

PRESS RELEASE

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GEORGE KENT REPORTS METERING DIVISION PROFIT OF RM20.43 MILLION FOR FINANCIAL YEAR ENDED 31 MARCH 2024 *Declares 0.75 sen dividend*

Market and Financial Highlights

- **Metering division achieved profit of RM20.43 million**
- **The Group has completed a plant for assembly and testing of water meters near Ho Chi Minh City. This plant will distribute water meters to the Vietnam market and is scheduled to commence operations by the third financial quarter and drive growth for the new financial year**
- **Metering has commenced delivery of the Automated Meter Reading (AMR) meters to Vietnam.**
- **Metering division penetrated into new market in South America.**

PUCHONG, 31 MAY 2024 – George Kent (Malaysia) Berhad (“George Kent” or “the Group”) today announced the financial results for the fourth quarter of its financial year ended 31 March 2024 (“Q4FY2024”).

The Group’s core business in Metering continues to be profitable, underscoring the robustness of the metering business. The Group closed the financial year ended 31 March 2024 with a Loss Before Tax of RM25.72 million (FY2023: Profit Before Tax of RM7.75 million). The results were significantly impacted by a combination of events:

- Impairment of PPE of an associate, impacting the Share of results of Associates and impairment of investment in an associate.
- Adjustment of variation work claims due to prolonged unresolved disputes and unforeseen additional costs incurred for the same project impacting the Engineering division. Furthermore, the division was adversely affected when budgeted new contracts were delayed and not secured.

Dividend

To reward shareholders, the Board of Directors has declared a second interim dividend of 0.75 sen per share for FY2024, payable on 11 July 2024 to shareholders whose names appear in the Record of Depositors on 20 June 2024, being the Book Closure Date (“BCD”).

On the assumption that the Treasury Shares of 41,510,000 (which are not entitled to dividend) remained the same as at BCD, the dividend payout on 521,759,065 shares will amount to approximately RM3.91 million.

The Board of Directors declared a first interim dividend of 0.75 sen per share (FY2023: 1.00 sen per share) on 18 December 2023 paid on 8 January 2024 which amounted to RM3.91 million on 521,759,065 shares (FY2023: RM5.22 million on 521,959,065 shares).

In Ringgit term, the two interim dividends will total RM7.82 million (FY2022: RM10.44 million) for the financial year ended 31 March 2024.

Metering Division

Despite the challenges faced by the Group, the Metering division remained profitable, achieving a profit of RM20.43 million for the financial year.

The Metering division is poised to gain deeper access to the Vietnam market with the completion of the assembly plant. It is a joint venture with a longstanding local partner with extensive local knowledge in the water sector. We have successfully penetrated into the South American market and are strengthening collaborative efforts with our other regional distributors to expand our distribution channels and increase our water metering market share.

Engineering Division

The division continues to actively pursue new contracts in the local rail, water sectors and construction of hospitals. We are leveraging our proven track record and building capabilities through strategic collaborations to secure new contracts and explore opportunities within the neighbouring region.

Outlook

With our focus on securing new contracts and exploring strategic partnerships, the Engineering division is well-positioned for a turnaround in the coming year. The Group’s strategic completion of an assembly plant in Vietnam, coupled with the strengthening of our ties with regional distributors further strengthens the Group’s overall growth prospects.

Chairman’s Statement

Commenting on the Group’s performance and prospects, Chairman Tan Sri Dato’ Tan Kay Hock said:

“The Metering business is robust and growing, achieving a division profit of RM20.43 million.

However, the Group’s performance was adversely impacted by a combination of events.

Moving forward, we are confident of a turnaround in the financial performance in the new financial year on the back of growth in the Metering business and optimism that the efforts put into the Engineering business will translate into new contracts”.

-end-

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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