



Press Release

FOR IMMEDIATE RELEASE

**KELINGTON ENTERS INTO LEASE AGREEMENT WITH
TERENGGANU STATE GOVERNMENT**

Kuala Lumpur, 20 March 2024 – Integrated engineering solutions provider, Kelington Group Berhad (“**Kelington**” or “**Group**”), through its 90.71% owned subsidiary, Ace Gases Sdn Bhd, has today entered into an agreement with Terengganu State Economic Development Corporation to lease a parcel of land measuring 130,678.86 square feet (“**sqft**”) in Kerteh, Terengganu.

Ir. Raymond Gan (顏漢慶), Chief Executive Officer of Kelington Group Berhad said, “This parcel of land is conveniently located adjacent to the Group’s Liquid Carbon Dioxide (“**LCO2**”) manufacturing plant and will facilitate streamlined operations in the future due to its close proximity. It is earmarked to support the Group’s future expansion efforts within the LCO2 manufacturing segment. The additional space will enable us to increase manufacturing capacity, enhance logistics infrastructure, and construct warehouses and other supporting buildings as required.”

The LCO2 industry is experiencing significant growth, driven by global demand for its versatile applications, especially in the Food and Beverage (“**F&B**”) sector for carbonated drinks and food freezing using dry ice. Since the commencement of Kelington’s first LCO2 plant, revenue from export markets have risen consistently, fuelled by strong demand for LCO2 globally. With the first LCO2 plant achieving full capacity utilisation of 50,000 tonnes per year, the Group’s second LCO2 plant with an even larger capacity of 70,000 tonnes per year, brings the combined capacity to 120,000 metric tons per year.

Under the agreement, the Group will lease this parcel of land for an initial term of 30 years, with a further 30-year extension option (30+30), starting from 1 February 2024 to 31 January 2084.

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ABOUT KELINGTON GROUP BERHAD (“Kelington” or the “Group”)

Kelington is an integrated engineering solutions provider specialising 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 as well as building manufacturing facilities for electronic and semiconductor sectors.

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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