

MEDIA RELEASE

For Immediate Release

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UEM Edgenta Optimistic of Long-Term Growth Through Asset Management Services and Technology Solutions

- 10.4% Revenue and 4.6% Net Profit growth to RM1.11 billion and RM68.1 million respectively, for the six-month period of FY2019 ("H1 FY2019") compared to the corresponding period in FY2018
- Healthcare Support division to drive future growth for the Company to support growth of hospitals amid ageing population and increased life expectancy trends in the region
- Infrastructure Services division to continue cost-efficiency initiatives in providing highway maintenance works

Kuala Lumpur, 4 September 2019 – UEM Edgenta Berhad ("UEM Edgenta" or "Company"), the region's leading Asset Management and Infrastructure Solutions company shared its growth outlook at a briefing session held here today. This comes in conjunction with the release of the Company's H1 FY2019 results in which the Company recorded a 10.4% Revenue increase to RM1.11 billion, while Net Profit increased to RM68.1 million compared to the corresponding period in FY2018.

"We have delivered commendable first half results notwithstanding a challenging backdrop. All our businesses have been resolute in managing and expanding their respective operations across multiple sectors. We will continue to find new ways and clever solutions, innovating cost-effective methods to deliver our services efficiently to our clients," said Dato' Azmir Merican, Managing Director/Chief Executive Officer of UEM Edgenta.

UEM Edgenta's Asset Management segment, which is represented by the Healthcare Support and Property & Facility Solutions divisions is expected to spearhead the Company's growth for the remainder of 2019. The ongoing exercise of re-clustering healthcare facilities by the Ministry of Health of Singapore will provide further opportunities for the **Healthcare Support** division to add on to the successful contract win in July 2019 worth up to RM540.06 million.

Beyond Singapore, the Healthcare Support division is also present in Malaysia, Taiwan and India with over 300 hospitals under its care. The Company is optimistic that it will be able to

secure more contracts to support the growth of these hospitals amid ageing population and increased life expectancy trends in all these countries.

In Malaysia, the division provides a comprehensive suite of non-clinical hospital support services to the Ministry of Health's ("MOH") hospitals and clinics in Northern Peninsular states. As part of its service offerings to MOH, the Company proactively seeks opportunities to value-add to its scope of works by proposing technology-based solutions via early adoption of artificial intelligence and machine learning, to efficiently monitor, as well as optimise asset health and energy usage at each of its facilities. Recently, the Company was awarded by MOH to deliver energy performance contracting services for their Kepala Batas Hospital in Penang, a service which has been phased out to be delivered in the next 6 years, taking the number of MOH hospitals enjoying this innovative, turnkey concept of shared savings to three.

The segment's **Property & Facility Solutions** ("PFS") division, a leading Green Building Index-certified asset management consultant has also secured new contract wins during the first half of the year, notably with Sime Darby Motors for works related to the upgrading of its showrooms and Bank Negara Malaysia for comprehensive facility management of two of its buildings in Selangor and Johor respectively.

Through its **Infrastructure Services** division, UEM Edgenta manages the maintenance of a vast array of highway network in Peninsular Malaysia, including the North-South Expressway, as well as iconic infrastructures such as the Penang Bridge and Malaysia-Singapore Second Bridge. The Company has successfully rolled-out its Road Asset Management System ("RAMS"), a cutting-edge integrated highway maintenance system which streams live data to the Company's Command & Contact Centre, allowing the application of big data analytics which facilitates machine learning to enable predictive maintenance. This cloud-based system allows efficient work order management, remote monitoring and above all, support real-time decision making.

"As the largest highway maintenance service provider in Malaysia, we possess a proven track record to deliver an effective asset management programme which is sustainable and cost-efficient for the long-term. This includes adopting technology-enabled solutions to automate and mechanise our service delivery to enhance safety and modernise how this sector operates. Our partnership with key industry stakeholders, such as in the recent MoU signed with Malaysian Highway Authority ("MHA") and Construction Industry Development Board ("CIDB") is based on the shared value of ensuring peace of mind for highway users through better service delivery," added Dato' Azmir.

The Infrastructure Services division is also present in Indonesia and is currently exploring long-term growth opportunities in the face of expanding infrastructure plans to improve

connectivity which was announced by the government, to add to the 3,432 kilometres of conventional roads and 941 kilometres of toll roads constructed between 2014 to 2019.

The Company's **Asset Consultancy** division, which is also part of the Infrastructure Solutions segment will continue to focus on delivering its services for the Sarawak Coastal Road Network and Second Trunk Roads project.

The first half of FY2019 has seen UEM Edgenta focus its efforts on numerous continuous improvement activities which have included, among others, the launch of mechanised vehicles to modernise its highway maintenance service, and the commencement of the UEM Edgenta Learning Centre ("UELC"). The UELC is envisioned to facilitate the roll-out of Edgenta Academy and design programmes which offer employees and service partners across its value chain various training & development courses, as well as to identify, develop and institutionalise standards for Edgenta's services in the asset management & infrastructure solutions segments.

For the remaining period of FY2019, the Company will continue its focus on such initiatives to further improve its efficiency and deliver cost savings for its clients.

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About UEM Edgenta Berhad

UEM Edgenta (www.uemedgenta.com) is a leading Asset Management and Infrastructure Solutions company in the region and a subsidiary of UEM Group. Listed on the Main Market of Bursa Malaysia Securities Berhad (KLSE: EDGENTA), our expertise covers Healthcare Support and Property & Facility Solutions, and Infrastructure Services covering Expressways and Rail, including project management & engineering design capabilities via OPUS Consultants.

UEM Edgenta's full suite of services throughout the asset life cycle include consultancy, procurement & construction planning, operations & maintenance, as well as optimisation, rehabilitation and upgrades. UEM Edgenta has operational presence in Malaysia, Singapore, Indonesia, Taiwan, India and United Arab Emirates.

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