

PRESS RELEASE
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EPMB bags major EV deal, to deliver initial order of 23,000 e-Bikes from 1Q23

The 5-year deal was signed with Averte Global Pte Ltd & Blueshark Group Ltd

KUALA LUMPUR, 9 January 2023 – Main Market-listed **EP Manufacturing Berhad** (“EPMB” or “Group”) has won its **first major deal** to supply electric bikes (“e-Bikes”) **for the Indonesian and Vietnamese markets**, with an **initial order of 23,000 units** to be delivered from the first quarter of 2023. This marks a significant milestone for the Group, on top of its venture into the four-wheeled electric vehicle (“EV”) business announced earlier.

EPMB, via its wholly-owned subsidiary **EP Blueshark Sdn Bhd**, signed a **Master Agreement** today with **Singapore-based Averte Global Pte Ltd** and **Hong Kong-based Blueshark Group Ltd**, in which Averte and Blueshark have jointly agreed to be the Joint-Venture partners and Purchasers.

The purchase deal will be **effective for 5 years** from the date of this Master Agreement and **may be extended** with mutual agreement. Over the 5-year period, EP Blueshark is **expected to supply at least 2 million e-Bikes** to the Purchasers.

The price for each e-Bike is expected to be within the range of US\$1,850 – US\$3,900.

It is noteworthy that **EPMB has tied-up with China-based Sharkgulf Technologies Group Ltd** to assemble, manufacture and distribute the latter’s **Blueshark-branded two-wheeled EV**, targeting Malaysian and other Southeast-Asian markets. In October 2022, EP Blueshark received the approval from the Ministry of International Trade and Industry to assemble and manufacture e-Bikes at its upcoming manufacturing facility in Glenmarie, Shah Alam.

EPMB acting Chief Executive Officer Ms. Lim Sim Yee (林心怡) said:

“We begin the year 2023 with an exciting news for EPMB, as this 5-year deal will create a new source of revenue for the Group with a healthy margin. This will put us on an accelerated growth

as we work towards securing more such buyers in the future. While our EV venture only began less than a year ago, we have been seeing a strong response from prospective clients.

“We see tremendous growth opportunities for two-wheeler EVs in Indonesia and Vietnam. The Indonesian e-Bike market, for example, is forecast to grow at a compound annual growth rate of 20.96% to reach US\$816.2 million by 2025, according to an independent study by Research and Markets. EPMB hopes to be at the forefront to capitalise on this demand.

Averte is involved in the business of delivering innovative and impactful green products and services in Asia. In July 2022, Averte signed a Memorandum of Understanding with Viettel Post Joint Stock Corporation, whereby Viettel Post will purchase 20,000 e-Bikes and it will also open its 1,800 outlets across the country to cooperate with Averte to sell e-Bikes to corporate and/or individual customers. Viettel Post is the subsidiary of Vietnam Telecom, the largest telecommunications firm in Vietnam.

Averte had also signed a Preliminary Agreement in July 2022 with PT Sarinah, a state-owned enterprise under the Indonesian government. PT Sarinah has been appointed to promote the popularisation of e-Bikes in Indonesia. In addition, Averte also inked a Preliminary Agreement with PT Sarinah’s procurement partner, PT Marco Indokarya, for the procurement of 2 million units of e-Bike for the next 5 years.

Meanwhile, Blueshark is primarily involved in but not limited to e-Bike manufacturing, supply chain, system technology and ecosystem and carbon trading in ASEAN.

Apart from the e-Bike venture, EPMB is also in the midst of building its market presence as a regional four-wheeled EV player. In December 2022, the Group entered into an exclusive distributor agreement with Hubei Dongfeng Power Auto Trade Co Ltd and Xiamen Tsingyan Hylong Motor Technology Co Ltd to assemble and sell Lingbox EVs in Malaysia and Indonesia.

The five-year deal also allows EPMB the option to use its own brand name for the EV.

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