



FY2022 Annual General Meeting

25th November 2022





Agenda

- ✈ Financial Performance
- ✈ Group Operational Review
- ✈ Outlook & Profit Forecast
- ✈ Dividend



20 YEARS

The logo features a large white '20' on a dark blue background. The '0' is replaced by a blue circle containing the word 'rex.' in white lowercase letters, with an orange airplane icon flying above it. Below the '20' is the word 'YEARS' in large, bold, white capital letters.

- ✈ Financial Performance
- ✈ Group Operational Review
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Financial Performance



- ➔ Rex Group posted after tax loss of A\$46M due to:
- lingering effects of COVID-19
 - Suspension of Domestic services and reduced frequency on regional NSW routes for majority of 1HFY22
 - High fuel cost (increasing 70% during the FY, peaking at a near record high of A\$174 per barrel)



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Group Operational Review



- ➔ July 2021: Awarded contract to replace 2 King Air B350 of the NSW Air Ambulance Contract with 2 Pilatus PC-24 jets in FY24
- ➔ July to Mid-Oct 2021: Suspension of domestic jet operations, suspension/reduction of regional NSW Saab operations, and staff stand down due to the pandemic
- ➔ 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)
 - 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 Sydney - Port Macquarie and Sydney - Coffs Harbour flights
- ✈ Dec 2021: Completed Brisbane leg of "Golden Triangle"
 - Launched Brisbane to Melbourne route on 17th December 2021
 - Launched Brisbane to Sydney route on 20th December 2021



Group Operational Review

- ➔ Jan 2022: Pel-Air commenced NSW Air Ambulance Contract without delay despite challenges in a COVID environment. Pel-Air is now one of Australia's biggest operator of fixed-wing air ambulance services
- ➔ Jan 2022: Started Brisbane–Roma/Charleville under QLD Government Regulated Air Services
- ➔ Jan & Feb 2022: AAPA welcomed 37 Vietnamese / Singapore cadets and the 26th cohort of Rex cadets
- ➔ Feb 2022: Completed acquisition of Propeller and Propulsion Services from Airbus New Zealand (name changed to Australian Aero Propeller Maintenance (AAPM))



Group Operational Review

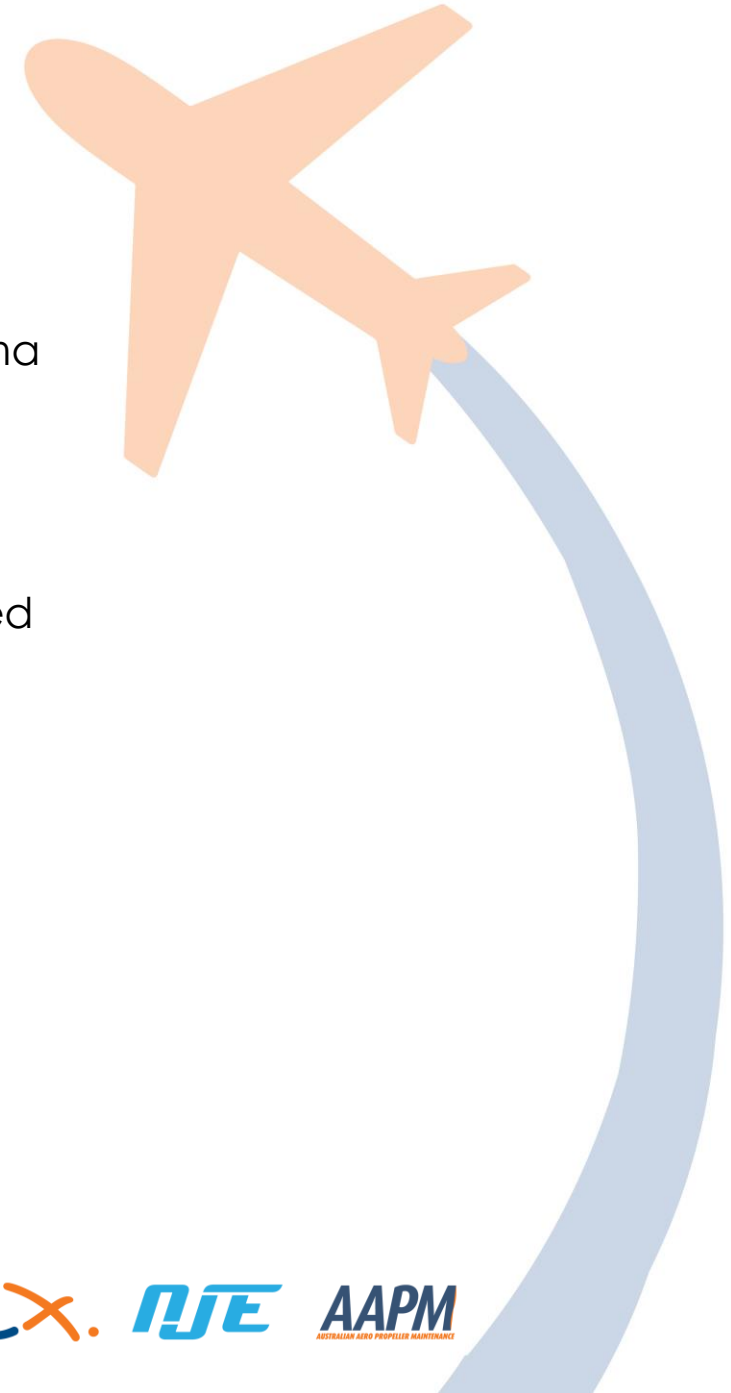
- ➔ Feb 2022: Rex Airlines secured multimillion dollar grant under the \$250m NSW Jobs Plus program: The grant will create jobs and help fund:
 - A Boeing Flight Simulator Centre at Rex's Sydney headquarters
 - New code C size aircraft hangar at Sydney Airport; and
 - Bigger capacity of Rex's call centre in Orange
- ➔ Feb 2022: Re-awarded a 12-year Ambulance Victoria Fixed-wing Air Ambulance Contract to commence 1 January 2024
- ➔ Feb 2022: Purchased one additional Saab 340 B *plus* aircraft to further expand regional network
- ➔ May 2022: Rex ceased services between Albury to Melbourne and Sydney to Canberra on 30 May 2022





Group Operational Review

- ➔ June 2022: Ceased services to Bathurst, Grafton, Kangaroo Island, Cooma and Lismore.
- ➔ Jun 2022: Signed multiple partnership agreements with major travel agency groups (including Flight Centre, Helloworld, Webjet, Consolidated Travel and Corporate Travel Management)



Group Operational Review

- ➔ Jun 2022: Rex increased weekday return services by up to 67% to 11 regional cities in NSW, VIC and SA


Route	Increase in weekday return services
Sydney – Albury	25%
Sydney – Broken Hill	50%
Sydney – Coffs Harbour	67%
Sydney – Dubbo	25%
Sydney – Orange	33%
Sydney – Griffith	33%
Sydney – Merimbula/Moruya	15%
Sydney – Port Macquarie	33%
Sydney – Wagga Wagga	67%
Melbourne – Mildura	33%
Adelaide – Port Lincoln	14%



Group Operational Review

Airline Reliability Index



Airline	On Time Departure					Cancellation Rate (%)				
	FY22	FY21	FY20	FY19	FY18	FY22	FY21	FY20	FY19	FY18
	1 st (85.4%)	1 st	1 st	2 nd	2 nd	2.3%	2.6%	2.9%	1.0%	1.3%
Virgin Australia Regional	3 rd (74.6%)	3 rd	3 rd	3 rd	3 rd	3.3%	3.2%	2.1%	2.1%	2.6%
QantasLink	2 nd (76.6%)	2 nd	2 nd	1 st	1 st	8.4%	4.5%	2.9%	1.6%	2.3%



Group Operational Review



Rex In the Community

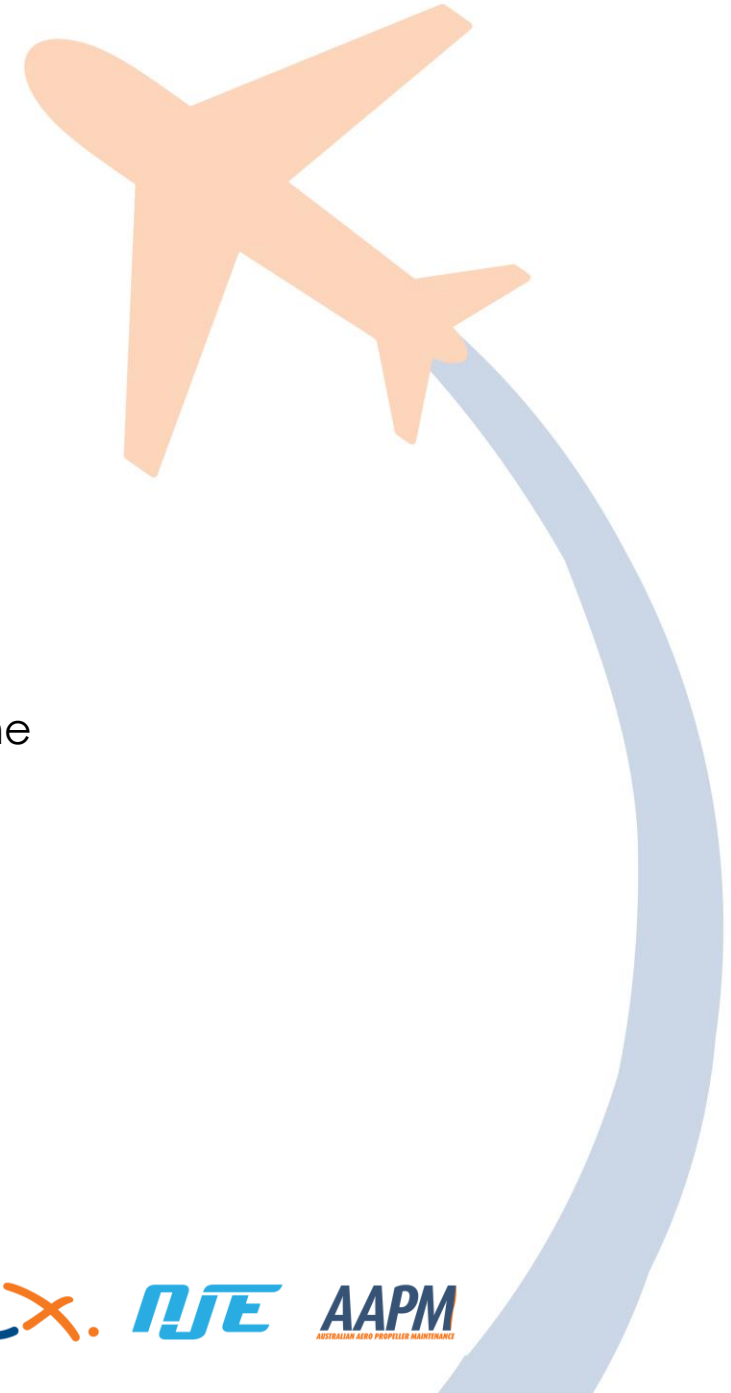
- ➔ A\$1M worth of freight and passenger transport was set aside as part of Rex Disaster Relief Fund to help flood victims in Queensland and New South Wales in Feb 2022. This fund is designed to help communities beset by natural calamities like drought, fires and floods in regional and rural Australia



Group Operational Review

Subsequent events

- Jul 2022: Rex ceased services to Ballina on 2 July 2022
- Jul 2022: Rex took delivery of an additional Saab 340B *plus* aircraft, enlarging its Saab fleet to 61
- Jul 2022: Rex signed an MOU with Dovetail Electric Aviation to pioneer the conversion of turbine powered aircraft to electric propulsion
- Aug 2022: Took delivery of 7th Boeing 737-800NG



Group Operational Review

Subsequent events

- ➔ Aug 2022: Rex commenced services between Melbourne – Devonport
- ➔ Aug 2022: Commenced construction of the new 3000 sq. m Code C hangar at Sydney Airport. In addition, a multistorey car park and a 2-storey admin building will be constructed





Group Operational Review

Subsequent events

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- ➔ Aug 2022: Commenced construction of the new 3000 sq. m Code C hangar at Sydney Airport. In addition, a multistorey car park and a 2-storey admin building will be constructed
- ➔ Sep 2022: Rex named 'Airline of the Year' at the inaugural Australian Aviation Awards for 2022 organised by UNSW



WINNER

AIRLINE OF THE YEAR

REX AIRLINES

"Recognition of Rex's resilience, adaptability, flexibility, innovation and growth whilst keeping regional towns and major cities connected during a time of unprecedented adversity in aviation."



**AUSTRALIAN
AVIATION
AWARDS
2022**

Principal Partner



Group Operational Review

Subsequent events

- ➔ Sep 2022: Rex completed the purchase of National Jet Express (NJE), the Regional Services arm of Cobham Aviation Services Australia:
 - NJE is a leading provider of Fly-In Fly-Out (FIFO) services in Western Australia and South Australia
 - NJE's has a fleet of 21 aircraft including 8 De Havilland Dash 8-400 and 6 Embraer E190. Both these aircraft types are fuel efficient, have enhance operational reliability and low carbon emissions





Group Operational Review



Subsequent events

- Oct 2022: Rex introduced real-time bidding for a Business Class upgrade – an Australian first.
- Oct 2022: Launched interline service agreement with Delta airlines that will allow:
 - Delta Passengers travelling from the U.S., Canada and Mexico to access Rex's regional and domestic network;
 - Rex Passengers travelling to the U.S. easy access to 40 cities;
 - Passengers are able to book all flights, including connecting flights, under the one booking, with a single baggage drop where permitted.



20 YEARS



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Outlook

- ➔ Full potential of corporate and agency agreements signed at the end of FY 22 expected to be fully realized by Q2 FY23
- ➔ Domestic jet network passenger numbers in first 4 months grew by 60%, 34%, 77% and 82% respectively compared to June 2022
- ➔ Domestic revenue growth even stronger at 84%, 47%, 137% and 156% for the same four months
- ➔ Domestic jet fleet to expand further by 2 additional 737-800NG in 2H FY23
- ➔ Regional Saab network passenger numbers in the first four months of FY23 reduced by 1.7% while revenue grew by 2.5% on 1.4% less flying compared to same period pre COVID.
- ➔ Unaudited management accounts for September's domestic jet operations show slight profitability for the first time. October's performance improved even more to reach about \$2m PBT for the month.
- ➔ Regional Saab operations are still loss making due to Qantas predatory actions. However, the regional Saab operations are expected to return to monthly profitability by Q3 of FY2023.



Outlook

- ➔ Increased enrolment at the pilot academies with return of international cadets
- ➔ Pel-Air's FIFO / Charter business shows signs of robust growth
- ➔ NJE's full year revenue for current CY2022 expected to grow by 30%. Next calendar year is expected to produce even stronger growth with additional aircraft introduced
- ➔ FY23 will benefit from the full year contributions from the new contracts with NSW Ambulance and Queensland Government (regulated routes) both commenced 1st January 2022



Profit Forecast



The world economic environment remains bleak with high inflation, interest rate, and fuel prices giving rise to the possibility of recession. Nevertheless, the Rex Board is cautiously optimistic that the Rex Group will be overall profitable in FY23 due to positive developments cited.



20 YEARS

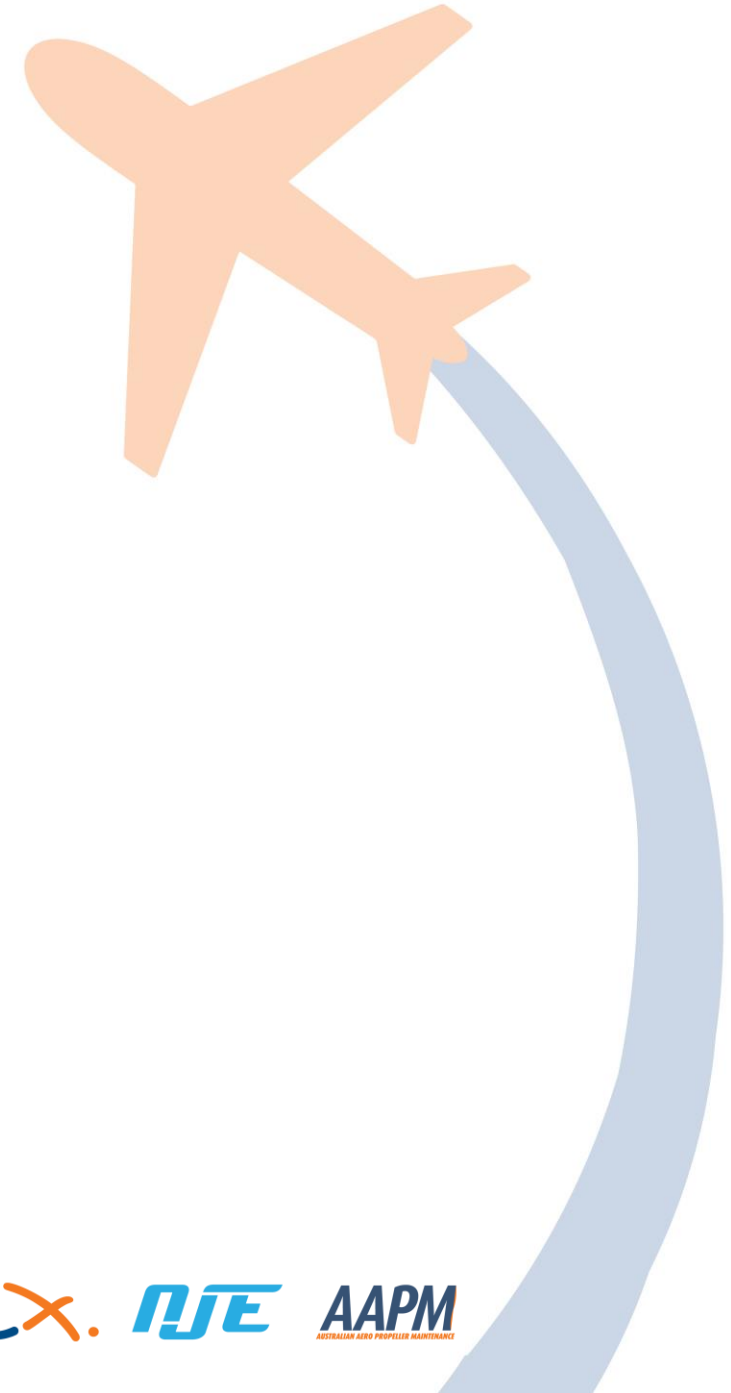
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Dividend

No Final Dividend will be paid



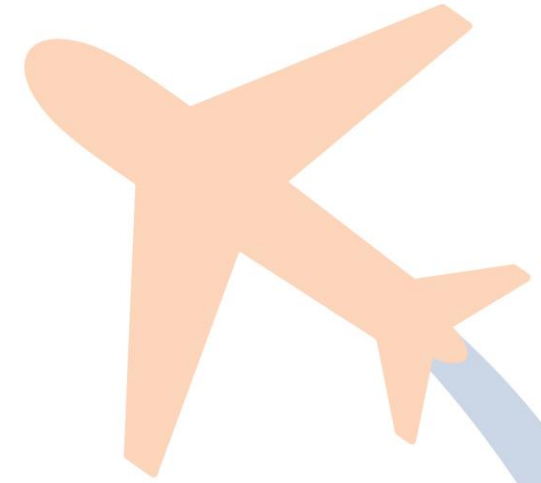


General Q&A



AGM 2022

Voting & Question Procedures



Entitlement to vote and ask questions during formal business of the AGM depends on colour of card provided at registration:

- Yellow Voting Card: Entitled to vote and ask questions
- Blue Card: Not entitled to vote. Entitled to ask questions.
- Red Card: Not entitled to vote or ask questions



AGM 2022 Proxy Results



Resolution	For	Open	For + Open*	Against
1	21,708,688 98.05%	171,496 0.77%	21,880,184 98.82%	261,201 1.18%
2	56,934,161 97.52%	147,610 0.25%	57,081,771 97.77%	1,301,522 2.23%



Resolution 1 – Adoption of Remuneration Report



That the remuneration report, as set out in the Directors' Report for the Company and its controlled entities for the financial year ended 30 June 2022, be adopted.

For	Open	For + Open*	Against
21,708,688 98.05%	171,496 0.77%	21,880,184 98.82%	261,201 1.18%

**Including all proxies given to the Chair who intends to vote in favour of the resolutions*



Resolution 2 – Re-election of the Hon. John Sharp AM as an Independent Director



That, John Sharp who retires as an Independent Director in accordance with Listing Rule 14.4 and article 20.1 of the Constitution, and being eligible for reelection under article 20.8 of the Constitution, be re-elected as an independent Director of the Company

For	Open	For + Open*	Against
56,934,161 97.52%	147,610 0.25%	57,081,771 97.77%	1,301,522 2.23%

**Including all proxies given to the Chair who intends to vote in favour of the resolutions*





End of AGM 2022

Thank You

