# AUTOGRILL GROUP
# CONSOLIDATED HALF-YEAR FINANCIAL REPORT
# AT 30 JUNE 2021

AUTOGRILL

TRANSLATED FROM THE ORIGINAL VERSION ISSUED IN ITALIAN

# Boards and Officers

## Board of Directors [1]

### Chairman [2]
**Paolo Zannoni**

### CEO [2]
**Gianmario Tondato Da Ruos [E]**

### Directors
**Alessandro Benetton**
**Franca Bertagnin Benetton**
**Ernesto Albanese [I, 3]**
**Rosalba Casiraghi [I, 4]**
**Francesco Umile Chiappetta [I, 3, 4]**
**Laura Cioli [I, 3, 5]**
**Barbara Cominelli [I, 5]**
**Massimo Di Fasanella D'Amore di Ruffano [I, 5, 6]**
**Maria Pierdicchi [I, 6]**
**Paolo Roverato [4, 5, 6]**
**Simona Scarpaleggia [I, 6]**

### Secretary
**Paola Bottero**

## Board of Statutory Auditors [7]

| | |
|---|---|
| **Francesca Michela Maurelli [8]** | Chairman |
| **Antonella Carù [8]** | Standing auditor |
| **Massimo Catullo [8]** | Standing auditor |
| **Michaela Castelli** | Alternate auditor |
| **Roberto Miccù [8]** | Alternate auditor |

## Independent Auditors [9]
**Deloitte & Touche S.p.A.**

[1] Appointed by the annual general meeting of 21 May 2020; in office until approval of the 2022 financial statements.
[2] Duties and powers of ordinary administration, with individual signing authority, per Board resolution of 21 May 2020.
[3] Member of the Related Party Transactions Committee.
[4] Member of the Internal Control, Risk Management and Corporate Governance Committee.
[5] Member of the Strategies and Sustainability Committee.
[6] Member of the Human Resources Committee.
[7] Appointed by the annual general meeting of 23 April 2021; in office until approval of the 2023 financial statements.
[8] Chartered accountant/auditor.
[9] Assignment granted by the annual general meeting of 28 May 2015, to expire on approval of the 2023 financial statements.
[E] Executive director.
[I] Independent director as defined by the Corporate Governance Code for Listed Companies (version approved in July 2018 by the Corporate Governance Committee and endorsed by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria) and pursuant to Articles 147 ter (4) and 148 (3) of Legislative Decree 58/1998.

## Comparability of figures, alternative performance measures and definitions

### *Comparability of figures*

As mentioned in the Notes to the condensed interim consolidated financial statements at 30 June 2021, estimation and measurement criteria are the same as those used in the consolidated financial statements for the year ended 31 December 2020 and in the condensed interim consolidated financial statements at 30 June 2020, with the exception, as detailed in the Notes, of the adoption of the amendment to IFRS 16, on the recognition in the income statement of benefits of rent reduction of minimum lease payments renegotiated in the first half-year and with impact in the subsequent months.

As in previous years, more than half of the Group's operations are located in countries which use a non-euro currency, primarily the United States of America, Canada, Switzerland and most of the countries in the International area. Due to the local nature of the operations, in each country revenue is generally expressed in the same currency as costs and capital expenditure. The Group also has a currency risk policy, financing a portion of its net assets in the principal non-euro currencies with debt in the same currency, or entering into currency hedges that achieve the same effect. However, this does not entirely neutralize the impact of exchange rate fluctuations when translating individual financial statement items. The comparability of data is therefore affected by exchange rate trends, which are neutralized through the comparisons “at constant exchange rates” as described in the section below.

### *Alternative performance measures and definitions*

The Interim Directors’ report on operations and the condensed interim consolidated financial statements include the consolidated financial and economic measures used by management to monitor the Autogrill Group’s performance. These measures are not defined or specified in the applicable regulations for financial reporting. As the composition of these measures is not governed by the accounting standards, the criteria used by the Autogrill Group to determine them could be different from those used by other groups, so they may not be comparable.

The Alternative Performance Measures are constructed solely on the basis of the Group’s historical financial figures and are determined in accordance with the Guidelines on Alternative Performance Measures issued by ESMA of 5 October 2015 (2015/1415) as per CONSOB Communication no. 92543 of 3 December 2015, considering the additional ESMA guidance of 17 April 2020 “ESMA Guidelines on Alternative Performance Measures (APMs)”.

The following Alternative Performance Measures were used in this Interim Directors' report on operations:

- Revenue: in the Interim Directors' report on operations this refers to operating revenue, excluding fuel sales; they are referred to with the term “Revenue”. Costs as a percentage of revenue are calculated on this basis. For managerial purposes, fuel sales are classified net of the corresponding cost under "Other operating income”.

- Change "at constant exchange rates”: in comparisons with half-year 2020 figures, the sentence "at constant exchange rates" signifies the increase or decrease that would have occurred had the comparative figures of consolidated companies with functional currencies other than the euro been calculated at the same exchange rates employed in the condensed interim consolidated financial statements at 30 June 2021.

- Organic revenue growth: this is calculated by adjusting Revenue for the two periods for the effect of acquisitions, disposals and exchange rates (by translating prior-period sales at the current-period exchange rates) and then comparing the two figures. Organic revenue growth is expressed at constant exchange rates.

- Like-for-like revenue growth: this is calculated by adjusting organic revenue growth for the impact of new store openings and the revenue generated in the comparison period by stores that are no longer in the portfolio, as well as calendar differences (leap year) which are shown separately. Like-for-like revenue growth is expressed at constant exchange rates.

- EBITDA: "Profit (loss) for the period" excluding "Income tax", "Financial income", "Financial expense", "Share of the profit (loss) of equity method investments", "Revaluations (writedowns) of financial assets", "Depreciation and amortization", and "(Impairment losses) Reversal of impairment losses on property, plant and equipment, intangible assets and right-of-use assets", and can be gleaned directly from the consolidated financial statements, as supplemented by the Notes thereto. Because it is not defined in IFRS, it could differ from and therefore not be comparable with EBITDA reported by other groups.

- EBITDA margin: EBITDA expressed as a percentage of Revenue.

- EBIT (earnings before interest and tax): the "Operating profit (loss)" gleaned directly from the consolidated income statement.

- EBIT margin: EBIT expressed as a percentage of Revenue.

- Underlying Alternative Performance Measures: results for the half-year and their comparison with other periods may include elements that are unusual or unrelated to operating performance which significantly impact the Group's results over time in an inconsistent, non-systematic way. This could hinder a correct interpretation of the Group's normalized profit when comparing it to the normalized figure for the previous period or future periods, which would limit the significance of the information provided in the Groups' comparative condensed consolidated income statement and the comparative consolidated income statement prepared in accordance with IAS 1. These elements, specified in Section 1.2.3 of the Interim Directors' report on operations, can be grouped as follows:

  - capital gains and capital losses from the sale of businesses, with the corresponding transaction costs;
  - costs incurred for successful acquisitions, treated as transaction costs unrelated to the Group's operating performance;
  - costs for stock-based management incentive plans ("Phantom Stock Options" and "Performance Share Units"). In particular, the estimated cost of the Phantom Stock Option plan is heavily impacted by the performance of Autogrill shares and their fluctuation;
  - the costs for strategic, non-recurring corporate reorganization and efficiency projects which temporarily penalize the performance measures gleaned from the consolidated income statement prepared in accordance with IAS 1.

  These elements are identified separately and described in specific statements of reconciliation and result in the following underlying Alternative Performance Measures:

  - Underlying EBITDA: determined by excluding the impact of the above mentioned unusual or unrelated elements from EBITDA. These elements are identified separately and described in specific statements of reconciliation;
  - Underlying EBITDA margin: underlying EBITDA expressed as a percentage of revenue;
  - Underlying EBIT: determined by excluding the impact of the above mentioned unusual or unrelated elements from EBIT. These elements are identified separately and described in specific statements of reconciliation;
  - Underlying EBIT margin: underlying EBIT expressed as a percentage of revenue;

- Underlying net profit (loss): determined by excluding the impact of the above mentioned unusual or unrelated elements from net profit. These elements are identified separately and described in specific statements of reconciliation;
- Underlying basic earnings per share: underlying net profit attributable to each shares;
- Underlying diluted earnings per share: underlying net profit attributable to owners of the parent company divided by the weighted average number of the outstanding shares during the same period, adjusted for the dilution effect of potential shares. In the calculation of outstanding shares purchases and sales of treasury shares are considered, respectively, as cancellations and issues of shares; no dilutive effects in case of loss per share.

In the Interim Directors' report on operations the following definitions are also used:

- Capital expenditure: the investments referred to in the Notes “Property, plant and equipment” and “Other intangible assets” to the condensed interim consolidated financial statements;
- Corporate costs: these represent the costs of the Group's central structures;
- Underlying Corporate costs: represent the costs of the Group's central structures excluding the effect of unusual or unrelated elements to the Group's operating performance;
- Net financial position (net financial indebtedness): the sum of net debt, determined, as at 30 June 2021, in accordance with ESMA32-382-1138 Guidelines on Prospectus of last 4 March 2021 (applied also to the comparative data at 31 December 2020), current and non-current “Lease receivables”, “Other financial assets”, excluding “Security deposits”, “Interest-bearing sums with third parties” and the “Net liabilities classified as held for sale” connected to the sale of U.S. motorways business (the transaction was finalized on 23 July 2021, as described in section 2.2.2 of the Notes);
- Net financial position (net financial indebtedness) excluding lease receivables and lease liabilities: the net financial position less current and non-current receivables and liabilities arising from leases.

Unless otherwise specified, amounts in the Interim Directors’ report on operations are expressed in millions of euros (€m) or millions of US dollars ($m). In the Notes to the financial statements, unless otherwise specified, amounts are expressed in thousands (€k and $k).

Where figures have been rounded to the nearest million, sums, changes, and ratios are calculated using figures extended to thousands for the sake of greater accuracy.

# Contents

# 1. INTERIM DIRECTORS' REPORT ON OPERATIONS

## 1.1 The Autogrill Group

### Operations

Autogrill is the world's largest provider of food & beverage services for travellers and the recognized leader of the North American and Italian markets.

Present in 30 countries with a workforce of more than 30,000, it manages about 3,800 establishments in approximately 950 locations. It operates mainly through concessions and sub concessions at airports, along motorways and in railway stations, as well as on high streets and at shopping centers, trade fairs and cultural attractions.

The Group manages a portfolio of over 300 brands, both international and local, and offers a highly varied selection including proprietary brands and concepts (including Ciao, Puro Gusto, Motta, Bubbles, Burger Federation, Grab & Fly and LeCroBag) and others owned by third parties. The latter include international household names (Starbucks Coffee, Burger King, Prêt à Manger) as well as emerging national brands (such as Chick-fil-A, Panera, Leon and Panda Express).

### Strategy

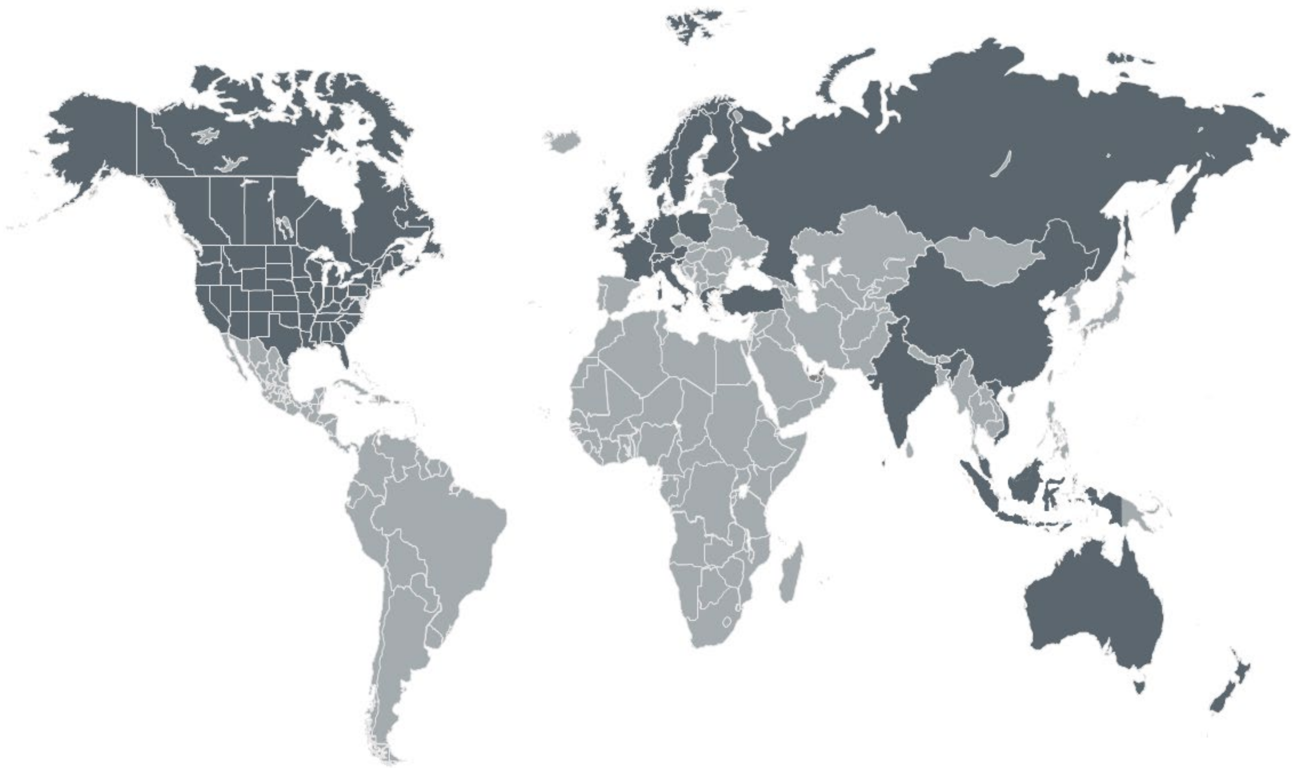
As already described in the Capital Increase Prospectus, in the coming years Autogrill plans to further strengthen its global leadership by means of a clear, target strategy designed to:

- use the recovery phase to best advantage, optimizing the concessions portfolio by allocating capital according to the growth and cash-generating potential of the various locations where the Group operates, taking opportunities offered by the market, and implementing new projects such as those involving digital innovation, data analysis, and a sharper focus on the customer;
- strengthen the Group's business model by concentrating on cash-generating locations, shifting towards more profitable products and menus, and taking full advantage of the structural cost efficiencies achieved in 2020;
- ensure flexibility and optimize the Group's financial structure and cash generation dynamics, to accelerate growth and support the long-term value creation.

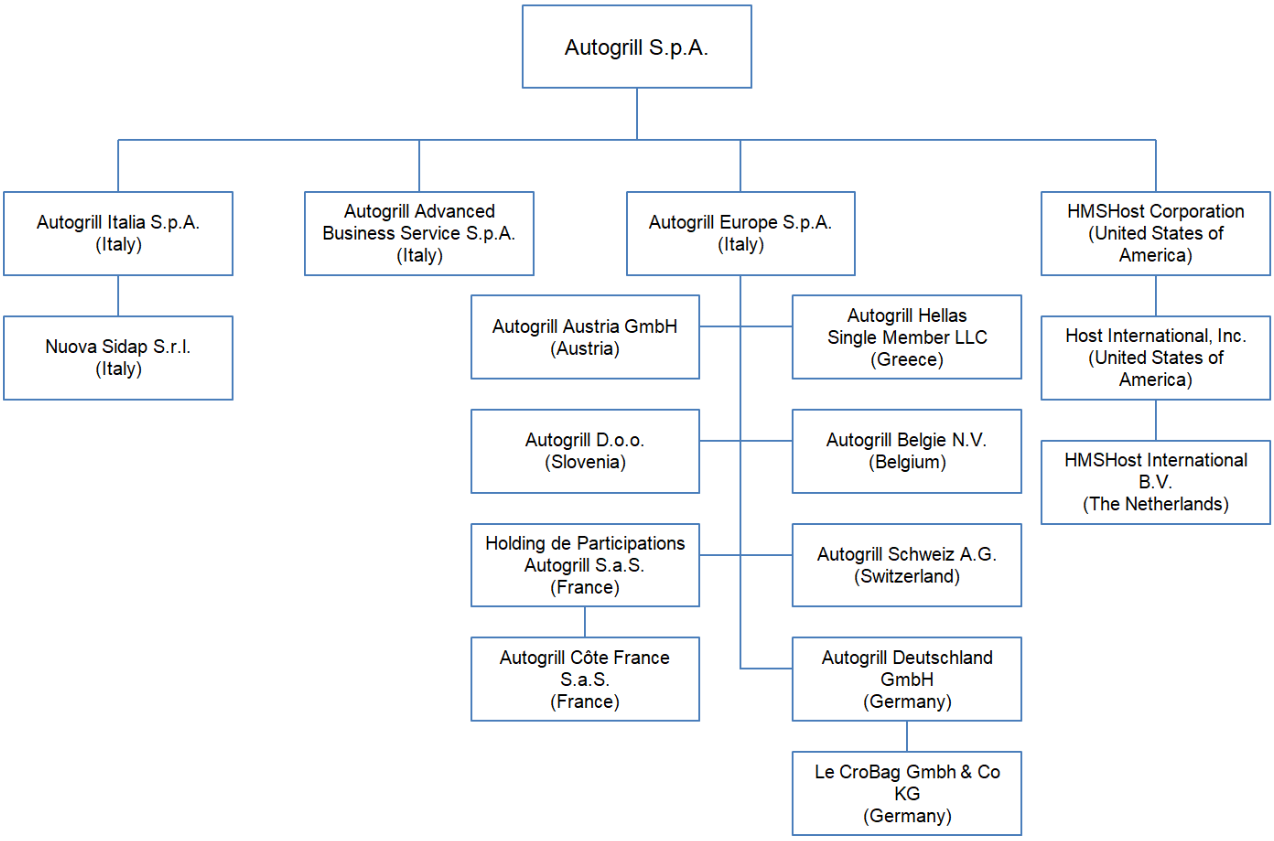
# Territorial Coverage

The Autogrill Group has operating activities in 30 countries:

| | | | | |
|---|---|---|---|---|
| Australia | Finland | Ireland | Poland | The Netherlands |
| Austria | France | Italy | Qatar | Turkey |
| Belgium | Germany | Malaysia | Russia | United Arab Emirates |
| Canada | Greece | Maldives | Slovenia | United Kingdom |
| China | India | New Zealand | Sweden | United States |
| Denmark | Indonesia | Norway | Switzerland | Vietnam |



# Simplified Group Structure [1-2]




[1] Where not otherwise specified, all companies are wholly owned. See the Annexes to this half-year financial report for a complete list of consolidated companies and other investments.
[2] Company names and the Group structure are up-to-date as of June 2021.

## 1.2 Group performance

### 1.2.1 Change in scope of consolidation

The scope of consolidation has undergone no significant changes since 31 December 2020.

On 31 March 2021 the Autogrill Group, through its North American subsidiary HMSHost Corporation, signed an agreement for the sale of its US motorway business. On 23 July the Group announced to the market that HMSHost Corporation, after obtaining the necessary government authorizations and consent from its landlords, had finalized the sale of its US motorway business to the consortium controlled by Blackstone Infrastructure Partners, which includes Applegreen Limited and B&J Holdings.

The sale price was around $381m, subject to an earn-out mechanism on the basis of revenue earned by the new ownership in the next two-year period 2022-2023. The capital gain, not considering the earn-out effects whose amounts cannot be determined at present, is estimated at $150m. See “Outlook” section for the impacts on the guidance.

In this context, the fact that there has been no change in the scope of consolidation stems from the international accounting standards, for which the US motorway business does not constitute a “discontinued operation”; hence the income statement for the first half of 2021 is comparable with that of the first six months of 2020. The only effect of signing the sale agreement has been to classify the assets and liabilities relating to the motorway business as held for sale, rather than including them by nature in the interim statement of financial position.

The US motorway business includes food & beverage concessions of various brands such as Starbucks, Burger King, and Pret (which the Group will continue to operate as licensee in other channels) and convenience retail concessions at about 60 motorway rest stops in the United States.

### 1.2.2 Organic growth

In the first half of 2021 the Group obtained new contracts and contract renewals worth a total of €1.0 billion, with an average duration of around 3 years.

Below are the details by geographical area.

(€ billion)

| | New and renewed contracts | |
|---|---|---|
| | **New** | **Renewed** |
| North America | 0.0 | 0.5 |
| International | 0.2 | 0.1 |
| Europe | 0.0 | 0.2 |
| **Total** | **0.2** | **0.8** |

## 1.2.3 Economic performance

Results for the first six months of 2021 were still strongly influenced by the spread of COVID-19, despite the steady increase in consumer traffic in all channels served by the Group over the last few months thanks to the vaccination campaign, following a start to the year held back by the second wave of the pandemic. In the first half of 2020, the defining factor was the spread of the pandemic and its acceleration around the world starting in March.

In this context, the Group earned consolidated revenue of €938.3m, a decrease of 10.6% at constant exchange rates (-14.4% at current exchange rates) compared with the first six months of 2020. Thanks to a significant increase in hourly productivity and cost cutting, underlying EBITDA for the first six months of 2021 came to €166.3m, an increase of €110.8m with respect to first half of 2020, or 17.7% of revenue (5.1% in the first six months of 2020). Underlying EBIT for the first half of 2021 was -€88.8m compared with -€297.0m in the same period of 2020, an increase of 68.4% at constant exchange rates (+70.1% at current exchange rates). The underlying net profit (loss) for the half-year attributable to shareholders of the parent company was a loss of €146.3m, compared with a loss of €268.4m for the first half of 2020.

### Condensed consolidated income statement [3]

| | First-Half 2021 | | First-Half 2020 | | Change | |
|---|---|---|---|---|---|---|
| (€m) | | *% of revenue* | | *% of revenue* | *At current exchange rates* | *At constant exchange rates* |
| Revenue | 938.3 | 100.0% | 1,096.5 | 100.0% | -14.4% | -10.6% |
| Other operating income | 65.5 | 7.0% | 62.0 | 5.7% | 5.7% | 9.4% |
| **Total revenue and other operating income** | **1,003.8** | **107.0%** | **1,158.5** | **105.7%** | **-13.4%** | **-9.5%** |
| Raw materials, supplies and goods | (346.0) | -36.9% | (373.5) | -34.1% | -7.4% | -4.0% |
| Personnel expense | (300.3) | -32.0% | (449.6) | -41.0% | -33.2% | -30.0% |
| Leases, rentals, concessions and royalties | (30.7) | -3.3% | (56.3) | -5.1% | -45.5% | -41.8% |
| Other operating expense | (162.6) | -17.3% | (227.1) | -20.7% | -28.4% | -24.9% |
| **EBITDA** | **164.2** | **17.5%** | **52.0** | **4.7%** | **n.s.** | **n.s.** |
| Depreciation, amortization and impairment losses | (255.1) | -27.2% | (352.5) | -32.1% | -27.6% | -23.7% |
| **EBIT** | **(90.9)** | **-9.7%** | **(300.5)** | **-27.4%** | **69.7%** | **68.0%** |
| Net financial income (expense) | (49.9) | -5.3% | (56.5) | -5.2% | -11.6% | -6.8% |
| Income (expenses) from investments, revaluation (write-down) of financial assets | 0.7 | 0.1% | (0.2) | -0.0% | n.s. | n.s. |
| **Pre-tax profit (loss)** | **(140.2)** | **-14.9%** | **(357.2)** | **-32.6%** | **60.8%** | **58.5%** |
| Income tax | (4.6) | -0.5% | 71.5 | 6.5% | n.s. | n.s. |
| **Net profit (loss) attributable to:** | **(144.8)** | **-15.4%** | **(285.7)** | **-26.1%** | **49.3%** | **46.9%** |
| – owners of the parent | (148.3) | -15.8% | (271.0) | -24.7% | 45.3% | 42.8% |
| – non-controlling interests | 3.4 | 0.4% | (14.7) | -1.3% | n.s. | n.s. |
| **Earnings (loss) per share (€):** | | | | | | |
| – basic | -0.5885 | | -1.0728 | | | |
| – diluted | -0.5885 | | -1.0728 | | | |

[3] "Revenue" and "Raw materials, supplies and goods" differ from the amounts shown in the consolidated income statement primarily because they do not include revenue and costs from fuel sales, the net amount of which is classified as "Other operating income" in accordance with management's protocol for the analysis of Group figures. This revenue came to €115.0m in the first half of 2021 (€100.7m in the first half of 2020) and the cost to €109.0m (€95.7m the first half of 2020).

## Revenue

The Group earned consolidated revenue of €938.3m in the first half of 2021, a decrease of 10.6% at constant exchange rates (-14.4% at current exchange rates) compared to €1,096.5m recorded in the first half of 2020.

| (€m) | First-Half 2021 | First-Half 2020 | FX | Organic growth | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | *Like-for-like* | | Openings[4] | Closings[5] | Acquisitions | Disposals | Calendar[6] |
| **North America (*)** | 479.0 | 529.6 | (42.5) | (23.9) | -5.0% | 24.3 | (8.5) | - | - | - |
| **International** | 55.8 | 170.7 | (3.7) | (100.7) | -64.5% | 0.4 | (9.2) | - | - | (1.6) |
| **Europe** | 403.4 | 396.2 | (1.1) | 29.3 | 8.0% | 6.5 | (10.6) | - | (13.5) | (3.4) |
| *Italy* | *292.6* | *239.5* | - | 54.6 | 23.4% | 4.3 | (4.3) | - | - | (1.5) |
| *Other European countries* | *110.7* | *156.7* | *(1.1)* | (25.3) | -18.9% | 2.2 | (6.3) | - | (13.5) | (1.9) |
| **Total Revenue** | **938.3** | **1,096.5** | **(47.4)** | **(95.2)** | **-9.5%** | **31.2** | **(28.3)** | **-** | **(13.5)** | **(5.0)** |
| (*) *Nord America - m$* | *577.4* | *583.7* | *3.4* | *(28.8)* | *-5.0%* | *29.3* | *(10.3)* | - | - | - |

In the first six months of 2021 the additional revenue from new stores opened mainly in North America (Salt Lake City and Las Vegas airports) and from revised concepts was partially offset by the streamlining of the Group's presence in all geographical region already begun independently of the COVID-19 pandemic, which in some cases accelerated or modified decisions to leave unprofitable locations and by the impact of closures due to the normal dynamics of contract renewals.

The decrease in revenue as a result of disposals amounted to €13.5m, reflecting the sale of the Group's Spanish operations in late December 2020 (formally completed on 14 January 2021).

In the first six months of 2021 there was a net negative exchange effect of €47.4m, due mainly to the devaluation of the US Dollar against the Euro.

The calendar effect had a negative impact of €5.0m.

**Revenue by channel**

| (€m) | First-Half 2021 | First-Half 2020 | Change | |
|---|---|---|---|---|
| | | | At current exchange rates | At constant exchange rates |
| Airports | 457.9 | 656.3 | -30.2% | -25.6% |
| Motorways | 429.2 | 354.9 | 20.9% | 22.9% |
| Other channels | 51.2 | 85.2 | -40.0% | -39.6% |
| **Total Revenue** | **938.3** | **1,096.5** | **-14.4%** | **-10.6%** |

[4] "Openings" refer to new openings of stores and not the re-opening after the closures attributable to the COVID-19 pandemic.
[5] "Closings" refer to the permanent closures of stores and not the temporary closures attributable to the COVID-19 pandemic.
[6] "Calendar" refers to the impact due to the fact that 2020 was a leap year.

| (€m) | First-Half 2021 | First-Half 2020 | FX | Organic growth | | | | Acquisitions | Disposal | Calendar |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | *Like-for-like* | | Openings | Closings | | | |
| Airports | 457.9 | 656.3 | (41.8) | (155.6) | -26.2% | 20.1 | (16.7) | - | (2.6) | (2.0) |
| Motorways | 429.2 | 354.9 | (5.8) | 87.0 | 26.2% | 10.3 | (9.4) | - | (5.7) | (2.2) |
| Oher channels | 51.2 | 85.2 | 0.1 | (26.7) | -34.7% | 0.9 | (2.2) | - | (5.2) | (0.9) |
| **Total Revenue** | **938.3** | **1,096.5** | **(47.4)** | **(95.2)** | **-9.5%** | **31.2** | **(28.3)** | **-** | **(13.5)** | **(5.0)** |

The like-for-like decrease, of 9.5% at Group level, was more pronounced for the **airport channel** (-26.2%) and **other channels** (-34.7%) while **motorways** recorded a significant increase (+26.2%).

At 30 June 2021, 69% of total stores are open (44% at 30 June 2020).

## EBITDA

EBITDA amounted to €164.2m in the first six months of 2021 versus €52.0m in the first half on 2020, going from 4.7% of revenue in the first six months of 2020 to 17.5% in the first half of 2021.

Elements non-related to the Group operating performance that affected the first six months of 2021 or the comparison period are as follows:

- costs for stock-based management incentive plans ("Phantom Stock Options" and "Performance Share Units"). The estimated cost of the "Phantom Stock Option" plan is heavily impacted by the performance of Autogrill shares and their fluctuation;
- the costs incurred for efficiency projects in the three business unit [7].

The impact of these elements by business segment is broken down below.

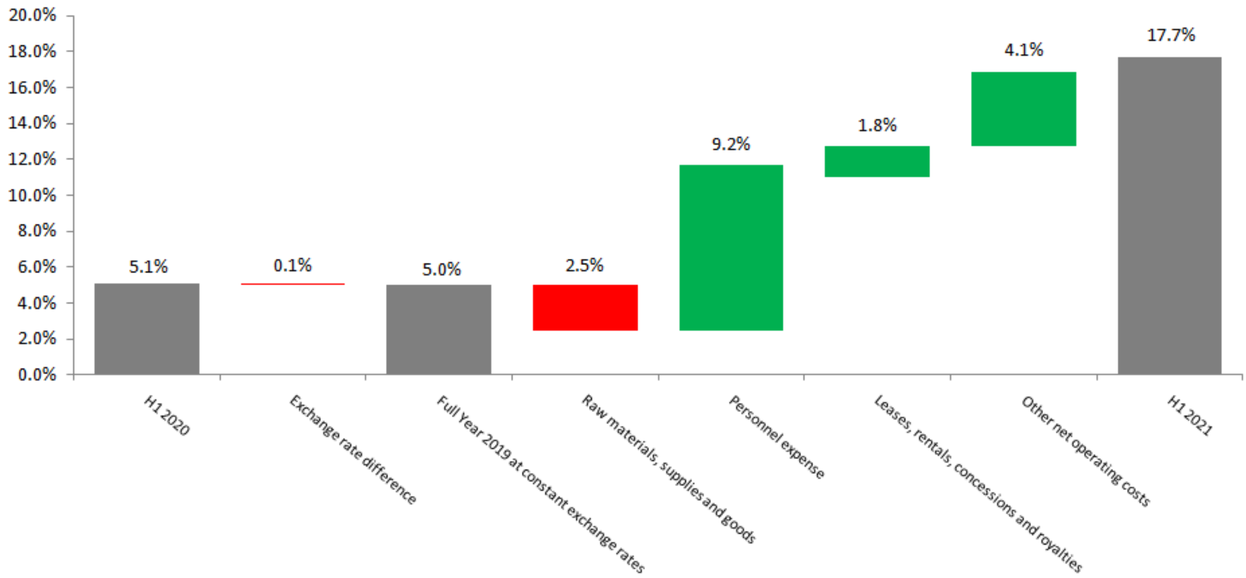
| (€m) | First-Half 2021 | First-Half 2020 |
|---|---|---|
| **North America** | **0.5** | **0.6** |
| - Stock-based management incentive plans | 0.5 | (0.4) |
| - Efficiency projects costs | 0.1 | 1.0 |
| **International** | **0.2** | **3.8** |
| - Stock-based management incentive plans | 0.2 | (0.2) |
| - Efficiency projects costs | - | 4.0 |
| **Europe** | **0.5** | **(0.2)** |
| - Stock-based management incentive plans | 0.2 | (0.2) |
| - Efficiency projects costs | 0.3 | - |
| **Corporate** | **0.9** | **(0.7)** |
| - Stock-based management incentive plans | 0.9 | (0.7) |
| **Total** | **2.1** | **3.5** |

After factoring out these elements, underlying EBITDA amounts to €166.3m (€55.5m in the first half of 2020), an increase of €110.8m, or 17.7% of revenue compared with 5.1% the first half of 2020. Most of the improvement is explained by the significant increase in hourly productivity, better product mix and cost cutting.

[7] Efficiency projects mostly related to robotic process automation in the United States (in progress since 2019) and the permanent centralization of the Europe unit's strategic functions at the headquarters in Rozzano. In the first half of 2020, in addition to the above mentioned robotic process automation in the US, efficiency programs were related to permanent change in the organization of operating activities in the Netherlands.

| (€m) | First-Half 2021 | First-Half 2020 | Change | |
|---|---|---|---|---|
| | | | At current exchange rates | At constant exchange rates |
| **EBITDA** | **164.2** | **52.0** | **n.s.** | **n.s.** |
| **EBITDA margin** | **17.5%** | **4.7%** | | |
| Stock-based management incentive plans | 1.8 | (1.5) | | |
| Efficiency projects costs | 0.3 | 5.0 | | |
| **EBITDA underlying** | **166.3** | **55.5** | **n.s.** | **n.s.** |
| **EBITDA margin underlying** | **17.7%** | **5.1%** | | |

**Change in underlying EBITDA margin**




## Impacts of the COVID-19 pandemic

With regard to the disclosures called for in the notices issued by ESMA, CONSOB and IOSCO[8], relating to the impact of the COVID-19 pandemic on operations, the Group is not able to distinguish how much of the overall decrease in the economic figures recorded in the first half of 2021 is directly attributable to the pandemic: the total impact, which is largely attributable to the pandemic but not exclusively, on the figures and economic results is shown below.

As described previously, in the first half of 2021 and starting in early March 2020 (as far as the comparison period is concerned), sales were sharply curtailed by the significant reduction in consumer traffic at retail locations and shopping areas and by the temporary and in some cases indefinite closures as a result of quarantines and other government orders causing an overall net decline of 10.6% at constant exchange rates (-14.4% at current exchange rates) with respect to the same period in 2020.

[8] ESMA – "European common enforcement priorities for 2020 annual financial reports" of 28 October 2020; CONSOB - "Richiamo di attenzione" 6/2020 of 9 April 2020, 8/2020 of 16 July 2020, and 1/2021 of 16 February 2021; and IOSCO - "Statement on Importance of Disclosure about Covid-19" of 29 May 2020.

The cost of raw and ancillary materials, consumables and goods decreased by 4.0% at constant exchange rates (-7.4% at current exchange rates) compared with the first half of 2020. This was directly related to the trend in sales, although disproportionately; the figure includes a non-recurring cost of €0.2m in relation to products expiring or becoming damaged (€6.0m in the first half of 2020).

Group management continued with a number of measures already taken in 2020 to mitigate the impact of the COVID-19 pandemic that led to a significant reduction in:

- personnel expense, thanks to the measures implemented by the Group including a reduction in the hours worked consistent with the drop in traffic. Along with the reduction in personnel expense, the various forms of social safety nets made available by local governments and similar measures in the countries where the Group operates also had a positive impact of €76.3m (€62.0m in the first half of 2020);
- other operating costs, which, however, were affected by the recognition of non-recurring costs attributable to logistics and the introduction of important measures to safeguard the health and safety of its staff and customers (€1.1m compared with €3.0m in the first half of 2020).

As in the early months of the COVID-19 pandemic, the Group continued to renegotiate lease contractual terms with landlords in order to obtain better terms and conditions from them. These negotiations led to the recognition of rent reductions and cancellations of €59.2m (€70.3m in the first half of 2020) directly in the income statement as of the effective date of the relief, in accordance with the amendment to IFRS 16 ("COVID-19 Related Rent Concessions (Amendment to IFRS 16 Leases)") of 28 May 2020 (endorsed on 9 October 2020) which gives lessees the option to account for COVID-19 related rent concessions without the need to determine from the contracts whether they constitute lease modifications as defined by IFRS 16, subject to certain conditions.

Further negotiations with landlords are in progress to mitigate the impact of the COVID-19 pandemic on profitability for the year in course, the benefits of which will be recognized in the coming months of 2021 as they have not yet been realized and cannot be fully quantified at this time. They can be recognized once the European Union endorses the amendment "Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16 Leases)", published by the IASB on 31 March 2021, which allows the benefits of rent reductions affecting minimum payments originally due before 30 June 2022 (rather than 30 June 2021 as currently in effect) to be reflected directly in the income statement. Because the amendment has not yet been endorsed, the condensed interim financial statements at 30 June 2021 do not take the effects of the extension into consideration.

During the first six months of 2021 the Group benefited from various forms of government relief amounting to €11.1m (nil in the first half of 2020), mostly in France and Switzerland which are recognized under "Other operating income".

Financial charges of €13.4m (€12.0m in the first six months of 2020) were recognized in connection with renegotiations with lender banks and bondholders, as better explained below and in the Notes.

## Depreciation, amortization and impairment losses

Depreciation, amortization and impairment losses came to €255.1m in the first six months of 2021, a decrease of 23.7% at constant exchange rates (-27.6% at current exchange rates) compared to €352.5m in the comparison semester. The net decrease in this item reflects lower impairment losses (amounting to €36.1m in the first six months of 2020 and to €4.6m in the first six months of 2021), the disposal of the Group's Spanish operations in late December (-€11.1m), the exchange rate due to the devaluation of the US Dollar against the Euro, and the remeasurement of lease contracts in accordance with IFRS 16, where it was not possible to use the expedient provided for by the amendment mentioned above.

## EBIT

EBIT for the first six months of 2021 came to -€90.9m, compared with -€300.5m of the comparison semester. It was influenced by the same factors described in the comment on EBITDA, and by the less impact of depreciation, amortization and impairment with respect to the first half of 2020.

Underlying EBIT amounted to -€88.8m, compared to -€297.0m in the first half of 2020, with an increase of €208.2m.

| (€m) | First-Half 2021 | First-Half 2020 | Change | |
|---|---|---|---|---|
| | | | At current exchange rates | At constant exchange rates |
| **EBIT** | **(90.9)** | **(300.5)** | **69.7%** | **68.0%** |
| **EBIT margin** | **-9.7%** | **-27.4%** | | |
| Stock-based management incentive plans | 1.8 | (1.5) | | |
| Efficiency projects costs | 0.3 | 5.0 | | |
| **EBIT underlying** | **(88.8)** | **(297.0)** | **70.1%** | **68.4%** |
| **EBIT margin underlying** | **-9.5%** | **-27.1%** | | |

## Net financial income (expense) and income (expense) from equity investments

Net financial income (expense) and income (expense) from equity investments in the first six months of 2021 came to €49.2m (€56.7m in the first half of 2020), including the €22.7m in net finance expense on lease liabilities stemming from application of IFRS 16 (€31.5m in the first six months of 2020).

In light of the ongoing COVID-19 pandemic, in March 2021 a new set of covenant holidays was arranged with lender banks and bondholders for the temporary suspension of required parameters (leverage ratio and interest cover ratio). These contractual changes, in accordance with IFRS 9, led to the immediate recognition in the income statement of the difference between the present value of the modified cash flows discounted using the original effective interest rate and the present value of the original cash flows, amounting to €13.4m (€12.0m in the first half of 2020, under the first set of covenant holidays). This was offset by the recalculation of cash flows to reflect repayments during the period (€7.1m), and by the release of €7.1m to the income statement (nil in the first half of 2020).

Excluding these factors from both semesters, the increase in net financial expense is explained by the higher interest rates charged during the covenant holiday.

The average cost of debt was 4.6% (4.1% in 2020).

## Income tax

Income tax amounted to -€4.6m in the first six months of 2021, compared to positive €71.5m of first half of 2020.

The figure for the first six months of 2020 mainly included of $66m (€59.9m) realized by the subsidiary HMSHost Corporation as a result of the loss carry-back mechanism permitted by the US tax authorities which allows a tax loss to be applied to taxable income from prior years.

## Net profit (loss) for the period

The net loss attributable to the owners of the parent amounted to €148.3m in the first half 2021 compared to a net loss of €271.0m in the first half of 2020. Non-controlling interests came to positive €3.4m (negative €14.7m in the first half 2020).

The underlying net loss for the period attributable to owners of the partner amounted to €146.3m in the first half 2021 compared to €268.4m in the first half of 2020.

| | | | Change | |
|---|---|---|---|---|
| (€m) | First-Half 2021 | First-Half 2020 | At current exchange rates | At constant exchange rates |
| **Net profit (loss) of the period (attributable to owners of the parent)** | **(148.3)** | **(271.0)** | **45.3%** | **42.8%** |
| Stock-based management incentive plans | 1.8 | (1.5) | | |
| Efficiency projects costs | 0.3 | 5.0 | | |
| Tax effect | (0.2) | (0.9) | | |
| **Net profit (loss) of the period underlying (attributable to owners of the parent)** | **(146.3)** | **(268.4)** | **45.5%** | **42.8%** |
| **Earnings (loss) per share – basic (€)** | **-0.5885** | **-1.0728** | | |
| **Earnings (loss) per share– diluted (€)** | **-0.5885** | **-1.0728** | | |
| **Earnings (loss) per share – basic underlying (€)** | **-0.5808** | **-1.0625** | | |
| **Earnings (loss) per share – diluted underlying (€)** | **-0.5808** | **-1.0625** | | |

## 1.2.4 Financial position

### Reclassified Consolidated Statement of Financial Position [9]

Comments on changes in the consolidated statement of financial position can be found in the Notes to the condensed interim consolidated financial statements.

| (€m) | 30/06/2021 | 31/12/2020 | Change At current exchange rates | Change At constant exchange rates |
|---|---|---|---|---|
| Intangible assets | 878.9 | 925.2 | (46.3) | (61.2) |
| Property, plant and equipment | 773.5 | 967.9 | (194.4) | (213.8) |
| Right-of-use assets | 1,452.7 | 1,748.8 | (296.1) | (327.5) |
| Financial assets | 23.3 | 31.3 | (8.0) | (8.8) |
| **A) Non-current assets** | **3,128.4** | **3,673.2** | **(544.8)** | **(611.4)** |
| Inventories | 102.6 | 97.4 | 5.1 | 4.4 |
| Trade receivables | 35.7 | 36.7 | (1.0) | (1.0) |
| Other receivables | 129.4 | 141.9 | (12.5) | (14.0) |
| Trade payables | (303.3) | (292.1) | (11.2) | (7.6) |
| Other payables | (295.9) | (294.8) | (1.1) | 3.2 |
| **B) Working capital** | **(331.5)** | **(310.8)** | **(20.7)** | **(15.0)** |
| **C) Invested capital (A + B)** | **2,796.9** | **3,362.4** | **(565.5)** | **(626.4)** |
| **D) Other non-current non-financial assets and liabilities** | **33.1** | **10.9** | **22.2** | **21.0** |
| **E) Net invested capital excluding assets and liabilities classified as held for sale (A+B+D)** | **2,830.1** | **3,373.3** | **(543.2)** | **(605.4)** |
| **F) Operating assets and liabilities classified as held for sale** | **428.3** | - | **428.3** | **428.3** |
| **G) Net invested capital (E+F)** | **3,258.3** | **3,373.3** | **(115.0)** | **(177.2)** |
| Equity attributable to owners of the parent | 774.8 | 339.8 | 435.0 | 425.7 |
| Equity attributable to non-controlling interests | 53.5 | 59.9 | (6.4) | (8.2) |
| **H) Equity** | **828.3** | **399.7** | **428.6** | **417.5** |
| Non-current financial liabilities | 2,504.6 | 3,028.5 | (523.8) | (568.6) |
| Non-current financial assets | (66.2) | (68.7) | 2.6 | 4.3 |
| **I) Non-current financial indebtedness** | **2,438.5** | **2,959.7** | **(521.2)** | **(564.2)** |
| Current financial liabilities | 789.7 | 690.6 | 99.1 | 86.3 |
| Cash and cash equivalents and current financial assets | (1,037.5) | (676.7) | (360.8) | (356.0) |
| **L) Current net financial indebtedness** | **(247.8)** | **13.9** | **(261.7)** | **(269.7)** |
| **M) Financial assets and liabilities classified as held for sale** | **239.3** | **-** | **239.3** | **239.3** |
| **N) Net financial indebtedness (I+L+M)** | **2,430.0** | **2,973.6** | **(543.6)** | **(594.6)** |
| **Net finance lease liabilities** | **(1,862.8)** | **(1,890.9)** | **28.1** | **62.5** |
| **Net financial indebtedness excluding lease receivables and lease liabilities** | **567.2** | **1.082.7** | **(515.5)** | **(532.1)** |
| **O) Total (H+N), as in G)** | **3,258.3** | **3,373.3** | **(115.0)** | **(177.2)** |

[9] The figures in the reclassified consolidated statement of financial position are directly derived from the consolidated financial statements and condensed interim financial statements, including relative Notes, with the exception of “Financial assets”, which do not include “Financial receivables from third parties” (€7.6m) and “Fair value of interest rate hedging derivatives” (€3.2m) classified as “Non-current financial assets” in the net financial indebtedness and included in “Other financial assets” (non-current) in the consolidated statement of financial position.

## Cash flow

| (€m) | First-Half 2021 | First-Half 2020 | Change |
|---|---|---|---|
| EBITDA | 164.2 | 52.0 | 112.2 |
| Change in net working capital | 5.5 | (173.5) | 179.0 |
| Principal repayment of lease liabilities | (60.7) | (76.2) | 15.5 |
| Renegotiation for COVID-19 on lease liabilities | (59.2) | (70.3) | 11.1 |
| Other non-cash items | 0.7 | (0.7) | 1.4 |
| **Cash flow (absorbed by) from operating activities, managerial (*)** | **50.5** | **(268.6)** | **319.1** |
| Tax paid | 0.9 | (18.3) | 19.2 |
| Net interest paid | (28.9) | (11.3) | (17.6) |
| Implicit interest in lease liabilities | (13.7) | (29.1) | 15.4 |
| **Net cash flow (absorbed by) from operating activities, managerial (*)** | **8.9** | **(327.4)** | **336.3** |
| Net operating investment | (64.8) | (92.5) | 27.7 |
| **Net cash flow after operating investment (free cash flow)** | **(55.9)** | **(419.8)** | **363.9** |
| Cash flow generated by the acquisition of Pacific Gateway Concessions, LLC | - | 0.2 | (0.2) |
| Cash flow absorbed by the acquisition of Autogrill Middle East, LLC and HMSHost Catering Malaysia SDN. BHD. | - | (2.1) | 2.1 |
| **Net cash flow before relationship with minority partners, capital increase and shares buy-back** | **(55.9)** | **(421.7)** | **365.8** |
| Liquidity generated (absorbed) by the relationship with minority partners [10] | (7.5) | 3.5 | (11.0) |
| Capital increase (net of a portion of the expenses associated with the Offering) | 592.6 | - | 592.6 |
| Treasury shares | - | (12.3) | 12.3 |
| **Free operating cash flow** | **529.1** | **(430.6)** | **959.7** |

(*) According to prevailing industry practice, it includes "Principal repayment on lease liabilities" and "Renegotiations for COVID-19 on lease liabilities", shown under "Net cash flow used in financing activities" in the consolidated statement of cash flows (2.1.5).

The following table summarizes "Net cash flow after operating investment", excluding the impact of the non-recurring transactions in the United States.

| (€m) | First-Half 2021 | First-Half 2020 | Change |
|---|---|---|---|
| **Net cash flow after operating investment (free cash flow)** | **(55.9)** | **(419.8)** | **363.9** |
| Net cash flow after the investments in non-recurring transactions in the United States (tax paid in the period on the capital gains generated by the disposal of the Canadian motorway business in 2019) | - | 22.6 | (22.6) |
| **Net cash flow after operating investment excluding the effect relating to non-recurring transactions carried out in the United States** | **(55.9)** | **(397.2)** | **341.3** |

[10] Including capital injections net of the reduction in non-controlling interests due to decreased contributions for capital expenditure.

"Net cash flow (absorbed by) from operating activities managerial" improved by €336.3m compared with the first half of 2020, due mainly to the more flexible cost structure achieved through management's efforts since the start of the pandemic and the generation of working capital thanks to the optimization of the liquidity management.

"Net cash flow after operating investments (free cash flow)" also improved by €363.9m, with an increase compared with "Net cash flow (absorbed by) from operating activities managerial" because of a reduction in net capex payments.

The balance between the proceeds of disposals and outlays for acquisitions was nil in the first half of 2021 and immaterial in the first half of 2020.

The combined effect of the above components means that in the first six months of 2021 the Group absorbed net cash of €55.9m before relationship with minority partners, the capital increase and the purchase of treasury shares, while in the first half of 2020 it absorbed net cash of €421.7m.

In light of the short-term uncertainty caused by the COVID-19 pandemic, during the Annual General Meeting held on 21 May 2020 shareholders resolved not to pay a dividend and to allocate the profit for the year 2019 as retained earnings. Also, on the basis of the shareholders' resolution of 23 April 2021, reserves were used to cover the loss for the year 2020.

In the first six months of 2021 the relationship with minority partners absorbed liquidity for €7.5m (€3.5m of liquidity generated in the first half of 2020).

After the extraordinary shareholders' meeting of 25 February 2021 approved the mandate to increase the share capital, the option period ran from 14 June to 29 June inclusive. During the option period, 249,110,975 options were exercised for the purchase of 129,537,707 new shares (99.16% of the total), amounting to €594.6m. That amount is included in the calculation of cash generation, net of the portion of transaction costs relating to the capital increase that were paid as of 30 June 2021 (€2.0m out of total transaction costs of €20.8m).

As part of the buyback program started on 12 March 2020 and concluded on 8 April 2020, the Group purchased 3,000,000 shares at an average weighted price of €4.10 per share for a total of roughly €12.3m.

## Net financial indebtedness

Net financial indebtedness at 30 June 2021 amounted to €2,430.0m (€2,973.6m at 31 December 2020), including €1,621.2m in net lease liabilities (€1,890.9m at 31 December 2020) and €239.3m in net liabilities classified as held for sale. This item includes the effect of the disposal of motorway operations in the United States (finalized on 23 July 2021 as disclosed above and in the paragraph 2.2.2 of the Notes).

As of the same date, the Group net financial indebtedness excluding lease receivables and lease liabilities stood at €567.2m, compared with €1,082.7m at 31 December 2020. The decrease in Group net debt excluding lease receivables and lease liabilities was caused mainly by the free operating cash flow, as previously mentioned.

Adjusted for the effect of IFRS 16, net financial indebtedness is made up as follows:

| (m€) | 30.06.2021 | 31.12.2020 | Change |
|---|---|---|---|
| **Net financial position - Total (a)** | **2,430.0** | **2,973.6** | **(543.6)** |
| Lease receivables – current | 13.6 | 15.0 | (1.4) |
| Lease receivables - non current | 55.4 | 61.8 | (6.4) |
| **Lease receivables (b)** | **69.1** | **76.8** | **(7.7)** |
| Lease liabilities – current | (347.2) | (377.3) | 30.1 |
| Lease liabilities - non current | (1,343.1) | (1,590.4) | 247.3 |
| **Lease liabilities (c)** | **(1,690.2)** | **(1,967.7)** | **277.5** |
| **Net lease liabilities classified as held for sale (d)** | **(241.6)** | **-** | **(241.6)** |
| **Net financial indebtedness excluding lease receivables and lease liabilities (a) + (b) + (c) + (d)** | **567.2** | **1,082.7** | **(515.5)** |

At 30 June 2021, 87% of net financial indebtedness excluding lease receivables and lease liabilities was denominated in US Dollars (51% at 31 December 2020) and the rest, reduced thanks to the capital increase impact on net financial indebtedness, in Euros. Fixed-rate debt, including debt converted to fixed-rate by means of interest rate swaps, was 33% of the total net financial indebtedness excluding lease receivables and lease liabilities compared with 17% at the end of 2020.

The fair value of interest rate hedging derivatives at 30 June 2021 was a positive €5.0m (€6.4m at the close of 2020).

Debt to banks and bondholders consists primarily of committed non-current credit lines from banks and of long-term bonds (private placements). At 30 June 2021 loans have an average remaining life of about 2 years and 5 months, compared with 2 years and 11 months at 31 December 2020.

On 10 March 2021, given the persistence of the COVID-19 pandemic, the Group negotiated a new set of covenant holidays with its lender banks and bondholders for the temporary suspension of required parameters (leverage ratio and interest cover ratio). The covenant holiday has therefore been extended for another 12 months with respect to the period agreed in 2020. In particular:

- HMSHost Corporation: extension until September 2022 for contracts already granted a covenant holiday in June 2020, with an additional extension until 31 December 2022 assuming a positive outcome of the covenant test in September 2022;
- Autogrill S.p.A.: extension until 31 December 2022 for contracts already granted a covenant holiday in June 2020, and granting of a covenant holiday until 31 December 2022 for the loan guaranteed by SACE S.p.A., assuming a positive outcome of the covenant test by HMSHost Corporation in September 2022.

On 1st April 2021, Autogrill S.p.A. contracted a term facility of €100.0m expiring on 15 November 2021.

During the first six months of the year, the following were obtained: (i) government-guaranteed bank loans to meet liquidity needs for local operations, by the indirect subsidiaries based in France (€8.4m) and Germany (€4.0m); (ii) a credit facility of €0.8m to support capital expenditure, by the indirect subsidiary based in Belgium.

In the second quarter of 2021 Autogrill S.p.A. partially repaid two revolving credit lines for a total amount of €115.0m and HMSHost Corporation made payments on a revolving credit line in the amount of $170.0m (€143.0m). HMSHost Corporation also paid the $50.0m (€42.1m) installment of the amortizing term loan due in June 2021.

As mentioned above, at the end of the half-year 2021, 99.16% of the new shares issued under the capital increase had been purchased, for a total of €594.6m (see Note XXVIII for further details).

In conclusion, at 30 June 2021 the Group had €1,260m in cash and undrawn credit lines and no significant debts maturing before 2023, considering the covenant holidays agreed in March 2021. This ensures the Group sufficient flexibility to face the challenging scenario.

## 1.3 Operating segments

### Revenue by geographical area

| (€m) | First-Half 2021 | First-Half 2020 | Change | |
|---|---|---|---|---|
| | | | At current exchange rates | At constant exchange rates |
| North America | 479.0 | 529.6 | -9.6% | -1.7% |
| International | 55.8 | 170.7 | -67.3% | -66.5% |
| *Italy* | *292.6* | *239.5* | *22.2%* | *22.2%* |
| *Other European countries* | *110.7* | *156.7* | *-29.3%* | *-28.8%* |
| Total Europe | 403.4 | 396.2 | 1.8% | 2.1% |
| **Total Revenue** | **938.3** | **1,096.5** | **-14.4%** | **-10.6%** |

### EBITDA by geographical area

| (€m) | First-Half 2021 | *% on revenue* | First-Half 2020 | *% on revenue* | Change | |
|---|---|---|---|---|---|---|
| | | | | | At current exchange rates | At constant exchange rates |
| North America | 142.9 | *29.8%* | 21.8 | *4.1%* | n.s. | n.s. |
| International | 13.6 | *24.3%* | 12.8 | *7.5%* | 5.9% | 5.8% |
| Europe | 19.8 | *4.9%* | 26.4 | *6.7%* | -24.9% | -24.4% |
| Corporate cost | (12.2) | - | (9.1) | - | -34.2% | -34.2% |
| **Total EBITDA** | **164.2** | ***17.5%*** | **52.0** | ***4.7%*** | **n.s.** | **n.s.** |

### EBIT by geographical area

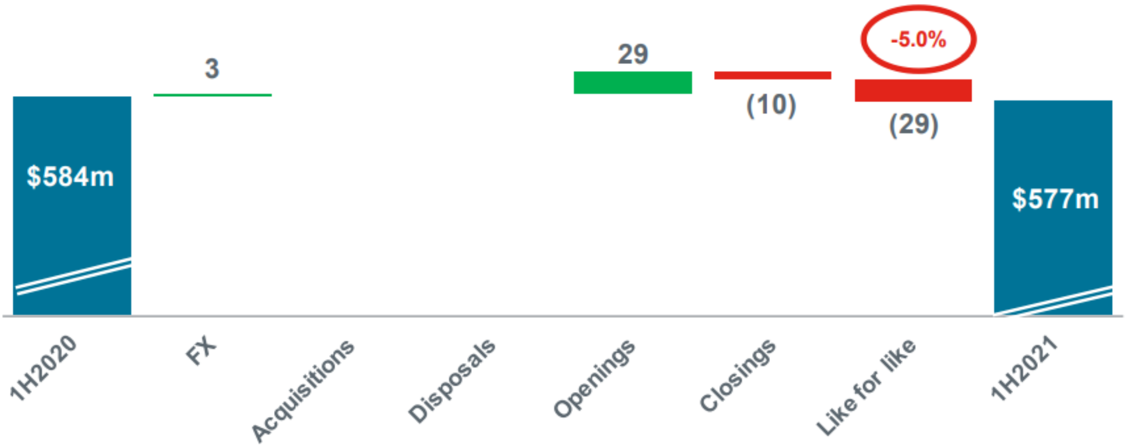
| (€m) | First-Half 2021 | *% on revenue* | First-Half 2020 | *% on revenue* | Change | |
|---|---|---|---|---|---|---|
| | | | | | At current exchange rates | At constant exchange rates |
| North America | 26.3 | *5.5%* | (158.6) | *-29.9%* | n.s. | n.s. |
| International | (23.7) | *-42.4%* | (34.2) | *-20.0%* | 30.6% | 24.6% |
| Europe | (80.4) | *-19.9%* | (97.7) | *-24.7%* | 17.7% | 17.7% |
| Corporate cost | (13.2) | - | (10.1) | - | -30.0% | -30.0% |
| **Total EBIT** | **(90.9)** | ***-9.7%*** | **(300.5)** | ***-27.4%*** | **69.7%** | **68.0%** |

### Capital expenditure by geographical area

| (€m) | First-Half 2021 | First-Half 2020 | Change | |
|---|---|---|---|---|
| | | | At current exchange rates | At constant exchange rates |
| North America | 8.4 | 67.0 | -87.4% | -86.2% |
| International | 2.8 | 12.7 | -78.3% | -78.0% |
| Europe | 28.2 | 52.2 | -46.0% | -46.0% |
| Corporate cost | 0.1 | 0.1 | -43.9% | -43.9% |
| **Total capital expenditure** | **39.6** | **132.0** | **-70.0%** | **-68.6%** |

# North America[11]

### Revenue




In the first six months of 2021 revenue in North America came to $577.4m, with a decrease of 1.7% at constant exchange rates (-1.1% at current exchange rates between the Canadian dollar and the US dollar[12]) compared with $583.7m in the first half of 2020.

The decrease like-for-like is 5.0%. At 30 June 2021, 65% of the locations are open (31% at 30 June 2020).

New stores in the airport channel, including Salt Lake City and Las Vegas, more than offset the closings due to the normal dynamics of contract renewals.

**Revenue by geography**

| ($m) | First-Half 2021 | First-Half 2020 | Change At current exchange rates | Change At constant exchange rates |
|---|---|---|---|---|
| The United States | 570.4 | 547.3 | 4.2% | 4.2% |
| Canada | 7.0 | 36.4 | -80.9% | -82.5% |
| **Total Revenue** | **577.4** | **583.7** | **-1.1%** | **-1.7%** |

**Revenue by channel**

| ($m) | First-Half 2021 | First-Half 2020 | Change At current exchange rates | Change At constant exchange rates |
|---|---|---|---|---|
| Airports | 477.5 | 514.3 | -7.2% | -7.8% |
| Motorways | 94.4 | 66.2 | 42.7% | 42.7% |
| Other channels | 5.5 | 3.1 | 74.9% | 74.9% |
| **Total Revenue** | **577.4** | **583.7** | **-1.1%** | **-1.7%** |

[11] This area includes operations in the United States and Canada. Information on the sale of the US motorway operations (concluded on 23 July 2021) is included in Section 2.2.2 of the Notes.
[12] The change at current exchange rates reflects the appreciation of the US dollar against the Canadian dollar.

## EBITDA

| ($m) | First-Half 2021 | First-Half 2020 | Change At current exchange rates | Change At constant exchange rates |
|---|---|---|---|---|
| **EBITDA** | **172.3** | **24.0** | **n.s.** | **n.s.** |
| *% on revenue* | *29.8%* | *4.1%* | | |
| **EBITDA underlying** | **172.9** | **24.7** | **n.s.** | **n.s.** |
| *% on revenue* | *29.9%* | *4.2%* | | |

In the first six months of 2021 EBITDA came to $172.3m (29.8% on revenue) compared to $24.0m in the first half of 2020, with an increase of $148.3m.

Underlying EBITDA came to $172.9m compared to $24.7m in the first six months of 2020 with an increase of $148.2m and 29.9% on revenue.

These results were achieved thanks to a substantial increase in hourly productivity, better product mix and to cost cutting. Local management continued with the measures taken in 2020 to mitigate the effects of the COVID-19 crisis, namely:

- a strong reduction in personnel expense by decreasing the number of hours worked consistent with the drop in traffic and the application of the “CARES act” (which had an estimated impact of around $13.2m in the first half of 2021 compared to $20.0m in the first six months of 2020);
- negotiations with a few of their landlords in order to revise the economic terms of the current leases. These negotiations resulted in the exemption to pay rent which had a net positive impact on the income statement of $45.0m ($26.7m in the first six months of 2020).

## EBIT

| ($m) | First-Half 2021 | First-Half 2020 | Change At current exchange rates | Change At constant exchange rates |
|---|---|---|---|---|
| **EBIT** | **31.7** | **(174.7)** | **n.s.** | **n.s.** |
| *% on revenue* | *5.5%* | *-29.9%* | | |
| **EBIT underlying** | **32.3** | **(174.0)** | **n.s.** | **n.s.** |
| *% on revenue* | *5.6%* | *-29.8%* | | |

EBIT for the first six months of 2021 came to $31.7m compared with -$174.7m of the first half 2020, with an increase of $206.4m. It was influenced by the same factors described in the comment on EBITDA, and by the lesser impact of depreciation, amortization and impairment with respect to the first half of 2020.

Underlying EBIT amounted to $32.3m in the first six months of 2021 compared to the -$174.0m posted in the first half 2020 with an increase of $206.3m.

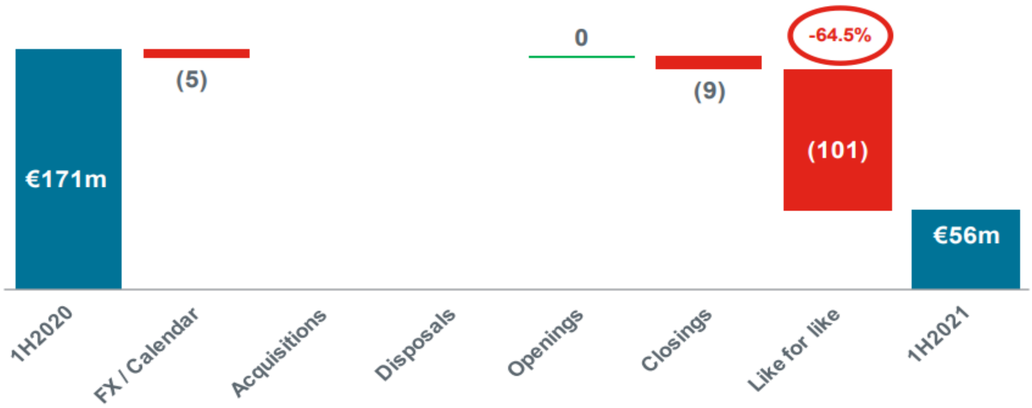
### Capital expenditure

| ($m) | First-Half 2021 | First-Half 2020 | Change At current exchange rates | Change At constant exchange rates |
|---|---|---|---|---|
| **Capex** | **10.2** | **73.8** | **-86.2%** | **-86.2%** |
| *% on revenue* | *1.8%* | *12.6%* | | |

Capital expenditure in the first six months of 2021 came to $10.2m, mostly for the restyling/upgrading of airport locations in Calgary, Nashville, Salt Lake City, and San José and motorway locations in the US.

## International[13]

### Revenue




Revenue in the International area in the first six months of 2021 amounted to €55.8m, compared with €170.7m the first half of 2020, a decrease of 66.5% at constant exchange rates (-67.3% at current exchange rates).

The decrease like-for-like comes to 64.5%. At 30 June 2021 51% of the locations are open (30% at 30 June 2020).

Closings and new openings produced a net revenue decrease of around €8.8m against the prior period due to the impact of closures mainly in Ireland and Denmark.

The "calendar" effect had a net negative impact of €1.6m due to the fact that 2020 was a leap year, in addition to the net negative exchange effect of €3.7m.

| (€m) | First-Half 2021 | First-Half 2020 | Change At current exchange rates | Change At constant exchange rates |
|---|---|---|---|---|
| Northern Europe | 29.1 | 108.0 | -73.0% | -73.2% |
| Rest of the World | 26.7 | 62.7 | -57.4% | -54.0% |
| **Total Revenue** | **55.8** | **170.7** | **-67.3%** | **-66.5%** |

[13] This area covers locations in Northern Europe (Schiphol Airport in Amsterdam, railway stations and outlets in the Netherlands, the United Kingdom, Ireland, Sweden, Denmark, Finland and Norway) and Rest of the World (United Arab Emirates, Qatar, Turkey, Russia, India, Indonesia, Malaysia, Maldives, Vietnam, Australia, New Zealand and China).

| Revenue by channel | | | | |
|---|---|---|---|---|
| | First-Half 2021 | First-Half 2020 | Change | |
| (€m) | | | At current exchange rates | At constant exchange rates |
| Airports | 45.3 | 143.5 | -68.4% | -67.6% |
| Other channels | 10.6 | 27.1 | -61.1% | -61.0% |
| **Total Revenue** | **55.8** | **170.7** | **-67.3%** | **-66.5%** |

## EBITDA

| | First-Half 2021 | First-Half 2020 | Change | |
|---|---|---|---|---|
| (€m) | | | At current exchange rates | At constant exchange rates |
| **EBITDA** | **13.6** | **12.8** | **5.9%** | **5.8%** |
| *% on revenue* | *24.3%* | *7.5%* | | |
| **EBITDA underlying** | **13.8** | **16.7** | **-17.3%** | **-17.5%** |
| *% on revenue* | *24.7%* | *9.8%* | | |

In the first six months of 2021 EBITDA came to €13.6m (24.3% of revenue), an increase of 5.8% at constant exchange rates (+5.9% at current exchange rates) with respect to €12.8m of the first six months (7.5% of revenue).

Underlying EBITDA in the first half of 2021 came to €13.8m (€16.7m in the first six months of 2020), a decrease of 17.5% at constant exchange rates (-17.3% at current exchange rates), or 24.7% of revenue (9.8% in the first six months of 2020).

These results were achieved thanks to a substantial increase in hourly productivity and to cost cutting. Local management extended the measures taken in 2020 to mitigate the effects of the COVID-19 crisis, namely:

- a strong reduction in personnel expense by decreasing the number of hours worked consistent with the drop in traffic and the use of social safety nets which had an estimated impact of around €17.2m (€15.0m in the first six months of 2020);
- negotiations with a few of their landlords in order to revise the economic terms of the current leases. These negotiations resulted in the abatement of rental and concession fees which had a net positive impact on the income statement of €14.1m (€12.1m in the first six months of 2020).

## EBIT

| | First-Half 2021 | First-Half 2020 | Change | |
|---|---|---|---|---|
| (€m) | | | At current exchange rates | At constant exchange rates |
| **EBIT** | **(23.7)** | **(34.2)** | **30.6%** | **24.6%** |
| *% on revenue* | *-42.4%* | *-20.0%* | | |
| **EBIT underlying** | **(23.5)** | **(30.3)** | **22.5%** | **14.8%** |
| *% on revenue* | *-42.1%* | *-17.8%* | | |

In the first six months of 2021 EBIT came to -€23.7m, an increase of 24.6% at constant exchange rates (+30.6% at current exchange rates) with respect to the amount of -€34.2m of the first six months of 2020. The change was caused by the same factors described in the comment on EBITDA, and by the lesser impact of depreciation, amortization and impairment with respect to the first half of 2020.

In the first six months of 2021 underlying EBIT came to -€23.5m, an increase of 14.8% at constant exchange rates (+22.5% at current exchange rates) with respect to the balance of -30.3m at 30 June 2020.

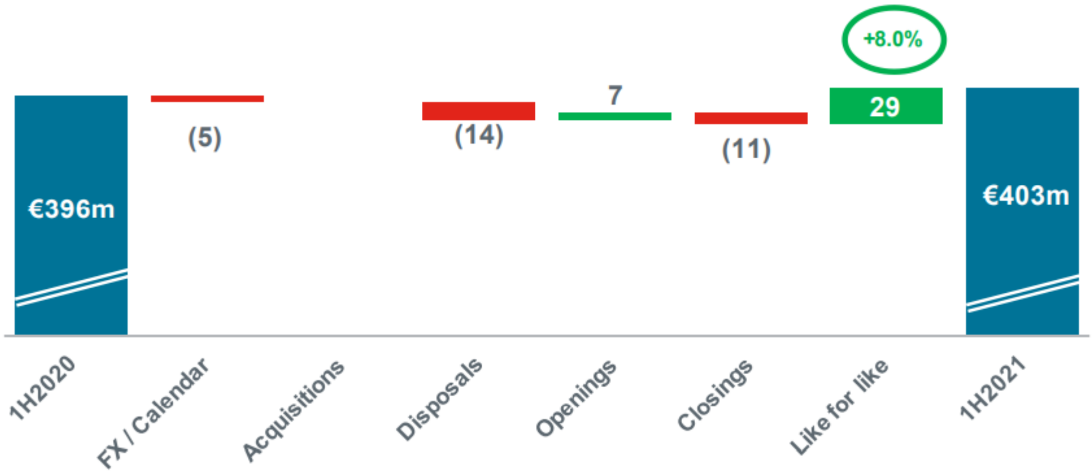
### Capital expenditure

| (€m) | First-Half 2021 | First-Half 2020 | Change | |
|---|---|---|---|---|
| | | | At current exchange rates | At constant exchange rates |
| **Capex** | **2.8** | **12.7** | **-78.3%** | **-78.0%** |
| *% on revenue* | *4.9%* | *7.5%* | | |

Capital expenditure in the first six months of 2021 came to €2.8m, mostly for the restyling/upgrading of airport locations in Manchester, Delhi and Helsinki.

## Europe

### Revenue




In the first six months of 2021 revenues amounted to €403.4m an increase of 2.1% at constant exchange rates (+1.8% at current exchange rates) against the €396.2m recorded in the first half of 2020.

The like-for-like increase was 8.0%, with the motorway channel proving to be more resilient than the airport and other channels. At June 30 2021, 92% of stores are open (96% in Italy and 86% in the other European countries) while at 30 June 2020 75% of stores are open (82% in Italy and 65% in the other European countries).

Closings and new openings produced a net revenue decrease of €4.1m compared with the first half of 2020, due to selective renewals in the motorway channel and the decision to exit from non-strategic contracts.

The decrease in revenue as a result of disposals amounted to €13.5m, reflecting the sale of the Group's Spanish operations in late December 2020 (formally completed on 14 January 2021).

There was a negative "calendar" effect of €3.4m, due to the fact that 2020 was a leap year, as well as a net exchange loss of €1.1m in connection with operations in Switzerland.

| (€m) | First-Half 2021 | First-Half 2020 | Change At current exchange rates | Change At constant exchange rates |
|---|---|---|---|---|
| Italy | 292.6 | 239.5 | 22.2% | 22.2% |
| Other European countries | 110.7 | 156.7 | -29.3% | -28.8% |
| **Total Revenue** | **403.4** | **396.2** | **1.8%** | **2.1%** |

**Revenue by channel**

| (€m) | First-Half 2021 | First-Half 2020 | Change At current exchange rates | Change At constant exchange rates |
|---|---|---|---|---|
| Motorways | 350.9 | 294.9 | 19.0% | 19.2% |
| Airports | 16.5 | 46.1 | -64.3% | -64.0% |
| Other channels | 36.0 | 55.2 | -34.7% | -34.5% |
| **Total Revenue** | **403.4** | **396.2** | **1.8%** | **2.1%** |

## EBITDA

| (€m) | First-Half 2021 | First-Half 2020 | Change At current exchange rates | Change At constant exchange rates |
|---|---|---|---|---|
| **EBITDA** | **19.8** | **26.4** | **-24.9%** | **-24.4%** |
| *% on revenue* | *4.9%* | *6.7%* | | |
| **EBITDA underlying** | **20.4** | **26.2** | **-22.4%** | **-21.8%** |
| *% on revenue* | *5.0%* | *6.6%* | | |

In the first six months of 2021 EBITDA came to €19.8m, a decrease of €6.6m (-24.4% at constant exchange rates; -24.9% at current exchange rates) with respect to the first half of 2020. As a percentage of sales, it goes from 6.7% in the first half of 2020 to 4.9%.

Underlying EBITDA fell to €20.4m, with a decrease of 21.8% at constant exchange rates (-22.4% at current exchange rates) from €26.2m in the first six months of 2020. As a percentage of sales, it goes from 6.6% in the first half of 2020 to 5.0% in the first six months of 2021.

As for the other business units, local management continued with the measures taken in 2020 to mitigate the effects of the COVID-19 crisis with a view to increasing hourly productivity, cutting costs, reducing personnel expense including through relief programs (these produced savings of an estimated €48.2m, compared with €29.0m in the first half of 2020), and continued to renegotiate the terms of its existing leases with the cancellation of lease and concession installments (for a net positive effect on the income statement of €7.8m, versus €34.0m in the first six months of 2020).

The Group also received various forms of government relief for a total of €11.1m (nil in the first half of 2020), mostly in France and Switzerland, recognized in the income statement under the caption “Other operating income”.

### EBIT

| (€m) | First-Half 2021 | First-Half 2020 | Change At current exchange rates | Change At constant exchange rates |
|---|---|---|---|---|
| **EBIT** | **(80.4)** | **(97.7)** | **17.7%** | **17.7%** |
| *% on revenue* | *-19.9%* | *-24.7%* | | |
| **EBIT underlying** | **(79.8)** | **(97.9)** | **18.4%** | **18.4%** |
| *% on revenue* | *-19.8%* | *-24.7%* | | |

EBIT for the first six months of 2021 came to -€80.4m, an increase of 17.7% (at both constant and current exchange rates) on the first half of 2020's EBIT of -€97.7m. The change was caused by the same factors described in the comment on EBITDA, and by the lesser impact of depreciation, amortization and impairment with respect to the first half of 2020, due in particular to the sale of the Group's Spanish operations (-€11.1m).

Underlying EBIT amounted to -€79.8m in the first six months of 2021, an increase of 18.4% (at both constant and current exchange rates) with respect to the -€97.9m posted in the first half of 2020.

### Capital expenditure

| (€m) | First-Half 2021 | First-Half 2020 | Change At current exchange rates | Change At constant exchange rates |
|---|---|---|---|---|
| **Capex** | **28.2** | **52.2** | **-46.0%** | **-46.0%** |
| *% on revenue* | *7.0%* | *13.2%* | | |

Capital expenditure in the first six months of 2021 came to €28.2m, mostly for the restyling/upgrading of motorway locations in Italy, France and Switzerland and of railway locations in Belgium.

## Corporate costs

In the first six months of 2021, centralized corporate costs amounted to €12.2m with an increase of 34.2% compared to €9.1m in the first six months of 2020.

Underlying corporate costs came to €11.3m in the first six months of 2021 compared to €9.8m in the first half of 2020 due to the same non-performance-related factors described in the comment on EBITDA.

## 1.4 Intercompany and related party transactions

Transactions with the related parties, including intercompany transactions, do not qualify as atypical or unusual and fall within the normal sphere of operations. They are conducted in the interests of Group companies on an arm's length basis.

See the section "Other information" in the Notes of the condensed interim consolidated financial statements for further information on related party transactions, including the specific disclosures required by CONSOB Resolution 17221 of 12 March 2010, as amended. Autogrill S.p.A.'s procedures for related party transactions can be consulted on its website (www.autogrill.com – Governance/Related Parties section).

## 1.5 Subsequent events

In early July, the capital increase was completed with the sale of unexercised options for €1,549k and the purchase of the remaining 1,095,835 shares for €5,030k. On 20 July 2021, the certification of the capital increase was filed with the Novara Companies Register.

On 23 July the Group announced to the market that HMSHost Corporation, after obtaining the necessary government authorizations and consent from its landlords, had finalized the sale of its US motorway business to the consortium controlled by Blackstone Infrastructure Partners, which includes Applegreen Limited and B&J Holdings. The sale price was roughly $381m, subject to an earn-out mechanism on the basis of revenue earned by the new ownership in the next two-year period 2022-2023. The capital gain, not considering the earn-out effects whose amounts cannot be determined at present, is estimated at $150m.

In July, Autogrill S.p.A. paid back three revolving credit lines for a total of €205m.

## 1.6 Outlook[14]

Autogrill Group has set the following priorities for 2021:

- renewed commitment to ensuring the health and safety of employees and customers;
- focus on margins and ability to generate cash;
- maintenance of a highly flexible income statement structure and efficient cost base by preserving the structural improvements achieved in 2020;
- protection and reinforcement of the core business.

When developing forecasts for 2021, the Autogrill Group focused on the dynamics of how revenue will impact margins (both upward and downward) and cash generation. These objectives derive from the following actions planned for each category listed below:

- cost of labor: use of relief programs, workforce optimization and reduction of temporary staff;
- rent: ongoing negotiations with all owners for the suspension/reduction of guaranteed minimums;
- other costs: suspension of all non-essential expenses;
- capital expenditure: ongoing review of the extent, size, and construction costs of existing

[14] This section includes forecasts and estimates that reflect management's current thinking (forward-looking statements), especially as regards future performance, capital expenditure, cash flow and changes in the financial structure. By nature, forward-looking statements have an element of risk and uncertainty because they depend on the occurrence of future events. Actual results may differ, even significantly, as a result of various factors such as travel trends in the countries and channels served, impacted by COVID-19 pandemic; the outcome of concession contract renewals and bids for new concessions and renegotiations due to COVID-19 pandemic; how the competition develops; the trend in exchange rates against the euro, especially of the US dollar and British pound; the trend in interest rates on those currencies; future demand; the price of oil and food raw materials; general macroeconomic conditions; geopolitical factors and regulatory changes in the countries served; and other changes in business conditions. The Group's business volumes correlate with travel trends.

investment plans;

- working capital: optimization of cash outflows by arranging longer payment times and discounts with suppliers.

On the basis of the positive first-half results in terms of operating performance and free cash flow, the Group's 2021 guidance has been revised as follows:

| | FY2021 previous guidance | FY2021 revised guidance |
|---|---|---|
| **Revenue** (€/billion) | Between ~2.3 and ~2.7 | Between ~2.3 e ~2.6 |
| **EBIT margin underlying** | Between (13.0)% and (6.0)% | Between ~ (5.0)% and ~ (2.0)% |
| **Net result underlying** (€/million) | Between ~ (300) and ~ (200) | Between ~ (220)% and ~ (160)% |
| **Capex/Revenue** | Not above 6.0% | Not above 6.0% |
| **Free Cash Flow** (€/million) | Between ~ (120) and (70) | Between ~ (65) and ~ (15) |

The revised guidance for full-year 2021 is based on current traffic levels in the geographical regions and channels served by the Group.

Note that free cash flow is calculated before net income from the sale of the US motorway business and that the underlying KPIs exclude any capital gain from the disposal, in particular the estimated one of around $150m, related to the sale of US motorway business.

The Euro/US Dollar exchange rate was estimated at 1.21.

Forecasts for 2024 are unchanged and are summarized below:

- Revenue: €4.5 billion;
- Underlying EBIT margin: around 6%, about 140 bps more compared to 2019;
- Capex as percentage of revenue: between 4.8% and 5.4%;
- Free Cash Flow: between €130m e €160m.

The Euro/US Dollar exchange rate was estimated at 1.22.

## 1.7 Atypical or unsual transactions

In the first six months of 2021 there were no atypical and/or unusual transactions as defined by CONSOB Communication DEM/6064293 of 28 July 2006. See, respectively, Note XXVIII and section 2.2.2 of the Notes for information on the capital increase and the sale of the US motorway business, which fall within the Group's ordinary operations.

## 1.8 Main risks and uncertainties for the remaining six months of the year

The Autogrill Group is exposed to external risks and uncertainties arising from general economic conditions or those specific to its industry, from the financial markets and from frequent changes in legislation, as well as to risks generated by strategic decisions and operating procedures.

The current socio-economic situation is characterized by a high level of uncertainty due to the pandemic. The new context has led the Group to revisit the main risks and uncertainties concerning its financial needs and labor management in light of a sharp decline in sales, the need to ensure hygienic retail locations and workplaces, the ability to adapt menus to consumers' evolving expectations, the need to adjust fixed costs dictated by contractual commitments with landlords, and the requirement that technologies be used securely.

For more information about the Group's main risks and their order of priority in light of the pandemic, please refer to the specific section of the Report on Operations found in the 2020 Annual Report.

With the aim to strength the environmental commitment, the Group has started a new journey launching a new ESG strategy (Environmental, Social and Governance); in the coming months Autogrill will set clear and focused commitments to drive the Group's action, with the ambition of further enhancing its ability to impact and shaping a better future.

## 1.9 Information pursuant to Arts. 70 and 71 of CONSOB Regulation No. 11971/1999

On 24 January 2013 the Board of Directors of Autogrill S.p.A. voted to take the option provided for by CONSOB Resolution 18079 of 20 January 2012 that exempts companies from issuing the public disclosure documents required by Arts. 70 and 71 of the Listing Rules (CONSOB Regulation 11971/1999) in the case of significant mergers, demergers, increases in share capital through contributions in kind, acquisitions and transfers. The sale of the US motorway business, finalized in July 2021, is in any case not a large enough transaction to require a written disclosure document pursuant to the above regulatory clauses.

# 2. CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

# 2.1 Consolidated financial statements

## 2.1.1 Statement of financial position

| Notes | (€k) | 30.06.2021 | *Of which related parties* | 31.12.2020 | *Of which related parties* |
|---|---|---|---|---|---|
| | <u>ASSETS</u> | | | | |
| | **Current assets** | **1,305,160** | | **952,738** | |
| **I** | Cash and cash equivalents | 981,903 | | 613,545 | |
| **XII** | Lease receivables | 13,622 | | 15,003 | |
| **II** | Other financial assets | 41,951 | | 48,129 | |
| **III** | Tax assets | 1,567 | | 6,132 | |
| **IV** | Other receivables | 127,833 | *5,527* | 135,789 | *6,251* |
| **V** | Trade receivables | 35,726 | *1,096* | 36,696 | *1,423* |
| **VI** | Inventories | 102,558 | | 97,444 | |
| | **Non-current assets** | **3,356,659** | | **3,923,565** | |
| **VII** | Property, plant and equipment | 773,516 | | 967,946 | |
| **VIII** | Right-of-use assets | 1,452,699 | | 1,748,787 | |
| **IX** | Goodwill | 783,259 | | 819,473 | |
| **X** | Other intangible assets | 95,664 | | 105,706 | |
| **XI** | Investments | 793 | | 885 | |
| **XII** | Lease receivables | 55,434 | | 61,808 | |
| **XIII** | Other financial assets | 33,210 | | 37,350 | |
| **XIV** | Deferred tax assets | 66,074 | | 76,694 | |
| **XV** | Other receivables | 96,010 | | 104,916 | |
| **XXVII** | **Assets classified as held for sale** | **440,376** | | **-** | |
| | **TOTAL ASSETS** | **5,102,195** | | **4,876,303** | |
| | <u>LIABILITIES AND EQUITY</u> | | | | |
| | **LIABILITIES** | **4,273,883** | | **4,476,611** | |
| | **Current liabilities** | **1,388,838** | | **1,277,433** | |
| **XVI** | Trade payables | 303,266 | *26,720* | 292,097 | *19,108* |
| **XVII** | Tax liabilities | 1,373 | | 1,176 | |
| **XVIII** | Other payables | 273,271 | *3,461* | 266,363 | *4,238* |
| **XXI** | Bank loans and borrowings | 397,123 | | 265,129 | |
| **XXII** | Lease liabilities | 347,174 | *35,600* | 377,289 | *39,202* |
| **XIX** | Other financial liabilities | 11,661 | | 15,340 | |
| **XXIV** | Bonds | 33,712 | | 32,806 | |
| **XXVI** | Provision for risks and charges | 21,258 | | 27,233 | |
| | **Non-current liabilities** | **2,633,602** | | **3,199,178** | |
| **XX** | Other payables | 17,299 | | 29,177 | |
| **XXI** | Loans, net of current portion | 914,397 | | 1,197,101 | |
| **XXII** | Lease liabilities | 1,343,067 | *209,239* | 1,590,384 | *210,284* |
| **XXIII** | Other financial liabilities | 1,444 | | 1,283 | |
| **XXIV** | Bonds | 245,738 | | 239,687 | |
| **XIV** | Deferred tax liabilities | 25,423 | | 46,241 | |
| **XXV** | Defined benefit plans | 56,006 | | 60,082 | |
| **XXVI** | Provision for risks and charges | 30,228 | | 35,223 | |
| **XXVII** | **Liabilities classified as held for sale** | **251,443** | | **-** | |
| **XXVIII** | **EQUITY** | **828,312** | | **399,692** | |
| | - attributable to owners of the parent | 774,837 | | 339,811 | |
| | - attributable to non-controlling interests | 53,475 | | 59,881 | |
| | **TOTAL LIABILITIES AND EQUITY** | **5,102,195** | | **4,876,303** | |

## 2.1.2 Income statement

| Notes | (€k) | First-Half 2021 | *Of which related parties* | First-Half 2020 | *Of which related parties* |
|---|---|---|---|---|---|
| XXIX | Revenue | 1,053,220 | - | 1,197,236 | *2* |
| XXX | Other operating income | 59,513 | *814* | 56,917 | *13* |
| | **Total revenue and other operating income** | **1,112,733** | | **1,254,153** | |
| XXXI | Raw materials, supplies and goods | (454,981) | *(72)* | (469,182) | *(42)* |
| XXXII | Personnel expense | (300,260) | *(2,631)* | (449,620) | *(2,173)* |
| XXXIII | Leases, rentals, concessions and royalties | (30,708) | *(7,098)* | (56,294) | *11,937* |
| XXXIV | Other operating expense | (162,624) | *(5,447)* | (227,073) | *(3,858)* |
| XXXV | Depreciation and amortization | (255,942) | | (316,336) | |
| XXXV | (Impairment losses) Reversal of impairment losses on property, plant and equipment, intangible assets and right-of-use assets | 850 | | (36,148) | |
| | **Operating profit (loss)** | **(90,932)** | | **(300,500)** | |
| XXXVI | Financial income | 1,708 | | 4,348 | |
| XXXVI | Financial expense | (51,656) | *(2,980)* | (60,862) | *(3,327)* |
| XI | Share of the profit (loss) of equity method investments | (46) | | (216) | |
| XXXVII | Revaluation (writedowns) of financial assets | 731 | | - | |
| | **Pre-tax profit (loss)** | **(140,195)** | | **(357,230)** | |
| XXXVIII | Income tax | (4,646) | | 71,501 | |
| | **Profit (loss) for the period** | **(144,841)** | | **(285,729)** | |
| | Profit (loss) for the period attributable to: | | | | |
| | - owners of the parent | (148,258) | | (271,016) | |
| | - non-controlling interests | 3,417 | | (14,713) | |
| XXXIX | **Earnings (loss) per share (in €)** | | | | |
| | - basic | -0.5885 | | -1.0728 | |
| | - diluted | -0.5885 | | -1.0728 | |

## 2.1.3 Statement of comprehensive income

| Notes | (€k) | First-Half 2021 | First-Half 2020 |
|---|---|---|---|
| | **Profit (loss) for the period** | **(144,841)** | **(285,729)** |
| | **Items that will never be reclassified to profit or loss** | | |
| XXVIII | Remeasurements of the defined benefit (liabilities) asset | 284 | (564) |
| XXVIII | Tax effect on items that will never be reclassified to profit or loss | (72) | 135 |
| | **Items that will never be reclassified to profit or loss** | **212** | **(429)** |
| | **Items that may be subsequently reclassified to profit or loss** | | |
| XXVIII | Equity-accounted investee - share of other comprehensive income | - | 38 |
| XXVIII | Foreign currency translation differences for foreign operations | 9,744 | 3,303 |
| XXVIII | Gain (loss) on net investment hedge | (30) | (58) |
| XXVIII | Tax effect on items that may be subsequently reclassified to profit or loss | 8 | 14 |
| | **Items that may be subsequently reclassified to profit or loss** | **9,722** | **3,297** |
| | **Total other comprehensive income (loss) for the period** | **(134,907)** | **(282,861)** |
| | - attributable to owners of the parent | (140,035) | (268,645) |
| | - attributable to non-controlling interests | 5,128 | (14,216) |

## 2.1.4 Statement of changes in equity

*(Note XXVIII)*

| (€k) | Share capital | Legal reserve | Translation reserve | Share premium reserve | Other reserve and retained earnings | Treasury shares | Profit/(loss) for the period | Equity attributable to owners of the parent | Equity attributable to non-controlling interests |
|---|---|---|---|---|---|---|---|---|---|
| **31.12.2020** | **68,688** | **13,738** | **23,034** | **-** | **727,261** | **(13,042)** | **(479,868)** | **339,811** | **59,881** |
| **Total other comprehensive income (loss) for the period** | | | | | | | | | |
| Profit (loss) for the period | - | - | - | - | - | - | (148,258) | **(148,258)** | 3,417 |
| Foreign currency translation differences for foreign operations | - | - | 8,033 | - | - | - | - | **8,033** | 1,711 |
| Gain (loss) on net investment hedge, net of the tax effect | - | - | (22) | - | - | - | - | **(22)** | - |
| Remeasurements of the defined benefit (liabilities) asset, net of the tax effect | - | - | - | - | 212 | - | - | **212** | - |
| **Total other comprehensive income (loss) for the period** | **-** | **-** | **8,011** | **-** | **212** | **-** | **(148,258)** | **(140,035)** | **5,128** |
| **Transaction with owners of the parent, recognised directly in equity** | | | | | | | | | |
| **Contributions by and distributions to owners of the parent** | | | | | | | | | |
| Stock options | - | - | - | - | 1,085 | - | - | **1,085** | - |
| Allocation of 2020 profit to reserves | - | - | - | - | (479,868) | - | 479,868 | **-** | - |
| Capital increase | 76,427 | - | - | 497,340 | - | - | - | **573,767** | - |
| Relationship with minority partners | - | - | - | - | - | - | - | **-** | (11,534) |
| Other movements | - | - | - | - | 209 | - | - | **209** | - |
| **Total contributions by and distributions to owners of the parent** | **76,427** | **-** | **-** | **497,340** | **(478,574)** | **-** | **479,868** | **575,061** | **(11,534)** |
| **Total transactions with owners of the parent** | **76,427** | **-** | **-** | **497,340** | **(478,574)** | **-** | **479,868** | **575,061** | **(11,534)** |
| **30.06.2021** | **145,115** | **13,738** | **31,045** | **497,340** | **248,899** | **(13,042)** | **(148,258)** | **774,837** | **53,475** |

| (€k) | Share capital | Legal reserve | Translation reserve | Share premium reserve | Other reserve and retained earnings | Treasury shares | Profit/(loss) for the period | Equity attributable to owners of the parent | Equity attributable to non-controlling interests |
|---|---|---|---|---|---|---|---|---|---|
| **31.12.2019** | **68,688** | **13,738** | **50,860** | **-** | **520,550** | **(720)** | **205,188** | **858,304** | **77,620** |
| **Total other comprehensive income (loss) for the period** | | | | | | | | | |
| Profit (loss) for the period | - | - | - | - | - | - | (271,016) | **(271,016)** | **(14,713)** |
| Foreign currency translation differences for foreign operations | - | - | 2,806 | - | - | - | - | **2,806** | **497** |
| Gain (loss) on net investment hedge, net of the tax effect | - | - | (44) | - | - | - | - | **(44)** | **-** |
| Equity-accounted investee - share of other comprehensive income | - | - | 38 | - | - | - | - | **38** | **-** |
| Remeasurements of the defined benefit (liabilities) asset, net of the tax effect | - | - | - | - | (429) | - | - | **(429)** | **-** |
| **Total other comprehensive income (loss) for the period** | **-** | **-** | **2,800** | - | **(429)** | **-** | **(271,016)** | **(268,645)** | **(14,216)** |
| **Transaction with owners of the parent, recognised directly in equity** | | | | | | | | | |
| **Contributions by and distributions to owners of the parent** | | | | | | | | | |
| Stock options | - | - | - | - | 124 | - | - | **124** | **-** |
| Allocation of 2019 profit to reserves | - | - | - | - | 205,188 | - | (205,188) | **-** | **-** |
| Treasury shares acquisition | - | - | - | - | - | (12,322) | - | **(12,322)** | **-** |
| Relationship with minority partners | - | - | - | - | - | - | - | **-** | **12,373** |
| Other movements | - | - | - | - | (526) | - | - | **(526)** | **-** |
| **Total contributions by and distributions to owners of the parent** | **-** | **-** | **-** | - | **204,785** | **(12,322)** | **(205,188)** | **(12,724)** | **12,373** |
| Acquisition of non-controlling interests | - | - | - | - | - | - | - | **-** | **(5,643)** |
| **Total transactions with owners of the parent** | **-** | **-** | **-** | - | **204,785** | **(12,322)** | **(205,188)** | **(12,724)** | **6,730** |
| **30.06.2020** | **68,688** | **13,738** | **53,660** | - | **724,907** | **(13,042)** | **(271,016)** | **576,935** | **70,136** |

## 2.1.5 Statement of cash flows

| (€k) | First-Half 2021 | First-Half 2020 |
|---|---|---|
| **Opening net cash and cash equivalents** | **555,391** | **243,783** |
| Pre-tax profit and net financial expense for the period (1) | (90,247) | (300,716) |
| Amortisation, depreciation and impairment losses on non-current assets, net of reversals (Note XXXV) | 255,093 | 352,484 |
| Share of the profit (loss) of equity method investments | 46 | 216 |
| Revaluation (writedowns) of financial assets | (731) | - |
| Gain on disposal of non-current assets | (475) | (48) |
| Other non cash items | 1,148 | (632) |
| Change in working capital | (1,002) | (173,628) |
| Net change in non-current non-financial assets and liabilities | 6,531 | 108 |
| **Cash flow from operating activities(2)** | **170,363** | **(122,217)** |
| Taxes paid | 909 | (18,269) |
| Net Interest paid(3) | (28,860) | (11,303) |
| Net implicit interest in lease liabilities(4) | (13,684) | (29,147) |
| **Net cash flow from (used in) operating activities** | **128,728** | **(180,935)** |
| Acquisition of property, plant and equipment and intangible assets paid | (69,042) | (93,324) |
| Proceeds from sale of non-current assets | 4,253 | 843 |
| Cash flow absorbed by acquisition of investments | - | (1,891) |
| Net change in non-current financial assets | 449 | (669) |
| **Net cash flow used in investing activities** | **(64,340)** | **(95,041)** |
| Utilisations of non-current credit lines | 2,351 | 438,145 |
| Repayments of non-current loans | (256,044) | - |
| Issue of new current loans, net of repayments | 99,572 | 193,978 |
| Principal repayment of lease liabilities | (60,685) | (76,159) |
| Renegotiation for COVID-19 on lease liabilities | (59,157) | (70,274) |
| Treasury share purchase | - | (12,322) |
| Capital increase net of expenses associated with the Offering (5) | 592,555 | - |
| Other cash flows(6) | (8,262) | 5,730 |
| **Net cash flow used in financing activities** | **310,330** | **479,098** |
| **Cash flow for the period** | **374,718** | **203,121** |
| Effect of exchange on net cash and cash equivalents | 1,659 | (60) |
| Cash and cash equivalent included in the assets classified as held for sale | (2,277) | - |
| **Closing net cash and cash equivalents** | **929,491** | **446,845** |

(1) Includes the item “Pre-tax profit (loss)” net of the items “Financial income” and “Financial expense”.
(2) With respect to the cash flow statement in the Interim Directors' report, prepared according to prevailing industry practice, this item does not include “Principal repayment on lease liabilities” and “Renegotiations for COVID-19 on lease liabilities”, which are shown here under “Net cash flow used in financing activities”.
(3) Includes interest expenses paid, €30,440k (€13,480k) and interest income collected €1,580k (€2,177k).
(4) Includes finance expense on lease liabilities paid for €13,995k (€30,848k) and finance income on lease receivables collected for €311k (€1,703k).
(5) Capital increase as shown in the statement of changes in equity, less €18,788k in offering costs incurred but not yet paid.
(6) Includes the distribution of non-controlling interests, net of capital increases.

**Reconciliation of net cash and cash equivalents**

| (€k) | First-Half 2021 | First-Half 2020 |
|---|---|---|
| **Opening - net cash and cash equivalents - balance as of 1st January 2021 and as of 1st January 2020** | **555,391** | **243,783** |
| Cash and cash equivalents | 613,545 | 284,091 |
| Current account overdrafts | (58,154) | (40,308) |
| **Closing - net cash and cash equivalents - balance as of 30 June 2021 and as of 30 June 2020** | **929,491** | **446,845** |
| Cash and cash equivalents | 981,903 | 468,359 |
| Current account overdrafts | (52,412) | (21,514) |

# 2.2 Notes to the condensed interim consolidated financial statements

### Group operations

The Autogrill Group operates in the food & beverage industry, mainly at airports, motorway rest stops and railway stations, under contracts known as concessions.

## 2.2.1 Accounting policies and basis of consolidation

### General standards

These condensed interim consolidated financial statements at 30 June 2021 have been prepared in accordance with Art. 154-ter of Legislative Decree 58 of 24 February 1998 (Italy's Consolidated Finance Act), as amended, and with IAS 34 "Interim financial reporting". They do not include all disclosures required by the international accounting standards (IFRS/IAS) adopted by the European Union in the annual financial statements, and should therefore be read jointly with the consolidated financial statements for the year ended 31 December 2020.

In the condensed interim consolidated financial statements, the accounting standards and consolidation methods are consistent with those used in the 2020 annual consolidated financial statements, which should be consulted for further description. Likewise, the accounting standards and consolidation methods are the same as those used in the condensed interim consolidated financial statements for the period ended 30 June 2020, except where specified below with regard to IFRS standards and amendments endorsed and in effect from 1st January 2021.

Below are the accounting standards, amendments and interpretations issued by the IASB and endorsed by the European Union for mandatory adoption in financial statements for years beginning on 1st January 2021:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16: Interest rate benchmark reform – Phase 2.

The application of the amendments mentioned above did not affect the Group's Condensed interim consolidated financial statements to an extent requiring mention in these Notes.

Regarding the accounting standards, amendments and interpretations issued by the IASB and endorsed by the European Union for mandatory adoption in years beginning on or after 1st January 2022 that Autogrill did not choose to apply early in the half-year report at 30 June 2021, note that:

- on 14 May 2020, the IASB published "Amendments to IFRS 3 Business Combinations", "Amendments to IAS 16 Property, Plant and Equipment", "Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets", and "Annual Improvements 2018-2020". All of the amendments will take effect on 1st January 2022.

The directors are assessing the potential impact of these amendments which, in any case, should not affect the Group's financial reporting to an extent requiring mention in these Notes.

As concerns accounting standards, amendments and interpretations not yet endorsed by the European Union:

- on 23 January 2020, the IASB published "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current" and on 15 July it published "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current – deferral of Effective Date". The amendment will take effect on 1st January 2023;
- on 12 February 2021, the IASB published "Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies" and

"Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates". All of the amendments will take effect on 1st January 2023;

- on 7 May 2021, the IASB published "*Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from Single Transaction*". The amendment will take effect on 1st January 2023.

The directors will assess the potential effects of these amendments on the consolidated financial statements.

On 31 March 2021, the IASB published "Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16 Leases)".

In particular, the additional amendment to IFRS 16 would extend the period of time for applying the practical expedient offered by the amendment published on 28 May 2020 and endorsed on 9 October. Because the effects of the COVID-19 pandemic are still present and significant, the change allows the benefits of rent reductions affecting minimum payments originally due before 30 June 2022 (rather than 30 June 2021) to be reflected directly in the income statement. Should the new amendment to IFRS 16 be endorsed by the European Union, it will be applied retroactively by companies that published their 2020 annual report without applying the expedient to reductions of rent due after 30 June 2021 but before 30 June 2022. Retroactive application will entail recognition of the cumulative effect of the initial application of the amendment as an adjustment to the opening balance of retained earnings in shareholders' equity at the beginning of the period in which the amendment is applied, without restating assets and liabilities with respect to the amounts originally published in the 2020 Annual Report. This amendment has not been yet endorsed by European Union, therefore the condensed interim consolidated financial statement as of 30 June 2021 does not include any effect due to its adoption.

Finally, we report that the breakdown of the net financial position provided in this quarterly report as required by CONSOB's circular of 28 July 2006 has been revised in accordance with the latest ESMA recommendations of 4 March 2021.

## Use of estimates

The preparation of the Condensed interim consolidated financial statements requires management to make estimates and assumptions that affect the carrying amounts of revenue, costs, assets, and liabilities and the disclosure regarding contingent assets and liabilities at the end of the reporting period. Such estimation processes are generally different from those incorporated in the annual report, as there is more information on recent trends and events by the time the annual report is prepared than is available for half-year accounts drawn up close to the reporting date; adding to this is the specific uncertainty of how the COVID-19 pandemic will evolve and what measures affecting motorway and air traffic will be taken in the countries where the Group operates. If these estimates and assumptions, reached according to the best of the directors' knowledge, turn out to differ from actual circumstances, they will be modified accordingly in the period in which the circumstances differ and it may be necessary to make even significant adjustments to the amounts shown herein.

Including as a result of adopting IFRS 16, the Group has made professional judgments involving the definition of certain accounting policies and the use of estimates and assumptions, as detailed in the 2020 Annual Report.

In addition, some valuation procedures—especially the more complex ones such as impairment testing for non-current assets—are generally performed comprehensively only during the audit of the year-end accounts when all of the necessary information is on hand, unless there are impairment indicators that make it necessary to test immediately. As better described in Note IX, no indicators have been identified that would require systematic impairment testing for all tangible and intangible assets, in particular goodwill; right-of-use assets, other intangible assets, and property, plant and equipment have been tested only with reference to specific stores subject to closure.

Defined benefit plan assets and liabilities are only measured precisely at year end, unless there are indicators suggesting the need to revise estimates during the course of the year; at 30 June 2021, estimates were adjusted using discount rates applicable in the semester and the revised liability was recognized with a contra entry in shareholders' equity (Note XXVIII).

As for the recognition of liabilities for management incentive plans (Phantom Stock Option and Performance Share Units), the use of the best available share performance data in the context of actuarial estimates of the liability's value might not correspond to the share's actual performance in subsequent periods, requiring an adjustment of the liability when such information becomes available. In this case, the estimation process was updated as of 30 June 2021, leading to an adjustment of the liability and a contra entry in shareholders' equity (Nota XXVIII).

The tax charge, pursuant to IAS 34, is estimated by calculating the actual liability as of 30 June 2021.

## Content of the Condensed interim consolidated financial statements

In the Condensed interim consolidated financial statements, earnings and cash flow figures are compared with those for the same semester of last year. Assets, liabilities, and the net financial position as of 30 June 2021 are compared with the corresponding amounts at 31 December 2020.

The Condensed interim consolidated financial statements at 30 June 2021 were prepared on a going concern basis, the assumptions of which are better described in the "Net financial Indebtedness" and "Outlook" sections in the Interim Directors' report on operations considering also the recommendations of CONSOB, ESMA, and IOSCO, and use the euro as presentation currency. Unless otherwise specified, the figures in the financial statements and Notes are in thousands of Euros (€k).

Below are the exchange rates used to translate the financial statements of the main subsidiaries with a functional currency other than the Euro:

| | 2021 | | 2020 | | |
|---|---|---|---|---|---|
| | Rate on 30 June | Average rate for the period | Rate on 30 June | Average rate for the period | Rate on 31 December |
| US Dollar | 1.1884 | 1.2053 | 1.1198 | 1.1020 | 1.2271 |
| Canadian Dollar | 1.4722 | 1.5028 | 1.5324 | 1.5033 | 1.5634 |
| Swiss Franc | 1.0980 | 1.0946 | 1.0651 | 1.0642 | 1.0802 |

HMSHost Corporation and its subsidiaries, following common practice in English-speaking countries, close their fiscal year on the Friday closest to 31 December and divide it into 13 four-week periods, which in turn are grouped into 12-week quarters with the exception of the last which is a 16-week quarter. As a result, the accounts included in the condensed interim consolidated financial statements at 30 June 2021 cover the period 2 January to 18 June 2021, while the comparative period covered the period 4 January to 19 June 2020. This has had no significant impact on the statement of financial position at 30 June 2021 or on results for the period.

## Scope and methods of consolidation

Since 31 December 2020 the scope of consolidation has not undergone significant changes.

Regarding the sale of the US motorway business, under international accounting standards this does not constitute a "discontinued operation", so the income statement for the first half of 2021 is comparable with that of the first six months of 2020. The only effect of signing the sale agreement has been to classify the assets and liabilities relating to the motorway business as held for sale, rather than including them by nature in the interim statement of financial position.

## 2.2.2 Disposals

On 31 March 2021 the Autogrill Group, through its North American subsidiary HMSHost Corporation, signed an agreement for the sale of the US motorway business. On 23 July the Group announced to the market that HMSHost Corporation, after obtaining the necessary government authorizations and consent from its landlords, had finalized the sale of the US motorway business to the consortium controlled by Blackstone Infrastructure Partners, which includes Applegreen Limited and B&J Holdings.

The sale price was $381m, subject to an earn-out mechanism on the basis of revenue earned by the new ownership in the next two-year period 2022-2023. The capital gain, not considering the earn-out effects whose amounts cannot be determined at present, is estimated at $150m.

The US motorways business includes branded food and beverage concessions such as Starbucks, Burger King and Pret (which the Group will continue to operate as a licensee in other channels) as well as convenience retail concessions, located in approximately 60 motorway service areas in the United States.

At 30 June 2021, the assets and liabilities of the motorway business, that are part of the agreement, reclassified as "Assets classified as held for sale" and "Liabilities classified as held for sale" are broken down as follows:

| (k€) | 30.06.2021 |
|---|---|
| **Current assets** | 5,722 |
| *of which Current financial assets* | *2,501* |
| **Non-current assets** | 434,654 |
| *of which Non-current financial assets* | *1,976* |
| **Assets classified as held for sale** | **440,376** |
| **Current liabilities** | 18,383 |
| *of which Current financial liabilities* | *10,751* |
| **Non-current liabilities** | 233,060 |
| *of which Non-current financial liabilities* | *233,059* |
| **Liabilities classified as held for sale** | **251,443** |

Key earnings figures for the motorway business in the United States in absolute terms and as a percentage of Group totals are shown below:

| | First-Half 2021 | First-Half 2020 | Full Year 2020 | Full Year 2019 |
|---|---|---|---|---|
| Revenue in $k | 79,505 | 53,527 | 138,478 | 302,860 |
| *Exchange rate US Dollar/Euro* | *1.2053* | *1.1020* | *1.1422* | *1.1195* |
| **Revenue in €k** | **65,963** | **48,573** | **121,238** | **270,531** |
| Revenue – Autogrill Group | 1,053,220 | 1,197,236 | 2,215,774 | 5,393,753 |
| Incidence % | 6.3% | 4.1% | 5.5% | 5.0% |
| Operating profit (loss) in $k | (2,527) | (29,430) | (63,800) | (5,877) |
| *Exchange rate US Dollar/Euro* | *1.2053* | *1.1020* | *1.1422* | *1.1195* |
| **Operating profit (loss) in €k** | **(2,097)** | **(26,706)** | **(55,857)** | **(5,250)** |
| Operating profit (loss) – Autogrill Group | (90,932) | (300,500) | (511,624) | 336,553 |
| Incidence % | 2.3% | 8.9% | 10.9% | -1.6% |

## 2.2.3 Notes to the statement of financial position

### Current assets

#### I. Cash and cash equivalents

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| Bank and post office deposits | 947,850 | 590,255 | 357,595 |
| Cash and equivalents on hand | 34,053 | 23,290 | 10,763 |
| **Total** | **981,903** | **613,545** | **368,358** |

"Cash and equivalents on hand" include cash floats at stores and amounts in the process of being credited to bank accounts. The amount may vary substantially depending on the frequency of pick-ups for deposit, which are generally handled by specialized third-party carriers.

The significant increase in bank accounts and deposits mostly reflects the capital increase as described in Note XXVIII and the use of available credit facilities, as described in Note XXI and in the Interim Directors' report on operations.

The statement of cash flows presents the various sources and uses of cash that contributed to the change in this item, along with the balance of current account overdrafts.

#### II. Other financial assets

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| Financial receivables from third parties | 30,209 | 37,818 | (7,609) |
| Receivables from credit card companies | 9,899 | 5,564 | 4,335 |
| Fair value of interest rate hedging derivatives | 1,815 | 1,698 | 117 |
| Fair value of exchange rate hedging derivatives | 28 | 3,049 | (3,021) |
| **Total** | **41,951** | **48,129** | **(6,178)** |

"Financial receivables from third parties" consist primarily of the current portion of capital advances due back from the non-controlling shareholders of some North American subsidiaries and non-subsidiary companies; the amount takes account of their ability to pay the sums back with future earnings. Most of the net decrease reflects the conversion of these receivables in long term financial assets.

The increase in "Receivables from credit card companies" is explained by the steady increase in consumer traffic over the second quarter of 2021, as the COVID-19 eased.

"Fair value of interest rate hedging derivatives" includes the current portion of the fair value measurement of derivatives outstanding at 30 June 2021, with a combined notional value of $100m.

"Fair value of exchange rate hedging derivatives" refers to the fair value measurement of the derivatives entered into to hedge exchange rate risk at 30 June 2021, in particular to the forward purchase and/or sale of currency to mitigate the risk of intercompany loans.

#### III. Tax assets

This caption amounts to €1,567k (€6,132k at 31 December 2020) and refer to income tax advances and credits, mostly related to operations with the Swiss subsidiary.

## IV. Other receivables

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| Suppliers | 50,047 | 46,682 | 3,365 |
| Lease/concession and royalties advance payment | 3,828 | 3,237 | 591 |
| Inland revenues and government agencies | 35,595 | 29,410 | 6,185 |
| Receivables from grantors for capital expenditures | 9,863 | 14,307 | (4,444) |
| Sub-concessionaires | 6,445 | 5,911 | 534 |
| Personnel | 942 | 2,522 | (1,580) |
| Other | 21,113 | 33,720 | (12,607) |
| **Total** | **127,833** | **135,789** | **(7,956)** |

"Suppliers" refer to amounts receivable for promotional contributions and supplier bonuses awaiting settlement, as well as advances for services to be received. The increase stems from an increase in contributions from suppliers.

“Lease/concession and royalties advance payment” consists of lease instalments paid in advance, as required by contract and this item was essentially unchanged since 31 December 2020.

“Receivables from inland revenue and government agencies” relate mostly to indirect taxes. The increase in this item is due primarily to the net increase of receivables from social institutions in Italy (€7,326k) and to higher net credit with social security institutions for COVID-19 relief (€9,808k, mostly in France, Germany, and Switzerland), which more than offset the Italian companies' decrease in VAT credits (taking account of Autogrill S.p.A.'s transfer of the VAT credit, that takes place in June 2021, for a nominal €12,865k against a net amount received of €12,756k).

The decrease in “Receivables from grantors for capital expenditures” relates to commercial capital expenditures made on behalf of concession grantors in North America in accordance with contractual provisions. The decrease is related to the decreased capital expenditures as a result of the COVID-19 pandemic.

Amounts due from “Sub-concessionaires” refer to businesses sublet to others and consist mainly of receivables due under lease contracts with variable rents.

"Other" consists mainly of prepayments for maintenance fees, insurance policies and reimbursements, as well as advances on local taxes and miscellaneous non-operating receivables. The net decrease refers primarily to the offsetting, allowed starting from 2021, of the not-yet-received portion of the Employee Retention Tax Credit (ERTC) to which the American subsidiary HMSHost Corp. is entitled because of the COVID-19 pandemic ($20,777k, or €17,483k) with the corresponding liability ($18,782k or €15,804k).

## V. Trade receivables

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| Third parties | 43,901 | 44,838 | (937) |
| Allowance for impairment | (8,175) | (8,142) | (33) |
| **Total** | **35,726** | **36,696** | **(970)** |

The item "Third parties" includes receivables from catering service agreements and accounts with affiliated companies. This item is essentially unchanged since 31 December 2020.

As in previous years, the bad debt reserve has been estimated on the basis of the general default risk of receivables not yet due on the reporting date as inferred from past performance and taking into account the aggravation caused by the pandemic, in keeping with IFRS 9.

Movements in the bad debt reserve are shown below:

| (€k) | |
|---|---|
| **Allowance for impairment at 31 December 2020** | **8,142** |
| Releases, net of increase | (752) |
| Other movements and exchange rate differences | 976 |
| Utilizations | (191) |
| **Allowance for impairment at 30 June 2021** | **8,175** |

“Releases, net of increase” of €752k in the first half of 2021 reflect revised estimates as to the recoverability of disputed receivables and the general default risk applicable to receivables not yet due and refer mostly to the operating activities in North America.

“Utilizations”, amounting to €191k, refer particularly to the settlement of disputes during the period against which bad debt provisions had been made in the past.

## VI. Inventories

Inventories amounted to €102,558k at 30 June 2021, compared with €97,444k at 31 December 2020. The significant increase is explained by seasonal factors. The amount is shown net of the write-down provision of €3,087k (€2,856k at 31 December 2020), determined considering revised recoverability estimates of the value of slow-moving goods. Inventories are concentrated mostly in Italy and the United States and consist chiefly of food raw materials, drinks, packaged products and goods sold under government monopoly.

As anticipated in the Interim Directors’ report on operations, the negative impact related to product expired and damaged due to the pandemic resulted in non-recurring costs in the income statement of roughly €192k (€6m in the first half of 2020).

## Non-current assets

### VII. Property, plant and equipment

| | 30.06.2021 | | | 31.12.2020 | | | |
|---|---|---|---|---|---|---|---|
| (€k) | Gross carrying amount | Accumulated depreciation and impair. losses | Carrying amount | Gross carrying amount | Accumulated depreciation and impair. losses | Carrying amount | change |
| Land and buildings | 109,823 | (58,514) | **51,309** | 108,462 | (58,324) | **50,138** | 1,171 |
| Leasehold improvements | 1,183,565 | (833,770) | **349,795** | 1,397,260 | (908,759) | **488,501** | (138,706) |
| Plant and machinery | 207,108 | (160,550) | **46,558** | 210,437 | (161,889) | **48,548** | (1,990) |
| Industrial and commercial equipment | 926,541 | (752,603) | **173,938** | 974,800 | (774,244) | **200,556** | (26,618) |
| Assets to be transferred free of charge | 311,672 | (220,276) | **91,396** | 312,424 | (222,816) | **89,608** | 1,788 |
| Other | 54,403 | (50,000) | **4,403** | 55,935 | (50,694) | **5,241** | (838) |
| Assets under construction and payments on account | 56,117 | - | **56,117** | 85,355 | - | **85,355** | (29,238) |
| **Total** | **2,849,229** | **(2,075,713)** | **773,516** | **3,144,673** | **(2,176,727)** | **967,946** | **(194,430)** |

Capital expenditure in the first half of 2021 amounted to €35,698k, while the net carrying amount of disposals was €4,444k. No significant economic effects were realized on those disposals. Details of capital expenditure by geographical area and principal locations are provided in the Interim Directors' report on operations. Finally, due to the sale of the US motorway operations (finalized on 23 July, see section 2.2.2), property, plant and equipment with a net carrying amount of €144,533k have been reclassified to "Assets classified as held for sale".

Depreciation for the period came to €95,769k (€109,881k in the first half of 2020).

Impairment testing of individual locations resulted in net impairment losses of €3,040k. Consistently with the method followed in the 2020 financial statements, impairment testing was based on the estimated future cash flows for each location (without incorporating any assumed efficiency gains), discounted at the average cost of capital, which reflects the cost of money and the specific business risk associated with each country where the Group operates. In the first half of 2020, net impairment losses had been recognized in the amount of €17,126k (primarily in the United States to reflect the new earnings projections of various locations which, due to the COVID-19 emergency and medium-term expectations regarding a return to pre-pandemic profitability, led the Group to change its location management strategies and to plan on exiting from these contracts).

"Leasehold improvements" refer to expenses incurred to set up or adapt leased premises and concessions. This includes costs for the development of locations managed at airports, at shopping malls in North America and at several Italian motorway locations.

"Assets under construction and payments on account" are concentrated mostly in the United States and Italy and include capital expenditure for new openings and contract renewals.

## VIII. Right-of-use assets

The table below breaks down right-of-use assets at 30 June 2021 and 31 December 2020:

| | 30.06.2021 | | | 31.12.2020 | | | |
|---|---|---|---|---|---|---|---|
| (€k) | Gross carrying amount | Accumulated depreciation and impair. losses | Carrying amount | Gross carrying amount | Accumulated depreciation and impair. losses | Carrying amount | change |
| Buildings | 2,183,519 | (733,897) | **1,449,622** | 2,384,596 | (639,149) | **1,745,447** | (295,825) |
| Other | 7,021 | (3,944) | **3,077** | 6,989 | (3,649) | **3,340** | (263) |
| **Total** | **2,190,540** | **(737,841)** | **1,452,699** | **2,391,585** | **(642,798)** | **1,748,787** | **(296,088)** |

"Right-of-use assets", amounted to €1,452,699k at 30 June 2021 (€1,748,787k at 31 December 2020).

Of the net change in this item, €93,314k (€43,840k in the first half of 2020) relates to new contracts, the remeasurement of some leases on the basis of previously negotiated terms, and the remeasurement of leases further to COVID-19-related negotiations for which it was not possible to apply the expedient offered by the IFRS 16 amendment for extensions agreed with landlords. Other changes concerned early terminations (€49,992k, compared with €25,441k in the first half of 2020) and exchange differences. These transactions did not have a significant economic impact as they produced a corresponding change in the related liability (Note XXII).

In addition to the movements described above, this item shows a substantial decrease (€224,298k) due to the reclassification to "Assets classified as held for sale", in connection with the disposal of the US motorway business (the transaction was finalized on 23 July 2021, as described in section 2.2.2 of the Notes).

Furthermore, this item is subject to depreciation accounted for in the first half of 2021 to the extent of €147,636k (€192,286k in the first half of 2020). It should be noted that, following the verification of the existence of impairment losses at the location level, impairment losses were also recognized in the period for €200k (18,631k€ in the first half of 2020, mainly in the United States, based on the same considerations described in the previous paragraph).

"Buildings" refers essentially to area concessions, business leases and commercial leases, while "Other assets" consist mainly of leased vehicles.

In particular:

- area concessions are contracts with which the infrastructure operator (motorway or airport) grants a concession to a specialized entity to arrange and provide food & beverage and/or fuel services, authorizing it (i) to build and install, on land owned by the grantor, buildings, plant, furnishings and fittings designed for the sale of food and drink, complementary products and groceries and/or for the distribution of fuel, and (ii) to carry on this business against payment of a fee based on turnover, with certain stipulations regarding the means and continuity of service provision during the business hours established by the grantor.

  It frequently occurs that the sub concession for all the services of an entire motorway service area or airport terminal is assigned to a single entity, which then sub-assigns each individual service to a number of additional specialized firms. Usually, on expiry of the contract, the assets built for the provision of motorway services must be transferred free of charge to the grantor, while this is almost never the case for airport terminals.

- Leasing a business or business branches allows an operator to use rights and/or buildings, equipment etc. organized to serve food and beverage products. In some cases the business consists of an authorization to operate and of administrative licenses, in which case the operator incurs the necessary capital expenditure and provides the service. In other cases, a firm leases a company consisting of both the authorization and the necessary buildings and equipment. Leasing a company in the concession business entails the obligation to ensure continuity of service and payment of a fee; for primary concession contracts between a petrol company and a motorway operator, it also entails payment of the royalties due by the petrol company.

- In a commercial lease, the operator uses buildings for business activity against payment of rent. The premises are equipped and furnished according to the specifications and at the expense of the operator, who must clear the premises when the lease expires.

These latter two types of concession are common (i) along motorways, where there are area or service sub-concessions assigned to a petrol company, which then turns to a caterer, and (ii) in cities, railway stations and shopping centers, according to the business objectives of the owner of the property.

## IX. Goodwill

At 30 June 2021 goodwill amounts to €783,259k, compared with €819,473k at 31 December 2020. The cash-generating units (CGUs) were identified on the basis of business segment, following a geographical/operational logic, consistently with the minimum level at which goodwill is monitored for internal management purposes.

The carrying amounts of goodwill by geographical CGU are as follows:

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| North America | 377,395 | 412,950 | (35,555) |
| International | 67,073 | 65,544 | 1,529 |
| Europe | | | |
| *Italy* | 83,631 | 83,631 | - |
| *Other European countries* | 255,160 | 257,348 | (2,188) |
| **Total** | **783,259** | **819,473** | **(36,214)** |

The changes for the first half 2021 mostly concern the disposal of the US motorway operations (the transaction was finalized on 23 July 2021, as described in section 2.2.2 of the Notes), entailing a partial reclassification to “Assets classified as held for sale” (€49,471k). The remainder consists of exchange differences.

Cash generation in the first half of 2021 improved with respect to the correspondent values used for 2020 impairment testing. This trend allows to update the guidance 2021 approved by the Board of Directors on 11 March 2021 (later revised on 31 March and supplemented on 4 May and 8 June 2021, considering financial projections that incorporate the effects of finalizing the sale of the US motorway business), as disclosed in the paragraph “Outlook” of the Interim Directors’ Report on operations.

On this basis and considering also that value in use is determined mainly by medium/long-term forecasts (relating to the terminal value used to calculate cash flows beyond the range of explicit projections), despite the uncertainty as to whether short-term predictions will be achieved as this still depends on unpredictable traffic trends due to the pandemic, at the moment there are no indicators of potential impairment that would make it necessary under IAS 36 to run early goodwill impairment tests for inclusion in this Consolidated Half-Year Financial Report at 30 June 2021 and goodwill is considered not to be impaired. In accordance with IAS 36, therefore, the impairment test will be conducted for preparation of the consolidated financial statements at 31 December 2021.

## X. Other intangible assets

The breakdown of "Other intangible assets" at 30 June 2021 and 31 December 2020 is shown below.

| | 30.06.2021 | | | 31.12.2020 | | | |
|---|---|---|---|---|---|---|---|
| (€k) | Gross carrying amount | Accumulated depreciation and impair. losses | Carrying amount | Gross carrying amount | Accumulated depreciation and impair. losses | Carrying amount | change |
| Concessions, licenses, trademarks and similar rights | 217,903 | (142,737) | **75,166** | 221,758 | (138,686) | **83,071** | (7,905) |
| Other intangible assets | 130,721 | (114,133) | **16,588** | 126,717 | (109,701) | **17,016** | (428) |
| Assets under development and payments on account | 3,910 | - | **3,910** | 5,619 | - | **5,619** | (1,709) |
| **Total** | **352,534** | **(256,870)** | **95,664** | **354,094** | **(248,387)** | **105,706** | **(10,042)** |

Capital expenditure in the first half of 2021 amounts to €3,878k, mostly for business software and concession rights.

All "Other intangible assets" have finite useful lives.

This item is subject to the amortization recognized in the first half 2021 of €12,537k (€14,169k in the first half 2020).

Impairment testing of individual locations, carried out in conjunction with the testing of property, plant and equipment and right-of-use assets led to the recognition of net impairment losses of €1,372k (€391k in the first half 2020).

## XI. Investments

"Investments" amount to €793k (€885k at 31 December 2020) and it's mainly comprised of associates and joint ventures, measured using the equity method.

Any surplus of an investment's carrying amount over pro rata equity represents future profitability inherent in the investment.

For the sake of thoroughness, we report that the following were recognized in accordance with the equity method:

- negative net adjustments of €46k under "Income (expense) from investments" (negative adjustments of €216k at 30 June 2020);
- not material exchange differences (vs. net exchange gains of €38k at 30 June 2020) in the statement of other comprehensive income.

## XII. Lease receivables

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| Lease receivables – current | 13,622 | 15,003 | (1,381) |
| Lease receivables - non current | 55,434 | 61,808 | (6,374) |
| **Total** | **69,056** | **76,811** | **(7,755)** |

The recognition of “Lease receivables” stems exclusively from accounting standard IFRS 16 and represents the transfer of some of the Group's rights-of-use assets to third parties under sublet agreements (mostly in North America).

At 30 June 2021 this item amounts to €13,622k (€15,003k at the end of 2020) under current assets and €55,434k (€61,808k at 31 December 2020) under non-current assets.

Of the net change in this item, €1,399k (€3,295k in the first half of 2020) refers to early terminations.

Finance income on lease receivables came to €1,007k (€2,220k in the first half of 2020), while amounts received totalled €3,527k (€7,171k in the first half of 2020).

Moreover, the decrease in the period also reflects the effects of renegotiation of the contractual conditions following the pandemic, already concluded with the sub-concessionaires, with a permanent reduction of the future minimum guaranteed rents (see Note XXX for the impact on the income statement).

## XIII. Other financial assets

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| Interests-bearing sums with third parties | 4,296 | 12,021 | (7,725) |
| Guarantee deposits | 18,189 | 18,398 | (209) |
| Other financial receivables from third parties | 7,589 | 2,272 | 5,317 |
| Fair value of interest rate hedging derivatives | 3,136 | 4,659 | (1,523) |
| **Total** | **33,210** | **37,350** | **(4,140)** |

“Interest-bearing sums with third parties” consist of security deposits on which the Group receives interest. The decrease in this item relates essentially to the subsidiaries in the United States, in particular to the security deposits concerning the motorway business which, as a result of its sale (the transaction was finalized on 23 July 2021, as described in section 2.2.2 of the Notes), have been reclassified to “Assets classified as held for sale” in the amount of €8,324k.

“Other financial receivables from third parties” consist primarily of the non-current portion of capital advances due back from the non-controlling shareholders of some North American subsidiaries and non-subsidiary companies; the amount takes account of their ability to pay the sums back with future earnings. The increase for the first half of 2021 stems from the conversion to non-current financial assets of a portion of receivables previously carried as current assets.

"Fair value of interest rate hedging derivatives" includes the non-current portion of derivatives outstanding at 30 June 2021, with a combined notional value of $100m.

### XIV. Deferred tax assets and liabilities

At 30 June 2021, deferred tax assets not offsettable against deferred tax liabilities amounted to €66,074k (€76,694k at 31 December 2020). This item includes deferred taxes arising from the application of IFRS 16 whose tax effects are not recognized for the purpose of calculating taxes in some jurisdictions where the Group operates.

Deferred tax liabilities, shown net of deferred tax assets available for offset, amounted to €25,423k (€46,241k at 31 December 2020).

### XV. Other receivables

“Other receivables” classified as non-current as of 30 June 2021 amounted to €96,010k (€104,916k at the end of 2020). They arose primarily from the subsidiary HMSHost Corporation's carry-back of its current tax loss to offset taxable income from prior years, as allowed by US tax law ($105,643k equal to €88,895k); based on the verification procedure led by local Authorities, it is expected to collect this amount in the second half of 2022.

## Current liabilities

### XVI. Trade payables

“Trade payables” at 30 June 2021 amounts to €303,266k. The increase since 31 December 2020 (€292,097k) is due largely to higher business volumes in the second quarter, following the slowdown caused by the COVID-19 pandemic.

### XVII. Tax liabilities

Current tax liabilities amount to €1,373k (€1,176k at 31 December 2020) and refer to taxes accrued during the period net of offsettable credits.

### XVIII. Other payables

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| Personnel expense | 73,219 | 64,227 | 8,992 |
| Due to suppliers for additions of capital expenditure | 59,135 | 87,450 | (28,315) |
| Social security and defined contribution plans | 39,572 | 34,023 | 5,549 |
| Indirect taxes | 46,501 | 32,905 | 13,596 |
| Withholding taxes | 6,996 | 6,097 | 899 |
| Other | 47,848 | 41,661 | 6,187 |
| **Total** | **273,271** | **266,363** | **6,908** |

Most of the net increase in “Personnel expense” reflects the accruals recognized in the first half of 2021. It should be reminded that, starting from March 2020, a series of measures has been taken by Group management to mitigate the effects of the COVID-19 crisis. Specifically, the Group reduced working hours consistently with the decline in traffic and the use of the different forms of relief measures put in place by local governments.

The net decrease in amounts “Due to suppliers for additions of capital expenditure” reflects decreased capital expenditures as a result of the pandemic.

"Social security and defined contribution plans" refers to the amount due to local social security institutions and payments due under defined contribution programs. The net increase in this item is correlated with the payment extensions granted in countries by governments in connection with the COVID-19 pandemic.

Most of the change in the caption “Indirect taxes” concerns value added tax/sales tax. The increase reflects the amount due by US operations in light of the upturn in sales in the second quarter, as well as the extended payment terms granted by local governments in the countries served by the Group in connection with the COVID-19 pandemic.

"Other" includes amounts due to Directors and statutory auditors as well as deferred promotional contributions from suppliers and accrued liabilities for utilities and maintenance pertaining to the period. The net increase in this item relates chiefly to payables to the non-controlling shareholders of the US subsidiaries.

## XIX. Other financial liabilities

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| Accrued expense and deferred income for interest on loans | 9,946 | 14,231 | (4,285) |
| Liabilities due to others | 749 | 989 | (240) |
| Fair value of exchange rate hedging derivatives | 860 | 97 | 763 |
| Other financial accrued expense and deferred income | 106 | 23 | 83 |
| **Total** | **11,661** | **15,340** | **(3,679)** |

“Accrued expense and deferred income for interest on loans” consists mainly of interest on the American bond loan contracted by the US subsidiary HMSHost Corporation.

“Liabilities due to others” refer mainly to financial payables to the non-controlling shareholders of certain subsidiaries.

“Fair value of exchange rate hedging derivatives” refers to the fair value measurement of the derivatives entered into to hedge currency risk, in particular to the forward sale and/or purchase of currency to mitigate the risks of intercompany loans.

## Non-current liabilities

## XX. Other payables

These amount to €17,299k (€29,177 k at 31 December 2020) and consist primarily of the liability to personnel for long-term incentives and for defined contribution plans.

The net change with respect to 31 December 2020 refers mainly to the offsetting of the ERTC liability ($18,782k, or €15,804k), allowed starting from 2021, with the corresponding receivable for the amount not yet received ($20,777k, or €17,483k).

## XXI. Loans

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| Current account overdrafts | 52,412 | 58,154 | (5,742) |
| Unsecured bank loans – current portion | 344,711 | 206,975 | 137,736 |
| **Total current** | **397,123** | **265,129** | **131,994** |
| Unsecured bank loans – non-current portion | 911,275 | 1,190,681 | (279,406) |
| Fair value adjustment of contractual cash flow modification | 10,376 | 11,722 | (1,346) |
| Commissions on loans | (7,254) | (5,302) | (1,952) |
| **Total non-current** | **914,397** | **1,197,101** | **(282,704)** |
| **Total** | **1,311,520** | **1,462,230** | **(150,710)** |

"Unsecured bank loans – current portion" consist mainly of ultra-short-term borrowings by the parent company ("hot money"). The net change in this item reflects how these facilities are used. The item also includes the current portion of Autogrill S.p.A.'s amortizing term loan (€12.5m) maturing in August 2021 and the current portion of HMSHost Corporation's amortizing term loan ($50.0m, or €42,073k) maturing in June 2022, as well as €100.0m for the term facility contracted on 1st April 2021 and the current portion of loans obtained by the European subsidiaries in the amount of €5,413k.

The change in "Unsecured bank loans – non-current portion" reflects partial payments on two revolving credit lines by Autogrill S.p.A. (€115.0m) and on a revolving credit line by HMSHost Corporation ($170.0m or €143.0m), the reclassification to current liabilities of the portion of HMSHost Corporation's amortizing term loan due in June 2022, and exchange differences.

The breakdown of unsecured bank loans at 30 June 2021 and 31 December 2020 is presented below:

| | | 30.06.2021 | | 31.12.2020 | |
|---|---|---|---|---|---|
| | Expiry | Amount (€k) | Drawdowns (€k) (1) | Amount (€k) | Drawdowns (€k) (1) |
| Term Amortizing Facility - HMSHost Corporation | June 2023 | 84,147 | 84,147 | 122,239 | 122,239 |
| Revolving Amortizing Facility - HMSHost Corporation | June 2023 | 168,294 | 25,244 | 162,986 | 162,986 |
| **2018 Line** | | **252,441** | **109,391** | **285,225** | **285,225** |
| Term Amortizing Facility - Autogrill S.p.A. | January 2025 | 100,000 | 100,000 | 100,000 | 100,000 |
| Revolving Amortizing Facility - Autogrill S.p.A. | January 2025 | 200,000 | 200,000 | 200,000 | 200,000 |
| **2018 Line** | | **300,000** | **300,000** | **300,000** | **300,000** |
| Revolving Facility - Autogrill S.p.A. | January 2023 | 100,000 | 5,000 | 100,000 | 100,000 |
| **2018 Line** | | **100,000** | **5,000** | **100,000** | **100,000** |
| Revolving Facility - Autogrill S.p.A. | August 2024 | 25,000 | 5,000 | 25,000 | 25,000 |
| **2019 Line** | | **25,000** | **5,000** | **25,000** | **25,000** |
| Term Amortizing Facility - Autogrill S.p.A. | August 2024 | 50,000 | 50,000 | 50,000 | 50,000 |
| **2019 Line** | | **50,000** | **50,000** | **50,000** | **50,000** |
| Term Amortizing Facility - Autogrill S.p.A. | March 2025 | 150,000 | 150,000 | 150,000 | 150,000 |
| Term Loan Facility (guaranteed by SACE) | June 2025 | 300,000 | 300,000 | 300,000 | 300,000 |
| **2020 Line** | | **450,000** | **450,000** | **450,000** | **450,000** |
| Term Loan Facility - Autogrill S.p.A. | November 2021 | 100,000 | 100,000 | - | - |
| **2021 Line** | | **100,000** | **100,000** | **-** | **-** |
| Other credit lines | | 53,571 | 51,871 | 42,703 | 38,703 |
| **2020 and 2021 Lines** | | **53,571** | **51,871** | **42,703** | **38,703** |
| **Total** | | **1,331,012** | **1,071,262** | **1,252,928** | **1,248,928** |
| **of which current portion** (2) | | **159,987** | **159,987** | **58,247** | **58,247** |
| **Total lines of credit net of current portion** | | **1,171,825** | **911,275** | **1,194,681** | **1,190,681** |

(1) Drawdowns in foreign currency are valued based on exchange rates at 30 June 2021 and at 31 December 2020.
(2) Includes $50m for the American amortizing term loan, €12.5m for Autogrill S.p.A.'s amortizing term facility (2019 line), and €5.4m for other credit lines held by the Belgian (€5.0m) and French (€0.4m) subsidiaries.

At 30 June 2021, the Group's committed credit facilities were available in the amount of €260m.

In March 2020, Autogrill S.p.A. obtained a new €150m amortizing term loan maturing in March 2025, used to prepay the term loan of nominal €150m that was due to mature in 2021. The new facility involves two annual payments of €50m starting in March 2023, with reimbursement of the remaining €50m on maturity.

In January 2018, Autogrill S.p.A. obtained two new credit facilities:

- an amortizing term loan of €100m and a revolving credit line of €200m, packaged into a single facility maturing in January 2023. In February 2020 these facilities were renegotiated and their maturities extended by two years: the amortizing term loan now involves two annual payments of €25m starting in January 2023, with reimbursement of the remaining €50m in 2025. For the revolving line, the commitment will be reduced through two annual payments of €62.5m as from January 2023 and the remaining commitment of €75m will be settled in 2025;

- a revolving facility of €100m maturing in January 2023.

In August 2019 Autogrill S.p.A. contracted a new €50m amortizing term loan and €25m revolving credit line, maturing in August 2024. The amortizing term loan involves three annual payments of €12.5m starting in August 2021, with reimbursement of the remaining €12.5m on maturity. The entire revolving credit commitment of €25m will be settled at that time.

The above contracts require the Group to uphold certain financial ratios: a leverage ratio (net debt/EBITDA) of 3.5 or less and an interest cover ratio (EBITDA/net financial expense) of at least 4.5, referring to the Group as a whole.

In June 2020, as part of a broader, Group-wide plan of action aimed at mitigating the financial and operational impact of the COVID-19 crisis, Autogrill S.p.A. signed "covenant holiday" agreements with its bank lenders for the temporary suspension of required leverage ratio and interest cover ratio parameters. The covenant holiday is effective for 15 months starting on 30 June 2020, and can be extended until 31 December 2021 under specified conditions. On 10 March 2021, the Group obtained an extension for contracts already granted a covenant holiday in June 2020 until 31 December 2022, and a covenant holiday until 31 December 2022 for the loan guaranteed by SACE S.p.A., assuming a positive outcome of the covenant test by HMSHost Corporation in September 2022.

As is customary for this kind of contract, the lenders are entitled to cancel the facilities and force the borrower to pay back all amounts in advance in the event of the borrower's change of control. For these purposes, a "change of control" would occur if one or more parties – other than the current key investors of Edizione S.r.l. – acted individually or in concert to acquire control of Autogrill S.p.A. as defined by paragraphs 1.1 and 1.2 of Civil Code Art. 2359.

On 1st April 2021 Autogrill S.p.A. contracted a term facility for a total of €100m, to be repaid on the earlier of (i) the completion date of the capital increase or (ii) 15 November 2021. As mentioned earlier, the full amount was drawn down on 9 April 2021.

On 26 June 2018 the subsidiary HMSHost Corporation obtained a new loan maturing in June 2023, comprised of a term loan and a revolving credit facility, both in the amount of $200m. The term loan involves two annual payments of $50m starting in June 2020, with reimbursement of the remaining $50m on maturity. The contract includes a “change of control” clause.

The contract for the facility contracted by HMSHost Corporation requires it to uphold a leverage ratio (gross debt/EBITDA) of 3.5 or less and interest cover ratio (EBITDA/net financial expense) of at least 4.5, calculated for the companies headed up by HMSHost Corporation. In June 2020 HMSHost Corporation signed "covenant holiday" agreements with its bank lenders for the temporary suspension of required leverage ratio and interest cover ratio parameters. The covenant holiday is effective for 15 months starting on 30 June 2020, and can be extended until 31 December 2021 under specified conditions. On 10 March 2021 the Group obtained an extension for contracts already granted a covenant holiday in June 2020 until September 2022, with an additional extension until 31 December 2022 assuming a positive outcome of the covenant test in September 2022.

For the calculation of these ratios, net and gross debt, EBITDA and financial charges are measured according to contractual definitions and therefore differ from the amounts valid for financial reporting purposes. Thus, the final ratios are not readily apparent from the financial statements.

"Other credit lines" mainly refer to government loans granted to various European subsidiaries in the face of the COVID-19 emergency.

“Fair value adjustments for change in contractual flows” include the effect of applying IFRS 9, as a result of the negotiation of the covenant holiday mentioned above; in the first half of 2021, the extension of the covenant holiday led to the immediate recognition in the income statement of a further difference between the present value of the modified cash flows discounted using the original effective interest rate and the present value of the original cash flows (€11,508k: €8,862k for the parent company and €2,646k for HMSHost Corporation), which was partially mitigated by the effect of recalculating cash flows in light of repayments during the half-year (€7,085k), likewise recognized in the income statement The balance of this item reflected €5,856k released to the income statement in the first half of 2021 (Note XXXVI), with the remainder due to exchange differences.

### XXII. Lease liabilities

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| Lease liabilities – current | 347,174 | 377,289 | (30,115) |
| Lease liabilities - non current | 1,343,067 | 1,590,384 | (247,317) |
| **Total** | **1,690,241** | **1,967,673** | **(277,432)** |

The item includes the current and non-current portion of the lease liability resulting from the discounting of future minimum guaranteed lease payments, in accordance with IFRS 16.

Of the net change in this item, €99,151k (€54,885k in the first half of 2020) relates to new contracts, the remeasurement of various leases on the basis of previously negotiated terms, and the remeasurement of leases further to COVID-19-related negotiations for which it was not possible to apply the expedient offered by the IFRS 16 amendment for extensions agreed with landlords. Other changes concerned early terminations (€51,328k, compared with €29,421k in the first half of 2020).

Finance expense on lease liabilities came to €23,737k (€33,695k in the first six months of 2020).

Amounts paid decreased significantly, from €99,742k in the first half of 2020 to €77,897k, due to the temporary extended payment terms obtained through negotiations with landlords. That effect is amply offset by the permanent rent reductions granted by landlords in response to the COVID-19 emergency, which fall within the scope of the amendment to IFRS 16 (see Note XXXIII for the impact on the income statement).

Finally, there was a significant decrease of €240,382k because of the reclassification to "Liabilities classified as held for sale" in relation to the disposal of the US motorway business (the transaction was finalized on 23 July 2021, as described in section 2.2.2 of the Notes).

### XXIII. Other financial liabilities

"Other financial liabilities" amount to €1,444k (€1,283k at 31 December 2020) and refer mainly to financial payables to the non-controlling shareholders of certain subsidiaries.

### XXIV. Bonds

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| Bonds (current) | 33,659 | 32,597 | 1,062 |
| Fair value adjustment of contractual cash flow modification | 53 | 209 | (156) |
| **Total current** | **33,712** | **32,806** | **906** |
| Bonds (non-current) | 244,207 | 238,021 | 6,186 |
| Fair value adjustment of contractual cash flow modification | 3,768 | 2,883 | 885 |
| Commissions on bond issues | (2,237) | (1,217) | (1,020) |
| **Total non-current** | **245,738** | **239,687** | **6,051** |
| **Total** | **279,450** | **272,493** | **6,957** |

“Bonds” refer to private placements issued by HMSHost Corporation:

- in January 2013 for a total of $150m, maturing in January 2023 and paying interest half-yearly at a fixed annual rate of 5.12%;
- in March 2013 for a total of $200m (of which $25m was redeemed in September 2020), paying interest half-yearly and split into tranches as summarized in the table below:

| Nominal amount ($m) | Issue date | Annual Fixed rate | Expiry |
|---|---|---|---|
| 40 | March 2013 | 4.97% | September 2021 |
| 80 | March 2013 | 5.40% | September 2024 |
| 55 | March 2013 | 5.45% | September 2025 |

At 31 June 2021, bonds as a whole amounted to €279,450k, compared with €272,493k at 31 December 2020. The increase mainly reflects the exchange effect (€8,847k), the fair value change (-€1,543k), and the effect of applying IFRS 9 as a result of the covenant holiday described below, for an additional €1,874k beyond the amount recognized in 2020. Regarding this latter item, €1,254k was released to the income statement during the first six months of 2021.

The fair value of the bonds outstanding is measured using valuation techniques based on parameters other than price that can be observed in the open market. They can therefore be classified in level 2 of the fair value hierarchy (as defined by IFRS 7), with no change on the previous year.

The regulations for these bonds require the maintenance of certain financial ratios: a leverage ratio (gross debt/EBITDA) of 3.5 or less and interest cover ratio (EBITDA/net financial expense) of at least 4.5, calculated with respect to HMSHost Corporation and its subgroup. For the calculation of these ratios, gross debt, EBITDA and financial charges are measured according to contractual definitions, which differ from the amounts valid for financial reporting purposes and are therefore not readily apparent from the financial statements.

In June 2020 HMSHost Corporation signed "covenant holiday" agreements with its bondholders for the temporary suspension of required leverage ratio and interest cover ratio parameters, in exchange for higher coupons throughout the bond's duration. The covenant holiday is effective for 15 months starting on 30 June 2020, and can be extended until 31 December 2021 under specified conditions. On 10 March 2021 the Group obtained an extension from the bondholders for contracts already granted a covenant holiday in June 2020 until September 2022, with an additional extension until 31 December 2022 assuming a positive outcome of the covenant test in September 2022.

According to the bond regulations, if there is a change of control at HMSHost, each bondholder is entitled to the early redemption of all bonds possessed.

## XXV. Defined benefit plans

“Defined benefit plans” amount to €56,006k at 30 June 2021 (€60,082k at 31 December 2020).

The valuation of assets/liabilities connected to defined benefit plans is done regularly, at the end of each year unless specific indicators suggest the need to update estimates earlier; the estimates for Italy at 30 June 2021 were adjusted based on updated discount rates and, as a result, there was an increase of €284k in the defined benefit plan liability recognized in comprehensive income, net of the tax effect of €72k (Note XXVIII).

## XXVI. Provisions for risks and charges

The change is due to normal allocations and utilizations for the period and to the release of provisions as described below.

| (€k) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|
| Provision for indirect taxes | 3,092 | 2,843 | 249 |
| Other provisions | 6,326 | 6,750 | (424) |
| Provision on investments | - | 43 | (43) |
| Provision for legal disputes | 9,596 | 10,629 | (1,033) |
| Provision for restructuring | 1,163 | 6,533 | (5,370) |
| Provision for the refurbishment of third party assets | 1,081 | 435 | 646 |
| **Total provisions for current risks and charges** | **21,258** | **27,233** | **(5,975)** |
| Other provisions | 19,968 | 25,508 | (5,540) |
| Provision for legal disputes | 1,814 | 1,981 | (167) |
| Provision for the refurbishment of third party assets | 8,446 | 7,733 | 713 |
| **Total provisions for non-current risks and charges** | **30,228** | **35,223** | **(4,995)** |

### Provision for indirect taxes

The current portion relates primarily to disputes over US companies' indirect tax obligations and reflects the most updated advice of the Group's tax advisors (Note XXXIV).

### Other provisions

These consist primarily of a United States "self-insurance" provision covering the deductibles on third-party liability contained in insurance plans, settled on an annual basis. In the first six months of 2021 the amounts allocated to the provision were not significant, while the utilisations due to payments amounted to €5,254k. Moreover, the provision includes exchange differences and reclassifications for a better representation. In the first six months of 2021, €500k was allocated to the provision by the Belgian subsidiary, in relation to onerous contracts on stores no longer considered strategic for which the fixed assets (including right-of-use assets) have been fully written off.

### Provision for legal disputes

This provision covers the risk of losing lawsuits brought against Group companies and takes account of the opinions of the Group's legal advisors. Utilizations amounted to €2,567k concern actual payments, in line with forecasts. Allocations for the first half of 2021, net of amounts released due to changed estimates of existing risks, came to €1,726k.

### Restructuring provision

This provision, first recognized in 2020, concerns restructuring plans implemented in Italy and Europe. The plans aim to centralize the strategic functions of the Europe business unit at the Rozzano headquarters (Milan) and to permanently reorganize the corporate functions. The significant change mostly concerns utilizations to cover plan-related expenses during the first half of 2021.

### Provision for the refurbishment of third party assets

This represents the estimated liability for ensuring that leased assets are returned in the contractually agreed condition. The increase pertains essentially to the German subsidiary.

## XXVII. Assets and liabilities classified as held for sale

"Assets classified as held for sale" and "Liabilities classified as held for sale" concern the disposal of the US motorway business. For details, see section 2.2.2 - Disposals.

## XXVIII. Equity

Movements in equity items during the period are detailed in the statement of changes in shareholders' equity.

### Share capital

After the extraordinary shareholders' meeting of 25 February 2021 approved the mandate to increase the share capital, the option period ran from 14 June to 29 June inclusive. During the option period 249,110,975 options were exercised for the purchase of 129,537,707 new shares (99.16% of the total), amounting to €594,578k, of which €76,427k allocated to share capital and the remaining part to the share premium reserve.

At 30 June 2021 the share capital of Autogrill S.p.A., fully subscribed and paid in, amounts to €145,115k (€68,688k at 31 December 2020) and consists of 383,937,707 ordinary shares with no par value (254,400,000 ordinary shares with no par value at 31 December 2020).

At 30 June 2021 Schematrentaquattro S.p.A., wholly owned by Edizione S.r.l., held 50.1% of the share capital, unchanged since the previous year.

At the end of the option period, 2,107,375 options were unexercised for the purchase of 1,095,835 new shares, or 0.84% of the total. Those options were placed on the Milan Stock Exchange and sold in their entirety on 1st July 2021. They have since been exercised in full.

On 20 July 2021, the certification of the capital increase was filed with the Novara Companies Register.

### Legal reserve

The legal reserve (€13,738k) is the portion of Autogrill S.p.A. profits that cannot be paid out as dividends, in accordance with Art. 2430 of the Italian Civil Code.

### Translation reserve

Translation differences are generated by the translation into euros of the foreign currency financial statements of companies consolidated on a line-by-line basis or using the equity method, net of the fair value of instruments designated as net investment hedges. Of the increase, €8,033k concerns exchange rate differences from the translation of financial statements in foreign currencies and offset by €22k for the change in the fair value of instruments designated as net investment hedges, net of the tax effect.

### Share premium reserve

The share premium reserve, formed as a result of the capital increase described above, includes the portion of the capital increase price designated as a premium: €518,151k net of €20,811k in transaction costs.

### Other reserves and retained earnings

These include the profits of subsidiaries not distributed as dividends and the amount set aside in connection with the recognized costs of the Performance share units plan.

Other reserves and retained earnings also include unrealized actuarial gains and losses (net of the tax effect) arising from the remeasurement of defined benefit plan assets and liabilities.

Most of the change in this item reflects the use of reserves to cover the 2020 loss, as resolved by the general meeting of shareholders on 23 April 2021 in addition to €209k for a contribution made on behalf of a partner of a North American subsidiary that later became wholly owned.

### Treasury shares

At 30 June 2021 Autogrill S.p.A. owned 3,181,641 treasury shares, with a carrying amount of 13,042k€, unchanged since December 2020.

### Non-controlling interests

Non-controlling interests amount to €53,475k, compared with €59,881k at 31 December 2020. Most of the change is due to the profit for the period (€3,417k) and capital injections of €4,511k, net of the reduction in non-controlling interests due to decreased contributions for capital expenditure in the amount of €16,045k.

### Total comprehensive income

The following table shows the components of comprehensive income and the relative tax effect:

| | First-Half 2021 | | | First-Half 2020 | | |
|---|---|---|---|---|---|---|
| **(€k)** | Gross amount | Tax benefit (expense) | Net amount | Gross amount | Tax benefit (expense) | Net amount |
| Remeasurements of the defined benefit (liabilities) assets | 284 | (72) | 212 | (564) | 135 | (429) |
| **Items that will never be reclassified to profit or loss** | **284** | **(72)** | **212** | **(564)** | **135** | **(429)** |
| Equity-accounted investee - share of other comprehensive income | - | - | - | 38 | - | 38 |
| Foreign currency translation differences for foreign operations | 9,744 | - | 9,744 | 3,303 | - | 3,303 |
| Gain (loss) on net investment hedge | (30) | 8 | (22) | (58) | 14 | (44) |
| **Items that may be subsequently reclassified to profit or loss** | **9,714** | **8** | **9,722** | **3,283** | **14** | **3,297** |
| **Total comprehensive income** | **9,998** | **(64)** | **9,934** | **2,719** | **149** | **2,868** |

## 2.2.4 Notes to the income statement

### XXIX. Revenue

Revenue is detailed below:

| (€k) | First-Half 2021 | First-Half 2020 | change |
|---|---|---|---|
| Food & Beverage sales | 938,268 | 1,096,482 | (158,214) |
| Oil sales | 114,952 | 100,754 | 14,198 |
| **Total** | **1,053,220** | **1,197,236** | **(144,016)** |

The decrease in revenue is due to the fact that the first half of 2020 included two months that were not affected by the COVID-19 pandemic. In 2021, conversely, business volumes were greater during the second quarter compared with the previous semester, reflecting the tapering of the pandemic and the effects of the vaccine campaign.

See the Interim Directors' report on operations for a detailed review of sales performance.

### XXX. Other operating income

| (€k) | First-Half 2021 | First-Half 2020 | change |
|---|---|---|---|
| Marketing services from suppliers | 15,374 | 16,758 | (1,384) |
| Income from business leases | 7,004 | 9,677 | (2,673) |
| Affiliation fees | 1,065 | 1,357 | (292) |
| Gain on sales of property, plant and equipment | 668 | 88 | 580 |
| Other income | 35,402 | 29,037 | 6,365 |
| **Total** | **59,513** | **56,917** | **2,596** |

"Marketing services from suppliers" decreased by €1,384k mainly due to the lower volumes of purchases and sales recorded due to the COVID-19 emergency in the countries where the Group operates.

“Income from business leases” refers to variable rent received under such arrangements and the reduction is due to the impact of the COVID-19 pandemic on the activities, as well as the renegotiation of the contractual conditions following the aforementioned emergency, already concluded with sub-lessees (€3,637k).

“Affiliation fees” pertain mostly to the company LeCroBag for its franchised locations and the reduction is due to the pandemic.

"Other income", which also includes income from services, reimbursements from third parties and insurance payments, increased by €6,365k and mainly includes three effects:

- the decrease in revenue, due to the COVID-19 pandemic, in the sale of food & beverage at American Airlines airport lounges ($13,118k or €10,884k at 30 June 2021 compared with $20,254k or €16,804k of the first half of 2020) under an exclusive five-year contract with the airline (since May 2019) through the US subsidiary HMSHost Corporation;
- various forms of government COVID-19 relief for a total of €11,138k, mostly in France and Switzerland;
- there was basically no change since the previous half-year in commissions from the sale of goods and services for which the Group acts as an agent (mostly telephone cards, fuel, and lottery tickets).

## XXXI. Raw materials, supplies and goods

| (€k) | First-Half 2021 | First-Half 2020 | change |
|---|---|---|---|
| Purchases | 462,572 | 443,498 | 19,074 |
| Change in inventories | (7,591) | 25,684 | (33,275) |
| **Total** | **454,981** | **469,182** | **(14,201)** |

The net decrease in the item is mainly related to the decrease in Group activities following the emergency caused by the COVID-19 pandemic. For a detailed explanation, please refer to the Interim Directors' report on operations.

## XXXII. Personnel expense

| (€k) | First-Half 2021 | First-Half 2020 | change |
|---|---|---|---|
| Wages and social security contribution | 273,801 | 389,397 | (115,596) |
| Employee benefits | 10,500 | 15,081 | (4,581) |
| Other costs | 15,959 | 45,142 | (29,183) |
| **Total** | **300,260** | **449,620** | **(149,360)** |

The significant net decrease in the item is mainly related to the decrease in revenue and other operating income achieved by the Group during the pandemic, which led management to undertake efficiency initiatives aimed at reducing personnel costs. The Group management implemented a comprehensive set of measures to mitigate the impacts of the pandemic. Specifically, the Group reduced working hours consistently with the decline in traffic. Along with the reduction in personnel expense, the various forms of social safety nets made available by local governments and similar measures in the Group's countries of operation also had a positive impact of €76,278k.

"Other costs" include the portion of the stock-based management incentive plans pertaining to the period and accrued remunerations of Directors, as detailed in Section 2.2.11 below.

## XXXIII. Leases, rentals, concessions and royalties

| (€k) | First-Half 2021 | First-Half 2020 | change |
|---|---|---|---|
| Leases, rentals and concessions | 7,852 | 28,306 | (20,454) |
| Royalties | 22,856 | 27,988 | (5,132) |
| **Total** | **30,708** | **56,294** | **(25,586)** |

"Leases, rentals and concessions" includes variable lease and concession fees (€69,403k), short-term leases (€15,343k), low-value leases (€1,831k) and fees for access rights (€1,641k), largely offset by the income deriving from:

- the release to the income statement made against the reduction in the lease liabilities due to the renegotiation agreements already concluded with the landlords following the COVID-19 emergency, which led to a reduction in future minimum guaranteed rents (€62,793k);
- the waiver on short-term of lease by US landlords: this refers to 2020 but was not confirmed until the second quarter of 2021, in the amount of €17,574k.

"Royalties" on the use of trademarks also underwent a sharp decrease following the effects on the business of the COVID-19 pandemic.

## XXXIV. Other operating expense

| (€k) | First-Half 2021 | First-Half 2020 | change |
|---|---|---|---|
| Utilities | 25,599 | 31,771 | (6,172) |
| Maintenance | 28,836 | 35,784 | (6,948) |
| Cleaning and disinfestations | 13,656 | 15,748 | (2,092) |
| Consulting and professional services | 15,368 | 19,535 | (4,167) |
| Commissions on credit card payments | 12,675 | 14,123 | (1,448) |
| Storage and transport | 5,307 | 6,341 | (1,034) |
| Advertising | 4,093 | 4,611 | (518) |
| Travel expenses | 4,318 | 8,737 | (4,419) |
| Telephone and postal charges | 6,844 | 8,482 | (1,638) |
| Insurance | 2,710 | 2,485 | 225 |
| Surveillance | 750 | 1,579 | (829) |
| Transport of valuables | 924 | 1,430 | (506) |
| Banking services | 2,252 | 2,816 | (564) |
| Sundry materials | 8,248 | 11,747 | (3,499) |
| Other services | 17,291 | 24,066 | (6,775) |
| **Costs for materials and services** | **148,871** | **189,255** | **(40,384)** |
| **Impairment losses on receivables (Note V)** | **(934)** | **11,780** | **(12,714)** |
| For indirect taxes | 77 | 115 | (38) |
| For legal disputes | 1,726 | 2,469 | (743) |
| For restructuring | (255) | - | (255) |
| For other risks | (241) | 5,772 | (6,013) |
| **Allocation to provisions for risks (Note XXVI)** | **1,307** | **8,356** | **(7,049)** |
| **Indirect and local taxes** | **7,587** | **10,820** | **(3,233)** |
| **Other operating expense** | **5,793** | **6,862** | **(1,069)** |
| **Total** | **162,624** | **227,073** | **(64,449)** |

In general, the net decrease in “Other operating expense” is linked to the efficiency measures of operating costs implemented by the Group companies following the lower sales due to the COVID-19 emergency. As better detailed in the Interim Directors’ report on operations, it should be noted, however, that this item was affected by the amount of non-recurring logistics costs, as well as the introduction of important measures adopted by management to protect the health and safety of its workers and customers for about €1,137k.

### XXXV. Depreciation, amortization and impairment losses (reversal of impairment losses) on property, plant and equipment, intangible assets and right-of-use assets

The following table summarizes this item by asset category:

| (€k) | First-Half 2021 | First-Half 2020 | change |
|---|---|---|---|
| Other intangible assets | 12,537 | 14,169 | (1,632) |
| Property, plant and equipment | 86,530 | 101,555 | (15,025) |
| Assets to be transferred free of charge | 9,239 | 8,326 | 913 |
| Right-of-use assets | 147,636 | 192,286 | (44,650) |
| **Total** | **255,942** | **316,336** | **(60,394)** |

Below is the breakdown by type of asset for “Right-of-use assets”:

| (€k) | First-Half 2021 | First-Half 2020 | change |
|---|---|---|---|
| Buildings | 146,762 | 191,262 | (44,500) |
| Other | 874 | 1,024 | (150) |
| **Total** | **147,636** | **192,286** | **(44,650)** |

The significant reduction in “Property, plant and equipment” reflects the decrease in capital expenditure as a result of the COVID-19 pandemic.

The depreciation of “Right-of-use assets” decreased further with respect to first half of 2020, due to the slowdown in business which resulted in fewer store openings in the first half of 2021, and the remeasurement of leases further to COVID-19-related negotiations for which it was not possible to apply the expedient offered by the IFRS 16 amendment for extensions agreed with landlords.

In the first half of 2021 a total of €4,612k in impairment losses was recognized (€36,148k in the first half of 2020), following impairment tests based on the prospective cash flows of each location. Most of the impairment losses in the first half of 2021 concerned the United States, Belgium, and Switzerland.

As previously mentioned, these impairment losses reflect the new earnings projections of various locations which, due to the COVID-19 emergency and medium-term expectations regarding a return to pre-pandemic profitability, led management to change its location management strategies and to plan on exiting from these contracts in the next few months.

In this regard, in the first half of 2021 there was a positive effect of €5,462k from the early closure of a location in the United States that management was already planning to exit in longer times in 2020.

## XXXVI. Financial income and expense

| (€k) | First-Half 2021 | First-Half 2020 | change |
|---|---|---|---|
| Interest income | 335 | 907 | (572) |
| Finance income on lease receivables | 1,007 | 2,220 | (1,213) |
| Other financial income | 366 | 1,221 | (855) |
| **Total financial income** | **1,708** | **4,348** | **(2,640)** |

| (€k) | First-Half 2021 | First-Half 2020 | change |
|---|---|---|---|
| Interest expense | 25,065 | 25,487 | (422) |
| Finance expense on lease liabilities | 23,737 | 33,695 | (9,958) |
| Discounting of long-term liabilities | 254 | 303 | (49) |
| Exchange rate losses | 1,142 | 816 | 326 |
| Interest differential on exchange rate hedges | 402 | 210 | 192 |
| Fees paid on loans and bonds | 378 | 132 | 246 |
| Ineffective portion of hedging instruments | 6 | 33 | (27) |
| Other financial expense | 672 | 186 | 486 |
| **Total financial expense** | **51,656** | **60,862** | **(9,206)** |
| **Total net financial expense** | **(49,948)** | **(56,514)** | **6,566** |

Following the COVID-19 epidemic, the Group entered into an agreement with its bank lenders and bondholders regarding a covenant holiday of the testing of the financial covenants (leverage ratio and interest cover ratio). These contractual amendments, applying the aforementioned IFRS 9 principle, resulted in the immediate recognition in the income statement of the difference between the present value of the modified cash flows discounted using the original effective interest rate and the present value of the original cash flows, amounting to €13,382k (€11,974k in the first half of 2020, under the first set of covenant holidays) under the item "Interest expense". That effect was offset by the impact of recalculating cash flows in light of repayments during the period (€7,085k), which was likewise recognized in the income statement. A total of €7,110k was also released to the income statement during the first half of the year. Excluding these factors from both semesters, the rise in interest expense is explained by the higher interest rates charged during the covenant holiday.

Most of the decrease in net financial expense stems from the reduction in income on finance lease assets and in expenses on finance lease liabilities, arising from COVID-19-related negotiations for which it was not possible to apply the expedient offered by the IFRS 16 amendment, which was only partially offset by the general increase in the incremental borrowing rate used for new contracts and for remeasurements not relating to revised indexes or to the COVID-19 pandemic.

## XXXVII. Revaluation (writedowns) of financial assets

This item, amounting to €731k for the first half of 2021 (nil for the first half of 2020) includes the reversal of impairment losses on loans granted to the non-controlling shareholders of certain North American subsidiaries, classified as financial receivables from third parties, seeing as the reasons for the impairment losses carried out in previous years no longer apply (Note II and Note XIII).

## XXXVIII. Income tax

The negative amount of €4,646k (€71,501k positive in the first half of 2020) includes €4,287k in current taxes (-€354k in the first six months of 2020) and €176k in net deferred tax assets (€71,455k net deferred tax assets for the first six months of 2020) mostly in connection with the subsidiary HMSHost Corporation. The first half of 2020 had benefitted from a gain for HMSHost Corporation produced by the carry-back of the 2020 tax loss to prior years, as permitted by United States tax law ($66m, or €59.9m).

At 30 June 2021 this item also includes IRAP of €15k (€13k in the first half of 2020), which is charged on Italian operations and whose basis is essentially EBIT plus personnel expense for fixed-term labor, and CVAE of €168k (€295k in the first half of 2020), charged on French operations and calculated on the basis of revenue and value added.

Below is the reconciliation between theoretical income tax and recognized income tax:

| (€k) | First-Half 2021 | % | First-Half 2020 | % |
|---|---|---|---|---|
| **Theoretical income tax** | **32,044** | **22.9%** (*) | **86,407** | **24.2%** (*) |
| Tax effect due to the direct taxation of minority partners in fully consolidated US joint ventures | 718 | | (3,501) | |
| Net effect of unrecognised tax losses, of utilization of unrecognised prior-year tax losses and the revision of estimates on the taxability/deductibility of temporary differences | (31,237) | | (10,397) | |
| Tax concession on the labour cost in the United States | 908 | | 1,854 | |
| Other permanent differences | (6,896) | | (2,552) | |
| **Income tax, excluding IRAP and CVAE** | **(4,463)** | **-3.2%** | **71,809** | **20.1%** |
| IRAP and CVAE | (183) | | (308) | |
| **Recognised income tax** | **(4,646)** | **-3.3%** | **71,501** | **20.0%** |

(*) average of the tax rates of the countries in which the Group operates.

## XXXIX. Basic and diluted earnings (loss) per share

Basic earnings (loss) per share is calculated as the Group's share of net profit (loss) divided by the weighted average number of ordinary Autogrill S.p.A. shares outstanding during the period; treasury shares held by the Group are therefore excluded from the denominator.

Diluted earnings (loss) per share takes account of dilutive potential shares deriving from stock option plans when determining the number of shares outstanding.

| | First-Half 2021 | First-Half 2020 |
|---|---|---|
| Profit (loss) for the period attributable to owners of the parent (€k) | (148,258) | (271,016) |
| Weighted average no. of outstanding shares (no./000) | 251,938 | 252,622 |
| **Basic earnings (loss) per share (€)** | **(0.5885)** | **(1.0728)** |

| | First-Half 2021 | First-Half 2020 |
|---|---|---|
| Profit (loss) for the period attributable to owners of the parent (€k) | (148,258) | (271,016) |
| Weighted average no. of outstanding shares (no./000) | 251,938 | 252,622 |
| Dilution effect of shares included in stock option plans (no./000) | - | - |
| Weighted average no. of ordinary shares outstanding, after dilution (no./000) | 251,938 | 252,622 |
| **Diluted earnings (loss) per share (€)** | **(0.5885)** | **(1.0728)** |

## 2.2.5 Net financial indebtedness

Details of the net financial indebtedness at 30 June 2021 and 31 December 2020 are as follows:

| Note | (m€) | 30.06.2021 | 31.12.2020 | change |
|---|---|---|---|---|
| I | A) Cash | 34.1 | 23.3 | 10.8 |
| I | B) Cash equivalents | 947.9 | 590.3 | 357.6 |
| | C) Other current financial assets | - | - | - |
| | **D) Liquidity (A)+(B)+(C)** | **981.9** | **613.5** | **368.4** |
| (*) | E) Current financial debt (including debt instruments, but excluding current portion of non-current financial debt) | 353.8 | 222.2 | 131.6 |
| (**) | F) Current portion of non-current financial debt | 435.9 | 468.3 | (32.5) |
| | **G) Current financial indebtedness (E+F)** | **789.7** | **690.6** | **99.1** |
| | **H) Net current financial indebtedness (G-D)** | **(192.2)** | **77.0** | **(269.3)** |
| (***) | I) Non-current financial debt (excluding current portion and debt instruments) | 2,257.5 | 2,787.5 | (530.0) |
| XXIV | J) Debt instruments | 245.7 | 239.7 | 6.1 |
| XXII | K) Non-current trade and other payables | 1.4 | 1.3 | 0.2 |
| | **L) Non-current financial indebtedness (I+J+K)** | **2,504.6** | **3,028.5** | **(523.8)** |
| | **M) Net financial indebtedness (H+L) - com. CONSOB (04/03/2021 \| ESMA32-382-1138)** (1) | **2,312.4** | **3,105.5** | **(793.1)** |
| (****) | **N) Other current and non-current financial assets** | **121.7** | **131.9** | **(10.1)** |
| XXVII | **O) Net financial liabilities classified as held for sale** [15] | **239.3** | **-** | **239.3** |
| | **Net financial indebtedness (M-N+O)** | **2,430.0** | **2,973.6** | **(543.6)** |

(1) As required by the CONSOB circular and in accordance with ESMA 32-232-1138 recommendation of last 4 March 2021.

(*) It includes the following lines: "Bank loans and borrowings" (€342.1m) excluding the current portion of non current financial indebtedness (€55.0m) and "Other financial liabilities" (€11.7m).

(**) It includes the following lines for Current Liabilities: "Bank loans and borrowings" limited to the current portion of non current financial indebtedness (€55.0m), "Lease liabilities" for the current portion (€347.2m) and "Bonds" for the current portion (€33.7m).

(***) It includes the following lines for Non Current Liabilities: "Loans, net of current portion" for the non current portion of financial indebtedness (€914.4m) and "Lease Liabilities" (€1,343.1m).

(****) It includes the following lines: "Lease receivable" (€13.6m), "Other financial assets" (€42.0m) for Current Assets, "Lease receivable" (€55.4m) and "Other financial assets" net of Interest-bearing sums with third parties and Guarantee deposits (€22.5m) for €10.7m for Non Current Assets.

The total net financial position at 30 June 2021 amounted to €2,430.0m (€2,973.6m at the close of the previous year), including €1,621.2m of net lease liabilities (€1,890.9m at 31 December 2020).

The decrease in gross debt since 31 December 2021 is explained primarily by the repayment of the revolving credit lines in Italy and America in the second quarter of 2021.

For further commentary, see the Notes indicated for the items comprising the total net financial indebtedness and the Interim Directors' report on operations.

[15] The item "Net financial liabilities held for sale" has been included to reflect the effect of the disposal of the US motorway business (the transaction was finalized on 23 July 2021, as described in section 2.2.2 of the Notes).

### 2.2.6 Financial instruments – Fair value and risk management

The objectives, policies and procedures of financial risk management did not changed during the first half of the year. They are described in the 2020 Annual Report. In addition, there were no changes in the fair value hierarchy used in measuring of financial instruments compared with the most recent annual consolidated financial statements and the methods used in measuring level fair value are consistent with those used in the 2020 Annual Report.

### 2.2.7 Disclosure of non-controlling interests

Non-controlling interests refer mainly to investments in U.S. subsidiaries held by *Accredited Disadvantaged Business Enterprises (ADBE)*, whose participation in the operation of concessions is regulated by state and federal law. The Group maintains control of these companies and is principally responsible for the concession fees due to the grantor.

At 30 June 2021, these companies had net assets of $225.1m ($259.3m at 31 December 2020); for the first half of 2021 they generated revenue of $271.5m ($265.8m in the first half of 2020) and a net profit of $14.8m (compared with a net loss of -$50.1m in the first half of 2020). Non-controlling interests in shareholders' equity amount to $54.5m ($63.6m at 31 December 2020) and in net profit to $3.4m (-$13.7m for the first half of 2020).

### 2.2.8 Segment reporting

The Group operates in the food & beverage industry, mainly at airports, motorway rest stops and railway stations, serving a local and international clientele. The business is conducted in Italy by Autogrill Italia S.p.A.; in France, Switzerland, Germany, Belgium, Austria and Greece by Autogrill Europe S.p.A. through its own direct subsidiaries; and in North America, the Netherlands, the United Kingdom, Ireland, Scandinavian countries, the Middle East, and Asia by HMSHost Corporation and its subsidiaries. The Group serves its own proprietary brands as well as third-party brands under license. The operational levers are typically assigned to local organizations and coordinated, at the European level, by central facilities.

Performance is monitored separately for each of the three business units: Europe, North America, and International (the latter covering Northern Europe, the Middle East and Asia). Because of the distinct characteristics of the Italian market, "Europe" distinguishes between the "Italy" and "Other European countries" cash generating units; there are therefore four CGUs overall.

Costs are shown separately for "Corporate" functions, which include the centralized units in charge of administration, finance and control, investor relations, strategic planning, legal and corporate affairs, enterprise risk management, communications, marketing, IT systems, internal audit, human resources and organization for the Group as a whole.

The accounting policies used for segment reporting are the same as those applicable to the consolidated financial statements.

Segment reporting in table form is provided below.

| Profit & Loss – First-Half 2021 | | | | | |
|---|---|---|---|---|---|
| (€k) | North America | International | Europe | Corporate | Consolidated |
| Total revenue and other operating income | 494,612 | 60,063 | 557,954 | 104 | **1,112,733** |
| Depreciation, amortisation and impairment losses on property, plant, equipment and intangible assets and right-of-use assets | (116,680) | (37,271) | (100,194) | (947) | **(255,092)** |
| **Operating profit (loss)** | **26,266** | **(23,692)** | **(80,332)** | **(13,174)** | **(90,932)** |
| Net financial expense | | | | | **(49,948)** |
| Share of the profit (loss) of equity method investments | | | | | **(46)** |
| Revaluation (writedowns) of financial assets | | | | | **731** |
| **Pre-tax profit (loss)** | | | | | **(140,195)** |
| Income tax | | | | | **(4,646)** |
| **Result for the period** | | | | | **(144,841)** |

| Profit & Loss – First-Half 2020 | | | | | |
|---|---|---|---|---|---|
| (€k) | North America | International | Europe | Corporate | Consolidated |
| Total revenue and other operating income | 554,189 | 173,076 | 526,163 | 725 | **1,254,153** |
| Depreciation, amortisation and impairment losses on property, plant, equipment and intangible assets and right-of-use assets | (180,369) | (46,981) | (124,111) | (1,023) | **(352,484)** |
| **Operating profit (loss)** | **(158,552)** | **(34,153)** | **(97,677)** | **(10,118)** | **(300,500)** |
| Net financial expense | | | | | **(56,514)** |
| Share of the profit (loss) of equity method investments | | | | | **(216)** |
| **Pre-tax profit (loss)** | | | | | **(357,230)** |
| Income tax | | | | | **71,501** |
| **Result for the period** | | | | | **(285,729)** |

| Net invested capital at 30.06.2021 | | | | | |
|---|---|---|---|---|---|
| (€k) | North America | International | Europe | Corporate | Consolidated |
| Goodwill | 377,396 | 67,073 | 338,790 | - | **783,259** |
| Other intangible assets | 34,335 | 9,523 | 50,453 | 1,353 | **95,664** |
| Property, plant and equipment | 338,382 | 67,243 | 363,133 | 4,758 | **773,516** |
| Right-of-use assets | 606,896 | 183,163 | 658,635 | 4,005 | **1,452,699** |
| Financial assets [16] | 3,239 | 13,609 | 5,584 | 846 | **23,278** |
| **Non-current assets** | **1,360,248** | **340,611** | **1,416,595** | **10,962** | **3,128,416** |
| **Net working capital** [17] | **(157,859)** | **(52,412)** | **(120,947)** | **(266)** | **(331,484)** |
| Other current & non-current financial activities and liabilities [18] | **48,882** | **4,779** | **(38,756)** | **18,222** | **33,127** |
| Operating assets and liabilities classified as held for sale | **428,265** | **-** | **-** | **-** | **428,265** |
| **Net invested capital** | **1,679,536** | **292,978** | **1,256,892** | **28,918** | **3,258,324** |

[16] The item "Financial assets" include “Investments” and “Other financial assets” with the exception of "Financial receivables from third parties" (€7.6m as of 30 June 2021 and €2.3m as of 31 December 2020) and “Fair value of interest rate hedging derivatives” (€3.1m as of 30 June 2021 and €4.7m as of 31 December 2020).

[17] The item “Net working capital” include “Tax assets“, “Other receivables”, “Trade receivables”, “Inventories”, “Trade payables”, “Tax liabilities”, “Other payables” and “Provision for risks and charges” for the current portion.

[18] The item “Other current & non-current financial activities and liabilities” include “Deferred tax assets”, “Other receivables”, “Other payables”, “Deferred tax liabilities”, “Defined benefit plans”, “Provision for risks and charges” and “Other liabilities” for the non-current portion.

| (€k) | North America | International | Europe | Corporate | Consolidated |
|---|---|---|---|---|---|
| | | | **Net invested capital at 31.12.2020** | | |
| Goodwill | 412,950 | 65,544 | 340,979 | - | **819,473** |
| Other intangible assets | 38,243 | 12,557 | 53,244 | 1,661 | **105,706** |
| Property, plant and equipment | 510,114 | 74,882 | 377,887 | 5,063 | **967,946** |
| Right-of-use assets | 855,435 | 205,968 | 683,211 | 4,174 | **1,748,787** |
| Financial assets[16] | 10,212 | 14,419 | 5,821 | 853 | **31,304** |
| **Non-current assets** | **1,826,954** | **373,370** | **1,461,142** | **11,751** | **3,673,217** |
| **Net working capital[17]** | **(139,644)** | **(58,919)** | **(132,251)** | **20,005** | **(310,809)** |
| Other current & non-current financial activities and liabilities[18] | 29,188 | 4,721 | (42,025) | 19,004 | **10,888** |
| **Net invested capital** | **1,716,499** | **319,171** | **1,286,866** | **50,760** | **3,373,296** |

The Interim Directors' report on operations highlights, by segment, the impact of elements that are non-operating performance-related which, in the Directors' view, condition the perception of the normalized profitability of the Group and its segments. The corresponding adjusted figures are expressed as underlying EBIT and underlying net profit (attributable to the shareholders of the parent company).

## 2.2.9 Seasonal patterns

The Group's volumes are closely related to the flow of travellers, which is highly seasonal in some businesses, and this in turn affects consolidated results. The breakdown of 2020 results by quarter shows how the spread of the COVID-19 pandemic altered the seasonal pattern of previous years, when volumes were mostly concentrated in the second six months of the year when business is stronger due to the summer holidays. In 2020, nearly half of all revenue was earned during the first quarter, before the pandemic was widespread, then dropped sharply during the second quarter when the first wave reached its peak and governments strictly curtailed personal movement. In the second half of 2020, business performance followed the pandemic curve (sales improved in the third quarter, as the pandemic eased, and then worsened in the fourth quarter when infection rates rose once again).

Autogrill Group believes that 2021 will be a year of transition, with the first half still significantly affected by the COVID-19 pandemic and the second half characterized by a gradual return to normal, despite the uncertainty of the evolution of vaccination campaigns and of the contagion curve from new variants.

| | Full year 2020 (**) | | | |
|---|---|---|---|---|
| **(€m)** | **First quarter** | **First six months** | **First nine months** | **Full year** |
| Revenue (*) | 910.8 | 1,096.5 | 1,564.1 | 1,983.7 |
| *% of full year* | *45.9%* | *55.3%* | *78.9%* | *100.0%* |
| Operating profit (loss) | (80.3) | (300.5) | (372.6) | (511.6) |
| *% of full year* | *15.7%* | *58.7%* | *72.8%* | *100.0%* |
| Pre-tax profit (loss) | (100.7) | (357.2) | (471.7) | (638.0) |
| *% of full year* | *15.8%* | *56.0%* | *73.9%* | *100.0%* |
| Profit (loss) attributable to owners of the parent | (88.0) | (271.0) | (365.8) | (479.9) |
| *% of full year* | *18.2%* | *56.5%* | *76.2%* | *100.0%* |

(*) For consistency with the data in the Interim Directors' report on operations, revenue does not include fuel sales, which take place mainly at Italian and Swiss service stations.
(**) The data related to the first quarter and the first nine months are not subject to audit.

The percentages shown are general indications only and should not be used to predict results or the generation of cash, all the more in the condition of uncertainty of the evolution of the pandemic described in the Interim Directors' report on operations and in these Notes. Indeed, seasonal trends are further magnified by cash flows, with the first half-year usually seeing a concentration of annual payments (namely concession fees), both as settlement of amounts accrued in the previous year and as advances on the year in course.

## 2.2.10 Guarantees given, commitments and contingent liabilities

*Guarantees*

At 30 June 2021 the guarantees given by the Autogrill Group amounted to €425,307k (€460,077k at the close of 2020) and referred mainly to performance bonds and other personal guarantees issued in favor of grantors and business counterparties.

*Commitments*

Commitments outstanding at 30 June 2021 concern:
- the value of goods on consignment held at Group locations (€2,469k);
- commitments for service contracts (€112,121k);
- commitments for access rights (€16,453k);
- commitments under low-value and short-term leases (€11,761k).

An access concession exists when ownership of the land and buildings along the motorway is in the hands of a private firm (like Autogrill), which negotiates access rights with the motorway company with the commitment to sell fuel and lubricants and/or food and beverages to motorway users. The firm accepts the obligation to pay rent to the motorway as well as certain stipulations regarding the way the services are to be provided and the hours of operation.

*Contingent liabilities*

At 30 June 2021, there were no contingent liabilities as defined in IAS 37.

## 2.2.11 Other information

**Related party transactions**

Autogrill S.p.A. is controlled by Schematrentaquattro S.p.A., which owns 50.1% of its ordinary shares. Schematrentaquattro S.p.A. is a wholly-owned subsidiary of Edizione S.r.l.

All related-party transactions are carried out in the Company's interest and at arm's length.

In the first half of 2021 Autogrill S.p.A. and its subsidiaries conducted no transactions with the direct parent, Schematrentaquattro S.p.A.

| (€k) | Income Statement – First-Half 2021 | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Revenue** | **Other operating income** | **Raw materials, supplies and goods** | **Leases, rentals, concessions and royalties** | **Other operating expense** | **Personnel expense** | **Financial (expense) income** |
| **Parent:** | | | | | | | |
| Edizione S.r.l. | - | - | - | - | - | 70 | - |
| **Other related parties:** | | | | | | | |
| Atlantia Group | - | 814 | 72 | 6,836 | 5,081 | - | (2,980) |
| Verde Sport S.p.A. | - | - | - | - | 45 | - | - |
| Olimpias Group S.r.l. | - | - | - | - | 10 | - | - |
| **Equity investments** | - | - | - | 262 | 138 | - | - |
| **Other related parties (*)** | - | - | - | - | 173 | 2,561 | - |
| **Total Related parties** | **-** | **814** | **72** | **7,098** | **5,447** | **2,631** | **(2,980)** |
| **Total Group** | **1,053,220** | **59,513** | **454,981** | **30,708** | **162,624** | **300,260** | **(49,948)** |
| **Incidence** | **0.0%** | **1.4%** | **0.0%** | **23.1%** | **3.3%** | **0.9%** | **6.0%** |

(*) The other related parties refers to transactions with Directors, Statutory Auditors and Executives with strategic responsibilites.

| (€k) | Income Statement – First-Half 2020 | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Revenue** | **Other operating income** | **Raw materials, supplies and goods** | **Leases, rentals, concessions and royalties** | **Other operating expense** | **Personnel expense** | **Financial (expense) income** |
| **Parent:** | | | | | | | |
| Edizione S.r.l. | - | 13 | - | - | 2 | 60 | - |
| **Other related parties:** | | | | | | | |
| Atlantia Group | 2 | - | 42 | (11,667) | 3,711 | - | (3,327) |
| Verde Sport S.p.A. | - | - | - | - | 45 | - | - |
| Olimpias Group S.r.l. | - | - | - | - | - | - | - |
| **Equity investments** | - | - | - | (271) | (168) | - | - |
| **Other related parties (*)** | - | - | - | - | 268 | 2,113 | - |
| **Total Related parties** | **2** | **13** | **42** | **(11,937)** | **3,858** | **2,173** | **(3,327)** |
| **Total Group** | **1,197,236** | **56,917** | **469,182** | **56,294** | **227,073** | **449,620** | **(56,514)** |
| **Incidence** | **0.0%** | **0.0%** | **0.0%** | **-21.2%** | **1.7%** | **0.5%** | **5.9%** |

(*) The other related parties refers to transactions with Directors, Statutory Auditors and Executives with strategic responsibilites.

| (€k) | Statement of financial position – 30.06.2021 Trade receivables | Other receivables | Trade payables | Other payables | Lease liabilities – Current | Lease liabilities – Non Current |
|---|---|---|---|---|---|---|
| **Parent:** | | | | | | |
| Edizione S.r.l. | - | - | 1 | 823 | - | - |
| **Other related parties:** | | | | | | |
| Atlantia Group | 1,096 | 5,476 | 26,686 | 1,976 | 35,600 | 209,239 |
| Verde Sport S.p.A. | - | - | 23 | - | - | - |
| Olimpias Group S.r.l. | - | - | 10 | - | - | - |
| **Equity investments** | - | 51 | - | - | - | - |
| **Other related parties (*)** | - | - | - | 664 | - | - |
| **Total Related parties** | **1,096** | **5,527** | **26,720** | **3,461** | **35,600** | **209,239** |
| **Total Group** | **35,726** | **127,833** | **303,266** | **273,271** | **347,174** | **1,343,067** |
| **Incidence** | **3.1%** | **4.3%** | **8.8%** | **1.3%** | **10.3%** | **15.6%** |

(*) The other related parties refers to transactions with Directors, Statutory Auditors and Executives with strategic responsibilites.

| (€k) | Statement of financial position – 31.12.2020 Trade receivables | Other receivables | Trade payables | Other payables | Lease liabilities – Current | Lease liabilities – Non Current |
|---|---|---|---|---|---|---|
| **Parent:** | | | | | | |
| Edizione S.r.l. | - | - | 1 | 874 | - | - |
| **Other related parties:** | | | | | | |
| Atlantia Group | 1,423 | 6,248 | 19,106 | 2,176 | 39,202 | 210,284 |
| **Equity investments** | - | 2 | - | - | - | - |
| **Other related parties (*)** | - | - | - | 1,188 | - | - |
| **Total Related parties** | **1,423** | **6,251** | **19,108** | **4,238** | **39,202** | **210,284** |
| **Total Group** | **36,696** | **135,789** | **292,097** | **266,363** | **377,289** | **1,590,384** |
| **Incidence** | **3.9%** | **4.6%** | **6.5%** | **1.6%** | **10.4%** | **13.2%** |

(*) The other related parties refers to transactions with Directors, Statutory Auditors and Executives with strategic responsibilites.

## Edizione S.r.l.

"Personnel expense" refers to fees earned by a director of Autogrill S.p.A. and paid back to Edizione S.r.l. where he serves as executive manager.

"Other payables" mostly originate from Autogrill Italia S.p.A.'s purchase of Edizione S.r.l.'s tax credit (IRES) for the year 2019, amounting to €750k, which was paid for in July 2021.

## Atlantia Group

"Leases, rentals, concessions and royalties" refer to variable concession fees and accessory costs pertaining to the period. In the first half of 2020, the amount showed a net reduction in costs, due to the acceptance of the landlord's offer to cancel Autogrill Italia S.p.A.'s fixed concession fees during the lockdown period in addition to significant reductions in those fees in the subsequent periods. The cancellation of fixed fees reduced the amount of this item in accordance with IFRS 16.

In the first half of 2021 Autogrill Italia S.p.A. recognized discounts granted by Autostrade per l'Italia S.p.A. on short-term concession contracts, which are outside the scope of IFRS 16, in the amount of €2.8m. Negotiations regarding the other concession contracts are still underway.

"Other operating expense" refers chiefly to the management of motorway locations. Autogrill Italia S.p.A.

“Financial expense” also concerns the adoption of IFRS 16, which requires the recognition of implicit interest previously included under “Leases, rentals, concessions and royalties”.

“Trade payables” originate from the same transactions.

“Finance lease liabilities” of €244,839k€ stem from the discounting of fixed or substantively fixed future minimum lease payments outstanding at 30 June 2021.

“Other receivables” refers mainly to credit notes to be received from Autostrade per l’Italia S.p.A., as well as fees for rest stop cleaning services.

### Verde Sport S.p.A.

Other operating expense concerns the commercial sponsorship of youth sports at the facilities housed at "La Ghirada - Città dello Sport".

### Olimpias Group S.r.l.

Costs refer to the purchase of surgical masks for sales personnel and the purchase of sundry materials.

## Remuneration of directors and key management personnel

The following remuneration accrued to members of the Board of Directors and to key management personnel in the first half 2021:

(€)

| Name | Office held | Term of office | Remuneration | Bonus and other incentives | Non-monetary benefits | Other fees |
|---|---|---|---|---|---|---|
| Paolo Zannoni | Chairman | 2020/2022 | 125,000 | | | |
| Gianmario Tondato da Ruos | CEO | 2020/2022 | 260,000 | | 2,402 | 201,099 |
| Alessandro Benetton | Director | 2020/2022 | 30,000 | | | |
| Paolo Roverato | Director | 2020/2022 | 60,000 | | | |
| Massimo Fasanella D'Amore di Ruffano (*) | Director | 2020/2022 | 50,000 | | | 12,500 |
| Francesco Chiappetta | Director | 2020/2022 | 45,000 | | | |
| Ernesto Albanese | Director | 2020/2022 | 35,000 | | | |
| Franca Bertagnin Benetton | Director | 2020/2022 | 30,000 | | | |
| Maria Pierdicchi | Director | 2020/2022 | 40,000 | | | |
| Barbara Cominelli | Director | 2020/2022 | 40,000 | | | |
| Rosalba Casiraghi | Director | From 21/05/2020 to 2022 | 40,000 | | | |
| Simona Scarpaleggia | Director | From 21/05/2020 to 2022 | 40,000 | | | |
| Laura Cioli | Director | From 21/05/2020 to 2022 | 45,000 | | | |
| **Total directors** | | | **840,000** | **-** | **2,402** | **213,599** |
| Camillo Rossotto (**) | Corporate General Manager | | | | 5,197 | 276,374 |
| Key managers with strategic responsibilities | | | | | 101,321 | 1,089,754 |
| **Total** | | | **840,000** | **-** | **108,920** | **1,579,727** |

(*) Other fees are for serving as director at Autogrill Europe S.p.A.
(**) Other fees are for serving as sole director of Autogrill Advanced Services S.p.A. since 19/11/2018.

A significant portion of the variable compensation received by the CEO, the Corporate General Manager and the key management personnel is tied to the achievement of specific targets established in advance by the Board of Directors, by virtue of their participation in management incentive plans. In particular, the CEO, the Corporate General Manager and key managers participate in an annual bonus system involving earnings and financial targets and other strategic objectives for the Group and/or the relevant business unit, as well as individual objectives. Should the CEO leave office for any reason, he shall retain the right to variable pay under the incentive plans of which he is a beneficiary, subject to the achievement of the targets and the satisfaction of any other condition stated in each plan, regulation, or program and in an amount proportional to the service rendered during the relevant period of time.

For the Corporate General Manager and key management personnel, any rights acquired under incentive plans (including options) shall be null and void in the event of termination for just cause, subjective justified cause, or voluntary resignation ("bad leavers"). In the event of termination for objective justified cause or retirement ("good leavers"), the beneficiary does not lose the pro-rata rights acquired under the plans.

See the section "Incentive plans for directors and key management personnel" for a description of the plans in force.

The CEO's remuneration includes his executive salary from Autogrill S.p.A., which is shown under "Other fees". According to the Board of Directors resolution of 25 May 2020, which governs the CEO's employment, if the CEO resigns with just cause or is dismissed by the Company without just cause, the Company will top up to €2m the standard indemnity in lieu of notice and any other indemnity or leaving compensation provided for in the national collective managers' contract for the commercial sector, when less than that amount. Also, given the CEO's strategic role at the Company, he is bound by a non-compete agreement and a ban on poaching Autogrill Group personnel for 18 months, under a specific agreement that entails a penalty for breach thereof.

Non-compete agreements are also in place with the Corporate General Manager and with key managers with strategic responsibilities.

## Statutory auditors' fees

The following fees accrued to members of the Board of Statutory Auditors in the first half 2021:

(€)

| Name | Office held | Term of office | Remuneration | Other fees |
|---|---|---|---|---|
| Marco Giuseppe Maria Rigotti | Chairman | 01/01/2018-23/04/2021 | 23,229 | - |
| Francesca Michela Maurelli | Chairman | 23/04/2021 - 2023 | 14,178 | - |
| Massimo Catullo | Standing auditor | 2021/2023 | 25,000 | - |
| Antonella Carù | Standing auditor | 2021/2023 | 25,000 | - |
| **Total Statutory Auditors** | | | **87,407** | **-** |

## Incentive plans for directors and key management personnel

### 2016 Phantom stock option plan

On 26 May 2016, the general meeting of shareholders approved an incentive plan referred to as the "2016 Phantom stock option plan". The options have been assigned free of charge to executive directors and employees with strategic responsibilities of the company and/or its subsidiaries or to members of the management team as named, on one or more occasions, by the Board of Directors.

This plan, which expires on 30 June 2024, is split into three sub-plans or "Waves" which grant each beneficiary the right to receive, for each option exercised, a gross cash amount equal to the difference between the terminal value and the allocation value of the Autogrill shares (the "Bonus"), subject to certain conditions and in any case not exceeding a given cap. Specifically, the terminal value of the shares is defined as the average official closing price of the company's shares at the end of each trading session of the Italian Stock Exchange in the month prior to and inclusive of the exercise date, plus dividends paid from the grant date until the date of exercise. The allocation value is defined as the average official closing price of the company's shares at the end of each trading session of the Italian Stock Exchange in the month prior to and inclusive of the allocation date.

On 26 May 2016, the plan was implemented and the terms and conditions of Wave 1 were defined. With a vesting period from 26 May 2016 to 25 July 2019, a total of 4,825,428 options were assigned. In 2021, no options were cancelled.

Under the 2016 Phantom stock option plan described below, the CEO has been assigned 679,104 options in Wave 1, with a minimum holding commitment as detailed in the Remuneration Report. In 2019 the CEO exercised 543,283 of his Wave 1 options.

Movements in options in 2020 and the first half of 2021 are shown below:

| | **Options** |
|---|---:|
| **Options at 31 December 2019** | **795,474** |
| Options exercised in 2020 | - |
| Options cancelled in 2020 | (7,464) |
| **Options at 31 December 2020** | **788,010** |
| Options exercised in 2021 | - |
| Options cancelled in 2021 | - |
| **Options at 30 June 2021** | **788,010** |

An independent external advisor has been hired to calculate the fair value of the Phantom stock options, based on the value of shares on the grant date, volatility, estimated dividend payments, the term of the plan and the risk-free rate of return. The calculation was performed using the binomial method.

The costs for this plan amounted to €701k in the first half of 2021 compared with -€1,692k in the first half 2020, when the amount was strongly influenced by the greater volatility and uncertainty in the Group's industry and in general throughout the stock market.

Thorough information on the 2016 Phantom stock option plan is provided in the Disclosure Document prepared in accordance with Art. 84 bis (1) and Annex 3A (Schedule 7) of CONSOB Regulation 11971/1999, which is available to the public at www.autogrill.com (/Governance/Shareholders' meeting).

### 2018 Performance share units plan

On 24 May 2018, the general meeting of shareholders approved an incentive plan referred to as the "2018 Performance share units plan". The units have been assigned free of charge to executive directors and employees with strategic responsibilities of the company and/or its subsidiaries or to members of the management team as named, on one or more occasions, by the Board of Directors.

The plan is split into cycles or "Waves" which grant each beneficiary the right to exchange units for Autogrill shares if the Group's stock market performance and financial results both satisfy given conditions.

On 24 May 2018, the plan was implemented and the terms and conditions of Wave 1 and Wave 2 were defined. For Wave 1 (vesting period from 24 May 2018 to 23 May 2020) a total of 866,032 units were assigned. A total of 789,906 units were assigned for Wave 2 (vesting period from 24 May 2018 to 23 May 2021).

Under the 2018 Performance share units plan, the CEO received 136,701 units in Wave 1 and 122,830 units in Wave 2.

On 27 June 2019, Wave 3 of the plan was rolled out. The vesting period runs from 27 June 2019 to 26 June 2022 and a total of 956,206 units were assigned, of which 153,632 to the CEO.

Regarding Wave 2, in 2021 the vesting conditions were not satisfied and the beneficiaries definitively lost the opportunity to convert their units into shares. Wave 2 is therefore over, as well as Wave 1 in 2020.

Movements in units of Wave 3 in 2020 and the first half of 2021 are shown below:

| | Units |
|---|---|
| | **WAVE 3** |
| **Units at 31 December 2019** | **926,342** |
| Units exercised in 2020 | - |
| Units cancelled in 2020 | (47,809) |
| **Units at 31 December 2020** | **878,533** |
| Units exercised in 2021 | - |
| Units cancelled in 2021 | (1,947) |
| **Units at 30 June 2021** | **876,586** |

An independent external advisor has been hired to calculate the fair value of the units, based on the value of shares on the grant date, volatility, estimated dividend payments, the term of the plan and the risk-free rate of return. The calculation was performed using the binomial method.

### 2021 Performance share units plan

On 23 April 2021, the Shareholders' Meeting approved the stock grant plan named "Performance Share Units 2021" (Plan). The Plan is reserved to the employees and executive directors of the Company and of its direct or indirect subsidiaries, identified by the Company's Board of Directors among those employees and executive directors of the Company and its Subsidiaries which are key figures in the creation of value within the Company and the Group (the "Beneficiaries").

The beneficiaries will be granted with a number of units, free of charge and on a personal basis; the units will grant to the beneficiaries the right to receive ordinary shares of the Company, provided that the terms and conditions set forth by the Board of Directors' report and the information document are met.

The plan is split into three cycles or "Waves": the first one to be granted in 2021 with a vesting period of 24 months starting from the grant date, while the other two, to be granted over 2021 and 2022 respectively, with a vesting period of 36 months starting from the grant date.

On 23 April 2021, the plan was implemented and the terms and conditions of Wave 1 and Wave 2 were defined. For Wave 1 (vesting period from 23 April 2021 to 23 April 2023) a total of 1,168,574 units were assigned. A total of 1,046,879 units were assigned for Wave 2 (vesting period from 23 April 2021 to 23 April 2024).

Under the 2021 Performance share unit plan, the CEO received 213,601 units in Wave 1 and 191,356 units in Wave 2.

Movements in units in the first half of 2021 are shown below:

| | Units | |
|---|---|---|
| | **WAVE 1** | **WAVE 2** |
| ***Units* at 31 December 2020** | **-** | **-** |
| Units received in 2021 | 1,168,574 | 1,046,879 |
| Units exercised in 2021 | - | - |
| Units cancelled in 2021 | - | - |
| ***Units* at 30 June 2021** | **1,168,574** | **1,046,879** |

An independent external advisor has been hired to calculate the fair value of the units, based on the value of shares on the grant date, volatility, estimated dividend payments, the term of the plan and the risk-free rate of return. The calculation was performed using the binomial method.

Costs for Performance Share units plans amounted to €1,085k in the first half 2021 (€165k in the first half 2020).

Thorough information on the 2018 Performance Share units plan and on the 2021 Performance Share units plan are provided in the Disclosure Document prepared in accordance with Art. 84 bis (1) and Annex 3A (Schedule 7) of CONSOB Regulation 11971/1999, which is available to the public at www.autogrill.com (/Governance/Shareholders' meeting).

## 2.2.12 Significant non-recurring events and transactions

In the first half of 2021, there were no significant non-recurring events or transactions as defined by CONSOB Resolution 15519 of 27 July 2006 and CONSOB Communication DEM/6064293 of 28 July 2006.

## 2.2.13 Atypical or unusual transactions

In the first half of 2021 there were no atypical and/or unusual transactions as defined by CONSOB Communication DEM/6064293 of 28 July 2006.

## 2.2.14 Subsequent events

In early July, the capital increase was completed with the sale of unexercised options for €1,549k and the purchase of the remaining 1,095,835 shares for €5,030k. On 20 July 2021, the certification of the capital increase was filed with the Novara Companies Register.

On 23 July the Group announced to the market that HMSHost Corporation, after obtaining the necessary government authorizations and consent from its landlords, had finalized the sale of its US motorway business to the consortium controlled by Blackstone Infrastructure Partners, which includes Applegreen Limited and B&J Holdings. The sale price was around $381m, subject to an earn-out mechanism on the basis of revenue earned by the new ownership in the next two-year period 2022-2023. The capital gain, not considering the earn-out effects whose amounts cannot be determined at present, is estimated at $150m.

In July, Autogrill S.p.A. paid back three revolving credit lines for a total of €205m.

## 2.2.15 Authorization for publication

The Board of Directors authorized the publication of these condensed interim consolidated financial statements at its meeting of 30 July 2021.

# Annexes

## List of consolidated companies and other investments

| Company | Registered office | Currency | Share capital | % held at 30.06.2021 | Shareholders |
|---|---|---|---|---|---|
| **Parent** | | | | | |
| Autogrill S.p.A. | Novara | EUR | 145,115,247 | 50.1000% | Schematrentaquattro S.p.a. |
| **Companies consolidated line by line** | | | | | |
| Nuova Sidap S.r.l. | Novara | EUR | 100,000 | 100.0000% | Autogrill Italia S.p.A. |
| Autogrill Europe S.p.A. | Novara | EUR | 50,000,000 | 100.0000% | Autogrill S.p.A. |
| Autogrill Italia S.p.A. | Novara | EUR | 68,688,000 | 100.0000% | Autogrill S.p.A. |
| Autogrill Advanced Business Service S.p.A. | Novara | EUR | 1,000,000 | 100.0000% | Autogrill S.p.A. |
| Autogrill Austria GmbH | Gottlesbrunn | EUR | 600,000 | 100.0000% | Autogrill Europe S.p.A. |
| Autogrill D.o.o. | Lubiana | EUR | 1,342,670 | 100.0000% | Autogrill Europe S.p.A. |
| Autogrill Hellas Single Member Limited Liability Company | Avlonas | EUR | 3,696,330 | 100.0000% | Autogrill Europe S.p.A. |
| Autogrill Deutschland GmbH | Monaco | EUR | 205,000 | 100.0000% | Autogrill Europe S.p.A. |
| Le Crobag GmbH & Co KG | Amburgo | EUR | 894,761 | 98.8700% | Autogrill Deutschland GmbH |
| | | | | 1.1300% | Le Fournil de Frédéric Neuhauser GmbH |
| Le Crobag Polska Sp. Z.o.o. | Varsavia | PLN | 26,192 | 100.0000% | Le Crobag GmbH & Co KG |
| Le Fournil de Frédéric Neuhauser GmbH | Amburgo | EUR | 10,226 | 100.0000% | Autogrill Deutschland GmbH |
| Autogrill Belgie N.V. | Anversa | EUR | 6,700,000 | 99.9900% | Autogrill Europe S.p.A. |
| | | | | 0.0100% | Ac Restaurants & Hotels Beheer N.V. |
| Ac Restaurants & Hotels Beheer N.V. | Anversa | EUR | 3,250,000 | 99.9900% | Autogrill Belgie N.V. |
| Autogrill Schweiz A.G. | Olten | CHF | 23,183,000 | 100.0000% | Autogrill Europe S.p.A. |
| Restoroute de Bavois S.A. | Bavois | CHF | 2,000,000 | 73.0000% | Autogrill Schweiz A.G. |
| Restoroute de la Gruyère S.A. | Pont-en-Ogoz | CHF | 1,500,000 | 54.3300% | Autogrill Schweiz A.G. |
| Holding de Participations Autogrill S.a.s. | Marsiglia | EUR | 84,581,920 | 100.0000% | Autogrill Europe S.p.A. |
| Autogrill Coté France S.a.s. | Marsiglia | EUR | 31,579,526 | 100.0000% | Holding de Participations Autogrill S.a.s. |
| Volcarest S.a.s. | Champs | EUR | 1,050,144 | 50.0000% | Autogrill Coté France S.a.s. |
| Autogrill Restauration Carrousel S.a.s. | Marsiglia | EUR | 2,337,000 | 100.0000% | Holding de Participations Autogrill S.a.s. |
| Société de Gestion Pétrolière Autogrill S.àr.l. (SGPA) | Marsiglia | EUR | 8,000 | 100.0000% | Autogrill Coté France S.a.s. |
| Autogrill FFH Autoroutes S.àr.l. | Marsiglia | EUR | 375,000 | 100.0000% | Autogrill Coté France S.a.s. |
| Autogrill FFH Centres Villes S.àr.l. | Marsiglia | EUR | 375,000 | 100.0000% | Autogrill Restauration Carrousel S.a.s. |
| HMSHost Corporation | Delaware | USD | - | 100.0000% | Autogrill S.p.A. |
| HMSHost International, Inc. | Delaware | USD | - | 100.0000% | HMSHost Corporation |
| HMSHost USA, LLC | Delaware | USD | - | 100.0000% | HMSHost Corporation |
| Host International, Inc. | Delaware | USD | - | 100.0000% | HMSHost Corporation |
| HMS Host Tollroads Inc. | Delaware | USD | - | 100.0000% | HMSHost Corporation |
| HMS Airport Terminal Services, Inc. | Delaware | USD | 1,000 | 100.0000% | Host International, Inc. |
| Host International of Maryland, Inc. | Maryland | USD | 1,000 | 100.0000% | Host International, Inc. |
| Michigan Host, Inc. | Delaware | USD | 1,000 | 100.0000% | Host International, Inc. |
| Host Services of New York, Inc. | Delaware | USD | 1,000 | 100.0000% | Host International, Inc. |
| Host International of Kansas, Inc. | Kansas | USD | 1,000 | 100.0000% | Host International, Inc. |
| Host Services Inc. | Texas | USD | - | 100.0000% | Host International, Inc. |
| Anton Airfood of Cincinnati, Inc. | Kentucky | USD | - | 100.0000% | Anton Airfood, Inc. |
| Anton Airfood, Inc. | Delaware | USD | 1,000 | 100.0000% | HMSHost Corporation |
| Anton Airfood of Newark, Inc. | New Jersey | USD | - | 100.0000% | Anton Airfood, Inc. |
| Anton Airfood of JFK, Inc. | New York | USD | - | 100.0000% | Anton Airfood, Inc. |
| Anton Airfood of Minnesota, Inc. | Minnesota | USD | - | 100.0000% | Anton Airfood, Inc. |
| Palm Springs AAI, Inc. | California | USD | - | 100.0000% | Anton Airfood, Inc. |
| Fresno AAI, Inc. | California | USD | - | 100.0000% | Anton Airfood, Inc. |
| Anton Airfood of Seattle, Inc. | Washington | USD | - | 100.0000% | Anton Airfood, Inc. |
| Islip AAI, Inc. | New York | USD | - | 100.0000% | Anton Airfood, Inc. |
| Stellar Partners, Inc. | Florida | USD | 25,500 | 100.0000% | Host International, Inc. |
| Host International (Poland) Sp.zo.o. (in liquidation) | Warsaw | USD | - | 100.0000% | Host International, Inc. |
| Shenzhen Host Catering Company, Ltd. (in liquidation) | Shenzhen | USD | - | 100.0000% | Host International, Inc. |
| Host Services Pty, Ltd. | North Cairns | AUD | 11,289,360 | 100.0000% | Host International, Inc. |
| Host International of Canada, Ltd. | Vancouver | CAD | 1,351,237 | 100.0000% | Host International, Inc. |
| Horeca Exploitatie Maatschappij Schiphol, B.V. | Haarlemmermeer | EUR | 45,400 | 100.0000% | HMSHost International B.V. |
| Marriott Airport Concessions Pty, Ltd. | North Cairns | AUD | 2,665,020 | 100.0000% | Host International, Inc. |
| HMSHost Services India Private, Ltd. | Balgalore | INR | 668,441,680 | 99.0000% | Host International, Inc. |
| | | | | 1.0000% | HMSHost International, Inc. |
| Host (Malaysia) Sdn.Bhd. | Kuala Lumpur | MYR | 2 | 100.0000% | Host International, Inc. |
| HMSHost New Zealand Ltd. | Auckland | NZD | 1,520,048 | 100.0000% | Host International, Inc. |
| HMSHost (Shanghai) Enterprise Management Consulting Co., Ltd. (in liquidation) | Shanghai | CNY | - | 100.0000% | Host International, Inc. |

| Company | Registered office | Currency | Share capital | % held at 30.06.2021 | Shareholders |
|---|---|---|---|---|---|
| HMSHost International B.V. | Haarlemmermeer | EUR | 18,090 | 100.0000% | Host International, Inc. |
| HMSHost Hospitality Services Bharath Private, Ltd. | Karnataka | INR | 115,000,000 | 99.0000% | HMSHost Services India Private Ltd |
| | | | | 1.0000% | HMSHost International, Inc. |
| NAG B.V. | Haarlemmermeer | EUR | - | 60.0000% | HMSHost International B.V. |
| HMSHost Finland Oy | Helsinki | EUR | 2,500 | 100.0000% | HMSHost International B.V. |
| Host Bush Lubbock Airport Joint Venture | Texas | USD | - | 90.0000% | Host International, Inc. |
| HSI Kahului Joint Venture Company | Hawaii | USD | - | 90.0000% | Host Services, Inc. |
| HSI Southwest Florida Airport Joint Venture | Florida | USD | - | 78.0000% | Host Services, Inc. |
| HSI Honolulu Joint Venture Company | Hawaii | USD | - | 90.0000% | Host Services, Inc. |
| HMS/Blue Ginger Joint Venture | Texas | USD | - | 55.0000% | Host International, Inc. |
| HSI-Tinsley Joint Venture | Florida | USD | - | 84.0000% | Host Services, Inc. |
| HSI/Tarra Enterprises Joint Venture | Florida | USD | - | 75.0000% | Host Services, Inc. |
| HSI D&D STL FB, LLC | Missouri | USD | - | 75.0000% | Host Services, Inc. |
| HSI/LJA Joint Venture | Missouri | USD | - | 85.0000% | Host Services, Inc. |
| Host/JV Ventures McCarran Joint Venture | Nevada | USD | - | 60.0000% | Host International, Inc. |
| HSI Miami Airport FB Partners Joint Venture | Florida | USD | - | 70.0000% | Host Services, Inc. |
| Host DEI Jacksonville Joint Venture | Florida | USD | - | 51.0000% | Host International, Inc. |
| Host/JQ RDU Joint Venture | North Carolina | USD | - | 75.0000% | Host International, Inc. |
| Host CTI Denver Airport Joint Venture | Colorado | USD | - | 90.0000% | Host International, Inc. |
| Host -Chelsea Joint Venture #4 | Texas | USD | - | 63.0000% | Host International, Inc. |
| Host-CMS SAN F&B, LLC | Delaware | USD | - | 100.0000% | Host International, Inc. |
| Host GRL LIH F&B, LLC | Delaware | USD | - | 85.0000% | Host International, Inc. |
| Host Fox PHX F&B, LLC | Delaware | USD | - | 75.0000% | Host International, Inc. |
| Host FDY ORF F&B, LLC | Delaware | USD | - | 90.0000% | Host International, Inc. |
| LTL ATL JV, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| Host ATLChefs JV 3, LLC | Delaware | USD | - | 95.0000% | Host International, Inc. |
| Host ATLChefs JV 5, LLC | Delaware | USD | - | 85.0000% | Host International, Inc. |
| Host LGO PHX F&B, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| Host-Love Field Partners I, LLC | Delaware | USD | - | 51.0000% | Host International, Inc. |
| Host-True Flavors SAT Terminal A FB, LLC | Delaware | USD | - | 65.0000% | Host International, Inc. |
| HSI Havana LAX F&B, LLC | Delaware | USD | - | 90.0000% | Host Services, Inc. |
| Host-CTI DEN F&B II, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| Host Lee JAX FB, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| Host/DFW AF, LLC | Delaware | USD | - | 50.0100% | Host International, Inc. |
| HSI Havana LAX TBIT FB, LLC | Delaware | USD | - | 70.0000% | Host Services, Inc. |
| Host Houston 8 IAH Terminal B, LLC | Delaware | USD | - | 60.0000% | Host International, Inc. |
| HHL Cole's LAX F&B, LLC | Delaware | USD | - | 80.0000% | HSI Havana LAX F&B, LLC |
| Host CMS LAX TBIT F&B, LLC | Delaware | USD | - | 100.0000% | Host International, Inc. |
| Host JQE RDU Prime, LLC | Delaware | USD | - | 85.0000% | Host International, Inc. |
| Host Howell Terminal A F&B, LLC | Delaware | USD | - | 65.0000% | Host International, Inc. |
| HSI MCA FLL FB, LLC | Delaware | USD | - | 76.0000% | Host Services, Inc. |
| Host MCA SRQ FB, LLC | Delaware | USD | - | 90.0000% | Host International, Inc. |
| HOST ECI ORD FB, LLC | Delaware | USD | - | 51.0000% | Host International, Inc. |
| Host Aranza Howell DFW B&E FB, LLC | Delaware | USD | - | 55.0000% | Host International, Inc. |
| Host MGV IAD FB, LLC | Delaware | USD | - | 65.0000% | Host International, Inc. |
| Host MGV DCA FB, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| Host CTI DEN F&B STA, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| Host MGV DCA KT, LLC | Delaware | USD | - | 51.0000% | Host International, Inc. |
| Host MBA LAX SB, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| Host H8 IAH FB I, LLC | Delaware | USD | - | 60.0000% | Host International, Inc. |
| Host BGV IAH FB, LLC | Delaware | USD | - | 55.0000% | Host International, Inc. |
| HSI TBL TPA FB, LLC | Delaware | USD | - | 71.0000% | Host Services, Inc. |
| Host JQE CVG FB, LLC | Delaware | USD | - | 90.0000% | Host International, Inc. |
| Host MBA CMS LAX, LLC | Delaware | USD | - | 60.0000% | Host International, Inc. |
| Host VDV CMH FB LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| HOST OHM GSO FB, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| Host JQE RSI LIT FB, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| Host JVI PDX FB, LLC | Delaware | USD | - | 84.0000% | Host International, Inc. |
| Host TFC SDF FB, LLC | Delaware | USD | - | 60.0000% | Host International, Inc. |
| Host JQE RDU CONC D, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| Host SMI SFO FB, LLC | Delaware | USD | - | 90.0000% | Host International, Inc. |
| Host DOG LAS FB, LLC | Delaware | USD | - | 55.0000% | Host International, Inc. |

| Company | Registered office | Currency | Share capital | % held at 30.06.2021 | Shareholders |
|---|---|---|---|---|---|
| Stellar Partners Tampa, LLC | Florida | USD | - | 90.0000% | Stellar Partners, Inc. |
| Host LBL LAX T2 FB, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| Host BGI MHT FB, LLC | Delaware | USD | - | 90.0000% | Host International, Inc. |
| Host SCR SAV FB, LLC | Delaware | USD | - | 90.0000% | Host International, Inc. |
| Host Chen ANC FB LLC | Delaware | USD | - | 88.0000% | Host International, Inc. |
| Host SCR SAN FB, LLC | Delaware | USD | - | 75.0000% | Host International, Inc. |
| Host SCR SNA FB, LLC | Delaware | USD | - | 75.0000% | Host International, Inc. |
| Stellar LAM SAN, LLC | Florida | USD | - | 80.0000% | Stellar Partners, Inc. |
| Host DII GRR FB, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| Host Java DFW MGO, LLC | Delaware | USD | - | 50.0100% | Host International, Inc. |
| Host SHI PHL FB LLC | Delaware | USD | - | 55.0000% | Host International, Inc. |
| MCO Retail Partners, LLC | Delaware | USD | - | 80.0000% | Stellar Partners, Inc. |
| HMSHost Family Restaurants, Inc. | Maryland | USD | 2,000 | 100.0000% | Host International, Inc. |
| HMSHost UK, Ltd. | Londra | GBP | 217,065 | 100.0000% | HMSHost International B.V. |
| HMSHost Sweden A.B. | Stoccolma | SEK | 2,500,000 | 100.0000% | HMSHost International B.V. |
| HMSHost Ireland Ltd. | Cork | EUR | 13,600,000 | 100.0000% | HMSHost International B.V. |
| HMSHost Nederland B.V. | Haarlemmermeer | EUR | 100 | 100.0000% | HMSHost International B.V. |
| HMSHost Huicheng (Beijing) Catering Management Co., Ltd. | Beijing | CNY | 110,000,000 | 100.0000% | HMSHost International B.V. |
| PT EMA INTI MITRA (Autogrill Topas Indonesia) | Jakarta | IDR | 46,600,000,000 | 65.0000% | HMSHost International B.V. |
| SMSI Travel Centres, Inc. | Vancouver | CAD | 10,800,100 | 100.0000% | Host International of Canada, Ltd. |
| HMSHost Yiyecek Ve Icecek Hizmetleri A.S. | Istanbul | TRL | 35,271,734 | 100.0000% | HMSHost International B.V. |
| Autogrill VFS F&B Co. Ltd. | Ho Chi Minh City | VND | 104,462,000,000 | 70.0000% | HMSHost International B.V. |
| Limited Liability Company Autogrill Rus | San Pietroburgo | RUB | 10,000 | 100.0000% | NAG B.V. |
| PT Autogrill Services Indonesia | Jakarta | IDR | 99,782,177,014 | 99.6670% | HMSHost International B.V. |
| | | | | 0.3330% | HMSHost Nederland B.V. |
| HMSHost Vietnam Company Limited | Ho Chi Minh City | VND | 1,134,205,500 | 100.0000% | HMSHost International B.V. |
| HMSHost Family Restaurants, LLC | Delaware | USD | - | 100.0000% | HMSHost Family Restaurants, Inc. |
| HMSHost Motorways L.P. | Winnipeg | CAD | - | 99.9999% | SMSI Travel Centres, Inc. |
| | | | | 0.0001% | HMSHost Motorways, Inc. |
| HMSHost Motorways, Inc. | Vancouver | CAD | - | 100.0000% | SMSI Travel Centres, Inc. |
| HMSHost Antalya Yiyecek Ve Içecek Hizmetleri A.S. | Antalya | TRL | 2,140,000 | 51.0000% | HMSHost Yiyecek Ve Icecek Hizmetleri A.S. |
| Stellar Retail Group ATL, LLC | Tampa | USD | - | 59.0000% | Stellar Partners, Inc. |
| Host CEI KSL MSY, LLC | Delaware | USD | - | 63.0000% | Host International, Inc. |
| Host MCA ATL FB, LLC | Delaware | USD | - | 64.0000% | Host International, Inc. |
| Stellar RSH DFW, LLC | Tampa | USD | - | 65.0000% | Stellar Partners, Inc. |
| Stellar Retail Partners DFW, LLC | Tampa | USD | - | 65.0000% | Stellar Partners, Inc. |
| Host HTB DEN FB, LLC | Delaware | USD | - | 67.0000% | Host International, Inc. |
| Host DSL DEN FB, LLC | Delaware | USD | - | 67.0000% | Host International, Inc. |
| Host MCL DFW SB, LLC | Delaware | USD | - | 65.0000% | Host International, Inc. |
| Host MCL DFW Bar, LLC | Delaware | USD | - | 75.0000% | Host International, Inc. |
| Host DCG ATL SB, LLC | Delaware | USD | - | 59.0000% | Host International, Inc. |
| Host MCA HLM ATL FB, LLC | Delaware | USD | - | 55.0000% | Host International, Inc. |
| Host TGI DEN GD FB, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| Host TGI DEN STA FB, LLC | Delaware | USD | - | 55.0000% | Host International, Inc. |
| Host D&D STL 3KG FB, LLC | Delaware | USD | - | 75.0000% | Host International, Inc. |
| Host JAVA DFW SBC-GAB, LLC | Delaware | USD | - | 50.0100% | Host International, Inc. |
| Host IBC MCO FB, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| Host BGB ARG MSP, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| HMSHost Maldives Pvt Ltd | Republic of Maldives | USD | 1,507,464 | 99.3000% | HMSHost International B.V. |
| | | | | 0.7000% | HMSHost Nederland B.V. |
| HMSHost Rus Limited Liability Company | Russia | RUB | 10,000 | 90.0000% | HMSHost International B.V. |
| | | | | 10.0000% | HMSHost Nederland B.V. |
| HMS Host (Shanghai) Catering Management Co., Ltd. | Cina | CNY | 38,000,000 | 51.0000% | HMSHost Huicheng (Beijing) Catering Management Co., Ltd |
| | | | | 49.0000% | HMSHost International B.V. |
| Autogrill Middle East, LLC | Abu Dhabi | AED | 100,000 | 100.0000% | HMSHost International B.V. |
| HMSHost Catering Malaysia SDN. BHD | Kuala Lumpur | MYR | 350,000 | 49.0000% | Host International, Inc. |
| | | | | 51.0000% | HMSHost International B.V. |
| Arab Host Services LLC | Qatar | QAR | 200,000 | 49.0000% | Autogrill Middle East, LLC |
| Host CEG KSL LGA FB, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| Host TRA BNA STA FB, LLC | Delaware | USD | - | 84.0000% | Host International, Inc. |
| Host TRA BNA FB, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| HSI BFF SEA FB, LLC | Delaware | USD | - | 51.0000% | Host Services, Inc. |
| Stellar PHL, LLC | Delaware | USD | - | 65.0000% | Stellar Partners, Inc. |
| Stellar Retail Group PHX, LLC | Delaware | USD | - | 55.0000% | Stellar Partners, Inc. |

| Company | Registered office | Currency | Share capital | % held at 30.06.2021 | Shareholders |
|---|---|---|---|---|---|
| Stellar LAM PHX, LLC | Tampa | USD | - | 70.0000% | Stellar Partners, Inc. |
| Host NMG EWR SB, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| Host PHE LDL MCO FB, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| HSI MCA LBL LAX T6-TBIT, LLC | Delaware | USD | - | 75.0000% | Host Services, Inc. |
| Host LDL MCO FB, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| Host WSE SJC FB, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| Host LDL BWI FB, LLC | Delaware | USD | - | 90.0000% | Host International, Inc. |
| Stellar DOC1 DCGG DEN, LLC | Delaware | USD | - | 75.0000% | Stellar Partners, Inc. |
| Host LPI SEA FB, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| Stellar MGV BWI, LLC | Delaware | USD | - | 60.0000% | Stellar Partners, Inc. |
| HSI MCA MIA SB, LLC | Delaware | USD | - | 51.0000% | Host Services, Inc. |
| HSI MCA BOS FB, LLC | Delaware | USD | - | 80.0000% | Host Services, Inc. |
| Host DCG AUS FB, LLC | Delaware | USD | - | 75.0000% | Host International, Inc. |
| Host IBC PIE FB, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| HSI HCL SEA FB, LLC | Delaware | USD | - | 75.0000% | Host Services, Inc. |
| Stellar BDI PIE, LLC | Delaware | USD | - | 90.0000% | Stellar Partners, Inc. |
| Stellar DCA BNA, LLC | Delaware | USD | - | 50.0100% | Stellar Partners, Inc. |
| Stellar DCA SLA BNA, LLC | Delaware | USD | - | 50.0100% | Stellar Partners, Inc. |
| HSI KIND EDMV PHX T3, LLC | Delaware | USD | - | 60.0000% | Host Services, Inc. |
| Host IAV EWR FB, LLC | Delaware | USD | - | 65.0000% | Host International, Inc. |
| HSI CEG ALB BK, LLC | Delaware | USD | - | 80.0000% | Host Services, Inc. |
| Host ETL ORD FB, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| Host LB NMG MKE FB, LLC | Delaware | USD | - | 75.0000% | Host International, Inc. |
| Stellar RSH EWR, LLC | California | USD | - | 70.0000% | Stellar Partners, Inc. |
| Stellar St. Croix IAH TLLC, LLC | California | USD | - | 90.0000% | PGC-St. Croix IAH, LLC |
| PGC-St. Croix IAH, LLC | California | USD | - | 100.0000% | Stellar Partners, Inc. |
| Stellar PCG PEA IAH, LLC | California | USD | - | 60.0000% | Stellar Partners, Inc. |
| Stellar AIR LAX I, LLC | California | USD | - | 74.0000% | Stellar Partners, Inc. |
| PGC St. Croix LGA, LLC | Minnesota | USD | - | 100.0000% | Stellar Partners, Inc. |
| PGC-SC MSP-304, LLC | Minnesota | USD | - | 100.0000% | Stellar Partners, Inc. |
| PGC MSP Venture, LLC | Minnesota | USD | - | 100.0000% | Stellar Partners, Inc. |
| Stellar HLL MSY Venture, LLC | Louisiana | USD | - | 100.0000% | Stellar Partners, Inc. |
| Stellar Bambuza SEA, LLC | California | USD | - | 85.0000% | Stellar Partners, Inc. |
| Stellar AIM VMW SFO, LLC | California | USD | - | 70.0000% | Stellar Partners, Inc. |
| Host AJA EI DTW FB, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| Host SMI HPH LAX FB, LLC | Delaware | USD | - | 75.0000% | Host International, Inc. |
| Adastra Brands, Inc. | Delaware | USD | - | 100.0000% | HMSHost Corporation |
| Puro Gusto NA, LLC | Delaware | USD | - | 100.0000% | Adastra Brands, Inc. |
| HSI BGI BOS SB, LLC | Delaware | USD | - | 100.0000% | Host Services, Inc. |
| Host MBC LAS FB, LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| Stellar CGS LGA, LLC | Delaware | USD | - | 80.0000% | Stellar Partners, Inc. |
| Host DOC1 EDMV DEN FB, LLC | Delaware | USD | - | 67.0000% | Host International, Inc. |
| Host JAVA Howell DFW F, LLC | Delaware | USD | - | 50.0100% | Host International, Inc. |
| Host KIND DOC1 DEN FB, LLC | Delaware | USD | - | 51.0000% | Host International, Inc. |
| Stellar DOC1 DCGG DEN II, LLC | Delaware | USD | - | 60.0000% | Stellar Partners, Inc. |
| Stellar ACAF DFW TERM A RTL 3, LLC | Delaware | USD | - | 60.0000% | Stellar Partners, Inc. |
| Stellar DOC1 AGL DEN, LLC | Delaware | USD | - | 75.0000% | Stellar Partners, Inc. |
| Host CAL EDMV TMGS SLC FB, LLC | Delaware | USD | - | 88.0000% | Host International, Inc. |
| Host CAL TMGS SLC FB, LLC | Delaware | USD | - | 97.0000% | Host International, Inc. |
| Host EDMV TMGS SLC FB, LLC | Delaware | USD | - | 82.0000% | Host International, Inc. |
| Host KIND SLC FB, LLC | Delaware | USD | - | 70.0000% | Host International, Inc. |
| Host VDV CMH FB II LLC | Delaware | USD | - | 80.0000% | Host International, Inc. |
| Stellar LAM PHX II, LLC | Delaware | USD | - | 80.0000% | Stellar Partners, Inc. |
| Stellar DML MCO News Partners LLC | Delaware | USD | - | 70.0000% | Stellar Partners, Inc. |
| Stellar ACAF DFW Term D, LLC | Delaware | USD | - | 65.0000% | Stellar Partners, Inc. |
| HMSHost Norway AS | Norway | NOK | 180,000 | 100.0000% | HMSHost International B.V. |
| HMSHost Middle East DMCC | United Arab Emirates | AED | - | 100.0000% | HMSHost International B.V. |
| The Greater KC Restaurant & Retail Group LLC | Missouri | USD | | 50.0000% | Host International, Inc. |
| | | | | 25.0000% | Stellar Partners, Inc. |

**Companies consolidated using the equity method:**

| Company | Registered office | Currency | Share capital | % held at 30.06.2021 | Shareholders |
|---|---|---|---|---|---|
| Caresquick N.V. | Bruxelles | EUR | 1,020,000 | 50.000% | Autogrill Belgie N.V. |

# Attestation by the CEO and Manager in charge of Financial Reporting

**ATTESTATION**

**Attestation of the condensed interim consolidated financial statements pursuant to Art. 81-ter of CONSOB Regulation 11971 of 14 May 1999, as amended**

1. We, the undersigned, Gianmario Tondato Da Ruos as Chief Executive Officer and Camillo Rossotto as Manager in charge of Financial Reporting of Autogrill S.p.A., hereby declare, including in accordance with Art. 154-*bis* (3) and (4) of Legislative Decree no. 58 of 24 February 1998:

- the adequacy of, in relation to the characteristics of the business; and
- due compliance with the administrative and accounting procedures for the preparation of the condensed interim consolidated financial statements during the period from 1 January to 30 June 2021.

2. No significant findings have come to light in this respect.

3. We also confirm that:

3.1. the condensed interim consolidated financial statements:

a) have been prepared in accordance with the applicable International Financial Reporting Standards endorsed by the European Union pursuant to Regulation 1606/2002/EC of the European Parliament and the Council of 19 July 2002;

b) correspond to the ledgers and accounting entries;

c) provide a true and fair view of the financial position and results of operations of Autogrill S.p.A. and of companies included in the consolidation.

3.2. the Interim Directors' report on operations contains a reliable analysis of the key events that took place during the first six months of the year and their impact on the condensed interim consolidated financial statements, and describes the main risks and uncertainties for the remaining six months of the year. The Interim Directors' report on operations also includes a reliable analysis of information on significant related party transactions.

Milan, 30 July 2021

Gianmario Tondato Da Ruos
Chief Executive Officer

Camillo Rossotto
Manager in charge of Financial Reporting

Deloitte.

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Fax: +39 02 83322112
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# REPORT ON REVIEW OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**To the Shareholders of**
**Autogrill S.p.A.**

## Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of Autogrill S.p.A. and subsidiaries (the "Autogrill Group"), which comprise the statement of financial position as of June 30, 2021, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the six month period then ended, and related notes. The Directors are responsible for the preparation of the condensed interim consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

## Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("CONSOB") for the review of the interim financial statements under Resolution n° 10867 of July 31, 1997. A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements of the Autogrill Group as of June 30, 2021 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

*Signed by*
**Ernesto Lanzillo**
Partner

Milan, Italy
August 5, 2021

*This report has been translated into the English language solely for the convenience of international readers.*