



# 1Q 2023 Financial Results

May 11, 2023



# 1Q 2023 Group's Highlights



En-Route traffic

**1.89m SUs<sup>1</sup>**

+26.8% vs. 1Q 2022



Terminal traffic

**191.6k SUs<sup>1</sup>**

+22.5% vs. 1Q 2022



Total Revenue

**€176.8m**

+5.2% vs. 1Q 2022



Non-Reg. Revenue

**€5.8m**

-4.1% vs. 1Q 2022



EBITDA

**€9.7m**

-35.9% vs. 1Q 2022

EBITDA margin

**5.5%**



Net Result

**-€21.8m**

-41.8% vs. 1Q 2022



CAPEX

**€14.7m**

+12.2% vs. 1Q 2022



Net Financial Debt<sup>2</sup>

**€390.9m**

vs. €407.8m in FY 2022

Net Debt<sup>2</sup>/FY 2022 EBITDA

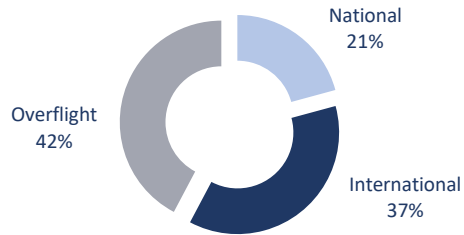
**1.44x**

1. Excluding exempt flights not communicated to Eurocontrol (for en-route 433 SUs and for terminal 188 SUs)  
 2. Net Financial Debt includes Trade Payable, as per Consob indication n. 5/21 issued in May 2021, of €75.6m in 1Q 2023

# 1Q 2023 Main Traffic Trends – En-Route

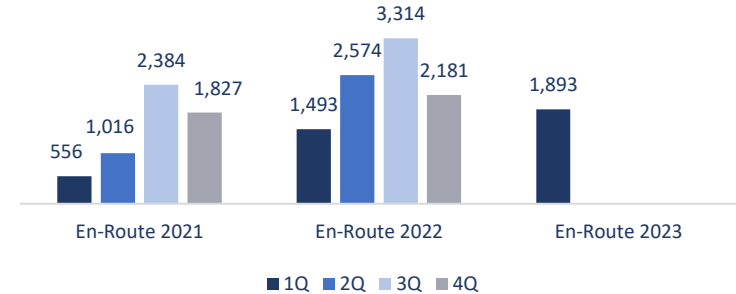
## Traffic breakdown by service units

1Q 2023: 1,892,543<sup>1</sup> → +26.8% YoY



## Quarterly service units trend<sup>1</sup>

('000/%)



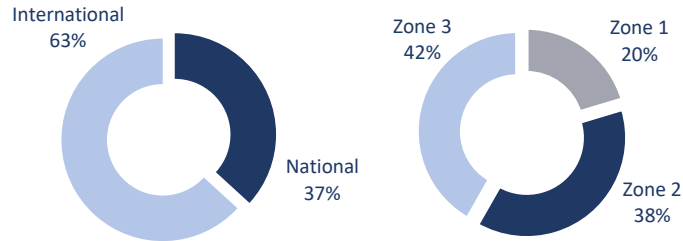
- **1Q 2023 En-route service units up 26.8%<sup>1</sup> YoY** with forceful result in all segments:
  - International service units up 38.3% YoY
  - Overflight service units up 33.1% YoY
  - National service units up 4.3% YoY
- **1Q 2023 En-route traffic<sup>1</sup> shows a strong growth**, reaching quarterly volume **4.2% above 1Q 2019**
- **In the month of April 2023**, total En-route managed flights were in line with 1Q 2023 positive trend

1. Excluding exempt flights not communicated to Eurocontrol (433 SUs)

# 1Q 2023 Main Traffic Trends – Terminal

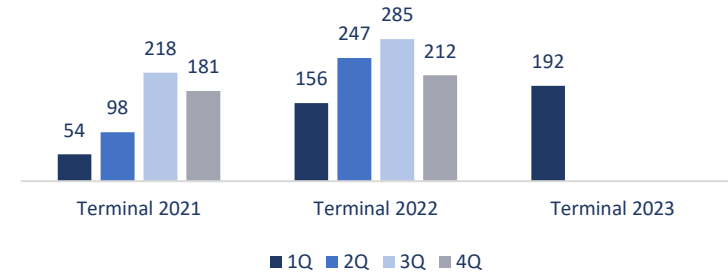
## Traffic breakdown by service units

1Q 2023: 191.623<sup>1</sup> → +22.5% YoY



## Quarterly service units trend<sup>1</sup>

('000/%)



- **1Q 2023 Terminal service units up 22.5%<sup>1</sup> YoY:**
  - Increase in international and national traffic, up 34.3% and 7.1% YoY, respectively
  - Increase in all charging zones
- **1Q 2023 Terminal traffic<sup>1</sup> shows an improving recovery trend, reaching 91.8% of 1Q 2019 traffic**

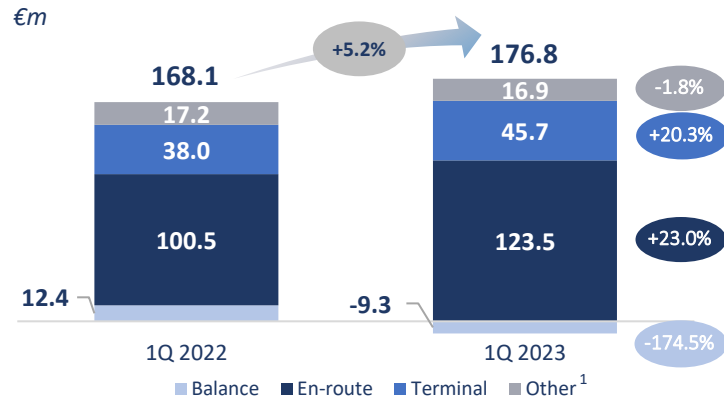
1. Excluding exempt flights not communicated to Eurocontrol (188 SUs)

# 1Q 2023

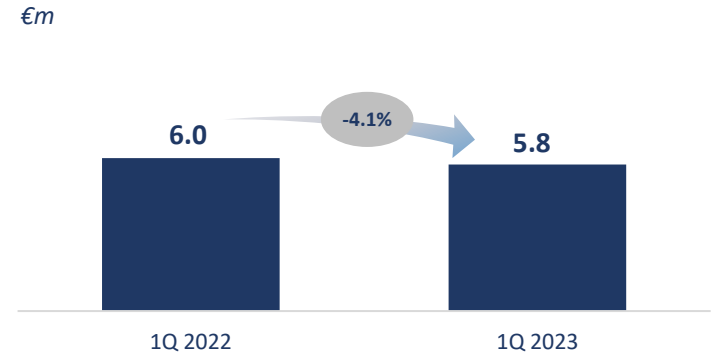
Financial Overview

# Total Revenue Performance

## Total Revenue Breakdown



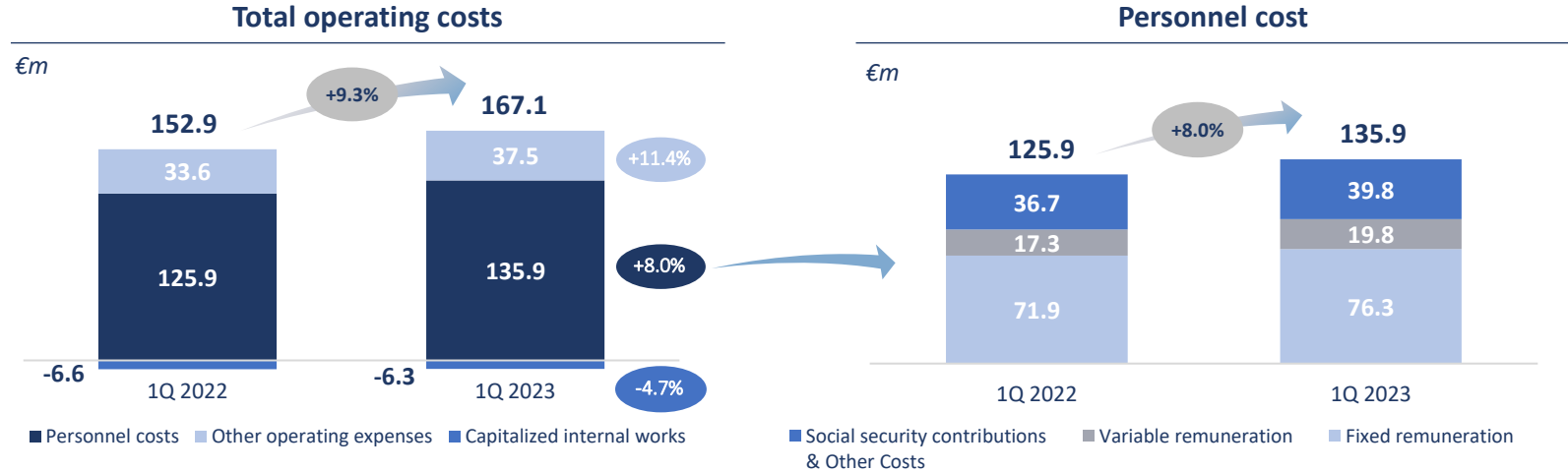
## Non-Regulated Revenue



- **1Q 2023 total revenue increase 5.2% YoY (+€8.7m)** mainly thanks to strong growth in en-route and terminal business
- **En-route revenue up 23.0% YoY (+€23.1m)** driven by the air traffic volume's growth and despite the YoY tariff reduction
- **Terminal revenue up 20.3% YoY (+€7.7m)** mainly driven by the air traffic volume's growth coupled with almost stable YoY tariff
- **1Q 2023 negative balance contribution for €9.3m** mainly due to:
  - negative balance for €18.7m coming from previous years balance reversal almost completely related to the recovery of the one accrued in the combined period 2020/2021 due to Covid-19 pandemic
  - positive balance for €9.7 accrued in the quarter almost entirely related to terminal zone 3
- **Revenue from non-regulated business in 1Q 2023 slightly decreased by 4.1% YoY (-€0.2m)** reaching €5.8m, due to a different year-on-year phasing in closing contracts

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

# Cost Evolution



1Q 2023 total cost increased 9.3% YoY (+€14.2m) as a consequence of:

- **Personnel cost growth of 8.0% YoY (+€10.0m)** mainly due to:
  - the **increase in headcount** and the **renewal of the labor contract** signed in 4Q 2022 **driving up fixed remuneration (+€4.5m)**
  - the **rise in overtime of ATC<sup>1</sup> personnel** and the related **MBO accrual driving up variable remuneration (+€2.5m)**
  - the **rise in social security contributions (+€2.4m)** as a result of the higher fixed and variable components
- **Other operating expenses growth of 11.4% YoY (+€3.8m)** primarily due to higher Eurocontrol contribution and maintenance cost
- **Capitalized internal works decrease of 4.7% YoY (-€0.3m)**

1. ATC: Air Traffic Controller

# Main Movements below EBITDA

<i>thousands euro</i>	1Q 2023	1Q 2022	Change	
			Amount	%
<b>EBITDA</b>	<b>9,727</b>	<b>15,168</b>	<b>(5,441)</b>	<b>-35.9%</b>
<b>EBITDA margin</b>	<b>5.5%</b>	<b>9.0%</b>	<b>(3.5) p.p.</b>	
D&A (net of capex contributions)	(27,891)	(28,253)	362	-1.3%
Provisions and write-downs	(1,766)	(1,133)	(633)	55.9%
<b>EBIT</b>	<b>(19,930)</b>	<b>(14,218)</b>	<b>(5,712)</b>	<b>40.2%</b>
<b>EBIT margin</b>	<b>-11.3%</b>	<b>-8.5%</b>	<b>(2.8) p.p.</b>	
Financial income / (expenses)	(1,489)	670	(2,159)	n.a.
<b>Profit before income taxes</b>	<b>(21,419)</b>	<b>(13,548)</b>	<b>(7,871)</b>	<b>58.1%</b>
Income taxes for the period	(388)	(1,832)	1,444	-78.8%
<b>Net Income/(Loss) for the period</b>	<b>(21,807)</b>	<b>(15,380)</b>	<b>(6,427)</b>	<b>41.8%</b>
Net Income/(Loss) pertaining to the Group	(21,626)	(15,209)	(6,417)	42.2%
Minority interests	(181)	(171)	(10)	5.8%

- **1Q 2023 EBITDA** down by 35.9% YoY, mainly due to the seasonality of ENAV's core business which has a quarterly revenue pattern tightly linked to air traffic volume, although costs are relatively steady in the quarters
- **D&A** at €27.9m substantially in line with the previous year
- **Provisions and write-downs** at €1.8m, slightly increased €0.6m YoY
- **Net financial expenses** of €1.5m, related to increased interest rate on debt partly offset by positive contribution coming from the balance actualization mechanism
- **Income taxes** of €0.4m decreased YoY due to a lower taxable income
- **Net loss** of €21.8m, in line with standard quarterly trend coming from traffic seasonality



# Cash Flow and Capitalization

€m	1Q 2023		
	Maturity		Total debt outstanding/ cash
	Current (<1 year)	Non-current	
Financial Debt	105	523	629
Trade Payable*		76	76
<b>Total Debt</b>	<b>105</b>	<b>599</b>	<b>704</b>
Cash & Cash Equivalents			313
<b>Net Debt</b>			<b>391</b>
<b>Net Debt/FY 2022 EBITDA</b>			<b>1.44 x</b>

**ENAV's liquidity and financial position remains very strong.** We have closed 1Q 2023 with:

- **Cash and cash equivalents of €313m**
- **Availability of undrawn credit lines of €214m** out of which €165m are committed
- **Net financial position** showing a **net debt of €391m**, improving compared with year-end 2022 of €408m

In March €360m of loans, which would have expired in July 2023, have been refinanced with new three years tenor term loan for the same amount, to be repaid in full upon maturity

(\*) 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

# 2023 Outlook update

## New Outlook

## Delta vs. Previous Outlook

Traffic expected to reach **10.6 million service units for en-route** in 2023, **6% above 2019 pre-pandemic volume**

Raised 

**Total revenue** increase by mid-single digit YoY

Raised 

**Non-regulated revenue** increase by high-single digit YoY

Unchanged

**EBITDA** increase by mid-single digit YoY

Raised 

**CAPEX** is planned at approximately €100m

Unchanged





THANKS FOR YOUR ATTENTION

Q&A SESSION

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