

## QUARTERLY REPORT

On the consolidated results for the third quarter ended 31 March 2025

The Directors are pleased to announce the following:

### Unaudited Condensed Consolidated Statement of Profit or Loss Amounts in RM million unless otherwise stated

		Quarter ended 31 March		%	Three quarters ended 31 March		%
	Note	2025	2024	+/( -)	2025	2024	+/( -)
<b>Continuing operations</b>							
Revenue	A7	16,313	18,835	(13.4)	52,303	48,339	8.2
Operating expenses		(16,006)	(18,259)		(51,050)	(46,826)	
Other operating income		78	80		248	216	
Other gains and losses		10	(13)		532	293	
Operating profit		395	643	(38.6)	2,033	2,022	0.5
Share of results of joint ventures and associates		126	116		404	158	
<b>Profit before interest and tax</b>	A7	521	759	(31.4)	2,437	2,180	11.8
Finance income		24	49		80	105	
Finance costs		(152)	(206)		(512)	(502)	
<b>Profit before tax</b>	B5	393	602	(34.7)	2,005	1,783	12.5
Taxation	B6	(117)	(151)		(447)	(445)	
<b>Profit from continuing operations</b>		276	451	(38.8)	1,558	1,338	16.4
<b>Discontinued operations</b>							
(Loss)/Profit from discontinued operations		—	(11)		9	2,040	
<b>Profit for the period</b>		276	440	(37.3)	1,567	3,378	(53.6)
<b>Attributable to owners of:</b>							
- the Company							
- from continuing operations		193	349	(44.7)	1,291	1,175	9.9
- from discontinued operations		—	(9)		7	2,042	
		193	340	(43.2)	1,298	3,217	(59.7)
- non-controlling interests							
- from continuing operations		66	85		215	142	
- from discontinued operations		—	(2)		2	(2)	
- perpetual sukuk							
- from continuing operations		17	17		52	21	
<b>Profit for the period</b>		276	440	(37.3)	1,567	3,378	(53.6)
		Sen	Sen		Sen	Sen	
Basic earnings/(loss) per share attributable to owners of the Company	B12						
- from continuing operations		2.8	5.1	(45.1)	18.9	17.2	9.9
- from discontinued operations		—	(0.1)		0.1	30.0	
<b>Total</b>		2.8	5.0	(44.0)	19.0	47.2	(59.7)

The unaudited Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2024.

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

**Unaudited Condensed Consolidated Statement of Comprehensive Income**  
**Amounts in RM million unless otherwise stated**

	Quarter ended 31 March		Three quarters ended 31 March	
	2025	2024	2025	2024
<b>Profit for the period</b>	<b>276</b>	<b>440</b>	<b>1,567</b>	<b>3,378</b>
<b>Other comprehensive income/(loss):</b>				
<b><u>Continuing operations</u></b>				
<b>Items that will be reclassified subsequently to profit or loss:</b>				
Currency translation differences	42	(45)	(1,154)	9
Share of other comprehensive income/(loss) of joint ventures and associates	3	4	(33)	8
Net changes in fair value of cash flow hedges	(15)	5	(12)	(9)
Tax credit/(expense)	5	(1)	4	3
	<b>35</b>	<b>(37)</b>	<b>(1,195)</b>	<b>11</b>
Currency translation differences on repayment of net investment and disposals reclassified to profit or loss	–	–	(4)	(25)
Changes in fair value of cash flow hedges reclassified to profit or loss and inventories	13	5	(10)	2
Tax (expense)/credit	(5)	(2)	3	(1)
Other comprehensive income/(loss) from continuing operations	<b>43</b>	<b>(34)</b>	<b>(1,206)</b>	<b>(13)</b>
<b><u>Discontinued operations</u></b>				
Other comprehensive loss from discontinued operations	–	(4)	(7)	(2)
Total other comprehensive income/(loss)	<b>43</b>	<b>(38)</b>	<b>(1,213)</b>	<b>(15)</b>
<b>Total comprehensive income for the period</b>	<b>319</b>	<b>402</b>	<b>354</b>	<b>3,363</b>
<b>Attributable to owners of:</b>				
- the Company				
- from continuing operations	235	325	100	1,177
- from discontinued operations	–	(12)	6	2,040
	<b>235</b>	<b>313</b>	<b>106</b>	<b>3,217</b>
- non-controlling interests				
- from continuing operations	67	75	200	127
- from discontinued operations	–	(3)	(4)	(2)
- perpetual sukuk				
- from continuing operations	17	17	52	21
<b>Total comprehensive income for the period</b>	<b>319</b>	<b>402</b>	<b>354</b>	<b>3,363</b>

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2024.

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

**Unaudited Condensed Consolidated Statement of Financial Position**  
**Amounts in RM million unless otherwise stated**

	<b>Note</b>	<b>Unaudited As at 31 March 2025</b>	<b>Audited As at 30 June 2024</b>
<b><u>Non-current assets</u></b>			
Property, plant and equipment		12,042	12,542
Right-of-use assets		3,144	3,372
Investment properties		693	638
Intangible assets		3,005	3,387
Joint ventures and associates		3,401	3,232
Financial assets at fair value through profit or loss		72	73
Deferred tax assets		948	892
Derivative assets	B9(a)	— <sup>1</sup>	—
Receivables and other assets		178	206
Inventories		128	128
		<b>23,611</b>	<b>24,470</b>
<b><u>Current assets</u></b>			
Inventories		12,433	14,739
Financial assets at fair value through profit or loss		130	65
Receivables, contract assets and other assets		6,839	8,305
Prepayments		1,050	707
Tax recoverable		159	117
Derivative assets	B9(a)	28	27
Bank balances, deposits and cash		2,750	2,677
		<b>23,389</b>	<b>26,637</b>
Disposal groups and assets held for sale <sup>2</sup>		70	715
<b>Total assets</b>		<b>47,070</b>	<b>51,822</b>
<b><u>Equity</u></b>			
Share capital		9,330	9,330
Reserves		9,188	10,036
<b>Attributable to owners of the Company</b>		<b>18,518</b>	<b>19,366</b>
Non-controlling interests		2,836	2,811
Perpetual sukuk		1,198	1,181
<b>Total equity</b>		<b>22,552</b>	<b>23,358</b>
<b><u>Non-current liabilities</u></b>			
Borrowings	B8	5,013	4,702
Lease liabilities		2,030	2,231
Derivative liabilities	B9(a)	—	— <sup>1</sup>
Payables, contract liabilities and other liabilities		740	726
Deferred tax liabilities		979	977
		<b>8,762</b>	<b>8,636</b>
<b><u>Current liabilities</u></b>			
Borrowings	B8	2,876	5,738
Lease liabilities		470	540
Derivative liabilities	B9(a)	19	12
Payables and other liabilities		9,717	10,346
Contract liabilities		1,951	2,143
Provisions		452	498
Tax payable		271	371
		<b>15,756</b>	<b>19,648</b>
Liabilities associated with disposal groups <sup>2</sup>		—	180
<b>Total liabilities</b>		<b>24,518</b>	<b>28,464</b>
<b>Total equity and liabilities</b>		<b>47,070</b>	<b>51,822</b>
Net assets per share attributable to owners of the Company (RM)		<b>2.72</b>	<b>2.84</b>

<sup>1</sup>Less than RM1 million.

<sup>2</sup>There were no disposal groups as at 31 March 2025. Disposal groups as at 30 June 2024 relate to the UKHE group, Hyster operations in New Zealand and Ferrari operations in Australia.

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2024.

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

**Unaudited Condensed Consolidated Statement of Changes in Equity**  
**Amounts in RM million unless otherwise stated**

	Share capital	Capital reserve	Legal reserve	Hedging reserve	Exchange reserve	Retained profits	Reserves	Attributable to owners of the Company	Non-controlling interests	Perpetual sukuk	Total equity
<b>Three quarters ended 31 March 2025</b>											
At 1 July 2024	9,330	223	146	11	776	8,880	10,036	19,366	2,811	1,181	23,358
Total comprehensive (loss)/income for the period	–	–	–	(13)	(1,179)	1,298	106	106	196	52	354
Shares issued by a non-wholly owned subsidiary	–	–	–	–	–	–	–	–	1	–	1
Acquisition of non-wholly owned subsidiaries	–	–	–	–	–	–	–	–	46	–	46
Disposal of non-wholly owned subsidiaries	–	–	–	–	–	–	–	–	(96)	–	(96)
Dividends paid	–	–	–	–	–	(954)	(954)	(954)	(122)	–	(1,076)
Distribution to holders of perpetual sukuk	–	–	–	–	–	–	–	–	–	(35)	(35)
Transfer between reserves	–	–	5	–	–	(5)	–	–	–	–	–
At 31 March 2025	9,330	223	151	(2)	(403)	9,219	9,188	18,518	2,836	1,198	22,552

**SIME DARBY BERHAD**  
(Company No: 200601032645 (752404-U))

**Unaudited Condensed Consolidated Statement of Changes in Equity (continued)**  
Amounts in RM million unless otherwise stated

	Share capital	Capital reserve	Legal reserve	Hedging reserve	Exchange reserve	Retained profits	Reserves	Attributable to owners of the Company	Non-controlling interests	Perpetual sukuk	Total equity
<b>Three quarters ended 31 March 2024</b>											
At 1 July 2023	9,330	223	136	–	760	6,477	7,596	16,926	357	–	17,283
Total comprehensive income for the period	–	–	–	1	– <sup>1</sup>	3,216	3,217	3,217	125	21	3,363
Dividends paid	–	–	–	–	–	(886)	(886)	(886)	(23)	–	(909)
Acquisition of non-wholly owned subsidiaries	–	–	–	–	–	–	–	–	4,297	1,094	5,391
Purchase of additional interest in subsidiaries	–	–	–	–	–	(104)	(104)	(104)	(2,170)	–	(2,274)
Transfer between reserves	–	–	4	–	–	(4)	–	–	–	–	–
At 31 March 2024	9,330	223	140	1	760	8,699	9,823	19,153	2,586	1,115	22,854

<sup>1</sup>Less than RM1 million.

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2024.

**Unaudited Condensed Consolidated Statement of Cash Flows**  
Amounts in RM million unless otherwise stated

	<b>Three quarters ended 31 March</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flow from operating activities</b>		
Profit for the period from continuing operations	<b>1,558</b>	1,338
Adjustments for:		
Share of results of joint ventures and associates	<b>(404)</b>	(158)
Finance income	<b>(80)</b>	(105)
Finance costs	<b>512</b>	502
Taxation	<b>447</b>	445
Gain on disposal of fixed assets (net)	<b>(457)</b>	(277)
Gain on disposal of businesses and equity investments (net)	<b>(62)</b>	–
Depreciation and amortisation	<b>1,604</b>	1,416
Impairment of fixed assets (net)	<b>22</b>	2
(Reversal of impairment of receivables)/Impairment of receivables (net)	<b>(34)</b>	7
Inventory write-down and provision	<b>128</b>	155
Fair value gain on financial assets at fair value through profit or loss (net)	<b>(2)</b>	(3)
Other non-cash items	<b>(39)</b>	(14)
	<b>3,193</b>	3,308
<b>Changes in working capital:</b>		
Inventories	<b>1,685</b>	124
Rental assets	<b>(917)</b>	(1,279)
Trade, other receivables and prepayments	<b>572</b>	(931)
Trade, other payables and provisions	<b>(438)</b>	(1,642)
<b>Cash generated from/(used in) operations</b>	<b>4,095</b>	(420)
Tax paid (net)	<b>(576)</b>	(334)
Dividends received from associates	<b>285</b>	28
Operating cash flow from/(used in) continuing operations	<b>3,804</b>	(726)
Operating cash flow (used in)/from discontinued operations	<b>(21)</b>	19
<b>Net cash flow from/(used in) operating activities</b>	<b>3,783</b>	(707)
<b>Cash flow from investing activities</b>		
Finance income received	<b>72</b>	96
Purchase of fixed assets	<b>(813)</b>	(696)
Acquisition of subsidiaries and business <sup>1</sup>	<b>(23)</b>	(2,149)
Proceeds from sale of subsidiaries, businesses and associate	<b>249<sup>2</sup></b>	27 <sup>3</sup>
Proceeds from sale of fixed assets	<b>715</b>	270
Net additions to financial assets at fair value through profit or loss	<b>(65)</b>	87
Net movement in restricted deposits and deposits with maturity more than 3 months	<b>(16)</b>	26
Investing cash flow from/(used in) continuing operations	<b>119</b>	(2,339)
Investing cash flow from discontinued operations	<b>30</b>	2,842
<b>Net cash flow from investing activities</b>	<b>149</b>	503

Fixed assets consist of property, plant and equipment, right-of-use assets, investment properties and intangible assets.

<sup>1</sup> Includes part payment of the consideration payable for the acquisition of Salmon Earthmoving Holdings Pty Ltd.

<sup>2</sup> Includes balance consideration received from the disposal of the Weifang port companies.

<sup>3</sup> Relates to balance consideration from the disposal of Jining ports.

**Unaudited Condensed Consolidated Statement of Cash Flows (continued)**  
**Amounts in RM million unless otherwise stated**

		<b>Three quarters ended 31 March</b>	
	<b>Note</b>	<b>2025</b>	<b>2024</b>
<b>Cash flow from financing activities</b>			
Finance costs paid		(399)	(411)
Net borrowings (repaid)/raised		(2,010)	4,770
Repayment of lease liabilities		(544)	(503)
Purchase of additional interest in subsidiaries		–	(2,267)
Proceeds from shares issued to non-controlling interests		1	–
Dividends paid to shareholders		(954)	(886)
Dividends paid to non-controlling interests <sup>4</sup>		(145)	(44)
Distribution paid to perpetual sukuk holders		(35)	–
Financing cash flow (used in)/from continuing operations		(4,086)	659
Financing cash flow used in discontinued operations		–	(8)
<b>Net cash flow (used in)/from financing activities</b>		<b>(4,086)</b>	<b>651</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(154)</b>	<b>447</b>
Foreign exchange differences		(82)	10
Cash and cash equivalents at beginning of the period		2,776	2,938
<b>Cash and cash equivalents at end of the period</b>		<b>2,540</b>	<b>3,395</b>
For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents comprised the following:			
Bank balances, deposits and cash		2,750	3,593
Less:			
Bank overdrafts	B8	(136)	(112)
Deposits with maturity of more than 3 months		(2)	(337)
Deposits restricted by bank		(72)	(55)
		2,540	3,089
Cash and cash equivalents included under disposal groups		–	306
		2,540	3,395

<sup>4</sup> Dividends paid to other shareholders of non-wholly owned subsidiaries. The amount paid in the current period includes RM23 million declared in the previous financial year (previous corresponding period: RM29 million).

## **EXPLANATORY NOTES**

This interim financial report is prepared in accordance with the requirements of paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and complies with the requirements of the Malaysian Financial Reporting Standard ("MFRS") 134 – Interim Financial Reporting. The interim financial report is unaudited and should be read in conjunction with the Group's audited annual financial statements for the financial year ended 30 June 2024.

### **A. EXPLANATORY NOTES PURSUANT TO MFRS 134**

#### **A1. Basis of Preparation**

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited annual financial statements for the financial year ended 30 June 2024, except as set out below.

##### **a) New accounting pronouncements**

- i) Accounting pronouncements adopted for this interim financial report that do not have a material impact on the Group in the current period are set out below:

- Amendments to MFRS 16 'Lease liability in a sale and leaseback'
- Amendments to MFRS 101 'Classification of liabilities as current or non-current'
- Amendments to MFRS 101 'Non-current liabilities with covenants'
- Amendments to MFRS 107 and MFRS 7 'Supplier finance arrangements'

- ii) Accounting pronouncements that are not yet effective are set out below:

Effective for annual reporting periods beginning on or after 1 January 2025

- Amendments to MFRS 121 'Lack of Exchangeability'

Effective for annual reporting periods beginning on or after 1 January 2026

- Amendments to MFRS 9 and MFRS 7 'Amendments to the classification and measurement of financial instruments'
- Amendments to MFRS 9 and MFRS 7 'Contracts referencing nature-dependent electricity'
- Amendments to MFRS 7 'Financial Instruments: disclosures'
- Amendments to MFRS 9 'Financial Instruments'
- Amendments to MFRS 10 'Consolidated financial statements'
- Amendments to MFRS 107 'Statement of cash flows'

Effective for annual reporting periods beginning on or after 1 January 2027

- MFRS 18 – 'Presentation and disclosure in financial statements'

- iii) Accounting pronouncements where the effective date has been deferred to a date to be determined by MASB are set out below:

- Amendments to MFRS 10 'Consolidated financial statements' and MFRS 128 'Investments in associates and joint ventures - sale or contribution of assets between an investor and its associate or joint venture'.



**A2. Seasonal or Cyclical Factors**

The Group's operations are not materially affected by seasonal or cyclical factors.

**A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

Except as disclosed in the financial statements on pages 1 to 7 and notes B1 and B2, there were no material unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the financial period under review.

**A4. Material Changes in Estimates**

Except as disclosed in notes B1 and B2, there were no material changes in the estimates of amounts reported in the previous financial years that have a material effect on the results for the current period under review.

**A5. Debt and Equity Securities**

Sukuk

In the previous financial year, the Group had established an unrated Islamic commercial papers and Islamic medium term notes programme based on the Shariah principle of Murabahah (via Tawarruq arrangement) for the issuance of Sukuk Murabahah of up to RM10.0 billion in nominal value ("Sukuk Murabahah Programme"), irrevocably and unconditionally guaranteed by Sime Darby Berhad. On 11 December 2023, Tranche 1 of the Sukuk Murabahah at an issue size of RM3.0 billion in nominal value was issued. As at 30 June 2024, the outstanding Sukuk Murabahah under this programme was RM2,033 million. Of this amount, a further RM733 million was redeemed in the current financial year prior to its maturity on 11 December 2024, reducing the outstanding balance to RM1,300 million as at 11 December 2024.

On 11 December 2024, Tranches 2, 3 and 4 of the Sukuk Murabahah at a combined issue size of RM1,300 million in nominal value were issued to refinance the outstanding Sukuk Murabahah which matured on 11 December 2024. On 13 December 2024, Tranche 5 of the Sukuk Murabahah at an issue size of RM200 million in nominal value was issued. The proceeds were used for working capital, investments/acquisition, capital expenditure and/or other general corporate purposes.

The outstanding balance as at 31 March 2025 was RM1,500 million.

There were no other issuances, cancellations, repurchases, resale and redemptions/repayments of debt and equity securities during the financial period under review.

**A6. Dividends Paid to Shareholders**

The second interim dividend of 10.0 sen per share amounting to RM682 million for the financial year ended 30 June 2024 was paid by way of cash on 30 September 2024.

An interim dividend of 3.0 sen per share amounting to RM204 million and a special dividend of 1.0 sen per share amounting to RM68 million for the financial year ending 30 June 2025 which totalled RM272 million was paid by way of cash on 27 March 2025.

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

Explanatory Notes on the Quarterly Report – 31 March 2025  
Amounts in RM million unless otherwise stated

**A7. Segment Information**

The UKHE group, a subsidiary of UMW, is deemed to be acquired exclusively with a view for resale and hence, has been classified as discontinued operations. The disposal has been completed in October 2024.

	Continuing operations						Discontinued operations		
	Industrial	Motors	UMW <sup>1</sup>	Others	Corporate/ Intra-group adjustments	Total	Healthcare	UKHE	Total
<b>Three quarters ended 31 March 2025</b>									
<b>Segment revenue:</b>									
External	14,095	25,877	12,271	60	–	52,303	–	174	52,477
Inter-segment	2	13	18	14	(47)	–	–	–	–
	<b>14,097</b>	<b>25,890</b>	<b>12,289</b>	<b>74</b>	<b>(47)</b>	<b>52,303</b>	<b>–</b>	<b>174</b>	<b>52,477</b>
<b>Profit/(Loss) before interest and tax</b>	<b>901</b>	<b>422</b>	<b>680</b>	<b>493</b>	<b>(59)</b>	<b>2,437</b>	<b>–</b>	<b>17</b>	<b>2,454</b>
Net finance (costs)/income						(432)	–	1	(431)
Taxation						(447)	–	(9)	(456)
<b>Profit for the period</b>						<b>1,558</b>	<b>–</b>	<b>9</b>	<b>1,567</b>
<b>Three quarters ended 31 March 2024</b>									
<b>Segment revenue:</b>									
External	14,968	28,025	5,287	59	–	48,339	–	204	48,543
Inter-segment	3	16	7	9	(35)	–	–	–	–
	<b>14,971</b>	<b>28,041</b>	<b>5,294</b>	<b>68</b>	<b>(35)</b>	<b>48,339</b>	<b>–</b>	<b>204</b>	<b>48,543</b>
<b>Profit/(Loss) before interest and tax</b>	<b>1,068</b>	<b>575</b>	<b>309</b>	<b>290</b>	<b>(62)</b>	<b>2,180</b>	<b>2,052</b>	<b>(6)</b>	<b>4,226</b>
Net finance (costs)/income						(397)	–	2	(395)
Taxation						(445)	–	(8)	(453)
<b>Profit/(Loss) for the period</b>						<b>1,338</b>	<b>2,052</b>	<b>(12)</b>	<b>3,378</b>

<sup>1</sup> The business segments under UMW include Automotive, Equipment, Manufacturing and Engineering and others.

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

Explanatory Notes on the Quarterly Report – 31 March 2025  
Amounts in RM million unless otherwise stated

**A7. Segment Information (continued)**

	Continuing operations						Discontinued operations	
	Industrial	Motors	UMW	Others	Corporate/ Intra-group adjustments	Total	UKHE	Total
<b>As at</b>								
<b>31 March 2025</b>								
Segment assets	16,330	16,022	12,637	228	746	45,963	–	45,963
Segment liabilities	(3,159)	(6,313)	(2,701)	(715)	9	(12,879)	–	(12,879)
Segment invested capital	13,171	9,709	9,936	(487)	755	33,084	–	33,084
Net tax liabilities						(143)	–	(143)
Borrowings and lease liabilities						(10,389)	–	(10,389)
<b>Total equity</b>						<b>22,552</b>	–	<b>22,552</b>
<b>As at</b>								
<b>30 June 2024</b>								
Segment assets	19,375	17,147	12,764	305	658	50,249	564	50,813
Segment liabilities	(4,013)	(6,393)	(2,849)	(459)	(13)	(13,727)	(178)	(13,905)
Segment invested capital	15,362	10,754	9,915	(154)	645	36,522	386	36,908
Net tax liabilities						(339)	–	(339)
Borrowings and lease liabilities						(13,211)	–	(13,211)
<b>Total equity</b>						<b>22,972</b>	<b>386</b>	<b>23,358</b>

Explanatory Notes on the Quarterly Report – 31 March 2025  
Amounts in RM million unless otherwise stated

**A7. Segment Information (continued)**

Revenue from continuing operations comprise the following:

	<b>Three quarters ended 31 March</b>	
	<b>2025</b>	<b>2024</b>
Revenue from contracts with customers	<b>51,233</b>	47,374
Rental income	<b>1,070</b>	965
	<b>52,303</b>	48,339

Analysis of the Group's revenue from contracts with customers is as follows:

<b>Three quarters ended 31 March 2025</b>	<b>Industrial</b>	<b>Motors</b>	<b>UMW</b>	<b>Others</b>	<b>Total</b>
<b><u>Continuing operations</u></b>					
<b>Segment revenue</b>					
Sale of equipment and vehicles	<b>5,039</b>	<b>21,048</b>	<b>8,523</b>	–	<b>34,610</b>
Sale of parts, assembly charges and provision of after-sales services	<b>8,219</b>	<b>3,782</b>	<b>2,860</b>	–	<b>14,861</b>
Manufacturing and engineering	<b>215</b>	–	<b>565</b>	<b>6</b>	<b>786</b>
Commission, handling fees and others	–	<b>816</b>	<b>120</b>	<b>40</b>	<b>976</b>
	<b>13,473</b>	<b>25,646</b>	<b>12,068</b>	<b>46</b>	<b>51,233</b>
<b>Geographical location</b>					
Malaysia	<b>856</b>	<b>5,507</b>	<b>11,836</b>	<b>42</b>	<b>18,241</b>
China	<b>1,964</b>	<b>9,447</b>	<b>73</b>	–	<b>11,484</b>
Other countries in Asia	<b>650</b>	<b>7,060</b>	<b>159</b>	<b>4</b>	<b>7,873</b>
Australasia	<b>10,003</b>	<b>3,632</b>	–	–	<b>13,635</b>
	<b>13,473</b>	<b>25,646</b>	<b>12,068</b>	<b>46</b>	<b>51,233</b>
<b>Timing of revenue recognition</b>					
At a point in time	<b>9,974</b>	<b>22,156</b>	<b>12,064</b>	<b>30</b>	<b>44,224</b>
Over time	<b>3,499</b>	<b>3,490</b>	<b>4</b>	<b>16</b>	<b>7,009</b>
	<b>13,473</b>	<b>25,646</b>	<b>12,068</b>	<b>46</b>	<b>51,233</b>

<b>Three quarters ended 31 March 2024</b>	<b>Industrial</b>	<b>Motors</b>	<b>UMW</b>	<b>Others</b>	<b>Total</b>
<b><u>Continuing operations</u></b>					
<b>Segment revenue</b>					
Sale of equipment and vehicles	<b>5,626</b>	<b>23,161</b>	<b>3,910</b>	–	<b>32,697</b>
Sale of parts, assembly charges and provision of after-sales services	<b>8,431</b>	<b>3,953</b>	<b>1,085</b>	–	<b>13,469</b>
Manufacturing and engineering	<b>286</b>	–	<b>210</b>	<b>9</b>	<b>505</b>
Commission, handling fees and others	–	<b>663</b>	<b>4</b>	<b>36</b>	<b>703</b>
	<b>14,343</b>	<b>27,777</b>	<b>5,209</b>	<b>45</b>	<b>47,374</b>

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**A7. Segment Information (continued)**

Analysis of the Group's revenue from contracts with customers is as follows (continued):

<b>Three quarters ended 31 March 2024</b>	<b>Industrial</b>	<b>Motors</b>	<b>UMW</b>	<b>Others</b>	<b>Total</b>
<b>Geographical location</b>					
Malaysia	901	6,528	5,127	41	12,597
China	1,802	11,632	10	–	13,444
Other countries in Asia	711	5,011	72	4	5,798
Australasia	10,929	4,606	–	–	15,535
	<u>14,343</u>	<u>27,777</u>	<u>5,209</u>	<u>45</u>	<u>47,374</u>
<b>Timing of revenue recognition</b>					
At a point in time	10,843	24,021	5,208	30	40,102
Over time	3,500	3,756	1	15	7,272
	<u>14,343</u>	<u>27,777</u>	<u>5,209</u>	<u>45</u>	<u>47,374</u>

**A8. Capital Commitments**

Contracted capital expenditure not provided for in the interim financial report is as follows:

	<b>As at 31 March 2025</b>	<b>As at 30 June 2024</b>
- Property, plant and equipment	<b>457</b>	664
- Other capital expenditure	<b>38</b>	9
	<u><b>495</b></u>	<u>673</u>

#### **A9. Significant Related Party Transactions**

Significant related party transactions conducted during the three quarters ended 31 March are as follows:

	<b>Three quarters ended 31 March</b>	
	<b>2025</b>	<b>2024</b>
<b>a. Transactions with joint ventures and associates</b>		
<b><u>Continuing operations</u></b>		
Purchase of products and services from Sitech Construction Systems Pty Ltd	11	14
Contribution paid to Yayasan Sime Darby	31	30
Sale of goods and services to and rental income from Perusahan Otomobil Kedua Sdn Bhd and its subsidiaries and associates	467	177
Purchase of goods and services from Perusahan Otomobil Kedua Sdn Bhd and its subsidiaries and associates	536	203
Sale of land to Perusahan Otomobil Kedua Sdn Bhd and its subsidiaries and associates	52	–
Sale of goods to UMW Toyotsu Motors Sdn Bhd	270	63
Purchase of goods and services from UMW Toyotsu Motors Sdn Bhd	17	15
<b>b. Transactions between subsidiaries and non-controlling interests or their affiliated companies</b>		
<b><u>Continuing operations</u></b>		
Contract assembly service provided by Inokom Corporation Sdn Bhd ("ICSB") to Mazda Malaysia Sdn Bhd	69	82
Contract assembly service provided by ICSB to Kia Malaysia Sdn Bhd	19	30
Rental and vehicle storage income received by ICSB from Mazda Malaysia Sdn Bhd, Bermaz Motor Trading Sdn Bhd and Dinamikjaya Motors Sdn Bhd	6	4
Sale of goods and services, rental, warranty claims and commission income to Toyota Motor Corporation, Japan and its subsidiaries and Toyota Tsusho Corporation, Japan and its subsidiaries	1,488	632
Purchase of goods and services and other procurement expenses from Toyota Motor Corporation, Japan and its subsidiaries and Toyota Tsusho Corporation, Japan and its subsidiaries	4,973	2,021
Purchase of goods and services from Toyota Industries Corporation, Japan and its subsidiaries	281	91
Purchase of goods and services from Kayaba Industry Co Ltd and its subsidiaries	13	13
Sale of goods and services to Kayaba Industry Co Ltd and its subsidiaries	78	29
<b><u>Discontinued operations</u></b>		
Purchase of goods and services from Komatsu Ltd, Japan and its subsidiaries	283	106

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#### **A9. Significant Related Party Transactions (continued)**

Significant related party transactions conducted during the three quarters ended 31 March are as follows (continued):

##### **c. Transactions with major shareholders and the Government**

As at 31 March 2025, Permodalan Nasional Berhad (“PNB”) owned approximately 5% of the issued share capital of the Company. The Company is considered an associate of PNB by virtue of PNB’s representation on the Board of the Company.

PNB is an entity controlled by the Malaysian Government through Yayasan Pelaburan Bumiputera. As a result, the Malaysian Government and bodies controlled or jointly controlled by the Malaysian Government (collectively referred to as government-related entities) are related parties of the Group and of the Company.

Transactions entered into with government-related entities include sales and purchases of goods and services. These related party transactions were entered into in the ordinary course of business.

#### **A10. Material Events Subsequent to the End of the Financial Period**

There were no material events subsequent to the end of the current quarter under review to 21 May 2025, being a date not earlier than 7 days from the date of issue of the quarterly report.

#### **A11. Effect of Significant Changes in the Composition of the Group**

Significant changes in the composition of the Group are as follows:

##### Disposal of an associate

On 16 August 2024, the Group completed the disposal of its entire 30% equity interest in Chubb Singapore Private Limited (“Chubb Singapore”) for a cash consideration of SGD3 million (approximately RM10 million).

##### Disposal of subsidiaries

On 23 August 2024, the Group entered into a Share Purchase Agreement with Komatsu Ltd. to divest the Group’s entire equity interest in the UKHE group for a cash consideration of approximately RM292 million. The disposal of the subsidiaries was completed on 16 October 2024 but the disposal of certain assets would be completed at a later date.

Details of net assets and net cash inflow arising from the disposal of the subsidiaries are as follows:

Net assets	350
Non-controlling interests	(96)
Share of net assets disposed	254
Gain on disposal of subsidiaries	1
Add: net foreign exchange loss included in the gain on disposal	14
Total consideration from disposal, net of assets yet to be disposed and transaction costs	269
Less: cash and cash equivalents of subsidiaries disposed	(266)
Net cash inflow from disposal	3

**A11. Effect of Significant Changes in the Composition of the Group (continued)**

Significant changes in the composition of the Group are as follows (continued):

Disposal of joint ventures and acquisition of subsidiaries

The Group had obtained control over Lubritech International Holdings Limited ("LIHL") and its wholly owned subsidiary, Lubritech Limited ("LL") following the amendments to the shareholders' agreement in January 2025. As such, both LIHL and LL are accounted as 60% owned non-wholly owned subsidiaries of the Group (previously accounted as joint ventures).

The fair value of net assets of this acquisition will be adjusted, where applicable, upon completion of the purchase price allocation as allowed under MFRS 3.

**A12. Contingent Liabilities – unsecured**

a) Guarantees

In the ordinary course of business, the Group issues surety bonds and letters of credit to customers to secure advance payments, for performance under contracts or in lieu of retention being withheld on contracts. A liability would only arise in the event the Group fails to fulfil its contractual obligations.

The performance guarantees are as follows:

	<b>As at 31 March 2025</b>	<b>As at 30 June 2024</b>
Performance and advance payment guarantees to customers of the Group	<u><b>2,231</b></u>	<u><b>2,318</b></u>

In addition, the Group guarantees the payment from its customers under a risk sharing arrangement with a third party leasing company in connection with the sale of its equipment up to a pre-determined amount. As at 31 March 2025, the total outstanding risk sharing amount on which the Group has an obligation to pay the leasing company should the customers default, amounted to RM86 million (30 June 2024: RM102 million).



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**B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of Group Performance**

	Quarter ended 31 March			Three quarters ended 31 March		
	2025	2024	% +/(–)	2025	2024	% +/(–)
<b><u>Continuing operations</u></b>						
Revenue	16,313	18,835	(13.4)	52,303	48,339	8.2
Segment results:						
Industrial	221	359	(38.4)	901	1,068	(15.6)
Motors	114	180	(36.7)	422	575	(26.6)
UMW	194	262	(26.0)	680	309	>100.0
Others	11	(2)		35	11	
	540	799	(32.4)	2,038	1,963	3.8
Gain on disposal of Malaysia Vision Valley (“MVV”) land	–	–		458	279	
Foreign exchange gain from repayment of net investments	5	–		–	25	
Corporate expenses	(24)	(40)		(59)	(87)	
<b>Profit before interest and tax</b>	<b>521</b>	<b>759</b>	<b>(31.4)</b>	<b>2,437</b>	<b>2,180</b>	<b>11.8</b>
Finance income	24	49		80	105	
Finance costs	(152)	(206)		(512)	(502)	
<b>Profit before tax</b>	<b>393</b>	<b>602</b>	<b>(34.7)</b>	<b>2,005</b>	<b>1,783</b>	<b>12.5</b>
Taxation	(117)	(151)		(447)	(445)	
<b>Profit from continuing operations</b>	<b>276</b>	<b>451</b>	<b>(38.8)</b>	<b>1,558</b>	<b>1,338</b>	<b>16.4</b>
Non-controlling interests	(66)	(85)		(215)	(142)	
Perpetual sukuk	(17)	(17)		(52)	(21)	
<b>Profit from continuing operations attributable to owners of the Company</b>	<b>193</b>	<b>349</b>	<b>(44.7)</b>	<b>1,291</b>	<b>1,175</b>	<b>9.9</b>
<b><u>Discontinued operations</u></b>						
Profit from discontinued operations attributable to owners of the Company	–	(9)		7	2,042	
<b>Profit attributable to owners of the Company (“Net Profit”)</b>	<b>193</b>	<b>340</b>	<b>(43.2)</b>	<b>1,298</b>	<b>3,217</b>	<b>(59.7)</b>

**B1. Review of Group Performance (continued)**

The analysis of the results for the quarter ended 31 March 2025 against the quarter ended 31 March 2024

The Group's Net Profit from continuing operations was 44.7% lower at RM193 million mainly due to lower profit from all core divisions.

**a) Industrial**

Profit before interest and tax ("PBIT") decreased by 38.4% to RM221 million in the current quarter mainly due to lower profits from Australasia. Profit from Australasia was impacted by a currency-related parts price adjustment, unfavourable weather conditions and a weaker Australian dollar against the Malaysian Ringgit.

**b) Motors**

PBIT decreased by 36.7% to RM114 million in the current quarter mainly due to lower revenue and core profit from several markets, particularly Malaysia, Hong Kong and New Zealand. These markets have been impacted by weaker demand and fierce competition. Included in the results for the current quarter is the gain on disposal of the Hyster operations in New Zealand of RM26 million.

**c) UMW**

PBIT decreased by 26.0% to RM194 million mainly due to losses at the lubricants business.

**B1. Review of Group Performance (continued)**

An analysis of the results for the three quarters ended 31 March 2025 against the three quarters ended 31 March 2024 is as follows:

The Group's Net Profit from continuing operations was higher by 9.9% at RM1,291 million mainly due to the full period contribution from UMW and a higher one-off gain on disposal of MVV land, offset by lower profits from Industrial and Motors divisions.

**a) Industrial**

PBIT was lower by 15.6% at RM901 million largely due to the lower profits from Australasia which had been impacted by currency-related parts price adjustments, a more cautious approach being taken by the mining customers in view of the uncertain economic conditions, and a weaker Australian dollar against the Malaysian Ringgit.

**b) Motors**

PBIT decreased by 26.6% to RM422 million primarily due to lower results from Malaysia, Hong Kong, Australia and New Zealand. These markets have been impacted by weaker demand, especially in the luxury segment, and fierce competition.

**c) UMW**

The higher PBIT was mainly due to the consolidation of UMW's result for the full three quarters in the current financial year compared with less than five months in the previous corresponding period.

**d) Discontinued operations**

The previous corresponding period included the gain on disposal of Ramsay Sime Darby Health Care ("RSDH") of RM2,007 million.

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**B2. Material Changes in Profit for the Current Quarter as Compared to the Results of the Preceding Quarter**

	Quarter ended		
	31 March 2025	31 December 2024	% +/(–)
<b><u>Continuing operations</u></b>			
Revenue	16,313	17,726	(8.0)
Segment results:			
Industrial	221	337	(34.4)
Motors	114	118	(3.4)
UMW	194	272	(28.7)
Others	11	(16)	
	540	711	(24.1)
Foreign exchange gain from repayment of net investments	5	–	
Corporate expenses	(24)	(9)	
<b>Profit before interest and tax</b>	<b>521</b>	<b>702</b>	<b>(25.8)</b>
Finance income	24	29	
Finance costs	(152)	(176)	
<b>Profit before tax</b>	<b>393</b>	<b>555</b>	<b>(29.2)</b>
Taxation	(117)	(150)	
<b>Profit from continuing operations</b>	<b>276</b>	<b>405</b>	<b>(31.9)</b>
Non-controlling interests	(66)	(84)	
Perpetual sukuk	(17)	(18)	
<b>Profit from continuing operations attributable to owners of the Company</b>	<b>193</b>	<b>303</b>	<b>(36.3)</b>
<b><u>Discontinued operations</u></b>			
Profit from discontinued operations attributable to owners of the Company	–	2	
<b>Profit attributable to owners of the Company</b>	<b>193</b>	<b>305</b>	<b>(36.7)</b>

The analysis of the results for the quarter ended 31 March 2025 against the quarter ended 31 December 2024 is as follows:

The Group's Net Profit from continuing operations was lower by 36.3%, mainly due to lower profit from Industrial and UMW divisions in the current quarter.

**a) Industrial**

PBIT was lower by 34.4% mainly due to lower profits from Australasia. Profits from Australasia declined mainly due to lower revenue and unfavourable weather conditions that impacted the operations.

**b) Motors**

PBIT was slightly lower by 3.4% mainly due to lower profit from Malaysia. The lower profit from Malaysia was mainly due to lower margins and the Yayasan Sime Darby contribution paid during the current quarter. This was largely offset by the gain on disposal of the Hyster operations in New Zealand of RM26 million.

**B2. Material Changes in Profit for the Current Quarter as Compared to the Results of the Preceding Quarter (continued)**

**c) UMW**

PBIT decreased by 28.7% mainly due to the lower revenue and share of results from associates of the automotive business. The lower revenue in the current quarter was mainly due to festive holidays impacting the number of working days for the quarter while the preceding quarter benefitted from year-end promotions and efforts to clear inventories.

**B3. Prospects**

There is significant uncertainty in the global economic outlook after the United States of America announced tariffs to be imposed on most countries. Volatility has also increased in the financial markets, affecting foreign currency exchange rates and interest rates.

Amidst this uncertainty, business conditions are expected to be challenging for the Group's industrial and motors businesses. The motors business continues to be impacted by dampened consumer demand and increased competition, especially from Chinese manufacturers. However, the medium to long term demand for the Group's products and after-sales service from the mining industry in Australia is expected to remain robust.

The Board expects the core financial performance for the financial year ending 30 June 2025 to be lower than that of the previous financial year.

**B4. Variance of Actual Profit from Profit Forecast or Profit Guarantee**

Not applicable as there was no profit forecast or profit guarantee issued.

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**B5. Profit before tax**

	Quarter ended 31 March		Three quarters ended 31 March	
	2025	2024	2025	2024
Included in operating profit of continuing operations are:				
Depreciation and amortisation	(521)	(563)	(1,604)	(1,416)
Inventory write-down and provision	(65)	(65)	(128)	(155)
Reversal of impairment of receivables/ (Impairment of receivables) (net)	13	(8)	34	(7)
Impairment of fixed assets (net)	(20)	(1)	(22)	(2)
Gain on disposal of properties	2	–	460	279
Loss on disposal of other fixed assets (net)	(4)	–	(3)	(2)
Gain on disposal of businesses and equity investments (net)	21	–	62	–
Fair value gain on financial assets at fair value through profit or loss (net)	1	1	2	3
Foreign exchange gain/(loss) (net)	9	(8)	14	27
Gain/(Loss) on derivatives (net)	1	(6)	4	(14)
Gain on lease modification/termination (net)	–	1	15	2

**B6. Taxation**

	Quarter ended 31 March		Three quarters ended 31 March	
	2025	2024	2025	2024
<b>Continuing operations</b>				
Current tax:				
- current year	142	177	461	484
- previous years	20	6	5	10
	<u>162</u>	<u>183</u>	<u>466</u>	<u>494</u>
Deferred tax:				
- origination and reversal of temporary differences and other deferred tax adjustments	(45)	(32)	(19)	(49)
	<u>117</u>	<u>151</u>	<u>447</u>	<u>445</u>
<b>Discontinued operations</b>	<u>–</u>	<u>8</u>	<u>9</u>	<u>8</u>

The effective tax rates of continuing operations (excluding share of results of joint ventures and associates) for the current quarter and three quarters ended 31 March 2025 of 43.8% and 27.9% respectively were higher than the applicable tax rates of 23.9% and 24.5% respectively.

The higher effective tax rate in the current quarter ended 31 March 2025 was mainly due to the impact of non-deductible expenses, deferred tax not recognised for certain tax losses and adjustments to tax expense relating to prior years. For the three quarters ended 31 March 2025, these effects were largely offset by the impact of the lower Real Property Gains Tax rate applicable on the gain on disposal of land in Malaysia.

## **B7. Status of Corporate Proposals**

The corporate proposals announced but not completed as at 21 May 2025 are as follows:

- a) On 23 September 2022, the Group entered into a Sale and Purchase Agreement (“SPA”) with NS Corporation for the disposal of approximately 1,281.8 acres of “Land” located in the Malaysia Vision Valley area for a cash consideration of RM445 million. The consideration has been adjusted to RM443.7 million after adjusting the Land area by approximately 3.9 acres. The agreement is expected to be completed in the financial year ending 30 June 2025, subject to further extension as may be mutually agreed.

## **B8. Group Borrowings**

The breakdown of the borrowings as at 31 March 2025 is as follows:

	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
<u>Long-term</u>			
Term loans and other long-term borrowings	<b>4</b>	<b>2,794</b>	<b>2,798</b>
Sukuk and Islamic term loans	<b>15</b>	<b>2,200</b>	<b>2,215</b>
	<b>19</b>	<b>4,994</b>	<b>5,013</b>
<u>Short-term</u>			
Term loans and other long-term borrowings due within one year	<b>10</b>	<b>423</b>	<b>433</b>
Sukuk and Islamic term loans due within one year	<b>29</b>	<b>571</b>	<b>600</b>
Islamic financing	<b>–</b>	<b>393</b>	<b>393</b>
Islamic bank overdrafts	<b>–</b>	<b>40</b>	<b>40</b>
Bank overdrafts	<b>–</b>	<b>96</b>	<b>96</b>
Revolving credits, bankers acceptances, trade facilities and other short-term borrowings	<b>–</b>	<b>1,314</b>	<b>1,314</b>
	<b>39</b>	<b>2,837</b>	<b>2,876</b>
Total borrowings	<b>58</b>	<b>7,831</b>	<b>7,889</b>

The Group borrowings in RM equivalent analysed by currency are as follows:

	<b>Long-term borrowings</b>	<b>Short-term borrowings</b>	<b>Total</b>
Ringgit Malaysia	<b>2,236</b>	<b>1,063</b>	<b>3,299</b>
Australian dollar	<b>2,773</b>	<b>908</b>	<b>3,681</b>
Chinese renminbi	<b>–</b>	<b>95</b>	<b>95</b>
European Union euro	<b>–</b>	<b>17</b>	<b>17</b>
Hong Kong dollar	<b>–</b>	<b>269</b>	<b>269</b>
Indonesian rupiah	<b>–</b>	<b>31</b>	<b>31</b>
New Zealand dollar	<b>–</b>	<b>69</b>	<b>69</b>
Pacific franc	<b>4</b>	<b>10</b>	<b>14</b>
Taiwan dollar	<b>–</b>	<b>264</b>	<b>264</b>
Thailand baht	<b>–</b>	<b>148</b>	<b>148</b>
United States dollar	<b>–</b>	<b>2</b>	<b>2</b>
Total borrowings	<b>5,013</b>	<b>2,876</b>	<b>7,889</b>

Secured borrowings are secured by fixed and floating charges over certain assets in certain subsidiaries in Malaysia and New Caledonia.

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## **B9. Financial Instruments**

### **a) Derivatives**

The Group enters into derivative contracts primarily to manage its exposure to financial risks. The fair values of these contracts as at 31 March 2025 are as follows:

	<b>Classification in Statement of Financial Position</b>		<b>Net fair value</b>
	<b>Assets</b>	<b>Liabilities</b>	
Forward foreign exchange contracts	<b>24</b>	<b>(19)</b>	<b>5</b>
Embedded derivatives	<b>4</b>	<b>–</b>	<b>4</b>
	<b>28</b>	<b>(19)</b>	<b>9</b>

There is no change to the type of derivative financial contracts entered into, cash requirements of the derivatives, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the financial year ended 30 June 2024.

The description, notional amount and maturity profile of the derivatives are shown below:

#### Forward foreign exchange contracts

The forward foreign currency contracts are stated at fair value, using the prevailing market rates. Changes in fair value of the forward foreign currency contracts are recognised in other comprehensive income unless hedge accounting is not applied, in which case, the changes to the fair value of the derivatives are taken to profit or loss.

As at 31 March 2025, the notional amount, fair value and maturity tenor of the forward foreign exchange contracts are as follows:

	<b>Notional amount</b>	<b>Net fair value assets</b>
- less than 1 year	<b>4,376</b>	<b>5</b>
- 1 year to 3 years	<b>8</b>	<b>–<sup>1</sup></b>
	<b>4,384</b>	<b>5</b>

<sup>1</sup>Less than RM1 million.

#### Embedded derivatives

Embedded derivatives relate to purchase contracts entered into with suppliers. The purchase price in these contracts is denominated in USD and subject to periodic price review.

As at 31 March 2025, the notional amount, fair value and maturity tenor of the embedded derivatives are as follows:

	<b>Notional amount</b>	<b>Fair value assets</b>
- less than 1 year	<b>841</b>	<b>4</b>



**B9. Financial Instruments (continued)**

b) Financial instruments measured at fair value

The measurement and categorisation of the financial instruments carried at fair value are as follows:

Financial assets at fair value through profit or loss ("FVTPL") and loan to joint venture

The fair values of quoted investment in money market fund and quoted shares are based on quoted market prices in active markets (Level 1). The fair values of the remaining financial assets at FVTPL and loan to joint venture are based on valuation techniques with significant unobservable inputs (Level 3). Level 2 are fair values based on valuation techniques using market observable inputs. The following table presents the Group's financial assets at FVTPL and loan to joint venture into three different levels as defined above:

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL	131	–	71	202
Loan to joint venture <sup>1</sup>	–	–	14	14

<sup>1</sup>Included under joint ventures

Derivatives

The fair values of derivatives are based on price quotes for similar instruments or valuation techniques based on market observable inputs (Level 2).

The fair value of forward foreign exchange contracts and embedded derivatives are calculated using observable forward exchange rates at the end of the reporting period, with the resulting value discounted to present value.

c) Fair Value Changes of Financial Liabilities

Other than derivatives which are classified as liabilities only when they are at fair value loss position as at the end of the reporting period, the Group does not remeasure its financial liabilities at fair value after initial recognition.

**B10. Material Litigation**

Changes in material litigation since the date of the last audited annual statement of financial position up to 21 May 2025 are as follows:

**a) Qatar Petroleum Project (“QP Project”), Maersk Oil Qatar Project (“MOQ Project”) and the Marine Project Civil Suit (“Oil & Gas Suit”)**

On 23 December 2010, Sime Darby Berhad and four subsidiaries (collectively, “the Plaintiffs”) filed a civil suit against Dato’ Seri Ahmad Zubair @ Ahmad Zubir Hj Murshid, Dato’ Mohamad Shukri Baharom, Abdul Rahim Ismail, Abdul Kadir Alias and Mohd Zaki Othman (collectively, “the Defendants”) for damages arising from the Defendants’ negligence and breaches of duty relating to the QP Project, the MOQ Project and the project relating to the construction of a derrick lay barge for an aggregate amount of RM93 million and USD79 million (approximately RM338 million) together with general and aggravated damages and other relief.

On 13 June 2014, all the Defendants consented to an Interlocutory Judgement being recorded on the Defendants’ liability with damages to be assessed by the Court (the “Consent Judgement”). The Plaintiffs shall be permitted to enforce any final judgement entered after the assessment of damages, upon recovering all claims from the QP and MOQ projects and proceeds from the sale of the derrick lay barge, or after the expiry of 3 years from the date of final judgement, whichever is earlier.

The Plaintiffs proceeded to file the application to assess damages and the Court on 25 October 2023 recorded that the hearing for the assessment of damages for the Oil & Gas suit has concluded. A decision will be delivered on 13 June 2025.

**b) Bakun Hydroelectric Project (“Bakun Project”) and the Indemnity Agreement Civil Suit (“Bakun Suit”)**

On 24 December 2010, Sime Darby Berhad and three subsidiaries (collectively, “the Plaintiffs”) filed a civil suit against Dato’ Seri Ahmad Zubair @ Ahmad Zubir Hj Murshid, Dato’ Mohamad Shukri Baharom (“DMS”) and Abdul Rahim Ismail (collectively, “the Defendants”) for damages in connection with the Defendants’ negligence and breaches of duty relating to the Package CW2-Main Civil Works for the Bakun Project and in respect of the Receipt, Discharge and Indemnity Agreement dated 12 January 2010 given to DMS for an aggregate amount of RM91 million together with general and aggravated damages to be assessed and other relief.

On 13 June 2014, all the Defendants consented to an Interlocutory Judgement being recorded on the Defendants’ liability and for damages to be assessed by the Court. The Plaintiffs shall be permitted to enforce any final judgement entered after the assessment of damages, upon the Malaysia-China Hydro Joint Venture receiving full settlement from Sarawak Hidro Sdn Bhd or the Ministry of Finance in relation to the Bakun Project, or after the expiry of 3 years from the date of final judgement, whichever is earlier.

The Plaintiffs have filed a Notice of Application for directions to assess damages. The Registrar directed that the Plaintiffs’ application for assessment of damages for the Oil & Gas Suit and the Bakun Suit be heard separately and that the assessment of damages for the Oil & Gas Suit will be heard first before the Bakun Suit.

**B10. Material Litigation (continued)**

Changes in material litigation since the date of the last audited annual statement of financial position up to 21 May 2025 are as follows: (continued)

**c) B-193 Process Platform Project (“PP Project”)**

Sime Darby Engineering Sdn Bhd (“SDE”) and Swiber Offshore Construction Pte Ltd (“SOC”) entered into a Consortium Agreement to govern their relationship as a consortium (“the Consortium”) to undertake works relating to the PP Project awarded by Oil and Natural Gas Corporation Ltd (“ONGC”). A contract dated 3 July 2010 was executed for a total contract price of USD618 million (approximately RM2.6 billion).

Disputes have arisen between the Consortium and ONGC and on 1 June 2016, the Consortium initiated arbitration proceedings against ONGC. SDE’s portion of the Consortium’s claim is circa USD76 million (approximately RM325 million).

On 22 March 2018, the tribunal ordered ONGC to pay the Consortium a net sum of USD5.12 million (approximately RM22 million), together with interest at 14% per annum, as full and final settlement of all claims. On 27 March 2018, ONGC filed an application at the High Court in Mumbai, India to set aside the arbitration award.

On 16 October 2020, SDE and Swiber filed enforcement proceedings against ONGC to seek recovery of the arbitration award. The warrant of attachment for movable properties was issued by the Court. On 19 April 2021, ONGC deposited a sum of INR447 million (approximately RM22 million) to the Court, which includes interest at 14% on the principal sum awarded from the period of 22 March 2018 to 25 August 2020.

As a result of the sum deposited by ONGC, the award rendered by the arbitral tribunal has been stayed until the Court hears ONGC’s application to set aside the arbitration award. The next hearing is scheduled for 3 July 2025.

**B11. Dividend**

An interim dividend of 3.0 sen per share amounting to RM204 million and a special dividend of 1.0 sen per share amounting to RM68 million which totalled RM272 million for the financial year ending 30 June 2025 was declared on 24 February 2025 and paid by way of cash on 27 March 2025.

**SIME DARBY BERHAD**  
**(Company No: 200601032645 (752404-U))**

Explanatory Notes on the Quarterly Report – 31 March 2025  
Amounts in RM million unless otherwise stated

**B12. Earnings Per Share**

	Quarter ended 31 March		Three quarters ended 31 March	
	2025	2024	2025	2024
Basic earnings per share attributable to owners of the Company are computed as follows:				
Profit attributable to owners of the Company from:				
- continuing operations	<b>193</b>	349	<b>1,291</b>	1,175
- discontinued operations	<b>–</b>	(9)	<b>7</b>	2,042
	<b>193</b>	340	<b>1,298</b>	3,217
Weighted average number of ordinary shares in issue (million)	<b>6,816</b>	6,816	<b>6,816</b>	6,816
Basic earnings per share (sen)				
- continuing operations	<b>2.8</b>	5.1	<b>18.9</b>	17.2
- discontinued operations	<b>–</b>	(0.1)	<b>0.1</b>	30.0
	<b>2.8</b>	5.0	<b>19.0</b>	47.2

The diluted earnings per share of the Group is similar to the basic earnings per share as the Group does not have any material potential dilutive ordinary shares in issue.

Petaling Jaya  
27 May 2025

By Order of the Board  
Junaidah Abdul Rahim  
Group Secretary