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MALAYSIAN TRAILBLAZER ESCATEC EXPANDS GLOBAL PRESENCE

Kuala Lumpur, 2 July 2021 – Malaysian-based ESCATEC is reaping the dividends of its long-term strategic plans to offer major OEM brands a viable alternative to the Tier One titans of the global Electronics Manufacturing Services (EMS) sector. Established in 1983 in Malaysia, the Group has been steadily expanding its repertoire of expertise, services, and production locations. It is now an EMS partner of global repute to numerous market leading OEM brands.

Central to ESCATEC's strategy is a willingness to invest in industry leading technologies, machinery, and modern production plants, tied to a well-trained and skilled workforce and a top-down conviction to deliver the very best in customer satisfaction. The Group now has some 2,500 employees - a high percentage of which are technical, design, operational and production professionals. It boasts of a fully integrated EMS value and supply chain with design and development (D&D) activities at many of its production facilities in Malaysia, Switzerland, the United Kingdom (UK) and the Czech Republic.

The Group's approach to simultaneously grow on these multiple fronts has enabled it to gain and keep customers from a broad and extensive range of market segments, as it now targets to achieve annual revenues of US\$500 million.

Mr. Arham Abdul Rahman, Chief Executive Officer (CEO) of the Malaysian Investment Development Authority (MIDA), iterated the country's pride in witnessing ESCATEC's growth by leveraging Malaysia, saying, "The Government, through MIDA is always committed to our strategic agenda in expanding the investment horizon in Malaysia, particularly by building a very prudent partnership with a quality investor. This has and will continue to spearhead multiple business opportunities through Malaysia. For this, ESCATEC is a commendable example. The Group in Malaysia has grown from one entity in Pulau Pinang to three (3) entities, located in Pulau Pinang and Johor, with more future plans in store. ESCATEC has also diversified their activities from production of electrical and electronics products to medical devices in Malaysia."

"We are pleased to see ESCATEC tapping upon Malaysia's well-connected and established semiconductor industry cluster in Pulau Pinang and Johor Bahru. Their presence here is undoubtedly a welcomed addition, given their long-standing reputation as a high-tech supplier that can deliver flexible, quick and reliable solutions, as Malaysia looks to further strengthen our semiconductor ecosystem in the region," he added.

Mr. Patrick Macdonald, CEO of ESCATEC, acknowledges the enabling role played by MIDA. “Besides the Group’s efforts in meeting expectations and building trust with customers and stakeholders to fuel expansions, strategies become achievable only with the support and facilitation of the Government; and MIDA is always willing to help,” he shared.

ESCATEC’s current focus is on supporting the global transportation, storage, and distribution of the Pfizer-BioNTech COVID-19 vaccine, via a partnership with Iceland-based Controlant, a global leader in real-time supply chain visibility solutions. Controlant’s solutions are utilised to monitor and ensure the safe transportation and quality of the vaccine as it is distributed globally.

ESCATEC Electronics in Bayan Lepas, Penang is the volume manufacturer of specialised cold-chain data logging devices supplied to Controlant. On Controlant’s end, it has a partnership with Pfizer for the transportation, storage, and distribution of its vaccine. These data logging devices are critical to ensure visibility, with the crucial high volume production being time sensitive, to ensure uninterrupted global supply of the vaccine.

ESCATEC also recently fully acquired the JJS Manufacturing Group in the UK. Based in Bedford, JJS Manufacturing is an industry specialist in the electro-mechanical assembly of large complex equipment and operates several production facilities in the UK and the Czech Republic.

“Our customers are mainly from Europe and North America and they have been asking us to expand further in Europe as that is a major market for many of them,” explained Macdonald. “We became aware of JJS Manufacturing and we felt their corporate values, expertise, modern facilities and skilled workforce, would be a great fit with ESCATEC and would generate significant new business opportunities. I am pleased to say the acquisition went very smoothly and we have now embarked on the process of assimilating JJS Manufacturing into the ESCATEC family.”

ESCATEC currently operates two modern facilities in Johor Bahru via its subsidiary, ESCATEC Mechatronics, which are already running at full tilt. Macdonald says the Group is now looking at setting up a third production plant in Johor Bahru to help cope with new customer orders. Hence, a new production facility in Johor Bahru is also on the cards.

Macdonald acknowledges ESCATEC still has some way to go to meet head-on its rivals within the Tier one EMS titans. Still, he views it as a motivational force for the Group and its employees in the sense of having a target to strive towards.

About MIDA

MIDA is the government's principal investment promotion and development agency under the Ministry of International Trade and Industry (MITI) to oversee and drive investments into the manufacturing and services sectors in Malaysia. Headquartered in Kuala Lumpur Sentral, MIDA has 12 regional and 20 overseas offices. MIDA continues to be the strategic partner to businesses in seizing the opportunities arising from the technology revolution of this era. For more information, please visit www.mida.gov.my and follow us on Twitter, Instagram, Facebook, LinkedIn and YouTube channel.

About ESCATEC

ESCATEC is an electronics manufacturing services (EMS) provider established in 1974. It is headquartered in Penang, Malaysia, and has production facilities in Malaysia, Switzerland, the United Kingdom, and the Czech Republic. The Group offers a fully integrated EMS value chain - from design & development, certification, mass production to complete box build solutions and after-sales services.

The Group comprises of ESCATEC Electronics, ESCATEC Medical, ESCATEC Mechatronics, ESCATEC Switzerland, and in May 2021 it acquired UK-based JJS Manufacturing. ESCATEC's success is built on innovative and industry leading practises and by building trust and long-term relationships with customers. Further information about ESCATEC is available at www.escatec.com.

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