

MEDIA RELEASE

For Immediate Release

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Strong FY2019 Performance to Sustain UEM Edgenta's Resilience

- **Strong FY2019 results;** Revenue and Net Profit increasing by 10.5% and 23.4% on a Y-o-Y basis to RM2.4 billion and RM188.0 million;
- **Operational efficiency and resilience** will deliver financial performance in FY2020;
- **Technology solutions** to drive long term growth in new and existing markets.

Kuala Lumpur, 10 March – UEM Edgenta Berhad (“UEM Edgenta” or the “Company”), the region’s leading Asset Management and Infrastructure Solutions company, recorded a strong set of financial results for the year ended 31 December 2019 (“FY2019”), which saw the Company posting Revenue and Net Profit of RM2.4 billion and RM188.0 million, representing a growth of 10.5% and 23.4% on a year-on-year (“Y-o-Y”) basis.

This was announced at a press briefing held at the Company’s headquarters today, led by its Managing Director/Chief Executive Officer, Dato’ Azmir Merican, who also shared UEM Edgenta’s outlook for FY2020.

“Our investments in process improvements, technology and operational excellence has resulted in the Company’s ability to overcome rising costs of delivery, increase operational efficiency and register cost savings, which proved crucial in making the organisation efficient and resilient. Moving forward, providing technology-based solutions will be a priority, in particular to break into new and existing markets with customised solutions offering real-time IoT and data analytics to optimise asset management”, said Dato’ Azmir Merican.

FY2019 Full Year Performance

UEM Edgenta’s Healthcare Support division recorded 15.0% Y-o-Y growth in full-year revenue to RM1.1 billion, mainly attributed to new contracts secured from tenders in Singapore for the provision of non-clinical support services to re-clustered Ministry of Health (“MOH”) Singapore hospitals, while the Company’s Property & Facility Solutions (“PFS”) division registered a commendable year with a significant increase in net profit of 36.5% Y-o-Y to RM23.8 million. The Infrastructure Services division recorded a respectable performance, registering a Y-o-Y increase of 3.8% and 34.9% in revenue and net profit to RM915.6 million and RM110.6 million respectively despite challenges faced in the operating environment, while the Asset Consultancy division similarly had a better year, recording a 15.6% revenue and 23.6% net profit increase over the same period.

Since 2014, UEM Edgenta has undergone significant transformation towards becoming a regional leader in the Asset Management and Infrastructure Solutions segments, with the Company's core revenue and net profit growing at a 5-year compounded annual growth rate ("CAGR") of 13.3% and 10.5%, respectively. The Company's acquisition of the UEMS Group in 2016 in particular has paved the way for significant customer diversification and geographical expansion, in which it currently enjoys market leadership in the hospital support services sector in Singapore and Taiwan.

Outlook for FY2020

The Company remains cautious of its outlook for the short-term on the back of adverse macroeconomic conditions, exacerbated by the threat of the global coronavirus outbreak. As such, FY2020 will be a year of resilience through operational and organisational excellence to sustain the Company's profit margins, backed by the productisation of new technology solutions.

UEM Edgenta's financial position remains strong, with cash and bank balances of RM621.0 million as at end FY2019 to weather short-term uncertainties and capitalise on future growth opportunities. Gross gearing ratio remains at low levels of 0.33x, and the Company is net debt positive at RM97.3 million. Work-in-hand position as at 31 December 2019 remains healthy at RM13.2 billion, which provides long-term revenue visibility in the defensive sectors of healthcare and infrastructure.

The Healthcare Support division will continue optimising its hospital support services in which it had secured over RM900 million in new contracts, primarily with the re-clustered MOH Singapore hospitals. In Malaysia, the Company will continue to support MOH Malaysia with value-added initiatives, including efforts to enhance the total lifecycle of biomedical equipment to improve efficiency of results, as well as the quality of patient care. UEM Edgenta's PFS division is confident of capitalising on its green technology expertise to explore potential sustainability-oriented initiatives and assist the Government in lowering its electricity costs and operational carbon footprint.

Having successfully secured a RM182 million contract for a new three-year maintenance of the Cikampek-Palimanan Highway (which is part of the Trans-Java Toll Road) via partnership with the reputable Astra Group of Indonesia, the Company's Infrastructure Solutions business segment aims to make further inroads into Indonesia, as well as expand further into projects of socioeconomic importance in East Malaysia, namely the Coastal Road Network and Second Trunk Road projects in Sarawak. Significant efforts to promote technology-enabled solutions for this segment, namely the Road Asset Management System and Pavement Research Centre, are also in the pipeline to sustain the Company's growth. The Infrastructure Solutions business segment currently manages over 3,100 kilometres of highways and state roads in Malaysia and Indonesia.

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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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