

**WE ENGINEER
SOLUTIONS
FOR TOMORROW**



18th ANNUAL GENERAL MEETING

KELINGTON GROUP BERHAD (0151)

13 JUNE 2018

FY2017 KEY HIGHLIGHTS

Notable milestones and deliverables

BUSINESS PERFORMANCE

RECORD HIGH NEW ORDERS

RM
million **374**

WIDER CLIENTELE

beyond electronics sectors

NEW VENTURES

- Commenced on-site gas supply business
- Established manufacturing of liquid CO2 business

FINANCIAL HIGHLIGHTS

HIGHEST EVER NET PROFIT

RM
million **11.8**

STRONG NET CASH

RM
million **31.9**

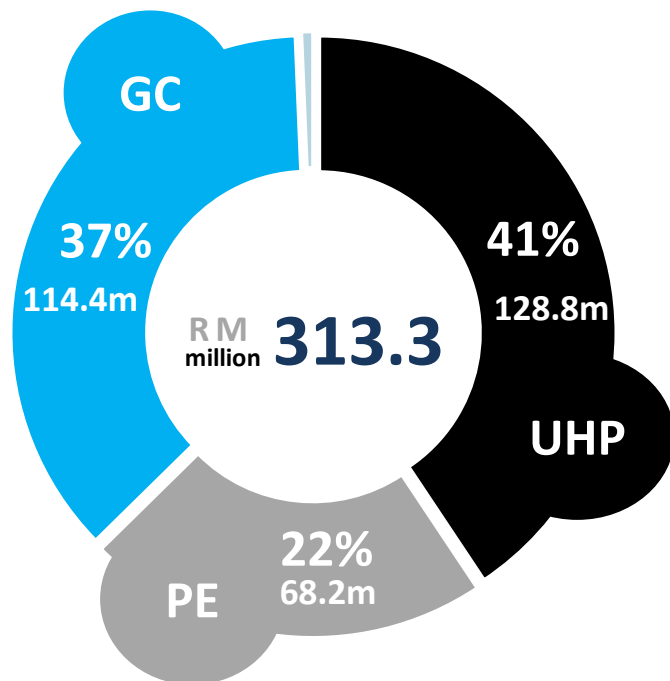
HIGHEST EVER DIVIDEND PAYOUT

RM
million **3.7**

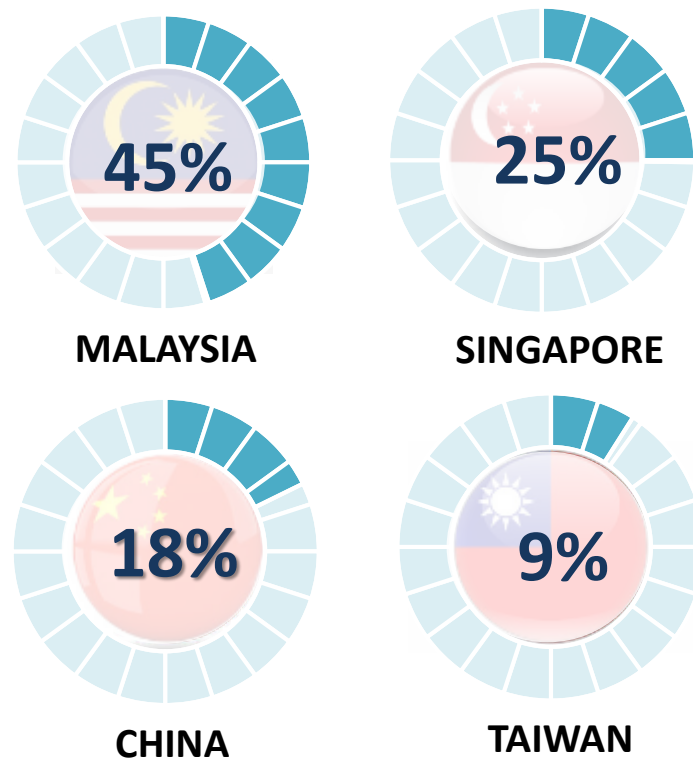
BETTER BALANCE ACROSS 3 DIVISIONS

Revenue breakdown in FY2017

BUSINESS SEGMENTS



GEOGRAPHICAL*



 Higher revenue contribution from Industrial Gases expected in FY2019

UHP - Ultra High Purity — PE – Process Engineering — GC – General Contracting — IG – Industrial Gas

*Figure above represents only the key operating markets while the remaining 3% is contributed by other markets.

RECORD BREAKING YEAR :

All-time high net profit

FOCUS ON GROWING BOTTOMLINE

Bidding for higher margin projects, cost optimization efforts
(eg. centralized procurement)

Gross profit margin



Profit before tax margin



Earnings per share (sen)

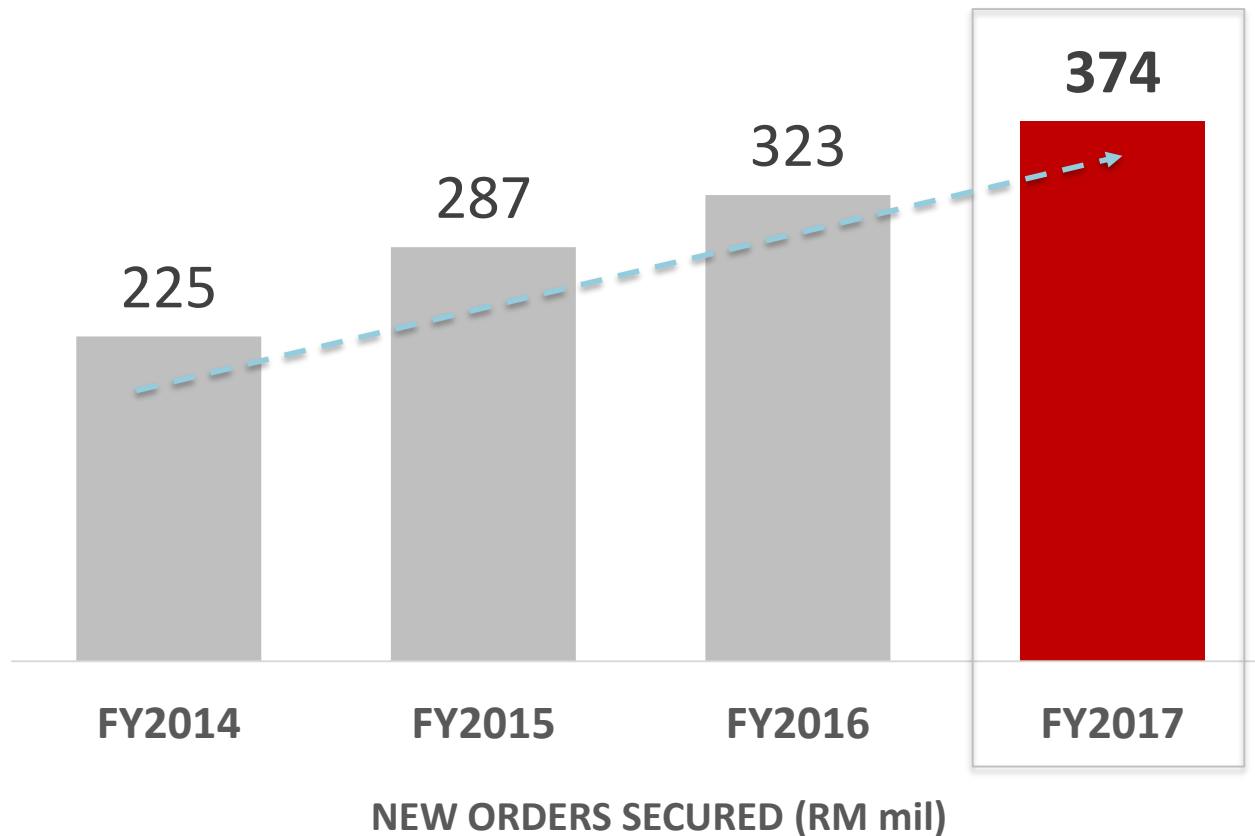


HIGHEST EVER
NET PROFIT

RM **11.8** mil

STRONG ORDERBOOK REPLENISHMENT

Healthy year-on-year growth



**Growing
orderbook**

RM 267*
million
outstanding orderbook

RM 750
million
tenderbook

NOTABLE PROJECTS IN 2017/2018

Malaysia



SYXXXMER [PE]

RM 40.0 million

Feb 2017 – Mar 2018



INXXXEON [UHP]

RM 8.0 million

Nov 2017 – May 2018



SXXTERRA [UHP]

RM 6.3 million

Jun 2016 – Dec 2016



HXXLETT PACKARD [UHP]

RM 6.1 million

On-going



WXXTERN DIGITAL [UHP]

RM 4.8 million

Feb 2017 – June 2017



AYAM DXXDINGS [PE]

RM 4.8 million

Mar 2017 – Sept 2017

NOTABLE PROJECTS IN 2017/2018

Singapore



GXXAUDAN [PE]

SGD 8.8 million

Apr 2017 – May 2018



MXXRON [UHP]

SGD 6.2 million

Dec 2017 – June 2018



AMS [UHP]

SGD 2.7 million

Jan 2018 – June 2018

NOTABLE PROJECTS IN 2017/2018

China



GF CHEXXDU [UHP]

RMB 108.0 million

Nov 2017 – Aug 2018



SMXX [UHP]

RMB 25.7 million

Dec 2017 – July 2018



SMXX [UHP]

RMB 22.7 million

Oct 2017 – Apr 2018

NOTABLE PROJECTS IN 2017/2018

Taiwan



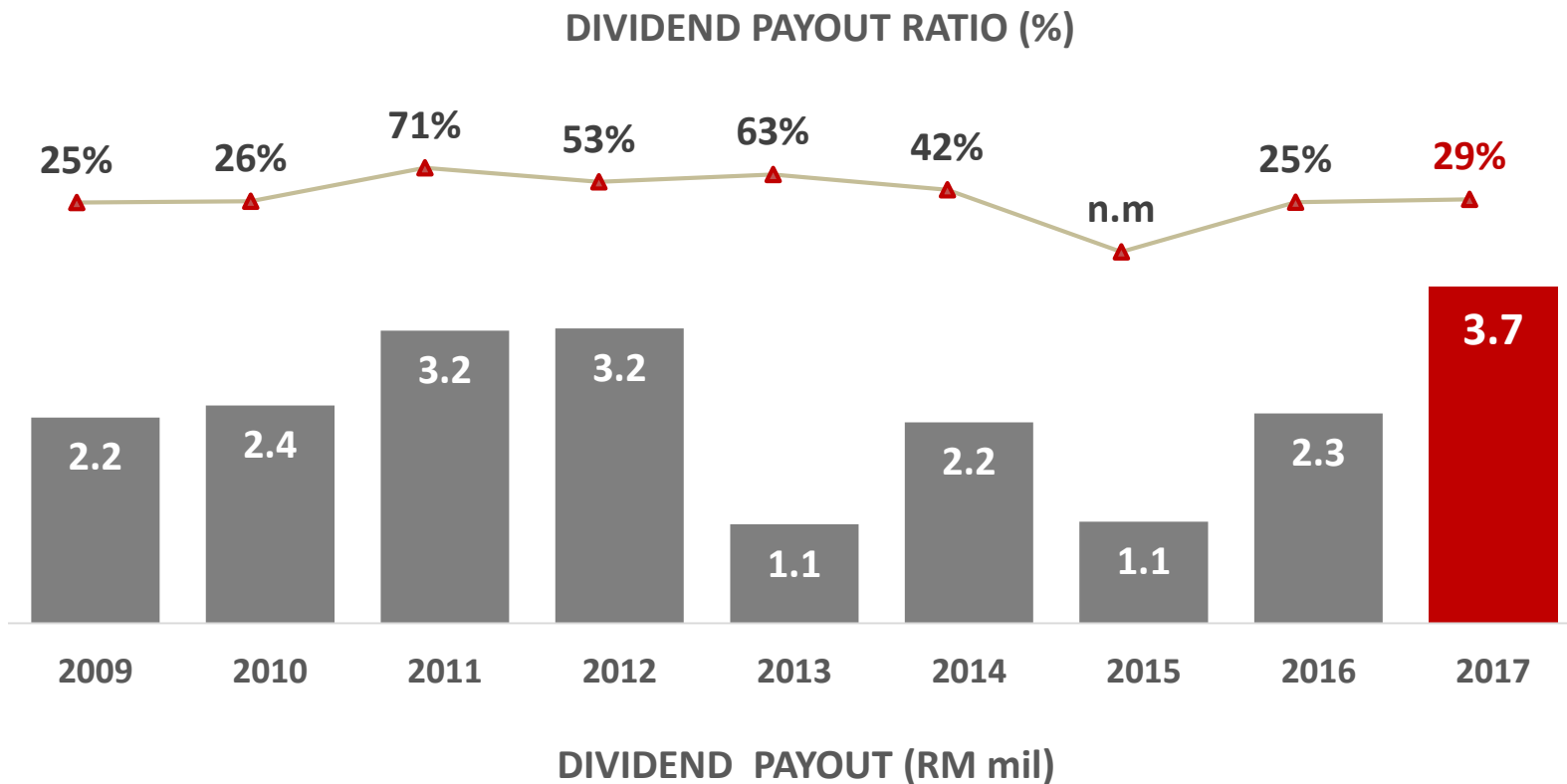
TSXX [PE]


NTD 35.0 million

Apr 2018 – Oct 2018

REWARDING OUR SHAREHOLDERS

Highest dividend payout since listing



 *Subject to the approval of shareholders

[^]Based on share price as at 18 April 2018 @RM0.76

VENTURING INTO INDUSTRIAL GASES BUSINESS

To drive recurring revenue stream and earnings profitability

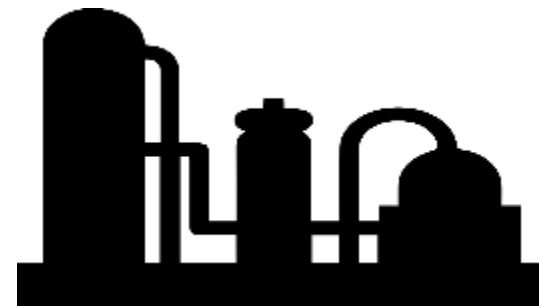
HIGH PROFIT MARGINS BUSINESS

Industrial Gas peers' average gross profit margins are at ~ 30%-40%



On-Site Gas Supply

- Completed an on-site gas generator and started our first supply contract in Feb 2018.
- The contract will contribute ~RM20 mil revenue for a period of 10 years to the Group.



Manufacturing of Liquid CO2

- To be 2nd largest supplier in Malaysia
- Signed a 15-year supply agreement with Petronas to purchase waste CO2.
- To build a Liquid CO2 plant in Kerteh, Terengganu and starts operation in 2019.

EXAMPLES OF USAGES OF CO2



Food Freezing



Manufacture carbonated drinks



Manufacture dry ice
(used in aviation industry)



Welding for
construction and
automotive industries



CO2 Blast Cleaning



Enhance Oil Recovery
(EOR) to increase yields
in oil wells

EXPANDING OUR CHINA MARKET

Capitalize on “China Chip Expansion”



MADE IN CHINA 中国制造
2025



China's semiconductors sector is set for rapid expansion with total investment estimated at USD140 billion under the "Made in China 2025".¹

POSITIVE OUTLOOK AHEAD

Stronger financial performance in FY2018



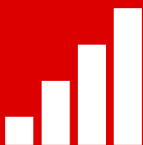
Completing higher margins projects from UHP and PE division



Securing more UHP projects from China.



Revenue commencement from on-site industrial gas supply contract.



Healthy orderbook replenishment

THANK YOU