

Schedule 1 to the Minutes of the
Community Safety Committee
meeting of Richmond City
Council held on Tuesday,
September 10, 2019.

KABU

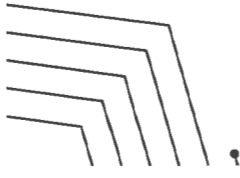
A Richmond, B.C. software development company,
KABU designs and creates App-based transportation
solutions in the ride-hailing and food/package-delivery
sectors, as well as electronic payment solutions.



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City of Richmond

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GOKABU
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Executive Summary

KABU-Ride Inc., doing business as KABU, is a Canadian company headquartered in Richmond seeking a special authorization licence to operate as a Transportation Network Services Company in British Columbia.

KABU-Ride Inc. is a subsidiary of **GoKABU Group** which was founded in 2016 and is headquartered in Richmond.

GoKABU Group's subsidiary *GoKABU Technologies Inc.*, a software development firm, created the software application KABU Rider, which has connected riders and drivers through the Chinese social media platform WeChat since 2016. KABU Rider has provided more than one million rides to tens of thousands of customers over the past three years.

The goal of GoKABU Group, through its subsidiary KABU-Ride Inc., is to help solve transportation shortcomings in communities across British Columbia where there is a demand for ride-hailing and a sufficient supply of ride-hailing drivers. We also have plans to operate elsewhere in Canada, the United States, and overseas.

Drawing from our three years of operational experience in Canada, we have created a model that can be replicated in other communities, and customized for that community's specific needs and unique challenges.

We have identified an under-served and growing market niche that exists across Canada. The growing number of immigrants moving to Canada, the increasing number of tourists visiting Canada, and the influx of international students studying here, represent both potential customers and drivers.

What sets us apart from our competitors is our focus on recognizing the time, effort and resources that our drivers are bringing to the table. We are in the midst of implementing an industry-leading Driver Health Benefits Reward System, where our drivers will receive incentives for investing in their personal healthcare needs and those of their families.

KABU continues to forge connections with other businesses, government agencies and institutions in the transportation industry as KABU works towards its goal of crafting a multi-modal App that will help solve many of the transportation challenges that exist in cities around the world.

While technology is at the heart of what we do, it's the team we've assembled who are the key to our success.

And the team is focused on bettering the community and making life easier on the people who live here.





**KABU WILL
BRING YOU THERE
ANYWHERE
ANYTIME**

About Us

KABU-Ride Inc. is a Canadian ride-hailing company powered by a young, talented and driven team focused on improving the world by better connecting people and places through technological innovation and community collaboration.

KABU-Ride Inc.'s vision is to provide a multi-modal transportation platform in Vancouver that integrates ride-hailing services, public transit buses, Canada Line/SkyTrain, vehicle rentals, taxis, ferries and other transportation options into a single application, or App, for users.

Powering the smart cities of the future, starting today...

Mission & Vision



Mission

To link people with places—enabling everyone to *Travel Like a Local*—one safe ride at a time, anywhere in the world.

Vision

Delivering the smart cities of the future into the hands of the people through a single App, starting today.

KABU

Company Goals and Objectives



- To become the market leader in the ride-hailing industry while prioritizing the needs and well-being of our riders, our driver partners and the community as a whole
- To forge partnerships with local stakeholders and businesses to create a multi-modal App that incorporates the full-range of transportation options, and even a combination of them
- To become the first ride-hailing App to provide an industry-leading rewards system to drivers who are urged to invest in themselves by securing fully-portable health benefits



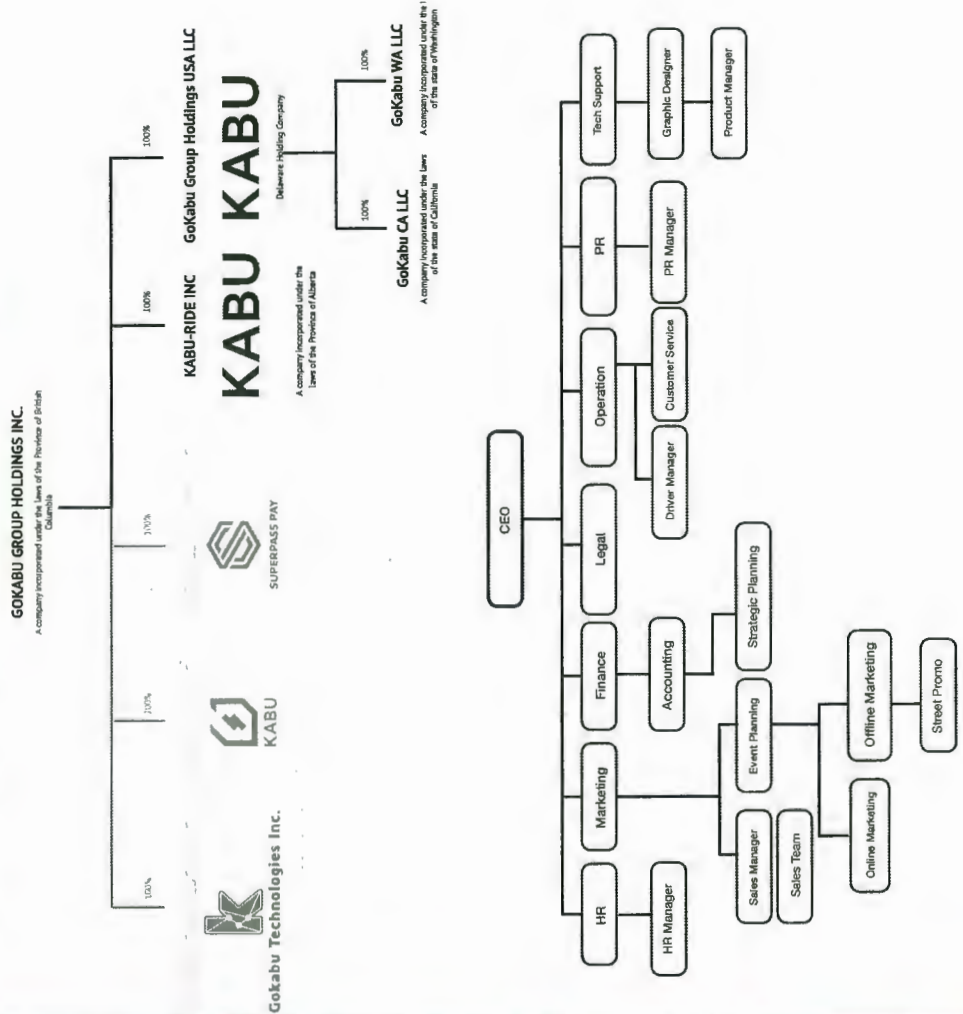
Industry leaders

At KABU, we don't just want to be part of the gig economy. We strive every day to be industry leaders and innovators in the ride-hailing space, and are doing so by being the first to reward drivers who invest in themselves by securing fully-portable health benefits.






GOKABU GROUP




KABU




Hugo Yuan
Marketing Director




Austin Zhang
CEO of GokABU Group




Billy Xiong
President




Hill Huang
Operations Director




Ge Zhang
Product Director



Lex Kan
CTO



Daniel Xiao
Finance Director




Timo Hengge
PR Director

Meet Our Management Team



Lulu Yuan
HR Manager



Mao Mao
Customer Service
Manager



Martin van den Hemel
Communications Director

Our leadership team firmly believes that we must be transparent with, and accountable to, the entire community with respect to our office culture, corporate governance practices, stockholder engagement, corporate responsibility and sustainability, and human capital development.

Key Professional and Advisory Support

MLT AIKINS



Steven Meng
Corporate Finance and Securities
Advisor
MLT AIKINS



Garland Chow
Operations and Logistics Advisor
Associate professor emeritus
Sauder School of Business, UBC



Chad Schmiedge
Insurance Advisor
Cyber and TNC
Hub International



MAHDI SHAMS
Canada Legal Advisor



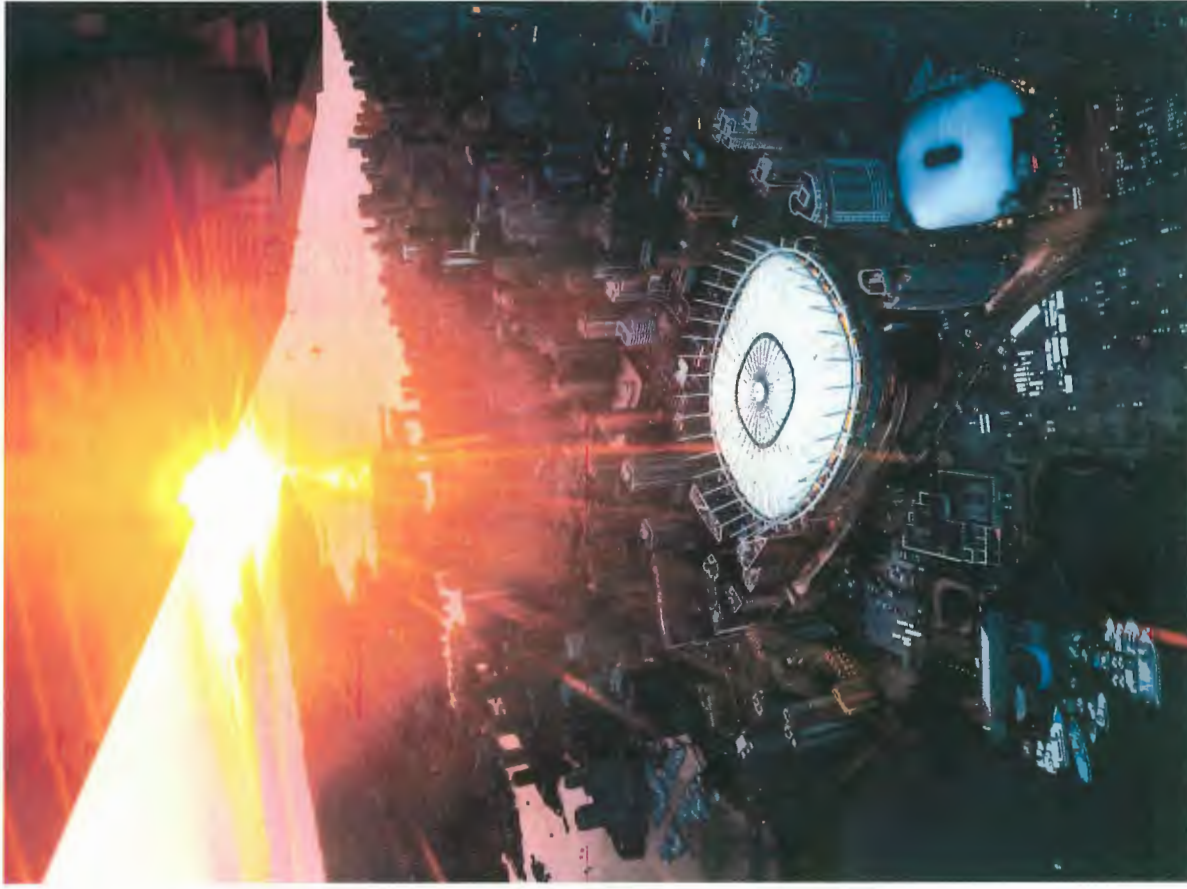
Matthew w. Daus
US Legal Advisor
Tenth Commissioner
and Chairman of NYC TLC



Philip L.
Accounting Advisor
LLN Partners L

Target Market

KABU will tap into Canada's strength as a globally-respected multi-cultural country where immigrants are welcomed, respected, valued and rewarded for their skills, work ethic and passion. For **NEW IMMIGRANTS**, finding a job that pays a livable wage and provides benefits for their family is their **FIRST PRIORITY**. KABU will target these newcomers with positions that have a low-barrier to entry, and which provide a way for them to utilize their language skills while doing a job that allows them to learn about and better connect with their new surroundings and the people who live there.



The Ride-Hailing Problem



Language Barrier

With increasing international travel and immigration, communication between riders and drivers is becoming more challenging due to the language barrier.



Information Gap

Due to varying situations in a traveller's home country, they are often unaware of transportation options upon arrival at their new destination.



Downloading requirement

Different ethnic groups are accustomed to different platforms to acquire services that are often geo-blocked. This creates issues with downloading apps which becomes cumbersome and inconvenient for the traveller and is a barrier to entry.



Choosing Transportation

With so many means of transportation available, it is difficult for people to choose the fastest, greenest or shortest route at a glance.

The KABU-Ride Solution



Global Translations

KABU analyses travel patterns to and from any city with active operations. Based on this data, we translate our entire in-app experience to the most commonly-spoken languages. Upon request, we will match any traveller to a driver speaking the same language.



Global Outreach

By advertising to travellers at the most common source airports and in their native language, KABU can convert them before they even arrive at their destination.



Targeted Delivery Channels

Replicating our previous success, KABU delivers the app via channels that travellers are familiar with and accustomed to. In most instances, no downloads are required.



Multi-Modal Transportation

At a glance, riders can see different means of transportation and choose based on Cheapest, Fastest or Greenest routes.

Ride-Hailing with Added Value

Travel Like a Local

Connecting riders and drivers continues to be our specialty. While the service through our APP is a simple and seamless experience, it takes a dedicated and talented team to ensure the system operates smoothly and efficiently. From 24-hour customer service staff adept at addressing emergent issues, to a visionary team of designers and coders focused on innovation, to top-calibre driver recruitment and training staff, and an administrative team committed to excellence: these continue to be the secret ingredients to KABU's success.

KABU Local Guides

Tourists can Travel Like a Local, by simply asking KABU drivers about the best tourist spots, top restaurants and best hotels.

All-in-One App

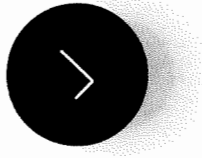
Tourists can Travel Like a Local, by utilizing the App regardless of whether the user is looking for ride-hailing services, public transportation or another means of transportation.

True Driving Partners

KABU is the first ride-hailing firm to provide a Driver Health Benefits and Rewards System.

Unbeatable Industry Experience

Operating in Canada since 2016. No one knows Canada's ride-hailing industry as well as KABU.



Target Customers

International Students

China and India are the top 2 origin countries for international students in Canada and America. The top five origin countries of international students: USA—China (33%), India (17%), South Korea (5%), Saudi Arabia (5%) and Canada (3%).
Canada—China (24.98%), India (30.16%), South Korea (4.23%), France (3.97%) and Vietnam (3.55%).



New Immigrants

Canada currently has 37 million residents, of whom more than 21% are immigrants. By 2036, this immigrant population will reach 34.4% of Canada's total population. Asian immigrants will comprise 60% of Canada's immigrant population. There are currently 1.7 million Chinese immigrants living in Canada.



Travellers

By leveraging word-of-mouth and social media marketing, KABU can capture a larger market share both locally and with potential tourists in their countries of origin.



Summary

KABU is focusing on markets with a large immigrant community in Canada. We provide better and more tailored services for the specific needs of these customers.



Downtown demand for transportation

On weekends, our busiest service locations are in Downtown Vancouver, where KABU Ride drivers simply can't keep up with the demand. Taxi companies face a similar problem, and are unable to provide enough service to meet the demand from customers who are leaving nightclubs, bars, restaurants and other night-time gathering places to head home on a Friday night, early Saturday morning, or Saturday night and early Sunday morning. There's no questions that some of these KABU Rider customers would consider driving if our service wasn't available. With taxis unable to meet the demand at those hours, that could have dangerous consequences that puts the general public at risk. Attached is another heat map that provides evidence to support this supposition.

There's also evidence to suggest that our customers use our services for the first-mile and last-mile of their commutes. Consider the provided heat map which shows the large number of rides that end near a Canada Line station. Without our services, will ridership on public transit suffer?



7-day heat map

Demand on display

This recent 7-day snapshot provides an indication of the number of rides we provide customers each week.

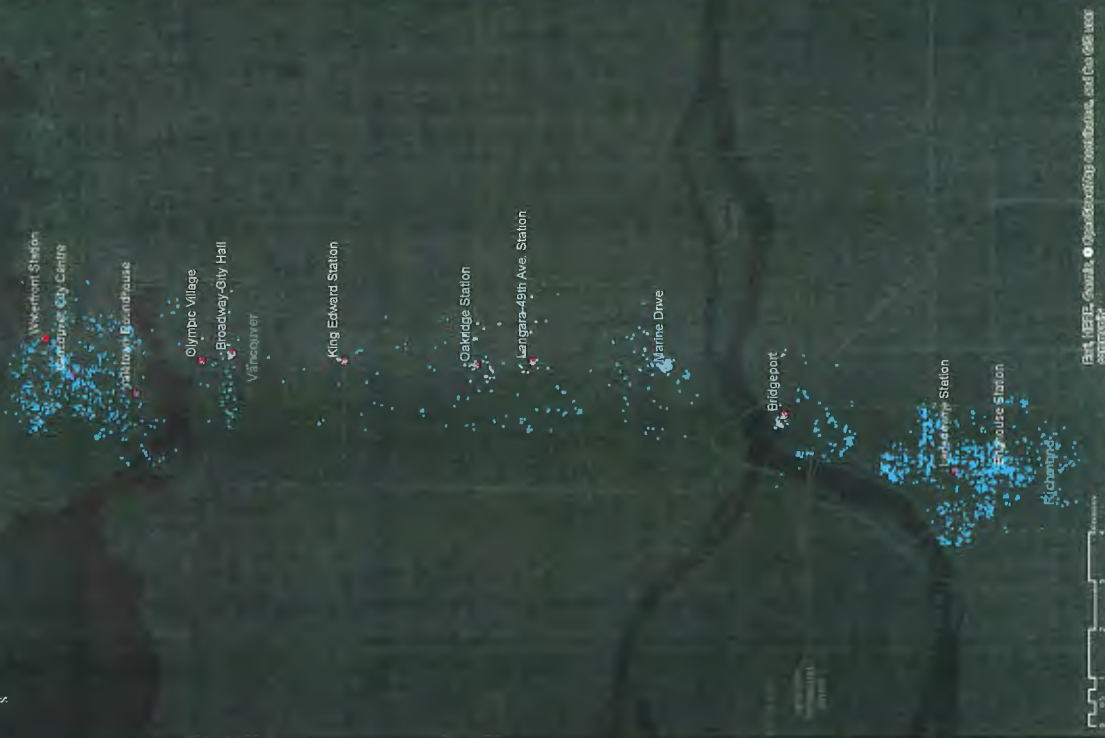
Notable hotspots are near Richmond's high schools, Richmond's shopping centres and Canada Line stations along No. 3 Road, Metrotown mall in Burnaby, and post-secondary institutions including UBC, Simon Fraser University and BCTU, as well as Downtown Vancouver.

The international students who rely daily on our services don't only go to school using KABU Rider. They get together with friends, go to shopping centres to pick up necessities or do banking and other errands.

KABU Order Distribution in Vancouver Area



KABU Order Distribution in Skytrain Area



DATA SOURCE: CABU Order Distribution Data, last 60 days

KABU Order Distribution in Area of Canada Line

First-mile and last-mile

Our data suggests that KABU customers use our service to access the Canada Line, judging from this heat map which shows drop-off locations near the Canada Line stations in Richmond, Vancouver and Downtown Vancouver.

Our goal is to provide a multi-modal App, where our customers can book various modes of transportation to complete their journey, including public transit, vehicle rentals and even taxis and bike rentals.

We believe ride-hailing plays a critical role in the first-mile and last-mile of many journeys.

Canada Line users request to be dropped off either at the Canada Line stations, or nearby, so they can do other errands before beginning their journey.

Operations

While technology plays a critical role in KABU's services, equally important is people power, in the form of the members of the operations team. From screening to training and monitoring its fleet of drivers, to ensuring complaints and concerns are addressed in a timely fashion, **the Operations team is the backbone of the organization.** In many ways, they are the most public face of KABU.

KABU-Ride Inc. president Billy Xiong will be responsible for the operation of the ride-hailing services, and has a team to assist him, including Director of Operations Hill Huang. Hill Huang oversees the management of drivers as well as driver recruitment and training, while he receives support from Lex Can, chief technology officer, who is responsible for the performance of the App and for ensuring that drivers can be monitored. Hill Huang and Lex Kan work closely with customer service manager Mao Mao, who heads the Customer Service Department, which is charged with handling rider and driver issues and complaints around the clock. KABU-Ride Inc. is headquartered in Richmond, B.C. The KABU Rider app meets all the TNS App requirements— including those that pertain to data sharing—and is capable of geo-fencing areas as required by the Passenger Transportation Branch and/or Passenger Transportation Board. A future version of our App will enable those who are visually impaired to use our App for their transportation needs. And we are currently negotiating with another Lower Mainland business to provide wheelchair-accessible ride-hailing vehicles to our growing customer base.





Helping Customers and Drivers

KABU-Ride Inc.'s App will be available to customers in iOS form through Apple's App Store and via Google Play for Android users.

The App will connect riders to drivers throughout the Lower Mainland and in other B.C. communities where there's demand for ride-hailing services and a sufficient supply of ride-hailing drivers.

Customers can either book a ride for their immediate needs, or schedule one for a future need. They can select the level of service they want, ranging from KABU Eco, which involves electric and hybrid vehicles, to KABU Premium, for those who want a more luxurious drive on those special occasions, to KABU Plus, for groups of up to five adults.

Our App will also be offered to users of the Chinese social media platform WeChat, through which rides can be booked, and payments processed.

Drivers will be connected with riders through the KABU Driver App. Once the App is switched on, and the driver makes himself or herself available, he or she will receive a ride request in the area they've specified in the App. To mark the end of their day, the Driver only needs to switch the App off.



Driving Partner On-Boarding

Drivers are the engine that power KABU

If the operations team is the backbone of KABU, then our fleet of drivers is the engine that powers our future.

Recognizing the time, effort and resources our drivers bring to the table, KABU is committed to providing an industry-leading Driver Health Benefits Rewards System. Drivers will receive incentives for investing in their personalized health benefits package.

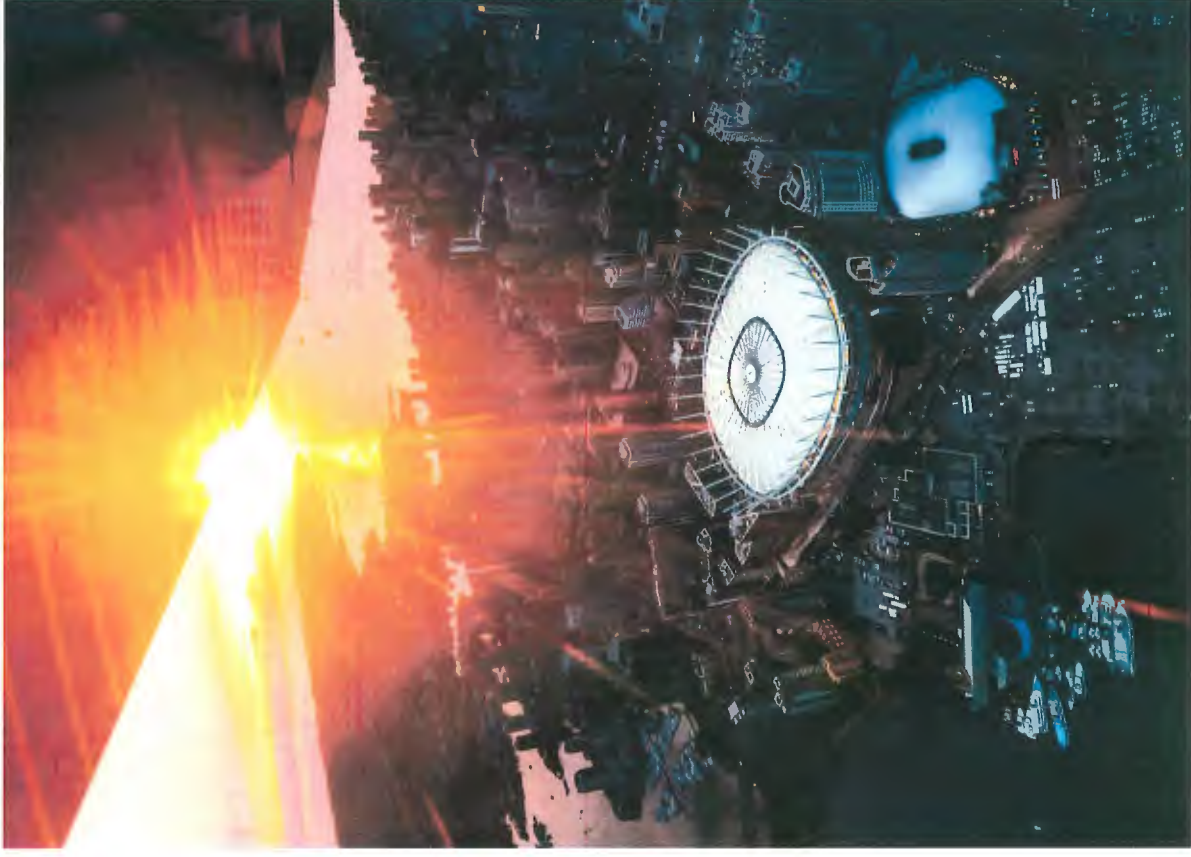
By showing our drivers that we're serious about providing them a living wage and connecting them with health and dental benefits, and creating community partnerships that will help lower the cost of vehicle operation and maintenance, we hope to keep them loyal to KABU.

Together with our drivers, we strive to help solve the transportation challenges that local residents face everyday.

Aiming to serve all of B.C.

SERVICE EXPANSION

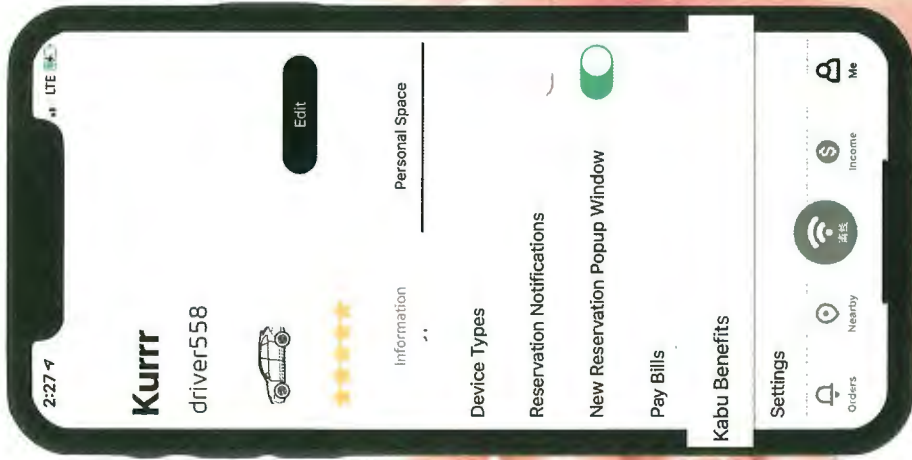
Aside from immediately operating in Region 1 (Lower Mainland) and Region 2 (Victoria) and Region 3 (Nanaimo), KABU-Ride Inc. plans to expand its operations to Region 4 (Okanagan) within the first year of the launch of our service. We anticipate a fleet size of 40 vehicles to serve the Central Okanagan (Kelowna) and Thompson-Nicola (Kamloops) areas at launch by the end of 2020, with the hope of increasing the fleet to match demand. We hope to expand to Region 5, focusing on the Sunshine Coast (Gibsons, Sechart) and Fraser-Fort George (Prince George) areas, but also considering other areas with sufficient demand. The launch in Region 5 could happen in early 2021 or sooner, with an initial fleet size of 25 vehicles.



KABU CARES Driver BENEFITS program

Driver Health Benefits Rewards Program, an industry first, provided by The Edge Benefits and The Co-operators Insurance.

Ultimate	
<p>Basic</p> <p>Basic Health & Dental plan \$1,000 disability (injury) Use doesn't impact future rates Available for single, couple, family</p>	<p>Bronze</p> <p>Health & Dental Plan with Dental upgrade \$2,000 Disability (injury) Same rates for smokers/non-smokers Boost ranking and subsidy</p>
<p>Diamond</p> <p>Fully upgraded health/dental plans \$3,000 disability (injury) Mega boost rankings/subsidy Single/couple/family rates</p>	<p>Gold</p> <p>Fully upgraded health/dental plans \$3,000 disability (injury) Available for single/couple/family One family rate Boost rankings and subsidy</p>
<p>Pro-plus</p> <p>Platinum</p> <p>Fully upgraded health/dental plans \$3,000 disability (injury) Large boost ranking/subsidy Use doesn't impact future rate</p>	



Commission Rate

WE RESPECT OUR DRIVING PARTNERS. KABU's commission rate will cover the cost of commercial insurance and licensing, as well as operations. But KABU's rate is much lower than what UBER and Lyft will be charging drivers, which is reportedly between 30 and 35 per cent.



KABU+
Commercial
Insurance and
Licensing

Safety Is Always The First Priority



DRIVER SCREENING and RENEWALS:

All KABU drivers are required to meet provincial standards and requirements. This includes: Class 4 licence, driver's abstract, vehicle inspection, vulnerable sector criminal record check. Drivers who do not meet these standards will not have access to the KABU driver App.

An automated system will remind drivers a month prior to when their documents must be renewed each year. Drivers who do not meet company and provincial requirements will be barred from the KABU driver App until their documents are in order.

DRIVER AUDITING:

We will be implementing a MYSTERY DRIVER program, where an anonymous employee will be taking rides in KABU vehicles, and grading drivers on their performance, and doing a visual inspection of their vehicle to ensure it meets with both company and provincial policies and guidelines.

DRIVER TRAINING:

We will be bringing in new Driver Training tools in the form of live-training, video-training and best-practices documents. We want to position our drivers to succeed, and will arm them with the knowledge they need to do so.

DRIVER MONITORING:

Driver behaviour and wages will be monitored through the App to ensure all company and provincial requirements are met.



Technologies

Our riders and drivers don't care much about how the technology works.. They're more concerned that the App is easy-to-use and works reliably. But it's the technology that powers these connections, ensuring that drivers know exactly where they're supposed to pick up their next customer, and that the quickest route gets the customer to his or her destination safely. And it's this technology that efficiently deploys our fleet, and makes the best use of their valuable resources to serve our growing ridership, connecting the right driver with riders as quickly as possible. As customer needs become more diverse, and there's an increasing desire to have tailor-made solutions to meet those needs, technology must keep up with those changes. Our research and design team is working with other firms as well as educational institutions, in the hope of bringing added functionality to our App and better services to the community.

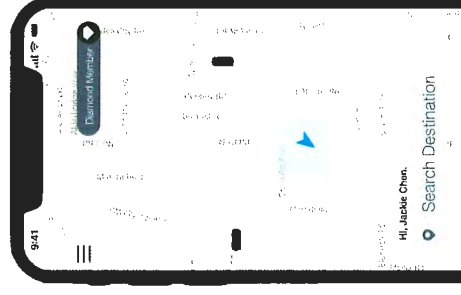
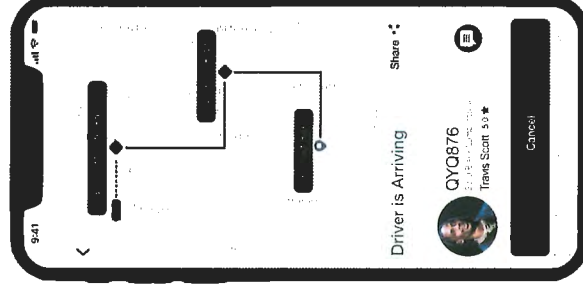
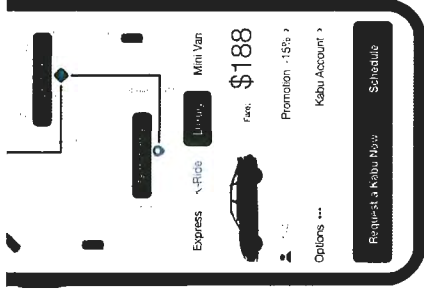


Application Rider native App design

KABU RIDER APP X KABU DRIVER APP

All KABU Apps are fully designed and programmed in house here in Richmond, B.C. and powered by our proprietary algorithms. This lets us match the best possible driver for any given rider. Our technology takes distance, rating, cancellations and more into account for an omni-channel view of each driver.

KABU has the unique ability to place the rider App inside other platforms like WeChat. This makes software downloads unnecessary and eases rider acquisition. And it also means our App can be easily dovetailed into any country's or culture's preferred social media channels.



Big Data

KABU analyses more than twenty data points with easy access to key data like current driver status, operational information, billing, and real-time mapping of driver position. For our community partners, this information is critical for infrastructure and logistics planning, and the data can provide new insight and suggest solutions to address transportation challenges. KABU uses this data to improve services, capture new markets and improve advertising return on investment.



