

UEM EDGENTA BERHAD
(5067-M)
Incorporated in Malaysia

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2020.

THE FIGURES HAVE NOT BEEN AUDITED.

I(A). CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Three months to	Three months to
	31/3/2020	31/3/2019	31/3/2020	31/3/2019
	RM'000	RM'000	RM'000	RM'000
1 (a) Revenue	501,872	515,876	501,872	515,876
(b) Cost of sales	(431,804)	(415,956)	(431,804)	(415,956)
(c) Gross profit	70,068	99,920	70,068	99,920
(d) Other income	9,239	8,850	9,239	8,850
(e) Expenses	(56,812)	(60,326)	(56,812)	(60,326)
(f) Finance costs	(6,003)	(7,112)	(6,003)	(7,112)
(g) Share of results of associates	3,816	4,704	3,816	4,704
(h) Profit before tax	20,308	46,036	20,308	46,036
(i) Income tax	(8,172)	(12,561)	(8,172)	(12,561)
(j) Profit for the period	12,136	33,475	12,136	33,475
Attributable to:				
(k) Owners of the parent	11,156	32,664	11,156	32,664
(l) Non-controlling interests	980	811	980	811
Profit for the period	12,136	33,475	12,136	33,475
2 Earnings per share based on 1(k) above (Note 26):				
Basic	1.34 sen	3.93 sen	1.34 sen	3.93 sen

The condensed Consolidated Income Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2019.

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I(B). CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Three months to	Three months to
	31/3/2020	31/3/2019	31/3/2020	31/3/2019
	RM'000	RM'000	RM'000	RM'000
Profit for the period	12,136	33,475	12,136	33,475
<i>Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of foreign operations, representing total other comprehensive loss for the period, net of tax	5,992	(4,358)	5,992	(4,358)
Total comprehensive income for the period	18,128	29,117	18,128	29,117
Attributable to:				
Owners of the parent	16,520	28,374	16,520	28,374
Non-controlling interests	1,608	743	1,608	743
	18,128	29,117	18,128	29,117

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2019.

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Remarks to Condensed Consolidated Income Statement:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31/3/2020 RM'000	Preceding year corresponding quarter 31/3/2019 RM'000	Three months to 31/3/2020 RM'000	Three months to 31/3/2019 RM'000
Profit before tax is arrived at after (crediting)/charging:				
Interest income	(1,570)	(2,041)	(1,570)	(2,041)
Accretion of interest on concession receivable	(4,549)	(4,519)	(4,549)	(4,519)
Dividend from short term investment	(614)	(434)	(614)	(434)
Loss/(gain) on disposal of property, plant and equipment	737	(5)	737	(5)
Net foreign exchange (gain)/loss	(261)	441	(261)	441
Net (reversal)/provision of impairment on trade receivables	(6)	-	(6)	-
Interest expense	5,445	6,342	5,445	6,342
Depreciation and amortisation	16,811	19,563	16,811	19,563

Other than the above, there were no other impairment/(write back of impairment) of assets, (gain)/loss on investments, write down of inventories and/or reversal of write down, reversal of provision for costs of restructuring or exceptional items.

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II. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at end of current quarter	As at preceding financial year end
		31/3/2020	31/12/2019
		RM'000	RM'000
ASSETS			
1	Non-current assets		
	Property, plant and equipment	205,380	211,982
	Right-of-use assets	38,255	30,937
	Land held for property development	477	477
	Intangible assets	733,892	734,304
	Investment in associates	79,218	77,005
	Other investments	232	272
	Trade and other receivables	128,308	126,421
	Contract related assets	28,280	35,212
	Deferred tax assets	15,439	13,274
		1,229,481	1,229,884
2	Current assets		
	Inventories	138,389	133,773
	Trade and other receivables	662,716	546,320
	Contract related assets	295,167	344,736
	Tax recoverable	40,752	37,109
	Short term investments	28,118	62,463
	Cash, bank balances and deposits*	513,829	558,531
		1,678,971	1,682,932
Total assets		2,908,452	2,912,816

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II. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)

		As at end of current quarter	As at preceding financial year end
		31/3/2020	31/12/2019
		RM'000	RM'000
	EQUITY AND LIABILITIES		
3	Equity attributable to Owners of the Parent		
	Share capital	268,074	268,074
	Capital reserve	313,856	313,856
	Other reserves	9,936	3,415
	Retained earnings	931,314	986,688
		1,523,180	1,572,033
4	Non-controlling interests	12,841	12,390
	Total equity	1,536,021	1,584,423
5	Non-current liabilities		
	Retirement benefit obligations	3,183	3,183
	Defined benefit pension plan	856	1,116
	Provisions	2,682	2,382
	Borrowings	363,377	365,561
	Lease liabilities	28,319	19,131
	Trade and other payables	1,421	1,612
	Deferred tax liabilities	49,169	50,391
		449,007	443,376
6	Current liabilities		
	Retirement benefit obligations	564	564
	Provisions	1,620	1,620
	Borrowings	145,414	153,507
	Lease liabilities	13,595	11,146
	Trade and other payables	735,432	671,942
	Contract liabilities	536	21,131
	Income tax payable	26,263	25,107
		923,424	885,017
	Total liabilities	1,372,431	1,328,393
	Total equity and liabilities	2,908,452	2,912,816
7	Net assets per ordinary share attributable to Owners of the Parent (RM)	1.83	1.89

The condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2019.

* Cash, bank balances and deposits

Included in the cash, bank balances and deposits of the Group is an amount of RM9,853,760 (2019: RM34,128,389) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 and Section 8A of the Housing Development Account (Control and Licensing) Sabah Act, 1978.

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III. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Three months to 31/3/2020 RM'000	Three months to 31/3/2019 RM'000
Cash flows from operating activities		
Cash receipts from customers	531,180	497,658
Cash payments to suppliers	(293,721)	(292,121)
Cash payments to employees and for expenses	(284,047)	(244,031)
Cash used in operations	(46,588)	(38,494)
Interest paid	(2,230)	(2,887)
Income tax paid	(15,463)	(6,266)
Net cash flows used in operating activities	(64,281)	(47,647)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	3,557	168
Net withdrawal from short term investments	35,000	51,150
Interest received	1,235	1,975
Dividend received from associates	1,000	-
Purchase of property, plant and equipment	(9,347)	(21,305)
Net cash flows generated from investing activities	31,445	31,988
Cash flows from financing activities		
Capital repayment to non-controlling interests of a subsidiary	-	(3,375)
Drawdown of borrowings	-	3,102
Repayment of borrowings	(17,018)	(2,059)
Repayment of lease liabilities	(1,150)	(269)
Net withdrawal of fixed deposits	2,797	697
Net cash flows used in financing activities	(15,371)	(1,904)
Net decrease in cash and cash equivalents	(48,207)	(17,563)
Net foreign exchange difference	3,455	(1,329)
Cash and cash equivalents as at beginning of financial period	538,969	462,845
Cash and cash equivalents as at end of financial period (a)	494,217	443,953

	As at 31/3/2020 RM'000	As at 31/3/2019 RM'000
(a) Cash and Cash Equivalents comprise the following amounts:		
Cash on hand and at banks	385,592	280,971
Fixed deposits with licensed banks	128,237	194,768
Cash, bank balances and deposits	513,829	475,739
Less: Fixed deposits on lien	-	(10,897)
Less: Fixed deposits pledged	(19,612)	(19,772)
Less: Cash and fixed deposit restricted in usage	-	(1,117)
	494,217	443,953

The condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2019.

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IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

	← Attributable to owners of the parent →						
	← Non-distributable		→ Distributable				
	Share capital	Capital reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Three months to 31 March 2020							
Balance as at 1 January 2020	268,074	313,856	3,415	986,688	1,572,033	12,390	1,584,423
Profit for the period	-	-	-	11,156	11,156	980	12,136
Other comprehensive income	-	-	5,364	-	5,364	628	5,992
Total comprehensive income for the period	-	-	5,364	11,156	16,520	1,608	18,128
Dividends payable to shareholders of the Company	-	-	-	(66,530)	(66,530)	-	(66,530)
Put options granted to non-controlling interests of a subsidiary	-	-	1,157	-	1,157	(1,157)	-
Balance as at 31 March 2020	268,074	313,856	9,936	931,314	1,523,180	12,841	1,536,021

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IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY (CONT'D)

	← Attributable to owners of the parent →						
	← Non-distributable →		Distributable				
	Share capital	Capital reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Three months to 31 March 2019							
Balance as at 1 January 2019	268,074	313,856	(1,018)	921,397	1,502,309	14,459	1,516,768
Profit for the period	-	-	-	32,664	32,664	811	33,475
Other comprehensive loss	-	-	(4,290)	-	(4,290)	(68)	(4,358)
Total comprehensive (loss)/income for the period	-	-	(4,290)	32,664	28,374	743	29,117
Dividends payable to shareholders of the Company	-	-	-	(66,530)	(66,530)	-	(66,530)
Put options granted to non-controlling interest of a subsidiary	-	-	598	-	598	(598)	-
Balance as at 31 March 2019	<u>268,074</u>	<u>313,856</u>	<u>(4,710)</u>	<u>887,531</u>	<u>1,464,751</u>	<u>14,604</u>	<u>1,479,355</u>

The condensed Consolidated Statement of Changes in Total Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2019.

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The notes to the condensed consolidated interim financial statements should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2019.

1. Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with MFRS 134 Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

These financial statements have also been prepared on a historical cost basis except as disclosed in the audited financial statements for the year ended 31 December 2019.

2. Significant accounting policies

The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2019 except for standards effective for financial periods beginning on or after 1 January 2020 below:

	Effective for annual periods beginning on or after
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark	1 January 2020
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 101 and 108 - Definition of Material	1 January 2020
Revised Conceptual Framework for Financial Reporting (The Conceptual Framework)	1 January 2020

The adoption of the above do not have any significant impact to the Group.

3. Standards issued but not yet effective

The standards that are issued but not yet effective up to the date of authorisation of these financial statements are disclosed below. The Group intends to adopt these standards if applicable when they become effective.

	Effective for annual periods beginning on or after
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

These standards are not expected to have a significant impact on the financial statements in the period of initial application.

4. Audit report in respect of the 2019 financial statements

The audit report on the Group's financial statements for the financial year ended 31 December 2019 was not qualified.

5. Seasonal or cyclical factors

The Group's operations are not materially affected by any seasonal or cyclical factors.

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

6. Unusual items due to their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual because of their nature, size or incidence in the current period.

7. Material changes in estimates used

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current period.

8. Debt and equity securities

The Group did not undertake any issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period ended 31 March 2020.

9. Dividend

The amount of dividend paid by the Company since 31 December 2019 was as follows:-

RM'000

In respect of the financial year ending 31 December 2019:

Single-tier second interim dividend of 8.00 sen per ordinary share,
on 831,624,030 ordinary shares, paid on 14 May 2020

66,530

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V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

10. Operating Segments

Operating Segment information for the current financial period ended 31 March 2020 is as follows:

By operating segment

	Asset Management		Infrastructure Solutions				
	Healthcare Support	Property and Facility Solutions	Infrastructure Services	Asset Consultancy	Others	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	274,516	33,404	167,428	26,505	19	-	501,872
Inter-segment revenue	1,060	3,360	-	494	19,065	(23,979)	-
Total Revenue	275,576	36,764	167,428	26,999	19,084	(23,979)	501,872
Results							
EBITDA	13,880	7,723	15,098	1,441	24,914	(25,878)	37,178
Depreciation and amortisation	(7,633)	(429)	(1,090)	(410)	(6,974)	(275)	(16,811)
EBIT	6,247	7,294	14,008	1,031	17,940	(26,153)	20,367
Interest income	326	322	200	44	678	-	1,570
Interest expense	(220)	(1,251)	-	(2)	(4,095)	123	(5,445)
Share of results of associates	2,418	1,318	-	80	-	-	3,816
Profit/(loss) before tax	8,771	7,683	14,208	1,153	14,523	(26,030)	20,308
Income tax	(1,055)	(1,157)	(5,389)	(680)	698	(589)	(8,172)
Profit/(loss) for the period	7,716	6,526	8,819	473	15,221	(26,619)	12,136

Notes:

- a. EBITDA – Earnings Before Interest, Tax, Depreciation and Amortisation
- b. EBIT – Earnings Before Interest and Tax

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V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

10. Operating Segments (cont'd)

Operating Segment information for the financial period ended 31 March 2019 is as follows:

By operating segment

	Asset Management		Infrastructure Solutions				
	Healthcare	Property and Facility Solutions	Infrastructure Services	Asset Consultancy	Others	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	270,910	37,679	172,261	34,997	29	-	515,876
Inter-segment revenue	976	3,241	4,022	-	15,373	(23,612)	-
Total Revenue	271,886	40,920	176,283	34,997	15,402	(23,612)	515,876
Results							
EBITDA	37,817	8,449	23,262	2,038	(12,605)	6,235	65,196
Depreciation and amortisation	(7,375)	(1,230)	(3,407)	(1,015)	(5,650)	(886)	(19,563)
EBIT	30,442	7,219	19,855	1,023	(18,255)	5,349	45,633
Interest income	1,346	54	120	19	502	-	2,041
Interest expense	(323)	(1,432)	-	-	(4,587)	-	(6,342)
Share of results of associates	3,009	1,474	-	221	-	-	4,704
Profit/(loss) before tax	34,474	7,315	19,975	1,263	(22,340)	5,349	46,036
Income tax	(6,770)	(1,302)	(4,841)	(525)	745	132	(12,561)
Profit/(loss) for the period	27,704	6,013	15,134	738	(21,595)	5,481	33,475

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

11. Material events subsequent to the end of the current financial period

In the opinion of the Directors, there are no items, transactions or events of a material and unusual nature that have arisen since 31 March 2020 to the date of this announcement which would substantially affect the financial results of the Group for the period ended 31 March 2020 that have not been reflected in the condensed financial statements.

12. Changes in the composition of the Group

There were no significant changes in the composition of the Group for the current period including business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinued operations.

13. Capital commitments

There are no material capital commitments except as disclosed below:

	As at 31/3/2020 RM'000	As at 31/12/2019 RM'000
Approved and contracted for	20,861	20,854
Approved but not contracted for	99,475	161,575

14. Income tax

	Individual Quarter		Cumulative Quarter	
	Current year quarter 31/3/2020 RM'000	Preceding year corresponding quarter 31/3/2019 RM'000	Three months to 31/3/2020 RM'000	Three months to 31/3/2019 RM'000
Current income tax				
- Malaysian income tax	8,036	10,168	8,036	10,168
- Foreign tax	3,350	2,597	3,350	2,597
	<u>11,386</u>	<u>12,765</u>	<u>11,386</u>	<u>12,765</u>
Deferred tax				
- Relating to origination and reversal of temporary difference	(3,214)	(204)	(3,214)	(204)
Income tax expense	<u>8,172</u>	<u>12,561</u>	<u>8,172</u>	<u>12,561</u>

The Group's effective tax rate excluding share of results of associates for the current quarter was higher than the statutory tax rate of 24% mainly due to deferred tax assets not recognised for tax losses at certain subsidiaries.

15. Status of corporate proposals announced but not completed as at the date of this announcement

There is no corporate proposal announced but not completed as at the date of this announcement.

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V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

16. Borrowings and debt securities

Details of Group borrowings and debt securities as at 31 March 2020 are as follows:

	Long term borrowings			Short term borrowings		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Borrowings</u>						
Domestic	75,346	249,750	325,096	9,182	55,139	64,321
Foreign						
- Singapore Dollar	38,281	-	38,281	31,830	-	31,830
- Taiwan Dollar	-	-	-	49,263	-	49,263
TOTAL	113,627	249,750	363,377	90,275	55,139	145,414

Details of Group borrowings and debt securities as at 31 December 2019 are as follows:

	Long term borrowings			Short term borrowings		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Borrowings</u>						
Domestic	77,702	249,750	327,452	20,459	52,090	72,549
Foreign						
- Singapore Dollar	38,109	-	38,109	31,626	-	31,626
- Taiwan Dollar	-	-	-	49,332	-	49,332
TOTAL	115,811	249,750	365,561	101,417	52,090	153,507

17. Derivatives

There are no outstanding derivatives as at 31 March 2020 (31 December 2019: RM Nil).

18. Fair value hierarchy

There were no transfers between any levels of the fair value hierarchy that took place during the current interim period and the comparative period. There were also no changes in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

19. Material litigation

The Company and its subsidiaries have no outstanding material litigation as at the date of this announcement except as disclosed below:

a) Rimbunan Melati Sdn Bhd ("RMSB") vs. EK Integrated Construction Sdn Bhd ("EKICSB")

On 26 January 2017, RMSB, a 55% owned subsidiary of Faber Development Holdings Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company, filed a Writ of Summons and Statement of Claims against EKICSB pertaining to the breach of EKICSB's obligation as the main contractor for piling and building works for the development of 191 units of 3 storey houses of Phase 3, Laman Rimbunan, Kepong ("Project"). Upon completion, severe cracks were discovered by RMSB at the Project. RMSB claims that EKICSB had breached its obligations by refusing/neglecting/defaulting in carrying out the required rectification works. RMSB is claiming the amount of RM10,954,030.06 (plus costs and interests thereon) to be paid by EKICSB for the losses and costs incurred by RMSB in carrying out the rectification works itself/ by appointment of third parties.

In the case management fixed on 28 February 2017, EKICSB filed its application to stay this proceeding pending conclusion of its arbitration claim against RMSB (note that on 2 December 2016, EKICSB served a Notice to Arbitrate against RMSB for RM4,018,030.02 being the amount which EKICSB failed to claim in the Construction Industry Payment and Adjudication Act (CIPAA) proceeding initiated by them against RMSB earlier on 2 February 2016. RMSB replied to the Notice to Arbitrate on 20 December 2016 requesting for the consolidation of the disputes arising from the Piling and Building Contract to be heard before a single arbitrator. However, this proposal was rejected by EKICSB vide their letter dated 22 December 2016). After exchanges of written submissions between the parties, EKICSB's application for stay was heard on 21 April 2017 whereby the Court gave its view that it has no discretion to grant an order to direct the dispute under this proceeding to be consolidated under Section 10(2) of the Arbitration Act 2005 with the ongoing arbitration claim initiated by EKICSB. The Court informed RMSB that it may file an application to the Court for a declaration that the disputes to be consolidated and be heard by a single and same arbitrator. On 8 June 2017, RMSB filed an application for a declaration to consolidate and hear the disputes by a single and same arbitrator. The Court fixed the case management of this application on 13 July 2017. On 13 July 2017, EKICSB filed its affidavit in reply. The court directed RMSB to file the affidavit in reply by 25 July 2017.

The matter was fixed for case management on 7 August 2017 and hearing for the application was fixed on 15 August 2017. On 15 August 2017, the court allowed RMSB's application to transfer this application for declaration proceeding from the Shah Alam High Court (where it was filed due to e-filing system migration downtime at KL High Court then) to KL High Court. The case and the relevant files in relation thereto were transferred from the Shah Alam High Court to the Kuala Lumpur High Court on 11 September 2017. The case was then fixed for Case Management on 20 September 2017 at the Kuala Lumpur High Court and later postponed to 9 October 2017 wherein on the said date the Registrar of the High Court informed the parties that the case is pending consent from the Judge to transfer to the Construction Court. Vide a letter dated 12 October 2017, RMSB had been informed that the case has been transferred to the Construction Court and was fixed for Case Management on 20 October 2017. In the Case Management of 20 October 2017, the Court fixed the hearing of this case on 12 December 2017. The parties were directed to file their written submissions by 6 December 2017.

On 12 December 2017 the Court granted an order for RMSB to issue a letter to Pertubuhan Arkitek Malaysia ("PAM") to inform PAM to appoint the same and single arbitrator currently hearing the arbitration claim initiated by EKICSB to also hear the dispute under this proceeding as applied by RMSB and that EKICSB will leave it to PAM to decide on the said appointment. RMSB's solicitor had properly issued the said letter to PAM on 15 December 2017 and a preliminary meeting with PAM was fixed on 11 January 2018 to obtain further directions from the Arbitrator. In the meeting of 11 January 2018, the Arbitrator informed the parties that he has no discretion to consolidate both disputes under the building and piling contract but will hear the matters separately. Further thereto, the Arbitrator issued a letter dated 20 January 2018 confirming his appointment as arbitrator for the piling dispute as well and fixed a preliminary meeting on 25 April 2018 for further directions. On 25 April 2018, the Arbitrator had rescheduled the hearing of this Arbitration to 5, 6, 7, 20, 21 & 22 June and 18, 19 & 20 July 2018. The hearing dates on 5, 6, 7, 20, 21 & 22 June and 18 July 2018 were later vacated and the hearings were resumed on 19 & 20 July 2018 with RMSB's witnesses' testimonies and were concluded accordingly.

The filing of the written submissions was set on 12 November 2018 after several deferment of dates. For RMSB's counterclaim, EKICSB has filed their Statement of Defence on 8 October 2018 and RMSB filed the Reply to the Statement of Defence on 30 October 2018. The parties were also directed to file Bundle of Documents by 12 November 2018 and the same was filed accordingly.

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

19. Material litigation (cont'd)

a) Rimbunan Melati Sdn Bhd ("RMSB") vs. EK Integrated Construction Sdn Bhd ("EKICSB") (cont'd)

A meeting with the Arbitrator was held on 8 January 2019 with the following directions:

- i) the Arbitrator is in the midst of preparing his decision for the claim by EKICSB;
- ii) for RMSB to confirm further expert witnesses to be called for the matter being the submitting engineer, LTE Engineer or S&M Geotechnics;
- iii) for RMSB to provide soil test results before construction and locations of the bore holes super imposed with site plan;
- iv) for RMSB to provide soil consolidation report;
- v) for RMSB to provide all signed piling records;
- vi) the tentative hearing dates have been fixed on 19,20 and 21 March 2019, 30 and 31 May 2019 and 25, 26 and 27 June 2019.

On 15 March 2019 the arbitrator allowed EKICSB's claim in the arbitration commenced by EKICSB for the alleged outstanding payment under the Building Contract. The solicitors have advised RMSB to apply for a stay of execution of the said award pending disposal of the arbitration commenced by RMSB against EKICSB under the piling contract.

The arbitration between RMSB and EKICSB under the piling contract has been fixed for hearing on 2, 3, 30 and 31 May 2019 and 25 to 27 June 2019. However, the hearing on 2 and 3 May 2019 were vacated by the arbitrator to allow the parties to file further documents.

On 8 May 2019 RMSB received an Originating Summons and an Affidavit in Support by EKICSB's solicitor being the enforcement application filed by EKICSB at the Kuala Lumpur High Court wherein EKICSB is seeking for an order from the court for the award of RM5,104,567.02 ("Award") to be paid by RMSB ("Enforcement Application"). Pursuant thereto RMSB has properly filed an application to the Kuala Lumpur High Court on 17 June 2019 to set aside the Award on the basis that the Award has been given in contradiction with the relevant principles of laws of Malaysia, in conflict with the public policy of Malaysia and not in line with the principle of natural justice ("Setting Aside Application").

EKICSB's application to enforce the award for the building dispute and RMSB's application for the Setting Aside of the award to EKICSB have been fixed for hearing on 29 August 2019 but later postponed to 1 November 2019. During the hearing on 1 November 2019, the judge dismissed RMSB's application to set aside the award and allowed EKICSB's application to enforce the award with cost of RM20,000.00. The judge also further asked both parties to reach an agreement regarding the award granted to EKICSB. EKICSB has proposed for RMSB to release 50% of the award to EKICSB and place another 50% in a stakeholder's account pending conclusion of RMSB's arbitration against EKICSB for the Piling Contract. On 21 November 2019, the board of RMSB approved to accept EKICSB's proposal to release 50% of the award sum plus accruing interest and cost to EKICSB and another 50% of the award sum plus accruing interest to be placed in a stakeholder's account pending conclusion of RMSB's arbitration against EKICSB for the Piling Contract.

EKICSB's solicitors wrote to RMSB's solicitors on 9 December 2019 with a specific amount to be paid by 16 December 2019. As of 15 December 2019, the award sum plus interest was determined at RM5,295,988.28 and the cost was at RM20,800.00. However, given the tight deadline, RMSB's solicitors wrote back to EKICSB's solicitors on 12 December 2019 to get a postponement until 31 December 2019 with the accruing interest to stop at 15 December 2019. EKICSB agreed and the payment was finally made to EKICSB on 31 December 2019.

The parties continue with the arbitration by RMSB against EKICSB for the Piling Dispute. The matter has been fixed for hearings on 25, 26 and 27 June 2019 but were later postponed. Another preliminary meeting was set on 7 January 2020 to determine the new hearing dates, which hearing dates are now set on 23, 24 and 26 March 2020.

In the meantime, EKICSB is contesting that RMSB's claim is time-barred. Pursuant to Section 41(1)(a) of the Arbitration Act, EKICSB requested to refer the issue to the High Court for its determination with RMSB reserving its rights to oppose to the question namely that the question is of fact and not of law to be referred to High Court and further contends that the claim is not time barred in any event. RMSB is now required to file an affidavit by 26 February 2020 and for EKICSB to file its affidavit in reply by 11 March 2020. The application is fixed for hearing on 28 April 2020. Given the COVID-19 health crisis, the Government has issued the Movement Control Order (MCO) which resulted in all hearing dates to be adjourned to other dates, to be fixed by court or arbitrator once the MCO is lifted by the government.

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

19. Material litigation (cont'd)

b) Edgenta PROPEL Berhad ("Edgenta PROPEL") vs. Hartajaya-Benteng Timur-Amr Jeli JV Sdn Bhd ("HBT") vs. Government of Malaysia (Jabatan Kerja Raya/JKR/Third Party)

Edgenta PROPEL, a wholly-owned subsidiary of the Company, filed a Writ of Summons and Statement of Claims against HBT on 23 March 2012 for the payments of RM16,117,148.72 (unpaid certified amount by HBT) and RM6,409,889.46 (unpaid uncertified amount by HBT) in respect of works done by Edgenta PROPEL for HBT for the construction of a new road from Seremban-Port Dickson Highway to FR5 (Exit 5) and pavement works from Pasir Panjang to Linggi, Negeri Sembilan. On 2 April 2015 the Parties agreed to record a consent judgment, among others, for HBT to pay Edgenta PROPEL the amount of RM4,000,000 ("**Consent Judgment**") for the works done and that the amount of RM17,472,961.82 will be subject to assessment of damages.

The assessment of damages proceedings fixed on 7 and 8 March 2017 were later postponed to 20 April 2017 for case management due to the demise of Edgenta PROPEL's witness pursuant to a traffic accident.

In the Case Management dated 20 April 2017, Edgenta PROPEL's solicitors informed the Court of the demise of its witness and the replacement witness was identified. This case was fixed for decision on 29 August 2017 whereby it was decided that HBT shall pay Edgenta PROPEL RM17,472,961.82 (the "**Assessment of Damages**") with interest of 5% per annum calculated from 2 April 2015 until full realisation and costs of RM15,000.00. A sealed order was obtained on 19 September 2017. On 8 November 2017, Edgenta PROPEL's solicitors had issued a Notice Pursuant to Sections 465(1)(e) and 466(1)(a) of the Companies Act 2016 to demand for the payment of RM23,761,840.41 (amounts from the Consent Judgment and the Assessment of Damages plus cost and interest calculated up to 8 November 2017) for HBT to pay the said amount within twenty-one (21) days from the date of receipt of the said notice failing which Edgenta PROPEL may initiate winding up proceedings against HBT.

On 22 November 2017, HBT filed a Notice of Application together with an Affidavit in Support to set aside the Assessment of Damages judgment. On 19 December 2017, Edgenta PROPEL filed its Affidavit in Reply to the aforesaid Affidavit in Support. The court directed for HBT to file its reply to Edgenta PROPEL's Affidavit in Reply by 28 December 2017. A further case management was fixed on 4 January 2018 wherein the Court directed HBT to file an Affidavit in Reply (by their previous solicitor) within 2 weeks and fixed the hearing on 12 February 2018. On that date, the parties submitted their respective written submissions to the Court and the Court scheduled the matter for Clarification/Decision on 15 March 2018. HBT's solicitors informed the Court that they are in the midst of negotiating a settlement with JKR and hope that JKR will make some payments to them to enable them to settle the matter with Edgenta PROPEL. The Court informed the parties to try and settle this matter before the Clarification/Decision date fixed on 15 March 2018.

On 15 March 2018, the Court delivered its decision wherein HBT's application to set aside the decision of the Assessment of Damages dated 29 August 2017 was dismissed with cost of RM5,000.00 to be made payable to Edgenta PROPEL. HBT later filed a Notice of Appeal to the Court of Appeal on 5 April 2018 and the appeal has been fixed for a case management on 25 June 2018, during which the Court of Appeal scheduled the matter for a further case management on 1 August 2018 pending the grounds of judgment from the High Court. On 1 August 2018, the Court of Appeal fixed a further case management on 19 September 2018 as the grounds of judgment was not ready from the High Court. The Court of Appeal will only proceed to fix a hearing date upon receipt of the grounds of judgment from the High Court.

Meanwhile on 4 July 2018, Edgenta PROPEL via its solicitor has issued a Notice under Section 465 of the Companies Act 2016 demanding for the payment of RM24,339,100.39 (amounts from the Consent Judgment and the Assessment of Damages plus accruing interest) as at 4 July 2018 due and payable from HBT to be made within 21 days from the date of the notice.

HBT's solicitor issued a letter dated 9 July 2018 which was received by Edgenta PROPEL's solicitor on 12 July 2018, requesting for the winding up action to be put in abeyance pending the conclusion of their application in the Court of Appeal. Pursuant to the advice received from Edgenta PROPEL's solicitors on 13 July 2018 and further internal discussions thereafter, Edgenta PROPEL's Management has via its solicitor on 24 July 2018 counter proposed to HBT for payment of all or part of the RM4,000,000.00 undisputed figure pursuant to the Consent Judgment dated 2 April 2015 if HBT wishes for the winding up proceeding to be put in abeyance. 3 August 2018 was the deadline given to HBT to respond but Edgenta PROPEL's solicitor only received a letter from HBT's solicitor on 16 August 2018 proposing for a meeting to be fixed between the parties to discuss a possible settlement.

The parties met together with their respective solicitors on 13 September 2018 to discuss the possible settlement. HBT informed Edgenta PROPEL's representatives and solicitors that they are unable to pay any sum and are relying entirely on their claim against JKR. HBT further suggested Edgenta PROPEL to assist them in their case against JKR in order for them to obtain a decision against JKR to enable them to pay Edgenta PROPEL.

During the Case Management on 19 September 2018, the Court of Appeal rescheduled the matter to 9 October 2018 pending the grounds of judgment from the Senior Assistant Registrar ("SAR") who had conducted the Assessment of Damages. The Court of Appeal will only proceed to schedule a hearing date upon receipt of the grounds of judgment from the SAR. The Case Management on 9 October 2018 was later postponed to 5 December 2018 as the grounds of judgment from the SAR has not been obtained.

On 19 October 2018, Edgenta PROPEL's representatives, HBT's representatives and both parties' solicitors had a further meeting to deliberate on the way forward in the event Edgenta PROPEL proceeds to intervene in HBT's appeal against JKR. Edgenta PROPEL indicated in the meeting that in any event, the proceeds payable to Edgenta PROPEL shall not be less than the amount certified by HBT for the works done and HBT tentatively agreed to this.

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

19. Material litigation (cont'd)

b) Edgenta PROPEL Berhad ("Edgenta PROPEL") vs. Hartajaya-Benteng Timur-Amr Jeli JV Sdn Bhd ("HBT") vs. Government of Malaysia (Jabatan Kerja Raya/JKR/Third Party) (cont'd)

A written opinion from Edgenta PROPEL's solicitors was received on 15 November 2018 wherein based on the last meeting with HBT, the solicitors were of the opinion that it is prudent for Edgenta PROPEL to proceed as intervener in HBT's appeal against JKR due to HBT's poor financial status. By intervening in the said proceeding, Edgenta PROPEL could at least secure its claim for the amount intended to be recouped by entering into an agreement with HBT for the proceeds from the decision of the appeal against JKR.

On 14 December 2018, Edgenta PROPEL has filed an intervener application in the Kuala Lumpur High Court to be made as an intervener in the JKR's assessment proceeding against HBT ("**Intervener Proceeding**"). The Intervener Proceeding was later fixed for a case management on 17 December 2018, during which the High Court had fixed the hearing date for this matter on 15 January 2019. On the hearing date of 15 January 2019, the High Court dismissed Edgenta PROPEL's application to intervene in the assessment of damages proceedings as it takes the view that Edgenta PROPEL does not have a legal interest in the proceedings as it had already secured a judgment from another court. In this regard, the High Court took the view that it is a better approach for Edgenta PROPEL to proceed to wind up HBT instead and for a liquidator to be appointed to manage the assets and liability of HBT including the assessment of damages proceedings between HBT and JKR. The High Court however had allowed Edgenta PROPEL's solicitors to sit in during the assessment proceedings as a "Friend of the Court" in the event it could assist the High Court in any way. HBT's solicitors further agreed to adduce both the Consent Judgment dated 2 April 2015 and the Assessment of Damages dated 29 August 2017 in the assessment of damages proceedings between HBT and JKR.

The High Court further exercised its discretion and ordered for each party to bear its own costs as Edgenta PROPEL had also not been paid pursuant to the Consent Judgment obtained. HBT's assessment of damages against JKR was concluded on 25 April 2019 and the Court had directed for the parties therein to file their respective written submissions by 27 June 2019. The next case management for direction and clarification was also scheduled on 27 June 2019. The High Court then concluded the assessment of damages and delivered its decision on the amount to be approximately RM10,000,000.00. It is anticipated that JKR will pay this amount to HBT.

On 7 March 2019, HBT's appeal to the Court of Appeal was heard and the Court of Appeal allowed HBT's appeal on a condition that HBT pays the sum of RM10,000,000.00 to the court or a stakeholder's account within 14 days. The Assessment of Damages would then be set aside, and a fresh assessment of damages shall be conducted by the High Court. In the event HBT fails to pay the sum of RM10,000,000.00 within 14 days, the Assessment of Damages will remain valid ("**Court of Appeal's Order**"). At the lapse of the 14 days, HBT failed to deposit the sum of RM10,000,000.00 to the court or a stakeholder's account.

On 21 March 2019, HBT filed a motion in the Court of Appeal for a stay of execution of the Court of Appeal's Order and filed another motion in the Federal Court for leave to appeal to Federal Court against such order. Hearing dates on 1 July 2019, 10 September 2019 and 20 February 2020 to hear HBT's motion for leave to appeal to the Federal Court were deferred to a new hearing date on 21 May 2020.

During the hearing on 21 May 2020, HBT's motion for leave to appeal to the Federal Court was dismissed with cost of RM30,000.00. In this regard, the Registrar's Assessment of Damages in the High Court via a sealed order dated 19 September 2017 remains valid and binding where the amount of damages by the Registrar in the sum of RM17,472,961.82 in addition to the earlier sum agreed between the parties through the Consent Judgement dated 2 April 2015 of RM4,000,000.00 shall be payable by HBT to EPB.

20. Contingent liabilities

There are no significant contingent liabilities as at the date of this announcement.

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

21. Detailed analysis of the performance between the current quarter and the immediate preceding quarter

	Current quarter	Immediate preceding quarter	Variance	Variance
	31/3/2020	31/12/2019		
	RM'000	RM'000	RM'000	%
<u>Revenue:</u>				
Asset Management				
- Healthcare Support	274,516	308,883	(34,367)	(11.1)
- Property and Facility Solutions	33,404	55,035	(21,631)	(39.3)
Infrastructure Solutions				
- Infrastructure Services	167,428	298,195	(130,767)	(43.9)
- Asset Consultancy	26,505	37,403	(10,898)	(29.1)
Others	19	12,748	(12,729)	(99.9)
	501,872	712,264	(210,392)	(29.5)

Profit Before Tax:

Asset Management				
- Healthcare Support	8,771	18,497	(9,726)	(52.6)
- Property and Facility Solutions	7,683	16,361	(8,678)	(53.0)
Infrastructure Solutions				
- Infrastructure Services	14,208	74,386	(60,178)	(80.9)
- Asset Consultancy	1,153	6,225	(5,072)	(81.5)
Others/Elimination	(11,507)	10,786	(22,293)	>(100.0)
	20,308	126,255	(105,947)	(83.9)

The Group's revenue for the current quarter of RM501.9 million was RM210.4 million or 29.5% lower than the immediate preceding quarter's RM712.3 million, due to headwinds experienced across all segments as detailed below:

- **Asset Management**
Revenue from Asset Management Segment dropped by RM56.0 million mainly from the Malaysian operations of the Healthcare Support ("HS") division resulting from lower work done in hospitals for special projects and reimbursable works. The Property and Facility Solutions ("PFS") division recorded lower revenue from slower progress for projects in Malaysia and Dubai.
- **Infrastructure Solutions**
Infrastructure Solutions Segment also recorded lower revenue by RM141.7 million, due to lower pavement works done for expressways during the period by the Infrastructure Services ("IS") division. Asset Consultancy ("AC") division's revenue also decreased as less consultancy work was done in the current quarter.
- **Others**
Higher revenue in the immediate preceding quarter was due to one-off final settlement received from Abu Dhabi project.

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

21. Detailed analysis of the performance between the current quarter and the immediate preceding quarter (cont'd)

The Group's profit before tax ("PBT") for the current quarter of RM20.3 million was lower than the immediate preceding quarter's RM126.3 million, contributed by the below:

- Asset Management
Asset Management's PBT decreased by RM18.4 million in line with the reduced revenue in both HS and PFS divisions. This is further reduced by margin compression experienced in the HS division and increasing operating costs throughout the segment.
- Infrastructure Solutions
Infrastructure Solutions also recorded lower PBT by RM65.3 million in line with the reduced revenue in both IS and AC divisions, coupled with increasing operating costs during the period.
- Others
Higher PBT in the immediate preceding quarter was due to one-off final settlement received from Abu Dhabi project.

22. Detailed analysis of the performance for the current quarter

	Current year quarter	Preceding year corresponding quarter	Variance	Variance
	31/3/2020	31/3/2019		
	RM'000	RM'000	RM'000	%
<u>Revenue:</u>				
Asset Management:				
- Healthcare Support	274,516	270,910	3,606	1.3
- Property and Facility Solutions	33,404	37,679	(4,275)	(11.3)
Infrastructure Solutions:				
- Infrastructure Services	167,428	172,261	(4,833)	(2.8)
- Asset Consultancy	26,505	34,997	(8,492)	(24.3)
Others	19	29	(10)	(34.5)
	501,872	515,876	(14,004)	(2.7)

Profit Before Tax:

Asset Management:

- Healthcare Support	8,771	34,474	(25,703)	(74.6)
- Property and Facility Solutions	7,683	7,315	368	5.0

Infrastructure Solutions:

- Infrastructure Services	14,208	19,975	(5,767)	(28.9)
- Asset Consultancy	1,153	1,263	(110)	(8.7)
Others/Elimination	(11,507)	(16,991)	5,484	32.3
	20,308	46,036	(25,728)	(55.9)

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

22. Detailed analysis of the performance for the current quarter (cont'd)

The Group's revenue for the current quarter of RM501.9 million was lower by RM14.0 million as compared to RM515.9 million in the corresponding quarter last year as detailed below:

- Asset Management
Revenue from Asset Management decreased slightly by RM0.7 million compared to prior year mainly due to cessation of township management projects in prior year by PFS division. This is mitigated by better revenue by HS division from more healthcare support work done in Singapore and Taiwan, though this was offset by lower contribution from Malaysian operations.
- Infrastructure Solutions
Revenue from Infrastructure Solutions decreased by RM13.3 million due to lower consultancy work done for East Malaysia projects by the AC division. IS division also recorded lower revenue from less routine maintenance and traffic management work done for expressways and rail projects, respectively.

The Group's PBT for the current quarter of RM20.3 million decreased by RM25.7 million compared to RM46.0 million in the corresponding quarter last year as detailed below:

- Asset Management
Asset Management results declined by RM25.3 million mainly due to margin contraction in Singapore and Taiwan operations, coupled with increasing operating costs in the HS division. PFS division reported fairly similar PBT compared to prior year despite lower revenue, due to better margins for on-going projects.
- Infrastructure Solutions
Infrastructure Solutions posted lower results by RM5.9 million from lower revenue recognised and increasing operating costs.

23. Economic profit ("EP") statement

	Individual Quarter		Cumulative Quarter	
	Current year quarter 31/3/2020 RM'000	Preceding year corresponding quarter 31/3/2019 RM'000	Three months to 31/3/2020 RM'000	Three months to 31/3/2019 RM'000
<u>Net operating profit after tax computation:</u>				
Earnings before interest and tax	20,367	45,633	20,367	45,633
Adjusted tax	(4,888)	(10,952)	(4,888)	(10,952)
Net operating profit after tax	15,479	34,681	15,479	34,681
<u>Economic charge computation:</u>				
Average invested capital	1,526,935	1,517,463	1,526,935	1,517,463
Weighted average cost of capital ("WACC")	6.7%	7.9%	6.7%	7.9%
Economic charge	25,576	29,970	25,576	29,970
Economic (loss)/profit	(10,097)	4,711	(10,097)	4,711

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

23. Economic profit ("EP") statement (cont'd)

The EP statement is as prescribed under the Government Linked Companies transformation program and is disclosed on a voluntary basis. EP measures the value created by a business during a single period reflecting how much return a business makes over its cost of capital.

Economic loss of RM10.1 million was lower by RM14.8 million as compared to the preceding year corresponding period EP of RM4.7 million mainly due to lower earnings before interest and tax recorded.

24. Prospects for the financial year

Overall Prospects

The current COVID-19 global outbreak and ongoing containment measures taken to curb the spread have significantly impacted Malaysia's economic activities. It is noted that Bank Negara Malaysia had recently revised down Malaysia's GDP growth forecast for 2020 to between -2.0% and 0.5% from an earlier forecast of 4.8%, amid weaker global demand, fall in oil prices and supply chain disruptions.

With the economic slowdown, UEM Edgenta Berhad's ("Edgenta" or the "Company") operating environment has been and will remain challenging for the year. With the effects of COVID-19 yet to be fully felt by the economy, the Company is taking a cautious stance and will continue to monitor and assess the full impact of the pandemic on its business operations and overall financials for the year 2020.

Nevertheless, putting aside the current pandemic, Edgenta strongly believes in its business fundamentals and remained positive of its performance for the year, focusing on delivering projects that have been secured, as well as generating cost savings via its operational excellence initiatives which include Continuous improvement/LEAN initiatives and harnessing the Innovation Garage for high-impact problem statements. Edgenta will protect its cash position to ensure the Company remains resilient during these unprecedented challenging times.

Prospects by Segment

i. Asset Management

The Asset Management segment led by the Healthcare Support division is expected to continue contributing to the Company's long-term growth, fueled by the increasing demand for hospital support services regionally, increased digitisation of healthcare solutions and the emergence of new care models beyond the traditional hospital offerings.

For the Healthcare Support division, margins and profits are expected to soften on higher direct costs for Malaysia's Healthcare Concession business and expiry of higher margin contracts in 2019. The division will focus on managing cost escalations of its Healthcare Concession Business through operational excellence initiatives to derive cost efficiencies and protect its margins. On the regional front, the Healthcare Commercial business will emphasise on operationalising and optimising contracts secured in Singapore and Taiwan amid lower margins due to an increasingly competitive tendering environment.

As for the Property and Facility Solutions division, it will focus on securing more projects in high-value commercial as well as industrial-based buildings in its portfolio of assets under management.

ii. Infrastructure Solutions

The outlook for the infrastructure sector is expected to be challenging in FY2020, given the potential deferment of large infrastructure projects and slowdown in work done for expressways on the back of budgetary constraints for asset and project owners. As such, the Infrastructure Services and Asset Consultancy divisions will continue to deliver on existing work in hand, as well as undertake operational excellence initiatives to protect the divisions' profit margins.

25. Profit forecast

The Group did not issue any profit forecast in the current period.

UEM EDGENTA BERHAD
(5067-M)
Incorporated in Malaysia

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

26. Earnings per share ("EPS")

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Three months to	Three months to
	31/3/2020	31/3/2019	31/3/2020	31/3/2019
	RM'000	RM'000	RM'000	RM'000
Profit attributable to Owners of the Parent	11,156	32,664	11,156	32,664
Weighted average number of ordinary shares in issue ('000)	831,624	831,624	831,624	831,624
Basic earnings per share	1.34 sen	3.93 sen	1.34 sen	3.93 sen

Kuala Lumpur
21 May 2020

By Order of the Board
Chiew Siew Yuen (MAICSA 7063781)
Company Secretary