

CAPITAL A BERHAD (“Capital A” or “the Company”)

DEVIATION OF 10% OR MORE BETWEEN THE ANNOUNCED UNAUDITED FINANCIAL STATEMENTS AND THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

INTRODUCTION

The Board of Directors of Capital A Berhad wishes to refer to the announcement on the unaudited 4th quarter results ended 31 December 2023 (“4Q FYE2023”) released to Bursa Malaysia Securities Berhad (“Bursa Securities”) on 29 February 2024.

Capital A also wishes to make reference to the Audited Financial Statements for the financial year ended 31 December 2023 (“AFS2023”).

DEVIATION BETWEEN UNAUDITED RESULTS AND THE AUDITED RESULTS

In compliance with Paragraph 9.19(35) of the Main Market Listing Requirements of Bursa Securities, the Board of Directors of Capital A wishes to announce that there is a deviation of more than 10% between the Net Profit attributable to Owners of the Parent stated in audited financial statement for the financial year ended 31 December 2023 (AFS2023) and unaudited results for the 4Q FYE2023 which was announced on 29 February 2024. The details of which are as follows:

	Net (Loss)/Profit for the Financial Year		Variance	
	AFS 2023	4QFYE2023		
	RM'000	RM'000	RM'000	%
Net Profit attributable to:				
Owners of the Parent	336,789	836,986	(500,197)	-59.8
Non-controlling interests	(433,103)	(329,393)	(103,710)	-31.4
Net (Loss)/Profit for the financial year	(96,314)	507,593	(603,907)	-119.0

The deviation of more than 10% was due to reclassification of foreign currency translation differences from Statement of Comprehensive Income to Statement of Profit or Loss amounting to RM420 million (**non-cash item**) arising from the translation of lease liabilities denominated in USD. The reclassification has no impact on the **shareholders equity** of Capital A as at 31 December 2023. The Board of Directors of Capital A Berhad wishes to clarify that the change of the accounting treatment subsequent to the announcement of 4Q FYE2023 results was advised by our external auditor, **Ernst & Young (“EY”)** recently, as disclosed in Note 47 to the AFS2023. The existing accounting treatment has been audited by EY in prior financial years.

In prior financial years, the Group had classified certain subsidiaries as part of an extension of the parent and have recognised the foreign exchange gains/losses arising from intra-group transactions in the statement of other comprehensive income rather than in the statement of profit or loss.

This Announcement is dated 30 April 2024.