

# Malaysia Airports

## Financial Results for the Quarter Ended 31 March 2023

30 May 2023



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The financial results should be read in conjunction with the audited Financial Statements for the year ended 31 December 2022 and the Interim Financial Statements for the quarter ended 31 March 2023.



## 1 1Q23 Highlights

## 2 Sustaining Value Accretion

## 3 Outlook

## 4 Appendices

- *Group Financial Performance*
- *TY Financial Performance*
- *Operating Statistics*

# 1Q23 Executive Summary

Net profit recorded for both Malaysia and Türkiye operations, first since pandemic

## MY Operations

## TY Operations

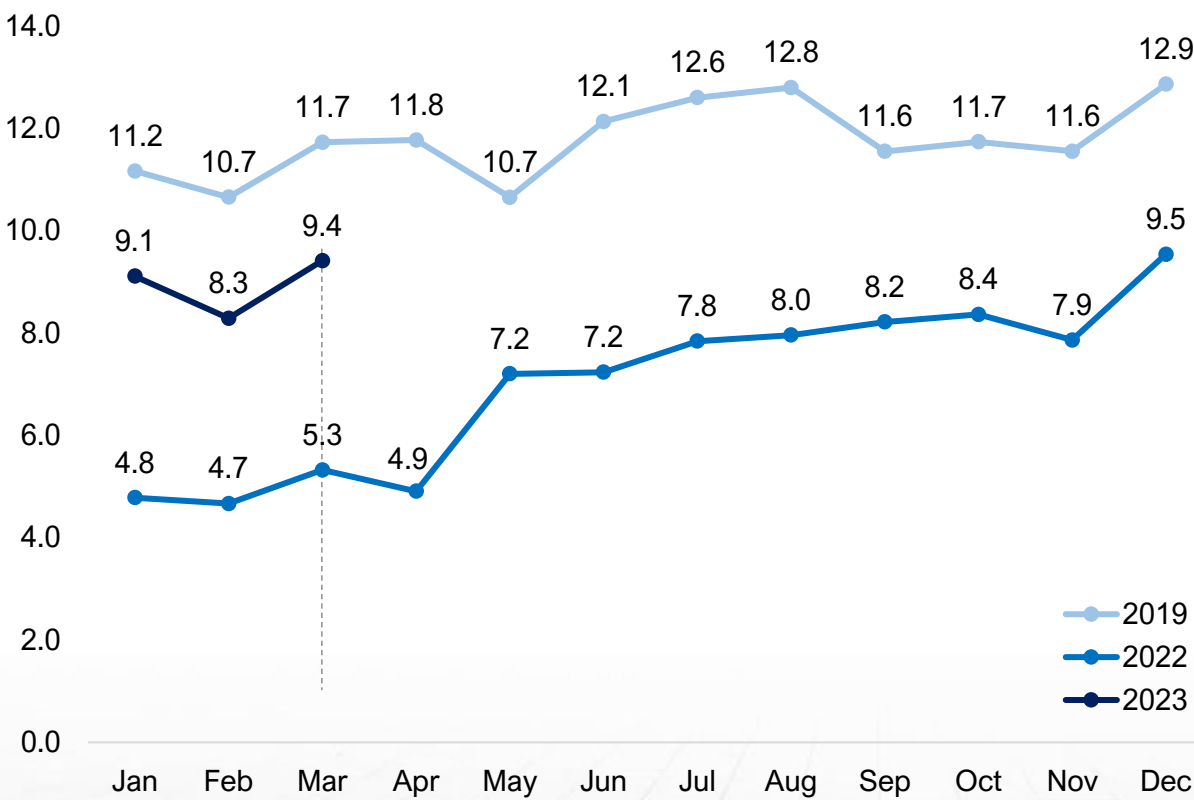
Pax 26.8 mil +82.3% 80% recovery against 1Q19	<ul style="list-style-type: none"> <li>Pax movements ↑ 2.2x to 18.7 mil in 1Q23 (1Q22: 8.3 mil), or 73.7% of 1Q19 (25.4 mil pax). Domestic recovery at 84.2%, International recovery at 63.8%</li> <li>International pax movements of 8.3 mil</li> <li>Domestic pax movements of 10.4 mil. Highest load factor reached in March at 81.1%</li> </ul>	<ul style="list-style-type: none"> <li>Pax movements ↑25.4% to 8.1 mil pax in 1Q23 (1Q22: 6.4 mil), equivalent to 99.2% of 1Q19 (8.1 mil pax). Domestic recovery at 74.2%, International recovery at 1.4x</li> <li>1Q23 share of international to domestic pax ratio of 53 : 47 (40 : 60 in FY19)</li> <li>Pax movements for Istanbul SGIA continued to show resilience in the 1Q23 despite the devastating earthquake in southeast Türkiye in February</li> </ul>
EBITDA RM441.9 mil 2.4x Net Profit RM58.2 mil >100%	<ul style="list-style-type: none"> <li>1Q23 revenue at RM1,034.4 mil (MY RM657.0 mil and TY RM377.4 mil), ↑81.2% as traffic continues to recover (revenue MY ↑2.2x, TY ↑37.2%)</li> <li>1Q23 cost per pax at RM16.50 (MY RM18.12 and TY RM12.65 ), ↓29.0% due to operational efficiencies and improving pax base</li> <li>1Q23 EBITDA at RM441.9 mil (MY RM193.3 mil and TY RM248.6 mil), compared to RM186.9 mil in 1Q22. 1Q23 EBITDA 79.4% of 1Q19, with TY on par with 1Q19</li> <li>1Q23 net profit recorded positive at RM58.2 mil (MY RM55.7 mil and TY RM2.5 mil), from -RM104.8 mil in 1Q22</li> <li>Balance sheet position strong with cash &amp; money market investment at ~RM1.5 bil along with sufficient credit lines</li> </ul>	
Cash RM1.5 bil -23.0% Undrawn Lines RM7.6 bil	<ul style="list-style-type: none"> <li>MY 1Q23 cash &amp; money market investments at RM0.8 bil</li> <li>Credit rating preserved (AAA/A3). Moody's upgraded rating outlook to stable in Aug'22</li> <li>RM7.6 bil contingency lines (RM6.7 bil Sukuk &amp; RM0.9 bil RCF)</li> </ul>	<ul style="list-style-type: none"> <li>TY 1Q23 cash at EUR151.3 mil (~RM0.7 bil)</li> <li>Healthy cash flows to cover ISG Term Loan as EUR50.0 mil due in June 2023</li> <li>FY23 utilisation fee of EUR114.7 mil paid in January 2023</li> </ul>
Moving Forward	<ul style="list-style-type: none"> <li>Traffic continues to be on a solid recovery trajectory based on airlines' seat filings. China has already reopened in 1Q23, expected to recover to 60% of pre-pandemic levels by end of 2023</li> <li>63 carriers from 7 regions are currently operating at our airports in Malaysia, 85% of 2019 levels</li> <li>OA expected to be finalised and executed by 2H2023, MAVCOM expected to issue 3<sup>rd</sup> Consultation Paper and RP1 PSC rates in 3Q23</li> <li>MAHB continues its transformation journey – well on its way to returning to sustained value accretion</li> </ul>	

MY represents Malaysian operations & overseas project and repair maintenance segment in Qatar  
 TY represents Istanbul Sabiha Gokcen (ISG) International Airport (Istanbul SGIA, IATA Code: SAW) operations in Türkiye

# Monthly Passenger Movements

MY pax movement steadily recovering closer to 2019 levels, while TY pax remains resilient

Group Total Pax  
(Mil)



Group  
Total Pax

**2019**  
**141.2 mil**

**2022**  
**83.9 mil**

**1Q19**  
**33.6 mil**

**1Q22**  
**14.7 mil**

**1Q23**  
**26.8 mil**

+82.3% vs 1Q22  
80% recovery vs 1Q19

## MY Operations

- ✦ Malaysia's total pax movements in March 2023 was the highest volume to-date with 6.7 million pax
- ✦ International pax movements continued to pick up momentum recording the highest volume at 2.9 million pax, reaching 66.2% of 2019 levels, as more airlines ramp up operations
- ✦ High international pax movements were mainly from Singapore, Indonesia, Thailand, India, China and Japan
- ✦ 63 airlines operated out of all airports managed by Malaysia Airports, compared to 59 airlines in 2022
- ✦ Average load factor for the quarter was 77.0% (FY22: 51.7%)

## TY Operations

- ✦ ISG's pax movements showed resilience, recording more than 2.4 million pax each month, despite the natural disasters that happened in Feb
- ✦ International pax movements surpassed 2019 levels by 42%

# 1Q23 Group Financial Results

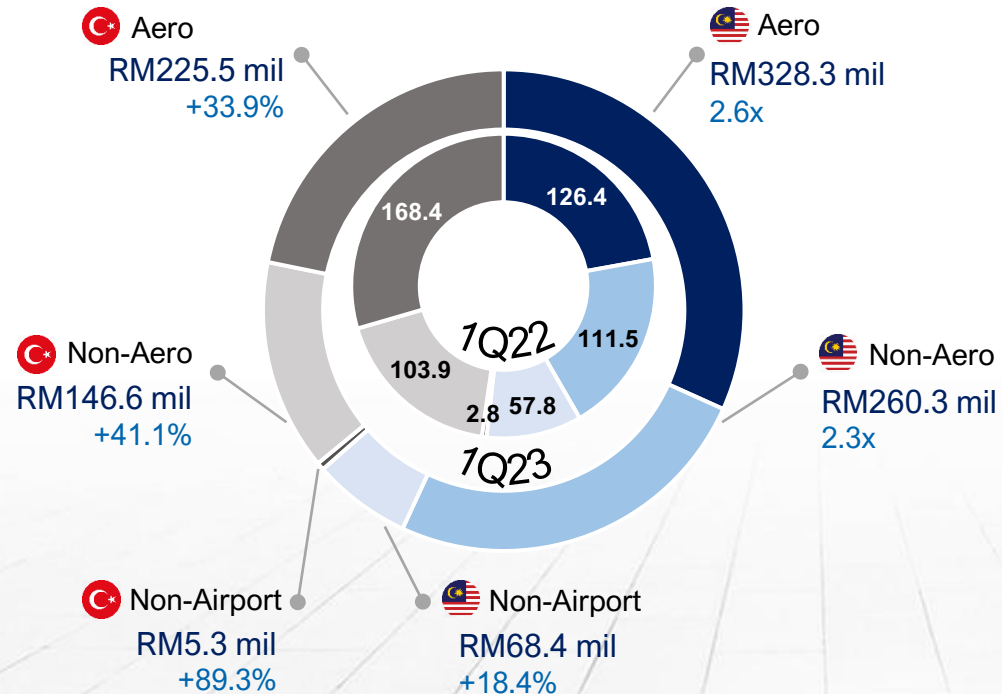
Net profit recorded at both MY and TY, underpinned by strong passenger and revenue recovery

## Revenue

**Group**  
RM1,034.4 mil  
+81.2% 1Q22: RM570.8 mil


 RM657.0 mil  
2.2x  
1Q22: RM295.7 mil

 RM377.4 mil  
+37.2%  
1Q22: RM275.1 mil



## EBITDA


**Group**  
RM441.9 mil  
2.4x  
1Q22: RM186.9 mil


 RM193.3 mil  
>100%  
1Q22: (RM21.3 mil)

 RM248.6 mil  
+19.4%  
1Q22: RM208.3 mil

## Profit / (Loss) After Tax

**Group**  
RM58.2 mil  
>100%  
1Q22: (RM104.8 mil)

 RM55.7 mil  
>100%  
1Q22: (RM78.0 mil)

 RM2.5 mil  
>100%  
1Q22: (RM26.7 mil)

# 1Q23 v 1Q22 Group Results

*Turnaround to profitability arising from higher revenue, finance cost reduction & containment of cost increase*

Group Results (RM mil)	1Q23	1Q22	Var % / x
<b>Total Passengers (mil)</b>	<b>26.8</b>	<b>14.8</b>	81.5%
International Passengers (mil)	12.6	4.1	3.1x
Domestic Passengers (mil)	14.2	10.6	33.3%
<b>Aircraft (000)</b>	<b>209.4</b>	<b>159.0</b>	31.7%
<b>Revenue</b>	<b>1,034.4</b>	<b>570.8</b>	<b>a 81.2%</b>
Other Income	53.5	41.6	<b>b 28.6%</b>
Direct Cost	(135.9)	(66.9)	<b>c &gt;-100%</b>
Operating Cost	(394.7)	(300.5)	<b>c -31.4%</b>
User Fee & PSC Share	(115.4)	(58.1)	<b>c -98.6%</b>
<b>EBITDA</b>	<b>441.9</b>	<b>186.9</b>	<b>&gt;100%</b>
Depreciation & Amortisation	(236.0)	(156.5)	<b>d -50.8%</b>
Finance Costs	(147.8)	(182.5)	<b>e 19.0%</b>
Share of Assoc. & JV Results	5.2	1.7	<b>f &gt;100%</b>
<b>Profit/(Loss) before Tax &amp; Zakat</b>	<b>63.3</b>	<b>(150.4)</b>	<b>&gt;100%</b>
Taxation & Zakat	(5.1)	45.6	<b>g &gt;-100%</b>
<b>Profit/(Loss) after Tax &amp; Zakat</b>	<b>58.2</b>	<b>(104.8)</b>	<b>&gt;100%</b>
Excluding PPA Adj*			
EBITDA	441.5	185.7	>100%
Profit/(Loss) before Tax & Zakat	117.3	(107.7)	>100%
Profit/(Loss) after Tax & Zakat	101.4	(70.6)	>100%
EBITDA Margin	42.7%	32.5%	>100%
PAT Margin	5.6m%	-18.4%	>100%

\*Purchase Price Allocation (PPA) from MFRS3: Business Combinations fair valuation on ISG & SGC  
Incl. within current period retained earnings are RM14.2 mil (1Q22: RM14.2 mil) in distributions to perpetual sukuk holders

- a** Increased by RM463.6 mil (81.2%) with improvements in both airport and non-airport businesses in tandem with higher passenger volumes

Revenue (RM mil)	1Q23	1Q22	Variance
Aeronautical	553.8	294.8	▲ 259.0 87.8%
Retail	120.3	18.3	▲ 102.0 6.6x
Commercial	286.6	197.1	▲ 89.5 45.4%
Non-Airport	73.7	60.6	▲ 13.1 21.6%

- b** Higher other income mainly due to higher recoupment of expenses by RM18.3 mil

- c** Total costs higher by RM220.5 mil (51.8%) mainly due to revenue associated costs incl. user fee and revenue share (by RM57.3 mil) as well as higher cost of inventories sold (by RM48.7 mil) in tandem with the increase in revenue

Core costs higher by 28.9% or RM98.9 mil in tandem with higher passengers and corresponding operational requirements

- d** Higher depreciation & amortisation in line with higher passengers for the year coupled with higher load factor per pax



- e** Lower finance costs mainly due to ISG's lower utilisation fee by RM19.9m upon Force Majeure relief and lower interest on borrowings for Malaysia (settlement of RM1.5b in Dec'22) and ISG

- f** Higher share of profits of RM7.5 mil from all JV & Associates save for share of losses of RM2.3 mil from Cooling Energy Services

- g** Lower tax mainly due to the recognition of deferred tax asset from business losses of Malaysia Airports (Sepang) offset by tax expense arising mainly from MASB and ISG's entity level profit contribution

# 1Q23 Results - Operations in Malaysia & Türkiye

*Higher revenue, EBITDA and net profit driven by return of international passengers*

Group Results (RM mil)	MY 	1Q23	1Q22	Variance %	TY 	1Q23	1Q22	Variance %
<b>Total Passengers (mil)</b>		<b>18.7</b>	<b>8.3</b>	<b>2.2x</b>		<b>8.1</b>	<b>6.4</b>	<b>25.4%</b>
International Passengers (mil)		8.4	1.0	8.7x		4.3	3.2	34.4%
Domestic Passengers (mil)		10.4	7.4	40.5%		3.8	3.3	16.8%
<b>Aircraft (000)</b>		<b>160.4</b>	<b>115.7</b>	<b>38.6%</b>		<b>48.9</b>	<b>43.3</b>	<b>13.1%</b>
<b>Revenue</b>		<b>657.0</b>	<b>295.7</b>	<b>&gt;100%</b>		<b>377.4</b>	<b>275.1</b>	<b>37.2%</b>
Other Income		49.2	34.4	43.0%		4.3	7.1	-40.2%
Direct Cost		(135.9)	(66.9)	>-100%		-	-	-
Operating Cost		(295.5)	(250.6)	-17.9%		(99.2)	(49.8)	-99.0%
User Fee & PSC Share		(81.5)	(34.0)	>-100%		(33.9)	(24.1)	-40.3%
<b>EBITDA</b>		<b>193.3</b>	<b>(21.3)</b>	<b>&gt;100%</b>		<b>248.6</b>	<b>208.3</b>	<b>19.4%</b>
Depreciation & Amortisation		(108.1)	(51.6)	>-100%		(127.9)	(104.9)	-22.0%
Finance Costs		(33.2)	(42.6)	22.1%		(114.6)	(139.9)	18.1%
Share of Assoc. & JV Results		5.2	1.7	>100%		-	-	-
<b>Profit/(Loss) before Tax &amp; Zakat</b>		<b>57.2</b>	<b>(113.9)</b>	<b>&gt;100%</b>		<b>6.1</b>	<b>(36.5)</b>	<b>&gt;100%</b>
Taxation & Zakat		(1.4)	35.8	>-100%		(3.6)	9.8	>-100%
<b>Profit/(Loss) after Tax &amp; Zakat</b>		<b>55.7</b>	<b>(78.0)</b>	<b>&gt;100%</b>		<b>2.5</b>	<b>(26.7)</b>	<b>&gt;100%</b>
Excluding PPA Adj*								
EBITDA		193.3	(21.3)	>100%		248.2	207.1	19.8%
Profit/(Loss) before Tax & Zakat		57.2	(113.9)	>100%		60.2	6.2	>100%
Profit/(Loss) after Tax & Zakat		55.7	(78.0)	>100%		45.7	7.5	>100%
EBITDA Margin		29.4%	-7.2%	36.6%		65.9%	75.7%	-9.8%
Profit/(Loss) after Tax & Zakat Margin		8.5%	-26.4%	34.9%		0.7%	-9.7%	10.4%

\*Purchase Price Allocation (PPA) from MFRS3: Business Combinations fair valuation on ISG & SGC

Incl. within current period retained earnings are RM14.2 mil (1Q22: RM14.2 mil) in distributions to perpetual sukuk holders

# 1Q23 Group Cost

Cost moderately increased to meet operational requirements as core cost per pax continue to reduce

Group Cost (RM mil)	1Q23	1Q22	Var %	1Q19	Var %
<b>Direct Cost<sup>1</sup></b>	<b>135.9</b>	<b>66.9</b>	<b>&gt;100%</b>	<b>199.8</b>	<b>-32.0%</b>
Direct Material	62.7	14.6	>100%	116.9	-46.4%
Direct Labour	39.7	31.9	24.4%	40.3	-1.6%
Direct Overheads	33.5	20.4	64.1%	42.6	-21.3%
<b>Operating Cost (Opex)</b>	<b>394.7</b>	<b>300.5</b>	<b>31.4%</b>	<b>422.9</b>	<b>-6.7%</b>
Staff Costs	151.5	136.6	10.9%	170.1	-10.9%
Utilities and Comm	99.4	75.3	32.0%	103.8	-4.2%
Maintenance	71.8	57.3	25.3%	81.2	-11.6%
Writeback for PDD	(13.3)	(11.1)	20.4%	24.5	>-100%
Others <sup>2</sup>	85.2	42.3	>100%	43.3	96.9%
<b>User Fee &amp; PSC Share</b>	<b>115.4</b>	<b>58.1</b>	<b>98.6%</b>	<b>135.4</b>	<b>-14.8%</b>
User Fee (Malaysia)	81.5	34.0	>100%	112.3	-27.4%
PSC Share (Türkiye)	33.9	24.1	40.3%	23.1	46.7%
<b>Total Costs</b>	<b>646.0</b>	<b>425.5</b>	<b>51.8%</b>	<b>758.1</b>	<b>-14.8%</b>
<b>Group Core Cost (RM mil)</b>	<b>1Q23</b>	<b>1Q22</b>	<b>Var %</b>	<b>1Q19</b>	<b>Var %</b>
Total Costs	646.0	425.5	51.8%	758.1	-14.8%
Less:					
Revenue Linked Direct Costs <sup>1</sup>	(88.5)	(30.7)	>100%	(139.0)	-36.3%
Writeback for PDD	13.3	11.1	20.4%	(24.5)	>-100%
Unrealised Loss on Forex Translation <sup>2</sup>	(13.7)	(4.9)	>100%	1.8	>100%
User Fee & PSC Share	(115.4)	(58.1)	98.6%	(135.4)	14.8%
<b>Group Core Cost</b>	<b>441.7</b>	<b>342.8</b>	<b>28.9%</b>	<b>457.4</b>	<b>-3.4%</b>
<b>Group Core Cost per Pax (RM)</b>	<b>16.5</b>	<b>23.2</b>	<b>-29.0%</b>	<b>13.7</b>	<b>20.5%</b>
<b>Core Cost Per Pax</b>	<b>1Q23</b>	<b>1Q22</b>	<b>Var %</b>	<b>1Q19</b>	<b>Var %</b>
MY Core Cost (RM mil)	339.4	297.9	13.9%	404.9	-16.2%
MY Core Cost per Pax (RM)	18.1	35.7	-49.3%	16.0	13.7%
TY Core Cost (RM mil)	102.1	44.9	>100%	50.7	>100%
TY Core Cost per Pax (RM)	12.7	7.0	81.6%	6.3	>100%

**Against 1Q22** Increased RM220.5 mil or 51.8% mainly driven by:

**1) Revenue Related (RM106.0 mil)**

- i. Higher user fee and revenue share by RM57.3 mil
- ii. Higher cost of goods sold by RM48.7 mil in line with the increase in retail revenue (Margin increased to 52.1% from 49.5% in 1Q22)

**2) Human Capital Related (RM14.9 mil)**

- i. Higher staff cost due to inflation adjustment for MY and Türkiye operations

**3) Operational Related (RM38.6 mil)**

- i. Higher maintenance due to resumption of pandemic-deferred maintenance works
- ii. Higher utilities as below:

	1Q23	1Q22	Var
<b>a) KLIA</b>	<b>71.0</b>	<b>54.4</b>	<b>16.6</b>
1. Electricity	<b>40.5</b>	<b>29.2</b>	<b>11.3</b>
- Internal consumption	12.7	12.9	(0.2)
- External consumption	27.8	16.3	11.5
Total consumption (Mil kw/h)	86.3	74.5	11.8
Electricity (RM/kwh)	0.469	0.391	0.078
2. Chilled Water	22.6	20.1	2.5
Total consumption (kwhR)	83.1	70.8	12.3
Chilled water (RM/kwhR)	0.272	0.284	(0.012)
3. Communications, Water & Misc	7.9	5.1	2.8
<b>b) MASB</b>	<b>12.9</b>	<b>11.8</b>	<b>1.1</b>
<b>c) ISG &amp; SGC</b>	<b>17.5</b>	<b>10.0</b>	<b>7.5</b>
<b>d) Others</b>	<b>3.4</b>	<b>2.2</b>	<b>1.2</b>
Interco eliminations	(5.4)	(3.1)	(2.3)
<b>Total MAHB Group</b>	<b>99.4</b>	<b>75.3</b>	<b>24.1</b>

**4) Others (RM32.5 mil)**

- i. ISG's donation for Türkiye earthquake of EUR5.0 mil (RM23.7 mil)
- ii. Increase in unrealised loss on forex translation of RM8.8 mil

<sup>1</sup> Incl. are revenue linked cost of inventories sold of RM58.3 mil (1Q22: RM9.6 mil) and project costs of RM30.2 mil (1Q22: RM21.1 mil), relating to retail and project repair & maintenance segments, respectively

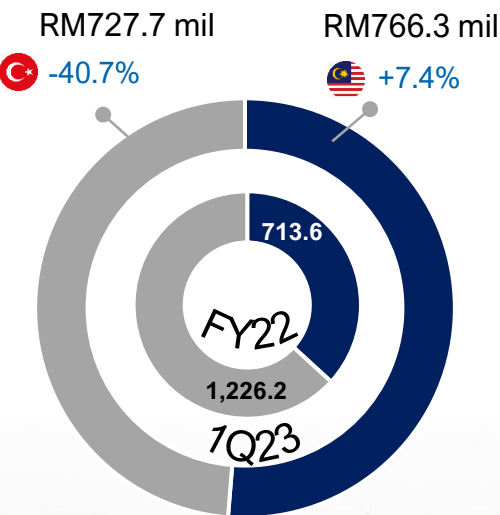
<sup>2</sup> Incl. are costs in respect of unrealised loss on forex translation of RM13.7 mil (1Q22: RM4.9 mil) mainly in respect of forex for VAT receivables

# 1Q23 Group Balance Sheet Snapshot

Healthy cash balance after ISG Utilisation Fee payments, maintaining healthy net gearing position

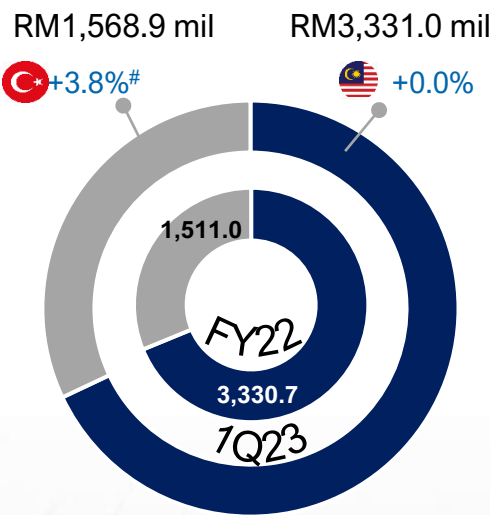
## Cash & Money Market Investments\*

**Group**  
RM1,494.0 mil  
-23.0% FY22: RM1,939.8 mil



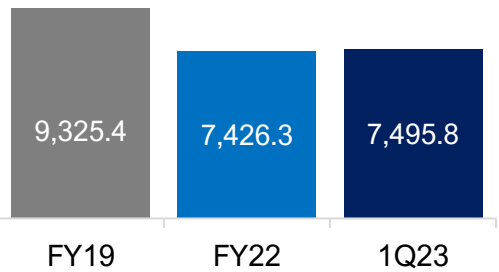
## Borrowings

**Group**  
RM4,899.9 mil  
+1.2% FY22: RM4,841.8 mil



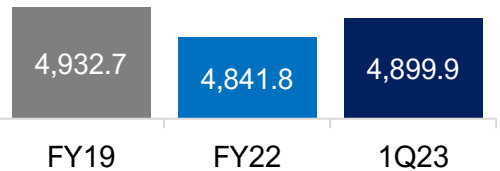
## Net Assets Group

RM7,495.8 mil  
+0.9% FY22  
-19.6% FY19

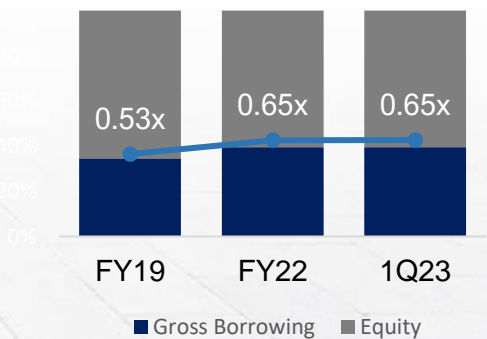


## Gross Debt Group

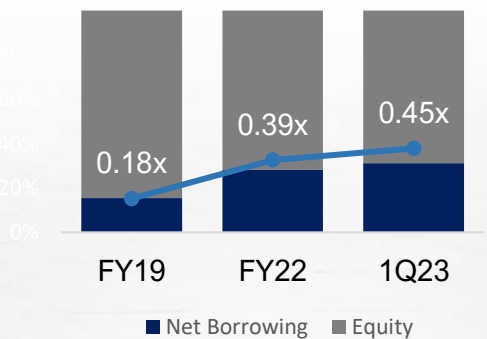
RM4,899.9 mil  
1.2% FY22#  
-0.7% FY19



## Gross Gearing Ratio



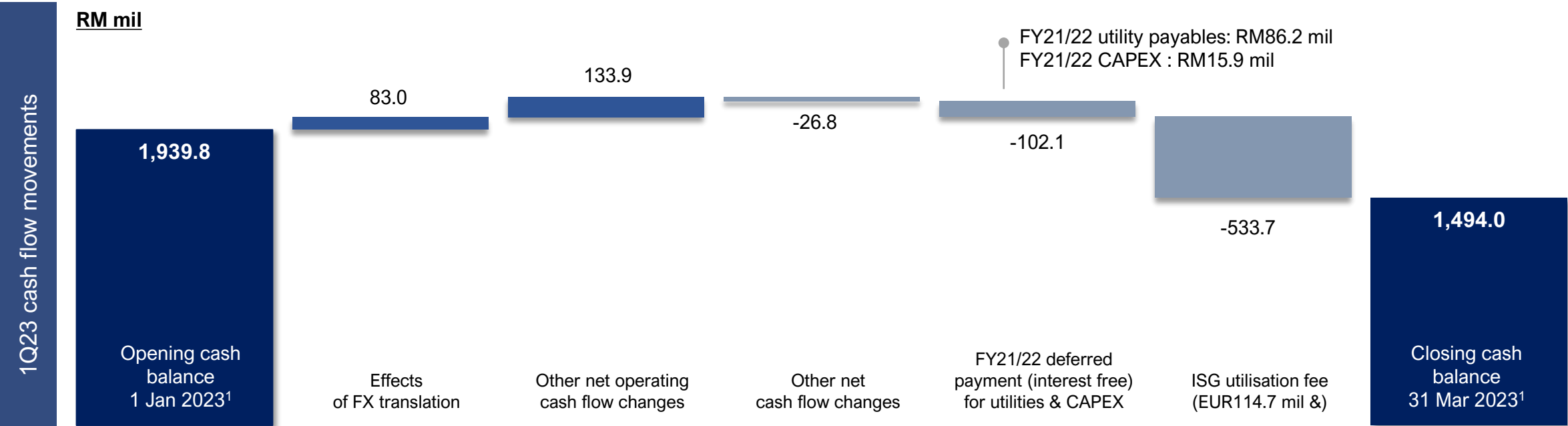
## Net Gearing Ratio



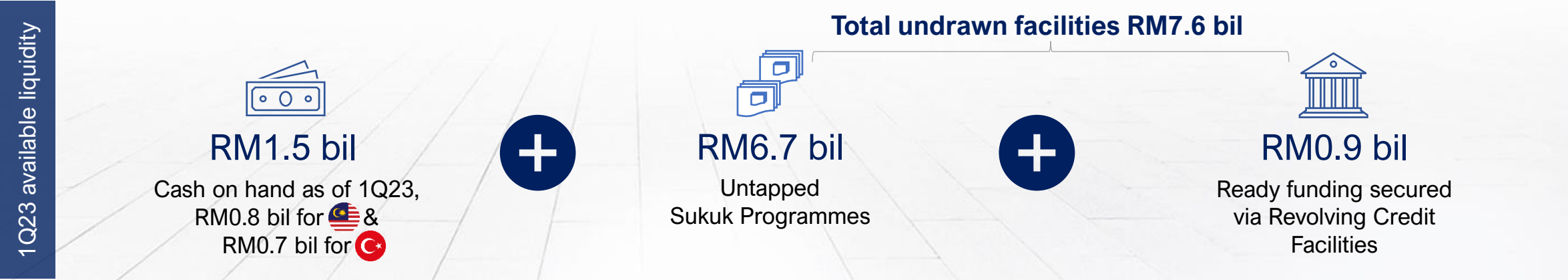
# Increase in borrowings attributed to ISG's foreign exchange movements (Mar'23: RM4.81/EUR , Dec'22: RM4.68/EUR) and accretion of interest. No additional drawdown were made during the period  
\* Cash & Money Market Investments include quoted unit trusts and bonds amounting to RM463.2 mil (FY22: RM410.2 mil)

# 1Q23 Group Cash Flow Summary

Sustainable cash reserves with further access to robust funding sources



<sup>1</sup> Inclusive of quoted unit trusts and bonds amounting to RM463.2 mil (Dec'22: RM410.2 mil)

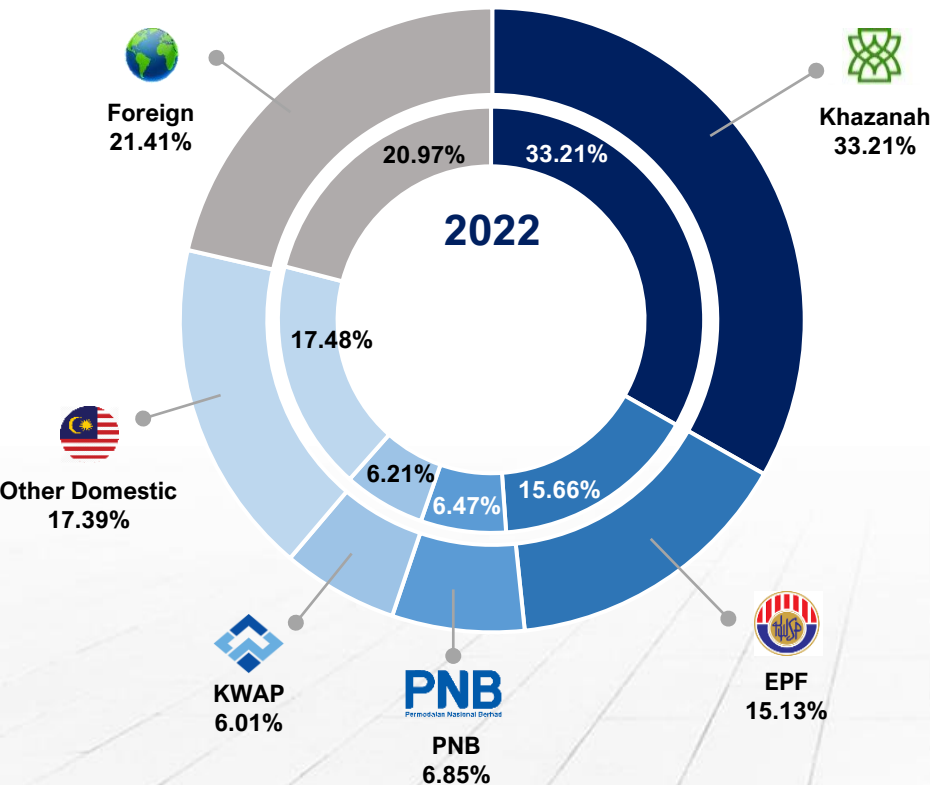


# Good take up of DRP for FY22 Final Dividends

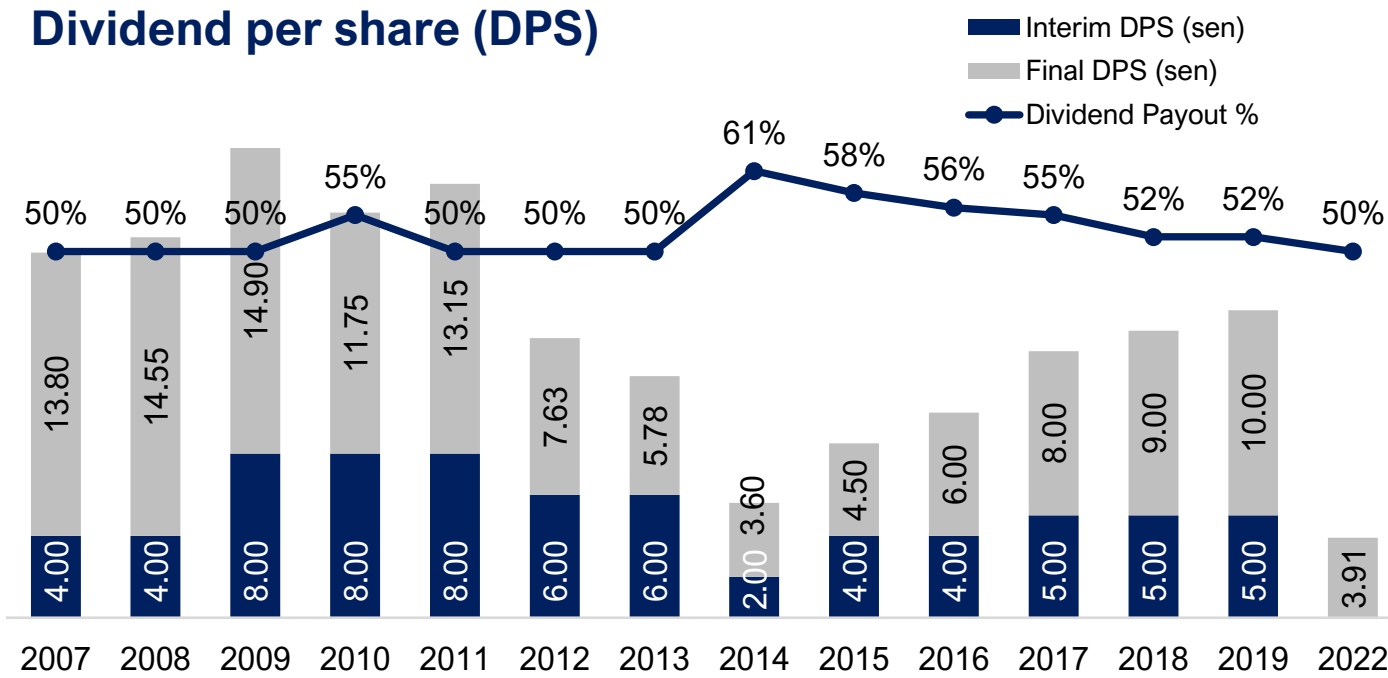
87.5% DRP subscription, indicating optimism on the company and its future prospects

## Shareholders distribution

As of 31 Mar 2023



## Dividend per share (DPS)



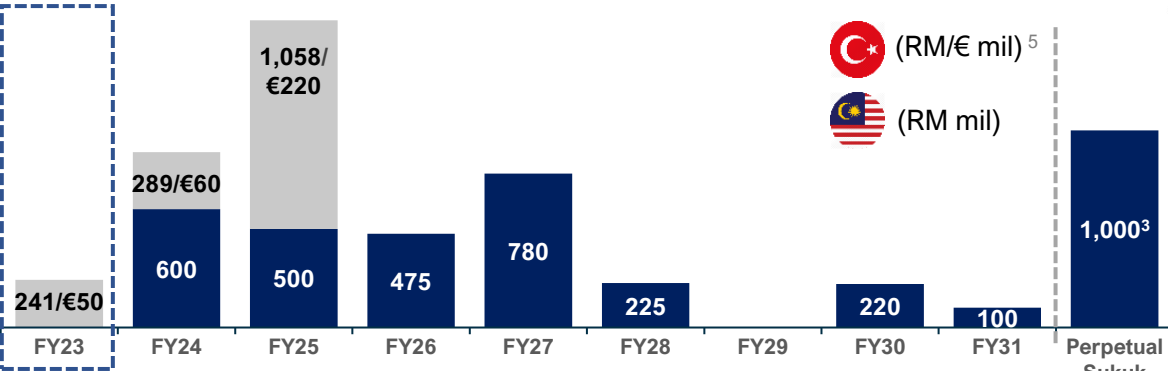
The details of the past completed DRP exercises is as shown in the table below:

Financial Year	Type of dividend	Dividend per share	Total dividend amount (RM Million)	Shares made available for investment	Shares reinvested	Subscription rate (%)
2012	Interim	6.00	72.60	15,343,229	7,088,046	46.2%
	Final	7.63	92.86	18,060,421	15,355,833	85.0%
2013	Interim	6.00	73.95	9,169,678	8,102,473	88.4%
	Final	5.78	78.87	10,901,346	9,553,502	87.6%
2014	Interim	2.00	27.48	4,479,556	2,391,485	53.4%
	Final	3.60	59.47	9,909,098	7,342,222	74.1%
2022	Final	3.91	64.87	10,698,763	9,362,604	87.5%

# No sizeable repayment of borrowings in 2023

Increase in OPR does not affect MAHB as all Sukuk rates fixed prior to Bank Negara OPR review

## Group Repayment Profile<sup>1</sup>



	FY18	FY19	FY20	FY21	FY22	1Q23
Net debt (RM mil) <sup>4</sup>	2,350	1,702	2,928	3,000	2,902	3,405
Weighted average cost	4.06%	4.49%	4.45%	4.39%	4.20%	4.20%
Gross gearing ratio (times) <sup>6</sup>	0.56x	0.53x	0.57x	0.73x	0.65x	0.65x
Net gearing ratio (times) <sup>6</sup>	0.26x	0.18x	0.36x	0.41x	0.39x	0.45x

### Rating Agency



### Credit Ratings Outlook

IMTN Senior Sukuk (AAA/Stable)

Perpetual Sukuk (AA2/Stable)

(Reaffirmed in October 2022)

(A3/Stable)

(Reaffirmed August 2022, outlook upgraded to Stable)

<sup>1</sup> RM435 million short-term Revolving Credit Facilities utilised are not included in the graph above

<sup>2</sup> Payments of €20 million and €25 million were made in June and December 2022 respectively.

Additionally, a RM1,500 million sukuk redemption took place in December 2022

<sup>3</sup> Non-call 10 year, fixed initial periodic distribution rate of 5.75% recognised in equity

<sup>4</sup> Net Debt = Borrowings - Cash and Funds

<sup>5</sup> Recalculated at actual rate of repayment and RM 4.81/EUR for future payments

<sup>6</sup> Gross and net gearing ratio including contingent liability for 1Q23 is 0.71x (FY22: 0.71x; FY21: 0.81x) and 0.52x (FY22: 0.45x; FY21: 0.49x) respectively



As at 31 March 2023

Undrawn contingency lines

RM7,590.0 mil

Sukuk Programme (RM mil)	Issuer Name	Tranches	Issue Size (RM mil)	Coupon Rate	Issue Date	Maturity Date	Tenure (Years)
RM3,100	Malaysia Airports Capital Berhad	IMTN-1	1,000.0	4.55%	30/08/2010	Repaid on 28 Aug 2020	
		IMTN-2	1,500.0	4.68%	17/12/2010	Repaid on 14 Dec 2022	
		IMTN-3	600.0	4.15%	28/12/2012	27/12/2024	12
		Undrawn	2,500.0	Undrawn facility is available until Aug 2025			
RM2,500	Malaysia Airports Holdings Berhad	Snr Sukuk-1	480.0	3.30%	06/11/2020	05/11/2027	7
		Snr Sukuk-2	220.0	3.60%	06/11/2020	06/11/2030	10
		Perpetual Sukuk	1,000.0	5.75%	15/12/2014	Perpetual, Non-call 10 years	
		Undrawn	800.0	Undrawn facility is available until Sep 2033			
RM5,000	Malaysia Airports Holdings Berhad	Snr Sukuk-1	475.0	3.87%	30/12/2021	30/12/2026	5
		Snr Sukuk-2	225.0	4.14%	30/12/2021	29/12/2028	7
		Snr Sukuk-3	100.0	4.25%	30/12/2021	30/12/2031	10
		Snr Sukuk-4	500.0	3.79%	27/04/2022	25/04/2025	3
		Snr Sukuk-5	300.0	3.98%	27/04/2022	27/04/2027	5
		Undrawn	3,400.0	Undrawn facility is available perpetually			

As at 1Q23, MAHB has utilised RM435 million out of the total RM1,325 million Revolving Credit Facilities, with the remaining RM890 million unutilised. The increase in OPR by Bank Negara does not impact us as our Malaysian rates are fixed. MAHB's MY average rates (includes Perpetual Sukuk) maintained at 4.29% (1Q23) as compared to FY22 (4.29%), with recent borrowings averaging <4.00%.



Loan Type	Issue Size (EUR mil)	Outstanding (EUR mil)	Coupon Rate	Issue Date	Maturity Date	Tenure (Years)
Secured Senior Loan	500.0	330.0	Euribor IRS +3.0%	24/12/2014	24/12/2025	11

While EURIBOR rates had increased in FY23 by a total of 125bps, there is minimal impact due to ISG's interest rate swap (IRS) 50% hedge at 0.94%. The increase in rates in fact has led to higher non-comprehensive income with ISG recognising an unrealised gain value on the IRS derivate asset.



**1 1Q23 Highlights**

**2 Sustaining Value Accretion**

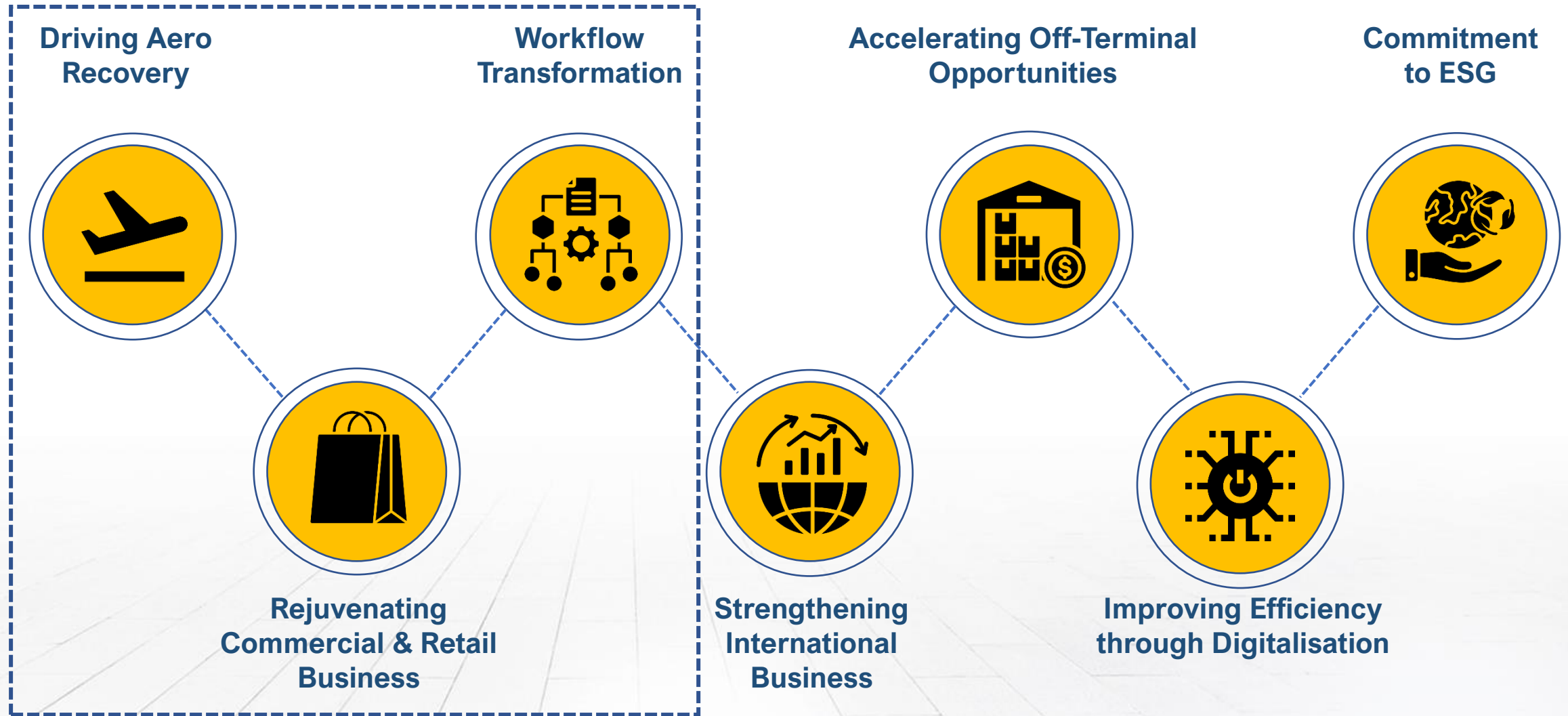
**3 Outlook**

**4 Appendices**

- *Group Financial Performance*
- *TY Financial Performance*
- *Operating Statistics*

# Sustaining value accretion by focusing on 7 pillars

*Realignment of strategies towards unlocking growth opportunities and enhancing value for stakeholders*



# Positive momentum seen post China reopening

Further uplift expected with >60% capacity recovery by year end

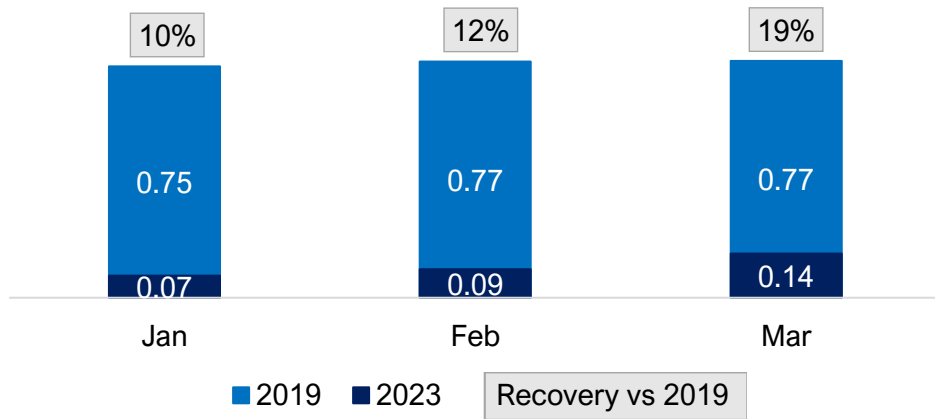


## Malaysia – China sectors

Passenger  
Movements (mil)

**YTD Mar'23**  
 0.31 mil (13%)  
 2019: 2.29 mil

Passenger Movements (mil)

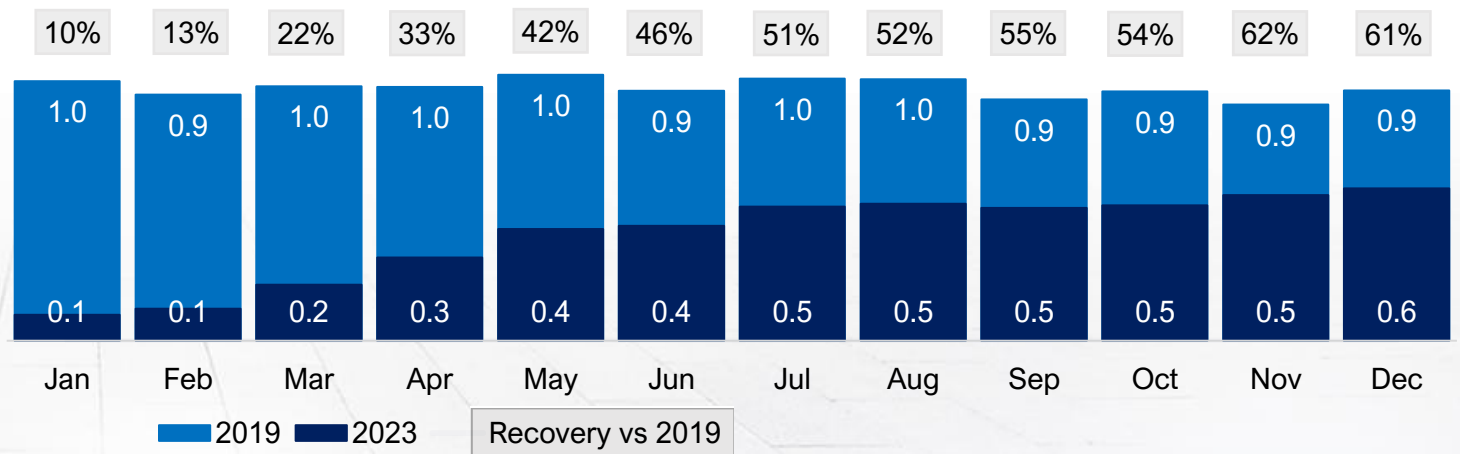


Seat Capacity  
Filed (mil)

**YTD Mar'23**  
 0.41 mil (14%)  
 2019: 2.85 mil

**Total 2023**  
 4.73 mil (42%)  
 2019: 11.36 mil

Seat capacity filed (mil)



7




# More foreign carriers exploring Malaysia as viable routes

*Local carriers also starting new routes to cater to strong demand*



**New Carriers/New Routes**







Middle East

New
New
New



Key Routes: DXB-LGK, DXB-PEN, BAH-KUL, MCT-KUL

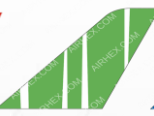
North Asia









Key Routes: ICN-KUL, HKG-KUL, HAK-KUL, PVG-KUL, SZX-KUL, XIY-KUL

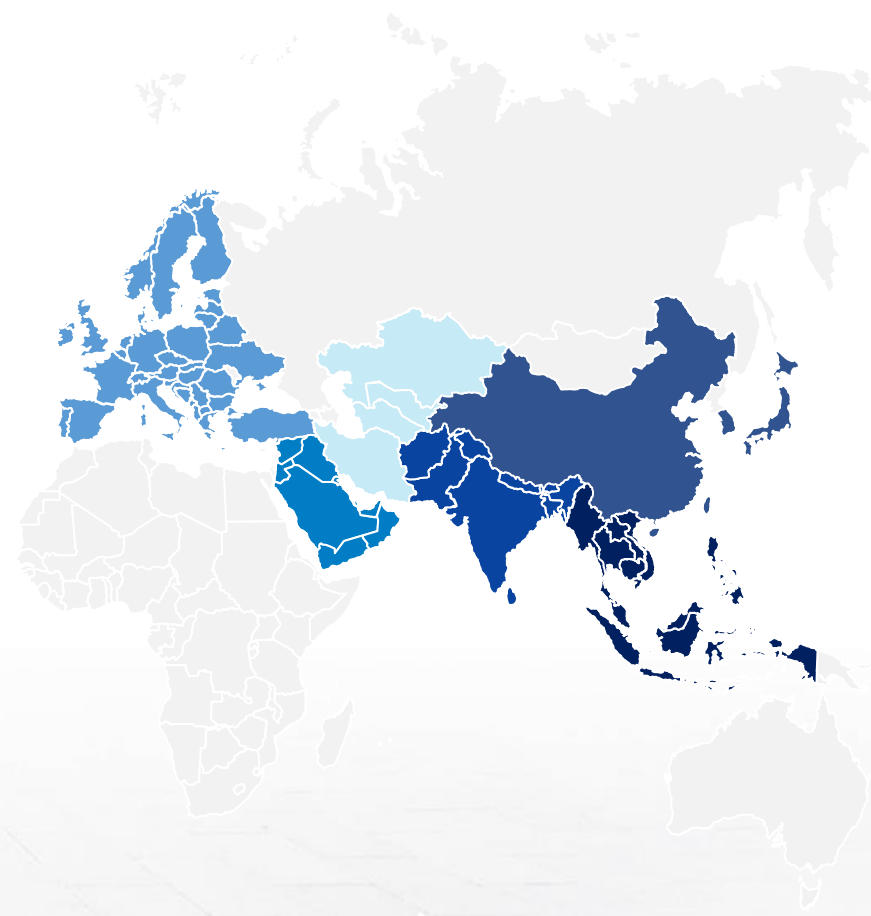
ASEAN





Key Routes: KUL-SIN, BKI-ICN, BKI-NRT, BKI-TPE, KNO-LGK, SGN-PEN, HAN-PEN, HAN-KUL, CGK-KUL



# Local airlines continue to grow their network

*Exceptional performance driven by persistent and consistent travel demand*



## Malaysia Airlines achieved breakeven operating profit in FY22

- Breakeven in 2022 from operating loss of RM 612mil in 2021
- YoY Passenger traffic increased by 6.7 times while recording 67% higher average load factor from previous year
- Strengthened worldwide network as a result of key strategic partnership with Qatar Airways, Saudia, Japan Airlines & Kuwait Airways in 2022 & 2023

## AirAsia experiences surge in international pax in 1Q23

- International pax increased 19% QoQ contributed by the KUL-SIN route.
- Achieved 92% passenger load factor, close to 75% of pre-pandemic levels

## AirAsia X focuses on fleet reactivation in 1Q23

- Resumption of multiple destination resulted by strong demand to China, Korea & Japan.
- Average load factor has risen by 1 bp to 80% in 1Q23

## Malaysian Aviation Group (MAG) to transfer intra-Borneo services from Malaysia Airlines to Firefly

- Facilitates daily flight between Kota Kinabalu (BKI) to Sandakan (SDK), Tawau (TWU) and Kuching (KCH) in addition from KCH to Miri (MYY) effective 16 May 2023
- Commenced multiple international routes from Penang (PEN) to Singapore (SIN), Medan Kualanamu (KNO) and Bandar Aceh (BTJ) utilising its Boeing 737-800 aircraft

## Batik Air Malaysia solidifies its Australian and East Asian network

- The carrier will resume three times weekly service to Adelaide (ADL), its fourth Australian destination served after Perth (PER), Sydney (SYD) and Melbourne (MEL)
- The carrier has resumed and added significant East Asia destination such as Hanoi (HAN), Taipei (TPE), Zhengzhou (CGO), Chengdu (TFU) Seoul (ICN), Nagoya (NGO) and Osaka (KIX) to their growing international network

## MYAirline is set to introduce its first international flight after operating for less than a year

- Bangkok-Don Mueang (DMK) will be the first international destination for the carrier effective from 28 June 2023.
- Gearing up to launch its service to Singapore, Cambodia & Vietnam by year end
- The carrier has recently signed a lease agreement for an additional 17 Airbus 320 aircraft to meet its fleet size target of 20 aircraft by year end

## Sarawak Government to launch state-owned boutique airline

- State-owned Hornbill Skyways Sdn Bhd will be the main operator of the boutique airlines
- Intervention by the state government in the market to stabilise airfares for flights to and from Sarawak
- The state plans to acquire at least 4 turboprop aircraft pending approval to operate by the Federal Government

# Rejuvenating commercial and retail business

Raising the retail profile of MAHB's airports



**Commercial Reset Strategy**  
ongoing across our network of airports



TOTAL OUTLETS  
**808**



**86%**  
OUTLETS AWARDED

**Airports Involved**



INTERNATIONAL

KLIA T1  
KLIA T2  
LANGKAWI  
PENANG  
KOTA KINABALU  
KUCHING



DOMESTIC

ALOR SETAR  
KOTA BHARU  
MIRI  
SIBU  
BINTULU  
TAWAU  
SANDAKAN  
LABUAN

**2023**

Getting more brands on board to be progressively opened throughout 2023.  
**Operational occupancy of 85% target by end of 2023**



# Eraman revitalisation and outlet refresh now in progress

*Comprehensive refresh at KUL, BKI and PEN to be completed by end of the year*



## Contact Pier Mall, KLIA T1:

- Size: Increase by 14% to 20,452.51 sqft
- Flagship lifestyle emporium for Eraman, infusing sense of place and F&B offerings
- New walk-through emporium concept design
- Expansion of beauty segment

## Beauty Boutique, PIA:

- Size: 1,679.17 sqft
- New Eraman brand presence at PIA
- Dedicated outlet for beauty segment, showcasing renown brands such as Chanel, Estee Lauder, Dior as well as other popular selections

## Domestic & International Arrival, PIA:

- Size: 2,949.31 sqft (Dom); 1,006.43 sqft (Arr)
- Refresh of outlet concept design
- Additional product offerings at Arrival store (beauty, chocolates & convenience)
- New presence at Domestic area

## Lifestyle Convenience, KLIA:

- Size: 495.14 sqft (Intl'); 304.4 sqft (Dom)
- New convenience stores, in line with strategy of expanding its Eraman Xpress brand
- New lifestyle concept with infusion of F&B offerings within the outlets

## International Departure Emporium, KKIA:

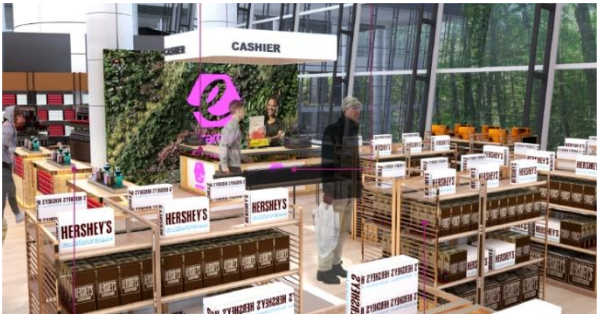
- Size: Increase by 67% to 5,562.58 sqft
- Flagship emporium in East Malaysia
- Partnerships with renown brands, namely Chanel, Estee Lauder, Dior, and Lancome

## F&B Outlets, KLIA T1 and T2:

- Size: 2,153.86 sqft (BK); 904.17 sqft (ZUS)
- Refresh of MarryBrown brand to Burger King with contactless solution via self-ordering kiosks
- First outlet based on partnership model with ZUS Coffee to operate at KLIA

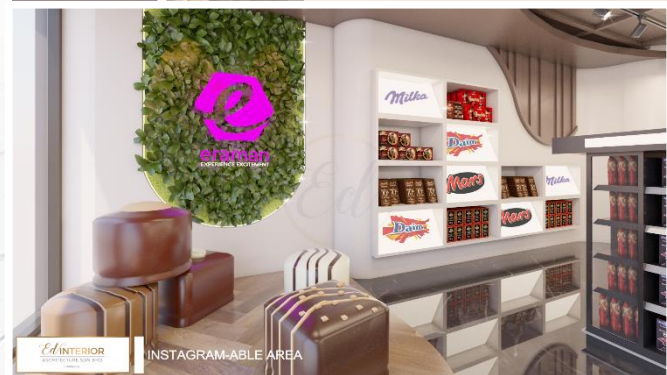
# Eraman's Flagship Lifestyle Emporium @ KUL T1 Contact Pier

Walkthrough concept to encourage passenger spending



# Design concepts for Eraman's outlets at other airports

*Modern and inviting concept to stimulate passenger senses and increase spending per ticket*





# Workflow transformation on-going throughout Company

*Simplifying workflow processes for greater efficiency, productivity and quality*



**RM90.4 mil**  
Cost Avoidance



**573**  
Jobs Streamlined



**2,740**  
Process Time  
Reduction



**4 months**  
Lead Time Reduction  
(Tenant Acquisition)



2023

2022



## Debottlenecking Revenue Streams

- Automate and standardise pax recon process
- Shortening lead times on non-aero streams



## Enhancing Organisational Efficiency

- Streamline security checking at Terminal 2
- Strategise AVSEC resource requirement
- Synergise corporate functions towards business needs



**1 1Q23 Highlights**

**2 Sustaining Value Accretion**

**3 Outlook**

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# Steady ramp up in international capacity indicates confidence in demand

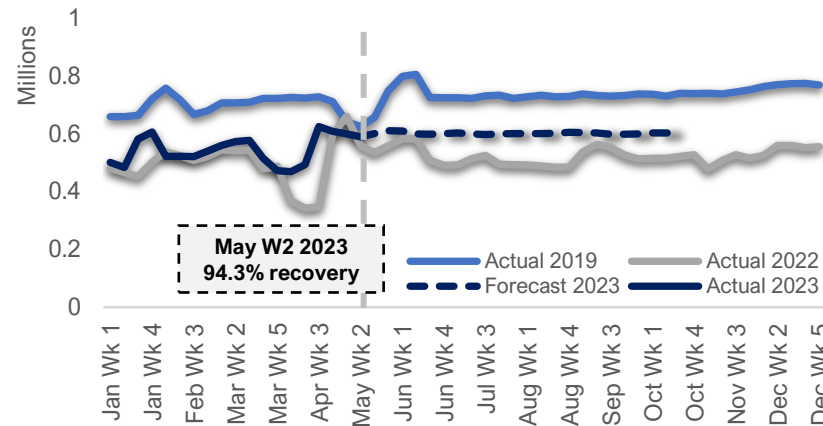
*Demand for international travel growing amidst global economic challenges*



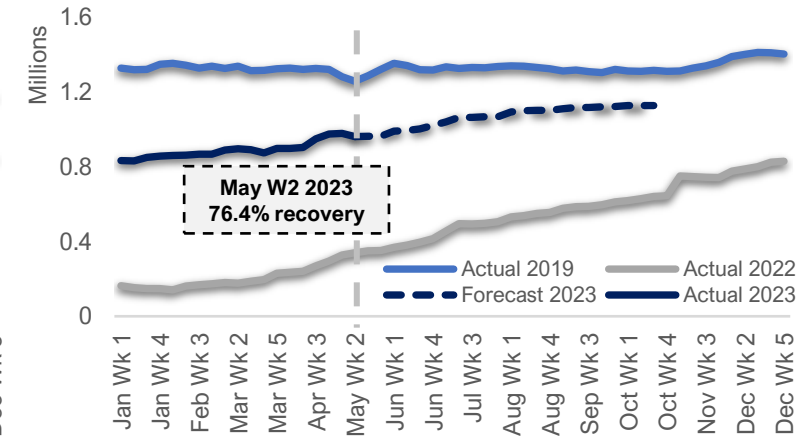
Additional flight frequencies at major airports due to the reopening of the borders of more countries encouraged airlines to reactivate more aircraft and overcome labour shortages to match increasing demand

Relaxation of stringent travel protocols and ending testing requirements for arrivals and departures between city pair countries led to positive development in seat capacity, with >80% international recovery expected in Jul'23

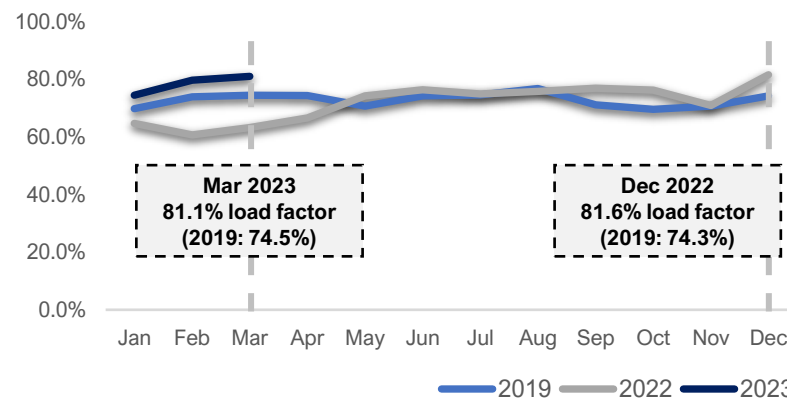
**Malaysia: Weekly Domestic Seat Capacity**



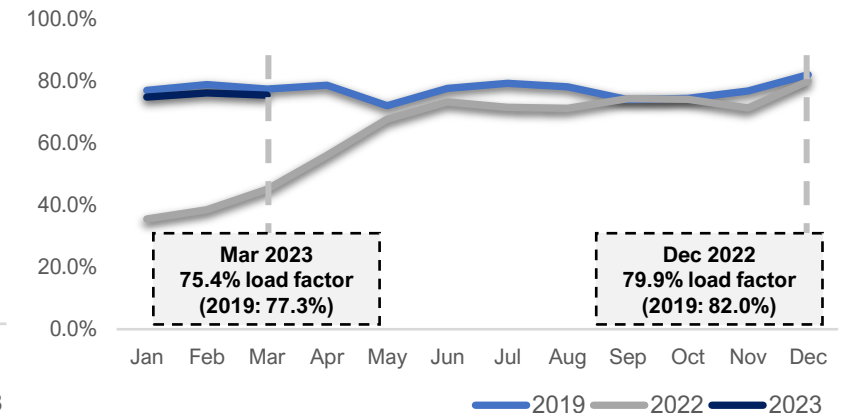
**Malaysia: Weekly International Seat Capacity**



**Malaysia: Average Domestic Load Factor**



**Malaysia: Average International Load Factor**



# ISG traffic recovery driven by demand for international travel

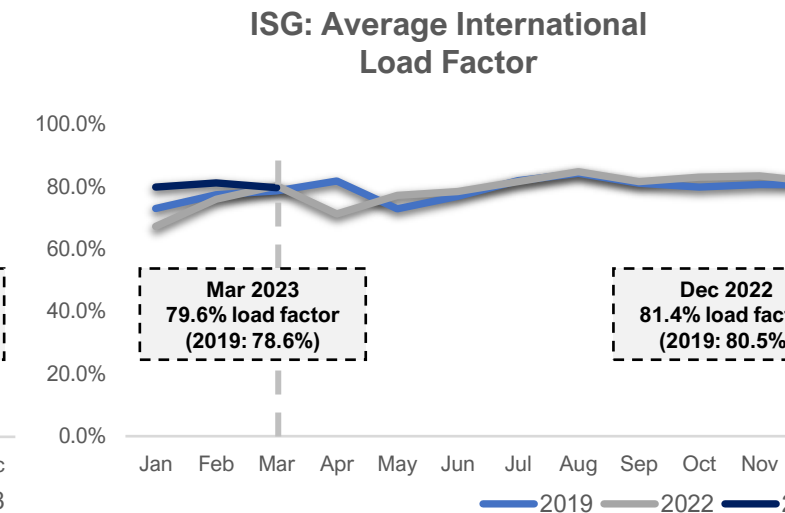
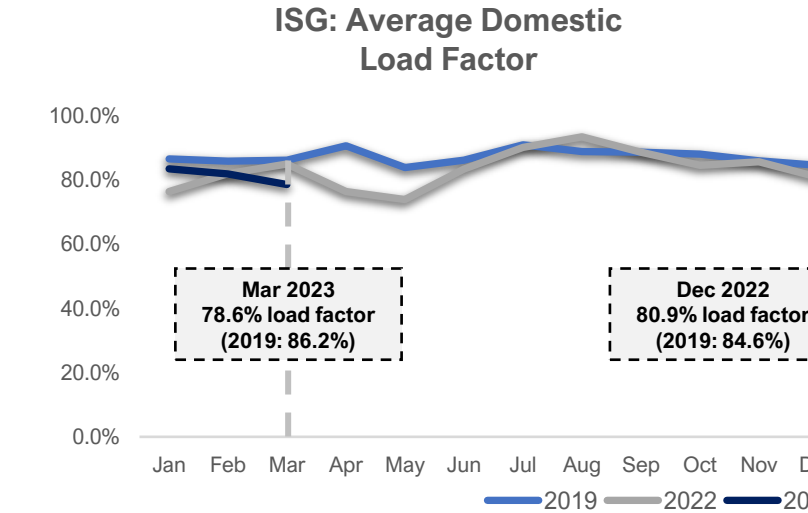
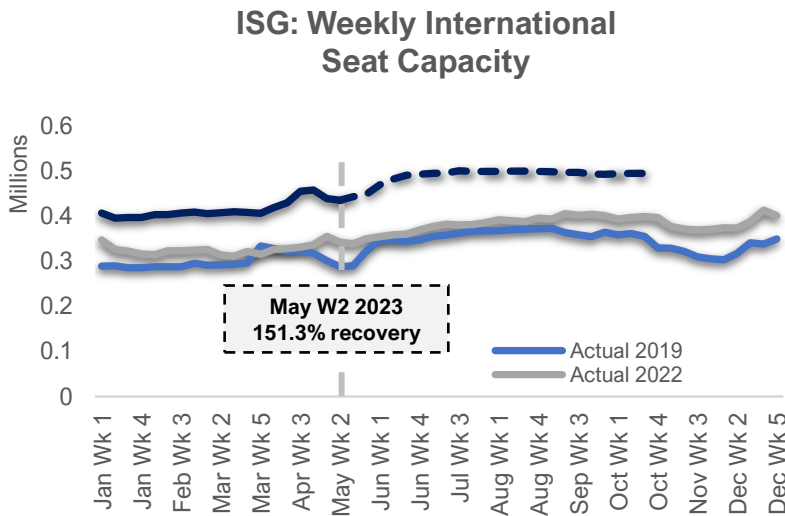
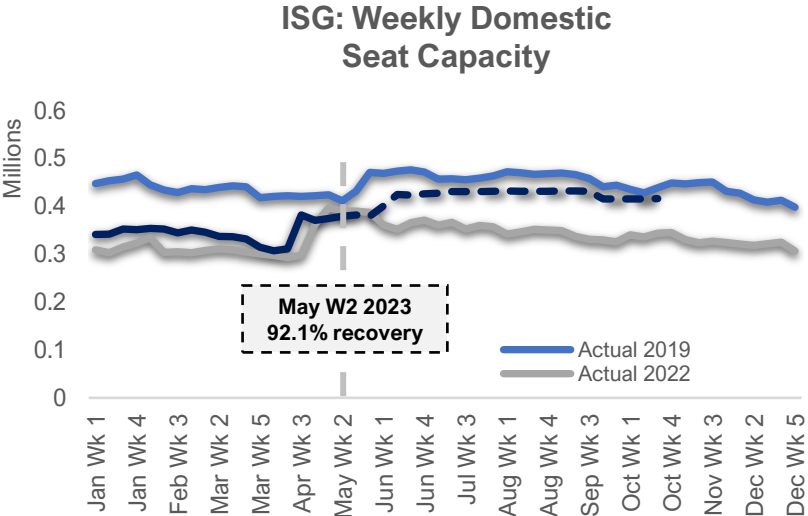
ISG international traffic expected to further improve in upcoming summer months



Ranked 10<sup>th</sup> busiest airport for March 2023 (11<sup>th</sup> in 2019), with airports in Top 9 being major European hubs and historically ranked above ISG

ISG traffic recovery at 99.2% in 1Q23 with 52.7% international and 47.3% domestic pax. Better domestic and international passenger mix are expected to drive higher revenue yield

The average passenger load factor has maintained above 80% in 1Q23, driven by increasing demand for air travel. Opening of ISG Metro to spur further demand



# Key Takeaways

*MAHB on a solid trajectory for recovery and future growth*

1

Both MY and TY operations are now back in the black, underpinned by strong recovery in international passengers since the pandemic

2

Traffic outlook for the rest of the year indicates a healthy recovery trajectory, moving closer to pre-pandemic levels by year end

3

Airlines continue to ramp up capacity and are introducing new routes to serve strong consistent and persistent demand for air travel. China reopening will further boost recovery. MAHB will continue to pursue 5 target markets to increase capacity and traffic into Malaysia

4

Airports undergoing modernisation and digitalisation, improving future service offerings and optimising costs over the long run. BHS and TTS replacements expected to commence in 2H23. One TTS track to be ready for operations in 2024.

5

OA expected to be finalised and executed in 2H23, MAVCOM to come up with 3<sup>rd</sup> Consultation Paper and RP1 PSC rates in 3Q23



**1 1Q23 Highlights**

**2 Sustaining Value Accretion**

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# Group Financial Performance

# Group 1Q23 Results (against 1Q22)

RM mil	1Q23			1Q22			Variance %	Variance %	Variance %
	MY 	TY 		MY 	TY 				
<b>Revenue</b>	<b>657.0</b>	<b>377.4</b>	<b>1,034.4</b>	<b>295.7</b>	<b>275.1</b>	<b>570.8</b>	▲ >100%	▲ 37.2%	▲ 81.2%
Other Income	49.2	4.3	53.5	34.4	7.1	41.6	▲ 43.0%	▼ -40.2%	▲ 28.6%
Direct Cost	(135.9)	-	(135.9)	(66.9)	-	(66.9)	▼ >-100%	-	▼ >-100%
Operating Cost	(295.5)	(99.2)	(394.7)	(250.6)	(49.8)	(300.5)	▼ -17.9%	▼ -99.0%	▼ -31.4%
User Fee & PSC Share	(81.5)	(33.9)	(115.4)	(34.0)	(24.1)	(58.1)	▼ >-100%	▼ -40.3%	▼ -98.6%
<b>EBITDA</b>	<b>193.3</b>	<b>248.6</b>	<b>441.9</b>	<b>(21.3)</b>	<b>208.3</b>	<b>186.9</b>	▲ >100%	▲ 19.4%	▲ >100%
Depreciation & Amortisation	(108.1)	(127.9)	(236.0)	(51.6)	(104.9)	(156.5)	▼ >-100%	▼ -22.0%	▼ -50.8%
Finance Costs	(33.2)	(114.6)	(147.8)	(42.6)	(139.9)	(182.5)	▲ 22.1%	▲ 18.1%	▲ 19.0%
Share of Assoc. & JV Results	5.2	-	5.2	1.7	-	1.7	▲ >100%	-	▲ >100%
<b>Profit/(Loss) before Tax &amp; Zakat</b>	<b>57.2</b>	<b>6.1</b>	<b>63.3</b>	<b>(113.9)</b>	<b>(36.5)</b>	<b>(150.4)</b>	▲ >100%	▲ >100%	▲ >100%
Taxation & Zakat	(1.4)	(3.6)	(5.1)	35.8	9.8	45.6	▼ >-100%	▼ >-100%	▼ >-100%
<b>Profit/(Loss) after Tax &amp; Zakat</b>	<b>55.7</b>	<b>2.5</b>	<b>58.2</b>	<b>(78.0)</b>	<b>(26.7)</b>	<b>(104.8)</b>	▲ >100%	▲ >100%	▲ >100%
EBITDA Margin (%)	29.4%	65.9%	42.7%	-7.2%	75.7%	32.7%	▲ 36.6%	▼ -9.8%	▲ 10.0%
PAT Margin (%)	8.5%	0.7%	5.6%	-26.4%	-9.7%	-18.4%	▲ 34.9%	▲ 10.4%	▲ 24.0%
Net Asset per Share (RM)			1.47			1.40			▲ 5.0%

Exchange rate used in profit and loss for 1Q23: RM4.73/EUR

Exchange rate used in profit and loss for 1Q22: RM4.68/EUR

Highlights

Sustaining Value Accretion







Outlook

Group Financial Performance

TV Financial Performance

Operating Statistics







# Group 1Q23 Results (against 1Q22)

RM mil	1Q23			1Q22			Variance %	Variance %	Variance %
	MY 	TY 		MY 	TY 				
Revenue	657.0	377.4	1,034.4	295.7	275.1	570.8	▲ >100%	▲ 37.2%	▲ 81.2%

## Group Revenue : RM1,034.4 mil

- Airport operations: RM960.7 mil (+88.3%)
  - Aeronautical: RM553.8 mil (+87.8%) in tandem with the increase in pax driven by the further easing of travel protocols and further resumption of airline services and connectivity
  - Non-Aeronautical: RM406.9 mil (+88.9%) led by better revenue recovery from commercial spaces with the opening of international borders, improved passenger mix and better contribution from Dufry rental
- Non-airport operations: RM73.7 mil (+21.6%)
  - Hotel: RM29.0 mil (+71.3%)
  - Agriculture & horticulture: RM7.0 mil (-53.9%)
  - Project and repair maintenance: RM37.9 mil (+32.8%)

# Group 1Q23 Results (against 1Q22)

RM mil	1Q23			1Q22			Variance %	Variance %	Variance %
	MY 	TY 		MY 	TY 				
EBITDA	193.3	248.6	441.9	(21.3)	208.3	186.9	▲ >100%	▲ 19.4%	▲ >100%
Profit/(Loss) after Tax & Zakat	55.7	2.5	58.2	(78.0)	(26.7)	(104.8)	▲ >100%	▲ >100%	▲ >100%







## Group EBITDA : RM441.9 mil

- Malaysia operations: EBITDA improvement of RM214.6 mil from comparative period, in line with increase in overall revenue as core costs kept in check
- Türkiye operations: EBITDA improved 19.4% from comparative period, in line with higher international passenger growth by 34.4%

## Group Profit after Tax & Zakat : RM58.2 mil

- Malaysia operations: Recorded improved PAT of RM55.7 mil in tandem with higher EBITDA
- Türkiye operations: Recorded PAT in tandem with higher EBITDA

# Group 1Q23 Results (against 4Q22)

RM mil	1Q23			4Q22					
	MY 	TY 		MY 	TY 		Variance %	Variance %	Variance %
<b>Revenue</b>	<b>657.0</b>	<b>377.4</b>	<b>1,034.4</b>	<b>627.2</b>	<b>375.6</b>	<b>1,002.8</b>	▲ 4.8%	▲ 0.5%	▲ 3.1%
Other Income	49.2	4.3	53.5	50.2	9.3	59.5	▼ -2.1%	▼ -53.9%	▼ -10.2%
Direct Cost	(135.9)	-	(135.9)	(139.0)	-	(139.0)	▲ 2.3%	-	▲ 2.3%
Operating Cost	(295.5)	(99.2)	(394.7)	(358.0)	(128.4)	(486.4)	▲ 17.5%	▲ 22.8%	▲ 18.9%
User Fee & PSC Share	(81.5)	(33.9)	(115.4)	(76.5)	(33.9)	(110.4)	▼ -6.5%	▲ 0.1%	▼ -4.5%
<b>EBITDA</b>	<b>193.3</b>	<b>248.6</b>	<b>441.9</b>	<b>103.9</b>	<b>222.6</b>	<b>326.3</b>	▲ 86.1%	▲ 11.7%	▲ 35.4%
Depreciation & Amortisation	(108.1)	(127.9)	(236.0)	(134.2)	(144.9)	(279.1)	▲ 19.5%	▲ 11.7%	▲ 15.5%
Finance Costs	(33.2)	(114.6)	(147.8)	(49.6)	426.7	377.1	▲ 33.0%	▼ >-100%	▼ >-100%
Share of Assoc. & JV Results	5.2	-	5.2	20.9	-	20.9	▼ -75.1%	-	▼ -75.1%
<b>Profit/(Loss) before Tax &amp; Zakat</b>	<b>57.2</b>	<b>6.1</b>	<b>63.3</b>	<b>(59.1)</b>	<b>504.3</b>	<b>445.2</b>	▲ >100%	▼ -98.8%	▼ -85.8%
Taxation & Zakat	(1.4)	(3.6)	(5.1)	(1.1)	(85.0)	(86.1)	▼ -30.2%	▲ 95.7%	▲ 94.1%
<b>Profit/(Loss) after Tax &amp; Zakat</b>	<b>55.7</b>	<b>2.5</b>	<b>58.2</b>	<b>(60.2)</b>	<b>419.3</b>	<b>359.1</b>	▲ >100%	▼ -99.4%	▼ -83.8%
EBITDA Margin (%)	29.4%	65.9%	42.7%	16.6%	59.2%	32.5%	▲ 12.9%	▲ 6.6%	▲ 10.2%
PAT Margin (%)	8.5%	0.7%	5.6%	-9.6%	>100%	35.8%	▲ 18.1%	▼ >-100%	▼ -30.2%

Exchange rate used in profit and loss for 1Q23: RM4.73/EUR  
 Exchange rate used in profit and loss for 4Q22: RM4.66/EUR

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# Group 1Q23 Results (against 4Q22)

RM mil	1Q23			4Q22					
	MY 	TY 		MY 	TY 		Variance %	Variance %	Variance %
Revenue	657.0	377.4	1,034.4	627.2	375.6	1,002.8	▲ 4.8%	▲ 0.5%	▲ 3.1%

## Group Revenue : RM1,034.4 mil

- Airport operations: RM960.7 mil (+3.6%)
  - Aeronautical: RM553.8 mil (+1.7%) as traffic rebounds. Passenger movements in Malaysia recorded an increase of 7.3% while Türkiye, declined slightly by 2.8% following historical seasonal trends
  - Non-Aeronautical: RM406.9 mil (+6.2%) contributed from higher royalty and retail revenue due to an increase in passengers
- Non-airport operations: RM73.7 mil (-2.0%)
  - Hotel: RM29.0 mil (2.1x)
  - Agriculture & horticulture: RM7.0 mil (+5.2%)
  - Project and repair maintenance: RM37.9 mil (-3.1%)

# Group 1Q23 Results (against 4Q22)

RM mil	1Q23			4Q22			Variance %	Variance %	Variance %
	MY 	TY 		MY 	TY 				
EBITDA	193.3	248.6	441.9	103.9	222.6	326.3	▲ 86.1%	▲ 11.7%	▲ 35.4%
Profit/(Loss) after Tax & Zakat	55.7	2.5	58.2	(60.2)	419.3	359.1	▲ >100%	▼ -99.4%	▼ -83.8%










## Group EBITDA : RM441.9 mil

- Malaysia operations: Significant improvement by RM89.4 mil from comparative period, in line with RM29.8 mil increase in revenue
- Türkiye operations: EBITDA increased 11.7% from comparative period due to continued traffic recovery and improved passenger mix

## Group Profit after Tax & Zakat : RM58.2 mil

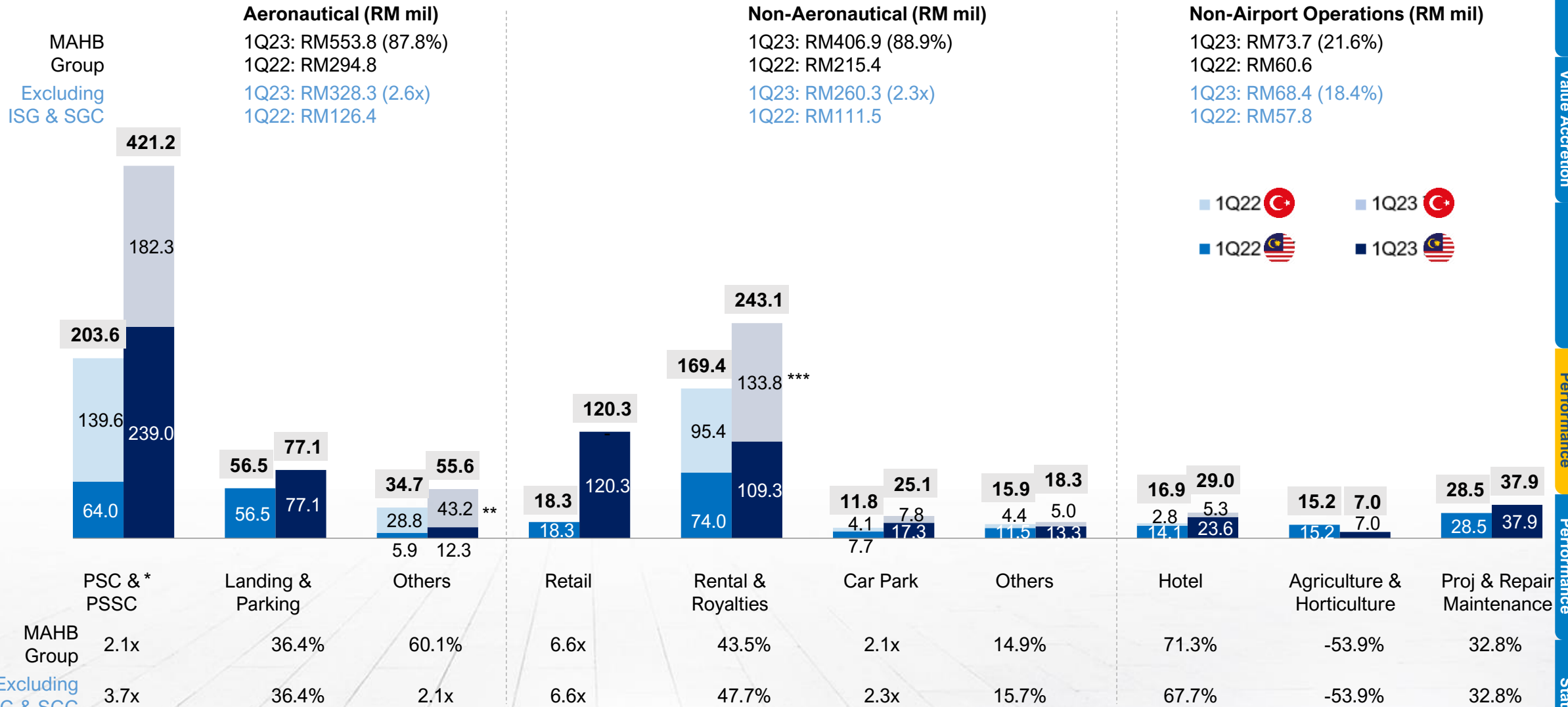
- Malaysia operations: Recorded improved PAT by RM116.2 mil arising from higher EBITDA
- Türkiye operations: Recorded PAT in tandem with higher EBITDA

# 1Q23 EBITDA and PAT Reconciliation

RM mil	1Q23			1Q22			Variance (%)		
	MY 	TY 		MY 	TY 		MY 	TR 	
EBITDA excluding Adjustments (Adj)	193.3	249.7	443.0	(21.3)	212.3	190.9	>100%	17.6%	>100%
Adj* + Other Income - ISG PPA interest income	-	1.1	1.1	0.0	4.0	4.0			
EBITDA including Adj	193.3	248.6	441.9	(21.3)	208.3	186.9	>100%	19.4%	>100%
Adj* - Depreciation and Amortisation	(108.1)	(79.2)	(187.3)	(51.6)	(66.9)	(118.5)			
Adj* - Amortisation - ISG&SGC PPA concession rights fair value	-	(48.8)	(48.8)	-	(38.0)	(38.0)			
- Finance Costs - concession payables & borrowings	(35.3)	(15.6)	(50.9)	(40.8)	(17.6)	(58.4)			
- Finance Costs - ISG utilisation fee expense	-	(88.5)	(88.5)	-	(108.1)	(108.1)			
Adj - Finance Costs - ISG&SGC PPA interest expense	-	(5.6)	(5.6)	-	(5.9)	(5.9)			
- Finance Costs - other financial & lease liabilities	2.1	(4.8)	(2.8)	(1.8)	(8.3)	(10.1)			
-/+ Share of Assoc. & JV Results	5.2	-	5.2	1.7	-	1.7			
Profit/(Loss) before Tax & Zakat including Adj	57.2	6.1	63.3	(113.9)	(36.5)	(150.4)	>100%	>100%	>100%
- Taxation and Zakat	(1.4)	(3.6)	(5.1)	35.8	9.8	45.6			
Profit/(Loss) after Tax and Zakat including Adj	55.7	2.5	58.2	(78.0)	(26.7)	(104.8)	>100%	>100%	>100%

- Included within current period retained earnings is a distribution to the perpetual sukuk holders amounting to RM14.2 mil (1Q22: RM14.2 mil)
- Adj\* relates to the Purchase Price Allocation (PPA) non-cash adjustments in respect of the MFRS3: Business Combinations fair valuation on ISG&SGC (Profit Before Tax related PPA Adjustments: RM54.0 mil (FY22: RM42.8 mil)
- Finance costs – RM88.5 mil (1Q22: RM108.1 mil) interest expense on utilisation fee liability for the period. Actual utilisation fee payments for FY23 amounted to RM 533.7 mil or EUR114.8 mil, paid in Jan'23

# Group Revenue



\* Inclusive of MARCS

\*\* Included in Turkish operations' aeronautical revenue is ISG's jet fuel farm rental income of EUR2.2 mil / RM10.3 mil (1Q22: EUR1.7 mil / RM7.9 mil)

\*\*\* Included in Turkish operations' rental and royalties is revenue generated from ISG's duty free business of EUR16.6 mil / RM78.4 mil (1Q22: EUR12.5 mil / RM58.3 mil)

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# Group Cost

MAHB  
Group  
Excluding  
ISG & SGC

## Direct Cost (RM mil)

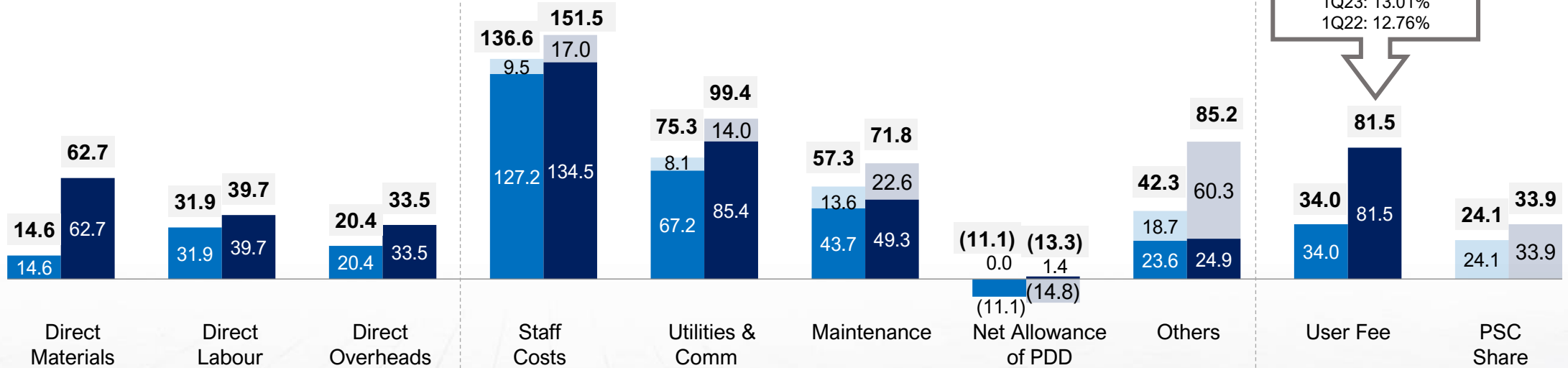
1Q23: RM135.9 (2x)  
1Q22: RM66.9  
1Q23: RM135.9 (2x)  
1Q22: RM66.9

## Operating Cost (RM mil)

1Q23: RM394.7 (31.4%)  
1Q22: RM300.5  
1Q23: RM295.5 (17.9%)  
1Q22: RM250.6

## User Fee & PSC Share (RM mil)

1Q23: RM115.4 (98.6%)  
1Q22: RM58.1  
1Q23: RM81.5 (2.4x)  
1Q22: RM34.0

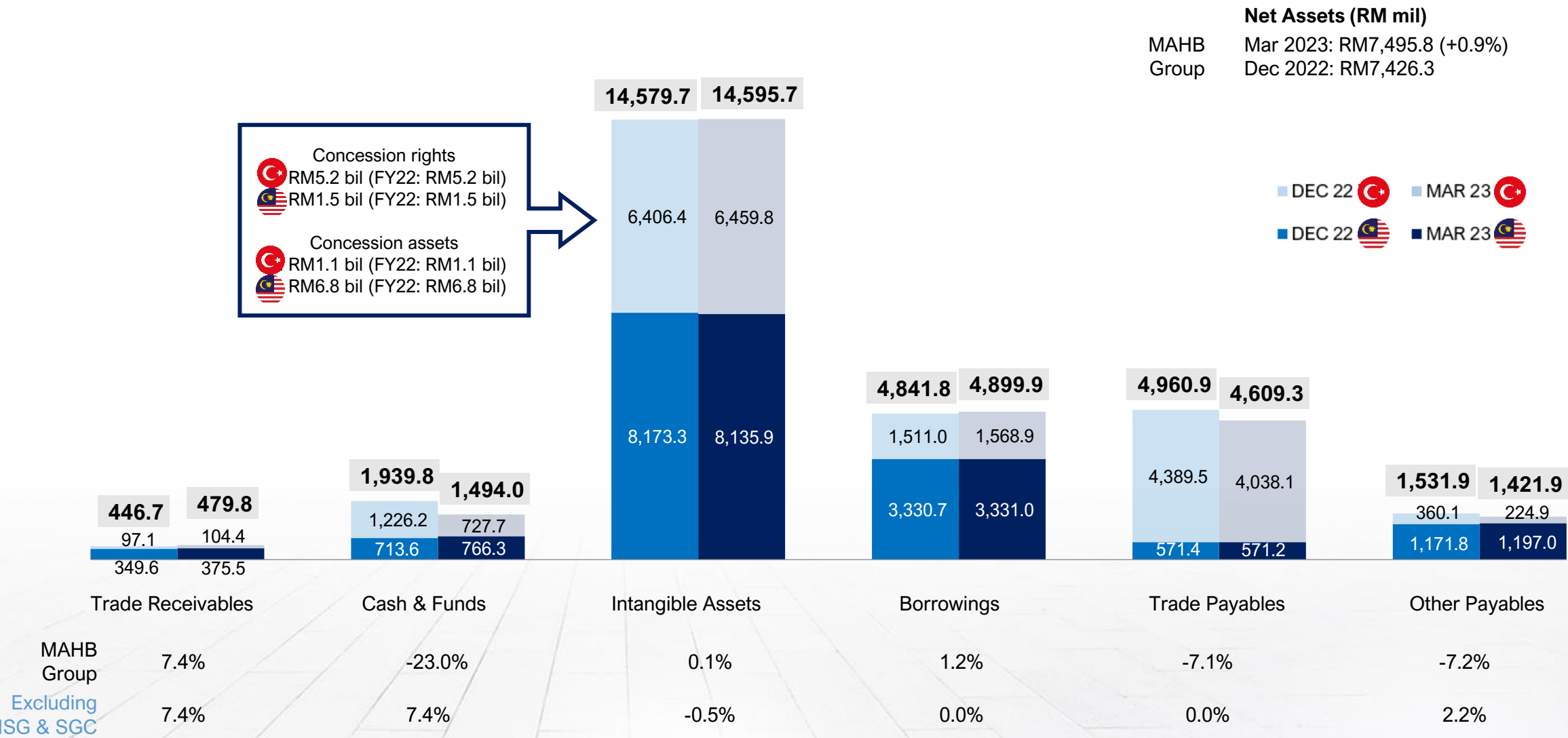


Higher average User Fee  
in tandem with Higher  
revenue  
User Fee average rate  
1Q23: 13.01%  
1Q22: 12.76%

MAHB  
Group  
Excluding  
ISG & SGC

	Direct Materials	Direct Labour	Direct Overheads	Staff Costs	Utilities & Comm	Maintenance	Net Allowance of PDD	Others	User Fee	PSC Share
MAHB Group	4.3x	24.4%	64.1%	10.9%	32.0%	25.3%	20.4%	2.0x	2.4x	-
Excluding ISG & SGC	4.3x	24.4%	64.1%	5.8%	27.1%	12.6%	>-100%	5.5%	-	40.3%

# Group Balance Sheet





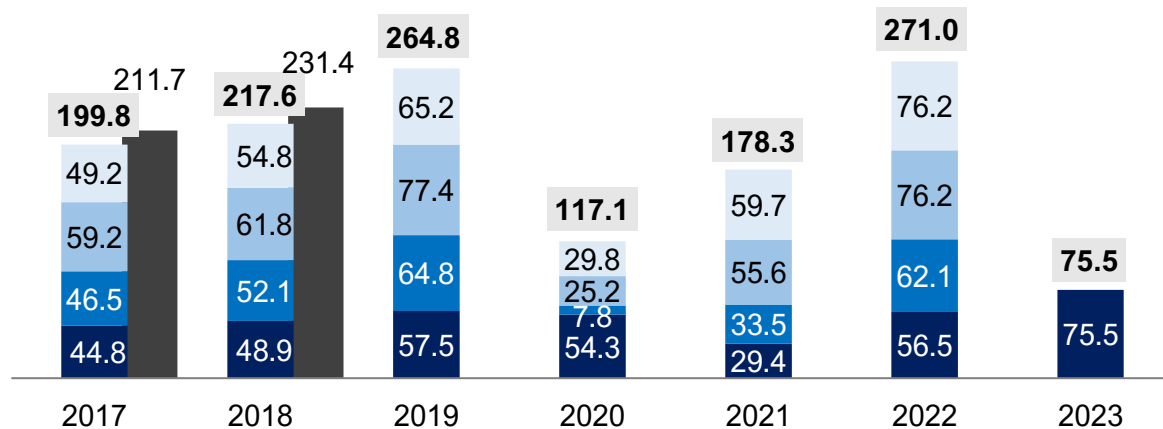
# Turkish Operations (TY) Financial Performance

# ISG Income Statement Summary

Revenue (EUR mil)

■ Revenue (with IC12) ■ Q1 ■ Q2 ■ Q3 ■ Q4

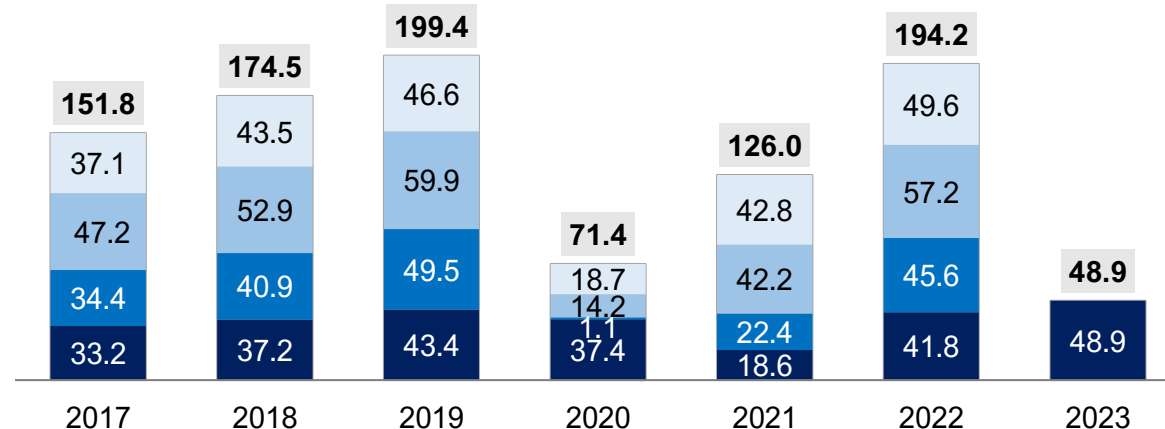
1Q23: EUR75.5 (33.6%)  
1Q22: EUR56.5



EBITDA (EUR mil)

■ EBITDA ■ Q1 ■ Q2 ■ Q3 ■ Q4

1Q23: EUR48.9 (16.9%)  
1Q22: EUR41.8



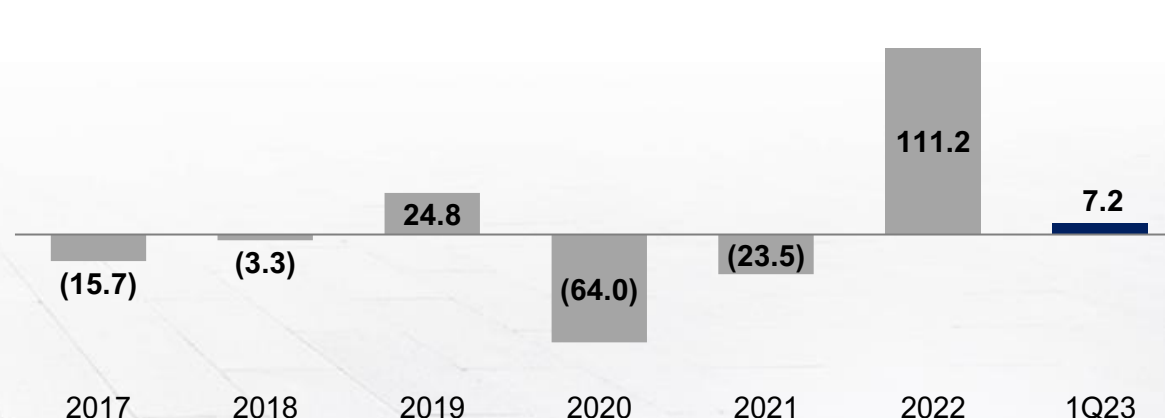
Profit Before Tax (EUR mil)

1Q23: EUR9.4 (>100%)  
1Q22: (EUR0.9)



Profit After Tax (EUR mil)

1Q23: EUR7.2 (>100%)  
1Q22: EUR0.3



\*In relation to IC interpretation 12: Service Concession Arrangement whereby ISG recognised the construction revenues and costs by reference to the stage of completion of Istanbul Sabiha Gökçen International Airport expansion works

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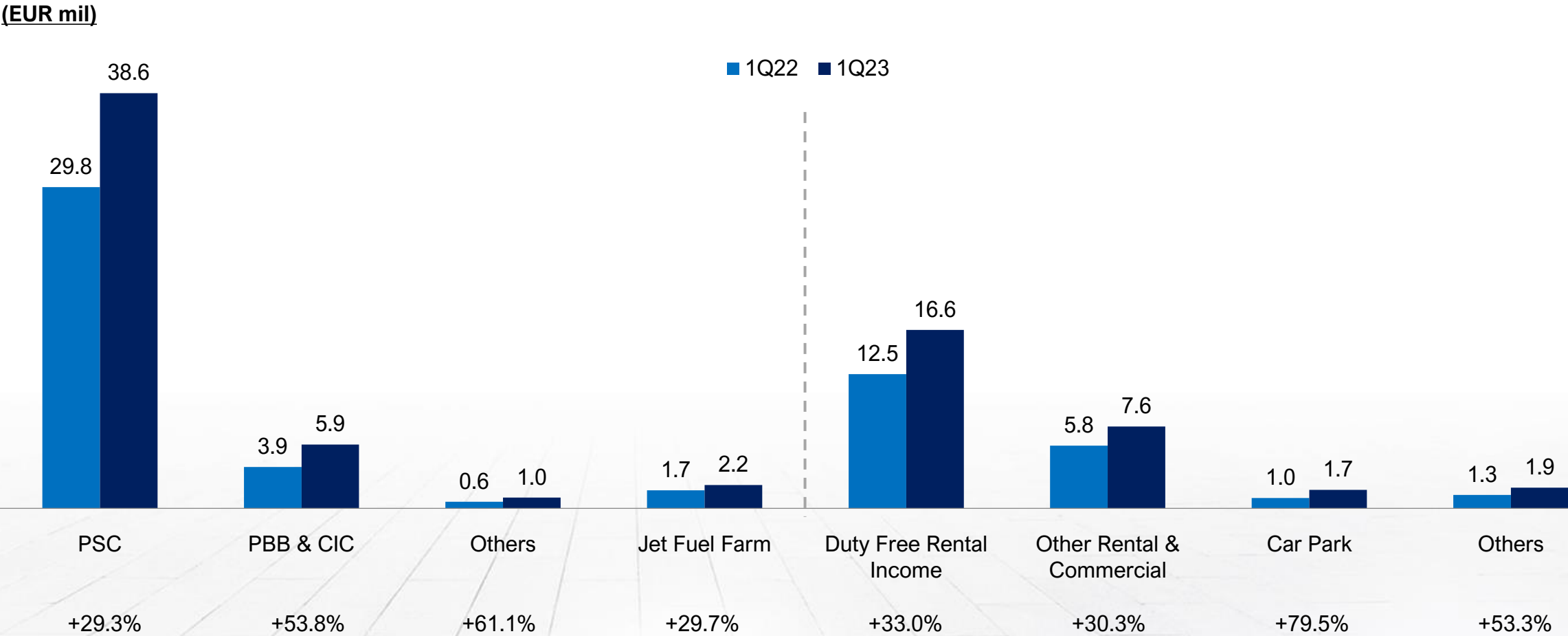
TY Financial Performance

Operating Statistics

# ISG Revenue

Aeronautical (EUR mil)  
 1Q23: EUR47.7 (+32.5%)  
 1Q22: EUR36.0

Non-Aeronautical (EUR mil)  
 1Q23: EUR27.8 (+35.7%)  
 1Q22: EUR20.5

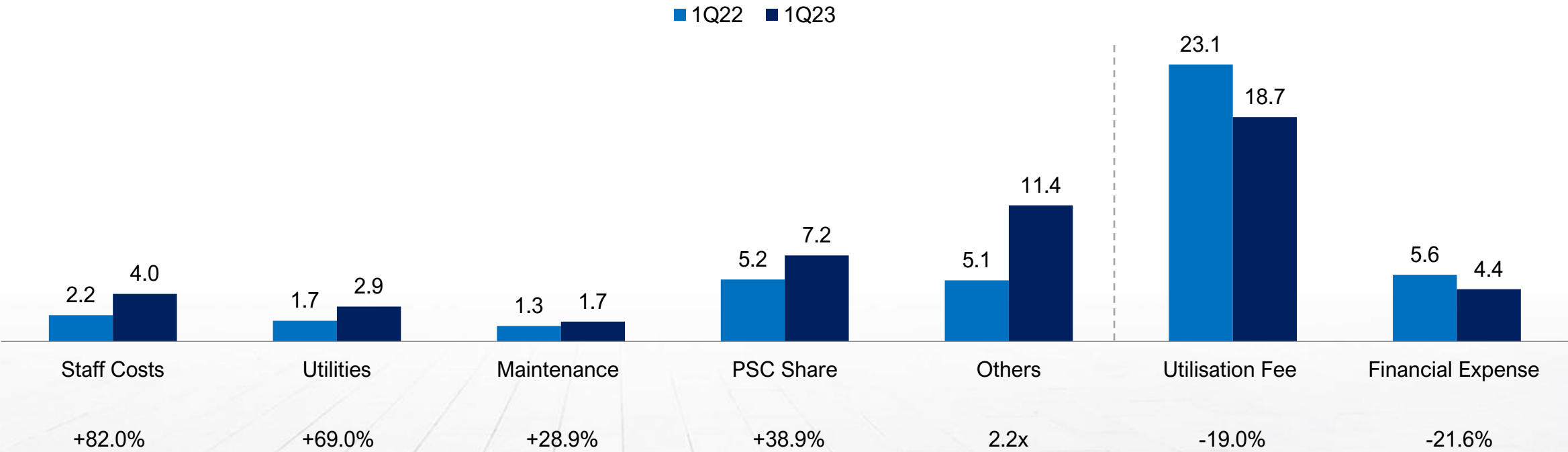


# ISG Cost

Operating Costs (EUR mil)  
1Q23: EUR27.0 (+75.2)  
1Q22: EUR15.4

Finance Cost (EUR mil)  
1Q23: EUR23.1 (-19.5%)  
1Q22: EUR28.6

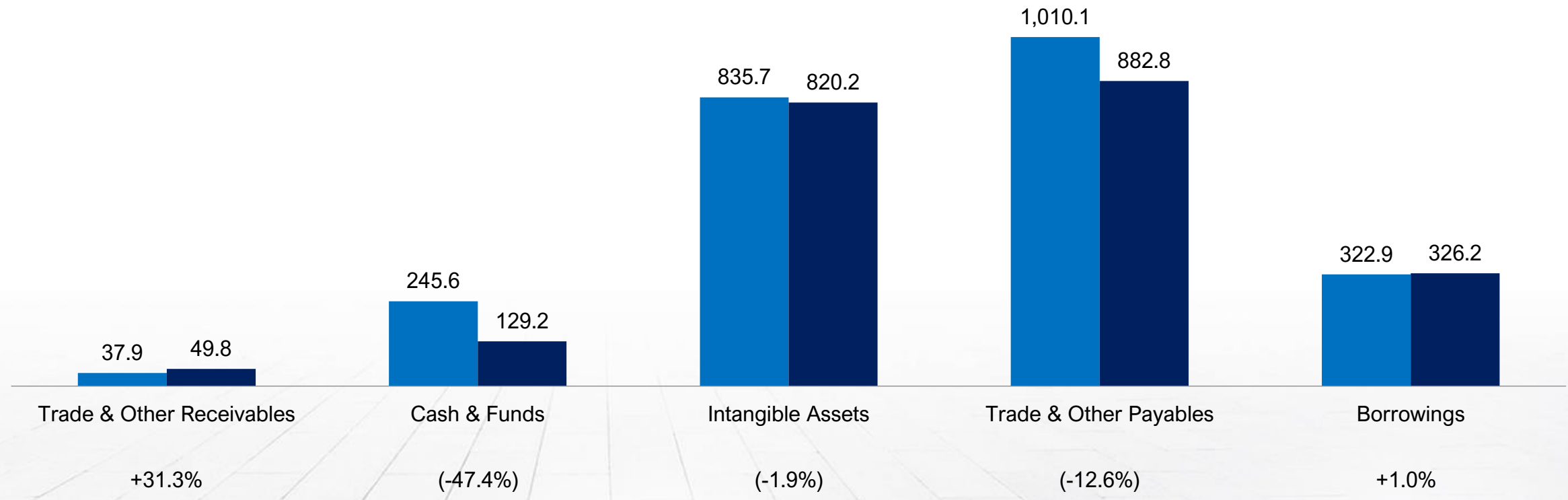
(EUR mil)



# ISG Balance Sheet

(EUR mil)

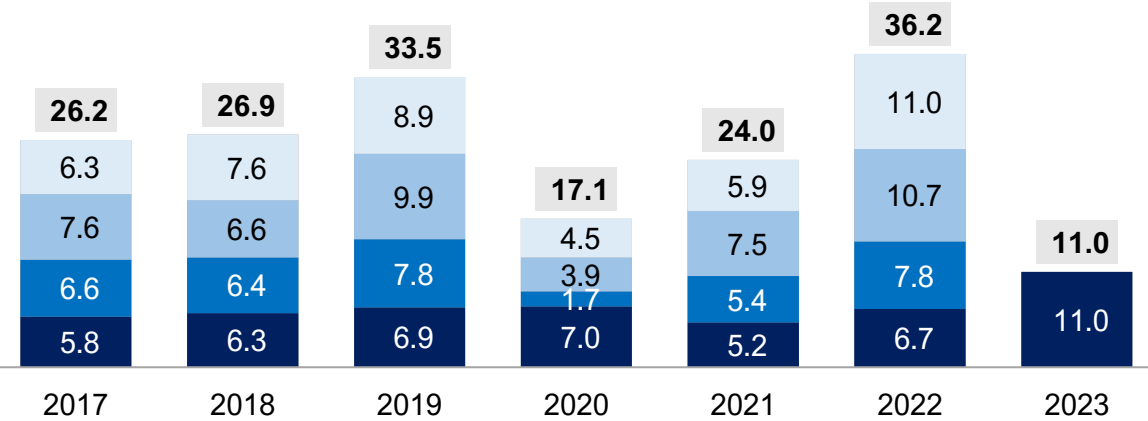
■ Dec-22 ■ Mar-23



# SGC\* Income Statement

Revenue (EUR mil)

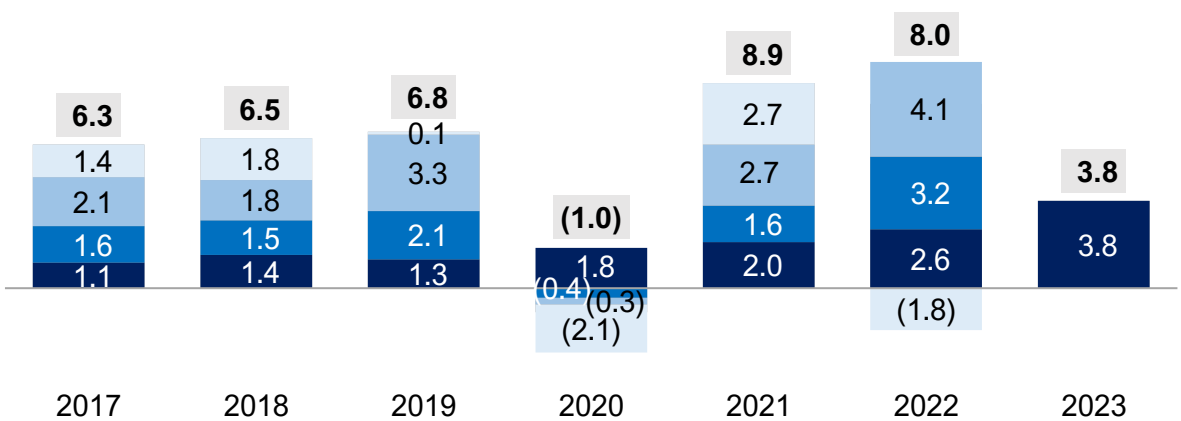
■ Q1 ■ Q2 ■ Q3 ■ Q4



1Q23: EUR11.0 (63.7%)  
1Q22: EUR6.7

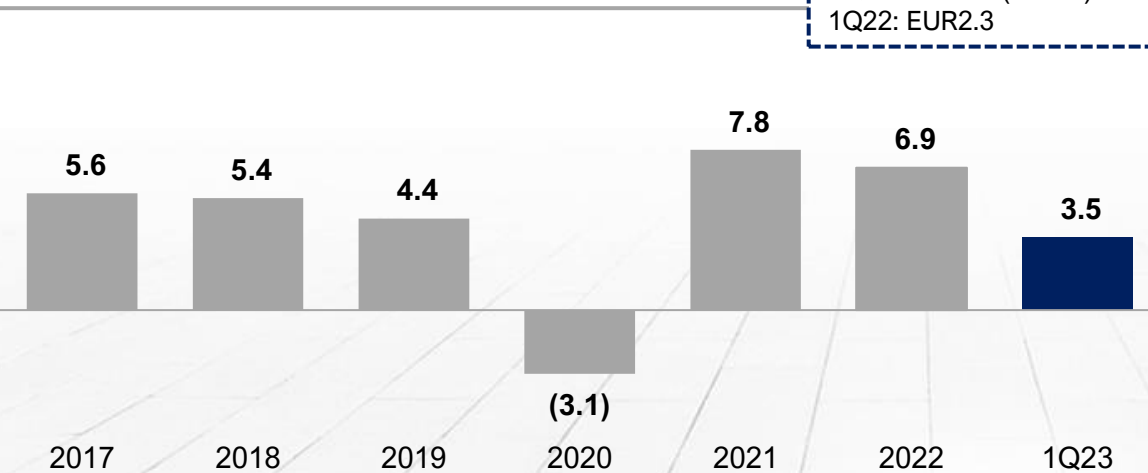
EBITDA (EUR mil)

■ Q1 ■ Q2 ■ Q3 ■ Q4



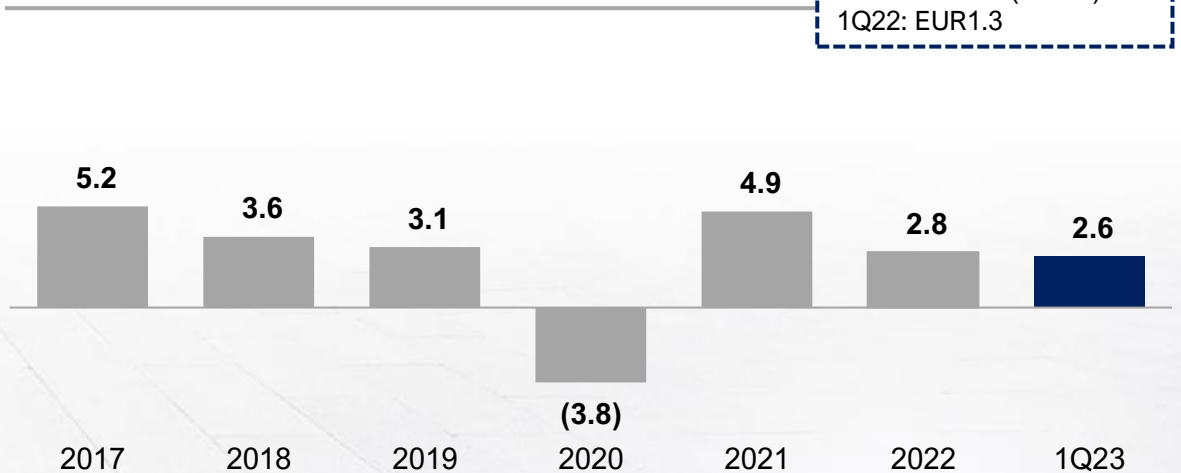
1Q23: EUR3.8 (47.9%)  
1Q22: EUR2.6

Profit Before Tax (EUR mil)



1Q23: EUR3.5 (54.0%)  
1Q22: EUR2.3

Profit After Tax (EUR mil)



1Q23: EUR2.6 (99.8%)  
1Q22: EUR1.3

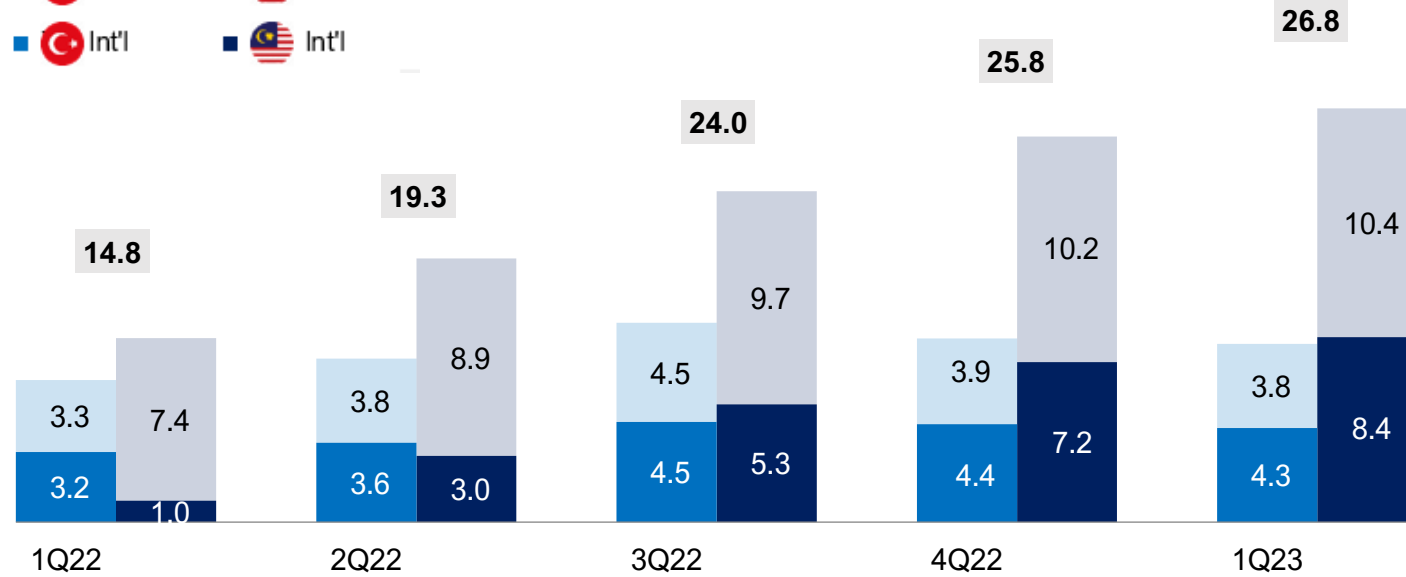
\*LGM Havalimani Isletmeleri Ticaret Ve Turizm A.S (LGM) has been renamed as SGC Havalimani Isletmeleri Ticaret Ve Turizm A.S (SGC)



# Operating Statistics

# Passenger Movements

## Pax mil



✦ MAHB's network of airports continued to show resilience with the 1Q23 passenger movements trailing closer to pre-pandemic levels, reaching 80.0% of 1Q19 levels

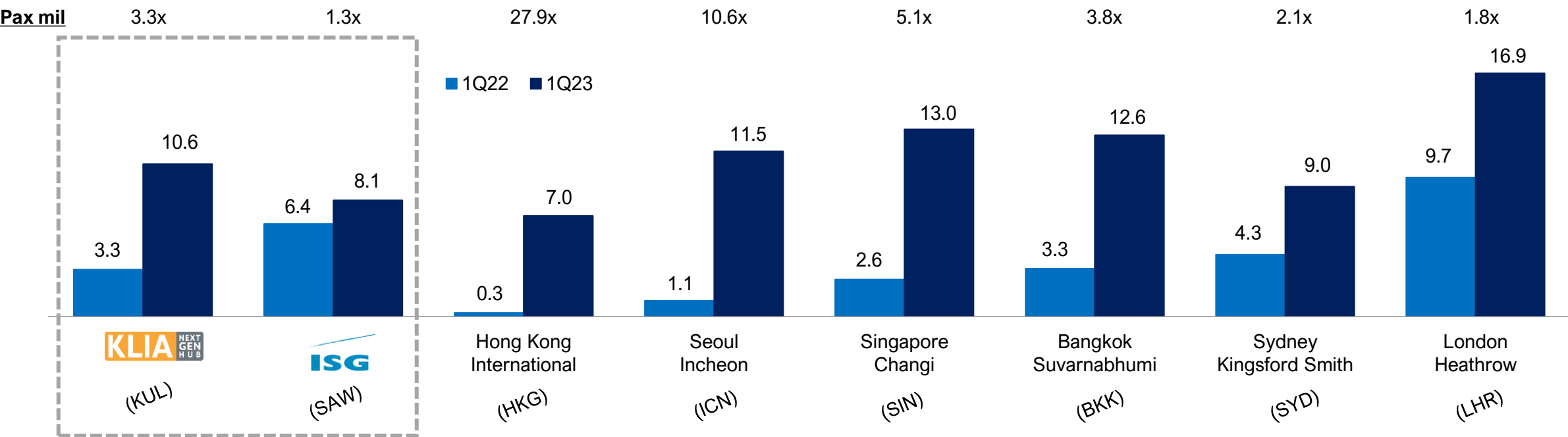
## Services from home-based carriers in 2023

Airline	Routing	Frequency	Effective
New Services			
Batik Air	KUL - Sapporo-Chitose	3x weekly	03-Jan
MYAirline	KUL - Sibul	2x daily	18-Jan
Batik Air	KUL - Osaka	4x weekly	20-Jan
MYAirline	KUL - Tawau	1x daily	21-Jan
Pegasus	SAW - Plovdiv	2x weekly	18-Feb
MYAirline	KUL - Miri	2x daily	01-Mar
Firefly	PEN - Singapore	2x daily	26-Mar
AirAsia	KUL - Kertajati	2x weekly	17-May
Recommendation			
AirAsia X	KUL - Osaka	3x weekly	20-Jan
Malaysia Airlines	KUL - Shanghai-Pudong	2x weekly	22-Feb

	Terminal 1			Terminal 2			KLIA (KUL)			MASB Airports			MY Airports			ISG (SAW)			MAHB Group		
	1Q23	1Q22	Var %	1Q23	1Q22	Var %	1Q23	1Q22	Var %	1Q23	1Q22	Var %	1Q23	1Q22	Var %	1Q23	1Q22	Var %	1Q23	1Q22	Var %
<b>International</b>	4.2	0.8	5.1x	2.9	0.1	23.5x	7.1	0.9	7.6x	1.3	0.0	46.9x	8.4	1.0	8.6x	4.3	3.2	34.4	12.6	4.1	3.1x
ASEAN	1.4	0.3	5.8x	2.1	0.1	17.9x	3.6	0.4	9.6x	1.0	0.0	39.4x	4.6	0.4	11.6x						
Non-ASEAN	2.7	0.6	4.8x	0.8	0.0	134.8x	3.6	0.6	6.2x	0.2	0.0	268.2x	3.8	0.6	6.6x						
<b>Domestic</b>	1.1	0.8	40.7	2.3	1.5	55.6	3.5	2.3	50.4	6.9	5.1	36.0	10.4	7.4	40.5	3.8	3.3	16.8	14.2	10.6	33.2
<b>Total</b>	5.3	1.6	3.3x	5.3	1.6	3.2x	10.6	3.3	3.3x	8.1	5.1	60.2	18.7	8.3	2.2x	8.1	6.4	25.4	26.8	14.8	81.4

\*MASB Airports refers to the 38 Malaysian airports other than KLIA/KUL operated by Malaysia Airports Sdn Bhd

# Comparison of Airport Peers

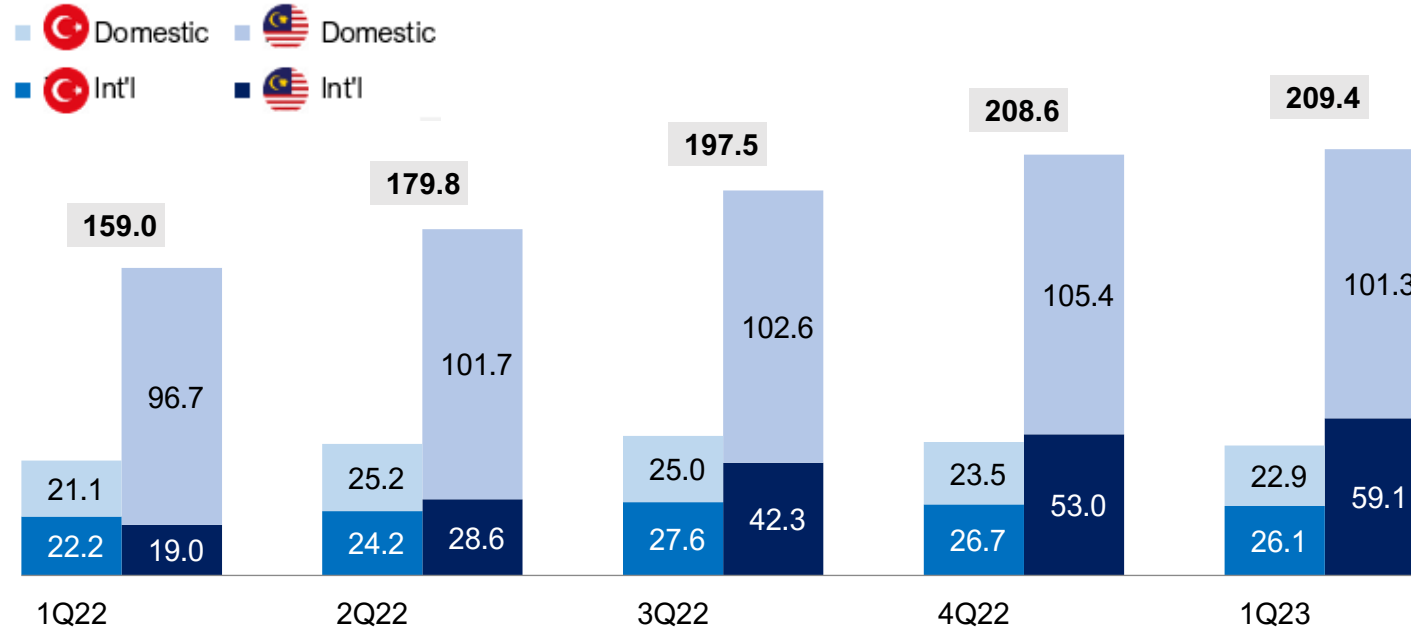


- Global passenger traffic exhibited strong growth in March, with industry-wide revenue passenger-kilometers (RPKs) increasing by 52.4% year-on-year (YoY) and reaching 88.0% of March 2019 levels.
- The reopening of China and easing of travel restrictions has accelerated the recovery of domestic and international traffic. The sustained recovery of domestic traffic in China continues to influence the traffic patterns for the wider Asia Pacific region’s airlines. Growing from a low base in 2022, domestic traffic for China’s airlines nearly tripled in March, rising 195.2% YoY and recovering to 96.7% of pre-pandemic levels.
- While carriers from all regions continued to grow their passenger traffic and seat capacity, the global recovery is now primarily being driven by airlines in the Asia Pacific region. This trend continued in March, pushing the region’s traffic even closer to pre-crisis levels.
- Overall passenger load factors in Asia Pacific for March showed improvement and reached 79.2% (2.5% below 2019 levels)

Source: IATA - Air Passenger Market Analysis March 2023, Another month of solid growth capping a robust first quarter (4 May 2023)

# Aircraft Movements (ATM)

## ATM '000



- ✦ 1Q23 Malaysia average load factor stood at 77.0% (58.9% in 1Q22) with March reaching the highest average load factor for the year at 81.1%
- ✦ 1Q23 ISG average load factor stood steadily at 80.7% (77.7% in 1Q22)

## Services from foreign-based carriers in 2023

Airline	Routing	Frequency	Effective
<b>New Airlines</b>			
TransNusa	Jakarta - KUL	2x daily	14-Apr
Wings Air	Pekanbaru - Melaka	Daily	15-May
<b>New Services</b>			
Xiamen Air	Chongqing - KUL	4x weekly	15-May
<b>Recommendation</b>			
Air Arabia	Sharjah - KUL	3x weekly	20-Mar
Ethiopian Air	Addis Ababa - KUL	4x weekly	25-Mar

ATM '000	Terminal 1			Terminal 2			KLIA (KUL)			MASB Airports*			MY Airports			ISG (SAW)			MAHB Group		
	1Q23	1Q22	Var %	1Q23	1Q22	Var %	1Q23	1Q22	Var %	1Q23	1Q22	Var %	1Q23	1Q22	Var %	1Q23	1Q22	Var %	1Q23	1Q22	Var %
International	28.3	13.1	2.2x	18.2	2.0	9.0x	46.5	15.2	3.1x	12.6	3.9	3.2x	59.1	19.0	3.1x	26.1	22.2	17.7	85.2	41.2	2.1x
Domestic	12.4	9.3	34.0	12.7	11.8	7.0	25.1	21.1	18.8	76.3	75.6	0.9	101.3	96.7	4.8	22.9	21.1	8.4	124.2	117.8	5.5
Total	40.7	22.4	81.6	30.9	13.9	2.2x	71.6	36.2	97.4	88.9	79.5	11.9	160.4	115.7	38.6	48.9	43.3	13.1	209.4	159.0	31.7

\*MASB Airports refers to the 38 Malaysian airports other than KLIA/KUL operated by Malaysia Airports Sdn Bhd

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