

THIS CIRCULAR/STATEMENT 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.

In relation to Part A of the Circular/Statement, Bursa Malaysia Securities Berhad (“Bursa Securities”) has only perused the contents of the proposed new shareholders’ mandate for recurrent related party transactions of a revenue or trading nature on a limited review basis pursuant to the provisions of Practice Note 18 of the Bursa Securities’s Main Market Listing Requirements.

Bursa Securities has not perused the contents of the proposed renewal of existing shareholders’ mandate and Part B of this Circular/Statement prior to its issuance as they are exempt documents pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

Bursa Securities takes no responsibility for the contents of this Circular/Statement, 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/Statement.



CAPITAL A BERHAD

*[Registration No.: 201701030323 (1244493-V)]
(Incorporated in Malaysia under the Companies Act, 2016)*

CIRCULAR/STATEMENT TO SHAREHOLDERS IN RELATION TO

PART A

**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE AND NEW
SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY
TRANSACTIONS OF A REVENUE OR TRADING NATURE
 (“PROPOSED RRPT MANDATE”)**

PART B

**PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY
 (“PROPOSED SHARE BUY-BACK”)**

(COLLECTIVELY KNOWN AS THE “PROPOSALS”)

The above Proposals will be tabled as Special Business at the Seventh Annual General Meeting (“AGM”) of Capital A Berhad (“Capital A”) which will be conducted on a virtual basis through live streaming and online remote voting from the broadcast venue at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur, 64000 KLIA, Selangor Darul Ehsan, Malaysia using the Remote Participation and Voting facilities (“RPV”) provided by Tricor Investor & Issuing House Services Sdn. Bhd. which are available on its TIH Online website at <https://tiah.online> on Thursday, 13 June 2024 at 10.00 a.m. The Notice of the Seventh AGM together with the Form of Proxy are set out in the Annual Report of Capital A for the financial year ended 31 December 2023. Please follow the procedures as set out in the Administrative Note for the Seventh AGM which is available on the Company’s website at www.capitala.com in order to register, participate, speak and vote remotely via the RPV.

If you are unable to participate and vote remotely at the Seventh AGM, you are entitled to appoint a proxy or proxies to participate and vote remotely on your behalf. In such event, you should complete the Form of Proxy and lodged at our registered office at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur, 64000 KLIA, Selangor Darul Ehsan, Malaysia or lodged electronically via the TIH Online website at <https://tiah.online>, not less than forty-eight (48) hours before the date and time of the Seventh AGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the forthcoming AGM should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Tuesday, 11 June 2024 at 10.00 a.m.

Date and time of the Seventh AGM : Thursday, 13 June 2024 at 10.00 a.m.

This Circular/Statement is dated 30 April 2024

DEFINITIONS

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

AAB	:	AirAsia Berhad [Registration No.: 199301029930 (284669-W)]
AAAGL	:	AirAsia Aviation Group Limited [Registration No.: LL03901]
AAAMS	:	AirAsia Aviation Management Services Sdn. Bhd. [Registration No.: 200401023376 (661882-P)]
AAX	:	AirAsia X Berhad [Registration No.: 200601014410 (734161-K)]
Act	:	The Companies Act, 2016, including any amendment that may be made thereto from time to time
ADE	:	Asia Digital Engineering Sdn. Bhd. [Registration No.: 202001010462 (1366782-X)]
AGM	:	Annual General Meeting
AirAsia (Guangzhou)	:	AirAsia (Guangzhou) Aviation Service Limited [Registration No.: 91440101MA5ALG3R31]
AirAsia.Com	:	Move Travel Sdn. Bhd. (formerly known as AirAsia Com Travel Sdn. Bhd.) [Registration No.: 201301020508 (1050338-A)]
AirAsia SEA	:	AirAsia SEA Sdn. Bhd. [Registration No.: 201301015339 (1045172-A)]
AirAsia SEA TH/IHQ	:	AirAsia SEA Limited (Thailand) [Registration No.: 0105561157531]
Audit Committee	:	Audit Committee of our Company
BIGLIFE	:	BIGLIFE Sdn. Bhd. [Registration No.: 201001040731 (924656-U)]
Board	:	Board of Directors of our Company
Bursa Depository	:	Bursa Malaysia Depository Sdn. Bhd. [Registration No.: 198701006854 (165570-W)]
Bursa Securities	:	Bursa Malaysia Securities Berhad [Registration No.: 200301033577 (635998-W)]
Capital A or our Company	:	Capital A Berhad [Registration No.: 201701030323 (1244493-V)]
Capital A Group or our Group	:	Capital A and its subsidiaries, collectively
Capital A Share(s) or Share(s)	:	Ordinary shares in the capital of our Company
Circular/Statement	:	This Circular/Statement to Shareholders dated 30 April 2024
Code	:	Malaysian Code on Take-Overs and Mergers 2016 read together with the Rules on Take-Overs, Mergers and Compulsory Acquisition, including any amendments that may be made from time to time
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 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.
ECML Hotels	: ECML Hotels Sdn. Bhd. [Registration No. 201701022399 (1236565-X)]
EPS	: Earnings per Share
Epsom	: Epsom College Malaysia Sdn. Bhd. [Registration No.: 201001006063 (890682-X)]
Fleet Consolidated	: Fleet Consolidated Pte. Ltd. [Registration No.: 202313504D]
IAAX	: PT. Indonesia AirAsia Extra [Registration No.: 09.03.1.51.89121]
ICM	: Intrinsic Capital Management Sdn. Bhd. [Registration No.: 199201000192 (231696-K)]
IKHLAS	: Ikhlas Com Travel Sdn. Bhd. [Registration No.: 201801010997 (1273013-P)]
ITU	: Ikhlas Com Travel and Umrah Sdn. Bhd. [Registration No.: 200501033077 (715217-T)]
Listing Requirements	: The Main Market Listing Requirements of Bursa Securities, including any amendments that may be made from time to time
LPD	: 1 April 2024, being the latest practicable date prior to the printing of this Circular/Statement
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, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act. This 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 major shareholder of our Company or any other corporation which is our Company’s subsidiary or holding company</p>
Mandate Period	: The period during which the RRPT are to be entered into by our Group for which the Proposed RRPT Mandate is being sought. This period shall commence immediately upon the passing of the ordinary resolution for the Proposed RRPT Mandate at the Seventh AGM until the conclusion of the next AGM in the year 2025
Market Day(s)	: A day on which the stock market of Bursa Securities is open for trading in securities, which may include a Surprise Holiday
NA	: Net assets

Notel Management	: Notel Management Sdn. Bhd. [Registration No.: 200601016858 (736610-U)]
OHG Services	: OHG Services Sdn. Bhd. [Registration No. 201101018275 (946411-T)]
Ormond	: Ormond Group Sdn. Bhd. [Registration No. 201801042025 (1304057-K)]
Person(s) Connected	: Shall have the same meaning given in Paragraph 1.01 of the Listing Requirements
Proposed RRPT Mandate	: Proposed renewal of existing shareholders' mandate and new shareholders' mandate for RRPTs
Proposed Share Buy-Back	: Proposed renewal of authority for Capital A to purchase up to ten per cent (10%) of its total number of issued shares
RCUIDS	7-year redeemable convertible unsecured Islamic debt securities
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
Related Party(ies)	: Director(s), Major Shareholder(s) or Person(s) Connected with such Director(s) or Major Shareholder(s)
Rokki	: Rokki Sdn. Bhd. [Registration No.: 201101006967 (935105-W)]
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 Group which involve the interest, direct or indirect, of a Related Party(ies)
STR	: Santan Restaurant Sdn. Bhd. [Registration No.: 201401017641 (1093728-T)]
Surprise Holiday	: means a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year
TAAX	: Thai AirAsia X Co. Ltd. [Registration No.: 0105556044936]
Tan Sri Tony Fernandes	: Tan Sri Anthony Francis Fernandes
Teleport	: Teleport Everywhere Private Limited [Registration No.: 201916239W], or its subsidiaries including, Teleport Commerce Malaysia Sdn. Bhd. [Registration No.: 201801009926 (1271940-D)], as applicable.
TIMB	: Tune Insurance Malaysia Berhad [Registration No.: 197601004719 (30686-K)]
TPGB	: Tune Protect Group Berhad [Registration No. 201101020320 (948454-K)]
TPR	: Tune Protect Re Ltd [Company No.: LL08072]
TPT	: Tune Insurance Public Company Limited [Registration No.: 0107555000627]
Transacting Party(ies)	: A party with which our Group has entered or may enter into an RRPT under the Proposed RRPT Mandate

Tune Air	:	Tune Air Sdn. Bhd. [Registration No.: 200101012770 (548526-V)]
Tune Group	:	Tune Group Sdn. Bhd. [Registration No.: 200701040836 (798868-P)]
Tune Live	:	Tune Live Sdn. Bhd. [Registration No.: 201101020485 (948620-U)]
Tune Talk	:	Tune Talk Sdn. Bhd. [Registration No.: 200601001210 (720957-V)]
WAMP	:	Weighted average market price

Currencies

CNY	:	Chinese Yuan
RM	:	Ringgit Malaysia
USD	:	United States Dollar

All references to “**our Company**” in this Circular/Statement are to Capital A 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/Statement 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/Statement shall be a reference to Malaysian time, unless otherwise specified.

All references to “**you**” in this Circular/Statement 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 5 June 2024.

Where applicable, values have been rounded to the nearest thousand.

For illustration purposes only, the exchange rate of CNY1 = RM0.6534, and USD1 = RM4.7235 have been used throughout this Circular/Statement, unless otherwise stated.

PART A

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

SECTION	PAGE
1. INTRODUCTION	1
2. PROPOSED RRPT MANDATE	2
3. RATIONALE AND BENEFITS OF THE PROPOSED RRPT MANDATE	20
4. VALIDITY PERIOD FOR THE PROPOSED RRPT MANDATE	20
5. EFFECTS OF THE PROPOSED RRPT MANDATE	21
6. APPROVALS REQUIRED	21
7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM	21
8. DIRECTORS' RECOMMENDATION	22
9. AGM	22
10. FURTHER INFORMATION	22

PART B

LETTER TO OUR SHAREHOLDERS IN RELATION TO THE PROPOSED SHARE BUY-BACK CONTAINING:

SECTION	PAGE
1. INTRODUCTION	24
2. DETAILS OF THE PROPOSED SHARE BUY-BACK	24
3. RATIONALE OF THE PROPOSED SHARE BUY-BACK	27
4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK	27
5. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK	28
6. APPROVALS REQUIRED	30
7. SHARE PRICE PERFORMANCE	31
8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM	31
9. DIRECTORS' RECOMMENDATION	31
10. AGM	31
11. FURTHER INFORMATION	32
APPENDIX	33
EXTRACT OF RESOLUTION	Enclosed

PART A

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



CAPITAL A BERHAD

[Registration No. 201701030323 (1244493-V)]
(Incorporated in Malaysia under the Companies Act, 2016)

Registered Office:

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

30 April 2024

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*)

To: Our shareholders

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

1. INTRODUCTION

At the AGM held on 15 June 2023, our Company had obtained a general mandate from its shareholders for the Capital A Group to enter into RRPTs which are necessary for the Group's day-to-day operations based on commercial terms which are not more favourable to the related parties.

The said general mandate shall, in accordance with Paragraph 10.09 of the Listing Requirements expire at the conclusion of the forthcoming AGM scheduled on 13 June 2024.

Your Board had on 25 April 2024 announced our intention to seek your approval for the Proposed RRPT Mandate at our forthcoming AGM.

The purpose of this Circular/Statement is to provide you with details of the Proposed RRPT Mandate and to seek your approval for the ordinary resolution to be tabled at the forthcoming AGM of the Company.

YOU ARE ADVISED TO READ AND CONSIDER THE CONTENTS OF THIS CIRCULAR/STATEMENT CAREFULLY BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED RRPT MANDATE.

2. PROPOSED RRPT MANDATE

2.1 Details of the Proposed RRPT Mandate

As provided in Paragraph 10.09(2) of the Listing Requirements, our Company proposes to seek a general mandate from you for the existing and new 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:
 - (i) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is RM1 million or more; or
 - (ii) any one of the percentage ratios of such transaction is 1% or more,whichever is the higher;
- (c) this Circular/Statement includes the information as may be prescribed by Bursa Securities;
- (a) in a meeting to obtain your mandate, the interested Director, interested Major Shareholder and interested Persons Connected with a Director or Major Shareholder; and where it involves the interest of an interested Person Connected with a Director or Major Shareholder, such Director or Major Shareholder must not vote on the resolution to approve the transactions. An interested Director or interested Major Shareholder must also ensure that Persons Connected with them shall abstain from voting on the resolution approving the transactions; and
- (b) 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/Statement by 10% or more and must include the information as may be prescribed by Bursa Securities in our announcement.

2.2 Principal activities of our Group and Nature of RRPT

Our Company is an investment holding company and principally providing air transportation services, while other principal activities of our subsidiaries include the provision of travel solutions, logistics, e-wallet, food & beverages, shared services such as finance and accounting, digital, information and technology, human resources, and sourcing and procurement operation support service, the provision of financing and leasing arrangements and others.

It is envisaged that in the ordinary course of our Group's businesses, transactions of a revenue or trading nature which are necessary for its day-to-day operations are likely to occur between companies in our Group and the Related Parties.

2.3 Details of RRPTs and the Related Parties

The details of the RRPTs entered/to be entered into by Capital A Group with the Transacting Parties under the Proposed RRPT Mandate are as follows:

(a) Existing RRPTs

No.	Transacting Parties	Nature of RRPT	Estimated value of transactions as disclosed in the Circular/Statement to Shareholders dated 28 April 2023	Actual value of transactions from 16 June 2023 to the LPD	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
REVENUE/INCOME						
1.	AAX	Supply of in-flight entertainment system, hardware, software, content and updates by Rokki.	*RM2,300,000	RM108,447	RM2,300,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
2.	AAX	Provision of operational services by AirAsia (Guangzhou) to AAX in China.	CNY12,475,000 (RM8,233,500)	CNY3,459,330 (RM2,260,326)	CNY7,128,000 (RM4,657,435)	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
3.	AAX	Sale of loyalty points from BIGLIFE, which operate and manages a loyalty program branded as the airasia rewards Programme	RM5,000,000	RM1,958,719	RM5,000,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
4.	TAAX	Provision of operational services by AirAsia (Guangzhou) to TAAX in China.	CNY783,000 (RM508,950)	CNY605,520 (RM395,647)	CNY3,024,000 (RM1,975,882)	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾

No.	Transacting Parties	Nature of RRPT	Estimated value of transactions as disclosed in the Circular/Statement to Shareholders dated 28 April 2023	Actual value of transactions from 16 June 2023 to the LPD	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
REVENUE/INCOME						
5.	TAAX	Sale of loyalty points from BIGLIFE, which operate and manages a loyalty program branded as the airasia rewards Programme	RM1,840,000	NIL	RM2,000,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
6.	TIMB	Provision of travel insurance by TIMB to AAB's customers for journeys originated from Malaysia, resulting in sales commission received by AAB.	RM6,500,000	RM6,761,817	RM8,114,181	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
7.	TPGB	Provision of the right to access AAB's customer database for TPGB to conduct marketing on TPGB's and/or third-party insurance products and the provision of management services by TPGB to Capital A Group's travel insurance business.	RM6,000	RM239.63	NIL	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
8.	TPGB	TPGB's subscription to advertising services in Rokki's portal.	RM250,000	NIL	NIL	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾

No.	Transacting Parties	Nature of RRPT	Estimated value of transactions as disclosed in the Circular/Statement to Shareholders dated 28 April 2023	Actual value of transactions from 16 June 2023 to the LPD	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
REVENUE/INCOME						
9.	Tune Talk	Provision of advertisement services on Capital A's Wifi portal.	RM250,000	NIL	NIL	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
10.	Tune Talk	Provision of services for sales of travellers' sim cards. This will be part of the advertisement services on Capital A's Wifi portal stated in item number 9 above.	RM100,000	NIL	NIL	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
11.	Notel Management	Provision of advertisement services on Capital A's Wifi portal.	RM150,000	NIL	NIL	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
12.	Epsom	Service Agreements for AirAsia.Com to provide services related to managing digital media activities for Epsom.	RM350,000	NIL	NIL	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾

No.	Transacting Parties	Nature of RRPT	Estimated value of transactions as disclosed in the Circular/Statement to Shareholders dated 28 April 2023	Actual value of transactions from 16 June 2023 to the LPD	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
REVENUE/INCOME						
13.	TAAX	Information Technology System and Security Services provided by AAB to TAAX.	RM3,700,000	NIL	NIL	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
14.	TPGB	Service Agreements between AirAsia.Com and TPGB to provide services related to managing digital media activities to TPGB.	RM1,500,000	RM1,495,429	RM1,500,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
15.	Tune Talk	Service Agreements between AirAsia.Com and Tune Talk to provide services related to managing digital media activities to Tune Talk.	RM2,000,000	NIL	RM2,000,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
16.	ECML Hotels	Service Agreements between AirAsia.Com and ECML Hotels to provide services related to managing digital media activities to ECML Hotels.	RM500,000	RM35,867	RM60,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾

No.	Transacting Parties	Nature of RRPT	Estimated value of transactions as disclosed in the Circular/Statement to Shareholders dated 28 April 2023	Actual value of transactions from 16 June 2023 to the LPD	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
REVENUE/INCOME						
17.	IKHLAS	Commercial Agreement between AirAsia.Com and IKHLAS for the purpose of charging IKHLAS for using the AirAsia SuperApp.	RM500,000	NIL	NIL	Interested Directors and Major Shareholders Datuk Kamarudin ⁽²⁾
18.	TPG	Distribution Agreement between AirAsia.Com and TPG for the management of insurance business. This includes the Agency Agreement between AirAsia.Com and TIMB, a subsidiary of TPG, to appoint AirAsia.Com as a registered corporate agent of TIMB to transact insurance business on airasia.com website and mobile application on behalf of TIMB in exchange for commission.	RM1,564,000	NIL	RM 1,564,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
19.	TPT	Media Services Agreement between AirAsia.Com and TPT for the management of digital media activities.	RM1,000,000	RM98,798	RM80,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
20.	TPR	Service Agreement between AirAsia SEA and TPR for AirAsia SEA to provide refund service on insurance premium for the guests of AirAsia.	RM1,000	RM119	RM1,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾

No.	Transacting Parties	Nature of RRPT	Estimated value of transactions as disclosed in the Circular/Statement to Shareholders dated 28 April 2023	Actual value of transactions from 16 June 2023 to the LPD	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
REVENUE/INCOME						
21.	TAAX	Provision of platform services by AirAsia.Com: Online distribution of TAAX flight inventory via the airasia.com domain or airasia Superapp mobile app owned/operated by AirAsia.com	USD16,000,000 (RM72,000,000)	USD3,783,837 (RM17,872,954)	USD11,544,700 (RM54,531,424)	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
22.	AAX	Provision of platform services by AirAsia.Com: Online distribution of AAX flight inventory via the airasia.com domain or airasia Superapp mobile app owned/operated by AirAsia.com	*#RM31,000,000	RM47,186,913	^RM92,842,861	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾

No.	Transacting Parties	Nature of RRPT	Estimated value of transactions as disclosed in the Circular/Statement to Shareholders dated 28 April 2023	Actual value of transactions from 16 June 2023 to the LPD	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
REVENUE/INCOME						
23.	AAX	Provision of the following shared services by AirAsia SEA and AirAsia SEA TH/IHQ/AAAMS/Fleet Consolidated to AAX: (a) Finance and accounting support operation services; (b) People department support operation services; (c) Information and technology operation support services; (d) Refunds; (e) Customer Support; (f) Facilities; (g) Procurement; (h) Network management center, safety, operational quality assurance and ground operations; (i) Airline strategy, fleet, network, scheduling and regulatory affairs; (j) Airport partnerships and incentives; (k) Information security; and (l) Supply chain	*RM15,000,000	RM4,820,566	RM28,100,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾

No.	Transacting Parties	Nature of RRPT	Estimated value of transactions as disclosed in the Circular/Statement to Shareholders dated 28 April 2023	Actual value of transactions from 16 June 2023 to the LPD	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
REVENUE/INCOME						
24.	TAAx	<p>Provision of the following shared services by AirAsia SEA and AirAsia SEA TH/IHQ/AAAMS/Fleet Consolidated to TAAx:</p> <p>(a) Finance and accounting support operation services;</p> <p>(b) People department support operation services;</p> <p>(c) Information and technology operation support services;</p> <p>(d) Refunds;</p> <p>(e) Customer Support;</p> <p>(f) Facilities;</p> <p>(g) Procurement;</p> <p>(h) Network management center, safety, operational quality assurance and ground operations;</p> <p>(i) Airline strategy, fleet, network, scheduling and regulatory affairs;</p> <p>(j) Airport partnerships and incentives;</p> <p>(k) Information security; and</p> <p>(l) Supply chain</p>	RM9,600,000	RM2,800,845	RM12,900,000	<p>Interested Directors and Major Shareholders Tan Sri Tony Fernandes⁽¹⁾ Datuk Kamarudin⁽²⁾</p>
25.	ITU	Partnership agreements between IKHLAS and ITU for the usage of Ministry of Tourism, Arts and Culture (Inbound, Outbound, Ticketing and Umrah) travel agent licence.	RM120,000	NIL	NIL	<p>Interested Directors and Major Shareholders Datuk Kamarudin⁽²⁾</p>

No.	Transacting Parties	Nature of RRPT	Estimated value of transactions as disclosed in the Circular/Statement to Shareholders dated 28 April 2023	Actual value of transactions from 16 June 2023 to the LPD	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
REVENUE/INCOME						
26.	ICM	Partnership agreements between IKHLAS and ICM for the usage of studio venue located at Ukay Boulevard.	RM180,000	RM27,000	RM 36,000	Interested Directors and Major Shareholders Datuk Kamarudin ⁽²⁾
27.	AAX	Line Maintenance Agreement between ADE and AAX for the provision of resources to ensure the smooth operations of aircraft maintenance which include manpower, tooling and store.	RM23,025,600	RM21,793,285	RM35,500,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
28.	AAX	Partnership agreements between IKHLAS and AAX for the commercial arrangement to appoint IKHLAS as an exclusive Sales & Distribution partner for the Saudi sectors that AAX are offering.	RM4,000,000	RM3,620,391	RM10,000,000	Interested Directors and Major Shareholders Datuk Kamarudin ⁽²⁾
29.	AAX	STR to enter into an agreement for supply chain services with AAX to supply airline catering, merchandise and duty free to AAX as part of the inflight services.	RM18,000,000	RM16,397,381	RM50,000,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾

No.	Transacting Parties	Nature of RRPT	Estimated value of transactions as disclosed in the Circular/Statement to Shareholders dated 28 April 2023	Actual value of transactions from 16 June 2023 to the LPD	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
REVENUE/INCOME						
30.	AAX	Act as acquirer for all Close Loop Transactions and responsible for including but not limited to, acquiring, servicing, billing to, collecting from, setting the Merchant Rate and authorizing of BigPay Card transactions.	#RM70,536	RM98,411	^RM207,880	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
31.	AAX	Provision of the rights to operate scheduled air services under the "AIRASIA" trade name and livery of Brand AA/AAAGL	*RM33,640,000	NIL	RM50,600,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
32.	TAAX	Provision of the rights to operate scheduled air services under the "AIRASIA" trade name and livery of Brand AA/AAAGL	*RM16,670,000	NIL	RM28,400,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
EXPENSES						
33.	AAX	Redemption of loyalty points when Big members use the loyalty points accumulated under the airasia rewards Programme operated and managed by BIGLIFE for AAX's flights and other ancillary products and services.	RM5,500,000	RM1,389,687	RM5,000,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾

No.	Transacting Parties	Nature of RRPT	Estimated value of transactions as disclosed in the Circular/Statement to Shareholders dated 28 April 2023	Actual value of transactions from 16 June 2023 to the LPD	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
EXPENSES						
34.	AAX	Purchase of AAX's cargo transportation capacity by Teleport on routes operated by AAX.	USD46,000,000 (RM205,160,000)	USD26,854,178 (RM126,845,709)	USD47,121,801 (RM222,579,827)	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
35.	TAAX	Purchase of TAAX's cargo transportation capacity by Teleport on routes operated by TAAX.	USD28,309,000 (RM123,523,180)	USD11,022,543 (RM52,064,982)	USD19,786,071 (RM93,459,506)	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
36.	TAAX	Redemption of loyalty points when Big members use the loyalty points accumulated under the airasia rewards Program operated and managed by BIGLIFE for TAAX's flights and other ancillary products and services.	RM2,300,000	NIL	RM2,000,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾

No.	Transacting Parties	Nature of RRPT	Estimated value of transactions as disclosed in the Circular/Statement to Shareholders dated 28 April 2023	Actual value of transactions from 16 June 2023 to the LPD	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
EXPENSES						
37.	Notel Management	The contract for this RRPT(s) was signed between Notel Management and AirAsia SEA for the provision of hotel services to Capital A Group and/or its affiliates and/or its guests at corporate rates provided by Notel Management as hotel operator that manages hotels on behalf of the following entities that directly invoices the respective entities of Capital A Group: 1. OHG Services; and 2. ECML Hotels.	RM4,010,000	RM3,370,943	RM9,736,053	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
38.	TPGB	To participate in the BIG Loyalty Program as a merchant partner to purchase BIG Points from BIGLIFE for the purposes of awarding it to subscribers of the subsidiaries of TPGB, including but not limited to TIMB and TPT.	RM156,000	NIL	NIL	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾

(b) Additional RRPTs

No.	Transacting Parties	Nature of RRPT	Estimated value during the Mandate Period~	Class and relationship of the Related Parties
REVENUE/INCOME				
1.	AAX	Media Services Agreement between AirAsia.Com and AAX whereby AirAsia.Com providing the digital media management services	RM250,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
2.	TAAX	Advertising consultant agreement between AirAsia.Com and TAAX for the consultation of the media sales for TAAX's media inventory	RM180,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
3.	Ormond	Hotel Marketing and Distribution Agreement between AirAsia.Com and Ormond whereby AirAsia.Com be entitled to a commission of the Commercial Rate paid by the customers who have purchased the hotel room inventory, excluding cancellation and refunds permitted by Ormond.	RM50,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
EXPENSES				
1.	Tune Group	Sub-tenancy agreement between Capital A and Tune Group for the sublet of office premises at Wisma Tune with a floor area of 5,620 sq ft. Rental payable on a monthly basis.	**RM300,000	Interested Directors and Major Shareholders Tan Sri Tony Fernandes ⁽¹⁾ Datuk Kamarudin ⁽²⁾
2.	ICM	Tenancy agreement between IKHLAS and ICM for usage of office venue located at AmpWalk with a floor area of 7,373 sq ft. Rental payable on a monthly basis.	**RM200,000	Interested Directors and Major Shareholders Datuk Kamarudin ⁽²⁾

Notes:

~ Indicative estimate during the Mandate Period which is based on historical trends and may vary from the estimated values above depending on the prevailing economic and competitive environment.

* The services are to be provided to AAX and TAAX on normal commercial terms on an arm's length basis with a credit limit of up to RM30 million and RM15 million respectively. Please refer to Section 3 for further information.

Amount is based on the current view of the recovery from Covid-19 pandemic and business model adopted by AAX and TAAX.

** The tenancy is for a period of not more than 3 years.

^ Deviation from mandate is due to the opening of travel border and picking up flights.

(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, as follows:-

Transacting Parties	Details of relationship	Directorship
AAX	Deemed interested via his interest in Tune Group and AAB, being the Major Shareholders of AAX, pursuant to Section 8 of the Act.	-
TPGB	Deemed interested via his interest in Tune Group and Move Digital Sdn. Bhd., being the Major Shareholders of TPGB, pursuant to Section 8 of the Act.	-
TIMB	Deemed interested via his interest in TPGB, being the holding company of TIMB, pursuant to Section 8 of the Act.	-
TAAX	Deemed interested via his interest in Tune Group and AAB, being the Major Shareholders of AAX, which in turn is the Major Shareholder of TAAX, pursuant to Section 8 of the Act.	-
IAAX	Deemed interested via his interest in Tune Group and AAB, being the Major Shareholders of AAX, which in turn owns 49% shares in IAAX, pursuant to Section 8 of the Act.	-
Tune Group	50% direct interest in Tune Group	✓
Notel Management	Deemed interested via his interest in Tune Group, being the Major Shareholder of Tune Hotels.com Ltd., being the Major Shareholder of Tune Hotels.com (BVI) Ltd, which in turn is the Major Shareholder of Notel Management, pursuant to Section 8 of the Act.	✓
ECML Hotels	Deemed interested via his interest in Tune Group, being the Major Shareholder of ECM Libra Group Berhad, which in turn is the holding company of ECML Hotels, pursuant to Section 8 of the Act.	-
TPT	Deemed interested via his interest in Tune Group and Move Digital Sdn. Bhd., being the Major Shareholders of TPGB, which in turn is a Major Shareholder of TPT, pursuant to Section 8 of the Act.	-
TPR	Deemed interested via his interest in Tune Group and Move Digital Sdn. Bhd., being the Major Shareholders of TPGB, which is the holding company of TPR, pursuant to Section 8 of the Act.	-
Tune Talk	Deemed interested via his interest in Tune Group, being the Major Shareholders of Tune Talk, pursuant to Section 8 of the Act.	-
Epsom	Deemed interested via his interest in Educ8Group Sdn Bhd, which is the holding company of Epsom, pursuant to Section 8 of the Act.	-
Ormond	Deemed interested via his interest in Tune Group, being the Major Shareholder of ECM Libra Group Berhad, which in turn is the holding company of Ormond, 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, as follows:-*

Transacting Parties	Details of relationship	Directorship
AAX	<i>Deemed interested via his interest in Tune Group and AAB, being the Major Shareholders of AAX, pursuant to Section 8 of the Act.</i>	-
TPGB	<i>Deemed interested via his interest in Tune Group and Move Digital Sdn. Bhd., being the Major Shareholders of TPGB, pursuant to Section 8 of the Act.</i>	-
TIMB	<i>Deemed interested via his interest in TPGB, being the holding company of TIMB, pursuant to Section 8 of the Act.</i>	-
TAAX	<i>Deemed interested via his interest in Tune Group and AAB, being the Major Shareholders of AAX, which in turn is the Major Shareholder of TAAX, pursuant to Section 8 of the Act.</i>	-
IAAX	<i>Deemed interested via his interest in Tune Group and AAB, being the Major Shareholders of AAX, which in turn owns 49% shares in IAAX, pursuant to Section 8 of the Act.</i>	-
Tune Group	<i>50% direct interest in Tune Group</i>	✓
Notel Management	<i>Deemed interested via his interest in Tune Group, being the Major Shareholder of Tune Hotels.com Ltd., being the Major Shareholder of Tune Hotels.com (BVI) Ltd, which in turn is the Major Shareholder of Notel Management, pursuant to Section 8 of the Act.</i>	✓
ECML Hotels	<i>Deemed interested via his interest in Tune Group, being the Major Shareholder of ECM Libra Group Berhad, which in turn is the holding company of ECML Hotels, pursuant to Section 8 of the Act.</i>	-
IKHLAS	<i>Deemed interested via his interest in Capital A and his family member interest in IKHLAS, pursuant to Sections 8 and 59 of the Act.</i>	-
TPT	<i>Deemed interested via his interest in Tune Group and Move Digital Sdn. Bhd., being the Major Shareholders of TPGB, which in turn is a Major Shareholder of TPT, pursuant to Section 8 of the Act.</i>	-
TPR	<i>Deemed interested via his interest in Tune Group and Move Digital Sdn. Bhd., being the Major Shareholders of TPGB, which is the holding company of TPR, pursuant to Section 8 of the Act.</i>	-
Tune Talk	<i>Deemed interested via his interest in Tune Group, being the Major Shareholders of Tune Talk, pursuant to Section 8 of the Act.</i>	-
Epsom	<i>Deemed interested via his interest in Educ8Group Sdn Bhd, which is the holding company of Epsom, pursuant to Section 8 of the Act.</i>	-
ICM	<i>Deemed interested via his family member interest in ICM, pursuant to Section 59 of the Act.</i>	-
ITU	<i>Deemed interested via his family member interest in ITU, pursuant to Section 59 of the Act.</i>	-
Ormond	<i>Deemed interested via his interest in Tune Group, being the Major Shareholder of ECM Libra Group Berhad, which in turn is the holding company of Ormond, pursuant to Section 8 of the Act.</i>	-

2.4 Amounts due and owing to our Group by the Related Parties in relation to services given under the RRPTs

Save for IAAX, AAX and TAAX there are no other amounts due and owing by any other Related Parties to our Group pursuant to the RRPTs (as of 31 December 2023, being the latest financial year-end of our Company), which exceeded the credit terms. The principal sum for the total ageing and outstanding amount due and owing by IAAX, AAX and TAAX to our Group are as follows:

Related Party	Total	1 year or less	1 to 3 years	3 to 5 years	More than 5 years
IAAX	RM55,571,000	-	RM52,340,000*	RM2,507,000*	RM724,000*
AAX	RM45,206,909	RM44,076,90#	RM1,130,010#	-	-
TAAX	RM137,894,865	RM21,312,068	RM16,594,479* [@]	RM55,925,063* [@]	RM44,063,255*

Note:

* The amount was provided for in prior years

The amount is related to AASEA services fees, ACT & Ikhlas Com Travel Commission, Reward points, Santan Food & Merchandise handling and ADE maintenance cost.

@ Majority of the amount is related to the RRPT regarding rights to operate under the trade name and livery of AAB

- i) Pursuant to the order of the Central Bankruptcy Court of Thailand ("Court") on 30 August 2023 approving TAAX's business rehabilitation plan, RM5,849,712 being 5% of the RRPT amount due to our Group as at 31 December 2023 will be recoverable. Our Group has provided for the RRPT amount outstanding from TAAX of RM109,549,017 in full and it is to be written off pursuant to the said Order of the Court.

At the Board's point of view, the amount outstanding from AAX of RM45,206,909 and the amount outstanding from TAAX of RM28,345,847 respectively as at 31 December 2023 are recoverable as our Group has amount due to AAX of RM48,722,299 and amount due to TAAX of RM9,703,854 respectively as at 31 December 2023.

- ii) Provisions have been provided for IAAX in prior years. IAAX has since ceased operations.

There were no interest and late payment charges imposed on the amounts as our Company had reviewed the outstanding amounts and is of the opinion that the overdue amounts have been incurred under normal business transaction arrangements.

2.5 Basis of estimates

The estimated transaction values for the RRPTs referred to in Section 2.3 above 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 during the Mandate Period.

2.6 Review procedures for RRPTs

To promote good corporate governance in the conduct of our Company's business, our Group has established a framework for evaluating potential conflicts of interest and disclosure obligations arising out of transactions, arrangements and relationships between our Company and its Related Parties. The procedures in this framework ensure the RRPTs are on arm's length basis and in the best interest of our Group. We set forth below the review procedures of our Company's RRPTs:

- (i) Each Director is required to make full disclosure at once of any interest he or she may have in any business enterprise with an existing or proposed business relationship or transaction with our Company and/or our subsidiaries.

- (ii) There are no specific thresholds for approval of RRPTs within our Group. All potential RRPTs have to be disclosed by management, being the relevant head of department in which the transaction falls under (“**Management**”). Management will then propose the RRPT by providing a RRPT paper and other relevant documents, including a draft of the announcement to be made to Bursa Securities to the Group Legal Department, at least one (1) week prior to the Audit Committee meeting to ensure that regulatory requirements have been met. The Internal Audit Department shall ensure that internal processes in respect of the RRPT are followed. Upon obtaining clearance from the Group Legal Department, Group Governance and Company Secretarial Department as well as the Group Internal Audit Department, Management will sign off on the RRPT papers and the matter shall be tabled to the Audit Committee for consideration and if deemed appropriate, recommended to your Board for approval.
- (iii) With the information provided in the RRPT papers, your 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 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 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 to our minority shareholders.
- (iv) The interested Director(s) in the RRPT must abstain from your Board’s deliberation and voting on the relevant resolution(s) in respect of the RRPT. The interested Director(s) must inform your Board of the details of the nature and extent of his/her interest, including all matters in relation to the proposed RRPT that he/she is aware of or should reasonably be aware of, which is not in the best interest of our Company or our subsidiary, as the case may be.
- (v) The interested Major Shareholder(s) and/or Person(s) Connected to them must not vote at the general meeting on the resolution approving the RRPT. It is the duty of the interested Director(s) and interested Major Shareholder(s) to ensure that Person(s) Connected to them abstain from voting on the resolution approving the RRPT.

2.7 Audit Committee’s Statement

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

- (i) sufficient to ensure that the RRPTs are undertaken on arm's length basis 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 RRPT Mandate is approved, disclosure will be made in our Annual Report of the breakdown of the aggregate value of RRPTs conducted pursuant to the shareholders’ mandate during the financial year, based on the following information:

- (a) the types of RRPTs made; and

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

3. RATIONALE AND BENEFITS OF THE PROPOSED RRPT MANDATE

The RRPTs that have been entered into and will be entered into by our Group as set out in Section 2.3 above are necessary for our business and are intended to meet business needs on the best possible terms so as to achieve the synergistic benefits within the entire Group. 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 RRPT 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 Company acknowledges the amounts due and owing to our Group by the Related Parties in relation to services given under the RRPTs as detailed in Section 2.4 above. However, with the recent positive development in travel demand, AAX and TAAX would gradually strengthen their operations to serve the pent-up travel demand and would require the services stated in Section 2.3 of this Circular/Statement to support their operations. The services provided include brand licencing, shared services for financial accounting and payroll processing, and cargo handling. Additionally, AAX and TAAX would need to leverage the airasia Superapp platform for the distribution of flights and services of WiFi on board, sharing of IT platforms, allowing redemption and issuance of Big Points on their flights as well as for Teleport to purchase AAX's and TAAX's cargo transportation capacity on routes operated by AAX and TAAX. In view of this, the Company has agreed to continue providing services to AAX and TAAX on normal commercial terms on an arm's length basis with a credit limit of up to RM30 million and RM15 million respectively as 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 RRPT MANDATE

The Proposed RRPT Mandate is subject to annual renewal. In this respect, the Proposed RRPT Mandate, if approved at our forthcoming AGM, will take effect from the conclusion of the said AGM and shall continue to be in force until:

- (a) the conclusion of our next AGM, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (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) revoked or varied by a resolution passed by you in a general meeting,
whichever is the earlier.

5. EFFECTS OF THE PROPOSED RRPT MANDATE

The Proposed RRPT 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 RRPT 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 RRPT Mandate is subject to the approval of our shareholders 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 RRPT Mandate:

- (i) Tan Sri Tony Fernandes, by virtue of his directorship in our Company and being a Major Shareholder of our Company and by virtue of his directorships and shareholdings in the Transacting Parties as detailed in Section 2.3 above; and
- (ii) Datuk Kamarudin, by virtue of his directorship in our Company and being a Major Shareholder of our Company and by virtue of his directorships and shareholdings in the Transacting Parties as detailed in Section 2.3 above.

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

	<-----Direct ----->		<----- Indirect ----->	
	No. of Shares	%	No. of Shares	%
Interested Directors/Major Shareholders				
Tan Sri Tony Fernandes	1,600,000	0.04	1,025,485,082*	24.10
Datuk Kamarudin	2,000,000	0.05	1,025,485,082*	24.10

Notes:

* Deemed interested by virtue of Section 8 of the Act through a shareholding of more than 20% in Tune Live and Tune Air, both being Major Shareholders of our Company.

The interested Directors have abstained and will continue to abstain from Board deliberations and voting on the Proposed RRPT Mandate. The interested Directors and interested Major Shareholders will abstain from voting in respect of their direct and/or indirect interests, if any, on the resolution pertaining to the Proposed RRPT Mandate at our forthcoming AGM.

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

In line with corporate governance standards, two of our Directors, namely, Dato' Mohamed Khadar bin Merican who is also the Independent Non-Executive Chairman of TPG, and Dato' Fam Lee Ee who is also a Non-Independent Non-Executive Chairman of AAX, have abstained and will continue to abstain from all board deliberations and voting on the RRPTs in relation to TPGB group of companies and AAX group of companies respectively. Dato' Mohamed Khadar bin Merican and Dato' Fam Lee Ee have also undertaken that they will ensure that Persons Connected with them, if any, will also abstain from voting on the resolution pertaining to the Proposed RRPT Mandate at our forthcoming AGM.

8. DIRECTORS' RECOMMENDATION

Your Board (save for the interested Directors), having considered all aspects of the Proposed RRPT Mandate, is of the opinion that the Proposed RRPT Mandate is in our Company's best and long-term interests. Accordingly, your Board (save for the interested Directors), recommends that you vote in favour of the ordinary resolution pertaining to the Proposed RRPT Mandate to be tabled at our forthcoming AGM.

9. AGM

The Seventh AGM will be conducted on a virtual basis through live streaming and online remote voting from the broadcast venue at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur, 64000 KLIA, Selangor Darul Ehsan, Malaysia using the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn. Bhd. which are available on its TIIH Online website at <https://tiih.online> on Thursday, 13 June 2024 at 10.00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the ordinary resolution to give effect to the Proposed RRPT Mandate under Special Business.

The Notice of the Seventh AGM together with the Form of Proxy are set out in the Annual Report of Capital A for the financial year ended 31 December 2023. Please follow the procedures as set out in the **Administrative Note** for the Seventh AGM which is available on the Company's website at www.capitala.com in order to register, participate, speak and vote remotely via the RPV.

If you are unable to participate and vote remotely at the Seventh AGM, you are entitled to appoint a proxy or proxies to participate and vote remotely on your behalf. In such event, you should complete the Form of Proxy and lodged at our registered office at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur, 64000 KLIA, Selangor Darul Ehsan, Malaysia or lodged electronically via the TIIH Online website at <https://tiih.online>, not less than forty-eight (48) hours before the date and time of the Seventh AGM or any adjournment thereof.

The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the 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
CAPITAL A BERHAD

DATO' FAM LEE EE
Senior Independent Non-Executive Director

PART B

**PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY
("PROPOSED SHARE BUY-BACK")**



CAPITAL A BERHAD

*[Registration No. 201701030323 (1244493-V)]
(Incorporated in Malaysia under the Companies Act, 2016)*

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (“PROPOSED SHARE BUY-BACK”)

1. INTRODUCTION

At the Sixth AGM of our Company held on 15 June 2023, our Company had obtained your approval for the renewal of authority for Capital A to purchase up to 10% of its total number of issued shares. The authority shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming Seventh AGM which will be held on 13 June 2024 unless the authority is renewed.

Accordingly, Capital A had on 25 April 2024 announced its intention to seek your approval for the renewal of share buy-back mandate.

The purpose of this Circular/Statement is to provide you with the details of the Proposed Share Buy-Back and seek your approval for the ordinary resolution pertaining thereto to be tabled at the forthcoming Seventh AGM.

2. DETAILS OF THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back would be effective immediately upon the passing of the ordinary resolution relating to the Proposed Share Buy-Back at our forthcoming AGM and shall be valid until:

- (a) the conclusion of the next AGM of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (c) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of the purchase of its own ordinary shares by our Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Act, the rules and regulations made pursuant thereto and the guidelines issued by Bursa Securities and/or any other relevant authorities.

2.1 Quantum

The maximum aggregate number of Shares, which may be purchased by our Company, shall not exceed ten per centum (10%) of the total number of issued shares of our Company at any point in time.

Based on the issued shares of our Company as at LPD of 4,254,679,350, the number of Shares that can be purchased by the Company is up to 425,467,935 Shares representing up to 10% of the issued shares of the Company.

As at 1 April 2024, our Company has a total outstanding 942,729,819 RCUIDS 2021/2028 and 649,670,148 Warrants 2021/2028 (collectively "Other Securities"). Should the issued share capital of our Company increase due to full conversion/exercise of the said Other Securities and/or any new issuance of our Company Shares pursuant to any corporate exercises undertaken/to be undertaken by our Company, the maximum number of Shares that can be purchased by the Company is up to 10% of the enlarged number of issued shares of our Company at the time of purchase less any Share purchased and retained as treasury shares.

2.2 Funding

The Listing Requirements stipulate that the purchase by a listed company of its own shares must be made wholly out of the retained profits of the listed company. As at 31 December 2023, the audited accumulated losses of the Company stood at RM1,389,172,000.

The funding for the Proposed Share Buy-Back will be sourced from internally generated funds and/or external bank borrowings and the amount allocated shall not exceed the amount of our Company's retained earnings.

The actual amount of funds to be utilised for the Proposed Share Buy-Back will only be determined later, depending on the availability of funds as at the point of purchase, the actual number of Shares to be purchased and other relevant cost factors. The actual number of Shares to be purchased, and the timing of such purchase will depend on, among others, the market conditions and sentiments of the stock market as well as the retained earnings and financial resources available to our Company.

In the event the Proposed Share Buy-Back is funded through external borrowings, your Board will ensure that our Company will have sufficient funds to repay such borrowings and that the repayment will not have any material effect on our Company's cash flow position. In addition, your Board will ensure that our Company satisfies the solvency test as stated in Section 112(2) of the Act before execution of the Proposed Share Buy-Back.

2.3 Pricing

Our Company may only purchase our own Shares on Bursa Securities at a price which is not more than fifteen per centum (15%) above the WAMP of Capital A Shares for the five (5) Market Days immediately before the date of any purchase(s).

In the case of a resale or transfer of treasury shares, our Company may only resell treasury shares on Bursa Securities or transfer treasury shares pursuant to Section 127(7) of the Act, at:

- (a) a price which is not less than the WAMP of Capital A Shares for the five (5) Market Days immediately before the resale or transfer; or
- (b) a discounted price of not more than 5% to the WAMP of Capital A Shares for the five (5) Market Days immediately before the resale or transfer provided that:
 - (i) the resale or transfer takes place not earlier than thirty (30) days from the date of purchase; and

- (ii) the resale or transfer price is not less than the cost of purchase of Capital A Shares being resold or transferred.

2.4 Treatment of Purchased Shares

Pursuant to Section 127 of the Act, our Directors may deal with the purchased Shares in the following manner:

- (i) to cancel all or part of the purchased Shares;
- (ii) to retain all or part of the purchased Shares as treasury shares as defined in Section 127 of the Act;
- (iii) to distribute all or part of the treasury shares as dividends to you as shareholders of our Company;
- (iv) to resell all or part of the treasury shares in accordance with the Listing Requirements;
- (v) to transfer all or part of the treasury shares for the purposes of the employees' share scheme established by our Company and/or our subsidiaries;
- (vi) to transfer all or part of the treasury shares as purchase consideration;
- (vii) to sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; and/or
- (viii) to deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

It is the present intention of your Board to retain the purchased Shares as treasury shares and subsequently resell them on Bursa Securities if the opportunity arises for our Company to realise gains from the resale on Bursa Securities. However, your Board may distribute the purchased Shares as share dividends, which will depend on the availability of, amongst others, the retained earnings of our Company, transfer or cancel the purchased Shares if your Board decides to change the capital structure of our Company.

In the event the purchased Shares are held as treasury shares, the rights attached to them in relation to voting, dividends and participation in other distributions whether cash or otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in our Company for any purpose including substantial shareholdings, take-overs, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a general meeting.

An appropriate announcement will be made to Bursa Securities in respect of the intention of our Directors whether to cancel the Shares so purchased, retain them as treasury shares or a combination of both. An immediate announcement will also be made to Bursa Securities on any resale, transfer and/or cancellation of treasury shares.

2.5 Public shareholding spread

As at 1 April 2024, the public shareholding spread of our Company was approximately 67.95%. For illustrative purposes, assuming the Proposed Share Buy-Back is implemented in full as at the LPD and the Shares are purchased from the public shareholders, the proforma public shareholding spread of Capital A would be approximately 64.38%.

We will endeavour to ensure that prior to any share buy-back exercise, the public shareholding spread as required under Paragraph 8.02(1) of the Listing Requirements is maintained.

2.6 Implications of the Code

As it is not intended for the Proposed Share Buy-Back to trigger the obligation to undertake a mandatory general offer under the Code by any of our Company's substantial shareholders and/or persons acting in concert with them, your Board will ensure that only such number of Shares are purchased, retained as treasury shares, cancelled or distributed such that the Code will not be triggered.

In this connection, your Board is mindful of the requirements of the Code when making any purchase of our Shares pursuant to the Proposed Share Buy-Back.

2.7 Details of purchase of shares and resale, transfer and/or cancellation of treasury shares in the previous twelve (12) months

There have not been any purchase of Shares and resale, transfer and/or cancellation of treasury shares of our Company in the previous twelve (12) months preceding the date of this Circular/Statement and up to the LPD. As at the date of this Circular/Statement, our Company does not hold any treasury shares.

3. RATIONALE OF THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back, if implemented, will enable our Company to utilise our surplus financial resources, which are not immediately required for other uses, to purchase our own Shares from the Bursa Securities. The Proposed Share Buy-Back may assist in stabilising the supply and demand as well as the market price of Capital A Shares and to prevent against speculation of Capital A Shares, when undervalued, to enhance investors' confidence.

Other things being equal, the Proposed Share Buy-Back, regardless of whether the purchased Shares are maintained as treasury shares or cancelled, will result in a lower number of Shares being used for the purposes of computing the EPS. Therefore, the Proposed Share Buy-Back will improve the EPS of our Company, which in turn is expected to have a positive impact on the market price of our Company.

The purchased Shares may be held as treasury shares and resold on Bursa Securities at a higher price with the intention of realising a potential gain without affecting the total number of issued Shares of our Company. Should any treasury shares be distributed as share dividends, this would serve to reward you as shareholders of our Company, or transferred for purposes of or under an employees' share scheme established by our Company and/or our subsidiaries, or as purchase consideration.

4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK

The potential advantages of the Proposed Share Buy-Back, if implemented, are as follows:

- (a) Where the Directors resolve to retain the purchased Shares as treasury shares and/or cancel the Shares so purchased, our Company expects to enhance the EPS of our Group as a result of the reduction in the total number of issued Shares of our Company thereby enabling long term and genuine investors to enjoy any potential corresponding increase in the value of their investments in our Company.
- (b) As permitted under Section 127 of the Act, where purchased Shares are retained as treasury shares, it will provide our Company with opportunities for potential gain if the purchased Shares which are retained as treasury shares are resold at a higher price and it will also serve to reward our shareholders if the purchased Shares which are retained as treasury shares are distributed as share dividends.

- (c) Our Company may be able to reduce any unwarranted volatility of our Shares and assist to stabilise the supply and demand of our Shares traded on the open market of Bursa Securities, and reduce the volatility of the price of our Shares. The stability of the price of our Shares is important to maintain and/or enhance investors' confidence.
- (d) It will allow our Company the flexibility in achieving the desired capital structure, in terms of debt and equity composition and size of equity.

The potential disadvantages of the Proposed Share Buy-Back, if implemented, are as follows:

- (a) The Proposed Share Buy-Back will reduce the available cash of our Group and may result in our Group foregoing better investment opportunities that may emerge in the future or, at least, deprive our Group of interest income that can be derived from the funds utilised for the Proposed Share Buy-Back.
- (b) The Proposed Share Buy-Back will reduce the available cash of our Group for distribution to you in the immediate future.
- (c) In the event that the Proposed Share Buy-Back is funded by bank borrowings, our Company would have to service the interest costs associated with bank borrowings, thereby reducing the available cash of our Company to the extent of such interest costs.

However, these disadvantages are mitigated by the prospect that the financial capacity of our Group may increase, if the purchased Shares held as treasury shares are resold at higher price than their purchase price.

The Proposed Share Buy-Back is not expected to cause any potential material disadvantage to our Company or to you as any share buy-back exercise will be undertaken only after in-depth consideration of the financial resources of our Company and of the resultant impact to you. Our Directors, in exercising any decision on the Proposed Share Buy-Back, will be mindful of the interest of our Company and its shareholders.

5. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK

5.1 Share capital

The effect of the Proposed Share Buy-Back on the issued shares of the Company will depend on the intention of our Board with regards to the treatment of the purchased Shares. Assuming that 10% of the Company's issued shares are purchased and cancelled, the proforma effect on the issued shares of our Company are as follows:-

	<u>No. of Capital A Shares</u>
Total issued shares capital as at the LPD	4,254,679,350
Assuming the purchased Shares are cancelled pursuant to the Proposed Share Buy-Back	(425,479,935)
Resultant issued shares capital	<u>3,829,211,415</u>

If the purchased Shares are retained as treasury shares, resold, distributed to you or transferred for purposes of or under an employees' share scheme or as purchase consideration, the Proposed Share Buy-Back will have no effect on the total number of issued shares capital of our Company.

5.2 Directors', Major Shareholders' and substantial shareholders' shareholdings

The proforma effects of the Proposed Share Buy-Back on our Directors', Major Shareholders' and substantial shareholders' shareholdings are as follows:

	As at LPD				After the Proposed Share Buy-Back*			
	Direct		Indirect		Direct		Indirect	
	No. of Capital A Shares	%	No. of Capital A Shares	%	No. of Capital A Shares	%	No. of Capital A Shares	%
Directors								
Datuk Kamarudin	2,000,000	0.05	1,025,485,082 ⁽¹⁾	24.10	2,000,000	0.05	1,025,485,082 ⁽¹⁾	26.78
Tan Sri Tony Fernandes	1,600,000	0.04	1,025,485,082 ⁽¹⁾	24.10	1,600,000	0.04	1,025,485,082 ⁽¹⁾	26.78
Dato' Mohamed Khadar bin Merican	100,000	0.00 [#]	-	-	100,000	0.00 [#]	-	-
Dato' Abdel Aziz @ Abdul Aziz bin Abu Bakar	-	-	-	-	-	-	-	-
Dato' Fam Lee Ee	-	-	-	-	-	-	-	-

	As at LPD				After the Proposed Share Buy-Back*			
	Direct		Indirect		Direct		Indirect	
	No. of Capital A Shares ('000)	%	No. of Capital A Shares ('000)	%	No. of Capital A Shares ('000)	%	No. of Capital A Shares ('000)	%
Major Shareholders								
Datuk Kamarudin	2,000,000	0.05	1,025,485,082 ⁽¹⁾	24.10	2,000,000	0.05	1,025,485,082 ⁽¹⁾	26.78
Tan Sri Tony Fernandes	1,600,000	0.04	1,025,485,082 ⁽¹⁾	24.10	1,600,000	0.04	1,025,485,082 ⁽¹⁾	26.78
Tune Live	509,000,000	11.96	-	-	509,000,000	13.29	-	-
Tune Air	516,485,082	12.14	-	-	516,485,082	13.49	-	-
Positive Boom Limited	332,498,504	7.81	-	-	332,498,504	8.68	-	-
Choi Chiu Fai, Stanley	-	-	332,498,504 ⁽²⁾	7.81	-	-	332,498,504 ⁽²⁾	8.68

Notes:

* Assuming the Proposed Share Buy-Back is undertaken in full and that the maximum of 425,479,935 Shares so purchased representing 10% of the total number of issued shares of Capital A as at 1 April 2024 are to be retained as Treasury Shares and/or to be cancelled.

Negligible.

(1) Deemed interested by virtue of Section 8 of the Act through a shareholding of more than 20% in Tune Air and Tune Live.

(2) Deemed interested by virtue of Section 8 of the Act through a shareholding of more than 20% in Positive Boom Limited.

5.3 NA and working capital

The effect of the Proposed Share Buy-Back on the NA per Share of our Group will depend on the actual number of and prices paid for the purchased Shares, the effective funding cost to our Group to finance the purchase of such Shares, or any loss in interest income to our Group, and whether the purchased Shares are cancelled, retained as treasury shares, resold on Bursa Securities or distributed as share dividends to you.

If all purchased Shares are cancelled, the NA of our Group would decrease if the purchase price per purchased Share is more than the NA per Share at the relevant point in time, and vice versa.

The NA of our Group would decrease if the purchased Shares are retained as treasury shares, due to the requirement for treasury shares to be carried at cost and be offset against equity.

If the treasury shares are resold on Bursa Securities, the NA of our Group would increase if our Company realises a gain from the resale, and vice versa. If the treasury shares are distributed as share dividends, the NA of our Group would decrease by the cost of the treasury shares.

The Proposed Share Buy-Back, as and when implemented, will reduce the working capital and available cash of our Group, the quantum of which will depend on, among others, the number of purchased Shares and the purchase price(s) of the purchased Shares.

For purchased Shares which are kept as treasury shares, upon their resale, the working capital and available cash of our Group will increase upon the receipt of the proceeds from the resale. The quantum of the increase in the working capital and available cash will depend on the actual selling prices(s) of the treasury shares and the number of treasury shares resold.

5.4 Gearing

The effects of the Proposed Share Buy-Back on the gearing of our Group will depend on the proportion of borrowing utilised to fund any purchase of the purchased Shares. At this juncture, we have not determined whether to use any form of borrowings for purposes of the Proposed Share Buy-Back.

5.5 EPS

The Proposed Share Buy-Back may increase or reduce the EPS of the Group, depending on the number of and prices paid for the purchased Shares, the effective funding cost to our Company to finance the purchase of such Shares, or any loss in interest income to our Company or opportunity cost in relation to other investment opportunities.

Nevertheless, all else being equal, assuming that the treasury shares are retained by our Company, the Proposed Share Buy-Back is expected to increase the EPS of our Group as the treasury shares held by our Company will not be taken into account in calculating the total number of Capital A Shares in issue.

Assuming that the purchased Shares are retained as treasury shares and subsequently resold, the extent of the effects on the earnings of our Group will depend on the actual selling price, the number of treasury shares resold and the effective gain or the interest cost savings arising from the exercise.

If the purchased Shares are cancelled, the Proposed Share Buy-Back will increase the EPS of our Group provided the income forgone and interest expense incurred on the purchased Shares are less than the EPS before the share purchase.

6. APPROVALS REQUIRED

The Proposed Share Buy-Back is subject to the approval of our shareholders at our forthcoming AGM.

7. SHARE PRICE PERFORMANCE

The monthly highest and lowest prices of Capital A Shares as traded on Bursa Securities for the past twelve (12) months are as follows:

	High RM	Low RM
2023		
April	0.810	0.730
May	0.795	0.750
June	0.810	0.755
July	0.920	0.795
August	1.090	0.915
September	1.040	0.870
October	0.975	0.815
November	0.910	0.825
December	0.865	0.825
2024		
January	0.845	0.665
February	0.735	0.690
March	0.720	0.675

The last transacted price of Capital A Shares as at the LPD was RM0.715 per Share.

(Source: Bloomberg)

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

Save for the resultant increase in the percentage of shareholdings and/or voting rights of the shareholders our Company as a consequence of the Proposed Share Buy-Back, none of our Directors, Major Shareholders or/or Persons Connected to with them, have any interest, direct or indirect, in the Proposed Share Buy-Back, or proposed resale of treasury shares, if any.

9. DIRECTORS' STATEMENT AND RECOMMENDATION

Your Board, having considered all aspect of the Proposed Share Buy-Back, is of the opinion that the Proposed Share Buy-Back is in our Company's best interests and accordingly your Board recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Share Buy-Back to be tabled at our forthcoming AGM.

10. AGM

The Seventh AGM will be conducted on a virtual basis through live streaming and online remote voting from the broadcast venue at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur, 64000 KLIA, Selangor Darul Ehsan, Malaysia using the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn. Bhd. which are available on its TIIH Online website at <https://tiih.online> on Thursday, 13 June 2024 at 10.00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the ordinary resolution to give effect to the Proposed Share Buy-Back under Special Business.

The Notice of the Seventh AGM together with the Form of Proxy are set out in the Annual Report of Capital A for the financial year ended 31 December 2023. Please follow the procedures as set out in the **Administrative Note** for the Seventh AGM which is available on the Company's website at www.capitala.com in order to register, participate, speak and vote remotely via the RPV.

If you are unable to participate and vote remotely at the Seventh AGM, you are entitled to appoint a proxy or proxies to participate and vote remotely on your behalf. In such event, you should complete the Form of Proxy and lodged at our registered office at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur, 64000 KLIA, Selangor Darul Ehsan, Malaysia or lodged electronically via the TIIH Online website at <https://tiih.online>, not less than forty-eight (48) hours before the date and time of the Seventh AGM or any adjournment thereof.

The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the forthcoming AGM should you subsequently wish to do so.

11. FURTHER INFORMATION

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

This Circular/Statement is dated 30 April 2024.

FURTHER INFORMATION**1. RESPONSIBILITY STATEMENT**

Our Directors have seen and approved this Circular/Statement and they collectively and individually accept full responsibility for the accuracy of the information in this Circular/Statement. 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/Statement false or misleading.

2. MATERIAL CONTRACT

Save as disclosed below, our Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the past two (2) years immediately preceding the date of this Circular/Statement:-

(a) On 25 April 2024, Capital A had entered into the following:-

- (i) a conditional share sale and purchase agreement with AirAsia Group Sdn Bhd (formerly known as AirAsia Aviation Group Sdn Bhd) (“**AAG**”) for the disposal of its 100% equity interest in AirAsia Aviation Group Limited, a wholly-owned subsidiary of the Company for a disposal consideration of RM3,000,000,000 subject to the terms and conditions as stipulated in the share sale and purchase agreement; and
- (ii) a conditional share sale and purchase agreement with AAG for the disposal of its 100% equity interest in AirAsia Berhad, a wholly-owned subsidiary of the Company for a disposal consideration of RM3,800,000,000 subject to the terms and conditions as stipulated in the share sale and purchase agreement.

3. MATERIAL LITIGATION

As at the date of this Circular/Statement, neither we nor our subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on our financial position or business, and we are not aware of any proceedings, pending or threatened, or of any facts likely to give rise to any proceedings which may materially affect our financial position or business.

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, 64000 KLIA, Selangor Darul Ehsan, Malaysia during office hours on Mondays to Fridays (except public holidays) from the date of this Circular/Statement up to and including the date of our forthcoming AGM:

- (i) our Constitution;
- (ii) our audited financial statements for the past two (2) financial year ended 31 December 2022 and 31 December 2023; and
- (iii) Material contracts referred to in Section 2 above.

(The rest of this page has been intentionally left blank)



CAPITAL A BERHAD

*[Registration No.: 201701030323 (1244493-V)]
(Incorporated in Malaysia under the Companies Act, 2016)*

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

ORDINARY RESOLUTION 6

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

"THAT approval be and is hereby given to the Company and its subsidiaries ("Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.3 of the Circular/Statement to Shareholders dated 30 April 2024, provided that such arrangements and/or transactions which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company (hereinafter referred to as the "Proposed RRPT Mandate").

THAT such approval shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company after that date 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) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed RRPT Mandate."

(The rest of this page has been intentionally left blank)



CAPITAL A BERHAD

*[Registration No.: 201701030323 (1244493-V)]
(Incorporated in Malaysia under the Companies Act, 2016)*

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

ORDINARY RESOLUTION 7

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

“**THAT**, subject to the Act, the Company’s Constitution, Listing Requirements of Bursa Securities and all other applicable laws, guidelines, rules and regulations, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company through Bursa Securities and to take all such steps as are necessary (including the opening and maintaining of a central depository account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company, subject further to the following:-

- i. the aggregate number of ordinary shares to be purchased and/or held by the Company pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company at the time of purchase; and
- ii. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company.

THAT such authority shall commence immediately upon the passing of this resolution until:

- a. the conclusion of the next AGM of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
- b. the expiration of the period within which the next AGM of the Company is required by law to be held; or
- c. the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of the purchase of its own ordinary shares by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Act, the rules and regulations made pursuant thereto and the guidelines issued by Bursa Securities and/or any other relevant authorities.

AND THAT upon completion of the purchase(s) of the ordinary shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to cancel all the ordinary shares so purchased or retain all the ordinary shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act) or retain part thereof as treasury shares and cancelling the balance, and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authorities for the time being in force.”