



AIRASIA X BERHAD

(Company No. 734161-K)

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

OTHER QUARTER REPORT ENDED 31 MARCH 2021

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 other quarter ended 31 March 2021.

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER		
		Quarter ended	Quarter ended	Period Ended	Period Ended	
		31/03/2021	31/03/2020	31/03/2021	31/03/2020	
Note		RM'000	RM'000	RM'000	RM'000	
	Revenue	10	38,491	-	1,168,584	-
	Operating Expenses					
	- Staff costs	11	(11,593)	-	(243,922)	-
	- Aircraft fuel expenses		(4,417)	-	(560,528)	-
	- Maintenance and overhaul		(102,588)	-	(626,664)	-
	- User charges		4,850	-	(95,076)	-
	- Aircraft operating lease expenses		(1,084)	-	(2,417)	-
	- Other operating expenses		(5,211,036)	-	(5,371,784)	-
	Other income	12	1,340	-	6,198	-
	Share of results of an associate	16	-	-	-	-
	Share of results of a joint venture	17	-	-	-	-
	EBITDA *		(5,286,037)	-	(5,725,609)	-
	Depreciation		(182,570)	-	(949,046)	-
	Finance income	13	17,143	-	124,577	-
	Finance costs	13	(67,092)	-	(391,286)	-
	Net Operating loss		(5,518,556)	-	(6,941,364)	-
	Net foreign exchange losses	13	(152,307)	-	(55,632)	-
	Other losses		-	-	(10,928)	-
	Loss before taxation		(5,670,863)	-	(7,007,924)	-
	Taxation					
	Current taxation	14	(17)	-	(680)	-
	Deferred taxation	14	-	-	-	-
			(17)	-	(680)	-
	Loss for the financial period		(5,670,880)	-	(7,008,604)	-
	Attributable to:					
	Equity holders of the Company		(5,670,880)	-	(7,008,604)	-
	Non-controlling Interests		-	-	-	-
			(5,670,880)	-	(7,008,604)	-
	Loss per share (sen)					
	Basic	23	(136.7)	-	(169.0)	-
	Diluted	23	(136.7)	-	(169.0)	-

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

As announced on 2 December 2020, the financial year end of the Group has been changed from 31 December 2020 to 30 June 2021. As such, there will be no comparative financial information available for the preceding year corresponding periods.

This unaudited condensed consolidated income statement should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2019 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
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	RM'000	RM'000	RM'000	RM'000
Loss for the financial period	(5,670,880)	-	(7,008,604)	-
Other comprehensive (loss)/income				
Cash flow hedges	24,152	-	(29,141)	-
Foreign currency translation differences	61	-	443	-
Total comprehensive loss for the financial period	(5,646,667)	-	(7,037,302)	-
Total comprehensive loss attributable				
To equity holder of the company	(5,646,667)	-	(7,037,302)	-
Non-controlling interest	-	-	-	-
Total comprehensive loss for the financial period	(5,646,667)	-	(7,037,302)	-

As announced on 2 December 2020, the financial year end of the Group has been changed from 31 December 2020 to 30 June 2021. As such, there will be no comparative financial information available for the preceding year corresponding periods.

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 2019 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
		31/03/2021 RM'000	31/12/2019 RM'000
NON-CURRENT ASSETS			
Property, plant & equipment	15	262,919	623,445
Right of use assets		-	4,959,771
Finance lease receivable		-	842,043
Investment in an associate	16	-	-
Investment in a joint venture	17	-	-
Deferred tax assets		-	-
Trade and other receivables	18	2,052,330	1,588,833
Amount due from an associate		28,170	50,165
Derivative financial assets		-	1,311
		2,343,419	8,065,568
CURRENT ASSETS			
Inventories		7,977	13,102
Trade and other receivables	18	635,837	671,902
Amount due from an associate		300,265	117,772
Amount due from joint venture		-	4,501
Amounts due from related parties		6,909	119,328
Finance lease receivable		-	170,631
Derivative financial assets	20	-	44,615
Tax recoverable		1,125	1,481
Deposits, cash and bank balances	19	95,322	357,961
		1,047,435	1,501,293
CURRENT LIABILITIES			
Sales in advance		496,370	730,725
Derivative financial liabilities	20	-	2,317
Trade and other payables	21	1,504,688	823,811
Amount due to an associate		39,585	-
Amount due to related parties		353,701	30,616
Borrowings	22	1,986,122	860,070
Provision for aircraft maintenance		134,101	134,101
		4,514,567	2,581,640
Net Current Liabilities		(3,467,132)	(1,080,347)
NON-CURRENT LIABILITIES			
Derivative financial liabilities	20	-	3,541
Trade and other payables	21	53,444	52,925
Borrowings	22	4,157,836	5,405,541
Provision for aircraft maintenance		1,564,379	1,385,285
		5,775,659	6,847,292
		(6,899,372)	137,929
CAPITAL AND RESERVES			
Share capital		1,534,044	1,534,043
Warrant reserve		-	62,222
Other reserves		1,311	30,452
Currency translation reserve		532	89
Accumulated losses		(8,435,259)	(1,488,877)
Shareholders' equity		(6,899,372)	137,929

As announced on 2 December 2020, the financial year end of the Group has been changed from 31 December 2020 to 30 June 2021. As such, there will be no comparative financial information available for the preceding year corresponding periods.

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 2019 and the accompanying explanatory notes attached in the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Issued and fully paid
ordinary shares
of RM0.15 each

	Number of shares '000	Nominal Value RM'000	Warrant Reserve RM'000	Cash Flow Hedge Reserve RM'000	Other Reserve	Currency Translation Reserve RM'000	Accumulated Losses RM'000	Total Equity RM'000
At 1 January 2020	4,148,148	1,534,043	62,222	30,452	-	89	(1,488,877)	137,929
Net loss for the financial period	-	-	-	-	-	-	(7,008,604)	(7,008,604)
Issue of shares upon exercise of warrants	1	1	-	-	-	-	-	1
Transfer of warrant reserve upon expiry of warrants to accumulated losses	-	-	(62,222)	-	-	-	62,222	-
Other comprehensive (loss)/income	-	-	-	(29,141)	-	443	-	(28,698)
Total comprehensive (loss)/income	1	1	(62,222)	(29,141)	-	443	(6,946,382)	(7,037,301)
At 31 March 2021	4,148,149	1,534,044	-	1,311	-	532	(8,435,259)	(6,899,372)
At 1 January 2019 (restated)	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	-	-	-	-	-	-
At 31 December 2019	-	-	-	-	-	-	-	-

As announced on 2 December 2020, the financial year end of the Group has been changed from 31 December 2020 to 30 June 2021. As such, there will be no comparative financial information available for the preceding year corresponding periods.

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 2019 and the accompanying explanatory notes attached in the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Note	Period ended	Period ended
		31/03/2021	31/03/2020
		RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(7,007,924)	-
Adjustments:			
Property, plant and equipment and right-of-use assets			
- Depreciation		949,046	-
- Allowance for impairment		4,939,936	-
- Loss on termination		16,483	-
Allowance for impairment of receivables		324,584	-
Allowance for impairment of inventories		2,659	-
Finance income		(75,933)	-
Finance costs		342,347	-
Impact of discounting effect on financial instruments (net)		295	-
Net unrealised foreign exchange losses		42,648	-
Operating (loss)/profit before working capital changes		(465,859)	-
Changes in working capital:			
Inventories		2,466	-
Trade and other receivables		(570,933)	-
Related parties balances		341,274	-
Trade and other payables		966,854	-
Sales in advance		(234,355)	-
Cash flows generated from operations		39,447	-
Finance costs paid		(3,934)	-
Interest received		2,084	-
Tax paid		91	-
Net cash generated from operating activities		37,688	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions of property, plant and equipment		(4,028)	-
Net cash generated from investing activities		(4,028)	-



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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
(CONT'D.)**

	Period ended 31/03/2021 RM'000	Period ended 31/03/2020 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(201,271)	-
Repayment of term loans	(14,268)	-
Repayment of hire purchase	(14)	-
Interest paid for lease liabilities	(71,365)	-
Interest paid for term loans	(5,289)	-
Deposits pledged as securities	39,656	-
Net cash used in financing activities	(252,552)	-
NET (DECREASE)/ INCREASE FOR THE FINANCIAL PERIOD	(218,892)	-
CURRENCY TRANSLATION DIFFERENCES	(4,091)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	307,619	-
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	84,636	-

Note

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As announced on 2 December 2020, the financial year end of the Group has been changed from 31 December 2020 to 30 June 2021. As such, there will be no comparative financial information available for the preceding year corresponding periods.

This unaudited condensed consolidated cash flow statement should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached in the interim financial statements.



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KEY OPERATING STATISTICS - 31 MARCH 2021

Performance indicator for current quarter against the same quarter last year

During the quarter ended 31 March the Company has suffered from the full impact of the Covid 19 pandemic and, with the suspension of scheduled flight operations in April 2020, and the parking of the majority of the aircraft fleet, the performance indicators for the business are not meaningful. The tabular presentation of revenue and cost metrics in the quarter is therefore not included below, as there is no like-for-like comparison to the same quarter of 2020.



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NOTES TO THE UNAUDITED ACCOUNTS - 31 DECEMBER 2020

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 the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements.

As announced on 2 December 2020, the financial year end of the Group has been changed from 31 December 2020 to 30 June 2021. As such, there will be no comparative financial information available for the preceding year corresponding periods.

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2019.

For comparison purposes, the consolidated income statement for the quarter ended 31 December 2020 based on presentation in the unaudited financial statements, which is in line with the requirements of MFRS 134: Interim Financial Reporting, will be as follows:

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended	Quarter ended	Period Ended	Period Ended
		31/03/2021 RM'000	31/03/2020 RM'000	31/03/2021 RM'000	31/03/2020 RM'000
Revenue	10	38,491	-	1,168,584	-
Operating Expenses					
- Staff costs	11	(11,593)	-	(243,922)	-
- Depreciation		(182,570)	-	(949,046)	-
- Aircraft fuel expenses		(4,417)	-	(560,528)	-
- Maintenance and overhaul		(102,588)	-	(626,664)	-
- User charges		4,850	-	(95,076)	-
- Aircraft operating lease expenses		(1,084)	-	(2,417)	-
- Other operating expenses		(5,211,036)	-	(5,371,784)	-
Other income	12	1,340	-	6,198	-
Operating loss		(5,468,607)	-	(6,674,655)	-
Finance income	13	17,143	-	124,577	-
Finance costs	13	(67,092)	-	(391,286)	-
Net operating loss		(5,518,556)	-	(6,941,364)	-
Foreign exchange gains/(losses)	13	(152,307)	-	(55,632)	-
Share of results of an associate	16	-	-	-	-
Share of results of a joint venture	17	-	-	-	-
Other losses		-	-	(10,928)	-
Loss before taxation		(5,670,863)	-	(7,007,924)	-
Taxation					
Current taxation	14	(17)	-	(680)	-
Deferred taxation	14	-	-	-	-
		(17)	-	(680)	-
Loss for the financial period		(5,670,880)	-	(7,008,604)	-



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NOTES TO THE UNAUDITED ACCOUNTS - 31 DECEMBER 2020

2. Summary of significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2019. The Group did not early adopt any new standards, interpretation or amendment that has been issued but is not yet effective.

3. Auditors' report on preceding annual financial statements

The auditors have expressed an unmodified opinion with an emphasis of matters on material uncertainty relating to going concern, in view of the current economic condition and Covid-19 Pandemic, in respect of AirAsia X Berhad's audited financial statements for the financial year ended 31 December 2019 in their report dated 30 July 2020.

The Emphasis of matters by Independent Auditors are as follows:

"Material uncertainty related to going concern

We draw attention to Note 2.1 to the audited financial statements, which indicates that the Group and Company have reported a net loss of RM650.3 million and RM682.5 million respectively for the year ended 31 December 2019. In addition, the Group's and Company's current liabilities exceeded its current assets by RM1,080.3 million and RM1,103.5 million respectively. Further, in 2020, the global economy, in particular the commercial airlines industry, faces an uncertainty as a result of the unprecedented COVID-19 pandemic. The travel and border restrictions implemented by countries around the world has led to a significant fall in demand for international air travel which impacted the Group's and the Company's financial performance and cash flows. These events or conditions, along with other matters as set forth in Note 2.1 and Note 41 to the financial statements, indicate the existence of material uncertainties that may cast significant doubt on the Group's and the Company's ability to continue as a going

Nevertheless, as disclosed in Note 2.1 and Note 41 to the financial statements, the financial statements of the Group and of the Company have been prepared on a going concern basis, the validity of which is highly dependent on the successful implementation of the following management's plans in responding to the conditions above:

(a) Deferral of payments to creditors and a financial institution

As at 31 December 2019, the current liabilities of the Group and the Company relating to aircraft lessors, maintenance service providers and a financial institution amounted to RM877.8 million and RM894.3 million respectively. The Group and the Company have obtained payment deferrals on outstanding amounts due to certain lessors and are currently engaging with the lessors and maintenance service providers to seek for payment deferrals and concessions. In addition, the Group and the Company have also received an offer from the said financial institution to defer principal repayments and is currently finalising the terms and conditions for such deferral.

(b) Rationalisation of fleet and routes

As part of the Group's and the Company's plans to return to profitability, the Group and the Company plan to focus in core markets to improve yield. Some of the initiatives include, amongst others, the following:

- focusing on mature routes in core markets with historically proven demand;
- determining the optimal flight frequency that commensurate with passenger demand; and
- terminating unprofitable routes.



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NOTES TO THE UNAUDITED ACCOUNTS - 31 DECEMBER 2020

3. Auditors' report on preceding annual financial statements (cont'd.)

In connection with the above plans, the Group and the Company plan to operate a leaner fleet size which require the Group and the Company to return excess aircraft to the aircraft lessors. At present, the Group and the Company have successfully returned one aircraft and are in discussions with the other aircraft lessors to achieve the optimal fleet size. The Group and the Company are also in discussions with the aircraft lessors to reduce future lease rental rates. Further, the Group and the Company are also in discussion with maintenance service providers to reduce future maintenance costs.

(c) Funding

The Company plans to make an application for a government guaranteed loan of up to RM500 million under the Danajamin PRIHATIN Guarantee Scheme ("DPGS"). This application is subject to the credit assessment, final evaluation and approval from the relevant financial institutions. At present, the Company is in discussion with a financial institution to secure the DPGS loan.

The above plans are formulated with an aim to achieve an organised and systematic resolution to address the Group's and the Company's current financial conditions. The validity of the going concern assumption of the Group and the Company is dependent on the ability of the Group and the Company to gradually resume their scheduled flight operations on a staggered basis starting early 2021 and their ability to return to profitability which requires the successful implementation of management's plans to obtain the continued support from the aircraft lessors, maintenance service providers and financial institutions.

Should the going concern basis for the preparation of the financial statements be no longer appropriate, adjustments will have to be made to state the assets at their realisable values and to provide for further liabilities which may arise.

Our opinion is not modified in respect of this matter."

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. During the other quarter, the Company maintained only minimal operations in supporting repatriation of travellers as well as freight and cargo services. The total numbers of sectors flown on charter and cargo basis totalled up to 134 during the quarter.

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

In the quarter under review the Company has assessed the recoverability of its assets in the light of the ongoing Covid 19 pandemic and restructuring process. As a result of that assessment the Company has impaired those assets by RM5.28bn as reflected in the unaudited condensed consolidated income statement and unaudited condensed cash flow statement.

6. Changes in estimates

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

7. Capital and reserves

There was no issuance of shares during the current quarter. Total issued and paid up share capital as at 31 March 2021 is 1,534,043,625 (31 December 2019: RM1,534,043,217).



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NOTES TO THE UNAUDITED ACCOUNTS - 31 DECEMBER 2020

8. Dividend paid

No dividends were declared, approved or paid during the quarter ended 31 March 2021.

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 Group's Chief Executive Officer ("GCEO"). The GCEO 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, Thailand and Indonesia.

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

Reconciliation to the reportable segments relates to the elimination of the associate and joint venture companies.

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

	Malaysia	Thailand	Indonesia	Elimination	Total
	RM'000	RM'000	RM'000	Adjustments	RM'000
				RM'000	
Quarter ended 31 March 2021					
Revenue	38,491	51,345	-	(23,482)	66,354
Operating expenses					
- Staff costs	(11,593)	(12,368)	(328)	-	(24,289)
- Depreciation	(182,570)	(97,420)	(380)	8,681	(271,689)
- Aircraft fuel expenses	(4,417)	(18,832)	-	-	(23,249)
- Maintenance and overhaul	(102,588)	(53,290)	5	23,482	(132,391)
- User charges	4,850	(21,454)	18	-	(16,586)
- Aircraft operating lease expenses	(1,084)	(222)	-	-	(1,306)
- Other operating expenses	(5,211,036)	(2,824)	(383)	-	(5,214,243)
Other income	1,340	(258)	216	-	1,298
Operating loss	(5,468,607)	(155,323)	(852)	8,681	(5,616,101)
Finance income	17,143	2,015	-	(8,681)	10,477
Finance costs	(67,092)	(21,226)	(1)	-	(88,319)
Net operating loss	(5,518,556)	(174,534)	(853)	-	(5,693,943)
Foreign exchange (losses)/gains	(152,307)	(112,448)	(13,274)	-	(278,029)
Other losses	-	-	-	-	-
Loss before taxation	(5,670,863)	(286,982)	(14,128)	-	(5,971,973)



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NOTES TO THE UNAUDITED ACCOUNTS - 31 DECEMBER 2020

9. Segment reporting (cont'd.)

	Malaysia RM'000	Thailand RM'000	Indonesia RM'000	Elimination Adjustments RM'000	Total RM'000
Period ended 31 March 2021					
<u>Segment results</u>					
Revenue	1,168,584	453,874	936	(245,475)	1,377,919
Operating expenses					
- Staff costs	(243,922)	(113,619)	(3,101)	-	(360,642)
- Depreciation	(949,046)	(489,633)	2,184	62,277	(1,374,218)
- Aircraft fuel expenses	(560,528)	(331,011)	(226)	-	(891,765)
- Maintenance and overhaul	(626,664)	(296,966)	(31,863)	183,321	(772,172)
- User charges	(95,076)	(127,398)	4,812	-	(217,662)
- Aircraft operating lease expenses	(2,417)	(222)	(67,471)	62,154	(7,956)
- Other operating expenses	(5,371,784)	(28,600)	(2,286)	-	(5,402,670)
Other income	6,198	20,142	(2,093)	-	24,247
Operating loss	(6,674,655)	(913,433)	(99,110)	62,277	(7,624,921)
Finance income	124,577	10,368	(5,937)	(62,277)	66,731
Finance costs	(391,286)	(121,721)	(5,704)	-	(518,711)
Net operating loss	(6,941,364)	(1,024,786)	(110,751)	-	(8,076,901)
Foreign exchange (losses)/gains	(55,632)	(70,338)	(16,378)	-	(142,348)
Share of results of an associate	-	-	-	-	-
Other losses	(10,928)	-	-	-	(10,928)
Loss before taxation	(7,007,924)	(1,095,124)	(127,129)	-	(8,230,177)

a) Reconciliation of segment revenue to reported revenue:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 31/03/2021 RM'000	Quarter ended 31/03/2020 RM'000	Period ended 31/03/2021 RM'000	Period ended 31/03/2020 RM'000
Segment revenue	66,354	-	1,377,919	-
Add: Inter-segment revenue	23,482	-	245,475	-
Less: Revenue from affiliates which were not consolidated	(51,345)	-	(454,810)	-
	38,491	-	1,168,584	-



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9. Segment reporting (cont'd.)

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Period ended	Period ended
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	RM'000	RM'000	RM'000	RM'000
Segment loss before taxation	(5,971,973)	-	(8,230,177)	-
Add: Segment profit/(loss) from affiliates which were not consolidated	301,110	-	1,222,253	-
	<u>(5,670,863)</u>	<u>-</u>	<u>(7,007,924)</u>	<u>-</u>

10. Revenue

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Period ended	Period ended
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	RM'000	RM'000	RM'000	RM'000
Scheduled flights	-	-	592,022	-
Charter flights	7,044	-	64,041	-
Freight services	13,235	-	100,927	-
Ancillary revenue **	-	-	167,161	-
Aircraft operating lease income	18,212	-	245,522	-
Management fees	-	-	(1,089)	-
	<u>38,491</u>	<u>-</u>	<u>1,168,584</u>	<u>-</u>

** 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
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	RM'000	RM'000	RM'000	RM'000
Wages, salaries, bonuses and allowances	10,534	-	223,223	-
Defined contribution retirement plan	1,059	-	20,699	-
	<u>11,593</u>	<u>-</u>	<u>243,922</u>	<u>-</u>



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12. Other income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 31/03/2021 RM'000	Quarter ended 31/03/2020 RM'000	Period ended 31/03/2021 RM'000	Period ended 31/03/2020 RM'000
Commission income from insurance	-	-	(589)	-
Others	1,340	-	6,787	-
	<u>1,340</u>	<u>-</u>	<u>6,198</u>	<u>-</u>

13. Finance income/(costs) and foreign exchange (losses)/gains

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 31/03/2021 RM'000	Quarter ended 31/03/2020 RM'000	Period ended 31/03/2021 RM'000	Period ended 31/03/2020 RM'000
Finance income:				
Interest income on deposits with licensed banks	108	-	2,084	-
Interest income from finance lease receivables	8,681	-	62,277	-
Other interest income	1,193	-	11,572	-
	<u>9,982</u>	<u>-</u>	<u>75,933</u>	<u>-</u>
Impact of discounting effect on financial instruments	7,161	-	48,644	-
	<u>17,143</u>	<u>-</u>	<u>124,577</u>	<u>-</u>
Finance costs:				
Interest expense on term loans and hire purchase	(1)	-	(5,290)	-
Interest expense on lease liabilities	(57,376)	-	(333,123)	-
Bank facilities and other charges	(294)	-	(3,934)	-
	<u>(57,671)</u>	<u>-</u>	<u>(342,347)</u>	<u>-</u>
Impact of discounting effect on financial instruments	(9,421)	-	(48,939)	-
	<u>(67,092)</u>	<u>-</u>	<u>(391,286)</u>	<u>-</u>
Net foreign exchange (losses)/gains:				
Realised	2,290	-	(12,984)	-
Unrealised	(154,597)	-	(42,648)	-
	<u>(152,307)</u>	<u>-</u>	<u>(55,632)</u>	<u>-</u>

14. Taxation

Current taxation

The current taxation charge comprises tax payable on interest income.



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14. Taxation (cont'd.)

Deferred taxation

The explanation of the relationship between taxation and (loss)/profit before taxation is as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 31/03/2021 RM'000	Quarter ended 31/03/2020 RM'000	Period ended 31/03/2021 RM'000	Period ended 31/03/2020 RM'000
Loss before tax	(5,670,863)	-	(7,007,924)	-
Tax calculated at Malaysian statutory tax rate of 24% (2019: 24%)	(1,361,007)	-	(1,681,902)	-
Tax effects:				
- deferred tax movement	1,361,024	-	1,662,192	-
- expenses not deductible for tax purposes	-	-	20,390	-
Taxation	17	-	680	-

15. Property, plant and equipment

(a) Acquisition and disposal

During the period ended 31 March 2021, the Group acquired property, plant and equipment amounting to RM4.0 million (period ended 31 December 2019: RM20.5 million).

During the period ended 31 March 2021, there is no disposal of property, plant and equipment (period ended 31 December 2019: RM90.4 million).

(b) Revaluation

There was no revaluation of property, plant and equipment for the period ended 31 March 2021 (period ended 31 December 2019: RM Nil).

(c) Write-off

During the period ended 31 March 2021, there was no write-off property, plant and equipment (period ended 31 December 2019: RM10k).



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16. Investment in an associate

	As at 31/03/2021	As at 31/12/2019
	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
		31/03/2021	31/12/2019	
		%	%	
Thai AirAsia X Co. Ltd ("TAAX")	Thailand	49%	49%	Commercial air transport services

TAAX recorded a net loss of RM287 million in the current quarter. As at 31 March 2021, the unrecognised amount of the Group's share of loss of TAAX which have not been equity accounted for amounted to RM641.8 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.

17. Investment in a joint venture

	As at 31/03/2021	As at 31/12/2019
	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
		31/03/2021	31/12/2019	
		%	%	
PT. Indonesia AirAsia Extra ("IAAX")	Indonesia	49%	49%	Commercial air transport services

The Group has discontinued the recognition of its share of losses incurred by IAAX as the Group's interests had been reduced to zero. IAAX recorded a net loss in the current quarter of RM14.1 million. As at 31 March 2021, the unrecognised amount of the Group's share of loss of IAAX which have not been equity accounted for amounted to RM284.9 million.



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18. Trade and other receivables

	As at 31/03/2021 RM'000	As at 31/12/2019 RM'000
Non-current		
Deposits	1,079,248	792,778
Prepayments	946,467	769,440
Deferred lease expenses	26,615	26,615
	2,052,330	1,588,833
Current		
Trade receivables	9,699	79,365
Less : Allowance for impairment of receivables	(7,397)	(57,219)
	2,302	22,146
Other receivables	345,410	257,192
Less : Allowance for impairment of receivables *	(336,990)	(236,666)
	8,420	20,526
Deposits	211,920	185,578
Prepayments	416,645	438,739
Deferred lease expenses	4,913	4,913
	644,200	671,902

*Included in the total impairment of receivables is RM337.0 million (31 December 2019: RM236.7 million) relating to lease rental and maintenance reserve due from a joint venture through a third party leasing intermediary.

19. Deposits, cash and bank balances

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

	As at 31/03/2021 RM'000	As at 31/12/2019 RM'000
Cash and bank balances	21,637	261,652
Deposits with licensed banks	73,685	96,309
	95,322	357,961
Bank balances and deposits pledged as securities	(10,686)	(50,342)
Cash and cash equivalents	84,636	307,619

Cash and cash equivalents of RM84,636,000 excludes an unauthorised overdraft of RM12,594,000 which is classified under trade and other payables.



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20. Derivative Financial assets and liabilities

The fair value of derivative financial instruments is determined in accordance with MFRS 9 “Financial Instruments: Recognition and Measurement”.

Fuel hedging

As at 31 March 2021, there is no outstanding number of barrels of Brent and fuel derivative contracts (31 December 2019: 4,842,043 barrels).

21. Trade and other payables

	As at 31/03/2021 RM'000	As at 31/12/2019 RM'000
Current:		
Trade payables	1,196,553	241,100
Other payables and accruals	306,532	581,108
Deferred lease income	1,603	1,603
	<u>1,504,688</u>	<u>823,811</u>
Non-current:		
Other deposits	48,415	47,896
Deferred lease income	5,029	5,029
	<u>53,444</u>	<u>52,925</u>

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

22. Borrowings

	As at 31/03/2021 RM'000	As at 31/12/2019 RM'000
Current		
Secured:		
- Term loans	57,150	56,541
- Hire purchase	13	11
- Lease liabilities	1,928,959	803,518
	<u>1,986,122</u>	<u>860,070</u>
Non-current		
Secured:		
- Term loans	221,479	247,372
- Hire purchase	5	22
- Lease liabilities	3,936,352	5,158,147
	<u>4,157,836</u>	<u>5,405,541</u>
Total borrowings	<u>6,143,958</u>	<u>6,265,611</u>



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22. Borrowings (cont'd.)

The currency profile of borrowings is as follows:

	As at 31/03/2021 RM'000	As at 31/12/2019 RM'000
Ringgit Malaysia	18	33
US Dollar	6,143,940	6,265,578
	6,143,958	6,265,611

The Group borrowings are repayable as follows:

	As at 31/03/2021 RM'000	As at 31/12/2019 RM'000
Not later than 1 year	1,986,122	860,070
Later than 1 year and not later than 5 years	3,205,236	3,497,156
Later than 5 years	952,600	1,908,385
	6,143,958	6,265,611

23. Loss per share

Basic loss per share

Basic loss per share is calculated by dividing the net loss 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 31/03/2021	Quarter ended 31/03/2020	Period ended 31/03/2021	Period ended 31/03/2020
Net loss (RM'000)	(5,670,880)	-	(7,008,604)	-
Weighted average number of ordinary shares in issue ('000)	4,148,149	-	4,148,149	-
Loss per share (sen)	(136.7)	-	(169.0)	-

24. Post balance sheet events

As at the date of this report, there were no material events after the year end that have not been reflected in the financial statements for the period ended 31 March 2021.

25. Contingent assets

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

26. Contingent liabilities

There were no major changes in contingent liabilities since the latest audited consolidated financial statements for the period ended 31 March 2021.



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27. 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 31/03/2021 RM'000	As at 31/12/2019 RM'000
Aircraft purchase	136,809,734	135,343,801

28. Significant related parties 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
PT Indonesia AirAsia Extra ("IAAX")	Joint Venture
AirAsia Berhad ("AAB")	Shareholder of the Company for which there is no control, significant influence or joint control, and common Directors and shareholders
Thai AirAsia Co Ltd ("TAA")	Common Directors and shareholders
PT Indonesia AirAsia ("IAA")	Common Directors and shareholders
AirAsia Japan Co., Ltd ("AAJ")	Common Directors and shareholders
Philippines AirAsia Inc. ("AAZ")	Common Directors and shareholders
AirAsia SEA Sdn Bhd	Common Directors and shareholders
Rokki Sdn Bhd ("Rokki")	Common Directors and shareholders
Tune Insurance Malaysia Berhad ("TIMB")	Common Directors and shareholders
Ormond Lifestyle Services Sdn Bhd (formerly known as Yummy Kitchen Sdn Bhd)	Common Directors and shareholders
Ground Team Red Sdn Bhd ("GTR")	Common Directors and shareholders
AirAsia (India) Limited ("AAI")	Common Directors and shareholders
Teleport Everywhere Pte Ltd	Common Directors and shareholders
BIGLIFE Sdn Bhd	Common Directors and shareholders
AirAsia (Guangzhou) Aviation Service Limited ("AirAsia (Guangzhou)")	Common Directors and shareholders



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28. Significant related parties transactions (cont'd.)

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended 31/03/2021 RM'000	Quarter ended 31/03/2020 RM'000	Period ended 31/03/2021 RM'000	Period ended 31/03/2020 RM'000
TAAX				
- Aircraft operating lease income for leased aircraft	67,655	-	426,626	-
- Net operational services charged	3,073	-	16,917	-
IAAX				
- Aircraft operating lease income for leased aircraft	(5,319)	-	91,944	-
- Net operational services charged	157	-	2,352	-
AAB				
- Brand license fee	-	-	(4,715)	-
- Lounge services	-	-	280	-
- Net operational services charged	-	-	(6,064)	-
TAA				
- Net operational services charged	-	-	410	-
IAA				
- Net operational services charged	-	-	22	-
AAJ				
- Net operational services charged	12	-	(547)	-
AAZ				
- Net operational services charged	747	-	3,656	-
AASEA				
- Provision of shared services	(1)	-	(2,497)	-
- Net operational services charged	(76)	-	(559)	-
Rokki				
- In-flight entertainment system and software	-	-	(1,119)	-
TIMB				
- Commission received/receivable on travel insurance	-	-	455	-
- Premium collected on behalf of TIMB on travel insurance	-	-	(1,819)	-



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	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Period ended	Period ended
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	RM'000	RM'000	RM'000	RM'000
Ormond				
- Provision of food catering services	-	-	(333)	-
GTR				
- Ground handling services	(388)	-	(10,354)	-
- Net operational services charged	5	-	11	-
AAI				
- Net operational services charged	-	-	(357)	-
TELEPORT				
- Purchase of cargo transportation capacity	14,653	-	17,166	-
BIG				
- Sale of ticket and other ancillary revenue	-	-	(331)	-
- Purchase of loyalty point	1,121	-	(623)	-
AirAsia (Guangzhou)				
- Net operational services charged	146	-	579	-

29. Review of Group's performance

Performance of current quarter against the same quarter last year for Malaysia

As announced on 2 December 2020, the financial year end of the Group has been changed from 31 December 2020 to 30 June 2021. As such, there will be no comparative financial information available for the same quarter last year.

30. Variance of results against preceding quarter

The Group recorded a loss before taxation of RM5,671 million for the quarter under review as compared to loss before taxation of RM174 million in 4Q20.

31. Other profit and loss items

In the current quarter and period ended, there has been no interest income, other income including investment income, interest expense, depreciation and amortisation, provision for and write off of receivables and inventories, gain or loss on disposal of quoted and unquoted investments or properties, impairment of assets, foreign exchange gain or loss, gain or loss on derivatives and/or exceptional items except as disclosed either in the consolidated income statements and/or notes to the unaudited financial statements.



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32. Commentary on prospects

As previously disclosed on 19 February the High Court of Malaya at Kuala Lumpur granted the Company leave to convene its creditors to vote on the proposed Scheme of Arrangement, as proposed under Section 366 of the Malaysian Companies Act, 2016.

The Company is now undertaking the 'Proof of Debt' process with its creditors and will seek to convene the creditors meeting as soon as is practically possible, and within the 180 days prescribed by the court.

With regard to the fund raising exercise announced to Bursa on 14 December 2020 the Company has now distributed a Shareholders Circular, detailing the proposals to shareholders, with an EGM to be held on 1 June 2021 to vote on those proposals. The fund raising exercise will provide sufficient capital to restart operations when international borders reopen, and remains dependent on a successful outcome from the Scheme of Arrangement being proposed at the creditors meeting.

Further developments on the above matters are announced to Bursa Malaysia Securities Berhad as and when they occur.

33. Profit forecast

The disclosure requirement is not applicable as the Group did not publish any profit forecast.

34. Corporate proposal

As disclosed above, on 6 October 2020, the Company announced to Bursa Malaysia a Proposed Debt Restructuring scheme pursuant to Section 366 of the Malaysian Companies Act, 2016. A further announcement was made to Bursa Malaysia on 14 December 2020 proposing to revise the reduction of share capital to 99.9% and to raise up to an additional RM500m of equity funding. Additional announcements have been made to Bursa Malaysia on 7 October 2020, 9 October 2020, 4 November 2020, 5 November 2020, 19 November 2020, 5 January 2021, 29 January 2021, 22 February 2021, 8 March 2021, 17 March 2021, 23 April 2021 and 26 April 2021 in relation to the Proposals and Proposed Debt Restructuring.

35. Material litigation

Save as announced, as at 13 May 2021, there was no material litigation taken or threatened against the Company and its subsidiaries.

36. Proposed dividend

The Directors did not recommend any dividend for the quarter ended 31 March 2021.

37. Reclassification of comparative figures

Certain accounts were being reclassified to conform with current year's presentation.

By Order of the Board

REBECCA KONG SAY TSUI

(MAICSA 7039304)

THAM WAI YING

(MAICSA 7016123)

Company Secretaries

20 MAY 2021