



**AIRASIA GROUP BERHAD**  
**201701030323 (1244493-V)**  
**SECOND QUARTER REPORT ENDED 30 JUNE 2021**

**ANNOUNCEMENT**

The Board of Directors of AirAsia Group Berhad (“AirAsia” or “the Company”) hereby announces the following unaudited consolidated results of AirAsia Group and its subsidiaries (collectively known as “the Group”) for the second quarter ended 30 June 2021.

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	INDIVIDUAL QUARTER		CUMULATIVE	
		Quarter ended	Quarter ended	Year ended	Year ended
		30/06/2021 RM'000	30/06/2020 RM'000	30/06/2021 RM'000	30/06/2020 RM'000
Aviation revenue	10	187,791	68,028	392,867	2,229,438
Operating expenses:					
- Staff costs		(132,529)	(253,934)	(295,523)	(688,105)
- Aircraft fuel expenses		(70,460)	(79,711)	(143,237)	(847,041)
- Fuel swap losses		-	(197,873)	(30,157)	(300,814)
- Maintenance and overhaul		(50,219)	(23,296)	(107,124)	(452,471)
- User charges and other related expenses		(34,715)	(74,395)	(95,730)	(466,016)
- Other operating expenses		(33,376)	(65,091)	(77,513)	(186,021)
Other income	11	10,782	9,410	73,880	95,052
Share of results of associates **		(10,403)	(20,467)	(25,953)	(50,051)
<b>Aviation EBITDA</b>		<b>(133,129)</b>	<b>(637,329)</b>	<b>(308,490)</b>	<b>(666,029)</b>
<b>Digital EBITDA</b>					
- Teleport (Logistics)	29	(8,525)	(5,389)	(5,360)	57,789
- Airasia Super App	29	(41,039)	(16,174)	(63,909)	(21,442)
- BigPay Group	29	(21,166)	(24,060)	(38,693)	(52,299)
- Other Digital Entities	29	(3,618)	(118)	(8,753)	(1,225)
Share of results of associate/ joint venture		318	(166)	825	-
<b>EBITDA</b>		<b>(207,159)</b>	<b>(683,236)</b>	<b>(424,380)</b>	<b>(683,206)</b>
Depreciation of property, plant and equipment		(33,202)	(13,485)	(68,874)	(75,451)
Depreciation of right of use asset	2	(422,462)	(502,467)	(832,689)	(939,468)
Finance costs - lease liabilities	2	(111,076)	(98,548)	(227,909)	(239,917)
Finance income	12	3,672	9,562	12,961	39,336
Finance costs	12	(32,073)	(23,451)	(70,294)	(78,183)
<b>Net Operating loss</b>		<b>(802,300)</b>	<b>(1,311,625)</b>	<b>(1,611,185)</b>	<b>(1,976,889)</b>
Foreign exchange gain/(loss)	12	81,438	37,379	(97,843)	5,541
Fair value gain/(loss) on derivatives		(5,905)	62,140	16,509	(207,911)
<b>Loss before taxation</b>		<b>(726,767)</b>	<b>(1,212,106)</b>	<b>(1,692,519)</b>	<b>(2,179,259)</b>
Tax expense	13	(1,591)	(7,825)	(3,271)	(14,391)
Deferred taxation	13	8,790	60,466	-	80,862
<b>Net loss for the financial period</b>		<b>(719,568)</b>	<b>(1,159,465)</b>	<b>(1,695,790)</b>	<b>(2,112,788)</b>
Attributable to:					
- Owners of the company		(580,059)	(992,889)	(1,347,481)	(1,796,734)
- Non-controlling interests		(139,509)	(166,576)	(348,309)	(316,054)
		<b>(719,568)</b>	<b>(1,159,465)</b>	<b>(1,695,790)</b>	<b>(2,112,788)</b>
Earnings per share attributable to owners of the Company (sen)					
- Basic		(15.2)	(29.7)	(36.5)	(53.8)
- Diluted		(15.2)	(29.7)	(36.5)	(53.8)

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

\*\*share of results of airline associates is disclosed above the EBITDA line to facilitate disclosure of Airline performance. The performance of the associates and airasia digital entities are disclosed in Note 29.

The Condensed Income Statement in compliance with MFRS 134 is as disclosed in Note 1.



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE	
	Quarter ended	Quarter ended	Year ended	Year ended
	30/06/2021 RM'000	30/06/2020 RM'000	30/06/2021 RM'000	30/06/2020 RM'000
<b>Net loss for the financial period</b>	(719,568)	(1,159,465)	(1,695,790)	(2,112,788)
Other comprehensive income/(loss)				
Remeasurement loss on employee benefits liability, net of tax	(193)	(988)	15,140	(988)
Fair value reserve	(7,020)	(256,253)	101,898	(256,253)
Cash flow hedges	5,551	(1,107,432)	35,609	(1,107,432)
Foreign currency translation differences	(111,091)	638,771	(246,369)	638,771
<b>Total comprehensive loss</b>	<b>(832,322)</b>	<b>(1,885,367)</b>	<b>(1,789,512)</b>	<b>(2,838,690)</b>
Total comprehensive income attributable to:				
Owners of the Company	(527,128)	(1,616,067)	(1,445,415)	(2,569,390)
Non-controlling interests	(305,194)	(269,300)	(344,097)	(269,300)
	<b>(832,322)</b>	<b>(1,885,367)</b>	<b>(1,789,512)</b>	<b>(2,838,690)</b>

The condensed consolidated income statement and consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	AS AT 30/06/2021 RM'000	AS AT 31/12/2020 RM'000
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	14	948,505	1,085,639
Right of use assets	21	9,047,798	9,444,946
Finance lease receivables	21	417,188	505,499
Investment in associates	16	457,725	482,754
Investment in joint venture		1,249	1,332
Investment securities	15	478,808	472,719
Intangible assets		642,267	640,553
Deferred tax assets		764,055	774,155
Receivables and prepayments	17	3,249,041	3,106,941
Deposits on aircraft purchase		606,836	590,179
Derivative financial instruments	23	-	-
		16,613,472	17,104,717
<b>CURRENT ASSETS</b>			
Inventories		154,431	141,421
Receivables and prepayments	17	872,062	903,294
Finance lease receivables	22	199,732	432,666
Amounts due from associates		519,811	360,385
Amounts due from related parties		70,336	107,047
Derivative financial instruments	23	-	77,808
Tax recoverable		4,063	3,442
Deposits, bank and cash balances		235,612	533,278
		2,056,047	2,559,341
<b>CURRENT LIABILITIES</b>			
Trade and other payables	18	2,436,594	2,307,125
Aircraft maintenance provisions and liabilities	19	818,130	711,764
Sales in advance		922,252	933,376
Amounts due to associates		41,008	35,907
Amounts due to related parties		21,397	49,923
Borrowings	20	792,862	1,016,312
Lease liabilities	21	4,372,692	3,247,138
Derivative financial instruments	22	-	134,655
Provision of taxation		25,209	25,629
		9,430,144	8,461,829
<b>NET CURRENT LIABILITIES</b>		<b>(7,374,097)</b>	<b>(5,902,488)</b>



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	AS AT 30/06/2021 RM'000	AS AT 31/12/2020 RM'000
<b>NON CURRENT LIABILITIES</b>			
Trade and other payables	18	292,422	273,455
Aircraft maintenance provisions and liabilities	19	4,935,968	4,857,292
Borrowings	20	321,031	272,557
Lease liabilities	21	8,551,714	9,188,102
Deferred tax liabilities		18,132	18,132
Derivative financial instruments	22	47,661	64,818
Provision for retirement benefits		95,289	97,667
		14,262,217	14,772,023
		<b>(5,022,842)</b>	<b>(3,569,794)</b>
<b>CAPITAL AND RESERVES</b>			
Share capital		8,462,770	8,023,268
Merger deficit		(5,507,594)	(5,507,594)
Other reserves		(70,176)	(225,368)
Foreign exchange reserve		(304,784)	(57,378)
Retained earnings		(4,909,107)	(3,447,215)
		(2,328,891)	(1,214,287)
Non-controlling interests		(2,693,951)	(2,355,507)
Total equity		<b>(5,022,842)</b>	<b>(3,569,794)</b>
Net assets per share attributable to ordinary equity holders of the Company (RM)		<b>(0.60)</b>	<b>(0.36)</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to owners of the Company									Non-controlling interests RM'000	Total equity RM'000
	Number of shares '000	Share Capital RM'000	Merger Deficit RM'000	Foreign exchange reserve RM'000	Cash flow hedge reserve RM'000	Fair value reserve RM'000	Remeasurement loss on employee benefits liability RM'000	Retained earnings RM'000	Total RM'000		
<b>At 1 January 2021</b>	3,341,974	8,023,268	(5,507,594)	(57,378)	(101,222)	(105,506)	(18,640)	(3,447,215)	(1,214,287)	(2,355,507)	(3,569,794)
Net profit for the financial period	-	-	-	-	-	-	-	(1,347,481)	(1,347,481)	(348,309)	(1,695,790)
Other comprehensive income	-	-	-	(247,406)	32,723	101,898	14,851	-	(97,934)	4,212	(93,722)
Issuance of new shares	470,214	336,464	-	-	-	-	-	-	336,464	-	336,464
Acquisition of non-controlling interests in a subsidiary	85,865	103,038	-	-	-	-	-	(108,691)	(5,653)	5,653	-
Transfer of fair value reserve of disposed investment securities to retained earnings	-	-	-	-	-	5,720	-	(5,720)	-	-	-
<b>At 30 June 2021</b>	<b>3,898,053</b>	<b>8,462,770</b>	<b>(5,507,594)</b>	<b>(304,784)</b>	<b>(68,499)</b>	<b>2,112</b>	<b>(3,789)</b>	<b>(4,909,107)</b>	<b>(2,328,891)</b>	<b>(2,693,951)</b>	<b>(5,022,842)</b>
At 1 January 2020	3,341,974	8,023,268	(5,507,594)	171,137	38,466	103,768	4,833	1,664,452	4,498,330	(1,587,590)	2,910,740
Net profit for the financial period	-	-	-	-	-	-	-	(1,796,734)	(1,796,734)	(316,054)	(2,112,788)
Other comprehensive income	-	-	-	292,826	(767,761)	(205,545)	848	-	(679,632)	(88,495)	(768,127)
<b>At 30 June 2020</b>	<b>3,341,974</b>	<b>8,023,268</b>	<b>(5,507,594)</b>	<b>463,963</b>	<b>(729,295)</b>	<b>(101,777)</b>	<b>5,681</b>	<b>(132,282)</b>	<b>2,021,964</b>	<b>(1,992,139)</b>	<b>29,825</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	PERIOD ENDED 30/06/2021 RM'000	PERIOD ENDED 30/06/2020 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(1,692,519)	(2,179,259)
Adjustments:		
Property, plant and equipment		
- Depreciation	68,874	75,451
- Gain on disposal	(36,833)	(8,749)
- Write Off	2,486	6,836
Rights of Use Asset		
- Depreciation	832,689	939,468
Intangible assets		
- Amortisation	70	304
- Write off	-	6,500
Provision for retirement benefit	2,443	1,257
Reversal of impairment on intercompany	(4,639)	-
Fair value loss/(gain) on derivative financial instruments	(16,509)	207,911
Share of results of associates and joint venture	25,128	50,218
Net unrealised foreign exchange (gain)/losses	70,032	(50,600)
Interest expense	70,294	78,183
Interest on lease liabilities	227,909	239,917
Interest income	(12,961)	(39,336)
	(463,535)	(671,899)
<b>Changes in working capital</b>		
Inventories	(12,448)	(11,811)
Receivables and prepayments	94,393	297,307
Trade and other payables and provisions	99,193	433,083
Sales in advance	(15,592)	(231,403)
Intercompany balances	(113,343)	(724,348)
<b>Cash used in operations</b>	(411,332)	(909,071)
Interest paid	(30,047)	(78,183)
Interest received	1,356	39,336
Tax paid	(4,158)	(8,008)
Retirement benefit paid	(6,068)	-
<b>Net cash used in operating activities</b>	<b>(450,249)</b>	<b>(955,926)</b>



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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	PERIOD ENDED 30/06/2021 RM'000	PERIOD ENDED 30/06/2020 RM'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment		
- Additions	(10,687)	(92,987)
- Proceeds from disposal	44,610	9,382
Addition in intangible assets	(1,784)	(4,675)
Net movement other investments	49,591	4,261
Investment in joint venture	-	(2,025)
<b>Net cash generated from/(used in) investing activities</b>	<b>81,730</b>	<b>(86,044)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	336,464	-
Proceeds from borrowings	103,950	148,317
Interest on lease liabilities	-	(141,369)
Repayment of borrowings and lease liabilities	(371,997)	(631,997)
<b>Net cash generated from/(used in) financing activities</b>	<b>68,417</b>	<b>(625,049)</b>
<b>NET DECREASE FOR THE FINANCIAL PERIOD</b>	<b>(300,102)</b>	<b>(1,667,019)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>533,278</b>	<b>2,588,097</b>
<b>CURRENCY TRANSLATION DIFFERENCES</b>	<b>2,436</b>	<b>75,043</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>235,612</b>	<b>996,121</b>

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



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**NOTES TO THE QUARTERLY REPORT**

**1. Basis of preparation**

The Interim Financial Report is unaudited and has been prepared in accordance with paragraph 9.22 and Appendix 9B of Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Listing Requirements. The Consolidated Income Statement on page 1 has been presented to better reflect the Airline and Digital activities of the Group.

The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2020. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant for understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2020.

The Consolidated Income Statement for the quarter ended 30 June 2021, in compliance with MFRS134: Interim Financial Reporting is as follows:

	INDIVIDUAL QUARTER		CUMULATIVE	
	Quarter ended	Quarter ended	Year ended	Year ended
	30/06/2021 RM'000	30/06/2020 RM'000	30/06/2021 RM'000	30/06/2020 RM'000
Revenue	370,607	142,093	686,815	2,485,593
Operating expenses:				
- Staff costs	(179,887)	(278,576)	(389,531)	(733,795)
- Depreciation of property, plant and equipment	(455,664)	(515,952)	(901,563)	(1,014,919)
- Aircraft fuel expenses	(70,460)	(79,711)	(143,237)	(847,041)
- Fuel swap losses	-	(197,873)	(30,157)	(300,814)
- Maintenance and overhaul	(50,219)	(23,296)	(107,124)	(452,471)
- User charges and other related expenses	(112,607)	(74,395)	(184,431)	(466,016)
- Other operating expenses	(176,408)	(160,254)	(321,997)	(413,663)
Other income	21,900	9,409	90,410	95,052
<b>Operating loss</b>	<b>(652,738)</b>	<b>(1,178,555)</b>	<b>(1,300,815)</b>	<b>(1,648,074)</b>
Finance income	3,672	9,562	12,961	39,336
Finance costs	(143,149)	(121,999)	(298,203)	(318,100)
<b>Net operating loss</b>	<b>(792,215)</b>	<b>(1,290,992)</b>	<b>(1,586,057)</b>	<b>(1,926,838)</b>
Share of results of associates / joint venture	(10,085)	(20,633)	(25,128)	(50,051)
Foreign exchange gains/(loss)	81,438	37,379	(97,843)	5,541
Fair value gain/(loss) on derivatives	(5,905)	62,140	16,509	(207,911)
<b>Loss before taxation</b>	<b>(726,767)</b>	<b>(1,212,106)</b>	<b>(1,692,519)</b>	<b>(2,179,259)</b>
Tax expense	(1,591)	(7,825)	(3,271)	(14,391)
Deferred taxation	8,790	60,466	-	80,862
<b>Net loss for the financial period</b>	<b>(719,568)</b>	<b>(1,159,465)</b>	<b>(1,695,790)</b>	<b>(2,112,788)</b>

\*the comparative figures have been reinstated to match the classification of airasia digital revenue from other income to revenue

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.



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**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**

**2. Summary of significant accounting policies**

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the Audited Financial Statements for the financial year ended 31 December 2020. Details of standards, amendments to published standards and interpretations to existing standards that are applicable to the Group with effect from 1 January 2020 or later are provided in the notes to the financial statements in the Audited Financial Statements of the Group for the financial year ended 31 December 2020. The Group did not early adopt any new standards, amendments to published standards and interpretation to existing standards.

For the beginning of the financial year 1 January 2021, the standards that becomes effective does not have any material impact to the financial statements of the Group and the Company for the year. On 1 April 2021, Malaysian Accounting Standards Board issued a further extension to the Amendment to MFRS 16: Covid 19 Related Rent Concessions to cover periods beyond 30 June 2021 that can be applied for reporting periods beginning on or after 1 April 2021 but earlier application is also permitted. The Group and the Company continues to apply the practical expedient allowed by the amendment whereby the lessee shall account for any change in lease payments resulting from the rent concession the same way it would account for as if there is no lease modification.

**3. Auditors' report on preceding annual financial statements**

The auditors have expressed an unqualified opinion with material uncertainty relating to going concern, in view of the current economic condition and Covid-19 Pandemic, in respect of the Company's audited financial statements for the financial year ended 31 December 2020 in their report dated 27 May 2021. The extract of which is as below:

“We draw attention to Note 2.1 and Note 45 to the financial statements, which indicate that the Group has a net loss of RM5,888 million for the financial year ended 31 December 2020 and the current liabilities exceeded its current assets by RM5,902 million. In addition, the Group also reported a shareholders' deficit of RM1,214 million. The Company reported a net loss of RM262 million for the financial year ended 31 December 2020. The global economy, in particular the commercial airlines industry, faces an uncertainty over the expected timing of recovery of the COVID-19 pandemic. The travel and border restrictions implemented by countries around the world has led to a significant fall in demand for air travel which impacted the Group's financial position, financial performance and cash flows. These events or conditions, along with other matters as set forth in Note 2.1 and Note 45 to the financial statements, indicate existence of material uncertainties that may cast significant doubt on the Group's and the Company's ability to continue as a going concern.



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

The recent development of vaccination against the COVID-19 pandemic and the implementation of national vaccination programmes in countries in which the Group operates as well as elsewhere around the world provide positive outlook for the commercial airlines industry. Nevertheless, the ability of the Group and of the Company to continue as a going concern is dependent on the successful implementation and favorable outcome of various ongoing plans to respond to the conditions above, including ongoing discussions with the financial institutions and investors to obtain required funding, as well as negotiations with its lessors to restructure the existing lease arrangements. Further details are disclosed in Note 2.1 and Note 45 to the financial statements.

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

**4. Seasonality of operations**

The Group's air transportation business is subject to the seasonal demand for air travel. This segment of the Group's business has been severely affected by travel restrictions due to the Covid-19 pandemic.

**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 except for that from the Covid 19 outbreak.

**6. Changes in composition of the Group**

On 22 March 2021, the Company entered into a Memorandum of Understanding with Aimia Holdings UK II Limited in relation to the proposed acquisition of the remaining 20% equity interest in BigLife Sdn Bhd to be satisfied by the issuance of 85,864,583 ordinary shares in the to be allotted at an issue price of RM1.20 per share amounting to RM103 million (approximately USD25 million). On 21 June 2021 at the Extraordinary General Meeting, the above proposed acquisition was approved and BigLife Sdn Bhd became a wholly owned subsidiary of the Group. The effect of the acquisition is reflected in the statement of changes in equity.

**7. Changes in estimates**

There were no changes in estimates that have had a material effect on the results of the current quarter and financial period-to-date.



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**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**

**8. Issues, Repurchases and Repayment of Debt and Equity Securities**

During the financial period to date, the Company issued new ordinary shares as follows:

Date	Description	Ordinary Shares Issued	
		No of Shares	Value (RM'000)
19 February 2021	1 <sup>st</sup> Tranche Placement Shares	369,846,852	249,647
17 March 2021	2 <sup>nd</sup> Tranche Placement Shares	100,367,362	86,817
27 June 2021	BigLife Sdn Bhd acquisition (Note 6)	85,864,583	103,038

Aside from the above, there are no other issuances, cancellation, repurchase, resale and repayment of debt and equity securities for the period ended 30 June 2021.

**9. Dividends paid and proposed**

No dividend has been proposed during the quarter ended 30 June 2021.

**10. Revenue**

	<b>Quarter ended 30/6/2021 RM million</b>	<b>Quarter ended 30/6/2020 RM million</b>
<u>Airline revenue</u>		
Passenger revenue		
- seat sales	146.9	38.1
- others	31.9	7.1
Aircraft operating lease income	9.0	22.8
	<hr/>	<hr/>
	187.8	68.0
Digital revenue (Note 29(c))	182.8	74.1
	<hr/>	<hr/>
	370.6	142.1

Passenger revenue "Others" includes ancillary income such as administrative fees, baggage fees, seats fees, cancellations, documentation and other fees, and inflight sales of meals and merchandise.



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**11. Other income**

	<b>Quarter ended 30/6/2021 RM million</b>	<b>Quarter ended 30/6/2020 RM million</b>
Gain on disposal of property, plant and equipment	-	1.6
Others	10.8	7.8
	10.8	85.6

Other income “Others” includes commission and advertising income, forfeited revenue, insurance claims and management fee for provision of shared services to associates.

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

	<b>Quarter ended 30/06/2021 RM million</b>	<b>Quarter ended 30/06/2020 RM million</b>	<b>Year ended 30/06/2021 RM million</b>	<b>Year ended 30/06/2020 RM million</b>
<b>(a) Finance income</b>				
Interest income from:				
- deposits with licensed banks	0.3	3.1	1.0	4.1
- from associates	-	-	1.1	2.8
- finance lease receivables	3.2	6.5	10.4	32.4
Discounting effect on financial instruments and others	0.1	-	0.4	-
	3.6	9.6	12.9	39.3
<b>(b) Finance costs</b>				
Bank borrowings	(13.8)	1.7	(26.6)	(28.3)
Amortisation of premiums for interest rate caps	(0.0)	(0.1)	(0.1)	(0.4)
Discounting effect on financial instruments, bank facilities and other charges	(18.2)	(25.1)	(43.6)	(49.5)
	(32.1)	(23.5)	(70.3)	(78.2)
<b>(c) Foreign exchange gains/(losses)</b>				
- realized	1.5	(13.0)	(27.8)	(45.1)
- unrealized	79.9	50.4	(70.0)	50.6
	81.4	37.4	(97.8)	5.5



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**13. Income tax and Deferred tax**

**Income tax expense**

The current taxation charge for the period to date of RM3.3 million mainly relates to foreign branches taxes.

**Deferred taxation**

No additional deferred tax liability has been recognised for the period to date.

**14. Property, plant and equipment, ROU and Finance Lease receivables**

(a) acquisition and disposals

During the period ended 30 June 2021, the Group acquired property, plant and equipment with total cost of RM10.7 million (period ended 30 June 2020: RM93 million).

During the period ended 30 June 2021, proceeds from the disposal of property, plant and equipment amounted to RM44.6 million (period ended 30 June 2020: RM9.4 million).

(b) revaluation

There was no revaluation of property, plant and equipment in the quarter under review or in the same quarter of the prior year.

(c) impairment

There was no impairment of property, plant and equipment in the quarter under review or in the same quarter of the prior year.

**15. Quoted investments and properties**

There was no purchase or disposal of quoted securities for the quarter under review and financial period to date.



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**16. Investments in associates**

	<b>As at 30/6/2021 RM million</b>	<b>As at 31/12/2020 RM million</b>
<b>Cost</b>		
Investment	1,087.9	1,087.9
Share of results and reserves	(571.0)	(545.9)
Impairment loss	(59.2)	(59.2)
	<u>457.7</u>	<u>482.8</u>

MFRS128 provides that entities discontinue recognising their share of further losses when its share of the losses equals to or exceeds its interest in the associate. Accordingly, the Group has only recognised losses to the extent of its interest in these associates. The unrecognised losses at the reporting date amounted to RM791.2 million.

**17. Receivables and prepayments**

	<b>As at 30/6/2021 RM million</b>	<b>As at 31/12/2020 RM million</b>
<u>Non-current</u>		
Prepayments	2,831.2	2,739.3
Deposits and other receivables	417.8	367.7
	<u>3,249.0</u>	<u>3,107.0</u>
<u>Current</u>		
Trade and other receivables	510.0	450.7
Prepayments	308.1	594.6
Deposits	54.0	87.7
	<u>872.1</u>	<u>903.3</u>

Prepayments include advances for the purchase of fuel as well as prepaid engine maintenance costs to the service provider.



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**18. Trade and other payables**

	<b>As at 30/6/2021 RM million</b>	<b>As at 31/12/2020 RM million</b>
<u>Non-current</u>		
Other payables	292.4	273.4
<u>Current</u>		
Trade payables	1,643.6	1,312.8
Other payables	105.5	119.8
Accruals for fuel	7.5	5.2
Others	679.9	869.3
	<u>2,436.5</u>	<u>2,307.1</u>

Other payables and accruals include accruals for operational expenses and passenger service charges payable to airport authorities

**19. Aircraft maintenance provision/ payables**

	<b>As at 30/6/2021 RM million</b>	<b>As at 31/12/2020 RM million</b>
Aircraft maintenance provision	1,353.9	1,367.7
Aircraft maintenance payables	2,480.9	2,377.1
Aircraft maintenance reserves	1,919.3	1,824.2
	<u>5,754.1</u>	<u>5,569.1</u>
Current	818.1	711.7
Non Current	4,936.0	4,857.3
	<u>5,754.1</u>	<u>5,569.1</u>



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**19. Aircraft maintenance provision/ payables (Contd.)**

- (i) Aircraft maintenance provision relates to contractual obligations by the Group to maintain the aircraft during the lease period until redelivery, based on pre-agreed conditions
- (ii) Aircraft maintenance payables relates to provision for the Group's contractual obligations, in a sales and leaseback agreement, to incur on the return of an aircraft in a pre-agreed conditions
- (iii) Aircraft maintenance reserve relates to payments made by the lessee subscribing to the engine maintenance programme for agreed maintenance work that has yet to be carried out

The liabilities of the aircraft provisions/ payables are covered through the Group's prepaid engine maintenance cost to a service provider as disclosed in Note 17.

**20. Borrowings**

	<b>As at 30/6/2021 RM million</b>	<b>As at 31/12/2020 RM million</b>
<u>Short term</u>		
Term loans	310.0	313.7
Term loans (Deferred fuel hedge settlements)	387.9	582.6
Revolving credit	95.0	120.0
	<hr/> 792.9	<hr/> 1,016.3
<u>Long term</u>		
Term loans	321.0	272.6
Total	<hr/> 1,113.9	<hr/> 1,288.9

The currency profile of borrowings are as follows:

	<b>As at 30/6/2021 RM million</b>	<b>As at 31/12/2020 RM million</b>
Ringgit Malaysia	398.6	429.3
US Dollar	631.4	730.1
Philippine Peso	37.5	83.5
Indonesian Rupiah	46.4	45.9
	<hr/> 1,113.9	<hr/> 1,288.9

On 25<sup>th</sup> June 2021, a subsidiary of the Company obtained a USD25 million short term working capital term loan of 6 months from a non-financial institution.



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**21. Lease liabilities**

The lease liabilities amounting to RM12.9 billion includes deferred aircraft leases of approximately RM2.4 billion. The lease liabilities are supported by ROU of RM9.0 billion (net of impairment) and finance lease receivables of RM0.6 billion (net of impairment)

**22. Derivative financial instruments**

(a) Forward Foreign Exchange Contracts

As at 30 June 2021, there is no outstanding amount for forward foreign exchange contracts.

(b) Interest Rate Hedging.

As at 30 June 2021, the Group has six (6) interest rate swaps with an outstanding amount of US\$173.4 million. These interest rate swaps are entered with one (1) counterparty and will mature between 2028 and 2029.

(c) Fuel Hedging

As at 30 June 2021, there is no outstanding fuel derivative contracts.

<b>Type of Derivatives</b>	<b>Notional Value As at 30/6/2021</b>	<b>Fair value 30/6/2021 Assets/(Liabilities)</b>
	<b>RM million</b>	<b>RM million</b>
<b><u>Interest rate contracts</u></b>		
- More than 3 years	719.9	(47.7)

The related accounting policies, cash requirements of the derivatives, risks associated with the derivatives and policies to mitigate those risks are unchanged since the last financial year.



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**23. Status of corporate proposals announced**

**Private Placement**

On 21<sup>st</sup> January 2021, the Company announced that it proposed to undertake a private placement of up to 20% of the total number of issued shares of the Company or 668,394,816 shares (“Placement Shares”) (“Proposed Private Placement”). The Proposed Private Placement will be undertaken in accordance with the general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 and the “Additional Temporary Relief Measures to Listed Issuers” announced by Bursa Malaysia Securities Berhad (“Bursa”) on 16 April 2020 which increased the prescribed limit under Paragraph 6.03 of the Main Market Listing Requirements from 10% to 20%. The Company has obtained approval from its shareholders for the 20% General Mandate at its Annual General Meeting held on 28 September 2020.

The Placement Shares will rank equally in all aspects with the existing Company shares in issue. The actual amount of proceeds to be raised from the Proposed Private Placement will depend on the actual number of Placement Shares issued and the issue price of the Placement Shares.

The proposed utilisation of the proceeds (on an estimated amount raised of RM454.5 million are as follows:

Utilisation of Proceeds	Expected timeframe	Proposed Utilisation (RM m)	Actual Raised	Actual Utilisation (RM m)
Fuel Hedging Settlement	6 -12 months	146.6	108.6	108.6
Aircraft lease and maintenance	3 months	95.2	70.5	70.5
AirAsia Digital Sdn Bhd business units development cost, product and market expansion costs and marketing expenses	Within 12 months	77.0	57.0	57.0
General working capital expenses	Within 6 months	135.5	100.4	100.4
Estimated expenses for the Proposed Private Placement	Immediate	0.2	0.2	0.2
		454.5	336.5	336.5

The above Proposed Private Placement was approved by Bursa on 3 February 2021. On 10 February 2021, the Company announced that the first tranche of placement shares of 369,846,852 was price fixed at RM0.675 per share which was completed on 19 February 2021. On 9 March 2021, the Company announced that the second tranche of placement shares of 100,367,362 was price fixed at RM0.865 per share which was completed on 17 March 2021.



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**23. Status of corporate proposals announced (Cont'd)**

**Proposed acquisition of 100% equity interest in Velox Technology (Thailand) Co. Ltd (“VT”) and Velox Fintech Co. Ltd (“VF”) which represents Gojek operations in Thailand**

On 7<sup>th</sup> July 2021, the Company announced that its subsidiary, AirAsia SuperApp Sdn Bhd and AirAsia Digital Sdn Bhd will acquire 100% equity interest in VT and VF for a purchase consideration of USD40 million and USD10 million respectively. The above shall be satisfied by issuance of 4.76% of shares in AirAsia Super App Sdn Bhd. The above is subject to completion of shareholders agreement and regulatory approvals.

**Proposed Renounceable Rights Issue of Redeemable Convertible Unsecured Islamic Debt Securities (“RCUIDS”)**

On 12<sup>th</sup> July 2021, the Company announced that it proposes to undertake a renounceable rights issue of up to RM1,024,058,370 in nominal value of 7 year RCUIDS of RM0.75 on the basis of 2 RCUIDS with 1 free detachable warrant for every 6 ordinary shares in the Company. Based on the nominal value of the RCUIDS of RM0.75 each, the Proposed Rights Issue will result in the issuance of up to 1,365,411,160 RCUIDS together with up to 682,705,580 new warrants.

The proposed utilisation of the proceeds based on the minimum subscription level of RM615.9 million and the maximum subscription level of RM1,024.1 million is as follows:

Utilisation of Proceeds*	Expected timeframe	Min Subscription Level RM m	Full Subscription Level RM m
Fuel Hedging Settlement	5 months	96.7	226.7
Aircraft lease and maintenance	Within 12 months	145.3	202.9
AirAsia Digital Sdn Bhd business units	Within 12 months	36.3	73.7
General working capital expenses	Within 12 months	325.9	508.5
Estimated expenses	Within 3 months	11.7	12.3
		<hr/>	<hr/>
		615.9	1,024.1

*\*the utilisation has been adjusted subsequent to the first announcement and will be reflected in a circular that will be issued to shareholders in due course.*

The above proposed RCUIDS will require the Company’s shareholders’ approval.



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**24. Post balance sheet events**

- (a) On 5<sup>th</sup> August 2021, the Company announced its divestment of Fly Leasing to Carlyle Aviation Elevate Ltd of 3,333,333 common shares, representing 10.94% of the outstanding shareholding of Fly Leasing, for USD56.8 million. The divestment has been completed and the proceeds have been received.
- (b) On 6<sup>th</sup> August 2021, Big Pay Sdn Bhd, a subsidiary of AirAsia Digital Sdn Bhd (“AAD”), a wholly owned subsidiary of the Company secured an investment of up to USD100 million convertible loan notes from SK Group, a South Korean conglomerate.
- (c) On 18<sup>th</sup> August 2021, Teleport, a subsidiary of AAD signed an agreement to acquire 100% of equity interest in Deliverat, a local Malaysia food delivery platform valued at USD9.8 million.

**25. Contingent assets**

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

**26. Changes in contingent liabilities since the last annual balance sheet date**

There were no material changes in contingent liabilities since the audited financial statements of the Group for the financial year ended 31 December 2020.

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

Capital commitments for property, plant and equipment:

	<b>As at 30/6/2021 RM million</b>	<b>As at 31/12/2020 RM million</b>
Approved and contracted for	112,411.1	124,855.1



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**28. Material related party transactions**

Significant related party transactions which were entered into on agreed terms and conditions for the quarter ended 30 June 2021 are set out below:

	<b>Quarter ended 30/6/2021 RM million</b>	<b>Quarter ended 30/6/2020 RM million</b>
1. Transaction of the Group with associates of a subsidiary		
a. Purchase of cargo transportation capacity		
- Thai AirAsia	5.8	-
b. Commission charged		
- Thai AirAsia	4.3	-
c. Management fees		
- Thai AirAsia	15.5	0.9
2. Transaction of the Group with company with common directors and shareholders		
a. Purchase of cargo transportation capacity		
- AirAsia X Berhad	39.7	37.6
- Thai AirAsia X	24.8	-
b. Management fees		
- AirAsia X Berhad	0.5	0.8
- Thai AirAsia X	-	0.3



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**29. Review of Group Performance**

***Consolidated Group Performance***

The impact of the Covid-19 pandemic continues to affect the Group's operations adversely. While international borders remained closed, the Group focused on providing limited domestic operations in the countries where we operate. Enhanced lockdowns announced in Malaysia in May 2021 further dampened the sales in this quarter. Philippines and Indonesia saw a good pick up of sales only to be subsequently dampened in 3Q21 by respective countries' restriction of travel as well. However, there was more chartered cargo operations, thus cargo revenue increased by 67% quarter-on-quarter ("QoQ").

Driven by the better cargo revenues, Group revenue for 2Q21 and year-to-date ("YTD") 2021 was reported at RM370.6 million and RM686.8 million respectively. Revenue in 2Q21 increased 17% QoQ. Revenue also doubled year-on-year ("YoY") due to the low base as the Group took active decision to hibernate the fleet as the Covid-19 pandemic began in late 1Q20. However, revenue is 72% lower in YTD 2021 than last year as YTD 2020 reported high revenues especially in January 2020 in conjunction with the Chinese New Year travelling prior to the outbreak of Covid-19 pandemic. The Group continues with its cost containment measures, including the right-sizing of manpower and salary cuts for management, staff and directors while actively managing its capacity to be in line with demand. With the stringent measures implemented, the Group reported a net loss for 2Q21 of RM719.6 million, 38% lower as compared to a loss of RM1,159.5 million in 2Q20 whilst YTD 2021 reported a loss of RM1,695.8 million, 20% lower than a loss of RM2,112.8 million in YTD 2020.

To preserve cash, the Group is in negotiations with lessors to restructure lease terms and have, to date, successfully secured some restructured leases in 3Q21.

**Cashflow commentary for current quarter against corresponding quarter**

<b>Net Cash Flow</b>	<b>Period ended 30/6/2021 RM million</b>	<b>Period ended 30/6/2020 RM million</b>
Cash from/(to) Operating activities	(450.2)	(955.9)
Cash from/(to) Investing activities	81.7	(86.0)
Cash from/(to) Financing activities	68.4	(625.0)
Net Cashflow for the Period	<u>(300.1)</u>	<u>(1,667.0)</u>

The Group's cashflow was a net outflow as the Covid-19 pandemic continued to adversely affect demand for flights. Investing activities during the current period includes proceeds from sale and leaseback of one engine and the sale of one engine. The cash inflow from financing activities for the current period was as a result of placement shares raised net off payment for deferred fuel hedges settlements from year 2020 and payment of aircraft leases.



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**29. Review of Group Performance (cont'd.)**

**(a) Airline**

**Performance indicators**

	Apr to Jun 2021	Apr to Jun 2020	Change %
Passengers Carried	758,746	204,082	272%
Capacity	1,113,888	345,970	222%
Seat Load Factor	68%	59%	9
RPK (million)	775	232	233%
ASK (million)	1,149	391	194%
Average Fare (RM)	194	239	-19%
Unit Passenger Revenue (RM)	241	317	-24%
Revenue / ASK (sen)	15.93	15.93	0%
Revenue / ASK (US cents)	3.88	3.88	0%
Cost / ASK (sen)	76.51	295.65	-74%
Cost / ASK (US cents)	18.62	71.98	-74%
Cost / ASK-ex Fuel (sen)	70.37	230.76	-70%
Cost / ASK-ex Fuel (US cents)	17.12	56.18	-70%
Aircraft (end of period)	151	149	2
Average Stage Length (km)	1,026	1,121	-8%
Number of Flights	6,114	1,868	227%
Fuel Consumed (Barrels)	190,797	83,336	129%
Average Fuel Price (US\$ / Barrel)	90	805	-89%

Exchange Rate: quarter RM:USD – 4.11 - Prior year US cent and dollar are restated at current average exchange rate during the quarter for ease of reference

Revenue for the airline business for 2Q21 was RM187.8 million, almost tripled YoY as compared to 2Q20, when the Group's fleet was hibernated for the most of 2Q20 following the hit by the pandemic in early 2020.

In Malaysia, travel demand remain constrained due to the lockdown and interstate travel restrictions imposed since January 2021. However, through stringent capacity management, AirAsia Malaysia reported a load factor of 64% in 2Q21. Aided by the 1Q21 momentum, AirAsia Indonesia achieved 70% of pre-covid domestic capacity in May 2021. However, this was short-lived as it entered hibernation mode in July 2021 in support of containment efforts by the government as the number of infection cases increased. AirAsia Philippines saw a strong rebound that continues into 2Q21 with a load factor of 78%, achieving a high load factor of 83% in June 2021.

The airline business reported a narrower negative EBITDA for 2Q21 of RM133.1 million, compared to a negative EBITDA of RM637.3 million in 12Q20 aided by stringent cost containment and the absence of fuel swap losses as all fuel derivative contracts has been terminated. The airline business reported a negative EBITDA of RM308.5 million in YTD 2021, halved of that in YTD 2020 of RM666.0 million as YTD 2020 incurred a large fuel swap losses.



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**29. Review of Group Performance (cont'd.)**

**(b) Airline Associate Companies**

Thai AirAsia (“TAA”) reported a lower revenue of THB1,079.9 million for 2Q21 as compared to THB2,221.0 million in 2Q20 due to the absence of gain on foreign exchange of THB1,814.5 million recognised in revenue. Excluding the gain on foreign exchange, revenue from sales and services increased to THB983.2 million for 2Q21 as compared to THB266.5 million in 2Q20 due to a low base due to the fleet hibernation in April 2020. TAA’s performance still remained subdued due to external factors such as a more severe domestic Covid-19 outbreak than expected, including a new wave of Covid-19 infections that erupted in April 2021, with new variants emerging. Through active capacity management, the load factor held at 61%. Net loss is reported at THB3,035.1 million for 2Q21 as compared to THB2,075.6 million with foreign exchange losses of THB733.5 million being recognised in 2Q21 as compared to a foreign exchange gain in 2Q20 as the Thai Baht weakened against US Dollar.

**(c) Digital**

	Quarter ended 30/06/2021				Quarter ended 30/06/2020			
	Teleport (Logistics)	AirAsia Super App	Big Pay Group	Others	Teleport (Logistics)	AirAsia Super App	Big Pay Group	Others
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	154,795	26,673	5,974	351	50,936	19,232	3,806	91
Operating expenses	(181,315)	(67,712)	(27,140)	(3,969)	(61,386)	(34,757)	(27,865)	(859)
Elimination	11,335	(4,975)	-	-	5,061	-	-	-
<b>EBITDA</b>	<b>(15,185)</b>	<b>(46,014)</b>	<b>(21,166)</b>	<b>(3,618)</b>	<b>(5,389)</b>	<b>(15,525)</b>	<b>(24,059)</b>	<b>(768)</b>

**(i) Teleport**

Teleport’s revenue rebounded YoY and QoQ as it strategically grew its cargo network to establish its presence in the market by operating more charter flights and also with more delivery services. Continuing the revenue growth momentum in 1Q21, the revenue from Teleport increased 67% QoQ in 2Q21. As compared to 2Q20, revenue tripled. Teleport sacrificed margins to significantly scale up in certain routes on chartered cargo flights to gain market share and to achieve a consistent and reliable cargo network while the passenger network operated by AirAsia airlines were minimally in operations. Nonetheless, Teleport had narrowed the losses month-on-month through operating a consistent network, actively reviewing the network to drop the sectors that are not profitable and double its efforts on increasing its revenue. It is expected that the cargo segment will be profitable again in the near future.



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**29. Review of Group Performance (cont'd.)**

**(ii) airasia super app**

Airasia super app reported a negative EBITDA of RM41.0 million as it ramped up its offerings through expansion and investment in technology. During the quarter, airasia super app launched airasia beauty in Malaysia and Indonesia, airasia food in Klang Valley, Singapore and Penang and a financial marketplace in Malaysia. It also announced the acquisition of Gojek Thailand in July 2021 to expand its offerings in Thailand. It further enhanced its offerings by launching airasia rides in August 2021.

**(iii) BigPay Group**

BigPay's revenue increased by 56% YoY through the increase of payment revenues from international transactions, and remittance revenue through the opening of new remittance corridors in late 2020. Card issues increased 7% QoQ to 767.5k contributed by eBelia credit incentive programme and micro lifestyle insurance. BigPay controlled its cost of operations stringently hence despite the increase in revenue, cost remain relatively constant.

**30. Variation of results against preceding quarter**

The Group recorded lower net loss of RM719.6 million for the quarter under review, against the net loss of RM976.2 million in the immediately preceding quarter ended 31 March 2021 primarily due to the absence of fuel swap losses and gain in foreign exchange.

**31. Profit forecast**

No profit forecast has been issued.



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**32. Commentary on prospects**

The Group has used the crisis as an opportunity to accelerate our digital transformation into a travel and lifestyle digital company which is well-positioned to compete in the post-covid world.

As the right foundations were put into place over the last year, the aviation Group has emerged as a leaner and more optimised airline operation, of which the fruits of labour continue to be seen in the first half of the year as 1H21 fixed costs reduced 44% YoY. With travel restrictions still in place in most of our operating entities, the Group continues to actively manage capacity and will continue to ensure cash burn remains low and cost optimisation measures continue to be implemented. We remain focused and committed to further strengthen our domestic position at this juncture as we await developments to international air travel. Going forward, we expect to see improved stability in our operations as vaccinations continue to be rolled out in phases across all key markets coupled with better education and testing, alongside strong support for leisure travel bubbles among low risk countries and territories, and the push for global digital health passports.

Our digital businesses have transformed remarkably in comparison to where they were a year ago. Airasia superapp has expanded its offerings beyond the travel segment, with airasia food expanding its offerings to Singapore, Johor Bahru, Malacca, Kota Kinabalu, Penang and with the recent acquisition of Gojek Thailand, we are also offering airasia food in Bangkok. AirAsia superapp has also launched airasia rides in August 2021. BigPay, the leading challenger bank in Southeast Asia, will be launching key products such as fully-digital loans, transactional lending and expand offering to small medium enterprises, before spreading its wings to Thailand and to the wider Asean. BigPay has also applied for a digital banking license in Malaysia with a consortium of strategic partners. Teleport is focusing on building out a reliable cargo network and a 24-hour delivery end-to-end infrastructure and is in the midst of leasing a freighter aircraft. Teleport has converted two A320 passenger plane to cargo only planes and is currently operating out of Malaysia and Thailand. We are encouraged by the early signs from our digital transformation to become Asean's super app of choice and expect our digital revenues to contribute around 50% to the Group in five years.

On top of the private placement that had raised RM336 million in the first quarter of the year, BigPay also recently secured investment up to USD100 million from a large conglomerate in South Korea, SK Group. The Company has also announced the proposed RCUIDS which is expected to be completed by the end of the year. We are also currently in various stages of raising alternative funding. We have also completed two batches of renegotiation of lease terms with our lessors which will see a lower lease rental per aircraft in the future and we expect to complete the renegotiations with all lessors by end of the year.

Through these various fundraising exercises and cost containment measures that the Group is working on, the Board foresee it will have sufficient liquidity to sustain the business operations.



**AIRASIA GROUP BERHAD**  
**201701030323 (1244493-V)**  
**SECOND QUARTER REPORT ENDED 30 JUNE 2021**

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**

**33. Material Litigation**

As at 30 June 2021, there was no material litigation against the Group.

**34. Earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to owners of the Company for the financial period by the weighted average number of ordinary shares in issue during the financial period.

	INDIVIDUAL QUARTER		CUMULATIVE	
	Quarter ended 30/6/2021	Quarter ended 30/6/2020	Year ended 30/6/2021	Year ended 30/6/2020
Net loss attributable to owners of the Company (RM'000)	(580,059)	(992,889)	(1,347,481)	(1,796,734)
Weighted average number of ordinary shares in issue ('000)	3,813,142	3,341,974	3,688,657	3,341,974
Basic and diluted earnings per share (sen)	(15.2)	(29.7)	(36.5)	(53.8)

The Group does not have in issue any financial instruments on other contracts that may entitle its holder to ordinary shares and therefore, dilutive to its basic earnings per share.

**35. Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors.

By order of the Board

HARMINDER SINGH A/L JAILA SINGH  
(P.C Reg No: 201908001591)(LS0009855)  
COMPANY SECRETARY  
8 SEPTEMBER 2021