Sixth Annual General Meeting

15 JUNE 2023
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Capital A is more than an airline
An investment holding with a broad portfolio of synergistic businesses in the travel, lifestyle and aviation services sectors
FY22 Financial Highlights

Revenue
RM 6.4 billion
+ 282% YoY

All core business segment revenue improved YoY, except Teleport, this is attributable to the normalisation of yield, resulting from the increased availability of belly space capacity in the market.

EBITDA
RM 47 million
+ 105% YoY

First full year positive EBITDA since the onset of pandemic, Aviation, Engineering, airasia Superapp and Teleport delivered stronger margin levels.

Sales in advance
RM 1.4 billion
+ 53% YoY

Recorded robust forward bookings, signifies strong recovery in air travel demand which has greatly benefit all the businesses in the group. These bookings have surpassed pre-pandemic levels.
FY22 Operating Highlights

**Aviation Group**

Load factor: 84%
24.2 mil pax carried (of FY19 level): 47%
28.9 mil seat capacity (of FY19 level): 48%

**Teleport by AirAsia**

105,572 tonnes moved
7.97 million parcels delivered
USD50 million funding raised through large institutional credit investors

**Move**

12.04 million Monthly Active Users (MAU) in December 2022
19.9 million No. of transactions completed
> 2 million e-hailing rides completed
1.3 million carded users
RM 2.8 million Loan disbursed

5 lines
4 base maintenance
1 other maintenance visit
33K items sold through AEROTRADE marketplace
Flying high again, airline returning growth and enhanced profitability amid favourable factors

- **Air fares** remain high and expect to stabilise at current levels
- **Ancillary revenue** going strong, above pre-pandemic levels
- **Fuel price** expected to come down further
- **Cash position** strengthen through business operations and funding secured from banks
- **Positive booking** momentum going forward
- **Demand for China routes** shown a healthy load factor ~70%

- **157** aircraft reactivated as of 1Q23
- **229** Routes as of 1Q23
- **Four** Operating airlines as of 1Q23
- **100%** Forward booking
- **Full** aircraft reactivation by 3Q23
- **290** routes by 4Q23
- **Five** Operating airlines by 4Q23

* Actual and target includes associate TAA

Asean Focus

Fuel price expected to come down further
Asean currencies strengthen against USD
Positive booking momentum going forward
Growth strategies and outlook:
Implement effective capacity management strategies to optimise resource allocation and maximise profitability.
Focus on strengthening and stabilising domestic and international network through enhance product offerings, improve service quality, reliable and consistent travel experience for passengers.
Robust order book of 362 aircraft, providing the potential for growth in an environment of limited aircraft supply and currently in negotiations to lease 15 additional aircraft which to be delivered in the next two years.
AirAsia Cambodia target to commence operations in 4Q23 and making progress in establish two more AOCs.

We anticipate a favorable tailwind in aviation industry, which will contribute to an improved performance compared to the previous year especially when all markets are fully reopened starting from March 2023.

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**airasia Superapp growth strategies and outlook:**

- Travel vertical to continue boost in tandem with full recovery of travel demand.
- **Strengthen Flights and Hotels inventories through direct partnerships** to solidify Superapp’s OTA positioning and improve in net margins.
- **Improve completion rates for Rides** by further growing fleet-base drivers, thereby increasing market share in both existing and newly expanded cities.
- **Establishing strategic collaboration with foodpanda** that involves cross promotion of food delivery and ride-hailing services. We will have the advantage of leveraging each other’s strong consumer base and increase potential for business growth.

**BigPay growth strategies and outlook:**

- Continue to focus on **cost containment** to reduce losses.
- **Closer collaboration** through the embedment of BigPay products and services in Superapp to grow revenue, namely BigPay users enjoy 5% discount on AirAsia flights booking made through airasia Superapp.
- Launched **DuitNow Cross-border QR Payment** allowing Malaysian users to conveniently pay in Singapore and Thailand without the need for cash or cards.
- **Boosting remittance** usage by leveraging the AirAsia database to identify and onboard users with remittance needs through data analytics.

- **Ongoing discussion** to secure a funding up to **USD40 million**
Teleport
A logistics venture of Capital A

Delivering value through diverse service portfolio:

Cargo
Made to Deliver for Forwarders, Couriers, Charter Brokers and Integrators across Southeast Asia

Ecommerce
offers one stop business-to-business delivery services. Be it from a hub, airport, or warehouse to another

Express (Teleport Pink)
offers next-day international delivery from Kuala Lumpur to Singapore (with more destinations to come)

Growth strategies and outlook:

➔ Gradually launching of additional third-party cargo capacity and extend network coverage with 3 new A321F freighters; first delivery in mid-June 2023, another two in the pipeline.

➔ Enhance the cargo hub operations in key regions such as Southern China, Vietnam and India. These initiatives will allow us to capture opportunities and serve customers more effectively in the region.

➔ Our goals is to become the market leader in air based cross-border volumes in Southeast Asia.

5 Countries cargo and e-commerce network
85+ Cities delivered in days or less
85K+ Teleporters – registered drivers and riders on ground
24 Hours speed with high flight Frequencies & point-to-point lanes
The future MRO, equipped with massive experience and the latest technology in airline engineering and maintenance service

Engineering Maintenance Services
Component & Warehouse Services
Engineering Support Services
Digital & Innovation Services

Growth strategies and outlook:

→ All 7 lines for base maintenance and other maintenance visit have been fully booked for entire year of 2023, and started receiving requests for 2024 slots up to June, demonstrating high demand for our services.

→ Aim to commence operations in Indonesia, The Philippines and Thailand in 2023, and currently exploring the potential to expand our operations into two more countries.

→ Starting from quarter 4, ADE will be entering into wide-body base maintenance market and actively exploring opportunities to expand our capabilities to service Boeing aircraft.

→ Collaboration efforts with OEMs are underway to establish hard time component workshops, ensuring compliance with OEM standards and leveraging their technical knowledge and support to deliver maintenance services.

AEROTRADE has amassed inventory from 60 airlines and MROs worth USD120 mil for both Airbus and Boeing aircraft, with encouraging transactions done by third-party in the platform.

AirAsia fleet utilising ELEVADE, an aircraft health monitoring apps since March 2023.
Aviation Services: Going beyond mere wings

**Initiatives and Outlook**

- Looking into automation technologies for ground handling processes include leveraging data analytics to enhance resource deployment and operational efficiency
- To increase self-service process by travellers through utilisation of technologies such as predictive data and AI systems
- To boost green initiatives at the airport and for ground handler through adopting EV airport vehicles and equipment.

**Our services**

- Guest services
- Baggage services
- Ramp services
- Cargo services
- Load control & flight operations

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**Aviation Services**

A Joint Venture company with SATs, with the capability to service full service carrier and low-cost airline that support the safe and efficient operation of flights.

**Our services**

- Airline start-up and management services
- Consulting services
- Function outsourcing

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**Santan**

The inflight service provider working on the long lasting meal technology that can lead to cost savings and a more sustainable operation.

**Our services**

- Operations and management of Food & Beverage services outlet
- Preparation and sale ready-to-eat and frozen food
- Airline catering and in-flight duty free sourcing services

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**Initiatives and Outlook**

- To provide airline catering and inflight duty-free sourcing services to third-party airlines
- To set up own central kitchen enhance control over ingredients and quality alongside taking advantage of cost saving and operational efficiencies
- To explore the potential of developing long lasting meal technology that offers cost savings
- Continue to expand Ready-to-eat and frozen foods business, which primarily distribute to convenience stores for onward sales to customers
THANK YOU