



PRESS RELEASE

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PT AIRASIA INDONESIA TBK FIRST HALF 2020 FINANCIAL RESULTS

<u>1Q20 Highlights</u>	<u>1H20 Highlights</u>
<ul style="list-style-type: none">- Revenue fell by 1% to IDR 1.3 Trillion- Seat Capacity up 10% to 2.3 Million- No. of Passengers fell by 8% to 1.7 Million- Load Factor down 16% to 74%- Negative EBITDA of IDR 54 Billion	<ul style="list-style-type: none">- Revenue fell by 55% YoY- Cargo Revenue of IDR 14 Billion- COVID-19 impact regular operations- Cost savings by 21% YoY- Negative EBITDA of IDR 487 Billion

Tangerang, 7 August 2020 - PT AirAsia Indonesia Tbk ("AAID" or "the Company") today reported its financial results for the quarter ended 31 March 2020 ("1Q20") and the period ended 30 June 2020 ("1H20").

For 1Q20, the Company posted revenue of IDR 1.3 Trillion, down by only 1% from the same period last year. Revenue was sustained by strong travel demand at the start of the year and better pricing strategy which resulted in a 4% rise in Revenue per Available Seat Kilometre ("RASK") to IDR 480. Seat capacity grew by 10% year-on-year ("YoY") but passengers carried fell by 8% as COVID-19 gradually affected travel demand in the later part of the quarter. Total costs grew by 19% driven by 34% rise in repairs and maintenance and 26% rise in aircraft and flight services in line with the increase in fleet size as compared to the same quarter last year. Fuel is only up by 7% despite a 10% increase in the number of flights as average fuel price fell by 22% to USD 59 per barrel. As a result of falling demand in the later part of 1Q20, the Company recorded negative EBITDA of IDR 54 Billion, 14% worse as compared to the same period last year.

For the quarter ended 30 June 2020 ("2Q20"), the Company experienced an exceptional fall in revenue as the pandemic virtually wiped out most of the passengers' traffic. The Company decided to hibernate all passenger flights from 1 April until 18th June 2020 for domestic and international routes in an effort to reduce the risk of spread and trim operating losses due to weak passenger demand and travel restrictions. During the quarter, Company was able to redeploy some of the aircraft for a total of 12 charter flights catering for cargo and repatriation. As at 19th June, the Company has reopened some routes including Jakarta-Denpasar, Jakarta-Kualanamu, Kuala Lumpur-Kualanamu, Penang-Kualanamu and Kuala Lumpur-Surabaya. The Company will gradually reopen more routes in line with the easing of travel restrictions and recovering passengers' demand.



On the cost side, the Company has taken significant steps to rationalize the overall costs and conserve cash. Key initiatives include negotiation with lessors, financiers and vendors in regards to restructuring payment terms, defer aircraft delivery, defer capital spendings, reduce guaranteed hours, reduced marketing spending and suspend discretionary spending including social events. The Company managed to lower total operating expenses by 21% as at 1H20 through these initiatives. Overall, the massive revenue loss during 2Q20 has resulted in negative EBITDA of IDR 487 Billion as compared to positive EBITDA of IDR 33 Billion for the same period last year.

On the financial results, PT AirAsia Indonesia Tbk CEO, Dendy Kurniawan said, "We started the year well, continuing the momentum from last year's turnaround and even achieving higher RASK in the first quarter. Unfortunately the COVID-19 situation has deeply impacted our financial performance, especially in the second quarter as we almost had no passenger flights for the period. As at 19th June, we resumed some of our operations with 5 routes and 4 aircraft. We are encouraged by the signs of recovery in passenger numbers and have plans to gradually reopen more routes. Costs is definitely our most important financial priority and the management is actively reviewing costs strategy to ensure that we resume operations in line with demand trends"

Regarding the business outlook, Dendy Kurniawan explained "There is definitely a lot of uncertainty in the market but we believe that air transport provides important connectivity for the resumption of economic activities. The health and safety of our passengers and employees remains to be our top priority as we adapt our business operations to the *new normal*. Through partnership with Dokterlink, we are expanding our rapid test service which includes rapid test drive-thru in Soewarna Business Park near Soekarno-Hatta Airport to provide convenience to our passengers. Looking at the positive trend of ticket sales since we resumed our operations, we are optimistic that our operations will gradually recover as travel demand slowly recovers and international borders restrictions are lifted."

For further information please contact:

Investor Relations:

Phone : **+62 21 2985 0888**
Email : iaa_ir@airasia.com

Corporate Communications

Phone : **+62 21 2985 0888**
Email : iaa_communication@airasia.com

For further information on PT AirAsia Indonesia Tbk, please visit the Company's website : <http://ir.aaid.co.id/>

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