

**Type** : **General Announcement**  
**Subject** : **Memorandum of Understanding**  
**Description** : **Sunsuria Berhad (“Sunsuria” or “Company”) – Memorandum of Understanding with Sinotrans Limited (“Sinotrans”)**

## 1. INTRODUCTION

The Board of Directors of Sunsuria (“**Board**”) wishes to announce that the Company had on [27 April 2019] entered into a Memorandum of Understanding (“**MoU**”) with Sinotrans (the Company and Sinotrans to be collectively referred to as “**the Parties**”) to foster cooperation with each other on the basis of mutual rights and obligations regarding potential logistic related business in Malaysia.

## 2. INFORMATION ON SINOTRANS

Sinotrans is a company listed in Hong Kong Stock Exchange and the Shanghai A-Share Market, duly incorporated and existing under the laws of the People's Republic of China, having its registered address at Building 10/Sinotrans Tower B, No. 5 Anding Road, Chaoyang District, Beijing, China.

Sinotrans provides freight forwarding, shipping agency, bulk cargo transport, project logistics, contract logistics, trading logistics and liner services worldwide. It also provides inter alia, sea/air freight forwarding services, including cargoes collection and delivery, booking, customs, immigration and quarantine clearance and declaration, container vaning/devanning, storage, haulage service, distribution and dispatching, international transit shipment service and etc.

## 3. SALIENT TERMS OF THE MoU SINOTRANS

The purpose of the MoU with Sinotrans is to support discussion on potential strategic collaboration between the Parties to leverage on each respective Party's advantages and expertise to promote and strengthen cooperation in logistics services, logistics real estate development and other related industries in Malaysia (“**Proposed Venture**”).

Under the term of the MoU, both Parties agreed, inter-alia, on the following:

- (a) to jointly promote logistic related business in Malaysia and South East Asia in line with the “One Belt One Road” policy by exploiting the strategic geographical location of Malaysia, where projects include but not limited to Malaysia-China Kuantan Industrial Park, Regional Logistic Hub in Klang Valley, ECRL Project Logistic and E-Commerce Business;
- (b) to make use of their respective strengths and expertise to jointly promote cooperation in logistics and other industries in Malaysia; and
- (c) to actively explore research and development to promote the realization of cooperation goals through ways including but not limited to establishing joint ventures, cooperation of stock rights and forms of joint mergers and acquisitions.

## 4. VALIDITY

The MoU shall become effective from the date of the execution of the MoU and shall remain in force and effect for a valid term of six (6) months (“**Term**”), unless terminated or renewed upon mutual agreement between the Parties.

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## **5. FINANCIAL EFFECTS**

The MoU is not expected to have a material effect on the earnings, net assets and gearing of the Company and of the Group for the financial year ending 30 September 2019.

The MoU will not have any effect on the issued and paid up share capital of the Company as well as its director or its substantial shareholdings.

## **6. RATIONALE**

The execution of the MoU will enable Sunsuria Group to improve the business model of its property development business with the expansion into logistic related business in Malaysia., which is line with the “One Belt One Road” policy in view of the strategic geographical location of Malaysia.

## **7. APPROVAL REQUIRED**

The MoU is not subject to the approval of the shareholders of Sunsuria or any other relevant authorities.

## **8. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS**

None of the Directors, major shareholders and/or persons connected with a Director or a major shareholder of the Company, have any interest, direct or indirect, in the MoU.

## **9. DOCUMENTS FOR INSPECTION**

The MoU is available for inspection at the Registered Office of the Company at Suite 8, Main Tower, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara PJU 5, 47810 Petaling Jaya, Selangor during normal office hours from Mondays to Fridays (except for public holidays) for a period of three months from the date of this announcement.

This announcement is dated [29 April 2019].