

capital 

Annual Report 2025

Ready, Set,
Grow



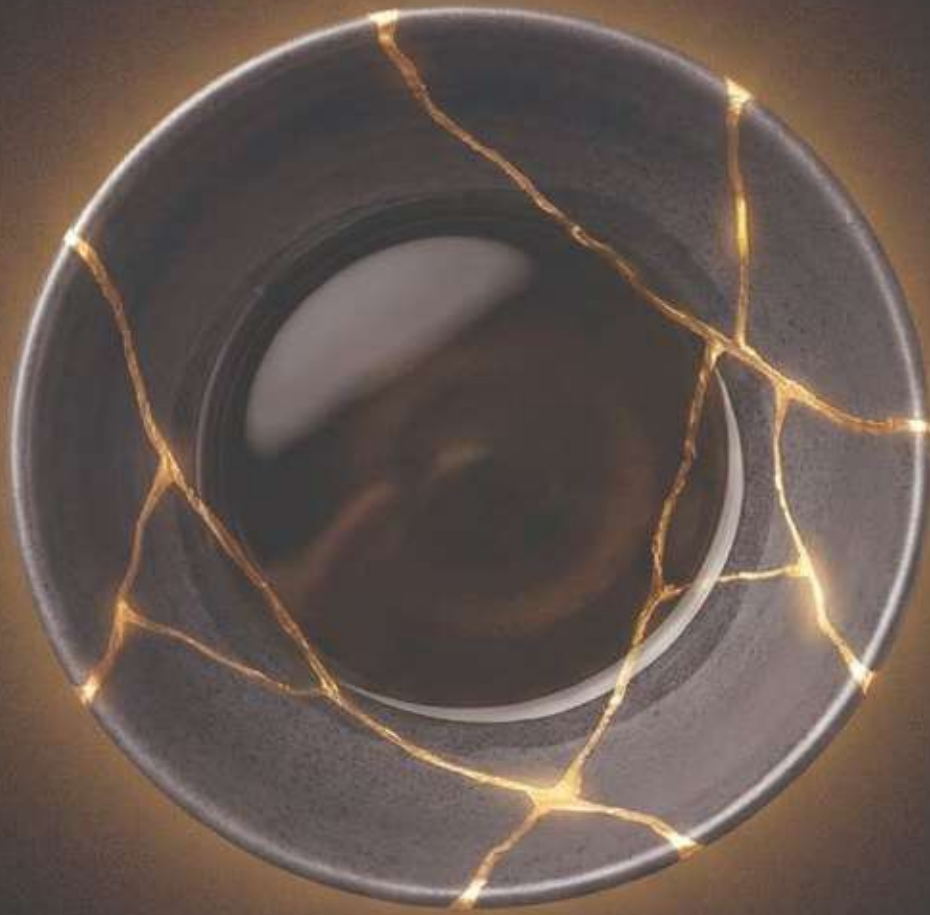












金継ぎ

KINTSUGI · 金継ぎ

Fractures happen. What matters is what *holds*.

In Japan, broken ceramics aren't discarded—they're repaired with gold, making the fracture part of the object's strength and story. For nearly three decades, we have supported energy companies as they navigate market volatility and manage exposures with greater insight.



MITSUI BUSSAN COMMODITIES

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Your confidence fuels our *momentum.*

Thank you for trusting us as your banking partner. Your support drives everything we do, and we are committed to delivering even better experiences for you.

Learn more about RHB Group at www.rhbgroup.com



PUTRA
BRAND AWARDS
2025

WINNER

— TRUSTED BY —
MALAYSIANS

FOR BANKING,
INVESTMENT AND
INSURANCE



Together We Progress



ABOUT THIS REPORT

Capital A's Integrated Report 2025 has been prepared to provide stakeholders with accurate, concise and impactful information for a deeper understanding of:

- Our business model and strategies to create short, mid and long-term value
- The challenges and risks faced in achieving our objectives
- The six capitals we leverage to optimise our outputs
- The performance of our non-airline and airline businesses
- The non-financial (economic, social and environmental) impacts of the Group
- The governance framework that ensures our integrity, transparency and objectivity

Information presented meets regulatory requirements and supports decision-making. The report is intended primarily for providers of financial capital, but is relevant to all stakeholders interested in our business direction and how we intend to accelerate towards our goals.

MATERIALITY

In deciding on the contents of this report, we have focused on matters identified as being relevant or of material interest to our stakeholders. These material matters have been determined by extensive stakeholder engagement as well as internal evaluation. Together, they reflect existing and emerging risks and opportunities which could affect our ability to create value.



COVER RATIONALE

Ready, Set, Grow

After six years of Covid, Capital A is on the verge of stepping out from PN17 to chart rapid growth. Following the divestment of AirAsia, our five tech-driven yet diverse and asset-light businesses are ready to take on the world, disrupting their sectors the way our airline did. Each has been carved out of AirAsia hence carries the same DNA as the airline, offering great AI-powered value and service through innovation and a youthful corporate culture that is vibrant and fun!

REPORTING FRAMEWORK

Preparation of this report has been guided by the principles and requirements of the following:

Guidelines	Issuing Body
Integrated Reporting Framework (IRF)	International Financial Reporting Standards (IFRS®) Foundation
Main Market Listing Requirements Corporate Governance Guide (3rd Edition)	Bursa Malaysia Securities
Malaysian Code on Corporate Governance (MCCG) 2021	Securities Commission Malaysia
International Financial Reporting Standards (IFRS)	International Accounting Standards Board (IASB)
Malaysian Financial Reporting Standards (MFRS)	Malaysian Accounting Standards Board (MASB)
Companies Act 2016	Government of Malaysia

Our Sustainability Statement has been guided by:

Guidelines	Issuing Body
Main Market Listing Requirements on Sustainability Statements in Annual Reports	Bursa Malaysia Securities
Sustainability Reporting Guide	
Global Reporting Initiative Standards 2021	Global Reporting Initiative (GRI)
National Sustainability Reporting Framework	Securities Commission Malaysia
IFRS Sustainability Disclosure Standards S1 & S2	International Sustainability Standards Board (ISSB)
FTSE4Good Bursa Malaysia Index	Bursa Malaysia & FTSE Russell
Dow Jones Sustainability Index	Dow Jones
Sustainable Development Goals (SDGs)	United Nations

SCOPE AND BOUNDARY

Disclosures in this report relate primarily to key activities and events concerning Capital A and its subsidiaries covering the year from 1 January 2025 – 31 December 2025, unless stated otherwise. Material events that took place up to the Board's approval date of 15 April 2026 are also included.

OUR REPORTING SUITE

Our Integrated Report is our primary report for providers of financial capital, but is relevant to all stakeholders as it also contains non-financial disclosures related to value creation. The report is complemented by our standalone Sustainability Report which provides additional details on our environmental, social and governance (ESG) strategy and outcomes.

COMBINED ASSURANCE

Contents of the report have been approved by our Management and Board of Directors, as well as our internal auditors. In relation to the audit of the financial statements of the Group and the Company, our external auditors BDO PLT, have reviewed the other information included in the report in their capacity as our external auditors.

International carbon emissions in the Sustainability Statement have been independently verified by International Civil Aviation Organization (ICAO)-approved verification bodies as part of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA) Monitoring, Reporting and Verification (MRV) process.

FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements relating to future performance. Such statements are premised on current assumptions and circumstances which could change, hence they necessarily involve uncertainty. Various factors could cause actual results to differ materially from those expressed or implied by these forward-looking statements.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of Capital A acknowledges responsibility for ensuring the integrity of this Integrated Annual Report 2025. In our opinion, the report presents a fair assessment of the Group's performance and addresses all key matters that are material to our ability to create value. This report was approved by the Board on 15 April 2026.

FEEDBACK

We welcome all inquiries, comments and feedback on our Integrated Annual Report in order to clarify issues and to further improve our reporting. Please communicate with us through:

Tel : +603 8660 4333

Email : capitala_ir@airasia.com

Comments or inquiries on the Sustainability Statement can be addressed to:

Email : sustainability@airasia.com

WHAT'S INSIDE

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Proxy Form

9th

ANNUAL GENERAL MEETING

VENUE

The Summit 1,
Connexion Conference & Event Centre
(The Vertical) Level M1,
The Vertical, Bangsar South City, No. 8,
Jalan Kerinchi, 59200 Kuala Lumpur

DATE

Tuesday 16 June 2026

TIME

10:00 a.m.

WHO WE ARE

capital  is an investment holding company with a diverse portfolio of synergistic aviation and travel businesses leveraging data and technology to drive growth.

Guided by over 20 years of robust data and operational excellence, Capital A is steadfast in its mission to deliver innovative, value-driven products and services that cater to the underserved across Asean and beyond.



Our core businesses include:



Asia Digital Engineering
(Maintenance, Repair and Overhaul)



AirAsia Next
Formerly known as AirAsia brand co. (Brand licensing and IP powered by AI, tech and loyalty)



Teleport
(Logistics)



Santan
(Food and Beverage)



AirAsia MOVE
(Online Travel Agency)

WHO WE ARE



VALUES

- ✦ All For One, One For All
- ✦ Dare To Dream
- ✦ Make A Difference
- ✦ Celebrate All Individuals



Our Vision

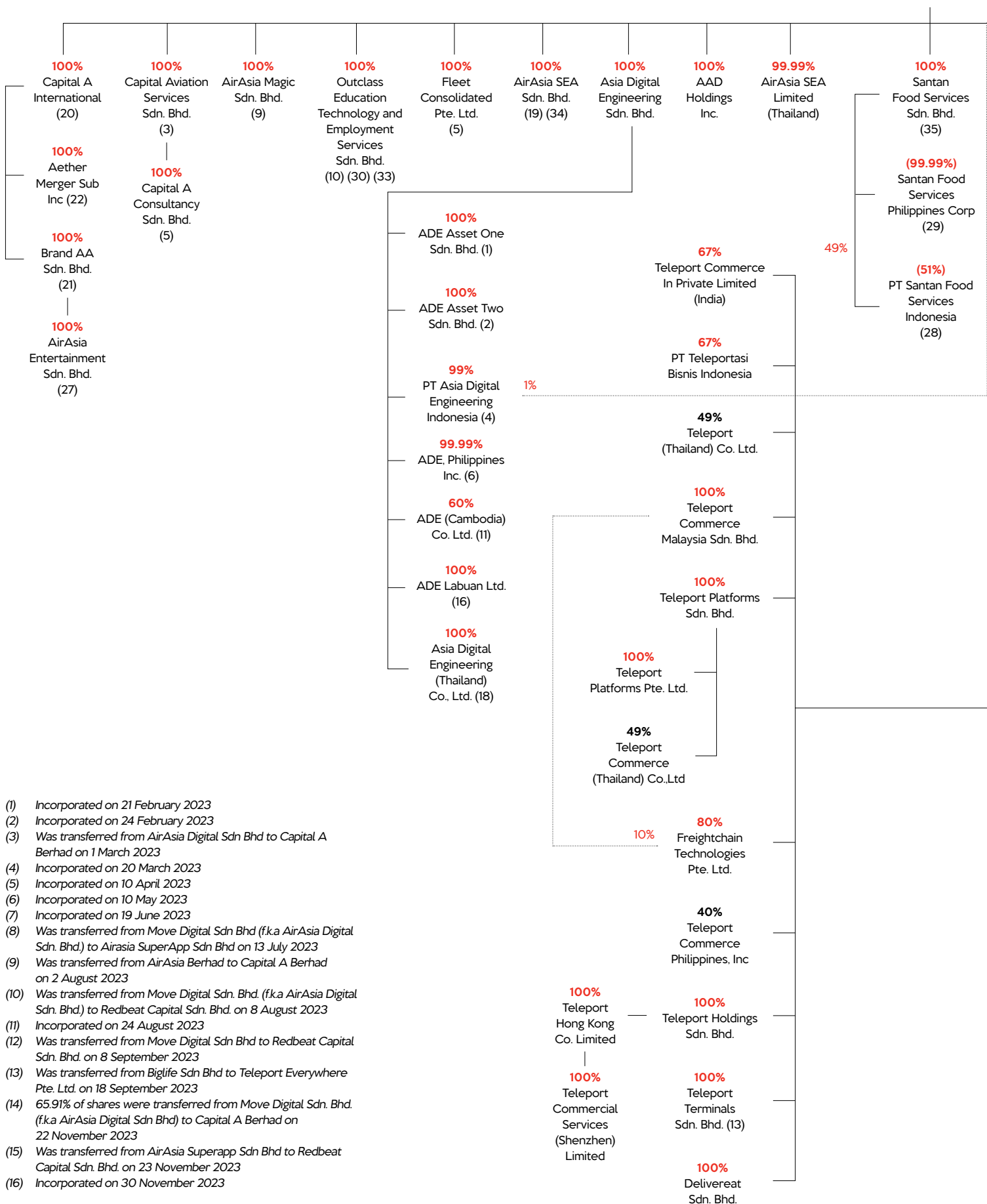
To be a world-leading aviation and travel services group, serving the underserved and fostering connections that transform lives across Asean and beyond.

Our Mission

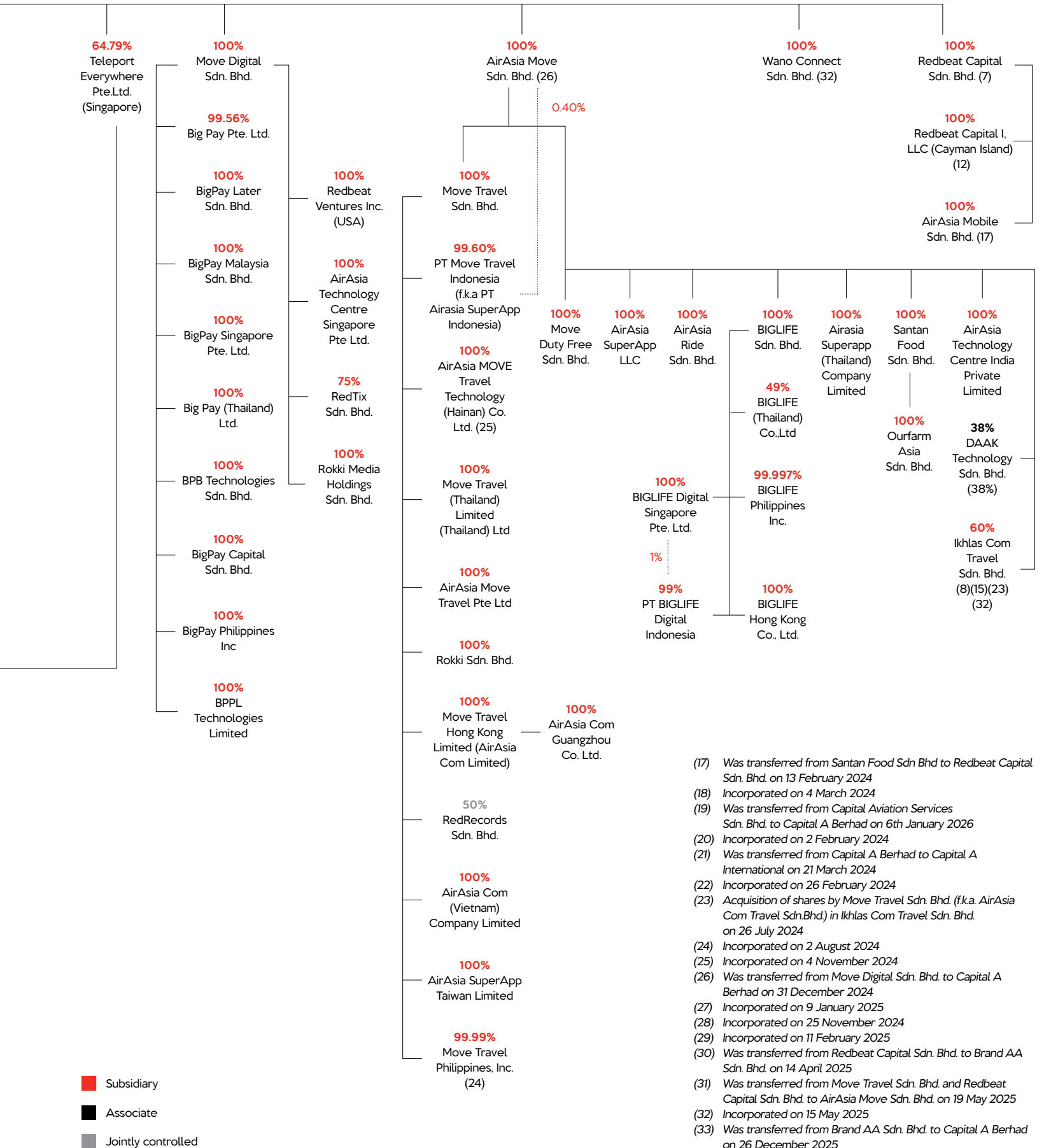
- To be a globally recognised Asean brand delivering sustainable economic, societal and environmental value.
- To provide high-quality, affordable services in aviation, travel, financial and lifestyle products.
- To prioritise care for all stakeholders, including guests, business partners, investors, Allstars, communities, regulators and governments.
- To embrace innovation and technology to enhance efficiency, reduce costs and improve service levels while seeking new growth opportunities.

- ✦ Keep It Simple
- ✦ Be Transparent
- ✦ Have Empathy & Respect
- ✦ Safety #1

CORPORATE STRUCTURE



(1) Incorporated on 21 February 2023
 (2) Incorporated on 24 February 2023
 (3) Was transferred from AirAsia Digital Sdn Bhd to Capital A Berhad on 1 March 2023
 (4) Incorporated on 20 March 2023
 (5) Incorporated on 10 April 2023
 (6) Incorporated on 10 May 2023
 (7) Incorporated on 19 June 2023
 (8) Was transferred from Move Digital Sdn Bhd (f.k.a AirAsia Digital Sdn. Bhd.) to Airasia SuperApp Sdn Bhd on 13 July 2023
 (9) Was transferred from AirAsia Berhad to Capital A Berhad on 2 August 2023
 (10) Was transferred from Move Digital Sdn. Bhd. (f.k.a AirAsia Digital Sdn. Bhd.) to Redbeat Capital Sdn. Bhd. on 8 August 2023
 (11) Incorporated on 24 August 2023
 (12) Was transferred from Move Digital Sdn Bhd to Redbeat Capital Sdn. Bhd. on 8 September 2023
 (13) Was transferred from Biglife Sdn Bhd to Teleport Everywhere Pte. Ltd. on 18 September 2023
 (14) 65.91% of shares were transferred from Move Digital Sdn. Bhd. (f.k.a AirAsia Digital Sdn Bhd) to Capital A Berhad on 22 November 2023
 (15) Was transferred from AirAsia Superapp Sdn Bhd to Redbeat Capital Sdn. Bhd. on 23 November 2023
 (16) Incorporated on 30 November 2023



teleport

Your eCommerce logistics specialist.



Faster
cheaper
better.
teleport it.

teleport.it



OUR INVESTMENT CASE

Maintenance, Repair & Overhaul (MRO)



ASIA DIGITAL ENGINEERING

- Over 20 years of end-to-end engineering expertise, servicing the world's leading low-cost carrier, ensuring world-class quality, safety and cost efficiency.
- Secured EASA and FAA Certifications, cementing its status as a world-class, multi-certified aircraft maintenance provider.
- Holds approvals from the civil aviation authorities of Malaysia, Thailand, the Philippines, Indonesia, India, Cambodia, Singapore, Nepal, Vietnam, Myanmar, Bermuda, Guernsey, Pakistan, Bhutan and the Maldives.
- Awarded two of the highest international recognitions in the aviation industry:
 - Maintenance Organisation Approval (EASA.145.0967) from the European Union Aviation Safety Agency (EASA)
 - Repair Station Certificate (ADNY458E) from the United States Federal Aviation Administration (FAA)
- In 2024, opened Malaysia's largest 14-line MRO hangar in KLIA – recognised by the Malaysia Book of Records with three national awards for engineering excellence – and advanced workshops for composites, sheet metal, cabin interiors and more, with plans to operationalise a 3D printing lab and Digital Product Development Centre.
- Signed a long-term agreement with Air France to provide heavy maintenance and aircraft modification services for Airbus A330-200 aircraft.
- 280+ heavy maintenance (C-checks) completed under five years.
- Leveraged innovation with digital platforms like ELEVADE™ and AEROTRADE®, driving operational efficiency and enhancing fleet performance.
- Strengthened services for airlines, offering comprehensive MRO solutions for Airbus and Boeing families, continuously expanding capabilities to meet the evolving needs of the aviation industry.
- Built strong partnerships with regulatory authorities, suppliers and industry leaders, positioning ADE as Asean's premier MRO provider.
- Committed to safety and excellence with EASA Part 145 certification and adherence to global standards, while creating jobs and supporting local economies across Asean.
- Poised for future growth with planned facility expansion, leveraging decades of expertise to support more clients and cement its role as a global MRO leader.

Logistics

TELEPORT

- Established in 2018, Teleport is an integrated eCommerce logistics specialist operating Southeast Asia's largest, yet asset-light, air logistics network with extended connectivity into the Asia Pacific region.
- Teleport Network® has a unique advantage that combines a strategic capacity mix of freighters and high-frequency passenger aircraft belly capacity from AirAsia and 55+ partner airlines, creating a network reach of over 290 destinations across 80 countries in Asia Pacific and beyond.
- Serves three core business segments:
 - ▶ **Teleport Air Cargo:**
Airport-to-airport cargo solutions using a network of passenger and freighter aircraft
 - ▶ **Teleport eCommerce:**
Customisable first-to-last-mile cross-border delivery services
 - ▶ **Teleport Next Day:**
Cheapest next-day, door-to-door cross-border parcel delivery service
- Teleport is on a mission to move things across Southeast Asia better than anyone else by providing access to affordable, reliable cross-border delivery for all businesses, big or small, as fast as the next day.
- Powered by a dedicated team of 700+ Allstars (employees) across seven countries: Malaysia, Indonesia, Singapore, Thailand, the Philippines, India and China.



OUR INVESTMENT CASE

Online Travel Agency (OTA)



AIRASIA MOVE

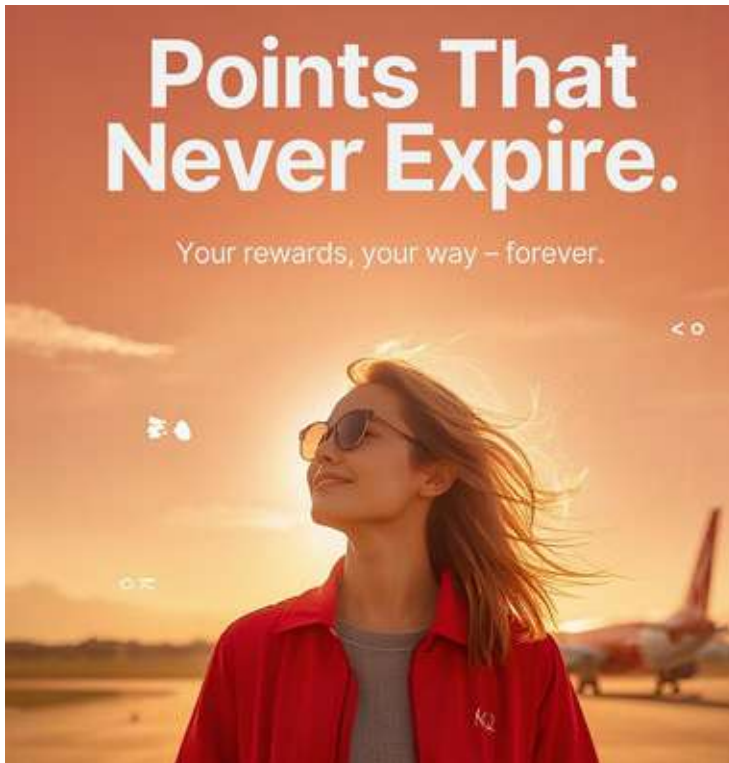
- Comprehensive travel and lifestyle ecosystem leveraging a robust organic customer base and proprietary algorithm to deliver optimised cross-selling and personalised offers.
- The Group comprises:
 - ▶ **AirAsia MOVE:**
Leading OTA
 - ▶ **Wano Connect:**
Dedicated B2B travel distribution platform
 - ▶ **ikhlas.com:**
Shariah-compliant Muslim travel and lifestyle platform
- Serving 50 million Annual Active Users and 13 million Monthly Active Users across 13 languages and 31 currencies, the platform has maintained EBITDA profitability for three consecutive years.
- Offices in Malaysia, Thailand, Indonesia, Philippines, India and China with expansion to Vietnam, Japan, Korea, Taiwan, Hong Kong and Australia on the cards.
- Boasts a unique playbook:
 - ▶ Personalised offers and bundles
 - ▶ Flight-first OTA in the New Age of airline retailing
 - ▶ Best-in-class ancillary suite with 62% attach rate
 - ▶ Full stack customer service
- Delivers incremental value by bringing new users, ancillary income and equitable margin share with strategic partners.
- Social commerce-led travel platform supporting the entire booking journey from discovery to conversational commerce, evolving into a robust travel community that will include a peer-to-peer marketplace in the future.
- Leverages the Capital A Group ecosystem to drive back-end efficiencies through BigPay and AirAsia rewards, while capturing demand generation synergies with AirAsia Next.

Brand and IP

AIRASIA NEXT

- Launched in 2023, AirAsia Next (previously known as AirAsia brand co.) is a dedicated entity focused on enhancing the global reach and impact of the AirAsia brand, leveraging over 24 years of brand equity as an Asean and global icon.
- Oversees the Group's extensive intellectual property (IP) portfolio, encompassing all brands and marks across Capital A including strategic developments like AirAsia Buds character IP, unlocking new opportunities for growth and innovation.
- Focused on three core areas of development:
 - ▶ **Strategic Brand Licensing:**
Expanding the AirAsia masterbrand into new markets and industries
 - ▶ **Brand Collaboration and Merchandising:**
Partnering with established brands to create innovative travel and lifestyle offerings
 - ▶ **Content Creation:**
Amplifying exposure and engaging broader audiences through storytelling and creative initiatives.
- Diversifying the AirAsia masterbrand's presence into travel-related and lifestyle sectors, creating deeper emotional connections with millions of fans worldwide while offering meaningful experiences beyond transactions.
- Aims to generate new revenue streams through brand licensing, merchandising and content, adding tremendous value to the Capital A ecosystem and enhancing customer loyalty.
- Positioned as a key driver in redefining brand growth and relevance, AirAsia Next aligns with Capital A's ambition to expand beyond aviation and establish the AirAsia masterbrand as a lifestyle leader in Asean and beyond.





AIRASIA REWARDS

- Established in 2010 as an airline loyalty programme, AirAsia rewards has evolved into a comprehensive lifestyle rewards platform, offering borderless earning and redemption opportunities across Asean and beyond.
- Partners with diverse brands across lifestyle, travel and financial services, making AirAsia points a universal loyalty currency that is easy to earn, redeem and convert through platforms like AirAsia xchange.
- Members enjoy exclusive privileges, including access to the lowest AirAsia flight fares and the ability to redeem flights, deals and bookings via the AirAsia MOVE app, creating a seamless and rewarding user experience.
- Recognised for excellence, winning prestigious accolades such as:
 - ▶ Excellence in Management at the Loyalty Awards 2020, the only Asian company recognised alongside European leaders
 - ▶ Loyalty Mega Awards 2019 by Loyalty Magazine Awards 2019
 - ▶ Best in eCommerce (Marketplace/eRetailer) – Lifestyle & Travel (Gold) at the Asia eCommerce Awards 2020
- Committed to democratising loyalty points, AirAsia rewards continues to innovate and expand its platform empowering members with greater value and accessibility in their everyday transactions.
- Positioned as one of the largest points platforms in the region, AirAsia rewards drives customer engagement, loyalty and savings across the growing Capital A ecosystem, contributing to the Group's mission of affordability, accessibility and inclusivity.

BIGPAY

- Champions financial well-being by offering accessible, transparent and secure digital financial services for the unserved and underserved across Southeast Asia.
- Serves over 1.6 million carded and transacting users, providing a comprehensive suite of financial tools:
 - ▶ Visa Virtual Card and Visa Platinum Prepaid Card for payments at over 130 million global merchants and cash withdrawals at overseas ATMs
 - ▶ Features like Stash and Roundup for easy savings and Analytics to empower users with financial insights
- Strengthened presence in Thailand through the MRT campaign, offering rewards that enhance daily mobility and payment experiences.
- Integrated into Capital A's ecosystem, enhancing the AirAsia MOVE platform with innovative financial tools to support seamless travel experiences and empower users.
- Committed to promoting financial inclusion and economic growth, with a focus on underbanked communities across the region.
- Positioned as a catalyst for the cashless payment revolution in Southeast Asia, leveraging partnerships to deliver convenience, speed, security and exclusive travel privileges.
- Continue to innovate and adapt to meet the evolving financial needs of Southeast Asia, empowering users to manage their finances with confidence and simplicity.
- Working on B2B payment solutions for the Capital A ecosystem as well as the rest of the market to allow for better, cheaper and more transparent options for international remittances.



OUR INVESTMENT CASE

Food & Beverage

SANTAN

- Established in 2015 with a vision to create memorable dining experiences for AirAsia guests, offering the best of Asean meals at the best value.
- Served over 900 million guests globally, sharing the rich culinary heritage of Asean with travellers from around the world.
- Diversified offerings with food technologies that include freeze-dried coffee and instant meals with real ingredients, enhancing the travel experience for guests.
- Looking ahead, Santan is evolving from a single-channel airline supplier into a multi-channel Asean food company. Future growth will be driven by the expansion of grab-and-go stores, the launch of retail FMCG products and scaling B2B distribution.
- Committed to creating job opportunities across its value chain, contributing to economic growth of the communities it operates in.
- Enhancing cost efficiencies and margin upside through a streamlined supply chain, central kitchen scale and multiple sales channels that drive economies of scale and enable better value for consumers.
- Recognised as Industry Champion of the Year at the Asia Corporate Excellence & Sustainability Awards (ACES) 2025.
- Santan CEO Catherine Goh was awarded "Asia's Most Admirable Young Leaders" for transforming Santan from an inflight meal provider into a regional food service leader.



Aviation



AIRASIA AVIATION GROUP (SHORT-HAUL)*

- Staying true to its purpose and tagline since 2001, "Now Everyone Can Fly", by making air travel affordable and accessible to millions.
- Largest low-cost carrier fleet in the region, optimised for high utilisation and cost-efficiency to ensure modern, high performance and sustainable operations.
- Operates more than 200 aircraft, with a strong orderbook for the next decade, supporting long-term growth and expansion.
- Successfully introduced the Airbus A321neo, a higher-capacity and more fuel-efficient aircraft, with fleet modernisation plans incorporating the A321LR and A321XLR to enhance connectivity and operational efficiency.
- Extensive network covering 130+ destinations and 270+ routes, powered by 16 strategic hubs across five Asean countries – Malaysia, Thailand, Indonesia, the Philippines and Cambodia.
- Flown over 900 million guests to date, serving 58.3 million in 2025 with a load factor of 84%, highlighting strong and sustained demand for its services and cementing its leadership in affordable air travel.
- Recognised as the World's Best Low-Cost Airline by Skytrax for 16 consecutive years, demonstrating a commitment to excellence and guest satisfaction.
- Maintained a 7/7 Safety Rating by [AirlineRatings.com](https://www.airlineratings.com), underscoring its focus on safety and operational reliability.
- Transforming into the world's first low-cost network carrier, bringing Asean to the world and the world to Asean.
- Committed to sustainable aviation with a net zero emissions target by 2050.
- Avoided 135,788 tonnes of CO₂ emissions in 2025 through 19 fuel efficiency initiatives, achieving USD30.9 million in fuel savings.
- Following the finalisation of Capital A's corporate exercises during the year, the aviation business was divested to AirAsia X, with the deal being completed on 3 December 2025. Today, the Group holds only 19.5% equity in AirAsia X.

* Operating statistics for the period between 1 January to 3 December 2025, in accordance with the completion of the disposal of aviation business to AirAsia X

GROUND TEAM RED

- Delivers a wide range of airline support services through end-to-end ground handling across passenger handling, ramp, cargo and airside operations since 2017, with a strong focus on safety, reliability and operational efficiency.
- Leverages digital tools and process optimisation to support air cargo handling, improve coordination and maintain consistent turnaround performance amid higher traffic volumes.
- Supports core airline customers while expanding operational capabilities to meet evolving service and operational requirements.
- Actively grew its third-party airline customer base during the year, strengthening GTR's position as a leading ground handling partner for passenger and cargo operations.
- Launched premium private jet handling services in 2025, marking an expansion into specialised and higher-value ground handling segments.
- Progressed sustainability planning and readiness work, including fleet and infrastructure assessments, to support future emissions-reduction initiatives aligned with operational feasibility.
- Committed to innovation, workforce capability development and customer-centric execution to deliver reliable ground handling services across its network.



OUR PERFORMANCE AT A GLANCE

Business Highlights



Secured world-class certifications:

EASA

Maintenance Organisation Approval (EASA.145.0967) from European Union Aviation Safety Agency (EASA)

FAA

Repair Station Certificate (ADNY458E) from US Federal Aviation Administration (FAA)

Signed a long-term agreement with **Air France** to provide heavy maintenance and aircraft modification services



55+ airline partners

including Turkish Airlines and Air Central China

Appointed as

Exclusive General Sales Agent

for 4 airlines managing specific sectors

Hong Kong

lane launched for Teleport Next Day



Best-in-class in ancillary suite, with **62% attach rate**

+25% YoY

growth of our Stays segment



Launched

AirAsia x SEGA and AirAsia Buds

merchandise for inflight and on-ground sales

Partnered with 2024 LIV Golf Team Champions,

Ripper GC



Entered into strategic collaboration with national railway, **KTMB**, to provide in-train catering services

Launched

Santan Value Combo

from RM6.90



Named the

World's Best Low-Cost Airline

at Skytrax World Airline Awards 2025 for the 16th consecutive year

Signed a Letter of Intent (LOI) to explore establishing

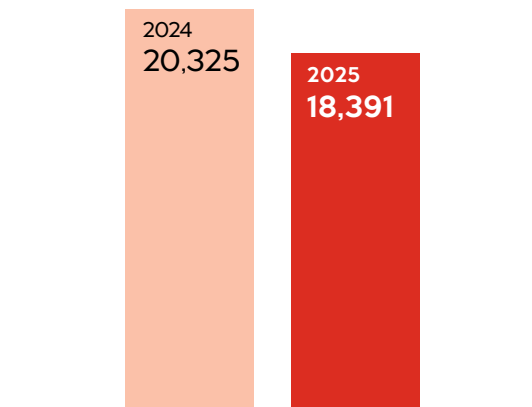
Bahrain as AirAsia's Middle East hub,

marking the beginning of a long-term partnership to build a major bridge between Asean and one of the world's fastest-growing aviation regions

Capital A Financial Highlights

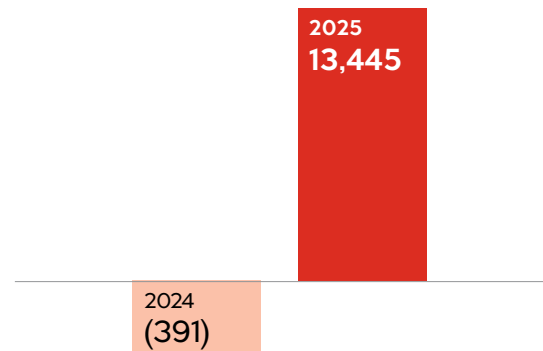
Revenue

RM18,391 Million



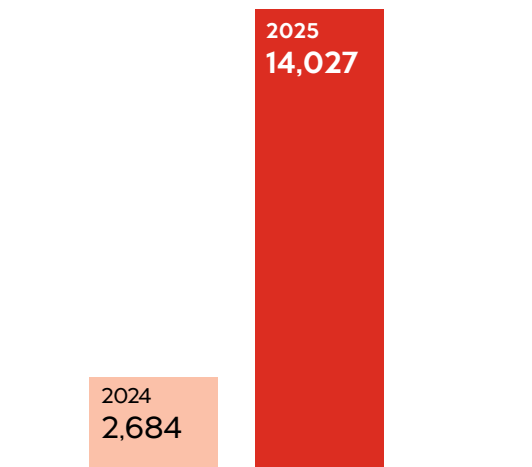
Profit Before Tax (PBT)

RM13,445 Million



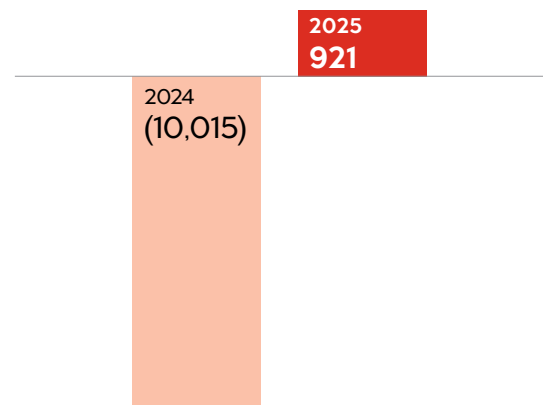
EBITDA

RM14,027 Million



Total Equity/(Deficit)

RM921 Million



OUR PERFORMANCE AT A GLANCE

Sustainability Highlights

Progressing Towards a Greener, More Resilient Aviation Ecosystem.



Environmental

135,788 tonnes

of CO₂ avoided and USD31 million saved through decarbonisation initiatives

23%

of total generated waste diverted from disposal

**62.9 gCO₂/ASK
and 76.3 gCO₂/RPK**

carbon intensity achieved across the operational fleet

3,007 kg of CO₂

avoided through food rescue and redistribution initiatives

Secured regulatory approvals in Thailand and Indonesia to introduce passenger carbon fees



Social

Maintained

zero fatalities

and 7/7 Stars Safety Rating

RM196,760

awarded to scale new Asean social enterprises via the AirAsia Foundation

8.3%

female pilots

RM1,009,590

contributed to directly uplift and empower local communities

19%

female representation in leadership roles

912 Allstar

volunteering hours dedicated to community and social impact initiatives



Governance

100%

new Allstars completed Code of Conduct and anti-corruption training

71%

On-Time Performance

Teleport and GTR signed a joint

Corruption-Free Pledge

with MACC

21.8%

of addressable procurement spend on local suppliers

80%

of Group operations underwent formal corruption risk assessments

6.5

mishandled bags per 10,000 passengers

53

AirAsia Net Promoter Score



A DIGITAL LIFESTYLE COMPANY

Our Digital Statistics



280+

C-checks completed within five years

Active Line Maintenance footprint across

20+

Asean airports

Average of

10,000

line maintenance checks per month



Over

348,000

tonnes of cargo moved

Over

167 million

eCommerce parcels delivered across Asia Pacific and beyond



Average monthly Gross Booking Value

RM787,637,829

No. of transactions at year end

27,699,222

Monthly Active Users (MAU)

17,297,141



**AirAsia Buds
YouTube Channel**

69,000+
subscribers

16.5+ million
views in 2025

497,700
hours of watch time



~ 19 million

units of inflight meals sold in FY2025

400K+ units

of ready-to-eat meals sold via retail partners

Our Social Media Statistics

Facebook

14,344,881

followers

LINE

27,877,287

followers

RedNote (Xiaohongshu)

53,459

followers

LinkedIn

1,086,395

followers

Telegram

4,161

followers

Instagram

3,983,999

followers

WeChat

1,983,206

followers

TikTok

687,691

followers

YouTube

249,822

followers

Threads

232,976

followers

X

6,884,087

followers

Weibo

1,300,000

followers

Douyin

85,700

followers

KakaoTalk

50,939

followers

KakaoStory

8,298

followers



OUR AVIATION GROUP NETWORK & STATISTICS

NETWORK FOOTPRINT AS AT MARCH 2026



AirAsia Aviation Group
(short-haul)






Routes	278
Markets	22
Destinations	140
Hubs	16



AirAsia X Group
(long-haul affiliates of Capital A)

Routes	31
Markets	13
Destinations	26
Hubs	2

AIRASIA AVIATION GROUP FY2025 MARKET SHARE

COUNTRIES	TOTAL MARKET SHARE	INTERNATIONAL MARKET SHARE	DOMESTIC MARKET SHARE
 Malaysia	45%	31%	60%
 Thailand	25%	12%	41%
 Indonesia	6%	18%	2%
 Philippines	11%	4%	13%
 Cambodia	14%	14%	22%

Connecting people and transforming lives



Legend:
 ● Hub ▲ Destination

Note:
 This map is for illustrative purposes only and is not drawn to scale. It is not intended to be a geographically accurate representation of territories or borders and does not reflect the political opinions or affiliations of AirAsia. It serves as a neutral depiction of destinations within the AirAsia (short-haul) network

AWARDS & ACCOLADES 2025



JANUARY

- AirAsia won the **Silver award** at **Putra Brand Awards 2024, Malaysia**, in the Transportation, Travel and Tourism category

FEBRUARY

- AirAsia Group of companies, including AirAsia X and Thai AirAsia X, named **World's Best Low-Cost Airline 2025** by [AirlineRatings.com](https://www.airlineratings.com)

MARCH

- AirAsia named a **Top Influential Brand (Airline Category)** at **Asia CEO Summit & Awards Ceremony 2025**



MAY

- AirAsia scored **10 out of 10** in **Landmark Global Environmental Audit** by [42kft.com](https://www.42kft.com)
- [ikhlas.com](https://www.ikhlas.com) won the **Distinguished Consumer Confidence Award** by Islamic Distinguished Enterprise Award 2025

JUNE

- AirAsia ranked sixth among **Top 25 Safest Low-Cost Airlines for 2025** from a total of 385 airlines, by [AirlineRatings.com](https://www.airlineratings.com)
- AirAsia named **World's Best Low-Cost Airline** by Skytrax for the 16th consecutive year



JULY

- Teleport was awarded **Best Local Partner** by Turkish Cargo

SEPTEMBER

- Teleport was awarded **Best Low-Cost Air Cargo Carrier** at **Asian Freight, Logistics and Supply Chain (AFLAS) Awards 2025**





OCTOBER

- AirAsia was named **Asia's Leading Low-Cost Airline & Asia's Leading Low-Cost Airline Cabin Crew** by World Travel Awards Asia and Oceania
- Teh Mun Hui, CFO of Capital A, was named **one of the Most Powerful Women Asia 2025** by Fortune
- Catherine Goh, CEO of Santan, was named **Malaysia's Top 30 Young Entrepreneurs 2025** by TOP 30 MEDIA
- Catherine Goh, CEO of Santan, was awarded the **Pinnacle Women Business Award**, at Shanghai Honourable Women Entrepreneur (SHE) 2025 by Shanghai Business Media

NOVEMBER

- Asia Aviation Public Company Limited was presented with:
 - **Best CEO:** Santisuk Klongchaiya
 - **Best CFO:** Phairat Pornpathananagoon
 - **Best IR:** Siraphop Paphatthananan at IAA Awards for Listed Companies 2025, hosted by the Investment Analysts Association
- AirAsia was honoured with the Future Travel Experience (FTE) at **APAC Airline Pioneer Award 2025**
- Teleport was named **Vietjet Air Cargo's Top Airline Partner**

- Santan received the **MSOSH GOLD CLASS 1 Award** from the Malaysian Society for Occupational Safety and Health (MSOSH)
- Musdalifa Abdullah, CEO of Ground Team Red, received the **MSOSH President Award** from the Malaysian Society for Occupational Safety and Health (MSOSH)

DECEMBER

- Santan was named an **Industry Champion of the Year** at the Asia Corporate Excellence & Sustainability Awards 2025 (ACES)
- Catherine Goh, CEO of Santan, was recognised under **Asia's Most Admirable Young Leaders Award** category at the Asia Corporate Excellence & Sustainability Awards 2025 (ACES)
- AirAsia MOVE was named **Asia's Best Travel Booking App** at World Travel Tech Awards 2025 (third consecutive year)
- AirAsia was named **World's Leading Low-Cost Airline, World's Leading Low-Cost Airline Cabin Crew, World's Leading Long-Haul Low-Cost Airline** at World Travel Awards 2025
- AirAsia won the **Greater China Best Employer Award** at the HRoot Awards 2025 for remarkable performance and best practices in HR management
- Asia Digital Engineering CEO, Mahesh Kumar, was named **Executive of the Year (Aerospace)** at the Malaysia Management Excellence Awards 2025



2025 DIARY OF SIGNIFICANT EVENTS

In 2025, we continued to revive AirAsia and build our five non-airline businesses – ADE, Teleport, AirAsia MOVE, Santan and AirAsia Next – while focusing on a comprehensive restructuring as part of our regularisation plan. The milestones noted here have been integral to our strategic initiatives and demonstrate significant progress on all fronts. Capital A concluded the year on a new slate, having disposed of our airline business.



JANUARY

- AirAsia Next (previously known as AirAsia brand co.) announced a partnership with leading global luggage and lifestyle brand American Tourister to unveil *The Funseekers lifestyle capsule collection* featuring the AirAsia brand.
- Transforming travel, AirAsia MOVE partnered with Antom for seamless payment solutions.
- AirAsia MOVE appointed renowned travel industry leader Manfredi Lefebvre d'Ovidio as Chairman.
- AirAsia MOVE welcomed SriLankan Airlines as its latest direct airline partner.
- BigPay integrated Alipay+ to enable QR payments at merchants across 48 destinations worldwide through the BigPay app.
- AirAsia's strong brand affinity among Malaysians was recognised with the Silver award in the Transportation, Travel and Tourism category at the Putra Brand Awards 2024.
- Ground Team Red commenced ground handling services for Batik Air in Miri, Sarawak, Malaysia.
- AirAsia rewards partnered with KL Wellness City, providing points and marketing support to the project and its customers.



FEBRUARY

- Asia Digital Engineering organised its inaugural ADE Investor Day to showcase how ADE is setting new industry benchmarks for efficiency, turnaround time and digital innovation.
- Asia Digital Engineering participated in MRO Middle East, highlighting its digital MRO services, AEROTRADE® marketplace and ELEVADE™ FLEET condition monitoring app.
- BigPay launched The Great Big Ong campaign to give users a chance to win AirAsia points through payments and transfers.
- Ground Team Red participated in the Aviation Festival Asia (AFA) 2025 held in Singapore, where the CEO joined a panel discussion to share insights on sustainability in aviation.



MARCH

- AirAsia, Asean's leading travel and lifestyle brand, announced a new partnership with Ripper GC, one of the 13 teams in the LIV Golf League.
- AirAsia MOVE joined Global Travel Leaders as the newest member of its World Travel & Tourism Council.
- AirAsia rewards partnered with SM Advantage Card (one of the biggest loyalty programmes in the Philippines) for a more rewarding experience.

- AirAsia rewards and B Infinite collaborated to enhance member benefits with two-way points conversion.
- AirAsia was named a Top Influential Brand in the Airline category at the 2025 Asia CEO Summit & Awards, reaffirming its status as the largest and most popular foreign carrier in Singapore.



APRIL

- AirAsia Next (previously known as AirAsia brand co.) launched AirAsia Buds on YouTube with 12 weekly episodes to engage children and families through lighthearted episodes of discovery, teamwork and friendship.
- Asia Digital Engineering hosted the Commercial Aircraft Corporation of China (COMAC) at its hangar in Sepang, Selangor, Malaysia.
- Singapore Tourism Board and AirAsia MOVE forged a strategic partnership to elevate travel to Singapore.
- Royal Brunei Airlines embarked on a new journey with AirAsia MOVE.
- AirAsia MOVE introduced *Easy Cancel* for more flexible travel.
- AirAsia MOVE's Ravi Shankar was named a winner at the Malaysian CMO Awards 2024.
- Teleport and Emirates SkyCargo signed a Memorandum of Understanding to combine their global networks through expanded cargo interline operations and block space agreements, among other initiatives, to enhance connectivity for Asean-based businesses.
- Teleport and Ground Team Red launched a new air cargo terminal in Sandakan, Sabah, Malaysia to strengthen cross-border trade capabilities and enhance import-export throughout in Sabah, supporting the state's economic growth.

2025 DIARY OF SIGNIFICANT EVENTS

- Santan launched *Santan Value Combo* from RM6.90 which includes a meal and a drink, improving affordability for guests.
- AirAsia rewards launched BIGGIE troopers, an on-ground team to promote programmes at partner sites.
- AirAsia rewards partnered with Ascott Awards Malaysia to fly members to London to watch a Chelsea FC football match live.



MAY

- Capital A shareholders and RCUIDS holders unanimously approved the Proposed Regularisation Plan comprising capital reduction of up to RM6 billion at an EGM.
- AirAsia ranked 24th Most Valuable Airline Brand Worldwide and 7th Most Valuable Brand in Malaysia in the Brand Finance Malaysia 100 2025 report.
- Asia Digital Engineering was awarded two of the highest international recognitions in the aviation industry – Maintenance Organisation Approval (EASA.145.0967) from EASA and Repair Station Certificate (ADNY458E) from the FAA.
- Santan sales of "The BEST Santan Latte" crossed one million cups, strengthening its position as a provider of café-quality coffee in the sky.
- BigPay offered users double AirAsia rewards points for using Alipay+ at merchants in South Korea.
- AirAsia partnered with local sparkling juice brand, Hausboom, in a first-of-its-kind collaboration to co-create a beverage series inspired by its flight destinations.
- Ground Team Red signed a Memorandum of Understanding with Sapura Aerohandlers and Weststar Aviation Services at LIMA 2025 to launch premium private jet handling services in Malaysia.

2025 DIARY OF SIGNIFICANT EVENTS

JUNE

- AirAsia MOVE strengthened its presence in Thailand with the launch of a new bold tagline – “Travel More for Less” – and symbolic aircraft livery.
- Santan launched Santan Food Guide – an honest guide spotlighting local food gems and authentic flavours of Malaysia.
- BigPay expanded its Alipay+ capabilities to Kazakhstan, Argentina, Mexico, Peru and Colombia.
- AirAsia was named the World’s Best Low-Cost Airline at Skytrax World Airline Awards 2025 for the 16th consecutive year.
- AirAsia unveiled a striking gold aircraft livery to celebrate its 16th consecutive win as the World’s Best Low-Cost Airline at the Skytrax World Airline Awards 2025.
- Ground Team Red and EPIC Berhad forged a strategic partnership to power green aviation operations for solarisation.
- Ground Team Red commenced as the official ground handler for Cambodia Airways at Penang International Airport, Malaysia.



JULY

- AirAsia Allstar Rizal Redzuan tied 5th at the LIV Golf Korea Pro-Am, after being given the opportunity to compete with Ripper GC Captain Cameron Smith and Marc Leishman.
- AirAsia Next (previously known as AirAsia brand co.) organised its third reiteration of RedGames Jam, presenting winners with an all-expenses-paid trip to the 2025 Tokyo Game Show as part of the AirAsia Dream It brand experience.
- Asia Digital Engineering hosted Malaysia’s Deputy Minister of Transport, Datuk Haji Hasbi Bin Haji Habibollah and African heads of mission for an exclusive tour of RedChain and the ADE MRO Hangar.
- Santan opened an outlet at the food hall located in gateway@klia2.
- Santan launched “Kopitiam in the Sky”, becoming the first airline to serve local favourite kaya butter toast onboard, with Zero Teh Tarik.
- Santan released Jumbo Pak Nasser Nasi Lemak, a ready-to-eat concept of its famous inflight nasi lemak, across all ZUS Coffee outlets.
- BigPay Thailand teamed up with Bangkok Expressway and Metro (BEM) on a “Tap and Pay for the Best Value” campaign enabling BigPay payments on its trains.
- BigPay partnered with PayNet on DuitNow QR payments at Lotus’s and gave users chances to win prizes with qualifying spends.



2025 DIARY OF SIGNIFICANT EVENTS

AUGUST

- AirAsia entered the digital space with the official launch of *AirAsia World* on Roblox.
- Asia Digital Engineering hosted a meeting with key industry players for a meaningful dialogue on advancing the aircraft Maintenance, Repair and Overhaul sector in Selangor.
- Teleport and ANAABU™, a Malaysian unisex clothing brand, collaborated on a collection called *PORTALWEAR*, designed for the on-the-go community.
- Santan collaborated with Malaysian content creator Sai to co-create "*Uncle Sai Char Kuey Teow*", which became a Top 5 bestselling inflight meal.
- AirAsia rewards launched a new co-branded AirAsia Platinum Credit Card with RCBC Philippines.
- BigPay partnered with Visa to give users a chance to win a trip for two to the 2025 MAMA Awards in Hong Kong.
- BigPay took part in the RXZ Members 7.0 2025 event in Terengganu, Malaysia, alongside AirAsia and ikhlas.com.
- BigPay enabled cross-border peer-to-peer transfers between Malaysia and Singapore through the BigPay app.
- AirAsia showcased an enhanced cabin crew uniform at the Kuala Lumpur Fashion Week 2025 featuring recycled materials for improved comfort, fit and functionality, complemented by Malaysia-Indonesia regional craftsmanship.
- Ground Team Red commenced official operations as a ground handler for Greater Bay Airways in Langkawi International Airport.



SEPTEMBER

- Asia Digital Engineering signed a long-term agreement with Air France to provide heavy maintenance and aircraft services to the airline.
- Asia Digital Engineering featured as an exhibitor at the MRO Asia Pacific 2025 held in Singapore, showcasing its line/base maintenance and digital services.
- AirAsia MOVE expanded its list of partners to include Air Macau in its flight offerings on the AirAsia MOVE app.
- Teleport and Shipsy announced a tech partnership to integrate a last-mile transport management system into the Teleport Network® to unlock greater real-time, last-mile shipment visibility for Teleport's customers across Southeast Asia.
- Teleport and China Central Longhao Airlines Co. Ltd (Air Central China) signed a Memorandum of Understanding at the Zhengzhou – Kuala Lumpur Air Silk Road Forum for International Cooperation by announcing an interline agreement to enable faster, more seamless cargo transfers across their networks.
- BigPay partnered with CTOS to let users check their credit scores directly on the BigPay app.
- BigPay won CleverTap's Customer Lifecycle Pioneers award at The Big Leap event.
- Ground Team Red participated in the Zhengzhou – Kuala Lumpur Air Silk Road Forum together with other key aviation players.



2025 DIARY OF SIGNIFICANT EVENTS

OCTOBER

- Capital A partnered with Ant International to optimise treasury operations and enhance customer experience for its airline business, AirAsia.
- Capital A Group CFO, Teh Mun Hui, was named one of the Most Powerful Women Asia by Fortune.
- AirAsia's Sonic The Hedgehog aircraft completed a new redesigned interior featuring SEGA's *Sonic Racing: CrossWorlds* and *Sonic Rumble* designs.
- Capital A and AirAsia X announced a key Thai regulatory condition waiver for airline consolidation, signalling imminent restructuring completion.
- Capital A announced that all conditions required for the disposal of its airline business have been met.
- Asia Digital Engineering participated in MRO Europe, London connecting with partners, airlines and industry peers to exchange insights and explore opportunities in fleet maintenance and engineering.
- Teleport and Ground Team Red jointly pledged to uphold integrity and reject any form of corruption across their air logistics operations via an Anti-Corruption Awareness and Corruption-Free pledge ceremony, co-organised by the Malaysian Anti-Corruption Commission (MACC) in Putrajaya, Malaysia.
- BigPay Lite became MOVEPay, an all-in-one wallet available on AirAsia MOVE.
- AirAsia was named Asia's Leading Low-Cost Airline for the 13th time and Asia's Leading Low-Cost Airline Cabin Crew for the ninth consecutive year at the World Travel Awards Asia and Oceania 2025.
- AirAsia announced an official partnership with HYROX APAC as the Official Regional Airline Partner and Title Partner for HYROX Osaka in 2026.



NOVEMBER

- Capital A signed a Letter of Intent with the Ministry of Transportation and Telecommunications of Bahrain to explore establishing Bahrain as AirAsia's Middle East hub.
- Capital A confirmed the Entitlement Date for the distribution of new ordinary shares in AirAsia X to eligible shareholders, a key step in its strategic restructuring plan.
- Asia Digital Engineering completed its first C-Check for an Air France Airbus A330-200 aircraft.
- Asia Digital Engineering completed a software update for 96 AirAsia Airbus A320 aircraft within 25 hours, in compliance with the European Union Aviation Safety Agency (EASA) airworthiness directive.
- AirAsia MOVE added Vietjet Air's inventory to its platform through partnership with GalaxyJoy.
- Teleport and Etihad Cargo deepened their partnership with the deployment of a new freighter from Phnom Penh, Cambodia, to Abu Dhabi, strengthening Etihad Cargo's reach in Southeast Asia.
- AirAsia rewards set sail in partnership with Arriva to launch a new cruise booking platform.
- AirAsia rewards members can now earn AirAsia points at all merchants in Sungei Wang Plaza, Bukit Bintang, Malaysia.
- AirAsia rewards and Amanah Saham Nasional Berhad (ASNB) collaborated to reward Malaysians with five million AirAsia rewards points and exciting holiday prizes.
- AirAsia was honoured with the Future Travel Experience (FTE) APAC Airline Pioneer Award 2025 in recognition of its leadership in transforming the end-to-end travel experience through digital innovation, operational excellence and the dedication of its Allstars.
- Ground Team Red won the Gold Class 1 Award for outstanding Occupational Safety and Health performance at the 2025 Malaysian Occupational Safety & Health Awards.
- Ground Team Red CEO, Musdalifa Abdullah, was honoured with the President's Award at the 2025 Malaysian Occupational Safety & Health Awards.

2025 DIARY OF SIGNIFICANT EVENTS



DECEMBER

- The High Court of Malaya confirmed Capital A's share capital reduction by RM2,741,538,641.04 as part of the distribution to AirAsia X shareholders.
- Capital A and Standard Chartered Bank Malaysia Berhad signed a Letter of Intent to jointly explore the development and testing of a Ringgit-denominated stablecoin through the Digital Asset Innovation Hub under Bank Negara Malaysia.
- Asia Digital Engineering CEO, Mahesh Kumar, was named Executive of the Year (Aerospace) at the Malaysia Management Excellence Awards 2025.
- AirAsia MOVE became the first Asean-born online travel agent to win Asia's Best Travel Booking App for three consecutive years.
- AirAsia MOVE closed 2025 with three major global airline partnerships, making Ethiopian Airlines, Vietjet Air and Garuda Indonesia flights available for booking on the app.
- Teleport was appointed the Exclusive General Sales Agent for China Central Longhao Airlines Co. Ltd (Air Central China) to commercially manage its Chennai and Delhi stations in India.
- Santan launched *Santan Food Souvenir*, offering Malatang Spicy Hotpot Noodles, Seafood & Prawn Vermicelli Soup Noodles for purchase inflight and on ecommerce websites.
- Santan was recognised as the Industry Champion of The Year at the Asia Corporate Excellence & Sustainability Awards (ACES) 2025.

- Santan CEO, Catherine Goh, was named one of Asia's Most Admirable Young Leaders for transforming Santan from an inflight meal provider into a regional food service leader.
- BigPay partnered with Visa and Malaysian content creators Mimi Lana, Iris Leona and Ashy Edwards on a travel campaign that gave users a chance to win free flights.
- AirAsia Group of Airlines secured a remarkable triple win at the World Travel Awards Grand Final 2025, reaffirming its position as one of the world's leading and most influential low-cost aviation brands.



GROUP CHAIRMAN AND CEO'S STATEMENT



Dear Shareholders

2025 for Capital A was a year of extremes. We are used to rollercoaster rides, but this one presented us with exceptional highs and lows. It was certainly exciting, at some points heart-stopping. But we persevered with our restructuring and our regularisation plan, having set the clear goal of extricating the Group from Practice Note 17 (PN17) status. And it is with great relief to share that we ended the year on a very positive note, within arm's reach of the total reset we envision for Capital A.

On 3 December 2025, we divested AirAsia to its sister airline, AirAsia X Berhad (AAX). The divestment was subsequently completed on 16 January 2026 with the allotment and issuance to Capital A and our entitled shareholders of 2,307,692,307 new AAX shares, together with AAX's assumption of a RM3.8 billion debt previously owed by Capital A to AirAsia Berhad.

This was truly an emotional moment for us as it marked the culmination of six years of being under PN17 status due to Covid and four years of working in excruciating detail on disposing of our aviation business together with a regularisation plan to emerge from the impacts of the pandemic, specifically PN17. The plan was anchored on four components: one, disposal of AirAsia Aviation Group Limited (AAAGL) and AirAsia Berhad to AAX; two, the transfer of our AirAsia Berhad debt to AAX; three, receiving AAX shares and distributing these to our shareholders; and four, a reduction in our share capital to offset Capital A's accumulated losses and rationalise our balance sheet.



From left:

◀
**Datuk Kamarudin
 Bin Meranun**
*Non-Independent
 Executive Chairman*

◀
**Tan Sri Anthony
 Francis Fernandes**
*Non-Independent
 Executive Director
 and Chief Executive Officer*

Through the disposal of the aviation business, we have created two distinct and very focused companies that are ready to take off: AirAsia X, now inclusive of AirAsia, comprising both short-haul and long-haul airline operations; and Capital A, made up of five companies we started and grew during Covid to monetise our extensive AirAsia data and leverage our digital infrastructure. These are Asia Digital Engineering (ADE), our maintenance, repair and overhaul (MRO) company; Teleport, known for faster, cheaper and better logistics; AirAsia MOVE, our community-focused online travel agency (OTA); AirAsia Next, a branding and intellectual property (IP) specialist; and Santan, which is all about Asean food.

It was poignant to let go of the airline. How could it not be, as it all started in 2001 with this fledgling low-cost airline that defied sceptics to become Asia's biggest and the world's best low-cost airline 16 years in a row. Nevertheless, as a result of our restructuring, that story is about to enter a very exciting new chapter. The possibilities of creating skybridges across the world have just got bigger and more clearly defined, not only with the enlarged AirAsia Group fleet of narrow and widebody aircraft, but also the development of super-efficient engines that will allow narrowbody planes to fly farther and cheaper. AirAsia Group is set to become the Emirates of highly connected global low-cost air travel based in Asean but with hubs in the Middle East and elsewhere.

REVENUE

**RM18.4
 BILLION**

2024: RM20.3 billion

EBITDA

**RM14.0
 BILLION**

2024: RM2.7 billion

GROUP CHAIRMAN AND CEO'S STATEMENT



Meanwhile, technology-driven and asset-light, our five Capital A companies can now channel their resources single-mindedly into accelerating the momentum of growth already achieved under the guidance of their young and dynamic CEOs.

Starting AirAsia fresh in 2001 was challenging in its own way. Rebuilding the airline with over 200 aircraft and 21,000 Allstars post-pandemic has been infinitely more so. Especially as we were also growing our other businesses. Yet, we've done it! As always, we would like to stress, it would not have been possible without the unwavering support of our Allstars. One of our proudest moments was to bring back every single Allstar who wished to return. Today, we salute them for their passion and perseverance.

But we're not completely out of the woods. Capital A is still weighed down by PN17 and AirAsia still has aircraft waiting in the wings to be operationalised. Once we are rid of these final vestiges of Covid, our focus will no longer be distracted and we will turbo-charge our growth to achieve our Asean and, ultimately, global ambition.

Completion of our Regularisation Plan

Last year, we mentioned being overjoyed by Bursa Malaysia Securities' approval of our regularisation plan on 7 March 2025. At the time, we thought the plan would unfold smoothly and we would be out of PN17 within the year. In reality, the exercise was complex and required extensive regulatory approvals across multiple jurisdictions. It also had to meet the expectations of our debtors and lessors.

After Bursa Malaysia approved our regularisation plan, we obtained our shareholders' go ahead at an Extraordinary General Meeting held on 7 May 2025. The plan finally received the High Court's approval on 21 January 2026.

Concurrently, we worked closely with AAX on the airline disposal. Based on progress made, we fixed the entitlement date for the distribution of AAX shares to our shareholders for 3 December 2025. This was followed by the High Court approving our capital reduction to enable the share distribution on 8 December. Meanwhile, AAX had to find an innovative solution to overcome regulatory requirements regarding the takeover of AirAsia Thailand (TAA) as it involved a change in the indirect ownership of Asia Aviation PCL (AAV), the listed company that owns TAA. It also took some fine-tuning to finalise the terms of an RM1 billion private placement exercise to support the acquisition. Finally, there were documentation delays on the side of AAX's identified investors. Once this was completed, AAX went full steam ahead to acquire our aviation business, as noted, on 16 January 2026. Subsequently, on 21 January, the High Court approved our second capital reduction (of RM5,507,594,000). Finally, with the lodgement of the sealed High Court order confirming our capital reduction on 23 January, we officially completed our regularisation plan.

As a result of this mammoth exercise, Capital A shareholders have received approximately 386 AAX shares for every 1,000 Capital A shares, allowing them to maintain exposure to a more efficient, consolidated airline group. At the same time, they will benefit from the unlocking of Capital A's intrinsic value, now that the asset-light, debt-free specialised tech and maintenance powerhouse is about to exit PN17 status.

A Capital Portfolio of Companies

We've said time and again that adversity brings opportunities; and Covid was no different. The five companies in Capital A already existed in some form or other before the pandemic. Covid, however, accelerated their development as each provided a new, diversified source of income for the Group.

Infused with the same DNA as AirAsia, these tech-driven companies offer quality, inclusivity and efficiency, as well as great value. They are also in high-growth areas and have evolved exponentially over the last six years. Recognising their potential, we carved each into its own company with the objective of seeing all mature into independent global businesses disrupting the markets they are in.

Most encouragingly, the five companies have cumulatively been recording a profit after tax for five consecutive quarters.

Demand for MRO services keeps growing and will continue to skyrocket, especially in Asia, the fastest-expanding aviation region. Although there are bigger players around, ADE fully leverages blockchain, machine learning and AI to be faster, cheaper and smarter than the rest. It also has an edge in terms of manpower. Soon to open its own training centre, it will train its engineers in-house, saving cost and time while ensuring a robust talent pipeline for the future. It was very uplifting to see an Air France A330 aircraft in ADE's hangar in October, following an agreement signed with the French airline. ADE is the only MRO in Asia to have won Air France's confidence in conducting heavy maintenance checks and aircraft modification services. This recognition is worth more than years' of operations.

Teleport became the world's first logistics company with minimal assets as it was able to use AirAsia's belly space to transport cargo. Along with rapid growth – it is now the ninth largest logistics company in Asia by tonnage moved by air – it has expanded its capacity with three dedicated freighters. These aircraft, combined with a partner network of over 55 airlines, enable Teleport to offer integrated eCommerce logistics solutions to customers across Asia Pacific and beyond. Its asset-light model also allows Teleport to offer eCommerce services at a fraction of conventional costs, providing great value for startups and entrepreneurs. Now, not only can everyone fly, everyone can also sell.

AirAsia MOVE is perhaps our best investment to date because, in fact, it involves no investment. MOVE was created by taking our airline website and turning it into an OTA. Although there were some teething problems with the transition, these have been ironed out, as reflected in MOVE's fourth quarter results. In hindsight, the creation of an OTA was timely as more and more travellers are booking their flights through these aggregators and not directly with airlines. Amid stiff competition, MOVE is supported by exceptional branding and extensive use of AI/data, as well as strong community focus that will help to create unique experiences, positioning it in a league of its own.

From very early on, we realised we were onto something special with our inflight food. No other airline had the equivalent of Pak Nasser's Nasi Lemak or Uncle Chin's Chicken Rice which quickly became household names. That prompted us to brand our food as Santan, with the idea of eventually developing it into an independent F&B business. This is precisely what has happened. In 2025, the team started laying the groundwork to create an extensive portfolio of fast-food items and snacks under the Santan label to be made available in partner F&B and retail outlets as ready-to-eat and on-the-go meals.

“ The five companies have cumulatively been recording a profit after tax for five consecutive quarters. ”

AirAsia Next is a rebrand of AirAsia brand co. (Abc.) which continues to focus on branding and licensing and will soon include our fintech BigPay and loyalty programme AirAsia rewards in its fold. Its strength lies in the USD1.92 billion AirAsia brand, which is not just an airline brand, but a way of life. It stands for being inclusive, innovative, value-driven and fun. We plan to license this brand to third parties so they get the name together with our technology, our database, our loyalty programme, our learning schools as well as our fintech systems – in other words, an entire ecosystem to support their growth. Like MOVE, this will involve zero capital outlay. Our licensees will provide the capital and run the show, while we provide the brand, the culture and know-how.

Flying Into a New Era

While the overarching focus in 2025 was the divestment of our airline, we continued to build AirAsia and focused intently on bringing as many aircraft as possible back into service from hibernation. At the same time, we laid the groundwork for the expanded AirAsia Group's development into the world's first low-cost network carrier. With both narrowbody and widebody aircraft in its fleet now, the Group is ready to cover a vastly extended geographical footprint by setting up hubs in strategic locations. In November 2025, we signed a Letter of Intent to establish Bahrain as the first such hub outside Asean. The idea is to connect our core markets in Malaysia, Thailand, Indonesia, the Philippines and Cambodia to Bahrain, with onward connectivity to Europe, Africa and the United States.

When we started AirAsia in Malaysia, it was revolutionary because no-one had successfully operated a low-cost carrier in Asean. Today, AirAsia is revolutionising air travel once again, by building the world's first truly global, multi-hub low-cost network.

Key to making this vision feasible are the newly developed Airbus A321LR and A321XLR (long-range and extra long-range) aircraft. Being narrowbody, these planes are significantly easier to fill than the widebody aircraft conventionally used on long-haul routes. AirAsia can therefore fly with full loads at increased frequencies, making long routes more cost-effective. The fantastic news is the airline will be receiving four A321LRs in 2026 with more to come later. Furthermore, in July 2025, we signed a Memorandum of Understanding with Airbus for 50 A321XLRs with rights for an additional 20 A321XLRs. AirAsia will welcome the first of these aircraft in 2028, with the rest to be delivered through to 2032.

GROUP CHAIRMAN AND CEO'S STATEMENT

Financial Performance

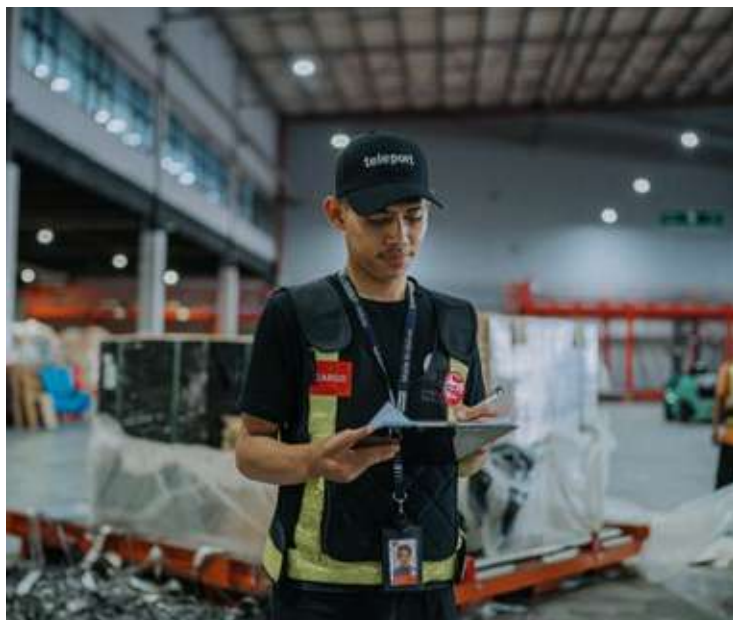
The most significant financial result for the year was being restored to positive equity, of RM921 million, from the airline disposal. Beyond this reset, our results demonstrate steady growth. For the full year, we achieved RM18.4 billion in revenue, which is very encouraging given that our 2025 figures include only 11 months' performance by AirAsia following its divestment. Our earnings before income tax, depreciation and amortisation (EBITDA) stood at RM14 billion (2024: RM2.7 billion) while our net operating profit (NOP) was RM12.3 billion.

Although the aviation business recorded a slight decrease in revenue to RM16.8 billion, this was due to the 11-month revenue recognition and a tourism slowdown in Thailand due to safety concerns. AirAsia's operations in Indonesia and Cambodia performed particularly well, recording operational profits from the third quarter onwards and we expect the Philippines to turn around soon.

Our non-aviation businesses performed very well to record a cumulative revenue of RM3.18 billion, up 13% YoY, together with an EBITDA of RM11.8 billion and NOP of RM11.5 billion, attributable to the gain on disposal of subsidiaries amounting to RM11.3 billion.

Leveraging capacity growth, ADE's revenue increased by 25% to RM894 million along with more maintenance checks and an enlarged third-party customer base. It also ended the year with improved EBITDA and NOP of RM205 million and RM93.5 million, reflecting scale benefits and enhanced financial efficiency.

Following the launch of a B2B platform and expanded airline partnerships, AirAsia MOVE's performance improved significantly in the fourth quarter, with revenue tripling QoQ and doubling YoY. For the full year, revenue exceeded RM485 million while EBITDA was RM84 million and NOP RM65 million, leading to a PBT of nearly RM53 million.



Teleport's cargo volume hit a record 347,885 tonnes, 18% higher YoY, while the number of parcels moved almost doubled to 167 million, contributing to an 14% increase in revenue to RM1.2 billion. Significantly, it turned around a net loss of RM21 million into a net operating profit with strict cost and margin discipline as well as successful refinancing of a Deutsche Bank loan.

Despite the internal restructuring, AirAsia Next saw its EBITDA and NOP come in at RM118 million and RM95 million. While preparing for business expansion in 2026, Santan achieved an 8% increase in revenue to RM208 million while EBITDA increased 27% to RM14.5 million and NOP improved steadily to RM9.7 million. Its PBT margin was also healthy at 4.5% with PBT coming in at RM9.4 million.

Sustainability

As we build an aviation and travel ecosystem that serves everyone, sustainability remains integral to our long-term strategy. In 2025, we leveraged the ASEAN-EASA workshop on operational efficiencies to build on our sustainable aviation advocacy and secured a milestone Memorandum of Understanding with the Civil Aviation Authority of Thailand (CAAT) to advance the adoption of sustainable aviation fuel (SAF).

At the same time, to promote transparency, we are creating visibility of guests' carbon footprint by disclosing the average emissions per seat for every flight on the AirAsia MOVE app, thereby empowering our guests to make informed travel decisions. On the tarmac, we continue to introduce increasingly innovative systems, this year piloting the Aerowash exterior dry-cleaning technology—a forward-thinking initiative that drastically reduces our water consumption while improving aircraft aerodynamics and fuel efficiency.

In 2025, we leveraged the ASEAN-EASA workshop on operational efficiencies to build on our sustainable aviation advocacy and secured a milestone Memorandum of Understanding with the Civil Aviation Authority of Thailand (CAAT) to advance the adoption of sustainable aviation fuel (SAF).

Within the workplace, we always look for ways to further enhance gender equality and diversity more broadly. This saw AirAsia become a signatory to the UN Women and UN Global Compact's Women's Empowerment Principles as of May 2025. Demonstrating a deep-seated respect for the diverse cultures that represent the Group, as well as the communities we serve, we also introduced a more inclusive cabin crew uniform policy that provides a hijab option for female Allstars.

Foundational efforts such as these underpin our position as a global leader in aviation sustainability. We are proud to share that AirAsia ranks among the top five airlines globally in the latest benchmarked FTSE Russell ESG ratings. We also achieved a 45% score in the S&P Global Corporate Sustainability Assessment, surpassing the global airline industry average; earned a perfect 10 score in the 42kft.com global environmental audit; and were named among the top three low-cost carriers in AirlineRatings.com's inaugural sustainability awards.

Amid our massive corporate restructuring, we look forward to building on this strong foundation. By prioritising both good governance, environmental stewardship and social equity, we will ensure our business remains highly resilient, creating long-lasting value for our guests, our Allstars and all our stakeholders for years to come.

Outlook

Taking the rollercoaster year 2025 as a whole, we are very pleased with what we've achieved. Our focus was clear: to complete Capital A's restructuring and our regularisation plan with the ultimate objective of exiting PN17. We have achieved the first two goals. Now, we are awaiting Bursa Malaysia's response to our application for PN17 to be lifted. Meanwhile, without the regularisation plan consuming all our energy, we are 100% focused on growing our five businesses. We have even appointed a new Deputy CEO, Effendy Shahul Hamid, who has extensive digital banking and financial services experience to provide his expertise in this regard.

The US-Israel war on Iran has significant economic repercussions, which will necessarily have a trickle-down impact on Capital A. We are therefore keeping a close eye on developments and will take all precautionary measures to protect our businesses.

We have intensified our focus on operational discipline through group-wide cost-optimisation initiatives. To mitigate rising input costs, we have implemented dynamic pricing and surcharge adjustments. Simultaneously, we are leveraging AI and advanced data analytics to drive precision marketing and product bundling.

Separately, ADE has plans to expand into Thailand and the Philippines and is finalising a USD100 million debt facility to strengthen its capital base for this purpose. Teleport, meanwhile, raised USD50 million in pre-IPO growth capital from HPS Investment Partners in January 2026, placing it on a strong footing to accelerate its growth momentum in 2026 and beyond.

MOVE is leveraging user-generated content to create a community platform that will attract higher-intent users. It is also further advancing its technology to launch more user-attractive features such as a virtual concierge. AirAsia Next will be launching licensing ventures which will bear the signature AirAsia DNA of inclusivity, innovation and value. It is also building an integrated ecosystem for its licensees including a fintech and loyalty platform. The long-term goal for Santan is to take Asean food global. In 2026 itself, the team will build Santan's presence on the ground through grab & go opportunities in partnership with retail outlets while also setting up distribution points for guests to purchase Santan before and after their flights.

In other words, the future holds great potential for Capital A and our companies. We are now working on various listings to tap the market for capital that would significantly help each company realise its true value. We have revived plans for a listing on Nasdaq for AirAsia Next and hope to be able to provide more updates soon. ADE and Teleport will follow suit.

The plan is eventually to list all the companies so they can continue to chart their own growth independently of Capital A while drawing synergies from this amazing ecosystem.

It's been a very challenging few years since Covid, but we've come through relatively unscathed once more. Words cannot describe how excited we are, soon, to be finally rid of PN17. We have saved an airline that makes millions of dreams come true. We have placed five companies on an assured growth trajectory. And, through succession planning, we have an excellent team of leaders who are ready to write the next chapter of Capital A once we take our curtain call. This may be just a little while yet. But the stage is set. And our companies are ready to soar.

OUR BUSINESS MODEL

We leverage our capitals to create short, mid and long-term value for Capital A and our stakeholders as we continue to grow and evolve. All lines of business (LOBs) within the Group have adopted the AirAsia model of innovation-led efficiencies leading to inclusive, affordable and quality service along with an elevated customer experience.

INPUTS → OUR BUSINESSES

FINANCIAL CAPITAL

The funds that support our operational expenses and business growth, including shareholders' equity, borrowings as well as retained earnings.



- Offers data-driven engineering & MRO services and the AEROTRADE® B2B marketplace

MANUFACTURED CAPITAL

Physical assets owned or used across the Group, from our aircraft, freighters, hangars, cargo terminals and warehouses, to headquarters and stations across the region. We also have food hubs where Santan's menu is prepared.



- Provides airport-to-airport cargo solutions using a network of passenger and freighter aircraft, customisable end-to-end last-mile cross-border delivery services, and next-day, door-to-door cross-border parcel delivery service.

INTELLECTUAL CAPITAL

Our intangible assets, including the ~USD2 billion AirAsia brand plus all Capital A business brands, our data base, AirAsia MOVE app, proprietary innovations (ADE's AEROTRADE® and ELEVADE™), loyalty programme, fintech, organisational and governance systems, risk management processes, sustainability leadership and more.



- A comprehensive travel and lifestyle ecosystems specialising in community-based value travel on ~700 airlines, accommodation in over a million hotels, airport transfers, travel insurance, duty-free shopping, ticketing for attractions, live events and more.

HUMAN CAPITAL

The capabilities and passion of 9,225 Allstars who have driven our restructuring and business growth; as well as the Boards of Directors across Capital A and subsidiary companies.



- Branding and IP specialist focused on licensing the AirAsia brand in a complete ecosystem including a loyalty programme and fintech payments

SOCIAL & RELATIONSHIP CAPITAL

All our stakeholders – guests/customers, business partners, suppliers, investors, regulators, AirAsia Foundation grantees, local communities – as well as the strength of our relationships with them.



- Inflight caterer turned B2B food business delivering to retail outlets, hotels, hospitals and corporate offices

NATURAL CAPITAL

Natural resources used, such as jet fuel, oil, diesel, water, paper and other raw materials in packaging, food, etc.



- AirAsia airline (which was divested at year end)
- Ground-handling services

SUPPORTED BY

Good governance

Robust safety & risk management

ESG principles

→ OUTPUTS IN 2025

Asia Digital Engineering (ADE)

- 87 C-checks, contributing to total of 280 C-checks to date
- 28,473 repairs, including NDT inspections, component overhauls and sheet metal repairs
- Handled 10,000 monthly transits across 20 airports in Asean

Teleport

- Moved 347,885 tonnes of cargo and 167 million parcels, 18% and 99% higher YoY, respectively
- 14% increase in revenue YoY to RM1.2 billion
- 32% increase in eCommerce revenue to RM425 million

AirAsia MOVE

- Onboarded six new airline partners with direct ticketing authority
- Achieved average ancillary attach rate of 62%
- Increased total hotel bookings by 24.5% YoY
- Grew Duty-Free GMV 603% YoY with prebook revenue increasing by 25%
- Improved overall NPS by 5 points

AirAsia Next

- Partnered SEGA on multiple brand activations
- Launched AirAsia Buds Adventures animated series on YouTube
- AirAsia stepped up Asean presence through Roblox via "AirAsia World"

Santan

- Served 19 million inflight meals, 7% YoY growth
- Achieved RM208 million revenue, 8% YoY growth
- Non-AirAsia business represents 10% of total revenue
- Developed Grab & Go and FMCG lines

Aviation*

- Six more aircraft reactivated
- Flew total of 58.3 million guests
- Achieved load factor of 84%
- Total ancillary income reached RM3.2 billion, at RM52 per pax
- Launched over 30 new routes across Asean
- GTR handled over 25 million passengers and close to 160,000 tonnes of cargo

* Operating statistics for the period between 1 January to 3 December 2025, in accordance with the completion of the disposal of aviation business to AirAsia X

→ OUTCOMES

ECONOMIC

- Achieved RM12.3 billion in NOP which was distributed through:
 - RM10.9 million in taxes
 - RM2.6 billion in salaries

ENVIRONMENTAL

- Total GHG emissions (Scopes 1-3): 7,010,807 tCO₂e (2024: 6,597,092 tCO₂e)
- Carbon intensity ratio: 62.9 gCO₂/ASK; 76.3 gCO₂/RPK (2024: 63.7 gCO₂/ASK; 72.3 gCO₂/RPK)
- Non-renewable electricity purchased: 21,067 MWh (2024: 18,146 MWh)
- Non-hazardous waste generated: 2,495 tonnes (2024: 1,714 tonnes)
- Recycled 40,980 kg of office waste (2024: 30,866 kg)
- Water consumption: 170,942 m³ (2024: 107,033 m³)

SOCIAL

- 17% women on the Board; 19% in leadership
- 8.3% female pilots
- 912 Allstar volunteering hours
- 21.8% expenditure on local suppliers
- Maintained 7/7 Stars Safety Rating
- RM196,760 disbursed to support growth and expansion of social enterprises in Asean through AirAsia Foundation
- RM1,009,590 in contributions for uplifting and empowering communities in Asean

GOVERNANCE

- 100% new Allstars completed training on the Code of Conduct & ABAC Policy
- Zero confirmed incidents of bribery and corruption
- 6,739 Allstars completed anti-harassment training
- 4,255 Allstars completed anti-trafficking e-learning module

STAKEHOLDER ENGAGEMENT

Our stakeholders are crucial to our success, possessing a significant interest in and directly impacting and influencing, our business. We ensure that all stakeholders' concerns, interests and expectations are consistently addressed through regular, proactive communication across multiple platforms.

BOARD OF DIRECTORS

Engagement Channels:

- Board meetings
- Annual General Meetings
- Corporate events
- Extraordinary General Meetings

Areas of Interest:

- Financial performance
- Corporate governance (CG) & strategies
- Business development & partnerships
- Human capital management
- Sustainability practices

How We Respond:

- Focus on enhancing our branding and expanding lines of business
- Adopt sustainable practices

EMPLOYEES (ALLSTARS)

Engagement Channels:

- Workvivo
- Employee appraisals
- Community engagement
- Online surveys
- Townhalls
- Cultural, sports, well-being & appreciation events
- Open office layout

Areas of Interest:

- Diversity, inclusion & equal opportunity
- Corporate CG practices
- Training & career development
- Work-life balance
- Financial performance
- Fair remuneration & compensation
- Security, safety & welfare
- Mental health support system

How We Respond:

- Foster inclusivity and positive relationships through employee engagement programmes
- Provide frequent updates on the Group's performance and changes in policies and procedures
- Provide training and skills enhancement opportunities
- Ensure fair compensation
- Provide safe and healthy working environment
- Daycare centre/creche and lactation room

BUSINESS PARTNERS

Engagement Channels:

- Regular meetings
- Financial institutions & aircraft investor credit roadshows
- Workshops & seminars
- Global aviation finance conferences
- Technical support based in RedQ
- Commercial support with GE based in KL & Airbus based in Singapore

Areas of Interest:

- Agreeable terms and contracts
- Service delivery and cost
- Risk management
- Regulatory compliance

How We Respond:

- Strengthen partnerships with agreeable terms and contracts

CUSTOMERS (GUESTS)

Engagement Channels:

- Continuous customer satisfaction surveys
- Online submissions
- Customer support live chat
- Social media
- Messenger channels
- AirAsia sales offices, travel & service centres

Areas of Interest:

- Customer experience
- Process efficiency
- Competitive pricing & experience throughout physical/digital journey
- Data privacy & security
- Safety & well-being
- Loyalty rewards

How We Respond:

- Provide fast and prompt response to customer requests
- Continue to increase customer satisfaction through process efficiency
- Protect customers' data as well as their health and safety
- Responsible marketing and communications

INVESTORS

Engagement Channels:

- Investor meetings & conference calls
- Annual General Meetings & Extraordinary General Meetings
- Investor Relations website
- Investor briefings by Senior Management
- Annual Reports

Areas of Interest:

- Financial performance
- CG practices
- Long-term business strategy
- Brand management
- Operational performance
- Occupational health & safety
- Customer relationship management
- Innovative initiatives
- EES management

How We Respond:

- Actively communicate with investors
- Provide timely updates on business performance & strategies
- Focus on enhancing our branding and expanding lines of business
- Ensure safe & healthy working environment
- Adopt sustainable practices

STAKEHOLDER ENGAGEMENT

MARKET ANALYSTS

Engagement Channels:

- Analyst briefings, meetings & conference calls
- Media interviews & releases
- Investor Relations website
- Annual Reports

Areas of Interest:

- Financial performance
- CG practices
- Long-term business strategy
- Brand management
- Operational performance
- Guest experience
- Environmental management
- Data privacy & security

How We Respond:

- Continued engagement with analysts
- Timely updates on business performance & strategies
- Focus on enhancing our branding and expanding lines of business
- Sustainability practices

REGULATORS/GOVERNMENTAL BODIES

Engagement Channels:

- Regular dialogue through face-to-face meetings & official correspondence
- Parliamentary sessions
- Formal meetings with government officials initiated by Capital A
- Tours and familiarisation visits to Capital A premises

Areas of Interest:

- CG practices
- Policy & regulatory compliance
- Risk & crisis management
- Data privacy & security
- EES management

How We Respond:

- Engage closely with regulators and governmental bodies
- Announce or report relevant information in a timely manner
- Maintain standards and certifications

SOCIAL ENTERPRISES

Engagement Channels:

- Corporate community programmes
- Funding of social enterprises through AirAsia Foundation
- Regular dialogue
- Events

Areas of Interest:

- Ethics & integrity
- Innovation
- Job creation
- Economic development

How We Respond:

- Create support system for social enterprises
- Actively communicate with social entrepreneurs
- Increase employability and job creation

SUPPLIERS

Engagement Channels:

- Regular dialogue and reviews
- One-to-one meetings

Areas of Interest:

- Agreeable terms & contracts
 - Service efficiency, value, delivery & cost
 - Health & safety
-

How We Respond:

- Ensure consistent communication with suppliers on contracts and Supplier Code of Conduct
- Compliance with required policies
- Provide safe and healthy workplace

LOCAL COMMUNITIES

Engagement Channels:

- Community development programmes
- Corporate social responsibility initiatives
- Partnerships and employee volunteerism
- Websites and social media platforms

Areas of Interest:

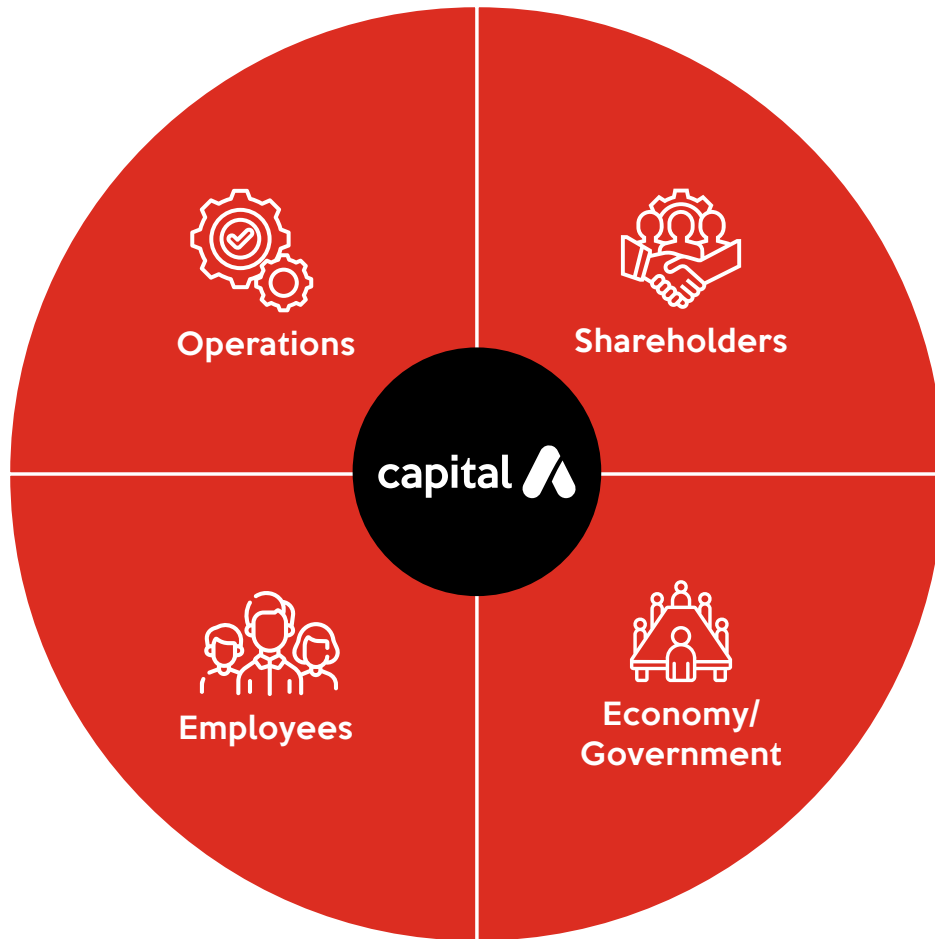
- Community engagement
 - Rural development & empowerment
 - Environmental and social impacts
-

How We Respond:

- Undertake empowerment programmes, volunteerism and donations
- Provide humanitarian assistance and post-disaster relief

HOW WE DISTRIBUTE VALUE CREATED

We deliver value to our stakeholders in the form of financial and other intangible benefits.



Shareholders

We successfully executed a dividend-in-specie distribution of AirAsia X shares, providing shareholders with direct ownership in the aviation business following its strategic disposal.

Economy/Government

A total of RM10.9 million in taxes was paid, contributing to economic development.

Operations

Focused on optimising operational efficiencies and sustaining our growth strategies, we generated RM5.6 billion in net cash from operating activities.

Employees

Our Allstars remained a priority, with RM2.6 billion allocated to salaries and rewards.

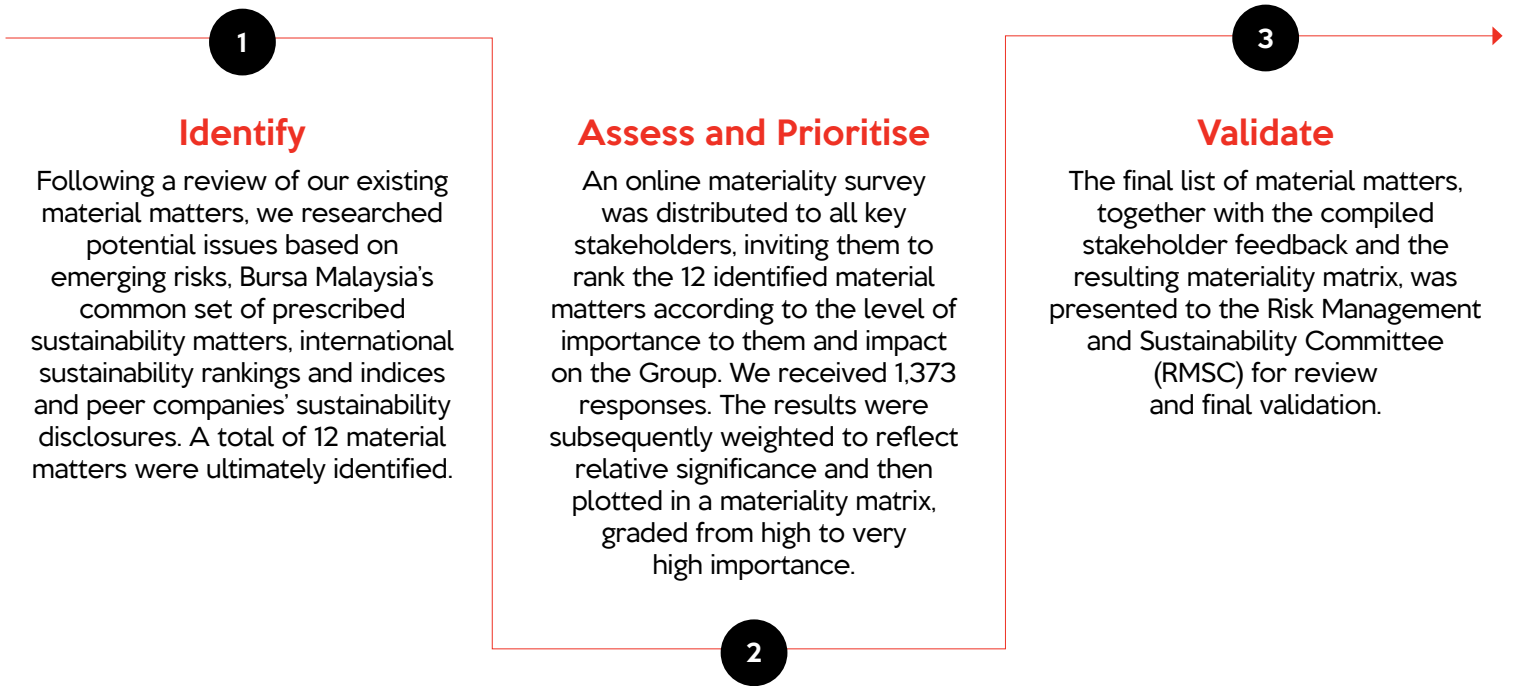
STRATEGIC REVIEW

MATERIAL MATTERS

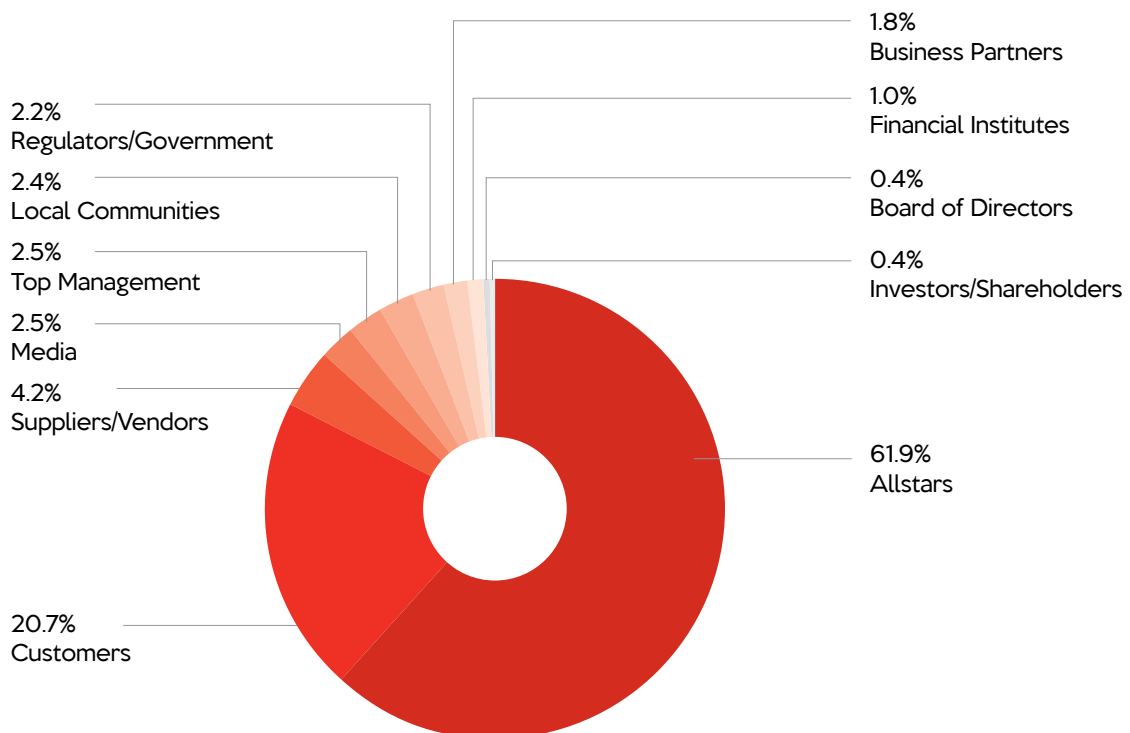
Materiality assessments are fundamental to our sustainability strategy, enabling us to identify sustainability-related and climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects. To ensure these matters remain relevant amid evolving market trends and regulatory shifts, we conduct a formal materiality review at least biannually, or upon the occurrence of significant events or changes in circumstances. This dynamic process ensures our disclosures remain decision-useful for primary users and enhances our ability to proactively manage our strategic resilience.

Materiality Assessment

In 2025, we embarked on a high-level materiality refresh to evaluate the continued relevance of our EES topics within the current dynamic landscape. This refresh was conducted based on Bursa Malaysia's Materiality Assessment Toolkit, following these steps:

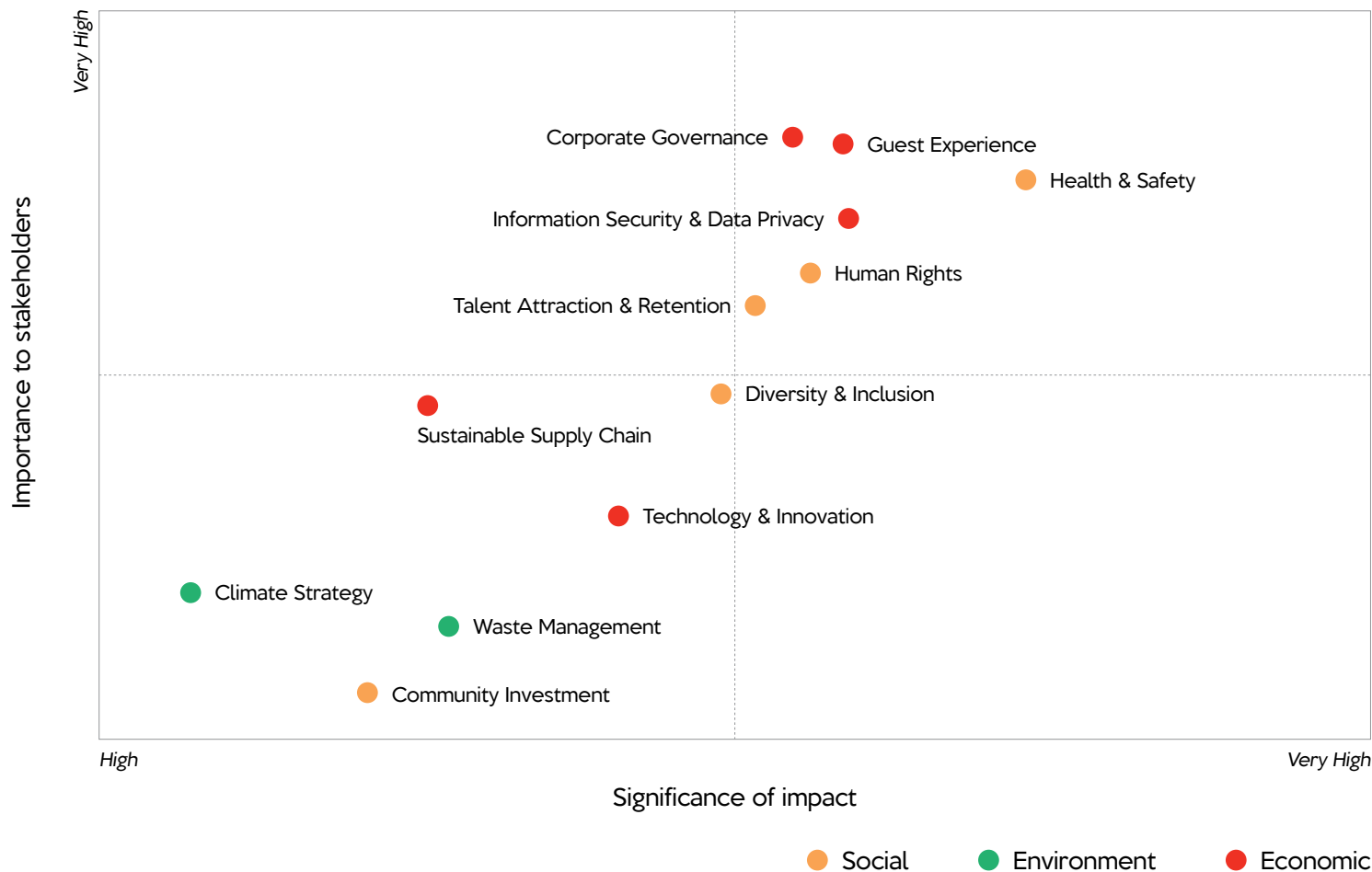


Stakeholder Feedback Profile



STRATEGIC REVIEW MATERIAL MATTERS

Materiality Matrix



Notes:

In line with Bursa Malaysia’s enhanced sustainability reporting requirements under the Listing Requirements on common material matters:

1. “Anti-Corruption” is covered under “Corporate Governance”
2. “Energy Management” and “Water” are managed under “Climate Strategy”
3. “Labour Practices and Standards” is managed under “Diversity & Inclusion” and “Human Rights”

While fundamentals such as Occupational Health & Safety and Guest Experience remain at the core of our operations, our 2025 materiality assessment reveals a strategic evolution in broader stakeholder expectations. Specifically, three material matters have seen a significant upward shift in prioritisation:

- Corporate Governance & Financial Resilience:**
 Post-recovery dynamics have amplified stakeholder demands for heightened financial transparency and corporate accountability. There is a clear emphasis on sustained profitability, rigorous cost management and the execution of a definitive, transparent roadmap towards financial resilience.
- Human Capital & Talent Retention:**
 As we accelerate our strategic business transformation, stakeholders view the acquisition and retention of specialised digital and technical talent as a critical operational risk. Proactive investment in employee upskilling and reskilling is increasingly recognised as vital to mitigating turnover and sustaining a competitive advantage.
- Sustainable Supply Chain Management:**
 In direct response to tightening global ESG regulatory frameworks, stakeholders expect more rigorous oversight of our value chain. Proactive risk management and vendor sustainability compliance are now viewed as essential mechanisms to safeguard our corporate reputation and ensure uninterrupted market access.

● Corporate Governance

Operating with integrity and transparency by upholding the highest standards of corporate governance and ethical conduct to ensure the trust and best interests of our stakeholders.

Why It Matters

Given that our business spans a broad range of portfolios—including airlines, aircraft MRO, logistics, a travel platform, F&B brand and brand licensing/IP division—it is critical that we uphold the highest standards of integrity across all operations.

Risks

Potential for breaches of laws and regulations or corrupt activities, which could result in significant reputational damage and/or financial loss.

Opportunities

Proactive adherence to the highest governance standards and best practices enhances stakeholder confidence and supports sustained business growth.

● Sustainable Supply Chain

Reinforcing a sustainable supply chain through our Supplier Code of Conduct and Sustainable Supply Chain Policy, which outline the minimum expected standards of ESG best practices for all our suppliers.

Why It Matters

As a responsible organisation with a wide range of critical suppliers across our Lines of Business (LOBs), the performance of our supply chain directly influences and impacts the Group's overall sustainability progress.

Risks

Exposure to high ESG risk suppliers, which could lead to potential business disruption, operational instability and/or the loss of competitive advantage.

Opportunities

By systematically integrating sustainability practices throughout the supply chain, we are able to proactively mitigate risks associated with environmental, social and evolving regulatory factors, positioning the Group for resilient growth.

● Guest Experience

Building trust and loyalty with customers through the continuous enhancement of our customer experience and service quality, aimed at achieving greater satisfaction.

Why It Matters

Our continued success and sustainable growth are fundamentally dependent on the positive experience and satisfaction of our customers. By staying ahead of customers' evolving expectations, we are able to create long-term value for them.

Risks

The inability to consistently meet customers' demands and expectations might result in damage to our brand and reputation, potentially impacting market share.

Opportunities

Regular and effective interaction with customers enables the continuous improvement and innovation of our products and services, fostering loyalty and supporting business expansion.

STRATEGIC REVIEW MATERIAL MATTERS

● Technology & Innovation

Harnessing technology to innovate, build partnerships and unlock new opportunities for business growth as we transition to become a multi-platform travel and digital group.

Why It Matters

Technology and innovation are central to our sustained success and growth. By consistently providing seamless digital solutions, we reinforce the company's competitive advantage against competitors.

Risks

Potential for loss of competitive advantage and market relevance, leading to erosion of market share if technology adoption lags.

Opportunities

Creating a digital experience that is seamless, distinctive and highly personalised for our customers, thereby driving engagement and long-term value.

● Information Security & Data Privacy

Safeguarding data privacy and information security for Allstars, customers and all third parties by upholding robust and resilient cybersecurity systems.

Why It Matters

Given the extensive volume of sensitive data pertaining to Allstars and customers, it is essential for us to protect this information and ensure full regulatory compliance across all jurisdictions.

Risks

Exposure to data breaches and information leakage due to ineffective cybersecurity measures, potentially resulting in the loss of business continuity, sensitive customer data and stakeholder trust.

Opportunities

Execution of a strategic information security programme designed to achieve world-class standards, thereby strengthening our competitive position and trust with digital customers.

● Climate Strategy

Taking responsibility for our climate impact by establishing a comprehensive net zero strategy and actively managing our climate-related risks and opportunities. This encompasses the management of our greenhouse gas (GHG) emissions, energy consumption and water usage.

Why It Matters

Given the increase in climate change events in recent years, it is critical to mitigate and adapt to climate-related risks, while ensuring proper resource management for long-term business resilience.

Risks

Potential for business disruption from physical climate risks, loss of competitiveness due to transition risks (eg policy changes), deprioritisation by financial institutions for funding and significant reputational damage.

Opportunities

Effective emissions management and a strategic net zero roadmap will help build operational resilience, enhance adaptation readiness and positively influence our ESG valuation.

● Waste Management

Monitoring and managing waste generated across the Group by actively practising the principles of reduce, reuse and recycle. This includes waste originating from our operations, offices and packaging materials.

Why It Matters

Efficient waste management prevents unnecessary waste generation while directly contributing to operational efficiency and cost savings. Furthermore, it enhances our brand reputation and supports long-term sustainability goals.

Risks

Failure to meet stakeholders' expectations regarding waste management may result in potential regulatory risks (eg non-compliance penalties) and significant reputational damage.

Opportunities

Effective waste management programmes offer the opportunity to inculcate sustainable practices among Allstars and within the communities we serve, driving positive change and alignment with our values.

● Health & Safety

Prioritising and protecting the health and safety of all Allstars and customers throughout our operations. We inculcate a culture of safety via robust operational and occupational management systems and awareness initiatives.

Why It Matters

Ensuring the health and safety of our stakeholders is of utmost importance as it directly influences our licence to operate and reinforces the trust customers place in us.

Risks

Poor Occupational Safety, Health and Environment (OSHE) performance, potentially resulting in significant business and operational impacts, alongside regulatory non-compliance and reputational risks.

Opportunities

The successful inculcation of a strong safety culture among Allstars leads directly to increased operational reliability, efficiency and sustained business confidence.

● Diversity & Inclusion

Embracing a diverse and inclusive workforce where fair representation is reflected at all levels and all Allstars are treated with respect and dignity, receiving equal opportunities.

Why It Matters

Diversity actively brings in a broader range of ideas and experiences, simultaneously widening access to the best talent, which collectively leads to an improved corporate culture and better decision-making.

Risks

Lack of diversity can limit the variety of perspectives and ideas, potentially hindering innovation, creativity and effective problem-solving across the Group.

Opportunities

By strategically leveraging diversity and inclusion, we can create a more equitable and engaging workplace, driving positive business outcomes and strengthening our relevance to a diverse customer base.

STRATEGIC REVIEW MATERIAL MATTERS

● Talent Attraction & Retention

Attracting top talent and investing significantly in the training and development of our talent pool, while actively nurturing Allstars to achieve both personal and professional growth.

Why It Matters

The successful implementation of our business strategies and future growth relies heavily on the capabilities and commitment of our Allstars. As a responsible employer, we aim to provide a consistently enabling working environment for all our people.

Risks

Failure to attract and retain key talent can lead to reduced competitiveness, operational inefficiency and the potential loss of market share.

Opportunities

Establishing robust talent management plans to proactively develop and attract capable talent ensures leadership continuity and supports the Group's expansion objectives.

● Human Rights

Respecting the basic rights and freedoms of all Allstars, while actively preventing human trafficking, forced labour, child labour and discrimination within our business operations and extended value chain.

Why It Matters

Like all global businesses, we face the inherent risk of being exposed to human rights abuses in our own operations and supply chain, particularly given the aviation industry's extensive connection to several sectors with potential human rights impacts.

Risks

Violations of human rights might lead to serious reputational damage, operational restrictions and a significant loss of stakeholder trust.

Opportunities

Upholding high human rights standards strengthens stakeholder trust and builds our reputation as a fair and equitable employer, which in turn attracts high-quality talent and delivers various business benefits essential for sustained growth.

● Community Investment

Empowering and investing in our communities through targeted initiatives that support gender equity, sustainable travel and Asean community-building.

Why It Matters

As a Group with extensive operations across Asean, we recognise our responsibility to empower people through relevant skills development and education programmes, contributing to social progress in the region.

Risks

Potential for financial and brand implications when there is a perceived imbalance or misalignment between our operations and social, economic and environmental community needs.

Opportunities

Strategic investment in communities not only strengthens our key relationships but also enhances our credibility and drives positive, long-term sustainability outcomes essential for regional acceptance and growth.

STRATEGIC REVIEW

OPERATING ENVIRONMENT

INCREASING DEMAND FOR MRO

A direct consequence of restricted delivery of new aircraft is the extended use of existing planes, hence ageing fleets across the globe. This, in turn, has resulted in a surge in demand for MRO services and especially for engine maintenance.¹ In the current seller's market, hangars are operating at full capacity, with maintenance slots booked 18 to 24 months in advance. Industry focus has accordingly shifted from customer acquisition to managing operational constraints. Persistent supply chain fragility, chronic labour shortages and the scarcity of legacy engine materials are among the most pressing challenges. Adding to current complexities, certification standards are becoming more stringent and it is increasingly difficult to source critical parts.

Impact

- To maintain a competitive edge, MRO players are focusing more on efficiency and digital integration, investing in increasingly advanced technologies such as predictive maintenance while retrofitting existing platforms with upgraded digital systems.
- There has been an increase in the number of strategic partnerships and acquisitions, enabling enhanced capabilities in engine maintenance and avionics upgrades to meet customer requirements.
- With government support, Asia Pacific and the Middle East are emerging as key MRO growth centres, capturing a larger share of heavy maintenance work, intensifying competition and accelerating market evolution.

Our Response

- ADE uses ELEVADE™ to provide predictive fleet health monitoring for over 200 aircraft.
- To overcome supply chain risks and source critical parts, ADE operates AEROTRADE®, a B2B parts marketplace with over USD80 million in active inventory.
- To meet the demand for specialised maintenance and upgrades, ADE is actively pursuing strategic partnerships with major original equipment manufacturers (OEMs). Through prospective agreements, it aims to expand its workshop service offerings to include Engine, APU, Engine Nacelle and Radome shops.
- Leveraging its proven expertise (with over 280 heavy C-checks completed to date) to counter the industry's stretched resources and hangar constraints, ADE is aggressively expanding its base maintenance capacity from 16 hangar lines to 40 lines by 2029. This targeted growth includes building new base maintenance hangars in Bahrain, Thailand and the Philippines while extending line maintenance operations across Thailand, the Philippines, Bahrain and Vietnam.

Outlook

Currently valued at USD112.7 billion, the global commercial aircraft MRO market is expected to grow at a compound annual growth rate (CAGR) of 3.9% from 2026 to 2035. As older aircraft are being operationalised more than ever before, there is greater need for deeper, more capital-intensive maintenance, driving revenue growth while severely stretching industry resources.

¹ ePlane AI: Commercial aircraft MRO market set to reach USD165 bil by 2023, driven by engine maintenance demand, 21 Jan 2026

STRATEGIC REVIEW OPERATING ENVIRONMENT

GLOBAL TRADE, eCOMMERCE DRIVING AIR CARGO

Despite volatile trade policies in 2025, global trade remained resilient with air cargo acting as a critical enabler for the movement of goods, ensuring they arrived ahead of announced tariff deadlines and facilitating the rerouting of exports from China to alternative markets. Based on data from 47 countries representing 39% of global trade, the value of trade transported by air increased by 25% YoY from January to August 2025.² This far exceeded the 7% increase in value of trade across all transport modes, with trade by sea growing by less than 1% YoY. Air cargo is especially critical for time- and temperature-sensitive products such as food and pharmaceuticals.

Impact

- Increased demand for air cargo and the transport of eCommerce parcels puts pressure on airport infrastructure and air cargo facilities.
- Demand outstripping supply is likely to increase freight rates, challenging smaller entrepreneurs.
- Given supply chain uncertainties, there is increasing demand for optimised and more transparent routing for customers.

Our Response

- Teleport doubled down on its eCommerce-first model and focused on strengthening its business fundamentals to ensure operational resilience in the long run. This included strengthening the Teleport Network[®] to better serve eCommerce while maintaining consistent cost discipline and control over its unit economics to ensure the ability to scale profitably.
- The Teleport Network[®] grew deeper with its 55+ partner airlines, notably Middle Eastern airlines and China-based airlines, enabling more eCommerce volume to flow from China into key global eCommerce corridors.
- Secured pre-IPO growth capital of USD50 million from HPS Investment Partners, part of Blackrock, to lock in strategic capacity and accelerate global expansion, ensuring Teleport remains ahead of the curve as it prepares for global scale in 2026.

Outlook

While trade growth may decelerate in 2026, air cargo is well positioned to remain robust, benefiting from AI-driven investment, growing demand for high-value, time-sensitive goods and the structural shift towards eCommerce. In times of uncertainty and when speed matters most, air freight remains the preferred option. As a result, air cargo traffic is projected to grow by 2.6% in 2026.³

² IATA Global Outlook: Trade, AI and the Energy Transition, December 2025

³ IATA Global Outlook: Trade, AI and the Energy Transition, December 2025

TRAVEL GOING THE WAY OF OTAs

Online travel agents (OTAs) are growing at an exponential rate, with the market expected to reach USD617.9 billion by 2031, driven by consumer preference for one-stop shopping, price comparison and user reviews. For airlines and hotels, OTAs serve as powerful marketing channels to boost visibility and fill capacity. For smaller businesses, they also represent access to a global audience. Younger travellers and the digital savvy are driving the trend, forcing OTAs to improve mobile-friendly interfaces and offer personalised experiences. The ability to chat with others online is an added plus. Asia Pacific is one of the fastest-growing OTA markets due to an expanding middle class as well as high internet penetration and smartphone ownership.

Impact

- Travellers are scrolling OTA sites more often than booking directly on airline or hotel websites in order to compare prices and be sure of getting the best deals.
- OTAs need an extensive inventory of products (airline flights, hotel rooms, car rental, event bookings, etc) to offer the most convenient or most cost-effective deals.
- The digital platform needs to be easy-to-navigate to attract users and convert views to bookings.
- Amid competition, OTAs are developing virtual travel assistants to help users plan and manage trips with personalised recommendations.
- They are also introducing hotel price tracking, using machine learning to alert users to the best booking times, making travel planning faster and smarter.

Our Response

- MOVE is leveraging its dominant position in regional flight traffic to drive an organic-first flywheel, using AirAsia Flights and Stays as the foundation for a robust travel ecosystem.
- By combining strategic airline and hotel partnerships, MOVE delivers unique SNAP travel bundles that significantly increase attach rates and offer unmatched regional value.
- Technology investments ensure a continually improving platform, driving stability, speed and frictionless booking.
- MOVE fosters a genuine travel community within the app to attract higher-intent users, while addressing specific regional needs through local experts.

Outlook

OTA growth is expected to continue to accelerate, especially in emerging markets such as Asia Pacific and Latin America, with regulatory frameworks evolving to support this growth. Recognising these as high-growth markets, more established OTAs will seek to localise their offerings to cater to local tastes and preferences. To differentiate themselves and attract travellers, smaller OTAs need to use their in-depth understanding of their markets to offer a more targeted and personalised experience driven by AI and machine learning.

STRATEGIC REVIEW OPERATING ENVIRONMENT

GROWING TASTE FOR ASEAN FAST FOOD

Across Asia Pacific, there is a marked increase in fast food consumption, driven by growing disposable incomes and a shift in dietary habits towards convenience foods. While the market is currently dominated by Western brands, there is an opportunity for fusion convenience/fast food, blending traditional Asian flavours with Western staples. Already, some well-known Western brands are localising their menus to capture local tastes.⁴ At the same time, global demand for Asian cuisine has been growing, with more and more Asian F&B items found in international restaurants and cafes, while spices and ingredients are commonly displayed on supermarket shelves. Social media, globalisation and accessibility are creating demand for more foreign food that tastes good.⁵

Impact

- The fast food market in Asia Pacific was valued at close to USD353.76 billion in 2024 and is expected to grow at a CAGR of 5.7% to reach USD598.38 billion by 2034.
- As Asian flavours are “trending” in Western fast food, it opens the possibility for Asian/Asean F&B players to enter this market with authentic products.

Our Response

- The Santan menu celebrates Asean's diverse cuisine, highlighting the best from each country in the region.
- Developing on-ground business, especially grab & go opportunities, in partnership with established retail and F&B players.
- Simplifying the Santan menu for speed, consistency and repeat purchase with focus on portable, ready-to-consume items aligned with commuter and travel-led demand.
- Focus on scalable formulations suitable for mass production and longer shelf life for FMCG.

Outlook

With increasing globalisation, fast food will evolve to cater to more international tastes and preferences. As with regular and fine dining, eventually the most popular fast foods will blend ingredients and cooking styles from all over the world. As Asean cuisine already has a head start in terms of awareness and popularity, there will be great demand to incorporate Asian/Asean-style menus in the global marketplace.

⁴ ResearchAndMarkets.com: Opportunities in Asia Pacific's fast food market 2025-2034, 4 June 2025

⁵ Kerry: 3 Asian flavours taking over the world, 10 September 2024

AIR TRAVEL DEMAND CONTINUES TO OUTSTRIP SUPPLY

In 2025, global air travel grew 5.3%, driven by international demand which expanded by 7.1% compared to domestic at 2.4%. Growth in Asia Pacific was the strongest, with airlines in the region posting a 10.9% rise in full-year international traffic compared to 2024. Capacity increased by 10.2% and the load factor inched up 0.5 percentage points to 84.4%. The year's growth marked a moderation following robust post-Covid rebound and is more aligned with pre-Covid rates, mainly because of supply chain challenges which are causing delays in the delivery of new aircraft and engines to airlines while also causing bottlenecks across MRO service providers.

Impact

- High demand combined with limited capacity is increasing airline fares, making it more costly to travel.
- The slowdown in new aircraft delivery is requiring airlines to keep older, less fuel-efficient planes in service, increasing fuel and maintenance costs.
- Older planes are not as comfortable as newer ones, affecting the overall flying experience.
- High passenger loads are likely to create bottlenecks in airports, leading to long queues at critical points hence flight delays, cancellations and missed connections.

Our Response

- Accelerated fleet reactivation to maximise available capacity and capture the surge in international demand.
- Operated a total seat capacity of 69.8 million during the period under review, restoring the network to 88% of pre-pandemic levels and achieving a solid load factor of 84% prior to the completion of the aviation divestment in December 2025.
- Expanded the regional footprint to 136 destinations and 271 routes by year end, having launched 30+ new routes throughout 2025 to further strengthen our leadership in the Asia Pacific region and capture emerging travel corridors.
- Focused on heavy maintenance and securing engine availability through coordination with ADE to maintain fleet reliability and fuel efficiency despite global supply chain delays.
- Expanded digital self-service via the AirAsia MOVE app, including the introduction in 2025 of Auto Visa Check to streamline document verification and reduce terminal wait times for eligible international travellers.

Outlook

As per IATA's report in December 2025, IATA forecasts global air passengers traffic (measured in RPK) to grow 4.9% YoY in 2026, led by 7.3% growth in Asia Pacific. The latter is supported by strong economic momentum in markets such as China, India and Vietnam which is driving domestic and international travel, particularly within the region. Positively, record-high load factors support yields and profits and are expected to propel revenue to a new high exceeding USD1 trillion.

STRATEGIC REVIEW OPERATING ENVIRONMENT

DISRUPTIONS EMANATING FROM THE MIDDLE EAST

Following the short (12-day) but intense outbreak of warfare between US/Israel and Iran in June 2025, hostilities reignited towards end February 2026 with fresh strikes on Iran prompting a retaliation. This has escalated into an all-out war that has been intensifying by the day and has expanded to involve other states in the region. Tensions between Iran and non-Islamic nations have been brewing since the 1979 revolution that saw the pro-Western Pahlavi regime be toppled by forces led by Ayatollah Khomeini. In more recent years, this has been compounded by fears concerning Iran's nuclear programme and the belief, as yet unverified, that it has developed nuclear weapons.

Impact

- Major airports and airspace in the Middle East have been shut, leading to flight cancellations, re-routings and schedule changes worldwide.
- Attacks on vessels have dramatically reduced traffic in the Strait of Hormuz, through which about 20% of global oil and gas supplies transit.
- Oil prices have climbed to USD106 a barrel as of mid-March 2026 from USD72 a barrel on 27 February.
- Higher airline operating costs may lead to higher average fares, which could support GBV and commission revenue under MOVE's transaction-based model.
- Higher fares driven by fuel prices would also expand the underlying fare value on which AirAsia Next's commissions are based.

Our Response

- AirAsia Aviation Group has activated established strategic safeguards, including a dynamic fuel surcharge, expansion of ancillary revenue and proactive capacity deployment to high-growth routes to support cost recovery.
- ADE is rerouting certain supply chains to ensure the timely delivery of critical items, minimising delays to only one or two days at the most.
- Teleport is closely monitoring developments in the region ahead of the planned launch of operations in collaboration with Bahrain Airport Company in Q2 2026.
- Teleport is also addressing elevated jet fuel prices through industry-standard fuel pass-through mechanisms with customers.
- Santan continues to monitor travel patterns closely and is adjusting product offerings, pricing strategies and marketing campaigns to optimise revenue per passenger.

Outlook

It is a matter of conjecture as to how the war pans out and what the global economic consequences will be. Suffice to say most nations would like to see a peaceful ceasefire in the shortest possible time.

STRATEGIC REVIEW

OUR STRATEGY/BLUEPRINT

Capital A is driven to transform and elevate lives across Asean. We achieve this by creating jobs and providing opportunities for all while connecting people, fostering cross-cultural exposure and appreciation. Just as we made air travel accessible through affordable fares, we are now focused on delivering exceptional value as we meet a wide range of travel and lifestyle needs through our diverse business portfolio. Our commitment to data-driven efficiency enables us to lower our costs and pass on those savings to our customers. Customer-obsessed, we are dedicated to our Allstars, empowering them to provide best-in-class service to everyone.

OUR PLAYBOOK

PURPOSE
Connecting People.
Transforming Lives.

VISION
Foster and provide access
to the cultural richness of
a united Asean

MISSION
Create accessibility
and value through an
ecosystem of low-cost,
high-quality offerings

STRATEGIC THEMES

S1
**Financial
Sustainability**
• High productivity
• Lowest cost

S2
**Operational
Excellence**
• High productivity
• Operational excellence

S3
**Data & Tech
Driven**
• Innovation and tech-led
• High performance

S4
**Customer
Obsessed**
• Product leadership
• Customer obsessed

S5
**People &
Culture Focused**
• Engaged Allstars
• High performance

STRATEGIC REVIEW OUR STRATEGY/BLEUPRINT

S1 FINANCIAL SUSTAINABILITY

Return to profitability and be the lowest cost in our operating spaces through financial discipline with clear focus on delivering positive cashflow and getting the best shareholder returns.

2025 ACHIEVEMENTS:

- Capital A companies achieved positive results at net profit level in 2025
 - Revenue increased more than 13% supported by growth across all companies
 - All companies achieved EBITDA profitability
- Successfully returned to positive equity at RM921 million

2026 PRIORITIES:

- Achieve or surpass revenue, EBITDA and net operating profit (NOP) targets as disclosed in public guidance [Capital A]
- Continuous cost optimisation across all business units to maintain profitability [Capital A]
- Enhance financial discipline with stricter budget controls and cash flow management [Capital A]
- Pare down or refinance existing expensive debts, which were mostly secured during Covid to reduce interest cost [ADE]
- Fundraising for individual entities – to be used mostly for capacity expansion, technology and working capital [AirAsia MOVE, ADE, Teleport, AirAsia Next]



S2 OPERATIONAL EXCELLENCE

A highly productive and efficient organisation dedicated to delivering best-in-class products that meet customer needs precisely.

2025 ACHIEVEMENTS:

- **Business expansion of non-aviation companies**
 - Secured world-class certifications [ADE]:
 - Maintenance Organisation Approval (EASA.145.0967) from European Union Aviation Safety Agency (EASA)
 - Repair Station Certificate (ADNY458E) from US Federal Aviation Administration (FAA)
 - Diversified revenue stream beyond inflight to supply ready-to-eat meals to retail chains [Santan]
 - Secured +55 airline partners to date, further strengthening and diversifying on top of AirAsia's network and expanding belly space capacity from third-party airlines [Teleport]
- **Process improvement**
 - Develop additional in-house capabilities to reduce logistics lead time and expedite repairs and maintenance within own facilities, improving overall operational efficiency [ADE]
 - Launched and operationalised a new eCommerce Hub in KLIA, an eCommerce processing centre purpose-built to filter out dangerous goods ensuring every flight operates safely, reliably and on schedule [Teleport]
 - 99% crash-free rate while delivering over 35 features and 320 bug fixes in 2025, improving the overall Net Promoter Score (NPS) by five points [AirAsia MOVE]
 - Reduced inflight credit card decline rate from 15% to 6% [AirAsia Next]
- **Operational efficiency**
 - Fully utilised hangar lines in KLIA and Senai [ADE]
 - Delivered 347,885 tonnes of cargo in 2025, a record since inception [Teleport]

2026 PRIORITIES:

- **Capacity expansion**
 - Expand workshop capabilities and pursue strategic hangar acquisitions across the region to meet surging demand for aircraft MRO [ADE]
 - Secure more strategic freighter and belly space from airline partners to strengthen our capacity and connectivity mix, better supporting eCommerce flows from China through Asia into key global markets [Teleport]
 - Expand strategic direct partnerships with global carriers and hotels to provide users with exclusive offers and an even broader range of travel options [AirAsia MOVE]
- **Performance Optimisation**
 - Investment in platform technology to deliver frictionless onboarding, lower latency and drive loyalty for repeat and retention [AirAsia MOVE]
 - Enhance proprietary virtual concierge to increase engagement and retention across the booking journey [AirAsia MOVE]
 - Pivot towards a content-driven ecosystem to optimise marketing spend through user-generated content (UGC) [AirAsia MOVE]
 - Automation and AI-based demand planning [AirAsia Next]

STRATEGIC REVIEW OUR STRATEGY/BLUEPRINT

S3 DATA & TECH DRIVEN

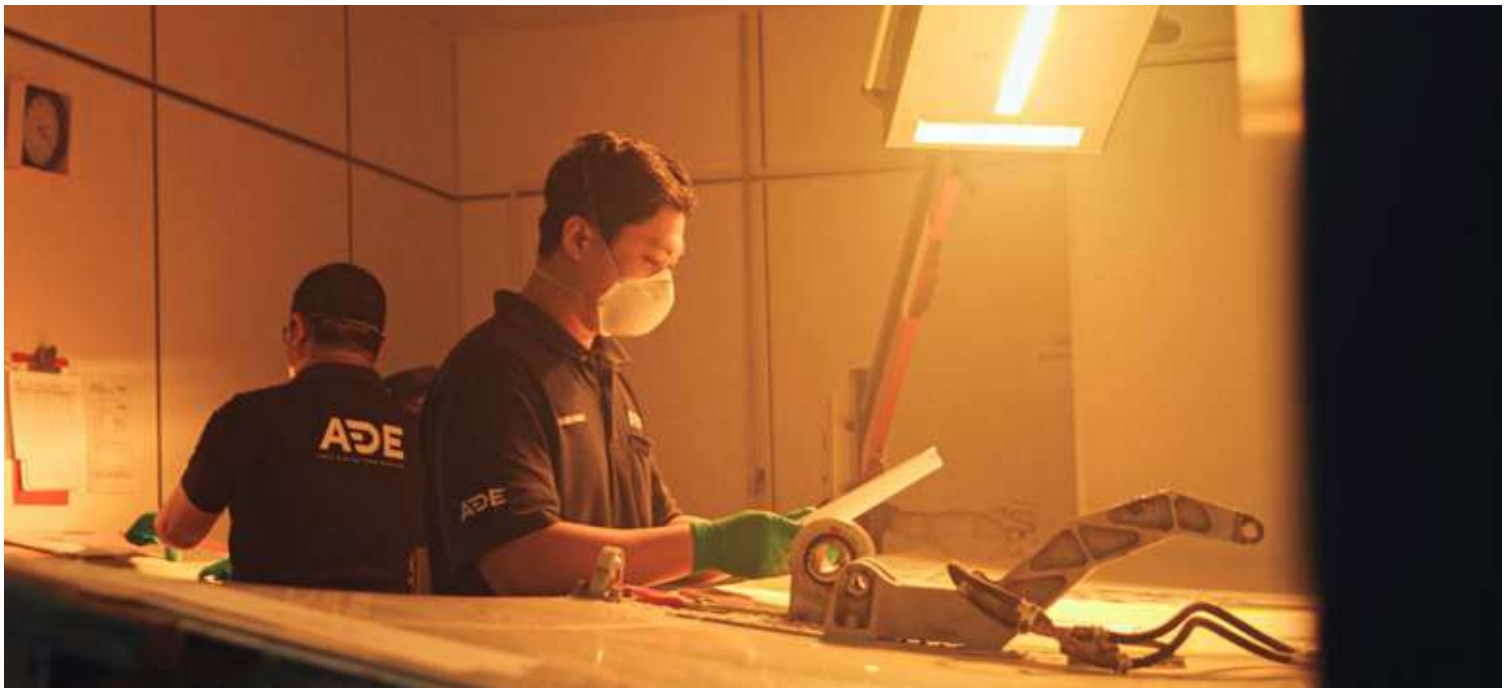
Data-informed in all we do, leveraging insights and analytics to make fast, precise decisions while leveraging AI and technology to stay true to our innovative DNA.

2025 ACHIEVEMENTS:

- Leveraged our vast pool of customer data, including historical behaviour and transactions, to deploy targeted marketing and create personalised offers
 - AirAsia MOVE: Hotel transactions grew 12% YoY while platform experience improved 22%
 - Santan: Recorded overall take-up rate of 29%
 - Teleport: Implemented WeChat App for first-mile operations in China, resulting in real-time day-zero onboarding of first-mile trucking vendors while enabling standardised real-time status updates and accurate data capture for vendor performance and cost monitoring
 - ADE: Recorded an average monthly transaction value of RM1.67 million on AEROTRADE®

2026 PRIORITIES:

- Capitalise on OEM supply constraints by scaling AEROTRADE®'s used serviceable materials (USM) marketplace, providing the industry with a cost-effective alternative to extended manufacturer lead times [ADE]
- Advance day-to-day operational efficiency with AI-first tech integrations such as dynamic capacity and promise engine to deliver business and productivity gains and improve margins while scaling [Teleport]
- Embed intelligence to power experience-led discovery, social engagement and real-time personalisation at scale; and enhance personalisation to provide users with best recommendations and exclusive promotions [AirAsia MOVE]
- Aggregate licensees data to build high-value segments for cross-selling to increase revenue [AirAsia Next]
- Collaborate with influencers to highlight value and affordability of products on social media [Santan]



S4 CUSTOMER OBSESSED

Putting customers at the heart of everything we do and continuously delight and overdeliver by ensuring they are served by engaged and empowered Allstars.

2025 ACHIEVEMENTS:

- Grew Net Promoter Score from 49% to 56% [AirAsia MOVE]
- Rolled out new booking platform for customers across Southeast Asia for a simple, modern booking experience [Teleport]
- Launched partnership with SEGA featuring multiple brand activations such as AirAsia presence in the Sonic Racing: CrossWorlds game and SONIC and Persona 5 character IP inflight merchandise [AirAsia Next]
- Launched AirAsia Buds Adventures animated series on YouTube with 16 million views as well as AirAsia Buds inflight merchandise [AirAsia Next]
- Launched Platinum co-brand credit card with RCBC Bank in Philippines [AirAsia Next]

2026 PRIORITIES:

- Ensure customer satisfaction through superior product offerings based on value [AirAsia MOVE, Santan]
- Reinforce commitment to customer centricity, adopting a customer-first methodology across all departments to address fundamental challenges within the traveller journey [AirAsia MOVE]
- Introduce technology that improves capacity and revenue management capability to unlock 20% more usable capacity on high-demand sectors for customers [Teleport]
- Invest in new tools and equipment to further enhance workshop capabilities [ADE]
- Develop Grab & Go segment offering quick and quality meals and drinks [Santan]

S5 PEOPLE AND CULTURE FOCUSED

Rejuvenate our people-first and continuous improvement culture and focus on leveraging the ecosystem as a unique advantage to win together.

2025 ACHIEVEMENTS:






- Introduced a holistic flexi-benefits programme that empowers Allstars to customise their wellness journey through coverage for vision care, fitness, comprehensive family support including veterinary care and more [Capital A]
- Consistently built a high-performance culture through employee engagement and performance management aligned with the company's strategic goals [Capital A]
- Introduced company-wide coaching programme for people managers [Teleport]

2026 PRIORITIES:

- Establish a technical training hub for licensed engineers and technicians to institutionalise skills development and guarantee robust workforce capacity [ADE]
- Enhance employee engagement through transparent communication [Capital A]
- Align HR policies with business agility and workforce optimisation [Capital A]
- Expand talent mobility programmes to foster career growth within the organisation [Capital A]

STRATEGIC REVIEW
OUR STRATEGY/BLEUPRINT

MISSION AND VISION

Logo	Vision	Mission
	<p>To establish ADE as the leading MRO provider in the Asian region, delivering excellence and value across all key market segments we serve.</p>	<p>To deliver world-class, reliable and sustainable MRO solutions through operational excellence, innovation and a high-performance culture — empowering our people to exceed customer expectations and strengthen ADE's position as a trusted partner in the aviation industry.</p>
	<p>It arrives tomorrow for anyone using Teleport.</p>	<p>Deliver across Southeast Asia cheaper and faster than anyone else.</p>
	<p>Be Asean's favourite travel platform by creating affordable, fun and inclusive journeys.</p>	
	<p>To unlock the full potential of the AirAsia and AirAsia Next brands by extending a culture of innovation beyond aviation and building a connected ecosystem that empowers people to dream, move and thrive anywhere in the world.</p>	<p>AirAsia Next aims to create incremental enterprise value by institutionalising a scalable global brand architecture, expanding monetisation of its 60 million-strong customer ecosystem through data-driven integration and deploying AI-powered loyalty, payments and enterprise tools to enhance margins, reduce friction and drive sustainable, asset-light growth beyond aviation.</p>
	<p>Making Asean food accessible to everyone.</p>	<p>Good Food. Good Coffee. Good Value.</p>

PERFORMANCE REVIEW

FIVE-YEAR FINANCIAL HIGHLIGHTS

(RM million, unless otherwise stated)	2021 Restated	2022 Restated	2023* Restated	2024*	2025*
INCOME STATEMENT					
Revenue	1,683	6,437	1,290	1,710	1,867
Net total expenses	4,529	7,831	1,966	2,399	-8,844
Operating profit/(loss)	-2,846	-1,394	-676	-689	10,711
Profit/(loss) before taxation	-3,575	-3,915	-816	-891	10,528
Taxation	-146	-0.51	-24	9	-3
Net profit/(loss)	-3,721	-3,916	-840	-882	10,525
Discontinuing operations					
Net profit/(loss)			657	421	2,908
Profit/(Loss) for the financial year			-183	-461	13,434
BALANCE SHEET					
Deposits, cash and bank balances	1,257	470	703	431	433
Total assets	20,030	19,928	28,954	30,736	7,568
Net debt (Total debt - Total cash)	1,053	2,467	3,740	1,044	849
Total equity	-6,423	-9,517	-10,092	-10,015	921
CASH FLOW STATEMENTS					
Cash flow from operating activities	-678	-283	1,413	3,824	5,667
Cash flow from investing activities	389	-210	-102	-194	-1,625
Cash flow from financing activities	1,070	-314	-1,170	-3,425	-4,466
Net cash flow	781	-806	142	204	-424
FINANCIAL PERFORMANCE (%)					
Return on total assets	-18.6	-19.7	-0.6	-1.5	177.5
Return on total equity	N/A	N/A	N/A	N/A	1,458.2
R.O.C.E. (EBIT/(Net Debt + Equity))	N/A	N/A	N/A	N/A	786.3
Operating profit margin	-169.1	-21.7	-8.1	-2.8	67
Net profit margin	-221.1	-60.8	-1.2	-2.3	73

Assuming aviation segment was not presented as discontinued operations in the financial statements of the Group, the segmental profit and loss for FY2025 would have been as below:

(RM million, unless otherwise stated)	Discontinuing Operations	Continuing Operations	Total Segment	Elimination Adjustment	Total
INCOME STATEMENT					
Revenue	16,819	3,182	20,001	-1,608	18,392
Net total expenses	17,964	-14,691	3,273	2,776	6,049
Operating profit/(loss)	-1,145	11,508	10,363	1,980	12,343
Profit/(loss) before taxation	55	11,520	11,576	1,869	13,445

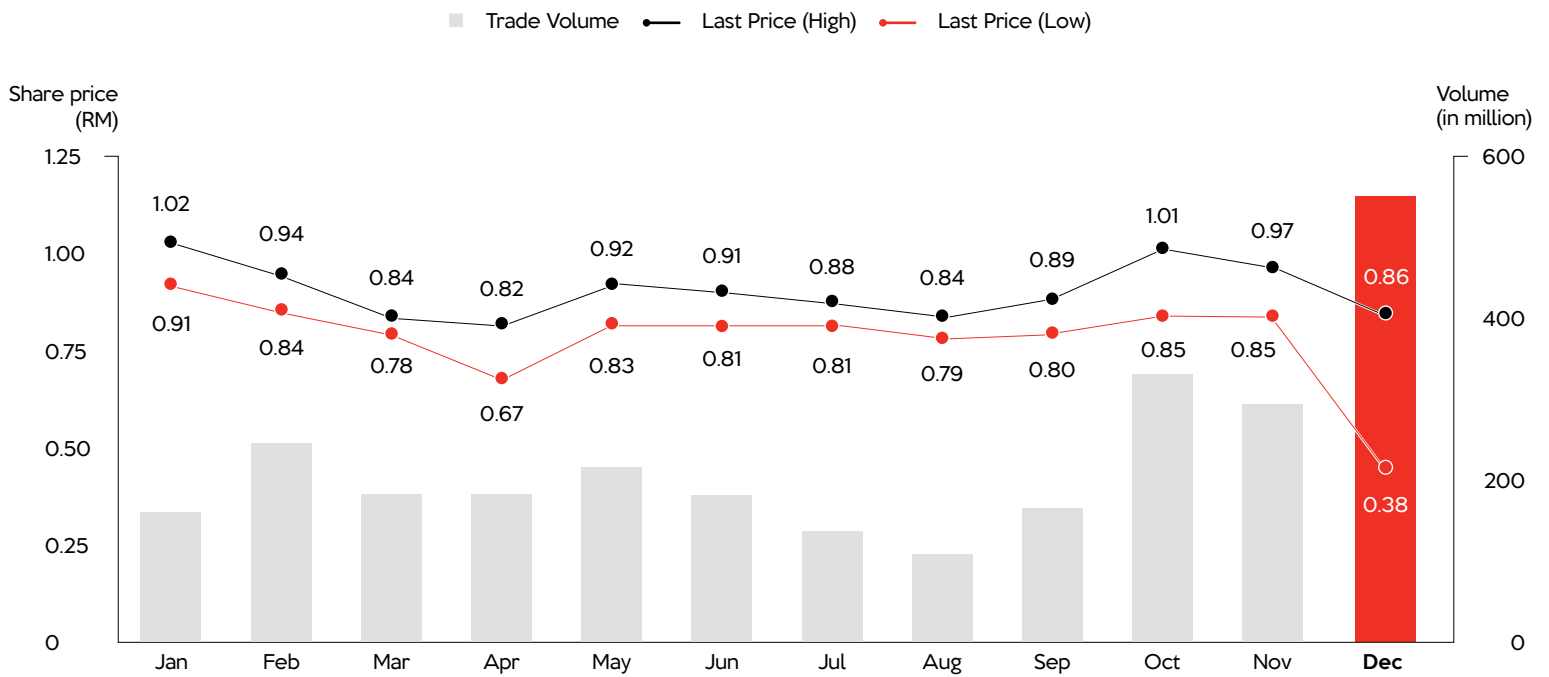
Assuming aviation segment was presented as discontinued operations in the financial statements of the Group, the segmental profit and loss for FY2024 would have been as below:

INCOME STATEMENT					
Revenue	18,937	2,812	21,749	-1,424	20,325
Net total expenses	20,290	2,658	22,948	-2,048	20,900
Operating profit/(loss)	-1,353	154	-1,199	624	-574
Profit/(loss) before taxation	-1,128	116	-1,012	621	-391

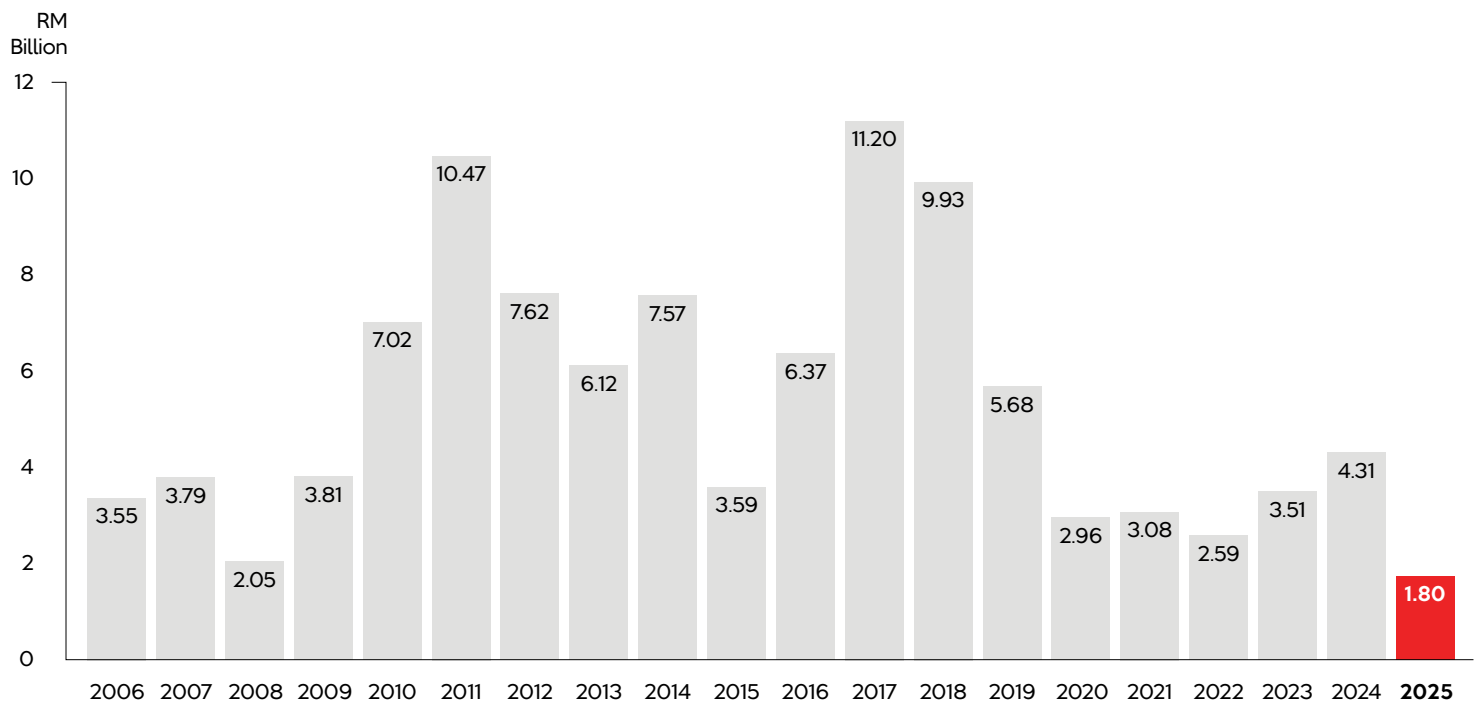
* Income statement presented here refers to consolidated income statement of non-aviation businesses as aviation segment is presented as discontinued operations in accordance with MFRS 5

PERFORMANCE REVIEW

2025 SHARE PERFORMANCE



MARKET CAPITALISATION



Note:
 On 2 December 2025, the share price was readjusted following the ex-date for a dividend-in-specie distribution. This planned exercise was part of the Group's strategic corporate exercises

2025 FINANCIAL & INVESTOR CALENDAR

**CGS International
17th Annual Malaysia
Corporate Day 2025**

8 Jan
Kuala Lumpur

**CLSA
Investor Webminar**

5 Aug
Virtual

**4Q 2024 Operating
Statistics Release**

12 Feb
Virtual

**2Q 2025 Financial
Results Announcement
& Earnings Call**

28 Aug
Virtual

**FY2024 Financial
Results Announcement
& Earnings Call**

28 Feb
Virtual

**32nd CITIC CLSA
Investors' Forum**

9 Sep
Hong Kong

- **Extraordinary
General
Meeting (EGM)**

7 May
Sepang

**RCUIDS
Holders Meeting**

10 Nov
Kuala Lumpur

- **RCUIDS
Holders Meeting**

**1Q 2025 Financial
Results Announcement
& Earnings Call**

30 May
Virtual

**Capital Dynamics
Investor Day 2025**

16 Nov
Kuala Lumpur

**8th Annual General
Meeting (AGM)**

13 Jun
Sepang

**3Q 2025 Financial
Results Announcement
& Earnings Call**

28 Nov
Virtual

**ADE Hangar Tour with
ICAP Fan Club**

24 Jul
Sepang