

capital 

# 3Q 2024 Financial Results



capital 

teleport

capas

MOVE  
DIGITAL

## FORWARD-LOOKING STATEMENTS AND NON-MFRS FINANCIAL INFORMATION



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

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

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

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

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

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

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

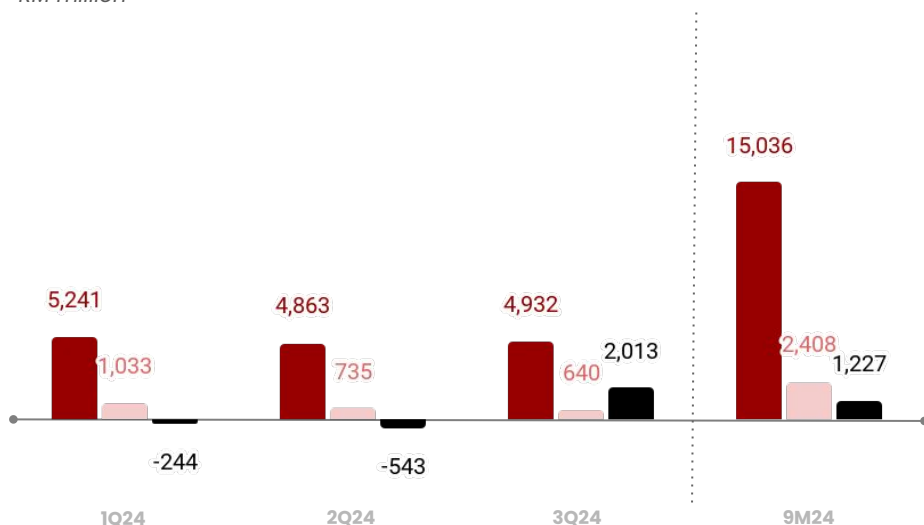
# Capital A Group Financial Highlights



## Encouraging results driven by non-aviation businesses and forex gains

### Revenue, EBITDA & Profit After Tax

RM million



■ Revenue ■ EBITDA ■ PAT

- Quarterly **revenue stood at RM4.9 billion** (+17% YoY) with **EBITDA of RM640 million** (+43% YoY) or 13% margin
  - Aviation Group: **Revenue of RM4.5 billion** (+15% YoY) and **EBITDA of RM577 million** (+50% YoY), supported by strong travel demand, lower fuel price per barrel and strengthening MYR against USD.

This is achieved with 20 aircraft still on ground. Including these aircraft, **EBITDA will improve by RM195 million.**
  - Capital A Companies: **Pre-elimination revenue of RM771 million** (+19% YoY), and **EBITDA of RM90 million** (+21% YoY), mostly driven by performance of CAPAS and Teleport
- Achieved third consecutive quarter of **net operating profit of RM9.9 million** (excl. non operating aircraft costs) or 0.2% margin
  - Aviation Group: Recorded net operating loss of RM42 million
  - Capital A Companies: recorded net operating margin of RM60.8 million (8% margin)

Recorded **net profit of RM2.01 billion (41% margin)**, driven by significant forex gain of over RM2 billion, bringing **YTD net profit to RM1.2 billion**



## Disposal of aviation business

- Jan 2024: Signed a non-binding offer letter with AAX for the proposed aviation disposal of AAB and AAGL
  - Apr 2024: Signed Sale and Purchase Agreement (“SPA”) with AAX
  - Jul 2024: Submitted draft circular and notice of EGM to Bursa for the proposed aviation business disposal.
  - Oct 2024: Shareholders approval secured with 99.97% approval rate
  - Oct 2024: Submitted proposal for approval from high court
  - **Next key milestones:**
    - 4Q24: High court approval of transaction
    - 1Q25: Completion of proposed disposal execution
- 

## Regularisation Plan

- Oct 2024: Announcement of regularisation plan - capital reduction proposal of up to RM6 billion
- **Next key milestones:**
  - 4Q24: Circular submission and Bursa approval of regularisation plan
  - 1Q25: Shareholders and high court approval
  - 1H25: PN17 status to be lifted upon fulfilling all Bursa’s requirement, incl demonstrating 2 qtr profitability

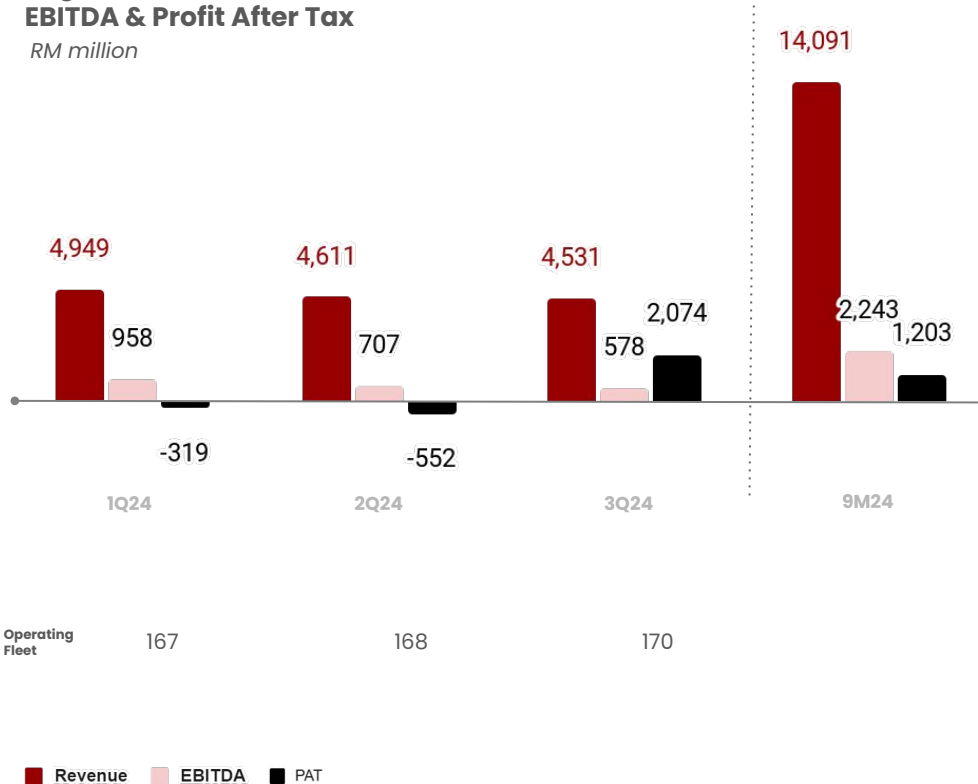
# SEGMENTAL REPORT: AVIATION GROUP



# Aviation Highlights

## Segmental Revenue, EBITDA & Profit After Tax

RM million

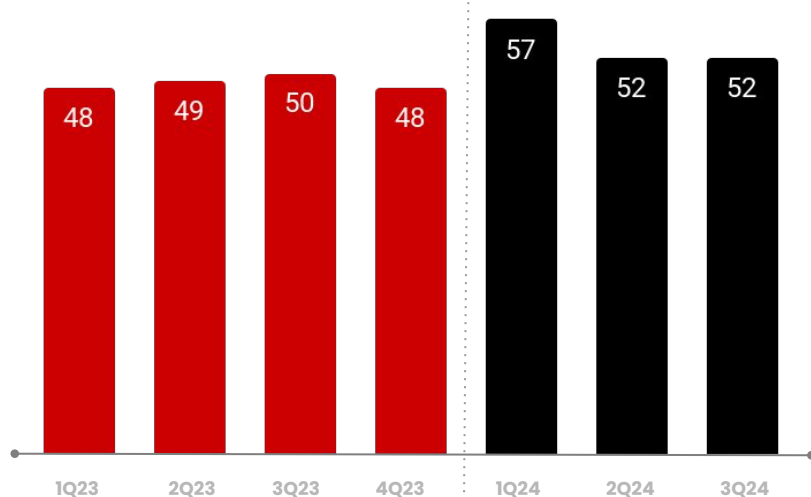


- **Segmental revenue reached RM4.5 billion**, represents **15% YoY increase** and higher than pre-crisis revenue despite capacity representing 81% of pre-crisis levels
- **EBITDA of RM578 million, up by 50% YoY**, representing a healthy **13% EBITDA margin** attributable to average fare and pax growth coupled with lower fuel and maintenance cost
- **Profit after tax surpassed RM2 billion** as the business recognised significant forex gain during the quarter
  - Record **quarterly load factor of 89%**, **YTD load factor** high at **90%**
  - **Average fare of RM231, up 7% YoY**
  - **Ancillary per pax of RM52** generating **over RM824 million in revenue**
- **RASK of USc4.79 (+10% YoY)** owing to **8% growth in pax carried** coupled with **7% increase in average fare** and **appreciation of MYR** against USD. We continue to see **robust demand in domestic sector**, with a 91% load factor and double digit growth in fares and RASK.
- **CASK ex-fuel of USc3.16 (+3% YoY)**, driven by higher user charges and other operating expenses associated with increased flight activities.
- **CASK of USc4.98(-1% YoY)** due to 10% lower fuel price offset largely by higher user charges and other operating expenses. In local currency terms, CASK is down 4% YoY
- **Operational CASK of USc4.82**, excluding non operating aircraft cost, while **operational CASK ex-Fuel of USc3.00 declined by 2% YoY**

# Ancillary Highlights

## Quarterly ancillary per pax

RM



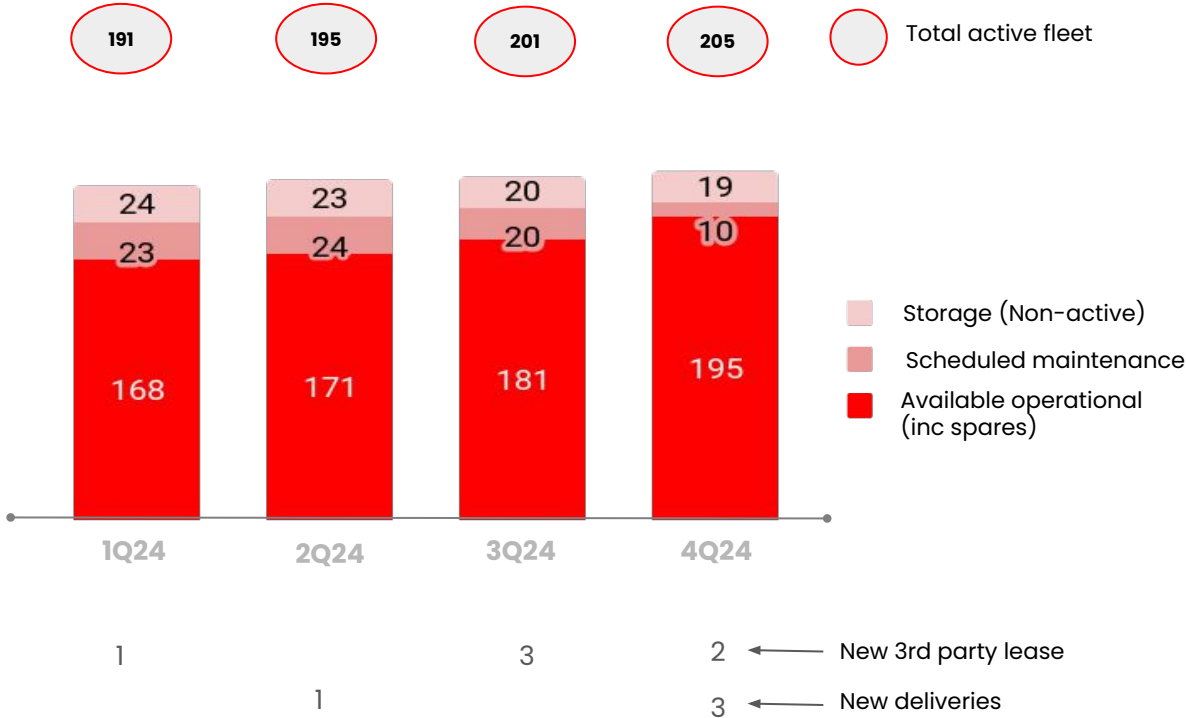
- **Posted ancillary revenue of RM823.6 mil**
  - Equivalent to **18% of total airline 3Q24 revenue**
  - YoY increase in take up rate across all categories except fees and seat.
- **Ancillary per pax remained above target of RM50 at RM52, up 4% YoY**
  - Driven by **baggage (RPP +14% YoY)**, **seat (RPP +9% YoY)**, **food and beverages (RPP +14% YoY)** and **duty free (RPP +29% YoY)**
- **51% of total ancillary revenue** were contributed by **AirAsia MOVE**
- New initiatives includes:
  - **EasyCancel**, options for AirAsia flight bookers to add-on insurance option whether to have 100%, 80%, or non-refundable flight
  - **AirAsia Plus**, an exclusive complimentary bundle offered for AirAsia flights to and from Subang Airport (SZB)

# Business Outlook: Aviation

- **4Q2024 Passenger traffic is expected to recover to 88% of pre-pandemic levels**, supported by an **84% capacity recovery** compared to 2019
- **Adding five new A321neo aircraft** to Malaysian and Thai operations in 4Q24 and **eleven aircraft** in 2025
- Expecting to launch **18 new routes**, both domestic and international to cater to growing demand from India and China in 4Q24
- **Peak quarter performance expected in 4Q24**, including but not limited to revenue maximisation initiatives attributable to:
  - **Target strong load factor of 88%**, with domestic load factor expected to be 90%
  - **Average fare forecasted to remain higher than pre-pandemic, averaging RM235 per pax.** Pricing strategies to capitalise on reduced competition following operational disruptions faced by a competitor in Malaysia
  - **Ancillary per pax is expected to stay above RM50**
- In good progress to refinance debt in 2025 that will help to lower interest costs
- Positive outlook on macro indicators
  - **Expecting a lower fuel price YoY in 4Q24** with Brent levels expected to remain at USD88/89 levels by end of 2024
  - **Market expectations of further interest rate cuts in 2025**, advantageous given that 70% of costs are denominated in US dollar



# Business Outlook: Total Active Fleet



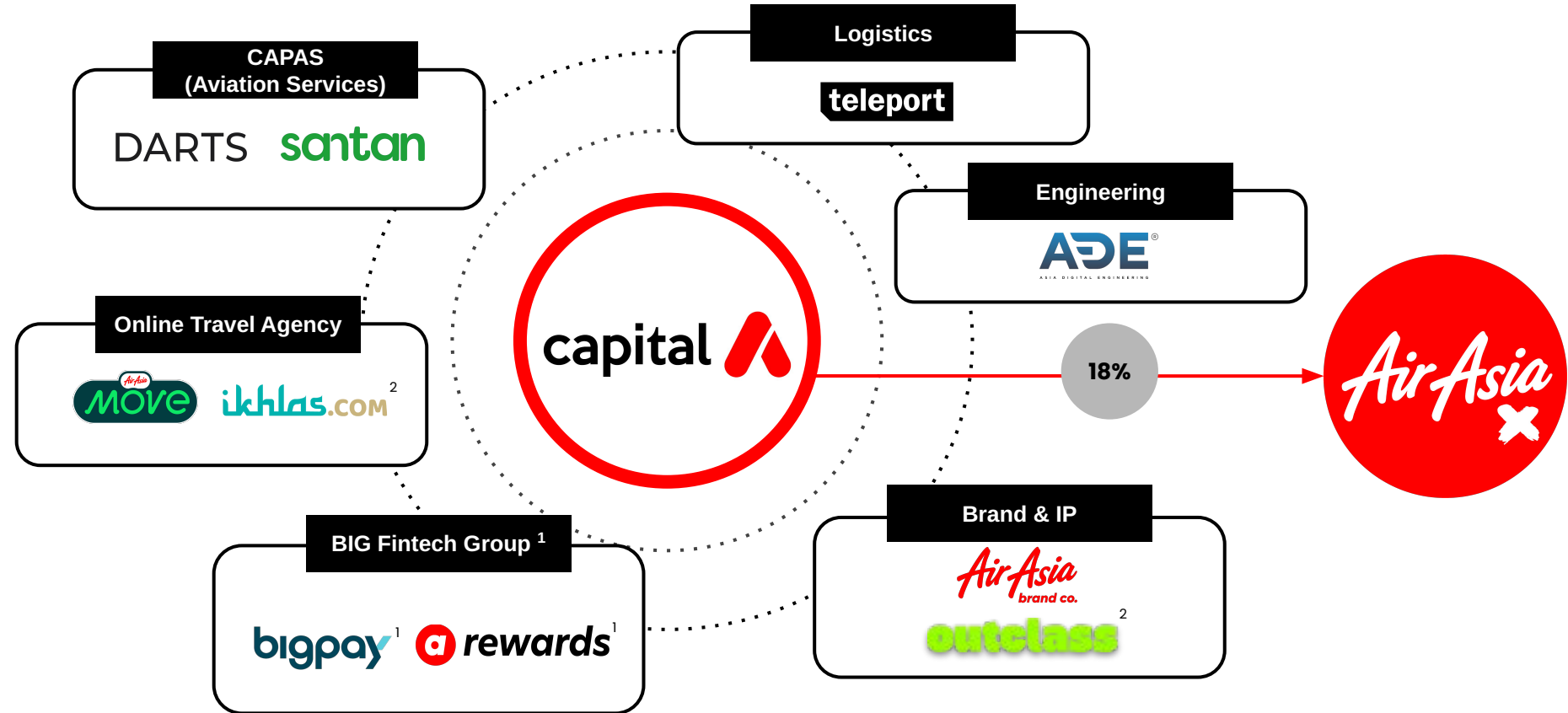
- Expect to receive additional **5 deliveries** in 4Q24, 4 for MAA and 1 for TAA
- By end 2024, expect to have **205** active aircraft, consisting 195 available operational aircraft and 10 aircraft on scheduled maintenance
- In 2025, we are expecting **11 new A321neo**, ending the year with **233 aircraft**

# SEGMENTAL REPORT: CAPITAL A AFTER DISPOSAL OF AVIATION



# Proposed Capital A structure post aviation disposal

Capital A will still hold 18% interest in the aviation group



<sup>1</sup> BIG Fintech Group (BFG) is to be formed. BigPay, which is a subsidiary under MOVE Digital, and Rewards, which is a subsidiary under AirAsia MOVE will be transferred to BFG

<sup>2</sup> Ikhlas and Outclass are currently subsidiaries of RedBet Capital (RBC), and will soon be transferred into AirAsia MOVE and ABC respectively. RBC will be wound down

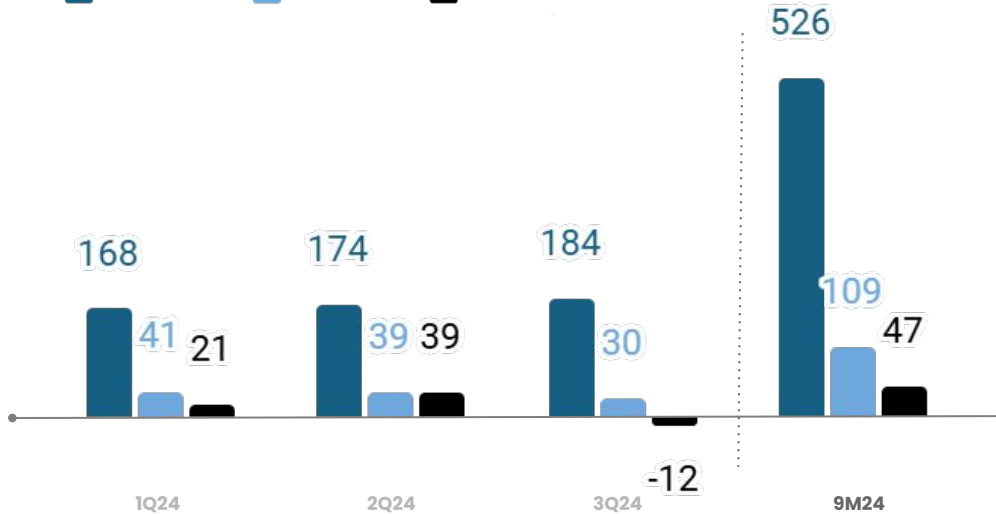
<sup>3</sup> Capital A effectively holds (currently via MOVE Digital) 13.65% investment in Tune Protect Malaysia

# Asia Digital Engineering (“ADE”) Highlights

## Segmental Revenue, EBITDA & Profit After Tax (pre-elimination)

RM million

■ Revenue ■ EBITDA ■ PAT



## ADE

- Segmental **revenue reached RM184 million** with an **EBITDA of RM29.6 million** or 16% margin
  - Driven by a **14% YoY** increase in revenue from **engineering maintenance services and components sales**, fueled by expanded capacity and geographic coverage
  - Incurred higher operating expenses due to increased staff cost (+62% YoY) - higher headcount to support the expanded capacity and bonus accrual, and interest expenses.
  - Net loss due to forex loss of RM13 mil.
- **AEROTRADE** saw a **128% YoY and 53% QoQ increase** in the number of parts sold to third-party in 3Q24

# Business Outlook: Asia Digital Engineering

## ADE

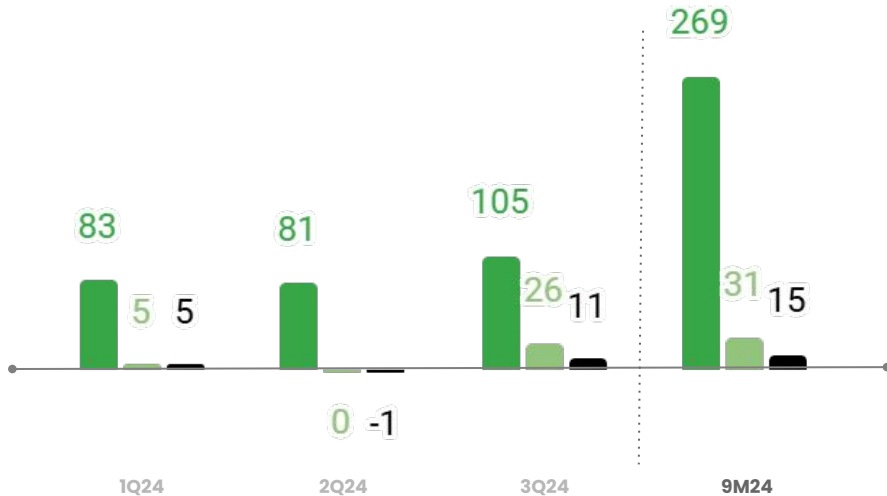
- **ADE in Cambodia, Philippines and Indonesia** launched in 3Q24 will further expand the Line Maintenance business in the airports out of Malaysia.
- **To operationalise eight remaining hangar lines** constructed in KLIA in 4Q2024. The increase in base maintenance capacity provides ADE more opportunity to serve third party customers while still prioritising AirAsia's fleet
- The existing **two lines in Senai will be repurposed into a specialised paint** hangar
- **To add 4 new lines having secured an additional plot of land** from Malaysia Airports Holdings Berhad (MAHB), with construction expect to commence in 1Q2025
- **New workshop in Nilai will be launched in 2025**, with capabilities that include composite repair, radome services and a training centre
- Onboard more buyers and sellers for **AEROTRADE, providing users with a wider selection** of high-quality, authentic parts directly from the manufacturers

# Capital A Aviation Services (“CAPAS”) Highlights

## Segmental Revenue, EBITDA & Profit After Tax (pre-elimination)

RM million

■ Revenue ■ EBITDA ■ PAT



- Posted **revenue of RM105 million**
- The segment **achieved an EBITDA of RM25.8 million, a 24% margin**
- **Net profit of RM11 million representing a 10% margin**

### Santan

- Segmental **revenue of RM50 million (+20% YoY)**, with **EBITDA of RM4.8 million**
- **Revenue Per Passenger (RPP)** reaching USD0.9
- **Inflight take up rate** stood at **28%**
- **RTE segment, sold over 230,000 units in the third quarter, from just 700 units in 3Q23**, fueled by expanded partnerships with leading retailers and new customer acquisitions

### DARTS

- Segmental **revenue of RM55 million**, with **EBITDA of RM21 million (or EBITDA of 38%)**

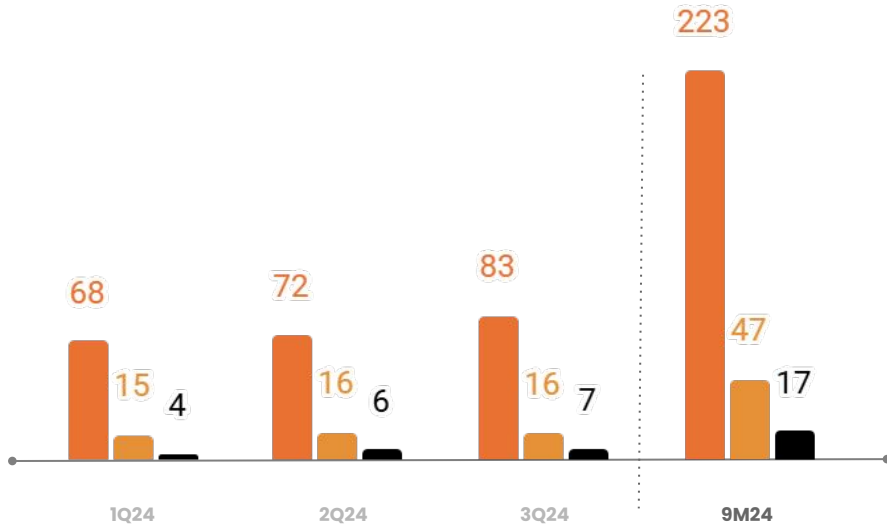
# Business Outlook: Capital A Aviation Services

## Santan

- Ongoing effort to **obtain an inflight catering licence in Malaysia** to expand its inflight customer base beyond AirAsia
- The licence will enable Santan to provide services that can **drive up volume**. The services include:
  - **Product development:** involves menu planning, research & development of meals tailored to specific flight routes, passenger segments, and dietary needs.
  - **Supply chain management:** increase utilisation of partners' central kitchens, Santan's warehouse and equipment.

# Ground Team Red (“GTR”) Highlights

**Segmental Revenue, EBITDA & Profit After Tax** (pre-elimination)  
*RM million*



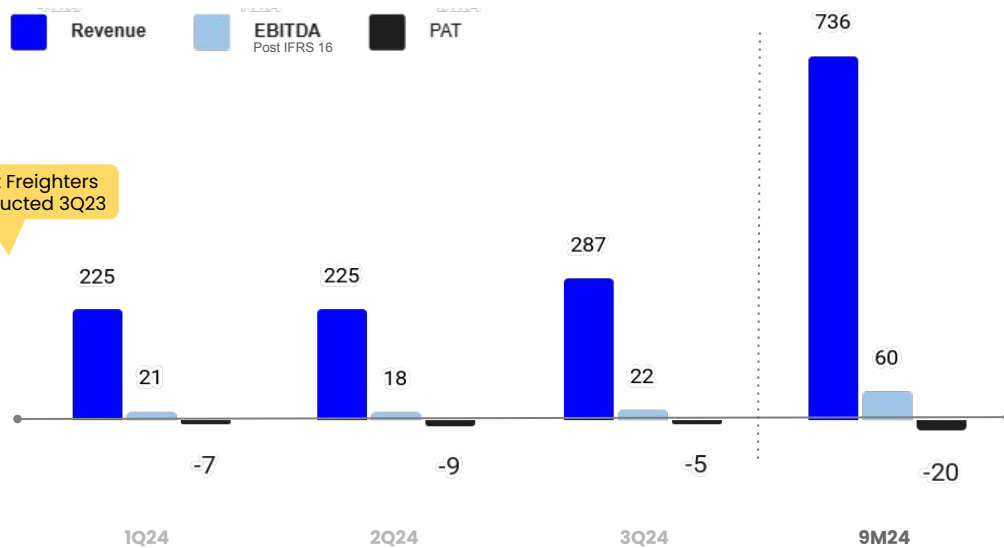
- Recorded **revenue of RM83 million**, up by **15% QoQ** with an **EBITDA margin of 19%**
- **PAT stood at RM7 million**, representing **8% margin**
- Secured contracts with **three additional foreign airlines** in KLIA during the quarter



# Teleport Highlights

## Segmental Revenue, EBITDA (Post IFRS 16) & Profit After Tax (pre-elimination)

RM million



1st Freighters inducted 3Q23

**Note:** (1) Q324 EBITDA has been presented on a post IFRS 16 basis (pre IFRS EBITDA RM7.2m). EBITDA numbers in the graph above for Q323, Q124 and Q224 have been adjusted on a pro-forma basis to reflect post IFRS 16 EBITDA. Previously announced pre-IFRS 16 EBITDA were Q323 (-RM3.7 million), Q124 (RM5.3 million) and Q224 (RM2.5 million) respectively.

- Teleport's strongest quarter in 2024 despite seasonally weak period
  - **RM287 million** in quarterly revenue (+52% YoY)
  - **RM22 million in EBITDA**<sup>(1)</sup>

### Q3 2024 performance is driven by:

- **Strong growth in demand in Cargo and eCommerce segments:**
  - Total tonnage: up 31% YoY to 77,000 tonnes in 3Q24
  - eCommerce revenue contribution grew to 37%, up from 22% in 3Q23
  - YTD volume surpassed FY2023 levels
  - Total parcel volume increased 113% YoY to 15.7M

**...which led to increased belly and freighter utilisation.**
- **Upward EBITDA trend is further supported by continuous cost optimisation**
  - **Stabilisation of freighter operations:** reliability improved from 78% (2Q24) to 95% (3Q24)
  - Enabling a 45% QoQ increase in freighter tonnage
- **Third party capacity more than doubled QoQ** through addition and activation of new airline partnerships

### Teleport's negative PAT is influenced by:

- IFRS-16 adjustments for freighter aircraft (RM18.5 million)
- Total interest expense on borrowings (RM10.0 million);
- Mitigated by interest income and unrealised FX gain (RM0.7 million)

# Business Outlook: Teleport

## Teleport

We anticipate 4Q24 revenue growth of 50% YoY, **expecting to generate north of RM1 billion in total revenues for the year**, with higher earnings driven by increasing returns to scale.

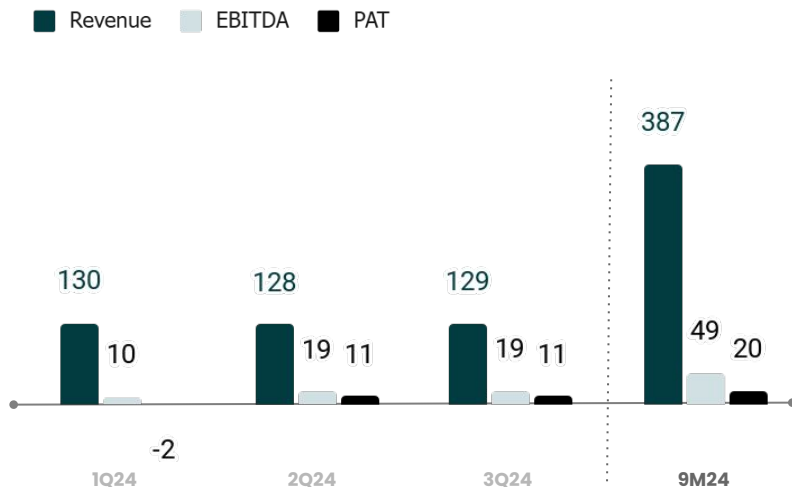
### The success of 2024 so far has been delivering on four core strategies:

- 1. Growing wallet share with existing customers** – by driving greater volume from China to key eCommerce markets such as Southeast Asia, Asia Pacific and the Middle East.
  - Continued enhancements of value-added, end-to-end service provision **through direct tech integration**
- 2. Winning direct volumes from the top five eCommerce marketplaces in China** to facilitate more parcel movements out of China, to and through Asean and beyond.
- 3. Continuously building The Teleport Network – securing greater reach and greater capacity** to cater to high demand sectors to Oceania and the Middle East, with 10+ new Air Partners in the pipeline.
  - **Inducted Terra Avia, a Boeing 747F operator**, to bolster our accessible freighter capacity with additional widebody capability.
- 4. Optimising end-to-end cost** – targeting areas such as cargo terminals, and last-mile operations to ensure Teleport sustainably maintains its asset-light, low-cost structure model.
  - **Stabilisation of Teleport freighter operations** enables increased flight hours and the introduction of additional bespoke rotations and connections, tailored to customer needs.
  - Expanding Teleport Next Day service into new cities soon, while **continuously optimising operations to maintain cost advantage**

# AirAsia MOVE Highlights

## Segmental Revenue, EBITDA & Profit After Tax (pre-elimination)

RM million



## AirAsia MOVE

- AirAsia MOVE generated **revenue of RM128 million and EBITDA of RM19 million, up 65% YoY** owing to effective cost optimisation initiatives, alongside other core businesses demonstrating improvement in returns
  - Reduced AA Flights commission amidst intensified competition from other online travel agents resulted in lower revenue
  - However, **other airline bookings (non-AirAsia) grew by 50% YoY** on the back of improved user experience and content
  - **Hotels revenue increased by 6% YoY**, driven by a 35% surge in bookings supported by improved deals and personalized offers that are relevant to user demographic.
  - **Rewards achieved a 29% YoY revenue growth**, fueled by higher gross billing, greater points issuance, and improved redemption rates

# Business Outlook: AirAsia MOVE

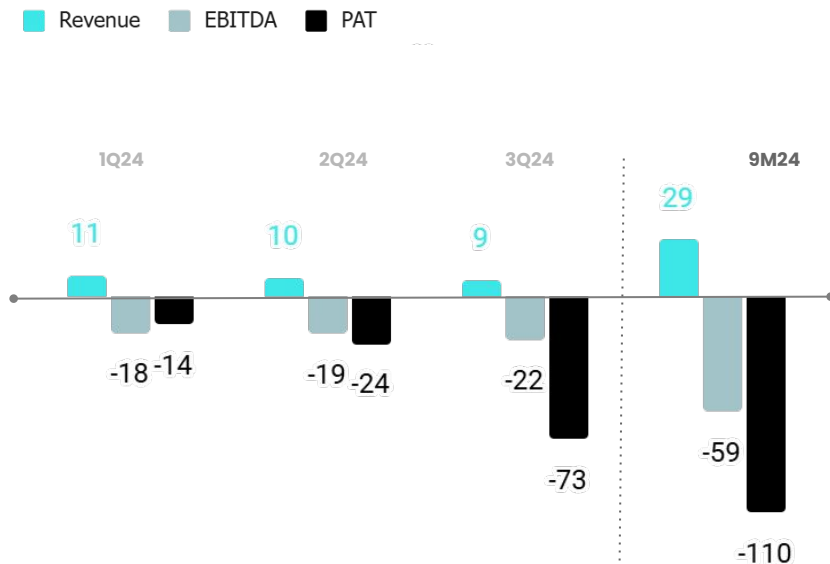
## AirAsia MOVE

- On **AirAsia flights**, our share of bookings stands at 40%, with a goal of reaching 60% by mid-2025 through multiple strategic initiatives already underway
- **Improve conversion** rates for AirAsia flights and other Airlines flights by refining **pricing strategies and leveraging AI-driven personalization** to enhance the user experience and streamline the booking process
- **Other airlines** - Grow booking volume through **strategic partnership and destination marketing** with airline partners and tourism board partnerships
- Establish **AirAsia Rides** as the preferred choice for airport transportation
- On **Hotels** - Good traction on conversion on the back of content, pricing and personalization. From here on we plan to grow bookings by **increasing investments on awareness and driving traffic**
- **Grow rewards and BigPay** payment penetration on booking to drive improved customer value and ecosystem synergies
- Expand rewards partner network to **SMEs, Banking and lifestyle partners** on the back of a white-label **loyalty program and secure value via blockchain**

# BigPay Highlights

## Segmental Revenue, EBITDA & Profit After Tax (pre-elimination)

RM million



## BigPay

- **Revenue stood at RM8.6 million** and an **EBITDA loss narrowed by 2% YoY to RM21.7 million**
- Cost cutting effort resulted in **26% YoY decline in headcount cost**
- A fraud incident was identified, but provisions were made to manage the impact. We have engaged legal counsel, and are confident that a substantial portion of the funds will be recovered through the legal process.
- **Annualised ARPU increased by 5% YoY**
- **BigPay Thailand** on boarded up to **10k users since launching**

# Business Outlook: BigPay

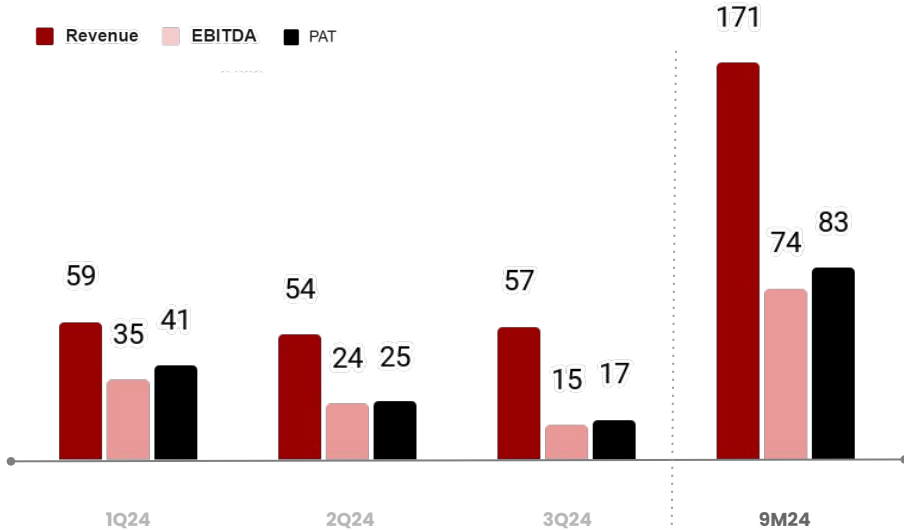
## BigPay

- **Closer collaboration with AirAsia MOVE for user acquisition** by making payment on BigPay a key feature on the app with exclusive perks and promo
  - Check out financing, allowing users to **“Fly now, Pay later”**
- **To target AirAsia MOVE’s customers who have not been utilising BigPay’s** digital financial services through BigPay Lite
  - Since the launching of BigPay Lite, 44% of new users in 3Q24 were acquired via BigPay Lite. An **improvement of 8ppts QoQ**
- **For remittance, BigPay will target foreign workers**, beginning with Indonesians working in Malaysia via agency-based acquisition
- **Finalising a credit line from a bank**, which will bolster its lending services and accelerate its journey toward sustained profitability

# CAPI & Others Highlights and Outlook

## Segmental Revenue, EBITDA & Profit After Tax (pre-elimination)

RM million



- **Revenue stood at RM57.4 million, improved by 6% QoQ** attributable to brand license fee collected during the quarter and **YoY revenue grew by more than 11x**.
- Posted **EBITDA of RM15.2 million**, nearly **14x growth YoY** with **PAT margin of 30%**
- **Staff cost up by 62% YoY**, driven by bonus accrual by other subsidiaries
- **Forex loss recorded during the quarter stood at RM41 million** attributable to foreign exchange loss from overseas income

### Capital A International Outlook

- **To boost brand visibility and regional promotion** through Asean sports sponsorship
- **Merchandise and licensing opportunity** via recent development "AirAsia Buds" character IPs, collaboration with Moonbug Entertainment,

# APPENDIX











# 3Q24 Aviation Performance

Key Indicators	MAA			IAA			PAA			TAA			CAA		
	3Q24	3Q23	YoY	3Q24	3Q23	YoY	3Q24	3Q23	YoY	3Q24	3Q23	YoY	3Q24	2Q24	QoQ
Passengers Carried	7,583,348	6,734,950	13% ▲	1,661,740	1,774,083	-6% ▼	1,682,800	1,641,107	3% ▲	4,885,467	4,555,306	7% ▲	41,800	25,861	62% ▲
Capacity	8,524,136	7,627,949	12% ▲	1,859,400	1,999,260	-7% ▼	1,922,040	1,782,012	8% ▲	5,453,248	5,077,838	7% ▲	79,020	68,040	16% ▲
Load Factor (%)	89	88	1 ppts ▲	89	89	0 ppts ■	88	92	-4 ppts ▼	90	90	0 ppts ▲	53	38	15 ppts ▲
RPK (million)	9,679	8,244	17% ▲	2,452	2,547	-4% ▼	1,502	1,540	-2% ▼	5,233	5,219	0% ■	28	7	300% ▲
ASK (million)	10,962	9,445	16% ▲	2,743	2,875	-5% ▼	1,748	1,732	1% ▲	5,996	5,921	1% ▲	42	18	133% ▲
Fuel consumed (Barrels)	1,787,860	1,493,756	20% ▲	471,202	472,731	0% ■	340,911	329,780	3% ▲	990,137	958,154	3% ▲	8,898	5,328	67% ▲
RASK (US cents)	4.52	3.89	16% ▲	4.97	4.36	14% ▲	4.43	5.45	-19% ▼	5.31	4.75	12% ▲	4.98	3.02	65% ▲
CASK (US cents)	4.57	4.55	0% ■	5.54	4.88	14% ▲	6.02	6.84	-12% ▼	5.26	5.37	-2% ▼	9.87	33.26	-70% ▼
CASK Ex-Fuel (US cents)	3.14	2.68	-11% ▼	3.56	2.82	-12% ▼	3.71	4.43	-10% ▼	3.41	3.40	1% ▲	8.38	29.21	-51% ▼

# 3Q24 Digital, Logistics and Aviation Services Operating Performance

Key Indicators		3Q24	3Q23	YoY
	Carded Users (cumulative)	1,573,987	1,460,797	8% ▲
	Monthly Active Users (MAU) ('000)	13,090	15,425	-15% ▼
	No. of Transactions ('000)	3,423	8,304	-59% ▼
	Gross Booking Value (RM) ('000)	2,396,150	3,431,083	-30% ▼
	Duty free and merchandise	108,440	148,324	-27% ▼
	Tonnage (tonnes)*	77,341	59,076	31% ▲
	Yield (RM/kg)*	2.67	2.65	1% ▲
	No. of Delivery ('000)	15,688	7,356	113% ▲
	Size of fleet at quarter end (freighter)	3	1	2 ▲
	No. of hangar line	12	7	5 ▲
	No. of base maintenance check	13	19	-32% ▼
	No. of line maintenance check	3,249	2,781	17% ▲
	Inflight products	4,614,151	5,011,405	-8% ▼
	Frozen food	229,999	770	299x ▲
	Restaurant and cafe	638,100	295,582	116% ▲
	Flights handled	41,479	38,345	8% ▲
	Cargo handled (tonnes)	34,036	23,988	42% ▲

\*Total tonnage includes general cargo and eCommerce cargo. Previous data included only the tonnage of general cargo. Tonnage and yield amended to reflect the latest data presentation.



**Thank You**

