Sime Darby Berhad

Corporate Investor Day 2026

10 February 2026

Our Presence

Sime is a leading multinational company in Asia Pacific, built on strong partnerships with top automotive and industrial brands

TOTAL EMPLOYEES

29,000

18 COUNTRIES & TERRITORIES

- Australia
- Brunei
- Chinese Mainland
- Hong Kong SAR
- Indonesia
- Japan
- Macau SAR
- Malaysia
- Maldives
- New Caledonia
- New Zealand
- Papua New Guinea
- Singapore
- Solomon Islands
- South Korea
- Taiwan Region
- Thailand
- Vietnam

FY2025 RESULTS

REVENUE*	PATAMI	PBIT*	SHAREHOLDER'S EQUITY
RM70.1 billion	RM2.1 billion	RM3.6 billion	RM19.2 billion

** From continuing operations*

With operations across Asia Pacific, we continue to grow & deliver sustainable value to our stakeholders

CAT	BMW	PERODUA / TOYOTA	BYD	
Leading CAT dealer globally	Large BMW dealer worldwide	Leading auto players in Malaysia	Distributor of the World's Leading EV in Malaysia & Singapore	60% market share in the Malaysian automotive industry

Our Universe of Brands

We are the partner of choice for many of the world's leading brands

Note: Brands listed are not exhaustive

Operations Overview

We operate in retail and after-sales for industrial equipment & motors, strengthened by new capabilities from the UMW acquisition

Sime Industrial

One of the **largest CAT** dealers globally

Equipment sales & after-sales services

CAT

97 years

Sime Motors

One of the **largest BMW** dealers globally

More than 30 brands from mass-market to luxury

BMW

58 years

PORSCHE

27 years

Sime UMW

Perodua is the **market leader** in Malaysia with its entry-level, mass-market models

Toyota is the **No 1 non-National** automotive brand in Malaysia

Malaysian automotive market share of **>56%**

PERODUA TOYOTA

Sime Is A Proxy For Growth In Asia Pacific

We operate across Asia Pacific with exposure to premium, high-value market segments

Operating in Asia Pacific, a dynamic growth region

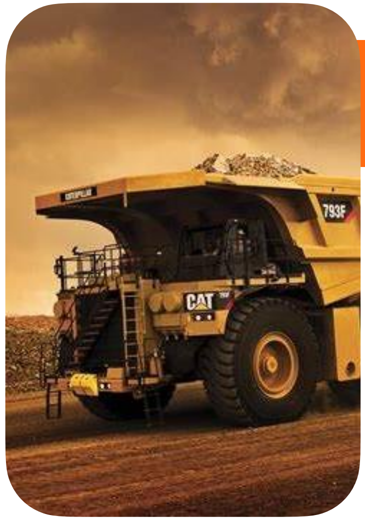
Asia is the **fastest growing** and most dynamic region in the world, with a growth forecast of **4.3%*** in 2026.

** JPMorgan Private Bank*

Leading Malaysia's automotive sector

With UMW, we now have **about 60% market share** in Malaysia's automotive industry.

Malaysia is now the **biggest** automotive market in ASEAN.



Exposure to strong demand for commodities

Australia is a **major resource basin** to a growing Asia Pacific

It has the **highest quality minerals** and is also the **lowest cost** producer.

Luxury Market Growth driving demand for luxury vehicles

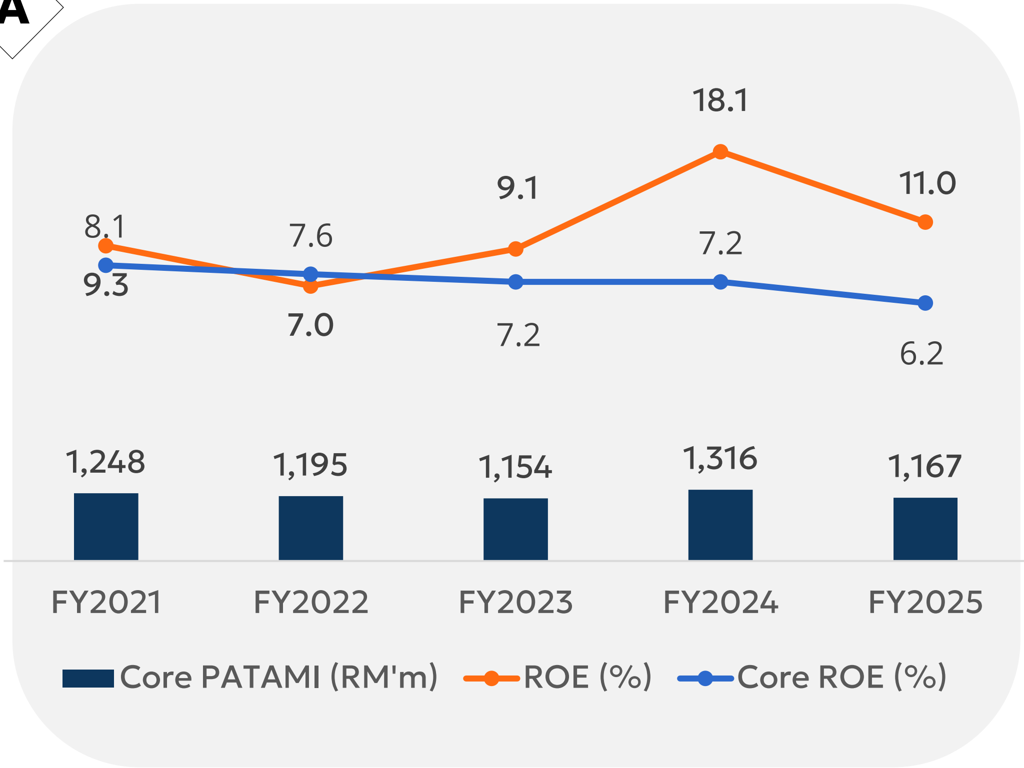
A massive intergenerational wealth transfer is expected to further drive luxury spending.

Financial Performance: Resilient despite headwinds

Experiencing once in a generation disruption to the automotive industry

Outlook for the Group remains optimistic

A



1. The most **challenging** period **in 32 years.**
2. **Sime** has remained **resilient.**
3. **Committed** to shareholders' needs for **dividends.**

B

Outlook remains optimistic

sime INDUSTRIAL

- **Mining remains resilient to meet world needs.**

sime MOTORS

- **There will always be demand for world-class brands (BMW).**

sime UMW

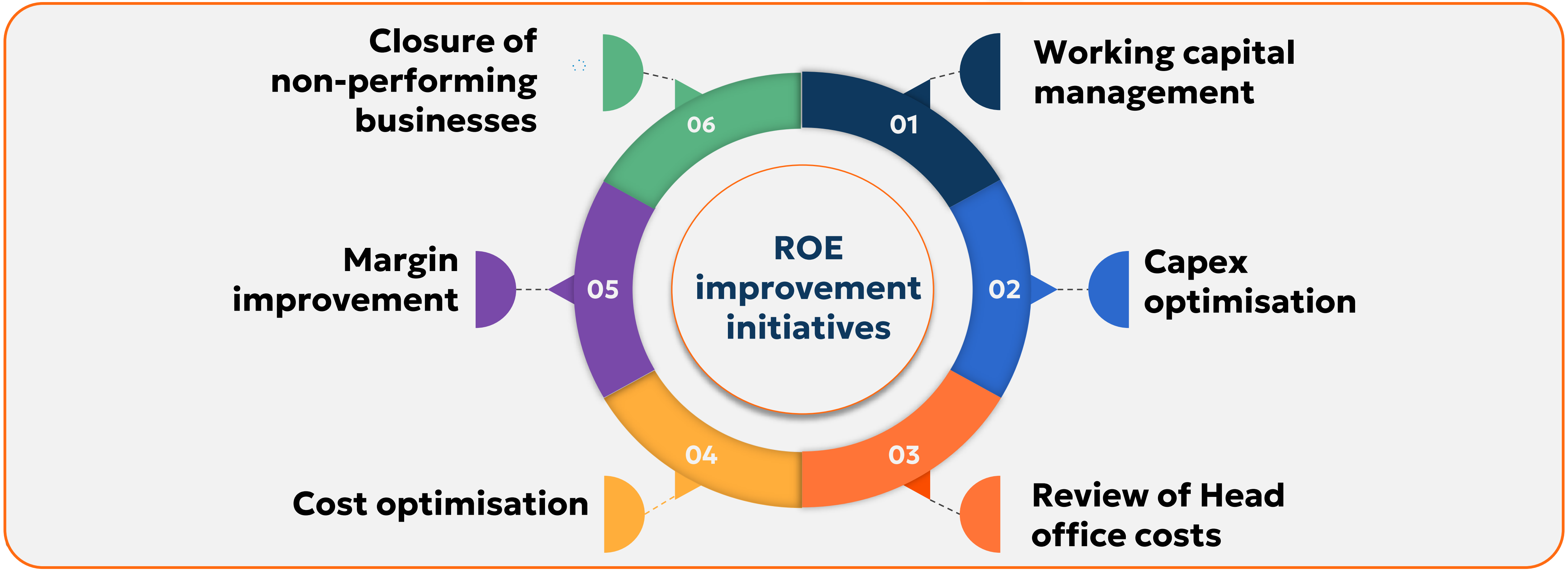
- **Strong auto market in Malaysia.**
- **Trusted brands (Toyota & Perodua).**

Initiatives to improve Return On Equity

Strategic initiatives are in progress to improve ROE

Our plans for ROE improvement

ROE target of 11% by FY2030	Disciplined roadmap to achieve this target	Which will provide sustainable dividends



Operational Excellence Initiatives

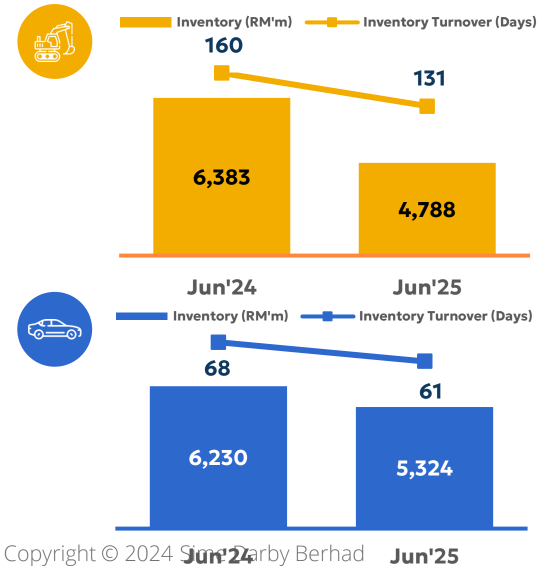
Key initiatives to reduce costs and streamline operations

1 Inventory Optimisation

RM2b of inventory

Working Capital Improvements

Improved inventory turnover days from FY2024.



2 Manpower Rationalisation

2k pax RM200m

Overhead reduction

Brought down our manpower count from 31,498 (Oct 24) to 29,239 (Oct 25), saving about RM218m on manpower costs since FY2024.

Industrial Division

RM96m

Motors Division

RM105m

UMW Division

RM17m

3 Network optimisation

26 branches

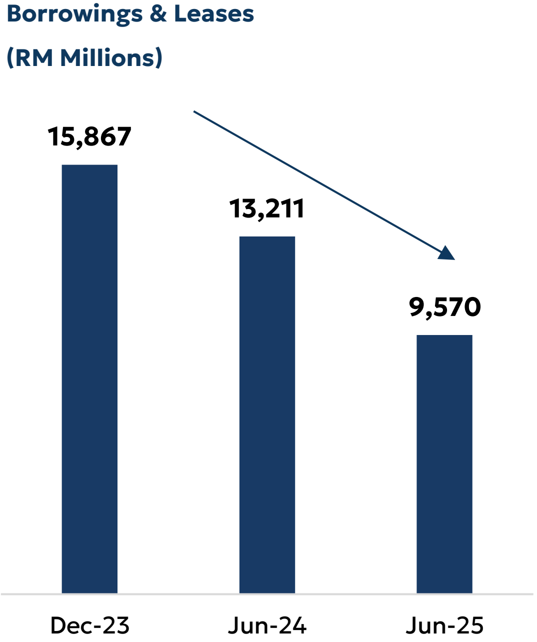
Branch rationalisation

We have shut down 26 branches in our Motors and Industrial businesses in China in the last financial year.

4 Debt Repayment

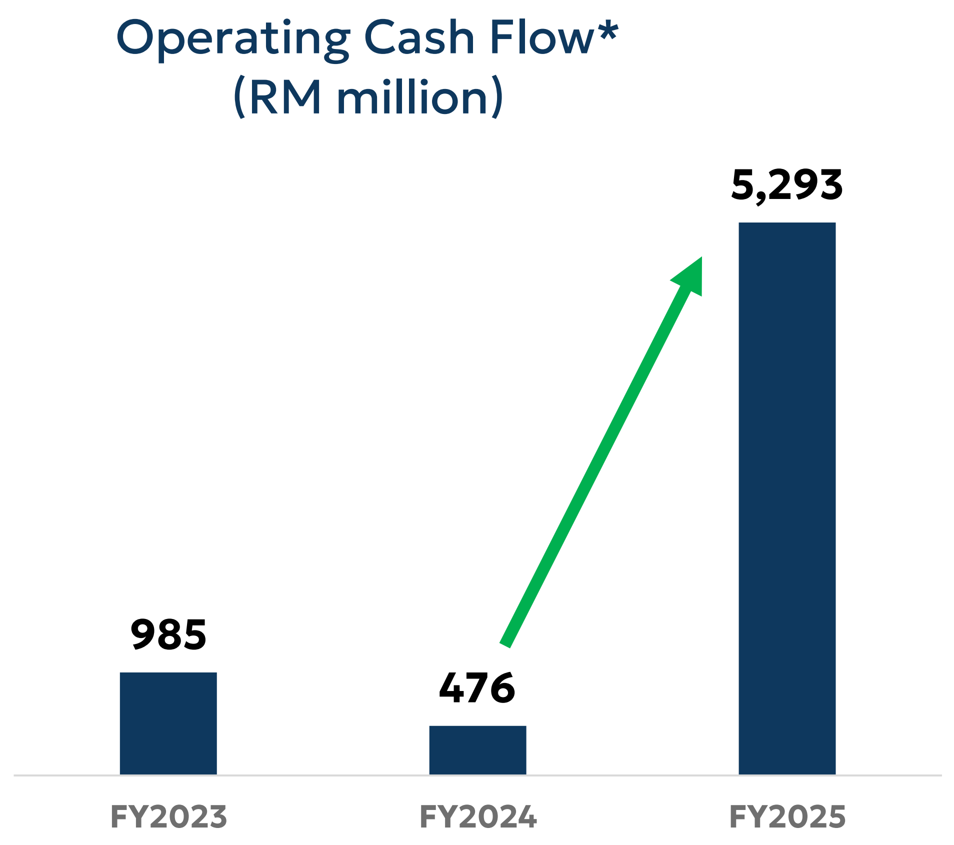
Reduced to RM9.6b

We have reduced debt significantly.



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

Macroeconomic Conditions

Strong commodity demand in Australia, continuing challenges in China, resilient auto sales in Malaysia

1 Robust commodity demand

Demand remains strong; **Resilient** contribution from **after-sales** with higher margins.

Some mining customers are **cautious** amidst increased **royalty rates**.

Weaker currency translation arising from strengthening MYR against AUD.

2 Challenging automotive business

Ongoing **heavy discounting** and intense competition in **China.**

Influx of **Chinese brands** into Asia Pacific.

Higher sales in **Singapore** due to COE quotas and **EV** demand.

3 Resilient Automotive Sales in Malaysia

Malaysia is the **biggest** automotive **market** in ASEAN.

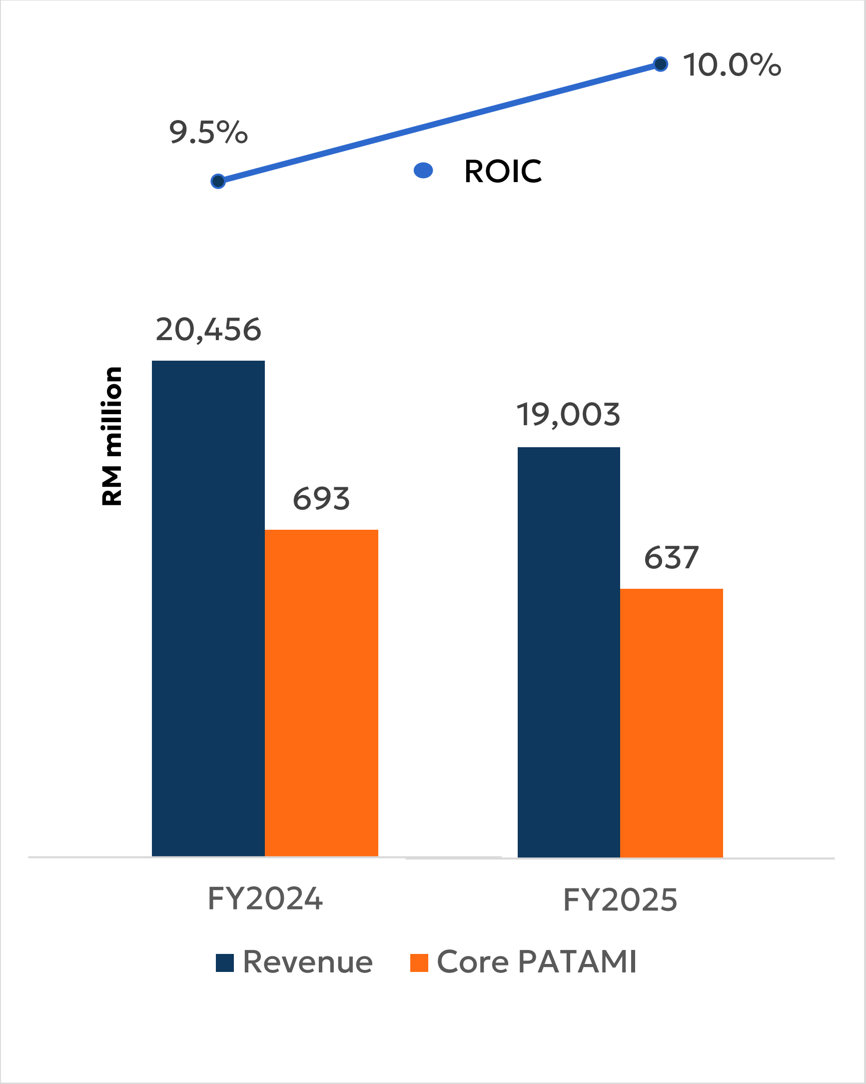
Strong consumer **demand**, supported by a stable socio-political environment, favourable government incentives and accommodative Budget 2026.

Perodua's market share **increased** to 43.9% in 2025.

Industrial Division

Industrial Overview: Improvement in ROIC

Solid performance despite short-term after-sales margin impact and AUD/RM devaluation



A **Industrial** Division remains **resilient** despite the short-term headwinds.

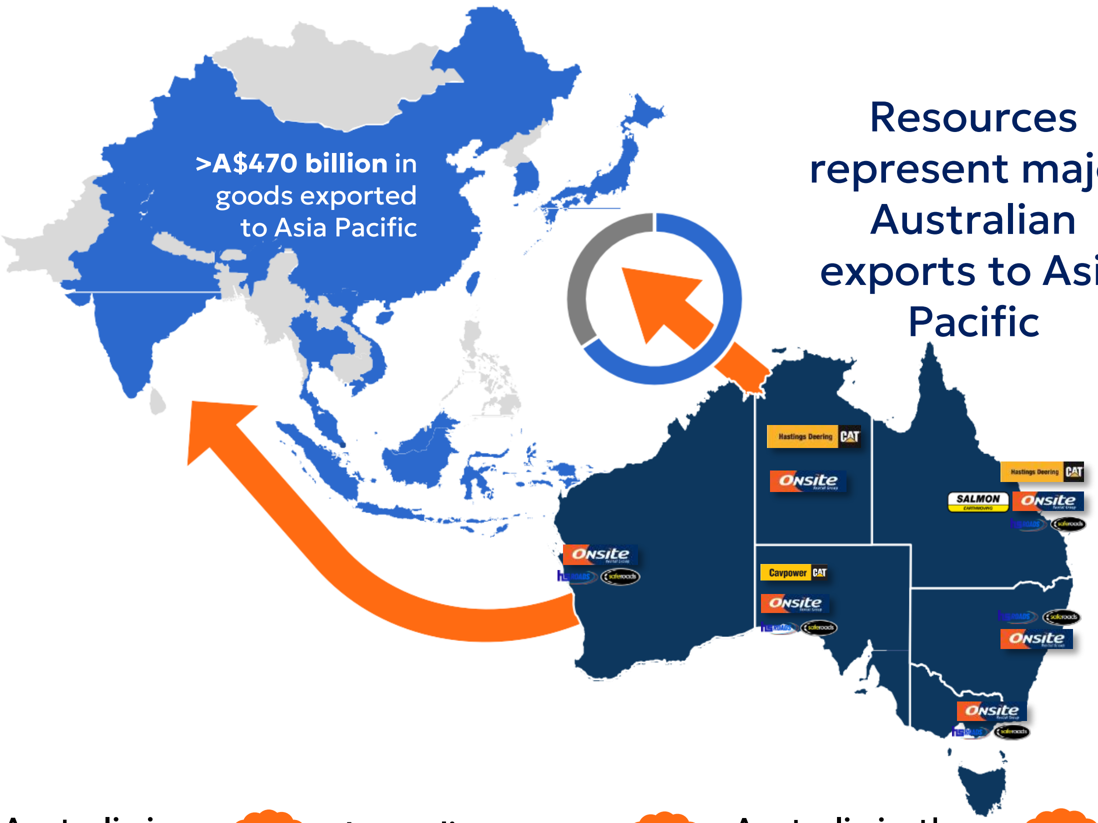
B Financials resilient despite
1. **Parts price reduction**
2. **Weakening Australian Dollar** against Ringgit Malaysia

C Long term **prospects** are **positive** as the world will need iron ore, coal and copper.

D The **Australian mines** have the **highest grade** of commodities and are the **lowest cost** producer.

Mining Contributes 15% to Australia GDP

Australia is the nearest resource basin to a growing Asia Pacific
Mining industry captures 65% of total exports to Asia Pacific



Resources represent major Australian exports to Asia Pacific

Australia is a **resource-rich nation.**

Australia is the **world's largest exporter** of **coal.**

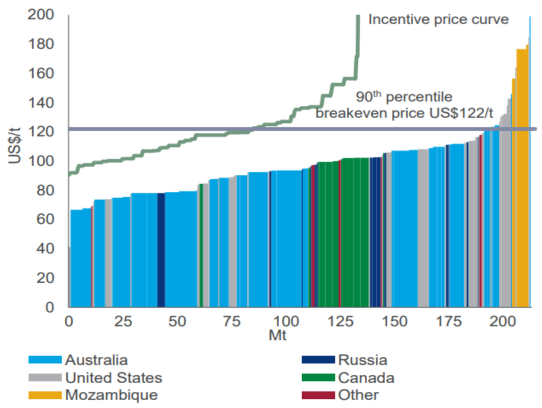
Australia is the **world's largest producer** of **iron ore.**

The **third-largest** exporter of **copper.**

Statista Natural Resources

Lowest Cost Producer Ensures Longevity

HCC breakeven and incentive price curves



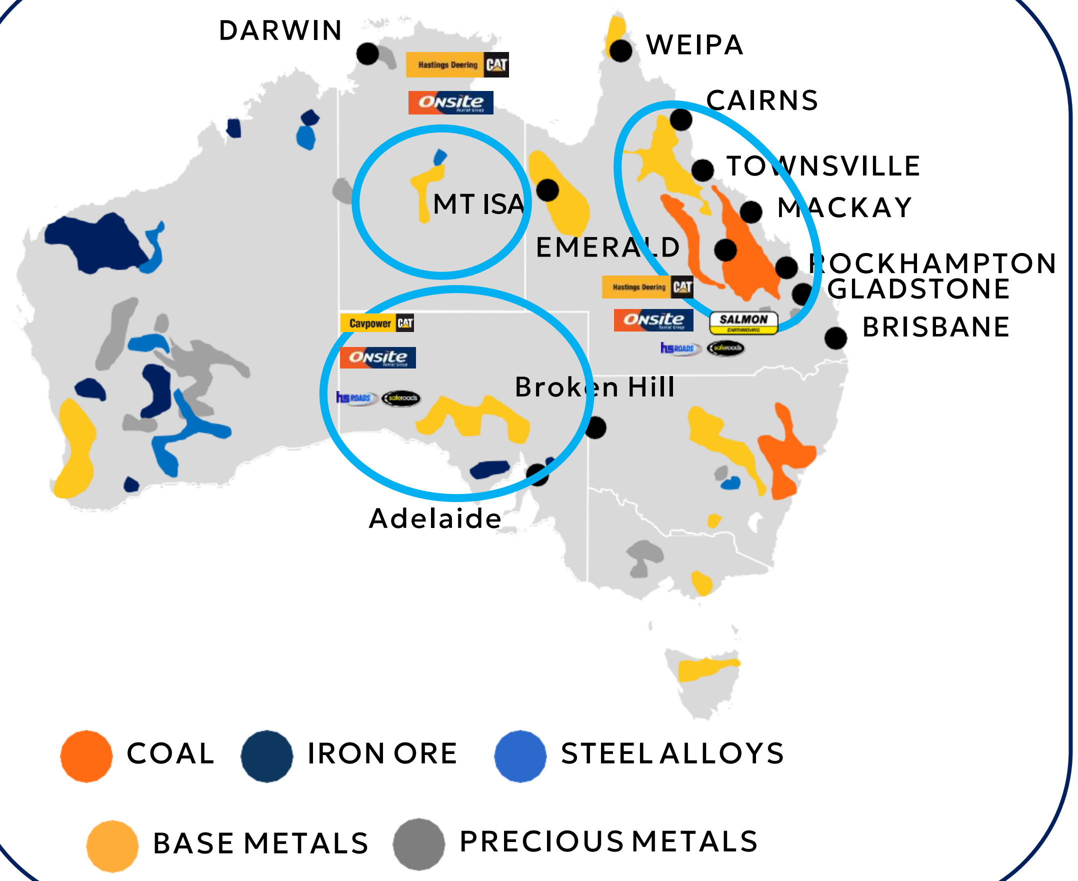
- Australia's Met Coal producers are at the **lower end of the price breakeven curve.**
- This **positions Australia, as a low-cost producer** ensuring a long-term runway for equipment demand.

Wood Mackenzie

Sime is Located in Resource Rich Areas

Exclusive Caterpillar dealerships in Queensland, Northern Territories and South Australia

Australia's Resource Deposits



Recent acquisitions

- South Australia has **70% of Australia's copper deposits.**
- Copper **price** has risen to **record high of over USD12k/mt.**
- **BHP** is **expanding copper operations in South Australia**, targeting to **triple production** to 1 Mt annually by the mid-2030s.

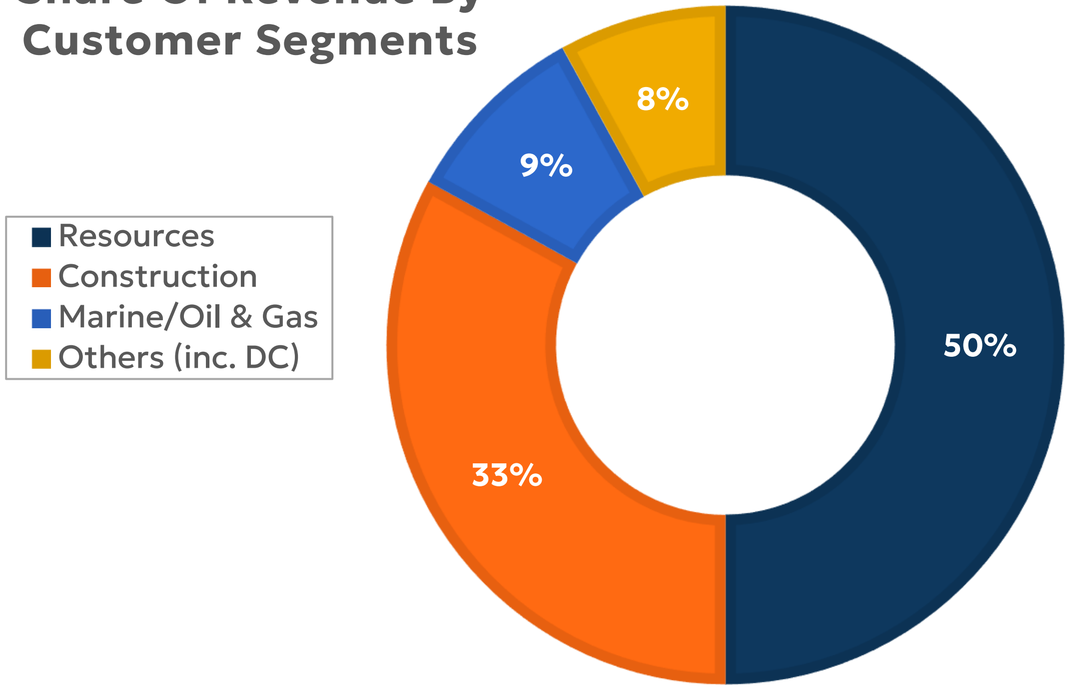
- The **second largest rental services company** in Australia.
- Major clients are in the resources, energy and infrastructure sectors.
- **Rental business** allows us to **operate freely**, without being constrained by **territorial or brand restrictions.**

- One of **Australia's largest heavy equipment rental companies** supporting the mining and construction industries.

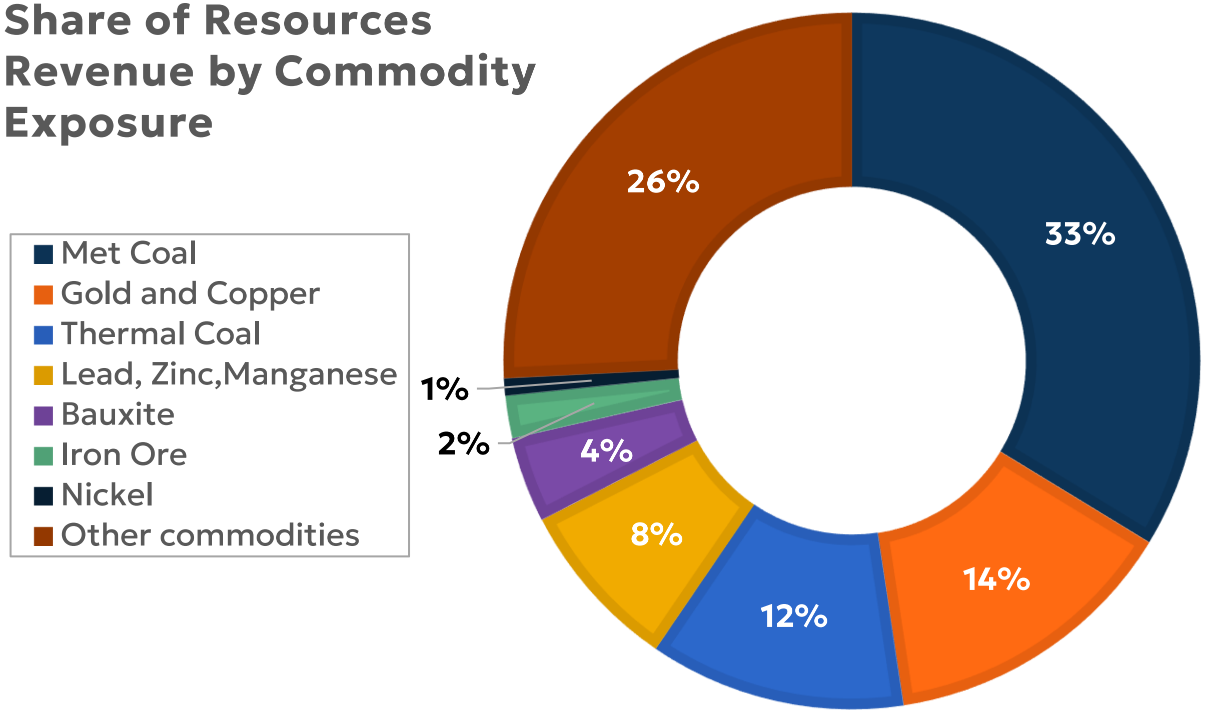
Industrial Division: Diversification across industries and natural resources

Operates in diverse industries, exposure to commodities in high demand

Share Of Revenue By Customer Segments



Share of Resources Revenue by Commodity Exposure



FY2025 revenue contribution:

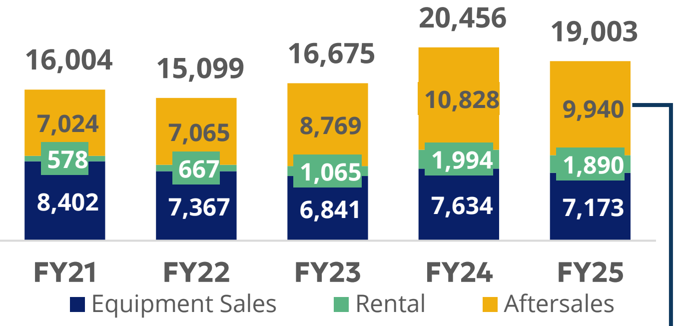
Australasia 74%, China 14%, Malaysia 7% and Singapore 5%.

Industrial - Sustained Revenue from After-sales

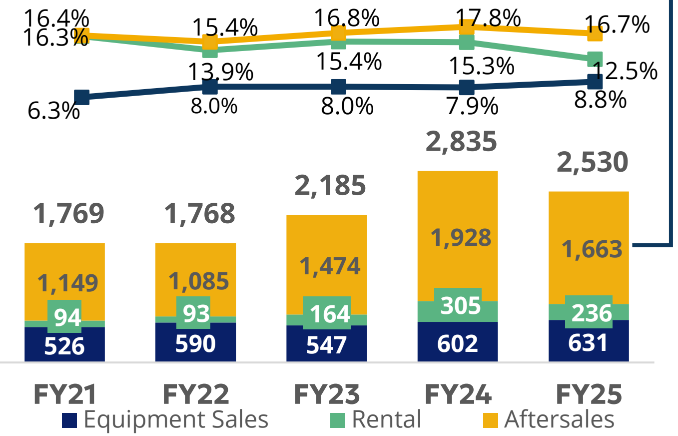
After-sales is crucial as it is high margin, long tenured and recurring

More than 50% of revenue is derived from after-sales operations

Revenue (RM million)



PADE (RM million) and Margins



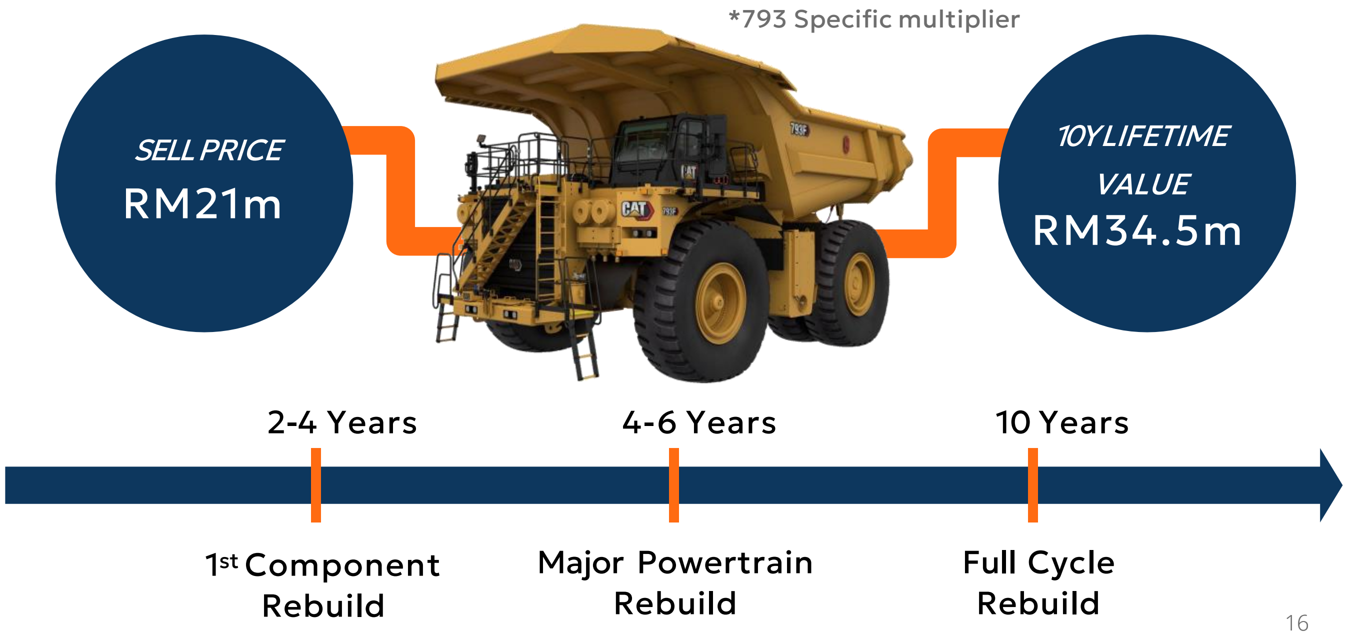
After-sales

After-sales services generate **consistent** and **high-margin profits of 16-17%** as customers return for maintenance and support.

i. Aftersales includes Engineering Services

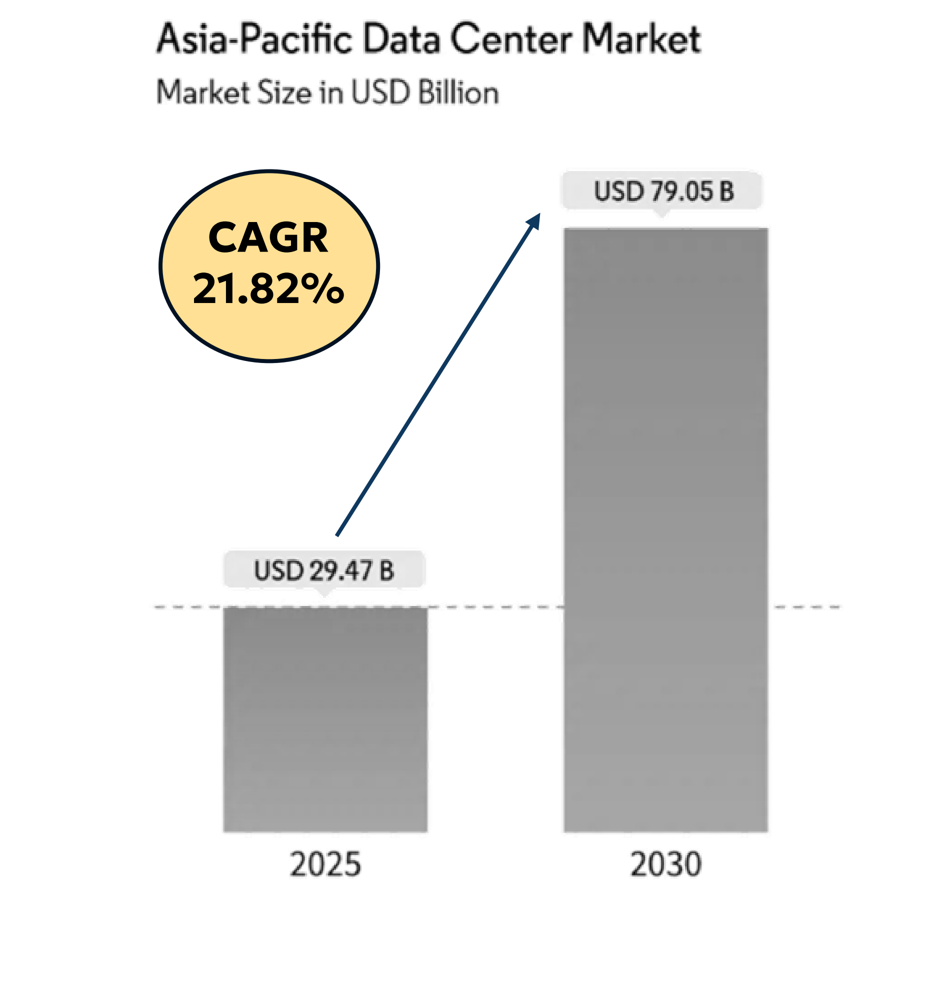
Hastings Deering (Australia) - more than 60% of revenue comes from sales of parts and after-sales

Our business model enables us to generate over 1.6 times* more opportunity from the after-sales operations



Industrial – Surging Demand from Data Centres

Caterpillar is the preferred brand for data centres due to mission critical requirements

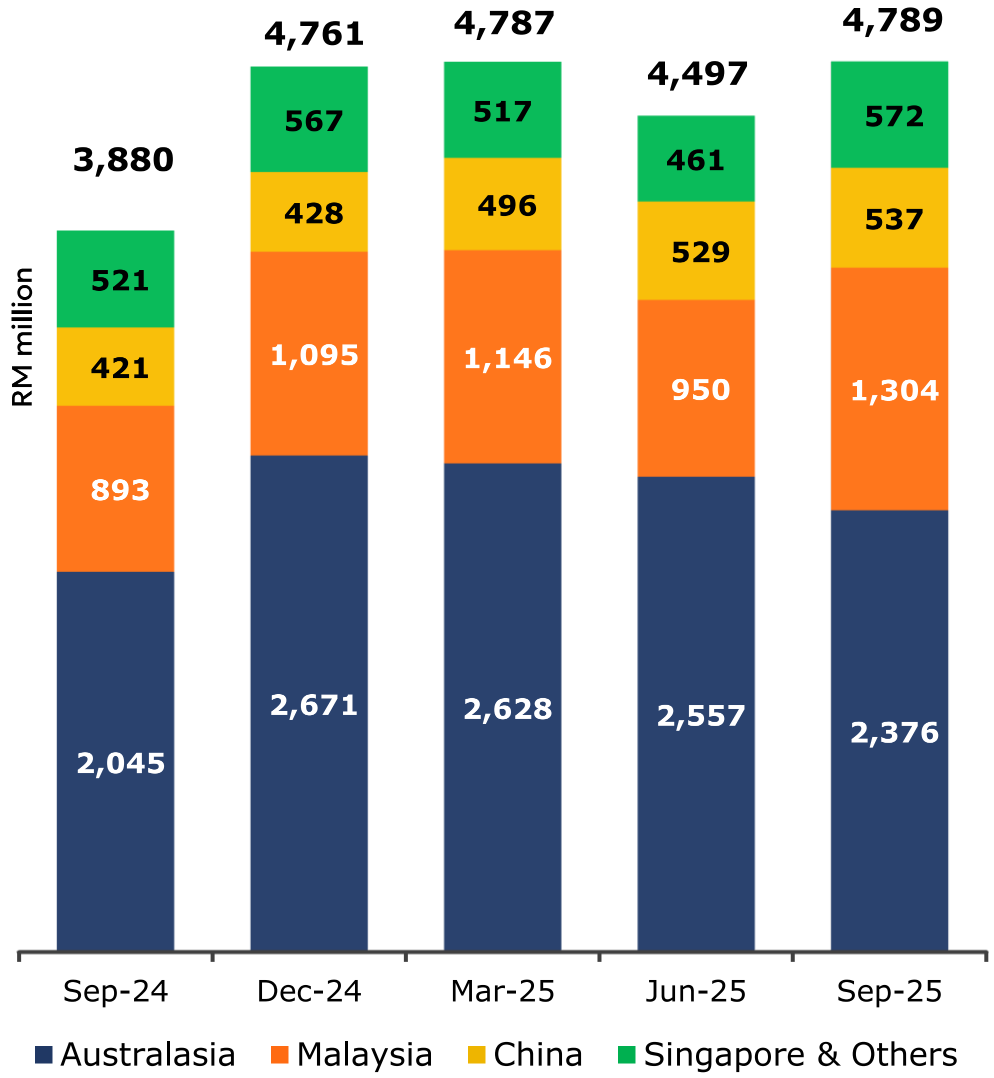


1. Data centre is poised for significant growth driven by cloud computing, AI, digital services.
2. **CATERPILLAR® gains exposure with power systems** as they are reliable and are preferred in mission critical industries.
3. **Caterpillar is a prominent** player in the **data centre segment in Malaysia** and holds **40% market share.**
4. Our markets that benefit from the increasing demand for data centres:

Source: Mordor Intellingece, Fortune Business Sight, JLL Malaysia

Industrial Outlook

Order book remains strong with opportunities in mining, construction 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

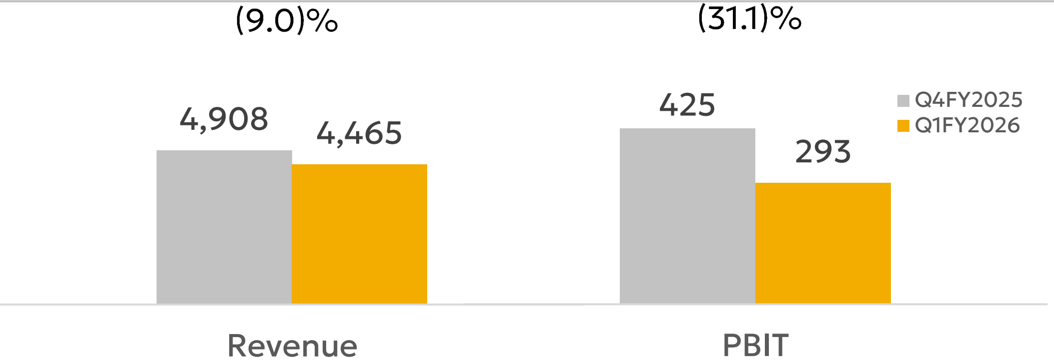
- Growing opportunities for power systems in marine, gas and data centre applications are expected to support performance.
- Expansion of development projects increasing demand for smaller machines, where our offerings face strong competition.

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.

Explanation on the lower Q1FY2026 results q-o-q

Mainly impacted by the operations in Australasia



RM million	Q4FY2025	Q1FY2026
Australasia	3,622	3,247
China	681	747
Malaysia	370	296
Singapore & Others	235	175
Total Revenue	**4,908**	**4,465**
Australasia	356	246
China	12	12
Malaysia	33	19
Singapore & Others	24	16
Total PBIT	**425**	**293**
PBIT margin	8.7%	6.6%

1. **Higher delivery** of equipment in **4QFY2025.**
2. **Higher sales** of parts in 4QFY2025 as **customers bought ahead** before the parts price increase on 1 July 2025.
3. Some mining customers have been cautious and '**preserving cash**' by **deferring maintenance**, service and rebuild activity but **they will come back.**
4. **Further, some provisions were reversed** in the last quarter of the financial year which led to a higher PBIT in Q4FY2025.

Motors Division

Motors Division – overview of operations

Sime Motors operates over 200 outlets in 10 markets across Asia Pacific

China

Thailand

Malaysia

Singapore

Indonesia

Taiwan

HK & Macau

Australia

New Zealand

Assembly

Distribution/Import

Retail

Aftersales

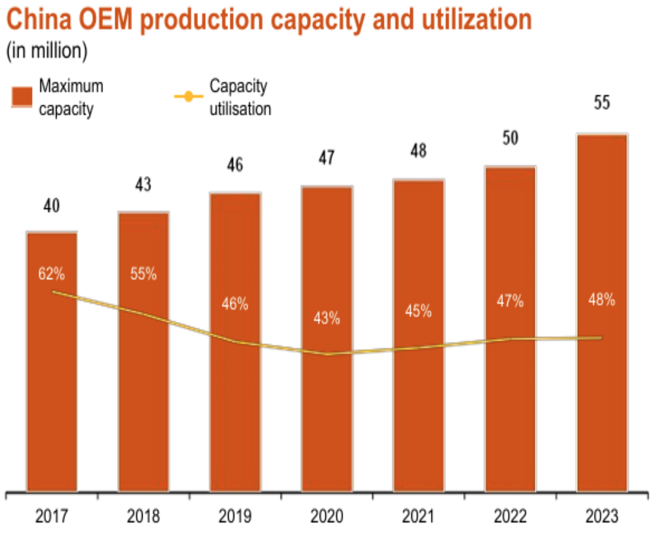
Rental

- FY2025 **revenue contribution:** China 36%, Singapore 28%, Malaysia 22% and Australia 14%.
- **31% market share** in **Singapore. BYD** is the market leader, **BMW** leads the premium segment.

Automotive Landscape in China

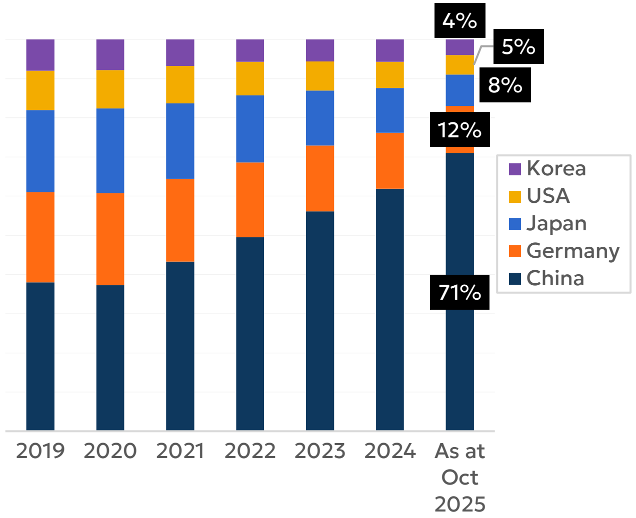
Challenging period with the entry of numerous new domestic players transforming the industry
Industry consolidation is needed but may be a couple of years away

A — High production capacity with declining utilisation



- High overcapacity has led to heavy discounting in the market.

B — China brands increasing market share



- China brands are gaining market share, causing an impact to foreign brands.

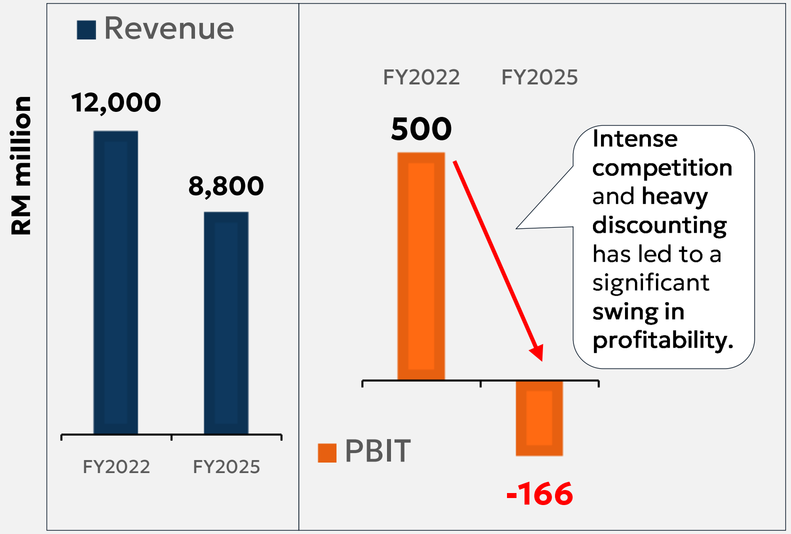
C — Call to stop irrational competition

- Central Government has called for a stop to "irrational competition" to restore profitability.

Auto dealers in China facing major challenges

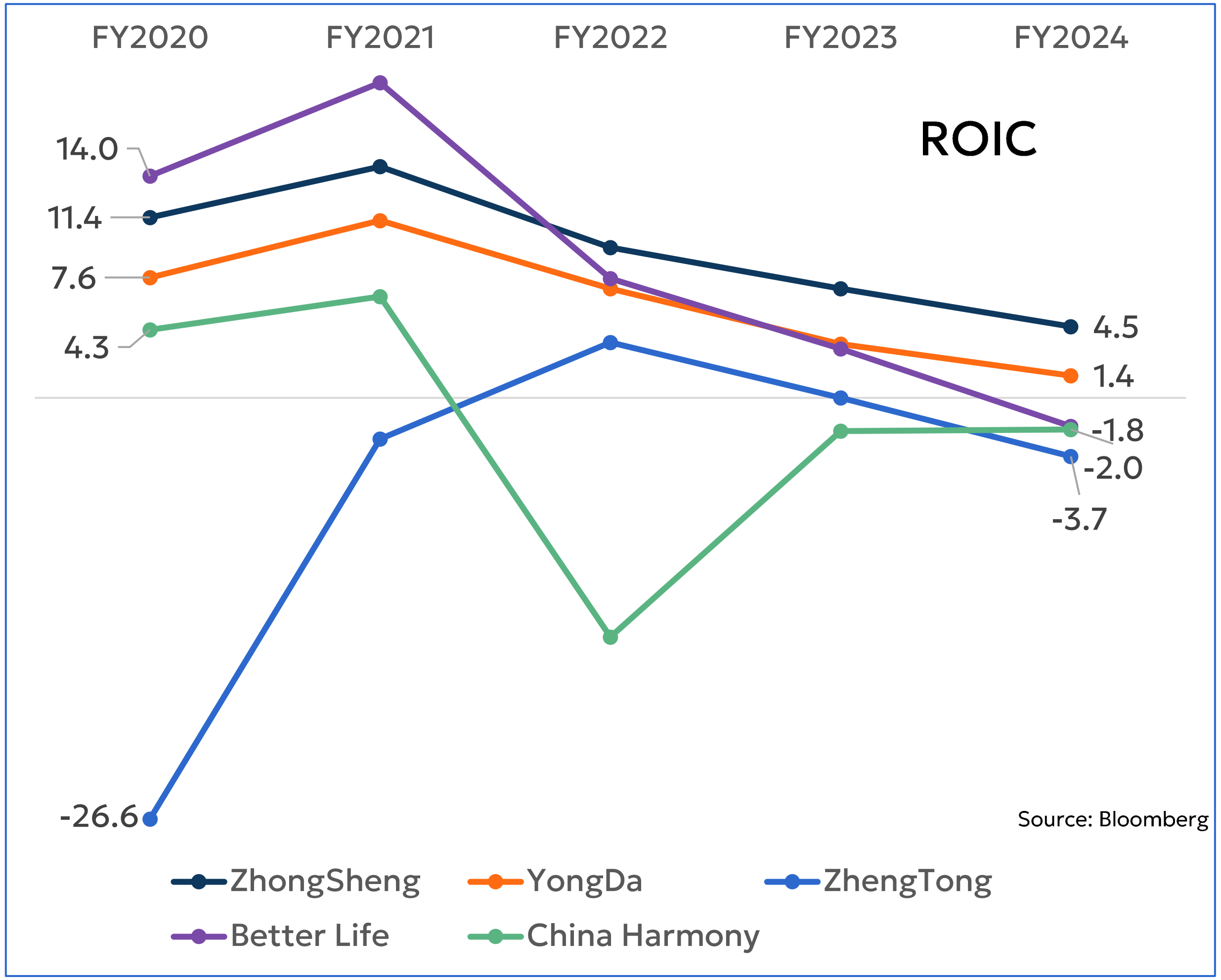
ROIC are on the downtrend due to intense competition, heavy discounting

Sime Motors results in China



FY2022:
Close to 30% of total Group revenue.
ROIC of about 30%,

FY2025:
The **older dealerships** remain **profitable**. With improving car parc, **new dealerships** are registering **increase in after-sales**. BMW is providing support.

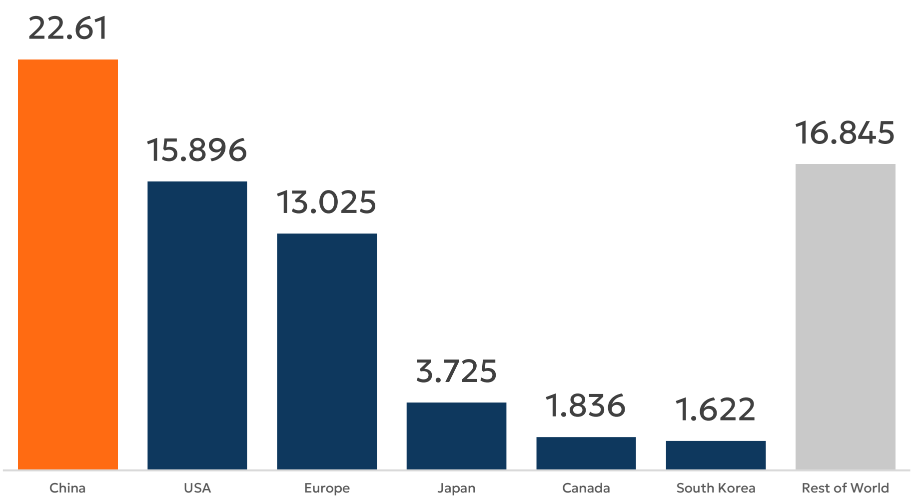


We remain positive on our prospects in China with BMW

China wants foreign “best” OEMs to succeed as it brings FDI, new technologies, jobs creation

A China is the largest automotive market in the world and we hope to remain there

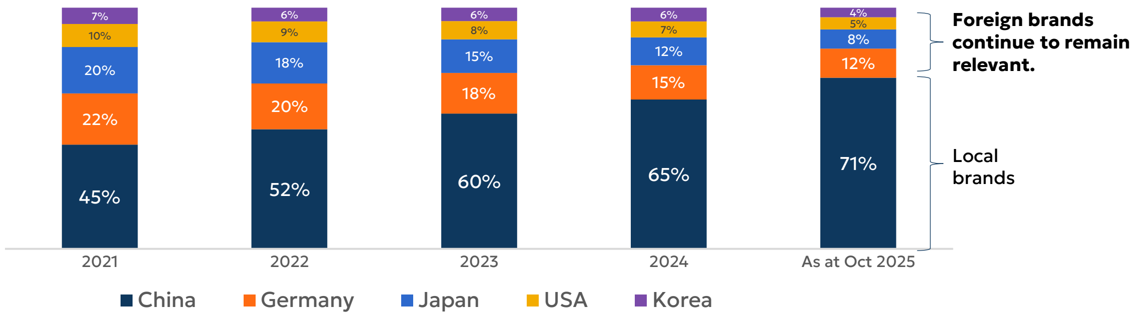
2024 light vehicle sales by region (million units)



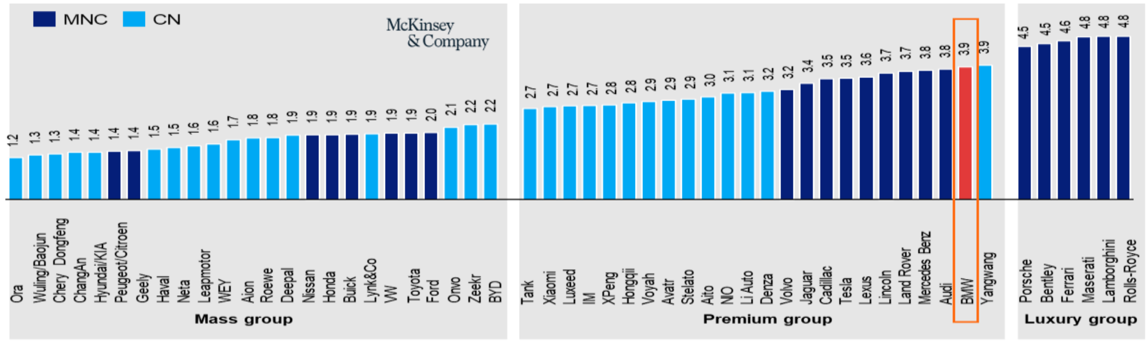
- China is the largest auto market in the world.
- We have built a strong foothold since 1970s.
- It will be a waste if we exit now.

B We believe there will always be a market for best-in-class foreign brands

Market share in China by brand origin
(in % of total passenger car sales)



C BMW is preferred among the foreign brands



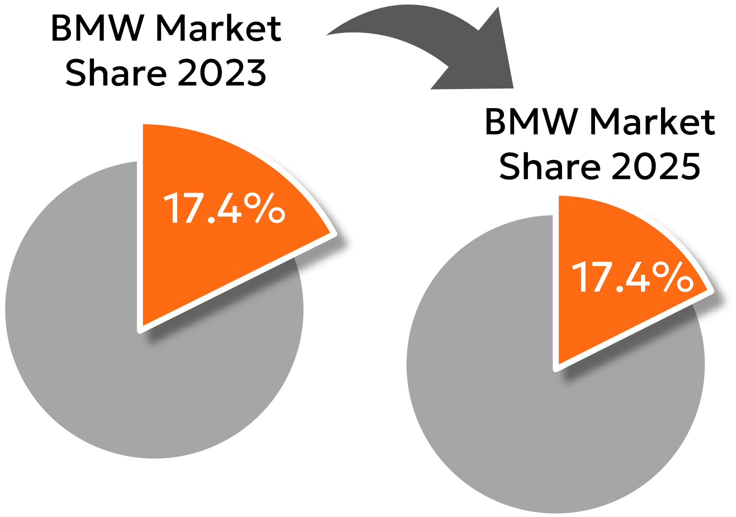
Weighted average score of each brand ('Luxury'/'Premium'/'Near-premium'/'Volume segment'/Entry level' rated from high to low as 5, 4, 3, 2, 1 points respectively)

Source: McKinsey China Auto Consumer Survey 2025

BMW remains resilient in Mainland China and expected to flourish with Neue Klasse market availability in Q4 2026

1 BMW is placed 2nd in the premium/luxury sector

[MSRP > RMB350k]
RM206k



While premium/luxury sales has declined, BMW maintained its market share

Source: China New Passenger Car Insurance Registration

2 BMW continues investment in China

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** (25% 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 market available in Q4 2026
- **b** **Price Repositioning** to enhance competitiveness
- **c** **Dealer Consolidation** Boosting Sime's share
- **d** **Additional Dealer Subsidy**
- **e** **China Technologies** Partnered with Huawei to integrate the tech giant's HarmonyOS NEXT into its next-generation Neue Klasse electric vehicles

HUAWEI Alibaba

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

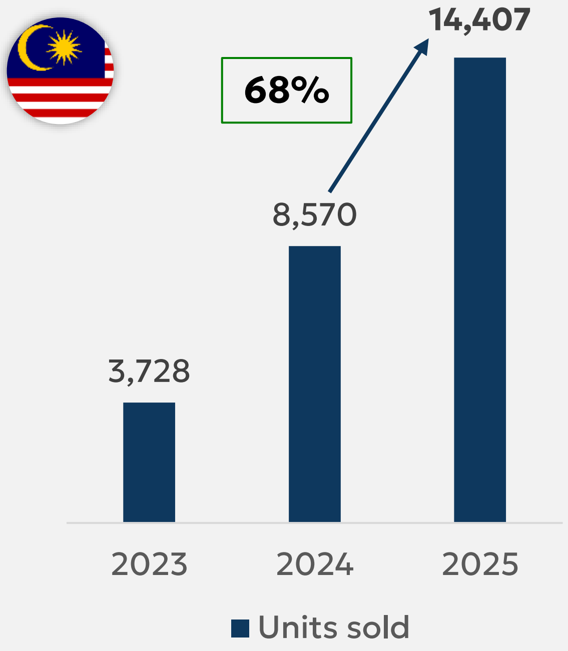
- We have **closed 15 non-BMW** outlets in FY2025.
- In Q1FY2026, we have **closed another 3 outlets**, under the **smart brand.**
- We **plan** to close another **3 to 4 outlets** in the coming quarters.
- Brand rationalisation.

Nevertheless, we have pivoted to strong China OEMs

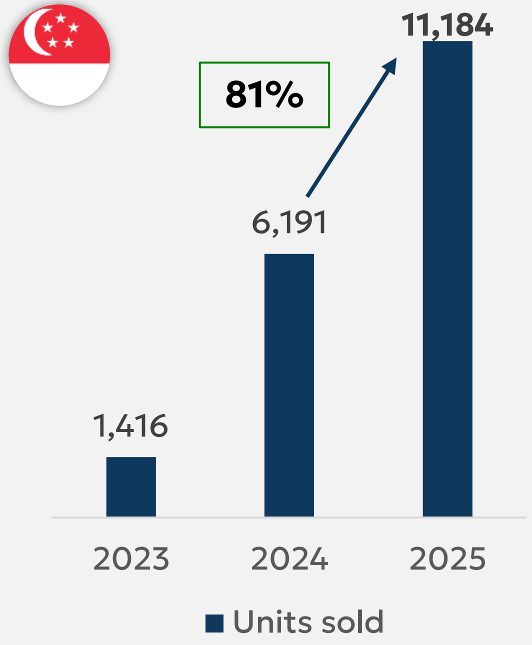
To broaden our offerings, especially in the EV segment, we have partnered with the best China brands

BYD

- Distributorship in Malaysia
- #1 EV brand in Malaysia



- Distributorship in Singapore
- Leader in Singapore with 21% market share



CHERY

- Assembly of Chery vehicles in Malaysia (Inokom in Kulim)

XPENG

- Opened 2 showrooms in Hong Kong in 2025

Polestar

- Dealership in Brisbane

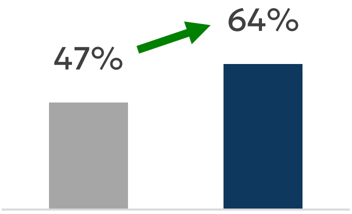
GEELY

- Dealership in Brisbane

Motors – Malaysia

Pockets of opportunities in challenging market conditions

1



- **Sime is the preferred and biggest** BMW dealer, contributing **64%** of total BMW sales, up from 47%.
- **Wide network of sales** and after-sales outlets.
- **Growing adjacent** services such as parts, after-sales and warranties.
- **BMW Malaysia** is expected to **declare dividends** for FY2026 (FY2025 – nil).

2

- Sime is the **only assembler of Porsche** vehicles outside of Europe.
- **Sales** of Porsche vehicles remains **strong**, supported by the locally-assembled Cayenne.
- Porsche Cayenne S E-Hybrid Coupe is also **exported to Thailand.**

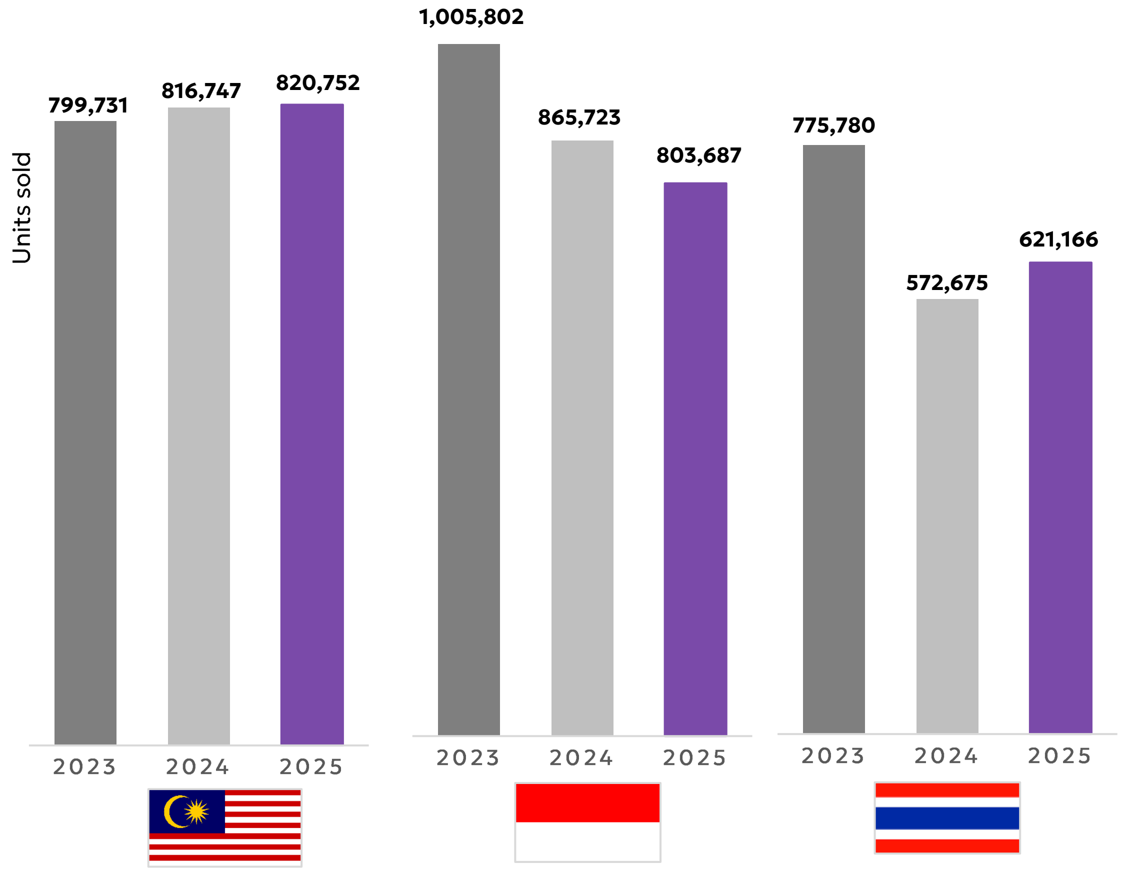
3

- **Preferred assembly partner** for some of the leading global auto manufacturers.
- The lower assembly volume for some brands has been partially mitigated by the **strong demand for Chery** vehicles
- Key customers
- The **modular business** for Porsche, Chery and Jaecoo **is performing well.**

UMW Division

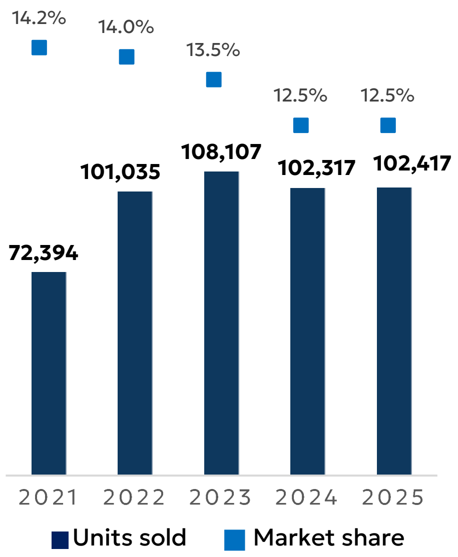
UMW Division: Malaysia is the biggest market in ASEAN and we have the best brands

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



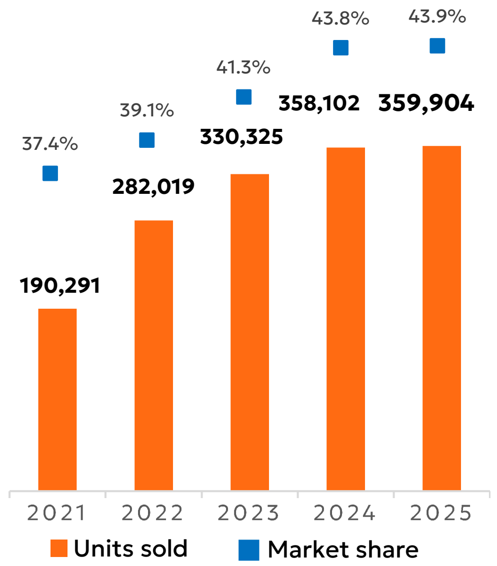
Source: MAA and Marklines

Toyota - No.1 non-national automotive brand



First and only non-national automotive brand in Malaysia to record over **100,000 vehicle sales for four consecutive years.**

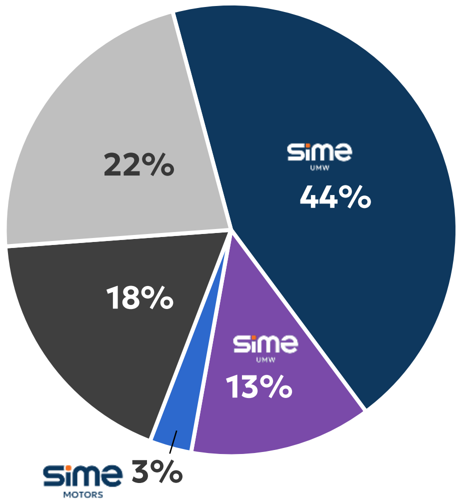
Perodua - No.1 in Malaysia, with a growing market share



- Achieved **new record sales for 4 consecutive years.**
- **Market share** continues to **rise annually.**

Sime: Leading automotive company in Malaysia

Recognised as the driving force in shaping automotive policy and advancing industrial development in Malaysia



We hold **about 60% market share** in Malaysia's automotive industry.

Secured Best Brands in Every Segment in Malaysia

PERODUA TOYOTA BMW BYD PORSCHE

MINISTRY OF INVESTMENT, TRADE & INDUSTRY

MINISTRY OF FINANCE MALAYSIA

We collaborate with government agencies to shape automotive policy

Council of Automotive Eminent Persons

Viewed to take a lead in developing Malaysia's National Automotive Policy

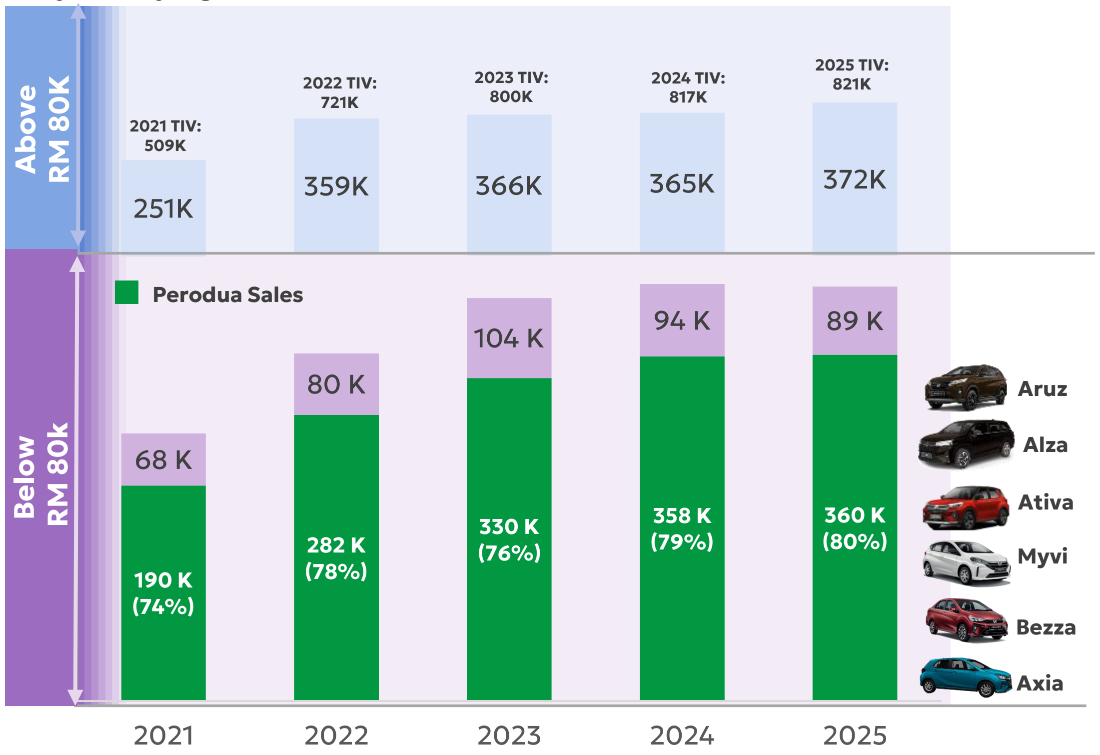
We play a pivotal role in driving Malaysia's automotive industry.

Perodua: Dominant in the largest segment in Malaysia

Automotive industry leader since 2006 with improving market share

1 Dominates in the affordable segment

Malaysia TIV By Segment (Thousand Units)



Perodua is dominant in the largest segment of the automotive industry in Malaysia

2 Perodua's unique value proposition

Affordable & Reliable

Daihatsu Technology

Good resale value

3 Models

- **Bezza, Axia** and **Myvi** are the **top selling models** in Malaysia.
- These 3 models contribute **72%** to Perodua's **total sales.**

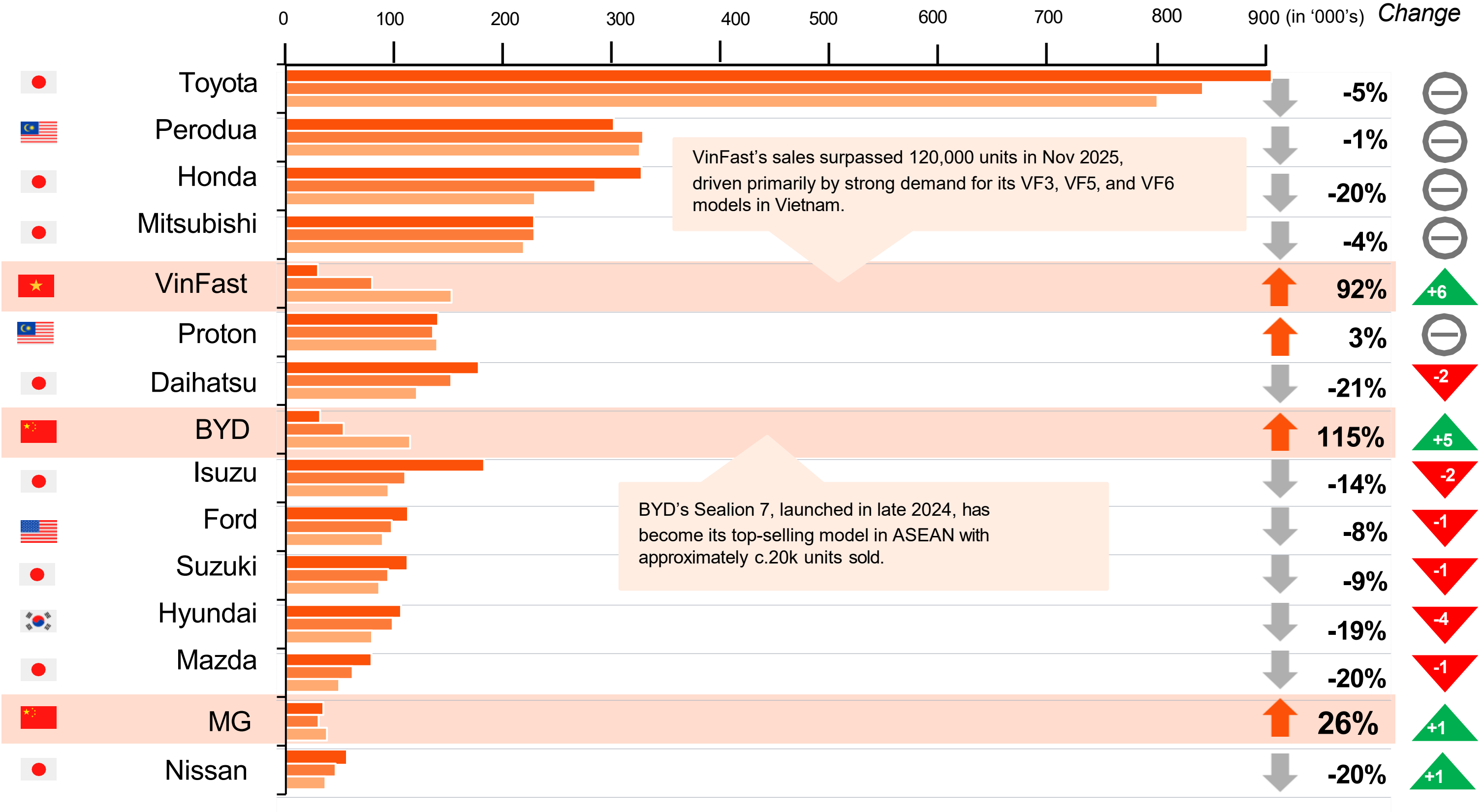
- **Launched** the all-new **Perodua Traz.**
- SUV occupying the B-segment space
- **Two variants** are available.
- Priced at **RM76,100** and **RM81,100** on-the-road, without insurance.

- Launched its first EV, **QV-E.**
- Priced at **RM80,000.**
- **Battery-as-a service** – subscription RM275/month.
- **Proving Malaysia's capability** to design and assemble electric vehicles locally.

Toyota's Dominant Lead

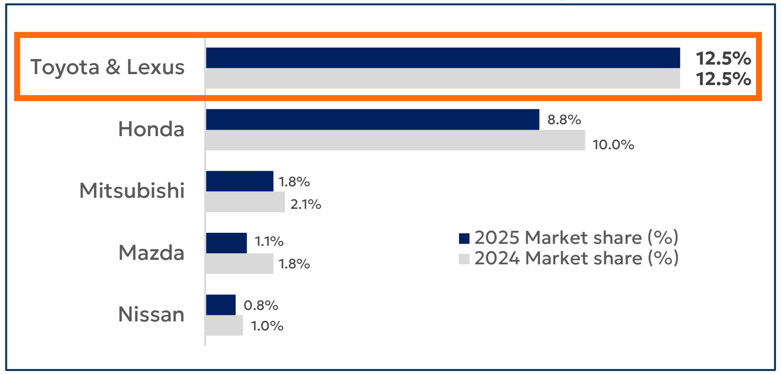
Dynamic shifts in ASEAN-6 total Light Vehicle market, with Chinese OEMs rapidly gaining market share at the expense of other Japanese brands but Toyota continues to hold up strongly

Top 15 automotive brands in ASEAN-6
YTD-Nov 2023 vs 2024 vs 2025 sales volumes by brands

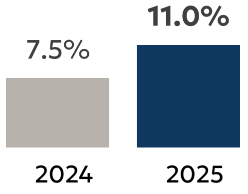


Source: Marklines, PwC Research and Analysis (Jan 26)

Toyota maintains its market share despite the China onslaught



Toyota's Multi-pathway strategy shows results with strong hybrid sales



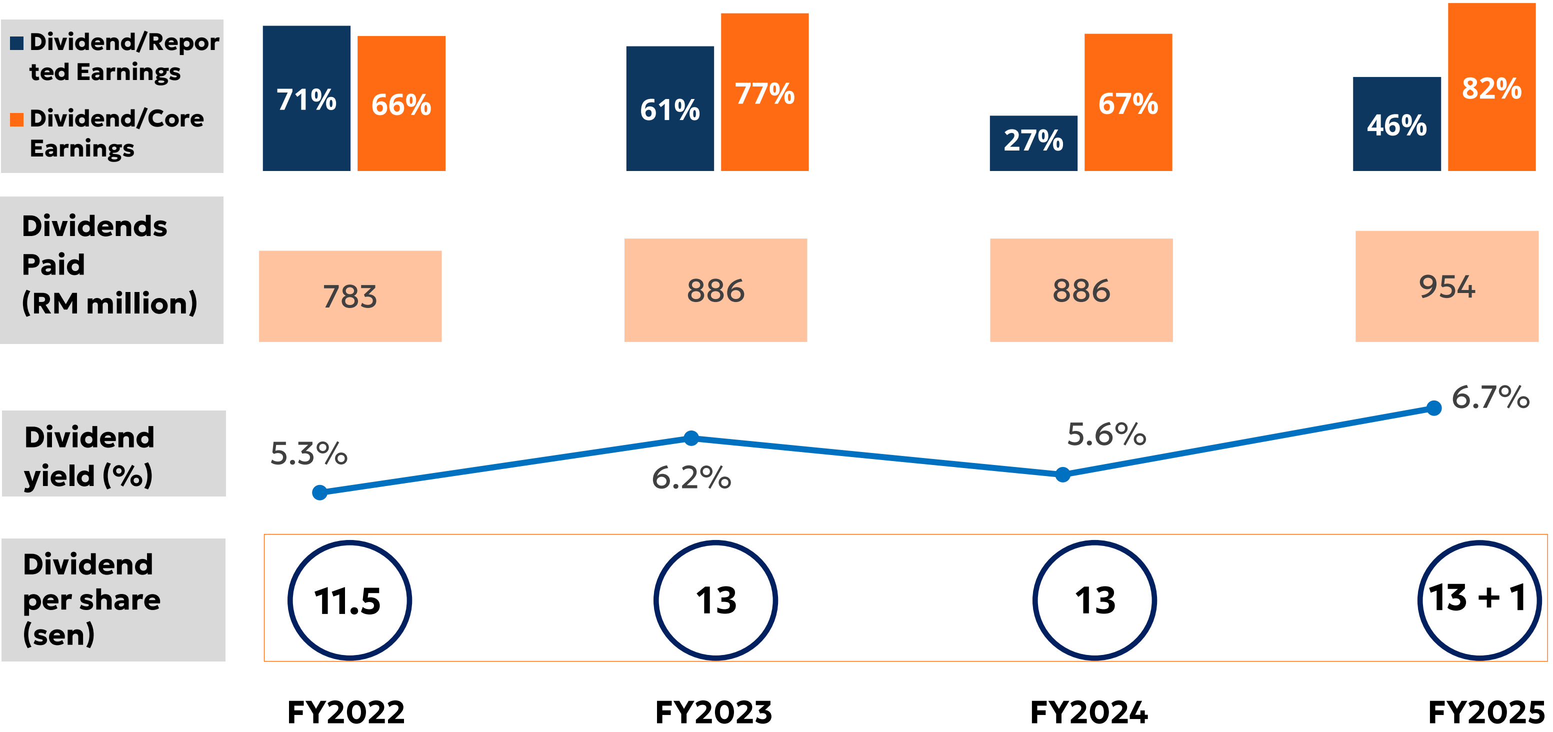
Launch of Toyota Vios Hybrid in January 2026

Dividends

Sime is a dividend stock

We continuously pay out sustainable dividends of more than 60%

No major capex in FY2026; low debt/equity ratio; major shareholders expect higher dividends



Group Dividend Policy

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

Sime is **the top dividend-yield** company among the KLCI constituents *

As at 30 Jan 26	Rank	Company	Dividend Yield (%)
Sime	1	Sime	6.5
CIMB	2	CIMB	5.5
Maybank	3	Maybank	5.2
RHB	4	RHB Bank	5.1
Petronas Dagangan	5	Pet Dagangan	5.0
AmBank Group	6	AmBank	4.7
misc	7	MISC	4.5
maxis	8	Maxis	4.5
celcomdigi	9	Celcom Digi	4.4
Public Bank	10	Public Bank	4.3

** Source: The Star 2 Feb 2026*

Conclusion

Conclusion

World-class brands and expertise to drive the business for better returns

- We have the **best portfolio of world class brands** in automotive and equipment.
- We **have the know how** to operate in the most dynamic region in the world.
- We are the **best proxy to capitalise on the massive growth** of Asia Pacific.
- We are committed to pay **sustainable dividends.**

Strategic partners:

CAT BMW TOYOTA PERODUA BYD PORSCHE

Thank You