

## Letter from the Chairperson

Dear Shareholder,

ATM Group's fiscal year 2021 is inserted, for the second year running, in a global scenario characterized by the continuation of the pandemic emergency.

In a year of new complications, the Company has continued in the right direction: firstly from the point of view of the community service, with all the public transportation upgrades and secondly with the reduction of the losses by nearly two-thirds compared with the previous year. In addition, during 2021 ATM has capitalized the experience gained in the first year of the pandemic, facing the emergencies thanks to the expertise and the commitment of all its employees and the constructive dialogue with stakeholders.

The Group's economic and financial results, fully described in the management report, clearly reflect the Company's efforts, correctly addressed in an ongoing troubled scenario, both at a global and sector level: the Group reports a loss in the period of Euro 16 million. Compared to revenues of Euro 1.009,3 Mln (+51.3 Euro Mln vs 2020) and operating costs and charges of Euro 925,9 Mln (Euro +29.2 Euro Mln vs 2020), ATM Group recorded a gross operating margin of Euro 83,3 Mln (Euro + 22.1 Mln vs 2020) and a negative operating result of Euro -13,7 Mln (Euro + 33,7 Mln vs 2020), proposing to cover the loss using reserves. The loss for the fiscal year 2021 of Euro 16 Mln improved by 48,5 Mln compared to 2020.

The Board of Directors proposes to partially cover the loss through the use of capital reserves and by forwarding the residual portion of the loss over to the following year.

ATM Group shareholders' equity is therefore equal to Euro 1.148,8 Mln and substantially aligned to the previous year (Euro 1.149 Mln vs 2020), due to changes in reserves linked to the result of the other comprehensive income, in particular with regards to the reserve generated by the adjustment to the fair value in application of the revaluation model of property, following a specific appraisal.

Revenues, despite being due to overall increase of the period, remain far below pre-pandemic levels; these record lower ancillary businesses and complementary services, such as management of on-street parking of vehicles or the renting of commercial and advertising spaces. With regards to costs, ATM continued to carry the considerable costs related to Covid management, for sanitization, management of the social distance, for individual protection needs and target communication management. This is combined with the trend of increase in maintenance costs, in line with original planning related to the maintenance plans of the fleet.

Regarding costs, it is necessary to emphasize as of now the global increase in energy costs, which we are experiencing worldwide, in a context of instability caused by the invasion of Ukraine and the war. In order to mitigate economic consequences of this increase in costs, it is now more important than ever that companies operating in the public transportation sector need to be classified as "energy-consuming", allowing them to benefit from the announced tax reductions. For ATM, this is even more restrictive considering the process of total electrification of transport services offered already begun, thanks to the realization of the Full Electric Plan. For these reasons, we invite the Shareholder to support us by acting as promoter of this request.

In addition to the progress of the fleet's energy transition Plan, the Company - with commitment and determination in a complex situation - is respecting the objectives of strategic planning that it has

set itself, on the basis of the guidelines set by the Board of Directors and in the implementation of the main projects duly identified.

Within the scope of the Strategic Plan 2021-2025, the commitment to national and international competition continues, also in partnership with other leading companies in their respective fields. For example, ATM is engaged with the French group Egis in the bid for the driverless metro trains of the Grand Paris Express project.

The valorization of acquired competence over the years takes place through a targeted offer of services on the market, always by participation of tenders and consortia.

With regards to digital innovation and with the aim of providing increasingly integrated and accessible mobility services, the implementation of a Smart Mobility platform is at an advanced development stage and will be released by the end of the year.

The structured action for saving and efficiency of operations and procurement procedures is also well under way, without affecting the quality of service and working environment.

The importance of our people has been confirmed as a priority value for the Company, as demonstrated by the ongoing commitment to provide an increasingly positive, motivating, and inclusive working environment, through concrete initiatives of people evaluation and communication projects.

The Company, aware of the urgent necessity to create value for the Shareholder, confirms its full commitment to restoring the Group back to an economic and financial balance, as of the current year. At the same time, we aim to increase the quality levels of all the services offered, to contribute in making Milan an ever more livable and sustainable environment, especially after two years of socio-economic depression. ATM is deeply committed to this journey thanks to the professionalism and dedication of the more than ten thousand people who work every day at the service of the entire community.

The Chairperson  
Gioia Maria Ghezzi

