

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other independent professional advisers immediately.

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has not perused the contents of this Circular in relation to renewal of shareholders' mandate for Recurrent Related Party Transactions prior to its issuance as it is exempt document pursuant to Paragraph 2.1 of the Practice Note 18 of the Main Market Listing Requirements of Bursa Securities. Bursa Securities takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



AIRASIA X BERHAD

*Company No. 200601014410 (734161-K)
(Incorporated in Malaysia)*

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING
NATURE ("PROPOSED MANDATE")**

The Proposed Mandate will be tabled as Special Business at AirAsia X Berhad's Fifteenth Annual General Meeting ("**AGM**") which will be held as a virtual meeting via live streaming and online remote voting from the Broadcast Venue at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur (klia2), 64000 KLIA, Selangor Darul Ehsan, Malaysia, on Tuesday, 7 December 2021 at 10.00 a.m. using the Remote Participation and Voting Facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("**Share Registrar**" or "**TIIH**") via its TIIH Online website at <https://tiih.online>. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and shareholders will not be allowed to be physically present at the Broadcast Venue on the day of the Fifteenth AGM, instead are to attend, speak (including posing questions to the Board of Directors via real time submission of typed texts) and vote (collectively, "**participate**") remotely at the Fifteenth AGM via the RPV provided by TIIH. For further information, please refer to the Notice and Administrative Details of the Fifteenth AGM. The Notice of the Fifteenth AGM together with the Form of Proxy are set out in the Annual Report of AirAsia X Berhad for the financial period ended 30 June 2021.

You are entitled to participate via RPV in our AGM or appoint proxy(ies) to participate in your place. In such event, the Form of Proxy should be completed and lodged at our registered office at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur (klia2), 64000 KLIA, Selangor Darul Ehsan, Malaysia not later than forty-eight (48) hours before the date and time fixed for our AGM or any adjournment thereof. You also have the option to lodge the proxy appointment electronically via TIIH Online website at <https://tiih.online> before the lodgement cut-off time as indicated below. The lodging of the Form of Proxy will not preclude you from participating via RPV in our AGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Sunday, 5 December 2021 at 10.00 a.m.

Date and time of AGM : Tuesday, 7 December 2021 at 10.00 a.m.

This Circular is dated 29 October 2021

Except where the context otherwise requires, the following definitions shall apply throughout and for the purposes of this Circular only:

AAGB	: AirAsia Group Berhad (Company No. 201701030323) (1244493-V), incorporated in Malaysia
AAGB Group	: AAGB and its subsidiaries
AAIL	: AirAsia (India) Limited (Company No. U62200KA2013PLC086204) incorporated in India
AAJ	: AirAsia Japan Co. Ltd (Company No.: 1800-01-113372), incorporated in Japan
AAX or our Company or Company	: AirAsia X Berhad (Company No.: 200601014410) (734161-K), incorporated in Malaysia
AAX Group or our Group	: AAX and its subsidiaries
Act	: Companies Act 2016 and any statutory modifications or amendments thereto from time to time
AGM	: Annual General Meeting
AirAsia	: AirAsia Berhad (Company No.: 199301029930) (284669-W), incorporated in Malaysia
AirAsia Com	: AirAsia Com Travel Sdn. Bhd. (Company No.: 201301020508) (1050338-A), incorporated in Malaysia
AirAsia (Guangzhou)	: AirAsia (Guangzhou) Aviation Service Limited (Company Registration No. 91440101MA5ALG3R31), incorporated in the People's Republic of China
AirAsia, Inc.	: AirAsia Inc. (Registration No.: CS201104662), incorporated in the Philippines
AirAsia Investment	: AirAsia Investment Ltd (Company No.: LL03901), incorporated in Labuan, Malaysia
AirAsia SEA	: AirAsia SEA Sdn. Bhd. (Company. No.: 201301015339) (1045172-A), incorporated in Malaysia
BIGLIFE	BIGLIFE Sdn. Bhd. (Company No.: 201001040731) (924656-U), incorporated in Malaysia
Board	: Board of Directors of the Company
Bursa Depository	: Bursa Malaysia Depository Sdn. Bhd. (Company No.: 198701006854) (165570-W)
Bursa Securities	: Bursa Malaysia Securities Berhad (Company No.: 200301033577) (635998-W)
Circular	: This Circular dated 29 October 2021
Dato' Fam	: Dato' Fam Lee Ee
Dato' Lim	: Dato' Lim Kian Onn

Datuk Kamarudin	: Datuk Kamarudin bin Meranun
Director(s)	: Shall have the same meaning given in Section 2(1) of the Capital Markets and Services Act, 2007 and for the purpose of the Proposed Mandate, includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director or chief executive of our Company, our subsidiary or holding company
ECM	: ECM Libra Group Berhad (Company No.: 200501031433) (713570-K), incorporated in Malaysia
EPS	: Earnings per Share
GTR	: Ground Team Red Sdn. Bhd. (Company No.: 200701042697) (800730-V), incorporated in Malaysia
GTRH	: Ground Team Red Holdings Sdn. Bhd. (Company No.: 201701033704) (1247875-K), incorporated in Malaysia
IAA	: PT Indonesia AirAsia (Company No.: 30.06.1.51.07399), incorporated in Indonesia
Listing Requirements	: The Main Market Listing Requirements of Bursa Securities, including any amendments thereto from time to time
LPD	: 30 September 2021, being the latest practicable date prior to the printing of this Circular
Major Shareholder(s)	: A person who has an interest or interests in one (1) or more voting shares in a corporation and the number or aggregate number of those shares, is: <ul style="list-style-type: none"> (a) 10% or more of the total number of voting shares in the corporation; or (b) 5% or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation. <p>For the purpose of this definition, "interests" shall have the meaning of "interest in shares" given in Section 8 of the Act.</p> <p>For the purpose of the Proposed Mandate, a Major Shareholder includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon.</p>
NA	: Net assets attributable to ordinary equity holders of our Company
Ormond	: Ormond Lifestyle Services Sdn. Bhd. (Company No.: 201601003986) (1174912-W), incorporated in Malaysia
PAA	: Philippines AirAsia Inc. (Registration No.: A199707490), incorporated in Philippines
Person(s) Connected	: Shall have the same meaning given in Paragraph 1.01, Chapter 1 of the Listing Requirements
Plato	: Plato Capital Limited (Company No.: 199907443M), incorporated in Singapore
Proposed Mandate	: Proposed renewal of existing shareholders' mandate as set out in Section 2.3 of this Circular

Record of Depositors	: A record consisting of names of depositors provided by Bursa Depository pursuant to Chapter 24.0 of the rules of Bursa Depository
RedBeat	: RedBeat Ventures Sdn. Bhd. (Company No. 201801011060) (1273076-M), incorporated in Malaysia
Related Party(ies)	: Director(s), Major Shareholder(s) or Person(s) Connected with such Director(s) or Major Shareholder(s)
Rokki	: Rokki Sdn. Bhd. (Company No.: 201101006967) (935105-W), incorporated in Malaysia
RRPT(s)	: Recurrent related party transaction(s) of a revenue or trading nature, which are necessary for the day-to-day operations and are in the ordinary course of business of our Group, entered or to be entered into by our Company which involve the interest, direct or indirect, of a Related Party(ies)
Share(s)	: Ordinary share(s) in the capital of our Company
TAA	: Thai AirAsia Company Limited (Company No.: 0105546113684), incorporated in Thailand
Tan Sri Tony Fernandes	: Tan Sri Anthony Francis Fernandes
Teleport Everywhere	: Teleport Everywhere Pte. Ltd. (Company No.: 201916239W), incorporated in Singapore
Transacting Party(ies)	: A party with which our Company has entered or may enter into a RRPT under the Proposed Mandate
Tune Air	: Tune Air Sdn. Bhd. (Company No.: 200101012770) (548526-V), incorporated in Malaysia
Tune Group	: Tune Group Sdn. Bhd. (Company No.: 200701040836) (798868-P), incorporated in Malaysia
Tune Hotels.com	: Tune Hotels.com Limited (Company No.: LL05129), incorporated in Labuan, Malaysia
Tune Insurance	: Tune Insurance Malaysia Berhad (Company No.: 197601004719) (30686-K), incorporated in Malaysia
Tune Live	: Tune Live Sdn. Bhd. (Company No.: 201101020485) (948620-U), incorporated in Malaysia
Tune Protect	: Tune Protect Group Berhad (Company No.: 201101020320) (948454-K), incorporated in Malaysia

Currencies

RM and sen	: Ringgit Malaysia and sen respectively
CNY	: Chinese Yuan
TWD	: Taiwan New Dollar
USD	: United States Dollar

All references to “**our Company**” in this Circular are to AirAsia X Berhad, and references to “**our Group**” are to our Company and subsidiaries collectively and references to “**we**”, “**us**”, “**our**”, and “**ourselves**” are to our Company, and save where the context otherwise requires, shall include our subsidiaries.

Words incorporating the singular shall, where applicable, include the plural and vice versa and words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any statute is a reference to that statute as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

All references to “**you**” in this Circular are to the shareholders of our Company who are entitled to attend and vote at our forthcoming AGM and whose names are in our Record of Depositors at 5.00 p.m. on 26 November 2021.

For illustration purposes only, the exchange rate of CNY1=RM0.65, TWD100=RM14.97 and USD1=RM4.18 have been used throughout this Circular, unless otherwise stated.

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LETTER TO OUR SHAREHOLDERS IN RELATION TO THE PROPOSED MANDATE CONTAINING:

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EXTRACT OF RESOLUTION

ENCLOSED



AIRASIA X BERHAD

Company No. 200601014410 (734161-K)
(Incorporated in Malaysia)

Registered Office:

RedQ, Jalan Pekeliling 5,
Lapangan Terbang
Antarabangsa Kuala Lumpur
(klia2), 64000 KLIA,
Selangor Darul Ehsan,
Malaysia

27 October 2021

Board of Directors:

Tan Sri Rafidah Aziz (*Senior Independent Non-Executive Chairman*)
Dato' Lim Kian Onn (*Non-Independent Non-Executive Deputy Chairman*)
Datuk Kamarudin bin Meranun (*Non-Independent Non-Executive Director*)
Tan Sri Anthony Francis Fernandes (*Non-Independent Non-Executive Director*)
Dato' Yusli bin Mohamed Yusoff (*Independent Non-Executive Director*)
Tan Sri Asmat bin Kamaludin (*Independent Non-Executive Director*)
Dato' Fam Lee Ee (*Non-Independent Non-Executive Director*)

To: Our shareholders

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

1. INTRODUCTION

At the AGM of our Company held on 15 September 2020, you had inter-alia, granted the mandate for our Company to enter into RRPTs as stipulated in the Circular to Shareholders dated 30 July 2020.

The authority conferred by the shareholders' mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of our forthcoming AGM unless authority for its renewal is obtained from you at the AGM.

The Company had on 27 October 2021 announced our intention to seek your approval for the Proposed Mandate pursuant to Paragraph 10.09 of the Listing Requirements at our forthcoming AGM which will be held as a virtual meeting via live streaming and online remote voting from the Broadcast Venue at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur (klia2), 64000 KLIA, Selangor Darul Ehsan, Malaysia, on Tuesday, 7 December 2021 at 10.00 a.m.

The purpose of this Circular is to provide you with details of the Proposed Mandate and to seek your approval for the ordinary resolution pertaining thereto to be tabled at our forthcoming AGM.

The Notice of AGM together with the Form of Proxy are enclosed in the Annual Report of the Company for the financial period ended 30 June 2021.

You are advised to read this Circular together with the appendix before voting on the ordinary resolution pertaining to the Proposed Mandate.

2. PROPOSED MANDATE

2.1 Details of the Proposed Mandate

As provided in Paragraph 10.09(2) of the Listing Requirements, our Company proposes to seek a general mandate from you for the RRPTs subject to, *inter-alia*, the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the Related Party(ies) than those generally available to the public;
- (b) your mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to your mandate during the financial year where the aggregate value is equal to or more than the following threshold:
 - (i) the consideration, value of the assets, capital outlay or costs of the transactions is RM1 million or more; or
 - (ii) the percentage ratio of such transaction is 1% or more,whichever is the higher;
- (c) this Circular includes the information as may be prescribed by Bursa Securities. The draft Circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;
- (d) in a meeting to obtain your mandate, the relevant interested Related Party(ies) with any interest, direct or indirect must not vote on the resolution in respect of the transaction(s). An interested Director or interested Major Shareholder must ensure that Person(s) Connected to them abstain from voting on the resolution(s) in respect of the transaction(s); and
- (e) our Company immediately announces to Bursa Securities when the actual value of a RRPT entered into by our Company, exceeds the estimated value of the RRPT disclosed in this Circular by 10% or more and must include the information as may be prescribed by Bursa Securities in our announcement.

Where your mandate has been procured pursuant to the above, the provisions of Paragraph 10.08 of the Listing Requirements in relation to related party transactions will not apply save for Paragraph 10.08(7).

2.2 Principal activities of our Group

Our Company is principally providing long haul air transportation services and is an investment holding company while the principal activities of our subsidiaries include the provision of management, logistical, and marketing services in Australia, investment holding, leasing business and the provision of aircraft leasing facilities.

2.3 Details of RRPTs and the Related Parties

The details of the RRPTs entered or to be entered into by our Company with the Transacting Parties under the Proposed Mandate are as follows:

EXISTING RRPTS

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Estimated value of transactions as disclosed in the Circular to Shareholders dated 30 July 2020	Actual value of transactions from 15 September 2020 to LPD	Estimated value from 7 December 2021 to the next AGM
Expense						
1.	AirAsia	Rights granted by AirAsia to our Company to operate air services under the "AIRASIA" trade name and livery in respect of our low-cost, long-haul air services.	Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾ Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾	RM8,600,000	NIL	RM8,600,000

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Estimated value of transactions as disclosed in the Circular to Shareholders dated 30 July 2020	Actual value of transactions from 15 September 2020 to LPD	Estimated value from 7 December 2021 to the next AGM
2.	AirAsia	Provision of the following range of services by AirAsia to our Company: (a) Commercial <ul style="list-style-type: none"> - Sales and distribution - Sales support - Direct channel - Branding and Creative <ul style="list-style-type: none"> • Protection of brand to ensure proper public perception is built • Manage communication imagery, sponsorships (e.g. sports and youth marketing) and commercial branding • Creative includes graphic designs supporting branding activities - Web team: Manage, plan, build and develop airasia.com website - Digital Marketing - Ancillary (b) Treasury <ul style="list-style-type: none"> - Fuel procurement - Fuel hedging (c) Revenue Assurance - Credit card fraud unit Internal Audits (d) Group Inflight Ancillary (e) Engineering (f) Customer Support	Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾ Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾	RM21,450,000	RM3,604,436	RM12,000,000

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Estimated value of transactions as disclosed in the Circular to Shareholders dated 30 July 2020	Actual value of transactions from 15 September 2020 to LPD	Estimated value from 7 December 2021 to the next AGM
3.	Rokki	Supply of in-flight entertainment system, hardware, software, content and updates by Rokki.	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	RM5,516,000	NIL	RM2,300,000
4.	BIGLIFE	Purchase of loyalty points from BIGLIFE, which operates and manages a loyalty program branded as the BIG Loyalty Program.	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	RM9,910,000	RM109,511	RM5,000,000

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Estimated value of transactions as disclosed in the Circular to Shareholders dated 30 July 2020	Actual value of transactions from 15 September 2020 to LPD	Estimated value from 7 December 2021 to the next AGM
5.	Tune Insurance	Payment to Tune Insurance of insurance premiums collected on its behalf pursuant to our Company's role as a corporate agent of Tune Insurance for the provision of AirAsia Insure, a travel protection plan which provides coverage for losses arising from, amongst others, personal accident, medical and evacuation, emergency medical evacuation and mortal remains repatriation, travel inconvenience such as flight cancellation or loss or damage to baggage and personal effects, flight delay and on-time guarantee.	Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾	RM7,600,000	NIL	RM4,000,000
6.	AirAsia SEA	Provision of the following shared services by AirAsia SEA to our Company: (a) Finance and accounting support operation services; (b) People department support operation services; (c) Information and technology operation support services; and (d) Sourcing and procurement operation support services.	Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾ Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾	RM3,100,000	RM1,188,850	RM4,000,000

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Estimated value of transactions as disclosed in the Circular to Shareholders dated 30 July 2020	Actual value of transactions from 15 September 2020 to LPD	Estimated value from 7 December 2021 to the next AGM
7.	Ormond	Provision of food catering services at the AAX airport lounge located at Kuala Lumpur International Airport 2 (klia2).	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Lim ⁽⁶⁾</p> <p>Interested Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	RM2,250,000	NIL	NIL
8.	GTR	Provision of ground handling services at klia2 and diversion airports at Penang and Langkawi (if required).	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	RM19,000,000	RM1,780,858	RM20,100,000

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Estimated value of transactions as disclosed in the Circular to Shareholders dated 30 July 2020	Actual value of transactions from 15 September 2020 to LPD	Estimated value from 7 December 2021 to the next AGM
9.	AirAsia (Guangzhou)	Provision of operational services by AirAsia (Guangzhou) to AAX in China.	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	CNY27,000,000 (RM16,470,000)	CNY309,767.06 (RM201,348.59)	CNY13,000,000 (RM8,450,000)
10.	AAIL	Provision of the following services by AAIL to AAX at Delhi Airport and Jaipur Airport, including but not limited to: 1. Ground handling services; and 2. Government and regulatory liaison.	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	RM1,500,000	RM237,089	RM1,000,000

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Estimated value of transactions as disclosed in the Circular to Shareholders dated 30 July 2020	Actual value of transactions from 15 September 2020 to LPD	Estimated value from 7 December 2021 to the next AGM
Revenue/ Income						
1.	Tune Insurance	Receipt of commission income of 25% on all insurance premiums received by Tune Insurance pursuant to our Company's role as a corporate agent of Tune Insurance for the provision of AirAsia Insure, a travel protection plan which provides coverage for losses arising from, amongst others, personal accident, medical and evacuation, emergency medical evacuation and mortal remains repatriation, travel inconvenience such as flight cancellation or loss or damage to baggage and personal effects, flight delay and on-time guarantee.	Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾	RM1,900,000	RM116	RM1,000,000
2.	AirAsia	Services provided by AAX to AirAsia for AAX airport lounge usage by AirAsia's passengers.	Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾ Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾	RM2,200,000	NIL	NIL

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Estimated value of transactions as disclosed in the Circular to Shareholders dated 30 July 2020	Actual value of transactions from 15 September 2020 to LPD	Estimated value from 7 December 2021 to the next AGM
3.	AAJ	Provision of the following commercial services by AAX to AAJ, including but not limited to: 1. Line Operations Department; and 2. People Department.	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	RM300,000	RM20,291	NIL
4.	PAA	Provision of the following commercial services by AAX to PAA, including but not limited to: 1. Airport management and group handling; and 2. Government and regulatory liaison.	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	RM1,000,000	RM182,984	RM1,000,000

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Estimated value of transactions as disclosed in the Circular to Shareholders dated 30 July 2020	Actual value of transactions from 15 September 2020 to LPD	Estimated value from 7 December 2021 to the next AGM
5.	TAA	Provision of the following commercial services by AAX to TAA, including but not limited to: 1. Airport management and group handling; and 2. Government and regulatory liaison.	Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾ Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾	RM1,000,000	RM17,020	RM1,000,000
6.	IAA	Provision of the following commercial services by AAX and AAX Service Pty. Ltd. (Company No. 141 326 463) to IAA, including but not limited to: 1. Airport management and group handling; and 2. Government and regulatory liaison.	Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾ Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾	RM2,500,000	RM97,572	RM2,000,000

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Estimated value of transactions as disclosed in the Circular to Shareholders dated 30 July 2020	Actual value of transactions from 15 September 2020 to LPD	Estimated value from 7 December 2021 to the next AGM
7.	BIGLIFE	Revenue from ticket sales and/or other ancillary sales arising from redemption of loyalty points from BIGLIFE which operates and manages a loyalty program branded as the BIG Loyalty Program.	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	RM12,426,000	RM2,354	RM6,000,000
8.	AAJ	Provision of ground handling services to AAJ.	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	RM1,400,000	NIL	NIL

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Estimated value of transactions as disclosed in the Circular to Shareholders dated 30 July 2020	Actual value of transactions from 15 September 2020 to LPD	Estimated value from 7 December 2021 to the next AGM
9.	Teleport Everywhere	Novation of the Master General Cargo Sales Agent cum Management Services Agreement entered into between AAX and Teleport Malaysia on 27 June 2018, for Teleport Malaysia to purchase cargo transportation capacity on routes operated by AAX, to Teleport Everywhere.	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	RM193,372,000	RM127,591,171	USD14,000,000 (RM58,520,000)
10.	AirAsia	Provision of ground handling services by AAX to AirAsia in Taipei, Taiwan.	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	TWD9,100,000 (RM1,324,050)	NIL	NIL

No.	Transacting Parties	Nature of RRPT	Class and relationship of the Related Parties	Estimated value of transactions as disclosed in the Circular to Shareholders dated 30 July 2020	Actual value of transactions from 15 September 2020 to LPD	Estimated value from 7 December 2021 to the next AGM
11.	PAA	Provision of ground handling services by AAX to AirAsia in Taipei, Taiwan.	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	RM6,500,000	NIL	NIL
12.	TAA	Provision of ground handling services by AAX to AirAsia in Taipei, Taiwan.	<p>Interested Directors Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾ Dato' Fam ⁽³⁾</p> <p>Interested Major Shareholders AirAsia ⁽⁴⁾ Tune Group ⁽⁵⁾ Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾</p>	RM1,400,000	NIL	NIL

Notes:

- (1) Tan Sri Tony Fernandes is an interested Director and interested Major Shareholder by virtue of his directorships, direct and indirect shareholdings in our Company, and the Transacting Parties. Please refer to Section 7 of this Circular for details of his shareholdings in our Company.

As at the LPD, the directorship and direct and indirect shareholdings of Tan Sri Tony Fernandes in the Transacting Parties are as follows:

	<----- Direct ----->		<----- Indirect ----->		Directorship
	No. of Shares	%	No. of Shares	%	
AirAsia	-	-	3,341,974,080	100.00 [*]	-
Rokki	-	-	1,200,000	100.00 [@]	-
Tune Insurance	-	-	83,273,097	83.26 ^{@@}	-
BIGLIFE	-	-	6,660,002	100.00 ^{^^}	-
AirAsia SEA	-	-	8,000,000	100.00 ^{>>}	-
Ormond	-	-	5	50.00 [#]	-
GTR	-	-	55,161,050	100.00 ^{***}	-
AAJ	-	-	159,929,764	33.00 ^{^^^}	√
TAA	-	-	19,600,000	45.00 ^{###}	-
PAA	-	-	592,999,993	98.83 ^{###}	-
IAA	-	-	329,266	78.20 ^{>>>}	-
AirAsia (Guangzhou)	-	-	~	100.00 ^{@@@}	-
Teleport Everywhere	-	-	3,315,434	100.00 ^{^^^}	-
AAIL	-	-	244,999,998	16.00 ^{****}	-

* Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia, pursuant to Section 8 of the Act.

@ Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which ultimately wholly owns Rokki, pursuant to Section 8 of the Act.

@@ Deemed interested via his interest in Tune Group and AirAsia, being the Major Shareholders of Tune Protect, which is the Major Shareholder of Tune Insurance, pursuant to Section 8 of the Act.

^^ Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which ultimately owns AirAsia Superapp Sdn. Bhd. (formerly known as AirAsia Ads Sdn. Bhd.), the holding company of BIGLIFE, via AirAsia Digital Sdn.Bhd. pursuant to Section 8 of the Act.

>> Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which ultimately wholly owns AirAsia SEA, pursuant to Section 8 of the Act.

Deemed interested via his interest in Tune Group, being a Major Shareholder of ECM, which 50% owns Ormond pursuant to Section 8 of the Act.

*** Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia, the holding company of GTRH, being a Major Shareholder of GTR, pursuant to Section 8 of the Act.

^^^ Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Major Shareholder of AAJ, pursuant to Section 8 of the Act.

Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Major Shareholder of TAA, pursuant to Section 8 of the Act.

Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Major Shareholder of AirAsia, Inc, which is a Major Shareholder of PAA pursuant to Section 8 of the Act.

>>> Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Major Shareholder of PT AirAsia Indonesia Tbk, whereby AirAsia Investment and PT AirAsia Indonesia Tbk are the Major Shareholders of IAA, pursuant to Section 8 of the Act.

@@@ Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia (Guangzhou), pursuant to Section 8 of the Act.

~ Share capital of USD1,000,000 entirely issued to AAGB.

^^ Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which ultimately wholly owns Teleport Everywhere, pursuant to Section 8 of the Act.

**** Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Substantial Shareholder of AAIL pursuant to Section 8 of the Act.

- (2) Datuk Kamarudin is an interested Director and interested Major Shareholder by virtue of his directorships, direct and indirect shareholdings in our Company, and the Transacting Parties. Please refer to Section 7 of this Circular for details of his shareholdings in our Company.

As at the LPD, the directorship and direct and indirect shareholdings of Datuk Kamarudin in the Transacting Parties are as follows:

	<----- Direct ----->		<-----Indirect----->		Directorship
	No. of Shares	%	No. of Shares	%	
AirAsia	-	-	3,341,974,080	100.00*	√
Rokki	-	-	1,200,000	100.00@	-
Tune Insurance	-	-	83,273,097	83.26@@	-
BIGLIFE	-	-	6,660,002	100.00^^	√
AirAsia SEA	-	-	8,000,000	100.00>>	√
Ormond	-	-	5	50.00#	-
GTR	-	-	55,161,050	100.00***	-
AAJ	-	-	159,929,764	33.00^^	√
TAA	-	-	19,600,000	45.00##	√
PAA	-	-	592,999,993	98.83###	√
IAA	-	-	329,266	78.20>>>	-
AirAsia (Guangzhou)	-	-	~	100.00@@@	-
Teleport Everywhere	-	-	3,315,434	100.00^^^	√
AAIL	-	-	244,999,998	16.00****	-

* Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia, pursuant to Section 8 of the Act.

@ Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which ultimately wholly owns Rokki, pursuant to Section 8 of the Act.

@@ Deemed interested via his interest in Tune Group and AirAsia, being the Major Shareholders of Tune Protect, which is the Major Shareholder of Tune Insurance, pursuant to Section 8 of the Act.

^^ Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which ultimately owns AirAsia Superapp Sdn. Bhd. (formerly known as AirAsia Ads Sdn. Bhd.), the holding company of BIGLIFE, via AirAsia Digital Sdn.Bhd. pursuant to Section 8 of the Act being the Major Shareholders of AAGB, which wholly owns RedBeat, the holding company of BIGLIFE, pursuant to Section 8 of the Act.

>> Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which ultimately wholly owns AirAsia SEA, pursuant to Section 8 of the Act.

Deemed interested via his interest in Tune Group, being a Major Shareholder of ECM, which 50% owns Ormond pursuant to Section 8 of the Act.

*** Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia, the holding company of GTRH, being a Major Shareholder of GTR, pursuant to Section 8 of the Act.

^^ Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Major Shareholder of AAJ, pursuant to Section 8 of the Act.

Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Major Shareholder of TAA, pursuant to Section 8 of the Act.

Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Major Shareholder of AirAsia, Inc, which is a Major Shareholder of PAA pursuant to Section 8 of the Act.

>>> Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Major Shareholder of PT AirAsia Indonesia Tbk, whereby AirAsia Investment and PT AirAsia Indonesia Tbk are the Major Shareholders of IAA, pursuant to Section 8 of the Act.

- @@@ Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia (Guangzhou), pursuant to Section 8 of the Act.
- ~ Share capital of USD1,000,000 entirely issued to AAGB.
- ^^ Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which ultimately wholly owns Teleport Everywhere, pursuant to Section 8 of the Act.
- **** Deemed interested via his interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Substantial Shareholder of AAIL pursuant to Section 8 of the Act.

- (3) Dato' Fam is an interested Director by virtue of his directorships in our Company and AAGB, which wholly owns AirAsia, being a Major Shareholder of our Company. Dato' Fam is also a Director of AirAsia (Guangzhou), which is ultimately wholly-owned by AAGB.
- (4) AirAsia is an interested Major Shareholder by virtue of its direct shareholdings in our Company, and direct and indirect shareholdings in the Transacting Parties. Please refer to Section 7 of this Circular for details of its shareholdings in our Company.

As at the LPD, the direct and indirect shareholdings of AirAsia in the Transacting Parties are as follows:

	<----- Direct ----->		<-----Indirect----->	
	No. of Shares	%	No. of Shares	%
Rokki	-	-	1,200,000	100.00*
Tune Insurance	-	-	83,273,097	83.26#
BIGLIFE	-	-	6,660,002	100.00**
AirAsia SEA	8,000,000	100.00	-	-
GTR	1,103,221	2.00	54,057,829	98.00***
AAJ	-	-	159,929,764	33.00^^
TAA	-	-	19,600,000	45.00##
PAA	-	-	592,999,993	98.83###
IAA	-	-	329,266	78.20>>>
AirAsia (Guangzhou)	-	-	~	100.00@@@
Teleport Everywhere	-	-	3,315,434	100.00^^^
AAIL	-	-	244,999,998	16.00****

- * Deemed interested as AirAsia Com, which wholly owns Rokki, is a wholly-owned subsidiary of RedBeat, a wholly-owned subsidiary of its holding company, AAGB, pursuant to Section 8 of the Act.
- # Deemed interested via its interest in Tune Protect, being a Major Shareholder of Tune Insurance, pursuant to Section 8 of the Act.
- ** Deemed interested as RedBeat, which is the holding company of BIGLIFE, is a wholly-owned subsidiary of its holding company, AAGB, pursuant to Section 8 of the Act.
- *** Deemed interested via its interest in GTRH, being a Major Shareholder of GTR, pursuant to Section 8 of the Act.
- ^^ Deemed interested as AirAsia Investment, which is a Major Shareholder of AAJ, is a wholly-owned subsidiary of its holding company, AAGB, pursuant to Section 8 of the Act.
- ## Deemed interested as AirAsia Investment, which is a Major Shareholder of TAA, is a wholly-owned subsidiary of its holding company, AAGB, pursuant to Section 8 of the Act.
- ### Deemed interested as AirAsia Investment, which is a Major Shareholder of AirAsia, Inc, being a Major Shareholder of PAA, is a wholly-owned subsidiary of its holding company, AAGB, pursuant to Section 8 of the Act.
- >>> Deemed interested as AirAsia Investment, which is a Major Shareholder of PT AirAsia Indonesia Tbk, whereby AirAsia Investment and PT AirAsia Indonesia Tbk are the Major Shareholders of IAA, is a wholly-owned subsidiary of its holding company, AAGB, pursuant to Section 8 of the Act.
- @@@ Deemed interested as AirAsia (Guangzhou) is a wholly-owned subsidiary of its holding company, AAGB, pursuant to Section 8 of the Act.
- ~ Share capital of USD1,000,000 entirely issued to AAGB.
- ^^^ Deemed interested as RedBeat, which wholly owns Teleport Everywhere, is a wholly-owned subsidiary of its holding company, AAGB, pursuant to Section 8 of the Act.
- **** Deemed interested as AirAsia Investment, which is a Major Shareholder of AAIL, is a wholly-owned subsidiary of its holding company, AAGB, pursuant to Section 8 of the Act.

- (5) Tune Group is an interested Major Shareholder by virtue of its direct shareholdings in our Company, and direct and indirect shareholdings in the Transacting Parties. Please refer to Section 7 of this Circular for details of its shareholdings in our Company.

As at the LPD, the direct and indirect shareholdings of Tune Group in the Transacting Parties are as follows:

	<----- Direct ----->		<-----Indirect----->	
	No. of Shares	%	No. of Shares	%
AirAsia			3,341,974,080	100.00 ⁺
Rokki	-	-	1,200,000	100.00 [@]
BIGLIFE	-	-	6,660,002	100.00 [^]
AirAsia SEA	-	-	8,000,000	100.00 ^{>>}
Tune Insurance	-	-	83,273,097	83.26 [#]
GTR	-	-	55,161,050	100.00 ^{***}
AAJ	-	-	159,929,764	33.00 ^{^^}
TAA	-	-	19,600,000	45.00 ^{##}
PAA	-	-	592,999,993	98.83 ^{###}
IAA	-	-	329,266	78.20 ^{>>>}
AirAsia (Guangzhou)	-	-	~	100.00 ^{@@@}
Teleport Everywhere	-	-	3,315,434	100.00 ^{^^^^}
AAIL	-	-	244,999,998	16.00 ^{****}

* Deemed interested via its interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia, pursuant to Section 8 of the Act.

@ Deemed interested via its interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which ultimately wholly owns Rokki, pursuant to Section 8 of the Act.

^^ Deemed interested via its interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which ultimately wholly owns AirAsia Superapp Sdn. Bhd. (formerly known as AirAsia Ads Sdn. Bhd.), the holding company of BIGLIFE, via AirAsia Digital Sdn.Bhd. pursuant to Section 8 of the Act.

>> Deemed interested via its interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which ultimately wholly owns AirAsia SEA, pursuant to Section 8 of the Act.

Deemed interested via its interest in Tune Protect, being a Major Shareholder of Tune Insurance, pursuant to Section 8 of the Act.

*** Deemed interested via its interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia, the holding company of GTRH, being a Major Shareholder of GTR, pursuant to Section 8 of the Act.

^^ Deemed interested via its interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Major Shareholder of AAJ, pursuant to Section 8 of the Act.

Deemed interested via its interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Major Shareholder of TAA, pursuant to Section 8 of the Act.

Deemed interested via its interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Major Shareholder of AirAsia, Inc, which is a Major Shareholder of PAA, pursuant to Section 8 of the Act.

>>> Deemed interested via its interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Major Shareholder of PT AirAsia Indonesia Tbk, whereby AirAsia Investment and PT AirAsia Indonesia Tbk are the Major Shareholders of IAA, pursuant to Section 8 of the Act.

@@@ Deemed interested via its interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia (Guangzhou), pursuant to Section 8 of the Act.

~ Share capital of USD1,000,000 entirely issued to AAGB.

^^^^ Deemed interested via its interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which ultimately wholly owns Teleport Everywhere, pursuant to Section 8 of the Act.

**** Deemed interested via its interest in Tune Air and Tune Live, being the Major Shareholders of AAGB, which wholly owns AirAsia Investment, being a Substantial Shareholder of AAIL, pursuant to Section 8 of the Act.

- (6) *Dato' Lim is an interested Director by virtue of his directorship and indirect shareholding in our Company, and the indirect shareholding in the Transacting Party. Please refer to Section 7 of this Circular for details of his shareholdings in our Company.*

As at the LPD, the directorship and indirect shareholding of Lim Kian Onn in the Transacting Party respectively is as follows:

	<----- Direct ----->		<-----Indirect----->		Directorship
	No. of Shares	%	No. of Shares	%	
Ormond	-	-	10	100.00**	-

** *Deemed interested via his interest in ECM, and Tune Hotels.com and Plato, being the ultimate shareholders of TP Real Estate Holdings Pte. Ltd., which 50% owns Ormond, pursuant to Section 8 of the Act.*

2.4 Details of Amount due by Related Parties

There is no amount due and owing to our Group by its Related Parties pursuant to the RRPTs disclosed in Section 2.3 of this Circular, which has exceeded the credit term granted as at 30 June 2021.

2.5 Basis of estimates

The estimated transaction values for the RRPTs referred to in Section 2.3 of this Circular are based on (i) estimated prevailing prices, which are reasonably market-competitive; and (ii) the sums incurred or received over the past years for similar transactions. The estimated transaction values were also projected based on the assumption that (i) our Group's usual levels of transaction; (ii) our Group's projected business volume; and (iii) our current level of operations would be maintained, from the date of our forthcoming AGM in 2021 to our next AGM in 2022.

2.6 Review procedures for RRPTs

We have established the following policies and procedures to ensure that all RRPTs will be entered into on normal commercial terms and on an arm's length basis, on terms which will not be more favourable to our Related Parties than those generally available to the public, and will not be detrimental to our non-interested shareholders:

- (i) Directors are required to make full disclosure at once, of the nature and extent of any direct or indirect interests they may have in any business enterprise with an existing or proposed relationship with our Group, including all matters in relation to the proposed RRPT that he is aware or should be reasonably be aware of, whether or not they believe it is a material event or agreement. Upon such disclosure, the interested Director(s) are required to abstain from board deliberation and voting on any resolution relating to such related party transaction(s);
- (ii) There are no specific thresholds for disclosure of related party transactions in our Company for internal deliberation. All existing or potential related party transactions have to be disclosed by the interested parties for management reporting by the relevant head of department in which the transaction falls under ("**Management**"). The Management will propose the transaction by providing a transaction paper and other relevant documents, including a draft announcement to be submitted to Bursa Securities to the Legal Department, at least two (2) weeks prior to the Audit Committee meeting to ensure the regulatory requirements have been met. Upon obtaining clearance from the Legal Department, Management will sign off on the transaction papers and the matter shall be tabled to our Audit Committee for evaluation and assessment. The Audit Committee will in turn make the necessary recommendation to our Board;

- (iii) With the information provided in the RRPT papers, our Board ascertains that at least two (2) other contemporaneous transactions with unrelated third parties for similar products or services and/or quantities will be used as a comparison, wherever possible, to determine whether the price and terms offered to or by the Related Parties are fair and reasonable and comparable to those offered to or by other unrelated third parties for the same or substantially similar type of products or services and/or quantities. In the event that a quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be based on the prevailing market prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms, which are generally in line with industry norms and not more favourable to the Related Party than those generally available to the public and are not to the detriment of our Company or our Group or our non-interested shareholders;
- (iv) In reviewing and evaluating the RRPTs, the following are considered: the rationale and the cost/benefit to our Company; and where possible, comparative quotes, including sources, methods and procedures through which transaction prices are determined to justify the transaction being undertaken are also taken into consideration to determine whether the price and terms offered to or by the related party(ies) are fair and reasonable, in the best interests of our Company and not detrimental to our non-interested shareholders and comparable to those offered to or by other unrelated third parties for the same or substantially similar type of products, services or quantities; and
- (v) Our Audit Committee shall review the procedures set out by our Company to ensure that such procedures are adequate to monitor, track and identify related party transactions in a timely and orderly manner and that procedures are reviewed on an annual basis or whenever the need arises.

2.7 Audit Committee's Statement

The Audit Committee has seen and reviewed the procedures set out in Section 2.6 of this Circular and is of the view that the procedures are:

- (i) sufficient to ensure that the RRPTs are undertaken on arm's length basis and not more favourable to the Transacting Parties than those generally available to the public and are not to the detriment of our Company's minority shareholders; and
- (ii) adequate to monitor, track and identify RRPTs in a timely and orderly manner and that such procedures and processes are reviewed on an annual basis or whenever the need arises.

2.8 Disclosure of RRPTs

If the Proposed Mandate is approved, disclosure will be made in our Annual Report and in the Annual Reports for the subsequent years that the Proposed Mandate continues to be in force in accordance with Paragraph 3.1.5 of Practice Note 12 of the Listing Requirements, in addition to what is set out in Section 2.1(b) of this Circular, a breakdown of the aggregate value of the RRPTs made during the financial year, among others, based on the following information:

- (a) the type of RRPT made; and
- (b) the names of the Related Parties involved in each type of RRPT made and their relationship with our Company.

If the actual value of an RRPT exceeds the estimated value of the RRPT disclosed in Section 2.3 of this Circular by 10% or more, our Company will make an immediate announcement to Bursa Securities, which will include information as may be prescribed by Bursa Securities.

3. RATIONALE AND BENEFITS OF THE PROPOSED MANDATE

The RRPTs that have been entered into and will be entered into by our Group are necessary for our business and are intended to meet business needs at the best possible terms. Our Group should be able to have access to all available markets, products and services provided by all vendors, including Related Parties and to provide products and services to all persons including our Related Parties. This will enhance the ability of our Group to explore beneficial business opportunities as well as to promote cross-selling, which will be beneficial to our Group.

The Proposed Mandate will eliminate the need to announce and convene separate general meetings on each occasion to seek your prior approval for the entry by our Group into such transactions. This will reduce the associated expenses, improve administrative efficiency and allow manpower, resource and time to be better channelled towards achieving other corporate objectives.

The RRPTs are likely to continue in the future on a frequent and recurrent basis from time to time. In addition, these transactions may be constrained by the time-sensitive nature and confidentiality of such transactions, and it may be impractical to seek your prior approval on a case-by-case basis before entering into such transactions.

The RRPTs are transactions in the ordinary course of our business, made on commercial terms on an arm's length basis, on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of our minority shareholders.

The benefits of transacting with the Related Parties are as follows:

- (a) The brand licence agreement entered into with AirAsia will provide service to guests beyond the four (4)-hour flight radius (i.e. long-haul routes). This agreement will allow AAX to operate and be visually recognisable within the AAGB Group of airlines.
- (b) AirAsia has the capacity to provide the range of services to our Company as detailed in Section 2.3 of this Circular. The provision of these services will extend and sustain our Company's existing operations. This will also rationalise and standardise the services provided across the associate companies.
- (c) The sale and supply agreement entered into with Rokki will offer an in-flight entertainment system on AAX's flights to all its long-haul destinations. The passengers on AAX's flights will be able to enjoy in-flight entertainment such as movies, TV shows, music and games. It is our Company's commitment in driving innovation while enhancing passengers' in-flight experience.
- (d) While our Company values the importance of travel insurance as part of our business, the insurance business is not our core business. As such it would be more efficient and cost effective if Tune Insurance undertakes the sourcing of insurance for our Company. This will enable our Company to monetise and leverage on our Company's large customer base for additional revenue without any additional investment outlay whilst improving performance of our travel insurance business and reducing the cost of dealing with multiple parties through the central management by Tune Insurance. Tune Insurance has proven to be reliable in its delivery of services and fulfils the quality expectations of our Company, hence, any risk of interruption to our Company's day-to-day operations would be minimised. Tune Insurance is also familiar with our Company's operations and therefore, is able to meet the business needs and requirements of our Company. Further, this would enable our Company to concentrate on our core business while maximising business opportunities.

- (e) BIGLIFE operates and manages the BIG Loyalty Program. It plans to accelerate the growth of Asia's best frequent flying loyalty programme catering to low-cost carrier customers. Our Company will purchase loyalty points from BIGLIFE and issue the loyalty points to our customers when they purchase flight tickets or duty free items. The purchase of loyalty points is an expense incurred by our Company. The BIG Loyalty Program is beneficial to our Company as it has a large membership base. Participation by our Company in the BIG Loyalty Program has contributed to an increase of our passenger load.
- (f) AirAsia SEA has the capacity to provide the range of services to our Company as detailed in Section 2.3 of this Circular. The provision of these services will assist and complement our Company's existing operations. This will also rationalise and standardise the services provided across the associate companies.
- (g) The Company has the capacity to provide carriage support to its sister company, AirAsia for its passengers through various routes during its peak travelling period. Such support will also maximise the Company's aircraft utilisation hours and generate positive returns.
- (h) The Company has launched an airport lounge at the klia2 providing lounge services to passengers, which includes a provision of food and beverages. Ormond provides food catering services to the said airport lounge five times daily at a competitive price, hence complementing our Company's commitment to provide a holistic flying experience to our passengers.
- (i) BIGLIFE operates and manages the BIG Loyalty Program. It plans to accelerate growth of Asia's best frequent flying loyalty programme catering to low-cost carrier customers. Our Company participates in a loyalty programme where our customers accumulate points for purchases made, which entitle them for free flights, discounts on future purchases or other AirAsia add-ons such as baggage and Hot Seats. Award points are recognised as a cost of sale at the time of issue while revenue from the award points is recognised when the points are redeemed. The amount of revenue is based on the number of points redeemed and the redemption value of each point.
- (j) In order to facilitate the Company's operational requirements in the Indonesian stations it flies to or intends to fly to, the Company requires operational assistance from IAA to provide ground handling services in the said stations.
- (k) In line with the Company's commitment to provide a holistic flying experience to its passengers, the Company has granted accessibility of the airport lounge at klia2 to the passengers of AAGB Group under the agreement with AirAsia.
- (l) In order to facilitate AAJ's operational requirements in the AAX stations that it flies to or plans to fly to, AAJ will require operational assistance from the Company through the Company's employees, sharing of office premise(s) and other applicable facilities (as the case may be) as well as ground handling services to be provided by AAX in the said stations. The arrangement between AAX and AAJ will allow AAJ to procure such commercial services from AAX in all the AAX stations or countries that our Company operates in on the basis of sharing of resources and costs, which will in turn allow the Company to reduce its operations cost at each of its own stations.
- (m) In order to facilitate PAA's operational requirements in the AAX stations that it flies to or plans to fly to, PAA will require operational assistance from the Company through the Company's employees, sharing of office premise(s) and other applicable facilities (as the case may be) to be provided by AAX in the said stations. The arrangement between AAX and PAA will allow PAA to procure such commercial services from AAX in all the AAX stations or countries that our Company operates in on the basis of sharing of resources and costs, which will in turn allow the Company to reduce its operations cost at each of its own stations.

- (n) In order to facilitate TAA's operational requirements in the AAX stations that it flies to or plans to fly to, TAA will require operational assistance from the Company through the Company's employees, sharing of office premise(s) and other applicable facilities (as the case may be) to be provided by AAX in the said stations. The arrangement between AAX and TAA will allow TAA to procure such commercial services from AAX in all the AAX stations or countries that our Company operates in on the basis of sharing of resources and costs, which will in turn allow the Company to reduce its operations cost at each of its own stations.
- (o) In order to facilitate IAA's operational requirements in the AAX stations that it flies to or plans to fly to, IAA will require operational assistance from the Company through the Company's employees, sharing of office premise(s) and other applicable facilities (as the case may be) to be provided by AAX in the said stations. The arrangement between AAX and IAA will allow IAA to procure such commercial services from AAX in all the AAX stations or countries that our Company operates in on the basis of sharing of resources and costs, which will in turn allow the Company to reduce its operations cost at each of its own stations.
- (p) In order to facilitate AirAsia's operational requirements in the Taipei, Taiwan station, AirAsia will require operational assistance from the Company through the Company's employees, sharing of office premise(s) and other applicable facilities (as the case may be) as well as ground handling services to be provided by AAX in the said station. The arrangement between AAX and AirAsia will allow AirAsia to procure such commercial services from AAX in Taipei, Taiwan station on the basis of sharing of resources and costs, which will in turn allow the Company to reduce its operations cost at each of its own stations.
- (q) In order to facilitate AAX's operational requirements in the AAX stations that it flies to or plan to fly to in the People's Republic of China, AAX will require operational assistance from AirAsia (Guangzhou) through AirAsia (Guangzhou)'s employees, sharing of office premise(s) and other applicable facilities (as the case may be) to be provided by AirAsia (Guangzhou). The arrangement between AAX and AirAsia (Guangzhou) will allow the Company to procure such commercial services from AirAsia (Guangzhou) in all the AAX stations that our Company operates in the People's Republic of China, which will in turn allow the Company to reduce its operations cost at each of its own stations.
- (r) Teleport Everywhere was established as the main holding company for AirAsia's logistics business. As such, Teleport Everywhere would need to be given the mandate to have exclusivity over AirAsia's cargo capacity which forms the crux of the whole logistics business model that enable seamless connectivity of various routes without the need to have multiple layers of formalities. As an example, cargo from Osaka (KIX) to Labuan Bajo (LBJ) can be transported directly via D7 and QZ as the routes were centralised within Teleport's network.
- (s) In order to facilitate AAX's operational requirements in Delhi and Jaipur stations, AAX will require security services from AAIL through its employees, office premise(s) and other applicable facilities (as the case may be). The arrangement between AAX and AAIL will allow AAX to procure such security services from AAIL which will in turn reduce operations costs at Delhi and Jaipur stations, and in the future other stations.

Our Group has had long-standing business relationships with the Related Parties and the close co-operation has reaped mutual benefits which are expected to continue to be beneficial to the business of our Group.

4. VALIDITY PERIOD FOR THE PROPOSED MANDATE

The Proposed Mandate, if approved at our forthcoming AGM, shall take effect from the date of the passing of the ordinary resolution proposed at our forthcoming AGM to approve the Proposed Mandate and is subject to annual renewal. In this respect, the Proposed Mandate shall only continue to be in force until:

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

whichever is the earliest.

5. EFFECTS OF THE PROPOSED MANDATE

The Proposed Mandate will not have any effect on the issued and paid-up share capital of our Company and our substantial shareholders' shareholdings and is not expected to have a material effect on the NA per Share and gearing of our Group.

The Proposed Mandate is in relation to the transactions which are of revenue or trading nature which forms part of our Group's day-to-day operations. Thus, those transactions will contribute positively to our Group's financial performance and EPS.

6. APPROVALS REQUIRED

The Proposed Mandate is subject to and conditional upon obtaining your approval at our forthcoming AGM.

7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Save as disclosed below, none of our Directors, Major Shareholders, and/or Persons Connected to them, have any interests, direct or indirect in the Proposed Mandate:

- (i) Tan Sri Tony Fernandes, by virtue of his directorship in our Company and a Major Shareholder of our Company and by virtue of his directorships and shareholdings in the Transacting Parties as detailed in the notes of Section 2.3 of this Circular;
- (ii) Datuk Kamarudin, by virtue of his directorship in our Company and a Major Shareholder of our Company and by virtue of his directorships and shareholdings in the Transacting Parties as detailed in the notes of Section 2.3 of this Circular;
- (iii) Dato' Fam, by virtue of his directorship in our Company and by virtue of his directorship in the Related Party as detailed in the notes of Section 2.3 of this Circular;
- (iv) AirAsia, by virtue of it being our Major Shareholder and by virtue of its shareholdings in the Transacting Parties as detailed in the notes of Section 2.3 of this Circular;

- (v) Tune Group, by virtue of it being our Major Shareholder and by virtue of its shareholdings in the Transacting Parties as detailed in the notes of Section 2.3 of this Circular; and
- (vi) Dato' Lim, by virtue of his directorship in our Company and by virtue of his directorship and shareholding in the Transacting Party as detailed in the notes of Section 2.3 of this Circular.

The shareholdings of the interested Directors and interested Major Shareholders in our Company as at the LPD are as follows:

	<----- Direct ----->		<----- Indirect ----->	
	No. of Shares	%	No. of Shares	%
<u>Interested Directors</u>				
Tan Sri Tony Fernandes	111,587,228	2.69	1,310,331,376 ⁽¹⁾	31.59
Datuk Kamarudin	370,709,939	8.94	1,310,331,376 ⁽¹⁾	31.59
Dato' Fam	-	-	-	-
Dato' Lim	-	-	175,833,356 ⁽²⁾	4.24
<u>Interested Major Shareholders</u>				
AirAsia	570,728,502	13.76	-	-
Tune Group	739,602,874	17.83	-	-
Tan Sri Tony Fernandes	111,587,228	2.69	1,310,331,376 ⁽¹⁾	31.59
Datuk Kamarudin	370,709,939	8.94	1,310,331,376 ⁽¹⁾	31.59

Notes:

⁽¹⁾ Deemed interested via their interests in AirAsia and Tune Group, being Major Shareholders of our Company pursuant to Section 8 of the Act.

⁽²⁾ Deemed interest via shareholdings of his spouse and children.

Accordingly, the interested Directors have abstained and will continue to abstain from deliberations and voting on the Proposed Mandate at all your Board's meetings. Further, the interested Directors and interested Major Shareholders will abstain from voting in respect of their direct and indirect interests, if any, on the resolution pertaining to the Proposed Mandate at our forthcoming AGM.

In addition, the interested Directors and interested Major Shareholders have undertaken to ensure that Persons Connected to them shall abstain from voting, deliberating or approving the resolution pertaining to the Proposed Mandate at our forthcoming AGM in respect of their direct and indirect interests in our Company.

8. DIRECTORS' RECOMMENDATION

The Board (save for the interested Directors), having considered all aspects of the Proposed Mandate, is of the opinion that the Proposed Mandate is in our Company's best and long-term interests.

Accordingly, the Board (save for the interested Directors), recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Mandate to be tabled at our forthcoming AGM.

9. AGM

The Fifteenth AGM, the extract of the notice of which is set out in this Circular, will be held as a virtual meeting via live streaming and online remote voting from the Broadcast Venue at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur (klia2), 64000 KLIA, Selangor Darul Ehsan, Malaysia, on Tuesday, 7 December 2021 at 10.00 a.m, using the Remote Participation and Voting Facilities (“**RPV**”) provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“**Share Registrar**” or “**TIIH**”) via its TIIH Online website at <https://tiih.online>, for the purpose of considering and if thought fit, passing with or without modifications, the ordinary resolution to give effect to the Proposed Mandate.

You are entitled to participate via RPV at our forthcoming AGM or appoint proxy(ies) to participate in your place. In such event, the Form of Proxy should be completed and lodged at our registered office at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur (klia2), 64000 KLIA, Selangor Darul Ehsan, Malaysia not later than forty-eight (48) hours before the date and time fixed for our forthcoming AGM or any adjournment thereof. You also have the option to lodge the proxy appointment electronically via TIIH Online website at <https://tiih.online> before the lodgement cut-off time. The last date and time for you to lodge the Form of Proxy is on Sunday, 5 December 2021 at 10.00 a.m. The lodging of the Form of Proxy will not preclude you from participating via RPV in our forthcoming AGM should you subsequently wish to do so.

10. FURTHER INFORMATION

You are advised to refer to the attached appendix for further information.

Yours faithfully,
For and on behalf of the Board of Directors
AIRASIA X BERHAD

TAN SRI RAFIDAH AZIZ
Senior Independent Non-Executive Chairman

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

Our Directors have seen and approved this Circular and they collectively and individually accept full responsibility for the accuracy of the information in this Circular. They confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts which, if omitted, would make a statement in this Circular misleading.

2. MATERIAL CONTRACT

There are no material contracts (not being contracts entered into in the ordinary course of business), which has been entered into by our Group within the past two (2) years immediately preceding the date of this Circular.

3. MATERIAL LITIGATION

As at 8 October 2021 and save as disclosed below, AAX Group is not involved in any material litigation, claim or arbitration either as plaintiff or defendant and AAX Group is not aware of any proceeding pending or threatened or of any fact likely to give rise to any proceeding which might materially or adversely affect AAX Group's position or business:-

3.1 Claim filed by BOC Aviation Limited ("BOCA")

AAX and AAX Leasing Two Ltd ("AAX Leasing Two"), an indirect wholly-owned subsidiary of AAX, had on 25 August 2020, received a letter dated 19 August 2020 issued by Morgan, Lewis & Bockius UK LLP ("Morgan Lewis") enclosing, amongst others, a particulars of claim dated 19 August 2020 ("Particulars of Claim") filed by Morgan Lewis on behalf of BOCA against AAX and AAX Leasing Two in the High Court of Justice - Business and Property Courts of England and Wales ("High Court of England and Wales") ("said Claim"). For information, BOCA is an aircraft operating leasing company and AAX Leasing Two has leased 4 aircraft from BOCA pursuant to 4 individual aircraft lease agreements, all dated 24 November 2014 as novated, amended and restated on 28 December 2018 and as amended and supplemented from time to time, between BOCA and AAX Leasing Two ("BOCA Lease Agreements"). In the Particulars of Claim, BOCA claimed that the said Claim is in relation to:-

- (a) the alleged breach of AAX Leasing Two's obligations under the BOCA Lease Agreements; and
- (b) the alleged breach of AAX's obligations under 4 guarantees, all dated 28 December 2018 issued by AAX in favour of BOCA pursuant to the BOCA Lease Agreements ("Guarantees").

In connection to the said Claim, BOCA had in the Particulars of Claim claimed for, amongst others, the sum of USD22,975,392.17 from AAX and AAX Leasing Two, representing the outstanding amounts due as a debt under the BOCA Lease Agreements and the Guarantees.

On 20 November 2020, AAX announced that AAX and AAX Leasing Two had respectively been served with a sealed copy of the order dated 6 November 2020 made by the High Court of England and Wales in respect of the said Claim ("said Order").

The High Court of England and Wales has in the said Order ordered, amongst others, the following:-

- (a) BOCA is granted summary judgment against the Company and AAX Leasing Two on the said Claim;

FURTHER INFORMATION

- (b) AAX and AAX Leasing Two shall pay:-
- a sum of USD23,376,779.02, comprising the sum of (aa) USD22,975,392.17 (inclusive of interest to 30 June 2020) claimed in the said Claim and (bb) USD401,386.85 in respect of interest between 1 July 2020 and 6 November 2020;
 - post-judgment interest on the above sum at the Default Rate (as defined in the BOCA Lease Agreements); and
 - a sum of £75,000.00, being BOCA's cost of the said Claim (summarily assessed).

AAX and AAX Leasing Two had respectively been served with the Notice to Judgment Debtors of Registration of Foreign Judgment dated 7 December 2020 filed in the High Court at Kuala Lumpur in respect of the registration of the said Order by BOCA as a Judgment of the High Court.

AAX had on 14 December 2020 filed and served on the solicitors of BOCA an application to set aside the registration of the said Order as a Judgment of the High Court. AAX, AAX Leasing Two and BOCA had on 25 May 2021 filed their respective written submissions and thereafter reply submissions were filed by the parties on 12 July 2021 and 14 July 2021 respectively.

The matter is now fixed for hearing on 27 October 2021.

The solicitors of AAX and AAX Leasing Two are of the view that AAX and AAX Leasing Two's chances of success is dependent on the progress of the Proposed Debt Restructuring and that AAX and AAX Leasing Two have a fair chance of success in setting aside the registration of the said Order by BOCA as a Judgment of the High Court.

3.2 Claim filed by MASSB

AAX had on 23 October 2020, been served with an unsealed copy of the Writ of Summons and Statement of Claim, both dated 22 October 2020, filed by MASSB against the AAX in the High Court of Kuala Lumpur ("MASSB Claim"). In the Statement of Claim, MASSB claimed that the MASSB Claim is in respect of the sum of RM78,162,964.90, being the outstanding amount for various aeronautical charges which comprised of passenger service charges, passenger service security charges, aerobridge charges, aircraft parking charges, check-in counter charges, landing charges and late payment charges pursuant to the Malaysian Aviation Commission (Aviation Services Charges) Regulations 2016 and/or the conditions of use for Kuala Lumpur International Airport ("Condition of Use"). In connection to the MASSB Claim, MASSB had also sought for, amongst others, an order that MASSB's contractual and continual lien over any aircraft, parts, accessories, vehicles, equipment and/or any other property belonging to and/or under the AAX's control or any ground handler appointed by the Company under the Condition of Use shall only be discharged upon full settlement by AAX of the full sum owing to MASSB. In response AAX filed its Statement of Defence which includes (inter alia) a counterclaim to recover amounts paid to MASSB since the coming into force of the MAVCOM Act on 1 March 2016. Subsequently, MASSB had on 11 November 2020 filed an application for Summary Judgment ("MASSB Summary Judgment Application") solely in respect of the purportedly outstanding passenger service charges and late payment charges claimed in the Statement of Claim amounting to RM62,937,145.66 on the same grounds it relied on in its Statement of Claim, to which AAX has filed a reply on 4 December 2020. In addition, BNP Paribas, Singapore Branch as well as a group of 8 passengers also filed applications to intervene in the MASSB Claim.

FURTHER INFORMATION

AAX thereafter filed an application to stay all proceedings in the MASSB Claim pending the determination of the application for Proposed Debt Restructuring as well as the appeal in Section 7.4 of this Explanatory Statement, as some of which raise similar issues for the Court of Appeal's determination in relation to passenger service charges. The application by AAX to stay all proceedings was subsequently withdrawn with no order to costs on 25 March 2021 pursuant to the agreement between the parties on the terms of the AAX Restraining Order. On 21 September 2021, the applications to intervene by BNP Paribas, Singapore Branch was heard and a Consent Order was recorded allowing BNP Paribas, Singapore Branch to intervene but only in respect of MASSB's prayers relating to the detention and sale of AAX's property. Further, the application to intervene by the 8 passengers was withdrawn with liberty to file afresh. There has yet to be a hearing date fixed for the MASSB Summary Judgment Application. The solicitors of AAX are of the view that AAX has a fair chance of success in defending the MASSB Claim and in AAX's counterclaim against MASSB.

3.3 Claim filed by International Lease Finance Corporation ("ILFC")

AAX and its subsidiaries, AAX Mauritius One Ltd. ("AAX Mauritius") and AAX Leasing Four Ltd. ("AAX Leasing Four") had on 19 November 2020, each been served with a Judgement for claimant (in default) dated 13 November 2020 (and sealed on 18 November 2020) ("Judgement") obtained by ILFC (as trustee) ("Claimant") against AAX, AAX Mauritius and AAX Leasing Four respectively, in the High Court of Justice, Queens Bench Division, Commercial Court ("High Court of Justice"). The High Court of Justice has pursuant to the Judgement, ordered each of AAX, AAX Mauritius and AAX Leasing Four to pay the sum of £6,581,868.05 (inclusive of costs and interests to the date of the judgement) to the Claimant. As at the LPD, AAX has not received any notice in relation to the registration of the Judgment by ILFC with the High Court of Justice pursuant to the Reciprocal Enforcement of Judgments Act 1958. The solicitors of AAX Mauritius and AAX Leasing Four are not able to provide an opinion as to the probable outcome of this matter as no cause papers have been filed in view of the AAX Restraining Order.

3.4 Claim filed by MASSB

On 10 December 2018, MASSB initiated a civil suit against AAX for outstanding passenger service charges and late payment charges. On 18 July 2019, the High Court allowed summary judgment against AAX for the sum of RM26,718,142.00 in outstanding passenger service charges and RM661,748.77 in outstanding late payment charges. The claim by MASSB is currently pending appeal to the Court of Appeal, which is fixed for hearing on 27 January 2022. The solicitors of AAX are of the view that AAX has a fair chance of success in the appeal.

3.5 Claim filed by AAX and AirAsia Berhad against MASSB

On 2 October 2019, AAX together with AirAsia Berhad (affiliate company of AAX) filed a Writ of Summons at the High Court against MASSB for the sum of RM479,781,285.00, being loss and damage caused by negligence and breaches of contract on the part of MASSB, its servants and/or agents in the management, operation, maintenance and/or provision of airport services and facilities at klia2. The matter is presently pending the decision on AAX and AirAsia Berhad's joint application to expunge an affidavit filed by MASSB which contains without prejudice communications and the expungement application is fixed for hearing on 13 October 2021. Further, there are 2 other pending applications in the suit, being MASSB's application to strike out the claim, and secondly, MASSB's application for further and better particulars of the claim, both of which are fixed for case management on 13 October 2021. The solicitors of AAX are of the view that AAX has a fair chance in opposing the striking out application and in succeeding in the claim.

FURTHER INFORMATION

3.6 Claim filed by Trip4Asia Sdn Bhd (“Trip4Asia”) and MBI Marketing Sdn Bhd (“MBI Marketing”) against AAX

On 5 July 2018, Trip4Asia together with MBI Marketing had initiated a civil suit against, amongst others, AAX for alleged breach of contract, fraud, misrepresentation and conspiracy to injure pertaining to a proposed charter flight to Gold Coast, Australia, of which the flight did not materialise, for an amount of RM1,353,550.00 in deposit refund and RM3,993,000.00 in loss of revenue. On 5 July 2019, the High Court had allowed the application made by AAX to strike out the claim made by Trip4Asia and MBI Marketing.

On 1 August 2019, Trip4Asia and MBI Marketing had appealed against the decision of the High Court to allow the striking out of the application by AAX. The solicitors of AAX have confirmed that on 13 April 2021, Trip4Asia and MBI Marketing had discontinued their appeal with no order as to costs, and accordingly the matter has come to an end.

3.7 Claim filed by POS Aviation Sdn Bhd (“PASB”)

On 16 March 2021, PASB commenced an action against AAX to recover the sum of RM5,249,914.98 in respect of the aircraft maintenance and engineering services it had provided to AAX pursuant to an agreement dated 1 March 2017. AAX entered its Memorandum of Appearance on 31 March 2021 and informed PASB’s solicitors of the AAX Restraining Order. On 20 April 2021, AAX informed the High Court that the matter was to be restrained and/or stayed in view of the extension of the AAX Restraining Order up to 17 March 2022. The High Court accordingly fixed the matter for further case management on 16 August 2021 for PASB to update the High Court on whether it is agreeable to have the matter withdrawn with liberty to file afresh. At the case management on 16 August 2021, PASB withdrew the suit with liberty to file afresh and no order as to costs.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur (klia2), 64000 KLIA, Selangor Darul Ehsan, Malaysia during office hours on Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of our forthcoming AGM:

- (i) our Constitution; and
- (ii) our audited consolidated financial statements for the past two (2) for the financial year ended 31 December 2019 and financial period ended 30 June 2021.

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AIRASIA X BERHAD

Company No. 200601014410 (734161-K)
(Incorporated in Malaysia)

EXTRACT OF RESOLUTION TO BE TABLED AS SPECIAL BUSINESS AT THE FORTHCOMING FIFTEENTH ANNUAL GENERAL MEETING

ORDINARY RESOLUTION 6

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED MANDATE")

*"**THAT** approval be and is hereby given for the renewal of the existing shareholders' mandate for the Company to enter into recurrent related party transactions of a revenue or trading nature with the related parties ("**Recurrent Related Party Transactions**") as set out in Section 2.3 of the Circular to Shareholders dated 29 October 2021 ("**Circular**", subject further to the following:*

- i) the Recurrent Related Party Transactions are entered into in the ordinary course of business which are:
 - (a) necessary for the day-to-day operations;*
 - (b) on normal commercial terms and transaction price which are not more favourable to the related parties than those generally available to the public;*
 - (c) undertaken on arm's length basis; and*
 - (d) not to the detriment of the minority shareholders of the Company;**
- ii) the shareholders' mandate is subject to annual renewal and this shareholders' mandate shall only continue to be in full force until:
 - (a) the conclusion of the next AGM of the Company, at which time it will lapse, unless renewed by a resolution passed at that meeting.*
 - (b) the expiration of the period within which the next AGM after the date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**Act**") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or*
 - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting of the Company,**

whichever is the earliest.

***THAT** the Directors of the Company and/or any one (1) of them be and are hereby authorised to complete and do all such acts and things and take all such steps and to execute all such transactions, deeds, agreements, arrangements and/or undertakings as the Directors in their discretion deem fit, necessary, expedient and/or appropriate in the best interest of the Company in order to implement, finalise and give full effect to the Recurrent Related Party Transactions with full powers to assent to any modifications, variations and/or amendments thereto.*

***AND THAT** as the estimates given for the Recurrent Related Party Transactions specified in Section 2.3 of the Circular being provisional in nature, the Directors of the Company and/or any one (1) of them be and are hereby authorised to agree to the actual amount or amounts thereof provided always that such amount or amounts comply with the procedures set out in Section 2.6 of the Circular."*