

UEM Edgenta Remains Resilient, Posts Net Profit for Q1 FY2021

- **Summary of Q1 FY2021 financial results**
 - **Revenue** of RM483.6 million
 - **Net profit** of RM8.1 million, supported by strong performance in Asset Management
 - **Net cash** at RM126.5 million
 - **Cash and bank balances** at RM577.9 million
 - **Gross gearing ratio** at 0.32 times
- **Contract wins** amounting to over RM400 million; 59% contributed by the Healthcare Support (Commercial) division driven by its international portfolio
- **Current order book** at RM12.0 billion, providing long-term visibility until 2038

KUALA LUMPUR, 27 May – UEM Edgenta Berhad (“UEM Edgenta” or the “Company”), the region’s leading Asset Management and Infrastructure Solutions company, announced its unaudited financial results for the period ended 31 March 2021 (“Q1 FY2021”) today.

For the period under review, UEM Edgenta registered a revenue of RM483.6 million compared to RM501.9 million in the previous corresponding quarter (“Q1 FY2020”). Consequently, the Company posted a net profit of RM8.1 million, compared to RM12.1 million in Q1 FY2020.

The Company sustained a healthy balance sheet with gross gearing ratio at 0.32 times, positive net cash at RM126.5 million, and cash and bank balances at RM577.9 million.

“We continue to show order book strength in the healthcare commercial business, which progressively adds into our total order book of more than RM12.0 billion. Nevertheless, despite contract wins in the Infrastructure Services and Asset Management segments, the current Movement Control Order (“MCO”) has dampened the start dates for planned works due to the rapid rise in daily COVID-19 cases. The Company remains adaptable and resilient in facing the challenges ahead given our balance sheet strength and cash flow position,” said Syahrudin Samsudin, Managing Director/Chief Executive Officer of UEM Edgenta.

Across its diversified portfolio, UEM Edgenta continued to grow its order book and has secured over RM400 million worth of new contracts in Q1 FY2021. The Company’s Healthcare Support division, particularly the Commercial portfolio, secured 59% of the total new contracts amounting to RM240 million, from international markets in Singapore and Taiwan. This represents a significant portion of the new contract wins, further supporting the Company’s refreshed strategy under Edgenta of the

Future 2025 (“EoTF2025”). The Company’s robust order book currently stands at RM12.0 billion, providing long-term visibility until 2038.

UEM Edgenta has been an integral part of the country’s response to the pandemic and remains committed in doing so today. The Company believes that post-pandemic normalcy will see greater demand for its healthcare services and solutions. In addition, UEM Edgenta expects to benefit from the post-pandemic recovery in the transportation sector through the resumption of non-critical and pavement works and realisation of deferred work orders from FY2020 for its infrastructure and asset consultancy services.

“UEM Edgenta is positioned as a key enabler in the broader pandemic recovery. Our EoTF 2025 strategy is beginning to take shape and we remain resolute in our pursuit to build a future-proof business that will bring sustainable returns. We will continue to focus on digitalisation of our business, cost optimisation and expansion into new markets,” said Syahrulizam.

Recently, UEM Edgenta collaborated with PLUS Malaysia Berhad (“PLUS”) to expand digital solutions in highway maintenance operations through its Road Asset Management System (“RAMS”) which enables short and long-term road maintenance activities planning to manage over 1,000 kilometres of highway assets for PLUS. In line with its expansion into new markets strategy, UEM Edgenta has entered into a Memorandum of Business Exploration (“MoBE”) with Asma Advanced Solutions LLC to explore and identify potential healthcare support services and integrated facility opportunities in Saudi Arabia. New services and solutions have also been established as part of its COVID-19 business solutions offerings where the Company has been actively participating in bids in its aim to develop new revenue streams.

As for the Company’s segmental results, revenue from Asset Management increased by RM44.2 million from RM307.9 million in Q1 FY2020 to RM352.2 million in Q1 FY2021, mainly resulting from Healthcare Support contracts secured in Malaysia, Taiwan, and Singapore. The improvement in this segment is also contributed by new Integrated Facility Management (“IFM”) and Energy Performance Contracting (“EPC”) projects secured in Malaysia by the Property and Facility Solutions (“PFS”) division. The Asset Management segment registered a profit-before-tax of RM27.6 million, which improved by RM11.1 million from RM16.5 million year-on-year, primarily contributed by the new contracts won by Healthcare Support division.

The Healthcare Support division, which presently serves over 300 hospitals in Malaysia, Singapore, Taiwan and India, registered a 12.8% increase in revenue from RM274.5 million in the previous corresponding quarter to RM309.5 million this quarter. Consequently, profit-before-tax increased from RM8.8 million in Q1 FY2020 to RM19.8 million in Q1 FY2021.

Meanwhile, its Property & Facility Solutions division recorded a 27.7% increase in revenue from RM33.4 million in the corresponding quarter of the preceding year to RM42.6 million in the current quarter. The higher revenue was primarily attributed to new projects in Dubai, IFM services for CIMB branches nationwide and a new EPC contract for Hospital Sultan Abdul Halim. The division posted a profit-before-tax of RM7.8 million compared to RM7.7 million in the previous corresponding quarter.

On the back of a challenging quarter, its Infrastructure Solutions segment recorded a revenue of RM128.9 million compared to RM193.9 million in the quarter of the preceding year. This was mainly due to less maintenance works performed for expressways during the movement control order imposed by the Government. Besides that, lesser consultancy works performed by the Asset Consultancy division also contributed to the decrease in revenue for this segment. On a year-on-year basis, the segment posted a profit-before-tax of RM2.3 million compared to RM15.4 million.

Under this segment, its Infrastructure Services division registered a revenue of RM109.3 million compared to RM167.4 million in the quarter of the preceding year. This was mainly due to suspension and deferment of non-critical work and completion of work orders. Consequently, the division posted a profit-before-tax of RM6.1 million in Q1 FY2021 compared to RM14.2 million in Q1 FY2020.

The Company's Asset Consultancy division, represented by Opus Consultants, recorded a revenue of RM19.6 million compared to RM26.5 million in the corresponding quarter of the preceding year. The decrease was attributed to the completion of projects and delays and deferrals in current projects amid the pandemic. The division recorded a loss-before-tax of RM3.8 million in Q1 FY2021 compared to a profit-before-tax of RM1.2 million in Q1 FY2020, driven by lower revenue and mobilisation challenges resulting in lower utilisation of project staff.

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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.