

MEMORANDUM OF UNDERSTANDING Memorandum of Understanding between TASCO Berhad and MAB Kargo Sdn. Bhd.

TASCO BERHAD

Type	Announcement
Subject	MEMORANDUM OF UNDERSTANDING
Description	Memorandum of Understanding between TASCO Berhad and MAB Kargo Sdn. Bhd.

Please refer to the attachment for details of the announcement.

Please refer attachment below.

Attachments

Anmt - MOU with MAsKargo.pdf
89.2 kB

Announcement Info

Company Name	TASCO BERHAD
Stock Name	TASCO
Date Announced	01 Apr 2021
Category	General Announcement for PLC
Reference Number	GA1-30032021-00093

1. INTRODUCTION

The Company wishes to announce that TASCO Berhad has on 1 April 2021 entered into a Memorandum of Understanding ("MOU") with MASKargo.

(TASCO and MASKargo shall hereinafter be collectively referred to as "Parties" and individually referred as "Party").

In view of the ongoing severe COVID-19 pandemic in Malaysia, the Parties would like to contribute to national service by entering into this MOU with the common objective to collaborate and provide seamless end-to-end logistics delivery services of COVID-19 vaccines from Point of Manufacture to the Point of Use in both East and West Malaysia.

2. INFORMATION OF MASKargo

MASKargo specializes in freight handling and the cargo carriage by air services, is the sister company of Malaysia Airlines Berhad ("MAB"), whereby both MASKargo and MAB are wholly owned subsidiaries of Malaysia Aviation Group Berhad ("MAG"). MASKargo operates scheduled and chartered air cargo services, ground handling services as well as airport to seaport cargo logistics via ground transportation. Serving almost 100 destinations worldwide, MASKargo delivers through scheduled freighter services and belly space capacity of MAB's aircraft and its other subsidiaries.

3. DETAILS OF THE MOU

3.1 Rationale of the MOU

The MOU serves as an opportunity for the Company to achieve the shared objective of an enhanced and seamless logistics delivery services for the customers involved in production of COVID-19 vaccines ("the Customers").

3.2 Objectives of the MOU

The Parties hereto agree to collaborate and cooperate ("the Collaboration") with one another to develop opportunities arising from each party's strength and capabilities, in the following areas:-

- a) collaborate on joint marketing activities utilising the network and capabilities of both Parties;
- b) leverage on each other's strengths and competitive advantages in the logistics fulfilment services for their Customers, whereby:
 - (i) TASCO leveraging on MASKargo's core competencies as an airfreight carrier, as well as its intimate knowledge in cargo handling;

- (ii) MASkargo leveraging on TASC0's core competencies in providing integrated logistics services, which shall include but not limited to TASC0's cold supply chain infrastructures and its integrated logistics services within its international network;
- c) enhance knowledge sharing with a view to foster improved co-ordination and synergies;
- d) prioritization to each other where permissible by law and where it is within the limit of authority and business plan of each party, namely MASkargo shall give priority to TASC0 in terms of resources (both international and domestic routes) and other conditions for services pursuant to the MOU, and TASC0 shall enable MASkargo to participate as its airfreight carrier for the provision of services pursuant to the MOU.

3.3 Benefit of the MOU

The ultimate benefit from the Collaboration shall include but not limited to the ability for the Parties to set industry-leading standards in logistics fulfilment services for the Customers.

4. DURATION OF THE MOU

The MOU shall be effective from the date of the MOU and shall remain valid for a period of twelve (12) calendar months ("the Term") unless earlier terminated pursuant to the provision hereof or a definitive agreement expressed to replace the MOU has been executed by the Parties whichever is earlier.

Without prejudice to any other rights, this MOU shall terminate on the expiry of the Term or upon Party giving one (1) month's notice of termination in writing to the other Party or upon the execution of the definitive agreement for the Collaboration or upon the expiry of such further extended period as may be mutually agreed between the Parties, whichever occurs first.

5. EFFECTS OF THE MOU

5.1 Share capital and shareholdings of substantial shareholders

The MOU will not have any effect on the Company's share capital and substantial shareholders' shareholdings in the Company.

5.2 Net assets, earnings, earnings per share ("EPS") and gearing

The MOU is also not expected to have any immediate material impact on the net assets, earnings and EPS of TASC0 Group. There is no effect on the gearing of TASC0 Group as no bank borrowings are to be arranged for the MOU.

6. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the directors, major shareholders and/or persons connected with them has any interest, whether direct or indirect, in the MOU.

7. DIRECTORS' STATEMENT

The Board is of the opinion that the MOU is in the best interest of the Company. The opinion was arrived at after having considered all aspect of the MOU, including but not limited to the rationale and effects of the MOU.

8. APPROVAL REQUIRED

The MOU is not subject to the approval of the shareholders of TASC0 or any regulatory authority.

9. DOCUMENTS AVAILABLE FOR INSPECTION

The MOU is available for inspection at the registered office of at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor during normal business hours from Monday to Friday (except public holiday) for a period of three (3) months from the date of this announcement.

10. OTHERS

The Company will make the necessary announcement and/or seek the approval from shareholders, if required, in the event that the MOU's terms are extended or the Parties enter into any agreement.

This announcement is date 1 April 2021.