

License Agreement – Merger Discussion (Round 2)

Nature: Contract Amendments and Transition Sequencing

This Round 2 document amends and supplements the principles agreed in Round 1, specifically with respect to employee work hours, sequencing of employee transition, and phased transition of routes based on traffic criticality.

1. Amendment to Work Hours and Timings

Notwithstanding anything agreed in Round 1, it is hereby clarified and agreed that only AirAsia employees transitioning in the categories of Pilots and Cabin Crew shall adopt and comply with Vistara's duty rosters, flight duty time limitations, and work-hour policies upon transition. Ground Staff employees shall continue to follow AirAsia's existing work-hour structures until expressly transitioned under a subsequent round or definitive agreement.

2. Sequencing of Employee Transition

The parties agree that the transition of AirAsia employees into Vistara shall be executed in a phased and sequential manner to ensure operational continuity and safety. The agreed order of transition shall be as follows:

- a) Pilots
- b) Cabin Crew
- c) Technical Staff (including maintenance and engineering roles)
- d) Ground Staff

3. Phased Transition of Routes

The integration and transition of AirAsia routes into Vistara's operational network shall take place in clearly defined phases ('Circuits') based on passenger traffic, operational complexity, and revenue criticality.

Circuit 1 – High Traffic Metro Routes:

Mumbai, Delhi, Chennai, Kolkata, Bangalore. These routes shall be prioritized for transition owing to their strategic and commercial importance.

Circuit 2 – High Frequency Routes:

Routes operating more than one hundred (100) flights per day across the network.

Circuit 3 – Remaining Routes:

All remaining domestic and regional routes not covered under Circuit 1 or Circuit 2.

4. Governance and Oversight (Amended)

The Joint Integration Committee established under Round 1 shall continue to oversee the execution of employee and route transitions described herein. Progress against each transition phase shall be reviewed weekly during Circuit 1 execution and monthly thereafter.

5. Continuity and Non-Disruption

Both parties agree that the sequencing and phased approach outlined in this Round 2 is intended to minimize operational disruption, ensure regulatory compliance, and maintain safety and service quality standards during the merger process.

6. No Waiver of Prior Terms

Except as expressly amended herein, all terms, principles, and understandings recorded in Round 1 shall remain unchanged and in full force and effect.

7. Non-Binding Nature

This Round 2 document remains indicative and non-binding, subject to execution of definitive agreements, regulatory approvals, and internal approvals of both parties.