

KELINGTON UNIT WINS FURTHER RM133 MIL CONTRACT FOR KUCHING DATA STORAGE PLANT

KUALA LUMPUR (Oct 5): Kelington Group Bhd (KL:KGB) said its wholly owned unit has been awarded a second contract by a manufacturer operating in the Sama Jaya Free Industrial Zone in Kuching, Sarawak, worth about RM133 million.

In a filing with Bursa Malaysia, the group said the award was given to Kelington Technologies Sdn Bhd (KTSB) on Oct 2 and covers the main structural steel works for the customer's data storage manufacturing facility, which is being expanded.

Works will start immediately and are scheduled for completion by April 2028.

The award follows a contract of about RM172 million that KTSB secured from the same customer on Sept 29, covering engineering and early-stage infrastructure development for the facility.

The group said contracts and purchase orders from the customer for the project totalled about RM283 million as of that announcement. With the latest award, the aggregate stands at about RM416 million.

Kelington said the contract is expected to add to the group's earnings and net assets for the financial year ending Dec 31, 2026, and in subsequent years until the work is completed.

The company said it expects KTSB to receive further contracts from the customer covering other scopes of work on the project, and that it will make announcements on any material developments as required. It added that it sees no exceptional risks beyond the normal operational risks associated with the contract.

Shares of Kelington were up by 4.3% or 37 sen to RM9 at Monday's noon break, giving the group a market capitalisation of RM7.94 billion.