

UEM Edgenta Reports Solid Performance in 1H FY2023, Demonstrating Resilience and Growth

KUALA LUMPUR, 28 August – UEM Edgenta Berhad (“UEM Edgenta” or the “Company”), the region’s leading Asset Management and Infrastructure Solutions company, has announced a 15.6% increase in net profit to RM23.4 million in the six (6) months ended 30 June 2023 following a higher revenue of RM1.35 billion (RM1.17 billion 1H FY2022).

In announcing its unaudited financial results for 1H FY2023 today, the Company said as of Q2 FY2023, net profit grew by 15.7% to RM12.5 million from RM10.8 million in Q2FY2022 while revenue improved by 14.6% to RM719.3 million from RM627.7 million.

The double-digit increase in revenue for 1H FY2023 resulted from higher volume of pavement works performed for major expressways and commencement of new contracts secured for Asset Management division. Revenue growth in Healthcare Support Services division mainly driven by strong contract renewal rate of ~90% as well as diversification into the adjacencies such as hospitality sector in Singapore and Taiwan. As of 30 June 2023, UEM Edgenta’s financial position remained healthy by maintaining a low gearing ratio at 0.3 times with cash and bank balances of RM607.0 million.

New contracts secured in 1H 2023 totalled RM922 million, achieving 70% of FY2022’s total new contracts secured. Notably, a substantial 62% of these new wins originated from the Company’s tech-enabled solutions business, underscoring its increasing significance in our portfolio.

Of the new contracts, 70% are from its healthcare segment, a testament of the Company’s pre-eminence in this field; and that 75% of the new contract wins were contributed from international businesses, a testament of its strong credibility and proven track record as a leading international integrated facilities management service provider. As of 30 June 2023, the Company’s orderbook remained healthy, totalling RM9.6 billion.

During the first half of 2023, the macroeconomic environment continued to face multiple headwinds, including renewed concerns on slowing global economic growth triggered by the escalating geopolitical tensions, prolonged supply chain disruptions and inflationary cost pressures. Against this backdrop, the Company remains steadfast towards its focus in maintaining agility in navigating the business during this uncertain period.

Commenting on the latest results, UEM Edgenta's Managing Director/Chief Executive Officer Syahrudin Samsudin said, "Driven by our Edgenta of the Future 2025 (EoTF2025) ambition, we continue to demonstrate strong progress in delivering our technology and sustainability-based solutions that cater to the needs of our stakeholders and that enables the business to differentiate and expand in high-growth markets. These efforts have translated into a good set of results in terms of new contract wins and a solid financial performance in the first half of 2023."

"The results in the first half are reflective of our journey towards becoming a leading global integrated facilities management company catalysed by our proprietary technology and sustainability-embedded capabilities. As we enhance our product and service propositions to gain market share, both locally and internationally, we will continue to collaborate with leading companies globally to bring to market solutions that provides superior outcomes in managing our stakeholders' assets. As we expand our businesses globally, we will continue to optimise our delivery models and enhance our operational efficiencies through cost synergies, digitisation and innovation as we institutionalise ESG ("Environmental, Social and Governance") principles in our work culture and execution of services," he further added.

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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 is a subsidiary of the 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 our '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, United Arab Emirates and The Kingdom of Saudi Arabia.