Sime Darby Berhad

Analyst Briefing for the First Quarter Ended 30 September 2025

27 November 2025

Group Financial Results

Q1 FY2026 Results

Reported Profit: Quarter ended 30 September 2025

RM million	Q1 FY2026	Q1 FY2025	YoY %
Revenue	18,031	18,264	(1.3)
PBIT	686	1,214	(43.5)
Finance income	26	27	
Finance costs	(133)	(184)	
Profit before tax	579	1,057	(45.2)
Taxation	(130)	(180)	
Profit from continuing operations	449	877	(48.8)
Non-controlling interests	(77)	(65)	
Perpetual Sukuk	(17)	(17)	
Net profit from continuing operations	355	795	(55.3)
Net profit from discontinued operations	–	5[1]	
Net profit attributable to owners of the Company	355	800	(55.6)

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

Mainly due to the gain on disposal of MVV land

Q1 FY2026 Results

Core Net Profit: Quarter ended 30 September 2025

RM million	Q1 FY2026	Q1 FY2025	YoY %
Reported PBIT from continuing operations	**686**	**1,214**	(43.5)
Adjustments			
• Gain on disposal of MVV land, other disposals, forex	(21)	(494)	
Core PBIT from continuing operations	**665**	**720**	(7.6)
Net finance costs	(107)	(157)	
Taxation[1]	(129)	(127)	
Non-controlling interests	(77)	(65)	
Perpetual Sukuk	(17)	(17)	
Core Net Profit from continuing operations	**335**	**354**	(5.4)
Core Net Profit from discontinued operations	–	5	
Core Net Profit	**335**	**359**	(6.7)

1. Adjusted for tax effects of one off items of RM1m for Q1FY2026 and RM53m for Q1FY2025.

Q1 FY2026 Results

Segmental PBIT: Quarter ended 30 September 2025

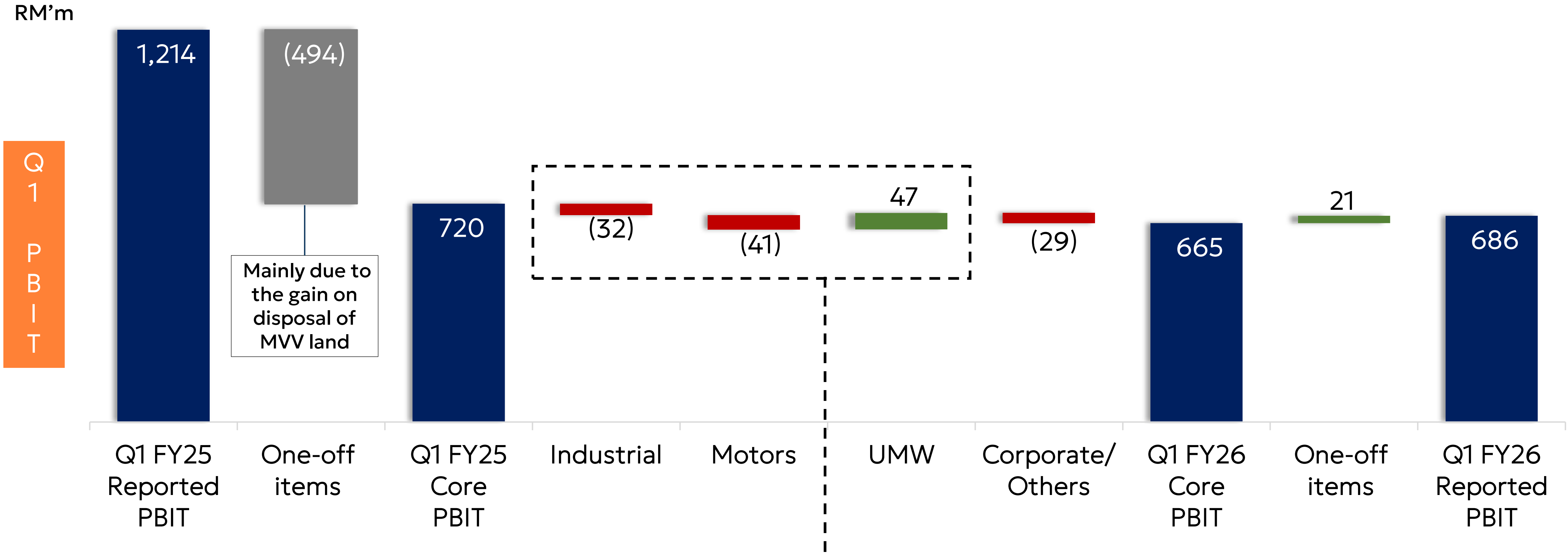
RM million	Q1 FY2026			Q1 FY2025			Reported PBIT YoY %	Core PBIT YoY %
	Reported PBIT	Adjustments	Core PBIT	Reported PBIT	Adjustments	Core PBIT		
<u>Continuing operations</u>								
Industrial	293	–	293	343	(18)[2]	325	(14.6)	(9.8)
Motors	126	–	126	190	(23)[3]	167	(33.7)	(24.6)
UMW	261	–	261	214	–	214	22.0	22.0
Others	30	(29)[1]	1	40	–	40		
Corporate	(16)	–	(16)	(26)	–	(26)		
Gain on disposal of MVV Land	–	–	–	458	(458)	–		
Forex on net investments	(8)	8	–	(5)	5	–		
PBIT from continuing operations	**686**	**(21)**	**665**	**1,214**	**(494)**	**720**	**(43.5)**	**(7.6)**
PBIT from discontinued operations	–	–	–	14	–	14		
PBIT	**686**	**(21)**	**665**	**1,228**	**(494)**	**734**	**(44.1)**	**(9.4)**

1. Gain on disposal of SD Lockton
2. Gain on disposal of Chubb Singapore
3. Gain on disposal of Ferrari operations in Australia

PBIT from continuing operations

Q1 Core PBIT from continuing operations was lower

Q1 FY2026 vs. Q1 FY2025

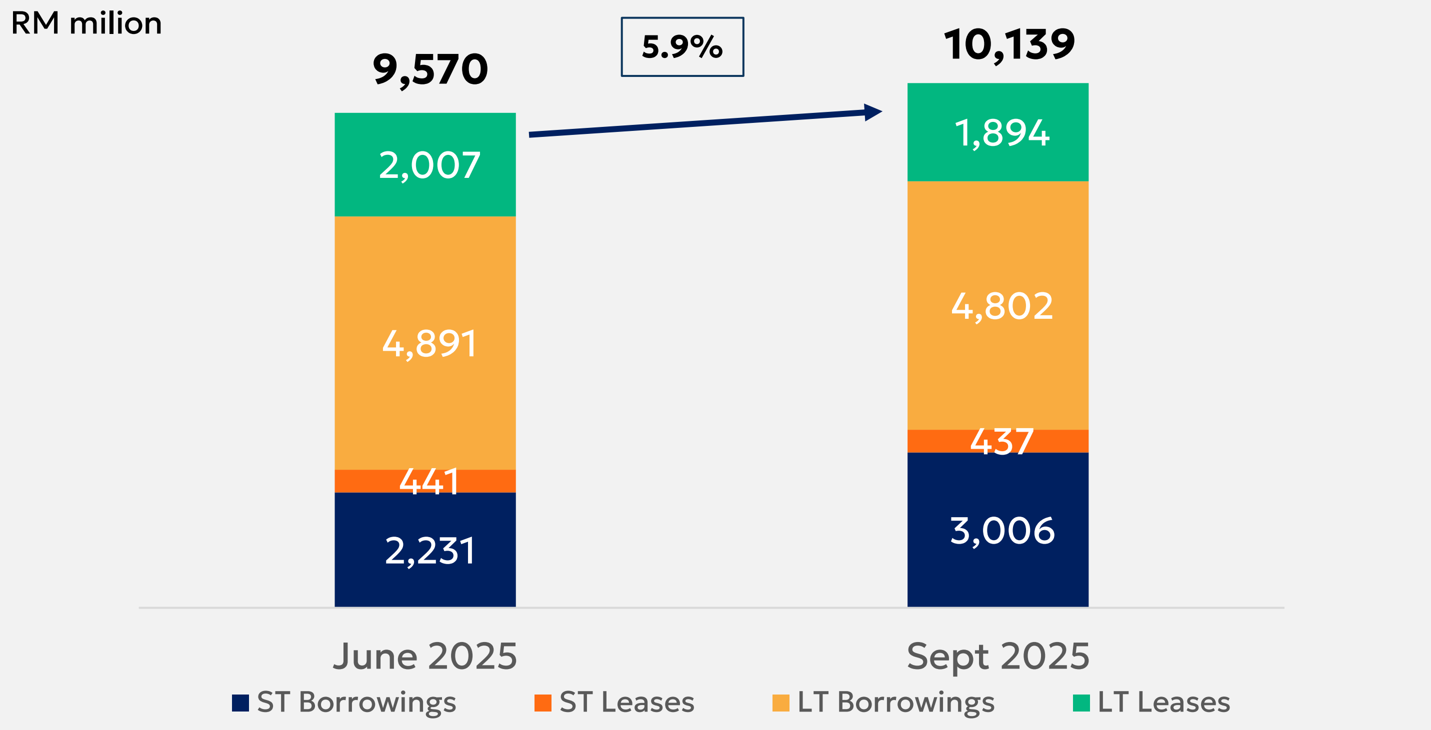


- **Industrial was impacted by timing of equipment delivery and weaker currency translation.**
- **Weakening Motors earnings, supported by strong UMW profits – highlighting resilience in diversification.**

Q1 FY2026 Results

Snapshot of borrowings position as at 30 September 2025

Long-Term vs Short-Term Debt



Short term borrowings escalated due to increase in working capital.

RM23.1bn
Total Equity

RM2.7bn
Bank balances, deposits and cash

0.44x
Debt/Equity Ratio

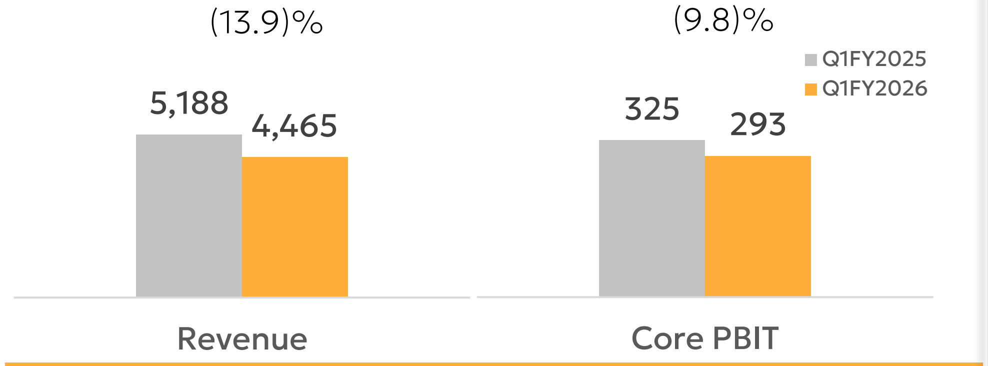
(Q1 FY2025 – 0.56x)

0.32x
Net Gearing

Industrial Division

Industrial Division

Lower PBIT due to timing of equipment delivery and weaker AUD/MYR; Q2FY2026 uplift expected from more equipment delivery realisation



RM million	Q1FY2025	Q1FY2026
Australasia	4,023	3,247
China	695	747
Malaysia	238	296
Singapore & Others	232	175
Total Revenue	5,188	4,465
Australasia	287	246
China	10	12
Malaysia	8	19
Singapore & Others	20	16
Total Core PBIT	325	293
Gain on disposal of Chubb SG	18	–
Total PBIT	343	293
PBIT margin	6.6%	6.6%
Core PBIT Margin	6.3%	6.6%
Annualised Core ROIC	9.5%	8.6%

Australasia

- Lower profit contribution due to large deliveries in Q1FY2025.
- Shift in delivery timings for mining and construction equipment from Q1FY2026 to Q2FY2026.
- Reported PBIT was impacted by a weaker AUD/MYR exchange rate (8% devaluation).
- Parts margins has stabilised to mid-term average.

China

- Higher engine deliveries partly offset lower contribution from new equipment sales.
- New equipment sales remains soft due to subdued infrastructure and real estate investments in southern provinces.

Malaysia

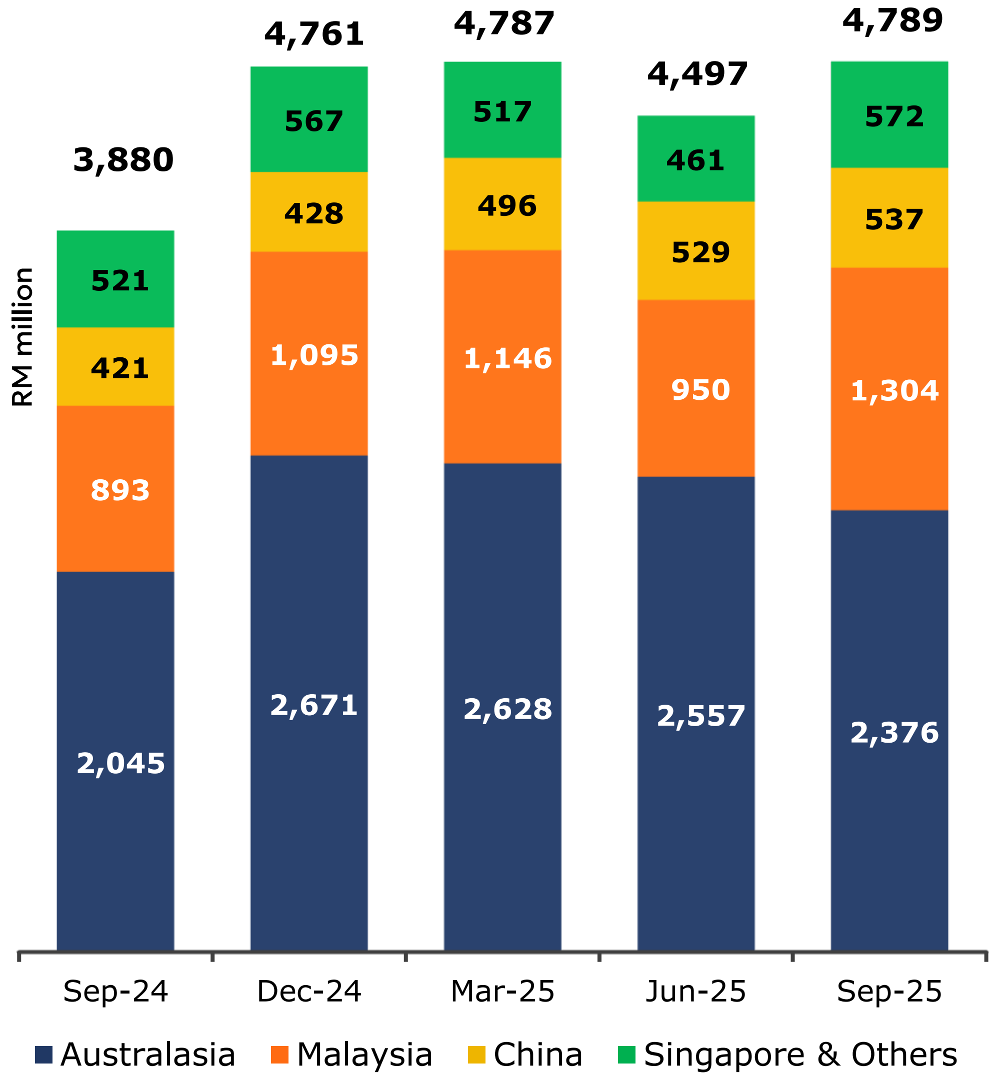
- Increased profitability from strong engine sales driven by data centre projects.

Singapore & Others

- Lower contribution from engine segment partially offset by higher parts sales.

Industrial Outlook

Order book remains strong with opportunities in mining equipment and power systems



AUSTRALASIA

- Continued demand for new equipment across mining and construction sectors.
- Australian mining export volumes for key commodities are expected to remain strong, supported by global demand for critical minerals for energy transition.

MALAYSIA

- Strong delivery of power systems, underpinned by robust pipeline of data centre projects currently under construction.
- Major infrastructure developments, particularly road projects, are driving demand for heavy machinery and power generation solutions.

CHINA

- Growing opportunities for power systems in marine, gas and data centre applications are expected to support performance.
- Expansion of development projects increasing demand for smaller machines, where our offerings face strong competition.

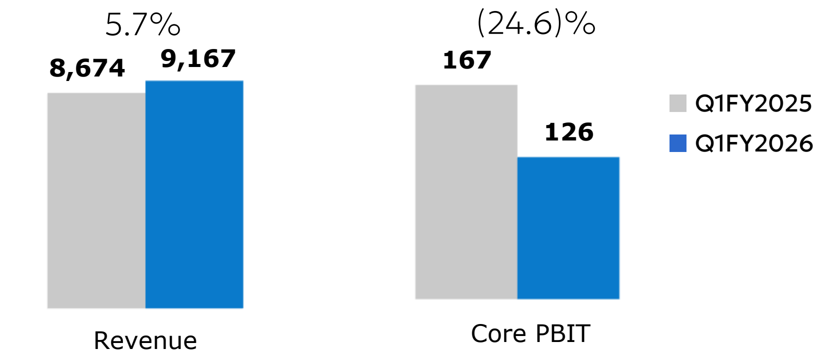
SINGAPORE

- Opportunities for power systems in marine, oil & gas, and data centre applications continue to drive performance.
- Construction activity is picking up, with rising inquiries for equipment.

Motors Division

Motors Division

Revenue increased but PBIT impacted by lower profits in Malaysia and Australasia



RM million	Q1FY2025	Q1FY2026
Malaysia	2,016	2,097
China	3,023	2,951
Australasia	1,399	1,169
Singapore & Others	2,236	2,950
Total Revenue	8,674	9,167
Malaysia	86	51
China	6	20
Australasia	28	6
Singapore & Others	47	49
Total Core PBIT	167	126
Gain on disposal of Ferrari operations	23	–
Total PBIT	190	126
PBIT margin	2.2%	1.4%
Core PBIT Margin	1.9%	1.4%
Annualised Core ROIC	6.5%	5.5%

Malaysia

- Revenue increased supported by higher vehicle sales.
- PBIT was impacted by reduced margins arising from intense competition, and lower profit from assembly operations.

China

- Hong Kong and Macau – higher margins.
- Taiwan – improved margins and favourable TWD/USD exchange rate.
- Mainland China – continued high discounting.

Australasia

- New Zealand – lower commercial vehicle revenue and profit.
- Australia – lower unit sales and margins.

Singapore & Others

- Singapore – higher revenue from electric vehicles sales.
- Thailand & Indonesia – margin pressure due to slower growth.

Motors Division

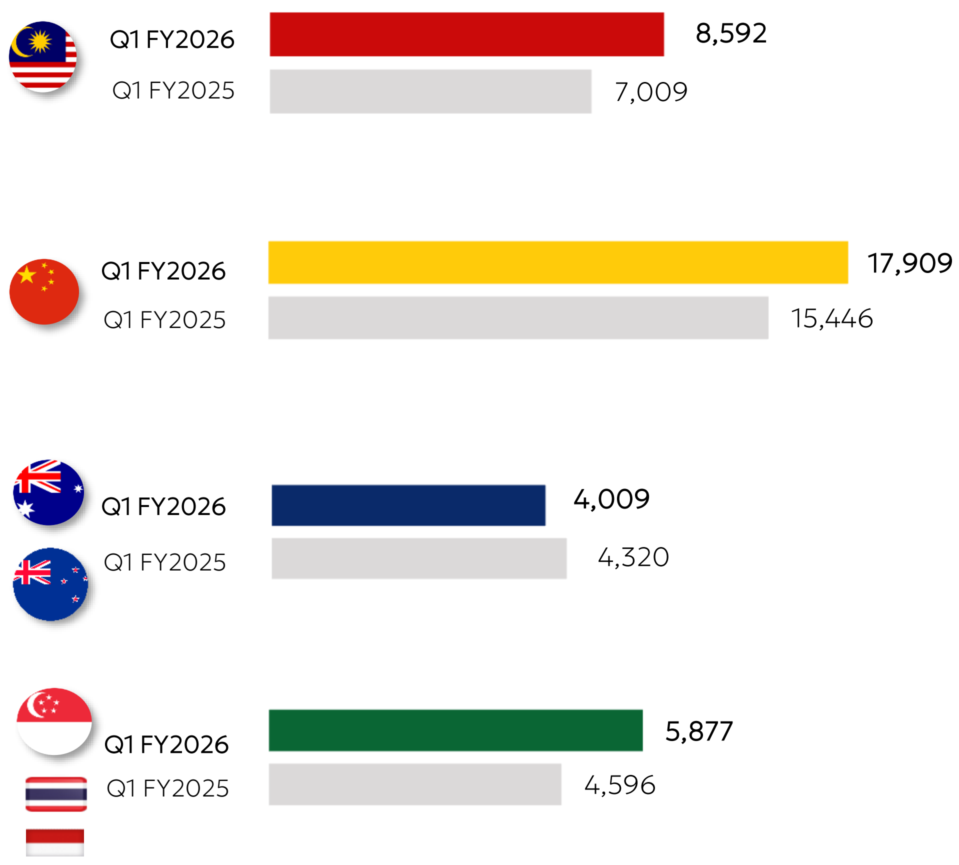
All markets registered higher vehicle sales, except Australasia

Units sold by region

36,387
Units Sold*
(Q1FY2025: 31,371)

10,431
Units Assembled
(Q1FY2025: 10,080)

* Includes cars sold on consignment



MALAYSIA

- Vehicle sales increased by 23%, driven by higher EV sales, additional EV brand and a new acquisition.
- Sales in 4Q25 is expected to remain resilient with year-end promotions. CBU EV sales expected to surge before the end of the tax exemptions by 31 December 2025.

CHINA

- Vehicle sales grew by 16%, despite continuing challenges.
- The automotive industry in Mainland China grew by 8% in 9M2025 with registration of 18.7m vehicles.
- The ongoing challenges, including intense competition and reduced NEV incentives, could weigh on the automotive market.

AUSTRALASIA

- Growth in new vehicle sales in Australia was impacted by weak private demand and inflationary pressures. TIV for 9M2025 declined by 1.4%.
- In New Zealand, growth in new vehicle sales is picking up and TIV registered a growth of 7.5% for 9M2025, 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 24% in 9M2025.
- BYD and BMW combined, held a 30% market share.

China Motors – Our Action Plans

Strategic network consolidation & cost optimisation for business recovery

1 Cost Optimisation

- We are optimising our overheads, and headcount has reduced by over 700 pax since FY2024.
- Lease rental reduced.

2 Support From Principals

- Principals are providing support & rebates.
- We received special rebates in Q1FY2026.

3 Outlet Consolidation

- We have closed 15 non-BMW outlets in FY2025.
- In Q1FY2026, we have closed another 3 outlets, under the smart brand.
- We plan to close another 3 to 4 outlets in the coming quarters.

Motors Division

Exciting new models

Malaysia

EV sales are expected to **surge** in Q42025 with the expiry of the tax exemptions for CBU EVs by December 2025.

BYD Atto 2

BYD Seal 6

BMW iX facelift

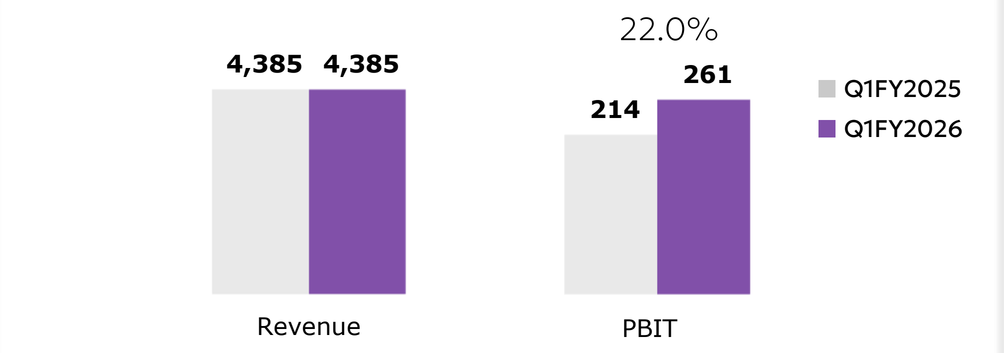
Ford Ranger Raptor Sport

- Unveiled the all-new iX3, its first model from the Neue Klasse range in September in Munich.
- Will be launched in China by summer 2026.

UMW Division

UMW Division

Strong start to FY2026 with 22% PBIT growth, led by robust automotive performance



RM million	Q1FY2025	Q1FY2026
Automotive	3,830	3,765
Equipment (continuing)	246	235
Manufacturing & Engineering	291	339
Others	18	46
Total Revenue	4,385	4,385
Automotive	232	267
Equipment (continuing)	15	15
Manufacturing & Engineering	2	11
Others	(35)	(32)
Total PBIT	214	261
PBIT margin	4.9%	6.0%
Annualised ROIC	8.8%	10.2%

Automotive

- Increased profitability driven by resilient sales momentum from UMW Toyota and continued market share gains by Perodua.
- PBIT margin improvement further supported by cost optimisation initiatives and the strengthening RM against USD.

Equipment

- Marginally lower revenue due to lower equipment sales as a result of challenging operating environment.
- PBIT maintained, supported by continued focus on cost efficiency.

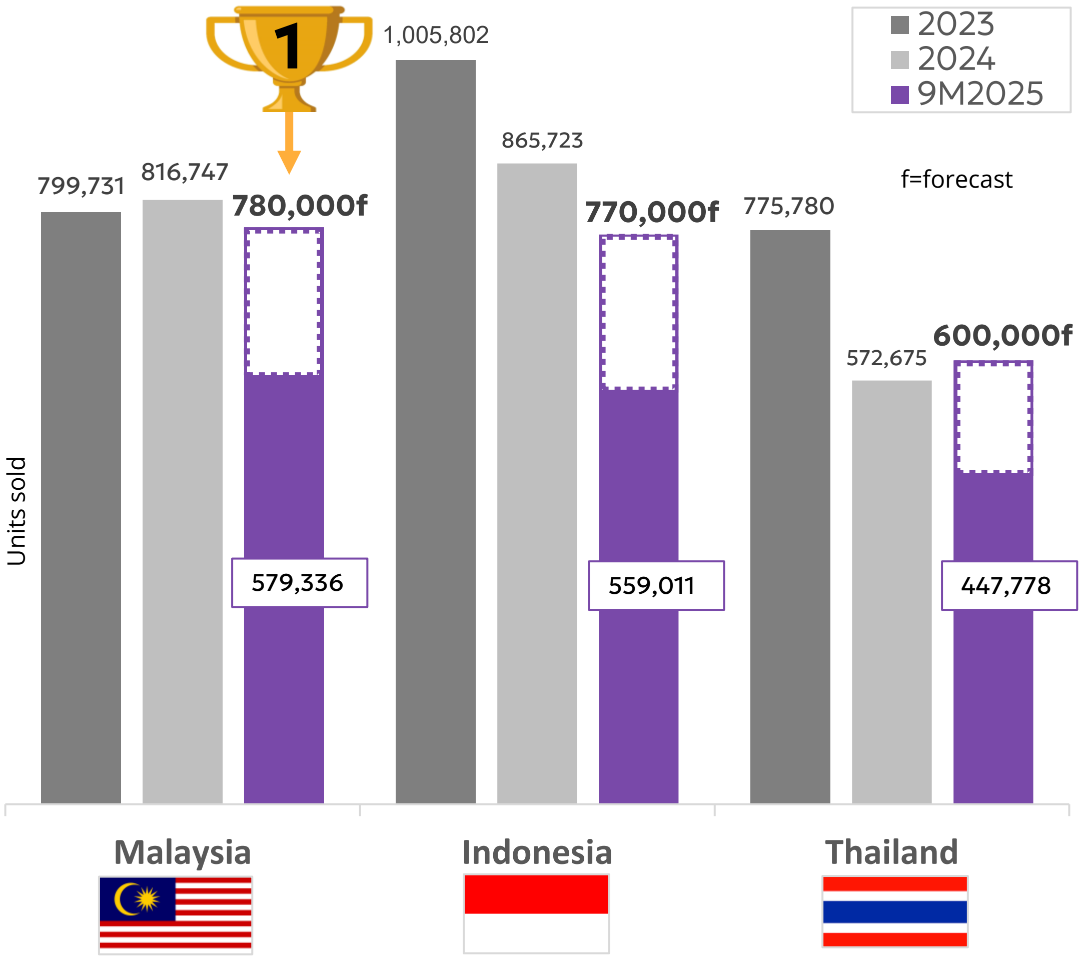
Manufacturing & Engineering

- Improvement mainly driven by the lubricant business.

UMW Division

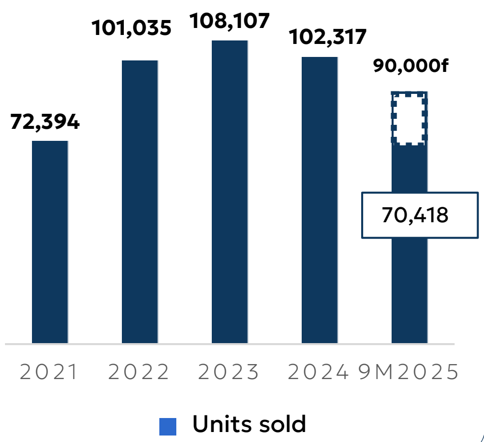
Malaysia is an important market in ASEAN, having overtaken Indonesia as the largest automotive market

The automotive industry is one of the most supported industries in Malaysia, propelling its remarkable growth.

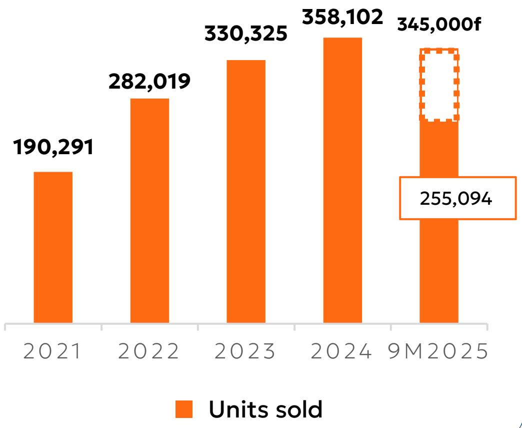


Source: MAA and Marklines

Toyota - No.1 non-national automotive brand



Perodua - No.1 in Malaysia, with a growing market share



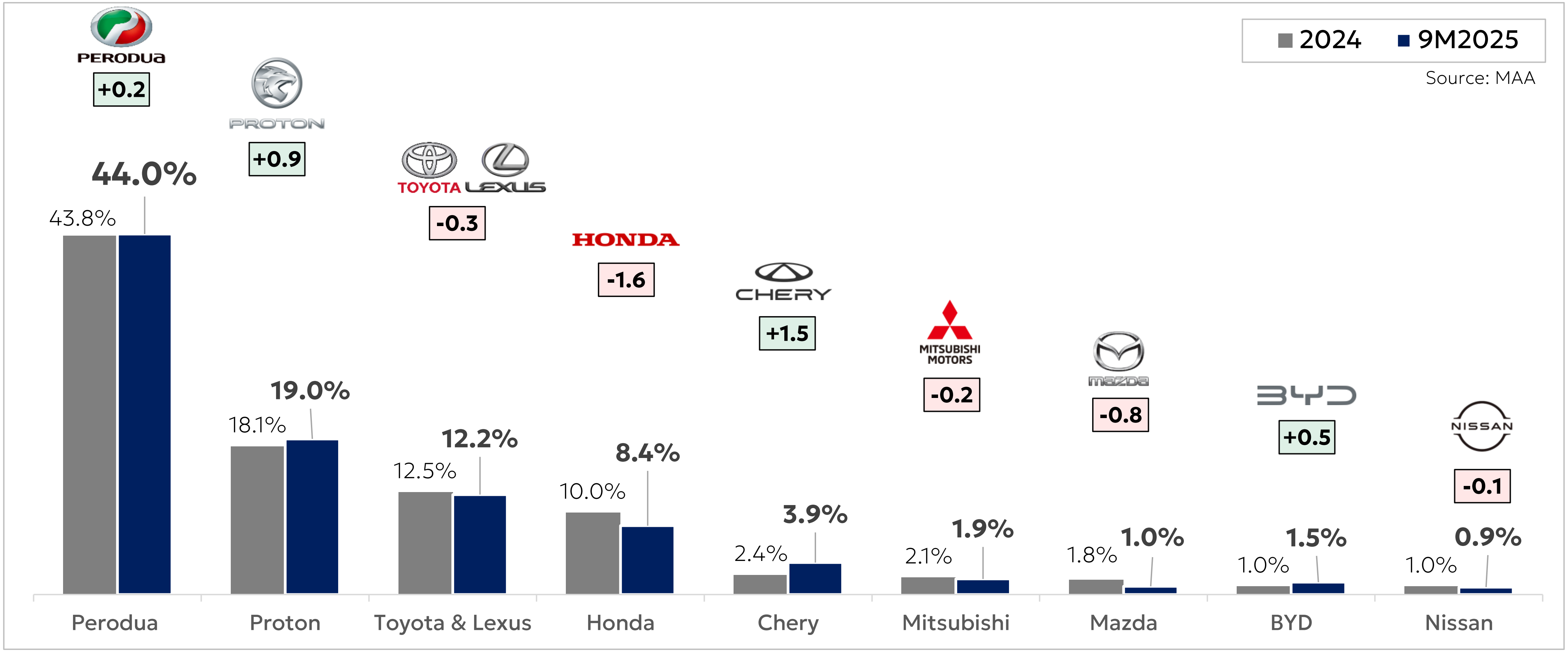
Sales in October 2025

Highest monthly sales for 2025

Toyota and Lexus	Perodua
9,141 units	**34,116 units**

UMW Division

Perodua has a solid foundation with growing market share, while Toyota is holding up well against the Chinese brands



UMW Division

Perodua driving Malaysia’s electric vehicle and digital mobility

1 Government signals support for Perodua’s strategic role

Prime Minister Datuk Seri Anwar Ibrahim visited Perodua’s manufacturing facility in Rawang on 11 November 2025.

“The launch of the fully Malaysian-made Perodua EV will be part of the National Agenda. The EV to be launched will be affordable, meet national needs, and contribute to the country's economy.”

2 Perodua’s first EV launch this quarter

- Estimated price of around RM80,000.
- Perodua’s first EV with **Battery-as-a-Service** (BaaS), the first battery leasing scheme in Malaysia.
- Perodua introduced digital lifestyle offerings through new platform P-Circle.

Malaysia Budget 2026

Incentives that could further drive sales of Toyota and Perodua in Malaysia

The price of RON95 petrol has been subsidised to RM1.99 a litre from 30 September 2025 for Malaysians. This could further drive demand for vehicles.

Grant for scrapping old vehicles: Owners scrapping a vehicle over 20 years old for a new national car purchase will receive a government matching grant of up to RM4,000.

100% excise duty and 100% sales tax exemption for **private rental car** and **taxi firms** to purchase new Proton or Perodua national cars.

Belanjawan 2026
MALAYSIA MADANI

Thank You