

Notice Regarding Construction of New EMS* Factory in Thailand

**As a core base in ASEAN to respond to increasing demand for
installation of substrates and assembly of finished products**

KAGA ELECTRONICS CO., LTD. (Head office: Chiyoda-ku, Tokyo; Representative Director, President & COO: Ryoichi Kado; hereinafter, “the Company”) hereby announces the construction of a new factory (Amatanakorn Factory 3) by KAGA ELECTRONICS (THAILAND) CO., LTD. (Head office: Samutprakarn, Thailand; President: Kenji Suzuki; hereinafter, “KAGA THAILAND”), its consolidated subsidiary, to respond to increasing EMS demand in the ASEAN region.

* EMS: an abbreviation of Electronics Manufacturing Service. Service for contracting out the development and production of electronic equipment.

Purpose and Aim of the New Factory Construction

The Company established KAGA THAILAND in 2002 as its core base for the EMS business in the ASEAN region. Currently, two factories are operating in Amatanakorn Industrial Estate where a broad range of products are manufactured, focusing on contract mounting of circuit boards mainly for air-conditioning, office equipment, and automotive-related devices, and more recently, undertaking mass production of own-brand small wireless module products.



<Exterior of the new factory>

The construction of the new factory is aimed at establishing a highly effective production system based on the two concepts of automation and labor-saving, to respond flexibly to shorter cycle time and fluctuations in production volume that would result from the introduction of automated installation line equipped with such devices as surface mounting equipment and soldering bath that were developed internally in the Group’s bases in China, and thereby address the expected increase in demand from existing customers for circuit board mounting over the medium to long term. At the same time, the new factory will serve as a “mother factory” for overseas operations, supporting deployment of automated facilities at sites in Malaysia, Vietnam, India, and other regions.

In addition, a new line for the assembly of finished products will be established to respond flexibly and promptly to the diversifying needs of customers, including demand targeting the U.S. market. Through the three factories, KAGA THAILAND’s EMS business will aim to achieve a combined total of 50 billion yen in net sales in five years.

■Inquiries from news media

KAGA ELECTRONICS CO., LTD.

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<Appendix> Outline of the New Factory

	<New factory>	<Ref: Existing factories>	
Factory name	Amatanakorn Factory 3	Amatanakorn Factory 1	Amatanakorn Factory 2
Location	Amatanakorn Industrial Estate, Chonburi, Thailand	Same as on the left	Same as on the left
Total floor area	4,400 m ²	5,250 m ²	5,300 m ²
Items produced	Installation of substrates for air-conditioning and automotive equipment / assembly Assembly of finished products and unit products for the US market	Installation of substrates for air-conditioning and automotive equipment / assembly	Installation of substrates for office equipment
Start of operation	By the end of 2025	April 2012	December 2019
Number of employees	110 (When factory operation begins)	582 (as of February 2025)	232 (as of February 2025)
Investment amount	Approx. 1.3 billion yen (initial investment)	Approx. 4.6 billion (initial investment + additional investment)	Approx. 2.0 billion (initial investment + additional investment)