



KELINGTON GROUP BERHAD

[Registration No. 199901026486 (501386-P)]



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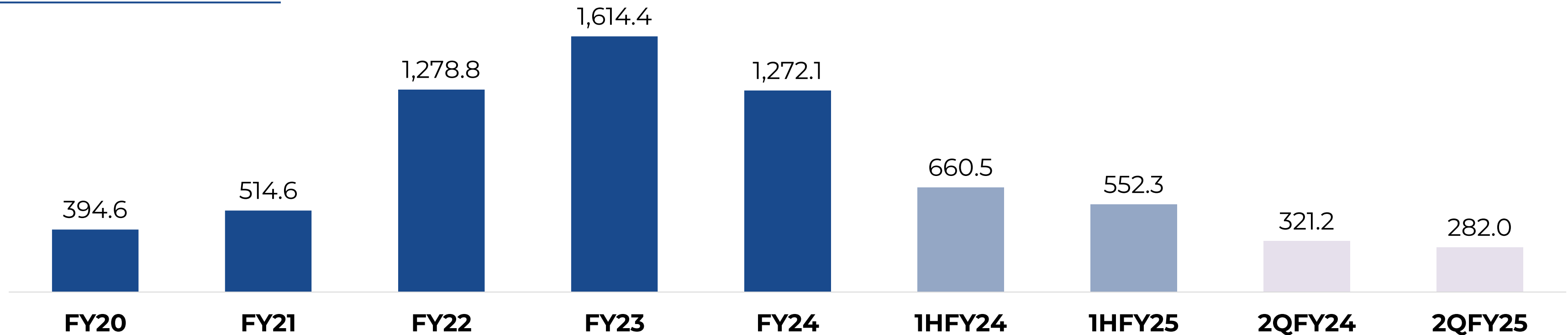
2Q FY25 RESULTS REVIEW

22 August 2025

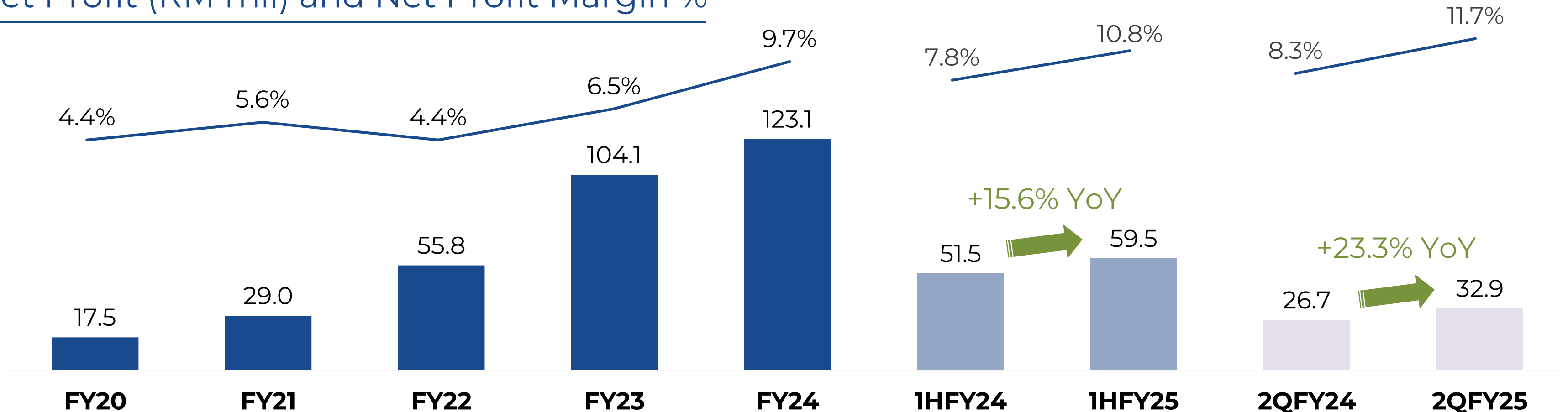
Delivering Margin-Driven Bottom-Line Performance



Revenue (RM mil)



Net Profit (RM mil) and Net Profit Margin %



Continue To Deliver Double-digit Net Profit Growth, Supported By Expanding Margins



RM (MIL)	2QFY25	2QFY24	Y-O-Y % CHANGE	1HFY25	1HFY24	Y-O-Y % CHANGE
Revenue	282.0	321.2	-12.2%	552.3	660.5	-16.4%
Gross profit	65.0	55.5		113.5	108.4	
<i>Gross profit margin</i>	<i>23.0%</i>	<i>17.3%</i>		<i>20.6%</i>	<i>16.4%</i>	
Other income	3.1	1.4		5.1	2.4	
Administrative expenses	(20.9)	(17.5)		(33.5)	(32.8)	
Selling & distribution expenses	(1.1)	(1.0)		(2.0)	(1.8)	
Other expenses	(2.2)	(3.0)		(5.1)	(5.7)	
Operating profit	43.7	35.3	+23.9%	78.0	70.4	+10.8%
Finance costs	(2.2)	(2.4)		(4.3)	(4.7)	
Net (impairment losses) / reversal of impairment losses on financial assets	(0.2)	1.9		1.9	1.9	
Profit before tax	41.3	34.8	+18.7%	75.6	67.6	+11.8%
Tax	(8.5)	(7.7)		(16.0)	(14.7)	
Profit after tax	32.9	27.2	+21.0%	59.5	52.8	+12.7%
Net profit	32.9	26.7	+23.3%	59.5	51.5	+15.6%
<i>Effective tax rate</i>	<i>22.0%</i>	<i>20.5%</i>		<i>21.2%</i>	<i>21.8%</i>	
<i>PBT margin</i>	<i>14.7%</i>	<i>10.8%</i>		<i>13.7%</i>	<i>10.2%</i>	
<i>PAT margin</i>	<i>11.7%</i>	<i>8.5%</i>		<i>10.8%</i>	<i>8.0%</i>	

- 1 Lower contribution from China and Malaysia, partially offset by higher contribution from Singapore
- 2 Strategic focus on optimising revenue mix, a more favourable project portfolio, and stable LCO₂ demand from the Industrial Gases division
- 3 Reflects the Group's continued emphasis on executing higher-margin projects.

Group Revenue Breakdown



Breakdown by geographical market

	2QFY25 RM mil	2QFY24 RM mil	YoY change	1HFY25 RM mil	1HFY24 RM mil	YoY change
Malaysia	109.3	124.1	-11.9%	189.2	275.7	-31.4%
China	57.5	101.1	-43.1%	158.5	205.1	-22.7%
Singapore	99.8	82.7	+20.6%	175.7	153.2	+14.7%
Taiwan	6.7	4.9	+35.7%	10.9	8.2	+32.4%
Others	8.8	8.4	+3.7%	18.0	18.3	-1.3%
Total	282.0	321.2	-12.2%	552.3	660.5	-16.4%

Mainly due to reduced local sales of industrial gases and timing differences in revenue recognition

The decline was due to timing differences and slow down in certain project execution

Driven by stronger contribution from advanced engineering segment

Breakdown by business segment

	2QFY25 RM mil	2QFY24 RM mil	YoY change	1HFY25 RM mil	1HFY24 RM mil	YoY change
Engineering Segment	258.9	302.8	-14.5%	502.2	615.8	-18.4%
<i>Advanced Engineering</i>	185.0	220.4	-16.1%	384.5	426.0	-9.7%
<i>Process Engineering</i>	16.6	17.4	-4.6%	25.8	38.8	-33.6%
<i>General Contracting</i>	53.3	49.9	+6.7%	78.9	120.0	-34.3%
<i>Equipment and materials</i>	4.0	15.0	-73.5%	13.0	31.1	-58.2%
Industrial Gases Segment	29.0	36.9	-21.3%	62.6	81.2	-22.8%
Consolidated adjustments	(5.9)	(18.4)		(12.5)	(36.5)	
Total	282.0	321.2	-12.2%	552.3	660.5	-16.4%

Due to the completion of several projects in Malaysia and China, partially offset by new projects in Singapore beginning to contribute

Lower specialty gas sales and reduced project activity, but LCO₂ demand remained steady and improved vs 1HFY24

Balance Sheet Highlights



RM MIL	30.6.2025 (Unaudited)	31.12.2024 (Audited)
Total Assets	1,223.9	1,150.2
Total Liabilities	684.8	676.8
Total Borrowings*	180.9	185.3
<i>Short-term*</i>	99.8	104.9
<i>Long-term*</i>	81.1	80.4
Total Cash#	522.4	413.1
Net Cash	341.5	227.8
Total Equity	539.1	473.3
Net Asset/Share	0.72	0.66
Gearing (times)	0.34	0.39
Net gearing (times)	Net cash	Net cash

- Reduction was primarily due to:-
 - The settlement of project financing in China
 - Partially offset by loans drawn down for working capital in the industrial gases division

- Increase in net cash driven by:-
 - Project-related cash inflows
 - Proceeds from the exercise of warrants

- Growth in equity due to:-
 - Exercise of warrants and quarterly profits

- The Group remains in a net cash position, providing flexibility to fund future capex opportunities while continuing to reward shareholders through dividends

*Include lease liabilities

#Include fixed deposits with licensed banks

The background image shows three large, cylindrical industrial storage tanks. The central tank is covered in a dense network of metal scaffolding, indicating it is under construction or maintenance. The tanks are made of corrugated metal and are set against a clear blue sky. The image is partially obscured by a white gradient on the right side where the text is located.

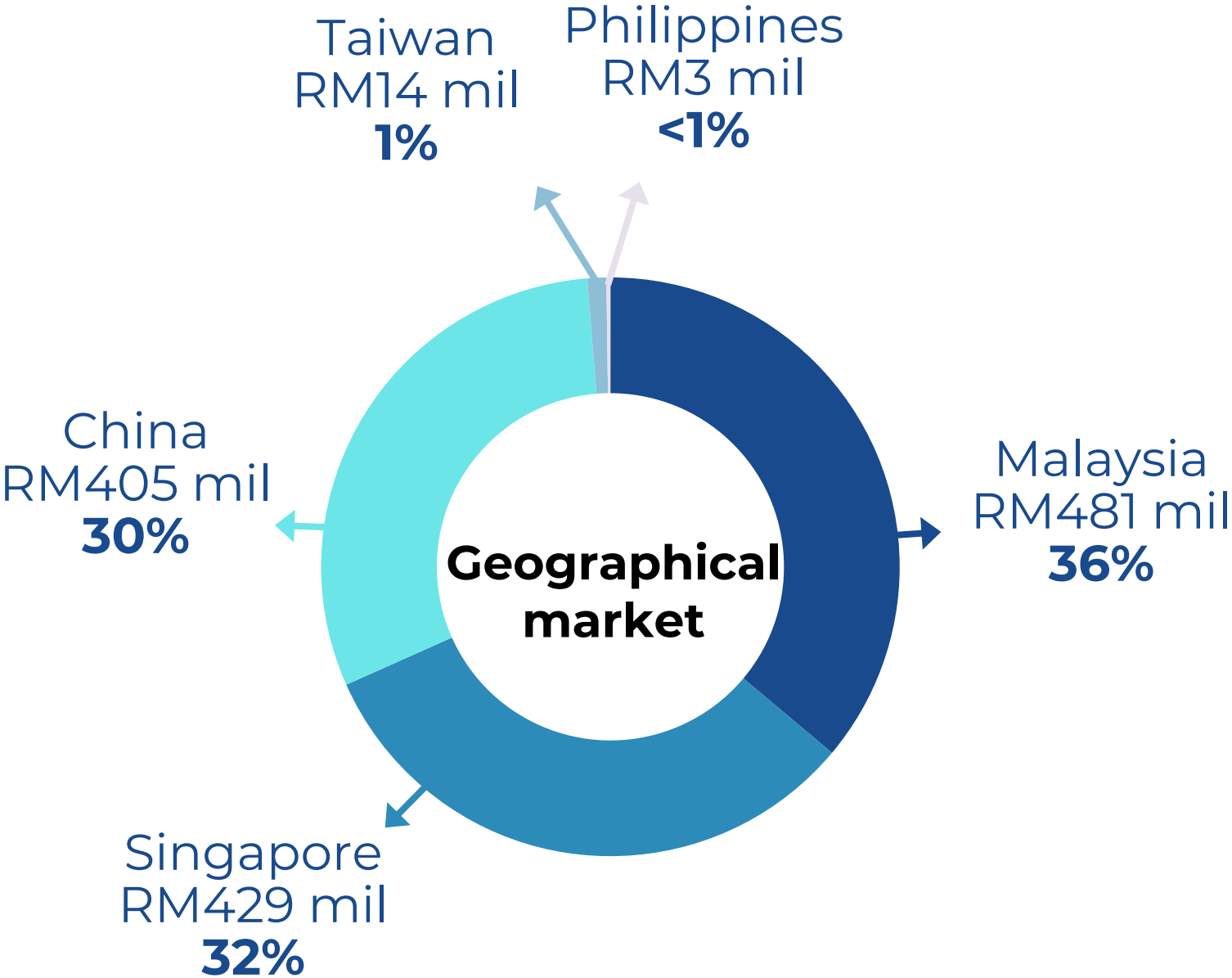
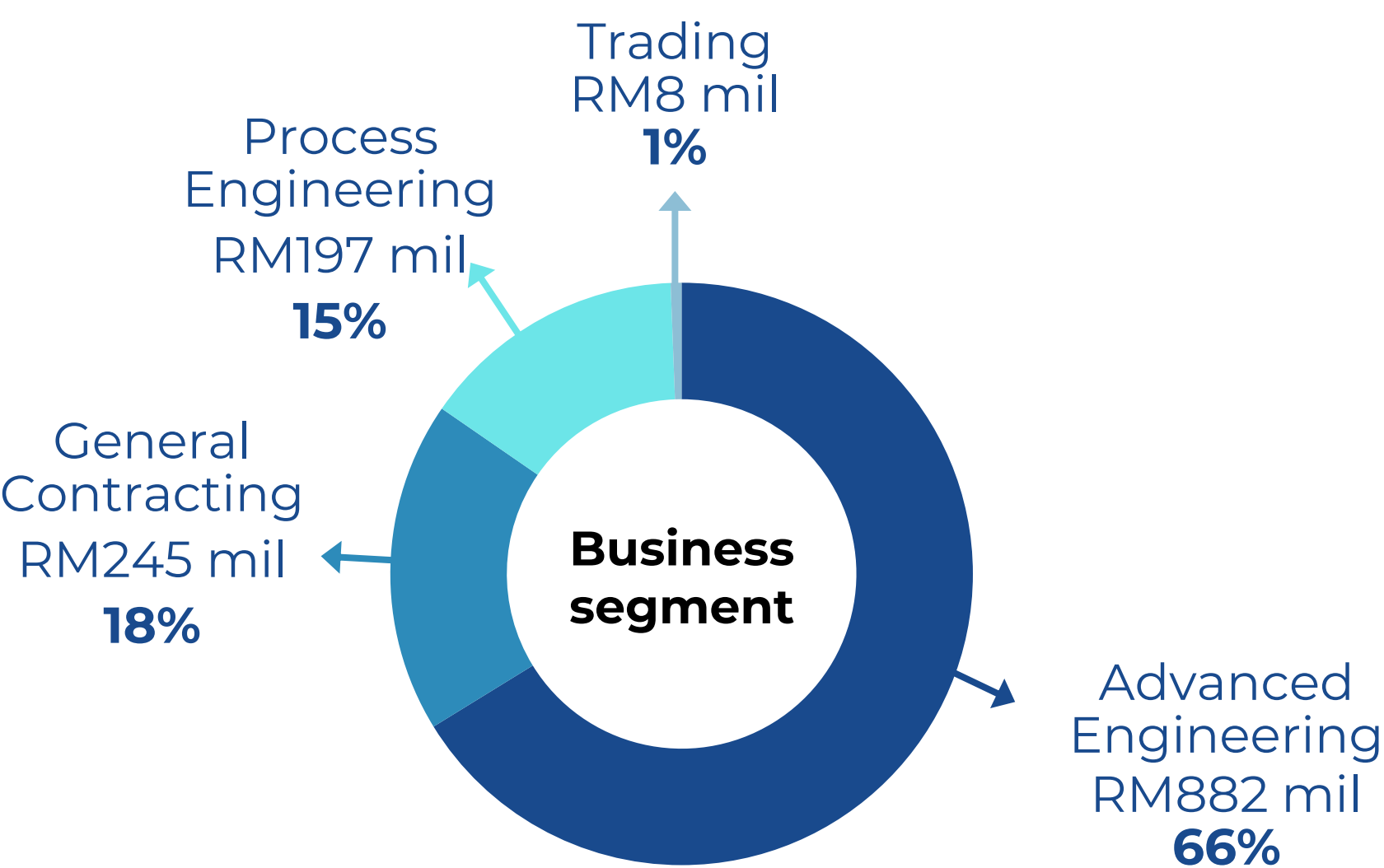
Engineering Services Division

Healthy Outstanding Orderbook to Sustain Momentum

Outstanding Orderbook
RM1.33 billion
as at 30 June 2025

New Contract Wins
RM549 million
in 1H FY25
(Excludes latest Dresden, Germany win)

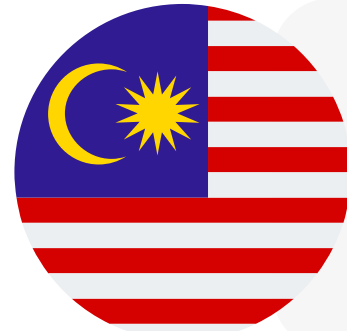
Anticipating
Stronger Orders
in Q3 and Q4



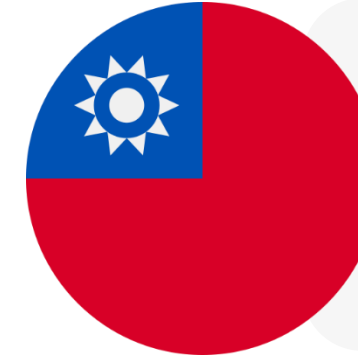
Record-High Tender Book to Fuel Growth Ahead



Singapore
RM757 million
14%



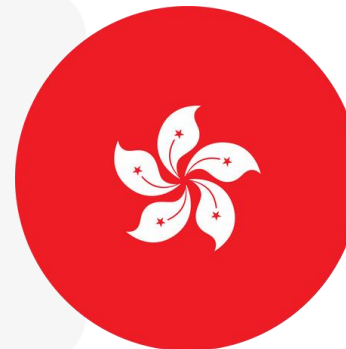
Malaysia
RM389 million
7%



Taiwan
RM110 million
2%



China & Hong Kong
RM639 million
12%



India
RM1,097 million
20%



Europe
RM2,440 million
45%

Total tenderbook of
RM5.4 billion
as at 30 June 2025

The remaining RM12 million in tenders is from the US

Kelington laying the foundation for Sustained Growth and Future Projects in Europe



August 2025



Involves hook-up of specialty gases, chemicals, slurry, bulk gases, vacuum, and ultra-pure water (UPW)

Estimated at
EUR30~50 million
RM146~244 million

Project starts immediately,
spans 2-3 years

Strategic Important

- ✓ The client is a long-standing customer with previous collaborations in Malaysia
- ✓ Positions Kelington favourably for future contract under the European Chips Act initiatives
- ✓ Rising demand for smart power chips powering AI, IoT, EVs, industrial automation, and renewables

Previous Semiconductor Hook-Up Projects



New Japan Subsidiary to Unlock Opportunities



Micron to invest \$3.7 billion in Japan for new DRAM chips

By Reuters
May 18, 2023 10:17 AM GMT+8 · Updated May 18, 2023



A smartphone with a displayed Micron logo is placed on a computer motherboard in this illustration taken March 6, 2023. REUTERS/Dado Ruvic/Illustration/File Photo [Purchase Licensing Rights](#)

Source: [Reuters](#)

TSMC's second Kumamoto fab to break ground after July 2025

Chiang, Jen-Chieh, Taipei; Sherri Wang, DIGITIMES Asia | Thursday 12 June 2025 | 0 | Like 2



Source: [Digitimes](#)

Overcoming the challenge of 2nm development lies the path to a differentiated technology lead

2025.08.08

On July 18, 2025, Rapidus unveiled its first wafer featuring a gate-all-around (GAA) transistor fabricated using a 2 nanometer (nm) process. This milestone was reached just over three months after transporting an extreme ultraviolet (EUV) lithography system in December 2024 by air from the Netherlands. By June 2025, the first production lot had been processed, and the resulting GAA transistor wafer was showcased at a customer event in July. Rapidus attributes this exceptionally rapid establishment of production capability to its defining manufacturing strength.

We spoke with Rapidus Chairman, Tetsurō Higashi, about the challenges and milestones since the company's founding in August 2022 through its latest achievement.

Source: [Rapidus](#)

India Semiconductor Mission Driving Chipmaking Ambitions



Approved in 2024



Tata Electronics in partnership
with Powerchip Semiconductor
Manufacturing Corp of Taiwan



RENESAS

CG Power & Industrial Pvt
Ltd in partnership with
Renesas & Stars



Tata Semiconductor
Assembly and Test Pvt Ltd



Kaynes Semicon
Pvt Ltd

Approved in 2025

HCL

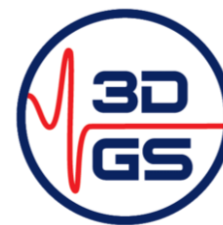
SICSem

Clas-SiC
W A F E R F A B

FOXCONN

HCL and Foxconn
Joint Venture

SiCSem Private Limited
collaborates with
UK-based Clas-SiC Wafer
Fab Ltd



3D Glass Solutions Inc



Continental Device India
Private Limited



ASIP Technologies, in
partnership with
South Korea's APACT Co.
Ltd.

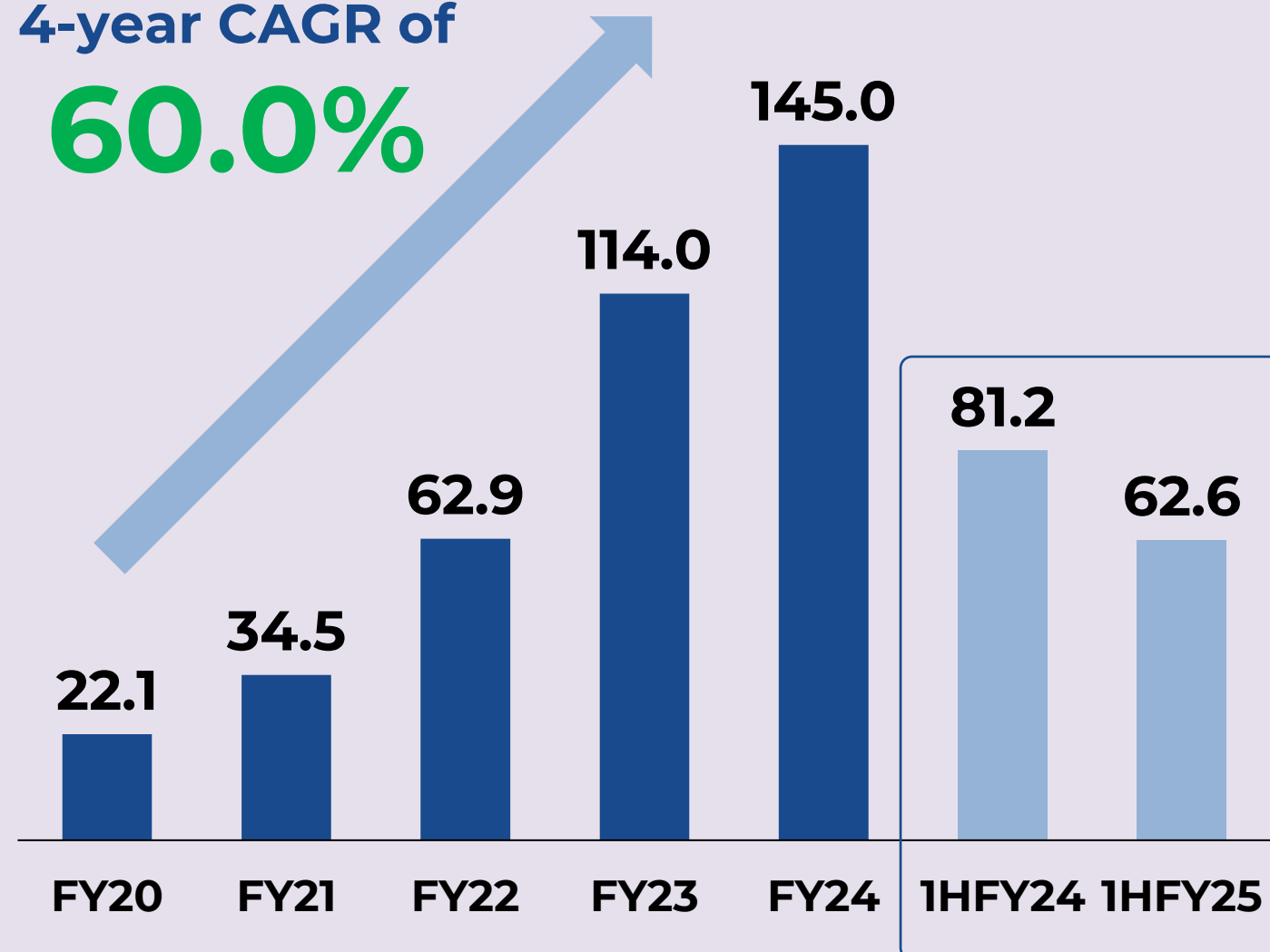
The background image shows an industrial facility with several large, white, vertical storage tanks. The tanks have 'GASES' and 'LIN' written on them. To the right, there is a tall, narrow structure with a yellow ladder and scaffolding. The sky is blue with some clouds.

Industrial Gas Division

- High margin segment
- Provides recurring income due to long-term supply contracts with customers

Industrial Gas Revenue (RM mil)

4-year CAGR of
60.0%



Others
(Project based)

81.2

Trading of
Liquefied /
Specialty Gases

10.1

23.5

Onsite Gas
Supply

7.8

**Manufacturing
of LCO2**

39.8

62.6

3.8

11.6

6.9

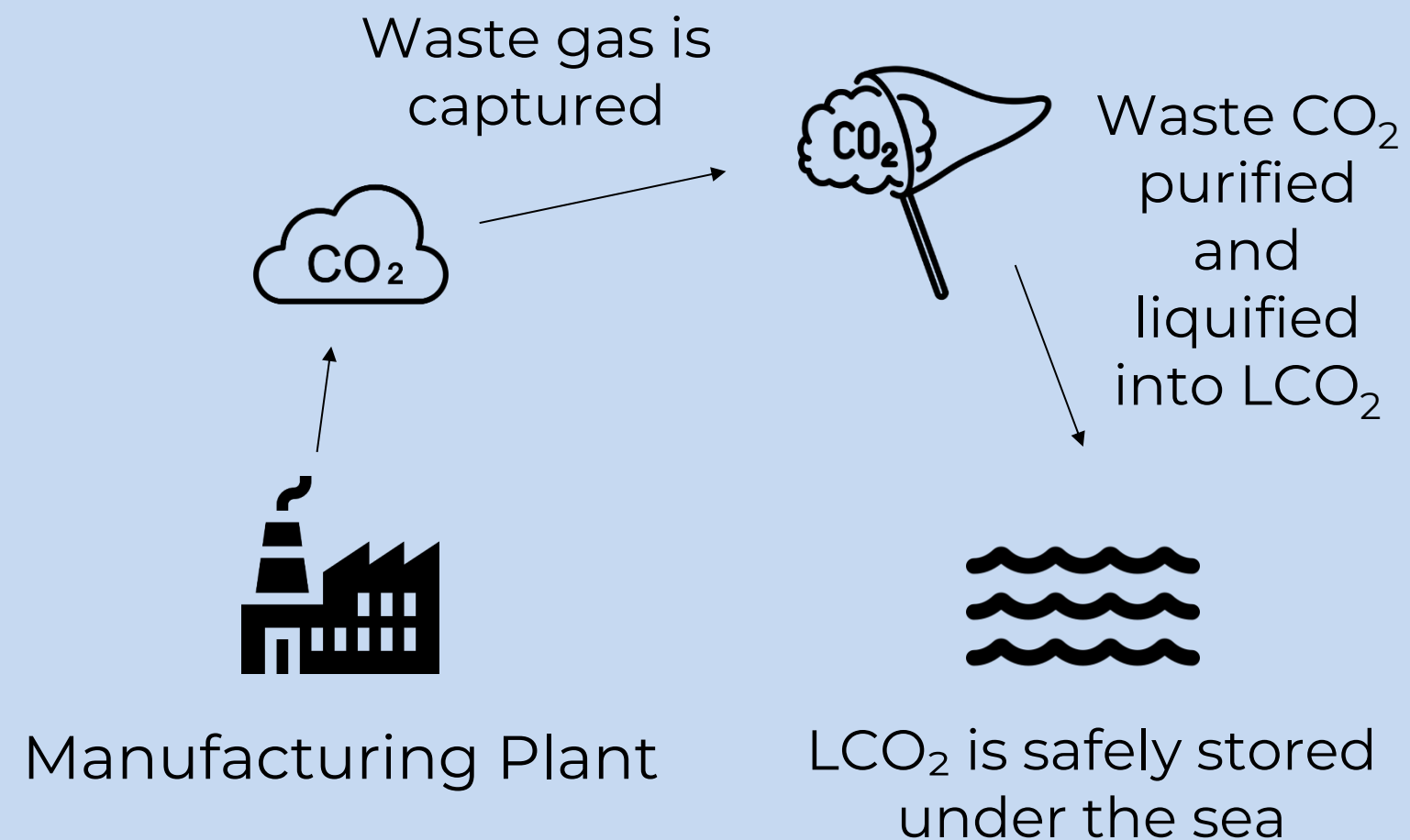
40.3

- Segment revenue was lower, due to:-
 - Reduced trading activity of specialty gases
 - Lower project-based income

- LCO2 demand remained stable
- Utilisation rate of LCO2 plant is 64%
- Total exports of LCO2 is 74%

Ace Gases Positioned As Key Enabler In Malaysia's National CCS Programme (2025–2030)

Ace Gases's Role: Provides solutions for CO₂ pre-treatment, and expertise in industrial gas industry



Supports National Sustainability Goals

- **NETR** (National Energy Transition Roadmap)
 - Malaysia's roadmap to accelerate clean energy transition and achieve net zero by 2050.
- **HETR** (Hydrogen Economy and Technology Roadmap)
 - Framework to build a hydrogen economy and position Malaysia as a key regional player.
- **Creates High-Value Green Jobs**
 - Drives skilled employment in renewables, hydrogen, and clean tech sectors.

Driving Malaysia's Transition to a Hydrogen-Powered Future

Some of the Government-Led Initiatives



Kuching Urban Transport System (KUTS) Phase 1

- 55 hydrogen buses, full rollout by end-2027
- Expected to cut 1,900 tonnes CO2 /year



Excess Hydro Power to produce Green H2

Global Hydrogen Bus Market Poised for Explosive Expansion

US\$ 2.6 billion

2025

**CAGR
32.2%**

US\$ 18.2 billion

2032

Source: [Meticulous research](#)

Provide engineering and operational expertise for Green H2 production and manufacturing

MoU Across Various Industries To Strengthen CCUS Effort

Steel Industry

Masteel

Malaysia Steel Works (KL) Bhd



Universiti Tunku Abdul Rahman

6 May 2025

Oil and Gas Industry



PETRONAS

PETRONAS CCS
Solutions Sdn Bhd

3 July 2025

- ✓ Builds technical capabilities and operational understanding tailored to each industry's CCUS needs
- ✓ Positions the Group as a first mover, ready to respond when large-scale demand for CCUS solutions arises





Kelington Named Potential National Champion at ASEAN Semiconductor Summit 2025

Malaysia secures over RM63b investments under National Semiconductor Strategy — Anwar

By Justin Lim & Izzul Ikram / theedgemalaysia.com

24 Jul 2025, 05:44 pm • Updated - 06:02 pm



Anwar said 13 Malaysian companies have emerged as potential national champions across the semiconductor value chain, with each of the nine players — including Carsem, Inari Amertron Bhd (KL:INARI ) , Pentamaster Corp Bhd (KL:PENTA ) , ViTrox Corp Bhd (KL:VITROX ) and Kelington Group Bhd (KL:KGB ) — expected to generate over RM500 million in revenue this year.

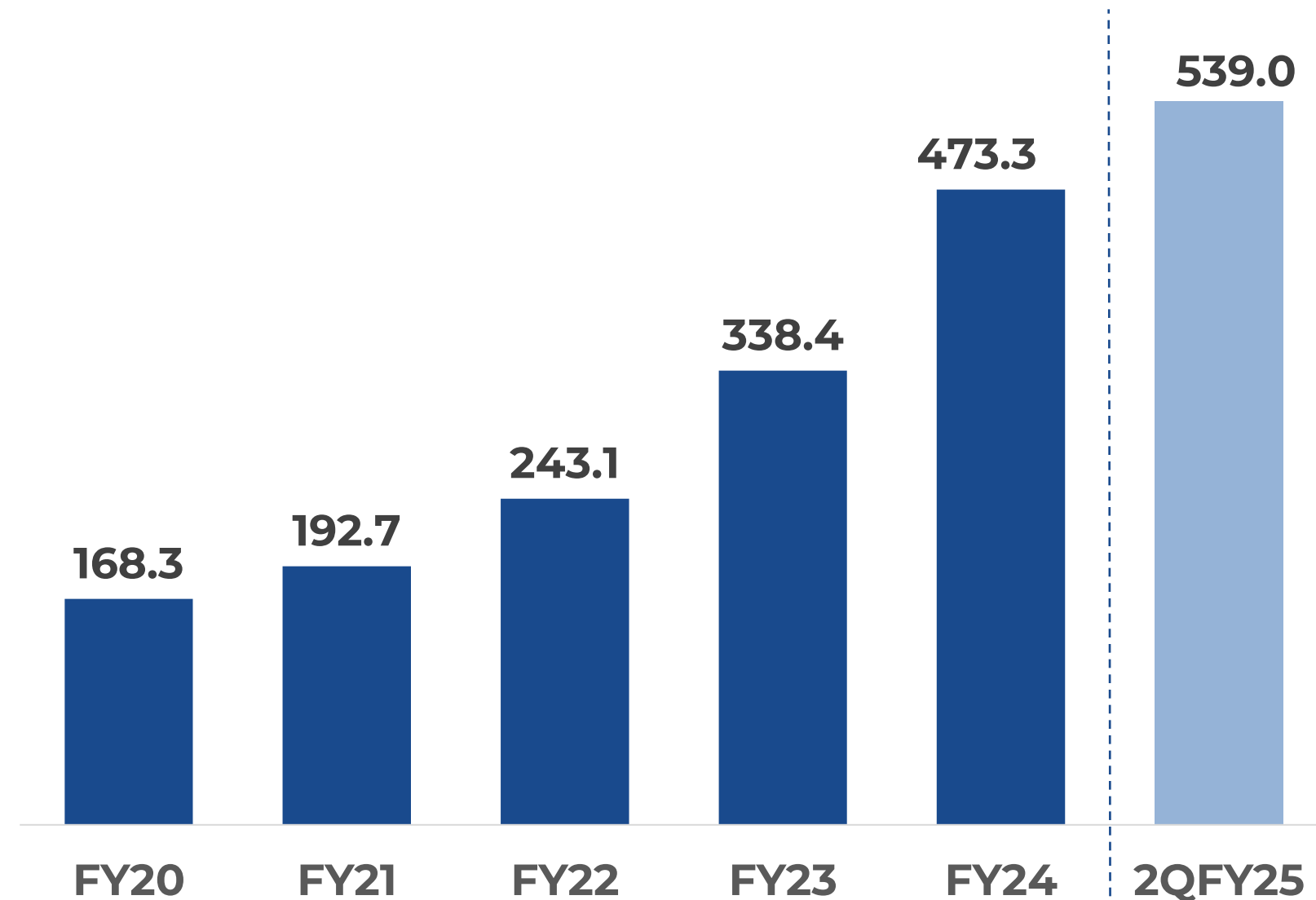
Source: <https://theedgemalaysia.com/node/763905>

Key Highlights

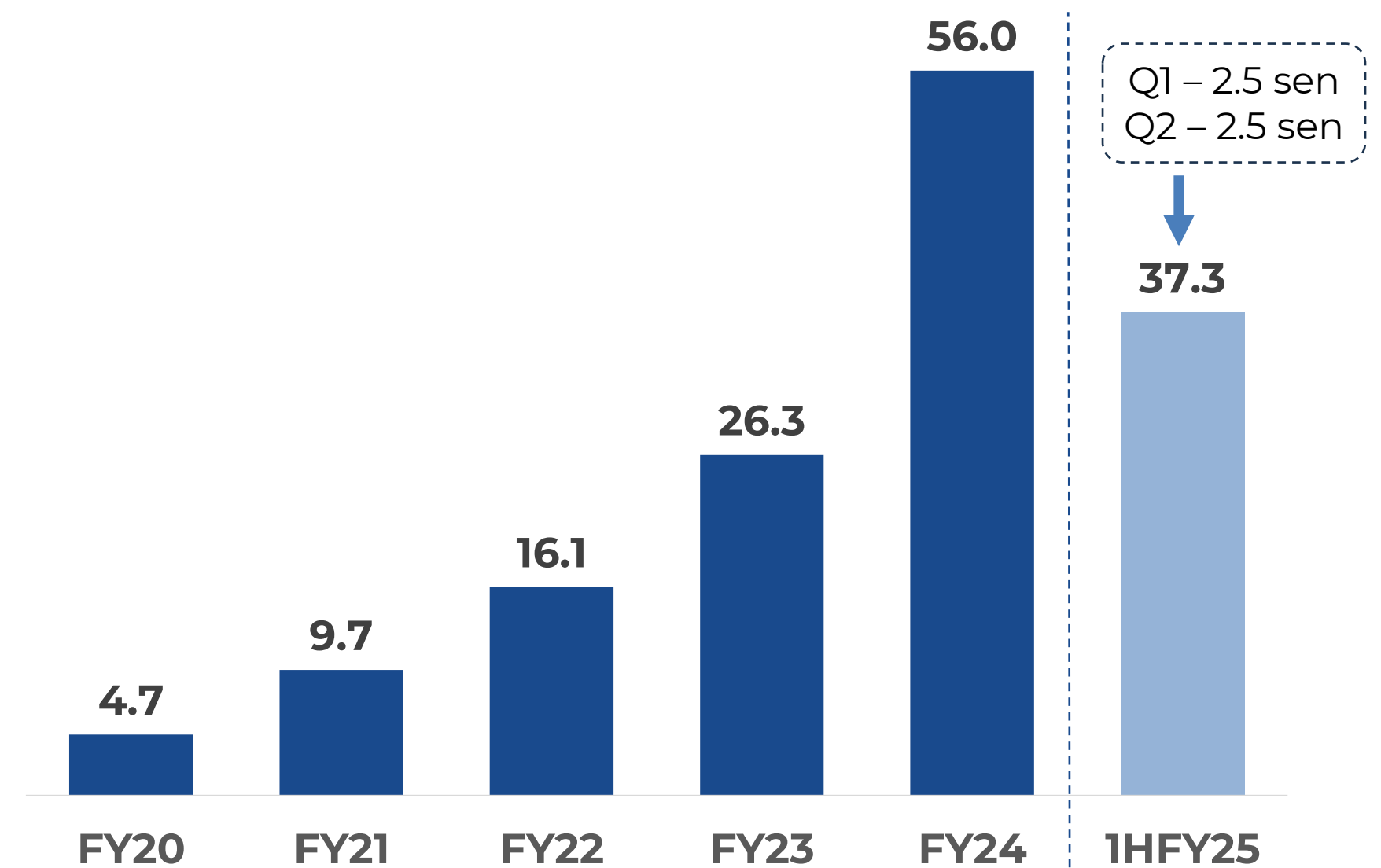
- ✓ KGB recognised by the Prime Minister as one of 13 potential national champions in the semiconductor value chain
- ✓ RM63 billion in semiconductor investments secured under the NSS as of March 2025 (less than a year after its launch in May 2024)
- ✓ Government targets:-
 - ✓ 10 local firms with RM4.2 billion revenue
 - ✓ 100 companies nearing RM1 billion revenue
- ✓ >RM2 billion catalytic capital (Khazanah, KWAP, Bank Negara, and global partners)
- ✓ RM1.2 billion talent funding committed to support ecosystem growth

Ongoing Dividend Rewards With Steady Capital Appreciation

Shareholders' Funds (RM mil)



Total Dividend Declared (RM mil)



>200%

growth from FY20 to 2QFY25

Dividend payout ratio at

62.7%

based on 1HFY25 earnings

Positive Outlook

Backed By Strategic Pursuit Of Growth Opportunities

1

Global Semiconductor Industry Growth

- Supported by growing demand from AI and hyperscale data centres
- Easing of AI chip export restrictions, including recent licensing approvals for advanced GPUs, is expected to stimulate capital expenditure in key semiconductor markets.

2

13th Malaysia Plan

- RM611 billion total development investment planned (2026–2030)
- Strong push for private sector-led growth in high-impact industries
- Backed by National Semiconductor Strategy (NSS) and New Industrial Master Plan 2030 (NIMP)
- Targeting RM500 billion semiconductor investments

3

Market Expansion Strategy

- Tendering for projects in Europe
- EU Chips Act to strengthen EU's global market share in semiconductors to 20% by 2030, up from <10% currently
- Backed by total financing framework of €43 billion
- Incorporated a wholly-owned subsidiary in Japan, Kelington Engineering (Japan) K.K.

4

Industrial Gas

- Demand for liquid CO2 remains steady
- A clear framework to accelerate the development of CCUS industry, opportunities ahead
- Signed Two MoUs in Steel and O&G industry, poised for CCUS Growth
- Green hydrogen potential to drive national hydrogen bus plans

World Fab Forecast Report (2024 to 2026)

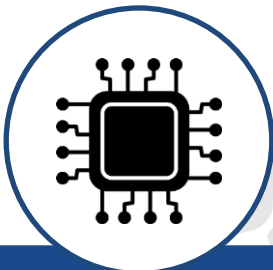
Published on June 2025



Fab Equipment Investments

+2% to US\$110B
in 2025

+12% to US\$124B
in 2026

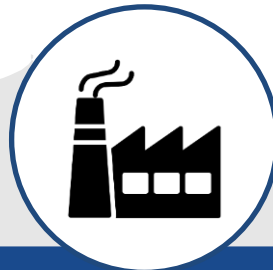


Foundry Capacity Growth

+10% in 2025

+9% in 2026

Growth
(including Pure
Foundry & Foundry
/ IDM)



New Fab Projects (2025-2030)

40 new fabs
worldwide

Greenfield & shell;
excluding
expansions / R&D



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[Registration No. 199901026486 (501386-P)]



THANK YOU

For investor relations queries,
kindly contact howpin@capitalfront.biz