Sime Darby Berhad

Analyst Briefing for full year and Q4 FY2025 ended 30 June 2025

27 August 2025

Group Financial Results

FY2025 Results

Reported Profit: Financial year ended 30 June 2025

In RM Million	FY2025	FY2024	YoY %
Revenue	**70,061**	**67,132**	4.4
PBIT	**3,592**	**2,758**	30.2
Finance income	106	142	
Finance costs	(647)	(719)	
Profit before tax	**3,051**	**2,181**	39.9
Taxation	(663)	(698)	
Profit from continuing operations	**2,388**	**1,483**	61.0
Non-controlling interests	(264)	(186)	
Perpetual Sukuk	(70)	(39)	
Net profit from continuing operations	**2,054**	**1,258**	63.3
Net profit from discontinued operations[1]	7	2,048	
Net profit attributable to owners of the Company	**2,061**	**3,306**	(37.7)

1. Relates to the UKHE group and Healthcare.

FY2025 Results

Core Profit: Financial year ended 30 June 2025

In RM Million	FY2025	FY2024	YoY %
Reported PBIT from continuing operations	**3,592**	**2,758**	30.2
Adjustments			
• Gain on disposal of Malaysian Vision Valley ("MVV") & others	(986)	(110)	
Core PBIT from continuing operations	**2,606**	**2,648**	(1.6)
Net finance costs	(541)	(577)	
Taxation[1]	(571)	(557)	
Non-controlling interests	(264)	(200)[2]	
Perpetual Sukuk	(70)	(39)	
Core Net Profit from continuing operations	**1,160**	**1,275**	(9.0)
Core Net Profit from discontinued operations	7	41[3]	
Core Net Profit	**1,167**	**1,316**	(11.3)

1. Adjusted for tax effects of one off items and one-off tax adjustments of RM92m for FY2025 and RM141m for FY2024.
2. Adjusted for NCI portion for the one-off items of RM14m in FY2024.
3. Excludes net gain on disposal of Ramsay Sime Darby Healthcare ("RSDH") of RM2,007 million.

FY2025 Results

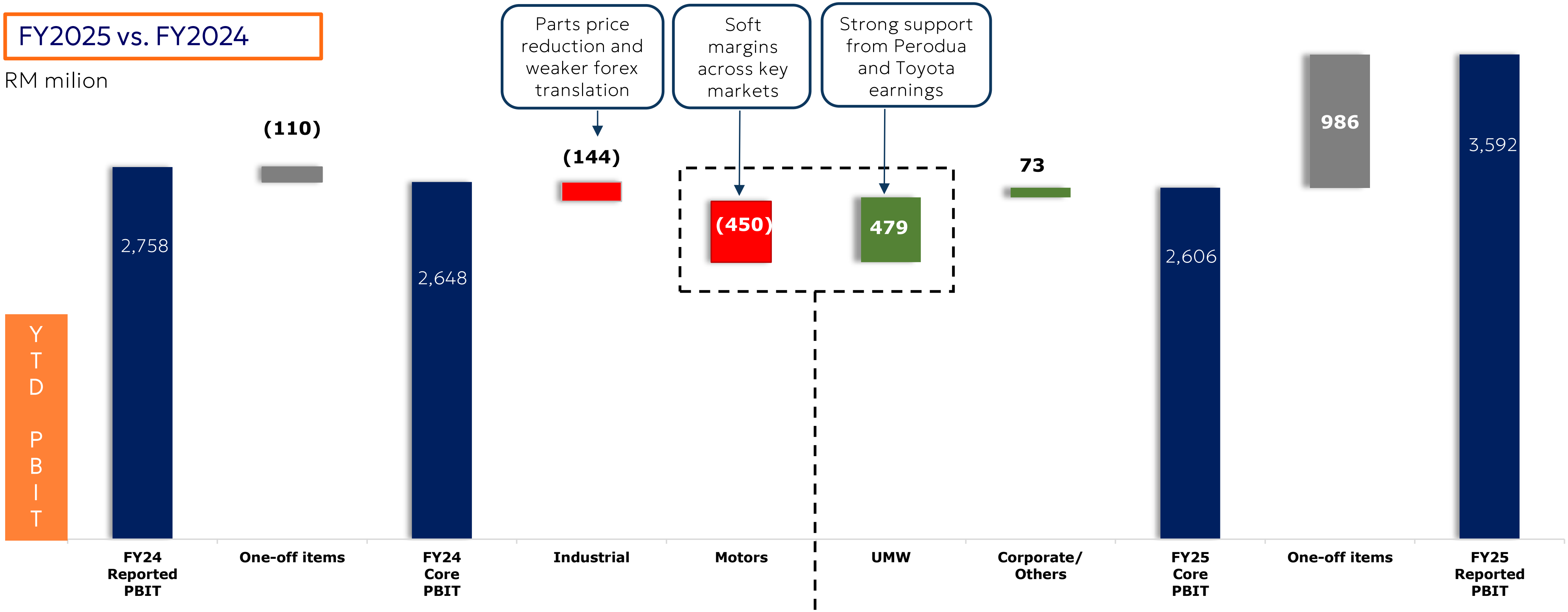
Segmental PBIT: Financial year ended 30 June 2025

In RM Million	FY2025			FY2024			Reported PBIT YoY %	Core PBIT YoY %
	Reported PBIT	Adjustments	Core PBIT	Reported PBIT	Adjustments	Core PBIT		
Continuing operations								
Industrial	1,326	(18)[1]	1,308	1,467	(15)[1]	1,452	(9.6)	(9.9)
Motors	431	(68)[2]	363	584	229[2]	813	(26.2)	(55.5)
UMW	959	-	959	480	-	480	100	100
Others	53	-	53	16	-	16		
Corporate	(77)	-	(77)	(113)	-	(113)		
Gain on disposal of MVV land	901	(901)	-	279	(279)	-		
Forex on net investments	(1)	1	-	45	(45)	-		
PBIT from continuing operations	**3,592**	**(986)**	**2,606**	**2,758**	**(110)**	**2,648**	**30.2**	**(1.6)**
PBIT from discontinued operations	17	-	17	2,060	(2,007)[3]	53		
PBIT	**3,609**	**(986)**	**2,623**	**4,818**	**(2,117)**	**2,701**	**(25.1)**	**(2.9)**

1. Gain on disposal of Chubb Singapore in FY2025; Fair value gain on MES loan in FY2024.
2. Gain on disposal of Ferrari operations in Australia , Hyster operations in New Zealand and property in Thailand in FY2025; Impairments and provision in FY2024.
3. Gain on disposal of RSDH.

PBIT from continuing operations

Segmental PBIT: Financial year ended 30 June 2025



Weakening Motors earnings, supported by strong UMW profits – highlighting resilience in diversification.

Q4 FY2025 Results

Reported Profit: Quarter ended 30 June 2025

In RM Million	Q4 FY2025	Q4 FY2024	YoY %
Revenue	**17,758**	**18,793**	(5.5)
PBIT	**1,155**	**578**	99.8
Finance income	25	37	
Finance costs	(135)	(217)	
Profit before tax	**1,046**	**398**	>100.0
Taxation	(216)	(253)	
Profit from continuing operations	**830**	**145**	>100.0
Non-controlling interests	(49)	(44)	
Perpetual Sukuk	(18)	(18)	
Net profit from continuing operations	**763**	**83**	>100.0
Net profit from discontinued operations[1]	**-**	6	
Net profit attributable to owners of the Company	**763**	89	>100.0

1. Relates to the UMW Komatsu Heavy Equipment ("UKHE") group.

Q4 FY2025 Results

Core Profit: Quarter ended 30 June 2025

In RM Million	Q4 FY2025	Q4 FY2024	YoY %
Reported PBIT from continuing operations	**1,155**	**578**	99.8
Adjustments			
• Gain on disposal of Malaysian Vision Valley ("MVV") & others	(461)	194	
Core PBIT from continuing operations	**694**	**772**	(10.1)
Net finance costs	(109)	(180)	
Taxation[1]	(184)	(140)	
Non-controlling interests	(49)	(58)[2]	
Perpetual Sukuk	(18)	(18)	
Core Net Profit from continuing operations	**334**	**376**	(11.2)
Core Net Profit from discontinued operations	-	6	
Core Net Profit	**334**	**382**	(12.6)

1. Adjusted for tax effects of one off items and one-off tax adjustments of RM32m for Q4FY2025 and RM113m for Q4FY2024.
2. Adjusted for NCI portion for the one-off items of RM14m in Q4FY2024.

Q4 FY2025 Results

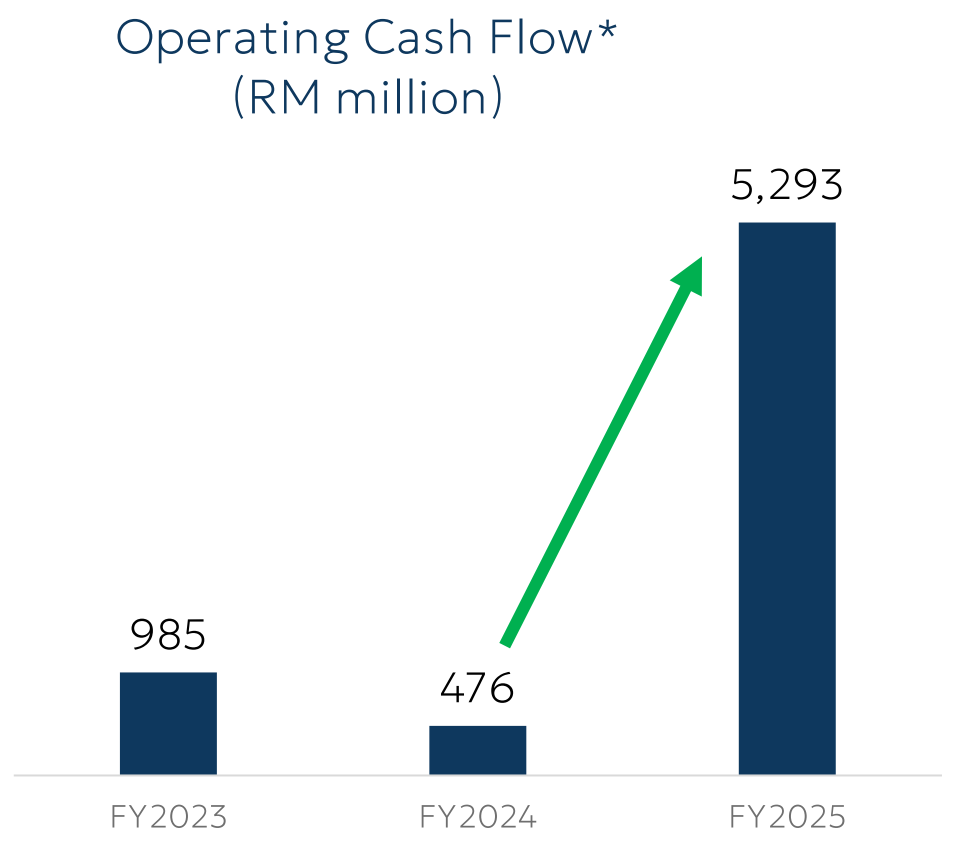
Segmental PBIT: Quarter ended 30 June 2025

In RM Million	Q4 FY2025			Q4 FY2024			Reported PBIT YoY %	Core PBIT YoY %
	Reported PBIT	Adjustments	Core PBIT	Reported PBIT	Adjustments	Core PBIT		
Continuing operations								
Industrial	425	-	425	399	(15)[2]	384	6.5	10.7
Motors	9	(19)[1]	(10)	9	229[3]	238	-	<(100)
UMW	279	-	279	171	-	171	63.2	63.2
Others	18	-	18	5	-	5		
Corporate	(18)	-	(18)	(26)	-	(26)		
Gain on disposal of MVV Land	443	(443)	-	-	-	-		
Forex on net investments	(1)	1	-	20	(20)	-		
PBIT from continuing operations	**1,155**	**(461)**	**694**	**578**	**194**	**772**	**99.8**	**(10.1)**
PBIT from discontinued operations	-	-	-	14	-	14		
PBIT	**1,155**	**(461)**	**694**	**592**	**194**	**786**	**95.1**	**(11.7)**

1. Relates to gain on disposal of property in Thailand and adjustment to the Hyster NZ disposal gain.
2. Fair value gain on MES loan.
3. Impairments and provisions.

Significant increase in Operating Cash Flow

Working capital improvements and cost optimisation deliver significant uplift



Operating Cash Flow

Significant increase from RM476m to RM5,293m.
Improvement in working capital management.

Cost optimisation

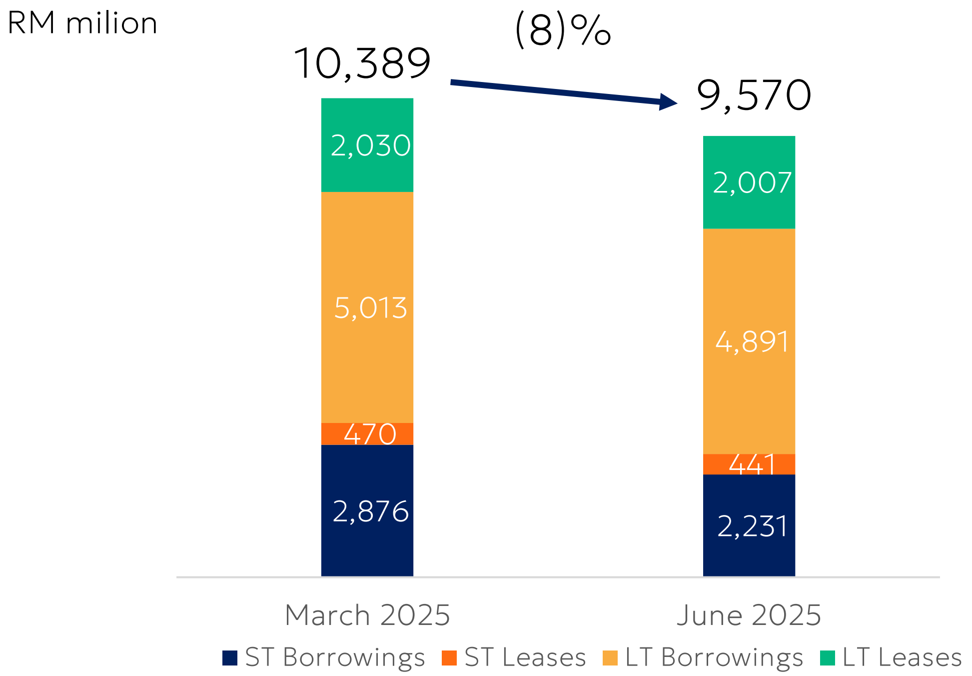
Strong operating cash flow has been achieved through disciplined cost and inventory optimisation efforts across Divisions.

*Total, including discontinued operations

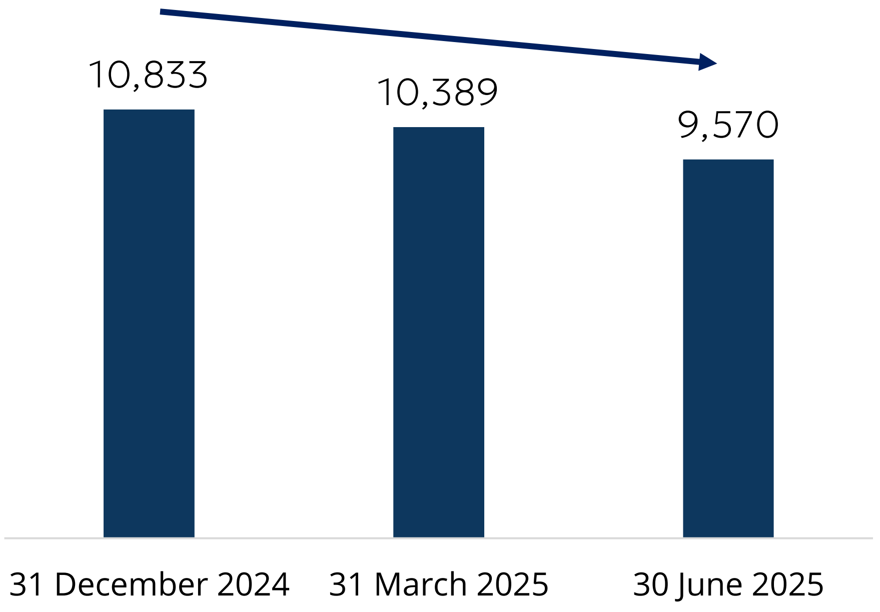
Balance Sheet Position

Snapshot of borrowings as at 30 June 2025

Long Term vs Short Term Debt



Total Debt



RM23.3bn
Total Equity

0.41x
Debt/Equity Ratio

(Q4 FY2024 – 0.57x)

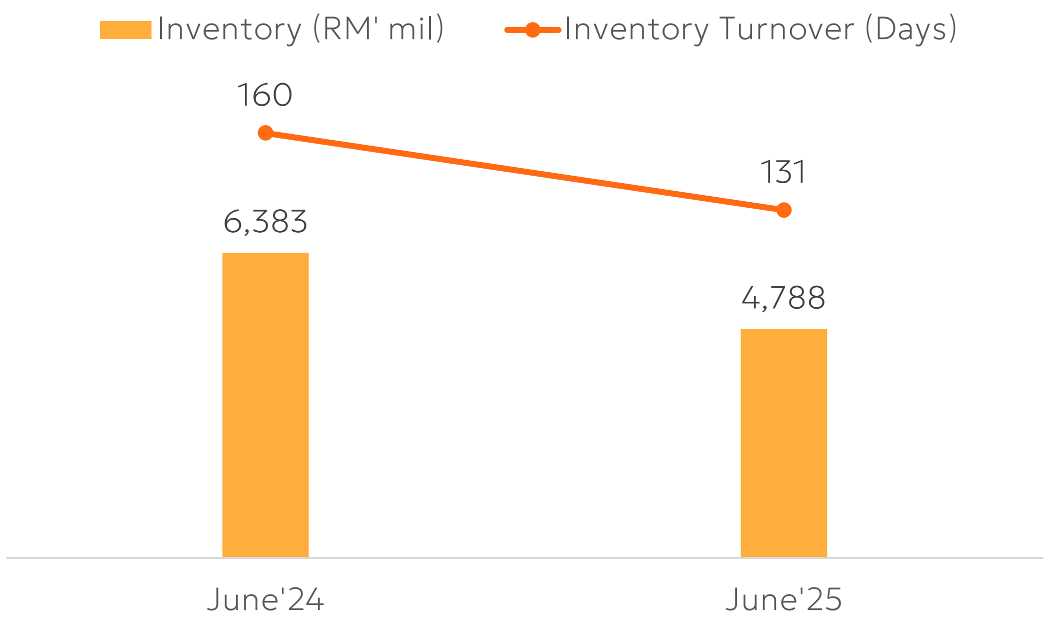
RM3.0bn
Bank balances, deposits and cash

0.28x
Net Gearing

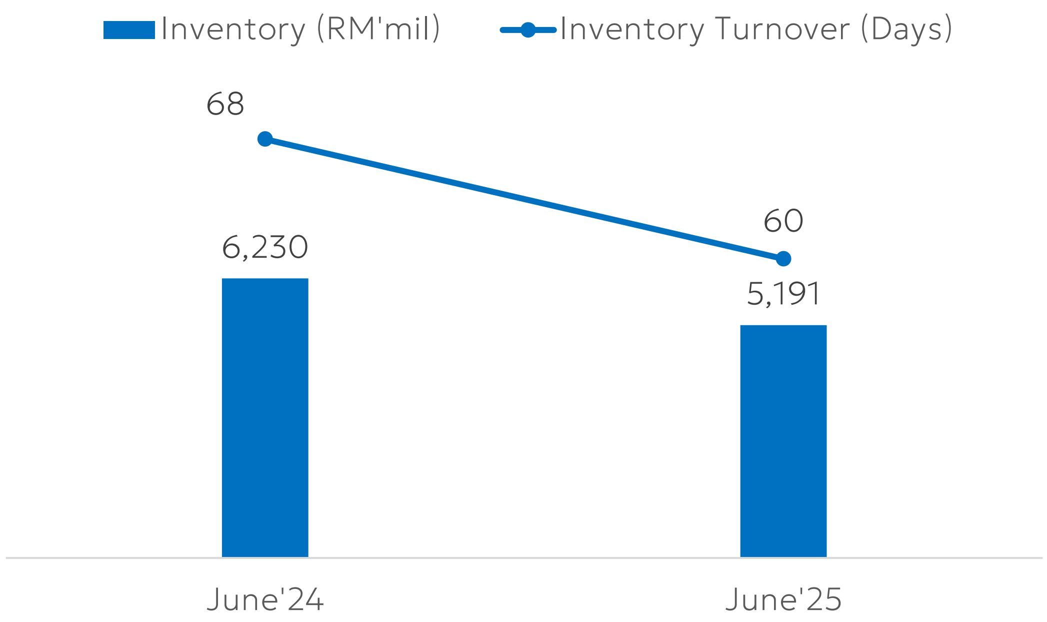
Inventory Optimisation

We have been on a disciplined programme to optimise our inventory management to free up cash

Industrial
Inventory optimisation

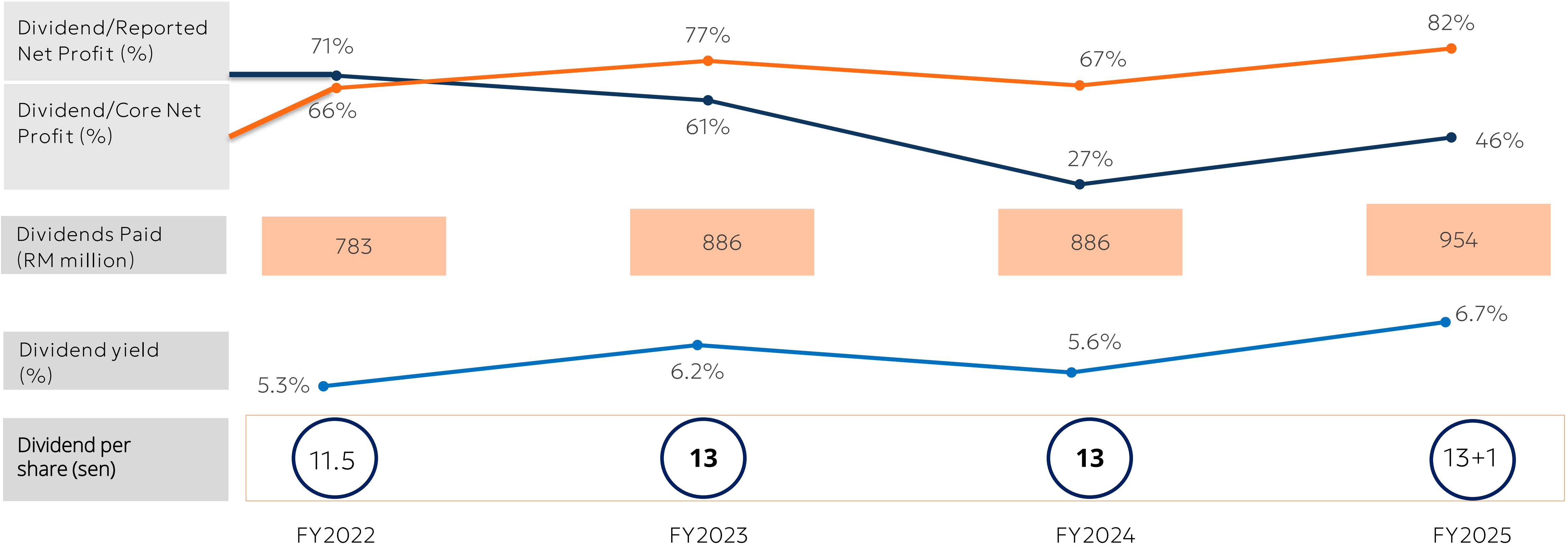


Motors
Inventory optimisation



Dividend – 14 sen for FY2025

We continuously pay out sustainable dividends of more than 60%



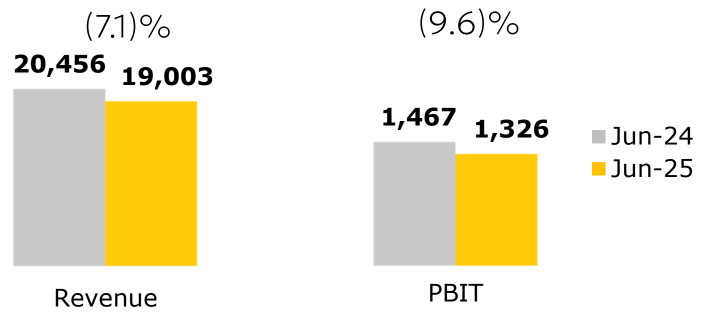
Group Dividend Policy

1	Maintain our Dividend Payout Ratio of at least 50% of Profits.
2	Explore special dividends after every non-core asset disposals.

Industrial Division

Industrial Division

Solid performance despite AUD/RM devaluation and short-term after-sales margin impact.
Improved working capital management driving higher ROIC.



In RM Million	FY2024	FY2025
Australasia	15,824	14,127
China	2,506	2,722
Malaysia	1,208	1,267
Singapore & Others	918	887
Total Revenue	**20,456**	**19,003**
Australasia	1,260	1,077
China	65	43
Malaysia	59	106
Singapore & Others	68	82
Total Core PBIT	1,452	1,308
MES loan fair value gain	15	-
Gain on disposal of Chubb SG	-	18
Total PBIT	1,467	1,326
PBIT margin	7.2%	7.0%
Core PBIT Margin	7.1%	6.9%
Core ROIC	9.5%	10.0%

Australasia

- Reported PBIT impacted by weaker AUD/MYR exchange rate (7% devaluation).
- Continued focus on operational efficiencies through process improvement initiatives, coupled with digital/AI enablement, has seen a year-on-year reduction in manpower costs.
- Unit-rate parts sales ahead of FY24 but was affected by price reductions. Normalisation of parts margin back to long-term average has occurred. Margins improved during June and will continue for FY2026. Caterpillar has increased parts price in July 2025.
- Acquisitions: Both Onsite Rental and Cavpower are meeting business-case expectations.

China

- Revenue recovered; however, margins declined due to continued competitive pressure in the construction sector. Operational improvement initiatives are underway to ensure appropriate base costs and thus enhance profitability.

Malaysia

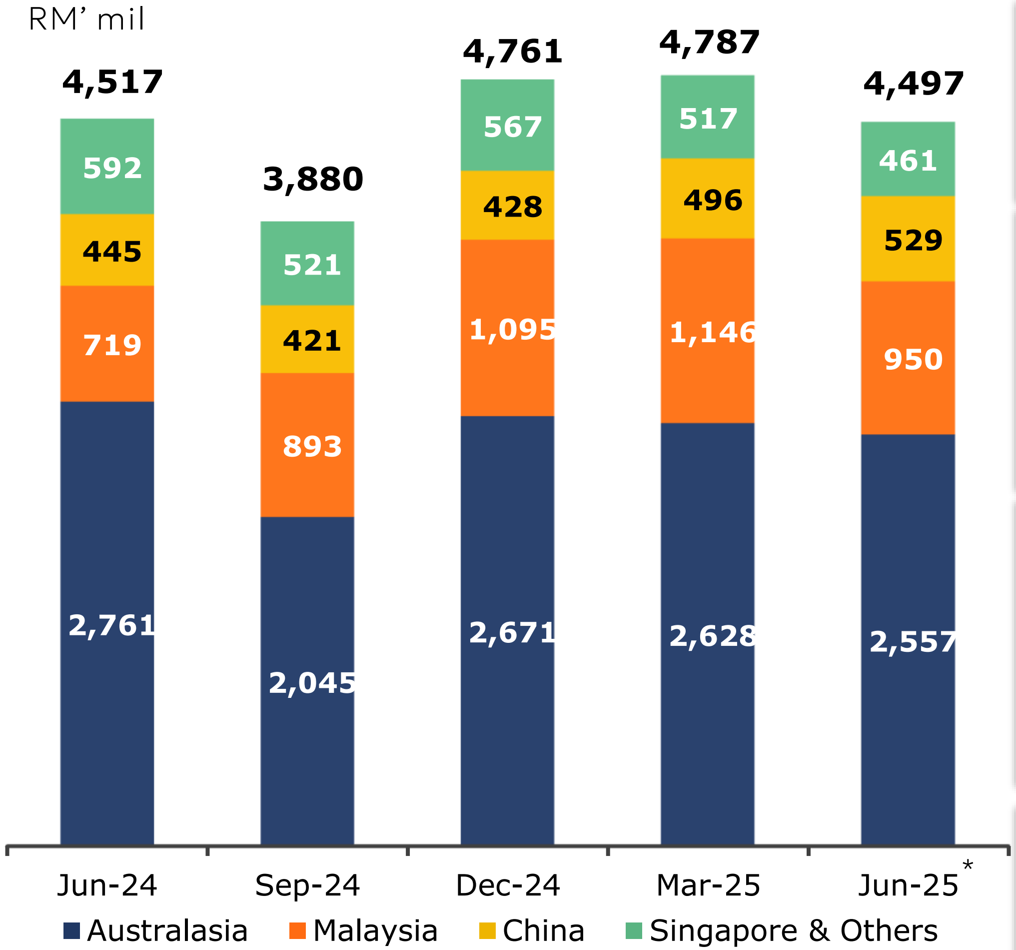
- Increased profitability driven by higher parts sales and data-centre stand-by generator deliveries.
- Demand outlook supported by industrial and infrastructure sectors growth.

Singapore & Others

- PBIT strengthened with growth in high-margin product support revenue and data-centre stand-by generator deliveries.

Industrial Division – Equipment Order Book

Strong delivery of mining equipment and power systems for data centres in 4QFY2025. Equipment order book remains strong.



*as at August 2025

AUSTRALASIA

- Strong delivery of new equipment across both mining and construction sectors.
- Mining export volumes for key commodities are expected to remain strong, driven by global demand for critical minerals amid energy transition.

MALAYSIA

- Strong delivery of power systems, particularly for data centre projects.
- Industrial and infrastructure growth driving demand for heavy machinery and power generation solutions.
- Solid pipeline of projects across data centre, marine, biogas, and oil & gas sectors.

CHINA

- Power systems demand, particularly for marine and data centre applications, expected to support performance.
- Mining outlook strengthened by the successful launch and delivery of new excavators.
- Construction sector remains challenging.

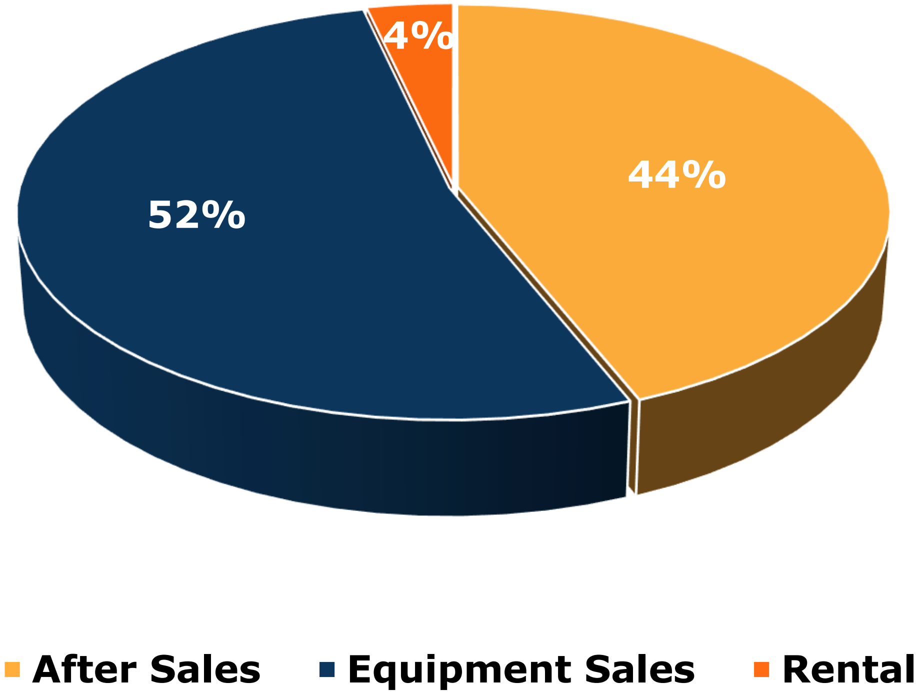
SINGAPORE

- Power systems demand remains strong, led by marine, oil & gas, and data centre sectors.
- Construction activities are increasing, with higher equipment enquiries.

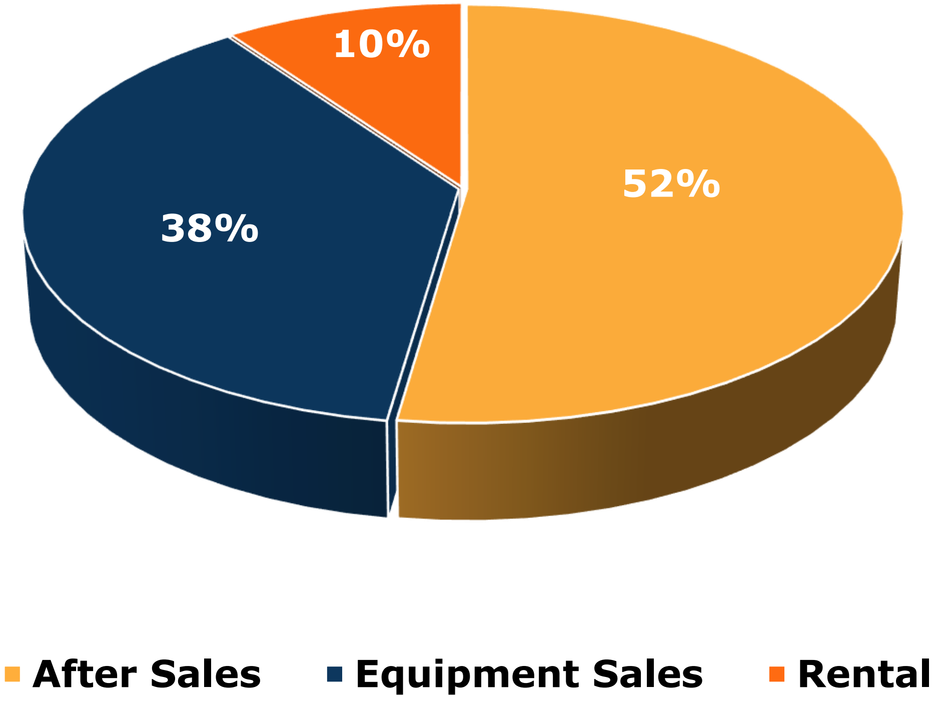
Industrial Product Mix

Strategic plan to increase after-market and rental market shares has delivered a rebalancing of our product mix to higher-margin annuity revenue streams

FY21 Revenue
RM16 billion



FY25 Revenue
RM19 billion



Mining in Australia Outlook

Mining volumes for key commodities are expected to remain robust in the medium term, with major mining companies investing heavily to meet growing global demand

Iron Ore exports to reach over 900 Mt in 2025

Met Coal production set to grow by 20 Mt annually by 2028

Copper exports to increase by 27% by 2030

Investments to capture critical mineral demand

BHP

- **BHP is expanding copper operations in South Australia**, targeting to triple production to 1 Mt annually by the mid-2030s.
- Plans include developing the new Oak Dam mine and increasing production at existing mine sites.

Rio Tinto

- **Rio Tinto has opened its A$2bn Western Range iron ore mine in the Pilbara,** adding up to 25 Mtpa and sustaining the Paraburdoo hub for up to 20 years.
- Plans to invest over A$13bn in the Pilbara between 2025 and 2027.

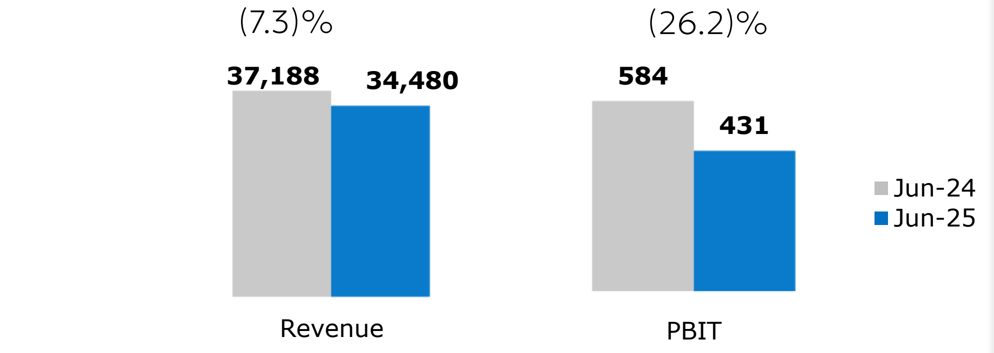
are being made in our key regions

Source: Department of Industry - REQ March 2025

Motors Division

Motors Division

Lower profitability in Malaysia and Australasia; improved contribution from Singapore



In RM Million	FY2024	FY2025
Malaysia	8,809	7,499
China, HK, Macau, Taiwan	15,064	12,473
Australasia	6,240	4,880
Singapore & Others	7,075	9,628
Total Revenue	**37,188**	**34,480**
Malaysia	613	293
China, HK, Macau, Taiwan	(123)	(140)
Australasia	183	56
Singapore & Others	140	154
Total Core PBIT	**813**	**363**
Impairment and provisions	(229)	-
Gain on disposals	-	68
Total PBIT	**584**	**431**
PBIT margin	**1.6%**	**1.3%**
Core PBIT Margin	**2.2%**	**1.1%**
Core ROIC	**7.6%**	**4.0%**

Malaysia

- Lower sales, margins and units assembled adversely impacted profitability.
- Absence of dividend income (FY2024: RM142m).

China, Hong Kong, Macau, Taiwan

- China – Continued challenging business conditions and high discounting. Losses have reduced as a result of our action plans (network and manpower rationalisation). Principal to provide additional subsidy.
- Hong Kong registered a loss of RM25m (FY2024: RM50m profit) as the government reduced rebates for new EVs by 40% in April 2024.

Australasia

- New Zealand – Lower commercial vehicle revenue and profit due to the weak economy.
- Australia – Temporary slowdown in the automotive industry.

Singapore

- Sime Motors' market share increased to 30% in 1H2025.
- BYD is the No 1 overall and BMW is the No 1 in premium.

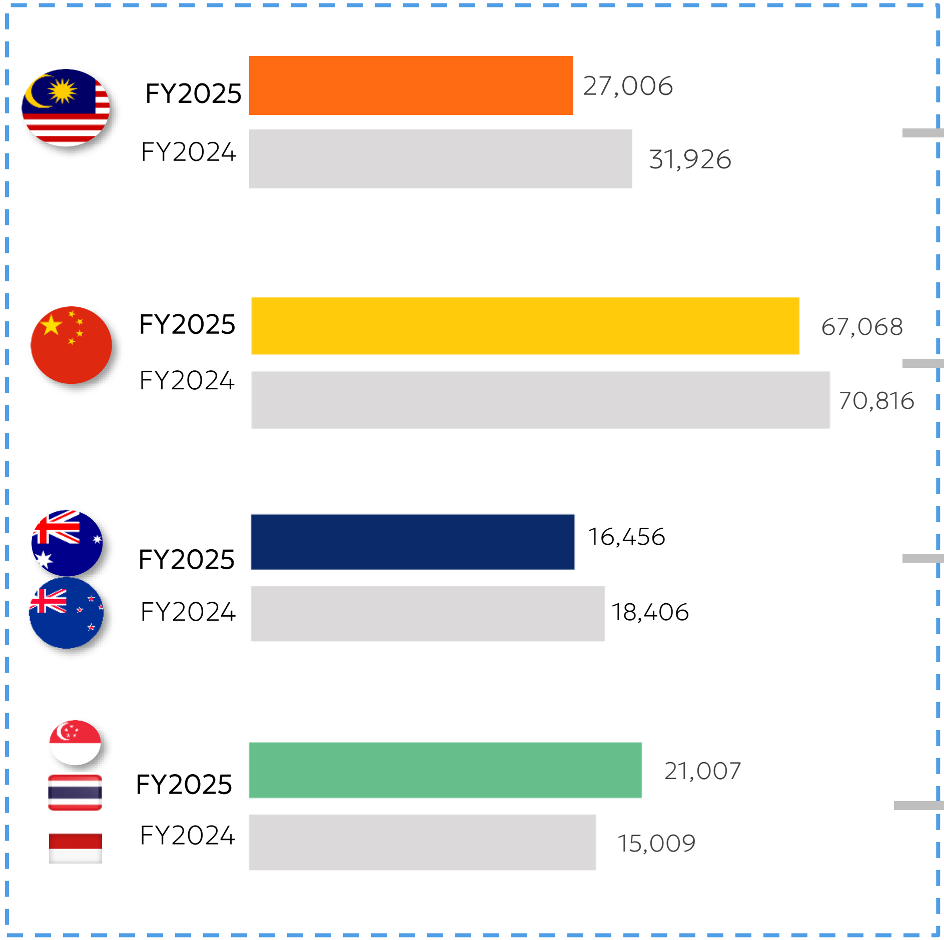
Motors Division

Strong vehicle sales in Singapore, lower sales in other markets

131,537
Units Sold
(FY2024: 136,157)

30,114
Units Assembled
(FY2024: 52,482)

Units sold by region



MALAYSIA

- Vehicle sales is expected to contract after reaching a record high in 2024. For 1H2025, the total industry volume (TIV) declined by 4.6%.

CHINESE MAINLAND

- TIV grew by 11.4% for 1H2025 with registration of 15.6m vehicles. (www.marklines.com)
- The ongoing challenges, including intense competition and heavy discounting, could weigh on the automotive market.
- The rise in China OEMs is also having a marginal impact on the premium segment.

AUSTRALASIA

- Growth in new vehicle sales In Australia was impacted by a slowing economy and inflationary pressures. TIV for 1H2025 declined by 3.7%.
- In New Zealand, growth in new vehicle sales is picking up and TIV registered a growth of 11.1% for 1H2025, albeit from a low base.

SINGAPORE

- New vehicle sales is growing in Singapore on the back of an increase in COE quotas and a switch to EVs.
- TIV surged by 29% in 1H2025.

China Central Government has stepped in to regulate irrational price competition

May lead to reduction in capacity, lesser discounting and improved margins

…pledged to regulate "disorderly" price competition. It refers to efforts to root out China's industrial malaise, marked by cut-throat price wars and overcapacity that have hurt profitability in sectors ranging from solar, new energy vehicles to steel.

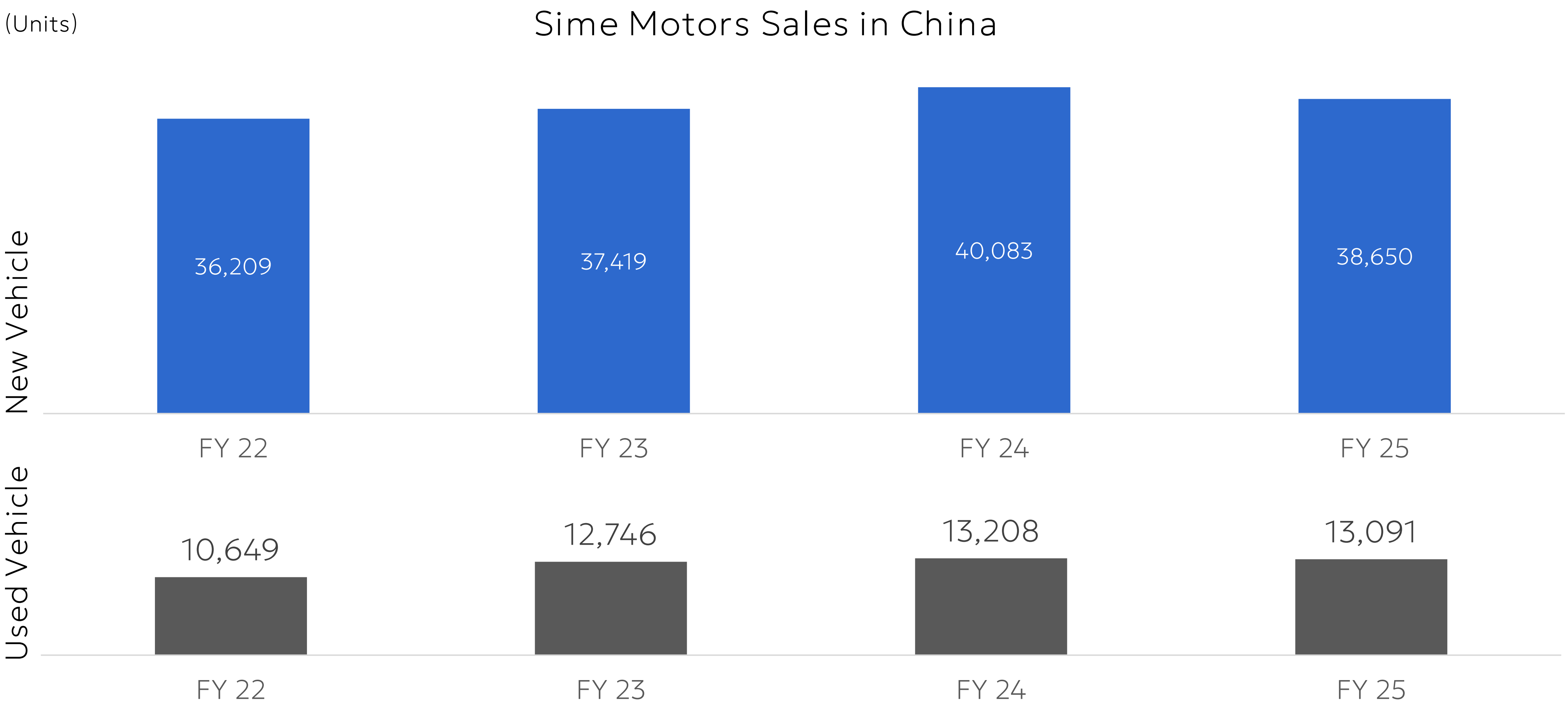
Description of policy:

1. Firms will be **prohibited from selling below cost** to drive out competitors.
2. Firms **persuaded to reduce capacity** and **consumers to accept higher prices**.

China's anti-involution campaign signals a clear shift in industrial policy towards profitability, scale and innovation over unchecked competition.

Mainland China - unit sales

Vehicle sales is holding up despite intense competition from China OEMs

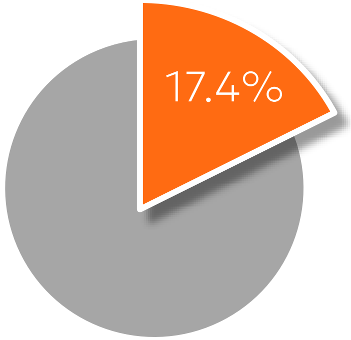


BMW remains resilient in Mainland China and expected to flourish with Neue Klasse in 2026

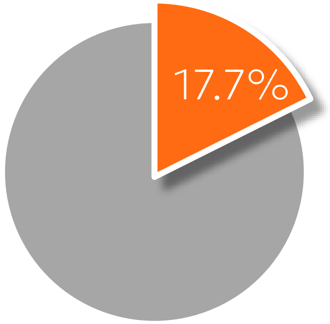
1 BMW resilient within Top 3 in premium/luxury sector

[MSRP > RMB350k]
RM206k

BMW Share 2023



BMW Share 1H FY25



BMW China sales peaked in 2023

Source: China New Passenger Car Insurance Registration

2 BMW continues investment in China

China Investment
>RMB100Bn*
RM59Bn

Figures are: *BMW sales network 2024; [1] BMW has invested in Shenyang production base more than 100bn RMB since 2010

- a. China is BMW's largest market (30% of sales)
- b. Employs 27k people in Shenyang Plant

3 BMW's response in China with concrete strategies

- a. **Product Strategy** Neue Klasse with local tech
- b. **Price Repositioning** to enhance competitiveness
- c. **Dealer Consolidation** Boosting Sime's share
- D. **Additional Dealer Subsidy**

China Motors – Our Action Plans

Strategic network consolidation & cost optimisation for business recovery

1 Cost Optimisation

- We are optimising our overheads and headcount.
- Lease rental reduced.

2 Support From Principals

- Principals are providing support & rebates.

3 Outlet Consolidation

- We have closed 15 non-BMW outlets across 8 brands.
- Outlets consolidation & optimisation efforts will continue in FY2026.

Motors Division

Exciting new and upcoming models

The All-New Ford Ranger WildTrak
Malaysia

BMW X3M50
China

The New BYD Seal
Malaysia

XPeng G6 (facelift)
Hong Kong

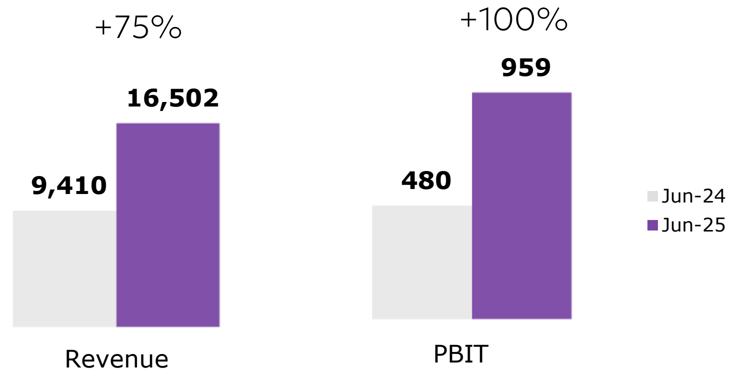
BMW New LCI iX
Hong Kong

BMW New LCI i4
Hong Kong

UMW Division

UMW Division

Continued strong performance from the automotive business



In RM Million	FY2024*	FY2025
Automotive	8,182	14,051
Equipment (continuing)	560	984
Manufacturing & Engineering	619	1,319
Others	49	148
Total Revenue	9,410	16,502
Automotive	469	990
Equipment (continuing)	52	83
Manufacturing & Engineering	48	(31)
Others	(89)	(83)
Total PBIT	480	959
PBIT margin	5.1%	5.8%
ROIC	9.6%**	9.4%

Automotive

- Profits were driven by the robust performance of both UMW Toyota and Perodua, amid a moderating TIV outlook.
- Strong sales momentum from UMW Toyota, sustaining sales above the 100k mark, complemented by solid sales, particularly in the A-segment, from Perodua.
- Profits were further underpinned by improved operating margins from UMW Toyota.

Equipment

- Marginally lower revenue as a result of challenging operating environment, mitigated by ongoing focus on cost efficiency.

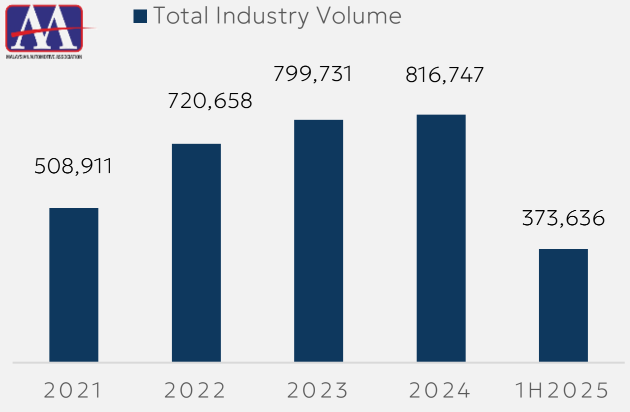
Manufacturing & Engineering

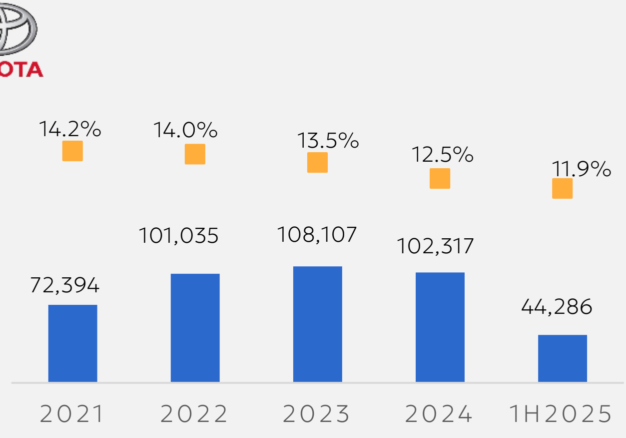
- Results included inventory adjustments in the lubricants business during the preceding quarters but lifted by a turnaround in performance in the current quarter.

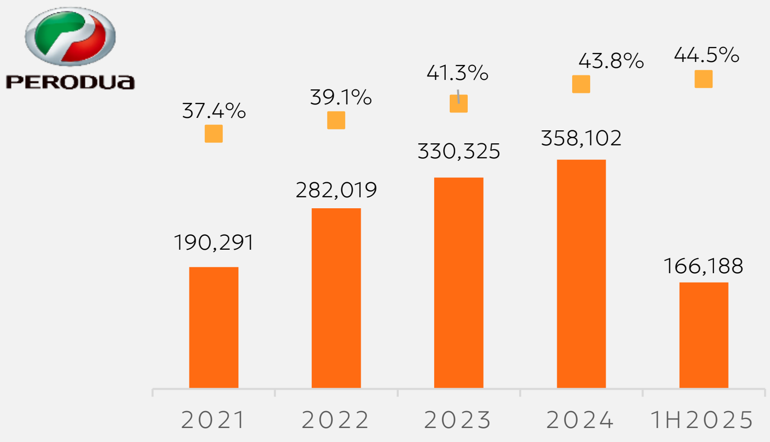
* UMW is consolidated from December 2023 onwards
** Annualised

UMW Division

Automotive sales remains resilient







Top 3 Toyota models


Toyota Vios


Toyota Hilux


Toyota Corolla Cross

Top 3 Perodua models

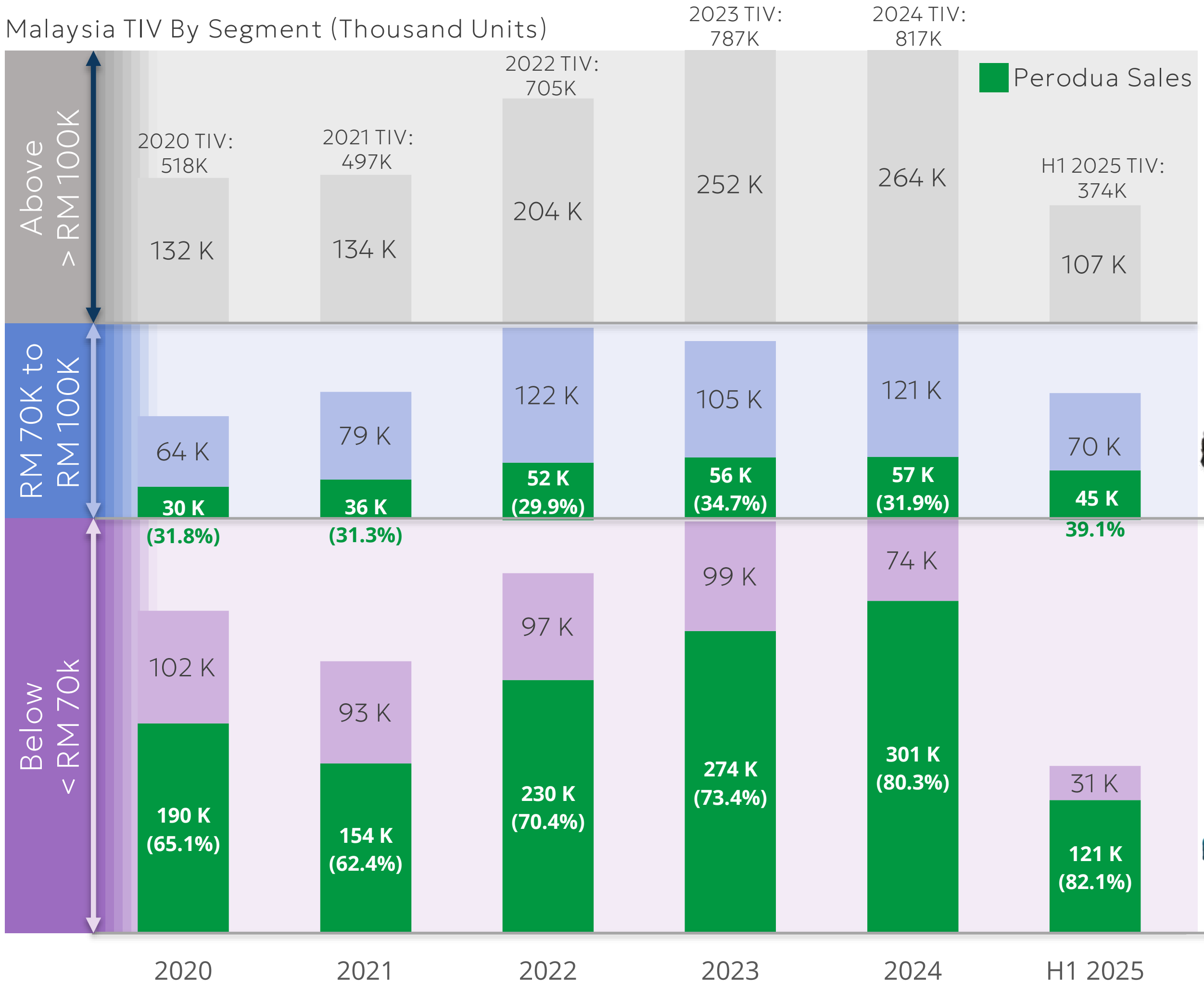

Perodua Bezza


Perodua Axia

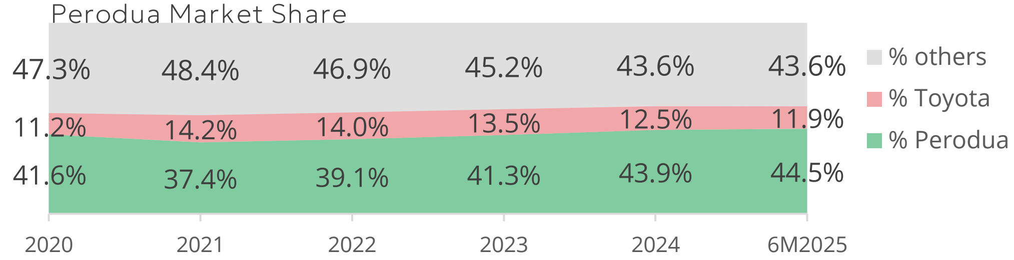

Perodua Myvi

Perodua Has A Strong Foundation In Malaysia

Perodua will drive strong earnings pipeline, underpinned by dominance in the largest segment (<RM70K) and RON95 tailwinds



1 Perodua's market share has been growing; At the same time TIV has also risen.



2 Perodua brand is reliable, using Daihatsu technology with good resale value.

3 Perodua faces little competition in the <RM70K price category.

4 Could benefit from lower RON95 pricing (RM1.99/litre) and targeted subsidy rationalisation.

Toyota remains resilient against Chinese brands

Holding up strongly due to its reliability, manufacturing capabilities and hybrid offerings

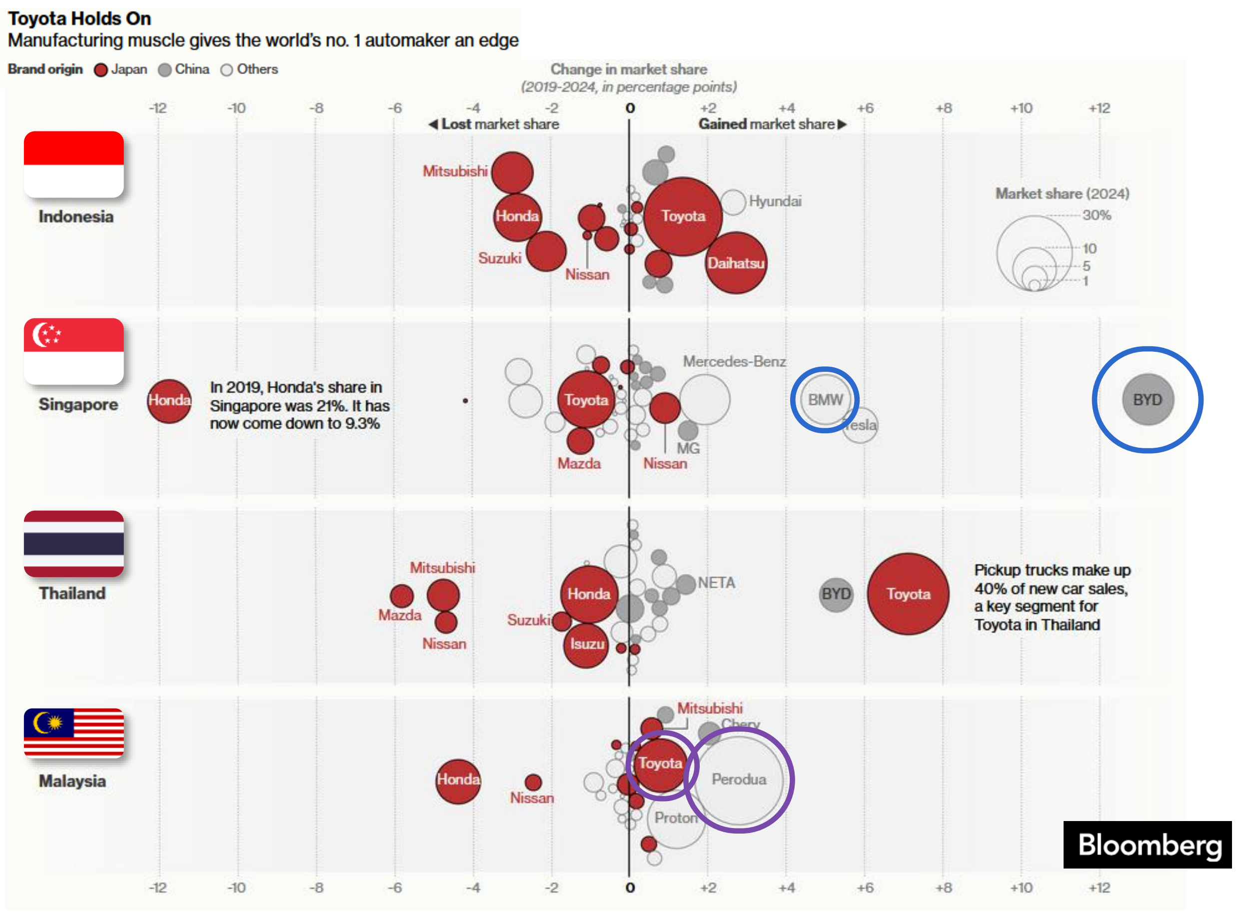
Key Takeaway: In Asean, Toyota is holding up its market share well against the Chinese competitors

1. The world's largest automotive company, Toyota consistently demonstrates resilience by selling over 10 million vehicles annually.

2. Toyota's multi-pathway strategy, which includes ICE, HEVs, BEVs, and hydrogen fuel cell vehicles (FCEVs), demonstrates flexibility in adapting to evolving market conditions and diverse consumer needs

3. The inventor of HEVs and sales is increasing supported by Toyota Corolla Cross, Camry and Innova Zenix. Could further benefit from the fuel subsidy rationalization.

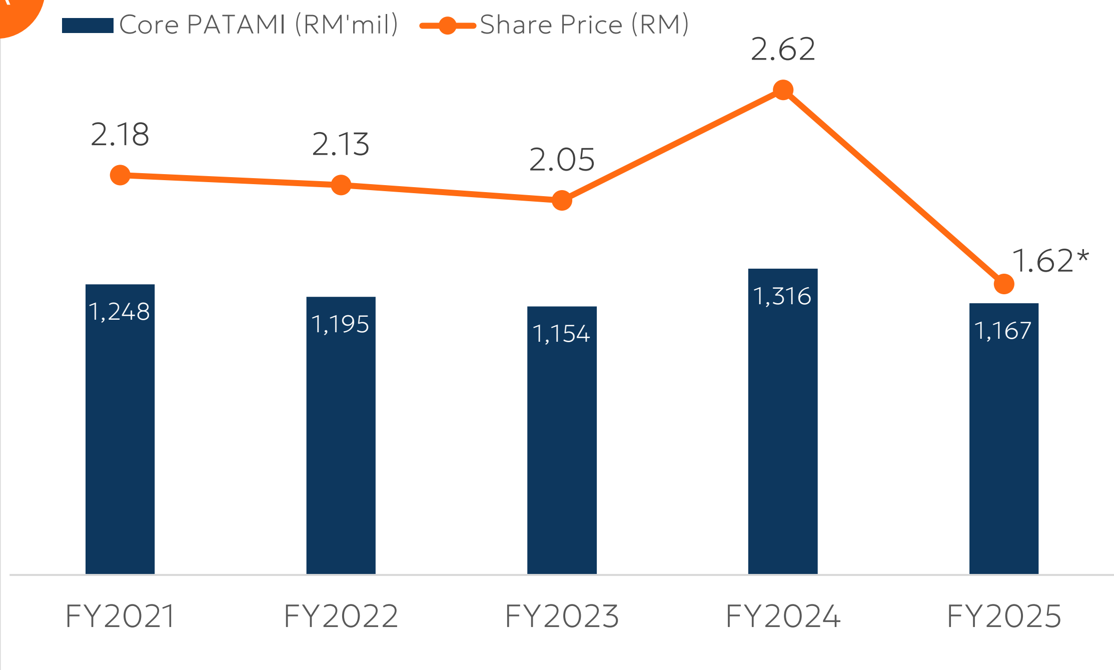
4. Strong brand reputation and recognition leading to higher customer retention and resale value.



Valuation

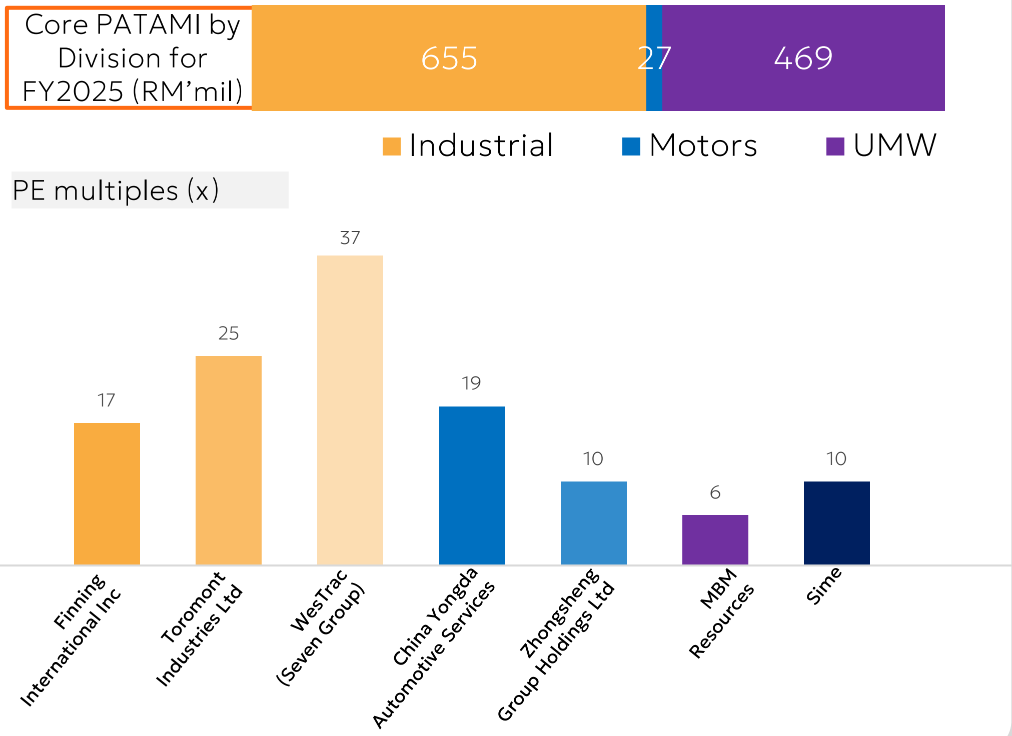
Core earnings remain resilient, share price declined sharply

A



* On 26 August 2025

B



Our share price is undervalued:

1. Fall in Motors earnings are more than made up by UMW profit.
2. 57% of the Group's Core PATAMI is contributed by the Industrial Division.
3. Our valuation multiples should be weighted more to Industrial and Perodua.

Thank You