UEM EDGENTA
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UEM Edgenta Optimistic of Long-Term Growth Through Digital & Sustainable Innovative Solutions

- The Company's 'Edgenta of the Future 2025' vision accelerates digital solutions rollout through its diversified portfolio, technology proposition and regional expansion in new high growth markets.
- Digital solutions to spearhead long term growth in driving sustainable healthcare solutions not only in managing the current recovery efforts, but also for future challenges.
- Growth in financial performance is a testament of the Company's prudent efforts and business fundamentals' resiliency despite short-term challenges.

KUALA LUMPUR, 1 September – UEM Edgenta Berhad ("UEM Edgenta" or the "Company"), the region's leading Asset Management and Infrastructure Solutions company completed its 1H FY2021 with a normalised net profit of RM16.7 million, on the back of RM1.0 billion in revenue.

The results were discussed during a virtual briefing session earlier today, led by the Company's Managing Director/Chief Executive Officer, Syahrunizam Samsudin, alongside Hillary Chua, Chief Financial Officer and Rais Imran, Chief Strategy Officer, who also shared UEM Edgenta's growth outlook for the second half of the year.

"We will continue to focus on our digital solutions rollout, especially in powering sustainability across our businesses, notwithstanding the challenging backdrop, movement controls and shortcomings of the pandemic. We are resolute in managing and expanding our respective operations across multiple industries, driven by our 'Edgenta of the Future 2025' ("EoTF25") vision as we tap into new markets with innovative and technological solutions, spearheaded by Edgenta NXT, our first digital ecosystem platform, as well as the expansion of our healthcare support services offerings which includes QuickMed, the first cloud-based digital healthcare solution. Our promise of quality services to our clients remains, as we deepen our presence and pursue potential opportunities and investments for growth," commented Syahrunizam.

1H FY2021 Business Performance

For 1H FY2021, the Company's **Healthcare Support** division reported a 14.1% Y-o-Y revenue growth that was supported by the operationalisation of key contracts wins from Singapore and Taiwan, as well as higher variation orders for Malaysia's concession business. The division recorded RM645.0 million in revenue and PBT of RM37.1 million for 1H FY2021, as compared to RM565.4 million and RM27.6 million respectively in 1H FY2020. Revenue recorded in Q2 FY2021 grew to RM335.5 million with PBT recorded at RM17.3 million for the period under review. The division is proactively pursuing new opportunities in Singapore and Taiwan with its recent win in the provision of hospital support services to Singapore and Taiwan's hospitals, including Alexandra Hospital and Tan Tock Seng Hospital in Singapore; Taitung Christian Hospital, Wei Gong Hospital, National Taiwan University

Hospital East Campus and Cheng Ching Ben Tang Hospital in Taiwan on top of Field Hybrid Intensive Care Unit contract for eight hospitals across Malaysia.

On the back of the continued challenging operating environment, the **Property and Facility Solutions** ("PFS") division recorded a revenue of RM78.5 million and PBT of RM11.2 million for 1H FY2021. In Q2 FY2021, the division recorded lower revenue and PBT Q-o-Q to RM35.9 million and RM3.4 million respectively, as a result of the overall volatile movement restrictions and maneuvering challenging working environments. Following the introduction of its Smart Facilities Management system as key product differentiator, the division will be looking to secure more projects in high-value commercial areas, as well as industrial-based buildings. As a result of the Group's penetration into the Saudi Arabian market in April 2021, the division will also be looking to leverage on its presence in Dubai to further solidify its position in the Gulf Cooperation Council ("GCC") region.

Regionally, the division is actively looking for opportunities to progress into higher value-added services in its existing markets of Singapore and Taiwan, while expanding into new high growth markets such as Saudi Arabia and other GCC countries. In Saudi Arabia, the Company is in the process of incorporating a Joint Venture entity with a local partner that it had earlier entered into a Memorandum of Business Exploration with. Upon incorporation, the entity will aim for large projects in the Hospital Support Services and Integrated Facility Management sectors in the region.

For the remainder of FY2021, the Asset Management segment led by the Healthcare Support division will continue to deliver on existing contracts while diversifying its solutions beyond the traditional healthcare support services as it helps to drive the nation's post-pandemic recovery efforts.

The **Infrastructure Services** division recorded RM250.8 million in revenue and RM17.7 million in PBT for 1H FY2021 as compared to RM268.2 million and RM32.9 million respectively in 1H FY2020 as a result of reduced maintenance work due to lower vehicular traffic, fewer job orders for expressways and deferment of higher value infrastructure projects. For Q2 FY2021, the division recorded RM11.6 million in PBT on the back of a revenue of RM141.5 million. This represents an improvement of 90.2% and 29.5% respectively compared to the preceding quarter. The division will continue to deliver on existing work in hand and undertake operational excellence to protect the divisions' profit margins.

The Company's **Asset Consultancy** division, represented by Opus Consultants, recorded RM39.9 million in revenue in 1H FY2021 compared to RM47.0 million in the corresponding period of the preceding year. The drop in revenue was mainly due to the delays and deferments in the current projects amidst the pandemic. The division recorded a revenue of RM20.3 million in Q2 FY2021 and loss before tax of RM7.9 million. With vaccination rates progressing well and easing of movement controls, gradual improvements are projected for both Infrastructure Services and Asset Consultancy divisions toward the end of Q3 FY2021.

2021 Outlook

As part of its diversifying revenue strategy, the Company has identified three key pillars – expansion of footprint and deepening of its solutions base, extracting value from its core businesses and product enhancement as well as technology proposition – to transform UEM Edgenta into a tech-enabled solutions company with a focus on healthcare by 2025.

- **Launch of UEM Edgenta's Digital Suite of Capabilities**

The recently launched digital ecosystem Edgenta NXT is expected to be the driver for growth as the Company ventures into the technology business, as part of its EoTF25 vision. Edgenta NXT will convert UEM Edgenta's available solutions into tech intellectual property and introduce cloud-enabled and Software-as-a-Service ("SaaS") model solutions as part of a full suite of ready solutions, which include QuickMed, Smart Building, Smart Asset Management, Smart Project Management and Smart Roadways supported by cloud partner Alibaba Cloud, the digital technology and intelligence backbone of Alibaba Group.

Edgenta NXT comprises of three main offerings - Edgenta NXT Cloud, Edgenta NXT Marketplace, and Edgenta NXT Procure, which provide customers the access to a selection of proprietary cloud-based management solutions that will connect, optimise and streamline their business operations.

Syahrunizam said, "Tech-enabled platforms such as digital healthcare, infrastructure and smart facilities management solutions spearheaded by Edgenta NXT will drive new revenue streams and transform our value proposition in the integrated facilities management and healthcare space. We are optimistic to build an orderbook within the next three to five years. Edgenta NXT is our next phase of growth through new products and market expansion, especially with technology being the major factor towards building future-resilient businesses and create sustainable growth. We are ultimately creating value for our clients' businesses."

Apart from Edgenta NXT, the Company aims to deliver long term revenue growth by expanding into high growth markets through its Pan Malaysia & GCC strategies and moving up the value chain in its existing markets in Singapore and Taiwan. With the Company's current order book standing at RM11.6 billion, and new contracts secured of over RM700 million in FY2021, UEM Edgenta is poised to drive further sustainability in its offerings, hence providing long term earnings visibility to the Company and strengthening its presence internationally.

"We are also opportunistic in our outlook towards new collaborations, acquiring new businesses and expanding our portfolio in inorganic growth markets. We will consider potential targets within the sectors we operate in to spur the next phase of growth and offer technological solutions that would improve our operations," added Syahrunizam.

- **Expansion in Integrated Sustainable Healthcare**

In supporting the fight against the on-going COVID-19 pandemic, UEM Edgenta has steadfastly continued to provide uninterrupted healthcare support services to all public and private hospitals under its care, as the nation gears up its vaccination drive, and supporting the Government's COVID-19 assessment effort through the Private COVID-19 Assessment Centre ("CAC") housed at UEM Edgenta's Learning Centre ("UELC") in Petaling Jaya powered by QuickMed. QuickMed is a cloud-based digital healthcare solution that aims to improve the accessibility and quality of healthcare by bridging the gap between healthcare service providers and the public. This will be through an intelligent healthcare platform accessible via mobile devices, which offers GP clinics an alternative to primary healthcare management systems.

Recently, UEM Edgenta was also awarded a 16-month Home Quarantine Monitoring System ("HQMS") contract by Ministry of Health ("MoH") Malaysia to be deployed at seven COVID-19 Assessment Centres and seven District Health Offices in the Klang Valley and Seremban, Negeri Sembilan. UEM Edgenta will be supplying 30,000 units of Radio-Frequency Identification ("RFID") tracking tags to MoH which will enable continuous 24-hour a day monitoring. The Passive Monitoring and Active Surveillance Services programme will ensure full compliance to the quarantine order with local ecosystem partners such as Armadillo Safety Sdn. Bhd. and Envotech Sdn. Bhd.

The convenient and hassle-free Private CAC is also equipped with a Polymerase Chain Reaction ("PCR") mobile lab, also known as Mobile On-Site Testing Facility ("MOSTFAC"), an initiative by UEM Edgenta and its partners to assist the Government in ramping up PCR testing by deploying mobile facilities that enables quick detection of COVID-19, as well as in the management of HQMS via the RFID e-bracelets.

Apart from essential healthcare support services, UEM Edgenta together with MoH Malaysia has developed Field Hybrid Intensive Care Unit, a mobile ICU unit complete with its own independent power, oxygen and water supply, for deployment at eight hospitals, including the Tengku Ampuan Rahimah Hospital, Klang, Selangor.

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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.

Guided by its 'Edgenta of the Future 2025' vision, UEM Edgenta's full suite of services is driven by technological advancements throughout the asset life cycle including consultancy, procurement & construction planning, operations & maintenance, as well as optimisation, rehabilitation and upgrades. Digital solutions across multiple industries positions UEM Edgenta as a powerhouse to become a Technology-Enabled Solutions Company with a focus on healthcare by 2025.

UEM Edgenta has operational presence in Malaysia, Singapore, Indonesia, Taiwan, India and United Arab Emirates.