

Kelington Declares Third Interim Dividend, 9M Net Profit Up 26%

By Editor - November 12, 2024



Kelington Group Berhad reported its third quarter (“3Q2024”) and nine months (“9M2024”), with the quarter, recording a revenue of RM307.3 million, versus RM401.8 million in the preceding year’s corresponding quarter (“3Q2023”). The lower revenue it said was primarily due to several key projects in Singapore and Malaysia progressing from their accelerated phases to nearing completion.

Due to the revaluation of foreign currency balances and receivables as the Ringgit Malaysia strengthened, resulted in a profit attributable to shareholders of RM32.9 million for 3Q2024, compared to RM31.7 million in 3Q 2023.

The Industrial Gases division maintained its strong performance in 3Q2024, with revenue rising 30.9% YoY to RM39.4 million, driven by robust demand, reflecting sustained market strength.

In the third quarter of 2024, the Ultra High Purity (“UHP”) division continued to be the Group’s primary revenue driver, contributing 68% of total revenue. The Industrial Gases division was the second-largest contributor, representing 12% of total revenue. The General Contracting division accounted for 10%, while Process Engineering contributed 6%. Equipment and Materials comprised the remaining 4% of total revenue for the period.

Revenue from China increased to RM78.8 million in 3Q2024, representing a significant 22.3% growth compared to RM64.5 million in the same period last year. This strong performance was primarily driven by the award of several substantial Ultra High Purity (UHP) projects in the second half of 2023 and the first half of 2024, reflecting the sustained demand in the region.

In 9M2024, Kelington achieved a net profit of RM84.4 million on the back of revenue of RM967.8 million. This represents a year-over-year (“YoY”) net profit growth of 26.1% compared to RM66.9 million in 9MFY23.

During the quarter, the Group has proposed a third interim tax-exempt dividend of 2 sen per ordinary share for the financial year ending 31 December 2024 (“FY2024”), totalling RM13.8 million which will be paid on 23 December 2024. This brings the total dividend declared in FY2024 to 6 sen per ordinary share, equivalent to RM43.8 million. This represents a 52% payout of Kelington’s 9MFY24 net profit.

Editor