



AirAsia X Berhad

Analyst Deck

First Quarter ended 31 March 2025

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Takeaways & Overview



→ Key Takeaways

- Highlights of the Company's performance in 1Q25

- ✓ **Revenue rose 3% to RM940.1 million** anchored by **solid Passenger Load Factor of 83%**
- ✓ **Net Profit recorded RM50.2 million** even as cost increased in tandem with operational ramp up
- ✓ 12% more passengers carried at **1.08 million passengers in 1Q25, tracking the 12% hike in seat capacity** to over 1.29 million seats – 17 aircraft operational in 1Q25 compared to 16 aircraft in the preceding year
- ✓ **Added 19th aircraft to its A330 fleet** in February 2025; now operational since May 2025 – Final aircraft reactivation slated for conclusion in mid-year before full fleet deployment is completed
- ✓ **ASK Capacity grew by 17% to 5,878 million**, tracking seat capacity and network expansion as operational growth continued
- ✓ CASK edged up marginally to 13.97 sen driven by **marginally higher staff with additional aircraft in operation as well as airport-related expenses on top of marketing and commission expenses tracking revenue growth**, mitigated by a lower jet fuel price YoY and a reduction in aircraft lease expenses as most aircraft exited pay-by-hour arrangements since 1Q24
- ✓ **Average base fare recorded RM550** while **ancillary revenue per passenger** continued to **outperform at RM277** per passenger
- ✓ Announced **ramp up of Almaty for second half of the year** in strategic expansion of presence in Central Asia, with more to come; suspension of Nairobi by September 2025 to focus on **better utilisation of capacity and resources on higher-yielding markets** as the initial assumption for premises of financial support did not materialise
- ✓ Associate **AirAsia X Thailand (TAAX) reported Revenue of RM512.7 million** and a Net Operating Profit of RM15.5 million, with PLF sound at 83% while **average fare sound at RM833 per passenger**
- ✓ Number of **passengers carried increased by 12% YoY to 488,254 passengers for TAAX**, while **seat capacity grew by 20% YoY to over 590,000 seats as TAAX achieved full fleet deployment in the preceding quarter**
- ✓ AirAsia X continues to **advance towards completion of the Proposed Acquisition** of AirAsia airlines, as we work towards (i) procurement of the clearance from Thai Securities and Exchange Commission, (ii) conclusion of private placement and as (iii) Capital A continues its work in securing its lessors' consents

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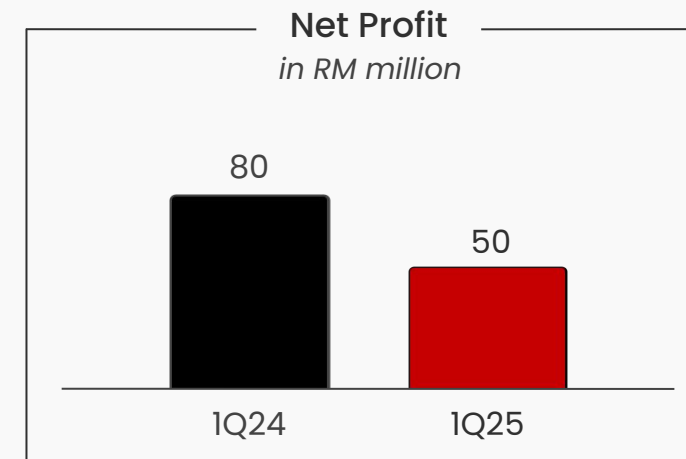
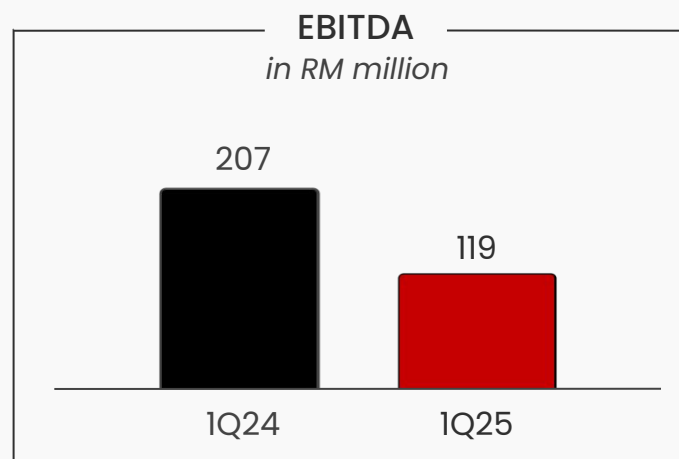
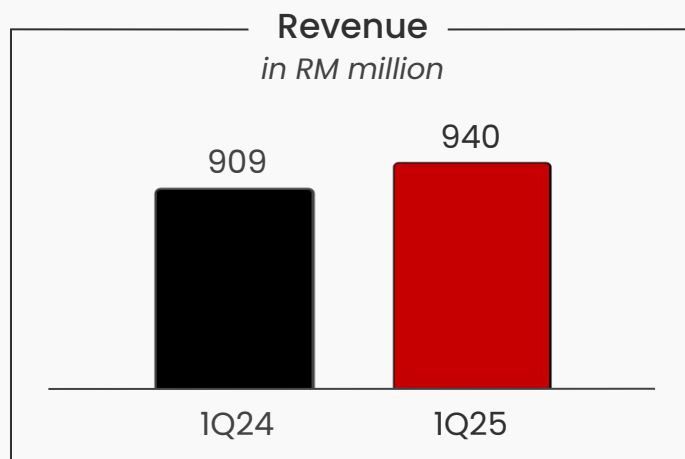
Financial & Operational Highlights



1Q25 Key Financial Highlights



Sound start to the year amidst operational growth








- ❖ **Revenue increased 3% to RM940.1 million** predominantly steered by growth in ancillary revenue and freight services:
 - **Ancillary revenue was up by 24%** as ancillary revenue per pax recorded RM277 (+10%)
 - **Freight services grew by 10%** on the back of **increased utilisation of belly capacity** by our logistics partner Teleport
- ❖ **EBITDA reduced to RM119.1 million**, driven by higher costs in tandem with operational growth:
 - Marginally higher staff costs in line with additional aircraft in operations, higher airport-related user charges as well as advertising and commission expenses **airline expanded its operations and increased revenue** in the past 12-month period
- ❖ **Net Profit recorded RM50.2 million** amidst higher operating expenses, and the Company is **off to a good start towards its internal targets** for the year

1Q25 Key Operational Highlights

Market demand consistent as passenger traffic parallel to capacity growth



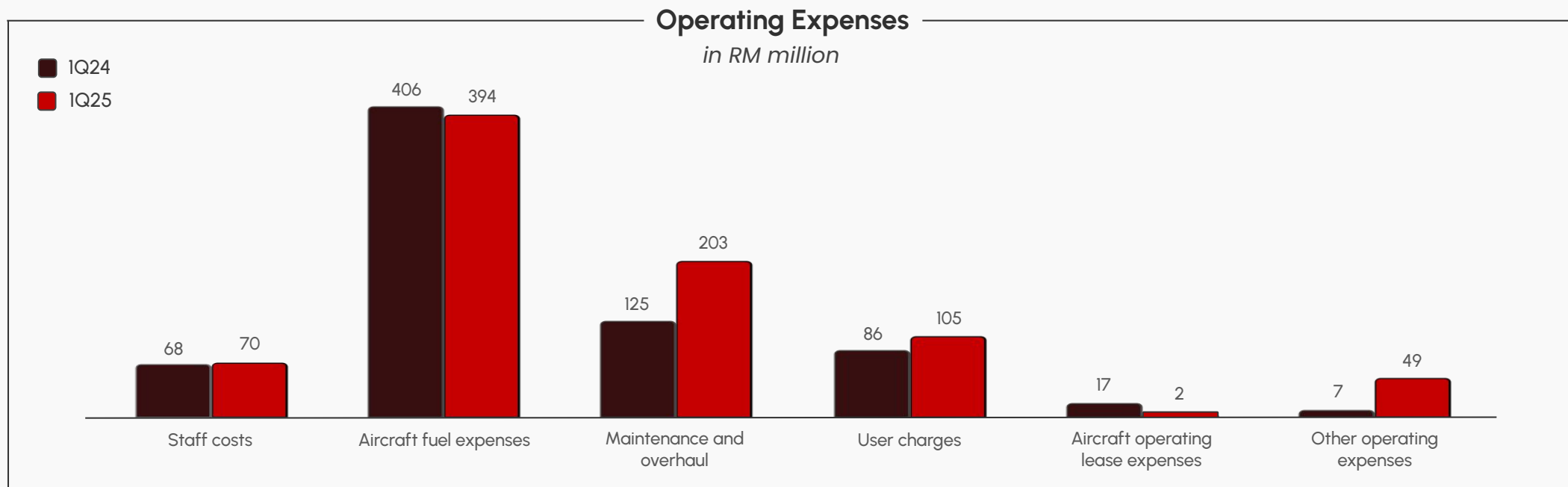
	1Q25	1Q24	▲ ▼	YoY
 Seat Capacity	1,293,323	1,155,788	▲	12%
 Passengers Carried	1,075,138	959,623	▲	12%
 Load Factor	83%	83%	-	0 ppt
 Sectors Flown	3,575	3,184	▲	12%
 ASK Capacity (million)	5,878	5,039	▲	17%

- ❖ Seat capacity grew by 12% with **additional operational aircraft** and advancement of the **airline's network connectivity**:
 - 17 aircraft operational as of the end of 1Q25, with more routes launched in the past 12-month period
- ❖ Passenger **load factor were consistent at 83%** as number of passengers carried grew in line with capacity at 12%, close to 1.08 million passengers – evidencing sustained demand in the market
- ❖ Sectors flown grew by 12% to 3,575 sectors this quarter compared to the preceding year, with the **establishment of connectivity in China and Central Asia in the past year**
- ❖ ASK capacity grew by 17% to 5,878 million, driven by increase in capacity and longer distance flown

Review of Operating Expenses



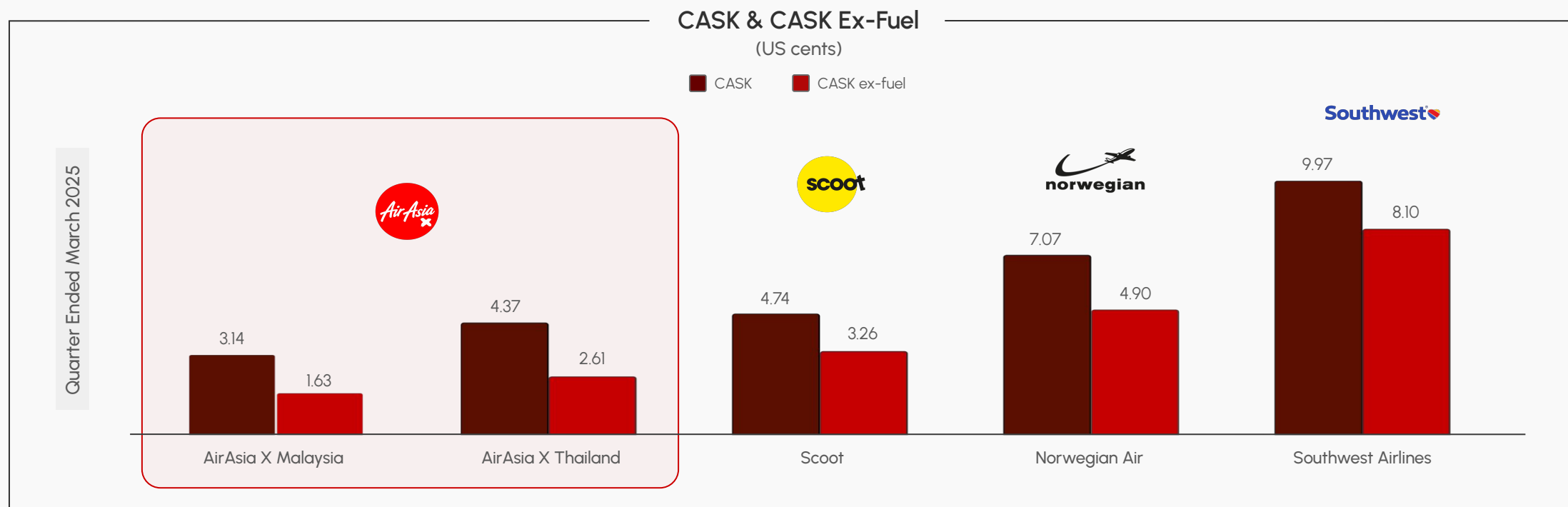
Higher operating expenses mitigated by lower jet fuel prices



- ❖ Total Operating Expenses in 1Q25 is up by 16% YoY to RM822.90 million, on the back of:
 - **Higher maintenance and overhaul expenses and user charges** following increased aircraft utilisation and expansion of operations
 - Lower aircraft fuel expenses driven by **lower fuel price** and **stability of the local currency** in recent months, despite **higher fuel consumption** during the quarter
 - Higher other operating expenses primarily attributable to **increased in marketing campaigns** supporting the growth within the network as well as the **increase in commissions to partners, tracking revenue growth**

Lowest Unit Cost among Peers

High utilisation of 15 hours/day driving our efficiency



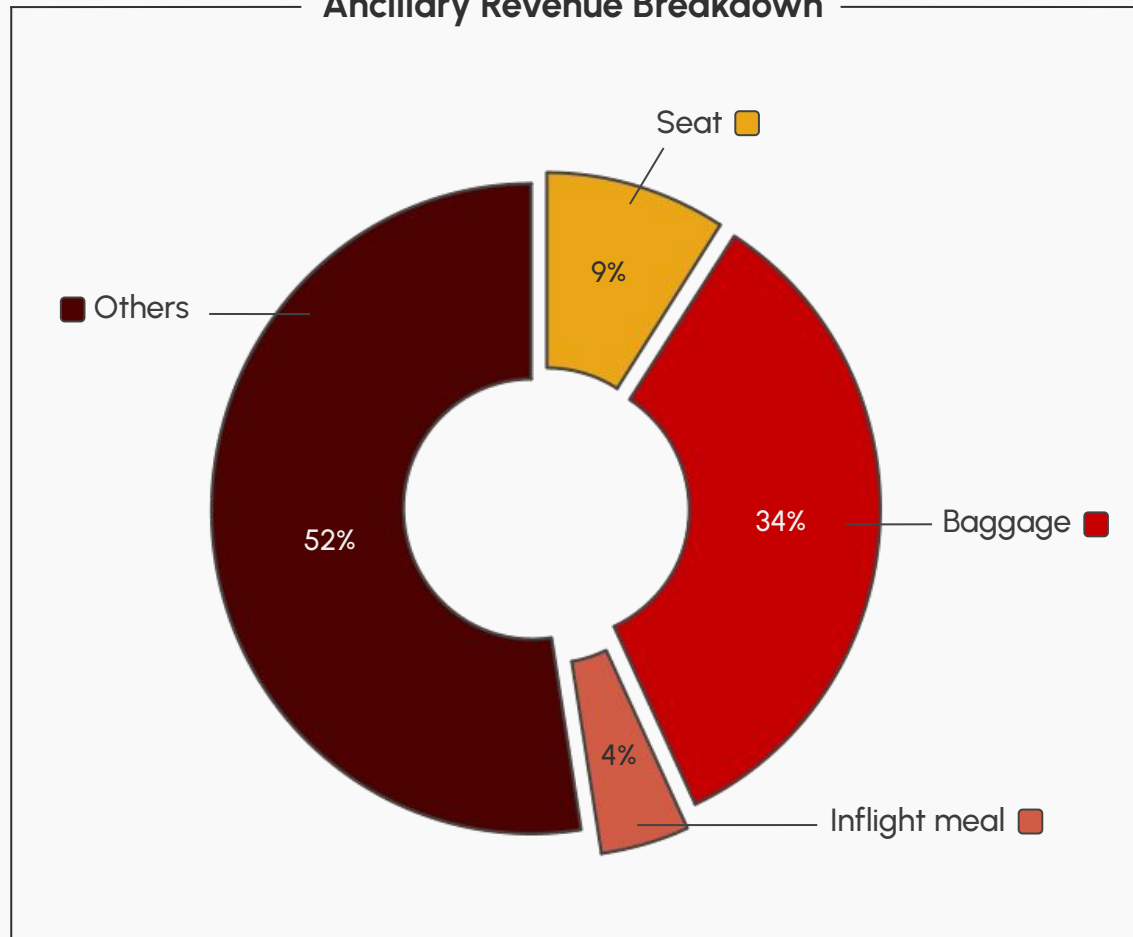
- ❖ AirAsia X maintains its leadership in cost structure as CASK & CASK ex-fuel remains the lowest among peer airlines
 - High **utilisation of over 15 hours per day** remains core of keeping cost low
 - Prudent management of operating expenses amidst **continuous ramp-up of operations**, with higher costs noted in staff, maintenance, user charges and marketing segments
 - Further **bolstered with the stability of the Malaysian Ringgit and lower jet fuel prices** in recent months

Ancillary Performance

Growing presence as a key margin contributor



Ancillary Revenue Breakdown



* Revenue per passenger

❖ **Ancillary revenue** rose by **24% YoY** to **RM298 million** in **1Q25** : -

- Giving a boost following the **increase in seat capacity and rise in number of passengers carried** compared to the previous year,
- Continuing its upward trend with **ancillary RPP recorded at RM277** during the quarter, up 10% YoY



Seat was up 9% YoY tracking the growth of capacity and passenger traffic



Inflight meal went up 13% YoY with further enhancement in variation of meals and beverages offerings onboard



Baggage was up 19% YoY, driven by the refined data-driven personalisation and baggage upgrade

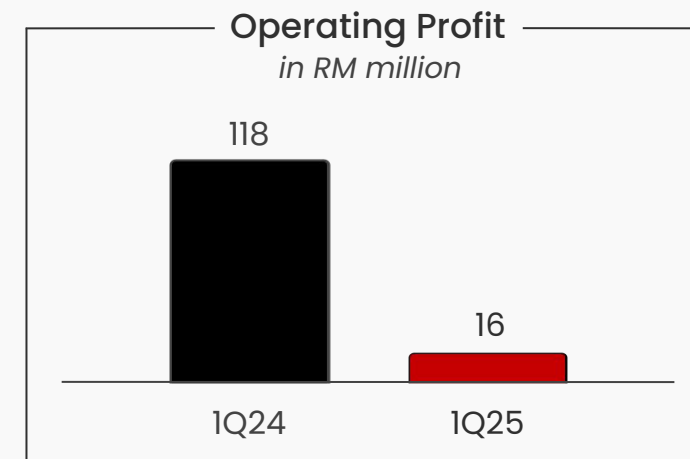
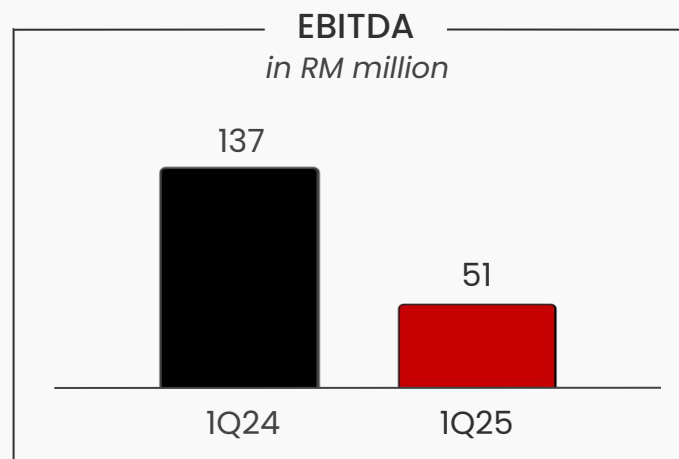
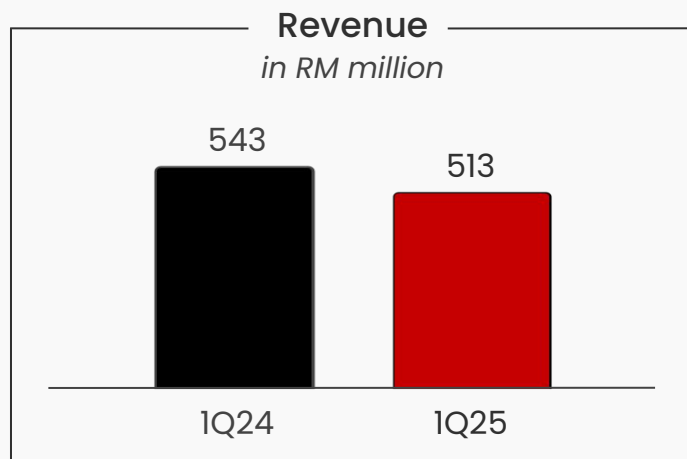
Associate Performance: TAAX



Associate: TAAX Key Financial Highlights



Fare holding strong at RM833 while cost structure adjusting to maximum level of operations








- ❖ Revenue at RM513 million as **average base fare held strong at RM833 per passenger** in 1Q25, coming down from the high base of 1Q24 where average base fare was RM989 per passenger – bolstered by **higher passenger traffic** as operations expanded
- ❖ EBITDA recorded RM51.4 million, lower by 62% on the back of **higher operating expenses at TAAX's full network capacity**:
 - TAAX's fleet increased **from 7 aircraft to 10 aircraft** at full deployment in 1Q25, consequently driving essential costs
- ❖ **Operating profit recorded RM15.5 million**, while net operating loss at RM5 million on the back of **higher finance costs**, driven by increase in number of aircraft on operating lease

1Q25 Key Operational Highlights

Operations on full stride with full fleet activated now



	1Q25	1Q24	▲ ▼	YoY
 Seat Capacity	604,584	492,497	▲	23%
 Passengers Carried	500,128	437,764	▲	14%
 Load Factor	83%	89%	▼	-6 pts
 Sectors Flown	1,685	1,329	▲	27%
 ASK Capacity (million)	2,623	2,199	▲	16%

- ❖ Seat capacity rose by 23% as **TAAx expanded its fleet from 7 aircraft in 1Q24 to 10 aircraft in 1Q25**
- ❖ TAAx **carried 14% more guests at 500,128 passengers** this quarter, tracking seat capacity increase, and effectively maintaining a sound PLF of 83%
- ❖ One-off effect from the hub transition from Suvarnabhumi to Don Mueang in October 2024 has stabilised, with the **network now operating at peak performance**

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Network Updates



Our Network

Fortifying our reach through Fly-Thru



- ❖ Established connectivity via 24 routes by end of 1Q25:
 - Network **largely unchanged compared end-2024**, as capacity readily calibrated to meet key festive and peak holiday periods demand
 - Japan and Australia strong this quarter, with core routes charting a **strong PLF of between 85% - 90%**
- ❖ Continues strengthening connectivity and rebuilding frequencies, **driving up Fly-Thru traffic which is now at about 20%**, bridging and leveraging on the wider AirAsia network:
 - Expand connectivity between **China, South Korea, Japan, India, Australia and up to East Europe through Kazakhstan** and more with tourist favourites, e.g., **Bali, Phuket, Penang and Langkawi**

AirAsia X's Immediate Outlook



Tapping into our Current Prospects

Key Focus for AirAsia X in the immediate future



Network Plan

- ❖ Focusing on **enhancing network across more regions** where **connectivity is limited**, with demands that are high and profitable
- ❖ **Rebuilding capacity** for the year with more routes in core markets as well as sustaining market share through key routes and **venturing into new markets as we trail the success of Almaty** – eyeing **more routes in Central Asia and South Asia**



Fleet Plan

- ❖ Focuses on **last leg of fleet reactivation in 1H25 following the successful induction of an additional aircraft** – as the airline remain focused in enhancing connectivity while ensuring optimal aircraft utilisation, meeting all network requirements efficiently, and strengthening operational readiness



Commercial Plan

- ❖ **Anticipated promotional activities in near future** – **ancillary revenue projected to grow further** as well with improved offerings aligned with fine-tuned pricing and personalisation strategy
- ❖ Ongoing targeted marketing and optimisation initiatives with Capital A, with focuses on elevating **Fly-Thru traffic** and incorporation of **new products and partnerships**
- ❖ **Sustained momentum with Teleport** as our partner achieves more milestones with **growth in its interlining capacity**, uptick in **contribution from e-commerce** across the network






Corporate Focus Areas

- ❖ **Engaging with Capital A Berhad** to progress the Company's growth ambitions for the years to come – onwards from securing shareholders' approval for the Proposed Acquisitions in October 2024; **fulfilment of CPs underway**

Our Internal Targets

AAX's financial targets – 1Q25 strong launchpad for the year ahead



Components	Targets	Progress
Revenue	RM3.5 billion to RM4.0 billion	 On track
EBITDA	RM0.5 billion to RM0.55 billion	 On track
NOP Margin	4.5% – 5.5%	 On track

Basis of Assumptions

Pax Carried	4.7 million
ASK	Over 24,000 million
Fleet size	19
Jet fuel/bbl	USD 90
USD/MYR	4.4

- ❖ Assuming a stable and unchanged economic and political landscape, along with prevailing legislations and regulations, we expect to achieve the above mentioned targets, driven by:
 - **Seasonality** – AAX expects its 1st and 4th quarter to be buoyed by peak holiday season across the regions, and the 2nd and 3rd quarters to be supported by localised travel and holiday peaks in the markets we operate, e.g., summer peak in Almaty and Golden Week in China
 - **Operational fleet size** – AAX expects to have 19 aircraft operational by 1H25 and this is expected to boost revenue
 - **Network optimisation** – AAX expects to add more connections in the South Asia and Central Asia region within the year and this is being executed with profitability as key
 - **Aircraft Vintage** – AAX expects higher aircraft maintenance checks to fall in the current financial year, tracking the fleet vintage

Note:

¹ The internal targets are subject to change based on market conditions, product launches, regulatory shifts, competitive dynamics, technological advancements, and global economic factors.

² These internal targets are solely management aspirations and do not constitute financial estimates, forecasts, or projections under Bursa Malaysia's financial forecasting and disclosure standards.

Thank You

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