

Information Memorandum of Asia Aviation Public Company Limited



on Acquisition and Disposal of Assets

Concerning the Aircraft Sale and Leaseback Transaction

- Dated 27 January 2020 -

(Translation)

AAV02/2020

27 January 2020

Subject: Entering into of the aircraft sale and leaseback transaction
Attention: Shareholders
Enclosure: Information Memorandum of Asia Aviation Public Company Limited on Acquisition and Disposal of Assets Concerning the Aircraft Sale and Leaseback Transaction

Reference is made to the fact that the Board of Directors of Asia Aviation Public Company Limited (the “Company”) would like to inform you of the resolutions of Board of Directors Meeting No. 6/2019, convened on 17 December 2019, which considered and approved the entering into of the aircraft sale and leaseback transaction between Thai AirAsia Co., Ltd. (“TAA”), a subsidiary engaging in the main business of the Company, and Avolon Aerospace Leasing Limited or the person designated by Avolon (“Avolon”). The transaction comprises the sale of 10 aircraft (the “Selling Aircraft”) to the buyer, which is an aircraft leasing company, and the lease of 9 of the Selling Aircraft (the “Leasing Aircraft”) back to the Company in order to further use the Leasing Aircraft in the Company’s business operations. The approvals can be summarised as follows:

1. The Board of Directors approved the entering into of the asset disposal transaction by selling the aircraft to Avolon. The total value of consideration of this transaction is USD 426.7 million or approximately THB 12,891.46 million¹ (the “Sale Transaction”);
2. The Board of Directors approved that TAA enter into the asset acquisition transaction by leasing the Leasing Aircraft from Avolon. The value of this transaction is approximately USD 285.06 million² or approximately THB 8,612.23 million³ (the “Lease Transaction”).

In this regard, the Sale Transaction and the Lease Transaction are subject to change depending on the satisfaction of certain conditions precedent.

The Sale Transaction constitutes an asset disposal transaction of the Company under the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (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 the Acquisition and Disposition of Assets B.E. 2547 (2004) (including any amendment thereto) (collectively, the “Notifications on Acquisition or Disposal”), representing the highest transaction value of 21.11 percent, calculated based on the Total Value of Consideration Basis, compared with the total assets of

¹ Weighted exchange rate between commercial banks as at 16 December 2019, THB 30.212 to USD 1.

² Information based on the calculation of the aircraft rental rate as at 16 December 2019.

³ Please refer to Footnote 1.

the Company in the Consolidated Financial Statements of the Company for the period ending 30 September 2019, which were reviewed by the auditor. In this regard, there were no other asset disposal transactions during the six months preceding the date of this transaction. This asset disposal transaction is, therefore, classified as a Class 2 Transaction, i.e., a transaction with the value of 15 percent or higher but lower than 50 percent. As a result, the Company is obliged to immediately disclose the information on the entering into of the transaction to the Stock Exchange of Thailand (the “**Stock Exchange**”), and deliver a circular to the shareholders informing them of the entering into of the transaction within the period of 21 days from the date on which the Company discloses the transaction to the Stock Exchange.

In this regard, considering that Avolon is not a connected person of the Company, the Sale Transaction shall not be considered a connected transaction of the Company under the 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 the Connected Transactions B.E. 2546 (2003) (including any amendment thereto) (collectively, the “**Notifications on Connected Transactions**”). The Company, therefore, is not obliged to comply with the requirements under the Notifications on Connected Transactions.

Furthermore, the Lease Transaction represents a transaction value of 14.10 percent, calculated based on the Total Value of Consideration Basis, compared with the total assets of the Company in the Consolidated Financial Statements of the Company for the period ending 30 September 2019, which were reviewed by the auditor. Considering that, after such transaction value is combined with other asset acquisition transactions which occurred during the past six months, which comprise 0.48 percent, the total value of the asset acquisition transaction will be 14.58 percent, which is lower than 15 percent. The Company, therefore, has no duties under the Notifications on Acquisition or Disposal. Nevertheless, in the best interests of the shareholders, the Company deems it appropriate to disclose the information on the Lease Transaction at the same time as the Sale Transaction.

In this regard, the Lease Transaction is not considered a connected transaction under the Notifications on Connected Transactions.

The Company prepared and disclosed the Information Memorandum on the entering into of the transactions to the Stock Exchange on 10 January 2020. In addition to this circular, the Company would like to deliver to you the Information Memorandum on the Asset Acquisition and Disposal Transaction, which comprises the information as required under the Notifications on Acquisition or Disposal (Enclosure) for the shareholders acknowledgement.

Please be informed accordingly.

Sincerely yours,
(*Mr. Santisuk Klongchaiya*)

Chief Executive Office
Authorised Signatory



(Translation)

Enclosure

Information Memorandum of Asia Aviation Public Company Limited
on Acquisition and Disposal of Assets
Concerning the Aircraft Sale and Leaseback Transaction

1. Information disclosed under List (1) of the Notifications on Acquisition or Disposal¹

The information disclosed under List (1) on the acquisition and disposal of assets concerning the aircraft sale and leaseback transaction is set out in Enclosure 1 hereto.

2. Responsibilities of directors with respect to the information in documents delivered to the shareholders

The Board of Directors is responsible for the information set out in this Information Memorandum. In this regard, the Board of Directors has verified the information in this Information Memorandum with its duty of care in order to ensure that the information herein is accurate and complete and contains no false statements or misleading statements, as well as does not lack any material information which is required to be disclosed.

3. Qualifications of the independent expert who provided opinions on the entering into of the transaction

- None -

4. Financial projections for the current year (if any)

- None -

5. Pending material lawsuits or claims

- None -

6. Interests or connected transactions between the listed company, and its directors, executives and shareholders directly or indirectly holding shares amounting to 10 percent or more

The details on the interests or connected transactions between the listed company, and its directors, executives and shareholders directly or indirectly holding shares amounting to 10 percent or more are set out in Enclosure 2 hereto.

¹ The Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (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 the Acquisition and Disposition of Assets B.E. 2547 (2004) (including any amendment thereto) (collectively, the “**Notifications on Acquisition or Disposal**”).

(Translation)

Information Memorandum of Asia Aviation Public Company Limited
on Acquisition and Disposal of Assets
Concerning the Aircraft Sale and Leaseback Transaction

The Board of Directors of Asia Aviation Public Company Limited (the “**Company**”) resolved in Board of Directors Meeting No. 6/2019, convened on 17 December 2019, to approve the entering into of the aircraft sale and leaseback transaction between Thai AirAsia Co., Ltd. (“**TAA**”), a subsidiary engaging in the main business of the Company, and Avolon Aerospace Leasing Limited or the person designated by Avolon Aerospace Leasing Limited (“**Avolon**”). The transaction comprises the sale of 10 aircraft (the “**Selling Aircraft**”) to the buyer which is an aircraft leasing company, and the lease of 9 of the Selling Aircraft (the “**Leasing Aircraft**”) back to the Company in order to further use the Leasing Aircraft in the Company’s business operation, which is considered the acquisition and disposal of assets. The transaction can be summarised as follows:

1. The Board of Directors has approved the entering into of the asset disposal transaction by selling the aircraft to Avolon. The total value of consideration of this transaction is USD 426.7 million or approximately THB 12,891.46 million¹ (the “**Sale Transaction**”);

The Sale Transaction represents the highest transaction value of 21.11 percent, calculated based on the Total Value of Consideration Basis, compared with the total assets of the Company under the Consolidated Financial Statements of the Company for the period ending 30 September 2019, which were reviewed by the auditor. In this regard, there were no other asset disposal transactions during the past 6 months before the date of this transaction. This asset disposal transaction is, therefore, classified as a Class 2 Transaction, i.e., a transaction with the value of 15 percent or higher but lower than 50 percent as provided by the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (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 the Acquisition and Disposition of Assets B.E. 2547 (2004) (including any amendment thereto) (collectively, the “**Notifications on Acquisition or Disposal**”).

Consequently, subject to the Notifications on Acquisition or Disposal, the Company shall have the following duties:

¹ Weighted exchange rate between commercial banks as at 16 December 2019, THB 30.212 to USD 1.

- (a) to seek and obtain approval on the entering into of the transaction from the Board of Directors;
- (b) to disclose the information on the acquisition and disposal of assets of the Company to the Stock Exchange of Thailand (the “**Stock Exchange**”); and
- (c) to deliver a letter to the shareholders informing them of the asset acquisition and disposal of the Company and its subsidiaries within the period of 21 days from the date on which the Company discloses the transaction to the Stock Exchange.

In this regard, the Sale Transaction is not considered a connected transaction of the Company under the 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 the Connected Transactions B.E. 2536 (2003) (including any amendment thereto) (collectively, the “**Notifications on Connected Transactions**”).

TAA has entered into some of the agreements relevant to the Sale Transaction and Lease Transaction with Avolon (with respect to five aircraft). The Company expects that TAA will complete the execution of all agreements under the Sale Transaction and Lease Transaction by the first quarter of the year 2020. Nevertheless, in the case where TAA fails to satisfy the agreement on the sale of the remaining five aircraft, the Aircraft Sale and Lease Agreement with respect to the five aircraft shall cease to be in effect, unless otherwise agreed.

2. The Board of Directors approved that TAA enter into the asset acquisition transaction by leasing the Leasing Aircraft from Avolon. The value of this transaction is approximately USD 285.06 million² or approximately THB 8,612.23 million³ (the “**Lease Transaction**”).

The Lease Transaction represents a transaction value of 14.10 percent, calculated based on the Total Value of Consideration Basis, compared with the total assets of the Company under the Consolidated Financial Statements of the Company for the period ending 30 September 2019, which were reviewed by the auditor. Considering that, after such transaction value is combined with other asset acquisition transactions which occurred during the past 6 months, which comprise 0.48 percent, the total value of the asset acquisition transaction will be 14.58 percent, which is lower than 15 percent. The Company, therefore, has no duties under the Notifications on Acquisition or Disposal. Nevertheless, in the best interests of the shareholders, the Company deems it appropriate to disclose the information on the Lease Transaction at the same time as the Sale Transaction.

² Information based on the calculation of the aircraft rental rate as at 16 December 2019.

³ Please refer to Footnote 1.

In this regard, the Lease Transaction is not considered a connected transaction under the Notifications on Connected Transactions.

TAA will enter into the Aircraft Lease Agreement with Avolon after the Sale Transactions under each Aircraft Sale Agreement are completed.

The Company and TAA are of the view that the asset disposal transaction and the asset acquisition transaction are reasonable and beneficial to the business operation of TAA.

The Company, therefore, would like to inform you of the details of the transactions as required by the Notifications on Acquisition or Disposal.

1. Date of the transactions

1.1 Asset disposal transaction

The Sale Transaction will occur after the conditions precedent under the Aircraft Sale Agreement and other relevant agreement(s) (any one of them or several of them) are fully satisfied or waived. Unless otherwise agreed by the parties, it is expected that the Sale Transaction will be completed by the first quarter of the year 2020.

1.2 Asset acquisition transaction

The Lease Transaction will occur after the conditions precedent under the Aircraft Lease Agreement and other relevant agreement(s) (any one of them or several of them) are fully satisfied or waived. Unless otherwise agreed by the parties, it is expected that the Lease Transaction will be effective by the first quarter of the year 2020.

2. Parties involved and their relationship with the Company

2.1 Asset disposal transaction

Buyer: Avolon Aerospace Leasing Limited or the person designated by Avolon Aerospace Leasing Limited

Seller: Thai AirAsia Co., Ltd., a subsidiary of the Company in which the Company holds 55 percent of its total issued and sold shares.

Relationship: None. The seller is not a connected person of the Company under the Notifications on Connected Transactions.

2.2 Asset acquisition transaction

Lessor/Sublessor: Avolon Aerospace Leasing Limited or the person designated by Avolon Aerospace Leasing Limited

Lessee/Sublessee: Thai AirAsia Co., Ltd., a subsidiary of the Company in which the Company holds 55 percent of its total issued and sold shares.

Relationship: None. The lessor or the sublessor is not a connected person of the Company under the Notifications on Connected Transactions.

3. General characteristics, type, and value of the transactions

3.1 General characteristics and type of the transactions

3.1.1 Asset disposal transaction

TAA will sell the Selling Aircraft to Avolon. The Sale Transaction represents a value of USD 426.7 million or approximately THB 12,891.46 million⁴. In this regard, the Sale Transaction will be in accordance with the terms and conditions specified in the Aircraft Sale Agreement and other relevant agreement(s) (any one of them or several of them).

3.1.2 Asset acquisition transaction

TAA will lease the Leasing Aircraft from Avolon in order to further use them in its business operation. The Lease Transaction represents a value of approximately USD 285.06 million⁵ or approximately THB 8,612.23 million⁶. In this regard, the Lease Transaction will be in accordance with the terms and conditions specified in the Aircraft Lease Agreement and other relevant agreement(s) (any one of them or several of them).

3.2 Transaction value

3.2.1 Asset disposal transaction

The transaction value with respect to the Selling Aircraft which will be sold to Avolon will be USD 426.7 million or approximately THB 12,891.46 million⁷. The value of consideration for the transaction will be considered with regard to the useful life of the aircraft, conditions on the repair and maintenance, types and series of the aircraft, etc. In this regard, the calculation of the transaction value under the Notifications on Acquisition or Disposal based on the Consolidated Financial Statements of the Company for the period ending 30 September 2019 which was reviewed by the auditor are detailed as follows:

1. Net Tangible Assets

Not applicable. This transaction is not a disposal of securities.

⁴ Please refer to Footnote 1.

⁵ Please refer to Footnote 2.

⁶ Please refer to Footnote 1.

⁷ Please refer to Footnote 1.

2. Net Profits

Not applicable. This transaction is not a disposal of securities.

3. Total Value of Consideration

Transaction value	=	<u>Value of the transaction which is paid or received</u>
		Total assets of the Company and subsidiaries
	=	<u>12,891.46</u>
		61,066.25
	=	21.11%

4. Value of securities which are issued by the listed company for the assets acquired

Not applicable. There is no issuance of securities.

The value of the Sale Transaction will be equivalent to 21.11 percent, which is the highest value calculated by applying the Total Value of Consideration basis, based on the Consolidated Financial Statements of the Company for the period ending 30 September 2019, which were reviewed by the auditor. In this regard, there were no other asset disposal transactions during the past 6 months.

As a result of such value, the Sale Transaction is classified as a Class 2 Asset Disposal Transaction under the Notifications on Acquisition or Disposal.

3.2.2 Asset acquisition transaction

TAA will lease the Leasing Aircraft with the lease term as specified under Item 4. “*Details of the assets to be acquired or disposed of*”. The Lease Transaction represents a value of approximately USD 285.06 million⁸ or approximately THB 8,612.23 million⁹. In this regard, the calculation of the transaction value under the Notifications on Acquisition or Disposal based on the Consolidated Financial Statements of the Company for the period ending 30 September 2019 which was reviewed by the auditor are detailed as follows:

1. Net Tangible Assets

Not applicable. This transaction is not an acquisition of securities.

2. Net Profits

Not applicable. This transaction is not an acquisition of securities.

⁸ Please refer to Footnote 2.

⁹ Please refer to Footnote 1.

3. Total Value of Consideration

$$\begin{aligned} \text{Transaction value} &= \frac{\text{Value of the transaction which is paid or received}}{\text{Total assets of the Company and subsidiaries}} \\ &= \frac{8,612.23}{61,066.25} \\ &= 14.10\% \end{aligned}$$

4. Value of securities which are issued by the listed company for the assets acquired

Not applicable. There is no issuance of securities.

The value of the Lease Transaction will be equivalent to 14.10 percent, which is the highest value calculated by applying the Total Value of Consideration basis, based on the Consolidated Financial Statements of the Company for the period ending 30 September 2019, which were reviewed by the auditor. In addition, after such transaction value is combined with other asset acquisition transactions which occurred during the past 6 months, which comprise 0.48 percent, the total value of the asset acquisition transaction will be 14.58 percent.

The Company, therefore, has no duties under the Notifications on Acquisition or Disposal.

4. Details of the assets to be acquired or disposed of

No.	Transaction	Details	Approximate Consideration/Rental (million THB)	Approximate Net Book Value (million THB)
1. Asset disposal transaction				
1.1	Sale of assets	To sell five A320 Neo aircraft and five A320 Ceo aircraft with the useful life of between 1.4 years to 5.3 years.	12,891.46 ¹⁰	12,329.72
2. Asset acquisition transaction				
2.1	Lease of assets	To lease five A320 Neo aircraft and four A320 Ceo aircraft. The lease term of each Leasing	8,612.23 ¹¹	None.

¹⁰ Please refer to Footnote 1.

¹¹ Please refer to Footnote 1.

No.	Transaction	Details	Approximate Consideration/Rental (million THB)	Approximate Net Book Value (million THB)
		Aircraft will be equivalent to the remaining term from the total of 12 years from the original delivery date, which will vary from 6.8 years to 10.6 years.		

5. Total value of consideration and value of assets to be acquired or disposed of and payment method

5.1 Total value of consideration and value of assets to be acquired or disposed of

5.1.1 Asset disposal transaction

The total value of consideration of the Sale Transaction will be in accordance with the terms and conditions specified in the Aircraft Sale Agreement. The total value of consideration of the Sale Transaction is USD 426.7 million or approximately THB 12,891.46 million¹², and the value of assets from the transaction to dispose of the assets under the Sale Transaction is USD 426.7 million or approximately THB 12,891.46 million¹³.

Details of each asset are set out in Item 4. *"Details of the assets to be acquired or disposed of"*.

5.1.2 Asset acquisition transaction

The total value of consideration of the Lease Transaction will be in accordance with the terms and conditions specified in the Aircraft Lease Agreement. The total value of consideration of the Lease Agreement will be approximately USD 285.06 million¹⁴ or approximately THB 8,612.23 million¹⁵, and the value of assets from the transaction to acquire the assets under the Lease Transaction is USD 285.06 million¹⁶ or approximately THB 8,612.23 million¹⁷.

In this regard, details on the lease term and approximate value of each asset are set out in Item 4. *"Details of the assets to be acquired or disposed of"*.

¹² Please refer to Footnote 1.

¹³ Please refer to Footnote 1.

¹⁴ Please refer to Footnote 2.

¹⁵ Please refer to Footnote 1.

¹⁶ Please refer to Footnote 2.

¹⁷ Please refer to Footnote 1.

5.2 Payment method

5.2.1 Asset disposal transaction

Avolon will pay TAA the price of the assets in cash. The payment method for the Sale Transaction will be in accordance with the terms and conditions specified in the Aircraft Sale Agreement.

5.2.2 Asset acquisition transaction

The payment for the Lease Transaction will be made in advance on a monthly basis in accordance with the terms and conditions specified in the Aircraft Lease Agreement.

6. Basis used to determine the total value of consideration

6.1 Asset disposal transaction

The basis used to determine the total value of consideration will be based on an arm's length transaction, having the terms and conditions as specified in the Aircraft Sale Agreement. The transaction value will be equivalent to USD 426.7 million or approximately THB 12,891.46 million¹⁸ (the price of the assets will be subject to the agreement between the relevant contractual parties by taking into consideration the relevant factors, e.g., bidding, useful life of the aircraft, conditions on the repair and maintenance, types and series of the aircraft).

6.2 Asset acquisition transaction

The basis used to determine the total value of consideration will be based on an arm's length transaction, having the terms and conditions as specified in the Aircraft Lease Agreement. TAA will lease the assets with the lease term as specified under Item 4. "*Details of the assets to be acquired or disposed of*". The transaction value will be approximately USD 285.06 million¹⁹ or approximately THB 8,612.23 million²⁰.

7. Expected benefits to the Company

- The entering into of the aircraft sale and leaseback transaction is part of TAA's fleet management strategy, to manage any risks related to changes in the future value of the aircraft due to any changes in technology which cause newer models of aircraft to be more efficient. TAA will enter into the Sale Transaction during the period in which the value of and demand for the aircraft are still high.

¹⁸ Please refer to Footnote 1.

¹⁹ Please refer to Footnote 2.

²⁰ Please refer to Footnote 1.

- TAA's capacity to invest will be enhanced by the proceeds/funds from the Sale Transaction, enabling it to repay the loans secured from the financial institutions for the finance lease of the Selling Aircraft. As a result, TAA's interest burden will be reduced; the capital structure of the Company and TAA will become more positive, which will accommodate the procurement of Airbus A321 Neo aircraft that include new and efficient technologies in terms of fuel efficiency, long-haul flight capacity, increased number of passengers, sound insulation, etc.
- After the repayment of the loans which were secured from the financial institutions for the finance lease of the Selling Aircraft, TAA will have net cash of approximately THB 2,700 million which can be used as working capital and/or for business expansion in the future. However, TAA will be subject to higher maintenance expenses, with recognition arising from a change in the nature of transactions, from that of finance lease to operating lease. Such change may affect the business operations of the Company for a period of time.

8. Sources of funds for the acquisition of assets

The funds to be used for the Lease Transaction will be obtained from the cash flow for the future business operation of TAA.

9. Utilisation of funds derived from the disposal of assets

The Company and/or TAA may use the funds received from Avolon for various general purposes which include: (1) to repay or to be reserved for repayment of the loan which TAA secured from the financial institutions for the finance lease of the Selling Aircraft which will reduce TAA's interest burden and restructure the capital structure of the Company; (2) to invest in other projects in the future; and (3) to use as working capital and/or for other purposes which the Board of Directors deem to be of the most benefit to the Company and/or TAA.

10. Conditions on entering into of the transactions

10.1 Asset disposal transaction

The asset disposal transaction will occur after the conditions specified in the Aircraft Sale Agreement are fully satisfied, e.g., obtaining approval for the entering into of the transaction from the Board of Directors and/or any other relevant agency (if any), to fully repay the outstanding amounts of the finance lease agreements and/or the loan agreements to the financial institutions in relation to each aircraft, etc.

10.2 Asset acquisition transaction

None.

11. **Opinions of the Board of Directors on entering into of the transactions**

Board of Directors Meeting No. 6/2019, convened on 17 December 2019, has, with its duty of royalty and duty of care, taken into consideration the details relevant to the Sale Transaction and Lease Transaction in the best interests of the Company, in resolving to approve that TAA enter into the Sale Transaction and Lease Transaction. The Board of Directors is of the view that the entering into of the transactions is reasonable and in the best interests of the Company and its shareholders, for it is TAA's fleet management strategy to manage any risks related to changes in the future value of the aircraft due to any changes in technology which cause newer models of aircraft to be more efficient. Moreover, such management of assets, which will improve the capital structure of the Company and/or TAA, accommodate the procurement of Airbus A321 Neo aircraft that include new and efficient technologies, which shall result in benefits to the carrier business operations of the Company in the long term.

12. **Opinions of the Audit Committee and/or directors which are different from those of the Board of Directors under Item 11.**

None.

Sincerely yours,

(Mr. Santisuk Klongchaiya)

Chief Executive Office
Authorised Signatory

Interests or connected transactions made by the Company or Thai AirAsia Co., Ltd., with its directors, executives and shareholders directly or indirectly holding shares amounting to 10 percent or more

Person who may have conflicts of interest	Relationship
(1) AirAsia Berhad (AAB)	AAGB is major shareholder in AAB and AAGB is also the indirect major shareholder in TAA through AirAsia Investment Limited which holds 45% equity interest in TAA.
(2) PT Indonesia AirAsia (IAA)	IAA is an associate of AAGB in which AAGB holds indirect 49.15% equity interest and operates low cost airlines business in Indonesia.
(3) AirAsia (India) Limited (AAI)	AAI is an associate of AAGB in which AAGB holds indirect 49% equity interest and operates low cost airlines business in India.
(4) Philippines AirAsia, Inc. (PAAI)	PAAI is an associate of AAGB in which AAGB holds indirect 40% equity interest and operates low cost airlines business in Philippines.
(5) AirAsia Japan (AAJ)	AAJ is an associate of AAGB in which AAGB holds indirect 33% equity interest and operates low cost airlines business in Japan.
(6) AirAsia (Guangzhou) Aviation Service Limited (AGZ)	AGZ have the same major shareholder which is AirAsia Investment Limited and AirAsia Investment Limited hold 100% equity in AGZ and hold 45% equity interest in TAA.
(7) AirAsia X Berhad (AAX)	AAX has director who is also director in TAA; Datuk Kamarudin Bin Meranun.
(8) AirAsia Pte. Ltd. (AAPL)	AAPL is a subsidiary of AAGB in which AAGB holds indirect 100% equity interest through AirAsia Investment Limited and operates ground handling service to AirAsia Group flight at Singapore station.
(9) Thai AirAsia X (TAAX)	TAAX has four directors who are also directors in TAA; Mr. Tassapon Bijjeveld, Datuk Kamarudin Bin Meranun, Mr. Phairat Pornpathananagoon and Mrs. Pattra Boosarawongse. Mr. Tassapon Bijjeveld is the indirect shareholder in TAAX which holds 49.5%
(10) PT Indonesia AirAsia X (IAAX)	IAAX is an associate of AAX in which AAX holds direct 49% equity interest and operates low cost airlines business for long-haul flight in Indonesia.
(11) AAE Travel Pte Ltd. (AAE)	AAE is an associate of AAB in which AAB holds indirect 25% equity interest and provided travel information, determining the availability of travel-related goods and services, making legitimate reservations or otherwise transacting business with travel suppliers.
(12) Tune Insurance Malaysia Berhad (TIMB)	Tune Protect Group Berhad has director who is also director in TAA; Datuk Kamarudin Bin Meranun. TIMB is a subsidiary of Tune Protect Group Berhad in which Tune Protect Group Berhad holds direct 83.3% equity interest.

Person who may have conflicts of interest	Relationship
(13) Tune Hotels Regional Services (Thailand) Co., Ltd. (THT)	Tune Group Sdn. Bhd. has director who is also director in TAA; Datuk Kamarudin Bin Meranun. Tune Group Sdn. Bhd. is major shareholder in THT, THSB and TTSB.
(14) Tune Hotels Regional Services Sdn. Bhd. (THSB)	
(15) Tune Talk Sdn. Bhd. (TTSB)	
(16) Tune Talk (Thailand) Limited	Tune Group Sdn. Bhd. has director who is also director in TAA; Datuk Kamarudin Bin Meranun. Tune Group Sdn. Bhd. is an indirect shareholder in Tune Talk (Thailand) Limited through Tune Talk International Sdn. Bhd. (Malaysia) which holds 48% equity interest in Tune Talk (Thailand) Limited.
(17) Great Fortune Broker Co., Ltd. (GFB)	GFB is broker for Tune Insurance PLC which was hold direct 49% equity interest from Tune Protect Group Berhad. Tune Protect Group Berhad has director who is also director in TAA; Datuk Kamarudin Bin Meranun.
(18) AirAsia SEA Limited (Former : AirAsia (IHQ) Limited) (IHQ)	AAGB is major shareholder in IHQ and AAGB is also the indirect major shareholder in TAA. IHQ has three directors who are also directors in TAA; Mr. Tassapon Bijjeveld, Mr. Rozman Bin Omar and Mrs.Pattra Boosarawongse.
(19) BIGLIFE Sdn. Bhd. (Former : Big Loyalty Sdn. Bhd.) (BIG)	BIG is an indirect subsidiary of AAGB which AAGB holds 80% equity interest.
(20) Asia Aviation Capital Limited (AAC)	AAC is a subsidiary of AAB in which AAGB holds indirect 100% equity interest.
(21) AirAsia (Mauritius) Ltd. (AAM)	AAM is a subsidiary of AAGB in which AAGB holds indirect 100% equity interest.
(22) Bangkok Aviation Center Co., Ltd. (BAC)	BAC is the Company which Mr. Tassapon Bijjeveld who is director and Executive Chairman of TAA hold 50% of BAC's shares.
(23) Airasia SEA Sdn. Bhd. (Former : AirAsia Global Shared Services Sdn. Bhd.) (AASEA)	AASEA is a subsidiary of AAB in which AAGB holds indirect 100% equity interest.
(24) Wealth Ventures Co., Ltd. ("Wealth Ventures")	Wealth Ventures is the Company which major shareholder (66.44% of Wealth Ventures' shares) is Mr. Tassapon Bijjeveld who is director and Executive Chairman of TAA.

As of 30 September 2019 and 31 December 2018, interests or connected transactions made by the Company or Thai AirAsia with its directors, executives and shareholders directly or indirectly holding shares amounting to 10 percent or more detailed as follows:

1. Passenger revenue received on behalf of members within AirAsia Group

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia Berhad (AAB)	Passenger revenue received on behalf of members within AirAsia Group is only occurred when payment is made in foreign currency through the bank's payment gateway which includes internet purchase and counter sales. Revenue that AirAsia Group received on behalf of TAA Receivable from receipts on behalf - AirAsia Group Revenue that TAA received on behalf of AirAsia Group Payable from receipts on behalf - AirAsia Group			TAA shares ticket reservation and booking system within AirAsia Group in order to provide customers with convenience in booking ticket across the AirAsia network on the website and counter and sales agents. Passenger revenue received on behalf is a result due to the limitation of bank's payment gateway in transferring passenger revenue to the owner of such revenue within AirAsia Group when payment is made in foreign currency. <u>Pricing :</u> Reimbursed on actual receipts on behalf of. <u>Payment term :</u> within 30 days <u>Transaction in the future :</u> Passenger revenue received on behalf will be an ongoing transaction in the future as it is a normal course of business with general commercial term under the approval in principle by Board of Directors and Audit Committee.
(2) PT Indonesia AirAsia (IAA)		7,446,109,295	8,971,032,846	
(3) AirAsia (India) Limited (AAI)				
(4) AirAsia X Berhad (AAX)				
(5) Thai AirAsia X (TAAX)				
(6) Philippines AirAsia, Inc. (PAAI)				
(7) PT Indonesia AirAsia X (IAAX)				
(8) AirAsia Japan (AAJ)				
		3,913,930,703	4,894,827,860	
		2,171,676,722	2,253,159,847	

2. Advance payment on behalf of members within AirAsia Group

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia Berhad (AAB)	Advance payment on behalf within AirAsia Group includes airport charges of airport terminal, ramp and apron areas, passenger service charges, air navigation charges, check-in counters, aerobridge, customs, immigrations and quarantine as well as marketing expenses, training expenses and ICT expenses. TAA makes advance payment on behalf of AirAsia Group Receivable on advance payment - AirAsia Group AirAsia Group makes advance payment on behalf of TAA Payable on advance payment - AirAsia Group	446,766,159	1,318,620,344	To enhance operational efficiency and management on services which can be shared within AirAsia Group, the advance payment will be made by the party who initiated the route and entered into contract with that particular airport, as well as for marketing and promotional expenses in relation to common routes, training and ICT expenses. The party who entered into contract with the third party will make advance payment on behalf of the Group before making reimbursement based on actual expense.
(2) PT Indonesia AirAsia (IAA)				
(3) AirAsia X Berhad (AAX)				
(4) Thai AirAsia X (TAAX)				
(5) Philippines AirAsia, Inc. (PAAI)				
(6) AirAsia (India) Limited (AAI)				
(7) PT Indonesia AirAsia X (IAAX)				
(8) AirAsia Japan (AAJ)				
(9) AAE Travel Pte Ltd. (AAE)				
(10) Tune Insurance Malaysia Berhad (TIMB)				
(11) Tune Hotels Regional Services (Thailand) Co., Ltd. (THT)				
(12) Tune Hotels Regional Services Sdn. Bhd. (THSB)				
(13) Tune Talk Sdn. Bhd. (TTSB)				
(14) AirAsia Pte. Ltd. (AAPL)				
(15) Great Fortune Broker Co., Ltd. (GFB)				
(16) AirAsia (IHQ) Limited (IHQ)				
(17) AirAsia (Guangzhou) Aviation Service Limited (AGZ)				
(18) Big Loyalty Sdn. Bhd. (TBD)				
(19) Asia Aviation Capital Limited (AAC)				

3. Interest income and interest expenses within AirAsia Group

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia (India) Limited (AAI)	Interest income and interest expense within AirAsia Group is calculated upon the late payment of the net outstanding receivables/payables for more than 30 days from invoice date.			TAA and companies within AirAsia Group have charged interest within the Group on the late payment of the net outstanding receivables/payables over the due date, which is 30 days from invoice date.
(2) AirAsia X Berhad (AAX)				
	Interest income: TAA receives interest income from related parties on the delay of payment.			Interest rate: Interest rate within AirAsia Group is applied, equivalent to AAB's financial cost at 6% per annum in 2017 and 2018.
	Interest income - AAI	-	166,773	
	Outstanding net receivable - AAI	-	-	Payment term: within 30 days
	Interest income receivable - AAI	410,287	322,505	Transaction in the future :
	Interest income - AAX	3,075,586	2,854,981	Transaction will be ongoing in the future as it is a normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.
	Outstanding net receivable - AAX	-	-	
	Interest income receivable - AAX	27,528,247	25,064,326	

4. Aircraft and aircraft engine rental

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia (Mauritius) Ltd. (AAM)	TAA leases its aircraft and aircraft engine (operating lease) from AAM of 17 aircraft and 2 aircraft engines as of 31 December 2018 and Q3 2019.			TAA has leased its aircraft and aircraft engine from AAM for business operation. AirAsia Group has a pooling purchase for higher bargaining power with manufacture.
	Aircraft and aircraft engine rental	1,647,907,533	3,314,226,271	<u>Lease rate</u> :
	Aircraft and aircraft engine rental payable (receivable) - AAM	127,986,976	377,679,384	Lease rate is quoted in US Dollar term for a monthly payment with contract period of 12 years and comparable to industry average rate.
	Other non-current asset - Aircraft and aircraft engine rental deposit	343,718,880	364,818,240	<u>Payment term</u> : within 30 days
				<u>Transaction in the future</u> : Aircraft and aircraft engine rental will be an ongoing transaction until the expiration of lease agreement on each aircraft as it is a normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee. In addition, TAA will continue the pooling purchase order together with AirAsia Group.

5. Aircraft maintenance

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia (Mauritius) Ltd. (AAM)	TAA pays aircraft repair and maintenance cost to AAM, the lessor, for the D check or major overhaul as specified under the aircraft lease agreement.	677,722,204	1,349,813,746	<p>The operating lease agreement between TAA and AAM required for TAA to have repair and maintenance on leased aircraft as well as has set conditions before delivery, in which the leased aircraft must be fully repaired upon the contract expiration as this a normal terms under aircraft lease agreement.</p> <p><u>Maintenance rate</u> : Maintenance rate is quoted per flight hour / cycle in USD term for a monthly payment and comparable to industry average rate</p> <p><u>Payment term</u> : within 30 days</p> <p><u>Transaction in the future</u> : Aircraft maintenance will be an ongoing transaction until the expiration of lease agreement and maintenance agreement on each aircraft as it is a normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.</p>
(2) AirAsia Berhad (AAB)	Aircraft maintenance - AAM	290,648,308	152,055,020	
	Aircraft maintenance payable - AAM	11,506,521	-	
	Aircraft maintenance claim receivable - AAM	1,003,918,373	808,378,984	
	Aircraft maintenance - AAB	720,903,813	233,816,940	
	Aircraft maintenance payable - AAB	5,047,560,717	4,532,740,844	
	Aircraft maintenance reserves- AAB			



6. Booking Fee

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia Berhad (AAB)	TAA pays online air ticket booking system fee (booking fee) to AAB. Booking fee Booking fee payable - AAB	112,020,482 66,580,402	162,700,023 12,034,810	TAA shares the same booking system with others in AirAsia Group. AAB has entered into a contract, on behalf of the Group, with Navitaire, an independent air ticket sales and management system provider, and will charge the booking fee from TAA based on the actual usage at the rate charged by Navitaire. <u>Booking fee rate</u> : Booking fee is charged at a fixed rate per passenger on a monthly basis; the rate shall not exceed the amount specified in the contract. <u>Payment term</u> : within 30 days <u>Transaction in the future</u> : Booking fee will be an ongoing transaction as it is a normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.



7. Purchase of merchandise and equipment

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia Berhad (AAB)	<p>TAA purchases merchandise and equipment from AAB such as aircraft spare parts and certain inflight merchandise for selling on board.</p> <p>Purchase of merchandise and equipment Purchase payable - AAB</p>	<p>13,267,364</p> <p>7,865,889</p>	<p>60,628,026</p> <p>16,184,661</p>	<p>TAA purchases merchandise and equipment from AAB such as aircraft spare parts and certain inflight merchandise for selling on board. Having centralized the product sourcing, AAB will accumulate all demand from AirAsia Group before making a pooling purchase for higher bargaining power with suppliers.</p> <p>Pricing : Comparable pricing with the one AAB made with outsiders</p> <p>Payment term : within 30 days</p> <p>Transaction in the future: Purchase from the Group will be an ongoing transaction as it is a normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.</p>

8. Administrative Fee

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia Berhad (AAB)	TAA pays administrative fee to AAB Administrative fee Administrative fee payable - AAB	11,301,580 7,300,224	15,500,406 1,291,392	TAA pays administrative fee to AAB in return of its assistance on business operations in term of airline technical expertise including administration, crew sourcing, consulting and other assistance in regards to airline business. <u>Pricing</u> : Fix rate of USD 40,000 per month as agreed in the administrative agreement <u>Payment term</u> : within 30 days <u>Transaction in the future</u> : Administrative fee will be an ongoing transaction as it is a supporting normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.

9. (Gain) loss from fuel swap agreement allocation

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia Berhad (AAB)	<p>TAA has the share of (gain) loss from fuel price swap agreements done through AAB as specified in the fuel swap agreement.</p> <p>Share of (gain) loss from fuel price swap agreements - AAB</p> <p>Payable (Receivable) on share of (gain) loss from fuel price swap agreements - AAB</p> <p>Other non-current assets - deposits on fuel price swap</p>	<p>(15,753,773)</p> <p>(87,549,220)</p> <p>15,208,800</p>	<p>(254,765,405)</p> <p>22,848,087</p> <p>16,142,400</p>	<p>In protecting the risks on fluctuation of fuel price, TAA has entered into the fuel price swap agreement through AAB for better bargaining power. The decision making is dependent on TAA's judgment.</p> <p><u>(Gain) loss allocation</u> :</p> <p>(Gain) loss from fuel price swap agreement will be allocated on a monthly basis by the estimated amount of fuel used by each company.</p> <p><u>Payment term</u> : within 30 days</p> <p><u>Transaction in the future</u> :</p> <p>(Gain) loss from fuel swap agreement allocation will be an ongoing transaction as it is a supporting normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.</p>

10. Pilot training cost

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationale
		Q3/2019	2018	
(1) Bangkok Aviation Center Co., Ltd. (BAC)	TAA pays pilot training cost to BAC			TAA and BAC mutually signed an MOU for cooperation in commercial pilot training.
	Pilot training cost - BAC	3,923,106	3,838,162	<u>Pricing</u> : At agreement price of different types of the training
	Pilot training cost payable - BAC	1,934,448	58,162	<u>Payment term</u> : within 30 days <u>Transaction in the future</u> :
				Pilot training cost will be an ongoing transaction as it is a supporting normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.

11. Brand license fee to AirAsia Berhad

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia Berhad (AAB)	TAA pays Brand license fee to AAB			From January 2013, TAA will pay AAB for using the brand. " AirAsia".
	Brand license - Expense	455,765,209	594,567,535	<u>Pricing</u> : At 1.5% of total revenue The rate is comparable to the rate that AAB charge to other joint venture within AirAsia Group.
	Payable on brand license fee - AAB	284,587,779	146,173,206	<u>Payment term</u> : within 30 days <u>Transaction in the future</u> :
				Brand license fee will be an ongoing transaction as it is a normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.

12. Revenue from administrative fee from Insurance premium

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) Tune Insurance Malaysia Berhad (TIMB)	TAA receives administrative fee from Insurance Premium which is received from passenger in AirAsia Insure project.			TAA receives administrative fee from Insurance Premium which is received from passenger in AirAsia Insure project
(2) Great Fortune Broker Co., Ltd. (GFB)	<p>Revenue from administrative from insurance premium - TIMB</p> <p>Insurance Premium 7,824,486</p> <p>Administrative fee 1,956,122</p> <p>Payable (Receivable) on Insurance Premium (150,884)</p>	13,813,376	3,453,344	<p><u>Pricing</u> : Insurance Premium paid to TIMB and GFB are based on actual receipts. Administrative fee as agreed in the administrative agreement can comparable to market price.</p> <p><u>Payment term</u> : within 30 days</p>
	<p>Revenue from administrative from insurance premium - GFB</p> <p>Insurance Premium 188,136,775</p> <p>Administrative fee 31,226,067</p> <p>Payable on Insurance Premium 401,494</p> <p>Receivable on Administrative fee 3,865,342</p>	220,681,094	36,692,069	<p><u>Transaction in the future</u> : Administrative fee will be an ongoing transaction as it is a supporting normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.</p>
			319,069	
			3,601,972	

13. Management Fee

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) Asia Aviation Plc. (AAV)	TAA pays management fee to AAV Management fee Payable on management fee - AAV	18,750,000	31,250,000	TAA pays management fee to AAV for consultant and management policy which are related to operating company. <u>Pricing</u> : Management fee at 6,250,000 Baht per quarter and Actual cost as agreed in the administrative agreement <u>Payment term</u> : within 30 days <u>Transaction in the future</u> : Management fee will be an ongoing transaction as it is a supporting normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.

14. Accounting, People, ICT service fee

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) Airasia SEA Sdn. Bhd. (Former : AirAsia Global Shared Services Sdn. Bhd.) (AASEA)	AASEA provides service for people, accounting, and ICT services for AirAsia Group. AAB provides service for ICT services for AirAsia Group since June 2017	35,962,280	39,615,010	AASEA provides service for people, accounting, and ICT services which AAB provide ICT services since June 2017 for AirAsia Group. AASEA and AAB will calculate services fee by staff headcount. <u>Pricing</u> : Invoices will be issued to AirAsia Group by calculating from staff headcount as agreed in the administrative agreement plus margin as specified in the service agreement.
(2) AirAsia Berhad (AAB)	Accounting, People, ICT service fee - AASEA Payable on Accounting, People, ICT service fee - AASEA ICT service fee - AAB Payable on ICT service fee- AAB	13,589,726 22,646,637 14,604,640	9,614,896 30,986,626 2,156,651	 <u>Payment term</u> : within 30 days <u>Transaction in the future</u> : Accounting, People, ICT service fee will be an ongoing transaction as it is a supporting normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.

15. Loyalty program service fee

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) BIGLIFE Sdn. Bhd. (Former : Big Loyalty Sdn. Bhd.) (BIG)	BIG arranges Big Loyalty program for return benefit to customer in AirAsia Group, by issuing big point. Customer can redeem point for flight ticket and other service in AirAsia Group. Loyalty program service fee Payable on Loyalty program service fee - BIG Passenger Revenue Receivable on Passenger Revenue	66,038,427 (114,600,466)	51,127,335 (57,730,848)	BIG arranges Big Loyalty program for return benefit to customer in AirAsia Group, by issuing big point. Customer can redeem point for flight ticket and other service in AirAsia Group. <u>Pricing</u> : Loyalty program service fee as agreed in the administrative agreement <u>Payment term</u> : within 30 days <u>Transaction in the future</u> : Loyalty program service fee will be an ongoing transaction as it is a supporting normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.

16. Purchase of merchandise

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) Tune Talk (Thailand) Limited	TAA purchases merchandise such as sim card for selling on board. Purchase of merchandise Purchase payable - Tune Talk	2,693,820 -	4,708,000 -	TAA purchases merchandise such as sim card for selling on board from Tune Talk (Thailand) Limited. <u>Pricing</u> : Purchases merchandise price as agreed in the administrative agreement <u>Payment term</u> : within 30 days <u>Transaction in the future</u> : Purchase of merchandise from this company will be an ongoing transaction as it is a supporting normal course of business with general commercial term.

17. Security Service

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia (India) Limited (AAI)	TAA pays security service for FD flight in Cochin (COK), Kempegowda (BLR), Kolkata (CCU), Jaipur (JAI), Chennai (MAA), Bhubaneswar (BBI) and Visakhapatnam (VTZ) to AAI. Security Service-AAI Payable on security service - AAI	14,900,379 26,330,056	12,193,730 12,546,546	TAA enters into Security service agreement with AAI due to state requirement on separated security service to handle flight which AAI will provide security service for FD flight at Cochin (COK), Kempegowda (BLR), Kolkata (CCU), Jaipur (JAI), Chennai (MAA), Bhubaneswar (BBI) and Visakhapatnam (VTZ) station. <u>Pricing :</u> Security service fee as agreed in the administrative agreement <u>Payment term :</u> within 30 days <u>Transaction in the future :</u> Security services will be an ongoing transaction as it is a supporting normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.

18. Expenses for room services and meeting room services

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) Wealth Ventures Co., Ltd. ("Wealth Ventures")	TAA uses accommodation and meeting room at Hotel Mercure Bangkok Makkasan. Expenses for room services and meeting room services Payable - Wealth ventures	1,733,977 76,576	1,056,105 76,576	TAA uses accommodation and meeting room at Hotel Mercure Bangkok Makkasan which convenience and sufficient meeting rooms. <u>Pricing :</u> Room service fee as agreed in the administrative agreement <u>Payment term :</u> within 30 days <u>Transaction in the future :</u> Expenses for room services and meeting room services will be an ongoing transaction as it is a supporting normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.

19. Marketing fund expenses

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia (Guangzhou) Aviation Service Limited (AGZ)	AGZ provides marketing service for China market to TAA. Expense for Marketing fund Payable on marketing fund - AGZ	111,924,057 27,776,874	146,406,573 69,447,640	AGZ provides marketing service for China market to TAA. <u>Pricing</u> : Marketing fund fee as agreed in the administrative agreement which will quarterly correct in advance. <u>Payment term</u> : within 30 days <u>Transaction in the future</u> : Expenses for Marketing fund will be an ongoing transaction as it is a supporting normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.

20. Ground service expenses

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) AirAsia X Berhad (AAX) (2) AirAsia (Guangzhou) Aviation Service Limited (AGZ) (3) AirAsia (India) Limited (AAI)	TAA receives ground service from companies under AirAsia Group. Expense for Ground service - AAX, AGZ, AAI Payable on Ground service - AAX, AGZ, AAI	101,444,499 63,354,737	115,610,727 29,204,655	TAA enters into Ground service agreement with companies under AirAsia Group <u>Pricing</u> : Ground service fee as agreed in the administrative agreement. <u>Payment term</u> : within 30 days <u>Transaction in the future</u> : Expenses for ground service will be an ongoing transaction as it is a supporting normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.

21. Other Services

Person who may have conflicts of interest	Nature of the transaction	Transaction value (Baht)		Rationales
		Q3/2019	2018	
(1) Thai AirAsia X (TAAAX)	<p>TAA provides service for inflight warehouse management , ICT, People management, and other services to TAAAX</p> <p>Revenues for other services fee - TAAAX Receivables on other service fee - TAAAX</p>	<p>11,728,516</p> <p>6,789,893</p>	<p>5,959,873</p> <p>5,801,154</p>	<p>TAA provides service for inflight warehouse management , ICT, People management, and other services to TAAAX</p> <p><u>Pricing :</u> Other services fee as agreed in the administrative agreement.</p> <p><u>Payment term :</u> within 30 days</p> <p><u>Transaction in the future :</u> Revenues for other services fee will be an ongoing transaction as it is a supporting normal course of business with general commercial term under approval in principle from Board of Directors and Audit Committee.</p>