

## AIRASIA X BERHAD

**SUBJECT: AIRASIA X BERHAD (“AIRASIA X” OR “THE COMPANY”) - PURCHASE OF 12 AIRBUS A330-900NEO AIRCRAFT (“A330NEO”) AND 30 A321XLR AIRCRAFT (“A321XLR”) FROM AIRBUS S.A.S.**

### 1. INTRODUCTION

Pursuant to Paragraph 9.03 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, AirAsia X is pleased to announce that it had on 30 August 2019 entered into the following agreements with Airbus S.A.S. (“**Airbus**”):-

- (a) an Amendment No. 20 to the Purchase Agreement dated 14 June 2007 (“**Agreement**”) to purchase and take delivery of twelve (12) additional A330neo aircraft; and
- (b) a Purchase Agreement to purchase and take delivery of thirty (30) A321XLR aircraft

(“collectively referred to as “**Aircraft**”), in addition to the sixty six (66) A330-900neo aircraft currently on order by the Company from Airbus under the Agreement (“**Aircraft Purchase**”).

### 2. DETAILS OF THE AIRCRAFT PURCHASE

Based on the list price, the total purchase consideration for the Aircraft is as follows:-

<b>Aircraft</b>	<b>Purchase Consideration (USD) (Approximately)</b>	<b>Equivalent to RM*</b>
Twelve (12) A330neo aircraft	3.1 billion	13.1 billion
Thirty (30) A321XLR	5.0 billion	21.1 billion
<b>Total</b>	<b>8.1 billion</b>	<b>34.2 billion</b>

\* Based on the exchange rate of USD1 : RM4.222 on 30 August 2019 as set out in the Bank Negara Malaysia website, subject to rounding.

The expected delivery of the sixty six (66) existing A330neo aircraft on order and the additional Aircraft is set out below:-

<b>Aircraft Type</b>	<b>Delivery (Year)</b>	<b>Total No. Aircraft</b>
A330NEO	From 2020	78
A321XLR	From 2023	30

### 3. BACKGROUND OF PARTY TO THE CONDITIONAL AGREEMENT

Airbus is an entity incorporated under the laws of France, and is a global leader in the designing, manufacturing and selling of civil aeronautical products e.g. commercial aircraft where all member airline companies of the AirAsia Group Berhad and AirAsia X groups currently operate solely using Airbus aircraft. The Company currently utilises the A330-type aircraft manufactured by Airbus for its operations (by way of direct purchase from Airbus or via third party lease).

#### **4. RATIONALE FOR THE AIRCRAFT PURCHASE**

The additional Aircraft are planned as part of the Company's future fleet and hub expansion, as well as to replace aircraft in the existing fleet, given that a number of the Company's existing aircraft will reach twelve (12) years of age beginning 2020. These Aircraft will also replace leased aircraft which will be returned to the respective lessors within the next nine (9) years.

#### **5. FUNDING FOR THE AIRCRAFT PURCHASE**

The aircraft deliveries will be funded mainly by sale and leaseback arrangements and/or debt financing depending on market conditions (which sees pre-delivery payment financing covered by the prospective Lessor/Financier).

#### **6. EFFECTS OF THE AIRCRAFT PURCHASE**

There are no immediate term financial effects. The Aircraft Purchase is expected to contribute positively for the financial year immediately following the first year of its delivery and to the future earnings of the Company. The Aircraft Purchase is not expected to have an adverse effect on the net assets per share of the Company.

There will be no effect on the share capital and substantial shareholders' shareholding of the Company.

This transaction is a transaction in the ordinary course of business of the Company.

#### **7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS**

None of the Directors and/or major shareholders of the Company and/or persons connected to them, insofar as the existing Directors and major shareholders are able to ascertain and are aware, has any interest, direct or indirect, in the proposed Aircraft Purchase as mentioned above.

This announcement is dated 30 August 2019.