

**For presentation for approval in the  
GMA meeting of  
For presentation for approval in the BD  
meeting of**

**Sorin Radu PAUN  
General Manager**

**REPORT OF THE DIRECTORS OF CNAB SA  
for the financial statements on December 31, 2022  
drawn up based on the provisions of OMPF no. 2844/2016**

**A. FINANCIAL STATEMENT (OMPF 2844/2016)**

**I. ADMINISTRATION OF THE COMPANY**

C.N. Aeroporturi București S.A., established as a joint-stock company, operates as a Romanian legal entity, with its headquarters in 224E Calea Bucureștilor, Otopeni, Ilfov County. The company was established based on GD no. 1208/07.10.2009 through the merger of the Compania Nationala "Aeroportul International Henri Coandă-București" SA with Societatea Nationala "Aeroportul International București Băneasa - Aurel Vlaicu" SA.

Compania Nationala Aeroporturi București S.A. (CNAB) has as its main object of activity the performance of services, exploitation works, management, maintenance, repair, development and modernization of its assets, owned or under concession, in order to ensure safety and security conditions for the arrival, the departure and ground handling of aircraft in national and/or international traffic, the provision of airport services for the transit of people, goods and mail, as well as services of national public interest.

Compania Nationala Aeroporturi București S.A. (CNAB) is a joint-stock commercial company with majority state capital, which is organized and operates on the basis of economic management and in accordance with its constitutive act. The value of the capital subscribed and paid-in on December 31, 2022, was RON 143,772,150, representing 14,377,215 shares.

All shares are common, were subscribed and are paid in full on December 31, 2022. All shares have the same voting right and have a nominal value of 10 RON/share.

The shareholding structure on December 31, 2022, is presented as follows:

	<b>Number of shares</b>	<b>Amount</b>	<b>Quota</b>
		<b>(RON)</b>	<b>(%)</b>
Ministry of Transport	11,501,772	115,017,720	80
Fondul Proprietatea	2,875,443	28,754,430	20
<b>Total</b>	<b>14,372,215</b>	<b>143,772,150</b>	<b><u>100</u></b>

Within CNAB, Henri Coandă-Bucharest International Airport (AIHCB) and Bucharest Băneasa - Aurel Vlaicu International Airport (AIBB) operate as work points.

In 2022, the management of the company was ensured as follows:

- DOROBANTU GEORGE DUMITRU - General Manager - 01.01.2022 - 31.07.2022, appointed by BD Decisions no. 19/13.10.2021, no. 2/ 10.02.2022, no. 4/ 12.04.2022.
- PAUN SORIN RADU - General Manager - 01.08.2022-31.12.2022, appointed by BD Decisions no. 13/29.07.2022 and no. 18/24.11.2022.

At the end of the 2022 financial year, the Board of Directors consisted of 7 people.

In 2022, the Directors' activity pursued in particular the following aspects:

- Ensuring the continuity of operational activity in safe conditions, following the coverage of losses caused by the COVID 19 pandemic
- Effective management of the company's assets and liabilities and the reduction of risks generated by the decrease in cash availability in the context of the pandemic
- Realization of the income and expenditure budget
- Promotion of a commercial policy to maintain existing contractual relationships
- Modern, prudent, and efficient management

On 01.01.2022, members of the Board of Directors of CNAB, appointed by OGMA Decisions no. 13/30.06.2021 and no. 14/25.10.2021, were the following:

1. DIMITRESCU FLORIN
2. MIHALȚAN COSMIN
3. DOBRE RĂZVAN ROBERT
4. BUMBAC GEORGETA
5. IACOBUS DORU MARIUS
6. RAICU MIRCEA
7. DIACONU CĂTĂLIN.

On 31.12.2022, the composition of the Board of Directors of CNAB, appointed by AGOA Decisions no. 13/30.09.2022 and no. 18/05/12/2022, it was as follows:

1. BACHIDE EDUARD
2. MIHALȚAN COSMIN
3. MIREI BOGDAN LARI
4. BUMBAC GEORGETA
5. IACOBUS DORU MARIUS
6. ILIE LAURENTIU ANDREI
7. DIACONU CĂTĂLIN.

## **II. GENERAL INFORMATION ON THE ECONOMIC ENVIRONMENT IN 2022**

The Gross Domestic Product registered in Romania in 2022 registered an increase - in real terms - of +4.8% compared to 2021, according to the data released by the National Institute of Statistics.

The average monthly inflation rate in 2022 was 13.8%.

The monthly index of consumer prices at the end of 2022 compared to 2021 is presented as follows:

<b>Current period</b>	<b>Reference period</b>	<b>TOTAL ICP (%)</b>	<b>ICP food products</b>	<b>ICP non – food products</b>	<b>ICP services</b>
<b>2022-December</b>	<b>2021-December</b>	116,37	122,05	114,95	109,78

The average exchange rate for 2022 was 4.9315 RON/EUR, respectively 4.6885 RON/USD, and in 2021 it was 4.9204 RON/EUR, respectively 4.1604 RON/USD. Compared to 2021, the RON tended to depreciate against the EURO by -0.23% and against the USD by -12.69%.

## **III. COMPANY ACTIVITY DURING 2022**

### **III.1 AIRPORT DEVELOPMENT**

#### **A. Strategic Airport Infrastructure Development Program at AIHCB**

The strategic airport infrastructure development program at AIHCB was defined and approved by Romanian Government Ordinance no. 64/1999, approved with amendments and additions by Law 220/2002, with subsequent amendments and additions.

The main objectives of the Strategic Program are:

- the development of land transport infrastructures in order to ensure access to the eastern area of Henri Coandă International Airport - Bucharest;
- the development of the airport infrastructure necessary for processing passenger traffic by building a new terminal and the necessary system of taxiways and platforms;
- the development of the airport infrastructure necessary for the processing of goods and mail traffic by creating a multimodal cargo platform;
- construction of a high-tech technology park for the development of activities related to air transport.

Current status (according to GO64/1999 timescale):

- **Stage I - Approval of the Zoning Urban Plan — implemented;**
- **Stage II - Development of the activities precursory to the Strategic Program for Airport Infrastructure Development - implemented**
  - **Stage II.1 - Drawing up and approval of the feasibility studies – implemented as per GD 655/29.08.2018** (approval of the technical and economic indicators for the “Strategic Program for Airport Infrastructure Development at Bucharest - Henri Coandă International Airport” investment objective of national interest and public utility);
  - **Stage II.2 - Drawing up and approval of the technical and economic documentations for the approved feasibility studies – implemented as per GD 799/2019** on commencing the land expropriation procedures for the real estate units under civilian property, which constitute the expropriation path spanning across the location of the public utility work of national interest regarding the “Strategic Program for Airport Infrastructure Development at Bucharest - Henri Coandă International Airport” investment objective;
  - **Stage II.3 – implemented** – “The purchase of the lands required to implement the approved investment objective and their removal from agricultural use, as the case may be”.

## **2022 Endeavors:**

### **1. Land expropriation (Stage II.3)**

In order to implement Government Decision no. 799/2019, CNAB is carrying out the land expropriation process for the real estate units under civilian property, which constitute the expropriation path spanning across the location of the public utility work of national interest regarding the “Strategic Program for Airport Infrastructure Development at Bucharest - Henri Coandă International Airport” investment objective.

During 2022, the formalities related to the expropriation procedure continued, namely the completion of the stage of awarding compensations by issuing minutes and decisions awarding compensations by the members of the commissions.

### **2. Internal actions for the coordination and implementation of the Strategic Program**

In order to be able to access the funds necessary to finance the Strategic Program but also in order to adapt the Master Plan to the current context, **the acquisition of consulting services for the elaboration of the documentation necessary to access the financing of the project** through the AB-SSSE Report 350 / 17.12.2020 was proposed and approved.

As a result of the approval of the acquisition of consulting services, the tender documentation was prepared. The specification for the tender for the above-mentioned services was approved by the Board of Directors with Decision no. 1/28.01.2022, and later, in the CNAB CTE, the award documentation was approved together with the specifications (08.06.2022).

The launch of the procedure took place in June 2022 and was completed in September 2022.

**The Association Egis România SA (association leader) - Egis AVIA SAS was designated the winner and on December 13 contract no. 570/C/13.12.2022 was concluded.**

### **3. Actions in terms of legislation**

In order to update the Strategic Program's implementation schedule, CNAB commenced the efforts required to promote the draft law on amending Government Ordinance no. 64/1999 for the approval of the Strategic Program to develop the AIHC airport infrastructure; it was submitted to MTI (Ministry of Transportation and Infrastructure) in 2021 and published, for public consultation purposes, in January 2022.

The draft law received a favorable opinion from the Ministry of Public Finance, a favorable opinion with observations from the Ministry of Justice and was approved in the Government's Session from March 09, 2022. The **Government updated the implementation schedule of the Strategic Program** for airport infrastructure development at Bucharest – Henri Coandă International Airport. As such, **the implementation deadline** of the Program Stage 3, namely the completion of the works, is 2028, by offsetting the initial deadline by 6 years.

## **B. Medium- and long-term development of airport infrastructure at AIBB-AV**

### **2022 Endeavors**

- **Short term** – investments in **rehabilitating and re-rendering AIBB-AV functional:**
  - Completion of investments in upgrading the main terminal - A, B and the Rotunda, the main goal of which is to secure an estimated processing capacity of at least 400,000 pax/year. Current status: ongoing contract for engineering and construction works.
  - The works were completed and taken over in January 2022. At this moment the works are under warranty.
  - Contract value: RON 64,311,093.23.
  
- **Medium- and long-term** – elaboration of a pre-feasibility study specific to the AIBB-AV airport infrastructure development, for the purpose of identifying the airport's infrastructure development, in order to maximize revenues from air and non-air activities and turning AIBB-AV into a profit center, as well as outlining the grounds for the need and opportunity for the proposed investments - action suspended due to lack of funds allocated through REB2022.

## **III.2 INVESTMENT ACTIVITY**

### **III. 2.1 DEGREE OF INVESTMENTS**

	<b>REB 2022 Approves</b>	<b>REB 2022 Achieved</b>	RON % <b>REB</b>
<b>1. Sources of investments' financing</b>	284,581,000.00	63,776,661.73	22.41
a) own sources constituted according to the regulations in force	155,000,000.00	63,675,661.73	41.08
b) allocations from the state budget	101,000.00	101,000.00	-
c) other sources	129,480,000.00	0.00	-
<b>2. Investment expenses</b>	140,656,910.00	63,776,661.73	45.34
a) independent facilities	74,950,289.09	33,063,028.02	44.11
b) investment works	65,706,620.91	30,713,633.71	46.74

In 2022, according to the follow-up schedule of the investment plan, the following investment and endowment objectives were achieved:

► For chapter "b) investment works", the related amount, respectively RON 30,713,634, represent expenses incurred for the following objectives:

Thsnd, RON

<b>INDICATORS</b>	<b>Achieved on 31.12.2022</b>
<b>EXPENDITURE FOR INVESTMENTS, of which:</b>	
PSI Shed building with access roads and PSI water reserve at the AIBB-AV work point (execution of works, consultancy, assistance from the designer)	3,658.11
Modernization of the AIHCB parking system	7,787.34
Construction of canopy for the access control point PCA 1 - AIBB AV	0.04
Capital repairs of the Electric Plant building and the transition to 20 KV electricity supply of the Bucharest International Airport - Aurel Vlaicu	15.63
Parking P+2 West Department (DALI, PT, DDE)	13.61
Capital repairs of multi-storey car park Arrivals - AIHCB (DALI+PTE+technical assistance)	354.25
Departures North Parking	6.49
Replacement of baggage lanes Arrivals (PT+ execution)	6,711.94
Rehabilitation and reorganization of external thermal networks and their connection to the CTI central heating plant at AIHCB	5,193.60
AIHCB transformer stations (technical expertise + DALI)	109.00
Replacement of AIHCB Departures, Arrivals and Finger lifts (design and execution)	2,363.76
PDAI rehabilitation and modernization, including the connections to the taxiways and the widening of the return platform 26L, the related installations, the development of the safety zone of the runway and the creation of 2 rapid clearance paths (technical expertise, DALI)	260.36
Northward extension of Platform No. 1 for aircraft parking at AIHCB - execution + technical expertise regarding the physical and qualitative stage of the works	2,102.77
Modernization of electrical installations lighting and sockets, fire detection/signaling of buildings Departures, Finger, Arrivals, AB4+CL - technical expertise, DALI	1,044.00
Fees for obtaining UC, approvals/agreements, CA and fees for works execution	991.63
AIHCB strategic development program - expropriations	101.10
<b>TOTAL</b>	<b>30,713.63</b>

► The "independent endowments" chapter includes expenses that are necessary to carry out the airport's activity in good conditions. Thus, during 2022, the following were purchased:

<b>INDICATORS</b>	<b>Achieved on 31.12.2022</b>
<b>Facilities, total, of which:</b>	<b>33,063,025</b>
Upgrade Data Center (server, storage, subscriptions, licenses, software, Disaster recovery, etc.)	12,080,993
Data storage equipment	2,938,739
CISCO Switch	164,412
Applications/software/programs according to the requests of CNAB departments specific to the activity (ROF) - electronic time attendance	163,417

Interior/exterior electrical connections	595,697
Office containers 20'	95,498
Atlas mobile motor compressor	113,703
Snowplows	62,002
Husqvarna lawn mower + combi cutting table	95,892
Vegetation shredders	66,973
Development, modernization, and expansion of TVCI AIHCB & AIBB-AV /Implementation of video analytic technology VCA, LPR AIHCB	7,405,549
Patrol car video monitoring solution	1,916,936
Provisional demarcation of AIBB airport perimeter (LRBS)	531,691
ETD type security control equipment	409,983
System of five devices to block the passage of vehicles by force	1,747,008
SPS AIHCB radar north	4,412,310
Other facilities	262,221

### **III.3 COMMERCIAL ACTIVITY**

#### **III.3.1 AERONAUTICAL PROFILES**

##### **3.1.1. Operating activity (airport service contracts, jetways operation and business lounge services)**

**► Updating the contracts for the provision of airport services (operation) and those for business lounge services - action started at the beginning of April 2020 and continued during 2022, contracts being signed with the following partners:**

##### **Performing at AIHCB:**

- 1- BRITISH AIRWAYS PLC- contract for the provision of airport services
- 2- EUROWINGS GMBH- contract for the provision of airport services
- 3- WIZZ AIR Hungary Zrt. - contract for the provision of airport services
- 4- AIR BUCHAREST Transport Aerian SRL - contract for the provision of airport services
- 6- ANIMA WINGS Aviation SA- contract for the provision of airport services
- 7- BECKER AVIATION Trans SRL - contract for the provision of airport services
- 8- ROMANIAN AIRPORT SERVICES SA- contract for the provision of airport services
- 9- ION ȚIRIAC AIR SRL - contract for the provision of airport services
- 10- UPLIFT AIRPORT SERVICES SRL - contract for the provision of airport services
- 11- AEGEAN AIRLINES SA - service contract for the embarkation and disembarkation of passengers at airports' mobile jetways
- 12- AIR FRANCE SA - service contract for the embarkation and disembarkation of passengers at airports' mobile jetways
- 13- AUSTRIAN AIRLINES AG - service contract for the embarkation and disembarkation of passengers at airports' mobile jetways
- 14- EL - AL Israeli Airlines Ltd. - Reprezentanța pentru România - service contract for the embarkation and disembarkation of passengers at airports' mobile jetways
- 15- DUBAI Aviation Corporation T/A Fly Dubai - service contract for the

- embarkation and disembarkation of passengers at airports' mobile jetways
- 16- KLM Royal Dutch Airlines - service contract for the embarkation and disembarkation of passengers at airports' mobile jetways
  - 17- DEUTSCHE LUFTHANSA Aktiengesellschaft - service contract for the embarkation and disembarkation of passengers at airports' mobile jetways
  - 18- PEGASUS HAVA Tasimaciligi A.S. - service contract for the embarkation and disembarkation of passengers at airports' mobile jetways
  - 19- QATAR Airways Group Q.C.S.C. service contract for the embarkation and disembarkation of passengers at airports' mobile jetways
  - 20- SWISS Intemational Air Lines Ltd. - service contract for the embarkation and disembarkation of passengers at airports' mobile jetways
  - 21- TURKISH Airlines Inc. - service contract for the embarkation and disembarkation of passengers at airports' mobile jetways

Performing at AIBB-AV:

- 1- AUTORITATEA AERONAUTICĂ CIVILĂ ROMÂNĂ - contract for the provision of airport services
- 2- AEROSPACE SERVICES SRL - contract for the provision of airport services
- 3- BECKER AVIATION Trans SRL - contract for the provision of airport services
- 4- C&I Corporation SRL - contract for the provision of airport services
- 5- EURO JET Intercontinental Limited - contract for the provision of airport services
- 6- ROMANIAN AIRPORT SERVICES SA - contract for the provision of airport services
- 7- REGIONAL AIR SERVICES SRL - contract for the provision of airport services
- 8- ȘCOALA SUPERIOARĂ DE AVIAȚIE CIVILĂ – contract for the provision of airport services
- 9- TOYO AVIATION SRL - contract for the provision of airport services
- 10- FLY LEVEL SRL - contract for the provision of airport services

► **Signing of new contracts (airport services, services for passenger's embarkations and disembarkation at jetways and business lounge)**

Performing on AIHCB

- 1- FCG (Flight Consulting Group) Limited - contract for the provision of airport services
- 2- AIR CONNECT Aviation Group SRL - contract for the provision of airport services
- 3- HISKY EUROPE SRL- contract for business lounge services
- 4- LUXAIR - contract for business lounge services
- 5- DEUTSCHE LUFTHANSA Aktiengesellschaft - contract for business lounge services
- 6- SWISS Intemational Air Lines AG - contract for business lounge services
- 7- BRITISH AIRWAYS PLC - contract for business lounge services
- 8- WIZZ AIR Hungary Zrt. - service contract for the embarkation and disembarkation of passengers at airports' mobile jetways

Performing on AIBB-AV:

- 1- FCG (Flight Consulting Group) Limited - contract for the provision of airport services
- 2- Fly Lili SRL - contract for the provision of airport services



- 3- Fly One Airlines SRL - contract for the provision of airport services
- 4- JETAV Flight Training Company SRL - contract for the provision of airport services
- 5- MY JET SRL - contract for the provision of airport services
- 6- AEROCLUBUL ROMÂNIEI - contract for the provision of airport services

At the end of 2022, SCO had in its portfolio:

- 37 contracts for the provision of airport services concluded with Romanian and foreign air operators, taking place at AIHCB and AIBB-AV;
- 18 direct commercial relations developed at AIHCB, according to AIP Romania, with foreign air operators;
- 7 contracts for the provision of airport services concluded with aviation handling companies/brokers, as Intermediaries for collecting the consideration for airport services from air operators that are not in a direct commercial relationship with CN AB SA;
- 1 contract for directing aircraft on the ground, taking place at AIHCB;
- 19 contracts for business lounge services;
- 14 service contracts for passenger embarking/disembarking at mobile jetways;
- 5 contracts for the use of the airport infrastructure concluded with authorized agents providing ground handling services, taking place at AIHCB and AIBB-AV;
- 7 ground handling - fuelling contracts concluded with authorized fuelling service providers, taking place at AIHCB and AIBB-AV;
- 1 joint venture agreement - aircraft supply with aviation fuel, taking place at AIHCB;
- 1 joint venture agreement - general aviation, taking place at AIHCB;
- 5 contracts for the use of the airport infrastructure concluded with authorized agents for the provision of aircraft catering services/supply of on-board supplies, taking place at AIHCB and AIBB-AV;
- 41 rental contracts concluded with Romanian and foreign aeronautical agents and companies with a similar profile, taking place at both work points;
- 1 auto fuel delivery contract, taking place at AIHCB.

► **Analysis of revenues registered from contracts for the use of airport infrastructure and facilities (handling)**

<b>REVENUES (RON)</b>			
<b>PROVIDER</b>	<b>2021</b>	<b>2022</b>	<b>VAR</b>
GLOBEGROUND	772,037.9	102,259.6	32%
MENZIES	414,125.6	638,416.3	54%
RAS AIHCB	316,542.5	499,123.8	58%
UPLIFT	185,729.9	169,847.8	-9%
<b>Total handling AIHCB</b>	<b>168,843.6</b>	<b>232,998.4</b>	<b>38%</b>
RAS AIBB	55,717.24	67,961.08	22%
<b>Total revenues handling</b>	<b>174,415.3</b>	<b>239,794.5</b>	<b>37%</b>

AERO SKY AIHCB	20,103.35	814,68.97	<b>305%</b>
ANSAMBLE	150,898.3	243,946.1	62%
DNATA	293,040.1	291,319.1	-1%
<b>Total revenues catering AIHCB</b>	<b>464,041.8</b>	<b>616,734.2</b>	<b>33%</b>
AERO SKY AIBB	129,125.5	319,978.4	148%
<b>Total revenues catering</b>	<b>476,954.3</b>	<b>648,732</b>	<b>36%</b>
<b>TOTAL HANDLING SERVICES</b>	<b>2,221,107</b>	<b>3,046,677</b>	<b>37%</b>

Note: The situation includes all revenues registered through contracts

The royalties charged in contracts of this type are provided by the Nomenclature of tariffs and applicable rules, the editions in force for AIHCB and AIBB-AV.

### ► Analysis of the operating program (routes/destinations served)

By referring to the year of excellence 2019, although in 2022 air traffic felt a strong revival compared to 2021 when reduced revenues were achieved due to traffic reduced by restrictions, CNAB SA's revenues from the basic activity continued to be affected. However, the revenues attracted from the basic activity have significantly exceeded the forecasted levels, in 2022 being reported an increase of approximately 60% of the revenues from the provision of airport services compared to the previous year.

Regarding the airlines that flew to/from AIHCB during 2022, we specify that the air operator WIZZ AIR Hungary Zrt. opened 7 new routes to/from AIHCB during 2022 and increased the operational base from AIHCB to 16 aircraft (December 2022 reporting).

In September 2022, the air operator Blue Air Aviation SA suspended its flights, the destinations served being taken over by other air operators, mainly by WIZZ AIR. On 31.12.2022, Blue Air Aviation had a debit of RON 16,875,829.18, to which is added the conventional interest until the settlement of the claim, for which the Legal Service within CNAB SA initiated the legal steps for recovery through the courts (among other actions, on 08.12.2022, the request for approval of the execution of the movables that is the subject of contract no. 319/C/17.09.2021 was promoted on 08.12.2022 by the Buftea Court requesting the court to sell the movable assets consisting of 40,000,000 registered shares, subscribed and paid-in, in the share capital of AIRLINE INVEST SRL - majority shareholder of Blue Air Aviation SA. The litigation was registered with file number 26961/94/2022).

During 2022, the airline HiSky Europe SRL started operating flights to/from AIHCB, with regular domestic and international commercial flights, as well as charter flights. A new operator returning to AIHCB is the airline LUXAIR with regular seasonal flights to Luxembourg.

Also, during 2022, CNAB SA, through SCO, conducted negotiations with several air operators that started/will start operating to/from AIHCB and AIBB-AV in the current year. Among them are Air Connect Aviation Group SA, Norwegian Airlines, Air Baltic, Fly Lili SRL, Fly One Airlines, Aerolitalia and Dan Air (AOC) SRL.

In order to encourage the development of commercial flights to/from the two work points, in 2022, the company's contracting policy was adjusted, being concluded contracts for the provision of airport services and with aviation brokers (intermediaries that ensure the payment of airport services

for the operators airlines served).

On 31.12.2022, the national carrier CN TAR-TAROM SA registered a total debit of RON 178,253,349.08, of which RON 170,215,379.72 were outstanding. To cover the exposure of CNAB SA, real estate and movable mortgage contracts were concluded with the debtor, on 31.12.2022, the value of the guarantee being RON 147,888,858. As part of the restructuring plan agreed with the European Commission, the national operator closed in 2022 important routes such as Munich (currently served only by Deutsche Lufthansa AG), Vienna (currently served by Austrian Airlines and Ryanair) and Barcelona (currently served only by Wizz Air). In 2022, the national air carrier had no competitor on the OTP-BUD route.

#### **New Airlines/New Routes 2022**

	<b>OTP</b>	<b>BBU</b>
New Airlines	3	4
New regulated routes (2022)	9	0
New companies in relations with CNAB SA (2022)	42	13

#### **3.1.2. Leasing activity (aeronautical agents or similar companies - contracts running at both work points)**

- **The conclusion of new space/land space rental contracts at the two CNAB work points**

- **GLOBEGROUND ROMANIA SA (AIHCB)**

Rental contract no. 243/C/23.06.2022 has as its object the rental of spaces with a total area of 177.94 sqm in the premises of the Henri Coandă International Airport (AIHCB) for carrying out specific handling activities and a monthly value of 5,061.40 Eur/month+VAT.

- **UPLIFT AIRPORT SERVICES SA (AIHCB)**

Rental contract no. 373/C/24.08.2022 has as its object the provision by the Owner of spaces necessary for the logistical organization of the handling activity performed by the Tenant, located within the premises of the Henri Coandă International Airport Bucharest

The total area provided for in the contract is 8,546.35 sqm, the value of the contract is 16,043.69 Eur/month + VAT.

- **S.C. REGIONAL AIR SUPORT S.R.L (AIHCB)**

Lease contract no. was signed. 454/C/05.10.2022 which has as its object the rental of a space with the destination of a ticketing counter with a total area of 8.00 sqm in the premises of Henri Coandă International Airport, intended for carrying out specific activities. The amount paid monthly by the Tenant is 368.00 Eur+VAT.

- **RA ROMATSA - D.S.N.A.B. (AIBB-AV)**

Contract no. 122/C/01.04.2022 provides the provision to the Tenant of an area of 332.29 sqm with various uses, located within the premises of the Bucharest Băneasa-Aurel Vlaicu International Airport, for carrying out the operational activity of air traffic management. The value of the contract is 3,209.20 Eur/month + VAT.

- **FLY LILI SRL(AIBB-AV)**

Contract no. 374/C/24.08.2022 provides the rental of a ticketing counter in the Bucharest Băneasa-Aurel Vlaicu International Airport, with an area of 1.55 sqm and a monthly value of 71.30 Eur + VAT.

- **Changes to the lease contracts for existing spaces/land surfaces at the two CNAB work points**

- **CN TAR TAROM SA (AIHCB)**

Rental contract no. 6/CI0.01.2018 in the monthly amount of 7,629.72 Eur+VAT had as its object the rental of spaces within the Aerogara de Marfuri building and ended on 23.09.2022, by CNAB SA taking over the rented spaces, at its request.

Rental contract no. 7/C/10.01.2018 has as its object the rental of land and platforms in the AIHCB Technical Zone. By addenda no. 7/23.09.2022, CNAB SA took over from the tenant an area of 5,764 sqm, which led to the decrease of the monthly rent by 5,661 Eur. The updated value of the monthly income is 68,618.70 Eur+VAT.

- **RA ROMATSA DSNAB (AIHCB)**

Contract no. 379/C/17.08.2011 which has as its object the lease of land at AIHCB for the location of ILS and wind detector was added to supplement the leased area by 45 sqm - by additional act no. 3/23.05.2022 and for the addition of 10 square meters - by additional act no. 4/18/08/2022. The updated monthly value of the contract is 739.73 Eur + VAT.

- **MENZIES AVIATION ROMANIA SA**

Contract no. 61/C/21.02.2017 has as its object the rental of spaces on the premises of AIHCB, with an area of 322.57 sqm, for the logistical organization of handling activities. The monthly value of the contract is 8,660.38 Eur + VAT.

On 11.03.2022, Additional Act no. 7, by which obligations are introduced for the Tenant not to exhibit identification elements, commercial messages/slogans, etc. on the surface of the ticket counters, except for their own.

On 27.06.2022, at the request of the Tenant, the Additional Act nr. 8 was signed for the reduction of the leased area by 8.16 sqm, representing 2 spaces for the ticketing counter, located in AIHCB-Departures Terminal, ground floor.

- **ROMANIAN AIRPORT SERVICES SA (AIBB-AV)**

Rental contract no. 217/10.07.2018 provides for the lease of an area of 266.70 sqm in the premises of AIBB-AV for the organization of the specific ground handling activity. The monthly value of the contract is 5,942.42 Eur+VAT.

On 02.06.2022, the contract was amended by updating aviation safety requirements (AA no. 5).

- **ROMANIAN AIRPORT SERVICES SA (AIHCB)**

Rental contract no. 73/C/01.03.2017 provides for the lease of an area of 247.56 sqm in the AIHCB terminal and has a monthly value of 4,043.84 Eur+VAT. On 26.09.2022, the contract was amended by concluding Additional Act no. 9 resulting in a monthly rent increase of 320.55 Eur.

- **RA RASIROM (AIBB-AV)**

Through the additional Act no. 2 to the rental agreement no. 288/C/12.06.2020, the execution of the contract was resumed on 01.07.2022 considering the termination of the suspension of the main service contract no. 224/C/22.04.2020 completed between CNAB SA and RA RASIROM Association (leader) and UTI Facility Management S.A.

During 2022, at the request of the contractual partners, as a result of the restriction of the activity on the Romanian market or the suspension of the activity/loss of the operating license, the following rental contracts were terminated:

- no. 596/C/22.12.2020 concluded with AEROENGINEER INTERNATIONAL SRO (monthly value of 1,072.50 Eur+VAT),
- no. 499/C/01.10.2020 concluded with AEROFLOT- RUSSIAN AIRLINES (monthly value of 364.32 Eur+VAT),
- no. 135/C/28.04.2021 concluded with BLUE AIR AVIATION SA (monthly value of 4,187.84 Eur+VAT).

The rest of the rental contracts were maintained, the effect of their addition or the signing of the new contracts mentioned above being a slight increase in rental income with aeronautical agents compared to 2021.

From the contracts managed by SCO, revenues in the amount of RON 20,079,475.86 were achieved, which accumulates 57% of the total non-aeronautical revenues achieved by CNAB SA, of RON 35,185,047.79 – according to preliminary budget execution December 2022 rent account 706.

Regarding the actual collection of the invoiced revenues, we point out the exceptional situation of the tenant CN TAR-TAROM SA, which had on 31.12.2023 a cumulative outstanding debit of RON 170,215,379.72. The detailed situation of the balance per partner is detailed below:

DEBIT TAROM- 31.12.2022, RON	
Total	178,253,349.08
On Termen	8,037,969.36
Overdue	170,215,379.72
Delay 1-30 days	15,187,103.61
Delay 31-60 days	11,175,856.57
Delay 61-90 days	16,532,772.57
Delay 91-120 days	7,577,286.09
Delay 121-270 days	58,281,834.27
Delay 271-365 days	25,077,136.03
Delay >365 days	36,383,390.58

## **► Participation association activity (aeronautical agents)**

- **ION ȚIRIAC AIR SRL - contract no. 6612/24.05.1999**

Joint venture agreement no. 6612 was concluded on 24.05.1999 between CNAB (formerly CN AIBO SA) and Ion Țiriac Air SRL, with validity until 23.05.2048 (49 years) and the possibility of being extended at least 6 months before the expiry duration through a written document.

The object of the contract is the performance of the general aviation activity, and the purpose of the association is to make a profit.

CNAB contributed the right of use over a land of an area of 12,500 square meters, and Ion Țiriac Air SRL participated with the investment made in the amount of \$15,069,672, consisting of a stationary platform for aircraft, an airshed, and a terminal for spassenger (these will become the property CNAB upon termination of the contract).

According to art. 16 of contract no. 6612/1999: "[ ... ] At the expiration of the duration of the association contract, the parties agree that the infrastructure built by SC Ion Țiriac Air SRL will become the property of CN AIBO SA as its participation quota has been amortized".

Annually, the association registers a loss (although the purpose declared by the contract is to make a profit), and CNAB collects only the minimum guaranteed income of USD 3,250/month+VAT. CNAB's income from this contract, related to the year 2022, is the equivalent in RON of USD 39,000.

By BD's Decision no. 16/29.09.2022 the proposal addressed to CNAB SA by the associate Ion Țiriac Air SRL, formulated by address no. 1018/25.05.2022, to purchase the land whose use was brought as a contribution by CNAB S.A. within the joint venture agreement no. 6612/24.05.1999 that **it is not in the company's interest to proceed with the proposal to alienate the land owned by CN AB SA to Ion Țiriac Air SRL, nor to terminate the association contract no. 6612/24.05.1999 through a patrimonial transaction, but to go through the stages of termination of the association contract, through the approval of the Board of Directors and the approval of the General Meeting of Shareholders, of the operation of unilateral termination of this contract. The General Assembly took note of this decision through EGMS no. 17/07.11.2022.**

With regard to the situation of illegally occupied spaces, the Ilfov Court was registered file no. 830/93/2021 with the object "obligation to do", in which CNAB has the capacity of plaintiff.

- **OMV PETROM AVIATION SRL- association contract no.2407/07.05.1996**

Between CNAB S.A. and OMV PETROM AVIATION S.R.L. the joint venture agreement no. 2407/07.05.1996, with the purpose of supplying the association's customers with fuel, lubricants, and other products. The contract terminates by law on 06.05.2036.

Considering the long contractual period for which it was concluded (40 years), the parties regulated by contract that the price will be updated annually, together with the publication by the Bureau of Labor Statistics - USA of the Producer Price Index.

On 05.12.2022, additional act no. 28 to the contract, which updated the value of the contract for the year 2023 with the PPI (Producer Price Index) value of 106.55%.

The revenues achieved in 2022 are 4,910,572.

- **ANSAMBLE INFLIGHT SRL - association contract no. 1360/04.03.1999 (terminated)**

Joint venture agreement no. 1360/04.03.1999 was initially concluded with TD MACI TRADING SRL and later taken over by ANSAMBLE INFLIGHT SRL terminated, by reaching the deadline, on 18.04.2021.

CNAB SA promoted a real estate acquisition action through which the airport administration requested the acquisition of the property right over the building built by the associate. Based on Civil Decision no. 1769/16.12.2021, pronounced by the Bucharest Court and Civil Decision no. 1552/03.11.2022, pronounced by the Bucharest Court of Appeal in file no. 15642/3/2020, starting from 25.11.2022 (date of compensation payment, in accordance with Payment Order no. 3805/25.11.2022), CNAB SA holds the full ownership of the construction B+GF+3S, built on the CNAB's property, identified with cadastral number 227215, located in Bucharest, Șos. Bucharest-Ploiesti no. 40, sector 1 (precinct AIBB-AV).

### **III.3.2 NONAERONAUTIC PROFILES**

#### **III.3.2.1 RENT OF SPACE**

##### ***For the working point AIHCB***

- ▶ During 2022, within the Commercial Service, a number of 39 space rental contracts were managed, for a series of commercial profiles, respectively: pharmacy, car rental, supermarket, banking activities (bank machines and work point commercial bank), post office, mobile phone, press-stationery, hairdresser, exchange office, STB counter, travel retail store, fuel station, public food vending machines, counter and VAT refund totem for non-EU passengers, traditional lotto-type games, commercial ticketing. Of these, 32 contracts were concluded during 2022 through the organization of tender procedures at the Romanian Commodity Exchange and bidding contests at the CNAB's headquarters.
- ▶ The commercial profiles newly assigned through tender procedures and implemented during 2022 were: vending machines for cold / hot drinks and sandwiches, traditional lotto-type games, commercial ticketing.
- ▶ Also, the tender procedures were supported for the rental of the areas with the following commercial profiles: supermarket, packing and securing of baggage, ATMs.

##### ***Working point for AIBB AV***

- ▶ 8 space and land lease contracts were managed, to ensure the following commercial profiles: banking activities via ATM, touch-screen taxi ordering terminal, car sales/service exhibition, fuel station, flower exhibition/restaurant, food vending machines, exchange office, packing and securing hold luggage. Of these, 5 contracts were concluded during 2022 by the organization of tender procedures through the Romanian Commodity Exchange, as well as tenders, as appropriate.
- ▶ The newly assigned commercial profiles during 2022 were: food vending machines, exchange office, baggage security, ATM banking activities, touch-screen taxi ordering terminal.

### **III.3.2.2 PROTOCOL SERVICES**

The number of protocol contracts managed on a contractual basis during 2022:

- business lounge for banking institutions: 11
- official protocol: 216
- economic agents protocol: 432

In 2022, revenues from the protocol services on a contractual basis were in value of RON 6,377,909.16, an increase of 75.27% compared to 2021, mainly due to the increase in passengers' traffic.

### **III.3.2.3 JOINT VENTURES**

Revenues from joint ventures for the food and retail profile registered an increase of 128.6% in 2022 compared to 2021, following the reopening of several points of sale (some of which were closed during the pandemic period), as well as the increase of passengers' traffic.

- to the joint venture agreement no. 527/C/27.10.2010 concluded with DNATA CATERING SA regarding the public catering activity, the result of the association was RON 27,726,612.36, registering an increase of 314.6% in 2022 compared to 2021.
- to the joint venture agreement no. 528/C/27.10.2010 concluded with Millenium Pro Design SRL regarding the retail activity, the result of the association was RON 32,578,471, registering an increase of 203.38% in 2022 compared to 2021.

In 2022, the receipts related to the two association contracts were RON 59,991,847.84.

### **III.3.2.4 ADVERTISING**

CNAB can conclude contracts for advertising space, by direct assignment, with the approval of the executive management "*for a maximum period of 90 days/year*", according to the Decision of the Administrative Council no. 13/01.07.2013 (point 4) and the Decision of the Board of Directors no. 10/2021 (point 21.4.).

The price is determined based on the related rate provided in the *Nomenclature of AIHCB rates and application rules* and the provisions of *Report no. SC/818/20.05.2021 for the regulation of the conditions for contracting spaces for displaying commercial advertising in the premises of the airports, part of CNAB in the current economic context*, approved by the Decision of the Board of Directors no. 10/2021 (point 21.4.).

In 2022, 47 contracts for advertising space and 3 for the distribution of promotional material were concluded, the activity of advertising registering a revival and increased interest from customers, along with the increase in passengers' traffic.

The revenues from advertising exposure were in the amount of RON 4,205,636.70, with an increase of 1,012.33% compared to the revenues registered in 2021 (RON 378,093.89).



### **III.3.2.5 TAXI**

In 2022, 4 taxi order terminals were in operation, for which 16 icons were billed through the development of 5 contracts.

### **III.3.2.6 UTILITIES and PARKING**

The Commercial Service managed a number of 381 contracts for electricity, water sewerage, thermal energy, telecommunications, telephony, rental of data circuits, sanitation services, cleaning services, rental of radio communication/trunking equipment, 75 of these contracts were concluded during 2022. Revenues from the provision of utility services amounted to RON 21,070,709.23, with an increase of 96.72% compared to 2021.

At the same time, a number of 37 contracts for parking access were managed, 2 of these contracts were completed during 2022. The revenues from this activity in 2022 had a value of RON 1,177,370.52, with an increase of 25.93 % compared to 2021.

**UTILITIES -TOTAL** 381 contracts, of which 75 completed in 2022:

- WATER-SEWERAGE  
- no. managed contracts - 80, of which 15 concluded during 2022
- ELECTRICITY  
- no. managed contracts - 103, of which 20 concluded during 2022
- THERMAL ENERGY  
- no. managed contracts - 65, of which 13 concluded during 2022
- TELECOMUNICATIONS  
- no. managed contracts - 67, of which 9 concluded during 2022
- TELEPHONE - no. managed contracts - 2
- DATA CIRCUIT RENTAL - no. managed contracts - 3
- PROVISION OF SERVICES (SANITATION)  
- no. managed contracts - 19, of which 3 concluded during 2022
- PROVISION OF SERVICES (CLEANING)  
- no. managed contracts - 18, of which 6 concluded during 2022
- AIHCB and AIBB-AV UTILITIES  
- no. managed contracts - 19, of which 3 concluded during 2022
- RENTAL OF TRUNKING RADIO COMMUNICATIONS EQUIPMENT  
- no. managed contracts - 24, of which 2 concluded during 2022
- PARKING  
- no. managed parking access contracts AIHCB and AIBB-AV - 37, of which 2 concluded during 2022.

## **IV. ECONOMIC-FINANCIAL RESULTS OF CNAB SA**

### **IV.1. STATISTICAL INDICATORS. TRAFFIC DATA**

Indicator	CNAB			
	2020	2021	2022	% 2022/2021
Number of passengers	4,468,906	6,922,297	12,610,247	<b>182.17%</b>
Aircraft movements	67,696	92,377	120,745	<b>130.71%</b>
Cargo (tone)	31,185	29,399	35,747	<b>121.59%</b>

### **IV.2. MAIN ECONOMIC INDICATORS**

Name of indicator	Thnsd. RON		
	REB Approved	31.12.2022	% achievement
Net turnover	811,836,410	954,859,405	117,62%
Operating income	838,637,710	999,620,222	119,20%
Operating expenses	707,685,376	654,872,626	92,54%
<b>Operating result</b>	<b>130,952,334</b>	<b>344,747,595</b>	<b>263,26%</b>
Financial income	10,725,341	24,077,998	224,50%
Financial expenses	7,822,680	16,120,016	206,07%
<b>Total income</b>	<b>849,363,051</b>	<b>1,023,698,219</b>	<b>120,53%</b>
<b>Total expenses</b>	<b>715,508,056</b>	<b>670,992,643</b>	<b>93,78%</b>
<b>Gross result</b>	<b>133,854,996</b>	<b>352,705,576</b>	<b>263,50%</b>
Tax	26,407,910	52,726,408	199,66%
Deferred profit tax	-	-	-
Deferred tax income	-	3,975,209	-
<b>Net result of the exercise</b>	<b>107,447,086</b>	<b>303,954,377</b>	<b>282,89%</b>

#### **IV.2.1 FINANCIAL PERFORMANCE**

The financial results of CNAB in 2022 reflect a **realignment of the activity, respectively of the operating income**, following the specific conditions of the years 2020 and 2021 in which the company's activity was severely affected by the restrictions imposed by the COVID-19 pandemic.

##### **Revenues**

In the 2022 Revenue and Expenditure budget of Compania Nationala Aeroporturi Bucuresti SA, approved by GD 1309 / 28.10.2022, total revenues in the amount of RON 849,363.05 thousand were provided. The revenues in the amount of RON 1,023,698.22, registered an increase compared to the budget's provisions in the absolute amount of RON 174,335.17 thousand (representing a percentage of + 20.53%). In total revenues, operating revenues account for 97.65%, and financial revenues for 2.35%

From the group of **operating incomes**, the largest rate is the income from the basic activity, a quota of 75.57%, followed by the income from rents (where the profit from joint ventures is recorded), a weight of 9.99%.

The **revenues from the basic activity**, the main component of the total revenues obtained by CNAB SA (73.79% quota in total revenues), achieved in 2022, registered an increase compared to the budget's provisions for the year 2022 in the amount of +14.27%, mainly due to the increase in the number of passengers by +12.26% (12,610,247 pax compared to 11,233,553 pax forecast for the two airports). These revenues are directly proportional to the level of registered traffic. Along with the basic activity, CNAB SA carries out a series of other activities, thus obtaining income from ancillary

activities in the amount of RON 98,900.25 thousand, whose share in total income is approximately 9.66%. "Revenues from ancillary activities" registered an increase of +37.20%.

### **Expenditure**

In the 2022 Revenue and Expenditure Budget of Compania Nationala Aeroporturi Bucuresti SA, total expenses in the amount of RON 715,508.06 lei were foreseen. The expenses incurred were in the amount of RON 670,992.64 thousand, thus registering a degree of achievement of 93.78%. In total expenses, operating expenses account for 97.60%, and financial expenses for 2.40%.

**The material expenses** in 2022 were in the amount of RON 17,349.12 thousand and covered the company's needs for fuel, spare parts, consumables, and inventory items necessary for carrying out the activity in optimal conditions on the airport platform.

**Personnel expenses** in 2022 amounted to RON 223,473.23 thousand and determined an average monthly profit per employee based on salary expenses of RON 12,926.13. Personnel expenses account for 33.30% of total operational expenses.

**Depreciation expenses** represent 22.31% of the total operating expenses incurred in 2022, they were in value of RON 146,129.96 thousand, registering a degree of achievement of 94.28% in relation to the Approved REB.

The chapter "**Expenses with external services**" has a quota of approx. 26.36% of the total operational expenses, the second largest quota after personnel expenses. The largest quota within this chapter of expenses is represented by "Services third parties", 49.22%, which includes expenses with security contracts, cleaning, aeronautical safety audit, IT services and other services necessary to ensure the activity to the assumed standards. The second quota in terms of importance is represented by "Maintenance and repairs", 47.08% and includes the contracts related to the maintenance, renovation and rehabilitation of the infrastructure and integrated airport systems and the repair and maintenance contracts necessary to ensure the proper functioning of the company's equipment and machinery.

**Financial expenses** represent 2.40% of the company's expenses, without having a major impact on the company's economic performance. The most important expenses are those generated by exchange rate differences.

### **The situation of treasury credits**

Taking into account the deterioration of financial indicators during 2020 and 2021, with major influences in the establishment of financing sources for current activity as well as investment, by the Decision of the Board of Directors no. 5 of 23.03.2021 and Decision of the Extraordinary General Meeting of Shareholders no. 7 of 06.05.2021 the contracting of an investment loan in the amount of EUR 40 million was endorsed, respectively approved, in order to finance the investment objectives and/or the partial refinancing of own sources of CNAB, with real movable and immovable guarantees.

The situation of the use of bank loans contracted by C.N. Bucharest Airports on 31.12.2022 is presented as follows :

<b>Treasury credit EUR 60.000.000</b>		<b>Investment credit EUR 40.000.000</b>	
<b>Amount of withdrawal</b>	<b>Date of withdrawal (Eur)</b>	<b>Amount withdrawal of</b>	<b>Date of withdrawal (Eur)</b>
<b>15,000,000.00</b>	19.10.2020	<b>14,000,000.00</b>	11.06.2021
<b>15,000,000.00</b>	15.12.2020		
<b>withdrawal on 31.12.2020</b>			
<b>15,000,000.00</b>	04.01.2021		
<b>4,000,000.00</b>	29.03.2021		
<b>11,000,000.00</b>	20.09.2021		
<b>Total amounts drawn at 31.12.2022 EUR 60,000,000.00</b>		<b>Total amounts drawn at 31.12.2022 EUR 14,000,000.00</b>	
<b>Credit available (EUR)</b>		<b>Credit available (EUR)</b>	
-		To be used up to <b>26,000,000.00</b>	31.12.2023

<b>Treasury credit repayments EUR</b>	
<b>7,500,000.00</b>	08.03.2022
<b>7,500,000.0</b>	26.05.2022
<b>15,000,000.0</b>	08.08.2022
<b>5,000,000.0</b>	23.09.2022
<b>5,000,000.00</b>	23.12.2022
<b>Total amounts reimbursed at 31.12.2022</b>	
<b>Eur 40,000,000.00</b>	
<b>Credit balance at 31.12.2022</b>	
<b>Eur 20,000,000.00</b>	

► **Treasury credit installment repayment status**

- According to the credit agreement 97/8130/22.09.2020 concluded with BRD, the repayment of the treasury loan is made in 8 equal quarterly instalments, starting from March 2022 until December 2023;
- Until 31.12.2022, CNAB reimbursed 40 million EUR, as follows:
  - 08.03.2022 - repayment in advance instalment 1 - 7.5 million EUR;
  - 26.05.2022 - repayment in advance instalment 2 - 7.5 million EUR;
  - 08.08.2022 - repayment in advance instalment 3 and 4 - EUR 15 million

-23.09.2022-repayment rate 5 - 5 million EUR (following the change in the repayment schedule)

-23.12.2022-payment rate 6-5 million EUR

- The next instalment in the amount of EUR 5 million will be due on 23.03.2023;
- Interest paid between 19.10.2020- 31.12.2022 for the use of the credit of EUR 60 million, was EUR 168,712.74.

► **Status of use of investment credit**

- According to the credit agreement no. 20210525020/2021 concluded with BCR, the repayment of the investment loan is made in 12 equal quarterly instalments, in the amount of EUR 3.33 million, starting from August 2024 until May 2027;
- Through the Decision of the Board of Directors no. 7/19.05.2022 the extension of the withdrawal period of the remaining unused amount from the BCR investment loan was approved, until 31.12.2022, according to STEC Report 241/03.05.2022;
- Through the Decision of the Board of Directors no. 17/27.10.2022 the extension of the withdrawal period of the amount remaining unused from the BCR investment loan was approved, until 31.12.2023, according to STEC Report 476/04.10.2022;
- The interest paid between 11.06.2021 and 31.12.2022 for the use of EUR 14 million from the EUR 40 million investment loan was EUR 202,732.46.

**IV.3. SYNTHESIS INDICATORS**

<b>Liquidity indicators</b>	<b>2021</b>	<b>2022</b>
1. General liquidity = Current assets / Current liabilities	1.16	1.79
	488,611,735/422,700,245	607,726,398/338,994,888
2. Immediate liquidity =(Current assets - Inventories) / Current liabilities	1.11	1.74
	471,023,095/422,700,245	589,701,794/388,994,888
3. Global solvency rate = Total assets / Total liabilities	5.39	7.62
	4,823,886,403/895,644,653	4,868,811,879/639,333,022

<b>Financial balance rates</b>	<b>2021</b>	<b>2022</b>
1. Fixed asset financing rate = Permanent capital/ Fixed assets	0.98	1.03
	4,247,092,265/4,333,406,531	4,389,875,986/4,259,852,540
2. Financing ratio of current	13.92	44.51

assets = Net working capital x 100 / Current assets	$67,771,035 \times 100 / 486,743,598$	$269,958,948 \times 100 / 606,493,457$
3. Financial autonomy rate = Equity / Permanent capitals	0.92	0.96
	$3,928,241,750 / 4,247,092,265$	$4,229,478,857 / 4,389,875,986$
<b>Activity indicators</b>		
	<b>2021</b>	<b>2022</b>
1. Debt collection period = Average trade receivables balance * 365 / Fiscal value	47.21	61.09
	$72,087,392 \times 365 / 557,371,330$	$159,824,225 \times 365 / 954,859,405$
2. Debt repayment period = Average trade debt balance* 365 / Turnover	43.45	22.05
	$66,356,390 \times 365 / 557,371,330$	$57,679,031 \times 365 / 954,859,405$
3. Fixed assets turnover = Turnover/ Fixed assets	0.13	0.22
	$557,371,330 / 4,333,406,531$	$954,859,405 / 4,259,852,540$
4. Turnover rate of total assets = Turnover / Total assets	0.12	0.20
	$557,371,330 / 4,823,886,403$	$954,859,405 / 4,868,811,879$
5. Stock turnover = Turnover/Average stock	31.59	53.62
	$557,371,330 / 17,641,326$	$954,859,405 / 17,806,622$

<b>Indicators regarding the degree of indebtedness</b>		
	<b>2021</b>	<b>2022</b>
1. Debt ratio = Borrowed capital x 100/ Equity	9.32	3.98
	$366,159,400 \times 100 / 3,928,241,750$	$168,211,600 \times 100 / 4,229,478,857$
2. General debt ratio= (Total Debts/Total Assets)*100	18.57	13.13
	$895,644,653 / 4,823,886,403 \times 100$	$639,333,022 / 4,868,811,879 \times 100$

<b>Analysis of the need for working capital</b>		
	<b>2021</b>	<b>2022</b>
1. Current assets	488,611,735	607,726,398
2. Availability	204,096,755	294,975,178
3. Short-term debts are the amounts owed to institutions	422,700,245	240,046,888
4. N.F.R. (1-2-3)	- 138,185,265	72,704,332
5. F.R.N = Net Current Assets - Net Current Liabilities	67,771,035	269,958,948
6. T.N. (F.R.N. - N.F.R.) (5-4)	205,956,300	197,254,616

## **V. RISK ANALYSIS**

The risk represents the uncertainty of the occurrence of a phenomenon which, if it happens, can have influences on the established objectives. Risk refers in particular to the degree of uncertainty that hangs over future events.

The first stage in the risk analysis aims to identify CNAB's exposure to events of an uncertain nature and with a potential impact on the normal development of the airport's activity. In this sense, the main activities carried out by CNAB, as well as the internal and external factors that can influence the company, were taken into account. This preliminary analysis led to the identification of a series of risks that were grouped according to their typology into five categories detailed below.

### **Negative developments across the general economic context**

The development of CNAB's activity depends, to a significant extent, on the macroeconomic developments both domestically and worldwide, the general economic context having a significant impact upon passengers' traffic and, thereby, upon the company. The occurrence of negative trends in economy on a global scale, such as the economic crisis, is a potential short-term risk, however, with relatively low predictability, considering the multitude of determinants.

### **Business risks**

The main business risks are those related to demand and revenues. Within CNAB, they may take the following shapes: decrease of revenues due to the conjectural decrease of air traffic (epidemics, accidents, etc), airlines cancelling some of their flights or an airline shutting down its business. Considering that most passengers fall into the "origin/final destination" category, the flights run by an airline can be relatively easily taken over by other airlines and would not entail financial difficulties for CNAB.

Other possible business risks are: a low occupancy degree of business premises to lease, a decrease of revenues from leases, a low usage degree of new parking spots, a low usage degree of available locations for advertising purposes, a decrease of revenues from joint venture contracts. Given the small share of non-aeronautic revenues, such risks becoming real would not have a significant impact upon the company.

### **Operational risks**

Operational risk is the risk of incurring direct or indirect financial losses as a result of:

- erroneous or inadequate internal processes;
- persons taking the wrong course of action;
- systems displaying implementation deficiencies;
- undesirable external events.

The operational risks identified within CNAB are reflected from a series of events that can negatively influence the proper business processes conducted by the company, these events being related to the existing airport infrastructure, the ongoing/planned investment programs, as well as the structure and number of employed personnel. The main goal is to identify potential risks before they might produce events with negative outcomes.

### **Financial risks**

Significant financial risks are the interest rate risk and the foreign exchange risk. CNAB has a low debt-to-equity ratio, whereas the structure of receipts and releases, from a currency standpoint, is balanced. Under these conditions, this risk remains low in the medium term.

### **Legal risks**

Based on the experts' opinions, provisions were set up for the most significant litigations in terms of plaintiff claims (with CNAB acting as the defendant).

Considering that the level of provisions was set forth in a cautious manner, and the litigations are in various settlement stages, it is unlikely we will see a scenario where CNAB is bound to pay indemnifications which, in terms of amount and duration, could yield financial difficulties for the company, particularly in regard to cash flows.

## **B. NON-FINANCIAL STATEMENT (OMFP 2844/2016, art. 39 par. (1) - (8))**

### **EMPLOYEES' NUMBER EVOLUTION**

The human resources policy focused primarily on the main aspects:

- the management of the human resources in line with fulfilling the company's major objectives;
- selection, recruitment and integration of the human resources;
- retaining and promoting the current human resources;
- maintaining the employee financial incentivizing system, materialized in the Collective Labor Agreement, provided that the economic targets are achieved;
- monitoring working hours and restoring work capacity

In view of the above-mentioned principles, the following objectives were formulated::

- sound and coherent management of the human resources required to carry out airport activities under proper conditions;
- setting up the personnel recruitment and selection process based on the competency principle;
- quick integration of new employees;
- stability and retention of human resources.



Considering these objectives, the company's activity in 2022 was carried out with an average number of 1,345 employees.

**STAFF RECRUITMENT AND EMPLOYMENT** took place in accordance with the company's memorandum of association and procedures. The vacancies put out to competition were notified internally throughout the company and externally, to the County Employment Agency, as provided by Law no. 76/2002 on unemployment benefits and employment stimulation.

**PROFESSIONAL TRAINING** for the year 2022 aimed at maintaining the level of skills of the company's employees, in order to create the necessary conditions for air traffic to be carried out in safe and secure conditions, in compliance with the applicable legislation.

From the point of view of external professional training during 2022, **35 courses** were held in which **168 employees** participated, depending on the location of their implementation, the situation being as follows: 59 employees took online courses, 20 employees conducted trainings at the company's headquarters, 64 employees conducted trainings in Bucharest and in the country, and 25 employees from the Rescue, Fire Fighting and Assistance to Passengers with Reduced Mobility Service participated in trainings abroad.

Out of the total of 168 employees, 53 participated in authorization/reauthorization courses in the regulated fields (eg radiotelephone operator certificate in aeronautical mobile and aeronautical mobile satellite services, forklift operator, etc.).

From the perspective of internal professional training, in 2022, all the company's employees were included in specific workplace training programs, according to the Annual Internal Professional Training Plan (PAFPI 2022).

In order to comply with the legal requirements, in collaboration with the specialised structures, **professional training was included in the process of annual training / review for the personnel who operate facilities and equipment the operation of which entails holding (obtaining and/or extending) internal permits required to conduct business.** For both places of business, 10 such training / review sessions took place throughout 2022, for 94 employees authorised to work as riggers, handlers, forklift drivers, elevator operators, crane operators, scissor lift operators, etc.).

Also, for the staff of the Special Operations Services (AIHCB and AIBB-AV), following the completion of specific training programs, the Professional Training Service issued **11 internal authorizations for the operation of handling and adjacent equipment.**

For the staff of the Platform Management Services (AIHCB and AIBB-AV), the professional training structure conducted training sessions, participated in the examination commissions and respectively issued **41 internal authorizations** for the company's employees with the duties of Ground Dispatcher and Ground Dispatcher Instructor.

### **Occupational health and safety**

In this field, the year 2022 was marked by the company's development and investment efforts with an obvious impact on increasing the degree of safety at work. The efforts of the department responsible for occupational health and safety at work in the company - the Internal Bureau of Prevention and Protection - were oriented on two axes, namely for the substantiation of the specific requirements of

occupational health and safety at work associated with the specifications for acquisitions, respectively for the control in the field of the way in which the entrepreneurs respected the security plans assumed in relation to GD 1425/2006 for the approval of the methodological norms for the application of the provisions of the Occupational Health and Safety at Work Law no. 319/2006.

An imbalance is maintained in terms of the need for operational workers versus workers with administrative activities, a situation that generates a constant pressure on the ability to perform work tasks, rare events, respectively, rarely overcoming the physiological barriers of resistance to stress.

### **Environmental activity**

CN “Aeroporturi București” SA continued its environmental protection efforts, all the more in the context of an increasingly difficult challenge, which is climate change. CN “Aeroporturi București” acknowledges its obligation to protect the environment. The approach within the company is that of development that is “sustainable and considerate” towards the environment, an approach which pursues not only safeguarding public health and the natural environment, but also the continuity of air transport over time.

The Company’s environmental policy is permanently connected to the global environmental protection trends, as they appear following international events. In addition, involvement in national and international environmental programs turns the company into a promoter of integrating research and development and of implementing their results throughout the airport platform. CN “Aeroporturi București” SA sets forth, documents, implements, and maintains an integrated quality/environment/OHS management system and pays special attention to decreasing the environmental impact, permanently trying to balance the requirements in the field of aviation with the environmental protection ones. The company is developed and managed in accordance with all the national and international regulations in the industry. The company’s environmental policy is communicated to partners, suppliers, employees, as well as to all stakeholders. There are permanently operational customer services tasked with replying to comments and suggestions made by them. All the works carried out across the airport platform rely on enhancing performance in the areas of noise, air quality, energy consumption, water protection, waste management, soil protection.

CN “Aeroporturi București” permanently monitors the quality of environmental factors. The performance of measurements to determine / monitor the quality of environmental factors is a requirement imposed via the Environmental Permits related to the activities carried out within the two-business premises and Airport Club.

In the field of waste management, the approach of CN “Aeroporturi București” considers the following aspects:

- Decreasing the amount of waste generated and disposed of into the environment, while implementing the principles pertaining to source reduction, waste selective collection, recycling, reuse, and recovery
- Identifying possibilities to effectively recover and/or dispose of waste generated from activities
- Adapting management practices so that there should be compliance with the legal requirements on waste management.

One of the basic objectives of the strategy adopted by CN “Aeroporturi București” in the field of environmental protection is also the calculation of greenhouse gas emissions, by determining the carbon footprint.

CN “Aeroporturi București” takes part, with both airports, in Airport Carbon Accreditation global program.

Airport Carbon Accreditation is one of the most important programs of ACI Europe, launched in 2009 and managed by an independent structure the members of which are representatives of the European Commission, the UN Environment Programme, the International Civil Aviation Organisation, the European Civil Aviation Conference, the European Organisation for the Safety of Air Navigation.

The airports can take part in the ACI – Airport Carbon Accreditation Program, under one of the 4 gradual accreditation levels: Mapping (1), Reduction (2), Optimisation (3), Transformation (4). Furthermore, airports with level 4 and 4 accreditations can choose to offset their residual emissions, thus reaching levels 3+ (Neutrality) and 4+ (Transition), respectively).

In order to certify for one of the 6 Levels of the Airport Carbon Accreditation Program, the airports shall possess all the documents underpinning the carbon footprint calculation, independently verified in line with the requirements of ISO 14064 by one of the reviewers accredited and approved by the program administrator.

CN “Aeroporturi București” possesses:

- Certificate for the accreditation of Bucharest - Henri Coandă International Airport in the ACI Program - Airport Carbon Accreditation, Level 3 – Optimisation;
- Certificate for the accreditation of Bucharest Băneasa - Aurel Vlaicu International Airport in the ACI Program - Airport Carbon Accreditation, Level 2 – Reduction.

Through its energy-related and carbon management policy, CN “Aeroporturi București” has undertaken to verify and set forth on a yearly basis carbon emission reduction target, for the ultimate purpose of becoming carbon-neutral in 2025 for Henri Coandă International Airport, and in 2030 for Bucharest Băneasa - Aurel Vlaicu International Airport, respectively.

PRESIDENT OF THE BOARD OF DIRECTORS

BACHIDE EDUARD