

Information Memorandum of the Transaction to Purchase the Remaining Shares of Thai AirAsia Company Limited
(“Thai AirAsia”)

Date, Month, and Years of Entering into the Transaction	The Preliminary Summary of Terms is signed by the buyer and seller on 19 October 2021, and the Company's shareholding restructuring and Thai AirAsia is approved by the Board of Directors (Buyer), (which includes the purchase of the remaining shares of Thai AirAsia).																																										
Agreement Parties	The Purchaser: Asia Aviation Public Company Limited (the “ Company ”) The Seller: North Haven Keystone Company Limited, which is not a connected person of the Company																																										
General Characteristics of the Transaction	<p>The Company will purchase 19,600,000 shares of Thai AirAsia at the purchase price of THB 199 per share, totaling approximately THB 3,900 million from the Seller.</p> <p>The Seller is in the process of acquiring 30.8%of Thai AirAsia’s shares from AAA, whereby the Company will purchase the remaining shares of Thai AirAsia from the Seller after the Seller has legally acquired ownership of Thai AirAsia’s shares. Also, there are critical condition precedent to entering into the transaction for the remaining shares of Thai AirAsia, namely that AAA has paid the capital increase shares to the Company.</p>																																										
Details of Assets Acquired	<p>Shares of Thai AirAsia</p> <p>Thai AirAsia operates a low-cost airline business with the Airbus A320 and A321 aircraft, with Scheduled Passenger Services and Ancillary Services as its main sources of revenue.</p> <p>Summary of financial positions and operational performance of Thai AirAsia are as follows:</p> <table><tr><th rowspan="2">Separate Financial Statements (Unit: THB Million)</th><th colspan="3">As at December 31</th><th rowspan="2">For the six-month period ended 30 June 2021</th></tr><tr><th>2018</th><th>2019</th><th>2020</th></tr><tr><td>Total Assets</td><td>37,917.89</td><td>39,066.99</td><td>45,129.81</td><td>42,239.34</td></tr><tr><td>Total Liabilities</td><td>30,139.83</td><td>32,228.55</td><td>48,625.57</td><td>51,961.38</td></tr><tr><td>Shareholders’ equity</td><td>7,778.07</td><td>6,838.44</td><td>(3,495.76)</td><td>(9,722.04)</td></tr><tr><td>Total Revenue</td><td>40,199.43</td><td>41,529.26</td><td>16,236.34</td><td>2,430.70</td></tr><tr><td>Cost</td><td>40,071.89</td><td>42,400.73</td><td>24,909.31</td><td>8,856.88</td></tr><tr><td>Net Profit (Loss)</td><td>127.54</td><td>(871.47)</td><td>(8,672.97)</td><td>(6,426.18)</td></tr></table>					Separate Financial Statements (Unit: THB Million)	As at December 31			For the six-month period ended 30 June 2021	2018	2019	2020	Total Assets	37,917.89	39,066.99	45,129.81	42,239.34	Total Liabilities	30,139.83	32,228.55	48,625.57	51,961.38	Shareholders’ equity	7,778.07	6,838.44	(3,495.76)	(9,722.04)	Total Revenue	40,199.43	41,529.26	16,236.34	2,430.70	Cost	40,071.89	42,400.73	24,909.31	8,856.88	Net Profit (Loss)	127.54	(871.47)	(8,672.97)	(6,426.18)
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Objective of Entering into the Transaction	In order to achieve the objectives of the shareholding restructuring plan of the Company and Thai AirAsia, the Company plans to acquire most of the shares of Thai AirAsia in order to be the sole owner and control of Thai AirAsia, as well as the new shareholding restructuring of the Company, it will be interested in supporting long-term funding to the investors and financial institutions.																																										

Total Value and the Criteria Used to Determine the Total Value of the Transaction	<p>Total Value of the Transaction:</p> <p>Total consideration value that the Company has to pay for the transaction is THB 3,900 million.</p> <p>Method of consideration payment:</p> <p>The Company will pay by cash from the capital increase received from investors. (Subscribers who subscribe for capital increase, convertible debenture subscribers and existing shareholders). The significant value of the Company's Asset Acquisition Transaction (when combined with the Company buying new shares in Thai AirAsia, total value of THB 3,900 million¹) calculated on the basis of the total value of consideration equal to 8.8%, which is not more than 15%. (the Company has not entered into any asset acquisition transaction in the past 6 months).</p>
Source of funds and sufficiency of funds	<p>The proceeds from (a) the offering of capital increase shares to the private placement (PP), the rest from the payment of loans from financial institutions in the amount of THB 3,900 million plus interest, combined with (b) the Offer for sale of convertible debentures (CB).</p> <p>However, the Board of Directors believes that when the consideration is paid (expected in the first quarter of 2022), the settlement will have no impact on the Company's liquidity and working capital because the amount received from the restructuring of the Company's shareholding and Thai AirAsia is sufficient for entering into such transactions. (Please see the invitation to the Extraordinary General Meeting of Shareholders No. 1/2018, Agenda 2) for a description of the capital use strategy in accordance with the Company's shareholding restructuring plan and Thai AirAsia in brief.</p>
Nature and Scope of Interests of Connected Persons	<p>The seller is not tied to the Company or AAA but the seller will be a purchaser of AAA's shares (for trading 30.8% of Thai AirAsia's shares this time, the seller will become a major shareholder of the Company after the Company's capital increase is completed) to sell to the Company. The Company has disclosed the information details appear in <i>Enclosure 8</i>.</p>
Directors with Interests in Entering into the Transaction	<p>To ensure transparency, the representative director of AAA abstained from voting on the Company's and Thai AirAsia's shareholding restructuring plan.</p>
Opinion of the Board of Directors	<p>The Board of Directors Meeting No. 6/2021 of the Company, convened on 19 October 2021, considered that the transaction was appropriate and beneficial to the Company and its shareholders as follows:</p> <p>(1) The subscription price of the newly issued shares in Thai AirAsia (193.88 baht per share) and the purchase price of Thai AirAsia (199 baht per share) are appropriate because the subscription price of 193.88 baht per share is the price for the capital increase in Thai AirAsia while the purchase price of 199 baht per share is the price that the Company is able to negotiate with the Seller (North Haven Keystone Company Limited) (<i>Please see item 7 of the shareholding restructuring plan for more information</i>) whereby the Company will spend a total of 7,800 million baht on</p>

¹ 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.

	<p>holding a 100% stake in Thai AirAsia. The Board of Directors is of the opinion that the price of 7,800 million baht for holding a 100% stake in Thai AirAsia is appropriate. Since the purchase price of 100% stake in Thai AirAsia at 7,800 million baht is equivalent to the Company price of 1.75 baht per share (calculated based on the capital increase of AAA in the Company through Private Placement which is (7,800 million baht / 45.12%) / 9,878.57 million shares = 1.75 baht per share), which is the acquisition price of less than the market price of the Company's shares during the past 360 business days (from 17 April 2020 – 18 October 2021), equivalent to the volume weighted-average market price at 2.38 per share. The acquisition price is a discounted price from such market price during the past 360 business days at approximately 26.5 percent (comparing the purchase price of Thai AirAsia with share price of the Company since the Company is a Holding company which hold only Thai AirAsia which is Operating company). Also, the acquisition of a 100% stake in Thai AirAsia is an important condition of the shareholding restructuring plan of the Company and Thai AirAsia, which has agreed with a private placement investor to subscribe for capital increase shares and convertible debentures. If the Company rejects the condition (For whatever reason, the selling price per share or any other reason), private placement investors who subscribe for capital increase shares and convertible debentures will not be willing to put additional capital in the Company and the Company will not be able to solve the liquidity problem and may not be able to continue the business. However, the Board of Directors believed that the approval of the shareholding restructuring plan of the Company and Thai AirAsia will benefit the Company, because the Company believes that Thai AirAsia still has potential and will be able to operate the business and turn around with good results in the future;</p> <p>(2) Entering into a share purchase transaction with the seller, it is not considered a connected transaction, as they are not related persons to the Company. According to the announcement of the connected transaction, because of the seller is not a person who will be nominated to be 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.</p> <p>The Board of Directors has been considered the seller's investment structure. It was not found that the major shareholder or controlling person of the seller was AAA or a person related to AAA. In addition, the Company has been confirmed from both AAA and the seller that AAA and the person connected to AAA are not the owner or beneficial owner of the seller and the seller are not representatives of AAA in the Thai AirAsia share purchase transaction.</p> <p>Furthermore, the Board of Directors requested additional information from both the seller and AAA and carefully considered the relevant circumstances, concluding that entering into the share purchase transaction with the seller is not a connected transaction, assuming that</p>
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	<p>North Haven Thai Private Equity, LP ("NHTPE") (which is the seller's parent company) has invested in the Company's shares because NHTPE is a global fund, managed by Morgan Stanley Private Equity Asia.</p> <p>As a fund manager who has anticipated the investment opportunity and expected return on investment which is standard procedure and has thoroughly conducted due diligence, including legal documents, financial documents and the taxation of the Company and Thai AirAsia. Prior to investing in accordance with the general investment process, and is in the process of negotiating a memorandum of understanding and a share purchase agreement between AAV and the seller, All parties involved have hired their legal advisors to negotiate memorandums and contracts in order not to have advantages and disadvantages with each other and the terms of the memorandum and contracts are generally based on commercial terms and the normal contractual clauses that can be seen from the share purchase agreements made between the parties that are independent of each other for the above reasons. The Board of Directors agrees that the entering into the share purchase transaction with the seller is not a connected transaction due to the transaction of the seller. It is a transaction by oneself without being a representative of any person;</p> <p>(3) The share purchase transaction between the seller and the Company is under normal trading conditions. For the reasons stated in (1) above, the purchase price is a reasonable price; and</p> <p>(4) Entering into a share purchase transaction between the seller and the Company will enable the Company to achieve the objectives of the Company's and Thai AirAsia's shareholding restructuring plan, in which the Company will acquire most of shares of Thai AirAsia in order to be the sole owner and control of Thai AirAsia.</p>
Opinion of the Audit Committee and/or the Company's Directors that Different from the Opinion of the Board of Directors	None

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

Yours faithfully,
(Mr. Santisuk Klongchaiya)
Chief Executive Officer
Authorized Signatory