

REPORTS AND FINANCIAL STATEMENTS

30 JUNE 2025

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DIRECTORS' REPORT

The Directors have the pleasure of presenting the Directors' Report ("Report") together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2025.

PRINCIPAL ACTIVITIES

The Company is principally an investment holding company. There has been no significant change in the principal activity of the Company during the financial year. By way of relief order dated 9 September 2025 granted by the Companies Commission of Malaysia, the principal activities of subsidiaries as required under Section 253(2) of the Malaysian Companies Act 2016 have not been disclosed in this Report. The principal activities and details of subsidiaries, joint ventures and associates are disclosed in Note 52 to the financial statements and the said information is deemed incorporated herein by such reference and shall form part hereof.

FINANCIAL RESULTS

The results of the Group and of the Company for the financial year ended 30 June 2025 were as follows:

	Group RM million	Company RM million
Profit before interest and tax	3,592	1,146
Finance income	106	2
Finance costs	(647)	(11)
Profit before tax	3,051	1,137
Taxation	(663)	(-) ¹
Profit for the financial year from continuing operations	2,388	1,137
Profit for the financial year from discontinued operations	9	-
Profit for the financial year	2,397	1,137
Profit for the financial year attributable to owners of:		
– the Company		
– from continuing operations	2,054	1,137
– from discontinued operations	7	-
	2,061	1,137
– non-controlling interests		
– from continuing operations	264	-
– from discontinued operations	2	-
– perpetual sukuk		
– from continuing operations	70	-
Profit for the financial year	2,397	1,137

¹ Less than RM1 million

DIRECTORS' REPORT

DIVIDENDS

Since the end of the previous financial year, the Company had paid the following dividends:

	RM million
a. In respect of the financial year ended 30 June 2024, a second interim dividend of 10.0 sen per share was paid on 30 September 2024; and	682
b. In respect of the financial year ended 30 June 2025, a first interim dividend of 3.0 sen per share was paid on 27 March 2025	204
c. In respect of the financial year ended 30 June 2025, a special dividend of 1.0 sen per share was paid on 27 March 2025	68
	954

The Board of Directors had on 27 August 2025 declared a second interim dividend of 10.0 sen per ordinary share amounting to RM682 million in respect of the financial year ended 30 June 2025. The dividend is proposed to be payable on 30 September 2025 to shareholders whose names appears in the record of depositors as at the close of business on 17 September 2025.

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

SHARE CAPITAL AND DEBENTURES

There were no issuance of shares or debentures by the Company during the financial year.

DIRECTORS

The Directors who held office since the end of the previous financial year up to the date of the Report are as follows:

Tan Sri Samsudin Osman	
Thayaparan Sangarapillai	
Tan Sri Ahmad Badri Mohd Zahir	
Tan Sri Muhammad Shahrul Ikram Yaakob	
Dato' Lee Cheow Hock Lawrence	
Moy Pui Yee	
Dato' Dr Nirmala Menon	
Scott William Cameron	
Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz	
Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir	
Dato' Jeffri Salim Davidson	
Hanizan Hood	(Appointed on 1 July 2025)
Mohamad Idros Mosin	(Resigned on 1 July 2025)
Edree Ahmad	(Resigned as Alternate Director to Mohamad Idros Mosin on 1 July 2025 and appointed as Alternate Director to Hanizan Hood on 1 July 2025)

LIST OF DIRECTORS OF SUBSIDIARIES

By way of relief order dated 9 September 2025 granted by the Companies Commission of Malaysia, the names of Directors of subsidiaries as required under Section 253(2) of the Malaysian Companies Act 2016 have not been disclosed in this Report. Their names are set out in the respective subsidiaries' Directors' Report or financial statements and the said information is deemed incorporated herein by such reference and shall form part hereof.

DIRECTORS' REMUNERATION

Total Directors' remuneration incurred by the Group and the Company for the financial year ended 30 June 2025 were RM12 million (2024: RM11 million) and RM5 million (2024: RM4 million) respectively. In addition, the estimated monetary value of benefits-in-kind provided to Directors by the Group during the financial year amounted to RM0.07 million (2024: RM0.06 million). Further details are disclosed in Note 8 to the financial statements.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits disclosed as Directors' remuneration in Note 8 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he or she is a member, or with a company in which he or she has a substantial financial interest except for any benefits which may be deemed to have arisen from the transactions disclosed in Note 8 to the financial statements.

The Directors and officers of the Group and of the Company are covered by Directors and Officers liability insurance for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance premium incurred amounted to RM0.9 million, which covers the period from March 2025 to May 2026 (2024: RM0.7 million for the period from December 2023 to February 2025).

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings, the interest of Directors in office at the end of the financial year in shares or debentures of the Company were as follows:

	As at 1 July 2024	Addition	As at 30 June 2025
Dato' Jeffri Salim Davidson	1,215,700	200,000	1,415,700
Scott William Cameron	28,700	–	28,700

Other than as disclosed above, the Directors in office at the end of the financial year did not hold any interest in shares, or debentures of the Company and its related corporations during the financial year.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

- a. Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - i. to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and satisfied themselves that all known bad debts had been written off and adequate provision had been made for doubtful debts; and
 - ii. to ensure that any current assets, which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company, had been written down to an amount which the current assets might be expected so to realise.
- b. At the date of this Report, the Directors are not aware of any circumstances:
 - i. which would render the amount written off for bad debts or the amount of provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
 - ii. which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - iii. which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

DIRECTORS' REPORT

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (CONTINUED)

- c. As at the date of this Report:
- there are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year which secures the liabilities of any other person; and
 - there are no material contingent liabilities in the Group and in the Company which have arisen since the end of the financial year.
- d. No contingent or other liability of any company in the Group has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Company and its subsidiaries to meet their obligations when they fall due.
- e. At the date of this Report, the Directors are not aware of any circumstances not otherwise dealt with in this Report or the financial statements of the Group and of the Company which would render any amount stated in the respective financial statements misleading.
- f. In the opinion of the Directors:
- the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in the financial statements; and
 - there has not arisen in the interval between the end of the financial year and the date of this Report any item, transaction or event of a material and unusual nature that is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this Report is made.

AUDITORS' REMUNERATION

The breakdown of the auditors' remuneration is shown below:

	Group		Company	
	2025	2024	2025	2024
Fees for:				
– statutory audits	26	30	1	1
– assurance related and non-audit services	3	7	– ¹	1
	29	37	1	2

¹ Less than RM1 million

Further details of auditors' remuneration are set out in Note 9 to the financial statements.

AUDITORS

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

This Report was approved by the Board of Directors on 25 September 2025.

Signed on behalf of the Board of Directors:



Tan Sri Samsudin Osman
Chairman



Dato' Jeffri Salim Davidson
Executive Director/Group Chief Executive Officer

25 September 2025

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Tan Sri Samsudin Osman and Dato' Jeffri Salim Davidson, two of the Directors of Sime Darby Berhad, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 171 to 299 are drawn up, in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia, so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025 and of the financial performance of the Group and of the Company for the financial year ended on that date.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 25 September 2025.



Tan Sri Samsudin Osman
Chairman



Dato' Jeffri Salim Davidson
Executive Director/Group Chief Executive Officer

25 September 2025

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, Muhammad Noor bin Abd Aziz @ Hashim, the officer primarily responsible for the financial management of Sime Darby Berhad, do solemnly and sincerely declare that the financial statements set out on pages 171 to 299 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.



Muhammad Noor bin Abd Aziz @ Hashim
(MIA No. 39410)
Group Chief Financial Officer

Subscribed and solemnly declared by the abovenamed Muhammad Noor bin Abd Aziz @ Hashim, at Petaling Jaya, Selangor, Malaysia on 25 September 2025.

Before me,

Shahrudin bin Esa
Commissioner for Oaths (No. B520)
Petaling Jaya
Selangor



A-7-05, Blok A, Oasis Square,
Jalan P.J. 1A/7A, Ara Damansara,
47301 Petaling Jaya, Selangor.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SIME DARBY BERHAD

(Incorporated in Malaysia)

Registration No. 200601032645 (752404-U)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Sime Darby Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 171 to 299.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
<p>Recoverability of indefinite-lived intangible assets' carrying amounts</p> <p>As at 30 June 2025, SDB Group's carrying amount of goodwill and distribution/dealership rights amounted to RM1,258 million and RM1,209 million, respectively.</p> <p>Goodwill and intangible assets with indefinite useful life are subject to annual impairment testing. We focused on the recoverability of the carrying amounts of goodwill and distribution/dealership rights due to significant estimates involved in determining key assumptions used in deriving the recoverable amounts of cash-generating units ("CGUs"), i.e. revenue growth rates, earnings before interest, tax, depreciation and amortisation growth rates, terminal growth rates and discount rates as applicable.</p> <p>Refer to Notes 3(g) and 3(l)(i) Material Accounting Policies – Intangible Assets and Impairment – Non-Financial Assets, Note 4(a) Critical Accounting Estimates and Judgement in Applying Accounting Policies – Impairment of Non-Financial Assets and Note 24 Intangible Assets – Group in the notes to the financial statements.</p>	<ul style="list-style-type: none"> • We assessed the appropriateness of the methodology adopted by management for impairment assessments in accordance with MFRS 136 "Impairment of Assets". • We evaluated the reasonableness of key assumptions used by management in approved cash flow projections by comparing revenue growth rates, earnings before interest, tax, depreciation and amortisation ("EBITDA") growth rates and terminal growth rates to historical results and industry data, where available. • We discussed with management assumptions underlying the cash flow projections. • We assessed the reliability of approved budgets by comparing the previous years' approved budgets against past trends of actual results. • We involved our valuation expert to assess discount rates used in determining the recoverable amounts of CGUs. • We checked the appropriateness of sensitivity analysis performed by management, including disclosures, on reasonable possible changes in key assumptions and the corresponding effect on the recoverable amounts. • We checked the appropriateness of disclosures in the financial statements. <p>Based on the procedures performed above, we did not identify any material exceptions.</p>

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIME DARBY BERHAD

(Incorporated in Malaysia)

Registration No. 200601032645 (752404-U)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
<p>Provision for warranties for vehicles</p> <p>The Group recognises provision for liabilities associated with the warranties provided on vehicles. This requires an estimation of the expenditure required to settle the present obligation at the reporting date. In determining the provision, the Group has made assumptions in relation to the expected cost to repair and/or replace the products and the expected timing of those costs.</p> <p>Provision is recognised on product warranty claims for vehicles where the Group has undertaken to repair or replace items that fail to comply satisfactorily with agreed-upon specifications. The provision was estimated based on expected warranty claims on products sold, based on past experience of the level of repairs and return claims as well as recent trend analysis which are indicative of future claims. The estimation involves assumptions regarding the timing and cost of repairs or replacements, utilising historical claims data and applying a discount rate to present value future warranty obligations. The carrying amount of provision warranties on vehicles at the end of the reporting period is RM298 million.</p> <p>The assumptions used in determining the provision for warranty involves significant management judgements and estimates. Accordingly, we consider this to be an area of audit focus.</p> <p>Refer to Notes 3(m) Material Accounting Policies – Provisions, and Note 4(e) Critical Accounting Estimates and Judgement in Applying Accounting Policies – Provision for warranties for vehicles.</p>	<ul style="list-style-type: none"> • We obtained an understanding over the warranty estimation process. • We assessed and evaluated underlying assumptions used by management, such as actual rate of return, failure rate and claim history, as inputs to the provision computations and tested their reasonableness using historical data for comparable items. • We tested the validity of historical data by tracing to supporting documents such as actual claims report on a sample basis. • We recalculated the mathematical accuracy of the provision workings. • We evaluated the outcome of prior period assessment of provision for warranties to assess the effectiveness of management's estimation process. • We checked the appropriateness of disclosures in the financial statements. <p>Based on the procedures performed above, we did not identify any material exceptions.</p>

We have determined that there are no key audit matters to report for the Company.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Statement on Risk Management and Internal Control, Directors' Report, Chairman's Statement, Corporate Governance Overview Statement, Nomination & Remuneration Committee Report, Governance & Audit Committee Report, Risk Management & Sustainability Committee Report, Statement of Responsibility by the Board of Directors, Group Chief Financial Officer's Review and other sections of the 2025 Sime Darby Berhad Annual Report, which we obtained prior to the date of this auditors' report, and Group Chief Executive Officer Q&A and Properties of the Group, which is expected to be made available to us after that date. Other information does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIME DARBY BERHAD

(Incorporated in Malaysia)

Registration No. 200601032645 (752404-U)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 52 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants



IRVIN GEORGE LUIS MENEZES
02932/06/2026 J
Chartered Accountant

Kuala Lumpur
25 September 2025

STATEMENTS OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

	Note	Group		Company	
		2025	2024	2025	2024
Continuing operations					
Revenue	6	70,061	67,132	1,211	1,026
Operating expenses	7	(68,409)	(65,191)	(65)	(61)
Other operating income	10	419	450	–	–
Reversal of impairment/(Impairment) of financial assets (net)	11	23	(22)	–	–
Other gains and losses	12	985	129	–	–
Operating profit		3,079	2,498	1,146	965
Share of results of joint ventures	13	19	17	–	–
Share of results of associates	14	494	243	–	–
Profit before interest and tax		3,592	2,758	1,146	965
Finance income	15	106	142	2	2
Finance costs	16	(647)	(719)	(11)	(3)
Profit before tax		3,051	2,181	1,137	964
Taxation	17	(663)	(698)	(–) ¹	(–) ¹
Profit for the financial year from continuing operations		2,388	1,483	1,137	964
Discontinued operations					
Profit for the financial year from discontinued operations	18	9	2,046	–	–
Profit for the financial year		2,397	3,529	1,137	964
Profit/(Loss) for the financial year attributable to owners of:					
– the Company					
– from continuing operations		2,054	1,258	1,137	964
– from discontinued operations		7	2,048	–	–
		2,061	3,306	1,137	964
– non-controlling interests					
– from continuing operations		264	186	–	–
– from discontinued operations		2	(2)	–	–
– perpetual sukuk					
– from continuing operations		70	39	–	–
		2,397	3,529	1,137	964
		Sen	Sen		
Basic and diluted earnings per share attributable to owners of the Company:					
– from continuing operations		30.1	18.5		
– from discontinued operations		0.1	30.0		
		30.2	48.5		

¹ Less than RM1 million.

The weighted average number of ordinary shares used to calculate the basic earnings per share was 6,816 million (2024: 6,816 million). The diluted earnings per share of the Group is equal to the basic earnings per share as the Group does not have any material potential dilutive ordinary shares in issue.

The notes on pages 182 to 299 form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

	Note	Group		Company	
		2025	2024	2025	2024
Profit for the financial year		2,397	3,529	1,137	964
Other comprehensive income/(loss):					
Continuing operations					
Items that may be reclassified subsequently to profit or loss					
Currency translation differences		(1,270)	36	-	-
Share of other comprehensive (loss)/income of joint ventures and associates		(40)	10	-	-
Net change in fair value of cash flow hedges		(4)	(9)	-	-
Taxation		1	3	-	-
		(1,313)	40	-	-
Reclassified to profit or loss:					
- currency translation differences on repayment of net investments and disposals reclassified to profit or loss		(3)	(45)	-	-
Reclassification of changes in fair value of cash flow hedges to profit or loss and inventories		(14)	17	-	-
Taxation		2	(5)	-	-
		(1,328)	7	-	-
Items that will not be reclassified subsequently to profit or loss					
Actuarial loss on defined benefit pension plans		(14)	(-) ¹	-	-
		(14)	(-) ¹	-	-
Other comprehensive (loss)/income from continuing operations		(1,342)	7	-	-
Other comprehensive loss from discontinued operations	18	(7)	(1)	-	-
Total other comprehensive (loss)/income	20	(1,349)	6	-	-
Total comprehensive income for the financial year		1,048	3,535	1,137	964
Total comprehensive income/(loss) for the financial year attributable to owners of:					
- the Company					
- from continuing operations		734	1,285	1,137	964
- from discontinued operations		6	2,047	-	-
		740	3,332	1,137	964
- non-controlling interests					
- from continuing operations		242	166	-	-
- from discontinued operations		(4)	(2)	-	-
- perpetual sukuk					
- from continuing operations		70	39	-	-
Total comprehensive income for the financial year		1,048	3,535	1,137	964

¹ Less than RM1 million.

The notes on pages 182 to 299 form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

Amounts in RM million unless otherwise stated

	Note	Group		Company	
		2025	2024	2025	2024
NON-CURRENT ASSETS					
Property, plant and equipment	21	12,021	12,542	–	–
Right-of-use assets	22	3,041	3,372	1	1
Investment properties	23	565	638	–	–
Intangible assets	24	2,966	3,387	–	–
Subsidiaries	25	–	–	9,625	9,625
Joint ventures	13	119	176	–	–
Associates	14	3,187	3,056	–	–
Financial assets at fair value through profit or loss	27	68	73	–	–
Deferred tax assets	28	797	892	– ¹	–
Derivative assets	29	9	–	–	–
Receivables and other assets	30	200	206	–	–
Inventories	31	–	128	–	–
		22,973	24,470	9,626	9,626
CURRENT ASSETS					
Inventories	31	12,106	14,739	–	–
Financial assets at fair value through profit or loss	27	382	65	–	–
Receivables and other assets	30	7,360	8,210	– ¹	– ¹
Contract assets	32	232	95	–	–
Amounts due from subsidiaries	26	–	–	716	504
Prepayments	33	862	707	–	–
Tax recoverable		138	117	–	–
Derivative assets	29	59	27	–	–
Bank balances, deposits and cash	34	3,039	2,677	30	50
		24,178	26,637	746	554
Disposal groups and assets held for sale	35	237	715	–	–
TOTAL ASSETS		47,388	51,822	10,372	10,180

¹ Less than RM1 million.

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025

Amounts in RM million unless otherwise stated

	Note	Group		Company	
		2025	2024	2025	2024
EQUITY					
Share capital	36	9,330	9,330	9,330	9,330
Reserves	37	(136)	1,156	–	–
Retained profits		10,010	8,880	1,029	846
Attributable to owners of the company		19,204	19,366	10,359	10,176
Non-controlling interests	38	2,960	2,811	–	–
Perpetual sukuk	39	1,181	1,181	–	–
TOTAL EQUITY		23,345	23,358	10,359	10,176
NON-CURRENT LIABILITIES					
Borrowings	40	4,891	4,702	–	–
Lease liabilities	41	2,007	2,231	– ¹	1
Derivative liabilities	29	–	– ¹	–	–
Payables and other liabilities	42	77	73	8	–
Contract liabilities	32	316	260	–	–
Government grants	43	120	133	–	–
Provisions	44	267	260	–	–
Deferred tax liabilities	28	829	977	–	–
		8,507	8,636	8	1
CURRENT LIABILITIES					
Borrowings	40	2,231	5,738	–	–
Lease liabilities	41	441	540	– ¹	– ¹
Derivative liabilities	29	47	12	–	–
Payables and other liabilities	42	10,200	10,346	4	3
Contract liabilities	32	1,961	2,143	–	–
Amounts due to subsidiaries		–	–	1	–
Provisions	44	415	498	–	–
Tax payable		241	371	–	–
		15,536	19,648	5	3
Liabilities associated with disposal groups		–	180	–	–
TOTAL LIABILITIES		24,043	28,464	13	4
TOTAL EQUITY AND LIABILITIES		47,388	51,822	10,372	10,180

¹ Less than RM1 million.

The notes on pages 182 to 299 form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

Group 2025	Note	Share capital	Reserves ¹	Retained profits	Attributable to owners of the Company	Non-controlling interests	Perpetual sukuk	Total equity
At 1 July 2024		9,330	1,156	8,880	19,366	2,811	1,181	23,358
Profit for the financial year		-	-	2,061	2,061	266	70	2,397
Other comprehensive loss for the financial year	20	-	(1,307)	(14)	(1,321)	(28)	-	(1,349)
Total comprehensive (loss)/income for the financial year		-	(1,307)	2,047	740	238	70	1,048
Transfer between reserves ²		-	9	(9)	-	-	-	-
Acquisition of non-wholly owned subsidiaries		-	-	-	-	46	-	46
Shares issued by non-wholly owned subsidiaries		-	-	-	-	5	-	5
Disposal of non-wholly owned subsidiaries		-	-	-	-	(96)	-	(96)
Partial disposal of interest in subsidiaries		-	6	46	52	173	-	225
Transactions with owners:								
– distribution to holders of perpetual sukuk		-	-	-	-	-	(70)	(70)
– dividends paid by way of cash		-	-	(954)	(954)	(208)	-	(1,162)
– dividends payable		-	-	-	-	(9)	-	(9)
At 30 June 2025		9,330	(136)	10,010	19,204	2,960	1,181	23,345

¹ An analysis of the movements in each category within reserves is disclosed in Note 37.

² Mainly reclassification from retained profits to legal reserves to reflect the restricted nature of the reserves at subsidiaries.

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

Group 2024	Note	Share capital	Reserves ¹	Retained profits	Attributable to owners of the Company	Non- controlling interests	Perpetual sukuk	Total equity
At 1 July 2023		9,330	1,119	6,477	16,926	357	–	17,283
Profit for the financial year		–	–	3,306	3,306	184	39	3,529
Other comprehensive income/(loss) for the financial year	20	–	27	(1)	26	(20)	–	6
Total comprehensive income for the financial year		–	27	3,305	3,332	164	39	3,535
Transfer between reserves ²		–	10	(10)	–	–	–	–
Acquisition of non-wholly owned subsidiaries		–	–	–	–	4,698	1,177	5,875
Transactions with owners:								
– acquisition of non-controlling interests		–	–	(6)	(6)	(2,270)	–	(2,276)
– distribution to holders of perpetual sukuk		–	–	–	–	–	(35)	(35)
– dividends paid by way of cash		–	–	(886)	(886)	(123)	–	(1,009)
– dividends payable		–	–	–	–	(23)	–	(23)
– waiver of shareholders' loan of a non-wholly owned subsidiary		–	–	–	–	8	–	8
At 30 June 2024		9,330	1,156	8,880	19,366	2,811	1,181	23,358

¹ An analysis of the movements in each category within reserves is disclosed in Note 37.

² Mainly reclassification from retained profits to legal reserves to reflect the restricted nature of the reserves at subsidiaries.

Amounts in RM million unless otherwise stated

Company	Note	Share capital	Retained profits	Total equity attributable to owners of the Company
2025				
At 1 July 2024		9,330	846	10,176
Profit for the financial year		–	1,137	1,137
Transaction with owners:				
– dividends paid by way of cash	19	–	(954)	(954)
At 30 June 2025		9,330	1,029	10,359
2024				
At 1 July 2023		9,330	768	10,098
Profit for the financial year		–	964	964
Transaction with owners:				
– dividends paid by way of cash	19	–	(886)	(886)
At 30 June 2024		9,330	846	10,176

The notes on pages 182 to 299 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

	Note	Group		Company	
		2025	2024	2025	2024
Cash flow from operating activities					
Profit for the financial year from continuing operations		2,388	1,483	1,137	964
Adjustments for:					
– dividend from subsidiaries		–	–	(1,211)	(1,026)
– dividend income from financial assets		–	(144)	–	–
– share of results of joint ventures and associates		(513)	(260)	–	–
– finance income		(106)	(142)	(2)	(2)
– finance costs		647	719	11	3
– taxation		663	698	– ¹	– ¹
– gain on disposal of property, plant and equipment and investment properties (net)		(916)	(284)	–	–
– gain on disposal of businesses and equity investments (net)		(65)	–	–	–
– (reversal of impairment losses)/impairment losses on receivables (net)		(23)	22	–	–
– impairment losses on non-financial assets (net)		28	195	–	–
– depreciation and amortisation		2,126	2,018	– ¹	– ¹
– inventory write-down and provision		279	279	–	–
– fair value (gain)/loss on financial assets at fair value through profit or loss		(4)	(20)	–	–
– other non-cash items		(47)	(25)	–	–
		4,457	4,539	(65)	(61)
Changes in working capital:					
– inventories		2,044	(805)	–	–
– rental assets		(1,200)	(1,635)	–	–
– receivables and other assets		(147)	(507)	– ¹	–
– payables and other liabilities		461	(788)	– ¹	–
– amounts due from/to subsidiaries		–	–	61	–
Cash generated from/(used in) operations		5,615	804	(4)	(61)
Tax paid		(793)	(611)	(–) ¹	(–) ¹
Tax refunded		4	91	–	–
Dividends received from:					
– subsidiaries		–	–	511 ²	1,026
– joint ventures and associates		494	38	–	–
– financial assets		–	144	–	–
Operating cash flow from continuing operations		5,320	466	507	965
Operating cash flow (used in)/from discontinued operations		(21)	10	–	–
Net cash flow from operating activities		5,299	476	507	965

¹ Less than RM1 million.

² Excludes dividend of RM700 million that is deemed received via inter-company balance set-off.

Amounts in RM million unless otherwise stated

	Note	Group		Company	
		2025	2024	2025	2024
Cash flow from investing activities					
Finance income received		94	125	– ¹	–
Proceeds from sale of:					
– property, plant and equipment		96	44	–	–
– investment properties ²		811	282	–	–
– other non-financial assets		14	32	–	–
Purchase of:					
– property, plant and equipment	21(d)	(1,055)	(1,003)	–	–
– other non-financial assets		(39)	(69)	–	–
Additions to financial assets at fair value through profit or loss		(1,113)	(616)	–	–
Proceeds from sale of subsidiaries and businesses		239 ³	27 ⁴	–	–
Proceeds from sale of associates		10	11	–	–
Proceeds from sale of financial assets at fair value through profit or loss		798	1,070	–	–
Acquisition of subsidiaries and business ⁵		(63)	(2,171)	–	–
Advances to subsidiaries (net)		–	–	–	(114)
Advances to subsidiaries		–	–	(532)	–
Settlement by subsidiaries		–	–	959	–
Placement in restricted deposits and deposits with maturity more than 3 months		(51)	–	–	–
Withdrawal of restricted deposits and deposits with maturity more than 3 months		8	346	–	–
Loan to an associate		(1)	–	–	–
Capital repayment by a joint venture		1	–	–	–
Investing cash flow (used in)/from continuing operations		(251)	(1,922)	427	(114)
Investing cash flow from discontinued operations		30	2,861	–	–
Net cash flow (used in)/from investing activities		(221)	939	427	(114)

¹ Less than RM1 million.

² Exclude deposits received in previous financial years and amount withheld for tax.

³ Includes balance consideration received from the disposal of the Weifang port companies.

⁴ Relates to balance consideration from the disposal of Jining ports.

⁵ Includes part payment of the consideration payable for the acquisition of Salmon Earthmoving Holdings Pty Ltd.

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

	Note	Group		Company	
		2025	2024	2025	2024
Cash flow from financing activities					
Proceeds from partial disposal of interest in subsidiaries (net)		225	–	–	–
Purchase of additional interest in subsidiaries		–	(2,276)	–	–
Finance costs paid		(521)	(601)	–	–
Long term borrowings and Islamic Medium Term Notes raised		1,525	4,504	–	–
Long term borrowings and Islamic Medium Term Notes repaid		(2,879)	(1,314)	–	–
Other short term borrowings repaid (net)		(1,368)	(135)	–	–
Repayment of lease liabilities		(702)	(687)	– ³	–
Proceeds from shares issued to non-controlling interests		5	4	–	–
Dividends paid to shareholders		(954)	(886)	(954)	(886)
Dividends paid to non-controlling interests		(231) ¹	(136) ²	–	–
Dividends paid to perpetual sukuk holders		(70)	(35)	–	–
Financing cash flow used in continuing operations		(4,970)	(1,562)	(954)	(886)
Financing cash flow used in discontinued operations		–	(16)	–	–
Net cash used in financing activities		(4,970)	(1,578)	(954)	(886)
Net increase/(decrease) in cash and cash equivalents		108	(163)	(20)	(35)
Foreign exchange differences		(65)	1	–	–
Cash and cash equivalents at beginning of the financial year		2,776	2,938	50	85
Cash and cash equivalents at end of the financial year [note (a)]		2,819	2,776	30	50

¹ Includes RM23 million declared in the financial year ended 30 June 2024.

² Includes RM29 million declared in the financial year ended 30 June 2023.

³ Less than RM1 million.

Amounts in RM million unless otherwise stated

	Note	Group		Company	
		2025	2024	2025	2024
a. Cash and cash equivalents at end of the financial year:					
Bank balances, deposits and cash	34	3,039	2,677	30	50
Bank overdrafts	40	(118)	(102)	–	–
Deposits with maturity of more than 3 months		(25)	(2)	–	–
Deposits restricted by bank		(77)	(57)	–	–
Cash and cash equivalents from continuing operations		2,819	2,516	30	50
Cash and cash equivalents included under disposal group		–	260	–	–
		2,819	2,776	30	50

b. Reconciliation of liabilities arising from financing activities of the Group

	2025		2024	
	Borrowings	Lease liabilities	Borrowings	Lease liabilities
At 1 July	10,440	2,771	5,857	2,597
Long term borrowings and Islamic Medium Term Notes raised	1,525	–	4,504	–
Long term borrowings and Islamic Medium Term Notes repaid	(2,879)	–	(1,314)	–
Other short term borrowings (repaid)/raised (net)	(1,368)	–	(135)	–
Repayment of lease liabilities	–	(702)	–	(687)
Overdrafts repaid disclosed as cash and cash equivalents (net)	28	–	(47)	–
Acquisition of subsidiaries and businesses	2	15	1,543	51
Addition/modification/termination of leases	–	488	–	660
Finance costs [Note 16]	444	131	516	132
Finance costs paid	(452)	–	(540)	–
Exchange differences	(618)	(255)	56	18
At 30 June	7,122	2,448	10,440	2,771

Breakdown of finance costs paid of continuing operations:

	2025	2024
Borrowings	452	540
Payables and others	69	61
	521	601

The notes on pages 182 to 299 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

1 GENERAL INFORMATION

The Company is principally an investment holding company. There has been no significant change in the principal activity of the Company during the financial year.

The Group's subsidiaries, joint ventures and associates are primarily involved in the trading (Industrial, Motors and UMW) and manufacturing/assembly (Motors and UMW) businesses. The principal activities and details of the subsidiaries, joint ventures and associates are disclosed in Note 52.

2 BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention except as disclosed in the Material Accounting Policy Information in Note 3.

The preparation of financial statements in conformity with MFRS, requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group and the Company's accounting policies. Although these estimates and judgements are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group's and to the Company's financial statements are disclosed in Note 4.

During the financial year, the Group considered the new accounting pronouncements in the preparation of the financial statements.

a. Standards and amendments to published standards that are applicable to the Group and the Company

The Group and the Company have applied the following standards and amendments to published standards for the first time for the financial year beginning 1 July 2024:

- 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'

The adoption of these amendments to published standards did not have a material impact in the current period or prior periods and is not likely to materially affect future periods.

- July 2024 IFRIC Agenda decision on MFRS 8 'Disclosure of Revenues and Expenses for Reportable Segment'

The Group has reassessed material items included in the profit before tax measure reviewed by the chief operating decision maker and determined that direct cost and directors and employee costs are material expenses to be disclosed by reportable segments. Accordingly, the Group has included these disclosures in the segment information as disclosed in Note 46.

Amounts in RM million unless otherwise stated

2 BASIS OF PREPARATION (CONTINUED)

During the financial year, the Group has considered the new accounting pronouncements in the preparation of the financial statements. (continued)

b. Standards and amendments to published standards that are applicable to the Group and the Company but not yet effective

Standards and amendments to published standards that are effective for the financial year beginning on or after 1 July 2025, where the Group and Company do not expect material impact to the Group's and Company's financial statements in the year of initial application:

Effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121 'Lack of Exchangeability'

Standards and amendments to published standards that are effective for the financial year beginning on or after 1 July 2025, where the Group and Company are still assessing their impact to the Group's and Company's financial statements in the year of initial application:

Effective for annual 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 periods beginning on or after 1 January 2027

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

c. The effective date for the following amendment has been deferred to a date to be determined by Malaysian Accounting Standards Board

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'.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

3 MATERIAL ACCOUNTING POLICIES

Following the Amendments to MFRS 101 “Disclosure of Accounting Policies”, only material accounting policy information, where, when considered together with other information included in these financial statements, can reasonably be expected to influence decisions made by users are disclosed under this note. The following material accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements, and to all the financial periods presented, unless otherwise stated.

a. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all its subsidiaries made up to the end of the financial year and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

i. Subsidiaries

Subsidiaries are consolidated using the acquisition method except for those subsidiaries acquired under common control. Under the acquisition method, identifiable assets, liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date. The excess of the consideration over the Group’s share of fair value of the identifiable net assets acquired at the acquisition date is reflected as goodwill. Any gain from bargain purchase is recognised directly in profit or loss.

Non-controlling interests arising from a business combination are measured based on their proportionate share of the fair value of net assets acquired. Equity components that are not entitled to the entity’s proportionate share of net assets are measured at their acquisition-date fair values. Transactions with owners of non-controlling interests without a change in control are treated as equity transactions in the statement of changes in equity.

Business combinations under common control are accounted using the predecessor method of merger accounting where the profit or loss and other comprehensive income include the results of each of the combining entities from the earliest date presented or from the date when these entities came under the control of the common controlling party (if later). The assets and liabilities of the combining entities are accounted for based on the carrying amounts from the perspective of the common controlling party, or the combining entities if the common controlling party does not prepare consolidated financial statements.

ii. Joint ventures and associates

Investment in joint ventures and associates are accounted using the equity method. Under the equity method, the investment is recorded at cost and thereafter adjusted for post acquisition results and other changes in net assets of the joint venture or associates.

b. Foreign currencies

i. Presentation and functional currencies

Ringgit Malaysia is the presentation currency of the Group and of the Company. Ringgit Malaysia is also the functional currency of the Company. The functional currency is the currency of the primary economic environment in which the Company operates. The Group’s foreign operations have different functional currencies.

ii. Transactions and balances

Foreign currency transactions and monetary items are translated into the functional currency using the exchange rates prevailing at the transaction dates and at the end of the reporting period, respectively. Foreign exchange differences arising therefrom and on settlement are recognised in profit or loss.

Foreign exchange differences arising from the translation of a monetary item designated as a hedge of net investment in a foreign operation are recognised in other comprehensive income in the consolidated financial statements until the net investment is disposed.

Amounts in RM million unless otherwise stated

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

b. Foreign currencies (continued)

iii. Translation of foreign currency financial statements

For consolidation purposes, the foreign operations' results are translated into the Group's presentation currency at average exchange rates for the financial year whilst the assets and liabilities, including goodwill and fair value adjustments arising on consolidation, are translated at exchange rates ruling at the end of the reporting period. The resulting translation differences are recognised in other comprehensive income and accumulated in exchange reserve.

Inter-company loans where settlement is neither planned nor likely to occur in the foreseeable future, are treated as part of the net investment in the subsidiary. Translation differences arising therefrom are recognised in other comprehensive income and reclassified from equity to profit or loss upon repayment or disposal of the relevant entity.

Exchange reserve in respect of a foreign operation is recognised in profit or loss when control, joint control or significant influence over the foreign operation is lost. On partial disposal without losing control, a proportion of the exchange reserve in respect of the subsidiary is re-attributed to the non-controlling interest. The proportionate share of the cumulative translation differences is reclassified to profit or loss in respect of all other partial disposals.

c. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated as it has indefinite life. Other property, plant and equipment are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives.

The principal annual depreciation rates are as follows:

Buildings	2% to 20%
Plant and machinery	4% to 33%
Rental assets	10% to 33%
Vehicles, equipment and fixtures	5% to 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, annually.

Included in rental assets of the Group are vehicles and equipment. Rental assets will be transferred to inventories at their carrying amounts when they cease to be rented and are held for sale. The cash flows in respect of rental assets are classified as operating activities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

d. Leases

Group as a lessee

Leases are recognised as right-of-use ("ROU") asset and a corresponding lease liability at the date on which the leased asset is available for use by the Group (i.e. the commencement date).

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of properties (land and buildings) for which the Group is a lessee, it has elected the practical expedient provided in MFRS 16 'Leases' not to separate the lease and non-lease components. Both components are accounted for as a single lease component and payments for both components are included in the measurement of lease liability.

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

i. ROU assets

ROU assets that are not investment properties are stated at cost, less accumulated depreciation and accumulated impairment loss. In addition, the ROU assets are adjusted for certain remeasurement of lease liabilities. ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life.

The principal annual depreciation rates are as follows:

Leasehold land	Up to 99 years
Buildings	4% to 50%
Vehicles, equipment, fixtures and rental assets	4% to 50%

ii. Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used.

The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

iii. Short term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Group as a lessor

i. Finance leases

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease.

ii. Operating leases

When assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. Lease income is recognised over the term of the lease on a straight-line basis.

Amounts in RM million unless otherwise stated

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

e. Investment properties

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land and buildings under construction are not depreciated. Other investment properties are depreciated on a straightline basis to write down the cost of each asset to their residual values over their estimated useful lives.

Right-of-use assets that meet the definition of investment property in accordance with MFRS 140 'Investment Property' are presented in the statement of financial position as investment property. Subsequent measurement of the right-of-use asset is consistent with those investment properties owned by the Group.

The principal annual depreciation rates are as follows:

Leasehold land	over the lease period of up to 62 years
Buildings	2% to 5%, or over the lease term if shorter

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, annually.

f. Investments in subsidiaries

Investments in subsidiaries and contribution to subsidiaries are recorded at cost less accumulated impairment losses, if any, in the Company's financial statements.

Contributions to subsidiaries are amounts which the Company does not expect repayment in the foreseeable future and are considered as part of the Company's investment in the subsidiaries.

g. Intangible assets

i. Goodwill

Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units for the purpose of impairment testing. Goodwill on acquisition of joint ventures and associates is included as part of the cost of investments in joint ventures and associates. Such goodwill is tested for impairment as part of the overall net investment in each joint venture and associate.

ii. Distribution and dealership rights

Distribution and dealership rights with no predetermined service period are stated at cost less accumulated impairment losses, if any, and are not amortised.

iii. Other intangible assets

Other intangible assets include computer software, trademarks, customer relationships and development costs. These intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line basis over their estimated useful lives and commences from the date of commercial production of the product to which the development costs relate or when the intangible assets are ready for use.

The principal annual amortisation rates are as follows:

Computer software	10% to 33%
Trademarks	5% to 20%
Customer relationships	5% to 10%
Development costs	over the period of the expected benefit, not exceeding a period of 5 years

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

h. Assets held for sale, disposal groups and discontinued operations

Non-current assets or groups of assets are classified as “held for sale” if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Similarly, liabilities directly associated with the disposal groups are also presented separately from other liabilities in the statement of financial position. The individual assets and liabilities of a subsidiary acquired exclusively for resale are not fair valued separately, instead, the net assets as a whole are measured at the lower of carrying amount and fair value less costs to sell with the impairment (if any) netted off against the assets.

Depreciation ceases when an asset is classified as an asset held for sale. Assets held for sale are stated at the lower of carrying amount and fair value less costs to sell.

A discontinued operation is a component of the Group that is classified as a disposal group and represents a separate business or geographical segment, or is a subsidiary acquired exclusively for resale.

i. Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is determined principally by the following methods:

Equipment and motor vehicles	Specific identification basis
Spare parts and accessories	Weighted average basis

Demonstration vehicles are classified as inventories as they are readily available for sale and are generally sold within a year.

j. Derivatives and hedging activities

Derivatives are measured at fair value. A derivative that is neither designated nor an effective hedging instrument is categorised under fair value through profit or loss and changes in its fair value are recognised in profit or loss. In the case of a derivative that qualifies for cash flow hedge and borrowings that are used as hedge instruments against receivables or net investments, the changes in the derivative’s fair value and the exchange differences arising from the translation of the borrowings are recognised in other comprehensive income.

At the inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transaction.

k. Contract assets and liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. In the case of engineering contracts, contract asset is the excess of cumulative revenue earned over the billings to-date. See Note 3(l)(iii) on impairment of contract assets.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customer. In the case of engineering contracts, contract liability is the excess of the billings to-date over the cumulative revenue earned. Contract liabilities include downpayments received from customers and other deferred income where the Group has billed or has collected the payment before the goods are delivered or services are provided to the customers.

Amounts in RM million unless otherwise stated

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

I. Impairment

Goodwill and other intangible assets that have an indefinite useful life or are not yet available for use are tested annually for impairment. Other non-financial assets are assessed for indication of impairment. If an indication exists, an impairment test is performed. In the case of financial assets, it is based on expected credit loss.

This exercise is performed annually or whenever events or circumstances occur indicating that impairment may exist.

The recognition and measurement of impairment are as follows:

i. Non-financial assets

An impairment loss is recognised for the amount by which the carrying amount of the non-financial asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in-use.

ii. Subsidiaries, joint ventures and associates

An impairment loss is recognised for the amount by which the carrying amount of the subsidiary, joint venture or associate exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and present value of the estimated future cash flows expected to be derived from the investment, including the proceeds from its disposal.

iii. Impairment of financial assets and contract assets

The Group recognises an allowance for expected credit loss ("ECL") for all debt instruments not held at fair value through profit or loss ("FVTPL").

ECLs are measured based on a general 3-stage approach and a simplified approach.

General 3-stage approach for other receivables and amounts due from subsidiaries

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Simplified approach for trade receivables, contract assets and finance lease receivables

For trade receivables, contract assets and finance lease receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Significant increase in credit risk

The Group considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

The Group considers a receivable as credit impaired when one or more events that have a detrimental impact on the estimated cash flow have occurred. These instances include adverse changes in the financial capability of the debtor and default or significant delay in payments. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off to profit or loss when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

I. Impairment (continued)

iii. Impairment of financial assets and contract assets (continued)

Grouping of instruments for ECL measured on collective basis

Collective assessment

To measure ECL, trade receivables and contract assets are grouped into categories. The categories are differentiated by the different business risks and are subject to different credit assessments. Contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group considers the expected loss rates for trade receivables as a reasonable approximation of the loss rates for contract assets with similar risk characteristics.

Individual assessment

Trade receivables, contract assets, other receivables and amounts due from subsidiaries which are in default or credit-impaired are assessed individually.

m. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, where the outflow of resources is probable and can be reliably estimated. Provisions are measured at the present value of the obligation. The increase in the provision due to the passage of time is recognised as finance cost.

n. Government grants

Government grants are recognised at fair value when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received. Grants are carried in the statement of financial position and allocated to profit or loss over the useful lives of the related assets or over the period of the operating expenditure to which the grants are intended to compensate. Grants relating to costs are recognised in profit or loss over the periods to match the related costs for which the grants are intended to compensate.

o. Employee costs

i. Employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are accrued in the period in which the services are rendered by employees.

ii. Defined contribution pension plans

The Group has various defined contribution pension plans in accordance with local conditions and practices in the countries in which it operates. The Group's contributions to defined contribution pension plans are charged to profit or loss in the financial year in which they relate to. The Group has no legal or constructive obligations to pay further contributions once the contribution has been paid.

p. Revenue recognition

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of goods and service tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

Amounts in RM million unless otherwise stated

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

p. Revenue recognition (continued)

The material performance obligations by segment are as follows:

i. Industrial

Industrial segment revenue consists primarily of sale and installation of equipment, sale of parts and provision of after-sales services.

(a) Sale and installation of equipment, parts and provision of after-sales maintenance

Revenue from sale of equipment and after-sales maintenance are recognised respectively in the period in which the customer accepts the delivery of the goods and services rendered.

Contracts that bundle the sale of equipment, after-sales maintenance, provision of parts credit and extended warranty are recognised as distinct performance obligations for revenue recognition purposes. Parts credit represents prepaid amounts for equipment parts which customers will redeem in the future. Credit is given together with the sale of machine based on negotiated terms with the customer. Revenue from parts credit is recognised upon utilisation of credit for parts exchange.

Contracts that bundle the sale and installation of generator sets are recognised as a single performance obligation as the installation includes a significant integration service. Revenue is recognised progressively based on the percentage of completion determined by reference to the completion of the physical proportion of contract work to-date.

There is no significant financing component in the revenue arising from sale and installation of equipment, parts and provision of after-sales maintenance as almost all sales are made on the normal credit terms not exceeding 12 months.

(b) Construction of equipment

Contracts for construction of equipment comprise multiple deliverables which include a significant integration service and are therefore recognised as a single performance obligation. Revenue is recognised progressively based on the percentage of completion determined by reference to the completion of the physical proportion of contract work to-date.

(c) Extended warranty programme

The Group operates an extended warranty programme where customers are given additional 12-month warranty in addition to the standard warranty. Revenue for the extended warranty is recognised in the period in which the warranty services are rendered. No element of financing is deemed present as the sales are made on normal credit terms. Obligations to repair or replace faulty products under standard warranty terms is recognised as a provision.

(d) Sales with a right of return

For certain parts sales, the customer has an option to sell the used products back to the Group within an agreed timeframe after the date of sale. Therefore, a refund liability (with corresponding adjustment to revenue) is recognised using the most likely method for the products expected to be returned.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

p. Revenue recognition (continued)

The material performance obligations by segment are as follows: (continued)

ii. Motors

The Group is an authorised distributor of vehicles and parts and also operates a network of dealerships selling vehicles and parts and offering after-sales services. Motors segment revenue consists primarily of sale of vehicles and parts, after-sales services and assembly of vehicles.

(a) Sale of vehicles and parts

Revenue from sale of vehicles and parts is recognised when the Group sells the vehicle and parts to customers and control of the vehicle and parts has transferred, being when the vehicles and parts are delivered to the customer.

The vehicles and parts are often sold with volume based discounts and incentives based on aggregate sales over an agreed period. Accumulated experience is used to estimate and provide for the discounts and incentives, using expected value or most likely methods depending on the type of discounts and incentives. Revenue is recognised to the extent that it is highly probable that a significant reversal will not occur.

Consistent with market practice, the Group collects deposits from customers for the sale of vehicles. A contract liability is recognised for the customer deposits as the Group has an obligation to transfer vehicle to the customer in respect of deposits received. Customer deposits would be recognised as revenue upon sale of the vehicle to the customer.

No element of financing is deemed present as the sales are made with a credit term of 30 to 60 days, which is consistent with market practice. The Group's obligation to provide warranty for the vehicles and parts under the standard warranty terms is recognised as a provision.

(b) After-sales services

The Group provides after-sales services or routine vehicle maintenance services within and/or outside of the warranty period in relation to the vehicle brands that the Group sells. The performance of maintenance services is often accompanied with the sale of parts. Therefore, revenue from sale of parts is reported with the performance of after-sales services. Revenue from after-sales services is recognised over the period of performance of services to customers.

The sale of vehicle to the customer may be bundled together with extended warranties and/or free services. The extended warranty provides assurance to the customer that the vehicle parts comply with agreed-upon specifications beyond the general standard warranty period. The extended warranties and free services are separate performance obligations and the transaction price is allocated to the service obligations based on its relative standalone selling prices. The extended warranties and free services are deferred and recognised over the period covered by the extended warranties and when the free services are performed respectively.

There is no significant financing component in the sale of extended warranties and/or free services as the sales are made on normal credit terms not exceeding 12 months. Where consideration is collected from customers in advance of services being performed, a contract liability is recognised. The contract liability would be recognised as revenue when the related services are rendered.

Amounts in RM million unless otherwise stated

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

p. Revenue recognition (continued)

The material performance obligations by segment are as follows: (continued)

ii. Motors (continued)

(c) *Assembly of vehicles*

The Group manufactures and assembles light commercial and passenger vehicles, and are contract assemblers of motor vehicles. Revenue arising from the assembly of vehicles is either recognised upon completion of the assembly service or over the period when assembly services are rendered based on the contractual terms with the customers.

(d) *Handling and commission income*

Revenue arising from rendering services, handling income and commission income is recognised when the relevant services are completed.

iii. UMW

UMW division's revenue consists primarily of sale of vehicles, equipment and parts and provision of after-sales services or related services. The revenue recognition policy for these transactions are as per the revenue recognition of similar transactions under the Industrial and Motors segments as set out in Notes 3(p)(i) and 3(p)(ii).

iv. Other revenue

Revenue from other sources are recognised as follows:

- (a) dividend income is recognised when the right to receive payment is established; and
- (b) rental income is generally recognised on a straight-line basis over the tenure of the lease.

q. Taxation

Taxation comprises of current and deferred tax.

The current tax charge is based on the expected income tax payable and is measured using applicable tax rates.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is recognised on temporary differences arising on investments in subsidiaries, joint ventures and associates except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is not recognised on goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

r. Segment reporting

Segment information is presented in a manner that is consistent with the internal reporting provided to management for the allocation of resources and assessment of its performance.

Segment revenue, profit, assets and liabilities are those reported by the segment and also include consolidation adjustments directly attributable to the segment. Inter-segment sales and purchases are generally based on similar terms as those available to external parties.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in compliance with MFRS requires the use of certain critical accounting estimates that involve complex and subjective judgements and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. The Directors exercise their judgement in the process of applying the Group's accounting policies. Estimates and assumptions are based on the Directors' best knowledge of current events. Such estimates and judgement could change from period to period and have a material impact on the results, financial position, cash flows and other disclosures. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

a. Impairment of non-financial assets

The Group assesses whether there is any indication that non-financial assets are impaired at the end of each reporting period. Impairment is measured by comparing the carrying amount of an asset with its recoverable amount. The recoverable amount is measured at the higher of the fair value less costs to sell for that asset and its value-in-use. The value-in-use is the net present value of the projected future cash flows derived from that asset discounted at an appropriate discount rate. Projected future cash flows are calculated based on historical sector and industry trends, general market and economic conditions, changes in technology and other available information. Changes to any of these assumptions would affect the amount of impairment. The valuation techniques used for fair value less costs to sell include market approach and income approach. The key assumptions used to determine the recoverable amount of the property, plant and equipment, right-of use assets and intangible assets are set out in Note 21, Note 22 and Note 24 to the financial statements respectively.

During the financial year, net impairment of non-financial assets totalling RM28 million (2024: RM195 million) in continuing operations and Nil (2024: RM45 million) in discontinued operations were charged as disclosed in Notes 12 (continuing operations) and 18 (discontinued operations).

b. Taxation

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which temporary differences or unutilised tax losses and tax credits can be utilised. This involves judgement regarding future taxable profits of a particular entity in which the deferred tax asset has been recognised.

The Group has recognised deferred tax liabilities on unremitted earnings for subsidiaries which are located in jurisdictions that impose withholding tax on dividends where it is probable the temporary difference would reverse in the near future. The deferred tax liabilities on the unremitted earnings are estimated based on the projected dividends in the 5-year approved budget projections, restricted to the available retained earnings as at the end of the financial year. Actual dividends may differ depending on the actual financial performance of the companies and other factors. During the year, the Group recognised a reversal of deferred tax provision on unremitted earnings of RM10 million (2024: recognition of additional RM76 million).

c. Revenue recognition on maintenance income, extended warranties and parts credit

Revenue from customers include revenue derived from bundled contracts. The Group employs significant judgement in identifying separate performance obligations within these contracts. The Group regards the maintenance income (which is inclusive of free services), extended warranties and parts credit as separate performance obligations as the customers are able to benefit from each of the performance obligations on its own and they are distinct from each other. Revenue is allocated to the service obligations based on its relative stand-alone selling prices upon a sale of equipment or vehicle. These maintenance income and extended warranties are deferred and recognised over the period covered in the contracts or upon rendering of the services. Revenue from parts credit is recognised upon utilisation of credit for exchange of parts. Management estimates the stand-alone selling prices of the maintenance income, extended warranties and parts credit based on observable prices of the type of services likely to be provided and the services rendered in similar circumstances to customers. Where the stand-alone selling price of distinct goods or services is not directly observable, they are estimated based on expected cost-plus margin.

Amounts in RM million unless otherwise stated

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT IN APPLYING ACCOUNTING POLICIES (CONTINUED)

d. Extension options for leases

In determining the term of a lease, management considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. Potential future cash outflows have not been included in the lease liability because it is not reasonably certain that the leases will be extended. The assessment is reviewed if a significant event or a significant change in circumstances occur which affects this assessment and that is within the control of the lessee. Details of such extension options are disclosed in Note 41.

e. Provision for warranties for vehicles

The Group recognises provision for liabilities associated with the warranties provided on vehicles. This requires an estimation of the expenditure required to settle the present obligation at the reporting date. In determining the provision, the Group has made assumptions in relation to the expected cost to repair and/or replace the products and the expected timing of those costs.

Provision is recognised on product warranty claims for vehicles where the Group has undertaken to repair or replace items that fail to comply satisfactorily with agreed-upon specifications. The provision was estimated based on expected warranty claims on products sold, based on past experience of the level of repairs and return claims as well as recent trend analysis which are indicative of future claims. The estimation involves assumptions regarding the timing and cost of repairs or replacements, utilising historical claims data and applying a discount rate to present value future warranty obligations. The carrying amount of provision for warranties on vehicles at the end of the reporting period is RM298 million.

5 FINANCIAL RISK AND CAPITAL MANAGEMENT POLICIES

a. Financial Risk Management

The Group's operations expose it to a variety of financial risks, including foreign exchange risk, interest rate risk, credit risk and liquidity and cash flow risk. The Group's overall financial risk management policies seek to manage and minimise the potential adverse effects of these risks on the financial performance of the Group.

The Group's exposure to these financial risks are managed through risk reviews, internal control systems, insurance/takaful programmes and adherence to Group Policies and Authorities which are implemented on a group-wide basis. The Board of Directors regularly reviews these risks and approves the policies covering the management of these risks.

The Group uses derivative financial instruments such as forward foreign exchange contracts and embedded derivatives to hedge the Group's exposure to financial risk.

Whilst all derivatives entered into provide economic hedges to the Group, hedge accounting is not always applied. Where there are open positions, these are managed in accordance with the Group's policies. The notional amounts and fair values of derivative financial instruments as at 30 June are disclosed in Note 29.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

5 FINANCIAL RISK AND CAPITAL MANAGEMENT POLICIES (CONTINUED)

a. Financial Risk Management (continued)

i. Foreign exchange risk

The Group's foreign exchange risk refers to adverse exchange rate movements on foreign currency positions originating primarily from financial assets or liabilities denominated in currencies which are not in the functional currency of the respective subsidiaries and from net assets in foreign operations where the functional currencies are not in Ringgit Malaysia.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to United States Dollar, Chinese Renminbi, European Union Euro and Australian Dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, and investments in foreign operations.

The Group applies natural hedging, to the extent possible, by matching foreign currency assets or income against foreign currency liabilities or costs. Net foreign currency exposures and forecasted foreign currency cash flows are hedged via forward foreign exchange contracts and embedded derivatives.

Details of the Group's foreign currency exposure and the currency profile of monetary financial assets and financial liabilities are disclosed in Note 49(a).

ii. Interest rate risk

The Group's interest rate risk arises from its borrowings. Changes in market interest rates will be re-priced into the floating rate borrowings. The Group manages its interest rate risk on its long-term borrowings by targeting a mix of fixed and floating rate debt and by using derivatives such as interest rate swaps, if required.

As at 30 June 2025, the Group's percentage of fixed rate borrowings, both before and after taking into account of interest rate swap contracts, to the total borrowings was 19.5% (2024: 13.6% and 14.1% respectively). The borrowings raised for the acquisitions of UMW Holdings Berhad ("UMW") group, Kuxton Pty Limited and Kagera Pty Limited and its subsidiaries ("collectively referred to as "Cavpower group") and Onsite Rental Group Limited ("Onsite") were on floating rates and remain unhedged based on assessment of prevailing market conditions and cost considerations. The Company shall reassess this position and may consider implementing hedging strategies in the future if market conditions or financial circumstances change. The remaining borrowings are mostly for short term working capital funding. Details of the percentages of fixed rate borrowings over total borrowings are disclosed in Note 49(b).

iii. Credit risk

Credit risk is the risk of a financial loss to the Group due to counterparties defaulting on their commitments.

Credit risk arises on sales made on credit terms, derivatives with positive fair value, deposits with banks, guarantees and performance guarantees given on behalf of others and risk sharing arrangements.

The Group seeks to control credit risk by dealing with counterparties with appropriate credit histories and deposit with banks and financial institutions with good credit ratings. Credit risk is also managed through credit assessment and approval, credit limit and monitoring procedures. Where appropriate, guarantees or securities are obtained to limit credit risk.

Amounts in RM million unless otherwise stated

5 FINANCIAL RISK AND CAPITAL MANAGEMENT POLICIES (CONTINUED)

a. Financial Risk Management (continued)

iii. Credit risk (continued)

The credit risk concentration profile of the Group's net trade receivables analysed by location where the Group operates and by reportable segment is as follows:

	Industrial	Motors	UMW	Others	Total
2025					
Malaysia	253	1,035	1,100	67	2,455
China ¹	271	223	20	–	514
Other countries in Asia	149	221	48	1	419
Australasia ²	1,488	376	–	–	1,864
	2,161	1,855	1,168	68	5,252

	Industrial	Motors	UMW	Others	Total
2024					
Malaysia	237	1,106	1,091	42	2,476
China ¹	267	223	9	–	499
Other countries in Asia	124	244	52	2	422
Australasia ²	1,704	650	–	–	2,354
	2,332	2,223	1,152	44	5,751

The Group has no significant concentration of credit risk.

¹ China consists of Mainland China, Hong Kong, Macau and Taiwan.

² Australasia consists of Australia, New Caledonia, New Zealand, Papua New Guinea and the Solomon Islands.

A summary of the assumptions underpinning the Group's expected credit loss ("ECL") is as follows:

Trade receivables using the simplified approach

The ECL for trade receivables is generally calculated based on the net flow rate method and is calculated at operating unit level. The factors considered in arriving at the calculation include:

- Appropriately grouping trade receivables if historical (or forecast) credit loss experience shows significantly different loss patterns for different customer segments
- Adjusting historical credit loss experience to incorporate relevant, current and more forward-looking information that is reasonable and supportable, and available without undue cost or effort
- Determining different loss rates for the different past due brackets of trade receivables

In arriving at the net flow rate model, the operating units have used debtors' past due information over a 12-36 month period. No significant changes to estimation techniques or assumptions were made during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

5 FINANCIAL RISK AND CAPITAL MANAGEMENT POLICIES (CONTINUED)

a. Financial Risk Management (continued)

iii. Credit risk (continued)

Trade receivables using the simplified approach (continued)

The gross carrying amount of trade receivables also represents the maximum exposure to credit risk on these assets. The expected credit loss rate is the weighted average rate applied for the respective groups of trade receivables. Impairment for specific debtors in default or credit impaired is assessed individually, where applicable.

	30 June 2025			
	Gross trade receivables	Expected credit loss rate (%)	Impairment	Net carrying amount
Industrial Division				
Current	1,612	0.6	(10)	1,602
Past due by				
– 1 to 30 days	295	1.9	(6)	289
– 31 to 60 days	85	3.2	(3)	82
– 61 to 90 days	90	3.3	(3)	87
– 91 to 180 days	65	11.5	(7)	58
– more than 181 days	113	62.7	(70)	43
Total	2,260		(99)	2,161
Motors Division				
Current	1,140	0.0	–	1,140
Past due by				
– 1 to 30 days	582	2.2	(13)	569
– 31 to 60 days	80	1.0	(–) ¹	80
– 61 to 90 days	21	4.1	(1)	20
– 91 to 180 days	40	2.9	(1)	39
– more than 181 days	13	44.4	(6)	7
Total	1,876		(21)	1,855
UMW Division				
Current	1,088	0.2	(3)	1,085
Past due by				
– 1 to 30 days	50	1.8	(1)	49
– 31 to 60 days	13	3.0	(–) ¹	13
– 61 to 90 days	7	1.4	(–) ¹	7
– 91 to 180 days	5	5.3	(–) ¹	5
– more than 181 days	17	45.8	(8)	9
Total	1,180		(12)	1,168

¹ Less than RM1 million.

Amounts in RM million unless otherwise stated

5 FINANCIAL RISK AND CAPITAL MANAGEMENT POLICIES (CONTINUED)

a. Financial Risk Management (continued)

iii. Credit risk (continued)

Trade receivables using the simplified approach (continued)

	30 June 2024			
	Gross trade receivables	Expected credit loss rate (%)	Impairment	Net carrying amount
Industrial Division				
Current	1,467	0.2	(3)	1,464
Past due by				
– 1 to 30 days	498	2.1	(10)	488
– 31 to 60 days	112	2.7	(3)	109
– 61 to 90 days	133	3.4	(5)	128
– 91 to 180 days	113	12.3	(14)	99
– more than 181 days	138	68.0	(94)	44
Total	2,461		(129)	2,332
Motors Division				
Current	1,010	0.0	–	1,010
Past due by				
– 1 to 30 days	881	0.2	(2)	879
– 31 to 60 days	221	0.2	(–) ¹	221
– 61 to 90 days	52	1.5	(1)	51
– 91 to 180 days	53	5.1	(3)	50
– more than 181 days	30	59.3	(18)	12
Total	2,247		(24)	2,223
UMW Division				
Current	1,070	0.2	(2)	1,068
Past due by				
– 1 to 30 days	37	2.0	(1)	36
– 31 to 60 days	24	1.2	(–) ¹	24
– 61 to 90 days	7	1.6	(–) ¹	7
– 91 to 180 days	14	13.4	(2)	12
– more than 181 days	11	56.0	(6)	5
Individually assessed	5	100.0	(5)	–
Total	1,168		(16)	1,152

¹ Less than RM1 million.

Net trade receivables of RM68 million (2024: RM44 million) relates to the Others segment and the total impairment for these receivables is RM2 million (2024: RM2 million).

The impairment of finance lease receivables (carrying value of RM194 million (2024: RM177 million)) has been assessed to be immaterial.

The impairment of contract assets (carrying value of RM232 million (2024: RM95 million)) has been assessed to be immaterial.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

5 FINANCIAL RISK AND CAPITAL MANAGEMENT POLICIES (CONTINUED)

a. Financial Risk Management (continued)

iii. Credit risk (continued)

The ECL for other receivables and amounts due from subsidiaries, joint ventures and associates is calculated based on the 3-stage approach.

Category	Definition of category	Basis for recognising ECL
Performing	Debtors have a low risk of default and a strong capacity to meet contractual cash flows.	12-month ECL
Underperforming	Debtors for which there is a significant increase in credit risk due to actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations.	Lifetime ECL
Non-performing	There is evidence indicating the asset is credit-impaired.	Lifetime ECL (credit impaired)
Write-off	There is evidence indicating that there is no reasonable expectation of recovery based on unavailability of the debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.	Asset is written off

Based on the above, loss allowance is measured on either 12-month ECL or lifetime ECL, by considering the likelihood that the debtor would not be able to repay during the contractual period, the percentage of contractual cash flows that will not be collected if default happens and the outstanding amount that is exposed to default risk.

The main categories of other receivables of the Group are as follows:

- Rebates from principals – these are amounts receivable based on rates or amounts agreed by the principals. These amounts are mostly categorised as performing as they are assessed to have low credit risk except for certain instances where there are disagreements. The impairment losses as at 30 June 2025 was less than RM1 million (2024: less than RM1 million).
- Assembly purchases and expenses recoverable – these are goods purchased or expenses incurred in relation to the assembly business that can be recovered from customers. These amounts are categorised as performing as they are assessed to have low credit risk. The impairment loss is considered immaterial.
- Warranty and parts claims are transactions involving principals. They are categorised as performing as they are assessed to have low credit risk. The impairment loss is considered immaterial.
- Deposits include utilities and tender deposits as well as deposits with authorities and principals. These amounts are mostly categorised as performing as they are assessed to have low credit risk. The impairment loss is considered immaterial.

Management has assessed and determined that the remaining other receivables were recoverable and adequate loss allowance has been recognised.

The amounts due from joint ventures and associates are largely categorised as performing taking into consideration the credit risks of the joint ventures and associates.

Amounts in RM million unless otherwise stated

5 FINANCIAL RISK AND CAPITAL MANAGEMENT POLICIES (CONTINUED)

a. Financial Risk Management (continued)

iii. Credit risk (continued)

Company

The Company has no significant concentration of credit risk except for advances to or receivables from its subsidiaries where the risk of default has been assessed to be low.

The Company provides unsecured advances to its subsidiary, Sime Darby Holdings Berhad ("SDHB"). The outstanding balance as at 30 June 2025 was RM474 million (2024: RM261 million). No impairment was provided for this balance as SDHB is in a net assets position and can settle the outstanding balance by transferring its cash, recalling loans from related companies or drawing from its banking facilities.

The other amounts due from subsidiaries are primarily dividend receivable of RM242 million (2024: RM242 million). Management is of the view that the impairment loss is considered immaterial based on the financial position and performance of these subsidiaries.

Reconciliation of impairment for trade and other receivables of the Group is as follows:

	2025			
	Trade receivables	Rebates from principals	Other receivables	Total
As at 1 July 2024	171	– ¹	11	182
Impairment losses	44	–	–	44
Reversal of impairment losses	(64)	–	(3)	(67)
Write-offs	(8)	–	–	(8)
Exchange differences	(9)	–	–	(9)
At 30 June 2025	134	– ¹	8	142

¹ Less than RM1 million.

	2024			
	Trade receivables	Rebates from principals	Other receivables	Total
As at 1 July 2023	146	5	6	157
Impairment losses	98	5	6	109
Reversal of impairment losses	(76)	(10)	(1)	(87)
Write-offs	(3)	–	–	(3)
Exchange differences	6	–	–	6
At 30 June 2024	171	– ¹	11	182

¹ Less than RM1 million.

Details of the credit risk exposure are disclosed in Note 49(c).

The Group also has a risk sharing arrangement with a third party leasing company which is a member of our principal vendor, in connection with the sale of its equipment. Details of the arrangement are disclosed in Note 50(a). An amount of RM3 million (2024: RM6 million) has been provided for based on a percentage of risk sharing ratio over the total outstanding lease portfolio (see Note 44).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

5 FINANCIAL RISK AND CAPITAL MANAGEMENT POLICIES (CONTINUED)

a. Financial Risk Management (continued)

iv. Liquidity and cash flow risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting their financial obligations when they fall due.

The Group maintains a prudent borrowing policy which is aimed towards maintaining sufficient cash for all cash flow requirements, managing debt and investment portfolio within the relevant time buckets to maturity, obtaining a diverse range of funding sources, and keeping an adequate amount of credit facilities to provide ample liquidity cushion.

As at 30 June 2025, the Group's total cash and cash equivalents was RM2,819 million (2024: RM2,776 million) which includes cash in hand and deposits held at call with banks, net of bank overdrafts, deposits with maturity of more than 3 months and deposits restricted by banks. The balance as at 30 June 2024 is inclusive of cash and cash equivalents under disposal group of RM260 million. As at 30 June 2025, the Company had total cash and cash equivalents of RM30 million (2024: RM50 million).

The Group believes that its contractual obligations, including those disclosed in commitments and contingencies in Notes 49(d) and 50 respectively, can be met from existing cash and investments, operating cash flows, credit lines available and other financing that the Group reasonably expects to be able to secure should the need arise.

b. Capital Management

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and maximise shareholders' value. The Group is committed towards optimising its capital structure and ensuring a competitive cost of capital. Implementation of an optimal capital structure includes balancing between debt and equity by putting in place appropriate dividend and financing policies which influence the level of debt and equity. The appropriate debt level is subject to the composition of the Group's businesses, business cycle and economic conditions.

i. Gearing ratios

The gearing ratios used to assess the appropriateness of the Group's debt level are set out below.

Ratio 1 is calculated as Total Debt divided by Total Equity.

	2025	2024
Borrowings [Note 40]	7,122	10,440
Lease liabilities (2024: including lease liabilities of RM1 million under disposal group)	2,448	2,772
Total Debt	9,570	13,212
Total Equity	23,345	23,358
Total Debt/Equity ratio	0.41	0.57

Amounts in RM million unless otherwise stated

5 FINANCIAL RISK AND CAPITAL MANAGEMENT POLICIES (CONTINUED)

b. Capital Management (continued)

i. Gearing ratios (continued)

Ratio 2 is calculated as Total Debt divided by Adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA").

	2025	2024
Total Debt	9,570	13,212
Operating profit from continuing operations	3,079	2,498
Add: Depreciation and amortisation [Note 7]	2,126	2,018
Less: Other gains [Note 12]	(985)	(129)
Adjusted EBITDA of continuing operations	4,220	4,387
Adjusted EBITDA of discontinued operations	21	54
Adjustment to annualise Adjusted EBITDA of Cavpower and UMW	–	502
Adjusted EBITDA	4,241	4,943
Debt/Adjusted EBITDA ratio	2.26	2.67

ii. Externally imposed capital requirements

The Group maintains a debt to equity ratio that complies with the applicable debt covenants as at 30 June 2025 and 30 June 2024.

6 REVENUE

Revenue comprise the following:

	Group		Company	
	2025	2024	2025	2024
Revenue from contracts with customers	68,674	65,753	–	–
Revenue from other sources				
– rental income	1,387	1,379	–	–
– dividend income from subsidiaries	–	–	1,211	1,026
	70,061	67,132	1,211	1,026

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

6 REVENUE (CONTINUED)

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

	Industrial	Motors	UMW	Others	Total
2025					
<u>Segment revenue</u>					
Sale of equipment and vehicles	7,108	28,179	11,492	–	46,779
Sale of parts, assembly charges and provision of after-sales services	10,776	4,912	3,737	–	19,425
Manufacturing and engineering Commission, handling fees and others	323	–	853	8	1,184
	–	1,089	148	49	1,286
	18,207	34,180	16,230	57	68,674
<u>Geographical market</u>					
Malaysia	1,212	7,406	15,882	51	24,551
China ¹	2,622	12,465	121	–	15,208
Other countries in Asia	883	9,564	227	6	10,680
Australasia ²	13,490	4,745	–	–	18,235
	18,207	34,180	16,230	57	68,674
<u>Timing of revenue recognition</u>					
– at a point in time	13,348	29,644	16,170	40	59,202
– over time	4,859	4,536	60	17	9,472
	18,207	34,180	16,230	57	68,674

¹ China consists of Mainland China, Hong Kong, Macau and Taiwan.

² Australasia consists of Australia, New Caledonia, New Zealand, Papua New Guinea and the Solomon Islands.

Amounts in RM million unless otherwise stated

6 REVENUE (CONTINUED)

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

	Industrial	Motors	UMW	Others	Total
2024					
<u>Segment revenue</u>					
Sale of equipment and vehicles	7,605	30,716	6,821	–	45,142
Sale of parts, assembly charges and provision of after-sales services	11,657	5,227	1,775	–	18,659
Manufacturing and engineering	317	–	619	13	949
Commission, handling fees and others	–	908	49	46	1,003
	19,579	36,851	9,264	59	65,753
<u>Geographical market</u>					
Malaysia	1,154	8,709	9,105	54	19,022
China ¹	2,393	15,056	22	–	17,471
Other countries in Asia	916	7,003	137	5	8,061
Australasia ²	15,116	6,083	–	–	21,199
	19,579	36,851	9,264	59	65,753
<u>Timing of revenue recognition</u>					
– at a point in time	14,779	31,892	9,263	38	55,972
– over time	4,800	4,959	1	21	9,781
	19,579	36,851	9,264	59	65,753

¹ China consists of Mainland China, Hong Kong, Macau and Taiwan.

² Australasia consists of Australia, New Caledonia, New Zealand, Papua New Guinea and the Solomon Islands.

Revenue from contracts with customer of the Group includes RM2,049 million (2024: RM2,434 million) that was included in contract liabilities at the beginning of the reporting period.

The Group generates rental revenue mainly from leasing of equipment and motor vehicles. It also receives rental income from the leasing of certain properties. The following table sets out the maturity analysis of lease receipts of the Group, showing the undiscounted lease payments to be received after the reporting date and includes operating lease income recognised as other operating income (Note 10):

	Group	
	2025	2024
Within 1 year	734	898
Between 1-2 years	289	318
Between 2-3 years	155	126
Between 3-4 years	68	58
Between 4-5 years	41	33
After 5 years	51	68
Total undiscounted lease receipts	1,338	1,501

Included in revenue is RM158 million (2024: RM146 million) arising from subleasing of right-of-use assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

7 OPERATING EXPENSES

	Group		Company	
	2025	2024	2025	2024
<u>Direct costs</u>				
Finished goods, work in progress and other direct overheads	56,558	53,983	–	–
Inventory write-down and provision [Note 31]	279	279	–	–
Raw materials and consumables	2,463	1,779	–	–
Engineering contract costs	126	115	–	–
	59,426	56,156	–	–
<u>Directors and employees costs</u>				
Salaries, fees, allowances, overtime and bonus	4,430	4,506	5	4
Defined contribution pension plans	421	376	–	–
Termination benefits	62	15	–	–
Training, insurance and other benefits	1,165	1,222	– ¹	–
	6,078	6,119	5	4
<u>Depreciation and amortisation</u>				
Amortisation:				
– intangible assets	120	121	–	–
Depreciation:				
– property, plant and equipment	1,409	1,275	–	–
– right-of-use assets	586	598	– ¹	– ¹
– investment properties	11	24	–	–
	2,126	2,018	– ¹	– ¹
<u>Leases</u>				
Short-term leases	125	166	– ¹	– ¹
Lease of low-value assets	3	9	–	–
	128	175	– ¹	– ¹
<u>General expenses</u>				
Auditors' remuneration [Note 9]	29	37	1	2
Management fee charged by a subsidiary	–	–	55	50
Other expenses	622	686	4	5
	651	723	60	57
	68,409	65,191	65	61

¹ Less than RM1 million.

Amounts in RM million unless otherwise stated

8 DIRECTORS' REMUNERATION

	Group		Company	
	2025	2024	2025	2024
<u>Executive Director</u>				
Emoluments and benefits	6	6	–	–
Defined contribution pension plans	1	1	–	–
	7	7	–	–
<u>Non-Executive Directors</u>				
Fees and benefits	5	4	5	4
	12	11	5	4

Estimated monetary value of benefits-in-kind of the Executive Director amounted to RM0.04 million (2024: RM0.03 million) for the Group. Estimated monetary value of benefits-in-kind of Non-Executive Directors amounted to RM0.03 million (2024: RM0.03 million).

During the financial year, the Group sold vehicles to Directors and their close family members for RM3.2 million (2024: RM0.5 million) at prices not lower than that offered to employees.

Other than as disclosed above, there were no compensation to Directors for loss of office, no loans, quasi-loans and other dealings in favour of Directors and no material contracts subsisting as at 30 June 2025 or if not then subsisting, entered into since the end of the previous financial year by the Company or its subsidiaries which involved the interests of Directors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

9 AUDITORS' REMUNERATION

	Group		Company	
	2025	2024	2025	2024
<u>Fees for statutory audits</u>				
PricewaterhouseCoopers PLT Malaysia	6	6	1	1
Member firms of PricewaterhouseCoopers International Limited	19	22	–	–
Other audit firms	1	2	–	–
	26	30	1	1
<u>Fees for assurance related services</u>				
PricewaterhouseCoopers PLT Malaysia	– ¹	1	– ¹	1
Member firms of PricewaterhouseCoopers International Limited	–	–	–	–
	– ¹	1	– ¹	1
<u>Fees for non-audit services</u>				
PricewaterhouseCoopers PLT Malaysia	1	1	–	–
Member firms of PricewaterhouseCoopers International Limited	2	5	–	–
	3	6	–	–
	29	37	1	2

¹ Less than RM1 million.

Non-audit services provided by the Company's auditors and its member firms comprise tax related services and other advisory services. Non-audit services can be offered by the external auditors if there are efficiency and value added benefits to the Group, without compromising auditor independence.

10 OTHER OPERATING INCOME

	Group	
	2025	2024
Dividend income from financial assets	–	144
Hire of plant and machinery	34	20
Operating lease income ¹	46	66
Government grant income	24	16
Sales of scrap	28	35
Forfeiture of customer deposits	17	26
Insurance claims	136	2
Other miscellaneous income	134	141
	419	450

¹ Operating lease income is primarily from the leasing of properties by entities where their principal activity is not property leasing. The maturity analysis for operating lease income is included in Note 6.

Amounts in RM million unless otherwise stated

11 REVERSAL OF IMPAIRMENT/(IMPAIRMENT) OF FINANCIAL ASSETS (NET)

	Group	
	2025	2024
Receivables		
– Impairment of receivables	(44)	(109)
– Reversal of impairment of receivables	67	87
	23	(22)

12 OTHER GAINS AND LOSSES

	Group	
	2025	2024
Net foreign currency exchange (loss)/gain:		
– realised foreign exchange (loss)/gain arising from repayment of net investments	(1)	45
– other foreign exchange gain/(loss)	15	(8)
Fair value (loss)/gain:		
– derivatives	(9)	(16)
– financial assets at FVTPL	4	20
Gain on disposal of:		
– property, plant and equipment	31	8
– investment properties	902	279
– associates	18	–
– businesses	52	–
Loss on disposal of:		
– property, plant and equipment	(17)	(3)
– joint ventures	(5)	–
Impairment of:		
– property, plant and equipment	(31)	(90)
– right-of-use assets	(5)	(46)
– intangible assets	–	(59)
Reversal of impairment		
– property, plant and equipment	4	–
– right-of-use assets	4	–
Net gain/(loss) on lease modifications/terminations	23	(1)
	985	129

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

13 JOINT VENTURES – GROUP

The Group's interest in joint ventures as at 30 June, their respective principal activities and countries of incorporation are disclosed in Note 52.

The Group's interest in joint ventures are as follows:

	2025	2024
	Total	Total
<u>Continuing operations</u>		
Share of results	19	17
Share of other comprehensive (loss)/income	(3)	7
Fair value gain on loan to joint venture [Note a]	4	15
Currency translation differences on loan to joint venture [Note a]	(3)	1
	17	40
<u>Discontinued operations</u>		
Share of results	–	45
Share of other comprehensive loss	–	(2)
Share of total comprehensive income	17	83
Unquoted shares, at costs	11	91
Loan to joint venture [Note a]	17	16
Share of post-acquisition reserves	91	69
	119	176

a. Loan to joint venture

On 11 July 2023, the loan to a joint venture, Mine Energy Holdings Pty Ltd group ("MEH"), with a fair value of Nil as at 30 June 2023, was restructured following the entry of a new shareholder in MEH. The Group's equity interest in MEH remained at 50%. Part of the loan was capitalised via subscription of new ordinary shares in MEH while the balance was restructured (with revised terms and unpaid interest waived). The loan to joint venture bear no interest for 36 months and is subject to market variable interest rates subsequent to that.

b. Material joint venture

In the opinion of the Directors, there are no joint ventures that are material to the Group for the financial year ended 30 June 2025 and 30 June 2024.

c. Commitments and contingent liabilities

There are no commitments or contingent liabilities relating to the Group's interest in the joint ventures.

Amounts in RM million unless otherwise stated

14 ASSOCIATES – GROUP

The Group's interest in the associates as at 30 June, their respective principal activities and countries of incorporation are disclosed in Note 52.

The Group's interest in associates are as follows:

	2025			2024		
	Material associate	Others	Total	Material associate	Others	Total
Share of results	439	55	494	199	44	243
Share of other comprehensive income/(loss)	– ¹	(37)	(37)	– ¹	3	3
Share of total comprehensive income	439	18	457	199	47	246
Unquoted shares, at costs	2,340	455	2,795	2,340	488	2,828
Share of post-acquisition reserves	192	203	395	37	194	231
Unrealised profit on transactions with associates	–	(2)	(2)	–	(2)	(2)
Impairment losses	–	(1)	(1)	–	(1)	(1)
	2,532	655	3,187	2,377	679	3,056

¹ Less than RM1 million.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

14 ASSOCIATES – GROUP (CONTINUED)

a. Material associate

In the opinion of the Board of Directors, the associate that is material to the Group is:

Name of associate	Description
Perusahaan Otomobil Kedua Sdn. Bhd. ("Perodua")	The Perodua group, including its associates, are principally involved in the manufacture, assembly and distribution of motor vehicles and parts and other related activities.

Summarised financial information

The summarised statement of comprehensive income of the material associate is as follows:

	2025	2024
	Perodua	Perodua
Revenue	19,662	10,638
Depreciation and amortisation	(77)	(51)
Share of results of associates	685	268
Profit before interest and tax	1,292	565
Interest income	60	30
Interest expense	(9)	(2)
Profit before tax	1,343	593
Taxation	(187)	(67)
Profit for the financial year	1,156	526
Non-controlling interests	(1)	(2)
Profit attributable to owners of the associate	1,155	524
Other comprehensive income	– ¹	– ¹
Total comprehensive income	1,155	524
Dividend received	445	–

¹ Less than RM1 million.

Amounts in RM million unless otherwise stated

14 ASSOCIATES – GROUP (CONTINUED)

a. Material associate (continued)

Summarised financial information (continued)

The summarised statement of financial position of the material associate is as follows:

	2025	2024
	Perodua	Perodua
Non-current assets	5,688	5,096
Current assets		
Cash and cash equivalents	2,056	1,821
Other current assets	678	897
	2,734	2,718
Non-current liabilities		
Financial liabilities excluding payables	(104)	(104)
Other liabilities	(16)	(20)
	(120)	(124)
Current liabilities		
Financial liabilities excluding payables	(33)	(32)
Other current liabilities	(1,564)	(1,363)
	(1,597)	(1,395)
Net assets	6,705	6,295
Less: non-controlling interests	(42)	(41)
Net assets attributable to owners of the associate	6,663	6,254

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

14 ASSOCIATES – GROUP (CONTINUED)

a. Material associate (continued)

Reconciliation

Reconciliation of the summarised financial information presented to the carrying amounts of the Group's interest in the material associate is as follows:

	2025	2024
	Perodua	Perodua
Net assets attributable to owners of the associate		
At 1 July 2024/acquisition date	6,254	6,156
Dividend	(746)	(426)
Total comprehensive income	1,155	524
At 30 June	6,663	6,254
Group's interest (%)	38.0	38.0
Interest in associate representing carrying amount at end of the financial year	2,532	2,377

Note: The dividend declared by Perodua in 2024 was received in the financial year ended 30 June 2025.

b. Commitments and contingent liabilities

There are no commitments or contingent liabilities relating to the Group's interest in the associates.

15 FINANCE INCOME

	Group	
	2025	2024
Interest income from:		
– banks and other financial institutions	81	102
– other interest income	6	3
Islamic profit distribution	7	20
	94	125
Accretion of discount on receivables	12	17
	106	142

The Company's finance income of RM2 million in the financial year was mainly from financial guarantee in respect of the Sukuk Murabahah programme (refer also to Note 40) of a subsidiary. Finance income from banks and other financial institutions amounted to less than RM1 million (2024: finance income from banks and other financial institutions – less than RM1 million).

Amounts in RM million unless otherwise stated

16 FINANCE COSTS

	Group	
	2025	2024
Interest expense payable to banks and other financial institutions	314	387
Islamic financing distribution payment	130	129
Interest on borrowings	444	516
Interest expense on leases	131	132
Interest on payables and others	80	76
Total finance costs	655	724
Interest capitalised in property, plant and equipment	(8)	(5)
Net finance costs	647	719

The Company's finance costs of RM11 million in the current financial year arose from the financial guarantee in respect of the Sukuk Murabahah programme of a subsidiary and leases (2024: RM3 million).

17 TAXATION

	Group		Company	
	2025	2024	2025	2024
Income tax:				
In respect of current year				
– Malaysian income tax	337	230	– ¹	– ¹
– foreign income tax	338	462	–	–
In respect of prior years				
– Malaysian income tax	12	7	– ¹	– ¹
– foreign income tax	(4)	6	–	–
Total income tax	683	705	– ¹	– ¹
Deferred tax:				
– origination and reversal of temporary differences	(96)	(104)	– ¹	– ¹
– deferred tax adjustment due to change in tax legislation in New Zealand	–	26	–	–
– deferred tax on unremitted earnings	(10)	76	–	–
– effects of recognition of previously unrecognised temporary differences and temporary differences not recognised	86	(5)	–	–
Total deferred tax	(20)	(7)	– ¹	– ¹
Total tax expense	663	698	– ¹	– ¹

¹ Less than RM1 million.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

17 TAXATION (CONTINUED)

Tax reconciliation

Reconciliation from tax at applicable tax rate to tax expense is as follows:

	Group		Company	
	2025	2024	2025	2024
Profit before tax	3,051	2,181	1,137	964
Less: Share of results of joint ventures	(19)	(17)	–	–
Share of results of associates	(494)	(243)	–	–
	2,538	1,921	1,137	964
Applicable tax	616	494	273	231
Withholding tax and additional tax on foreign income	20	29	–	–
Effects of tax incentives and non-taxable income:				
– non-taxable dividends	–	(35)	(291)	(246)
– tax incentives and other income	(43)	(38)	–	–
Effects of non-deductible expenses	110	176	18	15
Effects of real property gains tax	(124)	(39)	–	–
Effects of income subject to different tax rates	–	1	–	–
Effects of deferred tax on unremitted earnings	(10)	76	–	–
Effects of deferred tax adjustment on change in tax legislation in New Zealand	–	26	–	–
Effects of deferred tax assets not recognised and previously unrecognised deferred taxes	86	(5)	–	–
Under provision in prior years	8	13	–	–
Tax expense for the financial year	663	698	– ¹	– ¹
Applicable tax rate (%)	24.3	25.7	24.0	24.0
Effective tax rate (%)	26.1	36.3	– ²	– ²

¹ Less than RM1 million.

² Less than 0.1%.

The Group's effective tax rate of 26.1% for the financial year ended 30 June 2025 was higher than the applicable tax rate of 24.3%, mainly due to the impact of non-deductible expenses and deferred tax not recognised for certain tax losses, partly offset by the impact of the lower Real Property Gains Tax rate applicable on the gain on disposal of land in Malaysia.

The Group's effective tax rate of 36.3% for the financial year ended 30 June 2024 was higher than the applicable tax rate of 25.7%, mainly due to the impact of deferred tax on unremitted earnings and non-deductible expenses.

Amounts in RM million unless otherwise stated

17 TAXATION (CONTINUED)

Pillar Two model rules

The Group and the Company are within the scope of the Organisation for Economic Co-operation and Development (“OECD”) Pillar Two model rules whereby top-up tax on profits is required in any jurisdiction in which it operates, calculated at the jurisdictional level, when the effective tax rate is lower than the minimum effective tax rate of 15%.

Certain foreign jurisdictions where the Group operates in (i.e. Australia, Vietnam, South Korea and Japan) have implemented the Pillar Two model rules with effect from 1 January 2024, which is effective for the Group’s constituent entities in these jurisdictions from the financial year ended 30 June 2025. The Group had undertaken an assessment of the tax implications from the adoption of the Pillar Two model rules in these jurisdictions. From the assessment, the Group concluded that no provision for additional top-up tax was required for the financial year ended 30 June 2025. This is subject to the final Pillar Two filings that are due in 2026.

Malaysia has enacted the implementation of the Pillar Two model rules effective 1 January 2025. The adoption of the Pillar Two model rules in Malaysia means that the rules would be applicable to all jurisdictions of the Group’s constituent entities from the financial year ending 30 June 2026. The Group has yet to reliably estimate the impact of the adoption of the Pillar Two model rules for the whole Group given the complexities in the calculations and changes in year-to-year composition of income in different jurisdictions. The Group and the Company have applied the exception to recognising and disclosing information about deferred tax related to Pillar Two income taxes as permitted by MFRS 112.

Uncertainty over income tax treatments

Kumpulan Sime Darby Berhad (“KSDB”), a wholly owned subsidiary of the Company, is under a tax audit review by the Inland Revenue Board of Malaysia (“IRBM”). IRBM had raised queries on the appropriateness of subjecting the gains on disposal of land to Real Property Gains Tax (“RPGT”) instead of Income Tax. KSDB had responded to the queries raised and discussions with IRBM on this matter is on-going. The tax expense currently reflects the gain as being subject to RPGT.

18 DISCONTINUED OPERATIONS

The discontinued operations of the Group consist UMW Komatsu Heavy Equipment Sdn Bhd group (“UKHE”) and Ramsay Sime Darby Health Care Sdn Bhd (“RSDH”).

a. UKHE – subsidiary acquired exclusively for resale

On 13 December 2023, the Group completed the acquisition of an approximately 61.2% equity interest in UMW. As the Group deemed that the UKHE group’s business involving the importation and distribution of heavy equipment under the Komatsu brand (“Komatsu Business”) as a business which directly competes with the Group’s Caterpillar brand of products, the Group had planned to divest the UKHE group within 12 months from the completion of the UMW acquisition.

The Group had entered into a sale and purchase agreement with Komatsu Ltd to divest the Group’s entire equity interest in the UKHE group. As the UKHE group is deemed to be a group of subsidiaries acquired exclusively for resale, its results and cashflows had been presented as discontinued operations in the financial statements of the Group. The disposal completed on 16 October 2024.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

18 DISCONTINUED OPERATIONS (CONTINUED)

a. UKHE – subsidiary acquired exclusively for resale (continued)

The results of the UKHE group are summarised as below:

	2025	2024
<u>Statement of Profit or Loss and Comprehensive Income</u>		
Profit/(Loss) for the financial year	9	(6)
Other comprehensive (loss)/income for the financial year	(7)	1
Total comprehensive income/(loss) for the financial year	2	(5)

In the prior year, the Group performed an impairment assessment of the UKHE group based on the fair value less costs to sell model. The review led to an impairment of RM45 million.

Further analysis on the results and cash flow information of the UKHE group is not required in accordance with MFRS 5.

b. RSDH

On 28 December 2023, the Group completed the disposal of its entire 50% equity interest in RSDH. As this transaction resulted in the Group's exit from the healthcare business, the results of RSDH for the previous financial years had been presented as discontinued operations in the financial statements of the Group.

The prior year results of RSDH were summarised as below:

	2024
	RSDH
<u>Statement of Profit or Loss</u>	
Other gains and losses – gain on disposal of joint ventures	2,007
Operating profit	2,007
Share of results of associate and joint ventures	45
Profit for the financial year	2,052
Profit for the financial year attributable to owners of the Company	2,052

Amounts in RM million unless otherwise stated

18 DISCONTINUING/DISCONTINUED OPERATIONS (CONTINUED)

Analysis of comprehensive income and cash flow information of the discontinued operations are as follows:

	2024
	RSDH
<u>Statement of Comprehensive Income</u>	
Profit for the financial year	2,052
Other comprehensive income/(loss):	
<u>Items that may be reclassified subsequently to profit or loss</u>	
Share of other comprehensive loss of joint ventures	(6)
	(6)
Reclassified to profit or loss:	
Currency translation differences on:	
– disposal of joint ventures	5
	(1)
<u>Items that will not be reclassified subsequently to profit or loss</u>	
Actuarial loss on defined benefit pension plans	(1)
Other comprehensive loss for the financial year	(2)
Total comprehensive income for the financial year	2,050
Total comprehensive income for the financial year attributable to owners of the Company	2,050
	2024
	RSDH
<u>Statement of Cash Flows</u>	
Net cash from investing activities ¹	2,810
Net increase in cash and cash equivalents	2,810

¹ Includes net cash inflow from disposal of joint ventures.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

19 DIVIDENDS PAID IN CASH

	Group/Company	
	2025	2024
Second interim dividend of 10.0 sen per share for the financial year ended 30 June 2024, paid on 30 September 2024 (2024: 10.0 sen per share, paid on 29 September 2023)	682	682
First interim dividend of 3.0 sen per share for the financial year ended 30 June 2025, paid on 27 March 2025 (2024: 3.0 sen per share, paid on 27 March 2024)	204	204
Special interim dividend of 1.0 sen per share for the financial year ended 30 June 2025, paid on 27 March 2025	68	–
	954	886

The Board of Directors had on 27 August 2025 declared a second interim dividend of 10.0 sen per ordinary share (amounting to RM682 million) in respect of the financial year ended 30 June 2025. The dividend will be paid on 30 September 2025.

20 OTHER COMPREHENSIVE INCOME/(LOSS) – GROUP

Other comprehensive income/(loss) and the tax effects are analysed as follows:

2025	Attributable to owners of the Company				Non-controlling interests	Total	Tax effects	Net of tax
	Hedging reserve	Exchange reserve	Retained profits	Total				
Currency translation differences	–	(1,248)	–	(1,248)	(22)	(1,270)	–	(1,270)
Net change in fair value of cash flow hedges	(4)	–	–	(4)	–	(4)	1	(3)
Share of other comprehensive income/(loss) of joint ventures and associates	2	(42)	–	(40)	–	(40)	–	(40)
Reclassified to profit or loss:								
– currency translation differences on repayment of net investments and disposals reclassified to profit or loss	–	(3)	–	(3)	–	(3)	–	(3)
Reclassification of changes in fair value of cash flow hedges to profit or loss and inventories	(14)	–	–	(14)	–	(14)	2	(12)
Actuarial loss on defined benefit pension plans	–	–	(14)	(14)	–	(14)	–	(14)
Other comprehensive (loss)/income before tax	(16)	(1,293)	(14)	(1,323)	(22)	(1,345)	3	(1,342)
Taxation	3	–	–	3	–	3		
Other comprehensive loss from continuing operations	(13)	(1,293)	(14)	(1,320)	(22)	(1,342)		
Other comprehensive loss from discontinued operations	–	(1)	–	(1)	(6)	(7)		
Total other comprehensive loss after tax	(13)	(1,294)	(14)	(1,321)	(28)	(1,349)		

Amounts in RM million unless otherwise stated

20 OTHER COMPREHENSIVE INCOME/(LOSS) – GROUP (CONTINUED)

Other comprehensive income/(loss) and the tax effects are analysed as follows: (continued)

2024	Attributable to owners of the Company				Non-controlling interests	Total	Tax effects	Net of tax
	Hedging reserve	Exchange reserve	Retained profits	Total				
Currency translation differences	–	56	–	56	(20)	36	–	36
Net change in fair value of cash flow hedges	(9)	–	–	(9)	–	(9)	3	(6)
Share of other comprehensive income of joint ventures and associates	5	5	–	10	–	10	–	10
Reclassified to profit or loss:								
– currency translation differences on repayment of net investments	–	(45)	–	(45)	–	(45)	–	(45)
Reclassification of changes in fair value of cash flow hedges to inventories	17	–	–	17	–	17	(5)	12
Actuarial loss on defined benefit pension plans	–	–	(–) ¹	(–) ¹	–	(–) ¹	–	(–) ¹
Other comprehensive income/(loss) before tax	13	16	(–) ¹	29	(20)	9	(2)	7
Taxation	(2)	–	–	(2)	–	(2)		
Other comprehensive income/(loss) from continuing operations	11	16	(–) ¹	27	(20)	7		
Other comprehensive income/(loss) from discontinued operations	–	– ¹	(1)	(1)	–	(1)		
Total other comprehensive income/(loss) after tax	11	16	(1)	26	(20)	6		

¹ Less than RM1 million.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

21 PROPERTY, PLANT AND EQUIPMENT – GROUP

	Freehold land	Buildings	Plant and machinery	Rental assets	Vehicles, equipment and fixtures	Capital work in progress	Total
2025							
At 1 July 2024	1,431	3,679	1,166	4,472	1,241	553	12,542
Acquisition of subsidiaries	–	14	17	50	2	–	83
Additions	–	21	115	1,200	270	655	2,261
Disposals	(24)	(8)	(18)	–	(32)	–	(82)
Reclassification	19	97	97	(9)	109	(313)	–
Depreciation	–	(135)	(221)	(786)	(267)	–	(1,409)
Reversal of impairment losses/ (Impairment losses)	–	4	(21)	(1)	(8)	(1)	(27)
Exchange differences	(50)	(217)	(35)	(415)	(75)	(36)	(828)
Transfer to:							
– investment properties	(8)	(23)	–	–	–	–	(31)
– inventories	–	–	–	(424)	–	–	(424)
– finance lease receivables	–	–	(10)	–	–	(40)	(50)
– assets held for sale	(14)	–	–	–	–	–	(14)
At 30 June 2025	1,354	3,432	1,090	4,087	1,240	818	12,021
Cost	1,354	5,058	2,106	5,766	2,913	818	18,015
Accumulated depreciation	–	(1,573)	(996)	(1,676)	(1,620)	–	(5,865)
Accumulated impairment losses	–	(53)	(20)	(3)	(53)	–	(129)
Carrying amount at end of the financial year	1,354	3,432	1,090	4,087	1,240	818	12,021
2024							
At 1 July 2023	545	2,474	367	3,391	849	364	7,990
Acquisition of subsidiaries	859	1,225	762	603	152	149	3,750
Additions	21	64	119	1,635	385	418	2,642
Disposals	–	–	(15)	–	(23)	(1)	(39)
Reclassification	–	88	103	(19)	191	(363)	–
Depreciation	–	(132)	(165)	(712)	(266)	–	(1,275)
Impairment losses	–	(27)	(8)	–	(55)	–	(90)
Exchange differences	6	15	4	36	9	2	72
Transfer to:							
– investment properties	–	(28)	–	–	–	–	(28)
– inventories	–	–	–	(415)	–	–	(415)
– finance lease receivables	–	–	–	–	–	(14)	(14)
– disposal groups	–	–	(1)	(47)	(1)	(2)	(51)
At 30 June 2024	1,431	3,679	1,166	4,472	1,241	553	12,542
Cost	1,431	4,941	2,055	5,556	2,750	553	17,286
Accumulated depreciation	–	(1,204)	(873)	(1,082)	(1,441)	–	(4,600)
Accumulated impairment losses	–	(58)	(16)	(2)	(68)	–	(144)
Carrying amount at end of the financial year	1,431	3,679	1,166	4,472	1,241	553	12,542

Amounts in RM million unless otherwise stated

21 PROPERTY, PLANT AND EQUIPMENT – GROUP (CONTINUED)

At 1 July 2023	Freehold land	Buildings	Plant and machinery	Rental assets	Vehicles, equipment and fixtures	Capital work in progress	Total
Cost	545	3,616	1,069	4,140	2,102	364	11,836
Accumulated depreciation	–	(1,103)	(694)	(741)	(1,249)	–	(3,787)
Accumulated impairment losses	–	(39)	(8)	(8)	(4)	–	(59)
Carrying amount	545	2,474	367	3,391	849	364	7,990

a. Capital work in progress

RM8 million of interest expense was capitalised during the financial year ended 30 June 2025 (2024: RM5 million).

b. Assets pledged as security

Property, plant and equipment with a total carrying amount of RM56 million (2024: RM62 million) were pledged as security for borrowings (see Note 40).

c. Impairment losses

During the financial year, certain subsidiaries carried out a review of the recoverable amount of its property, plant and equipment. The review led to the recognition of an impairment of RM31 million (2024: RM90 million) and reversal of impairment of RM4 million (2024: Nil).

Impairment losses of Motors segment's Mainland China operations

As a result of the deterioration in the financial performance of the operations mainly due to the intense competition and unfavourable market conditions, certain subsidiaries in Mainland China carried out impairment assessments of their cash-generating units (“CGUs”). This resulted in impairment losses recognised for property, plant and equipment and right-of-use assets of RM3 million and RM1 million respectively (2024: RM49 million and RM16 million respectively). The recoverable amounts of the CGUs were determined based on the value-in-use (“VIU”) model based on five year budget projections. The key assumptions used by management in the VIU calculations are summarised as below:

- The forecasted revenue is estimated based on expected future sales volume multiplied by the expected selling price. Management considered the manufacturer's and the Group's sales targets when forecasting the expected future sales volume. The estimated selling price is forecasted based on the combination of new models to be launched in the future and the Consumer Price Index.
- The discount rate used was 11% (2024: 10%)

Based on sensitivity analysis performed and assuming all else remained constant, an increase in the discount rate by 1% would result in additional impairment losses for property, plant and equipment and right-of-use assets of RM1 million (2024: RM1 million and RM6 million respectively).

d. Reconciliation to the statements of cash flows

Reconciliation to the cash flow for purchase of property, plant and equipment is as follows:

	2025	2024
Additions for the financial year	2,261	2,642
Add/(Less):		
Net changes in payables for purchase of property, plant and equipment	6	6
Net changes in prepayments for purchase of property, plant and equipment	(4)	(5)
Additions to rental assets, included as changes in working capital in the statements of cash flows	(1,200)	(1,635)
Interest expense capitalised in capital work in progress	(8)	(5)
Total cash payments during the financial year	1,055	1,003

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

22 RIGHT-OF-USE ASSETS – GROUP

	Leasehold land	Buildings	Vehicles, equipment and fixtures	Rental assets	Total
2025					
At 1 July 2024	1,198	1,802	164	208	3,372
Acquisition of subsidiaries and businesses	–	15	–	–	15
Additions	76	231	84	120	511
Terminations/modifications	12	(19)	(3)	–	(10)
Reversal of impairment losses/(Impairment losses)	4	(5)	–	–	(1)
Depreciation	(65)	(323)	(74)	(124)	(586)
Transfer to investment properties	(8)	–	–	–	(8)
Exchange differences	(112)	(97)	(18)	(25)	(252)
At 30 June 2025	1,105	1,604	153	179	3,041
Cost	1,613	2,678	354	338	4,983
Accumulated depreciation	(397)	(1,060)	(201)	(159)	(1,817)
Accumulated impairment losses	(111)	(14)	–	–	(125)
Carrying amount at end of the financial year	1,105	1,604	153	179	3,041
2024					
At 1 July 2023	681	1,730	136	122	2,669
Acquisition of subsidiaries	509	110	8	–	627
Additions	88	321	80	203	692
Terminations/modifications	16	(2)	10	(6)	18
Impairment losses	(26)	(20)	–	–	(46)
Depreciation	(71)	(340)	(71)	(116)	(598)
Sublease arrangement	–	(3)	–	–	(3)
Exchange differences	1	6	1	5	13
At 30 June 2024	1,198	1,802	164	208	3,372
Cost	1,700	2,768	348	360	5,176
Accumulated depreciation	(372)	(946)	(184)	(152)	(1,654)
Accumulated impairment losses	(130)	(20)	–	–	(150)
Carrying amount at end of the financial year	1,198	1,802	164	208	3,372

Amounts in RM million unless otherwise stated

22 RIGHT-OF-USE ASSETS – GROUP (CONTINUED)

At 1 July 2023	Leasehold land	Buildings	Vehicles, equipment and fixtures	Rental assets	Total
Cost	1,091	2,420	303	233	4,047
Accumulated depreciation	(305)	(690)	(167)	(111)	(1,273)
Accumulated impairment losses	(105)	–	–	–	(105)
Carrying amount	681	1,730	136	122	2,669

The Company's ROU assets during the financial year ended 30 June 2025 comprise of vehicles leased from a subsidiary with carrying amount of RM1 million.

a. Impairment losses

During the financial year, certain subsidiaries carried out reviews of the recoverable amounts of their right-of-use assets. The review led to the recognition of an impairment of RM5 million (2024: RM46 million) and reversal of impairment of RM4 million (2024: Nil). In the previous year, RM26 million relates to additional impairment recognised for land held by a subsidiary in Hong Kong in the Motors segment (see below for further details) while the remaining impairments mainly relate to the impairment losses of Motors segment's Mainland China operations as explained in Note 21(c).

Impairment recognised for land held by a subsidiary in Hong Kong in the Motors segment

In the previous financial year, management has performed an impairment assessment on the said land based on the latest developments and information. The recoverable amount was determined by an independent professional valuer using the Market Approach where reference is made to recent sales information which was available in the market, with appropriate adjustments to reflect the differences in the characteristics such as time, location, accessibility, size and other material factors. This resulted in impairment losses of RM26 million being recognised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

23 INVESTMENT PROPERTIES – GROUP

	Freehold land	Leasehold land	Buildings	Total
2025				
At 1 July 2024	252	79	307	638
Additions	2	17	4	23
Depreciation	–	(3)	(8)	(11)
Transfer from property, plant and equipment	8	–	23	31
Transfer from right-of-use assets	–	8	–	8
Transfer from inventories	–	27	3	30
Transfer to assets held for sale	(94)	(32)	(28)	(154)
At 30 June 2025	168	96	301	565
Cost	168	115	395	678
Accumulated depreciation	–	(19)	(94)	(113)
Accumulated impairment losses	–	–	(–) ¹	(–) ¹
Carrying amount at end of the financial year	168	96	301	565
2024				
At 1 July 2023	42	24	192	258
Acquisition of subsidiaries	211	57	108	376
Additions	–	–	1	1
Depreciation	–	(2)	(22)	(24)
Transfer from property, plant and equipment	–	–	28	28
Transfer to assets held for sale	(1)	–	–	(1)
At 30 June 2024	252	79	307	638
Cost	252	95	393	740
Accumulated depreciation	–	(16)	(86)	(102)
Accumulated impairment losses	–	–	(–) ¹	(–) ¹
Carrying amount at end of the financial year	252	79	307	638
At 1 July 2023				
Cost	42	38	254	334
Accumulated depreciation	–	(14)	(61)	(75)
Accumulated impairment losses	–	–	(1)	(1)
Carrying amount	42	24	192	258

¹ Less than RM1 million.

Amounts in RM million unless otherwise stated

23 INVESTMENT PROPERTIES – GROUP (CONTINUED)

The fair value of investment properties as at 30 June 2025 was RM2,358 million (2024: RM2,383 million). The fair value was arrived at after taking into consideration the valuation performed by external professional firms. The fair value is categorised as Level 3 in the fair value hierarchy. The most significant input in the approach adopted by the valuer is price per square foot.

Rental income generated from and direct operating expenses incurred on income generating investment properties are as follows:

	2025	2024
Rental income	35	27
Direct operating expenses	(5)	(11)

24 INTANGIBLE ASSETS – GROUP

2025	Acquired				Total	Internally generated assets ¹	Total intangible assets
	Goodwill	Distribution/ dealership rights	Computer software	Customer relationships, trademarks and others			
At 1 July 2024	1,417	1,299	80	433	3,229	158	3,387
Acquisition of subsidiaries and businesses	-	17	-	-	17	-	17
Additions	-	-	14	-	14	1	15
Amortisation	-	-	(21)	(45)	(66)	(54)	(120)
Exchange differences	(159)	(107)	(2)	(48)	(316)	(17)	(333)
At 30 June 2025	1,258	1,209	71	340	2,878	88	2,966
Cost	1,474	1,211	187	447	3,319	526	3,845
Accumulated amortisation	-	-	(116)	(106)	(222)	(438)	(660)
Accumulated impairment losses	(216)	(2)	-	(1)	(219)	-	(219)
Carrying amount at end of the financial year	1,258	1,209	71	340	2,878	88	2,966

¹ Internally generated assets consist of computer software and development costs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

24 INTANGIBLE ASSETS – GROUP (CONTINUED)

2024	Acquired				Total	Internally generated assets ¹	Total intangible assets
	Goodwill	Distribution/ dealership rights	Computer software	Customer relationships, trademarks and others			
At 1 July 2023	820	976	78	217	2,091	215	2,306
Acquisition of subsidiaries	603	371	3	243	1,220	1	1,221
Additions	–	–	22	–	22	–	22
Amortisation	–	–	(24)	(40)	(64)	(57)	(121)
Impairment losses	(57)	(2)	–	–	(59)	–	(59)
Exchange differences	51	(46)	1	13	19	(1)	18
At 30 June 2024	1,417	1,299	80	433	3,229	158	3,387
Cost	1,648	1,301	177	506	3,632	596	4,228
Accumulated amortisation	–	–	(97)	(72)	(169)	(438)	(607)
Accumulated impairment losses	(231)	(2)	–	(1)	(234)	–	(234)
Carrying amount at end of the financial year	1,417	1,299	80	433	3,229	158	3,387

¹ Internally generated assets consist of computer software and development costs.

At 1 July 2023	Acquired				Total	Internally generated assets ¹	Total intangible assets
	Goodwill	Distribution/ dealership rights	Computer software	Customer relationships, trademarks and others			
Cost	994	976	153	254	2,377	591	2,968
Accumulated amortisation	–	–	(75)	(36)	(111)	(376)	(487)
Accumulated impairment losses	(174)	–	–	(1)	(175)	–	(175)
Carrying amount	820	976	78	217	2,091	215	2,306

¹ Internally generated assets consist of computer software and development costs.

Amounts in RM million unless otherwise stated

24 INTANGIBLE ASSETS – GROUP (CONTINUED)

a. Material intangible assets

In the opinion of the Board of Directors, intangible assets and their carrying amounts which are material to the Group are as follows:

Segment	Investment	Intangible asset	Carrying amount	
			2025	2024
Industrial	Heavy equipment business	Goodwill	38	43
		Distribution rights	660	747
	Chroming business	Goodwill	95	107
	Onsite Rental	Goodwill	479	542
		Customer relationships	131	167
	Cavpower	Goodwill	534	604
		Customer relationships	180	228
	New enterprise resource planning system	Computer software	90	159
Motors	Australia	Goodwill	6	7
		Dealership rights	140	159
UMW	UMW	Goodwill	19	19
		Distribution rights	371	371

Goodwill, distribution rights, dealership rights and customer relationships

The goodwill and the distribution rights for the heavy equipment business arose from the acquisition of the Bucyrus distribution business in the Industrial Segment.

The chroming business goodwill arose from the acquisition of the Heavy Maintenance group in the Industrial segment.

The Onsite Rental goodwill and customer relationships arose from the acquisition of the Onsite Rental Group Limited in the Industrial segment.

The Cavpower goodwill and customer relationships arose from the acquisition of the Cavpower group in the Industrial segment.

The goodwill and dealership rights for the Motors segment are in respect of the dealership rights in Brisbane and Sydney, Australia.

The goodwill and distribution rights for the UMW segment are in respect of the automotive distribution rights in Malaysia.

Computer software

The internally generated computer software is in relation to the enterprise resource planning system which was developed for the Industrial Segment and has been rolled out to all its dealerships in the different regions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

24 INTANGIBLE ASSETS – GROUP (CONTINUED)

b. Intangible assets with indefinite useful lives

Goodwill and distribution/dealership rights are intangible assets with indefinite useful lives. These assets are not amortised as they are not confined to a predetermined service period and they are expected to contribute to net cash inflows indefinitely, and are tested for impairment annually, either individually or at the cash-generating unit (“CGU”) level.

Heavy equipment goodwill and distribution rights

The recoverable amounts of the CGUs were determined based on the CGUs’ value-in-use (“VIU”) model, determined using the discounted cash flow projections based on five year budget projections for the heavy equipment business of the Industrial operations in Australasia (defined in Note 6) included in the Group Budget approved by the Board of Directors (“Board”). Most of the distribution rights and goodwill have been allocated to Australia. The key assumptions used in the impairment assessments for Australia are as follows:

	2025	2024
Discount rates (%) per annum	9.3	9.0
Range of forecast growth rates (%):		
– revenue	1 – 2	(3) – 4
– earnings before interest, tax, depreciation and amortisation (“EBITDA”)	(3) – 11	(8) – 7
– terminal	2.5	2.5

Based on management’s assessment, no impairment charge is required on the carrying value of goodwill and distribution rights for the heavy equipment business of the Industrial operations in Australasia. Management believes that there is no reasonable possible change in any key assumption that would cause the carrying amounts of the CGUs to exceed the recoverable amounts.

Chroming business goodwill

The recoverable amount of the CGU was determined based on the CGU’s VIU model, determined using the discounted cash flow projections based on five year budget projections for the chroming business of the Industrial operations in Australia that were included in the Group Budget approved by the Board. The key assumptions used in the impairment assessment are as follows:

	2025	2024
Discount rates (%) per annum	11.0	10.5
Range of forecast growth rates (%):		
– revenue	5	2 – 5
– EBITDA	8 – 12	5 – 17
– terminal	2.5	2.5

Based on management’s assessment, no impairment charge is required on the carrying value of goodwill of the chroming business of the Industrial operations in Australia. Management believes that there is no reasonable possible change in any key assumption that would cause the carrying amount of the CGU to exceed the recoverable amount.

Amounts in RM million unless otherwise stated

24 INTANGIBLE ASSETS – GROUP (CONTINUED)

b. Intangible assets with indefinite useful lives (continued)

Onsite Rental goodwill

The recoverable amount of the CGU was determined based on the CGU's VIU model, determined using the discounted cash flow projections over a period of ten years developed based on five year budget projections that were included in the Group Budget approved by the Board. The key assumptions used in the impairment assessment are as follows:

	2025	2024
Discount rates (%) per annum	11.0	11.0
Forecast growth rates (%):		
– revenue	4	4 – 9
– terminal	2.0	2.4

Based on management's assessment, no impairment charge is required on the carrying value of the goodwill of Onsite Rental. Management believes that there is no reasonable possible change in any key assumption that would cause the carrying amount of the CGU to exceed the recoverable amount.

Cavpower goodwill

The recoverable amount of the CGU was determined based on the CGU's VIU model, determined using the discounted cash flow projections based on five year budget projections that were included in the Group Budget approved by the Board. The key assumptions used in the impairment assessment are as follows:

	2025	2024
Discount rates (%) per annum	9.3	9.0
Forecast growth rates (%):		
– revenue (average growth rate)	2 – 11	2.8
– terminal	2.5	2.5

Based on management's assessment, no impairment charge is required on the carrying value of the goodwill of Cavpower. Management believes that there is no reasonable possible change in any key assumption that would cause the carrying amount of the CGU to exceed the recoverable amount.

Australia Motors goodwill and dealership rights – Brisbane operations

The recoverable amount of the CGU was determined based on the VIU model, using five year budget projections that were included in the Group Budget approved by the Board. The key assumptions used for the impairment assessment are as follows:

	2025	2024
Discount rates (%) per annum	9.3	12.0
Range of forecast growth rates (%):		
– revenue	7 – 20	4 – 7
– terminal	2.5	2.5

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

24 INTANGIBLE ASSETS – GROUP (CONTINUED)

b. Intangible assets with indefinite useful lives (continued)

Australia Motors goodwill and dealership rights – Brisbane operations (continued)

Based on management's assessment, no impairment charge is required on the carrying value of the goodwill and dealership rights of the Brisbane operations in the current year (2024: impairment of RM20 million). Management believes that there is no reasonable possible change in any key assumption that would cause the carrying amount of the CGU to exceed the recoverable amounts in the current year. In the previous year, the Group performed sensitivity analysis based on the following key assumption and the impact to the VIU was as follows:

Key assumption	Sensitivity	VIU is lower by
Terminal growth rate	Lower by 0.5%	7

Australia Motors goodwill and dealership rights – Sydney operations

The recoverable amount of the CGU was determined based on the VIU model, using five year budget projections that were included in the Group Budget approved by the Board. The key assumptions used for the impairment assessment are as follows:

	2025	2024
Discount rates (%) per annum	9.3	12.1
Range of forecast growth rates (%):		
– revenue	5 – 10	4 – 10
– terminal	2.5	2.5

Based on management's assessment, no impairment charge is required on the carrying value of the goodwill and dealership rights of the Sydney operations in the current year (2024: impairment of RM23 million). Management believes that there is no reasonable possible change in any key assumption that would cause the carrying amount of the CGU to exceed the recoverable amounts in the current year. In the previous year, the Group has performed sensitivity analysis based on the following key assumption and the impact to the VIU was as follows:

Key assumption	Sensitivity	VIU is lower by
Terminal growth rate	Lower by 0.5%	6

UMW goodwill and distribution rights

The recoverable amount of the CGU was determined based on the fair value less costs to sell model, using five year budget projections. The key assumptions adjusted with market assumptions used for the impairment assessment are as follows:

	2025	2024
Discount rates (%) per annum	10.0	15.5
Compounded average forecast growth rates (%):		
– revenue	2.6	9.4
Terminal growth rate	1.8	1.8

Based on management's assessment, no impairment charge is required on the carrying value of the goodwill and distribution rights of UMW. Management believes that there is no reasonable possible change in any key assumption that would cause the carrying amount of the CGU to exceed the recoverable amount.

Amounts in RM million unless otherwise stated

24 INTANGIBLE ASSETS – GROUP (CONTINUED)

b. Intangible assets with indefinite useful lives (continued)

Remaining goodwill and distribution/dealership rights

The remaining goodwill and distribution/dealership rights allocated to other CGUs amounted to RM87 million (2024: RM95 million) and RM38 million (2024: RM22 million) respectively. Based on impairment assessments performed by management, no further impairment was required for the current financial year (2024: impairment of goodwill and dealerships rights of RM14 million and RM2 million respectively).

c. Intangible assets with finite useful lives

Intangible assets with finite useful lives are amortised over their useful lives. The amortisation charge of continuing operations for the financial year of RM120 million (2024: RM121 million) was recorded in profit or loss.

25 SUBSIDIARIES – COMPANY

The Company's equity interest in subsidiaries, their respective principal activities and countries of incorporation are disclosed in Note 52.

	2025	2024
Unquoted shares at cost	8,738	8,738
Contribution to a subsidiary	887	887
	9,625	9,625

In the financial year ended 30 June 2024, the Group undertook a restructuring of certain loans and advances between subsidiaries. As a result of this restructuring, the Company increased its investment in a subsidiary by RM738 million with a corresponding set-off against the amount due from Sime Darby Holdings Berhad ("SDHB").

Contribution to a subsidiary refers to amounts for which the Company does not expect repayment in the foreseeable future and is considered as part of the Company's investment in the subsidiary.

26 AMOUNTS DUE FROM SUBSIDIARIES – COMPANY

	2025	2024
Current	716	504

The amounts due from subsidiaries are unsecured, non-interest bearing and mainly consist of advances to SDHB and dividend receivable of RM242 million (2024: RM242 million). The advances to SDHB of RM474 million (2024: RM261 million) are classified as current as these amounts are short term advances which are expected to be settled in the next financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

27 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

2025	Unquoted shares	Investment in money market funds	Others	Total
At 1 July 2024	59	65	14	138
Additions	–	1,111	2	1,113
Redemption	–	(798)	–	(798)
Changes in fair value	(1)	4	(3)	–
Exchange differences	(1)	–	(2)	(3)
At 30 June 2025	57	382	11	450

2024	Unquoted shares	Investment in money market funds	Others	Total
At 1 July 2023	134	–	10	144
Acquisition of subsidiaries	5	434	1	440
Additions	–	615	1	616
Disposal	(81)	–	–	(81)
Redemption	–	(989)	–	(989)
Changes in fair value	– ¹	5	(–) ¹	5
Exchange differences	1	–	2	3
At 30 June 2024	59	65	14	138

¹ Less than RM1 million.

The financial assets at fair value through profit or loss are categorised as follows:

	Group	
	2025	2024
Non-current	68	73
Current	382	65
	450	138

Amounts in RM million unless otherwise stated

28 DEFERRED TAX

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group	
	2025	2024
Deferred tax assets	797	892
Deferred tax liabilities	(829)	(977)
	(32)	(85)
Tax losses for which the tax effects have not been recognised in the financial statements		
– Expiring within 10 years	2,202	2,003
– With no expiry period	587	512
	2,789	2,515

Under the Malaysia Finance Act 2021 which was gazetted on 31 December 2021, the time limit to carry forward unutilised tax losses in Malaysia is 10 consecutive years (2024: 10 consecutive years). Any accumulated tax losses from year of assessment 2018 onwards can be carried forward for up to 10 consecutive years of assessment.

Unabsorbed capital allowances for which the tax effects have not been recognised in the financial statements amounted to RM209 million (2024: RM209 million).

Unutilised investment tax allowances for which the tax effects have not been recognised in the financial statements amounted to RM294 million (2024: RM328 million).

Deferred tax is not recognised on the unremitted earnings of foreign subsidiaries where the Group is able to control the timing of the remittance and it is probable that there will be no remittance in the foreseeable future. If these earnings were remitted, tax of RM140 million (2024: RM138 million) would be payable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

28 DEFERRED TAX (CONTINUED)

The components and movements of the Group's net deferred taxes are as follows:

2025	Property, plant and equipment and investment properties	Intangible assets	Receivable impairments and provisions	Unabsorbed tax losses, capital allowances and investment tax allowances	Right-of-use assets and lease liabilities	Fair value uplift of inventories	Others	Total
At 1 July 2024	(244)	(550)	565	297	(91)	(71)	9	(85)
(Charged)/Credited to profit or loss	(89)	28	44	(14)	35	18	(1)	21
Charged to other comprehensive income	-	-	-	-	-	-	3	3
Acquisition of subsidiaries	-	4	-	1	-	-	-	5
Exchange differences	24	51	(37)	(11)	(7)	-	4	24
At 30 June 2025	(309)	(467)	572	273	(63)	(53)	15	(32)
Deferred tax assets (before offsetting)	173	-	572	273	89	-	103	1,210
Deferred tax liabilities (before offsetting)	(482)	(467)	-	-	(152)	(53)	(88)	(1,242)
Net deferred tax (liabilities)/assets	(309)	(467)	572	273	(63)	(53)	15	(32)

	Deferred tax before offsetting	Offsetting	Deferred tax after offsetting
Deferred tax assets	1,210	(413)	797
Deferred tax liabilities	(1,242)	413	(829)
Net deferred tax liabilities	(32)	-	(32)

Amounts in RM million unless otherwise stated

28 DEFERRED TAX (CONTINUED)

The components and movements of the Group's net deferred taxes are as follows: (continued)

2024	Property, plant and equipment and investment properties	Intangible assets	Receivable impairments and provisions	Unabsorbed tax losses, capital allowances and investment tax allowances	Right-of-use assets and lease liabilities	Fair value uplift of inventories	Others	Total
At 1 July 2023	10	(416)	411	131	53	–	11	200
(Charged)/Credited to profit or loss	(16)	11	9	31	(35)	3	4	7
Charged to other comprehensive income	–	–	–	–	–	–	(2)	(2)
Acquisition of subsidiaries	(238)	(149)	142	135	(109)	(74)	(4)	(297)
Exchange differences	¹	4	3	–	–	–	–	7
At 30 June 2024	(244)	(550)	565	297	(91)	(71)	9	(85)
Deferred tax assets (before offsetting)	171	–	565	297	94	–	102	1,229
Deferred tax liabilities (before offsetting)	(415)	(550)	–	–	(185)	(71)	(93)	(1,314)
Net deferred tax (liabilities)/assets	(244)	(550)	565	297	(91)	(71)	9	(85)

¹ Less than RM1 million.

	Deferred tax before offsetting	Offsetting	Deferred tax after offsetting
Deferred tax assets	1,229	(337)	892
Deferred tax liabilities	(1,314)	337	(977)
Net deferred tax liabilities	(85)	–	(85)

A subsidiary of the Group was awarded investment tax allowances on 100% of qualifying capital expenditures for carrying out activities in relation to the assembly of Energy Efficient Vehicles.

The deferred tax asset has been recognised in respect of this item to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised in the foreseeable future.

In determining the extent of the deferred tax asset to be recognised, the Group has applied the following judgements in estimating the likely timing and level of taxable profits available against utilisation of the investment tax allowances:

- (i) future outlook on the volumes to be assembled
- (ii) product lifecycle of existing and approved future models

Based on management's assessment, deferred tax asset of RM140 million (2024: RM163 million) has been recognised as at 30 June 2025 in respect of the unutilised investment tax allowance.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

29 DERIVATIVE ASSETS/LIABILITIES – GROUP

The Group's derivative assets and liabilities are as follows:

	2025		2024	
	Derivative assets	Derivative liabilities	Derivative assets	Derivative liabilities
<u>Non-current</u>				
Derivatives not designated as hedges:				
– forward foreign exchange contracts [note (a)]	9	–	–	–
Cash flow hedges:				
– forward foreign exchange contracts [note (a)]	–	–	–	(–) ¹
	9	–	–	(–) ¹
<u>Current</u>				
Derivatives not designated as hedges:				
– forward foreign exchange contracts [note (a)]	39	(29)	9	(5)
– embedded derivatives [note (c)]	15	–	–	(1)
Cash flow hedges:				
– forward foreign exchange contracts [note (a)]	5	(18)	18	(6)
– interest rate swap contracts [note (b)]	–	–	– ¹	–
	59	(47)	27	(12)
Total	68	(47)	27	(12)

¹ Less than RM1 million.

Derivatives are entered into to hedge foreign currency and interest rate risks as described in Note 5(a)(i) and Note 5(a)(ii). Whilst all derivatives entered provide economic hedges to the Group, derivatives not designated as hedges are instruments that either do not qualify for the application of hedge accounting or where certain subsidiaries have chosen not to apply hedge accounting.

Amounts in RM million unless otherwise stated

29 DERIVATIVE ASSETS/LIABILITIES – GROUP (CONTINUED)

a. Forward foreign exchange contracts

Forward foreign exchange contracts have been entered into with the following notional amounts and maturities:

	2025 Maturities			2024 Maturities		
	Less than 1 year	1 year to less than 3 years	Total	Less than 1 year	1 year to less than 3 years	Total
Forward contracts used to hedge anticipated sales denominated in:						
– United States Dollar	1,747	–	1,747	1,266	10	1,276
– Other currencies	35	–	35	21	–	21
	1,782	–	1,782	1,287	10	1,297
Forward contracts used to hedge receivables and financial assets at FVTPL denominated in:						
– United States Dollar	137	–	137	227	–	227
– Chinese Renminbi	–	–	–	114	–	114
– Other currencies	10	–	10	17	–	17
	147	–	147	358	–	358
Forward contracts used to hedge inter-company balances denominated in:						
– Singapore Dollar	371	–	371	–	–	–
– European Union Euro	87	–	87	–	–	–
– Chinese Renminbi	1	–	1	1	–	1
	459	–	459	1	–	1
Forward contracts used to hedge anticipated purchases denominated in:						
– United States Dollar	452	6	458	557	–	557
– European Union Euro	752	320	1,072	270	–	270
– Australian Dollar	146	–	146	188	–	188
– Chinese Renminbi	338	–	338	1	–	1
– Other currencies	38	–	38	73	–	73
	1,726	326	2,052	1,089	–	1,089

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

29 DERIVATIVE ASSETS/LIABILITIES – GROUP (CONTINUED)

a. Forward foreign exchange contracts (continued)

Forward foreign exchange contracts have been entered into with the following notional amounts and maturities: (continued)

	2025 Maturities			2024 Maturities		
	Less than 1 year	1 year to less than 3 years	Total	Less than 1 year	1 year to less than 3 years	Total
Forward contracts used to hedge payables and commitments denominated in:						
– United States Dollar	474	–	474	663	–	663
– European Union Euro	24	–	24	59	–	59
– Australian Dollar	45	–	45	44	–	44
– Chinese Renminbi	105	–	105	9	–	9
– Japanese Yen	96	–	96	96	–	96
– Other currencies	55	–	55	81	–	81
	799	–	799	952	–	952
Forward contracts used to hedge inventories where the payment is denominated in:						
– United States Dollar	167	–	167	60	–	60
	167	–	167	60	–	60
Forward contracts used to hedge borrowings denominated in:						
– European Union Euro	17	–	17	18	–	18
	17	–	17	18	–	18
Total notional amount	5,096	326	5,422	3,765	10	3,775
Net fair value (liabilities)/ assets	(3)	9	6	16	(–) ¹	16

¹ Less than RM1 million.

Amounts in RM million unless otherwise stated

29 DERIVATIVE ASSETS/LIABILITIES – GROUP (CONTINUED)

b. Interest rate swap contracts

The Group had entered into interest rate swap contracts for certain long-term borrowings to reduce the Group's exposure to volatility in interest rates. The notional amount, fair value and maturity periods of the interest rate swap contracts are as follows:

	Notional amount 2025	Fair value assets 2025	Notional amount 2024	Fair value assets 2024
Maturity periods:				
– less than 1 year	–	–	50	– ¹

¹ Less than RM1 million.

c. 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. The notional amount, fair value and maturity periods of the embedded derivatives are as follows:

	Notional amount 2025	Fair value assets 2025	Notional amount 2024	Fair value liabilities 2024
Maturity periods:				
– less than 1 year	785	15	1,071	(1)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

30 RECEIVABLES AND OTHER ASSETS

	Group		Company	
	2025	2024	2025	2024
<u>Non-current</u>				
Trade receivables ¹	2	4	–	–
Finance lease receivables [note (a)]	131	115	–	–
Other receivables	27	30	–	–
Total receivables	160	149	–	–
Prepayments	40	44	–	–
Pension assets [note (b)]	–	13	–	–
Total receivables and other assets	200	206	–	–
<u>Current</u>				
Trade receivables ¹	5,384	5,918	–	–
Amounts due from joint ventures	6	5	–	–
Amounts due from associates	67	181 ³	–	–
Finance lease receivables [note (a)]	63	62	–	–
Other receivables:				
– rebates from principals	611	687	–	–
– assembly purchases and expenses recoverable	539	598	–	–
– warranty and parts claims	144	152	–	–
– others ²	289	329	– ⁴	– ⁴
Deposits	137	135	–	–
	7,240	8,067	– ⁴	– ⁴
Accumulated impairment losses:				
– trade receivables	(134)	(171)	–	–
– rebates from principals	(–) ⁴	(–) ⁴	–	–
– other receivables	(8)	(11)	–	–
Total receivables	7,098	7,885	– ⁴	– ⁴
Indirect taxes recoverable	120	163	–	–
Right to return assets	142	162	–	–
Total receivables and other assets	7,360	8,210	– ⁴	– ⁴
Total non-current and current receivables (financial assets)	7,258	8,034	– ⁴	– ⁴

¹ Mainly relates to revenue from contracts with customers.

² Includes insurance claim receivables (2024: balance consideration receivable from disposal of the Weifang port companies).

³ Includes dividends receivable of RM164 million.

⁴ Less than RM1 million.

The Group's credit risk management objectives and policies are described in Note 5(a)(iii).

Amounts in RM million unless otherwise stated

30 RECEIVABLES AND OTHER ASSETS (CONTINUED)

a. Finance lease receivables

Finance lease receivables consist mainly of specific assets acquired for contract assembly projects and rental equipment lease receivables. The finance lease receivables are discounted at the effective discount rates ranging from 4.0% to 13.2% (2024: 1.7% to 13.2%).

Movements in finance lease receivables are as follows:

	Group	
	2025	2024
At 1 July	177	182
Additions	16	48
Lease payments received during the financial year	(56)	(75)
Finance income	8	10
Transfer from property, plant and equipment	50	14
Exchange differences	(1)	(2)
At 30 June	194	177

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date:

	Group	
	2025	2024
Within 1 year	55	55
Between 1-2 years	47	41
Between 2-3 years	36	36
Between 3-4 years	30	25
Between 4-5 years	43	20
After 5 years	12	27
Total undiscounted lease payments	223	204
Unearned finance income	(29)	(27)
Net investment in the lease	194	177

b. Pension assets

Certain subsidiaries in Hong Kong operate funded defined benefit plans. The defined benefit plans are determined based on an annual actuarial valuation as at 30 June by external consultants where the amount of the benefits that eligible employees have earned in return for their services in the current and prior financial years are estimated. The pension assets presented is net of present value of obligations of RM9 million (2024: RM9 million).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

31 INVENTORIES – GROUP

	2025	2024
<u>Non-current</u>		
Development properties	–	128
<u>Current</u>		
Raw material and consumables	548	485
Work in progress	608	712
Trading inventories		
– equipment	2,582	3,620
– motor vehicles	5,072	6,193
– parts, accessories and others	2,969	3,421
Development properties	327	308
	12,106	14,739

Inventories are written down where the net realisable value is expected to be below the carrying amount. During the financial year, the Group wrote down and provided an amount of RM279 million (2024: RM279 million). The carrying amount of inventories stated at net realisable value was RM2,223 million (2024: RM2,615 million).

Inventories with a total carrying amount of RM15 million (2024: RM33 million) were pledged as security for borrowings (see Note 40).

Amounts in RM million unless otherwise stated

32 CONTRACT ASSETS AND LIABILITIES – GROUP

	2025	2024
Contract assets		
<u>Current</u>		
Engineering contracts [note (a)]	232	95
Contract liabilities		
<u>Non-current</u>		
Deferred income:		
– maintenance income and extended warranties [note (b)]	316	260
<u>Current</u>		
Engineering contracts [note (a) and (b)]	50	21
Deferred income:		
– maintenance income and extended warranties [note (b)]	603	517
– others	2	3
Customer deposits [note (c)]	1,255	1,529
Others	51	73
	1,961	2,143
	2,277	2,403

a. Engineering contracts

The engineering contracts represent timing differences between revenue recognition and the milestone billings. Milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

b. Contract value yet to be recognised as revenue

Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date, are as follows:

	2026	2027	After 2027	Total
Deferred income	605	111	205	921
Engineering contracts	102	18	190	310
	707	129	395	1,231

c. Customer deposits

Customer deposits relate to deposits made by customers for the purchase of equipment and vehicles which were partially delivered or have yet to be delivered by the Group at the reporting date. The Group applies the practical expedient in MFRS 15 “Revenue from Contracts with Customers” on not disclosing the aggregate amount of the revenue expected to be recognised in the future as the performance obligation is part of a contract that has an original expected duration of less than one year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

33 PREPAYMENTS – GROUP

	2025	2024
Prepaid inventories	598	469
Other prepayments	264	238
	862	707

34 BANK BALANCES, DEPOSITS AND CASH

	Group		Company	
	2025	2024	2025	2024
Deposits				
– Islamic	244	642	30	50
– conventional	1,556	999	–	–
	1,800	1,641	30	50
Cash at bank and in hand	1,239	1,036	– ¹	– ¹
Total bank balances, deposits and cash	3,039	2,677	30	50
Effective profit/interest rates per annum on deposits with licensed banks/financial institutions				
	%	%	%	%
– Islamic	3.44	3.67	3.20	3.00
– conventional	3.56	3.64	–	–

¹ Less than RM1 million.

Amounts in RM million unless otherwise stated

35 DISPOSAL GROUPS AND ASSETS HELD FOR SALE

Disposal groups (excluding subsidiaries acquired exclusively for resale)

In prior year, the disposal groups consisted of Hyster operations in New Zealand and Ferrari operations in Australia. The sale of the Hyster operations and Ferrari operations were completed during the financial year ended 30 June 2025.

The assets and liabilities of the disposal groups as at 30 June 2024 were as follows:

	Hyster and Ferrari operations
Assets of the disposal groups	
– Property, plant and equipment	51
– Inventories	36
– Other assets	1
	88
Liabilities of the disposal groups	
– Other liabilities	2
	2

Subsidiaries acquired exclusively for resale

In the prior year, this relates to UKHE (refer to Note 18). The sale of UKHE was completed during the financial year ended 30 June 2025.

As at 30 June 2024, the assets and liabilities of UKHE recorded under the disposal group amounted to RM564 million and RM178 million respectively.

Assets held for sale

The assets held for sale of RM237 million (2024: RM63 million) relate to the sale of several properties (previously classified as properties, plant and equipment, investment properties or consolidated via acquisition of UMW).

36 SHARE CAPITAL

	Group/Company			
	Number of shares (million)		Share capital	
	2025	2024	2025	2024
Issued and fully paid up:				
Ordinary shares with no par value				
At 1 July/At 30 June	6,816	6,816	9,330	9,330

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

37 RESERVES

The Group's reserves comprise:

Nature	Description
Capital reserve	Arising from non-distributable reserves
Legal reserve	Arising from statutory requirements of countries where the Group operates. Subsidiaries established in China are required to maintain certain statutory reserves by transferring from their profit after taxation in accordance with the relevant laws and regulations and, if applicable, the articles of association of subsidiaries in China, before any dividend is declared and paid
Hedging reserve	Arising from changes in fair value of hedge instruments under cash flow hedges
Exchange reserve	Arising from exchange differences on translation of the net investments in foreign operations

Group	Capital reserve	Legal reserve	Hedging reserve	Exchange reserve	Total
2025					
At 1 July 2024	223	146	11	776	1,156
Other comprehensive income [Note 20]	–	–	(13)	(1,294)	(1,307)
Partial disposal of interest in subsidiaries	–	–	–	6	6
Transfer from retained profits	–	9	–	–	9
At 30 June 2025	223	155	(2)	(512)	(136)
2024					
At 1 July 2023	223	136	–	760	1,119
Other comprehensive income [Note 20]	–	–	11	16	27
Transfer from retained profits	–	10	–	–	10
At 30 June 2024	223	146	11	776	1,156

Amounts in RM million unless otherwise stated

38 NON-CONTROLLING INTERESTS – GROUP

The profit, comprehensive income and net assets attributable to owners of non-controlling interests (“NCI”) are as follows:

	2025			2024		
	Material non-controlling interests	Others	Total	Material non-controlling interests	Others	Total
Profit for the financial year	218	48	266	124	60	184
Other comprehensive income/(loss)	– ¹	(28)	(28)	– ¹	(20)	(20)
Total comprehensive income	218	20	238	124	40	164
Net assets	2,085	875	2,960	2,047	764	2,811

¹ Less than RM1 million.

In the opinion of the Directors, the NCI that is material to the Group is the NCI of UMW Toyota Motor Sdn Bhd (“UMWT”) group. UMWT is a subsidiary under the UMW segment.

Summarised financial information

The summarised statement of comprehensive income of and dividends paid by UMWT group are as follows:

	2025	2024
Revenue	14,069	8,193
Profit attributable to shareholders of UMWT	446	249
Other comprehensive income	– ¹	– ¹
Total comprehensive income	446	249
Attributable to owners of non-controlling interests:		
– Profit for the financial year	218	124
– Other comprehensive income	– ¹	– ¹
– Total comprehensive income	218	124
Dividends paid to non-controlling interests	180	92

¹ Less than RM1 million.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

38 NON-CONTROLLING INTERESTS – GROUP (CONTINUED)

Summarised financial information (continued)

The summarised statement of financial position of UMWT group and reconciliation to the carrying value of the NCI are as follows:

	2025	2024
Non-current assets	3,343	3,522
Current assets	3,272	2,982
Non-current liabilities	(510)	(528)
Current liabilities	(1,883)	(1,832)
Net assets	4,222	4,144
UMWT NCI	(33)	(33)
Net assets attributable to shareholders of UMWT	4,189	4,111
Proportion of equity held by NCI (%)	49.0	49.0
Non-controlling interests (inclusive of NCI at UMWT)	2,085	2,047

The summarised statement of comprehensive income and statement of financial position reflect the amounts presented in the financial statements of the subsidiary adjusted for fair value adjustments. The amounts presented are before inter-company eliminations.

The summarised statement of cash flows of UMWT group are as follows:

	2025	2024
Cash flows from/(used in) operating activities	729	(540)
Cash flows used in investing activities	(148)	(21)
Cash flows used in financing activities	(370)	(184)
Net increase/(decrease) in cash and cash equivalents	211	(745)

39 PERPETUAL SUKUK – GROUP

The perpetual sukuk relates to UMW's perpetual sukuk programme of up to RM2,000,000,000 in nominal value, which was approved on 22 March 2018.

UMW had on 20 April 2018 issued RM1,100,000,000 nominal value of perpetual sukuk musharakah. The perpetual sukuk musharakah is recognised as equity. The carrying value is based on the fair value of the perpetual sukuk as at acquisition date of UMW and subsequently adjusted for the share of profit attributable to perpetual holders and payments relating to this share of profit.

UMW, the issuer, shall pay the expected periodic distribution amount on a semi-annual basis from their issue date at the rate of 6.35% per annum, and may at its sole discretion, opt to defer the payment of expected periodic distribution. Whilst any distributions are unpaid or deferred, UMW will not declare, pay dividends or make similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank.

The perpetual sukuk has no fixed redemption date but the issuer has the option to redeem them at the end of the tenth year from the date of issue and on each subsequent semi-annual periodic distribution date. If the perpetual sukuk is not redeemed at the tenth year, the periodic distribution rate will be reset to the then prevailing 10-year Malaysian Government Securities benchmark rate plus initial spread of 2.362% and step-up margin of 1.00%.

Amounts in RM million unless otherwise stated

40 BORROWINGS

Group	2025			2024		
	Secured	Unsecured	Total	Secured	Unsecured	Total
<u>Non-current</u>						
Term loans and other long-term borrowings	2	2,682	2,684	12	3,403	3,415
Sukuk and Islamic term loans [Note (a)]	7	2,200	2,207	37	1,250	1,287
	9	4,882	4,891	49	4,653	4,702
<u>Current</u>						
Term loans and other long-term borrowings	10	358	368	11	408	419
Sukuk and Islamic term loans [Note (a)]	29	559	588	29	2,043	2,072
Bank overdrafts	–	90	90	–	102	102
Islamic bank overdrafts	–	28	28	–	–	–
Islamic financing	–	108	108	–	561	561
Revolving credits, trade facilities and other short-term borrowings	–	1,049	1,049	–	2,584	2,584
	39	2,192	2,231	40	5,698	5,738
Total borrowings	48	7,074	7,122	89	10,351	10,440

a. Sukuk and Islamic term loans

In the previous financial year, the Group had established an unrated Islamic commercial papers and Islamic medium term notes (“IMTN”) 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. The IMTNs may be redeemed prior to their maturity by the Issuer with advance written notice. Redemptions on profit payment dates are not subject to early redemption charges.

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 Sukuk Murabahah will mature in the financial years ending 30 June 2026, 30 June 2028 and 30 June 2031.

The outstanding balance as at 30 June 2025 was RM1,500 million.

Included in the sukuk and Islamic term loans are outstanding amounts from UMW’s sukuk programme. The outstanding IMTNs under this programme will mature in the financial years ending 30 June 2026 and 30 June 2027.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

40 BORROWINGS (CONTINUED)

b. Other information on borrowings

i. Effective interest rates

The average effective interest rates of borrowings per annum are as follows:

	Group	
	2025 %	2024 %
Term loans	5.70	6.49
Sukuk and Islamic term loans	3.85	3.80
Other borrowings	3.75	4.26

The Group's floating rate term loans that are subject to contractual interest rates repricing within 1 year amounted to RM4,462 million (2024: RM5,783 million).

ii. Secured financing

As at 30 June 2025, borrowings amounting to RM48 million (2024: RM89 million) are secured by property, plant and equipment with a carrying value of RM56 million (2024: RM62 million), inventories with a carrying value of RM15 million (2024: RM33 million) and deposits restricted by bank of RM64 million (2024: RM56 million).

c. Financial covenants

External borrowings of an Australian subsidiary with a carrying value of RM2.6 billion (2024: RM2.9 billion) are subject to financial covenants, including maintaining a certain level of shareholders' funds in the Australian subsidiary and maintaining a certain ratio for total borrowings to shareholders' funds of the Australian subsidiary at all times. The Australian subsidiary has complied with the financial covenants of its borrowing facilities at all times during FY2025 (2024: complied).

41 LEASE LIABILITIES

	Group	
	2025	2024
Non-current	2,007	2,231
Current	441	540
	2,448	2,771

Amounts in RM million unless otherwise stated

41 LEASE LIABILITIES (CONTINUED)

a. Undiscounted contractual cash flows

	Group	
	2025	2024
Future minimum lease payments:		
– within 1 year	569	675
– between 1 to 2 years	475	557
– between 2 to 5 years	896	965
– above 5 years	1,123	1,203
	3,063	3,400
Less: unexpired finance charges	(615)	(629)
	2,448	2,771

b. Currency profile

All lease liabilities are denominated in the functional currency of the respective subsidiaries.

c. Lease commitments

As at 30 June 2025, commitments for short term leases and low value leases amounted to RM2 million (2024: RM2 million) and RM13 million (2024: RM12 million) respectively.

d. Other information on lease liabilities

The lease terms range from 2 to 51 years (2024: 2 to 40 years).

The average effective interest rates of lease liabilities range from 1.4% to 10.0% (2024: 1.4% to 14.0%) per annum.

e. Extension options

The Group did not include potential lease payments from extension options that it is not reasonably certain to exercise. Most of these leases involve land and/or building leases. The undiscounted potential future lease payments not recognised as lease liabilities as at 30 June 2025 was RM1,200 million (2024: RM1,552 million) and range between 1 to 20 years (2024: 1 to 20 years).

f. Cash outflows during the financial year

The total cash outflows for leases that were disclosed in the statements of cash flows comprise of:

- repayment of lease liabilities as disclosed in the reconciliation of liabilities arising from financing activities
- payments for short-term leases and low-value leases, which approximate the amount expensed to the statement of profit or loss as disclosed in Note 7.

The Company has lease liabilities of RM1 million as at the end of the financial year (2024: RM1 million).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

42 PAYABLES AND OTHER LIABILITIES

	Group		Company	
	2025	2024	2025	2024
<u>Non-current</u>				
Employee benefits	49	34	–	–
Refund liabilities	1	1	–	–
Financial guarantees [note (c)]	–	–	8	–
Other payables	27	38	–	–
Payables and other liabilities	77	73	8	–
<u>Current</u>				
Trade payables	5,286	5,161	–	–
Vehicle financing [note (a)]	776	1,043	–	–
Accruals and other payables [note (b)]	2,394	2,550	2	2
Amounts due to joint ventures	2	2	–	–
Amounts due to associates	54	4	–	–
Financial guarantees [note (c)]	–	–	2	1
Payables	8,512	8,760	4	3
Employee benefits	1,148	1,055	–	–
Indirect taxes payable	267	196	–	–
Government grant [Note 43]	9	8	–	–
Refund liabilities	264	327	–	–
Payables and other liabilities	10,200	10,346	4	3
Non-current and current payables (financial liabilities)	8,539	8,798	12	3

a. Vehicle financing

In certain markets, the Group finances the purchase of vehicles using vehicle financing arrangements and have maturities up to 365 days. The Group is normally required to repay the outstanding amounts on the earlier of the sale of the associated vehicle inventories or the agreed repayment date. These arrangements carry interest rates ranging from 3.3% to 7.2% (2024: 3.3% to 11.3%) per annum.

b. Accruals and other payables

Included in accruals and other payables are amounts payable to external parties for importation of vehicles which were in transit as at the end of the financial year of RM539 million (2024: RM444 million).

c. Financial guarantees

The financial guarantee of the Company represents the fair value of the obligations in relation to the guarantee of the Sukuk Murabahah programme of a subsidiary.

Amounts in RM million unless otherwise stated

43 GOVERNMENT GRANTS – GROUP

Government grants mainly relate to the purchase of property, plant and equipment in respect of certain manufacturing and engineering operations of the UMW segment.

44 PROVISIONS – GROUP

	Warranties	Risk sharing	Disputes	Others	Total
2025					
At 1 July 2024	504	6	224	24	758
Additions	236	–	–	22	258
Reversals	(105)	–	–	(12)	(117)
Translation differences	–	–	(23)	–	(23)
Charged to profit or loss	131	–	(23)	10	118
Utilised	(163)	(2)	–	(4)	(169)
Exchange differences	(21)	(1)	–	(3)	(25)
At 30 June 2025	451	3	201	27	682
2024					
At 1 July 2023	181	11	222	44	458
Additions	250	3	–	5	258
Reversals	(112)	(4)	–	(24)	(140)
Translation differences	–	–	2	–	2
Charged to profit or loss	138	(1)	2	(19)	120
Acquisition of subsidiaries	328	–	–	–	328
Utilised	(144)	(4)	–	(1)	(149)
Exchange differences	1	– ¹	–	– ¹	1
At 30 June 2024	504	6	224	24	758

¹ Less than RM1 million.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

44 PROVISIONS – GROUP (CONTINUED)

The provisions are subject to the following maturity periods:

	2025	2024
<u>Non-current</u>		
Due later than one year	267	260
<u>Current</u>		
Due no later than one year	415	498
	682	758

a. Warranties

Provision is recognised on warranties provided for the sale of machinery, vehicles and other products that are not covered by manufacturers' warranties. The provision was estimated based on historical claims experience, as well as recent trends which are indicative of future claims.

b. Risk sharing

Provision is recognised for possible future losses arising from customer defaults pursuant to the risk sharing arrangements entered into by the Group with Caterpillar (China) Financial Leasing Co., Ltd.

45 SIGNIFICANT CHANGES IN THE COMPOSITION OF THE GROUP

a. 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

Amounts in RM million unless otherwise stated

45 SIGNIFICANT CHANGES IN THE COMPOSITION OF THE GROUP (CONTINUED)

b. 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 following table summarises the net assets arising from the change:

Property, plant and equipment	28
Right-of-use assets	14
Inventories	49
Receivables and other assets	22
Cash and cash equivalents	41
Lease liabilities	(14)
Payables and other liabilities	(25)
Net assets acquired	115
Non-controlling interests	(46)
Disposal of joint ventures	(69)
Loss on disposal of joint ventures	(5)
Add: net exchange loss included in the gain on disposal	5
Net cash inflow	–

c. Partial disposal of interest in subsidiaries

On 30 May 2025, the Group completed the disposal of 23% equity interest in UMW Toyota Material Handling Sdn Bhd (“UTMH”) group for a cash consideration of RM230 million. This disposal resulted in the Group’s equity interest in UTMH group being reduced from 74% to 51%.

Details of net cash outflow is as follows:

Share of net assets disposed	173
Premium on disposal, including forex exchange loss reattributed to non-controlling interests	52
Proceeds from disposal, net of tax	225

d. 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).

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

Carrying value of associate disposed	1
Gain on disposal of an associate	18
Less: net exchange gain included in the gain on disposal	(9)
Proceeds from disposal, net of transaction costs	10

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

46 SEGMENT INFORMATION – GROUP

The Group's main segments comprise of Industrial, Motors and UMW. The Industrial, Motors and UMW Divisions offer different products and services, and are each headed by a Divisional Managing Director.

The Group Chief Executive Officer reviews the internal management reports on a monthly basis and conducts performance dialogues with the business units on a regular basis.

Segments comprise:

Continuing operations	
Industrial	Sale, rental and servicing of equipment and engineering services
Motors	Assembly, sale and rental of vehicles and the provision of after-sales services
UMW	Import, assembly and marketing of vehicles, trading and leasing of equipment, and manufacturing, assembly and trading of automotive parts
Others	Insurance broking and other general investments
Discontinued operations	
Healthcare	Investment in the Ramsay Sime Darby Health Care Group, providers of healthcare services
UKHE (subsidiaries acquired exclusively for resale)	Importation and distribution of heavy equipment under the Komatsu brand

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

Amounts in RM million unless otherwise stated

46 SEGMENT INFORMATION – GROUP (CONTINUED)

a. Segment results

2025	Continuing operations						Discontinued operations	
	Industrial	Motors	UMW	Others	Corporate and intra-group adjustments	Total	UKHE	Total
Segment revenue:								
External	19,003	34,480	16,502	76	-	70,061	174	70,235
Inter-segment	9	17	27	21	(74)	-	-	-
	19,012	34,497	16,529	97	(74)	70,061	174	70,235
Segment results:								
Operating profit/(loss)	1,273	419	511	954	(78)	3,079	17	3,096
Share of results of joint ventures and associates	53	12	448	- ¹	-	513	-	513
Profit/(Loss) before interest and tax	1,326	431	959	954	(78)	3,592	17	3,609
Included in operating profit/(loss)								
Depreciation and amortisation	(1,027)	(696)	(391)	(2)	(10)	(2,126)	-	(2,126)
Impairment losses (net):								
– non-current assets	(2)	(6)	(20)	-	-	(28)	-	(28)
– receivables	22	1	1	(1)	-	23	-	23
Fair value gain/(loss) on financial assets at FVTPL	4	(3)	4	-	(1)	4	-	4
Gain on disposals (net)	17	68	(5)	901	-	981	1	982
Inventory write-down and provision	(54)	(228)	3	-	-	(279)	-	(279)
Direct costs excluding inventory write-down and provision	(13,372)	(30,999)	(14,746)	(10)	(20)	(59,147)	(132)	(59,279)
Directors and employee costs	(2,997)	(2,191)	(791)	(29)	(70)	(6,078)	(14)	(6,092)

¹ Less than RM1 million.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

46 SEGMENT INFORMATION – GROUP (CONTINUED)

a. Segment results (continued)

2024	Continuing operations						Discontinued operations		
	Industrial	Motors	UMW	Others	Corporate and intra-group adjustments	Total	Healthcare	UKHE	Total
Segment revenue:									
External	20,456	37,188	9,410	78	–	67,132	–	372	67,504
Inter-segment	4	17	13	12	(46)	–	–	–	–
	20,460	37,205	9,423	90	(46)	67,132	–	372	67,504
Segment results:									
Operating profit/(loss)	1,428	568	275	295	(68)	2,498	2,007	8	4,513
Share of results of joint ventures and associates	39	16	205	– ¹	–	260	45	–	305
Profit/(Loss) before interest and tax	1,467	584	480	295	(68)	2,758	2,052	8	4,818
Included in operating profit/(loss)									
Depreciation and amortisation	(1,058)	(719)	(227)	(5)	(9)	(2,018)	–	–	(2,018)
Impairment losses (net):									
– non-current assets	(1)	(194)	–	–	–	(195)	–	(45)	(240)
– receivables	(4)	4	(16)	(1)	(5)	(22)	–	(3)	(25)
Fair value gain/(loss) on financial assets at FVTPL	15	(–) ¹	5	– ¹	–	20	–	–	20
Gain on disposals (net)	–	3	2	279	–	284	–	–	284
Inventory write-down and provision	(109)	(165)	(5)	–	–	(279)	–	(1)	(280)
Direct costs excluding inventory write-down and provision	(14,337)	(33,087)	(8,411)	(18)	(24)	(55,877)	–	(282)	(56,159)
Directors and employee costs	(3,133)	(2,423)	(463)	(26)	(74)	(6,119)	–	(25)	(6,144)

¹ Less than RM1 million.

Amounts in RM million unless otherwise stated

46 SEGMENT INFORMATION – GROUP (CONTINUED)

b. Segment assets and liabilities and additions to non-current assets

2025	Continuing operations					
	Industrial	Motors	UMW	Others	Corporate and intra-group adjustments	Total
Segment assets	16,549	15,651	13,279	213	761	46,453
Segment liabilities	(3,455)	(6,483)	(3,052)	(394)	(19)	(13,403)
Segment invested capital	13,094	9,168	10,227	(181)	742	33,050
Net tax liabilities						(135)
Borrowings and lease liabilities						(9,570)
Total equity						23,345
Joint ventures and associates included in segment assets	431	106	2,752	– ¹	17	3,306
Additions to non-current assets are as follows:						
– capital expenditure	1,393	953	445	7	12	2,810
Additions to financial assets at FVTPL	–	–	1,015	2	–	1,017
	1,393	953	1,460	9	12	3,827

¹ Less than RM1 million.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

46 SEGMENT INFORMATION – GROUP (CONTINUED)

b. Segment assets and liabilities and additions to non-current assets (continued)

2024	Continuing operations						Discontinued operations	Total
	Industrial	Motors	UMW	Others	Corporate and intra-group adjustments	Total	UKHE	
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)
Total equity						22,972	386	23,358
Joint ventures and associates included in segment assets	446	114	2,671	1	–	3,232	–	3,232
Additions to non-current assets are as follows:								
– capital expenditure	1,844	1,257	250	1	5	3,357	6	3,363
Additions to financial assets at FVTPL	–	–	615	–	1	616	–	616
	1,844	1,257	865	1	6	3,973	6	3,979

Capital expenditure consists of the following:

	Continuing operations	Discontinued operations	Total
2025			
Property, plant and equipment	2,261	2	2,263
Right-of-use assets	511	–	511
Investment properties	23	–	23
Intangible assets other than goodwill	15	–	15
	2,810	2	2,812
2024			
Property, plant and equipment	2,642	6	2,648
Right-of-use assets	692	–	692
Investment properties	1	–	1
Intangible assets other than goodwill	22	–	22
	3,357	6	3,363

Amounts in RM million unless otherwise stated

46 SEGMENT INFORMATION – GROUP (CONTINUED)

b. Segment assets and liabilities and additions to non-current assets (continued)

Reconciliation of segment assets and liabilities to total assets and total liabilities are as follows:

	Assets		Liabilities	
	2025	2024	2025	2024
Segment total	46,453	50,813	13,403	13,905
Tax assets/liabilities	935	1,009	1,070	1,348
Borrowings	–	–	7,122	10,440
Lease liabilities	–	–	2,448	2,771
	47,388	51,822	24,043	28,464

c. Segment by geography

Revenue, profit before interest and tax (“PBIT”) and non-current assets, other than financial instruments and tax assets, by location of the Group’s operations are analysed as follows:

	Revenue		PBIT		Non-current assets	
	2025	2024	2025	2024	2025	2024
Malaysia	24,863	19,267	2,206	1,254	9,485	9,493
China ¹	15,322	17,597	(99)	(116)	2,226	2,751
Other countries in Asia	10,868	8,204	305	211	1,073	1,165
Australasia ²	19,008	22,064	1,180	1,409	9,155	9,947
	70,061	67,132	3,592	2,758	21,939	23,356

¹ China consists of Mainland China, Hong Kong, Macau and Taiwan.

² Australasia consists of Australia, New Caledonia, New Zealand, Papua New Guinea and the Solomon Islands.

Revenue by location of customers is not materially different from that of revenue by location of operations.

Reconciliation of non-current assets, other than financial assets and tax assets to the total non-current assets are as follows:

	2025	2024
Non-current assets other than financial instruments and tax assets	21,939	23,356
Financial assets at FVTPL	68	73
Deferred tax assets	797	892
Derivative assets	9	–
Receivables	160	149
	22,973	24,470

The Group’s operations are diverse in terms of the range of products and services it offers and the geographical coverage. There was no single customer that contributed 10% or more to the Group’s revenue.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

47 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

Significant related party transactions and balances other than as disclosed elsewhere in the financial statements are as follows:

Group	2025	2024
a. Transactions with joint ventures and associates		
<u>Continuing operations</u>		
Purchase of products and services from Sitech Construction Systems Pty Ltd	21	19
Purchase of equipment and parts from FG Wilson Asia Pte Ltd	4	21
Contribution paid to Yayasan Sime Darby	31	30
Sale of goods and services to and rental income from Perusahaan Otomobil Kedua Sdn Bhd ("Perodua") and its subsidiaries and associates	618	313
Purchase goods and services from Perodua and its subsidiaries and associates	713	356
Sale of land to Perodua and its subsidiaries and associates	52	–
Sale of goods to UMW Toyotsu Motors Sdn Bhd	374	174
Purchase goods and services from UMW Toyotsu Motors Sdn Bhd	18	15
b. Transactions between subsidiaries and non-controlling interests or their affiliate companies		
<u>Continuing operations</u>		
Contract assembly service provided by Inokom Corporation Sdn Bhd ("ICSB") to Mazda Malaysia Sdn Bhd ("Mazda Malaysia") ¹	84	124
Contract assembly service provided by ICSB to Kia Malaysia Sdn Bhd ("Kia Malaysia") ¹	18	36
Rental income received by ICSB from Bermaz Auto Berhad group ¹	8	5
Sale of goods and services to Toyota Motor Corporation, Japan and its subsidiaries and Toyota Tsusho Corporation, Japan and its subsidiaries	1,971	1,142
Purchase of goods and services from Toyota Motor Corporation, Japan and its subsidiaries and Toyota Tsusho Corporation, Japan and its subsidiaries	6,616	3,688
Purchase of goods and services from Toyota Industries Corporation, Japan and its subsidiaries	394	180
Purchase of goods and services from Kayaba Industry Co Ltd ("Kayaba") and its subsidiaries	24	16
Sale of goods and services to Kayaba and its subsidiaries	95	42
<u>Discontinued operations</u>		
Purchase of goods and services from Komatsu Ltd, Japan and its subsidiaries	122	198

¹ Bermaz Auto Berhad is a major shareholder of ICSB and Kia Malaysia and also an indirect major shareholder of Mazda Malaysia. BMT is an indirect subsidiary of Bermaz Auto Berhad.

Amounts in RM million unless otherwise stated

47 RELATED PARTIES (CONTINUED)

Significant related party transactions and balances other than as disclosed elsewhere in the financial statements are as follows: (continued)

Group	2025	2024
c. Transactions with Directors and key management personnel and their close family members		
<u>Continuing operations</u>		
Sale of motor vehicles by the Group	3	1

	Group		Company	
	2025	2024	2025	2024
d. Remuneration of Directors and key management personnel				
Salaries, other emoluments and benefits	41	42	5	4
Defined contribution pension plans	3	4	–	–
Estimated monetary value of benefits-in-kind	– ¹	– ¹	– ¹	– ¹

¹ Less than RM1 million.

Key management personnel are employees who have authority and responsibility over key activities of the Group and are direct reports of the Group Chief Executive Officer.

e. Transactions with major shareholders and the Government

As at 30 June 2025, Permodalan Nasional Berhad (“PNB”) owned approximately 4.2% (2024: 4.7%) 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 during the financial year 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

47 RELATED PARTIES (CONTINUED)

Significant related party transactions and balances other than as disclosed elsewhere in the financial statements are as follows: (continued)

f. Outstanding balances with related parties

The significant outstanding balances between the Group and related parties are as follows:

	2025	2024
<i>i. Amounts due from/(to) non-controlling interests and their affiliated companies</i>		
<u>Continuing operations</u>		
Kayaba and its subsidiaries	24	23
Kayaba and its subsidiaries	(4)	(19)
Dividend payable to Kayaba Industry Co Ltd	(5)	(16)
Toyota Industries Corporation, Japan and its subsidiaries	(85)	(44)
Toyota Motor Corporation, Japan and its subsidiaries and Toyota Tsusho Corporation, Japan and its subsidiaries	177	219
Toyota Motor Corporation, Japan and its subsidiaries and Toyota Tsusho Corporation, Japan and its subsidiaries	(451)	(496)
<u>Discontinued operations</u>		
Komatsu Ltd, Japan and its subsidiaries	–	(81)
<i>ii. Amounts due from/(to) joint ventures and associates</i>		
Perodua and its subsidiaries and associates	57	36
Perodua and its subsidiaries and associates	(54)	(59)
Dividend receivable from Perodua	–	162

All outstanding balances are unsecured and repayable in accordance with agreed terms.

There were no material contracts subsisting as at 30 June 2025 or if not then subsisting, entered into since the end of the financial year by the Company or its subsidiaries which involved the interests of substantial shareholders.

48 FINANCIAL INSTRUMENTS

a. Financial instruments measured at fair value

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

Financial assets at FVTPL

The fair values of quoted shares are based on quoted market prices in active markets (Level 1). The fair values of quoted investments in money market funds are based on price quotes for similar instrument or valuation techniques based on market observable inputs (Level 2). The fair values of the remaining financial assets at FVTPL are based on valuation techniques with significant unobservable inputs (Level 3).

Loan to joint venture

The fair value of the loan to joint venture is based on valuation techniques with significant unobservable inputs (Level 3).

Amounts in RM million unless otherwise stated

48 FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial instruments measured at fair value (continued)

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.

The fair value of interest rate swap contracts are calculated as the present value of the estimated future cash flows based on observable yield curves.

The following table presents the Group's financial assets and liabilities that are measured at fair value as at 30 June into three different levels as defined above:

Group	Level 1	Level 2	Level 3	Total
2025				
<u>Financial assets</u>				
Financial assets at FVTPL	1	382	67	450
Loan to joint venture [Note 13]	–	–	17	17
Derivative assets				
– forward foreign exchange contracts	–	53	–	53
– embedded derivatives	–	15	–	15
	1	450	84	535
<u>Financial liabilities</u>				
Derivative liabilities				
– forward foreign exchange contracts	–	47	–	47
2024				
<u>Financial assets</u>				
Financial assets at FVTPL	1	65	72	138
Loan to joint venture [Note 13]	–	–	16	16
Derivative assets				
– forward foreign exchange contracts	–	27	–	27
– interest rate swap contracts	–	– ¹	–	– ¹
	1	92	88	181
<u>Financial liabilities</u>				
Derivative liabilities				
– forward foreign exchange contracts	–	11	–	11
– embedded derivatives	–	1	–	1
	–	12	–	12

¹ Less than RM1 million.

The Company did not have any financial assets and liabilities measured at fair value as at 30 June 2025 (2024: Nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

48 FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial instruments measured at amortised cost

Financial assets measured at amortised cost include trade and other receivables, amounts due from subsidiaries, bank balances, deposits and cash while financial liabilities at amortised cost includes payables, amounts due to subsidiaries and borrowings.

The carrying amounts and fair values of long-term financial assets and liabilities measured at amortised cost as at 30 June 2025 and 30 June 2024 approximated their fair values.

49 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including foreign exchange risk, interest rate risk, credit risk, liquidity risk and cash flow risk. The policies on financial risk management is described in Note 5.

Details of each financial risk are as follows:

a. Foreign exchange risk

The currency profile of monetary financial assets and financial liabilities are as follows:

Group	Denominated in currencies other than functional currencies					Denominated in functional currencies	Total
	United States Dollar	Chinese Renminbi	European Union Euro	Australian Dollar	Others		
2025							
Financial assets at FVTPL	8	–	–	–	1	441	450
Receivables (net)	403	2	10	10	43	6,790	7,258
Bank balances, deposits and cash	82	37	6	16	34	2,864	3,039
Borrowings	(15)	–	(19)	–	–	(7,088)	(7,122)
Payables	(344)	(52)	(24)	(58)	(142)	(7,919)	(8,539)
	134	(13)	(27)	(32)	(64)	(4,912)	(4,914)
2024							
Financial assets at FVTPL	10	–	–	–	1	127	138
Receivables (net)	477	122	28	2	36	7,369	8,034
Bank balances, deposits and cash	113	2	14	¹	45	2,503	2,677
Borrowings	(28)	–	(22)	–	–	(10,390)	(10,440)
Payables	(762)	(3)	(230)	(47)	(156)	(7,600)	(8,798)
	(190)	121	(210)	(45)	(74)	(7,991)	(8,389)

¹ Less than RM1 million.

The Company did not have any significant financial assets or liabilities denominated in foreign currency as at 30 June 2025 and 30 June 2024.

Amounts in RM million unless otherwise stated

49 FINANCIAL RISK MANAGEMENT (CONTINUED)

Details of each financial risk are as follows: (continued)

a. Foreign exchange risk (continued)

Foreign exchange risk which impacts the statement of profit or loss arises where monetary assets/liabilities that are not denominated in the functional currency of the respective subsidiaries are not hedged.

i. Borrowings

The RM15 million borrowings in USD is hedged by USD receivables and anticipated sales in USD (2024: hedged by USD receivables and anticipated sales in USD) while the RM19 million borrowings in EUR was largely hedged using derivatives.

ii. Bank balances

Bank balances denominated in non-functional currencies are not hedged. However, they are generally held for a short period and would either be converted to the functional currency or used to hedge or settle payables in the same currency. As such, foreign exchange risk for unhedged bank balances is generally limited.

iii. Receivables and payables

Receivables and payables in non-functional currencies are generally hedged using derivatives or exposed for a short period (pending settlement or hedging), with limited foreign exchange risk. The US Dollar payables and Australian Dollar payables have largely been hedged with derivatives. However, certain balances in non-functional currencies have not been hedged due to the uncertainty in the timing of the receipt/settlement or where the foreign exchange risk has been covered by the distributor.

The Group is also exposed to currency translation risk arising from inter-company balances within the Group of approximately RM341 million (2024: RM197 million) that are not denominated in the functional currency of at least one of the counterparties. These balances consist mainly of current accounts between Australasia subsidiaries and dividend payable by Singapore subsidiaries. Most of these balances are not hedged. The inter-company balances hedged are disclosed in Note 29.

There are no material unhedged financial assets or liabilities as at 30 June 2025 other than as disclosed above.

b. Interest rate risk

The percentages of fixed rate borrowings held by the Group, to the total borrowings are as follows:

	Group	
	2025	2024
Total borrowings [Note 40]	7,122	10,440
Fixed rate borrowings	1,389	1,424
Floating rate borrowings (swapped to fixed)	–	50
Total fixed rate borrowings after swap	1,389	1,474
Percentage of fixed rate borrowings over total borrowings		
– Before swap (%)	19.5	13.6
– After swap (%)	19.5	14.1

The borrowings on floating rates that have not been swapped consist mainly of long term borrowings raised for the UMW, Onsite and Cavpower acquisitions and short term borrowings used for working capital purposes in the Industrial and Motors Divisions. The floating rate borrowings raised for acquisitions remain unhedged based on assessment of prevailing market conditions and cost considerations.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

49 FINANCIAL RISK MANAGEMENT (CONTINUED)

Details of each financial risk are as follows: (continued)

b. Interest rate risk (continued)

As at 30 June 2025, the Group's floating rate borrowings not swapped to fixed stood at RM5,733 million (2024: RM8,966 million). The following table demonstrates the effect of changes in interest rates of floating rate borrowings. If the interest rate for all borrowings increased by 1 percentage point, the Group's continuing operations' profit after tax will be lower by:

	Impact
2025	
Profit after tax	
– Continuing operations	(47)
2024	
Profit after tax	
– Continuing operations	(72)

A 1% decrease in interest rates would have an equal but opposite effect.

The impact on Group's equity is similar to the impact on the Group's profit after tax.

c. Credit risk

The maximum exposure and collateral and credit enhancements are as follows:

	Group		Company	
	2025	2024	2025	2024
Maximum exposure				
Amounts due from subsidiaries	–	–	716	504
Receivables	7,258	8,034	– ¹	– ¹
Derivative assets	68	27	–	–
Bank balances, deposits and cash	3,039	2,677	30	50
Guarantees in respect of the Sukuk Murabahah programme of a subsidiary	–	–	1,738	2,037
	10,365	10,738	2,484	2,591
Collateral and credit enhancement				
Receivables	2,359	2,965	–	–

¹ Less than RM1 million.

The collateral are mainly in the form of end-financing arrangements, letter of credits, guarantees from reputable banks and deposits of cash from customers, some of which are taken into consideration in assessing the expected credit loss.

Amounts in RM million unless otherwise stated

49 FINANCIAL RISK MANAGEMENT (CONTINUED)

Details of each financial risk are as follows: (continued)

d. Liquidity and cash flow risk

The undiscounted contractual cash flows of the financial liabilities are as follows:

Group	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Above 5 years	Total contractual cash flows	Total carrying amount
2025						
Borrowings						
– principal	2,225	1,263	2,624	1,012	7,124	7,110
– interest	281	213	236	17	747	12
Derivative liabilities	47	–	–	–	47	47
Payables	8,512	11	5	11	8,539	8,539
	11,065	1,487	2,865	1,040	16,457	15,708

2024

Borrowings						
– principal	5,724	841	1,310	2,567	10,442	10,419
– interest	319	256	203	162	940	21
Derivative liabilities	12	– ¹	–	–	12	12
Payables	8,760	22	5	11	8,798	8,798
	14,815	1,119	1,518	2,740	20,192	19,250

¹ Less than RM1 million.

Company	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Above 5 years	Total contractual cash flows	Total carrying amount
2025						
Payables (excluding financial guarantee)	2	–	–	–	2	2
Financial guarantee	–	–	–	–	–	10
– principal	150	–	350	1,000	1,500	–
– interest	55	49	117	17	238	–
Amounts due to subsidiaries	1	–	–	–	1	1
	208	49	467	1,017	1,741	13

2024

Payables (excluding financial guarantee)	2	–	–	–	2	2
Financial guarantee	–	–	–	–	–	1
– principal	2,033	–	–	–	2,033	–
– interest	38	–	–	–	38	–
	2,073	–	–	–	2,073	3

The contractual cash flows for the financial guarantee disclosed above is based on the contractual cash flows of the outstanding Sukuk Murabahah of the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

50 GUARANTEES AND COMMITMENTS

Guarantees and commitments are as follows:

a. Guarantees

In the ordinary course of business, the Group issue 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 Company has also provided a performance guarantee to a customer of a subsidiary to secure performance under contracts or in lieu of retention withheld on contracts.

The outstanding guarantees as at 30 June are as follows:

	Group		Company	
	2025	2024	2025	2024
Continuing operations				
Performance and advance payment guarantees to customers of:				
– subsidiaries	–	–	1,582	1,582
– the Group	2,474	2,318	–	–

In addition, the Group guarantees the payment by 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 30 June 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 RM76 million (2024: RM102 million).

b. Capital commitments

Contracted capital expenditure not provided for in the financial statements:

Group	2025	2024
– Property, plant and equipment	530	664
– Other capital expenditure	30	9
	560	673

The Company did not have any capital commitments as at 30 June 2025 (2024: Nil).

Amounts in RM million unless otherwise stated

51 MATERIAL LITIGATION

The material litigations outstanding 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 RM334 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 High Court had on 14 July 2025 ordered that a final judgement with costs and interest be entered in favour of the Plaintiffs against the respective Defendants for a sum equivalent to approximately RM360 million. As is, the Plaintiffs recovered monies from the QP project and proceeds from the sale of the derrick lay barge but did not pursue any action for the MOQ project. Therefore, the Plaintiffs are at liberty to enforce the final judgement against the Defendants.

- 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.

- 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 RM321 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 Court has fixed 1 October 2025 to hear the application.

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Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows:

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Industrial – Subsidiaries					
Chubb Malaysia Sendirian Berhad	Malaysia	100.0	100.0	1	Marketing, installation, rental and servicing of security products
Sime Darby Electropack Sdn Bhd	Malaysia	100.0	100.0	1	Manufacturing and general assembly of agricultural and industrial machinery
Sime Darby Energy Solutions Sdn Bhd	Malaysia	100.0	100.0	1	Presales, sales, installation, commissioning and post-sales support of engineering and technology solutions for oil and gas, co-generation and renewable energy industries
Sime Darby Industrial Academy Sdn Bhd	Malaysia	100.0	100.0	1	Conducting vocational training programmes and activities
Sime Darby Industrial Holdings Sdn Bhd	Malaysia	100.0	100.0	1	Investment holding
Sime Darby Industrial Power Sdn Bhd	Malaysia	91.2	91.2	1	Trading of heavy machinery and spare parts and provision of after-sales services
Sime Darby Industrial Sdn Bhd	Malaysia	100.0	100.0	1	Sale of equipment and spare parts and service support for Caterpillar business, other material handling equipment and industrial cleaners, and supply and installation of co-generation systems
Sime Darby Joy Industries Sdn Bhd	Malaysia	100.0	100.0	1	Designing and manufacturing of heat exchangers, radiators, process equipment modules, filters and separators for general as well as oil and gas industries
Sime Darby Material Handling Sdn Bhd	Malaysia	100.0	100.0	1	Sale and distribution of lift trucks and spare parts, and the rental and servicing of other material handling equipment
Sime Surveillance Sdn Bhd	Malaysia	100.0	100.0	1	Provision of security services
Site Technology Asia Pacific Sdn Bhd	Malaysia	100.0	100.0	1	Sales and services support of technology hardware and software for digital connected work site for heavy and highway construction applications

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Industrial – Subsidiaries (continued)					
Tractors Petroleum Services Sdn Bhd	Malaysia	100.0	100.0	1	Supply, rental, repair and maintenance of Caterpillar engines and other equipment for the oil and gas industry
Sime Darby Industrial (B) Sdn Bhd	Brunei	70.0	70.0	3	Sale of equipment, parts and service support for the Caterpillar business, assembly and marketing of agricultural and industrial equipment and implementation and distribution of quarrying and road construction equipment
Mecomb Singapore Limited	Singapore	100.0	100.0	2	Manufacture, installation, import and sale of industrial equipment and components
Sime Darby Eastern Investments Private Limited	Singapore	100.0	100.0	2	Investment holding
Sime Darby Eastern Limited	Singapore	100.0	100.0	2	
Sime Darby Energy Pte Ltd	Singapore	100.0	100.0	2	
Sime Darby Industrial Singapore Pte Ltd	Singapore	100.0	100.0	2	
Tractors Machinery International Pte Ltd	Singapore	100.0	100.0	2	Sale, installation and service of marine and other equipment and parts
Tractors Singapore Limited	Singapore	100.0	100.0	2	Sale, rental, service and assembly of heavy equipment and spare parts
Foshan Sime Darby Elco Power Equipment Limited	China	100.0	100.0	2	Distribution of Perkins engine products, spare parts and provision of after- sales services
Guangzhou Sime Darby Sitech Energy Company Limited	China	100.0	100.0	3	Sale, hire and servicing survey equipment and sale of equipment and spare parts and service support for Perkins and FGW business

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group’s effective interest (%)		Auditors	Principal activities
		2025	2024		
Industrial – Subsidiaries (continued)					
Sime Darby CEL Machinery (Guangdong) Company Limited	China	100.0	100.0	2	Sale of equipment and spare parts and service support for the Caterpillar business
Sime Darby CEL Machinery (Guangxi) Company Limited	China	100.0	100.0	2	
Sime Darby CEL Machinery (Hunan) Company Limited	China	100.0	100.0	2	
Sime Darby CEL Machinery (Jiangxi) Company Limited	China	100.0	100.0	2	
Sime Darby CEL Machinery (Xinjiang) Company Limited	China	100.0	100.0	2	
Sime Darby SEM Dealer (Fujian) Limited	China	100.0	100.0	2	Sale of equipment and spare parts and service support for the SEM business
Xiamen Sime Darby CEL Machinery Co Ltd	China	100.0	100.0	2	Sale of equipment and spare parts and service support for the Caterpillar business
Sime Darby CEL (South China) Limited	Hong Kong	100.0	100.0	2	Investment holding
Sime Darby Elco Power Systems Limited	Hong Kong	100.0	100.0	2	Distribution of Perkins engine products and spare parts and provision of after-sales services
The China Engineers Limited	Hong Kong	100.0	100.0	2	Sale of equipment and spare parts and service support for the Caterpillar business
Sime Darby Elco Power Japan Limited	Japan	100.0	100.0	4	Distribution of Perkins engine products, spare parts and provision of after-sales services
Sime Darby Elco Power Korea Limited	South Korea	100.0	100.0	4	
Tractors Singapore (Maldives) Private Limited	Maldives	100.0	100.0	3	Sale and rental of engines, power systems, assembly and product support for industrial machinery and parts in the Republic of Maldives and other incidental businesses and associated to each of the foregoing

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Industrial – Subsidiaries (continued)					
Austchrome Pty Ltd	Australia	100.0	100.0	2	Chroming and hydraulic repairs
Decoda Digital Services Pty Ltd	Australia	100.0	100.0	2	Supply of productivity improvement services to the mining industry
Hastings Deering (Australia) Limited	Australia	100.0	100.0	2	Sale, rental and servicing for Caterpillar products, hardchroming and hydraulic repair
Hastings Deering Property Services Pty Ltd	Australia	100.0	100.0	4	Leasing entity and effective lessee for Hastings Deering (Australia) Limited's core industrial property assets
Haynes Mechanical Pty Ltd	Australia	100.0	100.0	2	Labour hire/contracting, sale of mining machinery parts, service and repair and crane hire
Heavy Maintenance Group Pty Ltd	Australia	100.0	100.0	2	Investment holding
HMG Hardchrome Pty Ltd	Australia	100.0	100.0	2	Manufacture, refurbishment and surface finishing of equipment used in the heavy industrial sector
Onsite Rental Group Limited	Australia	100.0	100.0	2	Investment holding
Onsite Rental Group Operations Pty Ltd	Australia	100.0	100.0	2	Construction and mining equipment rental business
Prime Rentals Pty Ltd	Australia	–	100.0	2	
Salmon Earthmoving Holdings Pty Ltd	Australia	100.0	100.0	2	Rental and servicing of heavy earthmoving equipment
Sime Darby Allied Operations Pty Ltd	Australia	100.0	100.0	4	Investment holding
Sime Darby Industrial Australia Pty Ltd	Australia	100.0	100.0	2	
TFP Engineering Pty Ltd	Australia	100.0	100.0	2	Labour hire/contracting, services and repair of mining machinery parts, as well as the crane hire business
Cavill Power Systems Pty Ltd	Australia	100.0	100.0	2	Investment holding
Cavpower Pty Ltd	Australia	100.0	100.0	2	Sale, rental and servicing for Caterpillar products
Cavrent Pty Ltd	Australia	100.0	100.0	2	Caterpillar rental operations business

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Industrial – Subsidiaries (continued)					
Cobar Mining Services Pty Ltd	Australia	100.0	100.0	2	Property holding
Kagera Pty Ltd	Australia	100.0	100.0	2	Investment holding
Kuxton Pty Ltd	Australia	100.0	100.0	2	
Power Systems Holdings Pty Ltd	Australia	100.0	100.0	2	
R Cavill Holdings Pty Ltd	Australia	100.0	100.0	2	Property holding
Rawnsley Pty Ltd	Australia	100.0	100.0	2	
Sime Darby Industrial Machinery Australasia Pty Ltd	Australia	100.0	100.0	2	Investment holding
Caltrac SAS	New Caledonia	100.0	100.0	3	Sale of equipment and spare parts and service support for the Caterpillar business
SCI Sime Darby Invest NC	New Caledonia	100.0	100.0	4	Property investment
Sime Darby (NZ) Holdings Limited	New Zealand	100.0	100.0	2	Investment holding
Gough Group Limited	New Zealand	100.0	100.0	2	
Sime Darby Industrial (NZ) Holdings Limited	New Zealand	100.0	100.0	2	
Sitech Construction NZ Limited	New Zealand	67.7	67.7	2	Sale and servicing of Trimble Technology technical construction products
Terra Industrial Finance Limited	New Zealand	100.0	100.0	2	Whitelabel financing for the Caterpillar dealership business
Terra Industrial New Zealand Limited	New Zealand	100.0	100.0	2	Sale of equipment and spare parts and service support for the Caterpillar business
Hastings Deering (PNG) Limited	Papua New Guinea	100.0	100.0	2	
Hastings Deering (Solomon Islands) Limited	Solomon Islands	100.0	100.0	3	
Haynes Group (USA) Holdings Inc.	United States of America	100.0	100.0	4	Investment holding

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Industrial – Subsidiaries (continued)					
Haynes Group (USA) Holdings LLC.	United States of America	100.0	100.0	4	Provision of a patented hydraulic jacking system for the maintenance of slew bearing in electric rope and hydraulic mining shovels
Industrial – Joint ventures					
Terberg Tractors Malaysia Sdn Bhd group	Malaysia	50.0	50.0	1	Marketing, distributing and servicing of Terberg terminal tractors and investment holding
Mine Energy Holdings Pty Ltd group	Australia	50.0	50.0	2	Service provider for end-to-end energy solution to the mobile mining industry
Industrial – Associates					
Kubota Malaysia Sdn Bhd	Malaysia	40.0	40.0	1	Distribution, rental and provision of support services of a wide range of light equipment and related spares for use in the agricultural, construction and industrial sectors
Gas Malaysia Synergy Drive Sdn Bhd	Malaysia	30.0	30.0	1	Sale and supply of electricity, steam, chilled water, hot water, hot air and/ or other utilities to customers
Chubb Singapore Private Limited group	Singapore	–	30.0	2	Assembly and sale of security and fire protection products and provision of related security services
FG Wilson Asia Pte Ltd	Singapore	50.0	50.0	2	Sale, servicing and/or assembly of industrial machinery and equipment
Energy Power Systems Australia Pty Ltd	Australia	40.0	40.0	2	Distribution and rental of Caterpillar engine and associated products
Sitech Construction Systems Pty Ltd	Australia	34.0	34.0	3	Sale and servicing of Trimble Technology construction products
IR4 Pty Ltd	Australia	30.4	30.4	4	Supplier of end to end automation solutions for heavy manufacturing and engineering industries
Ultimate Positioning Group Pty Ltd	Australia	32.7	32.7	3	Sale, hire and servicing of Trimble surveying equipment
Buildingpoint New Zealand Limited	New Zealand	49.0	49.0	2	Distribution of Trimble hardware and software for the building and construction industry

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Industrial – Associates (continued)					
Geosystems New Zealand Limited	New Zealand	65.7	65.7	2	Sale, hire and servicing of Trimble surveying equipment
Motors – Subsidiaries					
Auto Bavaria Sdn Bhd	Malaysia	100.0	100.0	1	Investment holding
Hyundai-Sime Darby Motors Sdn Bhd	Malaysia	100.0	100.0	1	Sale and distribution of passenger and light commercial vehicles and spare parts and renting of properties
Inokom Corporation Sdn Bhd	Malaysia	53.8	53.8	1	Manufacture and assembly of light commercial and passenger vehicles, and contract assembly of motor vehicles
Jaguar Land Rover (Malaysia) Sdn Bhd	Malaysia	60.0	60.0	1	Importation, distribution and retail of motor vehicles and spare parts and provision of after-sales services
Lead Engineering Sdn Bhd	Malaysia	100.0	100.0	1	Manufacturing and assembly of modulars for motor vehicles
Sime Darby Auto Assembly Sdn Bhd	Malaysia	100.0	100.0	1	Manufacturing and assembly of auto components for motor vehicles
Sime Darby Auto Bavaria Sdn Bhd	Malaysia	100.0	100.0	1	Provision of management services to related companies, retail of motor vehicles and spare parts, provision of after-sales services and importer of completely knocked down packs
Sime Darby Auto ConneXion Sdn Bhd	Malaysia	100.0	100.0	1	Distribution and retail of motor vehicles, spare parts and accessories and provision of after-sales services
Sime Darby Auto Engineering Sdn Bhd	Malaysia	100.0	100.0	1	Assembly of internal combustion engine and other modular assembly for motor vehicles; engine testing and audit
Sime Darby Auto Hyundai Sdn Bhd	Malaysia	56.0	56.0	1	Retail of motor vehicles, spare parts and accessories, and provision of after-sales services
Sime Darby Auto Imports Sdn Bhd	Malaysia	100.0	100.0	1	Importation of BMW, MINI, Ford and Porsche motor vehicles as well as Porsche spare parts; and trading of completely knocked down motor vehicles

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group’s effective interest (%)		Auditors	Principal activities
		2025	2024		
Motors – Subsidiaries (continued)					
Sime Darby Auto Interior Sdn Bhd (formerly known as Associated Motor Industries Malaysia Sdn Bhd)	Malaysia	100.0	100.0	1	Manufacturing and assembly of modulars for motor vehicles
Sime Darby Auto Module Sdn Bhd (formerly known as Hyundai-Sime Darby Berhad)	Malaysia	100.0	100.0	1	Manufacturing and assembly of modulars for motors vehicles
Sime Darby Auto Performance Sdn Bhd	Malaysia	70.0	70.0	1	Distribution and retail of motor vehicles, spare parts and accessories and provision of after-sales services
Sime Darby Auto Selection Sdn Bhd	Malaysia	100.0	100.0	1	Retail of used motor vehicles, spare parts and accessories and provision of after-sales services
Sime Darby Auto Stuttgart Sdn Bhd	Malaysia	100.0	100.0	1	Manufacturing and assembly of auto components for motor vehicles
Sime Darby Beyond Auto Sdn Bhd (formerly known as Sime Darby Auto Britannia Sdn Bhd)	Malaysia	100.0	100.0	1	Sale and distribution of motor vehicles and provision of after-sales services
Sime Darby EV Auto Sdn Bhd	Malaysia	100.0	100.0	1	Manufacturing and assembly of modulars for motor vehicles
Sime Darby Hyundai Integrated Sdn Bhd	Malaysia	56.0	56.0	1	Distribution of motor vehicles
Sime Darby Hyundai Sdn Bhd	Malaysia	56.0	56.0	1	Importation of vehicles and investment holding
Sime Darby Motors Manufacturing Sdn Bhd	Malaysia	100.0	100.0	1	Investment holding
Sime Darby Motors Overseas Holdings Sdn Bhd	Malaysia	100.0	100.0	1	
Sime Darby Motors Sdn Bhd	Malaysia	100.0	100.0	1	
Sime Darby Rent-A-Car Sdn Bhd	Malaysia	100.0	100.0	1	Hiring of vehicles to the general public and sourcing, purchasing and supplying of vehicles

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Motors – Subsidiaries (continued)					
Sime Darby Swedish Auto Sdn Bhd	Malaysia	100.0	100.0	1	Retail of motor vehicles, spare parts and accessories and provision of after-sales services
Sime Performance Motors Sdn Bhd	Malaysia	80.0	–	1	Retail of motor vehicles, spare parts and accessories, and provision of after-sales services
Europe Automobiles Corporation Holdings Pte Ltd	Singapore	100.0	100.0	2	Investment holding
Performance Motors Indonesia Pte Ltd	Singapore	60.0	60.0	2	
Performance Motors Limited	Singapore	100.0	100.0	2	Motor vehicles dealership
Performance Munich Autos Pte Ltd	Singapore	60.0	60.0	2	
Sime Darby Auto Selection Limited (formerly known as Performance Premium Selection Limited)	Singapore	100.0	100.0	2	Used cars retailer, wholesaler and exporter
Sime Darby Motor Holdings Limited	Singapore	100.0	100.0	2	Investment holding and provision of corporate services to group entities
Sime Darby Services Private Limited	Singapore	100.0	100.0	2	Rental of motor vehicles
Sime Darby Singapore Limited	Singapore	100.0	100.0	2	General insurance agency business
Sime Singapore Limited	Singapore	100.0	100.0	2	Investment holding
Vantage Automotive Limited	Singapore	100.0	100.0	2	Motor vehicles dealership
PT Performance Motors Indonesia	Indonesia	60.0	60.0	2	Operates BMW and MINI dealership businesses
PT Performance Auto Selection	Indonesia	60.0	–	2	Retail of used cars, parts and accessories
Performance Motors (Thailand) Limited	Thailand	100.0	100.0	2	Retail of motor vehicles and spare parts and provision of after-sales services

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Motors – Subsidiaries (continued)					
Performance Motors Don Mueang (Thailand) Limited	Thailand	100.0	100.0	2	Retail of used motor vehicles and spare parts and provision of after-sales services
Sime Darby (Thailand) Limited	Thailand	100.0	100.0	2	Investment holding and provision of management services
Sime Darby Auto Sports Limited (formerly known as Sime Darby Auto Services Limited)	Thailand	100.0	100.0	2	Retail of motor vehicles and spare parts and provision of after-sales services
Beijing Sime Darby Chuang Jie Motors Sales and Services Company Limited	China	100.0	100.0	2	Retail agent of motor vehicles and retail of spare parts and provision of after-sales services
Beijing Sime Darby Qi Yue Motor Sales and Services Company Limited	China	100.0	100.0	2	Retail of motor vehicles and spare parts and provision of after-sales services
Changsha Bow Chuang Motors Sales and Services Company Limited	China	100.0	100.0	2	
Changsha Bow Yue Vehicle Services Co Ltd	China	100.0	100.0	2	
Changsha Chuang Yue Motors Sales and Services Company Limited	China	–	100.0	2	
Changsha Sime Darby Motor Sales and Services Company Limited	China	100.0	100.0	2	
Changsha Yue Zhi Bow Motor Sales and Services Co. Ltd.	China	100.0	100.0	2	
Chengdu Bow Chuang Vehicle Sales & Service Company Limited	China	100.0	100.0	2	
Chengdu Bow Yue Used Cars Centre Co Ltd	China	100.0	100.0	2	Retail of used cars and provision of related services

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
Name of company		2025	2024		
Motors – Subsidiaries (continued)					
Chengdu Bow Yue Vehicle Company Ltd	China	100.0	100.0	2	Investment holding, retail of motor vehicles and spare parts and provision of after-sales services
Chongqing Bow Chuang Motor Sales & Services Co Ltd	China	100.0	100.0	2	Retail of motor vehicles and spare parts and provision of after-sales services
Chongqing Sime Darby Motor Sales and Services Company Limited	China	100.0	100.0	2	
Chongqing Yue Zhi Bow Motors Sales and Services Company Limited	China	100.0	100.0	2	
Dali Bow Yue Motors Sales and Services Company Limited	China	65.0	65.0	2	
Dongguan Chuang Yi Motor Sales and Services Limited Company	China	100.0	100.0	2	
Foshan Bow Chuang Motors Sales and Services Company Limited	China	100.0	100.0	2	
Foshan Sime Darby Used Cars Sales Company Limited	China	100.0	100.0	2	Retail of used cars and provision of related services
Guangdong Bow Yue Motors Sales and Services Company Limited	China	100.0	100.0	2	Retail of motor vehicles and spare parts and provision of after-sales services
Guangzhou Bow Yue Vehicle Trading Co Ltd	China	100.0	100.0	2	Retail of motor vehicles and spare parts
Guangzhou Sime Darby Fu Yue Motors Sales and Services Company Limited	China	100.0	100.0	2	Retail of motor vehicles and spare parts and provision of after-sales services

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Motors – Subsidiaries (continued)					
Guangzhou Xiang Yue Motors Sales and Services Company Limited	China	100.0	100.0	2	Retail of spare parts and provision of after-sales services
Hainan Bow Yue Vehicles Trading and Services Ltd	China	100.0	100.0	2	Retail of motor vehicles and spare parts and provision of after-sales services
Hangzhou Sime Darby Trading Co Ltd	China	60.0	60.0	2	
Huizhou Sime Darby Zhi Yue Sales and Services Company Limited	China	100.0	100.0	2	Retail agent of motor vehicles and retail of spare parts and provision of after-sales services
Jiangmen Yue Zhi Bow Motors Sales and Services Company Limited	China	100.0	100.0	2	Retail of motor vehicles and spare parts and provision of after-sales services
Kunming Bow Chuang Motor Sales and Services Co Ltd	China	65.0	65.0	2	
Kunming Sime Darby Fu Yue Motors Sales and Services Company Limited	China	100.0	100.0	2	
Nanjing Sime Darby Motors Sales & Services Co Ltd	China	60.0	60.0	2	
Qujing Bow Kai Motors Sales & Services Co Limited	China	65.0	65.0	2	
Shanghai Qi Zhi Yue Motors Sales and Services Company Limited	China	100.0	100.0	2	
Shanghai Sime Darby Motor Commerce Co Ltd	China	60.0	60.0	2	Investment holding and retail of motor vehicles

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Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Motors – Subsidiaries (continued)					
Shanghai Sime Darby Motor Sales and Services Co Ltd	China	60.0	60.0	2	Retail of motor vehicles and spare parts and provision of after-sales services
Shanghai Sime Darby Motor Trading Co., Ltd	China	60.0	60.0	2	
Shanghai Sime Darby Motor Enterprises Co., Ltd	China	60.0	60.0	2	
Shanghai Yue Zhi Bow Motors Sales and Services Company Limited	China	100.0	100.0	2	
Shantou Bow Yue Dehong Motors Services Co Ltd	China	100.0	100.0	2	Retail of spare parts and provision of after-sales services for motor vehicles
Shantou Bow Yue Vehicle Trading Co Ltd	China	100.0	100.0	2	Retail of motor vehicles and spare parts
Shenzhen Bow Chuang Vehicle Trading Co Ltd China	China	100.0	100.0	2	
Shenzhen Bow Chuang Sime Darby Motors Sales and Services Company Limited	China	100.0	100.0	2	Retail of motor vehicles and spare parts and provision of after-sales services for motor vehicles
Shenzhen Bow Yue Motors Sales & Services Company Limited	China	100.0	100.0	2	Retail of motor vehicles and spare parts and provision of after-sales services
Shenzhen Sime Darby Chen Yue Motors Sales and Services Company Limited	China	100.0	100.0	2	Retail agent of motor vehicles and retail of spare parts and provision of after-sales services

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Motors – Subsidiaries (continued)					
Shenzhen Sime Darby Fu Yue Motors Sales and Services Company Limited	China	100.0	100.0	2	Retail of motor vehicles and spare parts and provision of after-sales services
Shenzhen Sime Darby New Energy Vehicles Sales and Services Company Limited	China	100.0	100.0	2	
Shenzhen Sime Darby Qi Chuang Motors Sales and Services Company Limited	China	100.0	100.0	2	
Shenzhen Sime Darby Qi Yue Motors Sales and Services Company Limited	China	100.0	100.0	2	
Shenzhen Sime Darby Used Cars Centre Company Limited	China	100.0	100.0	2	Retail of used cars and provision of related services
Shenzhen Sime Darby Zhi Yue Motors Sales and Services Company Limited	China	100.0	100.0	2	Retail agent of motor vehicles and retail of spare parts and provision of after-sales services
Sime Darby Greater China Enterprise Management (Shenzhen) Company Limited	China	100.0	100.0	2	Provision of consultation services to Sime Darby Motors China group of companies
Tianjin Sime Darby Chuang Jie Motors Sales and Services Company Limited	China	100.0	100.0	2	Retail agent of motor vehicles and retail of spare parts and provision of after-sales services
Yunnan Bow Yue Vehicle Trading Co Ltd	China	65.0	65.0	2	Investment holding, retail of motor vehicles and spare parts and provision of after-sales services

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52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group’s effective interest (%)		Auditors	Principal activities
		2025	2024		
Motors – Subsidiaries (continued)					
Yunnan Dekai Bow Ma Motors Technology & Service Co Ltd	China	65.0	65.0	2	Retail of motor vehicles and spare parts and provision of after-sales services
Zhongshan Sime Darby Qi Yue Motor Sales and Services Company Limited	China	100.0	100.0	2	
BMW Concessionaires (HK) Limited	Hong Kong	100.0	100.0	2	Investment holding, distribution and retail of motor vehicles, provision of after-sales services and leasing motor vehicles
Bow Ma Motors (South China) Limited	Hong Kong	100.0	100.0	2	Investment holding, leasing of motor vehicles and provision of electric vehicle charging service
Goodwood Motors Limited	Hong Kong	100.0	100.0	2	Distribution and retail of motor vehicles and spare parts and provision of after-sales services
Island Motors Limited	Hong Kong	100.0	100.0	2	
Marksworth Limited	Hong Kong	100.0	100.0	2	Investment holding
Sime Darby Chuang Jie Motors (Hong Kong) Limited	Hong Kong	100.0	100.0	2	
Sime Darby Hoi Shing Motors (Hong Kong) Limited	Hong Kong	65.0	65.0	2	
Sime Darby Hongkong Finance Limited	Hong Kong	100.0	100.0	2	Provision of intra-group financial services
Sime Darby Insurance Brokers (Hong Kong) Limited	Hong Kong	100.0	100.0	2	Insurance brokers
Sime Darby Kai Yuet Motors (Hong Kong) Limited	Hong Kong	100.0	100.0	2	Investment holding
Sime Darby Managing Agency (Hong Kong) Limited	Hong Kong	100.0	100.0	2	Insurance agency

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

	Country/ territory of business/ incorporation	Group's effective interest (%)			
Name of company		2025	2024	Auditors	Principal activities
Motors – Subsidiaries (continued)					
Sime Darby Motor Group (HK) Limited	Hong Kong	100.0	100.0	2	Investment holding
Sime Darby Motor Group (PRC) Limited	Hong Kong	100.0	100.0	2	
Sime Darby Motor Services Limited	Hong Kong	100.0	100.0	2	Investment holding, distribution and retail of motor vehicles and spare parts, after-sales services, management services and property investment
Sime Darby Peng Yue Motors (Hong Kong) Limited	Hong Kong	100.0	100.0	2	Importation, distribution and retail of motor vehicles and provision of after-sales services
Universal Automobile Company Limited	Hong Kong	100.0	100.0	2	Distribution and retail of motor vehicles and spare parts and provision of after-sales services and leasing of motor vehicles
Universal Cars (Importers) Limited	Hong Kong	100.0	100.0	2	Investment holding
Universal Cars Limited	Hong Kong	100.0	100.0	2	Distribution and retail of motor vehicles and spare parts and provision of after-sales services
Wallace Harper & Company Limited	Hong Kong	100.0	100.0	2	Holder of car testing licence
Wallace Harper Motors Company Limited	Hong Kong	100.0	100.0	2	Distribution, retail of motor vehicles and spare parts and provision of after-sales services and leasing of motor vehicles
Warwick Motors Limited	Hong Kong	100.0	100.0	2	Investment holding
BMW Concessionaires (Macau) Limited	Macau	100.0	100.0	2	Retail of motor vehicles and spare parts, provision of after-sales services and investment holding
Harper Engineering (Macau) Limited	Macau	100.0	100.0	2	Retail of motor vehicles and spare parts and provision of after-sales services
Sime Darby Auto Kia Co Ltd	Taiwan	100.0	100.0	2	Wholesale and retail of vehicles, spare parts and accessories and repairs and maintenance of vehicles

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Motors – Subsidiaries (continued)					
Sime Darby Kia Taiwan Co Ltd	Taiwan	100.0	100.0	2	Importation and wholesale of vehicles, parts and accessories, repairs and maintenance of vehicles and other automotive services
Brisbane BMW Bodyshop Pty Ltd	Australia	100.0	100.0	2	Operates the business of BMW parts, panels and accessories
Brisbane BMW Unit Trust	Australia	100.0	100.0	2	Owns BMW, MINI, Volvo, Ferrari and Rolls-Royce motor dealerships
LMM Holdings Pty Ltd	Australia	100.0	100.0	2	Operates Brisbane BMW Unit Trust's BMW, MINI, Volvo, Ferrari and Rolls-Royce motor dealerships
Sime Darby Automobiles Pty Ltd	Australia	100.0	100.0	2	Investment holding in retail dealership property
Sime Darby Fleet Services Pty Ltd	Australia	100.0	100.0	2	Vehicle rental and related mechanical services
Sime Darby Motors Group (Australia) Pty Limited	Australia	100.0	100.0	2	Investment holding and provision of management services
Sime Darby Motors Retail Australia Pty Limited	Australia	100.0	100.0	2	Retail of motor vehicles and provision of after-sales services
Sime Darby Motors Wholesale Australia Pty Limited	Australia	100.0	100.0	2	Investment holding and vehicle rental services
Sime Darby Transport Holdings Australia Pty Ltd	Australia	100.0	100.0	2	Investment holding
Transport Engineering Solutions Pty Limited	Australia	100.0	100.0	2	Design, supply and installation of transportation and related equipment
Continental Car Services Limited	New Zealand	100.0	100.0	2	Retail of new and used passenger cars and light commercial vehicles, spare parts and accessories and provision of after-sales services
Hino Distributors (NZ) Limited	New Zealand	100.0	100.0	2	Distribution and retail of trucks
Motor Truck Distributors (NZ) Limited	New Zealand	100.0	100.0	2	Distribution and retail of trucks and buses

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Motors – Subsidiaries (continued)					
North Shore Motor Holdings Limited	New Zealand	100.0	100.0	2	Retail of new and used passenger cars, spare parts and accessories and provision of related services
SD Distributors (NZ) Limited	New Zealand	100.0	100.0	2	Import and distribution business
Sime Darby Property (NZ) Limited	New Zealand	100.0	100.0	2	Management of property leases for the Sime Darby Motors NZ Group
Sime Darby Commercial (NZ) Limited	New Zealand	100.0	100.0	2	Investment holding
Sime Darby Fleet Services (NZ) Limited	New Zealand	100.0	100.0	2	Vehicle rental and related mechanical services
Sime Darby Motor Group (NZ) Limited	New Zealand	100.0	100.0	2	Investment holding
Sime Darby Transport Limited	New Zealand	100.0	100.0	2	
Sime Darby Transport (NZ) Limited	New Zealand	100.0	100.0	2	Design, supply and installation of transportation and related equipment
Truck Stops (NZ) Limited	New Zealand	100.0	100.0	2	Provision of spare parts and services for trucks
UD Truck Distributors (NZ) Limited	New Zealand	100.0	100.0	2	Distribution and retail of trucks, spare parts and accessories and provision of after-sales services
Motors – Associates					
Autotek Sdn Bhd	Malaysia	20.0	20.0	3	Provision of automotive software as a service and software services
BMW Malaysia Sdn Bhd	Malaysia	49.0*	49.0*	1	Sale and distribution of motor vehicles and motorcycles
Sime Kansai Paints Sdn Bhd	Malaysia	40.0	40.0	3	Manufacturing, selling and marketing of automotive and industrial paints
BMW Financial Services Hong Kong Limited	Hong Kong	49.0	49.0	2	Provision of instalment finance and hire purchase facilities

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
UMW – Subsidiaries					
Assembly Services Sdn. Bhd.	Malaysia	51.0	51.0	1	Assembly of passenger and commercial vehicles
Automotive Industries Sendirian Berhad	Malaysia	51.0	51.0	1	Manufacturing and selling of vehicle exhaust systems and other automotive components
KYB-UMW Malaysia Sdn. Bhd.	Malaysia	52.1	52.1	1	Manufacture and assembly of vehicle shock absorbers
Otomobil Sejahtera Sdn. Bhd.	Malaysia	100.0	100.0	1	Importing, retailing and servicing of passenger and commercial vehicles and engaged in the operation of vehicle workshop services
Sime Darby Enterprise Sdn Bhd	Malaysia	100.0	100.0	1	Investment holding
Toyota Boshoku UMW Sdn. Bhd.	Malaysia	33.2	33.2	1	Manufacturing of seats and other automotive components
UMW (East Malaysia) Sdn. Bhd.	Malaysia	–	74.0	3	Distribution of industrial and heavy equipment and related spares
UMW Aero Assets Sdn. Bhd.	Malaysia	100.0	100.0	1	Ownership and leasing of equipment and tools
UMW Aerospace Sdn. Bhd.	Malaysia	100.0	100.0	1	Manufacturing of aerospace engine component products
UMW Automotive Sdn. Bhd.	Malaysia	100.0	100.0	1	Investment holding
UMW Corporation Sdn. Bhd.	Malaysia	100.0	100.0	1	Provision of corporate, administrative, professional, security services and financial support to its subsidiaries and associated companies. In addition, the company also trades in a range of light and heavy equipment
UMW Development Sdn. Bhd.	Malaysia	100.0	100.0	1	Engaged in the businesses of property investment and development, project management consultancy services and facilities management services
UMW Equipment Division Sdn. Bhd.	Malaysia	100.0	100.0	1	Provision of management support to the companies in equipment division
UMW Equipment Sdn. Bhd.	Malaysia	–	74.0	3	Trading and hiring of industrial, heavy and material handling equipment and related spares

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
UMW – Subsidiaries (continued)					
UMW Holdings Berhad	Malaysia	100.0	100.0	1	Investment holding
UMW India Ventures (L) Ltd.	Malaysia	75.0	75.0	1	Investment holding
UMW Industrial Power Services Sdn Bhd	Malaysia	100.0	100.0	1	Total power solution provider
UMW Industries (1985) Sdn. Bhd.	Malaysia	51.0	74.0	1	Trading and hiring of industrial and material handling equipment and related spares
UMW Services Sdn. Bhd. (formerly known as UMW IT Services Sdn. Bhd.)	Malaysia	100.0	100.0	1	Provision of consultancy services, shared business services and support, support services and any other types of services in any field including but not limited in relation to finance, information technology, human resources, procurement and administration
UMW Komatsu Heavy Equipment Sdn. Bhd.	Malaysia	–	74.0	3	Provision of management support and provides consultancy services to its subsidiaries
UMW Land Sdn Bhd	Malaysia	100.0	100.0	1	Investment holding and property development
UMW Lubetech Sdn. Bhd. (formerly known as Lubetech Sdn. Bhd.)	Malaysia	100.0	100.0	1	Blending and packaging of lubricants, retail of auto components and other manufacturing
UMW M&E Sdn. Bhd.	Malaysia	100.0	100.0	1	Manufacturing and trading of filtration products and auto components
UMW Pennzoil Distributors Sdn. Bhd.	Malaysia	100.0	100.0	1	Marketing, selling and distribution of “Pennzoil” branded lubricants
UMW Petropipe (L) Ltd.	Malaysia	100.0	100.0	1	Investment holding
UMW Sher (L) Ltd.	Malaysia	50.8	50.8	1	Provide contract drilling and engineering services for the oil and gas industry and leasing of drilling rigs and vessels

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
UMW – Subsidiaries (continued)					
UMW Toyota Material Handling Sdn. Bhd.	Malaysia	51.0	74.0	1	Investment holding and the provision of management support for material handling business and consultancy services to its subsidiaries
UMW Toyota Motor Sdn. Bhd.	Malaysia	51.0	51.0	1	Manufacturer and assembly of motor vehicles and other related activities and renting and leasing of motor vehicles. In addition, UMWT provides administrative, professional and financial services support to the subsidiaries within the UMWT group
UMW Industrial Equipment (Shanghai) Co. Ltd.	China	51.0	74.0	3	Marketing of industrial equipment and provision of after-sales and repair services for equipment rental and industrial equipment
UMW Industrial Trading (Shanghai) Co. Ltd.	China	51.0	74.0	3	Marketing of Toyota industrial equipment, Aerex and other airport ground support equipment and environmental products
Vision Fleet Equipment Leasing (Zhejiang) Co. Ltd.	China	51.0	74.0	3	Rental and fleet management services mainly for products distributed by the UMW group in China
Lubritech Limited	China	60.0	–	3	Produce and distribute lubricants, import, export and wholesale of lubricants and grease as well as warehousing and provision of logistic services
Lubritech International Holdings Limited	Hong Kong	60.0	–	3	Production and distribution of lubricants and related activities
Jaybee Drilling Private Limited	India	45.0	45.0	3	Onshore drilling activities in India
PT UMW International	Indonesia	100.0	100.0	3	Engaged in lubricants supply and equipment
UMW Engineering Services Limited	Myanmar	–	74.0	3	Provision of after-sales services for equipment and maintenance and repair of equipment
UMW Niugini Limited	Papua New Guinea	–	75.5	3	Trading and hiring of industrial and material handling equipment and related service and spare parts

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
UMW – Subsidiaries (continued)					
UMW Equipment & Engineering Pte Ltd	Singapore	51.0	74.0	2	Import, distribute, rent and service all types of industrial equipment and related parts
UMW Equipment Systems Pte Ltd	Singapore	51.0	74.0	2	Investment holding
UMW Heavy Equipment (S) Pte Ltd	Singapore	–	74.0	3	Import, distribute, rent and service all types of heavy equipment and related spares
UMW Equipment Systems (Vietnam) Company Limited	Vietnam	51.0	74.0	2	Provides spare parts and equipment, repair and maintenance service, and lease out equipment such as forklifts and material handling, industrial and heavy equipment
UMW – Joint ventures					
Lubritech International Holdings Limited group	Hong Kong	–	60.0 ⁺	3	Production and distribution of lubricants and related activities
Lubritech Limited	China	–	60.0 ⁺	3	Produce and distribute lubricants, import, export and wholesale of lubricants and grease as well as warehousing and provision of logistic services
UMW – Associates					
E-Lock Corporation Sdn Bhd	Malaysia	20.1	20.1	3	Investment holding and research, development and distribution of computer software, solutions and services
Perusahaan Otomobil Kedua Sdn Bhd group and its associates	Malaysia	38.0	38.0	3	Manufacturing, assembly and distribution of motor vehicles, spare parts and other related activities
Toyota Capital Malaysia Sdn Bhd group	Malaysia	30.0	30.0	3	Provision of lease and hire purchase financing (conventional and Islamic)
UMW Toyotsu Motors Sdn Bhd	Malaysia	30.0	30.0	3	An authorised dealer of UMW, wholesale and retail of new and used motor vehicles and maintenance and repair of motor vehicles

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
Name of company		2025	2024		
Others – Subsidiaries					
KINETA Sdn Bhd	Malaysia	100.0	100.0	1	Systems integration, marketing, installer and operator of comprehensive range of advanced electronic and electric vehicle supply equipment, and provider of e-mobility solutions
Kumpulan Sime Darby Berhad	Malaysia	100.0	100.0	1	Property investment
Sime Darby Allied Products Berhad	Malaysia	100.0	100.0	1	Investment holding
Sime Darby Energy Sdn Bhd	Malaysia	100.0	100.0	1	
Sime Darby Engineering Sdn Bhd	Malaysia	100.0	100.0	1	
Sime Darby Holdings Berhad	Malaysia	100.0	100.0	1	Engineering, procurement, construction, installation, hook-up and commissioning services relating to the oil and gas industry
Sime Darby Holiday Homes Sdn Bhd	Malaysia	100.0	100.0	1	Investment holding, property investment and provision of management services to Group companies
Sime Darby Insurance Pte Ltd	Malaysia	100.0	100.0	1	Property management services and childcare services for employees
Sime Darby Lockton Insurance Brokers Sdn Bhd	Malaysia	60.0	60.0	1	Underwriting of onshore and offshore captive insurance business
Sime Darby Logistics Sdn Bhd	Malaysia	100.0	100.0	1	Insurance and reinsurance broking, insurance advisory and consultancy services
Sime Darby Malaysia Berhad	Malaysia	100.0	100.0	1	Investment holding
Sime Darby Ventures Sdn Bhd	Malaysia	100.0	100.0	1	Holding of trademarks
				1	Investment holding

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are active as at 30 June 2025 are as follows: (continued)

Name of company	Country/ territory of business/ incorporation	Group's effective interest (%)		Auditors	Principal activities
		2025	2024		
Others – Subsidiaries (continued)					
Sime Darby (China) Enterprise Management Co Ltd	China	100.0	100.0	2	Provision of services, including human resource management, corporate management, economic consultancy and investment consultancy services to domestic companies established by the Group; Undertaking outsourced services from overseas companies
Sime Darby Eastern International Limited	Singapore	100.0	100.0	2	Investment holding
Sime Darby Insurance Brokers (Singapore) Pte Ltd	Singapore	100.0	100.0	3	Insurance brokers and consultants
Sime Darby Far East (1991) Limited	Hong Kong	100.0	100.0	2	Investment holding
Sime Darby Hong Kong Limited	Hong Kong	100.0	100.0	2	
Sime Darby Overseas (HK) Limited	Hong Kong	100.0	100.0	2	
Others – Joint ventures					
Malaysia–China Hydro Joint Venture	Malaysia	48.9	48.9	1	Engineering, procurement and construction work
Others – Associates					
Yayasan Sime Darby	Malaysia	⊗	⊗	1	Administration of scholarship awards and educational loans and undertake sports, environmental conservation and sustainability projects

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries, joint ventures and associates which are dormant/inactive as at 30 June 2025 are as follows:

Name of company	Country/territory of business/incorporation	Group's effective interest (%)		Auditors
		2025	2024	
Industrial – Subsidiaries/Associates				
Associated Tractors Sendirian Berhad	Malaysia	100.0	100.0	1
Shandong Equipment Malaysia Sdn Bhd	Malaysia	100.0	100.0	1
Sime Darby TMR Sdn Bhd	Malaysia	100.0	100.0	1
APac Energy Rental Pte Ltd group	Singapore	30.0	30.0	3
Mecomb (Thailand) Limited	Thailand	100.0	100.0	2
Motors – Subsidiaries				
Sime Darby Mazda (Thailand) Limited	Thailand	100.0	100.0	2
Sime Darby Vantage (Thailand) Limited	Thailand	100.0	100.0	2
Tianjin Sime Winner Motors Trading Co., Ltd	China	60.0	60.0	2
AutoFrance China Limited	Hong Kong	100.0	100.0	2
Sime Darby Management Services Limited	Hong Kong	100.0	100.0	2
Sime Winner Holdings Limited	Hong Kong	60.0	60.0	2
SimeWinner Nissan Autocrafts Limited	Hong Kong	60.0	60.0	2
Palfinger Australia Pty Limited	Australia	100.0	100.0	2
Continental Cars Limited	New Zealand	100.0	100.0	2
UMW – Subsidiaries				
UMW Grantt International Sdn. Bhd.	Malaysia	100.0	100.0	1
UMW Lubricant International Sdn. Bhd.	Malaysia	100.0	100.0	1
UMW – Joint venture				
PT Pusaka Bersatu	Indonesia	49.0	49.0	3
Others – Subsidiaries				
Golden Hope Plantations Berhad	Malaysia	100.0	100.0	1
Kumpulan Guthrie Berhad	Malaysia	100.0	100.0	1
Sime Darby Marine Sdn Bhd	Malaysia	100.0	100.0	1
Sime Darby Nominees Sendirian Berhad	Malaysia	100.0	100.0	1
Sime Darby Water Resources Sdn Bhd	Malaysia	100.0	100.0	1
Sime Darby Water Resources (Perak) Sdn Bhd	Malaysia	75.0	75.0	1
Sime Engineering Sdn Bhd	Malaysia	100.0	100.0	1
Sime Darby Marine (Hong Kong) Private Limited	Hong Kong	100.0	100.0	2
Sime Darby Investment (BVI) Limited	British Virgin Islands	100.0	100.0	4
Others – Associate				
Sime Darby Almana WLL	Qatar	49.0	49.0	4

Amounts in RM million unless otherwise stated

52 LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

Subsidiaries and joint venture placed under members' voluntary liquidation/deregistered are as follows:

Name of company	Country/territory of business/incorporation	Group's effective interest (%)		Auditors
		2025	2024	
Industrial – Joint venture				
Sime Darby Gas Malaysia BioCNG Sdn Bhd	Malaysia	–	51.0 ⁺	4
Motors – Subsidiaries				
Europe Automobiles Company Limited	Vietnam	100.0	100.0	4
Performance Motors Vietnam Company Limited	Vietnam	100.0	100.0	4
UMW – Subsidiaries				
U-TravelWide Sdn Bhd	Malaysia	100.0	100.0	4
UMW Linepipe (L) Ltd	Malaysia	–	100.0	4
UMW M&E Limited	Malaysia	100.0	100.0	4
UMW Oilfield International (L) Ltd	Malaysia	100.0	100.0	4
UHE Properties Sdn Bhd	Malaysia	100.0	–	4
UMW Innovation and R&D Centre Sdn. Bhd.	Malaysia	100.0	100.0	1
UMW Ace (BVI) Ltd.	British Virgin Islands	70.0	70.0	4
UMW Machinery Limited	Myanmar	100.0	100.0	4

Notes:

¹ – audited by PricewaterhouseCoopers PLT Malaysia.

² – audited by member firms of PricewaterhouseCoopers International Limited, which are separate and independent legal entities from PricewaterhouseCoopers PLT Malaysia.

³ – audited by firms other than member firms of PricewaterhouseCoopers International Limited.

⁴ – no legal requirement to appoint auditors or auditors yet to be appointed.

⁺ – notwithstanding the Group holds more than 50% equity interest in this company, the investment is classified as a joint venture (and not a subsidiary) as significant decisions require unanimous consent from all its shareholders.

^{*} – notwithstanding the Group holds more than 20% equity interest in these companies, the investment is classified as a financial asset at fair value through profit or loss (and not associate or joint venture) due to the Group's restricted influence pursuant to their shareholder agreements.

[®] – Yayasan Sime Darby is a company without share capital, limited by guarantee.

53 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 25 September 2025.

ANALYSIS OF SHAREHOLDINGS

as at 8 September 2025

Number of Issued Shares : 6,815,597,577 ordinary shares

Voting Right : One vote per ordinary share in the case of a poll and one vote per person on a show of hands

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held	%
Less than 100	3,366	7.78	78,964	0.00 ¹
100 to 1,000	12,528	28.95	6,830,306	0.10
1,001 to 10,000	20,390	47.13	79,052,557	1.16
10,001 to 100,000	5,806	13.42	162,297,197	2.38
100,001 to less than 5% of issued capital	1,172	2.71	2,974,677,355	43.65
5% and above of issued capital	3	0.01	3,592,661,198	52.71
Total	43,265	100.00	6,815,597,577	100.00

Note:

¹ less than 0.01%

Classification of Shareholders	No. of Shareholders	%	No. of Shares Held	%
Individuals	28,982	66.99	247,333,718	3.63
Banks/Finance Companies	46	0.11	3,577,489,151	52.49
Investment Trusts/Foundation/Charities	21	0.05	864,575	0.01
Industrial and Commercial Companies	593	1.37	110,925,926	1.63
Government Agencies/Institutions	3	0.01	10,566,452	0.16
Nominees	13,618	31.47	2,868,312,480	42.08
Others	2	0.00 ¹	105,275	0.00 ¹
Trustee	0	0.00	0	0.00
Total	43,265	100.00	6,815,597,577	100.00

Note:

¹ less than 0.01%

DIRECTORS' DIRECT AND INDIRECT INTERESTS IN THE COMPANY AND ITS RELATED CORPORATIONS

Save as disclosed in the Directors' Report of the Financial Statements as set out on page 163, none of the Directors of the Company has any interest, direct or indirect, in the Company and its related corporations.

30 LARGEST SHAREHOLDERS AS PER THE RECORD OF DEPOSITORS

No.	Name of Shareholder	No. of Shares Held	%
1.	AmanahRaya Trustees Berhad Amanah Saham Bumiputera	2,494,858,200	36.61
2.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	688,602,228	10.10
3.	Kumpulan Wang Persaraan (Diperbadankan)	409,200,770	6.00
4.	Permodalan Nasional Berhad	288,839,623	4.24
5.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Islamic)	278,624,713	4.09
6.	AmanahRaya Trustees Berhad Amanah Saham Malaysia	102,000,000	1.50
7.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (AHAM AM)	80,013,200	1.17
8.	AmanahRaya Trustees Berhad Amanah Saham Malaysia 3	79,596,000	1.17
9.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (ASIANISLAMIC)	59,507,500	0.87
10.	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Total International Stock Index Fund	57,757,474	0.85
11.	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Emerging Markets Stock Index Fund	53,600,336	0.79
12.	Citigroup Nominees (Asing) Sdn Bhd UBS AG	53,281,998	0.78
13.	AmanahRaya Trustees Berhad Amanah Saham Bumiputera 2	52,000,000	0.76
14.	HSBC Nominees (Asing) Sdn Bhd HSBC BK PLC for Kuwait Investment Office (KIO)	51,967,200	0.76
15.	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)	47,816,649	0.70
16.	AmanahRaya Trustees Berhad Amanah Saham Malaysia 2 – Wawasan	42,000,000	0.62
17.	Lembaga Tabung Haji	38,025,100	0.56
18.	DB (Malaysia) Nominee (Asing) Sdn Bhd Exempt AN for State Street Bank & Trust Company (West CLT OD67)	32,184,300	0.47
19.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (CGS CIMB)	32,077,000	0.47
20.	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	30,491,000	0.45

ANALYSIS OF SHAREHOLDINGS

as at 8 September 2025

30 LARGEST SHAREHOLDERS AS PER THE RECORD OF DEPOSITORS (CONTINUED)

No.	Name of Shareholder	No. of Shares Held	%
21.	AmanahRaya Trustees Berhad Amanah Saham Bumiputera 3 – Didik	30,184,100	0.44
22.	Cartaban Nominees (Asing) Sdn Bhd Exempt AN for Barclays Capital Securities Ltd (SBL/PB)	28,897,785	0.42
23.	Citigroup Nominees (Asing) Sdn Bhd CBNY for Norges Bank (FI 17)	27,185,584	0.40
24.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (BNP NAJMAH EQ)	22,976,900	0.34
25.	Maybank Nominees (Asing) Sdn Bhd Nomura Singapore Limited for NTS-Asia Property Holdings Limited (419909)	21,421,000	0.31
26.	Hong Leong Assurance Berhad As Beneficial Owner (Life PAR)	19,182,531	0.28
27.	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (PAR 3)	19,057,202	0.28
28.	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (NON PAR 16)	19,000,000	0.28
29.	Cartaban Nominees (Tempatan) Sdn Bhd PBTB for Takafulink Dana Ekuiti	18,339,788	0.27
30.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (F TEMPLETON)	18,099,200	0.27

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

No.	Name of Substantial Shareholder	No. of Shares Held (Direct Interest)	%	No. of Shares Held (Indirect/Deemed Interest)	%
1.	AmanahRaya Trustees Berhad – Amanah Saham Bumiputera	2,494,858,200	36.61	–	–
2.	Employees Provident Fund Board	967,226,941	14.19	245,923,419	3.61
3.	Kumpulan Wang Persaraan (Diperbadankan)	415,108,249	6.09	48,934,700	0.72

TOP 10 PROPERTIES OF THE GROUP*

No.	Location	Tenure	Land area (Hectares)	Year of acquisition	Age of building (Years)	Description	Net book value (RM million)
1.	No 1, Jalan Keluli 2/KU 2, Kawasan Perindustrian Bukit Raja, Klang, Selangor, Malaysia	Freehold	67	2023	8-14	Plant, office and factory buildings	1,270
2.	Sime Darby Motors City, Ara Damansara, Selangor, Malaysia	Freehold	14	2014-2018	6-8	Office buildings, showrooms and workshops	593
3.	Persiaran Selangor, Shah Alam, Selangor, Malaysia	Leasehold expiring 2070	13	2023	55-58	Office and factory buildings	215
4.	Lot 68, Broadsound Road, Hastings Park, Paget, Mackay, Queensland, Australia	Freehold	5	2013	–	Land with building under construction	173
5.	Lot 29138, Mukim Serendah, Hulu Selangor, Selangor, Malaysia	Leasehold expiring 2067, 2094	52	2023	9	Land, office, training facilities and workshop	162
6.	Lot 38, Mukim Padang Meha, Padang Serai Kulim, Kedah, Malaysia	Freehold	78	2004	26	Assembly plant	152
7.	589 Grand Junction Road, Gepps Cross, South Australia, Australia	Freehold	6	2012	13	Office, warehouse, service centre and land	134
8.	800 Ann Street, Fortitude Valley, Brisbane, Queensland, Australia	Freehold	1	2014	19	Offices, showrooms and workshops	134
9.	Sime Darby Performance Centre, 303 Alexandra Road, Singapore	Leasehold expiring 2047	8	2005	15	4S centre	111
10.	40-42 Caterpillar Drive, Paget, Mackay, Queensland, Australia	Freehold	8	2007-2008	16	Commercial office, training facilities, workshop and warehouse	108

Notes:

* Based on the net book value of the property.

The list excludes capitalised lease payments and properties under inventories, disposal groups or assets held for sale.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Nineteenth Annual General Meeting (19th AGM) of Sime Darby Berhad (Sime or Company) will be held at the Ballroom, Level 3, Malaysia International Trade and Exhibition Centre (MITEC), Kompleks MITEC, No. 8, Jalan Dutamas 2, 50480 Kuala Lumpur, Malaysia (Main Venue) and broadcasted live from the Main Venue on Thursday, 13 November 2025 at 10.00 a.m. and at any adjournment thereof, for the following businesses:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2025 together with the Reports of the Directors and the Auditors thereon.

Refer to Explanatory Note 1

2. To approve the payment of fees to the Non-Executive Directors up to an amount of RM4,600,000 from the 19th AGM until the next AGM of the Company.

(Resolution 1)

Refer to Explanatory Note 2

3. To approve the payment of benefits to the Non-Executive Directors up to an amount of RM1,500,000 from the 19th AGM until the next AGM of the Company.

(Resolution 2)

Refer to Explanatory Note 2

4. To re-elect Hanizan Hood, who retires pursuant to Rule 82.2 of the Constitution of the Company and being eligible, has offered herself for re-election.

(Resolution 3)

Refer to Explanatory Note 3

5. To re-elect the following Directors who retire pursuant to Rule 103 of the Constitution of the Company and being eligible, have offered themselves for re-election:

- (i) Thayaparan Sangarapillai
- (ii) Tan Sri Muhammad Shahrul Ikram Yaakob
- (iii) Dato' Dr Nirmala Menon
- (iv) Dato' Jeffri Salim Davidson

(Resolution 4)

(Resolution 5)

(Resolution 6)

(Resolution 7)

Refer to Explanatory Note 3

6. To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 30 June 2026 and to authorise the Directors to fix their remuneration.

(Resolution 8)

Refer to Explanatory Note 4

AS SPECIAL BUSINESS

7. To consider and, if thought fit, pass the following ordinary resolution:

Proposed Share Buy-Back Authority for the Company to Purchase its Own Shares of up to Ten Percent (10%) of the Total Number of Issued Shares of the Company (Proposed Share Buy-Back Authority)

“THAT subject to the Companies Act, 2016 (Act), rules, regulations and orders made pursuant to the Act, the provisions of the Company’s Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) and any other relevant authorities, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares of the Company as may be determined by the Directors through Bursa Securities at any time, upon such terms and conditions as the Directors shall in their absolute discretion deem fit and expedient in the best interest of the Company provided that:

- (a) the aggregate number of ordinary shares which may be purchased and/or held by the Company does not exceed ten percent (10%) of the total number of issued shares of the Company at any point of time; and
- (b) the maximum amount of funds to be allocated by the Company for the purchase of its own ordinary shares shall not exceed the Company’s retained profits at the time of such purchase.

THAT the Directors be and are hereby further authorised to deal with the ordinary shares so purchased in their absolute discretion (which may be distributed as dividends, resold, transferred, cancelled and/or in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act, the provisions of the Company’s Constitution, the Main Market Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force);

THAT such authority conferred by this resolution will commence immediately upon the passing of this resolution and shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (AGM) of the Company, at which time the authority will lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM is required by law to be held; or
- (c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise and give full effect to the purchase of the ordinary shares of the Company pursuant to the Proposed Share Buy-Back Authority with full powers to assent to any conditions, modification, variations and/or amendments as may be required or imposed by the relevant authorities and with full power to do all such acts and things (including executing all such documents as may be required) as the Directors may deem fit and expedient in the best interest of the Company.”

(Resolution 9)

Refer to Explanatory Note 5

NOTICE OF ANNUAL GENERAL MEETING

8. To consider and, and if thought fit, pass the following ordinary resolutions:

Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for the Company and/or its Subsidiaries to enter into the Recurrent Related Party Transactions of a Revenue or Trading Nature with Related Parties Involving the Interest of the following parties:

- (i) **Toyota Motor Corporation**
- (ii) **Toyota Tsusho Corporation**
- (iii) **KYB Corporation, Japan**
- (iv) **Toyota Industries Corporation**

(Resolution 10)
(Resolution 11)
(Resolution 12)
(Resolution 13)

“THAT in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties involving the interest of the abovementioned parties pursuant to Resolutions 10 to 13, as set out in Sections 2.3(i)(a) to (d) and 2.3(ii)(a) to (d) of Part B of the Statement/Circular dated 15 October 2025, which are necessary for the day-to-day operations in the ordinary course of business of the Company and/or its subsidiaries on normal commercial terms and are not detrimental to the minority shareholders of the Company (Mandate);

THAT the Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (AGM) of the Company following this AGM at which such Mandate is passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting whereby the Mandate is renewed; or
- (b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Companies Act 2016 (Act), (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
- (c) the Mandate is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Directors may deem fit and expedient or necessary to give effect to the Mandate.”

Refer to Explanatory Note 6

9. To consider and, if thought fit, pass the following ordinary resolution:

Proposed Renewal of Existing Shareholders' Mandate for the Company and/or its Subsidiaries to enter into the Recurrent Related Party Transactions of a Revenue or Trading Nature with Related Parties Involving the Interest of Bermaz Auto Berhad (Bermaz)

"THAT in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties involving the interest of Bermaz pursuant to Resolution 14, as set out in Section 2.3(i)(e) of Part B of the Statement/Circular dated 15 October 2025, which are necessary for the day-to-day operations in the ordinary course of business of the Company and/or its subsidiaries on normal commercial terms which are not more favourable to the related parties than those generally available to the public, and are not detrimental to the minority shareholders of the Company (Mandate);

THAT the Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (AGM) of the Company following this AGM at which such Mandate is passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting whereby the Mandate is renewed; or
- (b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Companies Act 2016 (the Act), (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
- (c) the Mandate is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Directors may deem fit and expedient or necessary to give effect to the Mandate."

(Resolution 14)

Refer to Explanatory Note 6

10. To transact any other business for which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

By Order of the Board

Junaidah Abdul Rahim
Group Secretary
(MACS 01995)
(SSM PC No. 202508000046)

Selangor Darul Ehsan, Malaysia
15 October 2025

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. The 19th AGM of the Company will be held in a hybrid mode and Member(s), proxy(ies), corporate representative(s) or attorney(s) are given options, either:
 - (i) to attend physically at the Main Venue (**Physical Attendance**); or
 - (ii) to attend virtually using the Remote Participation and Voting (RPV) facilities provided by the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (Tricor), via Vistra Share Registry and IPO (MY) portal (The Portal) at <https://srmy.vistra.com> (**Virtual Attendance**).

Physical Attendance

Member(s), proxy(ies), corporate representative(s) or attorney(s) who wish to attend and participate at the 19th AGM physically are required to register for the meeting at the Main Venue.

Virtual Attendance

For Member(s), proxy(ies), corporate representative(s) or attorney(s) who wish to attend and participate at the 19th AGM remotely, the virtual meeting will be conducted through live streaming using the RPV facilities at <https://srmy.vistra.com>.

Please refer to the Administrative Guide for detailed instructions on both Physical Attendance and Virtual Attendance.

2. For the purpose of determining a member who shall be entitled to attend, speak and vote at this 19th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Rule 64 of the Constitution of the Company and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 (SICDA), to issue a General Meeting Record of Depositors as at 5 November 2025. Only a member whose name appears on the Record of Depositors as at 5 November 2025 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.
3. A Member entitled to attend and vote at the 19th AGM is entitled to appoint not more than two (2) proxies to exercise all or any of his/her rights to attend, participate, speak and vote at the 19th AGM on his/her behalf. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the percentage of his/her shareholdings to be represented by each proxy. A proxy may, but need not, be a Member of the Company. A Member may appoint any person to be his/her proxy without any restriction as to the qualification of such person.
4. Where a Member of the Company is an Authorised Nominee as defined under SICDA, he/she may appoint not more than two (2) proxies in respect of each Securities Account he/she holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend and vote at a meeting of the Company instead of him/her.
5. Where a Member of the Company is an Exempt Authorised Nominee as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account (Omnibus Account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds PROVIDED THAT each beneficial owner of ordinary shares, or where the ordinary shares are held on behalf of joint beneficial owners, such joint beneficial owners, shall only be entitled to instruct the Exempt Authorised Nominee to appoint not more than two (2) proxies to attend and vote at a general meeting of the Company instead of the beneficial owner or joint beneficial owners.
6. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 19th AGM of the Company shall be put to vote by way of a poll.
7. The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or signed by an officer or attorney so authorised. Any alteration to the instrument appointing a proxy must be initialled by the appointor or his/her attorney duly authorised.

8. The Form of Proxy and power of attorney or other authority, if any, under which it is signed or notarially certified copy of that power or authority, must be deposited with Tricor not less than 24 hours before the time appointed for the taking of the poll or no later than Wednesday, 12 November 2025 at 10.00 a.m. The Form of Proxy can be submitted through either one of the following avenues:
- (i) Lodgement of Form of Proxy in hard copy: To be deposited at Tricor's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, to be deposited in the Drop Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (ii) Electronic lodgement of Form of Proxy: To be submitted electronically via The Portal at <https://srmy.vistra.com>. Please follow the procedures in the Administrative Guide for the 19th AGM if members wish to submit the Form of Proxy electronically.
9. The Administrative Guide on the conduct of a hybrid AGM of the Company is available at the Company's website at <https://www.sime.com/investor-relations/shareholder-and-dividend-info/general-meeting/agm-2025/>.

EXPLANATORY NOTES

1. Audited Financial Statements for the financial year ended 30 June 2025

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 (Act), and do not require shareholders' approval. Hence, this agenda item is meant for discussion only and will not be put forward for voting.

2. Resolutions 1 and 2 – Non-Executive Directors' (NEDs) Fees and Benefits

Section 230(1) of the Act provides that the fees of directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

Shareholders' approval is hereby sought for fees and benefits payable to NEDs of the Company up to an amount of RM4,600,000 and RM1,500,000 respectively, with effect from the 19th AGM until the next AGM of the Company. The amounts remain unchanged from those approved at the 18th AGM.

- (i) The payment of fees for the NEDs is based on the following fee structure:

Board/Board Committees	NED Fees (RM/Year)	
	Chairman	Member
Board	560,000	240,000 ¹ 380,000 ²
• Governance & Audit Committee	80,000	50,000
• Risk Management & Sustainability Committee		
• Nomination & Remuneration Committee	70,000	40,000
• Investment Committee		
Board of Subsidiaries	150,000	100,000

Notes:

¹ Fee for Resident Director

² Fee for Non-Resident Director

NOTICE OF ANNUAL GENERAL MEETING

- (ii) The benefits payable for the NEDs comprising the following:
- Company car, petrol and driver for the Non-Executive Chairman
 - Telecommunication devices/facilities with line and data package
 - Club membership subscription
 - Medical and insurance coverage
 - Discount on purchases of Group/Company products on terms not more favourable than those given to the public/employees
 - Other claimable benefits including reimbursable expenses incurred in the course of carrying out their duties as Directors

In determining the estimated total amount of fees and benefits payable for the NEDs, the Board has considered various factors including the number of scheduled and unscheduled meetings for the Board and Board Committees based on the current number of NEDs including a provisional sum as a contingency for future appointment of NEDs on the Board, Board Committees and board of subsidiaries.

The proposed Resolutions 1 and 2, if passed, will give authority to the Company to pay the fees and benefits to NEDs on a monthly basis and/or as and when incurred. The Board is of the view that payments to the NEDs are just and equitable particularly after the Directors have discharged their responsibilities and rendered their services to the Company and its subsidiaries.

The remuneration of each Director for the financial year ended 30 June 2025 is set out on page 120 of this Annual Report 2025.

3. Resolutions 3 to 7 - Re-election of Directors

- (i) Rule 82.2 of the Constitution of the Company states that a Director appointed by the Board shall hold office until the conclusion of the next AGM of the Company and shall be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Puan Hanizan Hood who was appointed on 1 July 2025 being eligible, has offered herself for re-election at the 19th AGM of the Company. As Puan Hanizan Hood was appointed after the commencement of the Board Effectiveness Assessment 2025 (BEA 2025), she was not included in the assessment cycle. Her nomination and suitability were evaluated by the Nomination & Remuneration Committee (NRC) and the Board based on her professional background, leadership experience, and alignment with strategic needs.

- (ii) Rule 103 of the Constitution of the Company states that at every AGM, at least one-third (1/3) of the Directors for the time being shall retire from office at each annual general meeting. A Director retiring at a general meeting shall retain office until the conclusion of the meeting. In addition, Rule 104 of the Constitution of the Company states that all Directors shall retire from office at least once every three (3) years. A retiring Director shall be eligible for re-election.

Mr Thayaparan Sangarapillai, Tan Sri Muhammad Shahrul Ikram Yaakob, Dato' Dr Nirmala Menon, and Dato' Jeffri Salim Davidson, have offered themselves for re-election at the 19th AGM in accordance with Rule 104 of the Constitution of the Company.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 19th AGM, the Board through its NRC, had assessed each of the retiring Directors, and considered the following:

- The Director's performance and contributions based on results of the BEA 2025;
- The Director's level of contributions to the Board and where applicable, Board Committee deliberations;
- The Director's character, integrity, experience, competence, and overall fitness and propriety;
- The level of independence demonstrated by the retiring Directors who are Independent Directors; and
- The Director's commitment and ability to devote sufficient time to discharge his/her responsibilities effectively.

- (iii) Based on the aforesaid assessments, the Board and the NRC are satisfied that the retiring Directors have met the performance criteria required of an effective and high-performance Board and the Board's expectations by continuously discharging their duties diligently. In addition, the Independent Directors have provided annual declaration of independence. Accordingly, the Board recommends the re-election of Mr Thayaparan Sangarapillai, Tan Sri Muhammad Shahrul Ikram Yaakob, Dato' Dr Nirmala Menon, Dato' Jeffri Salim Davidson and Puan Hanizan Hood at the 19th AGM of the Company.
- (iv) The retiring Directors standing for re-election have abstained from deliberation and decision on their own eligibility to stand for re-election at the relevant NRC and Board meetings. Dato' Jeffri Salim Davidson who is a shareholder of the Company will abstain from voting on Resolution 7 concerning his re-election at the 19th AGM.

4. Resolution 8 – Re-appointment of Auditors

The Governance & Audit Committee (GAC), at its meeting held on 18 September 2025, undertook the annual assessment of the suitability and effectiveness of the external audit process, and the performance, suitability and independence of the external auditors, Messrs PricewaterhouseCoopers PLT (PwC), as prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The GAC considered the following factors in the assessment:

- (i) Dissemination of information about policies and processes for maintaining independence, objectivity and the monitoring of PwC's compliance with professional ethical standards;
- (ii) Communication of audit plan and approach and current developments in relation to accounting and auditing standards relevant to Sime Group's financial statements and the potential impact on the audit;
- (iii) Timeliness and quality of communications with regard to significant audit, accounting, related risks and control weaknesses and recommendations as well as effective use of meetings with the GAC without management presence;
- (iv) Competency in the coordination of resources and technical knowledge and expertise; and
- (v) Reasonableness of the audit fees charged.

The GAC was satisfied with the suitability of PwC based on the quality of audit, performance, competency and sufficiency of resources that the external audit team had provided to Sime.

The Board at its meeting held on 25 September 2025 agreed with the GAC's recommendation that the shareholders' approval be sought at the 19th AGM on the re-appointment of PwC as external auditors of the Company for the financial year ending 30 June 2026, under Resolution 8. The present external auditors, PwC, have indicated their willingness to continue their services for the next financial year.

EXPLANATORY NOTES ON SPECIAL BUSINESS

5. Resolution 9 - Proposed Share Buy-Back Authority

The proposed Resolution 9, if passed, will allow the Company to purchase its own shares through Bursa Malaysia Securities Berhad up to ten per centum (10%) of the total number of issued shares of the Company. Please refer to Part A of the Statement/Circular dated 15 October 2025 in relation to the Proposed Share Buy-Back Authority for further information.

6. Resolutions 10 to 14 - Proposed Shareholders' Mandate

The proposed Resolutions 10 to 14, if passed, will renew the existing shareholders' mandate and where applicable, grant a new mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations.

Detailed information on the Proposed Shareholders' Mandate is set out in Section 2.3 of Part B of the Statement/Circular dated 15 October 2025.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

**(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of
Bursa Malaysia Securities Berhad)**

The profile of the Directors who are standing for re-election (as per Resolutions 3 to 7 as stated above) at the 19th AGM of Sime and the disclosure of conflict of interest (if any) are set out in the “Board of Directors” section in the Company’s Annual Report 2025 on pages 92 to 99.

The details of the Directors’ interest in the securities of the Company are stated in the “Directors’ Report” section in the Company’s Annual Report 2025 on pages 161 to 164.

FORM OF PROXY

SIME DARBY BERHAD
(Registration No. 200601032645 (752404-U))
(Incorporated in Malaysia)

Number of ordinary shares held	CDS Account No.													
			-			-								

I/We _____
(FULL NAME OF SHAREHOLDER AS PER NRIC/PASSPORT/CERTIFICATE OF INCORPORATION IN CAPITAL LETTERS)

(NRIC/Passport/Company No. _____) of _____
(ADDRESS)

(ADDRESS)

Email Address _____

Tel. No. _____ being a member/members of SIME DARBY BERHAD hereby appoint
_____ (NRIC/Passport No. _____)
(FULL NAME OF PROXY AS PER NRIC/PASSPORT IN CAPITAL LETTERS)

of _____
(ADDRESS)

*and/or _____ (NRIC/Passport No. _____)
(FULL NAME OF PROXY AS PER NRIC/PASSPORT IN CAPITAL LETTERS)

of _____
(ADDRESS)

**or failing him/her, the Chairman of the Meeting, as my/our proxy/proxies to participate and vote for me/us and on my/our behalf at the Nineteenth Annual General Meeting (19th AGM) of Sime Darby Berhad (the Company) to be held at the Ballroom, Level 3, Malaysia International Trade and Exhibition Centre (MITEC), Kompleks MITEC, No. 8, Jalan Dutamas 2, 50480 Kuala Lumpur, Malaysia (Main Venue) and broadcasted live from the Main Venue on Thursday, 13 November 2025 at 10.00 a.m. and at any adjournment thereof, on the following resolutions as set out in the Notice of the 19th AGM.

No.	Resolutions			
Ordinary Business		Resolution	For	Against
1.	Payment of fees to the Non-Executive Directors up to an amount of RM4,600,000 from the 19th AGM until the next AGM of the Company	1		
2.	Payment of benefits to the Non-Executive Directors up to an amount of RM1,500,000 from the 19th AGM until the next AGM of the Company	2		
3.	Re-election of Hanizan Hood pursuant to Rule 82.2 of the Constitution of the Company	3		
4(i).	Re-election of Thayaparan Sangarapillai pursuant to Rule 103 of the Constitution of the Company	4		
4(ii).	Re-election of Tan Sri Muhammad Shahrul Ikram Yaakob pursuant to Rule 103 of the Constitution of the Company	5		
4(iii).	Re-election of Dato’ Dr Nirmala Menon pursuant to Rule 103 of the Constitution of the Company	6		
4(iv).	Re-election of Dato’ Jeffri Salim Davidson pursuant to Rule 103 of the Constitution of the Company	7		
5.	Re-appointment of PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 30 June 2026 and to authorise the Directors to fix their remuneration	8		

No.	Resolutions			
Special Business		Resolution	For	Against
6.	Proposed Share Buy-Back Authority for the Company to purchase its own shares of up to ten percent (10%) of the total number of issued shares of the Company	9		
7(i).	Proposed Renewal of Existing Shareholders’ Mandate and Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with related parties involving the interest of Toyota Motor Corporation	10		
7(ii).	Proposed Renewal of Existing Shareholders’ Mandate and Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with related parties involving the interest of Toyota Tsusho Corporation	11		
7(iii).	Proposed Renewal of Existing Shareholders’ Mandate and Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with related parties involving the interest of KYB Corporation, Japan	12		
7(iv).	Proposed Renewal of Existing Shareholders’ Mandate and Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with related parties involving the interest of Toyota Industries Corporation	13		
8.	Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with related parties involving the interest of Bermaz Auto Berhad	14		

My/Our proxy(ies) is to vote on the resolutions as indicated by an “X” in the appropriate space above. If no indication is given, my/our proxy(ies) shall vote or abstain from voting as he/she/they think(s) fit.

For appointment of two (2) proxies, percentage of shareholdings to be represented by each proxy must be indicated below:			
	Percentage (%)	Email Address	Telephone No.
First proxy			
Second proxy			
Total	100%		

IMPORTANT: Disclosure of Shareholder’s and Proxy’s Personal Data

Please refer to the Company’s Data Privacy Notice to Shareholders published in the Company’s corporate website on the Company’s collection of your personal data for the purpose of the Company’s general meeting(s).

You hereby declare that you have read, understood and accepted the statements and terms contained in the Company’s Data Privacy Notice.

In disclosing the proxy’s personal data, you as a shareholder, warrant that the proxy(ies) has/have given his/her/their explicit consent for his/her/their personal data being disclosed and processed in accordance with the Company’s Data Privacy Notice to Proxies.

Dated this _____ day of _____ 2025

Signature/Common Seal of Member(s)

* Please delete as applicable.
** If you do not wish to appoint the Chairman of the Meeting as your proxy/one of your proxies, please strike out the words “or failing him/her, the Chairman of the Meeting” and insert the name(s) of the proxy(ies) you wish to appoint in the blank space(s) provided.

Notes:

1. The 19th AGM of the Company will be held in a hybrid mode and Member(s), proxy(ies), corporate representative(s) or attorney(s) are given options, either:

(i) to attend physically at the Main Venue (**Physical Attendance**); or

(ii) to attend virtually using the Remote Participation and Voting (RPV) facilities provided by the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (Tricor), via Vistra Share Registry and IPO (MY) portal (The Portal) at <https://srmy.vistra.com> (**Virtual Attendance**).

Physical Attendance

Member(s), proxy(ies), corporate representative(s) or attorney(s) who wish to attend and participate at the 19th AGM physically are required to register for the meeting at the Main Venue.

Virtual Attendance

For Member(s), proxy(ies), corporate representative(s) or attorney(s) who wish to attend and participate at the 19th AGM remotely, the virtual meeting will be conducted through live streaming using the RPV facilities at <https://srmy.vistra.com>.

Please refer to the Administrative Guide for detailed instructions on both Physical Attendance and Virtual Attendance.

2. For the purpose of determining a member who shall be entitled to attend, speak and vote at this 19th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Rule 64 of the Constitution of the Company and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 (SICDA), to issue a General Meeting Record of Depositors as at 5 November 2025. Only a member whose name appears on the Record of Depositors as at 5 November 2025 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.
3. A Member entitled to attend and vote at the 19th AGM is entitled to appoint not more than two (2) proxies to exercise all or any of his/her rights to attend, participate, speak and vote at the 19th AGM on his/her behalf. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the percentage of his/her shareholdings to be represented by each proxy. A proxy may, but need not, be a Member of the Company. A Member may appoint any person to be his/her proxy without any restriction as to the qualification of such person.
4. Where a Member of the Company is an Authorised Nominee as defined under SICDA, he/she may appoint not more than two (2) proxies in respect of each Securities Account he/she holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend and vote at a meeting of the Company instead of him/her.

5. Where a Member of the Company is an Exempt Authorised Nominee as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account (Omnibus Account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds PROVIDED THAT each beneficial owner of ordinary shares, or where the ordinary shares are held on behalf of joint beneficial owners, such joint beneficial owners, shall only be entitled to instruct the Exempt Authorised Nominee to appoint not more than two (2) proxies to attend and vote at a general meeting of the Company instead of the beneficial owner or joint beneficial owners.
6. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 19th AGM of the Company shall be put to vote by way of a poll.
7. The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or signed by an officer or attorney so authorised. Any alteration to the instrument appointing a proxy must be initialled by the appointor or his/her attorney duly authorised.
8. The Form of Proxy and power of attorney or other authority, if any, under which it is signed or notarially certified copy of that power or authority, must be deposited with Tricor not less than 24 hours before the time appointed for the taking of the poll or no later than Wednesday, 12 November 2025 at 10.00 a.m. The Form of Proxy can be submitted through either one of the following avenues:

(i) Lodgement of Form of Proxy in hard copy:

To be deposited at Tricor's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, to be deposited in the Drop Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(ii) Electronic lodgement of Form of Proxy:

To be submitted electronically via The Portal at <https://srmy.vistra.com>. Please follow the procedures in the Administrative Guide for the 19th AGM if members wish to submit the Form of Proxy electronically.
9. The Administrative Guide on the conduct of a hybrid AGM of the Company is available at the Company's website at <https://www.sime.com/investor-relations/shareholder-and-dividend-info/general-meeting/agm-2025/>.

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AFFIX
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THE SHARE REGISTRAR

SIME DARBY BERHAD (200601032645 (752404-U))

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