

PRESS RELEASE
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EPMB Signs MoU With BAIC, One of China's Largest Carmakers, For Car Production, Development in Malaysia

- *MoU to produce and assemble BAIC's ICE and EV vehicles in Malaysia*
 - *EPMB and BAIC to jointly develop BAIC EVs for ASEAN market*

KUALA LUMPUR, 1 August 2023 - Main Market-listed **EP Manufacturing Berhad** (“**EPMB**” or “**Group**”) announced Tuesday it had signed a Memorandum of Understanding (MoU) with **BAIC International Development Co. Ltd** (“**BAIC**”), part of **Beijing Automotive Group Co. Ltd** (“**Beijing Automotive Group**”), a Fortune Global 500 company and one of China's largest carmakers.

Under the MOU, EPMB and BAIC International plan to work together on the local production of BAIC's BJ40P and X55II sport utility vehicles (SUVs), along with future right-hand drive (RHD) internal combustion engine (ICE) vehicles and electric vehicles (EVs). Both companies also agreed to jointly develop BAIC-branded RHD EVs to cater to Malaysia and other South-east Asian RHD markets.

The development of a local assembly and production base with EPMB is a key part of BAIC International's plan to establish a sales and after-sales service network for right-hand drive vehicles in Malaysia.

Should both companies reach a final agreement, EPMB will be responsible for the local assembly of BJ40P, X55II and future BAIC ICE and EV models. EPMB will also be responsible for producing parts for these vehicles in Malaysia, in line with the Malaysian government's vision to boost the local content of cars assembled in Malaysia, and strengthen the automotive industry's capabilities.

BAIC International is a wholly-owned subsidiary of BAIC Motor Corporation., Ltd. (HK:1958), BAIC's Hong Kong Stock Exchange-listed entity. BAIC International is mainly involved in overseas investments related to BAIC, and the exports of BAIC's automobiles, parts and components.

In 2022, BAIC reported production and sales of 1.45 million vehicles, including sedans, EVs and sport-utility vehicles (SUVs). The company posted USD74.69 billion in revenue, making it the fourth-biggest Chinese carmaker on the Fortune Global 500. Regarded as a pioneer in China's automotive industry, BAIC has a long track record of innovation. Working with Chinese internet giant Baidu, BAIC has developed autonomous driving vehicles that power China's first robotaxi service, Apollo Go, that currently operates in over 10 large Chinese cities. On March 13, 2023, BAIC said it would work with Contemporary Amperex Technology Co. Limited (CATL), the world's biggest EV battery manufacturer, to develop power battery products and new energy vehicles.

BAIC is the biggest individual shareholder of Mercedes-Benz Group AG, with a 9.98% stake in the German automaker. In 2022, BAIC's joint venture with Daimler AG was responsible for the production and sales of 600,000 Mercedes-Benz vehicles.

About EP Manufacturing Berhad

Listed in 1997, EP Manufacturing Berhad ("EPMB") is an industrial group advancing the future of sustainable mobility. A trusted Tier-1 automotive supplier, EPMB operates five plants and factories strategically located across Malaysia, supplying modular assemblies, safety and critical components to carmakers including PROTON, Perodua, Honda, Mazda, Toyota & Kia.

With over 40 years of technical expertise and alliances with world-class partners, EPMB is positioned to empower the automotive industry as it navigates a new era. Aiming to be a leading automotive player, EPMB is providing a 360° supply chain for Malaysia's electric vehicle (EV) market, spanning manufacturing, assembly, sales, and marketing of EVs. Under this initiative, EPMB is partnering with major automotive players to manufacture, assemble and distribute EVs, such as Blueshark electric scooters, in Malaysia and other Southeast Asian markets.

Beyond the mobility industry, EPMB is actively pursuing strategic opportunities in other sectors inclusive of property development and tourism. EPMB's property subsidiary, Kensington Development Sdn. Bhd. based in Kota Kinabalu is exploring other property development projects in Sabah.