



AAV 17/2021

19 October 2021

Subject: Notification of the Resolutions of the Board of Directors' Meeting Regarding the Shareholding Restructuring Plan of the Company and Thai AirAsia Company Limited, the Capital Increase, the Issuance and Offering of Convertible Bonds, the Amendment of Articles of Association, the Request for Waiver from Mandatory Tender Offer Obligation (Whitewash) and the Scheduling of Extraordinary General Meeting of Shareholders No. 1/2021

To: President
The Stock Exchange of Thailand

Enclosure

1. Information Memorandum on the Issuance and Offering of the Newly-Issued Ordinary Shares of Asia Aviation Public Company Limited
2. Summary of Terms and Conditions of Convertible Bonds
3. Capital Increase Report Form (F53-4)
4. Details pertaining to the Request for Waiver from Mandatory Tender Offer Obligation (Whitewash)

The board of directors of Asia Aviation Public Company Limited (the “**Company**”), passed certain resolutions at the board of directors’ Meeting No. 6/2021, held on 19 October 2021, the significant details of which can be summarized as follows:

1. Approved the Shareholding Restructuring Plan of the Company and Thai AirAsia Company Limited (“**Thai AirAsia**” collectively referred to the “**Group**”) (the “**Shareholding Restructuring Plan**”) and to propose the Shareholding Restructuring Plan to the shareholders’ meeting for consideration with the details as follows:

The situation arising from the COVID-19 pandemic (“**COVID-19**”) has severely affected the aviation industry, including Thai AirAsia’s low-cost airline business. Although, the Company has recently used its best efforts to plan in order for the Company’s business operation to effectively continue during the COVID-19 pandemic, this has not been possible. This resulted in a very negative impact on the Company’s business and operating results, especially the travel restriction measures implemented by the government. Therefore, Thai AirAsia previously announced the suspension of services on all domestic routes from 12 July 2021 until 8 August 2021 and further announced a temporary suspension of services on all domestic routes until 31 August 2021. Recently, Thai AirAsia resumed services on some domestic routes on 3 September 2021 to accommodate passengers who need to travel.

Recently, the Company and Thai AirAsia have attempted every possible avenue to increase the liquidity of Thai AirAsia, including the seeking of new investors to jointly provide financial support to Thai AirAsia, the conversion of Thai AirAsia's current liabilities to equity, and negotiating with various creditors. The Company and Thai AirAsia have used their best efforts to implement the Corporate and Capital Restructuring Plan which was approved by the Board of Directors' Meeting on 26 April 2021. Nevertheless, the Corporate and Capital Restructuring Plan of the Company and Thai AirAsia proved to be complicated and time consuming to implement. The Company, therefore, has revised the Corporate and Capital Restructuring Plan as well as negotiated with new investors, shareholders, creditors of the Company and Thai AirAsia on many occasions until a conclusion was finally reached. The details of the latest Shareholding Restructuring Plan can be summarized as follows:

1. Financial institution will grant a loan facility to the Company in the amount of approximately THB 3,900 million. Thai AirAsia (the subsidiary of the Company and the airline operator company) is the guarantor. The repayment of loan is utilized from capital increase received from the shareholding restructuring of the Company and Thai AirAsia.

2. Thai AirAsia will increase its registered capital and offer newly-issued ordinary shares to the existing shareholders of Thai AirAsia proportionate to their respective shareholdings totaling approximately 20,115,789 shares (with a par value of THB 10 per share) with a total value of approximately THB 3,900 million.

In this regard, all shareholders of Thai AirAsia, except the Company, have declared their intention to Thai AirAsia that in case Thai AirAsia increase its capital on a right offering basis, those shareholders will not subscribe for the share increase.

The Company will utilize the loan received from the financial institution as stated in Clause 1 above to pay for the newly-issued shares in Thai AirAsia.

After this capital increase, the Company will increase its shareholding in Thai AirAsia to approximately 69.2 percent of the total shares of Thai AirAsia.

3. Thai AirAsia will utilize the proceeds derived from the capital increase of approximately THB 3,900 million to repay trade debts to group companies of AirAsia Group Berhad (“AAGB”), which is a major shareholder of AirAsia Aviation Limited (“AAA”).

As of 30 June 2021, Thai AirAsia has outstanding trade debts with group companies of AAGB of approximately THB 4,182 million

4. The Company will increase its registered capital and offer newly-issued ordinary shares on a private placement basis, with an offering price of THB 1.75 per share, totaling approximately THB 8,800 million, as follows:

4.1 AAA (which is not a connected person of the Company, as AAA does not hold shares in the Company, but holds shares in Thai AirAsia (which is a subsidiary of the Company) of 45 percent), in the total amount of not exceeding 4,457,142,857 shares (with a par value of THB 0.10 per share), representing not more than 45.12 percent of the total issued and paid-up shares of the Company after the capital increase by issuance and allocation of ordinary shares on a private placement basis. The total value is approximately THB 7,800 million.

The allocation of shares in the amount of not exceeding 4,457,142,857 to AAA will cause AAA to be obliged to make a tender offer for all of the Company's securities pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (the “**Notification No. TorChor. 12/2554**”).

However, AAA wishes to apply for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting of the Company (Whitewash) to the Office of the Securities and Exchange Commission pursuant to the Notification of the Office of the Securities and Exchange Commission No. SorGor. 29/2561 Re: Rules for the Application for Waiver from the Requirement to Make Tender Offer for All Securities of the Business by Virtue of the Resolution of the Shareholders' Meeting of the Business. The details are provided in **Enclosure 4**.

4.2 Six individual investors (who are not connected person of the Company), (as detailed in **Enclosure 1**), in the total amount of not exceeding 571,428,572 shares (with a par value of THB 0.10) representing not more than 5.8 percent of the total number of shares issued and paid-up shares of the Company after the capital increase by issuance and allocation of ordinary shares on a private placement basis. The total value is approximately THB 1,000 million.

The offering price on a private placement basis in item 4.1 and 4.2 above at THB 1.75 is based on the market price of the Company's shares and the negotiation with private placement investors who intend to invest in ordinary and convertible Bonds of the Company. The average share price during the past 360 days¹ is equal to THB 1.43 – 3.14 per share, equivalent to the volume weighted-average market price at 2.38 per share. The offering price at THB 1.75 per share is a discounted price from such market price at approximately 26.5 percent. However, the Company has taken into consideration other factors in order to determine the offering price, such as the restriction on seeking investors who possess qualifications under the requirements of aviation law, the urgent need to seek funds to improve liquidity and support the Company's operation for the period of 18 to 24 months including the possibility of increasing its capital on a rights offering basis, (which the offering price is the same as the offering price on private placement), in order to not create any more burden on minority

¹ From 17 April 2020 to 18 October 2021

shareholders during the COVID-19 pandemic. In this regard, the use of other methods to determine the offering price, such as P/E ratio, discounted cash flow and book value, are not available as the Company is still suffering an operating loss and the equity of Thai AirAsia still has a negative value.

Details of the capital increase and the allocation of the newly issued ordinary shares are shown in **Enclosure 1**.

5. The Company will issue and offer the Convertible Bonds to two investors (as detailed in Enclosure 2), with a maturity period of not more than 2 years. The total value of the Bonds is approximately THB 2,200 million. The conversion ratio is 0.00175 convertible Bonds can be converted into 1 ordinary share of the Company with the conversion price of THB 1.75 per share..

In addition, the Company will increase its registered capital and issue newly-issued shares in the maximum amount of not exceeding 1,257,142,857 shares (with a par value of THB 0.10 per share) to accommodate the conversion of the aforementioned convertible Bonds.

6. Once the Company has offered the newly-issued shares and convertible Bonds on a private placement basis, in accordance with the process under items 4 and 5 above, the Company will increase its registered capital and offer the newly-issued shares to existing shareholders of the Company proportionate to their respective shareholdings (Rights Offering), at the offering price of THB 1.75 per share.

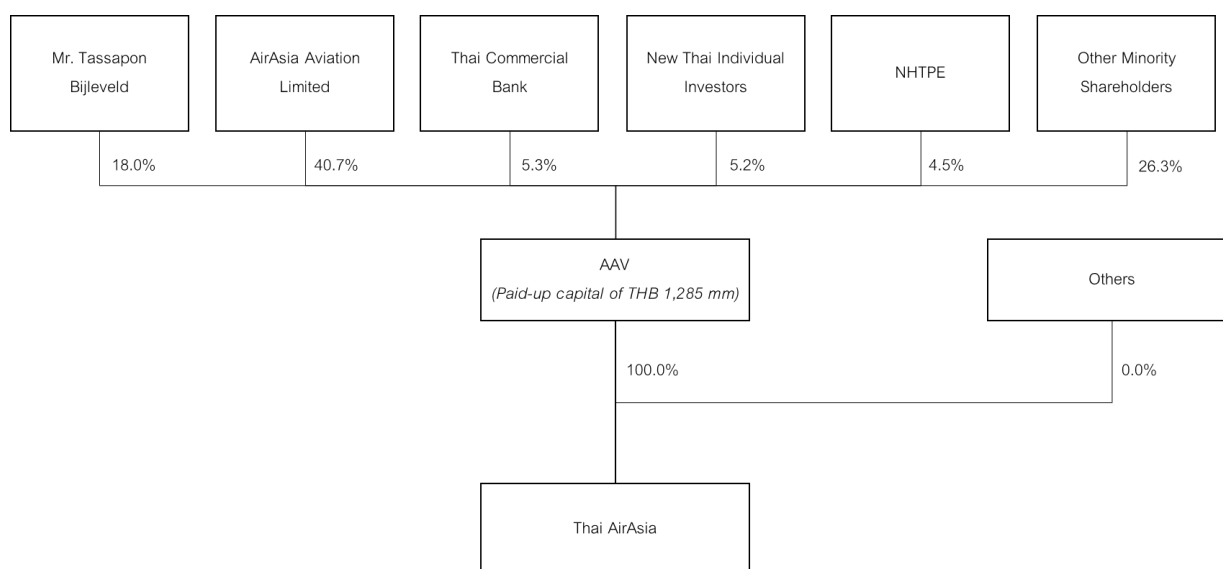
The Company expects to receive proceeds from the offering of newly-issued shares to existing shareholders of the Company proportionate to their respective shareholdings (Rights Offering) of approximately THB 3,000 million.

7. Once the Company receives proceeds from the capital increase and issuance of convertible Bonds, in accordance with items 4-6 above, in an approximated total amount of approximately THB 14,000 million, the Company will use such proceeds to purchase the remaining 30.8 percent of the shares of Thai AirAsia from other shareholder (seller) and shall repay the loan to the financial institution who lends the money to the Company in accordance with Clause 1 above.

In this regard, the value of Thai AirAsia's shares that the Company will invest in is approximately THB 199 per share, totaling approximately THB 3,900 million. Such amount is the negotiated shares price between the Company (the purchaser) and other shareholders (the seller). In addition, the aforementioned Thai AirAsia's share purchase price is appropriate as the Company has considered the benefits to be received as stated above. In this regard, Thai AirAsia's financial statements have negative shareholder equity and a negative operating performance as well as facing liquidity problems. As a result, Thai AirAsia's share price cannot be calculated from a general valuation method.

One of the high-net-worth seller, North Haven Keystone Company Limited, is not a connected person of the Company². The Company has considered the investment structure of the seller and has not found that AAA or related person of AAA is a major shareholder or a controlling person of the seller. In addition, the Company received confirmation from AAA and the seller that AAA and related person of AAA is not an owner nor beneficial owner of the seller and the seller is not a representative of AAA.

In addition, after completing the implementation of the Shareholding Restructuring Plan of the Company and Thai AirAsia (including in the case where the holders of convertible Bonds fully conversion), the structure of the Company and Thai AirAsia will be as follows:



Remark: The structure on shareholding of the Company above is prepared on the assumption that the investors and existing shareholders fully subscribe for the newly-issued shares, and the Convertible Bonds are fully subscribed and such Convertible Bonds are fully exercised to newly issued ordinary shares and, such investors may not directly hold the shares of the Company, but invest in the non-voting depository receipt (NVDR) having the shares of the Company as the underlying.

In this regard, the material conditions precedent of the Shareholding Restructuring Plan of the Company and Thai AirAsia are as follows:

- (a) The shareholders' meeting of the Company resolves to approve the Shareholding Restructuring Plan of the Company and Thai AirAsia;
- (b) The Company receives a loan facility from the financial institution under the Shareholding Restructuring Plan of the Company and Thai AirAsia, under the terms and conditions of the facility agreement as the Company deems appropriate;

² North Haven Keystone Company Limited will be seller of Thai AirAsia's shares to the Company total of 30.8 percent after Thai AirAsia has completed its capital increase.

(c) The Company obtains related and necessary approval and/or waiver from government or supervisory authorities with acceptable waiver terms to the Company or its related persons (such as the obtaining of approval from the Office of the SEC on the offering of securities on a private placement basis, the obtaining of waiver from the Office of the SEC on whitewash, the obtaining of approval from the Department of Business Development, Ministry of Commerce on the registration of articles of association (amended version) of the Company.);

(d) Investors and their related persons (who execute the initial memorandum of understanding with the Company) have entered into definitive agreements, i.e. shares subscription agreement, convertible Bond subscription agreement and Thai AirAsia's shares purchase agreement between the Company and the seller) with the Company, on terms and conditions in accordance with the initial memorandum of understanding or on the terms and conditions acceptable to the Company and the conditions precedent being specified in those definitive agreements have been satisfied (or waived, as the case may be); and

(e) No material adverse events to the Company or the proceeding of the Shareholding Restructuring Plan of the Company and Thai AirAsia.

The Company will use its best effort to complete the above conditions precedent within 2021.

The following transactions are considered as assets acquisitions of the Company in accordance with the Notification of Acquisition and Disposition of Assets³

(1) The Company's purchase of Thai AirAsia's newly-issued ordinary shares, with a total value of THB 3,900 million⁴.

(2) The purchase of the remaining 30.8 percent of Thai AirAsia's shares in order for the Company to hold nearly all shares in Thai AirAsia, with a total value of THB 3,900 million.

The above assets acquisition transactions of the Company have the highest transaction size according to the total value of consideration criteria equal to 8.8 percent, which is not exceeding 15 percent (the Company has not entered into any asset acquisition transaction in the past 6 months). Therefore, the Company has no obligation to disclose the transaction to the Stock Exchange of Thailand (the "SET") and does not require any approval from the shareholders' meeting of the Company pursuant to the Notification of Acquisition and Disposition of Assets.

³ Notification of Capital Market Supervisory Board No.Tor Chor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E.2547 (2004) ("**Notification on Acquisition or Disposition of Assets**")

⁴ The calculation of transaction size will calculate only the value of the oversubscription of shares in excess of the shareholding of the Company in Thai AirAsia, which will be equivalent to approximately THB 1,755 million.

In this regard, the offering of newly-issued shares on a private placement basis (under Clause 4), and the issuance and offering of convertible Bonds and the issuance of new shares to accommodate the exercise of Convertible Bonds (under Clause 5) and the purchase of the remaining 30.8 percent of Thai AirAsia's shares of the Company (under Clause 7), are not considered as connected transactions of the Company in relation to the Notifications on Connected Transactions⁵. This is due to the fact that the Company does not have any connected persons, as specified above.

In addition, the board of directors' meeting proposed to the Extraordinary General Meeting of Shareholders to consider the authorization of the executive chairman and/or the chief executive officer of the Company or the persons authorized by the executive chairman and/or the chief executive officer of the Company to have the power to carry out any actions relating to the Shareholding Restructuring Plan of the Company and Thai AirAsia in all aspects including but not limited to the appointment of the advisor, entry into the facility agreement with the financial institution, the entry into, execution, negotiation agreement documents in relation to the investors and other persons in relation to the Shareholding Restructuring Plan of the Company and Thai AirAsia, the contacting with related supervisory authorities, as well as to amend, improve or change the details approved by this Board of Directors' meeting, if there is comment or suggestion from relevant regulatory authorities or in the insignificant details and the executive chairman and/or chief executive officer view that such amendment, improvement or change of details would benefit to the Company and Thai AirAsia and for the completion of the Shareholding Restructuring Plan.

2. Approved and proposed that the shareholders' meeting consider and approve the issuance and offering of convertible Bonds to investors on a private placement basis, with a maturity period of not more than 2 years. The total value of Bonds is approximately THB 2,200 million. The conversion ratio is 0.00175 units can be converted into 1 ordinary share of the Company with the conversion price of THB 1.75 per share.

In this regard, one of the investors is North Haven Thai Private Equity, L.P. ("NHTPE") is characterized as private fund⁶, the shares received from the conversion of the convertible Bonds held by NHTPE will be therefore locked-up⁷ within 1 year after receiving the convertible Bonds. After the lapse of 6 months from receiving such convertible Bonds, NHTPE can gradually sell shares which are instructed to be locked-up in the amount of 25 per cent of the locked up shares.

⁵ Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (including any amendment thereto), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions B.E. 2546 (2003) (including any amendment thereto) (collectively, the "**Notifications on Connected Transactions**")

⁶ The institutional investor under Clauses 2(4)(c) and (m) of the Notification of the Securities and Exchange Commission No. GorJor. 17/2551 Re: the Determination of Definitions in the Notifications relating to the Offering of Securities

⁷ In accordance with the Notification of the Stock Exchange of Thailand Re : Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558 (2015)

In addition, the approval also include the authorization of the executive chairman and/or chief executive officer of the Company or the persons authorized by the executive chairman and/or the chief executive officer of the Company to have the power to perform the following actions:

(a) To determine the additional details or amend the details in relation to the issuance and offering of convertible Bonds and accommodated shares to investors on a private placement basis to be in accordance with the laws and regulations related to the issuance and offering for securities under Thai law;

(b) To determine or amend the method of the allocation of newly-issued ordinary shares, such as, payment method or details of other allocations and offerings under the requirements of the relevant laws;

(c) To sign applications, waivers, notices, as well as any documents or agreements related to the issuance and offering of the convertible Bonds and reserved shares to investors on a private placement basis. This shall include the power to contact and submit documents to officials or representatives of any related authorities, as well as the listing of the Company's newly-issued ordinary shares on the SET, and to carry out any necessary and relevant actions for the allocation of the newly-issued ordinary shares in all respects under the requirements of the relevant laws.

Please see additional details for the terms and conditions of convertible Bonds in the summary of the terms and conditions of convertible Bonds in **Enclosure 2**.

3. Approved and proposed that the shareholders' meeting consider and approve (a) the increase of the registered capital of the Company from the existing registered capital of THB 485,000,000 to the new registered capital of THB 1,285,000,000 by issuing 8,000,000,000 newly-issued ordinary shares, with a par value of THB 0.10 per share, to selected persons, including the existing shareholders of the Company proportionate to their respective shareholdings, in accordance with the Shareholding Restructuring Plan of the Company and Thai AirAsia, and (b) the amendment of the Company's memorandum of association to be in line with the Company's registered capital increase, and (c) the authorization of the executive chairman and/or chief executive officer of the Company or the persons authorized by the executive chairman and/or the chief executive officer of the Company, to have the power to prepare documents, including the amendment and addition of words in the memorandum of association in accordance with the orders of the registrar as well as carrying out any necessary and relevant actions until the amendment of the memorandum of association is complete.

4. Approved and proposed that the shareholders' meeting consider and approve the allocation of 8,000,000,000 newly-issued ordinary shares, the details of which are as follows:

4.1. The allocation of the newly-issued ordinary shares in the amount of not exceeding 5,028,571,429 shares, with a par value of THB 0.10 per share, to be offered to a private placement basis at the offering price of THB 1.75 per share (which is the same price that the Company will offer the newly-issued ordinary shares to the existing shareholders of the Company proportionate to their respective shareholdings (Rights Offering) in item 4.2).

- (a) Non-Thai national, AAA, detailed as elaborated in **Enclosure 1**, in aggregated of up to 4,457,142,857 shares, at the par value of THB 0.10; and
- (b) Six High-net worth Thai individual investors detailed as elaborated in **Enclosure 1** in aggregated of up to 571,428,572 shares, at the par value of THB 0.10.

4.2. The allocation of the newly-issued ordinary shares in the amount of not exceeding 1,714,285,714 shares, with a par value of THB 0.10 per share, to be offered to the existing shareholders of the Company proportionate to their respective shareholdings (Rights Offering), in the ratio of 5.7625 existing ordinary share to 1 newly-issued ordinary share (any fractions shall be discarded), at the offering price of THB 1.75 per share. The offering of newly-issued ordinary shares to the existing shareholders of the Company proportionate to their respective shareholdings (Rights Offering) in item 4.1 will occur after the offering of newly-issued ordinary shares on a private placement basis in Clause 4.1. The private placement investors in item 4.1 will have the right to subscribe for newly-issued shares of the Company proportionate to their respective shareholdings in the Company.

The Board of Directors determines the date to determine the lists of shareholders who are entitled to the allotment of the newly -issued ordinary shares proportionate to their respective shareholding (Record Date) on 16 December 2021 and the subscription date for the newly-issued ordinary shares of the Company during the period of 10 January 2022 to 14 January 2022 (total 5 business days). However, the determination of the rights to subscribe for shares and receive the allotment of newly-issued ordinary shares remains uncertain until it is approved by the Extraordinary General Meeting of Shareholders.

4.3. The allocation of the newly-issued ordinary shares in the amount of not exceeding 1,257,142,857 shares, with a par value of THB 0.10 per share, to be reserved for the conversion of Convertible Bonds.

In addition, the board of directors' meeting resolved to propose that the shareholders' meeting consider and approve the authorization of the executive chairman and/or chief executive officer of the Company or the persons authorized by the executive chairman and/or the chief executive officer of the Company to have power to carry out actions in respect of the allocation of the newly-issued ordinary shares as follows.

(a) To determine additional details or amend the allocation of the newly-issued ordinary shares in order to be in accordance with the laws and regulations relating to the issuance and offering for sale of securities;

(b) To determine or amend the methods for the allocation of the newly-issued ordinary shares, such as, payment method or details of other allocations and offerings, including the authority to allocate the shares as he deems appropriate, singly or multiple, under the requirements of the relevant laws;

(c) To sign applications, waivers, notices, as well as any documents related to the allocation of the newly-issued ordinary shares. This shall include the power to contact and submit documents to officials or representatives of any related authorities, as well as the listing the Company's newly-issued ordinary shares on the SET, and carry out any necessary and relevant actions for the allocation of the newly-issued ordinary shares in all respects under the requirements of the relevant laws;

(d) To register the change of the paid-up capital with the Department of Business Development, Ministry of Commerce, and to be authorized to undertake any necessary acts in line with the order of the registrar in order to complete the registration of the change of the paid-up capital.

Please see additional details in respect of the allocation of the newly-issued ordinary shares in Capital Increase Report Form (F53-4) in **Enclosure 3** and the Information Memorandum on the Allocation of the Newly-Issued Shares in **Enclosure 1**.

5. Approved and proposed that the shareholders' meeting consider and approve the amendment of the Company's articles of association in relation to the shareholding of foreigners in order to allow persons who are non-Thai nationals to invest in the newly-issued shares and the Convertible Bondholders to reserve the conversion of Convertible Bonds of the Company as per the Shareholding Restructuring Plan of the Company and Thai AirAsia above.

The current articles of association of the Company prescribe the limitation to the non-Thai nationals shareholding ratio to be not exceeding 0.1 percent of the total number of paid-up shares of the Company.

The Company will amend a part of the Company's articles of association that is related to the shareholding ratio of persons who are non-Thai nationals by increasing the shareholding ratio of non-Thai nationals who will invest in newly-issued shares of the Company and who will receive the newly-issued shares of the Company from the conversion of the Convertible Bonds of the Company to be maximum at 48.17 percent.

Due to the fact that the Company is a major shareholder of Thai AirAsia, which is the holder of the aviation license, the Company's articles of association will also be amended by specifying the conditions of the shareholders' qualifications under the Air Navigation Act B.E. 2497 (1954) (the "Air Navigation Act") whereby the Company reserves the right to refuse to register the transfer of shares of any shareholders if such action will cause the Company to lose any rights under the Air Navigation Act.

In addition, because the Company will increase the number of 3 directors from 9 directors to 12 directors to accommodate the new shareholding structure. Therefore, the Board of Directors deems it appropriate to simultaneously amend the Articles of Association in part of the authority of directors.

The details of the amendment of the Company's articles of association are as follows.

Original Articles of Association	Revised Articles of Association
<p>Clause 11 Shares of the Company are freely transferable without restrictions and shares held by persons who are not Thai nationals at any time must be in the total amount of not more than zero point one (0.1) percent of the total number of shares sold of the Company. If any transfer of shares will cause the shareholding ratio of non-Thai persons of the Company to exceed the above ratio, the Company has the right to refuse such transfer of shares.</p>	<p>Clause11 Shares of the Company are freely transferable without restrictions and shares held by persons who are not Thai nationals at any time must be in the total amount of not more than zero point one (0.1) percent of the total number of shares sold of the Company.</p> <p>However, apart from restriction on the transfer of shares at the specified ratio above, a person who is non-Thai national may acquire the Company's shares by: (1) receiving allocated shares in accordance with the resolution of Extraordinary General Meeting of Shareholders No. 1/2021 dated 26 November 2021 (including the transferee of such shares); and (2) receiving allocated newly issued shares by the conversion of the Convertible Bonds as approved by the resolution of Extraordinary General Meeting of Shareholders</p>

	<p>No. 1/2021 dated 26 November 2021 (including the transferee of such shares). However, the acquisition under (1) and (2) must not cause the total shareholding ratio of non-Thai nationals to be exceeding 48.17 percent of the Company's total paid-up shares.</p> <p>The Company reserves the right to refuse any transfer of shares or to register any person as a shareholder of the Company (in whole or in part) if such action will cause the shareholding ratio of non-Thai nationals to not be in compliance with this Article of Association or cause the Company's Group to lose the rights and benefits to be received under the Air Navigation Act B.E. 2497 (1954).</p>
<p>Clause 30. Directors authorized to sign on behalf of the Company are two (2) directors jointly sign and affix the Company's seal.</p> <p>The Board of Directors has the authority to determine and amend the number and names of the Company's authorized directors.</p>	<p>Clause 30. Directors authorized to sign on behalf of the Company are not more than three 3 directors jointly sign and affix the Company's seal.</p> <p>The Board of Directors has the authority to determine and amend the number and names of the Company's authorized directors.</p>

In addition, the board of directors deemed it appropriate to propose that the shareholders' meeting consider and approve the authorization of the executive chairman and/or chief executive officer of the Company or the persons authorized by the executive chairman and/or the chief executive officer of the Company to have the power to consider amending, adding to or changing the wording including the amendment as ordered by the registrar or giving advice in order to successfully complete the registration of amendments to the articles of association.

6. Approved and proposed that the shareholders' meeting consider and approve the waiver of the requirement for making a tender offer for all securities by referring to the resolution of the Company's shareholders' meeting (Whitewash) of AAA.

The allocation of shares in the amount of not exceeding 4,457,142,857 shares to AAA will result in AAA having the obligation to make a mandatory tender offer for all the Company's securities according to Notification No. TorChor. 12/2554⁸.

However, AAA wishes to apply for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the Shareholders' Meeting of the Company (Whitewash) submitted to the Office of the Securities and Exchange Commission pursuant to the Notification of the Office of the Securities and Exchange Commission No. SorKor. 29/2561 Re: Rules for the Application for Waiver from the Requirement to Make Tender Offer for All Securities of the Business by Virtue of the Resolution of the Shareholders' Meeting of the Business which the request for a waiver must be approved by the shareholders' meeting of the Company approving the offering of newly-issued shares to the applicant, and agrees that the applicant does not have to make a tender offer for all securities of the Company with a vote of not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the right to vote. This does not include the votes of the interested person.

The details of AAA's request for a waiver from making a tender offer, including the opinion of the board of directors thereon are set out in **Enclosure 4**.

7. Approved and proposed that the shareholders' meeting consider and approve the appointment of 3 additional directors, to increase the total number of directors from 9 directors to 12 directors, in line with the new shareholding structure. The Board of Directors has approved the Nomination and Remuneration Committee's opinion and deemed appropriate to nominate Dato' Mohamed Khadar Bin Merican Mr. Tharumalingam a/l Kanagalingam and Mr. Rozman Bin Omar to be a new director of the Company and to nominate Mr. Yuthaphong Ma Mr. Sirot Setabandhu and Mr. Dinesh Nambiar as the new directors in a replacement of directors which will resign after the Extraordinary General Meeting No. 1/2564 as Dato' Mohamed Khadar Bin Merican Mr. Tharumalingam a/l Kanagalingam Mr. Rozman Bin Omar Mr. Yuthaphong Ma Mr. Sirot Setabandhu and Mr. Dinesh Nambiar is suitable in terms of qualifications, experience, knowledge, capability, and readiness to devote time in performing his duties as well as having specific expertise that is required in the board of directors. The remuneration of the new directors will be in accordance with the remuneration approved by the 2021 Annual General Meeting of Shareholders held on 22 April 2021.

⁸ In this regard, when combining with the amount that the waiver applicant has the right to subscribe for the newly-issued ordinary shares proportionate to their respective shareholdings (Rights Offering), which is equal to 773,473,814 shares, the waiver applicant will hold shares in the total equal to 5,230,616,671 shares, representing 45.12 percent of the total issued and paid-up shares of the company (based on the assumption that all shareholders of the company exercise their rights to subscribe for newly-issued ordinary shares in proportion to each individual).

In addition, to be in line with the appointment of the additional directors and new directors above, it was approved to propose that the shareholders' meeting consider and approve the amendment of the authorized directors of the Company as per the details as follows.

The current authorized directors of the Company

“Mr. Tassapon Bijleveld or Mr. Santisuk Klongchaiya jointly sign with Mr. Phairat Pornpathananangoon or Gp.Capt. Tanapat Ngamplang or M.L. Bovornovadep Devakula or Mr. Preechaya Rasametanin”

Proposed amendment to authorized directors of the Company

“Mr. Tassapon Bijleveld jointly sign with Mr. Santisuk Klongchaiya or Mr. Phairat Pornpathananangoon, totaling two persons with an affixation of the Company seal, or (ii) Mr. Santisuk Klongchaiya and Mr. Phairat Pornpathananangoon jointly sign with Mr. Tharumalingam A/L Kanagalingam or Mr. Rozman Bin Omar, totaling three persons, with an affixation of the Company seal.”

8. Approved the appointment of Discover Management Company Limited as an independent financial advisor (IFA) to provide its opinion to the Company's shareholders on the request for the waiver of requirement for making a tender offer for all securities by using the resolution of the Company's shareholders' meeting (Whitewash) of AAA.

9. Approved the cancellation of the Extraordinary General Meeting of Shareholders on 4 June 2021, as determined by the resolution of the board of directors' meeting held on 26 April 2021, and approved the calling of Extraordinary General Meeting of Shareholders of the Company No. 1/2021 on 26 November 2021 at 14.00 hrs., which shall be held by electronic means in accordance with the Emergency Decree on Electronic Conferencing B.E. 2563 (2020) and other relevant laws, with the place to broadcast the meeting at the meeting room of Thai AirAsia Company Limited's head office, No. 222 Don Mueang International Airport, 3rd Floor - Central Office Building, Vibhavadee Rangsit Road, Sanambin Subdistrict, Don Mueang District, Bangkok. The agenda for the meeting is as follows:

Agenda item 1 To consider and approve the Minutes of the 2021 Annual General Meeting of Shareholder, convened on 22 April 2021

Agenda item 2 To consider and approve the Shareholding Restructuring Plan of the Company and Thai AirAsia

Agenda item 3 To consider and approve the issuance and offering of convertible Bonds on a private placement basis

Agenda item 4 To consider and approve the increase of the Company's registered capital and the amendment to Clause 4 of the Company's memorandum of association to be in line with the increase of the registered capital of the Company .

Agenda item 5 To consider and approve the allocation of the newly-issued ordinary shares to (1) investors on a private placement basis, (2) the existing shareholdings proportionate to their respective shareholdings (Right Offering) and (3) reserve the conversion of convertible Bonds

Agenda item 6 To consider and approve the amendment of the part of the Company's articles of association

Agenda item 7 To consider and approve the waiver of the obligation to make a mandatory tender offer by referring to the resolution of shareholders' meeting (Whitewash) by AirAsia Investment Limited

Agenda item 8 To consider and approve the appointment of additional directors, the appointment of new directors and the amendment of the authorized directors of the Company

Agenda item 9 Other matters (if any)

In this regard, agenda items 2 – 8 are conditional upon each other. If any one of them is not approved, it shall be considered that the agenda items that have already been approved are cancelled and no other agenda items shall be considered.

In addition, to ensure flexibility, it is deemed appropriate that the chairman of the board of directors, or the chief executive officer shall be authorized to amend or change the date, time, meeting venue, and new format of the meeting, as well as cancel the meeting in accordance with the rules stipulated under the relevant laws.

10. Approved the date to determine the list of shareholders who are entitled to attend Extraordinary General Meeting of Shareholders No. 1/2021 (Record Date) on 2 November 2021.

In this regard, the Company will publish the Notice of Extraordinary General Meeting of Shareholders No. 1/2021 and the supporting documents, including details of procedures and methods of attending electronic meetings to the shareholders on the Company's website at www.aavplc.com and the Stock Exchange of Thailand's website at www.set.or.th.

Please be informed accordingly.

Yours faithfully,

(Mr. Santisuk Klongchaiya)

Chief Executive Officer

Authorized Signatory

Summary of Terms and Conditions of Convertible Bonds

Asia Aviation Public Company Limited

Subjects	Details
Convertible Bond's Issuer	Asia Aviation Public Company Limited (the “ Company ”)
Types of Convertible Bonds	Senior Unsecured Convertible Bonds
Currency	Thai Baht
Denomination	THB 1,000 per Unit
Number of Units	2,200,000 Units
Total Principle Amount of the Convertible Bonds	THB 2,200 million
Term of Issuance of Convertible Bonds	Within 1 year since the resolution of the Company's shareholders' meeting to approve the issuance of Convertible Bonds
Interest Rate	None
Tenor	2 years from the issuing date of each Convertible Bond
Redemption of Convertible Bonds	The Company and the Bond holders shall have no right to early redeem the convertible Bonds
Conversion Ratio	Convertible Bonds of 0.00175 units shall be converted into 1 shares of the Company
Conversion Price	THB 1.75 per shares, which is equal to the offering price paid to existing shareholders in accordance with the proportionated offering, deemed as an offering of newly issued shares at a price below the market price, i.e. less than 90%. for the past 15 business days of the weighted average price of the Company's shares in the SET (between 27 September 2021 and 18 October 2021) before the date of the Board of Directors' resolution to propose the agenda for the approval of the Company's Extraordinary General Meeting of

Subjects	Details
	Shareholders which the Convertible Bonds are being offered for sale at this time.
Period for exercising the Conversion Right	<p>Bond holders can exercise the right to convert the convertible Bonds without limit of times.</p> <p>However, if the Convertible Bonds are not exercised within the 30th business day before the maturity date, there will be the mandatory conversion of the Convertible Bonds.</p>
Secondary market of the Convertible Bonds and the Ordinary Shares derived from the Exercise of Convertible Bonds	<p>The convertible Bonds will not be registered with any secondary market.</p> <p>The ordinary shares issued as a consequence of the exercise of conversion rights will be listed on the Stock Exchange of Thailand.</p>
Transfer Restriction of Convertible Bonds	<p>The transfer of Convertible Bonds shall not cause the violation of the rules on the private placement of the bonds, whether in term of amount and qualification.</p> <p>In addition, the Company shall reserve the right to refuse the transfer registration of the Convertible Bonds, if the Company considers that the transfer of Convertible Bonds in the violation of the Air Navigation Act B.E. 2497 (1954) (as amended).</p>
Method of Allocation	To allocate to private placement investor(s) at one time or multiple times.
The adjustment event that the Company must issue new shares in order to be complied with the adjustment of the conversion right	<p>The events that are specified in the Terms and Conditions of the Convertible Bonds and the CMSB Notification 17/2561</p> <p>In the adjustment event, the Company may increase its registered capital in order to comply with the adjustment of the conversion right, which requires the approval of the Company's Shareholders Meeting, or compensate</p>

Subjects	Details
	convertible shareholders in cash in accordance with the rules as specified in the terms and conditions of the Convertible Bonds.
<p align="center">Effects of Shareholders</p>	<p>Effects from the issuance and offering of convertible bonds and underlying shares detailed as follows:</p> <p>Effect on stock ownership (Control Dilution)</p> <p>Since the board of directors of the Company approved for presenting to the shareholders of the Company to increase the capital by issuance and offering (1) newly issued shares to the private placement investors, (2) newly issued shares to the existing shareholders on right offering basis, and (3) the convertible Bonds to the private placement investors at same time. Therefore, the control dilution shall be calculated in case the private placement investors entirely subscribe for the shares and all shareholders subscribe for the newly issued shares in accordance with the proportionate to shareholding, and the private placement investors entirely subscribe for the Convertible Bonds and entirely convert into share; therefore, the control dilution shall be as follows:</p> $= \frac{\text{Number of Offering in RO} + \text{Number of Offering in PP} + \text{Number of Reserved Shares for CB}}{\text{Paid-Up Shares} + \text{Number of Offering of RO} + \text{Number of Offering in PP} + \text{Number of Reserved Shares for CB}}$ $= \frac{1,714,285,714 + 5,028,571,429 + 1,257,142,857}{4,850,000,000 + 1,714,285,714 + 5,028,571,429 + 1,257,142,857}$ <p>= 62.3 Per Cent.</p>
<p>The opinion of Board of Directors' for the Issuance and Offering Convertible Bonds and Reserved Shares</p>	<p>The opinion of board of directors' for the necessity and suitability for the offering of the Convertible Bonds is as follows:</p> <ol style="list-style-type: none"> This issuance and offering of convertible bonds and reserved shares are suitable and reasonable and for the best interest of the Company's shareholders' best interests since the Company will use the proceeds for

Subjects	Details
	<p>the purpose as prescribed in Clause 2 (<i>Objectives of the issuance of newly issued shares and plans</i>) of the Information Memorandum on the issuing and sale of new ordinary shares to the existing shareholders on right offering basis and private placement investors, enclosure 1.</p> <p>2. The issuance and offering of convertible bonds and reserved shares at this time will assist the company in raising funds in a timely manner and will assist in reducing the burden of existing shareholders in the capital increase. This will allow the Company to invest in Thai AirAsia Company Limited (“TAA”) faster, and TAA will be able to repay the loan with the Company's capital contribution. Therefore, TAA's financial burden will be reduced and this assists the company to continue operating in the current situation, which will benefit the Company, a shareholder of TAA, and a shareholder of the Company, to the greatest extent possible.</p> <p>3. Determination of the conversion price at THB 1.75 per share to be the same as the offering price of new shares to private placement (Private Placement) and existing shareholders in proportion to the number of shares held by each person (RO), which is considered an offer for sale of newly issued shares at a lower price than the market price¹. This is because the Board of Directors has considered market conditions as well as investor needs and the benefits that the Company will obtain. This offering of convertible Bonds and reserved shares in low price will cause the Company to receive the adequate capital for the Company's and TAA's shareholding restructuring, as well as debt repayment to financial institutions. It also assists TAA to return to profitability. This will benefit to all shareholders of the Company. The offering of convertible Bonds at market price may discourage investors to invest in the Company's shares, especially in light of the current economic</p>

¹ This is the price which is less than 90% for the past 15 working days of the weighted average price of the Company's shares in the SET (between 27 September 2021 and 18 October 2021) before the date of the Board of Directors' resolution to propose the agenda for the approval to the Company's Extraordinary General Meeting of Shareholders which the convertible Bonds are being offered for sale at this time.

Subjects	Details
	<p>situation. Comparing with the loss of the difference in the offering price at a low price, the Company receives the benefits.</p> <p>4. Private placement investors have capital potential and are willing to participate in the Company, which would benefit the Company by attracting investors who have a stable financial conditions. This will create trust to the existing shareholders as well as strengthen the Company's public image.²</p> <p>As a result, the Board of Directors believes that the issue and offering of convertible bonds and reserved shares is reasonable and will benefit to the Company in overall.</p>

² Offering to (a) Bangkok Bank Public Company Limited, approximately THB 1,200 million, and (b) North Haven Thai Private Equity, L.P. (“**NHTPE**”) managed by Morgan Stanley, approximately THB 1,000 million.

NHTPE is the private fund which is the institutional investor under Clauses 2(4)(c) and (m) of the Notification of the Securities and Exchange Commission No. GorJor. 17/2551 Re: the Determination of Definitions in the Notifications relating to the Offering of Securities. NHTPE focuses on investment in Thailand and ASEAN region. It manages funds from various investors globally, and it is managed by Morgan Stanley Private Equity Asia as the fund manager, who is the fund manager under the supervision of U.S. Securities and Exchange Commission and managed by professionals, comprising securities analyze, fund managers, and investment committee who can make investment decision.

Morgan Stanley Private Equity Asia is the subsidiary of Morgan Stanley who is the global financial institution listed on the New York Stock Exchange (NYSE). The Assets under Management (AUM) as of June 2021 is approximately 1.5 trillion.

The convertible Bonds held by NHTPE will be locked-up within 1 year after receiving the convertible Bonds. After the lapse of 6 months from receiving such convertible Bonds, NHTPE can gradually sell convertible Bonds which are instructed to be locked-up in the amount of 25 per cent of the locked up convertible Bonds

**Information Memorandum on the Issuance and Offering of Newly Issued Ordinary Shares to
Private Placement and Existing Shareholders in Accordance with Their Shareholding
Proportion of Asia Aviation Public Company Limited**

Board of Directors Meeting of Asia Aviation Public Company Limited (the “**Company**”) No. 6/2021, convened on 19 October 2021, has passed the resolution to propose to the Extraordinary General Meeting of Shareholders No. 1/2021 to consider approving the increase of the Company’s registered capital from the original registered capital of THB 485,000,000 to the new registered capital of THB 1,285,000,000 by issuing new capital increase in ordinary shares in the amount of 8,000,000,000 shares with a par value of THB 0.10 per share to support (1) allocation of the newly-issued ordinary shares to private placement (“**PP**”), which the offering price is clearly set (2) allocation of newly issued ordinary shares to the existing shareholders in accordance with their shareholding proportions held by each shareholder (Rights Offering) (“**RO**”) and (3) allocation of newly issued ordinary shares to support the conversion of convertible bond (“**CB**”) which the Company will propose to the Extraordinary General Meeting of Shareholders No. 1/ 2021. The details are provided in the Capital Increase Report Form (F 53-4) **Enclosure 3**.

The details of the issuance and offering of newly issued ordinary shares of the Company are as follows:

1. Details of the Offering of New Shares

1.1. Allocation of Newly Issued Ordinary Shares to Private Placement, which the offering price is clearly set

The Board of Directors Meeting resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2021 to consider approving the allocation of newly issued ordinary shares in the amount of not more than 5,028,571,429 shares with a par value of THB 0.10 to PP. The offering price is clearly set at the price of THB 1.75 per share (which is the same price that the Company will offer newly issued ordinary shares to the existing shareholders of the Company in accordance with their shareholding proportions held by each shareholder (RO)). The details of private placement are as follows:

- | | |
|---------|--|
| 1. Name | AirAsia Aviation Limited (“ AAA ”) |
| Address | Level 5(A), Main Office Tower, Financial Park
Labuan Complex, Jalan Merdeka, 87000 Federal
Territory of Labuan, Malaysia |

Nature of Business	AAA is a subsidiary of AirAsia Group Berhad (“AAGB”) which operates as a Holding Company. AAA is one of the holding companies of AAGB that holds shares in airlines business under the brand “AirAsia” in many countries such as Japan, Indonesia, Philippines, and India and also holds 45 percent of Thai Air Asia’s shares, which is a subsidiary of the Company that operates the Air Asia Airline business in Thailand.
Major Shareholder	AirAsia Group Berhad holds 100 percent of AAA’s shares.
Directors	<ol style="list-style-type: none"> 1. Mr. Tharumalingam a/l Kanagalingam 2. Datuk Kamarudin bin Meranun
Number of Allocated Shares	Not more than 4,457,142,857 shares, representing not more than 45.12 percent of the total issued shares after the capital increases by issuing and allocating ordinary shares to PP.
Relationship with the Company	Not a connected person of the Company pursuant to the Notifications on Connected Transactions ¹ because AAA is not a person who will be nominated as an executive or controlling person of the Company and is not a juristic person with a major shareholder or a controlling person who is nominated to be an executive or a controlling person of the Company.
Duties of making a tender offer for securities	After allotment of shares, AAA will have shareholding percentage in the Company representing not more than 45.12 percent of the total number of the Company’s issued and offered shares after the capital increases by issuing and

¹ Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (including any amendment thereto), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions B.E. 2546 (2003) (including any amendment thereto) (collectively, the “Notifications on Connected Transactions”).

allocating ordinary shares to PP, which makes AAA obliged to make a tender offer for all of the Company's securities pursuant to Notification of Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (the “**Notification No. TorChor. 12/2554**”). However, AAA wishes to apply for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the Shareholders' Meeting of the Company (Whitewash) with the Office of the Securities and Exchange Commission pursuant to the Notification of the Office of the Securities and Exchange Commission No. SorKor. 29/2561 Re: Rules for the Application for Waiver from the Requirement to Make Tender Offer for All Securities of the Business by Virtue of the Resolution of the Shareholders' Meeting of the Business. The details are provided in **Enclosure 4**.

2. Name Individual high-net-worth investor (Mr. Pitharn Ongkosit)
- Occupation Executive and Investor
- Work experience and competence An experienced and knowledgeable executive and investor who currently holds the position of Executive Chairman/Chief Executive Officer and Managing Director including being a major shareholder of KCE Electronics Public Company Limited, which is a listed company on the Stock Exchange of Thailand.
- Number of Allocated Shares Up to 362,049,116 shares, representing not more than 3.7 percent of the total issued and offered shares after the capital increases by issuing and allocating ordinary shares to PP.

Relationship with the Company	Not a connected person of the Company pursuant to the Notifications on Connected Transactions because such investor is not a person who will be nominated as an executive or controlling person of the Company.
Duties of making a tender offer for securities	Individual high-net-worth investor is not obliged to make a tender offer for all the Company's securities pursuant to the Notification No. TorChor. 12/2554 as holding only 3.7 percent of the total number of issued and offered shares after the capital increases by issuing and allocating ordinary shares to PP and no shareholding in the Company by related persons or concert party with the said major individual investors.
3. Name	Individual high-net-worth investor (Mr. Palin Lojanagosin)
Occupation	Executive and Investor
Work experience and competence	An experienced and knowledgeable executive and investor who currently holds the position of Director, Chairman of Executive Committee and Chief Executive Officer including being a major shareholder of Plan B Media Public Company Limited, which is a listed company on the Stock Exchange of Thailand.
Number of Allocated Shares	Up to 150,947,980 shares, representing not more than 1.5 percent of the total issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP.
Relationship with the Company	Not a connected person of the Company pursuant to the Notifications on Connected Transactions because such investor is not a person who will be nominated as an executive or controlling person of the Company.

Duties of making a tender offer for securities Individual high-net-worth investor is not obliged to make a tender offer for all the Company's securities pursuant to the Notification No. TorChor. 12/2554 as holding only 1.5 percent of the total number of issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP and no shareholding in the Company by related persons or concert party with the said major individual investors.

4. Name Individual High-net-worth investor (Mr. Budit Pitaksit)
- Occupation Executive and Investor
- Work experience and competence An experienced and knowledgeable executive and investor who currently holds the position of Chairman of the Executive Committee of Isuzu Sanguan Thai Group, Chairman of Advisory Board of Siam Car Rent Co., Ltd. as well as an independent director, Chairman of the Risk Management and Sustainable Development Committee, Audit Committee and member of the Nomination and Remuneration Committee of Land and Houses Public Company Limited, which is a listed company on the Stock Exchange of Thailand.
- Number of Allocated Shares Up to 14,607,869 shares, representing not more than 0.1 percent of the total issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP.
- Relationship with the Company Not a connected person of the Company pursuant to the Notifications on Connected Transactions because such investor is not a person who will be nominated as an executive or controlling person of the Company.

Duties of making a tender offer for securities Individual high-net-worth investor is not obliged to make a tender offer for all the Company's securities pursuant to the Notification No. TorChor. 12/2554 as holding only 0.1 percent of the total number of issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP and no shareholding in the Company by related persons or concert party with the said major individual investors.

5. Name Individual high-net-worth investor (Mrs. Piyaporn Vichitbandha)
- Occupation Executive and Investor
- Work experience and competence An experienced and knowledgeable executive and investor who currently holds the position of executive of the companies in Central Group.
- Number of Allocated Shares Up to 14,607,869 shares, representing not more than 0.1 percent of the total issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP.
- Relationship with the Company Not a connected person of the Company pursuant to the Notifications on Connected Transactions because such investor is not a person who will be nominated as an executive or controlling person of the Company.
- Duties of making a tender offer for securities Individual high-net-worth investor is not obliged to make a tender offer for all the Company's securities pursuant to the Notification No. TorChor. 12/2554 as holding only 0.1 percent of the total number of issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP and no shareholding in the Company by related persons or concert party with the said major individual investors.

6. Name Individual high-net-worth investor (Mr. Suwaphon Suwaruchiporn)
- Occupation Executive and Investor
- Work experience and competence An experienced and knowledgeable executive and investor who currently holds the position of Director and Executive of Bangkok Synthetics Company Limited and shareholder of Metro Systems Corporation Public Company Limited, which is a listed company on the Stock Exchange of Thailand.
- Number of Allocated Shares Up to 14,607,869 shares, representing not more than 0.1 percent of the total issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP.
- Relationship with the Company Not a connected person of the Company pursuant to the Notifications on Connected Transactions because such investor is not a person who will be nominated as an executive or controlling person of the Company.
- Duties of making a tender offer for securities Individual high-net-worth investor is not obliged to make a tender offer for all the Company's securities pursuant to the Notification No. TorChor. 12/2554 as holding only 0.1 percent of the total number of issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP and no shareholding in the Company by related persons or concert party with the said major individual investors.
7. Name Individual high-net-worth investor (Mr. Vorapote Amnueypol)
- Occupation Investor
- Work experience and competence An experienced and knowledgeable investor who currently being major shareholder of Sky ICT

	Public Company Limited, which is a listed company on the Stock Exchange of Thailand.
Number of Allocated Shares	Up to 14,607,869 shares, representing not more than 0.1 percent of the total issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP.
Relationship with the Company	Not a connected person of the Company pursuant to the Notifications on Connected Transactions because such investor is not a person who will be nominated as an executive or controlling person of the Company.
Duties of making a tender offer for securities	Individual high-net-worth investor is not obliged to make a tender offer for all the Company's securities pursuant to the Notification No. TorChor. 12/2554 as holding only 0.1 percent of the total number of issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP and no shareholding in the Company by related persons or concert party with the said major individual investors.

The Board of Directors has considered that the above-mentioned (which are considered as Private Placement) investors have stable financial status and potential to invest in the Company. AAA has knowledge, capability and experience that can help promote the operations and support the Company's business.

Shares offering price to PP at THB 1.75 is based on the market price of the Company's shares with the negotiations with a limited number of investors who wish to invest in the Company's ordinary shares and convertible bonds. The share price in the past 360² days is equal to THB 1.43 – 3.14 per share, calculated as the weighted average market price equaling to THB 2.38 per share. The offering price of THB 1.75 per share representing as a discount from the said market price of approximately 26.5 percent. However, the Company considers other additional factors in determining the offering price such as restrictions on finding investors in accordance with the requirements of

² From 17 April 2020 to 18 October 2021

the Aviation Law, the urgent need to provide funds to enhance liquidity, and supporting operations in the period of 18-24 months, including the possibility of increasing fund to the existing shareholders in accordance with shareholding proportions (RO), which the Company set the price to be the same as the offering price to private placement in order not to be an undue burden on minority shareholders in the Covid-19 epidemic situation. In this regard, the offering price, that is determined by other methods such as P/E ratio, discounted cash flow, or book value, is unable to calculate because the Company still has a loss in operating results and Thai AirAsia's shareholders' equity is negative which Thai AirAsia is a subsidiary of the Company with an airline business (Operating company).

The said price is considered as an offering for sale of newly issued shares at a price lower than the market price that is less than 90 percent of the weighted average price of the Company's shares in the Stock Exchange of Thailand (the "SET") for past 15 consecutive working days (between 27 September 2021 and 18 October 2021) prior to the date of the Board of Directors' resolution to propose the agenda to the extraordinary general meeting of shareholders requesting approval for the Company to offer of capital increase shares by clearly stated offering price at this time. Therefore, this issuance and offering of newly issued ordinary shares to the private placement must be approved by the shareholders' meeting with a majority vote of the shareholders who attend the meeting and vote and there must be no shareholders holding total number of more than 10 percent of the total votes of the shareholders attending the meeting and having the right to vote against this offering of shares to the private placement.

In addition, if the offering price of the newly issued ordinary shares offered to the private placement at this time is considered as an offering of newly issued shares at a price lower than 90 percent of the market price before the SET will accept shares in the capital increase as listed securities, PP investors who will receive the allotment of such newly issued ordinary shares will be prohibited from taking all newly issued ordinary shares received from this offering to sell within a period of 1 year from the date of the Company's newly issued ordinary shares start trading on the SET.

After the trading date of the Company's newly issued ordinary shares on the SET has passed 6 months, such persons will be able to gradually sell the prohibited shares in the amount of 25 percent of the total shares that are prohibited to sell pursuant to the Notification of the SET Re: Rules, Conditions, and Procedures of Considering an Application to List Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558 (2015) (the "Notification of the SET")

In this regard, the Company will amend articles of association of the Company to increase the shareholding of foreigners to support the allocation of shares to PP, who does not have Thai nationality.

1.2. Allocation of newly issued ordinary shares to the existing shareholders in accordance with shareholding proportions held by each shareholder

The allocation of newly issued ordinary shares in the amount of not more than 1,714,285,714 shares with a par value of THB 0.10 for offering to private placement in accordance with shareholding proportions held by each shareholder (RO) with the share allocation ratio 5.7625 of original ordinary shares to 1 of newly issued ordinary shares. The offering price is THB 1.75 per share which fractions of shares shall be discarded.

An offering of shares to the existing shareholders of the Company will happen after the offering of newly issued ordinary shares to PP in Clause 1.1 above is completed. Therefore, the PP in Clause 1.1 above will be allocated the newly issued ordinary shares in proportion to the number of shares held by the PP in the Company as well as other existing shareholders of the Company.

As mentioned above, the offering price of the newly issued ordinary shares to the existing shareholders of the Company in accordance with shareholding proportions held by each shareholder (RO) will be the same as the offering price of the newly issued ordinary shares to PP in Clause 1.1 above, the Company has considered to determine such price following the share market price (the details as explained in Clause 1.1 above) by specifying a discount of approximately 41.0 percent of the weighted average price of the Company's shares in the SET for the past 15 consecutive business days (between 27 September 2021 and 18 October 2021) equaling to THB 2.96 (information from SETSMART of the SET) prior to the date that the Board of Directors has a resolution to propose the agenda to the Extraordinary General Meeting of Shareholders requesting approval for the Company to offer newly issued shares to the existing shareholders of the Company in proportion of their shareholdings (RO).

Shareholders may subscribe to the newly issued ordinary shares in excess of their rights at the rate specified above (Oversubscription) which the existing shareholders who have oversubscribed will receive allocated oversubscribed shares only when there are remaining shares from the allocation to the existing shareholders of the Company that have been fully subscribed according to all the rights only.

In the allocation of newly issued ordinary shares to the existing shareholders of the Company according to the proportion of shareholding (RO) at this time, in the event

that there are shares remaining from the allocation to the existing shareholders of the Company according to the proportion of shareholding in the first round, the Company will allocate the remaining newly issued ordinary shares to the existing shareholders wishing to subscribe for more than their rights (Oversubscription) in proportion to their existing shareholding at the same price as the shares allotted according to their rights. This includes existing shareholders, who wish to subscribe for more than their rights in proportion to their shareholding as connected persons of the Company. The details are as follows:

- A. In case there are shares remaining from the allocation to the existing shareholders of the Company, which is according to the RO in the first round, more than or equal to the shares that the existing shareholders subscribe for in excess of the right according to the proportion of shareholding, the Company will allocate the remaining shares to those who subscribe for more than the rights and pay all subscription fees for all said shares according to the number of intention to subscribe for more than rights;
- B. In the case that there are shares remaining from the allocation to the existing shareholders of the Company according to the proportion of shareholding (RO) in the first round is less than the shares that the existing shareholders subscribe for more than the right according to the proportion of shareholding, the Company will allocate the remaining shares to those who subscribe for more than the rights according to the following procedures.
 - (1) Allocated according to the original shareholding proportion of each subscriber in excess of the right by multiplying the existing shareholding proportion of the subscriber exceeding each right by the number of remaining shares, it will be the number of shares that each subscriber in excess of the right to be allocated. In the event that there are fractions of shares, rounding those shares shall be discarded. However, the number of shares to be allocated shall not exceed the number of shares subscribed and paid for by each shareholder.
 - (2) In the event that the shares still remaining after the allocation under Clause (B)(1), the allocation shall be made to each subscriber that exceeds the rights and has not been fully allocated in proportion to the original shareholding of those who subscribe for more than each right by multiplying the existing shareholding of each subscriber that exceeds each of the rights by the number of remaining shares, it will

be the number of shares that the subscriber exceeds each of the rights to be allocated. In the event that there are fractions of shares, rounding off those shares shall be discarded. The number of shares to be allocated will not exceed the number of shares that each shareholder has already subscribed and paid for the subscription price. In this regard, the allocation of shares to the oversubscribing persons shall be carried out in accordance with the procedure under this article until there are no remaining shares from the allocation or unable to allocate.

In this regard, the Company may not be able to allocate capital increase shares, RO, to any shareholders of the Company if such allocation will cause the shareholding of the Company's shareholders to not be in accordance with the Company's Articles of Association (amendment version) which specifies the shareholders' qualifications of the Company to be in accordance with the requirements of the Aviation Law. However, in order to allocate capital increase shares, RO, to the Company's shareholders that is in line with the Securities and Exchange Act B.E. 2535 (1992), the Company will request the shareholders to notify their intention to waive such rights in the share subscription form) if such allocation would be contrary to the Company's Articles of Association (amendment version) and in the event that there are more than one shareholders who wish to waive their rights, the Company will not allocate capital increase shares, RO, to such shareholders in proportion to their shares subscriptions.

1.3. Allocation of newly issued ordinary shares to support the conversion of convertible bonds

Allotment of newly issued ordinary shares in the amount of not more than 1,257,142,857 shares with a par value of THB 0.10 per share to 2 PP in order to support the conversion of convertible bonds.

2. Objectives of the issuance of capital increase shares and fund utilization plan

The Company will use the fund received from the offering of newly issued ordinary shares PP and the sale of convertible bonds to PP in the total amount of approximately THB 11,000 million and the offering of newly issued ordinary shares to the existing shareholders according to the shareholding proportion that each existing shareholder holds (RO) approximately THB 3,000 million, totaling approximately THB 14,000 million, to be used for the following purposes.

1. To repay loans to financial institutions in the amount of approximately THB 3,900 million plus interest, which the Company will borrow money to inject capital in Thai AirAsia through the acquisition of newly issued shares of Thai AirAsia. This will make the

shareholding proportion of the Company in Thai AirAsia from 55 percent to 69.2 percent of the total shares of Thai AirAsia. In this regard, this action is part of the Thai AirAsia shareholding restructuring plan of the Company and Thai AirAsia. The Company expects to repay such loan by the end of 2021.

2. To purchase all the remaining shares of Thai AirAsia which is 30.8 percent of the total shares of Thai AirAsia with the approximate amount of THB 3,900 million. The purchase of the remaining Thai AirAsia shares is part of the shareholding restructuring plan of the Company and Thai AirAsia³. The Company expects to purchase the remaining shares of Thai AirAsia by the first quarter of 2022.
3. To be used as working capital of the Company's group including Thai AirAsia and the Company may consider increasing its capital in Thai AirAsia in order to use in the future business operations of Thai AirAsia. The Company will use the remaining capital after using in No. 1. and No. 2 for this purpose and expects to proceed by the second quarter of 2022.

3. The effect on shareholders from the sale of capital increase shares

The effect from 1) the allocation of the newly issued ordinary shares to PP 2) the allocation of newly issued ordinary shares in proportion to their shareholding and 3) the issuance of newly issued ordinary shares from the conversion of convertible bonds which is offered for sale to PP. All these three cases (collectively referred to as the “**Capital Increase**”), which the offering price is clearly determined. The details are as follows.

3.1 Price Dilution

After the capital increase, shareholders will be affected by Price Dilution approximately 25.5 percent. The calculation details are as follows:

$$\begin{aligned}
 &= \text{Market price before offering} - \text{Market price after offering} \\
 &\quad \frac{\text{Market price before offering}}{\text{Market price before offering}} \\
 &= \frac{2.96 - 2.21}{2.96} \\
 &= 25.5 \text{ percent}
 \end{aligned}$$

³ North Haven Keystone Company Limited will be the seller of 30.8 percent of Thai AirAsia shares to the Company after the completion of capital increase by Thai AirAsia

North Haven Keystone Company Limited is not a connected person of the Company. The Company had considered the investment structure of such seller and not found that the major shareholder or controlling person of the seller is AAA or the connected person of AAA. Moreover, the Company received the confirmation from AAA and the seller that AAA and their connected persons are not the beneficial owner of the seller and seller is not a representative of AAA

The market price after the offering to sell the newly issued ordinary shares according to shareholding proportion is equal to

$$\begin{aligned}
 &= \text{Market price} \times \text{Number of paid-up shares} + (\text{Offering price of RO shares} \\
 &\quad \times \text{Number of shares offered for sale RO}) + (\text{Offering price of PP shares} \times \\
 &\quad \text{Number of shares offered for sale PP}) + (\text{Exercise price of CB conversion} \\
 &\quad \times \text{Number of ordinary shares to support CB conversion}) \\
 &\quad \frac{\text{Number of paid-up shares} + \text{Number of shares offered for sale RO} + \\
 &\quad \text{Number of shares offered for sale PP} + \text{Number of ordinary shares to} \\
 &\quad \text{support CB conversion}}{4,850,000,000 + 1,714,285,714 + 5,028,571,429 + 1,257,142,857} \\
 &= (2.96 \times 4,850,000,000) + (1.75 \times 1,714,285,714) + (1.75 \times 5,028,571,429) \\
 &\quad + (1.75 \times 1,257,142,857) \\
 &\quad \frac{4,850,000,000 + 1,714,285,714 + 5,028,571,429 + 1,257,142,857}{4,850,000,000 + 1,714,285,714 + 5,028,571,429 + 1,257,142,857} \\
 &= 2.21
 \end{aligned}$$

Remark: Market price is equal to the weighted average market price of the Company for the past 15 consecutive business days prior to the date of this Board of Directors Meeting (that is, between 27 September 2021 – 18 October 2021) which is equal to THB 2.96 (Data from SETSMART of the SET).

3.2 The effect on shareholding proportion (Control Dilution)

- After the capital increase, the voting rights of the Company's shareholders (Control Dilution) will be affected approximately 62.3 percent. The calculation details are as follows:

$$\begin{aligned}
 &= \text{Number of shares offered for sale RO} + \text{Number of shares offered for sale} \\
 &\quad \text{PP} + \text{Number of ordinary shares to support CB conversion} \\
 &\quad \frac{\text{Number of paid-up shares} + \text{Number of shares offered for sale RO} + \text{Number} \\
 &\quad \text{of shares offered for sale PP} + \text{Number of ordinary shares to support CB} \\
 &\quad \text{conversion}}{1,714,285,714 + 5,028,571,429 + 1,257,142,857} \\
 &= 1,714,285,714 + 5,028,571,429 + 1,257,142,857 \\
 &\quad \frac{1,714,285,714 + 5,028,571,429 + 1,257,142,857}{4,850,000,000 + 1,714,285,714 + 5,028,571,429 + 1,257,142,857} \\
 &= 62.3 \text{ percent}
 \end{aligned}$$

3.3 The effect on earnings / (losses) per share dilution

- After capital increase, shareholders will be affected by the earnings / (losses) per share dilution with the approximately of 62.3 percent. The calculation details are as follows:

- $$= \frac{\text{EPS before offering} - \text{EPS after offering}}{\text{EPS before offering}}$$

which EPS before offering

$$= \frac{\text{Net profit / (losses)}}{\text{Number of paid-up shares}}$$

$$= \frac{(6,507,746,318)}{4,850,000,000}$$

$$= \text{THB (1.34) per share}$$

which EPS after offering

$$= \frac{\text{Net profit / (losses)}}{\text{Number of paid-up shares} + \text{Number of shares offered for sale RO} + \text{Number of shares offered for sale PP} + \text{Number of ordinary shares to support CB conversion}}$$

$$= \frac{(6,507,746,318)}{4,850,000,000 + 1,714,285,714 + 5,028,571,429 + 1,257,142,857}$$

$$= \text{THB (0.51) per share}$$

EPS Dilution

$$= \frac{(1.34) - (0.51)}{(1.34)}$$

$$= 62.3 \text{ percent}$$

Remark: Net profit for the past 12 months from the third quarter of the year 2020 to the second quarter of the year 2021

4. The opinion of the Board of Directors on Capital increase

4.1 Reasons and necessity of the capital increase

The Board of Directors have an opinion that the Company is necessary to increase the registered capital by issuing new ordinary shares, and convertible bond for sale to PP and the existing shareholders proportionate to their shareholding proportion because the Company is lack of liquidity from the Corona Virus (Covid-19) epidemic situation for a long period of time, adjusting the shareholding structure in Thai AirAsia so that the Company can own all shares in Thai AirAsia, and investors who will come to invest in new shares and convertible bond of the Company (PP) is a person with potential in capital, having a stable financial position, and having readiness to pay the capital increase. This fundraising is appropriate and consistent with the objectives of this capital increase which will make the Company get the required amount of funds in a short period of time and can reduce the risk of funding that may arise from the current economic uncertainty and volatility.

4.2 The possibility of funds utilization plan from the offering of shares

The Company expects that the shareholding restructuring plan of the Company and Thai AirAsia will be completed at the latest not later than the first quarter of the year 2022 and the Company expects the shareholding restructuring plan of the Company and Thai AirAsia will be well accepted by financial institutions and investors.

4.3 The reasonableness of the capital increase, funds utilization plan from the share offering, and the project that will be implemented including the adequacy of the funding source in the event that the funds from the shares offering do not cover the entire budget required for the implementation of such plans or projects.

The Board of Directors have an opinion that the issuance and offering of the capital increase shares and convertible bond to PP and shareholders in proportion to their respective shareholdings is appropriate, reasonable, and the best benefit of the Company and all shareholders.

This capital increase, allocation of capital increase shares, and convertible bond will help the Company be able to raise funds within a short period of time and reduce the investment burden of some shareholders in the capital increase. In addition, if the Company receives feedback from potential investors, this will build confidence to the existing shareholders of the success of the capital increase resulting in the Company to be able to increase capital as targeted, to enhance opportunities for the Company and to increase the competitiveness and business development of the Company to be able to grow stably and sustainably.

In this regard, if the Company is able to sell all of the newly issued ordinary shares and convertible debentures, the Company will receive the fund from an offering for sale of the newly issued ordinary shares and convertible bond bonds to PP with the approximate amount of THB 11,000 million and money from the offering of shares to the existing shareholders in proportion to their respective shareholdings (RO) approximately THB 3,000million, totaling funds received from this offering of new shares and convertible bond approximately THB 14,000 million.

The Company believes that the money received from this fundraising will be sufficient for the shareholding restructuring plan of the Company and Thai Air Asia including Thai AirAsia's debt restructuring plan. This will make the Company's group have sufficient working capital to support the airline business in the future after the domestic tourism situation begins to return to normal.

4.4 Rationale and necessity to allocate shares to investors, which is an offering to PP by clearly determining the offering price

The Board of Directors has considered that the private placements have potential in capital and can invest in the Company, which will be beneficial to the Company in getting investors with stable financial status to invest in the Company. This will build confidence for the shareholders of the Company including enhancing the image of the Company. The offering price of THB 1.75 per share is refer to the market price of the Company's shares for the past 360⁴ days equaling to THB 1.43 – 3.14 per share with the negotiations with a limited number of investors who wish to invest in the Company's ordinary shares and convertible bond. The share price in the past 360 days is calculated as the weighted average market price equaling to THB 2.38 per share. The offering price of THB 1.75 per share representing as a discount from the said market price of approximately 26.5 percent. However, the Company considers other additional factors in determining the offering price such as restrictions on finding investors in accordance with the requirements of the Aviation Law, the urgent need to provide funds to enhance liquidity, and supporting operations in the period of 18-24 months, including the possibility of increasing fund to the existing shareholders in accordance with shareholding proportions (RO), which the Company set the price to be the same price as the offering price to private placement in order not to be an undue burden on minority shareholders in the Covid-19 epidemic situation. In this regard, the offering price, that is determined by other methods such as P/E ratio, discounted cash flow, or

⁴ From 17 April 2020 to 18 October 2021

book value, is unable to calculate because the Company still has a loss in operating results and Thai AirAsia's shareholders' equity is negative

Allocation of the Company's capital increase shares and convertible bond PP has additional reasons as follows:

- A. The process of allocation of capital increase shares of the Company and convertible bond to PP with clear determining of the offering price will enable the Company to successfully increase its capital and fast enough to be able to support the Company's fund utilization plan in the shareholding restructuring of Thai AirAsia Group and repayment of existing loans with the Company's financial institutions.
- B. Allotment of capital increase shares of the Company and convertible bond to PP is to reduce the investment burden of the existing shareholders. Due to the current economic situation, some existing shareholders may be affected by the availability of funds used for this capital increase and may result in the Company fail to raise funds as planned. Therefore, the capital increase is necessary to be completed as soon as possible.
- C. Allotment of capital increase shares and convertible bond of the Company to PP is to reduce the risk of capital increase and ensure that this capital increase will be successful, and the Company will receive money from the fundraising according to the amount offered and to build confidence for the existing shareholders of the Company to purchase the Company's newly issued ordinary shares.
- D. To increase the group of shareholders with financial potential as well as being able to support various situations that may arise which results in the need for better capital use in the future.

4.5 The expected impact on the Company's business operations as well as the financial status and the Company's operating result due to the capital increase and the implementation of the money utilization plan or project.

The issuance and offering of newly issued ordinary shares to PP and shareholders in proportion to their shareholdings (RO), including issuance of convertible bond and allotment of newly issued shares to support convertible bond, will make the Company proceeds to use fund for the mentioned above purposes in Clause 2. This will be beneficial to the Company's business operations and to strengthen the stability of cash flow and financial position of the Company which will make debt to equity ratio of the decreased, helps to enhance the Company's financial liquidity of the Company, and

make the Company to be almost all shareholders of Thai AirAsia. However, if the Company is unable to increase its capital as targeted, this may have a negative impact on the Company's business operations as well as the financial position and operating results of the Company, which the Company must find other sources of funds in order to continue working and operate in accordance with the business plan.

In this regard, if the Company is able to sell all the newly issued ordinary shares and convertible bonds, the Company will receive money from the offering of the newly issued ordinary shares and convertible bonds totaling approximately of THB 14,000 million. Moreover, after the shareholding restructuring, this will make the Company to be a shareholder in Thai AirAsia as an operating company increasing from 55 percent to 100 percent.

In addition, this capital increase will result in the liabilities of the Company and Thai AirAsia decreasing THB 3,900 million from the various trade debts repaid by Thai AirAsia to the company's group of AAGB, which is a major shareholder of AAA.

Furthermore, this capital increase will result in the shareholders' equity of the Company increasing approximately of THB 14,000 million (The Company has shareholders' equity equal to THB 10,820 million as of 30 June 2021). Moreover, the Company expects that the remaining fund after the shareholding restructuring will be used to increase capital in Thai AirAsia with approximately value of THB 6,200 million, which will increase shareholders' equity of Thai AirAsia (as of 30 June 2021, Thai AirAsia has negative shareholders' equity (capital losses in excess of capital gains) equal to THB 9,722 million).

4.6 The worthiness of benefits to be obtained from investors in comparison with the Company offering newly issued shares at a low price to such person.

With the situation of the Corona Virus (Covid-19) epidemic for a long time which there is uncertain when the situation will return to normal, making uncertain business of the Company, that is, not easy to find creditors and investors to provide financial support and invest in the Company in this uncertain situation.

The fact that financial institution who is willing to give credit to the Company for shareholding restructuring of the Company and the acquisition of investors (such as AAA and major individual investor), including investors who invest in the Company's convertible debentures, are to help the Company's liquidity in this situation and to invest in the Company which will greatly enhance confidence in investing in the Company's business. These investors are institutional investor and major investor who

are considered as having expertise, quality, and experience in the aviation business, such as AAA. These investors will help to strengthen the Company's business and to strengthen confidence in investing in the Company's business to other investors.

Furthermore, although the offering price to such investors at the price of THB 1.75 per share is lower than the market price, which is lower than 90 percent of the weighted average price of the Company's shares in the SET for past 15 consecutive working days (between 27 September 2021 and 18 October 2021) prior to the date of the Board of Directors' resolution to propose the agenda to the extraordinary general meeting of shareholders requesting approval for the Company to offer of capital increase shares by clearly stated offering price at this time, however, the Company has considered that the said price already reflects the appropriate value of the Company. The issuance and offering of newly issued ordinary shares and convertible bonds at such price, the Company will receive money from the offering of the newly issued ordinary shares and convertible bonds totaling approximately of THB 14,000 million. Moreover, after the shareholding restructuring, this will make the Company to be a shareholder in Thai AirAsia as an operating company increasing from 55 percent to 100 percent

In addition, this capital increase will result in the liabilities of the Company and Thai AirAsia decreasing THB 3,900 million from the various trade debts repaid by Thai AirAsia to the company's group of AAGB, which is a major shareholder of AAA.

Furthermore, this capital increase will result in the shareholders' equity of the Company increasing approximately of THB 14,000 million (The Company has shareholders' equity equal to THB 10,820 million as of 30 June 2021). Moreover, the Company expects that the remaining fund after the shareholding restructuring will be used to increase capital in Thai AirAsia with approximately value of THB 6,200 million, which will increase shareholders' equity of Thai AirAsia (as of 30 June 2021, Thai AirAsia has negative shareholders' equity (capital losses in excess of capital gains) equal to THB 9,722 million).

In addition, the offering of capital increase shares and capital increase shares in reserve of convertible bond to private placement are considered as a share-based payment transaction in accordance with the Financial Reporting Standard on share-based payments. However, the Company has appraised its fair value per share and view that the offering price of THB 1.75 per share is the fair value per share of the Company, since such offering price of THB 1.75 per share is the price specified for all restructuring transactions, including the offering of capital increase shares and capital increase shares in reserve of convertible bond to private placement and the offering of

capital increase shares to the existing shareholders in accordance with their shareholding proportions held by each shareholder. Therefore, the Company does not have to record the expenses regarding share-based payments.

5. Risks that may arise after the allotment of capital increase shares

Risks regarding the compliance of the Air Navigation Act B.E. 2497 (1954) and other related laws

For operating airline business of Thai AirAsia, Thai AirAsia must have an aviation license pursuant to the Air Navigation Act.

The Air Navigation Act requires Thai AirAsia to have the following persons (hereinafter referred to as “**Eligible Persons**”) holding shares in Thai AirAsia or the parent company of Thai AirAsia⁵ totaling more than 51 percent.

- (1) Natural person who holds Thai nationality;
- (2) Ministry, sub-ministry, department or State agency;
- (3) Limited company or public limited company which Ministry, sub-ministry, department or State agency hold not less than 51 percent of the total shares;
- (4) Limited company or public limited company which natural person, who holds Thai nationality, hold not less than 51 percent of the total shares;
- (5) Limited partnership, of which all partners of the unlimited liability hold Thai nationality and not less than 51 percent of the capital belongs to a natural person holding Thai nationality;
- (6) Registered ordinary partnership, of which all partners hold Thai nationality;
- (7) Mutual funds established under the Securities and Exchange Act by having a securities company, which is not a foreigner pursuant to the Foreign Business Act, to responsible for the operation of the mutual fund.
- (8) Provident funds established under the Provident Fund Act, which is not a foreigner pursuant to the Foreign Business Act, with a fund manager who is not a foreigner pursuant to the Foreign Business Act.
- (9) Limited company or public limited company in which the juristic person under Clause (7) or (8) holds not less than 51 percent of the total shares

⁵ Parent company means a company that holds more than 51 percent of shares in Thai AirAsia.

(10) Limited company or public limited company in which a natural person who hold Thai nationality under Clause (1), a juristic person under Clause (2), (3) or (4) or a juristic person under Clause (7) or (8), totaling hold not less than 51 percent of the total shares;

In this regard, the juristic persons under Clause (3) (4) (5) (6) (7) (8) (9) or (10) above must be registered under Thai law and have head office located in the Kingdom

In summary, the Air Navigation Act stipulates that Thai AirAsia must have persons who are not eligible persons and persons who are not Thai nationals directly and indirectly holding shares in Thai AirAsia not exceeding 49 percent of the total shares of Thai AirAsia.

At present, the Articles of Association of limited company limit shareholding percentage of Non-Thai nationals at 0.1 percent.

The Company wishes to amend the Article of Association of the Company to extend the shareholding limit of the non-Thai nationals to reserve for non-Thai nationals to be allocated for the newly issued common shares and the common shares from the conversion of Convertible Bonds under the resolution of the Extraordinary General Meeting of the Company No. 1/2564. The aggregated shareholding of the existing non Thai shareholders shall not exceed 48.17 of the total issued and offered shares of the Company.

For the issue of Eligible Persons, the Company has stated in the Company's Articles of Association that the Company reserves the right to refuse registration of any transfer of shares or registration of any person as a shareholder of the Company if such registration will cause the company or the Company's group loses its rights under the Air Navigation Act, that is, if a person who is not an Eligible Persons directly and indirectly holds shares in Thai AirAsia more than 49 percent of the total shares of Thai AirAsia.

Therefore, to ensure that every time the register book is closed by the Company will not have shareholder who is not Eligible Persons more than 49 percent before closing, , the Company will advise investors to dispose and transfer of the Company's shares in order to prevent investors from losing any rights or advice investors to invest in warrants arising from Thai underlying securities (NVDR) instead of the Company's shares. In this regard, the Company has set the procedures for the aforementioned matters in **Attachment 1**.

In addition, the Air Navigation Act has imposed restrictions on those who have obtained aviation licenses, for example, Thai AirAsia regarding Non-Thai nationals, the licensee must have ownership, substantial ownership, and effective control over the business belongs to a person with Thai nationality or there must be no business domination through a person who is

Non-Thai nationals in any manners as prescribed by the Air Navigation Act. The Company will amend the shareholding proportion of Non-Thai nationals in the Company not more than 48.17 percent and the Company will hold almost 100 percent of shares in Thai AirAsia. Therefore, the ownership and proprietary right of essential parts is still a person with Thai nationality. Moreover, the Company opines that there is no management in the nature of foreign domination.

However, at present, there is no interpretation of the Air Navigation Act or judgement of the Supreme Court in this regard, so the Company and Thai AirAsia still face such risks in their business operations and the Company and Thai AirAsia cannot assess or forecast the impact on the enforcement or the interpretation of such provisions that may have on the Company Thai AirAsia. In addition, even if the Company has conducted all necessary measures as prescribed in **Appendix I** in order to prevent the Company to have shareholders who are not in line with the Article of Association and Air Navigation Act, the Company and Thai AirAsia still face the risk that the non-eligible persons will hold the shares of the Company which does not comply with the Article of Association exceeding the shareholding limit, which may cause to the material adverse affect to the business of the Company.

6. Statement of Board of Directors regarding the capital increase

In the case that the directors of the Company fail to perform duties in accordance with the law, objectives and the Company's as well as the resolutions of the shareholders' meeting with honesty and care to protect the interests of the Company In matters relating to the capital increase by acting or refraining from doing any act that does not perform the said duties and causes damage to the Company

In the case that the directors of the Company not performing duties in accordance with the laws, the objectives and the Company's Articles of Association as well as the resolution of the shareholders' meeting with honesty and carefulness to protect the interests of the Company regarding capital increase by acting or omitting any actions that do not perform the duties and cause damage to the Company. The Company can claim compensation from that director, but if the Company do not claim for such compensation, shareholders who hold a total of not less than 5 percent of the total issued shares will notify the Company to proceed the claim. If the Company do not proceed as the shareholders have informed, the shareholders can sue for damages from such director on behalf of the Company pursuant to Section 85 of the Public Limited Companies Act 2535 (1992) (including any amendments thereto). In addition, if the actions or omissions of the directors which do not perform their duties in accordance with the laws, objectives and the Company's Articles of Association as well as the resolution of the shareholders' meeting with honesty and carefulness to protect the interests of the Company in

matters regarding the capital increase, causing the directors, executives, or related persons have unlawfully benefit, the Company may sue the directors to be responsible for returning the benefits to the Company or the shareholders holding shares with voting rights of not less than 5 percent of the total voting rights of the Company will notify the Company to proceed. If the Company fails to proceed as informed by the shareholder within 1 month from the date of receiving the notification, such shareholders are able to exercise the right to claim benefits from that director on behalf of the Company pursuant to Section 89/18 of the Securities and Exchange Act 2535 (1992) (including any amendments thereto)

The Company hereby certifies that the information contained herein is true and complete in all respects.

Please be informed accordingly

Sincerely yours,

(Mr. Santisuk Klongchaiya)

Chief Executive Officer

Attachment 1

Prior to the closing date of the Company's share register book, the Company will verify the names of persons who are securities holders and will notify the Company's share registrar who are Non-Eligible Persons and how many there are.

The Company will consider the shareholding and shareholding proportion of Non-Eligible Persons from the latest closing date of the share register book if there are Non-Eligible Persons holding the Company's shares after the latest closing date of the share register book and may cause the total shareholding of Non-Eligible Persons in the Company exceeding 49 percent, the Company will refuse to accept such Non-Eligible Persons as the Company's shareholders. The shareholding of such Non-Eligible Persons more than 49 percent will be closed in the name of a "Securities Depository for Depositors".

If there are several Non-Eligible Persons as shareholders after the latest share register book closing date, the Company will refuse to accept such Non-Eligible Persons as shareholders of the Company in accordance with pro-rata and the excess ratio will be closed in the name of "Securities Depository for Depositors".

In addition, every time the Company informs the news of the SET to close the share register book for any rights of shareholders, the Company will notify all shareholders through the SET's information dissemination system.

(F53-4)

Capital Increase Report Form
Asia Aviation Public company Limited
Dated 19 October 2021

Asia Aviation Public company Limited (the “**Company**”), hereby report the resolution of the Board of Directors’ Meeting No. 6/2021, held on 19 October 2021, in respect of capital increase and share allocation as follows:

1. Capital Increase

The Board of Directors’ Meeting passed a resolution approving and proposing the Extraordinary General Shareholders No. 1/2021 which will be held on 26 November 2021 to consider and approve the increase of the registered capital of the Company of THB 800,000,000 from THB 485,000,000 to THB 1,285,000,000 by issuing not exceeding 8,000,000,000 new ordinary shares, at a par value of THB 0.10, totaling THB 800,000,000 with the following manner:

Type of capital increase	Type of shares	Number of shares	Par Value (THB/Share)	Total (THB)
Specified use of proceeds	Ordinary shares	8,000,000,000 shares	0.10	800,000,000

2. Allocation of new ordinary shares

2.1 Specified use of proceeds

Allotted to	Number of shares (shares)	Ratio (Old : New)	Offering Price (THB/Share)	Subscription and payment period	Note
1. Private placement (PP) investors at a definitive offering price	Not exceeding 5,028,571,429 shares	-	1.75	14 December 2021	Please consider remark no. 1
2. Existing shareholders proportionate to their respective shareholdings	Not exceeding 1,714,285,714 shares	5.7625 existing ordinary shares to 1 newly-issued ordinary share	1.75	10 – 14 January 2022 (5 business days)	Please consider remark no. 2

Allotted to	Number of shares (shares)	Ratio (Old : New)	Offering Price (THB/Share)	Subscription and payment period	Note
3. Convertible debenture holders	Not exceeding 1,257,142,857 shares	0.00175 convertible Debentures to 1 newly-issued ordinary share	1.75 (Conversion Price)	Convertible debenture holders can exercise the right to convert the convertible debentures without limit of times. However, if the convertible debentures are not exercised within the 30 th business day before the maturity date, there will be the mandatory conversion of the convertible debentures.	Please consider remark no. 3

Remarks:

1. Allocation of Newly-Issued Ordinary Shares on a Private Placement Basis (PP) at a Definitive Offering Price

1.1 The Board of Directors Meeting resolved to propose to Extraordinary General Meeting of Shareholders No. 1/2021 to consider and approve the allocation of newly-issued ordinary shares in the amount of not exceeding 5,028,571,429 shares, with a par value of THB 0.10 per share, on a PP basis, at a definitive offering price of THB 1.75 per share (Which is the same price at which the Company will offer the newly-issued ordinary shares to the existing shareholders of the Company proportionate to their respective shareholdings (RO)).

1.2 Private Placement's information

- | | |
|--------------------|---|
| 1. Name | AirAsia Aviation Limited (“AAA”) |
| Address | Level 5(A), Main Office Tower, Financial Park Labuan Complex, Jalan Merdeka, 87000 Federal Territory of Labuan, Malaysia |
| Nature of Business | AAA is a subsidiary of AirAsia Group Berhad (“AAGB”) which operates as a Holding Company. AAA is one of the holding companies of AAGB that holds shares in airlines business under the brand “AirAsia” in many countries such as Japan, Indonesia, Philippines, and India and |

	also holds 45 percent of Thai Air Asia’s shares, which is a subsidiary of the Company that operates the Air Asia Airline business in Thailand.
Major Shareholder	AirAsia Group Berhad holds 100 percent of AAA’s shares.
Directors	<ol style="list-style-type: none"> 1. Mr. Tharumalingam a/l Kanagalingam 2. Datuk Kamarudin bin Meranun
Number of Allocated Shares	Not more than 4,457,142,857 shares, representing not more than 45.12 percent of the total issued shares after the capital increases by issuing and allocating ordinary shares to PP.
Relationship with the Company	Not a connected person of the Company pursuant to the Notifications on Connected Transactions ¹ because AAA is not a person who will be nominated as an executive or controlling person of the Company and is not a juristic person with a major shareholder or a controlling person who is nominated to be an executive or a controlling person of the Company.
Duties of making a tender offer for securities	After allotment of shares, AAA will have shareholding percentage in the Company representing not more than 45.12 percent of the total number of the Company’s issued and offered shares after the capital increases by issuing and allocating ordinary shares to PP, which makes AAA obliged to make a tender offer for all of the Company's securities pursuant to Notification of Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (the “ Notification No. TorChor.

¹ Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (including any amendment thereto), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions B.E. 2546 (2003) (including any amendment thereto) (collectively, the “**Notifications on Connected Transactions**”).

12/2554”). However, AAA wishes to apply for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the Shareholders' Meeting of the Company (Whitewash) with the Office of the Securities and Exchange Commission pursuant to the Notification of the Office of the Securities and Exchange Commission No. SorKor. 29/2561 Re: Rules for the Application for Waiver from the Requirement to Make Tender Offer for All Securities of the Business by Virtue of the Resolution of the Shareholders' Meeting of the Business. The details are provided in **Enclosure 4**.

2. Name	Individual high-net-worth investor (Mr. Pitharn Ongkosit)
Occupation	Executive and Investor
Work experience and competence	An experienced and knowledgeable executive and investor who currently holds the position of Executive Chairman/Chief Executive Officer and Managing Director including being a major shareholder of KCE Electronics Public Company Limited, which is a listed company on the Stock Exchange of Thailand.
Number of Allocated Shares	Up to 362,049,116 shares, representing not more than 3.7 percent of the total issued and offered shares after the capital increases by issuing and allocating ordinary shares to PP.
Relationship with the Company	Not a connected person of the Company pursuant to the Notifications on Connected Transactions because such investor is not a person who will be nominated as an executive or controlling person of the Company.
Duties of making a tender offer for securities	Individual high-net-worth investor is not obliged to make a tender offer for all the Company's

securities pursuant to the Notification No. TorChor. 12/2554 as holding only 3.7 percent of the total number of issued and offered shares after the capital increases by issuing and allocating ordinary shares to PP and no shareholding in the Company by related persons or concert party with the said major individual investors.

3. Name Individual high-net-worth investor (Mr. Palin Lojanagosin)
- Occupation Executive and Investor
- Work experience and competence An experienced and knowledgeable executive and investor who currently holds the position of Director, Chairman of Executive Committee and Chief Executive Officer including being a major shareholder of Plan B Media Public Company Limited, which is a listed company on the Stock Exchange of Thailand.
- Number of Allocated Shares Up to 150,947,980 shares, representing not more than 1.5 percent of the total issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP.
- Relationship with the Company Not a connected person of the Company pursuant to the Notifications on Connected Transactions because such investor is not a person who will be nominated as an executive or controlling person of the Company.
- Duties of making a tender offer for securities Individual high-net-worth investor is not obliged to make a tender offer for all the Company's securities pursuant to the Notification No. TorChor. 12/2554 as holding only 1.5 percent of the total number of issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP and no shareholding in the

	Company by related persons or concert party with the said major individual investors.
4. Name	Individual High-net-worth investor (Mr. Bundit Pitaksit)
Occupation	Executive and Investor
Work experience and competence	An experienced and knowledgeable executive and investor who currently holds the position of Chairman of the Executive Committee of Isuzu Sanguan Thai Group, Chairman of Advisory Board of Siam Car Rent Co., Ltd. as well as an independent director, Chairman of the Risk Management and Sustainable Development Committee, Audit Committee and member of the Nomination and Remuneration Committee of Land and Houses Public Company Limited, which is a listed company on the Stock Exchange of Thailand.
Number of Allocated Shares	Up to 14,607,869 shares, representing not more than 0.1 percent of the total issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP.
Relationship with the Company	Not a connected person of the Company pursuant to the Notifications on Connected Transactions because such investor is not a person who will be nominated as an executive or controlling person of the Company.
Duties of making a tender offer for securities	Individual high-net-worth investor is not obliged to make a tender offer for all the Company's securities pursuant to the Notification No. TorChor. 12/2554 as holding only 0.1 percent of the total number of issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP and no shareholding in the

		Company by related persons or concert party with the said major individual investors.
5.	Name	Individual high-net-worth investor (Mrs. Piyaporn Vichitbandha)
	Occupation	Executive and Investor
	Work experience and competence	An experienced and knowledgeable executive and investor who currently holds the position of executive of the companies in Central Group.
	Number of Allocated Shares	Up to 14,607,869 shares, representing not more than 0.1 percent of the total issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP.
	Relationship with the Company	Not a connected person of the Company pursuant to the Notifications on Connected Transactions because such investor is not a person who will be nominated as an executive or controlling person of the Company.
	Duties of making a tender offer for securities	Individual high-net-worth investor is not obliged to make a tender offer for all the Company's securities pursuant to the Notification No. TorChor. 12/2554 as holding only 0.1 percent of the total number of issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP and no shareholding in the Company by related persons or concert party with the said major individual investors.
6.	Name	Individual high-net-worth investor (Mr. Suwaphon Suwaruchiporn)
	Occupation	Executive and Investor
	Work experience and competence	An experienced and knowledgeable executive and investor who currently holds the position of Director and Executive of Bangkok Synthetics Company Limited and shareholder of Metro

	Systems Corporation Public Company Limited, which is a listed company on the Stock Exchange of Thailand.
Number of Allocated Shares	Up to 14,607,869 shares, representing not more than 0.1 percent of the total issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP.
Relationship with the Company	Not a connected person of the Company pursuant to the Notifications on Connected Transactions because such investor is not a person who will be nominated as an executive or controlling person of the Company.
Duties of making a tender offer for securities	Individual high-net-worth investor is not obliged to make a tender offer for all the Company's securities pursuant to the Notification No. TorChor. 12/2554 as holding only 0.1 percent of the total number of issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP and no shareholding in the Company by related persons or concert party with the said major individual investors.
7. Name	Individual high-net-worth investor (Mr. Vorapote Amnueypol)
Occupation	Investor
Work experience and competence	An experienced and knowledgeable investor who currently being major shareholder of Sky ICT Public Company Limited, which is a listed company on the Stock Exchange of Thailand.
Number of Allocated Shares	Up to 14,607,869 shares, representing not more than 0.1 percent of the total issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP.
Relationship with the Company	Not a connected person of the Company pursuant to the Notifications on Connected Transactions

because such investor is not a person who will be nominated as an executive or controlling person of the Company.

Duties of making a tender offer for securities Individual high-net-worth investor is not obliged to make a tender offer for all the Company's securities pursuant to the Notification No. TorChor. 12/2554 as holding only 0.1 percent of the total number of issued and sold shares after the capital increases by issuing and allocating ordinary shares to PP and no shareholding in the Company by related persons or concert party with the said major individual investors.

The Board of Directors has considered that the above-mentioned (which are considered as Private Placement) investors have stable financial status and potential to invest in the Company. AAA has knowledge, capability and experience that can help promote the operations and support the Company's business.

Shares offering price to PP at THB 1.75 is based on the market price of the Company's shares with the negotiations with a limited number of investors who wish to invest in the Company's ordinary shares and convertible bonds. The share price in the past 360² days is equal to THB 1.43 – 3.14 per share, calculated as the weighted average market price equaling to THB 2.38 per share. The offering price of THB 1.75 per share representing as a discount from the said market price of approximately 26.5 percent. However, the Company considers other additional factors in determining the offering price such as restrictions on finding investors in accordance with the requirements of the Aviation Law, the urgent need to provide funds to enhance liquidity, and supporting operations in the period of 18-24 months, including the possibility of increasing fund to the existing shareholders in accordance with shareholding proportions (RO), which the Company set the price to be the same as the offering price to private placement in order not to be an undue burden on minority shareholders in the Covid-19 epidemic situation. In this regard, the offering price, that is determined by other methods such as P/E ratio, discounted cash flow, or book value, is unable to calculate because the Company still has a loss in operating results and Thai AirAsia's shareholders' equity is negative which Thai AirAsia is a subsidiary of the Company with an airline business (Operating company).

In this regard, the above offering price is considered as an offering for sale of newly issued shares at a price lower than the market price that is less than 90 percent of the weighted average price of the Company's shares in the Stock Exchange of Thailand (the "SET") for past 15 consecutive working days (between 27 September 2021 and 18 October 2021) prior to the date of the Board of Directors' resolution to propose the agenda to the extraordinary general meeting of shareholders requesting approval for the Company to offer of capital increase shares by clearly stated offering price at this time. Therefore, this issuance and offering of newly issued ordinary shares to the private placement must be approved by the shareholders' meeting with a majority

² From 17 April 2020 to 18 October 2021

vote of the shareholders who attend the meeting and vote and there must be no shareholders holding total number of more than 10 percent of the total votes of the shareholders attending the meeting and having the right to vote against this offering of shares to the private placement.

- 1.3 Also, if the offering price is considered an offering of newly-issued ordinary shares at a price lower than 90 percent of the market price before the SET approves the listing of the newly-issued shares as listed securities, the PP investors who have been allocated such newly-issued shares will be prohibited from selling all shares being offered for a period of one year from the date on which the newly-issued shares start trading on the SET. After the newly-issued shares have been trading for a period of six months, the PP investors will be able to gradually sell up to 25 percent of the total number of shares that are subject to the restriction in accordance with the requirements under the Notification of the Stock Exchange of Thailand Re: Requirements, Conditions, and Methods for Consideration of Applications to List Ordinary or Preferred Shares, B.E. 2558 (2015), (as amended) (the “**SET Notification**”).
 - 1.4 In this regard, the Company will amend articles of association of the Company to increase the shareholding of foreigners to support the allocation of shares to PP, who does not have Thai nationality.
2. Allocation of Newly-Issued Ordinary Shares to Existing Shareholders Proportionate to Their Respective Shareholdings (RO)
 - 2.1 The Board of Directors meeting resolved to propose to Extraordinary General Meeting of Shareholders No. 1/2021 to consider and approve the allocation of newly-issued ordinary shares in the amount of not exceeding 1,714,285,714 shares, with a par value of THB 0.10 per share, for offering to the existing shareholders proportionate to their respective shareholdings (RO) in the ratio of 5.7625 existing ordinary shares to 1 newly-issued ordinary share. The offering price is to be THB 1.75 per share, in which fractions of such shares shall be discarded. The offering of shares to the existing shareholders of the Company will occur after the offering of newly-issued ordinary shares on a PP basis in item 1 above. The PP investors in item 1 will have the right to subscribe for the newly-issued shares of the Company proportionate to their respective shareholdings in the Company, the same as the other existing shareholders of the Company.
 - 2.2 Shares offering price of the newly-issued ordinary shares to the existing shareholders of the Company proportionate to their respective shareholdings (RO) will be the same as the offering price of the newly issued ordinary shares to PP in Clause 1.1 above, the Company has considered to determine such price following the share market price (the details as explained in Clause 1.1 above) the Company has considered to determine such price following the share market price (the details as explained in Clause 1.1 above) by specifying a discount of approximately 41.0 percent of the weighted average price of the Company's shares in the SET for the past 15 consecutive business days (between 27 September 2021 and 18 October 2021) equaling to THB 2.96 (information from SETSMART of the SET) prior to the date that the Board of Directors has a resolution to propose the agenda to the Extraordinary General Meeting of Shareholders requesting approval for the Company to offer newly issued shares to the existing shareholders of the Company in proportion of their shareholdings (RO).
 - 2.3 Shareholders may subscribe for the newly-issued ordinary shares in excess of their rights at the rate specified above (oversubscription), where the existing shareholders who have oversubscribed will receive the allocated oversubscribed shares only when

there are remaining shares from the allocation to the existing shareholders of the Company that have been fully subscribed in accordance with all rights.

In the allocation of newly-issued ordinary shares to the existing shareholders of the Company proportionate to their respective shareholdings (RO) on this occasion, in the event that there are shares remaining from the allocation to the existing shareholders of the Company according to the proportion of shareholding in the first round, the Company will allocate the remaining newly-issued ordinary shares to the existing shareholders wishing to subscribe for more than their rights (oversubscription) in proportion to their existing shareholding at the same price as the shares allotted according to their rights. This includes existing shareholders who wish to subscribe for more than their rights in proportion to their shareholdings as connected persons of the Company. The details of calculation are as follows:

- (a) In case there are shares remaining from the allocation to the existing shareholders of the Company according to the proportion of their respective shareholdings (RO), and the shares are more than or equal to the shares that the existing shareholders subscribe for in excess of their rights according to the proportion of their respective shareholdings, the Company will allocate the remaining shares to those who subscribe for more than their rights and pay all subscription fees for all said shares according to the number of those intending to subscribe for more than their rights;
- (b) In the case that there are shares remaining from the allocation to the existing shareholders of the Company according to the proportion of their respective shareholdings (RO), and the shares in the first round are less than the shares that the existing shareholders subscribe for more than their rights according to the proportion of their respective shareholdings, the Company will allocate the remaining shares to those who subscribe for more than their rights in accordance with the following procedures.
 - 1) The shares shall be allocated according to the original shareholding proportion of each subscriber in excess of its right by multiplying the existing shareholding proportion of the subscriber exceeding its right by the number of remaining shares, which will provide the number of shares that each subscriber is to be allocated in excess of its right. In the event that there are fractions of shares, the rounding of the shares shall be discarded. However, the number of shares to be allocated shall not exceed the number of shares subscribed and paid for by each shareholder.
 - 2) In the event that there are shares still remaining after the allocation under item (b) 2), an allocation shall be made to each subscriber that has exceeded its right and has not received its full allocation in proportion to the original shareholding of those who subscribed for more than their rights, by multiplying the existing shareholding of each subscriber that has exceeded its right by the number of remaining shares, which will provide the number of shares that each subscriber is to be allocated in excess of its right. In the event that there are fractions of shares, the rounding of the shares shall be discarded. The number of shares to be allocated will not exceed the number of shares that each shareholder has already subscribed and paid the subscription price for. In this regard, the allocation of shares to oversubscribing persons shall be carried out in accordance with the procedures under this article until no shares for allocation remain or the shares are unable to be allocated.

- 2.4 In addition, the Company may not be able to allocate capital increase shares, RO, to any shareholders of the Company if such allocation will cause the shareholding of the Company's shareholders to not be in accordance with the Company's Articles of Association (amendment version) which specifies the shareholders' qualifications of the Company to be in accordance with the requirements of the Aviation Law. However, in order to allocate capital increase shares, RO, to the Company's shareholders that is in line with the Securities and Exchange Act B.E. 2535 (1992), the Company will request the shareholders to notify their intention to waive such rights in the share subscription form) if such allocation would be contrary to the Company's Articles of Association (amendment version) and in the event that there are more than one shareholders who wish to waive their rights, the Company will not allocate capital increase shares, RO, to such shareholders in proportion to their shares subscriptions.
3. Allocation of Newly-Issued Ordinary Shares to Accommodate the Exercise of Right to Convert the Convertible Debentures
- 3.1 The Board of Directors Meeting resolved to propose to Extraordinary General Meeting of Shareholders No. 1/2021 to consider and approve the allocation of newly-issued ordinary shares in the amount of not exceeding 1,257,142,857 shares, with a par value of THB 0.10 per share to 2 PP Investors in order to support the conversion of CB.

Summary details of Terms and Conditions of the Convertible Debentures are elaborated in **Enclosure 2**

4. Relevant Authorization

The Board of Directors Meeting has passed the resolution to propose to the Shareholders' Meeting to consider and approve the authorization to the executive chairman and/or chief executive officer of the Company or the persons authorized by the executive chairman and/or the chief executive officer of the Company to have power to carry out actions in respect of the allocation of the newly-issued ordinary shares as follows.

- (a) To determine additional details or amend the allocation of the newly-issued ordinary shares in order to be in accordance with the laws and regulations relating to the issuance and offering for sale of securities;
- (b) To determine or amend the methods for the allocation of the newly-issued ordinary shares, such as, payment method or details of other allocations and offerings under the requirements of the relevant laws;
- (c) To sign applications, waivers, notices, as well as any documents related to the allocation of the newly-issued ordinary shares. This shall include the power to contact and submit documents to officials or representatives of any related authorities, as well as the listing the Company's newly-issued ordinary shares on the SET, and carry out any necessary and relevant actions for the allocation of the newly-issued ordinary shares in all respects under the requirements of the relevant laws;
- (d) To register the change of the paid-up capital with the Department of Business Development, Ministry of Commerce, and to be authorized to undertake any necessary acts in line with the order of the registrar in order to complete the registration of the change of the paid-up capital.

3. Schedule for a shareholders' meeting to approve the capital increase and newly issued share allocation

The Extraordinary General Meeting of Shareholders No. 1/2021 is scheduled to be held on 26 November 2021 at 14.00 hours via electronic means in accordance with the Emergency Decree on Electronic Meetings B.E. 2563 and other relevant laws and regulations by

- The record date to determine the list of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2021 (Record date) shall be 2 November 2021.
- The share register shall be closed to suspend any share transfer for the right to subscribe newly issued ordinary shares on.....

4. Approval of the capital increase/share allocation to relevant governmental agency and conditions thereto

- 4.1 The shareholders' meeting of the Company resolves to approve the Shareholding Restructuring Plan of the Company and Thai AirAsia;
- 4.2 The Company receives a loan facility from the financial institution under the Shareholding Restructuring Plan of the Company and Thai AirAsia, under the terms and conditions of the facility agreement as the Company deems appropriate;
- 4.3 The Company obtains related and necessary approval and/or waiver from government or supervisory authorities with acceptable waiver terms to the Company or its related persons (such as the obtaining of approval from the Office of the SEC on the offering of securities on a private placement basis, the obtaining of waiver from the Office of the SEC on whitewash, the obtaining of approval from the Department of Business Development, Ministry of Commerce on the registration of articles of association (amended version) of the Company.);
- 4.4 Investors and their related persons (who execute the initial memorandum of understanding with the Company) have entered into definitive agreements, i.e. shares subscription agreement, convertible Bond subscription agreement and Thai AirAsia's shares purchase agreement between the Company and the seller) with the Company, on terms and conditions in accordance with the initial memorandum of understanding or on the terms and conditions acceptable to the Company and 4.5 the conditions precedent being specified in those definitive agreements have been satisfied (or waived, as the case may be); and
- 4.5 No material adverse events to the Company or the proceeding of the Shareholding Restructuring Plan of the Company and Thai AirAsia.
- 4.6 The Company has to submit application to the SET for approval the newly issued shares of the Company to list in the SET according to the related regulations

5. Purpose of Capital Increase and Use of Proceeds from the Capital Increase

The Company will use the proceeds received from the offering of newly-issued ordinary shares on a PP basis, approximately THB 11,000 million, and the proceeds received from the offering of newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings (RO), approximately THB 3,000 million, with such proceeds received from the offering of all newly-issued ordinary shares on this occasion totaling approximately THB 14,000 million, for the following purposes.

- 1. To repay loans to financial institutions amounting to approximately THB 3,900 million plus interest, which the Company borrowed to use for acquisition of newly-issued shares of Thai AirAsia Company Limited ("Thai AirAsia"). This will cause the shareholding proportion of the Company to increase, from 55 percent to 69.2 percent of the total shares of Thai AirAsia. This process is a part of the shareholding restructuring plan of Thai AirAsia. The Company expects to repay such loan by the end of 2021.
- 2. To purchase all the remaining shares of Thai AirAsia, representing 30.8 percent of the total shares of Thai AirAsia, totaling approximately THB 3,900 million. The purchase of the remaining Thai AirAsia shares is part of the shareholding restructuring plan of

the Company and Thai AirAsia³. The Company expects to purchase the remaining shares of Thai AirAsia by the first quarter of 2022.

3. To be used as working capital of the Company group, including Thai AirAsia. The Company may also consider increasing the capital in Thai AirAsia in the future in order to obtain greater proceeds for use in the future business operations of Thai AirAsia. The Company will use the remaining capital after using in No. 1. and No. 2 for this purpose and expects to proceed by the second quarter of 2022.

6. Benefits of the capital increase/ allocation of new shares for the Company

- 6.1 The Company will have more liquidity from the working capital received from the capital increase. This will help the Company's capital structure to be more durable and stable.
- 6.2 The Company will be able to use the proceeds from this fundraising to repay debts owed to financial institutions, reduce liabilities and increase the Company's capabilities to seeking financial sources for business operation.
- 6.3 The Company has the ability to raise funds to use in its operation in a short period of time and relieve burden on investment of certain existing shareholders.
- 6.4 The Company will have additional investors with a stable financial condition and the ability to invest in the Company. This will greatly enhance confidence to the existing shareholders and increase attractiveness to other investors resulting the Company to able to continue its business stability and effectively.

Please consider additional details in the information memorandum on the allocation of newly-issued ordinary shares, as detailed in Enclosure 1.

7. Benefits of the capital increase/ allocation of new shares for shareholders

7.1 Dividend policy

The Company has a dividend policy that considers the Company's operating results, liquidity, cash flow, and financial situation, conditions and restrictions on dividend payment as specified in the loan agreements, debentures or any related agreements which require the Company to comply with future business plan and the needs to use the investment funds as well as other factors the Board of Directors deems appropriate.

7.2 The right of the subscriber of new shares to receive dividend

The subscribers of new shares on this occasion will have right to receive dividend from the operation of the Company since those subscribers have been registered as shareholders of the Company and their names already appeared as shareholders in the share register book of the Company and the Company announces for dividend payment as required under relevant law and regulation.

³ North Haven Keystone Company Limited will sell the Thai AirAsia shares to the Company amounting approximately 30.8 percent after the capital increase of TAA.

North Haven Keystone Company Limited is not a connected person of the Company. The Company has considered the investment structure of the seller and has not found that AAA or related person of AAA is a major shareholder or a controlling person of the seller. In addition, the Company received confirmation from AAA and the seller that AAA and related person of AAA is not an owner nor beneficial owner of the seller and the seller is not a representative of AAA.

7.3 Others

-None-

8. Other particulars that are necessary for shareholders to consider in making the decision to approve the capital increase/ allocation of new ordinary shares

Please consider additional details in the information memorandum on the allocation of newly-issued ordinary shares, as detailed in Enclosure 1.

9. Schedule of Actions if the Board of Directors Resolved to increase the capital / issue new shares

Action	Day / Month / Year
1. The Board of Directors' Meeting No. 6/2021 passed a resolution on the capital increase and the allocation of newly-issued shares.	19 October 2021
2. Date for determining the list names of shareholders who are entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2021 (Record Date)	2 November 2021
3. Date of the Extraordinary General Meeting of Shareholders No. 1/2021	26 November 2021
4. Register the capital increase and amendment to the Memorandum of Association of the Company with the Ministry of Commerce	Within 14 days from the date that the shareholders' meeting has approved.
5. Register the increase of paid-up capital with the Ministry of Commerce	Within 14 days after the ending of period of share subscription of newly-issued shares
6. Date for determining the list names of shareholders who are entitled to allocation of newly-issued shares (Record Date)	16 December 2021
7. Register the increase of paid-up capital with the Ministry of Commerce	Within 14 days after debenture holders exercise right to convert the convertible debentures
8. Register the increase of paid-up capital with the Ministry of Commerce	Within 14 days after the ending of period of share subscription of newly-issued shares

The Company hereby certifies that the information contained in this report is true and complete in all aspects.

(Mr. Santisuk Klongchaiya)
Chief Executive Officer

(Mr. Phairat Pornpathananagoon)
Chief Financial Officer

Details pertaining to Request for Waiver of Mandatory Tender Offer Obligation (Whitewash)**1. Name of the applicant**

AirAsia Aviation Limited (“AAA” or the “**Applicant**”) is a company registered in the Federal Territory of Labuan, Malaysia, a subsidiary of AirAsia Group Berhad (“**AAGB**”) holding 100 percent of the shares of AAA. AAGB is a listed company on the Malaysian Stock Exchange.

AAA is a subsidiary of AAGB which operates as a holding company. AAA is one of the many holding companies of AAGB that hold shares in the airline business under the brand “AirAsia” in countries such as Indonesia, the Philippines, and India. AAA also holds 45 percent of Thai AirAsia Company Limited (“**Thai AirAsia**”)’s shares, which is a subsidiary of Asia Aviation Public Company Limited (the “**Company**”) that operates the AirAsia airline business in Thailand.

2. Total number of votes of the Shareholders who are not eligible to vote on approval of a waiver from mandatory tender offer by shareholders’ meeting resolution (Whitewash)

Under Notification of the Office of the Securities and Exchange Commission No. SorGor. 29/2561 Re: Rules for the Application for Waiver from the Requirement to make Tender Offer for All Securities of the Business by Virtue of the Shareholders' Meeting Resolution , the persons who are not eligible to vote on approval of a waiver on making a mandatory tender offer by virtue of the shareholders’ meeting resolution (Whitewash) are the persons under Section 258 of the Securities and Exchange Act B.E. 2535 with regard to the Applicant and the concert parties of the Applicant.

In this regard, in this consideration and approval concerning the waiver on making a mandatory tender offer by virtue of the shareholders’ meeting resolution of the Company (Whitewash), there are no shareholders not eligible to vote on such an agenda since before the offering of the newly issued ordinary shares of the Company. The Applicant is not a shareholder of the Company, and there are no persons under Section 258 of the Securities and Exchange Act B.E. 2535, the concert parties of the Applicant and persons under Section 258 of the concert parties of the Applicant holding shares in the Company.

3. Method and reasoning in determining offering price

The private placement share offering price of THB 1.75 (i.e., AAA) is based on the market price of the Company's shares, as well as negotiations involving a limited number of investors wishing to invest in the Company's ordinary shares and convertible bonds. The share price over the past 360 days is between THB 1.43 - 3.14 per share, and calculated as a weighted average market

price equal to THB 2.38 per share. The offering price of THB 1.75 per share represents a discount from the said market price of approximately 26.5 percent. However, the Company has considered additional factors in determining the offering price, such as restrictions on finding investors in accordance with the requirements of Thai Aviation Law, the urgent need to provide funds to enhance liquidity, and supporting the operations for a period of 18-24 months, including the possibility of increasing funds to the existing shareholders in accordance with their shareholding proportions (RO), for which the Company has set the price to be the same as the offering price for private placement in order not unduly burden minority shareholders during the ongoing Covid-19 pandemic situation. In this regard, an offering price determined by other methods, such as P/E ratio, discounted cash flow, or book value, is unable to be calculated because the Company's results show an operating loss and Thai AirAsia's shareholders' equity is negative, Thai AirAsia being a subsidiary of the Company with an airline business (Operating Company).

The said offering price is considered an offering for sale of newly issued shares at a price lower than the market price, which is less than 90 percent of the weighted average price of the Company's shares on the Stock Exchange of Thailand (the "SET") over the past 15 consecutive working days (between 27 September 2021 and 18 October 2021) prior to the date of the Board of Directors' resolution to propose the agenda to the extraordinary general meeting of shareholders requesting approval for the Company to offer the capital increase shares with a clearly stated offering price at this time. Therefore, this issuance and offering of newly issued ordinary shares for private placement must be approved by the shareholders' meeting with a majority vote of the shareholders who attend the meeting and are eligible to vote, and there must not be shareholders holding, in total, more than 10 percent of the total votes of the shareholders attending the meeting and eligible to vote voting against this offering of shares for private placement.

In addition, if the offering price of the newly issued ordinary shares offered for private placement at this time is considered an offering of newly issued shares at a price lower than 90 percent of the market price, before the SET will accept the shares in the capital increase as listed securities, private placement investors receiving the allotment of such newly issued ordinary shares will be prohibited from selling the newly issued ordinary shares received from this offering for a period of 1 year from the date the Company's newly issued ordinary shares commence trading on the SET. After six months have passed since the trading date of the Company's newly issued ordinary shares on the SET, such persons will be able to gradually sell their prohibited shares, beginning with the amount of 25 percent of their total shares prohibited from sale, pursuant to

the Notification of the SET Re: Rules, Conditions, and Procedures for Considering an Application to List Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558 (2015)

In this regard, as the offering price of THB 1.75 per share will be lower than the market price, the Company is of the view that such price suitably reflects the appropriate value of the Company.

In addition, the increase in shares in support of convertible bonds for private placement is considered a share-based payment transaction in accordance with the Thai Financial Reporting Standards on share-based payments. However, the Company has valued the fair value per share of the Company and consider that the offering price at THB 1.75 per share is in line with the fair value per share of the Company since the offering price at THB 1.75 is the price that is used for the restructuring plan of the Company and Thai AirAsia, including the offering of capital increase shares and capital increase shares in reserve of convertible bond to private placement and the offering of capital increase shares to the existing shareholders in accordance with their shareholding proportions held by each shareholder. Therefore, the Company will not record share-based payments.

4. Opinion of Board of Directors of the Company

4.1 Reason and necessity for capital increase

The Board of Directors is of the opinion that it is necessary for the Company to increase its registered capital by issuing new ordinary shares for sale to AAA, as the Company lacks liquidity as a result of the protracted Covid-19 pandemic situation, and to adjust the shareholding structure of Thai AirAsia so that the Company owns all shares in Thai AirAsia, and that AAA is a person with good capital potential, having a stable financial position, and having the readiness to pay the capital increase. This fundraising is appropriate and consistent with the objectives of the capital increase, allowing the Company to obtain the necessary amount of funds in a short period of time and reduce funding risks associated with the current economic uncertainty and volatility.

4.2 Reason for issuance of securities to offer the Applicant, benefit the Company will receive from issuance of newly issued shares to the Applicant, and suitability of offering price

The offering of up to 5,230,616,671 newly issued ordinary shares of the Company to AAA can be separated into 4,457,142,857 newly issued shares to be allocated to AAA as a private placement investor and the allocation of shares to the shareholders of the Company on a rights offering basis, in which AAA will be entitled to subscribe for 773,473,814 shares, if AAA subscribes to all the newly allocated ordinary shares, AAA will have a shareholding proportion in the Company not more than 45.12% of the total voting rights of the Company . Such offering

shall be deemed the restructuring of the AirAsia Group in Thailand. In this regard, AAA currently holds shares amounting to 45 percent of the total shares of AirAsia, and AAA is a part of the AirAsia Group, the brands of which Thai AirAsia utilizes in operating its low-cost airline business. AAA will sell all of its TAA shares and will hold TAA through the Company instead.

The Board of Directors believes that AAA has potential with regard to capital and will be able to invest in the Company, which will be beneficial to the Company in gaining investors with stable financial status to invest in the Company. This will build confidence for the shareholders of the Company, including enhancing the image of the Company. The offering price of THB 1.75 per share is based upon the market price of the Company's shares including negotiations involving a limited number of investors wishing to invest in the Company's ordinary shares and convertible bonds of the Company. The share price over the past 360 days is equal to THB 1.43 - 3.14 per share, and calculated as a weighted average market price equal to THB 2.38 per share.. The offering price of THB 1.75 per share represents a discount from the said market price of approximately 26.5 percent. However, the Company has considered additional factors in determining the offering price, such as restrictions on finding investors in accordance with the requirements of Thai Aviation Law, the urgent need to provide funds to enhance liquidity, and supporting the operations for a period of 18-24 months, including the possibility of increasing funds to the existing shareholders in accordance with their shareholding proportions (RO), for which the Company has set the price to be the same as the offering price for private placement in order not unduly burden minority shareholders during the ongoing Covid-19 pandemic situation. In this regard, an offering price determined by other methods, such as P/E ratio, discounted cash flow, or book value, is unable to be calculated because the Company's results show an operating loss and Thai AirAsia's shareholders' equity is negative, Thai AirAsia being a subsidiary of the Company with an airline business (Operating Company). The Board of Directors of the Company considers it to be necessary to allocate the newly issued ordinary shares of the Company to AAA, a private placement investor, with a clearly determined offering price, for the following reasons:

- A. The process of the allocation of capital increase shares of the Company to AAA, a private placement investor, with a clear determining of offering price, will enable the Company to successfully increase its capital and fast enough to be able to support the Company's funds utilization plan in the shareholding restructuring of Thai AirAsia Group and allow repayment of the Company's existing loans with financial institutions.

- B. The allotment of capital increase shares of the Company to AAA, a private placement investor, will reduce the investment burden on existing shareholders. Due to the current economic situation, some existing shareholders may be affected by a lack of availability of funds in relation to this capital increase, which could result in the Company failing to raise funds as planned. Therefore, it is necessary to complete the capital increase as soon as possible.
- C. The allotment of capital increase shares to AAA, a private placement investor, will reduce the risks associated with a capital increase and ensure that the capital increase will be successful, with the Company receiving money from the fundraising in accordance with the amount offered, which will build the confidence of the existing shareholders of the Company in purchasing the Company's newly issued ordinary shares.
- D. To increase the number of shareholders with financial potential, as well as be of use in various situations that may arise which result in the need for increased capital use in the future.

With the protracted Covid-19 pandemic situation ongoing, in which there is uncertainty as to when the situation will return to normal, the business of the Company is affected. That is, it is not easy to find creditors and investors to provide financial support and invest in the Company due to this uncertainty. If the Company were to offer the newly issued ordinary shares at market price, potential investors may not be interested in the shares of the Company, especially given the current economic conditions. Therefore, the offering price to such investors is to be THB 1.75 per share, which may be lower than the market price. Nevertheless, the Company considers the said price to reflect the appropriate value of the Company. The benefit that the Company will receive is more valuable than the loss of the difference between the market price and offering price.

4.3 Relationship between the Applicant and the Company; executives, controlling persons, and major shareholders, as well as significant arrangements

Currently, the Company and the Applicant are shareholders of Thai AirAsia, of which the Company holds 55 percent and 45 percent of the shares, respectively. The Company, the Applicant, and the major shareholders of the Applicant (AAGB), have entered into a shareholders agreement prescribing the rights and duties of the parties concerning certain matters, e.g., business conduct and management, share transfers, and non-competition with Thai AirAsia.

In this regard, under the Restructuring Plan, the Applicant will reduce its shareholding, sell all of its shares in Thai AirAsia, and hold shares in the Company directly by subscribing for the newly issued shares to be offered to private placement investors after the waiver has been granted from the shareholders' meeting of the Company to not make the tender offer for all of the securities of the Company. After the Applicant sells all of its shares in Thai AirAsia and ceases to be a shareholder of Thai AirAsia, the shareholders' agreement will be terminated under the relevant provision of such shareholders' agreement.

The issuance and offering of the newly issued ordinary shares will be subject to significant conditions, including the Company receiving approval from the shareholders' meeting for the issuance and offering of newly issued ordinary shares (Whitewash), and the Company receiving, from the Office of the Securities and Exchange Commission, approval to offer the newly issued ordinary shares of the Company to private placement investors at a clearly determined price.

4.4 **Benefit or effect of Applicant's policies or management plans on the Company and its potential policies or management plans**

The Company will not be affected by the policy or management plan with regard to the business of AAA, given that within the 12 month period following AAA receiving the newly issued ordinary shares of the Company, AAA will not change the policy or management plan of the Company, including changes to the objectives of the business, the management plan, the plan for hiring employees, the Company's or its subsidiary asset disposal plan, the financial plan, the plan for maintaining the status of being a listed company, and the dividend policy.

The Company may be financially affected after the offering and issuance of newly issued shares and convertible bonds to private placement investors, including the waiver request, as the offering of capital increase shares and capital increase shares reserved for convertible bonds for private placement is considered a share-based payment transaction in accordance with the Financial Reporting Standards on share-based payments. The Company may have to record this as a share-based payment if the offering price of the newly issued ordinary shares and the exercise price of the convertible bonds offered for private placement is lower than the fair value per share of the Company assessed by an independent financial advisor. The share-based payment may be calculated from the difference between the offering price of THB 1.75 per share and the fair value per share of the Company, multiplied by the number of newly issued ordinary shares and the number of reserved shares for the convertible bonds offering for private placement. However, the Company has valued the fair value per share of the Company and consider that the offering price at THB 1.75 per share is in line with the fair value per share of the Company since the offering

price at THB 1.75 is the price that is used for the restructuring plan, including the offering of capital increase shares and capital increase shares in reserve of convertible bond to private placement and the offering of capital increase shares to the existing shareholders in accordance with their shareholding proportions held by each shareholder. Therefore, the Company will not record share-based payments.

In addition, with regard to entering into related party transactions, at present, the Company and its subsidiaries engage in connected transactions with AAA's major shareholders. This is in line with the normal business of the Company and the normal business of the AAA's group of major shareholders. Such transactions include receiving interchangeable fare revenue, advance payment items, interest received/paid from late repayment, aircraft and aircraft engine rental fees, aircraft maintenance costs, booking fees, purchases of goods and equipment, service fees, shares of loss from oil price swap agreements, pilot training fees, trademark fees, management fees from insurance premiums, accounting management fees/personnel management fees/information management fees, customer privilege program fees, goods purchase fees, security service fees, marketing fees, ground service fees, and advertising revenues, etc. In the year ended 31 December 2020, the value of connected transactions was approximately THB 267 million, and the expenses were approximately THB 5,901 million. For the six-month period ended 30 June 2021, the value of connected transactions was approximately THB 119 million, and the expenses were approximately THB 1,397 million. AAA does not have a plan to significantly change the policy with regard to entering into connected transactions in the future.

4.5 Opinion and reasoning for shareholders concerning approval of the Applicant to receive the newly issued securities without a tender offer being made

The Board of Directors agrees that the shareholders should approve the waiver of the mandatory tender offer by virtue of shareholders' meeting approval (Whitewash) for AAA, in accordance with the reasons provided in Clause 4.2 above.

In this regard, the potential impacts of the Company being unable to successfully raise the necessary funds in the case that the shareholders do not approve the waiver of tender offer by way of shareholders' approval (Whitewash) are as follows:

Scenario	Expected funds to be received	Plan / Effect
Scenario 1: AAA does not receive	None	- Since the Restructuring Plan of the Company's group depends on

Scenario	Expected funds to be received	Plan / Effect
approval (Whitewash)		the financial support of AAA, in the case that AAA does not receive approval from the shareholders (Whitewash), the Restructuring Plan to be approved in Agenda Item 1 may not occur, and the financial institutions and other relevant investors may refuse to provide financial support to the Company's group.
Scenario 2: AAA receives approval (Whitewash)	THB 14,000 million	- The Company's group will be able to successfully restructure and Thai AirAsia will have sufficient funds to operate the business.

The Board of Directors is of the opinion that the shareholders' approval of the tender offer by way of shareholders' meeting resolution (Whitewash) to AAA will be beneficial to the Restructuring Plan of the Company and Thai AirAsia.

In this regard, the Shareholders should consider the details concerning the waiver of tender offer by virtue of shareholders' meeting resolution (Whitewash), which may be found in the Form of Letter to the Shareholders seeking approval for acquiring the newly issued securities by way of waiving the tender offer of the business (Form 247-7) and the report of the independent financial advisor concerning the waiver of tender offer by virtue of shareholders' meeting resolution (Whitewash), which will be circulated to the shareholders with the invitation notice to Extraordinary General Meeting of Shareholders No. 1/2021.

4.6 Opinions and reasoning from directors if different from those of shareholders' advisor

None.

5. Right of shareholders to reject waiver of mandatory tender offer of securities of the Company

In granting a waiver of the mandatory tender offer of the Company by virtue of shareholders' meeting resolution, approval shall be granted by a vote of not less than three-quarters of the total number of shareholders attending the meeting and having the right to vote. Such a vote shall not include the votes of persons under Section 258 of the Securities and Exchange Act B.E. 2535 or the concert parties of the Applicant and persons under Section 258 of such person.