



## QUARTERLY REPORT

On the consolidated results for the second quarter ended 31 December 2025

The Directors are pleased to announce the following:

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

		Quarter ended 31 December		%	Half-year ended 31 December		%
	Note	2025	2024	+ / (-)	2025	2024	+ / (-)
<b>Continuing operations</b>							
Revenue	A7	18,974	17,726	7.0	37,005	35,990	2.8
Operating expenses		(18,455)	(17,266)		(36,042)	(35,044)	
Other operating income		83	83		154	170	
Other gains and losses		–	2		27	522	
Operating profit		602	545	10.5	1,144	1,638	(30.2)
Share of results of joint ventures and associates		165	157		309	278	
<b>Profit before interest and tax</b>	A7	767	702	9.3	1,453	1,916	(24.2)
Finance income		28	29		54	56	
Finance costs		(133)	(176)		(266)	(360)	
<b>Profit before tax</b>	B5	662	555	19.3	1,241	1,612	(23.0)
Taxation	B6	(141)	(150)		(271)	(330)	
<b>Profit from continuing operations</b>		521	405	28.6	970	1,282	(24.3)
<b>Discontinued operations</b>							
Profit from discontinued operations		–	2		–	9	
<b>Profit for the period</b>		521	407	28.0	970	1,291	(24.9)
<b>Attributable to owners of:</b>							
- the Company							
- from continuing operations		431	303	42.2	786	1,098	(28.4)
- from discontinued operations		–	2		–	7	
		431	305	41.3	786	1,105	(28.9)
- non-controlling interests							
- from continuing operations		72	84		149	149	
- from discontinued operations		–	–		–	2	
- perpetual sukuk							
- from continuing operations		18	18		35	35	
<b>Profit for the period</b>		521	407	28.0	970	1,291	(24.9)
		<b>Sen</b>	Sen		<b>Sen</b>	Sen	
Basic earnings per share attributable to owners of the Company	B12						
- from continuing operations		6.3	4.5	42.2	11.5	16.1	(28.4)
- from discontinued operations		–	– <sup>1</sup>		–	0.1	
<b>Total</b>		6.3	4.5	41.3	11.5	16.2	(28.9)

<sup>1</sup>Less than 0.1 sen.

The unaudited Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2025.

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

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

	<b>Quarter ended</b>		<b>Half-year ended</b>	
	<b>31 December</b>		<b>31 December</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Profit for the period</b>	<b>521</b>	407	<b>970</b>	1,291
<b>Other comprehensive (loss)/income:</b>				
<b><u>Continuing operations</u></b>				
<b>Items that will be reclassified subsequently to profit or loss:</b>				
Currency translation differences	<b>(329)</b>	35	<b>(399)</b>	(1,196)
Share of other comprehensive (loss)/income of joint ventures and associates	<b>(12)</b>	6	<b>(8)</b>	(36)
Net changes in fair value of cash flow hedges	<b>(7)</b>	(6)	<b>3</b>	3
Tax credit/(expense)	<b>1</b>	2	<b>(1)</b>	(1)
	<b>(347)</b>	37	<b>(405)</b>	(1,230)
Currency translation differences on repayment of net investment and disposals reclassified to profit or loss	<b>-</b>	-	<b>8</b>	(4)
Changes in fair value of cash flow hedges reclassified to profit or loss and inventories	<b>13</b>	(12)	<b>23</b>	(23)
Tax (expense)/credit	<b>(3)</b>	7	<b>(4)</b>	8
	<b>(337)</b>	32	<b>(378)</b>	(1,249)
<b><u>Discontinued operations</u></b>				
Other comprehensive income from discontinued operations	<b>-</b>	24	<b>-</b>	(7)
Total other comprehensive (loss)/income	<b>(337)</b>	56	<b>(378)</b>	(1,256)
<b>Total comprehensive income for the period</b>	<b>184</b>	463	<b>592</b>	35
<b>Attributable to owners of:</b>				
- the Company				
- from continuing operations	<b>106</b>	326	<b>417</b>	(135)
- from discontinued operations	<b>-</b>	24	<b>-</b>	6
	<b>106</b>	350	<b>417</b>	(129)
- non-controlling interests				
- from continuing operations	<b>60</b>	93	<b>140</b>	133
- from discontinued operations	<b>-</b>	2	<b>-</b>	(4)
- perpetual sukuk				
- from continuing operations	<b>18</b>	18	<b>35</b>	35
<b>Total comprehensive income for the period</b>	<b>184</b>	463	<b>592</b>	35

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2025.

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

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

	Note	Unaudited As at 31 December 2025	Audited As at 30 June 2025
<b><u>Non-current assets</u></b>			
Property, plant and equipment		11,965	12,021
Right-of-use assets		2,821	3,041
Investment properties		559	565
Intangible assets		2,868	2,966
Joint ventures and associates		3,498	3,306
Financial assets at fair value through profit or loss		66	68
Deferred tax assets		815	797
Derivative assets	B9(a)	–	9
Receivables and other assets		179	200
		<b>22,771</b>	<b>22,973</b>
<b><u>Current assets</u></b>			
Inventories		11,397	12,106
Financial assets at fair value through profit or loss		349	382
Receivables, contract assets and other assets		6,975	7,592
Prepayments		1,130	862
Tax recoverable		133	138
Derivative assets	B9(a)	30	59
Bank balances, deposits and cash		3,297	3,039
		<b>23,311</b>	<b>24,178</b>
Assets held for sale		211	237
<b>Total assets</b>		<b>46,293</b>	<b>47,388</b>
<b><u>Equity</u></b>			
Share capital		9,330	9,330
Reserves		9,609	9,874
<b>Attributable to owners of the Company</b>		<b>18,939</b>	<b>19,204</b>
Non-controlling interests		2,897	2,960
Perpetual sukuk		1,181	1,181
<b>Total equity</b>		<b>23,017</b>	<b>23,345</b>
<b><u>Non-current liabilities</u></b>			
Borrowings	B8	3,803	4,891
Lease liabilities		1,838	2,007
Derivative liabilities	B9(a)	– <sup>1</sup>	–
Payables, contract liabilities and other liabilities		797	780
Deferred tax liabilities		820	829
		<b>7,258</b>	<b>8,507</b>
<b><u>Current liabilities</u></b>			
Borrowings	B8	2,616	2,231
Lease liabilities		401	441
Derivative liabilities	B9(a)	46	47
Payables and other liabilities		10,104	10,200
Contract liabilities		2,231	1,961
Provisions		436	415
Tax payable		184	241
		<b>16,018</b>	<b>15,536</b>
<b>Total liabilities</b>		<b>23,276</b>	<b>24,043</b>
<b>Total equity and liabilities</b>		<b>46,293</b>	<b>47,388</b>
Net assets per share attributable to owners of the Company (RM)		<b>2.78</b>	<b>2.82</b>

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

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2025.

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

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

	Share capital	Capital reserve	Legal reserve	Hedging reserve	Exchange reserve	Retained profits	Reserves	Attributable to owners of the Company	Non-controlling interests	Perpetual sukuk	Total equity
<b>Half-year ended 31 December 2025</b>											
At 1 July 2025	9,330	223	155	(2)	(512)	10,010	9,874	19,204	2,960	1,181	23,345
Total comprehensive income/(loss) for the period	-	-	-	19	(388)	786	417	417	140	35	592
Disposal of non-wholly owned subsidiaries	-	-	-	-	-	-	-	-	(13)	-	(13)
Dividends paid	-	-	-	-	-	(682)	(682)	(682)	(165)	-	(847)
Dividends payable	-	-	-	-	-	-	-	-	(25)	-	(25)
Distribution to holders of perpetual sukuk	-	-	-	-	-	-	-	-	-	(35)	(35)
Transfer between reserves	-	-	1	-	-	(1)	-	-	-	-	-
At 31 December 2025	9,330	223	156	17	(900)	10,113	9,609	18,939	2,897	1,181	23,017

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

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

	Share capital	Capital reserve	Legal reserve	Hedging reserve	Exchange reserve	Retained profits	Reserves	Attributable to owners of the Company	Non-controlling interests	Perpetual sukuk	Total equity
<b>Half-year ended 31 December 2024</b>											
At 1 July 2024	9,330	223	146	11	776	8,880	10,036	19,366	2,811	1,181	23,358
Total comprehensive (loss)/income for the period	–	–	–	(17)	(1,217)	1,105	(129)	(129)	129	35	35
Shares issued by a non-wholly owned subsidiary	–	–	–	–	–	–	–	–	1	–	1
Disposal of non-wholly owned subsidiaries	–	–	–	–	–	–	–	–	(96)	–	(96)
Dividends paid	–	–	–	–	–	(682)	(682)	(682)	(103)	–	(785)
Distribution to holders of perpetual sukuk	–	–	–	–	–	–	–	–	–	(35)	(35)
Transfer between reserves	–	–	1	–	–	(1)	–	–	–	–	–
At 31 December 2024	9,330	223	147	(6)	(441)	9,302	9,225	18,555	2,742	1,181	22,478

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2025.

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

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

	Half-year ended 31 December	
	2025	2024
<b>Cash flow from operating activities</b>		
Profit for the period from continuing operations	970	1,282
Adjustments for:		
Dividend income from financial assets	(4)	–
Share of results of joint ventures and associates	(309)	(278)
Finance income	(54)	(56)
Finance costs	266	360
Taxation	271	330
Gain on disposal of fixed assets (net)	–	(459)
Gain on disposal of businesses and equity investments (net)	(29)	(41)
Depreciation and amortisation	1,017	1,083
Impairment of fixed assets (net)	1	2
(Reversal of impairment of receivables)/Impairment of receivables (net)	13	(21)
(Inventory write-down and provision)/Reversal of inventory write-down and provision (net)	(3)	63
Fair value gain on financial assets at fair value through profit or loss (net)	(5)	(1)
Other non-cash items	(15)	(33)
	<u>2,119</u>	<u>2,231</u>
<b>Changes in working capital:</b>		
Inventories	702	1,692
Rental assets	(588)	(640)
Receivables and other assets	113	(18)
Payables and other liabilities	585	(389)
<b>Cash generated from operations</b>	<u>2,931</u>	<u>2,876</u>
Tax paid (net)	(352)	(442)
Dividends received from joint ventures and associates	132	285
Dividends received from financial assets	4	–
Operating cash flow from continuing operations	<u>2,715</u>	<u>2,719</u>
Operating cash flow used in discontinued operations	–	(21)
<b>Net cash flow from operating activities</b>	<u>2,715</u>	<u>2,698</u>
<b>Cash flow from investing activities</b>		
Finance income received	50	50
Purchase of fixed assets	(538)	(539)
Acquisition of subsidiaries and businesses <sup>1</sup>	(19)	(31)
(Net cash outflow)/Proceeds from sale of subsidiaries, businesses and an associate	(5)	150 <sup>2</sup>
Proceeds from sale of fixed assets	40	435
Net additions to financial assets at fair value through profit or loss	39	(56)
Net movement in restricted deposits and deposits with maturity more than 3 months	1	(8)
Investing cash flow (used in)/from in continuing operations	<u>(432)</u>	<u>1</u>
Investing cash flow from discontinued operations	–	30
<b>Net cash flow (used in)/from investing activities</b>	<u>(432)</u>	<u>31</u>

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

<sup>1</sup> Includes part payment of the consideration payable for past acquisitions

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

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

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

	Note	Half-year ended 31 December 2025	2024
<b>Cash flow from financing activities</b>			
Finance costs paid		(191)	(295)
Net borrowings repaid		(610)	(1,607)
Repayment of lease liabilities		(313)	(376)
Proceeds from shares issued to non-controlling interests		–	1
Dividends paid to shareholders		(682)	(682)
Dividends paid to non-controlling interests <sup>3</sup>		(174)	(119)
Distribution paid to perpetual sukuk holders		(35)	(35)
Financing cash flow used in continuing operations		(2,005)	(3,113)
Financing cash flow used in discontinued operations		–	–
<b>Net cash flow used in financing activities</b>		<b>(2,005)</b>	<b>(3,113)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>278</b>	<b>(384)</b>
Foreign exchange differences		(31)	(81)
Cash and cash equivalents at beginning of the period		2,819	2,776
<b>Cash and cash equivalents at end of the period</b>		<b>3,066</b>	<b>2,311</b>
For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents comprised the following:			
Bank balances, deposits and cash		3,297	2,567
Less:			
Bank overdrafts	B8	(130)	(189)
Deposits with maturity of more than 3 months		(33)	(2)
Deposits restricted by bank		(68)	(65)
		<b>3,066</b>	<b>2,311</b>

<sup>3</sup>Dividends paid to other shareholders of non-wholly owned subsidiaries. The amount paid in the current period includes RM9 million declared in the previous financial year (previous corresponding period: RM16 million).

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2025.

## **EXPLANATORY NOTES**

This interim financial report is prepared in accordance with the requirements of paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and complies with the requirements of the Malaysian Financial Reporting Standard (“MFRS”) 134 – Interim Financial Reporting. The interim financial report is unaudited and should be read in conjunction with the Group’s audited annual financial statements for the financial year ended 30 June 2025.

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

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

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited annual financial statements for the financial year ended 30 June 2025, except as set out below.

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

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

- Amendments to MFRS 121 ‘Lack of Exchangeability’

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

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

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

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

- MFRS 18 – ‘Presentation and disclosure in financial statements’
- Amendments to MFRS 121 – ‘Translation to a hyperinflationary presentation currency’

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

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

**A2. Seasonal or Cyclical Factors**

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

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

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

**A4. Material Changes in Estimates**

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

**A5. Debt and Equity Securities**

Sukuk

On 5 November 2025, RM400 million of the Sukuk under UMW Holding Berhad's sukuk programme was redeemed. The outstanding balance of the Sukuk as at 31 December 2025 was RM850 million.

On 10 December 2025, Tranche 2 of the Sukuk Murabahah of Sime Darby Enterprise Sdn Bhd amounting to RM150 million was redeemed. The outstanding balance of the Sukuk Murabahah as at 31 December 2025 was RM1,350 million.

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

**A6. Dividends Paid to Shareholders**

The second interim dividend of 10.0 sen per share amounting to RM682 million for the financial year ended 30 June 2025 was paid by way of cash on 30 September 2025.

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

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

**A7. Segment Information**

	Continuing operations						Discontinued operations	
	Industrial	Motors	UMW <sup>1</sup>	Others	Corporate/ Intra-group adjustments	Total	UKHE	Total
<b>Half-year ended 31 December 2025</b>								
<b>Segment revenue:</b>								
External	9,184	18,975	8,820	26	–	37,005	–	37,005
Inter-segment	7	6	5	8	(26)	–	–	–
	<b>9,191</b>	<b>18,981</b>	<b>8,825</b>	<b>34</b>	<b>(26)</b>	<b>37,005</b>	<b>–</b>	<b>37,005</b>
<b>Profit/(Loss) before interest and tax</b>	<b>593</b>	<b>335</b>	<b>530</b>	<b>40</b>	<b>(45)</b>	<b>1,453</b>	<b>–</b>	<b>1,453</b>
Net finance costs						(212)	–	(212)
Taxation						(271)	–	(271)
<b>Profit for the period</b>						<b>970</b>	<b>–</b>	<b>970</b>
<b>Half-year ended 31 December 2024</b>								
<b>Segment revenue:</b>								
External	9,849	17,453	8,651	37	–	35,990	174	36,164
Inter-segment	2	9	13	8	(32)	–	–	–
	<b>9,851</b>	<b>17,462</b>	<b>8,664</b>	<b>45</b>	<b>(32)</b>	<b>35,990</b>	<b>174</b>	<b>36,164</b>
<b>Profit/(Loss) before interest and tax</b>	<b>680</b>	<b>308</b>	<b>486</b>	<b>482</b>	<b>(40)</b>	<b>1,916</b>	<b>17</b>	<b>1,933</b>
Net finance (costs)/income						(304)	1	(303)
Taxation						(330)	(9)	(339)
<b>Profit for the period</b>						<b>1,282</b>	<b>9</b>	<b>1,291</b>

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

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

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

**A7. Segment Information (continued)**

	<b>Continuing operations</b>					<b>Total</b>
	<b>Industrial</b>	<b>Motors</b>	<b>UMW</b>	<b>Others</b>	<b>Corporate/ Intra-group adjustments</b>	
<b>As at 31 December 2025</b>						
Segment assets	<b>15,903</b>	<b>15,195</b>	<b>13,361</b>	<b>77</b>	<b>809</b>	<b>45,345</b>
Segment liabilities	<b>(3,124)</b>	<b>(6,764)</b>	<b>(3,413)</b>	<b>(318)</b>	<b>5</b>	<b>(13,614)</b>
Segment invested capital	<b>12,779</b>	<b>8,431</b>	<b>9,948</b>	<b>(241)</b>	<b>814</b>	<b>31,731</b>
Net tax liabilities						<b>(56)</b>
Borrowings and lease liabilities						<b>(8,658)</b>
<b>Total equity</b>						<b>23,017</b>
<b>As at 30 June 2025</b>						
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)
<b>Total equity</b>						<b>23,345</b>

**SIME DARBY BERHAD**  
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Explanatory Notes on the Quarterly Report – 31 December 2025  
Amounts in RM million unless otherwise stated

**A7. Segment Information (continued)**

Revenue from continuing operations comprise the following:

	<b>Half-year ended</b>	
	<b>31 December</b>	
	<b>2025</b>	<b>2024</b>
Revenue from contracts with customers	<b>36,380</b>	35,395
Rental income	<b>625</b>	595
	<b>37,005</b>	35,990

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

<b>Half-year ended</b>					
<b>31 December 2025</b>	<b>Industrial</b>	<b>Motors</b>	<b>UMW</b>	<b>Others</b>	<b>Total</b>
<b><u>Continuing operations</u></b>					
<b><u>Segment revenue</u></b>					
Sale of equipment and vehicles	3,625	15,868	6,171	–	25,664
Sale of parts, assembly charges and provision of after-sales services	5,103	2,619	1,912	–	9,634
Manufacturing and engineering	118	–	426	5	549
Commission, handling fees and others	–	348	172	13	533
	<b>8,846</b>	<b>18,835</b>	<b>8,681</b>	<b>18</b>	<b>36,380</b>
<b><u>Geographical location</u></b>					
Malaysia	527	4,432	8,472	16	13,447
China	1,378	6,029	88	–	7,495
Other countries in Asia	350	6,154	121	2	6,627
Australasia	6,591	2,220	–	–	8,811
	<b>8,846</b>	<b>18,835</b>	<b>8,681</b>	<b>18</b>	<b>36,380</b>
<b><u>Timing of revenue recognition</u></b>					
At a point in time	6,588	16,390	8,656	10	31,644
Over time	2,258	2,445	25	8	4,736
	<b>8,846</b>	<b>18,835</b>	<b>8,681</b>	<b>18</b>	<b>36,380</b>

<b>Half-year ended</b>					
<b>31 December 2024</b>	<b>Industrial</b>	<b>Motors</b>	<b>UMW</b>	<b>Others</b>	<b>Total</b>
<b><u>Continuing operations</u></b>					
<b><u>Segment revenue</u></b>					
Sale of equipment and vehicles	3,582	14,209	6,148	–	23,939
Sale of parts, assembly charges and provision of after-sales services	5,824	2,541	1,959	–	10,324
Manufacturing and engineering	154	–	320	4	478
Commission, handling fees and others	–	541	90	23	654
	<b>9,560</b>	<b>17,291</b>	<b>8,517</b>	<b>27</b>	<b>35,395</b>

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**A7. Segment Information (continued)**

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

<b>Half-year ended 31 December 2024</b>	<b>Industrial</b>	<b>Motors</b>	<b>UMW</b>	<b>Others</b>	<b>Total</b>
<b>Geographical location</b>					
Malaysia	587	3,743	8,377	25	12,732
China	1,328	6,403	24	–	7,755
Other countries in Asia	418	4,579	116	2	5,115
Australasia	7,227	2,566	–	–	9,793
	<u>9,560</u>	<u>17,291</u>	<u>8,517</u>	<u>27</u>	<u>35,395</u>
<b>Timing of revenue recognition</b>					
At a point in time	7,194	14,946	8,483	16	30,639
Over time	2,366	2,345	34	11	4,756
	<u>9,560</u>	<u>17,291</u>	<u>8,517</u>	<u>27</u>	<u>35,395</u>

**A8. Capital Commitments**

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

	<b>As at 31 December 2025</b>	<b>As at 30 June 2025</b>
- Property, plant and equipment	<b>483</b>	530
- Other capital expenditure	<b>30</b>	30
	<u><b>513</b></u>	<u>560</u>

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**A9. Significant Related Party Transactions**

Significant related party transactions conducted during the half-year ended 31 December are as follows:

	Half-year ended 31 December	
	2025	2024
<b>a. Transactions with joint ventures and associates</b>		
<b><u>Continuing operations</u></b>		
Purchase of products and services from Sitech Construction Systems Pty Ltd	6	10
Contribution paid to Yayasan Sime Darby	15	16
Sale of goods and services to and rental income from Perusahaan Otomobil Kedua Sdn Bhd (“Perodua”) and its subsidiaries and associates	313	304
Purchase goods and services from Perodua and its subsidiaries and associates	360	382
Sale of land to Perodua and its subsidiaries and associates	–	52
Sale of goods to UMW Toyotsu Motors Sdn Bhd	263	198
<b>b. Transactions between subsidiaries and non-controlling interests or their affiliate companies</b>		
<b><u>Continuing operations</u></b>		
Contract assembly service provided by Inokom Corporation Sdn Bhd (“ICSB”) to Mazda Malaysia Sdn Bhd	31	37
Contract assembly service provided by ICSB to Kia Malaysia Sdn Bhd	2	14
Rental income received by ICSB from Bermaz Auto Berhad group	3	3
Sale of goods and services to Toyota Motor Corporation, Japan and its subsidiaries and Toyota Tsusho Corporation, Japan and its subsidiaries	1,118	1,006
Purchase of goods and services from Toyota Motor Corporation, Japan and its subsidiaries and Toyota Tsusho Corporation, Japan and its subsidiaries	3,728	3,667
Purchase of goods and services from Toyota Industries Corporation, Japan and its subsidiaries	185	189
Purchase of goods and services from Kayaba Industry Co Ltd (“Kayaba”) and its subsidiaries	18	4
Sale of goods and services to Kayaba and its subsidiaries	54	56
<b><u>Discontinued operations</u></b>		
Purchase of goods and services from Komatsu Ltd, Japan and its subsidiaries	–	122

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

Significant related party transactions conducted during the half-year ended 31 December are as follows (continued):

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

As at 31 December 2025, Permodalan Nasional Berhad (“PNB”) owned approximately 4.5% of the issued share capital of the Company. The Company is considered an associate of PNB by virtue of PNB’s representation on the Board of the Company.

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

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

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

There were no material events subsequent to the end of the current quarter under review to 20 February 2026, being a date not earlier than 7 days from the date of issue of the quarterly report.

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

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

Disposal of subsidiaries

In September 2025, the Group completed the disposal of 30% equity interest in Sime Darby Lockton Insurance Brokers Sdn Bhd (“SDLIB”) for a cash consideration of approximately RM24 million. Consequently, SDLIB ceased to be a subsidiary of the Group and is now classified as an associate.

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

Net assets	<b>32</b>
Non-controlling interests	<b>(13)</b>
Share of net assets disposed	<b>19</b>
Gain on disposal	<b>29</b>
Less: Fair value of retained portion of investment in associate	<b>(24)</b>
Total consideration from the disposal	<b>24</b>
Less: cash and cash equivalents of subsidiary disposed	<b>(29)</b>
Net cash outflow from disposal	<b>(5)</b>

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**A12. Contingent Liabilities – unsecured**

a) Guarantees

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

The performance guarantees are as follows:

	<b>As at</b> <b>31 December 2025</b>	<b>As at</b> <b>30 June 2025</b>
Performance and advance payment guarantees to customers of the Group	<u><b>2,663</b></u>	<u><b>2,474</b></u>

In addition, the Group guarantees the payment from its customers under a risk sharing arrangement with a third party leasing company in connection with the sale of its equipment up to a pre-determined amount. As at 31 December 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 RM58 million (30 June 2025: RM76 million).

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

**B1. Review of Group Performance**

	Quarter ended 31 December			Half-year ended 31 December		
	2025	2024	% +/(-)	2025	2024	% +/(-)
<b><u>Continuing operations</u></b>						
Revenue	<u>18,974</u>	<u>17,726</u>	7.0	<u>37,005</u>	<u>35,990</u>	2.8
Segment results:						
Industrial	300	337	(11.0)	593	680	(12.8)
Motors	209	118	77.1	335	308	8.8
UMW	269	272	(1.1)	530	486	9.1
Others	<u>10</u>	<u>(16)</u>		<u>40</u>	<u>24</u>	
	<u>788</u>	<u>711</u>	10.8	<u>1,498</u>	<u>1,498</u>	–
Gain on disposal of Malaysia Vision Valley (“MVV”) land	–	–		–	458	
Foreign exchange loss from repayment of net investments	–	–		(8)	(5)	
Corporate expenses	<u>(21)</u>	<u>(9)</u>		<u>(37)</u>	<u>(35)</u>	
<b>Profit before interest and tax (“PBIT”)</b>	<b>767</b>	<b>702</b>	<b>9.3</b>	<b>1,453</b>	<b>1,916</b>	<b>(24.2)</b>
Finance income	28	29		54	56	
Finance costs	<u>(133)</u>	<u>(176)</u>		<u>(266)</u>	<u>(360)</u>	
<b>Profit before tax</b>	<b>662</b>	<b>555</b>	<b>19.3</b>	<b>1,241</b>	<b>1,612</b>	<b>(23.0)</b>
Taxation	<u>(141)</u>	<u>(150)</u>		<u>(271)</u>	<u>(330)</u>	
<b>Profit from continuing operations</b>	<b>521</b>	<b>405</b>	<b>28.6</b>	<b>970</b>	<b>1,282</b>	<b>(24.3)</b>
Non-controlling interests	(72)	(84)		(149)	(149)	
Perpetual sukuk	<u>(18)</u>	<u>(18)</u>		<u>(35)</u>	<u>(35)</u>	
<b>Profit from continuing operations attributable to owners of the Company</b>	<b>431</b>	<b>303</b>	<b>42.2</b>	<b>786</b>	<b>1,098</b>	<b>(28.4)</b>
<b><u>Discontinued operations</u></b>						
Profit from discontinued operations attributable to owners of the Company	<u>–</u>	<u>2</u>		<u>–</u>	<u>7</u>	
<b>Profit attributable to owners of the Company (“Net Profit”)</b>	<b><u>431</u></b>	<b><u>305</u></b>	<b>41.3</b>	<b><u>786</u></b>	<b><u>1,105</u></b>	<b>(28.9)</b>

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

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

The Group's Net Profit was 41.3% higher at RM431 million mainly due to higher profit from Motors division and lower finance costs, partly offset by lower profit from Industrial division.

**a) Industrial**

PBIT decreased by 11.0% to RM300 million in the current quarter mainly due to lower profit from Australasia and Malaysia. The lower profit from Australasia was mainly due to lower product support and rental results as well as the weaker Australian dollar against the Ringgit. Profit from Malaysia declined mainly due to the significant reversal of impairment of receivables arising from debtor recoveries in the previous corresponding period.

**b) Motors**

PBIT increased by 77.1% to RM209 million in the current quarter mainly due to higher profit from the Asian operations. Results from China improved on better margins while the profit from Malaysia increased mainly due to higher revenue from the assembly operations. Profit for Singapore also increased on the back of higher vehicle sales.

**c) UMW**

Results were close to that of the previous corresponding period. Profit from the automotive business subsidiaries declined due to lower parts sales, exacerbated by higher operating expenses. Performance of the lubricants business improved mainly due to inventory adjustments in the previous corresponding period.

**d) Others**

The current quarter's results include a gain on retranslation of legacy oil & gas liabilities of RM10 million (previous corresponding period: loss of RM22 million).

An analysis of the results for the half-year ended 31 December 2025 against the half-year ended 31 December 2024 is as follows:

The Group's Net Profit was lower by 28.9% at RM786 million. Included in the results of the previous corresponding period was gain on disposal of MVV land.

**a) Industrial**

PBIT was lower by 12.8% at RM593 million largely due to lower profit from Australasia, where the decline was mainly due to weaker results from the product support and rental operations. Included in the results of the previous corresponding period was the gain on disposal of Chubb Singapore of RM18 million.

**b) Motors**

PBIT increased by 8.8% to RM335 million primarily due to the better performance of the China operations on the back of higher margins. This was partly offset by the lower profit from Malaysia and Australasia. The lower profit from Malaysia was mainly due to a decline in profit from the retail and distribution operations while the Australasia operations were impacted by lower revenue and margins. Included in the results of the previous corresponding period was the gain on disposal of the Ferrari business in Australia of RM23 million.

**c) UMW**

PBIT increased by 9.1% to RM530 million mainly due to better results from the lubricants business as explained in the results for the quarter ended 31 December 2025 and higher share of profit from associates in the automotive business.

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

**d) Others**

Included in the results is the gain on disposal of SDLIB of RM29 million.

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

	Quarter ended		
	31 December 2025	30 September 2025	% +/(-)
Revenue	<u>18,974</u>	<u>18,031</u>	5.2
Segment results:			
Industrial	300	293	2.4
Motors	209	126	65.9
UMW	269	261	3.1
Others	10	30	
	<u>788</u>	<u>710</u>	11.0
Foreign exchange loss from repayment of net investments	-	(8)	
Corporate expenses	<u>(21)</u>	<u>(16)</u>	
<b>Profit before interest and tax</b>	<b>767</b>	<b>686</b>	11.8
Finance income	28	26	
Finance costs	<u>(133)</u>	<u>(133)</u>	
<b>Profit before tax</b>	<b>662</b>	<b>579</b>	14.3
Taxation	<u>(141)</u>	<u>(130)</u>	
<b>Profit after tax</b>	<b>521</b>	<b>449</b>	16.0
Non-controlling interests	(72)	(77)	
Perpetual sukuk	<u>(18)</u>	<u>(17)</u>	
<b>Profit attributable to owners of the Company</b>	<b><u>431</u></b>	<b><u>355</u></b>	21.4

The analysis of the results for the quarter ended 31 December 2025 against the quarter ended 30 September 2025 is as follows:

The Group's Net Profit was higher by 21.4%, mainly contributed by the higher profit from the Motors division.

**a) Industrial**

PBIT was slightly higher as better results from the Asian operations were offset by slightly lower profit from the Australian operations. The Asian operations benefited from continued strong engine deliveries while the Australian operations were affected by weaker product support and rental results.

**b) Motors**

PBIT increased by 65.9%, predominantly due to the higher revenue from the assembly operations in Malaysia and improved margins in Mainland China.

**c) UMW**

Results were supported by higher share of profit from automotive business associates.

**d) Others**

Included in the results is the gain on retranslation of legacy oil & gas liabilities of RM10 million while the preceding quarter included the gain on disposal of SDLIB of RM29 million.

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**B3. Prospects**

The global economic outlook remains challenging with the geopolitical tension and volatility in commodity prices and foreign exchange rates.

Amidst this uncertainty, business conditions are anticipated to be subdued. The motors sector continues to be impacted by slower consumer demand and heightened competition. Nevertheless, sales in the affordable vehicle segment in Malaysia remains resilient. For the Industrial sector, the medium to long term demand from the Australian mining industry for the Group's equipment and after-sales service is expected to remain strong.

The Board anticipates that the Group's core financial performance for the financial year ending 30 June 2026 to be consistent with that of financial year 2025.

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

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

**B5. Profit before tax**

	Quarter ended 31 December		Half-year ended 31 December	
	2025	2024	2025	2024
Included in operating profit of continuing operations are:				
Depreciation and amortisation	<b>(508)</b>	(538)	<b>(1,017)</b>	(1,083)
Reversal of inventory write-down and provision/ (Inventory write-down and provision) (net)	<b>3</b>	(59)	<b>3</b>	(63)
(Impairment)/Reversal of impairment of receivables (net)	<b>(9)</b>	13	<b>(13)</b>	21
Impairment of fixed assets (net)	<b>–</b>	(6)	<b>(1)</b>	(2)
Gain on disposal of properties	<b>–</b>	–	<b>2</b>	458
Net (loss)/gain on disposal of other fixed assets (net)	<b>(3)</b>	(1)	<b>(2)</b>	1
Gain on disposal of subsidiaries, businesses and associates (net)	<b>–</b>	–	<b>29</b>	41
Fair value gain on financial assets at fair value through profit or loss (net)	<b>3</b>	–	<b>5</b>	1
Foreign exchange (loss)/gain (net)	<b>(1)</b>	(32)	<b>(16)</b>	5
Gain on derivatives (net)	<b>2</b>	30	<b>3</b>	3
(Loss)/Gain on lease modification/termination (net)	<b>(1)</b>	11	<b>7</b>	15

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**B6. Taxation**

	Quarter ended 31 December		Half-year ended 31 December	
	2025	2024	2025	2024
<b>Continuing operations</b>				
Current tax:				
- current year	162	156	314	319
- previous years	(8)	2	(7)	(15)
	<u>154</u>	<u>158</u>	<u>307</u>	<u>304</u>
Deferred tax:				
- origination and reversal of temporary differences and other deferred tax adjustments	(13)	(8)	(36)	26
	<u>141</u>	<u>150</u>	<u>271</u>	<u>330</u>
<b>Discontinued operations</b>	<u>-</u>	<u>1</u>	<u>-</u>	<u>9</u>

The effective tax rate of continuing operations (excluding share of results of joint ventures and associates) for the current quarter and half-year ended 31 December 2025 of 28.4% and 29.1% respectively were higher than the applicable tax rate of 24.4%. This is mainly due to the impact of non-deductible expenses and deferred tax not recognised for certain tax losses.

**B7. Status of Corporate Proposals**

There were no corporate proposals announced but not completed as at 20 February 2026, being a date not earlier than 7 days from the date of issue of the quarterly report.

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**B8. Group Borrowings**

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

	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
<u>Long-term</u>			
Term loans and other long-term borrowings	–	<b>2,453</b>	<b>2,453</b>
Sukuk and Islamic term loans	–	<b>1,350</b>	<b>1,350</b>
	<u>–</u>	<u><b>3,803</b></u>	<u><b>3,803</b></u>
<u>Short-term</u>			
Term loans and other long-term borrowings	<b>6</b>	<b>360</b>	<b>366</b>
Sukuk and Islamic term loans	<b>22</b>	<b>857</b>	<b>879</b>
Islamic financing	–	<b>168</b>	<b>168</b>
Islamic bank overdrafts	–	<b>18</b>	<b>18</b>
Bank overdrafts	–	<b>112</b>	<b>112</b>
Revolving credits, bankers acceptances, trade facilities and other short-term borrowings	–	<b>1,073</b>	<b>1,073</b>
	<u><b>28</b></u>	<u><b>2,588</b></u>	<u><b>2,616</b></u>
Total borrowings	<u><b>28</b></u>	<u><b>6,391</b></u>	<u><b>6,419</b></u>

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

	<b>Long-term borrowings</b>	<b>Short-term borrowings</b>	<b>Total</b>
Ringgit Malaysia	<b>1,371</b>	<b>1,196</b>	<b>2,567</b>
Australian dollar	<b>2,432</b>	<b>1,009</b>	<b>3,441</b>
Chinese renminbi	–	<b>107</b>	<b>107</b>
European Union euro	–	<b>26</b>	<b>26</b>
Hong Kong dollar	–	<b>67</b>	<b>67</b>
Indonesian rupiah	–	<b>22</b>	<b>22</b>
New Zealand dollar	–	<b>15</b>	<b>15</b>
Pacific franc	–	<b>9</b>	<b>9</b>
Taiwan dollar	–	<b>54</b>	<b>54</b>
Thailand baht	–	<b>76</b>	<b>76</b>
United States dollar	–	<b>35</b>	<b>35</b>
Total borrowings	<u><b>3,803</b></u>	<u><b>2,616</b></u>	<u><b>6,419</b></u>

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

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**B9. Financial Instruments**

a) Derivatives

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

	<b>Classification in</b>		<b>Net fair value</b>
	<b>Statement of Financial Position</b>	<b>Statement of Financial Position</b>	
	<b>Assets</b>	<b>Liabilities</b>	
Forward foreign exchange contracts	<b>30</b>	<b>(37)</b>	<b>(7)</b>
Embedded derivatives	<b>–</b>	<b>(9)</b>	<b>(9)</b>
	<b>30</b>	<b>(46)</b>	<b>(16)</b>

There is no change to the type of derivative financial contracts entered into, cash requirements of the derivatives, risk associated with the derivatives and the risk management objectives and policies to mitigate these risks since the financial year ended 30 June 2025.

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

Forward foreign exchange contracts

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

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

	<b>Notional amount</b>	<b>Net fair value liabilities</b>
- less than 1 year	<b>4,836</b>	<b>(7)</b>
- 1 year to 3 years	<b>7</b>	<b>(–)<sup>1</sup></b>
	<b>4,843</b>	<b>(7)</b>

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

Embedded derivatives

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

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

	<b>Notional amount</b>	<b>Fair value assets</b>
- less than 1 year	<b>592</b>	<b>(9)</b>

**B9. Financial Instruments (continued)**

b) Financial instruments measured at fair value

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

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

The fair values of quoted 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 and loan to joint venture are based on valuation techniques with significant unobservable inputs (Level 3). The following table presents the Group’s financial assets at FVTPL and loan to joint venture into three different levels as defined above:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at FVTPL	1	349	65	415
Loan to joint venture <sup>1</sup>	–	–	17	17

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

Derivatives

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

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

c) Fair Value Changes of Financial Liabilities

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

**B10. Material Litigation**

Changes in material litigation since the date of the last audited annual statement of financial position up to 20 February 2026 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 RM309 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 judgment with costs and interest be entered in favour of the Plaintiffs against the respective Defendants for a sum equivalent to approximately RM360 million.

The sealed order has been extracted from the Court and is in the process of being served on the Defendants. Execution proceedings will be commenced thereafter.

**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.

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**B10. Material Litigation (continued)**

Changes in material litigation since the date of the last audited annual statement of financial position up to 20 February 2026 are as follows: (continued)

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

Sime Darby Engineering Sdn Bhd (“SDE”) and Swiber Offshore Construction Pte Ltd (“SOC”) entered into a Consortium Agreement to govern their relationship as a consortium (“the Consortium”) to undertake works relating to the PP Project awarded by Oil and Natural Gas Corporation Ltd (“ONGC”). A contract dated 3 July 2010 was executed for a total contract price of USD618 million (approximately RM2.4 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 RM297 million).

On 22 March 2018, the tribunal ordered ONGC to pay the Consortium a net sum of USD5.12 million (approximately RM20 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 RM19 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 and the enforcement proceedings is stayed pending the Court hearing ONGC’s application to set aside the arbitration award rendered by the arbitral tribunal.

The hearing scheduled for 20 February 2026 was not heard on that day. Parties are waiting for a new hearing date to be fixed by the Court.

**B11. Dividend**

The Board has declared an interim dividend of 3.0 sen per share in respect of the financial year ended 30 June 2026. The dividends are proposed to be payable on 31 March 2026 to shareholders whose name appears in the Record of Depositors as at the close of business on 18 March 2026.

A depositor shall qualify for entitlement to the dividends only in respect of:

- (i) shares transferred into the depositor’s securities account before 4.30 p.m. on 18 March 2026 in respect of transfers; and
- (ii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

An interim dividend of 3.0 sen per share and special dividend of 1.0 sen per share were declared in the previous corresponding period.

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**(Company No: 200601032645 (752404-U))**

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**B12. Earnings Per Share**

	Quarter ended 31 December		Half-year ended 31 December	
	2025	2024	2025	2024
Basic earnings per share attributable to owners of the Company are computed as follows:				
Profit attributable to owners of the Company from:				
- continuing operations	<b>431</b>	303	<b>786</b>	1,098
- discontinued operations	<u>-</u>	<u>2</u>	<u>-</u>	<u>7</u>
	<b><u>431</u></b>	<b><u>305</u></b>	<b><u>786</u></b>	<b><u>1,105</u></b>
Weighted average number of ordinary shares in issue (million)	<b><u>6,816</u></b>	<u>6,816</u>	<b><u>6,816</u></b>	<u>6,816</u>
Basic earnings per share (sen)				
- continuing operations	<b>6.3</b>	4.5	<b>11.5</b>	16.1
- discontinued operations	<u>-</u>	<u>-<sup>1</sup></u>	<u>-</u>	<u>0.1</u>
	<b><u>6.3</u></b>	<b><u>4.5</u></b>	<b><u>11.5</u></b>	<b><u>16.2</u></b>

<sup>1</sup>Less than 0.1 sen.

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