



AirAsia Group Berhad

Analyst Presentation

Fourth Quarter and Full Year Results
for the Financial Year 2019

27 February 2020



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**WORLD'S
BEST**
LOW-COST AIRLINE



YEARS RUNNING



4Q 2019 Group Key Highlights



Despite P&L loss of RM385mil, we view the results positively.
Core PAT of RM45 mil even after investing in digital infrastructure



Importantly, we reported a positive **operating cashflow post operating lease** reported of RM728mil.



Airline revenue grew 18% YoY on the back of 9% more **passengers carried** & 9% improvement in **RASK**

Load factor fell marginally to 82% due to change in pricing strategy

Average fare strengthen by 11% to RM190, leading to a 9% improvement in **RASK**

CASK declined 2% as fuel price declined 9%

	RM mil
Reported PAT	-385
Note 32 one-offs	102
Share of losses of AirAsia India	133
Accounting alignment for associates	74
AirAsia.com, BigPay, RBV Others	39
MFRS 16	82
Core PAT	45



AirAsia Malaysia saw improved overall performance in 4Q

Revenue grew 5%. Pricing management has improved active fare management; RASK is stronger YoY by 7%



AirAsia Philippines turned profitable



AirAsia Indonesia IAA narrowing losses by 45%



Growing **Ancillary income** strategy continues positive momentum, with it growing 16% YoY, faster than pax growth of 9%. Ancillary revenue makes up 23% of revenue

Digital non-airline initiatives reports significant revenue growth YoY:



BigPay revenue grew 280% to RM6mil. QoQ GTV is growing at 42%

AirAsia.com revenue up 209%, recording RM11mil in revenue

Teleport revenue up 50%, achieving RM147mil

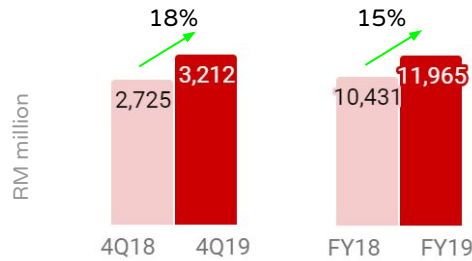
BIG Loyalty grew their membership base by 48% YoY to reach 25.2mil members

4Q & FY 2019 Financial Highlights



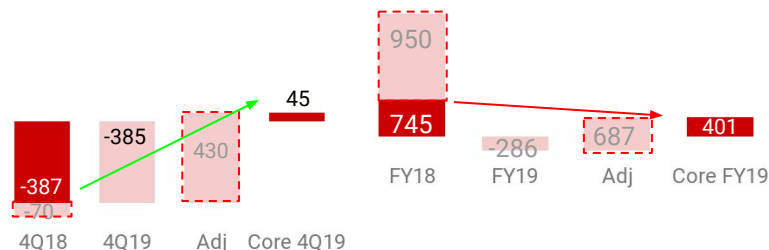
Revenue

Robust revenue growth of 18% for 4Q19 and 15% for FY19



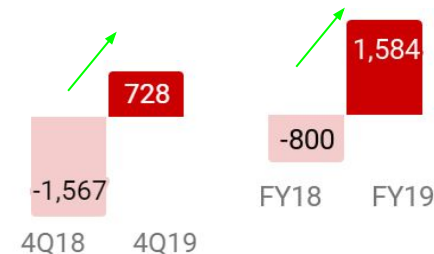
Core Profit

Core loss for 4Q19 improved 112% from RM387mil to core profit of RM45mil



Operating Cash Flow

Operating CF (post operating lease) turned positive for 4Q19 and improved by 298% in FY19 basis



- Revenue** grew 18% and 15% YoY in 4Q19 & FY2019:
 - 4Q19: 7% growth in ASK and slight decline in load factor to 82%. Revenue growth driven by RASK increase of 9%. IAA RASK up 23% and MAA RASK up 7%.
 - FY2019: 13% increase in ASK and high group load factor of 85%. PAA load factor gained 3ppts to 88%. 5% RASK growth led by IAA, growing 14%. MAA's RASK is well managed at +1% despite irrational competition and weaker demand to HK & Macau
- Loss after tax** narrowed 16% in 4Q19 but down 117% in FY2019 due to the following reasons:
 - Absence of one-off gains of RM1.1bn seen in FY2018
 - One-offs in 4Q19 includes RM12.9mil of one-off consultant costs for SLB, RM49mil tax provision and RM40mil on discount for a long term receivable (see note 32 to FS)
 - Results weaker due to share of losses from AirAsia India of RM133mil in 4Q19, totalling RM280mil for FY19 (including prior year losses recognition)
 - Other one offs include accounting policy realignment for associates of RM74mil for 4Q19 and RM46mil for FY19 and competition watchdog fine of RM10mil in 2Q19.
 - Negative impact from MFRS16 adoption of RM82mil in 4Q19 and RM131mil in FY2019.
 - MFRS137 related to accounting treatment of maintenance of owned vs leased aircraft, resulting in increase of maintenance expenses of 43% for FY19.
 - Gestation losses of AirAsia.com, BigPay and RBV Others of RM39mil and RM189mil for 4Q19 and FY19
- Despite irrational competition in Malaysia in 9M19, prolonged weak demand for HK and Macau routes & strong Baht dampening demand to Thailand, we continue to deliver **positive operating cash flow** for both 4Q19 and FY2019. OCF turned positive for 4Q19 vs 4Q18 and on full year₄ basis, OCF have expanded by 85% to reach RM1.58bil



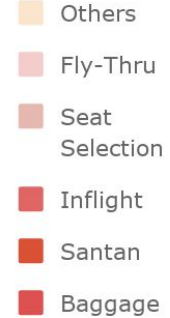
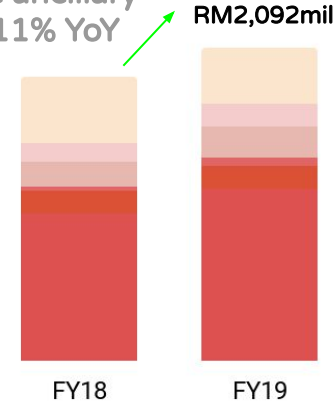
Ancillary model is working

FY19 Ancillary revenue up 31%; 23% of revenue Non-airline ancillary up 189% YoY

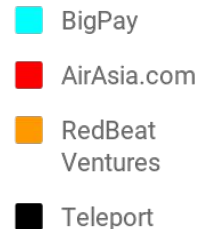
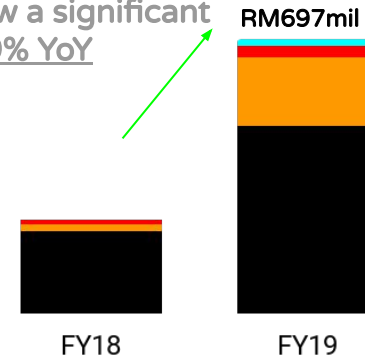
Full Year Highlights:

- FY19 ancillary grew 35%; 23% of revenue. 4Q19 ancillary grew 16%
- **Airline** ancillary grew 11% YoY
- **Non-airline** ancillary grew 189% YoY
- **PAA** ancillary grew 41%; **IAA** ancillary ↑33%
- **Seat selection** up 24% to RM204mil
- **Baggage** up 17% to RM1,156mil
- **Teleport** achieved its target of RM400mil, growing 132% to RM481mil
- **BigPay** up 277% to RM16mil
- **Optimised** website performance by 40% reducing load times
- Launched automated series of emails under Ancillary Post Purchase Journey to **upsell products within 30 days** prior to guest's departure date

Airline ancillary grew 11% YoY



Non-airline revenue grew a significant 189% YoY



Digital strategy gaining momentum



RedBeat
Ventures



- **GTV** grew 42% QoQ
- **Downloads** > 1 million users; >20% growth QoQ
- **Largest digital e-money issuer** in Malaysia by transactional volume
- In Q4, BigPay launched its **remittance product** - offering seamless, fast and low cost transfer to any banks in India, Singapore, Indonesia, Philippines, Thailand, Nepal and Bangladesh



- FY19 **Revenue** of RM481mil beat target of RM400mil
- 4Q19 **tonnage** up 24% YoY while global industry contracted 3%
- In 4Q2019, signed a direct interline agreement with leading air cargo provider **Lufthansa Cargo**

airasia.com

- **Revenue** grew more than threefold to RM11.1mil
- **GBV** of RM5.5bil in 4Q2019, up 15% YoY
- In 4Q2019, AirAsia.com expanded offering to include flights of **other airlines**, powered by **Kiwi.com** and launched **AirAsia Deals**, inclusive of lifestyle deal bundles
- For better guests engagement and user experience, we have launched in-app F.A.C.E.S and chat room tracking, alert guests via email upon name changes, optimised ancillary caching for improved performance and optimised website performance by 40% reducing load times
- AirAsia.com **offers 11+ products**, including Flights, Hotels, Holiday Packages, Activities, Insurance, 6 Duty Free

Priorities for 2020; Dealing with Covid-19



Airline

- **Undertaking proactive mitigating actions to limit downside impact from Covid-19.** We have actively managed our capacity since early Feb. Post recent adjustment, we forecast the following ASK YoY changes for 1Q 2020:
MAA: -10%, TAA: -23%, IAA: +19%, PAA: +8%, AAI: +61%, AAJ: +45%
- We forecast group-wide load factor of 77% & 76% for 1Q2020 & 2Q2020
- **Aggressive marketing push.** Have seen overwhelming responses on RM12 Malaysia domestic campaign of which resulted in 30% incremental revenue MoM and 30% discount promotion across the network.
- **Pursue market share** as weaker airlines struggle to survive. Replacing cancelled international flights with more domestic and intra-Asean flights.
- **Cash conservation mode.** Stringent cost control internally. Hiring freeze for the airline business. No extending expiring leased aircraft. Discussing with lessors on lease reductions. Negotiating lower fees with maintenance service providers.
- Lower than budgeted fuel price giving some cushion.
- **Cooperation among stakeholders.** Government and industry players coming together providing incentives, discounts & rebates to airlines. Have received lower airport operation charges through lower landing and parking fees. Lower excise duty on fuel for domestic Thailand.

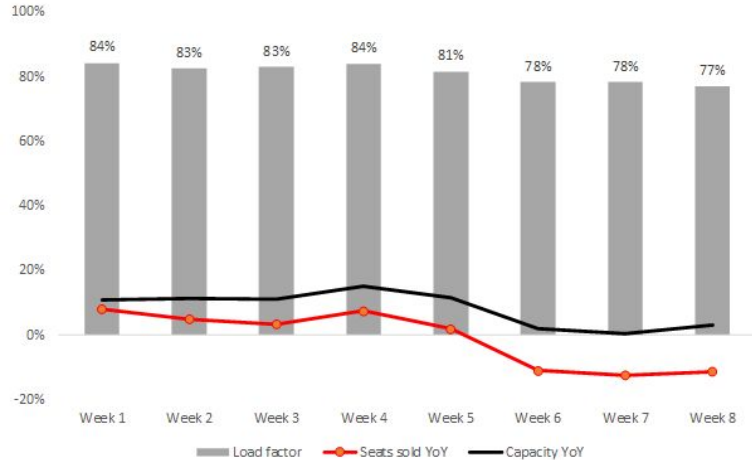
AirAsia.com

- **Leveraging on data** to drive higher funnel conversion. Increase customer stickiness.
- **Penetrate the ASEAN markets** by increasing product offerings and creating new experiences on airasia.com

Op Stats YTD & Forward Bookings



Op Stats YTD:



Seeing passengers carried declined ~10% YoY group-wide beginning week 3 Feb 2020

Forward bookings for 6 AOCs

Short Haul	Current LF	LF Same Time LY	Actual Flown LF LY
Jan	83%	89%	89%
Feb	75%	87%	87%
Mar	33%	42%	87%
Apr	18%	22%	85%
May	11%	12%	82%
June	7%	8%	84%

THANK YOU & APPENDIX



<https://www.airasia.com/aagbir>



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FY 2019 Airline Key Highlights



AirAsia Malaysia faced a difficult year as competition persist and much weaker demand to HK and Macau

- Despite that revenue has grown 4% while EBITDA improved over 46% to record RM2,152mil.
- Overall, Malaysia is profitable even at much worse operating environment and economics. Load factor remains strong at 84%



AirAsia Indonesia shown an early turnaround in 2Q19 signalling a strong performance for the year

- Flying economics have improved with RASK increasing over 13% YoY, CASK is down by 6% for the year 2019 leading to a significant narrowing of 60% in net losses and EBITDA growing over 126%
- We also believe that the market is now rational and consolidated for growth where we have grown over 52% in the number of pax carried recording 84% load factor



AirAsia Philippines remains as the star performer of the group

- Revenue increased by 31% leading to a profitable year, clocking in PHP1,870mil in net profits, a 153% growth
- Operating economics has also improved, RASK is up by 3% while CASK is lower by 9%.



4.1% stronger Thai Baht against the USD during the year, coupled with weaker Chinese demand and worsen HK situation has led **AirAsia Thailand** to a weaker performance for FY2019. Despite weakening demand, CASK is still well managed at THB1.53, 3% lower YoY.



AirAsia India sees a stronger demand for the year where load factor soar 6ppts to 89% at the back of 27% added capacity. As a result of that, we see average fare increasing by 10%, contributing to 13% higher RASK at INR296 cents. Revenue has also grown by 49% while net losses for the year narrowing by 6%.



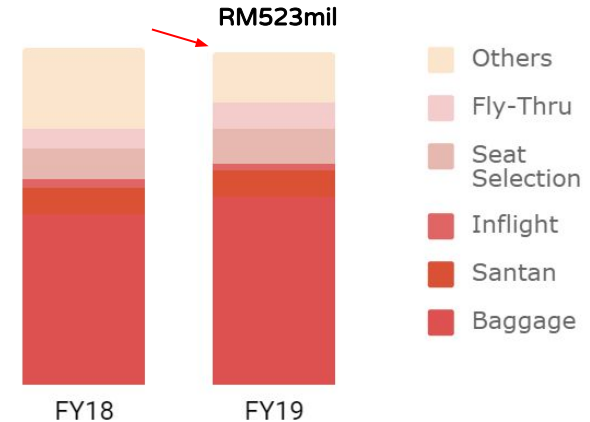
4Q19 Ancillary revenue up 16%; 23% of revenue

Non-airline ancillary 105% YoY

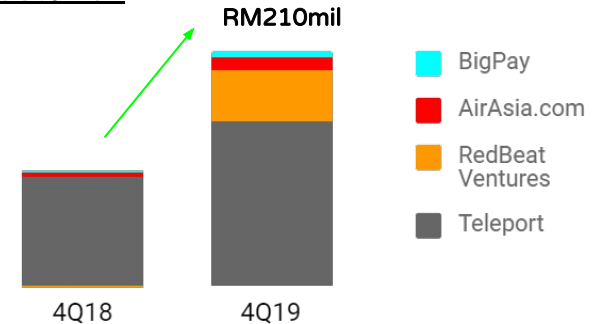
4Q19 Highlights:

- 4Q19 ancillary grew 16%; 23% of revenue
- **Airline** ancillary came down slightly by 1% YoY
- **Non-airline** ancillary grew 105% YoY
- **PAA** ancillary grew 20%; **IAA** ancillary ↑7%
- **Seat selection** up 11% to RM54mil
- **Baggage** up 11% to RM297mil
- **Teleport** grew its revenue by 50% to reach RM147mil
- **BigPay** is up 280% to RM6mil

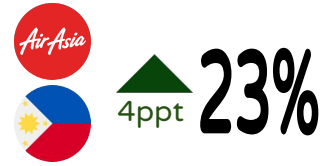
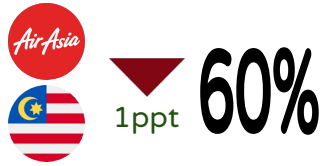
Airline ancillary shrunk 1%



Non-airline revenue grew a whopping 105% YoY



Strengthening Market Share



4Q19 Financial & Operational Performance



	MAA				IAA				PAA			
	Key Indicators	4Q18	4Q19	%	4Q18	4Q19	%	4Q18	4Q19	%		
OPERATIONAL	Passengers Carried	8,523,287	8,684,893	▲ 2%	1,724,836	2,238,752	▲ 30%	1,861,018	2,245,583	▲ 21%		
	Capacity	10,205,214	10,608,264	▲ 4%	2,090,880	2,764,080	▲ 32%	2,084,040	2,648,700	▲ 27%		
	Load Factor (%)	84	82	▼ 2ppts	82	81	▼ -1ppt	89	85	▼ -4ppts		
	RPK (million)	10,569	10,671	▲ 1%	2,332	2,778	▲ 19%	2,060	2,467	▲ 20%		
	ASK (million)	12,630	12,800	▲ 1%	2,868	3,429	▲ 20%	2,373	2,956	▲ 25%		
	Fuel consumed (Barrels)	1,985,577	2,017,960	▲ 2%	522,194	567,929	▲ 9%	429,833	528,287	▲ 23%		
	Average Fuel Price (USD/ Barrel)	89	78	▼ -11%	90	87	▼ -3%	109	99	▼ -9%		
	Domestic market share (%)	61	60	▼ -1ppt	2	4	▲ 2ppts	19	23	▲ 4ppts		
FINANCIAL	Revenue (million)	RM 1,859	RM 1,952	▲ 5%	IDR 1,317,762	IDR 1,905,831	▲ 45%	PHP 5,790	PHP 6,924	▲ 20%		
	RASK	14.26 sen	15.22 sen	▲ 7%	IDR 459.49	IDR 555.80	▲ 23%	PHP 2.42	PHP 2.35	▼ -3%		
	CASK	15.33 sen	16.31 sen	▲ 6%	IDR 567.69	IDR 540.78	▼ -5%	PHP 3.06	PHP 1.96	▼ -36%		
	CASK Ex-Fuel	9.55 sen	11.17 sen	▲ 17%	IDR 342.26	IDR 339.39	▼ -1%	PHP 2.02	PHP 1.50	▼ -26%		

4Q19 Financial & Operational Performance (cont'd)



Key Indicators	TAA				AAI				AAJ			
	4Q18	4Q19		%	4Q18	4Q19		%	4Q18	4Q19		%
Passengers Carried	5,501,938	5,424,283	▼	-1%	1,933,337	2,685,418	▲	39%	70,778	137,873	▲	95%
Capacity	6,395,670	6,272,148	▼	-2%	2,253,060	3,099,240	▲	38%	98,820	191,400	▲	94%
Load Factor (%)	86	86	●	-	86	87	▲	1ppt	72	72	●	-
RPK (million)	5,452	6,272	▲	15%	2,094	2,921	▲	40%	77	134	▲	75%
ASK (million)	6,460	6,398	▼	-1%	2,410	3,334	▲	38%	107	187	▲	74%
Fuel consumed (Barrels)	1,174,807	1,178,800	●	-	431,384	610,285	▲	41%	16,982	32,924	▲	94%
Average Fuel Price (USD/ Barrel)	102	87	▼	-15%	127	109	▼	-14%	87	75	▼	-14%
Domestic market share (%)	31	29	▼	-2ppts	6	7	▲	1ppt	n/a	n/a	-	-
Revenue (million)	THB 9,655	THB 9,998	▲	4%	INR 6,417	INR 10,576	▲	65%	JPY 428	JPY 1,156	▲	170%
RASK	THB 1.52	THB 1.58	▲	4%	266 INR cents	317 INR cents	▲	19%	JPY 3.99	JPY 6.24	▲	57%
CASK	THB 1.64	THB 1.59	▼	-3%	341 INR cents	347 INR cents	▲	2%	JPY 15.44	JPY 12.41	▼	-20%
CASK Ex-Fuel	THB 1.01	THB 1.09	▲	8%	180 INR cents	205 INR cents	▲	14%	JPY 13.14	JPY 10.38	▼	-21%

OPERATIONAL

FINANCIAL

FY19 Financial & Operational Performance



Key Indicators	MAA				IAA				PAA			
	FY18	FY19		%	FY18	FY19		%	FY18	FY19		%
Passengers Carried	32,332,497	35,038,498	▲	8%	5,238,020	7,967,267	▲	52%	6,866,862	8,553,305	▲	25%
Capacity	38,044,614	41,633,436	▲	9%	6,412,860	9,530,460	▲	49%	8,079,480	9,720,720	▲	20%
Load Factor (%)	85	84	▼	1ppt	82	84	▲	2ppts	85	88	▲	3ppts
RPK (million)	41,225	43,055	▲	4%	7,228	10,566	▲	46%	7,509	9,761	▲	30%
ASK (million)	48,452	50,727	▲	5%	8,880	12,629	▲	42%	8,929	11,286	▲	26%
Fuel consumed (Barrels)	7,682,638	7,947,325	▲	3%	1,916,476	2,042,010	▲	7%	1,642,458	2,014,287	▲	23%
Average Fuel Price (USD/ Barrel)	85	81	▼	-5%	85	77	▼	10%	103	94	▼	-9%
Revenue (million)	RM 7,219	RM 7,510	▲	4%	IDR 3,768,678	IDR 6,732,005	▲	79%	PHP 20,959	PHP 27,353	▲	31%
RASK	14.38 sen	14.53 sen	▲	1%	IDR 473.14	IDR 533.15	▲	13%	PHP2.34	PHP 2.42	▲	3%
CASK	13.41sen	14.90 sen	▲	11%	IDR 578.83	IDR 546.15	▼	-5%	PHP 2.62	PHP 2.38	▼	-9%
CASK Ex-Fuel	7.85 sen	9.65 sen	▲	23%	IDR 368.42	IDR 345.44	▼	-5%	PHP 1.62	PHP 1.51	▼	-7%

FY19 Financial & Operational Performance (cont'd)



Key Indicators	TAA				AAI				AAJ			
	FY18	FY19		%	FY18	FY19		%	FY18	FY19		%
Passengers Carried	21,568,733	22,149,474	▲	3%	6,830,757	9,261,439	▲	36%	261,714	485,016	▲	85%
Capacity	25,235,346	26,078,790	▲	3%	8,218,260	10,430,820	▲	27%	329,040	619,764	▲	88%
Load Factor (%)	85	85	●	-	83	89	▲	6ppts	80	78	▼	2ppt
RPK (million)	21,243	22,670	▲	7%	7,208	10,059	▲	40%	278	527	▲	90%
ASK (million)	25,019	26,940	▲	8%	8,568	11,226	▲	31%	349	670	▲	92%
Fuel consumed (Barrels)	4,574,372	4,939,525	▲	8%	1,557,426	2,044,865	▲	31%	56,384	114,328	▲	103%
Average Fuel Price (USD/ Barrel)	98	92	▼	-6%	123	109	▼	-12%	80	77	▼	-4%
Revenue (million)	THB 38,905	THB 40,181	▲	3%	INR 22,311	INR 33,180	▲	49%	JPY 1,877	JPY 4,022	▲	114%
RASK	THB 1.59	THB 1.51	▼	-5%	261 INR cents	296 INR cents	▲	13%	JPY 5.37	JPY 6.03	▲	12%
CASK	THB1.57	THB1.53	▼	-3%	333 INR cents	343 INR cents	▲	3%	JPY 17.82	JPY 12.89	▼	-28%
CASK Ex-Fuel	THB 0.98	THB 1.01	▲	3%	180 INR cents	204 INR cents	▲	13%	JPY 15.57	JPY 10.86	▼	-30%

OPERATIONAL

FINANCIAL

Malaysia FY19 Income Statement & Operating Statistics



Year Ended: 31 Dec RM '000	FY18	FY19	Change YoY
Revenue	7,218,550	7,509,751	4%
Operating expenses:			
- Staff costs	(1,048,940)	(1,168,326)	-11%
- Aircraft fuel expenses	(2,694,976)	(2,658,640)	1%
- Maintenance and overhaul	(522,054)	(881,892)	-69%
- User charges and other related expenses	(1,014,974)	(1,185,961)	-17%
- Aircraft operating lease expenses	(564,981)	-	100%
- Other operating expenses	(444,440)	(396,900)	11%
Other income	552,135	937,963	70%
EBITDA	1,480,320	2,155,995	46%
Depreciation of PPE	(451,475)	(1,130,523)	-150%
Finance Income	45,120	45,953	2%
Finance costs	(310,209)	(579,116)	-87%
Net operating profit	763,756	492,309	-36%
Foreign exchange gains	177,898	77,503	-56%
Fair value losses on derivatives	(198,609)	(249,818)	26%
Profit before taxation	743,045	319,994	-57%
Tax expense	(28,419)	(8,582)	-70%
Deferred taxation	354,119	297,621	-16%
Profit after taxation	1,068,744	609,033	-43%

Year Ended: 31 Dec	FY18	FY19	Change YoY
Passengers Carried	32,332,497	35,038,498	8%
Capacity	38,044,614	41,633,436	9%
Seat Load Factor	85%	84%	-1ppts
RPK (million)	41,225	43,055	4%
ASK (million)	48,452	50,727	5%
Average Fare (RM)	168	166	-2%
Unit Passenger Revenue (RM)	214	209	-2%
Revenue / ASK (sen)	14.38	14.53	1%
Revenue / ASK (US cents)	3.47	3.51	1%
Cost / ASK (sen)	13.41	14.90	11%
Cost / ASK (US cents)	3.24	3.60	11%
Cost / ASK ex-Fuel (sen)	7.85	9.65	23%
Cost / ASK ex-Fuel (US cents)	1.89	2.33	23%
Aircraft (end of period)	95	97	2
Average Stage Length (km)	1,268	1,218	-4%
Number of Flights	209,948	228,448	9%
Fuel Consumed (Barrels)	7,682,638	7,947,325	3%
Average Fuel Price (US\$ / Barrel)	85	81	-5%

Indonesia FY19 Income Statement & Operating Statistics



Year Ended: 31 Dec IDR '000	FY18	FY19	Change YoY
Revenue	3,768,679,118	6,732,005,187	79%
Operating expenses:			
- Staff costs	(718,303,898)	(796,274,874)	-11%
- Aircraft fuel expenses	(1,219,858,772)	(2,529,800,827)	-107%
- Maintenance and overhaul	(549,734,504)	(837,787,084)	-52%
- User charges and other related expenses	(680,249,025)	(989,206,535)	-45%
- Aircraft operating lease expenses	(571,419,003)	-	100%
- Other operating expenses	(313,763,969)	(587,951,444)	-87%
Other income	781,819,666	132,615,449	-83%
EBITDA	497,169,614	1,123,599,873	126%
Depreciation of PPE	(169,265,389)	(989,588,146)	-485%
Finance Income	4,790,572	3,443,094	-28%
Finance costs	(83,128,491)	(326,271,194)	-292%
Net operating profit	249,566,306	(188,816,374)	-176%
Foreign exchange gains	98,483,710	83,424,109	-15%
Profit before taxation	348,050,016	(105,392,265)	-130%
Tax expense	(137,142,497)	(1,860,833)	-99%
Deferred taxation	(676,497,142)	(78,172,198)	-88%
Profit after taxation	(465,589,623)	(185,425,296)	-60%

Year Ended: 31 Dec	FY18	FY19	Change YoY
Passengers Carried	5,238,020	7,967,267	52%
Capacity	6,412,860	9,530,460	49%
Seat Load Factor	82%	84%	+2ppts
RPK (million)	7,228	10,566	46%
ASK (million)	8,880	12,629	42%
Average Fare (IDR)	621,530	684,821	10%
Unit Passenger Revenue (IDR)	793,636	837,071	5%
Revenue / ASK (IDR)	473.14	533.15	13%
Revenue / ASK (US cents)	3.35	3.78	13%
Cost / ASK (IDR)	578.83	550.24	-5%
Cost / ASK (US cents)	4.10	3.90	-5%
Cost / ASK ex-Fuel (IDR)	368.42	349.53	-5%
Cost / ASK ex-Fuel (US cents)	2.61	2.48	-5%
Aircraft (end of period)	24	28	4
Average Stage Length (km)	1,350	1,324	-2%
Number of Flights	35,627	52,947	49%
Fuel Consumed (Barrels)	1,916,476	2,042,010	7%
Average Fuel Price (US\$ / Barrel)	85	77	-10%

Philippines FY19 Income Statement & Operating Statistics



Quarter Ended: 30 Dec PHP '000	FY18	FY19	Change YoY
Revenue	20,959,488	27,352,697	31%
Operating expenses:			
- Staff costs	(2,464,479)	(3,148,171)	-28%
- Aircraft fuel expenses	(8,925,136)	(9,803,128)	-10%
- Maintenance and overhaul	(4,265,771)	(4,464,741)	-5%
- User charges and other related expenses	(2,655,610)	(3,452,296)	-30%
- Aircraft operating lease expenses	(3,197,611)	-	100%
- Other operating expenses	(1,608,921)	(1,576,012)	2%
Other income	766,505	222,873	-71%
EBITDA	(1,391,535)	5,131,222	469%
Depreciation of PPE	(273,705)	(3,427,598)	-1152%
Finance Income	475	879	85%
Finance costs	(215,016)	(748,528)	-248%
Net operating profit	(1,879,781)	955,975	151%
Foreign exchange gains	(996,497)	755,325	176%
Fair value losses on derivatives	(618,151)	241,835	139%
Profit before taxation	(3,494,429)	1,953,135	156%
Tax expense	(11,193)	(90,270)	706%
Deferred taxation	-	7,222	100%
Profit after taxation	(3,505,622)	1,870,087	153%

Quarter Ended: 31 Dec	FY18	FY19	Change YoY
Passengers Carried	6,866,862	8,553,305	25%
Capacity	8,079,480	9,720,720	20%
Seat Load Factor	85%	88%	+3ppts
RPK (million)	7,509	9,761	30%
ASK (million)	8,929	11,286	26%
Average Fare (PHP)	2,481	2,591	4%
Unit Passenger Revenue (PHP)	3,053	3,198	5%
Revenue / ASK (PHP)	2.34	2.42	3%
Revenue / ASK (US cents)	4.54	4.70	3%
Cost / ASK (PHP)	2.62	2.38	9%
Cost / ASK (US cents)	5.08	4.61	9%
Cost / ASK ex-Fuel (PHP)	1.62	1.51	7%
Cost / ASK ex-Fuel (US cents)	3.15	2.93	7%
Aircraft (end of period)	22	24	2
Average Stage Length (km)	1,105	1,161	5%
Number of Flights	44,886	54,004	20%
Fuel Consumed (Barrels)	1,642,458	2,014,287	23%
Average Fuel Price (US\$ / Barrel)	103	94	-9%

Fuel Hedging

- Latest Brent hedges as follows:

AirAsia Group	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Current Hedge Ratio (Brent)	80%	71%	70%	74%	20%	20%	19%	18%
Average Brent Hedge (Qtrly)	59.85	60.28	58.20	60.41	59.41	59.40	59.49	59.49
Average Hedge Cost	59.71				59.45			

- 18%-21% of Q1 2020 to Q3 2020 crack hedges in place, ranging from an average crack hedge of US\$8.42 to US\$11.89

Note: As at 25 February 2020



Fleet Plan



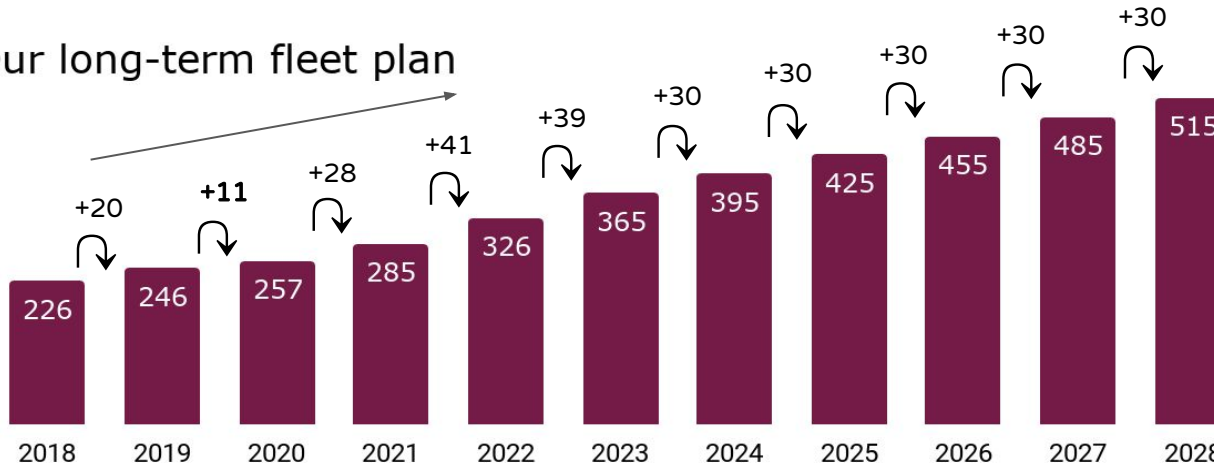
Fleet Expansion Across AOCs in 2020

	MAA	TAA	IAA	PAA	AAI	AAJ	Total
December 2019*	97	63	28	24	29	3	244
2020 Net Addition	1	-4	3	2	7	2	11

* December 2019 fleet excludes 2 third party leases

Target aircraft financing for 2020: All on sale and leaseback.

Our long-term fleet plan



Note: Column chart includes 2 third party leases
 Fleet plan is subject to changes
 Updated fleet plan as at 24 January 2020

A321neo
FACT SHEET

- SINGLE-AISLE**
44.8m (6.94m longer than A320neo)
- RANGE**
1 hour more than A320neo
- 236 SEATS**
50 more seats than A320neo
- SAVINGS**
10% fuel per seat saved
- 5 CABIN CREW**
1 more crew
- EARNINGS**
Up to 25% more revenue potential

Coming to an airport near you in November



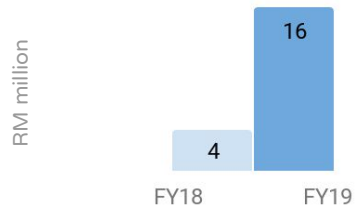
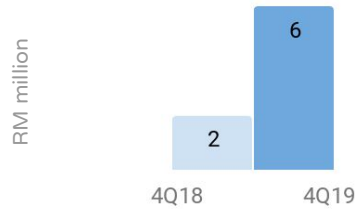
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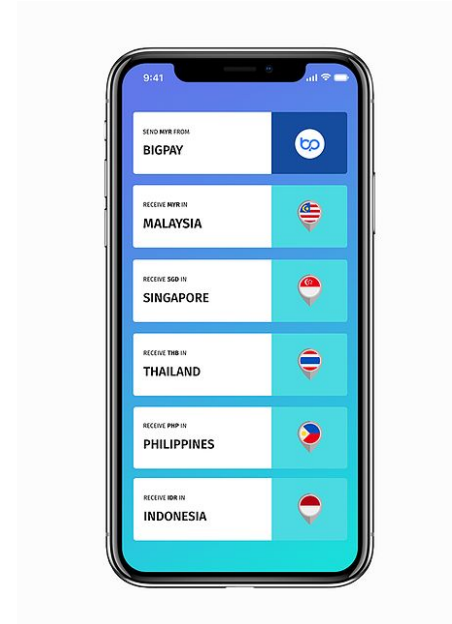
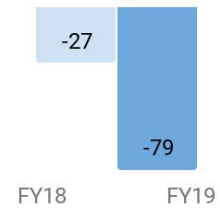
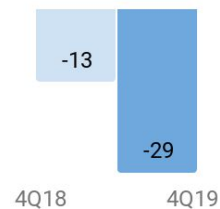
RedBeat Ventures: BigPay



Revenue



EBITDA



- **Revenue** grew 46% QoQ
- **Downloads** > 1 million users; >20% growth QoQ
- **GTV** grew 42% QoQ
- **Largest digital e-money issuer** in Malaysia by transactional volume
- In 4Q, BigPay launched its **remittance product** - offering seamless, fast and low cost transfer to any banks in India, Singapore, Indonesia, Philippines, Thailand, Nepal and Bangladesh

RedBeat Ventures: Teleport

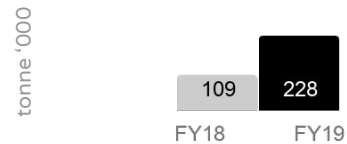
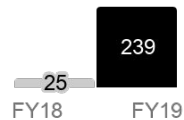
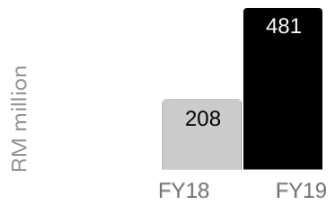
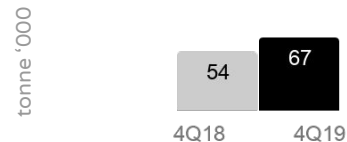
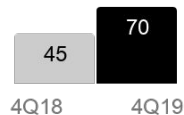
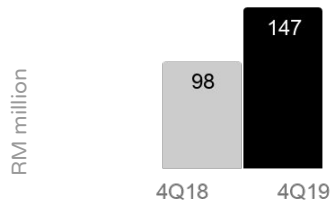
teleport



Revenue

EBITDA

Tonnage

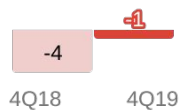
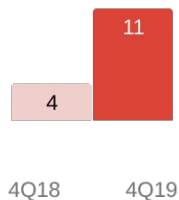


- **Revenue** grew 50% to RM147mil in 4Q19. FY19 revenue of RM481mil beat target of RM400mil
- 4Q19 **tonnage** up 24% YoY while global industry contracted 3%
- In 4Q19, signed a direct interline agreement with leading air cargo provider **Lufthansa Cargo**
- Plans in 2020 include integrating team and operations in Thailand, rollout of cross border coverage in Thailand and Vietnam, and drive improved payment features

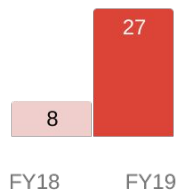
Revenue

EBITDA

RM million



RM million



airasia.com

- **Revenue** grew more than threefold YoY to RM11.1mil
- **GBV** of RM5.5bil in 4Q2019, up 15% YoY
- In 4Q2019, AirAsia.com expanded offering to include flights of other airlines, powered by **Kiwi.com** and launched **AirAsia Deals**, inclusive of lifestyle deal bundles
- For better guests engagement and user experience, we have launched in-app F.A.C.E.S and chat room tracking, alert guests via email upon name changes, optimised ancillary caching for improved performance and optimised website performance by 40% reducing load times
- Exclusive arrangement with Expedia expiring in mid 2020