



FY 2022 Financial Results

March 15, 2023



Full Year 2022 Highlights

REGULATED BUSINESS

- Full year 2022 traffic volume almost **“back-to-normal”**
- Protective regulation framework **“back-to-normal”** from January 1st, 2022
- Italian RP3 (2020-2024) **Performance Plan definitively approved by European Commission** in April 2022
- Confirmed to be the **4th largest ANSP¹** amongst Member State subject to EU Performance Scheme
- One of the best performer for quality and safety of service, **entitled to receive 2022 performance bonus on quality**

NON-REGULATED BUSINESS

- **Non-regulated revenue double-digit growth**

2022-2024 BUSINESS PLAN

- **First Remote Tower** in Italy **implemented** and **fully operative** in Brindisi Airport
- Naples **APP¹ integration** at Rome ACC¹ **completed**
- **AMAN¹ implementation** in Rome Fiumicino **completed**
- **TCT-A¹ implementation** in Milan ACC¹ **completed**
- **Started up and operative the TOC¹** in Rome Ciampino

ESG

- **Sustainability Plan updated** and extended to the year 2024, in line with the BP duration
- **Carbon neutrality achieved in 2022**
- People first: **renewed labor contract** signed with Unions

FINANCE

- **Revenue up 12.9% YoY, EBITDA up 22.4% YoY**, both in line with the provided guidance
- **Net Profit up 33.9% YoY**
- **Strong balance sheet** with both Gross Debt and Net Debt reduction
- **Dividend proposal: €106.4m** to be distributed on October 25th, 2023, equivalent to **0.1967 euro per share**

FY 2022 Group's Highlights



En-Route traffic

9.56m SUs¹

+65.3% vs. FY 2021
(95.2% of FY 2019)



Terminal traffic

901.1k SUs¹

+63.6% vs. FY 2021
(88.6% of FY 2019)



Total Revenue

€944.3m

+12.9% vs. FY 2021



Non-Reg. Revenue

€39.9m

+21.0% vs. FY 2021



EBITDA

€272.2m

+22.4% vs. FY 2021

EBITDA margin

28.8%



Net Result

€104.5m

+33.9% vs. FY 2021



CAPEX

€97.8m



Net Financial Debt²

€407.8m

vs. €483.5m in FY 2021

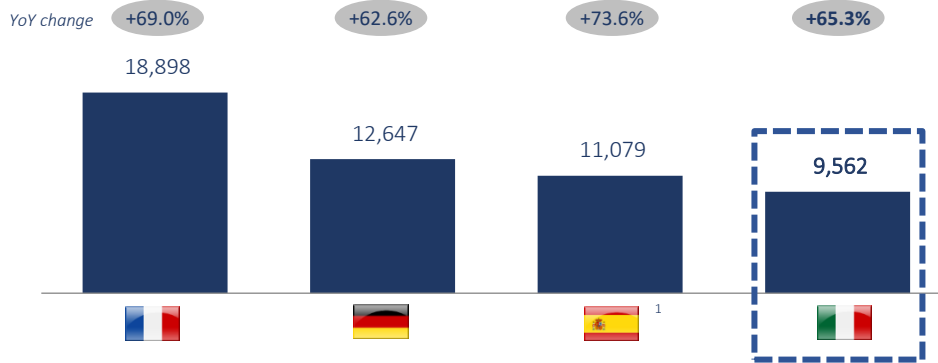
Net Debt²/FY 2022 EBITDA

1.5x

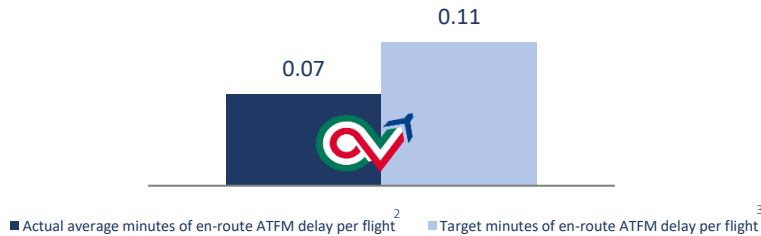
1. Excluding exempt flights not communicated to Eurocontrol (for en-route 3,229 SUs and for terminal 894 SUs)
2. Net Financial Debt includes Trade Payable, as per Consob indication n. 5/21 issued in May 2021, of €74.4m in FY 2022 and of €41.6m in FY 2021

Top Performance in 2022

En-route Service Units ('000)



Average Minutes of En-route Delay per Flight



Source: ENAV based on third party data

1. Refers to continental Spain
2. Delay including only ATM reasons and under review for further potential decrease
3. Performance target as per RP3 Performance Plan approved by EU Commission in 2022

Amongst Member States subject to EU Performance Scheme, **ENAV**:





- is the **4th largest** Air Navigation Service Provider
- provides **top performance** in terms of quality and safety of service
- is entitled to receive **2022 performance bonus**, reaching 0.07 average minutes of en-route delay per flight² vs. the provided target³ of 0.11 minutes

Sustainability Performance in 2022

ENAV's Sustainability Plan 2021-2024

The Sustainability Plan, based on 6 main Assets, defines a series of actions, based on the United Nations 17 Sustainable Development Goals (SDGs), on which the ENAV Group will be committed in the period and that pursue the full integration of ESG elements in all Group's activities

	1 Strategy and Governance	2 Policies	3 Technological Innovation	4 Reporting and Communication	5 Corporate Culture	6 Climate Change
ASSETS	Enhance Regulatory and Management System to integrate ENAV's Sustainability Strategy	Adopt new several Policies to regulate specific ESG issues	Achieve ENAV's strategic goals through technological innovation	Strengthen the non-financial reporting process and the internal and external communication of ENAV's Sustainability Strategy	Disclose, within ENAV, an individual and corporate culture, oriented to Sustainability's principles	Fight Climate Change
2022 GOALS	Supplier assessment: 75% of core suppliers assessed against ESG criteria	New ISO 37001 maintenance target set for 2023	APP ¹ integrated in some airports and AMAN ¹ implemented in Rome Fiumicino	Internal communication plan enriched with the creation of a 'Sustainability Promotion' team	Project to enhance women presence within core professions (ATC) ¹ launched	Carbon neutrality achieved

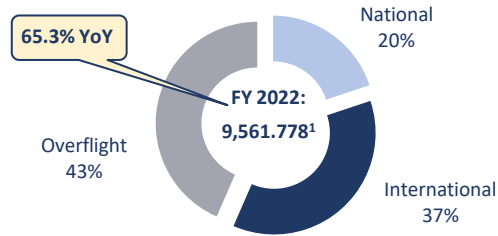
ACHIEVEMENTS	
	Total classroom and e-learning training → approximately 180 thousand hours
	Scope 1 and Scope 2 CO₂ emission reduction in 2022 vs. 2019 → approx. – 80%
	Free Route Project impact → over 200 million kg of CO ₂ avoided
	First solicited ESG Rating obtained → S&P score of 51 (out of 100) & CDP score “ C category ” (range from F to A)

1. APP: Approach Unit – AMAN: Arrival Management – ATC: Air Traffic Control

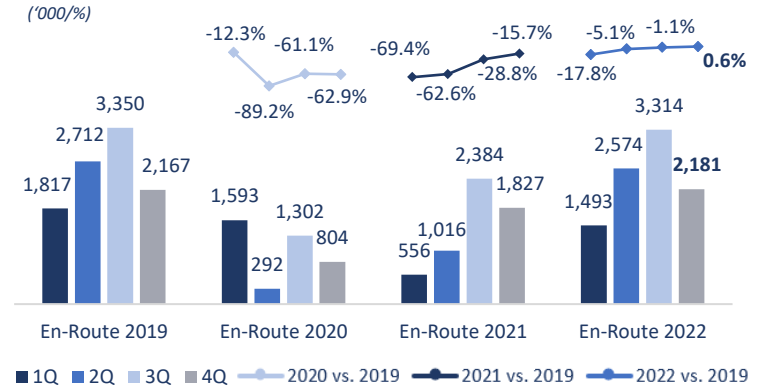


FY 2022 Main Traffic Trends – En-Route

Traffic breakdown by service units



Quarterly service units trend¹ & change vs. 2019

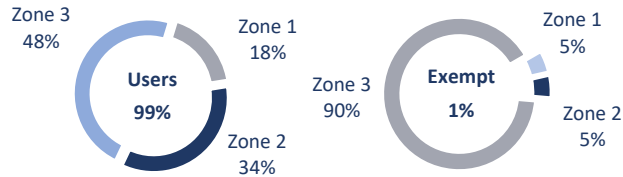
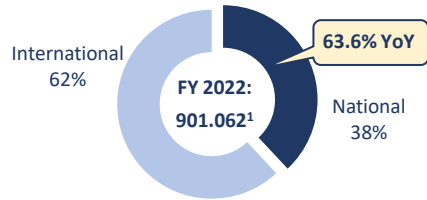


- **FY 2022 En-route service units up 65.3%¹ YoY** with positive result in all segments:
 - International service units up 89.1% YoY
 - Overflight service units up 67.4% YoY
 - National service units up 36.4% YoY
- **FY 2022 traffic¹ shows a strong post-pandemic recovery, reaching 95.2% of FY 2019 volume, and standard quarterly seasonality**
- **4Q 2022 traffic¹ shows a strong YoY growth with summer season prolonged until the end of October and quarterly volume 0.6% above 4Q 2019**

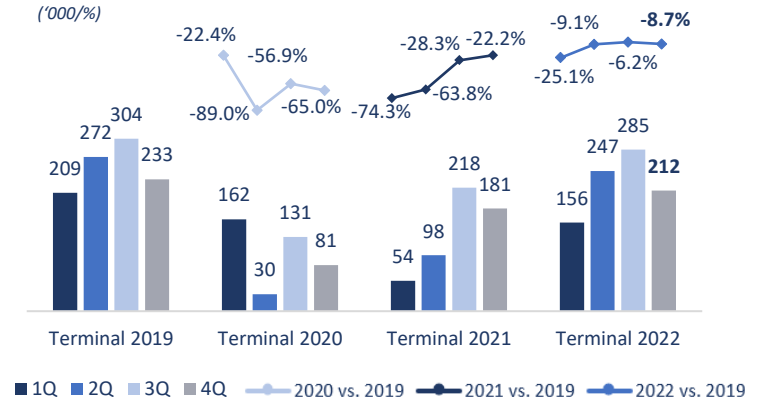
1. Excluding exempt flights not communicated to Eurocontrol (3,229 SUs in FY 22 and 528 SUs in 4Q 22)

FY 2022 Main Traffic Trends – Terminal

Traffic breakdown by service units



Quarterly service units trend¹ & change vs. 2019



- **FY 2022 Terminal service units up 63.6%¹ YoY:**
 - Increase in international and national traffic, up 86.2% and 38.2% YoY, respectively
 - Increase in all charging zones
- **FY 2022 traffic¹ shows an improving trend**, reaching **88.6% of FY 2019** traffic, with return to standard quarterly seasonality
- **4Q 2022 traffic¹ confirmed the solid growth trend** with volume reaching **91.3% of 4Q 2019**

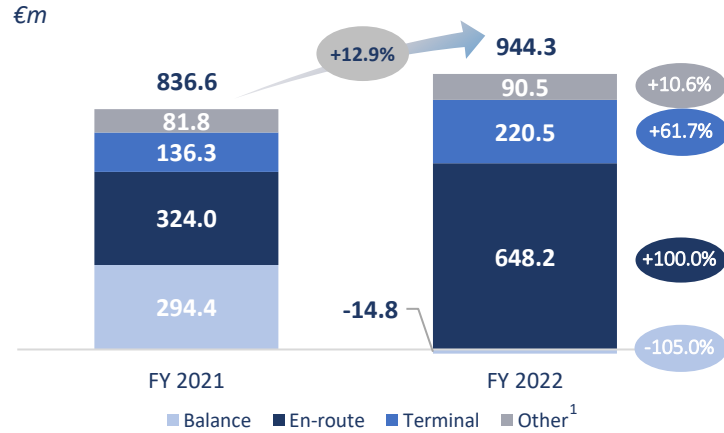
1. Excluding exempt flights not communicated to Eurocontrol (894 SUs in FY 22 and 184 SUs in 4Q 22)

FY 2022

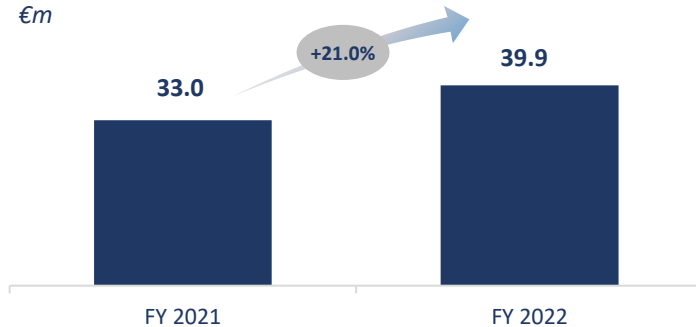
Financial Overview

Total Revenue Performance

Total Revenue Breakdown



Non-Regulated Revenue



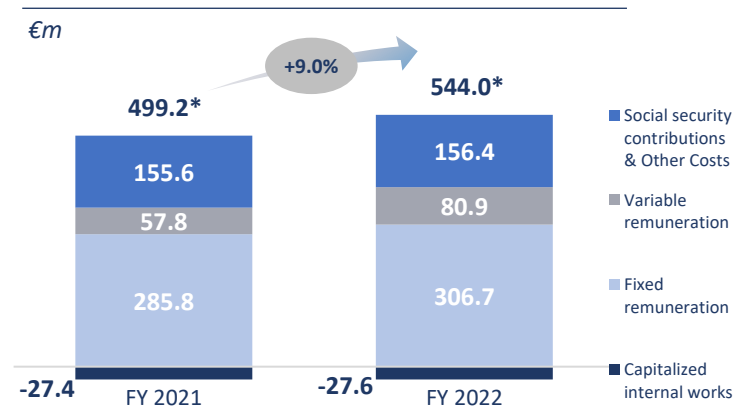
- **FY 2022 total revenue increase +12.9% YoY (+€107.7m)** was driven by strong growth in operative revenue in all business segments
- **En-route revenue doubled YoY and terminal revenue increased 61.7% YoY**, following the recovery in the air traffic volume, which was particularly intense during the long summer season
- **FY 2022 negative balance contribution for €14.8m**, was mainly the result of:
 - negative balance for approx. €59m accrued in the year due to traffic volume managed which for en-route was 12.4% higher than the one included in the RP3 performance plan
 - positive balance for approx. €35m from inflation generated in the period meaningfully higher than the one included in the RP3 performance plan
 - positive balance for approx. €12m coming from reversal of previous years balance
- **Revenue from non-regulated business in FY 2022 increased 21.0% YoY (+€6.9m)** reaching €39.9m, mainly thanks to activities performed abroad

1. "Other" includes non-regulated revenue, revenue from en-route and terminal exemptions, opex contributions and other operating income

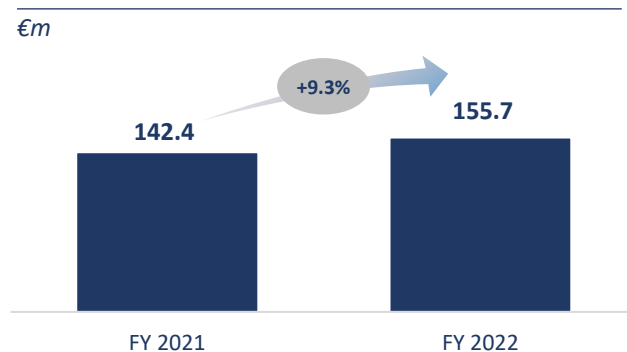
Cost Evolution



Personnel Cost



External Cost



- **FY 2022 personnel cost* increased +9.0% YoY (+€44.7m)** mainly due to:
 - the return to almost normal total traffic level, with summer season volume even higher than the one recorded in 2019, which pushed up the variable remuneration (+€23.1m) and social security contributions
 - the renewal of labor contract expired in 2019, which pushed up fixed remuneration (+€20.9m), including the recovery of the inflation for the three years 2020, 2021 and 2022
- **Capitalized internal works in line** with the previous year (+€0.2m)
- **External opex increased +9.3% YoY (+€13.3m)** primarily due to higher energy costs (approx. +10.1m YoY), mainly related to the Russian/Ukraine conflict and the inflation rise, coupled with those relative to the non-regulated activities

* Excluding Capitalized internal works

Consolidated P&L and Main Movements below EBITDA

thousands euro	FY 2022	FY 2021	Change	
			Amount	%
Revenue from operations	921,032	504,307	416,725	82.6%
Balance	(14,817)	294,398	(309,215)	n.a.
Other operating income	38,095	37,874	221	0.6%
Total Net Revenue	944,310	836,579	107,731	12.9%
Personnel costs	(543,979)	(499,241)	(44,738)	9.0%
Capitalized internal works	27,569	27,442	127	0.5%
Other operating costs	(155,712)	(142,404)	(13,308)	9.3%
Total operating costs	(672,122)	(614,203)	(57,919)	9.4%
EBITDA	272,188	222,376	49,812	22.4%
EBITDA margin	28.8%	26.6%	2.2 p.p.	
D&A (net of capex contributions)	(117,888)	(120,724)	2,836	-2.3%
Provisions and write-downs	(5,967)	(3,366)	(2,601)	77.3%
EBIT	148,333	98,286	50,047	50.9%
EBIT margin	15.7%	11.7%	4.0 p.p.	
Financial income / (expenses)	(551)	4,500	(5,051)	n.a.
Profit before income taxes	147,782	102,786	44,996	43.8%
Income taxes for the period	(43,285)	(24,755)	(18,530)	74.9%
Net Income/(Loss) for the period	104,497	78,031	26,466	33.9%
Net Income/(Loss) pertaining to the Group	105,004	78,372	26,632	34.0%
Minority interests	(507)	(341)	(166)	48.7%

- **EBITDA** up by 22.4% YoY, coming from the revenue increase, only partially offset by rise in personnel costs and other opex
- **D&A** decreased by 2.3% YoY because of the previous years investment timeframe
- **Provisions and write-downs** increased by €2.6m YoY mainly due to the prudential write-down of the entire credit related to Russian activities as well as the credit versus few minor airlines
- **Net financial expenses** of €0.5m, mainly related to increased interest rate on debt almost completely offset by positive contribution mainly coming from the balance actualization mechanism
- Increase in **income taxes** mainly due to the higher taxable income and lower deferred taxes
- **Net Income** of €104.5m, as a results of solid Group performance mainly driven by the recovery of traffic almost at pre-pandemic level

Cash Flow and Capitalization

€m	FY 2022			FY 2021	Δ
	Maturity		Total debt outstanding/ cash	Total debt outstanding/ cash	
	Current (<1 year)	Non-current			
Financial Debt	434	168	601	667	(66)
Trade Payable*		74	74	42	33
Total Debt	434	242	676	709	(33)
Cash & Cash Equivalents			268	225	42
Net Debt			408	484	(76)
Net Debt / EBITDA			1.50 x	2.17 x	-0.68 x

ENAV's liquidity and financial position remains strong

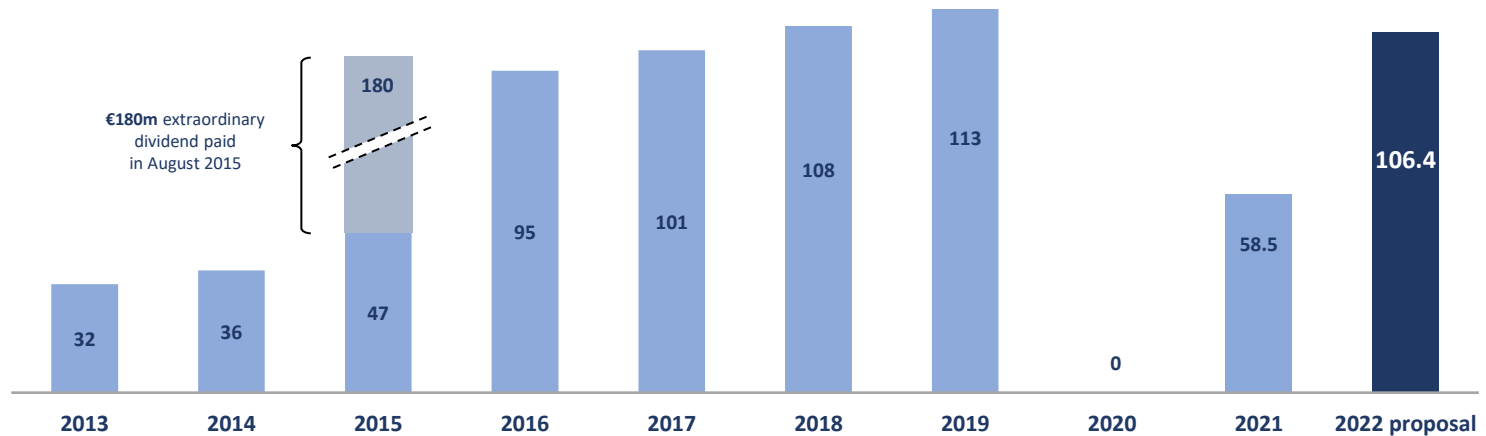
- **Cash and cash equivalents** at the end of 2022 was **€268m**, improving 42 million YoY
- **Availability of undrawn credit lines of €294m** out of which €220m committed
- **€180m refinancing performed in July**: private placement due at the beginning of August refinanced with new 12 months tenor term loans
- **Net financial position** at the end of December 2022 shows a **net debt of €408m**, improving if compared with year-end 2021 by €484m

(*) Trade Payable consists of non-current commercial debt related to gross negative Balance to be returned to airlines, as per Consob indication n. 5/21 issued in May 2021

Shareholders Remuneration

Historical Dividend Distribution

€m



- **2022 dividend proposal: €106.4m** to be distributed on the 25 October equivalent to 0.1967 euro per share

FY 2022

2023 Outlook & Key Take-Aways

2023 Outlook

- Traffic expected to reach **10.3 million service units for en-route** in 2023, **above 2019 pre-pandemic volume**
- **Total revenue** increase by low-single digit YoY
- **Non-regulated revenue** increase by high-single digit YoY
- **EBITDA** increase by low-to-mid-single digit YoY
- **CAPEX** is planned at approximately €100m

Key Take-Aways

- **Traffic recovery** and summer season's peaks managed with **top level quality and safety of service**
- **Strong 2022 operational and financial** results on both core and non-regulated business
- **RP3 Performance Plan** up to 2024 **approved** by European Commission
- **2022-2024 Business Plan** approved
- **Carbon neutrality reached** in 2022
- **Dividend proposal** for fiscal year 2022 of 0.1967 euro per share to be distributed on October 25, 2023



THANKS FOR YOUR ATTENTION

Q&A SESSION

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