



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

PRESS RELEASE

EG Industries stepping ahead of the game with 5G router manufacturing venture

- *2Q22 net profit up 56.5% to RM7.9 million on rebounding sales to electronics customers*

Sungai Petani, Kedah, Malaysia, 25 February 2022 - Electronic Manufacturing Services (EMS) provider **EG Industries Berhad** (EG Industries; EG 工业; Bloomberg: EG:MK) opines that its 5G router manufacturing venture positions them as a proxy of continuous 5G advancement.

Without a doubt, EG has taken a step forward by collaborating with a US-based customer to manufacture 5G routers. This gives the Group a head start for new frontiers via research and development to create higher margins products for high-technology industries.

“We remain committed in playing a key role in embracing the Smart City vision of utilizing digital technology to make urban systems more efficient, cost-effective and environmentally sustainable. Therefore, our venture into the box-build 5G routers represents a step in the right direction as we look to gain more experience in manufacturing the best technologies.

We believe that as we have built strong partnership with leading multinationals through our years of serving their EMS needs this would allow us to better embrace this vision as we strive for greater heights.

Currently, we are doing a pilot test run for an advanced technology which requires surface-mount technology (SMT) background and hope that we will be able to commence mass production within the next few months. Internally, we expect the production of to boost our topline in the coming quarters.”

Dato’ Alex Kang (“江邦健”)

Group Chief Executive Officer and Executive Director of EG Industries Berhad

For the second quarter ended 31 December 2021 (2Q22), EG registered 56.5% higher net profit of RM7.9 million as compared to RM5.1 million in the previous corresponding year. The Group’s topline grew 19.9% to RM358.5 million in 2Q22 from RM299.0 million a year ago. Overall, 2Q22 results improved due to higher sales for both data storage and consumer electronic products.

EG Industries recorded net profit of RM9.9 million in 1H22, 3.7% higher than the RM9.5 million posted in the previous corresponding period on favorable product sales mix and savings in operating expenses. The bottomline growth was despite topline declining 6.2% in 1H22 to RM555.5 million from RM592.1 million previously, mainly due to the loss of production capacity following the imposed Enhanced Movement Control in Bakar Arang, Kedah.

--- End ---



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

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 approximately 3,000 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 and investor enquiries, please contact:

Ms. Julia Pong

E: julia@aquilas.com.my

T: 03-2711 1391 / 012-3909 258