

Value Creation Business Model

VISION

Optimising Assets to Improve Lives.

INPUTS



FINANCIAL

The pool of funds available to us to achieve our strategic objectives and capitalise on growth opportunities. This includes debt, retained earnings, and equity funding.

- Shareholders' funds: RM1.62 billion
- Cash, bank balances, deposits and short-term investments: RM642.4 million
- Net cash position: RM152.6 million
- Total assets: RM2.95 billion



PLANTS AND MACHINERIES

The physical assets used in the creation of our products and provision of services, including buildings, machinery, infrastructure, and equipment.

- Over 1,000 units of cleaning machineries
- One (1) incinerator plant for clinical waste treatment
- Two (2) laundry plants for processing soiled linen and supplying clean linen
- One (1) Asphalt Plant with Recycling Facility
- Revolutionised traffic management plans and emergency works with 3 units of Truck Mounted Attenuator (TMA)
- 6 major machineries for each Pavement Team (11 competent in-house Pavement Teams)



SOCIAL AND RELATIONSHIP

The relationships and networks that we develop with our stakeholders, deepening trust and creating shared value.

- Regular media interviews by leadership
- Active engagement with stakeholders
- 1,275 volunteering hours in various corporate responsibility programmes
- 17 community projects
- Supplier Financing Programme to assist vendor cashflow
- Vendor Development Programme to improve vendor competitiveness



INTELLECTUAL

Our technologies, expertise, organisational knowledge, and other intangible assets that drive innovation and our competitive advantage.

- UETrack™ to enhance primary healthcare support services
- RAMS enables remote monitoring and management of roads
- Asseto - next-generation built environment platform designed to integrate asset intelligence, sustainability, and automation
- Pavement Research Centre (PRC) to support growth strategy and sustainability agenda



HUMAN

The experience, skills, and dedication of our workforce, which are key to creating long-term, sustainable growth.

- More than 17,000 employees across 6 countries
- 51% female employees
- Workforce comprised of 30 nationalities
- More than RM7.7 million investment in training
- 86% local hire



NATURAL

Our renewable and non-renewable environmental resources – such as water, air, and land – that we strive to use efficiently and responsibly.

- Launched UEM Edgenta's Net Zero Targets to achieve net zero GHG emissions by 2050
- One (1) Asphalt Plant with Recycling Facility
- Installed solar panels on the roof of Menara UEM
- Sustainability solutions offered to clients
- Various water management initiatives in collaboration with PLUS

ENABLE VALUE-ADDING ACTIVITIES THAT CREATE

OUR STRATEGIC PRIORITIES

- Future Focused
- Imagine New Ways
- Respect For All
- Solutioning Mindset
- True To Our Word

SUSTAINABILITY AGENDA

Sustainable Economic Growth

- Business Ethics
- Economic Development
- Supply Chain Management

Minimising Environmental Impact

- Climate Change and Energy
- Environmental Management

Social Value Creation

- Occupational Health and Safety
- Employment Culture
- Customer Satisfaction
- Human Rights Assessment
- Local Community

Core Business Segments



Healthcare Solutions



Asset Consultancy



Property and Facility Solutions



Infrastructure Services

Our Competitive Advantage

Diversification Through Geographies and Portfolio

Financial Strength

Operational Excellence

Strategic Partnership Ecosystem

Future-ready Workforce

Technology Differentiation

Sustainability

KEY MARKET TRENDS

Macroeconomic Challenges

Transition to Low-carbon Economy

Evolving Workforce Challenges

The Digitalisation of Everything

KEY RISKS

- Strategic Risk
- Operations Risk
- Financial Risk
- Compliance Risk
- Cybersecurity Risk
- People Risk
- ESG Risk

GOVERNANCE

Supported by strong governance and effective Board leadership

MISSION

Our services, commitment to smarter thinking and improved solutions place us at the forefront of the industry.

We create opportunities for clients and assets that positively influence society.

CORE VALUES

F
FUTURE
FOCUSED

I
IMAGINE
NEW WAYS

R
RESPECT
FOR ALL

S
SOLUTIONING
MINDSET

T
TRUE TO
OUR WORD

VALUE FOR OUR STAKEHOLDERS

OUTPUTS

Healthcare Solutions

- Preserve the lifespan of more than 43,000 BEMS assets worth over RM1.7 billion
- Manage and maintain more than RM1.5 billion worth of FEMS assets
- Upkeep the cleanliness of over 1.6 million m² of facilities area daily

Property and Facility Solutions

- Provide facility management services at over 500 buildings and facilities in Malaysia & UAE
- Saved a total of 458.9 Mwh per annum in electricity

Infrastructure Services

- Manage over RM10 billion worth of infrastructure assets
- RAMS bringing over 1,000 km of expressway and state road assets online
- More than 9,000 km of expressways and roads managed in Malaysia

Asset Consultancy

- Over RM100 billion value of project delivered through OPUS Consultants
- Up to 52% reduction in electricity consumption through our Energy Efficiency Solutions

Technology and Innovation

- Asseto - Over 36,000 assets under management in 30 buildings

Waste and Emissions

- 2,019 tonnes of waste generated, with more than 50% diverted away from landfill

OUTCOMES



FINANCIAL

- Revenue: RM3.05 billion
- RM8.7 billion order book
- New contracts secured: RM2.8 billion
- Shareholders' funds: RM1.61 billion
- 4.0 sen dividend per share single-tier interim dividend
- Net assets per share: RM1.93



PLANTS AND MACHINERIES

- Process over 11 million tonnes of soiled linen annually
- Incinerate more than 6,000 metric tonnes of clinical waste annually
- Approximately 1,000 km of highways covered by TMA
- Lays over 400 km of pavement each year



SOCIAL AND RELATIONSHIP

- Customer Satisfaction Score of 91%
- Projects and community engagements impacted 2,773 underserved communities
- >2,000 suppliers enrolled in VDP programme



INTELLECTUAL

- >4 billion worth of tech-enabled wins since 2021 from platforms such as Asseto, RAMS and UETrack™
- Approximately 1,000km of roads managed with RAMS.



HUMAN

- >100 Employee Engagement Initiatives carried out
- Total training hours: 332,644
- Employee voluntary turnover rate: 28.7%
- Lost time incident rate: 0.16



NATURAL

- Scope 1 emissions: 9,220.88 tCO₂e
- Scope 2 emissions: 7,910.55
- Scope 3 emissions: 1,537.70* (*business travel and employee commuting)
- 20 buildings received GBI and LEED accreditations
- RM17.19 million total annual energy cost savings for clients through our EPC projects

ACTIONS TO ENHANCE OUTCOMES

- Expanded our IFM healthcare and commercial businesses in Malaysia, Singapore and Taiwan with more than RM15 million new and renewed contracts.
- Strengthened our presence in Peninsular Malaysia through securing contracts in new states.
- Secured sustainability solutions contracts worth over RM150 million in EPC value.

- Acquisition of KAIZEN Group to enhance our value proposition in the Middle East.
- Continuous investment in upgrading legacy plants and machineries.

- Enhanced healthcare at government and private hospitals.
- Safe and well maintained expressways state roads, and smart buildings.
- Incorporated Health, Safety and Environment system and control in every project.
- Supported client technology and sustainability agendas through our solutions.

- Continuously introduced new, technologically-driven products to the market.
- Drove new sustainability solutions to support the ESG agenda.

- Nurtured a high performing workforce committed to excellence in service and solution delivery.
- Cultivated a positive working environment through engagement and well-being initiatives, supporting work-life integration through Flexible Work Arrangements.

- Implemented sustainability initiatives throughout the organisation in line with our Net Zero targets.
- Developed and commercialised sustainability technologies.

TRADE-OFFS

Our Financial Capital is used to invest in technologies, strategic acquisitions, and fixed assets. Our short-term finances are thus eroded, but this helps other capitals grow in the long run. We minimise the negative impact through careful cost control and vendor management.

Our Plants and Machineries Capital is reinforced by Financial Capital, which is depleted over the short-term. However, Financial Capital will see a medium to long-term return on investment as our plants and machineries are used for profit-generating activities.

Our stakeholder engagement programmes necessitate the short-term depletion of our Financial Capital. However, this investment not only enhances our Social and Relationship Capital but also boosts our Intellectual Capital through brand reputation.

Investment in new technologies will entail a short-term reduction in our Financial Capital. On the other hand, our long-term Financial Capital will be increased as these technologies boost our revenue and operational efficiency.

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The focus of our Natural Capital is on reducing environmental impact, specifically through lowering Scope 1 and Scope 2 emissions. This involves initial investments in cleaner technologies, energy efficiency, and sustainable practices, which may increase short-term operational costs and reduce profitability. However, these efforts lead to long-term benefits such as resource conservation, regulatory compliance, and improved brand reputation. We manage the trade-off by optimising processes, prioritising innovation, and collaborating with stakeholders for sustainable, value-driven outcomes.