



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 revenue exceeds RM1 billion in FY2022

- *Firm data storage sales help maintain sales; Group remains profitable at RM10.2 million despite higher labour costs, less favourable product mix and weaker MYR*

Sungai Petani, Kedah, Malaysia, 30 August 2022 - Electronic Manufacturing Services (EMS) provider **EG Industries Berhad** (EG Industries; EG 工业; Bloomberg: EG:MK) maintained revenue exceeding the RM1 billion mark for the financial year ended 30 June 2022 (FY2022), aided by higher sales of data storage products.

Group revenue improved 5.6% to RM1.11 billion in FY2022 compared to RM1.06 billion in the previous year. Nonetheless, the Group also noted less favourable product sales mix, weakening of Ringgit Malaysia against US Dollar and increased labour cost due to the higher minimum wages from 1 May 2022. Despite these factors, EG remained in the black, with net profit attributable to shareholders of RM10.2 million in FY2022 compared to RM14.0 million a year ago.

“The unrelenting challenges in the macroenvironment will continue to weigh on the prospects of export-focused players like us, including the prolonged global shortage of key components, rising inflation rate, and the weakening of Ringgit Malaysia against US Dollar.

While we are continually enhancing our efficiency to sustain our EMS business, particularly in implementing factory automation to improve overall cost-efficiency, quality and reduce reliance in labour. We have also taken steps to stock up materials to mitigate risk of components shortages and work closely with suppliers to secure the necessary material to fulfil market demand.

These measures will be alongside the continuous exploration of new business opportunities including venturing into the production of 5G related products for its existing and new customers globally. In doing so, we are placing ourselves in the centre of the upcoming growth trajectory in the future.”

Dato' Alex Kang (“江邦健”)

Group Chief Executive Officer and Executive Director of EG Industries Berhad

Despite a challenging year for the EMS sector, EG Industries was included as one of the top 50 EMS providers in the world for Year 2021, ranked 48th. The Group is among only four Malaysia-based companies in the list, thereby positioning EG Industries as a well-established EMS player with proven good track record with multinationals.

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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

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