

Financial Projections – UKMCar E-Hailing Platform

This document provides updated financial projections for the UKMCar e-hailing platform for the first three years (2026–2028), reflecting the funding of RM2,000,000 from 1,000,000 unit reservations at RM2 each. The projections align with the Conditional Share Purchase Agreement (CSPA), the budget plan (RM384,500–RM587,000), and the foolproof implementation plan. Figures are in Malaysian Ringgit (RM) and assume cooperative formation before 2026. Projections are based on conservative market assumptions, industry benchmarks, and regulatory requirements in Malaysia. Investors should review alongside the Project Information Memorandum at www.ukmcar.com/investors.

Key Assumptions

- **Launch Area:** Pilot in Kuala Lumpur, Selangor, and UKM Bangi (Year 1), expanding to Penang and Johor Bahru (Year 2), and nationwide (Year 3).
- **Average Fare:** RM20 per ride (RM5 base + RM1/km + RM0.50/min for 10km/15min ride, based on market standards).
- **Commission Rate:** 15% per ride (aligned with CSPA and risk factors; competitive vs. Grab's 20%).
- **User Growth:** 50,000 riders and 10,000 drivers by end of Year 1; 50% YoY rider growth, 40% YoY driver growth (conservative due to competition).
- **Rides:** 500,000 in Year 1 (50,000 riders × 10 rides/year); 50% YoY growth.
- **Operating Costs:** 60% of revenue (40% fixed: tech, staff; 20% variable: marketing, payment fees), per budget.
- **Surplus Distribution:** 60% of net surplus distributed daily to cooperative members (proportional to units), 20% retained for reserves, 20% reinvested for growth.
- **Initial Funding:** RM2,000,000 from 1,000,000 unit reservations at RM2 each (RM0.10/unit non-refundable, RM100,000 total operational fee).
- **Market Context:** Malaysian e-hailing market projected at US\$524 million (RM2.3 billion) in 2025, growing 10–15% annually.

Year 1 Projection (2026, Pilot Year)

- **Riders:** 50,000
- **Drivers:** 10,000
- **Total Rides:** 500,000 (50,000 × 10 rides/year)
- **Gross Fare Value:** RM10,000,000 (500,000 × RM20)
- **Commission Revenue (15%):** RM1,500,000
- **Operating Costs:**
 - Fixed (40%): RM600,000 (tech: RM185,000; staff: RM96,000; office: RM15,000; compliance: RM38,000)
 - Variable (20%): RM300,000 (marketing: RM113,000; transaction fees: RM75,000; driver incentives: RM112,000)
 - **Total Costs:** RM900,000

- **Net Surplus:** RM600,000 (RM1,500,000 – RM900,000)
- **Distribution to Owners:** RM360,000 (60% of surplus, daily payouts)
- **Reserves:** RM120,000 (20%)
- **Reinvestment:** RM120,000 (20%)

Year 2 Projection (2027, Expansion)

- **Riders:** 75,000 (50% growth)
- **Drivers:** 14,000 (40% growth)
- **Total Rides:** 750,000 (75,000 × 10 rides/year)
- **Gross Fare Value:** RM15,000,000
- **Commission Revenue (15%):** RM2,250,000
- **Operating Costs:**
 - Fixed: RM720,000 (20% increase for scale: tech, staff, compliance)
 - Variable: RM450,000 (marketing, transaction fees, driver incentives)
 - **Total Costs:** RM1,170,000
- **Net Surplus:** RM1,080,000
- **Distribution to Owners:** RM648,000 (60%, daily payouts)
- **Reserves:** RM216,000 (20%)
- **Reinvestment:** RM216,000 (20%)

Year 3 Projection (2028, Scale-Up)

- **Riders:** 112,500 (50% growth)
- **Drivers:** 19,600 (40% growth)
- **Total Rides:** 1,125,000 (112,500 × 10 rides/year)
- **Gross Fare Value:** RM22,500,000
- **Commission Revenue (15%):** RM3,375,000
- **Operating Costs:**
 - Fixed: RM864,000 (20% increase for nationwide operations)
 - Variable: RM675,000 (marketing, transaction fees, driver incentives)
 - **Total Costs:** RM1,539,000
- **Net Surplus:** RM1,836,000
- **Distribution to Owners:** RM1,101,600 (60%, daily payouts)
- **Reserves:** RM367,200 (20%)
- **Reinvestment:** RM367,200 (20%)

Summary Table

Year	Riders	Drivers	Total Rides	Gross Fare Value	Commission Revenue (15%)	Operating Costs	Net Surplus	Distributed to Owners (60%)	Reserves (20%)	Reinvestment (20%)
2026	50,000	10,000	500,000	RM10.0M	RM1.5M	RM0.9M	RM0.6M	RM0.36M	RM0.12M	RM0.12M
2027	75,000	14,000	750,000	RM15.0M	RM2.25M	RM1.17M	RM1.08M	RM0.648M	RM0.216M	RM0.216M

Year	Riders	Drivers	Total Rides	Gross Fare Value	Commission Revenue (15%)	Operating Costs	Net Surplus	Distributed to Owners (60%)	Reserves (20%)	Reinvestment (20%)
2028	112,500	19,600	1,125,000	RM22.5M	RM3.375M	RM1.539M	RM1.836M	RM1.1016M	RM0.3672M	RM0.3672M

Cash Flow Considerations

- **Year 1:**
 - Inflows: RM1,500,000 (revenue) + RM2,000,000 (reservations) = RM3,500,000
 - Outflows: RM900,000 (costs) + RM360,000 (distributions) + RM240,000 (reserves/reinvestment) = RM1,500,000
 - Net Cash Flow: +RM2,000,000
- **Year 2:** Net +RM1,314,000 (after distributions and reserves)
- **Year 3:** Net +RM2,068,800
- **Break-Even:** Achieved in Year 1 Q3, supported by higher initial funding.
- **Liquidity:** RM120,000–RM367,200 reserves annually ensure stability for daily distributions and potential refunds (RM1.90/unit if cooperative fails).

Return on Investment (ROI)

- **Year 1 ROI:** RM360,000 distributed across 1,000,000 units = RM0.36/unit (18% return on RM2 investment).
- **Year 2 ROI:** RM648,000 = RM0.65/unit (32.5% return).
- **Year 3 ROI:** RM1,101,600 = RM1.10/unit (55% return).
- **Note:** Returns are proportional to units held; no guarantees due to market and operational risks outlined in the Risk Factors document.

Notes

- **Funding Impact:** RM2,000,000 from 1,000,000 units (RM100,000 non-refundable) provides a stronger financial buffer, reducing reliance on external loans/grants and supporting scalability.
- **Budget Consistency:** Operating costs align with revised budget (RM384,500–RM587,000 for Year 1), covering tech, compliance, marketing, and operations.
- **CSPA Alignment:** Projections reflect daily surplus distributions (60% of net surplus), with 20% reserves to mitigate risks and ensure compliance with cooperative by-laws.
- **Conservative Assumptions:** 15% commission, 50% rider growth, and 60% cost ratio account for competition and market uncertainties.
- **Risk Mitigation:** Reserves (20%) and reinvestment (20%) protect against economic downturns, regulatory delays, or low adoption.
- **Transparency:** Quarterly financial updates via www.ukmcar.com/investors; audited statements filed with SKM annually.
- **Regulatory Compliance:** Revenue and distribution models comply with Cooperative Societies Act 1993 and Capital Markets and Services Act 2007.

Investors are advised to review the Risk Factors document and consult financial advisors before reserving units. For further details, visit www.ukmcar.com/investors.