

UEM Edgenta Posts A Double Digit Revenue Growth for 9M FY2022

Summary of First Nine Months of FY2022 Financial Results

- Revenue of RM1.8 billion for the First Nine Months of 2022
- Net profit of RM24.6 million
- Normalised net profit of RM42.7 million
- Net cash at RM130.1 million
- Gross gearing ratio at 0.3 times
- Current order book stands at RM10.1 billion, with RM972 million new contracts secured in FY2022 to date

KUALA LUMPUR, 29 November – UEM Edgenta Berhad (“UEM Edgenta” or “Company”), the region’s leading Asset Management and Infrastructure Solutions company announced its unaudited financial results for the period of nine months ended 30 September 2022 (“9M FY2022”) today.

The Company reported a net profit of RM24.6 million in 9M FY2022 on the back of RM1.8 billion revenue, which is 13.7% higher than the same period last year. Profit before tax (“PBT”) stood at RM55.3 million in 9M FY2022, 22.1% higher than RM45.3 million recorded in the same period last year.

After a strong first half of FY2022, growth momentum for the third quarter was moderated by the intensifying inflationary pressure and supply chain disruptions. Comparing the third quarter of FY2022 (“Q3 FY2022”) with the immediate preceding quarter (“Q2 FY2022”), revenue grew by 3.0% or RM18.5 million to RM646.2 million in Q3 FY2022, while net profit fell by 59.3% from RM10.8 million to RM4.4 million, primarily due to a one-off provision of impairment loss on inventories and the cost escalation in its business operations.

Growth in revenue year-on-year (“Y-o-Y”) was mainly driven by higher revenue generated from the Healthcare Support Services division through the expansion into integrated healthcare solutions offerings in Malaysia as well as extending services to the adjacency sectors in Singapore and Taiwan, namely, the hospitality and semiconductor sectors. Growth was also demonstrated in the Infrastructure Solutions business, driven by higher volume of maintenance works performed following the lifting of the movement control order by the Government and improvement in traffic volume in the major expressways. As of 30 September 2022, UEM Edgenta’s balance sheet remains healthy by maintaining a low gearing ratio at 0.3 times.

The Company's orderbook remains strong at RM10.1 billion. For the first nine months of FY2022, the Company secured new contract wins of approximately RM972 million, with 70% of the new wins being contributed from its international businesses in line with the Group's international expansion strategy.

The reopening of international borders on 1st April 2022 and the full resumption of economic activities have paved the way towards positive growth momentum. The improved sentiment was, however, met with macroeconomic and inflationary headwinds which contributed to cost escalation across all sectors globally. Against this challenging business environment, the Company continues to deploy short to medium term measures to navigate through the volatile market conditions while maintaining the quality of its service delivery.

"We are committed to delivering long term sustainable value to our stakeholders while taking responsive and proactive measures to enhance our operating agility and resilience. Despite the macroeconomic headwinds and operational challenges, the Company will continue to strengthen its readiness through structural cost optimization and operational efficiency strategies towards building a global, technology-enabled integrated facilities management company," said Syahrudin, Managing Director/Chief Executive Officer of UEM Edgenta.

UEM Edgenta is making good progress with its strategic portfolio repositioning strategy. The recent divestment of Faber Sindoori Management Services Private Limited allows the Company to reinvest into new growth markets/products and technology while the investment in MEEM for Facilities Management Company provides an immediate market access to the Kingdom of Saudi Arabia, accelerating the Company's international expansion in the Integrated Facilities Management business.

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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 our Opus Consultants business arm.

Guided by its 'Edgenta of the Future 2025' vision, UEM Edgenta's full suite of business services is driven by technological advancements throughout the business assets' 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, United Arab Emirates and The Kingdom of Saudi Arabia.