

CITAGLOBAL BERHAD (“CITAGLOBAL” OR “THE COMPANY”)

MEMORANDUM OF UNDERSTANDING BETWEEN CITAGLOBAL AND SHANGHAI SUS ENVIRONMENT CO LTD

The Board of Directors of Citaglobal (“**Board**”) wishes to announce that the Company had on 17 September 2023, entered into a memorandum of understanding (“**MOU**”) with Shanghai SUS Environment Co Ltd (“**SUS**”) (collectively, Citaglobal and SUS are referred to as “**Parties**” hereafter) in relation to a proposed collaboration in the areas of development of Waste to Energy (“**WtE**”) projects (“**Proposed Collaboration**”).

SUS is a government linked enterprise duly incorporated in China with extensive experience in urban solid waste treatment, eco-industrial park construction, WtE engineering, procurement, and construction and operation and maintenance, agricultural and forestry waste treatment and other fields. It is a comprehensive service provider integrating investment, construction and operation, and has been selected as one of the "top ten influential enterprises" of China's solid waste for consecutive years. SUS together with its partner Hitachi Zosen Corporation, has successfully delivered 1,400 WtE plants globally.

The purpose of the MOU is to formalise the intention of the Parties to explore the potential collaboration and assessing the feasibility of developing WtE power plants primarily in Malaysia by diverting all waste from unsustainable landfills to WtE plants and holistically resolve all waste disposal problems in Malaysia.

After the execution of MOU, Citaglobal shall assume a leading role in the project development of the proposed WtE projects in Malaysia, while SUS shall be responsible for financing, building and operating the proposed WtE projects. SUS has committed an injection of RM15 billion for the proposed WtE projects in Malaysia.

The MOU is effective immediately from the date of execution of the MOU and shall subsist until it is terminated. The MOU shall be automatically terminated in the following events:

- (a) Change of law by the Government of Malaysia negatively impacting Citaglobal’s ability to undertake Projects within Malaysia;
- (b) By notice in writing of three (3) months from one Party to the other to terminate this MOU; or
- (c) when the Parties have unanimously decided and recorded such decision in writing.

The execution of the MOU for the Proposed Collaboration will enable the Citaglobal and its group of companies (“**Citaglobal Group**”) to explore and strengthen its renewable energy capabilities by venturing into WtE industry. Citaglobal Group aims to provide a holistic solution to Malaysia’s waste disposal and management issue by utilising and sharing the best knowledges, practices and experiences of the Parties.

Information on SUS

SUS, the largest solid waste incinerator supplier and leading developer of integrated municipal solid waste management in China, takes Contributing to A Cleaner and More Friendly Environment as its mission. With its rich experience, advanced technology and strong financial background, SUS devotes to investing, constructing and operating the state-of-the-art municipal solid WtE, agricultural and forest biomass utilization, ecological remediation as well as Eco-Industrial Park projects across China and abroad. Awarded by the Ministry of Finance and the National Development and Reform Commission of People’s Republic of China as the Public-Private-Partnership demonstration, SUS’s energy-from-waste projects are famous for their lowest air pollutant emissions nationwide and enjoy a good reputation for bringing favorable benefits, such as recreational facilities and a WtE history museum, to their neighborhoods.

This announcement is dated **18 September 2023**.