

PRESS RELEASE

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GEORGE KENT'S PROFIT AFTER TAX UP BY 4,349% FOR Q2FY2023

To launch Class 'D' volumetric water meter in December 2022

Market & Financial Highlights:

- **George Kent's water metering business reported commendable segment profit of RM9.7 million, up 34% year-on-year.**
- **Engineering business clocked RM1.7 million in segment profit, an increase of 870% year-on-year.**
- **Launch of Class 'D' volumetric water meter in December 2022.**

PUCHONG, 23 NOVEMBER 2022 – George Kent (Malaysia) Berhad (“George Kent” or “the Group”) today announced its second quarter financial results for the financial year ending 31 March 2023 (“Q2FY2023”).

2nd Quarter Financial Results (from July 2022 to September 2022):

- **Profit Before Tax (“PBT”) of RM7.7 million, 250% higher than Q2FY2022**
- **Profit After Tax (“PAT”) of RM5.9 million, 4,349% higher than Q2FY2022**

1st Half Financial Results (from March 2022 to September 2022):

- **Profit Before Tax (“PBT”) of RM19.6 million, 34% higher than 1HFY2022**
- **Profit After Tax (“PAT”) of RM15.5 million, 30% higher than 1HFY2022**

For Q2FY23, George Kent registered revenue of RM61.8 million and PAT of RM5.9 million. The higher revenue was mainly attributable to strong sales of its ISO-rated Class “C” volumetric meters, in particular, from export sales. For the six-months ended 30 September 2022, the Group recorded revenue and PAT of RM148.1 million and RM15.5 million respectively, 5% and 30% higher compared to the corresponding period in the previous year.

Dividend

To reward shareholders, the Board of Directors has declared an interim dividend of 1.0 sen per share for FY2023, payable on 29 December 2022 to shareholders whose names appear in the Record of Depositors on 8 December 2022, being the Book Closure Date (“BCD”).

On the assumption that as announced to date, the Treasury Shares of 41,310,000 (which are not entitled to dividends), remained the same as at BCD, the dividend pay-out on 521,959,065 shares will amount to approximately RM5.2 million.

Water Metering Business

The Group’s Metering Division continued to record robust sales, which translated to a revenue of RM36.8 million, higher by 40% as compared to the corresponding quarter in the previous year. The Group’s strong order book for its water meters is further boosted with several tenders worth over RM50 million secured as of 31 October 2022. Moreover, George Kent is looking forward towards the launch of its Class ‘D’ volumetric water meter in December 2022 barring any unforeseen circumstances. The Group has received positive feedback on its new Class ‘D’ volumetric water meter through targeted promotions in both the domestic and regional markets. These water meters provide more accurate readings at low flow rates, are able to better detect leakages and hence reduce non-revenue water for utility companies.

Engineering Business

The engineering division recorded revenue of RM25.0 million and RM1.7 million of segment profit for Q2FY2023. Comparatively, the profit for the current quarter is 870% higher than the corresponding quarter of the previous year. Notably, George Kent is actively looking to tender for more engineering and construction related projects in the near future.

Chairman’s Statement

Commenting on the Group’s performance, George Kent chairman Tan Sri Dato’ Tan Kay Hock said:

“I am delighted to report that the Group has produced excellent results for the second quarter of our 2023 financial year despite the challenging economic conditions. It is particularly heartening to see our metering division continuing to perform robustly and record strong sales. We are looking forward to launch our Class ‘D’ volumetric water meter in December 2022. We have been receiving positive feedback on our Class ‘D’ volumetric water meter and intend to introduce this new product line to our domestic as well as overseas customers.”

We are currently actively tendering within the engineering and infrastructure construction space to replenish our order book. Moreover, the Group will also be looking at business opportunities including acquisitions of companies in our core and related sectors to increase our revenue.” he added.

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About George Kent (Malaysia) Berhad

George Kent is an established engineering and metering company in the water infrastructure, rail transportation and hospital construction industries. The Company specialises in the turnkey construction of water infrastructure and hospital projects, system works for rail transportation, and operation and maintenance of water treatment facilities.

Known for proven engineering excellence, George Kent has a strong track record of successfully completing high-value and technology-critical projects. The Company also manufactures and supplies water metering products and solutions for household, industrial and plant use. It operates one of the largest hot brass-forging plants in Southeast Asia for the production of internationally certified water meters, and supplies to water authorities in Malaysia and in the ASEAN region.

For more information, please visit www.georgekent.net.

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MEDIA QUERY

Chris Chuah

Tel: 03 7733 7752

M: 012 233 3155

E-mail: chris@imejjiwa.com

Ng Shu Wain

Tel: 03 7733 7752

M: 012 280 6909

E-mail: shuwain@imejjiwa.com