
AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)**BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)****Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)****2. Significant accounting policies (cont'd.)****2.3 Summary of significant accounting policies (cont'd.)****(k) Revenue from contracts with customers (cont'd.)****iv. Transaction fee income**

The Group and Company earn transaction fee income upon successful completion of transactions by BIG members through the collaboration platform with Partners.

v. Forfeiture income

The Group and Company recognise forfeiture income when BIG members' points are being zeroed due to fraudulent activities committed by the BIG members.

(l) Income tax

Income tax expense for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the reporting date.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised as income or an expense and included in profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity.

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For the financial year ended 31 December 2020 (cont'd.)****2. Significant accounting policies (cont'd.)****2.3 Summary of significant accounting policies (cont'd.)****(m) Provisions**

Provisions are recognised when the Group and the Company have a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provision are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(n) Leases

The Group and Company consider whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for a consideration'. To apply this definition, the Group and Company assess whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group and Company;
- the Group and Company have the right to obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use, considering the rights within the defined scope of the contract; and
- the Group and Company have the right to direct the use of the identified asset throughout the period of use. The Group and Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in the arrangement.

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For the financial year ended 31 December 2020 (cont'd.)****2. Significant accounting policies (cont'd.)****2.3 Summary of significant accounting policies (cont'd.)****(n) Leases (cont'd.)**

At lease commencement date, the Group and Company recognise a ROU asset and a lease liability on the statement of financial position. The ROU asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group and Company, an estimate of any costs to dismantle and remove the asset or to restore the asset or the site on which it is located at the end of the lease, and any lease payments made in advance of the lease commencement date, less any lease incentives received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method, and is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the incremental borrowing rate of the Group and Company.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed payments) and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the lease liability will be reduced for payments made and increased for interest accrued. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group and Company presents ROU assets that do not meet the definition of investment property and lease liabilities separately in the statement of financial position.

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The Group and Company has elected not to recognise right-of-use assets and lease liabilities for leases with lease term of less than 12 months and leases of low value assets, being leases of RM25,000 and below. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Accordingly, rental of office building of the Group and Company were classified as leases.

(o) Employee benefits**i. Short-term benefits**

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

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For the financial year ended 31 December 2020 (cont'd.)****2. Significant accounting policies (cont'd.)****2.3 Summary of significant accounting policies (cont'd.)****(o) Employee benefits (cont'd.)****ii. Defined contribution plans**

The Group's contributions to the Employees' Provident Fund are charged to statements of comprehensive income in the financial year to which they relate. Once the contributions have been paid, the Group has no further obligations. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

iii. Employee benefits liability

The subsidiary of the Company recognised a provision for employee service entitlements in accordance with local regulatory requirements. Under local law, the employees of the Company's subsidiary are entitled to allowances and benefits ("service entitlements") under Indonesian Labour Law No. 13/2003 and Company Regulation in Indonesia. The calculation of defined benefit obligations is performed annually by qualified actuaries using the projected unit credit method.

The costs of providing benefits under defined benefit plans are determined by periodic actuarial calculation using the projected unit credit method and applying the assumptions on discount rate, expected return on plan assets and annual rate of increase in compensation.

All remeasurements, comprising of actuarial gains and losses, and the return of plan assets (excluding net interest) are recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the statements of financial position to reflect the full value of the plan deficit and surplus. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in the profit or loss on the earlier of:

- The date of the plan amendment or curtailment; or
- The date that the Group recognises restructuring related costs.

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For the financial year ended 31 December 2020 (cont'd.)****2. Significant accounting policies (cont'd.)****2.3 Summary of significant accounting policies (cont'd.)****(o) Employee benefits (cont'd.)****iii. Employee benefits liability (cont'd.)**

All past service costs are recognized at the earlier of when the amendment or curtailment occurs and when the related restructuring or termination costs are recognised. As a result, unvested past service costs can no longer be deferred and recognised over the future vesting period.

Net interest and other expenses relating to defined benefit plans are calculated by applying the discount rate to the net defined benefit liability or asset and recognised in the profit or loss.

Net interest and other expenses relating to provision for employee service entitlements are calculated by applying the discount rate to the net defined benefit liability or asset and recognised in the profit or loss. These are recognised immediately as income or expense in profit or loss as they occur.

(p) Foreign currencies**(i) Functional and presentation currency**

The financial statements of the Group and of the Company are recorded using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia (RM), which is also the Group's and Company's functional currency.

(ii) Foreign currency transactions

In preparing the financial statements of the Group and of the Company, transactions in currencies other than the Group's and the Company's functional currencies are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions.

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For the financial year ended 31 December 2020 (cont'd.)****2. Significant accounting policies (cont'd.)****2.3 Summary of significant accounting policies (cont'd.)****(p) Foreign currencies (cont'd.)****(ii) Foreign currency transactions (cont'd.)**

Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under the foreign currency translation reserve in equity.

(iii) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of transactions. The exchange differences arising on translation are taken directly to other comprehensive income.

(q) Fair value measurement

The Group and the Company measure certain financial instruments at fair value at each reporting date.

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For the financial year ended 31 December 2020 (cont'd.)****2. Significant accounting policies (cont'd.)****2.3 Summary of significant accounting policies (cont'd.)****(q) Fair value measurement (cont'd.)**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which all inputs that are significant to the fair value measurement are directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices for assets at the close of business on the reporting date. For investments in unit and property trusts and collective investment schemes, fair value is determined by reference to published net asset values. The fair values of money market placements are their carrying value. The carrying value is the cost of the deposit/placements.

If the fair value cannot be measured reliably, these financial instruments are measured at cost, being the fair value of the consideration paid for the acquisition of the instrument or the amount received on issuing the financial liability. All transaction costs directly attributable to the acquisition are also included in the cost of the investment.

(r) Inventory

BigDeals allow members to redeem their loyalty points for daily lifestyle products in the form of vouchers. These vouchers are accounted as inventories in the consolidated and separate financial statements of the Group and the Company.

These inventories are measured at the lower of cost and net realisable value.

The cost of inventories comprises cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which related revenue is recognised.

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For the financial year ended 31 December 2020 (cont'd.)

2. Significant accounting policies (cont'd.)

2.3 Summary of significant accounting policies (cont'd.)

(r) Inventory (cont'd.)

The amount of any write-down of inventories to net realisable value and all losses of inventories shall be recognised as an expense in the period which it occurs. Any reversal on any write down is recognised as a reduction in the amount of inventories recognised as an expense in the period in which reversals are incurred.

2.4 Changes in accounting policies and effects arising from adoption of new and revised MFRSs

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2020 and 1 June 2020, the Group and Company adopted the following amended MFRSs as applicable for annual financial periods beginning on or after 1 January 2020 and 1 June 2020:

Effective for financial years beginning on or after 1 January 2020

- Amendments to References to the Conceptual Framework in MFRS Standards
- Definition of a Business (Amendments to MFRS 3: *Business Combinations*)
 - Interest Rate Benchmark Reform phase 1 (Amendments to MFRS 7, MFRS 9, MFRS 139, MFRS 4 and MFRS 16)
 - Definition of Material (Amendments to MFRS 101 and 108)
 - Conceptual Framework for Financial Reporting issued on 29 March 2018

Effective for annual periods beginning on or after 1 June 2020

- Covid-19-Related Rent Concessions (Amendment to MFRS 16 Leases)

Adoption of the above amendments to MFRSs did not have any significant impact on the consolidated and separate financial statements of the Group and the Company.

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2. Significant accounting policies (cont'd.)**2.5 Standards issued but not yet effective**

The standards and amendments to standards that are issued but not yet effective up to the date of issuance of the Group's and Company's financial statements are disclosed below. The Group and Company intend to adopt these new pronouncements, if applicable, when they become effective:

Description	Effective for annual periods beginning on or after
Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 7, MFRS 9, MFRS 139, MFRS 4 and MFRS 16)	1 January 2021
Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRS Standards 2018-2020"	1 January 2022
Reference to the Conceptual Framework (Amendments to MFRS 3 Business Combinations)	1 January 2022
Property, Plant and Equipment-Proceeds before Intended Use (Amendments to MFRS 116 Property, Plant and Equipment)	1 January 2022
Onerous Contracts-Cost of Fulfilling a Contract (Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets)	1 January 2022
Classification of Liabilities as Current or Non-Current	
Amendments to MFRS 101: Presentation of Financial Statements	1 January 2023
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

Adoption of the above standards and amendments to standards are not expected to have any significant impact on the performance or financial position of the Group and Company.

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For the financial year ended 31 December 2020 (cont'd.)****2. Significant accounting policies (cont'd.)****2.6 Significant accounting judgements, estimates and assumptions****(a) Critical judgements made in applying accounting policies**

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's and Company's accounting policies. These are areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The Group and the Company make estimates and assumptions concerning the future. The resulting accounting estimates, by definition, may cause material adjustments to the carrying amounts of assets and liabilities within the next financial year such as those discussed below:

Income taxes (Note 22)

The Company is subject to income taxes in Malaysia. Judgement is required in determining the allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

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For the financial year ended 31 December 2020 (cont'd.)****2. Significant accounting policies (cont'd.)****2.6 Significant accounting judgements, estimates and assumptions (cont'd.)****(a) Critical judgements made in applying accounting policies (cont'd.)*****Impairment of financial assets (Notes 6 and 7)***

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(b) Key sources of estimation uncertainty and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Revenue and breakage recognition (Notes 10, 11 and 17)

The accounting policies relating to revenue recognition is as disclosed in Note 2.3(k).

Breakage represents the estimated loyalty points that are not expected to be redeemed by members. Management's breakage estimate at 31 December 2020 is 30% (2019: 30%), and is calculated based on the total Loyalty Points outstanding under the Company's loyalty program.

This breakage estimate is based on past experience. The amount of revenue recognised related to Breakage is based on the number of Loyalty Points redeemed in a period in relation to the total number expected to be redeemed, which factors in the Company's estimate for breakage.

The Group and the Company may be required to provide rewards to members for unexpired Loyalty Points which are accounted for as Breakage on the Loyalty Points issued to date for which the revenue has been recognised. The maximum potential redemption cost for such Loyalty Points is estimated to be RM18,589,000 (2019: RM49,832,000) as at 31 December 2020.

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The potential redemption costs above have been calculated on the basis of the current average redemption cost, reflecting actual prices with Redemption Partners, and the experience of the mix of the various types of rewards that members have selected, based on past experience.

Employee benefits

The determination of the Group's obligations and cost for employee benefits liability is dependent on its selection of certain assumptions used by the independent actuaries in calculating such amounts. Those assumptions include among others, discount rates, future annual salary increase, annual employee turn-over rate, disability rate, retirement age and mortality rate. Actual results that differ from the Group's assumptions are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income in the period which they occur. While the Group believes that its assumptions are reasonable and appropriate, significant differences in the Group's actual experiences or significant changes in the Company's assumptions may materially affect its estimated liability for employee benefits and net employee benefits expense. The carrying amounts of the Group's estimated liability for employee benefits amounted to RM308,000 and RM300,000 as of December 31, 2020 and 2019, respectively as disclosed in Note 16.

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3. Equipment

Group	Furniture and fittings RM'000	Computer hardware RM'000	Computer software RM'000	Office equipment RM'000	Renovation RM'000	Construction in progress RM'000	Total RM'000
Cost							
At 1 January 2020	258	1,084	7,643	45	873	559	10,462
Additions	4	21	658	27	28	19	757
Written off	-	-	-	-	(281)	-	(281)
Reclassification	(10)	(101)	559	101	10	(559)	-
At 31 December 2020	252	1,004	8,860	173	630	19	10,938
Accumulated depreciation							
At 1 January 2020	200	758	3,566	29	607	-	5,160
Charge for the financial year	49	138	1,672	25	136	-	2,020
Written off	-	-	-	-	(216)	-	(216)
Reclassification	(8)	(73)	-	73	8	-	-
At 31 December 2020	241	823	5,238	127	535	-	6,964
Net carrying amount							
At 31 December 2020	11	181	3,622	46	95	19	3,974

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3. Equipment (cont'd.)

Group (cont'd.)

Cost	Furniture and fittings RM'000	Computer hardware RM'000	Computer software RM'000	Office equipment RM'000	Renovation RM'000	Construction in progress RM'000	Total RM'000
At 1 January 2019	258	1,059	6,414	36	778	1,381	9,926
Additions	-	25	424	9	19	1,038	1,515
Written off	-	-	(500)	-	-	(479)	(979)
Reclassification	-	-	1,305	-	76	(1,381)	-
At 31 December 2019	258	1,084	7,643	45	873	559	10,462
Accumulated depreciation							
At 1 January 2019	158	548	2,170	15	476	-	3,367
Charge for the financial year	42	210	1,325	14	131	-	1,722
Written off	-	-	71	-	-	-	71
At 31 December 2019	200	758	3,566	29	607	-	5,160
Net carrying amount							
At 31 December 2019	58	326	4,077	16	266	559	5,302

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3. Equipment (cont'd.)

Company

	Furniture and fittings RM'000	Computer hardware RM'000	Computer software RM'000	Office equipment RM'000	Renovation RM'000	Construction in progress RM'000	Total RM'000
Cost							
At 1 January 2020	258	1,083	7,643	33	589	559	10,165
Additions	4	21	658	24	31	19	757
Reclassification	(10)	(101)	559	101	10	(559)	-
At 31 December 2020	252	1,003	8,860	158	630	19	10,922
Accumulated depreciation							
At 1 January 2020	200	754	3,567	21	403	-	4,945
Charge for the year	47	140	1,672	23	124	-	2,006
Reclassification	(8)	(73)	-	73	8	-	-
At 31 December 2020	239	821	5,239	117	535	-	6,951
Net carrying amount							
At 31 December 2020	13	182	3,621	41	95	19	3,971

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3. Equipment (cont'd.)

Company (cont'd.)

Cost	Furniture and fittings RM'000	Computer hardware RM'000	Computer software RM'000	Office equipment RM'000	Renovation RM'000	Construction in progress RM'000	Total RM'000
At 1 January 2019	258	1,058	6,414	30	513	1,381	9,654
Additions	-	25	424	3	-	1,037	1,489
Written off	-	-	(500)	-	-	(478)	(978)
Reclassification	-	-	1,305	-	76	(1,381)	-
At 31 December 2019	258	1,083	7,643	33	589	559	10,165
Accumulated depreciation							
At 1 January 2019	158	548	2,170	15	297	-	3,188
Charge for the year	42	206	1,326	6	106	-	1,686
Written off	-	-	71	-	-	-	71
At 31 December 2019	200	754	3,567	21	403	-	4,945
Net carrying amount							
At 31 December 2019	58	329	4,076	12	186	559	5,220

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

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BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

4. Right of use ("ROU") assets

	Office premises RM'000	Office equipment RM'000	Total RM'000
<u>Group</u>			
Cost			
At 1 January 2020	722	50	772
Additions	1,596	-	1,596
At 31 December 2020	<u>2,318</u>	<u>50</u>	<u>2,368</u>
Accumulated depreciation			
At 1 January 2020	593	10	603
Charge during the financial year	558	10	568
At 31 December 2020	<u>1,151</u>	<u>20</u>	<u>1,171</u>
Net carrying amount	<u>1,167</u>	<u>30</u>	<u>1,197</u>
Cost			
At 1 January/31 December 2019	<u>722</u>	<u>50</u>	<u>772</u>
Accumulated depreciation			
At 1 January 2019	-	-	-
Charge during the financial year	593	10	603
At 31 December 2019	<u>593</u>	<u>10</u>	<u>603</u>
Net carrying amount	<u>129</u>	<u>40</u>	<u>169</u>
ROU assets:			
- Current	549	10	559
- Non-Current	618	20	638
	<u>1,167</u>	<u>30</u>	<u>1,197</u>

The Group had non-cash additions to ROU assets of RM1,595,828 (2019:nil) during the financial year.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

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BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

4. Right of use ("ROU") assets (cont'd.)

<u>Company</u>	Office premises RM'000	Office equipment RM'000	Total RM'000
At 1 January 2020	502	50	552
Additions	1,417	-	1,417
At 31 December 2020	<u>1,919</u>	<u>50</u>	<u>1,969</u>
Accumulated depreciation			
At 1 January 2020	446	10	456
Charge during the financial year	477	10	487
At 31 December 2020	<u>923</u>	<u>20</u>	<u>943</u>
Net carrying amount	<u>996</u>	<u>30</u>	<u>1,026</u>
Cost			
At 1 January/31 December 2019	<u>502</u>	<u>50</u>	<u>552</u>
Accumulated depreciation			
At 1 January 2019	-	-	-
Charge during the financial year	446	10	456
At 31 December 2019	<u>446</u>	<u>10</u>	<u>456</u>
Net carrying amount	<u>56</u>	<u>40</u>	<u>96</u>
ROU assets:			
- Current	460	10	470
- Non-Current	536	20	556
	<u>996</u>	<u>30</u>	<u>1,026</u>

The Company had non-cash additions to ROU assets of RM1,417,258 (2019:nil) during the financial year.

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BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)
5. Investments in subsidiaries*Movement in subsidiaries:*

	Note	Company	
		2020 RM'000	2019 RM'000
At 1 January		2,297	1,087
Additions	5(a) - 5(d)	603	1,898
		<u>2,900</u>	<u>2,985</u>
Less: impairment losses		(2,087)	(688)
At 31 December		<u>813</u>	<u>2,297</u>

During the current financial year, additional impairment losses of RM2,087,000 was recognised in respect of investment in subsidiaries as the Group had liquidated its shareholding in two subsidiaries as disclosed in Note 29 and the carrying values of these subsidiaries exceeded their recoverable amounts.

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BIGLIFE Sdn. Bhd.
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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

5. Investments (cont'd.)

The details of the subsidiaries are as follows:

Name of entity	Note	Principal activities	Country of incorporation/ Principal place of business	Effective interest held by Company		Carrying amount	
				2020 %	2019 %	2020 RM'000	2019 RM'000
BIGLIFE Digital Singapore Pte Ltd [^]		Marketing and distribution of loyalty programme	Singapore	100	100	-	-
BIGLIFE Digital Sdn. Bhd.		Has not commenced operations	Malaysia	100	100	-	-
BIGLIFE (Thailand) Co. Ltd. ^{^@}	9.3	Marketing and distribution of loyalty programme*	Thailand	49	49	62	62
BIG Loyalty India Private Limited	(a)	Marketing and distribution of loyalty programme*	India	100	100	1,006	403
PT BIGLIFE Digital Indonesia ^{^*}		Marketing and distribution of loyalty programme*	Indonesia	100	100	626	626
BIG Loyalty Guangzhou Co. Ltd. [^]		Marketing and distribution of loyalty programme*	China	100	100	1,081	1,081

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BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

5. Investments (cont'd.)

The details of the subsidiaries are as follows (cont'd.):

Name of entity	Note	Principal activities	Country of incorporation/ Principal place of business	Effective interest held by Company		Carrying amount	
				2020 %	2019 %	2020 RM	2019 RM
BIGLIFE Hong Kong Co., Ltd. ^o		Has not commenced operations	Hongkong	100	100	-	-
BIGLIFE Philippines, Inc. ^o	(b)	Marketing and distribution of loyalty programme	Philippines	100	100	813	813
BIGLIFE Japan Co., Ltd. ^o	(c)	Marketing and distribution of loyalty programme	Japan	100	100	-	-
BIGLIFE Vietnam Co., Ltd. ^o	(d)	Marketing and distribution of loyalty programme	Vietnam	100	100	-	-
Sub-total						<u>3,588</u>	<u>2,985</u>
Less: impairment loss						<u>(2,775)</u>	<u>(688)</u>
Total						<u>813</u>	<u>2,297</u>

^o Audited by a firm of chartered accountants other than Ernst & Young P.L.T.^{*} The principal activities of these entities have been changed from marketing and development of loyalty program to marketing and distribution of loyalty programme[#] 1% held through a subsidiary, BIGLIFE Digital Singapore Pte. Ltd.[@] 51% owned by 2 other individual shareholders who are parties related to AirAsia Group Berhad. Disclosure of material non-controlling interest is provided in Note 9.3.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)**BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)****Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)****5. Investments in subsidiaries (cont'd.)**

- (a) On 5 May 2020, the Company subscribed for additional shares in a wholly-owned subsidiary, BIG Loyalty India Private Limited. The additional subscribed share capital is RM600,000 comprising 1,040,000 shares of INR 10 each. In the previous year, on 25 July 2019, the Company subscribed for additional shares in BIG Loyalty India Private Limited. The additional subscribed share capital was RM400,000 comprising 663,500 shares of INR 10 each.
- (b) On 18 March 2019, the Company subscribed for shares in a wholly-owned subsidiary, BIGLIFE Philippines, Inc. which is incorporated in Philippines and whose principal activity is to market and distribute loyalty programme. The initial share capital of BIGLIFE Philippines, Inc is RM812,600 comprising 104,000 shares of PHP 100 each.
- (c) On 19 Mar 2019, the Company subscribed for shares in a wholly-owned subsidiary, BIGLIFE Japan Co. Ltd. which is incorporated in Japan and whose principal activity is to market and distribute loyalty programme. The initial share capital of BIGLIFE Japan Co. Ltd. is RM0.04 comprising 1 shares of JPY 1 each. On 26 Nov 2020, the Company via a resolution of the Director, decided to liquidated, BIGLIFE Japan Co., Ltd.
- (d) On 3 Dec 2019, the Company subscribed for shares in a wholly-owned subsidiary, BIGLIFE Vietnam Co. Ltd. which is incorporated in Vietnam and whose principal activity is to market and distribute loyalty programme.

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BIGLIFE Sdn. Bhd.
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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

6. Trade receivables

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Trade receivables	8,115	23,386	7,292	23,323
Less:				
Bad debts written off	-	(397)	-	(397)
Allowance for ECL	(16)	(384)	(16)	(384)
	<u>8,099</u>	<u>22,605</u>	<u>7,276</u>	<u>22,542</u>

Below is the detailed breakdown of allowance for ECL:

	Group and Company	
	2020 RM'000	2019 RM'000
Allowance for ECL:		
- Lifetime ECL : not credit impaired	12	349
- Lifetime ECL : credit impaired	4	35
At 31 December	<u>16</u>	<u>384</u>

The analysis of the Group's and the Company's gross movement in trade receivables and allowance for ECL are as follows:

Group

Movement in gross trade receivables:

	Not credit impaired RM'000	Credit impaired RM'000	Total RM'000
As at 1 January 2020	23,168	218	23,386
(Reduction)/addition	(15,292)	21	(15,271)
As at 31 December 2020	<u>7,876</u>	<u>239</u>	<u>8,115</u>
As at 1 January 2019	15,860	552	16,412
Addition/(reduction)	7,308	(334)	6,974
As at 31 December 2019	<u>23,168</u>	<u>218</u>	<u>23,386</u>

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

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BIGLIFE Sdn. Bhd.
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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

6. Trade receivables (cont'd.)

The analysis of the Group's and the Company's gross movement in trade receivables and allowance for ECL are as follows (cont'd.):

Group

Movement in allowance for ECL:

	Not credit impaired RM'000	Credit impaired RM'000	Total RM'000
At 1 January 2019	995	108	1,103
Reversal of ECL	(646)	(73)	(719)
At 31 December 2019	349	35	384
Reversal of ECL	(337)	(31)	(368)
At 31 December 2020	12	4	16

Company

Movement in gross trade receivables:

	Not credit impaired RM'000	Credit impaired RM'000	Total RM'000
At 1 January 2020	22,324	218	22,542
(Reduction)/addition	(15,266)	16	(15,250)
At 31 December 2020	7,058	234	7,292
At 1 January 2019	15,079	552	15,631
Addition/(reduction)	7,245	(334)	6,911
At 31 December 2019	22,324	218	22,542

Movement in allowance for ECL:

At 1 January 2019	995	108	1,103
Reversal of ECL	(646)	(73)	(719)
At 31 December 2019	349	35	384
Reversal of ECL	(337)	(31)	(368)
At 31 December 2020	12	4	16

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

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BIGLIFE Sdn. Bhd.
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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

6. Trade receivables (cont'd.)

The Group's and Company's normal trade credit term is 30 days (2019: 30 days). Other credit terms are assessed and approved on a case-by-case basis.

The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

Included in the trade receivables of the Group and the Company was an amount of RM1,484,000 (2019: RM1,839,000) due from related parties. The amount due from related parties is unsecured, interest free and with a trade credit term of 30 days.

7. Other receivables

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Financial assets:				
Other receivables	1,203	1,775	1,070	1,826
Amount due from subsidiaries	-	-	13,574	8,428
	<u>1,203</u>	<u>1,775</u>	<u>14,644</u>	<u>10,254</u>
Less: allowance for ECL	-	-	(11,899)	(1,668)
	<u>1,203</u>	<u>1,775</u>	<u>2,745</u>	<u>8,586</u>
Non-financial assets:				
Tax recoverable	-	2,668	-	2,590
Deposits	248	223	141	160
Prepayments	309	534	247	425
	<u>557</u>	<u>3,425</u>	<u>388</u>	<u>3,175</u>
Total	<u>1,760</u>	<u>5,200</u>	<u>3,133</u>	<u>11,761</u>

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

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BIGLIFE Sdn. Bhd.
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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

7. Other receivables (cont'd.)

The analysis of the Group's and the Company's gross movement in other receivables and allowance for ECL are as follows:

Group

Movement in gross other receivables:

	Not credit impaired RM'000	Credit impaired RM'000	Total RM'000
As at 1 January 2020	1,775	-	1,775
Reduction	(572)	-	(572)
As at 31 December 2020	<u>1,203</u>	<u>-</u>	<u>1,203</u>
As at 1 January 2019	1,218	-	1,218
Addition	557	-	557
As at 31 December 2019	<u>1,775</u>	<u>-</u>	<u>1,775</u>

There was no ECL provided on other receivables of the Group for the financial years ended 31 December 2020 and 2019.

Company

As at 1 January 2020	4,769	3,817	8,586
Reduction	(3,755)	(2,086)	(5,841)
As at 31 December 2020	<u>1,014</u>	<u>1,731</u>	<u>2,745</u>
As at 1 January 2019	4,613	860	5,473
Addition	156	2,957	3,113
As at 31 December 2019	<u>4,769</u>	<u>3,817</u>	<u>8,586</u>

Movement in allowance for ECL:

At 1 January 2019	-	-	-
Addition of ECL	972	696	1,668
At 31 December 2020	972	696	1,668
(Reversal)/addition of ECL	(972)	11,203	10,231
At 31 December 2020	<u>-</u>	<u>11,899</u>	<u>11,899</u>

The Company has significant concentration of credit risk related to amounts due from subsidiaries of RM1,675,000 (2019:RM6,760,000) in current financial year representing 53% (2019: 57%) of its total other receivables. Other than this, the Group has no significant concentration of credit risk related to other receivables.

The amount due from subsidiaries of the Company is unsecured, interest free and are repayable in the short-term.

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**BIGLIFE Sdn. Bhd.
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**Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)**

8. Investments

	Group and Company	
	2020	2019
	RM'000	RM'000
At fair value:		
Quoted unit trust funds in Malaysia	49,591	52,367

The investments of the Group and Company has been categorised as financial assets at FVTPL.

9. Equity

9.1 Share capital

Group and Company	Group and Company			
	Number of		Amount	
	2020	2019	2020	2019
	'000	'000	RM'000	RM'000
At beginning and end of financial year	8,325	8,325	43,900	43,900

9.2 Capital contribution

The capital contribution relates to waiver of amounts due to a former shareholder, BigPay Malaysia Sdn. Bhd., in 2014.

9.3 Non-controlling interests

The following are the financial information of the investment in subsidiary which has a material non-controlling interests.

BIGLIFE (Thailand) Co. Ltd.

Summarised statement of financial position

	2020	2019
	RM'000	RM'000
Current assets	2,738	4,272
Current liabilities	(9,459)	(10,126)
Net current liabilities	(6,721)	(5,854)

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BIGLIFE Sdn. Bhd.
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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

9. Equity (cont'd.)

9.3 Non-controlling interests (cont'd.)

BIGLIFE (Thailand) Co. Ltd.

Summarised statement of financial position (cont'd.)

	2020 RM'000	2019 RM'000
Non-current assets	<u>2</u>	<u>4</u>
Net liabilities	<u>(6,719)</u>	<u>(5,858)</u>
Net liabilities attributable to:		
Equity holder of the Company	(2,960)	(2,870)
Non-controlling interests	<u>(3,759)</u>	<u>(2,988)</u>
	<u>(6,719)</u>	<u>(5,858)</u>

Summarised statement of comprehensive income

Revenue	874	5,162
Direct costs and operating expenses	<u>(2,880)</u>	<u>(6,710)</u>
Loss for the financial year	(2,006)	(1,548)
Other comprehensive income	-	-
Total comprehensive loss	<u>(2,006)</u>	<u>(1,548)</u>

9.4 Other reserves

		Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Foreign currency translation reserve	(i)	83	13	-	-
Defined benefit plan reserve	(ii)	4	4	-	-
		<u>87</u>	<u>17</u>	<u>-</u>	<u>-</u>

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BIGLIFE Sdn. Bhd.
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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

9. Equity (cont'd.)

9.4 Other reserves (cont'd.)

- (i) The foreign currency translation reserve represents exchange differences arising from translation upon consolidation of the subsidiaries' balances in which the functional currency is different from the presentation currency of the Group and of the Company.
- (ii) The defined benefit plan reserve is in respect of the gain on the remeasurement of the net defined liability for the provision of employee service entitlement in a subsidiary, PT BIGLIFE Digital Indonesia.

9.5 Merger deficit

The Company had accounted the acquisition of BIGLIFE (Thailand) Co., Ltd, PT BIGLIFE Digital Indonesia and BIGLIFE Hong Kong Co., Ltd ("the Entities") by applying the merger method of accounting as the Entities were under common control. The merger deficit is the difference between the consideration paid and the equity of the Entities. The breakdown were as follow:

	Group	
	2020	2019
	RM'000	RM'000
Entities		
Indonesia	(3,475)	(3,475)
Thailand	(2,690)	(2,690)
Hongkong	(21)	(21)
Total	<u>(6,186)</u>	<u>(6,186)</u>

10. Deferred revenue

	Group and Company	
	2020	2019
	RM'000	RM'000
At 1 January	93,842	86,331
Loyalty points issued	20,551	52,931
Recognised in profit or loss (Note 17)	(20,446)	(48,763)
Loyalty service cost	1,147	3,343
At 31 December	<u>95,094</u>	<u>93,842</u>
Represented by:		
Current	26,151	37,537
Non-current	68,943	56,305
	<u>95,094</u>	<u>93,842</u>

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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

11. Deferred breakage

	Group and Company	
	2020	2019
	RM'000	RM'000
At 1 January	49,832	39,959
Loyalty points issued	8,816	22,684
Recognised in profit or loss (Note 17)	(40,551)	(14,244)
Loyalty service cost	492	1,433
At 31 December	<u>18,589</u>	<u>49,832</u>
Represented by:		
Current	5,112	19,933
Non-current	13,477	29,899
	<u>18,589</u>	<u>49,832</u>

12. Trade payables

	Group and Company	
	2020	2019
	RM'000	RM'000
Trade payables	<u>4,251</u>	<u>22,741</u>

Trade payables of the Group and the Company are non-interest bearing and are normally settled on 30 days (2019: 30 days) terms.

Included in the trade payables of the Group and the Company are balances due to related parties amounting to RM776,000 (2019: RM10,910,000). The balances are unsecured, interest free and with a trade credit term of 30 days.

13. Amounts due to subsidiaries

	Company	
	2020	2019
	RM'000	RM'000
Non-trade	<u>267</u>	<u>279</u>

The amounts due to subsidiaries are denominated in Malaysia Ringgit, Singapore Dollar, Hong Kong Dollar, Chinese Yuan and Indonesian Rupiah and are unsecured, interest-free and repayable in the short-term.

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BIGLIFE Sdn. Bhd.
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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

14. Other payables

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Financial liabilities:				
Amount due to holding company (Note (a))	-	335	-	335
Amount due to related parties (Note (b))	3,143	3,320	3,639	3,320
Non trade payables	2,613	586	2,162	28
	<u>5,756</u>	<u>4,241</u>	<u>5,801</u>	<u>3,683</u>
Non-financial liabilities:				
Provisions	10,055	15,585	8,917	13,714
Accrued receivables (Note (c))	2,973	4,400	2,278	4,104
	<u>13,028</u>	<u>19,985</u>	<u>11,195</u>	<u>17,818</u>
	<u>18,784</u>	<u>24,226</u>	<u>16,996</u>	<u>21,501</u>

- (a) The amount due to holding company is unsecured, interest free and is repayable in the short-term.
- (b) The amount due to related parties is unsecured, interest free and is repayable in the short-term.
- (c) The amount relates to payments received in cash from customers for prepaid points purchases.

15. Lease liabilities

<u>Group</u>	Office premises RM'000	Office equipment RM'000	Total RM'000
2020			
Net carrying amount			
At 1 January	131	40	171
Additions	1,595	-	1,595
Lease payments	(578)	(11)	(589)
Interest expenses (Note 20)	21	1	22
At 31 December	<u>1,169</u>	<u>30</u>	<u>1,199</u>

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**Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)**

15. Lease liabilities (cont'd.)

	Office premises RM'000	Office equipment RM'000	Total RM'000
<u>Group (cont'd.)</u>			
2020 (cont'd.)			
Lease liabilities due:			
- within 12 months	554	10	564
- more than 12 months	615	20	635
	<u>1,169</u>	<u>30</u>	<u>1,199</u>
2019			
Net carrying amount			
At 1 January	722	50	772
Lease payments	(605)	(11)	(616)
Interest expenses (Note 20)	14	1	15
At 31 December	<u>131</u>	<u>40</u>	<u>171</u>
Lease liabilities due:			
- within 12 months	131	10	141
- more than 12 months	-	30	30
	<u>131</u>	<u>40</u>	<u>171</u>
<u>Company</u>			
2020			
Net carrying amount			
At 1 January	56	40	96
Additions	1,417	-	1,417
Lease payments	(495)	(11)	(506)
Interest expenses (Note 20)	20	1	21
At 31 December	<u>998</u>	<u>30</u>	<u>1,028</u>
Lease liabilities due:			
- within 12 months	465	10	475
- more than 12 months	533	20	553
	<u>998</u>	<u>30</u>	<u>1,028</u>

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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

15. Lease liabilities (cont'd.)

	Office premises RM'000	Office equipment RM'000	Total RM'000
<u>Company (cont'd.)</u>			
2019 (cont'd.)			
Net carrying amount			
At 1 January	502	50	552
Lease payments	(455)	(11)	(466)
Interest expenses (Note 20)	9	1	10
At 31 December	<u>56</u>	<u>40</u>	<u>96</u>
Lease liabilities due:			
- within 12 months	56	10	66
- more than 12 months	-	30	30
	<u>56</u>	<u>40</u>	<u>96</u>

The following are the amounts recognised in profit or loss:

	Group RM'000	Company RM'000
Expenses related to short term leases (Note 20)	35	3
Interest expense on lease liabilities (Note 21)	22	21
Total amount recognised in profit or loss	<u>57</u>	<u>24</u>

The Group and Company made lease payments during the financial year of RM589,000 and RM506,000 respectively as reflected in the statements of cash flows, as cash flows arising from financing activity.

The undiscounted lease commitments of the Group and Company within one year and above one year are disclosed as follows:

Group

	2020 RM'000	2019 RM'000
- Within one year	581	685
- More than one year	<u>643</u>	<u>205</u>

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For the financial year ended 31 December 2020 (cont'd.)

15. Lease liabilities (cont'd.)Company

	2020	2019
	RM'000	RM'000
- Within one year	490	535
- More than one year	560	130
	<hr/>	<hr/>

16. Employee benefits liability**Group**

A subsidiary of the Company provides benefits for its employees who reached the retirement age of 55 based on the provisions of Labor Law No. 13/2003 dated March 25, 2003. The employee benefits liability is unfunded.

The following tables summarises the components of net employee benefits expense recognized in the statement of profit or loss and other comprehensive income and the amounts recognized in the statement of financial position as employee benefits liability as determined by an independent actuary PT Padma Radya Aktuaria.

The principal assumptions used to determine employee benefits liability as of December 31, 2020 and 2019 are as follows:

	2020	2019
Discount rate	6.75%	7.75%
Salary increase rate	8.00%	8.00%
Mortality rate	100% TMI4	100% TMI3
Disability rate	5% TMI4	5% TMI3
Normal retirement age	55 yrs old	55 yrs old

a. Employee benefits expense recognised in profit or loss are as follows:

	2020	2019
	RM'000	RM'000
Current service cost	51	56
Interest cost	15	15
Total	<hr/>	<hr/>
	66	71

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For the financial year ended 31 December 2020 (cont'd.)

16. Employee benefits liability (cont'd.)

Group (cont'd.)

- b. The amounts of employee benefits liability recognised in the statement of financial position of the Group is as follows:

	2020	2019
	RM'000	RM'000
1 January 2020	300	126
Current service cost	51	56
Interest cost	15	15
Remeasurement:		
Effect on experience adjustments	(15)	(15)
Effect on changes in financial assumptions	11	11
Adjustments	(54)	107
31 December 2020	<u>308</u>	<u>300</u>

- c. Reconciliation of employee benefits liability are as follows:

	2020	2019
	RM'000	RM'000
Balance at the beginning of financial year	300	126
Expense recognised in profit or loss	66	71
Remeasurements recognised in other comprehensive income	(4)	(4)
Adjustments	(54)	107
Balance at the end of the financial year	<u>308</u>	<u>300</u>

- d. A quantitative sensitivity analysis on the discount rate based on the significant assumptions as of 31 December 2020 is as follows:

	RM'000	RM'000
	(Decrease)/Increase	
Assumptions: +1%/(-1%)		
Discount rate	(311)	305
Salary increase rate	386	(311)

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16. Employee benefits liability (cont'd.)

Group (cont'd.)

- e. The following are the expected payments or contributions to the defined benefit plan in the future years:

	2020 RM'000	2019 RM'000
Within the next 12 months	2	2
Between 2 and 5 years	16	14
Beyond 5 years	2,897	3,015
Total	<u>2,915</u>	<u>3,031</u>

The average duration of the post-employment benefit plan obligations at the end of reporting period is 12.62 years.

17. Revenue

The following revenues are recognised at a point in time and are earned from the following geographical locations:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Revenue earned in Malaysia:				
Deferred revenue (Note 10)	20,446	48,763	20,446	48,763
Breakage revenue (Note 11)	40,551	14,244	40,551	14,244
BIG Points Purchase	13,174	47,135	13,174	47,135
Forfeiture income	574	797	574	797
Affiliates marketing income	22	255	22	255
Commission and transaction fee income	393	811	393	1,321
Revenue earned inside and outside Malaysia:				
Loyalty service fee income	19,031	35,833	18,036	31,342
	<u>94,191</u>	<u>147,838</u>	<u>93,196</u>	<u>143,857</u>

Loyalty service fee income include income earned which were earned in Singapore, Indonesia, Thailand, China and Philippines.

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For the financial year ended 31 December 2020 (cont'd.)

18. Other operating income

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Other operating income:				
Realised foreign exchange gain	-	410	-	410
Fair value gains on FVTPL financial assets	-	36	-	36
Dividend income on FVTPL financial assets	1,224	1,696	1,224	1,696
Interest income from deposits with financial institutions	23	5	-	-
Management fee income*	-	-	638	1,264
Miscellaneous income	6	288	6	250
	<u>1,253</u>	<u>2,435</u>	<u>1,868</u>	<u>3,656</u>
Other operating expenses:				
Unrealised foreign exchange loss	(88)	(807)	(92)	(243)
Realised foreign exchange loss	(250)	-	(246)	-
	<u>(338)</u>	<u>(807)</u>	<u>(338)</u>	<u>(243)</u>

*Management fee income is recognised at a point in time and is mainly sourced in Malaysia.

19. Staff costs

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Salaries and bonuses	15,379	21,129	11,417	17,357
Defined contribution plan	1,659	1,928	1,523	1,568
Insurance	494	298	333	266
Staff recruitment costs	16	127	16	127
Travelling and accommodation costs	(29)	443	(42)	319
Other employee benefits	235	595	161	403
	<u>17,754</u>	<u>24,520</u>	<u>13,408</u>	<u>20,040</u>

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BIGLIFE Sdn. Bhd.
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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

20. Administration expenses

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration:				
- Auditors of the parent	118	90	113	85
- Other auditors	97	121	-	-
Tax agent's fees	242	50	107	18
Secretarial fees	356	233	127	66
Depreciation of equipment	2,020	1,722	2,006	1,686
Depreciation of ROU assets	568	603	487	456
Professional fees	984	2,470	420	559
Rental for short-term lease contracts	35	66	3	3
Equipment written off	65	1,050	-	1,049
Reversal of ECL on trade receivables (Note 6)	(368)	(719)	(368)	(719)
Addition of ECL on other receivables (Note 7)	-	-	10,231	1,668
Bad debts written off	-	397	-	397
Impairment of investment in subsidiaries (Note 5)	-	-	2,087	-
Other administrative expenses	1,315	1,164	894	650
	<u>5,432</u>	<u>7,247</u>	<u>16,107</u>	<u>5,918</u>

21. Finance costs

Finance costs comprise interest expense on lease liabilities.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)
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**BIGLIFE Sdn. Bhd.
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**Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)**
22. Taxation

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Malaysian income tax:				
Current financial year	288	1,977	333	1,983
Overprovision in prior financial year	(339)	(2,590)	(339)	(2,590)
	<u>(51)</u>	<u>(613)</u>	<u>(6)</u>	<u>(607)</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2019: 24%) of the estimated assessable profit for the financial year.

A reconciliation of income tax expense applicable to loss before taxation at the applicable income tax rate to income tax expense at the effective income tax rate of the Group and the Company is as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Profit/(loss) before taxation	<u>31,081</u>	<u>(23,456)</u>	<u>24,627</u>	<u>(21,383)</u>
Taxation at Malaysian statutory tax rate of 24% (2019: 24%)	7,459	(5,629)	5,910	(5,132)
Expenses not deductible for tax purposes	356	431	567	431
Income not subject to tax	(1,204)	(415)	(1,204)	(415)
Recognition of previously unrecognised deferred tax assets	(6,323)	-	(4,940)	-
Deferred tax assets not recognised on deductible temporary differences and tax losses	-	7,590	-	7,099
Overprovision of tax in prior financial year	(339)	(2,590)	(339)	(2,590)
Tax expense for the financial year	<u>(51)</u>	<u>(613)</u>	<u>(6)</u>	<u>(607)</u>

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BIGLIFE Sdn. Bhd.
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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

22. Taxation (cont'd.)

Unrecognised deferred tax assets:

Deferred tax assets have not been recognised in respect of the following items:

	Deferred revenue RM'000	Deferred breakage RM'000	Provisions RM'000	Others RM'000	Total RM'000
Group					
2020					
1 January 2020	93,842	49,832	14,422	32,342	190,438
Movement	1,271	(31,243)	38,199	(34,574)	(26,347)
31 December 2020	<u>95,113</u>	<u>18,589</u>	<u>52,621</u>	<u>(2,232)</u>	<u>164,091</u>
2019					
1 January 2019	86,331	39,959	9,611	22,912	158,813
Movement	7,511	9,873	4,811	9,430	31,625
31 December 2019	<u>93,842</u>	<u>49,832</u>	<u>14,422</u>	<u>32,342</u>	<u>190,438</u>
Company					
2020					
1 January 2020	93,842	49,832	18,496	23,163	185,333
Movement	1,271	(31,243)	34,778	(25,391)	(20,585)
31 December 2020	<u>95,113</u>	<u>18,589</u>	<u>53,274</u>	<u>(2,228)</u>	<u>164,748</u>
2019					
1 January 2019	86,331	39,959	9,538	19,926	155,754
Movement	7,511	9,873	8,958	3,237	29,579
31 December 2019	<u>93,842</u>	<u>49,832</u>	<u>18,496</u>	<u>23,163</u>	<u>185,333</u>

Deferred tax assets have not been recognised in respect of these items because it is not considered probable that future taxable profits will be available against which they can be realised.

Effective from Year of Assessment ("YA") 2019, the unutilised tax losses can only be utilised for 7 consecutive YAs immediately following YA2019, after which it will expire. The unabsorbed capital allowances are not subject to a 7 year limitation period and is available indefinitely for offsetting against future taxable profits.

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BIGLIFE Sdn. Bhd.
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22. Taxation (cont'd.)

The utilisation of these carried forward tax losses and unabsorbed capital allowances are also subject to no substantial change in shareholdings of the entity under the Income Tax Axt, 1967 and guidelines issued by the tax authority.

23. Related party disclosures

The Group and Company had the following significant transactions with related parties during the financial year:

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Income/(expenses):				
Holding company:				
<i>Administrative expenses charged/(payable)</i>				
AirAsia Digital Sdn Bhd (fka RedBeat Ventures Sdn. Bhd.)	54	(54)	54	(54)
Subsidiaries:				
<i>Service fee (payable)/charged</i>				
BIGLIFE Digital Singapore Pte Ltd	-	-	-	(12)
PT BIGLIFE Digital Indonesia	-	-	-	(379)
BIGLIFE (Thailand) Co. Ltd.	-	-	-	(695)
BIG Loyalty Guangzhou Co. Ltd.	-	-	-	(436)
BIG Loyalty India Private Limited	-	-	-	91
	-	-	-	(1,431)
<i>Sale of points</i>				
BIGLIFE Digital Singapore Pte Ltd	-	-	222	660
PT BIGLIFE Digital Indonesia	-	-	264	362
BIGLIFE (Thailand) Co. Ltd.	-	-	369	2,734
BIG Loyalty Guangzhou Co. Ltd.	-	-	62	760
BIGLIFE Philippines, Inc	-	-	75	79
	-	-	992	4,595
<i>Management fee charged</i>				
BIGLIFE Digital Singapore Pte Ltd	-	-	106	144
PT BIGLIFE Digital Indonesia	-	-	133	70
BIGLIFE (Thailand) Co. Ltd.	-	-	381	609
BIG Loyalty Guangzhou Co. Ltd.	-	-	38	248
BIGLIFE Philippines, Inc	-	-	80	30
	-	-	738	1,101

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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

23. Related party disclosures (cont'd.)

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Income/(expenses) (cont'd.):				
Subsidiaries (cont'd.):				
<i>Payments made on behalf</i>				
PT BIGLIFE Digital Indonesia	-	-	775	1,338
BIGLIFE (Thailand) Co. Ltd.	-	-	1,586	2,369
BIGLIFE Hong Kong Co., Ltd.	-	-	29	29
BIG Loyalty Guangzhou Co. Ltd.	-	-	10	500
BIGLIFE Philippines, Inc	-	-	359	264
BIG Loyalty India Private Limited	-	-	50	293
BIGLIFE Japan Co., Ltd.	-	-	36	48
BIGLIFE Digital Sdn. Bhd.	-	-	12	8
BIGLIFE Vietnam Co. Ltd.	-	-	50	-
	-	-	2,907	4,849
Related parties:				
<i>Sale of points</i>				
AirAsia Berhad	6,827	16,353	6,827	16,353
AirAsia (India) Pte Ltd	35	78	35	78
AirAsia X Berhad	1,707	6,538	1,707	6,538
PT. Indonesia AirAsia	1,072	2,476	1,072	2,476
Thai AirAsia Co. Ltd.	6,855	10,847	6,855	10,847
Thai AirAsia X Co. Ltd.	612	2,917	612	2,917
Philippines AirAsia Inc.	1,017	2,232	1,017	2,232
Tune Talk Sdn. Bhd.	261	550	261	550
Rokki Sdn. Bhd.	17	20	17	20
BigPay Malaysia Sdn. Bhd.	1,820	2,169	1,820	2,169
Shop365 Sdn. Bhd.	41	63	41	63
AirAsia Com Travel Sdn Bhd	113	30	113	30
	20,377	44,276	20,377	44,276

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Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

23. Related party disclosures (cont'd.)

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Income/(expenses) (cont'd.):				
Related parties:				
<i>Cost of points redeemed</i>				
AirAsia Berhad	(10,505)	(32,346)	(10,505)	(32,346)
AirAsia (India) Pte Ltd	(50)	(185)	(50)	(185)
AirAsia X Berhad	(3,693)	(14,798)	(3,693)	(14,798)
PT. Indonesia AirAsia	(1,662)	(6,043)	(1,662)	(6,043)
Thai AirAsia Co. Ltd.	(9,758)	(24,818)	(9,758)	(24,818)
Thai AirAsia X Co. Ltd.	(1,103)	(7,194)	(1,103)	(7,194)
Philippines AirAsia Inc.	(1,430)	(4,762)	(1,430)	(4,762)
AirAsia Com Travel Sdn Bhd	(21)	-	(21)	-
Rokki Sdn. Bhd.	(129)	-	(129)	-
	<u>(28,351)</u>	<u>(90,146)</u>	<u>(28,351)</u>	<u>(90,146)</u>
<i>Administrative expenses charged</i>				
AirAsia Berhad	(6,209)	(3,515)	(6,209)	(3,515)
AirAsia X Berhad	(74)	(29)	(74)	(29)
PT. Indonesia AirAsia	(136)	-	(136)	-
Philippines AirAsia Inc.	(350)	(341)	(350)	(341)
AirAsia SEA Sdn Bhd	(1,214)	(93)	(1,002)	(93)
Tune Group Sdn. Bhd.	(447)	(555)	(447)	(555)
Thai AirAsia Co. Ltd.	(47)	(216)	(12)	(216)
Rokki Sdn. Bhd.	(33)	-	(33)	-
AirAsia Com Travel Sdn Bhd	(88)	(7)	(88)	(7)

(Forward)

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23. Related party disclosures (cont'd.)

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
(Expenses)/income (cont'd.):				
Related parties (cont'd.):				
<i>Administrative expenses charged</i>				
AirAsia (India) Pte Ltd	-	(635)	-	(635)
AirAsia (Guangzhou) Aviation Service Limited Company	-	(421)	-	(421)
Tune Group.com Limited	(24)	(22)	(24)	(22)
Ikhlas Com Travel Sdn Bhd	(30)	-	(30)	-
	<u>(8,652)</u>	<u>(5,834)</u>	<u>(8,405)</u>	<u>(5,834)</u>

The above transactions have been catered into in the normal course of business of the Company at terms and conditions applicable to transactions entered into with other third parties

Details of balances with related parties at the end of the respective financial years are disclosed in Notes 6, 7, 12, 13 and 14.

Key management personnel comprise the Board of Directors of the Company. There was no key management personnel remuneration paid during the financial year.

24. Financial instruments by category

The following tables summarise the financial instruments of the Group and of the Company by category:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Financial assets at FVTPL:				
Investments	49,591	52,367	49,591	52,367
Financial assets at amortised cost:				
Trade receivables	8,099	22,605	7,276	22,542
Other receivables (excluding tax recoverable, deposits and prepayments)	1,203	1,775	14,644	10,254
Cash and bank balances	8,107	8,828	4,766	3,828
	<u>67,000</u>	<u>85,575</u>	<u>76,277</u>	<u>88,991</u>

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24. Financial instruments by category (cont'd.)

The following tables summarise the financial instruments of the Group and of the Company (cont'd.):

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Financial liabilities at amortised cost:				
Trade payables	4,251	22,741	4,251	22,741
Amount due to subsidiaries	-	-	267	279
Lease liabilities	1,199	171	1,028	96
Other payables (excluding provisions and accrued receivables)	5,756	4,241	5,801	3,683
	<u>11,206</u>	<u>27,153</u>	<u>11,347</u>	<u>26,799</u>

The carrying amounts of the above financial assets and liabilities at amortised cost approximate their respective fair values due to their relatively short term maturities.

25. Financial risk management policies**(a) Credit risk**

The Group's and Company's exposure to credit risk, or the risk of counterparties defaulting, arise mainly from trade receivables, other receivables (excluding tax assets, deposits and prepayments) and cash and bank balances. The Group and the Company use a provision matrix to calculate ECLs for trade receivables and other receivables (excluding tax assets, deposits and prepayments). The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The Group and the Company manage their exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis.

For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

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25. Financial risk management policies (cont'd.)

(a) Credit risk (cont'd.)

Credit exposure (cont'd.)

At the reporting date, the Group's and Company's maximum exposure to credit risk are represented by the maximum amount of each class of financial asset recognised in the statements of financial position as shown in the table below:

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Trade receivables	8,099	22,605	7,276	22,542
Other receivables (excluding tax assets, deposits and prepayments)	1,203	1,775	14,644	10,254
Cash and bank balances	8,107	8,828	4,766	3,828
	<u>17,409</u>	<u>33,208</u>	<u>26,686</u>	<u>36,624</u>

As at the reporting date, all of the Group's and Company's cash and bank balances are placed with a counterparties rated AAA. Credit risks disclosures and movements in gross receivables and ECL related to trade and other receivables of the Group and the Company are as disclosed in Notes 5 and 6.

Set out below is the information about the credit risk exposure on the Group's and Company's trade and other receivables using a provision matrix:

Group

	Trade receivables			Total
	Days past due			
	<30 days	30-90 days	>91 days	
	RM'000	RM'000	RM'000	RM'000
2020				
Average probability of default ("PD") rate	1.4%-6.2%	5.7%-21.5%	11.2%-100.0%	
Loss given default ("LGD") rate	2.4%	2.4%	2.4%	
Total gross carrying amount	2,168	1,931	4,016	8,115
ECL	1	3	12	16

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)

**BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)**

**Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)**

25. Financial risk management policies (cont'd.)

(a) Credit risk (cont'd.)

	Trade receivables Days past due			Total RM'000
	<30 days RM'000	30-90 days RM'000	>91 days RM'000	
Group (cont'd.)				
2019				
Average PD rate	1.8%-5.7%	6.7%-8.8%	5.1%-100.0%	
LGD rate	16.1%	16.1%	16.1%	
Total gross carrying amount	8,298	12,548	2,540	23,386
ECL	12	77	295	384
Company				
2020				
Average PD rate	1.4%-6.2%	5.7%-21.5%	11.2%-100.0%	
LGD rate	2.4%	2.4%	2.4%	
Total gross carrying amount	2,168	1,931	3,193	7,292
ECL	1	3	12	16
2019				
Average PD rate	1.8%-5.7%	6.7%-8.8%	5.1%-100.0%	
LGD rate	16.1%	16.1%	16.1%	
Total gross carrying amount	8,417	12,366	2,540	23,323
ECL	12	77	295	384

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)

BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

25. Financial risk management policies (cont'd.)

(a) Credit risk (cont'd.)

Credit exposure (cont'd.)

Group	Other receivables (excluding tax assets, deposits and prepayments)			
	Days past due			Total RM'000
	<30 days RM'000	30-90 days RM'000	>91 days RM'000	
2020				
Average PD rate	13.3%	21.8%	53.7%	
LGD rate	-21.8%	-27.5%	-100.0%	
	0.0%	0.0%	0.0%	
Total gross carrying amount	-	-	-	-
2019				
Average PD rate	30.9%	41.6%	45.4%	
LGD rate	-41.6%	-44.8%	-100.0%	
	18.2%	18.2%	18.2%	
Total gross carrying amount	1,775	-	-	1,775
Company				
2020				
Average PD rate	13.3%	21.8%	53.7%	
LGD rate	-21.8%	-27.5%	-100.0%	
	100.0%	100.0%	100.0%	
Total gross carrying amount	1,285	625	12,734	14,644
ECL	29	159	11,711	11,899
2019				
Average PD rate	30.9%	41.6%	45.4%	
LGD rate	-41.6%	-44.8%	-100.0%	
	18.2%	18.2%	18.2%	
Total gross carrying amount	2,185	3,101	4,968	10,254
ECL	51	103	1,514	1,668

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)

BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

25. Financial risk management policies (cont'd.)**(b) Liquidity risk**

Liquidity risk is the risk where the Group and the Company are unable to meet their obligations in a timely manner at a reasonable cost at any time.

Maturity profiles

The table below summarises the maturity profile of the financial assets and financial liabilities of the Group and of the Company based on the remaining undiscounted contractual obligations, including interest receivable and payable. All financial assets and liabilities are receivable or payable within one year other than investments in unit trust funds that have no maturity dates but which can be redeemed within a short period.

The carrying values of financial assets and liabilities within one year are as follows:

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Investments	49,591	52,367	49,591	52,367
Trade receivables	8,099	22,605	7,276	22,542
Other receivables (excluding tax assets, deposits and prepayments)	1,203	1,775	14,644	10,254
Cash and bank balances	8,107	8,828	4,766	3,828
Total undiscounted financial assets	67,000	85,575	76,277	88,991

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)

BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

25. Financial risk management policies (cont'd.)

(b) Liquidity risk (cont'd.)

Maturity profiles (cont'd.)

The carrying values of financial assets and liabilities with maturity profile of within one year are as follows (cont'd.):

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Trade payables	4,251	22,741	4,251	22,741
Amount due to a subsidiary	-	-	267	279
Lease liabilities - current	564	141	475	66
Other payables (excluding provisions and accrued receivables)	5,756	4,241	5,801	3,683
Total undiscounted financial liabilities	10,571	27,123	10,794	26,769
Liquidity surplus < 1 year	56,429	58,452	65,483	62,222

The carrying values of financial assets and liabilities with maturity profile beyond one year is as follows:

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Total undiscounted financial assets	-	-	-	-
Lease liabilities - non-current representing total undiscounted financial liabilities > 1 year	635	30	553	30
Liquidity gap > 1 year	(635)	(30)	(553)	(30)

(c) Market risk

Market risk arises with changes in the value of unit trust funds. This risk is mitigated through regular review of performance of the unit trust funds and constant watch on the investments portfolio for adverse changes and opportunities.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)

BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

25. Financial risk management policies (cont'd.)

(c) Market risk (cont'd.)

Price risk

Management's best estimate of the effect on the net income/(loss) for the financial year and equity due to a reasonably possible change in the Net Asset Value ("NAV") of unit trust funds with all other variables held constant is indicated in the table below:

	Group and Company		
	Change in variable %	Effect on net income/(loss) for the financial year and shareholders'	
		2020 Inc/(Dec) RM'000	deficit 2019 Inc/(Dec) RM'000
Market indices:			
NAV	+10	4,959	(5,237)
NAV	-10	(4,959)	5,237

(d) Currency risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Exchange rate exposures are managed within the approved policy parameters.

The Group and the Company undertake certain transactions denominated in foreign currencies where the amounts outstanding are exposed to foreign currency risk. The Group and the Company monitor their foreign exchange exposures on an ongoing basis and are managed within approved policy parameters.

The Group's and Company's operations are conducted primarily in Ringgit Malaysia ("RM"), its functional currency.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)

BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

25. Financial risk management policies (cont'd.)

(d) Currency risk (cont'd.)

The carrying amounts of the Group's and Company's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows:

Group	Trade and other receivables*	Cash and bank balances	Total exposure
	RM'000	RM'000	RM'000
2020			
Assets			
USD	344	1,639	1,983
SGD	48	639	687
THB	4,430	1,654	6,084
IDR	190	353	543
CNY	-	161	161
PHP	60	452	512
INR	-	135	135

* Excluding tax recoverable, deposits and prepayments.

Group (cont'd.)	Trade and other payables*
	RM'000
2020	
Liabilities	
USD	(259)
SGD	(22)
THB	(112)
IDR	(10)
INR	(82)
HKD	(4)
EUR	(94)
CNY	(274)

* Excluding provision and accrued receivables.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)

BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

25. Financial risk management policies (cont'd.)

(d) Currency risk (cont'd.)

The carrying amounts of the Group's and Company's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows (cont'd.):

Company	Trade and other receivables*	Cash and bank balances	Amount due from other related parties and subsidiaries	Total exposure
	RM'000	RM'000	RM'000	RM'000
2020				
Assets				
USD	344	1,626	14	1,984
SGD	2	62	19	83
THB	3,639	5	6,066	9,710
IDR	123	-	4,167	4,290
CNY	-	-	90	90
PHP	52	-	-	52
INR	-	-	321	321
JPY	-	-	86	86
HKD	-	-	77	77

* Excluding tax recoverable, deposits and prepayments.

Company (cont'd.)	Trade and other payables*	Amount due to other related parties and subsidiaries	Total exposure
	RM'000	RM'000	RM'000
2020			
Liabilities			
USD	(259)	-	(259)
SGD	(21)	-	(21)
THB	(35)	(236)	(271)
IDR	(3)	-	(3)
INR	(13)	-	(13)
PHP	-	(102)	(102)
HKD	(4)	(32)	(36)
EUR	(94)	-	(94)

* Excluding provision and accrued receivables.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)

BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

25. Financial risk management policies (cont'd.)

(d) Currency risk (cont'd.)

The carrying amounts of the Group's and Company's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows (cont'd.):

Group	Trade and other receivables* RM'000	Cash and bank balances RM'000	Total exposure RM'000
2019			
Assets			
USD	1,607	178	1,785
SGD	508	504	1,012
THB	12,693	1,165	13,858
IDR	717	378	1,095
CNY	1,060	2,020	3,080
PHP	703	905	1,608
INR	-	140	140

* Excluding tax recoverable, deposits and prepayments.

Group (cont'd.)	Trade and other payables* RM'000
2019	
Liabilities	
SGD	(10)
THB	(543)
IDR	(46)
PHP	(17)
INR	(51)
CNY	(21)
HKD	(8)

* Excluding provision and accrued receivables.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)

BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

25. Financial risk management policies (cont'd.)

(d) Currency risk (cont'd.)

The carrying amounts of the Group's and Company's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows (cont'd.):

Company	Trade and other receivables*	Cash and bank balances	Amount due from other related parties and subsidiaries	Total exposure
	RM'000	RM'000	RM'000	RM'000
2019				
Assets				
USD	1,607	178	-	1,785
SGD	160	36	-	196
THB	9,545	78	4,217	13,840
IDR	495	-	2,957	3,452
CNY	702	-	-	702
PHP	494	-	264	758
INR	-	-	293	293
JPY	-	-	49	49
HKD	-	-	18	18

* Excluding tax recoverable, deposits and prepayments.

Company (cont'd)	Trade and other receivables*	Amount due from other related parties and subsidiaries	Total exposure
	RM'000	RM'000	RM'000
2019			
Liabilities			
USD	-	(574)	(574)
SGD	(8)	-	(8)
THB	(3)	(216)	(219)
INR	(47)	-	(47)
CNY	-	(8)	(8)
HKD	(8)	-	(8)

* Excluding tax recoverable, deposits and prepayments.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)

BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

25. Financial risk management policies (cont'd.)

(d) Currency risk (cont'd.)

The Group's and Company's foreign currency sensitivity

5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

If the Ringgit Malaysia strengthened/weakened by 5% against the foreign currencies with all other variables held constant, the effect of the change on the Group's and Company's pre-tax income/(loss) for the financial year will be as follows:

RM	Group		Company	
	2020 RM'000 Inc/(Dec)	2019 RM'000 Inc/(Dec)	2020 RM'000 Inc/(Dec)	2019 RM'000 Inc/(Dec)
Strengthened - 5%	462	(1,094)	795	(1,011)
Weakened - (5%)	(462)	1,094	(795)	1,011

26. Fair value hierarchy

The Group and the Company use the following hierarchy for determining and disclosing the fair value of assets by valuation techniques:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

The investments in quoted unit trust funds in Malaysia are measured at fair value, and are classified under Level 1 under the fair value hierarchy. The carrying values of other financial assets and financial liabilities of the Company approximate fair values due to their short-term maturity and the immaterial impact of discounting.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF BIGLIFE FOR THE FYE 31 DECEMBER 2020 TOGETHER WITH THE NOTES AND THE AUDITORS' REPORT (CONT'D)

201001040731 (924656-U)

BIGLIFE Sdn. Bhd.
(Incorporated in Malaysia)

Notes to the financial statements
For the financial year ended 31 December 2020 (cont'd.)

27. Capital management

The Company manages its capital by maintaining an optimal capital structure so as to support its businesses and maximise shareholder's value. To achieve this objective, the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares. The Group and the Company are not subject to any externally imposed regulatory capital requirements.

28. Significant event

The outbreak of the Corona Virus ("Covid-19") pandemic as announced by the World Health Organisation in March 2020 has caused great uncertainty on the global economy. The Company is considered part of the travel industry and therefore it is not spared from the effects of Covid-19. The travel industry has been affected by the rapid spread of Covid-19 in 2020. Due to health reasons and travel restrictions put in place by many countries, the demand for travel industry has seen a considerable decline.

It is, however challenging to predict the extent of the impact that the pandemic will have on the results and financial position of the Company. Nevertheless, the Directors do not anticipate any circumstances that will result in adjustments to the carrying value of the assets and liabilities of the Company as at 31 December 2020 arising as a result of the pandemic and its related economic and financial impacts..

The Company is taking positive actions to face this challenge by putting forth cost control measures, introducing new lifestyle products such as gift cards and deals. The Company and its immediate holding company have the necessary experience and resources to overcome the current challenges. The Company and its immediate holding company will regularly monitor the developments of Covid-19 and the impacts to the Company's financial position and performance so as to ensure it continues to be resilient.

29. Subsequent event

- (a) On 16 February 2021, the Board have approved a scheme to liquidate a wholly-owned subsidiary, BIGLIFE India Co., Ltd.
- (b) On 26 February 2021, the Board have approved a scheme to liquidate a wholly-owned subsidiary, BIGLIFE Guangzhou Co., Ltd.

As the recoverable amounts are not sufficient to cover the carrying amounts of these investments in subsidiaries, full impairment losses have been recognised as 31 December 2020 and as disclosed in Note 5

VALUATION LETTER BY DCAS IN RELATION TO THE PROPOSED ACQUISITION



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6 May 2021

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The Board of Directors
AirAsia Group Berhad
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Attention: Tan Sri Anthony Francis Fernandes (Chief Executive Officer, AirAsia Group Berhad)

Dear Sirs,

VALUATION LETTER – INDEPENDENT VALUATION OF THE ENTIRE EQUITY INTEREST IN BIGLIFE SDN BHD

1 Introduction

Deloitte Corporate Advisory Services Sdn Bhd (“DCAS”) has been engaged by AirAsia Group Berhad (“AAGB” or the “Client”) to perform an independent valuation (the “Services”) in regard to the 100% equity interest in BIGLIFE Sdn Bhd (“Target” or “Interest” or “BIGLIFE”) in connection with the proposed acquisition of 20% equity interest in BIGLIFE (the “Proposed Transaction”) based on terms and conditions as set out in the letter of engagement dated 8 April 2021 (“Engagement Letter”) and a letter of representation on the assumptions dated 6 May 2021. The Services entail the estimation of the market value of 100% equity interest in the Target on a marketable and control basis as at 31 December 2020.

2 Terms of Reference

DCAS has been appointed to conduct an independent valuation on the Target in connection with the Proposed Transaction.

This valuation letter (“Valuation Letter” or “Letter”) is prepared for inclusion in the circular to AAGB shareholders solely for the purpose of the Proposed Transaction. The latest financial statements used in the valuation are the audited financial statements for the financial year ended 31 December (“FY”) 2020.

Save and except for the purpose stated above, this Valuation Letter cannot be used or relied upon for any other purpose and/or by any other person including, without limitation, any of the shareholders, employees, directors as individuals, investors or any other person.

For the avoidance of doubt, the Client is solely responsible for determining the price range of which negotiations shall occur with respect to the Proposed Transaction and ultimately the price to be paid in connection with the Proposed Transaction. DCAS will not render any advice as to whether, or at what price the Proposed Transaction should be transacted.

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VALUATION LETTER BY DCAS IN RELATION TO THE PROPOSED ACQUISITION (CONT'D)

This Valuation Letter and the data on which this Letter is prepared is not intended to form the only basis of any decision made in relation to the Proposed Transaction. Furthermore, this Letter does not contain all the information necessary to fully evaluate the Proposed Transaction.

Other than the engagement as set out above, DCAS has had no involvement in any other aspects pertaining to the Proposed Transaction including, without limitation, the negotiations, deliberations or decision made by the respective parties to enter into the Proposed Transaction. DCAS does not, by this Letter or otherwise, advise, recommend, evaluate, comment or form any judgment or opinion on the legal, commercial or financial rationale, merits or risks in relation to the Proposed Transaction or the relative merits of the Proposed Transaction as compared to any alternative transactions previously considered by the Client or that otherwise may be available to the Client in the future or on the future growth prospects or earnings potential of the Target. Such advice, recommendation, evaluations, comments, judgment or opinion are and remain the sole responsibility of the Board of Directors ("Board") and other advisors engaged for the purpose.

The Client has confirmed that to the best of their knowledge and belief, the information in relation to the financials, operations and any other information of the Target provided to DCAS are accurate in all material respects, that the Client has made available to DCAS all significant information relevant to the valuation of which the Client has knowledge and that they are not aware of any material matters relevant to DCAS' terms of reference which have been excluded. The Client has read this Valuation Letter and agreed to DCAS' representations in connection with this engagement.

DCAS does not guarantee or warrant the achievability of the financial projections provided by the Target. Financial projections are inherently uncertain and are based on estimations of future events that cannot be assured and could be based on certain assumptions that may not materialise. Accordingly, actual results can be significantly different from those projected. Hence, the valuation may be materially or adversely affected should the actual results differ from the bases and assumptions upon which the independent valuation was based upon.

3 Background Information of the Target

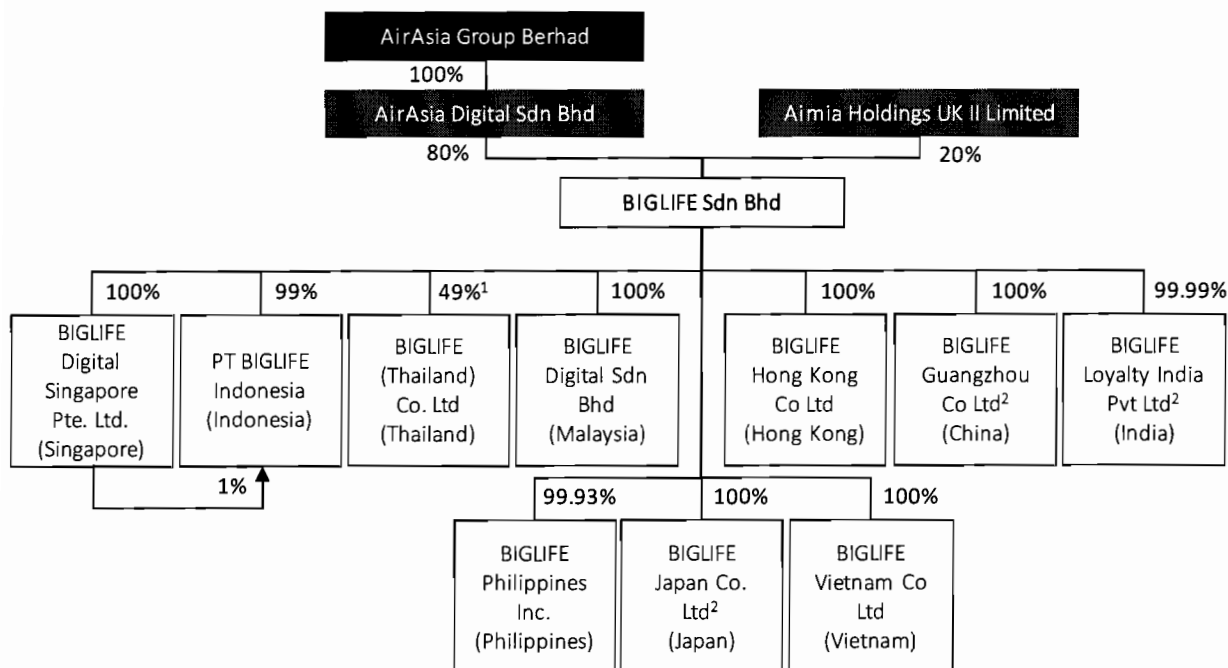
On 14 April 2021, AAGB in a filing with Bursa Malaysia announced that it had entered into a conditional share sale and purchase agreement ("SSPA") with Aimia Holdings UK II Ltd ("Aimia") with respect to the proposed acquisition by AAGB of the remaining 1,665,000 ordinary shares in BIGLIFE Sdn Bhd representing the 20% equity interest in BIGLIFE not already held by AirAsia Digital Sdn Bhd ("AirAsia Digital"), a wholly-owned subsidiary of AAGB.

AAGB has proposed to issue 85.86 million new shares, at an issue price of RM1.20 each to Aimia to settle the proposed purchase consideration of US\$25mil (RM103 mil) based on the exchange rate of USD1:RM4.1215.

BIGLIFE is principally engaged in the business of managing customer loyalty schemes whilst its subsidiaries are involved in the marketing and distribution of loyalty programs.

VALUATION LETTER BY DCAS IN RELATION TO THE PROPOSED ACQUISITION (CONT'D)

BIGLIFE currently has operations in Malaysia, Indonesia, Thailand, Philippines, China, Singapore, India, Hong Kong, Vietnam and Japan. Please refer to the current shareholding structure:



Note 1: The remaining balance of 51% interest in BIGLIFE (Thailand) Co. Ltd are owned by individual shareholders who are related parties of AAGB as per the disclosure in the FY2020 audited financial statement of BIGLIFE.

Note 2: BIGLIFE Loyalty India Pvt Ltd, BIGLIFE Japan Co. Ltd and BIGLIFE Guangzhou Co Ltd are in the process of liquidation as part of its planned realignment of BIGLIFE business in India, Japan and China to operate from Malaysia.

4 Independent Valuation

4.1 Subject of Valuation

The subject of valuation covers 100% equity interest in BIGLIFE and its subsidiaries and is valued on a consolidated basis.

4.2 Date of Valuation

The valuation is carried out based on a valuation date of 31 December 2020.

As of the date of this Letter, DCAS is not aware of any event or fact that will materially affect the valuation of the Target.

VALUATION LETTER BY DCAS IN RELATION TO THE PROPOSED ACQUISITION (CONT'D)

4.3 Standard of Value

The standard of value that applies to this valuation is market value, which is defined as an estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion.

4.4 Key Bases and Assumptions**4.4.1 Key Bases**

The key bases adopted in estimating the independent valuation of the Target are as follows:

- The valuation is based on generally accepted valuation procedures and practices that rely on the use of assumptions and considerations of uncertainties that cannot be easily quantified or ascertained;
- The analysis leading to DCAS' valuation presents an independent assessment based on DCAS' best professional judgment and experience. The Client should note that there would usually be differences between the projections and the actual results because events and circumstances frequently do not occur as expected and these differences may be material;
- By its very nature, valuation work cannot be regarded as an exact science and the conclusions arrived in many cases will of necessity be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. Whilst DCAS consider the valuation to be both reasonable and defensible based on the information available to DCAS, others may place a different value on the Target;
- In arriving at the valuation of the Target, DCAS has relied on the information and data supplied by the Client and the Target. DCAS is not required to and has not carried out an audit on the financial statements or the underlying assumptions to the projections;
- DCAS has made necessary enquiries on the information provided including the Target's projections. DCAS has not verified the information or materials provided during the performance of the Services;
- The audited financial statements of the Target for the FY2018, FY2019 and FY2020 provide a true and fair view of the Target's financial position and financial performance; and
- The findings and assumptions of the valuation have been discussed with AAGB prior to finalisation, we understand that AAGB is agreeable to and responsible for the assumptions the projection relied on.

4.4.2 Key AssumptionsGeneral assumptions

- The valuation has been carried out on the basis that the Target is and will continue as a going concern;
- There are no undisclosed actual or contingent assets or liabilities which would have a material effect on the financial position of the Target;

VALUATION LETTER BY DCAS IN RELATION TO THE PROPOSED ACQUISITION (CONT'D)

- There will be no material changes in the present legislation, government regulations, inflation rates, interest rates, foreign exchange rates, bases and rates of taxation and other lending guidelines which will affect the activities of the Target;
- The cash flow projections provided are on a direct method from FY2021 to FY2030. Due to the nature of the Target's business, revenue recognition only takes place upon redemption and expiry of BIG Points whilst the Target receives cash upon issuance of BIG Points based on the respective receivable days;
- Management of Target has assumed the financial performance is expected to gradually improve for the next few years recovering from the pandemic to the pre-pandemic level and further expand to FY2030. Thereafter, the Target is projected to maintain at the stabilised state from the terminal year; and
- The shareholding in BIGLIFE (Thailand) Co. Ltd is at 49% as the remaining 51% are held by individual shareholders who are parties related to AAGB.

Projection assumptions**Revenue**

- BIGLIFE derives its revenue based on the redemption from services rendered to merchants and the expiry of BIG points. The cash collection will be based on the sale or issuance of BIG Points to its respective BIG members and merchants.
- The total revenue is contributed by revenue from three verticals, i.e. travel and tourism, financial services and e-commerce. The total revenue is projected to grow at a compounded annual growth rate ("CAGR") of approximately 22% between FY2021 to FY2030, the projection period. The average projected annual growth rate is lower than the historical average growth rate where BIGLIFE were in the early stage of growth from a low base.
- The growth is due to the recovery in the travel and tourism vertical which will contribute more than half of the total revenue in FY2030 and continuing expansion in both the financial services and e-commerce vertical.
- Breakage represents the estimated BIG Points that are not expected to be redeemed by members. The amount of revenue recognised related to breakage is based on the number of BIG Points that cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Travel and tourism

- In the travel and tourism vertical, management of the Target has represented that from FY2021 onwards, all purchases of AirAsia flight tickets regardless of promo fare or full fare can now earn BIG Points based on the value spent. This is as opposed to the previous arrangement where only full-fare flight tickets are entitled to BIG Points.
- It is also assumed that all BIG members would be able to earn BIG Points as the single sign-on is used since October 2020 for flight ticket purchases.

VALUATION LETTER BY DCAS IN RELATION TO THE PROPOSED ACQUISITION (CONT'D)

- Total passengers carried on AirAsia flights are assumed to gradually recover to pre-Covid-19 levels for domestic flights in Malaysia, Indonesia, Philippines, Thailand and India with a full recovery by FY2026. International flights from Malaysia and Thailand are projected to be subdued at FY2020 levels throughout the projections.

Financial services

- In the financial services vertical, issuance of BIG Points is mainly driven by the activities in three main sub-verticals such as co-branded credit cards and conversion to BIG Points from bank points and BIGPAY. The contribution from these verticals is approximately 50%, 30% and 10% respectively to the total financial services revenue in FY2030, the remaining are projected to be contributed by other financial services.
- The growth in the issuance of BIG Points through co-branded credit cards is due to the projected new sign up of credit card and total spending of customers in Malaysia, Indonesia, Philippines, Thailand and 2 new markets i.e. China and Vietnam. Average spending per card is projected to be flat across the projections in all countries.
- The total spending from co-branded credit cards in Malaysia, Thailand, China and the Philippines in FY2030 is expected to contribute more than 90% of the points issuance revenue in co-branded credit cards in FY2030.

E-commerce

- In the e-commerce vertical, the issuance of points is derived mainly from BIGLIFE's lifestyle and utility partners.

Cost
Cost of sales

- The cost of rewards representing the amount paid by BIGLIFE to commercial partners is accrued when the BIG members redeem BIG Points. It is driven by the overall redemption cost ranging from approximately 50% to 60% of the BIG Points.

Operating costs

- Operating costs include expenses for personnel, IT expenditures, marketing spend and administrative expenses. The respective CAGR over the projection period from FY2021 to FY2030 is estimated at 6%, 10%, 6% and 6% for the 4 categories of operating costs.

VALUATION LETTER BY DCAS IN RELATION TO THE PROPOSED ACQUISITION (CONT'D)

Tax

- Taxable income is calculated based on cash collection less cost and depreciation as taxes are required to be paid upfront in Malaysia.

Capital expenditures (“Capex”)

- Capex is approximately RM10 mil per annum during the projection period, which is intended for IT-related projects.

Operating cash requirements

- As the projections provided are on a direct method, no working capital was calculated in arriving at the free cash flow. DCAS has assumed an operating cash requirement based on two months of projected operating expenses.

4.5 Method of Valuation

- (i) Income approach, using the discounted cash flow (“DCF”) method

The income approach i.e. DCF method was used as the primary approach given that BIGLIFE is projected to be a going concern and most of its revenue streams are projected to gradually recover and exceed the pre-pandemic level by the FY2025 and continue to grow to FY2030. Throughout the projections, there is an expansion of its business to other non-travel and tourism vertical such as financial services and e-commerce.

- (ii) Market approach, using the guideline public company method (“GPCM”)

GPCM were used as a cross-check to the results of the income approach. The implied multiples derived from the income approach were compared with observed multiples from guideline public companies (“GPC”) for reasonableness.

- (iii) Cost approach – As of FY2020, the Target has a shareholders’ deficit of RM65 mil. This is mainly due to the deferred revenue and deferred breakage amounting to RM114 mil. There is no immediate obligation for the Target to meet as this is the nature of the business model for a loyalty program company and the Target is expected to meet the obligations as and when the BIG members redeem the BIG Points.

Key valuation assumptions

The key valuation assumptions adopted are as follows:

- 1) The selected GPC are publicly listed companies operating in the Frequent Flyers Program (“FFP”), Online Travel Agency (“OTA”), and general loyalty program operators.
- 2) The weighted average cost of capital (“WACC”) used in the income approach was computed based on the Capital Asset Pricing Model. The assumptions adopted were based on a blended basis using the revenue contribution by major companies operating in different geographical regions. The estimated

VALUATION LETTER BY DCAS IN RELATION TO THE PROPOSED ACQUISITION (CONT'D)

WACC ranges from 16% to 18%. Amongst others, the key assumptions adopted in estimating the WACC are as follows:

- a) Risk-free rate of 2.9%;
- b) Equity risk premium of 7.4%;
- c) Post-tax cost of debt of 3.5%;
- d) Debt-to-equity ratio of 0.13; and
- e) Overall size and company-specific risk premium of 5.0% to 7.4%.

4.6 Independent Valuation Results

Income approach

In summary, the breakdown of the valuation of the Target using the income approach is as follows:

	Discount rates	Low range (RM mil)	High range (RM mil)
Enterprise value ("EV")	16 - 18%	405	509
Adjustment for:			
Cash and bank balances*		8	8
Investment in quoted unit trusts*		50	50
Valuation of 100% equity interest in the Target (marketable and control basis)		463	567
Implied valuation metrics as cross-check:			
Implied EV/Last twelve months revenue		4.3x	5.4x

Note: *Based on audited financial statements of BIGLIFE as of 31 December 2020.

Based on the income approach, the valuation of 100% equity interest in the Target on a marketable and control basis ranges between **RM463 mil to RM567 mil**.

DCAS has cross-checked the implied valuation EV/Revenue of 4.3x to 5.4x with the median of the last twelve months ("LTM") and the forward 1-year ("FY1") EV/Revenue multiple of GPC which range from 3.9x and 5.7x after a size discount.

VALUATION LETTER BY DCAS IN RELATION TO THE PROPOSED ACQUISITION (CONT'D)

The table below sets out the selected GPC:

Selected GPC	Principal activities
Booking Holdings Inc.	OTA
Trip.com Group Limited	OTA
Expedia Group, Inc.	OTA
TripAdvisor, Inc.	OTA
MakeMyTrip Limited	OTA
On the Beach Group plc	OTA
lastminute.com N.V.	OTA
HolidayCheck Group AG	OTA
Meituan	OTA
Smiles Fidelidade S.A.	FFP
Points International Ltd.	Loyalty program operator
Rewardle Holdings Limited	Loyalty program operator

The valuation range above is subject to several key assumptions, and if the actual results deviate from the assumptions used, there could be an adverse impact on the valuation range. The assumptions include, but not limited to, the achievability of cash flow assumptions projected by management of the Target and the risk factors as discussed below.

4.7 Key risk factors

This section highlights some of the key risk factors that should be noted for the projections of the Target:

- a) Recovery of air travel for both domestic and international delayed further beyond 2022

The Target has projected recovery in domestic air travel in 2021 whilst international travel in 2022 amidst the roll-out of vaccine for Covid-19 worldwide. There is no certainty that the inoculation would be successful as such this may impact the recovery of both domestic and international air travel to later than 2022.

- b) Ability to secure all new financial services partners in China and Vietnam as part of BIGLIFE's new market expansion plans

The Target has planned to launch co-branded credit cards with financial institutions in China and Vietnam through affiliation with VISA, MASTERCARD and UnionPay. Any delay in securing partnerships with these financial services partners may impact the achievability of the projected revenue under points issuance

- c) Achievability of the growth in existing co-branded credit card in terms of new customer acquisition and average spending

The Target has existing co-branded credit cards in Malaysia, Thailand, Indonesia and the Philippines. The achievability of the projected revenue under points issuance depends on the achievability of securing new customers and the estimated average spending per customer.

VALUATION LETTER BY DCAS IN RELATION TO THE PROPOSED ACQUISITION (CONT'D)

d) Achievability of issuance and conversion partner under Financial Services

The Target has an existing relationship with local banks in Malaysia whereby bank customers could convert the bank points to BIG Points. The achievability of the projected revenue under points issuance depends on the achievability of securing the estimated issuance and conversion of bank points into BIG Points.

e) Crowded loyalty/reward program industry

The concept of customer loyalty programs is not new and with the advent of e-commerce and digital payment infrastructure, it is now possible for multiple operators to introduce a loyalty/reward program for their business. BIGLIFE competes with many other players in the loyalty/reward program industry.

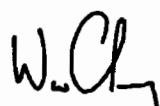
5 Conclusion

Based upon and subject to the foregoing and other information used in the preparation of this Letter, DCAS has estimated the valuation of 100% equity interest in the Target on a marketable and control basis to range from **RM463 mil to RM567 mil**.

The valuation above is based on a number of assumptions set out in the previous sections. As with all assumptions, there are inherent uncertainties and there can be no guarantee that the assumptions will be achieved. The valuation range should be considered together with the key assumptions adopted and the key risk factors highlighted.

This Valuation Letter is prepared strictly and solely for the Client to include in their circular to shareholders to be issued in relation to the Proposed Transaction. The valuation of 100% equity interest in the Target should be considered in the context of the entirety of this Letter. Save for the purpose of public inspection in relation to the Proposed Transaction and other public documents to be made in accordance with the rules and regulations set out by the relevant authorities, this Letter may not be reproduced, disseminated or quoted for any other purpose without DCAS' prior written consent. This Letter is governed by, and should be construed in accordance with, the laws of Malaysia, and are strictly limited to the matters stated therein and do not apply by implication to any other matters.

Yours faithfully,
DELOITTE CORPORATE ADVISORY SERVICES SDN BHD



Leonard Woo
Executive Director

SUMMARY OF THE FINANCIAL INFORMATION OF AAGB GROUP FOR THE FYE 31 DECEMBER 2018 TO 31 DECEMBER 2020 AND LATEST QUARTERLY RESULTS TOGETHER WITH THE COMMENTARIES

A summary of the financial information of our Group for the FYE 31 December 2018 to 31 December 2020 and the unaudited results for the FPE 31 March 2021, compared against the unaudited results for the FPE 31 March 2020, together with the commentaries are set out below:

	Audited			Unaudited	
	FYE 31 December			FPE 31 March	
	2018	2019	2020	2020	2021
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	10,638,296	11,860,403	3,131,213	2,311,761	298,217
PBT / (LBT)	1,335,233	(521,660)	(5,551,299)	(967,154)	(965,752)
PAT / (LAT) attributable to owners of our Company	1,967,006	(315,807)	(5,111,667)	(803,845)	(767,422)
Total shareholders' funds/(deficit)	7,784,454	4,498,330	(1,214,287)	2,968,583	(1,615,910)
Share capital	⁽¹⁾ 8,023,268	8,023,268	8,023,268	8,023,268	8,359,731
Weighted average number of AAGB Shares in issue ('000)	3,341,974	3,341,974	3,341,974	3,341,974	3,812,188
Net assets/(Net liability) per AAGB Share (RM)	2.33	1.35	(0.36)	0.89	(0.42)
Total borrowings and lease liabilities	1,205,129	12,888,667	13,724,109	12,809,703	13,746,630
Earnings / (Loss) per AAGB Share attributable to owners of our company (sen) ⁽²⁾	58.9	(9.4)	(153.0)	(24.1)	(21.6)
Gearing (times)	0.15	2.87	(11.3)	4.31	(8.50)

Notes:

- (1) On 16 April 2018, our Company completed the internal reorganisation by way of a scheme of arrangement which involves the issuance of 3,341,974,080 new ordinary shares at a total issue price of RM8.023 million for the acquisition of the entire issued share capital of AirAsia Berhad.
- (2) Based on the weighted average number of AAGB Shares in issue.

SUMMARY OF THE FINANCIAL INFORMATION OF AAGB GROUP FOR THE FYE 31 DECEMBER 2018 TO 31 DECEMBER 2020 AND LATEST QUARTERLY RESULTS TOGETHER WITH THE COMMENTARIES (CONT'D)

Commentary on financial information

- **FYE 31 December 2018 compared to FYE 31 December 2017**

Our Group recorded higher revenue of RM10.6 billion for the FYE 31 December 2018, compared to the revenue of RM9.7 billion for the FYE 31 December 2017. This was primarily driven by an 18% increase in capacity, leading to a 14% surge in number of guests carried. While there was a slight decrease in average fare, ancillary revenue increased to RM2.1 billion.

Our Group recorded higher PAT attributable to owners of our Company of approximately RM2.0 billion for the FYE 31 December 2018, compared to PAT attributable to owners of our Company of RM1.6 billion for the FYE 31 December 2017. This was mainly attributed to one-off gains recorded for the sale of our Group's leasing arm, Asia Aviation Capital Limited to BBAM Limited Partnership and the divestment of AirAsia Expedia.

- **FYE 31 December 2019 compared to FYE 31 December 2018**

Our Group recorded higher revenue of RM11.9 billion for the FYE 31 December 2019, compared to the revenue of RM10.6 billion for the FYE 31 December 2018. This was primarily due to a 16% increase in capacity and number of guests flown. In addition, our Group's average fare and revenue per available seat kilometre ("RASK") grew, by 3% and 6%, with the highest RASK growth recorded in Indonesia and the Philippines respectively.

Our Group recorded LAT attributable to owners of our Company of RM315.8 million for the FYE 31 December 2019, compared to the PAT attributable to owners of our Company of approximately RM2.0 billion for the FYE 31 December 2018. This was mainly due to RM1.1 billion in one-off gains in 2018 as compared to RM114.5 million one-off costs in 2019. The latter included consultant fees for sale and leaseback transactions, tax provision and discount for a long-term receivable, accounting policy realignment for associates, and a watchdog fine.

- **FYE 31 December 2020 compared to FYE 31 December 2019**

Our Group recorded lower revenue of RM3.1 billion for the FYE 31 December 2020, compared to the revenue of RM11.9 billion for the FYE 31 December 2019. This was primarily due to travel restrictions and lockdowns, with most international borders remaining closed. Our Group operated 29% of pre-COVID-19 capacity, led by Indonesia with 33%. AirAsia Indonesia ended the year strongly with 93% domestic capacity in December. In early March 2020, our Group introduced the all-new ASEAN Unlimited pass which offers unlimited domestic and ASEAN flights as well as unlimited free delivery for airasia Food, airasia Fresh and airasia Shop. The ASEAN Unlimited pass was sold out in two days in Thailand. Hence, strong responses to our ASEAN Unlimited passes as well as forward bookings have indicated positive signs of revival in air travel for 2021.

Our Group recorded LAT attributable to owners of our Company of RM5.1 billion for the FYE 31 December 2020, compared to the LAT attributable to owners of our Company of approximately RM315.8 million for the FYE 31 December 2019. This was mainly due to fuel swap losses of RM972 million, impairment of receivables of RM1.3 billion, impairment of right-of-use assets of RM579 million, impairment of finance lease receivables of RM47 million and bankruptcy costs of AirAsia Japan of RM20 million.

SUMMARY OF THE FINANCIAL INFORMATION OF AAGB GROUP FOR THE FYE 31 DECEMBER 2018 TO 31 DECEMBER 2020 AND LATEST QUARTERLY RESULTS TOGETHER WITH THE COMMENTARIES (CONT'D)

- **FPE 31 March 2021 compared to FPE 31 March 2020**

Our Group recorded lower revenue of RM298.2 million for the FPE 31 March 2021, compared to the revenue of RM2.3 billion for the FPE 31 March 2020. This was primarily due to lockdown and interstate travel restrictions imposed by the government since January 2021. Further, our Group operated 19% of pre-COVID-19 domestic capacity during the quarter and international borders remained closed. Meanwhile, AirAsia Philippines carried 43% more passengers QoQ, while all the 4 aircraft operating certificates (“**AOCs**”) saw improvements in operations in March compared to February 2021.

Our Group recorded lower LAT attributable to owners of our Company of RM767.4 million for the FPE 31 March 2021, compared to the LAT attributable to owners of our Company of approximately RM803.8 million for the FPE 31 March 2020. A major portion of the loss for the period relates to depreciation of right-of-use assets and interest on lease liabilities amounting to RM410.2 million and RM116.8 million respectively. Further, our Group’s performance was dragged by foreign exchange losses, which swelled to RM179.2 million from RM31.8 million in the first quarter of 2020. However, this was mitigated by fair value gains on derivative of RM22.4 million, versus fair value of losses of RM270.1 million a year ago.

FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board who collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and confirm that, after making all reasonable enquiries to the best of their knowledge and belief, there are no false or misleading statements contained in this Circular, or other facts the omission of which would make any statement in this Circular false or misleading.

2. CONSENTS AND CONFLICT OF INTEREST**2.1 RHB Investment Bank**

RHB Investment Bank, being the Principal Adviser for the Proposed Acquisition, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

Employees Provident Fund ("**EPF**") is a common shareholder of our Company and RHB Bank Berhad (being the holding company of RHB Investment Bank). Nevertheless, EPF is not involved in the day-to-day operations of both our Group and RHB Banking Group (as defined herein).

RHB Investment Bank, its subsidiaries and associated companies, as well as its holding company, RHB Bank Berhad, and the subsidiaries and associated companies of RHB Bank Berhad ("**RHB Banking Group**") forms a diversified financial group and may extend credit facilities or engage in private banking, commercial banking and investment banking transactions including, amongst others, brokerage, securities trading, asset and fund management and credit transaction service businesses with our Company and/or our persons acting in concert. RHB Banking Group has engaged and may in the future engage in transactions with and perform services for our Group, in addition to the roles set out in this Circular.

In addition, any member of the RHB Banking Group may at any time, in the ordinary course of business, offer or provide its services to or engage in any transaction (whether on its own account or otherwise) with any member of our Group, our directors, and/ or our shareholders, hold long or short positions in securities issued by our Company, make investment recommendations and/ or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its other customers in our shares and/ or other securities, which we may issue in the future.

As at the LPD, the RHB Banking Group has subsisting facilities with a combined limit of RM405.5 million with our Group. The extension of the said facilities is in the ordinary course of business of the RHB Banking Group.

Notwithstanding the above, RHB Investment Bank is of the opinion that the abovementioned do not give rise to a conflict of interest situation in its capacity as Principal Adviser for our Proposed Acquisition due to the following:

- (a) the credit facilities were provided by RHB Banking Group on an arms' length basis and in its ordinary course of business, and the said credit facilities are not material when compared to the audited NA of RHB Banking Group as at 31 December 2020 of approximately RM27.02 billion;

FURTHER INFORMATION (CONT'D)

- (b) the Corporate Finance division of RHB Investment Bank is required under its investment banking license to comply with strict policies and guidelines issued by Securities Commission Malaysia, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, amongst others, the establishment of Chinese wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations;
- (c) RHB Investment Bank is a licensed investment bank and its appointment as the Principal Adviser is in the ordinary course of business and RHB Investment Bank does not receive or derive any financial interest or benefits save for the professional fees received in relation to its appointment as the Principal Adviser for our Proposed Acquisition; and
- (d) the conduct of RHB Banking Group in its banking business is strictly regulated by the Financial Services Act 2013, the Capital Markets and Services Act 2007 and RHB Banking Group's own internal controls and checks which includes, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

RHB Investment Bank confirms that there is no conflict of interest situation in its capacity as the Principal Adviser for the Proposed Acquisition.

2.2 DCAS

DCAS, being the independent valuer for the Proposed Acquisition, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name, its valuation letter in Appendix B(II) of this Circular and all references thereto in the form and context in which they appear in this Circular.

DCAS has previously disclosed to the management of AAGB that Aimia Holdings UK II Limited is a non-audit client of Deloitte LLP in the United Kingdom.

Notwithstanding the above, DCAS confirms that there is no conflict of interest situation in its capacity as the independent valuer for the Proposed Acquisition.

3. MATERIAL LITIGATION

As at the LPD, neither AAGB nor its subsidiaries is involved in any material litigation, claims or arbitration, either as plaintiff or defendant and our Board does not have any knowledge of any proceedings pending or threatened against our Group or of any facts likely to give rise to any proceedings which may materially affect our financial position or business of our Group.

4. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**4.1 Material commitment**

As at the LPD, save as disclosed below, there are no material commitments incurred or known to be incurred which may, upon becoming enforceable, have a material impact on the financial results or position of AAGB:

Capital commitments for property, plant and equipment:

	RM million
Approved and contracted for	136,617.8

FURTHER INFORMATION (CONT'D)

4.2 Contingent liabilities

As at the LPD, there are no contingent liabilities incurred or known to be incurred by AAGB which may have a material impact on the financial results or position of AAGB.

5. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of our Company at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur (klia2), 64000 KLIA, Selangor Darul Ehsan, Malaysia during normal business hours from Monday to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming EGM:

- (i) the Constitution of AAGB;
- (ii) the audited consolidated financial statements of AAGB for the past two (2) FYE 31 December 2019 and 2020;
- (iii) the unaudited consolidated results of AAGB for the 1st quarter ended 31 March 2021;
- (iv) the MOU dated 22 March 2021 entered into between AAGB and AIMIA in relation to the Proposed Acquisition;
- (v) the SSPA, together with the Supplemental Letter;
- (vi) the valuation letter of DCAS in relation to the Proposed Acquisition dated 6 May 2021; and
- (vii) the letters of consent and declaration of conflict of interest referred to in **Section 2** above.

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AIRASIA GROUP BERHAD
[Registration No. 201701030323 (1244493-V)]
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of AirAsia Group Berhad (“**AAGB**” or the “**Company**”) will be held as a fully virtual meeting entirely through live streaming from the online meeting platform using the Remote Participation and Voting (“**RPV**”) facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. via the TIIH Online website at <https://tjih.online> at 2.00 p.m. on Monday, 21 June 2021 or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED ESTABLISHMENT OF A LONG TERM INCENTIVE SCHEME OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY (EXCLUDING TREASURY SHARES, IF ANY) AT ANY POINT IN TIME FOR ELIGIBLE EMPLOYEES AND DIRECTORS OF AAGB AND ITS SUBSIDIARIES (EXCLUDING DORMANT SUBSIDIARIES) (“ELIGIBLE EMPLOYEES”) (“PROPOSED LTIS”)

“THAT subject to the approvals of all relevant regulatory authorities and/or parties, if required, approval and authority be and is hereby given to the Board to:

- i. establish, implement and administer the Proposed LTIS in accordance with the provisions of the by-laws governing the Proposed LTIS (“**By-Laws**”), a draft of which is set out in **Appendix A(II)** of the Circular, and to give full effect to the Proposed LTIS to assent to any condition, variation, modification and/or amendment as may be required by the relevant authorities;
- ii. allot and issue and/or transfer such number of AAGB Shares from time to time to the Eligible Persons upon the award of AAGB Shares in writing to the Eligible Employees (“**SGS Award(s)**”) and/or exercise of the share options awarded in writing to the Eligible Persons (“**ESOS Option(s)**”) to subscribe for new AAGB Shares at a pre-determined specified exercise price (“**Exercise Price**”), subject to the terms and conditions of the By-Laws (“**ESOS Award(s)**”), provided that the total number of such AAGB Shares to be issued under the Proposed LTIS shall not in aggregate exceed 10% of the total number of issued Shares (excluding treasury shares, if any) of the Company at any point of time during the duration of the Proposed LTIS (collectively, the SGS Award(s) and ESOS Award(s) are referred to as “**LTIS Award(s)**”);
- iii. modify and/or amend the Proposed LTIS and/or add, amend, modify and/or delete all or any part of the terms and conditions as set out in the By-Laws, from time to time provided that such addition, amendment, modification and/or deletion are effected in accordance with the provisions of the By-Laws, and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Proposed LTIS;
- iv. extend the duration of the Proposed LTIS for a period of up to another 4 years immediately from the expiry of the first 6 years, provided always that such extension of the Proposed LTIS made in accordance with the provisions of the By-Laws shall not in aggregate exceed a duration of 10 years from the date the Proposed LTIS takes effect; and
- v. do all things necessary and make the necessary applications to Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the listing of and quotation for new AAGB Shares that may, hereafter from time to time, be allotted and issued under the Proposed LTIS;

THAT the Board be and is hereby authorised to give effect to the Proposed LTIS with full power to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things as they may consider necessary and/or expedient to implement, finalise and give full effect to the Proposed LTIS;

THAT the new AAGB Shares shall, upon allotment and issuance, rank pari passu in all respects with the existing AAGB Shares in issue, save and except that the new AAGB Shares will not be entitled to any entitlements, including dividends or other distributions that may be declared, made or paid for which the relevant entitlement date is prior to the date of allotment and issuance of the new AAGB Shares;

AND THAT the draft By-Laws of the Proposed LTIS as set out in **Appendix A(II)** of the Circular and which is in compliance with the Main Market Listing Requirements of Bursa Securities ("**Listing Requirements**"), be and is hereby approved and adopted."

ORDINARY RESOLUTION 2

PROPOSED ACQUISITION BY AIRASIA GROUP BERHAD OF THE REMAINING 1,665,000 ORDINARY SHARES IN BIGLIFE SDN BHD ("BIGLIFE"), REPRESENTING 20.00% OF THE EQUITY INTEREST IN BIGLIFE, FROM AIMIA HOLDINGS UK II LIMITED ("AIMIA" OR "SELLER") FOR A PURCHASE CONSIDERATION OF RM103,037,500 TO BE SATISFIED WHOLLY VIA THE ISSUANCE OF 85,864,583 NEW ORDINARY SHARES OF AIRASIA GROUP BERHAD ("AAGB SHARES") AT AN ISSUE PRICE OF RM1.20 PER SHARE ("PROPOSED ACQUISITION")

"THAT subject to the conditions precedent as stipulated in the conditional share sale and purchase agreement ("**SSPA**") dated 14 April 2021 entered into between the Company and AIMIA for the Proposed Acquisition, approval be and is hereby given for the Company to acquire from the Seller, 1,665,000 ordinary shares of BIGLIFE, representing the remaining 20.00% equity interest in BIGLIFE, for a purchase consideration of RM103,037,500 to be satisfied wholly via the issuance of 85,864,583 new AAGB Shares at an issue price of RM1.20 per AAGB Share ("**Consideration Shares**");

THAT the Board of Directors of the Company ("**Board**") be and is hereby authorised to allot and issue 85,864,583 new AAGB Shares at an issue price of RM1.20 per AAGB Share credited as fully paid-up upon such terms and conditions as set out in the SSPA for the Proposed Acquisition;

THAT the Consideration Shares shall, upon allotment and issue, rank equally in all respects with each other and with the then existing AAGB Shares, save and except that the holder of the Consideration Shares shall not be entitled to any dividends, rights, allotments and/or any other distributions which may be declared, made or paid to the shareholders of AAGB, the entitlement date of which is prior to the date of allotment of the Consideration Shares;

AND THAT the Board be and is hereby empowered and authorised to take all such steps and do all acts, deeds and things to enter into any arrangements, transactions, agreements and/or undertakings and to execute, sign and deliver on behalf of the Company, all such documents as they may deem necessary, expedient and/or appropriate to implement and give full effect to and to complete the Proposed Acquisition with full powers to assent to any conditions, modifications, variations and/or amendments as the Board may in its absolute discretion deem fit, necessary, expedient, appropriate and/or as may be imposed or permitted by any relevant authorities in connection with the Proposed Acquisition."

BY ORDER OF THE BOARD

HARMINDER SINGH A/L JAILA SINGH
(P.C. REG. NO. 201908001591) (LS0009855)

REBECCA KONG SAY TSUI
(P.C. REG. NO. 202008001003) (MAICSA 7039304)

Company Secretaries
Selangor Darul Ehsan, Malaysia
4 June 2021

FULLY VIRTUAL EGM

1. As part of the measures taken by the Company to curb the spread of COVID-19 and taking into consideration the paramount safety and well-being of the members of the Company, the EGM will be conducted as a fully virtual meeting via live streaming and online RPV provided by Tricor Investor & Issuing House Services Sdn. Bhd. via its TIH Online website at <https://tjih.online>. This is also in line with the revised Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 1 June 2021 (including any amendments that may be made from time to time) ("**Guidance Note**"). Please follow the procedures as set out in the Administrative Note which is available at the Company's website at www.airasia.com/aagbir.
2. In accordance with the Guidance Note, an online meeting platform located in Malaysia can be recognised as the main meeting venue or place ("**Meeting Venue**") to conduct a fully virtual general meeting, and as such fulfils the requirements under Section 327 of the Companies Act, 2016 which requires the Chairperson of the meeting to be present at the Meeting Venue.
3. Members and/or proxy(ies) and/or corporate representative(s) and/or attorneys **WILL NOT BE ALLOWED** to be physically present at the Meeting Venue on the day of the EGM, instead are to attend, speak (including posing questions to the Board of Directors via real time submission of typed texts) and vote (collectively, "**participate**") remotely at the EGM via the RPV provided by Tricor Investor & Issuing House Services Sdn. Bhd.

NOTES ON APPOINTMENT OF PROXY

1. Pursuant to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and Rule 41(a) of the Company's Constitution, only those Foreigners (as defined in the Constitution) who hold shares up to the current prescribed foreign ownership limit of 45.0% of the total number of issued shares of the Company, on a first-in-time basis based on the Record of Depositors to be used for the forthcoming EGM shall be entitled to vote. A proxy appointed by a Foreigner not entitled to vote, will similarly not be entitled to vote. Consequently, all such disenfranchised voting rights shall be automatically vested in the Chairman of the EGM.
2. A member must be registered in the Record of Depositors at 5.00 p.m. on 11 June 2021 ("**General Meeting Record of Depositors**") in order to attend and vote at the Meeting. A depositor shall not be regarded as a member entitled to attend the EGM and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors. Any changes in the entries on the Record of Depositors after the abovementioned date and time shall be disregarded in determining the rights of any person to attend and vote at the EGM.
3. A member entitled to attend and vote is entitled to appoint not more than two (2) proxies (or in the case of a corporation, to appoint a representative(s) in accordance with Section 333 of the Companies Act, 2016) to attend and vote in his stead. There shall be no restriction as to the qualification of the proxy(ies).
4. The Form of Proxy in the case of an individual shall be signed by the appointor or his attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
5. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. The Proxy Form or other instruments of appointment shall not be treated as valid unless deposited at the Registered Office of the Company at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur (klia2), 64000 KLIA Selangor, Malaysia or by electronic lodgement via the **TIH Online website** at <https://tjih.online> not less than forty-eight (48) hours before the time set for holding the Meeting, i.e. not later than 2.00 p.m. on Saturday, 19 June 2021. **Faxed copies of the duly executed Form of Proxy are not acceptable.**
8. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.
9. By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will fully and wholly indemnify the Company on full indemnity basis (whether demanded or not) in respect of any penalty, liability, claim, demand, loss and damage as a result of the member's breach of warranty.



AIRASIA GROUP BERHAD
[Registration No. 201701030323 (1244493-V)]
(Incorporated in Malaysia)

ADMINISTRATIVE NOTE FOR THE EXTRAORDINARY GENERAL MEETING OF AIRASIA GROUP BERHAD (“AAGB” OR “COMPANY”) (“EGM”)

Day, Date : Monday, 21 June 2021
Time : 2.00 p.m.
Online Meeting Platform : <https://tiih.online>

MODE OF MEETING

In view of the COVID-19 outbreak and as part of the safety measures, the EGM will be held as a **fully virtual meeting entirely through live streaming from the online meeting platform using the Remote Participation and Voting facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“Tricor”) via the TIIH Online website at <https://tiih.online>**. This is in line with the revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 1 June 2021 (including any amendment that may be made from time to time) (“**Guidance Note and FAQ**”).

According to the Guidance Note and FAQ, an online meeting platform can be recognised as the meeting venue or place under Section 327(2) of the Companies Act, 2016 if the online platform is located in Malaysia.

In view of the recent evolving COVID-19 cases in Malaysia, the Company may be required to change the meeting arrangements of the EGM at short notice. As such, members are advised to regularly check the Company’s website or announcements for the latest updates on the status of the EGM. The Company will continue to observe the guidelines issued by the Ministry of Health and will take all relevant precautionary measures as advised.

REMOTE PARTICIPATION AND VOTING FACILITIES (“RPV”)

Members and/or proxy(ies) and/or corporate representative(s) and/or attorney(s) **WILL NOT BE ALLOWED** to be physically present at the Meeting Venue on the day of the EGM, instead are to attend, speak [including posing questions to the Board of Directors (“Board”) via real time submission of typed texts] and vote (collectively, “participate”) remotely at the EGM via the RPV provided by Tricor via its **TIIH Online** website at <https://tiih.online>.

Members who appoint proxies to participate at the AGM via RPV must ensure that the duly executed Form of Proxy is deposited in a hard copy form at the registered office of the Company at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur (klia2), 64000 KLIA Selangor, Malaysia (“Registered Office”) **or by electronic lodgement via TIIH Online website at <https://tiih.online>** not later than 2.00 p.m. on Saturday, 19 June 2021. **Faxed copies of the duly executed Form of Proxy are not acceptable.**

A member who has appointed a proxy or attorney or authorised representative to participate at the EGM via RPV must request his/her proxy or attorney or authorised representative to register himself/herself for RPV at TIIH Online website at <https://tiih.online>.

Kindly refer to Procedures for RPV as set out below for the requirements and procedures.

As the EGM will be conducted as a fully virtual meeting, members who are unable to participate in this EGM via RPV may appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy.

PROCEDURES FOR REMOTE PARTICIPATION AND VOTING VIA RPV

Member(s) or proxy(ies) or corporate representative(s) or attorney(s) who wish to participate remotely at the EGM using the RPV are advised to follow the requirements and procedures as indicated below:

Procedure	Action
BEFORE THE EGM DAY	
(a) Register as a user with TIIH Online	<ul style="list-style-type: none"> Using your computer, access the website at https://tiih.online and register as a user under "e-Services". Select the "Sign Up" button and followed by "Create Account by Individual Holder". Kindly refer to the tutorial guide posted on the homepage for assistance. Registration as a user will be approved within one (1) working day and you will be notified of the status of registration via email. If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.
(b) Submit your request to attend EGM remotely	<ul style="list-style-type: none"> Registration is open from 10.00 a.m. on Friday, 4 June 2021 until the day of EGM on Monday, 21 June 2021. Member(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the EGM to ascertain their eligibility to participate at the EGM using the RPV. Login with your user ID (i.e. e-mail address) and password and select the corporate event: "(REGISTRATION) AAGB EGM 2021". Read and agree to the Terms & Conditions and confirm the Declaration. Select "Register for Remote Participation and Voting". Review your registration and proceed to register. The system will send an e-mail notification that your registration for remote participation is received and will be verified. After verification of your registration against the General Meeting Record of Depositors dated 11 June 2021, the system will send you an e-mail after 19 June 2021 to approve or reject your registration for remote participation. <p><i>(Note: Please allow sufficient time for the approval as a new user of TIIH Online as well as the registration for RPV in order for you to login to TIIH Online and to participate at the EGM remotely).</i></p>
ON THE DAY OF THE EGM	
(c) Login to TIIH Online	<ul style="list-style-type: none"> Login with your user ID and password for remote participation at the EGM at any time from 1.00 p.m. i.e one (1) hour before the commencement of the EGM at 2.00 p.m. on Monday, 21 June 2021.
(d) Participate through Live Streaming	<ul style="list-style-type: none"> Select the corporate event: "(LIVE STREAM MEETING) AAGB EGM 2021" to engage in the proceedings of the EGM remotely. If you have any question for the Chairman/Board, you may use the query box to transmit your question. The Chairman/Board will endeavour to respond to questions submitted by remote participants during the EGM. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the EGM.
(e) Online Remote Voting	<ul style="list-style-type: none"> Voting session commences from 2.00 p.m. on Monday, 21 June 2021 until a time when the Chairman announces the end of the session. Select the corporate event: "(REMOTE VOTING) AAGB EGM 2021" or if you are on the live stream meeting page, you can select the "GO TO REMOTE VOTING PAGE" button below the Query Box. Read and agree to the Terms & Conditions and confirm the Declaration. Select the CDS account that represents your shareholdings. Indicate your votes for the resolutions that are tabled for voting. Confirm and submit your votes.
(f) End of remote participation	<ul style="list-style-type: none"> Upon the announcement by the Chairman on the closure of the EGM, the live streaming will end.

Note to users of the RPV:

1. Should your registration for RPV be approved we will make available to you the rights to join the live streamed meeting and to vote remotely. Your login to TIH Online on the day of the EGM will indicate your presence at the virtual meeting.
2. The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet connection at your location and the device you use.
3. In the event you encounter any issues with logging-in, connection to the live streamed meeting or online voting on the day of the EGM, kindly call the Tricor Help Line at 011-40805616 /011-40803168 /011-40803169 /011-40803170 or e-mail to tiih.online@my.tricorglobal.com for assistance.

GENERAL MEETING RECORD OF DEPOSITORS (“ROD”)

Only a depositor whose name appears in the ROD at 5.00 p.m. on Friday, 11 June 2021 shall be entitled to attend, speak and vote remotely or appoint proxies to attend and/or vote remotely on his/her behalf at the EGM.

APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE

Members who appoint proxy(ies) to participate via RPV at the EGM must ensure that the duly executed Form of Proxy are deposited in a hard copy form or by electronic means to Tricor no later than **2.00 p.m. on Saturday, 19 June 2021**.

The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner:

(i) In hard copy form

In the case of an appointment made in hard copy form, the Form of Proxy must be completed and lodged at the registered office of the Company at RedQ, Jalan Pekeliing 5, Lapangan Terbang Antarabangsa Kuala Lumpur (klia2), 64000 KLIA, Selangor Darul Ehsan, Malaysia.

(ii) By electronic means

All members have the option to submit the Form of Proxy electronically via TIH Online at <https://tiih.online> and the steps to submit the Form of Proxy are summarised below:

Procedure		Action
i. Steps for Individual Members		
(a)	Register as a User with TIH Online	<ul style="list-style-type: none">• Using your computer, please access the website at https://tiih.online. Register as a user under “e-Services”. Select the “Sign Up” button followed by “Create Account by Individual Holder”. Please refer to the tutorial guide posted on the homepage for assistance.• If you are already a user with TIH Online, you are not required to register again.
(b)	Proceed with submission of Form of Proxy	<ul style="list-style-type: none">• After the release of the Notice of EGM by the Company, login with your user name (i.e. email address) and password.• Select the corporate event: “AAGB EGM 2021 – Submission of Proxy Form”.• Read and agree to the Terms and Conditions and confirm the Declaration.• Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf.• Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman of the meeting as your proxy.• Indicate your voting instructions for the resolutions that are tabled for voting – FOR or AGAINST, otherwise your proxy

		<p>will decide your vote(s) or abstain from voting at his/her discretion.</p> <ul style="list-style-type: none"> • Review and confirm the appointment of your proxy(ies). • Print the Form of Proxy for your record.
<p>ii. Steps for Corporation or Institutional Members</p>		
(a)	Register as a User with TIIH Online	<ul style="list-style-type: none"> • Access TIIH Online at https://tiih.online. • Under e-Services, the authorised or nominated representative of the corporation or institutional member selects "Create Account by Representative of Corporate Holder". • Complete the registration form and upload the required documents. • Registration will be verified, and you will be notified by e-mail within one (1) to two (2) working days. • Proceed to activate your account with the temporary password given in the e-mail and re-set your own password. <p><i>(Note: The representative of a corporation or institutional member must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.)</i></p>
(b)	Proceed with submission of Form of Proxy	<ul style="list-style-type: none"> • Login to TIIH Online at https://tiih.online • Select the corporate exercise name: "AAGB EGM 2021 - Submission of Proxy Form" • Agree to the Terms & Conditions and Declaration. • Proceed to download the file format for "Submission of Proxy Form" in accordance with the guidance note set therein. • Prepare the file for the appointment of proxy(ies) by inserting the required data. • Proceed to upload the duly completed proxy appointment file. • Select "Submit" to complete your submission. • Print the confirmation report of your submission for your record.

Please ensure **ALL** the particulars as required in the Form of Proxy are completed, signed and dated accordingly.

Any authority pursuant to which such an appointment is made by a power of attorney must be completed and lodged at the Registered Office not later than **2.00 p.m. on Saturday, 19 June 2021** to participate via RPV at the EGM. A copy of the power of attorney may be accepted provided that it is certified by notary and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

For a corporate member who has appointed a representative, please deposit the **ORIGINAL/DULY CERTIFIED** certificate of appointment at the Registered Office not later than **2.00 p.m. on Saturday, 19 June 2021** to participate via RPV at the EGM. The certificate of appointment should be executed in the following manner:

- (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
- (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

POLL VOTING

The voting at the EGM will be conducted by poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Members or proxy(ies) or corporate representative(s) or attorney(s) can proceed to vote on the resolution at any time from **2.00 p.m. on Monday, 21 June 2021** but before the end of the voting session which will be announced by the Chairman of the meeting. Kindly refer to item (e) of the note above on "Procedures for RPV" for guidance on how to vote remotely from the TIIH Online website at <https://tiih.online>.

Upon completion of the voting session for the EGM, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

DOCUMENTS OF THE COMPANY

The following documents of the Company are available at the Company's Investor Relations website at www.airasia.com/aagbir, for your preview:-

1. Circular to Shareholders in relation to the Proposals dated 4 June 2021;
2. Notice of EGM and Form of Proxy; and
3. Administrative Note for the EGM.

Should you require a printed copy of the Circular to Shareholders (item no. 1 above), please request for the same at our Share Registrar's website at <https://tiih.online> by selecting "Request for Annual Report/Circular" under the "Investor Services". Alternatively, you may make your request through telephone/e-mail to our Share Registrar at the numbers/e-mail addresses given below. Nevertheless, we hope that you would consider the environment before you decide to request for a printed copy.

PRE-MEETING SUBMISSION OF QUESTION(S) TO THE BOARD

Members may submit questions for the Board in advance of the EGM via Tricor's TIIH Online website at <https://tiih.online> by selecting "e-Services" to login, pose questions and submit electronically no later than **Saturday, 19 June 2021 at 2.00 p.m.** The Board will endeavour to answer the questions received at the EGM. If there is time constraint during the EGM, the responses will be e-mailed to you at the earliest possible, after the EGM.

NO RECORDING OR PHOTOGRAPHY

By participating at the EGM, you agree that no part of the EGM proceedings may be recorded, photographed, stored in any retrieval systems, reproduced, transmitted or uploaded in any form, platform or social media or by any means whether it is mechanical, electronic, photocopying, recording or otherwise without the prior written consent of the Company. The Company reserves the rights to take appropriate legal actions against anyone who violates this rule.

ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Mondays to Fridays from 9:00 a.m. to 5:30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn. Bhd.

General Line : +603-2783 9299
Fax Number : +603-2783 9222
Email : is.enquiry@my.tricorglobal.com

Contact persons

Mr. Alven Lai : +603-2783 9283
Email : Siew.Wai.Lai@my.tricorglobal.com

Ms. Vivien Khoh : +603-2783 9091
Email : Vivien.Khoh@my.tricorglobal.com

Mr. Jake Too : +603-2783 9285
Email : Chee.Onn.Too@my.tricorglobal.com

FORM OF PROXY



AIRASIA GROUP BERHAD
 [Registration No. 201701030323 (1244493-V)]
 (Incorporated in Malaysia)

*I/We _____
 [FULL NAME AS PER NRIC/CERTIFICATE OF INCORPORATION IN BLOCK LETTERS]

*NRIC No./Passport No./Co. No.: _____
 [COMPULSORY]

of _____
 [FULL ADDRESS]

telephone no. _____, email address _____ being a *member/members of the Company,
 [COMPULSORY]

hereby appoint _____
 [FULL NAME IN BLOCK LETTERS]

*NRIC No./Passport No.: _____ of _____
 [COMPULSORY]

_____ telephone no. _____,
 [FULL ADDRESS] [COMPULSORY]

email address _____ and, _____
 [FULL NAME IN BLOCK LETTERS]

*NRIC No./Passport No.: _____ of _____
 [COMPULSORY] [FULL ADDRESS]

_____ telephone no. _____, email address _____
 [COMPULSORY]

*or failing him/her, the Chairman of the Meeting as my/our proxy(ies) to attend and vote in my/our name and on my/our behalf at the Extraordinary General Meeting ("EGM" or "Meeting") of the Company which will be held as a fully virtual meeting entirely through live streaming from the online meeting platform using the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn. Bhd. via the TIH Online website at <https://tiah.online> at 2.00 p.m. on Monday, 21 June 2021 or at any adjournment thereof, in the manner as indicated below:

No.	Ordinary Resolution	For	Against
1	Proposed LTIS		
2	Proposed Acquisition		

(Please indicate with an "x" or "√" in the space provided above on how you wish your vote to be cast on the resolutions specified. If no specific direction as to the voting is given, the proxy will vote or abstain at his/her discretion.)

No. of shares held:			
CDS Account No.:			
The proportion of my/our holding to be represented by my/our proxies are as follows:		No. of Shares	Percentage
	First Proxy		
	Second Proxy		
Date:			

 Signature(s) / Common Seal of Members(s)



FULLY VIRTUAL EGM

1. As part of the measures taken by the Company to curb the spread of COVID-19 and taking into consideration the paramount safety and well-being of the members of the Company, the EGM will be conducted as a fully virtual meeting via live streaming and online RPV provided by Tricor Investor & Issuing House Services Sdn. Bhd. via its TIH Online website at <https://tjh.online>. This is also in line with the revised Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 1 June 2021 (including any amendments that may be made from time to time) ("Guidance Note"). Please follow the procedures as set out in the Administrative Note which is available at the Company's website at www.airasia.com/aagbir
2. In accordance with the Guidance Note, an online meeting platform located in Malaysia can be recognised as the main meeting venue or place ("Meeting Venue") to conduct a fully virtual general meeting, and as such fulfils the requirements under Section 327 of the Companies Act, 2016 which requires the Chairperson of the meeting to be present at the Meeting Venue.
3. Members and/or proxy(ies) and/or corporate representative(s) and/or attorneys **WILL NOT BE ALLOWED** to be physically present at the Meeting Venue on the day of the EGM, instead are to attend, speak (including posing questions to the Board of Directors via real time submission of typed texts) and vote (collectively, "participate") remotely at the EGM via the RPV provided by Tricor Investor & Issuing House Services Sdn. Bhd.

NOTES ON APPOINTMENT OF PROXY

1. Pursuant to the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and Rule 41(a) of the Company's Constitution, only those Foreigners (as defined in the Constitution) who hold shares up to the current prescribed foreign ownership limit of 45.0% of the total number of issued shares of the Company, on a first-in-time basis based on the Record of Depositors to be used for the forthcoming EGM shall be entitled to vote. A proxy appointed by a Foreigner not entitled to vote, will similarly not be entitled to vote. Consequently, all such disenfranchised voting rights shall be automatically vested in the Chairman of the EGM.
2. A member must be registered in the Record of Depositors at 5.00 p.m. on 11 June 2021 ("**General Meeting Record of Depositors**") in order to attend and vote at the Meeting. A depositor shall not be regarded as a member entitled to attend the Meeting and to speak and vote thereat unless his name appears in the General Meeting Record of Depositors. Any changes in the entries on the Record of Depositors after the abovementioned date and time shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
3. A member entitled to attend and vote is entitled to appoint not more than two (2) proxies (or in the case of a corporation, to appoint a representative(s) in accordance with Section 333 of the Companies Act, 2016) to attend and vote in his stead. There shall be no restriction as to the qualification of the proxy(ies).
4. The Form of Proxy in the case of an individual shall be signed by the appointor or his attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
5. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. The Form of Proxy or other instruments of appointment shall not be treated as valid unless deposited at the Registered Office of the Company at RedQ, Jalan Pekeliling 5 Lapangan Terbang Antarabangsa Kuala Lumpur (klia2) 64000 KLIA Selangor, Malaysia or by electronic lodgement via the TIH Online website at <https://tjh.online> not less than forty-eight (48) hours before the time set for holding the Meeting, i.e. not later than 2.00 p.m. on Saturday, 19 June 2021. **Faxed copies of the duly executed Form of Proxy are not acceptable.**
8. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.

Personal data privacy notice:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will fully and wholly indemnify the Company on full indemnity basis (whether demanded or not) in respect of any penalty, liability, claim, demand, loss and damage as a result of the member's breach of warranty.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Company Secretaries
AirAsia Group Berhad
[Registration No. 201701030323 (1244493-V)]

RedQ, Jalan Pekeliling 5,
Lapangan Terbang Antarabangsa Kuala Lumpur (klia2)
64000 KLIA
Selangor Darul Ehsan
Malaysia

1st fold here

