

SOCIETÀ DI PROGETTO  
**BREBEMI SPA**

Half-yearly report  
as at 30 June 2021



<b>Shareholders</b>	<b>Number of shares</b>	<b>Share capital</b>	<b>% of share capital</b>
Autostrade Lombarde S.p.A.	271,290,457	39,919,589	76.5605%
Aleatica SAU	54,023,077	7,949,336	15.2458%
Unieco Società Cooperativa	17,815,000	2,621,425	5.0276%
Società per Azioni Autostrade Centro Padane	3,745,000	551,066	1.0569%
Mattioda Pierino & Figli S.p.A.	2,016,500	296,722	0.5691%
Mattioda Autostrade S.p.A.	2,000,000	294,294	0.5644%
CMB Soc. Coop. Muratori e Braccianti di Carpi	1,612,000	237,201	0.4549%
Milano Serravalle - Milano Tangenziali S.p.A.	1,300,000	191,291	0.3669%
SPEA Engineering S.p.A.	180,000	26,486	0.0508%
Pegaso Ingegneria S.r.l.	163,000	23,985	0.0460%
Milano Serravalle Engineering S.r.l.	71,500	10,521	0.0202%
Alpina S.p.A.	66,635	9,805	0.0188%
Aegis Srl Cantarelli & Partners	22,000	3,237	0.0062%
Cremonesi Workshop Srl	16,500	2,428	0.0047%
A.B.M. Azienda Bergamasca Multiservizi srl	13,000	1,913	0.0037%
Grandi Lavori Fincosit S.p.A.	13,000	1,913	0.0037%
Itinera S.p.A.	100	15	0.0000%
Impresa Pizzarotti & C. S.p.A.	1	0	0.0000%
CCC Società cooperativa	1	0	0.0000%
<b>Total</b>	<b>354,347,771</b>	<b>52,141,227</b>	<b>100.0000%</b>



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**SOCIETA' DI PROGETTO  
AUTOSTRADA DIRETTA  
BRESCIA MILANO S.P.A.**

Subject to the management and coordination of  
Autostrade Lombarde S.p.A.

**SHORTENED**

Registered office: via Somalia, 2/4 – 25126 BRESCIA  
Share Capital 52,141,227 fully paid up  
REA no. 455412

**SOCIETA' DI PROGETTO  
BREBEMI S.P.A.**

Entry in the Brescia Companies Register  
Tax Code and VAT No. 02508160989

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**BOARD OF DIRECTORS**

*Chairman*  
Bettoni Francesco

*Board Members*  
Marchioro Riccardo  
Corigliano Rocco  
Magnoni Ruggero  
Hombrados Cuadrillero Francisco Roberto  
Moreno Cela Rafael  
Gago De Pedro Joaquin

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*The Board of Directors was appointed by the Shareholders' Meeting of 26 October 2020 and will remain in office until the approval of the 2022 financial statements.*

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**BOARD OF STATUTORY  
AUDITORS**

*Chairman*  
Cervellini Quirino (\*)

*Standing auditors*  
Panteghini Paolo  
Rampino Pietro Paolo  
Riva Sara (\*\*)  
Gnecchi Flavio

*Alternate Auditors*  
Cossu Leonardo  
Ravicini Luciana

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*(\*) appointed by the Ministry of Economy and Finance, (\*\*) appointed by CAL S.p.A.  
The Board of Statutory Auditors was appointed by the Shareholders' Meeting of 17 June 2019 and will remain in office until approval of the 2021 financial statements.*

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**INDEPENDENT AUDITORS**

DELOITTE & TOUCHE S.p.A.

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*The appointment of the Independent Auditors was conferred by resolution of the Shareholders' Meeting of 29 April 2021 and will expire upon approval of the 2023 financial statements.*

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## REPORT ON FIRST HALF OF 2021

### INTRODUCTION

This report accompanies the interim financial statements as at 30 June 2021. It has been drawn up in accordance with the provisions of OIC 30, also pursuant to Article 2381 of the Italian Civil Code and contains information on operations in the first half of 2021.

The Half-Yearly Report as at 30 June 2021 consists of the Balance Sheet, Income Statement, Cash Flow Statement and Additional Note, as required by Art. 2423 of the Italian Civil Code, are hereby submitted for your approval. These tables have been drawn up in accordance with the OIC 2016 national accounting standards implementing Legislative Decree 139/2015 published in the OJ of 4 September 2015.

### COVID-19 HEALTH EMERGENCY

Following the Covid-19 health emergency, in early 2020 the Company took the necessary measures to prevent and contain contagions, in line with the directives of national and local health authorities. In particular:

- in March 2020, a specific protocol was adopted, setting out and disseminating the necessary corporate provisions to regulate people's access to company premises and the behaviour of workers therein;
- the "Committee for protocol application and verification", composed of the Manager of the Prevention and Protection Service, the Worker Safety Representative and the appointed manager, was set up to ensure compliance with all the provisions;
- the necessary measures were taken to protect health and safety in the workplace, such as: the distribution of appropriate Personal Protective Equipment, the intensification of sanitation activities in the workplace, the adoption of appropriate measures to ensure interpersonal distance during work activities;
- during the national lockdown, smart working was used where possible, ensuring adequate supervision of management activities.

Since March 2021 the partial easing of restrictions and the subsequent reopening of several production sites have led to a partial recovery in traffic volumes from pre-Covid levels.

### ACQUISITION BY ALEATICA S.A.U.

In 2021 the shareholder Aleatica S.A.U. further consolidated its stake in the Autostrade Lombarde group by acquiring a total number of 53,843,077 shares in the Company and increasing its stake from 0.05% to 15.25% as a result of the following acquisitions:

- on 25 March 2021, 44,850,078 shares from the shareholder Impresa Pizzarotti S.p.A.
- on 8 July 2021, 7,192,999 shares from the shareholder CCC Società cooperativa and 1,800,000 shares from the shareholder Autostrada Brescia Verona Vicenza Padova S.p.A.

Aleatica S.A.U. also took over the receivables deriving from the loans granted by the aforementioned shareholders, as well as the positions of Ubi Banca S.p.A., for a total amount of EUR 28,510,201 and acquired the related equity financial instruments for a total amount of EUR 17,231,659.

Aleatica S.A.U. also acquired a total number of 56,177,004 shares from the parent company Autostrade Lombarde S.p.A., increasing its stake from 55.78% to 67.79% as a result of the acquisitions of the shares held by Impresa Pizzarotti S.p.A., Autostrada Brescia Verona Vicenza Padova S.p.A., CCC Società cooperativa and UBI Banca, as well as 35,541 shares in the affiliate Argentea, equal to 29.62% of its share capital as a result of the acquisitions of the shares held by Impresa Pizzarotti S.p.A., Autostrada Brescia Verona Vicenza Padova S.p.A., CCC Società cooperativa and A4 Mobility S.r.l..

It is also pointed out that in June and July 2021 the following shareholders notified their intention to assign to the shareholder Aleatica SAU their stake in Società di Progetto Brebemi SpA to Aleatica SAU; more specifically:

- on 15 June 2021 the shareholder Mattioda Autostrade SpA in relation to the assignment of 2,000,000 shares, equal to 0.56% of the share capital;
- on 30 June 2021 the shareholder Pegaso Ingegneria Srl in relation to the assignment of 163,000 shares, equal to 0.05% of the share capital;
- on 2 July 2021 the shareholder Mattioda Pierino & Figli SpA in relation to the assignment of 2,016,000 shares, equal to 0.57% of the share capital.

For all the above transactions, pursuant to Article 6.5 of the Bylaws, the relevant pre-emption procedure was initiated.

## **OPERATIONS ON THE COMPANY'S CAPITAL AND ASSETS**

In a meeting held on 15 March 2021, the Board of Directors, consistently with the commitments taken under the Economic and Financial Plan, decided to issue 68,000,000 participative financial instruments, also establishing that any PFIs that were not subscribed by shareholders would be released through offsetting of receivables due from the Company to parties who undertook commitments in Subordinated Shareholder Loan. The participative financial instruments were subscribed on 22 April 2021 through proportional conversion of the total receivables due to shareholders from the Company as at 31 December 2020.

## **INVESTOR RELATIONS AND RATING**

As of 30 June 2021, there applies the STID Proposal approved by the Secured Creditors on 23 July 2020 which meant for the company a covenant holiday of the testing of certain financial ratios, namely the BLCR, the Historic DSCR and the Projected DSCR ratios, running for 12 months from and including the test date falling on June 30, 2020 to and including the test date falling on June 30, 2021 (the "Covenant Holiday").

In June, DBRS Morningstar confirmed the issuer rating and the rating on the Senior Secured debt of Società di Progetto Brebemi S.p.A. as "BBB(LOW)" with a Negative Trend, and also removed the rating "Under Review with Negative Implications" of 18 June 2020.

No changes in Fitch's rating: it has remained a "BB+" rating with Stable Outlook" since 12 August 2020.

## **UPDATING OF THE ECONOMIC AND FINANCIAL PLAN**

In the course of 2021, the regulatory concession period (October 2016 to October 2021) will expire.

Pending the formal commencement of the updating and rebalancing procedure, as governed by Art. 11.7 of the Concession Agreement, the company has started, also with the support of external advisors, all the preparatory and functional activities for the imminent negotiations with the Grantor of the proposal to rebalance the economic and financial plan.

Discussions with the grantor and the related preliminary activities are still ongoing.

With Resolution no. 16/2019 of 18 February 2019, the Transport Regulatory Authority had ordered the launch of the consultation process aimed at defining the toll tariff system, based on the price-cap method and with the determination of the X productivity indicator every five years.

Following the preliminary activities, the Authority adopted specific resolutions for each concessionaire with the updated Economic and Financial Plan; as regards Società di Progetto Brebemi S.p.A., Resolution no. 87/2021 was passed.

Whilst referring to the content of the specific resolution, it is underlined that the new toll tariff system distinguishes the toll tariff into two main components: (i) the management tariff, aimed at recovering operating costs and capital costs (depreciation and remuneration) of non-reversible



assets and (ii) the construction tariff, aimed at ensuring recovery of capital costs (depreciation and remuneration) relating to reversible assets.

The resolutions in question also establish (i) a safeguard mechanism aimed at ensuring that concessionaires recover capital costs relating to investments already made or to be made (if already contracted/contracted at the date of publication of the resolutions) in accordance with the profitability level resulting from application of the previous tariff system, and (ii) the tariff principles and criteria relating to any extension of operations beyond the expiry of the concession.

As outlined in the Directors' Report on 16 September 2021 a petition was filed with the Regional Administrative Court of Piemonte against Resolution no. 87/2021 issued by the Transport Regulatory Authority on 17 June 2021.

## **ERS (ELECTRIC ROAD SYSTEM) TECHNOLOGY**

As part of its commitment to reducing environmental pollution, combating climate change, decarbonisation and reducing CO<sub>2</sub> emissions, Brebemi has played an active role in researching innovative and efficient technologies aimed at electrifying the motorway network.

After launching the second phase, in collaboration with the Milan Polytechnic, for the study of technologies for the electrification of a pilot section with a WPT (Wireless Power Transfer) solution - on 17 May the Company launched the initiative "Arena del Futuro" with the participation of ABB, Electreon, FIAMM Energy Technology, IVECO, IVECO Bus, Mapei, Pizzarotti, Milan Polytechnic, Prysmian, Stellantis, TIM, University of Roma Tre and University of Parma for the development of an innovative zero-emission mobility system for people and goods along motorway transport corridors.

The project envisages:

- the construction of a 1,050-metre asphalt ring powered by 1MW of electrical power, named "Arena del Futuro", located in a private area of the A35 motorway near the Chiari Ovest exit;
- the application of "Dynamic Wireless Power Transfer" technology to different ranges of electric vehicles in static and dynamic environments;
- advanced connectivity through 5G and IoT (Internet of Things) technologies to ensure maximum road safety and optimise the productivity of commercial vehicles;
- the optimisation of road surfaces to make them more durable and not alter the efficiency of inductive charging.

In the first half of 2021, construction activities on the new site began.

## **TECHNICAL AND ADMINISTRATIVE FINAL TESTS**

Between 2019 and the beginning of 2020, Works Management and the Concessionaire produced to the Grantor and to the Test Commissions all the documentation for which they were responsible (final account of the works and corresponding accompanying report by WM; report by Works Management (WM) on the reservations put forward by the executor; report by the Concession Holder) for the purposes of the definitive conclusion of the technical-administrative test operations pursuant to Art. 217 et seq. of Presidential Decree 207/2010, valid within the framework of the concession relationship between CAL and Brebemi and the underlying relationships between Brebemi and its General Contractors (GC) and relating to all the works carried out (Motorway and A35-A4 Interconnection Modification).

As part of the testing operations, in December 2020 the Grantor and Brebemi also informally sought to reach an amicable settlement of the reservations made by the GCs pursuant to the aforesaid Art. 234(2), and on 12 March 2021 they reached an amicable settlement. Similar agreements were signed with the General Contractors (Consorzio BBM and Interconnessione Scarl) on 12 March 2021 and 17 May 2021, respectively.

Following the formalisation of the settlement agreement and the final resolution of all issues covered by the settlement, the Provisional Testing Certificates issued by Testing Committees no. 1, no. 2 and no. 3 (on 23 April 2020, 30 September 2020 and 23 June 2021, respectively), valid within the framework of the relations between the Grantor CAL and the Concessionaire Brebemi, and between the Concessionaire Brebemi and the General Contractors (Consorzio BBM and Interconnessione Scarl), concerning the works covered by CIPE Resolutions no. 42/2009 and 19/2016, were definitively approved by a resolution of the Company's Board of Directors (with regard only to the relations between the Concessionaire Brebemi and the aforesaid General Contractors) on 23 July 2021. The same resolution also confirmed the granting to the said General

Contractors of the amounts set forth in the Minutes of Agreement signed on 12 March 2021 and 17 May 2021. On 23 July 2021 the Company also sent to the Grantor CAL both the aforementioned resolution of the Board of Directors of the Company and the aforementioned Minutes of Agreement, as well as Testing Certificate no. 3, duly signed by the Company, in order to receive from the Grantor the final approval of the 3 Testing Certificates valid within the framework of the relations between the Grantor CAL and the Concessionaire Brebemi.

## LEGAL ACTIVITIES AND LITIGATION

There are 37 active disputes (these including disputes for which the time limit for appealing against the sentence is pending and disputes which have not yet been removed from the general court registers):

- two concerning the lawfulness of the expropriation procedures implemented against private individuals for acquisition of the land required for the Works;
- twenty concerning the estimates of indemnities to be provided to the owner companies, seven of which initiated by Brebemi and thirteen by the companies owning the expropriated properties;
- one relating to the payment of registration tax on the final expropriation deeds. This is an appeal before the Regional Tax Commission brought by Brebemi against the determination of the Brescia Provincial Tax Commission, which set the rate for payment of registration tax on the value of expropriated areas at 12%. This case arose from nine notices of liquidation served on Brebemi by the Brescia Tax Revenue Office, which were challenged by the Company before the aforementioned Provincial Commission on the assumption that the tax rate to be applied to all procedures, and on the basis of which the taxes relating to the nine notices had already been paid, was to be calculated at 9% of the value of the expropriated areas rather than 12% as deemed by the Tax Revenue Office. In the light of a very recent Order of the Court of Cassation of 24 November 2020, whereby, in acceptance of another previous petition made by Brebemi, the aforementioned rate was definitively set at 9%. On 27 May 2019 the Regional Tax Commission issued a ruling (filed only in January 2021 and recently notified to the defendant) holding that Brebemi's appeal was inadmissible as out of time. The company will assess the option of formalizing an appeal against the said ruling before the Court of Cassation.

In this regard, it should be noted that no specific provision has been made for risks due to the obligations and liabilities assumed by Consorzio BBM with the signing of the Contractor General Agreement and subsequent agreements.

Another fourteen disputes which cannot be classified under a *single legal basis* are pending:

- claim for compensation for the heirs of a worker who died in an accident on the Brebemi construction site (joint and several lawsuit with others). The Court rejected the preliminary motions and the case was referred to and investigated in criminal proceedings where the liability of Consorzio BBM and Brebemi was ruled out. No provision has therefore been made. The proceedings, suspended and not resumed, are on the way to formal termination;
- assessment of the COINE Consortium's reserves. (Sub-Contractor of the General Contractor). Brebemi, which was not a party to the contractual relationship between COINE and Consorzio BBM, was involved in these proceedings as it was held jointly and severally liable for Consorzio BBM's non-payment of sums claimed by COINE. Regardless of the outcome of the proceedings, Brebemi holds a specific indemnity issued by Consorzio BBM. The ruling was issued and filed on 14 May 2021 by the Court of Bologna, which held that Brebemi could not stand as defendant and ordered Consorzio BBM, Impresa Pizzarotti and CCC, on a joint and several basis, to pay compensation to COINE. No provision has therefore been made by the Company. The time limits for appealing against the ruling are pending;
- two appeals lodged with the Lazio Regional Administrative Court by Autostrade per l'Italia : (i) the first relating to the request for annulment of Resolution No X/4026 of the Lombardy Regional Council of 11 September 2015 and the preliminary and related decisions concerning the final project for the A35-A4 Interconnection Modification; (ii) the second concerning the annulment of CIPE Resolutions 60/2015, 18/2016 and

- 19/2016, concerning a) approval of Addendum No. 3 to the CAL-Brebemi Concession Agreement; b) extension of the Public Utility of the works connected with construction of the Motorway; c) approval of the Final Project for the A35-A4 Interconnection Modification. In both cases, the relief sought cannot be determined in economic terms and no provision has therefore been made. Autostrade per l'Italia waived both of the proposed legal actions and on 11 June 2021 the relevant final rulings were issued, and the cases will be removed from the Judge's general registries;
- a petition filed by Legambiente with which the environmental association challenged the decisions approving the A35/A4 Interconnection Modification. The relief sought cannot be determined in economic terms and no provision has therefore been made. The proceedings are on their way to final peremption;
  - a petition filed to the Regional Court by the Municipality of Cassina de' Pecchi in relation to a request for declaration of nullity of the act of handover of road sections. The relief sought cannot be determined in economic terms and no provision has therefore been made. The dispute specifically concerns the recognition of extra maintenance costs for the future management of the road section in question claimed by the Municipality from the Region;
  - a dispute relating to compensation of damage resulting from flooding that occurred during construction works on the Motorway. Pursuant to Art. 28 of the Contract of Award to a General Contractor, Consorzio BBM holds Brebemi harmless from third party claims relating to damage arising from motorway construction works. No provision has therefore been made;
  - an appeal to the Lazio Regional Administrative Court whereby Brebemi challenged Ministerial Decree no. 298 of 07.08.17, implementing Italian Legislative Decree no. 35/11, setting out the criteria for the payment of the tariff for road infrastructure classification and inspection activities (implementing Directive 2008/96/EC on road infrastructure safety management). Brebemi, pending the filing of the appeal, paid the tariffs calculated pursuant to article 6, paragraph 1, of the aforementioned Italian Ministerial Decree for the years 2017 and 2018. The payment was made, in fact, with the express reservation of reimbursement and does not constitute acquiescence to the obligations imposed. No provision has been made;
  - a petition filed by Brebemi before the Brescia Regional Administrative Court against the forced handover of some road sections constructed by Cepav Due (RFI general contractor for construction of the HS/HC line) pursuant to Art. 4(7) of the Highway Code. No provision has been made in view of the indeterminate nature of the relief sought, and in view of the extensive indemnity issued by Consorzio BBM to Brebemi. With a ruling dated 6 April 2021 the Regional Administrative Court of Brescia remitted the case to the Ordinary Court. Brebemi is assessing whether to resume the case before the Ordinary Court or to challenge the Regional Administrative Court ruling before the Council of State;
  - an appeal brought by CAL before the Council of State to challenge the ruling by the Milan Regional Administrative Court (No. 675/2020) upholding the petition filed by Brebemi against CAL's silence on its requests relating to approval of the reservations as well as the extension of the deadline for completion of the so-called "Connected Works" (indeterminable relief sought). The Council of State issued a ruling (published on 19 April 2021) declaring that the first instance appeal was inadmissible for lack of interest, annulling the disputed ruling without referral. The appeal was thus declared inadmissible. The final removal of the case from the Judge's general registry is pending;
  - a petition filed by Brebemi before the Court of Brescia to challenge the EUR 1 million penalty imposed by CAL for allegedly failing to meet the deadline for completion of the works. The appeal was filed by Brebemi in order to declare the illegitimacy of CAL's provision, since the penalty hypothesis described in the concession Agreement concerns the "Motorway link" (duly completed) and not the complementary and related works such as those under Lot 0B (the late completion of which led CAL to lodge a complaint). The parties are in the process of reaching an amicable settlement of the dispute. With an out-of-court agreement between Brebemi and CAL dated 12 March 2021, the parties decided not to appear at the hearing of 26 May 2021. Pursuant to art. 309 of the Code of Civil Procedure, the judge, having ascertained the absence of the parties also at the hearing of 22 June 2021, declared the proceedings closed. The final removal of the case from the Judge's general registry is pending;
  - an appeal brought by Società Autostrade per l'Italia (ASPI) against injunction no. 12275/2020 issued by the Court of Milan upholding the petition made by Brebemi to

obtain a financial advance on the motorway tolls collected by a licensee for transits on sections owned by another licensee. The Agreement that regulates these payments between interconnected licensees establishes that each month the debtor licensees will advance the amounts due to them to the creditor licensees on the basis of specific tables agreed in advance between the parties and commensurate to the collections made in the same period of the previous year. The dispute arose because of ASPI's arbitrary reduction of this financial advance. No provision is envisaged. Ruling issued on 30 June 2021 with which the court, in the light of the adjustment between the two motorway concessionaires, concerning the receivables and payables relating to the actual tolls recorded during the agreed period of time, revoked the injunction issued by ASPI, offsetting court costs. The final removal of the case from the Judge's general registry is pending

- a dispute brought by Brebemi against injunction No. 588/2020 obtained by the company entrusted with the "Tubosider" works for the payment of EUR 1,645,641.35, an amount withheld by the Contractor General to guarantee the correct execution of the works, which has not yet been released due to the failure to test the motorway section. Brebemi has filed a separate notice of opposition against the above-mentioned court order in order to be able to support its extraneousness to the above-mentioned injunction;
- a second instance case pending before the Court of Appeal of Brescia with which Brebemi appealed against the Court of Bergamo ruling which attributed to the Company strict liability for the uncontrolled abandonment of waste by third parties on the areas of the Motorway Junction. No provision has been made since the Company has prudently paid the amount sanctioned by the Province of Bergamo, subject to reimbursement following the expected favourable outcome of the proceedings.

**INCOME STATEMENT, BALANCE SHEET AND CASH FLOW DATA**

The Company's Income Statement, Balance Sheet and Cash Flow Statement are provided below with explanatory comments.

The key figures of the Income Statement as at 30 June 2021 compared with the corresponding data of the previous financial year can be summarized as follows:

	<b>30.06.2021</b>		<b>30.06.2020</b>		<b>Variation</b>
Revenues from motorway operations (*)	42,138,962		31,144,184		10,994,778
Other revenues	1,229,772		1,082,621		147,151
Operating costs (*)	(15,861,949)		(15,529,339)		(332,610)
<b>Gross operating margin (EBITDA)</b>	<b>27,506,785</b>	<b>63.4%</b>	<b>16,697,466</b>	<b>51.8%</b>	<b>10,809,319</b>
Amortisation, depreciation, provisions and reserves used	(6,574,496)		(6,135,346)		(439,150)
<b>Operating income (EBIT)</b>	<b>20,932,289</b>	<b>48.3%</b>	<b>10,562,120</b>	<b>32.8%</b>	<b>10,370,169</b>
Financial income	462,212		186,635		275,577
Bank financial charges	(40,800,162)		(39,863,276)		(936,886)
Financial charges shareholders loans	(12,130,063)		(13,914,870)		1,784,807
Release CFH reserve	(21,393,987)		(22,012,716)		618,729
Other financial charges	(126,625)		(152,882)		26,257
Value adjustments derivative instrum.	5,315,248		(3,864,970)		9,180,218
<b>Balance of financial management</b>	<b>(68,673,377)</b>		<b>(79,622,079)</b>		<b>10,948,702</b>
<b>Income before tax</b>	<b>(47,741,088)</b>		<b>(69,059,959)</b>		<b>21,318,871</b>
Income Taxes	11,689,694		16,328,405		(4,638,711)
<b>Profit/(Loss) for the period</b>	<b>(36,051,394)</b>		<b>(52,731,554)</b>		<b>16,680,160</b>

(\*) Amounts after the surcharge payable to ANAS (EUR 1,714 thousand as at 30.06.2021, EUR 1,321 thousand as at 30.06.2020)

The item " Revenues from motorway operations" totalled EUR 42.1 million (EUR 31.1 million in the same period of the previous financial year) and breaks down as follows:

	<b>30.06.2021</b>	<b>30.06.2020</b>	<b>Variation</b>
Net toll revenues	45,139,573	33,493,553	11,646,020
Surcharge payable to ANAS	(1,714,154)	(1,320,664)	(393,490)
Discounts and other adjustments	(1,286,457)	(1,028,705)	(257,752)
<b>Total motorway sector revenues</b>	<b>42,138,962</b>	<b>31,144,184</b>	<b>10,994,778</b>

The increase in "Net toll revenues" of EUR 11.3 million (34.98%) compared to 30 June 2020 is strictly related to the progressive easing of restrictions imposed by the lockdown. Traffic volumes on the motorway section and related revenues are progressively recovering, particularly with reference to heavy vehicles, which are already higher than the pre-pandemic levels, as detailed in the following table:

Monthly traffic data Paying Veh *km	Light vehicles			Heavy vehicles			Total vehicles		
	2021	2020	Δ%	2021	2020	Δ%	2021	2020	Δ%
January	15,261,571	27,755,119	(45.0%)	9,991,116	10,965,056	(8.9%)	25,252,687	38,720,175	(34.8%)
February	20,573,377	26,299,152	(21.8%)	11,384,587	11,205,581	1.6%	31,957,964	37,504,733	(14.8%)
March	17,418,412	7,514,148	131.8%	12,775,224	8,363,958	52.7%	30,193,636	15,878,106	90.2%
April	19,493,388	3,055,273	538.0%	12,139,684	6,032,354	101.2%	31,633,072	9,087,627	248.1%
May	27,807,687	11,364,043	144.7%	13,061,635	9,331,187	40.0%	40,869,322	20,695,230	97.5%
June	30,042,364	20,749,100	44.8%	13,943,656	10,716,295	30.1%	43,986,020	31,465,395	39.8%
<b>Total</b>	<b>130,596,799</b>	<b>96,736,835</b>	<b>35.0%</b>	<b>73,295,902</b>	<b>56,614,431</b>	<b>29.5%</b>	<b>203,892,701</b>	<b>153,351,266</b>	<b>33.0%</b>

Monthly traffic data Paying Veh *km	Light vehicles			Heavy vehicles			Total vehicles		
	2021	2019	Δ%	2021	2019	Δ%	2021	2019	Δ%
January	15,261,571	25,738,789	(40.7%)	9,991,116	10,189,991	(2.0%)	25,252,687	35,928,780	(29.7%)
February	20,573,377	26,205,577	(21.5%)	11,384,587	10,326,246	10.2%	31,957,964	36,531,823	(12.5%)
March	17,418,412	30,459,250	(42.8%)	12,775,224	11,403,829	12.0%	30,193,636	41,863,079	(27.9%)
April	19,493,388	29,876,538	(34.8%)	12,139,684	11,042,920	9.9%	31,633,072	40,919,458	(22.7%)
May	27,807,687	30,960,452	(10.2%)	13,061,635	12,367,740	5.6%	40,869,322	43,328,192	(5.7%)
June	30,042,364	32,829,950	(8.5%)	13,943,656	11,863,864	17.5%	43,986,020	44,693,814	(1.6%)
<b>Total</b>	<b>130,596,799</b>	<b>176,070,556</b>	<b>(25.8%)</b>	<b>73,295,902</b>	<b>67,194,590</b>	<b>9.1%</b>	<b>203,892,701</b>	<b>243,265,146</b>	<b>(16.2%)</b>

"Other revenues", amounting to EUR 1.2 million, refer to royalties received from service areas, the recovery of collection charges, exceptional transit charges and non-payments. This item also includes income received from the service contract in place with the parent company Autostrade Lombarde and the chargeback of costs to Argentea Gestioni.

"Operating costs", amounting to EUR 15.9 million, include EUR 12.8 million in service costs, EUR 0.1 million in costs for use of third party assets, EUR 1.4 million in other charges and EUR 1.6 million in costs of personnel.

The amount of service costs is mainly attributable to costs related to the operation and maintenance of non-compensated revertible assets. Specifically, the consideration paid in the first half of 2021 to the contractor under the management and maintenance contract, the affiliate Argentea Gestioni S.c.p.A., amounts to EUR 10.6 million (EUR 10.3 million in the first half of 2020).

The amount of other operating expenses includes EUR 1.1 million (EUR 0.8 million in the first half of 2020) in concession and sub-concession fees to be paid to the Grantor under the Concession Agreement.

"Amortisation, depreciation, provisions and reserves used", amounting to EUR 6.6 million, refers entirely to the amortization and depreciation of fixed assets. As of 30 June 2021, the amortization and depreciation charge related to non-compensated revertible assets amounted to EUR 6.5 million (EUR 6.1 million in the first half of 2020) and reflects the provisions of the Economic and Financial Plan attached to Addendum no. 3 to the Concession Agreement, also taking into account the expected takeover value.

Financial management shows a negative balance of EUR 68.7 million (EUR 79.6 in the first half of 2020). Financial charges accrued and paid during the year amounted to EUR 22.4 million (EUR 27.3 as at 30 June 2020) while financial charges accrued but not paid amounted to EUR 46.7 million (EUR 52.5 at 30 June 2020). Details of financial charges are provided below:

	30.06.2021	30.06.2020	Variation
Financial income	462,212	186,635	275,577
Financial charges paid during the period	(22,427,447)	(27,264,199)	4,836,752
<i>Bank financial charges and bonds</i>	<i>(19,319,347)</i>	<i>(25,355,109)</i>	<i>6,035,762</i>
<i>Swap spreads</i>	<i>(3,108,100)</i>	<i>(1,909,090)</i>	<i>(1,199,010)</i>
Financial charges accrued but not paid	(46,708,142)	(52,544,515)	5,836,373
<i>A3 financial charges</i>	<i>(11,112,352)</i>	<i>(10,727,807)</i>	<i>(384,545)</i>
<i>Junior financial charges</i>	<i>(5,449,357)</i>	<i>0</i>	<i>(5,449,357)</i>
<i>Financial charges shareholders loans</i>	<i>(12,130,063)</i>	<i>(13,914,870)</i>	<i>1,784,807</i>
<i>Financial charges bank bonds</i>	<i>(693,601)</i>	<i>(697,433)</i>	<i>3,832</i>
<i>Release CFH reserve</i>	<i>(21,393,987)</i>	<i>(22,012,716)</i>	<i>618,729</i>
<i>Value adjustments derivative instrum.</i>	<i>5,315,248</i>	<i>(3,864,970)</i>	<i>9,180,218</i>
<i>Other financial charges</i>	<i>(1,244,030)</i>	<i>(1,326,719)</i>	<i>82,689</i>
<b>Balance of financial management</b>	<b>(68,673,377)</b>	<b>(79,622,079)</b>	<b>10,948,702</b>

Interests expense and principal as of 30 June 2021 related to the Junior line were not subject to repayment based on the provisions included in the "Note Trust Deed" for which, following the publication of the financial ratios as of 31 December 2020, the Company notified the bondholders of fulfilment of the "Restricted Payment Condition". Interests as of 30 June 2020 has been duly paid.

Financial charges to shareholders of EUR 12.1 million (EUR 13.9 as of 30.06.20) include interests accrued on outstanding subordinated shareholder loans. The reduction compared to the same



period of the previous year is due to the conversion of part of the principal into participative financial instruments on 22 April 2021 for a total amount of EUR 54.1 million.

“Income Taxes” totalling EUR 11.7 million include: EUR 0.8 million for current taxes, EUR 10.5 million for deferred tax assets calculated on the tax loss and on the ACE allowance, EUR 1.0 million for tax adjustments relating to previous years and EUR 1.1 million for income deriving from participation in the national tax consolidation scheme in place with the parent company Autostrade Lombarde S.p.A.

In order to better understand the equity and financial situation of the company, some financial statements reclassification tables are provided below. With regard to the illustration of the aspects of the company's balance sheet, reference should be made to the comments on the individual items in the Additional Note.

	30.06.2021	31.12.2020	Variation
Intangible fixed assets	14,238	10,179	4,059
Tangible fixed assets	979,619	1,041,756	(62,137)
Assets deriving from concession right	1,657,964,105	1,617,627,343	40,336,762
Financial fixed assets	0	44,046,823	(44,046,823)
Working capital	354,270,288	370,051,870	(15,781,582)
<b>Invested Capital</b>	<b>2,013,228,250</b>	<b>2,032,777,971</b>	<b>(19,549,721)</b>
Employees severance indemnity	985,151	936,009	49,142
<b>Invested capital after deducting provisions</b>	<b>2,012,243,099</b>	<b>2,031,841,962</b>	<b>(19,598,863)</b>
Share Capital	52,141,227	52,141,227	0
Share premium reserve	21,230,078	21,230,078	0
Other reserves	148,000,000	80,000,000	68,000,000
Cash flow hedges reserve	(284,747,171)	(307,179,029)	22,431,858
Profit (loss) carried forward	(119,879,921)	(24,121,150)	(95,758,771)
Profit (loss) for the period	(36,051,394)	(95,758,771)	59,707,377
<b>Shareholders' Equity</b>	<b>(219,307,181)</b>	<b>(273,687,645)</b>	<b>54,380,464</b>
Net financial indebtedness	2,231,550,280	2,305,529,607	(73,979,327)
<b>Own capital and loan capital</b>	<b>2,012,243,099</b>	<b>2,031,841,962</b>	<b>(19,598,863)</b>

With the settlement agreement between Brebemi and CAL, the Grantor definitively recognised the higher eligible costs already incurred by the General Contractors and advanced financially by Brebemi in 2017, 2018 and 2019.

In relation to the changes in the item “Assets deriving from concession right”, it is underlined that with an agreement signed by Brebemi and Consorzio BBM on 12 March 2021, the Company confirmed the payment of EUR 44.5 million already paid in advance and temporarily recorded under “Financial fixed assets” at 31 December 2020 as well as the release of the bank guarantee issued by BNP Paribas intended to cover the risk of repayment of the amount paid as advance payment.

The change in the item "Working capital" compared to last year is attributable, for the receivable part: (i) to the collection of the 2021 portion of the public contribution provided for by Addendum no. 3 on 23 April 2021; (ii) the increase in deferred tax assets; (iii) the increase in the receivable from the parent company Autostrade Lombarde relating to the assignment of tax losses; (iv) the increase in receivables from interconnected companies.

"Net financial indebtedness" as at 30 June 2021 is broken down as follows:

	<b>30.06.2021</b>	<b>31.12.2020</b>	<b>Variation</b>
Cash and cash equivalents	134,161,567	124,194,310	9,967,257
Receivables from interconnected	22,017,798	16,872,795	5,145,003
Current payables to bondholders	(33,663,516)	(23,292,205)	(10,371,311)
Current bank payables	(8,319,700)	(7,306,600)	(1,013,100)
Payables to interconnected companies	(670,072)	(391,607)	(278,465)
<b>Net current available funds</b>	<b>113,526,077</b>	<b>110,076,693</b>	<b>3,449,384</b>
Payables to banks	(284,484,236)	(288,608,577)	4,124,341
Payables to bondholders	(1,638,530,655)	(1,636,323,058)	(2,207,597)
Derivative financial instruments	(145,403,562)	(158,840,425)	13,436,863
EPC Banks	(58,676,315)	(57,982,714)	(693,601)
Payables to shareholders for loans	(217,914,953)	(273,161,846)	55,246,893
Payables to other lenders	(66,636)	(689,680)	623,044
<b>Non-current financial indebtedness</b>	<b>(2,345,076,357)</b>	<b>(2,415,606,300)</b>	<b>70,529,943</b>
<b>Net financial indebtedness</b>	<b>(2,231,550,280)</b>	<b>(2,305,529,607)</b>	<b>73,979,327</b>

## GOING CONCERN PRINCIPLE

The half-yearly report as at 30 June 2021 has been drawn up on a going concern basis, supported by the Economic and Financial Plan attached to the Addendum No. 3 to the Concession Agreement signed on 19 July 2016, approved by Decree No. 309 of 19 September 2016 of the Ministry of Infrastructure and Transport and subsequent publication in the Official Journal.

For the purposes of this analysis, the flow of revenue from motorway toll collections provided for in the current Economic and Financial Plan and the regulatory framework of the Concession Agreement - which provides for the right to update and rebalance the Economic and Financial Plan at the end of each five-year regulatory period - was also taken into account.

As is known, the Company operates in the motorway regulated sector, for which the current Agreement provides that, if certain events occur, contractual mechanisms for rebalancing the economic and financial situation are implemented by revising the multi-year plan. The Company has therefore started discussions with the Grantor, CAL S.p.A. (Concessioni Autostradali Lombarde or CAL) , about the possible measures to make up for the impact of the health emergency on traffic flows to be included in the next revision of the Economic and Financial Plan, since the current regulatory period expires in 2021.

With reference to the financial situation following the Covid-19 health emergency, the measures available to the Company were implemented in order to safeguard its financial solidity and cash availability also through the negotiation, with the financial parties, of the temporary suspension of the verification of certain financial ratios.

The half-yearly report as of 30 June 2021 show losses carried forward of EUR 119,879,921 and a loss for the period of EUR 36,051,394. The available reserves that can be used to cover accumulated losses amount to a total of EUR 169,230,078, thus the limit established by Art. 2446 of the Italian Civil Code is complied with. Shareholders' equity as of 30 June 2021 was negative for EUR 219,307,181. In this respect, it should be noted that, pursuant to applicable regulations, the reserve for expected cash flow hedges, negative for EUR 284,747,171, is not considered in the calculation of shareholders' equity for the purposes of Arts. 2412, 2433, 2442, 2446 and 2447 of the Italian Civil Code.



**OTHER SPECIFIC INFORMATION REQUIRED BY CURRENT LEGISLATION****Research and development activities**

No research and development costs were incurred in the first two quarters of 2021.

**Relations with subsidiary, associated and parent companies and companies subject to the parent companies' control**

<b>Counterparty</b>	<b>Type of transaction</b>	<b>Amount</b>
<i>Services supplied by Società di Progetto Brebemi S.p.A. to Group companies</i>		
Autostrade Lombarde S.p.A.	Supply of services	165,000
Argentea Gestioni S.c.p.a.	Chargeback costs for services	169,592
Argentea Gestioni S.c.p.a.	Secondment of staff	20,200
<i>Services supplied by Group companies to Società di Progetto Brebemi S.p.A.</i>		
Autostrade Lombarde S.p.A.	Participative financial instruments	110,329,351
Autostrade Lombarde S.p.A.	Shareholders' loans	162,945,354
Autostrade Lombarde S.p.A.	Financial charges	9,363,128
Autostrade Lombarde S.p.A.	Supply of services	27,889
Argentea Gestioni S.c.p.a.	O&M global service contract fee	10,611,419
Argentea Gestioni S.c.p.a.	Chargeback costs for services not included in the O&M fee	419,330

The costs equal to EUR 10,611,419 refer to the fee arising from the O&M Contract concerning the maintenance and management of the motorway section and in particular: routine maintenance and major maintenance, construction of civil and/or plant engineering works, collection services, toll management, road safety, structure design and structure inspection services, signed on 25 March 2013 between the Company, in the capacity of Principal, and Argentea Gestioni S.c.p.A., in the capacity of Contractor.

**Related party transactions**

The main transactions in place with the Aleatica SAU Group are listed below:

<b>Counterparty</b>	<b>Type of transaction</b>	<b>Amount</b>
Aleatica SAU	Participative financial instruments	24,665,727
Aleatica SAU	Shareholders' loans	35,974,319
Aleatica SAU	Financial charges	1,441,754

In addition to the above, there are no significant "related party transactions".

Pursuant to Article 2391-bis of the Italian Civil Code, related party transactions are carried out according to principles that ensure their transparency, as well as their substantial and procedural fairness.

These transactions were carried out under normal market conditions.

**Own shares and stocks or shares of parent companies**

The Company does not hold own shares or units of Parent Companies, not even through trust companies or third parties.

**Alternative performance measures**

In its periodic financial reporting, Società di Progetto Brebemi SpA uses alternative performance measures which, although very common, are not defined or specified by the accounting standards to be applied when drawing up the annual financial statements or the periodic financial reports. In compliance with the ESMA/2015/1415 guidelines, a definition of these measures is provided below:

- "Revenues from motorway operations" represent toll revenues minus the fee / surcharge payable to ANAS and including discounts granted to users.
- "Gross operating margin" (EBITDA) is the synthetic measure of the profitability arising from operations, determined by deducting all recurrent operating costs, except for amortization, depreciation and provisions, from the "Total revenues" recorded in the financial statement. The Gross Operating Margin does not include non-recurring items, financial items and taxes.
- "Operating income" (EBIT) is the indicator that measures the return on the total capital invested in the company, calculated by subtracting amortization, depreciation, provisions and write-downs of intangible and tangible assets from the Gross Operating Margin.
- "Net invested capital" states the total amount of non-financial assets, minus non-financial liabilities.
- "Net financial indebtedness" represents the measure of net invested capital covered through net financial liabilities after current liquidity.

### **Risk management**

The Company has identified both the risks linked to specific business factors and financial risks. With regard to the management of financial risks, it has identified and defined its objectives and management policies.

When carrying out its routine operations, the Company is potentially exposed to the following financial risks:

- "interest rate risk" mainly arising from the exposure to interest rate fluctuations associated with the financial assets disbursed and financial liabilities incurred;
- "liquidity risk" arising from the lack of sufficient financial resources to cover operating activities and repay liabilities incurred;
- "credit risk" represented by the risk of non-performance of obligations undertaken by the counterparty and the risk associated with normal business relationships.

These risks are analysed in detail below:

#### *Interest rate risk*

The strategy pursued by the Company to limit the risks associated with interest rate fluctuations mainly consists in carefully monitoring interest rate trends, identifying the optimal combination of variable and fixed rates and entering into specific hedging contracts.

The Company's indebtedness as at 30 June 2021 is made up of bond issues and bank loans, for which interest rate hedges have been implemented, as described in greater detail in the additional note.

#### *Liquidity risk*

The liquidity risk represents the risk that available financial resources may not be sufficient to cover maturing bonds. Despite the lower revenues temporarily recorded compared to the original forecasts, the Company believes that the measures adopted in the new rebalancing plan, approved by Supplementary Deed No. 3 to the Concession Agreement, along with the generation of cash flows and the refinancing of the debt position, guarantee that the planned financial requirements will be covered.

#### *Credit risk*

In order to minimize the credit risk the Company pursues a policy of prudent use of liquidity, and at present there are no critical positions regarding individual counterparties. Trade receivables are constantly monitored by the Company, which writes down positions that need to be partially or fully written-off.

With regard to the specific activity carried out by the Company, the following risks have also been identified:

#### *Legislative and regulatory risk*

The Company offers a public service and operates in a regulated sector subject to legislative measures that may affect the determination of the fees applied to users and the imposition of unforeseen obligations and charges. The fees are subject to control and application by the Grantor and the Ministry of Infrastructure and Transport and are updated each year, as provided under the

current Concession Agreement. The Company constantly monitors any new legislative arrangements with the assistance of external and internal experts.

#### *Price risk*

With regard to the Company's main investment, the procurement and service agreements in place exclude price reviews, unless these are recognized by the Grantor, as the agreements are structured with back-to-back commitments and rights deriving from the relationship between the Grantor and the Concessionaire.

The foregoing is also valid in relation to the increased construction and expropriation costs which increased following the rebalancing procedure of the Economic and Financial Plan.

#### *Market risk*

Given the nature of the activity carried out, the main market risk is attributable to "traffic risk", i.e. the risk that the traffic estimates based on the Concession Agreement's Economic and Financial Plan may be incorrect. This risk is hedged by agreement instruments that allow the concessionaire to restore economic and financial equilibrium when the Economic and Financial Plan is updated or revised.

#### *Risks of revocation of the concession in the public interest*

With reference to the events in Genoa (Morandi Bridge) and Article 35 of Decree Law No. 162 of 30 December 2019 (the so-called 'Milleproroghe' decree), we emphasize that if the concession agreement were to be terminated for reasons of public interest or due to breach of contract by the Grantor, appropriate safeguards have been envisaged for the Concession Holder.

In particular, it is established that the Concessionaire shall be entitled to a refund equal to: (i) the value of the works carried out plus ancillary costs, minus depreciation, (ii) the penalties and other costs incurred or to be incurred as a result of termination and (iii) an indemnity, as compensation for loss of earnings, equal to 10 percent of the value of the works still to be carried out or of the part of the service still to be managed valued on the basis of the Economic and Financial Plan.

#### *Emerging risks*

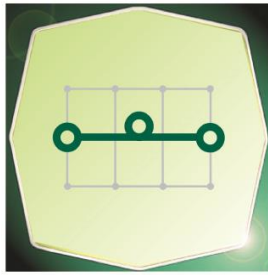
Risk management also involves the identification, understanding and monitoring of so-called emerging risks, i.e. those risks characterized by little known or rapidly evolving components that are potentially significant in the medium term with respect to the Company's financial position and business model, even if their effects cannot be easily assessed and cannot yet be fully integrated into the more consolidated risk management frameworks.

In this perspective, the perspective on global economic growth shows significant vulnerabilities mainly related to uncertainty about the recovery of global trade and manufacturing and the still high geopolitical tensions. Moreover, the spread of the Covid-19 disease, with its implications for public health, economic activity and trade, is likely to have a significant downward effect on global growth.

## **MANAGEMENT OUTLOOK**

Although there is still a substantial situation of uncertainty linked to the Covid-19 emergency and the impact on the Company's traffic data, there is continuous and significant improvement in traffic volumes, as well as a progressive reduction in the differential with respect to the volumes forecast before the emergency.

The Company has begun talks with the Grantor CAL on the measures to mitigate the impact of the Covid-19 emergency on traffic flows, including the request to rebalance the Economic and Financial Plan in force.



**SOCIETÀ DI PROGETTO**  
**BREBEMI SPA**

Half-Yearly Report  
as at 30 June 2021

Balance sheet  
Income Statement  
Cash flow statement

**BALANCE SHEET - ASSETS**

<b>Amounts in euro</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
<b>B Fixed assets, with separate indication of leased assets:</b>		
<b>I Intangible fixed assets</b>		
4) Concessions, licences, trademarks and similar rights	14,238	10,179
<b>Total</b>	<b>14,238</b>	<b>10,179</b>
<b>II Tangible fixed assets</b>		
1) Land and buildings	795,790	839,699
4) Other tangible assets	180,529	202,057
5) Fixed assets under construction and advances	3,300	0
6) Fixed assets under construction and advances (assets deriving from concession right)	2,380,602	363,602
7) Assets deriving from concession right	1,655,583,503	1,617,263,741
<b>Total</b>	<b>1,658,943,724</b>	<b>1,618,669,099</b>
<b>III Financial fixed assets</b>		
2) Receivables: d - bis) from others - after one year	0	44,046,823
<b>Total</b>	<b>0</b>	<b>44,046,823</b>
<b>Total non-current assets</b>	<b>1,658,957,962</b>	<b>1,662,726,101</b>
<b>C Current assets</b>		
<b>II Account receivables</b>		
1) Trade receivables - within one year	331,978	358,112
4) Receivables from parent companies - within one year - after one year	100,650 3,144,988	100,650 2,044,415
5) Receivables from companies subject to the control of the parent companies - within one year	229,385	216,817
5-bis) Tax receivables - within one year	1,442,322	2,184,649
5-ter) Deferred Tax - after one year	226,517,601	223,125,814
5 - quater) Other receivables - within one year - after one year	20,527,093 128,647,943	20,636,605 147,273,409
6) Receivables from interconnected companies	22,017,798	16,872,795
<b>Total</b>	<b>402,959,758</b>	<b>412,813,266</b>
<b>IV Cash and cash equivalents</b>		
1) Bank accounts	133,552,091	123,474,879
3) Cash on hand	609,476	719,431
<b>Total</b>	<b>134,161,567</b>	<b>124,194,310</b>
<b>Total current assets</b>	<b>537,121,325</b>	<b>537,007,576</b>
<b>D Accrued expenses and deferred incomes</b>		
b) Prepaid expenses	1,980,131	2,297,171
<b>Total</b>	<b>1,980,131</b>	<b>2,297,171</b>
<b>TOTAL ASSETS</b>	<b>2,198,059,418</b>	<b>2,202,030,848</b>

**BALANCE SHEET - LIABILITIES**

<b>Amounts in euro</b>		<b>30.06.2021</b>	<b>31.12.2020</b>
<b>A Shareholders' Equity</b>			
I	Share Capital	52,141,227	52,141,227
II	Share premium reserve	21,230,078	21,230,078
VI	Other reserves, indicated separately	148,000,000	80,000,000
VII	Cash flow hedges reserve	(284,747,171)	(307,179,029)
VIII	Profit (loss) carried forward	(119,879,921)	(24,121,150)
IX	Profit (loss) for the period	(36,051,394)	(95,758,771)
<b>Total</b>		<b>(219,307,181)</b>	<b>(273,687,645)</b>
<b>B Provisions for risks and charges</b>			
3)	Derivative financial instruments liabilities	145,403,562	158,840,425
<b>Total</b>		<b>145,403,562</b>	<b>158,840,425</b>
<b>C Employee severance indemnity</b>		<b>985,151</b>	<b>936,009</b>
<b>D Liabilities</b>			
1)	Bonds issues		
	- within one year	33,663,516	23,292,205
	- after one year	1,638,530,655	1,636,323,058
3)	Payables to shareholders for loans		
	- after one year	217,914,953	273,161,846
4)	Payables to banks		
	- within one year	8,319,700	7,306,600
	- after one year	343,160,551	346,591,291
5)	Payables to other lenders		
	- after one year	66,636	689,680
7)	Trade payables		
	- after one year	1,072,156	805,066
11)	Payables to parent companies		
	- after one year	22,875	0
11 - bis)	Payables to companies subject to the control of the parent companies		
	- within one year	8,657,831	9,801,845
	- after one year	9,095,607	8,969,274
12)	Tax payables:		
	- after one year	1,704,056	436,035
13)	Payables to social security institutions		
	- after one year	144,516	193,924
14)	Other payables:		
	- within one year	2,593,265	2,808,680
	- after one year	5,170,948	5,170,948
15)	Payables to Interconnected Companies	670,072	391,607
<b>Total</b>		<b>2,270,787,337</b>	<b>2,315,942,059</b>
<b>Accruals and deferrals</b>			
a)	Accrued expenses	9,012	0
b)	Deferred income	181,537	0
<b>Total</b>		<b>190,549</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>		<b>2,198,059,418</b>	<b>2,202,030,848</b>

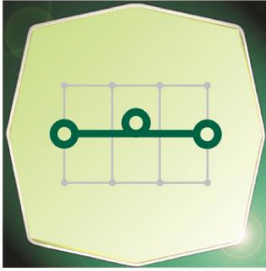
**INCOME STATEMENT**

<b>Amounts in euro</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
<b>A Value of Production</b>		
1) Revenues from sales and services	43,853,116	32,464,848
5) Other revenues and income	1,229,772	1,082,621
<b>Total</b>	<b>45,082,888</b>	<b>33,547,469</b>
<b>B Costs of Production</b>		
6) Costs for raw materials, consumables and goods for resale	(29,667)	(30,802)
7) Costs for services	(12,816,513)	(12,662,261)
8) Costs for use of third party assets	(124,046)	(115,772)
9) Costs of personnel		
a) Wages and salaries	(1,142,925)	(1,215,761)
b) Social security contributions	(362,921)	(378,843)
c) Employees severance indemnity	(80,565)	(73,531)
e) Other personnel costs	(11,732)	(8,587)
<b>Total</b>	<b>(1,598,143)</b>	<b>(1,676,722)</b>
10) Amortization, depreciation and write-downs		
a) Amortisation of intangible fixed assets	(4,540)	(1,371)
b) Depreciation of tangible fixed assets		
- depreciation of technical assets	(81,350)	(79,594)
- depreciation of assets deriving from concession right	(6,488,606)	(6,054,381)
<b>Total</b>	<b>(6,574,496)</b>	<b>(6,135,346)</b>
14) Other operating expenses	(3,007,735)	(2,364,446)
<b>Total</b>	<b>(24,150,600)</b>	<b>(22,985,349)</b>
<b>Difference between value and costs of production</b>	<b>20,932,288</b>	<b>10,562,120</b>
<b>C Financial income and expenses</b>		
16) Other financial income		
d) Income other than above:		
- From others	462,212	186,635
<b>Total</b>	<b>462,212</b>	<b>186,635</b>
17) Interest and other financial expenses:		
c) To parent companies	(9,363,128)	(10,678,641)
e) To others	(65,087,416)	(65,265,103)
<b>Total</b>	<b>(74,450,544)</b>	<b>(75,943,744)</b>
17-bis) Foreign exchange gains and losses	(292)	0
<b>Total</b>	<b>(73,988,624)</b>	<b>(75,757,109)</b>
<b>D Adjustments to financial assets value</b>		
18) Revaluations:		
d) Of derivative financial instruments	5,315,248	1,347,554
19) Write-downs:		
d) Of derivative financial instruments	0	(5,212,524)
<b>Total</b>	<b>5,315,248</b>	<b>(3,864,970)</b>
<b>Profit (loss) before income taxes</b>	<b>(47,741,088)</b>	<b>(69,059,959)</b>
20) Income taxes for the year		
a) Current taxes	(839,207)	(425,636)
b) Deferred/ prepaid taxes	10,475,531	16,450,507
c) Taxes from previous years	952,797	303,534
d) Income related to participation in the tax consolidation	1,100,573	0
<b>Total</b>	<b>11,689,694</b>	<b>16,328,405</b>
<b>21) Profit (loss) for the period</b>	<b>(36,051,394)</b>	<b>(52,731,554)</b>

**CASH FLOW STATEMENT**

Amounts in euro	30.06.2021	30.06.2020
<b>A. Cash flows from operations</b>		
Profit (loss) for the period	(36,051,394)	(52,731,554)
<i>Adjustments for non-monetary items that did not have a balancing entry in net working capital:</i>		
Depreciation and amortization:		
- intangible fixed assets	4,540	1,371
- tangible fixed assets	81,350	79,594
- Assets deriving from concession right	6,488,606	6,054,381
Net change in Employees severance indemnity	49,142	48,738
Provisions (utilisations) for other risks and charges	21,393,987	20,776,891
Write-downs (revaluations) of financial assets	(5,314,956)	3,864,970
Adjustments for non-monetary items	(462,038)	
<b>1. Cash flow before changes in NWC</b>	<b>(13,810,763)</b>	<b>(21,905,609)</b>
Changes in net working capital	(4,649,179)	1,971,629
<b>2. Cash flow after changes in NWC</b>	<b>(18,459,942)</b>	<b>(19,933,980)</b>
<i>Other adjustments:</i>		
Net change in deferred tax assets and liabilities	(10,475,531)	(16,450,507)
<b>Cash flow from operations (A)</b>	<b>(28,935,473)</b>	<b>(36,384,487)</b>
<b>B. Cash flows from investing activities</b>		
(Investments in intangible fixed assets)	(8,599)	(1,475)
(Investments in tangible fixed assets)	(15,912)	(12,371)
(Investments in assets deriving from concession right)	(3,694,636)	(1,906,182)
(Investments in non-current financial assets)	0	1,049,853
Receipts of government grants	20,000,000	20,000,000
Increase/decrease of trade payables due to investments	330,546	1,571,778
<b>Cash flow from investing activities (B)</b>	<b>16,611,399</b>	<b>20,701,603</b>
<b>C. Cash flows from financing activities</b>		
<i>Loan capital:</i>		
Increase (decrease) in short-term financial payables	11,384,411	3,845,495
Increase (decrease) in medium/long-term financial payables	(1,223,143)	2,070,450
Disbursement/(Repayment) of loan to/from shareholders	(55,869,937)	(66,085,130)
<i>Own capital:</i>		
Other changes in financial liabilities (PFI issue)	68,000,000	80,000,000
<b>Cash flow from financing activities (C)</b>	<b>22,291,331</b>	<b>19,830,815</b>
Increase (decrease) in cash and cash equivalents (A±B±C)	9,967,257	4,147,931
<b>Opening cash and cash equivalents</b>	<b>124,194,310</b>	<b>130,121,885</b>
Bank accounts	123,474,879	129,016,888
Cash on hand	719,431	1,104,997
<b>Closing cash and cash equivalents</b>	<b>134,161,567</b>	<b>134,269,816</b>
Bank accounts	133,552,091	133,733,953
Cash on hand	609,476	535,863
<b>Additional information:</b>		
Interest received/(paid) in the period	(22,427,447)	(27,264,193)
(Income taxes paid) in the period	0	0
Dividends received during the period	0	0





**SOCIETÀ DI PROGETTO  
BREBEMI SPA**

**Half-Yearly Report  
as at 30 June 2021**

**Additional note**

## INTRODUCTION

The Half-yearly report at 30 June 2021 has been drawn up in compliance with the Italian Civil Code, as amended in order to implement Legislative Decree No. 139/2015, interpreted and supplemented by the Accounting Principles issued by the Italian Accounting Body (OIC), and consists of the Balance Sheet, Income Statement, Cash Flow Statement and Additional Note.

The Half-Yearly Report as at 30 June 2021 is consistent with the results of the accounting records and was drawn up in compliance with Arts. 2423, 2423-ter, 2424, 2424-bis, 2425, 2425-bis, 2425-ter of the Italian Civil Code, in accordance with the drafting principles laid down by Article 2423-bis(1) of the Italian Civil Code, and the valuation criteria laid down by Article 2426 of the Italian Civil Code. With regard to the standards used to draw up this report, it is specified that individual items were valued by taking the "substance of the transaction or the contract" into account, as required by Art. 2423-bis of the Italian Civil Code.

The Balance Sheet and Income Statement items preceded by Arabic numerals were drawn up pursuant to paragraphs 2, 3 and 4 of Art. 2423-ter of the Italian Civil Code, in relation to the nature of the business conducted.

The Cash Flow Statement has been drawn up in accordance with the provisions of Art. 2425 ter of the Italian Civil Code.

Pursuant to Arts. 16 paragraphs 7 and 8 of Legislative Decree No. 213/1998 and Art. 2423(6) of the Italian Civil Code, the report has been drawn up in units of EUR, without decimals.

This note consists of five parts: the first part explains the criteria adopted for drawing up the Half-Yearly Report, the second and third parts, including the information required by Arts. 2427 and 2427 bis of the Italian Civil Code, describes and comments on the main changes, compared to the previous year, in the Balance Sheet, Income Statement, Cash Flow Statement, whereas the fourth part provides the other information required by the Italian Civil Code.

## GOING CONCERN PRINCIPLE

The half-yearly report as at 30 June 2021 has been drawn up on a going concern basis, supported by the Economic and Financial Plan attached to the Addendum No. 3 to the Concession Agreement signed on 19 July 2016, approved by Decree No. 309 of 19 September 2016 of the Ministry of Infrastructure and Transport and subsequent publication in the Official Journal.

For the purposes of this analysis, the flow of revenue from motorway toll collections provided for in the current Economic and Financial Plan and the regulatory framework of the Concession Agreement - which provides for the right to update and rebalance the Economic and Financial Plan at the end of each five-year regulatory period - was also taken into account.

As is known, the Company operates in the motorway regulated sector, for which the current Agreement provides that, if certain events occur, contractual mechanisms for rebalancing the economic and financial situation are implemented by revising the multi-year plan. The Company has therefore started discussions with the Grantor, CAL S.p.A. (Concessioni Autostradali Lombarde or CAL) , about the possible measures to make up for the impact of the health emergency on traffic flows to be included in the next revision of the Economic and Financial Plan, since the current regulatory period expires in 2021.

With reference to the financial situation following the Covid-19 health emergency, the measures available to the Company were implemented in order to safeguard its financial solidity and cash availability also through the negotiation, with the financial parties, of the temporary suspension of the verification of certain financial ratios.

The half-yearly report as of 30 June 2021 show losses carried forward of EUR 119,879,921 and a loss for the period of EUR 36,051,394. The available reserves that can be used to cover accumulated losses amount to a total of EUR 169,230,078, thus the limit established by Art. 2446 of the Italian Civil

Code is complied with. Shareholders' equity as of 30 June 2021 was negative for EUR 219,307,181. In this respect, it should be noted that, pursuant to applicable regulations, the reserve for expected cash flow hedges, negative for EUR 284,747,171, is not considered in the calculation of shareholders' equity for the purposes of Arts. 2412, 2433, 2442, 2446 and 2447 of the Italian Civil Code.

## VALUATION CRITERIA

The accounting standards and evaluation criteria applied in drawing up the Half-Yearly Report as at 30 June 2021 are the same as those used to draw up the financial statements as at 31 December 2020.

### Intangible fixed assets

Intangible fixed assets are entered at purchase or production cost. The purchase cost also includes ancillary costs. The production cost includes all costs directly attributable to the product. The amounts are net of depreciation, which is calculated in relation to the residual possibility of use.

Licences are amortized over three years.

Fixed assets whose value at the reporting date is lower than the one determined as above, must be recorded at the lower value.

The lower value cannot be maintained in subsequent financial statements if the reasons for such adjustment no longer apply; this provision does not apply to value adjustments relating to goodwill.

### Tangible fixed assets

Intangible fixed assets are entered at purchase or production cost. The purchase cost also includes ancillary costs. The production cost includes all costs directly attributable to the product.

Tangible fixed assets are divided between non-transferable and assets deriving from concession right. Non-reversible assets consisting of plant, furniture, office machinery, vehicles, equipment, land and buildings are recorded at purchase cost including directly attributable accessory charges and are adjusted by the respective accumulated depreciation.

Non-transferable assets are systematically depreciated in each financial year on a straight-line basis on the basis of economic-technical rates determined in relation to the residual possibility of use of the assets to which they refer; for increases during the year, the rates have been reduced by 50% in consideration of the fact that this is a fair approximation of the average share held.

The depreciation rates applied, broken down by category, are as follows:

- Buildings 4%
- Plant and machinery 10%
- Office equipment 15%
- Office furniture and fittings 12%
- Electronic office machines 20%

The depreciation rates are the same as the previous year.

The item "Assets deriving from concession right" includes all the design and construction costs for the motorway under concession. The book value includes all the ancillary charges attributable to the fixed assets in the construction period, including the financial charges relating to the loans specifically taken out.

Any "contract reserves" agreed in the period, that is higher prices recognized to the General Contractor following an economic-technical assessment, are carried as an increase in the book value of the motorway works only to the extent that they are considered to increase their value.

Ordinary maintenance costs, which relate to recurring maintenance and repairs carried out to keep assets in good working order and thus ensure their original useful life, capacity and productivity, are recognised in the Income Statement in the period in which they are incurred.

Exceptional maintenance costs, these being expansions, modernisations, replacements and other improvements to an asset that result in a significant and measurable increase in the capacity, productivity or safety of the asset or an extension of its useful life, are capitalised to the extent of the asset's recoverable amount.

Depreciation of "Assets deriving from concession right" is recorded in the Financial Statements at different rates calculated on the overall investments and is consistent with the provisions of the Economic and Financial Plan attached to Addendum No. 3 to the Concession Agreement. Taking into

account the specific nature of the Company's business, as this depreciation determination method is directly dependent on the results of the Concession Agreement's Economic and Financial Plan, it is considered compatible with the principle of a true and fair view established by Art. 2423(2) of the Italian Civil Code.

In this specific case, the reasons to adopt a depreciation criterion based on different increasing rates can be summarized as follows:

- based on expected traffic estimates, the asset subject to depreciation foresees an increasing trend in vehicle transits that will justify increased depreciation over the period;
- the asset subject to depreciation is a non-compensated revertible asset under concession, and depreciation has been authorized by specific provisions of the Italian Revenue Agency pursuant to Art. 104(4) of the TUIR (Consolidated Income Tax Law) approved by Presidential Decree No. 917 of 22 December 1986;
- this method is adopted by all sector operators that are comparable in terms of size and kilometres of infrastructure managed.

Fixed assets whose value at the reporting date is lower than the one determined as above, must be recorded at the lower value.

The lower value cannot be maintained in subsequent financial statements if the reasons for the adjustment have ceased to apply.

#### **Assessing recoverability of tangible and intangible fixed assets**

According to OIC 9 "Write-downs for impairment losses of tangible and intangible fixed assets", the Company assesses at each reporting date whether there is any indication that a fixed asset may be impaired. If this indicator exists, the Company estimates the recoverable amount of the asset and records a write-down only if the latter is lower than the corresponding net book value. In the absence of indicators of potential impairment, the recoverable value is not determined.

The recoverable amount of an asset or cash generating unit is defined as the higher of its value in use and its fair value, net of selling costs.

Value in use is determined on the basis of the present value of future cash flows expected to arise from an asset over its useful life. The calculation of the value in use includes the following steps:

- estimating future cash inflows and outflows from the continuing use of the asset and its ultimate disposal,
- and applying the appropriate discount rate to those future cash flows.

For the Financial Statements for the year ended 31 December 2020, the Company carried out an internal analysis to quantify the recoverable amount of the assets recognised in the Financial Statements, with particular reference to assets deriving from concession right. Taking into account the assumptions underlying the 2019-2039 economic and financial plan, the value in use resulting from the impairment test carried out did not show the need to reduce the value of the assets tested.

The Economic and Financial Plan used is based on the most recent plan adopted as part of the refinancing operation, adjusted to reflect changes occurring after the date of drawing up of the financial plan (impact of Covid-19 on traffic, fees, completion of the investment programme, etc.).

#### **Grants for plant and equipment**

Grants are recognized when there is reasonable certainty that they will be received and that all the conditions for their payment will be met. Grants in the "plant account" are recorded in the balance sheet as an adjustment to the book value of the asset to which they refer, as required by the relevant regulations in force.

#### **Derivative financial instruments**

Derivative financial instruments, even if embedded in other financial instruments, are recorded at fair value. Changes in fair value are recognised in the income statement or directly in a positive or negative equity reserve if the instrument covers the risk of changes in the expected cash flows of another financial instrument or a planned transaction. This reserve is recognized in the income statement to the extent and over a period of time corresponding to the occurrence or change in the cash flows of the hedged instrument or the hedged transaction. The elements hedged against the risk of changes in interest rates or exchange rates or market prices or against credit risk are valued

symmetrically to the hedging derivative instrument; hedges are considered to exist where, from the outset, there is a close and documented correlation between the characteristics of the hedged instrument or transaction and those of the hedging instrument. Profits deriving from the fair value measurement of derivative financial instruments not used or not necessary for hedging purposes cannot be distributed. The equity reserves arising from the fair value measurement of derivatives used to hedge the expected cash flows of another financial instrument or a planned transaction are not considered in the computation of equity for the purposes of Arts. 2412, 2433, 2442, 2446 and 2447 of the Italian Civil Code and, if positive, are not available and cannot be used to cover losses.

Fair value is determined by reference:

- (a) to market value, for financial instruments for which an active market can easily be identified;
- (b) where the market value is not readily identifiable for an instrument, but can be identified in its components or a similar instrument, the market value may be derived from that of the components or the similar instrument;
- (c) to the value resulting from generally accepted valuation models and techniques for instruments for which an active market cannot easily be identified; such valuation models and techniques need to ensure a reasonable approximation of the market value.

Fair value is not determined if the application of the criteria indicated does not give a reliable result.

### **Receivables**

Receivables, classified as financial fixed assets or current assets according to their nature, are recorded in the financial statements according to the amortized cost method, taking into account the time factor and the estimated realizable value.

### **Provisions for risks and charges**

The provisions include amounts set aside to cover losses or debts, whose existence is certain or probable, but whose actual existence or amount could not be determined at the end of the financial year, while no account is taken of risks of a remote nature.

The "Provision for deferred taxes" includes the allocation relating to taxes which, although pertaining to the year, will be due in future years.

### **Employees severance indemnity**

It is set aside on the basis of the seniority of the individual employees, in accordance with the law and the employment contracts in force. This liability is subject to annual revaluation by applying specific indices provided for by current regulations.

### **Payables**

Payables are recorded in the financial statements according to the amortized cost criterion, taking into account the time factor.

### **Accruals and deferrals**

They are determined on an accruals basis in accordance with the financial year.

### **Revenues from sales**

Motorway sector revenue is recognized including the additional charge, which, being a concession fee, was classified among "Other operating charges".

### **Current and deferred - prepaid taxes**

Current taxes are recorded on the basis of the estimated taxable income for the period in accordance with the provisions in force.

Deferred tax assets and liabilities are recorded on the basis of current regulations, taking into account the criteria established by accounting principle OIC No. 25, drawn up by the Italian Accounting Body on the "accounting treatment of income taxes".

Deferred tax assets and deferred tax liabilities may be offset, if offsetting is legally permitted.

## COMMENTS ON THE MAIN ASSET ITEMS

### **FIXED ASSETS**

For intangible and tangible fixed assets, specific tables have been prepared, attached to this Additional Note, which indicate for each item the data relating to the initial situation, the movements during the year and the final balances at the end of the year.

#### **Intangible fixed assets**

This item refers entirely to user licences.

For a detailed picture of the movements during the year, please refer to the table contained in Annex No. 1.

#### **Tangible fixed assets**

The total amount of this item, equal to EUR 1,658,943,724 (EUR 1,618,669,099 as at 31.12.2020), includes EUR 1,655,583,503 (EUR 1,617,263,741 as at 31/12/2020) in fixed assets related to assets deriving from concession right, and is net of the depreciation fund equal to EUR 77,824,459 (EUR 71,269,443 as at 31/12/2020) and the public capital contribution.

The item "Land and buildings" of EUR 2,195,448, net of the related depreciation fund of EUR 1,399,658, refers to the building used as the Company's headquarters.

The item "Other assets" mainly refers to technical equipment for the motorway toll collection service such as safes and money counters.

For a more detailed picture of the changes that occurred during the year, with regard to all categories of tangible fixed assets, please refer to the specific table in Annex No. 2.

As part of the structuring of the Financing operation, the Company has established a special first-degree lien, pursuant to Art. 46 of the Consolidated Banking Act, on movable assets not recorded in the assets at the date of subscription, or which will be acquired subsequently in place of the previous ones, and on receivables, including future receivables, which may arise as a result of the disposal of such assets. The owned property does not fall within the special privilege.

**Assets deriving from concession right**

This item consists of the costs incurred by the Company for the design and construction of the motorway. This value includes all preliminary, design and ancillary costs and, starting from 2009, amounts relating to works, expropriations and interferences arising from the execution of the activities provided for in the contract entrusted to the general contractor.

Details of costs incurred and changes compared to the previous year are shown below:

<b>B II 6) Fixed assets under construction and advances (Assets deriving from concession right)</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Advances	2,000,000	0
Other capitalized costs	380,602	363,603
<b>Total</b>	<b>2,380,602</b>	<b>363,603</b>

<b>B II 7) Assets deriving from concession right</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Motorway	1,034,195,098	1,034,195,098
Financial charges	247,459,891	247,459,891
Interference resolution	111,391,902	111,391,902
Acquisition of expropriated areas or properties and temporary occupations	336,731,027	335,715,511
Sums available to the General Contractor	85,291,932	85,291,932
General expenses and other amounts available	92,221,004	91,950,064
Other capitalized costs	33,257,040	33,257,040
A35 - A4 Interconnection	53,818,598	53,430,720
Other assets deriving from concession right	291,429	291,429
Reserves and additional construction costs under the agreement of 12 March 2021	44,508,569	0
Public capital grant	(308,647,943)	(307,273,409)
Financial amortization	(74,935,044)	(68,446,438)
<b>Total</b>	<b>1,655,583,503</b>	<b>1,617,263,740</b>

“Fixed assets under construction and advances” include: (i) EUR 2 million relating to advances to the General Contractor on the balance to be paid for expenses relating to the expropriation procedures, (ii) EUR 0.4 million for costs incurred up to 30 June 2021 in connection with the Electronic Road System project.

The item “Acquisition of expropriated areas or properties and temporary occupations” includes the sums incurred to date for completion of the expropriation activities, which amount to EUR 336.7 million out of the total EUR 357.4 million established in the current Economic Expenditure Framework.

The resources needed to pay the amounts still payable are covered by the residual available cash resulting from the enforcement of the Performance Bond.

The increase in “Reserves” is due:

- to the amount paid to Consorzio BBM pursuant to the agreement defined on 30 July 2016 in relation to the recognition, by way of mere advance payment, pending the decisions of the Grantor, of a total amount of EUR 26.4 million for appraisals of variants and higher charges requested by the Concessionaire and already incurred by the Contractor General. The agreement also provides for the simultaneous waiver of the relevant reservations with respect to Brebemi;
- to the amount of EUR 18 million paid to Consorzio BBM pursuant to the minutes of agreement of 5 March 2018 which govern, inter alia, the recognition of a further tranche of reserves as a financial advance.



As of 31 December 2020 the amount was entered under Financial fixed assets. Following the signing of the amicable settlement of 12 March 2021, described in greater detail in the specific section of the Directors' Report, the above amounts were added to assets deriving from concession right.

With a separate agreement defined on 12 March 2021, Brebemi therefore confirmed payment of the sum of EUR 44.5 million already paid in advance, with the effect of releasing the bank guarantee issued by BNP Paribas aimed at covering the risk of repayment of the amount paid as advance payment, at the same time obtaining from BBM the waiver of any claim, including that relating to the payment of the remaining amount of approximately EUR 1.8 million for work actually carried out but not yet paid.

The public contribution to plants, obtained for a total of EUR 320 million, was recognized in 2016 with the effectiveness of Addendum No. 3 to the Concession Agreement. As at 30 June 2021, a total of EUR 308,647,943 is recorded at amortized cost in order to take into account the time factor relating to the collection of the long-term portion (2021-2029). The effect of the discounting back of the long-term portion for a total of EUR 11,352,057 was deducted from the item Receivables for grants to be collected.

The item "Financial amortization and depreciation" of EUR 74,935,044 includes the allocation of differentiated amortization quotas in accordance with the provisions of the Concession Agreement's Economic and Financial Plan, as better specified in the section on valuation criteria of this note.

General expenses and other amounts available include the expense item "Agreement with local authorities" which includes the costs incurred and disbursed in relation to the compensatory and mitigating measures envisaged for the Company within the Economic Expenditure Framework of the final project approved by Cipe Resolution No. 42/09 and also included in the Economic and Financial Plan.

The amount as at 30 June 2021 refers to contributions made to the following entities:

<b>Beneficiary</b>	<b>Description of agreement</b>	<b>Amount agreed</b>	<b>Amount paid</b>
Agreement between Province of Brescia – CAL S.p.A. – RFI S.p.A. – Società di Progetto Brebemi S.p.A. - Consorzio B.B.M.	Agreed design solution to maintain the east-west link in view of disposal of the former SS11	1,231,841	1,231,841
Consorzio di gestione del Parco Regionale del Serio	Environmental compensation work to be carried out by the Park	1,430,000	927,250
Parco Adda Nord	Environmental compensation work to be carried out by the Park	1,495,000	498,250
Parco Oglio Nord	Environmental compensation work to be carried out by the Park	1,495,000	1,495,000
Municipality of Cassano d'Adda	Design and construction of road access	1,821,000	1,821,000
Municipality of Chiari	Design and construction of the link between the former SS11 and the SP17 (Northern Ring Road Chiari)	4,000,000	4,000,000
Others		1,465,430	1,144,394
<b>Total</b>		<b>12,938,271</b>	<b>11,117,735</b>

The residual amount still to be disbursed to Local Authorities, equal to EUR 1,820,536, is shown in the section on the commitments undertaken by the Company as at 30 June 2021.

#### **Financial fixed assets**

As for the amounts recorded at 31 December 2020 under financial fixed assets, please refer to the previous paragraph "Assets deriving from concession right".



**CURRENT ASSETS****Receivables**

Pursuant to Art. 2427(6) of the Italian Civil Code, it should be noted that, given the nature of the activity carried out by the Company, all receivables are attributable to activities carried out in Italy.

**Receivables from parent companies**

<b>Description</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Service Contract Credit	100,650	100,650
Credit for participation in the tax consolidation	3,144,988	2,044,415
<b>Total</b>	<b>3,245,638</b>	<b>2,145,065</b>

The amount of EUR 3,144,988 (EUR 2,044,415 as of 31.12.2020) refers to the transfer of the tax benefit to the parent company, equal to the IRES (corporate income tax) for 2012, 2013 and 2021, in accordance with the rules set out in the consolidation agreements signed between Autostrade Lombarde S.p.A. and Società di Progetto Brebemi S.p.A. with regard to the "domestic tax consolidation" pursuant to articles 117 et seq. of the Consolidated Income Tax Act, to which the two companies have adhered. The amount transferred to cover the positive tax base for the first half of 2021 is estimated at EUR 1,100,573.

**Receivables from companies subject to the control of the parent companies**

The amount of EUR 229,385 (EUR 216,817 as at 31.12.2020) relates entirely to receivables from Argentea Gestioni S.c.p.A.

**Tax receivables**

This item can be broken down as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
VAT credit	50,414	1,527,205
IRES credit	2,628	2,515
IRAP credit	1,389,280	654,929
<b>Total</b>	<b>1,442,322</b>	<b>2,184,649</b>

The IRAP credit refers to the transformation of the ACE (Aid to Economic Growth) surplus into a tax credit that can be used to offset IRAP payments. Following the enactment of the so-called "Decreto rilancio" (Decree-Law No. 34 of 19 May 2020) the Company can benefit from the provisions of Art. 24; it is therefore not required to pay the balance of IRAP due for 2019 and the first instalment due for 2020.

This benefit can be used within the limit for State aid provided for by the so-called Temporary Framework, which originally set a maximum limit of EUR 0.8 million (to be counted at "Group" level) that was subsequently raised to EUR 1.8 million. This increase in the limit has allowed the Company to take steps to maximise this benefit.

The increase compared to 31 December 2020 is attributable:

- for EUR 484,448, to the non-deduction of the IRAP credit deriving from the ACE transformation in order to maximise the benefit laid down by the said Article 24 of Decreto Rilancio (submission of the supplementary 2020 IRAP declaration for 2019).
- for EUR 249,904, to the 2020 IRAP tax accrued as a result of the settlement, in early 2021 after the closing of the financial statements, of the first "notional" 2020 advance payment, which increased the amount of the relevant IRAP advance payments for 2020 and resulted in the recognition of an IRAP credit.

**Deferred taxes**

This item can be broken down as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Previous years' tax losses	121,385,569	91,388,676
Tax losses in the year	10,342,835	29,996,368
ACE	4,750,454	4,668,333
Other temporary differences	118,584	68,533
Fair value derivative instruments	89,920,159	97,003,904
<b>Total</b>	<b>226,517,601</b>	<b>223,125,814</b>

Changes in temporary differences that led to the recognition of deferred tax assets are provided in Attachment 8.

This tax benefit has been recognized as there is a reasonable certainty of obtaining future taxable income that will absorb the losses carried forward. Based on the flows of the Concession Agreement's Economic and Financial Plan in order to take into account the latest available traffic estimates, the return of prepaid taxes is expected from 2027 onwards. Based on current traffic estimates, the operating activity will be able to ensure the complete recoverability of the asset recorded.

**Other receivables**

This item can be broken down as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
<b>Due in less than 1 year</b>	<b>20,527,093</b>	<b>20,636,605</b>
Security deposits	19,091	13,891
Public grant to be paid	20,000,000	20,000,000
Receivables for ANAS Surcharge	0	174,102
Other receivables due in less than 12 months	508,002	448,612
<b>Due in more than 1 year</b>	<b>128,647,943</b>	<b>147,273,409</b>
Public grant to be paid	128,647,943	147,273,409
<b>Total</b>	<b>149,175,036</b>	<b>167,910,014</b>

The public contribution to be collected refers to the provisions of the Economic and Financial Plan attached to Addendum No. 3 to the Concession Agreement in relation to the total contribution of EUR 260 million, divided into annual instalments of EUR 20 million from 2017 to 2029. The portion relating to the current year was collected in April 2021. The short-term portion of EUR 20,000,000 refers to the year 2022 to be collected. The long-term portion of EUR 128,647,943 refers to the years 2023 to 2029 for a total of EUR 140,000,000. The receivable is recorded at amortized cost in order to take into account the time factor relating to the collection of the long-term portion (2023-2029). The effect of discounting the long-term portion as at 30 June 2021 is equal to EUR 11,352,057.

The item "other receivables" also includes receivables arising from payments made by users with credit/debit cards and collected in July 2021 as well as receivables from users for non-payment.

**Receivable from Interconnected Companies**

This item, equal to EUR 22,017,798 (EUR 16,872,795 as at 31.12.2020), represents the credit relationships deriving from the amounts collected for tolls by the interconnected companies on behalf of Brebemi and to be allocated as at 30 June 2021.

**Cash and cash equivalents**

At 30 June 2021, this grouping was composed as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Banks account	133,552,091	123,474,879
Cash on hand	609,476	719,431
<b>Total</b>	<b>134,161,567</b>	<b>124,194,310</b>

The item "Cash and cash equivalents" as at 30 June 2021 includes, among other things:

- the amounts deposited in the "Debt Service Reserve" account, constituted for the amount of EUR 51.2 million (EUR 48.6 million as of 31.12.20), and in the "Maintenance Reserve" account, for the amount of EUR 25.7 million (EUR 25.1 million as of 31.12.2020). These sums, deposited in accordance with the financial documentation, may be used exclusively to fulfil its obligations to pay the debt service or maintenance costs where the company does not have the relevant resources.
- EUR 22.1 million (EUR 23.0 million as of 31.12.20) in residual cash from the enforcement of the performance bond to be used to pay the amounts still to be disbursed on expropriation activities.

It should be noted that as part of the structuring of the Financing operation, the Company has signed a deed of pledge on current accounts in favour of the lenders with reference to the credit balances on the accounts and all future additional amounts.

**ACCRUALS AND DEFERRALS**

As at 30 June 2021 this grouping is composed as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Fees for guarantees	24,384	56,011
Insurance	160,797	12,142
Sundry	71,002	60,004
Prepayment service areas grant	896,757	924,531
Prepayment costs incurred for refinancing transaction	827,191	1,244,483
<b>Total</b>	<b>1,980,131</b>	<b>2,297,171</b>

The item "Prepayment service areas grant" refers to the suspended portion of the subsidy paid during 2018 to the sub-concessionaires managing the Adda Nord and Adda Sud service areas. The amount paid will be issued annually in relation to the duration of the relevant agreements in force until their expiry in 2027. The quota referring to the next 12 months is equal to EUR 84,244, the quota beyond 12 months is EUR 812,513.

The prepayment costs incurred during the year in relation to the refinancing operation refer to the following:

- for EUR 218,331, to the commission paid to SACE for a total of EUR 1,400,000 in relation to the guarantees in place with the European Investment Bank to cover the risk of revocation of the project loan repaid for the period from 22 October 2019 to 22 October 2021;
- for EUR 608,860, to the insurance called *Public Offering of Securities Insurance (POSI)* underwritten with a pool of insurers in connection with the bond issue.

## COMMENTS ON THE MAIN LIABILITY ITEMS

### SHAREHOLDERS' EQUITY

The total changes in shareholders' equity are shown in Annex 3. In addition, in accordance with the specific requirements of point 7-bis of Art. 2427 of the Italian Civil Code, an additional table has been added, Annex No. 4, indicating, for the items of Shareholders' Equity, the nature, possibility of use and distribution, as well as their use in the three previous years.

#### Share Capital

The equity as of 30 June 2021 consists of 354,347,771 common shares, for a total of EUR 52,141,227.

#### Other reserves, indicated separately

The amount as of 30 June 2021 of EUR 148,000,000 (EUR 80,000,000 as of 31.12.20) refers to the Participative Financial Instruments subscribed, of which EUR 68,000,000 subscribed on 22 April 2021.

The following table shows the breakdown of "Participative Financial Instruments":

Owner	30.06.2021		31.12.2020	
	Number of Participative Financial Instruments	Overall value	Number of Participative Financial Instruments	Overall value
Autostrade Lombarde S.p.A.	110,329,351	110,329,351	59,595,739	59,595,739
Aleatica SAU	24,665,727	24,665,727	9,037,104	9,037,104
Impresa Pizzarotti & C. S.p.A.	0	0	4,143,951	4,143,951
CCC Società Cooperativa	5,926,076	5,926,076	3,211,854	3,211,854
Autostrade Brescia Verona Vicenza Padova S.p.A.	3,326,898	3,326,898	1,818,843	1,818,843
Mattioda Autostrade S.p.A.	2,801,274	2,801,274	1,502,676	1,502,676
Mattioda Pierino & Figli S.p.A.	507,122	507,122	272,033	272,033
C.M.B. Società Cooperativa	395,506	395,506	214,159	214,159
Unione di Banche Italiane S.p.A.	0	0	177,010	177,010
Banco BPM S.p.A.	48,046	48,046	26,631	26,631
<b>Total</b>	<b>148,000,000</b>	<b>148,000,000</b>	<b>80,000,000</b>	<b>80,000,000</b>

#### Reserve for expected cash flow hedges

This item has a negative balance of EUR 284,747,171 (EUR 307,179,029 at 31.12.2020) and includes changes in the Fair Value of the effective component of cash flow hedging derivatives, and specifically Interest Rate Swap (IRS) contracts negotiated by the Company to hedge the interests rate risk generated by its floating rate debt. The Reserve is recognized net of deferred tax assets (deferred tax assets), which amounted to EUR 89,920,159 (EUR 97,003,903 as at 31.12.2020).

As part of the refinancing of the Company's debt during 2019, the IRSs were extinguished early on 22 October 2019 and, at the same time, new derivatives were stipulated to hedge the exposure to interests rate risk generated by the Company's new debt structure. The extinction of the previous derivatives was financed for 70% of Fair Value through an increase in the new debt issued by the Company and for the remainder through the stipulation of new hedging IRS, whose contractual terms and conditions include an increase in periodic payment flows, attributable to the repayment of the portion of Fair Value of the previous contracts extinguished early.

According to the current provisions of the IOC Principles, the hedging effects accrued on IRS extinguished early (overall negative for EUR 448,507,839 and equal to the effective component of the previous hedging relationships, accrued up to the date of early termination of the contracts and consequent termination of the relationships themselves), being referred to the hedging of interests rate risk relating to future interests expense flows generated by the Company's indebtedness, must remain suspended in Shareholders' Equity and must be reclassified to the Income Statement in the same financial years in which the cash flows originally hedged have an effect on the profit (loss) for the year.

Consequently, the negative balance of the Reserve outstanding at the end of the period, gross of the related tax effects, amounts to EUR 374,667,331 (EUR 404,182,932 at 31.12.2020) and is not entirely attributable to the Fair Value of derivatives outstanding at the end of the year; this Reserve is, in fact, determined by the residual negative balance (i.e. not yet released to the Income Statement) of the hedging effects generated by the IRS extinguished early, amounting to EUR 374,558,525 (EUR 395,952,512 at 31.12.20), as well as the negative effective component, equal to EUR 108,806 (EUR 8,230,421 at 31.12.20) accrued on the new IRS in place at the end of the year.

The following table summarizes the changes in the Reserve during the year and in the previous year.

<b>Reserve for expected cash flow hedges</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
<b>Opening balance</b>	<b>(404,182,932)</b>	<b>(436,835,640)</b>
(Increase) Decrease due to changes in Fair Value	7,316,744	(12,438,421)
(Increase) Decrease for release to income statement of interests differentials accrued during the year	804,870	1,079,670
(Increase) Decrease for release to income statement of effectiveness accrued on terminated hedging relationships	21,393,987	44,011,459
<b>Gross closing balance</b>	<b>(374,667,331)</b>	<b>(404,182,932)</b>
Fiscal effect	89,920,160	97,003,903
<b>Net closing balance</b>	<b>(284,747,171)</b>	<b>(307,179,029)</b>

It should be noted that the balance of this Reserve, which is of a transitional nature, pursuant to Article 2426, paragraph 1 bis of the Italian Civil Code, is not included in the calculation of Shareholders' Equity for the purposes set out in Articles 2412, 2433, 2442, 2446 and 2447 and, if positive, is not available and cannot be used to cover losses.

## PROVISIONS FOR RISKS AND CHARGES

As at 30 June 2021 this grouping is composed as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
derivative financial instruments liabilities	145,403,562	158,840,425
<b>Total</b>	<b>145,403,562</b>	<b>158,840,425</b>

The provision for "Derivative financial instruments liabilities" includes the negative fair value of derivative financial instruments outstanding at the end of the year.

## EMPLOYEE SEVERANCE INDEMNITY (TFR)

As at 30 June 2021, this item amounted to EUR 985,151 (EUR 936,009 as at 31.12.2020).

Movements during the year were as follows:

<b>Balance as at 31 December 2020</b>	<b>936,009</b>
Allocation for the year	54,621
Utilisation for personnel in the year	(5,479)
<b>Balance as at 30 June 2021</b>	<b>985,151</b>

## LIABILITIES

Pursuant to Art. 2426(6) of the Italian Civil Code, it should be noted that, given the nature of the activity carried out by the Company, the debts are entirely attributable to transactions carried out at national level.

**Bond issues**

This item amounts to EUR 1,672,194,171 (EUR 1,659,615,263 at 31.12.2020) and is broken down as follows:

Line	Nominal amount at issue	Interest Rate	Fixed rate / Spread	Disbursement date	Maturity	Outstanding debt 30.06.2021
A1 - Senior Amortizing	15,000,000	Euribor 6m	3.188%	22-Oct-19	31/12/2038	14,243,929
A2 - Senior Amortizing	934,000,000	Fixed	3.375%	22-Oct-19	31/12/2038	902,160,998
A3 - Senior Secured - Zero Coupon	557,965,333	Fixed	3.875%	22-Oct-19	22/01/2042	582,676,390
Subordinated Extendable to 2042 - Junior	172,000,000	MAX[Euribor 6m;0%]	6.500%	22-Oct-19	31/12/2029	173,112,855
<b>Total</b>	<b>1,678,965,333</b>					<b>1,672,194,171</b>

The Bonds were issued in accordance with, and subject to, the provisions of Art. 185 of Legislative Decree 50/2016 (the Public Contracts Code) and were admitted to listing on the Euronext Dublin Multilateral Trading Facility, organized and operated by the Irish Stock Exchange.

The structure of the operation, on a project-bond basis, provides:

- a Class A1 senior secured variable rate tranche with maturity 2038, issued for a total amount of EUR 15 million;
- a Class A2 senior secured fixed rate tranche maturing in 2038, issued for a total amount of EUR 934 million;
- a Class A3 senior secured zero coupon tranche, maturing in 2042, for a nominal amount of EUR 1,205 million and issued at the issue price of around 46.30% of the principal amount (for a countervalue of around EUR 558 million);
- a subordinated secured variable rate tranche, maturing in 2029 (extendable until 22 January 2042), for a nominal amount of EUR 172 million and issued at an issue price equal to 99% of the principal amount.

The amounts were recorded at amortized cost, in accordance with the accounting principles, recording the nominal import net of the charges incurred for their issuance. Details of changes during the year are provided below:

Line	Outstanding debt 31.12.2020	Transaction Costs 31.12.2020	Refunds	Accrued Interests	Transaction Costs of the period	Outstanding debt 30.06.2021
A1 - Senior Amortizing - FRN	14,872,655	(572,270)	(75,929)		19,473	14,243,929
A2 - Senior Amortizing - Fixed	926,070,708	(19,700,085)	(4,727,817)		518,192	902,160,998
A3 - Senior Secured - Zero Coupon	583,888,590	(12,414,033)		11,112,352	89,482	582,676,390
Subordinated Extendable - Junior	172,285,834	(4,816,136)		5,449,357	193,799	173,112,854
<b>Total</b>	<b>1,697,117,787</b>	<b>(37,502,524)</b>	<b>(4,803,746)</b>	<b>16,561,709</b>	<b>820,946</b>	<b>1,672,194,171</b>

The total amount as at 30 June 2021, equal to EUR 1,672,194,171, is also divided between the amount to be paid within the next financial year and the amount to be paid beyond it, according to the following details:

Line	Outstanding debt 30.06.2021	Short Term (Within 12 Months)	Long Term (Over 12 Months)
A1 - Senior Amortizing - FRN	14,243,929	184,458	14,059,471
A2 - Senior Amortizing - Fixed	902,160,998	11,485,695	890,675,303
A3 - Senior Secured - Zero Coupon	582,676,390	0	582,676,390
Subordinated Extendable - Junior	173,112,855	21,993,363	151,119,492
<b>Total</b>	<b>1,672,194,171</b>	<b>33,663,516</b>	<b>1,638,530,655</b>

### Payables to shareholders for loans

As at 30 June 2021, this grouping refers to payables due after one year and is broken down as follows:

Owner	Principal				Interests				Total	
	Amount 31/12/2020	Transfers	PFI conversions	Amount 30/06/2021	Amount 31/12/2020	Accrued 2021	Transfers	PFI conversions		Amount 30/06/2021
Autostrade Lombarde S.p.A.	154,362,797		(38,329,785)	116,033,011	49,953,041	9,363,128	0	(12,403,827)	46,912,343	162,945,354
Impresa Pizzarotti & C. S.p.A.	10,294,524	(10,294,524)		0	3,832,527	288,487	(4,121,014)			0
CCC Soc. Coop. Mattioida Pierino & Figli S n A	7,843,181	0	(1,947,538)	5,895,643	3,087,611	428,769	0	(766,684)	2,749,696	8,645,339
Autostrada Brescia Verona Vicenza Padova S.p.A.	805,289	0	(199,961)	605,328	141,467	49,192	0	(35,128)	155,531	760,859
C.m.b. Cooperativa Braccianti e Muratori di Carpi	4,441,596	0	(1,102,892)	3,338,705	1,631,685	242,812	0	(405,163)	1,469,334	4,808,039
Mattioida Autostrade spa	533,796	0	(132,547)	401,250	196,531	29,181	0	(48,800)	176,912	578,161
Aleatica SAU	4,448,309	0	(1,104,558)	3,343,750	781,443	271,729	0	(194,040)	859,132	4,202,883
	22,449,221	10,734,225	(11,307,662)	21,875,784	8,358,827	1,441,754	4,297,954	0	14,098,535	35,974,319
<b>Total</b>	<b>205,178,714</b>	<b>439,701</b>	<b>(54,124,943)</b>	<b>151,493,471</b>	<b>67,983,133</b>	<b>12,115,052</b>	<b>176,939</b>	<b>(13,853,642)</b>	<b>66,421,482</b>	<b>217,914,953</b>

According to the Capitalisation Agreement signed on 25 March 2013, the financing shareholders made specific commitments in relation to the conversion of shareholders' loans into capital of the Company.

In order to implement the "Security Trust and Intercreditor Deed" provisions, each lending shareholder signed an "Amended Subordinated Shareholders Loan" with the Company, undertaking to ensure that each loan disbursed and not yet repaid will be converted in full or in part into equity or participative financial instruments of the Company, if its shareholding structure experiences a direct change of control and/or if significant losses are incurred pursuant to Articles 2446 and 2447 of the Italian Civil Code, and in order to ensure that the Company maintains a minimum equity of at least EUR 100 million.

As described in the introduction to this Half-Yearly Report, in April 2021 part of the receivables due from shareholders for a total of EUR 68,000,000 have been converted into participative financial instruments in accordance with the specific shareholders' meeting resolutions and the commitments undertaken by the shareholders.

In the course of the first half of 2021 Aleatica S.A.U., as a result of the share transfers, took over the shareholders' loan of Impresa Pizzarotti & C. S.p.A. and the loan of UBI Banca S.p.A. classified among payables to other lenders.



**Payables to banks**

This item amounts to EUR 351,480,251 and is made up as follows:

Payables to banks	Nominal amount at issue	Interest Rate	Fixed rate / Spread	Outstanding debt 30.06.2021
Senior Amortizing – Loan	307,000,000	Euribor 6m	2.600%	292,803,936
EPC Banks	55,181,487	Fixed	2.500%	58,676,315
<b>Total</b>	<b>362,181,487</b>			<b>351,480,251</b>

Payables to banks	Outstanding debt 31.12.2020	Transaction Costs 31.12.2020	Refunds	Accrued Interests	Transaction Costs of the period	Outstanding debt 30.06.2021
Senior Amortizing – Loan	301,259,100	(5,343,923)	(3,407,700)	0	296,459	292,803,936
EPC Banks	57,982,714	0	0	693,601	0	58,676,315
<b>Total</b>	<b>359,241,814</b>	<b>(5,343,923)</b>	<b>(3,407,700)</b>	<b>693,601</b>	<b>296,459</b>	<b>351,480,251</b>

As part of the overall refinancing transaction, the Company signed an amortizing loan agreement for a total amount of EUR 307 million maturing in 2033, disbursed by UniCredit S.p.A., Banco BPM S.p.A., Monte dei Paschi di Siena S.p.A. and Intesa Sanpaolo S.p.A.

On 24 June 2019, the Company signed an agreement with the banks issuing the EPC Performance Guarantee during 2018, Consorzio BBM and the shareholders Impresa Pizzarotti and CCC. The agreement governs relations between the parties in respect of the EUR 55.2 million payable due to EPC Banks following the Performance Bond enforcement in order to define the repayment conditions. The agreement provides that the total amount of EUR 55.2 million is to be repaid in cash, including the annual interests accrued at the fixed rate of 2.5% as at 31 December 2028. However, the Company is entitled to extend the final repayment date to 30 June 2036 and subsequently to 31 December 2042, making repayment subject to the remaining cash availability after the commitments arising from the financial documents relating to the bond loans and the senior loan. Under the agreement the parties are entitled to agree that, instead of being repaid, the payable may be converted into share capital.

**Payables to other lenders**

The amount due to other lenders, which amounted to EUR 66,636 (EUR 689,680 as at 31.12.2020), is broken down as follows:

Owner	Principal				Interests					Total
	Amount 31/12/2020	Transfers	PFI conversions	Amount 30/06/2021	Amount 31/12/2020	Accrued 2021	Transfers	PFI conversions	Amount 30/06/2021	
UBI Banca S.p.A.	439,701	(439,701)	0	0	163,737	13,202	(176,939)		0	0
Banco BPM S.p.A.	56,769	0	(14,097)	42,673	29,473	1,809	0	(7,318)	23,963	66,636
<b>Total</b>	<b>496,470</b>	<b>(439,701)</b>	<b>(14,097)</b>	<b>42,673</b>	<b>193,210</b>	<b>15,011</b>	<b>(176,939)</b>	<b>(7,318)</b>	<b>23,963</b>	<b>66,636</b>

The debt, similarly to the item "Payables to shareholders for loans", refers to the sums disbursed by the Parent's Banking Shareholders as Subordinated Shareholder Loans and part of the payable to shareholders for a total of have been converted into participative financial instruments. The above amounts may be reimbursed by Brebemi only through the permitted distributions as defined in the relevant financial documentation.



**Trade payables**

The total amount of EUR 1,072,156 (EUR 805,066 as at 31.12.2020) comprises payables to suppliers related to ordinary activities.

**Payables to parent companies**

"Payables to parent companies" as at 30 June 2021 amounted to EUR 22,875 and related to payables for services provided by Autostrade Lombarde S.p.A..

**Payables to companies subject to the control of the parent companies**

This item relates to payables to Argentea Gestioni S.c.p.a.:

<b>Description</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
<b>Due in less than 1 year</b>	<b>8,657,831</b>	<b>9,801,845</b>
O&M fee due in less than 12 months	8,247,295	9,467,105
Other payables to Argentea	410,536	334,740
<b>Due in more than 1 year</b>	<b>9,095,607</b>	<b>8,969,274</b>
O&M fee due in more than 12 months	9,095,607	8,969,274
<b>Total</b>	<b>17,753,438</b>	<b>18,771,119</b>

The amount due within 12 months for a total of EUR 8,657,831 (EUR 9,801,845 as at 31.12.2020) mainly refers to as yet unpaid fees accrued for the O&M contract.

The amount beyond 12 months for a total of EUR 9,095,607 (EUR 8,969,274 as at 31.12.19) refers to the deferral provided for in the O&M contract of part of the fees for the years 2015 to 2018, which will be paid on a deferred basis from 2021 until 2025. The payable as at 30 June 2021 of EUR 9,500,000 was valued according to the amortized cost method, taking the time factor into account and entered as EUR 9,095,607 minus the discounting amount, equal to EUR 404,393.

In May 2020, the Company put forward an hypothesis to revise the contractual conditions of the Global Service Contract, aimed at partially mitigating the effects on the new financial situation related to the critical issues concerning the Covid-19 health emergency and, in the mutual interest, improving the cash flow terms of the motorway project.

In particular, the following was agreed with Argentea Gestioni S.c.p.A.:

- a rescheduling of the payments provided for in Article 11 of the Global Service Contract, such as to ensure the recovery of the difference in consideration actually due to Argentea and accrued during the period 2015-2018 (equal to EUR 11 million), starting from 2021 instead of 2020 as provided for in the Contract;
- an extension of the contractual payment terms from 60 to 90 days.

**Tax payables**

Tax payables amount to EUR 1,704,056 (EUR 436,035 as at 31.12.2020) and are broken down as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Withholding tax payables	114,147	217,590
Current tax payables	839,207	218,444
VAT payables	750,701	0
<b>Total</b>	<b>1,704,056</b>	<b>436,035</b>

"Current tax payables" entirely refer to the IRAP amount accrued in the first half of 2021.

**Payables to social security institutions**

This item, amounting to EUR 144,516 (EUR 193,924 as at 31.12.2020), relates to the payables as at 30.06.2021 to these institutions for the shares borne by the company.

**Other payables**

The item breaks down as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
<b>Due in less than 1 year</b>	<b>2,593,265</b>	<b>2,808,680</b>
Payables to directors and statutory auditors	43,637	0
Payables to employees	441,040	302,434
Payables for concession fees and surcharges	1,527,511	1,816,273
Payables for withholding taxes general contractor	12,562	12,562
Payables for area between Motorway and Railroad	444,232	449,437
Other payables	124,283	227,974
<b>Due in more than 1 year</b>	<b>5,170,948</b>	<b>5,170,948</b>
Payables for withholding taxes general contractor	5,170,948	5,170,948
<b>Total</b>	<b>7,764,213</b>	<b>7,979,628</b>

Payables to employees mainly include payables for wages and salaries, holidays accrued and not taken, thirteenth monthly payments and other incentives.

Payables for withholding taxes due to suppliers in less than 12 months refer to invoices to be received from the general contractor relating to the 5% withholding taxes made under the agreement.

Payables for withholding taxes due to suppliers in more than 12 months refer to invoices to be received from the general contractor relating to the 0.5% withholding taxes made to guarantee workers' health and safety obligations. These withholding taxes may be released at the end of the agreement.

The guarantee withholdings in relation to the General Contractor were definitively released in July 2021 following the commission's issue of the testing certificate for Lot no. 3 of 23 June 2021.

Payables for advance payments of areas between Motorway and Railway refer to sums received from RFI and Consorzio BBM pursuant to the agreement of 22 July 2014 concerning management of payments to expropriated parties and acquisition of areas between the HV/HC line and Brebemi A35. Under this agreement, Brebemi undertook to physically implement the expropriation procedures and to open a bank account to which RFI and Consorzio BBM can pay in the sums required for payment of the aforesaid expropriations, and from which the financial outlays for the expropriated parties are managed.

**Payables to Interconnected Companies**

This item, equal to EUR 670,072 (EUR 391,607 as at 31.12.2020), represents the debt relations with the interconnected companies arising from the amounts collected for tolls on their behalf and to be allocated at the end of the financial year.

## COMMENTS ON THE MAIN ITEMS OF THE INCOME STATEMENT

### VALUE OF PRODUCTION

#### Revenues from sales and services

Revenues from sales and services amounted to EUR 43,853,116 (EUR 32,464,848 as at 30.06.20) and are broken down as follows:

Description	30.06.2021	30.06.2020
Net toll revenues	43,425,418	32,172,888
Surcharge payable to ANAS	1,714,154	1,320,664
Toll discounts	(1,335,855)	(1,068,595)
Other toll revenues	47,359	35,374
Other adjustments	2,039	4,517
<b>Total</b>	<b>43,853,116</b>	<b>32,464,848</b>

The increase in “net toll revenues”, net of the surcharge payable to ANAS, equal to EUR 11.3 million is due, for EUR 11.0 million, to the increase in traffic volumes and, for EUR 0.3 million, to the tariff increase net of the effect of the different composition of traffic volumes between light and heavy vehicles.

The motorway sector revenue trends are described in detail in the "Economic and financial data" section of the Report on the first half of 2021.

#### Other revenues and income

This item breaks down as follows:

Description	30.06.2021	30.06.2020
Service contract with Autostrade Lombarde S.p.A.	165,000	165,000
Secondment of staff	20,200	19,896
Recovery of costs Argentea Gestioni S.c.p.a.	169,592	211,453
Recovery of charges for exceptional transport procedure and non-payment of tolls	127,086	127,436
Recovery of collection charges	430,864	326,242
Service area royalties	119,589	83,160
Miscellaneous	197,441	149,434
<b>Total</b>	<b>1,229,772</b>	<b>1,082,621</b>

**COSTS OF PRODUCTION****Costs for raw materials, consumables and goods for resale**

As at 30 June 2021, this item amounted to EUR 29,667 (EUR 30,802 as at 30.06.2020) and includes costs for fuel, stationery and consumables.

**Costs for services**

This item breaks down as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
<b>Costs for services relating to assets deriving from concession right (A)</b>	<b>11,250,333</b>	<b>11,044,521</b>
O&M agreement Argentea Gestioni S.c.p.a..	10,611,419	10,385,897
Insurance	138,077	209,692
Utilities	403,611	335,516
Other operating expenses	97,225	113,416
<b>Other costs for services (B)</b>	<b>1,566,181</b>	<b>1,617,740</b>
Directors' fees	134,246	224,202
Statutory Auditors Fees	43,638	43,760
Other fees	11,992	5,200
Independent auditors' fees	43,370	10,700
Communication, advertising, events	123,304	78,270
Utilities	28,138	33,391
Travel, subsistence and entertainment costs	11,253	21,795
IT Services	90,877	64,213
Other operating expenses	181,216	164,056
Other personnel costs	63,168	69,336
Consultancy	739,367	573,141
Bank costs and guarantee fees	95,610	329,678
<b>Total (A) + (B)</b>	<b>12,816,513</b>	<b>12,662,261</b>

Costs for services for assets deriving from concession right include the fees arising from the O&M agreement concerning the maintenance and management of the motorway section and in particular: routine maintenance and major maintenance, construction of civil and/or plant engineering works, collection services, toll management, road safety, structure design and structure inspection services, signed on 25 March 2013 between the Company, in the capacity of Principal, and Argentea Gestioni S.c.p.a., in the capacity of Contractor.

The reduction in "Directors' fees" refers to the waiver of remuneration by the members of the Board of Directors appointed at the Shareholders' Meeting on 26 October 2020 and chosen by the shareholder Aleatica S.A.U.

The item "Communication, advertising, events" includes the costs related to the advertising campaign developed during 2021 to promote the use of the infrastructure and to active promotions.

The item "Consultancy" includes legal, technical, transport consultancy related to project financing management, consultancy for technical-legal activities related to infrastructure management as well as consultancy related to management activities. The increase compared to the same period of the previous year is due to the costs incurred for advisory services related to the activities connected to the rebalancing of the Economic and Financial Plan activated in early 2021.

The reduction in "Bank costs and guarantee fees" refers to commissions paid until 31.12.2020 on the construction guarantee and terminated following its release.

**Costs for use of third party assets**

This item totals EUR 124,046 (EUR 115,772 as at 30.06.2020) and breaks down as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
Car rentals	61,875	53,353
Photocopier rentals	10,151	10,471
Property rentals	52,021	51,948
<b>Total</b>	<b>124,046</b>	<b>115,772</b>

It includes the costs of operating leases of cars assigned to employees as well as the use for instrumental use and the costs relating to the rental of the building adjacent to the property, located in Via Somalia 6 and used as the company headquarters.

#### **Costs of personnel**

This cost item breaks down as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
Wages and salaries	1,142,925	1,215,761
Social security contributions	362,921	378,843
Employees severance indemnity	80,565	73,531
Other personnel costs	11,732	8,587
<b>Total</b>	<b>1,598,143</b>	<b>1,676,722</b>

The item, which stands at EUR 1.598.143, includes the entire cost for salaried employees, including merit salary increases, promotions, cost of living increases, cost of not taken leave and provisions pursuant to the law and collective agreements. The national employment contract applied is that of employees of Companies and Concessionaire Consortia of Motorways and Tunnels.

A breakdown by category of salaried employees is provided below:

	<b>30.06.2021</b>	<b>30.06.2020</b>	<b>Variation</b>	<b>2021 Average</b>
Executives	4	4	0	4
Managers	6	6	0	6
Employees	22	21	1	21
<b>Totals</b>	<b>32</b>	<b>31</b>	<b>1</b>	<b>31</b>

It is noted that the employment relationship with the General Manager, Mr. Duilio Allegrini, ended on 31 August 2021.

#### **Amortization, depreciation and write-downs**

"Depreciation and amortization" amounted to EUR 6,574,496 (EUR 6,135,346 at 30.06.2020) and refer to the following categories:

<b>Description</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
<b>Intangible fixed assets (A)</b>	<b>4,540</b>	<b>1,371</b>
Concessions, licences, trademarks and similar rights	4,540	1,371
<b>Tangible fixed assets (B)</b>	<b>81,350</b>	<b>79,594</b>
Land and buildings	43,909	43,909
Others	37,441	35,685
<b>Depreciation of assets deriving from concession right</b>	<b>6,488,606</b>	<b>6,054,381</b>
<b>Total (A+B+C)</b>	<b>6,574,496</b>	<b>6,135,346</b>

"Depreciation of assets deriving from concession right" for EUR 6,488,606 were recorded at different amortization/depreciation rates in accordance with the provisions of the Economic and Financial Plan attached to the Concession Agreement, as explained in greater detail in the section on valuation criteria contained in these notes.

**Other operating expenses**

This item breaks down as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
<b>Fees (A)</b>	<b>2,809,907</b>	<b>2,135,283</b>
Concession fee under Art. 1(1020) of Italian Law No. 296/06	1,042,210	775,996
Sub-concession fee	53,543	38,623
Fee under Article 19(9-bis) Italian Decree Law 78/09	1,714,154	1,320,664
<b>Other charges (B)</b>	<b>197,828</b>	<b>229,163</b>
Various taxes and duties	30,196	29,513
Membership fees and others	86,206	65,459
Agreement fees payable	35,695	38,331
Losses for non-payment of tolls	40,519	64,600
Other costs	4,972	26,309
Donations, gifts and offers	240	4,951
<b>Total (A+B)</b>	<b>3,007,735</b>	<b>2,364,446</b>

The item "Concession fee under Art. 1(1020) of Italian Law 296/06" is calculated as 2.4% of net toll revenues.

The "Sub-concession fee" consists of the portion due to the Grantor (and defined by Concession Agreement) of the income relating to the fees for active agreements.

The "Fee ex Art. 19(9 bis) of Law Decree No. 78/09" is calculated on the basis of the kilometres travelled (0.0060 EUR/vehicles Km for light vehicles and 0.0180 EUR/vehicles Km for heavy vehicles).

**FINANCIAL INCOME AND EXPENSES****Other financial income**

Other financial income breaks down as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
Other interests income	34	0
Interests income on bank deposits	432	663
Interests income amortized cost	461,746	185,972
<b>Total</b>	<b>462,212</b>	<b>186,635</b>

The item “Interests income amortized cost” refers to the recognition of the financial component of the advances granted to the General Contractor in previous years and repaid in the first half of 2021.

**Interests and other financial expenses**

This item breaks down as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
<b>Due to parent companies</b>		
Interests expense shareholders’ loan	9,363,128	10,678,641
<b>Due to credit institutions</b>		
Loan fees	346,648	348,564
Interests expense on loans	36,227,989	36,431,780
Interests rate swap differentials	3,108,100	1,909,090
<b>Due to others</b>		
Release CFH reserve	21,393,987	22,012,716
Interests expense shareholders’ loans	2,751,924	3,206,752
Interests expense amortized cost	1,243,736	1,326,718
Others	15,032	29,483
<b>Total</b>	<b>74,450,544</b>	<b>75,943,744</b>

The item “Interests expense shareholders’ loans” includes interests accrued on loans granted by the parent company Autostrade Lombarde S.p.A. for EUR 9.4 million and interests accrued on loans granted by other shareholders for EUR 2.8 million.

“Interests expense on loans” is broken down as follows:

<b>Description</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
<b>Interests expense on bonds</b>		
A1 - Senior Amortizing - FRN	199,279	217,111
A2 - Senior Amortizing - Fixed	15,627,443	15,761,250
A3 - Senior Secured - Zero Coupon	11,112,352	10,727,807
Subordinated Extendable - Junior	5,449,357	5,497,252
<b>Interests expense on bank loans</b>		
Senior Amortizing – Loan	3,145,957	3,530,927
Bank Loans Bonds	693,601	697,433
<b>Total</b>	<b>36,227,989</b>	<b>36,431,780</b>

The item “Release CFH reserve”, includes the reclassification from Shareholders’ Equity to the Income Statement of the hedging effects accrued on interest rate swap (IRS) contracts that were subject to early termination in 2019. The effect reclassified in the Income Statement as an adjustment to interests expense accrued during the first half of 2021 is negative for EUR 21,393,987 and de facto integrates the effects generated by the interests differentials accrued on the IRS, which were negative for a total of EUR 3,108,100.

## ADJUSTMENTS TO FINANCIAL ASSETS VALUE

### Revaluations of derivative financial instruments

This item amounts to EUR 5,315,248 (EUR 1,347,554 as at 30.06.2020) and includes the positive changes in Fair Value of the ineffective component of cash flow hedging derivatives.

More specifically, a number of the new Interest Rate Swap (IRS) contracts entered into in 2019 as part of the corporate debt refinancing include the periodic additional payment flows, referring to the repayment of the portion of the fair value of the previous derivatives terminated early (equal to 30% of the fair value of these contracts at the termination date), which was not refinanced by increasing the debt, but by entering into new hedging derivatives. The fair value changes generated by market interest rate trends with regard to these additional payment flows represent a source of ineffectiveness of the new hedging relationships, as they are not offset by the fair value changes generated by the hedged future interest flows, and therefore are recognized directly in the Income Statement.

### INCOME TAXES FOR THE YEAR

This item amounts to EUR 11,689,694 (EUR 16,328,405 as at 30.06.2020). The tax burden is broken down as follows:

- current IRAP taxes EUR 839,207 (EUR 425,636 at 30.06.2020);
- positive tax adjustments relating to previous years EUR 952,797 (EUR 303,533 at 30.06.2020);
- income related to participation in tax consolidation EUR 1,100,573 (no amount at 30.06.20);
- prepaid taxes EUR 10,475,531 (EUR 16,450,507 at 30.06.2020).

Following the enactment of the so-called “Decreto rilancio” (Decree-Law No. 34 of 19 May 2020) the Company can benefit from the provisions of Art. 24; it is therefore not required to pay the balance of IRAP due for 2019 and the first instalment due for 2020. This benefit can be used within the limit for State aid provided for by the so-called Temporary Framework, which originally set a maximum limit of EUR 0.8 million (to be counted at “Group” level) that was subsequently raised to EUR 1.8 million. The positive tax adjustments related to previous years are the result of the transmission of the IRAP 2020 supplementary declaration for 2019 and the calculation of the “notional” advance payment for 2020, which allowed the company to maximise, following the increase of the limit to EUR 1.8 million, the benefit introduced by Decreto Rilancio, thus obtaining a tax benefit.

The amount of EUR 1,100,573 refers to the transfer of the tax benefit to the parent company, equal to the IRES (corporate income tax) for the first half of 2021 of the latter, in accordance with the rules set out in the consolidation agreements signed between Autostrade Lombarde S.p.A. and Società di Progetto Brebemi S.p.A. with regard to the "domestic tax consolidation" pursuant to articles 117 et seq. of the Consolidated Income Tax Act, to which the two companies have adhered.

Attached to this Additional Note is a table detailing the temporary differences that led to the recognition of the above mentioned deferred tax assets (Annex 7).

This tax benefit has been recognized as there is a reasonable certainty of obtaining future taxable income that will absorb the losses carried forward. Based on the flows of the Concession Agreement's Economic and Financial Plan in order to take into account the latest available traffic estimates, the return of prepaid taxes is expected from 2027 onwards. Based on current traffic estimates, the operating activity will be able to ensure the complete recoverability of the asset recorded.



**OTHER INFORMATION REQUIRED BY THE CIVIL CODE****Fees due to the Company's Directors and Statutory Auditors**

The cumulative amount, inclusive of national insurance contributions, is stated below:

<b>Description</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
Directors' fees	134,246	224,202
Statutory Auditors fees	43,638	43,760

The Company did not release advance payments and loans to the directors and statutory auditors.

**Fees paid to the Independent Auditors**

A breakdown is provided below of the fees paid in the year to the Independent Auditors for the services supplied:

<b>Description</b>	<b>30.06.2021</b>	<b>30.06.2020</b>
Auditing the financial statements and proper accounting	12,500	10,700
Other services	30,870	0
<b>Total</b>	<b>43,370</b>	<b>10,700</b>

Other services include the agreed procedures carried out by KPMG S.p.A. in relation to the publication of the compliance certificates for the periods 30 June 2020 and 30 December 2020.

**Commitments undertaken by the Company**

"Insurance policies guaranteeing payment to third parties" total EUR 10,847,525 and refer:

- for EUR 7,486,767 to the guarantee issued to secure the VAT claimed back in 2017.
- for EUR 3,360,758 to the guarantee issued by Reale Mutua Assicurazioni to the Grantor to secure all the obligations relating to the motorway management phase (including due maintenance). The amount is established in accordance with the provisions of point 8 of the Report Accompanying the Economic and Financial Plan attached to the Concession Agreement, which provides that "during the operational phase of the Motorway Connection, the issue of a guarantee for an amount equal to 10% of the annual operating cost to be provided from the service operation start date.

As at 30 June 2021 other commitments totalling EUR 1,820,536 have been made and refer to the remaining amount to be paid for agreements signed with Local Entities, as stated in the paragraph on tangible fixed assets.

**Agreements not stated in the Balance Sheet**

The Company has not entered into agreements that are not stated in the Balance Sheet that could have a significant impact on the Company's assets and liabilities, financial position and profit and loss.

**Information on the fair value of financial instruments**

In order to prevent the risk arising from changes in interest rates and consequently in the cash flows arising from interests expense paid on the outstanding indebtedness, the Company entered into new fixed-rate-paying Interest Rate Swap contracts that convert the cost of the underlying loan from variable to fixed.

Information is provided below on the derivative financial instruments entered into by the Company and their fair values as at the reporting date.

Contract Type	Counterparty	Date of signing	Maturity	Notional amount	Receive Leg	Pay Leg	MtM
IRS	Intesa San Paolo	10/10/2019	31/12/2038	73,322,370	EURIBOR 6M	0.123%	(60,720,774)
IRS	Unicredit	10/10/2019	31/12/2038	48,881,580	EURIBOR 6M	0.157%	(60,706,456)
IRS	Intesa San Paolo (formerly UBI Banca)	10/10/2019	31/12/2038	51,733,006	EURIBOR 6M	0.103%	(23,867,525)
IRS	MPS	10/10/2019	31/12/2038	49,696,273	EURIBOR 6M	0.072%	(70,986)
IRS	Banco BPM	10/10/2019	31/12/2038	26,477,523	EURIBOR 6M	0.072%	(37,820)
<b>250,110,752</b>							<b>(145,403,562)</b>

The contracts recording a negative fair value at the reporting date incorporate the effects of the portion of derivatives terminated early in 2019, which was financed through the contractualization of additional payment flows to the market interest rate conditions observable at the contract signing date (22 October 2019). These additional payment flows therefore represent the periodic repayment of the fair value portion of the previous derivatives terminated early (equal to 30% of the fair value at the termination date), throughout the contractual duration of the new hedging derivatives.

The Fair Value of the above financial instruments is recorded under Financial Fixed Assets with reference to contracts with a positive value, and under Provisions for Risks and Charges with reference to contracts with a negative value, in accordance with the relevant Accounting Principles.

Hedging relationships designated for accounting purposes with reference to derivatives extinguished early, in line with the accounting treatment applied in previous years, were considered completely effective, as the relevant contractual terms (i.e. notional amount, underlying variable rate and periodicity of interest) of the derivatives were closely correlated with the parameters used to calculate the interest expense of the project loan previously hedged; these hedging relationships were terminated at the same time as the date of extinction of the hedging instruments, and the related effective component accrued up to the date of termination remains suspended in shareholders' equity and is released to the income statement gradually over the original hedging timeframe (until 30 June 2033), i.e. in the same financial years in which the hedged interest cash flows have an effect on the profit (loss) for the year.

Instead, the new hedging relationships recorded with regard to the IRSs entered into in October 2019 are not completely effective. More specifically, only two of the new contracts negotiated with new banking counterparties are completely effective, considering the close correlation between the relevant contractual terms (i.e. notional value, underlying variable rate and interest frequency) of the hedging derivatives and the parameters used to calculate the interest expense on the new variable rate indebtedness subject to hedging. The fair value changes generated by these contracts are therefore recognized entirely as a balancing entry to the specific Equity Reserve, minus the interest rate differentials accrued during the year that are carried to the Income Statement as direct adjustment of the hedged interest expense.

On the other hand, the remaining contracts that were negotiated with the same banking counterparties prior to the early extinction of the original IRS are partially effective, since the additional payment flows contractually provided for the repayment of the portion of the value of the derivatives extinguished, financed through these contracts, generate changes in Fair Value that are not offset by changes in the Fair Value of the future interest flows hedged. The fair value changes generated by these contracts are therefore recognized in Equity only for the effective portion (represented by the fair value changes offset by the expected changes in the hedged future interest flows), while the non-effective component (represented by the fair value changes in the additional payment flows described) is recognized directly in the Income Statement.

### Related party transactions

Transactions with "related parties", described in the relevant section of the report on the first half of 2021, were carried out at arm's length and on the basis of principles that ensure their transparency as well as substantive and procedural fairness.

With regard to transactions with parent companies, subsidiaries and associates, reference should be made to the specific section of the report on the first half of 2021.

**Events occurred after the Half-Yearly Report**

It is noted that the employment relationship with the General Manager, Mr. Duilio Allegrini, ended on 31 August 2021.

As outlined in the Directors' Report on 16 September 2021 a petition was filed with the Regional Administrative Court of Piemonte against Resolution no. 87/2021 issued by the Transport Regulatory Authority on 17 June 2021.

**Information on management and coordination activities**

The parent company Autostrade Lombarde S.p.A. exercises management and coordination activities over the company, pursuant to Art. 2497 of the Italian Civil Code.

The table below summarizes the key figures of the parent company's last approved financial statements (as at 31 December 2020).

<b>AUTOSTRADE LOMBARDE S.P.A.</b>	<b>31.12.2020</b>
<b>BALANCE SHEET</b>	
Intangible fixed assets	394
Tangible fixed assets	1,529,408
Financial fixed assets	536,005,194
Current assets	28,191,554
Accruals and deferrals	27,727
<b>TOTAL ASSETS</b>	<b>565,754,277</b>
Share Capital	467,726,626
Share premium reserve	3,080,103
Legal reserve	1,607,431
Profit (Loss) carried forward	25,138,130
Profit (Loss) for the period	14,860,025
<b>Net Equity</b>	<b>512,412,315</b>
Payables	53,323,685
Accruals and deferrals	18,277
<b>TOTAL LIABILITIES</b>	<b>565,754,277</b>
<b>INCOME STATEMENT</b>	
Value of Production	14,026,157
Costs of Production	(12,155,599)
Financial income and expenses	18,294,357
Income taxes for the year	(5,304,890)
<b>Profit (Loss) for the period</b>	<b>14,860,025</b>

As of 26 October 2020 Aleática, S.A.U. bought the stake of Intesa Sanpaolo in Autostrade Lombarde S.p.A., equal to 55.78% of the share capital, thus acquiring control of Autostrade Lombarde S.p.A.

On 25 March 2021, Aleática, S.A.U. also bought the stake of Impresa Pizzarotti & C. S.p.A., equal to 6.41% and, on 31 March 2021, it bought from Unione di Banche Italiane S.p.A. - UBI Banca a further stake of 0.6%.

As from 31 March 2021, Aleática, S.A.U. has thus been holding a 62.79% stake in Autostrade Lombarde S.p.A.

Aleática, S.A.U. has declared that it manages and coordinates Autostrade Lombarde S.p.A.

Although Autostrade Lombarde has a controlling interest, it has not prepared consolidated financial statements taking advantage of the exemption provided for by Art. 27 (3) (4) of Legislative Decree 127/1991, as the consolidated financial statements, under the full consolidated method, are prepared by the parent company Aleatica S.A.U. based in Madrid.

## ANNEXES

The annexes contain additional information to the contents of the Additional Note, of which they form an integral part:

1. Statement of the changes in "Intangible fixed assets".
2. Statement of the changes in "Tangible fixed assets".
3. Statement of the changes in Shareholders' Equity.
4. Statement of the nature, possibility of use and distributability of "Shareholders' equity" items.
5. Statement of monthly data on toll traffic.
6. Statement of monthly data on toll traffic by vehicle class.
7. Statement of prepaid taxes.

Annex I

**Società di Progetto Brebemi S.p.A.***Statement of the changes in "Intangible fixed assets"*

Description	Initial situation			Movements during the year						Final situation		
	Historical cost	(Amortization Funds)	Initial balance	Increases	Other changes	Reclassifications	(Decreases)	(Amortization)	Historical cost	(Amortization Funds)	Final balance	
Start-up and expansion costs	51,975	(51,975)	-	-	-	-	-	-	51,975	(51,975)	-	
Concessions, licences, trademarks and similar rights	131,925	(121,746)	10,179	8,599	-	-	-	(4,540)	140,524	(126,286)	14,238	
Others	421,712	(421,712)	-	-	-	-	-	-	421,712	(421,712)	-	
<b>Totals</b>	<b>605,612</b>	<b>(595,433)</b>	<b>10,179</b>	<b>8,599</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,540)</b>	<b>614,211</b>	<b>(599,973)</b>	<b>14,238</b>	

<b>Società di Progetto Brebemi S.p.A.</b>											
<i>Statement of the changes in "Tangible fixed assets"</i>											
Description	Initial situation			Movements during the year					Final situation		
	Historical cost	(Depreciation Funds)	Initial balance	Increases	Reclassifications	(Decreases)	Reversal of fund	(Depreciation)	Historical cost	(Depreciation Funds)	Final balance
<b>Land and buildings</b>											
Buildings	2,195,448	(1,355,749)	839,699	0	0	0	0	(43,909)	2,195,448	(1,399,658)	795,790
Total	2,195,448	(1,355,749)	839,699	0	0	0	0	(43,909)	2,195,448	(1,399,658)	795,790
<b>Plants and machinery</b>											
Plants	52,728	(52,728)	0	0	0	0	0	0	52,728	(52,728)	0
Total	52,728	(52,728)	0	0	0	0	0	0	52,728	(52,728)	0
<b>Others</b>											
Office equipment	35,486	(17,404)	18,079	0	0	(253)	253	(2,058)	35,233	(19,209)	16,024
Furniture	207,215	(186,492)	20,723	6,178	0	0	0	(4,803)	213,393	(191,295)	22,098
Electro-accounting machines	223,775	(173,380)	50,395	9,734	0	(12,302)	12,302	(10,006)	221,207	(171,084)	50,123
Temporary test areas	170,041	(170,041)	0	0	0	0	0	0	170,041	(170,041)	0
Technical equipment	342,885	(230,027)	112,858	0	0	0	0	(20,573)	342,885	(250,600)	92,284
Total	979,402	(777,344)	202,055	15,912	0	(12,555)	12,555	(37,440)	982,759	(802,229)	180,529
<b>Fixed assets under construction and advances</b>											
Junctions and motorway works	363,602	0	363,602	17,000	0	0	0	0	380,602	0	380,602
Advance payments	0	0	0	2,000,000	0	0	0	0	2,000,000	0	2,000,000
	0	0	0	3,300	0	0	0	0	3,300	0	3,300
Total	363,602	0	363,602	2,020,300	0	0	0	0	2,383,902	0	2,383,902
<b>Assets deriving from concession right</b>											
Junctions and motorway works	1,992,692,156	(68,446,437)	1,924,245,719	46,182,905	0	0	0	(6,488,607)	2,038,875,061	(74,935,044)	1,963,940,017
Public capital grant	(307,273,408)	0	(307,273,408)	0	0	(1,374,535)	0	0	(308,647,943)	0	(308,647,943)
Other assets deriving from concession right	291,429	0	291,429	0	0	0	0	0	291,429	0	291,429
Total	1,685,710,177	(68,446,437)	1,617,263,740	46,182,905	0	(1,374,535)	0	(6,488,607)	1,730,518,547	(74,935,044)	1,655,583,503
<b>Totals</b>	<b>1,689,936,156</b>	<b>(71,267,058)</b>	<b>1,618,669,096</b>	<b>48,219,117</b>	<b>0</b>	<b>(1,387,090)</b>	<b>12,555</b>	<b>(6,569,956)</b>	<b>1,736,768,183</b>	<b>(77,824,459)</b>	<b>1,658,943,724</b>

<b>Società di Progetto Brebemi S.p.A.</b> <i>Statement of the changes in Shareholders' Equity</i>							
Description of changes	SHARE CAPITAL	SHARE PREMIUM RESERVE	OTHER RESERVES	RESERVE FOR EXPECTED CASH FLOW HEDGES	PROFITS(LOSSES) CARRIED FORWARD	RESULT FOR THE PERIOD	TOTAL
	I	II	VI	VII	VIII	IX	
<b>Balance as at 31 December 2017</b>	<b>175,089,679</b>	-	-	<b>(251,968,124)</b>	<b>(22,555,276)</b>	<b>(39,198,071)</b>	<b>(138,631,792)</b>
Allocation of 2017 result	-	-	-	-	(39,198,071)	39,198,071	-
Changes in Share capital	(61,753,347)	-	-	-	61,753,347	-	-
Changes in Reserves	-	-	-	158,232	-	-	158,232
Result for the financial year 2018	-	-	-	-	-	(37,183,065)	(37,183,065)
<b>Balance as at 31 December 2018</b>	<b>113,336,332</b>	-	-	<b>(251,809,892)</b>	-	<b>(37,183,065)</b>	<b>(175,656,625)</b>
Allocation of 2018 result	-	-	-	-	(37,183,065)	37,183,065	-
Changes in Share capital	(62,195,105)	-	25,012,040	-	37,183,065	-	-
Changes in Reserves	-	-	-	(80,185,194)	-	-	(80,185,194)
Result for the financial year 2019	-	-	-	-	-	(49,133,190)	(49,133,190)
<b>Balance as at 31 December 2019</b>	<b>51,141,227</b>	-	<b>25,012,040</b>	<b>(331,995,086)</b>	-	<b>(49,133,190)</b>	<b>(304,975,009)</b>
Allocation of 2019 result	-	-	(25,012,040)	-	(24,121,150)	49,133,190	-
Changes in Share capital	1,000,000	-	-	-	0	-	1,000,000
Changes in Reserves	-	21,230,078	80,000,000	24,816,057	-	-	126,046,135
Result for the period	-	-	-	-	-	(95,758,771)	(95,758,771)
<b>Balance as at 31 December 2020</b>	<b>52,141,227</b>	<b>21,230,078</b>	<b>80,000,000</b>	<b>(307,179,029)</b>	<b>(24,121,150)</b>	<b>(95,758,771)</b>	<b>(273,687,645)</b>
Allocation of 2020 result	-	-	-	-	(95,758,771)	95,758,771	-
Changes in Share capital	-	-	-	-	0	-	-
Changes in Reserves	-	-	68,000,000	22,431,858	-	-	90,431,858
Result for the period	-	-	-	-	-	(36,051,394)	(36,051,394)
<b>Balance as at 30 June 2021</b>	<b>52,141,227</b>	<b>21,230,078</b>	<b>148,000,000</b>	<b>(284,747,171)</b>	<b>(119,879,921)</b>	<b>(36,051,394)</b>	<b>(219,307,181)</b>

Annex 4

<b>Società di Progetto Brebemi S.p.A.</b>							
<i>Nature, possibility of use and distributability of "Shareholders' equity" items and their use</i>							
Nature and description of "Shareholders' equity" items	Amount as at 30.06.2021	Possibility of use	Available portion	Summary of uses in the three previous years			
				For loss coverage	For capital increase	For distribution	For other reasons
<b>Share Capital</b>	52,141,227		-	123,948,452			
<b>Capital reserves</b>							
Share premium reserve	21,230,078	A,B,C	21,230,078				
Participative financial instruments	148,000,000	B	148,000,000				
<b>Profit reserves</b>							
Profit/(Loss) carried forward	(119,879,921)		-				
Profit/(Loss) for the period	(36,051,394)		-				
Reserve for expected cash flow hedges (*)	(284,747,171)		-				
<b>Total</b>	<b>(219,307,181)</b>		<b>169,230,078</b>	<b>123,948,452</b>			

**Key:****A:** for capital increase**B:** for loss coverage**C:** for distribution to shareholders

(\*) It should be noted that the balance of this Reserve, which is of a transitional nature, pursuant to Article 2426, paragraph 1 bis of the Italian Civil Code, is not included in the calculation of Shareholders' Equity for the purposes set out in Articles 2412, 2433, 2442, 2446 and 2447 and, if positive, is not available and cannot be used to cover losses.



Società di Progetto Brebemi S.p.A.

**MONTHLY PAYING TRAFFIC DATA**

Annex 5

## LIGHT TRAFFIC (km travelled)

Month	30.06.2021	30.06.2020	30.06.2019
January	15,261,571	27,755,119	25,738,789
February	20,573,377	26,299,152	26,205,577
March	17,418,412	7,514,148	30,459,250
April	19,493,388	3,055,273	29,876,538
May	27,807,687	11,364,043	30,960,452
June	30,042,364	20,749,100	32,829,950
<b>TOTAL</b>	<b>130,596,799</b>	<b>96,736,835</b>	<b>176,070,556</b>

## HEAVY TRAFFIC (km travelled)

Month	30.06.2021	30.06.2020	30.06.2019
January	9,991,116	10,965,056	10,189,991
February	11,384,587	11,205,581	10,326,246
March	12,775,224	8,363,958	11,403,829
April	12,139,684	6,032,354	11,042,920
May	13,061,635	9,331,187	12,367,740
June	13,943,656	10,716,295	11,863,864
<b>TOTAL</b>	<b>73,295,902</b>	<b>56,614,431</b>	<b>67,194,590</b>

## TOTAL TRAFFIC (km travelled)

Month	30.06.2021	30.06.2020	30.06.2019
January	25,252,687	38,720,175	35,928,780
February	31,957,964	37,504,733	36,531,823
March	30,193,636	15,878,106	41,863,079
April	31,633,072	9,087,627	40,919,458
May	40,869,322	20,695,230	43,328,192
June	43,986,020	31,465,395	44,693,814
<b>TOTAL</b>	<b>203,892,701</b>	<b>153,351,266</b>	<b>243,265,146</b>

Società di Progetto Brebemi S.p.A.

**MONTHLY PAYING TRAFFIC DATA**

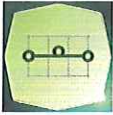
Annex 6

## Km/1000 travelled by vehicle class

Month	A		B		3		4		5		Total	
	30.06.2021	30.06.2020	30.06.2019	30.06.2021	30.06.2020	30.06.2019	30.06.2021	30.06.2020	30.06.2019	30.06.2021	30.06.2020	30.06.2019
January	15,262	27,755	4,313	4,840	627	734	513	515	4,538	4,876	25,253	38,720
February	20,573	26,299	5,025	5,016	736	756	565	533	5,059	4,901	31,958	37,505
March	17,418	7,514	5,499	2,852	838	607	642	428	5,796	4,476	30,194	15,878
April	19,493	3,055	5,324	1,846	802	454	614	302	5,400	3,432	31,633	9,088
May	27,808	11,364	5,946	3,956	844	644	646	479	5,626	4,252	40,869	20,695
June	30,042	20,749	6,249	4,750	907	727	673	535	6,115	4,704	43,986	31,465
<b>Total</b>	<b>130,597</b>	<b>96,737</b>	<b>32,356</b>	<b>23,261</b>	<b>4,754</b>	<b>3,921</b>	<b>3,652</b>	<b>2,792</b>	<b>32,534</b>	<b>26,640</b>	<b>203,893</b>	<b>153,351</b>

<b>Società di Progetto Brebemi S.p.A.</b> <i>Statement of prepaid taxes</i>								
	Opening balance		Movements				Final balance	
	31 dicembre 2020		Income Statement		Shareholders' Equity		30 giugno 2021	
Description	Amount of temporary differences - TAXABLE AMOUNT	TOTAL Deferred tax	Amount of temporary differences - TAXABLE AMOUNT	TOTAL Deferred tax	Amount of temporary differences - TAXABLE AMOUNT	TOTAL Deferred tax	Amount of temporary differences - TAXABLE AMOUNT	TOTAL Deferred tax
Previous years' tax losses	380,786,155	91,388,676	124,987,046	29,996,893	-	-	505,773,201	121,385,569
Tax losses for the period	124,984,865	29,996,368	(81,889,720)	(19,653,533)	-	-	43,095,146	10,342,835
ACE	19,451,388	4,668,333	342,170	82,121	-	-	19,793,558	4,750,454
Other temporary differences	285,553	68,533	208,546	50,051	-	-	494,099	118,584
Fair value derivative instruments	404,182,932	97,003,904	-	-	(29,515,602)	(7,083,744)	374,667,330	89,920,159
<b>Prepaid tax assets</b>	<b>929,690,893</b>	<b>223,125,814</b>	<b>43,648,043</b>	<b>10,475,532</b>	<b>(29,515,602)</b>	<b>(7,083,744)</b>	<b>943,823,334</b>	<b>226,517,601</b>





SOCIETÀ DI PROGETTO  
BREBEMI SPA

Brescia, September 28, 2021

The undersigned FRANCESCO BETTONI born in VISANO on August 23, 1948 and resident in CASTELVETRO PIACENTINO (PC), via STATALE n. 8, Italian Tax Code BTTFNC48M23M070V, acting as LEGAL REPRESENTATIVE of SOCIETA' DI PROGETTO BREBEMI S.P.A., (the "Company"), with registered office in BRESCIA, VIA SOMALIA 2/4, Fiscal Code, VAT number and registration number at the Companies Register (*Registro delle Imprese*) of BRESCIA 02508160989, with Economic and Administrative Repertory (EAR) number 455412, certifies that the Semi-Annual Financial Statements for the year ended June 30, 2021, provide a true and fair view of the Company's financial position and operations as at June 30, 2021.

**Società di Progetto Brebemi S.p.A.**

Legal Representative

Francesco Bettoni



SOGGETTA ALLA DIREZIONE E COORDINAMENTO DI AUTOSTRADE LOMBARDE SPA  
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CAP. SOC. EURO 52.141.227,00 I.V. REA N. 455412  
ISCR. REGISTRO IMPRESE DI BRESCIA, C.F. E P.IVA 02508160989



*This document contains a translation in English of the report in Italian "Relazione semestrale al 30 giugno 2021" that the Company believes is true and accurate. However, for information about Società di Progetto Brebemi S.p.A. reference should be made exclusively to the original report in Italian. The Italian version should prevail upon the English version*

