



V.S. Industry Berhad
(88160-P)

PRESS STATEMENT / SIARAN AKHBAR

(FOR IMMEDIATE RELEASE)

EXPECTS A ROBUST PERFORMANCE IN 2ND HALF OF FY17 ON RISING SALES ORDERS & PRODUCTION VOLUME

- Box-build production capacity to reach 3 million units per annum by end of 2017 from the current negligible amount
- Operations in Malaysia, Indonesia and China to record healthy sales growth in FY17
- Expects a stronger overall performance in the 2nd half of FY17.

Johor Bahru, 5 January 2017 – V.S. Industry Berhad (“VS” or “the Group”) (“威鉞集团”), has concluded its 34th Annual General Meeting (AGM) today with all resolutions under the Ordinary and Special Business were duly passed and carried at the meeting.

With regards to the Group’s outlook, the Board is positive that the 2nd half financial year 2017 (2HFY17) performance will be much better as sales orders gain momentum, thereby pushing production volume and efficiency to optimal level. VS looks forward to a breakthrough year in FY17 with greater possibility in FY18.

Speaking after the AGM, Managing Director of VS, Datuk S. Y. Gan (拿督颜森炎) said, “We will continue to benefit from the sustained strong sales growth of our key clients, notwithstanding the current economic conditions. The tangible results from this should be apparent in the second half of our financial year 2017, where we expect to post a stronger set of results. For our



Malaysian operations, sales orders are gradually coming in from our key clients, pushing the production volume and efficiency to reach optimal level and we anticipate the respective revenue contribution from some of our key clients to reach new level.”

The Group has been busy expanding its production capacity for box-build assembly over the past few months since it was awarded the vertical integration (VI) status by its key UK-based client earlier in 2016. The plan is to increase the box-build capacity to three million sets per annum from the current negligible amount. The first production line is already up and running with more lines scheduled to come on-stream soon.

Meanwhile, operations at the facilities in Zhuhai, China are picking up pace as well since November 2016, producing a new high-end air purifier model for one of its client there. The air purifier model was fully designed by VS and has received very encouraging response from end-user consumers during a recent soft-launch event by the client. Management endeavors the operations in China to return to the black in FY17.

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About VS

VS is the largest Electronics Manufacturing Services (EMS) corporation in Malaysia, and one of the world's top 50 in world, providing integrated manufacturing solutions to multinational corporations mainly from the Europe, USA and Japan. It has advanced manufacturing facilities in Malaysia, Indonesia, China and Vietnam. Backed by a team of highly skilled and innovative R&D personnel, VSI also serves as an Original Design Manufacturer (ODM) in addition to being Original Equipment Manufacturer (OEM). Its comprehensive services include high-precision printed circuit board assembly, plastic injection moulding, sub- and full- assembly as well as tool design and fabrication.

Released on behalf of V.S. Industry Berhad by Capital Front Investor Relations.

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