



AIRASIA X BERHAD

(Company No. 200601014410)

(Incorporated in Malaysia with limited liability under the Companies Act, 2016)

THIRD QUARTER REPORT ENDED 30 SEPTEMBER 2024

ANNOUNCEMENT

The Board of Directors of AirAsia X Berhad (“AirAsia X” or “the Company”) is pleased to announce the following unaudited consolidated results of AirAsia X and its subsidiaries (collectively known as “the Group”) for the third quarter ended 30 September 2024.

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended	Quarter ended	Period Ended	Period Ended
		30/09/2024	30/09/2023	30/09/2024	30/09/2023
		RM'000	RM'000	RM'000	RM'000
Revenue	10	795,027	648,356	2,373,085	1,710,111
Operating Expenses					
- Staff costs	11	(68,140)	(50,329)	(196,939)	(139,664)
- Aircraft fuel expenses		(380,860)	(358,926)	(1,140,704)	(832,608)
- Maintenance and overhaul		(155,756)	(101,897)	(402,589)	(281,153)
- User charges		(80,585)	(48,931)	(218,733)	(155,489)
- Aircraft lease expenses		(3,871)	(20,570)	(26,033)	(48,689)
- Other operating expenses		(33,340)	64,127	(61,041)	338,882
Other income		3,710	310	14,562	1,602
EBITDA *		76,185	132,140	341,608	592,992
Depreciation		(2,086)	(2,086)	(5,641)	(8,014)
Depreciation on right of use asset					
- Operating aircraft		(44,952)	(35,759)	(134,232)	(93,145)
Finance income	12	2,135	812	6,665	9,618
Finance cost	12	(6,922)	(4,986)	(11,626)	(13,747)
Finance costs - lease liabilities					
- Operating aircraft		(21,386)	(20,191)	(67,450)	(51,739)
Net operating profit		2,974	69,930	129,324	435,965
Depreciation on right of use asset					
- Non-operating aircraft		(3,853)	(5,790)	(11,477)	(17,772)
Finance costs - lease liabilities					
- Non-operating aircraft		(2,525)	(3,788)	(8,037)	(11,226)
Net foreign exchange gain/(loss)	12	125,292	(54,556)	97,518	(67,626)
Profit before taxation		121,888	5,796	207,328	339,341
Taxation	13	(251)	(233)	(753)	(239)
Deferred taxation	13	-	-	-	-
		(251)	(233)	(753)	(239)
Profit for the financial period		121,637	5,563	206,575	339,102
Attributable to:					
Equity holders of the Company		121,637	5,563	206,575	339,102
Non-controlling Interests		-	-	-	-
		121,637	5,563	206,575	339,102
Earnings per share (sen)					
Basic	21	27.2	1.2	46.2	75.8
Diluted	21	27.2	1.2	46.2	75.8

* Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA")

This unaudited condensed consolidated income statement should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached in the interim financial statements.



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Period Ended	Period Ended
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	121,637	5,563	206,575	339,102
Other comprehensive income				
Foreign currency translation differences	(685)	335	5,894	(940)
Total comprehensive profit for the financial period	120,952	5,898	212,469	338,162
Total comprehensive profit attributable				
To equity holder of the company	120,952	5,898	212,469	338,162
Non-controlling interest	-	-	-	-
Total comprehensive profit for the financial period	120,952	5,898	212,469	338,162

This unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached in the interim financial statements.



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**

	Note	Unaudited As At	Audited As At
		30/09/2024 RM'000	31/12/2023 RM'000
NON-CURRENT ASSETS			
Property, plant & equipment	14	42,449	35,295
Right of use assets		1,183,700	1,306,448
Deferred tax assets		601,495	601,908
Investment in an associate	15	-	-
Investment in a joint venture	16	-	-
Trade and other receivables	17	598,138	436,266
Amount due from an associate		29,126	32,641
Amount due from related parties		10,694	21,935
		2,465,602	2,434,493
CURRENT ASSETS			
Inventories		7,505	6,968
Trade and other receivables	17	262,633	224,610
Amounts due from related parties		378,559	413,615
Tax recoverable		24	198
Deposits, cash and bank balances	18	49,074	57,689
		697,795	703,080
CURRENT LIABILITIES			
Sales in advance		471,201	612,296
Trade and other payables	19	350,539	360,232
Amount due to an associate		13,928	4,603
Amount due to related parties		132,855	41,401
Lease liabilities	20	158,769	152,392
Provision for aircraft maintenance and others		71,000	70,747
		1,198,292	1,241,671
Net Current Liabilities		(500,497)	(538,591)
NON-CURRENT LIABILITIES			
Sales in advance		57,752	55,320
Lease liabilities	20	1,138,481	1,359,633
Provision for aircraft maintenance and others		440,228	364,774
		1,636,461	1,779,727
Net Assets		328,644	116,175
CAPITAL AND RESERVES			
Share capital		51,029	51,029
Currency translation reserve		312	(5,582)
Accumulated profit		277,303	70,728
Shareholders' equity		328,644	116,175

This unaudited condensed consolidated statement of financial position should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached in the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<u>Issued and fully paid ordinary shares</u>		Currency Translation Reserve RM'000	Accumulated Profit/ Loss RM'000	Total Equity RM'000
	Number of shares '000	Nominal Value RM'000			
At 1 January 2024	447,073	51,029	(5,582)	70,728	116,175
Net profit for the financial period	-	-	-	206,575	206,575
Other comprehensive income	-	-	5,894	-	5,894
Total comprehensive profit	-	-	5,894	206,575	212,469
At 30 September 2024	447,073	51,029	312	277,303	328,644
At 1 January 2023, restated	414,815	1,534	14	(260,777)	(259,229)
Net profit for the financial period	-	-	-	331,505	331,505
Other comprehensive loss	-	-	(5,596)	-	(5,596)
Total comprehensive profit/(loss)	414,815	1,534	(5,582)	331,505	325,909
Issuance of ordinary shares	32,258	49,495	-	-	49,495
At 31 December 2023	447,073	51,029	(5,582)	70,728	116,175

This unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached in the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Note	
	Period ended 30/09/2024 RM'000	Period ended 30/09/2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	207,328	339,341
Adjustments:		
Depreciation	151,350	118,931
Finance income	(379)	(3,839)
Finance costs	74,357	67,731
Reversal of provision additional loss of investment in IAAX	-	(164,628)
Reversal of provision for doubtful debts	-	(34,223)
Discounting of interest	6,470	3,202
Net unrealised foreign exchange losses	(105,328)	127,698
Operating profit before working capital changes	333,798	454,213
Changes in working capital:		
Inventories	(537)	(770)
Trade and other receivables	(125,121)	58,107
Related parties balances	139,350	(295,674)
Trade and other payables	(21,981)	(142,361)
Sales in advance	(138,663)	(124,456)
Cash flows generated from/(used in) operations	186,846	(50,941)
Finance costs paid	1,130	(4,766)
Interest received	379	2,354
Tax paid	(174)	-
Net cash generated from/(used in) operating activities	188,181	(53,353)
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment - addition	(16,142)	(8,691)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(193,368)	(52,077)
Receipts from issuance of shares	-	49,495
Net cash used in financing activities	(193,368)	(2,582)
NET DECREASE FOR THE FINANCIAL PERIOD	(21,329)	(64,626)
CURRENCY TRANSLATION DIFFERENCES	5,894	7,550
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	57,689	176,710
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	42,254	119,634
Add:		
Deposits pledged as securities and restricted cash	6,820	-
DEPOSITS, CASH AND BANK BALANCES AT THE END OF THE FINANCIAL PERIOD	49,074	119,634

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THIRD QUARTER REPORT ENDED 30 SEPTEMBER 2024

KEY OPERATING STATISTICS

Performance indicator for the current quarter against the same quarter last year

Quarter Ended: 30 September	Jul - Sept 2024	Jul - Sept 2023	Changes Y-O-Y
Seat capacity	1,284,871	1,014,432	27%
Passengers carried	1,084,049	807,004	34%
Load factor	84%	80%	5%
RPK (millions)	4,270	3,452	24%
ASK (millions)	5,141	4,412	17%
Average passenger fare (RM)	443	514	-14%
Ancillary revenue per passenger (RM)	247	238	4%
Revenue per ASK (sen)	15.43	14.69	5%
Revenue per ASK (USc)	3.47	3.24	7%
Cost per ASK (sen)	13.98	11.70	20%
Cost per ASK (USc)	3.14	2.58	22%
Cost exc fuel per ASK (sen)	6.57	3.57	84%
Cost exc fuel per ASK (USc)	1.48	0.79	88%
Aircraft (end of period)	18	17	6%
Sectors flown	3,551	2,810	26%
Fuel consumed (Barrels)	848,875	699,132	21%
Average fuel price (USD/Barrel)	101	113	-11%
Exchange rate	4.45	4.53	-2%

Definitions and calculation methodology

RPK (Revenue Passenger Kilometers)

Number of passengers carried multiplied by distance flown

ASK (Available Seat Kilometers)

Total available seats multiplied by distance flown

Average passenger fare

Total schedule flight revenue, divided by number of passengers



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NOTES TO THE UNAUDITED ACCOUNTS - 30 SEPTEMBER 2024

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: “Interim Financial Reporting” and paragraph 9.22 and Appendix 9B of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements.

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2023. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2023.

2. Summary of significant accounting policies

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the Audited Financial Statements for the financial year ended 31 December 2023. Details of standards, amendments to published standards and interpretations to existing standards that are applicable to the Group with effect from 1 January 2023 or later are provided in the notes to the financial statements in the Audited Financial Statements of the Group for the financial year ended 31 December 2023. The Group did not early adopt any new standards, amendments to published standards and interpretation to existing standards.

3. Auditors’ report on preceding annual financial statements

The auditors have expressed an unqualified opinion on the Group and the Company's audited financial statements for the financial year ended 31 December 2023 in their report dated 30 April 2024.

4. Seasonality of operations

AirAsia X is primarily involved in the provision of air transportation services and thus, is subject to seasonal demand for air travel.

5. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter.

6. Changes in estimates

There were no changes in estimates that have had material effect on the results of current quarter.

7. Capital and reserves

There was no issuance of shares during the current quarter.



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NOTES TO THE UNAUDITED ACCOUNTS - 30 SEPTEMBER 2024

8. Dividends

No dividends were declared, approved or paid during the quarter ended 30 September 2024.

9. Segment Reporting

Operating segments are reported in a manner consistent with the internal management reporting provided to the chief operating decision maker, which is the Chief Executive Officer ("CEO"). The CEO considers the business from a geographical perspective. The operating segments have been identified by each Air Operator Certificate ("AOC") held under the AirAsia brand, and are categorised as Malaysia and Thailand.

The CEO assesses the performance of the operating segments based on revenue and net operating profit.

The segment information provided to the CEO for the reportable segments are as follows:

	Malaysia RM'000	Thailand RM'000	Elimination Adjustments RM'000	Total RM'000
Quarter ended 30 September 2024				
Revenue	795,027	300,650	-	1,095,677
Operating expenses				
- Staff costs	(68,140)	(36,912)	-	(105,052)
- Depreciation	(50,891)	(32,745)	-	(83,636)
- Aircraft fuel expenses	(380,860)	(139,644)	-	(520,504)
- Maintenance and overhaul	(155,756)	(133,185)	-	(288,941)
- User charges	(80,585)	(68,599)	-	(149,184)
- Aircraft lease expenses	(3,871)	(516)	-	(4,387)
- Other operating expenses	(33,340)	2,127	-	(31,213)
Other income	3,710	3,937	-	7,647
Operating profit/(loss)	25,294	(104,887)	-	(79,593)
Finance income	2,135	1	-	2,136
Finance costs	(30,833)	(17,524)	-	(48,357)
Net operating profit/(loss)	(3,404)	(122,410)	-	(125,814)
Foreign exchange gains	125,292	124,160	-	249,452
Other gains	-	5,282	-	5,282
Profit before taxation	121,888	7,032	-	128,920



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NOTES TO THE UNAUDITED ACCOUNTS - 30 SEPTEMBER 2024

9. Segment Reporting (Cont'd.)

The segment information provided to the CEO for the reportable segments are as follows: (Cont'd.)

	Malaysia	Thailand	Elimination	Total
	RM'000	RM'000	Adjustments	RM'000
			RM'000	
Quarter ended 30 September 2023				
Revenue	648,356	285,641	-	933,997
Operating expenses				
- Staff costs	(50,329)	(24,238)	-	(74,567)
- Depreciation	(43,635)	(27,982)	-	(71,617)
- Aircraft fuel expenses	(358,926)	(132,048)	-	(490,974)
- Maintenance and overhaul	(101,897)	(55,190)	-	(157,087)
- User charges	(48,931)	(63,248)	-	(112,179)
- Aircraft lease expenses	(20,570)	-	-	(20,570)
- Other operating expenses	64,127	(22,507)	-	41,620
Other income	310	3,060	-	3,370
Operating profit/(loss)	88,505	(36,512)	-	51,993
Finance income	812	1,969	-	2,781
Finance costs	(28,965)	(7,167)	-	(36,132)
Net operating profit/(loss)	60,352	(41,710)	-	18,642
Foreign exchange losses	(54,556)	(102,470)	-	(157,026)
Other gains	-	893,351	-	893,351
Profit before taxation	5,796	749,171	-	754,967



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NOTES TO THE UNAUDITED ACCOUNTS - 30 SEPTEMBER 2024

9. Segment Reporting (Cont'd.)

The segment information provided to the CEO for the reportable segments are as follows: (Cont'd.)

	Malaysia RM'000	Thailand RM'000	Elimination Adjustments RM'000	Total RM'000
Period ended 30 September 2024				
Revenue	2,373,085	1,222,973	-	3,596,058
Operating expenses				
- Staff costs	(196,939)	(108,930)	-	(305,869)
- Depreciation	(151,350)	(79,594)	-	(230,944)
- Aircraft fuel expenses	(1,140,704)	(478,160)	-	(1,618,864)
- Maintenance and overhaul	(402,589)	(285,896)	-	(688,485)
- User charges	(218,733)	(222,674)	-	(441,407)
- Aircraft lease expenses	(26,033)	(516)	-	(26,549)
- Other operating expenses	(61,041)	(22,983)	-	(84,024)
Other income	14,562	11,092	-	25,654
Operating profit	190,258	35,312	-	225,570
Finance income	6,665	745	-	7,410
Finance costs	(87,113)	(48,659)	-	(135,772)
Net operating profit/(loss)	109,810	(12,602)	-	97,208
Foreign exchange gains	97,518	71,848	-	169,366
Other gains	-	5,282	-	5,282
Profit before taxation	207,328	64,528	-	271,856



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NOTES TO THE UNAUDITED ACCOUNTS - 30 SEPTEMBER 2024

9. Segment Reporting (Cont'd.)

The segment information provided to the CEO for the reportable segments are as follows: (Cont'd.)

	Malaysia RM'000	Thailand RM'000	Elimination Adjustments RM'000	Total RM'000
Period ended 30 September 2023				
Revenue	1,710,111	1,002,861	-	2,712,972
Operating expenses				
- Staff costs	(139,664)	(80,647)	-	(220,311)
- Depreciation	(118,931)	(81,906)	-	(200,837)
- Aircraft fuel expenses	(832,608)	(388,589)	-	(1,221,197)
- Maintenance and overhaul	(281,153)	(137,749)	-	(418,902)
- User charges	(155,489)	(189,838)	-	(345,327)
- Aircraft lease expenses	(48,689)	-	-	(48,689)
- Other operating expenses	338,882	(48,581)	-	290,301
Other income	1,602	5,360	-	6,962
Operating profit	474,061	80,911	-	554,972
Finance income	9,618	6,081	-	15,699
Finance costs	(76,712)	(29,671)	-	(106,383)
Net operating profit	406,967	57,321	-	464,288
Foreign exchange losses	(67,626)	(181,339)	-	(248,965)
Other gains	-	893,351	-	893,351
Profit before taxation	339,341	769,333	-	1,108,674

a) Reconciliation of segment revenue to reported revenue:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Period ended	Period ended
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	RM'000	RM'000	RM'000	RM'000
Segment revenue	1,095,677	933,997	3,596,058	2,712,972
Less: Revenue from affiliates which were not consolidated	(300,650)	(285,641)	(1,222,973)	(1,002,861)
	795,027	648,356	2,373,085	1,710,111



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NOTES TO THE UNAUDITED ACCOUNTS - 30 SEPTEMBER 2024

9. Segment Reporting (Cont'd.)

b) Reconciliation of segment profit before taxation to reported profit before taxation:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Period ended	Period ended
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	RM'000	RM'000	RM'000	RM'000
Segment profit before taxation	128,920	754,967	271,856	1,108,674
Less: Segment profit from affiliates which were not consolidated	(7,032)	(749,171)	(64,528)	(769,333)
	121,888	5,796	207,328	339,341

10. Revenue

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Period ended	Period ended
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	RM'000	RM'000	RM'000	RM'000
Scheduled flights	480,372	412,134	1,507,455	1,132,699
Charter flights	-	2,945	-	9,946
Freight services	45,251	41,189	134,258	104,989
Ancillary revenue **	267,506	191,960	726,277	462,126
Aircraft operating lease income	1,034	-	4,231	-
Management fees	864	128	864	351
	795,027	648,356	2,373,085	1,710,111

** Ancillary revenue includes baggage fees, assigned seats, cancellations, documentation and other fees, and on-board sale of meals and merchandise.

11. Staff cost

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Period ended	Period ended
	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	RM'000	RM'000	RM'000	RM'000
Wages, salaries, bonuses and allowances	62,935	45,754	181,131	128,030
Defined contribution retirement plan	5,205	4,575	15,808	11,634
	68,140	50,329	196,939	139,664



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NOTES TO THE UNAUDITED ACCOUNTS - 30 SEPTEMBER 2024

12. Finance income/(cost) and foreign exchange gain/(loss)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 30/09/2024 RM'000	Quarter ended 30/09/2023 RM'000	Period ended 30/09/2024 RM'000	Period ended 30/09/2023 RM'000
Finance income:				
Interest income on deposits with licensed banks	134	812	379	2,354
Other interest income	-	-	-	1,485
	134	812	379	3,839
Impact of discounting effect on financial instruments	2,001	-	6,286	5,779
	2,135	812	6,665	9,618
Finance cost:				
Bank facilities and other charges	-	(3,797)	571	(4,766)
	-	(3,797)	571	(4,766)
Impact of discounting effect on financial instruments	(6,922)	(1,189)	(12,197)	(8,981)
	(6,922)	(4,986)	(11,626)	(13,747)
Net foreign exchange gain/(loss):				
Realised	10,916	5,123	(7,810)	60,072
Unrealised	114,376	(59,679)	105,328	(127,698)
	125,292	(54,556)	97,518	(67,626)

13. Taxation

Current taxation

The current taxation charge comprises tax payable on interest income.

14. Property, plant and equipment

(a) Acquisition and disposal

During the period ended 30 September 2024, the Group acquired RM16 million of property, plant and equipment.

(b) Written-off

During the period ended 30 September 2024, there was no write off of property, plant and equipment.



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NOTES TO THE UNAUDITED ACCOUNTS - 30 SEPTEMBER 2024

15. Investment in an associate

	As at 30/09/2024	As at 31/12/2023
	RM'000	RM'000
Unquoted investments, at cost	21,122	21,122
Group's share of post-acquisition profit	(21,122)	(21,122)
	<u>-</u>	<u>-</u>

The details of the associate is as follows:-

Name	Country of Incorporation	Group effective equity interest		Principal activity
		30/09/2024	31/12/2023	
		%	%	
Thai AirAsia X Co. Ltd ("TAAX")	Thailand	49%	49%	Commercial air transport services

TAAX recorded a net profit of RM7.0 million during the current quarter with a profit sharing to AAX amounting to RM3.4 million. As at 30 September 2024, the unrecognised amount of the Group's share of losses of TAAX which have not been equity accounted for amounted to is RM263.4 million. In accordance to MFRS 128, any profits will only be recognised when its shares of the profits equals the share of losses previously not recognised.

16. Investment in a joint venture

	As at 30/09/2024	As at 31/12/2023
	RM'000	RM'000
Unquoted investments, at cost	53,888	53,888
Group's share of post-acquisition losses	(53,888)	(53,888)
	<u>-</u>	<u>-</u>

The details of the joint venture is as follows:-

Name	Country of Incorporation	Group effective equity interest		Principal activity
		30/09/2024	31/12/2023	
		%	%	
PT. Indonesia AirAsia Extra ("IAAX")	Indonesia	49%	49%	Commercial air transport services

IAAX has been dormant since FY2020. The Group has discontinued the recognition of its share of losses incurred by IAAX as the Group's interests had been reduced to zero. As at 30 September 2024, the unrecognised amount of the Group's share of loss of IAAX which have not been equity accounted for amounted to RM304.7 million.



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17. Trade and other receivables

	As at 30/09/2024 RM'000	As at 31/12/2023 RM'000
Non-current		
Deposits	311,662	321,492
Prepayments	286,476	114,774
	<u>598,138</u>	<u>436,266</u>
Current		
Trade receivables	34,316	38,793
Less : Allowance for impairment of receivables	-	(1,249)
	<u>34,316</u>	<u>37,544</u>
Other receivables	362,690	411,362
Less : Allowance for impairment of receivables *	(358,767)	(396,477)
	<u>3,923</u>	<u>14,885</u>
Deposits	188,064	127,249
Less : Allowance for impairment of receivables	-	(1,991)
	<u>188,064</u>	<u>125,258</u>
Prepayments	36,330	46,923
	<u>262,633</u>	<u>224,610</u>

*Included in the total impairment of receivables is RM294.9 million (31 December 2023: RM328.6 million) relating to lease rental and maintenance reserve due from a joint venture through a third party leasing intermediary.

18. Deposits, cash and bank balances

For the purpose of the statement of cash flows, cash and cash equivalents include the following:

	As at 30/09/2024 RM'000	As at 31/12/2023 RM'000
Cash and bank balances	42,254	57,689
Deposits pledged as securities	6,820	-
Cash and cash equivalents	<u>49,074</u>	<u>57,689</u>

19. Trade and other payables

	As at 30/09/2024 RM'000	As at 31/12/2023 RM'000
Current		
Trade payables	115,165	63,302
Other payables and accruals	235,374	296,930
	<u>350,539</u>	<u>360,232</u>

Included in other payables and accruals are operational expenses, passenger service charges payable to airport authorities.



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20. Lease liabilities

	As at 30/09/2024 RM'000	As at 31/12/2023 RM'000
Current		
- Lease liabilities	158,769	152,392
Non Current		
- Lease liabilities	1,138,481	1,359,633
	As at 30/09/2024 RM'000	As at 31/12/2023 RM'000
The currency profile of borrowings is as follows:		
US Dollar	1,297,250	1,512,025
	As at 30/09/2024 RM'000	As at 31/12/2023 RM'000
Not later than 1 year	158,769	152,392
Later than 1 year and not later than 5 years	822,730	760,718
Later than 5 years	315,751	598,915
	1,297,250	1,512,025

21. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the quarter/financial year ended by the weighted average number of ordinary shares in issue during the quarter/financial period.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 30/09/2024	Quarter ended 30/09/2023	Period ended 30/09/2024	Period ended 30/09/2023
Net profit (RM'000)	121,637	5,563	206,575	339,102
Weighted average number of ordinary shares in issue ('000)	447,073	447,073	447,073	447,073
Earnings per share (sen)	27.2	1.2	46.2	75.8



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22. Contingent assets

As at the date of this report, the Group does not have any contingent assets.

23. Contingent liabilities

The Company's joint venture, IAAX received a Tax Underpayment Assessment Letter from the Indonesia Tax Office ("ITO") requesting IAAX to pay RM200.7 million relating to underpayment of tax in respect of the fiscal year 2017. The ITO is currently performing tax audits on IAAX in respect of the fiscal years 2018 and 2019. Whilst the tax audits for fiscal years 2018 and 2019 have not been finalised, it is possible that the ITO would use the same approach as the tax audit for the fiscal year 2017 which may result in additional tax to be paid by IAAX.

IAAX is disputing the Tax Underpayment Assessment Letter in respect of the fiscal year 2017. In the event the dispute is ruled in favour of the ITO, it is unlikely that IAAX will be able to pay the additional tax.

Based on the prevailing tax regulation in Indonesia, tax collection actions shall be carried out against "tax bearers" of corporate taxpayers in the event of non-payment by the corporate taxpayers. Tax bearers are defined under the tax regulations to include shareholders of corporate taxpayers. Accordingly, the Company as a shareholder of IAAX may be responsible for the settlement of IAAX's tax payable.

However, the Company is unaware of any precedent cases where ITO extend its tax collection effort to foreign shareholders. The tax collection to the foreign shareholders require assistance from the government of the shareholders' country, which make it less convenient. As such, the provision for additional losses in respect of investment in IAAX is therefore deemed to be a contingent liability as the likelihood of the ITO initiating Cross-Border tax collection against the Company is remote.

There were no other major changes in contingent liabilities since the latest audited consolidated financial statements for the period ended 31 December 2023.

24. Capital commitments outstanding not provided for in the interim financial report

Capital commitments not provided for in the financial statements are as follows:-

	As at 30/09/2024 RM'000	As at 31/12/2023 RM'000
Aircraft purchase	3,570,363	3,804,128



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25. Significant related party transactions

Details of the relationships and transactions between AirAsia X and its significant related parties are as described below:

<u>Name of companies</u>	<u>Relationship</u>
Thai AirAsia X Co Ltd ("TAAX")	Associate
AirAsia Berhad ("AAB")	Shareholder of the Company for which there is no control, significant influence or joint control, and common Directors and shareholders
<u>Subsidiaries of Capital A Berhad</u>	
AirAsia SEA Sdn Bhd ("AASEA")	Common Directors and shareholders
AirAsia Com Travel Sdn Bhd ("AACOM")	Common Directors and shareholders
Asia Digital Engineering Sdn Bhd ("ADE")	Common Directors and shareholders
AirAsia (Guangzhou) Aviation Service Limited ("AirAsia (Guangzhou)")	Common Directors and shareholders
AirAsia Aviation Management Services Sdn Bhd ("AAMS")	Common Directors and shareholders
Asia Aviation Capital Limited ("AACL")	Common Directors and shareholders
BIGLIFE Sdn Bhd ("BIGLIFE")	Common Directors and shareholders
Brand AA Sdn Bhd ("Brand AA")	Common Directors and shareholders
Ground Team Red Sdn Bhd ("GTR")	Common Directors and shareholders
Ikhlas Com Travel Sdn Bhd ("Ikhlas")	Common Directors and shareholders
Move Travel Sdn Bhd ("Move") (f.k.a. AirAsia Com Travel Sdn Bhd)	Common Directors and shareholders
Santan Restaurant Sdn Bhd ("Santan")	Common Directors and shareholders
Teleport Everywhere Pte Ltd ("TELEPORT")	Common Directors and shareholders
Capital A Berhad ("CAP A")	Common Directors and shareholders
<u>Associates of Capital A Berhad</u>	
Philippines AirAsia Inc. ("PAA")	Common Directors and shareholders
PT Indonesia AirAsia ("IAA")	Common Directors and shareholders
Thai AirAsia Co Ltd ("TAA")	Common Directors and shareholders
<u>Other related entities</u>	
Ormond Group ("Ormond")	Common Directors and shareholders
Tune Insurance Malaysia Berhad ("TIMB")	Common Directors and shareholders



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25. Significant related party transactions (Cont'd.)

These following items have been included in the income statement and balance sheet:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 30/09/2024 RM'000	Quarter ended 30/09/2023 RM'000	Period ended 30/09/2024 RM'000	Period ended 30/09/2023 RM'000
TAAX				
- Aircraft operating lease income for leased aircraft	-	-	-	-
- Net operational services charged	1,007	(4)	3,155	1,269
AAB				
- Brand license fees	-	(7,503)	-	(15,006)
- Net operational services charged	(5,762)	(2,012)	(14,083)	(5,814)
AASEA				
- Provision of shared services	(4,708)	(1,994)	(4,708)	(5,028)
- Net operational services charged	551	(85)	(210)	(582)
ADE				
- Line maintenance services	(7,716)	(3,958)	(24,090)	(14,984)
- Sale of property, plant and equipment	-	-	-	-
- Net operational services charged	(62)	(1)	350	(167)
AirAsia (Guangzhou)				
- Turnaround charges charged by	(1,389)	(601)	(3,347)	(980)
- Net operational services charged	(8)	(4)	(11)	(7)
AAMS				
- Net operational services charged	1,833	1,606	5,812	3,045
AACL				
- Aircraft leasing services to AAX	(13,471)	-	(25,729)	-
- Net operational services charged	1,034	-	4,231	-
BIGLIFE				
- Sale of ticket and other ancillary revenue	494	308	1,673	636
- Purchase of loyalty point	-	(432)	(1,332)	(432)
Brand AA				
- Brand license fee	(2,160)	-	(5,434)	-
- Net operational services charged	(5)	-	(7)	-



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25. Significant related party transactions (Cont'd.)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 30/09/2024 RM'000	Quarter ended 30/09/2023 RM'000	Period ended 30/09/2024 RM'000	Period ended 30/09/2023 RM'000
GTR				
- Ground handling services	(6,637)	(5,778)	(24,473)	(13,799)
- Net operational services charged	215	2,197	641	2,322
Ikhlas				
- Revenue for seats sold in Saudi Arabia routes	(617)	(814)	(1,930)	(2,804)
- Net operational services charged	848	30	899	87
Move				
- Preferred agent	(7,311)	(14,595)	(27,176)	(38,896)
- Net operational services charged	(157)	12,483	(271)	12,478
Santan				
- Inflight goods and services	(329)	(7,449)	(17,469)	(10,870)
TELEPORT				
- Sales of cargo transportation capacity	43,219	41,063	115,108	104,632
CAP A				
- Net operational services charged	25	69	56	319
PAA				
- Airport and ground handling services	485	-	1,264	-
- Net operational services charged	211	25	437	123
IAA				
- Airport and ground handling services	324	-	660	-
- Net operational services charged	14	25	166	51
TAA				
- Airport and ground handling services	324	-	660	-
- Net operational services charged	14	25	166	51
Ormond				
- Net operational services charged	(200)	(150)	(841)	(1,566)
TIMB				
- Commission for preferred agent	437	(427)	1,521	76



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26. Review of Group's Performance

During the period, the Group reported a revenue of RM795 million (Q32023: RM648.4 million), an increase of 23% of revenue as compared to the same period in 2023. The improvement in the Group's revenue was primarily generated from more ticket sales and ancillary revenue.

27. Variance results against preceding quarter

The Group recorded EBITDA of RM76.1 million for the quarter under review, against the EBITDA of RM58.4 million in the preceding quarter ended 30 June 2024. The increase is predominantly from higher revenue during the quarter.

Revenue has increased to RM795 million with an increase of 19% from RM669.1 million in Q22024.

Operating costs improved for this quarter as a result from the slight strengthening of the Malaysian Ringgit against the US Dollar. As seen in better fuel pricing (Q3'24: USD101/barrel; preceding quarter Q2'24: USD104/barrel) during the quarter. That being said, the Group continues to be focused on cost management.

28. Profit forecast

No profit forecast has been issued.

29. Commentary on prospects

The Group's full reactivation of its 18-strong aircraft fleet is nearing completion with only one plane remaining for reactivation work as of November 2024, with the final reactivation now expected by the first quarter of the financial year 2025.

Staying true to its commitment to unlocking the potentials that China has historically recorded, the Group has over the past months relaunched eight of its destinations in China, the latest being Chongqing in October 2024, with added frequencies established to its most popular routes in the said market. As reported in the previous quarter, the Group expects to launch its inaugural flight into Nairobi, Kenya, marking its maiden venture into the African continent and signifying even more grounds for the establishment of enhanced connections between our home region and the world. This is critical for the enhancement of the Group's FlyThru connectivity and synergy of the wider network serviced by the AirAsia affiliated airlines moving forward, as it tracks the Group's growth and expansion strategy, in line with its ongoing engagement with Capital A Berhad ("Capital A") for the proposed acquisition of the latter's aviation business, encompassing airlines such as AirAsia Malaysia Berhad and AirAsia Aviation Group Limited which in turn includes Thai AirAsia, Indonesia AirAsia, Philippines AirAsia and Cambodia AirAsia.

In terms of seasonality trends, transitioning into the final and busiest quarter for the international travel industry, the Group expects its trajectory to sustain its momentum, ensuring the viability of its earnings for the rest of the financial year ended 2024. Furthermore, the recent strengthening of the Malaysian Ringgit has been particularly encouraging, and the Group continues to zero in on ensuring its cost structure discipline is upheld.



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30. Corporate Exercises

On the recent announcement of the Group securing its shareholders' approval of the proposed acquisition of Capital A's aviation business, the Company is now progressing on fulfilling the requisite condition precedents for completion of the exercise, ensuring that shareholders can access the enhanced value of an enlarged aviation group. Any further announcement pertaining to the exercise shall be made as and when available.

31. Material litigation

As at 29 November 2024, no material litigation taken or threatened against the Company and its subsidiaries.

32. Proposed Dividend

The Directors did not recommend any dividend for the quarter ended 30 September 2024.

By Order of the Board

29 November 2024