

SAGAT GROUP 2023
DRAFT CONSOLIDATED FINANCIAL STATEMENTS APPROVED

Record traffic and operating profit of 7.6 million in 2023

- *Passenger traffic: 4.53 million passengers, up 8% on 2022*
- *Production value: 86 million euros, in line with 2022 values*
 - *Aviation revenue: up 7.5% on 2022*
 - *Net profit: 7.6 million euros*
 - *Investments: 6.3 million euros*
- *Net Financial Position: euros -7.6 million, an improvement of 10 million euros compared to 2022*

In 2023, Torino Airport registered its record traffic with 4,531,185 passengers carried, up 8% on 2022, the previous record year.

SAGAT Group reported a production value in line with that of 2022 and an increase in aviation revenue of +7.5%.

Caselle Torinese, March 26, 2024 - The Board of Directors of SAGAT S.p.A., which met today under the chairmanship of Elisabetta Oliveri, approved the Draft 2023 Financial Statements of the Parent Company and the 2023 Consolidated Financial Statements of the SAGAT Group.

Traffic trends

In 2023, Torino Airport handled **4,531,185 passengers**, with a traffic increase of 337,304 passengers, accounting for +8% compared to 2022 figures and +14.6% compared to the pre-pandemic year 2019. This is the best year ever, surpassing the previous traffic record set in 2022, when there were 4,193,881 passengers.

The growth was driven by the strong recovery of the international segment, which recorded a volume of more than 2.34 million passengers in 2023, taking into account both scheduled and charter traffic, representing +18.7% over 2022 and +15% over 2019 figures.

The opening of several new direct routes contributed to the positive trend on the international market: in 2023 Ryanair, which has been based in Turin since November 2021, launched new routes to Alicante and Porto, together to new flights to Paris Orly by Volotea, Vilnius by Air Baltic, Bacau by Dan Air, and the return of London Heathrow by British Airways.

In 2023, Catania is confirmed as the busiest route, while another international destination returns in second place: London. In third place is Rome, although it has not yet reached pre-Covid levels, which is showing steady growth with a 67.1% increase in passengers compared to 2022.

A total of 46 international destinations are served by direct flights: the top-ten international destinations after London are Paris, Barcelona, Madrid and Munich, followed by Tirana, Frankfurt, Amsterdam, Brussels Charleroi and Valencia. In addition, the recovery of snow traffic from the Northern European, Irish and British markets was reflected in a significant increase in charter flights for skiers, both in the first quarter of the year and with the reopening of the season in December.

On the domestic front, however, a total of 14 destinations were served. After Catania, in terms of passengers carried, they are Rome, Naples, Palermo, Bari, Lamezia Terme, Brindisi, Cagliari, Olbia, Trapani, Pescara, Alghero, Foggia and Lampedusa.

Consolidated Economic and Financial Performance

SAGAT Group **Total Revenues** in 2023 amounted to **85.96 million euros**, in line with 2022 mainly due to the combined effect of non-recurring items in both years and the increase in passengers.

In the financial year 2023, **Aviation Revenues** amounted to **45.8 million euros**, of 3.19 million euros or +7.5% compared to 2022. The change is related and proportional to the year-on-year increase in traffic.

The Group's **EBITDA** (Earnings Before Interest Taxes Depreciation & Amortisation) for 2023 reached the value of **17.23 million euros**, in line with the similar value for 2022 (17.43 million euros).

The year 2023 ended with a positive consolidated **Net Income** of **7.56 million euros**, a decrease of 4.35 million euros compared to the year 2022. The consolidated net income decreased compared to the previous year due to the presence of positive extraordinary items in both years, which were lower by 6.7 million euros in 2023.

In 2023, SAGAT Group **Investments** amounted to **6.3 million euros** and were mainly aimed at interventions in the areas of environmental sustainability and infrastructure upgrades, as well as those aimed at improving the passenger experience.

During the year, the Group's **Net Financial Position** improved by 10.07 million to -7.62 million compared with 2.45 million at the same date in 2022.

Distinctive elements of fiscal year 2023

The increase in the number of passengers has also had a positive impact on commercial activities, with the arrival of new operators and the construction of new areas.

In a context of increasing traffic, with the consequent impact on the use of infrastructure and the work of airport staff, attention to the passenger has remained at the forefront, as confirmed by the trend in overall satisfaction, measured in compliance with the ASQ-Airport Service Quality international benchmark, which confirmed a score of 4.07 on a scale of 1 to 5. The commitment to improving the customer experience was also recognised by the award of "**Airport with the most dedicated staff in Europe**", which was awarded to Torino Airport on the basis of the data collected in the ASQ programme surveys, thanks to the votes of passengers on the courtesy of airport operators in 2023.

The commitment to the commercial development of the airport and the achievement of ever higher quality standards has been accompanied by intensive work on environmental sustainability, continuing with the Torino Green Airport Plan, which aims to manage the airport's infrastructure and operations in an energy-efficient manner, consuming less and less energy and avoiding the waste of resources. In fact, in July 2023, the largest rooftop photovoltaic system in an Italian airport was inaugurated, covering an area of 6,500 square metres and capable of generating 1,585 MWh of electricity per year. The system covers more than 12 percent of the airport's annual needs and avoids the emission of 406 tonnes of CO₂ per year, the equivalent of planting 13,552 trees. The remaining electricity purchased from the grid will continue to come from 100% certified renewable sources with a Guarantee of Origin (GO) in 2023.

The investments in 2023 were aimed at modernising infrastructure, such as the start of the replacement of the telescopic passenger boarding and disembarkation docks; environmental sustainability and energy efficiency, such as the construction of the aforementioned photovoltaic plant; the replacement of the heat generators for the district heating plant and other major interventions aimed at improving the performance of the airport facilities; and finally, increasing the reliability, effectiveness and protection in terms of cyber security of the IT systems.

Forecast traffic development

In the first two months of 2024, the traffic handled at Torino airport showed a significant increase compared to the same period in 2023, with a total of 714,773 passengers, or +2.4%.

The months of January and February 2024 recorded 363,124 and 351,649 passengers respectively, making it the best January and February ever in terms of passengers carried, surpassing the previous records set in January 2023 and February 2019. The strong growth in the first two months also resulted in an increase of +5.5 per cent compared to the same period in FY2019.

Looking at 2024 as a whole, it is possible to foresee a consolidation of the traffic volumes achieved in 2023 at Turin airport, supported by the opening of new routes and the strengthening of those launched in the previous two years. In particular, Ryanair plans to open two new routes to Reggio Calabria and Crotona in the summer, while Volotea will open a new route to Comiso; in addition, ITA will add a fifth daily frequency on the Turin-Rome route and Royal Air Maroc will add a third weekly frequency on the Turin-Casablanca route.

The inauguration on 19 January 2024 of the new railway line linking Torino airport to the Turin Porta Susa/Lingotto and Alba stations in the Langhe region, among others, is also a potential driver of development: it will increase the number of local users who can reach the airport by public transport, as well as the number of tourists who can choose Torino airport as a convenient and inexpensive link to the surrounding area.

At a global level, however, there are still elements of uncertainty in the aviation sector. Geopolitical tensions in Europe and the Middle East could have a negative impact on aviation, which is also affected by the price of energy sources, and recent events involving aircraft manufacturers Boeing and Airbus could slow down airlines' development plans due to delays in new aircraft deliveries and aircraft recalls.

Despite this uncertain environment, the Group will continue to invest in improving the connectivity of the territory and the quality of the services provided, while seeking to improve its economic and social sustainability.

The Board of Directors has convened the **Annual General Meeting on 26 April and 22 May 2024** on first and second call respectively.