

Kelington marks foray into Germany and Hong Kong to ride semiconductor wave

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KUALA LUMPUR (March 18): Kelington Group Bhd has taken a strategic step forward in its global growth strategy by expanding into Germany and Hong Kong.

In a statement on Monday, the integrated engineering solutions provider said this move positions Kelington to capitalise on the flourishing global semiconductor industry and broaden its geographical reach.

Kelington chief executive officer Raymond Gan said the semiconductor industry's 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, the Internet of Things, electric vehicles and Industry 4.0.

“As these technologies advance, 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,” said Gan.

Gan said Germany and Hong Kong are key hubs for innovation in these sectors, and Kelington is optimistic about capturing a larger market share of global semiconductor capital expenditure in these two markets.

“Leveraging on the group’s track record of completing successful projects for leading multinational clients 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,” said Gan.

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