

Kelington Group Berhad (501386-P)

KELINGTON CLINCHES NEW UHP CONTRACT FROM SINGAPORE WORTH RM93 MILLION

Bringing total orderbook size to RM468 million (includes Q42018 revenue yet to be recognized)

Kuala Lumpur, 11 February 2019 – Integrated engineering solutions provider, Kelington Group Berhad ("Kelington" or "Group") has secured a new contract worth SGD31 million (equivalent to RM93 million) through its wholly owned subsidiary, Kelington Engineering (S) Pte Ltd to provide turnkey construction and engineering services in Singapore for one of the world's largest gas companies.

Under the scope of the contract, the Group will be involved in the design and construction of an Ultra High Purity ("UHP") electronics special gases plant in Singapore. The work scope includes mechanical and electrical works as well as the supply of UHP process system for the plant. This turnkey project is expected to be completed by end of 2019.

Inclusive of this new contract, Kelington's orderbook stands at RM468 million (*includes* Q42018 *revenue yet to be recognized*), of which 65% comprise of UHP projects, followed by 23% from Process Engineering projects and the remaining are General Contracting projects.

Ir. Raymond Gan, Chief Executive Officer of Kelington Group Berhad said, "This new contract is our first big win in terms of contract value, for the year. We are thrilled and honored to have been given the opportunity to undertake yet another project by a reputable multinational company. We strive to deliver the highest quality of service to our customers and we aim to secure more similar size contracts in 2019."

"The Group's strategy for the year remains focused on growing our bottom-line as we selectively bid for projects that provide higher profit margins. Our tender book currently stands at approximately RM1.2 billion, mostly from the UHP division, across all our key operating markets."

"Moving forward, the Group's growth will continue to be driven by the UHP and Process Engineering divisions, while we work hard to build up the Industrial Gases business," he added.

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ABOUT KELINGTON GROUP BERHAD ("Kelington" or the "Group")

Kelington is an integrated engineering solutions provider specializing in ultra-high purity (UHP) gas and chemical delivery systems, mechanical process engineering, mechanical systems and electrical systems. The Group provides end-to-end engineering solutions ranging from system design to fabrication and installation of equipment to testing and maintenance.

Established since 2000, the Group serves customers in the high technology industry across different sectors such as Industrial Gases, Wafer Fabrication, Solar Energy, TFT-LCT, Bioscience and Light Emitting Diode (LED). In line with its expansion plans, Kelington has also expanded its industry focus to include the pharmaceutical, healthcare and oil and gas sectors.

For more information, please log on to http://kelington-group.com

Released on behalf of Kelington Group Berhad by Capital Front Investor Relations.

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