



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 achieves RM1 billion revenue in FY2017

- *FY2017 core net profit increases 52.2% to RM23.0 million; notes strong double-digit growth in Printed Circuit Board Assembly (PCBA) and box-build segments*
- *Third business segment of distribution services to start contributing in FY2018*

Sungai Petani, Kedah, Malaysia, 29 August 2017 - Electronic Manufacturing Services (EMS) provider **EG Industries Berhad** (EG Industries; EG 工业; Bloomberg: EG:MK; Reuters: EGCM.KL) achieved record-high revenue of RM1.0 billion which in turn boosted net profit to RM23.0 million for the financial year ended 30 June 2017 (FY2017).

In comparison to the previous year ended 30 June 2016 (FY2016), group revenue grew 43.5% from RM702.6 million, while net profit increased 25.6% from RM18.3 million. However, excluding the one-off gain from the disposal of investment properties of RM3.2 million in FY2016, net profit would have grown 52.2% from core earnings of RM15.1 million a year ago.

Sales in EG Industries' volume-centric PCBA segment jumped 47.0% year-on-year to RM846.8 million, while the box-build or full product assembly segment recorded 27.5% rise to RM161.3 million.

“We achieved strong double-digit growth in both our segments despite the challenging global market in the past year, and this speaks volumes of our resilience in the highly-competitive Electronic Manufacturing Services (EMS) industry. We intend to keep up this growth pace going forward, by focusing on innovation in collaboration with our international customers.

We are also excited to add a third business segment of distribution very soon, as a natural progression to our existing expertise. We are establishing the necessary channels and are positive that it will start contributing to group revenue in the next financial year ending 30 June 2018.

This will make us a vertically integrated EMS player that grants customers a gateway into the fast-growing South East Asian market.”

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



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EG Industries was recently conferred several awards for outstanding innovation, namely the Excellence in Enterprise Innovation Malaysia by IoT Business Platform, and the Super Golden Bull at the Golden Bull Awards.

Among the products that EG Industries intends to distribute in the region are Flic, a smart Bluetooth button; and Tramigo tracking devices.

In terms of customer profile, FY2017 revenue from consumer electronics exceeded data storage for the first time, with the consumer electronics sector generating RM538.0 million or 53.3% of group revenue, and data storage industry contributing RM470.1 million or 46.6%.

As at 30 June 2017, EG Industries has approximately RM50 million outstanding order book of box-build orders.

For the fourth quarter ended 30 June 2017 (4Q17), EG Industries' recorded 73.4% higher revenue of RM260.6 million compared to RM150.3 million previously, while net profit increased to RM3.0 million, from a core net profit of RM0.6 million excluding the one-off gain from the disposal of investment properties of RM3.2 million.

Financial Highlights (Unaudited Consolidated Results)			
RM'000	FY2017 30.06.17	FY2016 30.06.16	Change
Revenue	1,008,122	702,578	43.5%
Pre-tax Profit	24,770	19,702	25.7%
Net Profit to Shareholders	22,979	18,302	25.6%

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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