

**MY E.G. SERVICES BERHAD [REGISTRATION NO. 200001003034 (505639-K)]
("THE COMPANY")**

**- MEMORANDUM OF UNDERSTANDING ENTERED BETWEEN THE
COMPANY AND ANHUI ZHIFEI LONGCOM BIOPHARMACEUTICAL CO.,
LTD.**

1. INTRODUCTION

The Board of Directors of the Company wishes to announce that the Company and Anhui Zhifei Longcom Biopharmaceutical Co., Ltd ("**Zhifei**") (collectively referred to as "**the Parties**") had on 5 December 2020 entered into a Memorandum of Understanding ("**MOU**") to conduct phase three (3) clinical trials and subsequent commercialisation of Zhifei's COVID-19 vaccine ("**the COVID-19 Vaccine**") in Malaysia.

2. INFORMATION ON ZHIFEI

Zhifei is a subsidiary of Chongqing Zhifei Biological Products Co. Ltd which is listed on the Shenzhen Stock Exchange and has been engaged in the biological products industry since 2002, particularly the production of vaccines for human use. Zhifei is presently one of five Chinese companies conducting phase 3 clinical trials of the COVID-19 Vaccine in various parts of the world.

3. RATIONALE FOR THE MOU

The MOU forms the basis of the cooperation between the Company and Zhifei, for the purpose of conducting phase 3 clinical trials, registration approval and subsequent commercialisation of the COVID-19 Vaccine in Malaysia.

4. SALIENT TERMS OF THE MOU

- a) The Company will be responsible for coordinating with the Malaysian clinical institutions, the Malaysian Ministry of Health and other regulatory authorities to implement and complete the phase 3 clinical trials of the COVID-19 Vaccine in Malaysia.
- b) The Company will be responsible for organising the required resources to obtain Halal Certification for the COVID-19 Vaccine in Malaysia.
- c) Zhifei will assist and provide the Company with necessary reference protocols, requisite materials for clinical application, investigational vaccines for clinical trials, remote implementation assistance and guidance.
- d) Zhifei will assist to provide application materials required for both emergency use and official use registration of the COVID-19 Vaccine in Malaysia, including without limitation to design principles of the COVID-19 Vaccine, clinical data reports and World Health Organization ("**WHO**") certification.
- e) Zhifei agrees to grant the Company or affiliate(s) of the Company the exclusive distribution agency rights of the COVID-19 Vaccine and corresponding commercial rights in Malaysia.
- f) The Parties will separately finalise a formal agreement to specify the terms and conditions regarding the cooperation details.

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5. VALIDITY

The MOU is valid for a period of three (3) years from the date of signing and may be further extended by mutual agreement of the Parties.

6. EFFECTS OF THE MOU

6.1 Share capital

The MOU will not have any effect on the issued and paid-up share capital of the Company.

6.2 Substantial shareholders' shareholdings

The MOU is not expected to have any effect on the substantial shareholders' shareholdings of the Company.

6.3 Net assets per share and gearing

The MOU is not expected to have any material effect on the net assets per share and gearing of the Company for the financial year ending 31 December 2020.

Nonetheless, the MOU is expected to contribute positively to the net assets per share of the Company for the financial year ending 31 December 2021 onwards upon successful completion of the phase 3 trials and commercialisation of the COVID-19 Vaccine in Malaysia.

6.4 Earnings per Share

The MOU is not expected to have any material effect on the earnings per share of the Company for the financial year ending 31 December 2020.

Nonetheless, the MOU is expected to contribute positively to the earnings per share of the Company for the financial year ending 31 December 2021 onwards upon successful completion of the phase 3 trials and commercialisation of the COVID-19 Vaccine in Malaysia.

**7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR
PERSONS CONNECTED WITH THEM**

None of the Directors and/or major shareholders of the Company and/or persons connected with them have any interests, direct or indirect, in the MOU.

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8. STATEMENT BY BOARD OF DIRECTORS

The Board of Directors of the Company, having reviewed and considered the terms and conditions of the MOU, are of the opinion that the MOU is in the best interest of the Company and the terms and conditions of the MOU are fair, reasonable and on terms that are not detrimental to the interest of the minority shareholders of the Company.

9. APPROVALS REQUIRED

The MOU is not subject to the approval of shareholders and any other relevant authorities and is not conditional upon any other corporate exercise undertaken by the Company.

This announcement is dated 7 December 2020.