



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

**CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE PERIOD ENDED 31 MARCH 2022**

	<b>INDIVIDUAL QUARTER</b>	
	<b>Current Year</b>	<b>Preceding Year</b>
	<b>Quarter</b>	<b>Corresponding</b>
<b>Note</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>	570,846	336,907
Cost of inventories sold	(9,617)	(10,501)
Other income	41,540	53,713
Employee benefits expenses	(165,836)	(170,202)
Depreciation and amortisation	(156,486)	(98,504)
Other expenses	(249,992)	(226,103)
<b>Operating profit/(loss)</b>	<b>30,455</b>	<b>(114,690)</b>
Finance costs	(182,534)	(163,607)
Share of results:		
- associates	1,857	(782)
- joint ventures	(161)	(1,409)
<b>Loss before tax and zakat</b>	<b>7 (150,383)</b>	<b>(280,488)</b>
Taxation and zakat	22 45,625	59,191
<b>Loss net of tax</b>	<b>(104,758)</b>	<b>(221,297)</b>
<b>Attributable to:</b>		
Owners of the Company	(104,758)	(221,297)
Loss per share attributable		
to Owners of the Company (sen):	31 (7.17)	(14.19)

*The condensed unaudited consolidated of profit or loss 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 COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MARCH 2022**

	<b>INDIVIDUAL QUARTER</b>	
	<b>Current Year Quarter 31.03.2022 RM'000</b>	<b>Preceding Year Corresponding Quarter 31.03.2021 RM'000</b>
Loss for the period, net of tax	(104,758)	(221,297)
Other comprehensive income:		
- Foreign currency translation	(11,426)	(13,752)
- Unrealised gain on derivative financial instruments	16,462	513
- Actuarial (loss)/gain on retirement benefits	(667)	1,089
Other comprehensive income/(loss) for the period, net of tax	4,369	(12,150)
Total comprehensive loss for the period, net of tax	(100,389)	(233,447)
<b>Attributable to:</b>		
Owners of the Company	(100,389)	(233,447)

*The condensed unaudited consolidated of other comprehensive income 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 FINANCIAL POSITION**  
**AS AT 31 MARCH 2022**

	<b>31.03.2022</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	423,423	432,456
Right-of-use assets	56,523	61,781
Intangible assets	15,041,537	15,215,413
Investments in associates	126,976	125,119
Investments in joint ventures	96,714	96,874
Financial assets at fair value through profit or loss	342,713	339,632
Other receivables	363,194	367,613
Employee loans	17,079	17,866
Deferred tax assets	738,894	691,205
	<u>17,207,053</u>	<u>17,347,959</u>
<b>Current assets</b>		
Inventories	105,237	116,254
Biological assets	5,309	3,427
Trade receivables	292,729	275,127
Other receivables	154,667	119,692
Tax recoverable	10,870	11,264
Financial assets at fair value through profit or loss	824,216	705,619
Cash and cash equivalents	1,438,691	1,583,220
	<u>2,831,719</u>	<u>2,814,603</u>
<b>Total assets</b>	<b><u>20,038,772</u></b>	<b><u>20,162,562</u></b>



## CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	31.03.2022	31.12.2021
	RM'000	RM'000
	Unaudited	Audited
<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	1,002,023	1,120,959
Hedging reserve	(3,280)	(19,742)
Other reserves	7,477	8,170
Foreign exchange reserve	19,503	30,929
<b>Total equity</b>	<u>7,137,906</u>	<u>7,252,499</u>
<b>Non-current liabilities</b>		
Borrowings	3,569,058	3,566,038
Derivative financial instruments	-	14,423
Lease liabilities	31,193	35,857
Deferred tax liabilities	604,145	615,000
Trade payables	4,529,505	4,950,675
Other payables	576,954	588,844
	<u>9,310,855</u>	<u>9,770,837</u>
<b>Current liabilities</b>		
Borrowings	1,749,403	1,745,765
Derivative financial instruments	4,100	10,254
Lease liabilities	21,519	19,331
Trade payables	1,111,925	668,835
Other payables	687,749	680,194
Income tax payable	15,315	14,847
	<u>3,590,011</u>	<u>3,139,226</u>
<b>Total liabilities</b>	<u>12,900,866</u>	<u>12,910,063</u>
<b>Total equity and liabilities</b>	<u><b>20,038,772</b></u>	<u><b>20,162,562</b></u>

*The condensed unaudited consolidated statement of financial position 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 CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 MARCH 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	-	-	(13,752)	513	1,089	(221,297)	(233,447)
Legal reserve	-	-	-	-	(58)	-	(58)
Distribution to Perpetual Sukuk holder	-	-	-	-	-	(14,178)	(14,178)
<b>At 31 March 2021</b>	<b>5,114,341</b>	<b>997,842</b>	<b>60,635</b>	<b>(35,708)</b>	<b>5,129</b>	<b>1,709,423</b>	<b>7,851,662</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	-	-	(11,426)	16,462	(667)	(104,758)	(100,389)
Legal reserve	-	-	-	-	(26)	-	(26)
Distribution to Perpetual Sukuk holder	-	-	-	-	-	(14,178)	(14,178)
<b>At 31 March 2022</b>	<b>5,114,341</b>	<b>997,842</b>	<b>19,503</b>	<b>(3,280)</b>	<b>7,477</b>	<b>1,002,023</b>	<b>7,137,906</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 31 MARCH 2022**

	<b>31.03.2022</b>	<b>31.03.2021</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	(150,383)	(280,488)
Adjustments for:		
Interest income	(9,130)	(7,978)
Unrealised gain on fair value for:		
- quoted unit trust	(1,384)	(528)
- unquoted shares	(3,042)	(9,885)
Interest expense	179,243	160,014
Swap expense	3,291	3,593
Unrealised loss on forex translation	4,914	7,684
Provision for liabilities	1,575	8,565
Writeback of provision for liabilities	-	(55)
Writeback for inventories	(1,484)	(1,435)
Gain on fair value of biological assets	(1,882)	(315)
Gain on lease modification	(371)	-
Amortisation of:		
- intangible assets	138,360	79,739
Depreciation of:		
- property, plant and equipment	10,984	11,911
- right-of-use assets	7,142	6,854
Impairment on intangible assets	-	-
Net writeback of impairment on receivables	(12,442)	(7,217)
Gain on disposal of:		
- intangible assets	-	(127)
Property, plant and equipment written off	-	27
Inventories written off	1,206	14
Investment income	(3,603)	(3,833)
Share of results of:		
- associates	(1,857)	782
- joint ventures	161	1,409
Operating profit/(loss) before working capital changes	161,298	(31,269)
Decrease in inventories	11,283	19,521
(Increase)/decrease in receivables	(24,746)	54,690
Decrease in payables	(144,187)	(142,895)
Decrease in concession liabilities	(19,501)	(12,173)
Decrease in provisions for liabilities	(4,073)	(3,738)
Cash used in operations	(19,926)	(115,864)
Taxes and zakat paid	(8,279)	(6,887)
<b>Net cash used in operating activities</b>	<b>(28,205)</b>	<b>(122,751)</b>



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

**CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 MARCH 2022**

	<b>31.03.2022</b>	<b>31.03.2021</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	(1,421)	(1,956)
- intangible assets	(5,247)	(1,556)
- quoted unit trust	(370,843)	(218,203)
Proceeds from disposal of:		
- intangible assets	-	127
- quoted unit trust	253,591	284,256
Investment income received	3,028	3,265
Interest received	327	420
Additional investment in an associate	-	(3,600)
<b>Net cash (used in)/generated from investing activities</b>	<b>(120,565)</b>	<b>62,753</b>
<b>Cash flows from financing activity</b>		
Lease liabilities payment	(8,378)	(8,732)
<b>Net cash used in financing activity</b>	<b>(8,378)</b>	<b>(8,732)</b>
<b>Net movement in cash and cash equivalents</b>	<b>(157,148)</b>	<b>(68,730)</b>
Effects of foreign currency translation	12,619	26,793
Cash and cash equivalents at beginning of year	1,583,220	973,657
<b>Cash and cash equivalents at end of period</b>	<b>1,438,691</b>	<b>931,720</b>

*The condensed unaudited consolidated of cash flows statement income 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.*

## **1. BASIS OF PREPARATION**

These unaudited condensed consolidated interim financial statements, for the period ended 31 March 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 101: Classification of Liabilities as Current or Non-Current

MFRS 101: Disclosure of Accounting Policies



## 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 financial periods beginning on or after 1 January 2023 (cont'd.)

MFRS 108: Definition of Accounting Estimates

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

#### 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 and 20.

## 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 Turkey 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	RM'000	RM'000	RM'000	
<b>For the period ended 31 March 2022</b>										
<b>Segment Revenue</b>										
External:										
Aeronautical	126,413	-	-	-	-	-	168,401	-	-	294,814
Non-aeronautical:										
Retail	-	18,284	-	-	-	-	-	-	-	18,284
Others	92,509	713	-	-	-	-	103,905	-	-	197,127
Non-airport operations	-	-	5,912	14,069	15,211	30	2,814	22,585	-	60,621
Inter-segment sales	20,277	50	27,284	948	2,186	2,421	20,679	-	(73,845)	-
<b>Total revenue</b>	<b>239,199</b>	<b>19,047</b>	<b>33,196</b>	<b>15,017</b>	<b>17,397</b>	<b>2,451</b>	<b>295,799</b>	<b>22,585</b>	<b>(73,845)</b>	<b>570,846</b>
<b>Segment Results</b>										
Operating (loss)/profit before depreciation and amortisation	(35,196)	(31,866)	10,950	3,874	9,840	53,008	207,601	3,433	(34,703)	186,941
Depreciation and amortisation	(43,776)	(2,999)	(403)	(3,031)	(1,216)	(3,157)	(67,015)	(385)	(34,504)	(156,486)
Finance costs	(50,204)	(396)	(8)	(239)	-	(37,145)	(133,991)	-	39,449	(182,534)
Share of results of:										
- associates	1,754	-	-	-	-	103	-	-	-	1,857
- joint ventures	-	-	-	-	-	(161)	-	-	-	(161)
(Loss)/profit before tax and zakat	(127,422)	(35,261)	10,539	604	8,624	12,648	6,595	3,048	(29,758)	(150,383)
Taxation and zakat	32,403	8,309	(2,547)	(145)	(2,055)	(157)	1,172	20	8,625	45,625
(Loss)/profit for the period	(95,019)	(26,952)	7,992	459	6,569	12,491	7,767	3,068	(21,133)	(104,758)
<b>As at 31 March 2022</b>										
<b>Assets and Liabilities</b>										
Segment assets	10,032,133	183,168	181,386	163,425	110,123	12,631,895	5,793,729	64,885	(9,345,662)	19,815,082
Investment in associates	55,347	-	-	-	-	71,629	-	-	-	126,976
Investment in joint ventures	-	-	-	-	-	96,714	-	-	-	96,714
<b>Total assets</b>	<b>10,087,480</b>	<b>183,168</b>	<b>181,386</b>	<b>163,425</b>	<b>110,123</b>	<b>12,800,238</b>	<b>5,793,729</b>	<b>64,885</b>	<b>(9,345,662)</b>	<b>20,038,772</b>
Segment liabilities representing total liabilities	6,265,830	178,300	39,845	55,406	25,356	6,090,992	7,133,306	49,235	(6,937,404)	12,900,866

**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 31 March 2021</b>										
<b>Segment Revenue</b>										
External:										
Aeronautical	54,544	-	-	-	-	-	88,079	-	-	142,623
Non-aeronautical:										
Retail	-	11,872	-	-	-	-	-	-	-	11,872
Others	74,811	(158)	-	-	-	-	62,801	-	-	137,454
Non-airport operations	-	-	3,994	8,075	11,333	29	1,291	20,236	-	44,958
Inter-segment sales	7,101	405	24,688	115	1,691	2,421	16,930	-	(53,351)	-
<b>Total revenue</b>	<b>136,456</b>	<b>12,119</b>	<b>28,682</b>	<b>8,190</b>	<b>13,024</b>	<b>2,450</b>	<b>169,101</b>	<b>20,236</b>	<b>(53,351)</b>	<b>336,907</b>
<b>Segment Results</b>										
Operating (loss)/profit before depreciation and amortisation	(137,083)	(12,035)	12,957	(622)	6,368	59,141	100,976	1,590	(47,478)	(16,186)
Depreciation and amortisation	(15,554)	(3,438)	(417)	(2,824)	(1,184)	(3,960)	(50,986)	(670)	(19,471)	(98,504)
Finance costs	(50,813)	(480)	(15)	(231)	(2)	(29,311)	(120,888)	-	38,133	(163,607)
Share of results of:										
- associates	(36)	-	-	-	-	(746)	-	-	-	(782)
- joint ventures	-	-	-	-	-	(1,409)	-	-	-	(1,409)
(Loss)/profit before tax and zakat	(203,486)	(15,953)	12,525	(3,677)	5,182	23,715	(70,898)	920	(28,816)	(280,488)
Taxation and zakat	55,439	3,777	(2,981)	979	(1,247)	(256)	(2,379)	(83)	5,942	59,191
(Loss)/profit for the period	(148,047)	(12,176)	9,544	(2,698)	3,935	23,459	(73,277)	837	(22,874)	(221,297)
<b>As at 31 March 2021</b>										
<b>Assets and Liabilities</b>										
Segment assets	10,054,130	192,553	202,550	151,380	107,994	11,712,801	5,780,431	72,187	(8,517,568)	19,756,458
Investment in associates	55,874	-	-	-	-	57,933	-	-	-	113,807
Investment in joint ventures	-	-	-	-	-	102,758	-	-	-	102,758
<b>Total assets</b>	<b>10,110,004</b>	<b>192,553</b>	<b>202,550</b>	<b>151,380</b>	<b>107,994</b>	<b>11,873,492</b>	<b>5,780,431</b>	<b>72,187</b>	<b>(8,517,568)</b>	<b>19,973,023</b>
Segment liabilities representing total liabilities	5,670,865	133,369	52,858	41,996	20,892	5,292,112	7,200,404	64,194	(6,355,329)	12,121,361

**7. LOSS BEFORE TAX AND ZAKAT**

	<b>INDIVIDUAL QUARTER</b>	
	<b>Current Year Quarter 31.03.2022 RM'000</b>	<b>Preceding Year Corresponding Quarter 31.03.2021 RM'000</b>
Included in other income:		
Interest income		
-unquoted investments	118	175
-employee loans	209	245
-other loans and receivables	8,803	7,558
Net unrealised gain on fair value for:		
-quoted unit trust	1,384	528
-unquoted shares	3,042	9,885
Investment income	3,603	3,833
Net realised foreign exchange gain	150	2
Gain on disposal of:		
- intangible assets	-	127
Recoupment of expenses	19,917	13,447
	<hr/>	<hr/>
Included in other expenses:		
Net writeback of impairment on receivables	(12,442)	(7,217)
Unrealised loss on forex translation	4,914	7,684
Property, plant and equipment written off	-	27
Inventories written off	1,206	14
Writeback for inventories	(1,484)	(1,435)
User fee	33,955	21,005
	<hr/>	<hr/>
Included in finance costs:		
Interest expenses:		
- Concession payables and borrowings	58,404	47,555
- Financial liabilities	118,627	112,797
- Interest arising from revenue contract	4,626	-
- Interest on lease liabilities	877	3,255
	<hr/>	<hr/>

**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.

**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.

Save for the above, there were no issuance and/or other repayment of debt and/or equity securities, share buy backs, share cancellation, shares held as treasury shares and resale of treasury shares during the current quarter and financial period-to-date under review.

**10. DIVIDENDS PAID**

There were no dividends paid or declared during the current quarter 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 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 21 (2021: 26) letters of guarantee to the Tax Authority in Turkey for Value Added Tax (VAT) refund amounting to EUR1.2 million, equivalent to RM5.6 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) On 20 August 2015, Malaysia Airports (Properties) Sdn. Bhd. (MAP) received a Notice of Arbitration from Kuala Lumpur Aviation Fuelling System Sdn. Bhd. (KAF) in respect of the alleged losses and damages in the sum of RM28.3 million pertaining to among others, design changes under Airport Facilities Agreement (AFA) dated 26 September 2007. Both parties have appointed an arbitrator. The hearing session for the arbitration has been conducted from 2 to 6 October 2017 and the parties had filed their respective closing submission by 8 December 2017. The oral hearing of parties' submission was conducted on 22 January 2018.

On 25 September 2018, MAP had received the award from the Arbitral Tribunal which is in favour of KAF. The award is only in respect of liability and the quantum will be decided by the Arbitral Tribunal in a separate proceeding at a later stage, subject to KAF providing further documents to substantiate the amount claimed. Accordingly, RM21.7 million has been recognised as a provision subject to final Arbitral Tribunal decision.

On 5 December 2019, KAF had submitted further documents to substantiate the amount claimed. On 24 February 2020, a discussion was held with KAF to clarify the documents and KAF is to provide the document as requested during the discussion.

On 7 August 2020, a discussion was held with KAF to go through the documents submitted. Based on the discussion, MAHB Technical required further documents to assess the claim. It was agreed that both Technical teams would convene another discussion to enable MAHB Technical team to clarify on the required documents.

MAP via letter dated 28 June 2021 submitted the list of required information and documents and KAF requested further time to provide such information and documents. MAP has agreed with a request from KAF for an extension till 31 July 2021. Subsequently, KAF via a letter dated 31 July 2021 requested for a further extension till 30 September 2021. MAP has agreed with KAF's request.

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

## i) (cont'd.)

On 7 September 2021, a meeting was held between KAF and MAP for a further discussion on the documents required. On 8 and 24 November 2021, KAF submitted some of the documents required by MAP.

On 17 March 2022, MAP proposed to settle KAF's claim at RM8.8 million (excluding finance charges) and awaiting response from KAF on the said proposal.

## ii) On 26 February 2016, MAP received a Notice of Arbitration from KAF in respect of the alleged losses and damages in the estimated claim amount of RM456.0 million pertaining to inter alia, the changes of the concession period under the AFA dated 26 September 2007. MAP has obtained a preliminary view from its solicitors who consider that MAP has a reasonably good prospect of defending the claims as MAP has complied with all the terms and conditions under the AFA. On 13 February 2017, MAP has informed KAF on the Operating Agreements' extension and requested KAF to withdraw the arbitration notice.

However, KAF refused to withdraw the arbitration notice and grants MAP on the extension until 30 May 2017 to facilitate further negotiations on the matter. MAP had requested from KAF for further extension to 30 December 2017.

On 9 August 2017, KAF agreed to withhold the arbitration proceedings until 30 June 2018 pending the negotiations between Malaysia Airports Holdings Berhad (MAHB) and Government of Malaysia (GoM). MAP has sent a letter to request for an extension of time to KAF to withhold proceedings until 31 December 2019. KAF has agreed with MAP's request to withhold the commencement of the arbitration proceeding against MAP until 31 December 2019 to facilitate the negotiation on the Operating Agreements between MAHB and GoM.

MAP via letter dated 27 December 2019, requested for a further extension till end of June 2020 to facilitate on the Operating Agreements between MAHB and GoM. KAF has agreed with MAP's request.

MAP via a letter dated 16 June 2020, requested for a further extension till end of December 2020 to facilitate the negotiation on the Operating Agreements between MAHB and GoM. KAF has agreed with MAP's request.

MAP via a letter dated 15 February 2021, requested for a further extension till end of July 2021 to facilitate the negotiation on the Operating Agreements between MAHB and GoM. KAF via a letter dated 17 February 2021, has agreed with MAP's request.

MAP via letter dated 13 July 2021, requested for a further extension till 31 December 2021 to facilitate the negotiation on the Operating Agreements between MAHB and GoM. KAF has agreed with MAP's request.



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

## ii) (cont'd.)

Subsequently, MAP via letter dated 16 December 2021, requested for a further extension till 30 June 2022 to facilitate the negotiation on the Operating Agreements between MAHB and GoM. KAF has agreed with MAP's request.

## iii) 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.

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.

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

## iii) (cont'd.)

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 has been set on 12 September 2022.

## iv) 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.

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. The oral submissions are tentatively fixed on 30 June 2022.

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:**

	<b>INDIVIDUAL QUARTER</b>	
	<b>Current Year Quarter 31.03.2022 RM'000</b>	<b>Preceding Year Corresponding Quarter 31.03.2021 RM'000</b>
<b>Revenue:</b>		
<u>Associates:</u>		
Lease rental		
- KL Aviation Fuelling System Sdn. Bhd.	1,442	1,442
- MFMA Development Sdn. Bhd.	722	695
- Alibaba KLIA Aeropolis Sdn. Bhd.	573	573
- Cooling Energy Supply Sdn. Bhd.*	559	-
Service fee		
- KL Aviation Fuelling System Sdn. Bhd.	134	134
- MFMA Development Sdn. Bhd.	419	403
- Cooling Energy Supply Sdn. Bhd.	82	-
Concession fee		
- MFMA Development Sdn. Bhd.	142	142
- Cooling Energy Supply Sdn. Bhd.*	196	-
Recoupment of water, electricity, sewerage and quit rent		
- MFMA Development Sdn. Bhd.	1,649	1,165
- Alibaba KLIA Aeropolis Sdn. Bhd.	97	103
<u>Joint ventures:</u>		
Lease rental		
- Segi Astana Sdn. Bhd.	318	318
- Airport Cooling Energy Supply Sdn. Bhd.	153	153
Service fee		
- Airport Cooling Energy Supply Sdn. Bhd.	26	26
Concession fee		
- Airport Cooling Energy Supply Sdn. Bhd.	43	43
<b>Expenses:</b>		
<u>Associate</u>		
Cooling Energy Supply Sdn. Bhd.*		
- Utilities (Fixed)	3,301	-
- Utilities (Variable usage)	6,391	-

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

Related Party Transactions: (cont'd.)

	INDIVIDUAL QUARTER	
	Current Year Quarter 31.03.2022 RM'000	Preceding Year Corresponding Quarter 31.03.2021 RM'000
<b>Expenses: (cont'd.)</b>		
<u>Joint ventures:</u>		
Airport Cooling Energy Supply Sdn. Bhd.		
- Utilities (Fixed)	8,031	8,031
- Utilities (Variable usage)	2,247	1,984
- Less: Rebate	(867)	(858)

Related Party Balances:

	As at 31.03.2022 RM'000 Unaudited	As at 31.12.2021 RM'000 Audited
Amount owing by associated companies	2,120	1,493
Amount owing to joint ventures	48,597	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 31 March 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	414,900	559,819	974,719
(ii) Approved but not contracted for:			
Capital expenditure	275,762	-	275,762
(iii) Other investments:			
Investment in MFMA Development Sdn. Bhd.	38,325	-	38,325
	<u>728,987</u>	<u>559,819</u>	<u>1,288,806</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. SIGNIFICANT EVENTS**

On 4 October 2019, AirAsia Berhad and AirAsia X Berhad (AAX) had served a Writ of Summons on Malaysia Airports (Sepang) Sdn. Bhd. (MA (Sepang)) claiming special damages amounting to RM479.8 million for loss and damage occasioned by reason of the negligence on the part of MA (Sepang), its servants or agents in the management, operation, maintenance or provision of airport services and facilities at klia2.

MA (Sepang) has filed an application to strike out the Writ of Summons. The case was fixed for a decision on the striking out application on 2 October 2020. However, the said decision date was vacated and new case management was set on 18 December 2020.

On 10 December 2020, AirAsia had filed an application to expunge MA (Sepang)'s supplementary affidavit dated 13 November 2020. On 10 March 2021, the Court informed that the decision date for AirAsia Group's expungement application and MA (Sepang)'s striking out application has been postponed from 30 March 2021 to 9 April 2021.

On 9 April 2021, the Court had directed that the hearing for AirAsia Group's expungement application will take place on 13 October 2021. Subsequently, the Court had directed the hearing to be postponed to 10 December 2021.

On 10 December 2021, the Court had dismissed AirAsia's expungement application. On 14 February 2022, the Court had fixed for a decision on the striking out application on 6 April 2022.

On 25 March 2022, the High Court dismissed MA (Sepang)'s application to strike out this civil suit. MA (Sepang) filed the notice of appeal against the said High Court's striking out decision on 4 April 2022. The Court of Appeal has set the case management for the appeal on 27 June 2022.

The hearing for MA (Sepang)'s application for further better particulars has been set on 22 June 2022.

**18. PERFORMANCE REVIEW**

	INDIVIDUAL QUARTER				
	Current Year	Preceding Year	Changes		
	Quarter	Corresponding			
	31.03.2022	Quarter			
	RM'000	31.03.2021	RM'000	RM'000	%
Revenue	570,846	336,907	233,939	69.4%	
Loss before tax and zakat	(150,383)	(280,488)	(130,105)	-46.4%	

**1Q 2022 vs 1Q 2021 (Q-on-Q)**

**Revenue**

The Group's revenue for the current quarter increased significantly by 69.4% over the corresponding quarter in the prior year to RM570.8 million in tandem with the significant increase in passenger volumes for the Group, driven by the further easing of travel restrictions and quarantines, reopening of borders through Vaccinated Travel Lanes (VTL) arrangements by several countries and the gradual transition to an endemic phase.

Revenue from airport operations increased significantly by 74.8% to RM510.2 million. Aeronautical segment revenue increased from RM142.6 million to RM294.8 million as compared to the corresponding quarter in the prior year on the back of traffic recovery with total passenger traffic of 14.7 million for the Group as compared to 5.9 million passengers in the corresponding quarter in the prior year. Malaysia operations passenger traffic improved significantly to 8.3 million as compared to 1.7 million passengers in the corresponding quarter in the prior year. Whilst, Turkey operations continued to show passenger traffic recovery from 4.2 million to 6.4 million passengers during the same period. The non-aeronautical segment revenue increased from RM149.3 million to RM215.4 million, largely due to better contribution of commercial revenue from Malaysia and Turkey operations.

Revenue from the non-airport operations increased by 34.7% or RM15.6 million due to higher revenue from the project and repair maintenance, agriculture and hotel businesses.

Overall, Malaysia and Turkey operations had recorded a significant increase in revenue by 67.1% to RM273.1 million and 80.7% to RM275.1 million respectively. Whereas, Qatar operations recorded marginal increase in revenue by 6.1% to RM22.6 million.

**18. PERFORMANCE REVIEW (CONT'D.)****1Q 2022 vs 1Q 2021 (Q-on-Q)(cont'd.)****(Loss)/profit before tax and zakat (LBT/PBT)**

The Group LBT narrowed to RM150.4 million as compared to LBT of RM280.5 million in the corresponding quarter in the prior year driven by the increase in revenue of RM233.9 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 other revenue share payables to the Concessionaire. Nonetheless, core operational expenses<sup>1</sup> marginally increase by RM1.3 million.

Malaysia operations recorded a LBT of RM116.8 million, whilst Turkey operations recorded a LBT of RM36.6 million, both lower than the LBT in the corresponding quarter in the prior year of RM180.5 million and RM100.8 million respectively. Qatar operations recorded a PBT of RM3.0 million as compared to RM0.6 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 RM104.8 million.

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

In the current quarter under review, the share of results from associates recorded a profit of RM1.9 million, higher by RM2.7 million as compared to a loss of RM0.8 million for the corresponding quarter in the prior year. Improved in share of profit was due to share of profits contributed from KAF, MFMA Development Sdn. Bhd. (MFMA) and Alibaba KLIA Aeropolis Sdn. Bhd. (Alibaba KLIA Aeropolis) of RM1.1 million, RM0.6 million and RM0.5 million respectively. However, offset by share of losses from Cooling Energy Supply Sdn. Bhd. (CES) of RM0.6 million.

Share of results of joint ventures in the current quarter under review recorded losses amounting to RM0.2 million, lower by RM1.2 million as compared to the losses of RM1.4 million for the corresponding quarter in the prior year. Lower losses was contributed by the narrowing of share of losses from Segi Astana Sdn. Bhd. (SASB) from RM3.3 million registered in the corresponding quarter in the prior year to RM1.4 million, negated by lower share of profit from Airport Cooling Energy Supply Sdn. Bhd. (ACES) of RM1.2 million as compared to RM1.9 million profit recorded in the corresponding quarter in the prior year.

<sup>1</sup> Core operational expenses are staff costs, utilities, maintenance and other administrative expenses



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

	INDIVIDUAL QUARTER			
	Current Year	Immediate	Changes	
	Quarter	Preceding		
	31.03.2022	Quarter	RM'000	%
	RM'000	31.12.2021	RM'000	
Revenue	570,846	551,339	19,507	3.5%
Loss before tax and zakat	(150,383)	(215,043)	(64,660)	-30.1%

**1Q 2022 vs 4Q 2021 (Q-on-PQ)**
**Revenue**

The Group's revenue for the current quarter under review increased slightly by 3.5% to RM570.8 million against RM551.3 million in the immediate preceding quarter in line with the increase in passenger volume for the Group.

Revenue from airport operations increased by 3.6% to RM510.2 million over the immediate preceding quarter. Aeronautical segment revenue increased from RM268.8 million to RM294.8 million as compared to the immediate preceding quarter due to the increase in passenger traffic for Malaysia operations from 6.7 million passengers to 8.3 million passengers, in line with the continued relaxation in travel restrictions in Malaysia. Passenger traffic for Turkey operations contracted by 14.7% (international: -6.1%, domestic: -21.4%) to 6.4 million passengers as compared to 7.5 million passengers recorded in the immediate preceding quarter. The contraction in passengers for the Turkey operations arose due to the earlier wave of the Omicron variant in January and February 2022, with traffic improving in March 2022 as the number of cases began to fall significantly. The non-aeronautical segment revenue decreased slightly by 3.8% to RM215.4 million as compared to the immediate preceding quarter.

Revenue from the non-airport operations increased slightly by 3.2% or RM1.9 million due to higher revenue from agriculture and hotel businesses.

Overall, Malaysia had recorded an increase in revenue by 17.1% to RM273.1 million. Whilst, Turkey and Qatar operations had recorded decrease in revenue by 6.3% to RM275.1 million and 7.4% to RM22.6 million respectively.

**19. COMPARISON OF PERFORMANCE FOR THE CURRENT QUARTER AGAINST THE IMMEDIATE PRECEDING QUARTER (CONT'D.)****1Q 2022 vs 4Q 2021 (Q-on-PQ) (cont'd.)****(Loss)/profit before tax and zakat (LBT/PBT)**

The Group LBT of RM150.4 million narrowed as compared to LBT of RM215.0 million in the immediate preceding quarter due to increase in revenue, decrease in core operational expenses<sup>1</sup> and amortisation coupled with an increase in share of profits from associates and joint ventures companies. Lower LBT however, offset by decrease in other income and increase in finance cost for the current quarter under review.

In the current quarter under review, Malaysia operations recorded LBT of RM116.8 million, lower than LBT of RM193.7 million recorded in the immediate preceding quarter, while Turkey operations recorded a marginal increase in LBT of RM36.6 million as compared to LBT of RM22.3 million recorded in the immediate preceding quarter. Whereas, Qatar operations recorded slightly higher PBT of RM3.0 million as compared to RM1.0 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 RM104.8 million.

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

In the current quarter under review, the share of results from associates recorded a profit of RM1.9 million, improved by RM2.7 million as compared to the losses of RM0.8 million for the immediate preceding quarter, attributed by the share of profits from KAF, MFMA and Alibaba KLIA Aeropolis of RM1.1 million, RM0.6 million and RM0.8 million respectively. However, this was offset by the share of losses from CES of RM0.6 million as compared to share of profits of RM1.0 million registered in the immediate preceding quarter.

Share of results of joint ventures in the current quarter under review recorded a losses of RM0.2 million, lower by RM10.4 million as compared to a loss of RM10.6 million for the immediate preceding quarter, largely due to lower share of losses from SASB of RM1.4 million as compared to losses of RM13.0 million recorded in the immediate preceding quarter. Lower losses however, offset by lower share of profits contributed from ACES of RM1.2 million as compared to RM2.4 million profits registered in the immediate preceding quarter.

<sup>1</sup> Core operational expenses are staff costs, utilities, maintenance and other administrative expenses

## 20. COMMENTARY ON PROSPECTS

MAHB's network of airports recorded 14.7 million passengers in the current quarter under review from 1 January 2022 to 31 March 2022, a substantial improvement of 149.2% over the corresponding quarter in the prior year. During the same period, the Group's traffic for international and domestic passengers improved by 173.3% and 140.9% respectively. Correspondingly, the Group's aircraft movements improved substantially by 106.1% with both international and domestic aircraft movements increasing by 81.4% and 116.4% respectively.

2022 first quarter passenger movements of 14.7 million passengers, is the highest passenger movements for a quarter recorded to-date since the COVID-19 outbreak was declared as a global pandemic on 11<sup>th</sup> March 2020. The positive development is a significant milestone for the network of airports as it signals a turning point for a realistic and optimistic traffic recovery, albeit at a different pace of recovery between Malaysia and Turkey operations.

### Malaysia Operations

Passenger traffic at MAHB operated airports improved substantially by 388.2% to 8.3 million passengers in the current quarter under review. Traffic for international and domestic passengers improved by 233.3% to 1.0 million passengers and 421.2% to 7.3 million passengers respectively. Malaysia's international sector is just beginning to pick up as countries in the Asia Pacific region are taking cautious measures to reopen borders. Malaysia's VTL with Singapore and Thailand, Langkawi travel bubble and the resumption of Umrah services were some of the earlier initiatives to ease international travel restrictions.

### Overseas Operations

ISGIA passenger traffic improved by 52.4% to 6.4 million passengers in the current quarter under review. International passenger and domestic passenger was higher by 158.3% and 10.0% respectively. ISGIA passengers for the current quarter under review reaching 79% of 1Q2019 level, and is the highest quarterly volume registered since April 2020. Traffic in ISGIA continued to show similar seasonality trends over the pre-COVID period since travel procedures was relaxed for both domestic and international sector on 11 June 2021. ISGIA's head start in traffic recovery was supported by less stringent travel procedures, a reciprocal health certificate acceptance with the European Union and the much earlier reopening of borders among countries in the region.

### Outlook

In April, the passenger movements for the MAHB's network of airports continued to show resilience, recording 4.9 million passengers, which is the second highest traffic registered for 2022. Malaysia traffic resurgence was facilitated by the reopening of borders from 1 April 2022, the Aidilfitri week-long holidays, and the country's transition towards an endemic phase. International passenger movements grew by 53% in April compared to March 2022 reaching more than 600,000 passengers for the first time. The further relaxing of COVID-19 SOP from 1 May 2022, is expected to ease international travellers' journey and would further facilitate the resumption of international traffic in the months to come.

## **20. COMMENTARY ON PROSPECTS (cont'd.)**

### Outlook

KL International Airport (KUL) also welcomed a new international airline, Air India Express' (IX) on 28 March that serves a three-time weekly flight from Tiruchirappalli International Airport (TRZ) in Tamil Nadu, India. It is the only foreign aircraft with a scheduled service between Tiruchirappalli and Kuala Lumpur. Meanwhile, partner airlines also continued to resume more international routes such as Malaysia Airlines (MH) and Batik Air (formerly Malindo Air)(OD) flying to Perth (PER) upon reopening of the Australian borders on 3 March. MH resumed flights to five cities in India in March as well, operating to New Delhi (DEL), Bangalore (BLR), Mumbai (BOM), Chennai (MAA) and Hyderabad (HYD).

### Group Initiatives

MAHB is pivoting towards a propensity for growth, aggressively seeking out revenue generation and actively unlocking untapped opportunities to strengthen its financial position. In addition, MAHB continues to take pre-emptive measures to mitigate its impact by implementing an aggressive cost optimisation plan. These measures include recalibrating operational efficiencies i.e. rebasing cost and prioritizing capital expenditure to conserve cash reserves and ensure that the Group is able to meet its financial and operational obligations.



## 21. PROFIT FORECAST

The Group did not publish any profit forecast.

## 22. TAXATION AND ZAKAT

### INDIVIDUAL QUARTER

	<b>Current Year Quarter 31.03.2022 RM'000</b>	<b>Preceding Year Corresponding Quarter 31.03.2021 RM'000</b>
Current tax	(9,142)	(4,427)
Deferred taxation	54,767	63,618
	<hr/>	<hr/>
	45,625	59,191

## 23. SALE OF PROPERTIES

There were no sales of properties since 31 December 2021.

## 24. INVESTMENTS IN QUOTED SECURITIES

There were no investment in quoted securities during the current quarter under review.

## 25. STATUS OF CORPORATE PROPOSALS

There are no ongoing corporate proposals announced by the Group but not completed as at 30 May 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**
**26. BORROWINGS**

	As at 31.03.2022		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
Secured:				
Senior Term Loan Facility	53,291	249,403	52,179	245,765
Total short-term borrowings	53,291	1,749,403	52,179	1,745,765
<b>Long-term borrowings</b>				
Unsecured:				
Islamic Medium Term Notes (IMTN)	-	600,000	-	600,000
Senior Sukuk	-	1,496,644	-	1,496,687
Secured:				
Senior Term Loan Facility	314,618	1,472,414	311,964	1,469,351
Total long-term borrowings	314,618	3,569,058	311,964	3,566,038
Total borrowings	367,909	5,318,461	364,143	5,311,803

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

	As at 31.12.2021 RM'000 Audited	Non-cash changes			As at 31.03.2022 RM'000 Unaudited
		Cash Flows RM'000	Foreign Exchange Movements RM'000	Fair Value Changes RM'000	
Unsecured:					
Islamic Medium Term Notes (IMTN)	2,100,000	-	-	-	2,100,000
Senior Sukuk	1,496,687	-	-	(43)	1,496,644
Secured:					
Senior Term Loan Facility	1,715,116	-	(10,924)	17,625	1,721,817
Derivative financial instruments	24,677	-	-	(20,577)	4,100
	5,336,480	-	(10,924)	(2,995)	5,322,561



## 28. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at 31 March 2022.

## 29. 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.

## 30. DIVIDEND PAYABLE

There were no dividends paid or declared during the current quarter under review.

## 31. 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 under review.

	INDIVIDUAL QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter
	31.03.2022	31.03.2021
	RM'000	RM'000
Loss attributable to		
Owners of the Company	(104,758)	(221,297)
Distribution to Perpetual Sukuk holder	(14,178)	(14,178)
Net loss attributable to Owners of the Company	<u>(118,936)</u>	<u>(235,475)</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,659,192</u>	<u>1,659,192</u>
Loss per share attributable to Owners of the Company (sen)	<u>(7.17)</u>	<u>(14.19)</u>



**31. 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.

**32. 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

30 May 2022