

**CAPITAL A BERHAD (“CAPITAL A” OR “COMPANY”)  
LETTER OF INTENT BETWEEN CAPITAL A AND TRIP.COM TRAVEL SINGAPORE PTE. LTD. (“TRIP”)**

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**1. INTRODUCTION**

The Board of Directors of the Company (“**Board**”) wishes to announce that the Company, had on 29th March 2024 entered into a Letter of Intent (“**LOI**”) with Trip.com Travel Singapore Pte. Ltd (“**TRIP**”) to collaborate for an extensive partnership that is expected to redefine online travel, payments and fintech within the ASEAN region.

The Company and TRIP shall hereinafter be collectively referred to as the “**Parties**” and individually referred to as “**Party**”.

**2. INFORMATION OF THE LOI PARTIES**

**Information on Capital A**

Capital A is a conglomerate with investments and operations in fintech, travel, ecommerce, and rewards (held under Move Digital Sdn Bhd including its subsidiaries (collectively, “**MOVE**”), airlines (held under AirAsia Aviation Group Limited including its subsidiaries and AirAsia Berhad (collectively, “**AirAsia**”) etc in Asia; and

**Information on TRIP**

TRIP was founded in 1999 and is part and subsidiary of the Trip.com Group Limited which owns a portfolio of travel brands including but not limited to Ctrip.com and Trip.com. Trip.com is the Trip.com Group Limited’s flagship brand outside China. Trip.com offers a user-friendly interface and provides hotel bookings, flight reservations, and travel recommendations. It aims to serve travelers globally, making travel planning more manageable and accessible.

**3. SALIENT TERMS OF THE LOI**

The LOI is not legally binding and does not constitute agreement. The LOI has no commercial value and is executed by the Parties in good faith. The LOI provides for collaboration and strategic partnerships on travel services, e-commerce services, and fintech solutions within the ASEAN region for passengers traveling to and from China.

**4. RATIONALE FOR THE LOI**

**1) Strategic Synergy**

- a) Capital A, as a forward-thinking company, recognizes the immense potential in collaborating with industry leaders.
- b) TRIP is established in the travel, e-commerce, fintech, and payments sectors.
- c) By joining forces, Capital A and TRIP can leverage their strengths, enhance their market presence, and create a robust ecosystem.

**2) Market Expansion**

- a) Trip.com is a trusted travel platform with global reach.
- b) The collaboration between the Parties under the LOI allows Capital A to tap into Trip.com’s extensive user base, opening new avenues for growth.

### **3) Areas of Collaboration**

#### **a) Travel & Tourism**

- i) TRIP brings expertise in travel booking, hotel reservations, and vacation packages through Trip.com.
- ii) By integrating the Parties' services, the Parties can offer their customers seamless travel experiences in virtual interline, enhanced ancillary offerings, and comprehensive customer service.
- iii) Joint marketing efforts can promote travel packages, loyalty programs, and exclusive deals.

#### **b) Technology & Cybersecurity Integration**

- i) Capital A can collaborate with TRIP to enhance technological and cybersecurity capabilities.
- ii) Joint research and development efforts can lead to breakthroughs in blockchain, AI, and data analytics.
- iii) A joint cybersecurity team may be formed to monitor and mitigate any fraud events proactively.

#### **c) Other Complementary Businesses**

- i) Trade financing can be provided via TripLink Virtual Commercial Card (VCC).
- ii) The Parties collaborate to provide both hotel and car inventories to their customers.

## **5. RISK FACTORS**

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

## **6. FINANCIAL EFFECTS**

The LOI 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 LOI.

## **8. DIRECTORS' STATEMENT**

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

## **9. APPROVALS REQUIRED**

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

## **10. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the LOI will be made available for inspection at the registered office of Capital A at RedQ, Jalan Pekeliling 5, Lapangan Terbang Antarabangsa Kuala Lumpur, 64000 KLIA, Selangor Darul Ehsan, 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 29th March 2024.