

Business Plan – UKMCar (APPVAST SERVICES)

This business plan outlines the strategy for launching UKMCar, a cooperative-based e-hailing platform under APPVAST SERVICES (202303289245), transitioning to a cooperative before 2026. UKMCar offers affordable, safe, and community-driven ride-hailing services, targeting students and urban commuters in Malaysia. It aligns with the Conditional Share Purchase Agreement (CSPA), raising RM2,000,000 from 1,000,000 unit reservations, the budget plan (RM384,500–RM587,000), financial projections, foolproof plan, and risk factors. The plan ensures compliance with the Cooperative Societies Act 1993, Companies Act 2016, and Capital Markets and Services Act 2007. Investors should review the Project Information Memorandum at www.ukmcar.com/investors.

1. Executive Summary

UKMCar is Malaysia's first student-focused, cooperative-owned e-hailing platform, launched by AppVast Services and transitioning to a cooperative. Unlike competitors, UKMCar offers 15% commission rates, prioritizes student drivers, and distributes 60% of net surplus daily to cooperative members. Targeting Kuala Lumpur, Selangor, and UKM Bangi initially, UKMCar aims for 50,000 riders and 10,000 drivers in Year 1, generating RM1.5M in revenue. The cooperative model fosters community loyalty, with RM2M in funding from 1,000,000 units at RM2 each ensuring a robust launch by January 2026.

2. Vision & Mission

- **Vision:** To establish Malaysia's leading cooperative-based e-hailing platform, empowering students and communities through shared ownership and profits.
- **Mission:** To deliver safe, affordable, and reliable ride-hailing services, creating income opportunities for student drivers and equitable surplus distributions for members.

3. Market Opportunity

- **Industry Overview:** Malaysia's e-hailing market is projected at RM2.3 billion in 2025 (US\$524M), growing 10–15% annually, driven by 80% smartphone penetration and urban demand (60% of Malaysians use e-hailing weekly, per 2023 data).
- **Competitive Landscape:** Grab dominates (RM2.9 billion revenue in 2023), followed by AirAsia Ride. Competitors retain all profits, creating a gap for a cooperative alternative.
- **Target Market:** Students (UKM, UM, UPM, UIA), urban professionals, and commuters in Kuala Lumpur, Selangor, and beyond. Focus on safety (e.g., female-only rides) and affordability.
- **Market Gap:** No e-hailing platform offers community ownership or daily surplus distributions, giving UKMCar a unique value proposition.

4. Business Model

- **Core Revenue:** Riders pay fares (RM5 base + RM1/km + RM0.50/min, ~RM20/ride); UKMCar takes 15% commission; drivers retain 85%.
- **Surplus Distribution:** 60% of net surplus distributed daily to cooperative members (proportional to units), 20% reserved, 20% reinvested (per financial projections).
- **Additional Revenue:** In-app advertising, partnerships (e.g., universities, public transport), and premium features (e.g., carpooling, scheduled rides).
- **Pricing Strategy:** Fares ~10% below market average (e.g., RM20 vs. Grab's RM22 for 10km ride) to drive adoption.
- **Cooperative Structure:** Converts 1,000,000 unit holders to members, enabling voting rights and surplus shares, per CSPA.

5. Operations Plan

- **Phase 1: Fundraising (Sep 2025):** Launch CSPA reservations (1,000,000 units at RM2, raising RM2M) via AppVast Services.
- **Phase 2: Cooperative Formation (Sep 2025 – Dec 2025):** Register a cooperative with SKM (20 founding members, by-laws, RM14,500–RM25,000 cost); transfer funds post-approval.
- **Phase 3: App Development & Licensing (Sep 2025 – Dec 2025):** Build iOS/Android app (RM100,000–RM150,000), secure APAD e-hailing license, and onboard 500–1,000 drivers.
- **Phase 4: Pilot Launch (Jan – Mar 2026):** Launch in UKM Bangi, Selangor, Kuala Lumpur; target 10,000 riders, 500 drivers, 10,000 rides.
- **Phase 5: Scaling (Mar 2026+):** Expand to Penang, Johor Bahru, and universities (UM, UPM, UIA); reach 50,000 riders, 10,000 drivers by Year 1 end.
- **Technology:** AWS servers, Google Maps API, FPX payments, AI ride matching, blockchain for secure transactions (RM125,000–RM185,000).
- **Team:** 3–4 initial staff (operations, marketing, tech); scale via cooperative members.

6. Marketing Strategy

- **Positioning:** Community-owned, student-focused e-hailing with daily surplus distributions and competitive fares.
- **Channels:**
 - **Digital:** RM50,000–RM75,000 for TikTok, Instagram, and Google Ads targeting students and urban commuters.
 - **Campus Roadshows:** Events at UKM, UM, UPM, UIA (RM10,000–RM15,000).
 - **Ambassador Program:** Student influencers promote UKMCar (RM5,000 budget).
 - **Referrals:** RM5 off first ride, RM5 referral bonuses for riders and drivers.
- **Metrics:** 100,000 app downloads, 50,000 riders, 80% satisfaction rate in Year 1.

7. Financial Highlights (3-Year Outlook)

- **Year 1 (2026):** RM10M gross fare value (500,000 rides), RM1.5M revenue (15% commission), RM0.6M surplus, RM0.36M distributions (RM0.36/unit for 1,000,000 units).
- **Year 2 (2027):** RM15M gross fare value (750,000 rides), RM2.25M revenue, RM1.08M surplus, RM0.648M distributions (RM0.65/unit).
- **Year 3 (2028):** RM22.5M gross fare value (1,125,000 rides), RM3.375M revenue, RM1.836M surplus, RM1.1016M distributions (RM1.10/unit).
- **Funding:** RM2M from 1,000,000 units (RM0.10/unit non-refundable, RM100,000 operational fee).
- **ROI:** 18% (Year 1), 32.5% (Year 2), 55% (Year 3) per unit.

8. Risk Factors & Mitigation

- **Regulatory Risks:** APAD/SKM delays or non-compliance; **Mitigation:** Apply for APAD license by Month 4, SKM by Month 3; allocate RM25,000–RM38,000 for compliance.
- **Competition:** Grab's dominance; **Mitigation:** 15% commission, daily distributions, and female-only rides for differentiation.
- **Financial Risks:** Insufficient funds or cost overruns; **Mitigation:** RM2M funding, RM50,000–RM75,000 contingency, phased rollout.
- **Adoption Risks:** Low rider/driver uptake; **Mitigation:** RM75,000–RM113,000 marketing, RM50 signup bonuses, pilot focus on high-demand areas.
- **Technology Risks:** App bugs or breaches; **Mitigation:** RM15,000–RM20,000 for beta testing, RM10,000–RM15,000 for cybersecurity.
- **Economic Risks:** Inflation, fuel price hikes; **Mitigation:** Dynamic pricing, RM1M insurance coverage.

9. Exit & Long-Term Growth

- **Short-Term (Years 1–2):** Establish cooperative with 50,000 riders, 10,000 drivers; achieve RM1.5M revenue in Year 1.
- **Mid-Term (Years 3–5):** Expand to all major Malaysian universities and cities; target 10% market share (RM22.5M fares by Year 3).
- **Long-Term (5+ Years):** Explore partnerships (e.g., public transport integration) or mergers with regional players; consider cooperative share trading platform (subject to SKM/SC approval).
- **Exit Options:** If cooperative underperforms, refund investors per CSPA (RM1.90/unit); if successful, pursue acquisition or IPO by Year 5.

Notes

- **Regulatory Compliance:** Adheres to Cooperative Societies Act 1993 (cooperative formation), Companies Act 2016 (Sdn. Bhd. operations), and Capital Markets and Services Act 2007 (fundraising). Refunds (RM1.90/unit if cooperative fails) ensure investor protection.

- Investor Transparency: Quarterly updates via www.ukmcar.com/investors; audited financials filed with SKM and SSM.
- **Scalability:** Cooperative model supports unlimited members (1,000,000 unit holders) and daily distributions (RM0.36–RM1.10/unit over 3 years).
- **Risk Mitigation:** RM50,000–RM75,000 contingency, RM1M insurance, and phased rollout address risks from competition, regulation, and adoption.
- Market Differentiation: Community ownership, low fares, and student focus position UKMCar against competitors.

Investors should consult financial and legal advisors and review the Project Information Memorandum at www.ukmcar.com/investors for further details.