



MALAYSIAN AVIATION INDUSTRY OUTLOOK **OCTOBER 2025**

Key Highlights

Malaysia's Air Passenger Traffic Rises on Strong International Demand

Malaysia's scheduled passenger traffic grew by 11.4% YoY in 1H 2025, reaching 51.9 million passengers (1H 2024: 46.6 million). This growth was driven by strong international traffic, which increased by 16.8% YoY, particularly in non-ASEAN markets. Domestic traffic also rose by 14.3% YoY. Compared to pre-pandemic levels in 2019, international and domestic traffic recovered to 99% and 96%, respectively.

Malaysia's Air Passenger Traffic is Expected to Reach Record Highs

Malaysia's air passenger traffic is forecasted to grow by 8.4% to 15.6% YoY in 2025, reaching 105.8 million to 112.9 million passengers and potentially surpassing pre-pandemic levels. Key drivers of this growth include expanded seat capacity, rising international travel demand, and supportive visa policies. While stable jet fuel prices and a stronger Ringgit may further support growth, risks remain from supply chain disruptions, fleet constraints, and geopolitical tensions.

Air Cargo Growth Boosted by Shipment Front-Loading

Malaysia's air cargo performance, measured in FTK, increased by 5.4% YoY in 2Q 2025, reaching 5,538 million FTK. This growth was primarily driven by front-loading of shipments in anticipation of tariff changes. Additionally, sustained demand from the e-commerce sector continued to support air cargo volumes. Looking ahead, the 2025 air cargo traffic forecast remains unchanged, with expected YoY growth in the range of 4.5% to 8.5%. Growth is likely to lean towards the lower end of this range, driven by continued front-loading, sustained e-commerce demand, and trade diversion.

KUL's Air Connectivity Ranked Third in ASEAN

Malaysia's air connectivity score improved from 84.7 to 90.1 mainly due to the higher international seat capacity deployment. Based on the Air Connectivity Index, KUL ranked third amongst major ASEAN airports in 2024, behind SIN and BKK with a connectivity score of 67.0. At the country level, Malaysia maintained its fifth-place ranking in ASEAN, consistent with its performance in 2023.

Rising Emissions Highlight the Need for Decarbonisation Measures

Malaysia's aviation sector contributed 2.6% of the nation's total CO₂ emissions in 2024, aligning with global aviation average. Passenger flights represented 99.2% of aviation emissions, whilst freight flights contributed to the remaining 0.8%. The domestic sector contributed to 59.6% of the total aviation emissions in Malaysia. Aviation emissions are increasing due to rising travel demand, highlighting the urgency to support the country's net-zero ambitions. The high cost of SAF may increase air travel costs, requiring effective measures to support the transition.

TABLE OF ABBREVIATIONS

Abbreviations	
ACI	Air Connectivity Index
ADB	Asian Development Bank
AirAsia	AirAsia Bhd.
AirAsia X	AirAsia X Bhd.
AOL	Aerodrome Operating Licence
ASEAN	Association of Southeast Asian Nations
ASL	Air Service Licence
ASP	Air Service Permit
ATR	Air Traffic Rights
Batik Air	Batik Air Malaysia (previously known as Malindo Air)
bbl	barrel
BNM	Bank Negara Malaysia
CAAM	Civil Aviation Authority of Malaysia
CAAS	Civil Aviation Authority of Singapore
CAPA	Centre for Aviation
CASK	Cost per Available Seat Kilometre
CCUS	carbon capture, utilisation, and storage
CFPC	Clean Fuel Production Credit
CO ₂	carbon dioxide
CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation
CTK	Cargo Tonne Kilometre
E&E	Electrical and Electronics
ETS	Emissions Trading System
EU	European Union
Firefly	FlyFirefly Sdn. Bhd.
FTK	Freight Tonne Kilometre
GDP	Gross Domestic Product
GHL	Ground Handling Licence
HHI	Herfindahl-Hirschman Index
HK	Hong Kong
IATA	International Air Transport Association
ICAO	International Civil Aviation Organization
IMF	International Monetary Fund
IRA	Inflation Reduction Act
LTAG	Long-Term Aspirational Goal
MAB	Malaysia Airlines Bhd.
MADB	Malaysia Aviation Decarbonisation Blueprint
MAG	Malaysia Aviation Group
MAHB	Malaysia Airports Holdings Bhd.
MOT	Ministry of Transport
MPC	Ministry of Plantation and Commodities
MYR	Malaysian Ringgit

Abbreviations

NETR	National Energy Transition Roadmap
NRES	Ministry of Natural Resources and Environmental Sustainability
OPEC	Organization of the Petroleum Exporting Countries
RAS	Rural Air Services
RASK	Revenue per Available Seat Kilometre
Raya Airways	Raya Airways Sdn. Bhd.
RFS	Renewable Fuel Standard
RM	Ringgit Malaysia
SAF	Sustainable Aviation Fuel
SATSSB	Senai Airport Terminal Services Sdn Bhd
SEEA	System of Environmental-Economic Accounting
SKS Airways	SKS Airways Sdn. Bhd.
TIM	Travel Impact Model
TMDSB	Tanjung Manis Development Sdn. Bhd.
US	United States of America
USD	United States Dollar
v.v.	vice versa
WCA	World Cargo Airline Sdn. Bhd.
YoY	Year-on-Year

AIRPORT CODES

Airport Codes	Airport Names
BKI	Kota Kinabalu International Airport, Malaysia
BKK	Suvarnabhumi Airport, Bangkok, Thailand
BWN	Brunei International Airport, Brunei
CGK	Soekarno-Hatta International Airport, Jakarta, Indonesia
DAC	Hazrat Shahjalal International Airport, Dhaka, Bangladesh
DMK	Don Mueang International Airport, Bangkok, Thailand
HKG	Hong Kong International Airport
JED	King Abdulaziz International Airport, Jeddah, Saudi Arabia
KCH	Kuching International Airport, Malaysia
KUL	Kuala Lumpur International Airport, Malaysia
LGK	Langkawi International Airport, Malaysia
MNL	Ninoy Aquino International Airport, Manila, Philippines
PEN	Penang International Airport, Malaysia
PNH	Phnom Penh International Airport, Cambodia
RGN	Yangon International Airport, Myanmar
SGN	Tan Son Nhat International Airport, Ho Chi Minh City, Vietnam
SIN	Changi Airport, Singapore
TPE	Taoyuan International Airport, Taiwan
VTE	Wattay International Airport, Vientiane, Lao PDR

List of Figures

Figure 1: Malaysia’s GDP Growth	9
Figure 2: Malaysia’s External Trade	10
Figure 3: Oil, Jet Fuel, and Exchange Rate Trends	12
Figure 4: Malaysia’s Annual GDP Growth	13
Figure 5: Malaysia’s Tourist Arrivals.....	15
Figure 6: Malaysia’s Quarterly Passenger Traffic	16
Figure 7: Malaysia’s Passenger Traffic by Region.....	16
Figure 8: Malaysia’s Top Domestic Routes (v.v.) in Terms of Passengers ..	18
Figure 9: Malaysia’s Top ASEAN International Routes (v.v.) in Terms of Passengers.....	18
Figure 10: Malaysia’s Top Non-ASEAN International Routes (v.v.) in Terms of Passengers.....	19
Figure 11: Breakdown of ATRs Awarded by Region (2024)	21
Figure 12: Total FTK in Malaysia	21
Figure 13: Inbound and Outbound FTK in Malaysia	22
Figure 14: FTK Growth in Key Markets	23
Figure 15: Recovery of Malaysia’s Air Cargo Capacity as a Percentage of 2019 Levels	23
Figure 16: Air Cargo Rates on Major Trade Lanes	24
Figure 17: Malaysia’s Passenger Traffic.....	27
Figure 18: Malaysia’s Air Cargo Traffic Forecast.....	29
Figure 19: Malaysia’s Passenger Market Share by Airlines	30
Figure 20: Malaysia’s Quarterly Passenger Traffic by Airlines	31
Figure 21: Market Concentration Level and Load Factor.....	31
Figure 22: Malaysian Carriers’ RASK and CASK Trends	32
Figure 23: Malaysian Carriers’ Revenue and Operating Profit Margin	33
Figure 24: Market Shares of the Aerodrome Operations Segment by Passenger Traffic and Revenue (2024).....	34
Figure 25: Revenue and Operating Profit Margin of AOL Holders	35
Figure 26: Revenue and Operating Profit Margin of ASP Holders	36
Figure 27: Revenue of ASP Holders by Sub-Segment	37

Figure 28: Operating Profit Margin of ASP Holders by Sub-Segment.....	37
Figure 29: Revenue by Ground Handling Sub-Segments.....	39
Figure 30: Operating Profit Margin by Ground Handling Sub-Segments	40
Figure 31: Malaysia’s Air Transport Contribution to CO ₂ Emissions vs Other Sectors	41
Figure 32: Malaysia’s Air Transport CO ₂ Emissions	42
Figure 33: Contribution of Passenger vs. Freight Flights to Malaysia's Air Transport CO ₂ Emissions.....	42
Figure 34: Contribution of Domestic vs. International Flights to Malaysia's Air Transport CO ₂ Emissions.....	43

List of Tables

Table 1: Malaysia’s GDP Growth by Economic Activities	9
Table 2: Malaysia’s Top Five Export Markets (1H 2025)	10
Table 3: Malaysia’s Top Five Import Markets (1H 2025)	11
Table 4: Malaysia’s 2025 GDP Forecasts by BNM, ADB, IMF and World Bank	13
Table 5: Global GDP Projections by IMF.....	14
Table 6: Malaysia’s Air Connectivity Score.....	17
Table 7: Malaysia’s One-Way Seat Capacity Deployment by Region.....	17
Table 8: Breakdown of ATRs Awarded (2024)	20
Table 9: IATA’s Passenger Traffic Growth (RPK) Estimation by Region.....	25
Table 10: IATA’s Global Air Cargo Forecasts	26
Table 11 : Global Average Jet Fuel Price and Exchange Rate	28
Table 12: Summary of Non-Scheduled Services’ Market Structure (2024) ..	36
Table 13: Market Structure of the GHL Segment (2024)	38
Table 14: Types of General Ground Handling Services.....	38
Table 15: Potential Airfare Impact by Route	48

CONTENTS

Table of Abbreviations	2
Airport Codes	3
List of Figures	4
List of Tables.....	6
SECTION 1: MACROECONOMIC OVERVIEW AND OUTLOOK.....	9
Macroeconomic Overview	9
Malaysia's GDP Grew by 4.4% YoY in 2Q 2025.....	9
Malaysia's Trade Performance Remained Firm in 1H 2025	10
Ringgit Strengthens, Prices of Brent Oil and Jet Fuel Decline.....	12
Macroeconomic Outlook	13
Malaysia's GDP to grow by 4.0% and 4.8% YoY in 2025.....	13
Global GDP Growth Forecasted at 3.0% YoY in 2025.....	14
SECTION 2: INDUSTRY OVERVIEW AND OUTLOOK	15
Industry Overview	15
Strong Tourism Rebound in 2024, Growth Expected in 2025.....	15
Steady Growth in Air Passenger Traffic in 1H 2025.....	15
Long-Haul International Travel Demand Remained Strong	16
Air Connectivity Index.....	17
Busiest routes in 2024	18
KUL–SIN Leads ASEAN Routes; Top Routes Show Strong Recovery	18
KUL–HKG Leads Non-ASEAN Routes; Some Exceed Pre-Pandemic Levels	19
Air Traffic Rights Awarded by MAVCOM in 2024.....	20
Air Cargo Growth Driven by Front-Loading and Sustained E-Commerce Demand	21
Air Cargo Growth Diverged Across Key Markets	22
Air Cargo Capacity Remains Above Pre-Pandemic Levels	23
Air Cargo Rates Declined in the First Eight Months of 2025.....	24
Industry Outlook	25
Global Traffic is Expected to Grow by 5.8% YoY in 2025.....	25
The Asia Pacific Region Leads Growth in 2025.....	25
Global Cargo Traffic is Expected to Grow by 0.7% YoY in 2025	26
Malaysia's Passenger Traffic is Expected to Reach a Record High in 2025 ...	27
Upside and Downside Risks Shape 2025 Outlook.....	27
CAAM Maintains Air Cargo Forecast	29
SECTION 3: INDUSTRY STRUCTURE AND PERFORMANCE.....	30

Scheduled Passenger Services	30
AirAsia Maintains Largest Market Share Despite Slight Dip in 2024	30
Increased Competition, Minimal Change in Load Factors	31
Airlines' RASK-CASK Spread Stays Robust Amid Demand and Cost Stability	32
Airlines Revenue Increased by 11.9% YoY in 2024.....	33
Aerodrome Operations Segment	34
MAHB Handles 96.5% of Passenger Traffic in Malaysia	34
Airports Revenue Increased by 21.9% YoY Driven by Traffic Recovery	35
Non-Scheduled Services Segment	36
Revenue for ASP Holders Increased by 14.6% YoY in 2024	36
Ground Handling Services Segment	38
Revenue of GHL holders rose by 26.3% YoY in 2024	39
All GHL Sub-Segments Recorded Positive Operating Profit in 2024.....	40
SECTION 4: DECARBONISING MALAYSIA'S AVIATION SECTOR.....	41
Introduction	41
Overview of Malaysia's Air Transport CO₂ Emissions	41
Air Transport Accounts for 2.6% of Emissions.....	41
Air Connectivity Growth Correlates with Rising Emissions	42
Passenger Flights Dominate Malaysia's Aviation Emissions	42
Domestic Routes Account for Majority of Aviation Emissions.....	43
Malaysia's Plan for Net-Zero Aviation	43
Malaysia Aviation Decarbonisation Blueprint Sets Direction for Aviation Sector	43
Malaysia Prioritises SAF to Achieve Aviation Net-Zero	45
SAF Offers Practical, Immediate Emissions Reductions for Aviation	46
SAF Price Premium Poses Cost Challenges	46
Box 1: Potential Airfare Impact of SAF Adoption	47
Challenges for SAF Adoption in Malaysia.....	48
Policy Mechanisms for SAF Development	49
Conclusion	50
APPENDIX A: International Approaches to Advancing SAF Adoption .51	
Singapore	51
European Union.....	51
United States	51
APPENDIX B: DATA TABLES	53
APPENDIX B: LISTS OF LICENCE AND PERMIT HOLDERS IN 2024.....	67

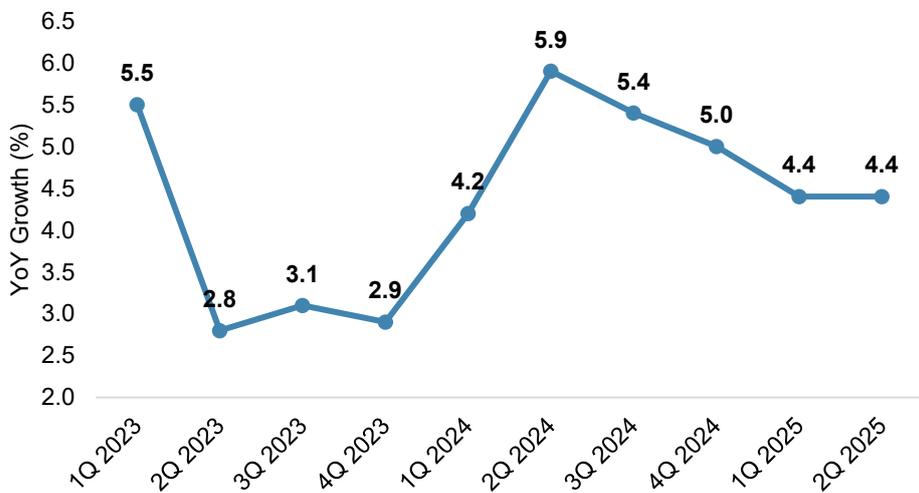
SECTION 1: MACROECONOMIC OVERVIEW AND OUTLOOK

Macroeconomic Overview

Malaysia's GDP Grew by 4.4% YoY in 2Q 2025

Malaysia's Gross Domestic Product (GDP) recorded a growth of 4.4% YoY in 2Q 2025 (1Q 2025: 4.4%) (see Figure 1). The growth was primarily supported by stronger household spending, increased investment activity, continued demand for electrical and electronics (E&E) exports, and robust tourism activity.

Figure 1: Malaysia's GDP Growth



Source: Department of Statistics, Malaysia

All major economic sectors showed improvement in 2025, except for the Mining and Quarrying sector (Table 1). The decline in this sector was due to the lower oil and gas production resulting from planned maintenance activities. The Malaysia's services sector continued growth in 1H 2025, with a 5.0% YoY increase in 1Q 2025 and a 5.1% YoY increase in 2Q 2025. This growth was driven by strong domestic demand and consumer spending, particularly in wholesale and retail trade, food and beverage, and accommodation, supported by seasonal events, increased local travel, and a rise in international tourist arrivals.

Table 1: Malaysia's GDP Growth by Economic Activities

Economic Activity	YoY Growth (%)	
	1Q 2025	2Q 2025
Services	5.0	5.1
Manufacturing	4.1	3.7
Agriculture	0.7	2.1
Mining & Quarrying	-2.7	-5.2
Construction	14.2	12.1

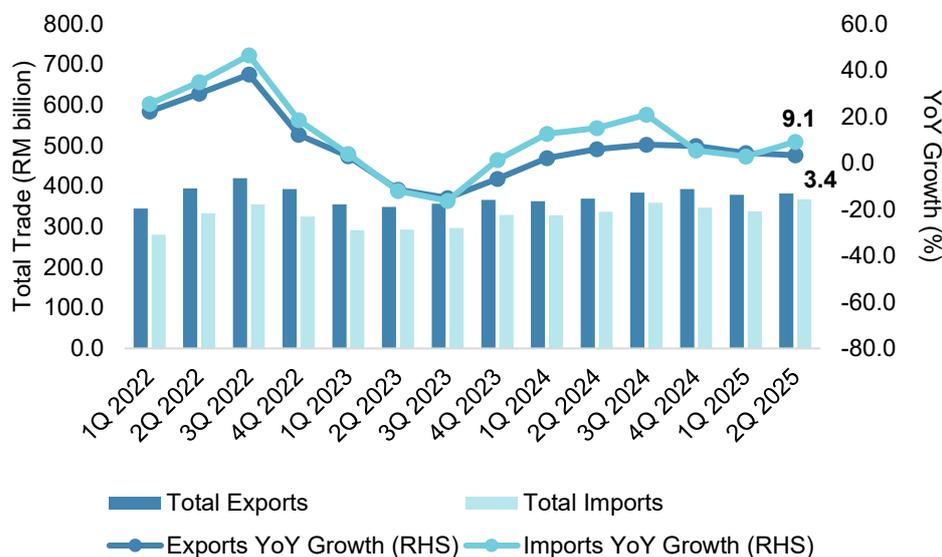
Source: Department of Statistics, Malaysia

Malaysia's headline inflation eased to 1.3%, while core inflation remained steady at 1.8%. In 2Q 2025, inflation pervasiveness declined, driven by easing cost conditions, particularly softer global commodity prices.

Malaysia's Trade Performance Remained Firm in 1H 2025

Malaysia's exports grew by 3.4% YoY in 2Q 2025 (1Q 2025: 4.3%), while imports recorded a stronger expansion of 9.1% YoY (1Q 2025: 2.8%) (see Figure 2). In the first half of 2025, exports rose by 3.8% YoY to RM760.2 billion, while imports increased by 5.9% YoY to RM704.7 billion. Overall, Malaysia's total trade remained firm, expanding by 4.8% YoY to RM1,465.0 billion in 1H 2025.

Figure 2: Malaysia's External Trade



Source: Department of Statistics, Malaysia

Higher demand for electrical and electronics (E&E) products was the main driver of Malaysia's trade growth in 1H 2025. E&E exports increased by 16.3% YoY, while imports grew by 32.2% YoY. This rise in E&E exports is consistent with the World Semiconductor Trade Statistics (WSTS) forecast of an 11.2% YoY growth in global semiconductor sales for 2025.

Tables 2 and 3 show a breakdown of Malaysia's top five export and import markets in 1H 2025. These markets collectively accounted for 68.6% of total exports and 72.3% of total imports for the year.

Table 2: Malaysia's Top Five Export Markets (1H 2025)

Market	Exports (RM billion)	Share (%)	YoY Growth (%)
ASEAN	218.7	28.8	-0.6
US	111.6	14.7	28.0
China	86.8	11.4	-4.3
EU	59.0	7.8	5.1
Hong Kong SAR	45.6	6.0	11.8

Source: Department of Statistics, Malaysia

Table 3: Malaysia's Top Five Import Markets (1H 2025)

Market	Imports (RM billion)	Share (%)	YoY Growth (%)
China	162.0	23.0	13.0
ASEAN	154.9	22.0	3.2
US	75.0	10.6	40.0
Taiwan	70.3	10.0	35.2
EU	47.2	6.7	5.7

Source: Department of Statistics, Malaysia

In 2025, Association of Southeast Asian Nations (ASEAN) remained Malaysia's largest trading partner, contributing 28.8% (RM218.7 billion) of total exports and 22.0% (RM154.9 billion) of total imports. Exports to the US continued to grow, recording double-digit expansion of 28.0% YoY to RM111.6 billion, driven by increased exports of E&E products, processed food as well as machinery, equipment and parts. Imports from the US surged by 40.0% YoY to RM75.03 billion.

Malaysia's trade performance will continue to be influenced by both opportunities and risks arising from the global economic landscape. The ongoing shift in global supply chains, driven by recent trade policy changes, may create short-term benefits for certain industries while posing risks for others.

In April 2025, the U.S. introduced a new trade policy, initially imposing a 10% baseline tariff on most imports. A more severe country-specific "reciprocal tariff" of 24% on Malaysian imports was also announced, citing trade imbalances. This was initially postponed for 90 days, allowing for negotiations.

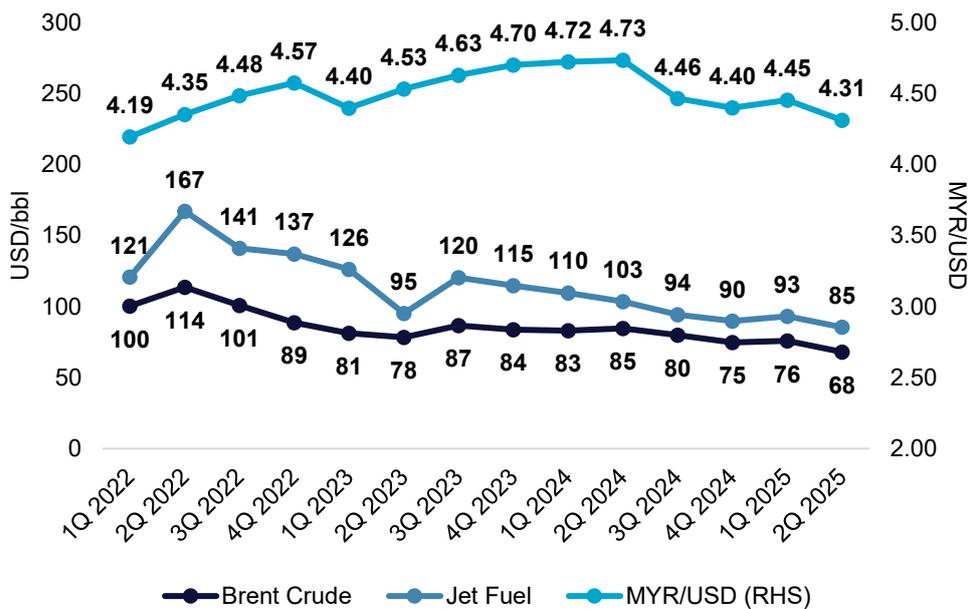
Following the tariff negotiations, which concluded at the end of July 2025, the U.S. implemented a revised reciprocal tariff rate of 19% on Malaysian goods, effective 1 August 2025. This rate is a significant reduction from the initial rate of 25% that was announced in early July. While this outcome provides some relief for Malaysian exporters, it is a notable departure from the previous low-duty or duty-free status many products enjoyed. In return for the tariff reduction, Malaysia has reportedly agreed to a range of concessions, including lowering or abolishing tariffs on most US goods and committing to substantial purchases of US equipment. The new 19% tariff, which applies to non-exempted goods, replaces the 10% baseline tariff for Malaysia. This new trade policy introduces uncertainty for Malaysian exporters, who must adjust to higher costs and potential shifts in supply chains.

Ringgit Strengthens, Prices of Brent Oil and Jet Fuel Decline

Despite global economic challenges in 2024, the Ringgit was the best-performing currency in Asia for the year. The Ringgit appreciated against the USD from RM4.77/USD in February 2024, closing at RM4.48/USD on 31 December 2024 (see Figure 3). This appreciation was supported by a combination of factors, including US interest rate cuts, robust Malaysian economic growth, and increased foreign investment. Entering 2025, the Ringgit experienced a slight uptick in 1Q 2025 before strengthening in 2Q 2025.

During the same period, Brent crude oil and jet fuel prices continued their downward trend from 3Q 2023, reaching their lowest prices at USD68/bbl and USD85/bbl, respectively in 2Q 2025. The average crack spread was USD15/bbl in 4Q 2024. Oil prices fell in 2024 and are expected to fall further in 2025, primarily due to weak demand from China amid its economic slowdown and rising crude supply from the US and other non-Organization of the Petroleum Exporting Countries (OPEC) producers.¹

Figure 3: Oil, Jet Fuel, and Exchange Rate Trends



Source: US Energy Information Administration, Bank Negara Malaysia

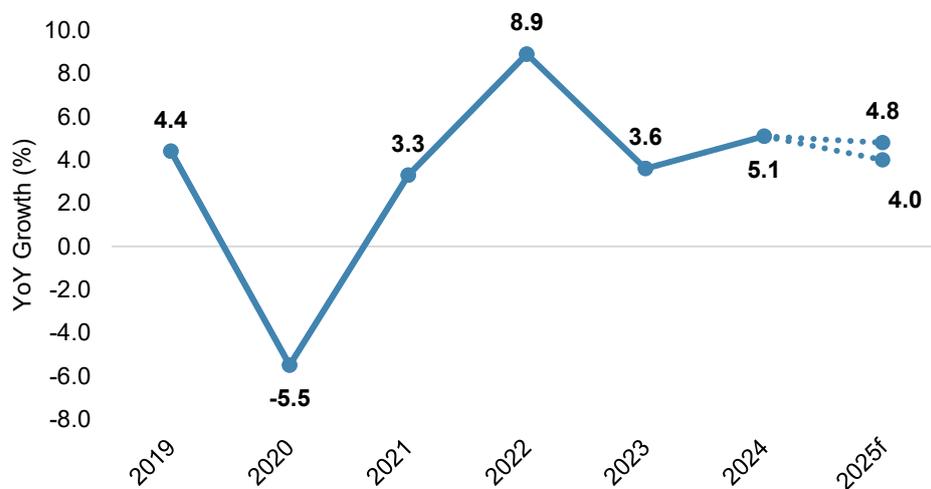
¹ IMF, World Economic Outlook (April 2025).

Macroeconomic Outlook

Malaysia's GDP to grow by 4.0% and 4.8% YoY in 2025

Bank Negara Malaysia (BNM) projects Malaysia's economy to grow between 4.0% to 4.8% YoY in 2025² (see Figure 4). The growth outlook is supported by resilient domestic demand, stronger investment activity, and stable inflation. Upside risks to the forecast include favourable trade deals, pro-growth policies in major economies, strong demand for electrical and electronic goods, and resilient tourism activity.

Figure 4: Malaysia's Annual GDP Growth



^f Forecast

Source: Bank Negara Malaysia

Table 4: Malaysia's 2025 GDP Forecasts by BNM, ADB, IMF and World Bank

Sources	Month of Forecast	2025 Malaysia's GDP YoY Growth Forecast (%)
BNM	July 2025	4.0 – 4.8
ADB	July 2025	4.3
IMF	July 2025	4.5
World Bank	June 2025	3.9

The International Monetary Fund (IMF) has revised Malaysia's 2025 GDP growth forecast upward to 4.5%, from its previous estimate of 4.1%.³ In contrast, the World Bank has lowered its projection from 4.5% to 3.9%.⁴ Meanwhile, in July 2025, ADB projected Malaysia's GDP to decrease by 4.3% in 2025. This projection is supported by stable consumer spending, which reflects improving incomes and labour market conditions.⁵

² BNM, <https://www.bnm.gov.my/-/gdp25f/> (July 2025)

³ IMF, World Economic Outlook Update (July 2025).

⁴ World Bank, Global Economic Prospects (June 2025).

⁵ ADB, Asian Development Outlook (July 2025).

BNM remains cautious despite the favourable growth outlook, citing increased external risks, particularly uncertainties related to US trade tariffs. BNM has indicated that it will continue to monitor developments in the global trade environment before considering any policy adjustments or revising its growth projections.

Global GDP Growth Forecasted at 3.0% YoY in 2025

The IMF has revised its global GDP growth forecast for 2025 to 3.0% and for 2026 to 3.1% (see Table 5), up from its previous estimate of 2.8% and 3.0%, respectively.⁶ In its June 2025 update, the IMF attributed that these upward revisions to stronger-than-expected front-loading ahead of higher tariffs, lower average US tariff rates than previously announced, improved financial conditions due to a weaker dollar, and fiscal expansion in key economies.

Table 5: Global GDP Projections by IMF

Economy	2025 ^f GDP Growth (% YoY)	2026 ^f GDP Growth (% YoY)
Global	3.0	3.1
- Advanced Economies	1.5	1.6
- Emerging Markets and Developing Economies	4.1	4.0
- ASEAN-5*	4.1	4.1

^f Forecast

* Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

Source: International Monetary Fund

Global growth in 2025 is expected to be underpinned by steady performance across major economies. The U.S. economy is projected to expand by 1.9%, supported by lower tariff rates, looser financial conditions, and fiscal stimulus from the One Big Beautiful Bill Act (OBBBA). Emerging market and developing economies are forecast to grow by 4.1%, with Asia leading this momentum through resilient consumption and an improving monetary policy environment.

Meanwhile, global inflation is expected to ease to 4.2%, creating room for a gradual shift towards more accommodative monetary policies, which may further support economic activity.

However, downside risks persist. Heightened trade policy uncertainty, including new US tariffs and retaliatory actions, could dampen investment sentiment and disrupt trade flows. Ongoing geopolitical tensions and policy uncertainties also continue to weigh on the global outlook.

⁶ IMF, World Economic Outlook Update (July 2025).

SECTION 2: INDUSTRY OVERVIEW AND OUTLOOK

Industry Overview

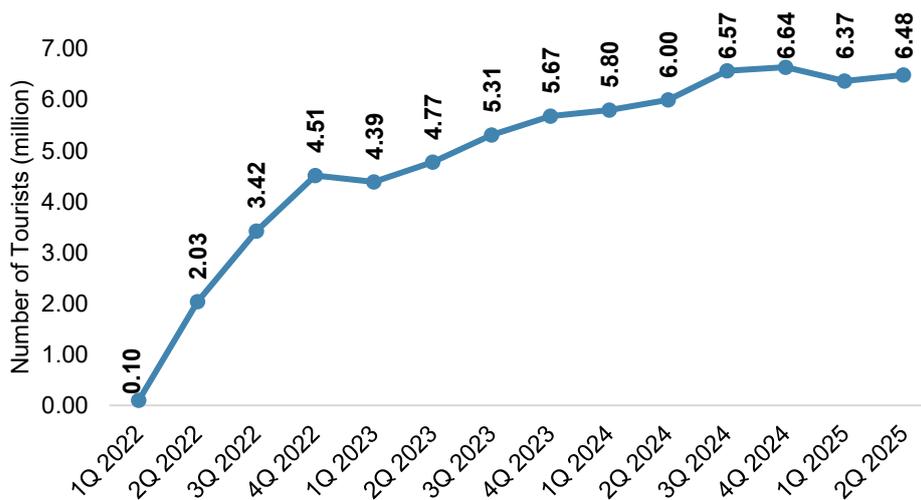
Strong Tourism Rebound in 2024, Growth Expected in 2025

Tourist arrivals in Malaysia continued to rise in early 2025, reaching 6.4 million in 1Q 2025 and 6.5 million in 2Q 2025 (see Figure 5), reflecting steady growth in the sector. In 2024, Malaysia’s tourism sector experienced a strong rebound, with tourist arrivals rising by 25.0% YoY to 25.0 million (2023: 20.1 million).

The surge in arrivals was supported by visa exemptions for travellers from China and India, as well as expanded direct flight connections to France, Kenya, and Laos. The top source markets were Singapore, Indonesia, China, Thailand, India, and Brunei.⁷

Looking ahead, the tourism ministry has set a target of 31.4 million arrivals for 2025.⁸ The extension of visa exemptions for Chinese and Indian nationals until December 2026¹⁰ is also expected to further boost arrivals.

Figure 5: Malaysia’s Tourist Arrivals



Source: Civil Aviation Authority of Malaysia, Tourism Malaysia

Steady Growth in Air Passenger Traffic in 1H 2025

Malaysia’s air passenger traffic grew by 10.6% YoY in 2Q 2025 (2Q 2024: 14.6%) and 11.9% YoY in 1Q 2025 (1Q 2024: 16.1%). Overall, Malaysia’s passenger traffic increased by 11.4% YoY in 1H 2025, reaching 51.9 million passengers. This growth was driven by a 14.3% YoY increase in domestic traffic and an 8.7% YoY growth in international traffic. Compared to pre-

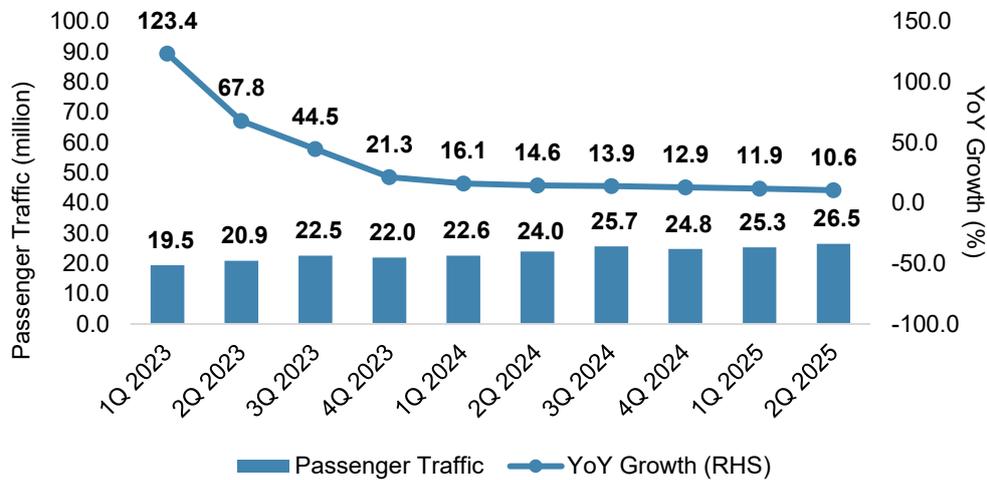
⁷ Tourism Malaysia, <https://data.tourism.gov.my/>.

⁸ Penyata Rasmi Parlimen, <https://www.parlimen.gov.my/files/hindex/pdf/DR-11032024.pdf> (11 Mac 2024).

¹⁰ Immigration Department of Malaysia, <https://www.imi.gov.my/index.php/en/main-services/visa/visa-requirement-by-country/> (5 February 2025).

pandemic levels, domestic traffic recovered to 96.0%, while international traffic reached 104.0% (see Figure 6).

Figure 6: Malaysia’s Quarterly Passenger Traffic

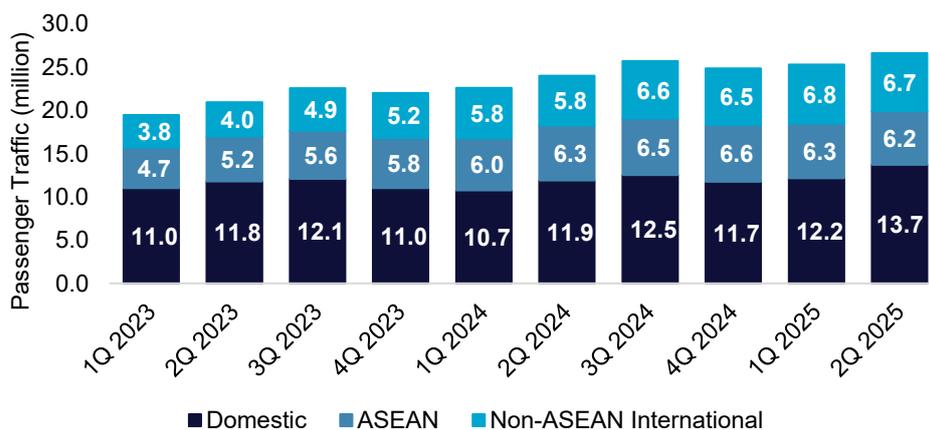


Source: Civil Aviation Authority of Malaysia, Aerodrome Operator Licence Holders

Long-Haul International Travel Demand Remained Strong

In 1H 2025, Malaysia’s passenger traffic was nearly evenly divided between domestic and international segments (see Figure 7). Domestic traffic totalled 25.9 million passengers, while international traffic reached 26.0 million passengers, slightly surpassing domestic volumes. Within international traffic, non-ASEAN markets accounted for 13.5 million passengers, or 52.0%, while ASEAN markets contributed 12.5 million passengers, or 48.0%. This distribution highlights the continued strength in demand for long-haul international travel.

Figure 7: Malaysia’s Passenger Traffic by Region



Source: Civil Aviation Authority of Malaysia, Aerodrome Operator Licence Holders

Air Connectivity Index

Malaysia's air connectivity score improved from 84.7 to 90.1, driven primarily by higher international seat capacity deployment. Based on the Air Connectivity Index (ACI) originally developed by Malaysian Aviation Commission (MAVCOM), now under the purview of Civil Aviation Authority of Malaysia (CAAM), KUL ranked third in 2024 amongst major airports in ASEAN, behind SIN and BKK, with a connectivity score of 67.0 (see Table 6). At the country level, Malaysia maintained its performance from 2023, ranking fifth in ASEAN.

Table 6: Malaysia's Air Connectivity Score

Region	Connectivity Score 2023	Connectivity Score 2024	International Destinations 2024
KUL	64.1	67.0	117
Malaysia	84.7	90.1	121

Source: Civil Aviation Authority of Malaysia, OAG Analyser

Malaysia's total direct international seat capacity reached approximately 8.5 million seats in 1Q 2025, marking a 13.4% YoY increase from 7.5 million seats in 1Q 2024, driven largely by strong growth across key Asian markets (see Table 7). Northeast Asia recorded the highest absolute growth, rising by 31.5%, as airlines reinstated and ramped up frequencies to China and North Asia in response to improved bilateral relations, increased visa-free arrangements, and sustained travel demand.

Table 7: Malaysia's One-Way Seat Capacity Deployment by Region

Region	1Q 2024	1Q 2025	Growth (%)
ASEAN	3,918,458	4,194,880	7.1
Northeast Asia	1,706,271	2,243,099	31.5
South Asia	755,182	925,506	22.6
Middle East	579,847	561,139	-3.2
Southwest Pacific	362,798	365,228	0.7
Europe	139,358	136,019	-2.4
Africa and Central Asia	22,400	57,819	158.1
TOTAL	7,484,314	8,483,690	13.4

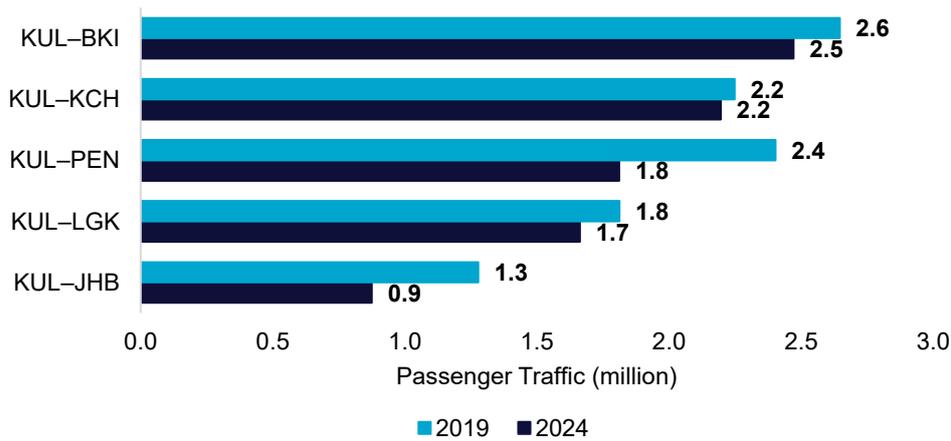
Source: Civil Aviation Authority of Malaysia, OAG Analyser

On the other hand, Europe and the Middle East saw a marginal decline of 2.4% and 3.2%, respectively. This may be due to airlines optimising capacity on long-haul routes amid softer demand, high operational costs, or reallocation of widebody aircraft to higher-yielding or recovering Asian markets.

Busiest routes in 2024

The KUL–BKI route remained the busiest domestic route in Malaysia, recording the highest passenger volume at 2.5 million passengers, followed by KUL–KCH (see Figure 8). Passenger traffic on the KUL–BKI route reached 93.4% of its pre-pandemic level, while KUL–KCH achieved 97.7%. Overall, total domestic passenger traffic in 2024 reached 84.7% of pre-pandemic levels.

Figure 8: Malaysia’s Top Domestic Routes (v.v.) in Terms of Passengers

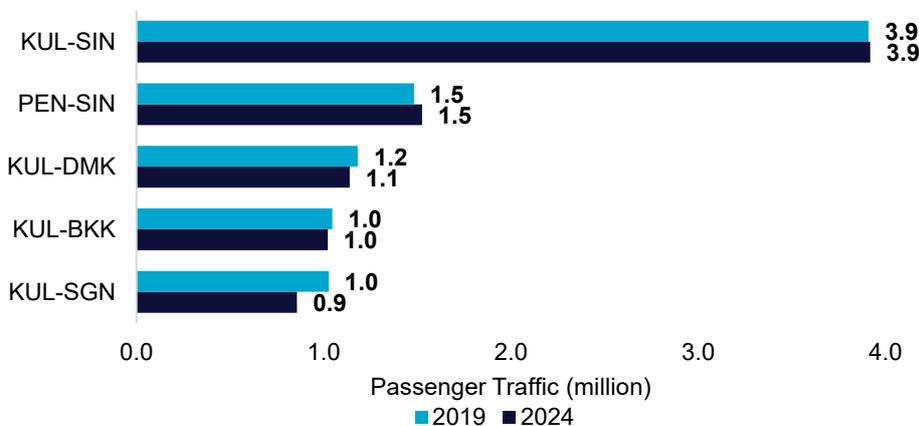


Source: Civil Aviation Authority of Malaysia, AirportIS

KUL–SIN Leads ASEAN Routes; Top Routes Show Strong Recovery

KUL–SIN remained Malaysia’s busiest ASEAN route, recording 3.9 million passengers (see Figure 9), which exceeded pre-pandemic levels by a marginal 0.2%. Other key routes, such as KUL–DMK and KUL–SGN, were close to returning to pre-pandemic levels, with 1.1 million and 0.9 million passengers, respectively. Collectively, Malaysia’s top five ASEAN routes accounted for 25.1% of total passenger traffic in 2024.

Figure 9: Malaysia’s Top ASEAN International Routes (v.v.) in Terms of Passengers

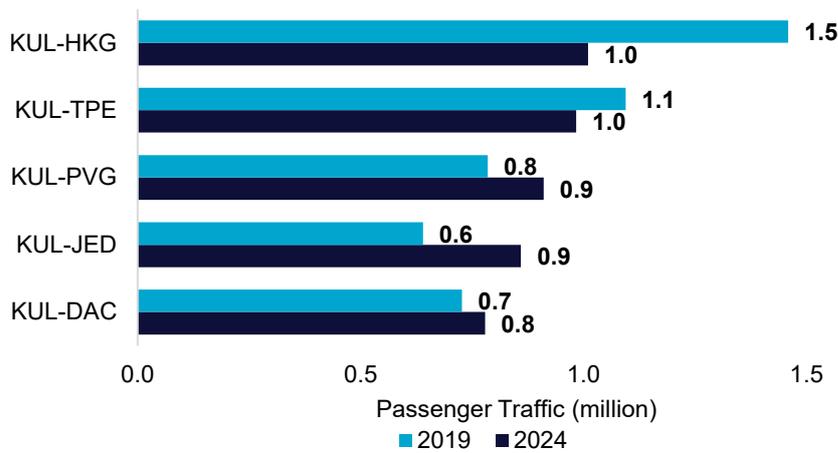


Source: Civil Aviation Authority of Malaysia, AirportIS

KUL–HKG Leads Non-ASEAN Routes; Some Exceed Pre-Pandemic Levels

KUL–HKG recorded the highest passenger traffic among Malaysia’s non-ASEAN international routes in 2024, with 1.0 million passengers, although this figure remains below pre-pandemic levels (see Figure 10). KUL–TPE followed closely behind. In contrast, KUL–PVG, KUL–JED, and KUL–DAC have surpassed pre-pandemic levels. Collectively, Malaysia’s top five non-ASEAN international routes accounted for 13.5% of total passenger in 2024.

Figure 10: Malaysia’s Top Non-ASEAN International Routes (v.v.) in Terms of Passengers



Source: Civil Aviation Authority of Malaysia, AirportIS

Air Traffic Rights Awarded by MAVCOM in 2024

Table 8 provides the breakdown of Air Traffic Rights (ATRs) awarded by MAVCOM for the full year 2024.¹¹ The ATRs are categorised into domestic and international allocations for various Air Service License (ASL) holders.

Table 8: Breakdown of ATRs Awarded (2024)

ASL Holder	ATRs Awarded	
	Domestic	International
AirAsia*	41	77
AirAsia X	1	16
Firefly	6	14
Malaysia Airlines*	8	38
MASwings	1	-
Batik Air	13	73
SKS Airways (also known as True Air)	3	1
M Jets International	-	7
Raya Airways	-	10
World Cargo Airline	1	2
TOTAL	74	238

* Including cargo operations.

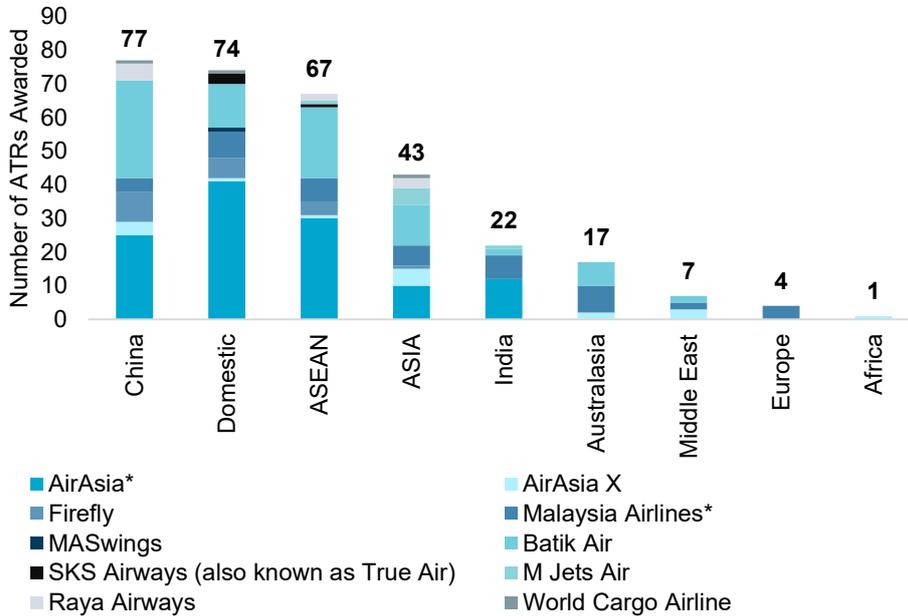
Source: Civil Aviation Authority of Malaysia

A total of 312 ATRs were awarded in 2024, comprising 74 domestic and 238 international allocations. This represents a 44.4% increase compared to 2023, when 216 ATRs were awarded. In 2024, AirAsia received the most ATRs, with 41 domestic and 77 international ATRs. Batik Air was awarded 13 domestic and 73 international ATRs. Malaysia Airlines received eight domestic and 38 international ATRs.

China received the highest allocation of ATRs with 77 approvals, followed by the domestic sector with 74 allocations (see Figure 11). China recorded the highest growth in ATR allocations, increasing by 250.0% (2023: 22 allocations). This significant growth was primarily driven by the visa-free travel arrangement announced in December 2023. AirAsia and Batik Air secured the most ATRs overall, particularly for routes to China and the ASEAN region. Malaysia Airlines also received significant allocations across ASEAN, China, and India. Europe and Africa recorded limited ATR allocations, with only four and one ATR(s) awarded, respectively.

¹¹ From 1 August 2025, CAAM assumed full responsibility for all regulatory functions previously carried out by MAVCOM. This includes, but is not limited to licensing, allocation of ATRs, airport development, Rural Air Services (RAS), economics and competition matters, as well as general regulatory oversight. CAAM will also oversee the management of digital platforms such as AeroFile and AeroLicence for processing overflight and landing permits, as well as licensing applications.

Figure 11: Breakdown of ATRs Awarded by Region (2024)



* Including cargo operations.
Source: Civil Aviation Authority of Malaysia

Air Cargo Growth Driven by Front-Loading and Sustained E-Commerce Demand

Malaysia’s air cargo performance, measured in Freight Tonne Kilometre (FTK), increased by 5.4% YoY in 2Q 2025 (1Q 2025: 1.7% YoY), reaching 5,538 million FTK (1Q 2025: 5,089 million) (see Figure 12). The growth was driven primarily by front-loading of shipments in response to anticipated tariff changes. Sustained demand from the e-commerce sector also continued to support air cargo volumes, as shippers strategically front-loaded cargo to mitigate potential tariff impacts.

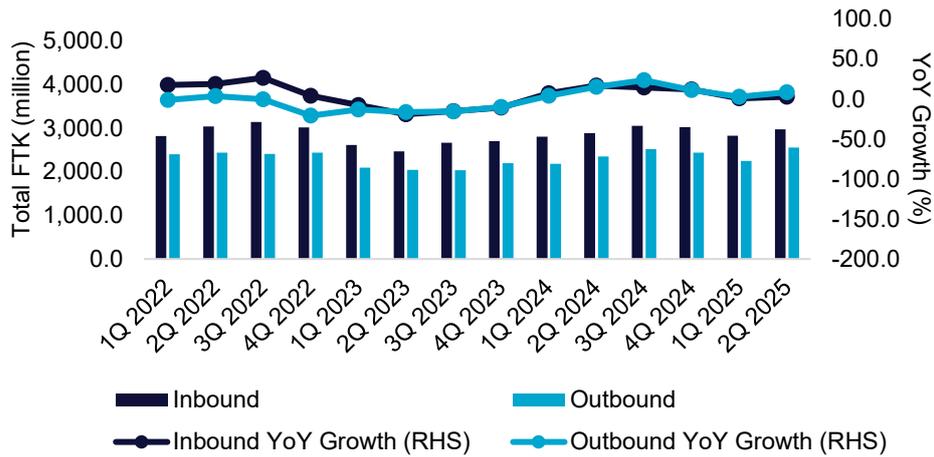
Figure 12: Total FTK in Malaysia



Source: Civil Aviation Authority of Malaysia, CargoIS

The impact of front-loading appears more pronounced in outbound air cargo. In 2Q 2025, Malaysia’s outbound air cargo volume reached 2,554 million FTK, reflecting a growth of 8.5% YoY (2Q 2024: 2,353 million FTK; 15.3 YoY). In contrast, inbound air cargo recorded 2,970 million FTK in 2Q 2025, with a more modest growth of 3.0% YoY (2Q 2024: 2,882 million FTK; 16.9% YoY) (see Figure 13).

Figure 13: Inbound and Outbound FTK in Malaysia

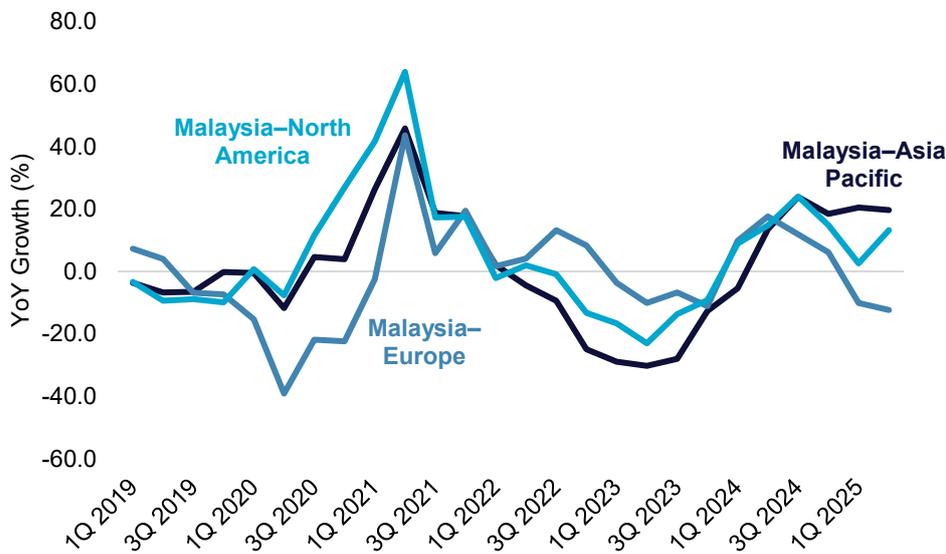


Note: This figure excludes domestic cargo volume due to small numbers.
 Source: Civil Aviation Authority of Malaysia, CargoIS

Air Cargo Growth Diverged Across Key Markets

Air cargo performance across Malaysia’s key markets displayed a divergent pattern in the first half of 2025. Malaysia–Asia Pacific saw robust growth, with 20.5% YoY increase in 1Q 2025 and 19.6% YoY in 2Q 2025. Malaysia–North America, after a modest 2.6% YoY growth in 1Q 2025, rebounded to 13.2% YoY in 2Q 2025 (see Figure 14). This rebound reflects front-loading behaviour, driven by US tariff and de minimis announcements in April and May 2025, which incentivised businesses to ship earlier, particularly on Asia Pacific and North America routes. In contrast, Malaysia–Europe experienced double-digit declines, partly due to a high base effect from 2024. The Red Sea shipping crisis temporarily boosted air cargo volumes to Europe, and its normalisation in 2025 contributed to the negative growth.

Figure 14: FTK Growth in Key Markets

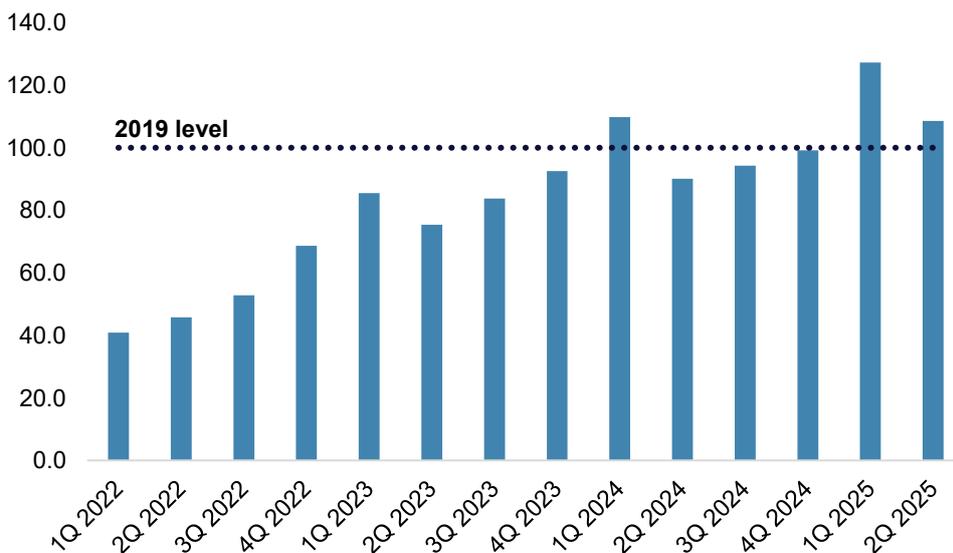


Note: Malaysia-Asia Pacific excludes air cargo movements between Malaysian airports.
 Source: Civil Aviation Authority of Malaysia, CargoIS

Air Cargo Capacity Remains Above Pre-Pandemic Levels

In 2Q 2025, Malaysia’s air cargo capacity was at 108.6% of 2019 levels (1Q 2025: 127.3%) (see Figure 15). Air cargo capacity is expected to remain above pre-pandemic levels, driven by the anticipated recovery in passenger traffic by 2025 and 2026. As passenger flights increase, belly capacity in the air cargo market will expand accordingly.

Figure 15: Recovery of Malaysia’s Air Cargo Capacity as a Percentage of 2019 Levels

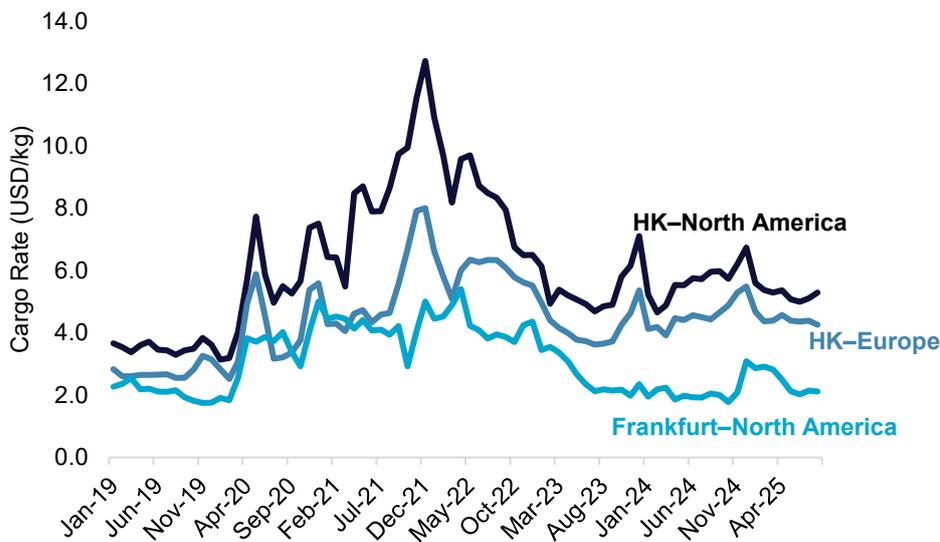


Source: Civil Aviation Authority of Malaysia, Centre for Aviation

Air Cargo Rates Declined in the First Eight Months of 2025

Air cargo rates generally declined during the first eight months of 2025, particularly on the Frankfurt to North America route, which saw the sharpest drop (see Figure 16). The Hong Kong (HK)-origin lanes saw more gradual reductions. From January to August, the HK–North America rate decreased by 5.5%, from USD5.60/kg to USD5.29/kg. The HK–Europe rate saw a 9.0% decline, falling from USD4.68/kg to USD4.26/kg over the same period. Meanwhile, the Frankfurt–North America rate declined by 25.9%, dropping from USD2.86/kg to USD2.12/kg.

Figure 16: Air Cargo Rates on Major Trade Lanes



Source: Baltic Exchange

Industry Outlook

Global Traffic is Expected to Grow by 5.8% YoY in 2025

Global air passenger numbers are projected to reach 4.99 billion in 2025¹², representing a 5.8% YoY increase. This growth is driven by strong demand for both domestic and international travel, with average load factors anticipated to reach a record high at 84.0%, indicating high aircraft occupancy rates.

Industry revenues are expected to reach USD979.0 billion, with passenger revenues accounting for approximately USD693.0 billion. Despite a projected 2.9% decline in average fares, overall revenue growth reflects the industry's resilience and adaptability.

The Asia Pacific Region Leads Growth in 2025

The Asia Pacific region stands out as the highest growth area, with a forecast of 9.0% YoY, driven largely by recovery in China and India (see Table 9).

Table 9: IATA's Passenger Traffic Growth (RPK) Estimation by Region

Region	2025 YoY Growth Estimation (%)
Global	5.8
Asia Pacific	9.0
North America	0.4
Middle East	6.4
Europe	6.0
Latin America & Caribbean	5.8
Africa	8.0

Source: International Air Transport Association

Global air travel demand is projected to grow by 5.8% in 2025 (RPK terms), down from an earlier forecast of 8.0%. Asia-Pacific will lead with 9.0% YoY growth, accounting for over half of global growth, supported by strong economic momentum and international travel. Europe will grow 6.0%, driven by low-cost carriers, while the Middle East is expected to expand 6.4% due to strategic location and investments. Latin America's growth will slow to 5.8% amid economic fragility. North America, the most developed market, is forecast to grow just 0.4%—below Africa—for 2025, reflecting weaker GDP expectations.

¹² IATA, <https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport-june-2025/> (June 2025).

Global Cargo Traffic is Expected to Grow by 0.7% YoY in 2025

In 2024, global cargo traffic experienced strong growth, driven primarily by robust e-commerce activity and restrictions on sea shipping, such as disruptions in the Red Sea. However, growth is expected to slow in 2025 due to the U.S. tariffs that will dampen trade volume, alongside the removal of de minimis exemption and lower ocean cargo rates.¹³

Table 10: IATA’s Global Air Cargo Forecasts

Key Figure	2024	2025 ^f
Global Cargo Traffic (CTK, billion)	273.6	275.7
Global Cargo Traffic YoY Growth	11.3%	0.7%
Global Cargo Revenue (USD billion)	149.0	142.0
Global Cargo Load Factor	45.9%	44.9%

^f Forecast

Source: International Air Transport Association

According to International Air Transport Association (IATA)’s forecast, global air cargo traffic is expected to grow by 0.7% YoY in 2025, reaching 275.7 billion Cargo Tonne Kilometres (CTK), down from an earlier forecast of 6.0%. The cargo load factor is projected at 44.9%, slightly lower than the previous year.¹⁴ Global cargo revenue is anticipated to decline to USD142.0 billion in 2025 from the estimated USD149.0 billion for 2024 (see Table 10).

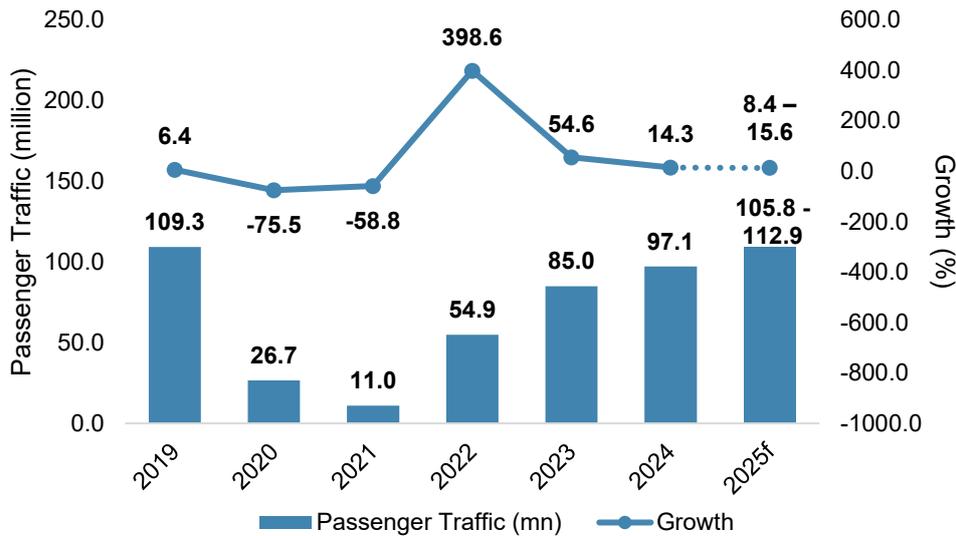
¹³ IATA, <https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport-june-2025/> (June 2025).

¹⁴ IATA, <https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport-december-2024/> (December 2024).

Malaysia's Passenger Traffic is Expected to Reach a Record High in 2025

In 2025, Malaysia's air passenger traffic is forecasted to reach between 105.8 million and 112.9 million (2024: 97.1 million). For the first time, passenger numbers are projected to surpass the pre-pandemic high of 109.3 million recorded in 2019. This represents a growth of between 8.4% YoY and 15.6% YoY (see Figure 17).

Figure 17: Malaysia's Passenger Traffic



f Forecast

Source: Civil Aviation Authority of Malaysia, Aerodrome Operator Licence Holders

The projected growth in passenger traffic for 2025 is expected to be driven by several key factors. These include increased capacity deployment by airlines¹⁵, rising demand for international travel, and overall increase in household income.

Upside and Downside Risks Shape 2025 Outlook

Upside risks to the forecast include sustained momentum in international tourism. In 2024, Malaysia recorded over 25.0 million tourist arrivals, representing a 24.2% increase from the previous year. Tourist arrivals from China rose sharply by 130.9% to 3.7 million, reflecting renewed outbound demand from a key source market. The year 2025 also serves as a strategic build-up period for Visit Malaysia Year 2026, during which airlines are expected to increase seat capacity and expand route offerings in anticipation of stronger travel activity. Furthermore, the government's visa-free entry policy for Chinese and Indian nationals, currently extended until the end of 2026, is likely to support continued growth in inbound leisure travel.

¹⁵ For further details, see Malaysia's Air Passenger Traffic Outlook 2025 available at CAAM's website at <https://www.caam.gov.my/wp-content/uploads/2025/07/MALAYSIAS-AIR-PASSENGER-TRAFFIC-OUTLOOK-2025.pdf>

Furthermore, the stabilisation of jet fuel prices, a major cost driver for airlines, is expected to help contain operational costs and support profitability (see Table 11). At the same time, a stronger Ringgit against the USD will help reduce foreign-denominated expenditures and improve airlines' financial flexibility, potentially encouraging additional investment and growth in the sector. These factors, combined with expanding airline capacity, could result in passenger traffic reaching the upper end of CAAM's forecast range.

Table 11 : Global Average Jet Fuel Price and Exchange Rate

	September 2025
Global Average Jet Fuel (USD/bbl)	88.4
MYR/USD	4.22

Source: International Air Transport Association, LSEG Workspace

While Malaysia's air passenger traffic is expected to grow steadily, several structural and operational challenges may constrain stronger growth:

- Supply chain disruptions and aircraft delivery delays:** Supply chain disruptions continue to affect the aviation industry in 2025, impacting aircraft production, maintenance operations, and airline fleet expansion plans. IATA reports that severe supply chain issues are expected to persist into 2025, raising operational costs and limiting growth for airlines.
- Operational challenges:** As the demand is expected to grow robustly, airlines may encounter constraints such as fleet limitations or staffing shortages. These challenges could restrict capacity expansion and limit passenger traffic growth.
- Geopolitical tensions and conflicts:** The closure of airspace and rerouting of flights due to regional conflicts increase travel time and costs, prompting potential passengers to reconsider or postpone travel plans, thereby constraining demand growth.

US–China Trade Tensions May Raise Costs and Dampen Travel Demand

The imposition of steep tariffs—145% by the US on Chinese imports and 125% by China on US goods¹⁶—is expected to increase costs for airlines and passengers. Long-haul flights between the two countries are likely to become more expensive, dampening demand from both business and leisure travellers. This global uncertainty may indirectly affect Malaysia's aviation sector by influencing travel demand and economic confidence.

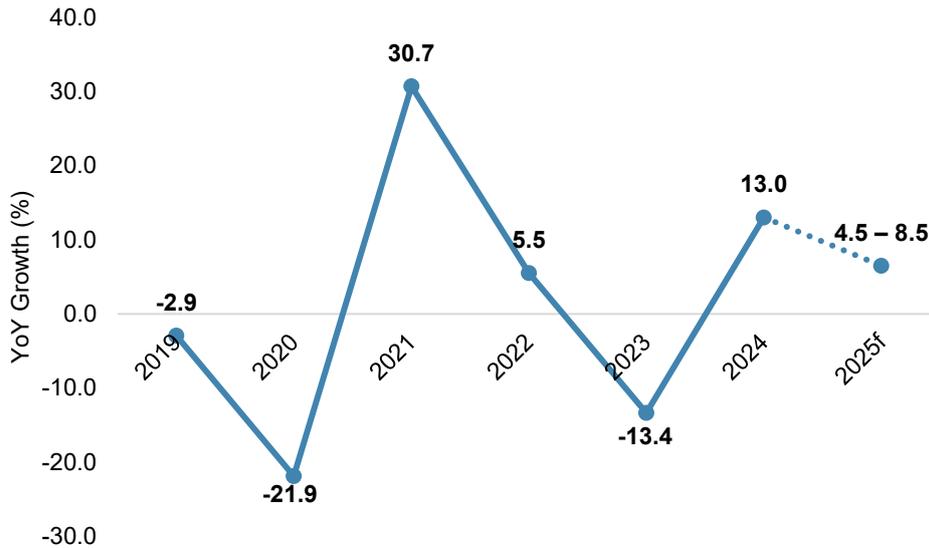
However, the ongoing trade tensions have created new opportunities for Malaysia's aviation industry. Following China's decision to halt purchases of Boeing aircraft in response to the trade dispute, delivery slots for Boeing 737 MAX jets have become available. Malaysia Aviation Group (MAG) is in discussions with Boeing to acquire these vacated slots, potentially accelerating its fleet expansion plans.

¹⁶ As of April 2025.

CAAM Maintains Air Cargo Forecast

CAAM maintains 2025 air cargo traffic forecast at 4.5% to 8.5% YoY growth (see Figure 18), as initially announced by the Minister of Transport on 15 January 2025. Growth is expected to lean towards the lower end of the range, around 4.5%, supported by front-loading activity, sustained e-commerce demand, and trade diversion.

Figure 18: Malaysia’s Air Cargo Traffic Forecast



f Forecast

Note: This forecast is based on FTK data.

Source: Civil Aviation Authority of Malaysia

However, these factors could be offset by a broader regional economic slowdown resulting from trade tensions. While semiconductors currently remain exempt from reciprocal tariffs, the possibility of sector-specific tariffs presents a risk that could further dampen air cargo demand.

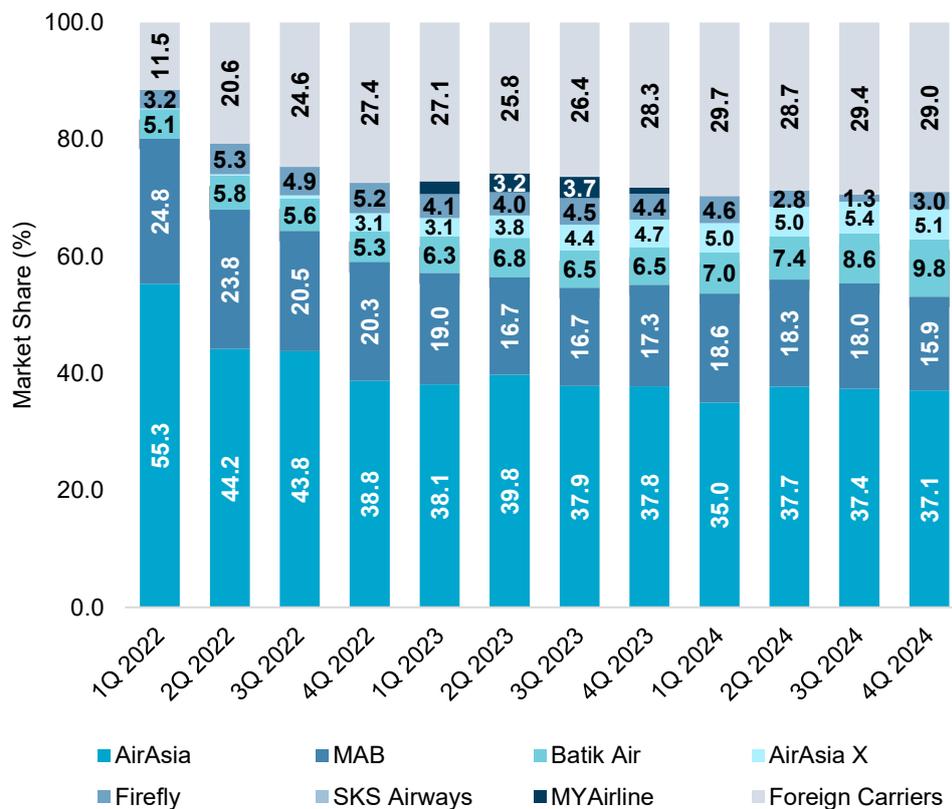
SECTION 3: INDUSTRY STRUCTURE AND PERFORMANCE

Scheduled Passenger Services

AirAsia Maintains Largest Market Share Despite Slight Dip in 2024

AirAsia remained the largest holder of Malaysia’s passenger market share in 2024, accounting for 36.8% market share. MAB followed with 17.7%, Batik Air with 8.3%, AirAsia X with 5.2%, and Firefly with 2.9% (see Figure 19).

Figure 19: Malaysia’s Passenger Market Share by Airlines

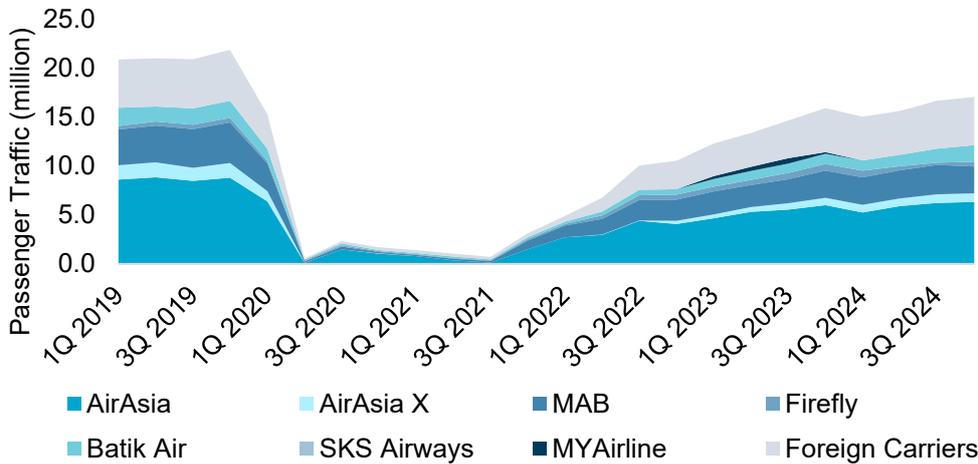


Source: Civil Aviation Authority of Malaysia, AirportIS

Despite retaining the largest market share, AirAsia’s share declined from 39.3% in 2023 to 36.8% in 2024. Both MAB and Firefly also experienced reductions in market share, with MAB decreasing from 17.8% to 17.7% and Firefly falling from 4.4% to 2.9% over the same period. In contrast, AirAsia X and Batik Air recorded growth in their market shares. AirAsia X increased its share from 4.1% in 2023 to 5.2% in 2024, while Batik Air’s share rose from 6.7% to 8.3%. Overall, Malaysian carriers accounted for 70.8% of the passenger market share in 2024, a slight decrease from 72.4% in 2023, while foreign carriers increased their share from 27.6% to 29.2% in 2024.

Figure 20 shows that the airline industry experienced steady growth in passenger traffic throughout 2024. Most carriers recorded a gradual increase in market share, indicating continued recovery toward pre-pandemic levels.

Figure 20: Malaysia’s Quarterly Passenger Traffic by Airlines

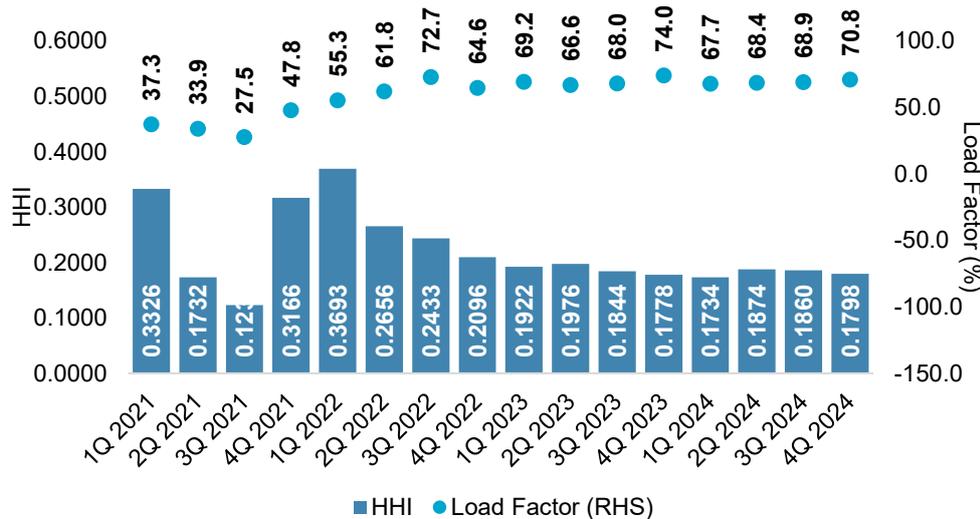


Source: Civil Aviation Authority of Malaysia, AirportIS

Increased Competition, Minimal Change in Load Factors

In 2024, the average load factor marginally declined from 69.5% in 2023 to 69.0%. At the same time, the Herfindahl-Hirschman Index (HHI) declined from 0.1870 to 0.1813, reflecting increased market competition. This was driven by a growing number of market participants and the introduction of new routes. Throughout the year, the average load factor was the highest in 4Q 2024 (see Figure 21).

Figure 21: Market Concentration Level and Load Factor



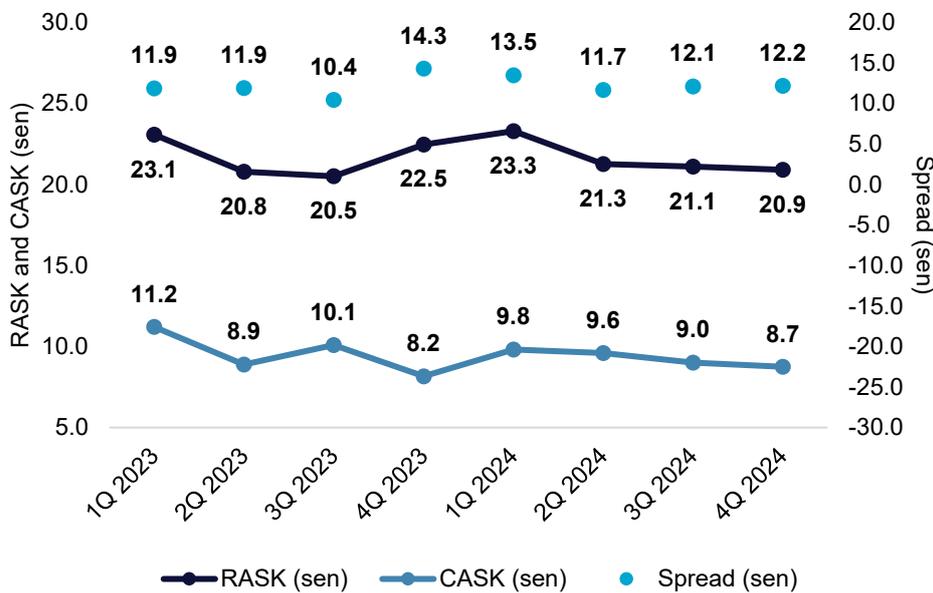
Source: Civil Aviation Authority of Malaysia, AirportIS

Airlines' RASK-CASK Spread Stays Robust Amid Demand and Cost Stability

The industry RASK-CASK spread has improved in 2024 with an average quarterly spread of 12.3 sen (see Figure 22). Revenue per available seat kilometre (RASK) declined slightly to 20.9 sen in 4Q 2024 from 22.5 sen in 4Q 2023, while cost per available seat kilometre (CASK) increased from 8.2 sen to 8.7 sen over the same period.

The latest RASK-CASK spread for Malaysian carriers indicates a cautiously optimistic profitability outlook for 2025, in line with global industry trends, where airlines are experiencing improved financial performance driven by strong travel demand and stabilising operational costs.

Figure 22: Malaysian Carriers' RASK and CASK Trends

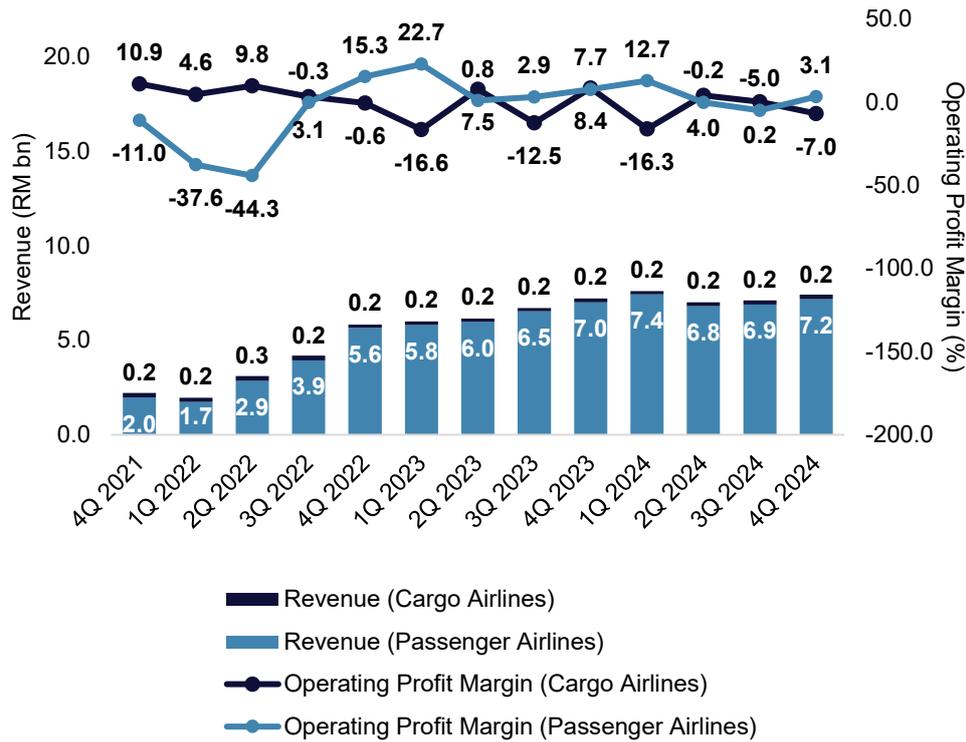


Source: Civil Aviation Authority of Malaysia, Air Service Licence Holders

Airlines Revenue Increased by 11.9% YoY in 2024

In 2024, Malaysia’s ASL Holders generated RM29.1 billion in revenue, growing by 11.9% YoY compared to RM26.0 billion recorded in 2023. In 4Q 2024, the passenger airline segment has produced a positive operating profit margin of 3.1%, better than the cargo segment which recorded a -7.0% operating profit margin (see Figure 23).

Figure 23: Malaysian Carriers’ Revenue and Operating Profit Margin



Source: Civil Aviation Authority of Malaysia, Air Service Licence Holders

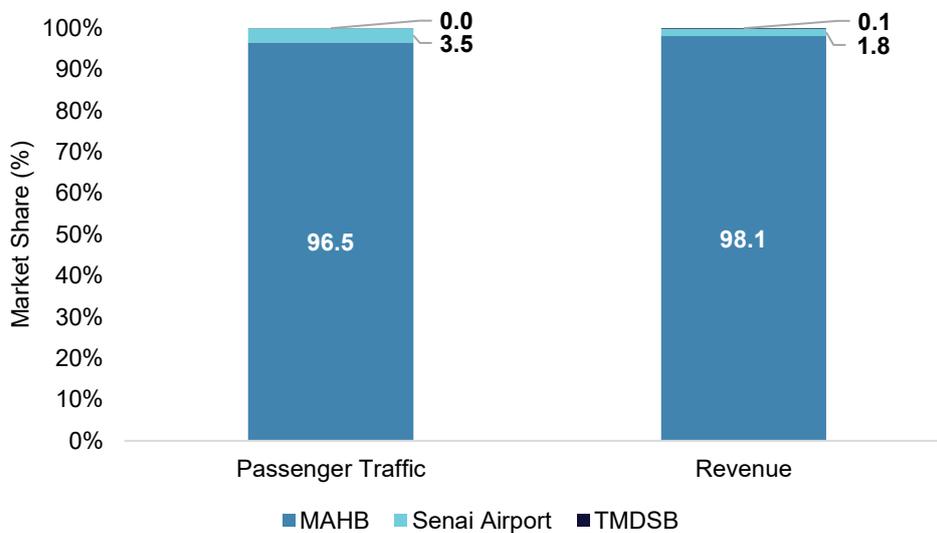
Aerodrome Operations Segment

MAHB Handles 96.5% of Passenger Traffic in Malaysia

Malaysia Airports Holdings Berhad (MAHB) continued to dominate the aerodrome operator segment in 2024, handling 96.5% of total passenger traffic (2023: 96.4%) and contributing to 98.1% of total revenue (see Figure 24). Senai Airport Terminal Services Sdn. Bhd. (SATSSB), the operator of Senai International Airport, handled 3.5% of passenger traffic (2023: 3.6%) and contributed 1.8% to total revenue (2023: 1.3%). The market remained highly concentrated as reflected in an HHI of 0.9330 in 2024 (2023: 0.9310).

In early 2025, MAHB underwent a significant strategic transformation through its privatisation by the Gateway Development Alliance, a consortium led by Khazanah Nasional and including the Employees Provident Fund, Abu Dhabi Investment Authority, and Global Infrastructure Partners (GIP). This move culminated in MAHB’s delisting from Bursa Malaysia after 25 years, with the consortium securing a 95.1% stake, valuing the company at RM18.4 billion. The privatisation is expected to provide MAHB with enhanced financial flexibility and strategic direction, enabling focused investments in infrastructure and service improvements across its airport network.

Figure 24: Market Shares of the Aerodrome Operations Segment by Passenger Traffic and Revenue (2024)



Note: Figure is zero due to rounding.

Source: Civil Aviation Authority of Malaysia, Aerodrome Operator Licence Holders

Following the strategic ownership change, processes are being optimised. At the same time, key infrastructure investments are underway to support long-term growth. At Kota Kinabalu International Airport (KKIA), a RM442.3 million self-funded expansion aims to increase annual passenger capacity from 9.0 million to 12.0 million by 2028. The project includes terminal expansion, a new multi-storey car park, additional aircraft parking bays, and road improvements, positioning KKIA to better support Sabah’s tourism and economic growth.

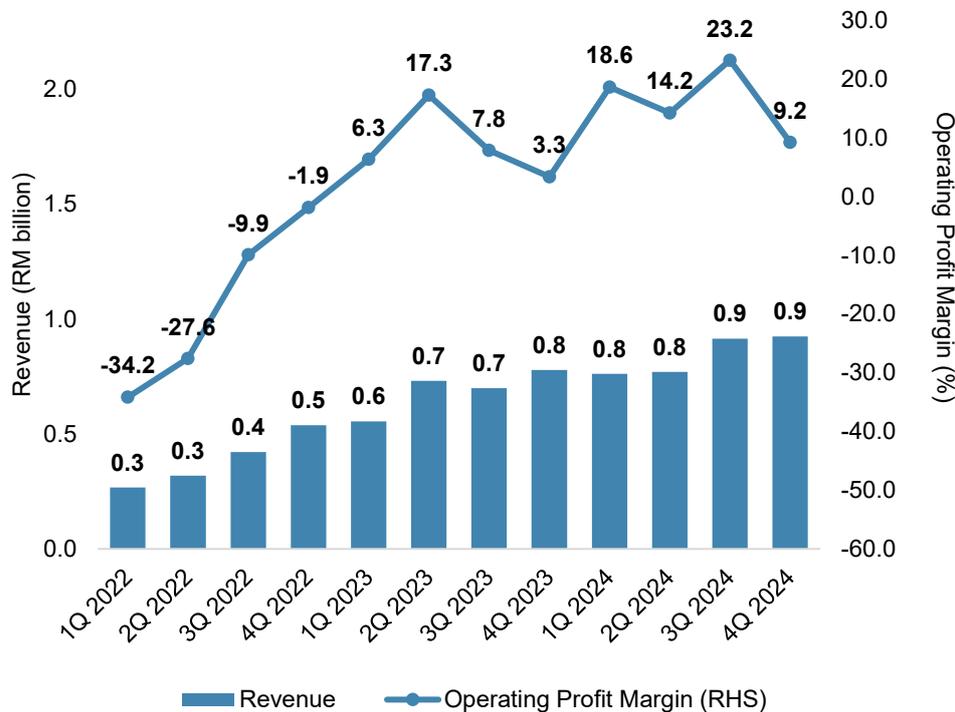
Penang International Airport (PEN) is undergoing a RM1.5 billion expansion to double its capacity to 12.0 million passengers annually by 2028. The project encompasses terminal upgrades, apron enhancements, and the addition of new infrastructure, including the first Mitsui outlet mall outside the Klang Valley. This expansion is set to solidify PIA’s position as Malaysia’s second-largest airport and bolster its role in regional connectivity.

Tawau Airport is also planned to be expanded from 15,800 to 23,500 square meters, increase check-in counters from 12 to 20, and fully air-condition the facility. The project, expected to complete by 2028, will boost the airport’s annual capacity from 1.5 million to 2.5 million passengers, addressing current congestion issues due to rising tourist arrivals, particularly from China.

Airports Revenue Increased by 21.9% YoY Driven by Traffic Recovery

Revenue for aerodrome operators rose to RM3.4 billion in 2024, a 21.9% YoY increase from RM2.8 billion in 2023 (see Figure 25). This growth was supported by the continued recovery in passenger traffic and aircraft movements, improved rates, along with the introduction of new international airlines operating in Malaysia. The operating profit margin for the aerodrome operations segment increased to 16.3%, up from 8.8% recorded in the previous year.

Figure 25: Revenue and Operating Profit Margin of AOL Holders



Source: CAAM, Aerodrome Operator Licence Holders

Non-Scheduled Services Segment

In 2024, 13 Air Service Permit (ASP) Holders operated in the non-scheduled services segment. Nine operated in the on-demand charter sub-segment, while four holders operated in the oil & gas sub-segment (see Table 12). The list of ASP holders is provided in Appendix B.

Table 12: Summary of Non-Scheduled Services' Market Structure (2024)

Sub-segment	No. of Permit Holders	HHI	Revenue (RM million)	Operating Profit Margin (%)
Oil & Gas	4	0.4756	627.5	3.7
On-demand Charter	9	0.3195	699.3	16.4
TOTAL	13		1,326.7	

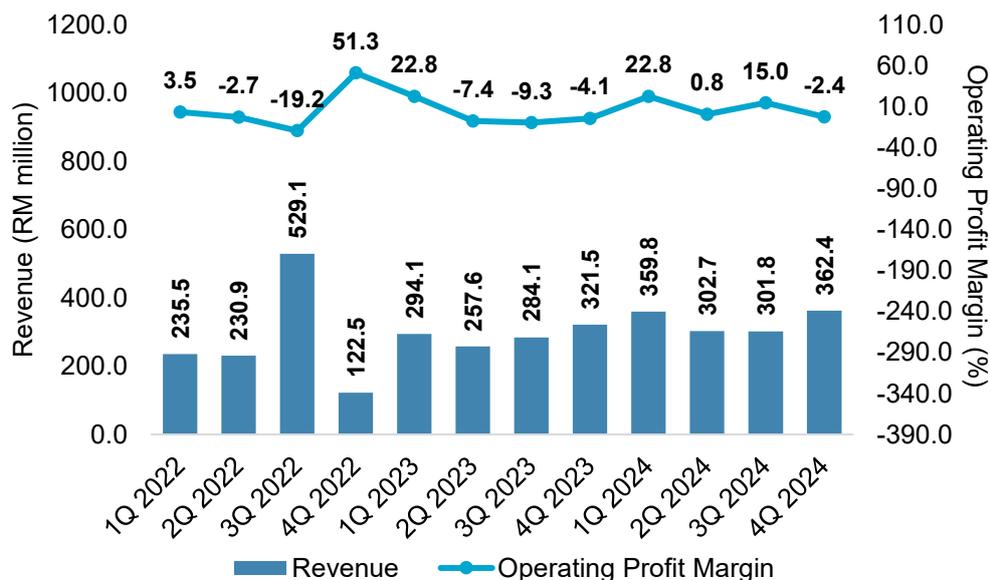
Source: Civil Aviation Authority of Malaysia, Air Service Permit Holders

The oil & gas segment was relatively more concentrated, with only four permit holders and an HHI of 0.4756¹⁷, indicating a less competitive market dominated by a few key players. In contrast, the on-demand charter segment was more fragmented, comprising nine permit holders and a lower HHI of 0.3195, suggesting a more competitive environment.

Revenue for ASP Holders Increased by 14.6% YoY in 2024

Total cumulative revenue generated by ASP holders reached RM1,326.7 million in 2024, representing a 14.6% YoY increase from RM1,157.4 million recorded in 2023. The segment's operating profit margin improved significantly to 9.0%, up from 1.0% the previous year (see Figure 26).

Figure 26: Revenue and Operating Profit Margin of ASP Holders

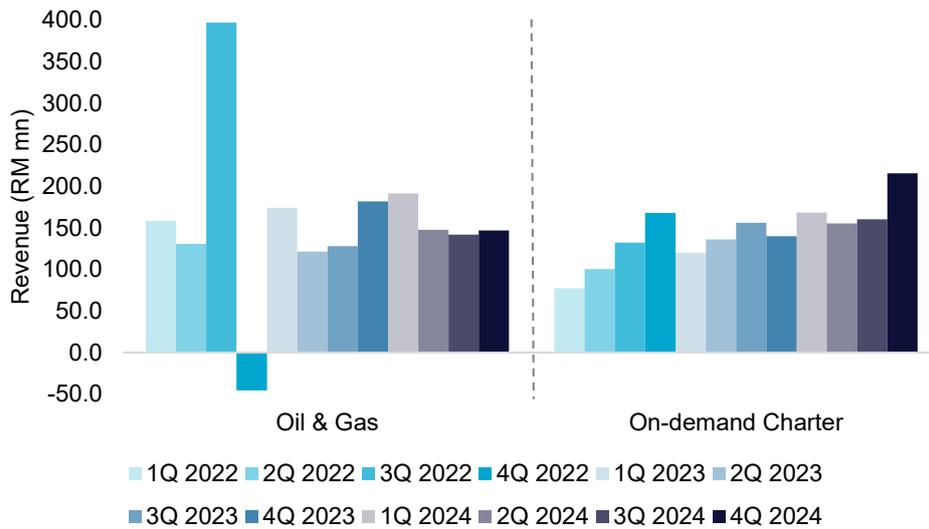


Source: Civil Aviation Authority of Malaysia, Air Service Permit holders

¹⁷ An HHI index above 0.25 generally indicates high concentration in the market.

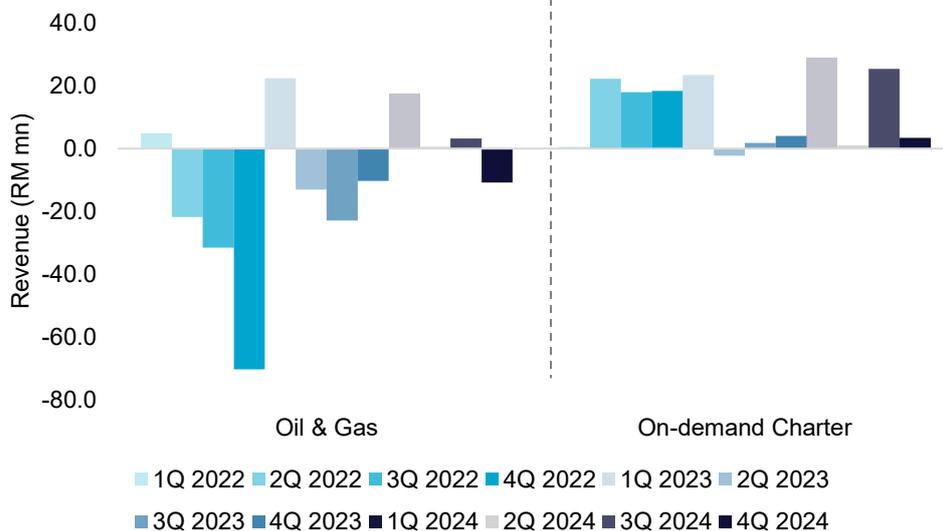
Both sub-segments contributed relatively evenly to total revenue, with the on-demand charter segment generated RM699.3 million (53.0%), while the oil & gas segment contributed RM627.5 million (47.0%). Despite similar revenue shares, the on-demand charter sub-segment remained more competitive and profitable. Quarterly financial performance for each sub-segment is illustrated in Figures 27 and 28.

Figure 27: Revenue of ASP Holders by Sub-Segment



Source: Civil Aviation Authority of Malaysia, Air Service Permit Holders

Figure 28: Operating Profit Margin of ASP Holders by Sub-Segment



Source: Civil Aviation Authority of Malaysia, Air Service Permit Holders

Ground Handling Services Segment

In 2024, 27 Ground Handling Licence (GHL) holders operated across three sub-segments: catering, general ground handling, and refuelling. Among these, refuelling was the most concentrated market, with an HHI of 0.5531. The most competitive sub-segment was general ground handling, with a HHI of 0.2373 (see Table 13).

Table 13: Market Structure of the GHL Segment (2024)

Sub-segment	No. of Licence Holders	HHI	Revenue (RM million)	Operating Profit Margin (%)
Catering	2	0.5531	314.9	6.9
General Ground Handling	18	0.2373	4,558.1	3.1
Refuelling*	6	0.4406	22.1	10.9
TOTAL	26		4,892.2	

* The calculation of the refuelling sub-segment in this section excludes Petronas, Petron, Shell, and Shell Timur.

Note: Revenue figures exclude Malindo Airways Sdn. Bhd., Layang Layang Aerospace Sdn. Bhd., Senai Airport Terminal Services Sdn. Bhd., Raya Airways Sdn. Bhd., M Jets Air Sdn. Bhd., Sabah Air Aviation Sdn. Bhd., and Hornbill Skyways Sdn. Bhd., as they do not report ground handling revenue separately.

Source: Civil Aviation Authority of Malaysia, Ground Handling Licence Holders

Profitability varied across the sub-segments. The Refuelling sub-segment, despite its smaller size, recorded the highest operating profit margin at 10.9%, followed by Catering at 6.9%. General Ground Handling, the largest sub-segment by revenue, recorded the lowest margin at 3.1%, likely due to more competitive landscape and higher operating costs. Table 14 lists three types of services within the general ground handling sub-segment.

Table 14: Types of General Ground Handling Services

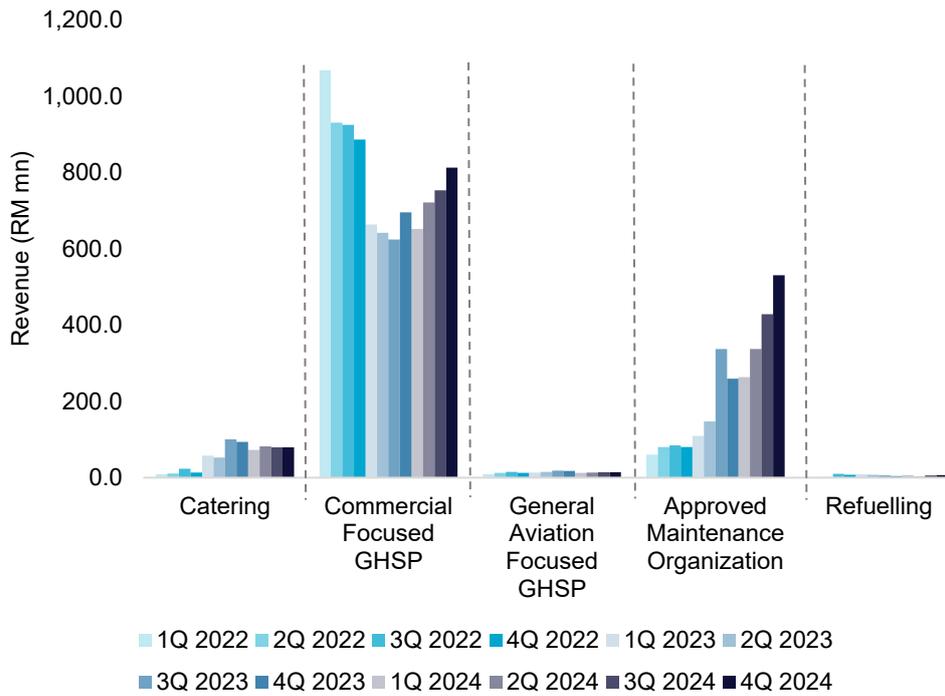
No.	Ground Handling Services
1	Commercial Focused
2	General Aviation Focused
3	Approved Maintenance Organization

Source: Civil Aviation Authority of Malaysia

Revenue of GHL holders rose by 26.3% YoY in 2024

In 2Q 2024, the revenue of GHL holders rose by 26.3% YoY to RM4,892.2 million (2023: RM3,874.7 million) (see Figure 29). In 2024, the general ground handling sub-segment recorded the highest revenue growth of 28.5% YoY, reaching RM4,553.6 million.

Figure 29: Revenue by Ground Handling Sub-Segments

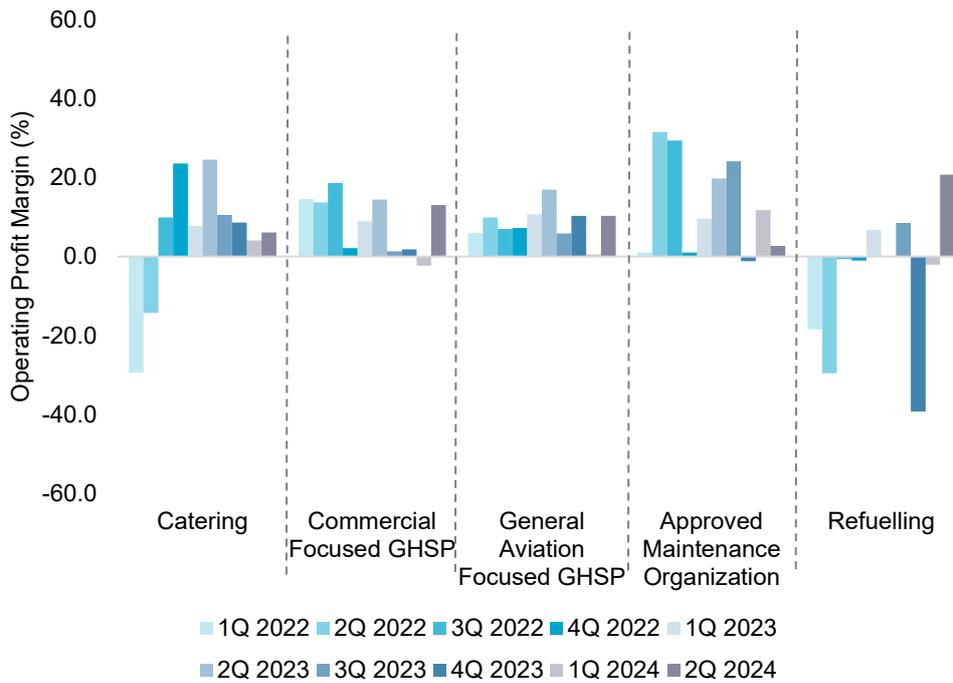


Source: Civil Aviation Authority of Malaysia, Ground Handling Licence Holders

All GHL Sub-Segments Recorded Positive Operating Profit in 2024

All sub-segments reported positive operating profit margins in 2024. The refuelling sub-segment recorded the highest margin at 10.9%, followed by catering at 6.9%, and general ground handling at 3.1%. Figure 30 shows the quarterly operating profit margin for each sub-segment.

Figure 30: Operating Profit Margin by Ground Handling Sub-Segments



Source: Civil Aviation Authority of Malaysia, Ground Handling Licence Holders

SECTION 4: DECARBONISING MALAYSIA’S AVIATION SECTOR

Introduction

The aviation industry plays a vital role in global connectivity and economic growth by facilitating the movement of people and goods. However, rising air traffic has led to increasing carbon dioxide (CO₂) emissions, raising environmental concerns.

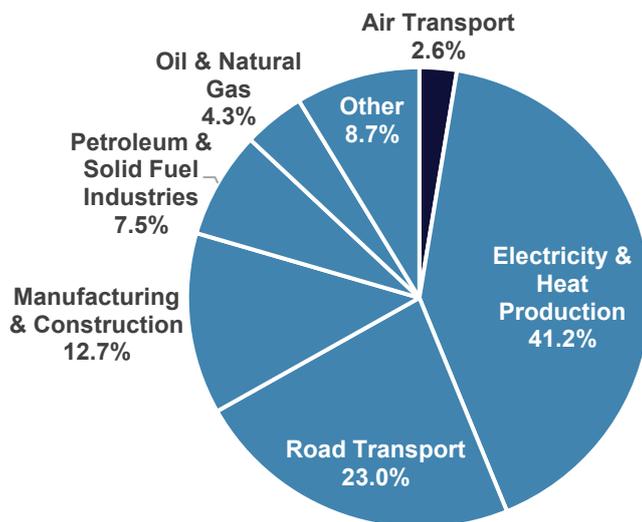
This section examines CO₂ emissions from Malaysia’s aviation sector, identifying key contributors and primary emission sources. It also highlights government initiatives to reduce emissions and explores how Sustainable Aviation Fuel (SAF) and related policies can support the transition to more sustainable air travel.

Overview of Malaysia’s Air Transport CO₂ Emissions

Air Transport Accounts for 2.6% of Emissions

Malaysia’s air transport sector contributes 2.6% of the country’s total CO₂ emissions, a relatively small share (see Figure 31). Electricity and heat production account for 41.2% of emissions, making it the largest source, followed by road transport at 23.0%. Manufacturing and construction contribute 12.7%. Aviation emissions in Malaysia align with global estimates, where the sector represents approximately 2.5% of total CO₂ emissions.¹⁸

Figure 31: Malaysia’s Air Transport Contribution to CO₂ Emissions vs Other Sectors



Note: Figures are based on the latest available data.

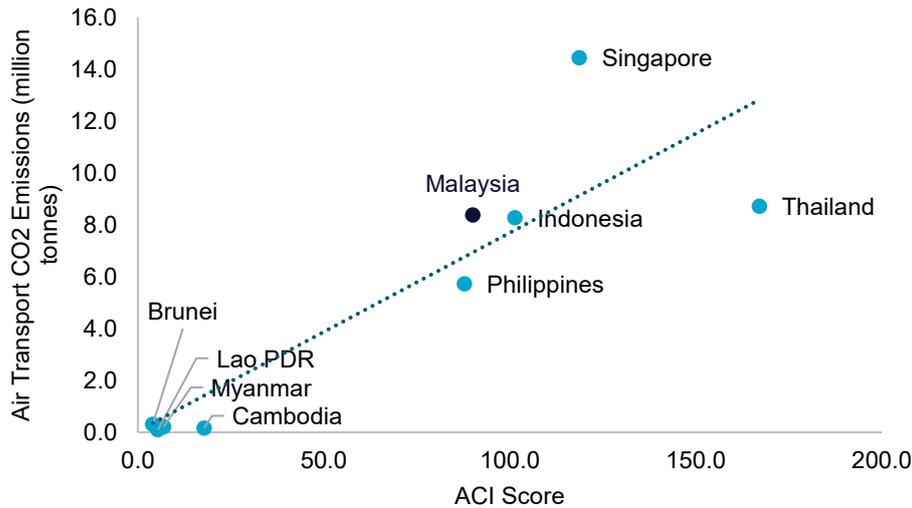
Source: Civil Aviation Authority of Malaysia estimates, Organisation for Economic Co-operation and Development, Emissions Database for Global Atmospheric Research

¹⁸ Our World in Data, <https://ourworldindata.org/global-aviation-emissions> (8 April 2024).

Air Connectivity Growth Correlates with Rising Emissions

Figure 32 illustrates a positive relationship between air connectivity and air transport CO₂ emissions among selected ASEAN countries. Increased air connectivity corresponds with higher emissions. Efforts to enhance air connectivity must be balanced with measures to mitigate the resulting increase in emissions.

Figure 32: Malaysia’s Air Transport CO₂ Emissions

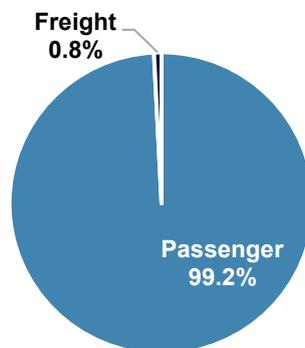


Note: Data follow the SEEA (System of Environmental-Economic Accounting) residence principle, covering emissions from resident airlines’ domestic and international flights, but excluding non-resident airlines. Source: Civil Aviation Authority of Malaysia, Organisation for Economic Co-operation and Development

Passenger Flights Dominate Malaysia’s Aviation Emissions

In 2024, passenger flights accounted for 99.2% of Malaysia’s air transport CO₂ emission, while dedicated freight flights contributed only 0.8% (see Figure 33). This reflects the dominance of passenger travel, where cargo is often carried alongside passengers rather than on separate freight flights.

Figure 33: Contribution of Passenger vs. Freight Flights to Malaysia's Air Transport CO₂ Emissions

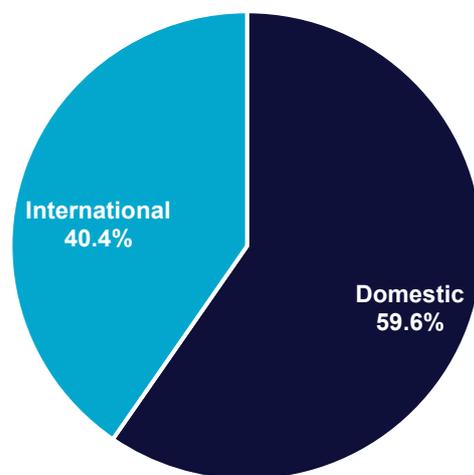


Note: Data follow the SEEA (System of Environmental-Economic Accounting) residence principle, covering emissions from resident airlines’ domestic and international flights, but excluding non-resident airlines. Source: Civil Aviation Authority of Malaysia, Organisation for Economic Co-operation and Development

Domestic Routes Account for Majority of Aviation Emissions

In 2024, domestic flights accounted for 59.6% of Malaysia’s aviation CO₂ emissions, while international flights contributed 40.4% (see Figure 34). This figure, however, excludes emissions from foreign-operated international flights. The high share of domestic emissions reflects the frequency of short-haul routes, which are less fuel-efficient per kilometer than long-haul flights. Air travel is vital for connectivity, particularly between the Peninsular and Sabah and Sarawak.

Figure 34: Contribution of Domestic vs. International Flights to Malaysia's Air Transport CO₂ Emissions



Note: Data are based on the SEEA residence principle and include emissions from domestic and international flights operated by resident airlines, while excluding emissions from non-resident airlines. Source: Civil Aviation Authority of Malaysia, Organisation for Economic Co-operation and Development

Malaysia’s Plan for Net-Zero Aviation

Malaysia Aviation Decarbonisation Blueprint Sets Direction for Aviation Sector

In 2024, the government launched the Malaysia Aviation Decarbonisation Blueprint (MADB)¹⁹ to achieve net-zero aviation emissions by 2050. The MADB provides a strategic framework for decarbonising the aviation sector, supporting Malaysia’s national commitments under the Paris Agreement and aligning with the International Civil Aviation Organization (ICAO) guidelines.

The blueprint outlines four key strategies: aircraft technologies, operational improvements, SAF, and market-based measures. The blueprint sets specific decarbonisation targets by 2050: up to 18% emissions reduction from aircraft technology, 5% from operational improvements, 46% from SAF adoption, 31% from carbon offsetting and market-based measures. Airlines are at the forefront of these efforts, as over 90% of aviation emissions are generated during flight operations.

¹⁹ MOT, <https://www.mot.gov.my/en/Pages/Aviation/MADBlueprint%20BI%20FA.pdf> (4 September 2024).

The plan divides actions into three main groups: airline measures, air traffic management, and airport measures. Key initiatives include integrating SAF into the fuel supply chain, investing in airport infrastructure for next-generation fuels, transitioning to electric ground vehicles, and improving energy efficiency in airport operations. The blueprint also emphasises aviation waste management and regular updates of environmental management plans to reflect evolving requirements.

Implementation of the MADB involves multi-sector cooperation, with several ministries and agencies coordinating policies and initiatives. The Ministry of Plantation and Commodities (MPC) will lead the national SAF blending mandate, while the Ministry of Natural Resources and Environmental Sustainability (NRES) will develop the National Carbon Market Policy. A steering committee chaired by the Ministry of Transport (MOT) will monitor progress, supported by the CAAM's State Action Plan.

The MADB align with a broader national strategy to cut carbon emissions. The National Energy Transition Roadmap (NETR), launched in 2023, outlines Malaysia's energy transition framework through 2050, focusing on renewable energy, hydrogen, bioenergy, green mobility, energy efficiency, and carbon capture, utilisation, and storage (CCUS). SAF adoption is a key strategy under the NETR's green mobility initiatives, with a blending mandate targeting up to 47% SAF use by 2050. In January 2025, Malaysia introduced the Malaysian Green Skies Initiative and Action Plan as an updated State Action Plan on CO₂ reduction, aligning with ICAO's sustainable vision and Malaysia's 2050 emissions reduction goals.

Malaysia is investing in domestic SAF production capacity in alignment with the MADB and NETR. In July 2024, Petronas and its partners Enilive and Euglena made a final investment decision to build a major biorefinery at the Pengerang Integrated Complex in Johor. The facility is scheduled to begin operations in the second half of 2028 and will process up to 650,000 tonnes of raw materials annually to produce SAF and other biofuels. This project is designed to support decarbonisation efforts in Malaysia and the broader region.

Malaysia Prioritises SAF to Achieve Aviation Net-Zero

SAF is identified as the most effective and scalable solution for long-term emissions reduction. According to the NETR, SAF could contribute up to 71% of the sector's emissions reduction by 2050. The ICAO also recognises SAF as a critical factor in achieving its Long-Term Aspirational Goal (LTAG) of net-zero emissions by 2050.

To accelerate SAF adoption, the MADB outlines key measures, including a national SAF policy, investment incentives to reduce production costs, and regulatory frameworks for seamless integration into the aviation fuel supply chain. Additional initiatives focus on improving aircraft efficiency through new technologies and retrofits, optimising air traffic management, and implementing market-based mechanisms such as carbon credits, national carbon markets, and the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). Given the scale of emissions reduction required and the projected increase in air travel, these measures alone are insufficient to achieve net-zero emissions, making SAF a cornerstone of Malaysia's aviation decarbonisation strategy.

The MADB also addresses SAF production and supply, emphasising economies of scale and technological advancements to reduce costs and enable widespread adoption. To support this transition, the MPC is tasked with developing a national SAF blending mandate.

These national efforts are complemented by state-level initiatives, with a state government such as Sarawak playing a role in advancing Malaysia's SAF ambitions. In 2024 and 2025, the state government implemented several initiatives to expand low-carbon and sustainable fuel production. These initiatives include the development of the Sarawak Methanol Complex and the construction of a Green Methanol Plant. The state is conducting research into SAF production from biomass and microalgae to support decarbonisation in both domestic and international aviation.^{20, 21}

In May 2024, the state government, in partnership with Marubeni Corporation and InvestSarawak, initiated a feasibility study to produce SAF from local biomass resources.²² Sarawak has established strategic collaborations with Airbus to advance its aerospace industry, with a focus on SAF research and human capital development.²³ The Sarawak Net Zero and Carbon Plan support these efforts, with RM11 million allocated in the 2025 state budget to accelerate progress toward net-zero and greenhouse gas reduction targets.²⁴

²⁰ Office of the Premier of Sarawak, https://premier.sarawak.gov.my/web/subpage/news_view/5428 (11 May 2023).

²¹ MIDA, <https://www.mida.gov.my/mida-news/sarawak-sets-sights-on-green-methanol/> (20 Jan 2025)

²² Marubeni Corporation, <https://www.marubeni.com/en/news/2024/info/00027.html> (15 May 2025).

²³ Office of the Premier of Sarawak, https://premierdept.sarawak.gov.my/web/subpage/news_view/17429/UKAS/ (6 May 2025).

²⁴ Office of the Premier of Sarawak, <https://premier.sarawak.gov.my/web/attachment/show/?docid=US9FYjBrbjhCYTRQYUREd0NLTG5CUT09Ojp3VWiDhGH8kNcrpl0xhcqm> (11 November 2024).

SAF Offers Practical, Immediate Emissions Reductions for Aviation

SAF is a low-carbon alternative to conventional jet fuel, derived from renewable feedstocks such as used cooking oil, agricultural residues, and organic waste. SAF is compatible with existing aircraft and airport infrastructure, enabling airlines to reduce emissions without major modifications. This makes SAF the most readily available mitigation option for decarbonising air transport in the short to medium term.

Electric and hydrogen-powered aircraft show promise for long-term decarbonisation but currently face significant challenges. Electric aircraft are limited by battery capacity and suitable only for short-haul flights, while hydrogen-powered aircraft require major infrastructure changes and are not expected to be commercially viable before 2035.²⁵

SAF can reduce greenhouse gas emissions by up to 80%²⁶, compared to conventional jet fuel, depending on the feedstock and production process. This reduction is critical for achieving aviation's goal of a 50% net CO₂ reduction by 2050. SAF is currently certified for blending with conventional jet fuel up to 50% percent, with ongoing research targeting 100% SAF use in the future.

Beyond reducing carbon emissions, SAF improves air quality by emitting fewer sulphur and aromatic compounds. This results in cleaner combustion and reduces particulate emissions, strengthening the case for scaled SAF production.

SAF Price Premium Poses Cost Challenges

SAF is significantly more expensive than conventional jet fuel, with prices ranging from two to five times higher per unit, depending on production methods and feedstocks.²⁷ Limited production scale and complex manufacturing processes drive this cost disparity. For instance, SAF derived from municipal solid waste is more affordable than SAF produced through direct air capture of CO₂.²⁸

Higher SAF costs may result in increased airfares as airlines pass expenses on to passengers. Box 1 provides an estimate of the potential impact of SAF adoption on airfares. To mitigate these costs, some airlines offer “green ticket” options, allowing passengers to voluntarily pay a premium. Currently, Malaysia Airlines offers passengers a voluntary option to contribute to carbon offset and SAF initiatives while AirAsia may have plans to impose a mandatory carbon fee that funds SAF and other sustainability programs.

²⁵ WEF, <https://www.weforum.org/stories/2022/07/how-to-achieve-net-zero-in-aviation/> (25 July 2022).

²⁶ IATA, <https://www.iata.org/en/iata-repository/pressroom/fact-sheets/fact-sheet-sustainable-aviation-fuels/> (December 2024).

²⁷ IATA, <https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport-december-2024/> (17 April 2024).

²⁸ ICAO, https://www.icao.int/environmental-protection/Pages/SAF_RULESOFTHUMB.aspx.

Box 1: Potential Airfare Impact of SAF Adoption

To illustrate the potential impact of SAF adoption on airfares, a scenario involving a short-haul flight from KUL to SIN is simulated using the following assumptions:

- Flight duration: 1 hour
- Aircraft type: Airbus A320 (commonly used on this route)
- Fuel consumption: Approximately 9,540 kg (estimated using the Travel Impact Model (TIM)²⁹)

Since one barrel (bbl) of jet fuel weighs about 210 kg, the total fuel required for this flight is approximately:

$$\frac{9,540 \text{ kg}}{210 \text{ kg/bbl}} = 45.42 \text{ bbl per flight}$$

Assuming a 1% SAF blend, the amount of SAF used would be:

$$0.01 \times 45.42 \text{ bbl} = 0.4543 \text{ bbl}$$

Currently, SAF is estimated to be up to five times more expensive than conventional jet fuel. If conventional jet fuel costs USD100/bbl, SAF would cost USD500/bbl, resulting in a cost difference of:

$$\text{USD}500 - \text{USD}100 = \text{USD}400/\text{bbl}$$

Applying this to the 0.4543 bbl of SAF used, the additional operating cost per flight is:

$$0.4543 \text{ bbl} \times \text{USD}400/\text{bbl} = \text{USD}181.71$$

This results in an increase of USD181.71 per flight. Assuming the airline fully passes this cost to passengers and operates at an 80% load factor on a 180-seat Airbus A320, the cost per passenger is:

$$\frac{\text{USD}181.71}{180 \times 0.8} = \text{USD}1.26$$

or approximately USD1.26 (RM5.58) per passenger.

²⁹ TIM is an open-source tool developed by Google to estimate greenhouse gas emissions from individual flights, providing travelers and policymakers with standardised, continuously updated data to inform sustainable travel decisions, though its accuracy depends on the quality and availability of external datasets.

Using the same approach, the estimated cost increase per passenger for other routes, such as KUL–DXB and KUL–LHR, is shown in Table 15 below:

Table 15: Potential Airfare Impact by Route

Route	Flight Duration	Fuel consumption (kg)	SAF Volume (bbl)	Cost Increase Per Passenger
KUL–SIN	1 hour	9,540	0.45	RM5.58
KUL–DXB	7 hours	133, 560	6.36	RM39.13
KUL–LHR	14 hours	175,604	8.36	RM64.62

Note: Estimates for KUL–DXB are based on a Boeing 777, and for KUL–LHR on an Airbus A350. Source: Civil Aviation Authority of Malaysia estimates

This simulation provides an illustrative estimate of the potential cost impact of SAF adoption on airfares. The estimate is subject to caveats, including variations in fuel consumption, aircraft type, weather conditions, and flight routing. The SAF cost premium is assumed to be five times that of conventional jet fuel, but this can vary depending on feedstock, production method, and subsidies. The assumed 1% SAF blend is hypothetical and may differ based on future regulations and supply availability. Load factors, the proportion of fuel in operating costs, and pricing strategies also affect the final cost per passenger. Currency fluctuations, regulatory changes, and future cost reductions from technological advancements or government incentives could also affect these estimates.

Challenges for SAF Adoption in Malaysia

Malaysia has set an ambitious strategy for SAF adoption, but its success depends on overcoming key challenges:

- **High production costs and limited supply:** The limited availability and high cost of sustainable feedstocks, combined with the early stage of SAF production infrastructure, constrain supply and hinder economies of scale.
- **Feedstock availability and competing uses:** Malaysia has access to potential SAF feedstocks such as used cooking oil and agricultural waste. However, these resources are also in demand for other biofuel applications, including biodiesel for land transport.³⁰ Securing a sustainable and sufficient feedstock supply without creating competition with other industries is essential for the long-term viability of SAF production.

³⁰ Palm Oil Analytics, <https://www.palmoilanalytics.com/used-cooking-oil-export-rises-displacing-biodiesel/>.

- **Cost pass-through and market impact:** Airlines may transfer the additional costs of SAF to passengers, resulting in higher ticket prices. In Malaysia's price-sensitive market, especially on domestic routes, balancing cost recovery with affordable air travel will be a significant challenge.
- **International coordination and competitive positioning:** Malaysia competes with regional hubs like Singapore, which has already implemented an SAF mandate supported by financial incentives. To remain competitive as an aviation hub and align with international standards, Malaysia must strengthen its SAF policy framework to balance sustainability goals with industry competitiveness.
- **Emission accounting and carbon credits:** A robust emissions tracking and crediting system is necessary to ensure transparency in SAF adoption. Malaysia must also align with international carbon markets, such as CORSIA, to integrate SAF into its emissions reduction strategy without creating unintended regulatory burdens.

Overcoming these challenges will be key to establishing a viable and sustainable SAF industry in Malaysia.

Policy Mechanisms for SAF Development

The successful adoption of Sustainable Aviation Fuel (SAF) depends on a combination of policy mechanisms designed to encourage production, reduce costs, and ensure widespread use in aviation. Governments worldwide implement different approaches based on their priorities, regulatory frameworks, and industry readiness. The key policy mechanisms for SAF development generally fall into four categories:

- **Blending mandates:** Fuel suppliers are required to include a minimum percentage of SAF in aviation fuel. This ensures demand certainty and encourages investment in SAF production. For example, the EU's ReFuelEU Aviation Regulation sets increasing SAF blending targets, starting at 2% in 2025 and reaching 70% by 2050.
- **Tax incentives and subsidies:** Financial support is offered to SAF producers and users to reduce production costs and narrow the price gap with conventional jet fuel. These incentives take the form of tax credits, grants, or reduced fuel taxes for SAF. For example, the US Inflation Reduction Act (IRA) provides tax credits for SAF producers, rewarding fuels with lower carbon intensity.
- **Carbon pricing and market-based measures:** Financial penalties are imposed on fossil fuel emissions through carbon taxes or cap-and-trade systems. This makes conventional jet fuel relatively more expensive and creates a competitive advantage for SAF. For example, under the EU Emissions Trading System (ETS), airlines must purchase carbon allowances, incentivising the shift to low-emission fuels like SAF.

-
- **Public-Private Partnerships and R&D support:** Governments collaborate with industry stakeholders to fund research, develop SAF production infrastructure, and establish supply chains. This reduces technological and financial barriers to scaling up SAF. For example, Singapore works with industry players to develop the SAF supply ecosystem, supported by government incentives.

These mechanisms provide different pathways for scaling SAF adoption. Some regions, such as the EU, rely on regulatory mandates, while others, like the US, favour market-driven incentives. Appendix A describes how other countries have implemented policies to advance SAF adoption in their respective markets.

Conclusion

Malaysia is committed to reducing aviation carbon emissions through initiatives such as the MADB and the Malaysian Green Skies Initiative. These efforts support global net-zero targets for 2050, with SAF as a key strategy. While challenges remain—including high costs, limited production capacity, feedstock competition, and the need for robust emissions accounting—Malaysia continues to advance its policies and industry collaboration to overcome these barriers. To achieve long-term climate goals, it will be important for Malaysia to continuously monitor progress, address emerging challenges, and maintain a strong focus on sustainability as air travel demand increases.

APPENDIX A: INTERNATIONAL APPROACHES TO ADVANCING SAF ADOPTION

The following summarises how Singapore, the EU, and the US have implemented these policies to advance SAF adoption in their respective markets.

Singapore

Singapore has introduced a SAF mandate as part of its national decarbonisation strategy. The country aims to achieve net-zero emissions for all flights by 2050. Beginning in 2026, all flights departing from Singapore must use at least 1% SAF. The mandate is expected to increase SAF usage by 3% to 5% by 2030, depending on global market conditions and SAF availability.

To provide cost certainty, Singapore will implement an SAF levy. The levy will be calculated based on SAF blending targets and projected fuel prices. An economy class ticket from Singapore to London is estimated to increase by SGD16 (RM53.23) in 2026 due to the SAF requirement. The levy will vary by flight distance and travel class. Economy class passengers may pay around SGD3 (RM9.98) for short-haul flights and SGD6 (RM19.96) for medium-haul flights.³¹

European Union

The EU has adopted the ReFuelEU Aviation Regulation to accelerate the use of SAF and align the aviation sector with the EU's climate targets. The regulation mandates a phased increase in SAF blending at EU airports, starting with a minimum of 2% in 2025, rising to 6% by 2030, 20% by 2035, 34% by 2040, and 70% by 2050. Of the 2050 target, 35% must be met with synthetic fuels produced through advanced processes to minimise carbon emissions.³²

To ensure compliance, the regulation imposes financial penalties on fuel suppliers that fail to meet blending requirements. These penalties are set at a minimum of twice the price difference between conventional fossil kerosene and SAF, and suppliers must compensate for any shortfall in subsequent reporting periods. The regulation replaces national SAF mandates, creating a strong disincentive for non-compliance.

United States

The US has set ambitious targets for SAF production as part of its aviation decarbonisation strategy. By 2030, the US aims to produce at least three billion gallons of SAF annually, with a long-term goal of 35 billion gallons by 2050, sufficient to meet all domestic aviation fuel demand. To qualify as SAF,

³¹ Civil Aviation Authority of Singapore (CAAS), <https://www.caas.gov.sg/who-we-are/newsroom/Detail/launch-of-singapore-sustainable-air-hub-blueprint> (19 February 2024).

³² CAPA, <https://centreforaviation.com/analysis/reports/eu-parliament-approves-sustainable-aviation-fuel-mandate-up-from-2-in-2025-to-70-in-2050-661409> (22 September 2023).

the fuel must achieve at least a 50% reduction in life cycle greenhouse gas emissions compared to conventional jet fuel.³³

The US government has introduced significant legislative incentives to support this transition. The IRA of 2022 provides tax credits for SAF producers, offering a base credit of USD1.25 per gallon for fuels meeting the 50% emissions reduction threshold, with additional incentives of up to USD1.75 per gallon for greater reductions.³⁴ From 2025, the Clean Fuel Production Credit (CFPC) will replace the SAF-specific incentives, introducing a new structure that rewards producers based on carbon intensity.

The US policy framework also includes mechanisms such as the Renewable Fuel Standard (RFS), which allows SAF to generate compliance credits without imposing mandatory blending requirements. The proposed Sustainable Skies Act seeks to further support SAF development through additional grants and incentives. To address barriers in the SAF supply chain, six key action areas have been identified: feedstock innovation, advancement of conversion technology, supply chain development, policy analysis, enabling end-use, and effective communication of progress.

Unlike Singapore's levy-based approach and the EU's penalty-enforced blending mandates, the US relies on market-driven incentives and tax credits to promote SAF production. Malaysia could evaluate these approaches to develop a strategy balancing cost efficiency, industry competitiveness, and environmental goals while ensuring a stable SAF supply chain.

³³ US Department of Energy, <https://www.energy.gov/eere/bioenergy/synthetic-aviation-fuel-grand-challenge>

³⁴ US Department of the Treasury, <https://home.treasury.gov/news/press-releases/jy2307> (30 April 2024).

APPENDIX B: DATA TABLES

Table A1: Malaysia's Quarterly GDP Growth

Year	YoY Growth (%)
1Q 2021	-0.5
2Q 2021	16.2
3Q 2021	-4.2
4Q 2021	3.6
1Q 2022	4.8
2Q 2022	8.8
3Q 2022	14.1
4Q 2022	7.1
1Q 2023	5.5
2Q 2023	2.8
3Q 2023	3.1
4Q 2023	2.9
1Q 2024	4.2
2Q 2024	5.9
3Q 2024	5.4
4Q 2024	5.0
1Q 2025	4.4
2Q 2025	4.4

Source: Department of Statistics, Malaysia

Table A2: Malaysia's External Trade

Quarter	Total Export (RM billion)	Total Import (RM billion)	Export YoY Growth (%)	Import YoY Growth (%)
1Q 2021	282.2	223.5	18.2	10.8
2Q 2021	303.3	247.0	44.2	35.2
3Q 2021	303.7	242.5	16.5	21.1
4Q 2021	350.5	274.3	29.1	29.6
1Q 2022	345.0	279.9	22.3	25.2
2Q 2022	394.2	336.1	30.0	36.1
3Q 2022	419.6	355.1	38.2	46.4
4Q 2022	393.0	325.1	12.1	18.5
1Q 2023	355.1	291.7	2.9	3.9
2Q 2023	348.6	292.8	-11.6	-12.1
3Q 2023	356.3	297.2	-15.1	-16.3
4Q 2023	366.2	329.3	-6.8	1.3
1Q 2024	362.3	328.2	2.0	12.5
2Q 2024	368.7	336.8	5.8	15.0
3Q 2024	383.7	359.0	7.7	20.8
4Q 2024	393.0	346.9	7.3	5.3
1Q 2025	378.4	337.4	4.3	2.8
2Q 2025	381.7	367.4	3.3	9.0

Source: Department of Statistics, Malaysia

Table A3: Oil, Jet Fuel, and Exchange Rate Trends

Quarter	Crude Oil (USD/bbl)	Jet Fuel (USD/bbl)	MYR/USD
1Q 2021	61	66	4.06
2Q 2021	69	74	4.15
3Q 2021	73	80	4.20
4Q 2021	80	92	4.18
1Q 2022	95	121	4.19
2Q 2022	114	167	4.41
3Q 2022	101	141	4.64
4Q 2022	89	137	4.40
1Q 2023	81	126	4.41
2Q 2023	78	95	4.53
3Q 2023	87	120	4.63
4Q 2023	84	115	4.70
1Q 2024	83	110	4.72
2Q 2024	85	103	4.73
3Q 2024	80	94	4.46
4Q 2024	75	90	4.40
1Q 2025	76	93	4.45
2Q 2025	68	85	4.31

Source: US Energy Information Administration, Bank Negara Malaysia

Table A4: Malaysia's Annual GDP Growth

Year	Malaysia YoY Growth (%)
2015	5.1
2016	4.2
2017	5.9
2018	4.7
2019	4.3
2020	-5.6
2021	3.1
2022	8.7
2023	3.7
2024	5.1
2025 ^f	4.5 – 5.5

^f Forecast

Source: Bank Negara Malaysia

Table A5: Malaysia's Tourist Arrivals

Quarter	Total Tourist Arrivals (million)	Total Tourist Arrivals YoY Growth (%)
1Q 2021	0.03	-99.4
2Q 2021	0.03	29.8
3Q 2021	0.02	-51.2
4Q 2021	0.06	84.4
1Q 2022	0.10	288.2
2Q 2022	2.03	7,921.9
3Q 2022	3.42	15,016.2
4Q 2022	4.51	7,250.6
1Q 2023	4.39	4,374.7
2Q 2023	4.77	134.6
3Q 2023	5.31	55.0
4Q 2023	5.67	25.7
1Q 2024	5.80	32.5
2Q 2024	6.00	25.7
3Q 2024	6.57	23.8
4Q 2024	6.64	17.0
1Q 2025	4.31	9.8
2Q 2025	6.48	8.1

Source: Civil Aviation Authority of Malaysia, Tourism Malaysia

Table A6: Malaysia's Quarterly Passenger Traffic

Quarter	Passenger Traffic (million)	YoY Growth (%)
1Q 2021	1.7	-91.2
2Q 2021	1.3	62.0
3Q 2021	1.0	-78.2
4Q 2021	7.0	228.2
1Q 2022	8.7	415.6
2Q 2022	12.4	853.8
3Q 2022	15.6	1,445.1
4Q 2022	18.1	158.7
1Q 2023	19.5	123.4
2Q 2023	20.9	67.8
3Q 2023	22.5	44.5
4Q 2023	22.0	21.3
1Q 2024	22.6	16.1
2Q 2024	24.0	14.6
3Q 2024	25.7	13.9
4Q 2024	24.8	12.9
1Q 2025	25.3	11.9
2Q 2025	26.5	10.6

Source: Civil Aviation Authority of Malaysia, Aerodrome Operator Licence Holders

Table A7: Malaysia's Passenger Traffic by Region

Quarter	Passenger Traffic (million)		
	Domestic	ASEAN	Non-ASEAN International
1Q 2021	1.4	0.1	0.2
2Q 2021	1.0	0.1	0.1
3Q 2021	0.8	0.9	0.2
4Q 2021	6.1	0.2	0.3
1Q 2022	7.7	0.4	0.6
2Q 2022	9.4	1.8	1.2
3Q 2022	10.2	3.3	2.1
4Q 2022	10.8	4.3	2.9
1Q 2023	10.9	4.7	3.8
2Q 2023	11.8	5.2	4.0
3Q 2023	12.0	5.5	4.9
4Q 2023	11.0	5.8	5.2
1Q 2024	10.7	6.0	5.8
2Q 2024	11.9	6.3	5.8
3Q 2024	12.5	6.5	6.6
4Q 2024	11.7	6.6	6.5
1Q 2025	12.2	6.3	6.8
2Q 2025	13.7	6.2	6.7

Source: Civil Aviation Authority of Malaysia, Aerodrome Operator Licence Holders

Table A8: Malaysia's Top Domestic Routes in Terms of Passengers

Route	Passenger Traffic (million)	
	2019	2024
KUL-BKI	2.6	2.5
KUL-KCH	2.2	2.2
KUL-PEN	2.4	1.8
KUL-LGK	1.8	1.7
KUL-JHB	1.3	0.9

Source: Civil Aviation Authority of Malaysia, AirportIS

Table A9: Malaysia's Top ASEAN International Routes in Terms of Passengers

Route	Passenger Traffic (million)	
	2019	2024
KUL-SIN	3.9	3.9
PEN-SIN	1.5	1.5
KUL-DMK	1.2	1.1
KUL-BKK	1.0	1.0
KUL-SGN	1.0	0.9

Source: Civil Aviation Authority of Malaysia, AirportIS

Table A10: Malaysia's Top Non-ASEAN International Routes in Terms of Passengers

Route	Passenger Traffic (million)	
	2019	2024
KUL–HKG	1.5	1.0
KUL–TPE	1.1	1.0
KUL–PVG	0.8	0.9
KUL–JED	0.6	0.9
KUL–DAC	0.7	0.8

Source: Civil Aviation Authority of Malaysia, AirportIS

Table A11: Air Connectivity Indices of ASEAN Countries

Country	2019	2020	2021	2022	2023	2024
Thailand	165.4	12.3	35.7	104.6	143.4	167.1
Singapore	116.9	5.1	36.3	89.4	108.5	118.7
Vietnam	95.5	9.1	19.9	75.9	98.1	105.8
Indonesia	105.7	4.7	13.0	66.8	92.3	101.4
Malaysia	96.3	4.7	16.5	61.0	84.7	90.1
Philippines	95.2	7.4	26.8	52.1	82.8	87.8
Cambodia	25.0	1.0	3.0	12.1	15.3	17.8
Myanmar	13.8	0.7	1.3	5.9	6.7	6.9
Lao PDR	6.5	0.7	0.7	3.6	4.7	5.4
Brunei	5.5	0.4	0.7	3.1	3.6	4.0

Source: Civil Aviation Authority of Malaysia

Table A12: Air Connectivity Indices of Major Airports in ASEAN Countries

Airport	2019	2020	2021	2022	2023	2024
SIN	114.6	116.9	5.1	36.3	89.4	118.7
BKK	109.9	109.2	8.4	27.5	76.7	107.3
KUL	71.8	73.2	3.6	14.7	47.5	67.0
MNL	61.1	66.1	5.2	21.1	52.4	66.3
CGK	50.1	48.1	4.2	12.4	31.1	46.6
SGN	38.1	39.7	3.9	8.8	35.4	39.4
PNH	14.7	16.6	0.6	2.0	10.2	13.7
RGN	13.9	12.9	0.7	1.3	5.6	6.5
VTE	4.7	5.0	0.5	0.7	2.8	4.7
BWN	5.2	5.5	0.4	0.7	3.1	4.0

Source: Civil Aviation Authority of Malaysia

Table A13: Scheduled Seats from ASEAN Countries in Busiest Month

Country	Scheduled Seats (million)					
	2019	2020	2021	2022	2023	2024
Thailand	5.0	0.3	0.7	2.6	3.8	4.6
Singapore	4.0	0.1	1.0	2.7	3.4	3.7
Malaysia	3.2	0.1	0.4	1.8	2.5	2.9
Vietnam	2.2	0.2	0.3	1.4	2.1	2.3
Indonesia	2.3	0.1	0.2	1.4	1.9	2.1
Philippines	1.9	0.2	0.5	1.2	1.5	1.6
Cambodia	0.7	0.0	0.0	0.3	0.4	0.4
Lao PDR	0.2	0.0	0.0	0.1	0.1	0.2
Myanmar	0.4	0.0	0.0	0.1	0.1	0.1
Brunei	0.1	0.0	0.0	0.1	0.1	0.1

Source: Civil Aviation Authority of Malaysia, AirportIS

Table A14: Number of International Destinations for ASEAN Countries (2024)

Country	Number of Destinations
Thailand	186
Singapore	151
Malaysia	121
Vietnam	88
Philippines	58
Indonesia	66
Cambodia	36
Lao PDR	32
Myanmar	22
Brunei	20

Source: Civil Aviation Authority of Malaysia, AirportIS

Table A15: Malaysia's International Seat Capacity According to Region

Country	International Seat Capacity (%)	
	2023	2024
ASEAN	53.3	83.2
East Asia	21.1	8.6
South Asia	10.3	3.6
Middle East	7.9	2.4
Pacific	5.5	1.5
Europe	1.8	0.6
Central Asia	0.1	0.1
Africa	0.1	0.1

Source: Civil Aviation Authority of Malaysia, AirportIS

Table A16: Total FTK in Malaysia

Quarter	Total FTK (million)	YoY Growth (%)
1Q 2022	5,242	8.3
2Q 2022	5,494	11.7
3Q 2022	5,567	13.4
4Q 2022	5,471	-8.5
1Q 2023	4,727	-9.8
2Q 2023	4,523	-17.7
3Q 2023	4,719	-15.2
4Q 2023	4,912	-10.2
1Q 2024	5,004	5.9
2Q 2024	5,254	16.1
3Q 2024	5,595	18.6
4Q 2024	5,480	11.6
1Q 2025	5,089	1.7
2Q 2025	5,538	5.4

Source: Civil Aviation Authority of Malaysia, CargoIS

Table A17: Inbound and Outbound FTK in Malaysia

Quarter	Inbound (million)	Outbound (million)	Within (million)
1Q 2022	2,821.6	2,406.0	14.3
2Q 2022	3,039.9	2,439.2	15.0
3Q 2022	3,141.4	2,412.9	12.4
4Q 2022	3,019.7	2,436.0	15.6
1Q 2023	2,615.9	2,094.2	16.9
2Q 2023	2,465.9	2,041.5	16.0
3Q 2023	2,664.8	2,038.6	15.8
4Q 2023	2,699.5	2,194.7	17.7
1Q 2024	2,804.8	2,181.3	18.3
2Q 2024	2,882.4	2,353.2	18.0
3Q 2024	3,055.7	2,521.2	18.0
4Q 2024	3,022.9	2,439.8	17.1
1Q 2025	2,827.4	2,246.9	14.7
2Q 2025	2,969.9	2,553.8	14.2

Source: Civil Aviation Authority of Malaysia, CargoIS

Table A18: FTK Growth in Key Markets

Quarter	YoY Growth (%)		
	Malaysia–Asia Pacific	Malaysia–Europe	Malaysia–North America
1Q 2021	26.3	-2.5	41.7
2Q 2021	45.8	43.6	63.9
3Q 2021	18.7	5.8	17.3
4Q 2021	17.7	19.4	17.5
1Q 2022	2.1	1.7	-2.2
2Q 2022	-4.5	4.1	2.0
3Q 2022	-9.4	13.2	-0.9
4Q 2022	-24.9	8.3	-13.3
1Q 2023	-28.9	-3.6	-16.7
2Q 2023	-30.2	-10.1	-23.0
3Q 2023	-28.0	-6.7	-13.7
4Q 2023	-12.7	-11.1	-9.2
1Q 2024	-5.4	9.9	8.9
2Q 2024	13.5	17.6	14.7
3Q 2024	23.9	11.9	23.9
4Q 2024	18.5	6.1	14.9
1Q 2025	20.5	-10.1	2.6
2Q 2025	19.6	-12.4	13.2

Source: Civil Aviation Authority of Malaysia, CargoIS

Table A19: Recovery of Malaysia’s Air Cargo Capacity as a Percentage of 2019 Levels

Year	Recovery of 2019 Levels (%)
1Q 2021	40.1
2Q 2021	25.6
3Q 2021	20.9
4Q 2021	30.6
1Q 2022	40.9
2Q 2022	45.8
3Q 2022	52.8
4Q 2022	68.6
1Q 2023	85.5
2Q 2023	75.4
3Q 2023	83.8
4Q 2023	92.5
1Q 2024	109.8
2Q 2024	90.1
3Q 2024	94.3
4Q 2024	99.2
1Q 2025	127.3
2Q 2025	108.6

Source: Civil Aviation Authority of Malaysia, Centre for Aviation

Table A20: Air Cargo Rates on Major Trade Lanes

Quarter	Cargo Rate (USD/kg)		
	HK–North America	HK–Europe	Frankfurt–North America
1Q 2021	6.1	4.2	4.5
2Q 2021	8.4	4.6	4.2
3Q 2021	8.8	4.9	4.1
4Q 2021	11.4	7.5	4.0
1Q 2022	9.6	5.8	4.6
2Q 2022	9.3	6.2	4.6
3Q 2022	8.3	6.3	3.9
4Q 2022	6.6	5.6	4.1
1Q 2023	5.5	4.5	3.5
2Q 2023	5.1	3.8	2.7
3Q 2023	4.8	3.7	2.2
4Q 2023	6.4	4.8	2.2
1Q 2024	4.9	4.1	2.1
2Q 2024	5.6	4.5	1.9
3Q 2024	5.7	4.5	1.9
4Q 2024	6.2	5.2	2.3
1Q 2025	5.4	4.5	2.9
2Q 2025	5.1	4.4	2.1

Source: Civil Aviation Authority of Malaysia, Baltic Exchange

Table A21: Malaysia's Passenger Traffic

Year	Passenger Traffic (million)	YoY Growth (%)
2019	109.3	6.4
2020	26.7	-75.5
2021	11.0	-58.8
2022	54.9	398.6
2023	85.0	54.6
2024	97.1	14.3
2025 ^f	105.8 – 112.9	8.4 to 15.6

^f Forecast

Source: Civil Aviation Authority of Malaysia, Aerodrome Operator Licence Holders

Table A22: Malaysia's Air Cargo Traffic

Year	Total FTK (million)	YoY Growth (%)
2019	20,222	-2.9
2020	15,794	-21.9
2021	20,647	30.7
2022	21,669	5.5
2023	18,882	-13.4
2024	21,265	13.0
2025 ^f	22,332 – 23,611	4.5 to 8.5

^f Forecast

Source: Civil Aviation Authority of Malaysia, CargoIS

Table A23: Malaysia's Passenger Market Share by Airlines

Quarter	AirAsia	AirAsia X	Firefly	MAB	Batik Air	Others
1Q 2021	54.7	0.1	4.8	10.3	8.8	21.4
2Q 2021	33.7	0.0	6.7	15.8	15.1	28.7
3Q 2021	19.8	0.1	6.6	22.9	13.7	36.9
4Q 2021	47.7	0.1	4.9	28.5	6.4	12.4
1Q 2022	55.3	0.1	3.2	24.8	5.1	11.5
2Q 2022	44.2	0.2	5.3	23.8	5.8	20.6
3Q 2022	43.8	0.5	4.9	20.5	5.6	24.6
4Q 2022	38.8	3.1	5.2	20.3	5.3	27.4
1Q 2023	38.1	3.1	4.1	19.0	6.3	27.1
2Q 2023	39.8	3.8	4.0	16.7	6.8	25.8
3Q 2023	37.9	4.4	4.5	16.7	6.5	26.4
4Q 2023	37.8	4.7	4.4	17.3	6.5	28.3
1Q 2024	35.0	5.0	4.6	18.6	7.0	29.7
2Q 2024	37.7	5.0	2.8	18.3	7.4	28.7
3Q 2024	37.4	5.4	1.3	18.0	8.6	29.4
4Q 2024	37.1	5.1	3.0	15.9	9.8	29.0

Source: Civil Aviation Authority of Malaysia, AirportIS

Table A24: Market Concentration Level and Load Factors

Quarter	HHI	Load Factor (%)
1Q 2021	0.3326	37.3
2Q 2021	0.1732	33.9
3Q 2021	0.1233	27.5
4Q 2021	0.3166	47.8
1Q 2022	0.3693	55.3
2Q 2022	0.2656	61.8
3Q 2022	0.2433	72.7
4Q 2022	0.2096	64.6
1Q 2023	0.1922	69.2
2Q 2023	0.1976	66.6
3Q 2023	0.1844	68.0
4Q 2023	0.1778	74.0
1Q 2024	0.1734	67.7
2Q 2024	0.1874	68.4
3Q 2024	0.1860	68.9
4Q 2024	0.1798	70.8

Source: Civil Aviation Authority of Malaysia, AirportIS

Table A25: Market Shares of the Aerodrome Operations Segment by Revenue and Passenger Traffic, 2024

Company	Market Share (%)	
	Revenue	Passenger Traffic
MAHB	98.1	96.5
SATSSB	1.8	3.5
TMDSB	0.1	0.0*

* Figure is zero due to rounding.

Source: Civil Aviation Authority of Malaysia, Aerodrome Operator Licence Holders

Table A26: Breakdown of ATRs Awarded by Region, 2023 and 2024

Region	AirAsia ¹	AirAsia X	Firefly	MAB ¹	Batik Air ²	Raya Airways	MASwings	My Jet Xpress	SKS Airways	MJets	MYAirline	WCA	Total
2023													
Domestic	12	-	6	5	10	4	5	-	-	3	12	-	57
ASEAN	17	2	4	5	7	2	-	-	-	5	10	-	52
Rest of ASIA	12	3	2	5	9	-	-	-	-	2	-	-	33
China	8	-	2	2	8	-	-	-	-	2	-	-	22
India	8	1	-	12	4	-	-	-	-	-	-	1	26
Australasia	1	4	-	2	7	-	-	-	-	-	-	-	14
Europe	-	-	-	1	-	-	-	-	-	-	-	-	1
Middle East	-	3	-	2	6	-	-	-	-	-	-	-	11
TOTAL	58	13	14	34	51	6	5	0	0	12	22	0	216
2024													
Domestic	41	1	6	8	13	-	1	-	3	-	-	1	74
ASEAN	30	1	4	7	21	2	-	-	1	1	-	-	67
Rest of ASIA	10	5	1	6	12	3	-	-	-	5	-	1	43
China	25	4	9	4	29	5	-	-	-	-	-	1	77
India	12	-	-	7	2	-	-	-	-	1	-	-	22
Australasia	-	2	-	8	7	-	-	-	-	-	-	-	17
Europe	-	-	-	4	-	-	-	-	-	-	-	-	4
Africa	-	1	-	-	-	-	-	-	-	-	-	-	1
Middle East	-	3	-	2	2	-	-	-	-	-	-	-	7
TOTAL	118	17	20	46	86	10	1	0	4	7	0	3	156

¹ Including Cargo.

² Batik Air was previously known as Malindo Air.

Source: Civil Aviation Authority of Malaysia

Table A27: Malaysian Carriers' RASK and CASK Trends

Quarter	RASK (sen)	CASK (sen)	RASK-CASK Spread (sen)
1Q 2021	42.2	77.3	-35.1
2Q 2021	51.8	142.3	-90.5
3Q 2021	69.1	186.5	-117.4
4Q 2021	46.9	55.3	-8.5
1Q 2022	16.6	42.8	-26.3
2Q 2022	23.2	42.6	-19.4
3Q 2022	23.7	29.9	-6.2
4Q 2022	24.3	26.4	-2.1
1Q 2023	23.1	11.2	11.9
2Q 2023	20.8	8.9	11.9
3Q 2023	20.5	10.1	10.4
4Q 2023	22.5	8.2	14.3
1Q 2024	23.3	9.8	13.5
2Q 2024	21.3	9.6	11.7
3Q 2024	21.1	9.0	12.1
4Q 2024	20.9	8.7	12.2

Source: Civil Aviation Authority of Malaysia, Air Service Licence Holders

Table A28: Malaysian Carriers' Revenue and Operating Profit Margin

Quarter	Revenue (RM billion)	Operating Profit Margin (%)
1Q 2021	1.0	-653.1
2Q 2021	1.0	-2,510.6
3Q 2021	1.1	-79.3
4Q 2021	2.2	-8.6
1Q 2022	2.0	-33.0
2Q 2022	3.1	-39.8
3Q 2022	4.2	-0.1
4Q 2022	5.8	14.8
1Q 2023	6.0	21.5
2Q 2023	6.1	1.4
3Q 2023	6.6	2.7
4Q 2023	7.1	7.8
1Q 2024	7.6	12.1
2Q 2024	7.0	-0.1
3Q 2024	7.1	-4.8
4Q 2024	7.4	2.8

Source: Civil Aviation Authority of Malaysia, Air Service Licence Holders

Table A29: ASP Holders' Revenue and Operating Profit Margin

Quarter	Revenue (RM million)	Operating Profit Margin (%)
1Q 2021	301.53	17.6
2Q 2021	188.08	6.1
3Q 2021	336.82	21.1
4Q 2021	774.07	15.1
1Q 2022	235.51	3.5
2Q 2022	230.91	-2.7
3Q 2022	529.10	-19.2
4Q 2022	122.48	51.3
1Q 2023	294.11	22.8
2Q 2023	257.61	-7.4
3Q 2023	284.12	-9.3
4Q 2023	321.51	-4.1
1Q 2024	359.78	22.8
2Q 2024	302.75	0.8
3Q 2024	301.80	15.0
4Q 2024	362.38	-2.4

Source: Civil Aviation Authority of Malaysia, Air Service Permit Holders

Table A30: AOL Holders' Revenue and Operating Profit Margin

Quarter	Revenue (RM billion)	Operating Profit Margin (%)
1Q 2021	0.3	-29.3
2Q 2021	0.1	-155.9
3Q 2021	0.1	-110.9
4Q 2021	0.3	-60.8
1Q 2022	0.3	-34.2
2Q 2022	0.3	-27.6
3Q 2022	0.4	-9.9
4Q 2022	0.5	-1.9
1Q 2023	0.6	6.3
2Q 2023	0.7	17.3
3Q 2023	0.7	7.8
4Q 2023	0.8	3.3
1Q 2024	0.8	18.6
2Q 2024	0.8	14.2
3Q 2024	0.9	23.2
4Q 2024	0.9	9.2

Source: Civil Aviation Authority of Malaysia, Aerodrome Operator Licence Holders

Table A31: Revenue by Ground Handling Sub-Segments

Quarter	Revenue (RM million)				
	Catering	Commercial Focused GHSP	General Aviation Focused GHSP	Refuelling	Approved Maintenance Organization
1Q 2021	10.5	684.9	6.6	6.1	0.2
2Q 2021	9.8	753.7	7.8	6.4	23.0
3Q 2021	11.1	847.3	8.8	4.4	25.7
4Q 2021	19.5	1178.5	9.6	0.9	30.4
1Q 2022	9.1	1068.2	9.1	1.4	60.4
2Q 2022	11.2	930.3	12.2	1.9	80.0
3Q 2022	23.1	924.7	14.9	9.8	84.2
4Q 2022	13.6	886.3	12.6	7.7	80.0
1Q 2023	57.9	663.7	13.1	9.3	109.6
2Q 2023	52.4	642.3	15.3	7.2	147.3
3Q 2023	100.5	624.6	18.1	5.8	337.7
4Q 2023	93.4	695.1	17.9	4.4	259.4
1Q 2024	73.0	651.9	12.7	6.7	263.4
2Q 2024	82.1	721.6	13.8	2.8	337.4
3Q 2024	79.8	753.2	14.5	6.1	428.6
4Q 2024	79.9	812.9	14.4	6.5	530.9

Source: Civil Aviation Authority of Malaysia, Ground Handling Licence Holders

Table A32: Operating Profit Margin by Ground Handling Sub-Segments

Quarter	Operating Profit Margin (%)				
	Catering	Commercial Focused GHSP	General Aviation Focused GHSP	Refuelling	Approved Maintenance Organization
1Q 2021	-176.2	18.6	-0.8	-11.6	-89.6
2Q 2021	-167.7	11.1	-1.4	-12.7	15.0
3Q 2021	-53.7	11.9	-6.4	-16.5	22.6
4Q 2021	-36.4	18.4	5.3	-30.9	-20.4
1Q 2022	-29.4	14.6	5.9	-18.4	1.0
2Q 2022	-14.3	13.7	9.9	-29.6	31.5
3Q 2022	9.9	18.6	7.0	-0.6	29.4
4Q 2022	23.6	2.2	7.2	-1.0	1.0
1Q 2023	7.7	9.0	10.7	6.8	9.6
2Q 2023	24.6	14.5	17.0	0.2	19.8
3Q 2023	10.6	1.3	5.9	8.6	24.1
4Q 2023	8.6	1.8	10.3	-39.3	-1.2
1Q 2024	4.1	-2.3	0.5	-2.0	11.8
2Q 2024	6.1	13.1	10.3	20.7	2.7
3Q 2024	7.6	6.9	10.0	17.2	-2.6
4Q 2024	9.6	3.1	19.7	8.0	-9.0

Source: Civil Aviation Authority of Malaysia, Ground Handling Licence Holders

APPENDIX B: LISTS OF LICENCE AND PERMIT HOLDERS IN 2024

Table B1: AOL Holders

No.	Company Name
1	Malaysia Airports (Sepang) Sdn. Bhd.
2	Malaysia Airports Sdn. Bhd.
3	Senai Airport Terminal Services Sdn. Bhd.
4	Tanjung Manis Development Sdn. Bhd.

Source: Civil Aviation Authority of Malaysia

Table B2: ASL Holders

No.	Company Name
1	AirAsia Berhad
2	AirAsia X Berhad
3	FlyFirefly Sdn. Bhd.
4	Malaysia Airlines Berhad
5	Malindo Airways Sdn. Bhd.
6	MASwings Sdn. Bhd.
7	MJets Air Sdn. Bhd. (previously M Jets International Sdn. Bhd.)
8	Raya Airways Sdn. Bhd.
9	World Cargo Airline Sdn. Bhd.

Source: Civil Aviation Authority of Malaysia

Table B3: ASP Holders

No.	Company Name
1	Asia Jet Sdn. Bhd.
2	Berjaya Air Sdn. Bhd.
3	Cempaka Helicopter Corporation Sdn. Bhd.
4	HAS International Sdn. Bhd. (previously Hevilift (M) Sdn. Bhd.)
5	Helistar Resources Sdn. Bhd.
6	Hornbill Skyways Sdn. Bhd.
7	Jet Premier One (M) Sdn. Bhd.
8	Layang Layang Aerospace Sdn. Bhd.
9	MHS Aviation Berhad
10	Prima Air Sdn. Bhd.
11	Sabah Air Aviation Sdn. Bhd.
12	Sazma Aviation Sdn. Bhd.
13	Weststar Aviation Services Sdn. Bhd.

Source: Civil Aviation Authority of Malaysia

Table B4: GHL Holders

No.	Company Name
1	AeroDarat Services Sdn. Bhd.
2	Aerohandlers Sdn. Bhd.
3	Asia Digital Engineering Sdn. Bhd.
4	BCS Contract & Supply Services Sdn. Bhd.*
5	Brahim's Food Services Sdn. Bhd.
6	Dviation Solutions Sdn. Bhd.
7	Execujet Handling Services Sdn. Bhd.
8	Ground Team Red Sdn. Bhd.
9	Hornbill Skyways Sdn. Bhd.
10	Jet Fuels Sdn. Bhd.
11	KLM Line Maintenance Sdn. Bhd.
12	Layang Layang Aerospace Sdn. Bhd.
13	MAB Engineering Services Sdn. Bhd.
14	MAB Kargo Sdn. Bhd.
15	Malindo Airways Sdn. Bhd.
16	Mas Awana Services Sdn. Bhd.
17	MAZ Gerbang Sdn. Bhd.
18	MJets Air Sdn. Bhd. (previously M Jets International Sdn. Bhd.).
19	Menzies Aviation (Malaysia) Sdn. Bhd.
20	MNM Aviation Services Sdn. Bhd.
21	Petron Malaysia Refining & Marketing Berhad
22	Petronas Dagangan Berhad
23	POS Aviation Engineering Services Sdn. Bhd.
24	POS Aviation Sdn. Bhd. (previously KL Airport Services Sdn. Bhd.)
25	Prosky Services Sdn. Bhd.
26	Raya Airways Sdn. Bhd.
27	Sabah Air Aviation Sdn. Bhd.
28	Safeair Technical Sdn. Bhd.
29	Senai Airport Terminal Services Sdn. Bhd.
30	Shell Malaysia Trading Sdn. Bhd.
31	Shell Timur Sdn. Bhd.
32	Skypark FBO Malaysia Sdn. Bhd.
33	Smooth Route Sdn. Bhd.

* GHL of BCS Contract & Supply Services Sdn. Bhd. lapsed effective 1 May 2024 and was renewed on 1 August 2024.

Source: Civil Aviation Authority of Malaysia

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