

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL

10.1 Promoters and Substantial Shareholders

10.1.1 Promoters' shareholdings

The direct and indirect interests of the Promoters of the Company in the Shares before and after the Initial Public Offering (assuming full subscription of the Issue Shares reserved for them under the Pink Form Tranche but before the exercise of the Options) are as follows:

Promoter	Nationality/ Country of Incorporation	Before the Initial Public Offering No. of Shares over which interest subsists				After the Initial Public Offering No. of Shares over which interest subsists			
		Direct	%	Indirect	%	Direct	%	Indirect	%
Tune Air	Malaysia	1,131,673,080	64.6	-	-	1,045,344,650	44.8	-	-
IDBIF	Labuan	122,589,130	7.0	-	-	110,887,910	4.7	-	-
CAAL	Cayman Islands British West Indies	157,614,590	9.0	-	-	147,083,490	6.3	-	-
DCL	Cayman Islands British West Indies	96,320,030	5.5	-	-	88,129,180	3.8	-	-

10.1.2 Substantial shareholders' shareholdings

The direct and indirect interests of the substantial shareholders of the Company in the Shares before and after the Initial Public Offering (assuming full subscription of the Issue Shares reserved for them under the Pink Form Tranche but before the exercise of the Options) are as follows:

Substantial Shareholder	Nationality/ Country of Incorporation	Before the Initial Public Offering No. of Shares over which interest subsists				After the Initial Public Offering No. of Shares over which interest subsists			
		Direct	%	Indirect	%	Direct	%	Indirect	%
Tune Air	Malaysia	1,131,673,080	64.6	-	-	1,045,344,650	44.8	-	-
Anthony Francis Fernandes	Malaysian	10	-*	1,131,673,080 ¹	64.6	100,010	-*	1,045,344,650 ¹	44.8
Kamarudin Bin Meranun	Malaysian	-	-	1,131,673,080 ¹	64.6	100,000	-*	1,045,344,650 ¹	44.8
Raja Mohd Azmi Bin Raja Razali	Malaysian	113,832,770	6.5	-	-	113,892,770	4.9	-	-
IDBIF	Labuan	122,589,130	7.0	-	-	110,887,910	4.7	-	-
IDB Infrastructure Fund L.P.	Kingdom of Bahrain	-	-	122,589,130 ²	7.0	-	-	110,887,910 ²	4.7

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Substantial Shareholder	Nationality/ Country of Incorporation	Before the Initial Public Offering No. of Shares over which interest subsists				After the Initial Public Offering No. of Shares over which interest subsists			
		Direct	%	Indirect	%	Direct	%	Indirect	%
CAAL	Cayman Islands British West Indies	157,614,590	9.0	-	-	147,083,490	6.3	-	-
Crescent Control Company Ltd	Cayman Islands	-	-	157,614,590 ³	9.0	-	-	147,083,490 ³	6.3
Sami Ali A. Sindi	Saudi Arabian	-	-	236,421,890 ⁴	13.5	100,000	-*	225,890,790 ⁴	9.7
DCL	Cayman Islands British West Indies	96,320,030	5.5	-	-	88,129,180	3.8	-	-
Maples Finance Limited	Cayman Island	-	-	96,320,030 ⁵	5.5	-	-	88,129,180 ⁵	3.8
Calamp (No. 2) Limited	Cayman Island	-	-	96,320,030 ⁶	5.5	-	-	88,129,180 ⁶	3.8
Maples & Calder	Cayman Island	-	-	96,320,030 ⁷	5.5	-	-	88,129,180 ⁷	3.8

Notes:

* Negligible.

1 Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Tune Air.

2 Deemed interested by virtue of Section 6A of the Act as IDB Infrastructure Fund L.P. wholly owns IDBIF.

3 Deemed interested by virtue of Section 6A of the Act, as Crescent Control Company Ltd has 100% of the voting rights in CAAL.

4 Deemed interested by virtue of Section 6A of the Act, as Sami Ali A. Sindi wholly owns Crescent Control Company Ltd, which in turn has 100% of the voting rights in CAAL and Sami Ali A. Sindi wholly owns Crescent Venture Partners, Ltd, which in turn has 100% of the voting rights in CAAL II. CAAL II holds an interest of 78,807,300 Shares in the Company.

5 Deemed interested by virtue of Section 6A of the Act, as Maples Finance Limited wholly owns DCL. Maples Finance Limited is the trustee of an express charitable trust holding 100% of DCL.

6 Deemed interested by virtue of Section 6A of the Act, as Calamp (No. 2) Limited wholly owns Maples Finance Limited, which in turn wholly owns DCL. However, Calamp (No. 2) Limited does not have any economic or beneficial interest over such Shares as such interest is held subject to the terms of the declaration of trust for charitable purposes as referred to in note 5 above.

7 Deemed interested by virtue of Section 6A of the Act, as Maples & Calder (a law firm in the Cayman Islands) wholly owns Calamp (No. 2) Limited, which in turn wholly owns Maples Finance Limited. However, Maples & Calder does not have any economic or beneficial interest over the Shares as such interest is held subject to the terms of the declaration of trust for charitable purposes as referred to in note 5 above.

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

10.1.3 Background information on the Promoters and substantial shareholders

(a) Tune Air

Tune Air is one of the Promoters for the Initial Public Offering and has been involved in the affairs and business of the Company since December 2001. Tune Air was incorporated in Malaysia under the Act on May 24, 2001 and is principally an investment holding company. Tune Air has an authorized share capital of RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each, with a paid-up capital of RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

As at October 12, 2004, the substantial shareholders of Tune Air and their respective shareholdings in Tune Air are as follows:

Substantial Shareholder	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
Dato' Pahamin Bin Ab. Rajab	80,000	8.0	-	-
Anthony Francis Fernandes	410,000	41.0	-	-
Kamarudin Bin Meranun	340,000	34.0	-	-
Abdel Aziz @ Abdul Aziz Bin Abu Bakar	100,000	10.0	-	-
Conor Mc Carthy	70,000	7.0	-	-

As at October 12, 2004, the Directors of Tune Air and their respective shareholdings in Tune Air are as follows:

Director	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
Dato' Pahamin Bin Ab. Rajab	80,000	8.0	-	-
Anthony Francis Fernandes	410,000	41.0	-	-
Kamarudin Bin Meranun	340,000	34.0	-	-
Abdel Aziz @ Abdul Aziz Bin Abu Bakar	100,000	10.0	-	-
Conor Mc Carthy	70,000	7.0	-	-

For details on the knowledge and experience of the Group Chief Executive Officer, Tony Fernandes who is also one of the substantial shareholders of the Company through his 41.0% equity interest in Tune Air, please refer to his profile set out in Section 10.2.2 of this Prospectus.

(b) IDBIF

IDBIF is one of the Promoters for the Initial Public Offering and has been involved in the affairs and business of the Company since July 2003. IDBIF was incorporated in Labuan under the Offshore Companies Act 1990 on June 16, 2003 and is principally an investment company. IDBIF has an authorized share capital of U.S.\$11,000,000 comprising 11,000,000

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

ordinary shares of U.S.\$1.00 each, with a paid-up capital of U.S.\$10,001,000 comprising 10,001,000 ordinary shares at U.S.\$1.00 each.

As at October 12, 2004, the substantial shareholder of IDBIF and its shareholding in IDBIF is as follows:

Substantial Shareholder	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
IDB Infrastructure Fund L.P.	10,001,000	100.0	-	-

As at October 12, 2004, the Directors of IDBIF and their shareholdings in IDBIF are as follows:

Director	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
Mumtaz Khan	-	-	-	-
Michael P. Lee	-	-	-	-

(c) IDB Infrastructure Fund L.P.

IDB Infrastructure Fund L.P. ("the Fund") was founded in the Kingdom of Bahrain as a limited partnership and is registered and classified by the Ministry of Commerce as a "simple commandite partnership" in the Bahrain commercial register on August 21, 2001. The Fund has a life of 10 years from the date it first began operations, and has seven limited partners and three profit sharing partners. The Fund invests, for its own account, in infrastructure projects and infrastructure-related companies, the principal business of which is not contrary to the provisions of Islamic Shari'a, in the Member Countries of the Islamic Development Bank ("IDB"). The primary strategic objectives of the Fund are to seek long-term capital appreciation through equity and equity-related investments and to promote the use of Islamic finance in infrastructure projects.

The aggregate equity commitments to the Fund is USD730,500,100. As at July 2, 2004, a cumulative amount of approximately USD270 million has been drawn down from the limited partners. Undrawn capital commitments stand at approximately USD460.5 million.

The Fund does not have a board of directors. The limited partners and profit sharing partners (other than the general partner) do not take part in the management or control of the activities and affairs of the Fund, and shall have no right or authority to act for the Fund or to take any part in or in any way interfere in the conduct or management of the Fund.

The general partner, namely Emerging Markets Partnership (Bahrain) E.C., has the exclusive responsibility for the management and control of the activities and affairs of the Fund and has the power and authority to do all things necessary to carry out the purpose and objectives of the Fund.

IDB is the principal sponsor of the Fund. The lead sponsors of the Fund include Dar Al-Maal Al-Islami Trust, the Government of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam, the Kingdom of Bahrain, and the Kingdom of Saudi Arabia represented by the Public Pension Agency. A consortium of Malaysian financial institutions represented by LTH is also a limited partner of the Fund.

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

(d) CAAL

CAAL is one of the Promoters for the Initial Public Offering and has been involved in the affairs and business of the Company since July 2003. CAAL was incorporated in the Cayman Islands on October 4, 2002 and is principally an investment company. CAAL has an authorized share capital of USD501, comprising 50,000 Class A shares and 100 Class B shares of USD0.01 each, with a paid-up capital of USD99.01 comprising 9,900 class A shares and 1 Class B shares of USD0.01 each. Class A shares have no voting rights whatsoever.

As at October 12, 2004, the substantial shareholders of CAAL and their respective shareholdings in CAAL are as follows:

Substantial Shareholder	Direct		Indirect	
	No. of Class B shares	%	No. of Class B shares	%
Crescent Control Company Ltd	1	100.0	-	-
Sami Ali A. Sindi	-	-	1 ¹	100.0

Notes:

- 1 Sami Ali A. Sindi also owns Crescent Venture partners Ltd (for further details please refer to Section 10.1.2 "Substantial shareholders' shareholdings")
- 2 Deemed interested by virtue of Section 6A of the Act, as Sami Ali A. Sindi wholly owns Crescent Control Company Ltd.

As at October 12, 2004, the Directors of CAAL and their respective shareholdings in CAAL are as follows:

Director	Direct		Indirect	
	No. of Class B shares	%	No. of Class B shares	%
Sami Ali A. Sindi	-	-	1 ¹	100.0
David Hand	-	-	-	-

Note:

- 1 Deemed interested by virtue of Section 6A of the Act, as Sami Ali A. Sindi wholly owns Crescent Control Company Ltd.

(e) DCL

DCL is one of the Promoters for the Initial Public Offering and has been involved in the affairs and business of the Company since July 18, 2003. DCL was incorporated in the Cayman Islands on December 22, 2002 and is principally involved in the purchase of high yield equity investments. DCL has an authorized share capital of USD50,000 comprising 50,000 ordinary shares of USD1.00 each, with a paid-up capital of USD1,000 comprising 1,000 ordinary shares of USD1.00 each.

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

As at October 12, 2004, the substantial shareholders of DCL and their respective shareholdings in DCL are as follows:

Substantial Shareholder	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
Maples Finance Limited	1,000	100.0	-	-
Calamp (No. 2) Limited	-	-	1,000 ¹	100.0
Maples & Calder	-	-	1,000 ²	100.0

Notes:

- 1 Deemed interested by virtue of Section 6A of the Act, as Calamp (No. 2) Limited wholly owns Maples Finance Limited, which is the trustee of an express charitable trust holding 100% of DCL. Accordingly, Calamp (No. 2) Limited does not have any economic or beneficial interest over the Company Shares as such interest is held subject to the terms of the declaration of trust for charitable purposes.
- 2 Deemed interested by virtue of Section 6A of the Act, as Maples & Calder (a law firm in the Cayman Islands) wholly owns Calamp (No. 2) Limited, which in turn has a substantial shareholding in Maples Finance Limited. However, Maples & Calder does not have any economic or beneficial interest over the Company Shares as such interest is held subject to the terms of the declaration of trust for charitable purposes as referred to in note 1 above.

As at October 12, 2004, the Directors of DCL and their respective shareholdings in DCL are as follows:

Director	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
Hugh Thompson	-	-	-	-
John Tierney	-	-	-	-
Murray McGregor	-	-	-	-
Suzan Merren	-	-	-	-
Phillip Hinds	-	-	-	-

(f) Maples Finance Limited

Maples Finance Limited was incorporated in the Cayman Islands on February 17, 1997 under the name of QSPV Limited. The company changed its name to Maples Finance Limited on January 1, 2003. It is a privately owned trust company which provides fiduciary services to other finance vehicles in the Cayman Island. Maples Finance Limited has an authorized share capital of USD50,000 comprising 50,000 ordinary shares of USD1.00 each, with a paid-up capital of USD50,000 comprising 50,000 ordinary shares of USD1.00 each.

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

As at October 12, 2004, the substantial shareholders of Maples Finance Limited and their respective shareholdings in Maples Finance Limited are as follows:

Substantial Shareholder	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
Calamp (No. 2) Limited	50,000	100.0	-	-
Maples & Calder	-	-	50,000 ¹	100.0

Note:

¹ Deemed interested by virtue of Section 6A of the Act, as Maples & Calder (a law firm in the Cayman Islands) wholly owns Calamp (No. 2) Limited.

As at October 12, 2004, the Directors of Maples Finance Limited and their respective shareholdings in Maples Finance Limited are as follows:

Director	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
Henry Harford	-	-	-	-
Anthony Travers	-	-	-	-

Save as disclosed in Section 18.1 of this Prospectus, none of the substantial shareholders of the Company has any interest, direct or indirect (i) in the promotion of, or in any material assets which have been, within the two years preceding the date of this Prospectus, acquired or disposed of by or leased to or proposed to be acquired, disposed of by or leased to AirAsia, or (ii) in any contract or arrangement which is material in relation to the business of the Company or AirAsia subsisting as at the date of this Prospectus.

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10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

10.1.4 Directorships and substantial shareholdings in all other public corporations for the past two years

Based on the declaration by the Promoters and substantial shareholders, save as disclosed below, none of the Promoters and substantial shareholders of the Company have any directorships and/or substantial shareholdings in any other public corporation for the past two years preceding October 12, 2004:

Substantial shareholder	Name of company	Nature of interest	Date of appointment as Director	<-----Direct----->		<-----Indirect----->		Principal activities
				No. of shares	%	No. of shares	%	
Kamarudin Bin Meranun	Intrinsic Capital Management (L) Ltd	Director/ Shareholder	30.03.1998	667	66.7	-	-	Investment management
Sami Ali A. Sindi	Crescent Venture Partners Ltd	Director / Shareholder	17.10.2003	100	100.0	-	-	Investment company
	CaptiveVision Capital Ltd	Shareholder	-	-	-	409,416 ¹	16.0	Investing, financing and investment holding
	Skywest Ltd	Shareholder	-	-	-	11,001,500 ²	19.6	Airline

Notes:

- 1 Deemed interested by virtue of Section 6A of the Act, as Sami Ali A. Sindi wholly owns Crescent Venture Partners Ltd, which in turn has a shareholding of more than 15% in CaptiveVision Capital Ltd.
- 2 Deemed interested by virtue of Section 6A of the Act, as Sami Ali A. Sindi wholly owns Crescent Venture Partners Ltd, which in turn has a shareholding of more than 15% in CaptiveVision Capital Ltd that is a substantial shareholder of Skywest Ltd.

The Board of Directors is of the view that the involvement of Sami Ali A. Sindi in Skywest Limited ("Skywest") does not create a situation of conflict of interest for the following reasons:

- (a) Skywest operates on short routes only in Western Australia, outside AirAsia's geographical coverage;
- (b) Western Australia and in particular Perth itself is approximately six hours away from Kuala Lumpur, outside the economical flying range of the Group's Boeing 737 aircraft type;
- (c) to the best of Mr. Sindi's knowledge, Skywest has no plans to conduct operations outside Australia; and
- (d) Mr. Sindi's only interest in Skywest is an indirect shareholding via Crescent Venture Partners Ltd and Captive Vision Capital Ltd. Therefore, his interest in Skywest is remote and he is not in anyway involved in Skywest's day-to-day management operations.

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

10.1.5 Changes in Promoters' and substantial shareholders' shareholdings in the Company for the past three years

The changes in the direct shareholdings of the Promoters and substantial shareholders in the Company for the past three years are as follows:

Name of Promoter/substantial shareholder	Date interest acquired/ disposed	No. of Shares held before acquisition/ Disposal	Total no. of Shares acquired/ (disposed)	Cumulative no. of Shares held after acquisition/ disposal No. of shares	% ¹
Hicom	31.12.2001	51,680,000	(51,680,000)	-	-
Tune Air	31.12.2001	-	51,680,000	51,680,000	99.3
	15.05.2002	51,680,000	(1)	51,679,999	99.3
	15.05.2002	51,679,999	(1)	51,679,998	99.3
	14.08.2003	51,679,998	(1,267,527)	50,412,471	76.5
	15.08.2003	50,412,471	(1,140,774)	49,271,697	74.8
	15.08.2003	49,271,697	(887,269)	48,384,428	73.4
	24.05.2004 ²	48,384,428	80,819,793	129,204,221	73.8
	09.09.2004	129,204,221	(8,756,367)	120,447,854	68.8
	06.10.2004 [^]	-	-	1,204,478,540	68.8
	08.10.2004	1,204,478,540	(26,269,100)	1,178,209,440	67.3
	08.10.2004	1,178,209,440	(43,781,830)	1,134,427,610	64.8
	08.10.2004	1,134,427,610	(2,754,530)	1,131,673,080	64.6
Anthony Francis Fernandes	15.05.2002	-	1	1	-*
	06.10.2004 [^]	-	-	10	-*
Raja Mohd Azmi Bin Raja Razali	09.09.2004	-	8,756,367	8,756,367	5.0
	06.10.2004 [^]	-	-	87,563,670	5.0
	08.10.2004	87,563,670	26,269,100	113,832,770	6.5
IDBIF	18.07.2003	-	5,323,612	5,323,612	8.1
	14.08.2003	5,323,612	1,267,527	6,591,139	10.0
	24.05.2004 ²	6,591,139	10,921,594	17,512,733	10.0
	06.10.2004 [^]	-	-	175,127,330	10.0
	08.10.2004	175,127,330	(52,538,200)	122,589,130	7.0
CAAL	18.07.2003	-	4,791,251	4,791,251	7.3
	15.08.2003	4,791,251	1,140,774	5,932,025	9.0
	24.05.2004 ²	5,932,025	9,829,434	15,761,459	9.0
	06.10.2004 [^]	-	-	157,614,590	9.0
DCL	18.07.2003	-	3,726,529	3,726,529	5.7
	15.08.2003	3,726,529	887,269	4,613,798	7.0
	24.05.2004 ²	4,613,798	7,645,115	12,258,913	7.0
	06.10.2004 [^]	-	-	122,589,130	7.0
	08.10.2004	122,589,130	(26,269,100)	96,320,030	5.5

Notes:

* Negligible.

¹ Based on the issued and paid-up share capital at the point of time when the equity was acquired/disposed.

² Pursuant to the conversion of outstanding preference shares into ordinary shares on a one for one basis.

[^] Subdivision in the nominal value of the ordinary shares from RM1.00 to RM0.10 per ordinary share

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

10.1.6 Selling Shareholders

As at the date of this Prospectus, the Selling Shareholders are the beneficial owners of an aggregate of 86.1% ordinary shares in the Company. Following the Initial Public Offering, the Selling Shareholders will own 1,391,445,230 Shares representing 59.6% of the enlarged issued and paid-up share capital of the Company (before conversion of Options). The following table presents information regarding the ownership by the Selling Shareholders of Shares before and after giving effect to the Initial Public Offering.

Selling Shareholders	No. of Shares over which interest subsists before the Initial Public Offering	No. of Offer Shares	No. of Shares over which interest subsists after the Initial Public Offering
Tune Air	1,131,673,080	86,328,430	1,045,344,650
IDBIF	122,589,130	11,701,220	110,887,910
CAAL	157,614,590	10,531,100	147,083,490
DCL	96,320,030	8,190,850	88,129,180
	1,508,196,830	116,751,600	1,391,445,230

10.2 Board of Directors

The Board has adopted a set of corporate governance guidelines which set out the following responsibilities for effective discharge of its functions:

Within the limits set by the Company's Articles of Association, the Board is responsible for leading and managing the Company. In the discharge of its stewardship responsibilities, which may be undertaken by the Directors collectively or via committees made up entirely of Directors or otherwise, the six specific areas covered are as follows:

- strategic planning for the Company;
- overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- identifying principal risks and ensure the implementation of appropriate systems to manage these risks;
- succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management;
- developing and implementing an investor relations programme or shareholder communications policy for the Company; and

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

- reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

Under its Articles of Association, the Company must have at least two Directors.

10.2.1 Directors' Shareholdings

The direct and indirect interests of the Directors of the Company in the Shares before and after the Initial Public Offering (assuming full subscription of the Issue Shares reserved for them under the Pink Form Tranche but before exercise of the Options) are as follows:

Name	Designation	Before the Initial Public Offering				After the Initial Public Offering			
		<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
		No. of Shares over which interest subsists	%	No. of Shares over which interest subsists	%	No. of Shares over which interest subsists	%	No. of Shares over which interest subsists	%
Dato' Pahamin Bin Ab. Rajab	Chairman	10	-*	-	-	100,010	-	-	-
Anthony Francis Fernandes	Group Chief Executive Officer	10	-	1,131,673,080 ¹	64.6	100,010	-*	1,045,344,650 ¹	44.8
Kamarudin Bin Meranun	Executive Director (Corporate Finance and Strategic Planning)	-	-	1,131,673,080 ¹	64.6	100,000	-*	1,045,344,650 ¹	44.8
Sami Ali A. Sindi	Non-Executive Director	-	-	236,421,890 ²	13.5	100,000	-*	225,890,790 ²	9.7
Mumtaz Khan	Non-Executive Director	-	-	-	-	100,000	-*	-	-
John Francis Tierney	Non-Executive Director	-	-	-	-	100,000	-*	-	-
Conor Mc Carthy	Non-Executive Director	-	-	-	-	100,000	-*	-	-
Tan Sri Dato' (Dr) R.V. Navaratnam	Independent Non-Executive Director	-	-	-	-	100,000	-*	-	-

10. **INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)**

Name	Designation	Before the Initial Public Offering				After the Initial Public Offering			
		<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
		No. of Shares over which interest subsists	%	No. of Shares over which interest subsists	%	No. of Shares over which interest subsists	%	No. of Shares over which interest subsists	%
Datuk Leong Sonny @ Leong Khcc Scong	Independent Non-Executive Director	-	-	-	-	100,000	.*	-	-
Fam Lee Ee	Independent Non-Executive Director	-	-	-	-	100,000	.*	-	-
Abdel Aziz @ Abdul Aziz Bin Abu Bakar	Alternate Director to Dato' Pahamin bin Ab. Rajab	-	-	-	-	100,000	-	-	-
Richard Todd Scanlon	Alternate Director to Sami Ali A. Sindi	-	-	-	-	100,000	.*	-	-
Adeeb Ahmed	Alternate Director to Mumtaz Khan	-	-	-	-	100,000	.*	-	-
Brian Douglas Courtney	Alternate Director to John Francis Tierney	-	-	-	-	100,000	.*	-	-

Notes:

* Negligible.

1 Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Tune Air.

2 Deemed interested by virtue of Section 6A of the Act, as Sami Ali A. Sindi wholly owns Crescent Control Company Ltd, which in turn has 100% of the voting rights in CAAL and Sami Ali A. Sindi wholly owns Crescent Venture Partners, Ltd, which in turn has 100% of the voting rights in CAAL II. CAAL II holds an interest of 78,807,300 Shares in the Company.

Dato' Pahamin Bin Rajab, Kamarudin Bin Meranun, Tony Fernandes and Conor Mc Carthy are representatives of Tune Air.

Sami Ali A. Sindi, Mumtaz Khan and John Francis Tierney are representatives of CAAL, IDBIF and DCL respectively.

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

10.2.2 Profiles

The profiles of the Directors of the Company are as follows:

Dato' Pahamin bin Ab. Rajab, aged 58, an Advocate and Solicitor of the High Court of Malaya, was appointed as Chairman of the Company on December 14, 2001. Prior to joining the Company, he worked in several ministries and government agencies in Malaysia for 30 years, where he held various key positions, including Director General of Road Transport Department at the Ministry of Transport from 1974 to 1998, Secretary-General of the Ministry of Domestic Trade and Consumer Affairs from 1998 to 2001 and Chairman of the Patent Board and the Controller of Copyright from 1998 to 2001. He is recognized internationally as an expert in intellectual property laws by the World Intellectual Property Organization and, in 2000, was awarded the prestigious Cyber Champion International Award by the Business Software Alliance in Washington. Dato' Pahamin received a B.A. degree in International Relations from the University of Malaya in 1970, a post-graduate Diploma in Shariah Law and Practice from the International Islamic University, Malaysia in 1991, a law degree (LL.B) from the University of London in 1990, and a Masters of Arts (Public Policy and Administration), majoring in Economic Development, from the University of Wisconsin in 1978.

Tony Fernandes, aged 40, was appointed as Group Chief Executive Officer of the Company in December 2001. He was Financial Controller at Virgin Communications London from 1987 to 1989, Senior Financial Analyst at Warner Music International London from 1989 to 1992, Managing Director at Warner Music Malaysia, from 1992 to 1996, Regional Managing Director, ASEAN from August 1996 to December 1999 and Vice President, ASEAN from December 1999 to July 2001 at Warner Music South East Asia. Tony was actively involved in developing the Malaysian music industry and received the title "Setia Mahkota Selangor" from His Royal Highness King of Malaysia Sultan Salahuddin Abdul Aziz Shah in 1999 in recognition of his contributions and was also the recipient of the "Recording Industry Person of the Year 1997" by the Recording Industry Association of Malaysia. In addition, he was awarded the International Herald Tribune award for the Visionaries & Leadership Series in 2003 for his outstanding achievement with AirAsia, and was named "Malaysia CEO of the Year 2003" by American Express and the Business Times. Tony was recently awarded "Emerging Entrepreneur of the Year - Malaysia 2003" in the Ernst & Young Entrepreneur of the Year Awards in 2004. He was admitted as an Associate Member of the Association of Chartered Certified Accountants in 1991 and became a Fellow Member in 1996.

Kamarudin bin Meranun, aged 43, was appointed as Director of the Company on December 12, 2001. In January 2004, he was appointed as Executive Director, Corporate Finance and Strategic Planning of the Company. Prior to joining the Company, he worked in Arab-Malaysian Merchant Bank from 1988 to 1993 as a Portfolio Manager, managing both institutional and high net-worth individual clients' investment funds. In 1994, Kamarudin was appointed as an Executive Director of Innosabah Capital Management Sdn Bhd, a subsidiary of Innosabah Securities Sdn Bhd. Kamarudin then acquired the shares of its joint venture partner of Innosabah Capital Management Sdn Bhd, which was later renamed Intrinsic Capital Management Sdn Bhd. Kamarudin received a Diploma in Actuarial Science from University Technology MARA (UiTM) and was awarded the "Best Actuarial Student" by the Life Insurance Institute of Malaysia in 1983. Kamarudin received a B.Sc. degree with Distinction (Magna Cum Laude) majoring in Finance in 1986, and an MBA in 1987 from the Central Michigan University.

Sami Ali A. Sindi, aged 37, was appointed as Director of the Company on July 18, 2003. From 1996 to 1998, he was a Vice President at Morgan Stanley, New York's Investment Banking Division where he focused primarily on the Energy and Financial Services industries, providing strategic advisory services and executing private/public equity/debt financings. In 1998, he relocated to Morgan Stanley, Singapore, where he focused on the energy, chemical and pulp and paper industries and advised corporate and government clients in the Asia Pacific region on strategic and financing transactions until 2000. He founded Crescent Venture Partners in 1999. Sami received a B.A. (Hons) degree in Jurisprudence from Oxford University in 1990, and a Master in Law from Harvard Law School in 1991.

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Mumtaz Khan, aged 55, was appointed as Director of the Company on July 18, 2003. He has been Chairman and CEO of Emerging Markets Partnership (Bahrain) E.C., the General Partner and Manager of the U.S.\$ 730.5 million Islamic Development Bank Infrastructure Fund L.P. since 2001. From 1994 to 2001 he was a Managing Director with Emerging Markets Partnership, Washington. From 1981 to 1994, he held various positions at International Finance Corporation, the last of which was Manager, Asia Department. He obtained a Bachelor of Science in Mechanical Engineering from the University of Engineering and Technology in Lahore, Pakistan in 1969, and an MBA from the Iran Center for Management Studies in Tehran, in 1979.

John Francis Tierney, aged 59, was appointed as Director of the Company on July 18, 2003. He has more than 20 years of experience in the aviation industry, having served as Chief Financial Officer and Director of GPA Group Plc, a global aircraft-leasing company from 1981 to 1997, and Chairman of Datalex Plc, a leading Irish software travel company, from 1998 to 2001. He has been a non-executive director of America West Airlines since 1993 and also runs a private investment and consulting firm, Castletown Financial Services since 1997. John received a Bachelor of Commerce and an MBA from University College Dublin, Ireland, in 1966 and 1976 respectively, and is a fellow of the Institute of Chartered Accountants in Ireland.

Conor Mc Carthy, aged 42, was appointed as Director of the Company on June 21, 2004. He is currently Managing Director of PlaneConsult.com, a leading aviation business solutions provider which has clients including low fare airlines, full service carriers and airports. Prior to establishing PlaneConsult.com, Conor was the Director of Group Operations at Ryanair from 1996 to 2000. While he was with Ryanair, the airline underwent a successful initial public offering on NASDAQ and the Irish Stock Exchange. Before his role with Ryanair, Conor was the CEO of Aer Lingus Commuter. Prior to that, he was General Manager/SVP level in the Marketing and Strategic Planning areas. He spent 18 years with Aer Lingus in all areas of the airline business from Engineering, Operations and Maintenance to Commercial Planning, Marketing and Route Economics to Finance, Strategic Management, Fleet Planning and General Management. Conor joined Aer Lingus as an Apprentice Avionics Engineer in 1978 and subsequently won a scholarship through which he graduated in 1986 with a First Class Honours degree in Engineering from Trinity College Dublin.

Tan Sri Dato' (Dr) R.V. Navaratnam, aged 69, was appointed as Independent Non-Executive Director of the Company on October 8, 2004. He is currently the Corporate Adviser of the Sunway Group and Deputy Chairman of Sunway College. Prior to this, he held various posts in the Malaysian Treasury for 27 years, including Deputy Secretary-General of the Treasury (1959 to 1986) and Secretary-General of the Ministry of Transport (1986 to 1989). Tan Sri currently holds directorship positions at the Monash University and the Asian Strategy and Leadership Institute, and is an executive director of Sunway Construction Bhd. Tan Sri graduated with a degree in Economics from the National University Malaysia in 1959, received a Diploma in Public Administration from the Royal Institute of Public Administration in London in 1963 and an Executive MPA in Economics from Harvard University in 1969.

Datuk Leong Sonny @ Leong Khee Seong, aged 65, was appointed as Independent Non-Executive Director of the Company on October 8, 2004. He was the Minister of Primary Industries from 1978 to 1986 and a member of Parliament from 1974 to 1990. Prior to this, he was a substantial shareholder of his family's private limited companies, involved in general trading. He was the Chairman of the General Agreement on Tariffs and Trade's Negotiating Committee on Tropical Products (1986 to 1990) and was the Chairman of the Group of 14 on ASEAN Economic Cooperation and Integration (1986 to 1987). Datuk Leong graduated with a degree in Chemical Engineering in 1964 from University of New South Wales, Australia.

Fam Lee Ee, aged 43, was appointed as Independent Non-Executive Director of the Company on October 8, 2004. He is currently the senior partner of YF Chun, Fam & Yeo. He has been Trustee of Yayasan Pejati since 1996. He also serves as a director of Tiong Nam Transport Logistic Holdings Berhad since March 2002 and M-Mode Berhad since September 2004. Fam received a BA (Hons) from

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

the University of Malaya in 1986 and an LL.B (Hons) from the University of Liverpool, England in 1989.

Abdel Aziz @ Abdul Aziz bin Abu Bakar, aged 50, was appointed as an alternate Director of the Company to Dato' Pahamin on October 11, 2004. Prior to that he served as Director of the Company from December 12, 2001. From 1981 to 1983 he was Executive Director of Showmasters (M) Sdn Bhd, an artiste management and concert promotion company. Aziz subsequently joined BMG Music in Malaysia and was its General Manager from 1989 to 1997 and its Managing Director of BMG Music from 1997 to 1999. He then served as Executive Director in Anzagain Sdn. Bhd. which later merged with Darul Ehsan Multimedia Corporation to form DEMC – Anzagain, from 1999 to 2000. Aziz received his degree in Agriculture Business from the Louisiana State University in 1978, a diploma in Agriculture Business from Universiti Pertanian Malaysia in 1975, and an MBA from the University of Dallas in 1980. He is currently the Chairman of PAIMM (Academy of Malaysian Music Industry Association) and PRISM (Performance and Artists Rights Malaysia Sdn Bhd), a performers' collective body.

Richard Todd Scanlon, aged 35, was appointed as alternate Director of the Company to Sami Ali A. Sindi on December 22, 2003. He is currently a partner at Crescent Venture Partners and is Managing Director of Crescent Venture Partners' business in the Asia Pacific region, where he has been based since 1996. Prior to joining Crescent Venture Partners, he worked at Morgan Stanley from 1997 to 2001 and became Vice President at Morgan Stanley's Investment Banking Division in 1999. From 2001 to 2003 he was Vice President at Credit Suisse First Boston's Emerging Markets Coverage Group and Investment Banking Department. Richard received a B.A. with Distinction (Cum Laude) from Middlebury College where he majored in Architecture and Physics (Honors Thesis) , in 1993.

Adeeb Ahmad, aged 38, was appointed as an alternate Director of the Company to Mumtaz Khan on December 22, 2003. He has been Director, Investments of Emerging Markets Partnership (Bahrain), the General Partner and Manager of the U.S.\$730.5 million Islamic Development Bank Infrastructure Fund L.P. since 2000. He was an Assistant Director for the Global Islamic Finance Division at ANZ investment Bank from 1999 to 2000, Senior Manager and Head of Structured Asset Finance and Global Islamic Finance Division at ABN AMRO Bank, Bahrain from 1998 to 1999, and Senior Vice President, Head of Investment Banking Group, Industrial Credit & Project Finance Divisions of the Muslim Commercial Bank Limited, Pakistan from 1995 to 1998. Adeeb received an M.Sc. in Accounting and Finance from the London School of Economics & Political Science in 1993 and an MBA from the Institute of Business Administration, University of Karachi, Pakistan in 1988.

Brian Douglas Courtney, aged 46, was appointed as an alternate Director of the Company to John Francis Tierney on March 9, 2004. He is currently a Director of Aer Lucht, a joint venture company which invests in passenger aircraft which are subsequently converted to freight aircraft. He has been Senior Vice President at DVB Bank since 1999. He was a Deputy General Manager of the Long-Term Credit Bank of Japan in London from 1987 to 1997 and a Director at Barclays Capital from 1997 to 1998. Brian received a Bachelor of Science in Economics from Southampton University in 1980.

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10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

10.2.3 Directors remuneration and benefits

The aggregate remuneration and benefits paid and proposed to be paid to the Directors and alternate Directors for services rendered to the Company in all capacities was approximately RM2.8 million for the year ended June 30, 2004 and estimated at RM3.0 million for the year ending June 30, 2005.

The remuneration of the Directors is approved by the Board and the shareholders of the Company, following recommendations made by the Remuneration Committee.

The remuneration band of the Directors and CEO of the Company is as follows:

Remuneration band:	For financial year ended/ending June 30	
	2004 (Actual)	2005 (Forecast)
	Number of Directors and CEO	Number of Directors and CEO
Below RM500,000	3	8
RM500,001 to RM1.5 million	1	2

The four Directors who are foreign nationals have not drawn any remuneration from their respective dates of appointment.

Save as disclosed in Section 18.1 of this Prospectus, none of the Directors of the Company has any interest, direct or indirect (i) in the promotion of, or in any material assets which have been, within the two years preceding the date of this Prospectus, acquired or disposed of by or leased to or proposed to be acquired, disposed of by or leased to AirAsia, or (ii) in any contract or arrangement which is material in relation to the business of the Company or AirAsia subsisting as at the date of this Prospectus.

10.2.4 Directorships and substantial shareholdings of the Directors in all other public corporations for the past two years

Based on the declaration by the Directors, save as disclosed below, none of the Directors have any directorships and/or substantial shareholdings in any other public corporation for the past two years preceding October 12, 2004:

Director	Name of company	Nature of interest	Date of appointment as Director	<---Direct--->		<---Indirect--->		Principal activities
				No. of shares	%	No. of shares	%	
Dato' Pahamin Bin Ab. Rajab	SEG International Berhad	Director	01.07.2002	-	-	-	-	Education
	Zaitun Berhad	Director	29.06.2002	-	-	-	-	Investment holding
John Francis Tierney	America West Holdings Corporation	Director/ Shareholder	30.12.1993	4,282	-*	-	-	Airline
	Lecan Holdings Limited	Director/ Shareholder	15.05.1999	25,000	-*	-	-	Software and consulting services to the pharmaceutical industry

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Director	Name of company	Nature of interest	Date of appointment as Director	<---Direct--->		<---Indirect--->		Principal activities
				No. of shares	%	No. of shares	%	
Richard Todd Scanlon	CaptiveVision Capital Ltd	Director	15.04.2004	-	-	-	-	Investment holding
Tan Sri Dato' (Dr) R.V. Navaratnam	Sunway Construction Berhad	Director	04.08.1996	-	-	-	-	Construction of civil and building works
	SBB Unit Trust Management Berhad	Director	29.04.1995	-	-	-	-	Unit trust management
	SBB Mutual Berhad	Director	01.04.2003	-	-	-	-	Establish and manage unit trust funds
	Sunway International Vacation Club Berhad	Director	03.08.2004	-	-	-	-	Time-sharing and related business
Datuk Leong Sonny @ Leong Khoo Seong	Sin Chew Media Berhad	Deputy Chairman	01.09.2004	-	-	-	-	Publishing, printing and distribution of newspapers
Fam Lee Ee	Tiong Nam Transport Trading Berhad	Independent Non-Executive Director	26.03.2002	-	-	-	-	Logistics, transportation and warehousing
	M-Mode Berhad	Independent Non-Executive Director	13.09.2004	-	-	-	-	Mobile media provider

Notes:

* *Negligible*

For details on the directorships and substantial shareholdings of Kamarudin Bin Meranun and Sami Ali A. Sindi in any other public corporation for the past two years preceding October 12, 2004, please refer to Section 10.1.4 of this Prospectus.

Save for John Francis Tierney and Sami Ali A. Sindi, none of the Directors have any interest, direct or indirect, in other businesses or corporations carrying on a similar trade as AirAsia.

The Board of Directors of the Company is of the view that the involvement of John Francis Tierney in America West Holdings Corporation ("America West") does not create a situation of conflict of interest for the following reasons:

- (a) America West provides passenger transport services to the American and Canadian markets and shall not be competing in the Group's market; and
- (b) he is a non-executive Director of America West, and is not involved in the day-to-day management operations.

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Please refer to Section 10.1.4 of this Prospectus for details on Sami Ali A. Sindi's interests in other businesses or corporations carrying on a similar trade as AirAsia.

10.2.5 Involvement of Executive Directors in other businesses or corporations

None of the Executive Directors are involved full time in other private businesses.

10.2.6 Description of other Board Committees ie Remuneration Committee and Nomination Committee

Remuneration Committee

This committee of Directors is composed entirely of non-executive Directors. The principal responsibility of this committee is to recommend to the Board the remuneration of the executive Directors in all its forms, drawing from outside advice, if necessary.

Nomination Committee

This committee of Directors is composed entirely of non-executive Directors, a majority of whom are independent. This committee is charged with the responsibility for proposing new nominees for the Board as well as the Directors to fill the seats on board committees, and assessing Directors on an ongoing basis.

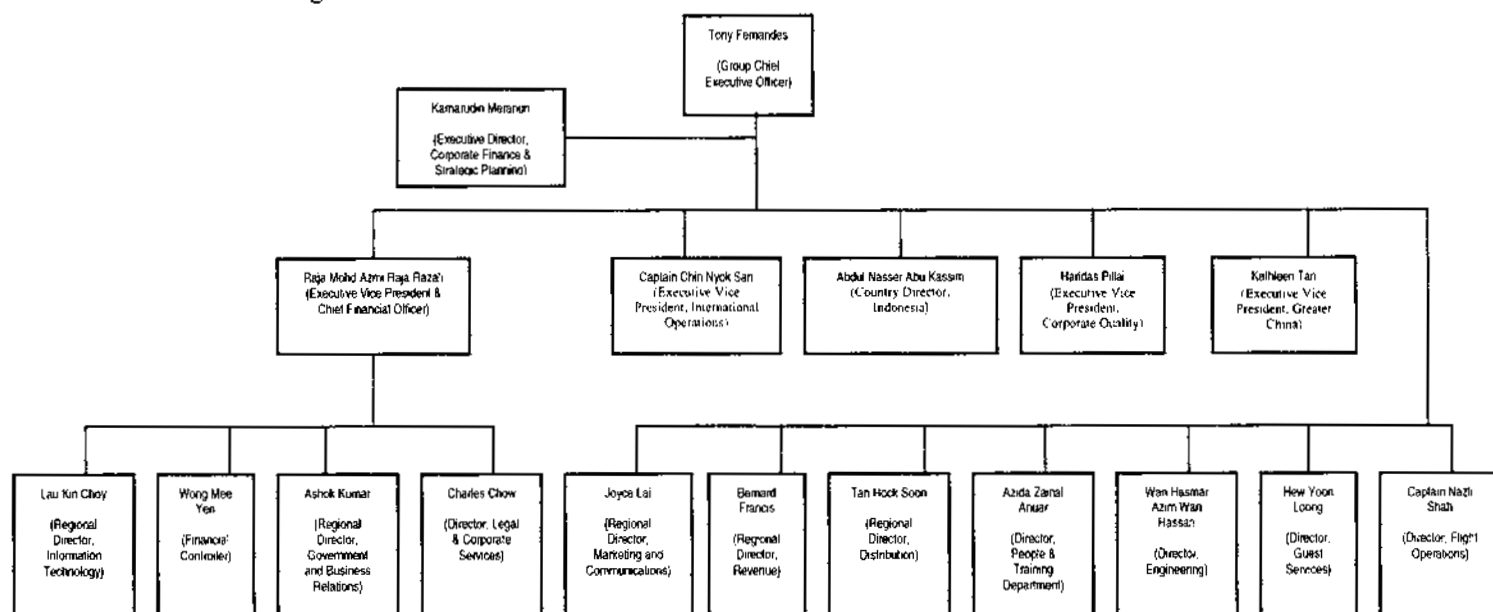
In particular, the Board through this committee would annually review the required mix of skills and experience and other qualities, including core competencies, which non-executive Directors should bring to the Board.

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10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

10.3 Key Management and Key Technical Personnel

The Company's key management and key technical personnel are responsible for its day-to-day management and operations. The key management and key technical personnel consist of experienced airline operational personnel and personnel in charge of marketing, communications, finance and strategic management. The following chart shows the current internal organization structure of senior management:



The following table presents certain information regarding the Company's senior managers.

Name	Age	Designation
Anthony Francis Fernandes	40	Group Chief Executive Officer
Kamarudin Meranun	43	Executive Director, Corporate Finance and Strategic Planning
Raja Mohd Azmi Bin Raja Razali	45	Executive Vice President & Chief Financial Officer
Captain Chin Nyok San	49	Executive Vice President, International Operations
Abdul Nasser Abu Kassim	48	Country Director, Indonesia
Haridas Pillai a/l Chellapan	58	Executive Vice President, Corporate Quality
Kathleen Tan Kim Lan	43	Executive Vice President, Greater China
Hew Yoon Loong	48	Director, Guest Services
Wan Hasmar Azim Bin Wan Hassan	37	Director, Engineering
Captain Nazli Shah Mohammad Sany	46	Director, Flight Operations
Bernard Francis	35	Regional Director, Revenue
Joyce Lai Lih Yin	33	Regional Director, Marketing and Communications

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Name	Age	Designation
Tan Hock Soon	40	Regional Director, Distribution
Lau Kin Choy	43	Regional Director, Information Technology
Wong Mee Yen	38	Financial Controller
Ashok Kumar	58	Regional Director, Government and Business Relations
Charles Chow Chon Jin	49	Director, Legal and Corporate Services
Azida Zainal Anuar	32	Director, People & Training Department

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10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

10.3.1 Key management's and key technical personnel's shareholdings

Save as disclosed below, as at October 12, 2004, none of the key management and key technical personnel has any direct or indirect interests in the Company. The direct and indirect interests of the key management and key technical personnel in the Company after the Initial Public Offering (assuming full subscription of the Issue Shares reserved for them under the Pink Form Tranche but before the exercise of the Options) are as follows:

	Before the Initial Public Offering				After the Initial Public Offering			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%
Anthony Francis Fernandes	10	-*	1,131,673,080 ¹	64.6	100,010	-*	1,045,344,650 ¹	44.8
Kamarudin Bin Meranun	-	-	1,131,673,080 ¹	64.6	100,000	-*	1,045,344,650 ¹	44.8
Raja Mohd Azmi Bin Raja Razali	113,832,770	6.5	-	-	113,892,770	4.9	-	-
Captain Chin Nyok San	-	-	-	-	60,000	-*	-	-
Abdul Nasser Abu Kassim	-	-	-	-	60,000	-*	-	-
Harridas Pillai a/l Chellapan	-	-	-	-	60,000	-*	-	-
Kathleen Tan Kim Lan	-	-	-	-	60,000	-*	-	-
Hew Yoon Loong	-	-	-	-	60,000	-*	-	-
Wan Hasmar Azim Bin Wan Hassan	-	-	-	-	60,000	-*	-	-
Captain Nazli Shah Mohammad Sany	-	-	-	-	60,000	-*	-	-
Bernard Francis	-	-	-	-	60,000	-*	-	-
Joyce Lai Lih Yin	-	-	-	-	60,000	-*	-	-
Tan Hock Soon	-	-	-	-	60,000	-*	-	-
Lau Kin Choy	-	-	-	-	60,000	-*	-	-
Wong Mee Yen	-	-	-	-	60,000	-*	-	-
Ashok Kumar	-	-	-	-	52,500	-*	-	-
Charles Chow Chon Jin	-	-	-	-	52,500	-*	-	-
Azida Zainal Anuar	-	-	-	-	60,000	-*	-	-

Notes:

* Negligible

¹ Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Tune Air.

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

10.3.2 Profiles

The biographies of Tony Fernandes and Kamarudin Bin Meranun are set out in Section 10.2.2 of this Prospectus.

Raja Mohd Azmi Bin Raja Razali has been Executive Vice President since June 2004 and Chief Financial Officer of the Company since December 2001. He has more than 20 years of experience in corporate and financial management, having worked with many international organizations and held various positions including Financial Analyst at Esso from 1983 to 1988, Chief Accountant at Philips Malaysia Bhd from 1989 to 1995 and Head of Finance and Human Resources at Eveready Battery Sdn Bhd from 1995 to 1996. Azmi joined Tune Air in October 2001 as the Chief Financial Officer. He studied at the London School of Accountancy and received a Chartered Institute of Management Accountants qualification in 1982.

Captain Chin Nyok San has been Executive Vice President, International Operations of the Company since February 2004. Prior to this, he was the Head of Flight Operations of the Company from May 1996 to February 2004. He is trained as a pilot and has over 30 years experience in the airline industry. Prior to joining the Company, he was a co-pilot for Wira Kris Schreiner from 1978 to 1979, management pilot, training captain, authorized examiner and line pilot for Malaysia Air Charter from 1979 to 1986, flight operations manager, chief pilot, training captain and authorized examiner for Pelangi Air from 1989 to 1993, and Chief Pilot for Mofaz Air Sdn Bhd from 1993 to 1996. He obtained his commercial pilot's licence in 1976 from the DCA, and from Federal Aviation Authority in the USA in 1994. He also has a Air Transport Pilot's License in Malaysia, obtained from the DCA in 1985.

Abdul Nasser Abu Kassim has been Country Director, Indonesia since February 2004. He was Executive Director, Business Development of the Company from 2001 to 2003. Prior to joining the Company, he worked at Warner Music (Malaysia) Sdn Bhd from 1983 to 2001, where he held various key positions, including Artist & Repertoire Director from 1985 to 1988 and Executive Director from 1989 to 2001. He received a Bachelor of Arts (B.A.) from School of Audio Engineering (Sydney) (SAE) Australia in 1980.

Haridas Pillai a/l Chellapan has been Executive Vice President, Corporate Quality of the Company since September 2004. Haridas is trained as a pilot and has almost 40 years of experience in the airline industry. After having served the air force as a pilot, he obtained his Certificate in Aeronautical Engineering from Air Services Training in Scotland. Holding various Aircraft Maintenance & Flight Engineer's licenses he served Malaysia-Singapore Airlines and MAS for over 20 years and he has over 12,000 flying hours to his credit. From 1995 to 1997, Haridas was head of Human Potential Development at the MAS Academy, and from 1997 to 2001, he was Flight Operations Manager at the MAS Flight Operations Division. He joined the Company as Senior Director of Operations and Quality Assurance in 2001. Haridas received an MBA from the University of Hull in the United Kingdom, and has attended the "Leadership in Senior Management Program" at Macquarie University, Australia.

Kathleen Tan Kim Lan has been Executive Vice President, Greater China of the Company since August 2004. Prior to joining the Company, she was Divisional Manager, Marketing Services for F.J. Benjamin from 1989 to 1994. She joined Warner Music Singapore as Sales and Marketing Manager in 1994, and was Regional Strategic Marketing Director of Warner Music Asia Pacific from 1995 to 1997 before becoming Managing Director of Warner Music Singapore from 1997 to 2004. Kathleen was also a Chairman and Board Member of the Recording Industry Association of Singapore from 1999 to 2000. Kathleen received a diploma in Sales & Marketing from the Marketing Institute of Singapore in 1990.

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Hew Yoon Loong has been Regional Director, Guest Services, of the Company since September 2004. Hew has more than 18 years' experience in companies such as Colgate Palmolive from 1981 to 1986, JW Thompson from 1987 to 1989, Foote, Cone and Belding Advertising Sdn Bhd from 1989 to 1984, and Bates Advertising from 1995 to 1999, where he was involved in brand development and strategic communications. Hew joined Tune Air in 2001 as Chief Marketing Officer, a position he continued in the Company until March 2004 when he became Director of Guest Services. Hew received a BA (Hons) in Finance and Accounting from North East London Polytechnic in 1981.

Wan Hasmar Azim Bin Wan Hassan has been Director, Engineering since March 2004. He has 15 years of experience in aircraft maintenance and planning as well as in the procurement of spares. From 1989 to 1996, Wan held various positions at MAS where he was involved in the maintenance of Boeing 737-300 models, as well as setting up and operating line stations. Wan was seconded to Boeing where he oversaw the production of Boeing 737, 747 and 777 and Airbus A330 service aircraft from 1994 to 1995. Wan joined the Company in 1996 where he was Maintenance Manager until 2000 and Head of Engineering from 2000 to February 2004, when he was appointed Deputy Director of Operations - Engineering. Wan holds a certificate of approval from DCA and the Civil Aviation Authority of the United Kingdom in relation to certain Boeing airframe and engine systems.

Captain Nazli Shah Mohammad Sany has been Director, Flight Operations since March 2004. He has more than 22 years of experience in the airline industry, having worked as a pilot with the Royal Malaysian Air Force from 1980 to 1992, Mofaz Air from 1994 to 1995, and Transmile Group Berhad from 1995 to 1997 before joining the Company as a pilot in 1997. He became Chief Pilot Training and Standards in 2002 until becoming Director of Flights Operations. Nazli graduated from the Armed Forces Cadet School in 1980 and is a Category B qualified flying instructor and a DCA-authorized examiner. He holds an Airline Pilot Transport Licence.

Bernard Francis has been Regional Director, Revenue of the Company since July 2004 and was previously a Senior Manager, Route Revenue of the Company from December 2003. Bernard specializes in the development of structured pricing strategies and profitable routes. Prior to joining the Company, Bernard worked with the YTL Group as part of their centralized project financing team from 1993 to 2001. He was also actively involved in both international and local mergers and acquisitions involving, among others, property development and power generation industries and cement manufacturing, and the establishment of YTL E-Solutions Bhd, the technology investment arm of the YTL Group. Bernard received an MBA in International Business from University Malaya in 2002 and a Bachelor of Arts (B.A.) (Hons) (Second Class Upper) from National University of Malaysia in 1993.

Joyce Lai Lih Yin has been Regional Director, Marketing and Communications of the Company since July 2004 and joined as Senior Manager, Media in December 2001. She is experienced in the marketing industry, having previously held various key positions in Warner Music Malaysia from 1994 to 2000, including Group Product Manager and Strategic Marketing Manager from 1999 to 2000. She subsequently joined BMG Music Malaysia as Senior Marketing Manager in 2000 before becoming Marketing Director at BMG Music Malaysia from 2000 to 2001. Joyce received an ACCA Foundation level qualification from Stamford College, Selangor, Malaysia in 1991 and a Diploma of Public Relations from the Institute of Public Relations, Malaysia, in 1992.

Tan Hock Soon has been Regional Director, Distributions of the Company since July 2004. Prior to joining the Company, he was Area Sales Manager at Procter & Gamble (M) Sdn Bhd from 1987 to 1991, Area Sales Manager at Cussons International (M) Sdn Bhd from 1991 to 1992 and Assistant Sales Manager at Bausch & Lomb (M) Sdn Bhd from 1992 to 1994. Hock Soon joined Warner Music Malaysia as Sales Manager in 1994, before becoming Sales Director in 1995 to 2004.

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

Lau Kin Choy has been Regional Director, Information Technology of the Company since July 2004 and was previously a Senior Manager and Chief Information Officer from August 2002. Prior to joining the Company, Lau was the General Manager of WEB Distribution Services Sdn Bhd, a joint-venture music distribution and logistic center for Warner Music, EMI Malaysia and BMG Music, where he was responsible for running systems, warehouse operations and sales collection, from 1998 to 2002. Lau also worked as IT and Operations Manager at Warner Music Malaysia from 1989 to 1997, and IT Operations Officer at OCBC Bank from 1981 to 1988. Lau received a diploma in NCC Computing in 1986 and a City and Guilds Certificate in Computing in 1984.

Wong Mee Yen has been Financial Controller of the Company since March 2004. She has more than 15 years of experience in finance and accounting, having worked as Group Financial Controller cum Company Secretary with Press Metal Bhd in Malaysia from 1992 to 1996, Regional Financial Controller with TV Media Pte Ltd in Singapore from 1996 to 1997, and Operations Director cum Company Secretary for MCS Microsystems Sdn Bhd from 1997 to 2001. Prior to joining the Company, Mee Yen worked as a consultant with SPM Holdings Sdn Bhd from 2002 to 2003. Mee Yen has been a director of Alubright Global Sdn Bhd since August 2003. Mee Yen is a Certified Public Accountant in Malaysia and a member of the Malaysian Institute of Accountants.

Ashok Kumar has been Regional Director, Government and Business Relations of the Company since October 2004. He has had 34 years experience in the airline industry, having worked at Malaysia-Singapore Airlines as Management Trainee/Marketing Executive from 1970 to 1972 and MAS from 1972 to 2003, where he held various key positions, including Assistant General Manager, Operations Planning, before joining the Company in 2003 as Senior Manager, Commercial planning and Strategy. Ashok also served as Chairman of the IATA Schedule Coordination Conference in November 1993 for the coordination of Northern Summer 1994 schedules. Ashok received a Bachelor of Applied Economics (Hons) from the University of Malaya in 1970.

Charles Chow Chon Jin has been Director, Legal and Corporate Services of the Company since November 2002. Prior to joining the Company he was a legal adviser at HSBC in Hong Kong from 1987 to 1988, a legal associate at Messrs Mah Kok & Din from 1988 to 1991, and Group Legal Adviser at IOI Berhad from 1992 to 1996. Charles received an LL.B (Hons) from the National University of Singapore in 1986 and a BA (Hons) from the University of Malaya in 1979.

Azida Zainal Anuar has been Director, People and Training Department of the Company since October 2004. She trained as a medical doctor and, prior to joining the Company, worked as a Senior House Officer at National Health Service in the United Kingdom from 1998 to 2002. Azida joined the Company in April 2003 as Head of Training and became Manager, People and Training in December 2003. Azida received a Bachelor of Medical Sciences and a Bachelor of Medicine, Bachelor of Surgery from the University of Nottingham Medical School in the United Kingdom in 1995 and 1997, respectively, and a Diploma of the Royal College of Surgeons, Edinburgh (MRCSEd), Scotland in 2002. She was fully registered with the General Medical Council in the United Kingdom from August 1998 to August 2002.

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10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (*Cont'd*)

10.3.3 Involvement of key management and key technical personnel in other businesses or corporations

Based on the declaration by the Group Chief Executive Officer, key management and key technical personnel of the Company and save as disclosed below, none of the key management and key technical personnel are involved in other businesses or public corporations for the past two years.

Tony Fernandes, was appointed a director of Tune Air on May 24, 2001 and has since then, been responsible for directing the financial and corporate strategies of the Tune Air group, including the Company. He attends all meetings of the board and contributes fully in his principal areas of responsibility.

He is also a director of Tuneasia. com Sdn Bhd ("Tuneasia") which principally carries out information technology development. He is not involved in the day-to-day operations of Tune Air and Tuneasia.

Kamarudin Bin Meranun, holds directorships in a number of private and public companies. For information on his directorships in other public corporations for the past two years please refer to Section 10.1.4 of this Prospectus. He does not work full time in his other private and public businesses and is not involved in their day-to-day operations.

Captain Chin Nyok San, was appointed to the board of Pacific Data System Sdn Bhd ("PDS") on June 18, 1987. PDS is principally involved in designing, trading and distribution of computer related peripherals and software. He is not involved in the day-to-day operations of PDS.

Wong Mee Yen, was appointed to the board of Alubright Global Sdn Bhd ("Alubright") on August 1, 2003. Alubright is principally involved in trading of aluminium related products. She is not involved in the day-to-day operations of Alubright.

10.4 Audit Committee

This committee is made up of three Directors, a majority of whom are independent. The duties of this committee include the following:

- to consider the appointment of the external auditor, the audit fee and any questions of resignation or dismissal;
- to discuss with the external auditor before the audit commences the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved;
- to review the quarterly and year-end financial statements of the Company, focusing particularly on any changes in accounting policies and practices, significant adjustments arising from the audit, litigation that could affect results materially, the going concern assumption and, compliance with accounting standards and other legal requirements;
- to discuss problems and reservations arising from the interim and final audits, and any matter the auditor may wish to discuss (in the absence of Management where necessary);
- to establish and review the Company's internal audit functions;
- to consider any related party transactions that may arise within the Group;
- to consider the major findings of internal investigations and Management's response; and
- to consider other topics as defined by the Board of Directors.

10. INFORMATION ON THE SUBSTANTIAL SHAREHOLDERS, PROMOTERS, SELLING SHAREHOLDERS, DIRECTORS, KEY MANAGEMENT AND KEY TECHNICAL PERSONNEL (Cont'd)

10.5 Family Relationships or Associations Between Substantial Shareholders, Promoters, Directors and Key Management and Key Technical Personnel of the Company

Save as disclosed below, there are no relationships/associations between the substantial shareholders, the Promoters, Directors and senior management of the Company.

Dato' Pahamin Bin Rajab, Abdel Aziz @ Abdul Aziz Bin Abu Bakar, Kamarudin Bin Meranun, Tony Fernandes and Conor Mc Carthy are directors of Tune Air, while Sami Ali A. Sindi, Mumtaz Khan and John Francis Tierney are directors of CAAL, IDBIF and DCL respectively. Please refer to Section 10.2.1 of this Prospectus.

10.6 Declarations from Directors, Key Management and Key Technical Personnel

Each of the Directors and senior management of the Company has confirmed to the Company that he/she is not and has not been involved in any of the following events:

- (i) a petition under any bankruptcy or insolvency laws being filed (and not struck out) against such person or any partnership in which he was a partner or any company of which he was a director or key personnel;
- (ii) a conviction in a criminal proceedings or is a named subject of a pending criminal proceedings; or
- (iii) the subject of any order, judgment or ruling of any court of competent jurisdiction, tribunal or government body permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

10.7 Service Agreements

There are no service contracts between the Company and any of its Directors as set out in Section 10.2 of this Prospectus.

All of AirAsia's senior management have employment contracts for an unspecified term. None of these employment contracts are for a fixed term. All employment contracts with senior management contain confidentiality provisions.

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11. INFORMATION ON AIRASIA GROUP

11.1 Introduction

The Company was incorporated in Malaysia on December 20, 1993 under the Act as a private company limited by shares under the name of AirAsia Sdn. Bhd. As part of the plan for the Listing, the Company was converted into a public limited company and assumed its present name on June 8, 2004.

Currently, the Company's principal place of business is in Malaysia. The Company is principally engaged in the business of providing air transportation services and related activities.

As at October 12, 2004, the authorized share capital of the Company was as follows:

Type	Number of Shares	Par Value (RM)	Amount (RM)
Authorized			
- Ordinary	5,000,000,000	0.10	500,000,000
Issued and Paid-Up			
- Ordinary	1,751,273,280	0.10	175,127,328

The changes in the issued and paid-up share capital of the Company since its incorporation are as follows:

Date of Allotment	No. of Shares Allotted	Par Value (RM)	Consideration	Cumulative Total (RM)
Ordinary shares				
20.12.1993	2	1.00	Subscribers' shares	2
15.02.1994	599,998	1.00	Cash	600,000
28.04.1994	400,000	1.00	Cash	1,000,000
30.09.1994	600,000	1.00	Cash	1,600,000
28.02.1995 to	500,000	1.00	Cash	2,100,000
31.03.1995				
05.09.1996	7,140,000	1.00	Cash	9,240,000
30.10.1996	9,010,000	1.00	Cash	18,250,000
02.01.1997	2,550,000	1.00	Cash	20,800,000
07.08.1997	12,155,000	1.00	Cash	32,955,000
15.09.1997	6,630,000	1.00	Cash	39,585,000
31.10.1997	6,290,000	1.00	Cash	45,875,000
05.03.1998	6,120,000	1.00	Cash	51,995,000
11.06.1998	75,000	1.00	Cash	52,070,000
18.07.2003	13,841,392	1.00	Cash	65,911,392
24.05.2004	109,215,936	1.00	*	175,127,328
06.10.2004	-	0.10	Subdivision in the nominal value of the ordinary shares from RM1.00 to RM0.10 per ordinary share	175,127,328
Preference shares				
10.05.2002	109,215,936	1.00	Other than cash**	109,215,936
24.05.2004	(109,215,936)	(1.00)	*	-

Notes:

* Being the conversion of 109,215,936 preference shares into 109,215,936 ordinary shares on a one for one basis.

** Payment by way of conversion of Hicom's advances owed by the Company to Hicom.

11. INFORMATION ON AIRASIA GROUP (Cont'd)

The Company established the ESOS on June 7, 2004 for the grant of Options to the employees and Directors of AirAsia (excluding associated companies), 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. As at the date of this Prospectus, AirAsia has offered options to subscribe for a total of 93,240,000 Shares, representing approximately 4% of the enlarged issued and paid-up share capital of the Company. For a substantial majority of the employees, the Options when accepted, shall become exercisable on a staggered basis commencing September 1, 2005, at an exercise price of RM1.08 per Share.

As for the exercise price in respect of the remaining Options which may be granted on or after the date of Listing, it shall be the higher of the following:

- (a) at a discount of not more than 10% (or such other pricing mechanism as may be permitted from time to time by Bursa Securities or any other relevant regulatory authority) from the weighted average market price of the Shares for the five Market Days immediately preceding the date of offer; or
- (b) the par value of the Shares.

Save as disclosed above, as at October 12, 2004 there are no other outstanding warrants, options, convertible securities or uncalled capital in the Company.

As at October 12, 2004 the subsidiary and associated companies of the Company are as follows:

Name of Company	Date and Country of Incorporation	Issued and paid-up share capital	Par Value	Effective equity interest (%)	Principal Activities
Subsidiaries of the Company					
Crunchtime	16.10.2002 Malaysia	RM100,000	RM1.00	50.001*	Providing in-flight meals
AirAsia Go Holiday	6.08.2004 Malaysia	RM200,000	RM1.00	100	Tour operating business
AirAsia Mauritius	20.08.2004 Malaysia	USD1.00	USD1.00	100	Providing aircraft leasing facilities
AAIL	11.09.2003 Malaysia	USD5,270,000	USD1.00	99.8	Investment holding
Subsidiary company of AAIL					
AirAsia HK	09.06.2004 Hong Kong	HK\$10,000	HK\$1.00	99.8 ¹	Dormant
Associated companies of AAIL					
Thai AirAsia	19.09.2003 Thailand	THB400,000,000	THB10	48.9 ²	Aerial transport of persons, things and posts
AAPL	23.09.2003 Singapore	S\$500,000	S\$1.00	48.9 ³	The object of AAPL is to provide airline and air transport services. AAPL has not commenced operations

11. INFORMATION ON AIRASIA GROUP (Cont'd)

Name of Company	Date and Country of Incorporation	Issued and paid-up share capital	Par Value	Effective equity interest (%)	Principal Activities
Subsidiary company of Thai AirAsia					
Thai AirAsia HK	09.06.2004 Hong Kong	HK\$10,000	HK\$1.00	48.9 ⁴	Dormant
Associated company of Crunchtime and Subsidiary of Thai AirAsia					
Thai Crunch Time	12.04.2004 Thailand	THB4,000,000	THB10	49.4 ⁵	Providing in-flight meals and trading of merchandise

Notes:

* One share is registered in the name of SkyHigh Culinary Services Sdn Bhd but held in trust for the Company pursuant to the trust deed dated January 15, 2003.

1 Deemed effective equity interest via AAIL's 100% equity interest in AirAsia (Hong Kong) Limited.

2 Deemed effective equity interest via AAIL's 49.0% equity interest in Thai AirAsia.

3 Deemed effective equity interest via AAIL's 49.0% equity interest in AAPL.

4 Deemed effective equity interest via AAIL's 49.0% equity interest in Thai AirAsia, which in turn holds the entire equity interest in Thai AirAsia (Hong Kong) Limited.

5 Deemed effective interest via (i) AAIL's 49% equity interest in Thai AirAsia, which in turn holds 51% of Thai Crunch Time; and (ii) 50% plus 1 share in Crunchtime, which in turn holds 49% in Thai Crunch Time.

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11. INFORMATION ON AIRASIA GROUP (Cont'd)**11.2 Details on Subsidiaries****11.2.1 Information on Crunchtime****(i) History and business**

Crunchtime was incorporated in Malaysia on October 16, 2002 under the Act, as a private company limited by shares under the name of Significant Results Sdn Bhd. The company changed its name to Crunchtime on December 23, 2002.

Currently, Crunchtime's principal place of business is in Malaysia. Crunchtime is principally involved in providing in-flight meals.

(ii) Share capital

The present authorized share capital of Crunchtime is RM100,000 comprising 100,000 ordinary shares of RM1.00 each, of which RM100,000, comprising 100,000 ordinary shares of RM1.00 each are issued and credited as fully paid-up.

The changes in the issued and paid-up share capital of Crunchtime since its incorporation are as follows:

Date of Allotment	No. of Shares Allotted	Par Value (RM)	Consideration	Cumulative Total (RM)
16.10.2002	2	1.00	Subscribers' shares	2
15.01.2003	99,998	1.00	Cash	100,000

As at October 12, 2004 there are no outstanding warrants, options, convertible securities or uncalled capital in Crunchtime.

(iii) Substantial shareholders

Details of the substantial shareholders of Crunchtime, as at October 12, 2004 are as follows:

Name	Shareholdings in Crunchtime			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
AirAsia Berhad	50,001 [#]	50.001	-	-
Tune Air	-	-	50,001 ¹	50.001
Anthony Francis Fernandes	-	-	50,001 ²	50.001
Kamarudin Bin Meranun	-	-	50,001 ²	50.001
SkyHigh Culinary Services Sdn Bhd	49,999 [#]	49.999	-	-
Bruce Lynn Musick	-	-	49,999 ³	49.999

Notes:

¹ Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in the Company.

11. INFORMATION ON AIRASIA GROUP (Cont'd)

- 2 *Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Tune Air, which in turn has a substantial shareholding in Company.*
- 3 *Deemed interested by virtue of Section 6A of the Act as Bruce Lynn Musick wholly owns SkyHigh Culinary Services Sdn Bhd. His shareholding in SkyHigh Culinary Services Sdn Bhd does not meet the prescribed statutory minimum of 2 members under the Act. However, this irregularity has no impact on the Company.*
- # *One share is registered in the name of SkyHigh Culinary Services but held in trust for the Company pursuant to the trust deed dated January 15, 2003.*

(iv) Subsidiary and associated companies

As at October 12, 2004 Crunchtime has an associated company, namely Thai Crunch Time, details of which appear in Section 11.3.4 and Crunchtime does not have any subsidiary company.

11.2.2 Information on AirAsia Go Holiday**(i) History and business**

AirAsia Go Holiday was incorporated in Malaysia on August 6, 2004 under the Act, as a private company limited by shares under the name of Asas Layar Sdn Bhd. On October 6, 2004 it changed its name to its present name.

On September 10, 2004, the Ministry of Tourism Malaysia approved the grant of a license to AirAsia Go Holiday to undertake tour operations (both inbound and outbound) and travel agency businesses, including ticketing, at KLIA.

The approval is conditional upon AirAsia Go Holiday fulfilling the following conditions:

- (1) its business premises must meet with certain requirements pertaining to, among others its location and minimum floor space, within a month from the approval;
- (2) it must become a member of the Malaysian Association of Tourism and Travel Agencies; and
- (3) AirAsia Go Holiday then known as Asas Layar Sdn Bhd, needs to change its name to one which is reflective of its tours and travel business.

The tour operator business license will be issued to AirAsia Go Holiday upon fulfilment of the stated conditions and the payment of a nominal annual fee.

(ii) Share capital

The present authorised share capital of AirAsia Go Holiday is RM500,000 comprising 500,000 ordinary shares of RM1.00 each, of which RM200,000 comprising 200,000 ordinary shares of RM1.00 each are issued and credited as fully paid-up.

11. INFORMATION ON AIRASIA GROUP (Cont'd)

The changes in the issued and paid-up share capital of AirAsia Go Holiday since its incorporation are as follows:

Date of Allotment	No. of shares allotted	Par Value (RM)	Consideration	Cumulative Total (RM)
06.08.2004	2	1.00	Cash	2
13.08.2004	199,998	1.00	Cash	200,000

As at October 12, 2004 there are no outstanding warrants, options, convertible securities or uncalled capital in AirAsia Go Holiday.

(iii) Substantial shareholders

Details of the substantial shareholders of AirAsia Go Holiday, as at October 12, 2004 are as follows:

Name	<-----Shareholdings in AirAsia Go Holiday ----->			
	<-----Direct----->		<-----Indirect----->	
	No. of Shares	%	No. of Shares	%
AirAsia Berhad	200,000	100	-	-
Tune Air	-	-	200,000 ¹	100
Anthony Francis Fernandes	-	-	200,000 ²	100
Kamarudin Bin Meranun	-	-	200,000 ²	100

Notes:

1 Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in the Company.

2 Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Tune Air, which in turn has a substantial shareholding in the Company.

(iv) Subsidiary and associated companies

As at October 12, 2004, AirAsia Go Holiday does not have any subsidiary or associated company.

11.2.3 Information on AirAsia Mauritius**(i) History and business**

AirAsia Mauritius was incorporated in the Republic of Mauritius on August 20, 2004 under the laws of the Republic of Mauritius as a private company limited by shares.

The principal activity of AirAsia Mauritius is to provide aircraft leasing facilities.

11. INFORMATION ON AIRASIA GROUP (Cont'd)**(ii) Share capital**

The present authorised share capital of AirAsia Mauritius is USD100,000,000 comprising 100,000,000 ordinary shares of USD1.00 each, of which USD1 comprising 1 ordinary share of USD1.00 each is issued and credited as fully paid-up.

The movement in the issued and paid-up share capital of AirAsia Mauritius since its incorporation is as follows:

Date of Allotment	No. of shares allotted	Par Value (USD)	Consideration	Cumulative Total (USD)
20.08.2004	1	1.00	Cash	1.00

As at October 12, 2004 there are no outstanding warrants, options, convertible securities or uncalled capital in AirAsia Mauritius.

(iii) Substantial shareholders

Details of the substantial shareholders of AirAsia Mauritius, as at October 12, 2004 are as follows:

Name	Shareholdings in AirAsia (Mauritius) Limited			
	Direct		Indirect	
	No. of Shares	%	No. of shares	%
AirAsia Berhad	1	100	-	-
Tune Air	-	-	1 ¹	100
Anthony Francis Fernandes	-	-	1 ²	100
Kamarudin Bin Meranun	-	-	1 ²	100

Notes:

1 Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in the Company.

2 Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Tune Air, which in turn has a substantial shareholding in the Company.

(iv) Subsidiary and associated companies

As at October 12, 2004 AirAsia Mauritius does not have any subsidiary or associated company.

11.2.4 Information on AAIL**(i) History and business**

AAIL was incorporated in Labuan on September 11, 2003 under the Offshore Companies Act, 1990, as a private company limited by shares under its present name.

11. INFORMATION ON AIRASIA GROUP (Cont'd)

Currently, AAIL's principal place of business is in Labuan. The principal activity of AAIL is investment holding.

(ii) Share capital

The present authorized share capital of AAIL is USD5,270,000 comprising 5,270,000 ordinary shares of USD1.00 each, of which USD5,270,000 comprising 5,270,000 ordinary shares of USD1.00 each are issued and credited as fully paid-up.

The changes in the issued and paid-up share capital of AAIL since its incorporation are as follows:

Date of Allotment	No. of Shares Allotted	Par Value (USD)	Consideration	Cumulative Total (USD)
11.09.2003	1	1.00	Subscribers' shares	1
16.12.2003	59	1.00	Cash	60
16.12.2003	7,340	1.00	Cash	7,400
16.12.2003	1,000	1.00	Cash	8,400
16.12.2003	900	1.00	Cash	9,300
16.12.2003	700	1.00	Cash	10,000
29.9.2004	5,260,000	1.00	Cash	5,270,000

As at October 12, 2004 there are no outstanding warrants, options, convertible securities or uncalled capital in AAIL.

(iii) Substantial shareholders

Details of the substantial shareholders of AAIL, as at October 12, 2004 are as follows:

Name	<-----Shareholdings in AAIL----->			
	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
AirAsia Berhad	5,260,000	99.8	-	-
Tune Air	7,340	0.1	5,260,000 ¹	99.8
Kamarudin Bin Meranun	1 ³	.*	5,267,340 ²	99.9
Anthony Francis Fernandes	-	-	5,267,340 ²	99.9

Notes:

* Negligible.

¹ Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in the Company.

² Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Tune Air, which in turn has a substantial shareholding in the Company.

³ Held in trust for Tune Air

11. INFORMATION ON AIRASIA GROUP (Cont'd)**(iv) Subsidiary and associated companies**

As at October 12, 2004 AAIL has one subsidiary and four associated companies. The subsidiary company is AirAsia HK, details of which appear in Section 11.2.5, and the associated companies are Thai AirAsia, AAPL, Thai Crunch Time and Thai AirAsia HK, details of which appear in Sections 11.3.1, 11.3.2, 11.3.3 and 11.3.4 of this Prospectus respectively.

11.2.5 Information on AirAsia HK**(i) History and business**

AirAsia HK was incorporated in Hong Kong on June 9, 2004 under the laws of Hong Kong as a private company limited by shares. Currently, AirAsia HK is dormant.

(ii) Share capital

The present authorized share capital of AirAsia HK is HK\$10,000 comprising 10,000 ordinary shares of HK\$1.00 each, of which the entire number of shares are issued and credited as fully paid-up.

The changes in the issued and paid-up share capital of AirAsia HK since its incorporation are as follows:

Date of Allotment	No. of shares Allotted	Par Value (HK\$)	Consideration	Cumulative Total (HK\$)
09.06.2004	2	1.00	Subscriber shares	2
09.06.2004	9,998	1.00	Cash	10,000

As at October 12, 2004 there are no outstanding warrants, options, convertible securities or uncalled capital in AirAsia HK.

(iii) Substantial shareholders

Details of the substantial shareholders of AirAsia HK, as at October 12, 2004 are as follows:

Name	<-----Shareholdings in AirAsia (Hong Kong) Limited----->			
	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
AAIL	10,000	100	-	-
AirAsia Berhad	-	-	10,000 ¹	100
Tune Air	-	-	10,000 ²	100
Kamarudin Bin Meranun	-	-	10,000 ³	100
Anthony Francis Fernandes	-	-	10,000 ³	100

11. INFORMATION ON AIRASIA GROUP (Cont'd)*Notes:** *Negligible.*1 *Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in AAIL.*2 *Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in the Company.*3 *Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Tune Air which in turn has a substantial shareholding in the Company.***(iv) Subsidiary and associated companies**

As at October 12, 2004 AirAsia HK does not have any subsidiary or associated company.

11.3 Details on Associated Companies**11.3.1 Information on Thai AirAsia****(i) History and business**

Thai AirAsia was incorporated in Bangkok on September 19, 2003 under the laws of Thailand as a limited company under the name of AirAsia Aviation Co. Ltd. The company changed its name to Thai AirAsia on December 8, 2003.

Currently, Thai AirAsia's principal place of business is in Bangkok. The principal activity of Thai AirAsia is providing aerial transport for persons, things and posts.

(ii) Share capital

The present registered share capital of Thai AirAsia is THB400,000,000 comprising 40,000,000 common shares of THB10 each, of which THB400,000,000 comprising 40,000,000 common shares of THB10 each are issued and credited as fully paid-up.

The changes in the issued and paid-up share capital of Thai AirAsia since its incorporation are as follows:

Date of Allotment	No. of Shares Allotted	Par Value (THB)	Consideration	Cumulative Total (THB)
19.09.2003	20,000,000	10.00	Cash	200,000,000
08.12.2003	20,000,000	10.00	Cash	400,000,000

As at October 12, 2004 there are no outstanding warrants, options, convertible securities or uncalled capital in Thai AirAsia.

(iii) Substantial shareholders

Details of the substantial shareholders of Thai AirAsia, as at October 12, 2004 are as follows:

Name	<-----Shareholdings in Thai AirAsia----->			
	<-----Direct----->		<-----Indirect----->	
	No. of Shares	%	No. of Shares	%
AAIL	19,600,000	49.0	-	-

11. INFORMATION ON AIRASIA GROUP (Cont'd)

Name	<-----Shareholdings in Thai AirAsia----->			
	<-----Direct----->		<-----Indirect----->	
	No. of Shares	%	No. of Shares	%
AirAsia Berhad	-	-	19,600,000 ¹	49.0
Tune Air	-	-	19,600,000 ²	49.0
Kamarudin Bin Meranun	-	-	19,600,000 ³	49.0
Anthony Francis Fernandes	-	-	19,600,000 ³	49.0
Shin Corporation Plc	20,000,000	50.0	-	-

Notes:

- 1 Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in AAIL.
- 2 Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in the Company, which in turn has a substantial shareholding in AAIL.
- 3 Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Tune Air, which in turn has a substantial shareholding in the Company and AAIL.

(iv) Subsidiary and associated companies

As at October 12, 2004 Thai AirAsia has two subsidiaries, namely Thai Crunch Time and Thai AirAsia (Hong Kong) Limited, details of which appear in Section 11.3.3 and 11.3.4 of this Prospectus respectively. Thai AirAsia does not have any associated company.

11.3.2 Information on AAPL**(i) History and business**

AAPL was incorporated in Singapore on September 23, 2003 under Singaporean law as a private limited liability company under its present name.

Currently, AAPL's principal place of business is in Singapore. The object of AAPL is to provide airline and air transport services. AAPL has not commenced operations.

(ii) Share capital

The present authorized share capital of AAPL is S\$500,000 comprising 500,000 ordinary shares of S\$1.00 each, of which S\$1,000 comprising 1,000 ordinary shares of S\$1.00 each are issued and credited as fully paid-up.

The changes in the issued and paid-up share capital of AAPL since its incorporation are as follows:

Date of Allotment	No. of shares Allotted	Par value (\$)	Consideration	Cumulative Total (\$)
23.09.2003	2	1.00	Subscribers' shares	2
12.01.2004	998	1.00	Cash	1,000

11. INFORMATION ON AIRASIA GROUP (Cont'd)

As at October 12, 2004 there are no outstanding warrants, options, convertible securities or uncalled capital in AAPL.

(iii) Substantial shareholders

Details of the substantial shareholders of AAPL, as at October 12, 2004 are as follows:

Name	Shareholdings in AAPL			
	Direct		Indirect	
	No. of shares	%	No. of shares	%
Tan Kim Lan	510	51.0	-	-
AAIL	490	49.0	-	-
AirAsia Berhad	-	-	490 ¹	49.0
Tune Air	-	-	490 ²	49.0
Kamarudin Bin Meranun	-	-	490 ³	49.0
Anthony Francis Fernandes	-	-	490 ³	49.0

Notes:

- 1 Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in AAIL.
- 2 Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in the Company, which in turn has a substantial shareholding in AAIL.
- 3 Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Tune Air, which in turn has a substantial shareholding in the Company and AAIL.

(iv) Subsidiary and associated companies

As at October 12, 2004 AAPL does not have any subsidiary and associated company.

11.3.3 Information on Thai Crunch Time**(i) History and business**

Thai Crunch Time was incorporated in Thailand on April 12, 2004 under the laws of Thailand as a limited company under its present name.

Currently, Thai Crunch Time's principal place of business is in Bangkok. Thai Crunch Time is principally involved in providing inflight meals and trading of merchandise.

(ii) Share capital

The present registered share capital of Thai Crunch Time is THB4,000,000 comprising 400,000 common shares of THB10.00 each, of which THB4,000,000 comprising 400,000 common shares of THB10.00 each are issued and credited as fully paid-up.

11. INFORMATION ON AIRASIA GROUP (Cont'd)

The changes in the issued and paid-up share capital of Thai Crunch Time since its incorporation are as follows:

Date of Allotment	No. of Shares Allotted	Par Value (THB)	Consideration	Cumulative Total (THB)
26.03.2003	400,000	10.00	Cash	4,000,000

As at October 12, 2004 there are no outstanding warrants, options, convertible securities or uncalled capital in Thai Crunch Time.

(iii) Substantial shareholders

Details of the substantial shareholders of Thai Crunch Time, as at October 12, 2004 are as follows:

Name	Shareholdings in Thai Crunch Time			
	Direct		Indirect	
	No. of shares	%	No. of shares	%
Thai AirAsia	203,993	51.0	-	-
Crunchtime	196,000	49.0	-	-
AAIL	-	-	203,993 ¹	51.0
AirAsia Berhad	-	-	399,993 ²	99.9
Tune Air	-	-	399,993 ³	99.9
Anthony Francis Fernandes	-	-	399,993 ⁴	99.9
Kamarudin Bin Meranun	-	-	399,993 ⁴	99.9
SkyHigh Culinary Services Sdn Bhd	-	-	196,000 ⁵	49.0
Bruce Lynn Musick	-	-	196,000 ⁶	49.0

Notes:

- ¹ Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Thai AirAsia.
- ² Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in AAIL and Crunchtime.
- ³ Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in the Company, which has a substantial shareholding in AAIL and Crunchtime.
- ⁴ Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Tune Air, which has a substantial shareholding in the Company, AAIL and Crunchtime.
- ⁵ Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Crunchtime.
- ⁶ Deemed interested by virtue of Section 6A of the Act, as Bruce Lynn Musick wholly owns SkyHigh Culinary Services Sdn Bhd, which in turn has a substantial shareholding in Crunchtime. His shareholding in SkyHigh Culinary Services Sdn Bhd does not meet the prescribed statutory minimum of 2 members under the Act. However, this irregularity has no impact on the Company.

11. INFORMATION ON AIRASIA GROUP (Cont'd)**(iv) Subsidiary and associated companies**

As at October 12, 2004 Thai Crunch Time does not have any subsidiary and associated company.

11.3.4 Information on Thai AirAsia HK**(i) History and business**

Thai AirAsia HK was incorporated in Hong Kong on June 9, 2004 under the laws of Hong Kong as a private company limited by shares.

Currently, Thai AirAsia HK is dormant.

(ii) Share capital

The present authorized share capital of Thai AirAsia HK is HK\$10,000 comprising 10,000 ordinary shares of HK\$1.00 each, of which HK\$10,000 comprising 10,000 ordinary shares of HK\$1.00 each are issued and credited as fully paid-up.

The changes in the issued and paid-up share capital of Thai AirAsia HK since its incorporation are as follows:

Date of Allotment	No. of shares Allotted	Par Value (HK\$)	Consideration	Cumulative Total (HK\$)
09.06.2004	2	1.00	Subscriber shares	2
09.06.2004	9,998	1.00	Cash	10,000

As at October 12, 2004 there are no outstanding warrants, options, convertible securities or uncalled capital in Thai AirAsia HK.

(iii) Substantial shareholders

Details of the substantial shareholders of Thai AirAsia HK, as at October 12, 2004 are as follows:

Name	<-----Shareholdings in Thai AirAsia (HK)----->			
	<-----Direct----->		<-----Indirect----->	
	No. of shares	%	No. of shares	%
Thai AirAsia	10,000	100	-	-
AAIL	-	-	10,000 ¹	100
Shin Corporation Plc	-	-	10,000 ¹	100
AirAsia Berhad	-	-	10,000 ²	100
Tune Air	-	-	10,000 ³	100
Kamarudin Bin Meranun	-	-	10,000 ⁴	100
Anthony Francis Fernandes	-	-	10,000 ⁴	100

11. INFORMATION ON AIRASIA GROUP (Cont'd)

Notes:

- * *Negligible.*
- 1 *Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Thai AirAsia.*
- 2 *Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in AAIL.*
- 3 *Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in the Company, which in turn has a shareholding of more than 15% in AAIL.*
- 4 *Deemed interested by virtue of Section 6A of the Act, through a shareholding of more than 15% in Tune Air, which has a substantial shareholding in the Company, which in turn is a substantial shareholder of AAIL.*

(iv) Subsidiary and associated companies

As at October 12, 2004 Thai AirAsia HK does not have any subsidiary or associated company.

12. PROFORMA AND SELECTED HISTORICAL FINANCIAL AND OTHER DATA

12.1 Summary of Selected Historical Financial and Other Data

The following tables present selected consolidated financial and other data of the Company as at and for the two years ended March 31, 2001, the 15 months ended June 30, 2002, and the two years ended June 30, 2004. This data should be read in conjunction with (i) the audited consolidated financial statements of the Company and the related notes thereto; (ii) the notes and bases for the preparation of the Company's proforma consolidated income statements as included in the Accountants' Report set out in Section 20 of this Prospectus; (iii) Section 13 of this Prospectus "Management's Discussion and Analysis of Financial Condition and Results of Operations"; and (iv) other historical financial and operating data each of which are included elsewhere in this Prospectus.

Certain figures included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

The Company's consolidated financial statements for the two years ended March 31, 2001, the 15 months ended June 30, 2002 and the two years ended June 30, 2004 have been audited by the Company's independent auditors, PricewaterhouseCoopers.

12.1.1 Income Statement Data:

	For the year ended March 31,		For the 15 months ended June 30,	For the year ended June 30,	
	2000	2001	2002 ⁽¹⁾	2003	2004
	(RM thousands)				
Revenue	149,285	167,749	217,421	330,040	392,690
Cost of sales	(171,994)	(176,463)	(208,147)	(288,490)	(279,119)
Gross (loss)/profit	(22,709)	(8,714)	9,274	41,550	113,571
Sales and marketing expenses	(640)	(409)	(1,499)	(4,361)	(9,411)
Administration expenses	(2,862)	(3,523)	(7,936)	(23,061)	(34,351)
Other operating expenses	(2,573)	(2,048)	(1,445)	(3,758)	(13,054)
Other operating income	566	136	307	1,175	4,563
(Loss)/profit from operations	(28,218)	(14,558)	(1,299)	11,545	61,318
Finance costs	(3,075)	(4,559)	(308)	(84)	(3,131)
Share of losses of an associated company	-	-	-	-	(116)
(Loss)/profit before taxation	(31,293)	(19,117)	(1,607)	11,461	58,071
Taxation	(35)	(21)	(56)	7,375	(9,052)
(Loss)/profit after taxation	(31,328)	(19,138)	(1,663)	18,836	49,019
Minority interests	-	-	-	2	48
(Loss)/profit attributable to shareholders	(31,328)	(19,138)	(1,663)	18,838	49,067
Weighted average number of Shares in issue					
Basic (in thousands)	52,070	52,070	52,070	52,070	76,338
Diluted (in thousands)	52,070	52,070	58,354	161,286	174,438
(Loss)/earnings per share (sen)					
Basic	(60.2)	(36.8)	(3.2)	36.2	64.3
Diluted	(60.2)	(36.8)	(2.8)	11.7	28.1

12. PROFORMA AND SELECTED HISTORICAL FINANCIAL AND OTHER DATA (Cont'd)**Notes:**

- (1) In 2002, the Company changed its financial year-end from March 31 to June 30 to coincide with the financial year end of Tune Air.
- (2) The weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.
- (3) There is no extraordinary item or exceptional item reported by the Company during the financial years and period under review.
- (4) The Company has not declared or paid any dividends since its inception.

12.1.2 Balance Sheet Data:

	As at March 31,		As at the 15 months ended June 30,	As at June 30,	
	2000	2001	2002 ⁽¹⁾	2003	2004
Non Current Assets					
Property, plant & equipment	1,451	1,463	6,704	20,048	158,456
Investment in associated company.....	-	-	-	-	86
Other investments	-	-	-	6,379	108
Deferred Expenditure	-	-	6,438	7,574	4,369
Deferred tax assets	-	-	-	7,500	-
	<u>1,451</u>	<u>1,463</u>	<u>13,142</u>	<u>41,501</u>	<u>163,019</u>
Current Assets					
Deferred share issue expense	-	-	-	-	2,741
Inventories (at cost)	2,644	2,765	1,949	2,193	3,947
Trade and other receivables	9,122	10,510	22,576	46,437	113,947
Amount owing by holding company	-	-	-	688	-
Amount owing by a subsidiary company	-	-	-	-	-
Amount owing by an associated company	-	-	-	-	202
Deposit, bank and cash balances..	13,538	34,525	13,769	33,503	66,147
Total Current Assets	<u>25,304</u>	<u>47,800</u>	<u>38,294</u>	<u>82,821</u>	<u>186,984</u>
Current Liabilities					
Trade and other payables	42,204	54,586	48,042	74,686	102,146
Hire purchase payables	85	85	10	85	128
Current tax liabilities	61	72	83	125	439
Amount owing to holding company	-	-	78	-	-
Amount owing to former holding company	1,641	1,831	-	-	-
Amount owing to former related companies	2,256	2,716	648	-	-
Amount owing to an associated company	-	-	-	-	202
Borrowings (secured)	2,200	2,200	-	-	47,728
	<u>48,447</u>	<u>61,490</u>	<u>48,861</u>	<u>74,896</u>	<u>150,643</u>
Net Current (Liabilities)/Assets	<u>(23,143)</u>	<u>(13,690)</u>	<u>(10,567)</u>	<u>7,925</u>	<u>36,341</u>
Non Current Liabilities					
Hire purchase payables	111	25	-	348	239
Loan from former holding company (unsecured)	64,037	92,726	-	-	-
Borrowings (secured)	-	-	-	-	47,728
Deferred tax liabilities	-	-	-	-	1,113
	<u>64,148</u>	<u>92,751</u>	<u>-</u>	<u>348</u>	<u>49,080</u>
	<u>(85,840)</u>	<u>(104,978)</u>	<u>2,575</u>	<u>49,078</u>	<u>150,280</u>

12. PROFORMA AND SELECTED HISTORICAL FINANCIAL AND OTHER DATA (Cont'd)

	As at March 31,		As at the 15 months ended June 30,	As at June 30,	
	2000	2001	2002 ⁽¹⁾	2003	2004
Capital and Reserves					
Share capital	52,070	52,070	161,286	161,286	175,127
Share application monies	-	-	-	27,617	-
Share premium	-	-	-	-	65,959
Accumulated losses	(137,910)	(157,048)	(158,711)	(139,873)	(90,806)
Shareholders' Equity	(85,840)	(104,978)	2,575	49,030	150,280
Minority Interests	-	-	-	48	-
	(85,840)	(104,978)	2,575	49,078	150,280

Notes:

(1) In 2002, the Company changed its financial year-end from March 31 to June 30 to coincide with the financial year end of Tune Air.

12.1.3 Cash Flows and Other Selected Data:

	For the year ended March 31,		For the 15 months ended June 30,	For the year ended June 30,	
	2000	2001	2002 ⁽¹⁾	2003	2004
(RM thousands)					
Net cash (used in)/generated from/operating activities	(18,736)	(2,656)	(11,980)	15,202	28,919
Net cash used in investing activities	(26)	(633)	(6,554)	(22,276)	(143,848)
Net cash generated from / (used in) financing activities	25,164	24,276	(2,222)	25,847	140,976
Net increase / (decrease) in cash and cash equivalents	6,402	20,987	(20,756)	18,773	26,047
Cash & cash equivalents at beginning of financial year	7,136	13,538	34,525	13,769	32,542
Cash & cash equivalents at end of financial year ⁽²⁾	13,538	34,525	13,769	32,542	58,589

Notes:

(1) In 2002, the Company changed its financial year-end from March 31 to June 30 to coincide with the financial year end of Tune Air.

(2) Excludes fixed deposits pledged as security for banking facilities granted to the Company of RM961,000 and RM7.6 million as at June 30, 2003 and June 30, 2004, respectively

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12. PROFORMA AND SELECTED HISTORICAL FINANCIAL AND OTHER DATA (Cont'd)**12.1.4 Other Financial Data and Ratios:**

	For the year ended March 31,		For the 15 months ended June 30,	For the year ended June 30,	
	2000	2001	2002 ⁽¹⁾	2003	2004
(RM thousands)					
Revenue					
Passenger seat sales	41,181	44,041	87,856	195,864	347,971
Chartered flight revenue	105,844	118,409	123,179	123,061	24,514
Other revenue	2,260	5,299	6,386	11,115	20,205
Total revenue	149,285	167,749	217,421	330,040	392,690
Cost of sales					
Aircraft fuel expenses	(34,477)	(41,417)	(63,980)	(93,581)	(102,707)
Aircraft operating lease expenses	(68,898)	(72,858)	(74,492)	(78,986)	(42,790)
Maintenance and overhaul expenses	(19,598)	(17,828)	(13,804)	(55,876)	(73,778)
Staff costs	(8,248)	(8,340)	(10,626)	(25,496)	(48,403)
User charges and station expenses	(23,287)	(18,669)	(24,071)	(21,837)	(9,579)
Others	(17,486)	(17,351)	(21,174)	(12,714)	(1,862)
Total cost of sales	(171,994)	(176,463)	(208,147)	(288,490)	(279,119)
EBITDAR ⁽²⁾	41,299	58,921	75,316	94,790	117,031
EBIT ⁽³⁾	(28,218)	(14,558)	(1,299)	11,545	61,318

Notes:

- (1) In 2002, the Company changed its financial year-end from March 31 to June 30 to coincide with the financial year end of Tune Air.
- (2) Earnings before interest, taxation, depreciation, amortization and aircraft operating lease expenses. AirAsia believes that 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 AirAsia.
- (3) Earnings before interest and taxation. AirAsia believes that 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 AirAsia.

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12. PROFORMA AND SELECTED HISTORICAL FINANCIAL AND OTHER DATA (Cont'd)**12.1.5 Operating Data:**

	For the year ended March 31,		For the 15 months ended June 30, 2002 ⁽¹⁾	For the year ended June 30,	
	2000	2001		2003	2004
Passengers carried	271,118	290,687	610,738	1,481,097	2,838,822
RPK (millions) ⁽²⁾	339	363	672	1,539	2,771
ASK (millions) ⁽³⁾	547	586	1,018	2,086	3,592
Passenger load factor ⁽⁴⁾ (%)	62	62	66	74	77
Average fares (RM)	207	203	183	147	131
Number of aircraft at year end	2	2	3	7	13
Average number of aircraft	2	2	2.5	5.5	9.5
Number of sectors flown	3,346	3,346	6,521	14,461	25,106
Aircraft utilization ⁽⁵⁾ (block hours per day)	9.2	10.1	11.2	12.5	12.8
Revenue per RPK ⁽⁶⁾⁽⁷⁾					
(RM)	0.205	0.204	0.184	0.151	0.142
(U.S. \$)	0.054	0.054	0.049	0.040	0.037
Revenue per ASK ⁽⁷⁾⁽⁸⁾					
(RM)	0.127	0.126	0.122	0.111	0.109
(U.S. \$)	0.033	0.033	0.032	0.029	0.029
Cost per ASK ⁽⁹⁾					
(RM)	0.189	0.160	0.128	0.109	0.094
(U.S. \$)	0.050	0.042	0.034	0.029	0.025
Average stage length (kilometers) ⁽¹⁰⁾	1,238	1,327	1,128	975	967

Notes:

- (1) In 2002, the Company changed its financial year-end from March 31 to June 30 to coincide with the financial year end of Tune Air
- (2) Represents revenue passenger kilometers, which is the number of paying passengers carried on scheduled flights multiplied by the number of kilometers those passengers were flown
- (3) Represents available seat kilometers, which is the total number of seats available on scheduled flights multiplied by the number of kilometers those seats were flown
- (4) Represents the number of passengers as a proportion to the number of seats available for passengers (148 seats available for AirAsia's Boeing 737-300 aircraft)
- (5) Represents the average block hours per day per aircraft during the relevant financial year.
- (6) Calculated as the Company's total revenue divided by RPK
- (7) Non-scheduled, chartered flight revenue (amounting to RM79.9 million and RM93.7 million for the years ended March 31, 2000 and 2001 respectively, RM93.5 million for 15 months ended June 30, 2002 and RM97.8 million and nil for the years ended June 30, 2003 and 2004 respectively) was subtracted from the Company's total revenue for the purpose of this calculation.
- (8) Calculated as the Company's total revenue divided by ASK.
- (9) Calculated as total operating expenses (excluding finance costs and taxation) divided by ASK. Costs of sales relating to non-scheduled, chartered flight revenue (amounting to RM74.7 million for the year ended March 31, 2000, RM88.9 million for the year ended March 31 2001, RM89.0 million for the 15 months ended June 30, 2002, RM93.3 million for the year ended June 30, 2003, and nil for the year ended June 30, 2004), was subtracted from total operating expenses for the purpose of this calculation.
- (10) Represents the average number of kilometers flown per flight

12. PROFORMA AND SELECTED HISTORICAL FINANCIAL AND OTHER DATA (Cont'd)

12.2 Proforma Consolidated Balance Sheet of the Company

The proforma consolidated balance sheets of the Company as at June 30, 2004 set out below have been prepared solely for illustrative purposes to show the effects on the audited consolidated balance sheets of the Company as at June 30, 2004, on the assumption that certain events had been effected on that date.

	Audited Balance Sheet as at 30.6.2004 RM'000	Proforma I After Acquisition of AAIL RM'000	Proforma II After Proforma I and the Company's Acquisition of AirAsia Mauritius Limited and AirAsia Go Holiday RM'000	Proforma III After Proforma II and Share Split RM'000	Proforma IV After Proforma III Completion of the Initial Public Offering RM'000	Proforma V After Proforma IV Exercise of Options granted pursuant to the ESOS* RM'000
NON CURRENT ASSETS						
Property, plant and equipment	158,456	158,456	158,456	158,456	258,456	258,456
Other investments	108	108	108	108	108	108
Investment in associates	86	10,972	10,972	10,972	10,972	10,972
Goodwill	-	8,502	8,502	8,502	8,502	8,502
Deferred expenditure	4,369	4,369	4,369	4,369	4,369	4,369
	163,019	182,407	182,407	182,407	282,407	282,407
Current assets	186,984	168,418	168,418	168,418	801,474	902,173
Less: Current liabilities	(150,643)	(151,442)	(151,442)	(151,442)	(103,714)	(103,714)
NET CURRENT ASSETS	36,341	16,976	16,976	16,976	697,760	798,459
LESS: NON CURRENT LIABILITIES						
Deferred tax liabilities	1,113	1,113	1,113	1,113	1,113	1,113
Hire purchase payables	239	239	239	239	239	239
Borrowings	47,728	47,728	47,728	47,728	-	-
	49,080	49,080	49,080	49,080	1,352	1,352
	150,280	150,303	150,303	150,303	978,815	1,079,514

12. PROFORMA AND SELECTED HISTORICAL FINANCIAL AND OTHER DATA (Cont'd)

	Audited Balance Sheet as at 30.6.2004 RM'000	Proforma I After Acquisition of AAIL RM'000	Proforma II After Proforma I the Company's Acquisition of AirAsia Mauritius Limited and AirAsia Co. Holiday RM'000	Proforma III After Proforma II Share Split RM'000	Proforma IV After Proforma III Completion of the Initial Public Offering RM'000	Proforma V After Proforma IV Exercise of Options granted pursuant to the ESOS* RM'000
CAPITAL AND RESERVES						
Share capital	175,127	175,127	175,127	175,127	233,503	242,827
Share premium	65,959	65,959	65,959	65,959	836,095	927,470
Accumulated losses	(90,806)	(90,806)	(90,806)	(90,806)	(90,806)	(90,806)
SHAREHOLDERS' EQUITY	150,280	150,280	150,280	150,280	978,792	1,079,491
MINORITY INTEREST	0	23	23	23	23	23
Net tangible assets ("NTA")	150,280	150,303	150,303	150,303	978,815	1,079,514
NTA per ordinary share (RM)	150,280	141,801	141,801	141,801	970,313	1,071,012
- RM1.00 nominal value	0.86	0.81	0.81			
- RM0.10 nominal value				0.08	0.42	0.44
Number of ordinary shares ('000)	175,127	175,127	175,127			
- RM1.00 nominal value				1,751,270	2,335,028	2,428,268
- RM0.10 nominal value						

* Proforma V incorporates the effects of the Company's offer of 93,240,000 Options, representing approximately 4% of the enlarged issued and paid-up share capital of the Company. On the assumption that the maximum number of the Options offered pursuant to the ESOS is 233,503,108, representing 10% of the enlarged issued and paid-up share capital of the Company, the NTA per ordinary share would be RM0.49, based on the exercise price of RM1.08 for the initial 4% and the assumed exercise price of RM1.40 for the subsequent 6%, respectively, of the enlarged issued and paid-up share capital of the Company.

12. PROFORMA AND SELECTED HISTORICAL FINANCIAL AND OTHER DATA (Cont'd)**Notes to the Proforma Consolidated Balance Sheets:****1 BASIS OF PREPARATION**

- 1.1 The Proforma Consolidated Balance Sheets have been prepared for illustrative purposes only to show the effects on the audited consolidated balance sheet of the Company as at June 30, 2004, of the transactions and proposals set out in Note 2 below, had the transactions and proposals been effected on that date.

The Proforma Consolidated Balance Sheets have been prepared using the Company's accounting policies for consolidation, which are consistent with those adopted in the preparation of the audited consolidated financial statements for the financial year ended June 30, 2004, as audited by PricewaterhouseCoopers, and are based on the following:

- (i) The consolidated balance sheet of the Company as at June 30, 2004, based on its audited consolidated financial statements for the year ended June 30, 2004, which have been reported upon without any qualification by PricewaterhouseCoopers.
- (ii) The unaudited balance sheet of AAIL as at June 30, 2004, based on its unaudited management accounts for the period from September 11, 2003 (date of incorporation) to June 30, 2004.
- (iii) The audited balance sheet of Thai AirAsia as at June 30, 2004, based on its audited financial statements for the six months period ended June 30, 2004 which were reported upon without any qualification by PricewaterhouseCoopers ABAS Limited, Thailand.
- (iv) The audited balance sheet of Thai Crunch Time as at June 30, 2004, based on its audited financial statements for the period from April 12, 2004 (date of incorporation) to June 30, 2004 which were reported upon without any qualification by PricewaterhouseCoopers ABAS Limited, Thailand.
- (v) The unaudited balance sheet of AAPL+ as at June 30, 2004, based on its unaudited management accounts for the period from September 23, 2003 (date of incorporation) to June 30, 2004.
- (vi) The unaudited balance sheet of Thai AirAsia HK+ as at June 30, 2004, based on its unaudited management accounts for the period from June 9, 2004 (date of incorporation) to June 30, 2004.
- (vii) The unaudited balance sheet of AirAsia HK+ as at June 30, 2004, based on its unaudited management accounts for the period from June 9, 2004 (date of incorporation) to June 30, 2004.
- (viii) The unaudited balance sheet of AirAsia Mauritius+ as at August 31, 2004, based on its unaudited management accounts for the period from August 20, 2004 (date of incorporation) to August 31, 2004.
- (ix) The unaudited balance sheet of AirAsia Go Holiday+ as at August 31, 2004 based on its unaudited management accounts for the period from August 6, 2004 (date of incorporation) to August 31, 2004.

12. PROFORMA AND SELECTED HISTORICAL FINANCIAL AND OTHER DATA (Cont'd)

- (x) The Proforma Consolidated Balance Sheets of AAIL comprising AAIL and its subsidiary (AirAsia HK) as well as its associated companies (Thai AirAsia, Thai Crunch Time, AAPL and Thai AirAsia HK), were prepared in accordance with the principles of acquisition accounting. The underlying net tangible assets of the companies to be acquired have been recorded at estimated fair value. The resulting goodwill arising from consolidation is recognized in the Balance Sheet. Thai AirAsia, Thai Crunch Time, AAPL and Thai AirAsia HK are included using the equity method of accounting.
- (xi) AirAsia Mauritius and AirAsia Go Holiday are included in the Proforma Consolidated Balance Sheets of the Company using the acquisition method of accounting.
- + **These companies have recently been incorporated, have no significant operations, and therefore have no significant impact to the Group**

2 EFFECTS ON THE PROFORMA CONSOLIDATED BALANCE SHEETS

- 2.1 The Proforma Consolidated Balance Sheets incorporate the effects of the following transactions on the basis and assumptions made by the Directors of the Company as though they were effected on June 30, 2004.
- 2.2 Proforma I incorporates the effects, on the Company's consolidated balance sheet as at 30 June 2004, of the acquisition of the AAIL Group on 1 July 2004 by way of a subscription in cash for 5,260,000 ordinary shares of USD1.00 each for a total consideration of USD5,260,000 (or RM19,988,000) representing 99.8% of the total issued and paid-up share capital of AAIL on acquisition date.

As a result, AAIL is regarded as the Company's 99.8% owned subsidiary. Accordingly, the AAIL Group has been consolidated using the acquisition method of accounting under Proforma I.

- 2.3 Proforma II incorporates the effects of Proforma I and the Company's acquisition of AirAsia Mauritius and AirAsia Go Holiday.

The Company subscribed in cash for 1 ordinary share of USD1.00 each in AirAsia Mauritius for a total consideration of USD1.00 (or RM3.80) representing 100% of the total issued and paid-up share capital of AirAsia Mauritius.

The Company also subscribed in cash for 200,000 ordinary shares of RM1.00 each in AirAsia Go Holiday for a total consideration of RM200,000 representing 100% of the total issued and paid up share capital of AirAsia Go Holiday.

As a result, AirAsia Mauritius and AirAsia Go Holiday are accounted for using the acquisition method of accounting as a subsidiary of the Company.

- 2.4 Proforma III incorporates the effects of Proforma II and the share split of one existing ordinary share of RM1.00 each in the Company into 10 new ordinary shares of RM0.10 each undertaken by the Company.
- 2.5 Proforma IV incorporates the effects of Proforma III and the Initial Public Offering:

Initial public offering of 583,757,800 new ordinary shares of RM0.10 each in the Company at an issue price of RM1.40 per Share and approximately RM1.51 per Share for the Retail Offering and the Institutional Offering respectively. The gross proceeds from the initial public offering is approximately RM864.0 million. The allocation of ordinary shares between the Retail Offering and the Institutional Offering is proposed as follows:

12. PROFORMA AND SELECTED HISTORICAL FINANCIAL AND OTHER DATA (Cont'd)

	No. of new ordinary shares at <u>RM0.10 each</u> '000	<u>Proceeds</u> RM'000
Retail Offering	140,102	196,143
Institutional Offering	443,656	667,869
	<u>583,758</u>	<u>864,012</u>

The proposed utilization of gross proceeds of approximately RM864.0 million is as follows:

	RM'000
Repayment of borrowings	94,240
Estimated expenses for share issue*	35,500
Capital expenditure	100,000
Working capital [†]	634,272
	<u>864,012</u>

* The estimated expenses on share issue will be deducted from the share premium account.

+ AirAsia is currently considering the proposed acquisition of up to 80 aircraft, as described in Section 7.15 of the Prospectus. The proforma consolidated balance sheets have been prepared on the basis that the use of proceeds do not include any related capital expenditure as AirAsia has not committed to this proposed acquisition.

2.6 Proforma V incorporates the effects of Proforma IV and the exercise of Options granted pursuant to the ESOS:

The number of the share options to be granted under the ESOS shall not exceed 10% of the enlarged issued and paid-up share capital of the Company at any one time. Based on the enlarged issued and paid-up share capital of the Company of 2,335,031,080, the assumed maximum number of share options is 233,503,108. The exercise price for the initial 4% and the assumed exercise price for the subsequent 6% of the enlarged issued and paid-up share capital of the Company are RM1.08 and RM1.40 respectively.

Prior to the completion of the Initial Public Offering, as reflected in Proforma V, the Company has offered 93,240,000 share options, representing approximately 4% of the enlarged issued and paid-up share capital of the Company, pursuant to the ESOS at an exercise price of RM1.08 per share. The share options are only exercisable one year from the date of offer.

2.7 The exchange rates of Ringgit Malaysia for AirAsia Group's principal operating currencies used in the Proforma Consolidated Balance Sheets as at June 30, 2004, are assumed to be as follows:

1 United States Dollar	:	RM3.8000
1 Baht	:	RM0.0929
1 Singapore Dollar	:	RM2.2153

12. PROFORMA AND SELECTED HISTORICAL FINANCIAL AND OTHER DATA (Cont'd)**3 SHARE CAPITAL, SHARE PREMIUM AND ACCUMULATED LOSSES**

Movements in the issued and paid-up share capital, share premium and accumulated losses of the Company are as follows:

	Share capital RM'000	Share premium RM'000	Accumulated losses RM'000
As at June 30, 2004	175,127	65,959	(90,806)
Acquisition of AAIL	-	-	-
Per Proforma Consolidated Balance Sheet I	175,127	65,959	(90,806)
Acquisition of AirAsia Mauritius and AirAsia Go Holiday	-	-	-
Per Proforma Consolidated Balance Sheet II	175,127	65,959	(90,806)
Share split of one (1) existing ordinary share of RM1.00 each into 10 new ordinary shares of RM0.10 each	-	-	-
Per Proforma Consolidated Balance Sheet III	175,127	65,959	(90,806)
Initial public offering of 583,757,800 new ordinary shares of RM0.10 each at an issue price of RM1.40 per Share and approximately RM1.51 per Share for the Retail and Institutional Offering respectively	58,376	770,136	-
Per Proforma Consolidated Balance Sheet IV	233,503	836,095	(90,806)
Exercise of 93,240,000 options granted pursuant to the ESOS at an issue price of RM1.08 per share	9,324	91,375	-
Per Proforma Consolidated Balance Sheet V	242,827	927,470	(90,806)

12. PROFORMA AND SELECTED HISTORICAL FINANCIAL AND OTHER DATA (Cont'd)**12.3 Capitalization**

The following table presents the audited consolidated capitalization of the Company as at June 30, 2004 and as adjusted to reflect the issue of the Issue Shares and the application of the proceeds thereof as described under Section 4.9 "Utilization of Proceeds". This table has been extracted from, and should be read in conjunction with, the financial statements and related notes appearing elsewhere in this Prospectus. Except as otherwise disclosed below and in Section 14 "Description of Material Indebtedness and Credit Facilities", there has been no material change in the current liabilities, long-term and deferred liabilities, capital and reserves, or total capitalization of the Company as at June 30, 2004.

	As at June 30, 2004 ⁽¹⁾	
	Actual (RM thousands) (audited)	As adjusted (2) (RM thousands) (unaudited)
Cash and cash equivalents	58,589	692,861
Short-term debt		
Revolving credits (interest bearing).....	47,728	-
Total short-term debt	47,728	-
Long-term debt		
Long-term loans, net of current portion (interest bearing)	47,728	-
Total long-term debt	47,728	-
Capital and reserves	150,280	978,792
Total capitalization	187,147	285,931

Notes:

- (1) There are no warrants or convertible notes of the Company or its subsidiaries that are outstanding as at October 12, 2004.
- (2) RM1.2 million of the indebtedness will be repaid prior to the application of RM94.2 million of proceeds from the issue of the Issue Shares, which will result in the indebtedness being fully repaid.

For further information on the Company's principal terms of material indebtedness and credit facilities, please refer to Section 14 of this Prospectus.