

UEM SUNRISE BERHAD ("UEMS" OR THE "COMPANY")

MEMORANDUM OF UNDERSTANDING ("MOU") BETWEEN UEMS, GPAY NETWORK (M) SDN BHD ("GPAY"), GRABCAR SDN BHD ("GRABCAR") AND MYTEKSI SDN BHD ("MYTEKSI") (COLLECTIVELY REFERRED TO AS "GRAB PARTNERS") TO COLLABORATE ON THE SERVICES OFFERED BY THE GRAB PARTNERS IN AREAS WITHIN THE CONTROL OF UEMS AND/OR ITS RELATED COMPANIES

1. INTRODUCTION

The Board of Directors of UEMS ("**Board**") wishes to announce that it had on 2 October 2018 entered into a MOU with Grab Partners ("**Proposed MOU**") to jointly collaborate on the services offered by Grab Partners in areas within the control of UEMS, its subsidiaries, its joint-controlled entities and/or its affiliated companies, subject to the approvals of these joint-controlled entities and/or affiliated companies, with priorities given to areas within Mont'Kiara, Dutamas and Iskandar Puteri amongst other locations to be mutually agreed later ("**Area**") ("**Proposed Collaboration**").

2. BACKGROUND OF THE MOU

- a. UEMS is an investment holding company while its subsidiaries are in the business of property development, land trading, property investment, property management, project procurement and investment holding. It is the master developer of Iskandar Puteri, Johor currently undertaking the development of the area into a regional city while in the central region, it develops upmarket high-rise residential, commercial and mixed-use developments in Mont'Kiara and Dutamas. UEMS is also the owner of Publika mall in Solaris Dutamas, Kuala Lumpur. UEMS' other developments are in Cyberjaya, Bangi, Seremban and Melbourne, Australia.
- b. Grab Partners are affiliated companies of GrabTaxi Holdings Pte Ltd, a technology company that develops and operates the Grab mobile application software ("**Grab App**").
- c. Both UEMS and Grab Partners intend to cooperate on the Proposed Collaboration with the following purpose:
 - i. Implement a non-exclusive cashless payment services promoted by GPay;
 - ii. Collaborate with Grab Partners for services such as:
 - transportation solutions ("**Grab Rides**");
 - e-wallet payment services with stored value facilities ("**Grab Pay**");
 - food delivery services ("**Grab Food**");
 - bicycle and scooter sharing services ("**Grab Cycle**") and
 - any other related services thereto.
 - iii. Explore other business opportunities as may be provided in accordance with the Proposed Collaboration, from time to time.

(collectively known as the "**Grab Services**").

3. INFORMATION ON THE GRAB PARTNERS

- a. GPay is a private limited company incorporated in Malaysia on 27 February 2017 under the Companies Act 2016 with its principal office at Level 17, 1 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor. The present paid-up share capital of GPay is RM15,000,000.

The Directors of GPay are Anthony Tan Ping Yeow, Zafrul Shastri Bin Hashim, Jason Craig Thompson, Maa Ming-Hokng and Tan Hooi Ling. The principal activity of GPay is global e-commerce business allowing payments and money transfers to be made through the internet to facilitate the acceptance of electronic payment for online transactions and providing secured payment processing, net commerce solutions for business to business and business to consumers, online trading in and outside Malaysia.

- b. GrabCar is a private limited company incorporated in Malaysia on 16 April 2014 under the Companies Act 1965 (which has been repealed by the Companies Act 2016 on 31 January 2017) with its principal office at Level 17, 1 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor. The present paid-up share capital of GrabCar is RM100,000.

The Directors of GrabCar are Mohamad Reza Bin Abdul Mutalib, Jamie Liew May Lee and Goh Su Sean. The principal activity of GrabCar is advising on problems relating to the administration, management and organisation of the transporting services, chauffeur services and customer services.

- c. MyTeksi is a private limited company incorporated in Malaysia on 21 July 2011 under the Companies Act 1965 (which has been repealed by the Companies Act 2016 on 31 January 2017) with its principal office at Level 17, 1 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor. The present paid-up share capital of MyTeksi is RM1,600,000.

The Directors of MyTeksi are Zafrul Shastri Bin Hashim and Russel Cohen Howard. The principal activity of MyTeksi is providing products, services and business solutions related to information technology, e-commerce, telematics, transportation and logistics.

4. SALIENT TERMS OF THE PROPOSED MOU

Under the terms of the Proposed MOU, both parties agreed that:

- a. The Proposed Collaboration shall be on a non-exclusive basis;
- b. The locations for the Proposed Collaboration shall be in the Area;
- c. Further negotiations on the rights and obligations of each party as well as principles governing the Proposed Collaboration shall take place and incorporated in a collaboration agreement to be entered into within three (3) months from the date of the Proposed MOU ("**Collaboration Agreement**"); and

- d. The Collaboration Agreement shall have a validity period of two (2) years and is renewable for another two (2) years upon expiry and thereafter to continue to such other period to be mutually agreed.

5. EFFECT OF THE PROPOSED COLLABORATION

The Board believes that the Proposed Collaboration will enable a seamless digital ecosystem that provides convenience to the lifestyle of residents, tenants and customers in the Area. Leveraging on the strengths of the parties' database and through exchange of data, the wide range of initiatives will enable online and offline convergence to provide exclusive privileges and rewards to the community, enhance footfall to UEMS' managed properties and allow UEMS to explore new businesses.

6. RISK FACTORS

The Board is of the view that the Proposed Collaboration will not have any major financial or operational risk at this juncture. However, the Company will exercise due care in considering the risks and benefits associated with the Proposed Collaboration and ensure that mitigation plans are in place.

7. DIRECTORS AND MAJOR SHAREHOLDERS' INTEREST

None of the directors, major shareholders and persons connected with directors or major shareholders of the Company or any of its subsidiaries have any interest, direct or indirect in the Proposed MOU or Proposed Collaboration.

8. DOCUMENTS FOR INSPECTION

The Proposed MOU is available for inspection at the Company's registered office at 19-2, Mercur UEM, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur during normal business hours from Mondays to Fridays (except public holidays) for a period of three (3) months from the date of this announcement.