

AIRASIA X BERHAD
("AAX" or "the Company")
Company No. 200601014410 (734161-K)
(Incorporated in Malaysia)

MINUTES OF THE FIFTEENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AS A FULLY VIRTUAL MEETING VIA LIVE STREAMING AND ONLINE REMOTE VOTING ON TUESDAY, 7 DECEMBER 2021 AT 10:00 A.M.

Present:

Directors

1. Y. Bhg. Tan Sri Rafidah Aziz
2. Y. Bhg. Dato' Lim Kian Onn
3. Y. Bhg. Datuk Kamarudin bin Meranun
4. Y. Bhg. Tan Sri Anthony Francis Fernandes
5. Y. Bhg. Dato' Yusli bin Mohamed Yusoff
6. Y. Bhg. Tan Sri Asmat bin Kamaludin
7. Y. Bhg. Dato' Fam Lee Ee

Senior Management

1. Mr. Nadda Buranasiri, Group Chief Executive Officer
2. En. Benyamin bin Ismail, Chief Executive Officer
3. Mr. Andrew Littleddale, Chief Financial Officer

Company Secretary

Mr. Vimalraj a/l Shanmugam

Auditors

Mr. Lim Eng Hoe, representative of Messrs Ernst & Young

Shareholders/ Proxies

As per the Attendance List

1.0 CONVENING OF MEETING

- 1.1 Y. Bhg. Tan Sri Rafidah Aziz ("**Chairman**") presided at the meeting and welcomed the shareholders and proxies ("**Members**") to the Fifteenth Annual General Meeting ("**15th AGM**") of the Company.
- 1.2 The Chairman informed that the 15th AGM was being held as a fully virtual meeting as a preventive measure to curb the spread of COVID-19, and taking into consideration the paramount safety and well-being of the Members and employees of the Company.

2.0 QUORUM

- 2.1 There being a quorum present at the meeting, the Chairman declared the meeting duly convened at 10.04 a.m.

3.0 INTRODUCTION

- 3.1 The Chairman drew attention to some housekeeping matters and poll voting, which would be conducted after completion of deliberations of all items on the agenda. The Members were informed that Tricor Investor & Issuing House Services Sdn. Bhd. (“**TIIH**”) was appointed as the Poll Administrator to conduct the polling process, whilst Asia Securities Sdn. Berhad was appointed as the Scrutineers to verify the poll results.
- 3.2 The Chairman informed that the 15th AGM would proceed according to the sequence in the agenda, which was to be followed by a question and answer (“**Q&A**”) session. Members would be given the opportunity to ask questions or seek clarifications on each agenda item, which would be responded to during the Q&A session. The responses to questions not addressed during the Q&A session due to time constraint would be e-mailed at the earliest possible, after the 15th AGM.
- 3.3 For the benefit of the Members, TIIH presented a brief explanatory video on the Remote Participation and Voting Facilities (“**RPV**”) Facility and procedure for remote voting.
- 3.4 With the consent of the meeting, the notice convening the 15th AGM was taken as read.

4.0 PRESENTATION BY THE CHIEF EXECUTIVE OFFICER

- 4.1 The Chairman invited the Company’s Chief Executive Officer, En. Benyamin bin Ismail to present the summary of the Company’s performance in 2019 and 2020, which is also available on the Company’s corporate website at <http://airasiax.com>.

5.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

5.1 The Chairman informed that the first item on the agenda was to receive the audited financial statements for the financial period ended 30 June 2021 together with the Reports of the Directors and the Auditors thereon. This matter was meant for discussion only as the Companies Act 2016 does not require a formal approval from the shareholders. Therefore, this item on the agenda was not put forward for voting.

**6.0 ORDINARY RESOLUTION 1
TO APPROVE THE NON-EXECUTIVE DIRECTORS' REMUNERATION FOR THE PERIOD FROM THE 15TH ANNUAL GENERAL MEETING UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON THE YEAR 2022**

6.1 The Chairman informed that the next item on the agenda was to approve the Non-Executive Directors' remuneration for the period from the 15th Annual General Meeting until the next Annual General Meeting of the Company to be held in the year 2022.

6.2 The Members were informed that the details of the Directors' remuneration were disclosed in Note B of the Notice of the 15th AGM, and the Directors' remuneration remain unchanged as per the previous financial year ended 31 December 2019.

**7.0 ORDINARY RESOLUTION 2
TO RE-ELECT DATO' LIM KIAN ONN WHO RETIRES BY ROTATION PURSUANT TO RULE 119 OF THE COMPANY'S CONSTITUTION**

7.1 The Chairman informed that the next item on the agenda was to re-elect Dato' Lim Kian Onn who was subject to retirement pursuant to Rule 119 of the Company's Constitution.

**8.0 ORDINARY RESOLUTION 3
TO RE-ELECT DATO' FAM LEE EE WHO RETIRES BY ROTATION PURSUANT TO RULE 119 OF THE COMPANY'S CONSTITUTION**

8.1 The Chairman informed that the next item on the agenda was to re-elect Dato' Fam Lee Ee who was subject to retirement pursuant to Rule 119 of the Company's Constitution.

9.0 ORDINARY RESOLUTION 4
TO RE-APPOINT MESSRS ERNST & YOUNG AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO DETERMINE THEIR REMUNERATION

9.1 The Chairman informed that the next item on the agenda was to re-appoint Messrs Ernst & Young as the Auditors of the Company and to authorize the Directors to determine their remuneration.

10.0 SPECIAL BUSINESS - ORDINARY RESOLUTION 5
TO PROVIDE AUTHORITY TO THE DIRECTORS TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

10.1 The Chairman informed that the next item under the agenda was to seek Members' approval to provide the authority to the Directors to allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.

10.2 The Members were informed that the proposed resolution, if passed, would provide flexibility to the Directors to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting, provided that such allotment does not exceed 10% of the total number of issued shares of the Company at any point of time. The mandate, however, would expire upon the conclusion of the next Annual General Meeting in 2022, unless it is revoked earlier by the Company in a general meeting.

11.0 SPECIAL BUSINESS - ORDINARY RESOLUTION 6
TO APPROVE THE RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR THE RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

11.1 The Chairman informed that the next item on the agenda was to seek Members' approval on the renewal of the existing shareholders' mandate for the recurrent related party transactions of a revenue or trading nature ("RRPT").

11.2 The Members were informed that the details of the proposal were set out in the Notice of the 15th AGM and in the Circular to Shareholders dated 29 October 2021.

**12.0 SPECIAL BUSINESS - ORDINARY RESOLUTION 7
TO APPROVE THE RETENTION OF INDEPENDENT DIRECTOR**

- 12.1 In view that the next item on the agenda was in respect of the Chairman's retention as an Independent Director of the Company, Dato' Yusli bin Mohamed Yusoff was invited to facilitate the meeting temporarily.
- 12.2 Dato' Yusli informed that the proposed resolution was to consider the proposed retention of Tan Sri Rafidah Aziz, who had served the Board of Directors for a cumulative term of more than nine (9) years, as an Independent Non-Executive Chairman of the Company, pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance.
- 12.3 The Nomination and Remuneration Committee, and the Board of Directors, with the exception of Tan Sri Rafidah Aziz, had assessed the performance of Tan Sri Rafidah Aziz, and with her consent, had recommended her to continue serving as a Senior Independent Non-Executive Chairman of the Company.
- 12.4 The Members were informed that the Board of Directors' detailed justifications for the retention of Tan Sri Rafidah Aziz as the Senior Independent Non-Executive Chairman were set out in the Notice of the 15th AGM.

13.0 ANY OTHER BUSINESS

- 13.1 The Chairman was advised by the Company Secretary that the Company had not received any notice to transact any other business.

14.0 QUESTIONS AND ANSWERS SESSION

- 14.1 The Chairman declared the commencement of the Q&A session and reiterated that the questions received would not be answered in any particular sequence in relation to the business of the 15th AGM.
- 14.2 For the benefit of the Members participating remotely, En. Amzar, the emcee of the 15th AGM, read out the questions submitted by the Members via TIIH platform prior to the commencement of the 15th AGM, followed by those submitted during the 15th AGM. The questions and answers provided by the Company annexed hereto as "Annexure I".

- 14.3 The Chairman informed that the responses to the questions not addressed during the Q&A session due to time constraint would be e-mailed to the shareholders at earliest possible, after the 15th AGM. The Chairman further informed that the shareholders could contact the Investor Relations team of the Company at aax_ir@airasia.com after the 15th AGM, for any further clarification.
- 14.4 The Chairman then invited the Poll Administrator to brief the Members on the polling procedures, and thereafter, the polling process took place.

15.0 DECLARATION OF RESULTS

- 15.1 The Chairman informed that the Scrutineers appointed by the Company, had verified the poll voting results and that the said results were projected on the screen for Members' viewing. The poll voting results annexed hereto as "**Annexure II**".
- 15.2 Based on the poll voting results as verified by the Scrutineers, the Chairman declared the following ordinary resolutions stated in the Notice of the 15th AGM dated 29 October 2021, carried:-
- (i) Resolution 1 – Payment of Directors' Fees.
 - (ii) Resolution 2 – Re-Election of Dato' Lim Kian Onn.
 - (iii) Resolution 3 – Re-Election of Dato' Fam Lee Ee.
 - (iv) Resolution 4 – Re-Appointment of Messrs Ernst & Young.
 - (v) Resolution 5 – Authority to the Directors to Allot Shares.
 - (vi) Resolution 6 – Renewal of Existing Shareholders' Mandate for RRPT.
 - (vii) Resolution 7 – Retention of Independent Director.

16.0 CLOSE OF MEETING

- 16.1 There being no other business, the 15th AGM was closed at 11.20 a.m.

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PRE-MEETING SUBMITTED QUESTIONS AND QUESTIONS POSED DURING THE FIFTEENTH ANNUAL GENERAL MEETING HELD ON 7 DECEMBER 2021

1. How is the Company planning on surviving? What are its future plans?

The Company’s response:

AirAsia X intends to recapitalise its balance sheet through the Proposed Corporate Restructuring and Proposed Fundraising exercises and achieve a compromise with its creditors through the Proposed Debt Restructuring. These will increase the airline’s liquidity and establish a revised debt structure for AirAsia X.

Upon the completion of a successful restructuring, the airline will optimise its operations in line with market recovery post-COVID-19; AirAsia X’s network will focus on historically proven profitable routes, remove loss-making routes and investment in infant markets will be deferred. Its fleet size will also be rationalised to align with an optimal network requirement.

In managing costs, AirAsia X has, and will, continue to engage with its partners to achieve reduced aircraft lease expenses aside from incorporating flexibility to its aircraft lease expenses in the near future via a power-by-the-hour arrangement. AirAsia X will also continue to optimise its manpower and implement lean management wherever possible and renegotiate contracts with its business partners based on its future requirements to align with AirAsia X’s operational size in the future.

2. The COVID-19 pandemic outbreak has been prolonged and may persist for longer than expected. Please share with us AirAsia X’s alternative plans in increasing its income and improving its cash position.

The Company’s response:

Without a doubt, the onset of COVID-19 has impacted - and the impact remains to date - AirAsia X on a never-before-seen scale. Since March 2020, AirAsia X had commenced its temporary hibernation mode and grounded all fleet. During this period of hibernation, at the increase of demand for freight and cargo, AirAsia X pivoted on its freight and cargo services.

On restructuring, we wish to inform all Shareholders that after the successful conclusion of AirAsia X’s Court Convened Meetings for creditors pursuant to the Scheme of Arrangement on 12 November 2021, AirAsia X is currently in the process of making an application for the Scheme to be sanctioned by the High Court of Malaya. At the completion of the sanction application, the Company will be able to move forth with its fundraising plans as approved by Shareholders during the Extraordinary General Meeting in June 2021.

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- 3. AirAsia X in its updates mentioned that there were charter and cargo services in a number of regions across the world. Please elaborate.**

The Company’s response:

While the Company remains in hibernation, a nominal number of aircraft are kept in operations to maintain essential connectivity and supporting the transport of goods and supplies. In 1Q22, revenue contribution from charter and freight services stands at 71% as compared to 67% in the previous quarter. The primary regions the Company operated in include North Asia, South Asia and Australia as presented earlier.

- 4. On 29 October 2021, AirAsia X made an announcement that it has triggered the prescribed criteria set out in Practice Note 17 (PN17) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Please explain further.**

The Company’s response:

The PN17 prescribed criteria is triggered as AirAsia X’s external auditors, had on 29 October 2021, expressed a disclaimer of opinion in AirAsia X’s audited financial statements for the 18-month financial period ended 30 June 2021, and consequently, AirAsia X had on even date, made an immediate announcement to public disclosing its PN17 condition.

For your information, the external auditors expressed a disclaimer of opinion since AirAsia X’s going concern assessment is highly dependent on the followings matters:

- (a) Obtaining the Scheme Creditors’ approval during the Court Convened Meetings (“CCM”) for the Proposed Debt Restructuring;
- (b) The ability of AirAsia X to raise the required fund post-restructuring to restart its operations;
- (c) The implementation of a revised business plan that involves a leaner and more sustainable structure in terms of cost and business operations; and
- (d) The recovery from the COVID-19 pandemic.

As you are aware, on 12 November 2021, AirAsia X held its CCM and have secured 99% approval from its Class A Creditors, Class B Creditors and Class C Creditor. AirAsia X hence secured the requisite majority of more than 75% of each Class, and now moves forth with its restructuring and fundraising exercises.

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5. How lean will AirAsia X's cost structure be moving forward?

The Company's response:

In preserving cash and rationalising costs, the Company's plan is underway as follows:

- (a) Reducing its fleet size post-restructuring through mutual arrangements with lessors;
- (b) Reducing aircraft lease rates and added flexibility through the power-by-the-hour structure;
- (c) Optimising manpower as required by the new operational structure;
- (d) Restructuring its trade and agreements with business partners in line with current market conditions; and
- (e) At the resumption of scheduled flight operations, exiting routes or frequencies that are not projected to be viable and investments in new markets will be deferred.

6. Will door gifts be provided to shareholders or proxy(ies) who participate in the AirAsia X Berhad 15th Annual General Meeting?

The Company's response:

The Company will not be providing door gifts for attendance in the Annual General Meeting.

7. Will there be any extension to the redemption and travel validity period for IPO Shareholders' Benefit Programme and Complimentary Flight Vouchers from AGM 2019?

The Company's response:

The Company has had to put all scheduled flights on hold and remains in hibernation since March 2020 as international borders remain mostly closed.

While the airline seeks to resume operations gradually once the restructuring completes successfully, we implore your understanding that the prospect of resuming scheduled flights is linked to the easing of travel restrictions and lifting of border controls, which remain bound to stringent regulatory restrictions and health guidelines.

To that end, the Company wishes to reiterate that it will continue to review any further extension to the redemption and travel validity for the IPO Shareholders' Benefit Programme and Complimentary Flight Vouchers from AGM 2019 beyond 2020.

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- 8. I have previously bought tickets and was unable to utilise the tickets due to COVID-19. I have received updates that the I am a creditor as a passenger through the Scheme of Arrangement – what will I receive as a creditor as a Settlement?**

The Company’s response:

Through the Scheme of Arrangement (“the **Scheme**”), you will receive the following payout:

- (a) 0.5% of the Shortfall as defined in the Explanatory Statement (“**ES**”);
- (b) Profit sharing through the Profit Sharing Mechanism as set out in Section 2.6 of the ES; and
- (c) Credit shell amounting to the full amount of the Shortfall as defined in the ES, in credits, which can be utilised for future travel, purchase of seat inventory or flights as and when the travel restrictions ease and international borders reopen for leisure travel.

For illustration purposes, the Settlement Sum assuming the Shortfall as defined in the ES is RM10,000.00 is set out as follows:

- (a) 0.5% of RM10,000.00 = RM50.00 in cash (via bank transfer); plus
- (b) Profit sharing through the Profit Sharing Mechanism as set out in Section 2.6 of the Explanatory Statement; plus
- (c) Credit shell amounting to the full amount of the Shortfall as defined in the ES, i.e., RM10,000.00 in this illustration, in credits, which can be utilised for future travel, purchase of seat inventory or flights as and when the travel restrictions ease and international borders reopen for leisure travel.

- 9. I would like to request for a printed hard copy of the company annual report.**

The Company’s response:

We will make the necessary arrangements for the annual report to be sent to you.

- 10. Any e-door gift? Will the Company revert to physical Annual General Meeting next year?**

The Company’s response:

The Company will not be providing door gifts for attendance in the Annual General Meeting. The Company will monitor the COVID-19 situation prior to deciding upon the mode of meeting in the coming Annual General Meeting to ensure that there are no risks to any stakeholder of the Company.

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**PRE-MEETING SUBMITTED QUESTIONS AND QUESTIONS POSED DURING THE FIFTEENTH ANNUAL
GENERAL MEETING HELD ON 7 DECEMBER 2021**

11. Will there be a declaration of dividend this year or gifts to shareholders?

The Company’s response:

The Company has no dividend policy at this juncture, and for this Annual General Meeting, the Company will not be providing any door gifts.

-END-

AIRASIA X BERHAD

(200601014410 (734161-K))

Fifteenth (15th) Annual General Meeting (AGM)TIIH Online websites at <https://tiih.online> or <https://tiih.com.my>

(Domain Registration No. with MYNIC: DIA282781)

On 07-December-2021 at 10:00AM

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	%
Ordinary Resolution 1	1,812,568,718	99.9174	391	1,498,851	75.7752	125	1,814,067,569	100.0000	516	100.0000
Ordinary Resolution 2	1,813,190,158	99.9473	432	955,161	83.3977	86	1,814,145,319	100.0000	518	100.0000
Ordinary Resolution 3	1,813,168,158	99.9479	431	945,161	83.5271	85	1,814,113,319	100.0000	516	100.0000
Ordinary Resolution 4	1,813,191,208	99.9525	439	861,911	85.0775	77	1,814,053,119	100.0000	516	100.0000
Ordinary Resolution 5	1,812,612,768	99.9187	412	1,473,101	79.6905	105	1,814,087,869	100.0000	517	100.0000
Ordinary Resolution 6	210,963,132	99.5015	426	1,057,001	83.2031	86	212,020,133	100.0000	512	100.0000
Ordinary Resolution 7	1,813,091,758	99.9453	430	993,111	83.1721	87	1,814,084,869	100.0000	517	100.0000

