

AEROPUERTOS ARGENTINA 2000 ANNOUNCES 2Q23 RESULTS

International traffic up 35% YoY. Domestic traffic up 33% on a YoY basis, 12% above 2019 levels.

Buenos Aires, August 10, 2023— **Aeropuertos Argentina 2000** (“AA2000” or the “Company”) the largest airport operator in Argentina, reported today its unaudited, consolidated results for the three-month and six-months periods ended in June 30th, 2023. Financial results are expressed in millions of Argentine pesos and are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (“IASB”).

Starting 3Q18, the Company began reporting results IFRS rule IAS 29. See section “Hyperinflation Accounting” on page 7.

Second Quarter 2023 Highlights

- Consolidated revenues were AR\$ 49,693 million in 2Q23, up 17% YoY. In dollar terms, revenues were up 27% vs 2Q22, mainly as a result of a 29% increase in Aeronautical Revenues driven by a recovery in international passenger traffic.
- Key operating metrics improved compared to 2Q22:
 - Passenger traffic increased 33% to 9.9 million YoY.
 - Aircraft movements reached 108.5 thousand, representing an increase of 22% YoY.
 - Cargo volume remained stable YoY to 47 thousand tons.
- Operating gain in 2Q23 was AR\$ 16,597 million compared to AR\$ 14,065 million reported in 2Q22 an 18% increase YoY.
- Adjusted EBITDA reached AR\$ 22,640 million in 2Q23, up 12% from AR\$ 20,177 million reported in 2Q22. In dollar terms 2Q23 Adjusted EBITDA was above 2Q22 by 20% due to the solid recovery in passenger volume. Adjusted EBITDA margin was 44.7% in 2Q23, down 256 bps YoY as 2Q22 benefited from a bad debt recovery from the national carrier.
- On April 14th, 2023, the New Terminal Building for departing passengers was inaugurated at Ezeiza Airport. National and Provincial authorities graced the opening ceremony along with Company Officers and other members of the airport community.

Subsequent Events

In July 2023 AA2000 issued \$ 25.0 million Class X dollar-linked note in the local market, with a 24-month maturity at a 0% interest rate. Class X notes were subscribed with Class III notes. Moreover, the Company issued additional Class IX notes for a total of \$ 2.7 nominal million.

Main Financial Highlights

(In millions of US\$)

	2Q23	2Q22	Var 23' vs 22'
Revenues	197.7	155.9	26.8%
Total Costs	-112.5	-86.9	29.4%
EBITDA	88.5	73.7	20.0%
EBITDA Margin	44.7%	47.3%	(256 bps)
Total Debt	770.2	747.4	3.0%
Cash & Cash Equivalents	169.6	158.9	6.7%

Operating & Financial Highlights

(In millions of ARS, unless otherwise noted)

	2Q23	2Q22	% Var as reported	6M23	6M22	% Var as reported
Passenger Traffic (Million Passengers)	9.9	7.4	33%	19.8	14.3	39%
Revenue	49,693	42,589	17%	100,229	81,064	24%
Aeronautical Revenue	25,854	21,809	19%	54,779	39,955	37%
Commercial Revenue	23,839	20,780	15%	45,450	41,108	11%
Operating Income	16,597	14,065	18%	34,369	25,603	34%
Operating margin	33.4%	33.0%	38 bps	34.3%	31.6%	271 bps
Adjusted EBITDA	22,640	20,177	12%	46,085	37,845	22%
Adjusted EBITDA Margin	45.6%	47.4%	(182 bps)	46.0%	46.7%	(71 bps)

Second Quarter 2023 Operating Performance

Passenger Traffic

Passenger Traffic increased 33% YoY achieving solid consolidated levels, reflecting the continued recovery in international passengers and solid growth in domestic travel.

International passenger traffic is well on its way to returning to pre-pandemic levels, during 2Q23 it was up 35% compared to the same period in 2022, and reaching 82% compared to 2019. **Domestic traffic** increased 33% YoY, up 12% compared to pre-pandemic levels.

Domestic passenger traffic accounted for 71% of total traffic, while International passenger traffic represented 26%. Remaining 3% are transit passengers.

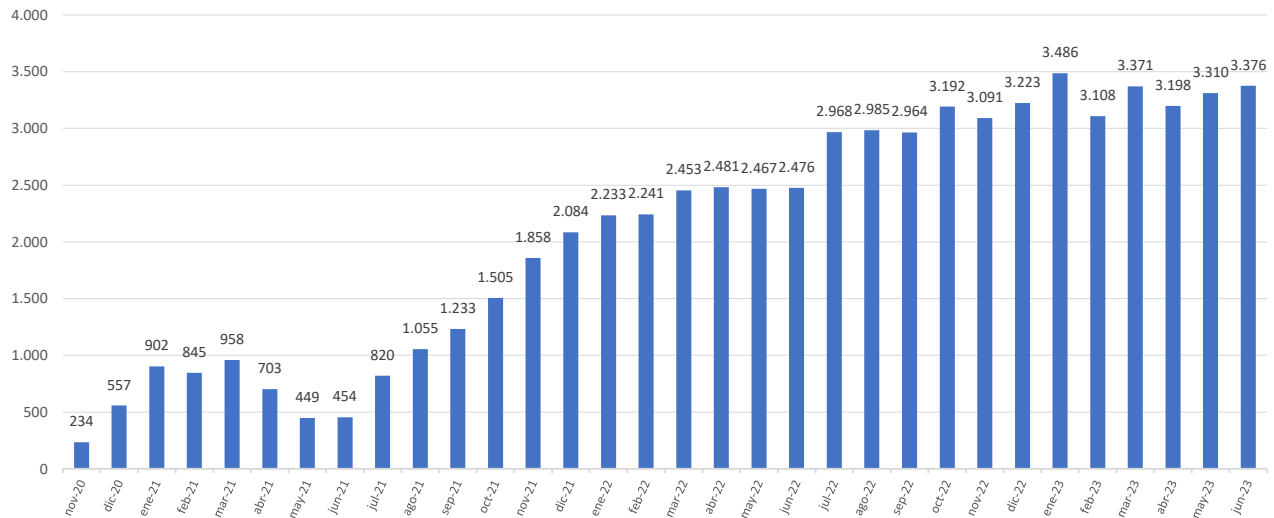
Cargo Volume & Aircraft Movements

Cargo volume remained stable at 47 thousand tons compared to the same period of 2022, while **Aircraft Movements** reached 108.5 thousand representing a 22% YoY increase.

Operational Statistics: Passenger Traffic, Cargo Volume and Aircraft Movements

	2Q23	2Q22	% Var 23' vs 22'	6M23	6M22	% Var 23' vs 22'
Domestic Passengers (in millions)	7.0	5.2	33%	13.6	10.3	33%
International Passengers (in millions)	2.6	1.9	35%	5.6	3.6	57%
Transit Passengers (in millions)	0.3	0.2	27%	0.6	0.5	41%
Total Passengers (in millions)	9.9	7.4	33%	19.8	14.3	39%
Cargo Volume (in thousands of tons)	47.0	47.1	0%	90.5	90.2	0%
Total Aircraft Movements (in thousands)	108.5	89.1	22%	215.0	168.7	27%

Total Passenger Traffic Evolution (thousand passengers)



Review of Consolidated Results

Revenues

Revenues increased 17% YoY to AR\$ 49,693 million from AR\$ 42,589 million in 2Q22. In dollar terms, however, revenues were up 27% vs 2Q22, mainly as a result of a 29% increase in Aeronautical Revenues driven by a recovery in international passenger traffic and a 25% increase in Commercial Revenues due to higher overall activity.

Revenue Breakdown

(In AR\$ millions)

	2Q23	2Q22	% Var as reported	6M23	6M22	% Var as reported
Aeronautical Revenue	25,854	21,809	19%	54,779	39,955	37%
Commercial revenue	23,839	20,780	15%	45,450	41,108	11%
Total Revenues	49,693	42,589	17%	100,229	81,064	24%

Aeronautical Revenues were AR\$ 25,854 million and rose 19% compared to 2Q22, maintaining a strong YoY increase due to the continued recovery in international operations, as well as continued growth in domestic traffic, supported by government measures to foster travel in the country.

Commercial Revenues were AR\$ 23,839 million, an increase of 15% against 2Q22 mainly driven by:

- A 59% increase in revenues from the Duty Free shops in relation with higher sales volumes and an increase in the average ticket, and
- A 6% increase in Warehouse use fees driven by the extended period of cargo storage within the warehouse facility, and
- Higher revenues from passenger-related services, including F&B revenues, Parking, VIP Lounge and Catering due to higher passenger traffic.
- This was partially offset by lower Rental of space revenues, as 2Q22 benefitted by the recognition of revenues from the national carrier, following the collection of outstanding amounts.

Operating Costs and Expenses

Total Costs and Expenses increased 16% YoY to AR\$ 35,323 million. In dollar terms, total costs were up 29% vs 2Q22 mainly due to higher concession fees reflecting the increase in revenues in the quarter.

Costs and Expenses

(In AR\$ millions)

	2Q23	2Q22	% Var as reported	6M23	6M22	% Var as reported
Cost of Services	-29,110	-27,392	6%	-58,034	-51,654	12%
Salaries and social security contributions	8,021	8,033	0%	16,369	13,965	17%
Concession fees	7,320	6,297	16%	14,793	12,002	23%
Maintenance expenses	5,943	5,046	18%	11,212	9,834	14%
Amortization and depreciation	5,902	6,021	-2%	11,404	11,997	-5%
Other	13,373	8,714	53%	23,229	13,766	69%
SG&A expenses	-5,099	-2,135	139%	-10,066	-5,663	78%
Other op. expenses, net	-1,114	-1,003	11%	-2,240	-1,857	21%
Total Costs and Expenses	-35,323	-30,530	16%	-70,340	-59,175	19%

Cost of Services increased 6% compared to 2Q22, or AR\$ 1,719 million, reflecting the following increases:

- 16% or AR\$ 1,023 million in Concession Fees in line with higher revenues measured in Argentine Pesos, and
- 18% or AR\$ 896 million in maintenance expenses mainly impacted by higher activity.

Selling, General and Administrative Expenses ("SG&A") was up 139% or AR\$ 2,963 million YoY, reflecting more difficult comparisons as 2Q22 benefited from a recovery of bad debt related to collections from the national carrier.

Adjusted EBITDA

Adjusted EBITDA increased AR\$ 2,464 million, reaching AR\$ 22,640 million in the quarter, with Adjusted EBITDA margin of 45.6% in 2Q23. In dollar terms 2Q23 Adjusted EBITDA was above 2Q22 by 20% due to the solid recovery in passenger volume.

Adjusted EBITDA Reconciliation to Income from Continuing Operations

(In AR\$ millions)

	2Q23	2Q22	% Var as reported	6M23	6M22	% Var as reported
Income / (Loss) from Continuing Operations	18,500	27,358	-32%	28,245	43,907	-36%
Financial Income	-1,107	-4,483	-75%	-1,698	-5,093	-67%
Financial Loss	-2,012	-2,434	-17%	-3,197	-4,204	-24%
Inflation adjustment	2,779	-1,027	-371%	3,724	-4,512	-183%
Income Tax Expense	-1,550	-5,340	-71%	7,314	-4,477	-263%
Amortization and Depreciation	5,937	6,066	-2%	11,471	12,074	-5%
Others	107	52	107%	226	149	52%
Construction Service income/loss	-12	-14	-13%	-19	-25	-21%
Adjusted EBITDA	22,640	20,177	12%	46,085	37,845	22%
Adjusted EBITDA Margin	45.6%	47.4%	(182 bps)	46.0%	46.7%	(71 bps)

See "Use of Non-IFRS Financial Measures" on page 6.

Financial Income and Loss

Net Financial Income was AR\$ 340 million in 2Q23, mainly because of the combination of the inflation rate and depreciation effects over assets and debt held in US dollars.

Financial Income / Loss

(In AR\$ millions)

	2Q23	2Q22	% Var as reported	2023	2022	% Var as reported
Financial Income	1,107	4,483	-75%	1,698	5,093	-67%
Interest income	2,823	3,645	-23%	4,849	6,194	-22%
Foreign exchange loss	-1,716	839	-305%	-3,151	-1,102	186%
Inflation adjustment	-2,779	1,027	-371%	-3,724	4,512	-183%
Financial Loss	2,012	2,434	-17%	3,197	4,204	-24%
Interest Expenses	-3,191	-9,486	-66%	-7,076	-20,166	-65%
Foreign exchange transaction expenses	5,203	11,920	-56%	10,273	24,370	-58%
Financial Income/Loss, Net	340	7,944	-96%	1,172	13,808	-92%

Income Tax Expense

During 2Q23, the Company reported an **Income tax benefit** of AR\$ 1,550 million, compared to a benefit of AR\$ 5,339 million in 2Q22. The tax gain recorded in the 2Q22 follows the incorporation of an inflation adjustment, determined according to the income tax law, into the taxable net result of the period.

Net Income

AA2000 reported a **Net Income** of AR\$ 18,500 million compared to a Net Income of AR\$ 27,358 million in 2Q22, mainly impacted by higher inflation adjustment, together with a lower income tax benefit in 2Q23.

Consolidated Financial Position

As of June 30th, 2023, Cash and cash equivalents amounted to AR\$ 39,402 million, down from AR\$ 41,517 as of March 31st, 2023. Total liquidity position, which includes Cash and cash equivalents as well as other financial assets, amounted to AR\$ 43,782 at quarter-end.

In July 2023 AA2000 issued \$ 25.0 million Class X dollar-linked note in the local market, with a 24-month maturity at a 0% interest rate. Class X notes were subscribed with Class III notes. Moreover, the Company issued additional Class IX notes for a total of \$ 2.7 nominal million.

The Net Debt to LTM EBITDA ratio stood at 2.07x as of June 30th, 2023, down from 2.12x as of March 31st, 2023, mainly reflecting higher LTM EBITDA and lower outstanding total debt. As of June 30th, 2023, AA2000 was in compliance with all its financial covenants.

Consolidated Debt Indicators

(In AR\$ millions)

	As of Jun 30 th , 2023	As of Mar 31 st , 2023
Leverage		
Gross Leverage ⁽¹⁾	2.07x	2.12x
Net Leverage ⁽²⁾	1.61x	1.65x
Total Debt	178.923	185.309
Short-Term Debt	16.498	17.747
Long-Term Debt	162.425	167.562
Cash & Cash Equivalents	39.402	41.517
Total Net Debt⁽³⁾	139.521	143.792

1 The Total Debt to EBITDA Ratio is calculated as AA2000's interest-bearing liabilities divided by its EBITDA.

2 The Total Net Debt to EBITDA Ratio is calculated as AA2000's interest-bearing liabilities minus Cash & Cash Equivalents, divided by its EBITDA.

3 The Total Net Debt is calculated as Total Debt minus Cash & Cash Equivalents.

Foreign Exchange Rate

Country	2Q23	2Q22	2Q23	2Q22	1Q23	1Q22	1Q23	1Q22
	Avg	Avg	EoP	EoP	Avg	Avg	EoP	EoP
Argentinean Peso	231.77	117.88	256.70	125.23	192.35	106.54	209.01	111.01

Amounts provided by units of local currency per US dollar

CAPEX

During 2Q23 AA2000 made capital expenditures for a total of AR\$ 11,461 million. The most significant investments include completion of the new departure terminal building at Ezeiza Airport, construction works in San Juan and Santa Rosa Airport, repavement of the aircraft runway in Resistencia Airport and modernization works in Reconquista Airport.

Hyperinflation Accounting

Following the categorization of Argentina as a country with a three-year cumulative inflation rate greater than 100%, the country is considered highly inflationary in accordance with IFRS. Consequently, starting July 1, 2018, the Company reports results applying IFRS rule IAS 29. IAS 29 requires that results of operations in hyperinflationary economies are reported as if these economies were highly inflationary as of January 1, 2018, and thus year-to-date results should be restated adjusting for the change in general purchasing power of the local currency, using official indices, before converting the local amounts at the closing rate of the period (i.e. December 31, 2020 closing rate for 2020 results).

Use of Non-IFRS Financial Measures

This announcement includes certain references to Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBITDA excluding Construction Service and Adjusted EBITDA Margin excluding Construction service, as well as Net Debt:

Adjusted EBITDA is defined as income for the period before financial income, financial loss, income tax expense, depreciation and amortization.

Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by total revenues.

Adjusted EBITDA excluding Construction Service (“Adjusted EBITDA ex-IFRIC”) is defined as income for the period before construction services revenue and cost, financial income, financial loss, income tax expense, depreciation and amortization.

Adjusted EBITDA Margin excluding Construction Service (“Adjusted EBITDA Margin ex-IFRIC12”) excludes the effect of IFRIC 12 with respect to the construction or improvements to assets under the concession and is calculated by dividing Adjusted EBITDA excluding Construction Service revenue and cost, by total revenues less Construction service revenue.

Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBITDA excluding Construction Service and Adjusted EBITDA Margin excluding Construction Service are not measures recognized under IFRS and should not be considered as an alternative to, or more meaningful than, consolidated net income for the year as determined in accordance with IFRS or as indicators of our operating performance from continuing operations. Accordingly, readers are cautioned not to place undue reliance on this information and should note that these measures as calculated by the Company, may differ materially from similarly titled measures reported by other companies.

Net debt is calculated by deducting “Cash and cash equivalents” from total financial debt.

About Aeropuertos Argentina 2000

Aeropuertos Argentina 2000 was founded in 1998 in order to develop and operate the airports throughout the Argentine territory, becoming one of the largest private sector airport operators in the world, with 35 airports under management. Today, more than 2,600 employees work in AA2000, working with the purpose of ensuring the best quality of service and complying with the highest international standards of quality, safety and comfort. In 2019, AA2000 served 41.8 million passengers. Over the last 25 years, AA2000 developed and modernized infrastructure in the main airports in the country, incorporating cutting-edge technology in relation with safety and services. It also contributes to the social, economic and cultural development of the country, thus becoming a regional and international example in the aviation industry. AA2000’s mission is to enable the connection of people, goods and cultures, to contribute to a better world. For more information, visit www.aa2000.com.ar.

Forward Looking Statements

Statements relating to our future plans, projections, events or prospects are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “believes,” “continue,” “could,” “potential,” “remain,” “will,” “would” or similar expressions and the negatives of those terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements, including, but not limited to: the COVID-19 impact, delays or unexpected casualties related to construction under our investment plan and master plans, our ability to generate or obtain the requisite capital to fully develop and operate our airports, general economic, political, demographic and business conditions in the country, decreases in passenger traffic, changes in the fees we may charge under the concession



agreement, inflation, depreciation and devaluation of the Argentine Peso against the U.S. dollar, the early termination, revocation or failure to renew or extend our concession agreement, the right of the Argentine Government to buy out the AA2000 Concession Agreement, changes in our investment commitments or our ability to meet our obligations thereunder, existing and future governmental regulations, natural disaster-related losses which may not be fully insurable, terrorism in the international markets we serve, epidemics, pandemics and other public health crises and changes in interest rates or foreign exchange rates.

Investor Relations Contact

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Appendix

Income Statement (in AR\$ millions)

	Three months at		Six months at	
	As of Jun 30 th , 2023	As of Jun 30 th , 2022	As of Jun 30 th , 2023	As of Jun 30 th , 2022
Continuous Operations				
Sales income	49,693	42,589	100,229	81,063
Construction income	11,461	6,734	18,992	9,935
Cost of service	-29,110	-27,392	-58,034	-51,654
Construction costs	-11,449	-6,720	-18,972	-9,910
Income for gross profit for the period	20,595	15,211	42,215	29,434
Distribution and selling expenses	-2,953	-233	-5,916	-2,444
Administrative expenses	-2,146	-1,902	-4,150	-3,219
Other income and expenses, net	1,114	1,004	2,240	1,857
Operating profit for the period	16,610	14,080	34,389	25,628
Finance Income	1,107	4,484	1,698	5,092
Finance Costs	2,012	2,434	3,197	4,204
Result from exposure to changes in the purchasing power of the currency	-2,779	1,025	-3,724	4,511
Result of investments accounted for by the equity method	-	-5	-1	-5
Income before income tax	16,950	22,018	35,559	39,430
Income tax	1,550	5,340	-7,314	4,477
Income for the period for continuous operations	18,500	27,358	28,245	43,907
Net Income for the period	18,500	27,358	28,245	43,907
Other comprehensive income	-	-	-	-
Comprehensive Income for the period	18,500	27,358	28,245	43,907
Income attributable to:				
Shareholders	18,516	27,358	28,273	43,907
Non –Controlling Interest	(16)	-	(28)	-
Income per share basic and diluted attributable to shareholders of the Company during the year (shown in \$ per share) from continuous operations	71,5619	105,8266	109,2589	169,8416

Balance Sheet (in AR\$ millions)

	As of Jun 30 th , 2023	As of Jun 30 th , 2022
Assets		
Non- Current Assets		
Investments accounted for by the equity method	2	2
Property, plant and equipment	342	270
Intangible Assets	423,236	415,223
Rights of use	308	770
Other receivables	12,064	14,810
Total Non-Current Assets	435,952	431,075
Current Assets		
Other receivables	2,088	3,419
Trade receivables, net	14,390	14,409
Other assets	29	152
Investments	4,380	1
Cash and cash equivalents	39,402	39,077
Total Current Assets	60,289	57,058
Total Assets	496,241	488,133
Shareholders' Equity and Liabilities		
Equity attributable to Shareholders		
Common shares	259	259
Share Premium	137	137
Capital adjustment	30,719	30,719
Legal, Facultative Reserves and others	181,812	153,606
Retained earnings	28,273	28,137
Subtotal	241,200	212,858
Non-Controlling Interest	(77)	(49)
Total Shareholders' Equity	241,123	212,809
Liabilities		
Non-Current Liabilities		
Provisions and other charges	3,039	3,469
Financial debts	162,396	175,894
Deferred income tax liabilities	42,838	35,524
Lease liabilities	29	-
Accounts payable and others	321	360
Total Non- Current Liabilities	208,623	215,247
Current Liabilities		
Provisions and other charges	6,135	9,333
Financial debts	16,247	18,454
Income tax, net of prepayments	-	10
Lease liabilities	251	594
Accounts payable and others	19,893	24,243
Fee payable to the Argentine National Government	3,969	7,443
Total Current Liabilities	46,495	60,077
Total Liabilities	255,118	275,324
Total Shareholder's Equity and Liabilities	496,241	488,133

Cash Flow (in AR\$ millions)

	As of Jun 30 th , 2023	As of Jun 30 th , 2022
Cash Flows from operating activities		
Net income for the period	28,245	43,907
Adjustment for:		
Income tax	7,314	(4,477)
Amortization of intangible assets	10,979	11,600
Depreciation of property , plant and equipment	31	13
Depreciation right of use	462	462
Bad debts provision	431	(2,281)
Specific allocation of accrued and unpaid income	2,461	2,203
Result from investments accounted for using the equity method	1	5
Compensation plan	69	8
Accrued and unpaid financial debts interest costs	5,891	8,655
Accrued deferred revenues and additional consideration	(1,496)	(1,348)
Accrued and unpaid Exchange differences	(7,410)	(11,428)
Litigations provision	141	124
Inflation Adjustment	(6,149)	(17,378)
Changes in operating assets and liabilities:		
Changes in trade receivables	(5,378)	(9,515)
Changes in other receivables	(941)	(1,352)
Changes in other assets	122	-
Changes in accounts payable and others	4,093	292
Changes in provisions and other charges	(4,219)	183
Changes in specific allocation of income to be paid to the Argentine National State	(3,853)	(2,474)
Increase of intangible assets	(18,992)	(9,935)
Income tax payment	(2)	(19)
Net cash Flow generated by operating activities	11,800	7,245
Cash Flow for investing activities		
Acquisition of investments	(4,327)	(27,199)
Collection of investments	1	15,485
Fixed assets acquisitions	(28)	-
Net Cash Flow applied to investing activities	(4,354)	(11,714)
Cash Flow from financing activities		
New Financial debts	1,984	60,779
Payment of leases	(388)	(401)
Financial debts paid- principal	(7,215)	(25,667)
Financial debts paid- interests	(6,831)	(9,268)
Payment of debt to the national State	-	(26,782)
Net Cash Flow applied to financing activities	(12,450)	(1,339)
Net decrease in cash and cash equivalents	(5,004)	(5,808)
Changes in cash and cash equivalents		
Cash and cash equivalents at the beginning of the period	39,077	48,391
Net decrease in cash and cash equivalents	(5,004)	(5,808)
Inflation adjustment generated by cash and cash equivalents	7,422	5,189
Foreign Exchange differences by cash and cash equivalents	(2,093)	(4,322)
Cash and cash equivalents at the end of the period	39,402	43,450
Transactions that do not involve movement of cash and cash equivalents:		
Redemption of preferred shares	-	21,063
Acquisition of PP&E through financial lease liabilities	75	-