



Kelington Group Berhad

(Registration No.199901026486 (501386-P))

Press Release

FOR IMMEDIATE RELEASE

**KELINGTON GOING STRONG IN CHINA
WITH TOTAL NEW ORDERS SECURED WORTH RM59.4 MILLION**

Kuala Lumpur, 15 March 2021 – Integrated engineering solutions provider, Kelington Group Berhad (“Kelington” or “Group”) has secured year-to-date new orders in China totaling RMB94.0 million (equivalent to RM59.4 million). This includes two sizeable new orders from reputable semiconductor players as well as other smaller value jobs totaling RMB1.2 million (RM0.76 million).

The Group, via wholly-owned subsidiary Kelington Engineering (Shanghai) Co. Ltd, has clinched new Ultra High Purity (“UHP”) orders worth approximately Chinese Yuan Renminbi RMB60.0 million (equivalent to RM37.9 million based on exchange rate of RMB1 = RM0.632) from The Fourth Construction Co. Ltd. to perform gas hook up works for Ruili Integrated Circuit Co. Ltd’s memory chip wafer fab project at Hefei, the capital of Anhui Province, China.

Ruili Integrated Circuit Co. Ltd is the parent company of ChangXin Memory Technologies, Inc., China’s first independently developed memory chip maker. The new addition marks a breakthrough for Kelington as it represents the very first project win from the reputable state-owned semiconductor player.

In addition to that, Kelington continued to bag new UHP orders valued at approximately RMB32.8 million (equivalent to RM20.7 million) from the largest semiconductor foundry company in China.

Ir. Raymond Gan, Chief Executive Officer of Kelington Group Berhad said, “We are thrilled to be a part of Ruili Integrated Circuit’s journey in developing China’s integrated circuit industry. It was no easy feat in the tendering process considering the competitive bidding process against various tier-1 industry peers. We believe this new addition will open more doors for us in terms of project opportunities in the thriving memory chips market segment. This adds credence to our



track record and diversified portfolio of reputable clientele in China, which is crucial for the evaluation process for high profile project tenders.”

According to an article by China Money Network, the planned investment of Ruili Integrated Circuit’s memory chip project is expected to be approximately RMB150 billion yuan and it will be divided into three phases of construction.¹ Kelington will be involved in the phase 2 of the project.

“The semiconductor market remains robust with no signs of a slowdown in spending or expansion by multinational corporations (MNCs). In addition to China, we are also seeing a pickup in the Singapore market and we are actively bidding for projects there. Overall, we believe there is tremendous growth potential for us to ride on the semiconductor boom and we aim to sustain our growth momentum going forward.”

The Group is tendering for projects totaling RM1.0 billion across China, Malaysia, Singapore and Taiwan.

1. <https://www.chinamoneynetwork.com/2020/12/18/chinas-first-self-developed-memory-chip-maker-scores-financing>

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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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