

# AIRASIA X

ANALYST DECK  
SECOND QUARTER 2020 RESULTS



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# 2Q20 Financial & Operational Performances



(RM million)	Revenue		(LBITDA)/EBITDA		Net Operating (Loss)		(Loss) After Tax	
	2Q20	91.4	2Q20	(129.2)	2Q20	(377.0)	2Q20	(305.2)
	2Q19	1,013.5	2Q19	120.8	2Q19	(186.2)	2Q19	(207.1)

- Revenue dropped by 91% YoY to RM91.4 million due to:
  - Hibernation of the Company's scheduled operations; Scheduled Flights and Ancillary revenue decreased by nearly 100% YoY respectively
  - AirAsia X Malaysia maintained nominal operations during the quarter to facilitate essential cargo and charter flights
  - Freight services and Charter revenue amounted to 28% of total revenue for the quarter, against 7% in 2Q19
- On the back of lower revenue and fixed costs that continued to be incurred:
  - LBITDA stood at RM129.2 million against EBITDA of RM120.8 million last year
  - Net Operating Loss increased by 40% to RM377.0 million, while Loss After Tax increased by 47% to RM305.2 million

ASK Capacity	Passengers Carried	Load Factor	Sectors Flown
31 million	2,291	38%	16

- AirAsia X Malaysia maintained only minimal non-scheduled operations during the quarter to facilitate essential cargo and charter flights
  - A total of 2,291 passengers were carried on 16 scheduled flights primarily ferrying cargo operated in April 2020

# Total Operating Expenses reduced by 76%



## Staff Costs

- Down by 46% YoY as allowances to pilots and cabin crew reduced on the back of hibernation



## Aircraft Fuel Expenses

- Hedging loss due to weaker fuel price environment, offset by lower fuel consumed



## Maintenance and Overhaul

- Lower costs incurred on the back of reduced flying hours



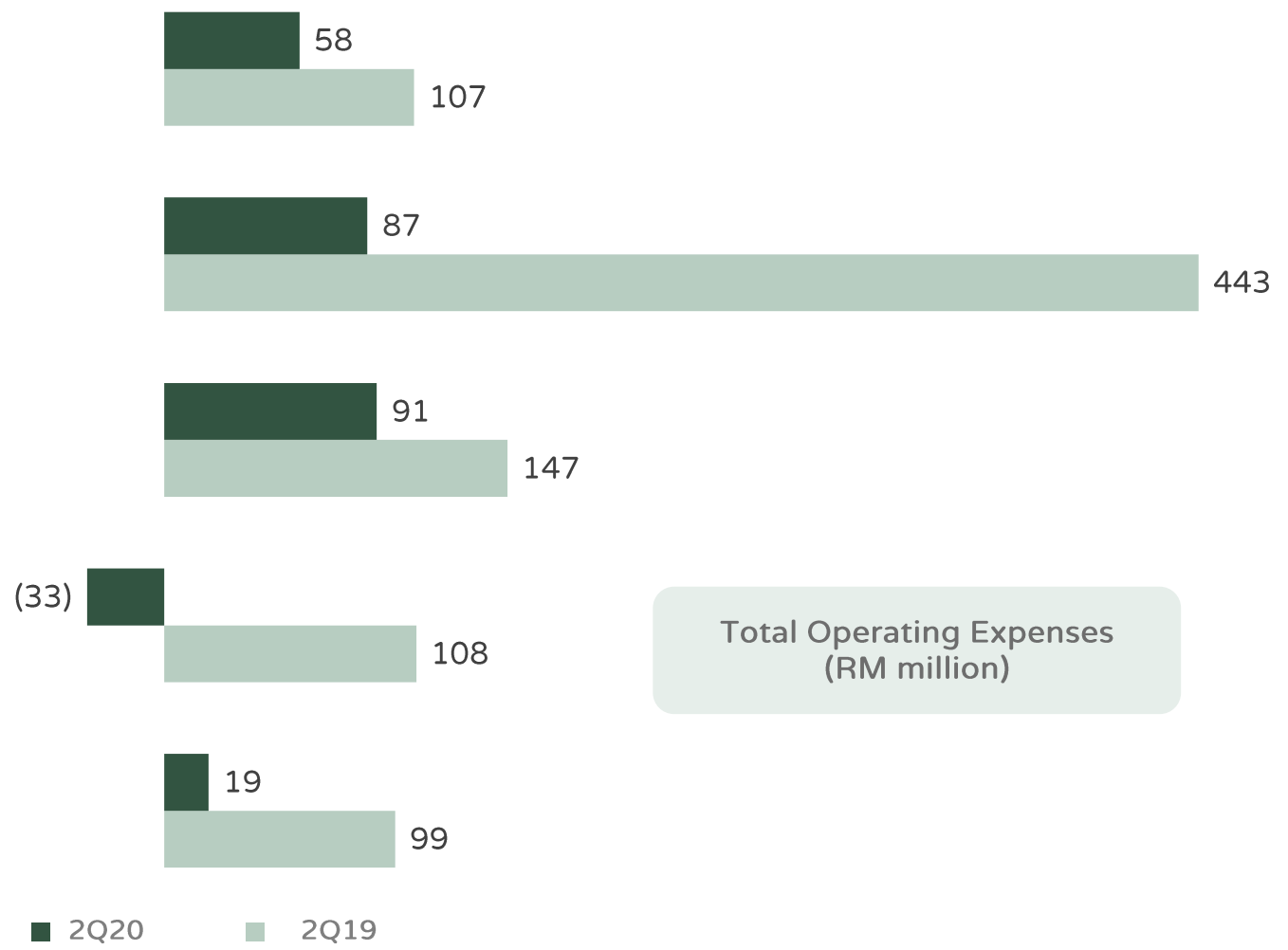
## User Charges

- Reversal of accruals from previous periods



## Other Operating Expenses

- Reduction in cost as a consequence of the hibernation of scheduled operations



## AirAsia X Thailand



	2Q20	2Q19	%
Passengers Carried	309	541,509	(>100)
ASK Capacity (million)	2	3,221	(>100)
Load Factor (%)	82	76	6ppts
Average Base Fare (USD)	543	132	>100
Net Profit/(Loss) (USD '000)	(54,243)	(17,341)	(>100)

- Revenue recorded at USD4.7 million while ASK Capacity was down to 2 million as AirAsia X Thailand remained in hibernation throughout 2Q20
- Load factor recorded at 82% as number of passengers carried during the quarter stood at 309 while seat capacity recorded at 377

# Priorities for 2020



## Managing Cash Flows & Cost Saving Initiatives



- Remains in hibernation mode from 28 March 2020
- Potential outright sale of 2 A330 aircraft to discharge mortgage and reduce fleet capacity
- Seeking early return of aircraft; 1 aircraft returned in July 2020 at no termination costs
- Rescheduling and restructuring of payments with all business partners and vendors
- Renegotiation of lease rates across the entire fleet and lease maintenance reserves
- Focused negotiation with lessors for power by the hour and pay per use arrangement until travel demand normalises
- Renegotiation of airport charges across all stations and other contract terms with all business partners and vendors

## Onset of COVID-19: Essential Operations during Hibernation



- Maintained essential connectivity at the onset of COVID-19 to support the transport of essential goods as well as repatriation of travellers
- Channeled cargo services as an alternative source of income and ramped up cargo capacity to meet high demands primarily from China, India, Japan and South Korea

# Priorities for 2020



## Network Plan



- Further cancellation of non-profitable routes going into 2H20;
  - Announced cancellation of Ahmedabad, Gold Coast, Okinawa and Tokyo - Narita
- Engagement with government ministries, agencies and partner destination countries to mitigate the impact and prepare for when scheduled operations could be resumed
- Maintains only minimum connectivity during this period for essential cargo and charter flights



## Fuel Hedging

- Fuel is hedged at an average Brent hedge price of USD61.45 for 2020
- 70% of our 2020 Brent fuel hedging contracts have been restructured in one form or another





# Thank You

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	Key Indicators	2Q20	2Q19	▲ %	1H20	1H19	▲ %
Operational	ASK (millions)	31	8,442	(>100)	6,905	17,399	(60)
	Aircraft	40	39	3	40	36	11
	Sectors flown	16	4,824	(>100)	4,119	9,653	(57)
	Fuel consumed (Barrels)	50,386	1,241,209	(96)	1,058,932	2,521,216	(58)
	Average Fuel Price (USD/Barrel)	403	86	>100	92	83	11
Passenger	RPK (millions)	12	6,770	(>100)	5,189	14,051	(63)
	Seat Capacity	6,032	1,814,098	(>100)	1,550,153	3,629,821	(57)
	Passengers Carried	2,291	1,455,052	(>100)	1,144,004	2,967,598	(61)
	Load Factor (%)	38	80	(42ppts)	74	82	(8ppts)



RM million	2Q20	2Q19	▲ %	1H20	1H19	▲ %
Revenue	91.4	1,013.5	(91)	1,016	2,182	(53)
EBITDA	(129.2)	120.8	(>100)	(35.1)	385.3	(>100)
Net Operating (Loss)	(377.0)	(186.2)	(>100)	(534.8)	(215.7)	(>100)
(Loss) Before Tax	(304.9)	(269.3)	(13)	(854.3)	(209.8)	(>100)
Taxation	(0.3)	62.2	(>100)	(0.6)	(46.0)	(99)
(Loss) After Tax	(305.2)	(207.1)	(47)	(854.9)	(163.8)	(>100)
Basic EPS (sen)	(7.4)	(5.0)	(48)	(20.6)	(3.9)	(>100)
EBITDA Margin (%)	(141.4)	26.1	(>100ppts)	(3.5)	17.7	(21ppts)
EBIT Margin (%)	(351.4)	(10.9)	(>100ppts)	(41.7)	(2.7)	(39ppts)