



Press Release

FOR IMMEDIATE RELEASE

KELINGTON ACCEPTS LOI FOR A SEMICONDUCTOR HOOK UP PROJECT IN GERMANY, MARKING MAJOR ENTRY INTO EUROPE

Kuala Lumpur, 4 August 2025 – Integrated engineering solutions provider, Kelington Group Berhad (“**Kelington**” or “**Group**”) (stock code: 0151) through its wholly owned subsidiary Kelington Engineering (Germany) GmbH (“**KEGG**”), has accepted a Letter of Intent (“**LOI**”) for a semiconductor hook-up project in Dresden, Germany. This marks Kelington’s major entry into the European market.

The LOI establishes a framework for detailed discussions on KEGG to provide hook-up services for key process systems involving specialty gases, chemicals, slurry, bulk gases, process vacuum, and ultra-pure water (UPW). It also sets out the agreed unit pricing structure and price adjustment clauses, which will remain in effect until 2027. This long-term arrangement positions KEGG to undertake follow-on work as this semiconductor wafer fabrication plant (“wafer fab”) expands, without the need for renegotiation on core pricing terms.

Based on the estimated scope for the first phase, the total contract value is estimated at a minimum of EUR 30 million (approximately RM146 million, based on exchange rate of EUR 1 : RM4.88), with the potential to increase to EUR 50 million (approximately RM244 million), subject to the final configuration to be determined by the client. The project will commence immediately and is expected to be completed over the next two to three years.

However, the overall value to Kelington is likely to exceed this initial amount. Semiconductor wafer fabs typically undergo continuous capacity upgrades over lifespans that can span decades. As the appointed hook-up contractor for this end-user, Kelington is strategically positioned to benefit from recurring demand for hook-up works, with the overall contract value expected to grow well beyond the first phase.



Ir. Raymond Gan (“顏漢慶”), Chief Executive Officer of Kelington Group Berhad said, “This milestone represents a significant step in our European expansion and strengthens our position as a trusted global engineering solutions provider. The end-user is a long-standing client we have supported on multiple projects in Malaysia, and we are proud to extend this partnership into Europe.”

A semiconductor hook-up involves the installation and integration of utility and process systems in a wafer fab manufacturing smart power chips. As demand rises for advanced technologies such as artificial intelligence (AI), the Internet of Things (IoT), electric vehicles (EVs), industrial automation, and renewable energy, these chips have become essential in powering intelligent systems. With extensive experience in wafer fab hook-up projects, Kelington is well-positioned to ride on the semiconductor industry's global expansion.

“With the European Chips Act accelerating local semiconductor production, we see strong prospects in this region. As countries prioritise supply chain resilience amid rising geopolitical risks, this structural shift supports long-term industry growth. This milestone paves the way to secure additional work packages and firmly establish our presence in Europe, which we view as a key growth platform for Kelington in the years ahead,” Ir. Raymond Gan added.

Any material updates will be announced via Bursa Malaysia.

As at 31 March 2025, Kelington’s outstanding order book remains strong at RM1.43 billion as at 31 March 2025, supported by a robust tender book pipeline totalling RM4.0 billion as at 30 April 2025.

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

Kelington Group Berhad, listed on the Main Market of Bursa Malaysia Securities Berhad, is an integrated engineering solutions provider with a core focus on advanced engineering and process systems, particularly for the semiconductor and electronics industries. The Group delivers end-to-end engineering solutions ranging from system design to fabrication and installation of equipment as well as building manufacturing facilities. Via Ace Gases Sdn Bhd, its wholly-owned subsidiary, the Group is also a key player in the industrial gas sector, supplying a comprehensive range of industrial and electronic specialty gases. Its engineering services extend to gas plant design, on-site gas generation, and customised gas delivery systems, serving diverse industry applications.

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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