

KAB's 1H FY2024 Earnings Soar, Doubling 2023: Group Profit Surged 77.8%, Tripled Energy Segment Revenue in 2nd Quarter

Group's Core Earnings Soar with Sustainable Energy Solutions (SES) Leading

- Earnings Momentum Since FY2023 Confirms Strategy Expansion Success
- 1H24 PAT Growth On-Target with RM10 Million, Driven by Nearly 4x Increase in SES revenue
- Expanding Segment Revenue Streams with Consecutive Record-High Quarterly Profits
- SES Reinforces Strategic Direction For Continuous Expansion in ASEAN with an Order Book of RM759 Million

	2Q24 (RM'000)	2Q23 (RM'000)	YoY (%)	1H24 (RM'000)	1H23 (RM'000)	YoY (%)
Kinergy Advancement Berhad						
Revenue	41,825	45,079	-7.2	83,864	87,840	-4.5
Profit After Tax	5,397	3,338	61.7	10,515	5,914	77.8
Sustainable Energy Segment						
Revenue	26,276	7,653	243.3	46,137	12,963	255.9
Segment Result	8,223	3,697	122.4	14,163	6,375	122.2

KUALA LUMPUR, 20 AUGUST 2024 – APAC 2024 Top 10 Energy Sustainability Solutions Provider, also known as the One-Stop Sustainable Energy & Engineering Solutions Specialist **Kinergy Advancement Berhad** (“KAB” or “Group”, “敬业”, Bloomberg: KASB MK), reported that its **1H 2024 Group Profit After Tax (PAT) nearly doubled, surging by 77.8% to RM10.5 million**, up from RM5.9 million a year ago. This growth is supported by a **nearly fourfold increase in revenue within the SES segment, reflecting a 255.9% Year-on-Year rise**.

Building on record-breaking achievements from the previous fiscal year, KAB continues to deliver strong quarterly performance into the second quarter of the financial year ending 31 December 2024 (“2QFY2024”). For the first half of FY2024, KAB posted a total revenue of RM83.9 million, maintaining a strong strategic focus on the SES segment. This quarter, PAT rose by 61.7% to RM5.4 million, with a notable increase in profitability of RM2.1 million, highlighting the Group’s effective earnings contributions and growth potential.

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Since 2023, SES has reported substantial growth with consistent performance improvements. In the first half of the current fiscal year, the segment generated **RM46.14 million in revenue** and **RM14.2 in operating profit**, a significant increase from RM12.9 million in revenue and RM6.4 million in segment results from the previous year. This reflects a nearly fourfold increase in revenue and more than double the segmental results, underscoring SES's pivotal role in driving the Group's exponential expansion.

Dato' Lai Keng Onn ("Dato' Lai"), Executive Deputy Chairman cum Group Managing Director of KAB, said, "We are gaining greater certainties as we continue to deliver consistent financial performance. I am extremely pleased to see our dedicated efforts translating into strong results and visible earnings. As we uphold the mission to create substantial value for our shareholders, our momentum is also bolstered by support from state government agencies and established partners. I am confident that our current projects will meet expectations and that we will secure additional sustainable energy development opportunities, further enhancing our earnings profile and driving even greater profit levels."

"The Group's growth is more than just a vision; I believe we have immense potential to diversify this scalable business with expanding and evolving services. We are well-positioned to achieve significant milestones in both the energy and engineering segments, solidifying our market presence as a leading provider of sustainable energy and engineering solutions. Expanding on our Q2 outlook, KAB anticipates a continued upward trajectory in its financial performance, building on the momentum established since 2023 and proven in this first half of FY2024. The SES segment, which saw RM2.7 million profit growth in 2022, has become central to the Group's strategy, contributing over RM10 million in 2023's core earnings – quadrupling the previous year. With two consecutive quarters of on-target results in FY2024, KAB is making strides in securing both local and regional developments, strengthened by strong state partnerships. I am confident that ongoing projects will come to fruition, boosting our orderbook as we drive towards our ambitious targets for 2025."

"Looking ahead, KAB expects stronger contributions to both revenue and profit growth in the upcoming quarters, projecting sustained momentum that could see a doubling of 2023's

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results. The Group remains firmly focused on meeting its FY2024 targets, and its scalable business model supports a bullish outlook for exceeding past performance, with a substantial uplift in profits expected in FY2025. With strategic positioning for long-term value creation and ongoing expansion efforts, KAB's future profitability appears well-supported, contingent on the successful execution of upcoming developments. This trajectory points toward a more robust and profitable outlook for the Group," concluded Dato Lai.

As of 30 June 2024, KAB's order book for its Engineering and SES segments stood at approximately **RM137 million** and **RM759 million**, respectively. Additionally, the Group is bidding for tenders worth around **RM160 million** in Engineering and a substantial **RM2.89 billion** in SES.

ABOUT KINERGY ADVANCEMENT BERHAD

Kinergy Advancement Berhad (KAB) (KLSE:0193) is a Malaysian energy company primarily engaged in providing Sustainable Energy Solutions ("SES") as well as engineering solutions, with over 27 years of experience. Recognised as a Top Energy Sustainability Solutions Provider in Asia-Pacific 2024, the company operates with 27 SES projects and has an expanding geographical presence in Southeast Asia, namely in Thailand and Indonesia.

KAB is a One-Stop Energy and Engineering Solutions Provider – offering a comprehensive range of energy and engineering solutions – including Clean Energy (CE) Generation, Renewable Energy (RE) Generation, and Energy Efficient (EE) Solutions. Notably, the company owns a suite of sustainable energy assets, namely Co-generation, Waste Heat Recovery, Solar, Biogas and Hydroelectric Power. Its engineering segment covers all aspects of electrical, mechanical and associated engineering services for industrial, commercial and residential buildings. KAB is registered under the Construction Industry Development Board (CIDB) with a Grade 7 and Suruhanjaya Tenaga with a Class A certification.

KAB is a constituent of FTSE4Good Bursa Malaysia Index and FTSE4Good Bursa Malaysia Shariah Index, with 3-star ESG Ratings from the FTSE Russell Assessment for 2021, 2022, and 2023. The company has set targets to reduce Scope One and Two emissions by 42.0% by 2030 and 90.0% by 2050, using 2021 as the base year.

For more information visit: <https://kinergyadvancement.com>.

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