

CAPITAL A BERHAD
(“CAPITAL A” OR “THE COMPANY”)

MEMORANDUM OF UNDERSTANDING BETWEEN CAPITAL A AND KERETAPI TANAH MELAYU BERHAD

1. INTRODUCTION

The Board of Directors of the Company wishes to announce that the Company had on 13 July 2025 entered into a Memorandum of Understanding (“MOU”) with Keretapi Tanah Melayu Berhad (“KTMB”) to formalise their mutual intention to establish a framework for co-operation and collaboration. This partnership aims to drive transformation and integrate travel services, food & beverage, loyalty programs and logistics within Malaysia.

The Company and KTMB shall hereinafter be collectively referred to as the “Parties”.

2. INFORMATION ON KTMB

KTMB is Malaysia’s national railway company, wholly owned by the Ministry of Finance Incorporated. Its registered office is located at Jalan Sultan Hishamuddin, 50621 Kuala Lumpur, Malaysia.

The principal activities of KTMB are railway transportation operations and the provision of related railway services in Peninsular Malaysia and Singapore. KTMB operates these activities pursuant to a license issued by the Ministry of Transport.

As a key player in the country’s land transport infrastructure, KTMB operates intercity, commuter, and freight rail services across Peninsular Malaysia, connecting urban and rural areas while supporting national mobility and economic development. KTMB’s services include the Electric Train Service (ETS), KTM Intercity, KTM Komuter, and KTM Kargo.

3. SALIENT TERMS OF THE MOU

The MOU is not legally binding and does not constitute agreements. The MOU has no commercial value and is executed by the Parties in good faith. It outlines a collaborative framework and strategic partnership in travel services, food & beverage, loyalty programs and logistics within Malaysia, enhancing the experience of passengers traveling with the Company and KTMB.

Pursuant to the MOU, the Parties reserve the right to novate, assign or delegate any part of its rights, obligations, and responsibilities under the MOU to a wholly-owned subsidiary or subsidiaries.

The MOU has a duration of 12 months for the Parties to execute definitive agreements, or such further period as may be agreed in writing by the Parties.

4. RATIONALE FOR THE MOU

The MOU sets out the understanding between the Company and KTMB to jointly undertake detailed feasibility studies to ascertain the commercial and operational viability of the potential areas of co-operation which are of mutual benefit to both Parties.

The MOU establishes a strategic ecosystem partnership to modernise Malaysia's travel and logistics landscape through an integrated ecosystem of rail, air, logistics, F&B, and rewards. By leveraging KTMB's rail network together with Capital A's strengths, including Teleport logistics, Santan F&B, AirAsia MOVE and AirAsia Rewards—the collaboration enables seamless multimodal travel, cargo efficiency, and enhanced passenger experiences.

Key initiatives under this partnership include potential bundled flight-train bookings, last-mile shuttle services to Senai Airport, cargo network integration between Teleport and KTMB Kargo, and in-train catering with Santan. Passengers will also benefit from loyalty points exchange between Rail Points and AirAsia Rewards, and BigPay being considered as a preferred payment platform.

Through this partnership, the Parties aim to enhance connectivity, drive tourism, streamline operational efficiency, and elevate service standards.

5. RISK FACTORS

The execution of the MOU is not expected to expose the Company to any new business risk as the MOU does not create any binding contractual obligations and in the event the Company enters into the relevant definitive agreements, the Company will exercise due diligence in considering the risks and benefits associated with the proposals.

6. FINANCIAL EFFECTS

The MOU is not expected to have any effects on the issued share capital and substantial shareholders' shareholdings of Capital A, as well as the net assets, gearing, earnings and earnings per share of the Capital A Group.

7. INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS, AND/OR PERSONS CONNECTED WITH THEM

None of the directors, major shareholders and/or persons connected with them have any interest, direct or indirect, in the MOU.

8. DIRECTORS' STATEMENT

The Board, having considered all aspects of the MOU, is of the opinion that the MOU is in the best interest of the Company.

9. APPROVALS REQUIRED

The execution of the MOU does not require the approval of shareholders of the Company or any relevant authority.

10. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the MOU will be made available for inspection at the registered office of Capital A at Wisma Capital A, 19-04-02, 19, Lorong Dungun, Bukit Damansara, 50490 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia, during regular office hours from Monday to Friday (excluding public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 14th July 2025.