

capital 

1Q 2024

Financial Results



FORWARD-LOOKING STATEMENTS AND NON-MFRS FINANCIAL INFORMATION

This presentation includes forward-looking statements regarding future performance and events. These statements are based on various assumptions and expectations and may include projections of our future financial performance and anticipated trends. Forward-looking statements are subject to known and unknown risks, uncertainties, and assumptions that could cause actual results to differ materially from those expressed or implied in the statements.

Factors that could affect our actual results include, but are not limited to, changes in economic conditions, government regulations, and competitive pressures within the industry. Other factors include geopolitical tensions, changes in interest rates, and our ability to negotiate contracts and leases.

Additionally, factors such as the rate of recovery in air travel following the Covid-19 pandemic and changes in consumer behavior could impact our operations and financial performance. A downgrade in our credit ratings, regulatory changes, and changes in accounting standards are also among the potential risks.

We do not assure that the forward-looking statements in this presentation will prove to be accurate or correct. Investors are advised not to rely solely on these statements as a prediction of actual results. We do not undertake any obligation to update forward-looking statements, except as required by applicable law.

Financial measures prepared in accordance with the Malaysian Financial Reporting Standards (MFRS), this presentation includes certain non-MFRS financial measures. These measures are provided to assist investors in understanding our performance and should be used in conjunction with MFRS measures.

Please refer to our annual report and other filings with the relevant regulatory authorities for a discussion of important factors and risks affecting our business.

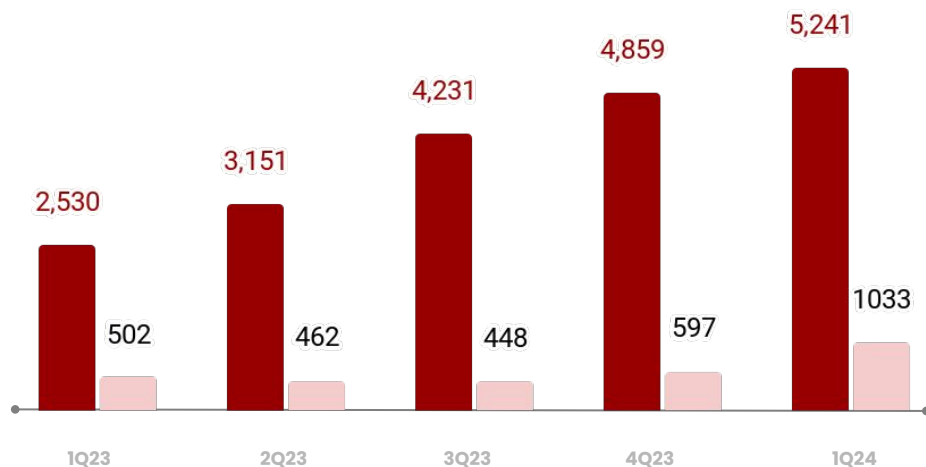
We do not assume any responsibility for the accuracy or completeness of forward-looking statements. Numbers presented in this document may not add up precisely due to rounding, and percentages may not precisely reflect absolute figures.

Capital A Group Financial Highlights

Another record-breaking quarterly performance despite operating below maximum capacity

Revenue & EBITDA

RM million



■ Revenue ■ EBITDA

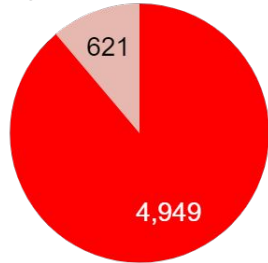
- The Group delivered **RM5.2 billion in quarterly revenue**, showcasing a **107% YoY growth**
- The Group's **EBITDA doubled** from previous year, **surpassing RM1 billion**. Adjusting to full fleet operating assumption, the Group **forecasted to generate an additional EBITDA of RM 371 million**
- Achieved the **net operating profit of RM305 million**
- Recorded **net loss of RM244 million**, which otherwise would be positive if it is not due to:
 - RM364 million unrealised forex loss
- Net Cash from Operation stands at **RM789 million**, up by **49.3% YoY**

Split between the Aviation Group and Capital A Companies

Capital A's diverse portfolio saw growth with growing contributions

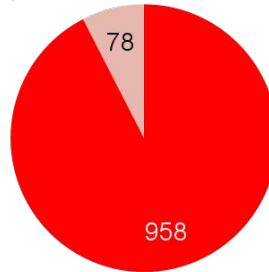
Revenue

RM million



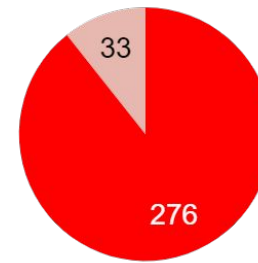
EBITDA

RM million



Net Operating Income

RM million



● Aviation

● Capital A Companies

- Aviation group contributed to 88% of the total revenue
- Capital A companies recorded over half a billion in revenue in 1Q24 alone

- Aviation Group contributed to 92.4% of the total EBITDA
- EBITDA margin of:
 - Aviation Group: 19.4%
 - Capital A Companies: 12.5%

- Aviation Group contributed to 89% of the total Net Operating Income
- NOP margin of:
 - Aviation Group: 5.6%
 - Capital A Companies: 4.9%

Corporate Exercises

Disposal of aviation business

- Submitted an application to Bursa for dispensation to allow Capital A to undertake the proposed aviation business disposal before the regularisation of its financial condition on 7 January 2024
 - Signed a non-binding offer letter with AAX for the proposed aviation disposal of AAB and AAGL on 8 January 2024
 - Signed Sale and Purchase Agreement (“SPA”) with AAX in April 2024
 - **Next key milestones:**
 - 2Q24: Target to submit circular and obtain the approval from Bursa by the end of June 2024
 - 3Q24: Shareholders and high court approval of transaction
 - 4Q24: Completion of regularisation plan execution
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Regularisation Plan

- Target to announce the regularisation plan in July 2024
 - However, PN17 status is target to be lifted after aviation disposal transactions are completed and upon meeting all Bursa’s requirements
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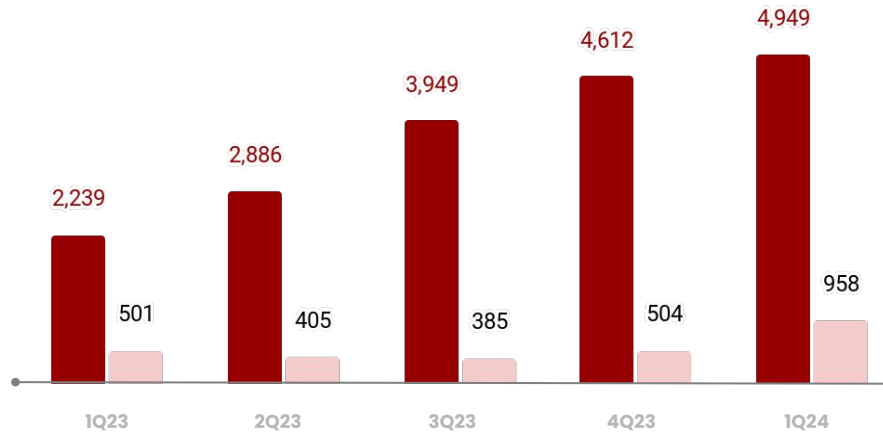
Business Combination with US SPAC

- Signed a Business Combination Agreement on 28 February 2024 with Aetherium Acquisition Cop., a Nasdaq listed corporation
- Transaction Value of USD1.15 B
- Currently, preparing to submit the necessary documents to the US exchange

SEGMENTAL REPORT: AVIATION GROUP

Segmental Revenue & EBITDA

RM million



Operating Fleet

142 146 152 162 167

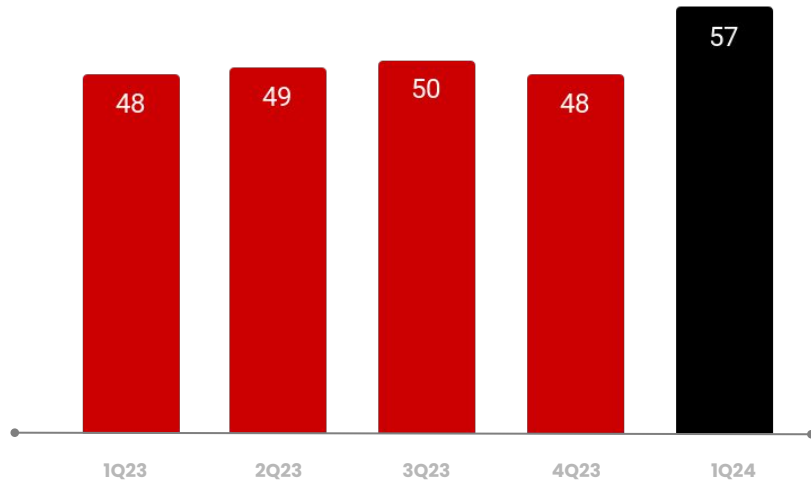
■ Revenue ■ EBITDA

- Despite operating only 167 aircraft, **quarterly revenue reached RM5 billion, grew by 121% YoY surpassing capacity growth of 74%**
 - **Record quarterly Load factor of 90.4%, improved by 3 ppts YoY**, as demand continued to outperform capacity recovery
 - **Average fare of RM264, up 26% YoY**, reaching new high
 - **Ancillary per pax of RM57** generating over RM800 million in revenue
- **Quarterly EBITDA of RM958 million**, represent **91% YoY growth**
- **RASK of USc5.15 (+14% YoY)** owing to **80% growth in pax carried** coupled with **26% increase in average fare**.
- **CASK of USc4.93 (+10% YoY)** and **CASK ex-fuel of USc2.96 (+17% YoY)**, due to **increase in maintenance cost as reversal in maintenance provision** amounting to over RM300 million was previously recorded in 1Q2023
 - **Excluding finance and depreciation cost of non-operating aircraft**, CASK and CASK ex-Fuel of 1Q2024 would be **lower by 4% and 6%**, respectively

Ancillary Highlights

Quarterly ancillary per pax

RM

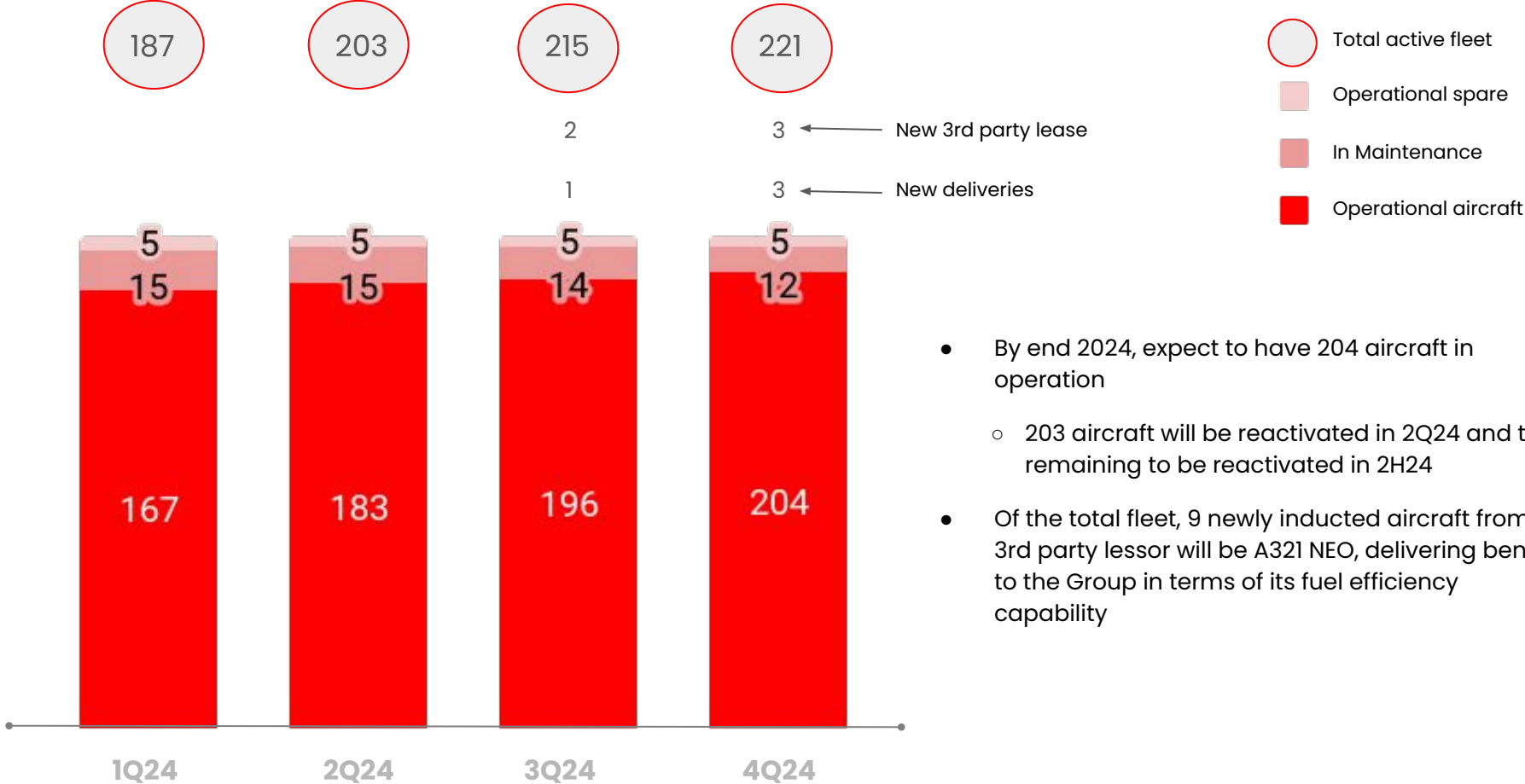


- **Ancillary per pax reached RM57, up 19% YoY**, highest quarter to date
- **Posted ancillary revenue of RM879 mil**
 - Equivalent to **18% of total airline 1Q24 revenue**
- Recorded YoY increase in take up rate for **baggage and insurance segment**
- Driven by **baggage (RM36/pax)**, followed by **fees (RM9.8/pax)**, **seat (RM6.1/pax)** and **food & beverages (RM2.35/pax)**
- **55% of total ancillary revenue** were contributed by **AirAsia MOVE**

Business Outlook: Aviation

- **Aggressive top line growth and profitability**, including but not limited to revenue maximisation initiatives attributable to:
 - **Expect to reach 90% pre-Covid capacity that is available for sale** by year end 2024 with aircraft reactivation and new fleet acquisition plan in place
 - **Strong resurgence in China and India arrivals across the aviation segment**
 - **Maintain strong load factor at 90%**, domestic demand is resilient
 - Passenger traffic is expected to recover to 86% of pre-pandemic levels, supported by an 80% capacity recovery compared to 2019
 - **2Q24 average fare forecasted to remain high**, surpassing RM250 per pax, while **ancillary per pax is expected to stay above RM50**
- **AirAsia Cambodia** - launched in May with inaugural domestic flights; international routes to begin in 3Q24, expanding to 3 aircraft by year-end
- Aim to **restructure existing loan** and **reduce current interest cost** that stands at RM158 million
- **Expecting arrival of 9 A321 NEO** which will provide greater fuel efficiency capability
- Positive outlook on macro indicators
 - Anticipated **downward trajectory of brent Crude Oil Price** is expected to persist, with prices estimated to reach as low as **USD78 per barrel in 2024**
 - **Expected strengthening of MYR against US Dollar**, with an estimated closure at RM4.20-RM4.40/USD by year-end.
 - **Market expectations of further interest rate cuts in 2024**, advantageous given that 70% of costs are denominated in US dollar
 - The **extension of visa-free travel from China through the end of 2025**

Business Outlook: Total Active Fleet



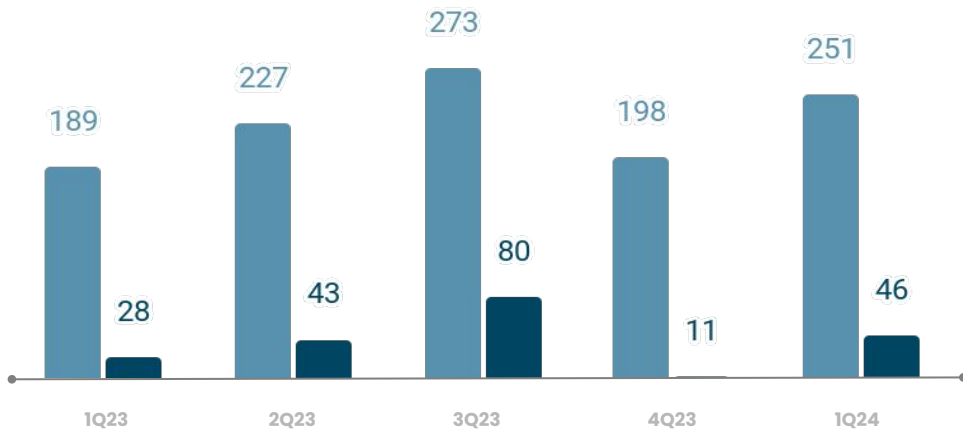
- By end 2024, expect to have 204 aircraft in operation
 - 203 aircraft will be reactivated in 2Q24 and the remaining to be reactivated in 2H24
- Of the total fleet, 9 newly inducted aircraft from 3rd party lessor will be A321 NEO, delivering benefit to the Group in terms of its fuel efficiency capability

SEGMENTAL REPORTS: CAPITAL A COMPANIES

Capital A Aviation Services (“CAPAS”) Highlights

Segmental Revenue & EBITDA

RM million



■ REVENUE ■ EBITDA

CAPITAL A AVIATION SERVICES (“CAPAS”)

- Recorded **RM251 million in revenue, up 33% YoY** of which 67% was contributed by ADE, followed by Santan at 15% of total revenue and remaining by DARTS and Capital A Consultancy
- EBITDA improved by 67% YoY to RM46 million or 4x growth QoQ**

ADE

- Segmental revenue of RM168 million, with EBITDA of RM40.7 million.** With **highest YoY revenue growth seen in component warehouse segment**, followed by maintenance services.
- Attributable to the increase in flight activity, **base maintenance checks grew by 82% YoY**, while **line maintenance checks also saw a healthy growth of 18% YoY**
- AEROTRADE**, the marketplace for airline parts, facilitated the sale of over 1,000 parts and recorded 30 active third-party customers using the platform during the quarter

Santan

- Segmental revenue of RM37 million, with EBITDA of RM3.3 million**
- Third party customers contributed over half a million** in revenue
- Conversion rate for inflight food and beverage stood at 23%**

2Q24 Business Outlook: Capital A Aviation Services

ADE

- **New base maintenance facility in KLIA Aeropolis** is progressing **on schedule**, with the first 6 production lines on track to be fully operational in 3Q2024 and additional 8 lines in 4Q2024
- All existing 7 lines hangar and additional new 14 lines hangar **fully booked for 2H24**
- To begin **ELEVADE FLEET trial** with 3rd party airlines
- Line maintenance expansion - Expanded services into **Cambodia**, target to enter the **Philippines in 2Q2024** and **Indonesia in 2H2024**

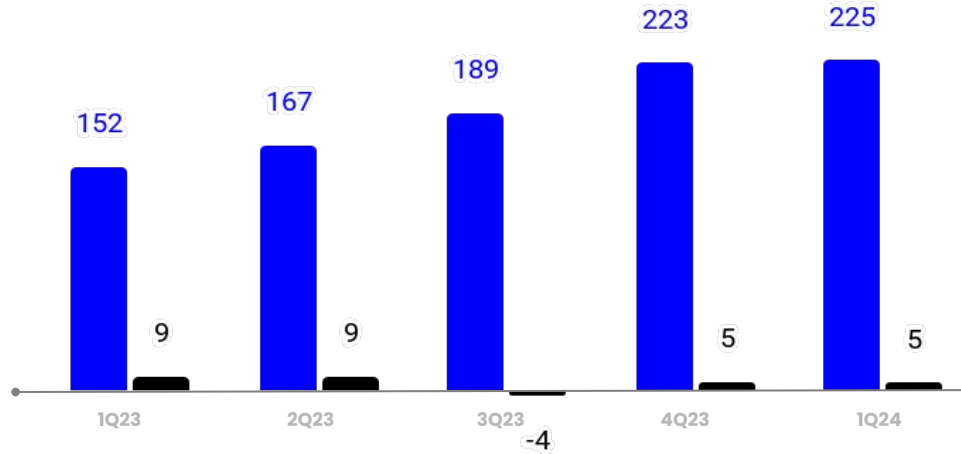
Santan

- **Reduce pre-booking cut-off time for inflight meals from 24 hours to 1 hour** providing passengers with greater flexibility and choices
- **Introduce Santan counter at selected major airports** aim to improve pre-book meal take up rate
- Developing and supplying new **healthy meals** to retail partners

1Q2024 Teleport Highlights

Segmental Revenue & EBITDA

RM million



- **Segmental revenue of RM224 million, up by 48% YoY, with EBITDA of RM5.3 million.**
- EBITDA was supported by **growth in the cargo and e-commerce** segments, against a backdrop of normalising yields across the industry.
- The addition of 3 freighters resulted in **higher maintenance cost amounting to over RM 20 million during the quarter**, alongside **ongoing reliability issues** that hampered revenue growth
- **Cargo:**
 - **Delivered additional 79% tonnage** from the same quarter in 2023, **approaching 64k tonnes, while utilisation rate rose to 16% from 11% a year ago.**
- **E-commerce:**
 - Recorded a new average of **172k daily deliveries in 1Q24**
 - The total of **e-commerce parcel delivered during the quarter reached 15.6 mil**; equivalent to **52% of total parcel delivered in FY2023.**

2Q24 Business Outlook: Teleport

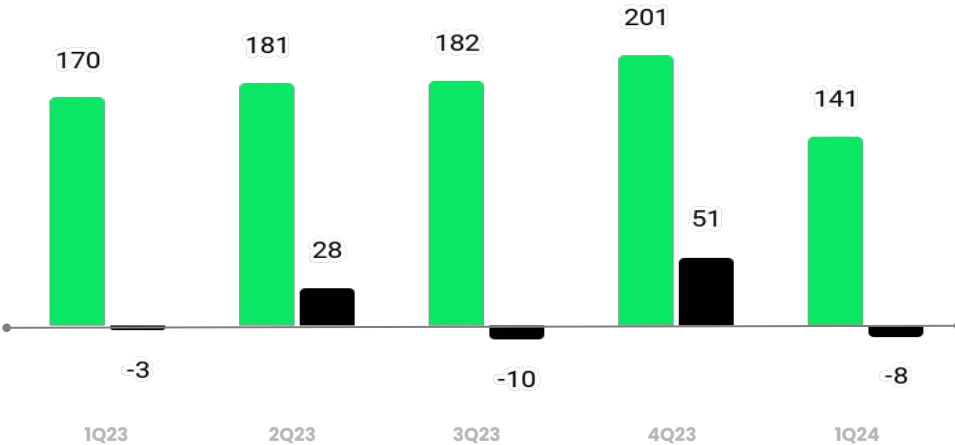
Teleport

- Teleport expects 2Q24 continue to **deliver year-on-year revenue growth whilst maintaining profitability**, despite industry headwinds.
- We expect to deliver this performance through:
 - **Improvement in freighter reliability to 95%** by working with Airbus and EFW (OEMs) to address spares availability and AOG response time. This improved reliability will drive overall freighter profitability;
 - Place heavy focus on delivering consistent e-commerce service levels (“SLA”) – **on track to meet customer next day SLA of >80%** and **parcel rejection rates of <1%**;
- More partnerships with airlines to connect beyond Southeast Asia:
 - Quarter-to-date, Teleport has already **welcomed VietJet Air Cargo and Pakistan International Airlines (PIA) as new Air Partners**.

1Q2024 MOVE Digital Highlights

Segmental Revenue & EBITDA

RM million



■ REVENUE ■ EBITDA

- **Segmental revenue of RM141 million, with EBITDA loss of RM 7.7 mil**

AirAsia MOVE

- **Revenue of RM130.2 million, with EBITDA of RM10.4 million.**
Decrease in revenue of AA flights due to:
 - Heightened price competition within the OTA landscape
 - Shift away from supplying inventories to offline travel agents as they deal with airline directly
- **Revenue from other LOBs recorded YoY improvement** except for others segment due to discontinuation of SUPER+

BigPay

- **Quarterly revenue reached nearly RM11 million**, reflecting a steady 2% YoY increase. Slight decrease in payment and remittance revenue were mitigated by the revenue growth in other segments
- The **EBITDA loss narrowed by a notable 35% YoY**, demonstrating strong progress in financial discipline and efficiency.

2Q24 Business Outlook: MOVE Digital

AirAsia MOVE

- **Leveraging on AA flightbookers** to improve take up rate for hotels through value-add flight bundle
- **Hotel inventories expansion** through partnership with wholesalers, aggregator and channel managers alongside direct sourced hotel which offers better margin
- To implement **targeted loyalty initiatives** that allow more engaging campaigns, fostering user stickiness within the entire Move Digital portfolio

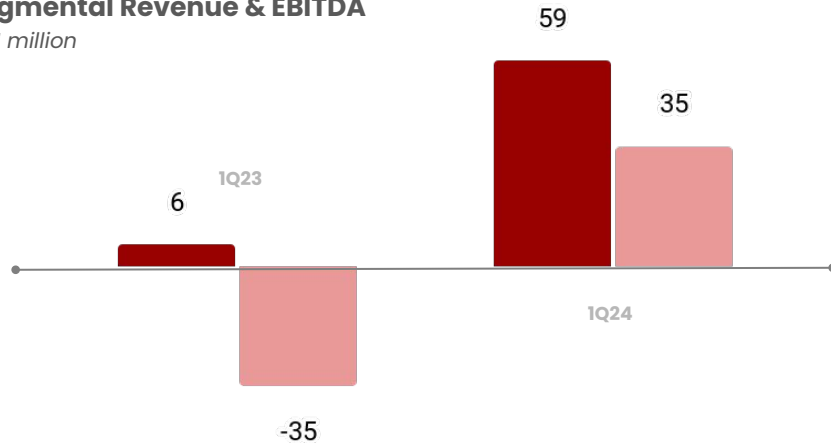
BigPay

- Focusing on **high-quality segments and profitable features**
- **Cost optimisation** on high impact area by utilising the synergy within the ecosystem
- **Product enhancement** focusing on creating users stickiness and transaction volume
- Actively **exploring transitioning into an operational regional neobank** through strategic partnerships with local traditional banks.

Capital A International (“CAPI”) 1Q24 Highlights and 2Q24 Outlook

Segmental Revenue & EBITDA

RM million



- **Revenue grew by almost 10x YoY**, nearly **RM60 million** in 1Q24
- **EBITDA improved significantly from EBITDA loss** of RM35 million in previous year, to **EBITDA positive of RM35 million**
- **The performance was driven by brand licensing fees** from Aviation and related parties

■ Revenue ■ EBITDA

Capital A International







- **Secure ownership** of a portfolio of brands within the Capital A group through IP assignments
- **Finalise brand licensing agreements** with non-airline businesses
- **Brand extensions and collaborations including licensing and merchandising** – taking brand visibility into new industries, before new audiences
- Development and monetisation of **Character IPs** starting with AirAsia Buds

APPENDIX

1Q24 Aviation Performance

Key Indicators	MAA			IAA			PAA			TAA		
	1Q24	1Q23	YoY	1Q24	1Q23	YoY	1Q24	1Q23	YoY	1Q24	1Q23	YoY
Passengers Carried	6,577,161	5,702,403	15% ▲	1,628,928	1,223,287	33% ▲	1,748,916	1,650,672	6% ▲	5,459,346	4,580,331	19% ▲
Capacity	7,373,966	6,483,708	14% ▲	1,957,320	1,507,500	30% ▲	1,877,586	1,802,880	4% ▲	5,839,298	4,976,256	17% ▲
Load Factor (%)	89	88	1 ppt ▲	83	81	2 ppts ▲	93	92	1 ppt ▲	93	92	1 ppt ▲
RPK (million)	8,255	6,523	27% ▲	2,301	1,764	30% ▲	1,766	1,441	23% ▲	5,787	4,417	31% ▲
ASK (million)	9,239	7,438	24% ▲	2,788	2,152	30% ▲	1,932	1,611	20% ▲	6,278	4,895	28% ▲
Fuel consumed (Barrels)	1,510,923	1,149,766	31% ▲	428,795	349,575	23% ▲	362,788	311,848	16% ▲	961,544	802,105	20% ▲
RASK (US cents)	4.73	4.35	9% ▲	3.96	4.21	-6% ▼	5.62	5.62	0% ▢	6.14	5.43	13% ▲
CASK (US cents)	4.28	3.62	18% ▲	5.04	5.43	-7% ▼	6.13	7.27	-16% ▼	5.45	5.49	-1% ▼
CASK Ex-Fuel (US cents)	2.59	1.84	41% ▲	3.01	3.38	-11% ▼	3.78	4.65	-19% ▼	3.24	3.57	-9% ▼

1Q24 Digital, Logistics and Aviation Services Operating Performance

	Key Indicators	1Q24	1Q23	YoY
	Carded Users (cumulative)	1,524,515	1,366,169	12% ▲
	Monthly Active Users (MAU) ('000)	15,343	12,855	19% ▲
	No. of Transactions ('000)	4,634	5,979	-22% ▼
	Gross Booking Value (RM) ('000)	2,698,942	3,111,944	-13% ▼
	Tonnage (tonnes)	63,946	35,723	79% ▲
	Yield (RM/kg)	2.58	3.34	-23% ▼
	No. of Delivery ('000)	15,634	5,685	175% ▲
	Size of fleet at quarter end (freighter)	3	0	3 ▲
	No. of hangar line	7	7	0 ■
	No. of base maintenance check	20	11	82% ▲
	No. of line maintenance check	3,170	2,676	18% ▲
	Inflight products	5,001,571	4,423,854	13% ▲
	Duty free and merchandise	119,133	111,751	7% ▲
	Frozen food	42,900	74,019	-42% ▼
	Restaurant and cafe	584,932	168,214	248% ▲
	Flights handled	35,430	32,933	8% ▲
	Cargo handled (tonnes)	30,133	15,867	90% ▲