

MEDIA RELEASE

For Immediate Release

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UEM Edgenta Registers Strong Q4 Performance, Full Year Profit Up 23%

- **FY2019 Revenue and Net Profit grew by 10.5% and 23.4% on a Y-o-Y basis** to RM2.4 billion and RM188.0 million, reflecting Company's resilience despite challenging market conditions;
- **Declares a 2nd interim dividend of 8 sen**, resulting in total dividend payout of 14 sen for FY2019;
- Technology solutions to drive long term growth in new and existing markets.

Kuala Lumpur, 26 February – UEM Edgenta Berhad (“UEM Edgenta” or “Company”), the region's leading Asset Management and Infrastructure Solutions company released its unaudited fourth quarter results (“Q4”), and for the full financial year ended 31 December 2019 (“FY2019”) here today, which saw the Company's net profit growing to RM188.0 million, compared to RM152.4 million in FY2018.

Dato' Azmir Merican, Managing Director/Chief Executive Officer of UEM Edgenta said, “I am pleased that we have continued to register growth through significant new contract wins totalling more than RM900 million in our Healthcare Support division in Singapore and achieve the results that we did despite a more volatile operating environment in the previous year”.

“Our investments in process improvements, technology and operational excellence has resulted in the Company's ability to overcome rising costs of delivery, increase operational efficiency and register cost savings, which proved crucial in making the organisation efficient and resilient. Moving forward, providing technology-based solutions will be a priority, in particular to break into new and existing markets with customised solutions offering real-time IoT and data analytics to optimise asset management”, he further added.

Q4 FY2019 Results

The Company registered a revenue of RM712.3 million for Q4 FY2019; 21.2% higher than the immediate preceding quarter at RM587.6 million and 10.0% higher year-on-year (“Y-o-Y”) than the same quarter in FY2018 of RM647.4 million. PBT for Q4 FY2019 was at RM126.3 million; a nearly fivefold increase compared to the preceding quarter at RM25.9 million, and also higher than Q4 FY2018 at RM83.1 million.

FY2019 Full Year Results & Performance

Both of UEM Edgenta's Asset Management and Infrastructure Solutions business segments registered revenue and profit growth for the year, resulting in revenue of RM2.4 billion and PBT of RM245.0 million which represents a Y-o-Y increase of 10.5% and 23.4% compared to FY2018's RM2.2 billion and RM198.5 million respectively. In FY2019, the Company also booked in profits of RM32.7 million on the final payment settlement of its Abu Dhabi project.

The Company's Healthcare Support division recorded 15.0% Y-o-Y growth in full-year revenue to RM1.1 billion, mainly attributed to new contracts secured from the tenders in Singapore for the provision of non-clinical support services to re-clustered Ministry of Health ("MOH") Singapore hospitals, while Property & Facility Solutions ("PFS") division registered a commendable year with PBT surging to RM30.5 million in FY2019, a 66.5% increase on the back of a slight increase in revenue resulting from better margins.

UEM Edgenta's Infrastructure Services division recorded a respectable performance in terms of both revenue and PBT, registering a Y-o-Y increase of 3.8% and 30.5% in revenue and PBT respectively despite challenges faced in the operating environment. The Asset Consultancy division similarly had a better year, recording a 15.6% revenue and 17.8% PBT increase over the same period.

The Company's FY2019 balance sheet remained healthy with cash and bank balances of RM621.0 million to close FY2019, as compared to RM603.5 million in FY2018. This was attributable to healthy cashflow from operations of RM215.3 million in FY2019. The Company continues to maintain a low gross gearing ratio at 0.33x and is in net debt positive position of RM97.3 million. Returns on equity improved to 11.8% compared to 9.6% in FY2018 as a result of increasing profitability for the Company.

Dividend for FY2019

The Company also declared a 2nd interim dividend for FY2019 at 8 sen per share. Together with the earlier 1st interim dividend of 6 sen per share, this resulted in a total dividend pay-out of 14 sen for FY2019. This represents a 5.4% yield on a rolling-12 months basis, based on the closing share price of RM2.58 as at 25 February 2020. The 14 sen dividend for FY2019 represents a dividend pay-out ratio of 64% of the profit after tax and non-controlling interests ("PATANCI") for FY2018 of RM181.8 million, which is in line with the Company's dividend pay-out policy of between at least 50% and up to 80%.

Outlook for FY2020

UEM Edgenta closed the year with a healthy orderbook across all its business divisions, with RM13.2 billion work-in-hand as at end FY2019. In particular, the Company has secured over RM900 million in new contracts with the re-clustered MOH Singapore hospitals, out of which approximately RM650 million are from new hospitals previously not serviced by the Company, with durations of up to five years and further five-year renewals. Additionally, the Asset Consultancy business continues with its focus on road infrastructure management consultancy projects of socioeconomic importance in East Malaysia, namely the Coastal Road Network and Second Trunk Road projects in Sarawak.

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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.

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