



1 HFY22 Financial Results

Presentation 25 Feb 2022



Agenda

- Group Operational Review
- Financial Highlights
- Outlook & Profit Forecast
- Dividend



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Group Operational Review

- ➔ July 2021: Contracted by NSW Ambulance to replace 2 King Air B350 with 2 Pilatus PC-24 jets in FY24
- ➔ July – Mid Oct 2021: Temporary suspension of domestic services, schedule reduction or suspension of regional services and staff stand downs due to the resurgence of infections
- ➔ Mid Oct 2021: Progressively reinstated domestic and regional services
- ➔ Nov 2021: Won 6 of 7 Queensland Regulated Air Services routes in competitive tender
 - Re-awarded 5 regulated routes (Gulf, Northern 1 & 2 and Western 1 & 2)
 - Operated Northern 1 & 2 for over 10 years
 - Awarded Central 1 route (connecting Roma and Charleville with Brisbane) previously serviced by QantasLink
 - All 6 routes are for a period of 5 years from 1 January 2022



Group Operational Review

- Nov 2021: Resumed majority of the Domestic and Regional routes
- Nov 2021: Progressive roll out of WIFI on B737-800NG fleet
- Dec 2021: Completed Brisbane leg of “Golden Triangle”
 - Launched Brisbane to Melbourne route on 17 December
 - Launched Brisbane to Sydney route on 20 December



Group Operational Review

Subsequent Events:

- Jan 2022: Pel-Air commenced operations of the NSW Fixed-wing Air Ambulance Services. Pel-Air is now one of Australia's biggest operators of fixed-wing air ambulance services
- Jan 2022: Started new operations Brisbane – Roma/Charleville under the new Queensland Government Regulated Air Services contract
- Jan & Feb 2022: AAPA welcomed international cadets after a hiatus of about 2 years. A total of 44 Vietnamese / Singapore cadets arrived. At the same time, the 26th cohort of Rex Cadet Pilot Programme started training
- Feb 2022: Completed acquisition of Propeller and Propulsion Services from Airbus New Zealand. Changed entity's name to Australian Aero Propeller Maintenance Pty Ltd (AAPM)



Group Operational Review

Subsequent Events:

- Feb 2022: Rex Airlines secured multimillion dollar grant under the \$250m NSW Jobs Plus program: The grant will create jobs and help fund:
 - A Boeing Flight Simulator Centre at Rex's Sydney headquarters
 - New code C size hangar at Sydney Airport
 - New Rex lounge at Sydney Airport
 - Larger capacity of Rex's call centre in Orange
 - Staff Training

- Feb 2022: Re-awarded a 12-year Ambulance Victoria Fixed-wing Air Ambulance Contract worth more than \$300m to commence operations on 1 Jan 2024



Group Operational Review

Airline Reliability Index

Airline	On Time Departure					Cancellation Rate (%)				
	FY22 YTD	FY21	FY20	FY19	FY18	FY22 YTD	FY21	FY20	FY19	FY18
	1 st (89.4%)	1 st	1 st	2 nd	2 nd	4.15%	2.6%	2.9%	1.0%	1.3%
Virgin Australia Regional	3 rd (81.8%)	3 rd	3 rd	3 rd	3 rd	3.41%	3.2%	2.1%	2.1%	2.6%
QantasLink	2 nd (88.4%)	2 nd	2 nd	1 st	1 st	11.37%	4.5%	2.9%	1.6%	2.3%



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Financial Highlights

Group Income Statement Review

	1HFY22 (\$M)	1HFY21 (\$M)	Change
Passenger Revenue	68.7	42.8	60.5%
Group Total Revenue	116.5	125.1	(6.9%)
Fuel Cost	(15.9)	(7.0)	125.2%
Other Costs & Expenses Exclude Fuel*	(146.5)	(104.6)	35.9%
Finance & Other Income**	(7.1)	0.7	(1014.3%)
Statutory Profit/(Loss) Before Tax	(53.0)	14.2	(373.2%)
Statutory Profit/(Loss) After Tax	(36.7)	9.9	(370.7%)

*1HFY22 includes a reverse impairment of \$3.4m

**1HY22 includes a Facility fee amortisation of \$4m



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Outlook

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The first half of the FY was dominated by “stay-at-home” public health orders, travel restrictions and border closures. The Omicron strain of COVID emerged in December and completely decimated air travel.

The second half will continue to be affected by COVID and prospect will be subdued in this period. However, there are signs that indicate an uptake of bookings in recent weeks that suggest we may have reached the bottom, barring another variant.



Profit Forecast

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Given the uncertainties, no profit guidance can be given at this time



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Dividend

No Interim Dividend will be paid for FY22



Q&A

End of Presentation

Thank you





Our heart is in the country

737-800

RQC

Regional Express

PRX

VH-PRX