

MEDIA RELEASE

FOR IMMEDIATE RELEASE

21 MAY 2020

UEM Edgenta Posts RM12.1 Million Net Profit for Q1 FY2020

- Revenue at RM501.9 million; maintains profitability on the back of a challenging operating environment;
- Focused on strengthening resilience through operational excellence and strategic value chain operations management in response to COVID-19 pandemic.

KUALA LUMPUR, 21 May - UEM Edgenta Berhad (“UEM Edgenta” or “Company”), the region’s leading Asset Management and Infrastructure Solutions company announced its unaudited first quarter results for the financial period ended 31 March 2020 (“Q1 FY2020”) here today.

The Company recorded revenue of RM501.9 million and net profit of RM12.1 million as compared to RM515.9 million and RM33.5 million respectively in Q1 FY2019. Correspondingly, Profit Before Tax (“PBT”) for the period under review was at RM20.3 million compared to RM46.0 million in FY2019, owing to an increase of RM15.8 million Y-o-Y in direct costs incurred. This resulted in overall gross margins of 14.0% as compared to 19.4% in the previous year.

Chairman, Tan Sri Dr. Azmil Khalid commented, “We are cautious of the outlook for the year on the back of rising operating costs to deliver our services and ongoing effects brought about by the COVID-19 pandemic. The Company’s management will remain vigilant and proactive in protecting our margins and managing risks under the current operating environment, while taking prudent steps to continue introducing technology-driven operational excellence initiatives to derive operational efficiencies. Our agility and staunch commitment to operational excellence over the years proved vital in delivering uninterrupted healthcare support services at the frontlines during this pandemic, working together with our clients at public and private hospitals throughout the region.”

He further added that other than healthcare support services, UEM Edgenta continued to perform highway & building maintenance and sanitisation & disinfection works for its clients throughout the movement control order period. As part of its responsible corporate citizenship, the Company will continue to support economic recovery efforts led by the respective governments of the countries where it operates in, as well as strengthen its resilience by sustaining the productivity of its value chain operations.

As at 31 March 2020, UEM Edgenta's balance sheet remained healthy with low gross gearing ratio at 0.3x times, strong net cash position and bank balances of RM513.8 million. The Company has paid out the final dividend of 8 sen on 14 May 2020 in respect of the second half of FY2019. Together with the earlier declaration of interim dividend of 6 sen per share in respect of the first six-month period of FY2019, this represents a 5.4% yield based on the closing share price of RM2.58 as at 26 February 2020.

The Company's **Healthcare Support** division has been proactively supporting frontline efforts related to the COVID-19 pandemic across the region, where it presently serves over 300 hospitals in Malaysia, Singapore, Taiwan and India. The division incurred an increase in operating and manpower costs in response to implementation of national minimum wage in Malaysia and Taiwan. As a result, for the period under review, the division registered a revenue of RM274.5 million and net profit of RM7.7 million as compared to RM270.9 million and RM27.7 million respectively in Q1 FY2019. On a positive note, the division was able to secure new contracts from the Sengkang General Hospital and Changi General Hospital in Singapore during this period.

Property & Facility Solutions ("PFS") division recorded revenue and net profit of RM33.4 million and RM6.5 million compared to RM37.7 million and RM5.8 million respectively in the corresponding quarter last year. The division was recently awarded integrated facility management services contract for CIMB Berhad's branch network and facilities nationwide, which increases PFS division's operations coverage to over 300 buildings.

The **Infrastructure Services** division registered a revenue of RM167.4 million and net profit of RM8.8 million in Q1 FY2020 as compared to RM172.3 million and RM15.1 million respectively in Q1 FY2019, while the **Asset Consultancy** division, represented by Opus Consultants, recorded revenue and net profit of RM26.5 million and RM0.5 million as compared to RM35.0 million and RM0.7 million respectively Y-o-Y. Opus Consultants is currently the project management consultant for the Sarawak Coastal Road Network and Second Trunk Roads projects and has managed to secure the contract for Phase 2 of this project administered by the Sarawak state government which will derive various socio-economic benefits.

-End of Media Release-

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.

Issued by UEM Edgenta Berhad on the date as listed above. Please contact Juliana Jamaluddin (juliana.jamaluddin@edgenta.com) / 012 340 9438) if you have any related enquiries.