

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the First Annual General Meeting of AirAsia Group Berhad (1244493-V) (“the Company”) will be held at CAE Kuala Lumpur (formerly known as Asian Aviation Centre of Excellence), Lot PT25B, Jalan KLIA S5, Southern Support Zone, Kuala Lumpur International Airport, 64000 Sepang, Selangor Darul Ehsan, Malaysia on Wednesday, 20 June 2018 at 10.00 a.m. for the following purposes:

## AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements together with the Reports of the Directors and Auditors thereon for the financial year ended 31 December 2017.  
**Please refer to Note A.**
2. To approve the Non-Executive Directors’ Remuneration as described in Note B with effect from their date of appointment in the Company for the financial year ending 31 December 2018 until the next Annual General Meeting of the Company to be held in the year 2019.  
**Please refer to Note B.**
3. To re-elect the following Directors of the Company, who were appointed during the year, who retire pursuant to Article 124 of the Company’s Constitution: -
  - i. Datuk Kamarudin Bin Meranun;
  - ii. Tan Sri (Dr) Anthony Francis Fernandes;
  - iii. Dato’ Abdel Aziz @ Abdul Aziz Bin Abu Bakar;
  - iv. Dato’ Fam Lee Ee;
  - v. Dato’ Mohamed Khadar Bin Merican;
  - vi. Stuart L Dean; and
  - vii. Noor Neelofa Binti Mohd Noor.
4. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to determine their remuneration.

**RESOLUTION 1**

**RESOLUTION 2**

**RESOLUTION 3**

**RESOLUTION 4**

**RESOLUTION 5**

**RESOLUTION 6**

**RESOLUTION 7**

**RESOLUTION 8**

**RESOLUTION 9**

## AS SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modifications, the following Resolutions:

5. **ORDINARY RESOLUTION  
AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016  
("ACT")**

"**THAT** pursuant to Sections 75 and 76 of the Act and subject to the approval of relevant authorities, the Directors of the Company be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and also empowered to obtain approval for the listing of and quotation for the additional shares so issued on the Main Market of Bursa Malaysia Securities Berhad **AND THAT** such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

**Please refer to Note C.**

**RESOLUTION 10**

6. **ORDINARY RESOLUTION  
PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A  
REVENUE OR TRADING NATURE ("PROPOSED MANDATE")**

"**THAT** approval be and is hereby given for the new shareholders' mandate for the Company to enter into recurrent related party transactions of a revenue or trading nature with the related parties ("**Recurrent Related Party Transactions**") as set out in Section 2.3 of the Circular to Shareholders dated 25 May 2018 ("**Circular**"), subject further to the following:

- (i) the Recurrent Related Party Transactions are entered into in the ordinary course of business which are necessary for the day-to-day operations and are on terms which are not more favourable to the related parties than those generally available to the public, and the Recurrent Related Party Transactions are undertaken on arm's length basis and on normal commercial terms which are not to the detriment of the minority shareholders of the Company;
- (ii) the disclosure is made in the annual report of the breakdown of the aggregated value of the Recurrent Related Party Transactions by AirAsia Group Berhad conducted pursuant to the shareholders' mandate during the financial year, among others, based on the following information:
  - (a) the type of Recurrent Related Party Transactions made; and
  - (b) the names of the related parties involved in each type of the Recurrent Related Party Transaction made and their relationship with AirAsia Group Berhad;
- (iii) the shareholders' mandate is subject to annual renewal and this shareholders' mandate shall only continue to be in full force until:
  - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which this shareholders' mandate is approved, at which time it will lapse, unless by an ordinary resolution passed at that AGM, such authority is renewed;

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- (b) the expiration of the period within which the next AGM after the date is required to be held pursuant to Section 340(2) of the Companies Act, 2016 ("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 of the Company in a general meeting of the Company,

whichever is the earliest.

**THAT** the Directors of the Company and/or any one of them be and are hereby authorised to complete and do all such acts and things and take all such steps and to execute all such transactions, deeds, agreements, arrangements and/or undertakings as the Directors in their discretion deem fit, necessary, expedient and/or appropriate in the best interest of the Company in order to implement, finalise and give full effect to the Recurrent Related Party Transactions with full powers to assent to any modifications, variations and/or amendments thereto.

**AND THAT** as the estimates given for the Recurrent Related Party Transactions specified in Section 2.3 of the Circular being provisional in nature, the Directors of the Company and/or any one of them be and are hereby authorised to agree to the actual amount or amounts thereof provided always that such amount or amounts comply with the procedures set out in Section 2.6 of the Circular."

**Please refer to Note D.**

**RESOLUTION 11**

### OTHER ORDINARY BUSINESS

- 7. To transact any other business of which due notice shall have been given.

By Order of the Board

**JASMINDAR KAUR A/P SARBAN SINGH**  
(MAICSA 7002687)  
Company Secretary

Kuala Lumpur  
25th day of May 2018

## NOTES ON APPOINTMENT OF PROXY

1. Pursuant to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and Article 41(a) of the Company's Constitution, only those Foreigners (as defined in the Articles) who hold shares up to the current prescribed foreign ownership limit of 45.0% of the total number of issued shares of the Company, on a first-in-time basis based on the Record of Depositors to be used for the forthcoming Annual General Meeting ("AGM"), shall be entitled to vote. A proxy appointed by a Foreigner not entitled to vote, will similarly not be entitled to vote. Consequently, all such disenfranchised voting rights shall be automatically vested in the Chairman of the AGM.
2. A member must be registered in the Record of Depositors at 5.00 p.m. on 13 June 2018 ("General Meeting Record of Depositors") in order to attend and vote at the Meeting. A depositor shall not be regarded as a Member entitled to attend the Meeting and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors. Any changes in the entries on the Record of Depositors after the abovementioned date and time shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
3. A member entitled to attend and vote is entitled to appoint two (2) proxies (or in the case of a corporation, to appoint a representative(s)), in accordance with Section 333 of the Companies Act, 2016, to attend and vote in his stead. There shall be no restriction as to the qualification of the proxy(ies).
4. The Proxy Form in the case of an individual shall be signed by the appointor or his attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
5. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
6. Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. The Proxy Form or other instruments of appointment shall not be treated as valid unless deposited at the Registered Office of the Company at Unit 30-01, Level 30, Tower A, Vertical Business Suite, "Avenue 3, Bangsar South, No. 8, Jalan Kerinchi", "59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than forty-eight (48) hours before the time set for holding the meeting. **Faxed copies of the duly executed form of proxy are not acceptable.**
8. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.
9. By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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**EXPLANATORY NOTES:**

- A.** This Agenda item is meant for discussion only in accordance with Sections 248(2) and 340(1) of the Companies Act, 2016 (“the Act”). The audited accounts do not require the formal approval of shareholders and hence, the matter will not be put forward for voting.
- B. To approve the Non-Executive Directors’ Remuneration with effect from their date of appointment in the financial year ending 31 December 2018 until the next Annual General Meeting of the Company to be held in the year 2019.**

The Board of Directors recommended that the Non-Executive Directors’ Remuneration with effect from their date of appointment (i.e. 30 March 2018) in the financial year ending 31 December 2018 until the next AGM of the Company to be held in the year 2019 shall be as shown below:-

<b>Non-Executive Directors’ Fees (per annum)</b>	<b>Non-Executive Chairman (RM)</b>	<b>Per Non-Executive Director/ Per other Committee Member (RM)</b>
Board of Directors	NA	250,000
Audit Committee	75,000	60,000
Nomination and Remuneration Committee	55,000	35,000
Safety Review Board	55,000	35,000
Risk Management Committee	55,000	35,000
<b>Non-Executive Directors’ Benefits (per attendance by each director or committee member)</b>	<b>Board Directors</b>	<b>Board Committees</b>
Meeting allowance	2,000	2,000
<b>Other Non-Executive Directors’ Benefits</b>		
Insurance premiums on medical coverage, and other claimable expenses incurred in the course of carrying out their duties.	Up to a total amount of RM100,000 for all Non-Executive Directors.	

The Shareholders’ approval is being sought under **Resolution 1** in accordance with the remuneration structure as set out above and to authorise the Directors to disburse the fees on a monthly basis.

**C. Authority to allot shares pursuant to Sections 75 and 76 of the Act (Resolution 10)**

Ordinary Resolution 10 has been proposed for the purpose of renewing the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Act (“General Mandate”). Ordinary Resolution 10, if passed, will give the Directors of the Company authority to issue ordinary shares in the Company at their discretion without having to first convene another general meeting. The General Mandate will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next Annual General Meeting (“AGM”) or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

The General Mandate, if granted, will provide the flexibility to the Company for any future fund raising activities, including but not limited to further placing of shares for the purposes of funding future investment project(s), repayment of bank borrowing, working capital and/or acquisition(s) and thereby reducing administrative time and costs associated with the convening of additional shareholders meeting(s).

**D. Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (“Proposed Mandate”) (Resolution 11)**

Ordinary Resolution 11, if passed, will allow the Group to enter into Recurrent Related Party Transactions of a revenue or trading nature pursuant to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Please refer to the Circular to Shareholders dated 25 May 2018 for further information.