(0.8)	— %
<b>EBITDA</b>	<b>47.8</b>	<b>46.6</b>	<b>1.2</b>	<b>2.6 %</b>
Depreciation, amortisation and write-downs	(31.3)	(25.4)	(5.9)	23.2 %
<b>EBIT</b>	<b>16.5</b>	<b>21.2</b>	<b>(4.7)</b>	<b>(22.2) %</b>
Financial income	3.3	1.3	2.0	N/A
Financial expenses	(5.7)	(4.6)	(1.1)	23.9 %
<b>NET FINANCIAL INCOME (LOSS)</b>	<b>(2.4)</b>	<b>(3.3)</b>	<b>0.9</b>	<b>(27.3) %</b>
<b>EARNINGS BEFORE TAX</b>	<b>14.1</b>	<b>17.9</b>	<b>(3.8)</b>	<b>(21.2) %</b>
Income taxes	(4.3)	(2.0)	(2.3)	N/A
<b>ADJUSTED COMPREHENSIVE INCOME</b>	<b>9.8</b>	<b>15.9</b>	<b>(6.1)</b>	<b>(38.4) %</b>
Profit/Loss of companies measured with the equity method	3.3	(5.9)	9.2	N/A
<b>COMPREHENSIVE INCOME</b>	<b>13.1</b>	<b>10.0</b>	<b>3.1</b>	<b>31.0 %</b>
<b>PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTEREST</b>	<b>(0.4)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>N/A</b>
<b>COMPREHENSIVE GROUP INCOME</b>	<b>13.5</b>	<b>10.2</b>	<b>3.3</b>	<b>32.4 %</b>

In Q1 2024, revenues remained in line with the same period of the previous year, while adjusted EBITDA increased by 4.3%. Excluding the effects of the consolidation of Viridis and its subsidiaries as of 23 February 2024, therefore on a like-for-like basis compared to the same period in 2023, revenues decreased by 1.1%, while adjusted EBITDA grew by 1.9%.

The adjusted EBITDA/revenue ratio is 34% (32% in Q1 2023).

In order to better represent the changes in the period, the pro-forma reclassified income statement is shown below, considering the consolidation of Viridis from 1 January 2024. The first quarter 2023 comparison period was similarly pro-rated as if Viridis had been consolidated with effect from 1 January 2023.

Amounts in EUR millions	Q1 2024 FNM GROUP	01/01/2024 - 23/02/2024 VIRIDIS	Q1 2024 PRO FORMA	Q1 2023 FNM GROUP	3 months 2023 VIRIDIS	Q1 2023 PRO FORMA	Change	Change %
	A	B	C= A+B	D	E	F= D+E	G = C - F	G/F
Revenues from sales and services	134,3	1,4	135,7	135,6	2,1	137,7	(2,0)	-1,5%
Other revenues and income	9,4	1,0	10,4	8,1	2,3	10,4	-	0,0%
<b>TOTAL REVENUES AND OTHER INCOME</b>	<b>143,7</b>	<b>2,4</b>	<b>146,1</b>	<b>143,7</b>	<b>4,4</b>	<b>148,1</b>	<b>(2,0)</b>	<b>-1,4%</b>
Operating costs	(53,2)	(1,1)	(54,3)	(57,6)	(1,5)	(59,1)	4,8	-8,1%
Personnel costs	(41,9)	(0,3)	(42,2)	(39,5)	(0,4)	(39,9)	(2,3)	5,8%
<b>ADJUSTED EBITDA</b>	<b>48,6</b>	<b>1,0</b>	<b>49,6</b>	<b>46,6</b>	<b>2,5</b>	<b>49,1</b>	<b>0,5</b>	<b>1,0%</b>
Non-ordinary income and expenses	(0,8)	-	(0,8)	-	-	-	(0,8)	n.d.
<b>EBITDA</b>	<b>47,8</b>	<b>1,0</b>	<b>48,8</b>	<b>46,6</b>	<b>2,5</b>	<b>49,1</b>	<b>(0,3)</b>	<b>-0,6%</b>
Depreciation, amortisation and write-downs	(31,3)	(1,1)	(32,4)	(25,4)	(1,9)	(27,3)	(5,1)	18,7%
<b>EBIT</b>	<b>16,5</b>	<b>(0,1)</b>	<b>16,4</b>	<b>21,2</b>	<b>0,6</b>	<b>21,8</b>	<b>(5,4)</b>	<b>-24,8%</b>
Financial income	3,3	1,5	4,8	1,3	-	1,3	3,5	n.d.
Financial expenses	(5,7)	(0,1)	(5,8)	(4,6)	(0,6)	(5,2)	(0,6)	11,5%
<b>NET FINANCIAL INCOME (LOSS)</b>	<b>(2,4)</b>	<b>1,4</b>	<b>(1,0)</b>	<b>(3,3)</b>	<b>(0,6)</b>	<b>(3,9)</b>	<b>2,9</b>	<b>-74,4%</b>
<b>EARNINGS BEFORE TAX</b>	<b>14,1</b>	<b>1,3</b>	<b>15,4</b>	<b>17,9</b>	<b>-</b>	<b>17,9</b>	<b>(2,5)</b>	<b>-14,0%</b>
Income taxes	(4,3)	-	(4,3)	(2,0)	-	(2,0)	(2,3)	n.d.
<b>ADJUSTED COMPREHENSIVE INCOME</b>	<b>9,8</b>	<b>1,3</b>	<b>11,1</b>	<b>15,9</b>	<b>-</b>	<b>15,9</b>	<b>(4,8)</b>	<b>-30,2%</b>
Profit/Loss of companies measured with the equity method	3,3	-	3,3	(5,9)	-	(5,9)	9,2	n.d.
<b>COMPREHENSIVE INCOME</b>	<b>13,1</b>	<b>1,3</b>	<b>14,4</b>	<b>10,0</b>	<b>-</b>	<b>10,0</b>	<b>4,4</b>	<b>44,0%</b>
<b>PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTEREST</b>	<b>(0,4)</b>	<b>0,3</b>	<b>(0,1)</b>	<b>(0,2)</b>	<b>-</b>	<b>(0,2)</b>	<b>0,1</b>	<b>-30,0%</b>
<b>COMPREHENSIVE GROUP INCOME</b>	<b>13,5</b>	<b>1,0</b>	<b>14,5</b>	<b>10,2</b>	<b>-</b>	<b>10,2</b>	<b>4,3</b>	<b>42,5%</b>

The income statement is shown below with only the pro-forma balances for the first quarter of 2024 and the first quarter of 2023.

Amounts in EUR millions	Q1 2024 PRO FORMA	Q1 2023 PRO FORMA	Change	Change %
Revenues from sales and services	135,7	137,7	(2,0)	(1,5) %
Other revenues and income	10,4	10,4	—	— %
<b>TOTAL REVENUES AND OTHER INCOME</b>	<b>146,1</b>	<b>148,1</b>	<b>(2,0)</b>	<b>(1,4) %</b>
Operating costs	(54,3)	(59,1)	4,8	(8,1) %
Personnel costs	(42,2)	(39,9)	(2,3)	5,8 %
<b>ADJUSTED EBITDA</b>	<b>49,6</b>	<b>49,1</b>	<b>0,5</b>	<b>1,0 %</b>
Non-ordinary Income and Expenses	(0,8)	—	(0,8)	— %
<b>EBITDA</b>	<b>48,8</b>	<b>49,1</b>	<b>(0,3)</b>	<b>(0,6) %</b>
Depreciation, amortisation and write-downs	(32,4)	(27,3)	(5,1)	18,7 %
<b>EBIT</b>	<b>16,4</b>	<b>21,8</b>	<b>(5,4)</b>	<b>(24,8) %</b>
Financial income	4,8	1,3	3,5	N/A
Financial expenses	(5,8)	(5,2)	(0,6)	11,5 %
<b>NET FINANCIAL INCOME (LOSS)</b>	<b>(1,0)</b>	<b>(3,9)</b>	<b>2,9</b>	<b>(74,4) %</b>
<b>EARNINGS BEFORE TAX</b>	<b>15,4</b>	<b>17,9</b>	<b>(2,5)</b>	<b>(14,0) %</b>
Income taxes	(4,3)	(2,0)	(2,3)	N/A
<b>ADJUSTED COMPREHENSIVE INCOME</b>	<b>11,1</b>	<b>15,9</b>	<b>(4,8)</b>	<b>(30,2) %</b>
Profit/Loss of companies measured with the equity method	3,3	(5,9)	9,2	N/A
<b>COMPREHENSIVE INCOME</b>	<b>14,4</b>	<b>10,0</b>	<b>4,4</b>	<b>44,0 %</b>
<b>PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTEREST</b>	<b>(0,1)</b>	<b>(0,2)</b>	<b>0,1</b>	<b>(50,0) %</b>
<b>COMPREHENSIVE GROUP INCOME</b>	<b>14,5</b>	<b>10,2</b>	<b>4,3</b>	<b>42,2 %</b>

The comments below refer to the pro-forma income statement, which considers both periods on a like-for-like basis.

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The **revenues from sales and services** recorded a net decrease of EUR 2.0 million, i.e. approximately 1.5%, for the following main reasons:

- revenues from the lease of rolling stock decreased by EUR 6.8 million, mainly due to lower revenues, for EUR 4.8 million, on trains leased to Trenord under free loan for use as of 1 January 2024, following the amendments made to the FERROVIENORD 2023-2028 Service Contract, as well as the reduction in revenues after new contracts were signed for TSR, CSA and CORADIA trains leased to Trenord for EUR 2.0 million;
- revenues related to design and project management for works on the railway network decreased by EUR 1.4 million;
- motorway toll revenues of EUR 65.0 million (EUR 61.4 million in the first quarter of 2023) increased by EUR 3.6 million, or 5.8%, compared to the first quarter of 2023, mainly due to the 2.3% toll increase applied as of 1 January 2024, as well as the traffic trend (+3.78%) and its composition in which the light vehicles component recorded a significant increase over heavy duty vehicles;
- revenues from public road transport ticketing increased by EUR 0.8 million, despite the deconsolidation of La Linea and Martini Bus as of 16 January 2023, in connection with the continued recovery of sales, in both urban and regional services, as well as due to ticketing tariff increases granted in July 2023 and the tariff increase of about 15% on season tickets granted as of 1 January 2024;
- replacement services carried out by FNMA on behalf of Trenord increased by EUR 0.6 million during the period;
- network access revenues increased by EUR 0.5 million due to the 2024 inflation adjustment and increased business;
- revenues from energy sales increased by EUR 0.2 million in connection with the commissioning of new plants.

**Other revenues and income** remained substantially in line with the comparative period of 2023.

**Total revenues and other income** thus declined by 1.4% and can be broken down into the five business areas as follows:

<i>Amounts in EUR millions</i>	Q1 2024 PRO FORMA	Q1 2023 PRO FORMA	Change	Chg %
Ro.S.Co. & Services	18.9	20.8	(1.9)	(9.1) %
Railway infrastructure	32.1	37.1	(5.0)	(13.5) %
Road passenger mobility	27.0	25.7	1.3	5.1 %
Motorways	70.9	66.9	4.0	6.0 %
Energy	4.0	4.4	(0.4)	(9.1) %
Intercompany eliminations	(6.8)	(6.8)	—	— %
<b>Total consolidated revenues</b>	<b>146.1</b>	<b>148.1</b>	<b>(2.0)</b>	<b>(1.4) %</b>

**Operating costs** recorded a net decrease of EUR 4.8 million (8.1%) for the following main reasons:

- decrease in the provisions for cyclical maintenance due to the application of the amendments to the FERROVIENORD 2023 - 2028 Service Contract, for EUR 4.8 million;
- lower costs for repairing damage to the railway infrastructure, in the amount of EUR 1.7 million, as a result of fewer exceptional events in the period under review compared to the comparative period;
- increase in replacement service costs of EUR 0.9 million;
- increase in IT costs by EUR 0.6 million;
- increase of EUR 0.5 million in costs connected to motorway infrastructure maintenance.

**Personnel costs**, which rose from EUR 39.9 million to EUR 42.2 million, increased by EUR 2.3 million, due to the higher number of FTEs (+13) as well as the effects of the renewal of the CCNL Autostrade (National Collective Bargaining Agreement for Motorway and Tunnels Companies and Consortia) in the second half of 2023. The increase is also due, in the amount of EUR 0.6 million, to the provision for the renewal of the CCNL Autoferro (National Collective Bargaining Agreement for the Railway/Tram Sector), which expired on 31 December 2023.

**Adjusted EBITDA** (excluding non-ordinary items), amounting to EUR 49.6 million, increased by 1%, as illustrated below for the five business segments:

<i>Amounts in EUR millions</i>	Q1 2024 PRO FORMA	Q1 2023 PRO FORMA	Change	Chg %
Ro.S.Co. & Services	9.2	12.1	(2.9)	(24.0) %
Railway infrastructure	0.8	0.9	(0.1)	(11.1) %
Road passenger mobility	1.5	1.3	0.2	15.4 %
Motorways	36.0	32.3	3.7	11.5 %
Energy	2.1	2.5	(0.4)	(16.0) %
<b>Total adjusted EBITDA</b>	<b>49.6</b>	<b>49.1</b>	<b>0.5</b>	<b>1.0 %</b>

**Non-ordinary income/expenses** for the year, which were not present in the comparative period in 2023, amounted to EUR 0.8 million and were attributable to non-ordinary expenses deriving from development projects linked to the acquisition of Viridis.



The item **depreciation, amortisation and write-downs** shows a net increase of EUR 5.1 million mainly due to the depreciation of motorway infrastructure following the commissioning of works on the motorway infrastructure for EUR 65.9 million.

As a result of the changes commented on, the **comprehensive operating income** amounted to EUR 16.4 million, versus EUR 21.8 million in the first quarter of 2023, a net decrease of EUR 5.4 million. The **comprehensive net financial expense** in the first quarter of 2024 amounted to EUR -1.0 million, compared to EUR -3.9 million in the comparative period of 2023, due to the higher financial income deriving from the higher rate of return on cash, as well as EUR 1.5 million in proceeds from the sale of certain assets of Viridis, which led to the definition of the scope of the acquisition.

**Earnings before tax**, that do not include the result of the companies accounted for using the equity method, amounted to EUR 15.4 million, a decrease compared to EUR 17.9 million in the first quarter of 2023.

**Income taxes** of EUR 4.3 million rose by EUR 2.3 million compared to the first quarter of 2023, as in the comparative period, the benefit of EUR 1.7 million was recognised resulting from the different tax treatment of certain items following the receipt of a response to a request for a private letter ruling.

**Adjusted comprehensive income**, before the recognition of the result of the companies measured at equity, went from EUR 15.9 million in the comparative period of the previous year to EUR 11.1 million.

The **profit/(loss) of companies measured at equity** recorded a profit of EUR 3.3 million, versus a loss of EUR 5.9 million in the first quarter of 2023, mainly due to the positive result of the investee Trenord S.r.l. This item is broken down as follows:

Amounts in EUR thousands	Q1 2024	Q1 2023	Change
Trenord S.r.l. *	2,879	(6,019)	8,898
Autostrada Pedemontana Lombarda	(188)	(728)	540
Tangenziali Esterne di Milano S.p.A. **	(563)	(538)	(25)
NORD ENERGIA S.p.A. in liquidation	925	745	180
DB Cargo Italia S.r.l.	189	785	(596)
Omnibus Partecipazioni S.r.l. ***	104	(77)	181
NordCom S.p.A.	52	111	(59)
Busforfun.Com S.r.l.	—	(16)	16
Mbility S.r.l.	(25)	—	(25)
SportIT S.r.l.	(67)	(130)	63
<b>Profit/Loss of companies measured with the equity method</b>	<b>3,306</b>	<b>(5,867)</b>	<b>9,173</b>

\* includes the result of TILO SA

\*\* includes the result of Tangenziale Esterna S.p.A.

\*\*\* includes the result of ASF Autolinee S.r.l.

For more information on the results of the investees Trenord and APL, please refer to what is set forth in paragraph 4, "Operating performance of business segments", in the section dedicated to the "Main investee companies".

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In the period ended 31 March 2024, as in the comparative period 2023, there were no profits from discontinued operations.

The **consolidated comprehensive result** for the first quarter of 2024 was a profit of EUR 13.1 million, versus a profit of EUR 10.0 million in the first three months of 2023, due to the effects described above.

### **3.2 RECLASSIFIED STATEMENT OF FINANCIAL POSITION**

Below is the reclassified Statement of Financial Position as at 31 March 2024, compared with that as at 31 December 2023. Balances at 31 December 2023 are attributable to the scope of consolidation prior to the acquisition of Viridis.

Please note that, in order to improve the representation of balance sheet trends, the net financial position for funded investments includes only the funded investment items (cash and financial payables) relating to the "Rolling Stock Purchase Programme for the regional rail service for the years 2017 - 2032 and integration of supplies of the rolling stock purchase programme as per Regional Government Decree no. X/4177 of 16/10/2015" (hereinafter the "2017 - 2032 Rolling Stock Programme"), illustrated in detail in paragraph 6.2 of the management report as at 31 December 2023, which should be referred to for more information. Likewise, in net working capital, the items "Other receivables - Rolling Stock 2017 - 2032", "Receivables for funded investments - Rolling Stock 2017 - 2032" and "Trade payables - Rolling Stock 2017 - 2032", again relating to funded investments in the renewal of rolling stock, have been shown separately.

Amounts in EUR millions	31/03/2024	31/12/2023	Change
Inventories	16.9	13.4	3.5
Trade receivables	166.6	171.0	(4.4)
Other current receivables	111.8	95.9	15.9
Current financial assets	1.7	3.3	(1.6)
Receivables for funded investments	62.9	49.2	13.7
Current contractual assets	13.0	10.2	2.8
Trade payables	(196.8)	(220.2)	23.4
Other current payables and current provisions	(165.6)	(152.1)	(13.5)
<b>Operating Net Working Capital</b>	<b>10.5</b>	<b>(29.3)</b>	<b>39.8</b>
Other receivables – Rolling Stock 2017-2032	26.8	41.2	(14.4)
Receivables for funded investments – Rolling Stock 2017-2032	166.5	161.6	4.9
Trade payables – Rolling Stock 2017-2032	(275.6)	(293.5)	17.9
<b>Net Working Capital – Funded Investments</b>	<b>(82.3)</b>	<b>(90.7)</b>	<b>8.4</b>
<b>Net Working Capital – Total</b>	<b>(71.8)</b>	<b>(120.0)</b>	<b>48.2</b>
Fixed assets	988.1	808.5	179.6
Equity investments	177.0	173.7	3.3
Non-current receivables and contractual assets	131.6	189.3	(57.7)
Non-current payables	(35.8)	(36.7)	0.9
Provisions	(84.5)	(88.8)	4.3
<b>NET INVESTED CAPITAL</b>	<b>1,104.6</b>	<b>926.0</b>	<b>178.6</b>
<i>Own funds</i>	<i>364.0</i>	<i>376.2</i>	<i>(12.2)</i>
<b>Adjusted Net Financial Position</b>	<b>826.7</b>	<b>642.8</b>	<b>183.9</b>
Net Financial Position for funded investments (cash)	(86.1)	(93.0)	6.9
<i>Total Net Financial Position</i>	<i>740.6</i>	<i>549.8</i>	<i>190.8</i>
<b>TOTAL SOURCES</b>	<b>1,104.6</b>	<b>926.0</b>	<b>178.6</b>

**Operating Net Working Capital**, net of changes for funded investments, increased by EUR 39.8 million as a result of the following changes:

- the **other current receivables** increased by EUR 15.9 million due to the increase in advances paid against the start-up of new orders for extraordinary maintenance of the railway infrastructure;
- **receivables for funded investments** increased by EUR 13.7 million in connection with the progress of funded railway infrastructure orders;
- **trade payables** decreased by EUR 23.4 million, mainly due to the payment of funded investments in the railway infrastructure and the motorway infrastructure;
- **other current payables and provisions** increased by EUR 13.5 million in relation to higher payables to the tax authorities for VAT, by EUR 4.9 million, and for current taxes, by EUR 6.6 million;

As concerns **net working capital for funded investments**:

- **other receivables – Rolling Stock 2017-2032**, amounting to EUR 26.8 million, decreased by EUR 14.4 million in connection with the use of advance payments made in previous years due to the progress of orders;

- **receivables for funded investments- Rolling Stock 2017 - 2032** increased by EUR 4.9 million due to the recognition of the portion of accrued revenues, corresponding to the funded investments made, measured according to the percentage of completion and not yet collected during the period, amounting to EUR 84.2 million; the collection of grants for the period amounted to EUR 79.5 million;
- **trade payables – Rolling Stock 2017-2032** decreased as a result of payments made amounting to EUR 87.5 million, partially offset by the progress of orders in the period. These investments were paid with the available funds allocated by Regione Lombardia, excluded from the Adjusted NFP.

The item **fixed assets** comprises mainly tangible assets of EUR 561.0 million, of which EUR 333.3 million pertain to rolling stock, intangible assets for EUR 355.0 million, of which EUR 344.9 million relating to the motorway infrastructure freely revertible to the awarding body (Ministry of Infrastructure and Transport), goodwill deriving from the acquisition of Viridis of EUR 43.6 million and rights of use of EUR 28.3 million.

The increase in tangible assets and rights of use is attributable to the consolidation as of 23 February 2024 of the subsidiary Viridis in the amount of EUR 80.9 million and EUR 11.7 million, respectively. In more detail, the subsidiary contributed tangible assets of EUR 80.9 million to the consolidation, of which EUR 48.4 million for photovoltaic plants, EUR 7.5 million for biogas plants, EUR 6.5 million for land and buildings and EUR 15.0 million for work in progress relating to photovoltaic plants. In addition, during the period works carried out in prior years amounting to EUR 65.9 million were transferred from contractual assets to motorway infrastructure after they were commissioned.

The value of **equity investments** increased by EUR 3.2 million due to the higher result for the period contributed by companies accounted for using the equity method.

**Non-current receivables** primarily include contractual assets deriving from investments made in motorway infrastructure up to 31 March 2024, but not yet recognised, for EUR 12.2 million, which decreased as a result of what is set forth above, loans from FNM and MISE to investees for EUR 69.9 million and net deferred tax assets of EUR 40.0 million.

**Provisions** include non-current provisions related to cyclical maintenance, the Motorway Infrastructure Renewal Fund and severance pay.

Below is the breakdown of the Group's Net Financial Position as at 31 March 2024, compared with 31 December 2023.

In order to better represent the ability to generate cash as well as the Group NFP, an adjusted NFP was calculated, which excludes the effects deriving from adoption of IFRIC 12 for investments relating to the renewal of rolling stock in the "Rolling Stock Programme 2017-2032":

Amounts in EUR millions	31/03/2024	31/12/2023	Change
Liquidity	(310.5)	(302.3)	(8.2)
Current financial debt	265.1	178.0	87.1
<b>Current Net Financial Position (Debt / -Cash)</b>	<b>(45.4)</b>	<b>(124.3)</b>	<b>78.9</b>
Non-current financial debt	872.1	767.1	105.0
<b>Adjusted Net Financial Position</b>	<b>826.7</b>	<b>642.8</b>	<b>183.9</b>
Net Financial Position for funded investments (Cash)	(86.1)	(93.0)	6.9
<b>Net Financial Position</b>	<b>740.6</b>	<b>549.8</b>	<b>190.8</b>

As at 31 March 2024, the total Net Financial Position was EUR 740.6 million, compared to a balance of EUR 549.8 million as at 31 December 2023. Isolating the amount relating to funded investments (EUR 86.1 million), the adjusted Net Financial Position was EUR 826.7 million, compared to a balance of EUR 642.8 million as at 31 December 2023.

Please also note that the Group has liquidity headroom of EUR 135 million as at 31 March 2024, of which EUR 95 million in uncommitted lines and EUR 40 million in committed lines.

The **Adjusted Net Financial Position** is the result of cash flow changes in the reference period:

Amounts in EUR millions	31/03/2024	31/03/2023
EBITDA	47.8	46.6
Net Working Capital	3.8	(19.1)
Financial expenses/income paid	0.7	0.2
<b>Free cash flow from operations</b>	<b>52.3</b>	<b>27.7</b>
Gross investments paid with own funds	(7.1)	(10.3)
Motorway infrastructure investments paid with own funds	(0.4)	(9.5)
Change in NWC – Investments with own funds	(8.2)	(13.1)
Funded investments – Railway infrastructure	(49.6)	(28.0)
Change in NWC – Funded investments for railway infrastructure	(22.5)	5.4
Public grants collected – Own funds	4.0	2.3
Collection of railway infrastructure investment funding	22.5	21.6
Collection of motorway infrastructure investment funding	—	8.9
<b>Cash flow generation</b>	<b>(9.0)</b>	<b>5.0</b>
Investment purchase	(53.7)	—
Loan disbursement to investees	(1.0)	(1.0)
Loan repayment by investees	—	6.9
Other financial investments	0.1	—
Divestments	—	5.5
<b>Free cash flow</b>	<b>(63.6)</b>	<b>16.4</b>
<b>Cash flow</b>	<b>(63.6)</b>	<b>16.4</b>
<b>Adjusted NFP (Debt/-Cash) INITIAL 01/01</b>	<b>642.8</b>	<b>755.6</b>
Cash flow generation	63.6	(16.4)
IFRS 16 effect	1.5	1.3
Recognition of Viridis financial debt	62.4	—
Recognition of Viridis put option and earn out	51.7	—
Other changes in financial payables	4.7	(0.9)
<b>Total change in NFP</b>	<b>183.9</b>	<b>(16.0)</b>
<b>Adjusted NFP (Debt/-Cash) FINAL 31/03</b>	<b>826.7</b>	<b>739.6</b>

Cash flow generation in the period was negative for EUR 9.0 million and derives from positive operations, fully offset by investments paid. The **operating cash flow** deriving from income management is a positive EUR 52.3 million, due to EBITDA of EUR 47.8 million, and the positive management of net working capital.

Net investments of approximately EUR 61.2 million were paid in the first quarter of 2024 (compared to EUR 22.6 million paid in the first quarter of 2023).

Lastly, the **overall cash flow** for the period was significantly influenced by the cash outflow related to the acquisition of the 80% stake in Viridis, amounting to EUR 80.0 million, net of the cash held by the subsidiary Viridis, amounting to EUR 26.3 million, which resulted in a net cash outflow of EUR 53.7 million.

The adjusted net financial position also reflects the amounts arising from: (i) the change in the scope of consolidation due to the recognition of bank debt and financial liabilities related to the acquired scope; and (ii) the recognition of the liability for the put option granted to minority shareholders and the contractualised earn-out portion.

### 3.3 INVESTMENTS

Investments amounted to EUR 141.1 million versus EUR 101.5 million of the comparative period of 2023.

In particular, **investments made with own funds** by the FNM Group gross of collections of the consideration for construction services accrued in the first quarter of 2024 total EUR 7.5 million compared to EUR 19.8 million in the comparative period of the previous year, and are broken down as follows:

- investments related to the segment **Ro.S.Co.& Services** for EUR 2.4 million (EUR 3.3 million in Q1 2023), which mainly refer to investments in rolling stock;
- investments classified in the **Rail Infrastructure** segment amounting to EUR 1.2 million (EUR 0.7 million in Q1 2023), of which EUR 0.7 million relating to the start of real estate development work on the Sacconago Terminal;
- investments in the **Road Passenger Mobility** segment of EUR 1.1 million (EUR 6.3 million in Q1 2023), mainly attributable to the purchase of bus equipment;
- investments in the **Motorway** segment for revertible assets built on motorway infrastructure of EUR 0.4 million (EUR 9.5 million in Q1 2023) and other investments of EUR 0.9 million;
- investments in the **Energy** segment for the construction of plants of EUR 1.5 million.

The **investments financed** gross of contributions collected, and managed by the FNM Group in the first quarter of 2024, on behalf of Regione Lombardia, in accordance with the Programme Agreement and the Service Contract include:

- **Investments in Railway infrastructure** of EUR 29.4 million (EUR 11.6 million in Q1 2023) relating to the modernisation of railway infrastructure;
- **Investments in airport rolling stock** of EUR 20.2 million (EUR 16.3 million in Q1 2023);
- **Investments for the renewal of rolling stock 2017-2032** of EUR 84.0 million (EUR 53.7 million in Q1 2023). Please note that these investments do not contribute to the determination of the Adjusted NFP.

As far as rolling stock is concerned, the following were delivered during 2024:

- 4 "Caravaggio" type (EMU) high-capacity trains;
- 3 "Donizetti" type (EMU) trains;
- 2 "Colleoni" type trains.
- 3 "Donizetti" type (EMU) trains - Lombardia Plan.

## 4 OPERATING PERFORMANCE OF BUSINESS SEGMENTS

The following table shows the economic performance of the consolidated business segments in Q1 2024 and for the comparative period of 2023, before intercompany eliminations:

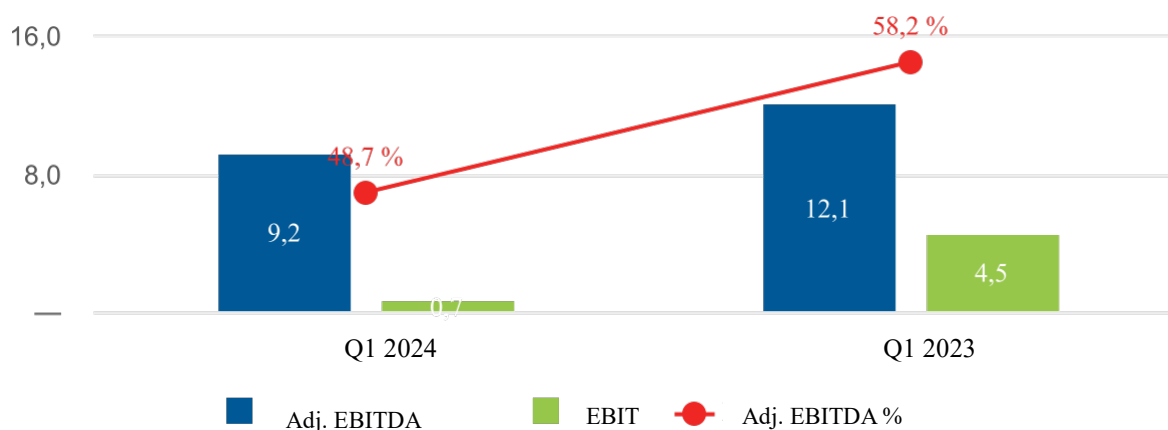
Amounts in EUR millions	Q1 2024 PRO FORMA						Total
	Ro.S.Co. & Services	Railway infrastructure	Road passenger mobility	Motorways	Energy	Eliminations	
Revenues from third parties	14.6	28.7	26.7	70.2	4.0		144.2
Intercompany revenues	4.3	1.5	0.3	0.7	—	(6.8)	—
Revenues from construction services net of funded investment costs	—	1.9	—	—	—		1.9
<b>Segment revenues</b>	<b>18.9</b>	<b>32.1</b>	<b>27.0</b>	<b>70.9</b>	<b>4.0</b>	<b>(6.8)</b>	<b>146.1</b>
<b>Adjusted EBITDA</b>	<b>9.2</b>	<b>0.8</b>	<b>1.5</b>	<b>36.0</b>	<b>2.1</b>	<b>—</b>	<b>49.6</b>
<b>Adjusted EBITDA %</b>	<b>19%</b>	<b>2%</b>	<b>3%</b>	<b>73%</b>	<b>4%</b>		
<b>EBITDA</b>	<b>8.4</b>	<b>0.8</b>	<b>1.5</b>	<b>36.0</b>	<b>2.1</b>	<b>—</b>	<b>48.8</b>
<b>EBITDA %</b>	<b>17%</b>	<b>2%</b>	<b>3%</b>	<b>74%</b>	<b>4%</b>		
<b>EBIT</b>	<b>0.7</b>	<b>0.3</b>	<b>(1.0)</b>	<b>16.2</b>	<b>0.2</b>	<b>—</b>	<b>16.4</b>

Amounts in EUR millions	Q1 2023 PRO FORMA						Total
	Ro.S.Co. & Services	Railway infrastructure	Road passenger mobility	Motorways	Energy	Eliminations	
Revenues from third parties	16.7	33.9	25.4	66.4	4.4		146.8
Intercompany revenues	4.1	1.9	0.3	0.5		(6.8)	—
Revenues from construction services net of funded investment costs	—	1.3	—	—	—		1.3
<b>Segment revenues</b>	<b>20.8</b>	<b>37.1</b>	<b>25.7</b>	<b>66.9</b>	<b>4.4</b>	<b>(6.8)</b>	<b>148.1</b>
<b>Adjusted EBITDA</b>	<b>12.1</b>	<b>0.9</b>	<b>1.3</b>	<b>32.3</b>	<b>2.5</b>	<b>—</b>	<b>49.1</b>
<b>Adjusted EBITDA %</b>	<b>25%</b>	<b>2%</b>	<b>3%</b>	<b>66%</b>	<b>5%</b>		
<b>EBITDA</b>	<b>12.1</b>	<b>0.9</b>	<b>1.3</b>	<b>32.3</b>	<b>2.5</b>	<b>—</b>	<b>49.1</b>
<b>EBITDA %</b>	<b>25%</b>	<b>2%</b>	<b>3%</b>	<b>66%</b>	<b>5%</b>		
<b>EBIT</b>	<b>4.5</b>	<b>0.4</b>	<b>(0.8)</b>	<b>17.1</b>	<b>0.6</b>	<b>—</b>	<b>21.8</b>

### 4.1 RO.S.CO & SERVICES

Amounts in EUR millions	Q1 2024	Q1 2023	Chg	Chg %
Lease of rolling stock	11.5	13.5	(2.0)	-14.8%
Other revenues	7.4	7.3	0.1	1.4%
<b>Total revenues</b>	<b>18.9</b>	<b>20.8</b>	<b>(1.9)</b>	<b>-9.1%</b>
<b>Adj. EBITDA</b>	<b>9.2</b>	<b>12.1</b>	<b>(2.9)</b>	<b>-24.0%</b>
<b>Adj. EBITDA %</b>	<b>48.7%</b>	<b>58.2%</b>		
<b>EBIT</b>	<b>0.7</b>	<b>4.5</b>	<b>(3.8)</b>	<b>-84.4%</b>



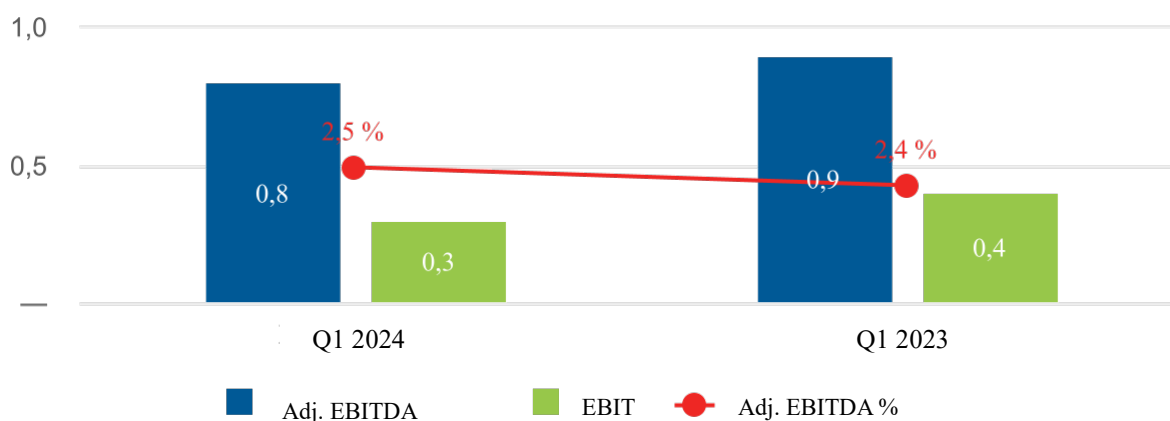


**Revenues** for this segment amounted to EUR 18.9 million, down EUR 1.9 million compared to the first quarter of 2023. The trend is entirely attributable to the decrease in **rolling stock lease payments** (primarily to Trenord), which went from EUR 13.5 million in Q1 2023 to EUR 11.5 million in Q1 2024, mainly due to lower lease payments on CSA, Coradia and TSR trains following the new framework agreement with Trenord. **Other revenues**, which include administrative services (i.e. the management of centralised corporate activities through Service Contracts with investee companies) and management of owned properties, amounted to EUR 7.3 million, stable compared to the first quarter of 2023.

**Adjusted EBITDA** amounted to EUR 9.2 million, down EUR 2.9 million compared to the first quarter of 2023 as a result of the joint effect of the revenue trends described previously and higher operating costs of EUR 1.0 million. In particular, the latter were mainly affected by higher personnel costs of EUR 0.7 million relating to the increase in the average workforce (+11 FTE) and the adjustment of the CCNL, as well as the increase in other operating costs of EUR 0.3 million linked to higher IT expenses and financial intermediation costs incurred by FNMPAY.

## 4.2 RAILWAY INFRASTRUCTURE

Amounts in EUR millions	Q1 2024	Q1 2023	Chg	Chg %
Public contracts and grants	21.6	22.2	(0.6)	-2.7%
Revenues from network access	6.7	6.2	0.5	8.1%
Lease of rolling stock	—	4.8	(4.8)	N/A
Other revenues	3.8	3.9	(0.1)	-2.6%
<b>Total revenues</b>	<b>32.1</b>	<b>37.1</b>	<b>(5.0)</b>	<b>-13.5%</b>
<b>Adj. EBITDA</b>	<b>0.8</b>	<b>0.9</b>	<b>(0.1)</b>	<b>-11.1%</b>
<b>Adj. EBITDA %</b>	<b>2.5%</b>	<b>2.4%</b>		
<b>EBIT</b>	<b>0.3</b>	<b>0.4</b>	<b>(0.1)</b>	<b>-25.0%</b>



**Revenues** for this segment amounted to EUR 32.1 million, down EUR 5.0 million compared to the first quarter of 2023. The trend is almost entirely attributable to the absence of the item "rolling stock lease" due to the different treatment of cyclical maintenance costs for rolling stock owned by Regione Lombardia<sup>3</sup> following the updating of the FERROVIENORD Service Contract, discussed in detail in the Annual Financial Report as at 31 December 2023, which should be referred to for further information. Excluding this item, which - it should be recalled - has a neutral impact on EBITDA, the segment's revenues would be essentially stable compared to the first quarter of 2023.

In particular, the **revenues relating to public contracts and grants**<sup>4</sup> amounted to EUR 21.6 million, down EUR 0.6 million from the same period of 2023. This trend was caused by (i) higher revenues from the Service Contract linked to the increase in production, the adjustment to inflation and the recovery of general expenses related to funded rolling stock orders, especially the Caravaggio train order, for a total of EUR 0.8 million; (ii) higher incentives of EUR 0.3 million linked to the "Ferrobonus" following the initiation of MTO activities as of October 2023; (iii) lower revenues for design activities and cost recoveries related to work on the network in the amount of EUR 1.7 million. **Network access revenues** increased by EUR 0.5 million due to the 2024 inflation adjustment and the increase in kilometres travelled on the Milan Branch. The **other revenues** amounted to EUR 3.8 million, also down by EUR 0.1 million compared to the first quarter of 2023.

**Adjusted EBITDA** for the segment stood at EUR 0.8 million, down by EUR 0.1 million compared to the same period of 2023 as a result of revenue trends and a slight decline in costs. In more detail, personnel costs rose by EUR 0.7 million compared to Q1 2023 due to the increase in headcount (+15

<sup>3</sup> The costs for the second-level maintenance of the train fleet managed by FERROVIENORD on behalf of Regione Lombardia are borne directly by the Region and accounted for annually on the basis of the multi-year planning provided by Trenord. Therefore, the train lease revenue paid by Trenord to FERROVIENORD and the associated provisions are no longer recognised in the income statement.

<sup>4</sup> These include the consideration deriving from the Service Contract for infrastructure management and the Programme Agreement for the management of investments and maintenance on the network, as well as for the purchase and management of rolling stock on behalf of Regione Lombardia and the network access fee received directly from the railway companies.

FTEs), but were more than offset by the EUR 0.8 million decline in operating costs, mainly due to the reduction in the costs of repairing damage to the railway infrastructure, which in Q1 2023 had been incurred following exceptional events.

Regarding **terminal management**, revenues in the period amounted to EUR 0.7 million, up EUR 0.4 million compared to the first quarter of 2023. EBITDA was a negative EUR 0.2 million, marking a deterioration of EUR 0.1 million compared to Q1 2023 due to higher costs linked to MTO activities and the hiring of new resources in 2023.

### 4.3 PASSENGER ROAD TRANSPORT

#### Operational data

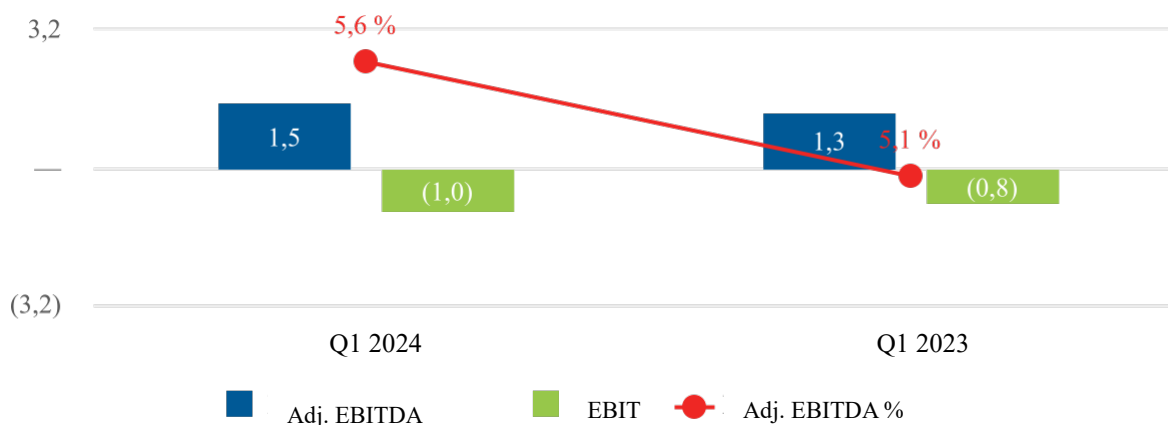
Mobility indicators		Q1 2024	Q1 2023	Chg %	Q1 2019	Chg %
<b>Passengers</b>	<b>million</b>	<b>18.1</b>	<b>17.4</b>	<b>4.0%</b>	<b>20.3</b>	<b>-10.8%</b>
- ATV	million	16.9	16.3	3.7%	18.9	-10.6%
- FNMA	million	1.2	1.1	9.1%	1.4	-14.3%
<b>LPT</b>	<b>mln bus/km</b>	<b>6.2</b>	<b>6.5</b>	<b>-4.6%</b>	<b>6.5</b>	<b>-4.6%</b>
- ATV	mln bus/km	4.9	5.2	-5.8%	5.3	-7.5%
- FNMA	mln bus/km	1.3	1.3	—%	1.2	8.3%

Overall, travellers carried in the first quarter of 2024 totalled 18.1 million, up 4.0% from 17.4 million in the first quarter of 2023, but still 10.8% lower than in the same period of 2019. Local public transport services provided amounted to 6.2 million bus-km, down 4.6% compared to Q1 2023 and 2019 due to difficulties caused by the shortage of drivers, which required a reduction in the service provided by ATV during the period.

With regard to the development of tariffs, it should be noted that a tariff increase of approximately 15% for ATV season tickets came into force on 1 January 2024.

#### Economic performance

Amounts in EUR millions	Q1 2024	Q1 2023	Chg	Chg %
Public contracts and grants	12.4	13.0	(0.6)	-4.6%
Transport services	12.9	11.4	1.5	13.2%
Other revenues	1.7	1.3	0.4	30.8%
<b>Total revenues</b>	<b>27.0</b>	<b>25.7</b>	<b>1.3</b>	<b>5.1%</b>
<b>Adj. EBITDA</b>	<b>1.5</b>	<b>1.3</b>	<b>0.2</b>	<b>15.4%</b>
<b>Adj. EBITDA %</b>	<b>5.6%</b>	<b>5.1%</b>		
<b>EBIT</b>	<b>(1.0)</b>	<b>(0.8)</b>	<b>(0.2)</b>	<b>25.0%</b>



**Revenues** for the year amounted to EUR 27.0 million, up EUR 1.3 million compared to the first quarter of 2023. Please recall that in the comparative period this segment still included the contribution of La Linea and its subsidiary Martini Bus, deconsolidated as of 16 January 2023, amounting to EUR 0.7 million.

In particular, **revenues from public contracts and grants** amounted to EUR 12.4 million, down by EUR 0.6 million from the first quarter of 2023 primarily due to the absence of the tax credit on the cost of methane for EUR 0.5 million, and the removal of the contribution of La Linea and Martini Bus, for EUR 0.1 million. **Revenues from transport services** (ticketing, replacement services provided by FNMA on behalf of Trenord, sub-contracted activities and car-sharing by E-Vai) amounted to EUR 12.9 million, up EUR 1.5 million compared to the first quarter of 2023 as a result of higher revenues of EUR 1.2 million from passenger transport and the higher fee of EUR 0.6 million invoiced for train replacement runs, partially offset by the decline in revenues linked to the change in scope of EUR 0.5 million. **Other revenues** amounted to EUR 1.7 million, an increase of EUR 0.4 million compared to the first quarter of 2023 thanks to the increase in passenger fines as a result of the increase in ticket verification rounds and the recovery of excise duty on diesel fuel.

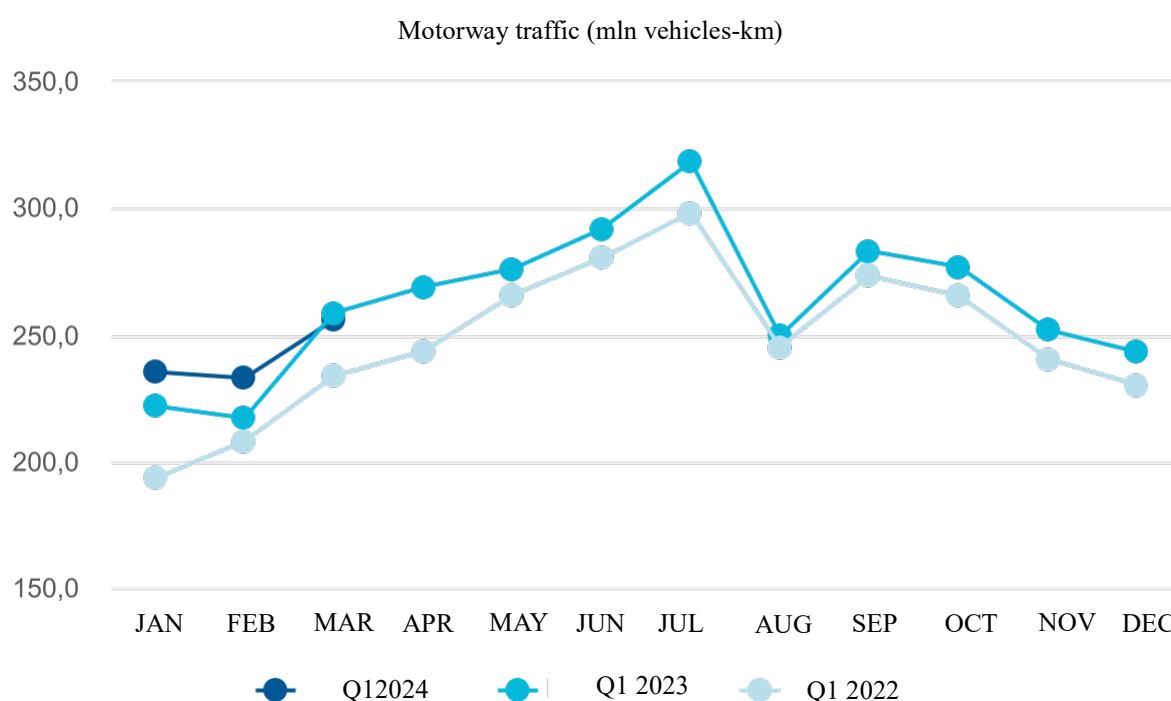
**Adjusted EBITDA** for the period was EUR 1.5 million, an increase of EUR 0.2 million compared to the first quarter of 2023 as a result of the growth in revenues from transport services mentioned above, partially offset by the increase in operating costs, mainly due to increased sub-contracting to third parties to carry out additional runs of EUR 0.9 million, higher personnel costs of EUR 0.5 million and the absence of the contribution of La Linea and its subsidiary Martini Bus of EUR 0.3 million.

## 4.4 MOTORWAYS

### Traffic and tariff trends

Paying traffic		Q1 2024	Q1 2023	Chg %	Q1 2022	Chg %
Light vehicles	mln vehicle-	571.9	546.4	4.7%	484.1	18.1%
Heavy vehicles	mln vehicle-	151.6	150.8	0.5%	150.3	0.9%
<b>Total</b>	<b>mln vehicle-</b>	<b>723.5</b>	<b>697.2</b>	<b>3.8%</b>	<b>634.4</b>	<b>14.0%</b>

The table above shows that traffic volumes rose significantly in the early months of 2024, also benefiting from the conventional route adjustment of the Tangenziale Nord (Northern Ring Road) on 1 March 2023.



Observing the monthly trend in paying traffic, it can be seen that the traffic trend, which was particularly positive in January and February, came to a noticeable halt in March, especially in the area of heavy vehicles across all routes under concession. In particular, the recovery recorded in the first two months of the year is attributable to both the conventional route adjustment on the Tangenziale Nord (Northern Ring Road) on 1 March 2023 and the extra day in February, as 2024 is a leap year. The trend in March, on the other hand, may be related to bad weather conditions that limited travel during the Easter holidays.

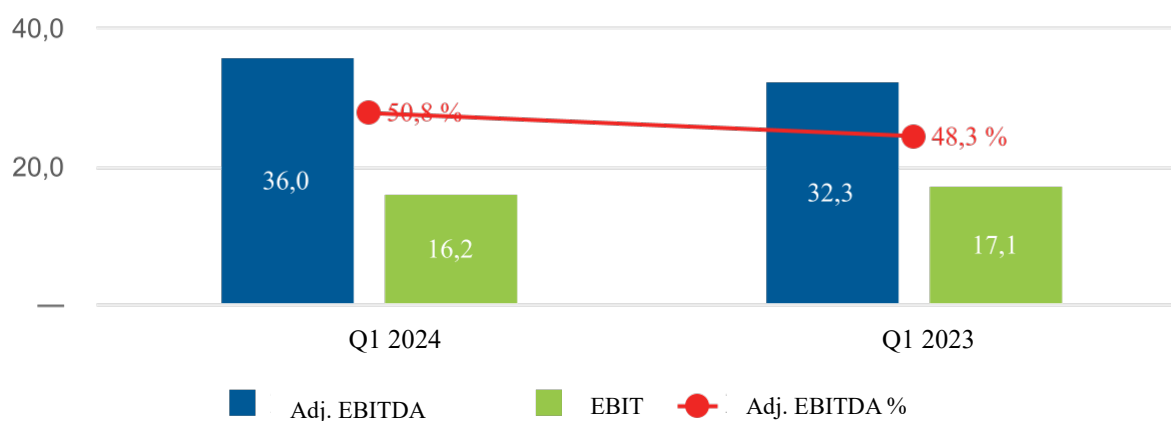
In the first quarter of 2024, the total number of accidents recorded on the network under concession was up by 10% compared to the same period in 2023, due to the traffic trend, as well as considering the fact that recurring traffic on the open ring road system experienced an equivalent increase. There

were two fatal accidents. The accident rate, calculated as the number of accidents per 100 million vehicle-km stood at 61.9 in the first quarter of the year, an increase of 3.5 points compared to 58.2 in the first quarter of 2023.

With regard to the preliminary analysis concerning the 2024 tariff adjustment, it should be noted that by virtue of the regulatory provision included in the “Milleproroghe” Decree Law of 28 December 2023 and the communication sent by the Awarding Body, MISE's motorway tariffs were adjusted by 2.3% as of 1 January 2024.

### Economic performance

Amounts in EUR millions	Q1 2024	Q1 2023	Chg	Chg %
Toll revenues	65.0	61.4	3.6	5.9%
Other revenues	5.9	5.5	0.4	7.3%
<b>Total revenues</b>	<b>70.9</b>	<b>66.9</b>	<b>4.0</b>	<b>6.0%</b>
<b>Adj. EBITDA</b>	<b>36.0</b>	<b>32.3</b>	<b>3.7</b>	<b>11.5%</b>
<b>Adj. EBITDA %</b>	<b>50.8%</b>	<b>48.3%</b>		
<b>EBIT</b>	<b>16.2</b>	<b>17.1</b>	<b>(0.9)</b>	<b>-5.3%</b>



**Revenues** for the Motorways segment amounted to EUR 70.9 million, up EUR 4.0 million compared to the first quarter of 2023. The improvement is mainly driven by the increase in **toll revenues** (EUR +3.6 million) due to the 2.3% tariff increase as of 1 January 2024 and positive traffic trends, which also incorporate the adjustment of the conventional distance travelled on Milan's Tangenziale Nord (Northern Ring Road) as of 1 March 2023, following the opening to traffic of the upgraded S.P. 46 Rho-Monza. **Other revenues** increased by EUR 0.4 million compared to the first quarter of 2023, mainly due to higher cost recoveries for the management of the Agrate and Terrazzano barriers (the amount shown in 2023 was subject to an adjustment that was positive for MISE) and higher recoveries from motorway damage compensation following accidents.

**Adjusted EBITDA** for the period was EUR 36.0 million, up EUR 3.7 million on the first quarter of 2023, due to the revenue trend and a slight increase in costs (EUR +0.3 million). The latter are, however, the result of varying trends across the different cost items, which are also influenced by net changes in provisions, as described below.

Motorway infrastructure **maintenance and restoration costs** decreased by EUR 5.4 million, attributable to (i) the decline in restoration and renewal works mainly related to the completion of works in 2023 on the viaduct over the Po river and the Zerbolò integrated barrier; and (ii) lower ordinary maintenance due to a different breakdown of activities. These effects were partially offset by the net change of EUR 4.9 million in the renewal provision as a result of the restoration work performed and scheduled (lower utilisation of the renewal provision in line with the increased restoration work performed in the first quarter of the previous year, which included major work over the Po river and at the Zerbolò integrated barrier).

**Operating costs** decreased by EUR 0.1 million due to the combined effect of lower net increases in the provision for risks and charges as a result of a one-off adjustment made in 2023 and savings on electricity costs, which more than offset the higher costs associated with the increase in tolls (including collection charges and concession fees) and higher ancillary personnel costs relating to the renewal of the CCNL (welfare and meal vouchers).

**Personnel costs** increased by EUR 0.9 million mainly due to the increase in personnel (+28 FTE) in relation to the reorganisation process started in 2023 and the effects of the renewal of the CCNL in the second half of 2023.

## 4.5 ENERGY

### *Service performance*

Viridis is active in the power generation sector in Italy, with a nominal installed capacity of 45 MW in solar and 2 MW in biogas, an increase over the previous year of about 10 MW due to the commissioning of 2 photovoltaic power plants as of December 2023.

Operational data concerning installed capacity and electricity production for the first quarter of 2024 and the corresponding comparative period are provided below:

	INSTALLED POWER IN OPERATION (MW)			PRODUCTION (MWh)		
	31/03/2024	31/03/2023	Chg %	Q1 2024	Q1 2023	Chg %
Photovoltaic plants	45.0	34.8	+29.3%	9,651	8,669	+11.3%
Biogas plants	2.0	2.0	— %	4,339	4,269	+1.6%
<b>Total</b>	<b>47.0</b>	<b>36.8</b>	<b>+27.7%</b>	<b>13,990</b>	<b>12,938</b>	<b>+8.1%</b>

In the first quarter of 2024, electricity production amounted to 13,990 MWh, of which 9,651 MWh from photovoltaic plants and 4,339 MWh from biogas. Photovoltaic generation is up compared to the same period of 2023 (+981 MWh for PV) due to the commissioning of the new plants, the effect of which is, however, largely offset by less sunlight (-13.2% compared to the seasonal average of the last 25 years and -10.4% compared to Q1 2023 on a like-for-like basis) and a power limitation imposed by the grid operator for one of the two new plants (limitation lifted as of March). By contrast, energy production from biogas plants remained basically aligned with the same quarter of the previous year.

A breakdown is provided below of the average prices by zone and the single national price (PUN) for electricity for the first quarter of 2024 compared with the same period of 2023:

	Q1 2024	Q1 2023	Chg %
Italy PUN - single national electricity price	92.0	157.7	-41.7%
North Zone electricity price	92.4	160.5	-42.4%
Central North Zone electricity price	92.4	160.5	-42.4%
South Zone electricity price	91.0	151.1	-39.8%
Sardinia electricity price	88.6	149.1	-40.6%

In the first quarter of 2024, the PUN (Single National Price) decreased by 41.7% compared to the same period of 2023; prices by zone also followed a broadly similar trend. The decrease in energy prices reflects lower gas prices during the period, caused by the mild temperatures experienced during the winter and the resulting maintenance of storage levels. In fact, it should be recalled that electricity demand in the Italian electricity system is largely met by combined cycle plants fuelled by natural gas (CCGTs), which therefore also set the kWh price for other operators through the marginal price mechanism.

However, the market price trend is not directly reflected in the results for the period due to the mitigating effect deriving from fixed-price energy sales contracts in place with the traders and the revenue base deriving from plants benefiting from the energy account.

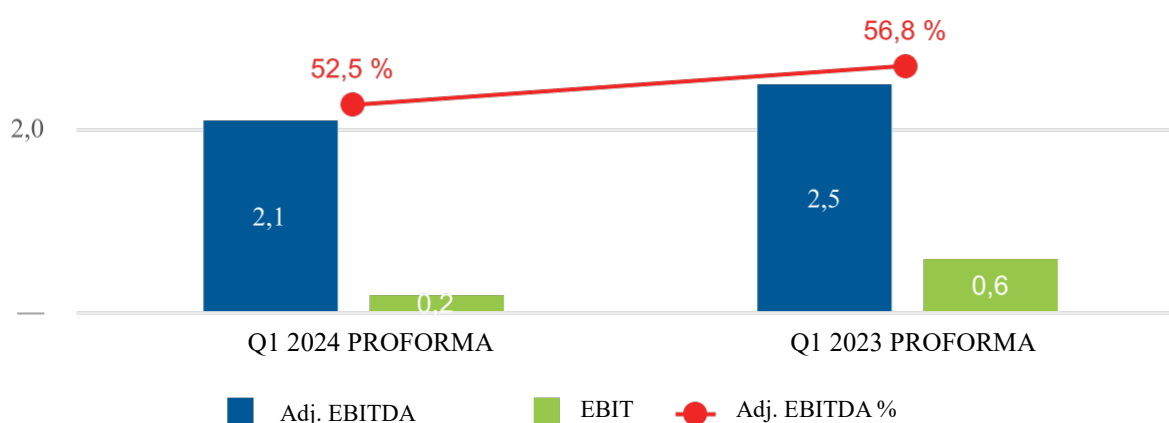
### *Economic performance*

The table below shows the pro forma values for the first quarter of 2023 estimated on the basis of a linear breakdown of the consolidated results of Viridis and its subsidiaries, as presented in the Information Document published on 5 March 2024. In light of this, the economic data for the first



quarter of 2023 do not reflect the seasonal trends typical of the sector, making the comparative analysis of the two periods less meaningful.

Amounts in EUR millions	Q1 2024 PRO FORMA	Q1 2023 PRO FORMA	Chg	Chg %
Revenues from the sale of electricity	2.3	2.1	0.2	9.5%
Other revenues	1.7	2.3	(0.6)	-26.1%
<b>Total revenues</b>	<b>4.0</b>	<b>4.4</b>	<b>(0.4)</b>	<b>-9.1%</b>
<b>Adj. EBITDA</b>	<b>2.1</b>	<b>2.5</b>	<b>(0.4)</b>	<b>-16.0%</b>
<b>Adj. EBITDA %</b>	<b>52.5%</b>	<b>56.8%</b>		
<b>EBIT</b>	<b>0.2</b>	<b>0.6</b>	<b>(0.4)</b>	<b>-66.7%</b>



**Revenues** in the first quarter of 2024 amounted to EUR 4.0 million, a decrease of EUR 0.4 million. Specifically, **revenues from the sale of electricity** amounted to EUR 2.3 million, up by EUR 0.2 million compared to the first quarter of 2023. **Other revenues** amounted to EUR 1.7 million, down by EUR 0.6 million.

**Adjusted EBITDA** amounted to EUR 2.1 million, down by EUR 0.4 million compared to the first quarter of 2023 as a result of the revenue trends described previously.

## 4.6 MAIN INVESTEE COMPANIES

### TRENORD

#### Service performance

		Q1 2024	Q1 2023	Chg %	Q1 2019	Chg %
Passengers transported	million	50.1	47.0	6.6%	57.5	-12.9%

The recovery in the number of travellers continued in the first quarter of 2024, up 6.6% compared to the same period in 2023, but still 12.9% lower than in the first quarter of 2019 (pre-pandemic values).

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*Economic performance*

**Revenues** for the period amounted to EUR 232.1 million, up EUR 20.1 million compared to the first quarter of 2023. In detail, **ticketing revenues** amounted to EUR 94.5 million, an increase of EUR 8.1 million compared to the first quarter of 2023, mainly due to the tariff inflation adjustment in force as of September 2023 and the uptick in demand. **Service Contract revenues** grew by EUR 11.6 million to EUR 125.6 million, benefiting from the renewal of the Service Contract as of December 2023. **Other revenues and income** amounted to EUR 12.0 million, marking a slight increase of EUR 0.3 million compared to the first quarter of 2023.

**Personnel costs** came to EUR 77.4 million, with an overall increase of EUR 5.1 million compared to the first quarter of 2023, mainly due to the increase in the number of resources employed (+44 FTE), largely for the reinforcement of operating processes (train drivers, train conductors and ticketing staff). **Operating costs** amounted to EUR 111.0 million, up EUR 1.7 million compared to the first quarter of 2023 due to higher costs for third-party services and bus replacement services, partially offset by lower electricity costs.

The combined effect described above resulted in an **EBITDA** of EUR 43.8 million, an increase of EUR 13.2 million compared to the first quarter of 2023.

**Amortisation, depreciation and impairment** amounted to EUR 30.8 million, down EUR 11.4 million compared to the first quarter of 2023 primarily as a result of lower amortisation and depreciation on rights of use.

**EBIT** amounted to EUR 13.0 million, a significant improvement of EUR 24.6 million compared to the first quarter of 2023.

The **net financial loss** came to EUR -4.0 million, a deterioration of EUR 2.2 million compared to the first quarter of 2023, mainly due to higher interest expenses accrued on loans taken out for leased assets in application of IFRS 16. The net financial loss also takes into account financial income of EUR 1.3 million related to the financial effect of the recognition of consideration on a straight-line basis, compared to the variable compensation accrued.

**Earnings before taxes** therefore amounted to EUR 9.0 million, an improvement over the value recorded in the first quarter of 2023 (EUR -13.5 million).

**Income taxes** amounted to EUR 3.2 million, compared to a positive value of EUR 1.4 million in the first quarter of 2023, and were entirely attributable to the positive change in the profit for the period.

The first quarter of 2024 therefore closed with a **net income** of EUR 5.8 million, a considerable improvement over the loss of EUR 12.0 million reported in the first quarter of 2023.

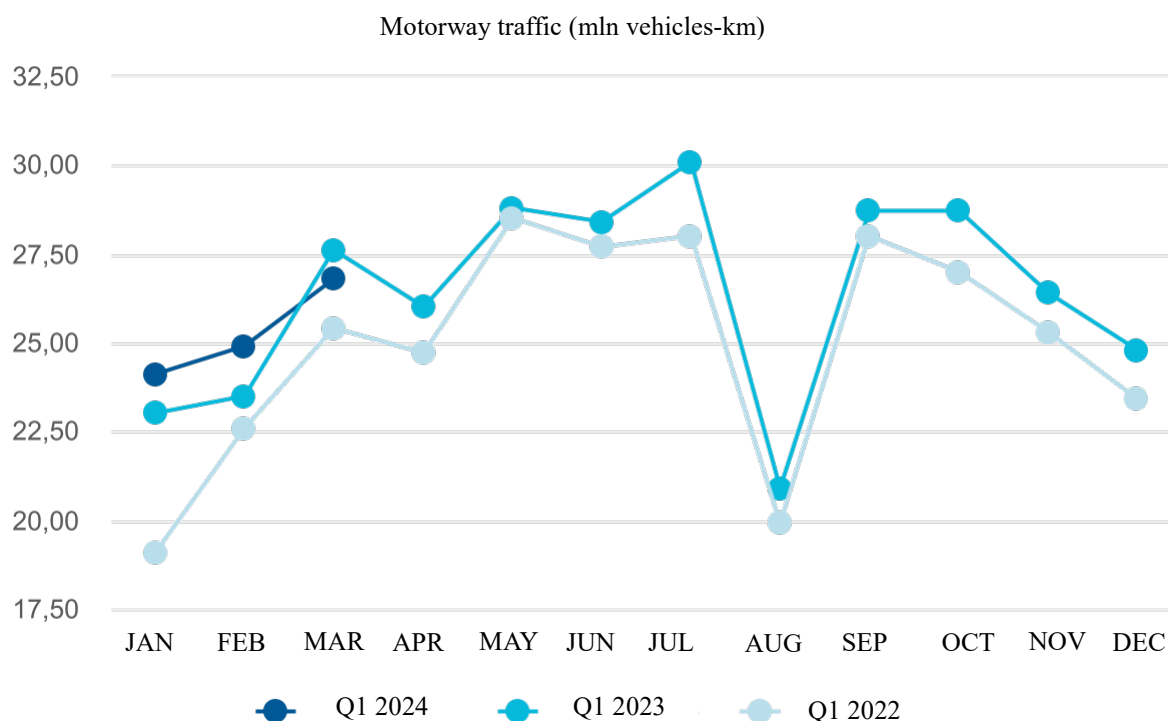
## AUTOSTRADA PEDEMONTANA LOMBARDA (APL)

### Traffic and tariff trends

Paying traffic		Q1 2024	Q1 2023	Chg %	Q1 2022	Chg %
Light vehicles	mln vehicle-	61.3	59.6	2.9%	52.8	16.1%
Heavy vehicles	mln vehicle-	14.5	14.4	0.7%	14.2	2.1%
<b>Total</b>	<b>mln vehicle-</b>	<b>75.8</b>	<b>74.0</b>	<b>2.4%</b>	<b>67.0</b>	<b>13.1%</b>

The traffic recorded in the first quarter of 2024 continued to perform well, improving by 2.4% compared to the same period of 2023 due to the trend in light traffic, and confirming significantly higher levels than those recorded in the same period of 2022 (+13.1%).

The graph below summarises the traffic trend on a monthly basis over the last two years:



With regard to the adjustment for financial year 2024, taking into account that the conditions of the Milleproroghe Decree also apply to APL, the MIT confirmed the adjustment of the average unit tariff in the amount of 2.30% as of 1 January 2024.

### *Economic data summary*

The following data are reported in accordance with the regulations of the Italian Civil Code, interpreted and supplemented by the accounting principles issued by the Italian Accounting Body (OIC).

In the first three months of 2024, APL generated revenues of EUR 12.1 million, up by EUR 0.3 million compared to the first quarter of 2023, mainly due to traffic growth and the 2.3% tariff adjustment.

The increase in revenues led to an improvement in **EBITDA** to EUR 5.3 million, up EUR 0.2 million compared to the first three months of 2022.

The **operating profit** was EUR 3.8 million, up by EUR 0.1 million, in line with the EBITDA trend, against depreciation, amortisation and other provisions that increased overall by EUR 0.1 million compared to Q1 2023.

The investee closed the first quarter of 2023 with a **net loss** of EUR 2.8 million, an improvement over the result recorded in the first quarter of 2023 (loss of EUR 3.8 million) mainly due to financial management trends (EUR +0.9 million). The positive financial result was achieved thanks to the investment of liquidity, which more than offset the increase in financial expenses.

## **5 FNM GROUP HUMAN RESOURCES**

The average number of employees of the FNM Group at 31 March 2024 was 2,610 FTE, compared with 2,597 FTE as at 31 March 2023, inclusive of the number of FTE relating to Viridis and its subsidiaries, which constituted the average headcount of the same period in the previous year.

## **6 SIGNIFICANT EVENTS DURING THE PERIOD**

### **Acquisition of 80% of Viridis Energia finalised**

**23 February 2024** - the acquisition from Lagi Energia 2006 S.r.l. and HNF S.p.A. of 80% of the share capital of Viridis Energia S.p.A., an independent electricity producer, was finalised in execution of the sale and purchase agreement entered into and announced to the market on 19 February 2024. More information is provided in section 2.5 of this document and in the Financial Report as at 31 December 2023. Since this is a “significant” acquisition transaction in accordance with the provisions of Annex 3B Part I point B of Consob Regulation No. 11971 of 14 May 1999 (“Issuers’ Regulation”), additional details are provided in the information document relating to the transaction published on 5 March 2024, prepared pursuant to art. 71, paragraph 1 of the Issuers’ Regulation.

## 7 SIGNIFICANT EVENTS AFTER 31 March 2024

### **The Shareholders' Meeting approves the 2023 Financial Statements.**

**22 April 2024:** the Shareholders' Meeting approved the proposed separate financial statements of FNM S.p.A., examined the consolidated financial statements of the FNM Group as at 31 December 2023 and resolved to allocate the profit for the year of EUR 14,237,463.53 as follows:

- EUR 711,873.18 to the legal reserve;
- EUR 3,525,590.35 to the extraordinary reserve;
- EUR 10,000,000.00 to distribution of the ordinary dividend to Shareholders, ensuring a remuneration of EUR 0.023 for each ordinary share outstanding.

The dividend will be payable as of 5 June 2024, with ex-dividend No. 15 on 3 June 2024 and record date on 4 June 2024.

The Shareholders' Meeting also:

- approved Section Two of the Report on the remuneration policy and on the compensation paid, prepared pursuant to Art. 123-ter of Legislative Decree No. 58 of 24 February 1998;
- appointed the Board of Directors for the three-year period 2024-2026, after having set the number of members of the new Board as seven;
- appointed the Board of Statutory Auditors for the three-year period 2024-2026;
- renewed the authorisation for the purchase and disposal of treasury shares, subject to revocation of the authorisation granted by the Meeting on 21 April 2023.

The newly-appointed Board of Directors took office on 22 April 2024 and, following the assessment of the independence requirements of the Directors, proceeded to set up the Board Committees on 24 April.

## 8 MANAGEMENT OUTLOOK

In view of the results achieved in Q1 2024, in line with expectations overall, the Company confirms its overall forecasts for 2024.

In the current year, the results of the motorway segment are expected to be supported by the consolidation of traffic demand, which reached pre-pandemic levels in 2023, and the tariff increase effective from 1 January 2024. In line with the stabilising trend seen in 2023, LPT passenger volumes will also continue to recover in 2024, but are expected to remain lower than in 2019.

The Group's results will benefit from the effect of the acquisition of Viridis, an operator in the field of power generation from renewable sources, consolidated with effect from 23 February 2024.

In light of these reflections, the forecasts for the FNM Group, including the results of Viridis, consolidated with effect from 23 February 2024, are as follows in 2024:

- revenue growth of 1-5% compared to 2023 (broadly in line on a like-for-like basis)
- adjusted EBITDA up 5-10% on 2023 (broadly in line on a like-for-like basis)
- adjusted EBITDA/revenue up slightly on 2023.

Net financial debt is expected to be in the range of EUR 850 to 900 million at the end of the year. This takes account of the effects of the acquisition of Viridis and investments for the year, currently estimated at EUR 150-200 million, driven mainly by motorway capex and the development of renewable energy production activities. The adjusted NFP/EBITDA ratio is therefore expected to be in the range of 3.5x-4.0x.

For Trenord – measured according to the equity method – transport demand is also expected to recover further compared to 2023, with volumes gradually reaching pre-pandemic levels over a period of a few years. The investee company continues to constantly monitor all the main KPIs regarding the performance of the service, passengers, receipts and the cost-revenue ratio.

Milan, 14 May 2024

The Board of Directors

The undersigned Eugenio Giavatto, in his capacity as "Executive in charge of financial reporting" of FNM S.p.A., hereby certifies, in compliance with the provisions of Article 154-bis of Legislative Decree no. 58 of 24 February 1998, that the accounting information contained in this Interim Management Report corresponds to the documented results in the Company's books and records.

The Executive in charge of financial reporting

Eugenio Giavatto

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## GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE INDICATORS USED

This document, in addition to the conventional financial statements and indicators prescribed by IFRS, presents some reclassified statements and some alternative performance indicators in order to allow a better assessment of the economic-financial performance of the Group. These statements and indicators should not be deemed to be replacements for the conventional ones prescribed by IFRS. For these quantities, the descriptions of the criteria adopted in their preparation and the appropriate notes referring to the items contained in the mandatory statements are provided in accordance with the indications of Consob Communication no. 6064293 of 28 July 2006, in Consob Communication no. 0092543 of 3 December 2015 and of the ESMA 2015/1415 guidelines for alternative performance indicators ("Non GAAP Measures").

In particular, among the alternative indicators used, the following are pointed out:

**EBITDA:** it represents the earnings for the period before income taxes, other financial income and expenses, depreciation, amortisation and impairment of non-current assets. The Group also provides an indication of the incidence of EBITDA on net sales. The calculation of EBITDA carried out by the Group makes it possible to compare the operating results with those of other companies, excluding any effects deriving from financial and tax components and from depreciation and amortisation, which may vary from company to company for reasons not correlated with the general operational performance.

**EBITDA %:** it represents the percentage of EBITDA over total revenues.

**Adjusted EBITDA:** it is represented by EBITDA as identified above, excluding non-ordinary expenses and income, such as:

- (i) income and expenses deriving from restructuring, reorganisation and business combinations;
- (ii) income and expenses not directly referred to the ordinary performance of the business, clearly identified;
- (iii) any income and expenses deriving from significant extraordinary events and transactions as defined by Consob Communication DEM6064293 of 28/07/2006.

Extraordinary expenses from development projects amounting to EUR 0.8 million were excluded from 2024 adjusted EBITDA.

**Adjusted EBITDA %:** it represents the percentage of Adjusted EBITDA over total revenues.

**EBIT:** it represents the earnings for the period before the income deriving from sold/disposed assets, income taxes, financial income and expenses and the result of the companies measured at equity.

**Net Working Capital:** it includes current assets (excluding Cash and cash equivalents) and current liabilities (excluding the current financial liabilities included in the Net Financial Position).

**Net Invested Capital:** it is equal to the algebraic sum of fixed capital, which includes non-current assets and non-current liabilities (excluding the non-current financial liabilities included in the net financial position) and of net working capital.

**NFP (Net Financial Position):** it includes cash and cash equivalents, current financial liabilities and non-current financial liabilities.

**Adjusted NFP:** this is represented by the net financial position as identified above, excluding cash and cash equivalents and current financial liabilities relating to funded investments for the renewal of railway rolling stock set forth in the "2017 - 2032 Rolling Stock Programme", in order to neutralise the effects of the timing of the collection of grants and the relative payments made to suppliers, accounted for in accordance with IFRIC 12.



***Interim Management Report as at 31 March 2024***

- ***Consolidated Statement of Financial Position***
- ***Consolidated Income Statement***
- ***Consolidated Statement of Comprehensive Income***
- ***Statement of Changes in Consolidated Shareholders' Equity***
- ***Consolidated Statement of Cash Flows***

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31.03.2024

<i>Amounts in EUR thousands</i>	<b>31/03/2024</b>	<b>31/12/2023</b>
<b><u>ASSETS</u></b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and machinery	561,014	484,503
Intangible assets	355,161	307,704
Goodwill	43,629	0
Right of use	28,311	16,283
Equity investments measured with the Equity method	165,524	162,289
Equity investments measured at fair value through profit or loss	11,455	11,450
Other financial assets measured at amortised cost	71,282	67,172
Financial assets measured at fair value through profit or loss	4,588	4,454
Contractual assets	12,153	77,904
Deferred tax assets	39,962	36,646
Tax receivables	153	153
Other Assets	3,465	2,955
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,296,697</b>	<b>1,171,513</b>
<b>CURRENT ASSETS</b>		
Inventories	16,909	13,404
Trade Receivables	166,642	171,031
Other Assets	135,991	136,619
Current tax receivables	2,463	384
Other financial assets measured at amortised cost	1,171	2,743
Financial assets measured at fair value through profit or loss	573	562
Contractual assets	13,040	10,249
Receivables for investments in services under concession	229,440	210,717
Cash and cash equivalents	396,600	395,245
<b>TOTAL CURRENT ASSETS</b>	<b>962,829</b>	<b>940,954</b>
Assets held for sale	—	0
<b>TOTAL ASSETS</b>	<b>2,259,526</b>	<b>2,112,467</b>

<i>Amounts in EUR thousands</i>	<b>31/03/2024</b>	<b>31/12/2023</b>
<b><u>LIABILITIES</u></b>		
Share capital	230,000	230,000
Other reserves	11,970	12,052
Reserve for indivisible profit	80,956	37,796
Reserve for actuarial gains/(losses)	(5,677)	(5,647)
Translation reserve	207	278
Profit/(loss) for the period	13,513	80,855
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP</b>	<b>330,969</b>	<b>355,334</b>
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTEREST</b>	<b>32,997</b>	<b>20,826</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>363,966</b>	<b>376,160</b>
<b>NON-CURRENT LIABILITIES</b>		
Payables to banks	131,049	91,758
Bond loan	646,212	645,848
Financial Payables	58,043	89
Lease liabilities	20,439	12,968
Payables for funded investments	16,413	16,413
Other liabilities	35,805	36,657
Provisions for risks and charges	65,773	69,827
Post-employment benefits	18,691	18,941
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>992,425</b>	<b>892,501</b>
<b>CURRENT LIABILITIES</b>		
Payables to banks	149,764	56,785
Bond loan	2,173	961
Financial Payables	32,218	30,071
Lease liabilities	9,613	7,963
Payables for funded investments	71,297	82,200
Trade payables	472,357	513,693
Current tax payables	11,081	4,504
Tax payables	8,227	4,427
Other liabilities	80,573	73,938
Provisions for risks and charges	65,832	69,264
<b>TOTAL CURRENT LIABILITIES</b>	<b>903,135</b>	<b>843,806</b>
Liabilities related to assets held for sale	0	0
<b>TOT. LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2,259,526</b>	<b>2,112,467</b>

## Q1 2024 CONSOLIDATED INCOME STATEMENT

<i>Amounts in EUR thousands</i>	<b>Q1 2024</b>	<b>Q1 2023</b>
Revenues from sales and services	130,949	132,583
Revenues from construction services – IFRIC 12	31,760	15,473
<b>TOTAL REVENUES</b>	<b>162,709</b>	<b>148,056</b>
Grants	3,339	2,962
Other income	7,412	6,748
<b>TOTAL REVENUES AND OTHER INCOME</b>	<b>173,460</b>	<b>157,766</b>
Raw materials, consumables and goods used	(7,977)	(8,409)
Service costs	(37,795)	(35,775)
of which: non-recurring	(757)	0
Personnel costs	(41,891)	(39,499)
Depreciation, amortisation and write-downs	(31,314)	(25,436)
Write-down of financial assets and contractual assets	(81)	(70)
Other operating costs	(8,058)	(13,333)
Costs of construction services – IFRIC 12	(29,815)	(14,129)
<b>TOTAL COSTS</b>	<b>(156,931)</b>	<b>(136,651)</b>
<b>EBIT</b>	<b>16,529</b>	<b>21,115</b>
Financial income	3,309	1,304
Financial expenses	(5,744)	(4,629)
<b>NET FINANCIAL INCOME (LOSS)</b>	<b>(2,435)</b>	<b>(3,325)</b>
Net profit/loss of companies measured with the Equity method	3,306	(5,867)
<b>EARNINGS BEFORE TAX</b>	<b>17,400</b>	<b>11,923</b>
Income taxes	(4,313)	(1,963)
<b>NET PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>13,087</b>	<b>9,960</b>
<b>NET PROFIT FROM DISCONTINUED OPERATIONS</b>	<b>—</b>	<b>—</b>
<b>PROFIT FOR THE PERIOD</b>	<b>13,087</b>	<b>9,960</b>
<b>Profit/(loss) attributable to NON-CONTROLLING Interest</b>	<b>(426)</b>	<b>(220)</b>
<b>Profit attributable to Parent Company shareholders</b>	<b>13,513</b>	<b>10,180</b>
<b>Profit/(loss) attributable to NON-CONTROLLING Interest for discontinued operations</b>	<b>—</b>	<b>—</b>
<b>Profit/(loss) attributable to Parent Company Shareholders for discontinued operations</b>	<b>—</b>	<b>—</b>
<b>Earnings per share attributable to Group Shareholders</b>		
Basic earnings per share (EUR)	0.03	0.02
Diluted earnings per share (EUR)	0.03	0.02
<b>Earnings per share attributable to Group Shareholders for discontinued operations</b>		
Basic earnings per share (EUR)	—	—
Diluted earnings per share (EUR)	—	—

## OTHER CONSOLIDATED COMPREHENSIVE INCOME IN THE FIRST QUARTER OF 2024

<i>Amounts in EUR thousands</i>	Q1 2024	Q1 2023
<b>PROFIT FOR THE PERIOD</b>	<b>13,087</b>	<b>9,960</b>
<b>Other components of companies consolidated on a line-by-line basis</b>		
Post-employment benefit actuarial gain/(loss)	(23)	(104)
Tax effect	7	30
<b>Total components that will not be reclassified in the operating result</b>	<b>(16)</b>	<b>(74)</b>
Fair value measurement of derivatives	75	40
Tax effect	(18)	(10)
<b>Total components that will be reclassified in the operating result</b>	<b>57</b>	<b>30</b>
<b>Total companies consolidated on a line-by-line basis</b>	<b>41</b>	<b>(44)</b>
<b>Other components of companies measured with the Equity method</b>		
Post-employment benefit actuarial gain/(loss) of companies measured with the Equity	0	(4)
<b>Total components that will not be reclassified in the operating result</b>	<b>0</b>	<b>(4)</b>
Gains/(Losses) arising from the translation of financial statements of foreign companies	(71)	15
<b>Total components that will be reclassified in the operating result</b>	<b>(71)</b>	<b>15</b>
<b>Total companies measured with the Equity method</b>	<b>(71)</b>	<b>11</b>
<b>Total Other Comprehensive Income</b>	<b>(30)</b>	<b>(33)</b>
<b>TOTAL COMPREHENSIVE PROFIT FOR THE PERIOD</b>	<b>13,057</b>	<b>9,927</b>
Comprehensive profit/(loss) attributable to Non-Controlling Interest	(413)	(220)
Comprehensive profit/(loss) attributable to Parent Company Shareholders	13,470	10,147

## STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

<i>Amounts in EUR thousands</i>	Share capital	Other reserves	Indivisible Profit/Loss	Reserve for actuarial gains/losses	Translatio n reserve	Profit/Loss for the year	Shareholde rs' Equity attributabl e to the Group	Shareholde rs' Equity attributabl e to Non- Controlling Interests	Total Shareholde rs' Equity
<b>Balance as at 01.01.2023</b>	<b>230,000</b>	<b>13,335</b>	<b>(22,721)</b>	<b>(5,357)</b>	<b>200</b>	<b>68,476</b>	<b>283,933</b>	<b>22,980</b>	<b>306,913</b>
<b>Total Comprehensive Income</b>	<b>—</b>	<b>30</b>	<b>—</b>	<b>(78)</b>	<b>15</b>	<b>10,180</b>	<b>10,147</b>	<b>(220)</b>	<b>9,927</b>
Allocation of 2022 profit	—	—	68,476	—	—	(68,476)	—	—	—
Put Option variation	—	—	2,430	—	—	—	2,430	—	2,430
Change in the scope of consolidation	—	—	(1,502)	—	—	—	(1,502)	(2,427)	(3,929)
<b>Balance as at 31.03.2023</b>	<b>230,000</b>	<b>13,365</b>	<b>46,683</b>	<b>(5,435)</b>	<b>215</b>	<b>10,180</b>	<b>295,008</b>	<b>20,333</b>	<b>315,341</b>
<b>Balance as at 31.12.2023</b>	<b>230,000</b>	<b>12,052</b>	<b>37,796</b>	<b>(5,647)</b>	<b>278</b>	<b>80,855</b>	<b>355,334</b>	<b>20,826</b>	<b>376,160</b>
<b>Total Comprehensive Income</b>	<b>—</b>	<b>58</b>	<b>—</b>	<b>(30)</b>	<b>(71)</b>	<b>13,513</b>	<b>13,470</b>	<b>(413)</b>	<b>13,057</b>
Allocation of 2023 profit	—	—	80,855	—	—	(80,855)	—	—	—
Put Option variation	—	—	(37,835)	—	—	—	(37,835)	—	(37,835)
Change in the scope of consolidation	—	(140)	140	—	—	—	—	12,584	12,584
<b>Balance as at 31.03.2024</b>	<b>230,000</b>	<b>11,970</b>	<b>80,956</b>	<b>(5,677)</b>	<b>207</b>	<b>13,513</b>	<b>330,969</b>	<b>32,997</b>	<b>363,966</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS AT 31.03.2024

<i>Amounts in EUR thousands</i>	31/03/2024	31/03/2023
<b>Cash flow from operating activities</b>	<b>Total</b>	<b>Total</b>
Profit/Loss for the period	13,087	9,960
Income taxes	4,313	1,963
Net profit/loss of companies measured with the Equity method	(3,306)	5,867
Amortisation for the period of intangible assets	19,360	14,755
Depreciation of property, plant and machinery for the period	10,014	9,027
Amortisation of the exercise of rights of use	1,940	1,654
Provisions for risks and charges	698	5,416
Releases of provisions for risks and charges	(122)	(311)
Provision for bad debts	81	70
Gains/(Losses) from disposal of non-current non-financial assets	(116)	64
Write-down of contractual assets	—	—
Releases of provision for bad debts	(43)	(19)
Gains from disposal of assets held for sale	0	(186)
Capital grants for the period	(988)	(846)
Financial income	(3,309)	(1,118)
Financial expenses	5,744	4,629
<b>Cash flow from income activities</b>	<b>47,353</b>	<b>50,925</b>
Net change in the provision for post-employment benefits	(730)	(1,032)
Net change in the provision for bad debts	—	(51)
Net change in provision for risks and charges	(1,805)	(6,624)
(Increase)/Decrease in trade receivables	6,824	(13,224)
(Increase)/Decrease in inventories	(2,202)	38
(Increase)/Decrease in other receivables	5,510	(5,612)
Increase in trade receivables	2,233	1,170
Increase/(Decrease) in other liabilities	(994)	1,607
<b>Total cash flow from operating activities</b>	<b>56,189</b>	<b>27,197</b>
<b>Cash flow from/(for) investing activities</b>		
Investments in intangible assets with own funds	(536)	(351)
Investments in property, plant and equipment with own funds	(6,550)	(9,993)
Decrease in trade payables for investments with own funds	(4,680)	(16,592)
Collection of grants on investments with own funds	4,031	2,328
Gross investments in assets freely revertible for motorway infrastructure	(4,070)	(5,909)
Payment of capitalised financial expenses on motorway infrastructure	0	(70)
Collection of motorway infrastructure investment fee	0	8,873
Gross funded rolling stock investments "Rolling Stock 2017-2032"	(102,891)	(42,273)
Collection of investment fee for "Rolling Stock 2017-2032"	79,454	64,575
Gross funded railway infrastructure investments <sup>1</sup>	(72,019)	(22,592)
Collection of railway infrastructure investment fee <sup>1</sup>	22,469	21,644
Disposal value of property, plant and machinery	118	30
Other changes in financial receivables	(115)	257
Interest income collected	2,225	429
Loan disbursement to investee companies	(1,000)	(1,000)
Loan repayment by investee companies	0	6,938
Decrease in assets held for sale	185	5,500
VIRIDIS acquisition net of cash held	(53,732)	—
<b>Total cash flow from/(for) investing activities</b>	<b>(137,111)</b>	<b>11,794</b>
<b>Cash flow from/(for) financing activities</b>		
Repayment of lease payables	(1,770)	(2,002)

New loans	86,194	1,456
Decrease in payables to banks	(1,792)	(1,663)
Other interest expenses paid	(1,559)	(243)
Decrease in other financial liabilities	1,204	(166)
<b>Total cash flow from/(for) financing activities</b>	<b>82,277</b>	<b>(2,618)</b>
<b>Liquidity generated (+)/absorbed (-)</b>	<b>1,355</b>	<b>36,373</b>
Cash and cash equivalents at start of period	395,245	236,928
Cash and cash equivalents at end of period	396,600	273,301
<b>Liquidity generated (+)/absorbed (-)</b>	<b>1,355</b>	<b>36,373</b>

<sup>1</sup>The values also include rolling stock other than “Rolling Stock 2017-2032”.



## ANNEX 1

## Subsidiaries, equity investments in joint ventures and associates

	Name	Registered Office	Nature of Control	Consolidation method	%
1	FERROVIENORD S.p.A.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	100.0%
2	NORD_ING S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	100.0%
3	FNM Autoservizi S.p.A.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	100.0%
4	E-Vai S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	100.0%
5	Malpensa Intermodale S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	100.0%
6	Malpensa Distripark S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	100.0%
7	FNMPAY S.p.A.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	100.0%
8	FNM POWER S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	100.0%
9	Milano Serravalle – Milano Tangenziali S.p.A.	Assago - Via del Bosco Rinnovato 4/b	Subsidiary	Line-by-line Consolidation	100.0%
10	Milano Serravalle Engineering S.r.l.	Assago - Via del Bosco Rinnovato 4/b	Subsidiary	Line-by-line Consolidation	100.0%
11	Azienda Trasporti Verona S.r.l.	Verona - Lungadige Galtarossa, 5	Subsidiary	Line-by-line Consolidation	50.0%
12	La Linea 80 Scarl	Belluno - Via Garibaldi, 77	Subsidiary	Line-by-line Consolidation	50.3%
13	Viridis Energia S.p.A.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
14	Viridis Energia Asset Management S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
15	VRD 23 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
16	VRD 23.2.1 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
17	VRD 23.4 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
18	VRD 25 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
19	VRE.1 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
20	VRD 25.5 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
21	VRD 26.1 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
22	VRD 27 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
23	VRD 27.1 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
24	VRD 27.2 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
25	VRD 27.3 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
26	VRD 28 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
27	VRD 28.1 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
28	VRD 28.2 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
29	VRD 28.3 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%

30	VRD 28.4 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
31	VRD 28.5 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
32	VRD 29 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
33	VRD 29.1 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
34	VRD 29.2 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
35	VRD 29.3 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
36	VRE.2 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
37	VRD 30 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
38	VRD 30.1 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
39	VRD 30.2 S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
40	VSE S.r.l.	Milan - P.le Cadorna, 14	Subsidiary	Line-by-line Consolidation	80.0%
41	VBIO 1 Società Agricola S.r.l.	Ancona - via Sandro Totti, 12/A	Subsidiary	Line-by-line Consolidation	80.0%
42	VBIO 2 Società Agricola S.r.l.	Ancona - via Sandro Totti, 12/A	Subsidiary	Line-by-line Consolidation	80.0%
43	Trenord S.r.l.	Milan - P.le Cadorna, 14	Joint Venture	Measured with the Equity method	50.0%
44	TILO SA	Bellinzona CH - Via Portaccia 1a	Joint Venture	Measured with the Equity method	25.0%
45	NordCom S.p.A.	Milan - P.le Cadorna, 14	Joint Venture	Measured with the Equity method	58.0%
46	NORD ENERGIA S.p.A. in liquidation	Milan - P.le Cadorna, 14	Joint Venture	Measured with the Equity method	60.0%
47	Omnibus Partecipazioni S.r.l.	Milan - P.le Cadorna, 14	Joint Venture	Measured with the Equity method	50.0%
48	ASF Autolinee S.r.l.	Como - Via Asiago, 16/18	Joint Venture	Measured with the Equity method	24.5%
49	DB Cargo Italia S.r.l.	Milan - via Lancetti 29	Associate	Measured with the Equity method	40.0%
50	Busforfun.com S.r.l.	Venice - Via Botteghino, 217	Associate	Measured with the Equity method	40.0%
51	Busforfun.CH SA	Lugano - via Francesco Somaini 10	Associate	Measured with the Equity method	38.0%
52	BUSFORFUNESPAÑA S.L.	Barcelona - Plaza Catalunya 1 - p.4	Associate	Measured with the Equity method	40.0%
53	Currant S.r.l.	Venice - Via Jacopo Salamonio 3	Associate	Measured with the Equity method	40.00%
54	Sportit S.r.l.	Milan - Piazza Santa Francesca Romana 3	Associate	Measured with the Equity method	33.33%
55	Mbility S.r.l.	Milan - Via Santa Sofia 27	Joint Venture	Measured with the Equity method	30.77%
56	Autostrada Pedemontana Lombarda S.p.A.	Milan - via Pola 12/14	Associate	Measured with the Equity method	36.66%
57	Tangenziali Esterne di Milano S.p.A.	Milan - Via Fabio Filzi, 25	Associate	Measured with the Equity method	22.55%