



AIRASIA BERHAD

(Company No. 284669-W)

(Incorporated in Malaysia with limited liability under the Companies Act, 1965)

THE INITIAL PUBLIC OFFERING OF 700,509,400 ORDINARY SHARES OF NOMINAL VALUE OF RM0.10 EACH ("SHARES") COMPRISING THE INSTITUTIONAL OFFERING AND RETAIL OFFERING, OF WHICH 583,757,800 NEW SHARES ("ISSUE SHARES") ARE BEING ISSUED AND OFFERED BY AIRASIA BERHAD ("COMPANY") AND 116,751,600 EXISTING SHARES ("OFFER SHARES") ARE BEING OFFERED BY TUNE AIR SDN BHD, IDBIF MALAYSIA INVESTMENTS LTD, CRESCENT AIR ASIA INVESTMENTS, LTD AND DEUCALION CAPITAL II LIMITED.

THE INSTITUTIONAL OFFERING CONSISTS OF 560,407,500 SHARES OFFERED TO FOREIGN AND MALAYSIAN INSTITUTIONAL AND SELECTED INVESTORS AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING.

THE RETAIL OFFERING CONSISTS OF 140,101,900 SHARES OFFERED TO THE MALAYSIAN PUBLIC, ELIGIBLE DIRECTORS AND EMPLOYEES OF THE COMPANY AND ITS SUBSIDIARIES ("AIRASIA") AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF AIRASIA AT THE RETAIL PRICE OF RM1.40 PER SHARE, PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO A REFUND IN THE EVENT THAT THE FINAL RETAIL PRICE IS LESS THAN RM1.40 PER SHARE.

THE FINAL RETAIL PRICE WILL EQUAL THE LOWER OF:

(I) THE RETAIL PRICE OF RM1.40 PER SHARE; OR

(II) 93 % OF THE INSTITUTIONAL PRICE, TO BE DETERMINED BY WAY OF BOOKBUILDING.

Financial Adviser for the Initial Public Offering



RHB SAKURA MERCHANT BANKERS BERHAD

(Company No. 19663-P)

International Financial Adviser to the Company



CITIGROUP GLOBAL MARKETS SINGAPORE PTE. LTD.

(Company No. in Singapore 199002673E)

Joint Bookrunners for the Institutional Offering



RHB SAKURA MERCHANT BANKERS BERHAD

(Company No. 19663-P)



ECM LIBRA SECURITIES SDN BHD

(formerly known as BBMB Securities Sdn Bhd)

(Company No. 164534-K)

Joint Managing Underwriters for the Retail Offering



RHB SAKURA MERCHANT BANKERS BERHAD

(Company No. 19663-P)



SOUTHERN
Investment Bank

SOUTHERN INVESTMENT BANK BERHAD

(Company No. 169955-T)

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, PLEASE REFER TO "RISK FACTORS" IN SECTION 5 OF THIS PROSPECTUS.

LISTING SOUGHT: MAIN BOARD OF BURSA MALAYSIA SECURITIES BERHAD

THIS PROSPECTUS IS DATED OCTOBER 20, 2004







Personalities featured here are employees of AirAsia



AirAsia Board of Directors



Dato' Pahamin bin Ab. Rajab
Chairman



Anthony Francis Fernandes
Director and Group Chief Executive Officer



Kamarudin bin Meranun
Executive Director, Corporate Finance and Strategic Planning



Sami Ali A. Sindi
Director



Mumtaz Khan
Director



John Francis Tierney
Director



Conor Mc Carthy
Director



Tan Sri Dato' (Dr) R.V. Navaratnam
Independent Director



Datuk Leong Khee Seong
Independent Director



Fam Lee Ee
Independent Director



Abdel Aziz@Abdul Aziz Abu Bakar
Alternate Director to Dato' Pahamin bin Ab. Rajab



Richard Todd Scanlon
Alternate Director to Sami Ali A. Sindi



Adeeb Ahmad
Alternate Director to Mumtaz Khan



Brian Douglas Courtney
Alternate Director to John Francis Tierney

AirAsia Management Team



Top left to right

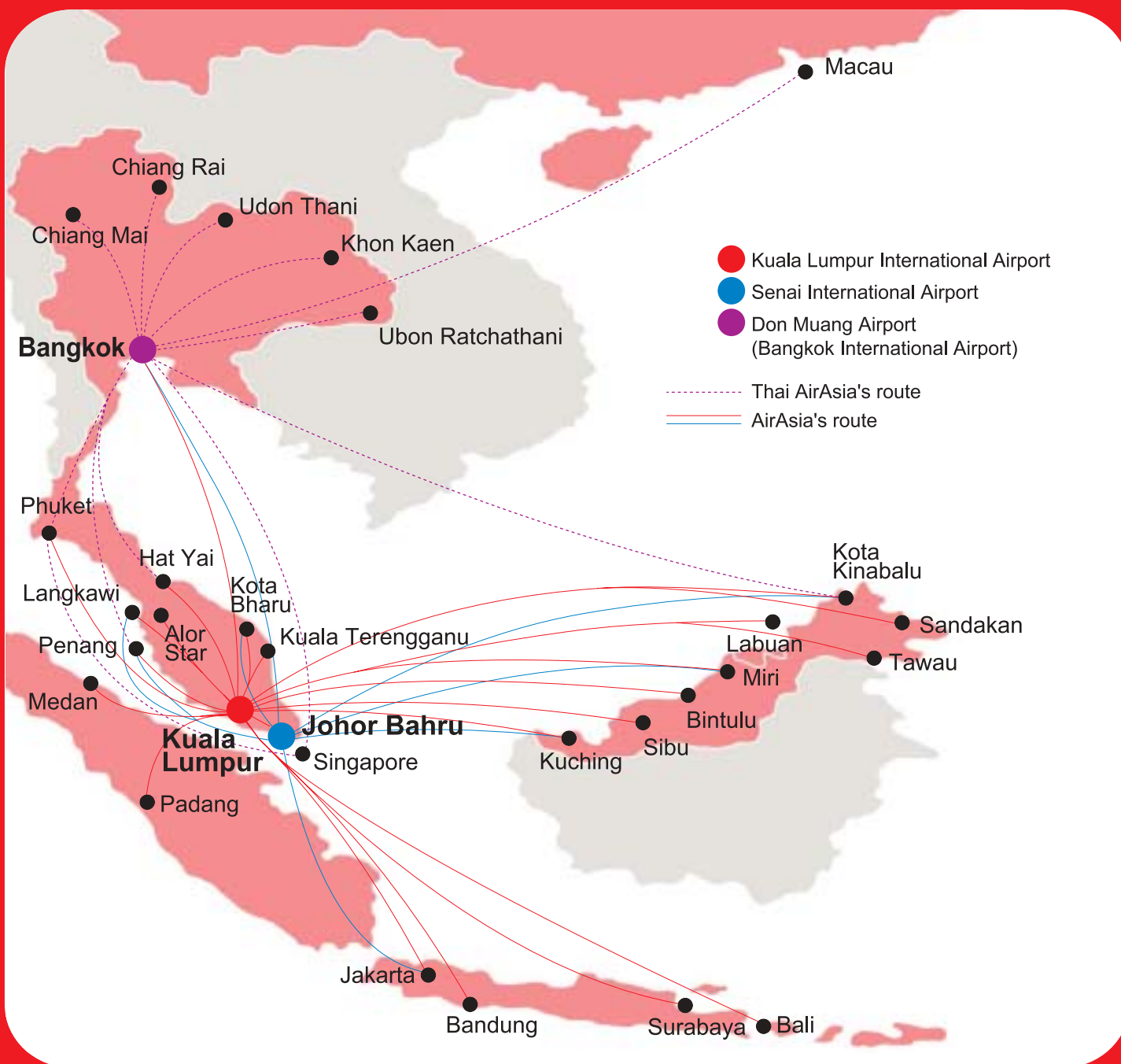
Bernard Francis, Wan Hasmar Azim Wan Hassan, Tony Fernandes, Azida Zainal, Kathleen Tan, Nasser Abu Kassim, Tan Hock Soon, Capt. Chin Nyok San, Raja Mohd. Azmi Raja Razali

Bottom left to right

Ashok Kumar, Wong Mee Yen, Lau Kin Choy, Haridas Pillai, Kamarudin Meranun, Charles Chow, Capt. Nazli Shah, Hew Yoon Loong, Joyce Lai, Tassapon Bijleveld



Personalities featured here are employees of AirAsia





Personalities featured here are employees of AirAsia

AirAsia
Now Everyone Can Fly



THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS (AS DEFINED HEREIN) OF THE COMPANY AND THE SELLING SHAREHOLDERS (AS DEFINED HEREIN) AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN AND CONFIRM, AFTER HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE OR MISLEADING. THE DIRECTORS OF THE COMPANY HEREBY ACCEPT FULL RESPONSIBILITY FOR THE CONSOLIDATED PROFIT FORECAST INCLUDED IN THIS PROSPECTUS AND CONFIRM THAT THE CONSOLIDATED PROFIT FORECAST HAS BEEN PREPARED BASED ON THE ASSUMPTIONS MADE.

RHB SAKURA MERCHANT BANKERS BERHAD (BEING THE FINANCIAL ADVISER FOR THE INITIAL PUBLIC OFFERING, A JOINT MANAGING UNDERWRITER FOR THE RETAIL OFFERING AND A JOINT BOOKRUNNER FOR THE INSTITUTIONAL OFFERING), SOUTHERN INVESTMENT BANK BERHAD (BEING A JOINT MANAGING UNDERWRITER FOR THE RETAIL OFFERING) AND ECM LIBRA SECURITIES SDN BHD (*FORMERLY KNOWN AS BBMB SECURITIES SDN BHD*) (BEING A JOINT BOOKRUNNER FOR THE INSTITUTIONAL OFFERING), ACKNOWLEDGE THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE INITIAL PUBLIC OFFERING (AS DEFINED HEREIN) AND ARE SATISFIED THAT THE CONSOLIDATED PROFIT FORECAST OF THE COMPANY (FOR WHICH THE DIRECTORS OF THE COMPANY ARE FULLY RESPONSIBLE), PREPARED FOR INCLUSION IN THIS PROSPECTUS, HAS BEEN STATED BY THE DIRECTORS OF THE COMPANY AFTER DUE AND CAREFUL ENQUIRY AND HAS BEEN DULY REVIEWED BY THE REPORTING ACCOUNTANTS.

THE SECURITIES COMMISSION ("SC") HAS APPROVED THE INITIAL PUBLIC OFFERING. HOWEVER, THE APPROVAL OF THE SC SHALL NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS THE INITIAL PUBLIC OFFERING. THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY AND COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. **INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

BURSA MALAYSIA SECURITIES BERHAD (*FORMERLY KNOWN AS MALAYSIA SECURITIES EXCHANGE BERHAD*) ("BURSA SECURITIES") SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS CORRECTNESS OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST OF BURSA SECURITIES IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE INVITATION, THE COMPANY OR OF ITS SECURITIES.

INVESTORS SHOULD NOTE THAT ANY AGREEMENT BY THE UNDERWRITER NAMED HEREIN TO UNDERWRITE THE INITIAL PUBLIC OFFERING IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE SHARES BEING OFFERED.

THE PROSPECTUS HAS BEEN PREPARED IN THE CONTEXT OF A PUBLIC OFFERING OF SECURITIES UNDER THE LAWS OF MALAYSIA.

THE DISTRIBUTION OF THIS PROSPECTUS AND THE INITIAL PUBLIC OFFERING ARE SUBJECT TO MALAYSIAN LAWS AND THE COMPANY, THE PROMOTERS, THE SELLING SHAREHOLDERS, THE ADVISERS, THE JOINT BOOKRUNNERS FOR THE INSTITUTIONAL OFFERING AND THE JOINT MANAGING UNDERWRITERS FOR THE RETAIL OFFERING TAKE NO RESPONSIBILITY FOR THE DISTRIBUTION OF THIS PROSPECTUS (IN PRELIMINARY OR FINAL FORM) OUTSIDE MALAYSIA. NO ACTION HAS BEEN TAKEN TO PERMIT A PUBLIC OFFERING OF THE SHARES OR THE DISTRIBUTION OF THIS PROSPECTUS IN ANY JURISDICTION OTHER THAN MALAYSIA.

THIS PROSPECTUS MAY NOT BE USED FOR THE PURPOSE OF AND DOES NOT CONSTITUTE, AN OFFER OR INVITATION IN ANY JURISDICTION OR IN ANY CIRCUMSTANCES IN WHICH SUCH AN OFFER OR INVITATION IS NOT AUTHORISED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR INVITATION. PERSONS INTO WHOSE POSSESSION THIS PROSPECTUS MAY COME ARE REQUIRED TO INFORM THEMSELVES OF AND TO OBSERVE SUCH RESTRICTION.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. A COPY OF THIS PROSPECTUS, TOGETHER WITH THE FORMS OF APPLICATION, HAVE ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

THIS PROSPECTUS IS PUBLISHED SOLELY IN CONNECTION WITH THE INITIAL PUBLIC OFFERING. THE SHARES BEING OFFERED IN THE INITIAL PUBLIC OFFERING ARE OFFERED SOLELY ON THE BASIS OF THE INFORMATION CONTAINED AND REPRESENTATIONS MADE IN THIS PROSPECTUS. NEITHER THE COMPANY, THE PROMOTERS NOR THE SELLING SHAREHOLDERS HAVE AUTHORISED ANYONE TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS, AND ANY INFORMATION OR REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE COMPANY, THE PROMOTERS, THE SELLING SHAREHOLDERS, THE ADVISERS, THE JOINT MANAGING UNDERWRITERS FOR THE RETAIL OFFERING, THE JOINT BOOKRUNNERS FOR THE INSTITUTIONAL OFFERING, ANY OF THEIR RESPECTIVE DIRECTORS, OR ANY OTHER PERSON INVOLVED IN THE INITIAL PUBLIC OFFERING.

THE SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES OF AMERICA ("UNITED STATES") SECURITIES ACT OF 1933, AS AMENDED ("THE SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR TRANSFERRED WITHIN THE UNITED STATES, EXCEPT TO A QUALIFIED INSTITUTIONAL BUYER ("QIB"), AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") IN ACCORDANCE WITH RULE 144A OR OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT ("REGULATION S"). THE SHARES ARE BEING OFFERED AND SOLD WITHIN THE UNITED STATES TO QIBS IN RELIANCE ON RULE 144A AND TO CERTAIN PERSONS IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S. IN ADDITION, UNTIL 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE INITIAL PUBLIC OFFERING AND THE COMPLETION OF THE DISTRIBUTION OF THE SHARES, AN OFFER OR SALE OF THE SHARES WITHIN THE UNITED STATES BY ANY DEALER (WHETHER OR NOT PARTICIPATING IN THE INITIAL PUBLIC OFFERING) MAY VIOLATE THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IF SUCH OFFER OR SALE IS MADE OTHERWISE THAN IN ACCORDANCE WITH AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, SUCH REQUIREMENTS OR IN ACCORDANCE WITH RULE 144A.

THE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER UNITED STATES REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE INITIAL PUBLIC OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

TENTATIVE TIMETABLE

The following events are intended to take place on the following tentative dates:

<u>Event</u>	<u>Tentative Dates</u>
Opening of the Institutional Offering	October 14, 2004
Opening of the Retail Offering	October 20, 2004
Closing of the Retail Offering	October 27, 2004
Closing of the Institutional Offering	October 28, 2004
Price Determination Date	October 28, 2004
Balloting of applications for the Shares pursuant to the Retail Offering.....	October 29, 2004
Allotment of Shares to successful applicants	November 17, 2004
Listing	November 22, 2004

The Initial Public Offering will open and close at the dates stated above or such other date or dates as the Directors of the Company, the Selling Shareholders, the Joint Bookrunners (to the extent of the Institutional Offering) and the Joint Managing Underwriters in their absolute discretion may mutually decide.

Applications for the Shares pursuant to the Retail Offering will open and close at the time and date as stated above or such other date or dates as the Directors of the Company, the Selling Shareholders and Joint Managing Underwriters in their absolute discretion may mutually decide.

Any extension of the abovementioned dates will be announced by way of advertisement in widely circulated English and Bahasa Malaysia newspapers within Malaysia.

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GLOSSARY OF ABBREVIATIONS AND DEFINED TERMS

The following terms when used in this Prospectus and the accompanying Application Forms shall bear the same meanings as set forth below unless otherwise defined herein or the context otherwise requires:

General

AAIL	- AA International Ltd (Company No. LL03901)
AAIL Group	- AAIL and its subsidiaries and associated companies
AAPL	- AirAsia Pte Ltd (Company No. 200309434R)
Act	- Companies Act, 1965 including any statutory modification, amendment or re-enactment thereof for the time being in force
ADA	- Authorised Depository Agent
Admission	- The admission of the Shares to the Official List
AICPA	- American Institute of Certified Public Accountants
AirAsia	- AirAsia Berhad and its consolidated subsidiaries
AirAsia Go Holiday	- AirAsia Go Holiday Sdn Bhd (Company No. 661882-P) <i>(formerly known as Asas Layar Sdn Bhd)</i>
AirAsia Group or Group	- AirAsia and its associated companies
AirAsia HK	- AirAsia (Hong Kong) Limited (Company No. 905508)
AirAsia Mauritius	- AirAsia (Mauritius) Limited (Company No: 52352 C1/GBL)
Airbus	- Airbus Societe par Actions Simplifiee
Alliance Bank	- Alliance Bank Malaysia Berhad (Company No. 88103-W)
AOC	- Air Operator's Certificate
APEC	- Asia-Pacific Economic Co-operation
Application Form	- The printed application form(s) for the application of the Retail Offering
ASA	- Air services agreement
ASEAN	- Association of Southeast Asian Nations
ASL	- Air service license
ATM	- Automated Teller Machine
ATM contract	- The charter agreement dated November 29, 2001 between the Company and the Government of Malaysia for the provision of flight services for armed forces personnel from the Peninsula to Sabah, Sarawak and Labuan
Board	- Board of Directors of the Company
Boeing	- Boeing Inc.
Borneo Tours charter contract	- The charter agreement between the Company and Borneo Tours Sdn Bhd formalized in April 2004.

GLOSSARY OF ABBREVIATIONS AND DEFINED TERMS (Cont'd)

Bursa Securities	- Bursa Malaysia Securities Berhad (Company No. 635998-W) <i>(formerly known as Malaysia Securities Exchange Berhad)</i>
By-Laws	- By-laws governing the ESOS
CAAGR	- Cumulative average annual growth rate
CAAL	- Crescent Air Asia Investments, Ltd (Company No. CR-120334)
CAAS	- Civil Aviation Authority of Singapore
Cargo Counts	- cargo counts GmbH
CDS	- Central Depository System
CEO	- Chief Executive Officer
CIAS	- Changi International Airport Services
Code	- U.S. Internal Revenue Code of 1986, as amended
Company	- AirAsia Berhad (Company No. 284669-W)
CAAL II	- Crescent Air Asia Investments II, Ltd (Company No. WK-136724)
Crunchtime	- Crunchtime Culinary Services Sdn Bhd (Company No. 595981-P)
DCA	- Department of Civil Aviation of Malaysia
DCL	- Deucalion Capital II Limited (Company No. CR-122160)
DMA	- Don Muang International Airport in Bangkok
Depository	- Bursa Malaysia Depository Sdn. Bhd. (Company No. 1165570-W) <i>(formerly known as Malaysian Central Depository Sdn Bhd)</i>
EBIT	- Earnings before interest income (expense) and taxation. EBIT provides useful information but should not be considered as an indication of, or as an alternative to, profit attributable to shareholders or as an alternative to cash flow as a measure of liquidity. Other companies may calculate EBIT in a different manner than the AirAsia Group
EBITDAR	- Earnings before interest income (expense), taxation, depreciation, amortization and aircraft operating lease expenses. EBITDAR provides useful information but should not be considered as an indication of, or as an alternative to, profit attributable to shareholders or as an alternative to cash flow as a measure of liquidity. Other companies may calculate EBITDAR in a different manner than the AirAsia Group
Electronic Share Application	- Application for the Retail Offering through a Participating Financial Institution's ATM
Eligible Employees	- Directors and employees of AirAsia who are eligible to participate in the ESOS in accordance with the terms and conditions of the By-Laws
EPS	- Earnings per share
ESOS	- Share Options Scheme established by the Company on June 7, 2004 for the grant of Options to eligible persons of AirAsia (excluding dormant subsidiaries) wherein the maximum number of Shares to be offered under the scheme shall not exceed 10% of the issued and paid-up share capital of the Company at any point in time during the duration of the scheme subject to the terms and conditions set out in the By-Laws

GLOSSARY OF ABBREVIATIONS AND DEFINED TERMS (Cont'd)

Exchange Act	- The U.S. Securities Exchange Act of 1934, as amended
FIC	- Foreign Investment Committee
FIC Guidelines	- Foreign Investment Committee Guidelines
Final Retail Price	- The final price per Share to be paid by investors pursuant to the Retail Offering as determined in accordance with Section 4.8 of this Prospectus
FlightSpeed	- Navitaire's OpenSkies FlightSpeed program, a reservation booking software which is used by the Nationwide Call Center
Garuda	- Garuda International Airlines
GDP	- Gross domestic product
Government	- The Government of Malaysia
Hicom	- Hicom Holdings Berhad (Company No. 67-W)
IATA	- International Air Transport Association
ICAO	- The International Civil Aviation Organization
IDBIF	- IDBIF Malaysia Investments Ltd (Company No. LL03787)
Indochina	- A peninsula of Southeast Asia comprising Vietnam, Laos and Cambodia
Initial Public Offering or IPO	- Offering of 700,509,400 Shares comprising the Institutional Offering and the Retail Offering collectively
Institutional Offering	- 560,407,500 Shares, subject to reallocation, to be offered to: <ul style="list-style-type: none"> i) Malaysian institutional and/or selected investors; ii) QIBs in the U.S. in reliance on Rule 144A under the Securities Act; and iii) non-U.S. persons in offshore transactions outside the U.S. and Malaysia in reliance on Regulation S
Institutional Price	- Price per Issue Share/Offer Share to be paid by investors pursuant to the Institutional Offering. The Institutional Price shall be determined at the Price Determination Date
International Institutional Offering	- Offering to international investors pursuant to the Institutional Offering, namely QIBs in the U.S. in reliance on Rule 144A and outside the U.S. and Malaysia in reliance on Regulation S
IRS	- The U.S. Internal Revenue Service
Issue Shares	- 583,757,800 Shares to be issued and offered by the Company pursuant to the Initial Public Offering
Joint Bookrunners	- Joint bookrunners for the Institutional Offering namely RHB Sakura, ECM Libra Securities Sdn Bhd and Credit Suisse First Boston (Hong Kong) Limited
Joint Managing Underwriters	- Joint Managing Underwriters for the Retail Offering, namely RHB Sakura and Southern Investment Bank Berhad
KLEMAS	- The Kuala Lumpur EMAS Index

GLOSSARY OF ABBREVIATIONS AND DEFINED TERMS (Cont'd)

KLIA	- The Kuala Lumpur International Airport
Listing	- Listing of and quotation for the entire enlarged issued and paid-up share capital of the Company of RM233,503,108 comprising 2,335,031,080 Shares on the Main Board of Bursa Securities
Listing Requirements	- The listing requirements of Bursa Securities
LTH	- Lembaga Tabung Haji
Malaysian Aircraft	- Any aircraft registered in Malaysia
MAAS	- Malaysian approved accounting standards
Market Day	- Any day on which Bursa Securities is open for the trading of securities
MAS	- Malaysian Airline System Berhad (Company No. 10601-W)
MI	- Minority interests
MIH	- Malaysian Issuing House Sdn Bhd (Company No. 258345-X)
MITI	- Ministry of International Trade and Industry of Malaysia
Mofaz Air	- Mofaz Air Sdn Bhd (Company No. 232331-W)
MOT	- Ministry of Transport of Malaysia
Nationwide Call Center	- AirAsia's nationwide call center at Kelana Square
Non-U.S. Holder	- A beneficial owner of Shares that is not a U.S. Holder
NTA	- Net tangible assets
Offer Shares	- 116,751,600 Shares to be offered for sale by the Selling Shareholders pursuant to the Initial Public Offering
Official List	- The official list of the Main Board of Bursa Securities
Options	- The rights to subscribe for new Shares upon acceptance of an offer under the ESOS
Participating Financial Institution(s)	- The participating financial institution(s) for Electronic Share Application as listed in Section 23.5 of this Prospectus
PAT	- Profit after taxation
PBT	- Profit before taxation
Petronas	- Petronas Dagangan Berhad
PE Multiple	- Price earnings multiple
Pink Form Tranche	- 23,350,300 Issue Shares comprised in the Retail Offering reserved for (i) eligible employees and Directors of AirAsia; and (ii) persons who have contributed to the success of AirAsia
Price Determination Date	- The date on which the Institutional Price is to be determined
Promoters	- Collectively Tune Air, IDBIF, CAAL and DCL, who are also the Selling Shareholders

GLOSSARY OF ABBREVIATIONS AND DEFINED TERMS (Cont'd)

PT AWAir	- PT AWAir International
PwC or Reporting Accountants	- PricewaterhouseCoopers
QIB(s)	- Qualifying Institutional Buyer(s)
Regulation	- The U.S. Treasury Regulations promulgated under the Code
Regulation S	- Regulation S under the Securities Act
Retail Offering	- 140,101,900 Shares, subject to reallocation, to be offered to: <ul style="list-style-type: none"> i) Eligible employees and directors of AirAsia and persons who have contributed to the success of AirAsia; and ii) Malaysian citizens, companies, societies, co-operatives and institutions (of which at least 30% is to be set aside strictly for Bumiputra individuals, companies, societies, co-operatives and institutions)
Retail Price	- Initial price of RM1.40 per Issue Share to be fully paid by applicants pursuant to the Retail Offering
Retail Underwriters	- ECM Libra Securities Sdn Bhd (Company No. 164534-K), AmMerchant Bank Berhad (Company No. 23742-V), Avenue Securities Sdn Bhd (Company No. 682-X) and Hwang-DBS Securities Berhad (Company No. 14389-U)
RHB Sakura	- RHB Sakura Merchant Bankers Berhad (Company No.: 19663-P)
Rule 144A	- Rule 144A under the Securities Act
S-A-P	- The S-A-P Group LLC, an independent aviation consultant engaged by the Company
SC	- Securities Commission of Malaysia
SCA	- Securities Commission Act, 1993 including any statutory modification, amendment or re-enactment thereof for the time being in force
SC Guidelines	- Policies and Guidelines on Issue/Offer of Securities issued by the SC (including the Format and Content of Applications for Initial Public Offering) and any amendments thereto
Securities Act	- United States Securities Act of 1933, as amended
Selling Shareholders	- Collectively Tune Air, IDBIF, CAAL and DCL, who are also the Promoters
Senai	- Senai International Airport in Johor Bahru
SES	- The Stock Exchange of Singapore Ltd
Share(s)	- Ordinary share(s) of RM0.10 each in the Company
Shin Corporation	- Shin Corporation Public Company Limited, a public limited company incorporated under the laws of Thailand
SIBB	- Southern Investment Bank Berhad (Company No.: 169955-T)
SMS	- Short message service, a service whereby mobile telephone users may send and receive text messages

GLOSSARY OF ABBREVIATIONS AND DEFINED TERMS (Cont'd)

ST Aero	- ST Aerospace Engines Pte. Ltd.
THAI	- Thai Airways International Public Company Limited, a public limited company incorporated under the laws of Thailand
Thai AirAsia	- Thai AirAsia Co Ltd (<i>formerly known as AirAsia Aviation Co. Ltd</i>) (Company No. 10454601895)
Thai AirAsia HK	- Thai AirAsia (Hong Kong) Limited (Company No. 905509)
Thai Crunch Time	- Thai Crunch Time Co Ltd (Company No. 0108554705799)
Tiger Airways	- Tiger Airways Pte Ltd
Tony Fernandes	- Anthony Francis Fernandes
Tune Air	- Tune Air Sdn Bhd (Company No. 548526-V)
U.S.	- The United States of America
U.S. GAAP	- Generally accepted accounting principles in the U.S.
U.S. Holder	- A beneficial owner of Shares that is (i) a citizen of the United States or resident of the United States for U.S. federal income tax purposes, (ii) an entity treated as a corporation for U.S. federal income tax purposes created or organized in, or under the laws of, the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax regardless of its source, or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined under the Code) have the authority to control all substantial decisions of the trust or a trust that has made a valid election under applicable Regulations to be treated as a domestic trust
WAP technology	- Wireless application protocol, a uniform technology platform with consistent content formats for delivering Internet- and intranet-based information and services to digital mobile phone and other wireless devices
Currencies	
THB or Baht	- Thailand Baht, the lawful currency of Thailand
£ and pence	- Sterling pound and pence respectively, the lawful currency of the United Kingdom
HK\$	- Hong Kong dollar, the lawful currency of Hong Kong
RM and sen	- Malaysian Ringgit and sen respectively, the lawful currency of Malaysia
Rupiah or IDR	- Indonesian Rupiah, the lawful currency of Indonesia
S\$	- Singapore Dollar, the lawful currency of Singapore
U.S.\$ or USD	- United States Dollar, the lawful currency of the U.S.

GLOSSARY OF TECHNICAL TERMS

'A' checks	- The basic inspection and routine servicing conducted on an aircraft every 250 hours flown to ensure that the aircraft is in an airworthy state to continue flying
Aircraft push back	- The act of pushing an aircraft back from a gate or away from other aircraft at parking areas, to allow for an aircraft to begin taxiing under its own power
ASK	- Available seat kilometers, which is the total number of seats available on scheduled flights multiplied by the number of kilometers those seats were flown
Block hours	- The time between the departure of an aircraft and its arrival at its destination, as recorded in the aircraft flight log
'C' checks	- The maintenance performed on an aircraft every 4,000 hours flown (approximately every 11 months)
Cost per ASK	- Total operating expenses (excluding finance costs and taxation) divided by ASK
'D' checks	- The complete overhaul performed on an aircraft every 24,000 hours flown (approximately every seven years)
Daily aircraft utilization rate	- The amount of time that an aircraft spends in the air carrying passengers
Fifth Freedom Rights	- The freedom that enables airlines to carry passengers to one country, and then fly on to another country (rather than back to their country of origin)
Heavy maintenance	- The 'C' and 'D' checks performed on an aircraft
Light maintenance	- Daily routine checks on the aircraft, including daily pre-flight checks and overnight checks, as well as 'A' checks
Revenue per ASK	- Total revenue divided by ASK
Revenue per RPK	- Total revenue divided by RPK
RPK	- Revenue passenger kilometers, which is the number of paying passengers carried on scheduled flights multiplied by the number of kilometers those passengers were flown
Slots	- Designated time for landing or taking off of an aircraft at an airport

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ANNEXURE A

EXECUTIVE SUMMARY REPORT BY S-A-P