



## **AIRASIA X (AIRASIA GROUP) FINANCIAL RESULTS FIRST QUARTER OF 2026**

- **Positive NOP of RM199 million, with EBITDA and NOP margins at 17% and 3% respectively, demonstrating operational resilience despite absorbing a RM200 million additional fuel bill in March**
- **Reported net loss of RM129 million due to non-cash forex loss of RM232 million**
  - **18.9 million passengers carried, up 9% YoY with a strong 85% load factor**
- **Strategic Pivot for 2Q26: Prioritising Yield over Volume with a tactical 10% capacity reduction to protect margins against global energy volatility**
- **First-Mover Advantage: Decisive increase in fuel surcharge and fares in March to stay ahead of the cost curve.**

**SEPANG, 14 MAY 2026** - AirAsia X Berhad ("AirAsia X", "AirAsia Group"\* or the "Group") today reported its unaudited financial results for the first quarter of 2026 ("1Q26") ended 31 March 2026. This marks the first full quarter results following the successful consolidation of the AirAsia airlines under a unified platform.

AirAsia Group demonstrated stable underlying operating performance despite a challenging macro environment toward the end of the quarter. For 1Q26, the Group recorded a robust EBITDA of RM1,009 million and positive Net Operating Profit of RM199 million, resulting in EBITDA and NOP margin of 17% and 3% respectively. While the resulting NOP margin of 3% reflects the immediate impact of the unrecovered fuel bill in March, the Group's performance in the first two months of the quarter, where NOP margins neared 9%, highlights the strong fundamental earnings power of the enlarged Group. The Group reported a net loss of RM129 million due to forex loss of RM232 million. Stripping off forex loss impact, PAT was RM103 million.

Passenger demand remained robust throughout the quarter, with the Group carrying 18.9 million passengers, a 9% increase year-on-year ("YoY"). This was achieved alongside a 10% YoY capacity expansion, maintaining a healthy Group-wide load factor of 85%. The quarter was characterised by strong operating momentum in January and February. March continued this trend with a 19% YoY increase in passengers, surpassing the 15% capacity growth for the month, driven by high demand during the festive travel period.

The Group was faced with elevated market fuel prices in late March, which surpassed USD200/barrel levels. The impact was localised to operations within Malaysia at the time due to weekly fuel price mechanisms impacting the Group with an additional fuel bill to a tune of RM200 million. In contrast, other regional markets benefited from a lag effect caused by monthly price adjustments, with the broader higher fuel price impact expected to flow through beginning the second quarter of 2026.



To stay ahead of the cost curve, AirAsia Group was a first-mover in the industry to address the volatility, implementing a fuel surcharge and fare increase on 6 March across almost its entire network. This decisive action was the first line of defense in maintaining yield integrity as global energy prices escalated.

### **Outlook:**

**AirAsia Group CEO Bo Lingam** said, "The Group started 2026 with the successful consolidation of the AirAsia airlines under one single aviation platform and significant milestones, but elevated jet fuel price volatility and geopolitical uncertainties have begun to weigh on what had been a great start to the year. We are navigating a period of tactical agility, prioritising yield and margin protection over volume.

"AirAsia Group is deliberate in enhancing capacity discipline during these trying times; we have temporarily suspended 21 routes and strategically reduced our capacity by 10% in the second quarter compared to the prior year. We are ensuring that capacity is only deployed to markets that meet our minimum hurdle rates, and with jet fuel prices showing signs of softening in recent weeks, the Group remains agile enough to restore these assets and advance our growth agenda without hesitation.

"AirAsia Group is also taking proactive steps to fortify its balance sheet resilience and preserve cash. In 1Q26, the Group was successful in securing USD300 million in financing at improved terms to refinance debts and reduce its principal obligations for the year. Building on this momentum, the Group is targeting to finalise private or public bond offerings in the second to third quarters of 2026, while continuing to work with local and foreign financial institutions for further refinancing and working capital needs. Concurrently, through active engagement with its vendor ecosystem and regional authorities, the Group is actively optimising its working capital through cost reductions and other mitigating and support measures through the rest of the year.

"While the Group acknowledges these external challenges, our long-standing ambition to build the world's first truly low-cost network carrier remains unchanged. Our first A321LR delivery in April and the record order of 150 A220 aircraft are the bedrock of our future.

"This 160-seat A220 aircraft, with a 7-hour range, allows us the flexibility to right-size capacity to demand through increased frequencies. We take pride in agility and resilience; in an environment of high volatility, we move swiftly in doubling down on efficiency. This aircraft order ensures that we future-proof our fleet with significantly improved fuel efficiency and trip costs, fortifying our resilience regardless of where the cycle goes. For over two decades, we have democratised travel in Asia, and now we are going to do it for the world."

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*\*The name change from AirAsia X Berhad to AirAsia Group Berhad is subject to shareholder approval at the company's 19th Annual General Meeting and registration by the Companies Commission of Malaysia (CCM).*

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For further information on AirAsia X, please visit the Company's website: [www.airasiox.com](http://www.airasiox.com)

Statements included herein that are not historical facts are forward-looking statements. Such forward looking statements involve a number of risks and uncertainties and are subject to change at any time. In the event such risks or uncertainties materialize, AirAsia X's results could be materially affected. The risks and uncertainties include, but are not limited to, risks associated with the inherent uncertainty of airline travel, seasonality issues, volatile jet fuel prices, world terrorism, perceived safe destination for travel, Government regulation changes and approval, including but not limited to the expected landing rights into new destinations.