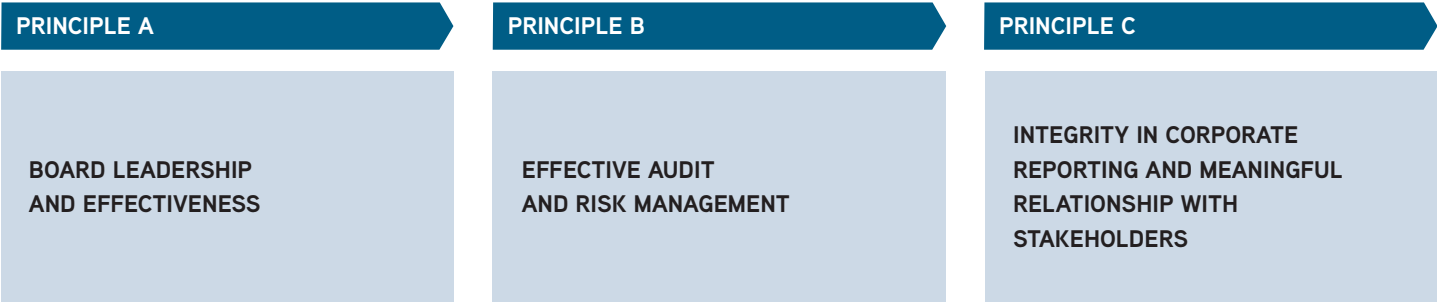


CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of EP Manufacturing Bhd (“EPMB” or “Company”) will endeavour to comply with all the key Principles and Best Practices of the Malaysian Code on Corporate Governance 2021 (“the MCCG”) in its effort to observe high standards of transparency, accountability and integrity. EPMB is committed to practice high standard of corporate governance to ensure effective self-regulatory corporate governance to protect stakeholders’ interests.



Statement of Compliance with Malaysian Code on Corporate Governance 2021

The Company is committed to achieving high standards of corporate governance throughout the Group and to the highest level of integrity and ethical standards in all its business dealings. The Board considers that it has complied with most of the main principles and recommendations of the MCCG that are applicable to the Company throughout the financial year.

In accordance with Paragraph 15.25 and Practice Note 9, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”), the following paragraphs provide an overview statement on how EPMB has applied the Principles set out in the MCCG and how the Board has complied with the Recommendations set out in the MCCG for the financial year ended 31 December 2022.

In addition, a Corporate Governance Report (“CG Report”) which provides the application of each Practice set out in the MCCG during the financial year ended 31 December 2022 has been prepared and may be downloaded on the Company’s website at <https://www.epmb.com.my>.

This Statement should be read together with the CG Report to provide comprehensive disclosure of the application of each principle and practice set out in the MCCG during the financial year ended 31 December 2022.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

In line with the disclosure in CG Report, the Group has continued applying the Practice 1.1 to 1.6 of the MCCG for the entire financial year ended 31 December 2022.

1. The Board and its Responsibilities

The Board is responsible for the overall corporate governance, strategic direction, formulation of policies and overseeing the businesses of EPMB and its subsidiaries ("the Group"). The Board leads and supervises the management of the business and affairs of the Group, ensure necessary resources are in place in enhancing long term shareholders' value and sustaining the stakeholders' interests.

a) Board Composition

The Board consists of eight (8) members comprising the Executive Chairman, three (3) Executive Directors and four (4) Independent Non-Executive Directors.

The present Board composition is in compliance with Chapter 15.02 of the Listing Requirements, which requires at least 2 Directors or one third (1/3) of the Board of Directors of a listed issuer, whichever is the higher, are independent directors. The Independent Directors provide unbiased and independent views in ensuring that the strategies proposed by the Management are fully deliberated and examined for all stakeholders of the Group.

Currently, the Board has one (1) female Director, representing 12.5% of the total Board members. They are part of the Board's gender diversity that serves to bring value to the Board's discussions from different perspectives and approaches from gender diversity.

The profiles of the Directors are set out on pages 18 to 21 in this Annual Report.

The Board comprises of business entrepreneurs and professionals drawn from various backgrounds, with a diverse range of know-how, experiences and knowledge; providing the relevant skills, expertise and experience for making sound investment decisions and manage the Group's business operations. With the diversified and vast experiences of the board members, the Board is competent to discharge its duties and responsibilities and safeguard shareholders' value.

The Board composition is based on merits, experience and their commitment and contribution to the Group. The Board from time to time undertakes a review of its composition to determine areas to strengthen and improve opportunities.

The Board also recognises that having a range of different skills, backgrounds, experience and diversity is essential to ensure a broad range of viewpoints to facilitate optimal decision making and effective governance.

The Board acknowledges the recommendations of the MCCG on the establishment of a gender diversity policy in terms of age, gender, culture, nationality, ethnicity and recognises the benefits of this diversity. The Board will formalize a policy on gender diversity, will advocate non-discrimination of any form, whether based on age, race, religion or gender, throughout the Group. This includes the selection of Board members and senior management. The Company believes in providing equal opportunity to candidates with merit.

The Board, through the Nomination Committee will consider the female representation when a vacancy arises. However, the appointment of a new Board member and senior management will not be guided solely by gender but will take into account the skills, experience, expertise, character, time commitment, integrity and other qualities in meeting the needs of the Company.

One-third (1/3) of the Directors shall retire from office at every Annual General Meeting and shall be eligible for re-election. All Directors shall retire from office at least once every three (3) years and shall be eligible for re-election.

b) Roles and Responsibilities

The positions of Executive Chairman and Acting Chief Executive Officer are held by different individuals. The roles of the Executive Chairman and Acting Chief Executive Officer are separate with clear division of responsibilities between them to ensure balance of power and authority.

The Board recognises the key role in providing stewardship to the Group's strategic direction and has assumed their principal roles and responsibilities in discharging its fiduciary and leadership functions.

Executive Chairman

The Board is chaired by the Executive Chairman, Encik Hamidon Bin Abdullah. The Executive Chairman is primarily responsible for the setting of Group's strategic direction and orderly and effective conduct of the Board. Together with the Executive Directors, they are responsible for the overall operational effectiveness and implementation of corporate strategies and decisions of the Board.

To be in line with the MCCG, the Chairman is not a member of the Audit Committee, Nomination Committee and Remuneration Committee.

Executive Director

The duty of Executive Director includes implementation of decisions and policies approved by Board, overseeing and running the Group's day to day business, and also coordinating business and strategic decisions. Each Executive Director is responsible for the respective business unit that there is no overlapping of each role and duty.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

Independent Directors

The Non-Executive Directors are independent from management and are free from any business or other relationships that could materially interfere with the exercise of independent judgement. They scrutinize the decision taken by the Board, and provide constructive opinions and objectively challenge the Management's proposal and decision. While the Board is responsible for creating the framework and policies within which the Group should be operating, the Management is accountable for the execution of the expressed policies and attainment of the Group's expressed corporate objectives. This demarcation reinforces the supervisory role of the Board.

The Board also assumes various functions and responsibilities that are required of them by regulatory authorities, as specified in guidelines and directives issued from time to time.

c) Board Charter

The Board has formalised and uploaded its Board Charter on the Company's website at www.epmb.com.my. The Board will review and update the Board Charter periodically.

The Board Charter sets out the respective roles and responsibilities of the Board, Board Committees, individual Directors and Management. The Board is the Company's decision-making body, significant issues and decisions are reserved for the Board's decision.

d) Independence

The Group measures the independence of its Directors based on the criteria prescribed under the Listing Requirements in which a Director should be independent and free from any business or other relationship that could interfere with the exercise of independent judgement or the ability to act in the best interests of the Company. Objective assessment of the independence of Directors based on the provisions of the Listing Requirements is carried out before the appointment of Directors and reaffirmed annually.

One of the recommendations of the MCG states that the tenure of an independent director should not exceed a cumulative term of over 9 years. To be in line with the MCG, Mr. Hew Voo Foo and Encik Shaari Bin Haron, who had served the board for more than 9 years had resigned on 5 April 2023. Subsequent to the appointment of two new Independent Directors, Mr Ho Pui Hold and Dato' Seri Thaiveegan A/L Arumugam, none of the Independent Director has serve the Company for more than 9 years.

The Board has considered the current size and composition of the Board, which comprises a balanced mix of professionals and entrepreneurs who have a diverse range of know-how and experiences in relevant fields. The Board is of the view that with the current Board size, diversity and gender, there is a balance of power and authority on the Board between the Non-Independent and Independent Directors. The Board is assisted by the Nomination Committee to review the Board size and composition annually.

e) Code of Conduct and Ethics

The Board has formalised a Code of Conduct which is incorporated in the Board Charter, setting out the standard of conduct expected from Directors, Senior Management and employees.

The Code of Conduct and Ethics will be reviewed periodically and published on the Company's website at <https://www.epmb.com.my>.

f) Whistleblowing Policy

The Whistleblowing Policy will be reviewed periodically and published on the Company's website at <https://www.epmb.com.my>.

g) Anti-Bribery And Corruption Policy

EPMB Group has adopted the Anti-Bribery and Corruption Policy ("ABC Policy") and the ABC Policy will be reviewed periodically.

The ABC Policy is published and available for reference on the Company's website at <https://www.epmb.com.my>.

h) Directors' Fit and Proper Policy

EPMB Group has adopted the Directors' Fit and Proper Policy in 2022 and will be reviewed periodically.

The Directors' Fit and Proper Policy is available and published on the Company's website at <https://www.epmb.com.my>.

i) Schedule of Matters Reserved for Board

Append below is a list of matters reserved for Board and Board Committee, where there is doubt regarding a matter/an issue, it shall be referred to the Chairman:-

- i. Business plan and changes thereon;
- ii. Introduction of new business or termination of existing business;
- iii. Budget and significant capital expenditure;
- iv. Quarterly results, unaudited and audited financial statements;
- v. Proposed dividend/Dividend policy;
- vi. Approval of significant changes in accounting policies and practices;
- vii. Remuneration of auditors;
- viii. Recommendations for appointment, reappointment and dismissal of auditors;
- ix. External and internal audit plans;
- x. Report and findings of auditors;
- xi. Property, plant and equipment written off and/or disposals;
- xii. Bank borrowings;
- xiii. Changes in the mode of operations of bank accounts;

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

- xiv. Debt, loan agreements and working capital facilities for the Group;
- xv. Financial instruments and derivatives;
- xvi. Increase in issued and paid up share capital, share buy-back, capitalisation of reserves;
- xvii. Related party transactions;
- xviii. Directors' remunerations and fees;
- xix. Changes in organisational and management structure;
- xx. Misconduct and disciplinary matters;
- xxi. Actual or potential conflict of interest matters;
- xxii. Anti-bribery and corruption matters;
- xxiii. Anti-money laundering;
- xxiv. Changes in key positions;
- xxv. Appointment of power of attorney;
- xxvi. Risk management framework;
- xxvii. Internal control systems;
- xxviii. Board committees' Terms of Reference and changes thereto;
- xxix. Whistleblowing policy, Board Charter, Code of Conduct and Ethics and Anti-Bribery And Corruption Policy;
- xxx. Convening Annual General Meeting/Extraordinary General Meeting;
- xxxi. Key statements of Annual Report;
- xxxii. Business and operational policy, Board Charter, Code of Conduct and Ethics;
- xxxiii. Appointment and termination of Company Secretary and/or Share Registrars;
- xxxiv. Change of registered office;
- xxxv. Change of Company's name;
- xxxvi. Accounting policy; and
- xxxvii. The Board and senior management work hand in hand in the sustainability framework and reporting.

The Board together with the Management takes responsibility for the governance of sustainability in the Company including setting the Company's sustainability strategies, priorities and targets.

2. Board Meetings

An annual meeting schedule is prepared, prearranged in the final quarter of each year and circulated to the Board to enable the Directors to plan ahead and fix the scheduled meetings. The Board meets at least four times a year. Special Board meetings to deliberate on any ad hoc or urgent issues which require the Board's consideration and decision will be held as and when necessary. Financial and operation plan will be reviewed and discussed at each regular scheduled meeting.

Other items reviewed would include business performance of the Group, against plan previously approved by the Board, review and approve quarterly and annual financial statements, corporate exercises and other proposals that require the approval of the Board. Senior Management and advisers may be invited to attend Board meetings, where necessary, to provide additional information and insights on the relevant agenda tabled at Board meetings.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors. In any given circumstances, in accordance with the provision of the Listing Requirements, members of the EPMB Board are expected to serve in no more than five (5) public listed companies.

The Board met five (5) times during the financial year ended 31 December 2022. Details of each director's attendance for the financial year ended 31 December 2022 are as follows:-

Name	Attendance
Encik Hamidon Bin Abdullah (<i>Chairman</i>)	5/5
Encik Aidan Hamidon	5/5
Mr Ho Kok Wei	5/5
Mr Cheng Sheng	5/5
YM Tengku Datin Sri Nurzaheran Binti Tengku Hisham (<i>Appointed on 1.8.22</i>)	2/2
Mr Peter Thien @ Peter Thien Shin Foh (<i>Appointed on 11.8.22</i>)	2/2
Encik Shaari Bin Haron (<i>Resigned on 5.4.23</i>)	5/5
Mr Hew Voon Foo (<i>Resigned on 5.4.23</i>)	5/5
Encik Zulkefly Bin Baharuddin (<i>Resigned on 31.12.22</i>)	5/5
Tan Sri Datuk Hussin Bin Haji Ismail (<i>Resigned on 11.8.22</i>)	3/3
Dr Linden Hamidon (<i>Resigned on 1.8.22</i>)	3/3
Encik Johan Bin Hamidon (<i>Retired on 31.5.22</i>)	3/3
Dato' Seri Thaiveegan A/L Arumugam (<i>Appointed on 5.4.23</i>)	N/A
Mr Ho Pui Hold (<i>Appointed on 5.4.23</i>)	N/A

3. Supply of Information

The Board meeting agenda and meeting papers are distributed 5 days prior to the meetings of the Board to ensure that Directors have sufficient time to deliberate the matters and effective discussion at the meetings. The Board members are supplied with full and timely information to enable them to discharge their duties.

Presentations to the Board are prepared and delivered in a manner that ensures clear and adequate presentation of the subject matter. For accessibility and more effective administration of the board papers, it is made accessible electronically through secured means. All issues raised, discussions, deliberations, decisions and conclusions including dissenting views made at Board meetings with clear actions to be taken by responsible parties are recorded in the minutes.

All Directors have full access to the information and support from the Management. Directors may also interact directly with, or request further explanation, information or update on any aspects of the Group's operations from the Management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

In addition, the Board also has access to the advice and services of the Company Secretary who is responsible for ensuring that Board Meeting procedures are followed and that applicable rules and regulations are complied with. The proceedings and resolutions reached at each Board meeting are recorded in the Minutes Book kept at the registered office by Company Secretary. Besides Board meetings, the Board also exercises control on matters that requires its approval through the circulation of Directors' resolutions.

As the Group's quarterly results is one of the regular annual schedule of matters which is tabled to the Board for approval at the quarterly Board meetings, notices on the closed period for trading in EPMB's securities are also circulated to remind Directors, Key Management personnel and Principal Officers who are privy to any sensitive information and knowledge in advance whenever the closed period is applicable based on the targeted date of announcement of the Group's quarterly results. This is to comply with the Listing Requirements and the Capital Markets & Services Act 2007 requirements where key management personnel and principal officers of the Group are prohibited from trading in securities or any kind of property based on price sensitive information which has not been publicly announced within 30 calendar days before the targeted date of announcement of the quarterly results up to the date of announcement.

The Board will seek independent professional advice, if necessary, at the Company's expense from time to time to enable the Board to discharge its duties in relation to matters being deliberated.

4. Nomination Committee

The composition of the Nomination Committee and their attendance records of Nomination Committee meetings are as follows:-

Name of Director	Position	Meeting Attendance
Mr Ho Pui Hold <i>(Appointed on 5.4.23) (Independent Director)</i>	Chairman	N/A
Dato' Seri Thaveegan A/L Arumugam <i>(Appointed on 5.4.23) (Independent Director)</i>	Member	N/A
YM Tengku Datin Sri Nurzaheran Binti Tengku Hisham <i>(Appointed on 26.8.22) (Independent Director)</i>	Member	N/A
Encik Shaari Bin Haron <i>(Resigned on 5.4.23) (Independent Director)</i>	Chairman	1/1
Mr Hew Voon Foo <i>(Resigned on 5.4.23) (Independent Director)</i>	Member	1/1
Tan Sri Datuk Hussin Bin Haji Ismail <i>(Resigned on 11.8.22) (Independent Director)</i>	Member	1/1

The Nomination Committee ("NC") comprise exclusively of Independent Non-Executive Directors and is chaired by an Independent Director. The NC annually review the required mix of skills, experience, diversity, fit and proper criteria and other qualities, including core competencies and effectiveness of the Board, as a whole, the Board Committee, Board composition and the contribution of each individual director. On top of that, the Nomination Committee also annually review the term of office and performance of the Audit Committee and each of its members.

The NC reviews and assesses annually the tenure of each Director, independence and re-election of Director. The review and assessment shall be based on fit and proper criteria, contingent on satisfactory evaluation of the Director's performance and contribution to the Board, and will not limited to the Directors' Fit and Proper Policy.

The Nomination Committee will hold a meeting at least once a year, additional meetings can be scheduled if necessary or upon request by any of its members. The minutes of the meeting of the Nomination Committee are circulated to all the members and it is properly kept at the registered office by the Company Secretary.

The Terms of Reference of Nomination Committee are reviewed periodically and is available at website <https://www.epmb.com.my>.

Activities of the Nomination Committee for the financial year

The members of the Committee have reviewed the composition, mix of skills, expertise, experience, size, diversity and independence of the Board. There is a process in place to review the balance Board composition, Directors' evaluation and effectiveness of the Board annually. The Board composition comprises professional such as laws, accountant, business entrepreneur, with the right mix of knowledge, skills and expertise.

The Nomination Committee reviews annually the performance of the Audit Committee and each of its members and conducts assessment on whether the duties of the Audit Committee were carried out in accordance with the Audit Committee's Terms of Reference. The Audit Committee comprises accountant and business entrepreneur.

The Nomination Committee performed annual assessment and evaluation on all of the Directors encompassing areas such as the criteria of integrity and ethics, governance, strategic perspective, adding value, judgment and decision-making, teamwork, communication and commitment. The assessment of the Board is based on specific criteria, which include the Board structure, Board operations, roles and responsibilities of the Board, the Board Committee and the Chairman's role and responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

The Nomination Committee also reviews and assesses annually the tenure of each Director, independence and re-election of Director. The review and assessment shall be based on fit and proper criteria, contingent on satisfactory evaluation of the Director's performance and contribution to the Board, and will not be limited to the Directors' Fit and Proper Policy.

The respective Director will abstain from evaluating their own Board performance. The Nomination Committee will rate the Board performance evaluation based on the consensus amongst the members of the Nomination Committee.

The results of the assessment would form the basis of the Nomination Committee's recommendation to the Board for the re-election of Directors at the next Annual General Meeting. The final decision rests with the Board.

Upon recommendation by the NC, the Board has approved and recommended the re-election of Directors for the shareholders' approval at the forthcoming Annual General Meeting.

There were 2 Directors appointed during the financial year and 2 Directors appointed in 2023. Searches for potential candidates generally take into account recommendations from the Directors. The Company sourced for the most suitable candidates through recommendation from the Directors, Management or external parties including the Company's contacts in related industries, finance, legal and accounting professions.

The Terms of Reference of the NC does not preclude the usage for services of professional recruitment firms to source for the right candidate for directorship or seek independent professional advice whenever necessary. The profile of shortlisted candidates shall be circulated to the NC members for consideration and assessment based on fit and proper criteria of Directors' Fit and Proper Policy, and thereafter give recommendation to the Board of Directors for approval.

5. Directors' Training

Under Paragraph 15.08 and Practice Note 5 of the Listing Requirements, the Board members shall appraise and keep abreast with the developments in the regulations and statutes relevant to the industry and to further enhance their skills and knowledge by attending the relevant seminars, training programmes, conferences, etc, from time to time.

During the financial year 2022, the Directors had attended various training programmes, conferences, seminars and workshops which they have individually or collectively considered as relevant and useful in contributing to the effective discharge of their duties as directors.

The Directors had attended/participated in one or more of the following training programmes/conferences/seminars/workshops in 2022:

Name of Director	Seminar/Training Programme
YM Tengku Datin Sri Nurzaheran Binti Tengku Hisham <i>(Appointed on 1.8.22)</i>	<ul style="list-style-type: none"> Mandatory Accreditation Programme (MAP)
Mr Peter Thien @ Peter Thien Shin Foh <i>(Appointed on 11.8.22)</i>	<ul style="list-style-type: none"> Mandatory Accreditation Programme (MAP)
Mr Cheng Sheng	<ul style="list-style-type: none"> Mandatory Accreditation Programme (MAP) Blackstone Senior Advisor Forum
Tan Sri Datuk Hussin Bin Haji Ismail <i>(Resigned on 11.8.22)</i>	<ul style="list-style-type: none"> Understanding Sustainability and Environmental, Social and Governance
Mr Hew Voon Foo <i>(Resigned on 5.4.23)</i>	<ul style="list-style-type: none"> Securities Commission's Audit Oversight Board Conversation with Audit Committee Operationalizing the ESG Business Imperative

In addition, all the Board members were briefed by the Company Secretary on the updates of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad during the quarterly Board meeting. Save as disclosed above, En Hamidon Bin Abdullah, En Aidan Hamidon, Mr Ho Kok Wei, En Shaari bin Haron and En Zulkefly Bin Baharuddin were not able to attend any public training programme or seminar during the financial year due to other business commitments.

The Board of Directors will continue to evaluate and determine the training needs that will assist the Directors in discharging their duties.

6. Qualified and competent Company Secretaries

The Directors have unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively. The Board is regularly updated and advised by the Company Secretaries who are qualified, experienced and competent on statutory and regulatory requirements, and the resultant implications of any changes therein to the Company and Directors in relation to their duties and responsibilities. The Company Secretaries advise the Board on matters relating to corporate governance, compliance with the Listing Requirements, Capital Markets and Services Act 2007 and Companies Act 2016, preparation and conduct of the Board, Board Committees and General Meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

7. Directors' Remuneration

a. The Level and Make-up

The remuneration policy of the Group for the Executive Chairman and the Executive Directors are structured to link rewards to corporate and individual performance in order to retain staff with the relevant skills and experience to meet the challenges of the Group. For Non-Executive Directors, the level of remuneration shall reflect the experience and level of responsibilities undertaken by the particular Non-Executive Director concerned.

b. Remuneration Committee

The Remuneration Committee is authorised by the Board to establish formal and transparent remuneration policies and procedures to attract and retain Directors as well as Senior Key Management.

In line with Guidance 6.2 of the MCCG with regard to the governance of the Remuneration Committee, the Remuneration Committee membership comprises all Independent Non-Executive Directors.

The composition of Remuneration Committee and their attendance records of Remuneration Committee meeting are as follows:

Name of Director	Position	Meeting Attendance
Mr Ho Pui Hold <i>(Appointed on 5.4.23) (Independent Director)</i>	Chairman	N/A
Dato' Seri Thaiveegan A/L Arumugam <i>(Appointed on 5.4.23) (Independent Director)</i>	Member	N/A
YM Tengku Datin Sri Nurzaheran Binti Tengku Hisham <i>(Appointed on 26.8.22) (Independent Director)</i>	Member	N/A
Encik Shaari Bin Haron <i>(Resigned on 5.4.23) (Independent Director)</i>	Chairman	1/1
Mr Hew Voon Foo <i>(Resigned on 5.4.23) (Independent Director)</i>	Member	1/1
Tan Sri Datuk Hussin Bin Haji Ismail <i>(Resigned on 11.8.22) (Independent Director)</i>	Member	1/1

The duties of Remuneration Committee are as follows:

- i) Set, review, recommend and advise the remuneration framework of Executive Chairman and Executive Directors.
- ii) Advise the Board on the performance of the Executive Chairman and Executive Directors and an assessment of his/her entitlement to performance related pay.

The Terms of Reference of Remuneration Committee will be reviewed periodically and is published on the Company's website at <https://www.epmb.com.my>.

The remuneration policy of the Group for all Executive Directors shall be recommended by the Remuneration Committee for the Board's approval with the Directors concerned abstaining from deliberations and voting on decisions in respect of their individual remuneration.

The fees and benefits payable to the Directors shall be recommended by the Board, subject to the approval of shareholders at Annual General Meeting.

The Remuneration Committee meets at least once a year, additional meetings can be scheduled if necessary. No Director shall take part in decisions pertaining to his own remuneration.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

c. Disclosure

The following table outlines the remuneration and benefits payable to the Directors during the financial year ended 31 December 2022:

NAME OF DIRECTORS	FEE (RM)		SALARY (RM)		ALLOWANCE (RM)		TOTAL (RM)
	COMPANY	SUBSIDIARIES	COMPANY	SUBSIDIARIES	COMPANY	SUBSIDIARIES	
EXECUTIVE DIRECTORS							
Hamidon Bin Abdullah	50,000	-	-	1,276,800	-	400	1,327,200
Zulkefly Bin Baharuddin <i>(Resigned on 31.12.22)</i>	50,000	-	-	412,596	-	11,200	473,796
Aidan Hamidon	50,000	-	-	201,600	-	400	252,000
Ho Kok Wei	50,000	-	-	-	-	-	50,000
Johan Bin Hamidon <i>(Retired on 31.5.22)</i>	20,833	-	-	-	-	-	20,833
NON-EXECUTIVE DIRECTORS							
Cheng Sheng	50,000	-	-	-	-	-	50,000
YM Tengku Datin Sri Nurzaheran Binti Tengku Hisham <i>(Appointed on 1.8.22)</i>	20,833	-	-	-	-	-	20,833
Peter Thien @ Peter Thien Shin Foh <i>(Appointed on 11.8.22)</i>	19,384	-	-	-	-	-	19,384
Dr Linden Hamidon <i>(Resigned on 1.8.22)</i>	29,167	-	-	-	-	-	29,167
Tan Sri Datuk Hussin Bin Haji Ismail <i>(Resigned on 11.8.22)</i>	30,707	-	-	-	-	-	30,707
Shaari Bin Haron <i>(Resigned on 5.4.23)</i>	50,000	-	-	-	-	-	50,000
Hew Voon Foo <i>(Resigned on 5.4.23)</i>	50,000	-	-	-	-	-	50,000

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE B

EFFECTIVE AUDIT AND RISK MANAGEMENT

The Board aims to present a balanced and understandable assessment of the Company and the Group's position and prospect through the annual financial statements and quarterly announcements of results to the Bursa Malaysia. The Directors are responsible in ensuring that the annual financial statements are prepared in accordance with the provisions of the Companies Act 2016 and applicable approved accounting standards in Malaysia.

1. Audit Committee

The Board is assisted by the Audit Committee in supporting oversight functions of the Board on the Group's financial reporting, risk management and internal control systems and ensuring high corporate governance practices.

The members of the Audit Committee are as follows:

- Mr Ho Pui Hold (*Appointed on 5.4.23*) - Chairman
- Dato' Seri Thaiveegan A/L Arumugam (*Appointed on 5.4.23*)
- YM Tengku Datin Sri Nurzaheran Binti Tengku Hisham (*Appointed on 26.8.22*)
- Encik Shaari Bin Haron (*Resigned on 5.4.23*) - Chairman
- Mr Hew Voon Foo (*Resigned on 5.4.23*)
- Tan Sri Datuk Hussin Bin Haji Ismail (*Resigned on 11.8.22*)

All members of Audit Committee are Independent Directors.

The Terms of Reference of Audit Committee will be reviewed periodically. The Terms of Reference of Audit Committee is published on the Company's website at <https://www.epmb.com.my>.

Details of the composition and the summary of the activities of the Audit Committee during the financial year are set out in the Audit Committee Report included in this Annual Report.

2. Financial Reporting

The Directors are committed to ensure the Group has adopted appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates and all applicable approved accounting standards for the preparation of the audited financial statements and quarterly announcement of results. In this respect, the Board through the Audit Committee oversees the process and the integrity and quality of financial reporting, annually and quarterly. The Audit Committee, in this respect, assists the Board by reviewing the financial statements and quarterly announcements of results to ensure completeness, accuracy and adequacy before recommending the same for the Board's approval.

The Directors, in preparation of the financial statements, have requested the Auditors to take whatever steps and to undertake whatever inspections they consider to be appropriate to enable them to render their audit report. The Directors are responsible to ensure the annual financial statements are prepared in accordance with the provision of the Companies Act 2016 and applicable approved accounting standards in Malaysia, so as to give a true and fair view of the state of affairs of the Group and the Company.

A statement by the Directors of their responsibilities in preparing the financial statements is set out separately on page 50 of this Annual Report. The details of the Company's and Group's financial statements for the financial year ended 31 December 2022 can be found on pages 51 to 151 of the Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

3. Relationship with Auditors

The Audit Committee manages and maintains a transparent and professional relationship with its external auditors and internal auditors on behalf of the Board. The Audit Committee considers the re-appointment, remuneration and terms of engagement of the external auditors and internal auditors annually.

The Audit Committee meets with the external and internal auditors to discuss their audit plans, audit findings and other special matters that require the Board's attention and the financial statements. The external auditors and internal auditors attend Audit Committee Meetings of the Company whenever requested to do so.

Assessment of Suitability and Independence of External Auditors

The Audit Committee reviews and monitors the suitability and independence of the external auditors. The external auditors have confirmed that they were, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The external auditors can be engaged to perform non-audit services if there are clear efficiencies and value-added benefits to the Group and a detailed review of non-audit fees paid to the external auditors is undertaken by the Audit Committee. These procedures are in place to ensure that neither their independence nor their objectivity is put at risk, and steps are taken to ensure that this does not impede the external auditors audit works. The Audit Committee remains confident that the objectivity and independence of the external auditors are not in any way impaired by reason of the non-audit services provided to the Group.

The Audit Committee would meet the external auditors to review the scope of audit process, the audit findings and the audited financial statements, without any presence of the Executive Director and the Management. The external auditors are invited to attend the Annual General Meeting of the Group and are available to the shareholders' questions on the conduct of the statutory audit and the preparation and contents of their audit report.

4. Internal Control

The Board recognises the importance of sound internal control for good corporate governance. As such, an internal audit function is continuously reviewed and strengthened. The internal audit function was outsourced to an independent professional firm to assist the Audit Committee in reviewing the state of internal control of the Group and to highlight areas for management and operational improvement.

The state of internal control of the Group is explained in greater detail on pages 43 to 47 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

The Board maintains an effective communication policy that enables both the Board and the management to communicate effectively with its shareholders, stakeholders and the public. The Group placed importance on feedback from customers, stakeholders and its members, which would be factored into the Group's business decision.

The Executive Chairman is the authorised person to speak and release the public information for and on behalf of the Group.

The Board communicates information on the operations, activities and performance of the Group to the shareholders, stakeholders and the public through the following:

- i) The Annual Report, which contains the financial and operational review of the Company and the Group's business, corporate information, financial statements and information on Audit Committee and Board of Directors;
- ii) Announcements made to the Bursa Malaysia, which includes announcements on quarterly financial results, circular and various announcements made via Bursa Link in full compliance with regulatory authorities' disclosure requirements;
- iii) Annual General Meeting, the primary engagement platform between the Board and shareholders of the Group;
- iv) Release of quarterly results to Bursa Securities to facilitate timely publication and/or dissemination of analysts' reports to the investing community;
- v) Corporate Governance Report announcement made to Bursa Malaysia;
- vi) The Company's website at www.epmb.com.my; and
- vii) Media release.

All the Company's announcements made to Bursa Malaysia are available on Bursa Malaysia's website at www.bursamalaysia.com and the Company's website at <https://www.epmb.com.my>.

The General Meeting serves as a platform to interact with shareholders. Notice of the Annual General Meeting and Annual Reports are sent to shareholders twenty-eight (28) days prior to the meeting.

In compliance with the Listing Requirements and MCCG recommendation, all the resolutions passed by the shareholders at the last Annual General Meeting and Extraordinary General Meeting held on a fully virtual basis on 31 May 2022 and were voted by way of remote participating via electronic voting to facilitate greater participants. Shareholders participated remotely at the last Annual General Meeting and Extraordinary General Meeting. The Company continues to leverage technology to enhance shareholders' engagement and participation in the Annual General Meetings and general meetings of the Company

At each Annual General Meeting, the Board presents the performance and progress of the Group and provides shareholders with the opportunity to raise questions and seek clarification on the business activities pertaining to the Group, agenda of the meetings and its proposed resolutions. The Chairman and the Board will respond to the questions raised by the shareholders during the Annual General Meeting. The Board ensures each item of special business included in the notice will be accompanied by an explanatory statement on the effects of the proposed resolution.

At the Company's Annual General Meeting, Directors were present in person to engage directly with, and be accountable to the shareholders for their stewardship of the Company. The Directors, the Chairman of Nomination Committee, Remuneration Committee and Audit Committee, Management and external auditors were in attendance to respond to the shareholders' queries.

At the forthcoming Annual General Meeting, the Company's Directors, the Chairman of Audit Committee, Nomination Committee and Remuneration Committee, Management and external auditors will be attending the Annual General Meeting and provide response to questions. The Company will allocate sufficient time to shareholders and their proxies for questions and answers session.

In line with good corporate governance and Listing Requirements, all resolutions tabled at general meetings are voted by way of poll.

Matters reserved for shareholders' approval at Annual General Meeting include the following:-

- i) Distribution of final dividends; if any;
- ii) Re-election of Directors;
- iii) Payment of Directors' fees and benefits; and
- iv) Appointment/re-appointment of external auditors and their remuneration.