

Airports Company South Africa SOC Limited  
(Incorporated in the Republic of South Africa)  
(Registration number 1993/004149/30)  
Issuer Code: BIACSA

**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2023**

**PERFORMANCE HEADLINES:**

- Revenue up 55%, from R3.9 billion to R6.0 billion
- ACSA reports a loss of R143 million, down from R1 billion loss in previous financial year
- Gearing decreases to 24% from 26%

**KEMPTON PARK, Aviation Park, 12 September 2023** – Noteholders are hereby notified that Airports Company South Africa (ACSA) has today reported its audited financial results for the year to 31 March 2023, which reflect steady recovery and improvement as compared to the previous year, as COVID-19 related travel restrictions were progressively lifted in all major air travel markets.

Earnings before interest, tax, depreciation, and amortisation (EBITDA) amounted to R2.0 billion (2021/22: R342 million). Revenue was R6 billion for the 12-month period, up by 55% from the R3.9 billion reported in the previous financial year. The Group continued to tightly control expenses, which increased by 4% to R3.5 billion from the previous year's R3.3 billion.

The Recover and Sustain Strategy and the revised Financial Plan provided a structured management approach and a means of resourcing the business in a way that has enabled the Group to secure and safeguard its long-term sustainability.

Aeronautical revenue improved significantly by 64% to R3 billion (FY2021/22: R1.8 billion). This was due to a 20% increase in aircraft movements to 211 787 (2021/22: 176 817) and a 50% increase in the number of departing passengers to 15.8 million (2021/22: 10.5 million). The implementation of the 3.1% tariff increase approved by the Regulator also contributed to the increase in revenue.

Non-aeronautical revenue followed a similar trend, increasing by 46% to R3.1 billion (2021/22: R2.1 billion) and reflecting a significant improvement in trading conditions during the year. The bulk of this income was derived from property rentals (R982 million) and retail activities (R848 million).

Operating expenditure increased by 10% to R2.2 billion (2021/22: R2 billion). This was largely due to increases in the cost of maintenance and information systems, reflecting the full reopening of airports and supporting services. Utilities costs, in particular, increased due to higher consumption and higher energy prices.

Employee expenditure decreased by 6% to R1.2 billion (2021/22: R1.3 billion). This takes into account a mid-year cost-of-living adjustment of 6.5% and 7.5% for executive management and employees respectively as well as a once-off cost-of-living relief package amounting to R54 million, which was paid to all employees.

Capital expenditure was limited to airport maintenance and repairs during the financial year, with most uncontracted projects remaining on hold until funding. A total of R422 million (FY2021/22: R546 million) was spent on those projects in the current financial year.

#### **Restatement of the annual financial statements**

Noteholders are advised of the restatements to the 2021/22 and 2020/21 figures in the 2022/23 annual financial statements, as outlined in note G.15 of the annual financial statements.

#### **Deferred tax liability**

Non-allowance assets (airport assets and commercial buildings), which the South African Revenue Services (SARS) does not permit capital allowances on, in terms of Income Tax Act No.58 of 1962, were previously treated as bearing allowances in calculating deferred tax. This resulted in the deferred tax liability being understated, due to an over-stated tax base. The restatement has been effected on the balances as of 1 April 2022, which was the earliest practicable date at which the tax asset register could be recalculated.

#### **Income tax liability**

The income tax liability has been restated to align with the SARS statement of account. The error occurred in 2021, where the tax expense recognised in the financial statements did not agree to the final tax computation for tax return purposes.

The annual financial statements have been audited by the group's auditors, Auditor-General South Africa, who expressed an unqualified opinion thereon.

The annual financial statements, including the audit opinion and key audit matters, can be found on the group's website at <https://www.airports.co.za/business/investor-relations/financial-information>

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Debt Sponsor

The Standard Bank of South Africa Limited