

# 61<sup>ST</sup> ANNUAL GENERAL MEETING

INNOVATING FOR TOMORROW:  
**SUSTAINING EXCELLENCE  
BEYOND BOUNDARIES**



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# A Regional, Tech-Enabled Solutions Company across Portfolio

## EDGENTA

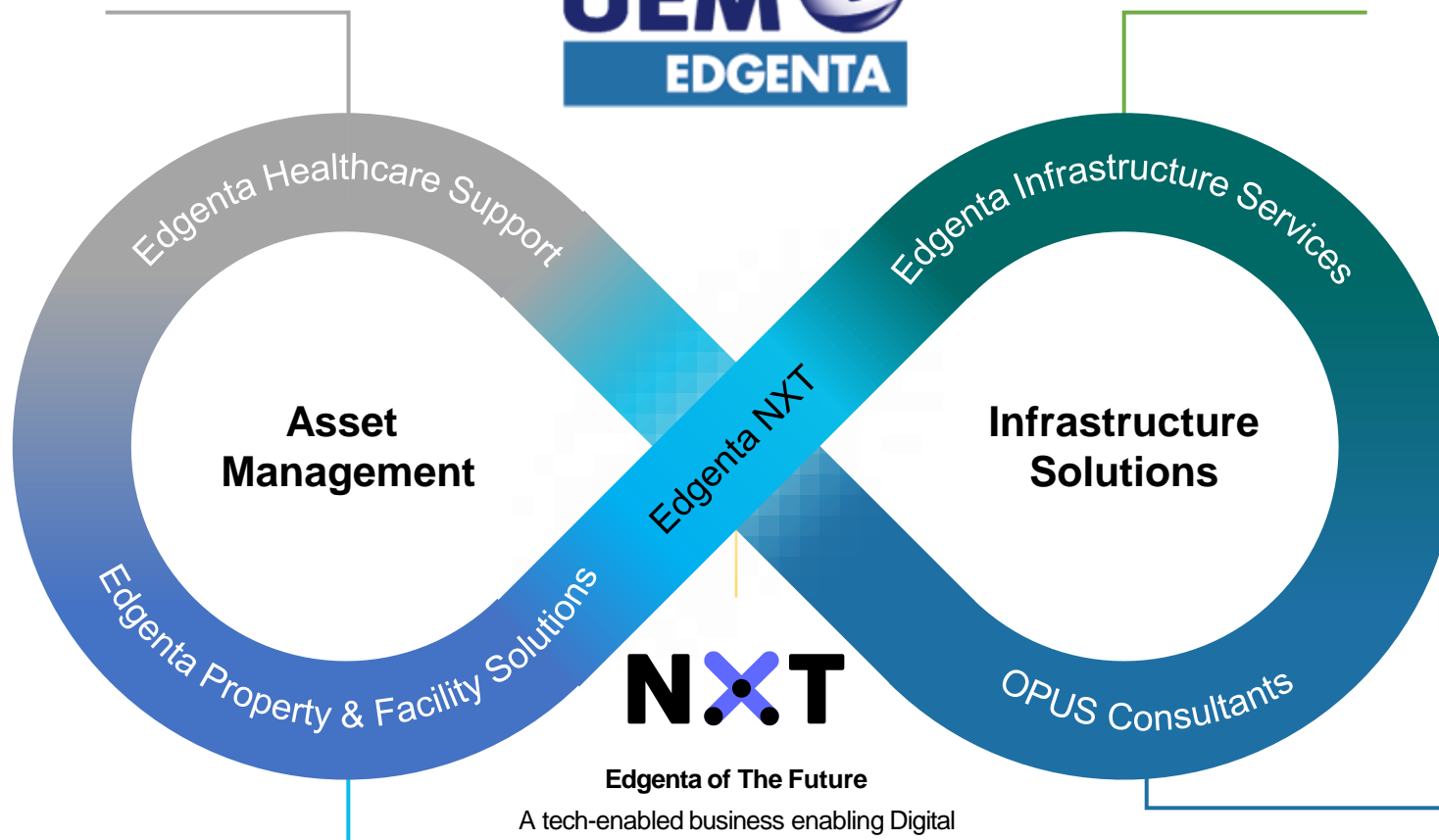
HEALTHCARE SUPPORT

- >250 hospitals in Malaysia, Singapore & Taiwan
- Provides non-clinical healthcare support and technology solutions to public and private healthcare institutions

## EDGENTA

PROPERTY & FACILITY SOLUTIONS

- >500 buildings & facilities under our care
- GBI Certified property & facilities manager
- Present in Malaysia, UAE, KSA



## EDGENTA

INFRASTRUCTURE SERVICES

- Manages approximately 9,000 KMs of network management & maintenance of expressways & roads
- Present in Malaysia & Indonesia



- Over RM100 billion worth of projects delivered in Malaysia
- Multi-disciplinary infrastructure consultancy services and project management in roads and rails
- Energy & sustainability solutions specialist for built environment



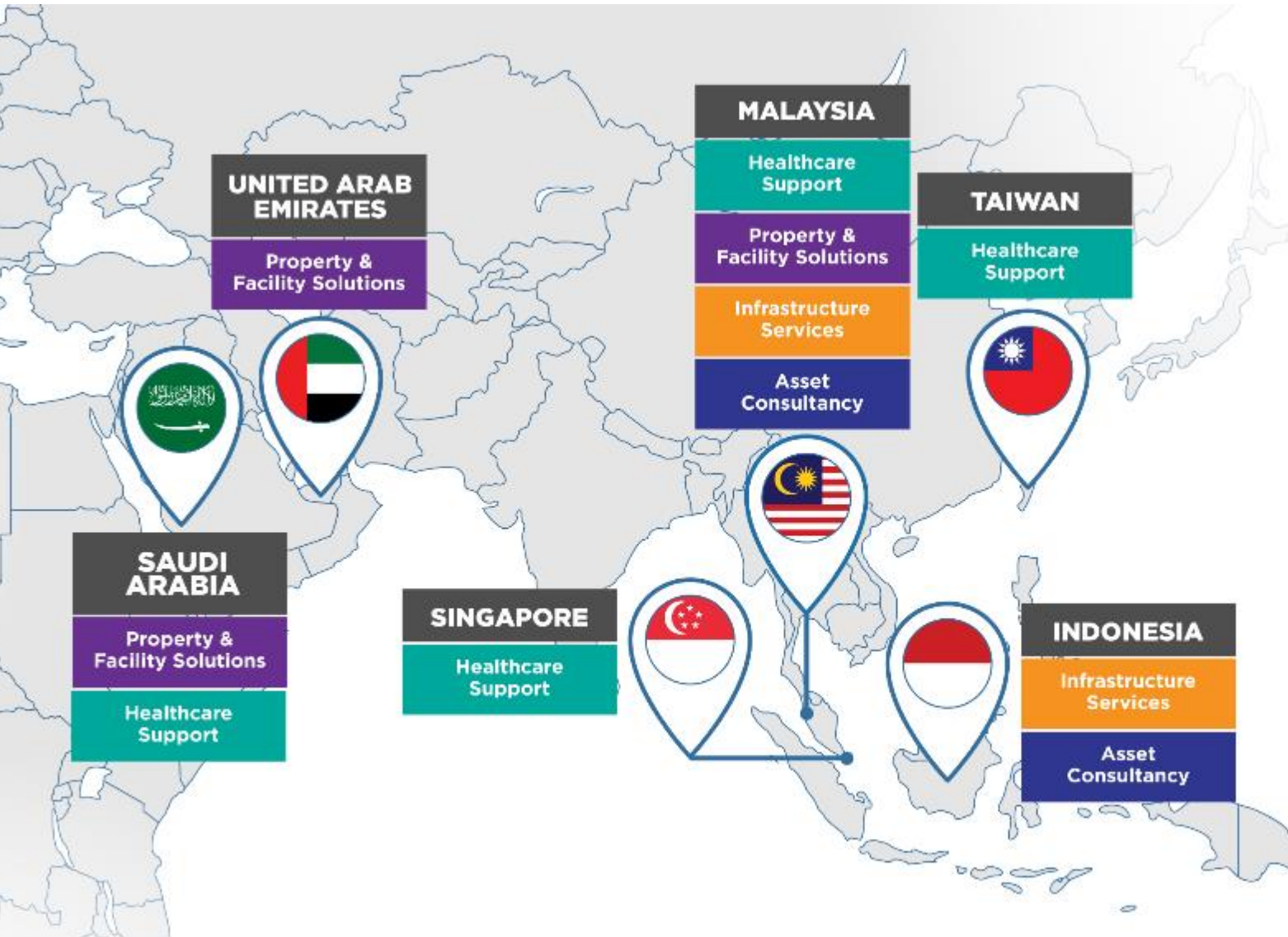
**Edgenta of The Future**

A tech-enabled business enabling Digital Transformation and productisation of proprietary SaaS/PaaS solutions for Edgenta



# Our Regional Presence

Supported by over 17,000 workforce



## Leading Asset & Facilities Management Company



Presence in **6 Countries**



Net Asset **RM 1.62 Billion (RM1.95/share)**  
As of 31 December 2023



**RM9.3b long-term**  
Order book  
As of 31 December 2023



**Tech-Enabled Asset Management**  
Primed by Edgenta NXT, UETrack™, and RAMS



**Sustainability Commitment**  
Achieve equitable business growth while delivering impactful social & environmental stewardship

# Sustainability at UEM Edgenta

## NET ZERO PATHWAY

26% emission reduction (Scope 1 & 2) by 2030

Net Zero greenhouse gas emission by 2050

## AWARDS & RATING



Energy Efficiency (Gold)  
 Good Health and Wellbeing (Silver)  
 Renewable Energy (Silver)  
 Talent Management (Silver)  
 The Star ESG Positive Impact Awards



Company of the Year for  
 Outstanding Community  
 Engagement 2023

Sustainability and CSR Malaysia  
 Awards 2023



FTSE4Good



## 2023 Achievements

Minimising  
 environmental  
 impact

**4.04%**

Scope 1 & 2 emission reduction  
 (vs target 3.69%)

Completion of **RAP plant**

Governance

**0%**

Anti-Bribery and Anti-Corruption  
 violation

Sustainable  
 Economic  
 Growth

**99%**

procurement from local suppliers

Deployed Strategic Vendor  
 Management Framework & initiated  
 ESG integration

Social Value  
 Creation

Developed Diversity, Equality and  
 Inclusion Statement

**0** cases of human rights  
 violation/forced labor (2020-2023)

# Celebrating Excellence for Our Service and Innovation



**Top 10 Innovative Managing Directors of Asia 2023**  
CEO Insights Asia



### MALAYSIAN BOOK OF RECORDS

Fastest Construction of Field Hybrid Intensive Care Unit during COVID-19 Pandemic



### THE BRANDLAUREATE

Healthcare - Hospital Support Solutions Category at The BrandLaureate Sustainable Business & Brands Inspirational Achievement Awards 2022-2023



### THE GLOBAL ECONOMICS

The Global Economics Awards 2022 - Most Innovative Non-Clinical Healthcare Support Service Provider - Malaysia 2022



### MALAYSIAN SOCIETY FOR OCCUPATIONAL SAFETY AND HEALTH (MSOSH)

MSOSH OSH Gold Class 1 Award Winner for 2023



### THE INSTITUTION OF ENGINEERING AND TECHNOLOGY (IET)

IET Industry Excellence Gold Award 2022



### IRECMS DUBAI

IRECMS Dubai Gold Awards 2023 - Best Implementation of Technology of the Year  
IRECMS Dubai Silver Awards 2023 - Best Sustainability Initiative of the Year



### KSI STRATEGIC INSTITUTE FOR ASIA PACIFIC (KSI)

Outstanding World ESG Impact Award 2023



### BURSA MALAYSIA BERHAD, MALAYSIAN INSTITUTE OF ACCOUNTANTS (MIA), AND THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (MICPA)

National Annual Corporate Report Awards (NACRA) 2023 - Silver Winner for the Companies with Less than RM2 Billion Market Capitalisation Category



### THE ASSET

The Asset Triple A Islamic Finance Awards 2023 Best Supply Chain Finance Solution



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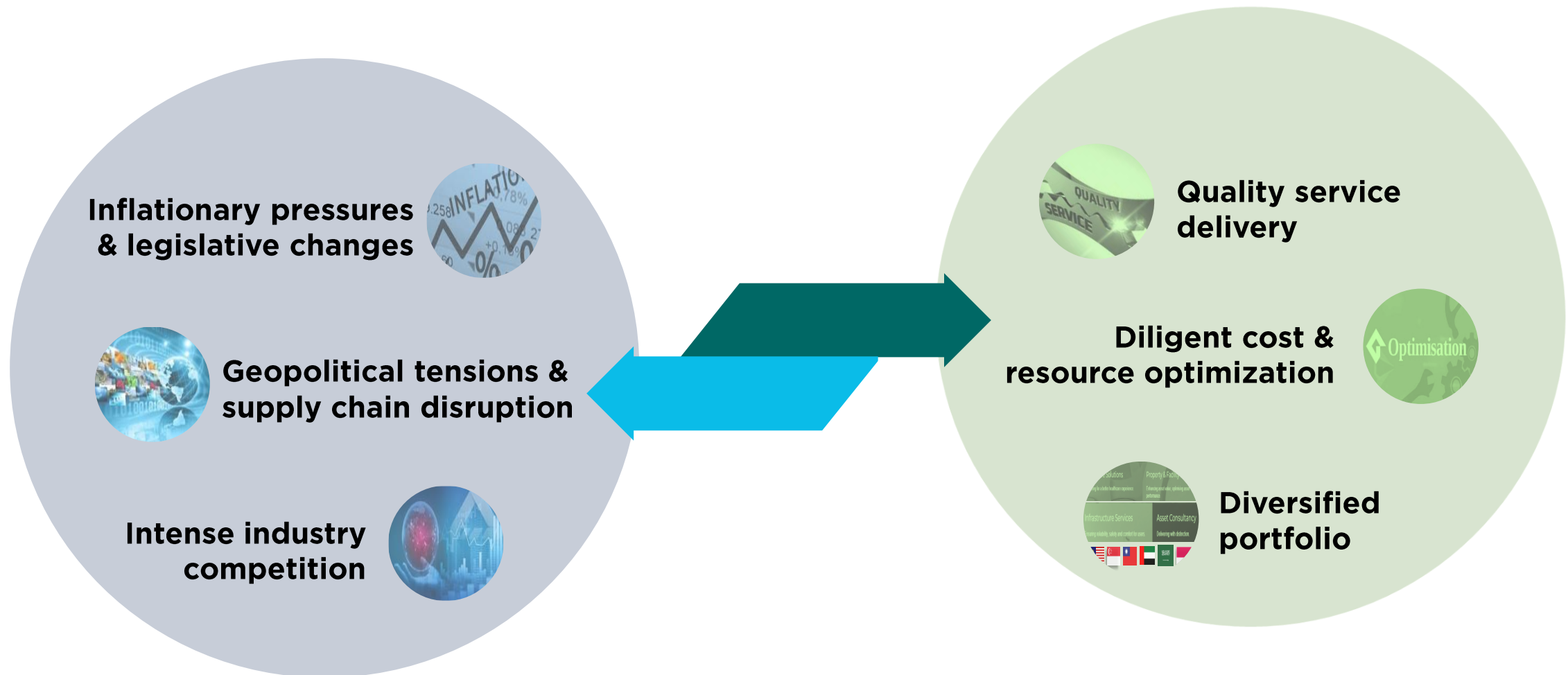
**SUSTAINING  
EXCELLENCE BEYOND  
BOUNDARIES**

## 2023 Review



# 2023: Navigating challenges, adapting with resilience

Business remains resilient with portfolio diversification and optimisation





# Business achievements from early moves & follow-through execution

## RM2bil new wins in 2023

- **Record** new wins post-Covid
- **Healthy orderbook replenishment** supports revenue growth
- **High renewal** rates, strong track record & quality services



## Portfolio diversification

- **Beyond PLUS** with major state road contracts secured
- **Growth in adjacencies** - IFM, hospitality, industrial, commercial sectors
- **Clientele diversification** – private healthcare, beyond WASL and PLUS
- **Operationalisation & Integration in Middle East** – EAL-MEEM, Operon-Kaizen



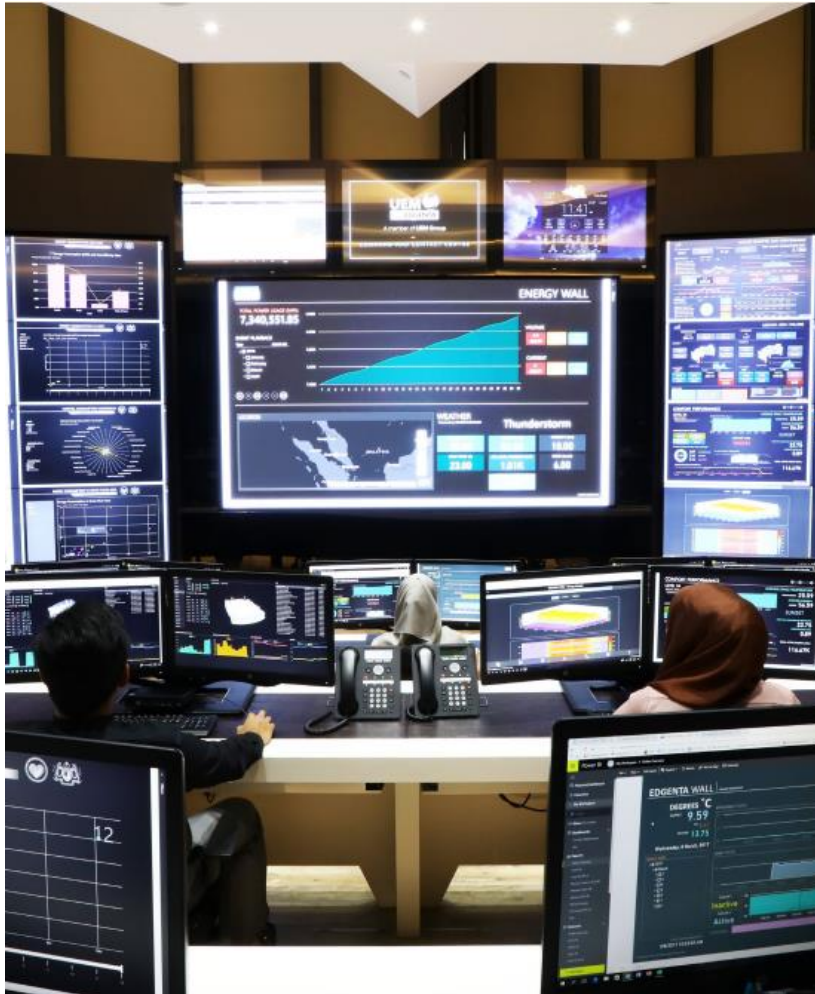
## Tech & Sustainability champion

- **Rollout of Asseto** – 15 PFS sites (35,000 assets under management)
- Opus repositioned as **energy efficiency solutions specialist**
- **RM200mil zero-capex EE programme**



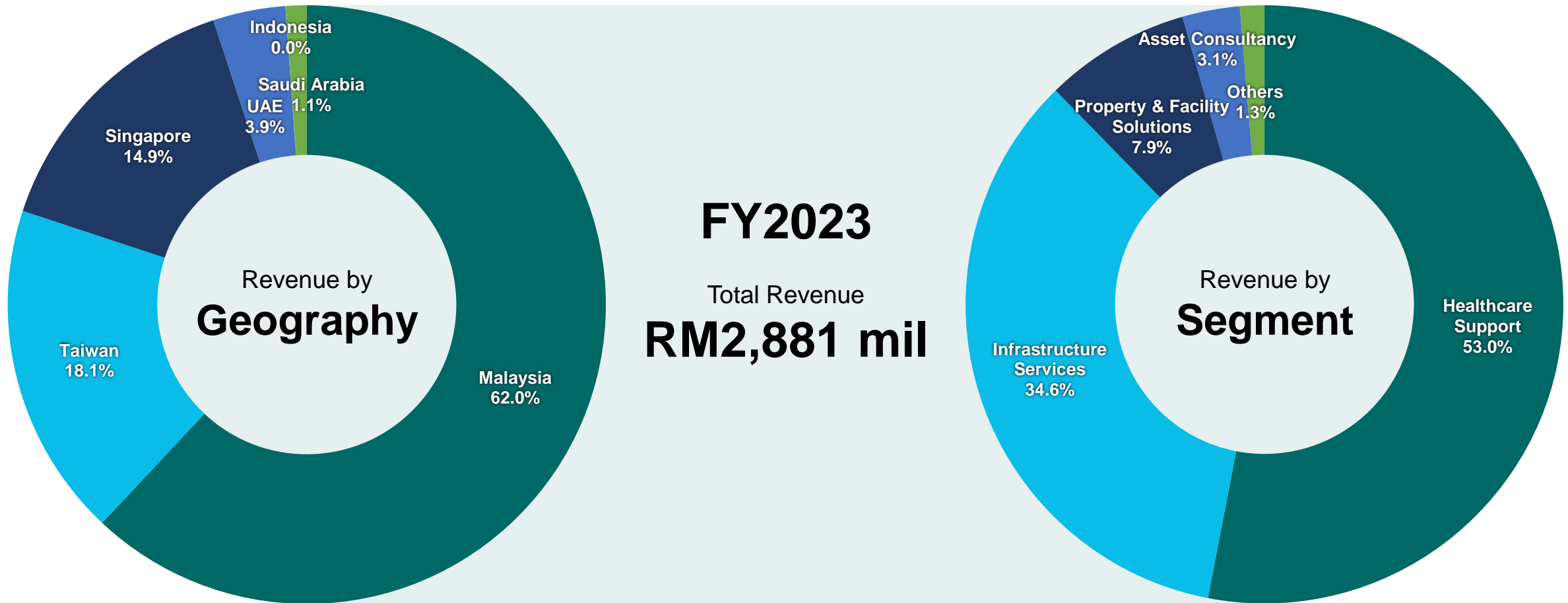
# 2023 Key Financial Highlights

Strong revenue delivery with profit moderated by global inflationary pressure



| FY 2023      |           |                              | FY 2022 |              |
|--------------|-----------|------------------------------|---------|--------------|
| <b>2.9</b>   | ▲ 14.2%   | <b>Revenue (RM billion)</b>  |         | <b>2.5</b>   |
| <b>31.1</b>  | ▼ (32.2%) | <b>PATANCI (RM million)</b>  |         | <b>45.9</b>  |
| <b>0.30x</b> | ▲ 3.4%    | <b>Gross gearing ratio</b>   |         | <b>0.29x</b> |
| <b>152.6</b> | ▼ (38.4%) | <b>Net cash (RM million)</b> |         | <b>247.9</b> |
| <b>2.0</b>   | ▼ (50.0%) | <b>Dividend (sen)</b>        |         | <b>4.0</b>   |

## Diversification across geography & portfolio enhances resilience

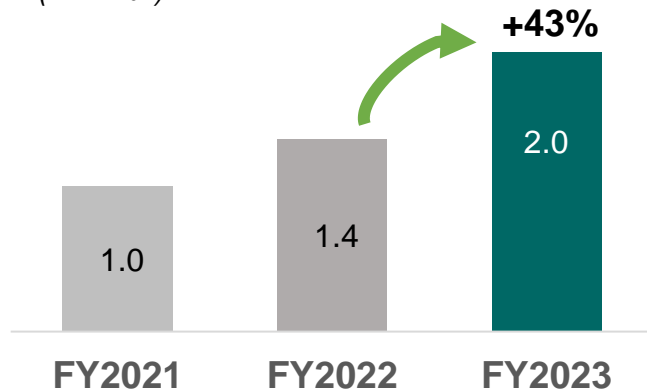




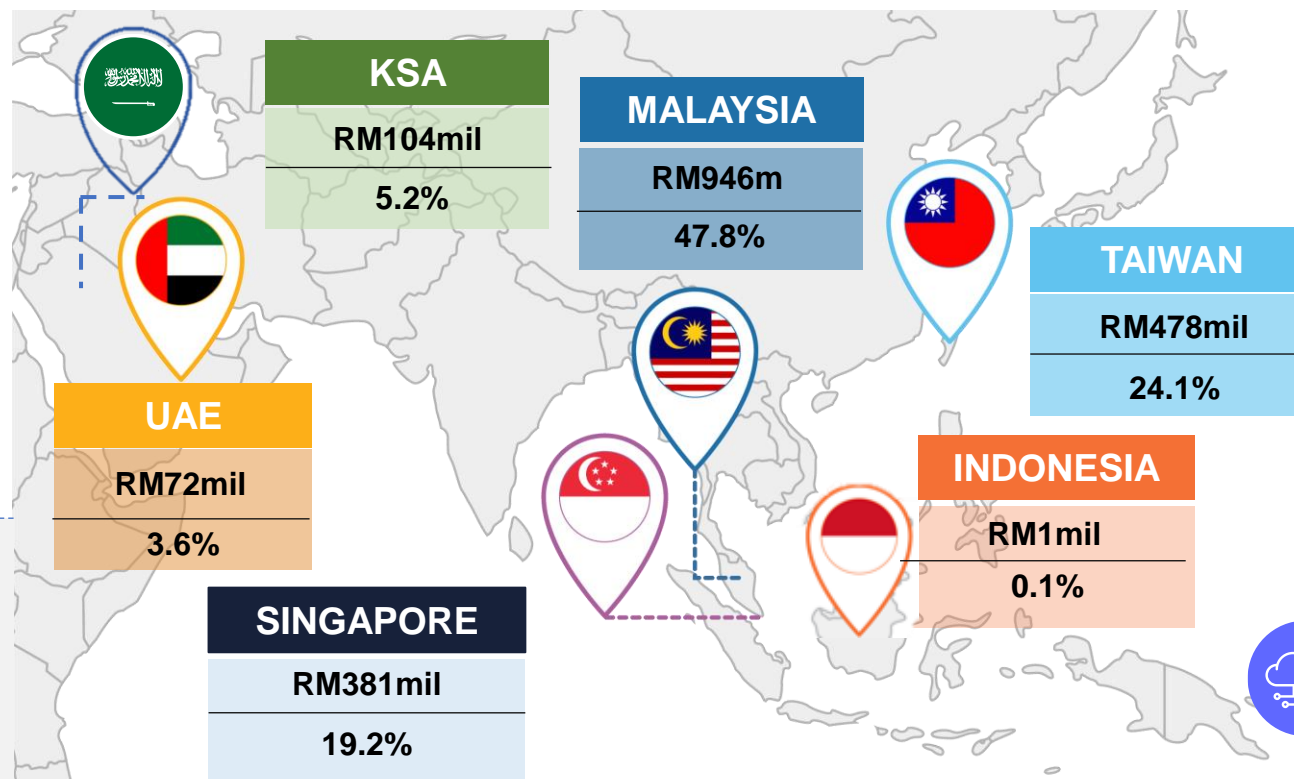
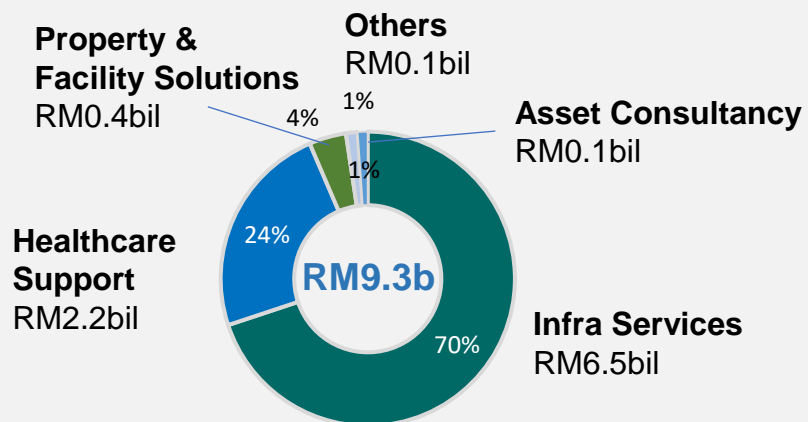
# FY2023 new wins of RM2bil supporting revenue growth

## 43% y-o-y growth in new wins

(in RM'bil)



## RM9.3bil orderbook @ 31 December 2023



**52%**  
International new wins

**43%**  
tech-enabled new wins

## New contracts secured by divisions (in RM'mil)



# Solid Domestic Position

Secured new clients & services beyond concession



**RM946m**

FY2023 new wins

## Healthcare Support

Healthcare solutions beyond concession  
Growing private healthcare clientele

Cyberjaya Hospital



Hospital Tunku Azizah



## Infrastructure Services

Maintaining market dominance with additional state roads maintenance

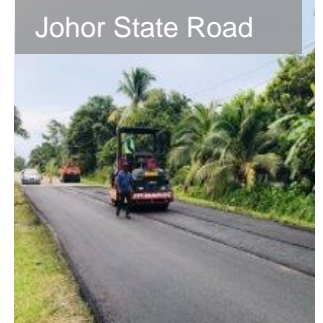
Selangor State Road



Pasir Gudang Highway



Johor State Road



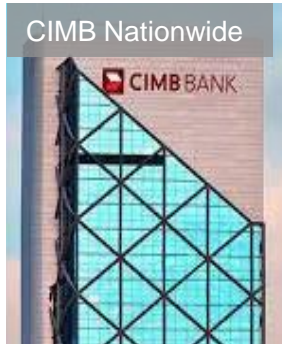
## Property & Facility Solutions

Championing smart building tech & data analytics

KLCC Urusharta



CIMB Nationwide



The Exchange TRX



Mydin Hypermarket



## Asset Consultancy

Strengthening core business & repositioning into EES

Jalan Sultan Tengah



SUKE highway



Institut Penyelidikan Kesihatan Bersepadu





# International diversification into adjacent markets and services



**RM859m**

FY2023 new wins



**RM176m**

FY2023 new wins

**EDGENTA UEMS** ~90% contract renewal rate

## Quality clientele expansion

- SG: Expand hospitality business – 9 new hospitality clients



- TW: Secured 3 new commercial projects & started Facility Engineering business contract

## Enhanced tech proposition

- UETrack™ Portering and EM Mobile App system rolled out to 11 and 24 facilities in TW respectively

- Cleaning robots in TW (19 used in 18 facilities)



## Successful renewals & entry into Abu Dhabi



## Integrated real estate services platform

KAIZEN Group acquisition



## KSA operationalisation through MEEM

Managing ~30 assets across Riyadh, Jeddah & Dammam





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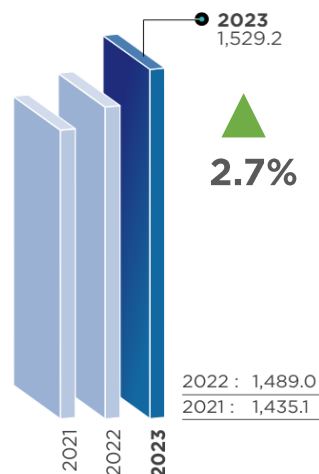


# FY2023 Business Performance

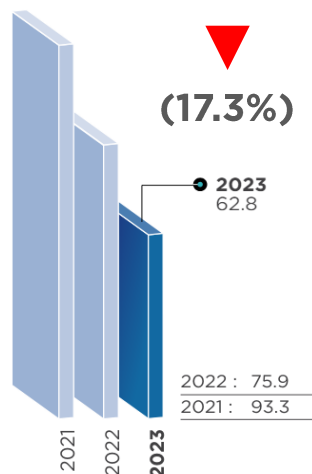
# Healthcare Support

## FINANCIAL PERFORMANCE

**Revenue**  
(RM million)



**Profit Before Tax and Zakat**  
(RM million)



## FY2023 Financial Performance (vs FY2022)

- **Higher revenue** from new and renewed contracts in Singapore and Taiwan, coupled with the strengthening of SGD against MYR.
- **Lower PBT** due to margin compression arose from increase in overall operating costs, and discontinuation of COVID-19 related business.

## Outlook

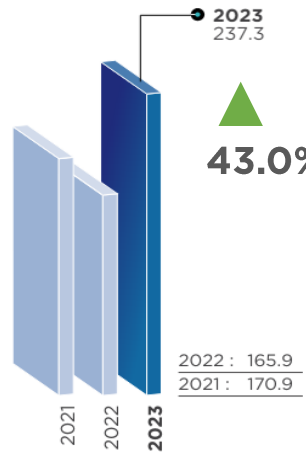
- **Malaysia:** Strengthen relationship with MOH and expand private healthcare clientele - digitalisation, Smart FM and ESG solutions.
- **Singapore:** Expand and diversify by: (a) securing existing & winning new contracts, (b) growing hospitality & commercial segments, (c) developing new services.
- **Taiwan:** Adapt to challenges by (a) managing clients' expectation, (b) managing local competition, (c) addressing staffing needs.

# Property & Facility Solutions

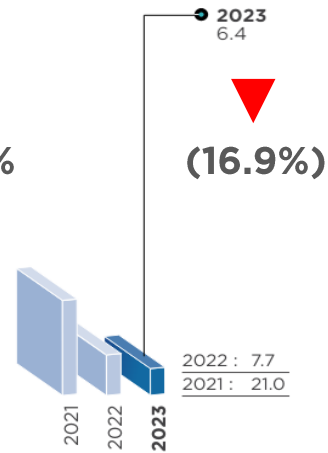
## FY2023 Financial Performance (vs FY2022)

### FINANCIAL PERFORMANCE

Revenue  
(RM million)



Profit Before Tax and Zakat  
(RM million)



- **Higher revenue** contributed by successful renewals and new contracts beyond existing clients in UAE, additional variation order works in Malaysia.
- **Lower PBT** due to increase in costs associated with clearing backlog work orders and escalating labour and subcontractor costs.

## Outlook

- Position as smart and green building solutions provider, effective asset lifecycle through Asseto platform.
- Continuous cost optimisation strategy.

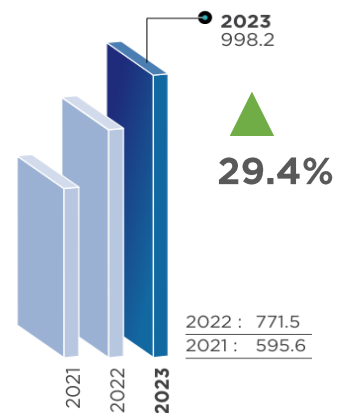




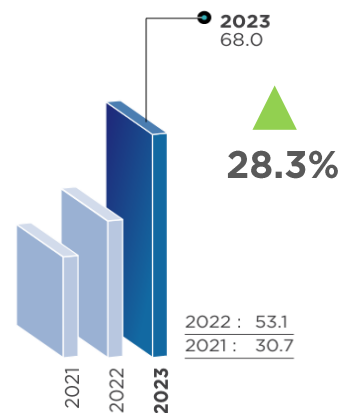
# Infrastructure Services

## FINANCIAL PERFORMANCE

Revenue  
(RM million)



Profit Before Tax and Zakat  
(RM million)



## FY2023 Financial Performance (vs FY2022)

- **Higher revenue** attributable to increased works from PLUS, Selangor State Road, and Lebuhraya Pantai Timur 2, revenue from new projects e.g. Sarawak Coastal Road.
- **Higher PBT** due to:
  - Flow through from higher revenue
  - Optimised operations with Road Asset Management System
  - Partially offset by rising costs for materials and sub-contractors

## Outlook

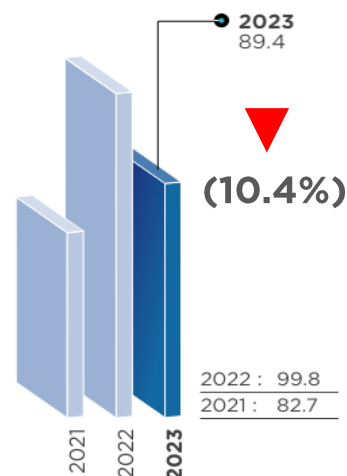
- Broaden service portfolio, explore regional expansion, commercialise sustainable pavement products.
- Enhance technology infrastructure.



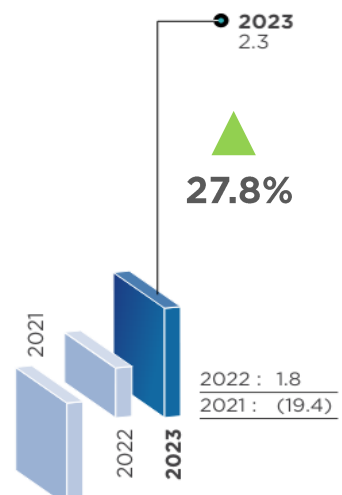
# Asset Consultancy

## FINANCIAL PERFORMANCE

**Revenue**  
(RM million)



**Profit Before Tax and Zakat**  
(RM million)

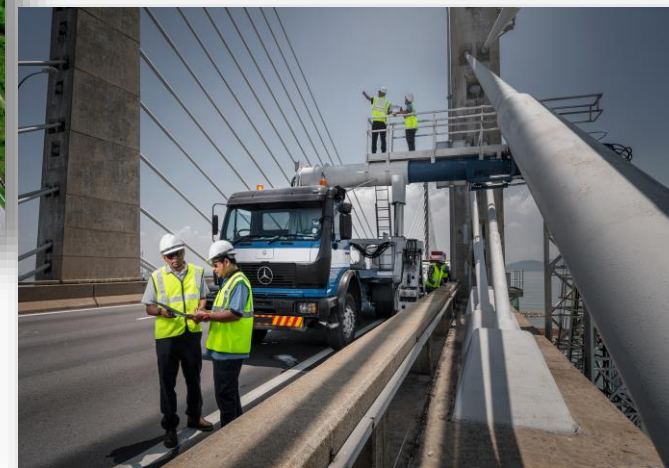
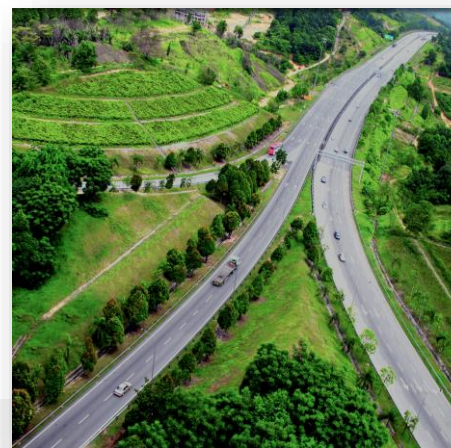


## FY2023 Financial Performance (vs FY2022)

- **Lower revenue** mainly due to scarcity in infrastructure projects.
- **Higher PBT** due to effective cost optimisation measures and cost savings initiatives, and enhancement of operational excellence.

## Outlook

- Pivot towards end-to-end Energy and Sustainable Solutions
- Grow and strengthen energy efficiency and sustainability business through innovative solutions and building up capabilities



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## Strategy & Outlook



# EoTF2025 update: On track to deliver set goals

## EDGENTA OF THE FUTURE 2025 (“EoTF2025”)

*To become a Technology-Enabled Solutions Company by 2025*

### Goals



**Expand footprint and deepen solutions base**

Deliver revenue growth – 12% p.a. over 5 years:



**Extract value from core businesses**

Cost savings of RM100 million over 5 years:



**Enhance product and technology proposition**

Drive differentiation through tech-based solutions

### Status

**12%**

CAGR growth from FY2021 to FY2023

- Expand into adjacencies such as hospitality, industrial
- Strengthen Energy Efficiency capabilities
- Expansion in ME

**RM 81.8mil**

Cost savings from FY2021 – FY2023

- Mechanisation & automation
- Optimised procurement spend
- Streamlined business structure

**~RM 2.2bil**

tech-enabled wins since 2021

Revenue streams from tech-enabled platforms:



# Our response to market challenges - Strategy Refresh

## 1 Strengthen the Core

### Cost Optimisation



Target cost savings for next 5 years

**RM 150mil**



### 6 cost optimisation focus areas

*e.g. personnel costs, repair & maintenance, professional costs, traveling costs*



### Operating model review

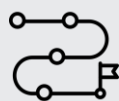
*Simplify org structure, efficient supply chain management, cross deployment of resources, streamline ops with tech*

### Tech Ecosystem Consolidation & Leading EE Business



### Capability building in smart buildings

*Major player in the space*



### Go-to-Market readiness

*for end-to-end sustainability solutions*



### Strategic partnerships

*in building a comprehensive sustainability ecosystem*

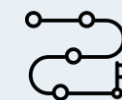


### Upskill & reskill engineers

*in designing and delivering sustainability solutions*

## 2 Reorient for Growth

### Capturing Middle East Growth



### Go-to-Market strategy

*integrated property management (PM) and facility management (FM) platform*



### Integration & Optimisation

*Identify areas for optimisation and streamlining e.g. HQ functions in ME*



### Cross selling & revenue synergies

*FM to KAIZEN's existing clientele; PM to Operon's existing clientele*

**1 Strengthen the Core**

## Path to Sustainable Profitability

Targeted RM150m over 5 years in addition to RM82m realised up to FY2023

**GOAL** — Mitigate structural challenges in the short-term  
 — Charting transformational growth in the medium-to-long-term

**Lever 1 COST STRUCTURE**

**Phase 1 Target:**  
**10% improvement in addressable cost**

- Spend prioritisation
- Cost optimization levers across all levels – HQ & BU, COGS & Opex

**Lever 2 OPERATING MODEL**

- Simplify org & corp structure
- Supply chain management
- Contract renegotiation
- Cross-deployment of resources eg UAE-KSA
- Streamline ops through technology

**Lever 3 PORTFOLIO**

- De-risk business portfolio through diversification
- Re-evaluate business & market presence:
  - *Prioritise High Conviction and Right to Win*
  - *Monetise non-core businesses*
  - *Opportunistically exploring selective plays*



**1 Strengthen the Core**

**Asseto as our core & strategic partnerships to enrich tech ecosystem**



**asseto**

Asseto is a cloud-based FM solution for businesses to manage their facilities more efficiently and effectively

**ITMAX** ITMAX SYSTEM BERHAD

**disrupt-X**

SoftBank

Sumitomo Corporation

**Features:**  
Asset management, work order management, preventive maintenance scheduling & performance analytics

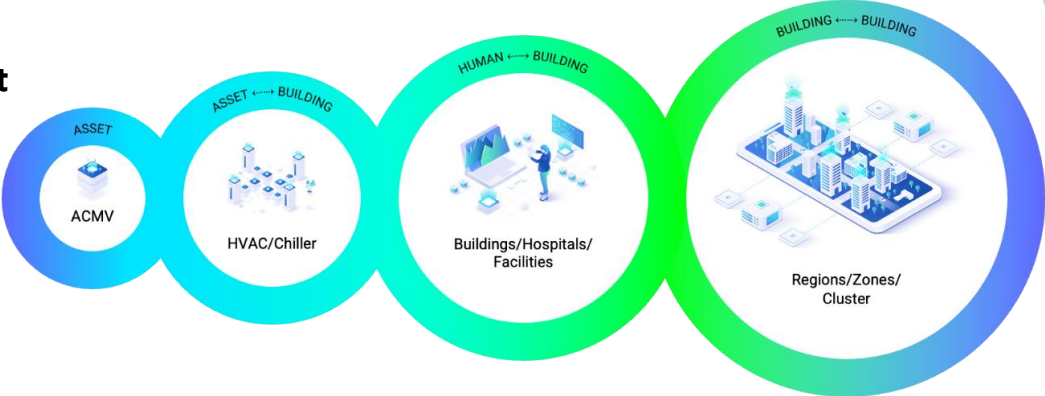


**Reshaping FM through interoperability and seamlessly connecting all parties**

**asseto**

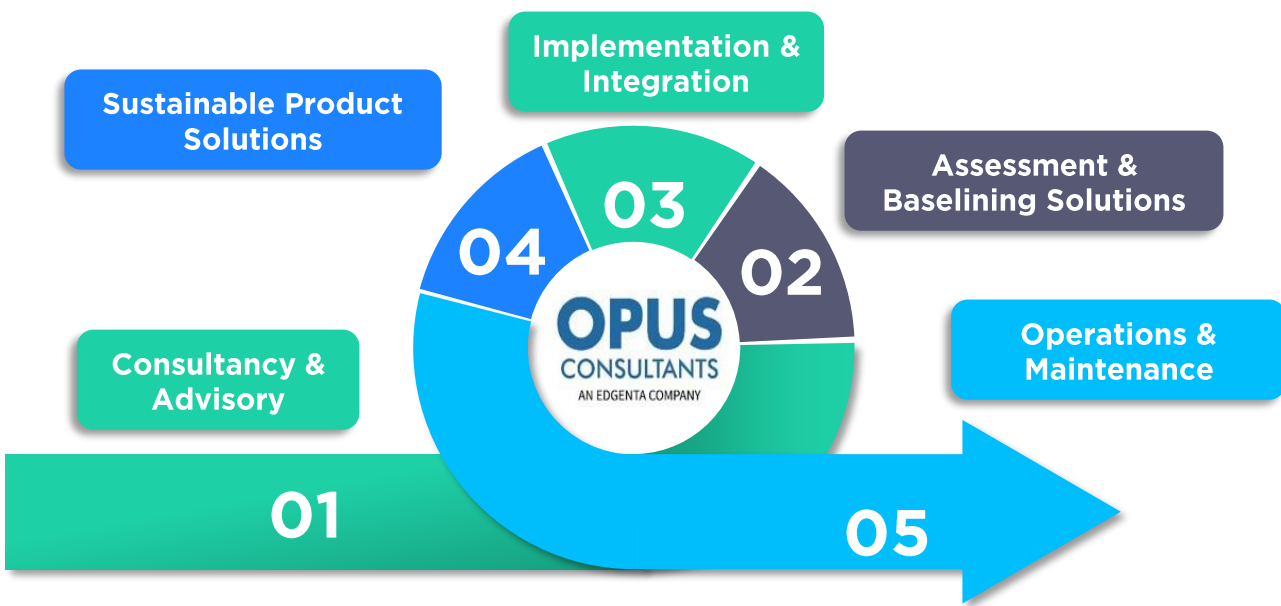
Successful rollout

**15** PFS sites  
incl. CIMB & KLCC sites



**1 Strengthen the Core**

Opus anchored on end-to-end sustainability solutions capabilities



**Strategic partnerships**



**Impact Delivered**

|  |  |
|--|--|
| <p><b>Up to 52%</b><br/>Reduction in electricity consumption</p>   | <p><b>30 - 50%</b><br/>Increase in the Coefficient of Performance (COP) of systems under EPC contracts</p> |
| <p><b>11%</b><br/>Reduction in water consumption</p>   | <p><b>More than 19</b><br/>GBI-certified Green Buildings</p>   |
| <p><b>30%</b><br/>Reduction in the use of virgin materials</p>   | <p><b>800 tonnes</b><br/>Annual reduction of CO2 emissions through RAP Plant</p>                           |
| <p><b>4.5%</b><br/>Reduction in electricity consumption through the installation of photovoltaic solar panels on the Menara UEM roof</p> | <p><b>10,852m<sup>3</sup></b><br/>Water collected through Water conservation efforts in 2023</p>           |

**2 Reorient for Growth**

**Middle East FM market is attractive with rapid expansion of Smart Cities**

**1 Edgenta has made foray into UAE & KSA**



**2 Strategic partnerships supporting growth**



**Prospect Projects**

- Public-Private Partnership
- Tech & Sustainability Solutions
- Smart Cities development



Msheireb  
Downtown



SABIC Behavioral Care  
Hospital



THE LINE



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# Investment Highlights

# Leading tech-enabled global franchise delivering sustainable growth



| Healthy fundamentals to drive growth  | Tech differentiation to unlock new opportunities   | Sustainability embedded in strategy & operations  |
|---|--|---|
| <p><b>Diversification across geographies &amp; portfolio</b></p>                      | <p>Differentiating through technology capabilities, preparing Edgenta to be future-ready in disrupting IFM market</p>    | <p>Robust sustainability governance structure</p>   |
| <p><b>Healthy orderbook of RM9.5 billion as at 31 March 2024</b></p>                  |  | <p>Sustainability roadmap launched in 2022</p>  |
| <p><b>Dividend policy of 50-80% of PATANCI</b></p>                                    | <p>Reshaping tech-enabled solutions across healthcare, FM and wider asset management, supporting smart cities vision</p> | <p>Net Zero target launched in 2023</p>   |
| <p><b>Low gearing &amp; healthy cash balance</b></p>                                  |  | <p>Credible partner in clients' ESG strategies implementation with sustainability solutions e.g. EPC, GBI audit, IOT-enabled asset management</p> |
| <p><b>Continuous cost optimisations as part of "Strengthen the Core" strategy</b></p> |  |   |



**THANK YOU**

