

COMPANY ANNOUNCEMENT

Malta International Airport plc (the “Company”)

Announces the Approval of the Group’s Interim Financial Results and the payment of an interim dividend

Date of Announcement	1 August 2024
Reference	411/2024
In terms of Chapter 5 of the Capital Market Rules	

QUOTE

The Board of Directors of Malta International Airport plc approved the Group’s financial statements for the period between January and June 2024 during a meeting held on Thursday, 1st August 2024.

The full financial statements are attached with this announcement and may also be viewed on www.maltairport.com.

H1 2024 Financial Performance

The Group’s revenue generated between January and June 2024 registered an increase of 20.1% over 2023, to total €64.4 million. This growth was driven by a strong performance in the first half of the year, which saw traffic volumes climb 18.4% over 2023’s record numbers to 4.1 million passenger movements, with strong revenues also being generated from the non-aviation segment.

While income from aviation-related activities constituted 68.7% (€44.2 million) of the Group’s revenue, retail and property accounted for 31.1% (€20.1 million) of this total. Both segments registered year-on-year growth, with airport revenues rising by 21.4%, and retail and property revenues outperforming 2023 levels by 19.2%.

Interim Dividend

During the meeting, the Board of Directors also approved an interim net dividend of €0.06 per share on all shares settled at close of business on Thursday 22nd August 2024, which is payable by no later than Friday 13th September 2024.

UNQUOTE

Signed:



Louis de Gabriele
Company Secretary

About Malta International Airport

As Malta's sole air terminal, Malta International Airport connects the Maltese archipelago to over 100 destinations. In 2023, the airport welcomed 7.8 million passengers, marking a growth of 6.7% in passenger traffic over 2019.

The airport team is guided by a vision of service excellence, which has led MLA to clinch the title 'Best Airport in Europe' for 2018, 2019, 2020, 2021 and 2022. To uphold this reputation and to be able to cater for an ever-increasing number of passengers, the company has consistently invested in the airport campus since the airport's privatisation in 2002.

The company announced a five-year investment programme totalling €250 million in 2023, aimed at enhancing the airport's infrastructure and ensuring that Malta International Airport can seamlessly handle increasing volumes of passengers, whilst reaching its environmental targets and continuing to develop the airport campus.

Apart from these notable investments into the airport's infrastructure, Malta International Airport also invests into the Maltese Islands' cultural heritage and environment through the Malta Airport Foundation which will be celebrating its 10th year anniversary this year.

Malta International Airport plc is a public company listed on the Malta Stock Exchange, with its shareholders being the Malta Mediterranean Link Consortium (40%), with Flughafen Wien AG owning a 96% share, the Government of Malta (20%), the general public (29.9%), and VIE Malta Limited (10.1%).

Malta International Airport p.l.c.

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Interim Report

Interim Condensed Consolidated Financial Statements
and Directors' Report

30 June 2024

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Interim Directors' Report

Period Ended 30 June 2024

These interim condensed consolidated financial statements comprise the financial statements of Malta International Airport plc and its subsidiaries: Airport Parking Limited, SkyParks Development Limited, and SkyParks Business Centre Limited.

Performance Review

Traffic Development

Malta International Airport recorded unprecedented traffic during the first half of 2024, with a total of 4,065,414 passenger movements registered. This translated to an increase of 18% in traffic over the same period in the previous year. This upswing was achieved as a result of an increase of 16% in aircraft movements and a further 18% growth in seat capacity. The improved performance in the first six months of 2024 also resulted in an overall seat load factor of 84%.

A stronger winter schedule translated to a total of more than 1.5 million passengers in Q1, marking a significant increase of 26% in traffic over the same period last year. Strong growth was registered throughout the first quarter, with a notable upturn of 30% in traffic in March. With over 100 destinations operated throughout summer, Q2 traffic also increased by 14%.

Growth in passenger numbers was registered across the airport's main markets, with Italy, the United Kingdom, Germany, France and Poland dominating Malta International Airport's market leaderboard. During the first half of the year, the UK market traffic exceeded 2019 figures for the first time by 2% while Poland registered the greatest increase over the previous year, with traffic growing by 60%.

	Q1 2024	Q1 2023	% Change
Passenger Movements	1,573,712	1,245,525	26.3%
Aircraft Movements	10,755	8,825	21.9%
Seat Capacity	1,930,618	1,535,759	25.7%
Seat Load Factor	81.5%	81.1%	0.4pp
MTOW (in tonnes)	425,280	348,466	22.0%
Cargo and Mail (in tonnes)	5,187	4,948	4.8%
	Q2 2024	Q2 2023	% Change
Passenger Movements	2,491,702	2,188,945	13.8%
Aircraft Movements	16,367	14,514	12.8%
Seat Capacity	2,915,368	2,586,398	12.7%
Seat Load Factor	85.5%	84.6%	0.9pp
MTOW (in tonnes)	630,291	564,514	11.7%
Cargo and Mail (in tonnes)	5,791	4,948	17.0%
	H1 2024	H1 2023	% Change
Passenger Movements	4,065,414	3,434,470	18.4%
Aircraft Movements	27,122	23,339	16.2%
Seat Capacity	4,845,986	4,122,157	17.6%
Seat Load Factor	83.9%	83.3%	0.6pp
MTOW (in tonnes)	1,055,570	912,980	15.6%
Cargo and Mail (in tonnes)	10,979	9,896	10.9%

Interim Directors' Report

Period Ended 30 June 2024

Financial Performance

The total revenue generated between January and June 2024 increased by EUR 10.8mn over 2023. The growth in passenger numbers together with higher revenues generated from non-aviation activities drove the Group's total revenue up from EUR 53.6mn in H1 2023 to EUR 64.4mn in H1 2024.

While in H1 2024 the airport segment generated an additional EUR 7.8mn over the same period in 2023, revenue from the retail and property segment also increased from EUR 16.8mn in H1 2023 to EUR 20.1mn in H1 2024, with the latter figure representing a 31% share of the total revenue.

(in EUR)	Q1 2024	Q1 2023	% Change
Airport	16,846,305	11,867,969	41.9%
Retail and Property	8,824,853	6,762,761	30.5%
Other	39,585	310,143	(87.2%)
	Q2 2024	Q2 2023	% Change
Airport	27,398,301	24,565,692	11.5%
Retail and Property	11,233,668	10,071,759	11.5%
Other	94,456	66,360	42.3%
	H1 2024	H1 2023	% Change
Airport	44,244,606	36,433,661	21.4%
Retail and Property	20,058,521	16,834,520	19.2%
Other	134,041	376,503	(64.4%)
Total Revenue	64,437,168	53,644,684	20.1%
Staff Costs	(7,630,028)	(6,425,420)	18.7%
Other Operating Expenses	(15,720,775)	(13,663,813)	15.1%
Impairment Losses	(89,860)	(61,191)	46.9%
EBITDA	40,996,505	33,494,259	22.4%
Profit Before Tax	34,264,544	27,126,746	26.3%
Profit After Tax	22,133,894	17,562,843	26.0%

The total expenditure during the reporting period amounted to EUR 23.4mn, marking an increase of EUR 3.3mn compared to H1 2023 (+16.3%).

Staff costs increased by EUR 1.2mn (+18.7%), primarily as a result of the growth in headcount required to continue delivering excellent service to an increasing number of passengers.

During the reporting period, other operating expenses increased by EUR 2.1mn (+15.1%) compared to 2023, mainly due to the growth in passenger movements and an extended maintenance program for the terminal as well as the airfield.

The EBITDA of the Group registered an increase of EUR 7.5mn; rising from EUR 33.5mn in 2023 to EUR 41.0mn in 2024, and resulting in a net profit of EUR 22.1mn (2023: EUR 17.6mn).

Interim Directors' Report

Period Ended 30 June 2024

Infrastructural Investments

The capital expenditure for the reporting period totalled EUR 28.2mn (2023: EUR 7.7mn).

Within the retail & property segment, the most noteworthy projects set into motion in 2024 were the extension of the terrace at the La Valette Departures Lounge and the overhaul of the VIP Terminal. Both projects are progressing well, with the extension of the La Valette Lounge now in its final stages and the upgrade of the VIP Terminal envisaged to be completed in the first quarter of 2025.

Enabling works on the construction of SkyParks Business Centre 2 have been initiated, with excavation works set to commence in Q3 2024. The 70,000 square-metre development will introduce the first business hotel on the airport campus, together with further office space, as well as additional retail and dining opportunities.

The first phase of the Terminal Expansion Project, entailing a 1,550-square-metre westward extension, commenced in Q4 2023 and is set to be completed by the first quarter of 2025. The airport journey for incoming passengers has already been improved through the expansion of an existing belt and the introduction of a new belt inside the Baggage Reclaim Area, which were completed in May 2024. Works are also progressing on the construction of a new Schengen arrivals route, which will lead passengers directly into the Baggage Reclaim Area.

Progress has also been made on the Apron X project, as a site of circa 100,000 sqm is being developed to improve aircraft parking capacity, introducing 7 Code C or 3 Code E aircraft parking stands. The project entailed the construction of a new taxiway as well as housing facilities for ground handling operations. The first 3 Code C parking stands are set to become operational by Q3 2024. The completion of the remaining stands is foreseen for the second half of 2025.

Other ongoing activities include the installation of a new heating, ventilation and air conditioning system within the terminal, the rehabilitation of aircraft stands and service roads, the conversion of all lighting to LED, the upgrading of airfield substations, as well as the replacement of the Airfield Ground Lighting (AGL) control room system.

Six new security scanners are also being introduced within the Central Screening Area. The first of the six scanners, which will increase detection capability of prohibited articles in hand luggage, is already operational.

Further to these projects, the installation of the new 3.3 – megawatt peak photovoltaic farm on Apron 7, along with further investments of photovoltaic farms on the terminal roof, will enable Malta International Airport to more than double its current clean energy generation to approximately 8.2million kWh in 2025. Out of this total, 68% will be self-consumed which will bring the company closer to reaching its carbon neutrality target.

Shareholder Dividend

Considering the Group's strong financial performance for the reporting period, the Board of Directors is proposing an interim net dividend of EUR 0.06 per share on all shares settled at close of business on Thursday 22nd August 2024, which is payable by no later than Friday 13th September 2024.

Interim Directors' Report

Period Ended 30 June 2024

Outlook / Guidance

The anticipated traffic development for the coming months is positive, with a number of airlines planning to extend their summer operations into winter. Growth in the number of weekly flights on existing routes is also expected moving forward, as are new developments.

We also project the UK market to recover and exceed 2019 levels, while the gap in the German market is expected to continue to narrow as further seat capacity is deployed.

Our outlook for the rest of 2024 is optimistic, and we are confident we will achieve the targets set out in our guidance published in May 2024.



Alan Borg
Chief Executive Officer

By Order of the Board
01 August 2024

Condensed Consolidated Statement of Comprehensive Income

Period Ended 30 June 2024

The Group unaudited in EUR	Notes	H1 2024	H1 2023
Revenue	7	64,437,168	53,644,684
Staff costs	8	(7,630,028)	(6,425,420)
Other operating expenses		(15,720,776)	(13,663,813)
Impairment losses on financial assets		(89,860)	(61,191)
Depreciation		(6,683,909)	(6,012,860)
Release of deferred income arising on the sale of terminal buildings and fixtures		141,802	141,802
Investment income		889,087	575,735
Finance cost		(1,078,941)	(1,072,191)
Profit before tax		34,264,544	27,126,746
Income tax expense	9	(12,130,650)	(9,563,903)
Profit for the period attributable to the ordinary equity holders of the Company, net of tax		22,133,894	17,562,843
Profit per share attributable to the ordinary equity holders of the Company		0.164	0.130

Condensed Consolidated Statement of Financial Position

30 June 2024

The Group in EUR	Notes	30 June 2024 unaudited	31 December 2023 audited
Assets			
Property, plant and equipment	10	214,118,708	202,120,085
Investment property		25,058,765	15,529,126
Other Receivables		1,800,783	1,900,124
Deferred tax assets		5,520,432	5,546,733
Non-current assets		246,498,688	225,096,068
Inventories		1,320,133	1,280,119
Trade and other receivables	11	36,125,807	27,857,390
Short-term Treasury bills	11	-	14,699,519
Term deposits	11	45,000,000	37,000,000
Cash and short term deposits	11	13,846,730	24,674,829
Current assets		96,292,670	105,511,857
Total - Assets		342,791,358	330,607,925
Equity and liabilities			
Equity attributable to ordinary equity holders of the Company			
Share capital		33,825,000	33,825,000
Retained earnings		162,924,182	157,026,288
Total - Equity		196,749,182	190,851,288
Lease liability	12	54,546,782	54,374,185
Deferred income		4,907,265	5,049,058
Other Payables		2,715,166	1,957,908
Provision for retirement benefit plan		2,686,163	2,890,265
Provision for MIA benefit fund		295,409	264,827
Non-current liabilities		65,150,785	64,536,243
Trade and other payables	11	49,915,074	55,803,964
Current tax liabilities		30,976,317	19,416,430
Current liabilities		80,891,391	75,220,394
Total - Liabilities		146,042,176	139,756,637
Total - Equity and Liabilities		342,791,358	330,607,925

Condensed Consolidated Statement of Changes in Equity

Period Ended 30 June 2024

The Group unaudited in EUR	Equity attributable to ordinary equity holders of the Company		
	Share capital	Retained earnings	Total
Balance at 1 January 2024	33,825,000	157,026,288	190,851,288
Income for the period	-	22,133,894	22,133,894
Total comprehensive income for the period	-	22,133,894	22,133,894
Dividends	-	(16,236,000)	(16,236,000)
Balance at 30 June 2024	33,825,000	162,924,182	196,749,182
The Group unaudited in EUR	Share capital	Retained earnings	Total
Balance at 1 January 2023	33,825,000	137,041,327	170,866,327
Income for the period	-	17,562,843	17,562,843
Total comprehensive income for the period	-	17,562,843	17,562,843
Dividends	-	(16,236,000)	(16,236,000)
Balance at 30 June 2023	33,825,000	138,368,170	172,193,170

Condensed Consolidated Statement of Cash Flows

Period Ended 30 June 2024

The Group unaudited in EUR	Notes	H1 2024	H1 2023
Cash flows from operating activities			
Profit before tax		34,264,544	27,126,746
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment		6,683,909	6,012,860
Release of deferred income arising on the sale of the terminal building		(141,802)	(141,802)
Amortisation of European Commission Grant		(20,128)	(20,128)
Impairment Loss		89,860	61,191
Finance cost		1,078,941	1,072,191
Investment income		(889,087)	(575,735)
Provision for retirement benefit plan		44,055	46,757
Provision for MIA benefit plan		30,582	(94,917)
Operating items		6,876,330	6,360,417
<i>Working capital movements:</i>			
Movement in inventories		(40,014)	27,990
Movement in trade and other receivables		(8,553,652)	(8,397,494)
Movement in trade and other payables and other financial liabilities		4,989,708	(1,524,362)
Working capital movements		(3,603,957)	(9,893,866)
Cash flows from operations		37,536,917	23,593,298
Lease interest paid	12	(906,344)	(906,344)
Income taxes paid		(544,468)	(164,462)
(Payments) / Receipts of deposit from tenant		(6,400)	3,500
Retirement benefit paid		(248,157)	(4,200)
Net cash flows from operating activities		35,831,547	22,521,792
Cash flows from investing activities			
Purchase of PPE	10	(26,141,879)	(8,176,132)
Additions to investment property		(12,165,089)	(79,993)
Maturity of short-term treasury bills		14,699,519	14,899,883
Investments in term deposits		(8,000,000)	(5,500,000)
Interest received		1,183,803	304,578
Net cash flows from / used in investing activities		(30,423,646)	1,448,335
Cash flows from financing activities			
Dividends paid	15	(16,236,000)	(16,236,000)
Net cash flows used in financing activities		(16,236,000)	(16,236,000)
Net movement in cash and cash equivalents		(10,828,099)	7,734,128
Cash and cash equivalents at the beginning of the period		24,674,829	24,420,042
Cash and cash equivalents at the end of the period		13,846,730	32,154,170

Notes to the Interim Condensed Consolidated Financial Statements

Period Ended 30 June 2024

1. Reporting Entity and Consolidation Range

The interim condensed consolidated financial statements ("Interim Financial Statements") of the Group for the six months ended 30 June 2024 ("H1") were authorised for issue in accordance with a resolution of the directors on 01 August 2024.

Malta International Airport p.l.c. (the "Company") is a public company incorporated and domiciled in Malta whose shares are publicly listed and traded on the Malta Stock Exchange.

The principal activities of the Company and its subsidiaries (the "Group") are the development, operation and management of Malta's airport. The Group also operates a business centre within the limits of the airport.

2. Basis of Preparation

These Interim Financial Statements for the six months ended 30 June 2024 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* and the Capital Markets Rules issued by the Malta Financial Services Authority.

The financial information of the Group as at 30 June 2024 and for the six months then ended reflect the financial position and the performance of Malta International Airport p.l.c. and its subsidiaries; Airport Parking Limited, SkyParks Development Limited and SkyParks Business Centre Limited. The comparative amounts reflect the position of the Group as included in the audited financial statements for the year ended 31 December 2023 and the unaudited results for the period ended 30 June 2023.

The Interim Financial Statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2023, which form the basis for these Interim Financial Statements. These Interim Financial Statements are intended to provide an update on the latest complete set of annual financial statements and accordingly they focus on new activities, events and circumstances.

In terms of Capital Markets Rules 5.75.5, this interim report has not been audited by the Group's independent auditors.

3. Judgements and Key Sources of Estimation Uncertainty

In preparing these Interim Financial Statements, management has made judgements and estimates that affect the application of accounting policies and that can significantly affect the amounts recognised. The significant judgements made in applying the Group's accounting policies and the key sources of estimation uncertainty in respect to service concession arrangements in terms of IFRIC 12 and leases in terms of IFRS 16 were the same as those described in the last annual financial statements.

Notes to the Interim Condensed Consolidated Financial Statements

Period Ended 30 June 2024

4. Application of new and revised IFRS

4.1. Standards, interpretations and amendments to published standards effective in 2024

A number of amended standards became applicable in the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

4.2. Standards, interpretations and amendments to published standards that are not yet effective

Amendments to IAS 21: The effects of changes in foreign exchange rates: Lack of exchangeability

In August 2023, the IASB amended IAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not. These new requirements will apply for annual reporting periods beginning on or after 1 January 2025. The Group does not expect these amendments to have a material impact on its operations or financial statements.

At the date of approval of these financial statements, a number of other International Financial Reporting Standards were either not yet endorsed by the EU or were not yet applicable to the Group. The Board of Directors anticipate that the adoption of these Standards will have no material impact on the financial statements of the Group in the period of initial application.

5. Significant Accounting Policies

The condensed Interim Financial Statements as of 30 June 2024 have been prepared using the same accounting policies and methods of computation as those on which the preceding annual consolidated financial statements as of 31 December 2023 were based.

Notes to the Interim Condensed Consolidated Financial Statements

Period Ended 30 June 2024

6. Operating Segments

Airport Segment

The Airport Segment comprises the activities usually carried out by an airport. These services include revenue from airport regulated fees, aviation concessions and PRMs. This segment also includes the operations and maintenance of the terminal, runways, taxiways and aprons.

Retail and Property Segment

The Retail and Property Segment includes various services that support the airport operations. These include the operations of the various retail outlets within the airport perimeter, advertising sites and rental of offices, warehouses and income from the running of the VIP lounges. Income and costs from Airport Parking Limited and SkyParks Business Centre Limited are also allocated within the Retail & Property Segment.

Other Segment

This comprises services that do not fall under the Airport and the Retail and Property Segments. These include miscellaneous income and disbursement fees from third parties and any costs associated with this income.

The results of the Group's operating segments are as follows:

H1 2024 (in EUR)	Airport	Retail and Property	Other	The Group
Revenue (external)	44,244,606	20,058,521	134,041	64,437,168
Staff costs	(6,600,082)	(1,029,946)	-	(7,630,028)
Other operating costs	(12,586,837)	(3,133,938)	-	(15,720,775)
Impairment losses on financial assets	(103,961)	14,101	-	(89,860)
EBITDA	24,953,726	15,908,738	134,041	40,996,505
Depreciation	(4,060,270)	(2,623,639)	-	(6,683,909)
EBIT	20,893,456	13,285,099	134,041	34,312,596
Investment income				889,087
Finance cost				(1,078,941)
Release of deferred income arising on the sale of terminal buildings and fixtures				141,802
Profit before tax				34,264,544

H1 2023 (in EUR)	Airport	Retail and Property	Other	The Group
Revenue (external)	36,433,661	16,834,520	376,503	53,644,684
Staff costs	(5,604,770)	(820,650)	-	(6,425,420)
Other operating costs	(11,190,652)	(2,473,161)	-	(13,663,813)
Impairment losses on financial assets	(107,038)	45,847	-	(61,191)
EBITDA	19,531,201	13,586,556	376,503	33,494,260
Depreciation	(3,541,145)	(2,471,715)	-	(6,012,860)
EBIT	15,990,056	11,114,841	376,503	27,481,400
Investment income				575,735
Finance cost				(1,072,191)
Release of deferred income arising on the sale of terminal buildings and fixtures				141,802
Profit before tax				27,126,746

Notes to the Interim Condensed Consolidated Financial Statements

Period Ended 30 June 2024

7. Revenue

In the following table, revenue is disaggregated by revenue category. The table also includes a reconciliation of the disaggregated revenue with the Group's operating segments (see Note 6).

H1 2024 (in EUR)	Airport	Retail and Property	Other	The Group
Revenue from Services provided Over Time				
Regulated revenue	40,870,635	-	-	40,870,635
Unregulated revenue	3,373,971	5,267,316	134,041	8,775,328
Revenue from Contracts with Customers	44,244,606	5,267,316	134,041	49,645,963
Revenue from Leases	-	14,791,205	-	14,791,205
Total Revenue	44,244,606	20,058,521	134,041	64,437,168

H1 2023 (in EUR)	Airport	Retail and Property	Other	The Group
Revenue from Services provided Over Time				
Regulated revenue	33,720,891	-	-	33,720,891
Unregulated revenue	2,712,770	4,483,474	376,503	7,572,747
Revenue from Contracts with Customers	36,433,661	4,483,474	376,503	41,293,638
Revenue from Leases	-	12,351,046	-	12,351,046
Total Revenue	36,433,661	16,834,520	376,503	53,644,684

8. Number of Employees

The number of persons employed at the end of the reporting period, including Executive Directors was as follows:

	30 June 2024	30 June 2023
Employees	484	416

9. Income Tax

The interim period income tax is based on the Maltese corporate tax rate of 35%. Income taxes for the interim reporting period represent a best estimate of the weighted average annual income tax rate expected for the full financial year.

10. Property, Plant and Equipment & Investment Property

During the first six months of the year, additions by the Group on investment projects within the terminal and to the airfield amounted to EUR 28.2 million (H1 2023: EUR 7.7 million).

Notes to the Interim Condensed Consolidated Financial Statements

Period Ended 30 June 2024

11. Financial Assets and Financial Liabilities

The Group's financial assets and financial liabilities of a current nature comprise trade and other receivables, term deposits, treasury bills and cash; as well as trade and other payables. The Group's financial liabilities which are non-current comprise other payables and lease liabilities. All of these financial liabilities are classified as measured at amortised cost (AC). The lease liabilities are measured in terms of the Group's accounting policy.

Fair Values

At 30 June 2024 and 31 December 2023 carrying amounts of the Group's current financial assets and current financial liabilities approximated their fair values due to the short-term maturities of these financial instruments. The carrying amount of the non-current other payables also approximated their fair values as at 30 June 2024. For the lease liabilities, disclosure of fair value is not required.

12. Lease Arrangements

The Group as lessee

Lease arrangements where the Group is a lessee remain unchanged from the last Annual Financial Statements and primarily include the temporary emphyteusis of the leasehold land and buildings with ground rents payable by the Company to Malita Investments plc (previously to the Government of Malta) and further payments for the related aerodrome licence fee payable to the Government of Malta, with no renewal option included in the contracts. The term of the leases ranges from 58 years to 65 years and the lease payments on the temporary emphyteusis are adjusted upwards periodically by a specified rate.

The Group Lease Liability (in EUR)	Carrying Amount	Gross Cash Flows	< 1 year	1-5 Years	> 5 years
H1 2024	54,546,782	129,672,005	1,812,688	9,684,170	118,175,147
H1 2023	54,208,339	131,484,694	1,812,688	7,476,523	122,195,483

Notes to the Interim Condensed Consolidated Financial Statements

Period Ended 30 June 2024

12. Lease Arrangements (continued)

The Group as lessor

Lease arrangements where the Group is a lessor remain unchanged from the last Annual Financial Statements. These primarily consist of lease agreements for portions of land held on temporary emphyteusis, commercial property situated in the terminal building as well as commercial property within SkyParks Business Centre and Park East.

The table below represents the lease income under operating leases recognised as income for the year:

The Group (in EUR)	H1 2024	H1 2023
Lease income under operating leases recognised as income for the year	3,636,805	3,361,612
Lease income under operating leases relating to variable lease payments that do not depend on an index or a rate	11,154,400	8,989,434
Total lease income under operating leases recognised as income for the year	14,791,205	12,351,046

Below is the 'Minimum Lease Payment Receivables' table showing the amounts to be received from next year onwards:

(in EUR)	H1 2024	H1 2023
Year 1	17,204,827	16,260,521
Year 2	14,002,418	16,447,184
Year 3	7,903,427	13,365,940
Year 4	3,041,523	7,283,865
Year 5	2,028,006	2,468,094
Year 6 and onwards	20,940,652	20,982,125
	65,120,853	76,807,729

13. Contingencies and Commitments

There were no major changes in contingent liabilities, and they remain in essence as reported in the Group's annual financial statements of 2023.

At 30 June 2024, the Group had capital commitments of approximately EUR 32,445,061 (31 December 2023: EUR 44,744,911) in respect of the terminal and airfield infrastructure. Capital commitments in relation to investment property amounted to EUR 77,447,043 as at 30 June 2024 (31 December 2023: EUR 85,314,509).

Notes to the Interim Condensed Consolidated Financial Statements

Period Ended 30 June 2024

14. Related Party Disclosures

During the course of the period, the Group entered into transactions with related parties as set out below. Transactions between the Company and its subsidiaries have been eliminated on consolidation.

The related party transactions in question were:

(in EUR)	H1 2024			H1 2023		
	Related party activity	Total activity	%	Related party activity	Total activity	%
Revenue						
<i>Related party transaction with:</i>						
Entities controlled by Government	9,775,610			9,572,288		
	9,775,610	64,437,168	15	9,572,288	53,644,684	18
Other operating costs						
<i>Related party transaction with:</i>						
Entities controlled by Government	1,894,595			1,753,400		
Key management personnel of the Group	308,628			314,357		
Entities that control the Company's parent	217,981			118,061		
	2,421,204	15,720,776	15	2,185,818	13,663,813	16

In addition to the above, the details of the material contracts entered into by the Group in the period ended 30 June 2024 and 30 June 2023 with its substantial shareholders and their related parties are listed below:

The Government of Malta

- (i) The terminal and other land lease agreements with Malita Investments plc for EUR 658,266 (H1 2023: EUR 658,266);
- (ii) The aerodrome licence fee payable to the Government of Malta for the airport operation amounting to EUR 248,078 (H1 2023: EUR 248,078);
- (iii) The contract for contribution to the Malta Tourism Authority (MTA) for EUR 116,468 (H1 2023: EUR 116,468); no contributions were paid towards the Route Development Fund that is administered by the Malta Tourism Authority (H1 2023: EUR 3,000,000);
- (iv) The provision of Air Navigation Services and other services by Malta Air Traffic Services Limited for an expense of EUR 500,000 (H1 2023: EUR 464,806);
- (v) The provision of Meteorological Services and other services to Malta Air Traffic Services Limited for revenue of EUR 371,844 (H1 2023: EUR 371,844)
- (vi) The contract for fuel throughput charges with Enemed Company Ltd. generated the amount of EUR 205,708 (H1 2023: EUR 197,989) in revenue;
- (vii) The contracts with Indis Malta Ltd. for the lease of land that generated income of EUR 567,331 (H1 2023: EUR 551,808).

Notes to the Interim Condensed Consolidated Financial Statements

Period Ended 30 June 2024

14. Related Party Disclosures (continued)

Right-of-use assets include the Group's right to use the land and the buildings held on temporary emphyteuses with annual ground rents payable to Malita Investments plc (previously to the Government of Malta) and the corresponding licence payable to the Government of Malta, as further disclosed above. The annual depreciation is recognised as an expense over the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. The interest expense on the lease liability is recognised using the effective interest method.

15. Dividends

During the current interim period a net dividend of EUR 0.12 (2023: EUR 0.12) per share amounting to EUR 16,236,000 (2023: EUR 16,236,000) was paid to the shareholders of the parent company.

Furthermore, an interim net dividend of EUR 0.06 (2023: EUR 0.03) per share amounting to EUR 8,118,000 (2023: EUR 4,059,000) on all shares settled as at close of business on Thursday 22nd August 2024 is being proposed by the Board of Directors. The condensed consolidated financial statements do not reflect the dividend proposed after 30 June 2024.

16. Seasonality

The revenue and earnings of the first six months generally represent around 44% and 42% of the total annual revenue and earnings of the Group, respectively.

17. Events after the Reporting Period

All events occurring after the balance sheet date until the date of authorisation for issue of these financial statements and that are relevant for valuation and measurement as of 30 June 2024 – such as outstanding legal proceedings or claims for damages and other obligations or impending losses that must be recognised or disclosed in accordance with IAS 10 – are included in these Interim Financial Statements.

Statement pursuant to Capital Markets Rule 5.75.3

Period ended 30 June 2024

I confirm that to the best of my knowledge:

- a) the condensed consolidated financial statements give a true and fair view of the financial position of the Group as at 30 June 2024, and the financial performance and cash flows for the period then ended, in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (IAS 34); and
- b) the Interim Directors' Report includes a fair review of the information required in terms of Capital Markets Rules 5.81 to 5.84.



Karl Dandler
Chief Financial Officer
01 August 2024