



EG Industries 3Q23 net profit rises 88.8% to RM10.6 million on higher sales

- *Buoyed by improved sales of consumer electronic products, 5G wireless access and photonics modular related products*
- *9m23 net profit improves 86.0% year-on-year to RM28.8 million*

Sungai Petani, Kedah, Malaysia, 31 May 2023 - Electronic Manufacturing Services (EMS) provider EG Industries Berhad (EG Industries; EG 工业; Bloomberg: EG:MK) posted 88.8% rise in net profit to RM10.6 million in the third quarter ended 31 March 2023 (3Q23) on 14.5% higher revenue to RM350.5 million, buoyed by higher sales of consumer electronic products, 5G wireless access and photonics modular related products.

This compares favourably to net profit of RM5.6 million on RM306.0 million revenue in the previous corresponding quarter ended 31 March 2022.

For the nine months ended 31 March 2023 (9m23), group net profit improved 86.0% to RM28.8 million as topline jumped 28.3% to RM 1.1 billion. The previous corresponding period reported RM15.5 million net profit on RM861.5 million revenue.

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

“The Group remains optimistic on the outlook for the Year 2023/2024 as we move upstream beyond our electronics industry. We also anticipate demand for 5G wireless and photonic modular related products to remain robust. The Letter of Intent (“LOI”) signed with our US-based customer for the transfer of its first-ever pioneer 5G photonics technology to South East Asia has granted us a pathway to produce advanced high speed optical signal transmitter and receiver (“Optical Modules”) for 5G wireless network for the advanced telecommunication industry.

We are also making good progress in our Smart 4.0 Light-Out Factory in Batu Kawan, and have entered into a partnership with Japanese automation giant, Yamaha Motor Co Ltd, for the setting up of our Smart 4.0 Light-Out Factory using EG’s state-of-the-art 5G high-speed modules in Batu Kawan, Penang. Upon operation commencement at the new Batu Kawan plant by early 2024, the Group will boost its production capacity and envisage that renowned conglomerate would participate in with our EG’s 5G high-speed modules. This endeavour should add value to all our stakeholders.”

EG Industries’ upcoming new plant in Batu Kawan, Penang complements the Group’s existing facilities in Sg Petani, Kedah. Slated to be the Group’s first fully-automated Lights-Out Smart Factory 4.0 with a built-up area of more than 22,500 sq m for production floor area, office building and warehousing capacity, it is expected to increase EG Industries’ total built-up area of its production, warehousing and offices, including its facilities in Sg Petani, Kedah, by 45% from 55,000 sq m to 80,000 sq m.

The Lights-Out methodology creates a completely networked environment that digitises material flow for autonomous manufacturing, controlled by a remote team of highly-specialised experts to manage data, production planning and quality.

The upcoming Smart Factory 4.0 had recently attracted the attention of a few notable local and foreign customers. Among them are US-based Cambridge Industries Group (CIG), where EG Industries had signed a Letter of Intent to produce Advanced High Speed Optical Signal Transmitter and Receiver for 5G wireless network (Optical Modules) using the photonics and semiconductor technologies for their global customers. This would be CIG’s first-ever pioneer technology transfer to South East Asia.



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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.

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