

**Air Arabia PJSC
and its subsidiaries**

Condensed Consolidated Interim
Financial Information
For the period ended September 30, 2024

Air Arabia PJSC and its subsidiaries
Condensed Consolidated Interim Financial Information
For the period ended September 30, 2024

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Report on Review of the Condensed Consolidated Interim Financial Information To the Shareholders of Air Arabia PJSC

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Air Arabia PJSC (“the Company”) and its subsidiaries (collectively referred to as “the Group”) as at September 30, 2024, and the related condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income for the three months and nine months periods then ended and the related condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the nine months period then ended.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34.


GRANT THORNTON UAE

Farouk Mohamed
Registration No. 86
Dubai, United Arab Emirates



11 NOV 2024

Air Arabia PJSC and its subsidiaries
Condensed Consolidated Interim Financial Information

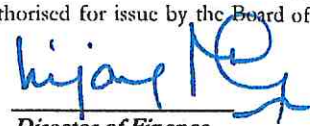
Condensed consolidated statement of financial position
As at September 30, 2024

	Notes	September 30, 2024 (Unaudited) AED '000	December 31, 2023 (Audited) AED '000
ASSETS			
Non-current assets			
Property and equipment	4	4,700,044	4,954,113
Right-of-use assets		668,910	574,232
Advance for new aircraft		1,262,605	886,886
Investment property		236,849	165,401
Net investment in lease		138,137	52,993
Intangible assets		1,357,470	1,345,917
Deferred charges		15,506	19,293
Investments measured at fair value through other comprehensive income	5	424,086	230,332
Investments in associates and joint ventures		209,928	205,858
Trade and other receivables		26,630	85,847
		<u>9,040,165</u>	<u>8,520,872</u>
Current assets			
Inventories		56,097	48,719
Trade and other receivables		1,010,234	858,576
Bank balances and cash	6	4,939,672	5,246,377
		<u>6,006,003</u>	<u>6,153,672</u>
TOTAL ASSETS		<u>15,046,168</u>	<u>14,674,544</u>
EQUITY AND LIABILITIES			
Equity			
Share capital		4,666,700	4,666,700
Statutory reserve		1,022,538	912,152
General reserve		461,536	351,150
Other reserves		(29,428)	71,537
Retained earnings		1,534,460	1,532,467
Total equity attributable to the owners of the Company		<u>7,655,806</u>	<u>7,534,006</u>
Non-controlling interest		1,688	1,084
Total equity		<u>7,657,494</u>	<u>7,535,090</u>
Non-current liabilities			
Provision for staff termination benefits		233,237	208,175
Trade and other payables		1,366,340	1,249,607
Finance lease liabilities	7	1,526,535	1,567,827
Bank borrowings		50	30,610
		<u>3,126,162</u>	<u>3,056,219</u>
Current liabilities			
Deferred income		665,370	523,402
Trade and other payables		2,961,025	2,879,313
Bank borrowings		133,582	95,084
Finance lease liabilities	7	502,535	585,436
		<u>4,262,512</u>	<u>4,083,235</u>
Total liabilities		<u>7,388,674</u>	<u>7,139,454</u>
TOTAL EQUITY AND LIABILITIES		<u>15,046,168</u>	<u>14,674,544</u>

This condensed consolidated interim financial information was approved and authorised for issue by the Board of Directors on 11 NOV 2024 and were signed on their behalf by:


Chairman


Chief Executive Officer


Director of Finance

The accompanying notes from 1 to 15 form an integral part of this condensed consolidated interim financial information.

Air Arabia PJSC and its subsidiaries
Condensed Consolidated Interim Financial Information

Condensed consolidated statement of profit or loss
For the period ended September 30, 2024

		Three-month period ended September 30, 2024 (Unaudited) AED '000	Three-month period ended September 30, 2023 (Unaudited) AED '000	Nine-month period ended September 30, 2024 (Unaudited) AED '000	Nine-month period ended September 30, 2023 (Unaudited) AED '000
	Notes				
Revenue		1,786,925	1,629,796	4,984,219	4,454,652
Direct costs		(1,342,073)	(1,182,868)	(3,779,288)	(3,151,424)
GROSS PROFIT		444,852	446,928	1,204,931	1,303,228
Administrative and general expenses		(59,512)	(61,011)	(205,140)	(194,507)
Selling and marketing expenses		(27,624)	(23,293)	(73,135)	(62,560)
Finance income		66,034	60,146	182,537	147,676
Finance costs		(19,481)	(25,542)	(62,570)	(77,716)
Share of profit on investments in associates and joint ventures		98,487	92,827	92,308	118,153
Other income, net		61,720	31,713	118,682	88,473
PROFIT BEFORE TAX		564,476	521,768	1,257,613	1,322,747
Income tax expense	15	(39,111)	-	(100,904)	-
PROFIT FOR THE PERIOD		525,365	521,768	1,156,709	1,322,747
<i>Profit before tax attributable to:</i>					
Owners of the Company		564,127	521,558	1,257,009	1,322,314
Non-controlling interest		349	210	604	433
		564,476	521,768	1,257,613	1,322,747
<i>Profit for the period attributable to:</i>					
Owners of the Company		525,016	521,558	1,156,105	1,322,314
Non-controlling interest		349	210	604	433
		525,365	521,768	1,156,709	1,322,747
Basic and diluted earnings per share (AED)	9	0.11	0.11	0.25	0.28

The accompanying notes from 1 to 15 form an integral part of this condensed consolidated interim financial information.

Air Arabia PJSC and its subsidiaries
Condensed Consolidated Interim Financial Information

Condensed consolidated statement of comprehensive income
For the period ended September 30, 2024

	Three-month period ended September 30, 2024 (Unaudited) AED '000	Three-month period ended September 30, 2023 (Unaudited) AED '000	Nine-month period ended September 30, 2024 (Unaudited) AED '000	Nine-month period ended September 30, 2023 (Unaudited) AED '000
Profit for the period	525,365	521,768	1,156,709	1,322,747
Other comprehensive loss:				
<i>Items that will never be subsequently reclassified to profit or loss:</i>				
Change in fair value of investments measured at fair value through other comprehensive income	6,717	416	4,035	731
<i>Items that are or may be reclassified subsequently to profit or loss</i>				
Cash flow hedge				
Effective portion of changes in fair value	(116,615)	(13,943)	(105,000)	(189,401)
Total other comprehensive loss for the period	(109,898)	(13,527)	(100,965)	(188,670)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	415,467	508,241	1,055,744	1,134,077
Total comprehensive income for the period attributable to:				
Owners of the Company	415,118	508,031	1,055,140	1,133,644
Non-controlling interest	349	210	604	433
	415,467	508,241	1,055,744	1,134,077

The accompanying notes from 1 to 15 form an integral part of this condensed consolidated interim financial information.

Air Arabia PJSC and its subsidiaries
Condensed Consolidated Interim Financial Information

Condensed consolidated statement of changes in equity
For the period ended September 30, 2024

	Share capital AED '000	Statutory reserve AED '000	General reserve AED '000	Other reserves		Retained earnings AED '000	Total attributable to the Owners of the Company AED '000	Non- controlling interest AED '000	Total AED '000
				Cumulative change in FVOCI AED '000	Cash flow hedge reserve AED '000				
As at January 1, 2024 (audited)	4,666,700	912,152	351,150	11,864	59,673	1,532,467	7,534,006	1,084	7,535,090
Profit for the period	-	-	-	-	-	1,156,105	1,156,105	604	1,156,709
Other comprehensive loss for the period	-	-	-	4,035	(105,000)	-	(100,965)	-	(100,965)
Total comprehensive income for the period	-	-	-	4,035	(105,000)	1,156,105	1,055,140	604	1,055,744
Transfers to reserves	-	110,386	110,386	-	-	(220,772)	-	-	-
<i>Transactions with owners</i> Dividends declared (Note 14)	-	-	-	-	-	(933,340)	(933,340)	-	(933,340)
As at September 30, 2024 (unaudited)	4,666,700	1,022,538	461,536	15,899	(45,327)	1,534,460	7,655,806	1,688	7,657,494

The accompanying notes from 1 to 15 form an integral part of this condensed consolidated interim financial information.

Air Arabia PJSC and its subsidiaries
Condensed Consolidated Interim Financial Information

Condensed consolidated statement of changes in equity (continued)
For the period ended September 30, 2024

	Share capital AED '000	Statutory reserve AED '000	General reserve AED '000	Other reserves		Retained earnings AED '000	Total attributable to the Owners of the Company AED '000	Non- controlling interest AED '000	Total AED '000
				Cumulative change in FVOCI AED '000	Cash flow hedge reserve AED '000				
As at January 1, 2023 (audited)	4,666,700	750,668	189,666	6,433	373,340	1,008,308	6,995,115	520	6,995,635
Profit for the period	-	-	-	-	-	1,322,314	1,322,314	433	1,322,747
Other comprehensive loss for the period	-	-	-	731	(189,401)	-	(188,670)	-	(188,670)
Total comprehensive income for the period	-	-	-	731	(189,401)	1,322,314	1,133,644	433	1,134,077
<i>Transactions with owners</i>									
Dividends declared (Note 14)	-	-	-	-	-	(700,005)	(700,005)	-	(700,005)
As at September 30, 2023 (unaudited)	4,666,700	750,668	189,666	7,164	183,939	1,630,617	7,428,754	953	7,429,707

The accompanying notes from 1 to 15 form an integral part of this condensed consolidated interim financial information.

Air Arabia PJSC and its subsidiaries
Condensed Consolidated Interim Financial Information

Condensed consolidated statement of cash flows
For the period ended September 30, 2024

	Nine-month period ended September 30, 2024 (Unaudited) AED '000	Nine-month period ended September 30, 2023 (Unaudited) AED '000
OPERATING ACTIVITIES		
Profit before tax	1,257,613	1,322,747
<i>Adjustments to reconcile profit to net cash flows:</i>		
Depreciation and amortisation	507,834	479,165
Provision for employees' end of services benefits	31,882	46,756
Share of profit on investments in associates and joint ventures	(92,308)	(118,153)
Other income	(8,733)	-
Dividend from investment at fair value through other comprehensive income	(117)	(304)
Finance income	(182,537)	(147,676)
Finance costs	62,570	77,716
<i>Operating cash flows before changes in working capital</i>	1,576,204	1,660,251
<i>Changes in working capital</i>		
Trade and other receivables	(212,295)	(379,903)
Inventories	(7,378)	(14,138)
Trade and other payables	95,127	378,231
Deferred income	141,968	29,671
Cash flows from operations	1,593,626	1,674,112
Employees' end of services benefits paid	(6,821)	(15,282)
Net cash flows from operating activities	1,586,805	1,658,830
INVESTING ACTIVITIES		
Acquisition of property and equipment	(144,189)	(60,976)
Additions to investment property	(71,448)	-
Payments in relation to advances for new aircrafts-net	(375,719)	(301,751)
Dividend received from joint ventures and associates	92,066	60,479
Dividend received from investment measured at fair value through other comprehensive income	117	304
Payment for investment in a joint venture	(3,828)	(6,693)
Proceeds from net investment in lease	27,230	36,431
Acquisition of investments at fair value through other comprehensive income	(189,719)	(12,932)
Acquisition of intangible assets	(15,626)	(5,876)
Change in fixed and margin deposits	(195,643)	(840,032)
Finance income received	223,103	101,864
Net cash flows used in investing activities	(653,656)	(1,029,182)
FINANCING ACTIVITIES		
Payments of finance lease liabilities	(449,833)	(489,725)
Net movement in bank borrowings	7,938	(9,185)
Dividends paid	(933,340)	(700,005)
Finance costs paid	(60,262)	(77,716)
Net cash flows used in financing activities	(1,435,497)	(1,276,631)
Net change in cash and cash equivalents	(502,348)	(646,983)
Cash and cash equivalents at the beginning of the period	1,262,308	1,050,185
Cash and cash equivalents at the end of the period	759,960	403,202
Cash and cash equivalents comprise of:		
Bank balances and cash	4,939,672	4,929,298
Fixed deposits with maturity over 3 months	(4,179,712)	(4,526,096)
	759,960	403,202

The accompanying notes from 1 to 15 form an integral part of this condensed consolidated interim financial information.

Air Arabia PJSC and its subsidiaries
Condensed Consolidated Interim Financial Information

Notes to the condensed consolidated interim financial information
For the period ended September 30, 2024

1 Legal status and principal activities

Air Arabia PJSC ("the Company") was incorporated on June 19, 2007 as a Public Joint Stock Company. The Company operates in the United Arab Emirates under a trade license issued by the Economic Development Department of the Government of Sharjah and Air Operator's Certificate Number AC 2 issued by the General Civil Aviation Authority, United Arab Emirates.

The Company's ordinary shares are listed on the Dubai Financial Market, United Arab Emirates. The registered office address is P.O. Box 132, Sharjah, United Arab Emirates.

The condensed consolidated interim financial information for the period ended September 30, 2024 includes the financial performance and position of the Company and its subsidiaries (collectively referred to as "the Group") and the Group's interest in associates and joint ventures.

The licensed activities of the Group are international commercial air transportation, aircraft trading, aircraft rental, aircraft spare parts trading, travel and tourist agencies, commercial brokerage, hotels, hotel apartment rentals, airline companies' representative office, passengers transport, cargo services, air cargo agents, documents transfer services, aviation training and aircraft repairs and maintenance.

The details of the Group's ownership in its various subsidiaries, joint ventures and associates and their principal activities are as follow:

Name	Legal/ beneficial ownership interest		Country of operation and ownership	Principal activities
	2024	2023		
Subsidiaries				
International Business Company (FZE)	100%	100%	United Arab Emirates	Dealing in International Business and shares
Air Arabia Holidays L.L.C	100%	100%	United Arab Emirates	Tour operations
Information System Associates FZC	100%	100%	United Arab Emirates	IT services to aviation industry.
Action Hospitality	100%	100%	United Arab Emirates	Hospitality services, tourism, managing and operating restaurants and hotels.
COZMO Travel LLC – Sole proprietorship	100%	100%	United Arab Emirates	Travel and tours, tourism and cargo services.
Impact Aviation Services Limited	100%	100%	Ireland	Management of lease contracts
Air Arabia Service Center W.L.L**	100%	100%	Bahrain	Office administrative and support services, call center and computer programming services
Subsidiaries of International Business Company (FZE) (sub-subsidiaries)				
Olgana Real Estate Development L.L.C	100%	100%	United Arab Emirates	Real estate development
T3 Aviation Academy L.L.C	100%	100%	United Arab Emirates	Aviation training services
Joint ventures				
Alpha Flight Services UAE L.L.C	51%	51%	United Arab Emirates	Flight and retail catering and ancillary services to the Air Arabia PJSC.
Sharjah Aviation Services L.L.C	50%	50%	United Arab Emirates	Aircraft handling, passenger and cargo services at the Sharjah International Airport.
Cozmo Travel (CJSC) ("Cozmo Armenia")	75%	75%	Armenia	Travels and tours, tourism and cargo services
Air Arabia Abu Dhabi L.L.C.	49%	49%	United Arab Emirates	International commercial air transportation.
Air Arabia - Egypt Company S.A.E.	40%	40%	Egypt	International commercial air transportation.
Fly Jinnah Services (Private) Limited	45%	45%	Pakistan	International commercial air transportation.
Armenian National Airlines (CJSC) ("Fly Arna")	49%	49%	Armenia	International commercial air transportation.

Air Arabia PJSC and its subsidiaries
Condensed Consolidated Interim Financial Information

Notes to the condensed consolidated interim financial information (continued)
For the period ended September 30, 2024

1 Legal status and principal activities (continued)

Name	Legal/ beneficial ownership interest		Country of operation and ownership	Principal activities
	2024	2023		
<i>Associates</i>				
Air Arabia Maroc, S.A	44.13%	44.13%	Morocco	International commercial air transportation.
Air Arabia Jordan LLC	49%	49%	Jordan	International commercial air transportation.
Tune Protection Commercial Brokerage LLC	51%	51%	United Arab Emirates	Commercial brokers.

* In 2022, the Group entered into a joint venture agreement, through its wholly owned subsidiary, International Business Company (FZE) ("IBC") with DAL Group, one of Sudan's leading privately owned conglomerates to operate low-cost carriers from Sudan, under the name of Air Arabia DAL Co. LTD ("Air Arabia Sudan"). As at September 30, 2024, Air Arabia Sudan was incorporated, however due to the political situation in Sudan, operations are on hold and related operating license is not yet issued.

** During the period ended September 30, 2024, Air Arabia Service Center W.L.L, a fully owned subsidiary of the Group and incorporated in the Kingdom of Bahrain, has become fully operational.

2 Basis of preparation and material accounting policies

a) Basis of preparation

The condensed consolidated interim financial information of the Group has been prepared in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*. The condensed consolidated interim financial information does not include all of the information required for full annual consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) and should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2023.

Accounting policies, related adjustments, estimates and assumptions adopted for the preparation of this condensed consolidated interim financial information are same as those applied in the preparation of the audited consolidated financial statements for the year ended December 31, 2023.

The condensed consolidated interim financial information has been prepared on the historical cost basis except for derivative financial instruments and investments measured at fair value through other comprehensive income (FVOCI), which are measured at their fair values.

b) Functional and presentation currency

The condensed consolidated interim financial information is presented in United Arab Emirates Dirham ("AED"), which is the Group's functional currency. All values are rounded to the nearest thousands ('000) except where noted otherwise.

c) Basis of consolidation

This condensed consolidated interim financial information incorporates the financial information of the Company and entities controlled by the Company. Control is achieved where the Company has the power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns.

d) Significant accounting estimates and judgments

The preparation of the condensed consolidated interim financial information in conformity with IAS 34, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Air Arabia PJSC and its subsidiaries
Condensed Consolidated Interim Financial Information

Notes to the condensed consolidated interim financial information (continued)
For the period ended September 30, 2024

2 Basis of preparation and material accounting policies (continued)

d) Significant accounting estimates and judgments (continued)

The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied in preparation of the consolidated financial statements of the Group as at and for the year ended December 31, 2023.

2.1 New or revised Standards or Interpretations

Accounting pronouncements which have become effective from January 1, 2024 and have therefore been adopted are as follows:

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Non-current Liabilities with Covenants (Amendments to IAS 1)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
- Lack of Exchangeability (Amendments to IAS 21)

These amendments do not have a significant impact on the condensed consolidated interim financial information and therefore the disclosures have not been made.

3 Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements of the Group as at and for the year ended December 31, 2023.

4 Property and equipment

During the period ended September 30, 2024, the Group acquired various property and equipment amounting to AED 144 million (period ended September 30, 2023: AED 61 million).

Depreciation charge on property and equipment for the period ended September 30, 2024 amounted to AED 399 million (period ended September 30, 2023: AED 387 million).

5 Investments measured at fair value through other comprehensive income

	September 30, 2024 (Unaudited) AED '000	December 31, 2023 (Audited) AED '000
Quoted investments in equity instruments in UAE	8,022	9,216
Unquoted investments in debt instruments in UAE	274,756	150,449
Unquoted investments in debt instruments outside UAE	141,308	70,667
	<u>424,086</u>	<u>230,332</u>

Movement in quoted investments in equity instruments during the period/year were as follow:

	September 30, 2024 (Unaudited) AED '000	December 31, 2023 (Audited) AED '000
Opening balance	9,216	10,321
Change in fair value	<u>(1,194)</u>	<u>(1,105)</u>
	<u>8,022</u>	<u>9,216</u>

The market rates as at September 30, 2024 and December 31, 2023 are considered for the calculation of the fair value of the investments that are quoted on the stock exchange market.

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Condensed Consolidated Interim Financial Information

Notes to the condensed consolidated interim financial information (continued)
For the period ended September 30, 2024

5 Investments measured at fair value through other comprehensive income (continued)

Movement in unquoted investments in debt instruments during the period/year were as follow:

	September 30, 2024 (Unaudited) AED '000	December 31, 2023 (Audited) AED '000
Opening balance	221,116	32,845
Additions during the period/year	189,719	181,735
Change in fair value	5,229	6,536
	<u>416,064</u>	<u>221,116</u>

The fair values of these debt instruments were determined using market interest rates of similar debt instruments as at September 30, 2024 and December 31, 2023.

6 Bank balances and cash

	September 30, 2024 (Unaudited) AED '000	December 31, 2023 (Audited) AED '000
<i>Bank balances:</i>		
Fixed deposits*	4,179,712	3,984,069
Current accounts	670,280	1,087,181
Call deposits	83,292	166,965
	<u>4,933,284</u>	<u>5,238,215</u>
Cash in hand	6,388	8,162
Bank balances and cash	<u>4,939,672</u>	<u>5,246,377</u>

*Deposits carry average interest rates of 5.34% (2023: 5.45%) per annum.

7 Finance lease liabilities

The Group has entered into leasing agreements with the leasing companies to finance the purchase of aircrafts and hangar. The terms of the leases are 5 -15 years for aircrafts and hangar.

	September 30, 2024 (Unaudited) AED '000	December 31, 2023 (Audited) AED '000
As at January 1,	2,153,263	2,748,723
Additions to lease liabilities for the period/year	325,640	42,313
Payments made during the period/year	(449,833)	(637,773)
	<u>2,029,070</u>	<u>2,153,263</u>

	Current		Non-current	
	September 30, 2024 (Unaudited) AED '000	December 31, 2023 (Audited) AED '000	September 30, 2024 (Unaudited) AED '000	December 31, 2023 (Audited) AED '000
Lease liabilities	<u>502,535</u>	<u>585,436</u>	<u>1,526,535</u>	<u>1,567,827</u>

Air Arabia PJSC and its subsidiaries
Condensed Consolidated Interim Financial Information

Notes to the condensed consolidated interim financial information (continued)
For the period ended September 30, 2024

7 Finance lease liabilities (continued)

The lease agreements are subject to certain financial and operational covenants including compliance with various regulations, restrictions on unapproved subleasing, insurance coverage and maintenance of total debt to equity ratio.

8 Related parties

	September 30, 2024 (Unaudited) AED '000	December 31, 2023 (Audited) AED '000
Amounts due from related parties		
<i>Included in trade and other receivables</i>		
Receivable from associates and joint ventures, net of allowance for expected credit losses	121,744	52,045
Other related parties	-	10,594
	<u>121,744</u>	<u>62,639</u>
	September 30, 2024 (Unaudited) AED '000	December 31, 2023 (Audited) AED '000
Amounts due to related parties		
<i>Included in trade and other payables</i>		
Payable to associates and joint ventures	166,101	108,603
Other related parties	-	2,600
	<u>166,101</u>	<u>111,203</u>

Amounts due from/(to) related parties are unsecured, bear no interest and have no fixed repayment terms. The management considers these to be current assets/current liabilities respectively.

9 Basic and diluted earnings per share

	Three-month period ended September 30, 2024 (Unaudited) AED '000	Three-month period ended September 30, 2023 (Unaudited) AED '000	Nine-month period ended September 30, 2024 (Unaudited) AED '000	Nine-month period ended September 30, 2023 (Unaudited) AED '000
Profit attributable to the Owners of the Company	525,016	521,558	1,156,105	1,322,314
Weighted average number of shares (in '000)	4,666,700	4,666,700	4,666,700	4,666,700
Basic and diluted earnings per share (AED)	0.11	0.11	0.25	0.28

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Notes to the condensed consolidated interim financial information (continued)
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10 Operating lease commitments

10.1 The Group is a lessor

As at September 30, 2024, the Group has leased out 28 aircrafts (as at December 31, 2023: 22) under non-cancellable operating lease agreements to the related parties.

The leases have varying terms and renewal rights. The future minimum lease receivable under non-cancellable operating leases contracted for at the reporting date but not recognised as receivables, are shown below:

	September 30, 2024 (Unaudited) AED '000	December 31, 2023 (Audited) AED '000
Within one year	277,467	220,025
Between 2 and 5 years	561,263	399,861
More than 5 years	31,832	-
	<u>870,562</u>	<u>619,886</u>

The carrying amount of the leased aircraft owned by the Group under operating leases at the reporting date are as follow:

	September 30, 2024 (Unaudited) AED '000	December 31, 2023 (Audited) AED '000
Net book value	<u>1,172,961</u>	<u>1,227,641</u>
Accumulated depreciation	<u>1,818,597</u>	<u>1,611,899</u>
Depreciation charge for the period/year	<u>119,444</u>	<u>143,395</u>

11 Contingent liabilities

The Group have letters of guarantees and credits entered into as part of the normal course of business amounting to AED 67 million as at September 30, 2024 (December 31, 2023: AED 61 million), which at September 30, 2024 are not expected to result in material losses for the Group in the foreseen future and not consider it probable that there will be an outflow of economic resources with regard to these contingent liabilities.

12 Capital commitments

	September 30, 2024 (Unaudited) AED'000	December 31, 2023 (Audited) AED'000
<i>Authorised and contracted:</i>		
Aircraft fleet	<u>22,553,059</u>	<u>22,928,778</u>

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13 Segment information

The following table presents revenue and profit information for the Group's operating segments for the period ended September 30, 2024 and September 30, 2023, respectively:

Nine-month period ended September 30, 2024 (unaudited)	Airline	Other	Eliminations	Total
	AED '000	segments AED '000		
Revenue				
External sales	4,692,887	291,332	-	4,984,219
Inter-segment sales	-	53,661	(53,661)	-
Total revenue	4,692,887	344,993	(53,661)	4,984,219
Result				
Segment result	1,016,651	47,750	-	1,064,401
Share of profit of investments in associates and joint ventures				92,308
Profit for the period				1,156,709
Other information				
Additions to property and equipment and deferred charges	110,638	33,551	-	144,189
Depreciation and amortisation	445,764	62,070	-	507,834
Nine-month period ended September 30, 2023 (unaudited)	Airline	Other	Eliminations	Total
	AED '000	segments AED '000		
Revenue				
External sales	4,219,990	234,662	-	4,454,652
Inter-segment sales	-	45,596	(45,596)	-
Total revenue	4,219,990	280,258	(45,596)	4,454,652
Result				
Segment result	1,130,003	74,591	-	1,204,594
Share of profit of investments in associates and joint ventures				118,153
Profit for the period				1,322,747
Other information				
Additions to property and equipment and deferred charges	36,940	24,036	-	60,976
Depreciation and amortisation	464,289	14,876	-	479,165

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13 Segment information (continued)

The following table presents assets and liabilities information for the Group's operating segments as at September 30, 2024 and December 31, 2023, respectively:

	Airline AED '000	Other segments AED '000	Eliminations AED '000	Total AED '000
September 30, 2024 (unaudited)				
Assets				
Segment assets	9,397,136	1,920,132	(1,018,004)	10,299,264
Unallocated assets				4,746,904
Total assets				<u>15,046,168</u>
Liabilities				
Segment liabilities	8,187,701	218,977	(1,018,004)	7,388,674
	Airline AED '000	Other segments AED '000	Eliminations AED '000	Total AED '000
December 31, 2023 (audited)				
Assets				
Segment assets	9,665,652	1,435,453	(949,284)	10,151,821
Unallocated assets				4,522,723
Total assets				<u>14,674,544</u>
Liabilities				
Segment liabilities	7,587,448	501,290	(949,284)	7,139,454

Inter-segment sales are charged at prevailing market prices.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 4 to the consolidated financial statements as at and for the year ended December 31, 2023. Segment result represents the profit earned by each segment without considering share of profit/(loss) on equity accounted investments. Segment assets do not include fixed deposits, investments, investment property and investment in subsidiaries, joint ventures and associate. Goodwill and intangible assets have been allocated to the Airline segment.

14 Dividends

At the Annual General Meeting held on March 15, 2024, the Board of Directors proposed, and the shareholders approved a cash dividend of AED 933 million at AED 0.20 per share for the year ended December 31, 2023 (2022: AED 700 million at AED 0.15 per share).

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15 Taxation

Corporate income tax

UAE Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses was published on December 9, 2022. Cabinet decisions are issued to specify the implementation of certain provisions in the corporate tax law (“the Law”).

Income tax expense is recognised during the nine-month period ended September 30, 2024 on a best estimate of the weighted average annual income tax rate, expected for the full financial year. Amounts accrued for income tax expense in an interim period may have to be adjusted if the estimate of the annual income tax rate changes. As of September 30, 2024, the Group has accrued current tax liabilities of AED 100.9 million (2023: AED Nil).

Deferred taxes

Differences between IFRS Accounting Standards and statutory taxation regulations in the United Arab Emirates give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The Group has concluded that the tax effect of the movements in these temporary differences was not material to the condensed consolidated interim financial information for the period ended September 30, 2024.