



## **EG Industries registers revenue of RM773.2 million in 9M20**

- *5.5% increase from last year's corresponding nine-month period revenue of RM732.5 million*
- *Manufacturing operations in Malaysia allowed to recommence in full since May 2020 following halt in operations during the Movement Control Order (MCO)*

Sungai Petani, Kedah, Malaysia, 19 June 2020 - Electronic Manufacturing Services (EMS) provider **EG Industries Berhad** (EG Industries; EG 工业; Bloomberg: EG:MK; Reuters: EGCM.KL) registered revenue of RM773.2 million in the nine months ended 31 March 2020 (9M20), a 5.5% increase from last year's corresponding nine-month period revenue of RM732.5 million on higher demand for data storage products and sales of new products.

Meanwhile, 9M20 net profit stood at RM0.5 million compared to RM11.3 million a year ago. This was due to higher cost of production, an increase in fixed operating expenses, less favourable product mix from lower sales of higher margin consumer electronics products, higher depreciation and labour costs, as well as less favourable foreign exchange rate movements.

“For the remainder of the current financial year, we expect to continue facing a variety of challenges amidst a slower global economy. This includes foreign exchange fluctuations, uncertainties resulting from the ongoing US-China trade war and shortage of raw materials due to supply chain disruptions caused by the COVID-19 pandemic.

Still, the full recommencement of manufacturing operations in May 2020 following the halt in operations during the MCO provides a boost for us as we aim to regain the optimal level of efficiency in manufacturing operations as per before the MCO. As we revert to normal operations, we will also ensure that the wellbeing of employees is safeguarded by implementing stringent hygiene and social distancing measures.”

**Dato' Alex Kang (“江邦健”)**

**Group Chief Executive Officer and Executive Director of EG Industries Berhad**



# EG Industries Berhad (222897-W)

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

Tel : + 604 - 4229881 Fax : + 604 - 4229885

## **Financial results for the three months ended 31 March 2020 (3Q20)**

EG Industries posted revenue of RM211.4 million in 3Q20, a marginal 2.4% dip from RM216.4 million recorded in the corresponding quarter one year ago. The slight decrease in revenue was mainly due to loss of production capacity caused by the MCO implemented since 18 March 2020 by the Government.

The Group reported a net loss of RM5.5 million in 3Q20 versus a net profit of RM1.8 million previously. Higher fixed operating expenses incurred, less favourable product mix, higher depreciation and labour costs as several new product models remain under initial learning and development stages, as well as unfavourable foreign exchange rate movements were among the contributing factors for the 3Q20 bottomline performance.

## **About EG Industries Berhad (“EG 工业”, [www.eg.com.my](http://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 3,500 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:

Ms. Julia Pong

E: [julia@aquilas.com.my](mailto:julia@aquilas.com.my)

Tel: 03-27111391 / 012-3909258