Kelington Group Berhad

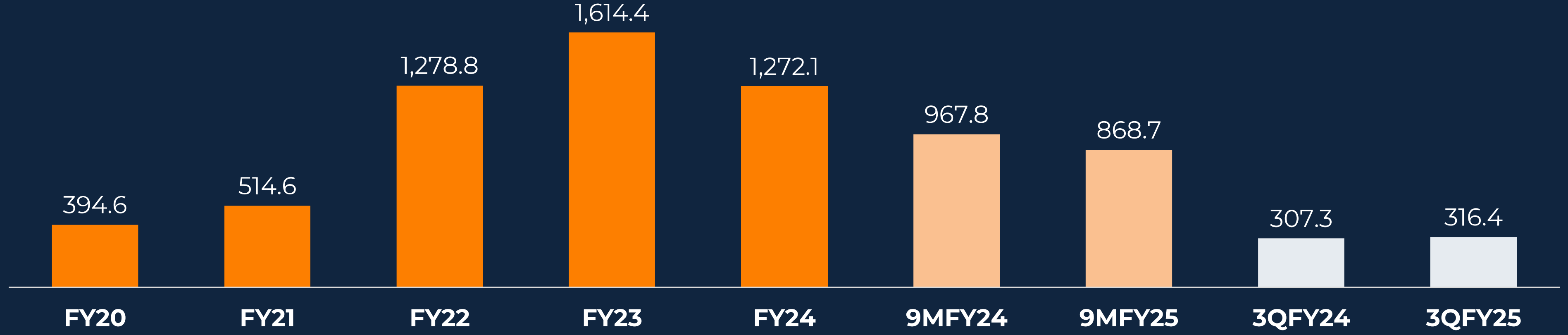
Corporate Presentation

3Q/9M FY25 RESULTS REVIEW

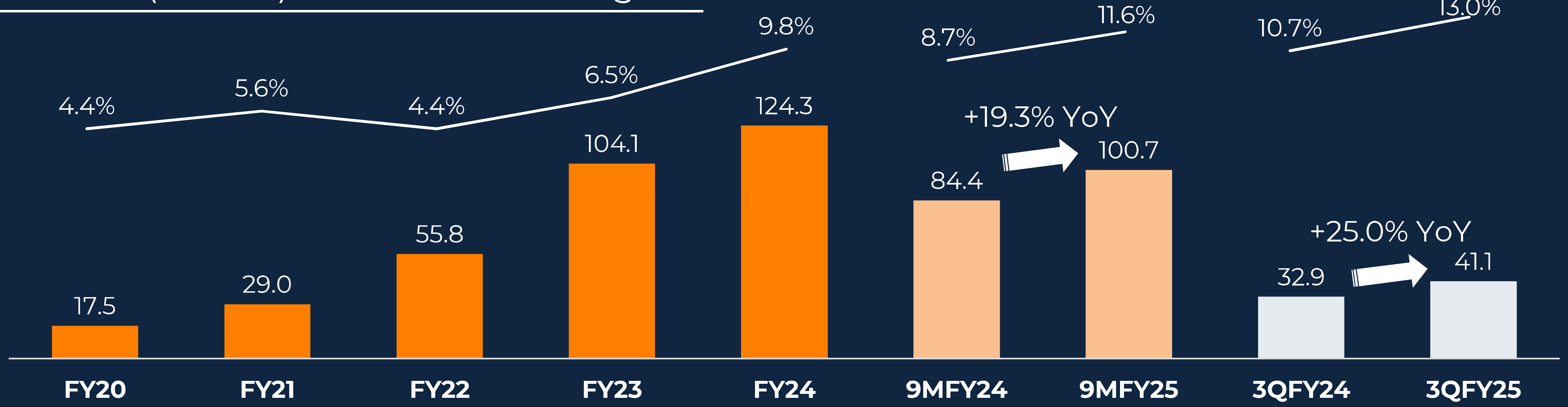
November 2025

Delivering margin-driven bottom-line performance

Revenue (RM mil)



Net Profit (RM mil) and Net Profit Margin %



Expanding margins to support double-digit net profit growth

RM mil	3QFY25	3QFY24	YoY change	9MFY25	9MFY24	YoY change
Revenue	**316.4**	**307.3**	*+2.9%*	**868.7**	**967.8**	*-10.2%*
Gross profit	71.3	70.1		184.8	178.5	
Gross profit margin	*22.5%*	*22.8%*		*21.3%*	*18.4%*	
Other income	2.3	1.5		7.4	3.8	
Administrative expenses	(16.2)	(15.7)		(49.8)	(48.6)	
Selling & distribution expenses	(1.1)	(0.9)		(3.1)	(2.7)	
Other expenses	(3.7)	(9.7)		(8.7)	(15.5)	
Operating profit	**52.6**	**45.2**	*+16.2%*	**130.6**	**115.6**	*+12.9%*
Finance costs	(2.0)	(2.4)		(6.2)	(7.2)	
Net (impairment losses) / reversal of impairment losses on financial assets	1.6	(0.0)		3.4	1.9	
Profit before tax	**52.2**	**42.8**	*+22.0%*	**127.8**	**110.4**	*+15.8%*
Tax	(11.1)	(9.2)		(27.1)	(24.0)	
Profit after tax	**41.1**	**33.6**	*+22.5%*	**100.7**	**86.4**	*+16.5%*
Net profit	**41.1**	**33.0**	*+25.0%*	**100.7**	**84.4**	*+19.3%*
Effective tax rate	*21.2%*	*21.5%*		*21.2%*	*21.7%*	
PBT margin	*16.5%*	*13.9%*		*14.7%*	*11.4%*	
PAT	*13.0%*	*10.9%*		*11.6%*	*8.9%*	

Lower contribution from China and Malaysia, partially offset by **higher contribution from Singapore**

Continue to focus on **optimising revenue mix,** a more favourable project portfolio, and stable LCO_2 demand from the Industrial Gases division

Lower unrealised forex losses of RM1.3 million in 3QFY25, compared to approximately RM6.0 million in 3QFY24

Strong market opportunities allow selective focus of **higher-margin projects**

Group revenue breakdown

Breakdown by geographical market:

	3QFY25 RM mil	3QFY24 RM mil	YoY change	9MFY25 RM mil	9MFY24 RM mil	YoY change
Malaysia	119.0	121.6	*-2.2%*	308.1	397.3	*-22.5%*
China	59.0	78.8	*-25.2%*	217.5	283.9	*-23.4%*
Singapore	118.0	88.1	*+33.9%*	293.7	241.3	*+21.7%*
Taiwan	9.4	10.6	*-10.5%*	20.3	18.8	*+8.3%*
Others	11.0	8.2	*+33.8%*	29.0	26.5	*+9.6%*
Total	**316.4**	**307.3**	***2.9%***	**868.7**	**967.8**	***-10.2%***

Mainly due to **slower progress of completion in China due to delays in receiving the required tools.**

Driven by **stronger contribution from Advanced Engineering segment**

Breakdown by business segment:

	3QFY25 RM mil	3QFY24 RM mil	YoY change	9MFY25 RM mil	9MFY24 RM mil	YoY change
Engineering Segment	**292.0**	**279.9**	***+4.3%***	**794.1**	**894.8**	***-11.3%***
Advanced Engineering	204.8	216.2	*-5.3%*	589.3	643.8	*-8.5%*
Process Engineering	26.0	19.2	*+35.0%*	51.7	58.0	*-10.8%*
General Contracting	53.6	32.8	*+63.4%*	132.5	150.2	*-11.8%*
Equipment and materials	7.6	11.7	*-35.1%*	20.6	42.8	*-51.9%*
Industrial Gases Segment	**33.6**	**39.4**	***-14.7%***	**96.2**	**121.5**	***-20.8%***
Consolidated adjustments	(9.2)	(12.0)		(21.6)	(48.5)	
Total	**316.4**	**307.3**	***2.9%***	**868.7**	**967.8**	***-10.2%***

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

Lower demand for specialty gases, but **LCO_2 demand remained steady**

Balance sheet highlights

RM mil	30.9.2025 (Unaudited)	31.12.2024 (Audited)
Total Assets	1,234.8	1,150.2
Total Liabilities	645.9	676.8
Total Borrowings*	178.4	185.3
*Short-term**	98.0	104.9
*Long-term**	80.4	80.4
Total Cash#	471.0	413.1
Net Cash	292.6	227.8
Total Equity	588.9	473.3
Net Asset/Share	0.76	0.66
Gearing (times)	0.30	0.39
Net gearing (times)	Net cash	Net cash

**Include lease liabilities*
#Include fixed deposits with licensed banks

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

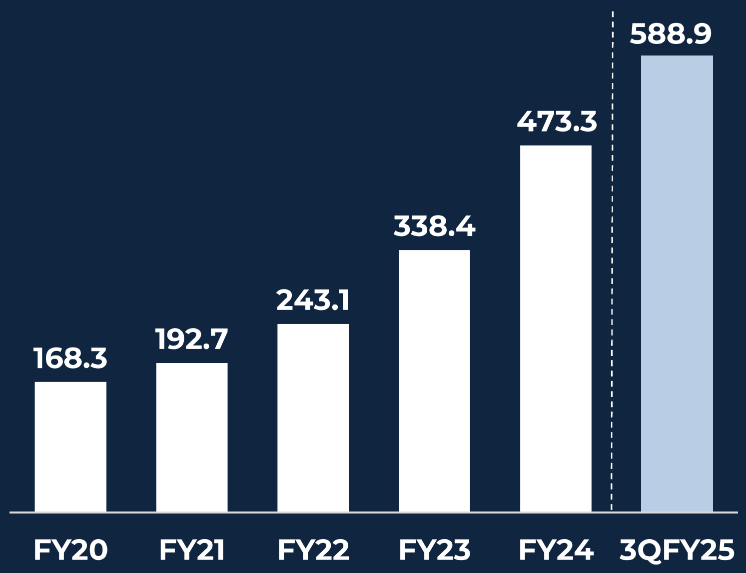
Growth in equity due to:-

- 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

Ongoing dividend rewards with steady capital appreciation

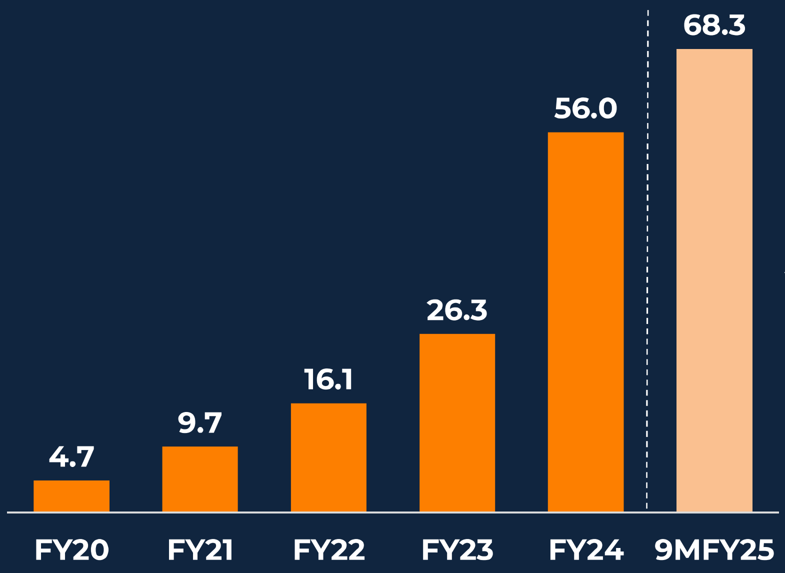
Shareholders’ Funds (RM mil)



>200%

growth from FY20 to 3QFY25

Total Dividend Declared (RM mil)



Q1 – 2.5 sen
Q2 – 2.5 sen
Q3 – 4.0 sen

For 3QFY25:
3rd interim dividend – 2.5 sen
Special interim dividend – 1.5 sen

Dividend payout ratio at

67.8%

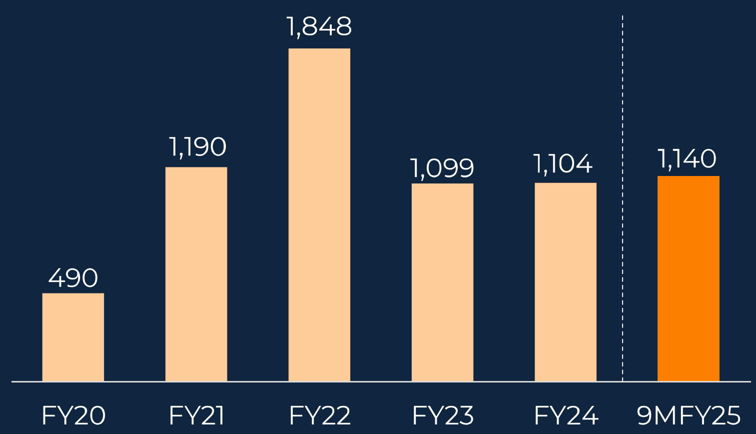
based on 9MFY25 earnings

Division 1: **Engineering Services**

Leveraging on the semiconductor growth cycle, we are seeing steady inflow of new orders

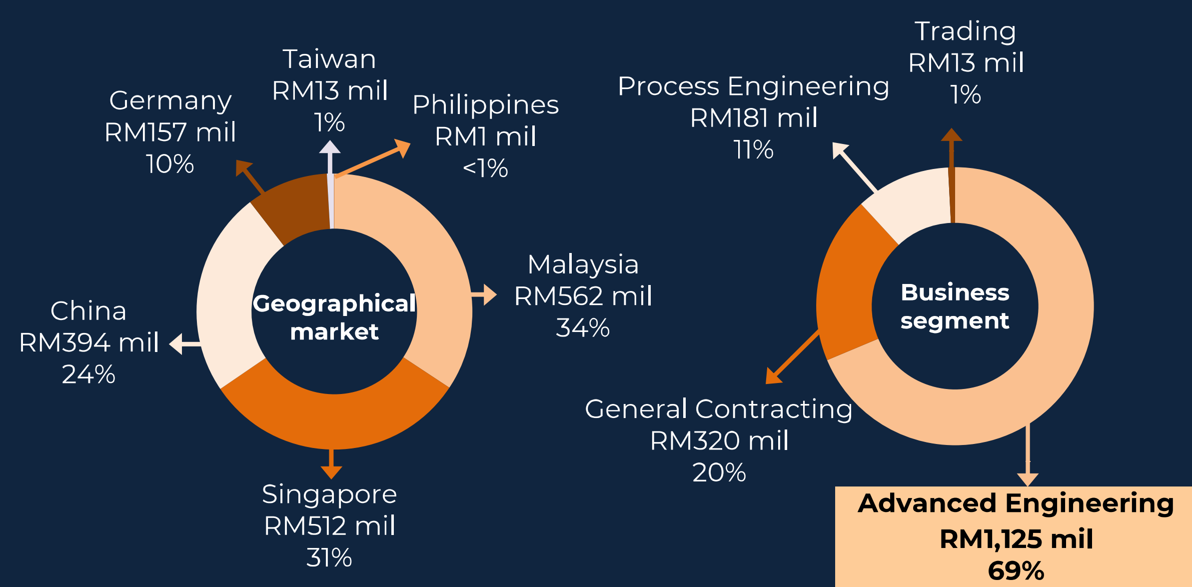
➢ High-margin advanced engineering projects underpin earnings visibility

New orders secured (RM mil)



Outstanding Order Book as at 30 September 2025

RM1.6 bil



Strong market demand driving expanding tenderbook

Singapore
RM415 million
9.0%

Malaysia
RM314 million
6.8%

Taiwan
RM325 million
7.1%

China
RM204 million
4.4%

India
RM1,912 million
41.6%

Europe
RM1,475 million
32.1%

Total tenderbook of
RM4.6 billion
as at 30 September 2025

Future Outlook: Advanced Engineering

Europe (2026)
+6.1% | USD$ 56 billion

Japan (2026)
+5.8% | USD$ 50 billion

Asia Pacific (2026)
+8.5% | USD$ 402 billion

Americas (2026)
+9.6% | USD$ 252 billion

Global Semiconductor market is forecasted to reach USD760 Billion in 2026

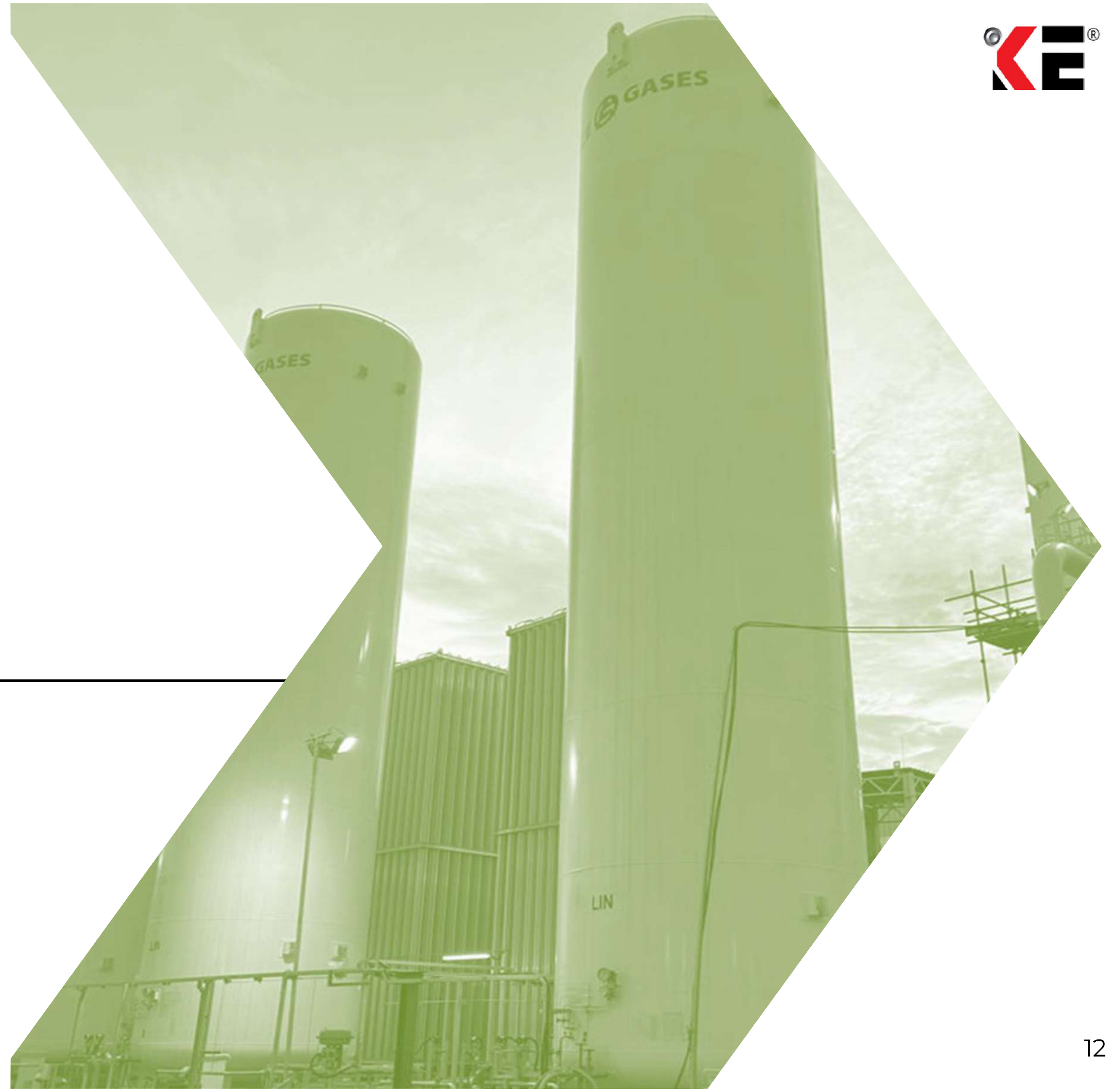
From: Semiconductor Trade Statistics (WSTS)

Semiconductor Fab Opportunity

Project Name	Location	Year Initiated	Estimated Cost (USD)
Infineon - SPF	Dresden, Germany	2023	~ $5.3 billion
ESMC	Dresden, Germany	2023	~ $10.0 billion
Soitec's fab expansion	Bernin, France	2022	~ $0.4 billion
STM's fab expansion	Crolles, France	2022	~ $7.5 billion
STM SiC Fab	Catania, Italy	2024	~ $5.0 billion
IMEC's Semicon R&D fab	Malaga, Spain	2025	~ $0.7 billion
Tata Semicon Assembly	Assam, India	2024	~ $3.2 billion
Tata Semicon Production	Gujarat, India	2026	~ $11.0 billion
Micron Assembly & Test	Gujarat, India	2023	~ $2.8 billion
Rapidus 2nm Logic Fab	Hokkaido, Japan	2023	~ $37.0 billion
TSMC JASM Phase 2	Kumamoto, Japan	2022	~ $20.0 billion
Micron DRAM fab	Hiroshima, Japan	2024	~ $5.1 billion
Micron HBM & Nand Flash	Singapore	2025, 2026	~ $17.0 billion

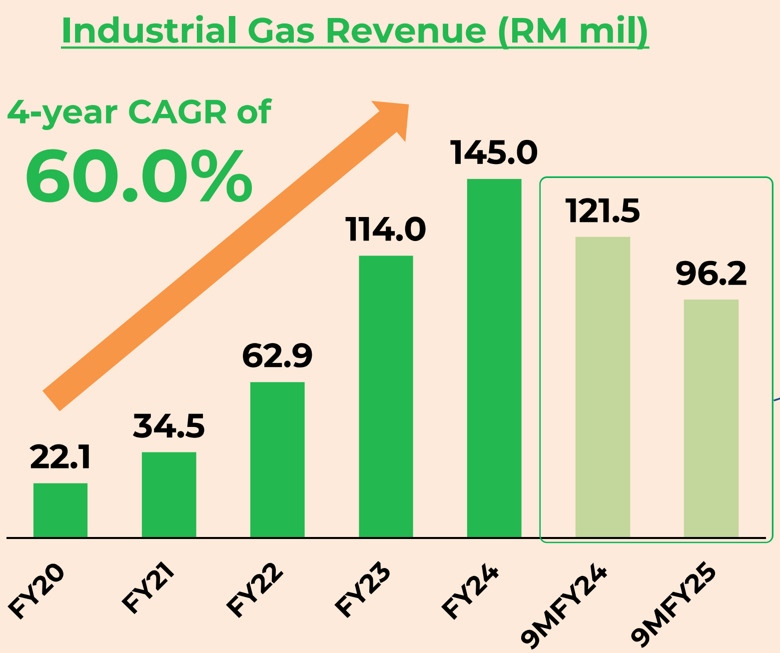
Division 2:

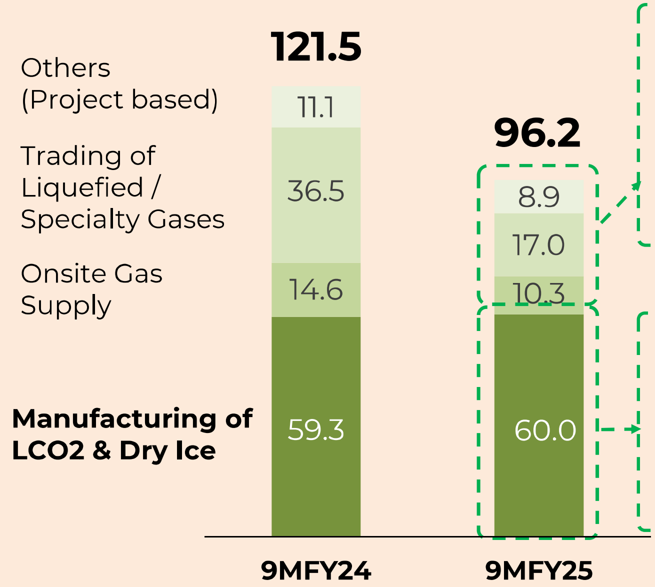
Industrial Gas



Industrial Gas

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





- 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 63%
- Total exports of LCO2 is 74%

Supply a broad range of gases for diverse industrial applications

➢ Expanding into carbon capture and green hydrogen to drive Malaysia's ESG and energy transition goals

Existing Business

1st Largest CO_2 producer in Malaysia

CO_2 manufacturing plant located in Terengganu, Malaysia

120,000 tonnes
Production capacity per annum

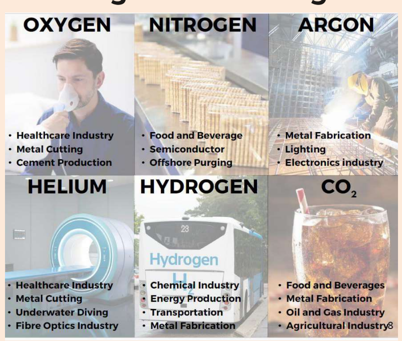
74% exports
to Singapore, Australia, New Zealand, Fiji, Indonesia, Philippines

On-site gas supply

Supply of hydrogen, nitrogen and oxygen for an optoelectronics semiconductor plant

On-site air separation unit located in Kedah, Malaysia

Trading of industrial gases



New Business (Sustainable Engineering)

Carbon Capture and Storage

Developing carbon capture and storage solutions for industrial applications such as steel manufacturing.

- **NETR (National Energy Transition Roadmap)**

NET ZERO 2050

Malaysia's roadmap to accelerate clean energy transition and achieve net zero by 2050

Green Hydrogen

In collaboration to establish a green hydrogen production hub in Selangor, Malaysia

- **HETR (Hydrogen Economy and Technology Roadmap)**

Bio-CNG

Bio-Compressed Natural Gas (Bio-CNG) is renewable natural gas made from organic waste like palm oil effluent and agricultural residues

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

Illustration of CCS

Manufacturing Plant

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CO_2

Waste gas is captured

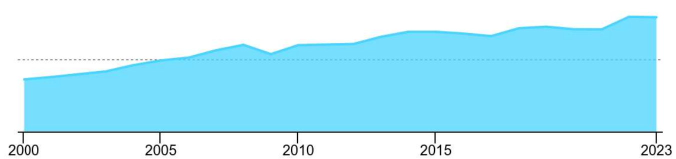
Waste CO_2 purified and liquified into LCO_2

LCO_2 is safely stored under the sea

Policy Tailwinds

The rollout of a carbon tax for the iron, steel and energy sectors next year signals a gradual tightening on carbon emissions

CO2 emissions from fuel combustion, Malaysia



Source: [IEA]

Total, 2023

252.5 MtCO2

Trend

119%

change 2000-2023

MoU Across Various Industries To Strengthen CCUS Effort

Steel Industry	**Oil & Gas Industry**
Malaysia Steel Works (KL) Bhd	Petronas CCS Solutions Sdn Bhd

Universiti Tunku Abdul Rahman

- ✓ 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

Driving Malaysia's Transition to a Hydrogen-Powered Future

Project: 2MW Green Hydrogen Production Hub at Batang Kali Small Hydropower Plant Energy

Worldwide Energy Development

Provide land, power, water, and regulatory support

Hydropower Plant

→

Ace Gases

Lead electrolyser plant and green hydrogen production

Electrolyser Plant

→

SKS Coachbuilders

Develop hydrogen buses and refuelling stations

Hydrogen Bus

Hydrogen Refuel Station

Visuals shown are for illustrative purposes only

Bio-CNG Supply Chain

Palm Oil Mill Effluent (POME)

Anaerobic Digester, CH_4 around 60%

First Stage Desulphurisation, H_2S reduced to around 20ppm

ACE GASES SCOPE

Second Stage Desulphurisation Biogas Upgrading Plant,
H_2S to < 8ppm and CH_4 around 95% to 98%

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Compression into Tube Trailer at 250 barG

Decanting into Petronas Pipeline

To End Users

Thank You

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