

A low-angle, close-up photograph of an AirAsia X aircraft's engine and wing. The engine is the central focus, with its fan blades clearly visible. The wing extends from the top right towards the center. The aircraft is parked on a tarmac, and its reflection is visible in a puddle of water in the foreground. In the background, other AirAsia X aircraft and airport infrastructure are visible under a cloudy sky.

# AirAsia X Berhad

**16th Annual General Meeting  
– CEO Presentation**

8 June 2023





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# 2022: Return to the Skies

Revamp of the Business in Preparation for Recovery



AirAsia X took the initiative to **re-engineer itself during its period of hibernation** between 2020 up to mid-2022; in **rebuilding its competitive strengths for a post-pandemic world**, AirAsia X restructured its debt and further trimmed its cost structure:

## Parameters of the 2021 Restructuring

- Debt restructuring
- Revised lease rates
- Renegotiated service contracts
- Undo taxing / punitive provisions
- Rationalised fleet size
- Revamped network

## Cost Containment Through the Hibernation

- Grounded all non-essential aircraft
- Optimised manpower
- Pay reduction with management taking the lead
- Stringent, daily monitoring of cash management
- Temporary closure of stations overseas



## By the Restart of AirAsia X in April 2022, it is...

- **Leaner** - in terms of fleet, cost, and network
- **Disciplined** - manpower and resources are brought in strictly per operational requirements
- **Ready** - Started with 2 core routes and today we proved we are back, stronger

# Financial Period Ended 2022 at a Glance

*AirAsia X Recovery Evident and Exceeding Expectations after Hibernation*



Net Profit

**RM32 bil**

Core Net Profit

**RM237 mil**

Revenue

**RM826 mil**

Cash Position

**RM177 mil**

Number of Passengers

**417,195**

Load Factor

**78%**

Average Base Fare

**RM978**

Ancillary Revenue Per Pax

**RM188**

No. of Aircraft in Fleet

**14 A330-300**

No. of Operational Aircraft

**7 A330-300**

# AirAsia X Thailand: 2022 at a Glance

*AirAsia X Thailand Delivering Amidst Rehabilitation Exercise*



Net Profit

RM482 mil

EBITDAR

RM682 mil

Revenue

RM1.0 bil

Cash  
Position

RM200 mil

Number of  
Passengers

279,707

Load Factor

88%

Average  
Base Fare

RM837

Ancillary  
Revenue Per Pax

RM172

No. of Aircraft in Fleet

8 A330-300

No. of Operational Aircraft

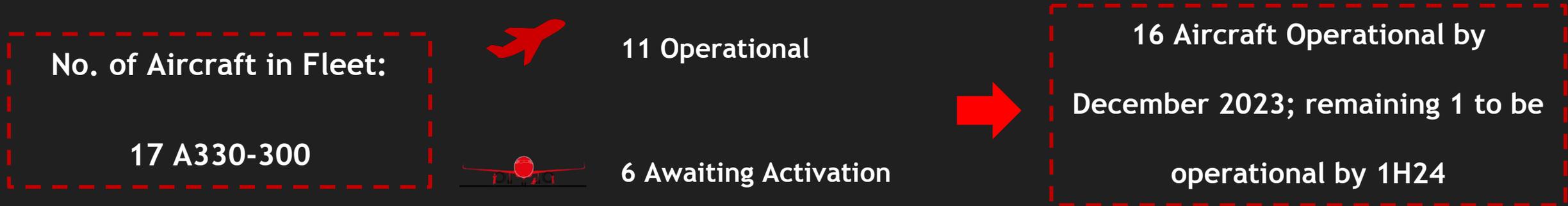
5 A330-300

# Our Fleet and Network Today



# Fleet Activation in Near Term

*Fleet of 17 A330-300 expected to be fully reactivated by First Half of 2024*



- AirAsia X **restarted its operations in 2022 with 9 A330-300** within its fleet post-restructuring and had since then expanded its fleet:
  - **Added 8 more A330-300 to its fleet** to date, bringing the fleet size to **17 A330-300 by May 2023**
  - Secured 4 aircraft with **different seat configurations** and **to be converted to standard 377-seats** in due time - this was done to **secure competitive pricing** of aircraft rental while we wait for **MRO slots and seats supply**
- Expects to have **full 17-strong fleet activated and operational by 1H24** - with aim to capture all network potentials, AirAsia X is also **planning to add more aircraft** within 1H24

# Network Overview

Gradual Return to Markets in line with Paced Fleet Reactivation



Currently AAX services operations to **17** destinations;

**7** destinations now operate **daily flights** or more

Returning to **China** with Shanghai, Beijing, Hangzhou and Chengdu by July 2023 with **over 10x weekly flights**

Looking to introduce **new markets** - **Istanbul** and **Central Asia** due to robust demand

Operating **high demand short haul** routes where additional capacity is necessary

# Our Priorities and Outlook



# Outlook & Priorities for 2023

Key Focus for AirAsia X in the coming months



## Network Plan

- Key focus to build on yield in markets we are returning to - leverage on higher fare trends
- Pricing management underway as we anticipate slower months in the coming quarter
- Rebuilding of capacity in our markets ongoing - expects capacity to reach over 60% recovery by 2H23



## Fleet Activation

- Added 8 aircraft to fleet to date and aim to activate 5 aircraft by Dec 2023 to ensure key network requirements are met - MRO slot constraint remains but expect fleet activation to complete within stipulated timeline
- Management working with Airbus to grow fleet to pre-COVID levels



## Manpower Management

- Vigorous hiring of new talents as the Company ventures to even more destinations for the year
- We do not foresee any manpower constraint for the Company's operational needs



## Cash & Cost

- Managing costs prudently as post-restructuring obligations grants the Company increased cost flexibility - no wastage of resources
- Cash position monitored minutely and the additional financing amounting to RM50 million from the recent proposed placement would strengthen our financial position

## PN17 Regularisation

- Fundraising through Proposed Placement amounting to RM50 million
- In engagement with advisors and regulators on reviewing all available options to address the Company's PN17 status

# Synergy with Capital A Berhad

Enhancement of the synergy between AirAsia X and the wider Capital A Group, Leveraging Available Resources



- The main channel for AirAsia X's online sale distribution
- Pivotal role for flight and ancillary sales through targeted marketing and campaign initiatives
- Promotes FlyThru from the short haul sectors from AirAsia and non-AirAsia flights, increases connectivity
- Cross sell AirAsia X inventory to new customers from other line of businesses

teleport

- Exclusive sales agent for AirAsia X's cargo
- Upside in the horizon as China reopens - trade and e-Commerce boosting demand for cargo
- Removal of cross-border screening would bring additional saving

- Part 145 maintenance spin-off to ADE, with more optimisation plans in the pipeline

- Streamlining of manpower and services have proven efficiency since its execution

- ADE is expected to secure approvals to service A330s by 2024 - AirAsia X can expect better rates for maintenance works, effectively lower maintenance-related costs

- AirAsia X continues to see elevated collaboration with the Capital A Group in areas such as:

- Operational and back-end services
- Inflight services inventory
- Sales & distribution channels
- Ground handling services

More  
Coming...

# Thank You

*Connect with us at [aax\\_ir@airasia.com](mailto:aax_ir@airasia.com)*

