



PRESS RELEASE

FOR IMMEDIATE RELEASE

**KPOWER POSTS STRONG CUMULATIVE 6-MONTH
REVENUE OF RM147.13 MILLION FOR THE FINANCIAL
PERIOD ENDED (“FPE”) 31 DECEMBER 2020**

KUALA LUMPUR, 22 FEBRUARY 2021 – KPower Berhad (formerly known as Kumpulan Powernet Berhad) (“KPower” or “the Group”) (“7130”) announced its interim financial results for the second quarter (“Q2”) for its Financial Period Ended 31 December 2020 (“FPE 31 December 2020”).

The Group recorded a **560% or RM76.43 million increase in its revenue to RM90.06 million** for its Q2 FPE 31 December 2020. At the same time, KPower also registered **RM9.25 million in Profit After Tax (“PAT”), an increase of RM7.40 million or 399%** as well as **RM12.60 million in Profit Before Tax (“PBT”), another significant increase of RM10.17 million or 419%**, for the same period.

The Group registered a **significant growth in revenue of RM122.33 million or 493%, from RM24.80 million to RM147.13 million** for the cumulative six months ended 31 December 2020. KPower also posted an increase of **RM14.59 million or 521% in PAT to RM17.40 million as well as RM23.65 million in PBT, reflecting an increase of RM14.59 million or 521%** for the same period.

The Group’s mainstay, the Construction Related Activities segment remains its largest revenue contributor in Q2 FPE 31 December 2020 with RM85.79 million or approximately 95% of its total revenue. This was due to Engineering, Procurement, Construction and Commissioning (“EPCC”) works in Laos and Malaysia on top of other construction related activities in Malaysia.



Its second largest contributor to the total revenue, the Property Development and Investment sector recorded RM3.95 million which was derived based on the progress of the completion during the period of the units sold.

As the world, including Malaysia, continues to see the rise and ebb of the COVID-19 pandemic and by extension, the COVID-19 related challenges both locally and regionally, the Group remains upbeat on its prospects of meeting its RM2.0 billion orderbook target due to its approach, geographical presence and network in the Energy and Utilities segment.

Group Managing Director, Mustakim Mat Nun commented, “As the Energy and Utilities segment continues to be our main driver going forward, our venture into solar via our collaboration with Public Investment Bank Berhad (“**PIBB**”) will further boost our business within this segment.”

“The collaboration, our first foray into the solar segment, is to provide the financing and installation of solar photovoltaic (“**PV**”) systems to PIBB’s customers in relation to the net energy metering scheme (“**NEM**”). In the long run, we hope to leverage on our existing capabilities as a specialist in the renewable energy sector to provide value-added services to PIBB’s extensive clients.”

He further added, “Simultaneously, while we continue to focus on our core competency under the Energy and Utilities segment, we had recently begun to explore a new business segment namely the Healthcare and Technologies segment. Since we started in January 2021 with the 70% acquisition of Granulab (M) Sdn. Bhd., the segment has continued to see major milestones particularly in the supply of COVID-19 related products to the Indonesian market. To date, we have secured approximately RM72 million worth of contracts in this segment.”

KPower plans to further expand its geographical presence in the energy sector within ASEAN and South Asia while its Healthcare and Technologies as well as Logistics segments are expected to spur the Group’s growth in the near future.

#END#



About KPower Berhad (formerly known as Kumpulan Powernet Berhad)

KPower Berhad (formerly known as Kumpulan Powernet Berhad) (“KPower” or “the Group”) operates in the sustainable energy and utilities segment and specialises in Renewable Energy (“RE”).

Incorporated on 3rd February 1997, KPower was listed on 22nd March 2002 as a textile manufacturing company and was subsequently transferred to the Main Market of Bursa Securities in 2009.

In June 2019, the Group transformed its business with the emergence of New Major Shareholders namely Dato’ Dr. Ir. Ts. Mohd Abdul Karim bin Abdullah and Grand Deal Vision Sdn. Bhd. who acquired over 51% equity stake. KPower was further strengthened with the appointment of new members of the Board and Key Management Team. Led by En. Mustakim Mat Nun, KPower embarked on a major transformation into new segments including sustainable energy and utilities with focus on construction-related activities and specialised engineering services.

Issued by: Glow Communications on behalf of **KPower Berhad** (formerly known as Kumpulan Powernet Berhad)

Date: **22 February 2021**

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Forward-Looking Statements

The statement included in this press release, other than statements of historical facts, are forward-looking statements. Forward-looking statement generally can be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “plan,” “seek,” or “believe.” These forward-looking statements, which are subject to risks, uncertainties, and assumptions, may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations about future event. There are important factors that could cause our actual results, level of activity, performance, or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statement, including, but not limited to our ability to win additional business. Although we believe the expectations reflected in the forward- looking statements are reasonable, we cannot guarantee future result, level of activity, performance, or achievements. You should not rely upon forward-looking statements as predictions of future events. These forward-looking statements apply only as of the date of this press release; as such, they should not be unduly relied upon as circumstances change. Except as required by law, we are not obligated, and we undertake no obligation, to release publicly any revisions to these forward-looking statements that might reflect events or circumstances occurring after the date of this release or those that might reflect the occurrence of unanticipated events.