

Kelington Gets Closer To The Semicon Action With Expansion Into HK, Germany

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Kelington Group Berhad said it is making a strategic move by expanding into Germany and Hong Kong which it said is to capitalise on the flourishing global semiconductor industry and broaden its geographical reach.

Ir. Raymond Gan Chief Executive Officer of Kelington Group Berhad said, “The semiconductor industry outlook is bright. Chipmakers are aggressively expanding production capacity to meet surging demand for chips, driven by factors like geopolitical diversification and the need for advanced technologies like artificial intelligence (AI), internet of things (IoT), electric vehicles and Industry 4.0.”

“As these technologies advance, the demand for semiconductor manufacturing facilities remains strong. After a contraction in 2023 due to the cyclical nature of the industry, semiconductor manufacturing equipment growth is expected to resume in 2024, with sales expected to strongly rebound in 2025.”

“This is driven by capacity expansion, new fab projects, and high demand for advanced technologies and solutions across the front-end and back-end segments. Germany and Hong Kong are key hubs for innovation in these sectors, and we are optimistic of capturing a larger market share of the global semiconductor capex in these two markets.”

“Leveraging on the Group’s track record of completing successful projects for leading multinational clients (MNCs) in Malaysia, Singapore, China and Taiwan, we are well-positioned to attract new clients in Germany and Hong Kong as well as to serve existing clients who are expanding their manufacturing footprint in these regions.”

Kelington provides integrated engineering solutions, including Ultra High Purity (UHP) systems, Process Engineering and General Contracting services which are critical elements required for building new semiconductor manufacturing plants. Having benefitted from the capacity ramp up amongst semiconductor players, the Group reported a record-high revenue and net profit of RM1.6 billion and RM102.7 million respectively for the financial year ended 31 December 2023.

To expand in both markets, Kelington has incorporated Kelington Engineering (Germany) GmbH and Kelington Engineering (HK) Limited as indirect wholly-owned subsidiaries.