

CAPITAL A BERHAD
 [Registration No.: 201701030323 (1244493-V)]
 ("Capital A" or "the Company")
 (Incorporated in Malaysia)

Minutes of the Holders of Redeemable Convertible Unsecured Islamic Debt Securities 2021/2028 ("RCUIDS") Meeting of the Company ("RCUIDS Holders Meeting" or "Meeting") held physically 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.

PRESENT:

Directors

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

Management

Ms. Pattra Boosarawongse	Deputy Chief Executive Officer
Ms. Teh Mun Hui	Chief Financial Officer
Ms. Joanna Ibrahim	Chief Strategy Officer and Investor Relation
Mr. Bo Lingam	President (Aviation) and Group CEO of Asia Aviation Group Limited
Ms. Nadia Omer	CEO of AirAsia MOVE
Ms. Aileen Omar	CEO of BigPay and CEO of AirAsia Rewards
Mr. Mahesh Kumar	CEO of Asia Digital Engineering
Ms. Subashini Silvadas	CEO of Capital Aviation Services

By Invitation

Mr. Tommy Har	} Representatives from RHB Investment Bank Berhad
Ms. Susie Hii	
Mr. Victor Siew	
Ms. Yu Hui Hoong	
Mr. Dickson Cheah	
Mr. Tan Jun You	
Mr. Voon Ten Ren	
Ms. Sarah Ng	
Mr. Looi Chung Shin	

By Invitation (Cont'd)	Ms. Jennifer Lee Tze-Hui	Representative from Christopher & Lee Ong
	Ms. Melissa Lim	Representative from Providence Strategic Partners Sdn Bhd
	Mr. Philip Rao	} Representatives from Ernst & Young PLT
	Mr. Ng Kim Ling	
	Mr. Kisharn Thoolasy Das	
	Mr. Steven Low	
In Attendance	Ms. Cynthia Gloria Louis	Company Secretary
Members, Proxies and Invitees	As per Attendance List	

1.0 WELCOME & INTRODUCTION

- 1.1 On behalf of the Board of Directors (the “**Board**”) and the Company, Mr. Rizal Redzuan, the emcee (the “**Emcee**”) for the Meeting, welcomed the RCUIDS holders to the Meeting.
- 1.2 The Emcee then introduced the members of the Board, Senior Management, the Company Secretary and the representatives of the Company’s advisers, who were present at the Meeting.

2.0 CHAIRMAN OF THE MEETING

- 2.1 Following a confirmation from the Company Secretary that there was a quorum present in accordance with the Company’s Constitution, the Chairman declared the Meeting duly convened.

3.0 NOTICE OF THE MEETING

- 3.1 The notice convening the Meeting dated 15 April 2025, having been circulated earlier was taken as read.
- 3.2 Before the Meeting proceeded with the Agenda for the meeting, the Chairman informed that the Special Resolution tabled at the Meeting would be voted by way of a poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- 3.3 The Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. (“Tricor”) as the Poll Administrator to conduct the electronic poll voting and Aldpro Corporate Services Sdn. Bhd. as Independent Scrutineer to verify the results of the poll.
- 3.4 RCUIDS holders were informed that voting on the resolution would take place after the question and answer session (“**Q&A session**”) had concluded.

4.0 PRESENTATION BY RHB INVESTMENT BANK BERHAD

4.1 The Chairman invited the representative from RHB Investment Bank Berhad, Ms. Susie Hii ("**Ms Susie**") to give a presentation on the Proposed Regularisation Plan.

4.2 Ms Susie thanked the RCUIDS holders for their attendance and shared her presentation on the Proposed Regularisation Plan, starting with a chronological sequence of events, as below:-

- (i) On 8 July 2020, the Board announced that Capital A has triggered the prescribed criteria under Practice Note 17 ("PN17") where the Company's external auditors, Messrs Ernst & Young PLT, have issued an unqualified audit opinion with material uncertainty relating to going concern ("MUGC") in respect of the Company's audited financial statements for the financial year ended 31 December 2019 and Capital A's shareholders' equity on a consolidated basis is 50% or less of its share capital.
- (ii) On 21 May 2021, the Board announced that Capital A has also triggered the prescribed criteria under PN17 where the Company's shareholders' equity on a consolidated basis is less than 25% of its share capital based on the audited financial statements for the financial year ended 31 December 2020.
- (iii) On 30 April 2025, the Company's external auditors, Messrs. Ernst & Young PLT, issued an unqualified audit opinion with a MUGC in respect of the Company's audited consolidated financial statements for the financial year ended 31 December 2024.
- (iv) On 14 October 2024, Capital A obtained the approvals from its non-interested shareholders at the extraordinary general meeting in respect of the Proposed Corporate Exercise comprising the following proposals as therein stated:
 - (a) Proposed disposal by Capital A of its 100% equity interest in AirAsia Aviation Group Limited ("AAAGL") to AirAsia X Berhad ("AAX") for a disposal consideration of RM3.0 billion to be satisfied entirely via the allotment and issuance of 2,307.7 million new ordinary shares in AAX at an issue price of RM1.30 each ("Proposed AAAGL Disposal");
 - (b) Proposed distribution of 1,692.3 million new ordinary shares in AAX ("AAX Shares") arising from the Proposed AAAGL Disposal ("Distribution Shares") to the shareholders of Capital A on an entitlement date to be announced later ("Proposed Distribution"); and
 - (c) Proposed disposal by Capital A of its 100% equity interest in AirAsia Berhad ("AAB") to AirAsia X Berhad ("AAX") for a disposal consideration of RM3.8 billion to be satisfied entirely via the assumption by AAX of an amount of RM3.8 billion owing by Capital A to AAB ("Proposed AAB Disposal").

(hereinafter, the Proposed AAAGL Disposal and the Proposed AAB Disposal are collectively referred to as the "Proposed Disposals").

4.3 She reiterated that, under the Proposed Regularisation Plan, Capital A will undertake a capital reduction of up to RM6 billion pursuant to Section 116 of the Companies Act 2016 ("Proposed Capital Reduction"), which will allow the Group to offset its accumulated losses and rationalise the balance sheet of the Group to reflect more accurately the value of its underlying assets and thus the financial position of the

Group. The Proposed Capital Reduction is conditional upon completion of Proposed Disposals and Proposed Distribution.

4.4 Ms. Susie then moved on to give a presentation on the status of Capital A Group pursuant to Paragraphs 2.1(a) and 2.1(e) of PN17 upon completion of the Proposed Disposals and Proposed Disposals, as follows:-

- (i) Based on the pro forma consolidated net assets of the Company as at 31 December 2023, the Company's shareholders' equity on a consolidated basis shall be approximately RM742.1 million, representing 107% of the Company's share capital of RM691.9 million under the minimum scenario, and approximately RM2,091.2 million, representing 102% of the Company's share capital of RM2,048.7 million under the maximum scenario.
- (ii) The MUGC in the auditors' report is expected to be resolved upon fulfilment of the remaining conditions precedent for the Proposed Disposals by the second quarter of 2025 and the consolidated shareholders' equity will improve to more than 100% of share capital.

4.5 She further informed that Capital A would no longer trigger the prescribed criterion under PN 17 upon completion of the Proposed Regularisation Plan.

4.6 The Proposed Regularisation Plan which aims to regularise the financial condition of the Group and position the Group to uplift its PN17 status, are targeted to be completed by June 2025.

4.7 She added that the Proposed Regularisation Plan is subject to the following approvals being obtained:

- (i) Bursa Securities for the Proposed Regularisation Plan, which was obtained vide its letter dated 7 March 2025, subject to the conditions as stipulated in Section 10 of the Circular to Shareholders dated 15 April 2025;
- (ii) 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;
- (iii) The shareholders of Capital A at the extraordinary general meeting on 7 May 2025 for the Proposed Regularisation Plan; the RCUIDS holders at an RCUIDS Holders Meeting on 7 May 2025 for the Proposed Regularisation Plan; and
- (iv) Any other relevant authorities and/or parties, if required.

4.8 Thereafter, Capital A will apply to the High Court of Malaya for confirmation of the capital reduction once the abovementioned approvals are obtained, expected by end of May 2025 and Capital A is targeting to exit PN17 status and complete the Proposed Regularisation Plan by end of June 2025.

4.9 The completion of this exercise targeted in June 2025 will position Capital A for sustainable growth and renewed investor confidence. Following the aviation divestment, Capital A's business portfolio will center on six entities, each contributing to the Group's long-term value creation:

- (i) Teleport Commerce Malaysia Sdn Bhd (Teleport);
- (ii) Asia Digital Engineering Sdn Bhd (ADE);
- (iii) Move Digital Sdn Bhd (AirAsia MOVE);

- (iv) BigPay Malaysia Sdn Bhd (BigPay);
- (v) Santan; and
- (vi) Abc. AirAsia Brand

5.0 PROPOSED REGULARISATION PLAN

5.1 The Chairman thanked Ms. Susie for her presentation. The Chairman informed that the Special Resolution was to approve the the 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.

5.2 The Chairman then opened the floor for questions on the Special Resolution. Comments and/or queries from RCUIDS holders and/or proxies were summarised as follows:

- (a) Mr. Mohammed Amin bin Mahmud, a shareholder, questioned and/or commented on the following:
 - (i) It is noted that the Capital A (or the "Issuer") is required to redeem the RCUIDS in cash in accordance with the terms and conditions of the Trust Deed governing the RCUIDS. Given the Company's current liquidity position, Capital A shall not redeem the RCUIDS as it would put the Company's financial stability at risk.
 - (ii) Under the Proposed Regularisation Plan, Capital A will be distributing a fixed number of new ordinary shares in AirAsia X Berhad ("AAX Shares") to the entitled shareholders of Capital A. How will this affect the RCUIDS holders if the RCUIDS has yet to be converted into Capital A's shares, post regularisation plan?

Responses from the Chairman on the above are as follows:-

On (i), RCUIDS is mandatorily redeemed in accordance with the redemption schedule.

On (ii), upon implementation of the Proposed Regularisation Plan, the ordinary shareholders of Capital A will be allocated with AAX Shares in proportion to their Capital A's ordinary shareholdings only based on a pre-determined formula, and the RCUIDS holdings will be excluded from the allocation.

RCUIDS has a 7-year tenure, for any outstanding RCUIDS which has not been converted, the Issuer will redeem 25% of the RCUIDS each year from the fourth year onwards and up to its final tenure.

- (b) Mr. Rien Hashim, a proxy, questioned and/or commented on the following:-
 - (i) Is RCUIDS Shariah-compliant securities?

The Chairman replied that RCUIDS has been listed as Shariah-compliant securities since its issuance.

5.3 There being no further question raised by the RCUIDS holders and/or proxy holders, the Chairman declared the Q&A session closed.

- 5.4 The Chairman then invited the members from the floor to propose and second the motion. The Special Resolution was proposed by Mr. Mohammed Amin bin Mahmud (shareholder) and seconded by Mr. Ananda Devan a/l Sivalin (shareholder).

6.0 VOTING SESSION

- 6.1 On conclusion of the Q&A session, the Chairman advised the RCUIDS holders and proxy holders to proceed to submit their votes via electronic voting system administered by Tricor.
- 6.2 The Chairman stated that the polling process would conclude after 10 minutes; followed by a 20 minutes recess for the verification of the poll results by the Scrutineers and thereafter declaration of the poll results. The Chairman then declared the Meeting adjourned.

7.0 ANNOUNCEMENT OF POLL RESULTS

- 7.1 The Chairman called the Meeting to order for the declaration of the voting results that were verified by the Scrutineers.
- 7.2 Based on the poll results, annexed herewith as **Appendix 1**, the Chairman declared that the Special Resolution that had been put to the Meeting was duly carried.
- 7.3 It was **RESOLVED** as follows: -

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.”

8.0 CLOSURE

- 8.1 There being no other matters, the Chairman thanked all present for their participation in the Meeting, and declared the RCUIDS Holders Meeting of the Company closed at 2.30 p.m.

CAPITAL A BERHAD - RCUIDS

(201701030323)

RCUIDS Holders Meeting

Gateway Ballroom, Level 1, Sama-Sama Hotel, KL International Airport.

Jalan CTA 4B, 64000 KLIA, Sepang, Selangor Darul Ehsan, Malaysia

On 07-May-2025 at 02:00PM

Result On Voting By Poll

Resolution(s)	Vote For				Vote Against				Total Votes			
	No of Units	%	No of P/S	%	No of Units	%	No of P/S	%	No of Units	%	No of P/S	%
Special Resolution 1	584,847,243	99.4742	38	84.4444	3,091,133	0.5258	7	15.5556	587,938,376	100.0000	45	100.0000



Resolution(s)	Pre-determined Abstain *		Abstain / Spoilt #	
	No of Units	No of P/S	No of Units	No of P/S
Special Resolution 1	0	0	0	0

* These votes refer to holders who have pre-determined abstain from voting in proxy forms or holders refrained from voting due to conflict of interest.

These refer to:

- 1) Holders who have chosen not to vote (e-voting) or
- 2) Abstain / Spoilt votes as reflected in poll slips (poll slip voting)

