



## **AirAsia X Posts RM328 million Net Profit, Shareholders' Equity Turns Positive at RM40.8 million**

- 1Q23 Net Profit : RM 328 million (7x against 1Q19)
- 1Q23 Revenue : RM 548.8 million (47% recovery against 1Q19)
- 1Q23 CASK : 6.50 sen (50% lower from 1Q19)
- Shareholders' Equity : Turned positive at RM40.8 million
- 1Q23 Operational aircraft : AirAsia X - 9 aircraft out of 14 aircraft  
AirAsia X Thailand - 5 aircraft out of 8 aircraft

**SEPANG, 29 May 2023** - AirAsia X Berhad ("AirAsia X" or the "Company") is pleased to announce its financial results for the First Quarter of 2023 ("1Q23") ended 31 March 2023.

The Company registered a net profit of RM328 million for the quarter. The Company's revenue was reported at RM548.8 million, marking a significant recovery of close to 50% of the performance achieved in 2019. These improved metrics are even more favourable as only two more additional aircraft were activated during the quarter, with another six aircraft in line to commence operations as of May 2023. Importantly, AirAsia X's shareholders' equity has demonstrated a positive turnaround to RM40.8 million, from a negative shareholders' equity of RM285.2 million in the preceding quarter, which now paves the way for AirAsia X to address its Practice Note 17 classification, subject to regulatory approval.

In terms of costs, the Cost per Available Seat Kilometres ("CASK") reduced by over 50% to 6.50 sen as compared to the same period in 2019, on the back of a revamped cost structure and rationalised capacity in the market. While operating expenses increased in tandem with the ramp-up in operations in recent quarters, this was supported by the more favourable fuel environment and further softened by an increase in ASK. Revenue per Available Seat Kilometres ("RASK") stood at 18.93 sen as the average base fare rationalised to RM785 on the back of more normalised capacity within the markets.

The steady climb in earnings came on the back of a surge in passenger volume, the ramp up of aircraft activation and a stronger fare environment in recent quarters. In 1Q23, the total number of passengers carried increased to 504,476 passengers, driven by new year holidays and spring season travel demand. This was further supplemented with the increase in seat capacity which grew to 630,069 seats, while Available Seat Kilometres ("ASK") surged to 2,899 millions.

The fleet reactivation strategy remains on track to support the ramp up of flight frequencies; AirAsia X relaunched even more destinations to cater to the strong demand for international travel, recommencing flights to Osaka, Busan and Shanghai, on top of increasing its services to fly seven times weekly to Tokyo. Overall, Passenger Load Factor ("PLF") was strong at 80%, with star performers Delhi and Tokyo posting close to 90% PLF in 1Q23. With the reopening of



China for all travellers from early March 2023, AirAsia X is optimistic about the upcoming opportunities to launch more flights into the country, which has always been one of the airline's strongest markets.

In terms of associate's performance, the Company is pleased to announce that AirAsia X Thailand ("TAAX") posted a revenue of RM356.8 million, with a net profit of RM92 million. During the quarter under review, TAAX carried a total of 289,813 passengers, with a very strong PLF of 88%. TAAX's seat capacity during the quarter under review increased to 329,913 seats while ASK rose by 40% to 1,601 million on the back of increased scheduled flights and frequencies. In 1Q23, TAAX maintained the number of destinations and recently announced the recommencement of its Bangkok-Shanghai route effective April 2023, marking its return to China.

**AirAsia X CEO Benyamin Ismail** said, "Our strategy to resume services to our core markets in line with demand remains on track. Today, AirAsia X services 16 destinations with up to 83 flights weekly. In the coming quarters, the team will further ramp up flight frequencies and is looking to launch more destinations to China while reviewing new services to Istanbul and potentially Central Asia. As our sister airlines under the wider AirAsia brand continue to expand, our FlyThru traffic increased, as connectivity builds up. In comparison to the preceding quarter, the number of FlyThru passengers surged over 146% to 130,033 passengers in 1Q23.

"Our key priority remains to ensure that more aircraft are activated within the stipulated timeline with all safety requirements fulfilled. We have been actively engaging with third-party aircraft lessors for the induction of additional aircraft to join AirAsia X's growing fleet. We are pleased to confirm that as of May 2023, AirAsia X has 17 aircraft within its fleet, with 11 activated and operational.

"With Capital A Berhad, we continue our close collaborations, leveraging synergies as the commercial and operation teams work hand in hand particularly in the areas of fleet and route network optimisation to maximise connectivity, which ultimately drives up our traffic. This is proving successful as ancillary revenue per passenger increased by 24% to RM244, primarily due the increase in take-up of baggage via upselling and the increase in connecting fees in relation to FlyThru traffic.

"In terms of our financial position, AirAsia X's cash balance stood at RM192.4 million as of the end of March 2023, and shareholders' equity has returned to positive at RM40.8 million. Recently, we announced a proposed placement of shares with key institutional investors, potentially raising up to RM50 million of new capital which will serve to bolster our short term working capital requirements, strengthening the balance sheet as the Company continues to recover and grow its operations in this post-pandemic era, primarily for the reactivation and maintenance of the Company's growing fleet."

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