



**KINERGY ADVANCEMENT BERHAD**  
KAB GROUP OF COMPANIES



Monthly  
Newsletter



# Coordinated Growth, Compounded Success

One Team, One Vision  
– Many Milestones

JUNE 2025 NEWSLETTER



# Coordinated Growth, Compounded Success

One Team, One Vision  
– Many Milestones



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# Transformational Contract Secured

## RM646 Million PETRONAS Deal Strengthens Outlook

### 3 CONTRACT WINS from PETRONAS Gas Berhad Units Since 2023

↓ Read Full Article: [The Edge](#)

Not every mechanical engineering company can proclaim it is in partnership with Petronas, so when KAB clinched the EPCC award of a 72 megawatt (mw) gas engine power plant project in Sabah worth RM230 million in January 2023, it proved to be a game changer.

The deal included KAB taking a 10% equity stake in Sipitang Utilities Sdn Bhd (formerly known as Regas Terminal [Lahad Datu] Sdn Bhd), positioning the former as a key local technical partner.

KAB went on to secure a RM33.3 million EPCC contract for utility supply from Pengerang LNG (Two) Sdn Bhd in November that year, involving the expansion and transformation of 137,000m<sup>3</sup> liquefied natural gas carriers into a floating storage unit.

**Dato' Lai Keng Onn**

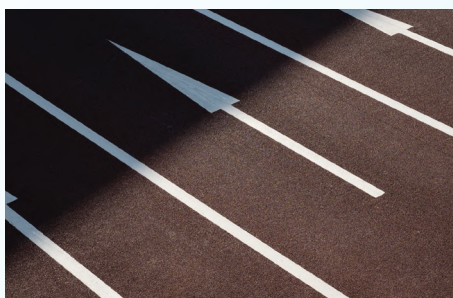
*Executive Deputy Chairman  
cum. Group Managing Director*

"We want to be a Large-Scale IPP, and not just an EPCC Contractor for large-scale power plants."



Now is the time to aggressively push towards a higher level of technical expertise in positioning ourselves as a **MAJOR MALAYSIAN-BASED EPCC.**

**ROAD to becoming Full-Fledged Independent Power Producer (IPP)**



Robust Profit Trajectory:  
**Q1 FY2025**

**+26%**

**Higher Net Profit  
RM6.3 Million**

compared with the previous corresponding period

**+63%**

**Boost in Revenue  
RM68.6 Million**  
from RM42 Million



## INFORMATION HUB

We're here to equip you with a well-curated information hub.

# Q1 FY2025

Bursa Announcement | Press Release

## 3 CONTRACT WINS from PETRONAS Gas Berhad Units Since 2023

Linkedin | Bursa Announcement

## Investor Highlights – KAB (as of Mar 2025)

01 

**Core Net Profit CAGR of 21.3% (FY2023–FY2027)** — signaling strong earnings momentum.

02 

**RM361 million unbilled order book** — provides earnings visibility through **FY2026**.

03 

**RM1 billion+ tender pipeline** — covering **data centres, solar plants, and power generation** projects.

04 

**12 operational PPAs (27MW total capacity)** — delivering **RM13 million annually** in recurring income.



<b>Recommendation:</b>		<b>BUY</b>
Current Price:		RM0.33
Previous Target Price:		N/A
Target Price:		RM0.45
Capital Upside/ Downside:		36.4%
Dividend Yield (%):		0.0%
Total Upside/ Downside:		36.4%
<b>Stock information</b>		
Board		MAIN
Sector		Renewable Energy
Bursa/ Bloomberg Code		0193 / KASB MK
Syariah Compliant		Yes
ESGRating		★★★
Shares Issued (m)		2,078.8
Market Cap (RM' m)		686.0
52-Week Price Range (RM)		0.4-0.29
Beta (x)		0.4
Free float (%)		59.1
3M Average Volume (m)		16.8
3M Average Value (RM' m)		5.5

➔ **FULL Analyst Report**

### Investment Highlights

**One Stop Energy and Engineering Provider.** Since expanding into the energy sector in 2018, KAB has established itself as a one-stop energy solutions provider. Unlike conventional pure-play renewable energy contractors, KAB offers a full range of services covering from design and fabrication to installation and commissioning, across energy efficiency (EE), renewable energy (RE), and clean energy generation, tailored to each client's energy specifications. KAB primarily focuses on SELCO projects, serving energy-intensive industries such as food processing, oleochemical and chemical manufacturing, oil & gas, waste recovery, power generation, and utilities. Thanks to its comprehensive in-house capabilities, KAB faces minimal competition due to its difficult-to-replicate business model and enjoys better margins, as most projects are secured through direct tenders.

**Existing Projects Driving Growth.** As of 31 Dec 2024, KAB has an unbilled order book of RM361m, with 71% from SEC and the rest from Engineering, which represents 1.5x orderbook-to-cover ratio against FY24 revenue. This provides strong earnings visibility through FY26F. Most of the order book will be recognised in FY25F, with c.RM150m expected from the 52MW Sipitang power plant project as the project is entering into progress billing phases. On top of that, the Group is currently engaged in early discussions for few data center projects, solar power plant projects, and power plant projects, collectively valued at over RM1bn in total. We expect an 50% success rate for the tenderbook and direct negotiation deals.

**Strong Recurring Income Stream.** KAB's PAT jumped from RM2.8m in FY22 to >RM20m in FY23–FY24, driven by the gradual COD of multiple PPAs, turning into key earnings contributors. YTD, KAB's asset portfolio comprise 12 PPAs totalling 27MW, with 41% from mini-hydro, 38% from solar, 14% from clean energy, and the rest from biogas. With all assets now operational, they collectively are expected to generate RM13m annually, contributing 65% of PAT in FY24. Looking ahead, we see earnings remaining steady, backed by PPAs with an average tenure of 12 years, most projects delivering IRRs above 12%, and continued traction in the CRESS framework, which is set to provide a stable, long-term revenue stream for the Group.

05 

**Mini-hydro (41%), Solar (38%), Clean energy (14%), Biogas (7%)**

06 

**1.8GW renewable energy pipeline** — via strategic partnership with **Perak State Development Corp (PKNP)**.

07 

**38% effective stake in 650MW CCGT plant (Perlis)** — potential **RM32.3 million annual PAT** contribution if recommissioned.

08 

**Integrated SELCO model** — enables **direct tender wins, better margins**, and limited competition.)

09 

**Fair Value: RM0.45** based on **18x FY2026F P/E**, with a **★★★ ESG rating**

Thank you for the insightful feature and comprehensive coverage.





# When Vision Meets Action

## A Team Moment with Our Key Leaders

There's no better way to ignite team spirit than walking the ground with our key leaders.

**As 1 of our key projects are progressing, Dato' Lai and Mr. Jonathan Wu joined the team on-site.**



*The energy on-site was undeniable—a chance to witness progress firsthand and gain a deeper understanding of the team's efforts and development on the ground.*



### Fueling Momentum: A Power Walk with Our Leaders

**Dato' Lai Keng Onn**  
Executive Deputy Chairman cum  
Group Managing Director

**Mr. Jonathan Wu**  
Executive Director cum Chief  
Operating Officer of SES Division




**It was a meaningful moment of connection, reinforcing that momentum builds stronger when leadership walks alongside the team.**

# Rolling Up Our Sleeves

## Kinergy WellnessLink Kicks Off with a Life-Saving First Step

### 2025 IS INSPIRING US TO GROW STRONGER AND AIM HIGHER

Progress is always a work in progress—and this year, we've taken genuine steps forward.

One of them is the launch of a meaningful campaign  designed to align with our long-term vision. Initiatives like these reflect not just who we are today, but who we're becoming.

Organised by **KAB Recreation & Welfare Club**

Marks the **1ST INITIATIVE** under the



Thank You For The Support:



#### Proud to Support a Greater Cause

Meaningful contribution to the mission and community outreach of Central Christian Church of Malaysia,



Awarded to  
**KINERGY ADVANCEMENT BERHAD**



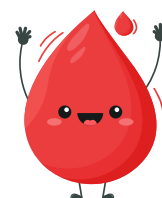
We are proud to stand alongside a community that believes in giving back, and your support is a reflection of the values we hold dear — compassion, unity, and service.



#### Our amazing team is pulling out all the stops to make our 1st Blood Donation Drive a SUCCESS.

The spirit of giving is in full swing, and we're excited to see the strong support from our communities.

We can't wait to share the smiles, moments, and memories with you.



#### Stay Tuned

Highlights and heartfelt moments from the event will be featured in next month's July 2025 newsletter!

#### Sponsors List

Malacca Securities Sdn Bhd, Ascension Engineering Sdn Bhd, LPM Man Energy Empire, Johan - Sc Bon Kiara, Gentlelite Electrical Trading Sdn Bhd, Talent League Sdn Bhd, Maxguard Switchgear Sdn Bhd, Lightningtech Engineering Sdn Bhd, EV Connection Sdn Bhd, Safesidepower Sdn Bhd, CTRV Engineering Sdn Bhd, Sunfly Switchboard Engineering Sdn Bhd, Master Tec Wire & Cable Sdn Bhd, KRESTON John & Gan, Ebord Sdn Bhd, Lightech Sdn Bhd, Veas Luminaire Technology (M) Sdn Bhd, WH Electrical Marketing (M) Sdn Bhd, Zito M&E Engineering, SP Energy Sdn Bhd, KTA Tenaga Sdn Bhd, Multi Elite Solutions (M) Sdn Bhd, MSI Technologies (M) Sdn Bhd, EE Ann Electrical Engineering Works, Starco Electrical Sdn Bhd, TMS Energy Sdn Bhd, Genuine Electric Sdn Bhd, Warna Rs Sdn Bhd, Enilux (M) Sdn Bhd, RDMA Resource Data Management Asia Sdn Bhd, Gases System Engineering Services Sdn Bhd, JDI M&E Engineering Sdn Bhd, Ancom Components Sdn Bhd, Pekat E&LP Sdn Bhd, KW Electric & Lighting Sdn Bhd, Aliran Serasi Sdn Bhd



# 28<sup>th</sup> Golden Light Annual Dinner

Celebrating the 28th Anniversary

**Golden Light | Dancing Through The Decades** – *Since 1997*

31  
May 2025

**Close to 3 Decades of Growth,** this year, we have the Gatsby Night theme to bringing all the sparkle, style, and energy of the roaring twenties to life.



Everyone came dressed to impress, and the night was filled with  
**laughter, dancing, and great company.**



From fun moments on stage to heartfelt conversations at the tables, it was a wonderful opportunity for all of us to reconnect and celebrate as one KAB family.







This once-a-year gathering reminded us of the strong bonds we share and the joy of coming together beyond the workplace.

**A big thank you to everyone who made the night special.  
Here's to more great memories ahead!**

 [28th Golden Light Annual Dinner](#)

 [Reflections & Recognitions](#)



# Celebrating Life's Milestones Together

## A Warm Congratulations to Our Indonesian Colleague

*Although miles may separate our regional teams, our sense of unity remains strong.*

Today, we proudly celebrate a joyful milestone in the life of one of our colleagues in Indonesia—a reminder that while we may work across borders, we're always connected as one KAB family.



As we grow regionally, we remain grounded in our belief that **shared success begins with a connected and cared-for team.**

A marriage sponsorship of **Rp1,000,000.00** was offered by Management to celebrate a team member's significant life event with gratitude and encouragement.



**PT Inpol Mitra Elektrindo (PTIME)**

Wholly owned by  
Kinergy Advancement Berhad  
Presence in Indonesia

**We build a culture that values people, supports life's milestones, and bridges distance with care, connection, and celebration.**



**DIGITISATION . EFFICIENCY. ENGAGEMENT**

2025

# **POWERING A SUSTAINABLE TOMORROW**

<https://www.kinergyadvancement.com>