

**Autopistas del Atlántico,  
Concesionaria Española, S.A.**

Auditor's report  
Annual accounts at December 31, 2022  
Directors' report



*This version of our report is a free translation from the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

## Independent auditor's report on the annual accounts

To the sole shareholder of Autopistas del Atlántico, Concesionaria Española, S.A. (Sociedad Unipersonal) (Unipersonal Company)

### Report on the annual accounts

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#### Opinion

We have audited the annual accounts of Autopistas del Atlántico, Concesionaria Española, S.A. (the Company), which comprise the balance sheet as at 31 December 2022, and the income statement, statement of changes in equity, cash flow statement and related notes for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2022, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 2 of the notes to the annual accounts), and in particular, with the accounting principles and criteria included therein.

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#### Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the annual accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
<p data-bbox="277 454 820 517"><b>Assessing possible impairment of concession arrangements</b></p> <p data-bbox="277 544 836 696">As explained in Note 5, at 31 December 2022 the Company had recorded as intangible asset the investment, amounting to 1,463,772 thousand euro, in a concession agreement for transport infrastructure, namely, toll road AP-9.</p> <p data-bbox="277 723 820 965">The Company assesses the possible indications of impairment and calculates the recoverable amount of such asset, which entails a complex process (notes 2 (b) and 4 (c)) requiring the use of estimates that include judgements and significant assumptions by management, supported on an independent expert.</p> <p data-bbox="277 992 836 1117">As a result of the calculations made, management of the Company has not deemed it necessary to make any value adjustments with respect to concession arrangement.</p> <p data-bbox="277 1171 836 1296">Given the significance of this asset and the high level of judgement required, assessing the possible impairment is considered the most relevant aspect of the audit.</p>	<p data-bbox="866 544 1458 669">We have gained an understanding of the evaluation process carried out by management in relation to the recoverable amount, as well as the supporting controls.</p> <p data-bbox="866 696 1458 822">We have obtained the financial model used in the impairment testing approved by management, on which carried out, among others, the following procedures:</p> <ul data-bbox="866 848 1458 1252" style="list-style-type: none"> <li data-bbox="866 848 1458 911">• Arithmetic verification of the calculus considered in the financial model.</li> <li data-bbox="866 938 1458 1028">• Comparison of projected annual cash flows estimated in previous years with cash flows obtained in 2022.</li> <li data-bbox="866 1055 1458 1122">• Obtaining the sensitivity analysis with respect to the main assumptions.</li> <li data-bbox="866 1149 1458 1252">• Checking the reasonableness of the business and market assumptions used by management.</li> </ul> <p data-bbox="866 1279 1458 1404">Additionally, we have obtained the valuation report issued by the management independent expert, on which we carried out, among others, the following procedures:</p> <ul data-bbox="866 1431 1458 1744" style="list-style-type: none"> <li data-bbox="866 1431 1458 1556">• Verification of the expert's competence, capacity and independence by obtaining confirmation and corroborating its professional standing in the market.</li> <li data-bbox="866 1583 1458 1744">• Comparison of methodology used, discount rate and other market data such as the interest rate curves and the inflation rate using those used by management and in prior years.</li> </ul> <p data-bbox="866 1771 1458 1856">Finally, we verified that the disclosures and information included in the notes to accounts are appropriate.</p> <p data-bbox="866 1883 1458 2000">The results of the procedures used has made possible to reasonably achieve the audit objectives for which the procedures were designed.</p>

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**Emphasis of matter**

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We draw attention to note 2 (a) of the annual accounts, which describes that the Company's working capital is negative at 156,964 thousand euro, as a result of the short-term transfers of debt issued by the Company for an amount of 193,000 thousand euros, with a maturity in June 2023. As indicated in the note, after the preparation of these annual accounts, the Company has signed non-current loan amounting to 193,000 thousand euro to cover the entire debt maturity in June 2023. Our opinion is not modified in respect of this matter.

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**Other information: Directors' report**

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Other information comprises only the directors' report for the 2022 financial year, the formulation of which is the responsibility of the Company's directors and does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not cover the directors' report. Our responsibility regarding the directors' report, in accordance with legislation governing the audit practice, is to evaluate and report on the consistency between the directors' report and the annual accounts as a result of our knowledge of the entity obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of the directors' report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described in the previous paragraph, the information contained in the directors' report is consistent with that contained in the annual accounts for the 2022 financial year, and its content and presentation are in accordance with the applicable regulations.

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**Responsibility of the directors and the audit committee for the annual accounts**

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The directors are responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of the Company, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The audit committee is responsible for overseeing the process of preparation and presentation of the annual accounts.

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**Auditor's responsibilities for the audit of the annual accounts**

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Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with legislation governing the audit practice in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.



## Autopistas del Atlántico, Concesionaria Española, S.A. (Sociedad Unipersonal)

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the entity's audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the entity's audit committee with a statement that we have complied with relevant ethical requirements, including those relating to independence, and we communicate with the aforementioned those matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the entity's audit committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## Report on other legal and regulatory requirements

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### European single electronic format

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We have examined the digital file of the European single electronic format (ESEF) of Autopistas del Atlántico, Concesionaria Española, S.A. for the 2022 financial year that comprises an XHTML file of the annual accounts for the financial year, which will form part of the annual financial report.



Autopistas del Atlántico, Concesionaria Española, S.A. (Sociedad Unipersonal)

The directors of Autopistas del Atlántico, Concesionaria Española, S.A. are responsible for presenting the annual financial report for 2022 financial year in accordance with the formatting requirements established in the Delegated Regulation (EU) 2019/815 of 17 December 2018 of the European Commission (hereinafter the ESEF Regulation). In this regard, the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration have been incorporated by reference in the directors' report.

Our responsibility is to examine the digital file prepared by the Company's directors, in accordance with legislation governing the audit practice in Spain. This legislation requires that we plan and execute our audit procedures in order to verify whether the content of the annual accounts included in the aforementioned file completely agrees with that of the annual accounts that we have audited, and whether the format of these accounts has been affected, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital file examined completely agrees with the audited annual accounts, and these are presented, in all material respects, in accordance with the requirements established in the ESEF Regulation.

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#### **Report to the audit committee**

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The opinion expressed in this report is consistent with the content of our additional report to the audit committee of the Company dated 30 March 2023.

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#### **Appointment period**

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The sole shareholder on 4 November 2022 appointed us as auditors for a period of one year, for the year ended 31 December 2022.

Previously, we were appointed by the sole shareholder for a period of tres years and we have audited the accounts continuously since the year ended 31 December 2019.

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#### **Services provided**

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Services provided to the audited entity for services other than the audit of the accounts are disclosed in note 25 to the annual accounts.

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PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by Goretty Álvarez González (20208)

30 March 2023

**AUTOPISTAS DEL ATLÁNTICO  
CONCESIONARIA ESPAÑOLA, S.A.  
(Sociedad Unipersonal)**

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**Annual Accounts and Directors' Report  
31 December 2022  
(together with the Audit Report)**

**PILAR BENÍTEZ MARTÍNEZ**  
TRADUCTORA-INTÉRPRETE JURADA DE INGLÉS  
número 325



**AUTOPISTAS DEL ATLÁNTICO, Concesionaria Española, S.A.**  
(Sociedad Unipersonal)

**Balance sheet**  
**at 31 December 2022 and 2021**  
(in euros)

ASSETS	Note	2022	2021
<b>NON-CURRENT ASSETS</b>		<b>1,564,372,243.08</b>	<b>1,554,034,814.30</b>
Intangible Fixed Assets	5	1,463,803,591.18	1,490,596,290.11
Concession arrangements, regulated assets		1,028,865,232.02	1,081,506,380.58
Concession arrangement		242,332,239.75	254,417,320.28
Investment in toll roads (originally 100% (total adaptation))	5 (d)	1,490,532,944.84	1,490,532,944.84
Accumulated amortisation (originally 2070 (sectoral adaptation))	5 (d)	(261,750,474.36)	(261,750,474.36)
Accumulated amortisation		(442,249,478.21)	(401,693,410.18)
Concession arrangements, capitalisation		434,867,355.57	409,027,985.19
Advances under concession arrangements, regulated assets		38,611.00	23,988.86
Other intangible fixed assets		32,392.59	37,935.48
Property, plant and equipment	6	900,269.79	912,271.19
Lands and buildings		1,506,833.00	1,506,833.00
Technical facilities and other property, plant and equipment		2,382,437.87	2,383,200.89
Accumulated amortisation		(2,989,001.08)	(2,977,762.70)
Non-current investments in group companies and associates	7 and 17	97,726,022.77	59,936,969.33
Loans to companies		97,726,022.77	59,936,969.33
Non-current financial investments	7	73,026.06	82,660.32
Equity instruments		305.00	305.00
Loans to third parties		13,763.80	23,462.66
Other financial assets		58,957.26	58,892.66
Deferred tax assets	16	1,869,333.28	2,506,623.35
<b>CURRENT ASSETS</b>		<b>72,187,577.97</b>	<b>103,600,536.38</b>
Inventories		197,402.75	194,442.32
Trade and other receivables	7 and 8	39,824,632.29	47,955,314.23
Trade receivables for sales and services		5,080,149.31	3,738,542.70
Group companies and associates, receivables	17	248,092.58	197,429.45
Sundry receivables		854,891.68	988,084.04
Staff		22,039.44	15,364.83
Other receivables from Public Administration		33,619,459.28	43,015,893.21
Current investments in group companies and associates	7 and 17	1,608,704.51	674,886.45
Loans to companies		1,608,704.51	674,886.45
Current financial investments	7	10,330,576.64	409,186.58
Debt securities		10,007,301.37	-
Other financial assets		323,275.27	409,186.58
Current accruals		287,849.46	235,654.25
Cash and cash equivalents	9	19,938,412.32	54,131,052.55
Liquid assets		5,133,318.07	54,131,052.55
Other cash and cash equivalents		14,805,094.25	-
<b>TOTAL ASSETS</b>		<b>1,636,559,821.05</b>	<b>1,657,635,350.68</b>

The accompanying notes 1 to 26 form a comprehensive part  
of the Annual Accounts at 31 December 2022



**AUTOPISTAS DEL ATLÁNTICO, Concesionaria Española, S.A.**  
(Sociedad Unipersonal)

**Balance sheet**  
**at 31 December 2022 and 2021**  
(in euros)

	Note	2022	2021
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>		<b>468,947,861.54</b>	<b>482,583,256.96</b>
Capital and Reserves		417,477,468.29	429,104,880.01
Capital	10	195,917,586.00	195,917,586.00
Legal reserve	10	39,183,517.20	39,183,517.20
Other reserves		169,277,407.03	169,277,407.03
Revaluation reserves	10	168,694,027.73	168,694,027.73
Voluntary reserves	10	583,379.30	583,379.30
Profit/loss for the year		66,098,958.06	50,726,369.78
Interim dividend	3	(53,000,000.00)	(26,000,000.00)
Subsidies, donations and bequests received	11	51,470,393.25	53,478,376.95
<b>NON-CURRENT LIABILITIES</b>		<b>938,459,954.95</b>	<b>948,484,524.01</b>
Non-current provisions	12	21,090,702.73	18,804,375.15
Provisions for infrastructure maintenance		21,090,702.73	18,804,375.15
Non-current payables	7	900,192,442.31	911,831,345.05
Debentures and Other Marketable Securities	13	531,701,955.87	559,914,521.30
Debt with financial institutions	14	149,966,335.53	313,033,122.50
Other financial liabilities		218,524,150.91	38,883,701.25
Deferred tax liabilities	16	17,156,804.91	17,826,132.81
Non-current accruals		20,005.00	22,671.00
<b>CURRENT LIABILITIES</b>		<b>229,152,004.56</b>	<b>226,567,569.71</b>
Current provisions	12	4,173,734.91	3,264,310.99
Provisions for infrastructure maintenance		4,173,734.91	3,264,310.99
Current payables	7	195,327,710.23	182,272,709.54
Debentures and Other Marketable Securities	13	193,600,984.10	181,344,576.13
Debt with financial institutions	14	1,113,706.13	928,133.41
Other financial liabilities		613,020.00	-
Current payables to group companies and associates	7 and 17	19,665,931.70	31,143,536.88
Trade and other payables		9,984,627.72	9,887,012.30
Sundry payables	7	8,459,382.77	8,840,534.99
Staff	7	898,905.45	445,688.29
Other payables to Public Administration	15	626,339.50	600,789.02
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,636,559,821.05</b>	<b>1,657,635,350.68</b>

**PILAR BENÍTEZ MARTÍNEZ**  
TRADUCTORA-INTERPRETE JURADA DE INGLÉS  
número 325

The accompanying notes 1 to 26 form a comprehensive part  
of the Annual Accounts at 31 December 2022

**AUTOPISTAS DEL ATLÁNTICO, Concesionaria Española, S.A.**  
(Sociedad Unipersonal)

**Income statement  
for the years ending  
31 December 2022 and 2021  
(in euros)**

	Note	2022	2021
<b>Net turnover</b>	18	<b>171,819,369.54</b>	<b>150,256,194.21</b>
Toll income		171,819,369.54	150,256,194.21
<b>Works carried out by the company for its assets</b>		-	<b>7,257.63</b>
<b>Inventories</b>		<b>(217,525.70)</b>	<b>(478,280.81)</b>
<b>Other operating income</b>		<b>1,693,920.71</b>	<b>1,950,952.32</b>
Sundry and other current operating income		1,693,920.71	1,950,952.32
<b>Staff expenses</b>	20	<b>(10,956,459.35)</b>	<b>(10,111,372.81)</b>
Wages, salaries and similar expenses		(8,322,456.08)	(7,720.19)
Employer contributions		(2,634,003.27)	(2,390,692.62)
<b>Other operating expenses</b>		<b>(22,362,523.05)</b>	<b>(20,538,493.98)</b>
External services		(16,913,712.57)	(15,792,710.31)
Taxes		(469,045.98)	(464,469.63)
Provision for replacements and major repairs	12	(4,979,764.50)	(4,229,227.62)
Losses, impairment and changes in provisions for trade operations	8	-	(52,086.42)
<b>Depreciation and amortisation charge</b>	5 and 6	<b>(40,685,348.74)</b>	<b>(41,828,512.60)</b>
<b>Allocation to Profit or Loss of Grants Related to Non-financial Non-current Assets and Other Grants</b>	11	<b>2,677,311.60</b>	<b>2,677,311.60</b>
<b>Impairment losses and profit on disposal of fixed assets</b>		<b>21,519.72</b>	<b>1,841.76</b>
<b>Other profit</b>		<b>83,616.59</b>	<b>127,101.02</b>
<b>OPERATING PROFIT</b>		<b>102,073,881.32</b>	<b>82,063,998.34</b>
<b>Financial income</b>	19	<b>2,859,933.67</b>	<b>1,745,867.46</b>
From negotiable securities and other financial instruments		2,859,933.67	1,745,867.46
From group companies and associates	17	1,722,871.50	774,849.93
From third parties		1,137,062.17	97,517.53
<b>Financial expenses</b>	19	<b>(16,889,573.45)</b>	<b>(16,162,496.47)</b>
From debts to third parties		(41,366,528.55)	(42,684,715.85)
From provision adjustments	12	(1,362,415.28)	(1,346,915.12)
After applying deferred financial expenses from toll road financing	5	25,839,370.38	27,869,134.50
<b>Exchange differences</b>		<b>(132.58)</b>	<b>(1.54)</b>
<b>Impairment and loss from disposal of financial instruments</b>		-	<b>(12,208.08)</b>
Impairments and losses		-	(12,208.08)
<b>FINANCIAL LOSS</b>		<b>(14,029,772.36)</b>	<b>(14,428,838.63)</b>
<b>PRE-TAX PROFIT</b>		<b>88,044,108.96</b>	<b>67,635,159.71</b>
<b>Income tax</b>	16	<b>(21,945,150.90)</b>	<b>(16,908,789.93)</b>
<b>PROFIT FOR THE YEAR</b>	3	<b>66,098,958.06</b>	<b>50,726,369.78</b>

The accompanying notes 1 to 26 form a comprehensive part  
of the Annual Accounts at 31 December 2022.



**AUTOPISTAS DEL ATLÁNTICO, Concesionaria Española, S.A.**  
(Sociedad Unipersonal)

**Statements of Changes in Equity  
for the years ending  
31 December 2022 and 2021  
(in euros)**

	2022	2021
A) Profit/loss for the year	66,098,958.06	50,726,369.78
B) Total income and expenses recognised directly in equity	-	-
Amounts transferred to the income statement		
Subsidies, donations and bequests received (notes 11 and 16)	(2,677,311.60)	(2,677,311.60)
Tax effect (notes 11 and 16)	669,327.90	669,327.90
C) Total amounts transferred to the income statement	(2,007,983.70)	(2,007,983.70)
<b>TOTAL RECOGNISED INCOME AND EXPENSES (A + B + C)</b>	<b>64,090,974.36</b>	<b>48,718,386.08</b>

**B) STATEMENT OF TOTAL CHANGES IN EQUITY**

	Registered capital	Reserves	Prior years' profit/loss	Profit/loss for the year	(Interim dividend)	Subsidies, donations and bequests received (note 11)	TOTAL
<b>BALANCE, END OF YEAR 2020</b>	195,917,586.00	208,436,654.41	-	33,692,685.51	(30,500,000.00)	55,486,360.65	463,033,286.57
Total recognised income and expenses	-	-	-	50,726,369.78	-	(2,007,983.70)	48,718,386.08
Transactions with partners or owners	-	-	(33,692,685.51)	-	4,500,000.00	-	(29,192,685.51)
Dividend distribution	-	-	(33,692,685.51)	-	30,500,000.00	-	(3,192,685.51)
Interim dividend	-	-	-	-	(26,000,000.00)	-	(26,000,000.00)
Other changes in equity	-	24,269.82	33,692,685.51	(33,692,685.51)	-	-	24,269.82
<b>BALANCE, END OF YEAR 2021</b>	195,917,586.00	208,460,924.23	-	50,726,369.78	(26,000,000.00)	53,478,376.95	482,583,256.96
Total recognised income and expenses	-	-	-	66,098,958.06	-	(2,007,983.70)	64,090,974.36
Transactions with partners or owners	-	-	(50,726,369.78)	-	(27,000,000.00)	-	(77,726,369.78)
Distribution of dividends (Note 3)	-	-	(50,726,369.78)	-	26,000,000.00	-	(24,726,369.78)
Interim dividends (note 3)	-	-	-	-	(53,000,000.00)	-	(53,000,000.00)
Other changes in equity	-	-	50,726,369.78	(50,726,369.78)	-	-	-
<b>BALANCE, END OF YEAR 2022</b>	195,917,586.00	208,460,924.23	-	66,098,958.06	(53,000,000.00)	51,470,393.25	468,947,861.54

**PILAR BENÍTEZ MARTÍNEZ**  
TRADUCTORA-INTÉRPRETE JURADA DE INGLÉS  
número 325

The accompanying notes 1 to 26 form a comprehensive part  
of the Annual Accounts at 31 December 2022

**AUTOPISTAS DEL ATLÁNTICO, Concesionaria Española, S.A.**  
(Sociedad Unipersonal)

**Statement of cash flow  
for the years ending  
31 December 2022 and 2021  
(in euros)**

	Note	2022	2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>84,558,821.94</b>	<b>57,521,148.61</b>
Profit/loss for the year before taxes		88,044,108.96	67,635,159.71
Adjustments to profit/loss		56,996,054.28	57,859,510.37
Depreciation and amortisation charge (+)	5 and 6	40,685,348.74	41,828,512.60
Impairment losses (+/-)	8	-	52,086.42
Changes in provisions (+/-)	12	4,979,764.50	4,229,227.62
Allocation of grants (-)	16	(2,677,311.60)	(2,677,311.60)
Proceeds from divestments of fixed assets (+/-)		(21,519.72)	(1,841.76)
Proceeds from retirements and disposals of financial instruments (+/-)		-	12,208.08
Financial income (-)	19	(2,859,933.67)	(1,745,867.46)
Financial expenses (+)	19	16,889,573.45	16,162,496.47
Exchange differences (+/-)		132.58	-
<b>Changes in working capital</b>		<b>(21,027,186.64)</b>	<b>(8,808,932.00)</b>
Inventories (+/-)		(2,960.43)	124,501.83
Trade and other receivables (+/-)		12,141,975.88	(3,830,391.78)
Other current assets (+/-)		(52,195.21)	23,131.85
Trade and other payables (+/-)		(29,977,212.86)	(1,340,379.25)
Other current liabilities (+/-)	12	(3,146,428.28)	(3,785,794.65)
Other non-current assets and liabilities (+/-)		9,634.26	-
<b>Other cash flow from operating activities</b>		<b>(39,454,154.66)</b>	<b>(59,164,589.47)</b>
Interest paid (-)		(33,207,195.43)	(35,595,938.12)
Interest received (+)		1,517,960.29	130,292.58
Income tax received (paid) (+/-)		(7,764,919.52)	(23,698,943.93)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(60,538,097.14)</b>	<b>17,231,528.11</b>
Payments for investments (-)		(73,644,790.19)	(12,975,802.84)
Group companies and associates	17	(63,000,000.00)	(12,500,000.00)
Intangible fixed assets		(592,837.61)	(21,349.77)
Property, plant and equipment		(130,562.52)	(45,266.49)
Other financial assets		(9,921,390.06)	(409,186.58)
<b>Collections for disposal of assets (+)</b>		<b>13,106,693.05</b>	<b>30,207,330.95</b>
Intangible fixed assets		13,067,013.07	30,148,637.65
Property, plant and equipment		39,679.98	49,886.35
Other financial assets		-	8,806.95
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>(58,213,365.03)</b>	<b>(31,391,033.41)</b>
Proceeds from and payments for financial liabilities		(6,486,995.25)	(2,198,347.90)
Issue:			
Debentures and Other Marketable Securities (+)		160,814,547.17	48,957,319.52
Debt with credit institutions (+)		177,802,057.58	65,255,332.58
Redemption and repayment of:			
Debentures and Other Marketable Securities	13	(180,303,600.00)	(66,111,000.00)
Debt with credit institutions (-)	14	(164,800,000.00)	(50,300,000.00)
<b>Dividend and interest on other equity instruments paid</b>		<b>(51,726,369.78)</b>	<b>(29,192,685.51)</b>
Dividends (-)		(51,726,369.78)	(29,192,685.51)
<b>NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(34,192,640.23)</b>	<b>43,361,643.31</b>
Cash and cash equivalents at the start of the year		54,131,052.55	10,769,409.24
Cash and cash equivalents at the end of the year		19,938,412.32	54,131,052.55

The accompanying notes 1 to 26 form a comprehensive part of the Annual Accounts at 31 December 2022

**PIJAR BENÍTEZ MARTÍNEZ**  
TRADUCTORA-INTERPRETE JURADA DE INGLÉS  
número 325



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**Notes to the Annual Accounts**

**1. NATURE AND MAIN ACTIVITIES**

**(a) Background**

Autopistas del Atlántico Concesionaria Española, S.A. (hereinafter, the Company, AUDASA or AP-9) was incorporated as a corporation on 16 October 1973 under Spanish Law. The Spanish government awarded it a concession contract to construct, maintain and operate a toll road between Tui (on the border with Portugal) and El Ferrol. The corporate purpose also includes the operation of toll road service areas as prescribed by law. All of the above constitute the principal activity of the Company. The Company has been incorporated for a limited duration of time in line with the concession period. At the end of that period, it will cease to be a company or any other type of legal entity.

Royal Decree 173/2000 of 4 February approved an amendment to the concession contract, whereby the term of the concession was extended until 18 August 2048 in compensation for carrying out certain work and investments by the Company. Management expects that the total investment in the toll road (recognised in the accounts as a concession arrangement under intangible fixed assets) will have been recovered and all borrowings repaid in full at that date.

Royal Decree 633/2006 of 19 May amended certain terms of the Concession of the Ferrol-Portuguese border toll road so that the Company would stop charging users the toll for the routes: O Morrazo-Vigo and A Coruña-A Barcala and return routes (see note 1 (d) and 8).

Royal Decree 1733/2011 of 18 November approved an amendment to the concession contract whereby, in compensation for carrying out work to increase the capacity of certain sections of the toll road, the Company can, as an exceptional measure, increase its tolls pursuant the criteria established in the aforementioned Royal Decree until such time as it has recovered its investment and the maintenance and other costs derived from this work (see note 1(e) and 5 (a)).

Royal Decree 104/2013, dated 8 February, approved a concession modification according to which, the Company, due to the application of a rebate to certain regular users travelling between Pontevedra and Vigo, compensated together with the compensation provided in Royal Decree 1733/2011. Said Royal Decree was repealed by Royal Decree 681/2021 of 27 July in terms of user toll rebates in view of the fact that they are incorporated in said Royal Decree 681/2021 (see note 1 (f)).

Royal Decree 803/2017 of 28 July amended the shadow toll compensation procedure considered in the agreement approved by Royal Decree 633/2006 of 19 May. Said Royal Decree was declared null and void by a Supreme Court Judgement on 19 February 2020 which re-established the validity of the agreement regulated by Royal Decree 633/2006 (see note 1 (d) and 8).

Royal Decree 681/2021, of 27 July, amended some terms of the administrative concession to build, maintain and operate the Autopista del Atlántico AP-9 toll road, approving a series of toll discount measures for light vehicles that cross the AP-9 using 'Via-T' on a frequent basis and on a very frequent basis, and toll discounts for heavy vehicles regardless of the payment method used (see note 8)

All of the share capital is owned by ENA INFRAESTRUCTURAS, S.A.U. (formerly Empresa Nacional de Autopistas, S.A.), which has its registered office in Madrid. At 31 December 2022, the shares of ENA INFRAESTRUCTURAS, S.A.U. are held by ENAITINERE, S.L.U., which, in turn, is owned by ITINERE INFRAESTRUCTURAS, S.A. (hereinafter, ITINERE).

Pursuant to article 42 of the Spanish Code of Commerce, the Company belongs to a group of companies, the parent of which is ITINERE, which has its registered office in Bilbao and

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on 21 March 2022 authorised the issue of its consolidated Annual accounts and consolidated management report for the year ended 31 December 2021. Those accounts were deposited with the Mercantile Registry in Bilbao. Likewise, and in turn, this group belongs to another, the ultimate holding company of which, in Spain, is ARECIBO SERVICIOS Y GESTIONES, S.L. (hereinafter, ARECIBO), which was incorporated on 27 April 2009 and has its registered office in Bilbao. On 06 April 2022, ARECIBO drafted its consolidated annual accounts and consolidated management report for the year ended 31 December 2021. ITINERE and ARECIBO are expected to authorise the issue of the consolidated annual accounts for the year ended 31 December 2022 on 30 March and 31 March 2023, respectively.

At 31 December 2022 and 2021, ARECIBO holds a 52.87% stake in the capital of ITÍNERE.

All activity is carried out solely in Spain.

The Company's registered office is at calle Alfredo Vicenti, 15, A Coruña, Spain.

**(b) Construction**

At 31 December 2022, all the sections of the toll road between the Ferrol access and Tui are open to traffic, covering a distance of 219.6 kilometres.

**(c) Financing**

Given the nature of the Company's concession business, the deed of the concession and other Royal Decrees that affect the administrative concession, there is a number of financing requirements.

The Company cannot issue debentures without a bank guarantee or mortgage guarantee for a total nominal value in excess of six times the capital issued and paid up. The Company has financed part of the construction of the infrastructure through non-convertible debentures listed on an organised market. The concession agreement provides for a tax deduction of 95% of the tax payable on the returns from these debentures (see note 13).

The Ministry of Transport, Mobility and Urban Agenda granted AUDASA, refundable advances of 30% of the total investment for the Fene-Guisamo and Rande-Puxeiros sections, a refundable advance of 45% of the total investment of the Santiago South-Pontevedra North section and a non-refundable grant of 50% of the work to be carried out and the compulsory purchases for the Santiago North-Santiago South and Pontevedra North-Pontevedra South sections (see notes 4(k) and 7(a)).

**(d) Royal Decree 633/2006 and Royal Decree 803/2017**

Royal Decree 633/2006, of 19 May, includes the abolishment of the direct charge to users of the toll roads between O Morrazo-Vigo and A Coruña-A Barcala and vice versa. The amounts resulting from applying the toll tariffs in force (including VAT) to the traffic count are assumed 50:50 by the Spanish state government and the regional government of Galicia.

Later, Royal Decree 803/2017, 28 July, amended the agreement approved by Royal Decree 633/200, which affects the compensation calculation system and the method of invoicing and the recipient, which exclusively became the Ministry of Transport, Mobility and Urban Agenda.

The Company filed a contentious administrative appeal before the Supreme Court against Royal Decree 803/2017 of 28 July and, on 19 February 2020, the Supreme Court agreed that (i) Royal Decree 803/2017 of 28 July was null and void and (ii) the consideration system was applicable to the concession operator as approved by Royal Decree 633/2006 of 19 May; (iii) AUDASA's situation be re-established, recognising its right to be compensated for the damages caused by the implementation of the remuneration system of the aforementioned



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Royal Decree 803/2017, and the right to be paid the interest that legally corresponds thereto from the time of right to payment accrued in accordance with Royal Decree 633/2006 and until it is actually paid; and (iv) order the General State Administration to pay AUDASA for compensation and interest resulting from the effects that may arise from the commitments agreed in 2006.

On 14 October 2021 the Supreme Court laid down an Order in which the General State Administration was sentenced to pay AUDASA the sum of 13,883 thousand euros by way of remuneration for the concession for the years of 2017 (since 29 July), 2018 and 2019. Said amount, as well as the interest pertaining thereunto for an amount of 1,355 thousand euros, was paid to AUDASA on 7 January 2022 (see note 8).

**(e) Royal Decrees 1733/2011 and 104/2013**

As mentioned in note 1 (a), Royal Decree 1733/2011 dated 18 November approved a concession modification by virtue of which, the Company may, in extraordinary circumstances, increase, pursuant to the criteria established in the aforementioned Royal Decree, their rates until they have compensated the investment, conservation expenses and other expenses derived from the capacity expansion works of different sections of the toll road (the Santiago de Compostela ring road and access to Vigo, including the Rande Bridge). Likewise, Royal Decree 104/2013 of 8 February approved the agreement between the General State Administration and the Company to offer discounts to certain regular users travelling between Pontevedra and Vigo. The discounts are given to users making a return journey in a light vehicle on a working day on the Pontevedra-Vigo, Pontevedra-Morrazo, Pontevedra-Vilaboa and Rande-Vigo routes via the dynamic toll system.

The section of Royal Decree 104/2013 on toll discounts for users was repealed on 29 July 2021 when Royal Decree 681/2021, 27 July, entered into force, because these discounts were included in the new Royal Decree (see note 1 (f)).

During the term of the aforementioned Royal Decree, AUDASA chose not to record the compensation of the aforementioned discounts on the balance sheet as it believes that it did not meet the requirements established in the accounting standards for asset recognition, which does not affect in any way whatsoever the right established in Royal Decree 104/2013 to receive compensation.

As established by the aforementioned Royal Decree, to compensate the lower income and the capitalised value of the net cash flows until the end of the concession period calculated at an annual rate of 8% as indicated in Royal Decree 1733/2011 of 18 November (see notes 1 (a) and 5 (a)), once the aggregate balance of both Royal Decrees has been calculated, the Company applied to the Ministry of Transport, Mobility and Urban Agenda for an exceptional rise in the tariffs that will guarantee that the aggregate balance resulting from the compensation at the end of the concession period will be zero. Likewise, as established in Royal Decree 1733/2011, dated 18 November (see notes 1 (a) and 5 (a)), once the expansion works have been commissioned, an amount equal to 1.4% of the compensatable investment, as well as the corresponding tax effects, is incorporated to the compensation balance, as maintenance expenses.

On 29 October 2018, the Secretary of State for Infrastructure, Transport and Housing, by delegation of the Ministry of Transport, Mobility and Urban Agenda, in accordance with Order FOM 1644/2012 of 23 July, issued an order approving the rates and toll fees for the company's concession, resulting from the application of the provisions of Royal Decrees 1733/2011 of 18 November and 104/2013 of 8 February, as well as those included in the draft Royal Decree approving an addendum to the agreement approved by the aforementioned Royal Decree 1733/2011, of 18 November, according to which the circumstances were appropriate to allow for an extraordinary increase in rates on routes with direct payment by users of the aforementioned toll road of 1.0% for 20 years, as well as an additional 1% in 2018, and an additional 0.8% in both 2019 and 2020.



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Until the concessionaire company has received full compensation, the cumulative annual percentage of rate increases and their validity period are reviewed every five years by the Ministry of Transport, Mobility and Urban Agenda, making the necessary adjustments to the compensation parameters. These adjustments may not result in an extraordinary annual rate increase percentage of more than 1.5 percent.

As stipulated in clause eight of the agreement, these five-yearly reviews and the necessary adjustments must ensure that before the end of the concession period the compensation balances out at zero.

The breakdown of and movement in those balances corresponding to Royal Decrees 1733/2011 and 104/2013 are shown below:

Thousands of euros	31/12/2020	Movements 2021	31/12/2021	Movements 2022	31/12/2022
<b>Clearing account - R.D. 1733/2011 and R.D. 104/2013</b>					
- Offset investments (R.D. 1733/2011) (note 1 (f))	228,217	(30,140)	198,077	(12,909)	185,168
- Maintenance expenses (R.D. 1733/2011)	9,339	3,456	12,795	3,657	16,452
- Subsidised traffic (R.D. 104/2013)	33,154	2,982	36,136	-	36,136
- Recovery of balance due to extraordinary increase in rates	(10,934)	(8,135)	(19,069)	(10,799)	(29,868)
- Tax effects	(4,993)	(699)	(5,692)	200	(5,492)
- Financial update	82,799	27,007	109,806	26,564	136,370
<b>Total clearing balance - R.D. 1733/2011 and R.D. 104/2013</b>	<b>337,582</b>	<b>(5,529)</b>	<b>332,053</b>	<b>6,713</b>	<b>338,766</b>

(f) Royal Decree 681/2021

Royal Decree 681/2021, of 27 July, amended some terms of the administrative concession to build, maintain and operate the Autopista del Atlántico AP-9 toll road, approving a series of toll discount measures for light vehicles that cross the AP-9 using 'Via-T' on a frequent basis and on a very frequent basis, and toll discounts for heavy vehicles regardless of the payment method used.

The Company's has applied a 25 percent discount on the toll amount for the return journey made on the same working day and with the same origin and destination for light vehicles that pay using the dynamic or electronic toll system.

The new toll rebate measures considered in Royal Decree 681/2021 simultaneously apply to the maintenance of the aforementioned discount of 25 per cent on the toll that AUDASA has been applying at present.

The measures established in Royal Decree 681/2021, 27 July, are designed to ensure economic neutrality for AUDASA, so that the result for the Company will be the same after the measures are applied as if the concession agreement had not been amended.

The compensation for AUDASA brought about by the application of the toll rebates included in said Royal Decree shall be obtained as "1- 2+3", where:

1. Loss of income from the toll amount which as a result of this royal decree, is rebated for light and heavy vehicles.
2. Toll income amount resulting from traffic induced as a result of the implementation of said rebates (new trips caused by the determination of rebates or attracting user traffic from other roads).
3. Additional upkeep and operating costs brought about by induced traffic.

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Traffic volume measurements and the attendant calculation of compensation are subject to control and continuous verification by the Government Delegation in the Concessionary Companies of National Toll Roads. With this in mind, the Company sends the Government Delegation a monthly count of the traffic carried out with a right to a rebate and a quarterly calculation of the compensation receivable which, once it has been validated by the Administration, gives rise to the issuance of the attendant invoice.

Royal Decree 681/2021 envisages that, in the first quarter of each year, the Government Delegation in the Concessionary Companies of the National Toll Roads will approve the annual settlement whereby, in line with the review and verification carried out, any applicable corrections may be made.

Likewise, Royal Decree 681/2021 envisages that if the light and heavy vehicle toll rebate measures considered therein and the actions required for their control did not attain in any of the years the estimated value set out in the attendant budgetary items, the balance will preferably be used, at the discretion of the Government Delegation in the Concessionary Companies of National Toll Roads, to reduce the offsetting balance foreseen in Royal Decree 1733/2011 or to discount it from the subsequent annual payment.

In December 2022, the Ministry for Transport, Mobility and Urban Agenda made a contribution to the Company totalling 13,067 thousand euros to reduce the balance pending compensation envisaged in Royal Decree 1733/2011 (30,148 thousand euros in December 2021) (see note 1 (e)).

## **2. BASIS OF PRESENTATION**

### **(a) True and fair view**

The attached annual accounts were obtained from the Company's accounting records and presented in accordance with prevailing commercial legislation and the standards established in the Spanish General Chart of Accounts through Royal Decree 1514/2007 of 16 November and the amendments made to the latter by Royal Decree 1/2021 of 12 January, in force for the financial years starting as from 1st January 2021. Also, the standards to adapt the Spanish General Chart of Accounts for public infrastructure concession operators, approved by Ministerial Order EHA/3362/2010 of 23 December, are taken into account to give a true and fair view of the equity and financial position at 31 December 2022 and results of its transactions, changes in equity, and cash flow for the year then ended.

These annual accounts, which were authorised for issue by the Company's directors, will be submitted for approval by the General Ordinary Shareholders' Meeting and are expected to be approved without any changes. Similarly, the 2021 annual accounts were approved by the sole partner exercising the powers of the Annual General Meeting of Shareholders on 27 June 2022.

At 31 December 2022, the Company's goodwill was 156,964 thousand euros, mainly due to the fact that the low-tax debentures totalling 193,000 thousand euros that the Company issued in 2013 with maturity in May 2023. However, the Company's Directors prepared these financial statements on a going concern basis since they consider that this situation will not affect the future development of the Company, based on estimates of cash flow generation, which are expected to be higher to those for 2022, and on the subscription, as at the date of the preparation of these annual accounts, of a bank loan for an identical amount with an interest rate references at Euribor 6 months and maturing in 2027 (see note 26 (a)). The Company has already the required official authorisation from the General Directorate of the Treasury and Financial Policy for the 2023 financing plan, which considers the capture of 193,000 thousand euros.



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The figures included in the notes to these annual accounts are shown in thousands of euros, which is the Company's functional and reporting currency.

(b) Critical factors for measuring and estimating uncertainties

(i) Relevant accounting estimates and assumptions

When preparing the Company's annual accounts, the Directors made relevant accounting estimates based on past experience and other factors which, in accordance with current circumstances, are deemed to be fair and constitute the basis for establishing the carrying amount of the assets and liabilities whose value cannot easily be established from other sources. The Company reviews its estimates in an ongoing way and, as and when applicable, their effects are recognised prospectively. However, given the uncertainty inherent to them, there is an important risk of adjustments arising in the future in the values of the affected assets and liabilities should there be a significant change in the assumptions, facts and circumstances on which they are based.

The key assumptions concerning the future and other relevant data on the uncertainty of estimates at the reporting date that present a risk of changes in the value of assets and liabilities are as follows:

○ *Accounting estimates based on projections*

Financial projections are mainly based on traffic growth and CPI forecasts, as these assumptions are used to determine forecast income and to establish the method for recognising deferred borrowing costs (see note 4 (a) (ii)). The Financial Plan submitted to the Spanish government in January 2012 should be updated in this respect (see note 5 (a)).

○ *Replacements and major repairs*

Estimate of the amount and periods relating to replacement activities and major repairs when carried out in usage periods in excess of one year, which are enforceable in relation to the elements required of each one of the infrastructures so that the activities and services they render and carry out can be adequately performed (see note 12).

○ *Impairment of non-financial assets*

The Company tests its non-financial assets for impairment on an annual basis, using the appropriate impairment tests in the circumstances.

○ *Deferred tax assets*

Recognition of deferred tax assets is made on the basis of future estimates made by the Company in connection with the likelihood of future tax gains being available to permit their recovery.

○ *Provisions*

The Company makes provision for risks based on judgements and estimates of the probability of them materialising, and their amounts. Provision is made when the risk is considered probable.

○ *Calculation of the recoverable amount of the concession agreement*

The calculation of the recoverable value may involve the establishment of future cash flows and assumptions relating to the future values of these flows in addition to the discount rates applicable to them. These estimates and related assumptions are based

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on past experience and other factors deemed to be fair, in accordance with the circumstances surrounding the activity conducted by the Company.

**(c) Comparison of information**

For the purposes of the obligation established in article 35.6 of the Code of Commerce and those resulting from application of the principle of uniformity and the comparability requirements, the 2022 abbreviated annual accounts include comparative figures relating to the 2021 financial year.

Act 18/2022, of 28 September, regarding the creation and growth of companies, which amends the Third Additional Provision of Act 15/2010 of 5 July, determines the obligation to include in the annual report and accounts additional information about the payments to suppliers made by the Company. In this regard, the report for the financial year of 2022 includes the monetary volume and the number of invoices paid in a period shorter than the maximum determined in the default regulations, as well as the percentage they involve of the total number of invoices and the monetary total of payments to its suppliers.

**(d) Statements resulting from IFRS-EU**

Since 1 January 2005, listed companies have been required to prepare their consolidated annual accounts under the International Financial Reporting Standards adopted by the European Union. Although this regulation is not applicable to the preparation of individual annual accounts, companies that have issued securities which are traded on a regulated market of any European Union member state are required to disclose the main changes in equity and in the income statement had these accounting standards been applied.

Also on 1 January 2010 IFRIC 12 Service Concession Arrangements entered into force, which provides guidelines on the recognition by concession holders of public-private service concession agreements. This interpretation affects the agreements in which the grantor controls or regulates the services for which the infrastructure is to be used, the price of these services and ownership of the infrastructure upon expiry of the agreement. This Interpretation sets out general principles on recognising and measuring the obligations and related rights in service concession arrangements.

Although the standards adapting the General Chart of Accounts for public infrastructure concession holders, approved by Ministry of Economy and Finance Order EHA/3362/2010 of 23 December, are aimed at harmonising Spanish accounting standards with European standards, in particular with IFRIC 12, they nonetheless include certain adaptations for the adequate treatment of the special circumstances of the concession business. In particular, costs incurred by the concession operator to finance the infrastructure should be classified for accounting purposes as a regulated asset provided there is reasonable evidence that the tariff (public price) will enable these costs to be recovered. Therefore, this is an accounting solution similar to that set forth in the 1998 adaptation of the General Chart of Accounts to the concession companies of toll roads, tunnels, bridges and other toll roads. In contrast, the IFRS disallow the capitalisation of financial costs once the infrastructure is in operation.

Based on the above, application of the aforementioned International Financial Reporting Standards approved by the European Union would lead to a reduction in equity of 326,151 thousand euros at 31 December 2022 (306,771 thousand euros at 31 December 2021) and a decrease in profit for 2022 of 21,388 thousand euros (22,910 thousand euros in 2021). In quantifying the above impacts, and as a result of the application of the aforementioned IFRSs subsequent to the application of the Parent of the group the Company belongs to, AUDASA applies the provisions of paragraph D16 of IFRS 1 in accordance with which it measures its assets and liabilities by the carrying amounts included in the Parent's consolidated financial statements, established at the date of transition to IFRSs.



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**3. DISTRIBUTION OF PROFIT**

- (a) The directors have proposed to the sole shareholder that the entire profit for the year ended 31 December 2022 be distributed as the dividend.

The Company can freely distribute the dividend.

- (b) On 29 July 2022, the Board of Directors resolved to distribute the interim dividend out of distributable profit at 30 June 2022 amounting to 21,000 thousand euros, equivalent to 0.6442 euros per share, paid on 09 August 2022.

Pursuant to the Consolidated Text of the Corporate Enterprises Act, the aforementioned distribution was prepared based on profits at 30 June 2022 and the following forecast cash statement for the one-year period from the date of adoption of the distribution agreement:

	Thousands of euros
Tax net result until 30 June 2022	21,454
Allocation to the legal reserve	-
Distributable profit at 30 June 2022	21,454
Interim dividend distributed	-
Interim dividend to be distributed	21,000
<b>Estimated liquid assets for a period of one year after 29 July 2022</b>	
Liquid assets balance at 29 July 2022	33,444
Collections and payments foreseen until 29 July 2023	32,262
Projected liquid assets balance at 29 July 2023	65,706

- (c) On 22 September 2022, the Board of Directors resolved to distribute the interim dividend out of distributable profit at 31 August 2022 amounting to 6,000 thousand euros, equivalent to 0.1841 euros per share, paid on 04 October 2022.

Pursuant to the Consolidated Text of the Corporate Enterprises Act, the aforementioned distribution was prepared based on profits at 31 August 2022 and the following forecast cash statement for the one-year period from the date of adoption of the distribution agreement:

	Thousands of euros
Tax net result until 31 August 2022	35,464
Allocation to the legal reserve	-
Distributable profit at 31 August 2022	35,464
Interim dividend distributed	(21,000)
Interim dividend to be distributed	6,000
<b>Estimated liquid assets for a period of one year after 22 September 2022</b>	
Liquid assets balance at 22 September 2022	31,234
Collections and payments foreseen until 22 September 2023	61,440
Projected liquid assets balance at 22 September 2023	92,674

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- (d) On 28 November 2022, the Board of Directors decided to distribute the interim dividend out of distributable profit at 31 October 2022 amounting to 26,000 thousand euros, equivalent to 0.7976 euros per share, paid on 01 December 2022, through the partial offsetting of the loan that the Company has granted to the Sole Shareholder (see note 17).

Pursuant to the Consolidated Text of the Corporate Enterprises Act, the aforementioned distribution was prepared based on profits at 31 October 2022 and the following forecast cash statement for the one-year period from the date of adoption of the distribution agreement:

	Thousands of euros
Tax net result until 31 October 2022	53,925
Allocation to the legal reserve	-
Distributable profit at 31 October 2022	53,925
Interim dividend distributed	(27,000)
Interim dividend to be distributed	26,000
Estimated liquid assets for a period of one year after 28 November 2022	
Liquid assets balance at 28 November 2022	23,458
Collections and payments foreseen until 28 November 2023	61,484
Projected liquid assets balance at 28 November 2023	84,942

- (e) The distribution of profit corresponding to the financial year ended 31 December 2021, carried out during 2022, is shown in the statement of total changes in equity, which forms an integral part of these Annual accounts.

#### 4. RECOGNITION AND VALUATION RULES

The main recognition and measurement standards applied by the Company in the preparation of the Annual accounts for the year ended on 31 December 2022 were as follows:

- (a) Intangible fixed assets

(i) Concession arrangements

Based on the concession terms for the services rendered by the Company, this arrangement falls within the framework of the intangible fixed asset measurement and recognition model, as the consideration received comprises a right to receive the corresponding tariffs based on the degree of use of the public service. This right is not unconditional, and depends on the capacity and willingness of the users to use the infrastructure. Therefore, the Company assumes a demand risk. The features of this arrangement are as follows:

- The concession grantor controls or regulates what public services the concession operator must provide with the infrastructure, to whom it must provide them and at what price; and
- The concession grantor controls any significant residual ownership of the infrastructure at the end of the concession period.

The services that the Company renders within the framework of the concession arrangement consist of the improvement, operation and maintenance of the infrastructure during the term of the arrangement, in exchange for remuneration.



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Infrastructure acquired from third parties is recognised as an intangible fixed asset at fair value, although no income is recognised.

This intangible asset is systematically and rationally amortised, once the infrastructure is operational, on a straight-line basis over the term of the concession.

The contractual obligations assumed by the Company to ensure that the infrastructure is maintained in a suitable condition to adequately render the service during the period of operation, require that systematic provision be made following the criteria described in note 4 (I). Maintenance works are recognised as an expense when incurred.

Work undertaken to improve or increase the capacity of assets should be considered as a new concession. Nonetheless, if in view of the terms of the arrangement the Company considers that these initiatives will not be offset by the possibility of obtaining higher income from the date on which they are carried out, a provision for dismantling or removal is recognised. This provision is equal to the best estimate of the present value of the disbursement required to settle the obligation associated with the aforementioned initiatives, and the balancing entry is an increase in the cost of the intangible fixed asset. When the initiatives are carried out, the provision is cancelled and the corresponding income is recognised provided that the Company renders the construction service. The proportional part of the upgrade or increase in capacity expected to be recovered through the generation of higher future income is recognised using the general accounting treatment described above.

Pursuant to the powers of inspection attributed to the government representative in the Association of Spanish Toll Road Concession Companies by virtue of clause 49 of Decree 215/1973 of 25 January, which approves the General Terms for the Construction, Maintenance and Operation of Toll Roads under a concession arrangement, the balance sheets that the concession operator prepares should show the costs of intangible fixed assets and property, plant and equipment before accumulated amortisation and depreciation, followed by the deduction of the corresponding amortisation and depreciation, as well as any impairment. In accordance with these instructions, the historical breakdown of the "concession arrangements, regulated assets" line item has been identified specifically at the values of the former Ministerial Order EHA 10/12/98 at the transition date. Consequently, this information has been included in the accompanying balance sheet for 2022 and 2021.

**(ii) Capitalised borrowing costs**

Once recognised in the income statement, costs incurred by the concession operator to finance the infrastructure should be classified for accounting purposes as a regulated asset provided there is reasonable evidence that the tariff (public price) will enable these costs to be recovered. Therefore, from the date on which the infrastructure is available for use, borrowing costs on non-group financing, whether specific or general, directly attributable to the construction, are capitalised, as long as these costs meet the requirements defined in the Accounting Framework for the recognition of an asset, i.e., they can be identified separately and reliably measured, and there is reasonable evidence and it is probable that the capitalised costs will be offset against future income.

The Company considers that there is reasonable evidence that the aforementioned costs will be recovered through the tariffs of future years provided that, in addition to being included in the Financial Plan, it could obtain future income at least equal to the borrowing costs capitalised through their inclusion as permitted costs for the purposes of determining the tariff, and evidence exists that future income will enable the recovery of the costs incurred previously.

In order to calculate the amount of capitalised borrowing costs to be recognised under "Concession arrangements, capitalised borrowing costs – Intangible fixed assets-", the



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Company should take into account the indicators of the Financial Plan of the concession arrangement or a similar document used as reference to set the service price or tariff. Operating income as a percentage of total income is calculated for each year forecast. This percentage is applied to the total amount of borrowing costs forecast for the concession period to determine the balance to be allocated to each financial year as financial costs for the period. If the actual income generated during a year exceed forecast income, the aforementioned percentage is determined for that year based on the ratio of actual income to total forecast income, which generally requires an adjustment to the amount recognised for the prior year.

(iii) Other intangible fixed assets

Other intangible assets include administrative concessions and computer software, which are stated at cost of acquisition minus any accumulated amortisation and impairment losses.

The above-mentioned intangible assets have finite useful lives and are amortised on a systematic basis over their estimated useful lives, which are between four and ten years. Their recoverability is analysed when events or changes occur that indicate that the carrying amount might not be recoverable. Amortisation methods and periods are reviewed at each year end and adjusted prospectively, as required.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or production minus any accumulated depreciation and impairment losses. Depreciation is provided on a straight-line basis over the average estimated years of useful life of the assets or over the concession term, where appropriate, as follows:

	<u>Years</u>
Buildings	50
Technical facilities and machinery	7 - 10
Other facilities, fixtures and furniture	10
Other property, plant and equipment	4 - 14

Repairs and maintenance costs which do not improve the related assets or extend their useful lives are expensed when incurred.

At each year end, the Company reviews the useful lives and depreciation methods of its property, plant and equipment and, if necessary, adjusts them prospectively.

(c) Impairment of non-financial assets

The Company evaluates whether there are indications of possible impairment losses on non-financial assets subject to amortisation or depreciation to verify whether the carrying amount of these assets exceeds the recoverable amount. The recoverable amount is the higher of the fair value minus costs to sell and the value in use.

In determining value in use, future expected cash flows are discounted to their present value using a pre-tax discount rate that reflects current market estimates as regards the time value of money and the specific risks of the asset. In the case of the Company, its assets do not generate cash flows that are highly independent of other assets, and therefore the recoverable amount is determined for the only cash-generating unit identified to which all the assets belong.

Impairment losses are recognised for all assets, or, where applicable, for the cash generating units to which they belong, when their carrying amount exceeds their estimated recoverable

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amount. These impairment losses are recognised in the income statement and reversed if the circumstances in which they were recognised no longer exist. The reversal of impairment is recognised in the income statement and only up to the limit of the carrying amount of the asset net of amortisation and depreciation had impairment not been recognised.

(d) Financial instruments

(i) Financial assets

Financial assets at amortised cost

This category incorporates those financial assets, including those admitted to trading on an organised market, in which the Company maintains the investment with a view to receiving cash flows deriving from performance of the contract and the contractual terms of the financial asset give rise, on specified dates, to cash flows which are solely receipts of principal and interest on the outstanding principal amount.

The contractual cash flows which are solely receipts of principal and interest on the outstanding principal amount are inherent in an agreement which has the nature of an ordinary or common loan, without prejudice to the fact that the transaction conforms to an interest rate of zero or below the market rate.

This category includes trade receivables and non-trade receivables:

- (a) Trade receivables: these are financial assets which derive from the sale of goods and the rendering of services owing to trade transactions of the company with a deferred payment.
- (b) Non-trade receivables: these are financial assets which, as they are not equity nor derivative instruments, are not of a trade origin and their payments are for a given or determinable amount, deriving from loan or credit transactions granted by the company.

Financial assets classified under this category are initially recognised at fair value which, in the absence of evidence to the contrary, shall be the transaction price, which is equivalent to the fair value of the consideration received, plus directly attributable transaction costs.

Nonetheless, trade receivables due within one year for which there is no specific contractual interest rate, as well as staff receivables, dividends receivable and called-up equity instruments expected to be settled in the short term are measured at their nominal amount, provided that the effect of not discounting the cash flows is immaterial.

Subsequently, the financial assets included under this category shall be valued at their amortised cost. Accrued interest is recognised in the income statement using the effective interest rate method.

Nonetheless, any receivables due within one year which, pursuant to the provisions of the previous section, are initially valued at their nominal value, shall continue to be valued at said amount, unless they have been impaired.

When the contractual cash flows of a financial asset are modified owing to financial difficulties of the issuer, the company shall analyse whether there are grounds to post a loss owing to a value impairment.

At least upon year closure, the necessary impairment must be carried out whenever there is objective evidence that the value of a financial asset, or of a group of financial assets



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with similar risk characteristics valued collectively, has been impaired as a result of one or more events that occurred after its initial recognition and which bring about a reduction or delay in estimated future cash flows which derive from the insolvency of the debtor.

Any loss owing to an impairment in the value of these financial assets shall be the difference between their book value and the present value of the future cash flows, including, where applicable, those deriving from the enforcement of real guarantees and collateral which it is estimated will be generated, discounted at the effective interest rate calculated at the time of their initial recognition. For variable interest financial assets, the effective interest rate at the reporting date will be used, in accordance with contractual terms. When calculating losses owing to the impairment of a group of financial assets, models based on statistical methods or formulas may be used.

Impairment losses, as well as their reversal when the amount of said loss falls for reasons related with a subsequent event, shall be recognised as an expenses or income, respectively, in the income statement. The impairment reversal will be limited to the book value of the asset that would have been recognised on the date of the reversal had the impairment not been recognised.

Nonetheless, instead of the present value of future cash flows, market value may be used provided that it is sufficiently reliable to consider it as representative of the amount that would be recovered by the Company.

The recognition of interest in financial assets with credit impairment shall follow the general rules, without prejudice to, concurrently, the company having to evaluate whether said amount shall be subject to recovery and, where applicable, posting the attendant impairment loss.

Any income from interest on financial assets valued at amortised cost is recognised using the effective interest rate method. When a receivable suffers a loss owing to value impairment, the Company reduces the book value to its recoverable amount, discounting the future estimated cash flows at the original effective interest rate of the instrument and it will continue to apply the discount as a reduction in income from interest. Income from interest on loans which have suffered losses owing to value impairment are recognised using the effective interest rate method.

Interest and dividends received from financial assets

Interest and dividends from financial assets accruing subsequently to the time of acquisition shall be recognised as income in the income statement.

With this in mind, the amount of any explicit interest accrued and not matured at said time shall be posted separately, in line with their maturity, under the initial valuation of financial assets, as well as the amount of the dividends agreed upon by the competent body at the time of acquisition. "Explicit interest" shall be taken to mean the interest obtained from applying the contractual interest rate of the financial instrument.

In addition, if the distributed dividends unequivocally derive from results generated prior to the acquisition date because amounts that are higher than the profits generated by the investee since the acquisition have been distributed, they will not be recognised as income and will reduce the investment's carrying amount.

The judgement as to whether profits have been generated by the investee shall be made solely considering the profits posted under the individual income statement as from the acquisition date, unless the distribution charging to said profits should undoubtedly be classified as a recovery of the investment from the perspective of the entity that receives the dividend.

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Reclassification of financial assets

When the company changes the way in which it manages its financial assets to generate cash flows, it shall reclassify all the assets assigned in accordance with the criteria determined in the previous sections. Reclassification of category is not a balance sheet recognition event, but rather a change in the valuation criterion.

To this end, changes deriving from the following circumstances are not reclassifications:

- (a) When an element which was previously an effective, designated hedging instrument in a cash flow hedge or in a net investment hedge in a foreign transaction, has ceased to comply with the requirements to be regarded as such.
- (b) When an element becomes an effective, designated hedging instrument in a cash flow hedge or in a net investment hedge in a foreign transaction.

Derecognition of financial assets

When analysing transfers of financial assets, due consideration should be paid to the economic reality and not only to its legal form, nor to the name of the contracts.

The company shall derecognise a financial asset, or part thereof, when they expire or the contractual rights to the cash flows of the financial asset have been assigned, with it being necessary for the risks and benefits inherent in their ownership to have been substantially transferred, under circumstances which shall be evaluated by comparing the company exposure before and after assignment with the variation in the amounts and in the net cash flow schedule of the asset transferred. It shall be assumed that the risks and benefits inherent in the ownership of the financial asset have been substantially assigned when their exposure to said variation ceases to be significant with regard to the total variation in the present value of future net cash flows associated with the financial asset (such as definitive sales of assets, assignments of trade receivables in "factoring" operations in which the company does not retain any credit risk nor interest, sales of financial assets with a buyback agreement for their fair value and securitisations of financial assets in which the assignor company does not retain any subordinated financing nor grant any type of guarantee or assume any other type of risk).

If the company has not substantially assigned nor retained the risks and benefits, the financial asset shall be derecognised when it has not retained control thereof, a situation which shall be determined in line with the unilateral capacity of the assignee to transfer said asset, fully and without imposing conditions, to an unrelated third party. If the assignor company maintains control of the asset, it shall continue to recognise it for the amount to which the company is exposed to variations in value of the asset assigned, in other words, for its continued involvement, and it shall recognise an associated liability.

When the financial asset is derecognised, the difference between the consideration received net of the attributable transaction costs, considering any new asset obtained minus any liability assumed, and the book value of the financial asset shall determine the gain or loss arising when derecognising said asset, and it shall form part of the profit/loss for the financial year in which it occurs.

The above criteria shall also be applied in transfers from a group of financial assets or part thereof.

The company shall not derecognise the financial assets and it shall recognise a financial liability for a sum equal to the consideration received in the assignments of financial assets in which it has substantially retained the risks and benefits inherent in their ownership, such



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as in the discounting of bills, "recourse factoring", sales of financial assets with a buyback agreement at a fixed price or at sale price plus interest and uses of financial assets in which the assignor company retains subordinated financing or some other type of guarantees which substantially absorb all the expected losses.

(ii) Financial liabilities

The financial liabilities held by the Company are classified under the category of "Financial liabilities at amortised cost" which, generally speaking, include debits from trade operations and debits from non-trade operations:

- (a) Debts from trade operations: these are those financial liabilities which derive from the purchase of goods and services owing to trade transactions of the company with a deferred payment, and
- (b) Debts from non-trade operations: these are those financial liabilities which, not being derivative instruments, do not have a commercial origin, but rather derive from credit or loan transactions received by the company.

Participative loans endowed with the characteristics of an ordinary or common loan are also included under this category without prejudice to the agreed interest rate (zero or below the market rate).

Financial liabilities included under this category shall initially be valued at their fair value which, unless proven otherwise, shall be the transaction price, which shall be equivalent to the fair value of the consideration received, adjusted by the transaction costs directly attributable to them.

Nonetheless, trade payables due within one year for which there is no contractual interest rate, and called-up equity holdings expected to be settled in the short term are measured at their nominal amount, provided that the effect of not discounting the cash flows is immaterial.

Subsequently, the financial liabilities included under this category shall be valued at their amortised cost. Accrued interest is recognised in the income statement using the effective interest rate method.

Notwithstanding with the above, debits maturing in no later than one year which, in accordance with the provisions of the previous section, are initially valued at their nominal value, shall continue to be valued for said amount.

Derecognition of financial liabilities

The company shall derecognise a financial liability, or part thereof, when the obligation has been extinguished; in other words, when it has been paid, cancelled or has expired. It shall also derecognise any specific financial liabilities it acquires, even if with the intention of placing them again in the future.

If there is any swap in debt instruments between a lender and a borrower, provided that they have substantially different conditions, the derecognition of the original financial liability will be posted and any new financial liability that arises will be recognised. In the same way, a substantial modification in the present conditions of a financial liability will be posted.

The difference between the book value of the financial liability or part thereof which has been derecognised and the consideration paid, including any costs or fees incurred and including any asset assigned other than the cash or liability assumed, shall be recognised in the income statement for the financial year in which it takes place.

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In the event of an exchange of debt instruments that do not have substantially different terms, the original financial liability shall not be derecognised from the balance sheet. Any transaction cost or fee incurred shall adjust the book value of the financial liability. As from this date, the amortised cost of the financial liability shall be determined by applying the effective interest rate which is equal to the book value of the financial liability with the cash flows payable in accordance with the new conditions.

For these purposes, the terms of the contracts shall be regarded as substantially different, amongst other cases, when the present value of the cash flows of the new contract, including any fee paid, net of any fee received, differs by at least ten per cent from the present value of the remaining cash flows of the original contract, with both amounts being updated at the effective interest rate of the latter. Certain alterations to the determination of cash flows may not exceed this quantitative analysis, but they may also give rise to a substantial modification in the liability, such as: a change from fixed interest rate to variable in the remuneration of the liability, the restatement of the liability in a different currency, a loan at a fixed interest rate which becomes a participative loan, amongst other cases.

(e) Inventories

Inventories are measured at purchase cost. The purchase price comprises the amount invoiced by the seller, after deduction of any discounts, as well as other costs directly attributable to the acquisition of inventories.

The Company uses the weighted average cost method to measure its inventories.

(f) Cash and cash equivalents

This line-item includes cash on hand, current bank accounts, deposits and temporary acquisition of assets that meet all the following requirements:

- They are convertible into cash.
- They have a maturity of three months or less upon acquisition.
- They are not subject to a significant risk of changes in value.
- They form part of the Company's usual cash management policy.

(g) Income tax

The corporate income tax expense or income includes both current and deferred taxes.

The financial year's corporate income tax expense or income is calculated as the sum of the current tax, which results from applying the corresponding tax rate to the financial year's tax base after applying the existing rebates and deductions, and the variation in deferred tax assets and liabilities recorded in the accounts.

The deferred tax income or expense corresponds to the recognition or cancellation of deferred tax assets and liabilities. These arise as a result of the different valuation, either accounting or fiscal, attributed to the assets and liabilities and certain Company equity instruments, insofar as they have a future fiscal effect, as well as the negative tax bases recognised or applied.

Current income tax assets and liabilities are measured at the amounts expected to be paid, to or recovered from the tax authorities, in accordance with the regulations and rates in force or approved and pending publication at year-end.

Current and deferred income tax is recognised in the income statement, unless it comes from a transaction or economic event that has been recognised in the same year or in another year under equity or a business combination.



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(i) Recognition of deferred tax liabilities

The Company recognises the deferred tax liabilities in all cases, except when they arise from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and does not affect the carrying amount or the tax base at the transaction date.

(ii) Recognition of deferred tax assets

Deferred tax assets are only recognised insofar as it is considered likely that the Company is going to have future tax gains to offset the aforementioned assets or when the tax legislation envisages the possibility of the future conversion of deferred tax assets into a credit enforceable vis-à-vis the Public Administration.

The Company recognises the conversion of a deferred tax asset into a credit payable to the Public Administration when this is enforceable in accordance with the provisions of the prevailing tax legislation. For these purposes, the deferred tax asset is recognised with a charge to deferred income tax expense and the account receivable is credited to current income tax. Likewise, the Company recognises the swap of a deferred tax asset for public debt securities when their ownership is acquired.

In the absence of proof to the contrary, it is not considered probable that the Company will have future taxable profits when it is foreseen that their future recovery will occur more than ten years from the closing date of the fiscal year. This is regardless of the nature of the deferred tax asset or if they are credits arising from deductions and other fiscal advantages pending tax application due to insufficient quota, when the activity has taken place or the yield resulting from the right to the deduction or allowance has been obtained, there are reasonable doubts about compliance with the requirements to make them effective.

The Company only recognises the deferred tax assets arising from tax losses qualifying for carryforward insofar as it is likely that future tax gains will be obtained that will offset them within the period established in the applicable tax legislation, with a maximum of ten years, unless there is proof that they will be recovered within a longer deadline, when the tax legislation enables the carryforward in a longer period or does not establish any time limits regarding the carryforward.

On the other hand, it is considered likely that the Company will have sufficient tax gains to recover the deferred tax assets when there is a sufficient amount of taxable timing differences related to the same tax authority and referring to the same taxpayer, whose reversal is expected to be in the same tax year as the reversal expected of the deductible timing differences or in the years in which a tax loss, arising from a deductible timing difference, can be offset with prior or subsequent gains.

The Company recognises the deferred tax assets that have not been recognised because they exceed the ten-year recovery period insofar as the future reversal period does not exceed ten years from the year-end of the financial year or when there is a sufficient amount of taxable timing differences.

To determine the future tax gains, the Company takes into account the tax planning opportunities provided that it plans or is likely to adopt them.

(iii) Measurement of deferred tax assets and liabilities

Deferred tax assets and liabilities are measured based on the tax rates expected at the time of their reversal, in accordance with the approved standard in force, and according to the form in which the deferred tax asset or liability is rationally expected to be recovered or paid. For such purposes, the Company considers the deduction for reversal of the temporary



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measures implemented in transitional provision thirty-seven of Corporate Income Tax Act 27/2014 of 27 November as an adjustment to the tax rate applicable to the deductible timing difference associated with the non-deductibility of the redemptions made in 2013 and 2014.

Adjustments to the deferred tax asset and liability measurements are allocated to the income statement, except to the extent that the affected deferred tax assets and liabilities have their origin in book entries made directly to equity.

(iv) Offsetting and classification

Deferred tax assets and liabilities are recognised on the balance sheet as non-current assets and liabilities, regardless of the expected realisation or settlement date.

(v) Consolidated tax system

Since 1 January 2009, the Company has filed its taxes as part of the consolidated tax group 36/09 where ITINERE is the parent company.

Since the Company files its corporate income tax under the consolidated tax system, it recognises the corporate income tax balances in the accounts with group companies and associates on the attached balance sheet. The corporate income tax expense or income of the companies filed under the tax consolidation system is established by taking into account not only the parameters to be considered in the case of individual taxes, as indicated above, but also the following:

- The timing and permanent differences as a result of cancelling the profit or loss on transactions between group companies, deriving from the process of establishing the consolidated tax base.
- The rebates and deductions and the tax losses that correspond to each company in the tax group that pay tax under the consolidated tax return system will be attributed to the company that carried out the activity or obtained the necessary income to earn the right to the tax rebate or deduction.

The timing differences arising from eliminating the profit between the companies in the same tax group are recognised by the company that generates the results and measured by the applicable tax rate.

Regarding the tax losses from some group companies that have been offset by the other companies in the consolidated group, a reciprocal credit and debit arises between the corresponding companies and the companies that offset them. If there is a tax loss that cannot be offset by the other companies in the consolidated tax group, such tax credits losses for carryforward are recognised as deferred tax assets, considering the tax group as the taxpayer for their recovery.

(h) Income and expenses

Income and expenses are allocated based on when the actual flow of goods and services that they represent occurs, regardless of when the monetary or financial flow arising therefrom takes place.

Income is recognised when the control of the goods or services is transferred to clients. At this time, the income is recorded at the amount of the consideration for which it is expected to have the right to a change in the transfer of the committed goods and services under contracts with clients, as well as other non-derivative income from contracts with clients which constitute the ordinary activity of the Company. The amount recorded is determined

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by deducting the amount of the consideration for the transfer of the goods and services committed to clients or other income pertaining to the ordinary activities of the Company, the amount of the discounts, refunds, price reductions, incentives or rights handed over to clients, as well as value-added tax and other taxes directly related with them which must be subject to repercussions.

Toll income is recognised as vehicles use the toll road. A portion of income came from the State in accordance with the legislation to this effect (see note 8). Toll tariffs are revised annually pursuant to Act 14/2000 of 29 December (see note 5 (a)).

Pursuant to Royal Decree 104/2013 of 8 February, in force until 29 July 2021, the Company gave rebates to users of the Vigo-Pontevedra section, and are compensated under the terms of the corresponding agreement (since 31 October 2018). Likewise, from said date, the extraordinary review of tariffs corresponding to Royal Decree 1733/2011 (see notes 1 (a) and (e)).

Commissions on credit sales (cards or Vía T devices) are recognised under External services in the income statement.

**(i) Environmental assets**

The Company takes measures to prevent, reduce or repair the damage caused to the environment by its activities.

Costs derived from environmental activities are recognised as expenses when incurred, except when they correspond to items which are included in the Company's non-current assets, in which case they are recognised in property, plant and equipment and depreciated in accordance with the criteria for property, plant and equipment.

**(j) Supplementary pensions**

The Company supplements the Social Security pensions of employees who joined the workforce before 29 March 1990.

In accordance with prevailing legislation, the Company outsourced the aforementioned pension commitments in 2000 through collective insurance policies and has paid all the insurance premiums in respect of these commitments at that date.

The Company classifies its pension commitments as defined contribution plans as it makes predetermined contributions to an insurer and has no further contractual obligations. The contributions are charged to the income statement on an accrual basis. Net amounts of the annual premiums accrued that in financial year 2022 meant an income record of 111 thousand euros (148 thousand euros in financial year 2021) (see note 20).

**(k) Subsidies, donations and bequests received**

This item reflects the difference between the amount received and the fair value at which the Company initially recognised the refundable advances for investment it received (see note 1(c)), which will be repaid, in accordance with the terms and conditions established in the pertinent regulations, in the five years subsequent to the first year in which the Company has completely repaid its Group and external borrowings and, in any case, before the end of the concession term, as the difference is considered as a subsidy associated with "intangible fixed assets, concession arrangement". They are charged to the income statement on a straight-line basis, similarly to the redemption of the concession agreement, bearing in mind the purpose for which the refundable advance was granted, in other words, for the financing of the construction of the infrastructure (see note 4 (a) (i)).

**(l) Provisions**



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Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, taking into account all risks and uncertainties surrounding the amount to be recognised as a provision and, where the time value of money is material, the financial effect of discounting provided that the expenditure to be made each period can be reliably estimated. The discount rate is a pre-tax rate that reflects the time value of money and the specific risks for which future cash flows associated with the provision have not been adjusted at each reporting date. The financial effect of provisions is recognised as a financial expense in the income statement.

If it is not probable that an outflow of resources will be required to settle an obligation, the provision is reversed.

The Company has certain contractual obligations relating to the ongoing wear and tear of infrastructure. For example, it is required to maintain the infrastructure in suitable conditions for the services and activities for which it was built to be carried out satisfactorily, and to return the infrastructure to a certain condition before it reverts to the corresponding authority at the end of the concession term. The Company plans for these obligations in the development of its schedule of replacement and major repair works.

These contractual obligations are recognised and measured in accordance with recognition and measurement standard 15 of the Spanish General Chart of Accounts, on provisions and contingencies and booked under provisions for infrastructure maintenance in the accompanying balance sheet (see note 12).

Provision is released as the maintenance activities are performed.

**(m) Transactions between related parties**

Related-party transactions are recognised at the fair value of the consideration given or received, in accordance with the above-mentioned measurement standards.

**(n) Current and non-current assets and liabilities**

Assets and liabilities are classified as current and non-current in the balance sheet. Assets and liabilities are classified as current when: they are linked to the Company's normal operating cycle and they are expected to be sold, consumed, realised or settled within this period; when they are expected to mature or be disposed of or realised within a maximum of one year, or; they are held for trading or comprise cash and cash equivalents to be used within a 12-month period.

**(o) Severance pay**

Severance payments in case of involuntary termination are recognised when there is formal detailed plan and a valid expectation has been generated between the personal affected by the termination of employment, either because the plan has already been implemented or for having announced its main characteristics. Benefits that have remain unpaid for more than twelve months after the end of the reporting period are discounted to the related present value.

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**5. INTANGIBLE FIXED ASSETS**

The detail and movement are as follows:

	Concession arrangements, regulated assets	Concession arrangement, capitalisation (note 19)	Advances under concession arrangements, regulated assets	Research and development expenses	Rights and concessions	Computer software	Total
Thousands of euros							
Cost at 31 December 2020	1,513,330	381,159	22	100	191	955	1,895,757
Additions	18	27,869	2	-	-	1	27,890
Disposals	(30,149)	-	-	-	-	(18)	(30,167)
Cost at 31 December 2021	1,483,199	409,028	24	100	191	938	1,893,480
Accumulated amortisation at 31 December 2020	(360,007)	-	-	(100)	(191)	(906)	(361,204)
Additions	(41,686)	-	-	-	-	(12)	(41,698)
Disposals	-	-	-	-	-	18	18
Accumulated amortisation at 31 December 2021	(401,693)	-	-	(100)	(191)	(900)	(402,884)
Net book value at 31 December 2021	1,081,506	409,028	24	-	-	38	1,490,596
Cost at 31 December 2021	1,483,199	409,028	24	100	191	938	1,893,480
Additions	1,202	25,839	15	-	-	10	27,066
Disposals	(13,287)	-	-	-	-	-	(13,287)
Cost at 31 December 2022	1,471,114	434,867	39	100	191	948	1,907,259
Accumulated amortisation at 31 December 2021	(401,693)	-	-	(100)	(191)	(900)	(402,884)
Additions	(40,556)	-	-	-	-	(15)	(40,571)
Accumulated amortisation at 31 December 2022	(442,249)	-	-	(100)	(191)	(915)	(443,455)
Net book value at 31 December 2022	1,028,865	434,867	39	-	-	33	1,463,804

At 31 December 2022 and 2021, there are no intangible fixed assets pledged as security or subject to ownership restrictions.

All of the Company's intangible fixed assets are used in its activity and are located in Spain.

The Company has taken out insurance policies to cover the risks to which its intangible fixed assets are exposed.

At 31 December 2022, the Company has fully depreciated property, plant and equipment totalling 1,168 thousand euros (1,150 thousand euros at 31 December 2021).

**(a) Concession arrangements, regulated assets**

As mentioned in note 1 (a), in 1973 the Company signed a concession agreement with the Spanish government for the construction, maintenance and operation of the toll road between Ferrol and Tui (on the border with Portugal). The infrastructure will revert to the State on 18 August 2048. The total amount of the consideration received is expected to be recovered during this period, and the debt repaid.

The infrastructure was not built by the Company but by a third party, and was therefore acquired onerously.



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The price (tariff) that the Company collects from the users of the toll road for the public service rendered is regulated by the concession grantor and revised annually as established in Act 14/2000 of 29 December. It is adjusted for inflation (CPI) and a corrective factor that reflects the differences between forecast traffic and actual traffic each year. As mentioned in note 8, a portion of toll income collected by the Company during financial years 2022 and 2021 comes from the Ministry of Transport, Mobility and Urban Agenda, as established in the contracts and agreements governing the concession, and other legislation enacted for this purpose.

As part of the administrative report that served as the basis for the concession amendment introduced by Royal Decree 173/2000 of 23 February (see note 1 (a)), the Company presented the Spanish government with a Financial Plan which forecasts the full recovery of the intangible fixed asset - concession arrangement, as well as the capitalised borrowing costs, and the debt settlement during the concession period, thus ensuring an adequate return on equity.

On 31 January 2012, the Company submitted certain updated financial forecasts required by the Spanish government, which include the amendments made to the accounting principles applicable to concession operators after the entry into force of Ministerial Order EHA/3362/2010, of 23 December, and in which certain accounting estimates that served as the basis for the calculation and recognition of certain indicators were revised and updated. A summary of the key indicators used in the financial projections for the period from 2011 to 2048, expressed in millions of euros, is as follows:

	Thousands of euros
Replacement investments	153
Toll income	9,561
Financial expenses	1,680

The most significant criteria applied in calculating the aforementioned indicators are as follows:

- **CPI:** An average consumer price index of 2% per year has been estimated until the end of the concession period.
- **Traffic:** Average daily traffic (ADT) over the concession period is calculated taking into account the traffic growth forecasts in the financial model, which constitute the economic-financial balance scenario of the concession contract. Traffic growth assumptions are one of the main pillars of the Financial Plan because, as mentioned previously, they determine forecast income, and consequently, the method for recognising capitalised borrowing costs.
- **Review of tariffs:** As mentioned earlier, the tariffs to be applied by the Company are reviewed in accordance with a formula set out in Act 14/2000 of 29 December which, aside from the CPI for the previous year, includes a corrective factor based on the differences between forecast and actual ADT.
- **Toll income:** Toll income is obtained by applying traffic growth assumptions and tariff reviews.
- **Operating expenses:** Generally speaking, operating expenses fluctuate in line with the CPI.
- **Financial expenses:** Financial costs are determined considering a debt structure consisting of non-current low-tax debenture issues. Similar terms and conditions to the issues by the Company in 2011 have been considered for refinancing throughout the term of the concession (see note 13).
- **Replacement investments:** The Company has prepared a non-current action plan for the infrastructure throughout the concession period, and until the infrastructure

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reverts to the concession grantor, designed to ensure the adequate rendering of services that constitute its corporate purpose. This plan serves as a basis for the systematic recognition of a provision based on infrastructure use and until these actions are required, which are the result of the ongoing wear and tear of the asset and the obligation to maintain the infrastructure in a suitable condition (see note 12).

As mentioned in note 1(a), in 2011 the Company entered into an agreement with the ministry of Transport, Mobility and Urban Agenda to increase the capacity of certain sections of the toll road (the Santiago de Compostela ring road and the access to Vigo including the Rande Bridge) which was ratified by Royal Decree 1733/2011 of 18 November.

To compensate the concession company for the investments to be made and the higher costs of this work, the aforementioned Royal Decree 1733/2011 envisages an increase in tariffs pursuant the criteria established in the aforementioned Royal Decree, as an exceptional measure, which will remain in force until all the investment in the extension and the related maintenance and other costs, including the relevant tax effects, have been compensated.

The compensation of these investments and their associated costs is calculated through the capitalised value at an annual rate of 8% of the cash flow associated with this project up to the end of the concession period. This compensation does not include the amount of the capitalisation of net financial expenses which, until 31 December 2017, for a total of 50,048 thousand euros or the costs incurred on the Sigüeiro junction for an amount of 6,224 thousand euros, which will be recovered by collecting the toll from users making new journeys. The works of this junction were commissioned on 28 July 2017.

As at 31 December 2022 the amount pertaining to said works to expand capacity, deducting the contributions made by the Ministry of Transport, Mobility and Urban Agenda in 2021 and 2022 (see note 1 (f)), amounts to 185,168 thousand euros (198,077 thousand euros as at 31 December 2021) and it forms part of the compensation considered in the aforementioned Royal Decree 1733/2011.

As explained in note 1 (e), to re-establish the economic and financial equilibrium of the Company the aggregate amount resulting from applying Royal Decree 1733/2011 and Royal Decree 104/2013 of 8 February should be calculated (see notes 1 (a) and (e)).

The registrations posted in 2022 mainly pertain to the process to expropriate the sites required to carry out the construction project involving road replacement in Chapela (stretch between O Morrazo junction-Teis junction), related with the Addendum to the agreement approved by Royal Decree 1733/2011 of 18 November (Royal Decree 1359/2018 of 29 October), as well as the implementation of certain actions related with Royal Decree 681/2021 of 29 July, such as the construction of lay-bys for traffic incidents on the Redondela-Vigo stretch and the installation of variable message panels around Vigo.. The derecognitions recorded in 2022 and 2021 mainly refer to the contribution that AUDASA received from the Ministry of Transport, Mobility and Urban Agenda in December 2022 and December 2021, in accordance with the provisions of article 4 of Royal Decree 681/2021, 27 July, for the amounts of 13,067 thousand euros and 30,148 thousand euros, respectively, with a view to reducing the balance pending compensation envisaged in Royal Decree 1733/2011, 18 November (see note 1 (f)).



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(b) Concession arrangements, capitalisation

For borrowing costs on non-group financing, whether specific or general, directly attributable to the construction, which are incurred once the infrastructure is operational, the Company performs a yearly compliance analysis of the asset recognition requirements set out in the Conceptual Accounting Framework, in order to capitalise these borrowing costs. The borrowing costs capitalised in 2022 amount 25,839 thousand euros (27,869 thousand euros in 2021) (see note 19).

(c) Impairment of the concession agreement

As at year-end 2022, the Company had not identified the existence of any signs of impairment of its intangible assets in the concession agreement. Notwithstanding the above, in view of the nature of the business undertaken by the Company, the latter calculates annually the recoverable value of its concession-based assets, assumed to be the highest from between the fair value, minus the selling costs and its value in use and it verifies that the latter is greater than its book value as at the analysis date. To calculate this value in use, the Company estimated future cash inflows and outflows arising from the continued use of the asset, i.e., the cash flows resulting from operating it, which the Company expects to obtain from the concession arrangement at that date, discounted at an appropriate rate (weighted average capital cost – WACC), which stood at 6.08% in financial year 2022 (5.56% on 31 December 2021). The following are considered when estimating future cash flows:

- Reasonable assumptions and best estimates of management, based on the information available at the date of the analysis, taking into account the economic conditions forecast over the remaining term of the concession, and which constitute its business plan. The terms of the concession arrangement are also taken into account in this regard.
- Budgetary estimates and financial and operating projections until the concession expires, annually revised by the Company. The financial-economic model pursuant the Company has established the recoverable amount of its concessionary assets as at 31 December 2022 considers, inter alia, estimations on the traffic increase based on a externally developed studio and CPI, tariffs updating, interest rates and debt refinancing projections.

The analysis, revised and ratified by an independent expert, revealed that the value in use of the concession assets is higher than the carrying amount, thereby not being necessary to record any valuation adjustment at 31 December 2022.

Likewise, and without prejudging any material risk in the variation of the key assumptions, the Company has conducted a sensitivity analysis on the value in use of its concession assets in addition to the already considered in the estimations made to make sure that their recoverable amount exceeds their carrying amount at year-end. That sensitivity analysis envisages variations in the discount rate up to +871 basic points and an increase of 0% in traffic, and the results obtained show that the recoverable amount of the concession contract at 31 December 2022 exceeds the book value in the envisaged scenarios.

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- (d) Measurement of the Concession Arrangement, Regulated Asset (Sole Transitional Provision of Ministerial Order EHA/3362/2010).

Pursuant to the sole transitional provision of Ministerial Order EHA/3362/2010, approving standards to adapt the Spanish General Chart of Accounts for public infrastructure concession operators, on 1 January 2010 the Company reclassified assets related to the toll road investment at their carrying amount at 31 December 2009. At the request of the government representative in the Association of Spanish Toll Road Concession Companies, the following are details of the toll road investment that formed part of property, plant and equipment in accordance with the previous applicable accounting legislation (Ministry of Economy and Finance Order of 10 December 1998), the carrying amount of which was the value of the concession arrangement, regulated asset line item under intangible fixed assets:

Studies and projects	18,653
Expropriation and replacing of services	182,845
Works execution	738,636
Operating intangible fixed assets	35,366
Net financial expenses	105,825
Administrative expenses	10,693
Site management for works	35,030
<b>Expenses</b>	<b>1,127,048</b>
Legal adjustments and revaluations	363,484
<b>Total cost</b>	<b>1,490,532</b>
Accumulated amortisation	(261,750)
<b>Investment in toll roads (Order EHA of 10/12/98) / Cost Concession Arrangement - Regulated assets (Order EHA/3362/2010)</b>	<b>1,228,782</b>

(\*) Date of first-time adoption of the standards envisaged in Order EHA/3362/2010. Considers the adjustments up to 2022.

In accordance with the aforementioned Ministerial Order, new investments in the toll road are not recognised as an asset addition, as had been previously conducted under the 1998 legislation, except where these are for an expansion that would require a contractual modification. As mentioned in note 4 (I), in accordance with Ministerial Order EHA/3362/2010, these initiatives are recognised through a systematic provision based on the use of the infrastructure until the aforementioned investments are finally carried out. Replacements and major repairs effectively performed each year are therefore recognised as applications of the aforementioned provision (see note 12).

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**6. PROPERTY, PLANT AND EQUIPMENT**

The detail and movement are as follows:

Thousands of euros	Lands and buildings	Technical facilities and machinery	Other facilities, fixtures and furniture	Other property, plant and equipment	Total
Cost at 31 December 2020	1,507	1,074	1,928	510	5,019
Additions	-	-	13	32	45
Disposals	-	(413)	(643)	(118)	(1,174)
Cost at 31 December 2021	1,507	661	1,298	424	3,890
Accumulated amortisation at 31 December 2020	(906)	(909)	(1,814)	(353)	(3,982)
Additions	(31)	(51)	(25)	(24)	(131)
Disposals	-	382	643	110	1,135
Accumulated amortisation at 31 December 2021	(937)	(578)	(1,196)	(267)	(2,978)
Net book value at 31 December 2021	570	83	102	157	912
Cost at 31 December 2021	1,507	661	1,298	424	3,890
Additions	-	13	68	34	115
Disposals	-	(112)	-	(4)	(116)
Cost at 31 December 2022	1,507	562	1,366	454	3,889
Accumulated amortisation at 31 December 2021	(937)	(578)	(1,196)	(267)	(2,978)
Additions	(32)	(29)	(22)	(31)	(114)
Disposals	-	99	-	4	103
Accumulated amortisation at 31 December 2022	(969)	(508)	(1,218)	(294)	(2,989)
Net book value at 31 December 2022	538	54	148	160	900

At 31 December 2022, the Company has fully depreciated property, plant and equipment totalling 1,680 thousand euros (1,727 thousand euros at 31 December 2021).

At 31 December 2022 and 2021, no items of property, plant and equipment have been pledged as collateral, are subject to reversal or have ownership restrictions.

The Company has taken out insurance policies to adequately cover the risks to which its property, plant and equipment are exposed.

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**7. FINANCIAL INSTRUMENTS**

**FINANCIAL ASSETS**

A breakdown of financial assets, all falling under the category of "Financial assets at amortised cost", is provided in the accompanying balance sheet, as follows:

Thousands of euros

Categories	Classes							
	Non-current financial instruments		Current financial instruments				Total	
	Credits/ Derivatives/ Other		Debt securities		Credits/ Derivatives/ Other			
	2022	2021	2022	2021	2022	2021	2022	2021
<b>Non-current financial assets</b>								
Non-current investments in group companies and associates	97,726	59,937	-	-	-	-	97,726	59,937
Loans to companies (note 17)	97,726	59,937	-	-	-	-	97,726	59,937
Non-current financial investments	73	82	-	-	-	-	73	82
Loans to third parties	14	23	-	-	-	-	14	23
Other financial assets	59	59	-	-	-	-	59	59
<b>Total non-current financial assets</b>	<b>97,799</b>	<b>60,019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>97,799</b>	<b>60,019</b>
<b>Current financial assets</b>								
Trade and other receivables	-	-	-	-	39,825	47,955	39,825	47,955
Trade receivables for sales and services	-	-	-	-	5,080	3,739	5,080	3,739
Group companies and associates, receivables (note 17)	-	-	-	-	248	197	248	197
Sundry receivables	-	-	-	-	855	988	855	988
Staff	-	-	-	-	22	15	22	15
Other receivables from Public Administration	-	-	-	-	33,620	43,016	33,620	43,016
Current investments in group companies and associates	-	-	-	-	1,609	675	1,609	675
Loans to companies (note 17)	-	-	-	-	1,609	675	1,609	675
Current financial investments	-	-	10,007	-	323	409	10,330	409
Debt securities	-	-	10,007	-	-	-	10,007	-
Other financial assets	-	-	-	-	323	409	323	409
<b>Total current financial assets</b>	<b>-</b>	<b>-</b>	<b>10,007</b>	<b>-</b>	<b>41,757</b>	<b>49,039</b>	<b>51,764</b>	<b>49,039</b>
<b>Total financial assets</b>	<b>97,799</b>	<b>60,019</b>	<b>10,007</b>	<b>-</b>	<b>41,757</b>	<b>49,039</b>	<b>149,563</b>	<b>109,058</b>

The fair values of the financial assets at 31 December 2022 and 2021 do not differ significantly from their carrying amounts.

**(a) Loans to third parties**

At 31 December 2022 and 2021, loans to third parties included under non-current financial investments in the attached balance sheets include the non-current portion of advances and loans to personnel, which accrue interest in accordance with the rate established in the collective bargaining agreement in force. Details of the maturities of these at 31 December 2022 and 2021 are as follows:

Thousands of euros	2022	2021
At two years	12	18
At three years	2	5
<b>Total maturities</b>	<b>14</b>	<b>23</b>

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**(b) Other financial assets**

As at 31 December 2022 and 2021, other financial assets under the non-current financial investments item reflect the amount of the guarantees granted by the Company. On the other hand, the other financial assets posted as at 31 December 2022 and 2021 under the current financial investments item mainly include the estimated amounts receivable for reversals accrued deriving from pension supplements (see notes 4 (j) and 20).

**(c) Debt securities**

Debt securities include the investments made by the Company in fixed income securities, which accrue interest at market rates and which mature at over 3 months. The return on said securities as at 31 December 2022 stood at an average rate of 2.05%.

**FINANCIAL LIABILITIES**

A breakdown of financial liabilities, all falling under the category of "Financial liabilities at amortised cost" is provided in the accompanying balance sheets, as follows:

Categories	Classes															
	Non-current financial instruments						Current financial instruments								Total	
	Debt with credit institutions		Debentures and Other Marketable Securities		Derivatives / Others		Debt with financial institutions		Debentures and Other Marketable Securities		Derivatives / Others					
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021		
<b>Current financial liabilities:</b>																
Non-current payables	149,966	313,033	531,702	559,915	218,524	38,883	-	-	-	-	-	-	900,192	911,831		
Debentures and other marketable securities (note 13)	-	-	531,702	559,915	-	-	-	-	-	-	-	-	531,702	559,915		
Debt with credit institutions (note 14)	149,966	313,033	-	-	-	-	-	-	-	-	-	-	149,966	313,033		
Other financial liabilities	-	-	-	-	218,524	38,883	-	-	-	-	-	-	218,524	38,883		
<b>Total non-current financial liabilities</b>	<b>149,966</b>	<b>313,033</b>	<b>531,702</b>	<b>559,915</b>	<b>218,524</b>	<b>38,883</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>900,192</b>	<b>911,831</b>		
<b>Current financial liabilities:</b>																
Current payables	-	-	-	-	-	-	1,114	928	193,601	181,345	613	-	195,328	182,273		
Debentures and other marketable securities (note 13)	-	-	-	-	-	-	-	-	193,601	181,345	-	-	193,601	181,345		
Debt with credit institutions (note 14)	-	-	-	-	-	-	1,114	928	-	-	-	-	1,114	928		
Other financial liabilities	-	-	-	-	-	-	-	-	-	-	613	-	613	-		
Current payables to group companies and associates (note 17)	-	-	-	-	-	-	-	-	-	-	19,666	31,144	19,666	144		
Trade and other payables	-	-	-	-	-	-	-	-	-	-	9,358	9,266	9,358	9,266		
Sundry payables	-	-	-	-	-	-	-	-	-	-	8,459	8,440	8,459	8,440		
Staff	-	-	-	-	-	-	-	-	-	-	899	446	899	446		
<b>Total current financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,114</b>	<b>928</b>	<b>193,601</b>	<b>181,345</b>	<b>29,637</b>	<b>40,430</b>	<b>224,352</b>	<b>222,703</b>		
<b>Total financial liabilities</b>	<b>149,966</b>	<b>313,033</b>	<b>531,702</b>	<b>559,915</b>	<b>218,524</b>	<b>38,883</b>	<b>1,114</b>	<b>928</b>	<b>193,601</b>	<b>181,345</b>	<b>29,637</b>	<b>40,430</b>	<b>1,124,544</b>	<b>1,134,534</b>		

The fair values of financial liabilities at 31 December 2022 and 2021 do not differ substantially from their carrying amounts.

**(a) Other non-current financial liabilities**

Details of this category at 31 December 2022 and 2021 are as follows:

Thousands of euros	2022	2021
Refundable advances	40,508	38,824
Other non-current debts	177,956	59
Non-current guarantees	60	-
Other	218,524	38,883

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Refundable advances:

This line-item comprises the refundable advances extended to the Company by the government, the original nominal amount of which was 118,796 thousand euros, as described in note 1(c). These advances will be refunded within the five years subsequent to the first year that the Company has fully repaid its Group and non-Group debt, which is expected to be more than five years from 31 December 2022 and in any case, before the end of the concession period (see notes 4 (k) and 11).

These advances are measured at amortised cost, using an appropriate discount rate based on the date that the Company is expected to repay them. At 31 December 2022, the Company recognised financial costs related to these advances of 1,685 thousand euros (1,615 thousand euros at 31 December 2021) (see note 19).

Other non-current debts

Other non-current debts include a loan agreement paid up on 10 May 2022 by institutional investors for the nominal sum of 180,300 thousand euros, at a fixed interest rate of 2.40%, set to mature in 2032, and whose amount at repaid cost as at 31 December 2022 stood at 177,956 thousand euros (see note 13).

The aforementioned loan agreement provides for certain obligations, including compliance with a Debt Service Coverage Ratio of no less than 1.05x, and limitations on the contracting of additional debt over the total current debt.

The Directors believe that the above clauses are fulfilled, and consequently, the lenders have no grounds to terminate the contract.

Accrued interest under this loan awaiting maturity at 31 December 2022 amounted to 613 thousand euros. These amounts are set out in the item "Current debts - Other financial liabilities" of the attached balance sheet.

In 2022, financial expenses were allocated to the income statement in application of the effective interest rate method for an amount of 2,930 thousand euros (see note 19).

(b) Average period for payments to suppliers. Additional provision three. "Duty of Information" of Act 15/2010 of 5 July, amended by Act 18/2022 of 28 September.

The average period for payments to suppliers in 2022 and 2021 is shown below:

Average period for payments to suppliers	18	34
Ratio of transactions paid	19	31
Ratio of transactions pending payment	4	55
Other information		
Total payments made	30,343	26,655
Total payments made in a timeframe shorter than the maximum determined	29,061	-
Total payments pending	2,627	4,266
Number of invoices paid in a timeframe shorter than the maximum determined	5,191	-
Percentage of invoices paid in a timeframe shorter than the maximum determined	90%	-
Percentage of payments made in a timeframe shorter than the maximum determined	90%	-



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At 31 December 2022 and 2021, the Company does not have any amounts pending payment on commercial transactions that accumulate a deferment in excess of the legal deadline as per the provisions of Act 3/2004 of 29 December and its subsequent amendments through Act 15/2010 of 5 July and Royal Decree Law 4/2013 of 22 February.

(c) Derivatives

In 2022 and 2021, the Company did not carry out any transactions with derivatives.

**8. TRADE AND OTHER RECEIVABLES**

Details of trade and other receivables at 31 December 2022 and 2021 are as follows:

Thousands of euros	2022	2021
Trade receivables for sales and services	5,080	3,739
Group companies and associates, receivables (note 17)	248	197
Sundry receivables	855	988
Staff	22	15
Other receivables from Public Administration	33,620	43,016
Trade and other receivables	39,825	47,955
	(note 7)	(note 7)

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Details of other receivables from public administration at 31 December 2022 and 2021 are as follows:

In accordance with provisions set forth in Royal Decree 633/2006, 19 May 2006, regulating, from 23 May 2006, the shadow toll following the removal of direct toll payments from users on the O

		VAT included	2022 VAT excluded	Total	VAT included	2021 VAT excluded	Total
	MITMA	-	5,755	5,755	6,531	-	6,531
Main RD633/2006 (*)	GALICIA REGIONAL GOVERNMENT	12,310	5,755	18,065	12,310	-	12,310
	MITMA	-	104	104	-	98	98
Interest RD633/2006	GALICIA REGIONAL GOVERNMENT	-	832	832	-	358	358
Remuneration difference RD803/2017 vs RD 633/2006 (July 2017 to December 2019) (**)	MITMA	-	-	-	13,883	-	13,883
Interest on remuneration difference RD803/2017 vs RD 633/2006 (July 2017 to December 2019) (**)	MITMA	-	-	-	-	1,355	1,355
RD 681/2021 (*)	MITMA	-	8,721	8,721	-	8,347	8,347
Other credits	-	-	143	143	-	134	134
<b>Other receivables from Public Administration</b>		<b>12,310</b>	<b>21,310</b>	<b>33,620</b>	<b>32,724</b>	<b>10,292</b>	<b>43,016</b>

(\*) The data pertaining to the "Exc. VAT" column is a provision.

(\*\*) Difference between what the Company would have received in accordance with RD633/2006 and that which was paid in accordance with RD803/2017

Morrazo-Vigo and A Coruña-A Barcala routes and vice versa in and once the concession holder had installed the traffic counters, the toll collection points were eliminated and traffic counts were recorded. The amounts resulting from applying the toll tariffs in force (including VAT) to the traffic count are assumed 50:50 by the Spanish state government and the regional government of Galicia.

Said Royal Decree was amended by means of Royal Decree 803/2017 of 28 July (see note 1 (d)) which, as a consequence of the ruling contained in the judgement passed by the Supreme Court number 242/2020 on 19 February 2020, was declared as null and void, re-establishing the validity of Royal Decree 633/2016.

On 9 July 2021, upon expiry of the legal periods for execution of the ruling, the Company asked the Supreme Court for enforcement, requesting payment of 13,883 thousand euros for the remuneration for 2017 (from 29 July), 2018 and 2019, with a reserve of interest accrued as a result of the delay.

On 14 October 2021, the Supreme Court issued an Order whereby the General State Administration was sentenced to pay the Company said sum of 13,883 thousand euros, as well as the relevant interest which amounted to the sum of 1,355 thousand euros. Both amounts were paid to the Company on 7 January 2022.

As at 31 December 2022, the amounts pending payment with regard to the shadow toll considered in Royal Decree 633/2006 are the following:

(a) Ministry of Transport, Mobility and Urban Agenda:

- o 5,755 thousand euros pertaining to the shadow tolls for 2022, plus the attendant interest. The amount of principal plus the attendant VAT for a total amount of 6,564 thousand euros was received on 6 March 2023.



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(b) Galicia Regional Government:

- 5,779 thousand euros pertaining to the shadow tolls for 2020, plus the attendant interest.
- 6,531 thousand euros pertaining to the shadow tolls for 2021, plus the attendant interest.
- 5,755 thousand euros pertaining to the shadow tolls for 2022, plus the attendant interest.

As at 31 December 2022 and 2021, the shadow income received at according to Royal Decree 633/2006 amounted to 11,511 thousand euros and 10,796 thousand euros, respectively (see note 18).

Furthermore, the income accruing as at 31 December 2022 and 2021 originating from the compensation receivable by the Company from the application of the toll rebates established in Royal Decree 681/2021 of 27 July amounted to 34,743 thousand euros and 13,994 thousand euros, respectively (see note 18). The amount pending receipt as at 31 December 2022 for the sum of 8,721 thousand euros pertained to the estimated sum of toll rebates for the last quarter of 2022.

The balance of trade and other receivables is shown net of any adjustments for impairment. The movement in this line-item in 2022 and 2021 is as follows:

Thousands of euros	2022	2021
Accumulated adjustment at 1 January	1,445	2,171
Provisions during the period	-	55
Reversals for the period	-	(3)
Other movements	-	(778)
Accumulated adjustment at 31 December	1,445	1,445

## 9. CASH AND CASH EQUIVALENTS

Furthermore, other equivalent liquid assets include the investments made by the Company in fixed income securities, which accrue interest at market rates and which mature at under 3 months. The return on said securities as at 31 December 2022 stood at an average rate of 1.06%.

## 10. CAPITAL AND RESERVES

Details of equity and movement during the year are shown in the statement of changes in equity, which forms an integral part of the annual accounts.

(a) Subscribed capital

At 31 December 2022 and 2021, the Company's capital amounted to 32,598,600 ordinary registered shares, each with a par value of 6.01 euros, which were fully subscribed and paid up. All the shares have the same voting and economic rights, are not quoted on any stock exchange and there are no bylaw restrictions on their transfer. All of the share capital is held by ENA INFRAESTRUCTURAS, S.A.U.; therefore, at 31 December 2022 and 2021, the Company meets the requirements set out in the Corporate Enterprises Act for consideration as a sole proprietorship, and has been entered as such in the Mercantile Registry.

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**(b) Legal reserve**

Companies are required to transfer at least 10% of profit for the year to a legal reserve until this reserve reaches 20% of share capital. This reserve is not distributable to shareholders and may only be used to offset losses, provided no other reserves are available.

At 31 December 2022 and 2021, the Company has allocated to this reserve the minimum amount required by law.

**(c) Revaluation reserves**

According to applicable legislation, the Company opted to revalue the toll road investment at 31 December 1979, 1981, 1983 and 1996. The amount of the resulting capital gains, save for 185.3 million euros, was capitalised through the issuance of fully issued shares.

Since the tax inspection period has expired, the balance of the 1996 revaluation reserve (185.3 thousand euros) may be used, tax free:

- To offset losses for the year or prior years' losses.
- To increase capital.
- To increase unrestricted reserves, from 31 December 2006.

Nevertheless, the balance will only be distributable, either directly or indirectly, to the extent that the gains have been realised, that is, the related assets have been depreciated, disposed of or written off.

On 18 December 2019, the Board of Directors unanimously agreed to allocate revaluation reserves totalling 16,628 thousand euros to repay negative voluntary reserves.

As at 31 December 2022 and 2021, the balance of the revaluation reserves amounted to 168,694 thousand euros.

**(d) Voluntary reserves**

At 31 December 2022 and 2021, the voluntary reserves balance was +583 thousand euros.

Profit recognised directly in equity cannot be distributed either directly or indirectly.

**(e) Contracts with the sole partner**

At 31 December 2022, the Company has not entered into contracts with its Sole Shareholder other than those stated in note 17.

**11. SUBSIDIES, DONATIONS AND BEQUESTS RECEIVED**

At 31 December 2022 and 2021, the refundable advances extended to the Company are recognised at amortised cost, calculated at an appropriate discount rate based on the date that the Company is expected to repay them (see note 7). The difference between the amount received and the fair value, net of the related tax effect, is considered as a subsidy associated with the intangible fixed asset - concession arrangement. They are charged to the income statement on a straight-line basis, similarly to the redemption of the concession arrangement, according to the objective for which the refundable advance was granted, that is to say, for the financing of the construction of the infrastructure (see note 4 (a) (i) and 4 (k)).

The detail and movement are as follows:

Thousands of euros	2022	2021
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Balance at 1 January	53,478	55,486
Recognised in profit or loss (*)	(2,008)	(2,008)
Balance at 31 December	51,470	53,478
(*) Net from tax effect		

In 2022 and 2021, income totalling 2,677 thousand euros, were transferred to the income statement (see note 16).

## 12. PROVISIONS FOR INFRASTRUCTURE MAINTENANCE

As mentioned in note 4 (I), the Company is required to comply with certain contractual obligations, which are recognised and measured based on the best estimate of the amount required to settle the obligation at the reporting date. To do so, the Company has identified future actions that should be performed to maintain the infrastructure in suitable conditions for the rendering of the services and activities comprising the purpose of the concession arrangement.

Movement in the provision for current and non-current replacements and major repairs during 2022 is as follows:

Thousands of euros	2022	
	Non-current	Current
Balance at 1 January	18,804	3,264
Provisions during the period	4,980	-
Financial adjustment (note 19)	1,363	-
Distributions during the year	-	(3,146)
Transfers	(4,056)	4,056
Balance at 31 December	21,091	4,174

In 2022, the provision was used by the Company mainly for resurfacing, improvement of slopes and replacing structures and various installations.

## 13. DEBENTURES AND OTHER MARKETABLE SECURITIES

This line-item consists entirely of the debentures issued by the Company, all of which are guaranteed by the sole shareholder ENA INFRAESTRUCTURAS, S.A.U. and are low taxation non-convertible debentures (see note 1 (c)), as shown in the list provided in the Annex I, which forms an integral part of this note.

Their movement in 2022 and 2021 is as follows:

Thousands of euros	2022	2021
Balance at 1 January	559,915	686,820
issues made during the year	164,763	50,251
Current transfers of debt	(191,465)	(179,121)
Valuation adjustment at amortised cost	(1,511)	1,965
Balance at 31 December	531,702 (note 7)	559,915 (note 7)

The maturity of the non-current non-convertible debentures at their nominal value at 31 December, 2022 and 2021 is as follows:

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Thousands of euros	2022	2021
At two years	100,000	193,000
At three years	63,451	100,000
At four years	66,801	63,451
At five or more years	310,340	212,378
<b>Total maturities</b>	<b>540,592</b>	<b>568,829</b>

The low-tax debentures that the Company issued in 2012, totalling 180,304 thousand euros, matured on 16 May 2022. In this regard, on AUDASA signed a loan agreement with institutional investors for 180,300 thousand euros, drawn down on 10 May 2022, maturing in May 2032, whose purpose was to address the refinancing of said issuance (see note 7).

On 16 May 2022 an issue of low-tax debentures was paid up for the sum of 164,763 thousand euros, maturing in May 2029 and intended for the partial early repayment of 164,800 thousand euros of the syndicated loan that AUDASA took out on 16 December 2019 for the sum of 400,000 thousand euros, leaving an outstanding balance, after carrying out said partial repayment on 17 May 2022 along with those already made in 2020 and 2021, of 84,900 thousand euros (see note 14).

The low-tax debentures that the Company issued in 2011, totalling 66,111 thousand euros, matured in May 2021. In this regard, on 11 May 2021, AUDASA signed a syndicated loan agreement for said amount, drawdown on 31 May 2021, maturing in May 2026, the purpose of which was to address the refinancing of said issuance (see note 14).

In December 2021 an issue of low-tax debentures was paid up amounting to 50,251 thousand euros, maturing in December 2031 and intended for the early, partial repayment of the syndicated loan that AUDASA took out on 16 December 2019 for the sum of 400,000 thousand euros (see note 14).

The Company issued current low-tax debentures maturing in June 2023 whose value at depreciated cost as at 31 December 2022 amounted to 192,275 thousand euros (a current low-tax debentures issue maturing in May 2022 whose value at depreciated cost as at 31 December 2021 amounted to 179,881 thousand euros).

Accrued interest payable at 31 December 2022 was 1,326 thousand euros (1,464 thousand euros at 31 December 2021). These amounts are recognised in the attached balance sheets under current payables - debentures and other marketable securities.

In 2022, financial expenses were allocated to the income statement in application of the effective interest rate method for an amount of 31,641 thousand euros (35,542 thousand euros in 2021) (see note 19).

#### **14. DEBT WITH FINANCIAL INSTITUTIONS**

On 16 December 2019, AUDASA signed a syndicated loan agreement worth 400,000 thousand euros, which was paid on 1 April 2020, with maturity and single repayment in November 2024, and an interest rate pegged to the six-month Euribor plus a spread. In November 2020 and December 2021, various partial, voluntary and early repayments were made of said loan for the sum of 100,000 thousand euros and 50,300 thousand euros, respectively (see note 13).

As mentioned in note 13, on 17 May 2022, AUDASA made the early, partial and voluntary repayment of 164,800 thousand euros of the syndicated loan, leaving an outstanding balance of 84,900 thousand euros. The valuation of this loan at amortised cost at 31 December 2022 was 84,455 thousand euros (247,680 thousand euros on 31 December 2021).

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On 11 May 2021, AUDASA signed a syndicated loan agreement worth 66,111 thousand euros, which was drawn on 31 May 2021, with maturity and single repayment in May 2026, and an interest rate pegged to the six-month Euribor plus a spread to refinance an issue of low-tax debentures for the same amount and with maturity on 31 May 2021. The loan is backed by its single shareholder ENA INFRAESTRUCTURAS, S.A.U, without any interest rate hedges being taken out. The valuation of this loan at amortised cost at 31 December 2022 was 65,521 thousand euros (65,353 thousand euros on 31 December 2021).

The loan agreements provide for certain obligations, including compliance with a Debt Service Coverage Ratio of no less than 1.05x, and limitations on the contracting of additional debt over the total current debt.

The Directors believe that the above clauses are fulfilled, and consequently, the lenders have no grounds to terminate the contracts.

Accrued interest of this loans awaiting maturity at 31 December 2022 amounted to 1,114 thousand euros (928 thousand euros at 31 December 2021). These amounts are recognised in the attached abridged balance sheet under "Current debts - Debts with financial institutions" (see note 7).

In 2022, financial expenses were allocated to the income statement in application of the effective interest rate method for an amount of 4,901 thousand euros (5,293 thousand euros in 2021) (see note 19).

Debts to credit entities have been broken down in Annex II.

## **15. PUBLIC ADMINISTRATION**

Details of the credit balances with Public Administration at 31 December 2022 and 2021 are as follows:

Thousands of euros	2022	2021
Payable to Public Treasury:		
For tax withholdings	328	390
Payable to the Social Security	298	211
Payable to Public Administration, creditors	626	601

## **16. TAX POSITION**

As stated in Note 4(g), since 1 January 2009, the Company has filed its taxes as part of the consolidated tax group 36/09 formed by ITINERE and the companies resident in Spanish territory, which comprise its consolidated tax group.

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Act 27/2014 of 27 November, published in the Spanish Official Gazette (BOE) on 28 November 2014, included, inter alia, the modification of the general income tax rate, which stands at 25% for years beginning on 1 January 2016.

At 31 December 2022, the Company's accrued income tax expense amounted to 21,945 thousand euros (16,909 thousand euros at 31 December 2021).

A reconciliation of net income tax and the tax payable at 31 December 2022 and 2021 is as follows:

Net tax payable for the year	21,306	16,231
Withholdings and payments on account	(4,389)	(12,725)
<b>Income tax payable</b>	<b>16,917</b>	<b>3,506</b>

The reconciliation between the net amount of the year's income and expenses and the corporate income tax base, which the Company expects to contribute to the 2022 financial year's consolidated tax return and that contributed to the 2021 financial year's tax return, is as follows:

	2022			2021		
	Income statement	Income and expenses recognised directly in equity	Total	Income statement	Income and expenses recognised directly in equity	Total
Balance of income and expenses in the year	66,099	(2,008)	64,091	50,726	(2,008)	48,718
Income tax	21,945	(669)	21,276	16,909	(669)	16,240
Permanent differences:	(264)	-	(264)	-	-	-
Other	(264)	-	(264)	-	-	-
Timing differences:	(2,558)	2,677	119	(2,280)	2,677	397
Arising in prior years	(2,592)	2,677	85	(2,325)	2,677	352
Reversal of the limit to the deductibility of redemptions	(2,160)	-	(2,160)	(2,160)	-	(2,160)
Imputation of subsidies (note 11)	-	2,677	2,677	-	2,677	2,677
Pension plans	(432)	-	(432)	(165)	-	(165)
Arising in the year	34	-	34	45	-	45
Pension plans	34	-	34	45	-	45
<b>Taxable income</b>	<b>85,222</b>	<b>-</b>	<b>85,222</b>	<b>65,355</b>	<b>-</b>	<b>65,355</b>
Total amount (tax result)	21,306	-	21,306	16,339	-	16,339
Deductions and other	-	-	-	(108)	-	(108)
<b>Net tax payable</b>	<b>21,306</b>	<b>-</b>	<b>21,306</b>	<b>16,231</b>	<b>-</b>	<b>16,231</b>

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A reconciliation of the income tax expense with the result of applying the pertinent tax rate to total recognised income and expense, differentiating between current and deferred tax, for 2022 and 2021, is as follows:

Thousands of euros	2022			2021		
	Income statement	Income and expenses recognised directly in equity	Total	Income statement	Income and expenses recognised directly in equity	Total
Profit/loss before taxes from continued operations	88,044	(2,677)	85,367	67,635	(2,677)	64,958
Applicable tax rate	25%	25%	25%	25%	25%	25%
Theoretical tax burden	22,011	(669)	21,342	16,909	(669)	16,240
Effect of:						
Non-deductible expenses	(66)	-	(66)	-	-	-
Effective tax expense	21,945	(669)	21,276	16,909	(669)	16,240
Detail:						
Current	21,306	-	21,306	16,339	-	16,339
Deferred	639	-	639	570	-	570
Income tax	21,945	-	21,945	16,909	-	16,909

Details of tax recognised directly in equity at 31 December 2022 and 2021 are as follows:

Thousands of euros	2022			2021		
	Increase	Decrease	Total	Increase	Decrease	Total
<b>Deferred tax:</b>						
Arising in prior years:	-	(669)	(669)	-	(669)	(669)
Imputation of subsidies (note 11)	-	(669)	(669)	-	(669)	(669)
<b>Total deferred tax</b>	-	(669)	(669)	-	(669)	(669)
<b>Total tax recognised directly in equity</b>	-	(669)	(669)	-	(669)	(669)

Details and movements in deferred tax assets and liabilities at 31 December 2022 and 2021 is as follows:

Thousands of euros	ASSETS				LIABILITIES
	Pension commitments	Deductible timing differences	Pending deductions	Total	
Balance at 31/12/2020	593	2,160	432	3,185	18,495
Additions	11	-	-	11	-
Disposals	(41)	(540)	(108)	(689)	(669)
Balance at 31/12/2021	563	1,620	324	2,507	17,826
Additions	10	-	-	10	-
Disposals	(108)	(540)	-	(648)	(669)
Balance at 31/12/2022	465	1,080	324	1,869	17,157

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As a result of outsourcing the pension commitments at 1 December 2000, the Company's directors considered that the necessary circumstances had been met to consider recovery of the expenses treated as non-deductible in the annual allocations to the internal fund and, therefore, the insurance premium expenses accrued from that time (see note 4(j)), which has led to the recognition of the corresponding deferred tax asset.

Act 16/2012 of 27 December sets a limit of 70% on the deductibility of amortisation and depreciation of intangible fixed assets, property, plant and equipment and investment property for tax periods beginning in 2013 and 2014. Furthermore, non-tax deductible accounting amortisation and depreciation shall be deducted on a straight-line basis over a period of 10 years or the useful life of the asset, as of the first tax period beginning in 2015. Consequently, at 31 December 2022 the Company had recognised a deferred tax asset of 1,080 thousand euros in this respect (1,620 thousand euros at 31 December 2021).

At 31 December 2022 and 2021, the refundable advances extended to the Company are recognised at amortised cost, giving rise to the recognition of deferred tax liability for the difference in respect of the amount reimbursed.

In relation to the deferred tax asset derived from the limit to the deductibility of amortisation and depreciation, set out by Act 16/2012 of 27 December, transitional provision 37 of Act 27/2014 of 27 November states that companies can deduct from income tax payable 5% of the amounts included in taxable income for the tax period, resulting from the tax reversal of the expense adjusted for non-deductible amortisation and depreciation charges in 2013 and 2014 (2% deduction in 2015). Therefore, as a result of the above, at 31 December 2022 and 2021 the Company had recognised deductions pending application amounting to 324 thousand euros for reversal of the temporary measures.

Pursuant to the provisions of article 30 bis of Act 27/2014, of 27 November, regarding Corporate Income Tax introduced by Act 22/2021, of 28 December, taking effect as from 1 January 2022, a "Minimum Taxation" was determined for taxpayers whose net turnover amount is at least 20 million euros or which are taxed under the tax consolidation regime. Generally speaking, the tax liability may not be less than 15% of taxable income. Nevertheless, by way of exception, the application is permitted, inter alia, of double taxation deductions up to a limit of 50% of the net tax liability and this liability after the application of the double taxation deductions is regarded as the minimum net tax liability. As a result of the above, in the financial year of 2022 the Company was unable to apply the deduction owing to the reversal of temporary measures foreseen in transitory provision thirty-seven of Act 27/2014, pertaining to the depreciation not deducted for Corporate Income Tax in the financial years of 2013 and 2014.

Under current legislation, taxes cannot be deemed to have been finally settled until the tax returns filed have been inspected by the tax authorities or until the four-year statute-of-limitations period has expired. However, due to the extraordinary COVID-19 measures approved by the Government, the period from 18 March 2020 to 3 June 2020, inclusive, does not count towards the expiry period. Furthermore, this suspension of the terms of expiry is only applicable to those which, without taking it into account, end before 1 July 2021.

In accordance with the foregoing and in general, without considering the suspension of the limitation period stemming from COVID-19, the Company has all the main taxes that are applicable thereto from 1 January 2019 open for inspection by the tax authorities (fiscal year ended 31 December 2018 for Corporate Income Tax). Nevertheless, the Administration's right to check or investigate the tax losses that are offset or available for carryforward, the double taxation deductions and the deductions to incentivise certain activities applied or pending application has a statute of limitations of 10 years starting from the day after that on which the period established for filing the return or self-settlement corresponding to the tax period in which the right to offsetting or application was generated. Once that period has elapsed, the Company must accredit the tax losses or deductions by submitting the tax return or self-settlement and the accounting records, with accreditation of their deposit during that period in the Mercantile Registry. As a result of the



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different possible interpretations of the tax legislation in force and other factors, additional liabilities may arise due to an inspection. The directors believe that those liabilities, if they occur, will not have a material impact on the annual accounts.

**17. BALANCES AND TRANSACTIONS WITH GROUP COMPANIES**

The debit and credit balances with group companies, associates and other related parties at 31 December 2022 and 2021 are as follows:

Thousands of euros	Parent company	2022 Other group companies	Total	Parent company	2021 Other group companies	Total
<b>Trade balances</b>	-	248	248	21	176	197
Autoestradas de Galicia, A.G., C.X.G. S.A.U.	-	87	87	-	81	81
Autopista Astur Leonesa, C.E.S.A., S.A.U.	-	139	139	-	79	79
Autopistas de Navarra, C.E.S.A.	-	18	18	-	8	8
Itinere Infraestructuras, S.A.	-	1	1	-	2	2
Europistas, S.A.	-	-	-	-	6	6
Gestion Infraest. Viarias de Bizkaia S.A.	-	3	3	-	-	-
ENA Infraestructuras, S.A.U.	-	-	-	21	-	21
<b>Current debit balances (notes 7 and 8)</b>	-	248	248	21	176	197
<b>Current investments in Group companies</b>	1,609	-	1,609	675	-	675
ENA Infraestructuras, S.A.U.	1,609	-	1,609	675	-	675
<b>Current financial investments balances (note 7)</b>	1,609	-	1,609	675	-	675
<b>Non-current investments in Group companies</b>	97,726	-	97,726	59,937	-	59,937
ENA Infraestructuras, S.A.U.	97,726	-	97,726	59,937	-	59,937
<b>Non-current financial investment balances (note 7)</b>	97,726	-	97,726	59,937	-	59,937
<b>Current payables to group companies and associates</b>	9	19,657	19,666	-	31,144	31,144
Autopista Astur Leonesa, C.E.S.A., S.A.U.	-	1	1	-	1	1
Itinere Infraestructuras, S.A. Income Tax	-	16,917	16,917	-	3,482	3,482
Itinere Infraestructuras, S.A. VAT consolidation	-	1,685	1,685	-	26,099	26,099
Itinere Infraestructuras, S.A.	-	1,054	1,054	-	1,562	1,562
ENA Infraestructuras, S.A.U.	9	-	9	-	-	-
<b>Current credit balances (note 7)</b>	9	19,657	19,666	-	31,144	31,144

The Company has formed part of the special VAT regime group 0157/10 headed by ITINERE Infraestructuras, S.A. with effect from 1 January 2010. At 31 December 2022, the Company had VAT payable of 1,685 thousand euros (26,099 thousand euros at 31 December 2021).

On 16 February 2016, the Company signed a loan with its Sole Shareholder ENA pursuant to which provisions were made that at 31 December 2021 amounted to 59,937 thousand euros. In the financial year of 2022 the Company formalised new annexes to that loan contract by virtue of which new drawdowns were made for a total amount of 63,000 thousand euros. Furthermore, on 28 November 2022 the Board of Directors decided upon the distribution of an interim dividend of the profits distributable as at 31 October 2022 for the sum of 26,000 thousand euros which was paid in December 2022 through the partial compensation of said loan (Note 3 (d)).

This loan accrues a variable interest rate pegged to 1-year Euribor plus a spread; if the interest is not paid at the end of the settlement period, it will be capitalised; and its maturity is February 2024, which can be extended for annual periods. In 2022 this loan has accrued an interest amounting to 1,723 thousand euros, and capitalised 789 thousand euros (775 thousand euros and 706 thousand euros respectively, in 2021) (see note 19). At 31 December 2022, 1,609 thousand euros (675 thousand euros at 31 December 2021) were pending collection (see note 7).

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Details of transactions with group companies, associates and other related parties in 2022 and 2021 are as follows:

Thousands of euros	2022			2021		
	Parent company	Other group companies	Total	Parent company	Other group companies	Total
<b>Management or collaboration contracts</b>	<b>2,152</b>	<b>5,547</b>	<b>7,699</b>	<b>1,684</b>	<b>5,412</b>	<b>7,096</b>
ENA Infraestructuras, S.A.U.	2,152	-	2,152	1,684	-	1,684
Itinere Infraestructuras, S.A.U.	-	5,547	5,547	-	5,412	5,412
<b>Other expenses</b>	<b>6</b>	<b>425</b>	<b>431</b>	<b>6</b>	<b>458</b>	<b>464</b>
Autopista Astur Leonesa, S.A.U.	-	6	6	-	5	5
ENA Infraestructuras, S.A.U.	6	-	6	6	-	6
Enaltinere, S.A.U.	-	24	24	-	24	24
Itinere Infraestructuras, S.A.U.	-	395	395	-	429	429
<b>Total expenses</b>	<b>2,158</b>	<b>5,972</b>	<b>8,130</b>	<b>1,690</b>	<b>5,870</b>	<b>7,560</b>
<b>Management or collaboration contracts</b>	<b>-</b>	<b>824</b>	<b>824</b>	<b>-</b>	<b>774</b>	<b>774</b>
Autoestradas de Galicia, A.G., C.X.G., S.A.U.	-	824	824	-	774	774
<b>Provision of services</b>	<b>-</b>	<b>260</b>	<b>260</b>	<b>52</b>	<b>226</b>	<b>278</b>
Autopistas de Navarra, S.A.	-	66	66	-	42	42
Autopista Astur Leonesa, S.A.U.	-	175	175	-	74	74
Autoestradas de Galicia, A.G., C.X.G., S.A.U.	-	13	13	-	110	110
Gestion Infraest. Viarias de Bizkaia S.A.	-	6	6	-	-	-
ENA Infraestructuras, S.A.U.	-	-	-	52	-	52
<b>Financial income</b>	<b>1,723</b>	<b>-</b>	<b>1,723</b>	<b>775</b>	<b>-</b>	<b>775</b>
ENA Infraestructuras, S.A.U. (note 19)	1,723	-	1,723	775	-	775
<b>Total income</b>	<b>1,723</b>	<b>1,084</b>	<b>2,807</b>	<b>827</b>	<b>1,000</b>	<b>1,827</b>

The transactions with related parties refer to the Company's normal business and are carried out on an arm's length basis.

At 31 December 2022 and 2021, the Company receives royalty charges for general, administrative and technical control expenses from its sole shareholder and from the parent company of the group it belongs to, in accordance with the contracts signed between the companies.

## 18. NET TURNOVER

Net toll income in 2022 and 2021 is as follows:

Thousands of euros	2022	2021
Cash	15,874	16,537
External cards	33,198	32,989
Electronic collection device	83,333	81,560
Electronic toll system-R.D.104/2013 (*)	-	2,982
Rebates R.D.681/2021 (note 8)	34,743	13,994
Shadow toll road, net of rebates (note 8)	11,511	10,796
75% Rebate R.D.104/20213 (*)	-	(2,982)
25% discount	(6,840)	(5,620)
<b>Turnover</b>	<b>171,819</b>	<b>150,256</b>

(\*) Rebates in force until 29 July 2021 (see note 1 (e))

All the turnover recorded by the Company in 2022 and 2021 was obtained in Spain.

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**19. FINANCIAL INCOME AND EXPENSES**

The breakdown of financial income is as follows:

Thousands of euros	2022	2021
Interest on credits with group companies (note 17)	1,723	775
Administration Interest	618	828
Interest on debt securities	44	-
Other interests and similar income	475	143
<b>Financial income</b>	<b>2,860</b>	<b>1,746</b>

In 2021, item "Administration Interest" includes 417 thousand euros in interest accrued in 2021 for shadow toll income as from 29 July 2017 to 31 December 2019 in financial year 2021 following the annulment of Royal Decree 803/2017 and consequently the application of Royal Decree 633/2016 (see note 8).

Details of financial expenses are as follows:

Thousands of euros	2022	2021
Interests with credit institutions (note 14)	4,901	5,293
Interest on other debts (note 7)	2,930	-
Interests on debentures (note 13)	31,641	35,542
Interests on liabilities revision (note 7)	1,685	1,615
Other interests	209	234
Financial provision adjustment (note 12)	1,363	1,347
Deferred financial expenses (note 5)	(25,839)	(27,869)
<b>Financial expenses</b>	<b>16,890</b>	<b>16,162</b>

**20. STAFF**

The average headcount in 2022 and 2021, broken down by category, has been as follows:

	2022	2021
Managers	3	3
Technical staff	20	21
Administrative staff	19	19
Other staff	191	186
<b>Total</b>	<b>233</b>	<b>229</b>

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At 31 December 2022 and 2021, the breakdown of the Company's headcount by category and gender is as follows:

	Men		Women		Total	
	2022	2021	2022	2021	2022	2021
Managers	3	3	-	-	3	3
Technical staff	11	11	9	10	20	21
Administrative staff	3	6	17	16	20	22
Other staff	120	130	89	80	209	210
Total	137	150	115	106	252	256

In 2016, the average number of employees with a disability of 33% or higher is as follows:

	2022	2021
Administrative staff	1	1
Other staff	5	5
Total	6	6

Of the total personnel expenses for 2022, 2,588 thousand euros comprise the social security costs paid by the Company (2,428 thousand euros at 31 December 2021) and 111 thousand euros to the income derived from the net amount of the annual insurance premium for the supplementary pension benefits (148 thousand euros at 31 December 2021) (see note 4 (j)).

In 2022 and 2021, all the members of the Board of Directors were men.

## 21. INFORMATION ABOUT COMPANY DIRECTORS AND SENIOR MANAGEMENT

The remunerations paid to the Senior Management during the financial years of 2022 and 2021 amounted to 484 thousand euros and 535 thousand euros, respectively. In 2022 and 2021, members of the Board of Directors received remuneration of 54 thousand euros per year in their capacity as directors. The Company had no Senior Management staff who were on the Board of Directors.

In 2022 and 2021, the Company has not extended any loans or credit, undertaken any pension plan or insurance commitments, nor does it have any balances receivable from or payable to members of the Board of Directors or Senior Management at 31 December 2022 and 2021. Likewise, the Company has not paid any civil liability insurance premiums for directors and managers. Notwithstanding the foregoing, ITINERE, the parent company of the Group to which the Company belongs, has civil corporate liability policies for the directors and managers which cover the directors and managers of the Group companies who represent them.

In 2022 and 2021, the Company's directors did not carry out any transactions with the Company or any other of the Group Companies outside their ordinary business or in conditions other than on an arm's length basis. Similarly, the Company's directors and the persons related or linked to them have not been involved in any situation of conflict of interest that, pursuant to the provisions of article 229 of the consolidated text of Corporate Enterprises Act, needs to be notified.

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**22. GUARANTEES UNDERTAKEN WITH THIRD PARTIES AND OTHER CONTINGENT LIABILITIES**

**(a) Guarantees to third parties**

At 31 December 2022 and 2021, the Company has been granted bank guarantees in favour of the Ministry of Transport, Mobility and Urban Agenda as construction and operating guarantees for the following amounts:

Thousands of euros	2022	2021
Construction guarantees	13,730	13,730
Performance guarantees	28,772	28,772
Guarantees	42,502	42,502

At 31 December 2022 and 2021, the construction and operating guarantees amounting to 28,481 thousand euros are backed by ENA INFRAESTRUCTURAS, S.A.U.

The Company's Directors are of the opinion that no liabilities will arise as a result of those guarantees.

**(b) Other Contingent Liabilities**

The Company is involved in legal and out-of-court disputes within the ordinary course of their activities (disputes with suppliers, customers, public administrations, private persons, employees, etc.). The appropriate provisions are made in those cases in which it is considered that there is a possibility of a ruling going against the Company. The directors are of the opinion that, in the event of a ruling against the Group, none of these proceedings will have a significant effect on the financial information for the 2022.

The following are the most relevant matters that, in this respect, the Company has pending as at 31 December 2022:

**(i) Ordinary Proceeding number 344/18**

On 8 May 2019, AUDASA was notified of the ordinary lawsuit filed by the Prosecutor's Office against the company, followed at the Court of First Instance of Pontevedra with Ordinary Proceeding number 344/18, exercising the collective action of cessation, defence of the undefined interests of consumers and users, nullity of the abusive practice and accessory refund of the amounts received in such concept, and claim for damages. Court no.1 of Pontevedra passed a judgement on 21 February 2020 whereby it partially upheld the claim brought. On 19 April 2021, the Court of Appeal of Pontevedra fully revoked the previous judgement, acquitting the concessionary company of any claim. There was an appeal for reversal against the judgement before the Supreme Court by the Public Prosecutor.

**(ii) Ordinary Proceeding number 907/2021**

On 29 December 2021, notification was received of a claim for payment against AUDASA filed by Francisco Gomez y Cía, y, Puentes y Calzadas which was heard by the Court of First Instance No. 2 of A Coruña, amounting to 10,9 million euros in relation to execution of the works contract to carry out the renovation works to increase the capacity of the AP-9 between Santiago Norte-Santiago Sur. The concessionary Company object to all the claims of the claimants, bringing a counterclaim against them for the sum of 7.4 million euros.

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(iii) European Commission summons the Spanish Government

On 23 September 2021, AUDASA learned that the European Commission had published at its website the referral of formal notice to the Kingdom of Spain to guarantee the proper application of European Union regulations with regard to public procurement and concession agreements. Although AUDASA has not received any notification in this regard, nor is it party to the procedure that could arise, the Directors believe that any measures which could consider in the future the amendment or termination of the concession contract in force for reasons not attributable to the company and on the grounds of the public interest (as a consequence or not of the adoption or said measures), would entail, in any case, and in accordance with the legislation in force, the concessionary company's right to be duly compensated.

(c) Contingent assets

The following are the most relevant matters that, in this respect, the Company has pending as at 31 December 2022:

(i) Contentious-administrative appeal 98/2022

On 08 February 2022, in light of the applicable regulatory framework, the Company lodged a contentious-administrative appeal requesting the restoration of the financial equilibrium of the concession agreement. The legal basis of this request is the exercise of a contractual right to maintain the aforementioned economic and financial balance, based on the appearance of unforeseeable and extraordinary circumstances, as well as being based on the adoption --by the different governmental administrations-- of measures that made it impossible to execute the concession contracts under the foreseen terms, as the concession companies kept up with their full business activity because they are critical transport infrastructures. Notwithstanding the foregoing, the Company --in accordance with the provisions of its concession contract and the applicable legal framework-- continues with risk (demand risk of the concessionary company) and the risk of maintaining an economic and financial balance. Said procedure is currently being processed.

(d) Other

(i) Ordinary Proceeding number 177/2022

On 16 November 2022, AUDASA filed a claim against the Galician Regional Government in order for it to be declared that the Galician Regional Government is required to pay the company 50% of the shadow toll pertaining to the financial years of 2020 and 2021, plus the attendant interest in accordance with the Royal Decree in force 633/2006 of 19 May. At present, the reply to the claim is being heard.

## 23. ENVIRONMENT

Usual work is carried out for protecting and improving the environment and for integrating the toll road into the surrounding landscape. The most frequent work involves mowing grass on verges, central reservations and landscaped areas, maintaining rest and services areas, planting, pruning hedges and laying topsoil over barren areas.

Ordinary expenses for the aforementioned work in 2022 amounted to 1,669 thousand euros (1,484 thousand euros in 2021).

No provision is considered necessary to cover possible expenses or risks relating to environmental actions.



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**24. INFORMATION ABOUT THE NATURE AND RISKS OF FINANCIAL INSTRUMENTS**

As indicated in note 1, the Company's corporate purpose consists of exercising the rights and fulfilling the obligations derived from the concession arrangement signed with the State grantor, which establishes the right to redress the financial balance should circumstances beyond the control of the concession operator arise, which significantly limits the risks associated with the activity.

Policies for managing the financial instrument-related risks applicable to the Company are determined largely by legislation and regulations specific to the infrastructure concessions sector, the concession and financing contract, and the nature of the project itself.

The Company's financial policy and management is determined and executed by the Financial Department of ITINERE, the Company's majority shareholder. The latter has established markedly conservative policies regarding the use of financial instruments such as not entering into speculative transactions with derivatives or the investment of cash surpluses solely in low-risk financial products.

The following is a brief analysis of the different risk factors related to financial instruments:

- **Credit risk:** Is virtually non-existent because Company income is paid in cash or through electronic means or credit cards, whose default risk is borne by the issuers, or take the form of payments from the granting Administration made in accordance with the terms of the concession.
- **Liquidity Risk:** The Company's liquidity risk is limited due to the nature of collections and payments, its EBITDA and financial structure, its system of tariffs and the predictable, systematic investment programme for asset replacement. The Company aims to maintain the liquidity it needs to settle its payment obligations at any given time.

As mentioned in note 2, at 31 December 2022, the Company had negative working capital of 156,964 thousand euros. However, the Company's Directors prepared these financial statements on a going concern basis.

- **Interest rate risk:** The structure, type of financing, coverage, guarantees and, in short, the most appropriate financial instruments are selected according to the nature and risks inherent to the project in order to eliminate or mitigate them as much as possible taking the cost/risk factor into consideration.

As mentioned in note 14, at 31 December 2022, the Company has entered into two syndicated loan agreements at a variable interest rate. In this regard, a possible variation in interest rates of  $\pm 100$  basis points with regard to the interest rate at year-end, would have a quantitative effect that would entail an impact on the net earnings for the financial year of  $\pm 1,148$  thousand euros, respectively.

- **Refinancing risk** is low as the business is an operational toll road with recurrent income and cash flows which tend to rise. The low-tax debentures that the Company issued in 2013, totalling 193,000 thousand euros, to be matured in May 2023. The Company has already the required official authorisation from the General Directorate of the Treasury and Financial Policy for the 2023 financing plan, which considers the capture of 193,000 thousand euros. Furthermore, as at the date of drawing up these annual accounts, the Company took out a bank loan for an identical amount at an interest rate referenced to EURIBOR 6 months and maturing in 2027.

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In relation to this refinancing, it is worth highlighting the Group's extensive experience in this type of operations to raise funds in capital and debt markets, which, even in adverse situations, has allowed financing operations to be successfully concluded, which is a clear indicator of the confidence of financial institutions in the project developed by AUDASA.

- **Exchange rate risk:** The Company's debt is denominated in the same currency as the cash flows of its business. Likewise, only a few transactions are made in non-euro currencies. Consequently, there is currently no significant currency risk.
- **Price risk:** The Company is not exposed to price risk as it operates in a regulated market and tariffs are inflation-linked (CPI).

Other risks to which the Company is exposed are as follows:

- **Climate change risk:** Climate change and its consequences is one of the greatest challenges facing humankind in environmental, social and economic terms, requiring active management by all the players involved.

Greenhouse gas emissions mainly generated by the use of fossil fuels have accelerated global warming in recent decades and their effects are already visible.

The ITINERE Group is fully aware of the major challenge that climate change represents and it is committed to improving its performance with regard to environmental sustainability, taking measures which seek to minimise the environmental impact in all its fields of action, promoting energy saving and resources and contributing to the upkeep and improvement of our environment.

With this in mind, the Group is considering environmental aspects in transversal fashion, seeking more sustainable options and the continuous improvement of its processes.

- **Ukraine invasion risk:** In February 2022, a military conflict between Russia and Ukraine on the latter's territory arose, leading to multiple effects on global economy. These effects, among others, include the crisis related to the cost of food and fuel, which have contributed to an increase of inflation, as well as to a harshening of worldwide financial conditions due to the increase of interest rates applied by the main central banks with the aim to curb inflation.

The length of the conflict and its consequences for global economy are yet uncertain. Nevertheless, the Company's Directors do not expect said conflict to directly affect the operations thereof and, as a consequence, have not foreseen any contingency to mitigate this situation.

## 25. OTHER INFORMATION

In financial years 2022 and 2021, the fees charged by PricewaterhouseCoopers Auditores, S.L. for their auditing services totalled 28,300 euros, respectively.

PricewaterhouseCoopers Auditores, S.L. has provided the Company with accounting verification services for financial year 2022, with fees amounting to 14,000 euros (12,000 euros for financial year 2021).

During the financial years of 2022 and 2021, PricewaterhouseCoopers Auditores, S.L. did not provide any fiscal services, nor any other services whose provision by the accounts' auditors is required under the applicable regulations.

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At the same time, no subsidiary companies of the PwC network invoiced the Company for amounts during the 2022 and 2021 financial years.

**26. SUBSEQUENT EVENTS**

- (a) On 15 March 2023 the Company formalised a syndicated loan agreement for the maximum sum of 193,000 thousand euros, referenced to the Euribor at 6 months plus a spread, maturing in June 2027, guaranteed by its Sole Shareholder and whose purpose was to see to the repayment upon its maturity of an issue of low-tax income debentures, for an identical amount, which will occur on 26 June 2023.
- (b) On 27 March 2023, the Board of Directors resolved to distribute the interim dividend out of distributable profit at 31 December 2022 amounting to 13,098,958.06 euros, equivalent to 0.4018 euros per share, which will be paid on 04 April 2023.

Pursuant to the consolidated text of the Corporate Enterprises Act, the aforementioned distribution was prepared based on profits at 31 December 2022 and the following forecast cash statement for the one-year period from the date of adoption of the distribution agreement:

	Thousands of euros
Tax net result until 31 December 2022	66,099
Allocation to the legal reserve	-
Distributable profit at 31 December 2022	66,099
Interim dividend distributed	(53,000)
Interim dividend to be distributed	13,099
<b>Estimated liquid assets for a period of one year after 27 March 2023</b>	
Liquid assets balance at 27 March 2023	35,089
Collections and payments foreseen until 27 March 2024	56,495
Projected liquid assets balance at 27 March 2024	91,584

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**Annex I**

**Details of the debentures at  
31 December 2022 and 2021  
(in thousands of euros)**

Description/agent	Nominal amount 31/12/2022	Year of issue	Date		31 December 2022			31 December 2021		
			Maturity	Interest rate	Current	Non- current	Total	Current	Non- current	Total
BANCO SABADELL		2012	May - 2022	5.75	-	-	-	179,881	-	179,881
CAIXABANK	193,000	2013	June - 2023	5.20	192,275		192,275	-	190,668	190,668
CAIXABANK	63,451	2015	December - 2025	3.75		62,893	62,893	-	62,718	62,718
CAIXABANK	66,801	2016	May - 2026	3.15	-	66,155	66,155	-	65,977	65,977
CAIXABANK	95,326	2018	March - 2028	3.15	-	93,596	93,596	-	93,288	93,288
CAIXABANK	100,000	2020	November - 2024	1.60	-	98,876	98,876	-	98,301	98,301
CAIXABANK	50,251	2021	December - 2031	2.10	-	49,079	49,079	-	48,963	48,963
CAIXABANK	164,763	2022	May - 2029	3.50	-	161,103	161,103	-	-	-
	<b>733,591</b>		<b>Total issued debentures</b>		<b>192,275</b>	<b>531,702</b>	<b>723,977</b>	<b>179,881</b>	<b>559,915</b>	<b>739,796</b>

At 31 December 2022, the fair values of the outstanding debentures do not differ significantly from their carrying amounts.

These debentures are listed on the AIAF, i.e. the Spanish corporate debt reference market or the private fixed-income that operates the Spanish financial markets. Their fair values are shown on the following website:

<http://www.aiaf.es/esp/asp/aiaf/Precios.aspx>

AIAF is a regulated market, as opposed to the over-the-counter markets, and is subject to control and supervision by the authorities regarding their functioning and how they list securities and disseminate information.

This appendix forms an integral part of note 13 of the annual accounts,  
which must be read together.

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**Annex II**

**Breakdown of Debts with Financial Institutions**  
**31 December 2022 and 2021**  
(in thousands of euros)

Thousands of euros					31 December 2022			31 December 2021		
Agent	Original amount	Start date	Maturity	Interest rate	Current	Non-current	Total	Current	Non-current	Total
<b>LOANS</b>										
BANCO SANTANDER	400,000	2020	2024	Euribor 6m + 1,15%	-	84,445	84,445	-	247,680	247,680
CAIXABANK	66,111	2021	2026	Euribor 6m + 1,15%	-	65,521	65,521	-	65,353	65,353
BORROWING COSTS					1,114	-	1,114	928	-	928
Total debt with credit institutions					1,114	149,966	151,080	928	313,033	313,961

This appendix forms an integral part of note 14 of the annual accounts, which must be read together.

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**Directors' Report**

**1. COMPANY BUSINESS PERFORMANCE AND POSITION.**

In the financial year of 2022, traffic closed the year slightly up on the level attained in 2019, the last year of normality before the COVID-19 pandemic. After three long years of doubts and uncertainties, it was observed that Company activity has progressively recovered since the total lifting of the restrictions on mobility in May 2021.

High inflation is still the main concern as it remains at unusually high levels never witnessed in the last decade. The increase in raw materials' prices, particularly highlighting the evolution and forecasts of the electrical energy cost, boosted the upward pressures on prices. Despite the energy crisis deriving from the breaking out of war in Ukraine in February 2022 and the difficulties that followed in the distribution of some products along with the escalation in inflation, the national economy has shown its strength, largely due to the internal consumption and savings made during the pandemic. All the indicators confirm that the feared recession driven by high energy costs and which was foreseen by the majority of economic studies' entities for the last quarter of the year, failed to materialise.

In this context of relative economic recovery, the Company focused its efforts on strengthening its strategy, aligned with that of the ITINERE group to which it belongs, mainly aimed at promoting digitisation and the drive towards more sustainable development. All of which, lending continuity to its policy to maintain the quality of the service provided to users, particularly in terms of road safety. Hence, an investment plan was implemented with a view to keep increasing the safety and convenience of users.

Traffic subject to toll payment increased 11.13% compared to 2021, the year in which restrictions on mobility were put into place until early May, being distributed between an increase of 11.85% for light vehicles (which represent more than 90% of the total traffic of the toll road) and 3.56% for heavy vehicles. As at year-end 2022 traffic was 1.01% above the 2019 figures, the last year before the health crisis caused by COVID-19.

Total average daily traffic (ADT) for the operational sections with tolls was 21,803 vehicles (19,620 vehicles in 2021). Furthermore, the total mean daily intensity of the toll road in 2022, which included both toll stretches and free roads, stood at 24,561 vehicles (22,369 vehicles during 2021).

Pursuant to Act 14/2000 of 29 December setting out the procedure for revising tariffs and tolls on toll roads owned by the State, authorisation was granted for a review of tariffs, effective from 1 January 2022. As a result of this review, tariffs and tolls were increased by +1.97%. In addition, the Ministry of Transport, Mobility and Urban Agenda authorised the one-off increase of 1% to address the construction work to increase capacity (Royal Decree 1733/2011). As a result the total review of tariffs since the beginning of the year was +2.99%. In light of the above, toll income for 2022 registered a year-on-year increase of 14.4%.

The excellent growth in use of the electronic toll collection system is noteworthy, which has steadily increased since it was implemented and especially from March 2020 onwards as a result of the health crisis as it became the safest payment method to fight against the spread of COVID-19. The coming into force of Royal Decree 681/2021 of 27 July was another factor which contributed to the increased use of the toll collection system (see note 1 (f) of the attached report) which attains mean levels of 69.5% of users with regard to total passages (64.6% in 2021). The 50 toll collection lanes, together with the 71 automatic collection lanes currently in use, account for 96.2% of total passages at the end of financial year 2022 (95.2% of total passages at year-end 2021).

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Operating costs - excluding other profits/losses, the provision for depreciation and amortisation of fixed assets and provisions for replacements and major repairs and traffic provisions - amounted to 28.6 million euros (26.8 million in 2021). As a result, the EBITDA margin was 84.4%, slightly higher to the 83.5% recorded the previous year.

The operating income as at 31 December 2022 (102.1 million euros) was up 20 million euros on a year-on-year basis, which represents a 24.4% increase and which can mainly be put down to a 21.6 million euros increase in toll income for 2022 (+14.4%), a reduction in the allocation to intangible fixed assets of 1.1 million euros as a result of the deregistrations occurring under this item owing to the contributions of the Ministry of Transport, Mobility and Urban Agenda with a view to reducing the balance pending compensation (see note 5 (a)), effects which were partially offset by an increase in expenses on external services of 1.1 million euros, of staffing costs of 0.8 million euros and the allocation to the provision for replacement and major repairs for 0.8 million euros based on the multi-annual investment plan foreseen by the Company until the end of the concession.

The Company's accrued financial expenses climbed to 41.4 million euros, falling slightly short of the 42.7 million euros accrued in financial year 2021. This is mainly due to a considerable reduction in the cost of debt as a result of the refinancing operations carried out during the financial years of 2021 and 2022 (see notes 7, 13 and 14 of the attached report). The application of the sectoral accounting standards implies that part of the financial expenses associated with both the financing of the original concession-based asset and the extension (26 million euros in 2022 and 28 million euros in 2021) are activated under the heading of "Concession Agreement, Financial Activation" (see note 19 of the attached annual report). The financial income accrued by the Company in the financial year of 2022 amounted to 2.9 million euros, 1.1 million euros higher than that accrued in 2021 mainly owing to the increase in interest accrued from the loan granted to the Sole Shareholder as new drawdowns were carried out in 2022 and the interest rate applied was greater too. Therefore, the financial loss for 2022 totalled 14.0 million euros, i.e. down 2.8% on 2021.

The combined performance of the above indicators increased after tax profit at 31 December 2022 (66.1 million euros) by 30.3% on 2021 (50.7 million euros)

The ITINERE Group has allocated the Company's received dividends to reduce the debt arising from the purchase of Empresa Nacional de Autopistas, S.A (now ENA Infraestructuras, S.A.U.) from the State, which was privatised in 2003 for the price of 1,622 million euros. No dividend has been distributed to its shareholders over the course of the nineteen years.

The investment activity of 2022 related with the concession agreement has materialised mainly in the process to expropriate the sites required to carry out the construction project involving road replacement in Chapela (stretch between O Morrazo junction-Teis junction), both related with the Addendum to the agreement approved by Royal Decree 1733/2011 of 18 November (Royal Decree 1359/2018 of 29 October), as well as the implementation of certain actions related with Royal Decree 681/2021 of 29 July, such as the construction of lay-bys for traffic incidents on the Redondela-Vigo stretch and the installation of variable message panels around Vigo. As far as investments owing to replacement actions carried out in 2022 were concerned, they focused on roadbeds in the context of the roadbeds strategy of the company, on slope stabilisation actions, as well as on improvements to structures, drainage and toll installations to maintain a good level of service and safety for users.

The amounts paid by the Company to the various Public Administrations for taxes, social security contributions, etc. totalled 59 million euros in 2022.

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In financial year 2022 the average workforce of the Company increased by 4 people.

The average payment period to suppliers in 2022 was 18 days.

Contingent liabilities

The Company is involved in legal and out-of-court disputes within the ordinary course of their activities (disputes with suppliers, customers, public administrations, private persons, employees, etc.). The appropriate provisions are made in those cases in which it is considered that there is a possibility of a ruling going against the Company. The directors are of the opinion that, in the event of a ruling against the Group, none of these proceedings will have a significant effect on the financial information for the 2022.

The following are the most relevant matters that, in this respect, the Company has pending as at 31 December 2022:

(i) Ordinary Proceeding number 344/18

On 8 May 2019, AUDASA was notified of the ordinary lawsuit filed by the Prosecutor's Office against the company, followed at the Court of First Instance of Pontevedra with Ordinary Proceeding number 344/18, exercising the collective action of cessation, defence of the undefined interests of consumers and users, nullity of the abusive practice and accessory refund of the amounts received in such concept, and claim for damages. Court no.1 of Pontevedra passed a judgement on 21 February 2020 whereby it partially upheld the claim brought. On 19 April 2021, the Court of Appeal of Pontevedra fully revoked the previous judgement, acquitting the concessionary company of any claim. There was an appeal for reversal against the judgement before the Supreme Court by the Public Prosecutor.

(ii) Ordinary Proceeding number 907/2021

On 29 December 2021, notification was received of a claim for payment against AUDASA filed by Francisco Gomez y Cia, y, Puentes y Calzadas which was heard by the Court of First Instance No. 2 of A Coruña, amounting to 10,9 million euros in relation to execution of the works contract to carry out the renovation works to increase the capacity of the AP-9 between Santiago Norte-Santiago Sur. The concessionary Company object to all the claims of the claimants, bringing a counterclaim against them for the sum of 7.4 million euros.

(iii) European Commission summons the Spanish Government

On 23 September 2021, AUDASA learned that the European Commission had published at its website the referral of formal notice to the Kingdom of Spain to guarantee the proper application of European Union regulations with regard to public procurement and concession agreements. Although AUDASA has not received any notification in this regard, nor is it party to the procedure that could arise, the Directors believe that any measures which could consider in the future the amendment or termination of the concession contract in force for reasons not attributable to the company and on the grounds of the public interest (as a consequence or not of the adoption or said measures), would entail, in any case, and in accordance with the legislation in force, the concessionary company's right to be duly compensated.

Contingent assets

The following are the most relevant matters that, in this respect, the Company has pending as at 31 December 2022:





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(i) Contentious-administrative appeal 98/2022

On 08 February 2022, in light of the applicable regulatory framework, the Company lodged a contentious-administrative appeal requesting the restoration of the financial equilibrium of the concession agreement. The legal basis of this request is the exercise of a contractual right to maintain the aforementioned economic and financial balance, based on the appearance of unforeseeable and extraordinary circumstances, as well as being based on the adoption --by the different governmental administrations-- of measures that made it impossible to execute the concession contracts under the foreseen terms, as the concession companies kept up with their full business activity because they are critical transport infrastructures. Notwithstanding the foregoing, the Company --in accordance with the provisions of its concession contract and the applicable legal framework-- continues with risk (demand risk of the concessionary company) and the risk of maintaining an economic and financial balance. Said procedure is currently being processed.

Other

(i) Ordinary Proceeding number 177/2022

On 16 November 2022, AUDASA filed a claim against the Galician Regional Government in order for it to be declared that the Galician Regional Government is required to pay the company 50% of the shadow toll pertaining to the financial years of 2020 and 2021, plus the attendant interest in accordance with the Royal Decree in force 633/2006 of 19 May. At present, the reply to the claim is being heard.

**2. SUBSEQUENT EVENTS**

The events subsequent to year-end are those described in note 26 of the attached report.

**3. COMPANY OUTLOOK**

The economic forecasts for Spain in 2023 suggest that the economic slowdown will continue during early 2023, undergoing an improvement as from the middle of the year. The growth in Spanish GDP will be around 1.3%, allowing Spain to recover its pre-pandemic GDP level in the third quarter of the year. These forecasts face major risks, mainly related with the energy markets, with the evolution of the war in Ukraine and also with the hardening of monetary policy by the European Central Bank to counter the growth in prices.

The Autopista del Atlántico toll road is the backbone of Galicia, as reflected in traffic trends on the AP-9, which are closely tied to the economic performance of the region in recent years. In Galicia, growth in GDP for 2023 is estimated at around 1.7%. Bearing in mind the current economic situation, growth forecasts for 2023 and the risks already mentioned, the Company expects to consolidate the traffic data of 2022.

In the financial year of 2023, the Company is expected to continue its actions to replace and improve infrastructure foreseen in its multi-annual plan, essentially with regard to the renovation of road surfaces, slope support and the improvement in structures and installations, with the basic aim of maintaining a user service level with the appropriate quality and improving safety with a view to reducing the rate of traffic incidents.

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It should also be pointed out that the Company, at the request of the Administration, submitted to the Ministry of Transport, Mobility and Urban Agenda (MITMA) a Project to Adapt the Tunnels on the AP-9 Toll Road to Royal Decree 635/2006 regarding road safety, which was finally approved on 14 March 2021. The MITMA put the implementation of said Project out to tender and its budget amounted to 33.48 million euros (inc. VAT), which will be financed from the European Funds made available for said purposes. The works contract was signed in the last week of January 2023 and the works are set to last 33 months. The actions affecting the operability of the toll road currently in progress will be carried out by the Ministry of Transport, Mobility and Urban Agenda in such a way as to cause the minimum possible disruption to toll road traffic.

During 2023 it is envisaged, in the context of the Addenda to the agreement included in Royal Decree 1733/2011 of 18 November (Royal Decree 1359/2018 of 29 October), to pursue the processing of the anti-noise screens projects and to start the improvement works in the last quarter of the year. Furthermore, included under the same agreement, in the second half of the year the works are due to start on the improvement to the Chapela road which is currently out to tender. With regard to Royal Decree 681/2021 of 29 July, in the surroundings of Vigo, variable signage installation shall be finished to improve safety and information to users.

The measures implemented in recent years to reinforce the use of electronic toll collection systems and "multi-payment" booths – which together represented an average of 96.2% of traffic on the AP-9 in 2022 (average of 95.2% during 2021) will allow for more efficient collection management.

The Ministry of Transport, Mobility and Urban Agenda, in Royal Decree 1359/2018, dated 29 October, approved an Addendum to the agreement approved by Royal Decree 1733/2011, dated 18 November, which establishes that the accumulative annual extraordinary increase of 1 per cent for twenty years, was applied on 31 October 2018, the date on which said addendum began to take effect. This Addendum also sets out that this one-off review will apply over successive years alongside the standard tariff reviews. Pursuant to Act 14/2000 of 29 December, as well as in the Addendum mentioned in the previous paragraph, setting out the procedure for revising tariffs and tolls on toll roads owned by the State, authorisation was granted for a review of tariffs and tolls, effective from 01 January 2023. As a result of this review, tariffs were reduced by 3.51%.

In this regard, it should be pointed out that article 51 of Royal Decree-Law 20/2022 of 27 December regarding measures to respond to the economic and social consequences of the Ukraine War and to support the reconstruction of the island of La Palma and other vulnerable situations, approved a one-off, temporary subsidy for the revision of tariffs and tolls on the toll roads owned by the General State Administration, in such a way that with regard to the revision of the ordinary charges that should have been applied in 2023, the users pay a maximum increase in tariffs of 4% and the rest of the revision will be assumed by the Ministry of Transport, Mobility and Urban Agenda. As far as the Company is concerned, the percentage of the tariffs review to be assumed by the user in terms of the ordinary tariff and the extraordinary increase under 1733/2011, is 4% and so the percentage of the tariffs' revision to be assumed by said Ministry is 5.4%.

**4. MAIN RISKS AND UNCERTAINTIES**

The future of the toll road concession sector and, consequently, of the Company is undoubtedly affected by both the overall economic situation and changes in the regulatory norms that may significantly affect the expected results. The general economic situation and its evolution is affected by major risks, mainly related with the energy markets, with the evolution of the war in Ukraine and also with the hardening of monetary policy by the European Central Bank to counter the growth in prices.



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With regard to potential market risk, the Company operates in accordance with the concession contracts with the Ministry of Transport, Mobility and Urban Agenda, which establishes the right to redress the financial balance should circumstances beyond the control of the concession operator arise, significantly limiting the risks associated with the activity. In this regard, and as a result of the effects caused by the crisis brought about by COVID-19, on 8 February 2022, and bearing in mind the regulatory framework applicable, the Company lodged a contentious-administrative appeal, requesting the restoration of the financial and economic balance of the concession agreement. The legal basis of this request is the exercise of a contractual right to maintain the aforementioned economic and financial balance, based on the appearance of unforeseeable and extraordinary circumstances, as well as being based on the adoption --by the different governmental administrations-- of measures that made it impossible to execute the concession contracts under the foreseen terms, as the concession companies kept up with their full business activity because they are critical transport infrastructures. Notwithstanding the foregoing, the Company --in accordance with the provisions of its concession contract and the applicable legal framework-- continues with risk (demand risk of the concessionary company) and the risk of maintaining an economic and financial balance. Said procedure is currently being processed.

In any case, some risk factors can be identified, as summarised below:

- Demand risk: In toll road concessions, the tolls collected by concession companies, which are their main source of income, depend on the number of vehicles using the road and its capacity to attract traffic. In turn, traffic intensity and toll income also depend on a number of factors, including the quality, condition, comfort and travel time on alternative toll-free roads or other toll roads, economic conditions, fuel prices, weather conditions, natural disasters and the feasibility or presence of alternative forms of transport such as air routes and railways. The current characteristics of the AP-9 toll road (mature and widely consolidated business) mitigate this risk.
- Regulatory risk: The Company is subject to compliance with both sector-specific and general regulations (accounting, environmental, labour, data protection, tax, etc.), whose stability and guarantee is fundamental in a highly regulated sector. As occurs in all highly regulated sectors, changes in the regulations can have a negative effect on the Company's business; it is not possible to assess which actions the granting Administration may take over a protracted period of time, so it is difficult to address them. In the case of significant regulatory changes (including tax modifications), which could have an effect on income in the short term or obligate them to bear new costs or investments, the Company would have the right to amend the terms and conditions of the concession arrangement or negotiate with the responsible Administration certain changes in them to obtain financial and economic restitution, so the effects of the potential legal or regulatory changes must be neutral.

It is difficult to predict how the overall economy and the toll road catchment area will perform over the coming period, especially in light of the unusual economic situation caused by the Ukraine war. The widespread opinion of the economic institutions is that the economic slowdown will continue in early 2023, undergoing an improvement as from the middle of the year and even recovering the national GDP level from prior to the pandemic in the third quarter of the year. Against this background, recovery in toll road demand will be measured against the performance of the general economy. Furthermore, we should consider additional factors, such as the development of alternative means of transport that might reduce the toll road's market share in the medium and long term. In any case, expectations are positive in the short and medium term and it is expected to continue to maintain sustainable growth in our activity.

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It shall be noted that the assumptions used to revise the projections on which the accounting estimates are in accordance with the Company's general policy and are conservative.

Other risks to which the Company is exposed are as follows:

- Risks from damage caused during infrastructure maintenance work or construction or expansion work.
- Risks associated with workplace health and safety.
- Risks from loss of assets.

AUDASA has appropriate control systems to identify, quantify, assess and mitigate all of these risks, thus minimising or eliminating their impact. There is also a policy of contracting and maintaining insurance policies that are framed within the insurance programme of the ITINERE Group, which cover, among others, these aspects.

**5. FINANCIAL RISK MANAGEMENT POLICIES**

The Financial Risk Management Policies applied by the Company are set out in note 24 of the attached report.

**6. RESEARCH AND DEVELOPMENT ACTIVITIES**

The Company is not engaged in any R&D programmes that might, owing to their significance and expected results, substantially transform its business activity.

**7. ACQUISITION OF OWN SHARES**

At 31 December 2022, the Company held no own shares. No transactions were carried out with this type of shares in 2022.

**8. OTHER INFORMATION**

**(a) The Company's organisational structure**

Autopistas del Atlántico, Concesionaria Española, S.A. is a toll road that links the north and south of Galicia. Its users prefer it to the conventional alternatives for the convenience, speed and safety it adds to their journeys. Due to the local terrain and heavy traffic flows, this toll road has become a vital part of the road network and thus the social economy of Galicia.

Like all of the concession companies belonging to ITINERE Group, AUDASA puts the safety and convenience of the users of its toll roads first. It continuously strives to improve the technology used in every aspect of its toll roads to ensure the smooth flow of traffic and more comfortable, safer driving.

Being a public interest company, AUDASA must fulfil the legal obligations that this entails. It has systems in place to boost its independence, transparency and supervisory role to raise quality and increase trust in its economic and financial information.

The decision making processes within AUDASA's organisational structure are as follows:

- The General Shareholders' Meeting and Board of Directors are granted governance and administration powers under these Articles of Association and the Law.



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- The appointed Board Directors are responsible for administration and representing the Company in court and out-of-court procedures. The Director or Directors appointed by the Board are responsible for enforcing its resolutions, who can be substituted by the Chairman or a representative with powers to enforce and record the corporate resolutions in a public deed. The Board of Directors can carry out anything included in the corporate purpose, and exercise any powers not expressly reserved for the General Shareholders' Meeting by Law or under these Articles of Association. The Board of Directors will be formed by a minimum of four and a maximum of fourteen members.
- The Board of Directors can appoint any of its members to form an Audit Committee, which must comprise non-executive directors, most of whom must be independent directors and who must elect their Chairman. The Audit Committee will be formed by a minimum of two and a maximum of three members.
- The Appointments and Remuneration Committee will be exclusively formed by non-executive directors appointed by the Board of Directors, at least two of whom must be independent and who must elect their Chairman. The Appointments and Remuneration Committee will be formed by a minimum of two and a maximum of three members.

**(b) Environmental issues and staff**

Environment

ITINERE Group has defined a Quality, Environment and Health and Safety Policy and an Integrated Management System covering all of the companies that make up the Group, which include AUDASA. This policy is given to all employees, subcontractors and suppliers, it is public and it is available to anyone interested on the group's website (<https://www.grupoitinere.com/acerca-de-itinere/politica-de-calidad-y-medio-ambiente>).

The policy sets out the objectives and basic guidelines, as well as Quality, Environment and Health and Safety obligations.

ITINERE considers quality, environmental friendliness and health and safety at work as essential pillars in the performance of its activities and the provision of its services to satisfy all customers, users and shareholders, responding to their requirements and expectations, with the crucial premise of making their performance compatible with as little impact on the environment as possible.

It is for this reason that ITINERE Group's management assigns the human and material resources required to achieve the objective of ensuring the conformity of the services provided with customer requirements and compliance with all legal and regulatory aspects affecting it, in addition to reviewing and continuously improving the system, especially in environmental and health and safety behaviour linked to this group's key activities.

Following the spirit of our Integrated Management System Policy, we have developed a mandatory Comprehensive Management Manual and General Procedures in what regards our infrastructures, in an attempt to cover the main activities carried out by the group, allowing a single approach to their treatment from a quality, environmental, management and health and safety at work perspective, and especially to each and every one of the environmental aspects identified, seeking to reduce the impact related with each and every one of these aspects.

The Integrated Management System has undergone a profound change in 2020, as a result of updating and incorporating improvements in the procedures.

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To ensure compliance with our Environmental Policy, the Group's Management has established and implemented a Comprehensive Management System for quality, environment and occupational health and safety, based on the international standards UNE-EN-ISO 14001:2015, UNE-EN-ISO 9001:2015 and UNE-EN-45001:2018, subject to internal and external audits by a recognised certifying body.

It has also established a methodology to identify, asset, control and review key environmental aspects.

Staff

The companies that make up ITINERE Group, as AUDASA, are a very important part of the social environment and territorial area where they are located, as they guarantee appropriate mobility for citizens in the whole of Spain, and generate employment, especially for those residing near the toll road.

AUDASA has its own Collective Bargaining Agreement, which reflects and regulates the peculiarities of the local culture. The Collective Agreement improves general working conditions and respond to the concerns and worries of each group.

This policy has led to an excellent working environment with a high level of commitment to our business project. This can be seen in the significant average length of service of our staff and in the low voluntary turnover in AUDASA in 2022 (0.86%).

AUDASA establishes an organisation of work depending on weather changes and the flow of traffic in specific seasons within the relevant legal regulations. Shifts are stable and the annual work calendar is individualised and delivered at the beginning of the year, thus enabling professional and family reconciliation.

To strike a work-life balance, the collective bargaining agreement regulates reconciliation measures, improving on those established by law.

In addition, the company is committed to employment stability and quality employment, as it appears from the large proportion of permanent contracts (91.13% of employees have permanent contracts). Internal promotion is one of the Group's trademarks.

The HR Management guarantees meticulous compliance with the regulations on prevention, and promotes preventive activities so that they become part of the corporate culture. In collaboration with the Mutual's prevention services, "Risk Prevention Plans" have been established and their consequent monitoring, establishing the necessary corrective measures where necessary.

The collective bargaining agreement regulate the constitution of a Health and Safety Committee, pursuant to Act 31/1995, of 8 November 1995, on occupational risk prevention, which is made up of company representatives and prevention delegates. The aforementioned committees meet when necessary, at the request of one of the parties, and supervise the company's actions in risk prevention matters. The Committee may require implementing special surveillance measures for jobs with health and safety risks.

AUDASA promotes training in health and safety at work for all staff, enabling attendance to courses given in this area.

AUDASA considers training essential, as constant update of knowledge, specialisation and greater attention to the service provided by the companies is crucial. So the HR Management sets the criteria to carry out a training program aimed at improving



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professional performance, which ensures that workers develop and perfect the knowledge required to achieve greater efficiency and better skills in their job performance.

Meanwhile, training is aimed at motivating people and encouraging their development and integration within the organisation. Training is thus continuous and permanent within the company. A Training Plan is drawn up annually to address the points to be improved by employees and encourage adaptation to change, so that the performance of each position is increasingly higher.

Lastly, AUDASA has an Equality Plan in place in Autopistas del Atlántico, with the purpose of promoting the application of the principle of equal treatment between men and women, to promote women's access to management positions, to raise awareness on equal opportunities at management level, to establish measures that favour the reconciliation of family and working life and to prevent sex-based discrimination at work. This has all been regulated in article 67 of the Collective Bargaining Agreement of AUDASA but, to ensure compliance with the new regulations on effective equality between men and women, a Committee was set up to negotiate a new Equality Plan, signed on 25 October 2022.

Note 20 of the attached Annual Report includes specific information about staff.

ITÍNERE Group voluntarily provides Non-Financial Reporting containing information about environmental, social and personnel matters, among others, with key indicators and their development. This information is available on the website and is part of the consolidated Annual Accounts of ITÍNERE:  
(<https://www.grupoitinere.com/acerca-de-itinere/informacion-de-interes/memoria-anual/>)

**(c) Capital resources**

According to the terms and conditions of the concession agreement, the Company is under the obligation of having a capital structure that establishes a minimum share capital of 10% in relation to the total investment figure and the same percentage in relation to the total mobilised funds. The Company easily fulfils both limits.

The investment in the toll road that the Company operates has been financed under a permanent financing structure (shareholders' equity and borrowed funds, subsidies and repayable advances (see note 1 (c) of the attached annual report) in which the borrowed funds comprised different types of non-current transactions which are refinanced systematically upon maturity, based on the lengthy concession period remaining and constant access to debt and capital markets, even in unfavourable circumstances such as the 2008 financial crisis and the COVID-19 pandemic. Financial debt is currently represented by seven low-tax debentures targeted at the general public, as well as two bank loans and a loan with institutional investors (see notes 7, 13 and 14 of the attached annual report).

Considering the remaining concession period (until 2048), the EBITDA margin and recurring income, the Company estimates that it will continue to meet its financial obligations on time as it has done so far. The debt service coverage ratio times for interest in financial year 2022 was close to 4x, showing that the Company has substantial solvency.

The Company does not expect significant changes in the debt-to-equity structure in financial year 2023.

At the time of preparing these annual accounts, the Company had not entered into any important investment commitments, largely because all of its routes were fully operational. Should additional funds be required to meet future commitments, for example

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due to capital increases or adapting to new legal requirements, systems would be put in place whereby the granting Public Administration would pay the concession company compensation for the increased costs to amend the terms and conditions of the concession agreement. The funds required for such investments could come from borrowed funds, among others.

The Company's operating cash flows are used to ensure the proper conservation and maintenance of the concession assets, both now and in the future, considering the maturity of the concession company, systematic maintenance plans and predictability.

**(d) Analysis of contractual obligations and off-balance sheet transactions**

The Company has no other contractual obligations other than those mentioned herein.

The company has no significant off-balance sheet transactions.

**9. CORPORATE GOVERNANCE**

**(a) Code of Good Governance**

The unified Code of Good Governance for companies approved by way of a Resolution of the Board of the National Securities' Market Commission (CNMV) on 22 May 2006, as a single document, along with the corporate governance recommendations for the purposes of the provisions of section 1.f) of the first provision of Order ECO/3722/2003 issued on 26 December, is not mandatorily applicable to AUDASA.

**(b) Main characteristics of the internal risk management and control systems with regard to the information issuance process**

▪ **Entity control environment**

○ **Audit Committee**

The Company Audit Committee is responsible, inter alia, for verifying the existence and maintenance of an appropriate, effective Internal Control System for Financial Information (henceforth, SCIIF), its implementation and supervision.

The duties assigned to the Audit Committee with regard to internal control considered in the AUDASA Articles of Association in its article 39-bis are the following:

[..]

b) To supervise the effectiveness of the internal control of the Company, internal auditing and risk management systems, as well as discussing with the accounts' auditor the major weaknesses of the internal control system detected during the course of the audit, all without violating its independence. With this in mind, and during its development, recommendations or proposals may be made to the administration body and the attendant timeframe for its monitoring.

c) To supervise the process to draw up and submit the mandatory financial information and submit recommendations and proposals to the administration body, aimed at safeguarding its integrity.

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To obtain a reasonable level of certainty about the reliability of the financial information, the Audit Committee shall supervise:

- The correct application of the accounting principles.
- The suitability of the monitoring procedures and policies implemented.
- The preparation process and integrity of the financial information, reviewing the correct design and operating effectiveness of the SCIIF and compliance with normative requirements.

The Audit Committee shall mainly be backed up by Internal Audit work and it shall hold such meetings with external auditors as prove necessary. Internal Auditing shall plan the test checks, review the SCIIF, communicate its results and carry out follow-up of the recommendations.

In turn, the Administration Department of AUDASA shall be responsible for the design, implementation, evaluation and follow-up of the SCIIF.

The SCIIF Manual of the ITÍNERE Group, which includes AUDASA, has defined an organisational model and a responsibility structure which involves all levels of the organisation and which determines the roles of each of the SCIIF participants.

Furthermore, within the ITÍNERE Group, the Human Resources' Department is endowed with an organisational structure which has developed the responsibilities and lines of authority for each work post and which is periodically updated, adapting to the changes.

○ **Code of conduct**

The Company is subject to the "Code of Conduct" which was modified by a resolution of the Board of Directors of ITÍNERE INFRAESTRUCTURAS, S.A. on 19 December 2019, applicable to all ITÍNERE Group companies, considering that its activity and that of the natural and legal persons related with it not only meets and complies with the prevailing legislation and its Corporate Governance and Compliance System, but also with the principles of business ethics and institutional integrity which reflect the values that govern its action.

This Code of Conduct (henceforth, the "Code") is geared towards developing the ethical and behavioural principles that the Board of Directors of the Company understands that have to be observed by those subject to the Code during the carrying out of their activity, based on principle of proper control by those subject to the Code, with a view to preventing, detecting, reacting and resolving any type of irregular conduct (both from a legal and ethical perspective), all whilst bearing in mind the criminal liability regime for legal persons in force under Spanish legislation and set out in the decision from 2012 by the Board of Directors of the Company to implement in the ITÍNERE Group an effective, dynamic criminal risk prevention programme by establishing effective measures in terms of reliable surveillance, supervision and control to prevent, detect and discover any crimes and/or irregular conducts that may have been committed during the course of their business activity, in their name or on their behalf, and to their direct or indirect benefit.

This Code of Conduct, which is published at the website of the Group's parent company (<https://www.grupoitinere.com/cumplimiento-corporativo/codigo-de-conducta/>) includes the commitment of the ITÍNERE Group to the principles of business ethics, institutional integrity and transparency in all its fields of action, establishing a set of principles and rules of conduct aimed at ensuring the ethical, upright and responsible behaviour of all those subject to the Group Code during the course of their activity. These principles include being subject to the Law, respect, transparency, sustainability, responsibility, fairness and honesty in all their actions.

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The following parties are all subject to the Code: all the directors, managers, proxies and employees of the ITINERE Group, in the latter case regardless of how they are contracted, when they act in their capacity as such, in other words, when they act in the name or on behalf of the Group or its subsidiaries, during the carrying out of their social or employment activities and to its direct or indirect benefit, themselves or through some controlled entity or company. The principles guiding their conduct will be professionalism, integrity and responsibility:

- Professionalism is diligent, responsible and efficient action focused on achieving excellence, quality and innovation;
- Integrity is loyal, honourable action, in good faith, objective and aligned with the interests of the Group as well as with the principles and values expressed in its DNA throughout this Code;
- Responsibility is behaviour based on four basic premises:
  - The action should be ethically acceptable;
  - It should be legally valid;
  - It should be desirable for the Company and the Group; and
  - It should be willing to assume responsibility for it.

○ **Compliance area**

The body responsible for analysing breaches and putting forward corrective actions and sanctions is the Compliance Function which, as part of the Corporate Governance and Compliance System, gravitates around the Compliance Area and the Compliance Unit.

The Compliance Area is a permanent, internal body, with competences in the context of the Compliance Programme and whose operation and actions will be directly supervised by the Compliance Unit of the Company, in the manner and way in which it is set out in its internal Regulations. The Compliance Unit is a collegiate body of a permanent, internal nature of the Company, responsible for taking those decisions conveyed to it by the Compliance Area, in accordance with its operating Regulations, to which end it has been assigned full competences, autonomy and independence of action, also being, through its Chairman, the notification body to the Board of Directors and Senior Management.

The Company and the ITINERE Group express their purpose of the continuous, sustained creation of value in the medium and long-term for its shareholders and it shall permanently put at their disposal the communication and consultation channels that enable them to have appropriate, useful, truthful and complete information about the evolution of Group results.

Those subject to the Code shall refrain from generating obligations with a view to avoiding compliance with the asset liabilities of the Group vis-à-vis its creditors. In particular, any of the following conducts is strictly forbidden:

- To carry out to the detriment of the Group creditors any act of disposition or assets or act which generates obligations which delays, hinders or prevents the effectiveness of a seizure or enforcement procedure or court, out-of-court or administrative collection which has started or is expected to start.





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- With a view to avoiding the payment of civil liabilities deriving from a criminal proceeding, carrying out acts of disposition or taking on obligations which reduce the Group's assets or concealing elements of its assets to which the enforcement may be applied.
- To submit, in a judicial or administrative enforcement procedure, to an authority or employee responsible for the enforcement, an incomplete or untruthful list of assets in order to delay, hinder or prevent the satisfaction of a Group creditor.
- To make use of any Group assets seized by a public authority which may have been formed as deposits without being authorised to this end.

In the event that the Company or any of the Group companies finds itself in a current or imminent insolvency situation, under no circumstances may they carry out any of the following conducts:

- To conceal, cause damage to or destroy any assets or property that are included or which would have been included, in the bankrupt estate at the time it commences.
- To carry out acts of disposition or assumption of debts which are not proportionate to the asset situation of the Group and which lack any type of economic or business justification.
- To carry out transactions for a price lower than their cost and which in the circumstances of the case, lack any type of economic or business justification.
- To simulate credits or recognise fictitious credits.
- To take part in speculative business which lack any type of economic or business justification and is contrary to the duty of diligence in corporate management of the Group or its companies.
- To breach the legal duty to keep the accounts or do double bookkeeping or carry out any type of relevant accounting irregularity which prevents a full understanding of the net worth or financial position of the Company or any of the Group entities.
- To conceal, destroy or alter the documentation with regard to which there is a legal obligation of storage before the elapsing of the timeframe foreseen to this end by the applicable regulations.
- To draw up annual accounts or accounting records in a manner contrary to the regulations which regulate company accounting.
- To carry out any other conduct that constitutes a serious infringement of the duty of diligence and loyalty in the management of economic and business affairs of the Group or its companies.
- To promote a creditor through acts of disposition of assets or acts which generate obligations with a view to paying it a payable credit or providing it with a guarantee to which it was not entitled when the operation lacked any type of economic or business justification.

○ **Compliance Channel**

The complaints channel of the ITINERE Group, called the Compliance Channel, is available to employees and suppliers, with a view to promoting compliance with the law and the behavioural regulations determined in the Code of Conduct, as well as so that

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they can make such consultations as they deemed appropriate with regard to their interpretation or application.

The existence of this Compliance Channel is assumed to be without prejudice to any other mechanisms or channels that may be established, where applicable, in the context of the Normative System for Corporate Governance and Compliance of the Group.

The Compliance Channel is a channel for transparent use and of a reserved and confidential nature for the communication, by those subject to the Group Code, of any behaviour that may involve the committing, owing to an action or omission, of irregularities or acts contrary to the law or to the operating laws of the Code of Conduct ("Reporting of Non-compliance").

The Compliance Channel is also used to clear up any doubt that may arise about the interpretation of the Code of Conduct; to communicate any reasonable sign of the leaking of reserved and confidential information and/or the private use thereof, as well as to carry out any consultations and consulting regarding the policies and legislation applicable to economic and financial matters related with possible acts of fraud. The Compliance Channel ensures confidentiality during the processing of any reports, as well as a thorough analysis of any actions that may entail a possible breach and maximum respect for the rights of those people presumably involved therein. ITÍNERE Group will keep a record of all complaints received. These will be kept only for the proportionate period as may be required.

○ **Training programmes**

As regards the training and updating programmes, AUDASA and the ITÍNERE Group believe that the continuous training of its employees and managers in those aspects that concern the Company is key. With this in mind, it also believes that in-depth, up-to-date training of the rules on the drawing up of financial information, normative information about capital markets, tax affairs and internal control, are necessary to ensure that the information reported to the markets is reliable and complies with the regulations in force.

The Company Administration Department, as well as the Financial Control and Group Management Department are subscribed to various publications and magazines of an accounting/financial nature which periodically send news and other communications of interest, which are analysed, ensuring that they are taken into account when drawing up the financial information of the Company.

With regard to the preparation and reviewing of the financial information, every year the ITÍNERE Group designs and puts into practice training plans which include those training requirements which are identified by the Financial Control and Group Management Department with regard to the new accounting, tax, internal control regulations and the changes to the reporting methodology and/or the information systems.

As a result of the identification of requirements in the aforementioned areas, the appropriate training activities are designed and carried out to cover the annual training targets in these fields.

▪ **Financial information risk assessment**

The ITÍNERE Group ensures the internal quality control of the financial information, identifying and controlling the critical risks associated with the operations, their authorisation, registration and processing, as well as the disclosure of the financial information. It is also vigilant vis-à-vis fraud and anticipates the corrective measures necessary to reduce the risk of incurring any errors and omission that may affect the reliability of the financial information.



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With this in mind, it has an "Internal Control System Manual for Financial Information (SCIIF)" for the ITÍNERE Group, which has been drawn up taking as its reference the internal control framework determined in the COSO report (Committee of Sponsoring Organizations of the Treadway Commission) and the definition included in the document "Internal control of financial information in listed companies" of the CNMV.

For each of the processes and subprocesses identified in the scope matrix of SCIIF, the following documentation has to be kept up-to-date:

- Narrative: Written description of the process/subprocess and its control activities.
- Flowchart: Graphic representation of the control activities flow.
- Risk and control matrix: Identification, for each process/ subprocess, of the inherent risks and the key controls designed to mitigate them, as well as the sole proprietor of each of them.

That the information should be reliable entails compliance with all the control objectives with regard to the financial statements. The safeguarding of assets and the prevention/detection of fraud are regarded as objectives of SCIIF owing to the impact they have on the previous objectives.

The financial information objectives inspire the drawing up and updating of the "Risk and control matrix" of AUDASA, which includes the expected risks and controls, drawn up in line with good practices and a knowledge of the key processes/subprocesses which are subject to review, in such a way that, by way of a comparison of the actual situation with said "Risk and control matrix" whose aspects liable to improvement may become clear.

The supervision process of the internal control system is carried out in continuous fashion over time.

The scope of the evaluation of the internal control system regarding the financial information will be approved every year by the Audit Committee, being based on the objectives and risks of the financial information, having to establish those processes which are especially critical for the preparation of financial information which must be reviewed annually.

The organisation chart of the ITÍNERE Group is updated every time there is a change to the participation of any of the group companies or after the incorporation of new companies, the sale or dissolution of existing companies, though this procedure is at ITÍNERE Group level, as AUDASA does not have any interests in companies.

Within the qualitative criteria for identifying which accounts and breakdowns are associated with a significant risk and whose potential impact on the financial information may be significant, which are determined in the "Internal Control System Manual for Financial Information (SCIIF)" of the ITÍNERE Group, there is "any other process that the Finance Department believes may entail any risk whose impact on the Financial Statements may be significant".

As stated before, the Audit Committee's duties include responsibility for approval as to what, when or how to supervise and evaluate the SCIIF, as well as to draw a conclusion, about its effectiveness.

The Audit Committee shall mainly be backed up by the Internal Audit Work.

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▪ **Control activities**

At the start of each financial year, and whenever there is a significant variation in the consolidation perimeter or in the group business, the scope of the SCIIF review procedure is carried out. The SCIIF scope matrix allows the identification of which accounts and breakdowns have a significant risk associated and whose potential impact on the financial information may be significant. Bearing this in mind, quantitative and qualitative factors are taken into account. This work will be carried out by the Finance Department which will send AUDASA's Administration Department those material processes that have to be considered in SCIIF.

For each of the significant breakdowns and accounts, the critical processes and subprocesses associated with them have been defined, and the risks have been identified which could generate errors and/or fraud in the financial information, covering all the objectives of the financial information.

For each of the processes and subprocesses identified in the scope matrix of SCIIF, the following documentation has to be kept up-to-date:

- Narrative: Written description of the process/subprocess and its control activities.
- Flowchart: Graphic representation of the control activities flow.
- Risk and control matrix: Identification, for each process/ subprocess, of the inherent risks and the key controls designed to mitigate them, as well as the sole proprietor of each of them.

Furthermore, within the organisational structure defined for the supervisory duties of SCIIF, the roles of Process Manager and Control Manager are established. The Process Manager has the following duties:

- To identify any risks that may affect the Financial Information in the process
- To propose and implement the most appropriate controls to mitigate the risks
- To make sure that the controls are working properly
- To report on the operation of internal control in the process
- Implementation of recommendations

The Control Manager shall be responsible for:

- Carrying out the controls.
- Informing about any incidents that may occur.
- To keep up-to-date the documentation thereof which shall be reviewed at least every six months.

The supervision process of the internal control system must be carried out continuously over time.

The results obtained from the control testing trials carried out by the Internal Audit Department shall be communicated at 3 levels:

- The process managers;

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- AUDASA Administration Department;
- Audit Committee.

If any incidents or opportunities for improvement have been identified which do not affect the result of the test as effective, they shall be notified to the Process Manager for his analysis and consideration.

If it is concluded that the controls are ineffective, the shortcomings must be communicated and compared first and foremost, with the Process Manager, and then be informed to the Administration Department of AUDASA and the Audit Committee, in accordance with the order established in the Evaluation (annual review) or Supervision processes, respectively determined in the Policy.

- **Internal control procedures and policies regarding the information systems**

AUDASA uses information systems to keep a suitable logging and control of its operations and hence their smooth operation is a key element. The internal control system for the financial information of AUDASA has defined those critical processes and subprocesses which affect the drawing up of the financial information. Within these processes and subprocesses there are specific controls which cover the process for drawing up and publishing financial information.

For those systems and applications used in the preparation of financial information, the Administration Department has determined general policies aimed at ensuring their proper operation. The policies developed cover safety, both physical and logical, as regards accesses, design verification procedures for new systems or modifications to the already existing ones and the continuity of their operation (or coming on line of alternative applications and systems) in the event of any unexpected events that affect their operation.

To date, AUDASA has not outsourced any processes from which the information set out therein derives, which has a material impact on the financial statements and is not subject to supervision by the Company. When outsourcing with third parties, it is ensured that the technical capacity, independence and competence of the outsourced party is that required for the work to be carried out. In the majority of cases, they are evaluations carried out by independent experts whose criteria and results are reviewed by the Itinere Group.

- **Information and communication**

The specific function responsible for defining and keeping up-to-date the accounting policies and clearing up and queries and disputes deriving from their interpretation, maintaining fluid communication with those responsible for operations in the organisation, as well as an up-to-date accounting policies' manual and communicated to the units through which the entity operates, falls to the Financial Control and Management Department of ITÍNERE which performs these duties for the purposes of preparing the consolidated financial information and, accordingly, the information that each subsidiary (AUDASA, in this case) has to report.

The ITÍNERE Group has various integrated financial information platforms for virtually all its subsidiaries. Each of the subsidiaries is responsible for drawing up and loading the corporate consolidation and reporting system, the Monthly Reporting that contains the financial information required at the close of each month for the preparation of the consolidated information and any other financial information required.

The Monthly Reporting is unique and based on a homogeneous chart of accounts for all the companies determined by the Financial Control and Management Department of the

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ITÍNERE Group and it includes breakdowns and notes which are updated in each report and which present a monthly approval and review process before their distribution. The information of the Monthly Reporting is loaded directly by the controllers in the corporate consolidation and reporting system and this involves a series of controls, being revised in the holding with a view to ensuring the reliability and correct presentation of the information for the financial year.

▪ **Supervision of system operation**

The supervision activities with regard to SCIIF are undertaken by the Audit Committee and the Internal Audit Department.

Of the duties included under article 39-bis of the AUDASA Articles of Association, those of internal control supervision and knowing the financial information process and the internal control systems of the Company are represented, overseeing compliance with the legal requirements and the proper application of the generally accepted accounting principles.

The Audit Committee shall mainly be backed up by the work of the Internal Audit Department and it shall hold such meetings with external auditors as prove necessary..

The Internal Audit Department shall plan the supervision and evaluation of SCIIF, with the appropriate scope and frequency in order to be able to reach a conclusion about their effectiveness, taking into account the works of the Annual Audit Plan, with the latter being approved at the start of each financial year by the Audit Committee of AUDASA.

The Internal Audit Department shall determine the nature and extent of the tests to be carried out which facilitate the identification of any potential shortcomings in control and the analysis of the causes underlying them to determine the degree of compliance and efficiency of the control systems. The shortcomings identified in the evaluation are classified in line with quantitative criteria, taking into account the impact on the financial statements and the likelihood of the occurrence thereof, and subsequently based on qualitative criteria.

The Audit Committee must be informed about any incidents detected in SCIIF elements related with the following situations:

- Reworking of the financial statements.
- Identification by the external auditors of any material adjustments which have not been detected by internal control.
- Incorrect operation of the Complaints Channel Procedure or Control bodies..
- Legal breaches.
- Significant shortcomings communicated to the Management and to the Audit Committee and which have not been corrected within a reasonable timeframe.
- A deficient control environment.
- Identification of fraud which has been carried out by the Management, or identification of fraud by any other employee/s which exceeds the threshold determined by the Management.
- Controls which avoid the misappropriation (authorisations, powers of attorney etc.) of company assets which may have a material impact on the financial statements.



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should start being regarded as material weaknesses. If these incidents are not regarded as material weaknesses, but rather as significant shortcomings, the reasons underlying this decision should be sent to the Finance Department, subject to agreement with the external auditor.

The Internal Audit Department periodically submits to the Audit Committee:

- the Annual Internal Audit Plan which it must approve, where applicable.
- a detailed monitoring of the implementation of the Audit Plan.
- the evaluation of SCIIF.
- Risk assessment of the company, evaluating whether the internal auditors are supervising the essential controls and identifying and tackling all the risks,
- the control of the implementation of corrective measures or recommendations carried out by the Internal Audit Department and, where applicable, the justification of the breach thereof.

The communication between the Audit Committee and the external auditor shall be fluid and continuous, provided that they do not prejudice the independence of the auditor nor the effectiveness with which the audit is carried out whereby the audit procedures are undertaken.

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**PROPOSED DISTRIBUTION OF PROFIT  
FOR 2022**

Profit for 2022 totalled 66,098,958.06 euros, which will be fully distributed as the dividend.

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**ONE:** Pursuant to the requirements of Article 253 of the consolidated text of the Capital Companies Act and Article 37 of the Spanish Code of Commerce, the Directors of **AUTOPISTAS DEL ATLÁNTICO, CONCESIONARIA ESPAÑOLA, S.A. (Single-Shareholder company)**, specified hereinbelow, all of them comprising the Board of Directors in its entirety, have prepared the attached Annual Accounts, including the balance sheet, the income statement, the statement of changes in equity, the cash flow statement and Annual Report, the management report and the proposed distribution of profit for the year ended 31 December 2022, to be approved by the Single Shareholder of the Company. Said documents are included on the preceding pages, correlatively numbered from 1 to the present one.

**TWO:** At the same time, the undersigned, as the Company's Directors, declare that the Company's books, which form the basis of these annual accounts, do not contain any items that need to be included in the specific environmental information document provided for in Justice Ministry Order JUS/206/2009 of 28 January.

Signed in Madrid on 27 March 2023.

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Mr. Andrés Muntaner Pedrosa  
*Chairman*

\_\_\_\_\_  
ENAITINERE, S.A.  
*Represented by:*  
Mr. Francisco Javier Pérez Gracia  
*Director*

\_\_\_\_\_  
Mr. Juan Carlos López Verdejo  
*Director*

\_\_\_\_\_  
Mr. José Alberto Díaz Peña  
*Director*

\_\_\_\_\_  
Mr. José Puellas Gallo  
*Director*

\_\_\_\_\_  
Mr. Alberto Jiménez Ortiz  
*Director*

\_\_\_\_\_  
Mr. José Carlos Otero Fernández  
*Director*

\_\_\_\_\_  
Mr. José Luis Gómez Sierra  
*Director*

\_\_\_\_\_  
Mr. Rafael Monjo Carrió  
*Director*

\_\_\_\_\_  
Mr. Santiago del Pino Aguilera  
*Secretary non-Director*

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## TRADUCCIÓN JURADA

Pilar Benítez Martínez, Traductora Jurada facultada por el Ministerio de Asuntos Exteriores español.

Traducción jurada número - PR423-0460 - en mis archivos personales.

La presente traducción consta de - 78 - páginas, firmadas y selladas por la traductora.

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D<sup>a</sup> Pilar Benítez Martínez, Intérprete Jurado de Inglés, Traductora Oficial por la Oficina de Interpretación de Lenguas del Ministerio de Asuntos Exteriores, habilitada para el ejercicio de la traducción oficial en todo el territorio nacional, por el presente documento DOY FE:

De que la traducción anterior refleja fielmente en el idioma INGLÉS un documento en el idioma ESPAÑOL.

Y para que así conste, firmo y sello el presente documento en Madrid, a 17 de abril de 2023.

Ms Pilar Benítez Martínez, Sworn Translator by the Ministry of Foreign Affairs of Spain, duly certified and sworn for the official translation of documents in the Spanish Territory, HEREBY CERTIFY:

That the previous translation faithfully reproduces in ENGLISH a document in SPANISH.

And for the record, I sign and stamp this document in Madrid, 17 April 2023.

**PILAR BENÍTEZ MARTÍNEZ**  
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