SOLAR DISTRICT COOLING GROUP BERHAD ("SDCG" or "the Company")
COLLABORATION AGREEMENT BETWEEN SUNRISE SHARES ENERGY SDN. BHD. AND SOLAR DISTRICT COOLING SDN. BHD., A WHOLLY OWNED SUBSIDIARY OF SDCG

1. INTRODUCTION

The Board of Directors of SDCG wishes to announce that its wholly-owned subsidiary, Solar District Cooling Sdn. Bhd. (Company Registration No. 200301004597 (607017-T)) ("**SDC**") had on 24 September 2024 entered into a collaboration agreement with Sunrise Shares Energy Sdn. Bhd. (Company Registration No. 202301032056 (1525979-K)) ("**SSE**") ("**the CA**") to jointly promote renewable energy solutions and sustainability advisory services, including but not limited to SSE's products and SDC's services.

SSE and SDC individually be referred to as "the Party" and collectively be referred to as "the Parties".

2. INFORMATION ON SSE

SSE a private limited company incorporated under the laws of Malaysia, having its business address at 1201A, Level 12, Tower A, Uptown 5, No.5, Jalan SS 21/39, Damansara Uptown, 47400 Petaling Jaya, Selangor Darul Ehsan.

SSE is principally involved in the development, investment, construction, operation and maintenance of renewable energy projects. It offers a wide range of renewable energy-related products, including but not limited to commercial solar panels, Solar Powered Street Lights (SSL), Battery Energy Storage Systems (BESS – MegaBatt), and Solar Integrated MyKiosk (SIM).

The Directors of SSE are Chan Bit Nee, Lam Shuh Pow and Datuk Tan Eng Eng.

The Shareholders of SSE are Lam Shuh Pow and Datuk Tan Eng Eng.

3. SALIENT TERMS OF THE CA

3.1 Basis of Collaboration

3.1.1 SDC shall promote and market SSE's products, including but not limited to commercial solar panels, Solar Powered Street Lights (SSL), Battery Energy Storage Systems (BESS – MegaBatt), and Solar Integrated MyKiosk (SIM) to its existing client base and new potential clients, with the objective of widening the market for these products;

3.1.2 SSE shall promote and market SDC's services, including but not limited to Building Management Systems ("BMS"), solar thermal systems, and energy-saving services to its existing client base and new potential clients, with the goal of expanding the reach and market presence of these services;

3.1.3 SSE shall provide access to its range of renewable energy products, technical expertise, and industry connections to support the collaboration;

3.1.4 SDC shall contribute its expertise in BMS, energy-savingservices, and sustainability strategies to complement and enhance the collaboration.

3.1.5 The Parties will provide combined sustainability advisory services, including green building certification, low-carbon certification, and other related services to promote sustainable development strategies;

3.1.6 The Parties shall work together to identify and pursue new markets and opportunities for the sale and implementation of SSE's products and SDC's services;

3.1.7 The Parties shall collaborate on joint business development initiatives, including but not limited to co-marketing campaigns, joint ventures, and strategic partnerships to promote sustainable energy solutions;

3.1.8 The Parties shall provide mutually agreed preferential pricing to their respective customers.

3.1.9 The Parties shall provide such relevant information, assistance and/or resources to each other as may reasonably be required; and

3.1.10 The Parties shall overcome all requirements, challenges and complexity the parties may face during the sale and implementation of SSE's products and SDC's services.

4. RATIONALE OF THE CA

The CA would enable SDCG to expand its presence in the BMS, solar thermal systems and energy-saving services by leveraging on SSE's network.

5. RISK FACTORS

The Company does not expect any material risk arising from the CA other than operational risk associated with the CA which the SDCG and its subsidiaries ("**SDCG Group**") would take appropriate measures to minimise them.

6. FINANCIAL EFFECTS

The CA is not expected to have any effect on the issued share and substantial shareholders' shareholdings of the Company, as it does not involve the issuance of any new ordinary shares in the Company,

The CA is not expected to have any material immediate impact on the Company's earnings per share, net assets and gearing for the financial year ending 31 December 2024.

7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST

None of the Directors, Substantial Shareholders or person connected to them has any interest,direct or indirect, in the CA.

8. STATEMENT BY DIRECTORS

The Board of Directors of the Company, having taken into consideration all aspects of the CA, is of the opinion that the CA is in the best interest of SDCG Group.

9. APPROVAL REQUIRED

The CA is not subject to the approval of the shareholders of the Company or any relevant authorities.

This announcement is dated 24 September 2024.