



Dear Shareholders and Analysts,,

As we prepare for the completion of the aviation disposal, I want to address a question many long-term investors understandably have: what does this mean for my Capital A shares?

This move marks a pivotal moment, refocusing our energy and capital on our high-growth, asset-light digital and logistics ventures. When the aviation business is divested, the share price will mechanically adjust to reflect the transfer of those assets out of the listed entity. Let's be absolutely clear – this is a technical adjustment. Not a loss of value. Not a downgrade.

Effective December 2, 2025, concurrent with the ex-date for the dividend in specie related to the disposal, the share price for Capital A will be adjusted to RM0.245 (opening price) from RM0.85, the share price the day before.

Here's the critical point: Capital A is now powerfully positioned around five high-growth companies, which complement our remaining 18% minority stake in the enlarged AirAsia X (AAX). That AAX stake alone is valued at approximately RM1.05 billion. Remarkably, our current market capitalization post-adjustment, at approximately RM1.07 billion, is virtually the same as the value of our AAX stake. This indicates the market is currently assigning *zero value* to our remaining, high-performing non-aviation businesses.

In fact, it marks the beginning of a much bigger story. Because what remains inside Capital A isn't "what's left" – it's what's growing. We firmly believe there is ample upside for you as the market begins to realize the intrinsic value of this diversified portfolio:

- **ADE (MRO)**: Optimizing fleet performance and is in progress to raise USD200 million for developing new hangar capacity and expanding workshop capabilities through organic growth and strategic M&A.
- **Teleport (Logistics)**: The 9th largest air cargo company in Asia, it provides integrated solutions with global ambitions and is targeting a USD50–100 million capital raise to accelerate network expansion.
- **AirAsia MOVE (OTA)**: Owns the budget OTA segment with its flight-first, social-led approach and has successfully raised debt funding to fuel future growth.
- **Santan (F&B)**: Evolving from an inflight caterer to a B2B food distributor, serving retail chains, hypermarkets, and now partnering with entities like KTM Berhad for expansion beyond the airline.
- **AirAsia Next (Brand & Loyalty)**: Set to be an AI-powered branding and loyalty juggernaut that will unlock the tremendous value of the 'AirAsia' brand. It's exploring a potential listing to realize existing brand values.



Five digital companies, all high-growth, high-margin. And already delivering.

The robust financial health of this non-aviation portfolio is evident in our Q3 2025 unaudited financial results. All remaining businesses recorded positive results at both the EBITDA and NOP level. Collectively, these businesses – the Capital A Companies – have achieved a four-quarter profit streak in our non-aviation results to date. They are not ideas on a slide. They are real engines of growth.

These companies also sit in sectors that command far higher valuation multiples than aviation – MRO, logistics, OTA, F&B, brand and loyalty. As these businesses continue to scale, we believe the market will value them in line with their regional and global peers.

Furthermore, this strategic restructuring is also poised to significantly benefit our balance sheet. The transaction is expected to result in Capital A's equity turning positive, dramatically improving our gearing ratio and enhancing our attractiveness to both existing and new investors.

With aviation stepping out and our balance sheet strengthened through restructuring, the market will finally see a clearer, more focused Capital A. Right now, we're still being priced like an airline. Post-disposal, that changes. The rerating potential is huge – and you will own the part of Capital A with the biggest upside.

We are focused on realizing the full value of each of these high-potential companies through external fundraising and exploring independent listing opportunities, including a potential dual listing for the group. We are confident that as the market recognizes the strength, financial performance, and solid growth plans of our young, diversified, and asset-light portfolio, the true value of your investment in Capital A will be unlocked.

Thank you for being part of this journey. Your support has been invaluable. But it is far from over, and we hope you will continue to be with us as we embark on our next exciting phase.

The best is yet to come.

Love,

Tony