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**MEDIA CLIPPING**

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## **Kelington eyes for potential M&As**

SHAH ALAM: Kelington Group Bhd, a leading provider of ultra-high purity gas and chemical delivery systems, is scouting for potential mergers and acquisitions (M&As) to expand its service coverage.

Group chairman/chief executive officer, Raymond Gan Hung Keng, said the company was eyeing potential companies that would bring synergies and benefits as well as to enhance service portfolio.

"The group, which proposed to transfer its listing from ACE Market to the Main Market of Bursa Malaysia, is open to any M&As opportunities," he told a media briefing after the company's annual general meeting here today.

He said the company has a cash reserves of RM21 million as at first quarter of this year.

On whether Kelington was looking to raise capital amid M&As on the horizon, he said: "We will raise it when there is a need. Being transferred will allow us even much more options and flexibility.

"The proposed transfer will not only be an attractive investment proposition to institutional investors but also better reflect our market position as we cast our net to extend reach to multinational corporations in Malaysia as well as regional customers," he said.

Gan said the group was confident of maintaining the growth momentum as it currently has an order book of RM122 million, that would sustain it through next year.

"We are optimistic of building up our order book in light of the recovery in the semiconductor industry which has recently seen an increase in capital expenditure spending.

"Furthermore, the increase in investments in the renewable energy sector in this region and waves of investments in solar cell plant under the Economic Transformation Programme will help us maintain growth," he said.

He said Kelington hoped to maintain the 20-30 per cent growth in revenue, adding the group has achieved a compound annual growth rate of 36.6 per cent for the last six years.

Gan said Kelington would spend RM2 million in capital expenditure this year to upgrade process tools and equipment.

On overseas operations, Gan said, revenue from China, Taiwan and Singapore would continue to be the major contributors with more than 50 per cent, adding the group was also expecting its new market, Vietnam, to start to contribute this year. - Bernama