

COMPANY ANNOUNCEMENT

Malta International Airport plc (the “Company”)

Announces the approval of the Group’s
Financial Statements for the Year Ended 31 December 2021

Date of Announcement	22 February 2022
Reference	361/2022
In terms of the Capital Market Rules	

QUOTE

During a meeting held earlier today, Tuesday 22 February 2022, Malta International Airport plc’s Board of Directors approved the Group’s financials for the year ended 31 December 2021.

FINANCIAL RESULTS 2021

The year 2021 was once again dominated by COVID-19 and a series of knee-jerk reactions by governments across Europe to new virus variants and worsening epidemiological situations, slowing down the recovery of air travel across the continent.

Malta International Airport ended 2021 by recovering just 34.8% of its pre-pandemic passenger numbers. Compared to 2020, on the other hand, the airport’s traffic result for 2021 marked an increase of 45.3% and contributed to a significantly improved financial performance registered by the Group during the year under review. At €47.4 million, however, the total revenue generated was 52.7% below pre-pandemic levels.

While revenue generated from the Group’s main streams remained well below the record levels reached in 2019, both streams registered stronger results during the year under review compared to 2020. The aviation segment grew by 55.7% and the non-aviation segment, which includes non-aviation concessions, the Company’s VIP products and car parking, grew at a slower rate of 36.9%.

Despite the fact that 2021 brought better prospects than the preceding year, the Company continued to exercise a cautious approach in relation to the management of its finances as uncertainty and instability limited its visibility of the way ahead. The Company was able to further lower its costs over 2020 in relation to marketing (-33.3%), staff (-21.7%) and maintenance and repairs (-9.5%) by focusing strictly on essential works, legally required employee training and necessary recruitment, whilst benefitting from the COVID-19 Wage Supplement. Savings from these three areas alone amounted to €3.4 million for the year under review.

The Company's cost-cutting programme together with an increase in passenger traffic over 2020 led to an increase of €18.5 million in earnings before interest, taxation, depreciation and amortisation (EBITDA), in parallel with an improvement of 33.3 percentage points in EBITDA margin. While the Group had registered a net loss of €4.3 million in 2020, Malta International Airport plc returned to the black in 2021 with a net profit of €7.0 million.

The Group's full approved financial statements may be viewed here: maltairport.com/corporate/investors/financial-results/. Attached to this Company Announcement is a Directors' Declaration on ESEF Annual Financial Reports.

APPROVAL OF THE APRON X INVESTMENT

During the same meeting, the Board of Directors officially gave the green light to an investment just shy of €40 million in the construction of a new apron covering an area of approximately 100,000 square metres. The construction of this apron – Apron X – will entail the largest investment in the aerodrome infrastructure, equipping Malta International Airport with the capacity to accommodate more parked aircraft at any given time and eventually aim to achieve further growth in passenger traffic.

“At this critical juncture, we have the responsibility of starting to take long-term decisions, even if they may appear to be at odds with the current aviation environment, that will determine the future of the local tourism industry. Today's approval of the Apron X investment is Malta International Airport's strongest statement yet about its confidence in the industry's ability to recovery to pre-pandemic levels and its potential to grow further and achieve new records,” said Malta International Airport Chief Executive Officer Alan Borg.

Besides equipping Malta International Airport with better aircraft parking capacity, the multi-million project will see the construction of a new taxiway, which would improve accessibility to the new apron, and the development of a staging area, housing facilities for essential ground handling operations. These ancillary facilities will complement the main development in contributing to a smoother and more efficient operation on the ground.

The Apron X project is also envisaged to support Malta International Airport in honouring its environmental commitments through the construction of a 10,000 m³ reservoir for better rainwater harvesting and the installation of LED floodlighting systems. Additionally, the project will provide for preparatory works for the electrification of parking stands, in line with Article 12 of the European Union's plan to reduce greenhouse gas emissions Fit for 55, which will provide parked aircraft with access to an electricity supply rather than fuel.

Works on the project are expected commence in the coming weeks once the local Planning Authority grants the permit for this development. While the Company is eyeing the start of summer 2024 for the completion and utilisation of the first parking stands, the full project is expected to be concluded in 2026.

OTHER MATTERS

DIVIDEND

Having carefully analysed the Group's accounts and external forces that are likely to continue affecting consumer confidence and air travel in the foreseeable future, the Board of Directors believes that, with an aim to safeguard the best interests of the Company as a whole and its stakeholders for the long term, it is not prudent to recommend the payment of dividend for the year ended 31 December 2021. The Board of Directors' decision to continue exercising caution in relation to the management of the Group's financials also stems from the slow start to 2022 in terms of passenger traffic.

ANNUAL GENERAL MEETING

The Board of Directors also announced that the Company's 30th Annual General Meeting will be held on Wednesday 11 May 2022. The Company is currently monitoring developments in relation to rules governing gatherings and events, and will be communicating more details about the

Annual General Meeting in due course. Shareholders on the register of members at the Central Securities Depository at close of business on Monday 11 April 2022 will be eligible to receive notice of, attend and vote at the next Annual General Meeting.

UNQUOTE

Signed:



Louis de Gabriele
Company Secretary

About Malta International Airport

2022 marks 30 years since the new Malta International Airport terminal building was inaugurated, ushering in an exciting era for tourism and the local aviation industry. Between 2002 – the year when the airport was privatised – and 2021, more than 75 million passengers travelled through the terminal building.


The building, which was originally designed with the aim of eventually handling 2.5 million passengers annually, saw a record 7.3 million passengers in 2019 alone, before COVID-19 slashed this number in 2020.

The terminal's continuous evolution, particularly through an investment of more than €30 million in two extensions together with a more recent €12 million reconfiguration, and the Company's vision of service excellence, led to Malta International Airport being awarded the 'Best Airport in Europe' accolade by Airports Council International in 2018, 2019 and 2020.


DIRECTORS' DECLARATION ON ESEF ANNUAL FINANCIAL REPORTS

We, Nikolaus Gretzmacher, Alan Borg and Karl Dandler, in our capacity as Directors of Malta International Airport p.l.c - C12663, hereby **certify**:

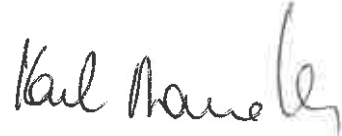
- i. That the Annual Financial Report for the year ended 31st December 2021 has been approved by the Board of Directors of the Company and is hereby being made available to the public.
- ii. That the Annual Financial Report has been prepared in terms of the applicable rules and regulations, including the Commission Delegated Regulation on the European Single Electronic Format ("ESEF")¹ and the Capital Markets Rules².
- iii. That the Audit Report on the ESEF Annual Financial Report is an exact copy of the original signed by the auditor and that no alterations have been made to the audited elements of the Annual Financial Report including the annual financial statements.
- iv. That the Annual Financial Report shall serve as the official document for the purposes of the Capital Markets Rules and, where the issuer is registered in Malta, the Companies Act (Chapter 386 of the Laws of Malta).



Nikolaus Gretzmacher
Chairman



Alan Borg
Director



Karl Dandler
Director

22nd February 2022

¹ Commission Delegated Regulation 2019/815 on the European Single Electronic Format, as may be further amended from time to time.

² Capital Markets Rules as issued by the Malta Financial Services Authority (MFSA).