

THIS NOTICE 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 professional advisers immediately. If you have sold or transferred all the RCUIDS (as defined below) you should at once hand this Notice together with the enclosed Form of Proxy to the purchaser or the transferee or to the stockbroker or other agent through whom you contracted or effected the sale or transfer for onward transmission to the purchaser or transferee.

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has not perused the contents of this Notice as this is an Exempt Circular. Bursa Securities takes no responsibility for the contents of this Notice, 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 Notice.



CAPITAL A BERHAD

(Registration No. 201701030323 (1244493-V))
(Incorporated in Malaysia)

**NOTICE TO HOLDERS OF REDEEMABLE CONVERTIBLE UNSECURED ISLAMIC DEBT
SECURITIES 2021/2028 ("RCUIDS")**

IN RELATION TO

NOTICE OF MEETING OF THE RCUIDS HOLDERS

The meeting of RCUIDS holders of Capital A Berhad ("**RCUIDS Holders Meeting**") will be held at Gateway Ballroom, Level 1, Sama-Sama Hotel, KL International Airport, Jalan CTA 4B, 64000 KLIA, Sepang, Selangor Darul Ehsan, Malaysia on Wednesday, 7 May 2025 at 2.00 p.m. or at any adjournment thereof. The Notice of the RCUIDS Holders Meeting together with the Form of Proxy are set out herein.

You are entitled to attend and vote at the RCUIDS Holders Meeting or appoint a proxy to attend and vote on your behalf. In such event, the Form of Proxy should be completed and lodged at the business address of Malaysian Trustees Berhad at Level 11, Tower 3, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur or electronically lodged via the TIIH Online website at <https://tiih.online>. Please refer to the Administrative Note for the RCUIDS Holders Meeting on the procedures for electronic lodgement of the Form of Proxy. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the RCUIDS Holders Meeting should you subsequently wish to do so, but if you do so, your proxy shall be precluded from attending the RCUIDS Holders Meeting.

Last date and time for lodgement of the Form of Proxy : Monday, 5 May 2025 at 2.00 p.m.
Date and time of the RCUIDS Holders Meeting : Wednesday, 7 May 2025 at 2.00 p.m.

This Notice is dated 15 April 2025

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Notice:-

“AAAGL”	: AirAsia Aviation Group Limited
“AAAGL Disposal Consideration”	: The disposal consideration for the Proposed AAAGL Disposal of RM3,000.0 million which will be satisfied by way of the Consideration Shares
“AAAGL Equity Interest”	: The entire 100% equity interest (including any forms of capital contribution and any unissued capital) in AAAGL held by our Company
“AAAGL Group”	: Collectively, AAAGL and its subsidiaries
“AAB”	: AirAsia Berhad
“AAB Disposal Consideration”	: The disposal consideration for the Proposed AAB Disposal of RM3,800.0 million which will be satisfied by way assumption by AAX of an amount of RM3,800.0 million owing by our Company to AAB on the AAB Completion Date
“AAB Equity Interest”	: The entire 100% equity interest (including any forms of capital contribution and any unissued capital) in AAB held by our Company
“AAB Group”	: Collectively, AAB and its subsidiaries
“AAX”	: AirAsia X Berhad
“AAX Group”	: Collectively, AAX and its subsidiaries
“AAX Shares”	: Ordinary shares in AAX
“Act”	: Companies Act 2016
“ADE”	: Asia Digital Engineering Sdn Bhd
“AirAsia MOVE”	: AirAsia Move Sdn Bhd (formerly known as AirAsia SuperApp Sdn Bhd)
“BigPay”	: Big Pay Pte Ltd
“Board”	: Board of Directors of our Company
“Brand AA”	: Brand AA Sdn Bhd
“Bursa Securities”	: Bursa Malaysia Securities Berhad
“Capital A” or “Company”	: Capital A Berhad
“Capital A Group” or “Group”	: Collectively, our Company and our subsidiaries
“Capital A Shares” or “Shares”	: Ordinary shares in our Company
“Circular”	: The circular to shareholders issued by our Company dated 15 April 2025 in relation to the Proposed Regularisation Plan

DEFINITIONS (CONT'D)

“Consideration Shares”	: 2,307,692,307 new AAX Shares to be issued at the Issue Price for the Proposed AAAGL Disposal
“Debt Settlement”	: Mode of settlement of the AAB Disposal Consideration by which AAX will assume our Company’s debt due to AAB of RM3,800.0 million on the AAB Completion Date pursuant to the terms of the AAB SSPA
“Distribution Shares”	: 1,692,307,692 Consideration Shares to be distributed to the Entitled Shareholders pursuant to the Proposed Distribution
“EGM”	: The extraordinary general meeting of our Company to be held on Wednesday, 7 May 2025 at 10.00 a.m. to obtain approval from our shareholders for the Proposed Regularisation Plan
“Entitled Shareholders”	: Our shareholders whose names appear in our Record of Depositors as at 5.00 p.m. on the Entitlement Date
“Entitlement Date”	: A date to be determined by our Board and announced later by our Company, on which the names of our shareholders must appear in our Record of Depositors as at 5:00 p.m. on that date in order to be entitled to the Proposed Distribution
“LPD”	: 27 March 2025, being the latest practicable date prior to the date of this Notice
“Maximum Scenario”	: Based on the assumption that all the outstanding RCUIDS and Warrants are converted and exercised into new Capital A Shares prior to the Entitlement Date of the Proposed Distribution under the Proposed Corporate Exercises
“Minimum Scenario”	: Based on the assumption that none of the outstanding RCUIDS are converted and the outstanding Warrants are exercised into new Capital A Shares prior to the Entitlement Date of the Proposed Distribution under the Proposed Corporate Exercises
“MRO”	: Maintenance, repair and overhaul
“NA”	: Net assets
“New Capital A Share”	: The new ordinary shares of our Company issued or to be issued to an RCUIDS Holder in accordance with the terms and conditions of the RCUIDS
“Notice”	: This notice to RCUIDS Holders dated 15 April 2025 in relation to the notice of meeting of the RCUIDS Holders in relation to the Proposed Regularisation Plan
“Proposed Corporate Exercises”	: Collectively, the Proposed Disposals and Proposed Distribution
“Proposed AAAGL Disposal”	: The proposed disposal by our Company of our AAAGL Equity Interest to AAX for the AAAGL Disposal Consideration
“Proposed AAB Disposal”	: The proposed disposal by our Company of our AAB Equity Interest to AAX for the AAB Disposal Consideration

DEFINITIONS (CONT'D)

“Proposed Disposals”	: Collectively, the Proposed AAAGL Disposal and Proposed AAB Disposal
“Proposed Distribution”	: The proposed distribution of the Distribution Shares to the Entitled Shareholders based on their respective shareholdings in our Company on the Entitlement Date by way of a proposed reduction and repayment of our Company’s share capital pursuant to Section 116 of the Act
“Proposed Regularisation Plan” or “Proposed Capital Reduction”	: Proposed reduction of the issued share capital of our Company of up to RM6,000.0 million pursuant to Section 116 of the Act to set-off the accumulated losses of our Group
“RCUIDS”	: The 7-year redeemable convertible unsecured Islamic debt securities 2021/2028 issued by our Company and constituted by the Trust Deed
“RCUIDS Holders”	: Holders of the RCUIDS
“RCUIDS Holders Meeting”	: The RCUIDS Holders meeting of our Company to be held on Wednesday, 7 May 2025 at 2.00 p.m. to obtain approval from our RCUIDS Holders for the Proposed Regularisation Plan
“RHB Investment Bank”	: RHB Investment Bank Berhad
“Santan”	: Santan Restaurant Sdn Bhd
“Teleport”	: Teleport Everywhere Pte Ltd
“Trust Deed”	: The trust deed dated 18 November 2021, as supplemented by the supplemental trust deed dated 5 November 2024, between our Company and the Trustee, which constitutes the RCUIDS
“Trustee”	: Malaysian Trustees Berhad
“VWAP”	: Volume weighted average market price
“Warrants”	: Warrants 2021/2028 in our Company

References to “our Company” in this Notice are to Capital A and references to “our Group” are to our Company and our subsidiaries. References to “we”, “us”, “our” and “ourselves” in this Notice are to our Company and where the context otherwise requires, shall include our subsidiaries. All references to “you” in this Notice are to our shareholders.

Unless specifically referred to, words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Notice to the provisions of any statute, rules, regulation or rules of stock exchange shall (where the context admits) be construed as a reference to the provisions of such statute, rules, regulation or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments to the statute, rules, regulation or rules of stock exchange for the time being in force.

Any reference to a time of day and date in this Notice shall be a reference to Malaysian time and date respectively, unless otherwise specified.

DEFINITIONS (CONT'D)

Certain amounts and percentage figures included herein have been subject to rounding adjustments. Any discrepancy between the figures shown herein and figures published by our Company, such as in its quarterly results or annual reports, is due to rounding differences.

Certain statements in this Notice may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board (save for the Interested Directors) after due inquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Notice should not be regarded as a representation or warranty that our Company's and/or our Group's plans and objectives will be achieved.

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TABLE OF CONTENTS

	PAGE
LETTER TO OUR RCUIDS HOLDERS IN RELATION TO THE NOTICE OF MEETING OF RCUIDS HOLDERS IN RELATION TO THE PROPOSED REGULARISATION PLAN:	
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED REGULARISATION PLAN	2
3. RATIONALE FOR THE PROPOSED REGULARISATION PLAN	6
4. EFFECTS OF THE PROPOSED REGULARISATION PLAN	8
5. APPROVALS REQUIRED/OBTAINED	8
6. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM	9
7. DIRECTORS' RESPONSIBILITY STATEMENT	9
8. RCUIDS HOLDERS MEETING	9
NOTICE OF RCUIDS HOLDERS MEETING	ENCLOSED
FORM OF PROXY	ENCLOSED

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CAPITAL A BERHAD

(Registration No. 201701030323 (1244493-V))
(Incorporated in Malaysia)

Registered Office

Wisma Capital A, 19-04-02,
19, Lorong Dungun,
Bukit Damansara,
50490 Kuala Lumpur,
Wilayah Persekutuan,
Malaysia

15 April 2025

Board of Directors

Datuk Kamarudin bin Meranun (*Non-Independent Executive Chairman*)
Tan Sri Anthony Francis Fernandes (*Non-Independent Executive Director and Chief Executive Officer*)
Dato' Abdel Aziz @ Abdul Aziz bin Abu Bakar (*Non-Independent Non-Executive Director*)
Dato' Fam Lee Ee (*Senior Independent Non-Executive Director*)
Dato' Mohamed Khadar bin Merican (*Independent Non-Executive Director*)
Brig Gen (R) Fadzillah binti Abdullah (*Independent Non-Executive Director*)

To: Our RCUIDS Holders

Dear Sir/Madam,

NOTICE OF MEETING OF RCUIDS HOLDERS IN RELATION TO THE PROPOSED REGULARISATION PLAN

1. INTRODUCTION

On 8 July 2020, our Board announced that Capital A had triggered the prescribed criteria pursuant to Paragraph 8.04 and Paragraph 2.1(e) of PN17 of the Listing Requirements, where our Company's external auditors, EY, had issued an unqualified audit opinion with emphasis of matter on material uncertainty relating to going concern ("**Going Concern Opinion**") in respect of our Company's audited financial statements for the FYE 31 December 2019 and our Company's shareholders' equity on a consolidated basis was 50% or less of its share capital (excluding treasury shares) ("**Shareholders' Equity Shortfall**").

Subsequently on 27 May 2021, our Board announced that Capital A had also triggered the prescribed criteria pursuant to Paragraph 8.04 and Paragraph 2.1(a) of PN17 of the Listing Requirements, where our Company's shareholders' equity on a consolidated basis was 25% or less of its share capital (excluding treasury shares) and such shareholders' equity was less than RM40 million based on the audited financial statements for the FYE 31 December 2020.

Bursa Securities had via its letters dated 16 April 2020 and 17 February 2021 granted affected listed issuers relief from complying with the obligations under Paragraph 8.04 and PN17 of the Listing Requirements for a period of 18 months ("**Relief Period**"). Our company's Relief Period ended on 7 January 2022.

On 7 January 2022, our Board announced that our Company had continued to trigger the prescribed criteria pursuant to Paragraph 8.04 and Paragraphs 2.1(a) and 2.1(e) of PN17 of the Listing Requirements and further, our Company had submitted an appeal to Bursa Securities for the Relief Period to be extended beyond 7 January 2022.

On 13 January 2022, our Board announced that the aforesaid appeal was dismissed by Bursa Securities, and on 14 January 2022, our Board announced that the requirements under PN17 of the Listing Requirements applied to our Company with effect from 7 January 2022.

Our Company has submitted several applications for the extension of time to submit the regularisation plan, in which Bursa Securities had approved the applications for extension of time with the latest being up to 31 December 2024 for our Company to finalise and submit the regularisation plan to regularise our financial condition to the relevant authorities.

On 23 October 2024, RHB Investment Bank, on behalf of our Board, announced that our Company is proposing to undertake the Proposed Regularisation Plan to regularise our financial condition in accordance with Paragraph 8.04(3) of the Listing Requirements.

On 23 December 2024, RHB Investment Bank, on behalf of our Board, announced that the application in relation to the Proposed Regularisation Plan has been submitted to Bursa Securities on 23 December 2024.

On 7 March 2025, RHB Investment Bank, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 7 March 2025, granted its approval for the Proposed Regularisation Plan, subject to the conditions as set out in Section 5 of this Notice.

In connection with the above, our Company is now seeking the RCUIDS Holders' approval for the Proposed Regularisation Plan.

THE PURPOSE OF THIS NOTICE IS TO PROVIDE YOU WITH RELEVANT INFORMATION ON THE PROPOSED REGULARISATION PLAN AND TO ACCORDINGLY SEEK YOUR APPROVAL FOR THE RESOLUTION RELATING TO THE PROPOSED REGULARISATION PLAN TO BE TABLED AT THE FORTHCOMING RCUIDS HOLDERS MEETING.

RCUIDS HOLDERS ARE ADVISED TO READ THE CONTENTS OF THIS NOTICE CAREFULLY BEFORE VOTING ON THE RESOLUTION AT THE FORTHCOMING RCUIDS HOLDERS MEETING TO GIVE EFFECT TO THE PROPOSED REGULARISATION PLAN.

2. DETAILS OF THE PROPOSED REGULARISATION PLAN

Pursuant to our Company's plan to regularise our financial condition, our Company proposes to reduce the issued share capital of our Company of up to RM6,000.0 million pursuant to Section 116 of the Act to set-off the accumulated losses of our Group. The Proposed Capital Reduction shall be undertaken after the completion of the Proposed Corporate Exercises. The exact quantum of share capital to be reduced is dependent on (1) the accumulated losses of our Group; and (2) the resultant issued share capital of our Company, on the Entitlement Date of the Proposed Distribution under the Proposed Corporate Exercises. The accumulated losses of our Group are subject to, amongst others, the fair value of Consideration Shares and the net liabilities of the AAAGL Group and AAB Group at the point of completion of the Proposed Disposals, whilst the resultant issued share capital of our Company is subject to the fair value of Distribution Shares on the Entitlement Date of the Proposed Distribution.

For illustration, based on the latest audited consolidated statements of financial position of our Company as at 31 December 2023 and assuming that the Proposed Corporate Exercises had been effected on that date, the pro forma effects of the Proposed Corporate Exercises on the NA of our Group are as follows:

	Audited as at 31 December 2023 RM'million	(I) After the Proposed AAAGL Disposal and Proposed Distribution RM'million	(II) After (I) and the Proposed AAB Disposal RM'million
Share capital	8,711.7	⁽¹⁾ 6,088.7	6,088.7
Merger deficit	(5,507.6)	(5,507.6)	⁽³⁾ -
Other reserves	138.7	⁽²⁾ 141.5	⁽³⁾ 110.1
Foreign exchange reserve	217.1	⁽²⁾ 163.2	⁽³⁾ (59.9)
Accumulated losses	(12,322.0)	⁽²⁾ (7,816.6)	⁽³⁾⁽⁴⁾ (5,394.8)
Shareholders' equity/NA	(8,762.1)	(6,930.8)	744.1

Notes:

- (1) For illustration purposes, the reduction in the issued share capital of approximately RM2.6 billion pursuant to the Proposed Distribution was illustrated based on market price of AAX Shares of RM1.55 each, being the 5-day VWAP of AAX Shares up to and including the LPD;
- (2) Adjusted to incorporate the following effects of the Proposed AAAGL Disposal:
 - (a) the fair value of the purchase consideration was illustrated at approximately RM3.6 billion which was based on the market price of each Consideration Share of RM1.55, being the 5-day VWAP of AAX Shares up to and including the LPD;
 - (b) the deconsolidation of AAAGL from our Group; and
 - (a) the decrease in accumulated losses due to the pro forma effect arising from the remeasurement of remaining interest of our Company in AAAGL of RM6.3 billion and the transfer of AAAGL's other reserves and non-controlling interest of RM1.8 billion;
- (3) Adjusted to incorporate the following effects of the Proposed AAB Disposal:
 - (a) the Debt Settlement of RM3.8 billion;
 - (b) the deconsolidation of AAB from our Group;
 - (c) the deconsolidation of merger deficit arising from the acquisition of AAB by our Company previously; and
 - (d) the decrease in accumulated losses due to the pro forma gain arising from the Proposed AAB Disposal of RM7.7 billion and transfer of AAB's other reserves to accumulated losses of RM14.9 million, which is offset by the reclassification of merger deficit of RM5.5 billion;
- (4) The estimated transaction costs for the Proposed Corporate Exercises amounted to RM15.52 million comprising professional fees of RM15.25 million, fees to authorities of RM0.05 million, EGM costs of RM0.10 million, printing and advertisement costs of RM0.10 million and miscellaneous expenses of RM0.02 million.

For further details on the pro forma effects on the Proposed Corporate Exercises and Proposed Capital Reduction on the NA of our Group, please refer to Section 9.2 of the Circular.

The resultant accumulated losses of our Group upon completion of the Proposed Corporate Exercises may be higher or lower depending on, amongst others, the following:

- (i) the market price of AAX Shares on the Entitlement Date of the Proposed Distribution, which would determine the fair value of the Consideration Shares and in turn, the pro forma gain arising from the remeasurement of remaining interest of our Company in AAAGL pursuant to the Proposed AAAGL Disposal; and
- (ii) the net liabilities of AAB Group and AAAGL Group on the completion date of the Proposed AAAGL Disposal and Proposed AAB Disposal.

Based on the NA illustration above, in the event that the market price of AAX Shares falls below the illustrated RM1.55 on the Entitlement Date of the Proposed Distribution, the net reduction in value would reduce the gain arising from the Proposed AAAGL Disposal and hence, would result in higher accumulated losses than that illustrated above. The amount of share capital to be reduced to facilitate the Proposed Distribution would also be lower in the event that the market value of the Distribution Share on the Entitlement Date of the Proposed Distribution is lower than the illustrated market price of RM1.55 per AAX Share.

On the contrary, should the market price of AAX Shares trade above RM1.55 on the Entitlement Date of the Proposed Distribution, the net increase in value would contribute to an increase in the gain arising from the Proposed AAAGL Disposal and hence, a reduction in accumulated losses of our Group. The amount of share capital to be reduced to facilitate the Proposed Distribution would also be higher in the event that the market value of the Distribution Share on the Entitlement Date of the Proposed Distribution is higher than the illustrated market price of RM1.55 per AAX Share.

As such, the accumulated losses of our Group and the resultant share capital of our Company on the Entitlement Date of the Proposed Distribution could be materially different from the illustration above.

For example, assuming the fair value of the Consideration Shares on the Entitlement Date of the Proposed Distribution and the market value of the Distribution Shares on the Entitlement Date of the Proposed Distribution is RM1.32 per AAX Share (based on the 5-day VWAP up to and including 30 August 2024), the pro forma effects of our Group's accumulated losses and issued share capital of Capital A as at 31 December 2023 assuming the completion of the Proposed Corporate Exercises had been effected on that date, would be as follows:

	Audited as at 31 December 2023	After the Proposed Corporate Exercises
	RM'million	RM'million
Share capital	8,711.7	6,477.9
Accumulated losses of our Group	(12,322.0)	⁽¹⁾ (5,878.7)

Note:

- (1) *The decrease in accumulated losses is due to the pro forma effect arising from the remeasurement of remaining interest of our Company in AAAGL of RM3.6 billion based on fair value of AAX Shares of RM1.32 each and the transfer of AAAGL's other reserves and non-controlling interest of RM428.7 million, as well as the pro forma gain arising from the Proposed AAB Disposal of RM7.7 billion and transfer of AAB's other reserves to accumulated losses of RM241.3 million, which is offset by the reclassification of merger deficit of RM5.5 billion.*

Accordingly, the exact quantum of share capital to be reduced is dependent on the accumulated losses of our Group and the resultant issued share capital of our Company on the Entitlement Date of the Proposed Distribution.

The corresponding credit arising from such reduction and cancellation will be used to eliminate our Group's accumulated losses while the surplus credit that is in excess of what is required towards offsetting our Group's accumulated losses, if any, will be credited into a capital reserve account of our Company.

For the avoidance of doubt, the Proposed Capital Reduction will not result in:

- (a) any change in the total number of Capital A Shares, the RCUIDS or the Warrants;
- (b) any payment to our shareholders of our Company; and
- (c) any adjustment to the reference price of Capital A Shares, the RCUIDS or the Warrants.

Each shareholder will hold the same number of Capital A Shares representing the same percentage shareholding in our Company before and immediately after the completion of the Proposed Capital Reduction.

For illustration purposes, the effect of the Proposed Capital Reduction on our Company and our Group are as follows:

	Based on 5-day VWAP of AAX Shares up to and including LPD of RM1.55		Based on 5-day VWAP of AAX Shares up to and including 30 August 2024 of RM1.32	
	Company	Group	Company	Group
	RM'million	RM'million	RM'million	RM'million
Audited accumulated losses as at 31 December 2023	(1,389.2)	(12,322.0)	(1,389.2)	(12,322.0)
Accumulated losses as at 31 December 2023 assuming completion of the Proposed Corporate Exercises	⁽¹⁾ (1,389.2)	(5,394.8)	⁽¹⁾ (1,389.2)	(5,878.7)
<u>Add:</u> Credit arising from the Proposed Capital Reduction	5,396.8	5,396.8	5,880.7	5,880.7
<u>Less:</u> Transaction costs in relation to the Proposed Capital Reduction	(2.0)	(2.0)	(2.0)	(2.0)
Surplus credit in capital reserve account	4,005.6	-	4,489.5	-

Note:

- (1) *For the avoidance of doubt, the pro forma effects of the Proposed Corporate Exercises on the accumulated losses of our Company as at 31 December 2023 have been disregarded in this illustration as there was no pro forma statement of financial position prepared for our Company level in relation to the Proposed Corporate Exercises and Proposed Regularisation Plan.*

The Proposed Capital Reduction will take effect from the date of lodgement of the sealed court order of the High Court of Malaya confirming the cancellation of share capital with the Registrar of Companies.

By reason of certain covenants in the Trust Deed, in particular Clause 12.2(b) of the Trust Deed as set out below, your consent is required for the Proposed Capital Reduction:

“12.2 The Issuer hereby covenants with the Trustee (for the benefit of the RCUIDS Holders) that, from the date hereof until all its liabilities and obligations under this Trust Deed and the RCUIDS have been discharged, except with the prior written consent of the Trustee:

- (b) **Share capital:** *it shall not reduce its issued and paid-up share capital.”*

3. RATIONALE FOR THE PROPOSED REGULARISATION PLAN

The Proposed Regularisation Plan serves to regularise the financial condition of our Group in order to address and uplift the PN17 status of our Company. The purpose of the Proposed Capital Reduction is to reduce the accumulated losses of our Group to the extent possible with a view to rationalise the balance sheet of our Group to reflect more accurately the value of its underlying assets and thus the financial position of our Group.

The reduced accumulated losses of our Group will also facilitate the enhancement of the credibility of our Group with its bankers, customers, suppliers, investors and other stakeholders as well as to provide a stronger platform for the future growth of Capital A Group.

Post completion of the Proposed Corporate Exercises, our Group would no longer be required to consolidate the consolidated net liabilities of AAAGL and AAB, allowing Capital A to be in better financial footing. The disposal of the entire equity of AAAGL and AAB is in line with our Company's strategic direction to focus on business activities that our Company identified as viable, profitable and/or having growth potential, namely Capital A Aviation Services (comprising Aviation MRO service under ADE and in-flight catering and on-the-ground food services under Santan), logistic service under Teleport, digital business under MOVE Digital (primarily comprising online travel agency platform under AirAsia MOVE and digital financial services under BigPay) as well as brand and intellectual property company under Brand AA. Please refer to Section 7.8 of the Circular for further details on the prospects, future plans and business strategies of Capital A Group.

Status of Capital A Group pursuant to Paragraph 2.1 of PN17

The status of Capital A Group pursuant to Paragraph 2.1 of PN17 upon completion of the Proposed Regularisation Plan is as follows:

Criteria	Status
(a) our shareholders' equity of the listed issuer on a consolidated basis is 25% or less of the share capital (excluding treasury shares) of the listed issuer and such shareholders' equity is less than RM40 million;	<p>For illustration purposes, based on the pro forma consolidated NA of Capital A as at 31 December 2023 as set out in Section 9.2 of the Circular, upon completion of the Proposed Regularisation Plan, Capital A's shareholders' equity on a consolidated basis shall be approximately RM742.1 million, representing 107.3% of our share capital of RM691.9 million under the Minimum Scenario, and approximately RM2,091.2 million, representing 102.1% of Capital A's share capital of RM2,048.7 million under the Maximum Scenario.</p> <p>Hence, Capital A would no longer trigger this criterion upon the completion of the Proposed Regularisation Plan.</p>
(b) receivers or managers, or judicial managers have been appointed over the asset of the listed issuer, its subsidiary or associated company which asset accounts for at least 50% of the total assets employed of the listed issuer on a consolidated basis;	<p>Not applicable. As at the LPD, there are no receivers or managers that have been appointed over the assets of our Group or associated company which asset accounts for at least 50% of the total assets employed by our Company on a consolidated basis.</p>

Criteria	Status
(c) a winding up of a listed issuer's subsidiary or associated company which accounts for at least 50% of the total assets employed of the listed issuer on a consolidated basis;	Not applicable. As at the LPD, there are no winding up proceedings being instituted against our subsidiary or associated company which accounts for at least 50% of the total assets of our Company on a consolidated basis.
(d) the auditors have expressed an adverse or disclaimer opinion in the listed issuer's latest audited financial statements;	Not applicable as the auditors of our Company have not expressed any adverse or disclaimer opinion in our Company's latest audited consolidated financial statements for the FYE 31 December 2023.
(e) the auditors have highlighted a material uncertainty related to going concern or expressed a qualification on the listed issuer's ability to continue as a going concern in the listed issuer's latest audited financial statements and our shareholders' equity of the listed issuer on a consolidated basis is 50% or less of share capital (excluding treasury shares) of the listed issuer; or	<p>The auditors have not highlighted any material uncertainty related to going concern or expressed a qualification on our ability to continue as a going concern in Capital A's latest audited consolidated financial statements for the FYE 31 December 2023.</p> <p>For illustration purposes, based on the pro forma consolidated NA of Capital A as at 31 December 2023 as set out in Section 9.2 of the Circular, upon completion of the Proposed Regularisation Plan, Capital A's shareholders' equity on a consolidated basis is expected to be approximately RM742.1 million, representing 107.3% of our share capital of RM691.9 million under the Minimum Scenario, and approximately RM2,091.2 million, representing 102.1% of Capital A's share capital of RM2,048.7 million under the Maximum Scenario.</p> <p>Accordingly, our Company would no longer trigger this criterion upon the completion of the Proposed Regularisation Plan</p>
(f) a default in payment by a listed issuer, its major subsidiary or major associated company, as the case may be, as announced by a listed issuer pursuant to paragraph 9.19A of the Listing Requirements and the listed issuer is unable to provide a solvency declaration to the Exchange.	Not applicable as there is no default in payment by our Company, its major subsidiaries or major associated companies pursuant to paragraph 9.19A of the Listing Requirements as at the LPD.

Further, Capital A Group does not have insignificant business or operations upon completion of the Proposed Regularisation Plan pursuant to Paragraph 8.03A(2)(b) of the Listing Requirements as the unaudited pro forma consolidated revenue of Capital A (excluding AAAGL Group and AAB Group) for the FYE 31 December 2023 of RM2.34 billion (as shown in Section 4(A) of the Circular) is more than 5% of our share capital of RM691.9 million under the Minimum Scenario and RM2,048.7 million under the Maximum Scenario.

4. EFFECTS OF THE PROPOSED REGULARISATION PLAN

The effects of the Proposed Regularisation Plan are as set out in Section 9 of the Circular.

As at the LPD, there are 863,762,110 RCUIDS which remain in issue and are convertible into new Capital A Shares at a conversion price of RM0.75. Based on the relevant provision of the Trust Deed, the Proposed Regularisation Plan will not give rise to an adjustment to the conversion price of conversion ratio of the RCUIDS.

5. APPROVALS REQUIRED/OBTAINED

The Proposed Regularisation Plan is subject to the following approvals being obtained:

- (a) Bursa Securities for the Proposed Regularisation Plan, which was obtained vide its letter dated 7 March 2025, subject to the following conditions:

No.	Conditions	Status of compliance
(i)	Capital A and RHB Investment Bank must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Regularisation Plan;	Noted.
(ii)	Capital A and RHB Investment Bank to confirm all approvals of relevant authorities have been obtained for the implementation of the Proposed Regularisation Plan and furnish a copy of all approval letters from the relevant authorities;	To be complied.
(iii)	Capital A and RHB Investment Bank to furnish Bursa Securities with a certified true copy of the resolution passed by the shareholders at the general meeting for the Proposed Regularisation Plan; and	To be complied.
(iv)	Capital A and RHB Investment Bank to inform Bursa Securities upon the completion of the Proposed Regularisation Plan and furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval.	To be complied.

- (b) the sealed order of the High Court of Malaya pursuant to Section 116 of the Act confirming the reduction in share capital of our Company pursuant to the Proposed Capital Reduction;
- (c) the shareholders of our Company at the forthcoming EGM for the Proposed Regularisation Plan;
- (d) the RCUIDS holders at forthcoming RCUIDS holders meeting for the Proposed Regularisation Plan; and
- (e) any other relevant authorities and/or parties, if required.

The Proposed Regularisation Plan is conditional upon the completion of the Proposed Corporate Exercises and is not conditional upon any other proposal undertaken or being undertaken by our Company. For clarity, the lodgement of sealed order of the High Court of Malaya in relation to the capital reduction pursuant to the Proposed Regularisation Plan shall only take place after the completion of the Proposed Corporate Exercises as set out in Section 8.2.1 of the Circular.

6. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors and major shareholders of our Company, and/or persons connected with them have any interests, direct and/or indirect, in the Proposed Regularisation Plan.

7. DIRECTORS' RESPONSIBILITY STATEMENT

This Notice has been seen and approved by our Board who collectively and individually accepts full responsibility for the accuracy of the information given and contained herein. Our Board hereby confirms that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements contained in this Notice or other facts, the omission of which would make any statement in this Notice false or misleading.

8. RCUIDS HOLDERS MEETING

The RCUIDS Holders Meeting, the notice of which is enclosed herewith, will be held at Gateway Ballroom, Level 1, Sama-Sama Hotel, KL International Airport, Jalan CTA 4B, 64000 KLIA, Sepang, Selangor Darul Ehsan, Malaysia on Wednesday, 7 May 2025 at 2.00 p.m., or at any adjournment thereof, for the purpose of consideration and if thought fit, the passing of the resolution to give effect to the Proposed Regularisation Plan.

You are entitled to attend and vote at the RCUIDS Holders Meeting or appoint a proxy to attend and vote on your behalf, by completing, signing and returning the Form of Proxy in accordance with the instructions thereon. In such event, your Form of Proxy should be completed and lodged at the business address of Malaysian Trustees Berhad at Level 11, Tower 3, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur or electronically lodged via the TIIH Online website at <https://tiih.online> not later than 48 hours before the date and time fixed of the RCUIDS Holders Meeting or any adjournment thereof. Please refer to the Administrative Note for the RCUIDS Holders Meeting on the procedures for lodgement of the Form of Proxy. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the RCUIDS Holders Meeting if you subsequently wish to do so, but if you do so, your proxy shall be precluded from attending the RCUIDS Holders Meeting.

Yours faithfully,
For and on behalf of our Board
CAPITAL A BERHAD

DATUK KAMARUDIN BIN MERANUN
Non-Independent Executive Chairman



CAPITAL A BERHAD

(Registration No. 201701030323 (1244493-V))
(Incorporated in Malaysia)

NOTICE OF MEETING OF HOLDERS OF THE 7-YEAR REDEEMABLE CONVERTIBLE UNSECURED ISLAMIC DEBT SECURITIES 2021/2028 IN CAPITAL A BERHAD ("RCUIDS")

This notice of the RCUIDS holders' meeting dated 15 April 2025 ("**Notice**") is issued to RCUIDS holders of Capital A Berhad ("**Capital A**" or the "**Company**") ("**RCUIDS Holders**") pursuant to the Second Schedule of the trust deed dated 18 November 2021, as supplemented by the supplemental trust deed dated 5 November 2024 ("**Trust Deed**"). Terms whenever appear herein shall, unless the context otherwise requires, have the same meaning as in the Trust Deed and the Notice, wherever and whichever applicable.

NOTICE IS HEREBY GIVEN that a meeting of the RCUIDS Holders will be held at Gateway Ballroom, Level 1, Sama-Sama Hotel, KL International Airport, Jalan CTA 4B, 64000 KLIA, Sepang, Selangor Darul Ehsan, Malaysia on Wednesday, 7 May 2025 at 2.00 p.m., or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

SPECIAL RESOLUTION

PROPOSED REGULARISATION PLAN OF CAPITAL A BERHAD COMPRISING THE PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF THE COMPANY OF UP TO RM6,000.0 MILLION PURSUANT TO SECTION 116 OF THE COMPANIES ACT 2016 ("PROPOSED REGULARISATION PLAN")

"THAT subject to the sanction of the High Court of Malaya pursuant to Section 116 of the Companies Act 2016 ("**Act**"), and approvals of all relevant authorities and/or parties being obtained (if required), approval be and is hereby given to the Company to reduce the issued share capital of the Company via the cancellation of up to RM6,000.0 million from the issued share capital of the Company in accordance with Section 116 of the Act ("**Proposed Capital Reduction**").

THAT the corresponding credit arising from the Proposed Capital Reduction is to be used to eliminate the accumulated losses of the Company and its subsidiaries ("**Group**") and any surplus after the elimination of the accumulated losses of the Group shall then be credited to a capital reserve account of the Company.

THAT the Board of Directors of the Company ("**Board**") be and is hereby empowered and authorised with full powers to take all steps that it deems fit and expedient for the Proposed Capital Reduction which shall include but is not limited to, determining the exact quantum of share capital to be reduced pursuant to the Proposed Capital Reduction which shall not exceed RM6,000.0 million based on (1) the accumulated losses of the Group; and (2) the resultant issued share capital of the Company, which will be determined on the entitlement date of the Proposed Distribution under the Proposed Corporate Exercises (as defined in the Circular dated 15 April 2025 issued by the Company), as the Board shall in its absolute discretion deem fit and expedient, and in the best interest of the Company.

AND THAT the Board be and is hereby authorised and empowered to take all steps and to do all acts, deeds and things and to execute, enter into, sign and deliver for and on behalf of the Company, all documents as it may consider necessary or expedient to give full effect to the Proposed Capital Reduction with full power to assent to and accept any terms, conditions, modifications, variations, arrangements and/or amendments in any manner as may be required or imposed or permitted by the relevant authorities, parties and/or the High Court of Malaya."

BY ORDER OF THE BOARD

CYNTHIA GLORIA LOUIS (SSM PC NO. 201908003061) (MAICSA 7008306)
CHEW MEI LING (SSM PC NO. 201908003178) (MAICSA 7019175)
Company Secretaries

Kuala Lumpur
15 April 2025

Notes:

- (i) *A RCUIDS Holder entitled to attend and vote at the meeting of the RCUIDS Holders is entitled to appoint a proxy to attend and vote on his behalf. A proxy may but need not be a RCUIDS Holder and a RCUIDS Holder may appoint any person to be his proxy without limitation save that the proxy must be of full age.*
- (ii) *Where a RCUIDS Holder is an authorised nominee as defined under the Central Depositories Act, it may appoint one (1) proxy in respect of each securities account it holds with RCUIDS of the Company standing to the credit of the said securities account.*
- (iii) *Where a RCUIDS Holder of the Company is an exempt authorised nominee which holds RCUIDS in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.*
- (iv) *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under its common seal, or the hand of its officer or its duly authorised attorney.*
- (v) *The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by our Company not less than forty-eight (48) hours before the time appointed for holding the RCUIDS Holders' meeting or adjourned meeting:*
 - a. *In hard copy form*
*In the case of an appointment made in hard copy, the Form of Proxy must be duly executed and deposited at the business address of Malaysian Trustees Berhad at Level 11, Tower 3, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur. **Faxed copies of the duly executed form of proxy are not acceptable.***
 - b. *By electronic forms*
In the case of an appointment made via electronic means, the Form of Proxy can be electronically lodged via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Note for further information on submission via TIIH Online website.
- (vi) *In respect of deposited securities, only RCUIDS Holders whose names appear in the Record of Depositors on 29 April 2025 shall be eligible to attend the RCUIDS Holders Meeting.*
- (vii) *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolution(s) at the RCUIDS Holders Meeting shall be put to vote by way of poll.*

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the RCUIDS Holders Meeting and/or any adjournment thereof, a RCUIDS Holder (i) consents to the collection, use and disclosure of the RCUIDS Holder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the RCUIDS Holders Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the RCUIDS Holders Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the RCUIDS Holder discloses the personal data of the RCUIDS Holder's proxy(ies) and/or representative(s) to the Company (or its agents), the RCUIDS Holder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the RCUIDS Holder will fully and wholly indemnify the Company on full indemnity basis (whether demanded or not) in respect of any penalty, liability, claim, demand, loss and damage as a result of the RCUIDS Holder's breach of warranty.



CAPITAL A BERHAD
(Registration No. 201701030323 (1244493-V))
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No. (Nominees Account Only)	
No. of RCUIDS Held	

I/We.....
[Full name in block, NRIC/Passport/Company No.]

Tel:of
[Address]

being a RCUIDS holder of CAPITAL A BERHAD ("our Company") hereby appoint:

Full Name (in Block):	NRIC/Passport No.:
Address:	
Email Address:	
Mobile Number:	

or failing whom, the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf at the RCUIDS Holders Meeting of our Company to be held at Gateway Ballroom, Level 1, Sama-Sama Hotel, KL International Airport, Jalan CTA 4B, 64000 KLIA, Sepang, Selangor Darul Ehsan, Malaysia on Wednesday, 7 May 2025 at 2.00 p.m. or at any adjournment thereof.

NO.	SPECIAL RESOLUTION	FOR	AGAINST
1	PROPOSED REGULARISATION PLAN		

Please indicate an "X" in the space provided below on how you wish your votes to be casted. If no specific instruction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

Signed on thisday of 2025.

*Signature of RCUIDS Holder(s)/Common Seal

* Manner of execution:

- (a) If you are an individual holder, please sign where indicated.
- (b) If you are a corporate holder which has a common seal, this Form of Proxy should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate holder which does not have a common seal, this Form of Proxy should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:

- (i) A RCUIDS Holder entitled to attend and vote at the meeting of the RCUIDS Holders is entitled to appoint a proxy to attend and vote on his behalf. A proxy may but need not be a RCUIDS Holder and a RCUIDS Holder may appoint any person to be his proxy without limitation save that the proxy must be of full age.
- (ii) Where a RCUIDS Holder is an authorised nominee as defined under the Central Depositories Act, it may appoint one (1) proxy in respect of each securities account it holds with RCUIDS of the Company standing to the credit of the said securities account.
- (iii) Where a RCUIDS Holder of the Company is an exempt authorised nominee which holds RCUIDS in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.



- (iv) *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under its common seal, or the hand of its officer or its duly authorised attorney.*
- (v) *The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by our Company not less than forty-eight (48) hours before the time appointed for holding the RCUIDS Holders' meeting or adjourned meeting:*
- a. *In hard copy form*
*In the case of an appointment made in hard copy, the Form of Proxy must be duly executed and deposited at the business address of Malaysian Trustees Berhad at Level 11, Tower 3, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur. **Faxed copies of the duly executed form of proxy are not acceptable.***
- b. *By electronic forms*
In the case of an appointment made via electronic means, the Form of Proxy can be electronically lodged via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Note for further information on submission via TIIH Online website.
- (vi) *In respect of deposited securities, only RCUIDS Holders whose names appear in the Record of Depositors on 29 April 2025 shall be eligible to attend the RCUIDS Holders Meeting.*
- (vii) *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolution(s) at the RCUIDS Holders Meeting shall be put to vote by way of poll.*

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy and/or representative, the RCUIDS Holder accepts and agrees to the personal data privacy terms set out in the Notice of the RCUIDS Holders Meeting dated 15 April 2025.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

MALAYSIAN TRUSTEES BERHAD
(Registration No. 197501000080 (21666-V))
Level 11, Tower 3, RHB Centre
Jalan Tun Razak
50400 Kuala Lumpur

1st fold here

