



**MALAYSIA AIRPORTS HOLDINGS BERHAD 199901012192(487092-W)**  
**(Incorporated in Malaysia)**

**CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
	Note	Preceding Year		Preceding Year	
		Current Year	Corresponding	Current Year	Corresponding
		Quarter	Quarter	To Date	Period
	30.09.2022	30.09.2021	30.09.2022	30.09.2021	
	RM'000	RM'000	RM'000	RM'000	
<b>Revenue</b>		863,611	461,331	2,124,212	1,121,654
Cost of inventories sold		(41,555)	(4,963)	(75,826)	(20,943)
Other income		83,167	29,000	200,092	120,575
Employee benefits expenses		(174,290)	(169,344)	(506,640)	(502,436)
Depreciation and amortisation		(215,866)	(164,814)	(557,962)	(382,407)
Other expenses		(342,696)	(224,024)	(881,921)	(665,419)
<b>Operating profit/(loss)</b>		172,371	(72,814)	301,955	(328,976)
Finance costs		(194,499)	(180,210)	(570,721)	(495,929)
Share of results:					
- associates		(1,212)	(2,015)	605	(4,346)
- joint ventures		4,208	162	7,552	3,348
<b>Loss before tax and zakat</b>	7	(19,132)	(254,877)	(260,609)	(825,903)
Taxation and zakat	21	10,097	72,561	88,666	196,197
<b>Loss net of tax</b>		(9,035)	(182,316)	(171,943)	(629,706)
<b>Attributable to:</b>					
Owners of the Company		(9,035)	(182,316)	(171,943)	(629,706)
Loss per share attributable					
to Owners of the Company (sen)	30	(1.42)	(11.86)	(12.96)	(40.54)



**CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2022 RM'000	Preceding Year Corresponding Quarter 30.09.2021 RM'000	Current Year To Date 30.09.2022 RM'000	Preceding Year Corresponding Period 30.09.2021 RM'000
Loss for the period, net of tax	(9,035)	(182,316)	(171,943)	(629,706)
Other comprehensive income:				
- Foreign currency translation	(19,665)	(13,597)	(31,091)	(11,937)
- Unrealised gain on derivative financial instruments	28,810	3,219	45,272	11,116
- Actuarial (loss)/gain on retirement benefits	(1,834)	(336)	(2,501)	2,173
Other comprehensive income/(loss) for the period, net of tax	7,311	(10,714)	11,680	1,352
Total comprehensive loss for the period, net of tax	(1,724)	(193,030)	(160,263)	(628,354)
<b>Attributable to:</b>				
Owners of the Company	(1,724)	(193,030)	(160,263)	(628,354)



**CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2022**

	<b>30.09.2022</b>	<b>31.12.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>Unaudited</b>	<b>Audited</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	403,397	432,456
Right-of-use assets	77,614	61,781
Intangible assets	14,604,533	15,215,413
Investments in associates	125,724	125,119
Investments in joint ventures	104,427	96,874
Derivative financial instruments	31,913	-
Financial assets at fair value through profit or loss	369,501	339,632
Other receivables	354,705	367,613
Employee loans	17,296	17,866
Deferred tax assets	772,953	691,205
	<u>16,862,063</u>	<u>17,347,959</u>
<b>Current assets</b>		
Inventories	89,503	116,254
Biological assets	3,341	3,427
Trade receivables	396,056	275,127
Other receivables	147,868	119,692
Tax recoverable	10,644	11,264
Financial assets at fair value through profit or loss	1,987,527	705,619
Cash and cash equivalents	1,810,767	1,583,220
	<u>4,445,706</u>	<u>2,814,603</u>
<b>Total assets</b>	<b><u>21,307,769</u></b>	<b><u>20,162,562</u></b>

**MALAYSIA AIRPORTS HOLDINGS BERHAD 199901012192(487092-W)****(Incorporated in Malaysia)****CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 30 SEPTEMBER 2022**

	<b>30.09.2022</b>	<b>31.12.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>Unaudited</b>	<b>Audited</b>
<b>Equity and liabilities</b>		
<b>Equity attributable to Owners of the Company</b>		
Share capital	5,114,341	5,114,341
Perpetual Sukuk	997,842	997,842
Retained earnings	906,009	1,120,959
Hedging reserve	25,530	(19,742)
Other reserves	5,550	8,170
Foreign exchange reserve	(162)	30,929
<b>Total equity</b>	<b>7,049,110</b>	<b>7,252,499</b>
<b>Non-current liabilities</b>		
Borrowings	4,226,711	3,566,038
Derivative financial instruments	-	14,423
Lease liabilities	49,347	35,857
Deferred tax liabilities	566,418	615,000
Trade payables	4,626,311	4,950,675
Other payables	570,607	588,844
	<b>10,039,394</b>	<b>9,770,837</b>
<b>Current liabilities</b>		
Borrowings	2,218,199	1,745,765
Derivative financial instruments	-	10,254
Lease liabilities	24,538	19,331
Trade payables	1,148,925	668,835
Other payables	803,846	680,194
Income tax payable	23,757	14,847
	<b>4,219,265</b>	<b>3,139,226</b>
<b>Total liabilities</b>	<b>14,258,659</b>	<b>12,910,063</b>
<b>Total equity and liabilities</b>	<b>21,307,769</b>	<b>20,162,562</b>



**CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

	Attributable to Owners of the Company						Total equity RM'000
	Non-distributable					Distributable	
	Share capital RM'000	Perpetual sukuk RM'000	Foreign exchange reserve RM'000	Hedging reserve RM'000	Other reserve RM'000	Retained earnings RM'000	
<b>At 1 January 2021</b>	5,114,341	997,842	74,387	(36,221)	4,098	1,944,898	8,099,345
Total comprehensive (loss)/income	-	-	(11,937)	11,116	2,173	(629,706)	(628,354)
Legal reserve	-	-	-	-	(67)	-	(67)
Distribution to Perpetual Sukuk holder	-	-	-	-	-	(43,007)	(43,007)
<b>At 30 September 2021</b>	<b>5,114,341</b>	<b>997,842</b>	<b>62,450</b>	<b>(25,105)</b>	<b>6,204</b>	<b>1,272,185</b>	<b>7,427,917</b>
<b>At 1 January 2022</b>	5,114,341	997,842	30,929	(19,742)	8,170	1,120,959	7,252,499
Total comprehensive (loss)/income	-	-	(31,091)	45,272	(2,501)	(171,943)	(160,263)
Legal reserve	-	-	-	-	(119)	-	(119)
Distribution to Perpetual Sukuk holder	-	-	-	-	-	(43,007)	(43,007)
<b>At 30 September 2022</b>	<b>5,114,341</b>	<b>997,842</b>	<b>(162)</b>	<b>25,530</b>	<b>5,550</b>	<b>906,009</b>	<b>7,049,110</b>

*The condensed unaudited consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.*

**CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

	<b>30.09.2022</b>	<b>30.09.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>Unaudited</b>	<b>Unaudited</b>
<b>Cash flows from operating activities</b>		
Loss before tax and zakat	(260,609)	(825,903)
Adjustments for:		
Interest income	(40,405)	(26,991)
Unrealised gain on fair value for:		
- quoted unit trust	(1,263)	(930)
- unquoted shares	(34,978)	(12,927)
Interest expense	565,119	485,233
Swap expense	5,602	10,696
Unrealised loss on forex translation	13,273	13,786
Provision for liabilities	5,152	17,820
Writeback of provision for liabilities	-	(4,049)
Writeback for inventories	(1,378)	(4,694)
Loss/(gain) on fair value of biological assets	86	(783)
Gain on lease modification	(54)	-
Amortisation of:		
- intangible assets	503,933	323,410
Depreciation of:		
- property, plant and equipment	32,222	38,064
- right-of-use assets	21,807	20,933
Net writeback of impairment on receivables	(9,580)	(21,700)
Property, plant and equipment written off	92	22
Intangible assets written off	93	46
Inventories written off	2,378	1,659
Investment income	(19,774)	(11,584)
Share of results of:		
- associates	(605)	4,346
- joint ventures	(7,552)	(3,348)
Operating profit before working capital changes	773,559	3,106
Decrease in inventories	26,000	36,536
(Increase)/decrease in receivables	(88,910)	97,135
Decrease in payables	(66,472)	(180,666)
Decrease in concession liabilities	(24,045)	(24,045)
Decrease in provisions for liabilities	(6,025)	(6,379)
Cash generated from/(used in) operations	614,107	(74,313)
Taxes and zakat paid	(27,121)	(18,644)
<b>Net cash generated from/(used in) operating activities</b>	<b>586,986</b>	<b>(92,957)</b>



**MALAYSIA AIRPORTS HOLDINGS BERHAD 199901012192(487092-W)**  
**(Incorporated in Malaysia)**

**CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

	<b>30.09.2022</b>	<b>30.09.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>Unaudited</b>	<b>Unaudited</b>
<b>Cash flows from investing activities</b>		
Purchase of:		
- property, plant and equipment	(8,042)	(11,380)
- intangible assets	(67,025)	(48,296)
- quoted unit trust	(2,037,028)	(398,378)
Proceeds from disposal of quoted unit trust	761,181	745,849
Investment income received	14,297	10,940
Interest received	1,024	1,250
Additional investment in an associate	-	(19,305)
<b>Net cash (used in)/generated from investing activities</b>	<b>(1,335,593)</b>	<b>280,680</b>
<b>Cash flows from financing activity</b>		
Drawdown of borrowings	1,273,279	-
Repayment of borrowings	(112,600)	-
Swap payment	(4,126)	(7,665)
Lease liabilities payment	(24,647)	(25,268)
Interest paid	(101,335)	(76,440)
Distribution paid to Perpetual Sukuk holder	(28,671)	(28,671)
<b>Net cash generated from/(used in) financing activity</b>	<b>1,001,900</b>	<b>(138,044)</b>
<b>Net movement in cash and cash equivalents</b>	<b>253,293</b>	<b>49,679</b>
Effects of foreign currency translation	(25,746)	37,267
Cash and cash equivalents at beginning of year	1,583,220	973,657
<b>Cash and cash equivalents at end of period</b>	<b>1,810,767</b>	<b>1,060,603</b>

## 1. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements, for the period ended 30 September 2022, have been prepared in accordance with Malaysian Financial Reporting Standards (MFRS) 134 Interim Financial Reporting, International Accounting Standards (IAS) 34 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia).

These unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021. The explanatory notes attached to these unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2021.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in preparing these unaudited condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2021.

On 1 January 2022, the Group adopted the following new and amended MFRSs mandatory for annual financial periods beginning on or after 1 January 2022.

### Amendments to MFRSs effective for financial periods beginning on or after 1 January 2022

MFRS 3: Business Combinations (Reference to the Conceptual Framework)

MFRS 116: Property, Plant and Equipment (Proceeds before Intended Use)

MFRS 137: Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts-Cost of Fulfilling a Contract)

Annual Improvements to MFRS Standards 2018-2020: MFRS 1, MFRS 9 and MFRS 141

The application of the above amendments had no material impact on the financial position or disclosure in the Group's financial statements.

### **Standard issued but not yet effective**

The standard and interpretation that are issued but not yet effective up to date of issuance of the Group's Financial Statements are disclosed below:

### Effective for financial periods beginning on or after 1 January 2023

MFRS 17 : Insurance Contracts

MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)**

**Standard issued but not yet effective (cont'd.)**

The standard and interpretation that are issued but not yet effective up to date of issuance of the Group's Financial Statements are disclosed below: (cont'd.)

Effective for annual periods to be announced by MASB

Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The directors expect that the adoption of the above standards will have no material impact on the financial statements in the period of initial application.

**3. AUDITORS' REPORT ON PRECEDING FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the year ended 31 December 2021 was not qualified.

**4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

Airport services, duty free and non-dutiable goods segments, being the core businesses of the Group were not materially affected by any seasonality or cyclicity during the current quarter and financial period-to-date under review other than as disclosed in note 19.

**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 and financial period-to-date under review.

## **6. SEGMENT INFORMATION**

The Group is organised into business and geographical segments which is then further classified under airport and non-airport operations activities:

### Malaysia Operations

Airport operations:

- a) **Airport services**  
To manage, operate and maintain the Kuala Lumpur International Airport and the designated airports in Malaysia and to provide airport related services.
- b) **Duty free and non-dutiable goods**  
To operate duty free, non-duty free outlets and provide services in respect of food and beverage outlets at airports in Malaysia.

Non-airport operations:

- a) **Project and repair maintenance**  
To provide facilities management services, mechanical, electrical, civil engineering services, maintenance and technical services.
- b) **Hotel**  
To manage and operate hotels, known as Sama-Sama Hotel, Sama-Sama Express KLIA and Sama-Sama Express klia2.
- c) **Agriculture and horticulture**  
To cultivate and sell oil palm and other agricultural products and to carry out horticulture activities.
- d) **Others**  
Investment holdings and dormant companies.

### Overseas Operations

- a) **Airport services**  
To manage, operate and maintain the Istanbul Sabiha Gokcen International Airport (ISGIA) in Türkiye and to provide airport related services.
- b) **Project and repair maintenance**  
To provide facilities management services and airport special system maintenance, works for building maintenance and general contracting activities at Hamad International Airport (HIA).

**6. SEGMENT INFORMATION (CONT'D.)**

	Continuing Operations									
	Malaysia Operations						Overseas Operations		Consolidation adjustments	TOTAL
	Airport Operations		Non-Airport Operations				Airport Operations	Non-Airport Operations		
	Airport services	Duty free and non-dutiable goods	Project and repair maintenance	Hotel	Agriculture and horticulture	Others	Airport services	Project and repair maintenance		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>For the period ended 30 September 2022</b>										
<b>Segment Revenue</b>										
External:										
Aeronautical	543,139	-	-	-	-	-	569,736	-	-	1,112,875
Non-aeronautical:										
Retail	-	154,110	-	-	-	-	-	-	-	154,110
Others	297,455	2,563	-	-	-	-	369,285	-	-	669,303
Non-airport operations	-	-	18,506	47,954	39,227	90	11,009	71,138	-	187,924
Inter-segment sales	50,356	225	95,840	1,486	5,132	7,141	71,500	-	(231,680)	-
Inter-segment dividends	35,000	-	-	-	-	119,400	-	-	(154,400)	-
<b>Total revenue</b>	<b>925,950</b>	<b>156,898</b>	<b>114,346</b>	<b>49,440</b>	<b>44,359</b>	<b>126,631</b>	<b>1,021,530</b>	<b>71,138</b>	<b>(386,080)</b>	<b>2,124,212</b>
<b>Segment Results</b>										
Operating profit/(loss) before depreciation and amortisation	26,602	11,907	27,481	11,994	20,571	312,093	716,563	9,680	(276,974)	859,917
Depreciation and amortisation	(189,270)	(9,474)	(1,183)	(8,666)	(3,649)	(9,322)	(219,762)	(481)	(116,155)	(557,962)
Finance costs	(153,313)	(1,187)	(20)	(666)	-	(128,671)	(408,114)	-	121,250	(570,721)
Share of results of:										
- associates	7,087	-	-	-	-	(6,482)	-	-	-	605
- joint ventures	-	-	-	-	-	7,552	-	-	-	7,552
(Loss)/profit before tax and zakat	(308,894)	1,246	26,278	2,662	16,922	175,170	88,687	9,199	(271,879)	(260,609)
Taxation and zakat	88,435	242	(6,441)	(636)	(4,002)	(535)	(18,085)	(533)	30,221	88,666
(Loss)/profit for the period	(220,459)	1,488	19,837	2,026	12,920	174,635	70,602	8,666	(241,658)	(171,943)
<b>As at 30 September 2022</b>										
<b>Assets and Liabilities</b>										
Segment assets	10,069,920	211,567	184,530	163,634	79,379	14,049,212	5,941,691	66,830	(9,689,145)	21,077,618
Investment in associates	60,681	-	-	-	-	65,043	-	-	-	125,724
Investment in joint ventures	-	-	-	-	-	104,427	-	-	-	104,427
Total assets	<b>10,130,601</b>	<b>211,567</b>	<b>184,530</b>	<b>163,634</b>	<b>79,379</b>	<b>14,218,682</b>	<b>5,941,691</b>	<b>66,830</b>	<b>(9,689,145)</b>	<b>21,307,769</b>
Segment liabilities representing total liabilities	6,536,723	178,257	52,219	54,048	23,262	7,379,930	7,157,512	41,452	(7,164,744)	14,258,659

**6. SEGMENT INFORMATION (CONT'D.)**

	Continuing Operations									
	Malaysia Operations						Overseas Operations		Consolidation adjustments	TOTAL
	Airport Operations		Non-Airport Operations				Airport Operations	Non-Airport Operations		
	Airport services	Duty free and non-dutiable goods	Project and repair maintenance	Hotel	Agriculture and horticulture	Others	Airport services	Project and repair maintenance	RM'000	RM'000
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>For the period ended 30 September 2021</b>										
<b>Segment Revenue</b>										
External:										
Aeronautical	149,635	-	-	-	-	-	379,696	-	-	529,331
Non-aeronautical:										
Retail	-	23,515	-	-	-	-	-	-	-	23,515
Others	189,459	220	-	-	-	-	231,554	-	-	421,233
Non-airport operations	-	-	11,524	29,016	38,134	88	5,126	63,687	-	147,575
Inter-segment sales	19,650	479	70,489	273	4,490	7,263	57,912	-	(160,556)	-
Inter-segment dividends	-	-	-	-	-	25,000	-	-	(25,000)	-
<b>Total revenue</b>	<b>358,744</b>	<b>24,214</b>	<b>82,013</b>	<b>29,289</b>	<b>42,624</b>	<b>32,351</b>	<b>674,288</b>	<b>63,687</b>	<b>(185,556)</b>	<b>1,121,654</b>
<b>Segment Results</b>										
Operating (loss)/profit before depreciation and amortisation	(408,906)	(29,983)	21,950	2,389	19,315	163,178	441,728	7,830	(164,070)	53,431
Depreciation and amortisation	(51,243)	(8,320)	(1,235)	(9,235)	(4,368)	(12,628)	(192,940)	(2,033)	(100,405)	(382,407)
Finance costs	(151,486)	(1,105)	(41)	(772)	(3)	(88,907)	(368,991)	-	115,376	(495,929)
Share of results of:										
- associates	(806)	-	-	-	-	(3,540)	-	-	-	(4,346)
- joint ventures	-	-	-	-	-	3,348	-	-	-	3,348
(Loss)/profit before tax and zakat	(612,441)	(39,408)	20,674	(7,618)	14,944	61,451	(120,203)	5,797	(149,099)	(825,903)
Taxation and zakat	173,702	10,409	(5,212)	2,226	(3,497)	(1,083)	(5,282)	(522)	25,456	196,197
(Loss)/profit for the period	(438,739)	(28,999)	15,462	(5,392)	11,447	60,368	(125,485)	5,275	(123,643)	(629,706)
<b>As at 30 September 2021</b>										
<b>Assets and Liabilities</b>										
Segment assets	9,972,459	169,637	201,320	158,039	120,861	11,748,119	5,860,415	76,221	(8,785,570)	19,521,501
Investment in associates	55,104	-	-	-	-	70,844	-	-	-	125,948
Investment in joint ventures	-	-	-	-	-	107,516	-	-	-	107,516
<b>Total assets</b>	<b>10,027,563</b>	<b>169,637</b>	<b>201,320</b>	<b>158,039</b>	<b>120,861</b>	<b>11,926,479</b>	<b>5,860,415</b>	<b>76,221</b>	<b>(8,785,570)</b>	<b>19,754,965</b>
Segment liabilities representing total liabilities	5,903,345	127,275	45,711	51,025	26,247	5,339,121	7,316,864	63,818	(6,546,358)	12,327,048

**7. LOSS BEFORE TAX AND ZAKAT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Preceding Year		Preceding Year
	Current Year	Corresponding	Current Year	Corresponding
	Quarter	Quarter	To Date	Period
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
	RM'000	RM'000	RM'000	RM'000
Included in other income:				
Interest income				
-unquoted investments	170	173	427	543
-employee loans	192	225	597	707
-other loans and receivables	17,793	7,046	39,381	25,741
Net unrealised (loss)/gain on fair value for:				
-quoted unit trust	(539)	(816)	1,263	930
-unquoted shares	16,729	3,042	34,978	12,927
Investment income	10,464	4,162	19,774	11,584
Net realised foreign exchange gain/(loss)	307	(194)	675	251
Recoupment of expenses	28,768	13,002	72,495	41,591
Included in other expenses:				
Net allowance/(writeback) of impairment				
on receivables	15,710	(1,643)	(9,580)	(21,700)
Unrealised loss/(gain) on forex translation	28,191	(2,243)	13,273	13,786
Property, plant and equipment written off	24	-	92	22
Intangible assets written off	40	13	93	46
Inventories written off	138	795	2,378	1,659
Allowance/(writeback) for inventories	1,003	(2,160)	(1,378)	(4,694)
User fee	61,489	17,924	140,463	54,847
Included in finance costs:				
Interest expenses:				
- Concession payables and borrowings	68,060	54,566	191,519	157,824
- Financial liabilities	121,017	124,539	362,781	333,520
- Interest arising from revenue contract	4,478	-	13,798	-
- Interest on lease liabilities	944	1,105	2,623	4,585

**8. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES**

There were no changes in estimates that have had a material effect in the result for current quarter under review and financial period-to-date under review.

**9. DEBT AND EQUITY SECURITIES**

On 27 April 2022, the Company completed the issuance of RM800.0 million Senior Sukuk Wakalah from its Sukuk Wakalah Programme. The Senior Sukuk Wakalah offering comprises a three (3) years, RM500.0 million tranche and a five (5) years, RM300.0 million tranche with a periodic distribution rate (per annum, payable semi-annually) of 3.79% and 3.98% respectively.

On 23 June 2022, the Group had paid EUR20.0 million, equivalent to RM92.6 million of the Senior Term Facility which matured on 24 June 2022.

Save for the above, there were no unusual items affect the debt and equity securities for the current quarter and financial period to-date under review.

**10. DIVIDENDS PAID**

There were no dividends paid or declared during the current quarter and financial period-to-date under review.

**11. CARRYING AMOUNT OF REVALUED ASSETS**

The Group does not have any revalued assets as its property, plant and equipment and intangible assets are stated at cost less accumulated depreciation, amortisation and impairment losses.

**12. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the current quarter and financial period-to-date under review.

**13. CHANGES IN GUARANTEES, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**a) Guarantees

- i) Istanbul Sabiha Gokcen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş. (ISG) has given 17 (2021: 26) letters of guarantee to the Tax Authority in Türkiye for Value Added Tax (VAT) refund amounting to EUR1.3 million, equivalent to RM5.9 million (2021: EUR1.4 million, equivalent to RM6.6 million).

Save for the above, there were no changes in guarantees from the preceding quarter announcement.

b) Contingent Liabilities

- i) Syarikat Pembinaan Anggerik Sdn. Bhd. (SPASB) via a Writ of Summons claims from MAHB for the sum of RM44.0 million for damages and other claims and interest in respect of the alleged losses and damages pertaining to the works carried out by SPASB for the 'Proposed Development and Upgrading Works at Penang International Airport, Bayan Lepas, Pulau Pinang' and the 'Proposed Construction and Completion of Site Office, Central Utilities Building and Airside Drainage Works at Penang International Airport'. MAHB had filed an application for stay of proceedings in light of the arbitration provisions in the contract and on 23 August 2017, the court had allowed MAHB's 'Stay Application' with cost of RM10,000 to be paid by SPASB to MAHB.

On 21 September 2017, SPASB filed its Notice of Appeal in respect of the court's decision on the 'Stay Application'. The Court of Appeal however had allowed SPASB's appeal with costs on 30 March 2018.

In furtherance to the Court of Appeal's decision, MAHB had filed the 'Application for Leave to Appeal' (Application) at the Federal Court on 27 April 2018. Such Application nonetheless was dismissed by the Federal Court on 1 August 2018 and therefore SPASB's claim against MAHB shall be heard in the High Court instead of arbitration.

On 9 August 2018, SPASB had filed its Amended Statement of Claim (Amended SOC). In the Amended SOC, SPASB had raised its claim to RM59.9 million. MAHB had later filed its Statement of Defence on 21 September 2018. SPASB filed its reply to MAHB's Statement of Defence on 10 October 2018.

During the Case Management on 8 July 2019, the Court maintained the previously arranged trial dates on 11 to 15 November 2019. The Court further directed both parties to exchange witness statements.

On 12 July 2019, SPASB had increased its amount of claim from RM59.9 million to RM66.8 million. Subsequently, on 31 July 2019, MAHB has filed its Amended Statement of Defence and Counterclaim. The amount claimed is not expected to have any material impact on the financial statements of the Group since it is subject to strict proof at the full trial. Subsequently, the trial took place in April and May 2021.

**13. CHANGES IN GUARANTEES, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (CONT'D.)**b) Contingent Liabilities (cont'd.)

## i) cont'd.

On 15 September 2021, the Court delivered its decision whereby out of the total sum of RM66.8 million claimed by SPASB, the Court only awarded SPASB the sum of RM9.9 million plus interest for balance of work payments. There is no material financial impact as this amount has been fully provided in the financial statements. The awarded sum take into account a deduction of RM0.75 million in liquidated ascertained damages awarded to MAHB for SPASB's delays in completing the airport's airside drainage works. The Court dismissed the entirety of SPASB's claims for acceleration cost and prolongation costs.

SPASB and MAHB have filed their Notice of Appeal in respect of the Court's decision on 11 October 2021 and 14 October 2021, respectively.

On 18 October 2021, SPASB has issued a demand letter requesting for MAHB to pay within 10 days on all High Court's judgement items which are not subjected to SPASB appeal, amounting to approximately RM8.2 million (including interest) which was paid to SPASB on 1 November 2021.

On 12 November 2021, the Court has awarded net cost of RM95,000 and allocator of RM3,800 to SPASB. On 29 November 2021, SPASB filed Notice of Appeal in respect of Court's decision on the cost. On 30 November 2021, SPASB issued a letter to MAHB to demand the cost and allocator in the sum of RM98,800 of which MAHB has paid it accordingly.

On 7 December 2021, MAHB has filed Notice on Appeal in respect of Court's decision on the cost. The Court of Appeal has on 4 February 2022, allowed SPASB's application for the consolidation of the appeals with no order as to costs. Case management was set on 16 March 2022.

Subsequently, the next case management has been set on 29 August 2022. The hearing date for SPASB and MAHB's consolidated appeals and cost appeals that has been set on 12 September 2022, postponed to 7 December 2022.

## ii) On 21 March 2019, Malaysia Airports (Sepang) Sdn. Bhd. (MA (Sepang)) has received notice of Arbitration from Segi Astana Sdn. Bhd. (SASB) for the alleged losses and damages pertaining to the delay in commencement of operations of klia2 Integrated Complex. This notice is amounting to RM70.0 million in respect of the alleged losses and damages pertaining to inter alia, the delay in the commencement of the commercial operation of the klia2 Integrated Complex.

**13. CHANGES IN GUARANTEES, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (CONT'D.)**b) Contingent Liabilities (cont'd.)

## ii) cont'd.

Hearing dates of 17 to 20, 23 to 27 and 30 November 2020 have been vacated pursuant to the direction from the Tribunal during the virtual pre-hearing held on 3 November 2020. Subsequently, the hearing dates was set from 21 June to 25 June 2021, 11 October to 15 October 2021 and 25 October to 29 October 2021. The Tribunal vacated the hearing dates in June and fixed 23 August 2021 till 26 August 2021 for the hearing of the arbitration. The second tranche of hearing dates in October 2021 has been retained by the Court. The solicitors and internal legal department are of the view that MA (Sepang) has a fair prospect of success in defending the amount claimed.

The hearing has been completed and the oral submissions was held on 30 June 2022. The parties have filed their responses to the Tribunal queries and the oral submission was held on 18 July 2022.

The final award related to this arbitration was issued by the Tribunal on 21 November 2022 whereby MA (Sepang) is to pay SASB the final settlement sum of RM4.6 million, subject to pre-award interests of 5% per annum, calculated from the date of the Notice of Arbitration dated 21 March 2019, and post-award interests of 5% per annum from the date of the Final Award to full and final settlement sum and costs for the arbitration amounting to RM1.3 million.

The final award related to this arbitration will not have material impact to the Group's financial statement.

Save for the above, there were no changes in contingent liabilities from preceding quarter announcement. The Group has no contingent assets.

**14. RELATED PARTY TRANSACTIONS AND BALANCES**
**Related Party Transactions:**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2022 RM'000	Preceding Year Corresponding Quarter 30.09.2021 RM'000	Current Year To Date 30.09.2022 RM'000	Preceding Year Corresponding Period 30.09.2021 RM'000
<b>Revenue:</b>				
<u>Associates:</u>				
Lease rental				
- KL Aviation Fuelling System Sdn. Bhd.	1,485	1,441	4,369	4,325
- MFMA Development Sdn. Bhd.	722	695	2,166	2,085
- Alibaba KLIA Aeropolis Sdn. Bhd.	585	585	1,737	1,737
- Cooling Energy Supply Sdn. Bhd.*	559	559	1,677	559
Service fee				
- KL Aviation Fuelling System Sdn. Bhd.	134	134	402	402
- MFMA Development Sdn. Bhd.	419	403	1,257	1,209
- Cooling Energy Supply Sdn. Bhd.*	82	82	246	82
Concession fee				
- MFMA Development Sdn. Bhd.	142	142	426	426
- Cooling Energy Supply Sdn. Bhd.*	196	196	588	196
Recoupment of utilities and quit rent				
- KL Aviation Fuelling System Sdn. Bhd.	281	214	798	578
- MFMA Development Sdn. Bhd.	2,155	405	5,936	2,961
- Alibaba KLIA Aeropolis Sdn. Bhd.	265	242	645	573
- Cooling Energy Supply Sdn. Bhd.*	2,419	587	9,450	587
<u>Joint ventures:</u>				
Lease rental				
- Segi Astana Sdn. Bhd.	319	319	955	955
- Airport Cooling Energy Supply Sdn. Bhd.	153	153	459	459
Service fee				
- Airport Cooling Energy Supply Sdn. Bhd.	26	26	78	78
Concession fee				
- Airport Cooling Energy Supply Sdn. Bhd.	43	43	129	129
Recoupment of utilities				
- Segi Astana Sdn. Bhd.	1,549	720	5,862	2,483
- Airport Cooling Energy Supply Sdn. Bhd.	2,431	1,099	6,781	3,332
<b>Expenses:</b>				
<u>Associate</u>				
Cooling Energy Supply Sdn. Bhd.*				
- Utilities (Fixed)	3,610	3,100	10,380	3,100
- Utilities (Variable usage)	8,198	4,311	21,592	4,311

**14. RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D.)**

**Related Party Transactions: (cont'd.)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2022 RM'000	Preceding Year Corresponding Quarter 30.09.2021 RM'000	Current Year To Date 30.09.2022 RM'000	Preceding Year Corresponding Period 30.09.2021 RM'000
<b>Expenses: (cont'd.)</b>				
<u>Joint ventures:</u>				
Airport Cooling Energy Supply Sdn. Bhd.				
- Utilities (Fixed)	8,031	8,031	24,093	24,093
- Utilities (Variable usage)	2,638	2,073	7,625	6,275
- Less: Rebate	(891)	(858)	(2,643)	(2,574)

**Related Party Balances:**

	As at 30.09.2022 RM'000 Unaudited	As at 31.12.2021 RM'000 Audited
<u>Associates:</u>		
Amount owing by	9,659	1,572
Amount owing to	24,631	23,550
<u>Joint ventures:</u>		
Amount owing by	13,556	5,658
Amount owing to	85,976	66,570

Note:

\* Cooling Energy Supply Sdn. Bhd. commenced operations from July 2021.

**15. COMMITMENTS**

The amount of commitments for the lease rental, purchase of intangible asset, property, plant and equipment and other investment not provided for, in the interim condensed consolidated financial statements as at 30 September 2022 were as follows:

	<b>Not later than 1 year RM'000</b>	<b>Later than 1 year but not later than 5 years RM'000</b>	<b>Total RM'000</b>
(i) Approved and contracted for:			
Capital expenditure	435,936	369,303	805,239
(ii) Approved but not contracted for:			
Capital expenditure	302,607	673,240	975,847
(iii) Other investments:			
Investment in MFMA Development Sdn. Bhd.	36,075	-	36,075
	<u>774,618</u>	<u>1,042,543</u>	<u>1,817,161</u>

**16. SUBSEQUENT EVENTS**

There were no material events subsequent to the end of the current period under review that requires disclosure or adjustments to the interim financial statements.

**17. PERFORMANCE REVIEW**

	INDIVIDUAL QUARTER				CUMULATIVE QUARTER			
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes		Current Year To Date	Preceding Year Corresponding Period	Changes	
			RM'000	%			RM'000	RM'000
	30.09.2022	30.09.2021	RM'000	%	30.09.2022	30.09.2021	RM'000	%
Revenue	863,611	461,331	402,280	87.2%	2,124,212	1,121,654	1,002,558	89.4%
Loss before tax and zakat	(19,132)	(254,877)	(235,745)	-92.5%	(260,609)	(825,903)	(565,294)	-68.4%

**3Q 2022 vs 3Q 2021 (Q-on-Q)**
**Revenue**

The Group's revenue for the current quarter increased significantly by 87.2% over the corresponding quarter in the prior year to RM863.6 million in tandem with the significant increase in passenger volumes for the Group, driven by further easing of travel protocols, summer and school holiday period, hajj season and further resumption of airline services and connectivity.

Revenue from airport operations increased significantly by 96.5% to RM799.3 million. Aeronautical segment revenue increased from RM233.4 million to RM449.8 million as compared to the corresponding quarter in the prior year on the back of traffic recovery with total passenger traffic of 24.0 million passengers for the Group as compared to 9.9 million passengers in the corresponding quarter in the prior year. Malaysia operations passenger traffic improved significantly to 14.9 million as compared to 1.0 million passengers in the corresponding quarter in the prior year. Whilst, Türkiye operations continued to show passenger traffic recovery from 8.9 million to 9.1 million passengers during the same period. The non-aeronautical segment revenue increased from RM173.3 million to RM349.5 million, largely due to better contribution of commercial revenue from Malaysia and Türkiye operations.

Revenue from the non-airport operations increased by 17.8% or RM9.7 million from RM54.6 million to RM64.3 million due to higher revenue from the project and repair maintenance and hotel businesses.

Overall, Malaysia operations had recorded a significant increase in revenue by 212.2% from RM151.3 million to RM472.4 million. Whereas, Türkiye and Qatar operations recorded increase in revenue by 27.1% from RM287.9 million to RM365.8 million and 14.9% from RM22.1 million to RM25.4 million respectively.

**17. PERFORMANCE REVIEW (CONT'D.)****3Q 2022 vs 3Q 2021 (Q-on-Q)(cont'd.)****(Loss)/profit before tax and zakat (LBT/PBT)**

The Group LBT narrowed to RM19.1 million as compared to LBT of RM254.9 million in the corresponding quarter in the prior year driven by the increase in revenue of RM402.3 million, albeit increase in depreciation in line with traffic and higher finance cost. Other cost increase primarily due to increase in user fees payable under the operating agreement and revenue share payable to the concessionaire in tandem with increase in revenue.

Malaysia operations recorded a LBT of RM20.5 million, whilst Türkiye operations recorded a LBT of RM2.4 million, both lower than the LBT in the corresponding quarter in the prior year of RM193.1 million and RM64.1 million respectively. Qatar operations recorded a PBT of RM3.8 million, slightly higher than PBT of RM2.3 million recorded in the corresponding quarter in the prior year.

The Group's LBT was however mitigated by the recognition of deferred tax asset arising from the current period business losses. Accordingly, the Group recorded loss after taxation (LAT) of RM9.0 million.

**Share of results of Associates and Joint Ventures (JV)**

In the current quarter under review, the share of results from associates recorded lower losses of RM1.2 million as compared to a loss of RM2.0 million for the corresponding quarter in the prior year. Share of losses mainly contributed by Cooling Energy Supply Sdn. Bhd. (CES) of RM4.8 million and offset by share of profits from KAF, MFMA Development Sdn.Bhd. (MFMA) and Alibaba KLIA Aeropolis Sdn. Bhd. (Alibaba KLIA Aeropolis) of RM1.8 million, RM1.0 million and RM0.8 million respectively.

Share of results of joint ventures in the current quarter under review recorded a profit amounting to RM4.2 million, higher by RM4.0 million as compared to RM0.2 million for the corresponding quarter in the prior year. Higher share of profit was contributed by Segi Astana Sdn. Bhd. (SASB) from a losses of RM1.6 million registered in the corresponding quarter in the prior year to RM2.2 million profit, and share of profit from Airport Cooling Energy Supply Sdn. Bhd. (ACES) of RM2.0 million as compared to RM1.8 million profit recorded in the corresponding quarter in the prior year.

## **17. PERFORMANCE REVIEW (CONT'D.)**

### **YTD 30 September 2022 vs YTD 30 September 2021 (Y-on-Y)**

#### **Revenue**

The Group recorded revenue of RM2,124.2 million, 89.4% higher than revenue of RM1,121.6 million recorded in the corresponding period in the prior year in tandem with the significant increase in passenger movements by more than two-fold to 58.1 million passengers and a 55.5% recovery of pre-COVID volume. The increase in passenger volumes for the Group, driven by the further easing of travel protocols, summer and school holiday period, hajj season and further resumption of airline services and connectivity.

Revenue from airport operations increased significantly by 98.8% to RM1,936.3 million. Aeronautical segment revenue increased from RM529.3 million to RM1,112.9 million as compared to the corresponding period in the prior year on the back of traffic recovery with total passenger traffic of 58.1 million passengers for the Group as compared to 21.9 million passengers in the corresponding period in the prior year. Malaysia operations passenger traffic improved significantly to 35.2 million as compared to 4.0 million passengers in the corresponding period in the prior year. Whilst, Türkiye operations continued to show passenger traffic recovery from 17.9 million to 22.9 million passengers during the same period. International passenger in Türkiye for the current period has exceeded the pre-COVID level by 0.9 million passengers. The non-aeronautical segment revenue increased from RM444.7 million to RM823.4 million, largely due to better contribution of commercial revenue from Malaysia and Türkiye operations.

Revenue from the non-airport operations increased by 27.3% or RM40.3 million from RM147.6 million to RM187.9 million due to higher revenue from the project and repair maintenance, agriculture and hotel businesses.

Overall, Malaysia and Türkiye operations had recorded a significant increase in revenue by 150.4% from RM440.5 million to RM1,103.0 million and 54.1% from RM616.4 million to RM950.1 million respectively. Whereas, Qatar operations recorded an increase in revenue by 9.9% from RM64.7 million to RM71.1 million.

#### **(Loss)/profit before tax and zakat (LBT/PBT)**

The Group LBT narrowed to RM260.6 million as compared to LBT of RM825.9 million in the corresponding period in the prior year driven by the increase in revenue by RM1,002.6 million, albeit increase in depreciation in line with traffic and higher finance cost. Other cost increase primarily due to increase in user fees payable under the operating agreement and revenue share payable to the concessionaire in tandem with increase in revenue.

**17. PERFORMANCE REVIEW (CONT'D.)****YTD 30 September 2022 vs YTD 30 September 2021 (Y-on-Y) (cont'd.)****(Loss)/profit before tax and zakat (LBT/PBT) (cont'd.)**

Malaysia operations recorded a LBT of RM202.1 million, whilst Türkiye operations recorded a LBT of RM67.6 million, both lower than the LBT in the corresponding period in the prior year of RM583.8 million and RM247.7 million respectively. Qatar operations recorded a PBT of RM9.1 million as compared to RM5.6 million recorded in the corresponding period in the prior year.

The Group's LBT was however mitigated by the recognition of deferred tax asset arising from the current period business losses. Accordingly, the Group recorded loss after taxation (LAT) of RM171.9 million.

**Share of results of Associates and Joint Ventures (JV)**

In the current financial period under review, the share of results from associates recorded a profit of RM0.6 million, improved by RM4.9 million as compared to the losses of RM4.3 million recorded in the corresponding period in the prior year, attributed by the share of profits from KAF, MFMA and Alibaba KLIA Aeropolis of RM3.9 million, RM2.9 million and RM2.2 million respectively. However, this was offset by the share of losses from CES of RM8.4 million.

Share of results of joint ventures in the current period under review recorded a profit of RM7.5 million, higher by RM4.2 million as compared to a profit of RM3.3 million for the corresponding period in the prior year, largely due to higher share of profits from SASB of RM2.0 million as compared to losses of RM2.0 million recorded in the corresponding period in the prior year. ACES has contributed consistent share of profit of RM5.5 million for the current period under review.

**18. COMPARISON OF PERFORMANCE FOR THE CURRENT QUARTER AGAINST THE IMMEDIATE PRECEDING QUARTER**

	INDIVIDUAL QUARTER			
	Current Year	Immediate	Changes	
	Quarter	Preceding		
	30.09.2022	Quarter	30.06.2022	
	RM'000	RM'000	RM'000	%
Revenue	863,611	689,755	173,856	25.2%
Loss before tax and zakat	(19,132)	(91,094)	(71,962)	-79.0%

**3Q 2022 vs 2Q 2022 (Q-on-PQ)**
**Revenue**

The Group's revenue for the current quarter under review increased by 25.2% to RM863.6 million against RM689.8 million recorded in the immediate preceding quarter in line with the increase in passenger volume for the Group driven by further easing of travel protocols, summer and school holiday period, hajj season and further resumption of airline services and connectivity.

Revenue from airport operations increased by 27.5% to RM799.3 million over the immediate preceding quarter. Aeronautical segment revenue increased from RM368.2 million to RM449.8 million as compared to the immediate preceding quarter due to the increase in passenger traffic for Malaysia operations from 12.0 million passengers to 14.9 million passengers and increase in passenger traffic for Türkiye operations by 23.0% (international: +27.8%, domestic: +18.4%) to 9.1 million passengers as compared to 7.4 million passengers recorded in the immediate preceding quarter. The non-aeronautical segment revenue increased by 35.1% from RM258.7 million to RM349.5 million.

Revenue from the non-airport operations increased slightly by 2.2% or RM1.4 million from RM62.9 million to RM64.3 million due to higher revenue from hotel and project and repair maintenance businesses.

Overall, Malaysia had recorded an increase in revenue by 32.1% from RM357.5 million to RM472.4 million. Whilst, Türkiye and Qatar operations had recorded an increase in revenue by 18.3% from RM309.2 million to RM365.8 million and 10.0% from RM23.1 million to RM25.4 million respectively.

**18. COMPARISON OF PERFORMANCE FOR THE CURRENT QUARTER AGAINST THE IMMEDIATE PRECEDING QUARTER (CONT'D.)****3Q 2022 vs 2Q 2022 (Q-on-PQ) (cont'd.)****(Loss)/profit before tax and zakat (LBT/PBT)**

The Group LBT of RM19.1 million narrowed as compared to LBT of RM91.1 million in the immediate preceding quarter due to increase in revenue and other income.

In the current quarter under review, Malaysia operations recorded LBT of RM20.5 million, whilst Türkiye operations recorded a LBT of RM2.4 million, both lower than LBT in the immediate preceding quarter of RM64.8 million and RM28.6 million respectively. Whereas, Qatar operations recorded higher PBT of RM3.8 million as compared to RM2.3 million recorded in the immediate preceding quarter.

The Group's LBT however was mitigated by the recognition of deferred tax asset arising from the current period business losses. Accordingly, the Group recorded loss after taxation (LAT) of RM9.0 million.

**Share of results of Associates and Joint Ventures (JV)**

In the current quarter under review, the share of results from associates recorded losses of RM1.2 million, higher as compared to RM0.1 million losses for the immediate preceding quarter, attributed by the share of losses from CES of RM4.8 million as compared to a loss of RM3.0 million registered in the immediate preceding quarter. Higher share of losses however offset by share of profits from KAF, MFMA and Alibaba KLIA Aeropolis of RM1.8 million, RM1.0 million and RM0.8 million respectively.

Share of results of joint ventures in the current quarter under review recorded a profit of RM4.2 million, higher by RM0.7 million as compared to a profit of RM3.5 million for the immediate preceding quarter, largely due to higher share of profit from SASB of RM2.2 million as compared to profit of RM1.2 million recorded in the immediate preceding quarter coupled with share of profits contributed from ACES of RM2.0 million, decreased slightly by RM0.3 million as compared to RM2.3 million profits registered in the immediate preceding quarter.

## **19. COMMENTARY ON PROSPECTS**

Passenger movements for MAHB network of airports continued to show signs of recovery and expected to improve as the airlines continue to reactivate more aircraft and overcome labour shortages to match increasing demand. Aircraft movements showed increased movements to medium and long-haul flights to Perth, Sydney and Auckland, Southeast Asia and South Asia destinations, as travel restrictions eased, and additional flight frequencies were granted. Recently, KL International Airport (KUL) saw the return of Kuwait Airways after a seven-year hiatus, while two other foreign carriers i.e KLM Royal Dutch Airlines and All Nippon Airways, will resume non-stop flight operations to Amsterdam and Tokyo respectively after temporarily ceasing operations due to COVID-19 pandemic. In addition, Malaysia Airlines is increasing its flight frequency to Tokyo from November 2022, in anticipation of the surge in travel demand following the reopening of Japan's borders to international travellers. AirAsia Group meanwhile is focusing on its medium haul operations by increasing its Malaysia AirAsia X flights to 44 weekly across 10 routes commencing November 2022.

Istanbul SGIA overall passenger movements also continued to register international passenger growth as it records a larger share of international to domestic passenger mix in September 2022. This on-going structural change is a positive development in view of the capacity challenges.

The International Air Transport Association (IATA) forecasted 2022 global traffic to reach 82.4% of pre-COVID level as Bank Negara Malaysia forecasts 2022 gross domestic product (GDP) to be between 5.3% to 6.3%. The outlook for the national aviation industry is improving day by day as industry players are working very closely with the government to ensure that Malaysia receives about 10.0 million international tourists by year-end.

### Group Initiatives

MAHB is pivoting towards a propensity for growth, making concerted efforts in seeking out revenue generation and actively unlocking untapped opportunities to strengthen its financial position. In addition, MAHB continues to take pre-emptive measures in implementing cost optimisation plan as well as continue its cash conservation measures. These measures include recalibrating operational efficiencies i.e. rebasing cost, operational process flow review and prioritizing capital expenditure to conserve cash reserves to ensure that the Group is able to meet its financial and operational obligations.

**20. PROFIT FORECAST**

The Group did not publish any profit forecast.

**21. TAXATION AND ZAKAT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2022 RM'000	Preceding Year Corresponding Quarter 30.09.2021 RM'000	Current Year To Date 30.09.2022 RM'000	Preceding Year Corresponding Period 30.09.2021 RM'000
Current tax	(20,622)	(6,464)	(36,651)	(16,838)
Deferred taxation	30,719	79,025	125,317	213,035
	<u>10,097</u>	<u>72,561</u>	<u>88,666</u>	<u>196,197</u>

**22. SALE OF PROPERTIES**

There were no sales of properties since 31 December 2021.

**23. INVESTMENTS IN QUOTED SECURITIES**

There were no investment in quoted securities during the current quarter and financial period-to-date under review.

**24. STATUS OF CORPORATE PROPOSALS**

There are no ongoing corporate proposals announced by the Group but not completed as at 29 November 2022 being a date not earlier than 7 days from the date of issuance of the quarterly report.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD**
**25. BORROWINGS**

	As at 30.09.2022		As at 31.12.2021	
	EUR'000	RM'000	EUR'000	RM'000
	Unaudited		Audited	
<b>Short-term borrowings</b>				
Unsecured:				
Islamic Medium Term Notes (IMTN)	-	1,500,000	-	1,500,000
Revolving Credit Facilities	-	455,000	-	-
Secured:				
Senior Term Loan Facility	57,719	263,199	52,179	245,765
<b>Total short-term borrowings</b>	<b>57,719</b>	<b>2,218,199</b>	<b>52,179</b>	<b>1,745,765</b>
<b>Long-term borrowings</b>				
Unsecured:				
Islamic Medium Term Notes (IMTN)	-	600,000	-	600,000
Senior Sukuk	-	2,295,481	-	1,496,687
Secured:				
Senior Term Loan Facility	291,936	1,331,230	311,964	1,469,351
<b>Total long-term borrowings</b>	<b>291,936</b>	<b>4,226,711</b>	<b>311,964</b>	<b>3,566,038</b>
<b>Total borrowings</b>	<b>349,655</b>	<b>6,444,910</b>	<b>364,143</b>	<b>5,311,803</b>

**26. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES**

	As at 31.12.2021 RM'000 Audited	Non-cash changes Foreign			As at 30.09.2022 RM'000 Unaudited
		Cash Flows	Exchange Movements	Fair Value Changes	
Unsecured:					
Islamic Medium Term Notes (IMTN)	2,100,000	-	-	-	2,100,000
Revolving Credit Facilities	-	455,000	-	-	455,000
Senior Sukuk	1,496,687	798,279	-	515	2,295,481
Secured:					
Senior Term Loan Facility	1,715,116	(118,933)	(52,823)	51,069	1,594,429
Derivative financial instruments	24,677	(4,126)	(23,245)	(29,219)	(31,913)
	<b>5,336,480</b>	<b>1,130,220</b>	<b>(76,068)</b>	<b>22,365</b>	<b>6,412,997</b>

**27. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no off balance sheet financial instruments as at 30 September 2022.

**28. CHANGES IN MATERIAL LITIGATION**

There were no other changes in material litigation against the Group and its subsidiaries since 31 December 2021 other than those disclosed in note 13.

**29. DIVIDEND PAYABLE**

There were no dividends paid or declared during the current quarter and financial period-to-date under review.

**30. EARNINGS PER SHARE (EPS)**
**Basic EPS**

Basic earnings per share amounts are calculated by dividing the profit for the period attributable to Owners of the Company by the weighted average number of ordinary shares in issue during the current quarter and financial period-to-date under review.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2022 RM'000	Preceding Year Corresponding Quarter 30.09.2021 RM'000	Current Year To Date 30.09.2022 RM'000	Preceding Year Corresponding Period 30.09.2021 RM'000
Loss attributable to Owners of the Company	(9,035)	(182,316)	(171,943)	(629,706)
Distribution to Perpetual Sukuk holder	(14,493)	(14,493)	(43,007)	(43,007)
Net loss attributable to Owners of the Company	(23,528)	(196,809)	(214,950)	(672,713)
Weighted average number of ordinary shares in issue ('000)	1,659,192	1,659,192	1,659,192	1,659,192
Loss per share attributable to Owners of the Company (sen)	(1.42)	(11.86)	(12.96)	(40.54)



**30. EARNINGS PER SHARE (EPS) (CONT'D.)**

**Basic EPS (cont'd.)**

Weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period.

**31. AUTHORISATION FOR ISSUE**

The interim condensed consolidated financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors.

**BY ORDER OF THE BOARD**

**Zawardi Mohamed Salleh**

Company Secretary

Sepang

29 November 2022