Kelington Group Berhad

Corporate Presentation

2Q FY26 Results Review

August 2026

Corporate Overview

Core Businesses

Technology and Process Solution

Advanced Engineering (Ultra High Purity)
Solutions that ensure safe handling of the delivery and distribution of ultra-high purity (UHP) gases and chemicals all the way from source to equipment to waste disposal.

Advanced Industrial Infrastructure
Advanced industrial infrastructure works encompassing, civil and mechanical and engineering services to construct specialised facilities such as clean rooms and Research & Development ("R&D") centers.

Process Engineering
Mechanical and electrical systems that support industrial processes across many sectors. We offer custom integrated process skid fabrications all the way up to large scale constructions.

Industrial Gas

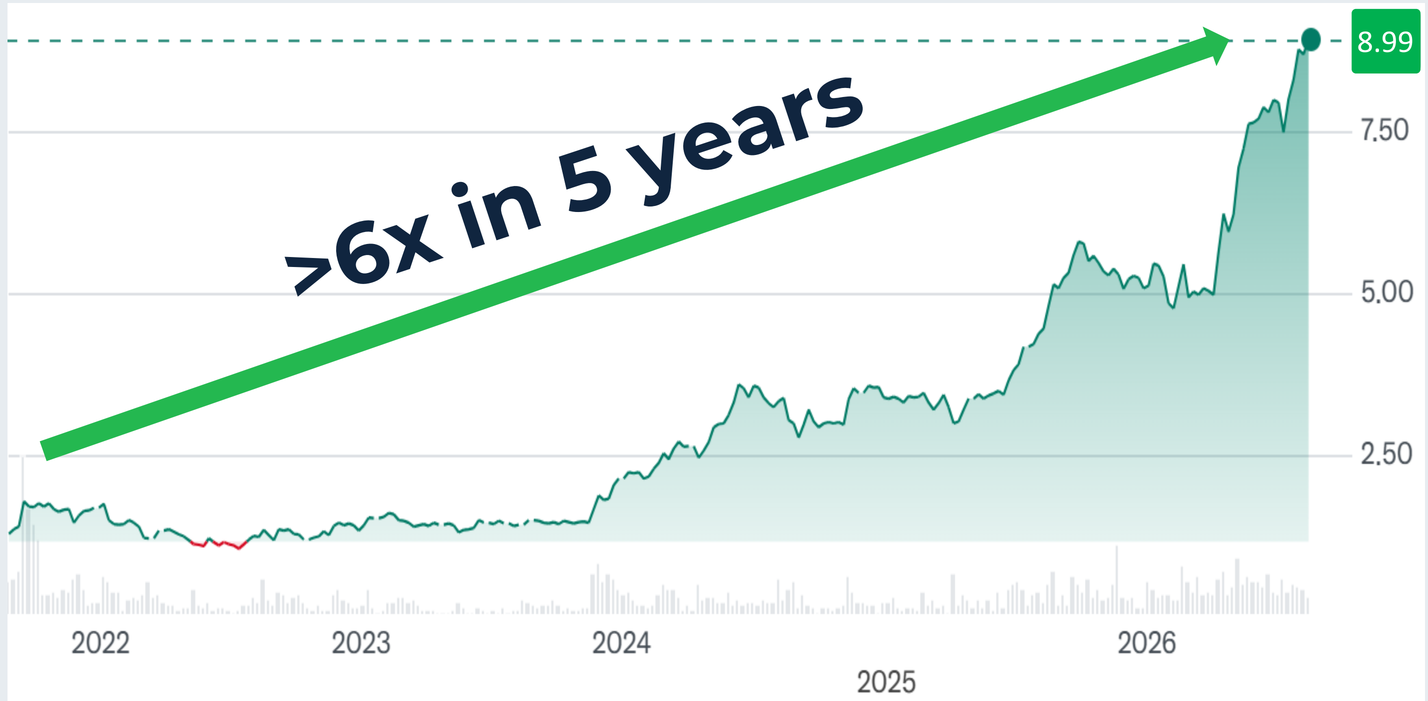
Manufacturing, on-site supply and trading of industrial gases, including hydrogen, nitrogen, oxygen, argon, helium and carbon dioxide, serving semiconductor, optoelectronics and other industrial applications.

Recognised Indices and Initiatives

- Bursa Malaysia Quality 50 Index
- MY Value Up Programme
- FTSE4Good Index
- MSCI Global Small Cap Index
- MSCI ESG Rating (AAA)

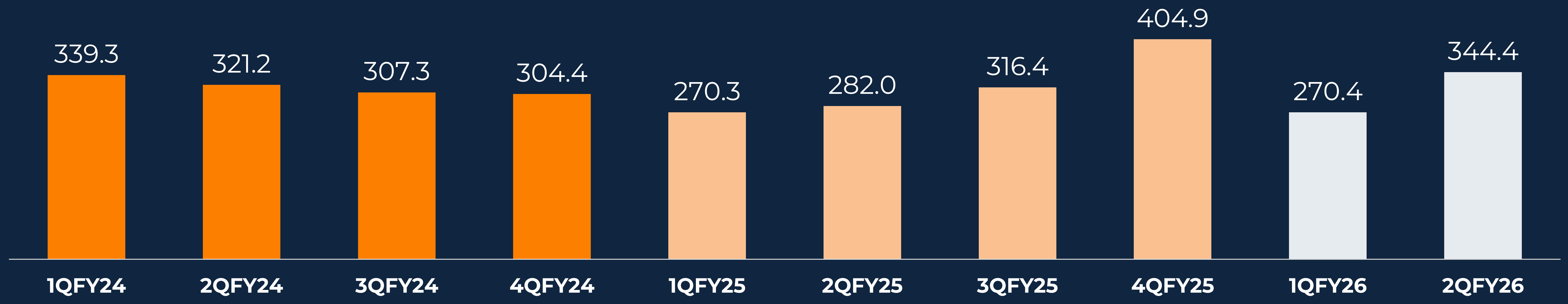
Stock code	BURSA – KGB | 0151 Bloomberg - KGRB
Stock Exchange Listing	Main Market of Bursa Securities
Share Price	RM8.99 (as of 19 Aug 26)
Market Cap.	RM7.93 bil
Shares Outstanding	882.63 mil
52 Week Range	RM4.61 – RM9.01
P/E Ratio (TTM)	49.61x
Shariah Compliant	Yes

5-year historical share price chart



Quarterly Performance :
Group's focus on profitability is translating into results

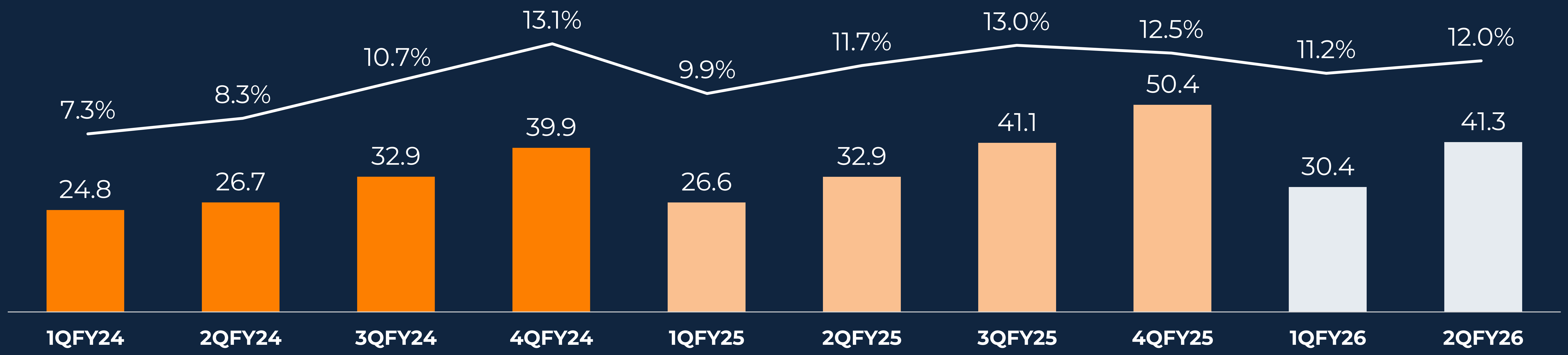
Revenue (RM mil)



+22.1% YoY

+27.4% QoQ

Net Profit (RM mil) and Net Profit Margin %

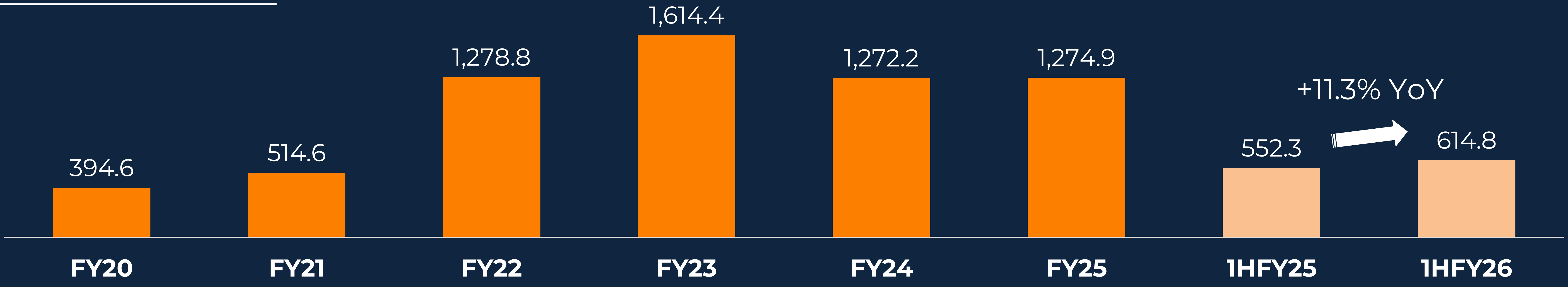


+25.7% YoY

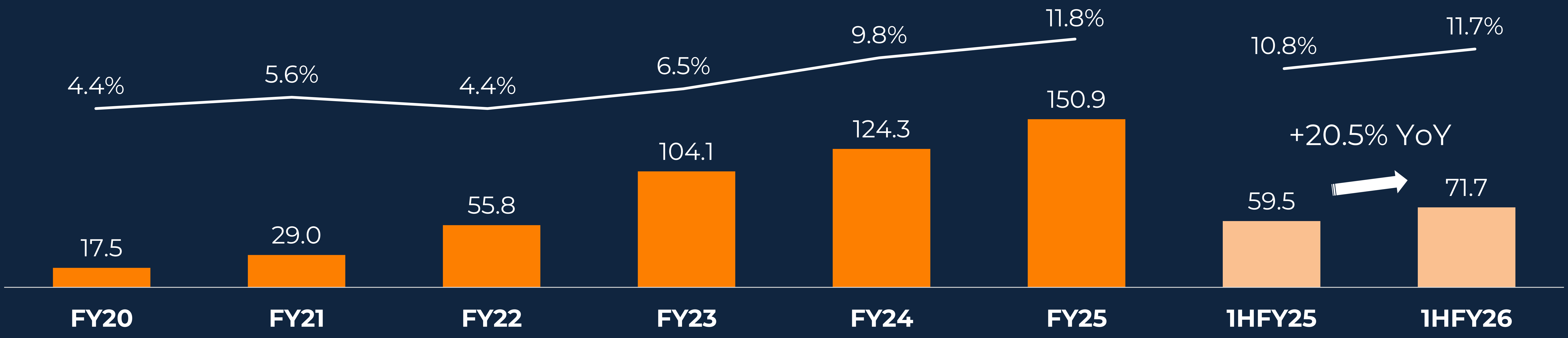
+36.0% QoQ

Annual and Year-To-Date Performance : 1HFY26 Net Profit up 20.5%

Revenue (RM mil)



Net Profit (RM mil) and Net Profit Margin %



Income Statement

RM mil	2QFY25	2QFY26	YoY change	1HFY25	1HFY26	YoY change
Revenue	**282.0**	**344.4**	*+22.1%*	**552.3**	**614.8**	*+11.3%*
Gross profit	65.0	69.4		113.5	132.7	
Gross profit margin	*23.0%*	*20.2%*		*20.6%*	*21.6%*	
Other income	3.1	3.2		5.1	5.5	
Administrative expenses	(21.9)	(18.2)		(35.7)	(38.6)	
Selling & distribution expenses	(1.2)	(1.1)		(2.0)	(2.1)	
Other expenses	(1.2)	(2.7)		(2.9)	(5.7)	
Operating profit	**43.7**	**50.6**	*+15.7%*	**78.0**	**91.8**	*+17.7%*
Finance costs	(2.2)	(1.8)		(4.3)	(3.8)	
Net (impairment losses) / reversal of impairment losses on financial assets	(0.2)	2.4		1.9	2.5	
Profit before tax	**41.3**	**51.1**	*+23.6%*	**75.6**	**90.5**	*+19.8%*
Tax	(8.5)	(9.7)		(16.0)	(18.7)	
Profit after tax	**32.9**	**41.4**	*+25.8%*	**59.5**	**71.8**	*+20.6%*
Net profit	**32.9**	**41.3**	*+25.7%*	**59.5**	**71.7**	*+20.5%*
Effective tax rate	*20.5%*	*19.1%*		*21.2%*	*20.7%*	
PBT margin	*14.7%*	*14.8%*		*13.7%*	*14.7%*	
PAT margin	*11.7%*	*12.0%*		*10.8%*	*11.7%*	

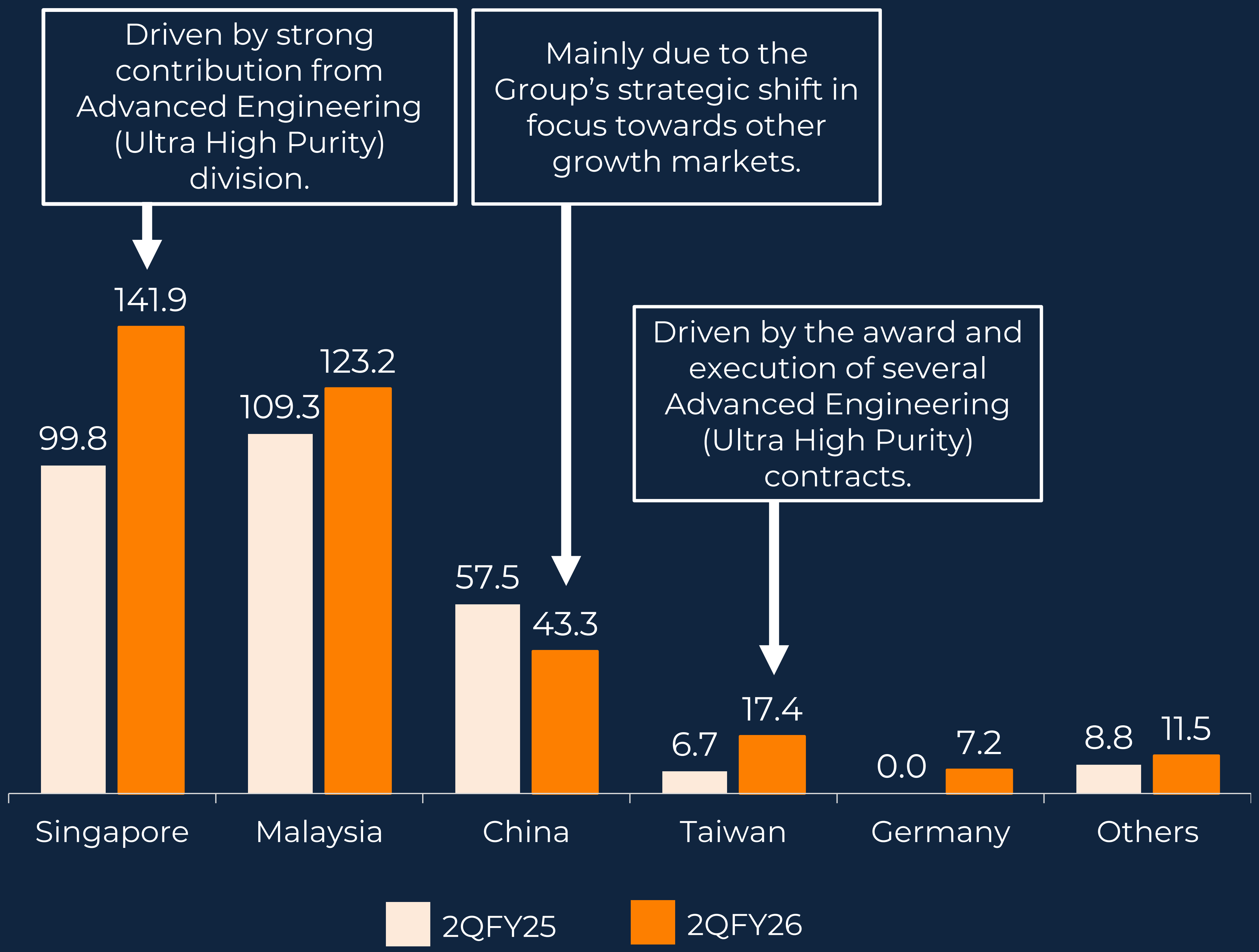
Revenue growth in 2QFY26 was primarily driven by higher revenue recognition from ongoing projects.

2QFY26 gross profit margin moderated slightly as revenue from the Process Engineering and Advanced Industrial Infrastructure segments grew faster than the higher margin Advanced Engineering segment.

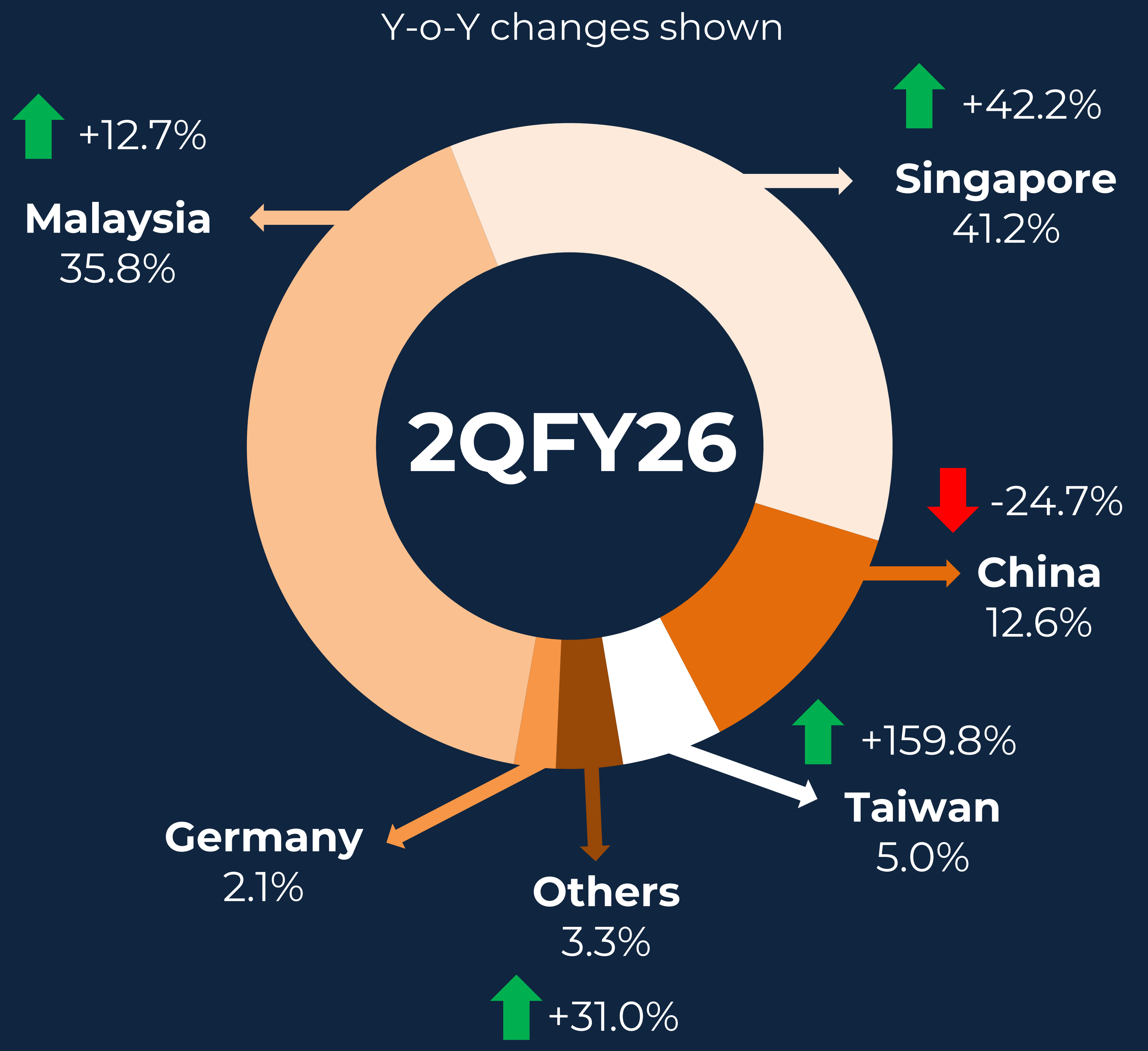
Driven by **stronger revenue contributions from key projects,** further supported by a **reversal impairment of RM2.4 million** relating to projects in Taiwan.

Group revenue breakdown by geographical market

2QFY26 Geographical Revenue Breakdown (RM mil)

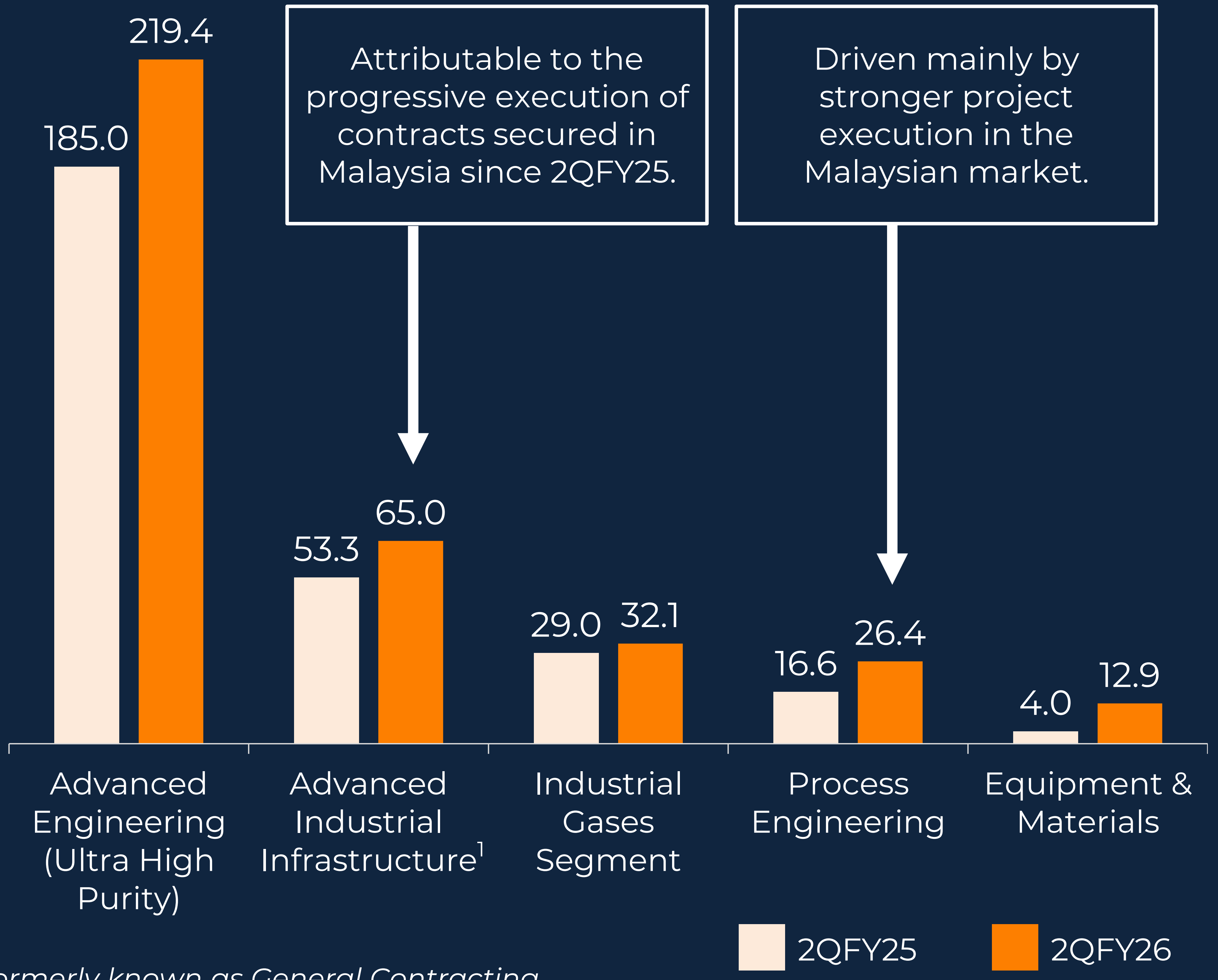


2QFY26 Geographical Revenue Breakdown (%)



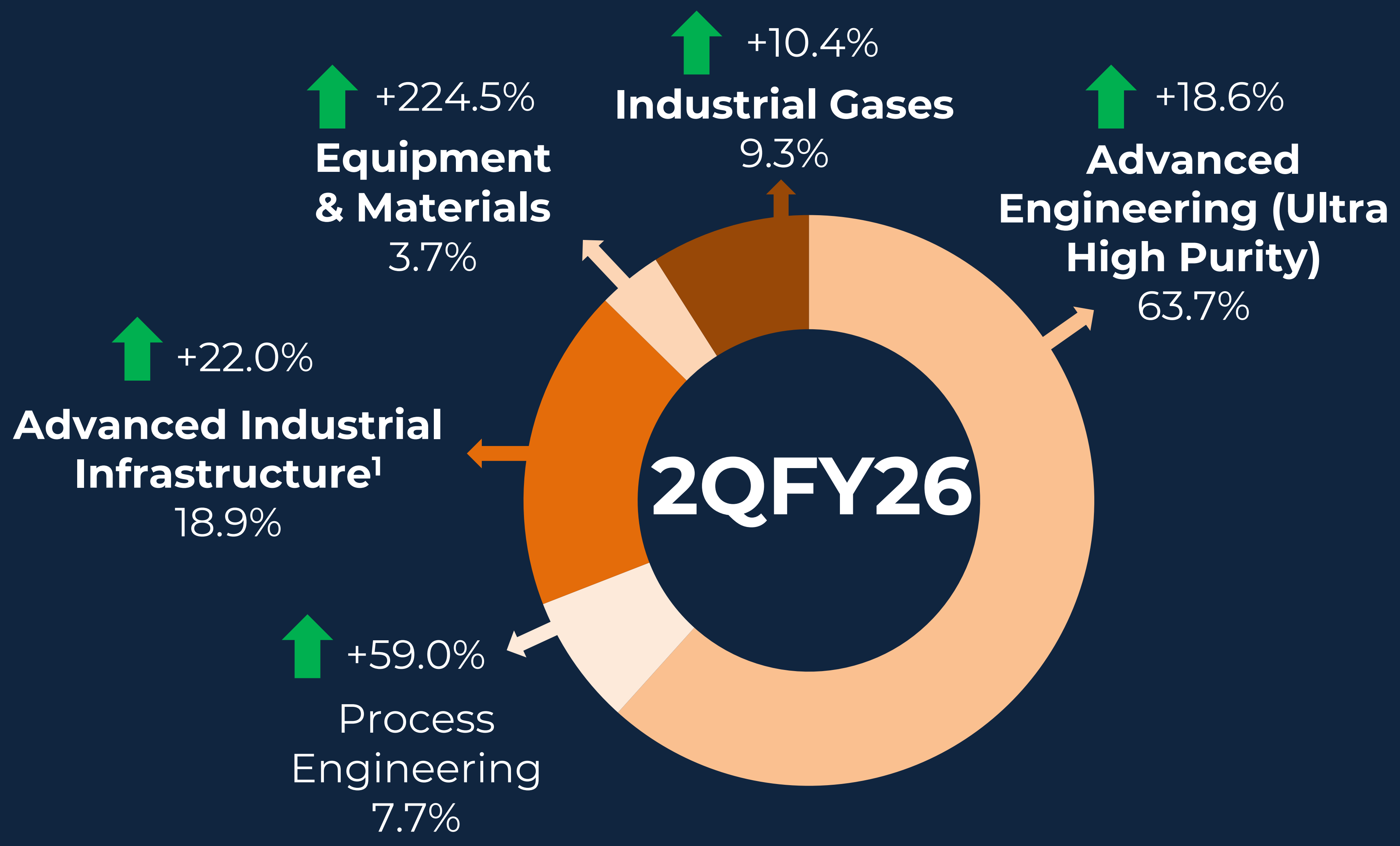
Group revenue breakdown by business segment

2QFY26 Segmental Revenue Breakdown (RM mil)



2QFY26 Segmental Revenue Breakdown (%)

Y-o-Y changes shown



[1]*Formerly known as General Contracting*

Balance sheet highlights

RM mil	31.12.2025 (Audited)	30.06.2026 (Unaudited)
Total Assets	1,391.1	1,403.9
Total Liabilities	777.5	648.0
Total Borrowings[1]	207.6	217.9
Short-term[1]	132.0	144.1
Long-term[1]	75.6	73.8
Short-term Investments	78.1	212.3
Total Cash[2]	405.4	328.6
Net Cash	197.8	110.7
Total Equity	613.6	755.9
Net Asset/Share	0.79	0.87
Gearing (times)	0.34	0.29
Net gearing (times)	Net Cash	Net Cash

Increase in borrowings due to:-

- Drawdown of borrowings to support project execution and working capital requirements.

Increase in short-term investments from:-

- Investments in money market.

Decrease in net cash driven by:-

- Placement of surplus funds into short-term investments.

Growth in equity due to:-

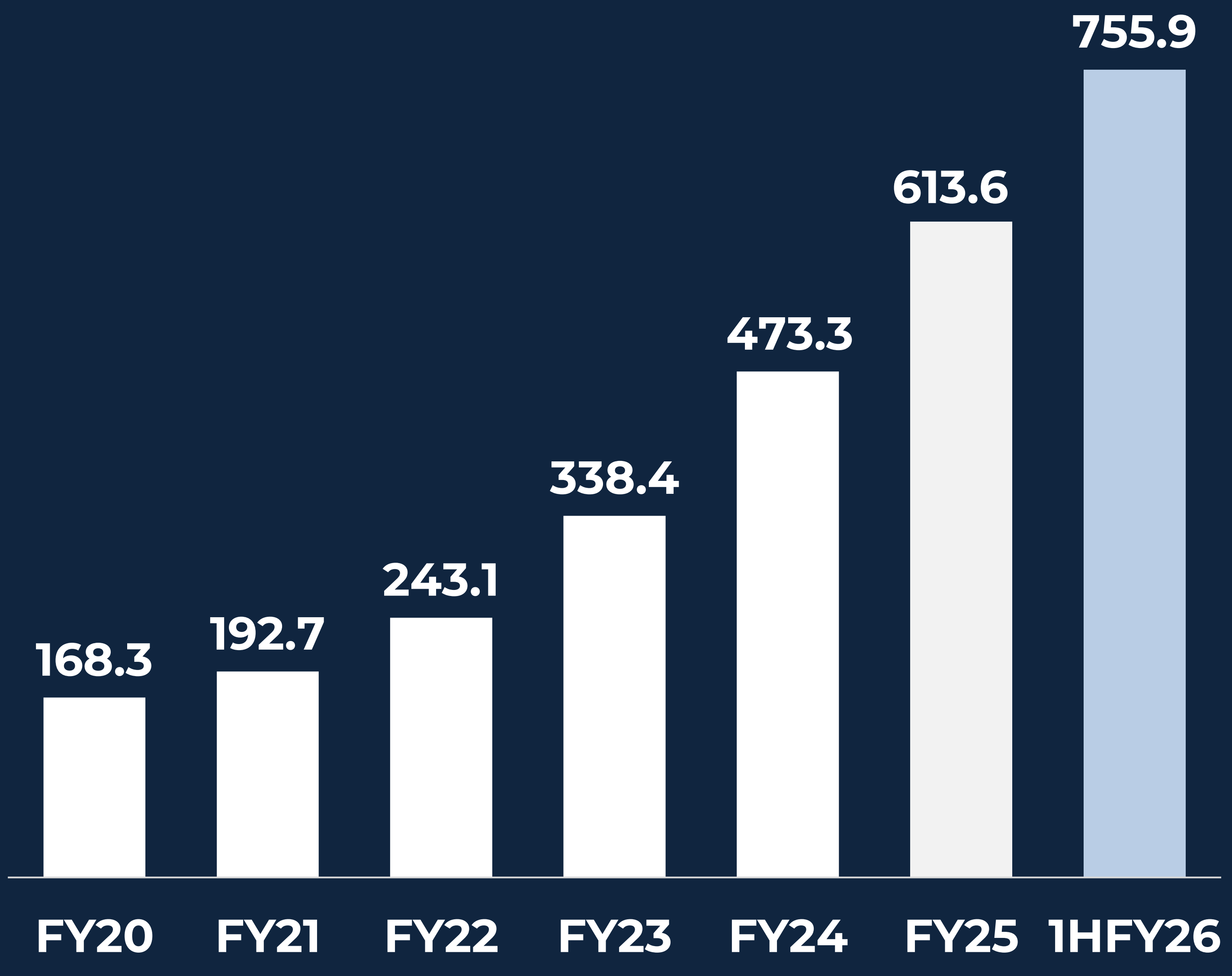
- Exercise of warrants and quarterly profits.

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

[1]*Include lease liabilities*
[2]*Include fixed deposits with licensed banks*

Building long term shareholder value while growing dividend returns

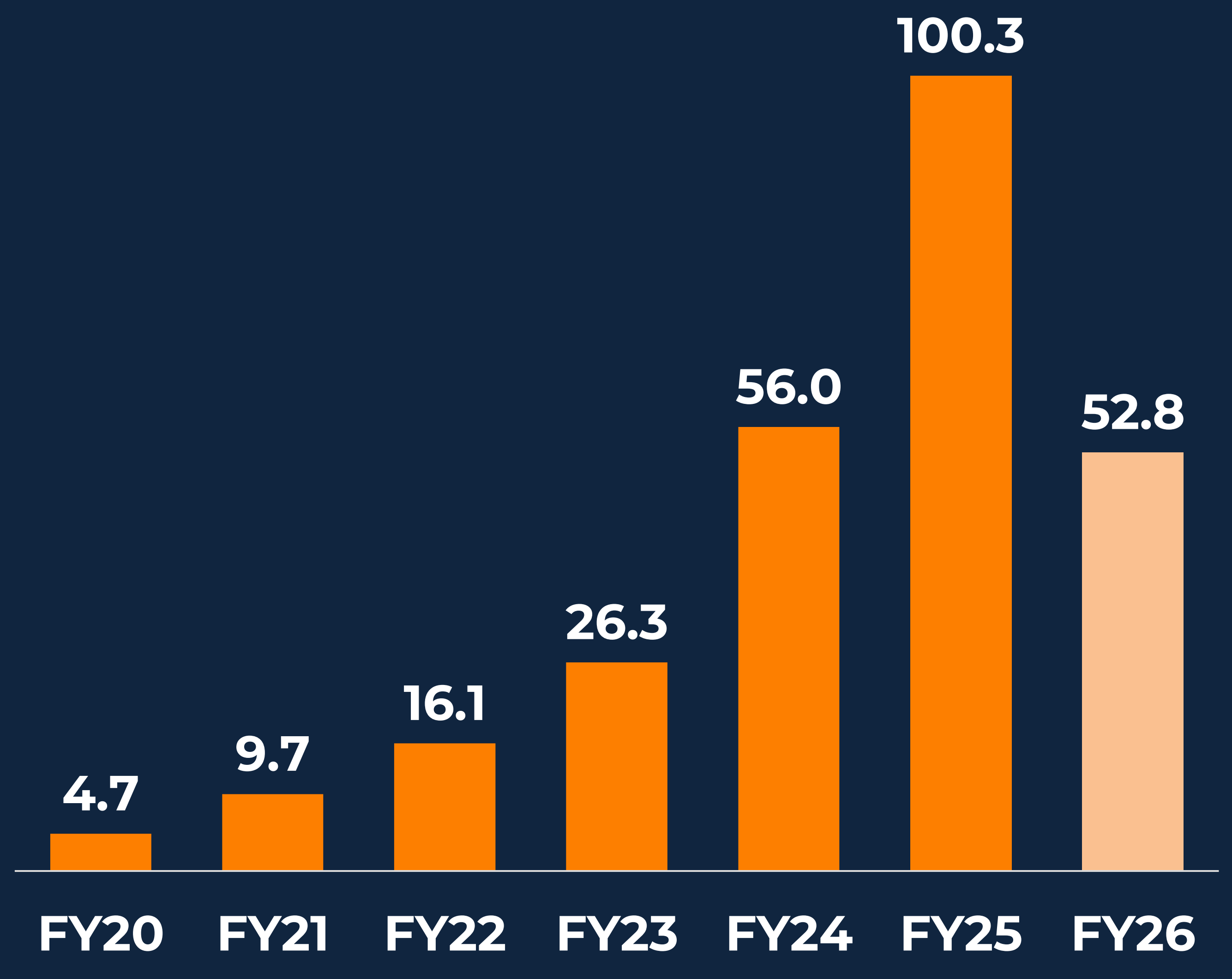
Shareholders' Funds (RM mil)



>3x

growth from FY20 to FY25

Total Dividend Declared (RM mil)



Q1 – 3.0 sen
Q2 – 3.0 sen

For 1HFY26:
1st interim dividend – 3.0 sen
2nd interim dividend – 3.0 sen

Dividend payout ratio at

66.4%

based on FY25 earnings

Division 1: **Technology and Process Solution**

Order book growth supports earnings visibility

- Wide geographic base and high-margin advanced engineering mix strengthen earnings visibility

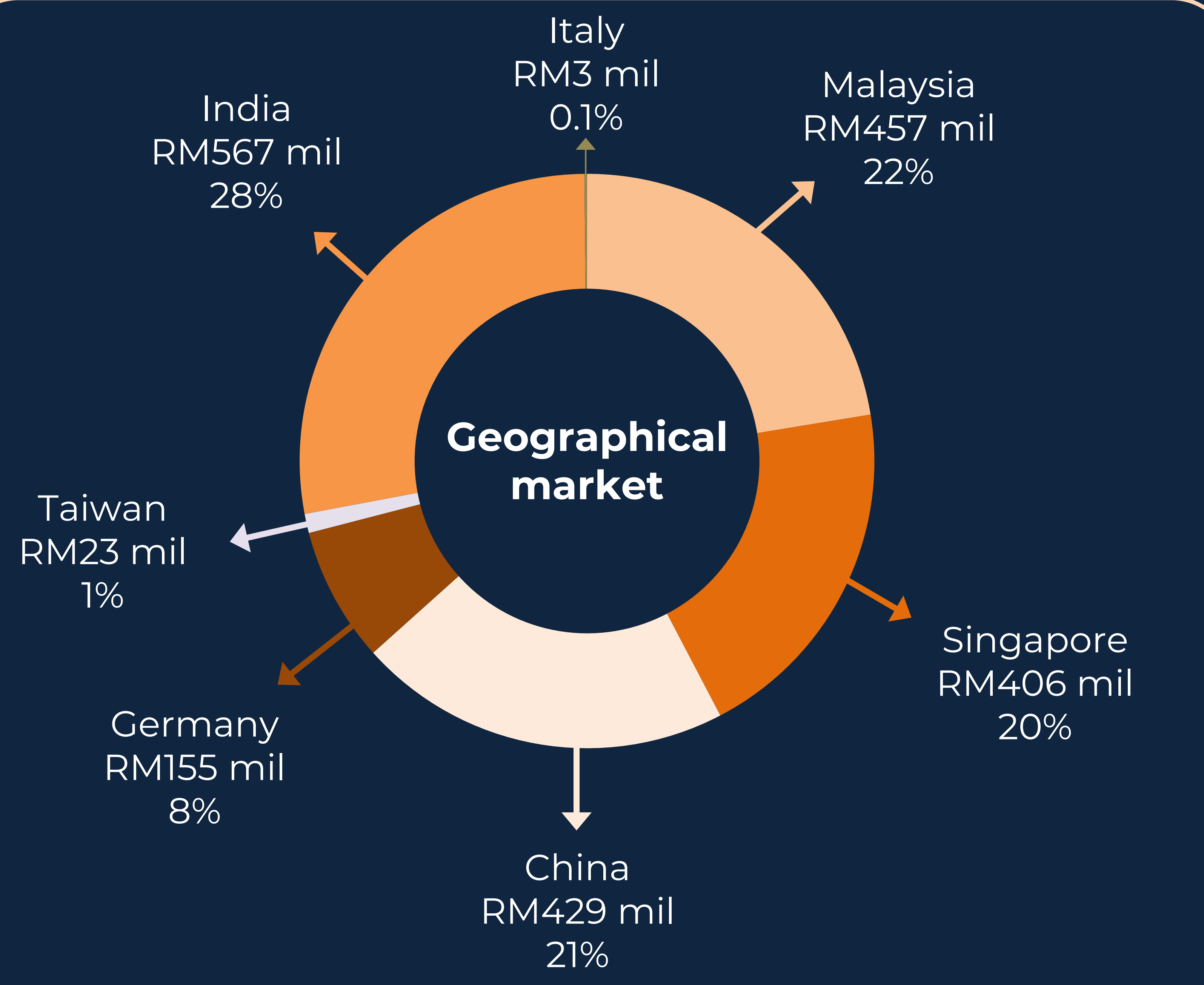
Outstanding Order Book of

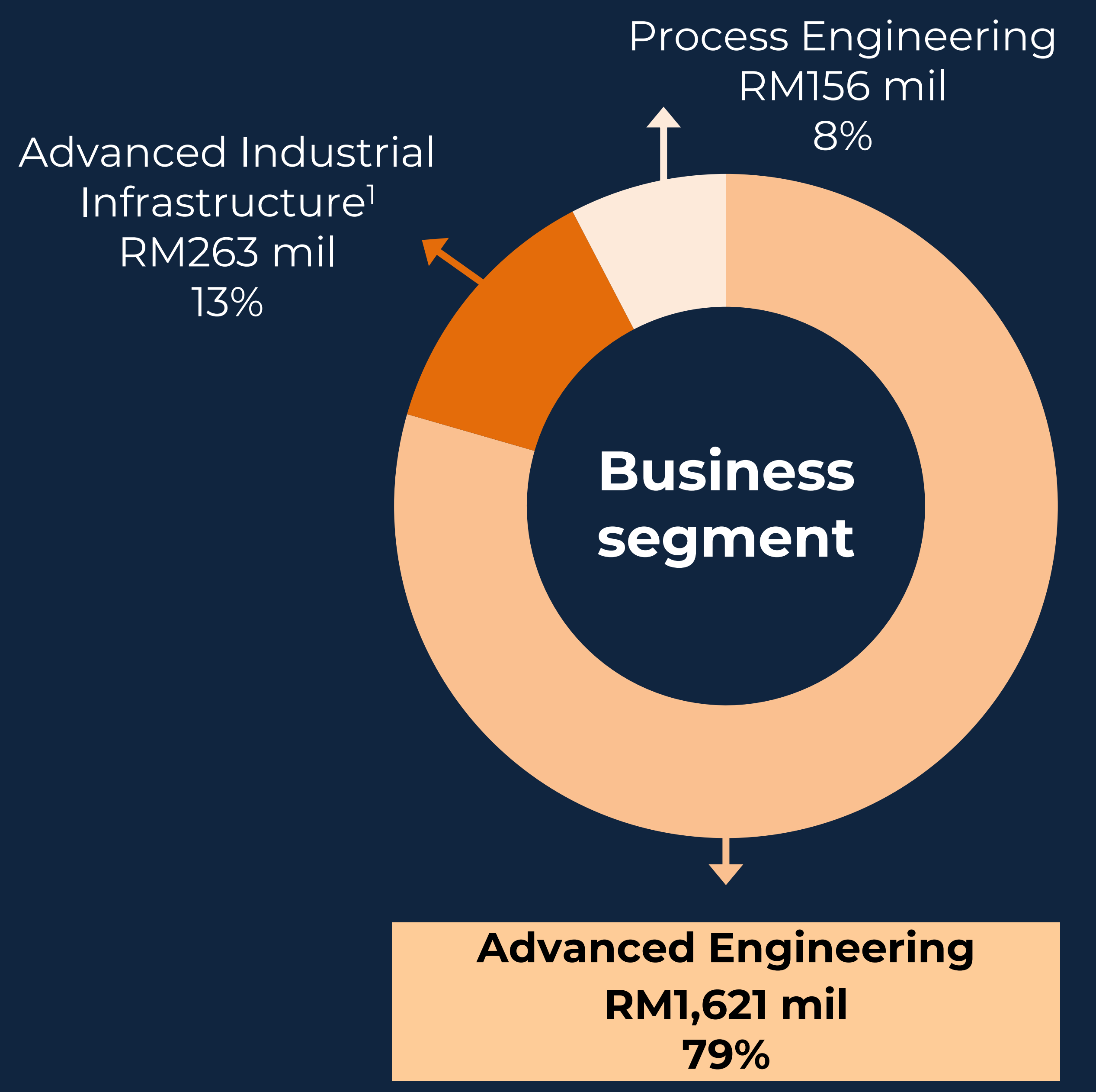
RM2.04 bil

as at 30 June 2026

+6.3% QoQ

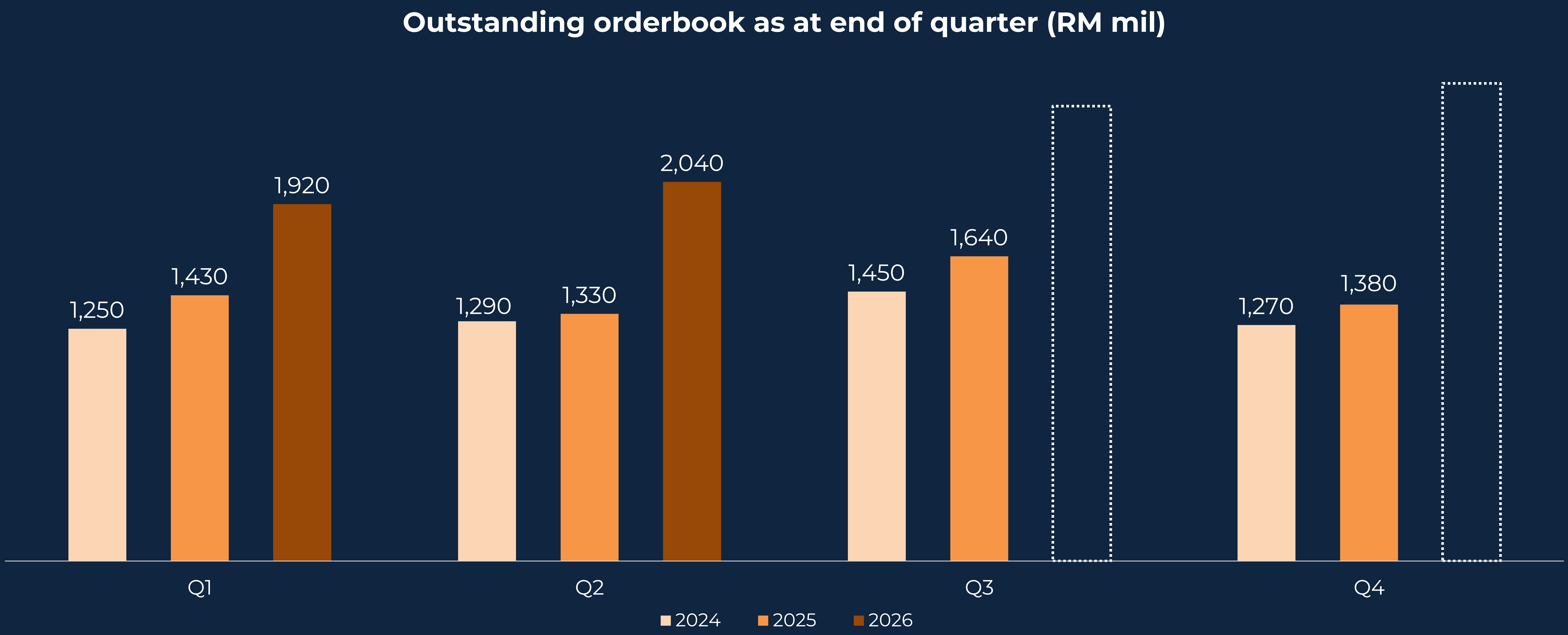
From RM1.92 bil in 1QFY26





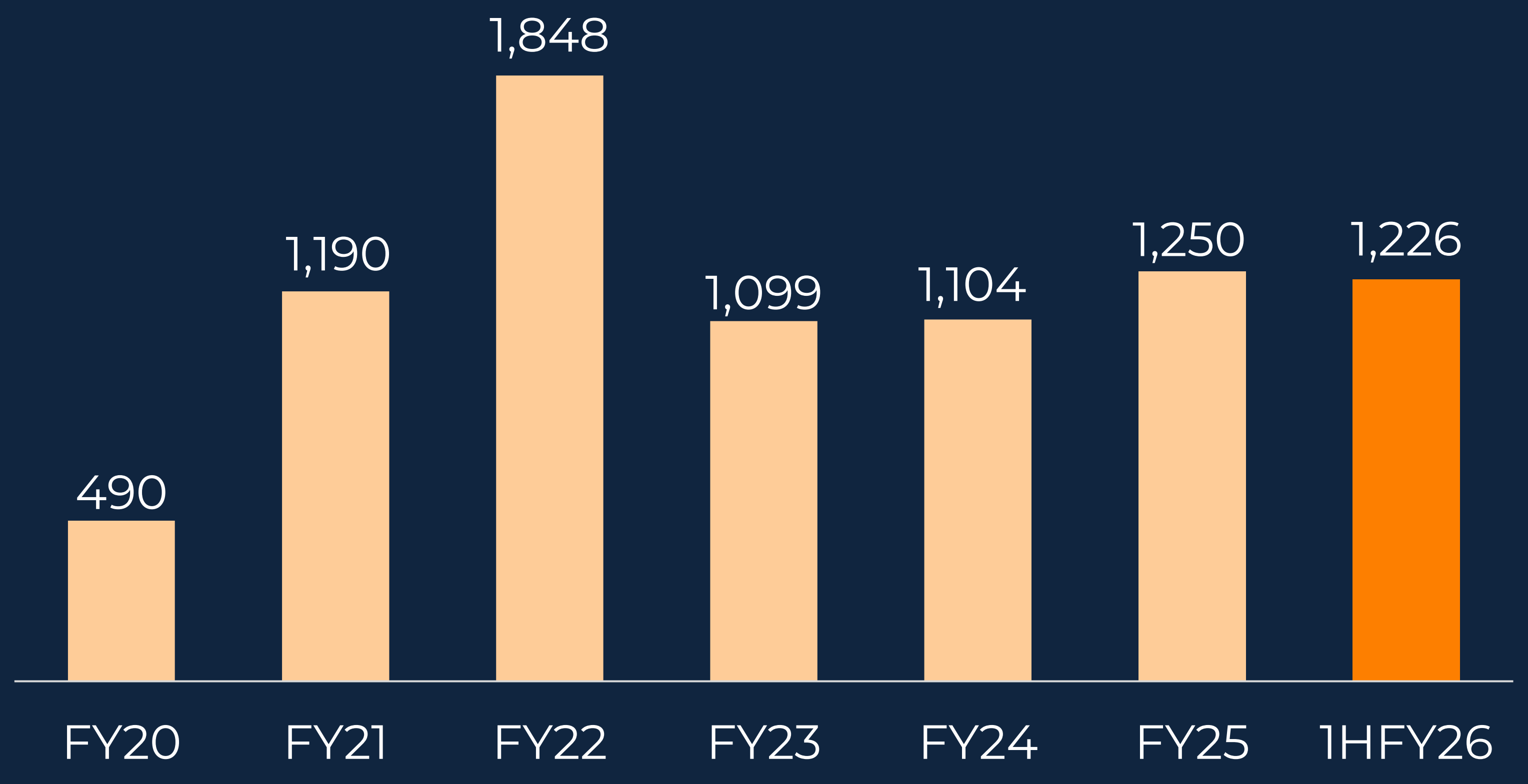
[1]formerly known as General Contracting

Sustained demand underpins healthy outstanding orderbook



FY26 : On-track to achieve record high value of new orders secured

New orders secured (RM mil)



1HFY26

RM1,226.0 million

+

July & August new projects

RM538.0 million

FY26 total secured to date

RM1,764.0 million

Strong market demand driving expanding tenderbook

➢ Global 300mm fab equipment spending forecasted to exceed USD150 billion in 2027

Total tenderbook of

RM7.50 billion

as at 30 June 2026

+42.0% QoQ

From RM5.28 bil in 1QFY26

Singapore	RM3,657 million	48.8%
India	RM2,106 million	28.1%
Malaysia	RM995 million	13.3%
Europe	RM547 million	7.3%
Taiwan	RM151 million	2.0%
China	RM42 million	0.6%

Positive Outlook Ahead

Growing AI infrastructure spend across advanced logic, memory, and packaging, driven by higher compute density and high bandwidth memory (HBM) demand.

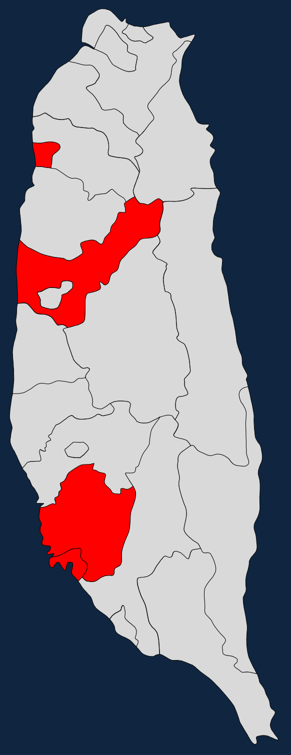
Source : Semi Report, Mid-Year Total Semiconductor Equipment Forecast – OEM Perspective, 14 July 2026

https://www.semi.org/en/semi-press-release/global-semiconductor-equipment-sales-forecast-to-reach-a-record-229-billion-dollars-in-2028-semi-reports

Semiconductor Fab Developments – TSMC

➢ Expansions across key geographies present opportunities for hook-up contracts and underpins demand for advanced engineering.

TAIWAN – TSMC



Kaohsiung
Fab 22 P3-P5: 2nm & 1.4nm
Target full operations by **4Q 2027**

Hsinchu
Fab 20 P3 / P4: 1.4nm
Target mass production by **late 2027 / 2028.**

Taichung
Fab 25: 1.4nm
Target mass production by **2H 2028.**

Leading-edge cluster
High technological intensity

USA – TSMC

Arizona
Fab 21 P2: 3nm
Target volume production by **2H 2027.**

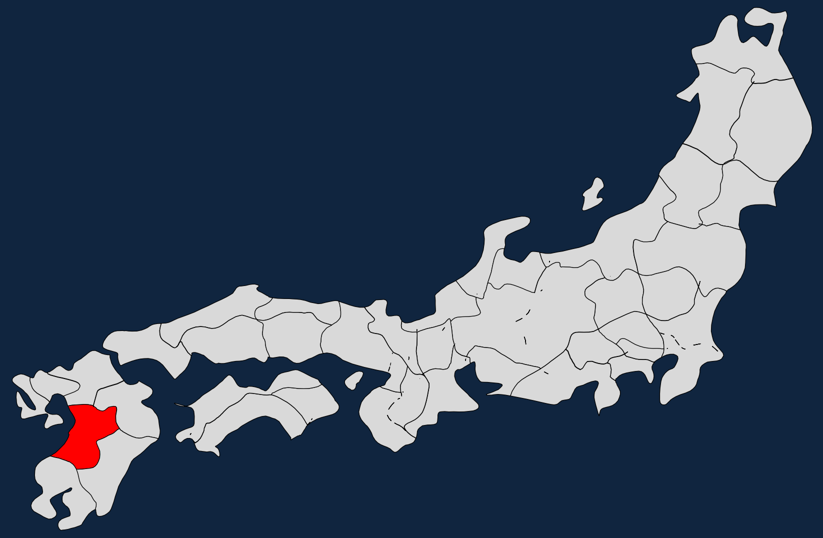
Fab 21 P3: 2nm & 1.6nm
Target volume production by **end 2030.**
(subject to final scope & timeline)

Strategic location in US
Supported by strong policy incentives

JAPAN - JASM

Kumamoto
Fab 23 P2: 6/7nm & 3nm
Target operational readiness by **end of 2027.**

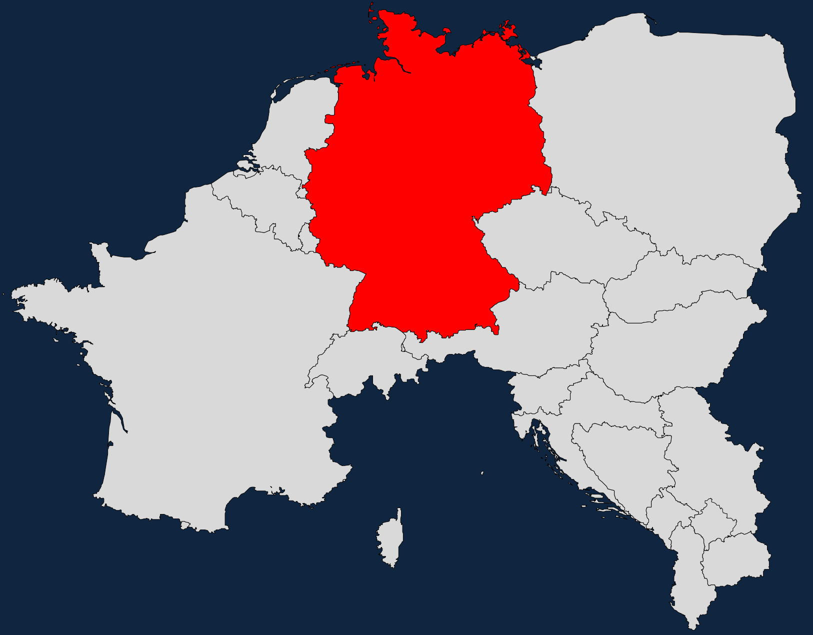
3nm slated for **2028 onwards**.



Imaging & Automotive
Serving automotive & optoelectronics industry

GERMANY - ESMC

Dresden
22/28nm
Target mass production **by 2027.**



Automotive-focused
Serving automotive & industrial demand

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Semiconductor Fab Developments – Micron

➢ Expansions across key geographies present opportunities for hook-up contracts and underpins demand for advanced engineering.

AMERICA

Boise, Idaho
Leading-edge DRAM Fab: 1β & beyond

Target operational readiness by **2027**; volume production by **2028**

Clay, New York
Mega DRAM Fab Cluster (4 fabs)

First fab target operational readiness by **2029**

Long-term expansion post **2030**

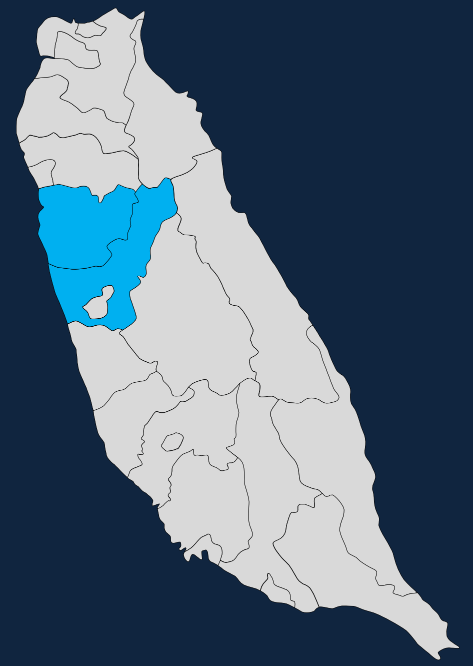
TAIWAN

Miaoli, Taiwan
Advanced Packaging & Backend Hub

Target ramp up by **2026**

Taichung, Taiwan
Advanced DRAM fab: 1α, 1β and beyond

Target volume production by **2027**



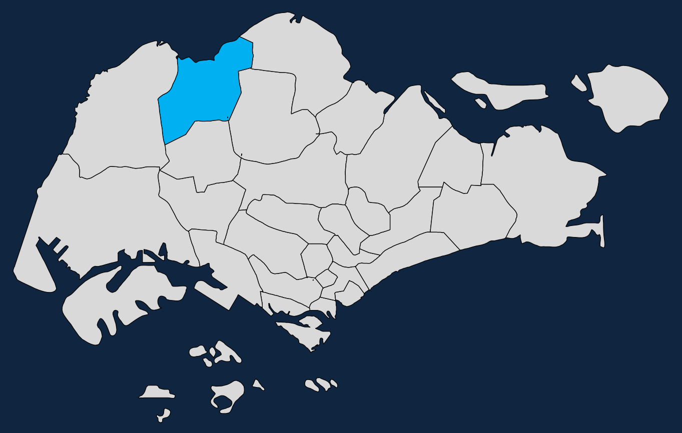
SINGAPORE

Woodlands, Singapore

HBM Advanced Packaging Facility
Operational by **2026**

F10B: Advanced NAND memory & AI-centric applications

First wafer output by **2H 2028**

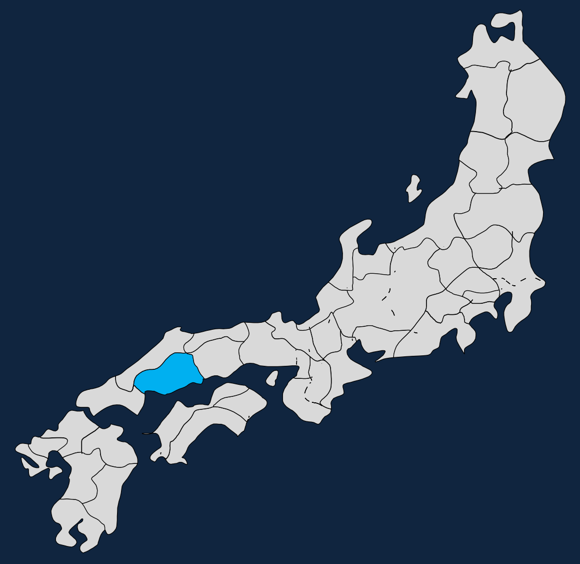


JAPAN

Hiroshima, Japan
Advanced DRAM fab: 1β node with EUV adoption

Target ramp-up by **2026**

High-Bandwidth Memory (HBM) Facility
HBM shipment targeted **2028**



INDIA

Sanand, Gujarat
Assembly, Test, & Packaging Facility (ATMP)

P2 targeted **late 2027**

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ACE GASES

Innovation In Every Molecule

A wholly-owned subsidiary of Kelington Group Berhad

Division 2: **Industrial Gas**

Industrial Gas

➤ High margin segment providing recurring income with long-term supply contracts with customers

1 Largest CO_2 producer in Malaysia

120,000 tonnes

Production capacity per annum

71% exports

To Singapore, Australia, New Zealand, Fiji, Indonesia, Philippines

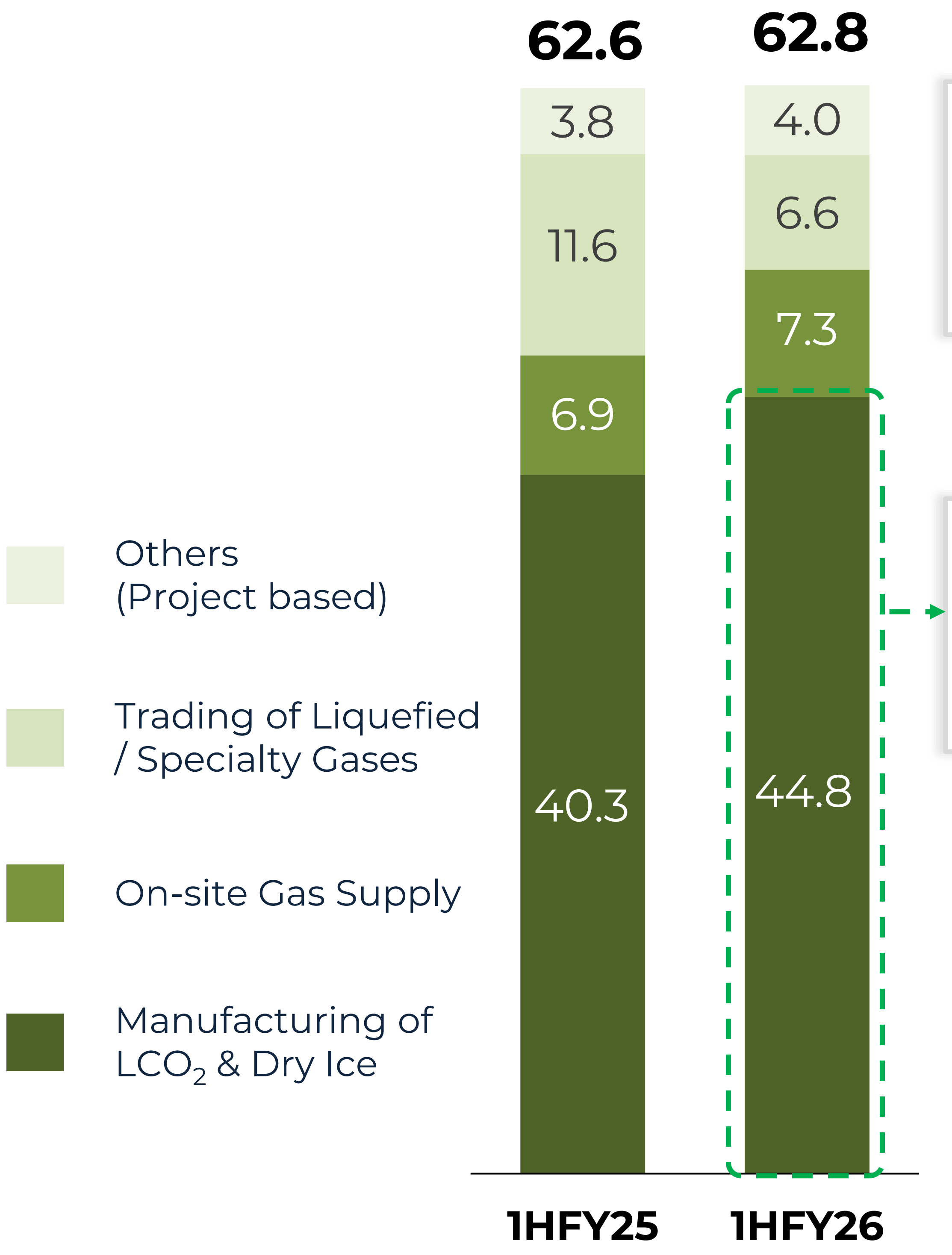
2 On-site gas supply

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

3 Trading of industrial gases

Oxygen, Nitrogen, Argon, Helium, and Carbon Dioxide

1H revenue breakdown (RM mil)



Improved revenue due to:

- Higher sales of LCO_2
- Increased project revenue recognition.

- Increased demand for LCO_2
- Utilisation rate of LCO_2 plant is 77%

Establishing Our Presence in India

➢ Investment for a new Air Separation Unit (ASU) plant in Maharashtra, India

Group's 1st
Industrial gas production platform in India

US$ 29.3 mil
Total investment (~RM120 mil)

300 tonnes
Daily production capacity

20,000m²
Approximate site area

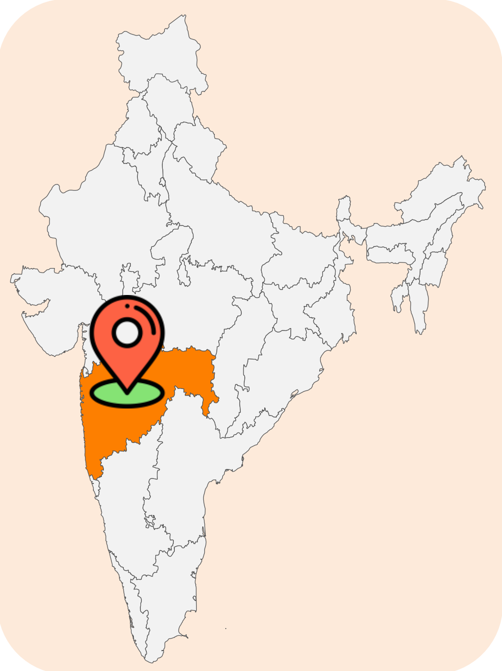
What is an ASU?

An Air Separation Unit (ASU) is a facility that separates atmospheric air into industrial gases, primarily **oxygen, nitrogen and argon**, for supply to a wide range of industries.

Serving Key Industries

- Manufacturing
- Healthcare
- Metallurgy
- Automotive
- Electronics
- Medical Oxygen

Why Maharashtra?



- **India's largest state economy**
- **+5.7% industrial sector growth** in 2025 - 26
- Anchored by **Mumbai and Pune industrial clusters**
- **Strategic access** to manufacturing and logistics corridors

Project Timeline

August 2026
Works commence

Q3 2028
Targeted completion date

Expanding Collaborative Effort with PETRONAS CCS Solutions

➢ Signed Addendum to MoU to broaden feasibility work across Malaysia's CCS value chain in June 2026

Strategic Collaboration

Ace Gases Marketing Sdn Bhd

+

PETRONAS CCS Solutions Sdn Bhd

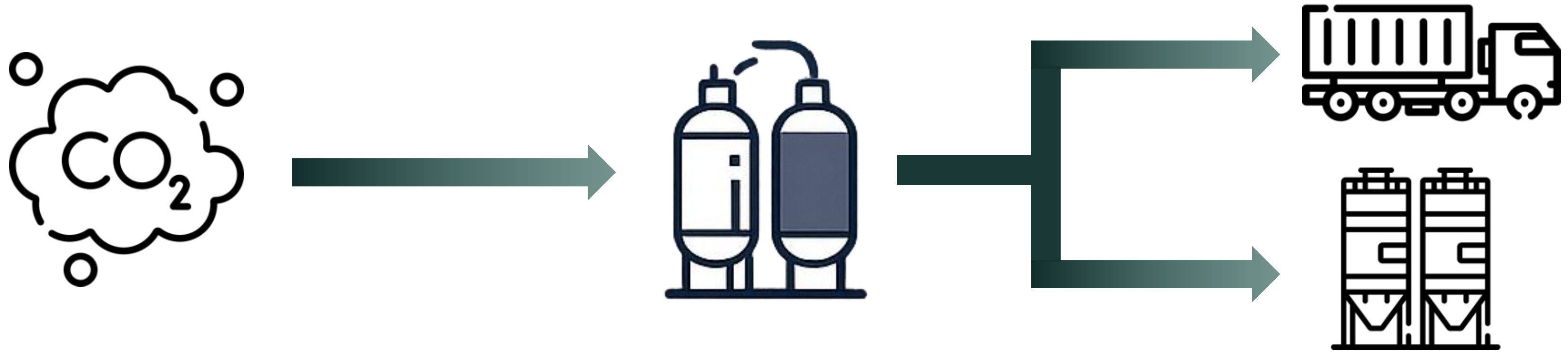
Expanded Scope

Satellite CO2 Terminal Study

MoU Period

2 years from 3 July 2025

Satellite CO_2 Terminal Study



An intermediate hub for liquefied CO_2 received primarily from onboard carbon capture, before temporary storage and transfer for onward utilisation or permanent sequestration.

Study Coverage

- Facility design
- Transfer infrastructure
- Integration with future CCS hubs
- Commercial frameworks

Strategic Relevance

- Supports Malaysia's carbon neutrality ambition by 2050.
- Positions Kelington to participate in emerging lower-carbon infrastructure opportunities.
- Aligns with the Group's Sustainable Engineering initiatives including CCS, green hydrogen and other lower-carbon solutions.
- Helps industries reduce carbon emissions and meet evolving regulatory requirements, in line with Malaysia's energy transition.

Conclusion : Investment Highlights

Leadership and proven track record	Trusted turnkey partner to global semiconductor players.
Structural demand	Tied to long dated fab capital expenditure, with global semiconductor capex at record levels.
Quality of earnings	Shift to higher value Advanced Engineering (Ultra High Purity) work has widened profit margins and lifted profit.
Growth pipeline	New orders in the YTD August 2026 of RM1.8 billion already exceed full year 2025 total. Tenderbook at an all time high of RM7.5 billion, now spread across more markets.
Geographic diversification	Operating across key markets including Malaysia, Singapore, Taiwan, China, Germany, and India.
Financial Strength	Net cash and low gearing fund both growth and dividends.
Recurring industrial gas business	Recurring industrial gas business, underpinned by its position as the largest carbon dioxide producer in Malaysia.

Thank You

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

Appendix

Recognised across key market benchmarks

➢ Inclusion in key benchmarks reflects Kelington's strong fundamentals and growing market recognition.

01 — Bursa Malaysia Quality 50 Index

As of 12 January 2026, Kelington is a constituent of the **Bursa Malaysia Quality 50 Index** and the **Bursa Malaysia Quality 50 Shariah Index.**

The index identifies **50 Malaysian listed companies with stronger financial fundamentals**, excluding constituents of FTSE Bursa Malaysia KLCI (FBMKLCI).

Inclusion signals:

- Stronger financial fundamentals
- Balance sheet discipline
- Earnings and cash flow quality

02 — FTSE4Good Index

Since 20 December 2021, Kelington has been included in the **FTSE4Good Bursa Malaysia Index** and **FTSE4Good Bursa Malaysia Shariah Index,** with a 4-star rating (the highest).

The index highlights **companies that demonstrate stronger practices in managing environmental, social and governance (ESG) matters**.

Inclusion signals:

- ESG excellence
- Greater visibility among sustainable and Shariah-compliant investors

03 — MSCI Global Small Cap Index

As of November 2025, Kelington is a constituent of the **MSCI Global Small Cap Index**.

The index tracks **small-cap companies across global equity markets** and is **widely referenced by international institutional investors**.

Inclusion signals:

- Increased visibility among global institutional investors
- Recognition of Kelington's scale and growth potential

04 — MSCI ESG Rating

Kelington has been assigned an MSCI ESG Rating of **AAA**, the **highest tier on MSCI's seven-point scale.**

This places Kelington among industry leaders globally in **managing financially material environmental, social and governance risks and opportunities** relative to peers.

Inclusion signals:

- Strong, industry-leading management of ESG risks and opportunities relative to peers
- Low-ESG risk as a sustainability-conscious company

05 — MY Value Up Programme

Since April 2026, Kelington has been selected as part of the **MY Value Up Programme**.

The programme targets the **top 88 public-listed companies** on Bursa Malaysia, and aims to **strengthen long-term value creation, improve financial performance, and enhance the visibility of Malaysian public-listed companies**.

Inclusion signals:

- Recognition as one of Bursa Malaysia's key public-listed companies
- Strengthened corporate profile among investors

Key markets supporting tenderbook expansion

➢ Ongoing semiconductor investments continue to support long-term demand for advanced engineering solutions

INDIA
Emerging Semiconductor Hub

Semiconductor Market Size

2025		2030
USD 45 bil	▲	USD 100 bil

~13% CAGR

Market Drivers

- **Government-backed push** to build domestic semiconductor capacity
- **Greenfield fab and assembly investments** across key states

Potential Upside

- Strong demand for **fab infrastructure and gas distribution systems**
- **Potential follow-on opportunities** as local semiconductor ecosystem scales

Singapore
Established Semiconductor Hub

Semiconductor Market Size

2024		2030
USD 101 bil	▲	USD 152 bil

~7% CAGR

Market Drivers

- **Strong government support** for semiconductor manufacturing and R&D
- **Expansion of pharmaceutical build-outs**

Potential Upside

- **High fab density** drives recurring upgrade and expansion tenders
- Data centre pipeline **sustains demand for precision gas and advanced engineering solutions**

Malaysia
Established Home Market

Semiconductor Market Size

2024		2030
USD 130 bil	▲	USD 270 bil

~13% CAGR

Market Drivers

- **Government incentives and tax holidays** to support industry expansion
- Early adoption of **advance chiplet-based packaging**

Potential Upside

- **Home-market presence** lowers mobilisation costs, strengthening competitiveness
- Advanced chiplet-based packaging ramp requires **advanced engineering solutions**

Future Outlook: Advanced Engineering

Europe (2026)
USD87 bil | +58.4%
(revised from USD60 bil, 11.6%)

Japan (2026)
USD57 bil | +27.6%
(revised from US50 bil, 11.9%)

Americas (2026)
USD544 bil | +112.0%
(revised from USD338, 34.4%)

Asia Pacific (2026)
USD824 bil | +87.4%
(revised from USD526 bil, 24.9%)

Global semiconductor market projected for 90% YoY growth to reach USD1,510 bil in 2026 *(up from previous forecast of USD975 bil)*

Source: WSTS's Semiconductor & Market **Autumn 2025 Forecast (previous forecast)** & **Spring 2026 Forecast (revised forecast)**

Additional Semiconductor Fab Developments

Project Name	Location	Year Initiated	Estimated Cost (USD)
Infineon - SPF	Dresden, Germany	2023	~ $5.3 billion
STM's fab expansion	Crolles, France	2022	~ $7.5 billion
STM SiC Fab	Catania, Italy	2024	~ $5.0 billion
STM Fab	Malta	2024	~ $0.6 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
Rapidus 2nm Logic Fab	Hokkaido, Japan	2023	~ $37.0 billion
TSMC F25 – 1.4nm	Taichung, Taiwan	2025	~ $47.0 billion
TSMC F22 – 2.0nm	Kaohsiung, Taiwan	2022	~ $45.0 billion
Micron HBM	Hiroshima, Japan	2026	~ $9.6 billion
Micron 10E & 10B	Singapore	2025	~ $24.0 billion
GlobalFoundries SPRINT	Dresden, Germany	2025	~ $1.3 billion

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Expanding Environmental & Energy Transition Technologies segment

➢ Exploring carbon capture, green hydrogen, and Bio-CNG to drive Malaysia's ESG and energy transition goals

Carbon Capture & Storage

1. Industrial Source / Manufacturing Plant
2. CO_2 Captured
3. CO_2 Purified / Liquefied
4. Transport / Storage / Utilisation

- Capture and manage CO_2 emissions from industrial processes, such as steel manufacturing
- Planned carbon tax introduction likely to increase demand for low-carbon solutions
- Ace Gases is building capabilities through industry collaboration and early-stage CCUS initiatives

Positions Kelington as a **potential engineering partner in Malaysia's low carbon transition**

Green Hydrogen

2MW Green Hydrogen production hub at Batang Kali Small Hydropower Plant, Selangor

Worldwide Energy Development	Land, power, water, and regulatory support
Ace Gases	Lead electrolyser plant and green hydrogen production
SKS Coachbuilders	Develop hydrogen buses and refuelling stations

- Demonstrates entry into green hydrogen value chain
- Supports cleaner mobility and industrial decarbonisation

Bio-CNG

Bio-CNG Supply Chain

1. POME (Palm Oil Mill Effluent)
2. Anaerobic digestion
3. First Stage Desulphurisation
4. Second Stage Desulphurisation
5. Compression
6. Decanting into Petronas pipeline
6. To end users

ACE GASES SCOPE

- Renewable gas produced from organic waste such as POME
- Supports circular economy and waste-to-energy applications

Potential applications include **pipeline injection, transport, and industrial use**

Understanding Malaysia's National Carbon Market Policy (NCMP)

➢ Step-by-step overview of the policy framework and its relevance to Kelington

What is NCMP?

Launched in April 2026

Malaysia's framework for building a **national carbon market**

Covers the **voluntary carbon market** and **future compliance market**

Focuses on **high-integrity carbon credits** that are **measurable, reportable, and verifiable**

Objective: Establish a credible carbon market ecosystem before broader compliance mechanisms are introduced

How does it work?

1. Set **clearer rules and standards** for carbon credit development
2. Build supporting infrastructure such as a **national carbon registry**
3. Strengthen **monitoring, reporting and verification (MRV) systems**
4. Support **carbon credit tracking, trading and future compliance mechanisms**

Near-term focus: Voluntary market development

Longer-term direction: Groundwork for compliance and carbon pricing tools

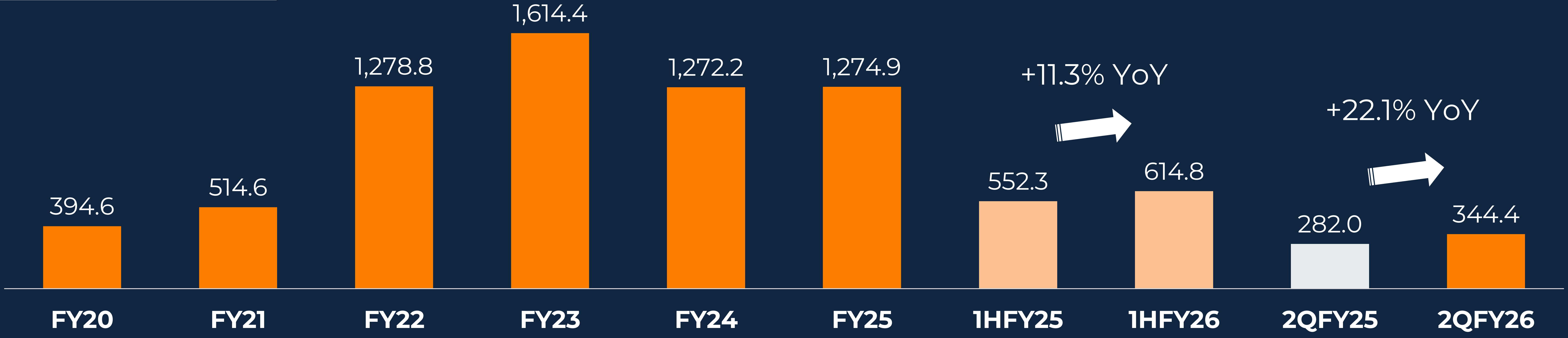
Why is it relevant to KGB?

- Strengthens the policy backdrop for Kelington's **environmental & energy transition initiatives**
- Supports long-term adoption of **carbon capture, green hydrogen and bio-CNG solutions**
- Encourages industrial players to **explore practical decarbonisation projects**
- Positions Ace Gases as **potential engineering partner** in Malaysia's low-carbon transition

Key takeaway: NCMP strengthens the long-term environment for industrial decarbonisation opportunities

2QFY26 Net Profit grew by 25.7% YoY

Revenue (RM mil)



Net Profit (RM mil) and Net Profit Margin %