

BURSA ANNOUNCEMENT

AIRASIA X BERHAD (“AAX” OR THE “COMPANY”)

1. INTRODUCTION

The Board of Directors of AirAsia X Berhad (“AAX” or “the Company”) wishes to announce that AAX had on 5 December 2023 entered into Aircraft Lease Agreements with Asia Aviation Capital Limited (“ACL or the Lessor”) for the lease of an Aircraft bearing MSN1596 .

2. DETAILS OF ASIA AVIATION CAPITAL LIMITED

AACL was incorporated in the Federal Territory of Labuan, Malaysia on 26 September 2014, and is providing aircraft leasing facilities. The total issued and paid-up share capital of AACL is USD5,000,000 comprising 5,000,000 ordinary shares.

AACL is a wholly-owned subsidiary of AirAsia Berhad, which in turn is a wholly-owned subsidiary to Capital A Berhad.

As at the date of this announcement, the directors of AACL are as follows:

Datuk Kamarudin Bin Meranun

Rozman Bin Omar

Tan Sri Anthony Francis Fernandes

Jasmindar Kaur A/P Sarban Singh

Aaron Gomez

Farhan Firdaus Bin Zainul Kamar

3. SALIENT TERMS OF TRANSACTIONS

3.1 The lease agreement would be valid for 1 year from delivery date.

3.2 The total contract value for the one year lease is estimated at MYR 30,542,306.73. This is inclusive of lease rental and maintenance reserves.

4. CONSIDERATION

AAX will pay a total consideration of Ringgit Malaysia Thirty Million Five Hundred and Forty Two Thousand and Three hundred and six point Seventy Three (MYR 30,542,306.73).

5. BASIS OF ARRIVING AT AND JUSTIFICATION FOR THE CONSIDERATION

The key terms in the Transaction are based on the current market practice and the same terms are available to other AOCs bearing the name of AirAsia or AirAsia X, subject to market situation and other variables at such time. Furthermore, the rates offered to AAX were arrived at on an agreed basis by both AACL and AAX.

6. EFFECTS OF THE TRANSACTIONS

The Transactions will not have any material financial impact on the Company and/or its subsidiaries (“Group”) in the financial year ending 31 December 2023 nor will it have any effect on the share capital and substantial shareholders’ shareholdings of AAX. It is also not expected to have a material effect on the net assets per share, earnings per share and gearing of the Group for the financial year ending 31 December 2023.

7. RISK FACTORS

The financial risks associated with the Transactions are expected to be limited to the contract value. There is no other risk associated with the Transactions.

8. RATIONALE OF THE TRANSACTIONS

The additional aircraft is off the same cabin configuration as AAX’s existing fleet, allowing a seamless transition into the fleet.

9. INTEREST OF THE DIRECTORS AND/OR MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

Datuk Kamarudin bin Meranun is deemed interested in the Transactions by virtue of him being the director and major shareholder of AAX, and his directorship in AACL. He is also deemed interested in AACL by virtue of Section 8 of the Companies Act, 2016. Dato’ Fam Lee Ee is a director in Capital A, and represents Capital A as a Director in AAX.

(Datuk Kamarudin and Dato’ Fam are hereinafter referred to collectively as “**Related Parties**”).

The shareholdings of the Interested Directors in AAX are as follows:

Parties	Direct		Indirect	
	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)
Directors				
Datuk Kamarudin bin Meranun	37,070,993	8.291	131,033,136*	29.309
Dato’ Fam Lee Ee	-	-	-	-

Major Shareholders	Direct		Indirect	
	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)
AAB	57,072,850	12.766	-	-
Tune Group Sdn. Bhd.	73,960,286	16.543	-	-
Datuk Kamarudin bin Meranun	37,070,993	8.291	131,033,136*	29.309
Tan Sri Anthony Francis Fernandes	11,130,372	2.490	131,033,136*	29.309

**Deemed interested by virtue of their interests in AAB and Tune Group Sdn Bhd pursuant to Section 8 of the Companies Act 2016*

The Interested Directors have abstained and will continue to abstain from all deliberations and voting in respect of the Transactions.

10. AUDIT COMMITTEE'S STATEMENT

The Audit Committee of AAX, having considered all the relevant factors in respect of the Transactions, is of the view that the Transactions are in the best interest of the Company as the Transactions are entered under fair, reasonable and on normal commercial terms which are not detrimental to the interest of the minority shareholders of the Company.

11. BOARD OF DIRECTORS' STATEMENT

The Directors (other than, Datuk Kamarudin bin Meranun and Dato' Fam Lee Ee) having considered all the relevant factors in respect of the Transactions, are of the view that entering into the Transactions are in the best interest of the Company, fair, reasonable and on normal commercial terms and not detrimental to the interest of the minority shareholders of the Company.

12. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed Transaction is 3.24% and the highest aggregated percentage ratio for all transactions between the Company and the Lessor and/or persons connected with them pursuant to Paragraph 10.12 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("LR") is 3.30%.

13. DOCUMENTS AVAILABLE FOR INSPECTION

The Lease Agreement is available for inspection at the registered office of the Company at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur (klia2), 64000, KLIA, Selangor Darul Ehsan during normal business hours from Mondays to Fridays (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 5 December 2023.