

CHAIRMAN'S STATEMENT

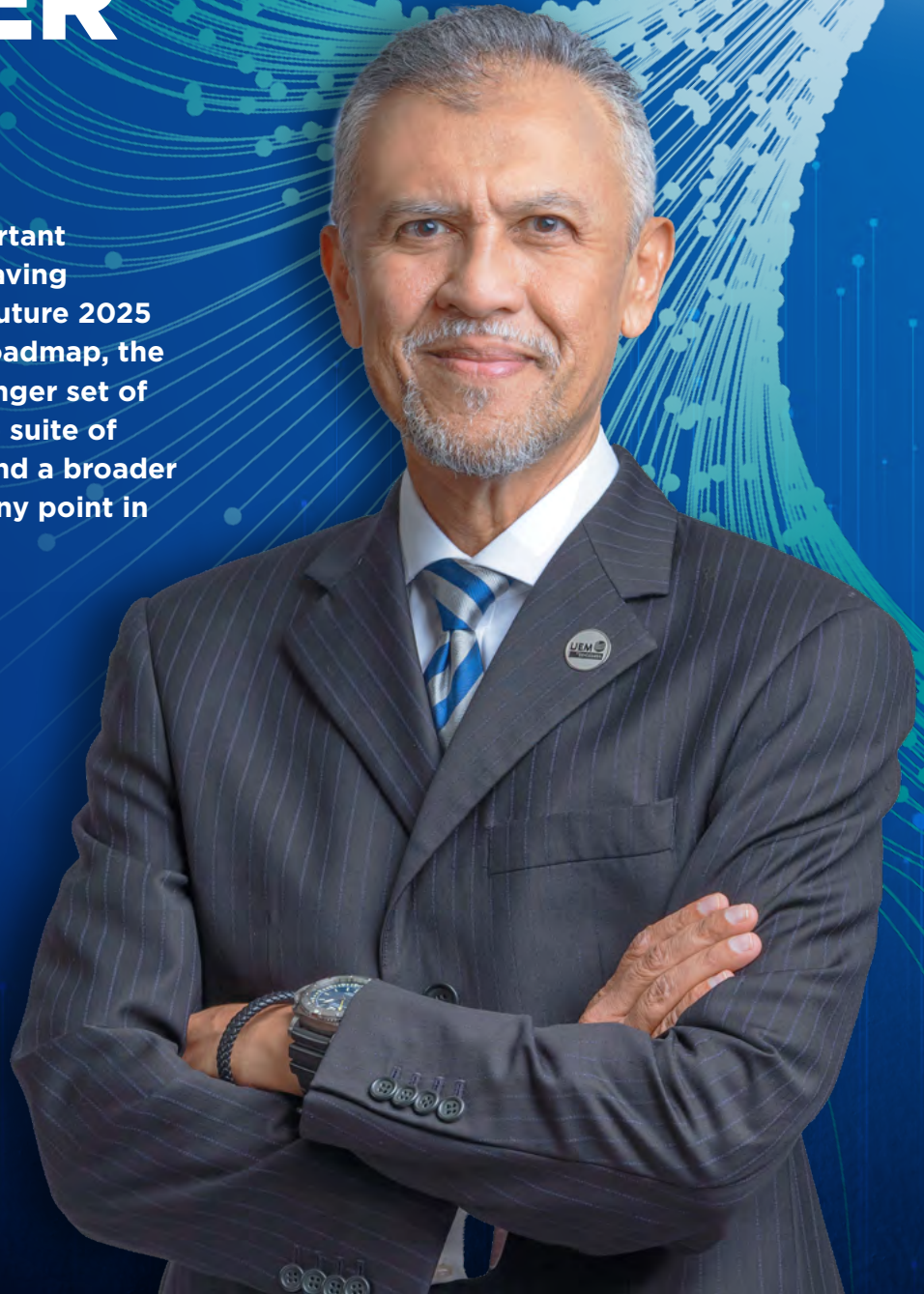
STRENGTHENING FOUNDATIONS

FOR THE NEXT CHAPTER

Dear Valued Stakeholders,

UEM Edgenta stands at an important inflection point in its journey. Having concluded the Edgenta of the Future 2025 (“EoTF2025”) transformation roadmap, the Group now operates with a stronger set of capabilities, a more competitive suite of technology-enabled solutions and a broader international presence than at any point in the past.

Tan Sri (Dr.) Azmil Khalid
Independent Non-Executive Chairman



Our operating environment, however, remains demanding. Over the past year, rising cost pressures, changing customer expectations and greater caution around investment have affected business conditions across our sectors, with a corresponding impact on our financial performance. There is every indication that these pressures will remain a feature of the landscape moving forward.

The steps we take now will thus shape our future trajectory, and the Board has every confidence that the necessary foundations are in place to help UEM Edgenta pursue stronger and more sustainable growth in the years ahead.

OPERATING ENVIRONMENT

The global economy demonstrated resilience in 2025, expanding by an estimated 3.3% according to the IMF, identical to the growth rate in the year prior. On closer inspection, however, this headline growth figure was partly inflated by the front-loading of trade activity, as businesses accelerated purchases ahead of anticipated tariff increases. Moreover, geopolitical and economic turbulence continued to affect the operations of companies and the resilience of supply chains around the world.

Malaysia's economy followed a similar trend. While GDP growth reached 5.2% for the year, the operating environment was more complex on the ground. Companies had to contend with rising costs stemming from increases in the national minimum wage, the expansion of the Sales and Services Tax (SST) framework to new goods and categories, and increases in petrol and electricity prices, amongst other developments. These factors contributed to a higher cost base for players across the business ecosystem. As a result, many of our domestic and international clients adopted a more cautious stance, shifting their focus towards improving operational efficiency rather than pursuing new investments. In some cases, this also translated into organisations choosing to insource services that had previously been outsourced.

Regulatory and policy developments also had a material impact on the operating landscape. Across our markets, this included more stringent requirements around ESG and emissions reporting, as well as government-led initiatives in Malaysia such as the Public-Private Partnerships ("PPP") Master Plan 2030, the National Energy Transition Roadmap ("NETR"), and the New Industrial Master Plan.



With stronger capabilities and a shared sense of purpose across the organisation, we are well positioned to move forward with confidence.



POSITIONING FOR THE PATH AHEAD

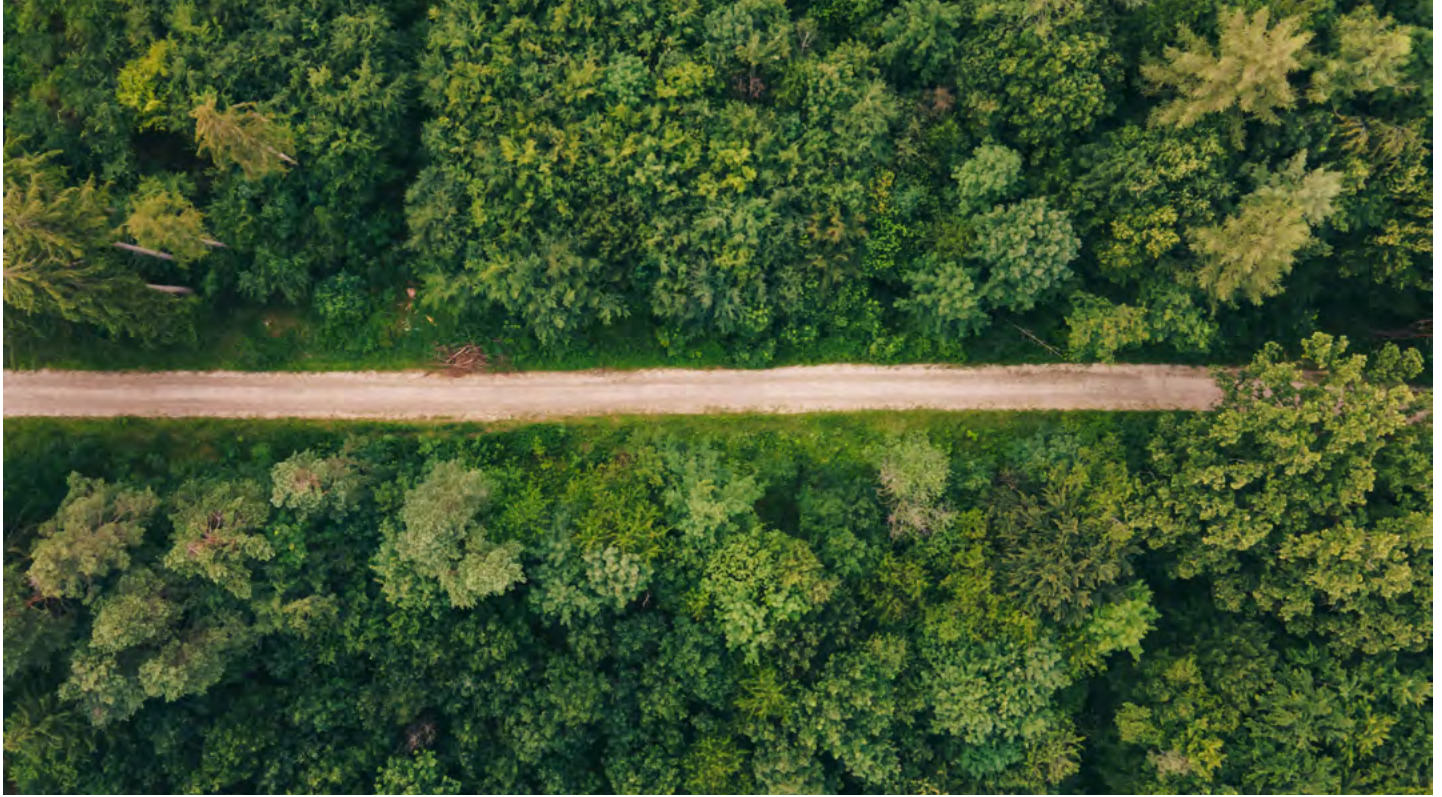
In seeking to better meet the evolving needs of asset owners, the successful completion of the EoTF2025 strategy represents an important milestone.

Over the past five years, the programme has delivered significant gains. These include more than RM100 million in cost savings achieved ahead of schedule, over RM5.3 billion in technology-enabled contract wins since 2021, and a broader international footprint supported by strategic partnerships and a growing customer base across our markets, with a particular focus on the Gulf Cooperation Council ("GCC") states.

More importantly, this transformation has future-proofed the Group in several key ways. First, our technology-enabled solutions provide an important point of differentiation in an increasingly competitive asset management landscape. Second, the Group is now better positioned to participate in more integrated and higher-value asset management opportunities, enhancing our margins and the value we can deliver to clients. Third, our diversified international presence provides a powerful avenue for growth while helping to mitigate geographic and sector concentration risks.

As with any strategic shift of this scale, there is an inevitable incubation period before the full benefits are realised. Nevertheless, the Board believes that EoTF2025 has equipped the Group with the necessary capabilities and presence not only to compete effectively in a changing facilities management landscape, but to thrive within it.

CHAIRMAN'S STATEMENT



SUSTAINABILITY AND LONG-TERM RESILIENCE

In building the UEM Edgenta of the future, the Board recognises that the Group's commitments and actions in sustainability will be key.

During the year, we took meaningful strides on our sustainability journey by developing new solutions and enhancing operational processes. A key milestone was the commissioning of our asphalt premix plant with recycling facility, which repurposes waste generated from the road milling process into a more sustainable material for road paving. This innovation enables carbon emissions to be reduced by up to 15% compared with conventional asphalt production.

We also reported reductions in Scope 1 and Scope 2 emissions during the year, supported by lower consumption of electricity, fuel and natural gas, alongside broader operational efficiency measures.

Accelerating this journey, our Sustainability Roadmap 2.0, now in its second year of implementation, seeks to embed ESG-related considerations more deeply within our business. This will be complemented by the continued integration and strengthening of ESG-related KPIs across all corporate performance scorecards, reinforcing accountability on sustainability and driving consistent performance improvement across the organisation.

The Board is also pleased to share that UEM Edgenta became a constituent of the Bursa Malaysia FTSE4Good Index in 2025, placing the Group amongst the country's recognised leaders in sustainability disclosures.

 For more information on our sustainability approach, initiatives, and results, please refer to the standalone Sustainability Statement on page 108.



Advancing sustainability and operational excellence will remain integral as we build long-term value for stakeholders.





We are committed to nurturing talent, strengthening leadership and creating opportunities for our people to grow. ”

HUMAN CAPITAL DEVELOPMENT

Alongside future-proofed solutions, the Group recognises the importance of developing a future-ready workforce.

A key initiative during the year was the launch of the First in AI learning roadmap, which aims to drive literacy and practical skills acquisition in artificial intelligence across the organisation.

Leadership skills were another important area of focus. Our senior leadership development programmes are personalised to the needs of our leaders and include coaching and professional development components. Tailored development pathways have also been introduced for key roles across the business, ensuring employees are equipped with the skills necessary to lead and drive change within their respective functions. Programmes include the Facility Managers Development Programme (leading to CFFM certifications by CIDB and Professional Masters), as well as the People Managers Essentials programme, which equips people managers with the essential skills to effectively lead, engage, and develop talent.

These development initiatives are supported by continuous and meaningful engagement with our employees. The Group maintained a strong cadence of such sessions during the year, including Annual Management Dialogues, town halls, and ongoing day-to-day initiatives. This was complemented by the implementation of an Employee Satisfaction Survey, which aims to measure the overall employee satisfaction and experience, supporting efforts to retain our valued workforce.

The Board maintains active oversight of the Group's people-related policies and practices, developing and overseeing the introduction of a new Human Rights Policy in 2025, which reinforces our commitment to responsible employment practices and the protection of fundamental rights.

GOVERNANCE AND STEWARDSHIP

Throughout the year, the Board maintained close oversight of risk management, capital allocation and operational resilience across the Group. Particular attention was placed on reinforcing pricing discipline, safeguarding margins and sustainability, and strengthening internal control frameworks in response to the demanding cost environment.

The Board also oversaw significant corporate developments affecting the Group, including UEM Edgenta's proposed delisting from the Main Market of Bursa Malaysia. It is the Board's view that should the proposed delisting proceed, it would not materially affect the Group's commitments across sustainability, human capital, and other critical focus areas of the business. Furthermore, in navigating these matters, our priority remains the protection of stakeholder interests, adherence to regulatory processes and the preservation of business continuity.



We will continue to uphold high standards of governance while positioning the Group to navigate an evolving business landscape. ”

OUTLOOK & APPRECIATION

Looking ahead, the Group's operating environment is expected to remain dynamic in 2026. Asset owners will continue to be affected by cost pressures, which will be passed down to facilities managers such as ourselves, while geopolitical and economic uncertainties will continue to constrain spending.

While these factors impacted our financial performance in 2025, demand for our core services remained firm. Thus, with the capabilities built under EoTF2025, the Group is in a strong position to both navigate the evolving landscape and move further up the value chain. Furthermore, with a more diversified portfolio, we retain the flexibility to mitigate country-specific challenges and capture growth opportunities across a wider geographic area.

As we stand here today at this important juncture in our journey, the capabilities we have built, the conviction we share and the resilience demonstrated across the organisation give us confidence that this moment can become a turning point towards a stronger and more sustainable future for UEM Edgenta.

Tan Sri (Dr.) Azmil Khalid

Independent Non-Executive Chairman