



EG Industries Berhad (222897-W)

Plot 102, Jalan 4, Bakar Arang Industrial Estate, 08000 Sg. Petani, Kedah D.A., Malaysia.

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PRESS RELEASE

EG Industries 3Q17 net profit jumps 25.8% to RM5.3 million

- ***9M17 net profit increases 37.7% to RM20.0 million on 35.3% higher revenue of RM747.5 million***
- ***Strong order flow despite the tough competitive environment***

Sungai Petani, Kedah, Malaysia, 31 May 2017 - Electronic Manufacturing Services (EMS) provider **EG Industries Berhad** (EG Industries; EG 工业; Bloomberg: EG:MK; Reuters: EGCM.KL) saw net profit for the third quarter ended 31 March 2017 (3Q17) jump 25.8% to RM5.3 million on 66.0% higher revenue of RM253.1 million.

In comparison, the Group reported net profit of RM4.2 million in the previous year corresponding quarter, on revenue of RM152.5 million.

EG Industries' Group Chief Executive Officer Mr. Alex Kang said that the strong performance was driven by more orders for printed circuit board assembly (PCBA) for consumer electronics, which mitigated the seasonal low volume in its box-build segment.

The PCBA segment contributed 83.1% or RM210.3 million to 3Q17 group revenue, while the box-build segment contributed 16.9% or RM42.8 million to group revenue.

Mr. Alex Kang (“江邦健”), Group Chief Executive Officer and Executive Director of EG Industries Berhad said:

“Our core business of PCBA effectively doubled its sales in 3Q17 from a year ago, as we rode the strong demand for our global customers' consumer electronics.

We intend to leverage our PCBA orders to demonstrate our reliability as a manufacturing partner to new and existing principals, with the goal of eventually convincing them to contract for our box-build offerings to serve them in a larger capacity.”

As at 31 March 2017, EG Industries has approximately RM70 million outstanding order book of box-build orders to be delivered in the next three to six months. Box-build refers to end-to-end manufacturing service, from product design and assembly to shipping of completed products to end users.

For the 9 months ended 31 March 2017 (9M17), EG Industries' net profit rose 37.7% to RM20.0 million, from RM14.5 million previously. 9M17 group revenue increased 35.3% to RM747.5 million compared to RM552.3 million earlier.



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Financial Highlights (Unaudited Consolidated Results)

RM'000	3Q17 31.03.17	3Q16 31.03.16	Change	9M17 31.03.17	9M16 31.03.16	Change
Revenue	253,138	152,471	66.0%	747,545	552,326	35.3%
Pre-tax Profit	5,972	4,494	32.9%	21,728	15,548	39.7%
Net Profit to Shareholders	5,277	4,194	25.8%	20,028	14,549	37.7%

About EG Industries Berhad (“EG 工业”, www.eg.com.my)

EG Industries is a leading Electronic Manufacturing Services (EMS) and Vertical Integration provider for world-renowned brand names of electrical and electronic products for several industries including consumer electronics, ICT, medical, automotive and telecommunications.

Listed as one of the top 50 EMS players in the world, EG Industries provides services in original equipment manufacturing and original design manufacturing with full turnkey solutions for completed final products assembly (box-build), printed circuit board assembly and modular components assembly.

The Group has a workforce of more than 2,300 employees in its manufacturing plants in Kedah, Malaysia and Prachinburi, Thailand.

Issued for and on behalf of EG INDUSTRIES BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd. For media enquiries, please contact:

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