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FLEET
MAINTENANCE
WITH ADE's

14-LINE HANGAR

Introducing Asia Digital Engineering's state-of-the-art 14-line hangar - purpose-built to optimize your aircraft turnaround time. With end-to-end MRO solutions for A320, A330, and B737, our expanded capabilities ensure efficiency, reliability, and scalability to meet your fleet's needs.

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PERFORMANCE REVIEW

MAINTENANCE, REPAIR AND OVERHAUL



Asia Digital Engineering (ADE) serves as a comprehensive, one-stop MRO ecosystem delivering end-to-end solutions throughout Southeast Asia. With a presence across more than 20 airports in the Asean region, ADE manages an average of 10,000 transits per month and is committed to delivering quick turnaround times for its clients. It currently operates 16 maintenance lines anchored by a state-of-the-art 14-line hangar facility in KLIA along with an additional two lines at Senai Airport in Johor Bahru. To date, ADE has successfully completed 280 C-checks. Its capabilities are further strengthened by strategic collaborations and a suite of digital innovations.

WHAT ADE OFFERS:

- **Base Maintenance** — Heavy checks (C-checks, structural inspections) for narrowbody and widebody aircraft (A320, A330 and B737 families)
- **Line Maintenance** — Routine daily and transit checks/inspections
- **Component Workshop** — In-house overhaul and repair for wheels, brakes, sheet metal, composites and more
- **Digital Services:**
 - AEROTRADE® — an online B2B marketplace for aircraft parts
 - ELEVADE™ — a holistic fleet health monitoring and management solution



PERFORMANCE REVIEW MAINTENANCE, REPAIR AND OVERHAUL

2025 OVERVIEW

If 2024 was about building capacity, 2025 was the year ADE harvested that growth. As airlines returned to near pre-pandemic flight levels, demand for line and base maintenance continued to increase. ADE capitalised on this with its newly launched 14-line hangar, proving the strength of its business model by delivering exponential revenue growth and robust profitability. Crucially, it cemented its status as a top-tier global MRO by securing ASA-100 accreditation and upholding its United States Federal Aviation Administration (FAA) compliance, sending a clear signal to the market that its rapid scale is matched by the highest international standards of safety and quality.

CHALLENGES & THEIR MITIGATION

Challenge	Mitigation
The industry-wide shortage of licensed aircraft engineers (LAE) and aggressive poaching by competitors is creating significant manpower gaps. Hiring expatriates is complicated by complex regulatory processes.	<ul style="list-style-type: none"> Focus on building an internal talent pipeline, promoting 40 technicians to LAE positions and initiating secondments from ADE's Indonesian and Philippine units. To retain talent, the company introduced a Long-Term Incentive Plan (LTIP) for key roles and enhanced benefits, including productivity allowances.
Operations are strained by limited spare parts availability, long delivery lead times and ongoing credit blocks from vendors due to overdue invoices.	<ul style="list-style-type: none"> ADE has established sustainable weekly payment plans to reinstate credit terms and revised its restocking strategy to prioritise high-consumption parts using machine learning for smarter re-ordering.
Hangar slot constraints limit heavy check planning, while insufficient or aging ground support equipment (GSE) impact line maintenance.	<ul style="list-style-type: none"> ADE is gearing up to expand its hangar capacity and is introducing a replenishment cycle to improve GSE serviceability to 85%.
The company faced liquidity constraints and delays in accounts receivable collection.	<ul style="list-style-type: none"> Management focused on refinancing to secure lower interest rates (targeting below 10%) while escalating internal collection efforts to clear outstanding balances.

KEY INITIATIVES

- ▶ Planning strategic hangar expansion to boost capacity, enabling simultaneous servicing of multiple aircraft and accommodating growing demand in the region.
- ▶ Invested in digital solutions including predictive maintenance, automation and data analytics, thereby enhancing efficiency, reducing turnaround times and improving service reliability.
- ▶ Continued to train and upskill engineers and technicians, fostering a diverse and highly capable team ready to support complex maintenance needs.
- ▶ Tailored its services to meet airline-specific operational needs, offering flexible scheduling, cost-efficient solutions and seamless end-to-end support.
- ▶ Strengthened its commitment to environmentally responsible practices, aligning operations with global sustainability goals and reducing the carbon footprint of maintenance activities.

KEY ACHIEVEMENTS

- Secured European Union Aviation Safety Agency (EASA) and FAA certifications:
 - EASA: Maintenance Organisation Approval (EASA.145.0967)
 - FAA: Repair Station Certificate (ADNY458E)
- Secured ASA-100 Accreditation while maintaining approvals from the civil aviation authorities of Malaysia, Thailand, the Philippines, Indonesia, India, Cambodia, Singapore, Nepal, Vietnam, Myanmar, Bermuda, Guernsey, Pakistan, Bhutan, Bahrain and the Maldives.
- Signed a long-term agreement with Air France to provide heavy maintenance and aircraft modification services for Airbus A330-200 aircraft.

AWARDS

- **MSOSH Awards 2025**
 - Gold Class 1 for Excellence in Occupational Safety and Health Performance
- **Malaysia Management Excellence Awards 2025:**
 - Executive of the Year, Aerospace, presented to Mahesh Kumar, CEO of ADE



PERFORMANCE REVIEW

MAINTENANCE, REPAIR AND OVERHAUL

LOOKING FORWARD

The completion of return-to-service AirAsia aircraft by Q2 2026 marks a significant milestone for ADE, allowing the company to pivot towards strengthening its support system with new in-house capabilities. These include developing new engine, auxiliary power unit (APU) and landing gear shops in Malaysia and Indonesia. It is also looking to reduce its dependence on external parties for repairs by developing the necessary capabilities internally, thus reducing logistics lead times and enhancing turnaround times. Building its digital platform, it will deploy new modules for comprehensive base maintenance management on ELEVADE™ while introducing digital verification for aircraft maintenance programmes to replace manual methods.

With strengthened capabilities, ADE seeks to expand its regional footprint. It aims to obtain line maintenance approvals from the Civil Aviation Administration of China (CAAC) by mid-2026, subsequently to launch AEROTRADE® and ELEVADE™ tailored specifically for the Chinese market. It also has plans to extend line maintenance services to Bahrain and Vietnam.

In the longer term, the company is focused on capacity growth, increasing its hangar lines from 16 currently to 20 by 2027, aiming for 40 lines by 2029.

What customers can look forward to in 2026:

- More streamlined, transparent and faster service experience:
 - For aircraft on ground, spares are targeted to be available within 60 minutes of a request.
 - AEROTRADE® will expand to offer used serviceable materials (USM), addressing the global shortage of new parts and offering cost-effective alternatives.
 - With the new ELEVADE™ Base Maintenance module, customers will benefit from enhanced monitoring of manpower, tasks and materials, ensuring aircraft are released safely and on time.
- Expanded support: New hangars in Thailand, the Philippines and Bahrain.
- Comprehensive services: High-value capabilities such as landing gear and engine shop services.

PERFORMANCE REVIEW
LOGISTICS



Teleport is an integrated eCommerce logistics specialist operating the largest asset-light air network in Southeast Asia, with extended connectivity into Asia Pacific. On a mission to move things across the region better than anyone else, Teleport provides access to affordable and reliable cross-border delivery for large and small businesses, as fast as the next day. Its commitment has led Teleport to become the market leader for total tonnage moved by air across Southeast Asia; #9 in Asia and #13 globally.

Teleport started in 2018 leveraging the belly capacity of all AirAsia and AirAsia X airlines. It then inducted three A321F freighters and further expanded access through strategic network partnerships with 55+ airline partners. Today, the Teleport Network® connects over 290 cities across 80 countries in Asia Pacific, including secondary and tertiary destinations.

WHAT TELEPORT OFFERS:

- **Teleport eCommerce** — customisable end-to-end, first-to-last-mile cross-border delivery services across land and air
- **Teleport Next Day**— next-day, door-to-door parcel delivery for key routes like Kuala Lumpur–Singapore, Kuala Lumpur–Bangkok and Kuala Lumpur–Hong Kong
- **Teleport Air Cargo** — airport-to-airport air cargo services using a combined network of passenger and freighter aircraft



PERFORMANCE REVIEW LOGISTICS

2025 OVERVIEW

In 2025, Teleport scaled cross-border volumes while strengthening the capabilities required to sustain growth through expanding capacity via its airline partner network, enhancing orchestration and visibility technology, and investing in dedicated parcel-processing and ground infrastructure to reduce throughput constraints.

This strategy was implemented against a supportive regional backdrop. Asia Pacific airlines saw 8.4% year-on-year demand growth for air cargo in 2025, among the strongest growing regions. 2025 trade lane data also shows a clear shift in global air cargo flows with

Asia–Europe market share up by +10.3% (CTK YoY), driven by tariff pressures and the removal of the US de minimis exemption. Trade lane corridors within Asia and the Middle East–Asia also recorded strong growth at +10.0% and +5.8% respectively.¹

In 2025, Teleport moved 347,885 tonnes of cargo and delivered 167 million total parcels, marking 18% and 99% YoY growth respectively. eCommerce remained the primary growth contributor, driving total revenue to RM1.2 billion with a 14% YoY increase.

¹ <https://www.iata.org/en/pressroom/2026-releases/2026-01-29-01/#:~:text=Regional%20Performance,%25%20year%2Don%2Dyear>

CHALLENGES & THEIR MITIGATION

Challenge	Mitigation
Seasonal softness in Q1 due to the pull-forward of Lunar New Year and Eid holidays.	<ul style="list-style-type: none"> Applied disciplined cost management to protect margins during lower-volume periods, resulting in the highest Q1 EBITDA.
Freighter availability constraints in Q2 with the fleet operating at 40% capacity due to scheduled maintenance and unscheduled disruptions.	<ul style="list-style-type: none"> Maintained network uplift leveraging partner airline capacity with 2.8x increase in partner network utilisation, while fleet availability was restored to 80% in Q3.
Processing eCommerce parcels alongside general cargo is not conducive for high-volume growth as shared resources limit throughput, screening speed and processing capacity when volumes scale.	<ul style="list-style-type: none"> Completed three airport infrastructure investments in Malaysia: eCommerce Hub and Teleport Transit Hub at KLIA, as well as Sandakan Air Cargo Terminal in East Malaysia.

KEY INITIATIVES

► Network Expansion & Airline Partnerships

- Expanded the network to 55+ partners including Turkish Airlines, Air Central China, Royal Brunei Airlines and Hong Kong Air Cargo.
- Signed an MOU and interline agreement with Air Central China to strengthen the China–Asean Air Silk Road, and was subsequently appointed the airlines’ General Sales Agent (GSA) in India.
- Progressed collaboration with Etihad Cargo from interline and multiple freighter deployments to include a dedicated freighter from Phnom Penh to Abu Dhabi.
- Deepened its Turkish Cargo relationship by securing the GSA appointment for Malaysia, building on an existing interline agreement.

► Product & Service Expansion

- Teleport Next Day service launched a new lane from Kuala Lumpur and Bangkok to Hong Kong in April 2025.
- Introduced Teleport Guaranteed, a prioritised shipment option with enhanced protection to ensure cargo moves exactly as planned.

KEY INITIATIVES

► Infrastructure & Hub Development

- Launched an eCommerce Hub in KLIA, with conveyor and X-ray capabilities for faster parcel screening, sorting and aircraft loading. The facility is capable of processing up to 260,000 parcels daily, improving safety and efficiency while reducing manpower reliance. Peak processing capacity increased by nearly three-fold.
- Sandakan Air Cargo Terminal was launched in partnership with Ground Team Red (GTR), becoming Sabah's first dedicated air cargo terminal to streamline operations, strengthen cross-border trade capabilities and enhance import-export throughput.
- Teleport Transit Hub was built next to KLIA2's tarmac to minimise handover times for shipments between Southeast Asia, Asia and South Asia, and accelerate the transit of imports and exports from China and India in Malaysia.

► Technology & Digital Enablement:

- Partnership with Kargo Technologies to enhance first-mile visibility for cross-border eCommerce shipments originating from China.
- Strategic partnership with Shippy to integrate last-mile transport management system into Teleport Network[®], unlocking greater real-time, last-mile shipment visibility for customers across Southeast Asia.

► Governance & Sustainability

- Together with GTR, Teleport signed and pledged zero tolerance for corruption across its air logistics operations.
- Teleport is a task force member of United for Wildlife, committed to curbing illegal wildlife smuggling.

KEY ACHIEVEMENTS

- **18% increase in tonnage** moved YoY to 347,885 tonnes; and 99% surge in parcels moved totalling 167 million parcels.
- **14% increase in revenue YoY** to RM1.2 billion fuelled by 32% jump in eCommerce revenue to RM425 million.
- **Raised USD50 million (RM205 million)** pre-IPO capital at USD500 million pre-money valuation in January 2026.

BUSINESS REVIEW - LOGISTICS



AWARDS

- Best Low-Cost Air Cargo Carrier - Asian Freight, Logistics and Supply Chain (AFLAS) Awards 2025
- Vietjet Air Cargo's Top Airlines Partner
- Turkish Cargo's Best Local Partner
- Recognised by the Asean Business Awards (ABA) Winners Circle for contributing to regional economic growth, integration and shared prosperity.

LOOKING FORWARD

According to IATA, industry conditions will remain constructive in 2026, with cargo revenue driven by time-sensitive shipments and eCommerce volumes. Against this positive backdrop, Teleport remains anchored on its eCommerce-first strategy. Teleport aims to leverage its fresh pre-IPO capital injection to accelerate earnings momentum and grow its presence on a global scale, on the back of demonstrated sustainable scalability and positive PAT in 2025. Prioritising capacity acquisition through partner airlines, it seeks to expand its network reach and strengthen capacity and connectivity mix, to better serve eCommerce movement from China via Asia (including Oceania) through the Middle East and into key European destinations. Technology integration into its operations will continue to enable it to scale to support higher volumes throughputs.

2026 will see Teleport accelerate its growth as it builds the capability and capacity to move two million parcels a day. With capital injection driving strategic capacity acquisition, its goal now is to take its unique asset-light model to a global level and continue to move things beyond Southeast Asia faster, cheaper and better than anyone else.

PERFORMANCE REVIEW

ONLINE TRAVEL AGENCY (OTA)



MOVE Travel Group is a comprehensive travel and lifestyle ecosystem leveraging a robust organic customer base and proprietary algorithm to deliver optimised cross-selling. It comprises our OTA, AirAsia MOVE (MOVE), which has formally integrated with Wano Connect and Muslim-friendly travel and lifestyle platform ikhlas.com. Through Wano Connect, the platform is able to capture agent-heavy B2B markets while ikhlas.com further expands its reach to some 290 million Muslims across Asean, who are served via extensive Muslim-friendly destinations and travel packages.

AirAsia MOVE

MOVE provides a seamless platform for flights, stays and ancillary services powered by hyperpersonalisation and bundling. Built from 25 years of inherited airline data as well as an advanced technology and AI stack, the platform has maintained EBITDA profitability for three years, serving 15 million Monthly Active Users (50 million Annual Active Users) across 13 languages and 31 currencies.

Wano Connect

Incorporated in September 2025, Wano Connect holds exclusive B2B distribution rights for AirAsia flights. Comprising an ecosystem of over 16,000 travel agents and 100 aggregators, it is able to maximise sales efficiency in high-growth regions, while driving strategic partnerships with external carriers and hotel partners to diversify the Group's inventory supply.

ikhlas.com

ikhlas.com provides a culturally resonant gateway to religious obligations and travel with offerings ranging from *umrah* packages to online *zakat* and *qurban*.



PERFORMANCE REVIEW ONLINE TRAVEL AGENCY (OTA)

2025 OVERVIEW

The platform performed well in 2025, with the number of Monthly Active Users (MAUs) remaining stable and the Net Promoter Score (NPS) reaching 57. These improvements were supported by technical optimisation, including Passkey biometrics and the AskBo AI virtual concierge, which effectively streamlined the user funnel. The platform also pioneered social engagement through new flight-specific chat communities.

Diversification accelerated through FlyBeyond and major regional airline partnerships, driving non-AirAsia revenue to a record 28% of the portfolio. Meanwhile, AirAsia Flights remained stable through improved discovery and

pricing logic. Overall margins improved along with strong flight traffic and ancillary attach rates that were 23% higher than peer OTAs. Integrated Flight and Hotel (Stays) transactions grew over 40% YoY, while Duty Free pre-book conversions nearly tripled, lifting the segment's GBV by 157% YoY.

The launch of Wano Connect in Q4 accelerated the platform's growth, contributing 55% of quarterly revenue. New services like MOVETIX, eSims and eVisas further diversified MOVE's offerings, while successful scaling into the Philippines and Indonesia strengthened its Asean footprint.

CHALLENGES & THEIR MITIGATION

Challenge	Mitigation
User experience on the platform	<ul style="list-style-type: none"> Mitigate technical friction: Improve login and mobile web experience to ensure platform speed and reliability. Address conversion barriers: Optimise flight booking flow and payment success rates. Streamline support efficiency: Scale AskBo Chatbot by improving resolution via simplified rules.
Rapidly evolving, hyper-competitive digital travel market	<ul style="list-style-type: none"> Competitive Protection: Leverage AirAsia pricing advantage and rewards to counter OTA pricing and retain AirAsia travellers. Value Differentiation: Create proprietary interlining and travel bundles to mitigate competition against simple flight or hotel bookings. Friction Reduction: Build a chat-based agentic booking flow to modernise the user journey. Retention Strategy: Utilise Social + AI to build community and agents, driving platform relevance beyond the booking stage.

KEY INITIATIVES

- ▶ Established a new MOVE entity in China to accelerate regional expansion.
- ▶ Strengthened the direct hotel sourcing model alongside global B2B aggregator collaborations to secure competitive rates and expand inventory.
- ▶ Introduced "Easy Cancel" in partnership with Hopper, allowing guests to cancel AirAsia flights up to 48 hours prior to departure for a rapid 10-day refund.
- ▶ Partnered with Ant International's Antom to streamline cross-border transactions, reducing operational costs while offering a wider variety of secure local payment methods across Asean.
- ▶ Collaborated with Singapore Tourism Board, the Tourism Authority of Thailand, and Indonesia Tourism Board to leverage Flight and Hotel bundles and drive demand into emerging second- and third-tier cities, alleviating overtourism.

KEY ACHIEVEMENTS

- **Ancillary Performance**
Maintained a robust average ancillary attach rate of 62%, representing a one percentage point YoY increase.
- **Flight Diversification**
Expanded direct airline partnerships, onboarding Indigo, Citilink, China Southern Airways and VietJet.
- **Stays Growth**
Achieved a significant 24.5% YoY increase in total hotel bookings.
- **Duty-Free Resurgence**
Following its Q3 2024 relaunch, Duty-Free gross merchandise value surged 603% YoY, with total transactions skyrocketing by 858%, driven by an expanded product range and consumer shift toward pre-booking (which saw revenue increase by 25%).
- **Platform Stability**
Achieved 99% crash-free rate while deploying over 35 new features and 320 bug fixes throughout the year, directly contributing to a five-point improvement in the platform's NPS.

AWARDS

- **World Travel Tech Awards 2025**
 - Asia's Best Travel Booking App for three consecutive years
 - World's Best Low-Cost Airline App 2025
 - World's Best Low-Cost Airline Website 2025
- **Malaysian CMO Awards 2025**
- **Global Brand Awards 2025**
 - Fastest Growing Online Travel Agency
 - Most Innovative Digital Travel Ecosystem
- **Life at Work Awards (LAWA) by TalentCorp Malaysia**
 - 2nd Runner-Up for Digital & Tech Excellence in the International Organisation/Public Listed Company category

OUR PERFORMANCE AT A GLANCE

- **Best-in-class in ancillary suite:** with a 62%
- **+25% YoY Growth** of our Stays segment
- **Crystallised strategic partnerships with massive regional carriers** like Indigo, Citilink, Vietjet and China Southern Airlines
- **Asia's Best Travel Booking App** by World Travel Tech Award 2025
- **China Market Entry:** entity incorporated with WeChat and Alipay Mini Programs in development

PERFORMANCE REVIEW ONLINE TRAVEL AGENCY (OTA)

LOOKING FORWARD

In the coming years, MOVE seeks to establish itself as a premier AI-driven travel retail platform in Asean. In 2026, it will focus on transitioning from an OTA model to a high-margin, resilient travel ecosystem powered by proprietary data and agentic AI.

What to look forward to in 2026:

AirAsia MOVE

- Maintain a best-in-class ancillary attach rate.
- Full-stack customer service and personalised offers and bundles.
- A more social platform across the entire booking journey from discovery to conversational commerce, evolving into a robust travel community that includes a peer-to-peer marketplace in the future.
- Back-end efficiencies through BigPay and AirAsia rewards, while capturing demand generation synergies with AirAsia Next.

Wano Connect

- Simplified content for smaller agencies in emerging markets.
- Dynamic retailing via partnerships with diverse hotel chains and international carriers to provide comprehensive AI-driven travel inventory.
- Expanded direct content and core carrier inventory along with fewer third-party airline and accommodation providers.

ikhlas.com

- Dedicated charter flights with AirAsia and more secure booking for pilgrims.
- A community-led ecosystem that integrates personalised feeds, loyalty growth features, and AI-driven support providing a more engaging and retentive experience than traditional booking platforms.
- Greater access across Asean as Ikhlas sets up regional entities in Indonesia and other emerging markets.

PERFORMANCE REVIEW

BRAND AND IP

AirAsia Next

AirAsia Next (in the process of a name change from Brand AA) is the brand management company of Capital A responsible for managing the AirAsia, AirAsia MOVE, Teleport, ADE and Santan brands. Starting out in May 2023 as the creative steward of the iconic AirAsia brand, AirAsia Next has evolved into a dedicated platform for brand management, brand licensing and IP monetisation across the Capital A portfolio of brands.

Its most valuable asset currently is the AirAsia brand, valued at USD1.93 billion by Brand Finance and ranking 24th among the most valuable airline brands in the world as well as seventh among all brands in Malaysia.¹

The focus in 2025 was on establishing clarity around the AirAsia Next value proposition and developing its vision and mission, which are set out in Our Strategy/Blueprint on page 57 of this report.

Going forward, AirAsia Next will outline its brand standards, protect brand equity and extend the Capital A portfolio of brands into new markets, industries and business categories beyond aviation through licensing and partnership arrangements. Eventually, it seeks to expand beyond its existing portfolio by acquiring and developing new brands belonging to third parties.

¹ According to Brand Finance Malaysia 100 2025 report



PERFORMANCE REVIEW

BRAND AND IP

Supporting its growth, AirAsia Next will build commercialisation and monetisation tools such as data and AI technology infrastructure, supported by a loyalty programme through the integration of AirAsia rewards. This will allow all brands under its management to focus on what they do best without having to develop related capabilities from scratch. Through its ecosystem, AirAsia Next will be able to deliver hyper-personalised marketing and loyalty-driven customer acquisition to every brand within its portfolio, reducing customer acquisition costs. Revenue will be drawn primarily from brand license fees, income from newly developed and acquired brands, collaboration and partnership income, as well as loyalty programme revenue.

KEY INITIATIVES

- ▶ Partnered with SEGA on multiple brand activations, including AirAsia presence in the Sonic Racing: CrossWorlds game as well as SONIC and Persona 5 character IP inflight merchandise.
- ▶ Launched the AirAsia Buds Adventures animated series on YouTube, which attracted over 16 million views, alongside AirAsia Buds inflight merchandise.
- ▶ Partnership with leading global luggage and lifestyle brand American Tourister to unveil The Funseekers Collection of bags featuring the AirAsia brand.
- ▶ Partnership with Ripper GC, one of 13 teams in the LIV Golf League.
- ▶ First-of-its-kind collaboration with local Malaysian sparkling juice brand, Hausboom, to co-create a beverage series inspired by AirAsia flight destinations.
- ▶ Partnership with the ASEAN United Football League to deepen engagement with football fans across the region, further championing Asean connectivity.
- ▶ Collaborated with Olympic silver medallist Ben Proud to support high-performance sport and elevate brand presence within the global swimming community.
- ▶ Championed emerging sports to connect with youth communities across the region, including GROM Patrol (Surf), RFJAM (Dance), rock climbing and skateboarding, reinforcing AirAsia's position within high-engagement subcultures.
- ▶ Partnered with the Asian Hockey Federation to support and grow the hockey ecosystem across Asean markets.
- ▶ Partnered with the Kings World Cup, a digitally native football tournament blending online-first engagement with a live final in Italy, enabling AirAsia to tap into new-age football audiences.
- ▶ Collaborated with ComplexCon China to curate and host creators within the fashion and lifestyle space, delivering immersive brand experiences and strengthening cultural relevance.

rewards

AirAsia rewards is one of the largest loyalty points platforms in the region enabling seamless, borderless earn-and-burn experiences across Asean and beyond. Focused on rewarding its loyal members, AirAsia points earned serve as a borderless currency that can be used for AirAsia and other flights, hotels, F&B, retail and daily services offered through the Capital A ecosystem (on AirAsia MOVE app) as well as AirAsia rewards partners.

All members benefit from Final Call fares and priority services, while structured Red, Gold, Platinum and Black tiers encourage members to earn more to unlock differentiated benefits.

AirAsia rewards is linked with co-branded credit cards in Thailand, Indonesia and the Philippines, with Vietnam and Malaysia cards in the pipeline. Its Xchange Platform enables three-way points conversion between AirAsia points, bank

points and points from other loyalty programmes. The platform is also offered to external vendors as Loyalty-as-a-Service (LaaS), enabling vendor partners to embed AirAsia rewards points in their own reward programmes.



2025 OVERVIEW

As competition intensifies across the loyalty/rewards industry, corporations are going the extra mile to offer increasingly attractive and engaging programmes to promote brand stickiness. In this environment, AirAsia rewards continues to build stronger relationships with its members via diversified loyalty services and expanded co-brand as well as lifestyle collaborations. While broadening its market reach, it is enhancing the ways in which members can use their points, making it more convenient to use services on AirAsia MOVE and elsewhere. Focus on gamification is allowing AirAsia rewards to drive higher engagement and reactivation, strengthening strategic partnerships, including collaborations with arrivia and eCommerce partners. This has contributed to an enlarged member base with the reactivation of a significant number of dormant members.

CHALLENGES & THEIR MITIGATION

Challenge	Mitigation
A large number of AirAsia members become dormant for lack of awareness or motivation to use the loyalty programme.	<ul style="list-style-type: none"> Organise targeted campaigns and enhance referral programme to engage members. Further improve the rewards platform with strategic partnerships, offering exciting new ways to earn and burn points apart from flights and hotels. BIGGIE Troopers carry out on-ground activations at partners' offices and events.

KEY INITIATIVES

- ▶ Launched Platinum co-brand card with RCBC Bank in the Philippines.
- ▶ Expanded lifestyle and strategic partnerships to include arrivia, enabling members to earn points from cruise travel; Ascott Star Rewards in hospitality; Sungai Wang Mall; Machines+ (technology); LUNO (bitcoin); Amanah Saham Nasional Berhad (ASB investment); Versa (wealth management); and projects/events such as World Gourmet and KL Wellness City (project).
- ▶ Introduced points as a form of payment across selected use cases.
- ▶ Introduced BIGGIE Troopers, i.e. Allstars deployed at various locations to promote the rewards programme, while further increasing awareness through other engagement-led initiatives as well as targeted campaigns.
- ▶ Introduced an enhanced referral programme to drive member acquisition and reactivation.

KEY ACHIEVEMENTS

- **22% increase** in active membership base, or 5.4 million new members across the market.
- **1.8 million** members reactivated through 60 targeted campaigns.
- Total of **20% increase** in partner network.

PERFORMANCE REVIEW BRAND AND IP

LOOKING FORWARD

Going forward, AirAsia rewards is focused on delivering a rewards programme that closely resonates with members' needs, recognising members' key milestones and creating value through every meaningful interaction. To encourage points redemption, fixed expiry dates will be replaced by dynamic rolling one-year validity offers which could potentially be evergreen and last a lifetime. Members will also be able to use their points as payment at Manage My Booking for baggage add-ons, inflight meals and seat upgrades. In addition, Allstars can start using AirAsia points to pay for their eCoupons and ID90 (staff flight) bookings.

What members can look forward to in 2026:

- Enhanced Membership Programme 3.0 with personalised rewards and recognition of key milestones
- Evergreen points under an activity-based expiry policy
- AirAsia Buds Club
- Expanded lifestyle redemption with more partners
- Points-as-payment via BigPay
- Virtual co-brand credit card in Malaysia with Alliance Bank
- New mobile-responsive website and mission-based gamification engine



BigPay is a leading digital financial services platform in Southeast Asia, focused on making money management accessible and transparent to all. The platform offers a comprehensive range of services from cross-border and domestic payments to international transfers, personal loans and smart budgeting to continue to level-up Southeast Asian lives, one transaction at a time.

BigPay differentiates itself in the market with its user-centric design, competitive exchange rates and commitment to financial inclusion. Through technology-driven innovation and intuitive digital tools, BigPay empowers users to take greater control of their financial lives.



2025 OVERVIEW

2025 marked a pivotal growth year for BigPay amid Southeast Asia’s fintech surge in embedded finance, cross-border payments and a push to provide better remittances for users. The industry continued to emphasise cashless adoption, digital lending and regulatory innovation with BigPay responding through ecosystem deepening and a stronger push towards profitability. BigPay’s strategy focused on enhancing ecosystem integration with AirAsia MOVE while driving cost efficiencies and regional scaling.

CHALLENGES & THEIR MITIGATION

Challenge	Mitigation
The fintech and digital payments landscape is increasingly competitive, marked by new entrants and rapidly evolving consumer expectations.	<ul style="list-style-type: none"> BigPay continued to invest in product innovation and data-driven enhancements to strengthen differentiation and sustain user growth.
Expanding into multiple jurisdictions and different product offerings brings regulatory complexities, particularly in new product areas such as credit reporting and personal financing.	<ul style="list-style-type: none"> Compliance and governance frameworks were reinforced to ensure alignment with regulatory requirements, complemented by close collaboration with strategic partners such as MRT in Thailand. In Malaysia, BigPay worked with Bank Rakyat and CTOS to support seamless and compliant product integration.
Maintaining platform stability and security while scaling operations to meet higher transaction volumes driven by user and regional growth.	<ul style="list-style-type: none"> Platform resilience was enhanced through continuous improvements in infrastructure, cybersecurity and automation, enabling BigPay to handle increased transaction volumes effectively.
Balancing ongoing technology investments with cost-efficiency targets.	<ul style="list-style-type: none"> Focus on operational efficiency to optimise resources and maintain financial sustainability while pursuing regional growth and technological advancement.

KEY INITIATIVES

► Brand Building

- Executed integrated marketing campaigns like the Visa MAMA Awards collaboration to strengthen brand presence and visibility.
- Launched a nationwide travel campaign in Malaysia with Visa, offering free flights through digital advertising and for key opinion leaders.
- Increased user engagement through financial education initiatives and targeted content strategies.

► Infrastructure & Capabilities Enhancement

- Upgraded backend systems to improve transaction performance, security and scalability.
- Expanded data analytics and automation capabilities to support more personalised user journeys.

► Business Expansion

- Expanded into Thailand with the launch of Visa Platinum cards (physical and virtual), Stash and Analytics features.
- Grew user base through regional acquisition efforts and strategic promotions.

► Partnerships

- Collaborated with Bank Rakyat to enable seamless access to its Shariah-compliant personal financing through the BigPay app.
- Partnered with CTOS to offer users direct access to their MyCTOS credit reports.

PERFORMANCE REVIEW BRAND AND IP

KEY ACHIEVEMENTS

- Improved platform speed, reliability and user satisfaction through infrastructure and analytics upgrades.
- Achieved **29% growth** in active new users and **270% increase** in transaction volumes and engagement in Thailand, a key growth market in 2025.
- Recognised as a Customer Lifecycle Pioneer by CleverTap for excellence in user engagement and retention.

LOOKING FORWARD

In 2026, BigPay aims to strengthen its position as a trusted and inclusive digital financial platform in the region. Its focus will remain on expanding service capabilities, enhancing the user experience and driving financial inclusion through accessible and transparent solutions. Priority will be given to the rollout of new features that support smarter financial management, broader regional remittance and payment coverage, as well as deeper integration within the ecosystem to deliver more seamless financial experiences. BigPay assures users of continued innovation and an empowered way to manage money in the year ahead.



PERFORMANCE REVIEW

FOOD AND BEVERAGE (F&B)

santan

Santan is a multi-pillar food and beverage (F&B) business built to scale across mobility, retail and fast-moving consumer goods (FMCG). Originating as the inflight F&B arm of AirAsia, Santan has evolved into an integrated business that combines product innovation and brand building with operational excellence to deliver quality and value in the air and on the ground. Values-based and digitally driven, the company's strategies are anchored in data and deep operational expertise.

Santan's expansion into diverse distribution channels has been enabled by carefully developed products that are rigorously demand-tested within the mobility segment. This proven foundation allows the pivot into multifaceted lines of business, providing partners and customers with the distinct advantage of product superiority at lower price points, achieved through economies of scale.

WHAT SANTAN OFFERS:

- **Inflight Food & Beverage Management** — End-to-end management of inflight F&B operations, from menu development, pricing, demand planning and vendor management to quality assurance (QA) and compliance.
- **Grab & Go** — Compact, high-turnover retail focused on ready-to-eat (RTE) food, bite-sized prices and consistent quality.
- **Fast-Moving Consumer Goods (FMCG)** — Development and commercialisation of Santan-branded food products distributed through inflight, eCommerce and strategic partners.



PERFORMANCE REVIEW FOOD AND BEVERAGE (F&B)

2025 OVERVIEW

2025 was a pivotal year in strengthening the foundation for Santan's long-term growth. Operating across Malaysia, Indonesia and the Philippines, we continued to expand our regional footprint and bring our brand closer to more communities.

During the year, we served 19 million meals, achieving 7% year-on-year volume growth. Our top three best-selling products, Pak Nasser's Nasi Lemak, Uncle Chin's Chicken Rice and Bukhara Chicken Briyani, remained

clear favourites among customers. We also enhanced our onboard offerings with the introduction of five new meals, five new snacks and four new drinks, further broadening customer choice.

Financially, Santan recorded revenue of RM208 million, representing an 8% year-on-year increase. EBITDA margin improved by one percentage point to 7%, resulting in EBITDA of RM14.5 million, reflecting both topline growth and strengthened operational efficiency.

CHALLENGES & THEIR MITIGATION

Challenge	Mitigation
Managing inflight operations across multiple countries and stations creates operational complexity, including variability in supplier capability, cost structures and regulatory requirements.	<ul style="list-style-type: none"> Strengthened central oversight of vendor management, QA and compliance. Improved coordination between stations through standardised processes and clearer accountability. Rationalised menu and SKU complexity to improve consistency and execution.
Retail and FMCG require different operating rhythms and economics compared to inflight, including store-level profitability, SKU velocity and distribution readiness.	<ul style="list-style-type: none"> Phased rollout approach to test concepts before scaling. Early focus on unit economics, payback periods and SKU performance. Leveraged existing operational and brand capabilities to reduce duplication.
Introducing new products while maintaining operational reliability requires careful balance, particularly in high-frequency environments.	<ul style="list-style-type: none"> Prioritised fewer, better-performing product launches. Introduced structured testing and review processes before wider rollouts.
As the business expands into new channels, teams are required to cover broader scopes, creating bandwidth and prioritisation challenges.	<ul style="list-style-type: none"> Clearer prioritisation of initiatives with the highest commercial impact. Increased use of shared services and cross-functional collaboration. Build scalable processes rather than one-off solutions.
Ensuring a consistent brand experience across inflight, retail and FMCG while adapting to different customer contexts.	<ul style="list-style-type: none"> Centralised brand and product guidelines. Alignment of menu, pricing and messaging across channels. Refine execution according to customer feedback.

KEY INITIATIVES

► Inflight Food & Beverage Management

Product Innovation

- Refresh of inflight menus to balance appeal, operational feasibility and margin discipline with a focus on regionally relevant and locally inspired offerings to cater to diverse passenger profiles.
- Expanded range of lighter meals and beverages, including reduced-sugar drinks and simpler ingredient profiles.
- Modular menu formats to allow flexibility across short-haul and long-haul routes, with clearer menu structuring to help guests make informed choices onboard.
- Progressive reduction of complex preparations to improve consistency and quality.

Operational & Cost Efficiencies

- Menu rationalisation to reduce complexity, waste and handling costs.
- Centralised vendor management to leverage scale and improve pricing discipline.
- Enhanced use of sales and load factor data to optimise planning and menu loading.

Enhancing Take-Up Rate

- Optimised pricing and menu; and implemented targeted product placement and bundling strategies.

► Grab & Go Retail

Product Innovation

- Simplified menus designed for speed, consistency and repeat purchase with focus on portable, ready-to-consume items aligned with commuter and travel-led demand.
- Ongoing menu testing to identify high-performing hero items.
- Introduced lighter meals and beverages and portion-controlled offerings to cater to health-conscious consumers.

Operational & Cost Efficiencies

- Menu simplification to improve throughput and reduce food waste.
- Focus on store-level unit economics, including sales per square foot and labour productivity.
- Use of point of sales (POS) data to monitor SKU performance and customer buying patterns.
- Better visibility of daily sales and margin performance to support faster decision-making.

Expanding Customer Base

- Leveraging brand recognition from inflight to build trust and trial in physical retail.

► Fast-Moving Consumer Goods (FMCG)

Product Innovation

- Development of ready-to-eat and packaged products based on proven demand from operational channels.
- Focus on scalable formulations suitable for mass production and longer shelf life.
- Exploration of reduced-sugar, cleaner-label and portion-controlled products.

Operational & Cost Efficiencies

- Tight SKU discipline to focus resources on high-potential products.
- Early emphasis on margin structure and cost-to-serve by channel.
- Basic forecasting models to support production planning and inventory control.

PERFORMANCE REVIEW FOOD AND BEVERAGE (F&B)



LOOKING FORWARD

2026 is set to be a year of foundational growth and strategic transition, marking the beginning of a five-year transformation. The company projects revenue growth driven by mobility and B2B segment as it begins to diversify into more lines of business. The year serves as the baseline for a targeted 27x expansion of the non-aviation business, which is central to achieving a 60:40 revenue mix by 2030.

Focus in 2026:

Core Business Optimisation (Mobility & Airlines):

- Integrate the inflight business of AirAsia Thailand for substantial revenue growth and validate the scalability of the central kitchen model.
- Enhance value proposition through strategic pricing and marketing to increase the average revenue per passenger to USD0.95 and the take-up rate to 35%.

Foundation for Non-Airline Growth (B2C & B2B):

- For B2C, validate the Grab & Go concept with the first few outlets in Malaysia and the Philippines.
- For B2B, the focus is on aggressive client acquisition in the retail and convenience store sectors (eg Zus, Petronas) and expansion into new revenue channels like HORECA and other mobility partners.
- Introduce iconic Santan products, such as freeze-dried coffee and ready-to-drink beverages, into the consumer market through eCommerce and retail partnerships.

PERFORMANCE REVIEW

AVIATION



Established as a low-cost carrier with only two aircraft in 2001, AirAsia has evolved into a prominent global brand, named the World's Best Low-Cost Airline by Skytrax for 16 consecutive years. With Air Operator Certificates (AOCs) in Malaysia, Thailand, Indonesia, the Philippines and Cambodia, AirAsia has built more skybridges across Asean (and now beyond) than any other airline. Connecting major cities as well as tier-two and tier-three destinations, the airline has made travel affordable and more accessible to more people in the region.

AirAsia's extensive network has led to Kuala Lumpur being ranked fourth as the most connected airport globally in the OAG Megahub index 2025, ahead of all other regional airports. The same index also ranks Kuala Lumpur as the world's top Low-Cost Carrier Airport Megahub, demonstrating the airline's economic and social contributions to Malaysia and the region.



PERFORMANCE REVIEW AVIATION

2025 OVERVIEW

In 2025, travel demand continued to increase into and across Asean along with accelerated economic recovery, competitive fares, government-led tourism campaigns and digital efforts to facilitate cross-border movement.

For AirAsia, it was a year of consolidation across the group of airlines, with efforts made to return to normalcy following the extended post-Covid hiatus. A key focus was to bring more aircraft out of hibernation and optimise the expanded capacity through a strategic network review emphasising high-performing routes and new destinations with unmet demand. At the same time, AirAsia concentrated on maintaining optimum operational efficiency in terms of on-time performance and initiatives to go green.

During the year, six more aircraft were brought out of hibernation and reintroduced to the operating fleet. Following a route rationalisation exercise, the newly recovered aircraft were deployed mainly on domestic routes in key markets, balancing dominance with improving profitability. By year end, AirAsia had captured 60% and 40% of the Malaysian and Thai domestic markets, respectively. Of note, domestic capacity in Thailand reached pre-Covid levels. The airline was also able to capitalise on an unexpected rebound in travel to China

by investing in new routes serving Asia's largest market, such as Johor Bahru-Kunming, Tawau-Guangzhou and Tawau-Shanghai.

The fare environment was competitive with foreign airlines mounting flights into Asean adding to already intensifying competition from regional low-cost carriers. Nevertheless, AirAsia fares exceeded 2019 levels by almost 30%, driven by improvements in domestic and Asean routes. In 2025, the airline also reduced its baggage pricing to boost all-in pricing competitiveness. This helped to improve seat sales and the baggage take-up rate, which increased by 40% YoY. A slight drop in the AirAsia Group load factor to 84%, however, evened out revenue, which came in at RM16.8 billion.

In preparation for consolidation with AirAsia X, which took place on 16 January 2026, a landmark Memorandum of Understanding (MoU) was signed with Airbus in July 2025 for 50 Airbus A321XLRs with additional rights for 20 Airbus A321XLRs. With this MoU, the airline has taken a major step towards becoming the world's first low-cost network carrier, anchored by a multi-hub strategy. The aircraft are scheduled for delivery commencing 2028 through 2032.

CHALLENGES & THEIR MITIGATION

Challenge	Mitigation
Maintaining on-time performance amid constrained aircraft availability and global supply chain bottlenecks affecting aviation parts.	<ul style="list-style-type: none"> ADE helped dampen the effect of supply chain disruptions, though full resolution will take time. Use of digital platforms helped to improve flight scheduling and other key operational parameters enhancing efficiencies.
Cost inflation and increasing regulatory complexity, including departure taxes and airport fees in parts of Asean, are pressuring margins.	<ul style="list-style-type: none"> Continue to leverage core strengths, particularly low-cost operations. Active engagement with regulators and industry stakeholders to promote balanced policies that achieve objectives without burdening airlines or passengers.
Weather-related disruptions and geopolitical uncertainty are weakening passenger confidence and influencing travel behaviour.	<ul style="list-style-type: none"> Proactive engagements with key stakeholders to anticipate and manage regulatory environment development. Proactive communication with guests, for example posting information on how weather-related events can cause delays and what guests should expect, etc.

SUSTAINABILITY HIGHLIGHTS

- New A321neo aircraft are cutting the Group's carbon emissions, while smarter operations in the air and on the ground further promote fuel efficiency.
- Engage with regulators and carbon project owners to ensure the ability to meet international carbon offset requirements.
- Exploring alternative sustainable aircraft fuel (SAF) feedstock options with Airbus, while AirAsia Thailand is collaborating with the government to support its use.
- Helping guests understand the carbon footprint of their journeys, providing transparent carbon emissions per seat so they can make informed travel choices.

OPERATIONAL PERFORMANCE

AirAsia Malaysia (MAA)

MAA's focus was to get all its aircraft out of storage and into the air again in order to meet escalating travel demand. This demand was not only for international but also domestic travel, leading the airline to further increase its domestic capacity. This led to MAA capturing close to 60% of the domestic market. Internationally, China and Indonesia continued to be important markets, inspiring the introduction of three new routes to Kunming, Guangzhou and Shanghai; and four to Palembang, Semarang, Banjarmasin and Pontianak.

Year	No. guests carried	Capacity (available seat km)	Load factor	OTP	Operating aircraft at period end
2025*	28.21 mil	43,588 mil	84%	66%	87
2024	28.81 mil	41,532 mil	89%	76%	89
2019	35.03 mil	50,727 mil	84%	81%	97

AirAsia Thailand (TAA)

2025 was a challenging year for TAA, with an unprecedented earthquake, geopolitical conflicts and safety issues dampening tourism sentiment, especially arrivals from China. Arrivals from India reached a new high, yet remained only half of that from China. In response, TAA shifted its capacity towards domestic routes. Together with the highest OTP in the country and a dual-hub operating strategy at Don Mueang and Suvarnabhumi airports, TAA gained domestic market leadership enabling the airline to sustain stronger pricing than peers on strategic routes. Additionally, lower fuel prices and local currency depreciation contributed to a relatively resilient EBITDA margin. Sentiments improved by the later part of the year, with TAA returning to profitability in the fourth quarter.

Year	No. guests carried	Capacity (available seat km)	Load factor	OTP	Operating aircraft at period end
2025*	18.94 mil	23,391 mil	83%	77%	56
2024	20.82 mil	24,771 mil	91%	79%	56
2019	22.11 mil	26,940 mil	85%	86%	58

PERFORMANCE REVIEW

AVIATION

AirAsia Indonesia (IAA)

Despite reduced capacity, IAA strengthened its international network, particularly routes beyond Asean such as Australia where demand and yields remained relatively strong. Bali was further consolidated as a key international operating base, supporting international connectivity and Fly-Thru traffic while maximising the productivity of available aircraft. On the domestic front, IAA prioritised profitable and strategic routes. Through careful fleet allocation, route prioritisation and close coordination with the Group on maintenance and fleet planning, IAA sustained its network relevance with improved load factors while delivering stable performance.

Year	No. guests carried	Capacity (available seat km)	Load factor	OTP	Operating aircraft at period end
2025*	5.35 mil	9,749 mil	83%	77%	21
2024	6.61 mil	11,142 mil	87%	83%	24
2019	7.95 mil	11,926 mil	83%	82%	28

AirAsia Philippines (PAA)

2025 was a year of consolidation and putting systems in place to further strengthen PAA's foundations for sustainable growth. It was also a time for rebuilding guest confidence via enhanced service. Slot constraints at the Manila hub prompted a network strategy review, with the airline prioritising high-revenue routes to protect connectivity and commercial performance. While reopening the Cebu hub for domestic and international routes in November, operational control has been centralised in Manila, enabling faster and more coordinated decision-making. PAA also focused on driving further cost efficiencies, solidifying its next phase of growth.

Year	No. guests carried	Capacity (available seat km)	Load factor	OTP	Operating aircraft at period end
2025*	5.45 mil	5,316 mil	86%	71%	16
2024	6.80 mil	7,069 mil	90%	66%	16
2019	8.55 mil	11,273 mil	88%	71%	24

AirAsia Cambodia (CAA)

CAA's focus was on optimising its network, expanding frequencies on core routes and strengthening operational readiness to support sustainable growth. The airline successfully scaled flights from Siem Reap, Sihanoukville and Phnom Penh to Kuala Lumpur, reallocating capacity from underperforming routes to those with stronger demand. At the same time, improved operational processes, performance monitoring and stakeholder coordination fostered reliable partnerships, supporting stable operations as the network expanded. These efforts contributed to a positive EBITDA margin of ~21% within 18 months of taking off, with the airline becoming profitable in its first full year of operations.

Year	No. guests carried	Capacity (available seat km)	Load factor	OTP	Operating aircraft at period end
2025*	392,582	559 mil	71%	85%	2
2024	141,297	160 mil	55%	95%	2

LOOKING FORWARD

Travel demand is expected to remain strong in 2026, with Asia's expanding middle class complemented by enhanced travel facilitation such as visa relaxation, better immigration infrastructure and technological advancements.

Against this backdrop, AirAsia's focus will be on driving higher guest volumes via competitive fares, especially in Malaysia and Thailand where it commands domestic market leadership. With a much larger network that includes AirAsia X's reach, there will be better opportunities to improve Fly-Thru contribution, especially by leveraging India and China connectivity into Asean. Volume will be key to boosting ancillary revenue and the airline has set the target of lifting this to 20% of total revenue through further improvements in baggage and seat take-up rates as well the introduction of more innovative products.

As part of the larger AirAsia X Group, AirAsia will contribute towards relentless focus on cost efficiency, streamlining the delivery of additional aircraft in the coming years.

* 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

PERFORMANCE REVIEW
AVIATION



Ground Team Red (GTR) offers a comprehensive suite of services supporting airline operations across Peninsular and East Malaysia. These include passenger handling, ramp handling and airside operations; air cargo handling services supporting both passenger and freighter operations; and premium private jet handling services. Beyond its core offerings, GTR provides aircraft interior cleaning, ground support equipment maintenance and related airside services to ensure end-to-end operational continuity. The company also works closely with airline and logistics partners to optimise turnaround times, improve asset utilisation and support network and route expansion.



PERFORMANCE REVIEW AVIATION

2025 OVERVIEW

The Asia Pacific ground handling industry continued to grow driven by surging air travel demand. Passenger traffic expanded by approximately 7.4% YoY, increasing requirements for ramp, cargo and aircraft handling services. As airlines expanded their fleets and routes, airports accelerated infrastructure investments to support long-term growth. At the same time, labour shortages remained acute across the region and operating costs continued to increase. Sustainability expectations are also intensifying, with airlines and airports placing greater emphasis on emissions reduction and long-term decarbonisation pathways.

In response, GTR focused on strengthening its operational reliability, expanding its service offerings and positioning itself to support growing airline demand amid a competitive and cost-sensitive operating environment. While sustainability remained a strategic priority, the deployment of additional electric ground support equipment was deferred due to delays in charging infrastructure readiness at airport sites. Instead, GTR focused on planning and stakeholder engagement to ensure future sustainability initiatives can be implemented safely, reliably and at scale once enabling infrastructure is in place.

CHALLENGES & THEIR MITIGATION

Challenge	Mitigation
Reduced workforce availability due to tight labour market conditions while airline traffic increased.	<ul style="list-style-type: none"> Disciplined workforce planning, strengthened safety and training programmes and enhanced coordination with airline partners to manage higher traffic volumes.
Rising operating costs due to increased maintenance requirements and higher manpower utilisation arising from airside infrastructure conditions and elevated operational demand.	<ul style="list-style-type: none"> Careful cost management including optimising asset utilisation, prioritising operational discipline and service reliability.
Delays in airport infrastructure readiness, particularly for electric vehicle charging.	<ul style="list-style-type: none"> Phased implementation of capital investments aligned with operational readiness.

KEY INITIATIVES

- ▶ GTR pursued an aggressive strategy to grow its third-party airline customer base, expanding beyond AirAsia to serve a broader mix of passenger, cargo and specialised operators. This included the launch of premium private jet handling services, which gained strong market traction.
- ▶ It scaled its ground handling capacity to support increased flight frequencies and operational complexity, handling almost 200,000 flights and 25 million passengers across its network. Operational readiness was strengthened through enhanced manpower planning and equipment readiness to manage peak periods, ad hoc operations and network changes while maintaining consistent service standards.
- ▶ Preparatory work for fleet electrification made good progress, with GTR undertaking technical assessments, operational planning and infrastructure readiness reviews. Deployment timelines were recalibrated to align with airport charging infrastructure availability, ensuring sustainability initiatives remain operationally sound and commercially viable.
- ▶ Operational efficiencies were improved through better asset utilisation, preventive maintenance programmes and process optimisation to support higher volumes while managing cost pressures.

KEY ACHIEVEMENTS

- Added **two passenger airlines** and two freighter airlines to its customer base.
- 21% YoY increase in cargo volume moved, nearing **160,000 tonnes**.
- **Expanded cargo handling footprint to East Malaysia** with the launch of a new warehouse in Sandakan in April 2025.
- Strong uptake of premium private jet handling services, with over **359 flights** handled in 2025.
- **22% YoY growth** in revenue.

AWARDS

- **MSOSH Awards 2025:**
 - Gold Class 1 for Excellence in Occupational Safety and Health Performance
 - President's Award given to GTR's Chief Executive Officer, Musdalifa Abdullah

LOOKING FORWARD

While passenger and cargo demand across the region is expected to continue to increase in 2026, the operating environment remains cost-sensitive. Within this context, GTR will focus on strengthening its core operational performance and improving productivity while expanding its third-party and specialised handling services. Customers can expect continued focus on safety, reliability and operational consistency alongside further enhancements in service capabilities, process efficiency and sustainability performance as infrastructure constraints are progressively addressed.



SUSTAINABILITY STATEMENT

INTRODUCTION

In 2025, our focus evolved from building foundational awareness to executing tangible decarbonisation strategies and enhancing the rigour of our disclosure in accordance with the National Sustainability Reporting Framework (NSRF). This year's statement highlights our expanded reporting boundaries—capturing both our core aviation and non-aviation businesses—while detailing our progress. This statement should be read in conjunction with our 2025 Sustainability Report for a complete disclosure of our undertakings and performance metrics.

In alignment with the NSRF, specifically its use of proportionality mechanisms and transition reliefs to facilitate adoption, our focus has been on providing information that is reasonable, supportable and readily available, utilising qualitative approaches where necessary. We have also adopted a climate-first approach for our principal business segments and are striving towards full adoption of IFRS S1 and IFRS S2 by the year 2027.

JUDGEMENTS AND MEASUREMENT UNCERTAINTIES

The preparation of our sustainability disclosures requires management to exercise inherent judgement and utilise estimates that affect our reported metrics. Key areas of judgement and uncertainty include:

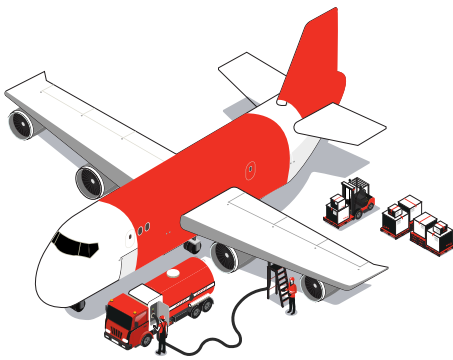
- **Risk & Opportunity Identification:** Exercising informed judgement to identify and assess the climate-related risks and opportunities that could reasonably be expected to impact our enterprise value and business prospects.
- **Scope 3 Methodologies:** Determining the most appropriate calculation methodologies for our Scope 3 greenhouse gas (GHG) emissions based on data maturity. We prioritise the use of high-quality primary data wherever feasible.
- **Data Estimation:** Acknowledging the inherent measurement uncertainties within GHG accounting. In instances where direct activity data or specific emission factors are unavailable, we apply estimation techniques and secondary data proxies to ensure the completeness of our reporting boundary.



OUR VALUE CHAIN

Capital A Group operates a highly synergistic ecosystem. Our business model extends far beyond traditional airline operations, encompassing a diverse portfolio of core entities: ADE (Maintenance Repair & Overhaul (MRO)), Teleport (Logistics), AirAsia MOVE (Online Travel Agency (OTA)), AirAsia Next, Santan (Food & Beverage (F&B)), AirAsia and GTR (Aviation).

Upstream



- **MRO & Logistics Inputs:** Procurement of aircraft parts, rotatable components, and warehouse logistics infrastructure.
- **Digital & IT Sourcing:** Cloud computing infrastructure, data center services and software API integrations.
- **Food & Beverage (F&B) Sourcing:** Raw agricultural commodities, food ingredients and consumable packaging.
- **Aviation Procurement:** Sourcing of aircraft, aviation fuel and ground support equipment.

Own Operations



- **ADE:** MRO, component & warehouse and engineering support services.
- **Teleport:** Air cargo management, end-to-end cross border eCommerce delivery operations.
- **AirAsia MOVE:** Operation of the OTA super-app, ride-hailing and digital lifestyle services.
- **AirAsia Next:** Brand and IP management focused on strategic licensing, loyalty programmes and fintech payment solutions
- **Santan:** In-flight meal production, commercial kitchen operations and on-ground restaurant management.
- **AirAsia and GTR:** Core passenger flight operations, flight dispatch and network management across multiple AOCs.

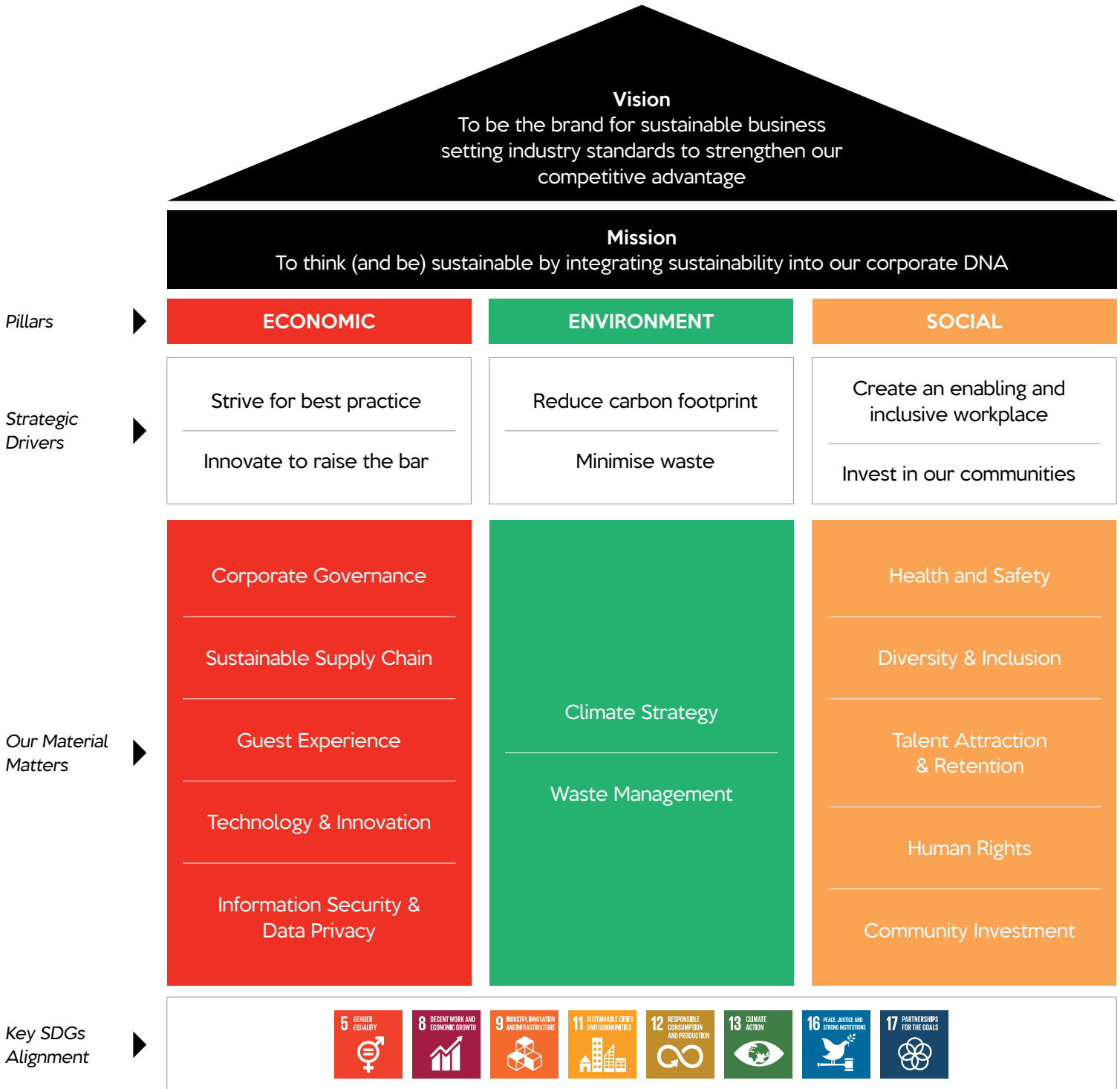
Downstream



- **Business partners:** Third-party airlines, eCommerce merchants, accommodation providers and corporate travel clients.
- **Guests:** Airline passengers, digital app users, ride-hailing customers and F&B consumers.

SUSTAINABILITY FRAMEWORK

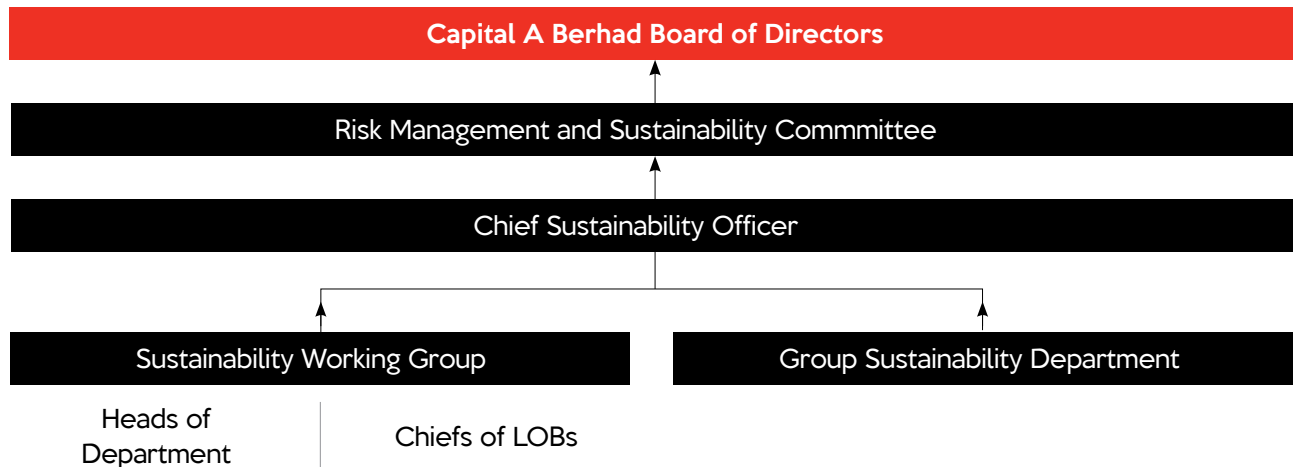
Our approach integrates sustainability across all operations. As visualised below, this foundational framework guides our strategic decision-making and sustainable growth:



SUSTAINABILITY GOVERNANCE

As the highest governing body at Capital A, the Board of Directors (BOD) is ultimately responsible for guiding Management and overseeing crucial issues pertaining to sustainability-related matters.

The Board of Directors, through the Risk Management and Sustainability Committee, provides direct oversight and guidance on strategies, frameworks and policies concerning material sustainability matters including climate change, governance and the guest experience. This ensures that all efforts remain aligned with the Group's broader strategic objectives.



Oversight Level	Responsibilities
Capital A's Board of Directors	<ul style="list-style-type: none"> • Holds overall responsibility for defining the Group's sustainability strategy and approach to material issues, particularly climate, with direct assistance from the Risk Management and Sustainability Committee (RMSC). • Assesses collective skills and competencies through the Nomination and Remuneration Committee (NRC) to ensure effective oversight of sustainability and climate-related risks and opportunities. • Receives progress reports on high-priority sustainability and climate-related matters quarterly.
Risk Management and Sustainability Committee (RMSC)	<ul style="list-style-type: none"> • Responsible for providing Board-level oversight, assessing the Group's strategic direction, policies, principles and practices related to both sustainability and risk management matters. • Oversees sustainability and climate-related strategies, risks, opportunities and target-setting by evaluating trade-offs—balancing short-term transition costs against long-term operational resilience—to ensure all efforts are financially viable and aligned with overarching business objectives. • Monitors quarterly progress against sustainability and climate-related targets, providing strategic direction and recommendations to ensure continuous alignment with overarching Group objectives.
Chief Sustainability Officer (CSO)	<ul style="list-style-type: none"> • Reports key sustainability and climate-related topics to the RMSC and Board of Directors quarterly to support informed, integrated business decision-making. • Chairs the Sustainability Working Group (SWG) to review and provide advisory input on initiatives and efforts undertaken by the various heads of business units. • Leads the Group Sustainability Department and spearheads the execution of Capital A's sustainability and climate-related efforts through the Group's approved governance processes, controls and procedures.

SUSTAINABILITY GOVERNANCE

Oversight Level	Responsibilities
Sustainability Working Group (SWG)	<ul style="list-style-type: none"> • A cross-functional committee comprising department heads and sustainability representatives from all business units. • Leverages sustainability and enterprise risk frameworks, policies and procedures to manage sustainability-related risks and opportunities, ensuring strategic initiatives are effectively operationalised throughout the organisation. • Conducts quarterly meetings to review the progress of ongoing initiatives, integrate best practices and address new requirements.
Group Sustainability Department	<ul style="list-style-type: none"> • Core responsibilities include identifying key sustainability and climate-related risks and opportunities, leading the systematic implementation of initiatives and facilitating stakeholder engagement as well as sustainability reporting. • Leads the rollout of all sustainability and climate-related initiatives across the Group.

Note:

For more information, please visit https://www.capitala.com/corporate_governance.html

SUSTAINABILITY POLICY

In 2025, we updated our Sustainability Policy to articulate our continuous commitment to key areas, including minimising our environmental footprint by avoiding and reducing pollution, enhancing operational efficiencies, serving our communities, ensuring the integrity of our systems and investing in and enabling our talent.

The updated Policy was formally approved by the Risk Management and Sustainability Committee and AirAsia Aviation Group Limited Sustainability Committee. It will be reviewed periodically to ensure continuous alignment with our evolving business and sustainability progress. Our overall ambition is to be responsible and accountable for our actions while effectively sustaining growth.

Note:

For more information on our Sustainability Policy, please visit https://www.capitala.com/misc/Capital_A_Sustainability_Policy_2025.pdf

CLIMATE-RELATED RISKS AND OPPORTUNITIES

To safeguard long-term enterprise value and ensure operational resilience, we recognise that climate-related risks and opportunities must be managed with the same rigour as traditional business risks. Consequently, we have integrated the identification, assessment and oversight of environmental, economic and social (EES) risks and strategic opportunities into our risk management processes. This holistic approach ensures comprehensive visibility and proactive mitigation across our entire value chain.

RISK IDENTIFICATION

We identify climate-related risks and opportunities through a process integrated within our Enterprise Risk Management (ERM) Framework. Existing and emerging risks across our operations and broader value chain are detected leveraging the following sources:

- ▶ **Integrated Risk Management and Due Diligence:** Utilising established internal processes to assess operational, financial and strategic risks.
- ▶ **Market Benchmarking:** Conducting comparative analyses with industry peers to identify common and evolving risks.
- ▶ **Stakeholder Engagement:** Actively engaging with internal and external stakeholders, through structured materiality surveys, focus groups and ongoing dialogue, among others, to capture diverse perspectives on material matters.

RISK ASSESSMENT AND PRIORITISATION

We assess climate-related risks and opportunities alongside other corporate risks by analysing their root causes (events or actions triggering the risk), consequences (potential outcomes), likelihood (probability of occurrence ranging from rare to almost certain) and impact (magnitude of effect ranging from insignificant to severe).

At the end of the evaluation, risks are rated as being Very High, High, Medium or Low. For all identified risks, we develop mitigation controls or leverage associated opportunities. These controls are evaluated for effectiveness to determine the residual risk level. Where risks are not adequately mitigated, additional controls and action plans are mandated.

VALIDATION, MONITORING AND OVERSIGHT

All risks are monitored continuously to ensure our risk responses remain relevant in a dynamic environment. For key risks, we monitor specific risk indicators to enable timely intervention and management. The resulting profile of sustainability and climate-related risks and opportunities is presented to the Risk Management and Sustainability Committee (RMSC) for formal oversight.

Through this process, we have identified the climate-related risks and opportunities (CRO) that are relevant to our business. For a detailed disclosure on the strategy, metrics and targets of our climate transition and physical risks, please refer to the Climate Strategy section of our 2025 Sustainability Report.



PRESCRIBED TABLE

Capital A Berhad
 IFRS S2
 Date & Time: 2026-04-20 18:04:54
 FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	5,785,598	Net Zero by 2050	Internal	Direct GHG emissions from sources that are owned or controlled by Capital A.
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	14,441	Net Zero by 2050	Internal	Indirect GHG emissions generated from purchased electricity and cooling.
GHG emissions	Scope 3 (Total)	Metric tonnes of carbon dioxide equivalents (tCO2e)	1,210,788	Net Zero by 2050	Internal	Other indirect GHG emissions that occur in our value chain, including both upstream and downstream activities.
GHG emissions	Scope 3 Cat.1: Purchased goods and services	Metric tonnes of carbon dioxide equivalents (tCO2e)	1,616	-	Internal	Emissions generated by the energy consumption of our outsourced cloud computing infrastructure.
GHG emissions	Scope 3 Cat.3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)	Metric tonnes of carbon dioxide equivalents (tCO2e)	1,201,334	-	Internal	Well-to-Tank (WTT) emissions, this accounts for the extraction, production, and transportation of our jet fuel, diesel, and petrol.
GHG emissions	Scope 3 Cat.4: Upstream transportation and distribution	Metric tonnes of carbon dioxide equivalents (tCO2e)	117	-	Internal	Emissions generated by third-party logistics and freight services utilised for the upstream transportation and distribution of goods.
GHG emissions	Scope 3 Cat.6: Business travel	Metric tonnes of carbon dioxide equivalents (tCO2e)	5,181	-	Internal	Emissions generated by corporate duty travel and hotel accommodations.
GHG emissions	Scope 3 Cat.7: Employee commuting	Metric tonnes of carbon dioxide equivalents (tCO2e)	2,520	-	Internal	Emissions generated by our workforce during their daily commutes.

PERFORMANCE TABLE

ECONOMIC

Indicators	2023	2024	2025
Corporate Governance			
Number of bribery and corruption cases reported	2	0	0
Number of discrimination or harassment cases	33	28	14
Sustainable Supply Chain			
Total number of new suppliers	1,499	1,091	1,110
Total number of critical suppliers	111	153	234
Total spend on local suppliers (RM)*	3,010,656,236	2,482,053,337	5,266,657,031
Guest Experience			
ADE	-	-	95%
Teleport	87%	96%	96%
AirAsia MOVE			55
▪ NPS	▪ 49	▪ 44	
▪ CSAT	▪ 55% (live chat); 44% (email)	▪ 72% (live chat); 58% (email)	
Customer satisfaction**			
Santan (NPS)	9	19	56
BigPay (CSAT)	94%	92%	90%
Academy	93%	94%	98%
AirAsia			
▪ NPS	▪ 52	▪ 47	▪ 53
▪ CSAT	▪ 67%	▪ 86%	▪ 89%
GTR (NPS)	49	49	55
On-time performance	77%	76%	71%
Percentage short-haul flights (<6 hours) with more than 15-minute delay	23%	24%	29%
Load factor for short-haul flights (<6 hours)	88%	89%	84%
Technology & Innovation			
Corporate data literacy score	66.2%	70.2%	72.4%
Information Security & Data Privacy			
Total number of information security breaches or other cybersecurity incidents	0	0	0
Total amount of fines/penalties paid in relation to information security breaches or other cybersecurity incidents	0	0	0

* Excludes fuel, aircraft purchase & lessors

** NPS: Net Promoter Score; CSAT: Customer satisfaction score

PERFORMANCE TABLE

ENVIRONMENT

Indicators	2023	2024	2025	
Climate Strategy				
Scope 1 (tonnes CO ₂ e)	4,876,565	5,440,467	5,785,598	
Scope 2 (tonnes CO ₂ e)	9,972	12,516	14,441	
Scope 3 (tonnes CO ₂ e)*	1,020,2673	1,144,109	1,210,768	
Fuel consumption (tonnes)	1,528,233	1,704,216	1,812,078	
Carbon intensity ratio (gCO ₂ /RPK)	74.0	72.3	75.5	
Carbon intensity ratio (gCO ₂ /ASK)	64.4	63.7	62.9	
Non-renewable electricity purchased (MWh)	15,083	18,147	21,067	
Energy use intensity (kWh/m ² /yr)*	116	140	147	
NOx emissions (tonnes)	2,675	4,183	4,366	
NOx emissions intensity (gNOx/RPK)d	0.041	0.057	0.066	
SOx emissions (tonnes)	285	332	336	
Volatile organic compounds (VOC) emissions (tonnes)	986	1,115	1,163	
Waste Management				
Hazardous waste	Solid waste (tonnes)*	82.9	88.3	109.7
	Liquid waste (litres)	26,796	37,625	14,814
Non-hazardous waste generated (tonnes)	1,003	1,714	2,495	
Waste diverted from disposal (tonnes)	494	816	940	
Waste disposed (tonnes)	509	898	1,556	
Food waste (kg)	765,416	718,111	667,043	

* Restated 2023–2024 performance data to reflect refined calculation methodologies and enhanced data integrity.

SOCIAL

Indicators		2023	2024	2025	
Health & Safety					
Total manhours worked		38,881,088	42,579,500	44,185,704	
Number of recordable work-related injuries		68	76	90	
Lost time injury (originally number of lost days)		1,306	1,324	1,166	
Lost Time Injury Rate (LTIR)		7.0	6.2	5.3	
Incident rate		3.8	3.6	4.5	
Severity rate		33.6	30.2	26.4	
Safety Training					
Safety training hours		200,586	5,655	10,590	
Average safety training hours per employee		233	7.6	32	
Diversity & Inclusion					
Total number of employees		21,063	21,851	20,555	
Distribution by Gender	Female	7,069 (33.6%)	7,375 (33.8%)	6,702 (32.6%)	
	Male	13,994 (66.4%)	14,476 (66.2%)	13,853 (67.4%)	
Distribution by Employment Type	Full-time	Female	5,660 (32.5%)	6,011 (32.3%)	5,725 (31.6%)
		Male	11,768 (67.5%)	12,610 (67.7%)	12,393 (68.4%)
		Total	17,428	18,621	18,118
Contract	Female	1,408 (38.7%)	1,347 (41.7%)	977 (5.4%)	
	Male	2,227 (61.3%)	1,883 (58.3%)	1,460 (8.1%)	
	Total	3,635	3,230	2,437	
Talent Attraction & Retention					
New hires	By Gender	Female	1,818 (37.6%)	1,503 (39.1%)	826 (43.5%)
		Male	3,011 (62.4%)	2,337 (60.9%)	1,074 (56.5%)
		Total	4,829	3,840	1,900
	By Age Group	Below 30 years	3,438	2,725	1,330 (70%)
		30-50 years	1,324	1,097	598 (31%)
		Above 50 years	67	18	27 (1%)
	By Employee Category	Senior Management	26	41	4 (0.2%)
		Management	231	179	155 (8.2%)
		Executive	1,488	1,343	565 (29.7%)
Non-Executive		3,084	2,277	1,232 (64.8%)	
Open positions filled by internal candidates		1,350	1,336	98	

PERFORMANCE TABLE

SOCIAL

Indicators		2023	2024	2025	
Employee turnover rate (%)	Female	14.4%	5.5%	4.1%	
	Male	10.7%	8.8%	6.6%	
Turnover by employee category and gender	Senior Management	Female	56.6%	34.3%	19.2%
		Male	43.4%	65.7%	15.1%
	Management	Female	67.4%	31.5%	14.5%
		Male	32.6%	68.5%	7.0%
	Executive	Female	54.7%	40.9%	8.2%
		Male	45.3%	59.1%	9.4%
	Non-Executive	Female	58.7%	37.9%	18.7%
		Male	41.3%	62.1%	11.4%
Training					
Amount invested in training (RM)*		3.7 million	2.9 million	2.1 million	
Human Rights					
No. Allstars completed anti-harassment training		2,965	1,014	6,739	
No. Allstars completed anti-trafficking e-learning module		7,835	870	4,255	
Community Investment					
AirAsia Foundation - grants awarded (RM)		244,097	176,150	196,760	
AirAsia Foundation - amount disbursed (RM)		89,693	176,548	123,107	
Contributions to the community (RM)		119,617	35,831	1,009,590	
Number of volunteering hours		914	839	912	

* Amount invested includes only regulated training for pilots, cabin crew, and aircraft engineers as required by relevant civil aviation authorities and agencies

CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Kamarudin Bin Meranun

(Non-Independent Executive Chairman)

Tan Sri Anthony Francis Fernandes (widely known as Tan Sri Tony Fernandes)

(Non-Independent Executive Director and Chief Executive Officer)

Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar

(Non-Independent Non-Executive Director)

Dato' Fam Lee Ee

(Senior Independent Non-Executive Director)

Dato' Mohamed Khadar Bin Merican

(Independent Non-Executive Director)

Brig Gen Dato' Fadzillah Binti Abdullah (R)

(Independent Non-Executive Director)

AUDIT COMMITTEE

Chairman

Dato' Mohamed Khadar Bin Merican

Members

Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar

Dato' Fam Lee Ee

NOMINATION AND REMUNERATION COMMITTEE

Chairman

Dato' Fam Lee Ee

Members

Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar

Brig Gen Dato' Fadzillah Binti Abdullah (R)

RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

Chairman

Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar

Members

Dato' Mohamed Khadar Bin Merican

Brig Gen Dato' Fadzillah Binti Abdullah (R)

SAFETY REVIEW BOARD

Chairman

Dato' Fam Lee Ee

Member

Dato' Mohamed Khadar Bin Merican

COMPANY SECRETARY

Teo Soh Fung (SSM PC NO. 202008001818) (MAICSA 7046614)

AUDITORS

BDO PLT

[Registration No.: 201906000013 (LLP0018825-LCA) & AF 0206 02982/08/2027 J]

Chartered Accountants

Level 8, BDO @ Menara Centara,

360 Jalan Tuanku Abdul Rahman,

50100 Kuala Lumpur.

Tel : (603) 2616 2888

Fax : (603) 2616 2970

REGISTERED OFFICE

Wisma Capital A

19-04-02, No.19 Lorong Dungun,

Bukit Damansara,

50490 Kuala Lumpur.

Tel : (603) 8660 4333

HEAD OFFICE & INVESTOR RELATIONS

Wisma Capital A

19-04-02, No.19 Lorong Dungun,

Bukit Damansara,

50490 Kuala Lumpur.

E-mail : capitala_ir@airasia.com

Website : capitala.com

Social Media : LinkedIn (www.linkedin.com/company/capitala-berhad/)

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.

[Registration No.: 197101000970 (11324-H)]

Unit 32-01, Level 32, Tower A,

Vertical Business Suite,

Avenue 3, Bangsar South,

No. 8, Jalan Kerinchi,

59200 Kuala Lumpur.

Tel : (603) 2783 9299

Fax : (603) 2783 9222

E-mail : is.enquiry@my.tricorglobal.com

Website : www.tricorglobal.com

Tricor's Customer Service Centre:

Unit G-3, Ground Floor, Vertical Podium,

Avenue 3, Bangsar South,

No. 8, Jalan Kerinchi,

59200 Kuala Lumpur.

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Listing Date : 16 April 2018

Stock Name : CAPITALA

Stock Code : 5099



TRAVEL MORE FOR LESS



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santan

Making Asean Food Accessible for Everyone



Thailand



Philippines



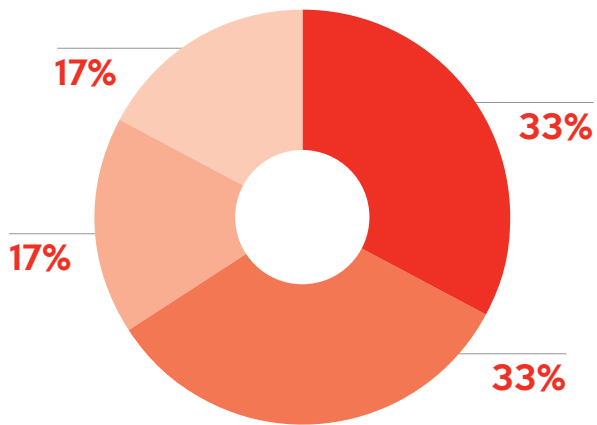
Indonesia



Malaysia

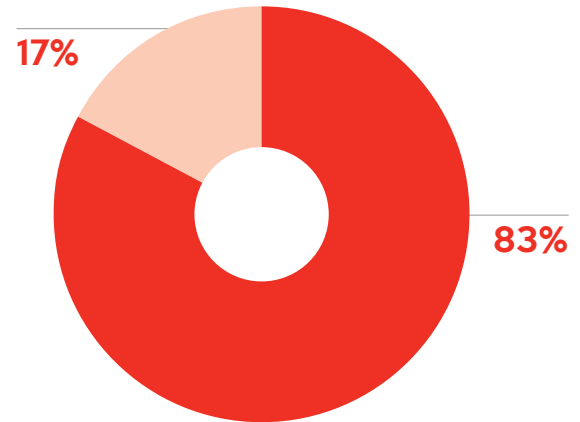
BOARD AT A GLANCE

Composition



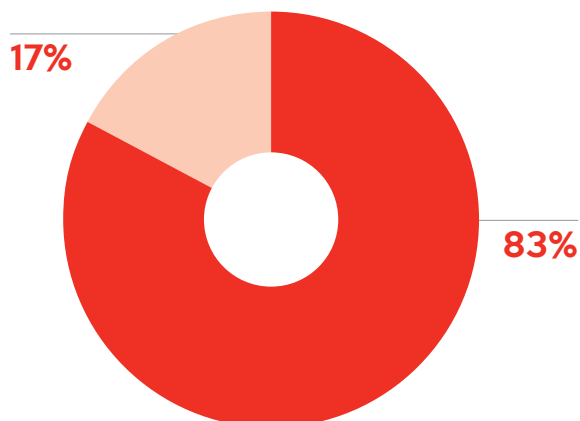
- Non-Independent Executive Director
- Independent Non-Executive Director
- Non-Independent Non-Executive Director
- Senior Independent Non-Executive Director

LENGTH OF SERVICE



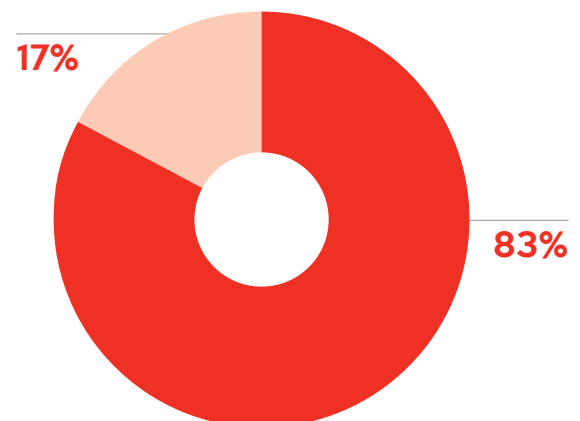
- 8 to 9 years
- 1 to 2 years

AGE



- 61 to 70 years
- 71 to 80 years

DIVERSITY



- Male
- Female

DIRECTORS' PROFILES



DATUK KAMARUDIN BIN MERANUN

Non-Independent Executive Chairman



Date of Appointment:
30 March 2018

Board Committees Served
Nil

- Academic & Professional Qualifications**
- Master of Business Administration (MBA), Central Michigan University (1987)
 - BSc in Actuarial Science with Distinction (Magna Cum Laude), University Technology MARA (UiTM) (1986)
 - Diploma in Actuarial Science, UiTM

- Other Current Board Positions**
- AirAsia X Berhad (Non-Independent Non-Executive Director)
 - Red Giants Football Club (Director)

Present Principal Commitments as at 31 December 2025 (other than directorships)
Nil

- Past Experience**
- Co-founded AirAsia (2001)
 - Executive Director, Innosabah Capital Management Sdn Bhd (from 1994)
 - Portfolio manager, Arab-Malaysian Merchant Bank (1988-1993)

- Awards/Recognition**
- Darjah Panglima Jasa Negara (PJN) carrying the title Datuk (2013)



TAN SRI ANTHONY FRANCIS FERNANDES

Non-Independent Executive Director & Chief Executive Officer



Date of Appointment:
30 March 2018

Board Committees Served
Nil

- Academic & Professional Qualifications**
- Fellow of the Association of Chartered Certified Accountants (ACCA)
 - Member of the Institute of Chartered Accountants in England and Wales (ICAEW)

Other Current Board Positions
Nil

Present Principal Commitments as at 31 December 2025 (other than directorships)
Nil

- Past Experience**
- Co-founded AirAsia (2001)
 - Vice President for Southeast Asia, Warner Music Group
 - Started his career in Virgin Group

- Awards/Recognition**
- Commander of the Order of the British Empire (2011)
 - Commander of the Legion d'Honneur
 - Panglima Setia Mahkota carrying the title "Tan Sri"



DATO' MOHAMED KHADAR BIN MERICAN

Independent Non-Executive Director



Date of Appointment:
30 March 2018

- Board Committees Served**
- Audit Committee (Chairman)
 - Risk Management and Sustainability Committee
 - Safety Review Board

- Academic & Professional Qualifications**
- Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW)
 - Chartered Accountant of the Malaysian Institute of Accountants (MIA)

- Other Current Board Positions**
- BNP Paribas Malaysia Berhad (Independent Non-Executive Chairman)
 - Tune Protect Group Berhad (Independent Non-Executive Chairman)
 - Asia Aviation Public Company Limited, listed on the Stock Exchange of Thailand (Director)
 - Iris Corporation Berhad (Director)
 - Rashid Hussain Berhad (in members' voluntary liquidation) (Director)

Present Principal Commitments as at 31 December 2025 (other than directorships)
Nil

- Past Experience**
- Various senior management roles culminating in President and Chief Operating Officer, Pemas International Holdings Berhad (1988-2003)
 - Auditor and consultant in an international accounting firm, before joining a financial services group in 1986

- Awards/Recognition**
- "Chairman of The Year" by the Minority Shareholders Watch Group at Asean Corporate Governance Index Awards 2013 (as chairman of RHB Capital)

DIRECTORS' PROFILES



DATO' FAM LEE EE

Senior Independent Non-Executive Director



Date of Appointment:
30 March 2018

Board Committees Served

- Nomination and Remuneration Committee (Chairman)
- Safety Review Board (Chairman)
- Audit Committee

Academic & Professional Qualifications

- BA (Hons) from the University of Malaya
- LLB (Hons) from the University of Liverpool, England

Other Current Board Positions

- AirAsia X Berhad (Non-Independent Non-Executive Chairman)
- Thai AirAsia X Co, Ltd (Director)
- Malaysia-China Business Council (Director)

Present Principal Commitments as at 31 December 2025 (other than directorships)

- Senior Partner, Messrs. Gan & Zul
- Legal advisor, Chinese Guilds and Association
- Legal advisor, Yayasan SSL Haemodialysis Centre in Petaling Jaya
- Honorary Adviser, Perlis Chinese Chamber of Commerce and Industry
- Council member, International Commercial Dispute Prevention & Settlement Organisation (ICDPASO)

Past Experience & Achievements

- Member, Board of Trustees of Yayasan PEJATI (1996-2007)
- Law practice (since 1991)



DATO' ABDEL AZIZ @ ABDUL AZIZ BIN ABU BAKAR

Non-Independent Non-Executive Director



Date of Appointment:
30 March 2018

Board Committees Served

- Risk Management and Sustainability Committee (Chairman)
- Audit Committee
- Nomination and Remuneration Committee

Academic & Professional Qualifications

- Diploma in Agriculture, Universiti Pertanian Malaysia
- BSc in Agriculture Business, Louisiana State University, USA
- MBA, University of Dallas, USA

Other Current Board Positions

- Pegasus Heights Berhad (Independent Non-Executive Chairman)
- Yayasan Astro Kasih (Director)

Present Principal Commitments as at 31 December 2025 (other than directorships)

- Nil

Past Experience & Achievements

- Co-founded AirAsia (2001)
- Chairman, Performance and Artistes Rights Malaysia Sdn. Bhd. (PRISM) and the Academy of Malaysian Music Industry Association (PAIMM)
- General Manager subsequently Managing Director, BMG (1989-1999)
- Executive Director, Showmasters (M) Sdn. Bhd. (1981-1983)



BRIG GEN DATO' FADZILLAH BINTI ABDULLAH (R)

Independent Non-Executive Director



Date of Appointment:
1 November 2024

Board Committees Served

- Risk Management and Sustainability Committee
- Nomination and Remuneration Committee

Academic & Professional Qualifications

- Post Graduate Diploma in Strategic Studies, University Malaya
- Bachelor of Science in Electrical Engineering, Fairleigh Dickinson University, New Jersey, USA
- Master of Management Studies in Project Management, University of New South Wales, Australia

Other Current Board Positions

Nil

Present Principal Commitments as at 31 December 2025 (other than directorships)

Nil

Past Experience & Achievements

- Served as a military pilot (1987-1994)
- Was the first female pilot in RMAF.
- Specialist Officer, Electronic Warfare Centre (1994-2007)
- Director of Air Capability, Plans and Procurement (2007-2017)
- Director General, Defence Training Department (2017-2024)

OUR SENIOR MANAGEMENT TEAM

TAN SRI ANTHONY FRANCIS FERNANDES

*Non-Independent Executive Director
and Chief Executive Officer*



Tan Sri Tony Fernandes also sits on the Board of Capital A Berhad. For more information on his profile, please refer to page 111.

EFFENDY SHAHUL HAMID

Deputy Chief Executive Officer, Capital A



Academic/Professional qualifications:

- Advanced Management Programme, Harvard Business School, Boston, United States of America
- Digital Business Leadership Programme, Columbia Business School, New York, United States of America
- CIMB-INSEAD Leadership Programme, INSEAD, Singapore
- Bachelor of Engineering with Honours (BEng) (Hons) in Electronic Engineering with Optoelectronics, University College London, United Kingdom

Present Directorship(s) in Listed Entities/Other Public Companies:

Nil

Current responsibilities:

He works closely with the CEO of Capital A and leadership teams across Capital A's portfolio companies and the AirAsia Aviation Group to strengthen strategic decision-making, deepen ecosystem synergies and ensure disciplined execution as the Group enters its next phase of growth. His mandate includes driving value creation across Capital A's core businesses – Asia Digital Engineering, Teleport, AirAsia MOVE, AirAsia Next and Santan – while helping shape the Group's financial services and digital innovation ambitions.

Previous experience:

Effendy brings more than two decades of regional leadership experience spanning banking, digital transformation, partnerships and ecosystem building. During his 21-year tenure at CIMB Group, he led its digital banking agenda, strategic partnerships and investments, including the evolution of Touch 'n Go into a leading digital payments platform through its joint venture with Ant Group. He began his career in investment banking and corporate development across Asia Pacific, focusing on mergers and acquisitions and expansion initiatives.

OUR SENIOR MANAGEMENT TEAM

ROZMAN OMAR

Executive Vice President, Capital A



Academic/Professional qualifications:

- Chartered Accountant, the Association of Chartered Certified Accountants

Present Directorship(s) in Listed Entities/Other Public Companies:

Nil

Current responsibilities:

Leads the Group Treasury, Aircraft and Corporate Finance functions across Capital A and its subsidiaries. He is responsible for managing the company's investment strategies, optimising capital allocation and ensuring financial sustainability. He oversees financing and leasing arrangements, asset management and strategic financial planning to support Capital A's long-term growth and operational objectives. Additionally, Rozman serves as a Director of AirAsia SEA Limited, where he contributes to governance and strategic decision-making.

Previous experience:

Rozman began his career in investment banking in 1984, gaining extensive experience with leading institutions such as Arab-Malaysian Merchant Bank Berhad (now AmlInvestment Bank), Bumiputera Merchants Bankers Berhad and Innosabah Corporate Services Sdn Bhd. In 2004, he joined AirAsia as Chief Financial Officer of AirAsia Indonesia, where he played a key role in establishing the financial foundation of the airline's operations.

TEH MUN HUI

Chief Financial Officer, Capital A



Academic/Professional qualifications:

- Bachelor of Accounting (BAcc) (Hons), Universiti of Malaya, Malaysia
- Certified Public Accountant (MICPA)

Present Directorship(s) in Listed Entities/Other Public Companies:

Nil

Current responsibilities:

Manages the finance functions across Capital A's entities. Her responsibilities include statutory and Bursa Malaysia reporting, financial analysis, cash flow management, compliance and leading merger and acquisition (M&A) activities.

Additionally, she spearheads the PN17 regularisation plan, ensuring the company's financial strategies align with its long-term growth objectives while maintaining operational efficiency and regulatory compliance.

Previous experience:

Mun Hui served as Chief Financial Officer of AirAsia Aviation Group Limited (AAAGL), where she was instrumental in guiding the company's recovery from the pandemic and Capital A's exit from PN17 status. With over 20 years of finance experience, she has demonstrated exceptional expertise in managing finance operations and delivering strategic business insights. Mun Hui led major initiatives, including the proposed disposal of Aviation to AirAsia X Berhad and the issuance of a USD443 million Revenue Bond, which was named "Overall Deal of the Year" by Airline Economics Aviation. Her achievements earned her the title of "CFO of the Year" and solidified her reputation as a leader in aviation finance.

In 2025, she was also named #81 in the Most Powerful Women Asia by Fortune.

OUR CEOs

MAHESH KUMAR JAYA KUMAR

Chief Executive Officer, Asia Digital Engineering (ADE)



Academic/Professional qualifications:

- Bachelor of Technology, Aeronautical Engineering, Nehru College of Aeronautics, India

Present Directorship(s) in Listed Entities/Other Public Companies:

Nil

Current responsibilities:

Drives Asia Digital Engineering (ADE)'s growth, building it into a full-service, technology-enabled maintenance, repair and overhaul (MRO) leader. Under his guidance, ADE provides innovative, end-to-end engineering solutions to AirAsia and a growing network of international airlines, setting new benchmarks for efficiency and operational excellence in the region.

Previous experience:

Mahesh joined AirAsia in 2009 and has held various leadership roles in engineering and asset management. As Head of Fleet & Technical Asset Management, he led two major aircraft portfolio deals worth USD3.6 billion, earning the 2018 Air France Journal Award and 2019 APAC Airline Economics Award. He also served as Senior Vice President, Technical, Asia Aviation Capital Limited, AirAsia's aircraft leasing arm. Mahesh played a key role in projects such as defining aircraft and engine selection, establishing AirAsia India Engineering and transforming Zest Airways into AirAsia Philippines. In recognition of his outstanding leadership in aerospace, he was named Executive of the Year, Aerospace, at the Malaysia Management Excellence Awards 2025.

PETE CHAREONWONGSAK

Chief Executive Officer, Teleport



Academic/Professional qualifications:

- Master of Engineering (MEng) in Chemical Engineering, University of Cambridge, United Kingdom
- Master (ALM) in Finance, Harvard University, United States of America
- Bachelor of Arts (BA Hons) in Chemical Engineering, University of Cambridge, United Kingdom

Present Directorship(s) in Listed Entities/Other Public Companies:

Independent Director of MR D.I.Y Holding (Thailand) Public Company Limited since May 2023, which is in the process of obtaining approval for listing on the Stock Exchange of Thailand.

Current responsibilities:

Leads Teleport, an integrated eCommerce logistics specialist and a market leader in Southeast Asia, to help businesses move goods reliably across Southeast Asia in a faster, more accessible and affordable way than with any other logistics entity.

Previous experience:

Pete has extensive experience in business development, operations and investment banking. In 2012, he joined the AirAsia Group, where he played a key role in expanding the company's footprint across Asia. As Group Head of Business Development, he was instrumental in establishing new airlines, including AirAsia India and AirAsia Japan and managed key merger and acquisition transactions. He later served as the Regional Chief Operating Officer for Philippines AirAsia, where he successfully led the airline's turnaround. Pete is the founding Chief Executive Officer of Teleport in 2018.

He worked as a strategy consultant before moving into investment banking with Phatra Securities and CIMB Investment Bank. During this time, he was also an official advisor to the Thailand Trade Representative Office, where he focused on promoting international trade and cross-border investments. He currently serves on the boards of Teleport, Freightchain and EasyParcel and is an independent director for MR D.I.Y. Holding (Thailand).

OUR CEOs

NADIA OMER

Chief Executive Officer, AirAsia MOVE



Academic/Professional qualifications:

- Master of Business Administration (MBA), Lahore University of Management Sciences, Pakistan
- Bachelor of Science in Mathematics, Statistics & Economics, Lahore University of Management Sciences, Pakistan

Present Directorship(s) in Listed Entities/Other Public Companies:

Nil

Current responsibilities:

Leads AirAsia MOVE, driving its vision to become the est-value one-stop travel platform in Asean. She focuses on enhancing the platform's offerings, fostering innovation and delivering value to customers and stakeholders across the travel space.

Previous experience:

Nadia has extensive experience in category conversion, habit change and building new categories within Asia and Asean. She began her career at P&G and held senior roles at Nestlé and PepsiCo. Before joining AirAsia MOVE, she served as Chief Business Officer of Cars24, Southeast Asia. Nadia is also a mentor at Antler, supporting young founders in tech and eCommerce and is passionate about nurturing talent and empowering young female professionals.

DENNIS LEE

Chief Executive Officer, AirAsia Next



Academic/Professional qualifications:

- Master of Business Administration (MBA), KAIST Business School, Seoul, South Korea
- IMBA Exchange, Tsinghua University, Beijing, China
- Bachelor of Arts in Fashion Management, Kyung Hee University, Seoul, South Korea

Present Directorship(s) in Listed Entities/Other Public Companies:

Nil

Current responsibilities:

Directs the evolution of the AirAsia brand into a vibrant lifestyle ecosystem designed to enrich the customer journey with more engaging and enjoyable experiences. Under his leadership, AirAsia Next builds new revenue streams through a multi-faceted strategy encompassing IP brand licensing, strategic partnerships, integrated content, curated merchandising and high-profile sponsorships.

A pivotal aspect of his role is to create powerful group synergies. By elevating Group-level brand management, redefining the brand hierarchy and unifying all AirAsia brands under one cohesive family with a consistent tone and manner, he strengthens brand equity and enhances cross-business synergy. Leveraging AI and data to deliver highly personalised products and services, further, he enhances customer satisfaction, contributing directly to increased revenue share of AirAsia's own OTA platform. The strategy lowers customer acquisition costs, increases overall profit and ultimately ensures the long-term profitability and sustainable growth of the entire AirAsia business.

Previous experience:

Dennis has over 20 years of global leadership experience across retail, media, entertainment and IP-driven brand businesses, with a strong track record of scaling operations across the US, Canada, Latin America, South Korea, Singapore, Hong Kong, Thailand and other major Asian markets. He began his career at Samsung, holding management roles in Samsung Fashion and Samsung Duty Free, where he oversaw merchandising, global procurement and luxury brand management. He later held senior leadership positions at CJ Entertainment & Media, leading corporate strategy, global business development and Southeast Asia expansion, pioneering the globalisation of Korean entertainment content. Prior to joining AirAsia Next, he served as CEO of LINE FRIENDS Hong Kong and the Americas, driving international expansion, IP commercialisation, retail distribution and cross-border partnerships—successfully launching K-pop IP brands (including BT21 by BTS) into major US retailers such as Walmart for the first time, while also leading the company's first direct market entry and expansion into Canada.

CATHERINE GOH

Chief Executive Officer, Santan



Academic/Professional qualifications:

- Bachelor of Finance and Marketing, Upper Iowa University, United States of America

Present Directorship(s) in Listed Entities/Other Public Companies:

Nil

Current responsibilities:

Oversees core initiatives under the Santan Food Service Company, including AirAsia Group's inflight catering, B2B airline sales, corporate catering and supply chain management since her appointment in April 2024. She also fosters partnerships with brands like Zus Coffee and PETRONAS, strengthening and diversifying the company's offerings.

Previous experience:

Catherine joined the AirAsia Group in 2014 and has held several leadership roles, including Network, Charter and Fleet Planner; Executive Assistant to the Group CEO; Regional Head of Inflight Catering; and Regional Head of Inflight Retail. She transformed inflight operations, achieving 200% revenue growth in Duty-Free within six months and delivering the highest per-passenger revenue in AirAsia's history. Her extensive experience in inflight operations and strategic planning has been instrumental in driving growth and operational excellence across the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (Board or Directors) of Capital A Berhad (Capital A or the Company) is steadfast in its commitment to upholding strong corporate governance (CG) practices, ensuring transparency, accountability and integrity across the Capital A group of companies (the Group).

Recognising that effective governance is the foundation of sustainable growth, the Board, together with Management, is dedicated to fostering a culture of ethical leadership, sound decision-making and continuous improvement in CG practices. As the business landscape evolves, the Company remains proactive in refining its governance framework to align with emerging best practices and evolving regulatory expectations.

In this regard, the Board is pleased to present an overview of the Company's CG practices for the financial year ended 31 December 2025 (FYE 2025). This report is structured in accordance with the three key principles outlined in the Malaysian Code on Corporate Governance 2021 (MCCG):

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

Ensuring a well-structured, high-performing Board that drives strategic direction and sustainable value creation.

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

Strengthening oversight mechanisms to safeguard financial integrity and manage risks prudently.

PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL STAKEHOLDER ENGAGEMENT

Upholding transparency and fostering trust through clear, accurate and responsible communication.

For a more detailed account of the Company's CG practices, this CG Overview Statement should be read in conjunction with the **Corporate Governance Report 2025** (CG Report), available on the Company's corporate website at www.capitala.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BEST PRACTICES INTRODUCED UNDER MCCG

Our Board is pleased to inform that, save for items listed below, we have fully complied with all the MCCG Practices for the financial year:

MCCG		Explanation for Departure/Timeline	Alternative Practices Adopted
Practice 5.2	At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.	<p>The Board is of the view that, although its three (3) Independent Directors do not constitute a majority of the Board, they are able to provide independent perspectives and sound judgment in the Board's decision-making process. The Independent Directors have consistently demonstrated independence and objectivity during the Board and Board Committee meetings, and proposals put forward by Management are subject to their thorough and careful scrutiny.</p> <p>Furthermore, the Independent Directors have provided annual declarations of their independence as defined under paragraph 1.01 of the Listing Requirements.</p>	-
Practice 5.9	The board comprises at least 30% women directors.	<p>The NRC and the Board will actively seek women to join the Board. The selection of candidates will be based on suggestions from existing Board members, senior management, major shareholders, external search firms and/or other independent sources. The ultimate decision on the appointment of a Director will be based on merit in the context of the skills, experience and contributions the chosen candidate will bring.</p>	-
Practice 8.2	The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.	<p>The Company does not comply with the recommendation in order to preserve confidentiality, avoid potential negative implications arising from such disclosures, and uphold a stable and cohesive work environment that supports the Company's long-term strategic objectives.</p>	<p>The disclosure of the salary of the top five (5) senior management is made on an aggregate basis in the Audited Financial Statements for the financial year.</p>

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BEST PRACTICES INTRODUCED UNDER MCCG

Our Board is pleased to inform that, save for items listed below, we have fully complied with all the MCCG Practices for the financial year:

MCCG		Explanation for Departure/Timeline	Alternative Practices Adopted
Practice 13.3	<p>Listed companies should leverage technology to facilitate:</p> <ul style="list-style-type: none"> ▪ Voting including voting in absentia; and ▪ Remote shareholders' participation at general meetings. <p>Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy & security to prevent cyber threats</p>	<p>In line with the announcement made by Securities Commission Malaysia and Bursa Malaysia Berhad dated 30 August 2024 on the requirement for public listed companies to conduct physical general meetings, the Company's EGMs and the Eighth AGM held on 7 May 2025 and 13 June 2025 respectively, were conducted fully on a physical basis.</p> <p>The Company facilitates shareholders' participation at the general meetings through physical attendance at an accessible meeting venue. The Board ensures that shareholders are able to engage directly with the Board and senior management, raise questions, and exercise their voting rights in person or by proxy during the meeting. A clear administrative note and voting procedures were issued to support shareholders' participation at the general meetings.</p> <p>Shareholders who are unable to attend in person are granted the right to appoint proxies to vote in their place by submitting the duly executed proxy form to the Company's share registrar in hard copy or by electronic means. Shareholders can appoint any persons as their proxies who, in turn, are allowed to attend, vote and raise enquiries (if any) in their capacity during the general meetings.</p>	-

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. BOARD RESPONSIBILITIES

The Board of Capital A is guided by its Board Charter, which sets out its fiduciary duties, responsibilities and overarching governance framework. It assumes full and effective control over the Group's affairs, ensuring the establishment of sound policies, strategic direction and high standards of corporate accountability. The Board actively oversees the Company's management and operations while monitoring the performance and effectiveness of senior management.

By maintaining a robust governance framework, the Board is committed to delivering long-term shareholder value while safeguarding the interests of all stakeholders. Working closely with Management, the Board ensures that business operations are conducted prudently within the relevant regulatory framework.

The Board is supported by a qualified and experienced Company Secretary who keeps the Board informed of regulatory updates, corporate governance developments, and evolving best practices.

To uphold transparency and informed decision-making, Directors have independent access to the Company Secretary's advisory services, as well as the ability to consult senior management on relevant jurisdictional matters. When necessary, they may also seek independent professional advice in discharging their duties.

Board and Senior Management Roles

A well-defined division of responsibilities between the Board and senior management ensures a balance between strategic leadership and executive oversight. While the Board establishes the Group's strategic direction and policy frameworks, it delegates authority to senior management for the day-to-day operations within clearly defined limits of authority. The Board retains ultimate responsibility for oversight, ensuring that the Group remains aligned with its objectives.

To reinforce independent decision-making, the positions of Chairman and Chief Executive Officer (CEO) are held by different individuals. Their distinct roles and responsibilities are defined in the Board Charter.

The Chairman provides leadership to the Board, ensuring its smooth and effective functioning. He presides over Board and general meetings, overseeing procedural compliance and formally recording all decisions.

The CEO oversees the Group's business operations and implements Board policies and strategies. He leads strategic business development, high-impact investments, and talent succession planning. His role also involves fostering a strong corporate culture that enhances the Group's strategic advantage.

Board Committees for Enhanced Oversight

To strengthen its governance oversight, the Board has established the following Board Committees, each with its own Terms of Reference outlining functions, responsibilities and authority:

- Audit Committee
- Risk Management and Sustainability Committee
- Nomination and Remuneration Committee
- Safety Review Board

These Committees operate independently and provide recommendations to the Board. However, the Board retains full responsibility for the Group's strategic direction and decision-making.

Commitment to Integrity and Ethical Values

The Board places strong emphasis on integrity and ethical conduct across the Group. Various departments undergo risk assessments related to corruption and unethical practices, with strict controls in place to mitigate, prevent and address potential risks.

To reinforce ethical standards, Capital A has implemented the following key policies, which are publicly available on its corporate website (www.capitala.com):

- Code of Conduct & Ethics
- Anti-Corruption and Anti-Bribery Policy
- Whistleblowing Policy
- Fit and Proper Policy

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Meetings and Calendar

An annual calendar for Board and Board Committee meetings is circulated before the financial year end, allowing Directors to plan their schedules effectively. This calendar also outlines closed periods for securities dealings by Directors, based on the anticipated dates of quarterly results announcements.

The Board convenes at least once every quarter, with additional meetings scheduled for major or urgent matters. Board Committee meetings are conducted separately, with Committee Chairpersons reporting their discussions and recommendations to the Board. While Committees provide focused oversight, ultimate decision-making authority remains with the Board. No single individual dominates the Board, and the Directors are free to express their views and opinions during Board meetings. In making decisions, the Board consistently upholds the majority view.

Board and Committee Meeting Attendance (FYE 2025)

The following table presents the attendance of Directors at Board and Committee meetings during FYE 2025:

Director	Board	Audit Committee	Nomination and Remuneration Committee	Risk Management and Sustainability Committee	Safety Review Board
Datuk Kamarudin Bin Meranun	12/13				
Tan Sri Anthony Francis Fernandes	10/13				
Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar	13/13	9/9	7/7	5/5	
Dato' Fam Lee Ee	13/13	9/9	7/7		4/4
Dato' Mohamed Khadar Bin Merican	13/13	9/9		5/5	4/4
Brig Gen Dato' Fadzillah Binti Abdullah (R)	13/13		7/7	5/5	

■ Chairman ■ Non-member

During FYE 2025, the Board met thirteen (13) times inclusive of special Board meetings. The Directors complied with the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia) in relation to meeting attendance. The Board is satisfied with the level of commitment demonstrated by its members towards fulfilling their duties and responsibilities. The Committees will continue to assist the Board of Capital A in discharging its duties.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

2. BOARD COMPOSITION

During the financial year, the Board had six (6) Directors – two (2) Executive Directors, three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The current size and composition provide an adequate mix of knowledge, skills and expertise which assists the Board in effectively discharging its stewardship and responsibilities.

The composition of the Board fulfils the MMLR of Bursa Malaysia which requires at least two (2) Directors or one-third (1/3) of the Board members, whichever is higher, to be Independent Directors; and at least one (1) female Director on the Board. As at the financial year end, the Board of the Company consisted of six (6) members with Independent Directors representing 50% of the total number.

In the event of any vacancy on the Board of Directors resulting in non-compliance in its composition, the Board is required to fill the vacancy within three (3) months.

The Board has in place a policy which limits the tenure of an Independent Director to nine (9) years in line with Practice 5.3 of the MCCG. If the Board intends to retain an Independent Director beyond nine (9) years, it will provide justification and seek shareholders' approval through a two-tier voting process. As of the date of this statement, none of the Independent Directors has served the Board for more than nine (9) years.

Capital A has implemented a robust and transparent framework for the nomination and election of Directors, spearheaded by the Nomination and Remuneration Committee (NRC). The NRC plays a critical role in evaluating the performance of the Board and its Committees, and in providing recommendations on nomination policies, succession planning, talent management strategies, Directors' and senior management training programmes, and other relevant matters.

In line with the Company's strategic direction and values, the NRC assesses potential Board candidates based on a range of criteria, including leadership capabilities, gender diversity, digital knowledge, entrepreneurial mindset, and relevant knowledge and experience essential to Capital A. The Company strongly supports Board diversity, recognising the value it brings to decision-making and governance effectiveness.

Consistent with Capital A's Board Diversity Policy, candidate selection is contingent on the availability of individuals who possess the appropriate mix of skills, expertise and experience. The NRC undertakes a thorough review of each nominee's credentials and conducts interviews with shortlisted candidates to ensure suitability and the necessary calibre before making any recommendations to the Board for approval.

Capital A's Board reflects a rich diversity of skills, regional and industry experience, backgrounds, ethnicities, age groups and other personal attributes, enabling the Board to draw from a wide range of perspectives in its deliberations.

Reinforcing its commitment to high standards of governance, the Board has adopted a Directors' Fit and Proper Policy. This policy outlines the criteria for the appointment and re-appointment of Directors across the Group, serving as a reference for the NRC and the Board in evaluating new candidates and reviewing Directors seeking re-election. The policy is publicly accessible on the Company's website at www.capitala.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Effectiveness Assessment

During the year under review, the NRC led the annual Board Effectiveness Evaluation, which included assessments of:



Following the assessment, the NRC reviewed the results and proposed enhancements for the Board's consideration and approval. Each Director provided input on the Board's composition and diversity, the quality of information provided, decision-making processes, the dynamics of Boardroom discussions, engagement with Management, and the Company's approach to environmental, social and governance (ESG) matters.

The NRC concluded that the composition of the Board and its Committees remains appropriate and continues to support effective decision-making. Board meetings were conducted efficiently, and all Directors demonstrated diligence and effectiveness in the execution of their duties.

In addition, the NRC carried out an independence assessment of the Independent Non-Executive Directors based on a self-assessment process. It was determined that all Independent Directors met the independence criteria prescribed under the MMLR of Bursa Malaysia and continue to discharge their roles with independence and objectivity.

For FYE 2025, Capital A was considered a "Large Company" as defined under the MCCG. The Board undertakes an externally facilitated evaluation of its own performance, its Committees and individual Directors in compliance with Practice 6.1 of the MCCG which recommends that Large Companies engage an independent expert at least every three (3) years to facilitate an objective and candid board evaluation.

Axcelasia ESG Sdn. Bhd. had been appointed to conduct the independent Board Effectiveness Evaluation (BEE) for FYE 2025. The exercise assessed the overall performance of the Board, Board Committees and individual Directors, taking into consideration both self-assessments and peer reviews. A detailed report on the effectiveness of the Board and Board Committees for FYE 2025 was subsequently presented to the NRC in March 2026.

During FYE 2025, the NRC reviewed and recommended to the Board the annual re-election of Directors who are retiring pursuant to the Company's Constitution for shareholders' approval at the Annual General Meeting of the Company.

The Constitution of Capital A provides that at least one-third (1/3) of the Directors are subject to retirement by rotation at each Annual General Meeting (AGM) of the Company. Each Director must retire from office once every three (3) years and is eligible to offer him/herself for re-election or re-appointment. The Constitution of Capital A also provides that a Director who is appointed during the year will be subject to re-election at the next AGM following his/her appointment.

In determining whether to recommend a Director for re-election, the NRC considers the fit and proper criteria of Character and Integrity, Experience and Competence as well as Time and Commitment as outlined in the Directors' Fit and Proper Policy of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

In compliance with Paragraph 15.08 of the MMLR of Bursa Malaysia, the Directors recognise the importance and value of continuous professional development to keep abreast with changes in the aviation and digital industries, as well as new statutory and regulatory requirements.

During FYE 2025, the Directors attended and participated in training programmes, conferences and seminars covering corporate governance, finance, global business developments and relevant industry updates, enhancing their ability to discharge their duties effectively.

As of the date of this Statement, all the Directors have attended the Mandatory Accreditation Programme (MAP) Part I and Part II. Details of training programmes, conferences and seminars attended by the Directors during the financial year are outlined below:

Name	Programmes
Datuk Kamarudin Bin Meranun	<ul style="list-style-type: none"> ▪ Cyber Resilience Training by Phished Academy on 29 August 2025 ▪ The 7th IMBRICS Forum on 20 and 21 December 2025 ▪ Luncur Barakah Tea Talk on 4 December 2025
Tan Sri Anthony Francis Fernandes	<ul style="list-style-type: none"> ▪ World Economic Forum 2024 on 20-24 January 2025 ▪ Indonesia Economic Summit on 19 February 2025 ▪ Milken CEO Breakfast Roundtable on 24 March 2025 ▪ UBS Asian Investment Conference on 28 May 2025 ▪ Mandatory Accreditation Programme Part II on 17 July 2025 ▪ Belt & Road Summit on 10 September 2025 ▪ Asia Business Council Autumn Forum on 11-12 September 2025 ▪ Vertical Capital Markets Day on 18 September 2025 ▪ Skift Global Forum, New York on 18 September 2025 ▪ World Travel Tourism Council (WTTC) Global Summit on 28-30 September 2025 ▪ Khazanah MegaTrends Forum 2025 on 6 October 2025 ▪ Forbes Global CEO Conference on 15 October 2025 ▪ ASEAN Business and Investment Summit (ABIS) on 25-27 October 2025 ▪ Board Sustainability Briefing on 23 September 2025 ▪ 3rd Gateway Gulf 2025 Investment Forum on 2-4 November 2025 ▪ Blue Pool Family Summit on 6 November 2025
Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar	<ul style="list-style-type: none"> ▪ AI in Marketing Conference on 2-3 October 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Name	Programmes
Dato' Fam Lee Ee	<ul style="list-style-type: none"> ▪ 2025 Tencent Cloud City Summit on 16 May 2025 ▪ China (Jiangsu) – Malaysia Economic & Trade Cooperation Conference on 20 May 2025 ▪ 2025 Tencent Cloud AI Summit on 21 May 2025 ▪ Global Outstanding Confucian Entrepreneurs Forum on 31 May 2025 ▪ ASEAN-China Economic Forum & 3rd China International Supply Chain Promotion on 26 May 2025 ▪ World Economic Forum on 24-26 June 2025 ▪ China (Xinjiang)–Malaysia Economic & Trade Exchange Conference on 19 August 2025 ▪ 2025 COMAC Customer Conference on 9 September 2025 ▪ Visit to Brain Co – China's first brain–computer interface (BCI) industry unicorn on 18 September 2025 ▪ Tencent Global Digital Ecosystem Summit – “Aspiring Intelligence” – on 16-17 September 2025 ▪ Panel Discussion on Johor–Singapore Special & Economic Zone (SEZ) on 23 September 2025 ▪ Single Family Office Scheme in Malaysia on 23 September 2025 ▪ Sustainability Briefing on 23 September ▪ The Economic Impact of Trump 2.0 on Southeast Asia on 25 September 2025 ▪ Guest of Honour at UTAR's 41st Convocation on 22 October 2025 ▪ ASEAN Business & Investment Summit 2025 on 25-26 October 2025 ▪ Dubai AirShow on 17-18 November 2025 ▪ Keynote Speaker at HROOT Best Employer Awards Gala Dinner on 12 December 2025 ▪ 11th Global Tourism Economy Forum on 15-17 December 2025
Dato' Mohamed Khadar Bin Merican	<ul style="list-style-type: none"> ▪ IFRS Sustainability Disclosure Standards: IFRS S1 & S2 on 8 January 2025 ▪ ESG training and e-invoice briefing on 13 March 2025 ▪ US Tariff Hike and its Impact on Businesses in Asia-Pacific on 6 May 2025 ▪ Banking, Investment and Insurance badge from the Cambridge Institute of Sustainability Leadership on 12 May 2025 ▪ Islamic Finance Training on 11 August 2025 ▪ APAC Directors Cybersecurity Training on 23 October 2025 ▪ Sustainability Training on 18 December 2025
Brig Gen Dato' Fadzillah Binti Abdullah (R)	<ul style="list-style-type: none"> ▪ Mandatory Accreditation Programme (MAP) on 20-21 January 2025 ▪ Mandatory Accreditation Programme Part II: Leading for Impact (LIP) on 10-13 March 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

3. REMUNERATION

The NRC assists the Board in discharging its responsibilities in the determination of the remuneration and compensation of the Directors and senior management of the Company.

During FYE 2025, the NRC reviewed the remuneration and benefits of the Non-Executive Directors taking into consideration the benchmark of peer markets, subsequently reporting its findings to the Board of Directors.

The aggregate remuneration of the Directors (both the Company and the Group) for the financial year is set out below:

Company

Director	RM					Total
	Fees	Other Fees	Salaries	Other emoluments	Meetings, travelling and other allowances~	
Datuk Kamarudin Bin Meranun	-	-	10,210,843	1,225,305	-	11,436,148
Tan Sri Anthony Francis Fernandes	-	-	7,542,320	43,357,401	-	50,899,721
Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar	290,000^	***66,014 **46,014 *75,000	-	-	83,000	560,028
Dato' Fam Lee Ee	290,000^	**66,014 *75,000 *^66,014	-	-	80,000	577,028
Dato' Mohamed Khadar Bin Merican	290,000^	*110,000 *^46,014 ***46,014	-	-	77,000	569,028
Brig Gen Dato' Fadzillah Binti Abdullah (R)	290,000^	**46,014 ***46,914	-	-	60,000	442,028

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Group

Director	RM					Total
	Fees	Other Fees	Salaries	Other emoluments	Meetings, travelling and other allowances ⁻	
Datuk Kamarudin Bin Meranun	-	-	11,410,843	41,129,305	-	52,540,148
Tan Sri Anthony Francis Fernandes	-	-	11,142,320	43,789,401	-	54,931,721
Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar	290,000 [^]	***66,014 **46,014 *75,000	-	-	83,000	560,028
Dato' Fam Lee Ee	290,000 [^]	**66,014 *75,000 *^66,014	-	-	80,000	577,028
Dato' Mohamed Khadar Bin Merican	290,000 [^]	*110,000 *^46,014 ***46,014	-	-	77,000	569,028
Brig Gen Dato' Fadzillah Binti Abdullah (R)	290,000 [^]	**46,014 ***46,914	-	-	60,000	442,028

[^] Basic Board fee of RM290,000 each per annum approved at the Eighth AGM

^{*} AC fee of RM110,000 and RM75,000 per annum for chairman and committee members as approved at the Eighth AGM

^{**} From 14 June to 31 December 2025 pro-rated based on the NRC fee of RM75,000 and RM55,000 per annum for chairman and committee members as approved at the Eighth AGM

^{***} From 14 June to 31 December 2025 pro-rated based on the RMSC fee of RM75,000 and RM55,000 per annum for chairman and committee members as approved at the Eighth AGM

^{*^} From 14 June to 31 December 2025 pro-rated based on the Safety Review Board (SRB) fee of RM75,000 and RM55,000 per annum for chairman and committee members as approved at the Eighth AGM

⁻ From 14 June to 31 December 2025, the meeting allowance was RM3,000 per meeting as approved at the Eighth AGM

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1. AUDIT COMMITTEE

The Audit Committee (AC) comprises two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The AC comprises members from diverse backgrounds with a wide range of qualifications, skills and experience necessary to discharge their duties.

The AC is chaired by Dato' Khadar bin Merican, who is an Independent Non-Executive Director of the Company. He possesses hands-on expertise in audit, finance, corporate advisory, risk management and regulatory compliance. The other AC members bring a wealth of experience in international trade, corporate governance, risk and internal control, and business transformation. All members are financially literate and have a strong understanding of the business.

The Chairman of the AC is not the Chairman of the Board.

The Company has a policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before qualifying for appointment to the AC. None of the current members of the AC is a former key audit partner of the Group's auditors.

An assessment of the AC is carried out annually by the NRC, and the re-appointment of the term as Committee Members was recommended to the Board for approval.

Audit Committee meetings are held five (5) times a year, or more frequently if deemed appropriate. The AC also conducts two (2) private sessions with the External Auditors, without the presence of the Executive Management during the financial year.

The AC actively engages with Management to satisfy themselves on the soundness of internal control systems and that disclosures in the financial statements are made in accordance with the applicable accounting standards.

Related party transactions are reviewed by the Audit Committee and are tabled to the Board upon their recommendation.

A summary of the work done by the AC during the financial year is set out in the Audit Committee Report in the Annual Report.

2. Risk Management and Internal Control Framework

The Board has established a Risk Management and Sustainability Committee (RMSC) to oversee the Risk Management Framework, policies and sustainability initiatives of the Group. As at FYE 2025, the RMSC of the Company comprises three (3) Non-Executive Directors, a majority of whom are Independent Directors. It is chaired by Dato' Abdel Aziz @ Abdul Aziz bin Abu Bakar, who is a Non-Independent Non-Executive Director of the Company.

The RMSC enables the Board to identify, evaluate and manage key areas of risk exposure and sustainability performance to safeguard the Company's assets and meet the expectations of shareholders, employees and other stakeholders.

In fulfilling its responsibilities in risk management and sustainability, the RMSC is assisted by the Risk Management Department and Group Sustainability Department, respectively.

A Management-Level Risk Committee (MRC) was established in 2019 to increase the participation of senior management in risk management processes. The MRC is tasked with reviewing the key risks of Capital A prior to submission to the RMSC every quarter.

Similarly, sustainability concerns are driven by a Sustainability Working Group (SWG), headed by the Chief Sustainability Officer and assisted by the respective heads of department.

The SWG submits the Company's progress to the RMSC on a quarterly basis, following which the RMSC reports to the Board.

Further information on the risk management and internal controls within the Group is set out in the Statement on Risk Management and Internal Control in the Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. Communication with Stakeholders

Capital A is committed to communicating openly, regularly and effectively with its shareholders and investors. Information on the Group's business activities and financial performance is disseminated through various mediums including general meetings, annual reports, quarterly announcements on financial results, relevant announcements and circulars to Bursa Malaysia and through the Company's website at www.capitala.com.

Capital A has a dedicated Investor Relations team which supports the senior management in their active participation in investor relations activities, including roadshows, conferences and quarterly investor briefings with financial analysts, institutional investors and fund managers.

Capital A continues to fulfil its disclosure obligations as per Bursa Malaysia's Corporate Governance Guidelines with regard to the handling and disclosure of material information to the public. All disclosures of material corporate information are disseminated in an accurate, clear and timely manner via Bursa Malaysia announcements.

2. Conduct of General Meetings

The general meeting serves as the principal forum for interaction among shareholders, the Directors and Management. It provides an opportunity for shareholders to seek clarification on any queries they may have and to better understand the Group's performance, financial position and other matters of concern. Pursuant to the Constitution, each member is entitled to be present and to vote at the general meeting either personally or by proxy or, if the member is a corporation, by its duly authorised representative. Shareholders are encouraged to attend and vote on all resolutions.

Directors, the Chief Financial Officer, Management team and the external auditors are also available to respond to shareholders' queries during the meeting. All Directors of the Company attended the AGM and Extraordinary General Meeting in 2025. Minutes of the meetings were subsequently published on the website.

Pursuant to Paragraph 8.29A of the MMLR, all the resolutions set out in the notice of AGM of the Company will be put to vote by poll and an independent scrutineer will be appointed to validate the votes cast at the AGM. The outcome of the AGM will be announced to Bursa Malaysia on the same day.

DIRECTORS' RESPONSIBILITY IN PREPARING THE FINANCIAL STATEMENTS

The Directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group at the end of the financial year and of the results and the cash flow of the Group for the financial year.

The Directors are satisfied that, in preparing the financial statements of the Group for FYE 2025, the Group has adopted approved applicable accounting standards in Malaysia and complied with the provisions of the Companies Act, 2016.

The Directors are also responsible for ensuring that the Company and the Group keep proper accounting records. In addition, the Directors have overall responsibility for proper safeguarding of the assets of the Company and of the Group and taking reasonable steps for the detection and prevention of fraud or other irregularities.

This CG Overview Statement was approved by the Board of Directors of Capital A on 15 April 2026.

AUDIT COMMITTEE REPORT

This report outlines the activities of the Audit Committee (AC or the Committee) of Capital A Berhad (Capital A) for the financial year ended 31 December 2025 (Financial Year).

This report has been reviewed by the AC and approved by the Board of Directors (Board) of Capital A on 15 April 2026, for inclusion in this Annual Report.

The AC assists the Board in fulfilling its duties with respect to its oversight responsibilities over the Capital A Group (Group). The Committee is committed to ensuring the integrity of the financial reporting process as well as the external and internal audit processes. It evaluates the overall adequacy and effectiveness of the systems of internal controls and reviews related party transactions and other matters that may be specifically delegated to it by the Board. The AC's responsibility for the internal audit of the Group is fulfilled through reviews of the quarterly reports and other reports of the Group Internal Audit Department (GIAD).

COMPOSITION OF THE AUDIT COMMITTEE

The AC, established by the Board, comprises two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. Members of the AC elect among themselves an Independent Director, who is not Chairman of the Board of Capital A, as the Chairman of the AC. The Terms of Reference of the AC are approved by the Board and adhere to the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia), the Malaysian Code on Corporate Governance (MCCG) issued by Securities Commission Malaysia, the Corporate Governance Guide issued by Bursa Malaysia and guided by the AC Charter model issued by the Institute of Internal Auditors (IIA).

The composition of the AC complies with the requirements of paragraph 15.09(1)(c) of the MMLR and is set out in Capital A's Corporate Governance Overview Statement (CGOS) on page 129 of this Annual Report. Members of the AC are subject to annual evaluations and the Committee's composition is reviewed annually by the Board.

TRAINING

A summary of training programmes attended by members of the AC during the Financial Year is set out in the CGOS on pages 124 to 126 of this Annual Report.

ATTENDANCE OF MEETINGS

A total of nine (9) meetings were held during the Financial Year, attendance for which is set out in the CGOS on pages 121 to 122 of this Annual Report. The AC meets on a scheduled basis during a Financial Year and as and when required. The AC is assisted by an independent GIAD in carrying out its functions.

The Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Investment Officer, Chief Legal Officer (CLO), Head of Group Internal Audit of Capital A and any other officer or employee are invited to attend AC's meetings to assist the Committee in its deliberations as and when necessary.

AUDIT COMMITTEE REPORT

SUMMARY OF THE WORK OF THE AUDIT COMMITTEE

The AC is guided by its Terms of Reference in discharging its duties and responsibilities. Its Terms of Reference, approved by the Board, are available on the Group's corporate website at [https://www.capitala.com/misc/Terms_of_Reference-CapitalA_Audit_Committee_\(25_Feb_2026\).pdf](https://www.capitala.com/misc/Terms_of_Reference-CapitalA_Audit_Committee_(25_Feb_2026).pdf)

During the Financial Year, the AC carried out the following activities in the discharge of its roles and responsibilities:

Internal Audit

- Mandated the GIAD to report directly to the AC.
- Reviewed the adequacy and approved the Internal Audit Charter (IAC), which defines the purpose, mandate, scope and responsibility of the Internal Audit function within the Group.
- Reviewed and approved the Internal Audit Plan, processes, budget, competency and resources of the GIAD, ensuring it had the necessary independence and authority to carry out its work professionally and with impartiality and proficiency.
- Reviewed Internal Audit Reports of the Group, ensuring appropriate and prompt remedial actions by the Management on lapses in controls or procedures identified by the GIAD.
- Reviewed the performance of the GIAD, including the internal assessment of the Internal Audit function.
- Undertook the performance appraisal of the Head of Group Internal Audit.
- Approved the appointment or termination of GIAD's senior staff.
- Noted the resignations of GIAD staff, together with the reasons for their resignations.
- Reviewed reports on ad hoc investigations performed by the GIAD and ensured that appropriate actions were taken in relation to those investigations.

External Audit

- Considered and recommended the appointment of the External Auditors and their audit fees.
- Monitored the External Auditors' performance and reviewed their independence and objectivity.
- Discussed with the External Auditors, prior to the audit, the audit plan, including its scope, methodology and timing, as well as areas of audit emphasis for the year under review.
- Discussed and coordinated with other External Auditors in the Group.
- Reviewed major findings raised by the External Auditors and Management's responses and monitored the implementation of all recommendations arising from the audit, including the status of the previous audit recommendations.
- Discussed matters arising from the interim and final audits with a view to further improving controls in the Group.
- Met with the External Auditors without the presence of the Management.
- Provided a line of communication between the Board and the External Auditors.
- Ensured coordination between the Internal and External Auditors.
- Reviewed the extent of assistance and cooperation extended by the Group's employees to the External Auditors, ensuring that all information required by the External Auditors was made available to them.
- Reviewed and monitored the provision of non-audit services by the External Auditors, ensuring these did not compromise their independence.
- Obtained from the External Auditors a formal written statement delineating all relationships between them and the Group, as required by the International Standard on Auditing 260, modified as appropriate based on the Malaysian guidelines for auditors' independence; and obtained confirmation from them that they are and have been, independent throughout the conduct of the audit engagement.
- Kept updated by the External Auditors on changes in the Malaysian Financial Reporting Standards and the International Financial Reporting Standards to ensure the Group's readiness to implement the necessary and to understand the implications, if any, on the Group's Financial Statements.

Financial Reporting and Bursa Malaysia Announcements

- Reviewed and recommended for the Board's approval the quarterly and annual management accounts of the Group and Capital A
- Reviewed and recommended for the Board's approval the Annual Financial Statements to Bursa Malaysia for the Group and Capital A.
- Reviewed and recommended for the Board's approval the Quarterly Financial Statements to Bursa Malaysia for the Group and Capital A.

For purposes of the above, the AC considered any changes in the accounting policies and practices as well as their implementation, compliance with accounting standards and other legal and regulatory requirements, significant and unusual events, significant adjustments arising from the audit process, material litigation, the going concern assumption and where applicable, reviewed the Group's corporate disclosure policies and procedures (as they pertain to accounting, audit and financial matters) to ensure compliance with Bursa Malaysia's disclosure requirements.

Related Party Transactions and Conflicts of Interest (COI)

- Reviewed related party transactions and conflicts of interest that arose, persisted or that could arise within the Group including measures taken to resolve, eliminate or mitigate such conflicts; and ensured such transactions were undertaken on an arm's length basis in the best interest of the Group and Capital A and where appropriate recommended to the Board for approval.
- Reviewed the process used to procure shareholders' mandate for recurrent related party transactions.
- During the Financial Year, there were no reported instances of COI or potential COI (excluding related party transactions) among Directors and key Senior Management.

Investigations

- Considered major findings of internal investigations and Management's response.
- Reviewed the Group's procedures for detecting fraud and whistleblowing.

Internal Controls

- By way of discussions with key Senior Management and through the review of the process undertaken by the GIAD and the External Auditors, evaluated the overall adequacy and effectiveness of:
 - the system of internal controls, including controls within information technology (IT);
 - the Group's finance, accounting and audit organisations and personnel; and
 - the Group's policies and compliance procedures with respect to business practices.
- Reviewed the Employee Code of Business Practice, Vendor Code of Business Practice, the Whistleblowing Policy, as well as the outcome of any cases investigated.

Annual Report

- Further information on the AC's activities in discharging its functions and duties for the Financial Year and how it has met its responsibilities are provided in the Corporate Governance (CG) Report in accordance with Practice 11.1 and Guidance 1.1 of the MCCG.
- The AC reviewed the Statement on Risk Management and Internal Control and the CGOS prior to their inclusion in the Group's Annual Report.

Annual Review of the Terms of Reference of the Audit Committee

- Reviewed and assessed the adequacy of the Terms of Reference of the AC and, where necessary, obtained the assistance of Management, the Group's External Auditors and external legal counsel and recommended changes to the Board for approval.

AUDIT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION

The Group has a well-established in-house GIAD to assist the AC in carrying out its functions. The GIAD maintains its independence through reporting directly to the AC. The GIAD plans and supervises internal audit services across all subsidiaries and associated companies in the Group, including the various Airline Operating Companies (AOCs). Internal Audit Departments (IADs) in the respective AOCs have a reporting line to the Head of Group Internal Audit. The GIAD submitted the Internal Audit Reports and presented them to the AC for its review and deliberation.

The GIAD is guided by the IA Charter, which provides independence and reflects the roles, responsibilities, accountability and scope of work of the department. The IA Charter is aligned with the mandatory elements of the International Professional Practice Framework (IPPF), ie the Global Internal Audit Standards (Standards) and Topical Requirements and is guided by the Institute of Internal Auditors' Global Guidance on Internal Auditing. The Head of Group Internal Audit reports functionally to the AC and administratively to the CFO of the Group.

The principal responsibility of the GIAD is to undertake regular and systematic reviews of the systems of internal controls so as to provide reasonable assurance that the systems continue to operate efficiently and effectively. The GIAD adopts a risk-based audit methodology with reference to the five elements of the Committee of Sponsoring Organisations of the Treadway Commission (COSO), ie. control environment, risk assessment, control activity, information and communication as well as monitoring, to develop its audit plans. It prioritises its audit activities aligning to the Group's strategies. Based on risk assessments performed, greater focus and appropriate review intervals are set for higher-risk activities and material internal controls, including compliance with the Group's policies, procedures and regulatory responsibilities.

The audits cover the review of the adequacy of risk management, the strength and effectiveness of the internal controls, compliance with both internal and statutory requirements, governance and management efficiency, among others. The audit reports are submitted to the AC for review. Key control issues and agreed action plans are highlighted to enable the AC to execute its oversight function. The agreed action plans are also forwarded to the Management for their attention and further action. The Management is responsible for the implementation of corrective actions within the required time frame.

On 9 March 2026, GIAD confirmed its organisational independence to the AC, with the Head of Group Internal Audit and all internal auditors completed the Annual Code of Ethics and Conflict of Interest Declaration for the Financial Year via Google Form indicating they were and had been independent, objective and in compliance with the Code of Ethics and Conflict of Interest as per IPPF in carrying out their duties for the Financial Year.

The AC reviews and approves the human resources requirements of GIAD and IADs in other AOCs to ensure the function is adequately supported by competent and proficient internal auditors.

The total costs incurred by GIAD in discharging its functions and responsibilities during the Financial Year amounted to RM4,026,392 compared to RM3,277,752 in the Financial Year ended 31 December 2024.

Further information on the human resources and the name and qualifications of the Head of Group Internal Audit are provided in the CG Report in accordance with Practice 11.2 of the MCCG.

INTERNAL AUDIT ACTIVITIES DURING THE FINANCIAL YEAR

The GIAD implements a risk-based methodology in establishing its strategic and annual audit plan, which determines the areas or units to be audited. During the Financial Year, the AC reviewed, challenged and approved the audit plans for the GIAD. In doing so, the AC ensured, among others, consistency in the audit methodology deployed, as well as robustness in the audit planning process.

The GIAD remains committed to equipping our internal auditors with adequate knowledge and proficiency. About RM41,522 was spent on training in the areas of auditing skills, technical skills and personal development via inhouse, online and external training during the Financial Year. Each staff attended on average six (6) training days for the year.

Further information on the resources, objectivity and independence of the Head of Group Internal Audit and internal auditors are provided in CG Report in the accordance with Practice 11.2 of the MCCG.

During the Financial Year, audit reviews were conducted based on the Internal Audit Plan approved by the AC. The GIAD and respective IADs in other AOCs and subsidiaries completed and reported on 128 audit assignments, including ad hoc requests by the Board, AC or Senior Management and those which arose from reports pursuant to the Group's Whistleblowing Policy. The audits covered a wide range of areas, including validation of selected Material Sustainability Matters' Disclosure, revenue process, inflight operations and inventory management, hotels management for Move platform, overtime process and accuracy, China eCommerce platform Weshop, sales and distribution, engineering maintenance and aircraft part inventory management, accuracy of overflight charges, duty travel for non-staff, office furniture disposal process, the vendor payment process, guest services, ramp and ground support equipment, cabin crew, marketing, the loyalty programme, e-hailing business, logistics and cargo operations, IT software development and lifecycle, ancillary business, fuel management, contract management, finance and accounting, commercial and branding. They also encompass key systems such as the Warehouse Management System (WMS) and ePos for inflight meals, booking reservation system (Navitaire), aircraft parts trading platform (AEROTRADE®), flight plan applications, cloud computing, IT and cybersecurity management.

The Head of Group Internal Audit, together with the respective team leaders, attended the AC meetings to brief the AC on audit results and significant matters raised in the detailed GIAD report, including findings provided by the respective GIADs in the AOCs.

Internal Audit Reports detailing audit findings are provided to Management who respond to the actions to be taken. Monthly follow-ups are carried out to monitor the progress of corrective actions until they are completed and closed off. The GIAD submits audit reports to the AC every quarter on the status of audit plans, audit findings and agreed actions to be taken by Management. The GIAD's reports and follow-up actions are also presented to the relevant Board Committees and CEOs of the AOCs and subsidiaries.

GIAD Digitalisation and Data Initiatives

GIAD embraces digitalisation in line with the Group strategy to drive continuous improvement through automation. Dashboards for the contract management cycle and invoice-to-payment cycle were developed to complete Purchase to Pay (P2P) activities within the Group. GIAD also introduced the usage of data analytics on engagements to increase assurance levels and enhance the efficiency of the audit process.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

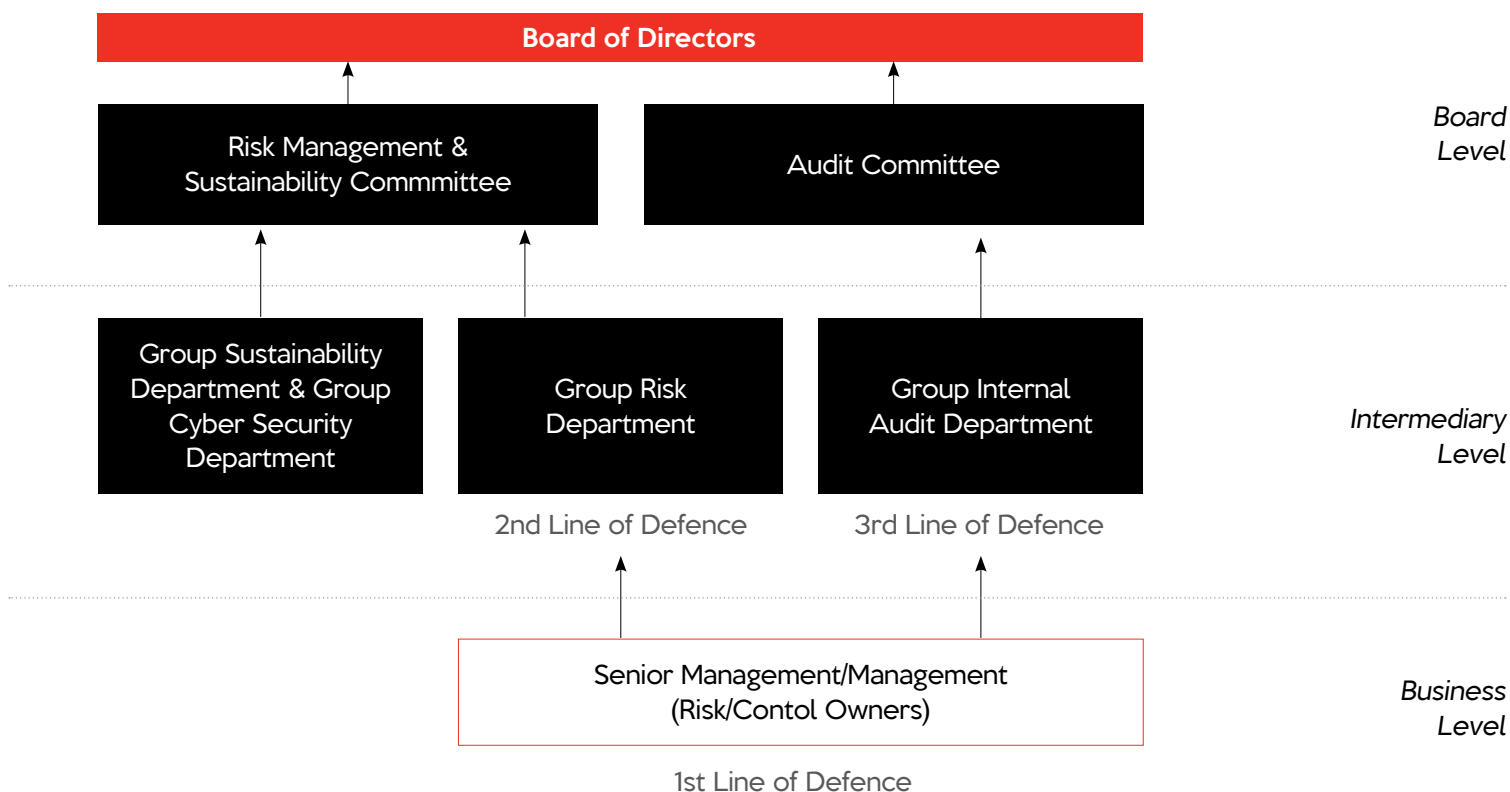
STATEMENT OBJECTIVE

As part of our commitment to strengthen governance, transparency and stakeholder confidence, Capital A Berhad and its subsidiaries (the Group) have established sound risk management and internal control systems. The Board of Directors (the Board) of Capital A Berhad, guided by the requirements outlined in Paragraph 15.26 (b) of the Main Market Listing Requirements (MMLR) by Bursa Malaysia Securities Berhad (Bursa Malaysia), the Malaysian Code on Corporate Governance by the Securities Commission Malaysia and the Statement on Risk Management and Internal Control Guidelines for Directors of Listed Companies (SORMIC Guide 2025), is pleased to issue this Statement on Risk Management and Internal Control (SORMIC) for the financial year ended 31 December 2025 and up to the date of approval on this Statement for inclusion in the Company's Annual Report. This statement outlines the nature and scope of the Group's internal controls and risk management framework.

GOVERNANCE

A proper governance structure has been established within the Group, where responsibilities are clearly defined across all levels, structures and functions to promote accountability and contribute towards effective risk management and internal control systems.

To promote a good corporate governance culture, the Board of Directors is primarily assisted by two Board Committees, namely, the Risk Management and Sustainability Committee (the RMSC) and the Audit Committee. These Committees, in turn, are supported by the Group Risk Department, the Group Sustainability Department, the Group Cyber Security Department and the Group Internal Audit Department, which serve as intermediaries between the Board of Directors and the Senior Management/Management (Risk/Control Owners). This is summarised in Figure 1 below:



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

BOARD OF DIRECTORS (BOARD)

The Board has the overall responsibility for ensuring a sound framework of risk management and internal control is in place to safeguard the interest of stakeholders and the Group's assets, as well as reviewing the adequacy and operating effectiveness of these systems in meeting the Group's business objectives.

The Board is mindful of the need to establish clear roles and responsibilities in discharging its fiduciary and oversight functions in line with the Principles, Practices and Guidance of the Malaysian Code on Corporate Governance (MCCG).

The Board is conscious that risk management and internal control systems are designed to manage risks and provide reasonable but not absolute assurance against the occurrence of unforeseeable circumstances or losses.

Risk Management and Sustainability Committee (RMSC)

The RMSC supports the Board in providing oversight on areas related to risk management of the Group, which encompass enterprise risk management, business continuity management, integrity and compliance, information security and sustainability. In fulfilling its responsibilities, the RMSC ensures that appropriate policies, strategies, frameworks and systems are in place. For this purpose, the RMSC is mainly assisted by the Group Risk Department, the Group Information Security Department and the Group Sustainability Department. The responsibilities of the RMSC are set out in its Terms of Reference (TOR) which are available on Capital A Berhad's corporate website.

In line with the MCCG, the RMSC comprises three (3) Non-Executive Directors, with a majority of Independent Directors.

Audit Committee (AC)

The AC provides support to the Board through its oversight on areas related to audit and investigation, financial reporting, annual disclosures and related party transactions. For this, the AC monitors the adequacy and effectiveness of the internal control systems through reviews of work performed by the Group Internal Audit Department and the external auditors, as well as discussions with Senior Management. Details of the responsibilities of the AC are set out in its TOR which are available on Capital A Berhad's corporate website.

In line with Bursa Malaysia's MMLR, the AC comprises two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. Further, the Chairman of the AC is not the Chairman of the Board. The AC Report is disclosed on pages 131 to 135 of this Annual Report.

Senior Management/Management (Risk/Control Owners)

The Senior Management/Management team is responsible for ensuring that policies and procedures on risk management and internal control are effectively implemented. The Management team is accountable for identifying and evaluating risks, as well as achieving business goals and objectives, within the risk parameters/appetite proposed by the Management and approved by the Board.

Group Risk Department

The Group Risk Department is responsible for Enterprise Risk Management (ERM), Business Continuity Management (BCM) and Integrity and Compliance (I&C) functions. From the ERM perspective, the Group Risk Department develops risk policies, provides guidance on risk-related matters, coordinates risk management activities with other departments, as well as monitors and reports the Group's risks.

From the BCM perspective, the Group Risk Department plays a critical role in ensuring the Group's resilience against disruptions. It establishes comprehensive policies and frameworks that guide business continuity planning across key functions. Through rigorous scenario-based simulations and stress tests, the Group Risk Department collaborates with business units to assess vulnerabilities, enhance preparedness and validate response strategies. This proactive approach ensures that essential operations can be sustained or swiftly restored during a crisis, minimising downtime and safeguarding business continuity under critical situations.

From the I&C perspective, the Group Risk Department monitors key regulatory compliances for the Group and oversees the anti-bribery and anti-corruption programmes within the Group, through the development of policy and guidance, advisory, review and corruption risk assessment on such matters.

Group Sustainability Department

The Group Sustainability Department spearheads sustainability efforts through the Group's sustainability strategies and initiatives. Their tasks include identifying key sustainability risks and opportunities, implementation of sustainability initiatives, stakeholder engagement and sustainability reporting.

In addition, a Sustainability Working Group (SWG) comprising representatives from different entities and business units within the Group, has been established to keep abreast with relevant regulatory trends, adhere to the latest sustainability regulations and manage associated sustainability challenges and risks.

The Group Sustainability Department ensures respective policies and procedures are applied to embed sustainability across Group-wide functions via its Sustainability Framework and standard operating procedures.

Further details can be found in the Capital A Sustainability Report for the Financial Year 2025.

Group Cyber Security Department

The Group Cyber Security Department is dedicated to safeguarding the organisation’s digital landscape by fostering resilience and ensuring stringent compliance across all operational jurisdictions. The Group maintains ISO/IEC 27001 and PCI DSS certifications, which support the governance and operation of information security controls across relevant environments. The Cyber Security Department collaborates closely with Senior Management and the Board to ensure alignment with business objectives and embeds cyber risk considerations into all investment and operational decisions.

Group Internal Audit Department

The Group Internal Audit Department (GIAD) evaluates the adequacy and effectiveness of the governance, risk management and internal control processes implemented by Management. GIAD adopts a risk-based approach in determining the auditable areas and frequency of audits within the Group.

In addition, the GIAD manages the Group’s whistleblowing channel, ensuring that all reported concerns are received, assessed and escalated appropriately.

The GIAD’s functions are disclosed in the AC Report on page 134 of this Annual Report and the Corporate Governance Report.

ENTERPRISE RISK MANAGEMENT (ERM) FRAMEWORK

The ERM framework within the ERM Policy supports the Group in making risk-informed decisions by standardising the process of identifying, evaluating and managing risks faced by the Group.

The ERM framework covers the following key features:



The Risk Management process depicted in the diagram below is aligned with ISO 31000:2018 Risk Management - Guidelines.



- 1) Risk Identification – This process involves detection of existing and emerging risks in areas such as finance, operations, regulatory compliance, reputation, cybersecurity and sustainability, that can affect the business objectives and initiatives. Proactive risk identification is deployed to detect risks early and formulate risk mitigation strategies and action plans to better manage risks and minimise their potential impact. In addition, a root cause analysis is performed, in order to develop adequate risk controls.
- 2) Risk Assessment – This process involves rating the risks as “Very High”, “High”, “Medium”, or “Low”, based on likelihood and impact. A quarterly review is performed by the businesses along with the Group Risk Department to measure the aggregate exposure to the risk and the potential impact of this exposure.
- 3) Risk Control – This process involves developing mitigation controls for risks identified, based on root cause analysis. These controls are assessed in terms of effectiveness and the acceptable residual risk is determined. Additional controls may be proposed in the event risks are not mitigated adequately.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- 4) Risk Monitoring – Continuous monitoring of risks, especially key risks, are undertaken on a continuous basis to drive real-time actions and determine their relevance in the present environment. Apart from risk mitigation controls, risk indicators are monitored for key risks to ensure sufficient and timely actions are taken.
- 5) Risk Reporting – The risk profiles are discussed with Management and subsequently tabled to the RMSC on a quarterly basis for deliberation. Operational risks, in particular safety risks, are monitored by the Safety Review Board (SRB) with assistance from the Group Safety Department. For the Financial Year Ended 31 December 2025, four (4) RMSC and SRB meetings were held to discuss risk management, safety and other matters.

KEY RISKS AND MITIGATION

The Board and Management of Capital A recognise that any major risk exposure inherent in its operating environment and business activities could significantly impede the achievements of the Group’s business and corporate objectives and would adversely affect the Group’s ability to create and protect value. During the financial year under review, the Group’s activities were exposed to the following key risks:

RISK	MITIGATION
A. STRATEGIC	
1. Adverse Climate Change	
<p>The Group is potentially exposed to operational disruptions due to adverse climate events as well as managing changing customer expectations and perception towards sustainability.</p>	<p>The Group has developed a Sustainability Roadmap in order to implement initiatives that reduce carbon footprint, minimise waste and innovate to raise the bar.</p>
B. OPERATIONAL	
1. Cybersecurity Threat	
<p>There is an inherent potential risk of cyber attacks and incidents resulting from the increased complexity of the threat landscape (including AI-driven cyber attacks) and the expanding digital footprint of the Group.</p>	<p>Beyond maintaining the core Cyber Security Certifications (including ISO27001 and PCI DSS), the Group has active cyber defense mechanisms to proactively track cyber threat campaigns, closely monitor internal digital activities and block any suspicious or malicious cyber activities. To secure the application ecosystem, the organisation adopts a “Security by Design” philosophy, integrating penetration testing, source code reviews, data security and least privilege access management throughout the entire software development lifecycle.</p>
2. System Outage	
<p>Outages of mission critical systems which are required for the continuity of operations.</p>	<p>The Group mitigates this risk by developing, implementing and testing specific backup and failover systems to reduce the impact of system outages.</p> <p>The Group has in place alternative sites that exist in different geographical locations in the event these mission critical systems fail at any one location. A business continuity plan, along with the relevant emergency response plans, are established and reviewed periodically.</p>

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK

MITIGATION

B. OPERATIONAL**3. Safety Threat**

There is an inherent potential risk of safety, particularly within the Group's aviation business segment. Any significant safety incident or breach may be detrimental to the Group's operations.

The Group Safety Department proactively and systematically identifies threats and hazards using the Safety Management System (SMS). The identified threats and hazards are mitigated to the lowest feasible level striking a balance between safety benefits gained and the cost of further risk reduction.

The Group Safety Department facilitates this enterprise-wide effort of safety risk management by establishing and maintaining the required standards for continuous assessment of all key operational risks.

The SRB oversees compliance with safety and quality standards, ensuring that safety targets are met by the Management.

C. FINANCIAL**1. Tight Cash Flow Position**

Although the Group recorded an upward trend in revenue from both the aviation and non-aviation segments in 2025, a tight cash flow position persisted, driven by cash commitments necessary for the recovery of the airline's fleet and growth of the non-aviation businesses. Additionally, the PN17 status posed a challenge to the Group's ability to secure external funding.

To mitigate this risk, the Group undertook strategic divestment to unlock liquidity.

In addition, the Group deployed prudent financial policies and continuous review of operations to improve efficiency.

Securing external funds for aviation and non-aviation businesses, establishing strategic collaborations and creating commercial synergy within the ecosystem are among other measures initiated to improve cash flow.

D. COMPLIANCE**1. Non-Compliance with Regulatory Requirements**

The Group operates in a highly regulated industry. There is an increasing emphasis by regulatory bodies (including but not limited to Bursa Malaysia, Civil Aviation Authority of Malaysia, Malaysian Aviation Commission, etc.) and financial institutions to adhere to various compliance and reporting standards.

Any failure to comply with such conditions, laws or regulations may lead to fines, penalties and also operational disruptions.

The Group keeps abreast of the latest changes in regulatory requirements by constant engagement with the authorities and stakeholders to gain forefront knowledge. Changes to regulatory requirements, where relevant, are then incorporated into policies/ standard operating procedures and communicated to all stakeholders on a timely basis. This includes employees attending regular training on regulatory matters.

Further, the Compliance Unit (within the Group Risk Department) maintains a master compliance repository to monitor key compliance requirements and any lapses therein.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

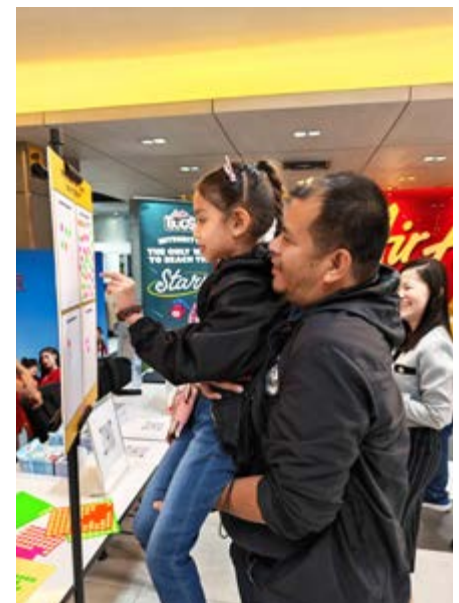
SUMMARY OF RISK MANAGEMENT ACTIVITIES DURING THE FINANCIAL YEAR

During the Financial Year Ended 31 December 2025, the Group Risk Department continued building a strong risk culture via continuous engagements and workshops. The Group Risk Department refreshed training materials and delivered a Design Thinking infused risk awareness workshop to the Group's Senior Management and Allstars, strengthening risk understanding through an interactive approach.

The Group Risk Department continued to support the Crisis Management Teams across the Group to respond to events affecting business continuity and conducted business continuity exercises for key systems, functions and stations to minimise significant operational disruptions in the event of a crisis across the Group.

To strengthen business resilience, the Group Risk Department played a pivotal role in equipping the Crisis Management Teams with the necessary strategies and frameworks to effectively navigate disruptions. Comprehensive business continuity exercises were conducted across critical systems, functions and key operational sites, ensuring the Group's preparedness for unforeseen crises. These initiatives aimed to minimise operational disruptions and enhance the Group's agility in responding to potential threats, reinforcing the Group's commitment to operational continuity and resilience.

The Integrity and Compliance Unit reinforced the Group's anti-corruption awareness and commitment to integrity by expanding initiatives such as annual digital learning and attestation. Aside from workshops and programmes rolled out in Indonesia, Philippines, Thailand and Malaysia, 2025 was completed with the Group's 2nd International Anti-Corruption Day, in collaboration with several external parties, including MACC. The highlight of the event was the launch of the slogan "United Against Corruption" and the Anti-Corruption Pledge ceremony witnessed by the Director of Community Education Division of MACC, Datuk Ahmad Nizam bin Ismail. This was followed by the signing of the Pledge by the CEO, Tan Sri Tony Fernandes, Executive Chairman of Capital A Berhad, Datuk Kamarudin bin Meranun, as well as the Chairman of AirAsia X Berhad, Dato' Fam Lee Ee. Further details on these initiatives in relation to ABAC are highlighted from pages 21 to 24 of the Sustainability Report.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL

The key internal control structures in place to assist the Board in maintaining a proper system of internal control include:

Delegated Board Committees

The Board has established four (4) Committees, namely the AC, RMSC, Nomination and Remuneration Committee (NRC) and SRB to assist it in executing its governance responsibilities. Further information on the various Committees of the Board is provided in the Corporate Governance Overview Statement from pages 129 to 130 of this Annual Report.

Senior Management/Management

Senior Management/Management team sets and implements business strategies while ensuring they are sufficiently supported with controls and monitoring through regular meetings across all levels and lines of business.

Authorisation Limits

To preserve the segregation of duties and as a safeguard against excessive risk-taking, authorisation limits are in place across levels of Management, with clear delineation between the Management and the Board. The Board adopts a collective decision-making process for matters reserved for its approval.

Policies and Procedures

Internal policies and procedures are critical control points in ensuring consistency in quality and delivery of work and services by employees across the Group, in conformance to industry standards. For this purpose, processes are sufficiently documented through the policies and procedures and are periodically reviewed and readily made available to employees across the Group.

Information and Data Systems

While leveraging systems to increase business efficiency and as a means of automating controls for enhanced risk mitigation, the Group has established information security and data privacy policies, frameworks and guidelines towards preserving the confidentiality, integrity and availability of information.

Budgeting and Financial Management

The Group has in place an established budgeting process and closely tracks its actual performance against the approved budgets. The outcomes of these processes are reported at Senior Management and Board levels to facilitate their respective oversight. Significant variances are assessed further and are supported with action plans by the Management.

Insurance

The Group maintains adequate insurance and physical safeguards on assets to ensure these are sufficiently covered against any incident that could result in material losses.

Group Safety

The Group Safety Department provides guidance to ensure risks of aviation and operational activities are well controlled. Regular health and safety audits are undertaken to ensure compliance with Occupational Safety and Health Administration, IATA Operational Safety Audit, Civil Aviation Authority of Malaysia and other relevant standards.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Human Resources

Documented processes are in place under the purview of the People Department to guide end-to-end employee management that covers recruitment, hiring, appointment, performance measurement, compensation and reward, as well as disciplinary mechanisms that could lead up to dismissal or termination, subject to the applicable local laws and regulations.

Code of Conduct

The Code of Conduct is in place for reference by employees across the Group to guide them in their conduct in accordance with the corporate values, policies and procedures. Through the same Code, employees are also made aware of the disciplinary procedures that they may have to go through and possible consequences for any confirmed breach after exhausting the due processes.

Whistleblowing

As part the Group's commitment towards zero tolerance for bribery and unethical behavior, there are dedicated, secured platforms for employees and third parties to report any suspected or actual unethical behaviour, fraud, dishonesty or breach of the Code of Conduct through e-mail or an electronic form available on Capital A's corporate website. Whistleblowers may report so in good faith and with confidence as confidentiality is assured and concerns raised will be dealt with in accordance with internal policies and procedures.

CONCLUSION

Adequacy and Effectiveness of the Group's Risk Management and Internal Control Systems

The Board has received assurance from the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of Capital A that the Group's risk management and internal control systems are operating adequately and effectively in all material aspects. For areas which require improvement, including any significant failings or weaknesses identified from reviews, action plans are being developed with implementation dates being monitored by the respective Heads of Department. During the financial year, the Board (through its Board Committees) conducted a quarterly review of the Group's risk management and internal controls, and considered the key observations arising from those activities in strengthening risk responses and internal controls. This included the review of updates on the periodic testing of internal controls by the GIAD. Based on assurance received from Management and updates from the Board Committees, the Board is of the view that the Group's risk management and internal control systems were operating adequately and effectively during the Financial Year Ended 31 December 2025 and up to the date of approval of this Statement.

Review of the Statement by External Auditors

As required by Paragraph 15.23 of the MMLR, the external auditors have reviewed this Statement on Risk Management and Internal Control in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3 (AAPG 3): "Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control" included in the Integrated Report issued by the Malaysian Institute of Accountants (MIA). AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

Based on their procedures, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement on Risk Management and Internal Control is not prepared, in all material respects, in accordance with the disclosures required by Section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies to be set out, nor is it factually inaccurate.

This statement is in accordance with the resolution of the Board of Directors of the Group on 15 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS FROM CORPORATE PROPOSALS

No proceeds were raised from corporate proposals during the financial year ended 31 December 2025.

2. MATERIAL CONTRACTS

Save as disclosed below, our Group has not entered into any material contracts (other than contracts entered into in the ordinary course of business) involving the interests of the Directors, Chief Executive who is not a Director or major shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

- (a) On 25 April 2024, Capital A had entered into the following:-
- (i) A conditional share sale and purchase agreement with AirAsia Group Sdn Bhd (formerly known as AirAsia Aviation Group Sdn Bhd) (AAG) for the disposal of its 100% equity interest in AAGL, a wholly-owned subsidiary of the Company, for a disposal consideration of RM3,000,000,000 (Proposed AAAGL Disposal), subject to the terms and conditions as stipulated in the share sale and purchase agreement (AAAGL SSPA); and
 - (ii) A conditional share sale and purchase agreement with AAG for the disposal of its 100% equity interest in AAB, a wholly-owned subsidiary of the Company, for a disposal consideration of RM3,800,000,000 (Proposed AAB Disposal), subject to the terms and conditions as stipulated in the share sale and purchase agreement (AAB SSPA).
- (b) On 26 July 2024, Capital A had entered into supplemental agreements with AAX and AAG to amend and vary certain terms and conditions of the AAAGL SSPA (AAAGL Supplemental SSPA) and AAB SSPA (AAB Supplemental SSPA) (collectively, "Supplemental SSPAs"). Pursuant to the Supplemental SSPAs, AAX has assumed the rights, benefits, titles, interests, obligations and liabilities of AAG to the AAAGL SSPA and AAB SSPA as the purchaser in respect of the Proposed AAAGL Disposal and Proposed AAB Disposal, respectively.
- (c) On 3 September 2024, our Company entered into a deed of settlement (Deed of Settlement) with SK Malaysia Investment I Pte. Ltd. (SK), MOVE Digital Sdn. Bhd. and BigPay in respect of the settlement of approximately USD60.00 million (equivalent to approximately RM265.8 million*) as at the LPD arising from a convertible note entered into between SK and BigPay (SK Financing).

Pursuant to the Deed of Settlement, our Company shall pay the principal sum of USD60 million (equivalent to approximately RM265.8 million*) together with the accrued interest to SK in accordance with the agreed repayment schedule, in consideration of all agreements relating to the SK Financing being terminated and parties being discharged from their respective obligations or liabilities under the agreements.

Note:

* Based on BNM's exchange rate of USD1.00:RM4.43, being the middle rate published on BNM's website as at 28 March 2025

- (d) Capital A had, on 4 September 2024, entered into supplemental agreements with AAX to amend and vary certain terms and conditions of the AAAGL SSPA (as supplemented by the AAAGL Supplemental SSPA) (AAAGL Second Supplemental SSPA) and AAB SSPA (as supplemented by the AAB Supplemental SSPA) (AAB Second Supplemental SSPA) (collectively, "Second Supplemental SSPAs"). Pursuant to the AAAGL Second Supplemental SSPA and AAB Second Supplemental SSPA, Capital A shall, before the completion date of the Proposed AAAGL Disposal and Proposed AAB Disposal, respectively, obtain the approvals and/or consents for the release and/or discharge of any corporate guarantee and/or security provided by Capital A Group (excluding AAAGL Group and AAB Group) in favour of lenders/financiers of the AAAGL Group and AAB Group.

ADDITIONAL COMPLIANCE INFORMATION

- (e) Capital A had, on 17 October 2025, entered into a supplemental agreement with AAX to amend and vary certain terms and conditions of the AAAGL SSPA (as supplemented by the AAAGL Supplemental SSPA and the AAAGL Second Supplemental SSPA) (AAAGL Third Supplemental SSPA). Pursuant to the AAAGL Third Supplemental SSPA, and in view that the board of directors of the Purchaser has resolved to undertake the Tender Offer, the parties mutually agreed to waive the condition precedent that the approval of the Takeover Panel of Securities and Exchange Commission, Thailand, in respect of the proposed exemption under the applicable takeover rules in Thailand to be sought by AAX from the obligation to undertake a tender offer to acquire all remaining shares in Asia Aviation Public Company Limited not already owned by AAX on Completion.
- (f) Capital A had, on 18 November 2025, entered into a second supplemental trust deed with Malaysian Trustees Berhad to amend and vary certain terms and conditions of the trust deed dated 18 November 2021 as supplemented by the supplemental trust deed dated 5 November 2024 (Trust Deed) whereby the parties agreed to record the consents given by the RCUIDS Holders to vary the redemption schedule of the RCUIDS and the early redemption right of Capital A in respect of the RCUIDS (Proposed Variation) and to amend the Trust Deed to give effect to the Proposed Variation.

3. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred for services rendered to the Company and its Group for the financial year ended 31 December 2025 by the auditors, or firm or companies affiliated to the auditors, is as follows:

	Company RM'000	Group RM'000
Audit Fees	419	2,568
Non-Audit Fees	25	8,614
Total	444	11,182

The non-audit fees comprise mainly fees paid to the external auditors for their review of the Statement on Risk Management and Internal Control, the review of the interim consolidated financial information, tax compliance and advisory services.

4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Group was granted a shareholders' mandate to enter into recurrent related party transactions (RRPT) of a revenue or trading nature with related parties at the Eighth Annual General Meeting held on 13 June 2025.

The information on the aggregate value of the relevant RRPTs during the financial year ended 31 December 2025 is as follows:

No	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual Value (as at 31 December 2025)
REVENUE/INCOME				
1.	AirAsia X Berhad (AAX)	Provision of operational services by AirAsia (Guangzhou) Aviation Service Limited to AAX in China.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	CNY 4,399,200

ADDITIONAL COMPLIANCE INFORMATION

No	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual Value (as at 31 December 2025)
REVENUE/INCOME				
2.	AAX	Sale of loyalty points from BIGLIFE Sdn Bhd (BIGLIFE), which operates and manages the AirAsia rewards loyalty programme.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 1,343,482
3.	Thai AirAsia X Co. Ltd. (TAAX)	Provision of operational services by AirAsia (Guangzhou) Aviation Service Limited to TAAX in China.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	CNY 585,000
4.	TAAX	Sale of loyalty points from BIGLIFE, which operates and manages the AirAsia rewards loyalty programme.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	Nil
5.	Tune Insurance Malaysia Berhad (TIMB)	Provision of travel insurance by TIMB to AirAsia Berhad (AAB) customers for journeys originating from Malaysia, resulting in sales commissions received by AAB.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 6,740,873
6.	Tune Protect Group Berhad (TPGB)	Service Agreements between Move Travel Sdn Bhd (fka: AirAsia. Com Travel Sdn Bhd) (AirAsia. Com) and TPGB to provide services related to managing digital media activities to TPGB.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	Nil
7.	ECML Hotels Sdn. Bhd. (ECML Hotels)	Service Agreements between AirAsia.Com and ECML Hotels to provide services related to managing digital media activities to ECML Hotels.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	Nil
8.	TPGB	Distribution Agreement between AirAsia.Com and TPGB for the management of insurance business. This includes the Agency Agreement between AirAsia. Com and TIMB, a subsidiary of TPGB, to appoint AirAsia.Com as a registered corporate agent of TIMB to conduct insurance transactions on the airasia.com website and mobile application on behalf of TIMB in exchange for commissions.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 205,862

ADDITIONAL COMPLIANCE INFORMATION

No	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual Value (as at 31 December 2025)
REVENUE/INCOME				
9.	Tune Insurance Public Company Limited (TPT)	Media Services Agreement between AirAsia.Com and TPT for the management of digital media activities.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 64,364
10.	Tune Protect Re Ltd (TPR)	Service Agreement between AirAsia SEA Sdn. Bhd. (AirAsia SEA) and TPR for AirAsia SEA to provide refunds on insurance premiums to AirAsia guests.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	Nil
11.	TAAX	Provision of platform services by AirAsia.Com: Online distribution of TAAX flight inventory via the airasia.com domain or airasia mobile superapp owned/operated by AirAsia.com	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	USD 1,045,562
12.	AAX	Provision of platform services by AirAsia.Com: Online distribution of AAX flight inventory via the airasia.com domain or airasia mobile superapp owned/operated by AirAsia.com	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 16,736,608
13.	AAX	Provision of the following shared services by AirAsia SEA and AirAsia SEA TH/IHQ/AAAMS/Fleet Consolidated to AAX: (a) Finance and accounting support operation services (b) People department support operation services (c) Information and technology operation support services (d) Refunds (e) Customer support (f) Facilities (g) Procurement (h) Network management centre, safety, operational quality assurance and ground operations (i) Airline strategy, fleet, network, scheduling and regulatory affairs (j) Airport partnerships and incentives (k) Information security (l) Supply chain	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 3,487,230

ADDITIONAL COMPLIANCE INFORMATION

No	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual Value (as at 31 December 2025)
REVENUE/INCOME				
14.	TAAX	<p>Provision of the following shared services by AirAsia SEA and AirAsia SEA TH/IHQ/AAAMS/Fleet Consolidated Pte Ltd. to TAAX:</p> <p>(a) Finance and accounting support operation services (b) People department support operation services (c) Information and technology operation support services (d) Refunds (e) Customer support (f) Facilities (g) Procurement (h) Network management centre, safety, operational quality assurance and ground operations (i) Airline strategy, fleet, network, scheduling and regulatory affairs (j) Airport partnerships and incentives (k) Information security (l) Supply chain</p>	<p>Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun</p>	RM 1,369,555
15.	Intrinsic Capital Management Sdn. Bhd. (ICM)	Partnership agreements between Ikhlaz Com Travel Sdn. Bhd. (IKHLAS) and ICM for usage of a studio located at Ukey Boulevard.	<p>Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun</p>	RM 18,000
16.	AAX	Line Maintenance Agreement between Asia Digital Engineering Sdn. Bhd. (ADE) and AAX for the provision of resources to ensure the smooth operations of aircraft maintenance including manpower, tooling and store.	<p>Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun</p>	RM 13,712,233
17.	AAX	Partnership agreements between IKHLAS and AAX for the commercial arrangement to appoint IKHLAS as an exclusive sales & distribution partner for the Saudi sectors that AAX offers.	<p>Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun</p>	RM 3,239,076
18.	AAX	Santan Restaurant Sdn. Bhd. (STR) to enter into an agreement with AAX to supply airline catering, merchandise and duty free to AAX as part of inflight services.	<p>Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun</p>	RM 11,107,350

ADDITIONAL COMPLIANCE INFORMATION

No	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual Value (as at 31 December 2025)
REVENUE/INCOME				
19.	AAX	Act as acquirer for all close loop transactions and responsible for, including but not limited to, acquiring, servicing, billing to, collecting from, setting the merchant rate and authorising BigPay Card transactions.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 4,903,601
20.	AAX	Provision of the rights to operate scheduled air services under the AIRASIA trade name and livery of Brand AirAsia Sdn Bhd (Brand AA)/ AirAsia Aviation Group Limited (AAAGL).	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 7,157,734
21.	TAAX	Provision of the rights to operate scheduled air services under the AIRASIA trade name and livery of Brand AA/AAAGL.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 5,034,002
22.	AAX	Media Services Agreement between AirAsia.Com and AAX whereby AirAsia.Com will provide digital media management services.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	Nil
23.	TAAX	Advertising consultant agreement between AirAsia.Com and TAAX for consultation on media sales for TAAX's media inventory.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	Nil
24.	Ormond Group Sdn. Bhd. (Ormond)	Hotel Marketing and Distribution Agreement between AirAsia.Com and Ormond whereby AirAsia.Com is entitled to commissions on the commercial rates paid by customers who purchase hotel room inventory, excluding cancellations and refunds permitted by Ormond.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 139,799

ADDITIONAL COMPLIANCE INFORMATION

No	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual Value (as at 31 December 2025)
REVENUE/INCOME				
25.	AAX	<p>Aviation Management Support Services Agreement between AirAsia Aviation Management Services Sdn Bhd (AAAMS) and AAX for the following services:-</p> <ul style="list-style-type: none"> (a) Treasury, Legal (b) Airline HRBP, learning, organisation design and rewards (c) Airline operations and strategy (d) Global policy and government relations, communication and social media (e) Regulatory affairs (f) Safety (g) Operational quality assurance (h) Aircraft focus (i) Airport partnership and incentives (j) Route revenue, pricing and network scheduling (k) Airline marketing and promotion execution (l) Sales and distribution of commercial social media and consumer communication 	<p>Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun</p>	Nil
26.	TAAX	<p>Tripartite service agreement between AAAMS, Fleet Consolidated and TAAX for the following services:-</p> <ul style="list-style-type: none"> (a) Treasury, Legal (b) Airline HRBP, learning, organisation design and rewards (c) Airline operations and strategy (d) Global policy and government relations, communication and social media (e) Regulatory affairs (f) Safety (g) Operational quality assurance (h) Aircraft focus (i) Airport partnership and incentives (j) Route revenue, pricing and network scheduling (k) Airline marketing and promotion execution (l) Sales and distribution (m) Commercial social media and consumer communication 	<p>Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun</p>	RM 3,387,320

ADDITIONAL COMPLIANCE INFORMATION

No	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual Value (as at 31 December 2025)
REVENUE/INCOME				
27.	TPGB	Commercial agreement between Biglife Sdn Bhd (BIGLIFE) and TPGB to participate in the BIG Loyalty Programme as a merchant partner to purchase BIG Points from BIGLIFE for the purpose of awarding these to subscribers of the subsidiaries of TPGB, including but not limited to TIMB and TPT.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 31
28.	AAX	Tenancy agreement between Capital A and AAX for the rent of office premises at Level 5, RedQ with a floor area of 6,972.48 sq ft. Rental payable on a monthly basis.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	Nil
29.	AAX	Partnership agreement between Move Travel and AAX for Easy Cancel products offered to customers purchasing AAX flight tickets.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 143,976
30.	TAAX	Partnership agreement between Move Travel and TAAX for Easy Cancel products offered to customers purchasing TAAX flight tickets.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 95,181
EXPENSES				
31.	AAX	Redemption of loyalty points when Big members use the loyalty points accumulated under the AirAsia rewards programme operated and managed by BIGLIFE for AAX flights and other ancillary products and services.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 1,118,675
32.	AAX	Purchase of TAAX's cargo transportation capacity by Teleport on routes operated by TAAX.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	USD 21,968,298
33.	TAAX	Purchase of TAAX's cargo transportation capacity by Teleport on routes operated by TAAX.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	USD 5,419,348
34.	TAAX	Redemption of loyalty points when Big members use the loyalty points accumulated under the AirAsia rewards programme operated and managed by BIGLIFE for TAAX flights and other ancillary products and services.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 6,953

ADDITIONAL COMPLIANCE INFORMATION

No	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Actual Value (as at 31 December 2025)
EXPENSES				
35.	Notel Management Sdn. Bhd. (Notel Management)	The contract for this RRPT(s) was signed between Notel Management and AirAsia SEA for the provision of hotel services to Capital A Group and/or its affiliates and/or its guests at corporate rates provided by Notel Management as a hotel operator that manages hotels on behalf of the following entities that directly invoice the respective entities of Capital A Group: 1. OHG Services Sdn. Bhd. 2. ECML Hotels	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 252,074
36.	Tune Group Sdn. Bhd. (Tune Group)	Sub-tenancy agreement between Capital A and Tune Group for the sublet of office premises at Wisma Tune with a floor area of 5,620 sq ft. Rental payable on a monthly basis.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 210,000
37.	ICM	Tenancy agreement between IKHLAS and ICM for usage of an office located at AmpWalk with a floor area of 7,373 sq ft. Rental payable on a monthly basis.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 97,324
38.	Tune Group	Sub-tenancy agreement between Brand AA and Tune Group for the sublet of office premises at Wisma Capital A with a floor area of 9,544 sq ft. Rental payable on a monthly basis.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 337,674
39.	Tune Group	Sub-tenancy agreement between BIGLIFE and Tune Group for the sublet of office premises at Wisma Capital A with a floor area of 3,889 sq ft. Rental payable on a monthly basis.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	RM 117,939
40.	TPGB	Redemption of loyalty points when Big members use the loyalty points operated and managed by BIGLIFE given by TPGB.	Interested Directors and Major Shareholders Tan Sri Anthony Francis Fernandes Datuk Kamarudin Bin Meranun	Nil

The Related Parties relationships are as per the Circular/Statement to shareholders dated 30 April 2025, which was approved at the Annual General Meeting held on 13 June 2025.

ADDITIONAL COMPLIANCE INFORMATION

5. EMPLOYEES SHARE OPTION SCHEME (ESOS)

On 2 August 2021, the Company had implemented a long-term incentive scheme (LTIS) comprising an Employees Share Option Scheme (ESOS) and a Share Grant Scheme, which involves up to 10% of the total number of issued shares of the Company (excluding treasury shares, if any) for eligible employees and directors (eligible employees) of Capital A and its subsidiaries (excluding dormant subsidiaries) (Group) at any point of time throughout the duration of the LTIS. The ESOS is currently the only existing employees' share option scheme under the Company.

The Company granted a total of 159,400,000 share options to eligible employees of the Group pursuant to its long-term incentive scheme, of which no options remain outstanding. All options previously granted by Capital A were deemed cancelled on 31 August 2024 as the conditions for vesting of the ESOS Options (which were originally scheduled for vesting on 31 August 2024) were not met.

No options were granted to the Executive Directors of the Company under the ESOS. The Non-Executive Directors of the Company are not eligible to participate in the ESOS.

For the avoidance of doubt, Capital A's long-term incentive scheme remains subsisting as at 31 December 2025

Powering the Future of Brands



AirAsia proved that a challenger could win.
AirAsia Next will prove a legacy can evolve.

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements/Paragraph 9.41(b) of the MAIN Market Listing Requirements/Rule 9.25A of the ACE Market Listing Requirements/Rule 6.13A of the LEAP Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) GROUP TOTAL INCOME AND TOTAL ASSETS

Total Income	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Revenue		1,866,939	1,709,682
Others (please specify in the remarks column)	Discontinued operation (revenue)	16,524,630	18,615,090
Other income		11,331,781	31,024
Others (please specify in the remarks column)	Discontinued operation (other income)	108,210	1,060,050
Interest/Finance income		14,658	1,439
Others (please specify in the remarks column)	Discontinued operation (finance income)	162,852	23,612
Total		30,009,070	21,440,897
Total Assets		7,567,895	30,736,147

(B) BUSINESS ACTIVITIES

Shariah Non-Compliant Activities	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Liquor/alcoholic beverages and related products and activities	Served onboard	2,289	2,325
Liquor/alcoholic beverages and related products and activities	Duty Free products	856	809
Total		3,145	3,134

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

(C) COMPONENT OF FINANCIAL POSITION

(i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Other cash equivalents (please specify in the remarks column)	Cash and bank balances	14,605	19,796
Total Cash		14,605	19,796
Conventional Account/Instruments			
Asset classified as held for sale: Cash and cash equivalents		0	624,247
Deposits with licensed bank		36,547	13,158
Other cash equivalents (please specify in the remarks column)	Cash and bank balances	381,460	398,231
Total Cash		418,007	1,035,636

(ii) Debt Component

Islamic Financing	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Current			
Other interest bearing debt (please specify in the remarks column)	Redeemable Convertible Unsecured Islamic Debt Securities	321,219	164,052
Non-Current			
Other interest bearing debt (please specify in the remarks column)	Redeemable Convertible Unsecured Islamic Debt Securities	321,219	492,156
Total Financing		642,437	656,208

Conventional Borrowing	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Current			
Term loans		73,350	78,088
Other interest bearing debt (please specify in the remarks column)	Convertible Loan Note	119,962	58,820
Other interest bearing debt (please specify in the remarks column)	Other Facilities	216,362	335,198
Liabilities classified as held for sale: Loans and borrowings		0	1,724,920
Non-Current			
Term loans		133,328	155,703
Other interest bearing debt (please specify in the remarks column)	Convertible Loan Note	96,229	191,668
Liabilities classified as held for sale: Loans and borrowings		0	2,692,583
Total Debt		639,230	5,236,980

ANALYSIS OF SHAREHOLDINGS

As at 1 April 2026

ORDINARY SHARES

Total number of issued shares : 4,470,480,489
 Class of shares : Ordinary shares
 Voting rights : One vote per ordinary share

Size of shareholdings	No. of shareholders	%	No. of shares	%
Less than 100	654	0.84	13,259	- ⁽¹⁾
100 – 1,000	19,099	24.42	12,052,070	0.27
1,001 – 10,000	37,114	47.46	176,028,706	3.94
10,001 – 100,000	18,106	23.15	589,119,303	13.18
100,001 - 223,524,023 ⁽²⁾	3,229	4.13	2,667,782,069	59.67
223,524,024 and above ⁽³⁾	3	- ⁽¹⁾	1,025,485,082	22.94
	78,205	100.00	4,470,480,489	100.00

Notes:

⁽¹⁾ Less than 0.01%⁽²⁾ 100,001 to less than 5% of issued shares⁽³⁾ 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS

	No. of ordinary shares			
	Direct interest	%	Deemed interest	%
Tune Live Sdn. Bhd.	509,000,000 ⁽¹⁾	11.39	-	-
Tune Air Sdn. Bhd.	516,485,082 ⁽²⁾	11.55	-	-
Positive Boom Limited	332,498,504 ⁽³⁾	7.44	-	-
Tan Sri Anthony Francis Fernandes	2,300,000 ⁽⁴⁾	0.05	1,025,485,082 ⁽⁶⁾	22.94
Datuk Kamarudin Bin Meranun	11,250,000 ⁽⁵⁾	0.25	1,029,485,082 ⁽⁷⁾	23.03
Choi Chiu Fai, Stanley	-	-	332,498,504 ⁽⁸⁾	7.44

Notes:

⁽¹⁾ Shares held under RHB Capital Nominees (Tempatan) Sdn. Bhd. and HSBC Nominees (Tempatan) Sdn. Bhd. for Tune Live Sdn. Bhd.⁽²⁾ Shares held under HSBC Nominees (Tempatan) Sdn. Bhd. for Tune Air Sdn. Bhd.⁽³⁾ Shares held under own name, UOB Kay Hian Nominees (Asing) Sdn. Bhd. and Kenanga Nominees (Asing) Sdn. Bhd. for Positive Boom Limited⁽⁴⁾ Shares held under HSBC Nominees (Tempatan) Sdn. Bhd. and Alliancegroup Nominees (Tempatan) Sdn. Bhd. for Tan Sri Anthony Francis Fernandes⁽⁵⁾ Shares held under HSBC Nominees (Tempatan) Sdn. Bhd. for Datuk Kamarudin Bin Meranun⁽⁶⁾ Deemed interested by virtue of Section 8 of the Companies Act, 2016 through a shareholding of more than 20% in Tune Live Sdn. Bhd. and Tune Air Sdn. Bhd.⁽⁷⁾ Deemed interested by virtue of Sections 8 and 59(11)(c) of the Companies Act, 2016 through a shareholding of more than 20% in Tune Live Sdn. Bhd. and Tune Air Sdn. Bhd. and his child's interest in the Company⁽⁸⁾ Deemed interested by virtue of Section 8 of the Companies Act, 2016 through a shareholding of more than 20% in Positive Boom Limited

DIRECTORS' SHAREHOLDINGS

	No. of ordinary shares			
	Direct interest	%	Deemed interest	%
Tan Sri Anthony Francis Fernandes	2,300,000 ⁽¹⁾	0.05	1,025,485,082 ⁽⁴⁾	22.94
Datuk Kamarudin Bin Meranun	11,250,000 ⁽²⁾	0.25	1,029,485,082 ⁽⁵⁾	23.03
Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar	-	-	-	-
Dato' Fam Lee Ee	-	-	-	-
Dato' Mohamed Khadar Bin Merican	100,000 ⁽³⁾	*	-	-
Brig Gen Dato' Fadzillah Binti Abdullah (R)	-	-	-	-

Notes:

* Negligible

⁽¹⁾ Shares held under HSBC Nominees (Tempatan) Sdn. Bhd. and Alliancegroup Nominees (Tempatan) Sdn. Bhd.⁽²⁾ Shares held under HSBC Nominees (Tempatan) Sdn. Bhd.⁽³⁾ Shares held under Alliance Group Nominees (Tempatan) Sdn. Bhd.⁽⁴⁾ Deemed interested by virtue of Section 8 of the Companies Act, 2016 through a shareholding of more than 20% in Tune Live Sdn. Bhd. and Tune Air Sdn. Bhd.⁽⁵⁾ Deemed interested by virtue of Sections 8 and 59(11)(c) of the Companies Act, 2016 through a shareholding of more than 20% in Tune Live Sdn. Bhd. and Tune Air Sdn. Bhd. and his child's interest in the Company

THIRTY LARGEST SHAREHOLDERS

	Names of shareholders	No. of shares held	%
1	HSBC Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account - UBS AG, Singapore Branch For Tune Air Sdn. Bhd.</i>	516,485,082	11.55
2	RHB Capital Nominees (Tempatan) Sdn Bhd <i>RHB Islamic Bank Berhad Pledged Securities Account For Tune Live Sdn Bhd</i>	260,469,710	5.83
3	HSBC Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account - UBS AG, Singapore Branch For Tune Live Sdn. Bhd.</i>	248,530,290	5.56
4	Positive Boom Limited	167,098,704	3.74
5	Kenanga Nominees (Asing) Sdn Bhd <i>Exempt An For Guotai Junan Securities (Hong Kong) Limited (Client Account)</i>	164,756,000	3.68
6	HSBC Nominees (Tempatan) Sdn Bhd <i>Exempt An For BNP Paribas Singapore Branch (Local)</i>	97,000,000	2.17
7	Cartaban Nominees (Tempatan) Sdn Bhd <i>RHB Trustees Berhad For Kenanga Absolute Return Fund</i>	73,655,634	1.65
8	Citigroup Nominees (Asing) Sdn Bhd <i>CBHK PBGSG For Global Asean Investment Limited</i>	71,500,000	1.60
9	Amanahraya Trustees Berhad <i>Amanah Saham Bumiputera</i>	62,041,200	1.39
10	Yeoh Yew Choo	61,650,100	1.38
11	HSBC Nominees (Asing) Sdn Bhd <i>BJB Zur For Shiva Fernandes</i>	49,650,000	1.11
12	Cartaban Nominees (Tempatan) Sdn Bhd <i>lcapital.biz Berhad</i>	48,000,000	1.07

ANALYSIS OF SHAREHOLDINGS

As at 1 April 2026

	Names of shareholders	No. of shares held	%
13	Citigroup Nominees (Tempatan) Sdn Bhd <i>Urusharta Jamaah Sdn. Bhd. (2)</i>	43,873,863	0.98
14	Citigroup Nominees (Asing) Sdn Bhd <i>UBS AG</i>	41,269,523	0.92
15	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. <i>Pledged Securities Account For Lim Nyuk Sang @ Freddy Lim (MQ0423)</i>	39,166,666	0.88
16	HSBC Nominees (Asing) Sdn Bhd <i>Exempt An For Bank Julius Baer & Co. Ltd. (Singapore Bch)</i>	31,319,866	0.70
17	Citigroup Nominees (Tempatan) Sdn Bhd <i>Great Eastern Life Assurance (Malaysia) Berhad (Non Par 16)</i>	27,000,000	0.60
18	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Chin Chin Seong (7014455)</i>	23,600,000	0.53
19	Kong Goon Khing	23,000,000	0.51
20	HSBC Nominees (Tempatan) Sdn Bhd <i>HSBC (M) Trustee Bhd For Aham Select Opportunity Fund</i>	18,598,900	0.42
21	Kong Goon Khing	16,999,000	0.38
22	Kenanga Nominees (Asing) Sdn Bhd <i>Garynma My Capital Limited</i>	16,798,000	0.37
23	Kenanga Nominees (Tempatan) Sdn Bhd <i>ECM Libra Foundation</i>	16,400,000	0.37
24	Citigroup Nominees (Tempatan) Sdn Bhd <i>Great Eastern Life Assurance (Malaysia) Berhad (LPPF)</i>	16,000,000	0.36
25	Cartaban Nominees (Asing) Sdn Bhd <i>The Bank of New York Mellon for Mackenzie Emerging Markets Fund</i>	13,935,700	0.31
26	HSBC Nominees (Asing) Sdn Bhd <i>J.P. Morgan Securities PLC</i>	13,775,130	0.31
27	Cimsec Nominees (Tempatan) Sdn Bhd <i>CIMB for Lim Chee Hwa (PB)</i>	11,514,800	0.26
28	Cartaban Nominees (Tempatan) Sdn Bhd <i>Prudential Assurance Malaysia Berhad for Prulink Strategic Fund</i>	10,977,600	0.24
29	Cartaban Nominees (Asing) Sdn Bhd <i>Exempt An For Barclays Capital Securities Ltd (SBL/PB)</i>	10,831,700	0.24
30	Ramly Bin Abdullah	10,700,000	0.24

ANALYSIS OF REDEEMABLE CONVERTIBLE UNSECURED ISLAMIC DEBT SECURITIES (RCUIDS) HOLDINGS

As at 1 April 2026

RCUIDS 2021/2028

Total number of RCUIDS issued	: 803,968,950
Conversion price of RCUIDS	: RM0.21 each
Expiry date of RCUIDS	: 29 December 2028
Voting rights	: No voting rights

Size of holdings	No. of RCUIDS holders	%	No. of RCUIDS	%
Less than 100	859	13.20	39,049	- ⁽¹⁾
100 – 1,000	1,846	28.38	1,104,778	0.14
1,001 – 10,000	2,879	44.26	11,179,885	1.40
10,001 – 100,000	800	12.30	22,717,228	2.82
100,001 - 40,198,446 ⁽²⁾	116	1.78	120,528,974	14.99
40,198,447 and above ⁽³⁾	5	0.08	648,399,036	80.65
	6,505	100.00	803,968,950	100.00

Notes:

⁽¹⁾ Less than 0.01%⁽²⁾ 100,001 to less than 5% of issued RCUIDS⁽³⁾ 5% and above of issued RCUIDS

DIRECTORS' RCUIDS HOLDINGS

	No. of RCUIDS			
	Direct interest	%	Deemed interest	%
Tan Sri Anthony Francis Fernandes	-	-	343,028,359 ⁽¹⁾	42.67
Datuk Kamarudin Bin Meranun	-	-	346,279,359 ⁽²⁾	43.07
Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar	-	-	-	-
Dato' Fam Lee Ee	-	-	-	-
Dato' Mohamed Khadar Bin Merican	250,00 ⁽³⁾	0.03	-	-
Brig Gen Dato' Fadzillah Binti Abdullah (R)	-	-	-	-

Notes:

⁽¹⁾ Deemed interested by virtue of Section 8 of the Companies Act, 2016 through a shareholding of more than 20% in Sky Accord Sdn. Bhd.⁽²⁾ Deemed interested by virtue of Sections 8 and 59(1)(c) of the Companies Act, 2016 through a shareholding of more than 20% in Sky Accord Sdn. Bhd. and his child's interest in the Company⁽³⁾ RCUIDS held under Alliance Group Nominees (Tempatan) Sdn. Bhd.

ANALYSIS OF REDEEMABLE CONVERTIBLE UNSECURED ISLAMIC DEBT SECURITIES (RCUIDS) HOLDINGS

As at 1 April 2026

THIRTY LARGEST RCUIDS HOLDERS

Names of RCUIDS holders	No. of RCUIDS held	%
1 Citigroup Nominees (Tempatan) Sdn Bhd <i>Kenanga Investors Berhad For Sky Accord Sdn. Bhd.</i>	343,028,359	42.67
2 Citigroup Nominees (Tempatan) Sdn Bhd <i>Exempt An For Kenanga Investors Bhd</i>	141,419,110	17.59
3 Kenanga Nominees (Asing) Sdn Bhd <i>Exempt An For Guotai Junan Securities (Hong Kong) Limited (Client Account)</i>	64,918,666	8.07
4 M & A Nominee (Asing) Sdn Bhd <i>For Positive Boom Limited</i>	55,699,568	6.93
5 Citigroup Nominees (Tempatan) Sdn Bhd <i>CBHK PBGSG For Calvin Lau Chuen Yien</i>	43,333,333	5.39
6 DB (Malaysia) Nominee (Asing) Sdn Bhd <i>Exempt An For Deutsche Bank AG Singapore (Maybank SG PWM)</i>	22,500,000	2.80
7 Cartaban Nominees (Tempatan) Sdn Bhd <i>RHB Trustees Berhad For Kenanga Absolute Return Fund</i>	17,645,300	2.19
8 HSBC Nominees (Tempatan) Sdn Bhd <i>Exempt An For BNP Paribas Singapore Branch (Local)</i>	15,999,999	1.99
9 Citigroup Nominees (Asing) Sdn Bhd <i>CBHK PBGSG For Global Asean Investment Limited</i>	13,000,000	1.62
10 Lau Chuen Wai William	6,000,000	0.75
11 Cimsec Nominees (Tempatan) Sdn Bhd <i>CIMB For Lim Chee Hwa (PB)</i>	3,754,933	0.47
12 Leong Yeng Kit	3,403,333	0.42
13 Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Ishraq Bin Kamarudin (3010737)</i>	3,251,000	0.40
14 Kenanga Nominees (Tempatan) Sdn Bhd <i>Kho Chai Yam</i>	2,222,333	0.28
15 CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. <i>Pledged Securities Account For Mohammed Amin Bin Mahmud (MM1004)</i>	2,114,000	0.27
16 Kenanga Nominees (Asing) Sdn Bhd <i>Garynma My Capital Limited</i>	1,267,400	0.16
17 Syed Faisal Albar Bin Syed A.R Albar	1,100,000	0.14
18 Cimsec Nominees (Tempatan) Sdn Bhd <i>CIMB For Lai Ming Chun @ Lai Poh Lin (PB)</i>	1,004,266	0.12
19 Amsec Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Kho Chai Yam</i>	940,166	0.12
20 Linc Shared Services Sdn. Bhd.	700,000	0.09
21 Liew Then Choy	670,200	0.08
22 Cimsec Nominees (Tempatan) Sdn Bhd <i>CIMB For Teoh Teng Guan (PB)</i>	663,700	0.08
23 Citigroup Nominees (Asing) Sdn Bhd <i>Exempt An For UBS AG Singapore (Foreign)</i>	655,166	0.08
24 Maybank Nominees (Tempatan) Sdn Bhd <i>Exempt An For Astute Fund Management Berhad (EPF Sha Enh Inc)</i>	647,000	0.08
25 Affin Hwang Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account For Lim Nyuk Sang Freddy Lim</i>	633,333	0.08
26 Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Yong Chen Kong @ Joseph Yong (E-IMO)</i>	627,400	0.08
27 Mohammed Amin Bin Mahmud	621,200	0.08
28 WP Travel Sdn. Bhd.	576,666	0.07
29 Nxgen Capital Sdn Bhd	572,666	0.07
30 CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. <i>Pledged Securities Account For Joyce Matilda A/P James Devaraj David (MM1365)</i>	537,000	0.07

ANALYSIS OF WARRANTS HOLDINGS

As at 1 April 2026

WARRANTS 2021/2028

Total number of outstanding warrants : 639,954,289
 Conversion price of warrants : RM0.28 each
 Expiry date of warrants : 29 December 2028
 Voting rights : No voting rights

Size of holdings	No. of warrants holders	%	No. of warrants	%
Less than 100	1,158	13.31	54,249	- ⁽¹⁾
100 – 1,000	2,888	33.21	1,485,901	0.23
1,001 – 10,000	2,850	32.77	11,710,348	1.83
10,001 – 100,000	1,347	15.49	48,311,457	7.55
100,001 - 31,997,713 ⁽²⁾	451	5.19	303,709,267	47.46
31,997,714 and above ⁽³⁾	3	0.03	274,683,067	42.92
	8,697	100.00	639,954,289	100.00

Notes:

⁽¹⁾ Less than 0.01%⁽²⁾ 100,001 to less than 5% of issued warrants⁽³⁾ 5% and above of issued warrants

DIRECTORS' WARRANTS HOLDINGS

	No. of Warrants			
	Direct interest	%	Deemed interest	%
Tan Sri Anthony Francis Fernandes	-	-	171,514,179 ⁽¹⁾	26.80
Datuk Kamarudin Bin Meranun	-	-	171,514,179 ⁽¹⁾	26.80
Dato' Abdel Aziz @ Abdul Aziz Bin Abu Bakar	-	-	-	-
Dato' Fam Lee Ee	-	-	-	-
Dato' Mohamed Khadar Bin Merican	-	-	-	-
Brig Gen Dato' Fadzillah Binti Abdullah (R)	-	-	-	-

Notes:

⁽¹⁾ Deemed interested by virtue of Section 8 of the Companies Act, 2016 through a shareholding of more than 20% in Sky Accord Sdn. Bhd.

ANALYSIS OF WARRANTS HOLDINGS

As at 1 April 2026

THIRTY LARGEST WARRANTS HOLDERS

	Names Of Warrants Holders	No. Of Warrants Held	%
1	Citigroup Nominees (Tempatan) Sdn Bhd <i>Kenanga Investors Berhad For Sky Accord Sdn. Bhd.</i>	171,514,179	26.80
2	Citigroup Nominees (Tempatan) Sdn Bhd <i>Exempt An For Kenanga Investors Bhd</i>	70,709,555	11.05
3	Kenanga Nominees (Asing) Sdn Bhd <i>Exempt An For Guotai Junan Securities (Hong Kong)Limited (Client Account)</i>	32,459,333	5.07
4	Citigroup Nominees (Asing) Sdn Bhd <i>CBHK PBGSG For Global Asean Investment Limited</i>	28,166,666	4.40
5	Positive Boom Limited	27,849,784	4.35
6	Syed Hossin Bin Wan Hamit	14,109,300	2.20
7	Kok Yoon Lim	12,516,900	1.95
8	DB (Malaysia) Nominee (Asing) Sdn Bhd <i>Exempt An For Deutsche Bank AG Singapore (Maybank SG PWM)</i>	11,250,000	1.76
9	Yeoh Yew Choo	10,000,000	1.56
10	HSBC Nominees (Tempatan) Sdn Bhd <i>Exempt An For BNP Paribas Singapore Branch (Local)</i>	7,999,999	1.25
11	Citigroup Nominees (Asing) Sdn Bhd <i>Exempt An For OCBC Securities Private Limited (Client A/C-NR)</i>	6,349,132	0.99
12	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. <i>Pledged Securities Account For Tay Moy Koh (Segamat-CL)</i>	4,990,000	0.78
13	Cartaban Nominees (Tempatan) Sdn Bhd <i>Icapital.Biz Berhad</i>	4,880,366	0.76
14	Ng Kok Hin	3,944,500	0.62
15	Maybank Nominees (Tempatan) Sdn Bhd <i>Mtrustee Berhad For Ethereal Capital Sdn. Bhd. (Growth Fund)(445788)</i>	3,806,600	0.59
16	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. <i>Pledged Securities Account For Ng Kok Hin (KDMSR-CL)</i>	3,476,800	0.54
17	Chah Ching Boo	3,362,600	0.52
18	Maybank Nominees (Tempatan) Sdn Bhd <i>Wong Ka Pau</i>	3,200,000	0.50
19	Lau Chuen Wai William	3,000,000	0.47
20	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. <i>Exempt An For CGS International Securities Singapore Pte. Ltd. (Retail Clients)</i>	2,900,333	0.45
21	Kenanga Nominees (Tempatan) Sdn Bhd <i>Chong Mei</i>	2,695,700	0.42
22	Moomoo Nominees (Tempatan) Sdn. Bhd. <i>Pledged Securities Account For Lee Leong Joo</i>	2,240,000	0.35
23	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account For Beh Lee Fong (E-SS2)</i>	2,064,500	0.32
24	Kenanga Nominees (Tempatan) Sdn Bhd <i>Rakuten Trade Sdn Bhd For Tam Thin Choy</i>	2,000,000	0.31
25	Public Invest Nominees (Asing) Sdn Bhd <i>Exempt An For Phillip Securities Pte Ltd (Clients)</i>	1,946,406	0.30
26	Cimsec Nominees (Tempatan) Sdn Bhd <i>CIMB For Lim Chee Hwa (PB)</i>	1,877,466	0.29
27	Woo Siew Cheong	1,790,000	0.28
28	Maybank Nominees (Tempatan) Sdn Bhd <i>Syed Hossin Bin Wan Hamit</i>	1,670,000	0.26
29	Liew Loo Chon	1,650,000	0.26
30	Teoh Choon Wei	1,550,000	0.24

LIST OF PROPERTIES

Owner of Building	Postal Address/ Location of Building	Description/ Existing Use of Building	Tenure/Date of Expiry of Lease	Built-Up Area	Approximate Age of Building	Audited Net Book Value as at 31 Dec 2025 ('000)
Asia Digital Engineering Sdn Bhd ⁽¹⁾	RedChain Engineering Building, Jalan KLIA S3, Southern Support Zone, 64000 KLIA, Selangor Darul Ehsan, Malaysia.	Permanent Structure/ Office building	31 January 2034 ⁽²⁾	21,227 sqm	7 years	40,574
	ADE Hangar, Jalan KLIA S7, 64000 KLIA, Selangor Darul Ehsan	Permanent Structure/ Hangar/ Workshop	a) Initial sublease period : 11 Feb 2034 b) Automatic renewal sublease period : 15 Nov 2052 (subject to MAHB renewal of Principle Lease Agreement with MOT/FLC) ⁽³⁾	39,025.98 sqm (without apron)	14 months	275,255

⁽¹⁾ RedChain was novated to ADE Asset Two Sdn. Bhd. in July 2024

⁽²⁾ This refers to the date of expiry of the concession from Malaysia Airports Holdings Berhad for the plot of land occupied by the AirAsia Engineering Complex (RedChain)

KEY INFORMATION

Building Name:	Redchain, Kejuruteraan Dan Logistik
Registered Owner:	Asia Digital Engineering Sdn Bhd
Address:	Pt 25, Jalan KLIA S3, Lapangan Terbang Antarabangsa Kuala Lumpur, Sepang, Selangor Darul Ehsan
Type of Asset:	Operational
Year of Construction:	2018
Land Title:	Concession (Government Land)
Concessionaire:	Malaysia Airports Holdings Berhad
Concession Period:	23.07.2017 to 31.01.2034
Land Use Planning:	Airline Support Facilities
Ownership:	Federal Land Commission
No. of Storeys:	2
Floor Area GF	113,953 sqft
Floor Area 1st F	27,019 sqft

⁽³⁾ This refers to the date of expiry of the concession from Malaysia Airports Holdings Berhad for the plot of land occupied by the ADE MRO Hangar

KEY INFORMATION

Building Name:	ADE MRO HANGAR
Registered Owner	ADE Asset One Sdn. Bhd. (AssetCol).
Address	ADE Hangar, Jalan KLIA S7, 64000 KLIA, Selangor Darul Ehsan
Type of Asset	Operational
Year of Construction	2023
Land Title:	Sublease (Government Land)
Concessionaire:	Malaysia Airports Holdings Berhad
Concession Period:	a) Initial Sublease Period : 16 Nov 2022 - 11 Feb 2034 b) Automatic renewal sublease period : 15 Nov 2052 (subject to MAHB renewal of Principle Lease Agreement with MOT/FLC)
Land Use Planning:	Airline support facilities
Ownership:	Federal Land Commission
No. of Buildings	3
Floor Area Hangar A	12,201.93 sqm
Floor Area Hangar B	15,071.53 sqm
Floor Area MRO Workshop GF	5,895.40 sqm
Floor Area MRO Workshop 1st Floor	2,657.56 sqm
Floor Area MRO Workshop Rooftop (Services)	2,816.06 sqm
Floor Area External Building	383.50 sqm

Capital A Berhad does not hold any properties under its name

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Ninth Annual General Meeting (9th AGM) of Capital A Berhad (Capital A or the Company) will be held at The Summit 1, Connexion Conference & Event Centre (The Vertical) Level M1, The Vertical, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Tuesday, 16 June 2026 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements together with the Reports of the Directors and Auditors thereon for the financial year ended 31 December 2025.
Please refer to Explanatory Note A.
2. To approve the payment of directors' fees, allowances and benefits to the Non-Executive Directors as set out in the explanatory note for the period from 17 June 2026 until the next Annual General Meeting of the Company to be held in the year 2027.
Please refer to Explanatory Note B. **(Ordinary Resolution 1)**
3. To re-elect Tan Sri Anthony Francis Fernandes as Director who retires by rotation in accordance with Rule 119 of the Company's Constitution and being eligible, has offered himself for re-election.
(Ordinary Resolution 2)

Dato' Mohamed Khadar Bin Merican who also retires by rotation in accordance with Rule 119 of the Company's Constitution, will not be seeking re-election at this 9th AGM. Hence, he will retain office until the conclusion of the 9th AGM.
Please refer to Explanatory Note C.
4. To re-appoint Messrs. BDO PLT as auditors of the Company and to authorise the Board of Directors to determine their remuneration.
(Ordinary Resolution 3)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modifications, the following resolutions:-

5. **AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016** **(Ordinary Resolution 4)**

"THAT, subject to the Companies Act, 2016 (Act), the Main Market Listing Requirements (Listing Requirements) of Bursa Malaysia Securities Berhad (Bursa Securities), the Constitution of the Company and approvals of the relevant authorities, where required, the Directors of the Company be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to issue and allot new shares in the Company at any time to such persons and upon such terms and conditions and for such purposes as the Directors may deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) for the time being **AND THAT** the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing and quotation for the additional shares so issued **AND THAT** such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company or when it is required by law to be held, whichever is earlier."

Please refer to Explanatory Note D.

NOTICE OF ANNUAL GENERAL MEETING

6. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (Ordinary Resolution 5)

“THAT approval be and is hereby given to the Company and its subsidiaries (Group) to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.3 of the Circular/ Statement to Shareholders dated 30 April 2026, provided that such arrangements and/or transactions which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company (hereinafter referred to as the “Proposed RRPT Mandate”).

THAT such approval shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (AGM) of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed RRPT Mandate.”

Please refer to Explanatory Note E.

7. PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (Ordinary Resolution 6)

“THAT, subject to the Act, the Company's Constitution, Listing Requirements of Bursa Securities and all other applicable laws, guidelines, rules and regulations, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company through Bursa Securities and to take all such steps as are necessary (including the opening and maintaining of a central depository account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company, subject further to the following:-

- i. the aggregate number of ordinary shares to be purchased and/or held by the Company pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company at the time of purchase; and
- ii. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company.

NOTICE OF ANNUAL GENERAL MEETING

THAT such authority shall commence immediately upon the passing of this resolution until:

- a. the conclusion of the next AGM of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
- b. the expiration of the period within which the next AGM of the Company is required by law to be held; or
- c. the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of the purchase of its own ordinary shares by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Act, the rules and regulations made pursuant thereto and the guidelines issued by Bursa Securities and/or any other relevant authorities.

AND THAT upon completion of the purchase(s) of the ordinary shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to cancel all the ordinary shares so purchased or retain all the ordinary shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act) or retain part thereof as treasury shares and cancelling the balance, and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authorities for the time being in force.”

Please refer to Explanatory Note F.

8. To transact any other business of which due notice shall have been given.

By Order of the Board

TEO SOH FUNG (SSM PC NO. 202008001818) (MAICSA 7046614)

Company Secretary

Kuala Lumpur
30 April 2026

NOTICE OF ANNUAL GENERAL MEETING

IMPORTANT NOTES

APPOINTMENT OF PROXY

- (i) A member is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Where two (2) proxies are appointed, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which the appointments shall be invalid.
- (ii) A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
- (iii) A member who is an exempt authorised nominee for multiple beneficial owners in one securities account (Omnibus Account) may appoint any number of proxies in respect of the Omnibus Account.
- (iv) The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation either under its common seal or under the hand of an officer or attorney duly authorised in writing.
- (v) The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by our Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned meeting:
 - a. In hard copy form
In the case of an appointment made in hard copy, the Form of Proxy must be duly executed and deposited at the Registered Office of the Company at Wisma Capital A, 19-04-02, 19, Lorong Dungun, Bukit Damansara, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia. **Faxed, photocopied and electronic scanned copies of the duly executed form of proxy are not acceptable.**
 - b. By electronic forms
In the case of an appointment made via electronic means, the Form of Proxy can be electronically lodged via Vistra Share Registry and IPO (MY) portal (**The Portal**) at <https://srmy.vistra.com>. Please refer to the Administrative Note for further information on submission via The Portal.
- (vi) Pursuant to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and Rule 41(a) of the Company's Constitution, only those Foreigners (as defined in the Constitution) who hold shares up to the current prescribed foreign ownership limit of 45.0% of the total number of issued shares of the Company, on a first-in-time basis based on the Record of Depositors to be used for the forthcoming AGM, shall be entitled to vote. A proxy appointed by a Foreigner not entitled to vote, will similarly not be entitled to vote. Consequently, all such disenfranchised voting rights shall be automatically vested in the Chairman of the AGM.
- (vii) For the purpose of determining members who shall be entitled to attend the 9th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a Record of Depositors as at 8 June 2026. Only depositors whose names appear on the Record of Depositors as at 8 June 2026 shall be entitled to attend the said meeting or appoint proxies to attend and vote on their behalf.
- (viii) Pursuant to Paragraph 8.29A(1) of the Listing Requirements of Bursa Securities, all resolutions set out in the notice of 9th AGM will be put to vote by poll.
- (ix) By submitting the duly executed Form of Proxy, the member and his/her proxy(ies) consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the purpose of the 9th AGM or any adjournment thereof.

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES:

A. Audited Financial Statements for the financial year ended 31 December 2025

The Audited Financial Statements under Agenda item 1 is meant for discussion only as the provision of Section 340(1) of the Act does not require formal approval of shareholders. As such, this item is not put forward for voting.

B. Ordinary Resolution 1 - Payment of Directors' Remuneration

The Board of Directors recommended that the quantum of Non-Executive Directors' Remuneration for the period from 17 June 2026 or any adjournment thereof until the next AGM of the Company to be held in the year 2027 shall remain the same as the quantum paid in the preceding period, as detailed below:-

Non-Executive Directors' Fees (per annum)	Non-Executive Chairman (RM)	Per Non-Executive Director/ Per other Committee Member (RM)
Board of Directors	N/A	290,000
Audit Committee	110,000	75,000
Nomination and Remuneration Committee	75,000	55,000
Safety Review Board	75,000	55,000
Risk Management and Sustainability Committee	75,000	55,000
Non-Executive Directors' Benefits (per attendance by each Director or Committee member)	Board of Directors (RM)	Board Committees (RM)
Meeting allowance	3,000	3,000
Other Non-Executive Directors' Benefits		
Insurance premiums on medical coverage, and other claimable expenses incurred in the course of carrying out their duties.	Up to a total amount of RM100,000 for all Non-Executive Directors.	

C. Ordinary Resolution 2 - Re-election of Director

In accordance with Rule 119 of the Company's Constitution, Tan Sri Anthony Francis Fernandes (retiring director) is due to retire by rotation, and being eligible, has offered himself for re-election at the 9th AGM.

Dato' Mohamed Khadar Bin Merican also will retire by rotation as a Director in accordance with Rule 119 of the Company's Constitution. As Dato' Mohamed Khadar Bin Merican has decided not to offer himself for re-election, he will retire from the Board at the conclusion of this 9th AGM.

The Board through the Nomination and Remuneration Committee (NRC) had undertaken an annual assessment evaluation and fit and proper assessment on the retiring director.

The retiring director has met the fit and proper criteria of Character and Integrity, Experience and Competence as well as Time and Commitment as set up in the Directors' Fit and Proper Policy of the Company and the Board is satisfied with the performance and contributions of the retiring director. The Board has deliberated and endorsed the NRC's recommendation on his re-election and recommended the re-election of the retiring director for approval by the shareholders at the 9th AGM.

The profile of the retiring director who is standing for re-election is set out in the Company's Annual Report 2025.

The Board also wishes to record its appreciation to Dato' Mohamed Khadar Bin Merican for his contributions to the Company during his tenure as an Independent Non-Executive Director of the Company.

NOTICE OF ANNUAL GENERAL MEETING

D. Ordinary Resolution 4 - Authority to issue and allot shares pursuant to the Act

The proposed Ordinary Resolution 4, if passed, will empower the Directors to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to this mandate does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being. This mandate sought is a renewal of the mandate which was approved by shareholders at the last AGM held on 13 June 2025. As at the date of this notice, the Company has not issued any new shares under this mandate which will lapse at the conclusion of the 9th AGM.

The renewal of the general mandate, if approved, will provide flexibility to the Company for any possible fund raising activities, including but not limited to placement of shares for the purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid any delay and costs involved in convening a general meeting for such issuance of shares.

This mandate will, unless revoked or varied by the Company in the general meeting, expire at the conclusion of the next AGM of the Company, or the expiration of the period within which the next AGM of the Company is required by law to be held, whichever is earlier.

E. Ordinary Resolution 5 - Proposed Renewal of Shareholders' Mandate and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Ordinary Resolution 5, if passed, will empower the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature set out in the Circular/Statement to Shareholders of the Company dated 30 April 2026 which are necessary for the Group's day-to-day operations. This mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company, or the expiration of the period within which the next AGM of the Company is required by law to be held, whichever is earlier.

Please refer to the Circular/Statement to Shareholders dated 30 April 2026 for further information.

F. Ordinary Resolution 6 - Proposed Renewal of Share Buy-Back Authority

The proposed Ordinary Resolution 6 is for the purpose of renewing the authority granted by the shareholders of the Company at the last AGM held on 13 June 2025. The aforesaid proposed renewal will allow the Directors to exercise the power of the Company to purchase not more than ten per centum (10%) of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the total retained profits of the Company.

This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company, or the expiration of the period within which the next AGM of the Company is required by law to be held, whichever is earlier.

Further information on the Proposed Renewal of Share Buy-Back Authority is set out in the Circular/Statement to Shareholders dated 30 April 2026.

GLOSSARY

Non-airline

F&B	Food and beverage
GBV	Gross booking value
IP	Intellectual property
MAU	Monthly active users
MRO	Maintenance, repair and overhaul
OTA	Online travel agency
RTE	Ready-to-eat
TUR	Take-up rate

Airline

ASK	Available seat kilometre
CASK	Cost per ASK
CASK ex fuel	Cost per ASK, excluding fuel
RASK	Revenue per ASK
RPK	Revenue passenger kilometre

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